Bank Mandiri continues to maintain strong and sustainable financial performance, supported by solid balance sheet growth, healthy financial ratios, and stable profitability through cost efficiency and effective business strategies. Healthy credit growth and an increase in low-cost funds ensure an optimal funding structure, strengthening cost efficiency and liquidity. Strong asset quality reflects prudent risk management, while net income from subsidiaries contributes positively to consolidated performance. Through digital innovation, operational excellence, and strategic synergy, Bank Mandiri continues to create long-term value and reinforce its leadership in the financial industry.



MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC REVIEW

During 2024, Indonesia's economic growth remained positive, navigating global and national challenges such as market volatility, inflation, and fluctuations in commodity prices. The government focused on national economic recovery amidst uncertainties, while the banking sector demonstrated resilience through increased loan disbursement, strong third-party fund growth, and advancements in digital services, reinforcing its role in driving sustainable economic growth.

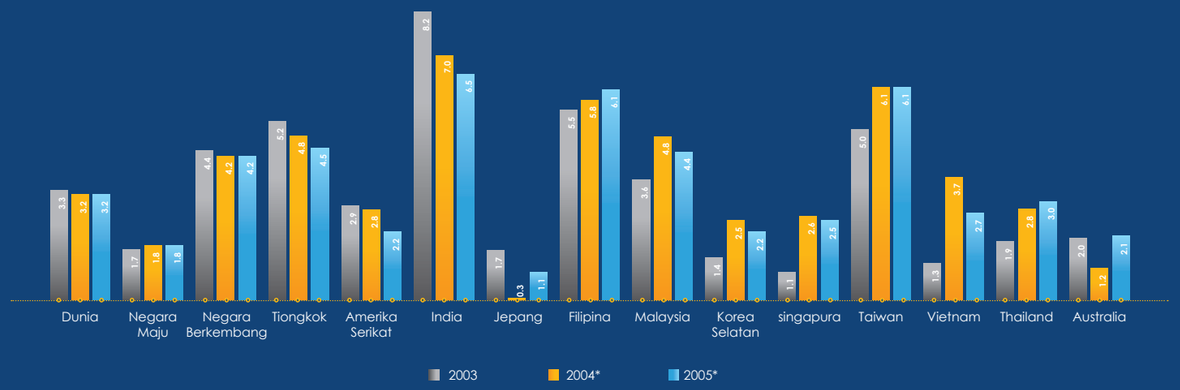


GLOBAL ECONOMIC ANALYSIS

The global economy remains overshadowed by various uncertainties. This is reflected in the expectation that U.S. Federal Reserve interest rate cuts may not be as substantial as previously anticipated, given strong U.S. economic data, including high inflation and solid labor market conditions. The re-election of Donald Trump as U.S. President adds further pressure to global economic and trade prospects, due to the aggressive policies planned, such as imposing significant import tariffs on other countries, including China. Moreover, ongoing geopolitical risks could trigger fluctuations in commodity prices and exchange rates.

According to the World Economic Outlook report from the International Monetary Fund (IMF) in January 2025, global economic growth is projected to slow slightly to 3.2% in 2024, before rising modestly to 3.3% in 2025.

Realized & Projected GDP Growth of Indonesia's Major Trading Partners (in percentage)



*): projection | Source: World Economic Outlook IMF October 2024, processed.

Throughout 2024, the U.S. economy outpaced initial expectations, accompanied by improvements in unemployment rates, stronger domestic demand, and a downward trend in inflation. These conditions shifted market expectations regarding the Federal Reserve's rate cuts, which are now projected to be smaller than previously anticipated. During the December 2024 Federal Open Market Committee (FOMC) meeting, the Fed lowered the federal funds rate (FFR) by 25 basis points to 4.50%, aligning with market expectations. However, in 2025, the Fed is expected to reduce rates by only 50 basis points, down from earlier forecasts of a 100-basis-point cut.

In Europe, the economy also showed an improving trend throughout 2024, as evidenced by rising retail sales. Nonetheless, the region continues to encounter challenges in the manufacturing sector. The European Central Bank (ECB) further reduced its benchmark interest rate to 3.15% in December 2024. The IMF projects the Eurozone economy to grow by 0.8% in 2024.

GLOBAL ECONOMIC ANALYSIS

China's economic growth is expected to slow to 4.8% in 2024, below the government's target of approximately 5%. To stimulate the real economy, the Chinese government and central bank introduced various stimulus measures and eased monetary policies. However, the IMF forecasts China's growth to decelerate further to 4.5% in 2025.

India's economy is projected to grow by 7.0% in 2024, one of the highest rates among G20 countries, driven by strong domestic consumption and easing inflation. In 2025, India's growth is expected to slow to 6.5%.

Global trade volume is projected to increase by 3.1% in 2024, a significant improvement from the 0.8%. growth recorded in 2023. Meanwhile, the Global Manufacturing PMI, as reported by J.P. Morgan and S&P Global, stood at 49.4 in November 2024, remaining in contraction territory (below 50.0) but improving from the previous

J.P.Morgan Global Manufacturing PMI

Sa,>50 = improvement since previous month

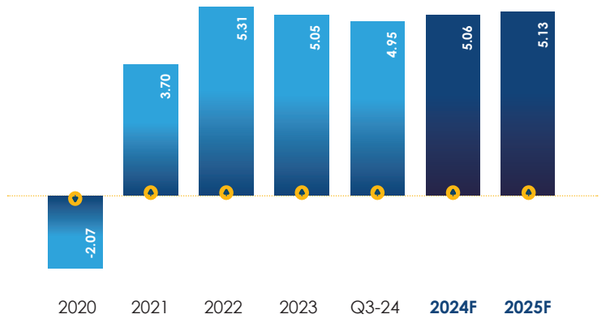


Source: J.P.Morgan, S&P Global.

INDONESIAN ECONOMIC ANALYSIS

Indonesia's economy in the third quarter of 2024 continued to demonstrate resilience and sustained recovery amid global challenges. The Central Statistics Agency (BPS) recorded a growth rate of 4.95% year-on-year (yoy). All sectors posted growth, with the Other Services sector showing a significant increase of 9.95%, Transportation and Warehousing up by 8.64%, and Accommodation and Food Service activities growing by 8.33%. Meanwhile, the manufacturing industry, which plays a dominant role in Indonesia's economy, recorded growth of 4.72%.

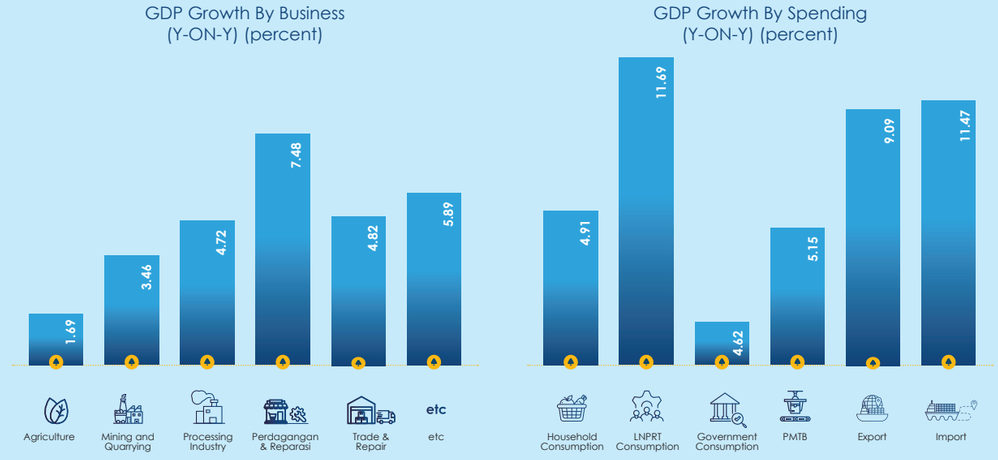
GDP Growth (%)



*) Projection; Source: BPS, BI, and IMF.

Indonesia's economic growth in the third quarter of 2024 was bolstered by strong domestic demand. Investment activity also remained robust, particularly in construction, supported by the completion of various National Strategic Projects (PSN). Household consumption, especially among the upper-middle class, remained steady and well-maintained.

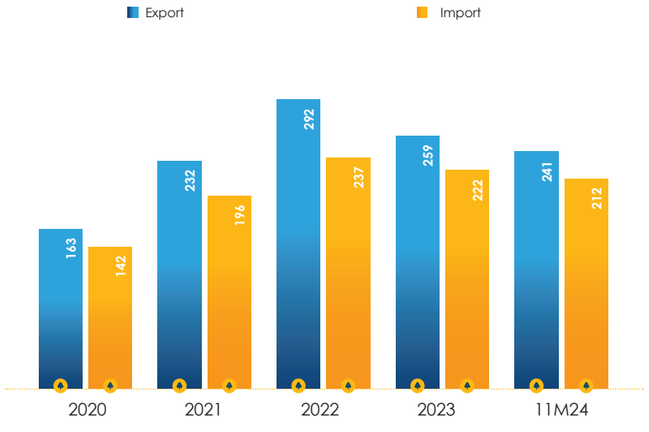
GDP Growth Based on Business and Expenditure as of Quarter III 2024



Source: BPS

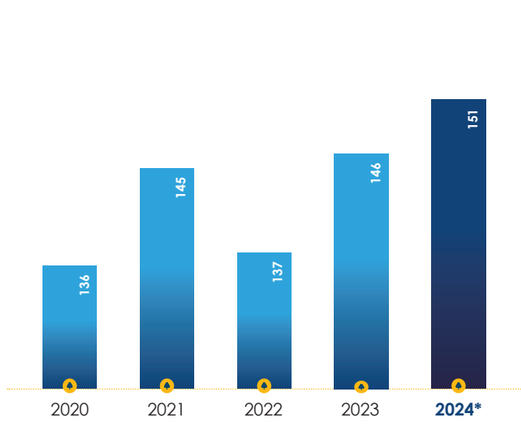
Indonesia's cumulative non-oil and gas exports grew positively despite global challenges and declining commodity prices. According to BPS, cumulative non-oil and gas exports reached $226.91 billion, up 2.24% (c-to-c). Cumulatively, the total value of Indonesia's exports from January-November 2024 reached $241.25 billion, marking a 2.06% (c-to-c) increase compared to the same period in 2023. Meanwhile, the total value of Indonesia's imports during January-November 2024 was recorded at $212.39 billion, a growth of 4.74% (c-to-c) from the same period in 2023.

Export & Impor (USD Billion)



Source: BPS

Foreign Exchange Reserves (USD Billion)

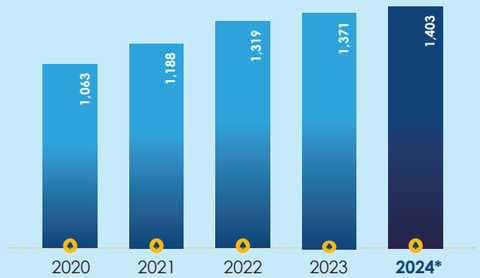


*): per October 2024; Source: BI.

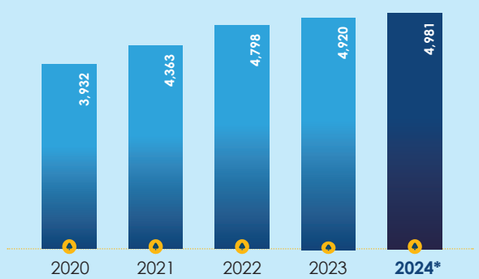
Indonesia's Balance of Payments (BOP) remained stable, supporting external stability. In the third quarter of 2024, the BOP recorded a deficit of US$5.87 billion, underpinned by a stable current account deficit and a continued surplus in the goods trade balance of US$9.29 billion. Portfolio investment inflows also persisted in the third quarter of 2024, with net inflows amounting to US$9.55 billion. Cumulatively, portfolio investments through the third quarter of 2024 recorded net inflows of US$10.95 billion. Direct investment also rose in the third quarter of 2024 to US$5.24 billion from US$2.14 billion in the previous quarter, reaching a cumulative total of US$11.98 billion. This reflects global investor optimism about the domestic economic conditions.

In the fourth quarter of 2024, Bank Indonesia (BI) projects that national economic growth will remain strong, supported primarily by increased investment, solid household consumption, and higher government spending at the end of the year. For the full year, BI forecasts Indonesia's economic growth in 2024 to remain resilient, within a range of 4.7% to 5.5%. Meanwhile, the Indonesian government, in its macroeconomic assumptions, has set a target of 5.2% for 2024. According to the International Monetary Fund (IMF) in its World Economic Outlook report from January 2025, Indonesia's economic growth in 2024 is projected to reach 5.00%.

GDP Nominal (USD Billion)



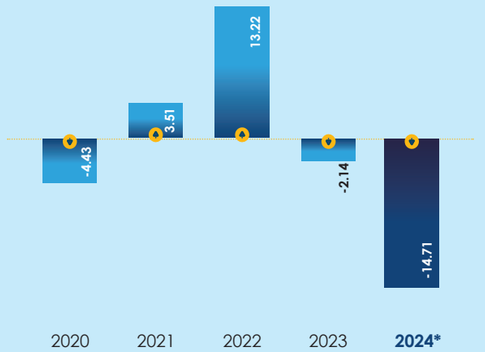
GDP/Capita (USD)



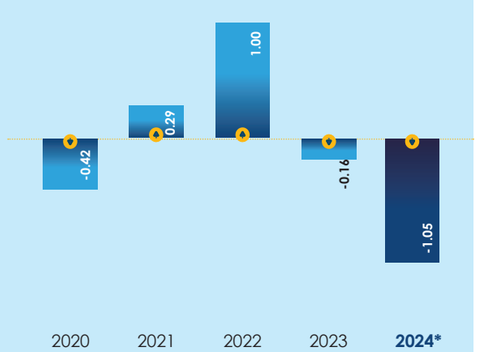
*) Projection; Source: IMF.

Bank Indonesia recorded foreign exchange reserves at US$155.7 billion in December 2024. This is the highest level on record, rising from the previous month's position of US$150.2 billion in November 2024. The increase in foreign exchange reserves in December 2024 was attributed to tax and service receipts, government foreign loan disbursements, and foreign exchange earnings from the oil and gas sector. BI anticipates that Indonesia's BOP in 2024 will remain stable, supported by a current account deficit that stays within a low range of 0.1% to 0.9% of GDP. The capital and financial account balance is also projected to maintain a surplus, underpinned by increases in both direct and portfolio investments, in line with positive investor sentiment toward the national economic outlook and attractive investment returns.

Current Account Balance (USD Billion)



Current Account Balance (% to GDP)

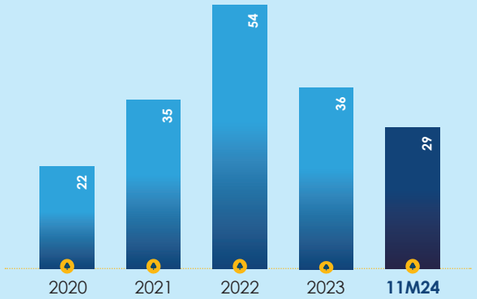


*) Projection; Source: IMF,

INDONESIAN ECONOMIC ANALYSIS

Indonesia's trade balance in November 2024 recorded a surplus of US$4.42 billion, driven by a non-oil and gas surplus of US$5.67 billion, while the oil and gas sector posted a deficit of US$1.25 billion. From January to November 2024, the oil and gas sector registered a cumulative deficit of US$18.64 billion, while the non-oil and gas sector achieved a surplus of US$47.50 billion, resulting in an overall trade surplus of US$28.86 billion.

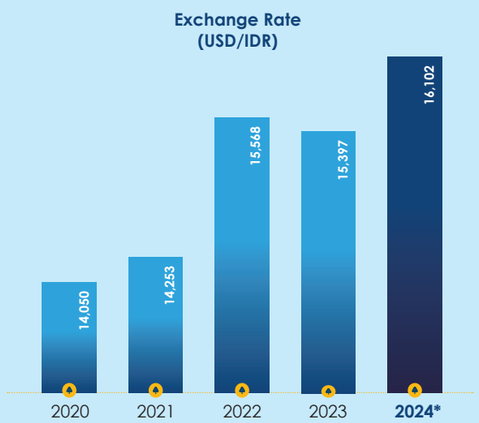
Indonesia's Trade Balance (USD Billion)



*): Januari-November 2024; Source: BPS.

The Rupiah exchange rate weakened by 1.6% by the end of December 2024 compared to the previous month. This depreciation was primarily driven by ongoing global uncertainties, such as a more moderate global rate-cut outlook than previously anticipated and the potential implementation of aggressive policies by Donald Trump. On a year-over-year basis, the Rupiah depreciated by 4.6% compared to the end of December 2023, performing better than the Japanese Yen and South Korean Won, which depreciated by 7.0% and 10.3%, respectively. Bank Indonesia will continue to optimize all monetary instruments, including strengthening pro-market monetary operations through the utilization of Bank Indonesia Rupiah Securities (SRBI), Bank Indonesia Foreign Exchange Securities (SVBI), and Bank Indonesia Foreign Exchange Sukuk (SUVBI), to enhance policy effectiveness in attracting foreign capital inflows and supporting the Rupiah's exchange rate stability.

Exchange Rate (USD/IDR)

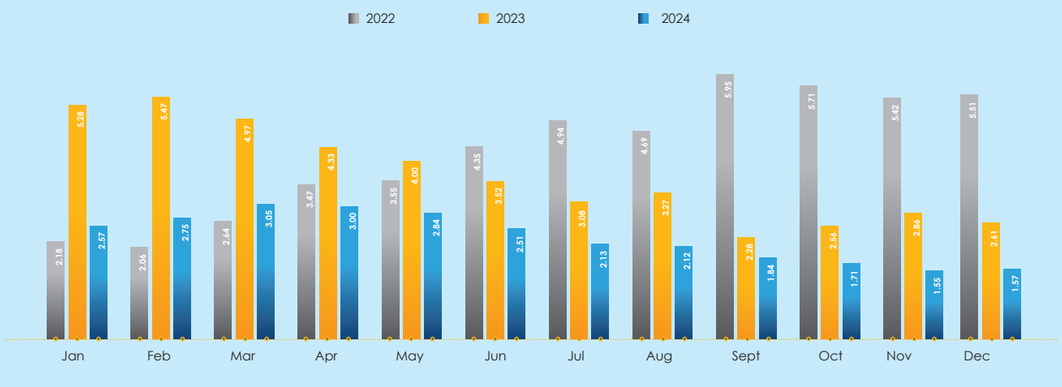


*): per December 2024; Source: Bloomberg

INDONESIAN ECONOMIC ANALYSIS

On inflation, conditions remained well within the target range of 2.5±1%. Statistics Indonesia (BPS) recorded a year-end inflation rate of 1.57% in 2024, with the Consumer Price Index (CPI) reaching 110.39.

Annual Inflation Comparison (% yoy)

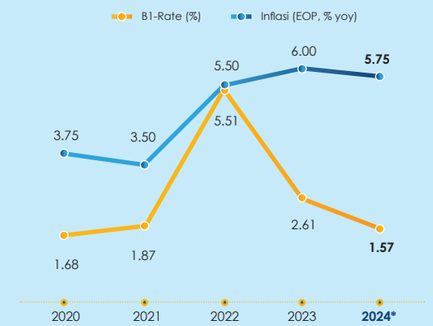


Source: BPS

Most expenditure indexes exhibited stable inflation rates. The food, beverages, and tobacco group recorded inflation of 1.90%; clothing and footwear group at 1.16%; housing, utilities, electricity, and household fuels group at 0.59%; household equipment and maintenance group at 1.04%; health group at 1.93%; recreation, sports, and culture group at 1.17%; education group at 1.94%; food and beverage service/restaurants group at 2.48%; and personal care and other services group at 7.02%. Meanwhile, there were declines in the indexes of the transportation group, which experienced deflation of 0.33%, and the information, communication, and financial services group, which declined by 0.27%.

In December 2024, Bank Indonesia decided to maintain the BI Rate at 6,0%, the Deposit Facility rate at 5.00%, and the Lending Facility rate at 6.50%. This decision aligns with BI's monetary policy direction to keep inflation under control within the target range of 2.5±1% in 2024 while also supporting sustainable economic growth. In the short term, BI's monetary policy focus is on stabilizing the Rupiah exchange rate in light of increasing uncertainty in global financial markets. Looking ahead, Bank Indonesia will continue to monitor the possibility of lowering policy rates while considering inflation prospects, the Rupiah's exchange rate, and economic growth.

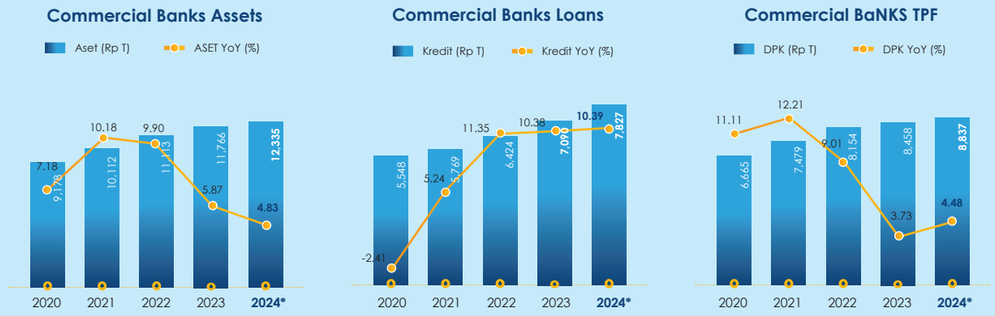
BI-Rate Vs Inflasi



*): per December 2024; Source: BI & BPS.

BANKING INDUSTRY ANALYSIS

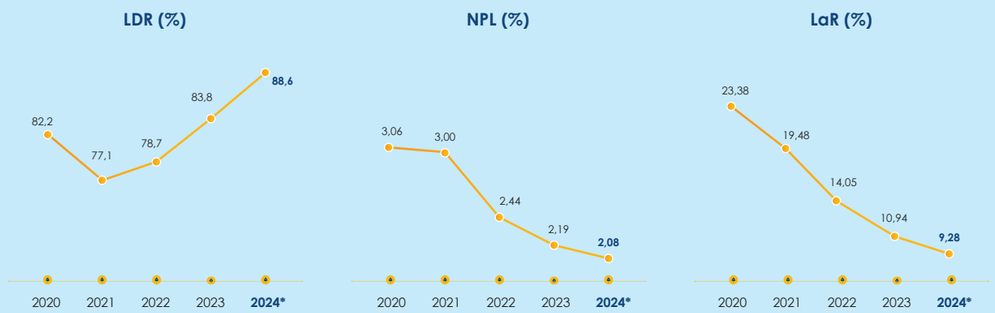
Indonesian Banking Main Financial Indicators



*): assets data as of November 2024, loans data & third-party funds data as of December 2024.
Source: Indonesian Banking Statistics August 2024 Financial Services Authority (assets data), BI and KSSK (loans & TPF).

Throughout 2024, banking intermediation performance (commercial banks) continued to grow positively, maintaining double-digit growth since the end of 2023. As of December 2024, loan growth to third parties increased by 10.39% (yoy) to Rp7827.92 trillion. This strong growth was primarily driven by Investment Loans, which grew by 13.62%, followed by Consumer Loans at 10.61% and Working Capital Loans at 8.35%.

From a bank ownership perspective, State-Owned Enterprises (SOEs) served a key role in driving commercial bank intermediation growth, recording a 12.10% (yoy) increase. Meanwhile, based on the debtor category, corporate loans and Micro, Small, and Medium Enterprises (MSME) loans grew by 15.67% and 3.37%, respectively. This loan growth pushed the Loan to Deposits Ratio (LDR) of commercial banks to 88.57% as of December 2024.



*): as of December 2024.
Source: Press Release, Financial Services Authority, BI, and KSSK.

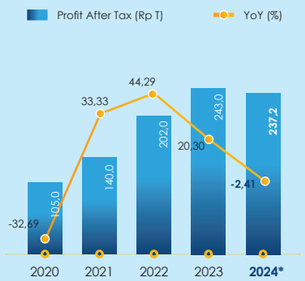
This strong intermediation performance was also supported by well-maintained credit quality, with the Non-Performing Loan (NPL) ratio stood at 2.08% (gross) and 0.75% (net) as of December 2024. Loan at Risk (LaR) also showed a declining trend to 9.28%. This LaR ratio is approaching the pre-pandemic level of 9.93% recorded in December 2019.

The Banking Survey conducted by Bank Indonesia indicated positive growth in new loan disbursements during the fourth quarter of 2024. This is reflected in the Weighted Net Balance (SBT) of new loan disbursements, which stood at 97.9%. By loan type, the increase in new loan growth was primarily driven by investment loans and working capital loans. Furthermore, in the first quarter of 2025, new loan disbursements are expected to remain strong, with the projected SBT for new loan disbursements at 82.3%.

However, lending standards in the first quarter of 2025 are expected to remain as stringent as in the previous period. This is indicated by a positive Lending Standard Index (ILS) of 0.2. The aspects of lending policies anticipated to be more stringent include credit limits, loan interest rates, and risk premium adjustments.

Survey results indicate that respondents remain optimistic about credit growth through the end of 2025, with strong projected growth in outstanding loans. This optimism is driven by economic and monetary outlooks, as well as the relatively well-maintained risk levels in loan disbursement.

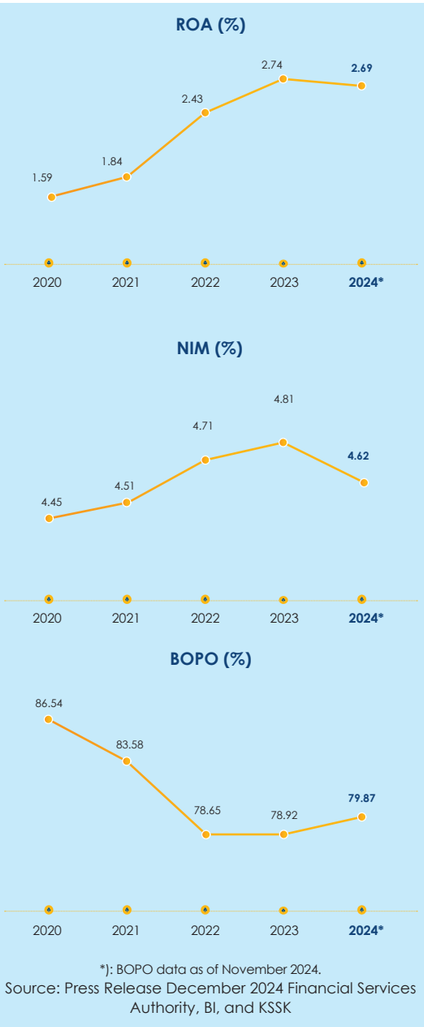
Profit After Tax



*): data as of November 2024.
Source: Indonesian Banking Statistics August 2024 Financial Services Authority.

BANKING INDUSTRY ANALYSIS

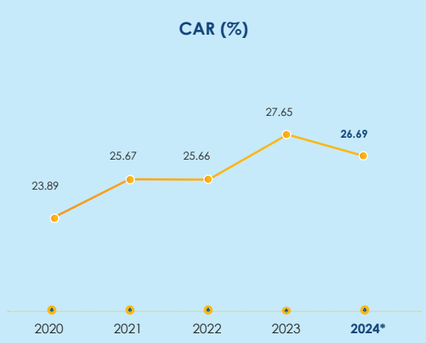
In terms of profitability, net profit of commercial banks reached Rp237.15 trillion as of November 2024, a contraction of 2.41% (yoy) compared to the same period in the previous year. Meanwhile, the profitability of commercial banks, as indicated by the Return on Assets (ROA) and Net Interest Margin (NIM) ratios, stood at 2.69% and 4.62%, respectively, as of December 2024. These ROA and NIM levels demonstrate that the banking industry remains resilient and relatively stable. In addition, commercial banks were able to effectively manage the Operating Expenses to Operating Income (BOPO) ratio, maintaining it at 79.87% as of November 2024.



*): BOPO data as of November 2024.
Source: Press Release December 2024 Financial Services Authority, BI, and KSSK

Regarding fund collection, Third-Party Funds (DPK) in commercial banks continued to increase, reaching Rp8836.84 trillion in December 2024, reflecting a growth of 4.48% (yoy) compared to the same period in the previous year. Savings recorded the highest growth at 6.78% (yoy), followed by time deposits and demand deposits, which grew by 3.50% and 3.34% (yoy), respectively.

Banking industry liquidity in December 2024 remained adequate, with the Liquidity Asset to Non-Core Deposit (AL/NCD) and Liquidity Asset to Third-Party Funds (AL/DPK) ratios standing at 112.87% and 25.59%, both well above their respective thresholds of 50% and 10%. Meanwhile, the Liquidity Coverage Ratio (LCR) was at 213.23%, and the Net Stable Funding Ratio (NSFR) stood at 128.75%. These LCR and NSFR positions indicate the continued strength of short-term liquidity resilience and long-term funding stability in the national banking industry.



*): as of December 2024.
Source: Press Release Financial Services Authority, BI, and KSSK

Meanwhile, the Capital Adequacy Ratio (CAR) of commercial banks remained at a high level, stood at 26.69% as of December 2024. This strong capital position serves as a risk mitigation buffer, enabling banks to absorb global uncertainties while supporting future credit growth.

ANALYSIS OF BANK MANDIRI POSITION IN THE BANKING INDUSTRY

The overall growth of Bank Mandiri's consolidated financial performance has been successfully maintained and further enhanced. The following table compares Bank Mandiri's consolidated financial performance growth with that of the banking industry (commercial banks).

Comparison of Consolidated Financial Performance Growth of Bank Mandiri (as of December 2024) vs the Banking Industry (Commercial Banks) as November 2024 (yoy)

Performance	Banking Industry (Commercial Banks)	Bank Mandiri (Consolidated)
Assets	7.93%	11.6%
Loans	10.4%[1)]	19.5%
Third Party Funds	4.48%[1)]	7.73%
Low-Cost Funds	5.06%[1)]	8.49%
Interest Income *	18.9%	14.1%
Interest Expenses **	37.8%	35.0%
Net Interest Income ***	3.01%	6.40%
Fee Based Income	14.1%	4.12%
Total Operating Income ****	6.42%	5.73%
Total Non-Interest Operating Income *****	29.5%	10.2%
Operating Profit	9.34%	1.90%
Net Profit	7.00%	1.31%

Source: OJK as of November 2024, Bank Mandiri's Published Report as of December 2024
1) BI's RDG Results December and OJK press release from December 2024
*) includes interest income and sharia income;
**) includes interest expenses and sharia expenses;
***) includes interest income and expenses, sharia income and expenses, premium income, and claim expenses;
****) the total of Net Interest Income and Fee-Based Income;
*****) includes allowance for impairment losses costs.

MARKET SHARE OF BANK MANDIRI CONSOLIDATED FINANCIAL PERFORMANCE INDICATORS IN THE BANKING INDUSTRY (COMMERCIAL BANKS)



ASSETS

As of December 2024, Bank Mandiri's consolidated total assets reached Rp2,427.2 trillion, an increase of 11.6% (yoy). The asset growth surpassed the average growth in the banking industry (commercial banks), which stood at 7.93% (yoy), reaching Rp12,334.7 trillion as of November 2024. This achievement boosted Bank Mandiri's asset market share to 19.68%.



*): data for Commercial Banks as of November 2024 and data for Bank Mandiri as of December 2024;
BMRI's asset market share compared to the banking industry's assets.

LOANS

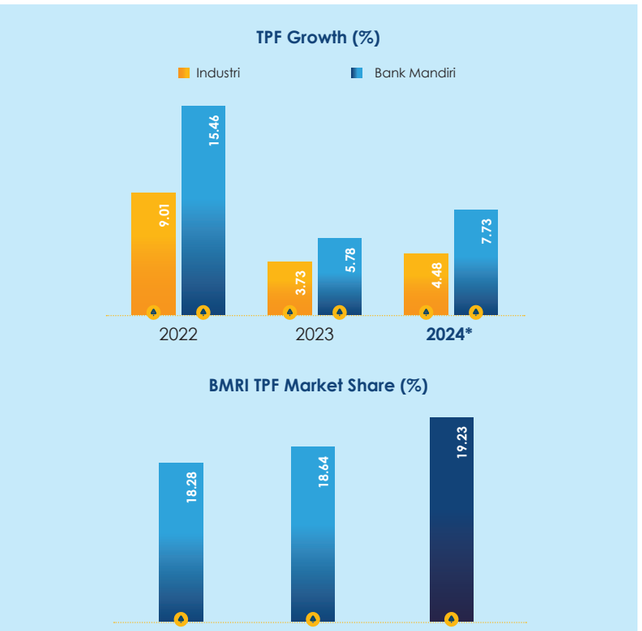
As of December 2024, Bank Mandiri's consolidated loans reached Rp1,670.5 trillion, grew by a double-digit rate of 19.5% (yoy) compared to Rp1,398.1 trillion in December 2023. The loan growth exceeded the banking industry's (commercial banks) growth rate of 10.4% (yoy) as of December 2024. With this positive loan growth, Bank Mandiri's market share in loans increased to 21.34% as of December 2024.



*): data for Commercial Banks and data for Bank Mandiri as of December 2024;
BMRI's loan market share compared to the banking industry's loans.

THIRD-PARTY FUNDS

As of December 2024, Bank Mandiri successfully acquired consolidated third-party funds amounting to Rp1,698.9 trillion, reflecting a 7.73% (yoy) increase from Rp1,577.0 trillion in the same period the previous year. The growth in third-party funds exceeded the banking industry's (commercial banks) growth rate of 4.48% (yoy) in December 2024. Bank Mandiri's market share of third-party funds among commercial banks rose to 19.23% as of December 2024.

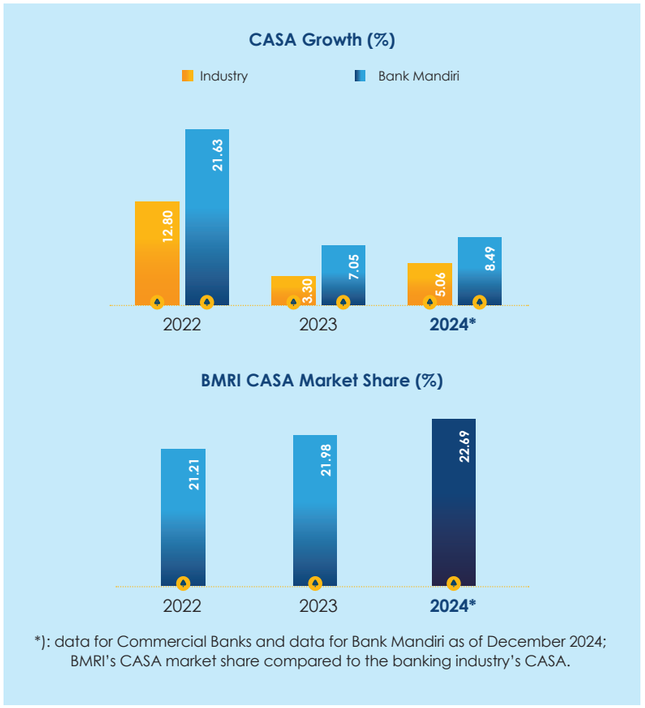


*): data for Commercial Banks and data for Bank Mandiri as of December 2024;
BMRI's TPF market share compared to the banking industry's TPF.

MARKET SHARE OF BANK MANDIRI CONSOLIDATED FINANCIAL PERFORMANCE INDICATORS IN THE BANKING INDUSTRY (COMMERCIAL BANKS)

CASA RATIO

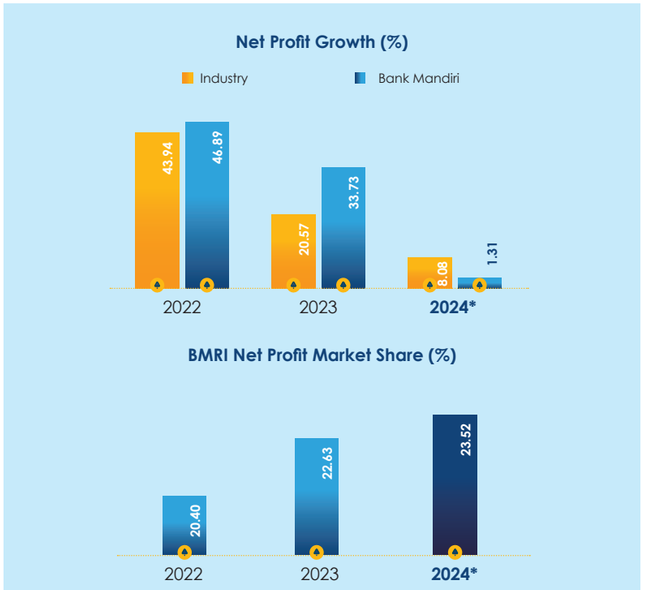
Amid slowing growth in third-party funds, Bank Mandiri managed to maintain a high ratio of low-cost funds (CASA) to total third-party funds at 74.83% as of December 2024, equivalent to Rp1,271.2 trillion. The ratio increased by 52 basis points compared to 74.30% in the same period in 2023. Consequently, Bank Mandiri's CASA market shares relative to the banking industry (commercial banks) continued to increase, reaching 22.69%.



*): data for Commercial Banks and data for Bank Mandiri as of December 2024;
BMRI's CASA market share compared to the banking industry's CASA.

NET PROFIT

As of December 2024, Bank Mandiri successfully booked a net profit of Rp55.78 trillion, grew 1.31% (yoy) compared to December 2023's figure of Rp55.06 trillion. This achievement raised Bank Mandiri's net profit market share in the banking industry (commercial banks) to 23.52%.



*): data for Commercial Banks as of November 2024 and data for Bank Mandiri as of December 2024;
BMRI's net profit market share compared to the banking industry's net profit.

MARKET SHARE OF BANK MANDIRI CONSOLIDATED FINANCIAL PERFORMANCE INDICATORS IN THE BANKING INDUSTRY (COMMERCIAL BANKS)

Perbandingan Rasio Keuangan Bank Mandiri (Bank Only) dibandingkan Industri Perbankan

Financial Ratios	Banking Industry (Commercial Banks)	Bank Mandiri
Capital Adequacy Ratio (CAR)	26.68%	20.10%
Non-Performing Loan Gross (Gross NPL)	2.08%	0.97%
Non-Performing Loan Net (Net NPL)	0.74%	0.33%
Return on Assets (ROA)	2.69%*	3.59%
Net Interest Margin (NIM)	4.59%*	4.93%
Operating Expenses to Operating Income (BOPO)	79.87%*	56.46%
Loan to Deposit Ratio (LDR)	88.57%	98.04%

Source: OJK as of December 2024, Bank Mandiri Publication Report as of December 2024
*) As of November 2024

From a financial ratio perspective, Bank Mandiri's achievements as of December 2024 continue to surpass those of the banking industry (commercial banks). Bank Mandiri's Capital Adequacy Ratio (CAR) is maintained at a high and well-preserved level of 20.10%, staying above the regulatory requirement.

Bank Mandiri's asset quality also outperforms the banking industry (commercial banks), as reflected in its Gross NPL ratio of 0.97%, which is lower than the banking industry's (commercial banks) Gross NPL ratio of 2.08%.

Bank Mandiri has also achieved stronger profitability compared to the banking industry (commercial banks), as reflected in its NIM and ROA ratios of 4.93% and 3.59% respectively, both higher than the banking industry's NIM and ROA ratios of 4.59% and 2.69%.

In addition, Bank Mandiri has managed to keep operational costs efficiently controlled. Its Operating Expense to Operating Income (BOPO) ratio stood at 56.46% as of December 2024, significantly lower than the commercial banking industry's BOPO ratio of 79.87% as of November 2024.

CORPORATE STRATEGY

As one of Indonesia's leading state-owned enterprises (SOEs), Bank Mandiri plays a strategic role in driving long-term economic growth. As the largest bank in Indonesia, Bank Mandiri has significant potential to become a world-class SOE, delivering cutting-edge banking and financial services, and serving as a key driver of the Indonesian economy by stimulating business activity across the nation.



Since its establishment in 1998, Bank Mandiri has continuously updated its strategies to align with the evolving dynamics of the banking industry, addressing both long-term and short-term considerations. In the long run, Bank Mandiri's strategy is outlined in its Long-Term Corporate Plan, which is formulated in accordance with Financial Services Authority Regulation (POJK) No. 55/POJK.03/2016, POJK No. 12/POJK.03/2021, and Ministry of SOEs Regulation No. PER-2/MBU/03/2023 on SOE Governance and Significant Corporate Activities.

Bank Mandiri has undergone 5 (five) transformation phases to continuously adapt to changes, ensuring competitiveness and growth in a dynamic environment. These transformation phases among others are:

1 Domestic Powerhouse (Corporate Plan 2003-2005)

Bank Mandiri focused on becoming the leading domestic powerhouse through strategic initiatives such as an IPO (Initial Public Offering), integration of information technology systems, and balancing corporate and non-corporate loan portfolios.

2 Dominant Multispecialist (Corporate Plan 2005-2009)

During this period, Bank Mandiri focused on improving corporate culture and credit quality while transforming into a dominant financial multispecialist in Indonesia.

3 Most Admired & Progressive FI in Indonesia (Corporate Plan 2010-2014),

With a strengthened foundation, Bank Mandiri shifted its focus to developing wholesale transactions, increasing deposits and retail payments, and expanding retail financing to become the most admired and progressive financial institution in Indonesia.

4 Indonesia's Best, ASEAN's Prominent (Corporate Plan 2015-2020),

Bank Mandiri aspired to be the best in Indonesia and a leading player in ASEAN by strengthening relationships with corporate clients (wholesale), accelerating growth in the rapidly expanding retail segment, and integrating group businesses through a conglomerate approach.

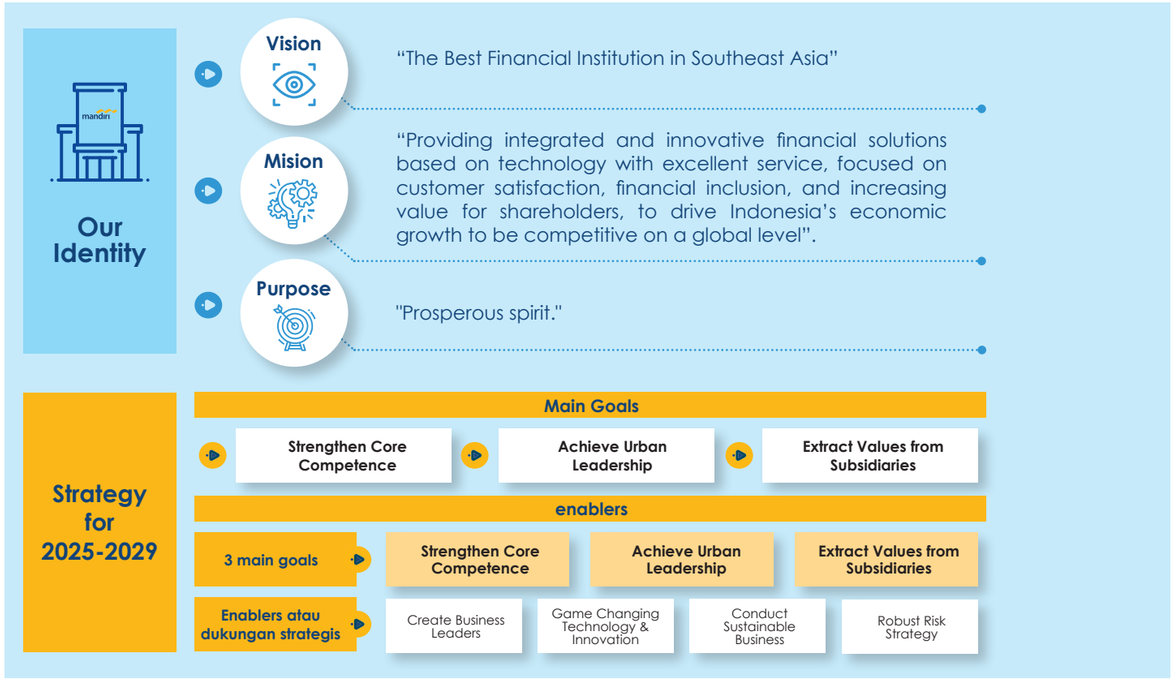
5 To be Your Preferred Financial Partner (Corporate Plan 2020-2024),

Bank Mandiri aims to become the primary financial partner for its customers through strategies such as beyond lending for the wholesale segment (Be the Prominent Wholesale Bank, Beyond Lending), providing financial solutions tailored to customer needs. For the MSME segment, Bank Mandiri also emphasizes sustainable growth with an ecosystem-based approach (Promote Sustainable SME & Micro Growth). In addition, for the consumer segment, Bank Mandiri offers reliable digital banking solutions to become Indonesia's Best Modern Digital Bank (Become Indonesia's #1 Modern, Digital Retail Bank).

With its identity as a wholesale bank with all-rounder ecosystem potential capable of building a holistic business ecosystem, Bank Mandiri has a long-term vision to become "**The Best Financial Institution in Southeast Asia**". Bank Mandiri is committed to delivering the best customer service, recognized regionally, while maintaining its role as a catalyst for national economic growth.

To support this vision, Bank Mandiri has also established its mission: "**Providing integrated and innovative financial solutions based on technology with excellent service, focused on customer satisfaction, financial inclusion, and increasing value for shareholders, to drive Indonesia's economic growth to be competitive on a global level**".

CORPORATE STRATEGY



Currently, Bank Mandiri has developed its Long-Term Plan or Corporate Plan for the 2025–2029 period. In preparing this Corporate Plan, Bank Mandiri has taken into account the Final Draft of the National Long-Term Development Plan (RPJPN) 2025–2045 and the SOE Strategic Planning Guidelines 2024–2034. These guidelines aim to support the SOE Vision 2034 of "Building an Inclusive and Sustainable Growth of Indonesia's Future" and the Indonesia Emas 2045 vision. This SOE Vision has been translated into five priority formulations by the Ministry of SOEs: Economic and Social Value for Indonesia, Business Model Innovation, Technology Leadership, Investment Enhancement, and Talent Development. These priorities are aligned with the latest internal and external factors impacting the company's conditions.

The three main goals and strategies in the Corporate Plan 2025-2029 are:

a. **Strengthen Core Competence**
With its core competence in Wholesale Banking, Bank Mandiri aspires to become a benchmark for wholesale banks in Southeast Asia and reaffirm its position as the preferred bank for conglomerates, financial institutions, and government entities. Bank Mandiri aims to be the primary orchestrator of principal business ecosystems through a conglomerate approach supported by top-tier technology services and a global presence. Strengthening Bank Mandiri's position in the Wholesale segment will also drive growth in the Retail segment, leveraging the derivative business ecosystem (value chain) of Wholesale customers. For digital innovation, Bank Mandiri will integrate next-generation technology into Kopra, its digital platform, to create a competitive edge and solidify its status as the top choice for Wholesale customer transactions. Bank Mandiri will also enhance its global presence by optimizing the business model of its overseas offices.

b. **Achieve Urban Leadership**
In the retail segment, retail banking will focus on harnessing all retail business potential, both from conglomerate derivatives and regional ecosystems. Retail banking will act as an urban leader by providing integrated business solutions, driving regional economic growth, and promoting financial inclusion. In addition, wealth management, as a gate opener, will unlock and explore all retail business potential, both from conglomerate derivatives and regional ecosystems. To support this strategy, Bank Mandiri has prepared technology enhancements, thematic programs, and internal process improvements to deliver a one-stop solution tailored to the persona and lifestyle of each customer. Bank Mandiri will also collaborate with several key partners through partnerships and joint financing initiatives to enhance financial inclusion and optimally expand the Bank's business reach.

c. **Extract Values from Subsidiaries**
The aspiration for Bank Mandiri's subsidiaries is to become industry leaders contributing to the growth of Mandiri Group's business while complementing Bank Mandiri through financial services that go beyond conventional banking. Positioned as a Financial Conglomerate, Bank Mandiri no longer identifies solely as a bank but as a Financial Institution. Over the next five years, Bank Mandiri aims not only to remain the largest bank but also to become the largest financial institution in Southeast Asia. By adopting a conglomerate mindset, Bank Mandiri's subsidiaries play a significant role in realizing this aspiration, particularly in the financial aspect, emphasizing growth, profitability, and sustainability to achieve financial targets.

In the Corporate Plan 2025-2029, Bank Mandiri is also preparing enablers or other strategic bankwide support to achieve its business targets, including developing competent and high-quality business leaders (create business leaders), utilizing the latest technology to drive growth, efficiency, and operational excellence (game-changing technology & innovation), committing to supporting sustainable business practices to meet customer needs through green services and products (conduct sustainable business), and continuously undergoing risk management transformation in all aspects (robust risk strategy).

Moving forward, Bank Mandiri will continue to serve a vital role in supporting the development of key sectors in Indonesia's economy, including agriculture, manufacturing, downstream processing, healthcare, technology, and infrastructure. As a bank with significant strength in the corporate segment, Bank Mandiri is well-positioned to serve as a beacon for delivering banking solutions to both large domestic companies and foreign investors looking to enter Indonesia.

Moreover, Bank Mandiri has the opportunity to act as a driving force for financial inclusion across the country. By leveraging leading digital platforms such as Kopra, Livin', and Livin' Merchant, as well as its extensive network, Bank Mandiri can expand access to financial services to even the most remote areas. This approach will also foster broader public participation in the financial system. In addition, Bank Mandiri can strengthen its role in supporting entrepreneurship by providing funding, mentorship, and tailored financial services to meet the needs of entrepreneurs. These initiatives will help spur the growth of small and medium-sized enterprises, which form the

2024 STRATEGIC FOCUS

Bank Mandiri continues to enhance its business approach with a customer-oriented concept by offering customized and tailored products that meet the specific needs of customers, providing them with relevant and value-added experiences. In 2024, Bank Mandiri's business strategy is focused on accelerating growth across all potential sectors to solidify its dominance in the banking industry. To address challenges, seize opportunities, and compete effectively in the market, Bank Mandiri has strengthened and refined its strategy for 2024 by mastering four key elements:



1. **Wholesale Acceleration**, accelerating growth in the wholesale segment to dominate principal customer businesses and create opportunities for other segments within the derivative business ecosystem, including value chains spanning downstream segments to micro and individual levels. Mastery of the wholesale business is carried out comprehensively, from loans, CASA, transactions, as well as derivative products and businesses.

2. **Ecosystem-Driven Growth**, accelerating growth in the retail segment through an ecosystem-based value chain approach by effectively executing all derivative business potentials from the wholesale segment. In addition, the retail segment will grow by focusing on key sectors in each region, leveraging digital platforms as an expanded acquisition channel.

3. **Digital Platform Optimization**, optimizing digital platforms (Livin' by Mandiri, Livin' Merchant by Mandiri, Kopra by Mandiri, and Smart Branch by Mandiri) to enhance and strengthen the transactional CASA base, maintain a low cost of funds, and increase fee-based income. Digital platform optimization spans from acquiring new customers to adding superior features that boost stickiness, ensuring that customers' operational funds at Bank Mandiri continue to grow.

4. **Strengthen Group Synergy**, enhancing synergy with all subsidiaries by aligning subsidiary strategies with the parent company's strategy to maximize business potential execution and strengthen the business ecosystem in an integrated manner. This is achieved through refining cross-selling strategies and streamlining business processes by leveraging technology, while prudently implementing the parent company's risk management principles.

These four strategic focuses for 2024 are key to Bank Mandiri's continued strong performance, enabling sustainable business growth.

FOCUS ON STRENGTHENING SUSTAINABLE BUSINESS

Bank Mandiri continues to demonstrate its commitment to strengthening sustainable business through a consistent ecosystem-based strategy and digitalization. This strategy has driven Bank Mandiri to achieve outstanding performance growth throughout 2024. Beyond the orientation toward financial gains, Bank Mandiri places significant emphasis on environmental, social, and governance (ESG) impacts. This commitment reflects the Bank's dedication to supporting the achievement of the Sustainable Development Goals (SDGs) and the Enhanced Nationally Determined Contribution (ENDC) targets, paving the way for Indonesia's Net Zero Emission (NZE) goal by 2060 or earlier.

As part of its long-term efforts, Bank Mandiri has formulated its 2024–2028 sustainability strategy with the core aspiration of "Becoming Indonesia's Sustainability Champion for a Better Future." This aspiration is realized through three key objectives: Leading Indonesia's Transition to a Low-Carbon Economy, Achieving Net Zero Emission (NZE) Operations by 2030, and Catalyzing Multiple Growth for Social Impact to Achieve the SDGs.

To achieve this vision, Bank Mandiri has developed an ESG Framework consisting of three main pillars and eight strategic initiatives to be implemented during the 2024–2028 period. This framework is designed to support the integration of sustainability into all aspects of Bank Mandiri's operations and business activities, ensuring a significant impact on the environment, society, and the national economy.

VISION	BECOMING INDONESIA'S SUSTAINABILITY CHAMPION FOR A BETTER FUTURE		
PILLAR	SUSTAINABLE BANKING	SUSTAINABLE OPERATION	SUSTAINABILITY BEYOND BANKING
COMMITMENT	Lead Indonesia's Transition to Low Carbon Economy	Net Zero Emission (NZE) Operations by 2030	Catalyzing Multiple Growth for Social Impact to Achieve SDGs
ONGOING INITIATIVES	1. **Integrating ESG Aspect** in Business Process (Sustainable Finance Framework, Sector Policy Enhancement) **Develop Sustainable Portfolio & Products/ Services** (Sustainability/Green Bond, ESG Repo, Sustainability Linked Loan, Green/Social/ Corporate-in-Transition Financing) 2. **Influencing Key Policy Maker to Accelerate Indonesian Low Carbon Economy**	3. **Leading Practice in Data Privacy & Security** 4. **Diversity, Equity & Inclusion** 5. **Achieving NZE in Operations by 2030** a. Green Business Mindset b. Digital Carbon Tracking & Monitoring c. Carbon Neutral Initiatives through Green Operational & Carbon Offsetting	**Empowering Digipreneurship in Society** (Indonesia Migrant Worker, Young Entrepreneur, KUR, Branchless Banking)
ENABLERS	6. **Strengthening ESG Governance, Capacity Development & Disclosure**		

CONSISTENT DIGITAL TRANSFORMATION

Throughout 2024, Bank Mandiri has been implementing a digital banking roadmap that continues to be refined to meet customer needs. This roadmap consists of five key components:

1. Levelling Up Digital Readiness, as the foundation for digital transformation, Bank Mandiri focuses on strengthening the reliability of its fundamental IT systems, including core banking improvements, business process re-engineering, high-performance infrastructure development, and more.

2. Developing Digital Native Products, Bank Mandiri develops digital-native banking services through various innovations, with customers at the center. The development of digital-native products ensures that the Bank can deliver fully end-to-end digital banking services.

3. Modernizing Distribution Channels, Bank Mandiri is modernizing its digital channels to enhance customer experience, improving both User Interface (UI) and User Experience (UX) while addressing diverse customer needs. This includes continuous development of Livin', Kopra, and Smart Branch.

4. Digital Ecosystem Expansion, Bank Mandiri is strengthening collaborations with third parties and strategic partners to enhance its digital ecosystem, expanding access for customers to seamlessly use Bank Mandiri's products and services across various channels.

5. Data-Driven Decision-Making Process, Bank Mandiri is optimizing data utilization to drive business growth. This includes leveraging artificial intelligence, visual analytics, robust data management governance, and data analytics. These efforts aim to support more accurate and sustainable business decision-making while generating long-term revenue sources.

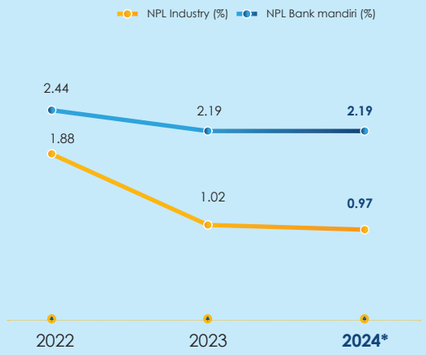


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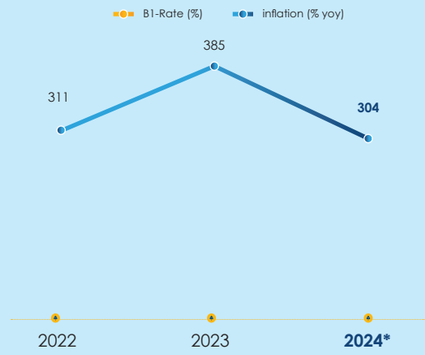
Bank Mandiri has implemented an independent risk management framework aligned with regulations from the Financial Services Authority (OJK), Bank Indonesia, and international banking best practices. The Bank applies the concept of Enterprise Risk Management (ERM) as a comprehensive and integrated risk management strategy tailored to its business and operational needs throughout 2024. The implementation of ERM provides added value to Bank Mandiri and its stakeholders.

Amid global economic uncertainty in 2024, Bank Mandiri consistently maintained strong asset quality. This is reflected in the bank-only gross NPL position, which declined to 0.97% as of December 2024, down by 5 basis points (bps) from 1.02% in December 2023. This bank-only gross NPL level is also better than the banking industry (commercial banks), which stood at 2.19% as of November 2024. Meanwhile, the bank-only NPL coverage ratio at Bank Mandiri reached 304.07% in December 2024.

Rasio NPL
Bank Mandiri Vs Industry



NPL Coverage
Bank Mandiri (Bank Only)



In addition, the improvement in Bank Mandiri's asset quality was also reflected in the decline of Loan at Risk (LaR) ratio. As of December 2024, Bank Mandiri's LaR ratio decreased by 194 bps to 6.81%. This improvement was also accompanied by a reduction in restructured loans, which declined from Rp78.2 trillion in December 2023 to Rp73.5 trillion in December 2024.

FEE-BASED INCOME GROWTH STRATEGY FOR 2024

In 2024, Bank Mandiri recorded consolidated Fee-Based Income (FBI) of Rp42.3 trillion, reflecting a year-on-year growth of 4.12%. On a bank-only basis, Bank Mandiri's FBI reached Rp31.6 trillion. This growth was driven by recurring FBI, which amounted to Rp16.2 trillion on a bank-only basis, grew by 14.0% yoy, primarily supported by fee income from digital banking platforms such as Livin, Kopra, and other e-channels.

Bank Mandiri's digitalization efforts served a significant role in achieving Fee-Based Income (FBI) in 2024. Livin' by Mandiri, a banking application that integrates all customer needs in one platform, recorded fee-based income of Rp2.6 trillion, grew by 20.7% yoy. This growth aligned with the increase in Livin' transaction value, which reached Rp4,027 trillion, driven by 29.3 million users, representing a 29.1% yoy growth in user numbers. Currently, Bank Mandiri has introduced four pioneering features in the industry through Livin' by Mandiri. Livin' Auto offers an end-to-end vehicle purchasing service for various leading brands, allowing customers to browse vehicles, receive loan approval within just 30 minutes, and have the vehicle delivered to their doorstep. In collaboration with Mandiri Sekuritas, Livin' now enables users to buy, sell, and manage their stock portfolios directly within the app. Livin' also enhances the customer experience through artificial intelligence, providing more tailored and intuitive banking interactions. Additionally, the loyalty feature offers seamless collection and redemption of Livin' points, providing added value to users. Going forward, Livin' by Mandiri will continue to innovate to maintain its leadership in the digital banking space.

On the other hand, Bank Mandiri introduced Kopra by Mandiri, a digital single access platform that serves as the central hub for financial information and transactions for business communities in the Wholesale segment and its end-to-end ecosystem. In 2024, Bank Mandiri recorded fee-based income from Kopra amounting to Rp2.4 trillion, reflecting a year-on-year growth of 9.33%. This revenue growth was driven by the increase in Kopra's digital transaction value, which reached Rp22,703 trillion from 1.312 billion transactions.

Bank Mandiri also provides holistic treasury solutions for customers, addressing investment, structured funding, and hedging needs through product development and enhanced customer experience. The Bank continues to intensify trade product offerings for anchor customers in the Corporate and Commercial segments through the Value Chain. To drive trade BG revenue growth, Bank Mandiri focuses on targeted intensification efforts for existing customers by setting up facility limits, offering special transaction rates, and providing more efficient transaction solutions.

Going forward, Bank Mandiri remains committed to delivering the best banking services to ensure continued growth in fee-based income, particularly recurring fees.

RESPONSE TO CHANGES IN MONETARY POLICY DIRECTION

The Bank Indonesia Board of Governors Meeting (RDG) on December 17–18, 2024, decided to maintain the BI-Rate at 6.00 percent, the Deposit Facility rate at 5.25 percent, and the Lending Facility rate at 6.75 percent. This decision aligns with the monetary policy direction to ensure inflation remains within the 2.5±1 percent target range for 2024 and 2025, while supporting sustainable economic growth. The monetary policy focus is directed at strengthening Rupiah stability amid rising global economic uncertainty due to U.S. policy direction and escalating geopolitical tensions in various regions. Going forward, Bank Indonesia will continue to closely monitor Rupiah exchange rate movements, inflation outlook, and evolving economic conditions in assessing the potential for further policy rate adjustments. Meanwhile, macroprudential and payment system policies remain focused on supporting sustainable economic growth. A loose macroprudential policy stance continues to be implemented to encourage bank lending and financing to priority growth sectors and job creation, including MSMEs and the green economy. This is supported by the strengthening of the Macroprudential Liquidity Incentive Policy (KLM) strategy starting in January 2025, while maintaining prudential principles. Payment system policies are also directed at promoting growth, particularly in the trade and MSME sectors, by enhancing the reliability of payment system infrastructure and industry structure, as well as expanding the adoption of digital payment systems.

Amid a relatively stable benchmark interest rate with a downward trend until November 2024, Bank Mandiri's Prime Lending Rate (SBDK) as of December 2024 posted an increase compared to December 2023. The prime lending rate for Corporate Loans rose to 8.50%, Micro Loans increased to 13.50%, Mortgage Loans (KPR) climbed to 12.50%, and Non-Mortgage Consumer Loans reached 12.00%. This increase was driven by adjustments in response to the implementation of POJK No. 13 of 2024 regarding interest rate transparency, which led to changes in the calculation methodology and figures for SBDK starting in November 2024. Apart from this adjustment, Bank Mandiri remains in a position to maintain its existing SBDK.

Bank Indonesia			Bank Mandiri		
Interest Rate Benchmark	October 2024	December 2023	Basic Rupiah Lending Rate	September 2024	December 2023
BI-Rate	5.75%	6.00%	Corporation	8.50%	8.05%
Deposit Facility	5.00%	5.25%	Retail	N/A	8.30%
Loan Facility	6.50%	6.75%	Micro	13.50%	11.30%
			Mortgage	12.50%	7.30%
			Non-Mortgage	12.00%	8.80%

RESPONSE TO CHANGES IN MONETARY POLICY DIRECTION

The direction of the monetary, macroprudential, and payment system policy mix to maintain stability and support sustainable economic growth is reinforced by the following policy measures:

1. Strengthening a pro-market monetary operation strategy to enhance the effectiveness of monetary policy transmission, accelerate the deepening of the money market and foreign exchange market, and encourage capital inflows by:
   a. optimizing Bank Indonesia Rupiah Securities (SRBI), Bank Indonesia Foreign Exchange Securities (SVBI), and Bank Indonesia Foreign Exchange Sukuk (SUVBI) as pro-market monetary instruments;
   b. strengthening the interest rate structure of monetary instruments to attract foreign portfolio inflows into domestic financial assets;
   c. enhancing term-repo and foreign exchange swap transaction strategies; and
   d. Strengthening the role of Primary Dealers (PDs) to increase SRBI transactions in the secondary market and repurchase agreement (repo) transactions among market participants.

2. Strengthening the Rupiah exchange rate stabilization strategy through foreign exchange market interventions in spot transactions, Domestic Non-Deliverable Forward (DNDF), and government securities (SBN) in the secondary market.

3. Enhancing the publication of the Prime Lending Rate (SBDK) transparency assessment by providing deeper insights into lending rates based on priority sectors covered under the KLM (Annex).

4. Expanding BI-FAST services to include bulk transfer, request for payment, and direct debit transfer to meet public needs for fast, easy, affordable, secure, and reliable economic and financial transactions, effective from 21 December 2024.

5. Strengthening strategies to ensure the availability and efficient operation of the payment system across all regions of the Republic of Indonesia to meet public needs during the 2024 Christmas and New Year (Nataru) period, including the implementation of Semarak Rupiah di Hari Natal Penuh Damai (SERUNAI) from December 15–20, 2024.

Bank Indonesia continues to strengthen policy coordination with the government to maintain stability and support economic growth. Coordination between monetary and fiscal policies is being reinforced to ensure macroeconomic stability and sustain economic growth momentum. Bank Indonesia is also enhancing policy synergy with the Financial System Stability Committee (KSSK) to safeguard financial system stability and drive bank lending and financing for businesses. Policy coordination with both central and regional governments is implemented through the National Movement for Food Inflation Control (GNPIP) in various regions under the Central and Regional Inflation Control Teams (TPIP and TPID). In addition, Bank Indonesia is expanding international cooperation in central banking, including payment system connectivity and local currency transactions, as well as facilitating investment and trade promotion in priority sectors in collaboration with relevant institutions.

STRATEGIC FOCUS FOR 2025

In 2025, Bank Mandiri will focus on dominating transactions in principals, merchants, and individuals to secure solid low-cost funding, thereby ensuring strong liquidity to maintain its position as the biggest lender, including expanding its presence in the government sector by supporting new government programs. To achieve these Strategic Objectives, the Bank will develop Leaders with the capacity to act as "ecosystem orchestrators," capable of coordinating the entire business ecosystem for customers. Consequently, the strategic focus theme for 2025 will emphasize **Integrated Strategic Growth and Transformational Leadership Driven by Orchestrating the Ecosystem**, encapsulated in three Strategic Objectives for the year:

1. To be the "**Main Transaction Bank**" for both Wholesale and Retail customers, where Bank Mandiri will dominate the transaction market by providing high-quality products and services supported by a strong relationship management framework for principals, merchants, and individuals.

2. To be a leader in low-cost funding, becoming the "**Leader in Low-Cost Funding.**" As the preferred bank for transactions, Bank Mandiri aims to become the primary operational account provider for its customers. Furthermore, the Bank seeks to acquire and retain customers who value quality service and long-term relationships rather than focusing solely on pricing.

3. To be the "**Largest Lender**" in Wholesale and Retail credit within an ecosystem-based framework, maintaining an optimal yield level. With access to low-cost funding, Bank Mandiri can expand its credit portfolio and strengthen its position as the leading lender in the market while minimizing pressure on the NIM.

To achieve these objectives, Bank Mandiri has formulated strategic pillars derived from the Corporate Plan 2025–2029 strategies, which include:

1. **Solidify Wholesale Dominance to Uphold Market Leadership**, strengthening Bank Mandiri's position as a market leader in the wholesale segment by consistently driving wholesale credit growth above the industry average and maintaining its market share. Enhancing the Bank's presence in the wholesale segment also expands the customer ecosystem base, which in turn becomes a source of growth for the retail segment. Moreover, complete domination of the wholesale business is pursued by driving growth in transactional demand deposits through increased transactional float.

2. **Orchestrate Captive Ecosystem to Scale Up the Retail Business,** leveraging the full potential of the retail value chain from the captive ecosystem of wholesale customers and increasing Bank Mandiri's market share in every region by mastering territorial control. Additionally, retail banking will serve as an urban leader by offering integrated business solutions, acting as a key driver of regional economic growth and financial inclusion. In terms of fund collection, retail banking will focus on retail transaction services to boost market share in savings accounts and merchant transactions.

3. I**ntensify Subsidiaries Synergy to Expand Growth Pathways**, Bank Mandiri also emphasizes creating strong synergy among the entities within the Mandiri Group. The goal of this integration is to build a more efficient, innovative, and leading financial conglomerate. The synergy between business units is expected to enhance shareholder value and provide broader societal benefits by offering more integrated products and services that create a holistic and resilient financial ecosystem.

BUSINESS OUTLOOK

The global economy in 2025 will continue to face rising risks and uncertainties. This is in line with economic recovery in advanced economies, which remains overshadowed by disinflation, ongoing geopolitical tensions in the Middle East, and geo-economic and trade fragmentation that require careful monitoring. These challenges highlight the increasing importance of inflation control, fiscal consolidation, monetary and fiscal policy coordination, and policy communication to strengthen macroeconomic stability and support economic growth. The IMF, in its World Economic Outlook released in October 2024, projects that global economic growth in 2025 will remain stable at 3.2%, the same as the estimated figure for 2024.

Although geopolitical tensions remain a factor to watch, the trend of declining policy interest rates in advanced economies, particularly in the United States, is expected to continue. To maintain stability and support economic growth, policy responses to mitigate global spillover effects will require careful consideration by stakeholders, particularly in encouraging foreign capital inflows and strengthening exchange rate stability.

Amid global risk dynamics, Indonesia's economy is projected to remain strong. Domestic economic growth in 2025 is expected to exceed 5% (yoy), continuing the positive performance seen in 2024, driven by household consumption and investment. Household consumption remains stable, particularly among the upper-middle class. Investment continues to grow in line with the completion of various National Strategic Projects (PSN), including the development of the new capital, Ibu Kota Nusantara (IKN). Non-oil and gas exports are also expected to improve, supported by growth in the manufacturing and mining sectors.

Going forward, Indonesia's economic activity is projected to continue expanding, with an estimated growth of 5.2% (yoy) in 2025. However, this growth must be supported by strengthening domestic demand and structural reforms aimed at increasing productivity and enhancing the economic growth structure, particularly in sectors that create jobs and generate high added value.



The stability of the national financial services sector in 2025 is also expected to remain well-maintained amid monetary policy easing, supported by strong capital, adequate liquidity, manageable risk profiles, and positive growth in the financial services sector. The performance of the national banking industry is also projected to remain stable, backed by a strong capital adequacy ratio (CAR), a positive trend in intermediation performance, and moderate growth in third-party funds (DPK) collection.

Given these conditions, Bank Mandiri remains confident and optimistic about its sustainable performance growth in 2025. The bank continues to refine its strategies consistently to transform challenges into opportunities while effectively mitigating risks.

To maintain profitability amid global and national challenges, Bank Mandiri continues to manage its cost of funds by driving CASA growth and selectively repricing loans, ensuring that its Net Interest Margin (NIM) remains at an optimal level in 2025. As of December 2024, CASA composition remained stable at 74.83%, supported by the growth of current and savings accounts. This was achieved through both new customer acquisitions and deeper ecosystem engagement, leveraging the optimization of platforms such as Kopra, Livin', and Livin' Merchant.

In addition to Bank Mandiri's solid performance throughout 2024, the positive signal of a declining benchmark interest rate is expected to further boost the Bank's loan disbursement in 2025. Anticipating the downward trend in interest rates that began in early Q4 2024, Bank Mandiri remains committed to its growth strategy in 2025. This includes focusing on strengthening its dominance in its principal business (Wholesale), driving growth through ecosystem-driven expansion, and enhancing key regional sectors in the retail segment to build a higher-quality loan portfolio. Furthermore, with the inauguration of Indonesia's new President, Prabowo Subianto, the national economy is expected to accelerate, generating a multiplier effect from increased consumption to credit expansion.

Meanwhile, in terms of increasing third-party fund collection, Bank Mandiri focuses on becoming a financial partner for its customers by providing comprehensive financial solutions through the optimization of digital platforms and leveraging its extensive network across Indonesia.

Projections of Indonesia's Economy & Banking Industry in 2025

Description	IMF	World Bank	OECD	ADB	Government	Bank Indonesia	OJK
GDP	5.1%	5.1%	5.2%	5.0%	5.2%	4.8% - 5.6%	-
Inflation	2.5%	2.9%	2.5% ± 1%	2.8%	2.5%	2.5% ± 1%	-
Bank Loans	-	-	-	-	-	10% - 12%	-

MARKETING ASPECT

To meet the increasingly diverse needs and preferences of its customers, Bank Mandiri has implemented both short-term and long-term business strategies. One key component of this approach is its marketing strategy, which is designed to reach and serve customers with the bank's superior products and services. This strategy also supports Bank Mandiri in achieving its targets and strengthening its market share in the national banking industry over time.

MARKETING STRATEGY

Bank Mandiri focuses on market potential and opportunities while closely monitoring market challenges and developments in digital technology. In addition, the bank continues to innovate in the development of financial products and services to meet customer needs across both wholesale and retail segments.

The development of Bank Mandiri's products and services is based on a holistic marketing strategy. This strategy aims to enhance customer understanding of banking products and services, strengthen customer loyalty, and drive new customer acquisition by creating a positive customer experience.

A positive customer experience can be shaped through several aspects of brand building, including the following:

1. Perceived Ease of Use
   Promoting a sense of comfort in using Bank Mandiri's products. This is supported by the ease of access to these products and services.

2. Perceived Usefulness
   Highlighting the features of Bank Mandiri's products and services that cater to customers' evolving financial needs, anytime and anywhere.

3. All-In-One Ecosystem
   Through an all-encompassing ecosystem, Bank Mandiri offers a fully integrated range of services that comprehensively support both lifestyle and financial needs.

4. Building Connection That Mandiri Elevates My Living Norm
   More than just banking. Bank Mandiri not only fulfills customers' financial needs but also enhances their living standards, positioning itself as a sustainable bank and an agent of development for Indonesia.

5. Always Here for You!
   Growing together with customers. Providing the best for customers will always be Bank Mandiri's top priority and core identity. Bank Mandiri is committed to supporting customers as they grow and succeed together.

Bank Mandiri believes that there is significant potential for expanding and marketing digital banking services in Indonesia. Therefore, the Bank optimizes its marketing efforts through engaging and relevant campaigns and promotions across its official social media channels. Bank Mandiri strives to maximize the effectiveness and efficiency of all its communication channels.

The use of conventional and digital media is adjusted proportionally. Digital media utilization, including social media, online publishers, search engine optimization, key opinion leader partnerships, and messaging platforms such as WhatsApp, accounts for 65%. Conventional media, such as print advertisements in newspapers, television and radio commercials, outdoor media, and other traditional channels, contribute the remaining 35%. The Bank's social media presence across Instagram, Facebook, Twitter, YouTube, and TikTok plays a significant role in its marketing strategy.

In addition, Bank Mandiri actively drives digital transformation through collaborations and synergies with various partners to expand its digital ecosystem. This transformation aims to continuously provide greater value to customers across all segments while making a positive impact on the broader economy.

MARKET SHARE

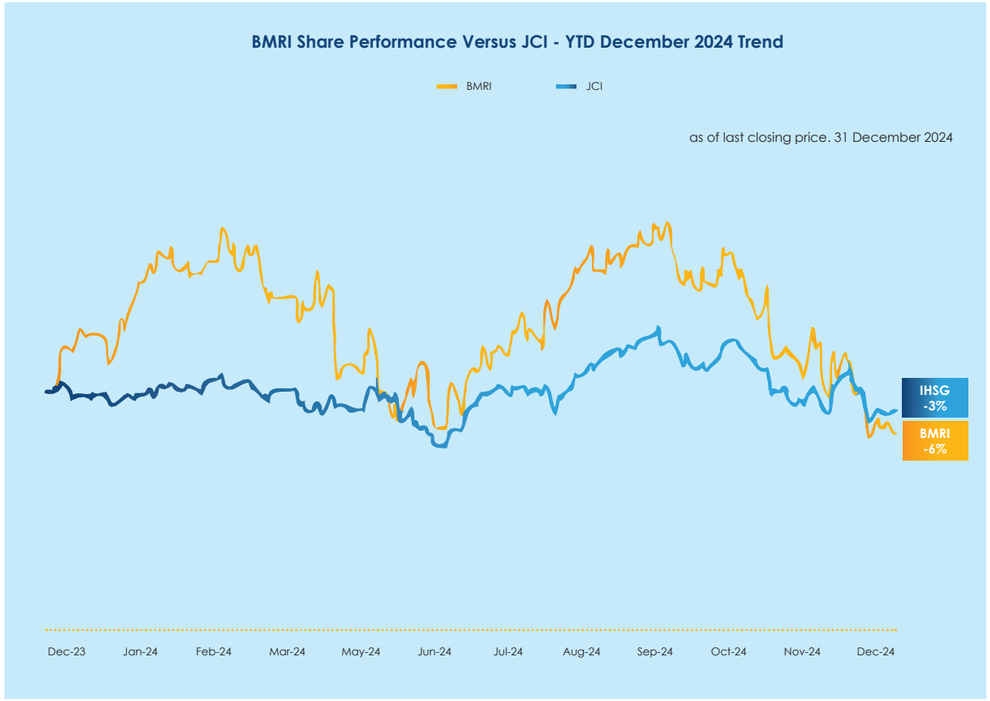
As of December 2024, Bank Mandiri was able to maintain its financial performance growth above the average of the banking industry (commercial banks). This is reflected in Bank Mandiri's annual growth in assets, loans, deposits, and CASA, which grew by 11.61%, 19.49%, 7.73%, and 8.50% (yoy) respectively as of December 2024. The growth in these four key performance indicators of Bank Mandiri has driven an increase in their respective market shares within the industry. Below is a chart showing the market share trends of Bank Mandiri's assets, loans, deposits, and CASA against the banking industry (commercial banks) over the past three years:



Notes:
- Industry assets data as of November 2024;
- Industry loans, deposits and CASA data as of December 2024;
- Bank Mandiri's assets, loans, deposits, and CASA data as of December 2024.

Source: Indonesian Banking Statistics October 2024, Financial Services Authority; Bank Mandiri's December 2024 Public Report.

BMRI SHARE PERFORMANCE 2024



Since the onset of the Covid-19 pandemic in 2020, Bank Mandiri and the national banking sector have demonstrated resilience, achieving significant growth and investor appreciation. Bank Mandiri consistently delivered the best stock performance from 2021 to 2023. In 2024, the Bank continued its positive momentum, reaching an all-time high share price. However, global and domestic challenges toward the end of the year led to a -6% YTD correction. Global challenges included expectations of high interest rates, a strengthening USD, and geopolitical tensions, while domestic challenges involved tight liquidity, rising LDR, and economic uncertainties. Despite these obstacles, Bank Mandiri remains committed to strengthening its fundamentals, maintaining investor confidence, and driving sustainable growth. In 2025, Bank Mandiri's primary focus will be on digital innovation, prudent risk management, and strategic execution to solidify its position as a leader in the national banking sector.

BUSINESS REVIEW

Throughout 2024, Indonesia's economy demonstrated solid resilience and sustainable growth despite facing the challenges of a highly uncertain global economic landscape. Key factors such as the recovery of domestic consumption, stability in the financial sector, and supportive fiscal and accommodative monetary policies were the main drivers of this positive performance.



BUSINESS REVIEW



Throughout 2024, Indonesia's economy recorded a positive growth rate of 5.03% year-on-year (yoy), reflecting strong resilience amid external pressures, including commodity price volatility and adjustments in global interest rate policies. This economic performance was among the best in Emerging Market Economies (EMEs), supported by maintained macroeconomic stability.

The Indonesian banking sector also demonstrated positive performance despite facing both global and domestic challenges. Loan disbursement to third parties by national commercial banks grew by 10.4% (yoy), reaching Rp7,826.9 trillion as of December 2024. This double-digit growth was primarily driven by Investment Loans, which increased by 13.6% (yoy), followed by Consumer Loans at 10.6% (yoy) and Working Capital Loans at 8.35% (yoy).

The strong intermediation performance was balanced by maintained credit quality, with the gross Non-Performing Loan (NPL) ratio recorded at 2.08% as of December 2024. The Loan at Risk (LaR) ratio also showed a declining trend, reaching 9.28% in December 2024, which is below the pre-pandemic level of 9.93% in December 2019.

In terms of Third-Party Funds (TPF) in the national banking sector (commercial banks), total TPF reached Rp8,837.2 trillion in December 2024, reflecting a (yoy) growth of 4.48%. This growth was driven by current accounts, savings, and time deposits, which increased by 3.34%, 6.78%, and 3.50% (yoy), respectively.

The solid performance of the domestic economy and commercial banks throughout 2024 had a positive impact on Bank Mandiri's performance. Bank Mandiri continued to demonstrate a strong commitment to supporting sustainable national economic growth, as reflected in its financial achievements and effective asset management, which showed overall improvement through the fourth quarter of 2024.

Bank Mandiri's consolidated loan disbursement recorded a growth of 19.5% (yoy) to Rp1,670.5 trillion as of December 2024. This growth was primarily driven by the Wholesale segment, which remains Bank Mandiri's core business and achieved a significant 25.5% (yoy) increase. The Bank successfully maintained a balanced approach, as reflected in its strong asset quality. On a bank-only basis, Bank Mandiri's gross Non-Performing Loan (NPL) ratio stood at 0.97%, marking a 5-basis point (bps) decline year-on-year.

In terms of segmental growth, Bank Mandiri's largest loan expansion was driven by the corporate segment, which recorded a growth of 26.7% (yoy) to Rp620.5 trillion by the end of the fourth quarter of 2024. Meanwhile, in the retail segment, loan growth was primarily supported by the expansion in the productive micro and Small Medium Enterprise (SME) segments, which grew by 9.63% (yoy) and 13.21% (yoy), respectively, as of December 2024.

In terms of fund collection, Bank Mandiri's consolidated Third-Party Funds grew by 7.73% (yoy) to Rp1,698.9 trillion in the fourth quarter of 2024. This increase was supported by savings growth of 13.4% (yoy) to Rp665.45 trillion and current accounts, which grew by 3.60% (yoy) to Rp606.77 trillion. The expansion in business volume contributed to Bank Mandiri's net profit achievement, which reached Rp55.78 trillion, reflecting a year-on-year growth of 1.31% in 2024.

Bank Mandiri's solid performance growth is driven by its ongoing digital transformation, with a strong focus on innovation to deliver the best services for customers. Through a series of innovations introduced throughout the year, Livin' by Mandiri achieved significant user growth, increasing by 29.1% (yoy) to 29.3 million users as of December 2024. Meanwhile, transaction frequency on Livin' by Mandiri reached 3,879 million transactions, marking a 38% (yoy) growth, while transaction value surged to Rp4,027 trillion, reflecting a 23% (yoy) increase.

This strong performance is the result of continuous innovation launched throughout 2024. Bank Mandiri remains optimistic that the expansion of its digital ecosystem will continue to grow through a series of innovations. One key initiative was the introduction of a new Livin' interface and the launch of Livin' Loyalty, enabling customers to accumulate Livin' Points and access stock investment features. This innovation is part of Bank Mandiri's strategy to position Livin' by Mandiri as a beyond superapp, offering customers a more seamless, faster, and personalized banking experience.

During the same period, the Wholesale Digital Super Platform Kopra by Mandiri successfully managed 1,312 million transactions, reflecting a growth of 21.0%(yoy), with transaction value reaching Rp22,703 trillion, an increase of 16.7% (yoy). This comprehensive digital platform enables businesses to conduct transactions anytime and anywhere, catering to various business segments, from corporations to SMEs. As of December 2024, Kopra by Mandiri had more than 249,000 users.

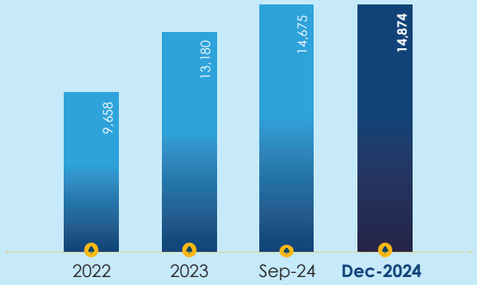
Kopra by Mandiri has been further enhanced to provide a significantly improved user experience while maintaining its three core functions: cash management, value chain, and trade, all accessible through a single sign-on. The platform now features a personalized management dashboard, customizable to business needs, along with various additional digital transaction features. As a bank with core competence in wholesale banking and a unique all-rounder ecosystem, Bank Mandiri remains focused on meeting the banking needs of business players, particularly in the corporate segment.

DIGITAL BANKING

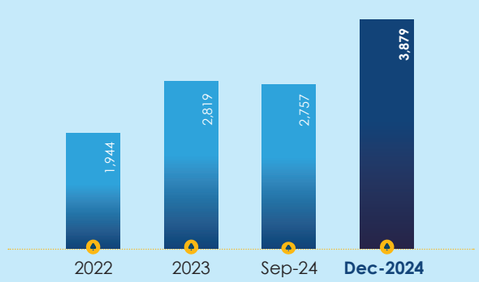
RETAIL BANKING PERFORMANCE HIGHLIGHTS

Description	2022	2023	Sep-2024	Dec-24
Active Users ('000)	9,658	13,180	14,675	14,874
Total Livin' Transaction (Million)	1,944	2,819	2,757	3,879
Livin' Transaction Value (Rp Trillion)	2,472	3,271	2,940	4,027
Total Livin' Fee Based Income (Rp Billion)	1,736	2,174	1,858	2,624

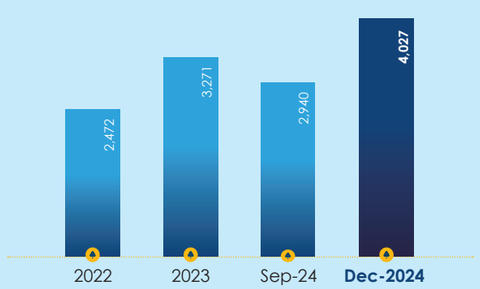
Active Users ('000)



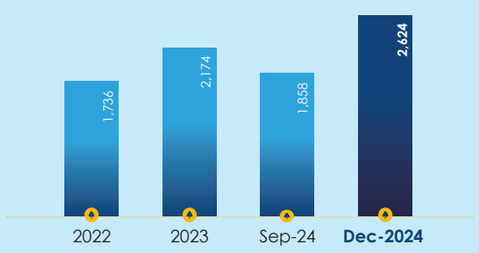
Total Livin' Transaction (Million)



Livin' Transaction Value (Rp Trillion)



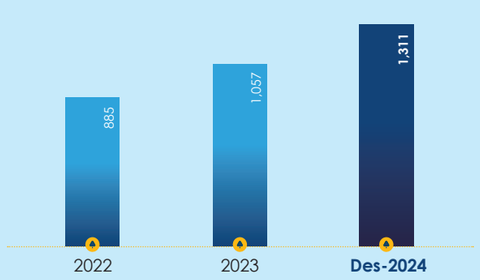
Total Livin' Fee Based Income (Rp Billion)



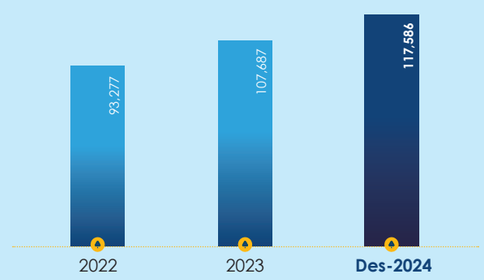
WHOLESALE BANKING PERFORMANCE HIGHLIGHTS

Description	2022	2023	Des-24
Kopra Active Users	93,277	107,687	117,586
Total Kopra Transaction (Million)	885	1,057	1,311
Kopra Transaction Value (Rp Trillion)	18,567	19,450	22,703
Total Fee Based Income (Rp Billion)	2,038	2,201	2,372

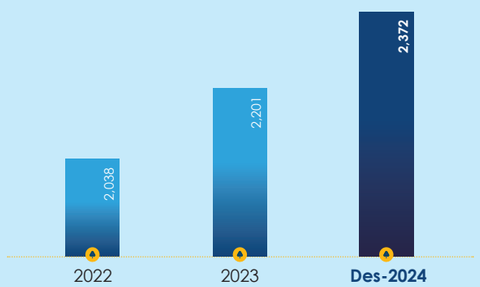
Total Kopra Transaction (Million)



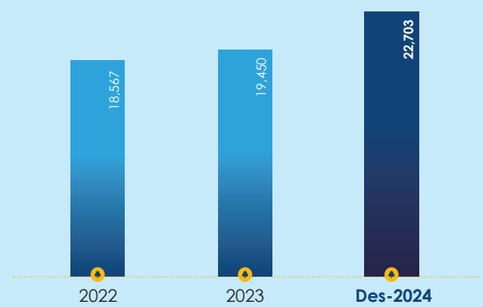
Kopra Active Users



Total Fee Based Income (Rp Billion)



Kopra Transaction Value (Rp Trillion)





KEY HIGHLIGHTS

Bank Mandiri's solid performance growth is inseparable from the ongoing digital transformation, with a focus on innovation to deliver the best services to customers. These innovations are part of Bank Mandiri's efforts to position Livin' by Mandiri as a beyond superapp, enabling customers to enjoy a more seamless, faster, and personalized banking experience.

Livin' Merchant has also become increasingly comprehensive in providing digital solutions designed to simplify entrepreneurs' business management through a single app. This effort aligns with Livin' Merchant's mission to become "The Most Preferred Apps for Small, Micro, and Medium Enterprises (MSME) Merchant."

Kopra by Mandiri has now been refined to offer users a significantly enhanced experience while maintaining its three main functions: Cash Management, Value Chain, and Trade, all accessible through single sign-on. Kopra by Mandiri also features a personalized management dashboard tailored to business needs, along with a variety of additional digital transaction features.

DIGITAL BANKING STRATEGY & INNOVATION IN 2024

As part of its strategy to strengthen digital banking in 2024, Bank Mandiri remains committed to enhancing the features of its flagship financial super app Livin' by Mandiri, Livin' Merchant, and the Super Platform Kopra by Mandiri. The following outlines Bank Mandiri's digital banking strategies for the Wholesale and Retail segments in 2024:

For the Livin' by Mandiri super app, several new innovations introduced in 2024 are as follows:

1. Introducing a refreshed Livin' by Mandiri interface tailored to each customer's habits and preferences, providing a seamless, more intuitive, and personalized transaction experience.
2. Launching the ability to open accounts using passports as a way to expand reach into previously untapped customer segments.
3. Expanding currency options and offering cross-border QR Payments, including multicurrency debit and tap-to-pay capabilities to simplify transactions abroad.
4. Enhancing the digital lending journey on Livin' by Mandiri, enabling customers to access various loans such as credit cards, personal loans, paylater services, home mortgages, and Livin' Auto for vehicle financing.
5. Adding stock trading capabilities to broaden customer investment options within Livin' by Mandiri.
6. Introducing Livin' Loyalty, a loyalty program offering easy-to-earn, check, and redeem points to boost customer engagement with Livin'.

Bank Mandiri continues to innovate beyond Livin', helping business owners improve service and streamline operations through Livin' Merchant. Key initiatives include:

1. Introducing account creation options for both individuals and business entities, with capabilities for managing multiple business branches to broaden the service reach to larger-scale enterprises.
2. Delivering end-to-end solutions tailored to the food and beverage sector, including QR Table Ordering for order placement, methods for simplifying order presentation with open and close bill systems, dine-in and takeaway options, order receipt printing, and kitchen checker features to enhance outlet efficiency.
3. Enabling customers to self-order through kiosks located in various food areas, offering a wide range of merchant choices.
4. Expanding payment acceptance options to include debit and credit cards via a card dongle.
5. Introducing store stock ordering features where payments can be directly routed to Livin' by Mandiri, with capabilities to track orders and access short-term funding options to facilitate stock purchases.

These innovations underscore Bank Mandiri's commitment to delivering sophisticated financial solutions that remain relevant and closely aligned with customer needs.

Meanwhile, Kopra by Mandiri has strengthened its platform through the following innovations:

1. Customers are able to seamlessly complete the onboarding process independently with clear and intuitive guidance.
2. The dashboard display is designed to be customizable, aligning with customers' specific needs. Additionally, the cash flow forecasting feature supports strategic financial decision-making and future financial planning.
3. Transfers to multiple accounts can be executed without the need to contact a branch or relationship manager. Recurring payments are also more efficient with the Save as Favorite and template features.
4. Enhancing payment convenience with the Pay Bill Again feature, which facilitates recurring payments. Additionally, it supports customers' needs for processing bulk payments efficiently.
5. Introducing an innovative solution for electronic invoice creation and delivery within the collection feature, enabling seamless and efficient payment management. This is further supported by the Bill Reminder, which sends automated billing notifications directly to Kopra or Livin' for business partners. Additionally, it includes a virtual account (VA) dashboard, allowing real-time VA bill reconciliation for greater accuracy and efficiency.
6. Providing a comprehensive liquidity management solution through cash concentration, complemented by an intuitive visual guide to enhance the customer experience in designing liquidity schemes.
7. Enabling suppliers to accelerate invoice payment receipt through the supplier financing solution, which can be accessed directly via the supplier's Kopra or Livin' platform.
8. Delivering a seamless and efficient trade transaction experience with a simplified form, supported by tooltips and validation to guide each step. Kopra Trade also provides real-time notifications for Bank Guarantee issuance, ensuring immediate information delivery to beneficiaries.

The implementation of this digital banking strategy has been realized in 2024.

DIGITAL BANKING

DIGITAL BANKING – RETAIL SEGMENT

Throughout 2024, Bank Mandiri continuously introduced innovations by rolling out new and enhanced features on its Livin' by Mandiri super app, including:

1

Introducing **a new personalized interface** tailored to the habits and preferences of each Livin' by Mandiri customer, enhancing their transaction experience by making it more convenient and comfortable.

2

QR Payment Cross Border, a cross-border QR code-based payment feature, enables international transactions without currency exchange. Using the QRIS Antar Negara feature in Livin' by Mandiri, customers can conduct cross-border transactions via QR code without needing to exchange currencies while shopping abroad.

3

Multicurrency debit allows international debit card transactions to be debited from foreign currency accounts in the transaction currency, eliminating conversion fees. This activity can be managed directly from the card details menu in Livin' by Mandiri.

4

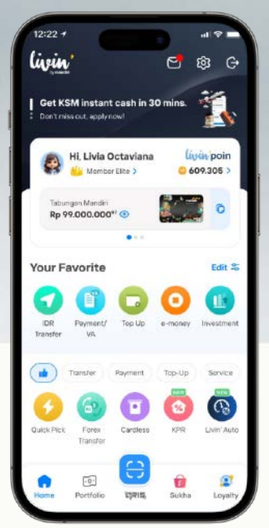
Tap-to-pay multicurrency offers a simple way for customers to make payments from foreign currency accounts by tapping their phone on payment terminals. This feature can be activated directly through Livin' by Mandiri.

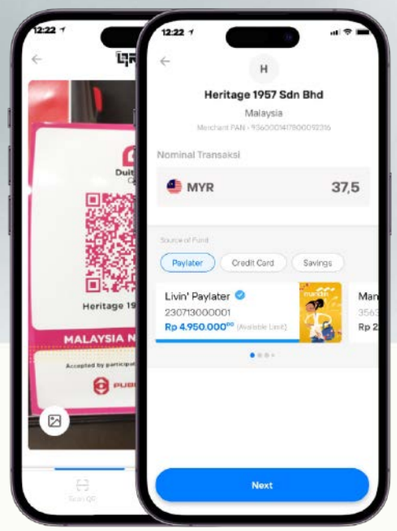
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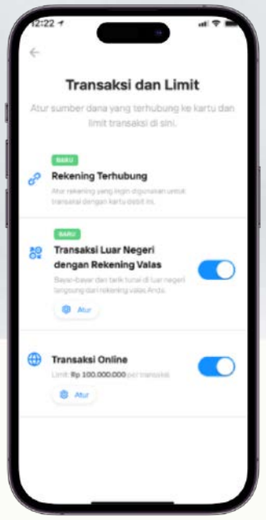
Livin' KPR (Mortgage Loan) provides a range of features related to property purchases via mortgage loans, including property showcases, mortgage simulations, scheduling appointments with bank officers, and submitting and tracking mortgage applications.

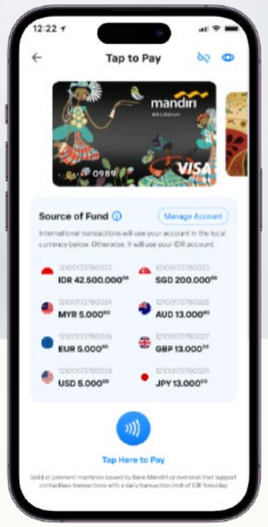
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Livin' Auto delivers end-to-end financing services for vehicle purchases. Customers can apply for loans processed by financing companies partnered with Bank Mandiri. Livin' Auto offers a variety of features, including a wide selection of vehicles, credit simulations, simple application processes, and attractive offers, all integrated within one application.

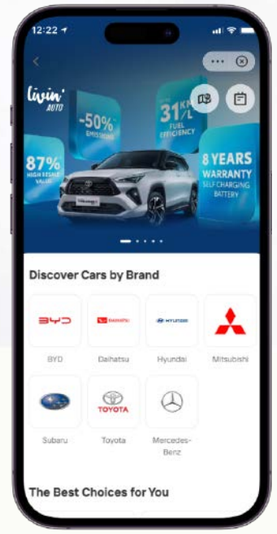






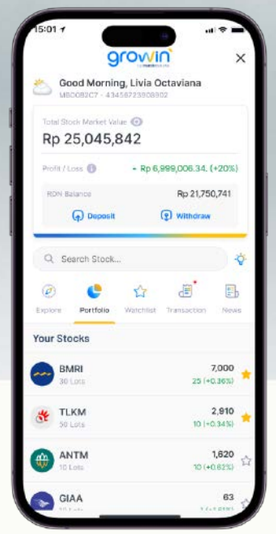






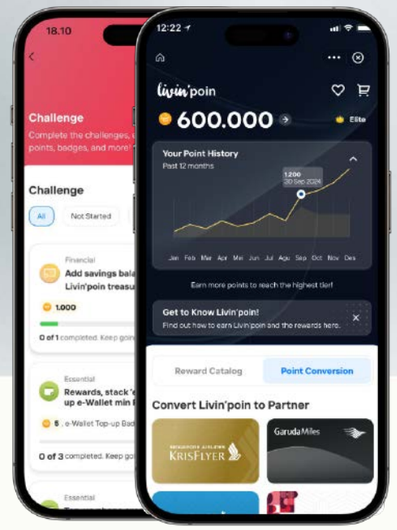
7

The **stock trading** feature represents a collaboration between Bank Mandiri and Mandiri Sekuritas, enabling customers to buy and sell stocks via Livin' by Mandiri. This feature allows customers to monitor investment portfolios, access stock market information, and conduct transactions anytime and anywhere.



8

Livin' Loyalty is a loyalty program offering reward points earned from average savings balances and or various customer transactions, such as payments made with Mandiri debit or credit cards on EDC machines, and transactions through Livin' by Mandiri.



In addition to Livin' by Mandiri, Livin' Merchant also introduced several new features, including:

1

A **registration** feature dedicated to business entity merchants, enabling non-individual businesses to benefit from Livin' Merchant services.

2

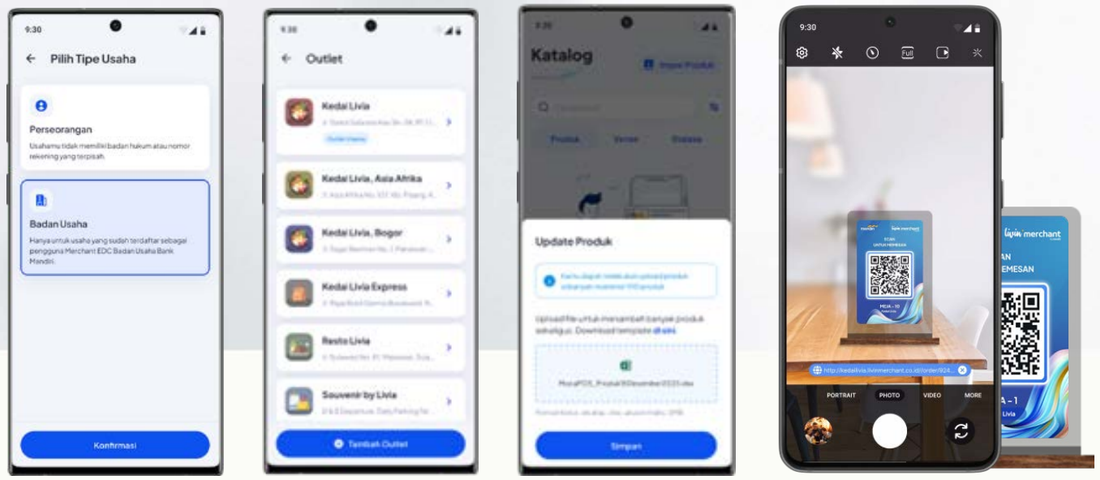
A **multi-outlet** feature allowing business owners to manage multiple outlet branches in one application, including adding outlets, assigning employees to each outlet, setting staxes and service charges, and overseeing financial reports from all outlets.

3

A **bulk product upload feature and additional variant options** that simplify inventory and product management for merchants.

4

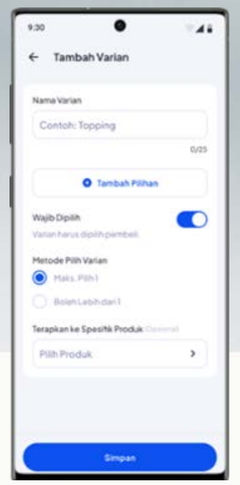
A **Table QR** feature that displays a menu and enables customers to place orders directly from their mobile phones by scanning the QR code.



DIGITAL BANKING

5

A **presentation method** feature that allows merchants to offer customers a choice of open or closed billing systems, as well as dine-in and take-away options.



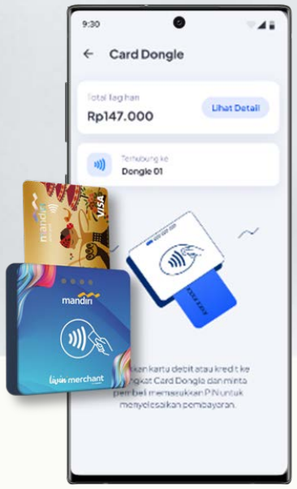
6

Integrated order information for printing order receipts and providing kitchen checkers, enhancing the efficiency of outlet operations.



7

A **card dongle** device for accepting debit and credit card payments, where customers can insert or tap their card on the provided device.



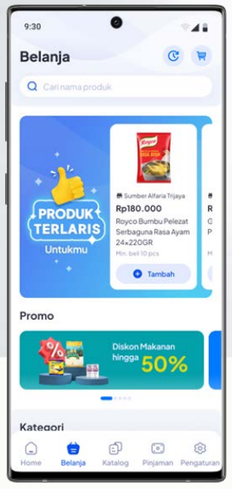
8

FnB Kiosk that simplifies self-ordering for customers using devices placed in various dining areas, offering a diverse selection of merchants.



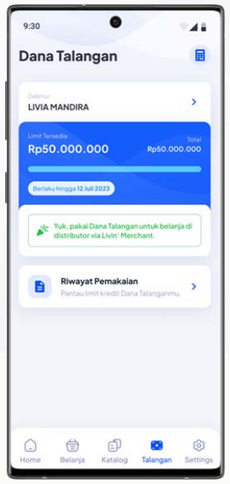
9

A **shopping from distributors** feature for ordering goods according to business needs, paid directly through Livin' by Mandiri, and the ability to monitor purchases and shipments directly from Livin' Merchant.



10

A **bridging fund** feature as a funding option for purchasing goods from distributors, which can be disbursed directly from Livin' Merchant.



DIGITAL BANKING RETAIL SEGMENT PRODUCTS AND SERVICES

Digital banking products and services for Retail segment customers include existing e-channel products along with various innovations and enhancements tailored to the needs of the Retail segment.

livin' by mandiri

Since its launch, Livin' by Mandiri has become a cornerstone of Bank Mandiri's innovation in enhancing digital banking services in Indonesia. The application is designed to provide a seamless, secure, and integrated banking experience for customers, aligning with the growing digital transformation priorities within the financial industry.

Livin' by Mandiri was initially introduced as part of Bank Mandiri's initiative to simplify banking access while reaching more customer segments, including tech-savvy younger generations. The app's early features included basic services such as interbank transfers, bill payments, and the purchase of digital products like phone credits and data packages.

Over time, Bank Mandiri has continuously updated the app, adding various innovative features that simplify the financial lives of its users. One significant development was the integration of QRIS for digital payments, personalized features based on customer needs, and the ability to apply for banking products such as credit cards and loans directly through the app.

In 2021, Livin' by Mandiri was relaunched with a more modern design and advanced features. This version allowed customers to access all their accounts in a single application, including savings accounts, time deposits, and linked e-wallets. Bank Mandiri also introduced biometric login and one-click transaction capabilities to enhance user security and convenience.

By 2024, Livin' by Mandiri has been downloaded by millions of users, demonstrating steady growth. The app has played a crucial role in increasing financial inclusion in Indonesia, particularly during the COVID-19 pandemic when many customers relied on digital services for their daily transactions. Livin' by Mandiri successfully positioned Bank Mandiri as a leader in digital banking, competing with other platforms to provide a fully integrated banking experience.

The addition of comprehensive investment features has also broadened the app's service scope into the investment sector, enabling users to invest in products such as mutual funds, bonds, and stocks directly through the app. This strategy strengthens Bank Mandiri's position as a holistic financial services provider.

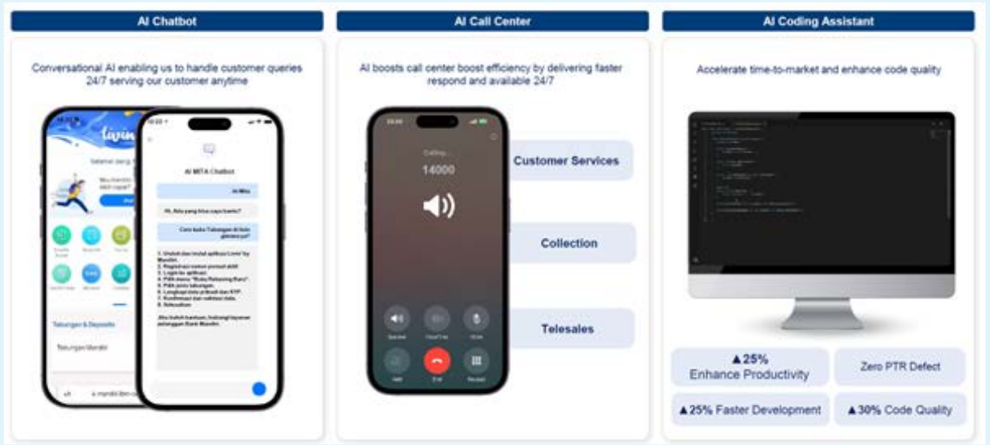
Looking ahead, Bank Mandiri is committed to further developing Livin' by Mandiri by integrating Artificial Intelligence (AI) and data analytics technologies to deliver increasingly personalized services. This strategic plan aims to keep the application relevant in a competitive digital banking landscape while contributing to Indonesia's economic digitalization.







Leveraging Advance Conversational AI, We Aim To Improve Operation Efficiency In Customer Service And Software Development



Livin' by Mandiri Flagship Features:	
Just Take a Selfie, Savings is Done	Ease of opening savings accounts without visiting a branch, everything can be done within minutes directly through the Livin' by Mandiri app.
One account for all (savings, loans, credit cards, & favorite e-wallets)	Check all Bank Mandiri products, including savings, loans, credit cards, and favorite e-wallets, right from the Livin' by Mandiri dashboard.
Quick Pick Favorite Deals	Users can customize the features they access most frequently to appear on the main screen.
Check Balance & Top Up Automatic E-Wallet	This feature allows customers to manage and link all their e-wallet accounts. Users can also set up automatic top-ups by frequency and amount as needed.
Cardless Cash Withdrawal and Deposit	Livin' by Mandiri provides the convenience of cardless cash withdrawals and deposits, ideal for customers without debit cards.
Goal Saving & Time Deposits	Plan and set the amount for Mandiri Tabungan Rencana and Mandiri Deposito to better prepare for the future.
Smart Reminder, E-Statement & E-Billing	Late fees can be avoided with smart reminders. Additionally, Livin' by Mandiri users can review transaction histories up to 15 months. For Mandiri Credit Cards, monthly transaction statements are also available in Livin' by Mandiri.
Open Ecosystem	Livin' by Mandiri is developed with an open ecosystem concept. Bank Mandiri offers digital services frequently used by customers in their daily lives.
Open an Overseas Account	Indonesian citizens abroad can enjoy the convenience of using Livin' by Mandiri with local numbers, including opening rupiah accounts. Livin' by Mandiri is currently available in 121 countries worldwide.
Branch reservation	Branch reservation services without the wait.
Personal Loan	Selected customers can apply for and top up personal loans directly from the app.
Credit card	Ease of opening savings accounts without visiting a branch—everything can be done within minutes directly through the Livin' by Mandiri app.

Digital Banking Retail Segment Existing Products:	
Livin' Merchant	A point-of-sale (POS) application from Bank Mandiri that helps enhance the seller-to-customer experience. The Livin' Merchant app is equipped with various features, including product sales, multiple payment methods, and support for expanding businesses through online stores, table QR codes, and kiosks.
Mandiri e-Money	A chip-based electronic money product issued by Bank Mandiri to replace cash in payment transactions such as toll roads, parking, busways, trains, convenience stores, and various other merchants.
LinkAja	LinkAja, a server-based electronic payment platform managed by a BUMN group, is a product integration of similar services from state-owned banks, including Mandiri Pay from Bank Mandiri. LinkAja was launched on 30 June 2019, and is committed to strengthening Indonesia's digital economy ecosystem in general and that of BUMNs in particular. LinkAja is now accepted at a variety of merchants. Bank Mandiri supports the LinkAja program by expanding LinkAja transaction acceptance at EDCs and Mandiri Bank merchants. The bank also broadens LinkAja's acceptance ecosystem by focusing on expanding non-cash transactions in transactional areas and establishing an ecosystem for LinkAja use in these locations.
Mandiri Chatbanking	A chat communication service between Bank Mandiri and its customers via the official Bank Mandiri WhatsApp account at 08118414000. Through this service, Bank Mandiri uses a chatbot system to deliver information, notifications, and interact with customers. In turn, customers can inquire about Bank Mandiri's products and services through the same WhatsApp number.
Mandiri EDC	A service providing electronic data capture (EDC) machines available at stores/merchants partnered with Bank Mandiri. Mandiri EDC facilitates electronic transactions using Mandiri Cards or cards from other banks through domestic networks, international payment networks, and Bank Mandiri's network.
Mandiri ATM	Banking transaction services via automated teller machines (ATMs) that enable customers to access their Mandiri Savings or Mandiri Giro accounts for cash withdrawals, balance inquiries, transfers, payments, and purchases using Mandiri cards. Through domestic networks and international payment networks, Mandiri ATMs also support transactions using cards from other banks.
Mandiri e-Commerce	A service for accepting transactions with Mandiri cards or other bank cards at online stores/ merchants partnered with Bank Mandiri. Mandiri e-commerce offers a seamless transaction experience as payments are conducted within an integrated transaction flow, without needing to access additional banking channels. Customers can use both Mandiri cards and other bank cards via international payment networks.
Mandiri Direct Debit	A frictionless and secure payment method using Mandiri Debit at e-commerce merchants, utilizing a transaction ID consisting of the card number and expiry date, combined with OTP (One-Time Password) authorization. For authorization, Bank Mandiri acts as the issuer, bypassing the principal by sending OTPs directly to the customer.
Mandiri QRIS	A QR-based transaction acceptance service using server-based electronic money or other funding sources at stores/merchants partnered with Bank Mandiri. Mandiri QRIS (Quick Response Indonesia Standard) simplifies transactions at stores/merchants without using cash or cards. Transactions can be performed interoperably using Mandiri Online, other mobile banking services, or fintech applications approved by Bank Indonesia.
Mandiri Customer Service Machine	Bank Mandiri's latest digital banking service offers customers a convenient way to replace cards (damaged or lost) and open new accounts. Customers can conduct these transactions independently at a customer service machine through a fast, practical process, eliminating the need to queue at a branch.
Mandiri Application Programming Interface (API)	Mandiri API provides easy access to banking products and services for participants in the digital financial ecosystem, seamlessly integrated into partner applications. This allows safe, real-time use of banking services.
Seller Financing	Bank Mandiri partners with digital companies in Indonesia to offer working capital loans (non-revolving) to MSMEs registered as online sellers/merchants. Loan applications are submitted online through the partner platform and sent to Bank Mandiri via API. Once approved, the funds are credited to the customer's account. For digital companies without a financing application platform, Bank Mandiri offers an onboarding website that can process loan applications.
KUM Talangan Pembelian	KUM Talangan Pembelian is a business financing product provided by Bank Mandiri to customers selling through digital platforms. Customers can repeatedly draw loans up to the credit limit in a revolving manner. The application process is conducted online via a partner platform connected to Bank Mandiri through an API. Customers can also track their loan application status directly on the partner platform.

DIGITAL BANKING – WHOLESALE SEGMENT

Digital Banking Wholesale Segment Products And Services

The following digital banking products and services for Wholesale segment customers include existing e-channel products along with innovations and enhancements tailored to the specific needs of Wholesale customers.

kopra by mandiri

As the largest bank in Indonesia with its Unique All-Rounder Ecosystem, Bank Mandiri remains focused on meeting customer needs by continuously driving innovation through the latest digital advancements. One of its key initiatives is the Wholesale Digital Super Platform, Kopra by Mandiri, which provides end-to-end solutions for customers and their value chains. Through Kopra, Bank Mandiri offers comprehensive banking services for all business segments, from SMEs to large corporations.

Since its launch in mid-2021, Kopra by Mandiri has contributed to Indonesia's economic growth. The platform focuses on three globally standardized core functions, Cash Management, Value Chain, and Trade, accessible through a single point of access for business operators.

In 2022, Bank Mandiri released the Kopra Mobile App, making it even easier for customers to access Kopra by Mandiri anytime and anywhere. In 2023, the bank introduced a breakthrough with KOPRA Beyond Borders, demonstrating its commitment to providing a seamless experience. This innovation addresses the integrated digital financial service needs of corporate customers in Indonesia and abroad, extending the ecosystem reach for clients.

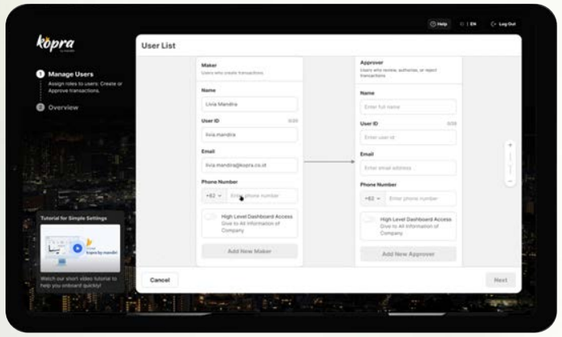
Building on this momentum, on 2 October 2024, coinciding with Bank Mandiri's 26th anniversary under the theme "Adaptive and Solutive," the Bank reaffirmed its commitment to delivering innovative financial solutions tailored to customers' needs in the digital era. As part of this initiative, Kopra by Mandiri underwent a comprehensive transformation, significantly enhancing both its user interface (UI) and user experience (UX), a development completed in less than a year.

This development reflects Bank Mandiri's commitment and dedication to delivering the best wholesale banking solutions in the market. Throughout the process, we collaborated with key stakeholders and benchmarked against top global players in the industry to identify necessary enhancements. Every feature of Kopra by Mandiri was carefully reviewed to ensure its capabilities align with customers' business needs while optimizing the customer journey to enhance efficiency by reducing the steps required for each transaction. Through these efforts, we strive to ensure that our solutions are on par with, or even surpass, those offered by leading global players.

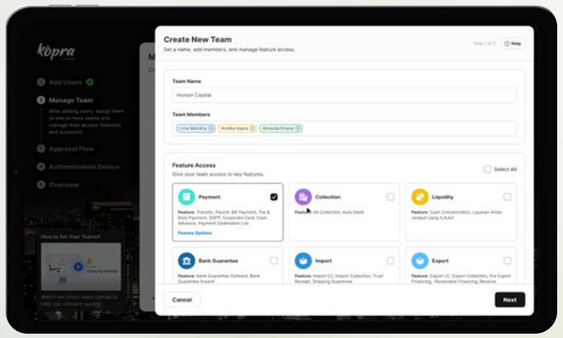
The transformation of Kopra by Mandiri introduces a modern and sophisticated interface, enhanced by an improved transaction experience and the addition of globally benchmarked features to meet customer needs. These enhanced services are designed to streamline transactions and improve overall banking efficiency. Key upgraded features include:

1 Kopra by Mandiri has undergone a massive transformation in both user interface (UI) and user experience (UX), with the development process completed in less than a year. Throughout this process, we collaborated with stakeholders and conducted benchmarking against top global players in the industry to determine the necessary enhancements. We reviewed the design and customer journey of each feature within Kopra by Mandiri with the expectation that, following this upgrade, its capabilities will be on par with or even exceed those offered by top global players. This update introduces a more elegant interface along with an enhanced transaction experience, complemented by the addition and strengthening of globally standardized features to meet customer needs.

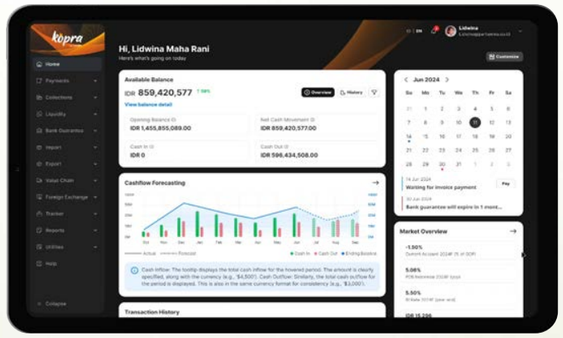
2 **Seamless Onboarding** through the **Simple Settings** option enables customers to complete the onboarding process with ease, minimizing the need for an implementer. Customers are provided with two options, one of which is Simple Settings, allowing the creation of corporate users within minutes. This option enables customers to configure makers and approvers in a single, straightforward step.



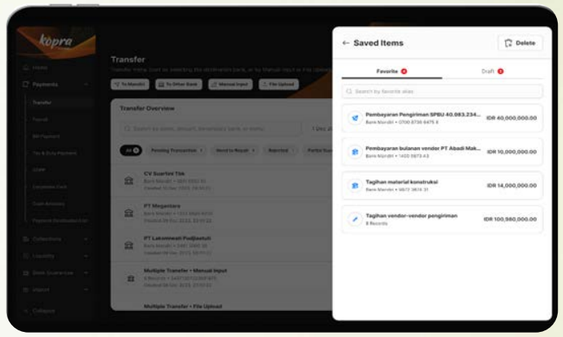
Or through **Advanced Settings**, where customers can create corporate users and define a unique approval scheme for each transaction, tailored to the company's approval policies.



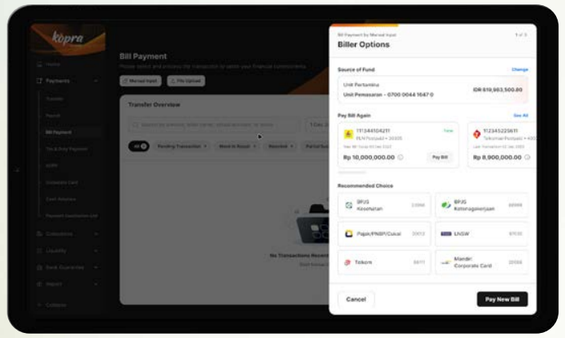
3 The **Dashboard** feature is designed to do more than just display balance and transaction information; it can customize the information display according to business needs. Equipped with Strategic Insights and accurate cash flow projections, this dashboard facilitates decision-making and future financial planning.



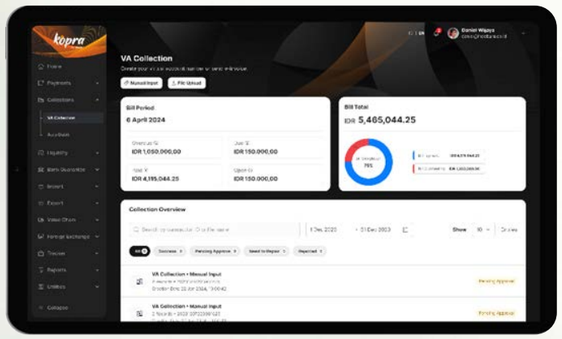
4 The **Transfer** feature provides services for transactions to various domestic and global banks, including foreign exchange transactions with competitive exchange rates directly from Kopra. Additionally, it offers flexibility for transferring funds to multiple accounts without the need to contact a branch or relationship manager and is equipped with favorite templates to expedite routine payment processes.



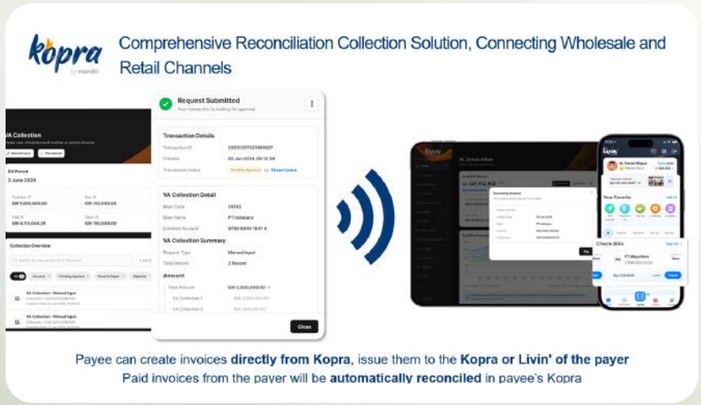
5 The **Payment** feature provides services for recurring payments using Pay Bill Again. Additionally, this feature simplifies bulk payments for customers.



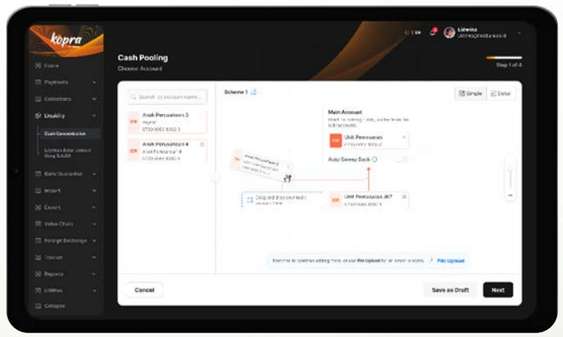
6 The **Collection** feature is designed to automate the billing process, making it more seamless, efficient, and faster. It facilitates automated and scheduled payment collection through Auto Debit, enables the creation and electronic delivery of invoices to business partners, and simplifies payment reconciliation with virtual account collection. Additionally, it includes a dashboard for monitoring receivables management.



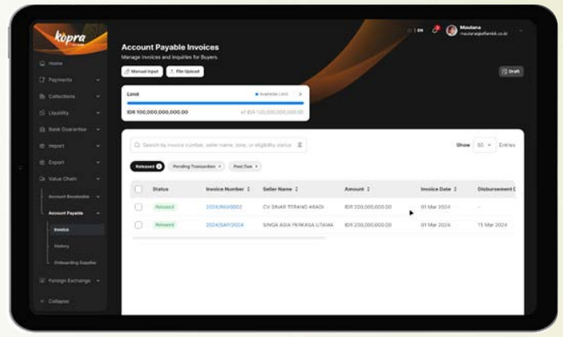
The introduction of new innovations such as Bill Reminder facilitates invoice collection by enabling direct billing from Kopra to business partners using Kopra and Livin'.

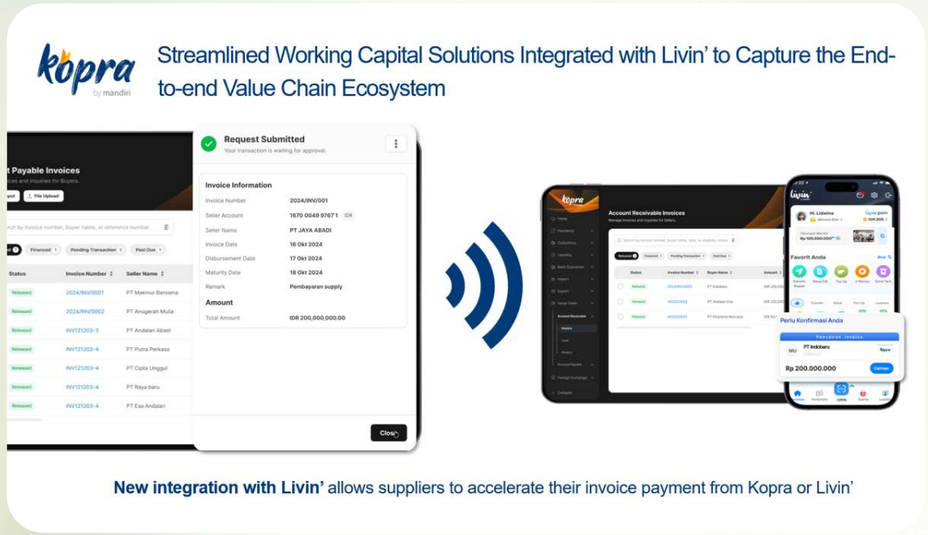


7 The **Liquidity** feature provides a comprehensive fund management solution through cash concentration, enabling customers to consolidate, distribute, and automatically set minimum and maximum balance limits on operational accounts. Additionally, this feature includes an educational landing page to assist customers in designing liquidity schemes more easily.

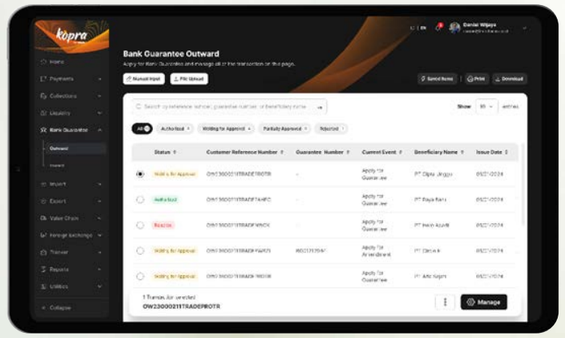


8 The **Value Chain** service enables customers to monitor transaction information, limits, and reconciliation in real time. This service also includes a supplier financing solution that allows individual suppliers to receive invoice payments more quickly, accessible directly through their Kopra or Livin' accounts.





9 The Trade service simplifies form completion, supported by tooltips and automatic validation as a guide. Additionally, it features a Bank Guarantee Draft Preview to ensure document accuracy before issuance, along with real-time notifications via Kopra for beneficiaries.



Kopra by Mandiri comprises three variants, which include:

1. Kopra Portal: A digital service variant featuring front-end access through a single access portal.
2. Kopra Embedded Finance (Host to Host): A single access digital service variant based on integration between the customer's system and the Bank's system.
3. Kopra Partnership: A solution providing transactional services with specific added value for customers and its business ecosystems.

The following are Kopra by Mandiri flagship features:	
Remittance Tracking	Ease of tracking the fund transfer status and the fees charged by each intermediary bank for foreign currency remittance transactions to other banks based on the Bank Mandiri transaction reference number.
Onboarding Suppliers	Online registration feature for suppliers to join the principal customer's KOPRA by Mandiri ecosystem.
Virtual Assistant	Convenient access to communicate with the bank via audio calls, video calls, and online chat for explaining a product or submitting complaints regarding Bank Mandiri's services and products registered in KOPRA by Mandiri.
Consolidated Financial Dashboard	A feature that provides customers with their financial information. The financial dashboard displays the following details: a. Cash Position: Displays the balance and transaction history for all customer accounts, both at Bank Mandiri and other banks. b. Limit Information: Displays trade, guarantee, and value chain limit details. c. Custody: Displays the total security assets owned by the customer. d. Transaction Reminder: Displays due dates and other important transaction-related dates for trade, value chain, and custody. e. Exchange Rate Information: Displays exchange rate data for 15 foreign currencies at special rates. f. Billing Information: Displays details of Active Billing and Billing History.
Online Onboarding Transactional Product	Convenience in registering Wholesale Bank Mandiri channels by filling out digital forms and signing them online.
Online Subsidiaries Registration	A feature to register subsidiaries online, allowing the parent company to view a summary of the subsidiary's financial information via the KOPRA by Mandiri dashboard.
Market Overview	A feature providing customers with market outlooks such as Macroeconomic Forecasts, Market Highlights, and Economic Reviews prepared by Bank Mandiri's Chief Economist team.
Product Offering	A feature enabling customers to receive product offers relevant to their profile directly on the KOPRA portal page.
EIPP (Electronic Invoice Presentment & Payment)	Bank Mandiri's collection service for companies that do not yet have a biller code but require invoicing solutions.
Kopra Smart Account	The Cash Management service utilizes virtual current sub-accounts (Virtual Accounts) to help companies centrally manage funds with ease in allocation, recording, and transaction identification.
Kopra Foreign Exchange	The Kopra by Mandiri feature enables customers to conduct foreign exchange (forex) transactions online with special exchange rates from the Treasury Group. The displayed exchange rates are continuously updated in real time. Customers can execute transactions by selecting currency pairs and choosing buy/sell positions according to their needs.
Kopra Beyond Borders	The internet banking service supports Bank Mandiri's business and corporate customers, both domestically and internationally. This service facilitates financial transactions between parent companies and overseas subsidiaries located in Singapore, Hong Kong, Timor-Leste (Dili), and China (Shanghai).
Kopra Bill Reminder	A feature in Kopra by Mandiri provided to biller customers using the Mandiri Bill Collection (MBC) service as an additional solution for billers to collect payments from consumers (payers) through Livin' by Mandiri.

The following are Kopra by Mandiri flagship features:	
Kopra Mobile App	The mobile application version of the Kopra by Mandiri platform allows customers to access company financial information, view foreign exchange conversion rates, and approve cash management transactions through a mobile app.
Mandiri Mobile Token	A smartphone-based token application that serves as an authentication tool for transactions on Bank Mandiri services, specifically Kopra by Mandiri. Mandiri Mobile Token is a soft token that must be downloaded and activated on the customer's smartphone device.
Mandiri Reconciliation Portal	An integrated portal owned and developed by the bank as a platform for companies to submit billing data, monitor dashboards, and view detailed payment receipt reports.

Wholesale Digital Super Platform Kopra by Mandiri Services:	
Kopra Cash Management Wholesale (KCM Wholesale)	An internet-based digital service designed for wholesale segment companies to conduct their financial activities, including both financial and non-financial transactions.
Kopra Value Chain	A web-based service provided by the Bank to meet customer needs in supply chain transactions (transactions between principals, suppliers, and distributors within the supply chain network), covering invoice submission, invoice receipt, payment instructions, and financing requests.
Kopra Trade	A web-based portal accessible 24/7 from anywhere at any time, enabling customers to conduct various types of trade transactions, including export, import, local trade, and bank guarantees.
Kopra Custody	A new web-based service that enables customers to easily inquire about their portfolio, transaction status, and Corporate Action Event information, as well as submit instructions with a dual control mechanism (four-eyes principle).
Kopra Cash Management Retail (KCM Retail)	An internet-based digital service designed for individual business customers and small and medium enterprises (SMEs) to conduct financial and non-financial transactions on registered business current or savings accounts with Bank Mandiri.
Kopra Hospital Solutions	A web-based service that facilitates hospitals in processing payment receipts from general patients, providing reconciliation, reports, and a payment receipt dashboard for both general patients and BPJS Kesehatan patients.

DIGITAL BANKING CHALLENGES IN 2024

Bank Mandiri encounters several challenges in developing its digital banking business in 2024. Among these, the growing number of digital transactions heightens the risks of data breaches and cyberattacks. As a result, Bank Mandiri continues to strengthen its cybersecurity systems to protect customer data and maintain service integrity throughout 2024. Enhancing biometric authentication and implementing the latest technology-based security measures remain top priorities for Bank Mandiri.

In addition, digital transformation requires modernizing infrastructure, including increasing core banking capacity and integrating digital services into various ecosystems such as e-commerce and fintech. As such, Bank Mandiri continuously strives to ensure that its digital services remain stable and reliable for customers.

Another challenge Bank Mandiri encounters in developing digital banking during 2024 is meeting customers' demand for faster, simpler, and feature-rich services. To address this, Bank Mandiri will continue innovating by developing new features in Livin' by Mandiri, Kopra by Mandiri, and other services. In adapting to changing customer preferences, Bank Mandiri's innovations are complemented by effective education to help customers make the most of these features.



DIGITAL BANKING PERFORMANCE IN 2024

Digital Banking Retail Segment Performance

The introduction of Livin' by Mandiri has not only simplified customer services such as fund transfers and account openings but also brought numerous standout features, including investment services and the ability to apply for loans directly through the app. As of December 2024, the performance of Bank Mandiri's digital banking retail segment continued to show positive growth, demonstrating its ongoing success.

Through a series of innovations launched throughout 2024, Livin' by Mandiri achieved a 29% (yoy) increase in users, reaching 29.3 million as of December 2024. Meanwhile, the frequency of transactions via Livin' by Mandiri rose by 38% (yoy) to 3.9 billion, with transaction value surging 23% (yoy) to Rp4,027 trillion. These solid results are a direct outcome of continuous innovation throughout the year. Bank Mandiri remains optimistic that its expanding digital ecosystem will continue to flourish thanks to these initiatives.

In addition, Livin' Merchant saw a 41% (yoy) growth in individual merchants, reaching 2.4 million by December 2024. The frequency of

transactions through Livin' Merchant reached 147 million, with a transaction value of Rp14.7 trillion.

Strong performance in the digital banking retail segment has been bolstered by Bank Mandiri's customer-oriented strategies, which focus on creating an integrated digital service ecosystem for Livin' by Mandiri, Kopra by Mandiri, and Livin' Merchant. Bank Mandiri also earned the "Digital Experience of the Year" accolade at the 2024 Asian Experience Awards, cementing its position as one of Indonesia's leading banks in digital innovation. This award highlights Bank Mandiri's ability to deliver adaptive and responsive digital banking solutions amid evolving technology and market needs.

This achievement reflects Bank Mandiri's dedication to enhancing customers' digital experiences while supporting grassroots economic growth through broader financial inclusion.

Digital Banking Wholesale Segment Performance

During 2024, the digital banking performance of Bank Mandiri's Wholesale segment posted rapid growth through the Kopra by Mandiri platform. The Wholesale Digital Super Platform, Kopra by Mandiri, successfully managed 1.3 billion transactions, grew 21% (yoy), with transaction value reaching Rp22,700 trillion, an increase of 17% (yoy). This comprehensive digital super platform serves various transaction needs anytime and anywhere, catering to multiple business segments, from corporates to SMEs, with more than 247,000 users as of December 2024.

Kopra by Mandiri has currently become a cornerstone for corporate business needs. As such, Bank Mandiri continues to strengthen its ecosystem solutions with a closed-loop approach, integrating corporate clients, suppliers, and distributors into a single efficient system. Innovations such as Kopra Bill Reminder and Kopra to Livin' Financing expand connectivity with Livin', fostering inclusive growth and enhancing supply chain efficiency.

Moreover, Kopra by Mandiri continues to be refined to offer an even better user experience, focusing on its three main functions, Cash Management, Value Chain, and Trade, all accessible via single sign-on. Kopra by Mandiri also features a personalized management dashboard tailored to business needs, along with numerous additional digital transaction features.

As a bank with core competence in wholesale banking and a unique all-rounder ecosystem, Bank Mandiri focuses on meeting the banking needs of business players, particularly in the corporate segment. With this approach, Kopra by Mandiri continues to strengthen its position as the market leader in wholesale digital banking services. Bank Mandiri's commitment to providing leading and innovative solutions for customers is reflected in the various international awards received in 2024. One of the most prestigious accolades was the Euromoney Awards for Excellence, where Bank Mandiri was recognized as the Best Bank for Corporates, reaffirming its position as the preferred choice for corporate customers in conducting operational business transactions. Moreover, Kopra by Mandiri received industry recognition through awards from The Digital Banker, winning in the Best Cash Management and Best Trade Finance in Southeast Asia categories.

Closing the year 2024, Kopra by Mandiri successfully secured the title of Best Bank for Payment Solution from Corporate Treasurer and Best Digital Banking Platform from Alpha Southeast Asia. Specifically in trade services, Kopra by Mandiri achieved a significant milestone by being recognized as Best Trade Finance Provider in Indonesia by the prestigious Global Finance. This achievement marks a historic win for Bank Mandiri in a category it had never received before.

Wholesale segment achievements as of December 2024 are as follows:

Year	Type	Cash Management	Trade & Bank Garansi	Value Chain
Dec-2024	Transaction Nominal	Rp18,363 trillion	Rp656,2 trillion	Rp74,1 trillion
Sep-2024	Transaction Nominal	Rp13,170 trillion	Rp482,1 trillion	Rp52,7 trillion
2023	Transaction Nominal	Rp18,277 trillion	Rp717,2 trillion	Rp70,6 trillion
2022	Transaction Nominal	Rp102,8 trillion	Rp878,6 trillion	Rp58,2 trillion

STRATEGI DIGITAL BANKING YEAR 2025

In 2025, Bank Mandiri remains committed to enhancing and enriching the features of its financial super app Livin' by Mandiri and the KOPRA by Mandiri super platform.

For the Livin' by Mandiri super app, several new innovations are planned, such as:

1. Introducing features aimed at expanding acquisition reach to the next generation of customers.
2. Incorporating artificial intelligence-driven financial management tools to enhance financial literacy across all customer segments.
3. Adding investment products to further complete the investment journey for Livin' users.

Meanwhile, for Livin' Merchant, new innovations will include:

1. Direct disbursement of customer payments into merchant accounts to provide greater convenience for business operators.
2. Offering additional revenue opportunities for business owners through bill payment and digital product services.
3. Integrating with food ordering platforms to produce comprehensive transaction records.

To address the evolving needs of customers, Bank Mandiri, through its wholesale segment, has established a strategy to strengthen its position as the market leader in digital banking services in Indonesia. This strategy focuses on developing and reinforcing a closed-loop ecosystem through Kopra Partnership, which facilitates an end-to-end connected ecosystem, from principals, suppliers, and distributors to retailers and individual customers, by integrating Kopra by Mandiri and Livin' by Mandiri. One key initiative is Kopra Bill Reminder, which enables direct billing to Livin' by Mandiri users. Furthermore, to expand services for customers, we have integrated Kopra by Mandiri and Livin' by Mandiri with the Kopra to Livin' Financing solution. This innovation accelerates invoice payment receipt for individual suppliers by directly linking payments to their Livin' accounts. The introduction of these two features is expected to address customer needs while driving their adoption and usage. Looking ahead, Kopra by Mandiri will further integrate customers' business processes into the Kopra ecosystem by connecting Kopra by Mandiri with Livin' Merchant, enhancing seamless financial transactions across the ecosystem.

OPERATIONAL REVIEW BY BUSINESS SEGMENT

Bank Mandiri divides its working units into three main units: business units, support functions, and business & network units, all of which function to carry out activities in the banking industry. These three main units are further divided into several segments and sub-segments of operations.

The business unit serves as the primary driver of the Bank's business development and operates as an operational segment consisting of two main segments: Wholesale Banking and Retail Banking. The support functions unit supports overall business operations, while the business & network unit functions as the unit responsible for selling products and services to all Bank Mandiri customer segments. The business & network unit consists of 12 Regional Offices spread across Indonesia.

OPERATIONAL SEGMENTS

Bank Mandiri's operational segments are outlined in the following structure:

MAIN SEGMENTS

Main Segments
- Corporate Banking
- Commercial Banking
- Institutional Relations
- Treasury & International Banking

Retail Segments
- Retail Banking
  - Comprising Consumer/Individual Segment
  - Micro & Business Segment
  - Wealth Management

SUPPORTING SEGMENTS

Geographic Segments
- Operasional utama Grup dikelola di wilayah:
  - Indonesia
  - Asia (Singapura, Hong Kong, Timor Leste, Shanghai, Malaysia)
  - Eropa Barat (Inggris)
  - Cayman Islands

Subsidiary
- PT Bank Syariah Indonesia Tbk (BSI)
- Bank Mandiri (Europe) Limited (BMEL)
- PT Mandiri Sekuritas (Mansek)
- PT Bank Mandiri Taspen (Bank Mantap)
- PT Mandiri Tunas Finance (MTF)
- Mandiri International Remittance Sdn. Bhd. (MIR)
- PT AXA Mandiri Financial Services (AXA Mandiri)
- PT Mandiri Utama Finance (MUF)
- PT Mandiri Capital Indonesia (MCI)

PROFITABILITAS SEGMEN OPERASIONAL

Operational Segment Net Profit Growth
- Bank Mandiri's Operational segment net profit increased to Rp61,17 trillion, grew by 1.87% (yoy) in 2024.
- This growth was primarily supported by the net profit from Corporate Banking segment, which reached Rp14,32 ttrillion.

Operational Segment Interest and Sharia Income Growth
- Bank Mandiri's Operational segment interest and sharia income grew by 14.11% (yoy) to Rp151,24 trillion in 2024.
- The Wholesale Banking segment significantly contributed to this growth, increased by Rp15,81 trillion or 23.25% (yoy) to Rp83,79 trillion.

Key Contributors in Wholesale Banking Segment in the Increase of Interest Income & Sharia Income

1. **Corporate Banking**: Increased by **Rp10,40** trillion, grew by **23.07%** (yoy) to **Rp55,46** trillion.
2. **Commercial Banking**: Increased by **Rp5,41** trillion, grew by **23.61%** (yoy) to **Rp28,33** trillion.
3. **Institutional Relations**: Increased by **Rp4,54** trillion, grew by **56.37%** (yoy) to **Rp12,60** trillion.
4. **Treasury & International Banking**: Increased by **Rp1,72** trillion, grew by **7.18%** (yoy) to **Rp25,68** trillion.

Retail Banking Segment
- Retail Banking's interest and sharia income grew by **Rp8.45** trillion, increased by **11.49%** (yoy) to **Rp82.02,65** trillion as of December 2024.

Subsidiary
- Interest and sharia income from the subsidiary segment grew by **12.41%** (yoy) to **Rp39.48** trillion.

OPERATIONAL REVIEW BY BUSINESS SEGMENT

Operating Segment Profitability 2024 (as of 31 December 2024)

Description	Corporate Banking	Commercial Banking	Institutional Relations	Retail Banking	Treasury & International Banking	Head Office	Subsidiary - Sharia	Subsidiary -Insurance	Subsidiary - Non-Sharia and Insurance	Adjustment and Elimination*)	Total
Consolidated Statement of Profit or Loss and Other Comprehensive Income											
Interest Income and Sharia Income **)	55,458,085	28,329,824	12,599,521	82,023,216	25,675,744	311,561	25,190,341	366,240	13,922,134	(92,640,639)	151,236,027
Interest Expense and Sharia Expense **)	(43,095,529)	(21,526,623)	(9,354,874)	(31,421,713)	(26,435,919)	(309,039)	(7,889,030)	-	(5,662,346)	96,215,966	(49,479,107)
Net Interest and Sharia Income	12,362,556	6,803,201	3,244,647	50,601,503	(760,175)	2,522	17,301,311	366,240	8,259,788	3,575,327	101,756,920
Net Premium Income	-	-	-	-	-	-	-	2,520,813	-	-	2,520,813
Net Interest, Sharia and Premium Income	12,362,556	6,803,201	3,244,647	50,601,503	(760,175)	2,522	17,301,311	2,887,053	8,259,788	3,575,327	104,277,733
Other Operating Income:											
Fees and Commissions	3,579,720	1,068,987	540,910	7,939,832	249,408	4,207,616	3,591,648	-	2,876,145	(606,746)	23,447,520
Others	370,578	140,578	47,508	5,979,568	2,795,794	4,640,925	2,674,566	1,163,338	2,552,526	(1,641,886)	18,723,495
Total	3,950,298	1,209,565	588,418	13,919,400	3,045,202	8,848,541	6,266,214	1,163,338	5,428,671	(2,248,632)	42,171,015
Reversal/(Establishment) Allowance for Impairment Losses of Financial Assets and Others	208,039	533,724	22,539	(8,056,279)	(19,093)	39,701	(2,822,044)	-	(1,835,591)	-	(11,929,004)
Gains on Sale of Marketable Securities and Government Bonds	-	-	-	-	-	1,041	147,338	1,016	902	-	150,297
Other Operating Expenses:											
Salaries and Employee Benefits	(707,702)	(582,713)	(261,121)	(8,550,280)	(184,589)	(4,397,981)	(5,284,069)	(461,312)	(3,560,996)	-	(23,990,763)
General and Administrative Expenses	(537,990)	(337,903)	(287,935)	(8,794,411)	(163,140)	(6,746,929)	(5,822,530)	(780,922)	(3,047,873)	-	(26,519,633)
Others	(953,374)	(474,356)	(283,621)	(3,421,039)	(353,631)	(398,829)	(850,481)	(1,154,040)	(657,778)	447,099	(8,100,050)
Total	(2,199,066)	(1,394,972)	(832,677)	(20,765,730)	(701,360)	(11,543,739)	(11,957,080)	(2,396,274)	(7,266,647)	447,099	(58,610,446)
Net Non-Operating Income/(Expenses)	-	-	-	-	-	342,689	4,393	-	(3,191)	-	343,891
Tax Expense	-	-	-	-	-	(11,890,259)	(2,044,505)	(278,899)	(1,024,702)	-	(15,238,365)
Net Profit	**14,321,827**	**7,151,518**	**3,022,927**	**35,698,894**	**1,564,574**	**(14,199,504)**	**6,895,627**	**1,376,234**	**3,559,230**	**1,773,794**	**61,165,121**
Net Profit Attributable To:											
Owners of Parent Entity	-	-	-	-	-	-	-	-	-	-	5,382,379
Noncontrolling interests	-	-	-	-	-	-	-	-	-	-	(56,224,883)
Consolidated statement of financial position											
Gross Loans	515,387,333	292,862,407	96,337,445	397,443,310	8,748,909	-	275,170,624	-	46,933,649	(9,667,065)	1,623,216,612
Total Assets	532,047,351	285,625,155	97,040,404	270,832,653	288,676,693	403,099,471	408,613,432	41,914,379	131,222,110	(31,848,386)	2,427,223,262
Demand Deposits and *Wadiah* Demand Deposits	(266,264,072)	(101,979,504)	(56,424,491)	(121,995,373)	(5,041,157)	670,918	(19,147,079)	-	(1,094,974)	2,699,723	(568,576,009)
Saving Deposits and *Wadiah* Saving Deposits	(22,875,714)	(29,835,214)	(2,216,055)	(459,185,804)	(426,607)	-	(55,280,067)	-	(10,372,335)	-	(580,191,796)
Time Deposits	(40,428,190)	(29,372,581)	(44,297,076)	(246,264,747)	(4,983,283)	104,031,094	-	-	(37,426,416)	1,274,047	(297,467,152)
Total Deposits from Customer	(329,567,976)	(161,187,299)	(102,937,622)	(827,445,924)	(10,451,047)	104,702,012	(74,427,146)	-	(48,893,725)	3,973,770	(1,446,234,957)
Total Liabilities	(330,132,708)	(162,089,578)	(104,667,569)	(719,307,812)	(116,194,603)	(186,574,573)	(109,666,533)	(38,101,669)	(109,228,303)	16,783,973	(1,859,179,375)

*) Includes the elimination of internal transfer pricing or reclassification between operating segments and elimination of subsidiaries.
**) Includes components of internal transfer pricing between operating segments.

OPERATIONAL REVIEW BY BUSINESS SEGMENT

Operating Segment Profitability 2023 (as of 31 December 2023)

Description	Corporate Banking	Commercial Banking	Institutional Relations	Retail Banking	Treasury & International Banking	Head Office	Subsidiary - Sharia	Subsidiary -Insurance	Subsidiary - Non-Sharia and Insurance	Adjustment and Elimination*)	Total
Consolidated Statement of Profit or Loss and Other Comprehensive Income											
Interest Income and Sharia Income **)	45,062,477	22,918,692	8,057,705	73,572,015	23,955,016	273,499	22,266,780	456,576	12,396,296	(76,414,586)	132,544,470
Interest Expense and Sharia Expense **)	(30,279,973)	(16,104,740)	(4,928,572)	(27,618,272)	(21,432,754)	(265,903)	(5,993,167)	-	(4,466,631)	74,432,116	(36,657,896)
Net Interest and Sharia Income	14,782,504	6,813,952	3,129,133	45,953,743	2,522,262	7,596	16,273,613	456,576	7,929,665	(1,982,470)	95,886,574
Net Premium Income	-	-	-	-	-	-	-	2,677,680	-	(554,634)	2,123,046
Net Interest, Sharia and Premium Income	14,782,504	6,813,952	3,129,133	45,953,743	2,522,262	7,596	16,273,613	3,134,256	7,929,665	(2,537,104)	98,009,620
Other Operating Income:											
Fees and Commissions	2,802,116	828,477	485,844	7,397,841	282,570	3,909,218	2,766,757	-	2,333,237	(657,650)	20,148,410
Others	396,415	145,282	45,618	5,933,469	2,754,747	7,315,708	2,014,757	1,282,189	2,184,912	(1,698,661)	20,374,436
Total	3,198,531	973,759	531,462	13,331,310	3,037,317	11,224,926	4,781,514	1,282,189	4,518,149	(2,356,311)	40,522,846
Reversal/(Establishment) Allowance for Impairment Losses of Financial Assets and Others	2,046,409	1,650,569	(12,738)	(9,013,714)	(26,561)	(33,011)	(3,220,873)	-	(1,538,788)	-	(10,148,707)
Unrealized Gain/(Loss) from Increase/ (Decrease) in Fair Value of Policyholders Investment in Unit-Link Contracts	-	-	-	-	-	-	-	-	-	-	-
Gains on Sale of Marketable Securities and Government Bonds	-	-	-	-	-	47,701	74,434	19,340	(16,180)	-	125,295
Other Operating Expenses:											
Salaries and Employee Benefits	(223,524)	(341,091)	(110,771)	(2,347,645)	(146,412)	(12,889,547)	(5,035,077)	(562,463)	(3,321,193)	554,634	(24,423,089)
General and Administrative Expenses	(95,607)	(110,462)	(171,253)	(2,033,553)	(127,053)	(11,965,900)	(4,748,386)	(900,857)	(2,579,823)	-	(22,732,894)
Others	(563,287)	(261,325)	(153,238)	(1,821,926)	(338,731)	(1,792,243)	(725,852)	(1,206,267)	(521,296)	672,657	(6,711,508)
Total	(882,418)	(712,878)	(435,262)	(6,203,124)	(612,196)	(26,647,690)	(10,509,315)	(2,669,587)	(6,422,312)	1,227,291	(53,867,491)
Net Non-Operating Income/(Expenses)	-	-	-	-	-	98,094	100	-	(54,876)	-	43,318
Tax Expense	-	-	-	-	-	(11,690,331)	(1,695,729)	(256,165)	(990,786)	-	(14,633,011)
Net Profit	**19,145,026**	**8,725,402**	**3,212,593**	**44,068,215**	**4,920,824**	**(26,992,715)**	**5,703,744**	**1,510,033**	**3,424,872**	**(3,666,124)**	**60,051,870**
Net Profit Attributable To:											
Owners of Parent Entity	-	-	-	-	-	-	-	-	-	-	55,060,057
Noncontrolling interests	-	-	-	-	-	-	-	-	-	-	4,991,813
Consolidated statement of financial position											
Gross Loans	409,857,020	237,952,186	72,741,580	358,074,141	7,162,500	-	237,907,537	-	42,066,502	(5,929,271)	1,359,832,195
Total Assets	424,358,483	229,139,153	73,595,383	240,050,664	307,078,639	414,628,061	353,624,125	43,938,924	114,843,074	(27,037,057)	2,174,219,449
Demand Deposits and *Wadiah* Demand Deposits	(256,481,994)	(91,227,532)	(63,703,665)	(115,236,424)	(4,902,962)	(980,003)	(20,847,525)	-	(1,192,752)	2,213,701	(552,359,156)
Saving Deposits and *Wadiah* Saving Deposits	(16,495,482)	(21,306,778)	(1,062,603)	(414,655,290)	(190,222)	-	(47,026,375)	-	(8,554,739)	-	(509,291,489)
Time Deposits	(26,777,108)	(37,227,044)	(33,127,841)	(149,488,496)	(6,772,458)	(2,509,694)	-	-	(35,470,457)	1,575,594	(289,797,504)
Total Deposits from Customer	(299,754,584)	(149,761,354)	(97,894,109)	(679,380,210)	(11,865,642)	(3,489,697)	(67,873,900)	-	(45,217,948)	3,789,295	(1,351,448,149)
Total Liabilities	(300,286,798)	(150,621,915)	(99,279,109)	(681,149,184)	(55,329,532)	(163,775,636)	(88,202,768)	(38,734,998)	(95,226,939)	12,164,064	(1,660,442,815)

*) This includes elimination of internal transfer pricing or reclassification between operating segments and elimination of Subsidiaries.
**) Includes internal transfer pricing components between operating segments.

CORPORATE BANKING

PERFORMANCE SUMMARY

RP55.46 trillion
INTEREST INCOME
Grew
23.07% (YOY)

RP3.95 trillion
FEE BASED INCOME
Grew
23.50% (YOY)

RP515.39 trillion
LOANS
Grew
25.75% (YOY)

KEY HIGHLIGHTS

- The strengthening of the organizational structure in 2024 and the focus on managing a sound and sustainable conglomeration have contributed to strong credit growth of 25.75% year-on-year while maintaining a prudent approach in line with best practices in the banking industry.
- The optimization of the digital platforms Livin' and Kopra successfully drove Fee-Based Income growth by 23.50% year-on-year.
- Loan disbursement in the Green Portfolio and Sustainable Portfolio accounted for 15.3% of the total Corporate Banking loans in 2024.

The focus of the Corporate Banking segment is to serve the needs of large corporate customers, whether for financing large-scale and long-term projects or for fund placements. Bank Mandiri's Corporate Banking operations are also supported by Mandiri Sekuritas.

The customer profile parameters for Bank Mandiri's Corporate Banking segment are as follows:

Parameter	Corporate Banking
Company Size	Companies with Gross Annual Sales (GAS) exceeding Rp2 trillion, including its business groups.
Customers	Domestic: Private companies, listed state-owned enterprises (SOEs), and its business groups, as well as business groups or sponsors classified among the top companies in Indonesia or Asia. Overseas: • Customers with fund accounts registered at branches in Hong Kong, Shanghai, Singapore, and the Cayman Islands. • Overseas companies affiliated with Bank Mandiri customers in Indonesia or foreign companies that meet the criteria for financing in accordance with regulations in Indonesia and abroad.

Corporate Banking is a core competency and the primary driver of Bank Mandiri's performance. As such, amid ongoing domestic and international challenges, Bank Mandiri's Corporate Banking segment applies a prudent approach in lending.

COMPETITIVE ADVANTAGES AND INNOVATIONS IN CORPORATE BANKING

Bank Mandiri Corporate Banking segment is a market leader in corporate lending. This is supported by a strong reputation and extensive experience in corporate banking, with a customer base that includes state-owned enterprises (SOEs) and Indonesia's largest business conglomerates. To sustain its business growth, the Corporate Banking segment maintains strong and close relationships with debtors both domestically and internationally. Moreover, the segment benefits from the support of a broad correspondent banking network, Bank Mandiri's overseas branches, and an extensive syndication network.

CORPORATE BANKING STRATEGY IN 2024

The following strategies were executed by Corporate Banking in 2024:

1. **Portfolio Strategy**
   Growth is focused on managing a sound and sustainable conglomeration while maintaining prudent banking principles and disbursing loan in accordance with best practices in the banking industry.

2. **Business Strategy**
   A comprehensive customer ecosystem approach is implemented by leveraging the strong foundation of Corporate Banking, enabling the retail segment to penetrate and maximize the full potential of Corporate Banking customers.

3. **Operation Strategy**
   The organizational structure has been strengthened by transitioning from a sector-based model to a conglomerate-based approach, enhancing the ability to identify potential opportunities more comprehensively.

CORPORATE BANKING PRODUCTIVITY AND REVENUES

The effective implementation of strategies has served a crucial role in the productivity and revenue performance of Bank Mandiri Corporate Banking segment throughout 2024, as presented in the following table:

Kinerja Corporate Banking

(In Rp million)

Description	2024	2023	Growth	
			(Rp Million)	%
Total Loans	515,387,333	409,857,020	105,530,313	25.75
NPL Ratio (%)	0.44%	0.37%	-	0.07
Total Third-Party Funds	329,567,976	299,754,584	29,813,392	9.95
Total Fee Based Income	3,950,298	3,198,531	751,767	23.50
Total Net interest Income	12,362,556	14,782,504	(2,419,948)	(16.37)

Bank Mandiri's loan growth, which outpaced the banking industry average, was supported by an increase in loan disbursed by the Corporate Banking segment. As of December 2024, this segment reached Rp515.39 trillion, a 25.75% (yoy) growth from Rp409.86 trillion in December 2023. This growth in Corporate Banking loans aligns with Indonesia's economic expansion in 2024.

On the other hand, third-party funds in Bank Mandiri Corporate Banking segment reached Rp329.57 trillion as of December 2024, grew by 9.95% (yoy) from December 2023. Meanwhile, Net Interest Income in the Corporate Banking segment grew to Rp12.36 trillion by December 2024, up from Rp14,78 trillion in December 2023.

In addition, by optimizing digitalization through Kopra by Mandiri in the Corporate Banking segment, Fee-Based Income increased by 23.50% (yoy), reached Rp3.95 trillion in December 2024, up from Rp3.19 trillion in December 2023.

Corporate Banking Loans by Product

(In Rp million)

Product	2024			2023			Growth		
	Rp	Forex	Total	Rp	Forex	Total	Rp	Forex	Total
Investment Loan (IP)	197,722	104,653	302,375	145,889	92,973	238,861	51,833	11,680	63,514
Working Capital Loan (KMK)	149,674	63,338	213,012	106,214	64,781	170,996	43,460	(1,443)	42,016
Total	**347,396**	**167,991**	**515,387**	**252,103**	**157,754**	**409,857**	**95,293**	**10,237**	**105,530**

Bank Mandiri's Corporate Banking segment identifies industries with the highest financing productivity, which is primarily dominated by the food and beverage industry, both individually and as part of business groups. The following table presents the loan outstanding for the 10 largest industrial sectors, categorized by individual credit customers and group credit customers, as of the end of 2024.

Business Sector of Corporate Individual Debtors

(in Rp Billion)

No	Business Sector of Corporate Individual Debtors	*Outstanding*
1	Financial Services	19,120
2	Food & Beverage Industry	15,458
3	Metal Ore Mining	12,882
4	Energy & Water	12,620
5	Transportation Support Services	10,987
6	Palm Plantation & CPO	9,805
7	Land Transportation Services	9,315
8	Oil & Gas Industry	8,600
9	Non-Infrastructure Construction Services	7,876
10	Food & Beverage Industry	7,654
	Total	**114,316**

Business Sectors of Debtor Group Corporation

(in Rp Billion)

No	Business Sector of Corporate Group Debtors	*Outstanding*
1	Energy & Water, Retail Trade of Food, Beverages & Tobacco, Hotels, Restaurants	35,309
2	Pulp & Paper Industry, Coal Industry, Machinery & Equipment Industry, Energy & Water	30,518
3	Metal Ore Mining, Oil & Gas Industry, Non-Financial Business Services	24,995
4	Infrastructure Construction Services & Non-Infrastructure Construction Services	22,376
5	Infrastructure Construction Services, Financial Services, Palm Plantation & CPO	20,735
6	Financial Services and Non-Financial Business Services	19,142
7	Food & Beverage Industry, Fertilizer & Pesticide Industry, Financial Services	18,740
8	Energy & Water, Non-Financial Business Services	16,134
9	Coal Industry, Wholesale Trade of Machinery & Equipment, Financial Services	12,818
10	Transportation Support Services & Infrastructure Construction Services	12,801
	Total	**213,566**

CORPORATE BANKING BUSINESS OUTLOOK FOR 2025

Various internal and external factors are expected to support the business prospects of Bank Mandiri's Corporate Banking segment, keeping it strong and growing in 2025. Indonesia's economic growth is projected to exceed 5% in 2025, serving as a positive catalyst for business activities within the Corporate Banking segment. Supportive monetary policies and enhanced economic competitiveness also provide opportunities for the banking sector to continue growing while ensuring Indonesia's economic stability.

Several other key factors also support the positive outlook for Bank Mandiri's Corporate Banking segment. Major infrastructure projects, such as toll roads, ports, airports, and renewable energy, remain a priority for the Indonesian government in the coming years. As the largest bank in Indonesia, Bank Mandiri holds a strategic position to support corporate financing for these projects. Moreover, financing demand from state-owned enterprises (SOEs) and private companies is expected to expand in line with sustained economic growth.

In terms of digitalization and product innovation within the Corporate Banking segment, Bank Mandiri will continue to strengthen its digital capabilities through the Kopra by Mandiri super platform, which simplifies financial management for corporations. The digitalization trend in the Corporate Banking segment will enhance operational efficiency and attract more corporate clients to collaborate with Bank Mandiri.

The growth of industrial sectors such as manufacturing, mining, energy, and healthcare is projected to show significant potential in 2025. This positive outlook presents opportunities for Bank Mandiri Corporate Banking financing services while also allowing it to expand its portfolio by supporting working capital loans, investment financing, and trade finance needs.

With the increasing global and local demand for green financing, Bank Mandiri has responded effectively. The Corporate Banking segment has begun expanding into this sector by financing renewable energy and sustainability projects. Its commitment and focus on ESG (Environmental, Social, and Governance) not only strengthen its reputation but also attract more corporate clients who prioritize sustainability.

Nevertheless, Bank Mandiri will continue to closely monitor the challenges that may affect its Corporate Banking segment in 2025. These include intense competition with other banks, including foreign banks that are also active in the Corporate Banking sector. In addition, ongoing global economic uncertainties stemming from geopolitical risks in the Middle East, the prolonged Russia-Ukraine conflict, and volatile commodity prices could impact corporate loan demand.

To sustain growth and ensure that the Corporate Banking segment remains a key pillar of its business, Bank Mandiri will continue expanding digital-based services to enhance customer convenience, focus on industrial sectors with long-term potential, and diversify its loan portfolio to mitigate risks and increase revenue.



CORPORATE BANKING WORK PLANS FOR 2025

To address challenges while maximizing opportunities in the coming year, the Grand Strategy for Corporate Banking in 2025 will include the following:

1. **Maintaining position as the largest lender**
   Corporate Banking will continue to strengthen Bank Mandiri's dominance as a leading wholesale bank by driving growth within a sound conglomeration. This strategy will be balanced with optimal concentration risk management through portfolio diversification across various industrial sectors, in line with prudent banking principles and best practices.
2. **Increasing low-cost funding through customer transaction acquisition**
   The growth of Third-Party Funds will focus on increasing low-cost funding through a customer transaction acquisition strategy. This will be achieved by optimizing the use of digital channels Livin' and Kopra to enhance floating funding from customer transactions at Bank Mandiri.
3. **Optimizing the Corporate Banking customer ecosystem**
   With strong relationships and an extensive network, reinforced by Bank Mandiri's digital platforms, Corporate Banking is expected to fully optimize the potential of its customer ecosystem.

COMMERCIAL BANKING

PERFORMANCE SUMMARY

RP292.86 trillion

LOANS

Grew 23.08% (YTD)

RP161.19 trillion

THIRD-PARTY FUNDS

Grew 7.63% (YTD)

RP28.33 trillion

INTEREST INCOME

Grew 23.61% (YOY)

KEY HIGHLIGHTS

- The improvement in loan disbursement performance in the Commercial Banking segment in 2024 also contributed to Bank Mandiri's loan growth.
- Commercial Banking recorded a loan increase of 24.21%, reaching Rp292.86 trillion in December 2024 compared to Rp237.79 trillion in December 2023, in line with the recovery of Indonesia's economy.

The business focus of the Commercial Banking segment is to serve the needs of medium-scale industrial customers with gross annual sales ranging from over Rp50 billion to Rp2 trillion. Bank Mandiri Commercial Banking also provides products and services in the form of comprehensive transaction solutions to simplify customers' business activities.

The customer profile parameters for Bank Mandiri's Commercial Banking segment are as follows:

Parameters	Commercial Banking
Company Size	Companies with gross annual sales of more than Rp50 billion to Rp2 trillion or with a loan ceiling >Rp25 billion, including their business groups.
Customers	Loans and funds at overseas branches managed by GAM under the Commercial Unit, loans and funds at overseas branches not managed by GAM but initiated by the Commercial Unit, BUMD including RSUD and PDAM, multifinance business entities, local governments, private universities, rural banks, and other non-individual fund customers who meet the criteria for acquisition by Commercial Banking.

COMPETITIVE ADVANTAGES AND INNOVATIONS OF COMMERCIAL BANKING

Bank Mandiri Commercial Banking has the following competitive advantages and innovations:

- Providing the best solutions through comprehensive product solutions for assets, liabilities, and transactions tailored to customer needs and supported by e-channel services.
- Offering solution structures that are fit and aligned with customer requirements.

COMMERCIAL BANKING STRATEGY FOR 2024

Commercial Banking has prepared a strategic plan to continue one of the strategies from the 2021–2024 Corporate Plan, formulated based on the focus of each segment: Be The Prominent Wholesale Bank, Beyond Lending." The formulation of a sound growth strategy is as follows:

1. Loan growth supported by strengthening the loan follow the transactions strategy, concentrating on providing loan to customers already transacting with Bank Mandiri.
2. Acquisition focus on top sectoral players for Commercial Banking units in each industrial sector, which are subsequently acquired as new debtors of Bank Mandiri.
3. Strengthening Credit Execution Discipline through:
   a. Timely and sufficient pipeline discipline.
   b. Monitoring discipline to maintain credit quality.
   c. Collection discipline, collaborating with the Special Asset Management (SAM) unit for intensive collections and early warning restructuring.
4. Business optimization through the acquisition of the Wholesale business ecosystem by deepening client relationships in each region.
5. Leveraging Bank Mandiri's potential by strengthening territorial strategies, with commercial solutions acting as a business enabler, providing monthly sectoral and regional reviews to the business unit.
6. Organization and people development supported by the development of organizations in the plantation sector and plans for fulfilling competent human resources.

PRODUCTIVITY AND REVENUE OF COMMERCIAL BANKING

The effective implementation of the above strategies serves a vital role in the productivity and revenue of Bank Mandiri's Commercial Banking, as presented below:

Commercial Banking Performance

(In Rp Million)

Description	2024	2023	Growth	
			(Rp Million)	%
Total Loans	292,862,407	237,952,186	54,910,221	23.08
NPL Ratio (%)	1.10%	1.75%	-	(0.65)
Total Third-Party Funds	161,187,299	149,761,354	11,425,945	7.63
Total Fee Based Income	1,209,565	973,759	235,806	24,22
Total Net interest Income	6,803,201	6,813,952	(10.751)	(0.16)

The loan disbursement performance of the Commercial Banking segment as of December 2024 also contributed to the overall loan growth of Bank Mandiri. Bank Mandiri Commercial Banking loan increased to Rp292.86 trillion in December 2024, up 23.08% (ytd) compared to Rp237.95 trillion in December 2023.

The acquisition of third-party funds in Bank Mandiri Commercial Banking segment also demonstrated positive performance, marked by a growth of 7.63% (ytd) to Rp161.19 trillion as of December 2024, compared to Rp151.07 trillion as of December 2023. Most of the third-party fund collection in the Commercial Banking segment came from low-cost funds or CASA, which grew by 14.69% (ytd) to Rp131.81 trillion, positively impacting the cost of funds for Commercial Banking. Net interest income reached Rp6.80 trillion as of December 2024.

Furthermore, Commercial Banking recorded Fee Based Income of Rp1,209.57 billion in December 2024, an increase from Rp973.76 billion in December 2023.

Kredit Segmen Commercial Banking Berdasarkan Produk

(In Rp Million)

Product		2024			2023			Growth		
		Rp	Forex	Total	Rp	Forex	Total	Rp	Forex	Total
Investment Loans (KI)	Non Revolving	138,750	45,803	184,554	101,256	43,867	145,123	37.0%	4.4%	27.2%
	Revolving	-	-	-	-	-	-	-	-	-
Total KI		**138,750**	**45,803**	**184,554**	**101,256**	**43,867**	**145,123**	**37.0%**	**4.4%**	**27.2%**
Working Capital Loans (KMK)	Non Revolving	68,257	3,994	72,251	57,041	4,101	61,142	19.7%	(2.6%)	18.2%
	Revolving	31,744	4,313	36,058	26,506	3,016	29,522	19.8%	43.0%	22.1%
KMK Total		**100,002**	**8,307**	**108,309**	**83,547**	**7,116**	**90,664**	**19.7%**	**16.7%**	**19.5%**
Total		**238,752**	**54,110**	**292,862**	**184,804**	**50,983**	**235,787**	**29.2%**	**6.1%**	**24.2%**

Bank Mandiri Commercial Banking has identified various industries with the highest financing productivity, with the majority coming from the land transportation services industry, amounting to Rp2.07 trillion for individual customers, and the palm oil plantation & CPO industry, amounting to Rp56.79 trillion for group customers. The following table outlines loan disbursement to the 10 (ten) largest industrial sectors for individual credit customers and group credit customers at the end of 2024.

Business Sectors of Commercial Individual Debtors

(In Rp Million)

No	Sektor Usaha Debitur Individual Korporasi	Outstanding
1	LAND TRANSPORTATION SERVICES	2,065,318
2	METAL INDUSTRY & WHOLESALE TRADE	1,980,861
3	METAL MINING	1,864,713
4	FOOD & BEVERAGE INDUSTRY	1,510,724
5	PALM OIL PLANTATION & CPO	1,374,028
6	WATER TRANSPORTATION SERVICES – GOODS	1,240,752
7	PROPERTY – INVESTMENT	980,321
8	PLANTATIONS & NON-PALM OIL PLANTATION INDUSTRY	908,689
9	PHARMACEUTICAL INDUSTRY	860,132
10	TRADE OF LIVESTOCK PRODUCTS & ANIMAL FEED	830,133
	Subtotal Top 10 Business Sectors for Individual Debtors	13,615,671
	Other Business Sectors for Individual Debtors	10,198,421
	Total Loan Outstanding for Individual Debtors	**23,814,092**

Business Sectors of Commercial Group Debtors

(In Rp Million)

No	Sektor Usaha Debitur Indivi0064ual Korporasi	Outstanding
1	PALM OIL PLANTATION & CPO	56,794,531
2	WATER TRANSPORTATION SERVICES & GOODS	28,198,390
3	FINANCIAL SERVICES	18,584,601
4	COAL INDUSTRY	16,415,775
5	PROPERTY – INVESTMENT	13,958,884
6	ENERGY & WATER	13,415,704
7	FOOD & BEVERAGE INDUSTRY	11,235,985
8	METAL MINING	9,767,391
9	TELECOMMUNICATIONS	7,358,574
10	AUTOMOTIVE TRADE	6,810,667
	Subtotal Top 10 Business Sectors for Group Debtors	182,540,500
	Other Business Sectors for Group Debtors	86,507,815
	Total Loan Outstanding for Group Debtors	**269,048,315**

COMMERCIAL BANKING



COMMERCIAL BANKING BUSINESS OUTLOOK FOR 2025

With various growth opportunities arising from the growth of Indonesia's economy, the business outlook for Bank Mandiri's Commercial Banking segment is expected to remain positive in 2025. This positive outlook is also supported by the optimization of digitalization and service innovations through the Kopra by Mandiri super platform, designed to support the needs of medium-sized businesses and enable customers to manage financing, payments, and liquidity more efficiently.

Medium-sized businesses involved in the supply chains of large corporations, both local and international, will continue to require financial services to support operational efficiency. In 2025, Bank Mandiri Commercial Banking segment is projected to benefit from growth in areas such as manufacturing, agribusiness, trade, and services. To serve these segments, Bank Mandiri leverages its strong network and portfolio.

In addition, sectors that are prioritized in national development, such as modern agriculture, tourism, and technology, will open additional financing opportunities for Bank Mandiri Commercial Banking segment. Partnerships with large corporations through ecosystem-based financing can also provide Bank Mandiri Commercial Banking customers with access to larger business networks. Bank Mandiri believes that optimizing digitalization, adapting to market needs, and diversifying services will be the keys to success in the Commercial Banking segment.

COMMERCIAL BANKING WORK PLAN FOR 2025

In 2025, Commercial Banking will continue to maintain its position as a Market Leader in Lender by pursuing a loan growth strategy focused on sector expertise aligned with government programs and the development of regional champions that will drive the development of derivative ecosystems. Moreover, Commercial Banking is committed to continuously improving loan profitability by maintaining portfolio composition to keep credit yields at an optimal level.

On third-party funds, Commercial Banking will focus on acquiring new customers and intensifying engagement with existing customers by increasing penetration of Kopra and other programs. Furthermore, Commercial Banking will also focus on increasing low-cost funds (CASA) as an effort to maintain the Cost of Fund at an optimal level.

INSTITUTIONAL RELATIONS

PERFORMANCE SUMMARY

RP102.94 trillion

THIRD-PARTY FUNDS

Grew
5.15%

RP588.42 trillion

FEE BASED INCOME

Grew
10.72%

RP5.34trillion

INTEREST INCOME & SHARIA INCOME

Grew
57.14% YOY

KEY HIGHLIGHTS

- Conducting efforts and negotiations to upgrade 20 SHGB titles to SHM, extend 3 SHGB HPL certificates, and renew 9 SHGB validity periods in line with directives from the Ministry of SOEs, aimed at expediting certification and safeguarding ATTB from unauthorized third parties.
- Total cooperation proceeds from the 2024 PNO asset optimization amounted to Rp321.339 billion, with cost savings from temporary asset utilization reaching Rp99.250 billion.
- Maintaining market leadership with a 60.47% share of financing at the Indonesian Ministry of Finance's foreign loans and a 79.92% share in domestic loans.
- According to Nielsen's research, Livin' secured the top brand ranking.



The Institutional Relations Directorate was established with the aim of becoming "the primary bank of choice for institutional customers" by providing financial solutions supported by collaboration within the Mandiri Group. This institutional segment fulfills business functions, serves as an agent of development, and provides supporting functions that enhance Bank Mandiri's value, such as the management of fixed non-moving assets (ATTB). The Directorate serves more than 779 customers from Ministries/ Agencies, Public Service Agencies, and non-listed State-Owned Enterprises; over 1,823 value chain clients from government institutions; more than 900,000 government institution payroll clients; and manages over 1,101 ATTB locations worth Rp45.2 trillion.

To establish holistic relationships with over 759 institutional customers, the Institutional Relations Directorate offers fund placement (current accounts and time deposits), financing facilities (investment and working capital), system solutions for state revenues (taxes, customs, non-tax state revenues), and other transaction solutions such as MVA and MHAS (Dashboard System Solutions) for vertical hospitals and educational institutions. Institutional Relations segment also acts as a collaboration leader for retail and other segments, especially in managing more than 900,000 value chain government institution customers through payroll packages, bulk pre-approved KSM, bulk approval for corporate credit cards and ID cards, as well as BG Cash Loan facilities for partner entities.

Through the management of special units, the Directorate of Institutional Relations is also actively supporting government initiatives as a form of the spirit to prosper the nation. The Directorate of Institutional Relations actively contributes to government programs, including assistance for basic food supplies, Program Keluarga Harapan (PKH), Kartu Tani, Social Rehabilitation Assistance Program, Rumah Sejahtera Terpadu Program, Natural Disaster & Social Disaster Social Response Assistance, Education Assistance, and Urban Livin' Program. In its daily operations, the Directorate of Institutional Relations distributes to 3.89 million beneficiaries of the basic food program, 2.02 million PKH beneficiaries, 220,000 beneficiaries of the ATENSI anak YAPI, 29,800 beneficiaries of other programs (rumah sejahtera terpadu, natural disaster and social disaster response programs, honorariums for social rehabilitation, disaster preparedness cadets, and peace pioneers), as well as 1.8 million beneficiaries of educational assistance program.

The Directorate of Institutional Relations also functions as a support system that enhances Bank Mandiri's added value, particularly in managing ATTB and maintaining the top-of-mind awareness of customers toward Bank Mandiri and its products. In terms of ATTB management, the Directorate of Institutional Relations oversees ATTB across more than 1,101 locations spread throughout Indonesia, with asset values reaching over Rp45.2 trillion, including ADP (Asset Development Projects).

INSTITUTIONAL RELATIONS STRATEGY FOR 2024

The strategy and business focus of the Directorate of Institutional Relations in 2024 center on growing business volumes and other operational revenues through innovative, tailor-made digital solutions. These efforts aim to support all transactions and customer needs, with 90% of customers coming from the government sector.

The Directorate of Institutional Relations also supports government-related transactions for the disbursement and receipt of state and non-state budgets, such as the State Treasury and Budget System (SPAN) of the Ministry of Finance of the Republic of Indonesia, the State Revenue Module (MPNG-2), and the State University Admission Selection (SBMPTN).

As a collaboration leader and gate opener, the Directorate of Institutional Relations establishes intensive coordination with representatives or government business heads at each regional office of Bank Mandiri. This ensures a strong focus on managing institutional relations customers within their respective regions, enabling the orchestration of business across all lines.

COMPETITIVE ADVANTAGES AND INNOVATIONS IN INSTITUTIONAL RELATIONS

The Directorate of Institutional Relations has innovated by shifting its business focus from a portfolio previously dominated by Institutional Customer Fundraising (DPK) to a balanced emphasis on Loans, achieving the following milestones:

- Loan Disbursement increased to Rp96.34 trillion in December 2024, a 32.44% (yoy) growth from Rp72.74 trillion in December 2023, while maintaining excellent credit quality with an NPL ratio of 0%.
- Third-Party Funds strengthened to Rp102.94 trillion in December 2024, a 5.15% (yoy) growth from Rp97.89 trillion in December 2023.
- Interest Income achieved a significant growth of 57.14% (yoy) to Rp5.34 trillion as of December 2024, compared to Rp3.40 trillion in December 2023.
- Fee-Based Income (FBI) reached Rp588.42 billion, grew 10.72% (yoy) as of December 2024, with major contributions from FBI Trade BG, FBI Credit Administration, and FBI Custodian.
- Optimization of working units and partners units by supporting SME loan disbursement growth of 16.68% (yoy) to Rp8.17 trillion, with the number of SME debtors reaching 1,135, as well as the disbursement of Bank Guarantees (BG) for partners units amounting to Rp61.1 trillion.
- Increased contribution to Consumer Loan, including Personal Loans (KSM), Mortgage Loans (KPR), and Credit Cards, through the optimization of Civil Servant Payroll, with the number of payroll accounts growing by 15% (yoy) to 1,019,309 CIF accounts.

The Directorate of Institutional Relations also performs its role as an agent of development and a supporting function that enhances the Bank's added value, particularly in managing ATTB and maintaining the top-of-mind awareness of customers/Bank products, including innovations in digitalization, with the following achievements:

- Undertaking efforts and negotiations to upgrade 20 SHGB rights to SHM, extend 3 SHGB HPL certificates, and extend 9 SHGB validity periods, aligning with the Ministry of SOEs' directives to accelerate certification as a form of securing ATTB from unauthorized third parties.
- Total results from the 2024 PNO collaboration for asset optimization amounting to Rp321,339 billion and cost savings from temporary asset utilization of Rp99,250 billion.
- Maintaining a strong market share in defense equipment loans, achieving 51.96% in foreign financing and 72.09% in domestic financing.

INSTITUTIONAL RELATIONS

PRODUCTIVITY AND REVENUE OF INSTITUTIONAL RELATIONS

The effective implementation of the above strategies serves a vital role in the productivity and revenue of the Directorate of Institutional Relations, as detailed below.

Institutional Relations Performance

(In Rp million)

Description	2024	2023	Growth	
			(Rp Million)	%
Contribution to the Wholesale Segment				
Total Loans	96,337,445	72,741,580	23,595,865	32.44%
NPL Ratio (%)	0.00%	0.00%	0.00%	0.00%
Total Third-Party Funds	102,937,622	97,894,109	5,043,513	5.15%
Total Fee Based Income	588,418	531,462	56,956	10.72%
Total Net interest Income	3,244,647	3,129,133	115,514	3.69%
Total Revenue (NII + FBI)	3,833,065	3,660,595	172,470	4.71%
Contribution Margin	3,199,316	3,034,481	164,835	5.43%
Contribution to the Retail segment (Strategy Execution 331)				
Total Loans	46,019,862	36,680,773	9,515,257	26.07%
NPL Ratio (%)	0.00%	0.00%	0.00%	0.00%
Total Third-Party Funds	37,975,079	34,617,106	2,869,545	8.17%
Total Fee Based Income	424,882	442,953	63,146	17.46%
Total Net interest Income	3,201,177	2,885,530	324,757	11.29%
Total Revenue (NII + FBI)	3,626,059	3,328,483	387,903	11.98%
Revenue HBK Environment				

Loan disbursement by the Directorate of Institutional Relations reached Rp96.34 trillion, a 32.44% (ytd) growth compared to Rp72.74 trillion in 2023. The increase was supported by a gross expansion of Rp85.8 trillion, grew 16.9% (yoy). The financing composition in Rupiah accounted for 47.8%, with the largest contributions coming from the defense equipment and infrastructure sectors.

Description	2024	Composition	2023	Composition	Growth
	(Rp Million)	(%)	(Rp Million)	(%)	(%)
Current	96,337,445	100.00%	72,741,580	100.00%	32.4%
Of special concern	-	-	-	-	-
Less current	-	-	-	-	-
Doubtful	-	-	-	-	-
Bad	-	-	-	-	-
Total Loans	96,337,445	100.00%	2,741,580	100.00%	32.4%
NPL	0.00%	0.00%	0.00%	0.00%	0.00%

Amid this credit expansion, the credit quality of the Institutional Relations Directorate remains well-maintained with zero NPL. This is driven by a highly selective financing approach, focusing on government projects/programs related to the State Budget (APBN). In addition, to maintain credit quality, Bank Mandiri also implements:

a. Periodic and disciplined reviews of collectability and watchlist analysis.
b. Monitoring the fulfillment of credit liabilities before maturity to prevent customers from falling into collectability two.
c. Ensuring compliance with the terms and conditions in loan agreements.
d. Improving business processes by enhancing the effectiveness of simultaneous loan renewal processes for customers within the same debtor group and extending loan facilities three months prior to maturity.

The Institutional Relations Directorate's portfolio rebalancing strategy in loan and institutional banking has yielded results, with an Average Low-Cost Fund Balance of Rp55.5 trillion as of December 2024.

BUSINESS PROSPECTS FOR INSTITUTIONAL RELATIONS IN 2025

Given the crucial role of the Institutional Relations (Institutional Banking) segment in supporting government, SOEs, and other institutional financing, the business prospects of this segment at Bank Mandiri are projected to remain strong in 2025. With the right strategies, Bank Mandiri can maintain its competitive edge, seize new opportunities in the institutional market, and effectively navigate challenges.

SOEs serve a significant role in national development, and Bank Mandiri consistently fosters close relationships with other SOEs. Large-scale financing will be required for major projects such as infrastructure, energy, and transportation. As one of Indonesia's largest banks, Bank Mandiri has sufficient financing capabilities to meet the working capital and investment needs of SOEs.

Public service digitalization, energy transition, and National Strategic Projects (PSN) are ongoing development initiatives supported by the Indonesian government. Through its Institutional Relations business segment, Bank Mandiri can offer banking services such as project financing, treasury, and cash management. Moreover, demand for digital solutions for institutions, such as API banking services and payment gateways, will continue to grow. In this regard, Bank Mandiri can assist government agencies and major institutions in enhancing the efficiency of financial management.

Another factor supporting the positive outlook of Bank Mandiri's Institutional Relations business segment in 2025 is the government's increasing focus, through SOEs, on sustainable financing (green financing). Bank Mandiri will undoubtedly capitalize on this momentum to offer financing solutions for renewable energy projects, energy efficiency, and green infrastructure. Furthermore, ongoing fiscal reforms will create opportunities for new development projects requiring financial support.

INSTITUTIONAL RELATIONS WORK PLAN IN 2025

The business focus of the Directorate of Institutional Relations in 2025, based on Bank Mandiri's 2025–2029 Corporate Plan, includes the following:

1. Driving the growth of funds from Ministries/Agencies and SOEs and orchestrating derivative businesses in the Wholesale and Retail segments through deepening client relationships, optimizing customer transactions, providing comprehensive financial solutions, and payroll package solutions for basic salaries and performance allowances.
2. Increasing credit growth for Ministries/Agencies and SOEs with a focus on potential, healthy sectors that can generate business value chains, such as the financial, healthcare, defense, and education sectors. This sound credit growth is also supported by comprehensive monitoring, credit policies and procedures, and enhanced credit information systems from upstream to downstream.
3. Increasing fee-based income through expanded collaborations in financial services/transactions, such as custodial banking partnerships, remittance, and the distribution and receipt of APBN and Non-APBN funds through e-channel optimization.
4. Refining relationship models and account strategies by improving business processes for customers in the Ministries/Agencies and SOEs sectors, particularly in managing derivative businesses in the Wholesale and Retail segments.
5. Leading collaboration for new core business segments, Wholesale, affiliated companies, and Bank Mandiri subsidiaries through bundled product collaborations and payroll package solutions for customers in the Ministries/Agencies and SOEs sectors.
6. Strengthening organization and risk management by enhancing the competence and capabilities of human resources, developing monitoring systems for Ministries/Agencies and SOEs customers, and providing assistance from business expertise in the Institutional Relations segment.
7. Managing the optimization of Bank Mandiri's ATTB through digitalization to enable more than 1,000 ATTB points scattered across the country to be self-financed and support other assets.

TREASURY & INTERNATIONAL BANKING

PERFORMANCE SUMMARY

RP8.75 trillion

THIRD-PARTY FUNDS

Grew
22.15% (YOY)

USD6.54 billion

KLN LOANS

Grew
16.68% (YOY)

USD133.79 billion

TREASURY CUSTOMER VOLUME

Grew
17.71% (YOY)

HIGHLIGHTS PENTING

- In 2024, third-party loans from Treasury & International Banking increased by 22.15% compared to the previous year. The growth in credit was driven by loan disbursements to banks.
- On Overseas Unit, Net Interest Income reached USD175.1 million, a 13.51% increase from the previous year, while Fee-Based Income stood at USD56.8 million, grew by 12.13% year-on-year.

Bank Mandiri Treasury & International Banking segment conducts business activities related to financial institutions, capital markets, and international business through its head office, branches, and subsidiaries both domestically and internationally. The Financial Institutions Business (FIB) Group manages activities related to financial institutions and capital market operations.

Business activities with financial institutions include transactions related to trade finance, remittances, insurance company funds, and bank lending. On the other hand, capital market-related activities consist of custodian services, trustee services, and short-term credit for securities companies. Additionally, business activities encompass foreign exchange transactions, money markets, securities, and derivatives, which are managed within trading or banking portfolios. These activities are part of the treasury business and can be conducted with interbank counterparts or Non-Bank Financial Institution (NBFI) customers.

The financial institution segment includes Banks and Non-Bank Financial Institutions (NBFIs). Banks comprise both domestic and international banks, excluding Rural Banks (BPR). Meanwhile, NBFIs include private insurance companies and their affiliated financial institutions (such as insurance and reinsurance brokers), Financial Institution Pension Funds (DPLK), Employer Pension Funds (DPPK), as well as Securities Companies and Investment Managers.

Bank Mandiri's treasury business is managed by the Treasury Group, supported by nine Regional Treasury Marketing units and four dealing rooms across various regions in Indonesia to meet the needs of Wholesale and Retail customers. Bank Mandiri's diverse treasury business activities include foreign exchange transactions, money markets, fixed-income securities, international banking services, and capital market activities, serving financial institutions, corporations, commercial clients, and retail customers.

The Treasury & International Banking Directorate also oversees the Overseas Banking Network (OBN) Group, which supervises business synergies between Bank Mandiri as the parent entity and its foreign branches and overseas subsidiaries.

COMPETITIVE ADVANTAGES AND INNOVATIONS IN TREASURY & INTERNATIONAL BANKING

With a market share of 17.39% in national foreign exchange transaction volume (interbank and customer), Bank Mandiri's Treasury & International Banking is a leading player in Indonesia's treasury business segment. In recognition of its achievements, Bank Mandiri received numerous awards from various institutions throughout 2024.



Bank Mandiri received an award from Bank Indonesia as **the Best Supporting Bank for Foreign Exchange Market Development**. The Bank was also recognized as the best in Indonesia at the Alpha Southeast Asia Awards 2024, winning categories such as **Best Foreign Exchange Bank for Corporates & Financial Institutions**, **Best International Banking Network, Best Foreign Exchange Bank for Retail Clients, and Best Local Currency Bond Deal of the Year in Indonesia**. Moreover, Global Finance named Bank Mandiri **the Best Foreign Exchange Bank in Indonesia.**

These awards and recognitions serve as a testament to Bank Mandiri's efforts in digital transformation to meet the increasingly complex financial transaction needs of its customers. In addition, Bank Mandiri has been acknowledged for its ability to continuously innovate and develop financial transaction products and solutions. With digital support, corporations and financial institutions can expedite foreign exchange transactions at Bank Mandiri.

Furthermore, Bank Mandiri offers a diverse range of hedging products tailored to meet customer needs. These products include FX Forward, FX Par Forward, FX Swap, FX Option, Mandiri Call Spread, Interest Rate Swap, and Cross Currency Swap.

For investment needs, Bank Mandiri provides various products such as Mandiri Deposit Swap, Mandiri Market Linked Deposit, Mandiri Dual Currency Investment, and Securities. These investment options can also be customized according to customers' risk profiles and investment objectives.

Foreign exchange trading services can be accessed online through Kopra by Mandiri, allowing customers to conduct foreign exchange transactions in real time with various benefits, including special pricing. This digital transformation enables an end-to-end exchange rate dealing process, from uploading underlying documents and executing buy-sell exchange rate deals to transaction settlement, without the need for customers to contact a dealer or visit a branch.

Bank Mandiri Treasury & International Banking provides treasury transaction services to customers across Indonesia through its head office and regional treasury offices located in Medan, Palembang, Batam, Bandung, Semarang, Solo, Surabaya, Denpasar, Balikpapan, and Makassar. Bank Mandiri also offers electronic channels such as Mandiri e-FX and Mandiri Cash Management (MCM) as solutions for customers to conduct foreign exchange transactions efficiently.

Bank Mandiri optimizes its reciprocal cooperation network with 916 correspondent banks across 73 countries, enhancing the utilization of business collaborations. These partnerships cover various areas, including treasury, trade finance, remittances, risk sharing, and bilateral financing. Meanwhile, in terms of funding, Bank Mandiri secures more than sufficient financing from international banks and financial institutions, reflecting strong global confidence in the Bank. To support the diversification of rupiah fund placement instruments, Bank Mandiri offers corporate securities trading services, designed to meet customers' investment needs. This service provides a competitive financial instrument alternative, enabling customers to manage their portfolios more effectively. By offering this product, Bank Mandiri not only expands investment options for customers but also strengthens its position as a trusted financial partner, delivering diverse and innovative investment solutions.

In compliance with regulatory requirements, Bank Mandiri consistently meets Bank Indonesia's provisions on the Minimum Reserve Requirement (GWM). As of December 2024, the average Rupiah GWM stood at 5.21%, in line with the established limit. Meanwhile, the RIM Reserve was at 0.25%, and the PLM Reserve reached 9.17% of total Rupiah third-party funds. In addition, the average foreign exchange GWM was 4.10% of total foreign currency third-party funds, in accordance with the set limit.

TREASURY & INTERNATIONAL BANKING STRATEGY IN 2024

In 2024, Bank Mandiri continued to enhance its extensive one-stop solution services for bank counterparties. Beyond focusing on financing and funding products, the Bank also provided integrated services with other domestic banks to meet customer needs through the utilization of Bank Mandiri's digital channels. In the capital market, Bank Mandiri is actively optimizing the use of its new core custody system, which includes the implementation of online custody services. This enables customers to access their portfolios in real time and submit instructions online.

On overseas units, Bank Mandiri continued to enhance its role by increasing the assets of overseas branches through both loan disbursement and the expansion of securities and trade asset portfolios. Overseas units also proactively collaborated with business units at the head office and counterpart banks to explore business opportunities and extend credit to managed customers who meet the Bank's criteria. Additionally, overseas units strengthened treasury transaction activities, increase trade financing volume, develop cross-border supply chain business, expand wealth management services, enhance remittance transaction distribution, and create more efficient work processes while providing seamless digital services to customers.

PRODUCTIVITY AND REVENUE OF TREASURY & INTERNATIONAL BANKING

Treasury

As a leading player in the foreign exchange market for both interbank and customer transactions, Bank Mandiri continues to strengthen market penetration through a more aggressive approach. This strategy aims to offer a diverse range of product solutions to customers. Additionally, Bank Mandiri remains committed to developing treasury products based on structured solutions, focusing on yield enhancement and risk protection through hedging, which has been well received by both the Wholesale and Retail segments.

In 2024, total revenue from Treasury Fee-Based Income reached Rp4.58 trillion, supported by Foreign Exchange Transaction revenue of Rp2.05 trillion and Securities Transaction revenue of Rp1.66 trillion.

Treasury Productivity and Revenue

(in Rp Million)

Description	2024	2023	Growth	
			(Rp Million)	%
Total Fee Based Income	4,584,291	4,007,321	576,969	14.40
- Forex Transactions	2,050,617	1,722,697	327,920	19.04
- Securities Transactions	1,661,480	1,361,450	300,029	22.04
- Others	872,194	923,174	(50,980)	(5.52)

Financial Institution Business and Overseas Banking Network

The Financial Institution Business (FIB) Group and Overseas Banking Network (OBN) Group effectively carry out business activities, including business development with international and domestic financial institution customers, both bank and non-bank. In addition, FIB and OBN oversee and develop the business activities of seven overseas units located in Singapore, Hong Kong, Shanghai, the Cayman Islands, Dili Timor-Leste, Bank Mandiri (Europe) Limited, and Mandiri International Remittance as a subsidiary. These entities contribute directly through revenue generation and indirectly as distribution channels and gateways for the Bank's overall business.

Financial Institution Business

In 2024, FIB segment successfully disbursed loans of Rp8.75 trillion as of December 2024, a 22.15% (yoy) growth. CASA collection reached Rp5.47 trillion, grew by 8.16% (yoy).

Financial Institution Business Productivity and Revenue

(in Rp Million)

Description	2024	2023	Growth	
			(Rp Million)	%
Total Third-Party Funds	10,450,550	11,440,384	(989,834)	(8.65)
CASA	5,467,267	5,054,827	412,440	8.16
- Current Accounts	5,040,660	4,871,757	168,903	3.47
- Savings	426,607	183,070	243,537	133.03
- Time Deposits	4,983,283	6,385,558	(1,402,274)	(21.96)
Total Loans	8,748,909	7,162,500	1,586,409	22.15
Total Revenue	1,146,870	1,108,424	38,445	3.47
- Fee Based Income	406,207	373,731	32,476	8.69
- Net interest Income	740,663	734,694	5,969	0.81

Overseas Banking Network

The Overseas Banking Network (OBN) oversees and develops the business activities of seven overseas units located in Singapore, Hong Kong, Shanghai, the Cayman Islands, Dili Timor-Leste, Bank Mandiri (Europe) Limited, and Mandiri International Remittance as a subsidiary. These entities contribute directly through revenue generation and indirectly as distribution channels and gateways for the Bank's overall business.

In 2024, overseas unit disbursed Third-Party Funds of USD996.99 million, a 3.43% growth. Loan disbursement reached USD6.6 billion, grew by 16.45% year-on-year. Fee-Based Income stood at USD58.62 million, a 12.79% year-on-year increase, while Net Interest Income reached USD179.85 million, grew by 12.17% year-on-year.

Overseas Unit Productivity and Revenue

(in Rp Million)

Description	2024	2023	Growth	
			USD Thousand	%
Total Third-Party Funds	996,991	963,955	33,036	3.43
Total Loans	6,580,064	5,650,637	929,427	16.45
Total Fee Based Income	58,623	51,978	6,646	12.79
Total Net interest Income	179,853	160,336	19,517	12.17

TREASURY & INTERNATIONAL BANKING BUSINESS OUTLOOK FOR 2025

In 2025, the business prospects for Bank Mandiri's Treasury & International Banking segment remain promising. This segment is supported by economic growth, advancements in global financial markets, and increasing international trade activities, making it one of the Bank's key pillars. Amid global economic uncertainties, Indonesia continues to strengthen its role in global trade, particularly through increased exports of key products such as commodities, manufacturing goods, and agricultural products. Bank Mandiri aims to capitalize on this momentum by enhancing its trade finance services, including letter of credit (L/C), standby L/C, and documentary collections.

Bank Mandiri will also continue to optimize foreign exchange trading volume, which is expected to grow in line with increasing international trade and customers' hedging needs. With strong liquidity, Bank Mandiri is well-positioned to be a key player in both the domestic and regional forex markets. As such, the Treasury & International Banking segment is projected to remain one of the Bank's main revenue contributors in 2025, supported by economic growth, financial market developments, and growing global trade activity. With a strategy focused on digitalization, market diversification, and product innovation, Bank Mandiri has significant potential to maintain its position as a market leader in this segment.

TREASURY & INTERNATIONAL BANKING WORK PLAN FOR 2025

Bank Mandiri Treasury & International Banking has prepared various strategies to maximize opportunities in 2025. The strategic plan aims to position the Bank as the main transaction bank, maintain low-cost funding, and reinforce its status as the largest lender. Bank Mandiri will leverage its strong liquidity to provide financing and funding solutions, including bank loans and an active role as a primary dealer. In terms of digitalization development, Bank Mandiri aims to build synergies with other domestic banks by leveraging its digital infrastructure and ecosystem to support its mission of becoming the main transaction bank. For the Non-Bank Financial Institution (IKNB) segment, the Bank will optimize the capabilities of Livin' and Kopra, as well as its retail and wholesale segments, to create a closed-loop ecosystem and expand solutions for IKNB's extended ecosystem.

Beyond focusing on business development, the Treasury & International Banking segment will continue to innovate in response to the growing trend of digital banking services. The focus will be on creating more efficient work processes and providing seamless digital services for customers. In the capital market, Bank Mandiri will optimize the use of its new core custody system, which will be integrated with the Bank's digital services to enhance the user experience, particularly for retail customers.

From the perspective of overseas units, Bank Mandiri continues to enhance its services by upgrading various systems, including the core banking system, Kopra Beyond Border enhancement, Collateral Management System, and the implementation of the New Treasury Core System. Additionally, efforts to grow assets through loan disbursement, as well as the expansion of securities and trade asset portfolios, will continue to be developed. Overseas units proactively collaborate with business units at the head office and counterpart banks to explore business opportunities and extend credit to managed customers who meet the Bank's criteria. Overseas units will also enhance their participation in international syndications. Looking ahead, overseas units will further strengthen treasury transaction activities, increase trade service and financing volumes, develop cross-border supply chain business, expand wealth management services, and enhance remittance transactions. In the retail segment, this includes providing digital services for Indonesian migrant workers (PMI).

RETAIL BANKING

PERFORMANCE SUMMARY



RP397,44 trillion

LOANS

Grew
10.99%



RP827,45 trillion

THIRD-PARTY FUNDS

Grew
21.79%



RP82,02 trillion

Interest Income & Sharia Income

Grew
21.79%

KEY HIGHLIGHTS

Bank Mandiri's Retail Banking loans reached Rp397.44 trillion as of December 2024, reflecting a 10.99% growth from Rp358.07 trillion in December 2023. This achievement was driven by the optimization of the value chain for retail customers and the Wholesale customer ecosystem. In addition, the convenience of submitting retail loan applications through Livin' has contributed to the growth of Bank Mandiri's consumer retail loan business. The digital onboarding process for productive microcredit customers in 2024, carried out in collaboration with e-commerce companies, has been a game changer in expanding the productive micro-retail loan business.

Bank Mandiri's retail banking business delivered an impressive performance, recording Third-Party Funds (TPF) of Rp827.45 trillion as of December 2024. This figure represents a significant year-to-date (ytd) growth of 21.79% compared to Rp679.83 trillion in the previous year. The growth in TPF reflects the increasing customer confidence in Bank Mandiri's retail banking services and products.

In addition, loan disbursement also increased to Rp358.07 trillion, reflecting a growth of 10.99% (ytd) from Rp358.07 trillion in the same period the previous year. This underscores Bank Mandiri's strategic role in driving financing in the retail sector, in line with its commitment to supporting national economic growth.

The growth in loan disbursement in the Retail segment also contributed to the increase in Net Interest Income (NII) for the segment, which grew by 10.11% year-on-year (yoy) to Rp50.60 trillion as of December 2024. This achievement reflects Bank Mandiri's success in optimally managing its loan portfolio and increasing interest income from the retail segment.

Meanwhile, Fee-Based Income from the Retail segment also recorded a growth of 4.41% (yoy), reached Rp13.91 trillion as of December 2024. This increase was driven by the growing number of customers utilizing Bank Mandiri's digital services, reinforcing the success of its digitalization strategy in expanding non-interest income.

According to Bank Mandiri's 2021–2024 Corporate Plan, one of its strategic focus areas is retail banking, particularly the Micro, Small, and Medium Enterprises (MSME) sector. The business activities managed by Bank Mandiri's Retail Banking segment include the following subsegments:

1. Micro Banking is responsible for managing individual customers, cooperatives, and business entities that meet the criteria for a maximum loan limit of Rp1 billion, as well as overseeing Branchless Banking Agents.
2. Small Medium Enterprises (SME) is responsible for managing individual customers, cooperatives, business entities, and legal entities that qualify for a maximum loan limit of Rp25 billion.
3. Consumer Loan is responsible for managing individual customers, cooperatives, and business entities that meet the criteria for consumer loans, including financing for home and motor vehicle purchases.
4. Credit Card is responsible for managing individual and corporate customers who meet the requirements to obtain a credit card.
5. Retail Deposit is responsible for managing savings and deposit accounts.
6. Wealth Management is responsible for managing individual customers through premium banking services, including portfolio management, and developing investment products such as mutual funds and securities in accordance with customer needs.

Retail Banking offers a variety of products as follows:

1. Loans, including consumer financing such as Home Ownership Loans (KPR), Mandiri Multipurpose Loans, Livin' Paylater, Vehicle Loans (KKB), credit cards, and productive financing loans for MSME customers.
2. Third-Party Funds, including Mitra Usaha Savings (TabunganMU) and Business Savings (Tabungan Bisnis).
3. Transaction services, including Mandiri Internet, Mandiri Internet Business, and Mandiri Cash Management to support the transactional needs of Retail Banking deposit customers.

COMPETITIVE ADVANTAGES AND INNOVATIONS IN RETAIL BANKING

Bank Mandiri drives the growth of Retail Banking loans by strengthening its competitive advantage in expanding the downstream ecosystem of Wholesale customers. As a result, payroll customers within the Wholesale customer ecosystem have become a key focus for Retail Banking loan growth. The continuous refinement of data analytics and big data utilization enables Retail customers to receive more tailored offers. Additionally, the ongoing integration of Retail loan onboarding through the Livin' by Mandiri application has expanded throughout 2024, contributing positively to the growth of the Retail loan business.

To meet the needs of Retail customers, Bank Mandiri continues to optimize and focus on flagship businesses in each region to expand productive Retail lending. This approach, combined with the development of Retail business opportunities within the Wholesale customer ecosystem, has become a game changer in driving the growth of productive Retail loans targeted at micro, small, and medium entrepreneurs.

To expand its customer base, Bank Mandiri has partnered with Fintech and e-commerce companies. The underwriting process for productive Retail loans has become faster and more secure while also refining target market segmentation. Through the digitalization of productive Retail lending, including Digital Offering, New LOS, and Mandiri Pintar, Bank Mandiri can keep pace with the industry's aggressive growth while maintaining prudence and healthy credit quality. Bank Mandiri's Retail Banking continues to innovate, providing both digital and non-digital services to meet customer needs.

RETAIL BANKING STRATEGY FOR 2024

In 2024, Bank Mandiri aims to sustain the positive performance trend of Retail Banking through the following strategies:

1. Maximizing business potential within the customer ecosystem by fostering synergy between the retail and wholesale segments to unlock business opportunities, launching thematic programs aligned with market conditions and customer needs, and ensuring a seamless process to enhance customer convenience, enabling credit growth while maintaining healthy credit quality.
2. To strengthen liquidity, Bank Mandiri will focus on acquiring business potential from the micro, business, individual, and payroll segments, optimizing cross-selling opportunities and transactions to enhance customer fund volume, particularly from debtors, and maximizing fund potential within the closed-loop transaction ecosystem of its customers.
3. The Bank will continue optimizing its digital platforms to enhance fee-based income through several initiatives, including:
   a. Expanding the Livin' Super App to acquire business and individual customers, drive daily transaction usage, and enrich use cases such as Livin' Sukha, Livin' Investment, and Mandiri Credit Cards as sources of funds.
   b. Optimizing the merchant and card business to expand the ecosystem through merchant acquisition, integrated business solutions, and game-changing initiatives such as Livin' Merchant, Digital Merchant Activation, cross-border transactions with competitive exchange rates, and increasing installment transactions for credit cards.
4. On the business process side, improvements will be made through branch transformation, network optimization, and people development.

RETAIL BANKING PRODUCTIVITY AND REVENUE

The productivity and revenue of Retail Banking in 2024 are as follows:

Retail Banking Performance

(In Rp Million)

Description	2024	2023	Growth	
			Nominal	%
Total Third-Party Funds	827,445,924	679,380,210	148,065,714	21.79
Total Kredit	397,443,310	358,074,141	39,369,169	10.99
Total Fee Based Income	13,919,400	13,331,310	588,090	4.41
Total Net interest Income	50,601,503	45,953,743	4,647,760	10.11

As of December 2024, Retail Banking successfully recorded Third-Party Funds (TPF) of Rp827.45 trillion, reflecting a growth of 21.79% (ytd) from Rp679.83 trillion in the previous year. Meanwhile, loan disbursement increased to Rp397.44 trillion, marking a growth of 10.99% (ytd) from Rp358.07 trillion in the previous year, driven by economic recovery and improved consumer purchasing power throughout 2024.

The increase in retail loan disbursement also drove the growth of Net Interest Income (NII) in the retail segment, which rose by 10.11% (yoy) to Rp50.60 trillion as of December 2024. This reflects Bank Mandiri's success in effectively managing its loan portfolio and increasing interest income in the retail segment. Meanwhile, Fee-Based Income from the retail segment grew by 4.41% (yoy), reaching Rp13.91 trillion as of December 2024. This growth was supported by a higher number of clients utilizing Bank Mandiri's digital services, demonstrating the success of its digitalization strategy in expanding non-interest income.

Micro Loans

Bank Mandiri micro loans and/or Micro Banking segment consists of Micro Business Loans (KUM), People's Business Loans (KUR), and Mandiri Multipurpose Loans (KSM). KUM and KUR are business/productive financing loans designed to help borrowers scale up their businesses or meet working capital financing needs. Meanwhile, KSM caters to various customer financing needs without requiring collateral. The micro loan performance by loan type as of December 2024 – December 2023 is as follows:

Micro Loans by Loans Type

(In Rp Million)

Description	2023		Growth			
	(Rp Million)	(%)	(Rp Million)	(%)	(Rp Million)	(%)
Micro Business Loans (KUM)	26,881,324	14.30	20,508,333	12.22	6,372,992	31.08
People's Business Loans (KUR)	63,913,776	33.99	62,311,294	37.11	1,602,482	2.57
Mandiri Multipurpose Loans (KSM)	97,230,136	51.71	85,058,779	50.67	12,171,356	14.31
Total Loans	251,939,013	100.00	167,878,406	100.00	20,146,830	12.00

Bank Mandiri's micro segment successfully recorded a total loan portfolio of Rp251.94 trillion in December 2024, grew by 12.00% (ytd) compared to the previous year. This growth was primarily driven by an increase in KSM, which reached Rp97.23 trillion, up 14.31% (ytd) from Rp85.06 trillion in 2023. Meanwhile, KUM and KUR stood at Rp26.88 trillion and Rp63.91 trillion, reflecting year-to-date growth of 31.08% and 2.57%, respectively, compared to their positions in 2023.

In 2024, the trade sector received the majority of KUM and KUR disbursements. Meanwhile, KSM was primarily granted to payroll segment government employees (civil servants, military/police personnel, and SOE employees), who are considered lower-risk borrowers, while selective growth was maintained in the private employee segment. To identify key opportunities in each region, Bank Mandiri focused on employees within the value chain ecosystem of Wholesale Banking customers and collaborated with its subsidiaries to reach the target market. In addition, KSM disbursement was facilitated through digital channels (Livin' by Mandiri), ensuring a cost-efficient, fast, and seamless credit acquisition process, demonstrating the Bank's commitment to enhancing service quality for its customers.

Dana Mikro Berdasarkan THIRD-PARTY FUNDS

(In Rp Million)

Description	2024		2023		Growth	
	(Rp Million)	(%)	(Rp Million)	(%)	(Rp Million)	(%)
Current Account and Savings Account	56,000,625	92.50	48,897,814	92.50	7,102,812	14.53
Time Deposits	3,924,057	6.55	3,962,052	7.50	37,994	(0.96)
Total Third-Party Funds	59,924,683	100.00	52,859,866	100.00	7,064,817	13.37

Branchless Banking

In 2024, Bank Mandiri recorded a total of 110,672 Mandiri Agen, consisting of 110,481 individual agents and 191 corporate entities. The optimization of Mandiri Agen's population and the digitalization of its processes continued as part of the Bank's Branchless Banking business strategy. The impact of these efforts was reflected in the increased volume of agent transactions, reaching 72.9 million transactions in 2024 with a total transaction value of Rp81.5 trillion. Additionally, the number of customers within the agent ecosystem grew by 12.5% yoy. By the end of 2024, Mandiri Agen had 3.1 million customers, with total funds collected amounting to Rp20.6 trillion, a 17.2% yoy increase.

Mandiri Agen

2020	2021	2022	2023	2024
134.518	162.416	156.191	130.100	110.672

The Branchless Banking network continues to be strengthened through the implementation of the Mandiri Agen application as part of the digitalization of Branchless Banking products and services. By 2024, the number of Mandiri Agen application users had reached 61,300 agents, or around 55.4% of the total Mandiri Agen population. This was a 65.4% increase compared to 2023, and will continue to ensure that all Mandiri Agen adopt the application moving forward.

Bank Mandiri also collaborates with the Ministry of SOEs and the Social Affairs Office to make Branchless Banking agents as distribution agents for social assistance, Kartu Tani program, Keluarga Harapan Program (PKH), and Non-Cash Food Assistance (BPNT), as well as Village-Owned Enterprises (BUMDes).

Small and Medium Enterprises Loans

In the SME segment, customers engaged in high-potential business sectors can receive a credit limit of up to Rp25 billion from Bank Mandiri to support their working capital and investment needs.

Description	2024		2023		Growth	
	(Rp Million)	(%)	(Rp Million)	(%)	(Rp Million)	(%)
Working Capital Loans	32,636,719	37.68%	34,159,089	44.62%	(1,522,370)	(4.46)%
Investment Loans	28,546,098	32.96%	18,777,031	24.53%	9,769,067	52.03%
KAD	21,378,728	24.68%	22,186,871	28.98%	(808,143)	(3.64)%
Cooperatives	4,054,923	4.68%	1,428,014	1.87%	2,626,909	183.96%
TR & Others	86,616,467	100.00%	76,551,004	100.00%	10,065,463	13.15%
Total SME Loans	32,636,719	37.68%	34,159,089	44.62%	(1,522,370)	(4.46)%

Bank Mandiri recorded total SME loans of Rp86.62 trillion as of December 2024, reflecting a growth of 13.15% (yoy) from Rp76.55 trillion in December 2023. A significant portion of the loans disbursed consisted of Trust Receipt loans, which saw a substantial growth of 183.96%.

Bank Mandiri focuses the growth of the SME segment on acquiring businesses that are part of the value chain of Wholesale customers, which represent the bank's core competencies, as well as acquiring businesses from key regional sectors or ecosystems. This acquisition strategy is carried out prudently, ensuring the quality of the portfolio, with the Non-Performing Loan (NPL) ratio maintained at 0.92% as of December 2024.

The increase in SME loans was supported by the growth of Trust Receipt loans, which expanded by 183.96%, equivalent to Rp2.62 trillion, as detailed in the following table:

SME Loans By Economic Sectors

(In Rp Million)

Description	2023		2023		Growth	
	(Rp Million)	(%)	(Rp Million)	(%)	(Rp Million)	(%)
Agriculture, Hunting and Agricultural Facilities	10,347,821	11.95%	10,286,972	13.44%	60,850	0.59%
Mining	6,288,087	7.26%	3,743,227	4.89%	2,544,860	67.99%
Industrial	5,931,434	6.85%	5,784,438	7.56%	146,997	2.54%
Electricity, Gas and Water	127,268	0.15%	142,165	0.19%	(14,898)	10.48%
Construction	6,931,635	8.00%	6,664,924	8.71%	266,711	4.00%
Trade, Restaurants and Hotels	25,551,005	29.50%	24,098,511	31.48%	1,452,493	6.03%
Transport, Warehousing and Communications	8,249,855	9.52%	6,153,193	8.04%	2,096,662	34.07%
Business Services	2,930,012	3.38%	2,369,821	3.10%	560,191	23.64%
Social/Community Services	3,017,272	3.48%	2,014,898	2.63%	1,002,373	49.75%
Other	17,242,079	19.91%	15,292,855	19.98%	1,949,224	12.75%
Total Loans SME Banking	**86,616,467**	**100.00%**	**76,551,004**	**100.00%**	**10,065,463**	**13.15%**

In terms of Third-Party Funds, Bank Mandiri's SME Banking segment successfully raised Rp280.06 trillion in 2024. Of this amount, low-cost funds such as current accounts and savings held a dominant share of 89.75%.

SME Funding by Types

(In Rp Million)

Description	2024		2023		Growth	
	(Rp Million)	(%)	(Rp Million)	(%)	(Rp Million)	(%)
Giro dan Tabungan	251.364.690	89,75%	225.396.663	87,06%	25.968.027	11,52%
Deposito	28.693.796	10,25%	33.488.185	12,94%	-4.794.389	-14,32%
Total Dana SME	280.058.487	100,00%	258.884.848	100,00%	21.173.639	8,18%

Consumer Loans

Through consumer loans, Bank Mandiri provides customers with financing solutions for home ownership, vehicles, credit cards, and multipurpose loans. For new and/or second-hand home financing, Bank Mandiri has partnered with leading developers at both the national and regional levels, as well as several prominent brokerage agencies across Indonesia.

In vehicle financing, Bank Mandiri collaborates with its two subsidiaries, Mandiri Tunas Finance (MTF) and Mandiri Utama Finance (MUF). Through this partnership, Bank Mandiri customers can apply for financing for both new and used two-wheel and four-wheel vehicles, as well as multipurpose vehicle loans across Indonesia.

To capitalize on the potential increase in consumer spending in 2024, Bank Mandiri actively innovates its credit card products in the retail segment. Therefore, the Bank continues to enhance the synergy between Mandiri Credit Cards and the Super App Livin' by Mandiri to provide customers with a seamless digital transaction experience.

As of December 2024, Bank Mandiri's consumer loans reached Rp122.77 trillion, grew by 8.26% (ytd) compared to Rp113.41 trillion in December 2023. This growth was primarily driven by Mandiri Mortgage Loans, which increased by Rp9.48 trillion or 16.93% (ytd), reached Rp65.41 trillion in 2024. The increase in consumer loans also contributed to higher Fee-Based Income, which grew by 14.85% (yoy) to Rp3.71 trillion from Rp3.23 trillion in the same period the previous year.

Consumer Outstanding Loans Performance

(In Rp Million)

Description	2024		2023		Growth	
	(Nominal)	(%)	(Nominal)	(%)	(Nominal)	(%)
Mortgage Loans	65.491.544	53,34	56.009.660	49,39	9.481.884	16,93
Motor Vehicle Loans	35.004.802	28,51	37.957.373	33,47	(2.952.571)	(7,78)
Credit cards	19.269.947	15,70	16.705.235	14,72	2.580.049	15,46
Others	3.008.513	2,45	2.753.692	2,43	254.821	9,25
Total Consumer Loans	122.774.806	100,00	113.410.623	100,00	9.364.183	8,26

Mandiri Mortgage Loans (Mandiri KPR)

Mandiri KPR is Mortgage Loans offered by Bank Mandiri to individuals for purchasing residential houses, apartments, shophouses, or office houses, either through developers or independent purchases. The features of Mandiri KPR include:

1. Mandiri KPR (New Booking)
   Financing for the purchase of residential houses, apartments, shophouses, or office houses either new or second. Purchases can be made through developers or non-developers.
2. Mandiri KPR Take Over
   Financing for mortgage takeovers from other banks, with a maximum credit limit equivalent to the latest outstanding loan balance at the originating bank or with an additional credit limit based on the bank's assessment. If the total amount exceeds the previous outstanding balance, the excess funds can be used to meet various other needs.
3. Mandiri KPR Top Up
   An increase in the credit limit for Mandiri KPR that have been active for at least one year, provided that installment payments have been current for the past six months. The additional credit limit allows borrowers to meet various other financial needs.

The efforts of Bank Mandiri in enhancing the Mandiri KPR business during 2024 are as follows:

A. Optimizing FLPP Distribution for the Community

Bank Mandiri continues to reinforce its commitment to supporting housing needs by providing Mortgage Loans (KPR) for both subsidized and non-subsidized segments. Specifically for Low-Income Communities (MBR), Bank Mandiri actively facilitates mortgage loans under the Housing Financing Liquidity Facility (FLPP) scheme, aiming to improve access to affordable and decent homeownership.

In line with the government's efforts to reduce the housing supply backlog, by the end of 2024, Bank Mandiri had disbursed 6,133 new KPR units under the FLPP scheme. This achievement represents a 63% (yoy) growth, with credit quality maintained at an optimal level.



As an agent of change and a government partner, Bank Mandiri welcomes and supports the government's plan to increase the FLPP quota for 2024 by 34,000 units. Bank Mandiri believes that the property sector has the potential to create a multiplier effect in driving national economic growth. Furthermore, the expansion of FLPP mortgage disbursement will continue, focusing on strengthening housing supply and expanding demand beyond the Fixed Income (employee) segment to include the Non-Fixed Income segment, which still holds significant potential.

With BP TAPERA as the coordinator of the FLPP program, Bank Mandiri aims to ensure that FLPP disbursement in 2024 is executed effectively and continues sustainably through 2025. To achieve this, Bank Mandiri is leveraging digital platforms to market KPR and introducing innovative, adaptive, and solution-oriented transactions for the community through the Livin' KPR feature in the Super App Livin' by Mandiri.

This aligns with Bank Mandiri's objective to become the top-of-mind provider for comprehensive banking solutions across all segments of society. Additionally, Bank Mandiri aims to position itself as an urban everyday banking institution, catering to financial needs and delivering integrated business solutions.

Not only that, in celebration of its 26th anniversary, Bank Mandiri has also prepared the KPR Sejahtera Non-FLPP program to continue supporting housing distribution for the MBR segment with affordable interest rates and credit costs, starting from a 7.50% fixed rate for 10 years. Meanwhile, for KPR, customers can enjoy a special anniversary provision fee of 0.26% and a special anniversary administration fee of 0.026%.

B. Bank Mandiri Green Mortgage (KPR Hijau)

Bank Mandiri continues to innovate in developing sustainable financial products that contribute to green property development. This green financing innovation is part of Bank Mandiri's efforts to integrate the Environmental, Social, and Governance (ESG) framework into its financial products through the Sustainable Banking pillar.

As of December 2024, Bank Mandiri recorded loan disbursement for environmentally friendly buildings that meet standards/certifications reaching Rp6.3 trillion. This includes retail financing through the Green Mortgage (KPR Hijau) program, contributing to the growth of Bank Mandiri's total sustainable portfolio to Rp292.5 trillion, an increase of 10.8% (yoy) over the same period.

The Green Mortgage (KPR Hijau) is a financing facility for customers to purchase residential properties that have received green building certification from a rating agency. Bank Mandiri launched the Green Mortgage financing to raise customer and public awareness of the importance of environmentally friendly housing. As awareness continues to grow, demand for green properties is expected to increase in the future.

Since its launch in May 2024, KPR Hijau has offered various promotions to attract customers. These include a low interest rate of 2.7%, a 0% down payment, and reduced mortgage fees. These incentives are expected to make the Green Mortgage more appealing to a wider customer base, thereby increasing interest and awareness in green properties.

Going forward, Bank Mandiri remains committed to supporting the growing demand for green properties in Indonesia through the KPR Hijau. This aligns with the government's target of reducing emissions to achieve Net Zero Emission (NZE) by 2060 or sooner. This commitment is in line with Bank Mandiri's vision to become Indonesia's Sustainable Champion for a Better Future. As part of the banking sector, Bank Mandiri can contribute to emission reductions in other sectors through its financial products.

Bank Mandiri is collaborating with NavaPark BSD, South Tangerang, a project that received a Greenship certification with a platinum rating from the Green Building Council Indonesia (GBCI) in 2022. This rating was awarded following an assessment across several categories, including land ecological enhancement, movement and connectivity, water management and conservation, solid waste and materials, community well-being strategy, building and energy, and innovation and future development.





C. Digital Mortgage with Livin' KPR

Bank Mandiri continues to innovate by providing homeownership solutions for customers through the Livin' KPR feature in the beyond super app, Livin' by Mandiri. This feature enables customers to apply for a mortgage more easily and quickly in a single app.

Various challenges, such as difficulties in meeting home loan requirements, high interest rates, and a complex application process, often lead many people to postpone homeownership or not yet consider housing as a primary long-term investment. The Livin' KPR feature is part of Bank Mandiri's ongoing efforts to deliver added value to its customers.

The Livin' KPR feature serves as an innovative solution to streamline the mortgage financing process, making it more seamless by ensuring a fast and efficient application process. Customers can benefit from a wide selection of properties, competitive interest rates, discounted provision fees, and a simplified mortgage application process, all available through Bank Mandiri.

Additionally, Livin' KPR makes it easier for customers to find properties based on their price preferences and nearby public facilities while allowing them to explore every corner of a property as if they were there in person through the Virtual Tour 360° experience. Livin' KPR also offers flexibility in financial planning with the Installment Simulation feature and provides real-time mortgage application tracking through the KPR Tracking feature, enabling customers to monitor their application status seamlessly.

Bank Mandiri hopes that the Livin' KPR feature will make it easier for more customers to own their dream homes, creating a more meaningful future for everyone. The introduction of Livin' KPR is also expected to optimize mortgage acquisitions and further enhance the Mandiri KPR portfolio in 2024.

Mandiri Vehicle Loans (Mandiri KKB)



Mandiri Vehicle Loan (Mandiri KKB) is a motor vehicle financing facility for individual customers. The benefits of Mandiri KKB include competitive interest rates, simple document requirements, a fast application process, and flexible payment methods.

Currently, customers and the Indonesian public can apply for vehicle loans through Livin' Sukha under the "Nyicil Otomotif" menu. Additionally, Bank Mandiri has revamped the vehicle financing application process on its website at https://bmri.id/formkkb to provide easier access for loan applications.

In 2024, Bank Mandiri further strengthens its commitment to sustainable economic growth by promoting environmentally friendly business practices, including in the Mandiri KKB segment. One of its key initiatives is supporting the expansion of the electric vehicle ecosystem by offering a range of banking products and financing services that the public can access.

Bank Mandiri reaffirms this commitment through the signing of a Memorandum of Understanding (MoU) with PT BYD Motor Indonesia. This collaboration aligns with Bank Mandiri's mission to become Indonesia's Sustainability Champion for a Better Future, starting with support for environmentally friendly lifestyle changes within society.

In line with the role of SOEs as agents of change, Bank Mandiri will provide various financial support and strategic banking services needed by BYD, including optimizing its financing subsidiaries, Mandiri Tunas Finance and Mandiri Utama Finance, to strengthen and enhance the electric vehicle ecosystem comprehensively.

Moreover, this collaboration includes facilitating the procurement of operational vehicles, particularly electric vehicles from the BYD Group, while leveraging digital banking products such as Kopra and Livin' by Mandiri to strengthen the BYD ecosystem. Beyond that, the partnership is expected to contribute to Indonesia's transition toward net zero emissions (NZE) by 2060, accelerating the country's green economy through the development of sustainable financing and financial products.

Green financing has been directed toward sustainable sectors, including renewable energy such as hydro and geothermal power plants, transportation, and the end-to-end electric vehicle ecosystem. In line with this, Bank Mandiri has established an ESG Desk as a point of contact for customers, particularly in the Wholesale segment, providing sustainable financing solutions such as Green Loans, Sustainability-Linked Loans, and corporate-in-transition financing. Additionally, the ESG Desk serves as an advisor for corporate clients in developing their ESG Framework.

Mandiri Kredit Cards

Mandiri Credit Card is a credit facility provided to customers in the form of a card issued by Bank Mandiri, offering a variety of features and benefits to cater to customers' needs and lifestyles anywhere, with acceptance at merchants worldwide through the Visa, Mastercard, and JCB networks.

Mandiri Credit Card Growth

Kredit Cards	2024	2023	Growth (%)
Outstanding (Rp Trillion)	19.3	16.7	15.4
Sales Volume (Rp Trillion)	66.1	51.2	29.2
NPL	1.06%	1.23%	(0.17)
Fee Based Income (Rp Trillion)	2.1	1.9	7.6

As of December 2024, active users of Mandiri credit cards reached 2.2 million cards, reflecting an 8% (yoy) growth. Meanwhile, the outstanding Mandiri Credit Card balance stood at Rp19.3 trillion, up 15.4% compared to Rp16.7 trillion in the same period of previous year. This achievement was bolstered by Bank Mandiri's strong Retail and Wholesale segments and its extensive distribution network.

Mandiri Credit Card Achievements & Events

In 2024, Mandiri Credit Card received several awards, as follows:



JCB Award Indonesia

- Best Growth of Issuing Total Sales Volume in Indonesia 2023
- Outstanding Nationwide Usage Program in Indonesia 2023
- Best New Card Acquisition Performance in Indonesia 2023



VISA Award 2024

- Outstanding Growth in Signature Card Volume Bank Buku 4
- Outstanding Credit Volume Growth Bank Buku 4



IDX Channel Anugrah Inovasi

Best Digital Credit Card Payment Innovation : The First Tap to Pay, QRIS, & Virtual Card



Mudik Asik Bank Mandiri in Collaboration with KAI



A series of Garuda Indonesia Travel Festival (GATF) events in seven major cities across Indonesia, GATF International in Singapore, Shanghai, and Seoul, Garuda Online Travel Fair (GOTF), Sales Outlet Travel Fair (SOTF), and Corporate Travel Fair.





Mandiri Golf Tournament



Japan Festival JCB

To expand its credit card business and provide the best financial solutions to customers throughout 2024, Bank Mandiri continues to innovate by issuing co-branded credit cards in partnership with various strategic partners and communities in Indonesia.



Bank Mandiri, in collaboration with Lippo Mall Indonesia, launched the Mandiri Lippo Malls Card. This co-branded credit card is designed to complement customers' lifestyle and daily needs, offering numerous benefits at Lippo Malls across Indonesia.



Bank Mandiri also issued the CoBrand MyPertamina credit card, specifically designed for customer transactions at Pertamina gas station merchants and automotive-related merchants.



Bank Mandiri also issued a credit card dedicated to donating to the Buddha Tzu Chi Foundation, the specially designed Mandiri Tzu Chi Card. This specially designed credit card was created to facilitate customers who wish to donate to the Buddha Tzu Chi Foundation.

In addition, Bank Mandiri collaborated with renowned Korean stars Park Seo Joon and Kim You Jung to launch a specially designed product innovation aimed at young customers who love K-Dramas: the Mandiri Credit Card Special Design featuring Park Seo Joon and Kim You Jung.



Moreover, customers can also enjoy the convenience of conducting transactions with Mandiri Credit Card digitally. Through the Livin' by Mandiri app, the Mandiri Credit Card can be used for a variety of services and features, providing ease and flexibility. One of its standout features is the Virtual Card, which enables users to access card credentials virtually, making it safer and faster to carry out online transactions.

Another feature, Power Installment, allows cardholders to convert large transactions into light installments of up to 36 months, giving them more flexibility in managing their finances. In addition, the Power Cash feature available on Livin' by Mandiri enables near real-time instant cash withdrawals with competitive interest rates starting at 0%.

As a result of these innovations and ecosystem expansions, by the end of December 2024, Mandiri Credit Card recorded a 29.2% year-on-year (yoy) growth in transaction value. At the same time, the outstanding balance for Mandiri Credit Card grew significantly, increasing 15.4% (yoy) to Rp19.3 trillion.

Retail Deposit

Bank Mandiri remains focused on the retail segment for fund collection, particularly in accumulating low-cost funds (current accounts and savings). The growth of retail low-cost deposits in 2024 showed a positive trend, with the average balance of current accounts and savings reaching Rp170.34 trillion, marking a 7.73% increase compared to the 2023 average balance of Rp158.48 trillion.

Retail Deposits Funding by Products

(In Rp Million)

Description	2024		2023		Growth	
	(Rp Million)	(%)	(Rp Million)	(%)	(Rp Million)	(%)
Giro dan Tabungan	187,432,302	84.98%	174,900,873	82.74%	12,531,429	7.16%
Deposito	33,123,641	15.02%	37,188,246	17.53%	(4,064,605)	(10.93)%
Total	**220,555,942,60**	**100.00%**	**212,089,120**	**100%**	**8,466,823**	**3.99%**

Bank Mandiri recorded total retail deposits of Rp220.6 trillion, reflecting a 4.0% increase compared to Rp212.1 trillion in 2023.

Wealth Management

Bank Mandiri's Wealth Management offers a comprehensive range of financial and investment services tailored to meet the diverse needs of its priority and private clients. Bank Mandiri remains optimistic about continued growth in its Wealth Management business throughout 2024, targeting a 15% (yoy) increase in priority and private clients and over 13% (yoy) growth in managed funds. In 2024, Bank Mandiri was also recognized with the "Best Domestic Private Bank" and "Best Digital Solutions" awards at the Euromoney Private Banking Awards.

The Wealth Management products offered by Bank Mandiri include:

Mutual Funds

As a Mutual Fund Selling Agent (APERD), Bank Mandiri handles the sale of mutual fund securities under agreements with mutual fund managers. Bank Mandiri has been registered as an APERD with the Financial Services Authority (OJK) since 2007. In offering mutual fund products to clients, Bank Mandiri partners with nine highly competent investment managers.

The mutual fund products marketed through Bank Mandiri are as follows:

1. A Money Market Mutual Fund is a mutual fund that invests exclusively in domestic money market instruments and/or debt securities with a maturity of less than one year.
2. A Fixed Income Mutual Fund is a mutual fund that invests at least 80% of its Net Asset Value in debt securities issued by either the government or corporations. This type of mutual fund is available in two denominations: Rupiah and US Dollar.
3. A Mixed Mutual Fund is a mutual fund that invests in equity securities, debt securities, and/or domestic money market instruments, with each category comprising no more than 79% of its assets. The portfolio must include both equity and debt securities.
4. An Equity Mutual Fund is a mutual fund that allocates at least 80% of its assets in equity securities. This type of mutual fund is available in two denominations, namely Rupiah and US Dollar.

5. Index Mutual Fund is a mutual fund that are managed to achieve investment returns that closely mirror a specific benchmark index, which can be either a Bond Index or a Stock Index.
6. A Protected Mutual Fund (RDT) is a mutual fund that provides protection for the investor's initial investment through its portfolio management mechanism. The Investment Manager of the Protected Mutual Fund will allocate part of the managed funds into debt securities that fall under the investment-grade category, ensuring that at maturity, the value of these debt securities at least covers the amount of the protected principal.
7. A Limited Participation Mutual Fund (RDPT) is a mutual fund that pool funds from professional investors and subsequently invests them in a securities portfolio based on real-sector activities. These real-sector activities include, directly or indirectly, activities related to the production of goods, the provision of services in the real sector, and may involve, but are not limited to, the production of goods and/or the working capital needed for such activities.

Bank Mandiri continues to consistently introduce innovations designed to expand its Mandiri Prioritas service network, thereby strengthening its Wealth Management business. As a strategic move to attract premium clients in emerging business areas throughout 2024, the Bank reintroduced its Prioritas outlets, including a relaunch in Jayapura, Papua.



The potential for priority and private customer growth in Papua is quite significant. This is reflected in the 884 priority customers in the Papua region. Currently, Mandiri Prioritas has a total of more than 69,000 customers. Growing together with its customers is Bank Mandiri's top priority. Through Mandiri Prioritas services, the Bank is committed to delivering exceptional banking experiences while providing the best financial solutions to its customers.

By developing an integrated network, Bank Mandiri recognizes the premium segment's significant potential for future growth. The Bank is committed to consistently providing the best services to priority customers in Papua and its surrounding areas. Through the relaunching of the Priority outlet in Jayapura, Bank Mandiri aims to strengthen relationships with customers and offer top-tier financial solutions to support their business growth.

Bank Mandiri offers a suite of specialized services designed exclusively for Priority Customers. These include a Dedicated Relationship Manager who provides advisory services to help optimize customers' asset and financial management. Bank Mandiri also offers exclusive services for priority and private customers, such as executive lounge access, premium airport assistance, safe deposit boxes, waived annual credit card fees, market updates, and invitations to attend a range of exclusive events that support the growth of their businesses.

Beyond these traditional services, Bank Mandiri also provides digital innovations through Livin' by Mandiri for personal financial needs and Kopra by Mandiri for business requirements. Through its Wealth Management business segment, Bank Mandiri delivers tailored services that meet both the business and lifestyle needs of customers. This includes integrated solutions in collaboration with business units and subsidiaries, ensuring customers receive the best financial services available.

Through its range of service and product innovations as well as accelerated digital transformation, Bank Mandiri earned the prestigious award for Best Domestic Private Banking in Indonesia at the 2024 Euromoney Private Banking Awards. This recognition reinforces Bank Mandiri's position as a committed provider of transactional and investment solutions for its customers.

The accolade highlights Bank Mandiri's commitment to delivering high-quality services and achieving significant growth. This success stems from the bank's superior service quality, extensive reach, and diverse banking and investment products, including innovative digital solutions. Concierge services via debit and credit cards, a wide array of lifestyle events, and outstanding investment management capabilities place Bank Mandiri at the forefront of the industry.

The number of Wealth Management customers at Bank Mandiri reached an all-time high, exceeding 69,000 managed customers by the end of December 2024. This represents a growth of more than 9,000 customers compared to the same period the previous year. This strong growth contributed to the performance of Bank Mandiri Wealth Management, with total managed funds increasing by over 13% (yoy).

In addition, Bank Mandiri earned the award for Best Digital Solutions in Indonesia, resulted by enhancements to the Livin' Investment feature in the Livin' by Mandiri app. This innovation enables customers to invest in mutual funds and bonds directly from their phones, improving convenience and efficiency in financial management.

Bank Mandiri continues to enhance its portfolio communication, growth insights, returns information, and investment simulations, further solidifying its position as a bank that prioritizes customer experience. Relationship Managers can focus more on providing investment advisory services by leveraging advanced technology, resulting in more accurate and beneficial advice for clients.

These achievements are a testament to the trust that customers place in Bank Mandiri, driving the Bank to continue growing and innovating. Bank Mandiri remains committed to delivering innovative transaction and investment solutions tailored to customer needs, reinforcing its status as a leading bank in Indonesia.

In 2024, customers can enjoy a range of attractive programs and offers when transacting mutual funds through Livin' by Mandiri, among others:





Productivity and Revenue of Wealth Management Products – Mutual Funds

(In Rp Million)

Asset Under Management (AUM)	Mutual Funds with AUM				Mutual Fund Products Income			
	2024	2023	Growth (Nominal)	Growth (%)	2024	2023	Growth (Nominal)	Growth (%)
Equity Mutual Fund	2,705,984	3,460,914	(754,930)	(21.8)%	40,945	64,136	(23,191)	(36.2)%
Mixed Mutual Fund	162,769	247,991	(85,222)	(34.4)%	2,041	2,379	(338)	(14.2)%
Fixed Income Mutual Fund	4,307,814	4,765,550	(457,736)	(9.6)%	53,114	60,265	(7,151)	(11.9)%
Money Market Mutual Fund	16,992,558	14,888,946	2,103,612	14.1%	106,329	104,509	1,820	1.7%
Index Mutual Fund	127,453	10,845	116,608	1075.2%	1,850	396	1,454	367.1%
Sub Total	**24,296,577**	**23,374,246**	**922,331**	**3.9%**	**204,278**	**231,685**	**(27,407)**	**(11.8)%**
Protected Mutual Fund	370,632	409,847	(39,215)	(9.6)%	986	0	986	0.0%
Limited Inclusion Mutual Fund	77,080	83,824	(6,744)	(8.0)%	795	890	(95)	(10.7)%
PDNI (Individual Customer Fund Management)	0	0	0	0%	25	55	(30)	0%
Total	**24,744,289**	**23,867,917**	**876,372**	**3.7%**	**206,084**	**232,630**	**(26,546)**	**(11.4)%**

In 2024, Bank Mandiri's Retail Banking recorded total Wealth Management Assets Under Management (AUM) of Rp24.74 trillion, up 3.7% compared to the previous year's achievement of Rp23.87 trillion. Meanwhile, Wealth Management Fee-Based Income stood at Rp206.08 billion, a decrease of -11.4% compared to Rp232.63 billion in 2023.

Primary and Secondary Market Retail Government Bonds

Retail Government Bonds (SBN) are sovereign securities issued by the Government specifically for retail investors in the primary market. The payment of interest and principal is guaranteed directly by the Republic of Indonesia according to the terms of the bonds. Bank Mandiri offers two types of Primary Market Retail Government Bonds: Government Bonds (SUN) and Sharia Sovereign Securities (SBSN). SUN comprises Retail Government Bonds (ORI) and Retail Savings Bonds (SBR), while SBSN includes Retail Sukuk (SR) and Savings Sukuk (ST).

In addition to offering Primary Market Retail Government Bonds, Bank Mandiri also provides secondary market bonds to its customers. These secondary market transactions are conducted in collaboration with the Treasury Group.

Volume and Revenue of Primary Market Retail Government Securities

(In Rp Million)

Asset Under Management (Volume)	Initial Securities with Volume				Initial Securities Income			
	2024	2023	Growth (Nominal)	Growth (%)	2024	2023	Growth (Nominal)	Growth (%)
Primary Market Retail Government Securities	23,023,.151	22,810,892	212,259	0.93	77,023	75,839	1,184	1.56

In 2024, Bank Mandiri's Retail SBN sales reached Rp23.02 trillion, an increase from Rp22.81 trillion in the previous year. Fee-Based Income from these sales activities in 2024 amounted to Rp77.02 billion, up 1.56% from Rp75.83 billion in 2023. The growth in primary market Retail Government Bond sales volume was driven by increased liquidity in the economy overall.

Bancassurance

In providing bancassurance products, Bank Mandiri has collaborated with various insurance companies to offer solutions that provide financial protection against health and life risks, as well as help meet educational expenses, retirement costs, and asset protection needs. Bank Mandiri's bancassurance products and services available to customers include Mandiri Elite Plan-Prime Insurance, Mandiri Legacy Plan Platinum Insurance, Mandiri Legacy Plan Titanium Insurance, Mandiri Investasi Prestige Insurance, and Mandiri Secure Criticare Insurance.

Growin' On Livin'

Growin' by Mandiri Sekuritas is now available on the Livin' by Mandiri app, providing customers with seamless access to stock investments anytime, anywhere. The integration of Growin', the latest digital trading platform from PT Mandiri Sekuritas, into Livin' marks a groundbreaking innovation, pioneering investment capabilities within a banking application. With Growin' on Livin', all Livin' customers can effortlessly open a Mandiri Sekuritas Rekening Dana Nasabah (RDN) and invest in stocks with ease and convenience, all while monitoring their investment performance and portfolio without switching applications.

The integration of Growin' into Livin' is a testament to the strong synergy between Bank Mandiri and Mandiri Sekuritas in delivering a more holistic and accessible digital investment service for all Mandiri Group customers. This innovation is expected to drive financial literacy and inclusion on a large scale while enhancing the overall investment experience for customers, enabling them to grow their financial assets.

In 2024, Mandiri Sekuritas recorded a stock transaction volume of Rp415 billion through Growin' on Livin' and added 167,000 new customers through the platform.

Foreign Exchange Transactions and Structured Products

Wealth Management collaborates with the Treasury Group to provide foreign exchange transaction services and offer structured products such as Mandiri Deposit Swap, Mandiri Dual Currency Investment, and Mandiri Market Linked Deposit to clients enrolled in premier customer services. These investment product options can be tailored to the customer's risk profiles and investment objectives.

Other Investment Alternatives

In addition to acting as an APERD and a distributor for Government Securities, Bank Mandiri also provides access to more advanced investment products such as Individual Customer Portfolio Management (PDNI), Infrastructure Investment Funds in the form of Collective Investment Contracts (DINFRA), Real Estate Investment Funds in the form of Collective Investment Contracts (DIRE), and Asset-Backed Securities in the form of Collective Investment Contracts (KIK-EBA). Bank Mandiri works with authorized investment managers to manage these investment products.

Strengthen Collaboration to Boost Investments in Indonesia

Bank Mandiri consistently supports the increase of investment especially foreign direct investments to Indonesia by strengthening collaboration with various stakeholders. In 2024, Bank Mandiri partnered with The Ministry of Investment and Downstream Industry/BKPM, formalized through Joint Investment Promotion efforts by Bank Mandiri's seven overseas offices (Singapore, Hong Kong, China, United Kingdom, Malaysia, Cayman Islands, and Timor-Leste) in cooperation with the Indonesia Investment Promotion Center (IIPC) under The Ministry of Investment and Downstream Industry/BKPM.

Through this collaboration, investors benefit from streamlined access to information on current investment procedures and opportunities in Indonesia, potential synergies with trusted partners who are already Bank Mandiri clients, and access to the premium services offered by Mandiri Group. This initiative aims to enhance the quality of investment services provided to investors.

Bank Mandiri believes that the well-established collaboration between IIPC and Bank Mandiri's overseas offices will continue to be strengthened going forward. This partnership is expected to create a domino effect and multiply inbound investments while simultaneously supporting Indonesia's goal of becoming a developed nation by 2045.

Bank Mandiri have comprehensive capabilities across various industries, from upstream to downstream sectors, which can help prospective investors establish a footprint, find the right local partners, and expand their investments in Indonesia. Moreover, Bank Mandiri has prepared communication tools such as an investor landing page and marketing toolkits that provide valuable information, making it easier for investors to initiate and grow their investments in the country.

RETAIL BANKING BUSINESS OUTLOOK FOR 2025

The business outlook for Bank Mandiri's Retail Banking segment in 2025 is projected to remain highly positive, supported by digital transformation, financial inclusion growth, and increasing demand for diverse banking products. Indonesia's expected economic growth will drive higher income and consumer spending, creating opportunities for Bank Mandiri to expand its Retail Banking products and services, including consumer loans, savings, and investment products.

The adoption of digital technology continues to rise, particularly in the use of banking applications and e-commerce. Bank Mandiri aims to leverage this trend to expand its retail customer base through digital services such as Livin' by Mandiri. The growing number of smartphone users and increasing public trust in digital transactions present opportunities for Bank Mandiri to further expand the digital ecosystem of Retail Banking.

Government support for financial inclusion, such as digital savings account openings and social assistance distribution, presents a significant opportunity for Bank Mandiri to reach more new customers. The increasing demand for retail investment instruments, including mutual funds, retail bonds, and insurance, also provides momentum for Bank Mandiri to expand its Wealth Management product line to meet the needs of the middle-class and affluent segments. In the consumer loan segment, Bank Mandiri has sufficient resources to respond to rising demand for products such as home ownership loans (KPR) and unsecured loans (KTA), particularly among millennials and Generation Z, who are beginning to build personal assets.

Supported by economic growth, digitalization, and evolving customer needs, Bank Mandiri is well-positioned to maintain its leadership in the retail banking market. By focusing on digital innovation, product diversification, and strengthening financial literacy, the bank has the potential to sustain its dominance and continue making a significant contribution to overall business growth.

RETAIL BANKING WORK PLAN IN 2025

To sustain the positive growth trend in retail banking business in 2025, Bank Mandiri will implement the following strategies:

1. Retail Credit portfolio growth remains focused on the business potential derived from the wholesale customer ecosystem through synergy between the retail and wholesale segments, while also continuing to support government strategic projects. The optimization of retail credit customer acquisition is carried out through customized offerings in line with market conditions, leveraging the Branch network to reach customers, and optimizing the Livin' by Mandiri application to simplify the retail credit application process (such as KSM, Paylater, KPR, Credit Cards, and Vehicle Loans). This is accompanied by an accelerated credit analysis process and seamless risk management to further facilitate customers and ensure that credit growth remains sustainable with maintained credit quality.
2. Strengthening the Bank's liquidity through the accelerated and aggressive growth of customer acquisition, particularly for savings customers, by focusing on five main pipelines: derivative businesses of wholesale customers, regional priority sectors, subsidiary ecosystems, global and regional communities, and strategic partners. The optimization of savings fund growth in retail customers focuses on optimizing payroll customers, business and wealth customers, and digitally savvy individual customers by creating a closed-loop transaction ecosystem based on a lifestyle community approach and personalized offerings. This enables the provision of end-to-end financial solutions for every customer's financial needs and enhances customer engagement to increase transactions and product holding.
3. The Bank will continue to optimize transactions and the value of digital platform usage among customers to position Bank Mandiri as the primary transaction bank through several initiatives, including:
   a. Optimization of the Super App Livin' to acquire business and individual customers, increasing activation and daily transaction usage by adding personalized debit card service features (issuance, replacement, and block/unblock card), real-time multi-currency additions for foreign exchange transfers, and enhancing the use case of Livin' Sukha, Livin' Investasi, and Mandiri Credit Cards as a source of funds for various payment transactions.
   b. Optimization of the merchant and card business to expand the ecosystem through merchant acquisition, Integrated Solutions within the business ecosystem, Game Changer: Livin' Merchant, Digital Merchant Activation, promoting Cross-Border Transactions with competitive exchange rates, and increasing installment transactions for credit cards.

On the business operations, the enhancement of the distribution network is carried out through branch transformation, network optimization, and people development to function as a business orchestrator.

HEAD OFFICE

The Head Office segment manages assets and liabilities, including those of the Corporate Banking, Commercial Banking, Institutional Relations, Retail Banking, Treasury, and International Banking segments. It also receives cost allocations for centralized service provision to other segments, as well as income/expenses that are not allocated to other segment reporting. However, the productivity and revenue of the segments discussed in this Annual Report are recorded separately from the assets and liabilities managed by the Head Office.

PRODUCTIVITY AND REVENUE OF THE HEAD OFFICE SEGMENT

Information on the productivity and revenue of the Head Office is presented in the Segment Profitability Notes within the audited financial statements as part of this Annual Report.

Bank Mandiri's geographic segments include Mandiri Indonesia and Mandiri Overseas Units. The Group's main operations are managed in Indonesia, Asia (Singapore, Hong Kong, Dili, Shanghai, Kuala Lumpur), Western Europe (London), and the Cayman Islands.



GEOGRAPHIC SEGMENT OPERATIONS REVIEW

MANDIRI INDONESIA

The Mandiri Indonesia geographic segment includes the Wholesale segment, comprising Corporate, Commercial, Financial Institution, and Institutional Relations; and the Retail segment, consisting of Small and Medium Enterprises, Micro, Wealth Management, and Individual segments. It also includes Subsidiaries, covering Syariah Subsidiaries, Insurance Subsidiaries, and Non-Syariah & Non-Insurance Subsidiaries, as discussed in the Operating Segments section of this Annual Report.

OVERSEAS BRANCHES (KLN)

The explanation of the Overseas Branches (KLN) segment is presented in the International Banking segment and in the discussion of Syariah Subsidiaries, Insurance Subsidiaries, and Non-Syariah & Non-Insurance Subsidiaries outside Indonesia, as detailed in the Operating Segments section of this Annual Report.

PRODUCTIVITY & PROFITABILITY OF GEOGRAPHIC SEGMENTS

The net profit attributable to the owners of the parent company for the consolidated geographic segments increased by 1.87% to Rp61.17 trillion as of December 2024, compared to Rp60.05 trillion as of December 2023. The Indonesia Geographic Segment remained the largest profit contributor, recording Rp58.86 trillion as of December 2024, with a growth of 1.80%.

Geographic Segment Profitability 2024

(In Rp million)

Description	Indonesia	Asia	Western Europe	Cayman Islands	Consolidated
Consolidated Statement of Profit or Loss and Other Comprehensive Income					
Interest and Sharia Income	143,256,544	5,544,063	212,757	2,222,663	151,236,027
Interest and Sharia Expenses	(45,035,523)	(3,371,107)	(137,362)	(935,115)	(49,479,107)
Interest and Sharia Income - Net	98,221,021	2,172,956	75,395	1,287,548	101,756,920
Premium Income - Net	2,520,813	-	-	-	2,520,813
Interest and Sharia and Premium Income - Net	100,741,834	2,172,956	75,395	1,287,548	104,277,733
Other Operating Income:					
Provision and Commission Income	22,913,886	527,229	-	6,405	23,447,520
Others	18,343,628	272,474	9,813	97,580	18,723,495
Total	41,257,515	799,703	9,813	103,985	42,171,015
(Provision)/reversal of allowance for impairment losses on financial assets and others	(11,314,308)	(615,051)	355	-	(11,929,004)
Gain on Sale of Securities and Government Bonds	149,256	1,041	-	-	150,297

Description	Indonesia	Asia	Western Europe	Cayman Islands	Consolidated
Other Operating Expenses:					
Salaries and Employee Benefits	(23,681,058)	(254,407)	(41,119)	(14,179)	(23,990,763)
Other General and Administrative Expenses	(34,386,919)	(185,828)	(24,756)	(22,180)	(34,619,683)
Total	(58,067,977)	(440,235)	(65,875)	(36,359)	(58,610,446)
Non-Operating Income/ (Expense) - Net	1,014,015	(79,245)	-	(590,879)	343,891
Tax Expense	(14,919,990)	(14,919,990)	(3,671)	-	(15,238,365)
Net Profit	58,860,344	1,524,465	16,017	764,295	61,165,121
Net Profit Attributable to					
Noncontrolling interests	-	-	-	-	5,382,379
Equity holders of the Parent Entity	-	-	-	-	55,782,742
Consolidated Statement of Financial Position					
Loans	1,517,435,476	75,116,822	672,234	29,992,080	1,623,216,612
Total Assets	2,275,077,684	106,434,035	4,210,018	41,501,525	2,427,223,262
Demand Deposits and Wadiah Demand Deposits	(560,332,344)	(8,174,487)	(69,178)	-	(568,576,009)
Saving Deposits and Wadiah Saving Deposits	(576,968,536)	(3,223,260)	-	-	(580,191,796)
Time Deposits	(292,929,427)	(4,537,725)	-	-	(297,467,152)
Total Deposits from Customers	(1,430,230,307)	(15,935,472)	(69,178)	-	(1,446,234,957)
Total Liabilities	(1,751,615,503)	(88,871,873)	(3,337,396)	(16,583,544)	(1,860,408,316)

Tabel Profitabilitas Segmen Geografis Year 2023

(In Rp million)

Description	Indonesia	Asia	Eropa Barat	Cayman Islands	Konsolidasian
Consolidated Statement of Profit or Loss and Other Comprehensive Income					
Interest and Sharia Income	126,198,202	4,408,807	167,059	1,770,402	132,544,470
Interest and Sharia Expenses	(33,676,303)	(2,184,649)	(103,294)	(693,650)	(36,657,896)
Interest and Sharia Income - Net	92,521,899	2,224,158	63,765	1,076,752	95,886,574
Premium Income - Net	2,123,046	-	-	-	2,123,046
Interest and Sharia and Premium Income - Net	94,644,945	2,224,158	63,765	(1,076,752)	98,009,620
Other Operating Income:					
Provision and Commission Income	19,690,608	421,664	-	36,138	20,148,410
Others	20,043,935	229,068	11,736	89,697	20,374,436
Total	39,734,543	650,732	11,736	125,835	40,522,846
(Provision)/reversal of allowance for impairment losses on financial assets and others	(9,868,305)	(269,532)	(6,513)	(4,357)	(10,148,707)
Gain on Sale of Securities and Government Bonds	125,295	-	-	-	125,295

Description	Indonesia	Asia	Eropa Barat	Cayman Islands	Konsolidasian
Other Operating Expenses:					
Salaries and Employee Benefits	(24,154,647)	(216,132)	(36,322)	(15,988)	(24,423,089)
Other General and Administrative Expenses	(29,244,031)	(163,475)	(17,827)	(19,069)	(29,444,402)
Total	(53,398,678)	(379,607)	(54,149)	(35,057)	(53,867,491)
Non-Operating Income/ (Expense) - Net	950,259	(427,329)	-	(479,612)	43,318
Tax Expense	(14,371,652)	(258,604)	(2,755)	-	(14,633,011)
Net Profit	57,816,407	1,539,818	12,084	683,561	60,051,870
Net Profit Attributable to					
Noncontrolling interests	-	-	-	-	4,991,813
Equity holders of the Parent Entity	-	-	-	-	55,060,057
Consolidated Statement of Financial Position					
Loans	1,273,106,236	57,617,329	715,716	28,392,914	1,359,832,195
Total Assets	2,044,454,812	88,426,438	4,047,572	37,290,627	2,174,219,449
Demand Deposits and Wadiah Demand Deposits	(544,200,253)	(7,917,572)	(241,331)	-	(552,359,156)
Saving Deposits and Wadiah Saving Deposits	(506,286,183)	(3,005,306)	-	-	(509,291,489)
Time Deposits	(286,387,272)	(3,410,232)	-	-	(289,797,504)
Total Deposits from Customers	(1,336,873,708)	(14,333,110)	(241,331)	-	(1,351,448,149)
Total Liabilities	(1,570,259,063)	(71,526,098)	(3,240,265)	(15,417,389)	(1,660,442,815)

SUBSIDIARY PERFORMANCE REVIEW



Bank Mandiri's outstanding performance in 2024 was significantly supported by contributions from its Subsidiaries.

As of December 2024, the Subsidiaries collectively posted a net profit of Rp11.76 trillion, reflecting a growth of 10.95% year-on-year (yoy) compared to the same period in the previous year. This contribution led to an increase in Bank Mandiri's equity portion profit to Rp6.24 trillion, representing a growth of 2.90% (yoy).

Following the signing of the Share Purchase Agreement and Share Sale Agreement between Kimia Farma and IFG Life on 26 June 2024, IFG Life became the majority shareholder of Mandiri Inhealth with 80% ownership, while Bank Mandiri retained a 20% stake. As a result, Bank Mandiri ceased recognition of Mandiri Inhealth's net assets at its carrying value. Consequently, Bank Mandiri's number of Subsidiaries became 9 (nine), encompassing a range of following business sectors:

No.	Subsidiary	Core Business	Commercial Operation	Domicile	Total Assets (Rp Million)**		Ownership Percentage	
					31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
1	PT Bank Syariah Indonesia Tbk	Sharia Banking	1955	Jakarta	408,613,432	353,624,124	51.47	51.47
2	Bank Mandiri (Europe) Limited (BMEL)*	Banking	1999	London	4,210,018	4,047,572	100.00	100.00
3	PT Mandiri Sekuritas	Securities	1992	Jakarta	4,390,551	3,791,774	99.99	99.99
4	PT Bank Mandiri Taspen (Bank Mantap	Banking	1970	Jakarta	66,232,853	60,542,415	51.10	51.10
5	PT Mandiri Tunas Finance (MTF)	Consumer Financing	1989	Jakarta	34,425,455	29,727,392	51.00	51.00
6	Mandiri International Remittance Sendirian Berhad (MIR)*	Remittance	2009	Kuala Lumpur	33,156	24,393	100.00	100.00
7	PT AXA Mandiri Financial Services	Life Insurance	1991	Jakarta	41,914,379	41,114,473	51.00	51.00
8	PT Mandiri Utama Finance (MUF)	Consumer Financing	2015	Jakarta	15,049,612	10,633,178	99.99	51.00
9	PT Mandiri Capital Indonesia*	Venture Capital	2015	Jakarta	5,967,874	5,593,944	99.99	99.99

*) Subsidiary Unaudited Financial Statements
**) Subsidiary Audited Financial Statements

Subsidiary Productivity and Revenues in 2024

(In Rp Billion)

No.	Subsidiaries	Business Volume**		Growth	
		2024 (Unaudited)	2023	Rp	%
1	Bank Syariah Indonesia (BSI)				
	Total Funding	327,454	293,776	33,678	11.46
	Total Lending	278,481	240,316	38,165	15.88
	Net Income	7,006	5,704	1,302	22.83
2	Bank Mandiri Taspen				
	Total Funding	48,825	44,977	3,848	8.56
	Total Lending	46,261	41,351	4,911	11.88
	Net Interest Income	3,442	3,388	54	1.60
	Fee Based Income	421	385	36	9.46
	Net Income	1,578	1,409	168	11.93
3	Bank Mandiri (Europe) Limited (BMEL)*				
	Earning Assets	3,945	3,771	174	4.61
	Net Income	16,2	13,2	3,0	22.72
4	AXA Mandiri Financial Services (AMFS)				
	Gross Written Premium	12,052	11,932	120	1.01
	Net Income	1,302	1,327	(25)	(1.86)

No.	Subsidiaries	Business Volume**		Growth	
		2024 (Unaudited)	2023	Rp	%
5	Mandiri InHealth (MI)				
	Gross Written Premium	-	3,436	-	-
	Net Income Consolidated	-	175	-	-
6	Mandiri Tunas Finance (MTF)				
	Baki Debet	60,643	53,061	7,582	14.29
	Net Income	1,172	1,161	11	0.95
7	Mandiri Utama Finance (MUF)				
	Baki Debet	35,111	30,822	4,289	13.92
	Net Income	322	527	(205)	(39.00)
8	Mandiri International Remittance (MIR)*				
	Frekuensi Transaksi Remittance ('000)	80,863	74,263	6,600	8.89
	Net Income	0,54	0,70	(0,15)	(23.22)
9	Mandiri Sekuritas - Konsolidasi				
	Trading Volume	747,126	533,401	213,725	40.07
	Underwriting Volume	27,452	39,482	(12,030)	(30.47)
	Net Income Consolidated	278	288	(9,5)	(3.31)
10	Mandiri Capital Indonesia (MCI) - Konsolidasi*				
	Investment Deal***	19	19	0	0
	Net Income	104	167	(63)	(37.85)

*) Subsidiary Unaudited Financial Statements
**) Subsidiary Audited Financial Statements
***) Total Balance Sheet of Investee MCI

The business volume indicator is the method by which Bank Mandiri measures the productivity of its subsidiaries.

As of 31 December 2024, Bank Syariah Indonesia (BSI) achieved the largest fund accumulation at Rp327.45 trillion, an 11.46% (yoy) growth, holding the largest asset ownership compared to other subsidiaries. Meanwhile, the funds raised by Bank Mandiri Taspen increased to Rp48.83 trillion, reflecting 8.56% (yoy) growth.

In terms of profitability as of 31 December 2024, BSI and Bank Mandiri Taspen were the two subsidiaries contributing the largest net profit. BSI's net profit rose to Rp7.06 trillion, grew 22.83% (yoy), the highest growth among the subsidiaries. Bank Mandiri Taspen recorded a net profit increase to Rp1.58 trillion, reflecting an 11.93% (yoy) growth.

The business volume indicator is the method by which Bank Mandiri measures the productivity of its subsidiaries.

SUBSIDIARY PERFORMANCE REVIEW

PT BANK SYARIAH INDONESIA TBK

Statement of Financial Position
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Assets	408,613	353,624	54,989	15.55
Liabilities	363,572	314,885	48,687	15.46
Equity	45,042	38,739	6,302	16.27

The assets of Bank Syariah Indonesia (BSI) increased by 15.55% (yoy) as of 31 December 2024, reaching Rp408.61 trillion, up from Rp353.62 trillion in 2023. This asset growth was primarily driven by BSI's business expansion, which resulted in net financing of Rp278.48 trillion, rose by Rp38.17 trillion or 15.88% year-to-date (ytd) compared to Rp240.32 trillion in 2023. In addition, third-party funds (TPF) also grew, reaching Rp327.45 trillion with a recorded growth of 11.46% (yoy).

BSI's solid financing performance and TPF growth in 2024 were supported by a strengthening of equity to Rp45.04 trillion as of 31 December 2024, a 16.27% (yoy) increase from Rp38.74 trillion in the previous year. The increase in equity was driven in part by BSI's net profit achievement of Rp7.01 trillion as of 31 December 2024, representing a significant 22.83% (yoy) growth from Rp5.7 trillion the previous year.

Statement of Profit or Loss
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Operating Income	30,855	26,456	4,398	16.63
Expenses*	21,577	18,865	2,712	14.37
Net Profit/(Loss)	7,006	5,704	1,302	22.83

*Expenses are profit sharing costs, overhead costs and allowance for impairment losses costs

With increased financing activities, BSI successfully raised its total operating income to Rp30.86 trillion as of 31 December 2024, an increase of 16.63% (yoy) compared to Rp26.46 trillion achieved in the previous year. BSI also demonstrated the ability to manage its operating expense growth, keeping it at 14.37% (yoy) as of 31 December 2024, with total operating expenses at Rp21.58 trillion, up from Rp18.87 trillion as of 31 December 2023.

PT BANK MANDIRI TASPEN

Statement of Financial Position
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Assets	66,232	60,542	5,690	9.40
Liabilities	58,444	54,126	4,318	7.98
Equity	7,788	6,417	1,372	21.37

Bank Mandiri Taspen (Bank Mantap) saw an asset increase of 9.40% (yoy) as of December 2024, reaching Rp66.23 trillion compared to Rp60.54 trillion in 2023. The growth highlights the bank's stability and competitiveness amid the evolving banking industry landscape. The increase in assets was supported by increases in both liabilities and equity.

Liabilities grew by 7,98% (yoy) to Rp58,44 trillion by December 2024, reflecting enhanced funding activity from customers and other financing sources, as well as increasing confidence in the bank's performance. Equity posted a more significant growth rate, increasing by 21,37%(yoy) to Rp7,79 trillion. With this positive trajectory, Bank Mantap is better positioned to navigate economic challenges and expand its business portfolio in the future.

Statement of Profit or Loss
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Operating Income	6,619	6,076	543	8.93
Expenses	4,568	4,246	322	7.57
Net Profit/(Loss)	1,578	1,409	168	11.93

Bank Mandiri Taspen was able to increase its operating income by 8.93% (yoy) to Rp6.62 trillion as of December 2024, up from Rp6.08 trillion in December 2023. This growth was primarily supported by an uptick in loan disbursement activities throughout 2024. While operating expenses also rose, the increase was not as pronounced as the growth in operating income, amounting to Rp322 billion and reaching Rp4.57 trillion. By maintaining a positive operating income and effectively managing operating expenses, Bank Mandiri Taspen posted a net profit of Rp1.58 trillion, a growth of 11.93% (yoy) as of December 2024.

BANK MANDIRI (EUROPE) LIMITED

Statement of Financial Position
(In Rp Billion)

Description	2024 (Unaudited)	2023	Growth	
			Rp	(%)
Assets	4,210	4,048	162	4.00
Liabilities	3,337	3,241	96	2.96
Equity	873	807	66	8.17

*Unaudited cut-off 31 December 2023

Bank Mandiri (Europe) Limited posted a 4.00% (yoy) increase in assets, reaching Rp4.21 trillion in December 2024, up from Rp4.05 trillion in 2023. This relatively stable asset growth reflects the bank's strategic approach of selectively expanding assets that offer optimal risk-return amidst global financial market volatility and slower global economic growth.

Meanwhile, the bank's liabilities and equity stood at Rp3.34 trillion and Rp873 billion as of December 2024, marking (yoy) increases of 2.96% and 8.17%, respectively, compared to Rp3.24 trillion and Rp807 billion in 2023. These shifts were driven by higher retained earnings and the depreciation of the rupiah against the USD.

Statement of Profit or Loss
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Operating Income	85.2	77.8	7.4	9.52
Expenses	65.5	64.6	0.9	1.42
Net Profit/(Loss)	16.2	13.2	3.0	22.72

*Unaudited cut-off 31 December 2023

Bank Mandiri (Europe) Limited's operating income rose 9.52% (yoy) from Rp77.8 billion in 2023 to Rp85.2 billion in 2024. This growth resulted from the bank's strategy to reallocate assets into high-yield loans and optimize liquidity to manage interest expenses. In addition, efficiency measures helped limit expense growth to 0.9% (yoy) in 2024, contributing to a net profit increase of 22.72% (yoy), reaching Rp16.2 billion.

PT AXA MANDIRI FINANCIAL SERVICES

Statement of Financial Position
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Assets	41,914	41,114	800	1.95
Liabilities*	38,101	37,495	606	1.62
Equity	3,813	3,619	194	5.36

*) Liabilities + Participant Funds

AXA Mandiri Financial Services (AMFS) recorded a 1.95% (yoy) growth in total assets, reaching Rp41.91 trillion in December 2024, driven primarily by increased investment assets.

Liabilities also rose by 1.62% (yoy), from Rp37.47 trillion in 2023 to Rp38.10 trillion in December 2024, mainly due to obligations to non-unit-linked policyholders. Equity posted a more significant increase, grew 5.36% (yoy) to Rp3.81 trillion from Rp3.62 trillion the previous year.

Statement of Profit or Loss
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Operating Income	12.459	14,024	(1,566)	(11.16)
Expenses	10.879	12,459	(1,580)	(12.68)
Net Profit/(Loss)	1,302	1,327	(25)	(1.88)

From an operational perspective, AMFS recorded operating income of Rp12.46 trillion as of December 2024, decreased 11.16% (yoy) from Rp14.02 trillion in December 2023, due to a slowdown in unit-linked policy premium growth. Conversely, operating expenses fell from Rp12.46 trillion to Rp10.88 trillion, reflecting an 12.68% (yoy) decline. As a result, AMFS posted a net profit of Rp1,302 billion as of December 2024, a slight decrease of 1.88% (yoy) compared to Rp1,327 billion in December 2023.

PT MANDIRI TUNAS FINANCE

Statement of Financial Position
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Assets	34,425	29,727	4,698	15.80
Liabilities	29,561	25,697	3,864	15.04
Equity	4,864	4,030	834	20.69

In December 2024, Mandiri Tunas Finance (MTF) achieved significant growth in total assets, increased by 15.80% (yoy) to Rp34.42 trillion from Rp29.73 trillion in 2023. This growth reflects robust asset management expansion, operational efficiency, and the business growth potential of MTF.

This asset growth was largely supported by a 15.04% (yoy) increase in liabilities, rose from Rp25.70 trillion in 2023 to Rp29.56 trillion in December 2024. This surge indicates higher funding activities, whether through loans or other obligations, bolstering the company's expansion efforts. At the same time, MTF has strengthened its risk management practices to ensure ongoing operational sustainability.

Meanwhile, MTF's equity posted positive growth, increased by 20.69% (yoy) from Rp4.03 trillion in 2023 to Rp4.86 trillion in December 2024. This growth reflects improvements in retained earnings or shareholder investments, enhancing its capital structure.

Statement of Profit or Loss
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Operating Income	5,579	4,782	797	16.67
Expenses	4,075	3,291	784	23.82
Net Profit/(Loss)	1,172	1,161	11	0.95

In December 2024, MTF's operating income rose by 16.67% (yoy), increased from Rp4.78 trillion in December 2023 to Rp5.58 trillion. This growth reflects MTF's efforts to expand revenue streams or enhance the efficiency of its core business operations. The growth in income contributed directly to improved profitability, as reflected in MTF's net profit, which increased by 0.95% (yoy), from Rp1.161 trillion in December 2023 to Rp1.172 trillion in December 2024.

PT MANDIRI UTAMA FINANCE

Statement of Financial Position
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Assets	15,050	10,633	4,417	41.54
Liabilities	13,569	9,246	4,323	46.76
Equity	1,481	1,387	94	6.78

In December 2024, Mandiri Utama Finance (MUF) recorded a significant 41,54% (yoy) growth in assets, increased from Rp10.63 trillion in 2023 to Rp15.05 trillion. This surge reflects MUF's expansion in resource management, driven by increased financing and other operational growth.

MUF's liabilities also posted sharp growth by 46,76%, from Rp9,25 trillion in 2023 to Rp13,57 trillion in December 2024. Meanwhile, equity posted a more moderate increase of 6,78% (yoy), grew from Rp1.39 trillion in 2023 to Rp1,48 trillion in December 2024. Overall, despite its significant asset growth, MUF remains committed to maintaining a well-balanced approach between liabilities and equity to ensure long-term financial stability.

Statement of Profit or Loss
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Operating Income	3.396	3.000	396	13.22
Expenses	2.983	2.137	666	28.74
Net Profit/(Loss)	300	527	(227)	(43.07)

Financing activities that increased throughout 2024 impacted MUF's profitability performance. Income grew by 13,22% to Rp3,40 trillion in 2024. MUF's net profit was Rp300 billion in December 2024, decreased 43,07% (yoy) from Rp527 billion in December 2023.

PT MANDIRI INTERNATIONAL REMITTANCE SENDIRIAN BERHAD

Statement of Financial Position
(In Rp Billion)

Description	2024 (Unaudited)	2023	Growth	
			Rp	(%)
Assets	33.16	24.39	8.77	35.94
Liabilities	11.45	4.63	6.82	147.30
Equity	21.71	19.76	1.95	9.88

Mandiri International Remittance Sendirian Berhad (MIR) recorded a significant 35.94% (yoy) increase in assets as of December 2024, rose from Rp24.39 billion in 2023 to Rp33.16 billion. This growth was mainly driven by the addition of operational infrastructure. Meanwhile, MIR's liabilities also rose significantly to Rp11.45 billion, up 147.30% from Rp4.63 billion the previous year. On the equity side, MIR reported equity of Rp21.71 billion in 2024, a 9.88% increase from Rp19.76 billion in 2023.

Statement of Profit or Loss
(In Rp Billion)

Description	2024 (Unaudited)	2023	Growth	
			Rp	(%)
Operating Income	19.40	17.31	2.09	12.07
Expenses**	18.86	16.61	2.25	13.56
Net Profit/(Loss)	0.54	0.70	(0.16)	(23.22)

In 2024, MIR reported operating income of Rp19.40 billion, a 12.07% increase from Rp17.31 billion the previous year. The increase in operating income combined with an increase in expenses to Rp18.86 billion in 2024 led to MIR's net income declining by 23.22% to Rp0.54 billion.

PT MANDIRI SEKURITAS

Statement of Financial Position
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Assets	4,391	3,792	599	15.79
Liabilities	2,223	1,702	521	30.61
Equity	2,168	2,090	78	3.73

Mandiri Sekuritas posted a significant increase of total assets by 15,79% (yoy), rose from Rp3,8 trillion in 2023 to Rp4,4 trillion in 2024. The growth reflects business expansion or increased operational activities, such as the growth of the investment portfolio and an increase in other assets, particularly related to the development of the online trading system, Growin'. This increase is a positive signal for the strengthening of Mandiri Sekuritas' financial position.

Meanwhile, Mandiri Sekuritas' liabilities also increased by 30,61% (yoy), from Rp1,7 trillion in 2023 to Rp2,2 trillion in 2024. At the same time, Mandiri Sekuritas' equity grew by 3,73% (yoy) to Rp2.2 trillion by the end of 2024.

Statement of Profit or Loss
(In Rp Billion)

Description	2024	2023	Growth	
			Rp	(%)
Operating Income	1,581	1,650	(69)	(4.19)
Expenses	1.229	1,331	(102)	(7.64)
Net Profit/(Loss)	278	288	(10)	(3.47)

Mandiri Sekuritas' operating income declined by 4,19% (yoy), from Rp1.7 trillion in 2023 to Rp1.6 trillion in 2024. However, operating expenses also decreased by 7,64% (yoy) to Rp1,2 trillion in 2024. The reduction in operating expenses reflects Mandiri Sekuritas' efforts to control costs effectively amidst declining revenues. Nevertheless, the reduction in operating expenses was not sufficient to fully offset the impact of the revenue decline. As a result, net profit recorded a decrease of 3,47% (yoy), from Rp288 billion in 2023 to Rp278 billion in 2024.

PT MANDIRI CAPITAL INDONESIA

Statement of Financial Position
(In Rp Billion)

Description	Sep-2024	2023*	Growth	
			Rp	(%)
Assets	5,968	5,594	374	6.68
Liabilities	1,166	891	275	30.93
Equity	4,802	4,703	99	2.09

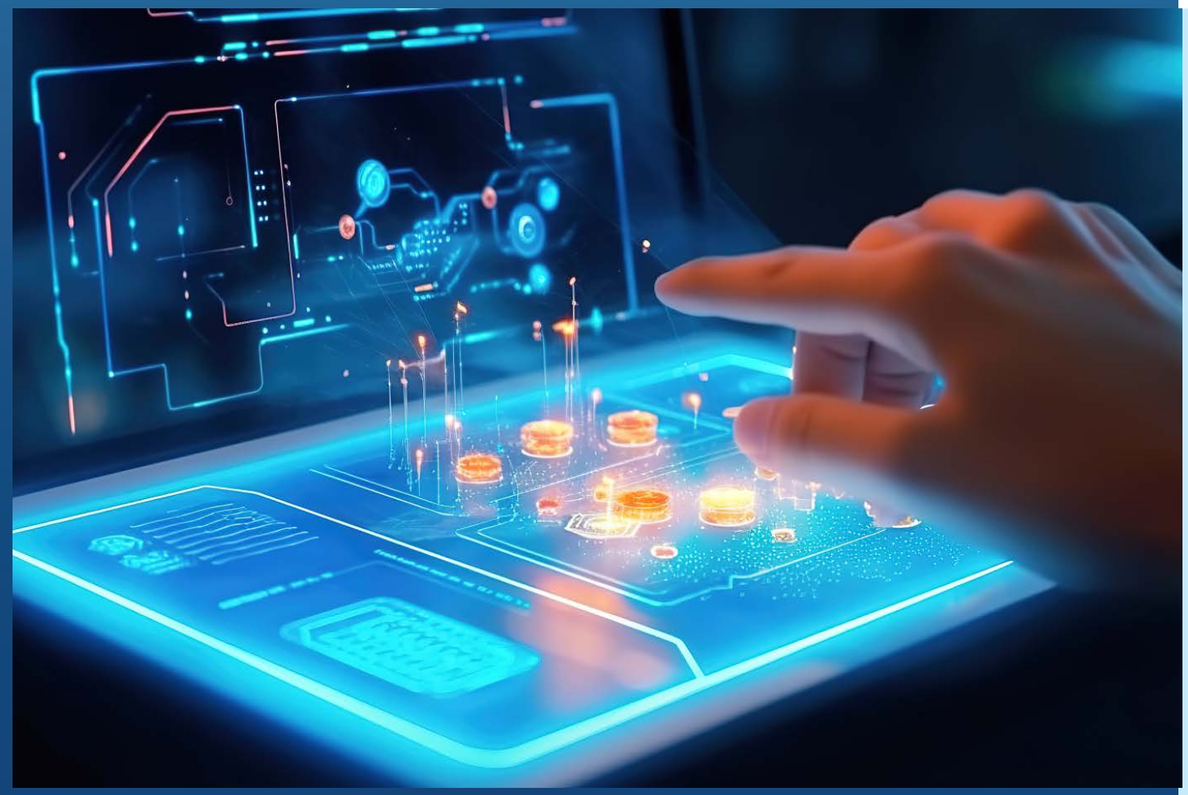
Mandiri Capital Indonesia (MCI) recorded a total asset increase of Rp5.97 trillion, grew by 6.68% (yoy) in December 2024 from Rp5.60 trillion in 2023. MCI's liabilities rose by 30.93%, from Rp891 billion in 2023 to Rp1.16 trillion in December 2024. Meanwhile, MCI's equity increased from Rp4.70 trillion in 2023 to Rp4.80 trillion in December 2024.

Statement of Profit or Loss
(In Rp Billion)

Description	2024	2023*	Growth	
			Rp	(%)
Operating Income	572	625	(53)	(8.49)
Expenses	359	316	43	13.59
Net Profit/(Loss)	104	167	(63)	(37.85)

Regarding operating income achievement, MCI's net operating income as of December 2024 was Rp572 billion, a decrease of 8.49% (yoy) compared to Rp625 billion in the previous year. Meanwhile, operating expenses increased by 13.59% yoy to Rp359 billion from Rp316 billion in 2023. Under these operating conditions, MCI reported net profit of Rp104 billion, decreased 37.85% from Rp167 billion the previous year.

Financial REVIEW



The consolidated financial statements of PT Bank Mandiri (Persero) Tbk and its subsidiaries as of 31 December 2024, and 2023, which are included in this annual report, are applied for financial performance analysis and review. For the fiscal year ending on these dates, the consolidated financial statements consist of the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows.

The consolidated financial statements of PT Bank Mandiri (Persero) Tbk and its subsidiaries were audited by the Public Accounting Firm (KAP) Rintis, Jumadi, Rianto & Rekan, a member firm of the global PricewaterhouseCoopers (PwC) network. The audit report was signed by auditor Lucy Luciana Suhenda, S.E., Ak., CPA, with Public Accountant Practice License No. AP. 0229.

According to the opinion of the public accounting firm, the consolidated financial statements of PT Bank Mandiri (Persero) Tbk as of 31 December 2024, and 2023, fairly present, in all material respects, the Group's consolidated financial position, consolidated financial performance, and consolidated cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

STATEMENT OF FINANCIAL POSITION

The consolidated statement of financial position of Bank Mandiri indicates consistent growth across all key performance indicators from 2022 to 2024. Total assets increased by 11.64% year to date (ytd) from December 2023 to December 2024, with a nominal growth of Rp253.00 trillion. As a result, Bank Mandiri's total assets reached Rp2,427.22 trillion as of December 2024. This reflects a significant expansion in several strategic assets undertaken by Bank Mandiri throughout 2024.

Meanwhile, liabilities grew by 12.04% (ytd), or Rp199.97 trillion to Rp1,860.41 trillion as of December 2024, an increase from Rp1,660.44 trillion in 2023. Meanwhile, Temporary Syirkah Fund grew moderately by 11.96%, indicating stable growth in sharia-based funding sources.

The company's equity also posted healthy growth, increased by 9.04% (ytd) or Rp25.98 trillion to Rp313.47 trillion as of December 2024, up from Rp287.49 trillion in 2023. This increase reflects the positive contribution of retained earnings or shareholder support.

Consolidated Statement of Financial Position
(In Rp million)

Account Post	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Assets	2,427,223,262	2,174,219,449	1,992,544,687	253,003,813	11.64
Liabilities	1,860,408,316	1,660,442,815	1,544,096,631	199,965,501	12.04
Temporary Syirkah Fund	253,340,265	226,281,672	196,202,601	27,058,593	11.96
Equity	313,474,681	287,494,962	252,245,455	25,979,719	9.04
Liabilities, Temporary Syirkah Fund and Equity	2,427,223,262	2,174,219,449	1,992,544,687	253,003,813	11.64

The growth of Bank Mandiri's total assets was primarily driven by financial assets, which reached Rp2,323.82 trillion as of December 2024, grew by 11.61% (ytd) compared to Rp2,082.01 trillion in 2023. Meanwhile, total non-financial assets stood at Rp103.41 trillion, increased by 12.14% (ytd) from Rp92.21 trillion at the end of 2023.

As such, the proportion of Bank Mandiri's total financial assets to total assets from 95.76% in 2023 to 95.74% in December 2024. On the other hand, the proportion of total non-financial assets from 4.24% in 2023 to 4.26% in December 2024.

FINANCIAL ASSETS

(In Rp million)

Financial Assets	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Cash	31,665,082	26,431,740	27,212,759	5,233,342	19.80%
Current Accounts with Bank Indonesia	105,146,044	108,605,322	107,349,158	(3,459,278)	(3.19)%
Current Accounts with Other Banks	46,668,439	36,606,090	47,809,985	10,062,349	27.49%
Allowance for Impairment Losses	(30,755)	(32,205)	(20,285)	1,450	(4.50)%
Net	46,637,684	36,573,885	47,789,700	10,063,799	27.52%
Placement with Bank Indonesia and other Banks	63,230,054	73,888,157	95,324,112	(10,658,103)	(14.42)%
Allowance for Impairment Losses	(1,679)	(957)	(3,601)	(722)	75.44%
Net	63,228,375	73,887,200	95,320,511	(10,658,825)	(14.43)%
Marketable Securities	95,341,556	94,582,122	82,820,726	759,434	0.80%
Allowance for Impairment Losses	136,495	(36,281)	(20,908)	172,776	(476.22)%
Net	95,478,051	94,545,841	82,799,818	932,210	0.99%
Government Bonds - Net	287,272,659	309,182,971	329,211,764	(21,910,312)	(7.09)%
Other Receivables - Trading Transactions	29,974,117	26,044,553	33,793,264	3,929,564	15.09%
Allowance for Impairment Losses	(1,422,889)	(1,494,653)	(1,604,705)	71,764	(4.80)%
Net	28,551,228	24,549,900	32,188,559	4,001,328	16.30%
Receivables on Securities Purchased Under Agreements to Resale	8,290,138	22,692,928	11,705,989	(14,402,790)	(63.47)%
Derivative Receivables	7,761,508	1,994,931	2,252,141	5,766,577	289.06%
Loans and Sharia Receivables/Financing	1,623,216,612	1,359,832,195	1,172,599,882	263,384,417	19.37%
Allowance for Impairment Losses	(49,354,645)	(53,098,619)	(64,612,645)	3,743,974	(7.05)%
Net	1,573,861,967	1,306,733,576	1,107,987,237	267,128,391	20.44%
Consumer Financing Receivables	41,573,306	32,749,796	23,757,727	8,823,510	26.94%
Allowance for Impairment Losses	(934,353)	(713,044)	(610,361)	(221,309)	31.04%
Net	40,638,953	32,036,752	23,147,366	8,602,201	26.85%
Net Investment Finance Leases	5,757,076	5,489,242	5,872,560	267,834	4.88%
Allowance for Impairment Losses	(103,337)	(70,170)	(139,173)	(33,167)	47.27%
Net	5,653,739	5,419,072	5,733,387	234,667	4.33%
Acceptance Receivables	9,313,865	14,793,888	11,781,581	(5,480,023)	(37.04)%
Allowance for Impairment Losses	(31,340)	(122,212)	(61,963)	90,872	(74.36)%
Net	9,282,525	14,671,676	11,719,618	(5,389,151)	(36.73)%
Investments in Shares	2,418,734	1,861,487	2,757,594	557,247	29.94%
Allowance for Impairment Losses	(1,986)	(34,123)	(68,640)	32,137	(94.18)%
Net	2,416,748	1,827,364	2,688,954	589,384	32.25%
Other Assets (Net)*	17,931,411	22,857,709	18,161,912	(4,926,298)	(21.55)%
Total Financial Assets	2,323,816,112	2,082,010,867	1,905,268,873	241,805,245	11.61%

*) Other assets consist of accrued income, receivables from pledged government bonds, customer transaction receivables, receivables from pending securities sales, receivables related to ATM and credit card transactions, and receivables from policyholders.

Cash

Bank Mandiri recorded cash of Rp31.67 trillion as of December 2024, an increase of 19.80% (ytd) from Rp26.43 trillion at the end of 2023. The main driver of this increase was the rise in cash in Rupiah by Rp4.76 trillion, reached Rp27.98 trillion, while cash in foreign currencies grew by Rp476.52 billion to Rp3.69 trillion.

Current Accounts with Bank Indonesia

Current accounts with Bank Indonesia decreased by 3.19% (ytd), from Rp108.61 trillion in 2023 to Rp105.15 trillion in December 2024. This decline was mainly due to a 4.61% (ytd) decrease in Rupiah-denominated accounts, which fell to Rp91.41 trillion, while USD-denominated accounts increased by 7.49% (ytd) to Rp13.74 trillion.

As of 31 December 2024, Bank Mandiri has met the statutory reserve requirement (GWM) ratios, with a Rupiah GWM ratio of 5.21%, a Foreign Currency GWM ratio of 4.10%, and a Macroprudential Liquidity Buffer (PLM) ratio of 9.17%, in accordance with regulations set by Bank Indonesia. In addition, Bank Mandiri has also fulfilled the RIM Current Account at 0.25%.

Current Accounts with Other Banks

As of December 2024, Bank Mandiri's net current accounts with other banks reached Rp46.64 trillion, increased by 27.52% (ytd) from the end of 2023 position. Foreign currency-denominated current accounts with other banks rose by 29.42% (ytd) to Rp46.26 trillion in December 2024. According to Bank Indonesia's collectibility classification, this account remains in good standing, with an adequate allowance for impairment losses (CKPN) of Rp30.76 billion, from Rp32.21 billion in 2023. The average annual interest rate for this account was 0.97% for Rupiah and 2.34% for foreign currencies.

Placement with Bank Indonesia and Other Banks

As of December 2024, Bank Mandiri recorded net placements with Bank Indonesia and other banks at Rp63.23 trillion, a decrease of 14.43% (ytd) from Rp73.89 trillion in the previous year. This decline was derived by a reduction in placements in both Rupiah and foreign currencies, which fell to Rp32.54 trillion and Rp30.69 trillion, respectively, decreased from Rp33.88 trillion and Rp40.01 trillion in the previous year.

Of the total placements with Bank Indonesia and other banks, third-party placements declined to Rp60.12 trillion in 2024, decreased from Rp71.84 trillion at the end of the previous year.

Marketable Securities

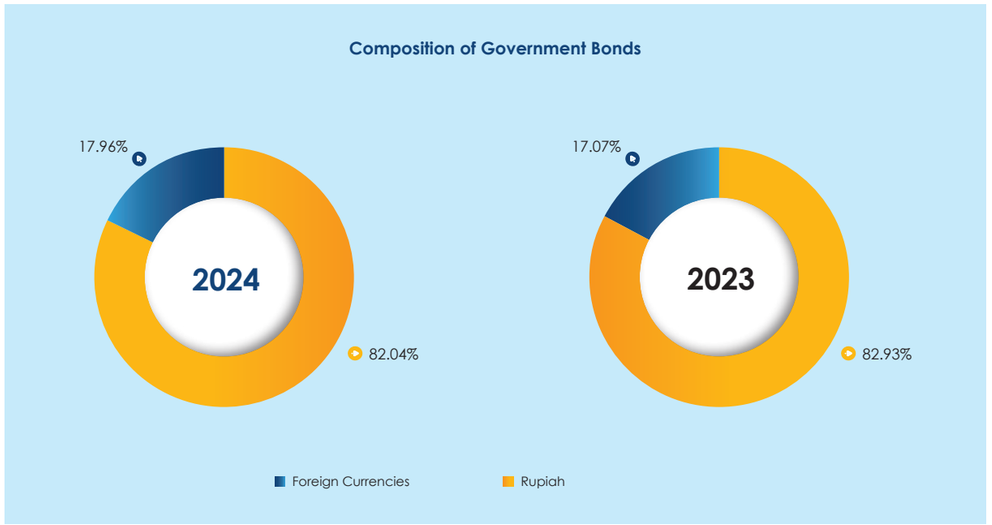
Bank Mandiri's net marketable securities increased by 0.99% (ytd), from Rp94.55 trillion in 2023 to Rp95.48 trillion in December 2024. This growth was driven by an increase in third-party securities, which rose to Rp75.12 trillion compared to Rp70.81 trillion in 2023.

Based on currency, the increase in marketable securities was mainly driven by a rise in foreign currency-denominated securities, which grew from Rp20.31 trillion in 2023 to Rp25.46 trillion in December 2024. Conversely, Rupiah-denominated securities decreased from Rp74.38 trillion in 2023 to Rp70.07 trillion in December 2024.

Based on the issuer category, the increase in marketable securities holdings was primarily driven by a rise in holdings of marketable securities issued by the central bank, which grew from Rp30.58 trillion to Rp34.29 trillion, banks from Rp3.12 trillion to Rp5.55 trillion, and the government from Rp11.77 trillion to Rp13.43 trillion. Meanwhile, Bank Mandiri's marketable securities issued by corporations decreased from Rp29.82 trillion to Rp27.85 trillion.

Government Bonds

As of 2024, Bank Mandiri's net government bonds decreased to Rp287.27 trillion, from Rp309.18 trillion in 2023. The decrease was mainly derived by a reduction in Rupiah-denominated government bond, which fell from Rp256.39 trillion in 2023 to Rp235.67 trillion in 2024. The proportion of Rupiah-denominated government bond stood at 82.04% in 2024, compared to 82.93% in 2023, as illustrated in the following chart:

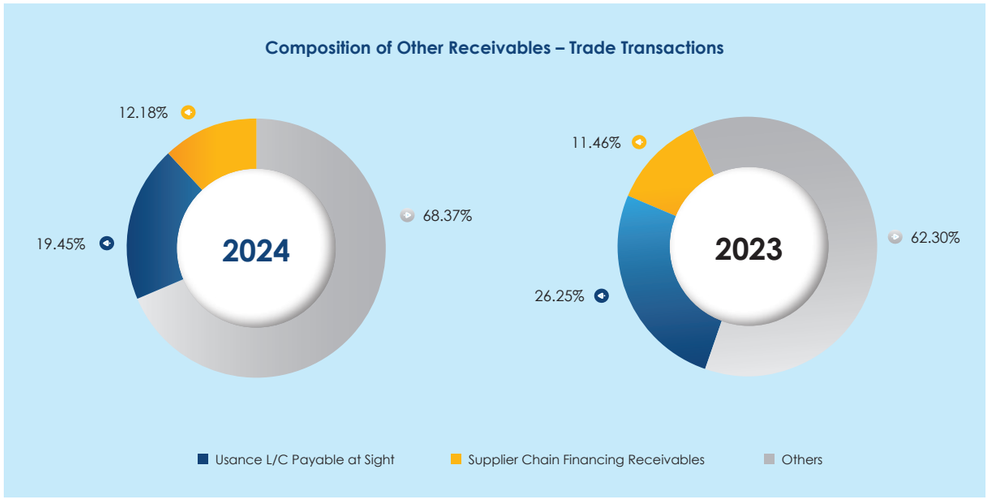


In addition, the decrease in Rupiah-denominated government bond was partly due to a decrease in government bonds measured at amortized cost, which fell to Rp127.62 trillion in December 2024, decreased 7.78% (ytd) from Rp138.37 trillion in the previous year. Among these, government bonds with maturities exceeding 10 years saw the largest decline, dropping from Rp43.27 trillion to Rp30.83 trillion.

Other Receivables - Trade Transactions

Bank Mandiri recorded a 16.30% (ytd) increase in net other receivables – trade transactions, increased from Rp24.55 trillion in 2023 to Rp28.55 trillion in December 2024. This growth was primarily driven by third-party receivables, which increased by 24.14% (ytd) from Rp18.46 trillion to Rp22.92 trillion. In terms of currency, other receivables – trade transactions denominated in Rupiah grew by 30.23%, from Rp13.97 trillion in 2023 to Rp18.19 trillion in December 2024. Meanwhile, other receivables – trade transactions denominated in foreign currencies declined by 2.42%, reached Rp11.79 trillion in December 2024 compared to Rp12.08 trillion in 2023.

By type, the increase in this account was partly driven by the growth in trade transaction receivables from Supplier Chain Financing, which rose by 22.35% (ytd) from Rp2.98 trillion in 2023 to Rp3.65 trillion in December 2024. Supplier Chain Financing receivables contributed 12.18% of total other receivables – trade transactions in December 2024, up from 11.46% in 2023.



Securities Purchased Under Agreements to Resell

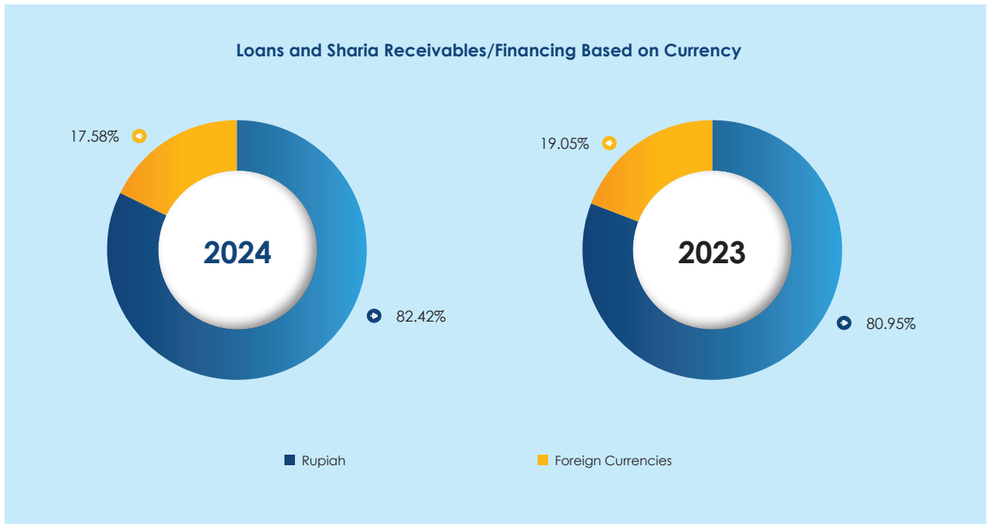
Bank Mandiri recorded securities purchased under agreements to resell amounting to Rp8.29 trillion in 2024, a decrease of 63.47% (ytd) compared to Rp22.69 trillion in 2023. As of 31 December 2024 and 31 December 2023, there was no impairment, hence no allowance for impairment losses was established for these receivables.

Derivative Receivables

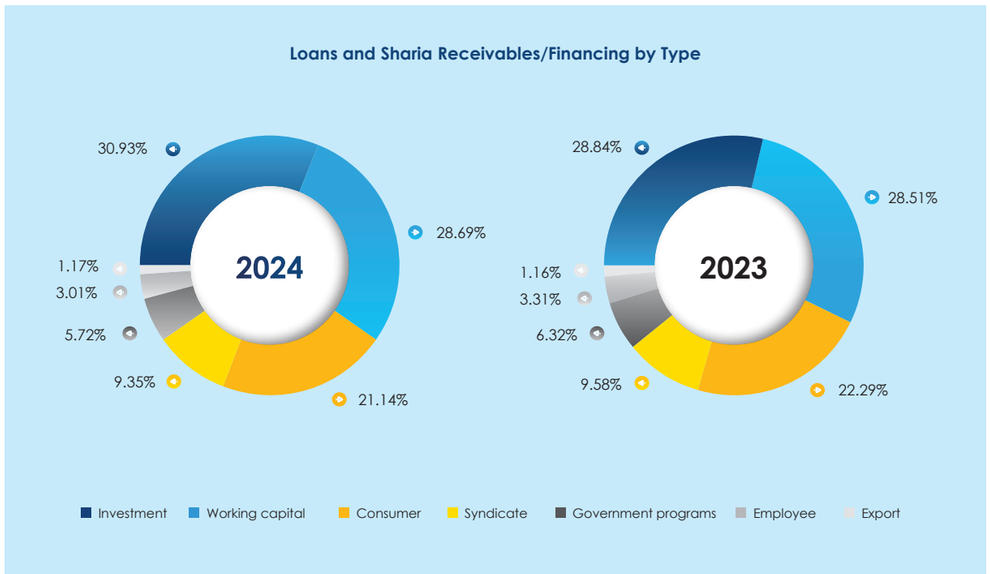
Bank Mandiri's derivative receivables saw a significant increase of 289.06% (ytd), reached Rp7.76 trillion in 2024, compared to Rp1.99 trillion in the previous year. This growth was driven by increases from both related parties and third parties, which rose to Rp2.95 trillion and Rp4.81 trillion, respectively, in 2024, up from Rp198.16 billion and Rp1.79 trillion in 2023.

Loans and Sharia Receivables/ Financing

As of December 2024, Bank Mandiri's total loan disbursement and sharia receivables/financing reached Rp1,623.22 trillion, grew by 19.37% (ytd) compared to Rp1,359.83 trillion at the end of 2023. Based on currency, this increase was primarily driven by Rupiah-denominated loans, which grew by 21.54% (ytd) to Rp1,337.84 trillion in December 2024, up from Rp1,100.74 trillion at the end of 2023. As a result, the contribution of Rupiah-denominated loans increased from 80.95% in 2023 to 82.42% in 2024.



By loan and financing types, as of December 2024, the growth in Bank Mandiri's loan disbursement and Sharia financing was driven by an increase across all categories. The three types of loan and financing that contributed the most to the overall loan growth were investment loans, which increased by Rp109.88 trillion or grew by 28.02% (ytd) to Rp502.03 trillion; working capital loans, which rose by Rp77.96 trillion, reflecting a 20.11% (ytd) growth to Rp465.64 trillion; and consumer loans, which grew by Rp40.00 trillion or 13.19% (ytd) to reach Rp343.14 trillion.



The types of loan and Sharia financing which proportions increased in December 2024 compared to the end of 2023 were investment loans, which rose to 30.93% from 28.84%, working capital loans, which increased to 28.69% from 28.51%, and export loans, which grew to 1.17% from 1.16%.

Meanwhile, by economic sector, Bank Mandiri's loan and Sharia financing as of December 2024, compared to the end of 2023, posted the largest nominal growth contributions from three key sectors. The mining sector increased by Rp40.89 trillion to Rp145.57 trillion, the transportation, warehousing, and communication sector grew by Rp34.80 trillion to Rp126.77 trillion, and the business services sector rose by Rp31.15 trillion to Rp146.99 trillion.

On the other hand, the three economic sectors with the highest percentage growth in Bank Mandiri's loan and Sharia financing as of December 2024, compared to the end of 2023, were the mining sector, which grew by 39.06% (ytd), the transportation, warehousing, and communication sector, which increased by 37.83% (ytd), and the business services sector, which expanded by 26.89% (ytd).

However, as of December 2024, the three largest economic sectors receiving Bank Mandiri's loan disbursements remained the industrial sector, which reached Rp198.30 trillion, grew by 13.93% (ytd) from Rp174.06 trillion at the end of 2023; the trade, restaurant, and hotel sector, which increased by 17.31% (ytd) to Rp180.57 trillion; and the agriculture sector, which grew by 10.07% (ytd) to Rp156.31 trillion. Collectively, these three sectors accounted for 32.97% of the total loan portfolio, which stood at Rp1,623.22 trillion.

Loans and Sharia Receivables/Financing Based on Economic Sector

(In Rp million)

Description	2024	2023	Growth 2024-2023	
			Nominal	%
Industry	198,299,361	174,055,460	24,243,901	13.93
Trading, Restaurants and Hotels	180,565,431	153,925,951	26,639,480	17.31
Agriculture	156,305,561	142,001,064	14,304,497	10.07
Business Services	146,987,732	115,840,605	31,147,127	26.89
Mining	145,571,176	104,681,495	40,889,681	39.06
Transportation, Warehousing and Communications	126,768,881	91,971,475	34,797,406	37.83
Social Services	106,464,061	77,823,432	28,640,629	36.80
Construction	99,883,788	95,176,540	4,707,248	4.95
Electricity, Gas and Water	62,035,505	50,017,108	12,018,397	24.03
Others	400,335,116	354,339,065	45,996,051	12.98
Total	**1,623,216,612**	**1,359,832,195**	**263,384,417**	**19.37**
Allowance for impairment losses	(49,354,645)	(53,098,619)	3,743,974	(7.05)%
Net	**1,573,861,967**	**1,306,733,576**	**267,128,391**	**20.44%**

Government Program Loans

As a state-owned bank, Bank Mandiri actively supports the disbursement of government program loans. These loans include various types, such as investment loans, permanent working capital loans, working capital loans, and KPR Sejahtera under the Housing Financing Liquidity Facility (FLPP). The government may provide partial or full funding for these programs.

As part of the National Economic Recovery (PEN) acceleration program in 2020, Bank Mandiri participated in the disbursement of PEN program loans in accordance with Minister of Finance Regulation No. 70/PMK.05/2020, later updated by PMK No. 104/PMK.05/2020 on 6 August 2020. The PEN loan disbursement program was funded through the Placement of State Funds in banks, including Bank Mandiri, in the form of a three-month deposit of Rp10 trillion on 25 June 2020. By the deposit's maturity on 25 September 2020, the government funds had been disbursed as loans totaling Rp39.04 trillion, after which the funds were returned to the government.

Based on Bank Mandiri's evaluation and proposal, and in accordance with Minister of Finance Regulation No. 104/PMK.05/2020, the government carried out the second phase of state fund placement in banks, including Bank Mandiri. This was in the form of a 110-day deposit of Rp15 trillion on 25 September 2020, which was disbursed as cumulative loans totaling Rp66.63 trillion by the deposit's maturity on 13 January 2021. The second phase of state fund placement has ended, and the funds were returned to the government on 13 January 2021.

As of 31 December 2024, the outstanding government program loans at Bank Mandiri stood at Rp92.89 trillion, an 8.14% growth from the previous year's total of Rp85.90 trillion.

MSME Lending

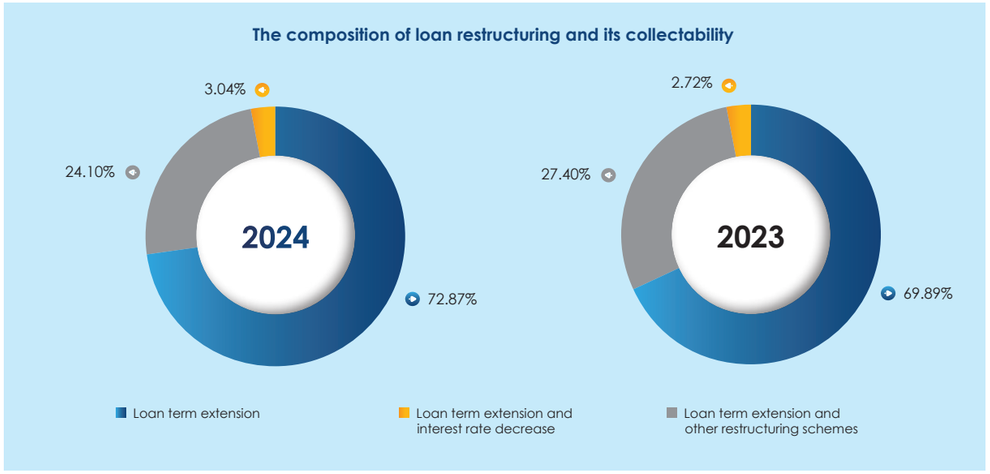
Regarding Micro, Small, and Medium Enterprises (MSME) loans, Bank Mandiri actively participates in loan disbursement with government-backed loan guarantees in accordance with PMK No. 71/PMK.08/2020, issued on 23 June 2020. The government guarantees these loans through credit guarantee institutions, namely PT Jaminan Kredit Indonesia and PT Asuransi Kredit Indonesia. As of 30 November 2021, MSME loans with government loan guarantees had been disbursed to 13,352 MSME debtors, with a total loan disbursement value of Rp2.84 trillion.

In 2022, the government's MSME loan guarantee program continued in accordance with PMK No. 28/PMK.08/2022, issued on 30 March 2022. As of 31 December 2022, MSME loans with government loan guarantees had been disbursed to 3,030 MSME debtors, with a total loan disbursement value of Rp0.15 trillion.

Loan Restructuring

As of December 2024, Bank Mandiri has restructured loans totaling Rp89.20 trillion, compared to Rp96.98 trillion in the previous year. Loan restructuring has been carried out through various schemes, including loan tenor extensions, a combination of tenor extension and interest rate reductions, as well as other restructuring mechanisms. Other restructuring schemes primarily consist of interest rate reductions, rescheduling of overdue interest, and extending the repayment period for overdue interest.

The composition of loan restructuring and its collectability as of 31 December 2024, and 31 December 2023, is presented in the following chart and table.



The following is the amount of restructured loans based on collectability as of 31 December 2024, and 31 December 2023.

Kolektibilitas Restrukturisasi Kredit
(In Rp million)

Description	2024	2023	Growth 2024-2023	
			Nominal	%
Current	41,451,833	48,610,295	(7,158,462)	(14.73)
Special Mention	37,974,541	38,001,553	(27,012)	(0.07)
Substandard	1,038,071	1,967,382	(929,311)	(47.24)
Doubtful	601,245	3,201,907	(2,600,662)	(81.22)
Loss	8,133,333	5,203,489	2,929,844	56.31
Total	**89,199,023**	**96,984,626**	**(7,785,603)**	**(8.03)**

Consumer Financing Receivables

Through its subsidiary, Bank Mandiri successfully expanded its consumer financing receivables operations as of December 2024. These receivables grew by 26.94% (ytd), increased from Rp32.75 trillion in 2023 to Rp41.57 trillion in December 2024.

In addition, Bank Mandiri's subsidiary has demonstrated its ability to manage earnings assets amid the continued positive growth of the financing industry. This is reflected in the collectability composition of financing receivables, which was predominantly classified as current, accounting for 93.46% as of December 2024. Meanwhile, the average effective interest rates for consumer financing were 17.17% for car financing and 34.89% for motorcycle financing in December 2024, compared to 12.31% and 23.72%, respectively, at the end of the previous year.

Details of consumer financing receivables based on Bank Indonesia collectability
(In Rp million)

Description	2024	2023	Growth 2024-2023	
			Nominal	%
Current	38,852,457	30,685,547	8,166,910	26.61
Special Mention	2,174,092	1,718,882	455,210	26.48
Substandard	214,525	156,031	58,494	37.49
Doubtful	215,860	186,996	28,864	15.44
Loss	116,372	2,340	114,032	4,873.16
Total	**41,573,306**	**32,749,796**	**8,823,510**	**26.94**

Net Investment Finance Leases

In addition to conducting consumer financing activities, Bank Mandiri's subsidiary also engages in net investment in lease financing. As of December 2024, this business activity reached Rp5.76 trillion, reflecting a 4.88% (ytd) growth compared to Rp5.49 trillion in the previous year. The financing contract terms for motor vehicles provided by the subsidiary range from 12 months to 60 months.

The collectability of lease financing as of December 2024 was predominantly classified as current, indicating that the subsidiary continued to manage its earnings assets effectively. The proportion of lease financing receivables in the current category reached 92.68% in December 2024, compared to 95.78% in 2023, as illustrated in the following table.

Collectability of Finance Leases

(In Rp million)

Description	2024	2023	Growth 2024-2023	
			Nominal	%
Current	5,335,749	5,257,583	78,166	1.49
Special Mention	390,418	212,580	177,838	83.66
Substandard	9,340	5,957	3,383	56.79
Doubtful	12,563	13,122	(559)	(4.26)
Loss	9,006	-	9,006	100.00
Total	**5,757,076**	**5,489,242**	**267,834**	**4.88**

The average effective interest rates charged to consumers for lease financing as of December 2024 were 18.75% for cars, 11.12% for heavy equipment, and 18.01% for machinery. In the previous year, the average effective interest rates for these three types of lease financing were 13.26%, 11.53%, and 11.89%, respectively.

Acceptance Receivables

As of December 2024, Bank Mandiri's acceptance receivables decreased to Rp9.31 trillion from Rp14.79 trillion in 2023. The decline was primarily driven by a 38.10% (ytd) drop in receivables from debtors, which fell to Rp8.53 trillion in December 2024 from Rp13.78 trillion in 2023. Meanwhile, receivables from other banks decreased to Rp0.78 trillion, reflecting a 22.55% (ytd) decline from Rp1.01 trillion in 2023.

Acceptance receivables from both related parties and third parties declined to Rp1.70 trillion and Rp7.62 trillion, respectively, in December 2024, from Rp2.25 trillion and Rp12.54 trillion in the previous year. Similarly, in terms of currency, acceptance receivables in Rupiah and foreign currencies decreased from Rp9.19 trillion and Rp5.61 trillion in 2023 to Rp5.51 trillion and Rp3.80 trillion in December 2024.

Investments in Shares

Bank Mandiri recorded a 29.94% increase in investments in shares, grew from Rp1.86 trillion in 2023 to Rp2.42 trillion in December 2024. Of this amount, investments in shares in third parties grew by 15.43% (ytd) to Rp1.40 trillion, while investments in shares in related parties increased by 56.82% (ytd) to Rp1.02 trillion in December 2024.

Other Assets

Bank Mandiri recorded net other assets amounting to Rp17.93 trillion as of December 2024, a 21.55% (ytd) decreased from Rp22.86 trillion in the previous year. The decrease was primarily driven by receivables related to ATM and credit card transactions, which fell to Rp5.11 trillion in December 2024 from Rp7.38 trillion in 2023. However, this was partially offset by an increase in accrued income, grew from Rp10.26 trillion in 2023 to Rp10.92 trillion in December 2024.

Non-Financial Assets

(In Rp million)

Description	2024	2023	2022	Growth 2023-2022	
				Nominal	%
Prepaid Expenses	4,827,723	2,719,789	1,895,503	2,107,934	77.50
Taxes Prepaid	739,015	436,532	1,164,925	302,483	69.29
Fixed Assets - net	63,030,845	57,977,707	56,540,566	5,053,138	8.72
Intangible Assets	7,044,743	5,874,598	5,093,609	1,170,145	19.92
Other assets - net*	19,411,370	15,020,712	10,535,732	4,390,658	29.23
Deferred Tax Assets – net	8,353,454	10,179,244	12,045,479	(1,825,790)	(17.94)
Total Non-Financial Assets	121,338,561	115,066,291	105,437,726	(6,272,270)	5.45

*) Other assets other than accrued income, receivables from pledged government bonds, customer transaction receivables, receivables from pending securities sales, receivables related to ATM and credit card transactions, and receivables from policyholders.

Prepaid Expenses

As of December 2024, Bank Mandiri recorded prepaid expenses of Rp4.82 trillion, a 77.50% (ytd) increase from Rp2.72 trillion at the end of the previous year. The largest nominal increase in this account came from treasury transaction expenses, which reached Rp1,304.88 billion. This was followed by an increase in loan transaction expenses by Rp504.46 billion to Rp893.53 billion and an increase in building maintenance expenses by Rp76.84 billion to Rp801.80 billion.

Meanwhile, the highest percentage growth in prepaid expenses was recorded in promotional expenses, loan transaction expenses, and employee expenses, which grew by 271.19% (ytd), 150.55% (ytd), and 56.66% (ytd), respectively in December 2024 compared to the end of the previous year.

Prepaid Taxes

Bank Mandiri's prepaid taxes reached Rp0.74 trillion as of December 2024, an increase from Rp0.44 trillion at the end of the previous year. The increase was accompanied by a reduction in Bank Mandiri's share to 32.44%, or Rp0.24 trillion, while the share of its subsidiaries rose to 67.56%, or Rp0.50 trillion.

Fixed Assets

Bank Mandiri posted net fixed assets of Rp63.03 trillion, an increase of 8.72% (ytd) compared to Rp57.98 trillion in the previous year. The growth was primarily driven by an increase in direct ownership of assets under development, which rose by Rp2.12 trillion to Rp6.56 trillion in December 2024, compared to Rp4.44 trillion in the previous year.

This was followed by an increase in direct ownership of equipment, office equipment, computers by Rp1.79 trillion, reached Rp17.38 trillion in December 2024. Buildings also increased by Rp1.33 trillion to Rp13.23 trillion, up from Rp11.90 trillion in 2023. In addition, direct ownership of land assets grew by Rp0.78 trillion, reached Rp42.20 trillion in December 2024, compared to Rp41.42 trillion in 2023.

However, Bank Mandiri's direct ownership of motor vehicles recorded a decline of Rp1.02 billion in December 2024 to Rp246.03 billion from Rp247.04 billion in 2023. Meanwhile, right-of-use assets increased by Rp606.48 billion, reached Rp3.44 trillion compared to Rp2.84 trillion in the previous year.

Intangible Assets

Bank Mandiri's net intangible assets increased by 19.92% (ytd) to Rp7.04 trillion in December 2024 compared to the end of the previous year. This growth was driven by a higher increase in acquisition value compared to the increase in accumulated amortization expenses. The acquisition value and accumulated amortization of intangible assets rose to Rp15.74 trillion and Rp8.70 trillion, respectively, as of December 2024.

Other Assets

Bank Mandiri recorded net other assets amounting to Rp19.41 trillion as of December 2024, reflecting a 29.23% (ytd) increase from Rp15.02 trillion in the previous year. This growth was primarily driven by an increase in ijarah assets, which rose to Rp3.12 trillion in December 2024 from Rp2.19 trillion in 2023, an increase in advance payments from Rp0.83 trillion in 2023 to Rp1.08 trillion in December 2024, and an increase in unit-linked assets from Rp0.23 trillion in 2023 to Rp0.44 trillion in December 2024.

Deferred Tax Assets

Cumulatively, Bank Mandiri recorded net deferred tax assets of Rp8.35 trillion in December 2024, a decline of 17.94% (ytd) from Rp10.18 trillion in the previous year. This decrease was primarily due to a reduction in the allowance for impairment losses on loans and Sharia financing receivables, which fell by Rp1.31 trillion to Rp3.71 trillion in December 2024. In addition, Bank Mandiri recorded a reduction in provisions for employee reward expenses, as well as reserves for bonuses, incentives, leave, and holiday allowances (THR), which decreased by Rp0.81 trillion to Rp0.77 trillion.Financial Liabilities

(In Rp million)

Financial Liabilities	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Obligations Due Immediately	5,703,731	4,484,956	4,056,029	1,218,775	27.17
Deposits From Customers	1,446,234,957	1,351,448,149	1,295,575,929	94,786,808	7.01
Deposits From Other Banks	27,042,709	17,684,780	14,847,409	9,357,929	52.92
Liabilities To Unit-Linked Policyholders	28,012,886	29,194,702	29,710,227	(1,181,816)	(4.05)
Securities Sold Under Agreements to Repurchase	90,256,225	36,330,064	24,325,475	53,926,161	148.43
Derivative Payables	7,336,998	2,113,853	2,126,769	5,223,145	247.09
Acceptance Payables	9,136,013	14,793,888	11,781,581	(5,657,875)	(38.24)
Deferred Tax Liabilities	9,278	-	-	9,278	100.00
Debt Securities Issued	41,141,067	50,517,764	45,774,139	(9,376,697)	(18.56)
Estimated Losses on Commitments and Contingencies	1,114,013	1,143,758	2,073,429	(29,745)	(2.60)
Accrued Expenses	5,466,461	4,799,446	6,493,794	667,015	13.90
Other Liabilities	40,131,500	37,399,213	27,336,753	2,732,287	7.31
Fund Borrowings	147,915,981	95,445,459	62,840,118	52,470,522	54.97
Subordinated Loans and Marketable Securities	403,562	415,171	633,333	(11,609)	(2.80)
Total Financial Liabilities	**1,849,905,381**	**1,645,771,203**	**1,527,574,985**	**204,134,178**	**12,40**

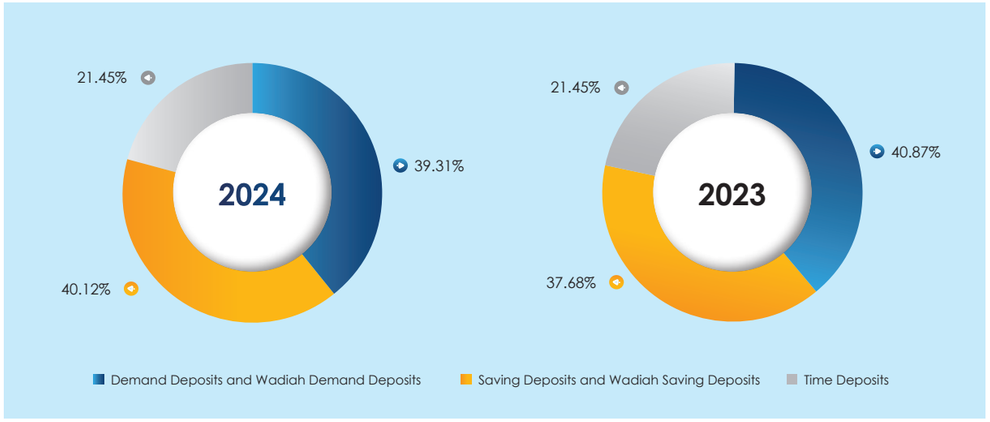
Obligation Due Immediately

Bank Mandiri's obligation due immediately reached Rp5.70 trillion in December 2024, a 27.17% increase from Rp4.48 trillion in the previous year.

Deposits from Customer

Bank Mandiri's consolidated customer deposits, or third-party funds (TPF) consist of demand deposits and wadiah demand deposits, savings and wadiah savings, as well as time deposits. As of December 2024, total TPF increased by 7.01% (ytd) to Rp1,446.23 trillion, compared to Rp1,351.45 trillion in the previous year.

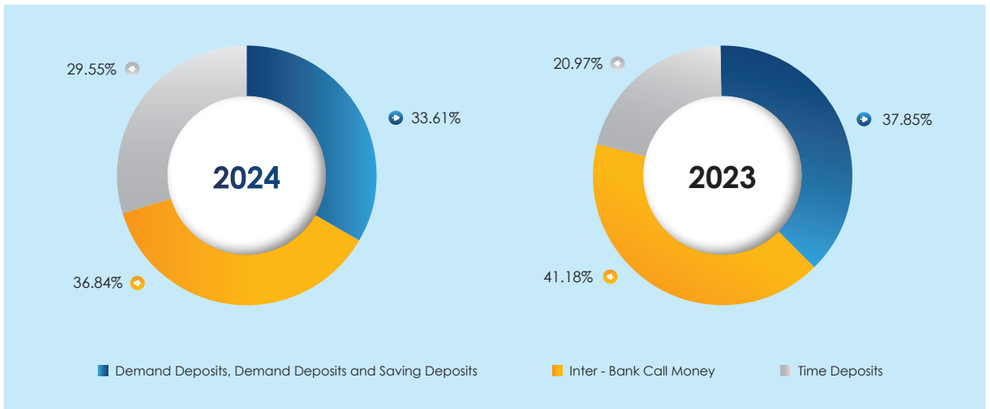
Of the total third-party funds, low-cost funds or CASA (including temporary syirkah funds) reached 74.83%, equivalent to Rp1,271.21 trillion (including temporary syirkah funds) as of December 2024. In comparison, in 2023, the CASA ratio (including temporary syirkah funds) stood at 74.30%, equivalent to Rp1,171.71 trillion (including temporary syirkah funds). The composition of TPF and the average annual interest rates on customer deposits are as follows:



Deposits from Customer	Currency	2024	2023
Demand Deposits and Wadiah Demand Deposits	Rupiah	2.71%	2.64%
	Foreign currency	2.71%	1.95%
Saving Deposits and Wadiah Saving Deposits	Rupiah	0.48%	0.50%
	Foreign currency	0.17%	0.18%
Time Deposits	Rupiah	4.06%	3.53%
	Foreign currency	3.48%	3.01%

Deposits from Other Banks

Bank Mandiri recorded deposits from other banks in the form of demand deposits, wadiah demand deposits, and savings; inter-bank call money; and time deposits. Cumulatively, total deposits from other banks reached Rp27.04 trillion in December 2024, grew by 52.92% (ytd) from Rp17.68 trillion in 2023. Of this total, inter-bank call money accounted for 36.84%, demand deposits, wadiah demand deposits, and savings made up 33.61%, while time deposits held the largest share at 29.55%. The comparison of each type of deposit from other banks as of December 2024 against their proportions in 2023 is illustrated in the following chart, along with a table of average annual interest rates.



Deposits from Other Banks	Currency	2024	2023
Demand Deposits and Wadiah Demand Deposits	Rupiah	2.71%	2.64%
	Foreign currency	2.71%	1.95%
Saving Deposits	Rupiah	0.47%	0.50%
	Foreign currency	0.17%	0.18%
Inter-Bank Call Money	Rupiah	6.22%	5.96%
	Foreign currency	5.15%	4.51%
Time Deposits	Rupiah	3.77%	3.41%
	Foreign currency	3.81%	3.01%

Liabilities to Unit-Link Holders

This account represents the subsidiary's liabilities to policyholders under unit-linked contracts, which are allocated to unit-linked investments. Cumulatively, liabilities to policyholders under unit-linked contracts amounted to Rp28.01 trillion in December 2024, a decrease of 4.05% (ytd) from Rp29.19 trillion in the previous year.

Liabilities on Securities Sold under Agreements to Repurchase

Bank Mandiri recorded liabilities from securities sold under repurchase agreements amounting to Rp90.26 trillion in December 2024, compared to Rp36.33 trillion in the previous year. This increase was primarily driven by liabilities from securities sold under repurchase agreements denominated in Rupiah, which reached Rp57.59 trillion in December 2024, whereas there were no such liabilities at the end of 2023. Meanwhile, those denominated in foreign currencies amounted to Rp32.67 trillion in December 2024, decreased from Rp36.33 trillion in 2023.

Derivative Liabilities

Bank Mandiri's derivative liabilities reached Rp7.34 trillion in December 2024, surged by 247.09% (ytd) from Rp2.11 trillion in the previous year. Of this amount, third-party derivative liabilities recorded a significant increase from Rp2.04 trillion in 2023 to Rp5.20 trillion in December 2024. A similar trend was observed in related-party derivative liabilities, which rose sharply from Rp0.08 trillion in 2023 to Rp2.13 trillion.

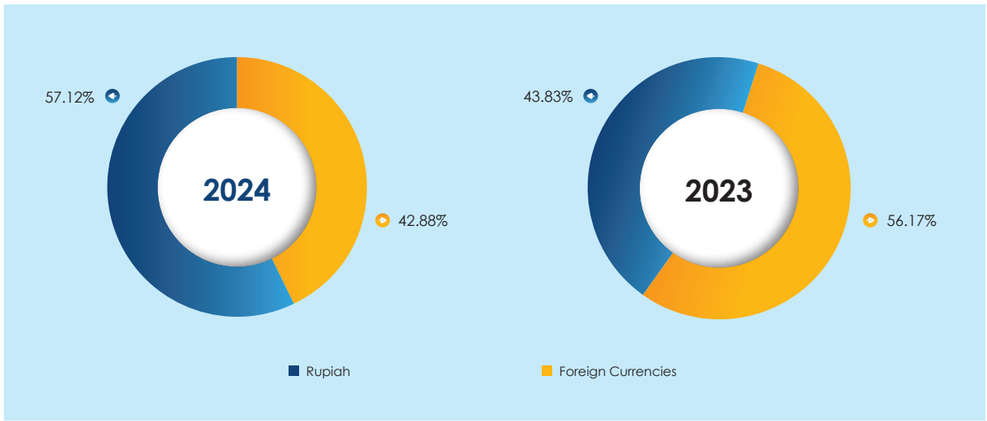
Derivative liabilities with related parties related to exchange rates, specifically U.S. Dollar Forward Sale Contracts, surged by 4,580.66% (ytd), from Rp3.15 billion in 2023 to Rp147.63 billion in December 2024. Additionally, during the same period, related-party derivative liabilities related to U.S. Dollar Put Options amounted to Rp1,923.43 billion, a new account that did not exist in the previous year.

Acceptance Payables

Bank Mandiri recorded acceptance payables of Rp9.14 trillion in December 2024, a decrease of 38.24% (ytd) from Rp14.79 trillion in the previous year. This decline was driven by a reduction in acceptance payables for both related parties and third parties, which fell to Rp2.57 trillion and Rp6.57 trillion in December 2024, respectively, from Rp2.61 trillion and Rp12.18 trillion in 2023.

Debt Securities Issued

On a consolidated basis, net debt securities issued by Bank Mandiri and its subsidiaries that have not yet matured reached Rp41.14 trillion in December 2024. Of this amount, securities issued in Rupiah amounted to Rp23.54 trillion, while those in foreign currencies stood at Rp17.68 trillion, with the following composition:



Securities issued by Bank Mandiri, both in Rupiah and foreign currencies, are detailed in the following table. Meanwhile, securities issued by subsidiaries can be found in the audited financial statements, Note No. 30 of this annual report, or in the financial statements and annual reports of each issuing subsidiary.

Securities	Series	Nominal (Rp Million)	Interest	Rating 2024	Rating 2023	Due Date
Rupiah Denomination						
Bank Mandiri Shelf-Registration Bond I Phase I Year 2016	A	1,100,000	7.95%	-	-	30 September 2021
	B	1,500,000	8.50%	-	-	30 September 2023
	C	2,400,000	8.65%	idAAA (Pefindo)	idAAA (Pefindo)	30 September 2026
Bank Mandiri Shelf-Registration Bond I Phase II Year 2017	A	1,000,000	8.00%	-	-	15 June 2022
	B	3,000,000	8.50%	-	idAAA (Pefindo)	15 June 2024
	C	1,000,000	8.65%	idAAA (Pefindo)	idAAA (Pefindo)	15 June 2027
	D	1,000,000	7.80%	-	-	15 June 2020
Bank Mandiri Shelf-Registration Bond I Phase III Year 2018	-	3,000,000	8.50%	-	-	21 September 2023
Bank Mandiri Shelf-Registration Bond II Phase I Year 2020	A	350,000	7.75%	idAAA (Pefindo)	idAAA (Pefindo)	12 May 2025
	B	650,000	8.30%	idAAA (Pefindo)	idAAA (Pefindo)	12 May 2027
Bank Mandiri's Sustainable Environmental Bond I Phase I Year 2023	A	1,950,000	5.80%	idAAA (Pefindo)	idAAA (Pefindo)	4 July 2026
	B	3,050,000	6.10%	idAAA (Pefindo)	idAAA (Pefindo)	4 July 2028
Foreign Currency Denomination (full value)						
Euro Medium Term Notes I (Obligasi Euro Medium Term Notes) of 2019	-	USD750,000,000	3.75%	Baa2 (Moody's) and BBB- (Fitch Ratings)	Baa2 (Moody's) and BBB- (Fitch Ratings)	11 April 2024
Euro Medium Term Notes II (Obligasi Euro Medium Term Notes) of 2020	-	USD500,000,000	4.75%	Baa2 (Moody's) and BBB- (Fitch Ratings)	Baa2 (Moody's) and BBB- (Fitch Ratings)	13 May 2025
Euro Medium Term Notes III (Sustainability Bond Bank Mandiri 2021) of 2021	-	USD300,000,000	2.00%	Baa2 (Moody's) and BBB- (Fitch Ratings)	Baa2 (Moody's) and BBB- (Fitch Ratings)	19 April 2026
Euro Medium Term Notes IV (Sustainability Bond Bank Mandiri 2023) of 2023	-	USD300,000,000	5.50%	Baa2 (Moody's) and BBB- (Fitch Ratings)	Baa2 (Moody's) and BBB- (Fitch Ratings)	4 April 2026

Estimated Losses on Commitments and Contingencies

Bank Mandiri recorded an estimated loss on commitments and contingencies of Rp1.11 trillion in December 2024, decreased 2.60% (ytd) from Rp1.14 trillion at the end of the previous year. This decline was in line with the reduction in the beginning balance from Rp2.07 trillion in 2023 to Rp1.14 trillion as of December 2024.

Accrued Expenses

Accrued expenses increased by 13.90% (ytd) from Rp4.79 trillion in 2023 to Rp5.47 trillion in December 2024. This increase was primarily driven by the increase in accrued expenses from Rp1.92 trillion in 2023 to Rp2.41 trillion in December 2024.

Other Liabilities

Cumulatively, Bank Mandiri's other liabilities reached Rp40.13 trillion in December 2024, grew by 7.31% (ytd) from Rp37.39 trillion in 2023. This increase was primarily driven by the rise in unallocated deferred income, which grew from Rp1.13 trillion in 2023 to Rp6.32 trillion in December 2024. In addition, another key contributor to the increase was liabilities to policyholders, which rose from Rp6.83 trillion in 2023 to Rp7.47 trillion in December 2024.

Fund Borrowings

Bank Mandiri's borrowings reached Rp147.92 trillion in December 2024, increased by 54.97% (ytd) from Rp95.45 trillion at the end of the previous year. This growth was driven by an increase in foreign currency-denominated borrowings, which grew from Rp56.50 trillion in 2023 to Rp97.21 trillion as of December 2024. The Bank also recorded an increase in Rupiah-denominated borrowings, reached Rp50.70 trillion in December 2024, up 30.19% (ytd) from Rp38.95 trillion in the previous year.

Subordinated Loans and Marketable Securities

Cumulatively, Bank Mandiri's borrowings and subordinated securities reached Rp403.56 billion in December 2024. Of this amount, Rp100 billion consists of Bank Mandiri's Subordinated Medium-Term Notes (MTN) II 2023, issued on June 23, 2023, with a five-year tenor and a fixed annual interest rate of 6.95%. The subordinated securities are rated idAA by Pefindo and are set to mature on June 23, 2028.

Subordinated MTN II can be recorded as a supplementary capital component (Tier 2) based on approval from the OJK through letter No. SR-51/PB.21/2023 dated 20 July 2023.

In additoin, Bank Mandiri has also received a two-step loan from the Asian Development Bank through the Ministry of Finance of the Republic of Indonesia, aimed at financing the Micro Credit Project (PKM). The outstanding balance of this loan stood at Rp104.02 billion as of December 2024, with a loan period from 15 January 2005, to 15 July 2029.

Liabilitas Non Keuangan

(In Rp million)

Non-Financial Liabilities	2024	2023	2022	Growth 2024-2023	
				Nominal	(%)
Tax Payable	3,078,642	2,690,902	3,590,522	387,740	14.41)%
Employee Benefits Liabilities	7,160,018	11,894,629	12,607,759	(4,734,611)	(39.80)%
Provision	264,275	286,081	323,365	(21,806)	(7.62)%
Total Non-Financial Liabilities	**10,502,935**	**14,871,612**	**16,521,646**	**(4,368,677)**	**(29.38)%**

Taxes Payable

Bank Mandiri's tax payable increased by 14.41% (ytd) to Rp3.08 trillion in December 2024, compared to Rp2.69 trillion at the end of the previous year. This increase was in line with the rise in tax payables recorded by Bank Mandiri as the parent entity.

Employee Benefits Liabilities

Bank Mandiri recorded employee benefit liabilities of Rp7.16 trillion in December 2024, a decrease of 39.80% (ytd) from Rp11.89 trillion in the previous year. This decline was driven by a reduction in reserves for bonuses, incentives, leave, and holiday allowances (THR), which fell to Rp3.66 trillion in December 2024 from Rp8.34 trillion in 2023.

Provision

Bank Mandiri's provisions decreased by 7.62% (ytd) to Rp264.28 billion. In the previous year, this account stood at Rp286.08 billion.

Temporary Syirkah Funds

Bank Mandiri recorded temporary syirkah funds derived from customer deposits and deposits from other banks, as presented in the following table:

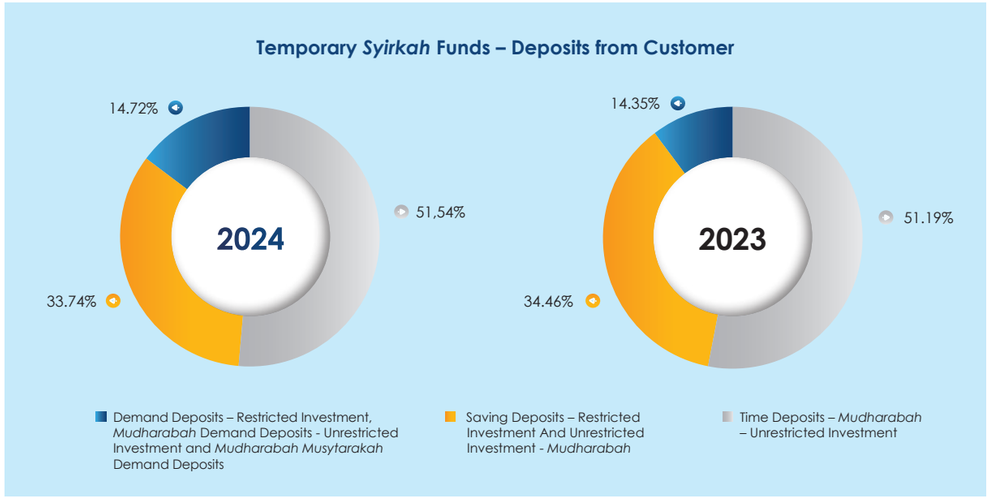
(In Rp million)

Temporary Syirkah Funds	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Deposits from customers	252,661,959	225,501,470	195,268,663	27,160,489	12.04%
Deposits from other Banks	678,306	780,202	933,938	(101,896)	(13.06)%
Total Temporary Syirkah Funds	**253,340,265**	**226,281,672**	**196,202,601**	**27,058,593**	**11.96%**

Deposits from Customers

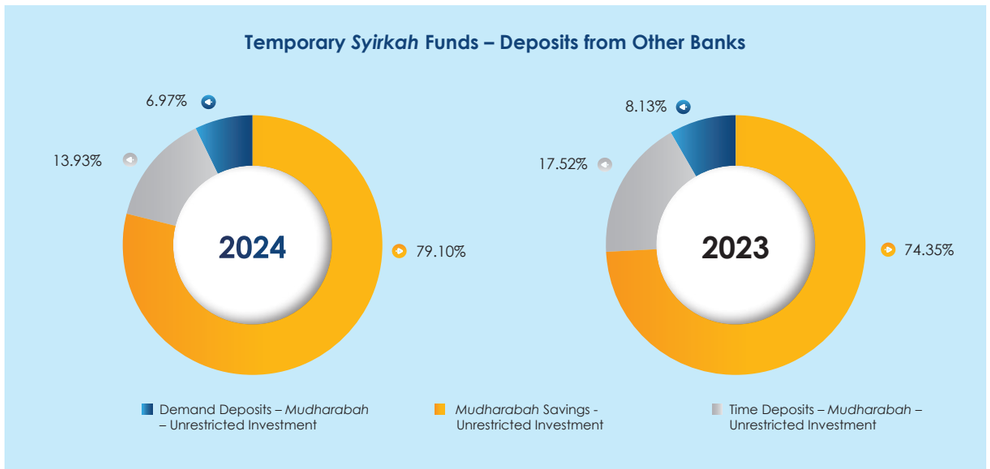
Bank Mandiri's customer deposits consist of *mudharabah* demand deposits, *mudharabah* savings, *mudharabah* time deposits, and *musytarakah mudharabah* demand deposits. Cumulatively, customer deposits reached Rp252.66 trillion in December 2024, grew 12.04% (ytd) from Rp225.50 trillion in the previous year.

Among these deposits, *mudharabah* time deposits remained the largest portion at 51.54% in December 2024, followed by *mudharabah* savings at 33.74%, and *mudharabah* demand deposits & *musytarakah mudharabah* demand deposits at 14.72%. Compared to the previous year, these figures stood at 51.19%, 34.46%, and 14.35%, respectively.



Deposits from Other Banks

Deposits from other banks consist of *mudharabah* demand deposits, *mudharabah* savings, and *mudharabah* time deposits. Cumulatively, deposits from other banks remained largely dominated by *mudharabah* savings at 79.10% and *mudharabah* time deposits at 13.93% as of December 2024. In the previous year, the proportions of these two types of deposits from other banks were 74.35% and 17.52%, respectively, as illustrated in the following chart.



Equity

(In Rp million)

Description	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Issued and Fully Paid-in Capital	11,666,667	11,666,667	11,666,667	-	0.00%
Additional Paid-in Capital/Agio	18,095,274	17,643,264	17,643,264	452,010	2.56%
Differences Arising from Translation of Financial Statements in Foreign Currencies	10,289	(146,299)	(60,427)	156,588	(107.03)%
(Loss)/Net Unrealized Gain from (Decrease)/ Increase in Fair Value of Marketable Securities and Government Bonds - Net of Deferred Tax Fair Value Through Other Comprehensive Income	(2,160,850)	(1,837,760)	(2,768,553)	(323,090)	17.58%
Effective Portion of Cash Flow Hedges	(8,885)	1,429	(3,156)	(10,314)	(721.76)%
Net Differences in Fixed Assets Revaluation	34,772,745	34,716,693	34,716,693	56,052	0.16%
Net Actuarial Gain from Defined Benefit Program - Net of Deferred Tax	1,595,606	1,517,183	1,510,016	78,423	5.17%
Other Comprehensive Income	85,052	85,052	85,052	-	0.00
Difference In Transactions with Noncontrolling Parties	(309,938)	(97,202)	(97,202)	(212,736)	218.86%
Retained Earnings	220,050,469	197,303,757	166,986,432	22,746,712	11.53%
Noncontrolling Interests in Net Assets of Consolidated Subsidiaries	29,678,252	26,642,178	22,566,669	3,036,074	11.40%
Total Equity	**313,474,681**	**287,494,962**	**252,245,455**	**25,979,719**	**9.04%**

Bank Mandiri recorded stronger equity as of December 2024, primarily supported by improved profitability, which led to an increase in retained earnings during the year. The Bank's equity reached Rp313.47 trillion in December 2024, grew 9.04% (ytd) from Rp287.49 trillion in the previous year. This increase was mainly driven by a 11.53% (ytd) rise in retained earnings, from Rp197.30 trillion in 2023 to Rp220.05 trillion in December 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Bank Mandiri recorded a 2.59% (yoy) increase in profit for the year, reaching Rp61.61 trillion in 2024 compared to Rp60.05 trillion in 2023. This improved profit for the period profile was primarily supported by a 5.81% (yoy) increase in net interest income and Sharia income, in line with the 19.37% (ytd) growth in loan disbursement and Sharia financing receivables in 2024. In addition, this business expansion was complemented by efficiency in interest expense and Sharia expense, along with better management of earnings assets.

(In Rp million)

Description	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Operating Income and Expenses					
Net Interest and Sharia Income	101,756,920	95,886,574	87,903,354	5,870,346	6.12
Net Premium Income	2,520,813	2,123,046	2,467,698	397,767	18.74
Net Interest, Sharia and Premium Income	**104,277,733**	**98,009,620**	**90,371,052**	**6,268,113**	**6.40**
Other Operating Income	42,171,015	40,522,846	34,280,703	1,648,169	4.07
Allowance For Impairment Losses	(11,811,786)	(11,152,853)	(16,096,382)	(658,933)	5.91
Provision For Impairment Losses on Commitments and Contingencies	33,829	918,531	255,268	(884,702)	(96.32)
Provision for Other Allowances	(151,047)	85,615	(282,073)	(236,662)	(276.43)
Gains On Sale of Marketable Securities and Government Bonds	150,297	125,295	899,579	25,002	19.95
Other Operating Expenses	(58,610,446)	(53,867,491)	(53,260,058)	(4,742,955)	8.80
Income From Operation	**76,059,595**	**74,641,563**	**56,168,089**	**1,418,032**	**1.90**
Non-Operating Income/(Expense) - Net	343,891	43,318	209,637	300,573	693.88
Income Before Tax Expense and Noncontrolling Interest	**76,403,486**	**74,684,881**	**56,377,726**	**1,718,605**	**2.30**
Tax Expense - Net	(15,238,365)	(14,633,011)	(11,425,358)	(605,354)	4.14
Income for The Year	**61,165,121**	**60,051,870**	**44,952,368**	**1,113,251**	**1.85**
Items that will not be Reclassified to Profit or Loss	259,871	(15,051)	4,929,043	274,922	(1.826.60)
Items that will be Reclassified to Profit or Loss	(278,227)	921,140	(4,534,869)	(1,199,367)	(130.20)
Other Comprehensive Income/(Expense) For the Year – Net of Income Tax	(18,356)	906,089	394,174	(924,445)	(102.03)
Total Comprehensive Income for the Year	**61,146,765**	**60,957,959**	**45,346,542**	**188,806**	**0.31**
Net Income Attributable to:					
Parent Entity Owner	55,782,742	55,060,057	41,170,637	722,685	1.31
Noncontrolling Interests	5,382,379	4,991,813	3,781,731	390,566	7.82
	61,165,121	**60,051,870**	**44,952,368**	**1,113,251**	**1.85**
Total comprehensive income for the year attributable to:					
Parent Entity	55,740,401	55,916,730	41,604,619	(176,329)	(0.32)
Noncontrolling Interests	5,406,364	5,041,229	3,741,923	365,135	7.24
	61,146,765	**60,957,959**	**45,346,542**	**188,806**	**0.31**
Basic and Diluted Earnings Per Share Attributable to Equity Holders of the Parent Entity (full amount of Rupiah)	**597.67**	**589.93**	**441.26**	**7.74**	**1.31**

Interest Income

Bank Mandiri successfully recorded a 13.97% (yoy) increase in interest income, reached Rp129.64 trillion in 2024. This growth was primarily driven by the expansion of loan disbursement, which grew by 19.37% (ytd) during the period. This was reflected in interest income from loans, which reached Rp100.11 trillion in 2024, an 18.70% (yoy) increase from Rp84.34 trillion in the previous year. In addition, another major source of interest income came from government bonds, contributed Rp15.19 trillion in 2024. However, interest income from government bonds declined by 5.47% (yoy) from Rp16.07 trillion in 2023.

(In Rp million)

Description	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Loans	100.107.075	84.335.234	69.373.441	15.771.841	18,70
Government Bonds	15.186.343	16.410.277	16.771.870	(879.401)	(5,47)
Consumer Financing Income	7.092.516	6.285.050	4.962.803	807.466	12,85
Placements with Bank Indonesia and Other Banks	3.507.428	3.224.536	1.445.773	188.351	5,67
Marketable Securities	2.419.111	2.742.203	2.795.951	(75.145)	(3,01)
Others	1.326.168	750.321	594.037	77.908	6,24
Total Interest Income	**129.638.641**	**113.747.621**	**95.943.875**	**15.891.020**	**13,97**

Sharia Income

Bank Mandiri's Sharia income also recorded a growth of 14.90% (yoy), increased from Rp18.80 trillion in 2023 to Rp21.60 trillion in 2024. This increase was primarily driven by a 33.96% (yoy) increase in profit-sharing income from *Musyarakah*, which reached Rp7.84 trillion in 2024, as detailed in the following table.

(In Rp million)

Description	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Murabahah and *Istishna* Income	13,404,056	12,700,105	11,446,687	703,951	5.54
Musharakah Income Sharing	7,841,528	5,853,512	4,727,321	1,988,016	33.96
Ijarah Income	192,124	145,753	122,195	46,371	31.81
Mudharabah Income Sharing	159,678	97,479	142,040	62,199	63.81
Total Shariah Income	**21,597,386**	**18,796,849**	**16,438,243**	**2,800,537**	**14.90**

Interest Expenses

Bank Mandiri's interest expenses increased to Rp41.59 trillion in 2024, a 35.63% (yoy) growth compared to Rp30.66 trillion in the previous year. This increase was primarily driven by a 39.42% (yoy) increase in demand deposit interest expenses, which reached Rp14.78 trillion in 2024, up from Rp10.60 trillion in 2023.

(In Rp million)

Description	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Demand Deposits	14,779,962	10,601,021	5,517,701	4,178,941	39.42
Time Deposits	12,920,953	9,480,299	7,130,837	3,440,654	36.29
Fund Borrowings	6,438,445	4,624,638	2,509,641	1,813,807	39.22
Securities Sold with Repurchase Agreement (Repo)	3,215,029	1,390,571	983,166	1,824,458	131.20
Saving Deposits	2,309,256	2,082,251	1,983,441	227,005	10.90
Securities Issued	1,925,021	2,484,487	2,320,021	(559,466)	(22.52)
Loans and Subordinated Securities	1,413	1,461	1,788	(48)	(3.29)
Total Interest Expense	**41,590,079**	**30,664,728**	**20,446,595**	**10,925,351**	**35.63**

Sharia Expenses

Bank Mandiri's Sharia expenses also increased to Rp7.89 trillion in 2024, a 31.63% (yoy) increase from Rp5.99 trillion in 2023. This increase was primarily driven by higher *Mudharabah* deposit expenses, which grew by 33.55% (yoy) to Rp4.11 trillion in 2024, compared to Rp5.54 trillion in 2023.

(In Rp million)

Description	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Mudharabah Deposits	5,539,667	4,148,029	2,874,965	1,391,638	33.55
Musytarakah - Mudharabah Musytarakah	1,120,870	812,767	387,406	308,103	37.91
Mudharabah Savings	432,774	466,655	564,411	(33,881)	(7.26)
Accepted Financing	405,816	254,035	12,603	151,781	59.75
Sharia Securities Issued	209,236	192,366	132,936	16,870	8.77
Restricted Investments	180,665	119,316	59,848	61,349	51.42
Total Sharia Expenses	**7,889,028**	**5,993,168**	**4,032,169**	**1,895,860**	**31.63**

Interest Income and Sharia Income – Net

In 2024, Bank Mandiri's net interest income and Sharia income reached Rp101.76 trillion, a 6.12% (yoy) growth from Rp95.89 trillion in 2023. This growth was primarily driven by an increase in interest income and Sharia income, while at the same time, Bank Mandiri effectively managed the increase in interest expenses and Sharia expenses.

Premium Income – Net

Cumulatively, Bank Mandiri's net premium income reached Rp2.52 trillion in 2024, an increase of 18.74% (yoy) from Rp2.12 trillion in the same period of the previous year. This growth was primarily driven by a decline in claim expenses, which decreased by 8.83% (yoy) to Rp10.57 trillion in 2024 from Rp11.60 trillion in 2023.

Interest, Sharia and Premium Income – Net

Bank Mandiri successfully recorded net interest, Sharia, and premium income of Rp104.28 trillion in 2024, a 6.40% (yoy) growth from Rp98.01 trillion in 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME

Other Operating Income

Bank Mandiri recorded other operating income from fees and commissions, income from fair value through profit or loss – net, and other income. Cumulatively, other operating income grew by 4.07% (yoy) to Rp42.71 trillion in 2024, compared to Rp40.52 trillion in 2023.

The increase in other operating income was primarily driven by the growth in fees and commissions, which reached Rp23.45 trillion in 2024, a 16.37% (yoy) increase from Rp20.15 trillion in the previous year. Of this amount, fees and commissions from loans grew by 33.83% (yoy), increased from Rp4.46 trillion in 2023 to Rp5.98 trillion in 2024, as detailed in the following table.

(In Rp million)

Description	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Loans	5,975,365	4,464,991	3,954,380	1,510,374	33.83
E-Channel Transaction	4,426,297	3,891,213	3,821,188	535,084	13.75
Credit card	3,180,165	2,772,976	2,305,867	407,189	14.68
Deposits Transactions	3,148,013	3,000,540	2,830,370	147,473	4.91
Remittances, Clearing and Collections	2,228,007	1,717,102	1,104,758	510,905	29.75
Trade Transactions	1,692,064	1,570,871	1,464,015	121,193	7.72
Marketable Securities	1,100,888	1,274,341	1,337,244	(173,453)	(13.61)
Bancassurance and mutual funds	634,330	97,000	171,623	537,330	553.95
Financial Advisor	499,656	398,818	1,288,663	100,838	25.28
Custodians and Trustees	254,452	277,576	248,109	(23,124)	(8.33)
Restructuring Compensation Income (Ta'wid)	27,467	32,214	31,530	(4,747)	(14.74)
Others	280,816	650,768	244,401	(369,952)	(56.85)
Total Provisioning and Commission Revenue	**23,447,520**	**20,148,410**	**18,802,148**	**3,299,110**	**16.37**

Allowance for Impairment Losses

Supported by effective management of earnings assets and a lower NPL ratio, Bank Mandiri recorded an allowance for impairment losses (CKPN) of Rp11.81 trillion in 2024, reflecting a controlled increase of 5.91% (yoy) from Rp11.15 trillion in 2023, in line with the growth of the Bank's earnings assets. The increase in CKPN was primarily driven by an increase in CKPN loans expenses, which grew from Rp9.79 trillion in 2023 to Rp10.34 trillion in 2024, in line with the 19.37% (ytd) expansion in loan disbursement.

Reversal of Allowance for Estimated Losses on Commitments and Contingencies

Bank Mandiri recorded a reversal of allowance for estimated losses on commitments and contingencies amounting to Rp33.83 billion in 2024, a decline from Rp918.53 billion in 2023.

Establishment of Other Allowances and Losses of Operational Risk

Bank Mandiri recorded a decline in the reversal of other allowances and operational risk losses, shifting from Rp85.61 billion in 2023 to an allowance expense of Rp151.05 billion in 2024. This decline was primarily influenced by the increase in allowances for operational risk losses due to external fraud, which rose to Rp106.05 billion in 2024, compared to Rp22.08 billion in 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Gains on Sale of Marketable Securities and Government Bonds

Bank Mandiri recorded a 19.95% (yoy) increase in gains from the sale of securities and government bonds, grew from Rp125.30 billion in 2023 to Rp150.30 billion in 2024.

Other Operating Expenses

Other operating expenses consist of salaries and benefits, general and administrative expenses, and other expenses – net. Bank Mandiri recorded an increase in total operating expenses from Rp53.87 trillion in 2023 to Rp58.61 trillion in 2024, grew 8.80% (yoy). This increase was primarily driven by a 16.66% (yoy) increase in general and administrative expenses, which reached Rp26.52 trillion in 2024 compared to Rp22.73 trillion in 2023.

Operating Income

Cumulatively, Bank Mandiri recorded a 1.90% (yoy) increase in operating profit, reached Rp76.06 trillion in 2024, up from Rp74.64 trillion in 2023. This growth was in line with the increase in interest income and Sharia income throughout 2024.

Income Before Tax and Noncontrolling Interest

After adding net non-operating income of Rp343.89 billion, Bank Mandiri recorded an income before tax and non-controlling interest of Rp76.40 trillion in 2024. This achievement was higher than the same period in the previous year, which stood at Rp74.68 trillion.

Income for The Year

Bank Mandiri recorded an income for the year of Rp61.17 trillion in 2024, a 1.85% (yoy) growth compared to Rp60.05 trillion in the same period of the previous year.

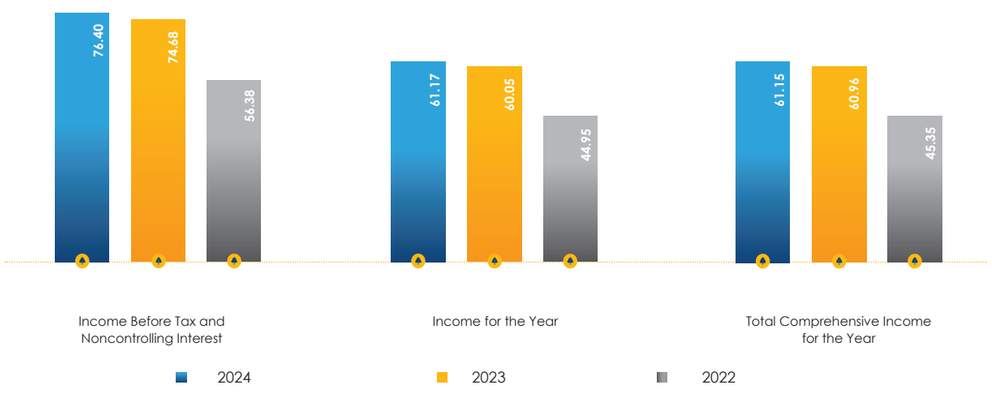
Total Comprehensive Income for the Year

Bank Mandiri's total comprehensive income for the year increased by 0.31% (yoy) to Rp61.15 trillion in 2024, compared to Rp60.96 trillion in the same period of the previous year.

Basic and Diluted Earnings Per Share

Bank Mandiri's basic and diluted earnings per share grew by 1.31% (yoy) from Rp589.93 in 2023 to Rp597.67 in 2024, supported by the increase in profit for the year.

Bank Mandiri Earnigns (2022-2024)



CONSOLIDATED STATEMENT OF CASH FLOWS

Bank Mandiri recorded cash and cash equivalents of Rp244.04 trillion at the end of December 2024. This achievement reflects a higher growth compared to the same period in the previous year, which stood at Rp243.80 trillion.

(In Rp million)

Description	2024	2023	2022	Growth 2024-2023	
				Nominal	%
Net Cash (Used for)/Provided by Operating Activities	(79,558,278)	(69,803,958)	99,975,305	(9,754,320)	13.97
Net Cash Provided by/(Used for) Investing Activities	17,730,695	17,884,187	(41,889,931)	(153,492)	(0.86)
Net Cash Provided by Financing Activities	57,849,151	21,778,486	13,329,320	36,070,665	165.63
Net (Decrease)/Increase in Cash and Cash Equivalents	(3,978,432)	(30,141,285)	71,414,694	26,162,853	(86.80)
Effect of Exchange Rate Changes on Cash and Cash Equivalent	4,214,862	(946,566)	9,843,138	5,161,428	(545.28)
Cash and Cash Equivalents, Beginning of The Year	243,801,693	274,889,544	193,631,712	(31,087,851)	(11.31)
Cash and Cash Equivalents, End of The Year	244,038,123	243,801,693	274,889,544	236,430	0.10

Cash Flow from Operating Activities

Bank Mandiri recorded net cash used for operating activities amounting to Rp79.56 trillion in 2024. This was primarily driven by an increase in operational assets, including loans disbursed and other receivables from trade transactions. In the previous year, Bank Mandiri recorded net cash used for operating activities of Rp69.80 trillion as of December 2023.

Cash Flow from Investing Activities

Bank Mandiri recorded net cash provided by investing activities amounting to Rp17.73 trillion in 2024. This was mainly due to the purchase of fixed assets and the acquisition of right-of-use assets. In the previous year, net cash provided by investing activities was Rp17.88 trillion as of December 2023.

Cash Flow from Financing Activities

Bank Mandiri recorded net cash provided by financing activities amounting to Rp57.85 trillion in December 2024. In the same period of the previous year, net cash provided by financing activities stood at Rp21.78 trillion. This increase was primarily driven by an increase in liabilities from securities sold under repurchase agreements and proceeds from borrowings received.

Cash and Cash Equivalents at the End of the Year

Bank Mandiri recorded a net decrease in cash and cash equivalents of Rp3.98 trillion in December 2024. However, the Bank was still able to maintain cash and cash equivalents at the end of the period at Rp244.04 trillion in December 2024, slightly higher than Rp243.80 trillion in the same period of the previous year.

SOLVENCY AND RECEIVABLES COLLECTIBILITY

SOLVENCY

From Bank Mandiri's internal perspective, its ability to repay debt can be observed through its liquidity and solvency profile. Meanwhile, from an external perspective, related to MTN and bonds issued, Moody's and Fitch have assigned ratings to Bank Mandiri for MTN issuances in foreign currencies listed on the Singapore Stock Exchange. On the other hand, Pefindo has assigned ratings for corporate bonds in Rupiah listed on the Indonesia Stock Exchange as follows:

Lembaga Pemeringkat	Kriteria Peringkat	Peringkat
Internasional Rating Agency		
Moody's (as of 19 February 2024)	Long-Term Counterparty Risk Rating	Baa1
	Long-Term Deposit	Baa2
	Long-Term Debt	Baa2
Fitch Ratings (as of 21 May 2024)	International Long-Term Rating	BBB
	National Long Term Rating	AAA(idn)
	National Short-Term Rating	F1+(idn)
Standard & Poor's (as of 18 January 2024)	Issuer Credit Rating	BBB/STABLE/A-2
National Rating Agency		
PT Pemeringkat Efek Indonesia (as of 15 February 2024)	Long Term General Obligation	idAAA

The credibility of these ratings can be demonstrated by Bank Mandiri's ability to repay maturing bonds promptly.

Short-Term Debt Payment Ability (Bank Liquidity)

Bank Mandiri's liquidity adequacy can be assessed using several liquidity indicators, such as the statutory reserve requirement (GWM), the Macroprudential Liquidity Buffer (PLM), liquidity reserves, the Macroprudential Intermediation Ratio (RIM), the Liquidity Coverage Ratio (LCR), and the Net Stable Funding Ratio (NSFR).

- The statutory reserve requirement is set by the central bank as a percentage of third-party funds collected by the banking sector, which must be maintained by banks in current accounts at the central bank.
- Bank Mandiri has set a safety level limit in the form of projected liquidity reserves for the coming month. As of the end of December 2024, Bank Mandiri's liquidity reserves remained above this safety level.
- RIM is calculated as the ratio of loans extended and qualifying corporate securities held, compared to third-party funds (TPF), qualifying securities issued by the Bank, and qualifying loans received.
- LCR measures the ratio of High Quality Liquid Assets (HQLA) to the estimated net cash outflows over the next 30 days under a stress scenario. Its purpose is to strengthen the Bank's short-term liquidity resilience in crisis situations. Regulators require a minimum LCR compliance of 100%.
- NSFR measures the ratio of available stable funding to required stable funding. Regulators mandate a minimum NSFR of 100%.

The achievements of these ratios are as follows:

Liquidity	2024	2023	2022
Rupiah Reserve Requirement	5.21%	7.32%	8.53%
Macroprudential Intermediation Ratio (MIR)	94.83%	83.73%	75.98%
Liquidity Coverage Ratio (LCR)	139.21%	176.24%	191.02%
Net Stable Funding Ratio (NSFR)	107.65 %	116.59%	119.93%

Long-term Debt Repayment Ability (Bank Solvency)

Bank Mandiri's Capital Adequacy Ratio (CAR) stood at 20.10% in 2024, down from 21.48% in the same period the previous year. This ratio indicates that Bank Mandiri's solvency remains strong, exceeding the minimum CAR requirement set by the regulator, thereby covering credit, market, and operational risks.

Bank Mandiri forecasts its future liquidity position using a liquidity gap methodology. This involves assessing the maturity mismatch between asset and liability components (including off-balance sheet items), which are organized into time buckets based on their contractual or behavioral maturities.

For the upcoming 12 months, Bank Mandiri expects liquidity conditions to remain in surplus. Nevertheless, alternative funding options are prepared in case market liquidity tightens or deviates from predictions.

In addition, Bank Mandiri regularly conducts liquidity risk stress tests to evaluate the impact of market and internal factors under extreme (crisis) conditions on its liquidity position. The Bank has reported that it can withstand a liquidity crisis based on these stress test results. Beyond the stress tests, Bank Mandiri has established a Liquidity Contingency Plan (LCP) that outlines funding strategies and pricing strategies during a crisis, including interbank loans, repos, bilateral loans, FX swaps, and wholesale funding. This plan sets out liquidity conditions and funding strategies while taking both internal and external factors into account.

Debt Payment Ability from Issued Securities

Bank Mandiri has issued debt securities or corporate bonds in Rupiah, which are listed on the Indonesia Stock Exchange. The Bank has also issued foreign currency debt securities (U.S. Dollar) in the form of global bonds, which are listed on the Singapore Stock Exchange and offered to investors outside the United States in compliance with Regulation S under the U.S. Securities Act.

The issued securities have been rated by rating agencies, and these ratings will be periodically reviewed until the debt securities mature. The quality of these securities is highly dependent on the issuing company's ability to repay the securities upon maturity and to meet interest or coupon payments throughout the issuance period.

The structure of the debt securities issued by Bank Mandiri, both in Rupiah and foreign currencies, along with their credit ratings, is detailed in the financial review section on issued securities.

Bank Earnings

Bank Mandiri uses Return on Assets (ROA), Return on Equity (ROE), Net Interest Margin (NIM), the Operating Expenses to Operating Income Ratio (BOPO), and the Cost Efficiency Ratio (CER) to assess the Bank's profitability performance. The Bank's achievements for these ratios as of December 2024 are as follows:

Earnings	2024	2023	2022
Return on Assets (ROA)	3,59%	4,03%	3,30%
Return on Equity (ROE, Avg Tier 1 Capital)	24,19%	27,31%	22,62%
Net Interest Margin (NIM)	4,93%	5,25%	5,16%
Operating Expenses to Operating Income (BOPO)	56,46%	51,88%	57,35%
Cost Efficiency Ratio (CER)	35,85%	35,08%	38,90%
Cost to Income Ratio (CIR)	35,01%	34,31%	38,16%

SOLVENCY AND RECEIVABLES COLLECTIBILITY

CAPITAL STRUCTURE

Bank Mandiri's business expansion, primarily through loan disbursement amid an improving economy, including operational efficiency, particularly the reduction in interest and Sharia expenses and better management of earnings assets, has contributed to enhancing the Bank's profitability performance. The Bank's ROE and ROA reached 24.19% and 3.59%, respectively, as of December 2024, supported by operational efficiency reflected in the BOPO and CIR ratios of 56.46% and 35.01%, respectively, in December 2024. Meanwhile, the Bank's NIM stood at 4.93% as of December 2024.

BANK RECEIVABLES COLLECTIBILITY

The collectibility of the Bank's receivables is measured by the timeliness of loan repayments. Bank Mandiri reports the collectibility of receivables from its loan disbursement activities (bank only) as follows:

(In Rp million)

Category	2024	2023	2022	2021	2020
Current	1,253,085,593	1,027,406,545	874,645,487	764,469,150	701,951,159
Special Mention	45,084,568	47,381,346	40,549,922	40,525,825	36,796,337
Substandard	1,448,335	2,289,310	1,280,514	1,913,657	2,065,985
Doubtful	2,207,252	4,322,560	5,402,034	4,369,540	938,038
Loss	8,953,652	4,387,666	10,761,094	16,835,691	21,851,897
Total Loans	**1,310,779,400**	**1,085,787,427**	**932,639,051**	**828,113,863**	**763,603,416**
NPL gross*)	12,609,239	10,999,536	17,443,642	23,118,888	24,855,920
NPL (%)	0.97%	1.02%	1.88%	2.81%	3.29%

*) NPL ratio is calculated excluding Loans to Other Banks

Indonesia's economy in 2024 continued to face challenges, including external factors such as tariff wars and domestic factors such as declining consumer purchasing power. Amid these uncertainties, Bank Mandiri successfully maintained sustainable loan growth at a high level of 20.72%, while maintaining its NPL ratio by 5 bps to 0.97% compared to the previous year. Bank Mandiri's growth strategy, which focuses on prospective debtors both sectorally and within the value chain of existing debtors, has driven improvements in credit quality and efficiency in debtor provisioning formation.

Bank Mandiri has established standard procedures for end-to-end credit management. In the wholesale segment, the credit process begins with market targeting based on prospective sectors outlined in the Loan Portfolio Guideline, which categorizes industries as attractive, neutral, selective, or cautious. The Bank then selects and screens target customers using tools such as the Industry Acceptance Criteria and Name Clearance to generate a high-quality debtor pipeline. This process is followed by a credit risk assessment using various credit risk tools, including credit risk rating, spreadsheets, CPA, NAK, and others. The final credit decision is made by the Authorized Credit Decision Maker through the Credit Committee Meeting, applying the four-eyes principle, which ensures independent involvement of both the Business Unit and the Credit Risk Management Unit.

Meanwhile, for the retail or mass market segment, the credit management process is more automated, utilizing a credit risk scorecard based on the Risk Acceptance Criteria for each product. The process is carried out through an automated workflow (loan factory).

Furthermore, for credit monitoring process, Bank Mandiri routinely conducts a Portfolio Quality Review for each segment and product. Meanwhile, for non-performing loan portfolios, collection and recovery processes are carried out as part of the strategy to reduce exposure to non-performing loans. The Bank also conducts what-if analysis on wholesale and retail portfolios through stress testing using various macroeconomic scenarios to anticipate potential macroeconomic downturns.

MANAGEMENT POLICY ON CAPITAL STRUCTURE

In managing its capital structure, Bank Mandiri implements a capital policy that includes the prudent fulfillment of regulatory capital requirements, diversification of capital sources to anticipate long-term strategic plans, and efficient capital allocation to business segments with the potential to deliver an optimal risk-return profile. This also includes placements and investments in subsidiaries to meet stakeholder expectations, including those of investors and regulators. Additionally, the Bank continuously ensures adequate capital to cover credit risk, market risk, and operational risk, supporting business expansion in both normal conditions and stress scenarios.

In assessing capital adequacy, Bank Mandiri refers to regulations issued by the Financial Services Authority (Otoritas Jasa Keuangan/OJK), including:

- POJK No. 27 of 2022 dated 28 December 2022 on the Second Amendment to POJK 11/POJK.03/2016 concerning the Minimum Capital Requirement for Commercial Banks.
- POJK No. 34/POJK.03/2016 dated 22 September 2016 on the Amendment to POJK No. 11/POJK.03/2016 concerning the Minimum Capital Requirement for Commercial Banks.
- SEOJK No. 26/SEOJK.03/2016 on the Minimum Capital Requirement Based on Risk Profile and Fulfillment of Capital Equivalency Maintained Assets.
- SEOJK No. 23/SEOJK.03/2022 on the Calculation of Risk-Weighted Assets for Market Risk for Commercial Banks.

Bank Mandiri also applies the Basel II Standardized Approach for Credit Risk and has incorporated the External Rating component in calculating Risk-Weighted Assets (RWA).

Bank Mandiri is gradually conducting simulations of the Internal Ratings-Based Approach. The method used by the Bank to measure market risk follows the Basel III Standardized Approach – Fundamental Review of the Trading Book (FRTB). Currently, internal measurement utilizes the Value at Risk (VaR) method, while a parallel study is being conducted to implement the Expected Shortfall (ES) method as a replacement for VaR. Meanwhile, for operational risk measurement, the Bank applies the Basel II Basic Indicator Approach.

The Bank's consolidated capital adequacy ratio as of 31 December 2024, and 2023, considering credit, operational, and market risks, was 20.82% and 21.48%, respectively. When considering only credit and operational risks, the ratios were 21.14% and 21.69%, respectively.

The following tables present the calculation results of Risk-Weighted Assets (RWA) for credit, operational, and market risks, as well as the Capital Adequacy Ratio as of 31 December 2024, and 2023, for Bank Mandiri on a standalone basis.

Bank Mandiri Capital Structure 2022-2024

(In Rp million)

Capital	2024	2023	2022
Core Capital	229.932.670	209.724.274	181.072.852
Supplemental Capital	14.325.962	12.264.005	10.771.601
Total Capital for Credit Risk, Operational Risk and Market Risk	244.258.632	221.988.279	191.844.453
Credit Risk-Weighted Assets (RWA)	1.132.192.033	964.706.719	846.394.763
Operational Risk-Weighted Assets (RWA)	62.675.961	58.720.278	133.826.964
Market Risk-Weighted Assets (RWA)	20.289.449	9.980.215	5.829.558
Total RWA for Credit Risk, Operational Risk and Market Risk	1.215.157.443	1.033.407.212	986.051.285

Capital Adequacy Ratio

Capital	2024	2023	2022
CAR for Core Capital	18.92%	20.29%	18.36%
CAR for Credit Risk	21.57%	23.01%	22.67%
CAR for Credit Risk and Operational Risk	20.44%	21.69%	19.57%
CAR for Credit Risk and Market Risk	21.19%	22.78%	22.51%
CAR for Credit Risk, Operational Risk and Market Risk	20.10%	21.48%	19.46%
CAR Minimum Core Capital	6.00%	6.00%	6.00%
CAR Minimum Based on Risk Profile	9.69%	9.76%	9.86%

Quantitative Disclosure of Capital Structure of Commercial Banks

(In Rp million)

Capital	31-Dec-24		31-Dec-23	
	Bank	Consolidated	Bank	Consolidated
I. Core Capital (Tier 1)	**229,932,670**	**286,910,930**	**209,724,274**	**258,956,049**
1. Common Equity Tier 1 (CET 1)	**229,932,670**	**286,910,930**	**209,724,274**	**258,956,049**
1.1 Paid-in capital (net of Treasury Stock)	**11,666,667**	**11,666,667**	**11,666,667**	**11,666,667**
1.2 Disclosed Reserves	**243,295,646**	**269,544,562**	**224,692,846**	**246,380,061**
1.2.1 Additional Factor	**246,404,152**	**273,337,976**	**227,600,355**	**249,758,383**
1.2.1.1 Other Comprehensive Income	**34,566,487**	**35,192,233**	**34,582,623**	**34,811,362**
1.2.1.1.1 Excess Differences Arising from Translation of Financial Statement	47,779	388,734	27,284	27,284
1.2.1.1.2 Potential Gain of the Increase in the Fair Value of Financial Assets Available for Sale	30,754	30,754	67,385	67,385
1.2.1.1.3 Surplus of Fixed Assets Revaluate	34,487,954	34,772,745	34,487,954	34,716,693
1.2.1.2 Other Disclosed Reserves	**211,837,665**	**238,145,743**	**193,017,732**	**214,947,021**
1.2.1.2.1 Agio	19,661,550	18,095,274	18,941,550	17,643,264
1.2.1.2.2 General Reserves	2,333,333	2,333,333	2,333,333	2,333,333
1.2.1.2.3 Previous Year Profit	138,706,819	161,934,394	120,645,971	139,910,367
1.2.1.2.4 Current Year Profit	51,135,963	55,782,742	51,096,878	55,060,057
1.2.1.2.5 Funds for Paid-in Capital	–	–	–	–
1.2.1.2.6 Others	–	–	–	–
1.2.2 Deduction Factors	**(3,108,506)**	**(3,793,414)**	**(2,907,509)**	**(3,378,322)**
1.2.2.1 Other Comprehensive Income	**(2,520,758)**	**(2,464,896)**	**(2,432,966)**	**(1,971,613)**
1.2.2.1.1 Negative Differences Arising from Translation of Financial Statement	(378,445)	(378,445)	(461,721)	(173,583)
1.2.2.1.2 Potential Losses from the Decrease in the Fair Value of Financial Assets Available for Sale	(2,142,313)	(2,086,451)	(1,971,245)	(1,798,030)
1.2.2.2 Other Disclosed Reserves	**(587,748)**	**(1,328,518)**	**(474,543)**	**(1,406,709)**
1.2.2.2.1 Disagio	–	–	–	–
1.2.2.2.2 Previous Year Loss	–	–	–	–
1.2.2.2.3 Current Year Loss	–	–	–	–
1.2.2.2.4 Negative Difference in Allowance for Possible Losses and Allowance for Impairment on Earning Assets	–	–	–	–
1.2.2.2.5 Negative Difference in Adjustment Amounts from Fair Value of financial Assets in Trading Book	–	–	–	–
1.2.2.2.6 Required Allowance for Non-Earning Asset	(587,748)	(1,328,518)	(474,543)	(1,406,709)
1.2.2.2.7 Others	–	–	–	–
1.3 Noncontrolling Interests	**–**	**25,425,527**	**–**	**21,864,452**
1.4 Deduction Factor of CET 1	**(25,029,643)**	**(19,725,826)**	**(26,635,239)**	**(20,955,131)**
1.4.1 Deferred Tax Calculation	(5,840,877)	(8,342,819)	(7,874,700)	(10,100,735)
1.4.2 Goodwill	–	(482,091)	–	(482,091)
1.4.3 Other Intangible Assets	(4,207,868)	(6,525,458)	(3,808,411)	(5,068,755)
1.4.4 Investments in Share	(14,980,898)	(4,375,458)	(14,952,128)	(5,303,550)
1.4.5 Shortfall of Capital on Insurance Subsidiaries	–	–	–	–
1.4.6 Securitization Exposure	–	–	–	–

Capital	31-Dec-24		31-Dec-23	
	Bank	Consolidated	Bank	Consolidated
1.4.7 Other Deduction of CET 1	–	–	–	–
1.4.7.1 Placement of Funds in Instrument AT 1 and/or Tier 2 to Other Bank	–	–	–	–
1.4.7.2 Cross-Ownership in Another Entity Acquired by the Transition Due to Law, Grants, or Grants Will	–	–	–	–
1.4.7.3 Exposures that Give Rise to Credit Risk Due the Settlement Risk (Settlement Risk) - Non-Delivery Versus Payment	–	–	–	–
1.4.7.4 Exposures in Subsidiaries that do Business Activity Based on Sharia Principles (if Available)	–	–	–	–
2. Additional Tier 1 (AT 1)	–	–	–	–
2.1 Instrument which Comply with AT 1 Requirements	–	–	–	–
2.2 Agio/Disagio	–	–	–	–
2.3 Deduction Factor of AT 1	–	–	–	–
2.3.1 Placement of Funds in Instrument AT 1 and/or Tier 2 to Other Bank	–	–	–	–
2.3.2 Cross-Ownership in Another Entity Acquired by the Transition Due to Law, Grants, or Grants Will	–	–	–	–
II. Supplemental Capital (Tier 2)	**14,325,962**	**17,374,792**	**12,264,005**	**14,966,831**
1. Capital Instrument in the Form of Stock or others which Comply with Tier 2 Requirements	**173,562**	**333,562**	**205,171**	**405,171**
2. Agio/Disagio	–	–	–	–
3. General Provision on Earning Assets (max. 1.25% Credit Risk - Weighted Assets)	**14.152.400**	**17.041.230**	**12,058,834**	**14,561,660**
4. Deduction Supplemental Capital	–	–	–	–
4.1 Sinking Fund	–	–	–	–
4.2 Placement of Funds in instrument AT 1 and/or Tier 2 to Other Bank	–	–	–	–
4.3 Cross-Ownership in Another Entity Acquired by the Transition Due to Law, Grants, or Grants Will	–	–	–	–
III. TOTAL CAPITAL (I+II)	**244,258,632**	**304,285,722**	**221,988,279**	**273,922,880**

Quantitative Disclosure of Capital Structure of Commercial Banks

(In Rp million)

Description	31-Dec-24		31-Dec-23	
	Bank	Consolidated	Bank	Consolidated
Risk-Weighted Assets (Rwa)				
Credit Risk RWA	1,132,192,033	1,363,298,397	964,706,719	1,164,932,800
Market Risk RWA	20,289,449	22,445,193	9,980,215	12,359,269
Operational Risk RWA	62,675,961	75,849,894	58,720,278	68,332,364
Total RWA	1,215,157,443	1,461,593,484	1,033,407,212	1,245,624,433
CAR BASED ON RISK PROFILE (%)	9.69%	9.73%	9.76%	9.82%
Capital Allocation For Car Based On Risk Profile				
From CET 1 (%)	8.51%	8.54%	8.57%	8.62%
From AT 1 (%)	0.00%	0.00%	0.00%	0.00%
From Tier 2 (%)	1.18%	1.19%	1.19%	1.20%
CAR Ratio				
CET 1 Ratio (%)	18.92%	19.63%	20.29%	20.79%
Tier 1 Ratio (%)	18.92%	19.63%	20.29%	20.79%
Tier 2 Ratio (%)	1.18%	1.19%	1.19	1.20%
Capital Adequacy Ratio (%)	20.10%	20.82%	21.48%	21.99%
CET 1 FOR BUFFER (%)	10.41%	11.09%	11.72%	12.17%
Percentage of Buffer Mandatory Filled By Bank (%)				
Capital Conservation Buffer (%)	2.50%	2.50%	2.50%	2.50%
Countercyclical Buffer (%)	0.00%	0.00%	0.00%	0.00%
Capital Surcharge for Systemic Banks (%)	2.50%	2.50%	2.50%	2.50%

MATERIAL COMMITMENT FOR CAPITAL GOODS INVESTMENT

Bank Mandiri does not have a material bond for capital goods investment in the 2024 financial year. As such, the Bank does not present information related to this matter, including:

1. The name of the contracting party;
2. The purpose of the engagement;
3. Source of funds prepared to fulfill the engagement;
4. The currency denomination in the bond; and
5. The Bank's planned measures to hedge the risks of the related foreign currency position.



CAPITAL INVESTMENT IN FISCAL YEAR 2024

Capital Investment

Bank Mandiri makes capital investments annually, which involve expenditures used to acquire assets or investments expected to generate future value.

Types and Value of Capital Investment

Bank Mandiri's capital investments in fixed assets, including land, buildings, equipment, office and computer hardware, motor vehicles, assets under construction, and right-of-use assets, reached Rp8.75 trillion as of 31 December 2024. In addition, Bank Mandiri invested in intangible assets, such as software and assets under development, amounting to Rp2.40 trillion. These capital investments were made in line with the Bank's ongoing business expansion efforts.

The capital investments in both fixed assets and intangible assets made during the period ending 31 December 2024, with their comparison to the previous year-end, are as follows:

Types and Value of Capital Investment

(In Rp million)

Types of Capex	Value of Capital Investment	
	2024	2023
Capital Goods - Fixed Assets		
Land	242,038	33,518
Building	266,238	154,831
Supplies, Office Equipment and Computers	768,293	403,071
Motor vehicle	1,705	11,322
Construction in Progress	4,863,277	2,483,635
Right of Use Assets	2,605,544	1,998,278
Total	**8,747,095**	**5,084,655**
Capital Goods – Intangible Assets		
Software	345,015	322,542
Goodwill	-	-
Yokke brand assets	-	-
Construction in Progress	2,057,330	1,612,117
Total	**2,402,345**	**1,934,659**

Purpose of Capital Investment

Bank Mandiri undertakes capital investments to support and enhance the Bank's overall operational activities.

TRANSACTION INFORMATION RELATED TO INVESTIMENT, EXPANSION, DIVESTMENT, MERGER, ACQUISITION, AND RESTRUCTURING

Investment

As part of its business activities in the banking industry, the Bank invests in debt securities issued by both the Government and corporations. The details of Bank Mandiri's investments in debt securities as of 31 December 2024, are as follows:

(In Rp million)

Types of Securities	Value	
	2024	2023
Related parties		
Measured at Fair Value Through Profit and Loss	4,285,159	3,138,746
Measured at Fair Value Through Other Comprehensive Income	9,586,379	10,625,541
Measured at Amortized Cost of Acquisition	3,139,468	3,668,508
Measured at Cost of Acquisition*)	79,569	309,017
	17,090,575	17,741,812
Third parties		
Measured at Fair Value Through Profit and Loss	17,604,380	16,116,963
Measured at Fair Value Through Other Comprehensive Income	37,408,046	38,208,496
Measured at Amortized Cost of Acquisition	5,842,595	2,231,038
Measured at Cost of Acquisition *)	3,161,962	991,866
	64,016,983	57,548,363
Investments in Unit-Link**)		
Related Parties:		
Measured at Fair Value Through Profit and Loss	3,132,500	6,032,327
Third Parties:		
Measured at Fair Value Through Profit and Loss	11,101,498	13,259,620
	14,233,998	19,291,947
Total	**95,341,556**	**94,582,122**
Add/(Less):		
Unamortized Discounts	(27,018)	8,829
Unrealized Gains on Increases in the Fair Value of Marketable Securities	215,010	105,165
Allowance for Impairment Losses	(51,497)	(150,275)
	136,495	(36,281)
Net	**95,478,051**	**94,545,841**

*) Marketable securities owned by Subsidiaries.
**) Investments in unit-link contracts are investments owned by policyholders of unit-link contracts of Subsidiary's which are presented at fair value

The details of Bank Mandiri's investment in bonds are as follows:

(In Rp million)

Types of Securities	Value	
	2024	2023
Related parties		
Government Bonds		
Measured at Amortized Cost of Acquisition	153,035,870	163,194,756
Measured at Fair Value Through Other Comprehensive Income***)	82,065,670	90,640,924
Measured at Cost of Acquisition*)	22,560,953	34,541,812
Measured at Fair Value Through Profit and Loss	17,761,405	12,078,509
Investment in unit-link **)		
Measured at Fair Value Through Profit and Loss	11,848,761	8,726,970
	287,272,659	309,182,971

*) Government Bonds owned by Subsidiaries classified in accordance with PSAK No. 410 "Sukuk Accounting".
**) Investment in unit-linked is an investment owned by the policyholder in the unit-linked contract of the Subsidiary presented at fair value.
***) This includes sukuk, project-based sukuk, and retail sukuk that are classified as measured at fair value through other comprehensive income.

Expansion

In line with the growth of digital banking services, Bank Mandiri has reduced the number of branch offices by 51 sub-branches. This measure was taken to optimize banking services for customers, factoring in the level of digital penetration in each location. This step reflects Bank Mandiri's commitment to consistently providing the public with wider access to banking services and products through the development of digital platforms and Mandiri Agents (branchless banking).

Divestment

On 7 February 2024, Bank Mandiri and PT Asuransi Jiwa IFG (IFG Life) signed a Sale and Purchase Agreement (PPJB) for shares in PT Asuransi Jiwa Inhealth Indonesia (Mandiri Inhealth) concerning the planned transfer of 60% ownership of Mandiri Inhealth from Bank Mandiri to IFG Life.

On 21 February 2024, Bank Mandiri submitted an application to the Financial Services Authority (OJK) for approval regarding the divestment of Mandiri Inhealth. On 13 May 2024, Bank Mandiri received approval from the OJK through letter No. S-73/PB.21/2024 on Phase 1 Approval for the Divestment of the Subsidiary PT Asuransi Jiwa Inhealth Indonesia (Mandiri Inhealth). Subsequently, on 7 June 2024, Mandiri Inhealth obtained approval from the OJK through letter No. S-15/D.05/2024 on Approval for the Change of Ownership of PT Asuransi Jiwa Inhealth Indonesia.

On 26 June 2024, the Share Acquisition Deed No. 88 between Bank Mandiri and IFG Life and the Share Sale and Purchase Deed No. 89 between Kimia Farma and IFG Life were signed, both before Mala Mukti, S.H., LL.M., a notary in Jakarta. Following the signing of the Share Acquisition Deed and the Share Sale and Purchase Deed, the shareholder structure of Mandiri Inhealth changed, with IFG Life owning 80% of the shares and Bank Mandiri holding 20%. Consequently, Bank Mandiri lost control over Mandiri Inhealth, resulting in the cessation of recognition of Mandiri Inhealth's net assets at their carrying value. This share transfer was previously approved during Mandiri Inhealth's GMS, formalized in the Deed of Shareholders' Resolutions No. 90, executed before Mala Mukti, S.H., LL.M., a notary in Jakarta. The notification of this change was recorded in the Legal Entity Administration System of the Ministry of Law and Human Rights of the Republic of Indonesia via a letter dated 27 June 2024, No. AHU-AH.01.09-0219371.

The share transfer transaction of Mandiri Inhealth constitutes a business combination of entities under common control, as the ultimate shareholder of the shareholders of Mandiri Inhealth namely Bank Mandiri, Kimia Farma, and IFG Life, is the Government of the Republic of Indonesia. As such, the divestment transaction was recorded using the pooling of interest method in accordance with the Statement of Financial Accounting Standards (PSAK) No. 338 (Revised 2014), "Business Combination of Entities Under Common Control."

Acquisition

1. Capital Injection into PT Kliring Penjaminan Efek Indonesia (KPEI)

   To support the development of a Central Counterparty (CCP) for transactions in the Money Market and Foreign Exchange Market, particularly for Over-The-Counter Derivatives Transactions on Interest Rates and Exchange Rates, as part of the implementation of Law No. 4 of 2023 on Financial Sector Development and Strengthening and Bank Indonesia Regulation No. 6 of 2024 on Money Market and Foreign Exchange Market, Bank Mandiri has made a capital injection for 2,500 Series B shares (representing a 1.11% ownership stake) to KPEI, which functions as the CCP operator in Indonesia.

   In relation to this capital injection, Bank Mandiri obtained approval from the OJK through letter No. SR-108/PB.21/2024 dated 16 August 2024, regarding Approval for Bank Saudara's Capital Injection into PT Kliring Penjaminan Efek Indonesia for the Implementation of Central Counterparty for Interest Rates and Exchange Rates. In addition, KPEI received approval from OJK through letter No. S-127/D.04/2024 dated

TRANSACTION INFORMATION RELATED TO INVESTIMENT, EXPANSION, DIVESTMENT, MERGER, ACQUISITION, AND RESTRUCTURING

13 September 2024, regarding Approval of Other Parties as Shareholders of PT Kliring Penjaminan Efek Indonesia, and approval through letter No. S-287/PM.01/2024 dated 24 September 2024, concerning Approval for Amendments to the Articles of Association of the Clearing and Guarantee Institution.

The capital injection became effective on 26 September 2024, based on the Decree of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0061216. AH.01.02. Tahun 2024 dated 26 September 2024, regarding Approval of Amendments to the Articles of Association of PT Kliring Penjaminan Efek Indonesia.

2. Additional Capital Injection into Mandiri Utama Finance (MUF)

To strengthen synergy and transform its business in the multifinance segment, Bank Mandiri carried out additional capital injection into MUF through the purchase of 2,449,999,999 (two billion four hundred forty-nine million nine hundred ninety-nine thousand nine hundred ninety-nine) MUF shares owned by PT Asco Investindo and PT Tunas Ridean. This transaction increased Bank Mandiri's ownership in MUF from 51% to 99.9999999998%.

The share purchase became effective on 28 November 2024, as stated in Share Sale and Purchase Deed No. 44 between Bank Mandiri and PT Asco Investindo and Share Sale and Purchase Deed No. 46 between Bank Mandiri and PT Tunas Ridean, both executed before Ashoya Ratam, S.H., M.Kn., a Notary in South Jakarta. The deeds confirm the new shareholder composition of MUF following the capital injection transaction. The notification of the corporate data changes for MUF was acknowledged by the Ministry of Law and Human Rights of the Republic of Indonesia through Letter No. AHU-AH.01.09-0281917 dated 29 November 2024, regarding the Receipt of Notification on Corporate Data Changes of PT Mandiri Utama Finance.

The additional capital injection by Bank Mandiri into MUF received all required approvals and met the conditions for capital participation in accordance with applicable regulations. These included approval from the Ministry of State-Owned Enterprises of the Republic of Indonesia, as the holder of Series A Dwiwarna Shares, via Letter No. S-459/MBU/09/2024 dated 20 September 2024, regarding Approval for Additional Capital Injection into PT Mandiri Utama Finance, and approval from the OJK via Letter No. SR-167/PB.21/2024 dated 29 October 2024, regarding Approval for Capital Injection into PT Mandiri Utama Finance.

To comply with Article 7 paragraph (1) of Law No. 40 of 2007 on Limited Liability Companies, as amended by Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation, which was established as law through Law No. 6 of 2023, PT Mandiri Sekuritas also participated in the capital injection by purchasing 1 (one) share owned by PT Asco Investindo. This share purchase became effective on 28 November 2024, as documented in Share Sale and Purchase Deed No. 45 between Mandiri Sekuritas and PT Asco Investindo.

Debt and Capital Restructuring

Bank Mandiri did not conduct any debt and/or capital restructuring transactions during 2024.

Use of Third-Party Services

The use of third-party services for assessing the fairness of investment, acquisition, divestment, and restructuring transactions is carried out in compliance with applicable capital market regulations.

COMMITMENT AND CONTINGENCY

Bank Mandiri reported commitment and contingency transactions throughout 2024 as follows:

(In Rp million)

Description	Values	
	2024	2023
Commitment		
Commitment Liabilities		
Unused Loan Facility *)		
Related Parties	(107,740,421)	(82,892,633)
Third Parties	(159,489,452)	(133,451,445)
Total	(267,229,873)	(216,344,078)
Outstanding Irrevocable Letters of Credit		
Related Parties	(9,905,951)	(8,039,096)
Third Parties	(12,533,712)	(12,842,876)
Total	(22,439,663)	(20,881,972)
Commitment Liabilities – Net	(289,669,536)	(237,226,050)
Contingency		
Contingency Receivables:		
Guarantees Received from Other Banks	50,383,762	29,226,582
Interest Income in Progress	10,912,104	10,576,751
Others	34,411	34,338
Total	61,330,277	39,837,671
Contingent Liabilities:		
Guarantees are Given in the Form of:		
Bank Guarantee		
Related Parties	(37,567,187)	(38,002,449)
Third Parties	(100,990,316)	(76,598,004)
Total	(138,557,503)	(114,600,453)
Standby Letter of Credit		
Related Parties	(5,281,006)	(6,810,499)
Third Parties	(7,027,683)	(7,948,783)
Total	(12,308,689)	(14,759,282)
Others	(4,072,541)	(3,268,517)
Total	(154,938,733)	(132,628,252)
Contingent Liabilities – Net	(93,608,456)	(92,790,581)
	(383,277,992)	(330,016,631)

*) Including unused committed and uncommitted loan facilities.

COMPARISON OF 2024 TARGET & REALIZATION

Comparison of Financial Targets and Realization for 2024

Bank Mandiri recorded strong performance amid global economic dynamics, as reflected in its consolidated total assets reaching Rp2,427.22 trillion as of December 2024, an increase of 11.64% (yoy) from Rp2,174.22 trillion in 2023. This figure exceeded the 2024 RKAP target of Rp2,358.45 trillion.

Bank Mandiri's consolidated net profit reached Rp55.78 trillion in 2024, grew by 1.31% (yoy) from Rp55.06 trillion in 2023. This achievement exceeded the 2024 RKAP target of Rp55.18 trillion. The key drivers behind this net profit growth include consolidated net interest income, which reached Rp104.28 trillion in 2024, an increase of 6.40% (yoy) from Rp98.01 trillion in December 2023. In addition, consolidated fee-based income stood at Rp42.32 trillion in 2024, grew by 4.12% (yoy) from Rp40.65 trillion in December 2023.

Bank Mandiri has consistently maintained efficiency, as reflected in its bank-only Cost to Income Ratio, which stood at 35.01% as of December 2024. Through prudent credit distribution and regular monitoring, the Bank successfully improved credit quality, with the bank-only gross NPL ratio declining to 0.97% in December 2024 from 1.02% in the same period in 2023. This NPL ratio remains below the 2024 RKAP target of 1.14%, demonstrating Bank Mandiri's strong risk management and commitment to maintaining asset quality.

Financial Parameter and Ratio	December 2024	
	Target	Realization
Total Assett (Rp billion)	1,839,537	1,877,322
Total Loans (Rp billion)	1,207,712	1,310,779
Laba Bersih (Rp billion)	50,372	51,136
Core Capital (Rp billion)	221,826	229,933
CAR	20,12%	20,10%
ROE	24,24%	24,19%
ROA	3,59%	3,59%
NIM	5,14%	4,93%
BOPO	56,93%	56,46%
CIR	33,91%	35,01%
CASA Ratio	79,21%	80,31%
LDR	88,64%	98,04%
NPL Gross	1,14%	0,97%
NPL Net	0,34%	0,33%

Projection for 2025

Bank Mandiri has set its financial projections for 2025. The consolidated financial projections are presented as follows:

Description	2025 Projection
Net Interest Margin	5.0-5.2%
Cost of Credit	1.0-1.2%
Loans	11.0-13.0%
TPF	12.0-14.0%
Net income	4.0-6.0%
Operating Expense	10.0-12.0%
Gross NPL (%)	1.1-1.3%
Cost to Income Ratio (%)	38.0-40.0%

Assumptions Used in Preparing the 2025 Projections

Bank Mandiri utilizes several macro and microeconomic assumptions in drafting its 2025 Bank Business Plan as follows:

Asumsi Makro ekonomi	Projection 2025
Macroeconomics Assumptions	
GDP Growth (%)	5.13%
Inflation (%)	2.38%
USD/IDR Exchange Rate (Rp)	15.974
Microeconomic Assumptions	
BI Rate (%)	5.50%
Loan Growth (%)	10.47%
Third-Party Funds Growth (%)	6.13%

Comparison of 2024 Marketing Targets and Actual Results

Overall, Bank Mandiri's marketing activities have successfully contributed to its performance. The Bank's third-party funds (TPF) increased to Rp1,326.88 trillion as of December 2024. Meanwhile, Bank Mandiri's loan disbursement also grew to Rp1,310.78 trillion in December 2024, surpassing the initial target of Rp1,207.71 trillion. Fee-based income also increased to Rp31.5 trillion in December 2024.

Comparison of 2024 Marketing Targets and Actual Results

(In Rp Billion)

Description	2024 Target	2024 Realization
Third-Party-Funds	1,353,247	1,326,888
Loans	1,207,712	1,310,779
Fee Based Income	31,761	31,650

Comparison of Target and Realization of HR Development in 2024

Bank Mandiri's commitment to providing equal opportunities for its employees in competency development is reflected in the comparison data of the target and realization of human capital development. In 2024, the number of Bank Mandiri employees who participated in competency development training reached 40,034 employees, exceeding the target with a realization rate of 121.4% of the set target of 80% of the total 41,231 employees.

Meanwhile, the actual training expenses amounted to Rp397.1 billion, representing a 13.1% increase compared to the previous year's realization.

Comparison of Target and Realization of HR Development in 2024

Description	Target 2024	Realization 2024	Target 2023	Realization 2023
Training (employee)	32,984	40,034	31,131	37,779
Training Cost (in Rp Billion)	425.00	397.10	313.75	351.94

MATERIAL INFORMATION AND SUBSEQUENT EVENTS

Based on Bank Mandiri's consolidated audited financial statements for the period ended 31 December 2024, which were prepared by Management and audited by the Public Accounting Firm Rintis, Jumadi, Rianto & Rekan (formerly Tanudiredja, Wibisana, Rintis & Rekan, a member firm of the PwC global network), with Lucy Luciana Suhenda, S.E., Ak., CPA as the responsible partner, there were no subsequent events after the financial position date of 31 December 2024, up to the issuance date of the consolidated financial statements on 5 February 2025, that would require adjustments or additional disclosures under the applicable Financial Accounting Standards in Indonesia.



DIVIDEND POLICY AND DISTRIBUTION

Dividend Policy

In general, Bank Mandiri's dividend distribution policy refers to Law No. 40 of 2007 on Limited Liability Companies and Bank Mandiri's Articles of Association. According to this law, the entire net profit, after deducting reserves, is distributed to shareholders as dividends unless otherwise determined by the General Meeting of Shareholders (GMS).

Bank Mandiri distributes dividends once a year following the Annual General Meeting of Shareholders (AGMS), which holds the authority to determine and approve the dividend distribution. Bank Mandiri's dividend policy aims to maintain a payout ratio of around 45% or more of the annual net profit unless the AGMS decides otherwise, based on various considerations regarding the performance in that particular year. In determining the dividend payout, Bank Mandiri considers several key factors such as the Bank's financial health, capital adequacy levels, and funding requirements for further business expansion, without limiting the AGMS's authority to decide in accordance with the Company's Articles of Association.

Furthermore, dividends from net profit are paid by Bank Mandiri in compliance with prevailing laws in Indonesia. Dividends (if any) are paid in cash in Rupiah and are always in adherence to stock exchange regulations, ensuring timely payment. Bank Mandiri does not have any negative covenants related to third-party restrictions that might harm the rights of public shareholders concerning dividend distribution.

Dividend Announcement and Payment

Bank Mandiri announces and distributes dividends as determined in the AGMS over the past five years as follows:

Dividend Announcement and Payment for Financial Year 2020-2024

Description	2024	2023	2022	2021	2020
Legal Basis	AGMS Resolution dated 7 March 2024	AGMS Resolution dated 14 March 2023	AGMS Resolution dated 10 March 2022	AGMS Resolution dated 15 March 2021	AGMS Resolution dated 19 February 2020
Financial Year	Audited financial statements 2023	Audited financial statements 2022	Audited financial statements 2021	Audited financial statements 2020	Audited financial statements 2019
Net Profit (Rp billion)	55,060,057	41,170.64	28,028.16	17,119.25	27,482.13
Dividend (Rp billion)	33,036,034	24,702.38	16,816.89	10,271.55	16,489.28
Dividend by Share (Rp)	353.96	529.34	360.64	220	353.34
Dividend Pay Out Ratio	60%	60%	60%	60%	60%
Cash Dividend Announcement Date	7 March 2024	14 March 2023	10 March 2022	15 March 2021	19 February 2020
Cash Dividend Payment Date	28 March 2024	12 April 2023	6 April 2022	12 April 2021	20 March 2020

Announcement and Payment of Dividends for Fiscal Year 2023

Bank Mandiri held its AGMS on 7 March 2024, which approved and determined the allocation of consolidated net profit attributable to the owners of the parent entity for the 2023 Fiscal Year amounting to Rp55,060,057,307,434.00 (fifty-five trillion sixty billion fifty-seven million three hundred seven thousand four hundred thirty-four Rupiah) as follows:

1. A total of 60% or Rp33,036,034,384,460.40 (thirty-three trillion thirty-six billion thirty-four million three hundred eighty-four thousand four hundred sixty rupiah forty cents) or Rp353.957511267 (three hundred fifty-three point nine five seven five one one two six seven rupiah) per share was designated as a Cash Dividend, to be paid under the following conditions:
   a. The dividend portion for the Republic of Indonesia amounting to Rp17,178,737,880,394.40 (seventeen trillion one hundred seventy-eight billion seven hundred thirty-seven million eight hundred eighty thousand three hundred ninety-four rupiah forty cents) was deposited into the State General Treasury Account.
   b. The dividends for Fiscal Year 2023 were distributed proportionally to all shareholders whose names were recorded in the Shareholders' Register as of the recording date.
   c. The Board of Directors was granted authority and power, with substitution rights, to set the schedule and distribution procedures related to the payment of dividends for Fiscal Year 2023 in accordance with applicable regulations, to withhold dividend taxes in accordance with prevailing tax laws, and to address any related technical matters in compliance with applicable rules.
2. The remaining 40% or Rp22,024,022,922,973.60 (twenty-two trillion twenty-four billion twenty-two million nine hundred twenty-two thousand nine hundred seventy-three rupiah sixty cents) was allocated to Retained Earnings.

EMPLOYEE AND/OR MANAGEMENT SHARE OWNERSHIP PROGRAM

Based on the Extraordinary GMS decision on 29 May 2003, as stated in the notarial deed of Sutjipto, S.H., No. 142 dated 29 May 2003, Bank Mandiri's shareholders also approved a plan for employees and Directors to own shares through the Employee Stock Allocation (ESA) and Management Stock Option Plan (MSOP). The ESA program consists of a Share Plan Bonus and a Share Purchase at Discount program. Meanwhile, the MSOP is intended for Directors and employees in certain grades or criteria. The costs and discounts associated with the ESA program are borne by Bank Mandiri, funded from established reserves. The implementation and administration of ESA and MSOP programs are managed by the Board of Directors, while oversight is conducted by the Board of Commissioners.

On 14 July 2003, the Government of the Republic of Indonesia released 4,000,000,000 shares, representing 20.00% of its ownership in Bank Mandiri, through an Initial Public Offering (IPO). Following Government Regulation No. 27/2003 dated 2 June 2003, which allowed divestment of up to 30.00% of the Government's stake in Bank Mandiri, and based on the Privatization Policy Team's decision No. Kep-05/TKP/01/2004 dated 19 January 2004, the Government of Indonesia conducted a subsequent divestment of an additional 10.00% stake in Bank Mandiri, amounting to 2,000,000,000 Series B common shares on 11 March 2004, through a private placement.

At the time of the IPO on 14 July 2003, Bank Mandiri offered share purchase options to management through MSOP Phase 1 for a total of 378,583,785 options, with an exercise price of Rp742.50 per share (nominal value of Rp500 per share). These stock options were recorded under the Equity–StockOptions account at a fair value of Rp69.71 per share. The options exercised under MSOP Phase 1 amounted to 375,365,957 shares, resulting in an increase in issued and paid-in capital of Rp187,683 and an increase in share premium of Rp117,193.

Subsequently, at the Annual GMS held on 16 May 2005, the issuance of MSOP Phase 2 (two) for a total of 312,000,000 stock options was approved. The exercise price per share was Rp1,190.50 (full amount) for the first year and Rp2,493 (full amount) for the second year and subsequent years. The nominal value per share was Rp500 (full amount). These stock options were recorded under the equity - stock options account at a fair value of Rp642.28 (full amount) per share. Options exercised from MSOP Phase 2 (two) amounted to 311,713,697 shares, resulting in an increase in issued and paid-in capital of Rp155,857 and an increase in share premium of Rp425,233.

The Annual GMS held on 22 May 2006, approved the issuance of MSOP Phase 3 (three) for a total of 309,416,215 stock options. The GMS also authorized the Board of Commissioners to determine the policy for the implementation and oversight of MSOP Phase 3 (three) and to report it at the next GMS. The exercise price per share of MSOP Phase 3 (three) was Rp1,495.08 (full amount), with a nominal value of Rp500 (full amount) per share. These stock options were recorded under the Equity – Stock Options account at a fair value of Rp593.89 (full amount) per share. The exercised options from MSOP Phase 3 (three) totaled 309,415,088 shares, resulting in an increase in issued and paid-in capital of Rp154,707 and an increase in share premium of Rp491,651.

On 27 December 2010, the Bank registered its first submission with the OJK (formerly the Capital Market and Financial Institutions Supervisory Agency (Bapepam and LK)) in relation to the Limited Public Offering (Rights Issue) to the Bank's shareholders for the issuance of Preemptive Rights (HMETD) amounting to 2,336,838,591 Series B shares. This Rights Issue was approved by the Board of Commissioners through a letter dated 29 April 2010. The Bank submitted notification regarding the Rights Issue to Bank Indonesia through a letter dated 17 September 2010. This Rights Issue was also promulgated by Government Regulation of the Republic of Indonesia No. 75 of 2010 dated 20 November 2010. The Rights Issue received effective

EMPLOYEE AND/OR MANAGEMENT SHARE OWNERSHIP PROGRAM

approval from Bapepam and LK through letter No. S-807/BL/2011 dated 27 January 2011, and became effective after receiving approval from shareholders at the Extraordinary General Meeting of Shareholders held on 28 January 2011.

HMETD totaling 2,336,838,591 shares were traded from 14 to 21 February 2011 at an exercise price of Rp5,000 (full amount) per share, resulting in an increase in issued and paid-up capital of Rp1,168,420. Based on the resolution of EGMS dated 21 August 2017, Bank Mandiri's shareholders approved, among other matters, a stock split of Bank Mandiri shares from Rp500 (full amount) per share to Rp250 (full amount) per share. Consequently, the issued capital increased to 46,666,666,666 shares, comprising 1 (one) Series A Dwiwarna share and 46,666,666,665 Series B shares. The stock split did not result in any changes to the authorized, issued, and paid-up capital. The stock split became effective on 13 September 2017.

As a continuation of the previously distributed ESOP and MSOP programs, Bank Mandiri extended a similar program to employees and management under predetermined grant and vesting conditions.

Bank Mandiri has a Management Stock Ownership Program (MSOP) in the form of a Long Term Incentive (LTI) measured by achieving company performance targets (Performance Share Plan) for the Board of Directors and non-Independent Commissioners, and in the form of an escrow current account for Independent Commissioners. This aims to motivate higher performance in the future and to recognize efforts in maintaining and/or increasing the company's long-term share value. The LTI program for the Board of Directors and Commissioners covers the 2023–2025 performance period. The performance/vesting period is annual (January–December) for three years (2023–2025). LTI vests fully in the fourth year (2026) once the financial statements are audited by an independent auditor and the Annual Report is approved by/endorsed at the GMS. The performance target achievements are calculated as a three-year average (2023–2025) based on indicators such as Total Shareholder Return (TSR), Return on Equity (RoE), and Non-Performing Loan (NPL).

Bank Mandiri also has an Employee Stock Ownership Program (ESOP) designed to foster a sense of ownership and motivate employees to contribute their best over the long term. ESOP is granted to certain grades and job levels that meet criteria approved by management, including individual performance, talent classification, and employee track record. Between 2015 and 2022, Bank Mandiri distributed 96,003,800 shares with a vesting period of 3–5 years. In 2023, Bank Mandiri did not have an Employee Stock Ownership Program (ESOP).

Bank Mandiri plans to implement a similar stock ownership program for employees and management in future years.

REALIZATION OF PROCEEDS FROM PUBLIC OFFERINGS

On 14 July 2003, Bank Mandiri conducted an IPO of 4,000,000,000 Series B Common Shares with a nominal value of Rp500 (full amount) per share, offered at a price of Rp675 (full amount) per share. This public offering represented a divestment of 20.00% of Bank Mandiri shares owned by the Government.

As of 14 July 2003, a total of 19,800,000,000 Series B Common Shares of Bank Mandiri had been listed on the Jakarta Stock Exchange and the Surabaya Stock Exchange, based on approval letters from the Jakarta Stock Exchange No. S-1187/BEJ.PSJ/07-2003 dated 8 July 2003, and the Surabaya Stock Exchange No. JKT-028/LIST/BES/VII/2003 dated 10 July 2003.

In addition to the public offering of shares, Bank Mandiri also conducted public offerings for debt securities or corporate bonds. The most recent bond series issued by Bank Mandiri was the Continuous Bond II Bank Mandiri Phase I Year 2020, which was listed on the Indonesia Stock Exchange on 13 May 2020.

Both the public offerings of shares and bonds have been completed, and all proceeds from these offerings have been utilized and reported in accordance with applicable regulations.

INFORMATION ON MATERIAL TRANSACTIONS WITH CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATED/RELATED PARTIES



AFFILIATED TRANSACTIONS

Bank Mandiri and its subsidiaries engage in transactions with related parties as defined under PSAK No. 224 on "Related Party Disclosures" Bapepam and the Financial Services Authority Regulation No. 42/POJK.04/2020 dated 2 July 2020 (POJK 42/2020) on Affiliated Transactions and Conflict of Interest Transactions.

A related party is a person or entity related to the entity preparing its financial statements (the reporting entity). The following are considered related parties:

1. Individuals who:
   a. Have control or joint control over the reporting entity;
   b. Have significant influence over the reporting entity; or
   c. Are key management personnel of the reporting entity or the parent entity of the reporting entity.

2. An entity is related to the reporting entity if any of the following conditions apply:
   a. The entity and the reporting entity are members of the same business group;
   b. One entity is an associate or joint venture of the other entity;
   c. Both entities are joint ventures of the same third party;
   d. One entity is a joint venture of a third entity, and the other entity is an associate of the third entity;
   e. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
   f. The entity is controlled or jointly controlled by a person identified in point 1);
   g. A person identified in point 1) sub-point a) has significant influence over the entity or is key management personnel of the entity; or
   h. The entity is controlled, jointly controlled, or significantly influenced by the Government, such as the Ministry of Finance or Regional Government, which are shareholders of the entity.

In Article 1 paragraph (1) of POJK 42/2020, the term "Affiliate" refers to:
a. familial relationship due to marriage and descent up to the second degree, both horizontally and vertically;
b. relationship between a party and employees, directors, or commissioners of that party;
c. relationship between two companies where one or more members of the board of directors or board of commissioners are the same;
d. relationship between a company and a party that, either directly or indirectly, controls or is controlled by that company;
e. relationship between two companies that are directly or indirectly controlled by the same party; or
f. relationship between a company and its major shareholder.

The definition of Affiliate Transaction in Article 1 paragraph (3) of POJK 42/2020 refers to any activity and/or transaction conducted by a public company or controlled company with Affiliates of the public company or Affiliates of members of the board of directors, members of the board of commissioners, major shareholders, or Controllers, including any activity and/or transaction conducted by the public company or controlled company for the benefit of Affiliates of the public company or Affiliates of members of the board of directors, members of the board of commissioners, major shareholders, or Controllers.

PRESENTATION OF AFFILIATED TRANSACTIONS IN 2024

Referring to Article 22 of POJK 42/2020, it is stated that in the event that Affiliated Transactions and/or Conflict of Interest Transactions are conducted by a Controlled Company that is not a Public Company and whose financial statements are consolidated with a Public Company, the Public Company must follow the procedures as stipulated in POJK No. POJK 42/2020. The affiliated transactions at Bank Mandiri during 2024 generally consist of 2 (two) types of affiliated transactions as follows:

- Bank Mandiri with its subsidiaries - as stated in Article 1, Paragraph (1-d) of the relevant POJK, which reads: "the relationship between a company and a party that, either directly or indirectly, controls or is controlled by that company."
- Bank Mandiri with its affiliated companies - as stated in Article 1, Paragraph (1-e) of the relevant POJK, which reads: "the relationship between two companies that are controlled, either directly or indirectly, by the same party."

As of December 2024, Bank Mandiri has conducted several affiliated transactions with its affiliated companies, which essentially fall into 2 (two) types of affiliated transactions as outlined below, along with a brief explanation:

1. Realization of Affiliated Transactions Conducted by Bank Mandiri with Its Subsidiaries and Other Affiliated Companies.

INFORMATION ON MATERIAL TRANSACTIONS WITH CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATED/RELATED PARTIES

Table 1 Detailed of Bank Mandiri Affiliated Transaction Type 1

No.	Date	Transaction Type	Affiliated Party	Transaction Value	Nature of Relations
1	26 June 2024	Sale of Shares in the Subsidiary Mandiri Inhealth	Subsidiary, Mandiri Inhealth*. IFG Life, Subsidiary IFG, SOE Insurance.	Rp1.710 billion	The divestment of Mandiri Inhealth involves Bank Mandiri and IFG Life as entities that are directly and indirectly controlled by the same party, namely the Government of the Republic of Indonesia through the Ministry of State-Owned Enterprises (KBUMN). Following the divestment, BMRI holds 200,000 shares, representing 20% of the total shares in Mandiri Inhealth.
2	22 July 2024	The acquisition of MUF shares, together with Mansek, in other companies, namely PT Asco Investindo and PT Tunas Ridean.	MUF – Subsidiary Mandiri Sekuritas-Subsidiary	n.a	The signing of the Conditional Share Purchase Agreement ("CSPA") regarding the planned acquisition of MUF shares between Bank Mandiri, its subsidiary Mansek, and two other companies, PT Asco Investindo and PT Tunas Ridean. Following the acquisition, Bank Mandiri and Mansek jointly own 100% of MUF shares.

*) As of October 2024, Mandiri Inhealth is no longer a subsidiary of Bank Mandiri.

Explanation:

1) **The sale of Bank Mandiri's shares in its subsidiary, PT Asuransi Jiwa Inhealth Indonesia (Mandiri Inhealth), to PT Asuransi Jiwa IFG (IFG Life) (Divestment of Mandiri Inhealth).**

   Explanation of Date, Value, and Object of Transaction

   The divestment of Mandiri Inhealth was carried out on 26 June 2024, in which Bank Mandiri and IFG Life signing the Mandiri Inhealth Acquisition Deed.

   Referring to the valuation report dated 2 February 2024, No. 00114/2.0018-00/BS/09/0149/1/II/2024, prepared by KJPP NDR, regarding the valuation of 600,000 shares, equivalent to 60% of the total issued shares of Mandiri Inhealth owned by Bank Mandiri as of 31 December 2023, including Mandiri Inhealth's shareholding in PT FitAja Digital Nusantara (FDN) of 4,794,500 shares, or 45.14% of FDN's total issued shares, the transaction value for the Mandiri Inhealth divestment amounted to Rp1,710,000,000,000 (one trillion seven hundred ten billion Rupiah) or Rp2,850,000 (two million eight hundred fifty thousand Rupiah) per share.

   The object of the affiliated transaction consists of 600,000 shares, representing 60% of the total issued shares of Mandiri Inhealth owned by Bank Mandiri, which were sold by Bank Mandiri to IFG Life at the agreed price in the Mandiri Inhealth Acquisition Deed, amounting to Rp1,710,000,000,000 (one trillion seven hundred ten billion Rupiah).

   - **Name of Parties Involved in the Transaction**

     Bank Mandiri – Brief Description

     Bank Mandiri is a state-owned enterprise (SOE) engaged in the banking sector, with the Indonesian government holding a majority ownership of 52%. The detailed history, complete shareholder structure, and management composition are presented in the "Company Profile" section of this Annual Report.

     IFG Life – Brief History

     IFG Life is a company operating in the life and health insurance sector and has obtained a license from the Financial Services Authority (OJK) through Decree No. KEP-19/D/05/2021 dated 7 April 2021.

IFG Life is part of the state-owned insurance and guarantee holding, established based on the Ministry of SOEs Letter No. S-921/MBU/10/2020 dated 21 October 2020, regarding the Approval for the Establishment of a Life Insurance Subsidiary. The company was incorporated through the Deed of Establishment of PT Asuransi Jiwa IFG No. 39 dated 22 October 2020, which was last amended by Deed No. 33 dated 24 April 2024, notarized by Hadijah, S.H., M.Kn., in Jakarta. This amendment was notified to the Minister of Law and Human Rights of the Republic of Indonesia through Notification of Amendment to the Articles of Association No. AHU-AH.01.09-0162541 dated 25 April 2024.

IFG Life is headquartered at Graha CIMB Niaga II, 5th & 6th Floor, Jalan Jenderal Sudirman Kavling 58, South Jakarta 12190, Indonesia.

Capital Structure and Shareholder Composition

Description	Par Value of Rp1,000,000 per Share		
	Total Shares (Share)	Par Value (Rupiah)	Percentage (%)
Authorized Capital	80,000,000	80,000,000,000,000	
1. PT Bahana Pembinaan Usaha Indonesia (Persero)	31,665,976	31,665,976,000,000	99.999997%
2. PT Bahana Kapital Investa	1	1,000,000	0.000003%
Issued and Paid-Up Capital	31,665,977	31,665,977,000,000	100%
Shares in Protepel	48,334,023	48,334,023,000,000	

Management and Supervisory (Position as of 27 June 2024)	
Board of Directors	
President Director	Vacant*
Vice President Director	Eli Wijanti
Director	Iskak Hendrawan
Director	Mufri Dharmawan
Director	Ryan Diastana Firman
Director	Fabiola Noralita
Director	Bugi Riagandhy
Board of Commissioners	
President Commissioner	Rianto Ahmadi
Commissioner	Maliki Heru Santosa
Independent Commissioner	Yasril Rasyid
Independent Commissioner	Linggarsari Suharso

* The position of Acting President Director is held by Eli Wijanti

- **Nature of Affiliation**
  The affiliation in connection with the divestment of Mandiri Inhealth arises from a control relationship by the same party, either directly or indirectly, over the entities involved in the transaction. Bank Mandiri and IFG Life, as the parties conducting the Mandiri Inhealth divestment transaction, are both directly and indirectly controlled by the Government of the Republic of Indonesia.

  The detailed explanation of the affiliation between Bank Mandiri and IFG Life is as follows:

  Bank Mandiri
  The Government of the Republic of Indonesia holds 52% of the shares in Bank Mandiri, 8% of the shares are owned by the Indonesia Investment Authority (INA), and the remaining 40% of the shares are owned by the public other than INA. With this ownership structure, Bank Mandiri is directly controlled by the Government of the Republic of Indonesia.

  IFG Life
  IFG owns 99.999997% of the shares in IFG Life, while 0.000003% of the shares are held by PT Bahana Kapital Investa. Since IFG is directly controlled by the Government of the Republic of Indonesia, IFG Life is therefore indirectly controlled by the Government of the Republic of Indonesia.

- **Explanation of Transaction Fairness (Arms-Length Principle)**
  Based on the fairness opinion analysis conducted by KJPP NDR (Public Appraisal Firm Nirboyo Adiputro, Dewi Apriyanti & Partners), as outlined in the KJPP NDR report dated 21 June 2024, No. 00344/2.0018-00/BS/09/0149/1/VI/2024 regarding the fairness opinion report on the planned transaction for the sale of 600,000 shares, equivalent to 60.00% equity of Mandiri Inhealth owned by Bank Mandiri to IFG Life, KJPP NDR concluded that the transaction of selling 600,000 shares or 60.00% of the total issued shares of Mandiri Inhealth owned by Bank Mandiri to IFG Life, valued at Rp1,710,000,000,000 (one trillion seven hundred ten billion Rupiah) as of 31 December 2023, is fair.

  The assessment was conducted by Public Appraiser Dewi Apriyanti, S.E., MAPPI (Cert.), a Managing Partner at KJPP NDR, holding Appraiser License No. PB-1.09.00149 issued by the Ministry of Finance of the Republic of Indonesia and registered with the Financial Services Authority in the Capital Market Sector of the Republic of Indonesia under No. STTD. PB-23/PJ-1/PM.02/2023.

  In the evaluation of the Fairness Opinion for this Planned Transaction, KJPP NDR performed analyses using various approaches and procedures, including transaction analysis, qualitative analysis, quantitative analysis, analysis of transaction value fairness, and analysis of other relevant factors.

- **Compliance with Relevant Provisions**
  Bank Mandiri issued a Disclosure of Information on 27 June 2024, to fulfill the requirements of Financial Services Authority Regulation (POJK) No. 42/2020. This regulation mandates Bank Mandiri to disclose information regarding Affiliated Transactions conducted between Bank Mandiri and its affiliate, IFG Life. Bank Mandiri is required to announce the Affiliated Transaction to the public no later than the end of the second business day after the transaction occurs.

- **In the Case of Affiliation Relationships**
  Given that the parties involved in the divestment of Mandiri Inhealth, namely Bank Mandiri and IFG Life, are companies directly or indirectly controlled by the Government of the Republic of Indonesia, the divestment of Mandiri Inhealth qualifies as an Affiliated Transaction.

2) The purchase/acquisition of shares in the subsidiary, PT Mandiri Utama Finance (MUF), together with another subsidiary, PT Mandiri Sekuritas (Mansek), from two other companies.

Explanation of Date and Object of Transaction
The Company signed a Conditional Share Purchase Agreement (CSPA) related to the planned acquisition of shares in PT Mandiri Utama Finance (MUF) on 22 July 2024. The agreement was signed by the Company with several parties, including PT Mandiri Sekuritas (Mansek), PT Asco Investindo (Asco), and PT Tunas Ridean (Turi).

- **Nature of Affiliated Relationship**
  The Company, MUF, and Mansek have an affiliated relationship. MUF is a subsidiary of Bank Mandiri, with a pre-acquisition ownership structure of 51% held by Bank Mandiri, 37% by PT Asco Investindo, and 12% by PT Tunas Ridean Tbk. Meanwhile, Mansek is also a subsidiary of the Company, with 99.99% ownership directly held and controlled by the Company.

  Post transaction, Bank Mandiri and Mansek will jointly own 100% of MUF's shares.

- **Considerations and Reasons for Conducting the Affiliated Transaction**
  The Company has a vision to transform the auto loan business model within its multifinance subsidiary by focusing on captive customers, as they have better asset quality and more efficient management costs. To increase the proportion of captive financing and enhance the value gained from optimizing the multifinance business, the Company aims to acquire up to 100% ownership of MUF after the transaction while ensuring seamless operational continuity during and after the acquisition.

  As part of Mandiri Group, the Company has invited Mansek to participate as a partner in the ownership of MUF. The acquisition of MUF shares by the Company and Mansek is also intended to comply with ownership regulations as stipulated in Article 7, Paragraph 1 of Law No. 40 of 2007 on Limited Liability Companies, which requires that a company must be established by at least two or more shareholders.

- **Compliance with Relevant Regulations**
  The signing of the CSPA is classified as an affiliated transaction that only requires reporting to the Financial Services Authority (OJK), in accordance with Article 6, Paragraph 1, Letter b, Number 1 of POJK No. 42/2020. This is because Mansek's shares are directly owned by the Company with a stake exceeding 99% of Mansek's paid-up capital, and the transaction value does not exceed 0.5% of the paid-up capital of the public company or the amount of Rp5,000,000,000 (five billion Rupiah). Therefore, the Company is not required to follow the procedures stipulated in Article 3 and Article 4, Paragraph 1 of POJK No. 42/2020.

2. Realization of Affiliated Transactions Conducted by BMRI Together with Other Affiliated Companies with the Same Majority Shareholding

INFORMATION ON MATERIAL TRANSACTIONS WITH CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATED/RELATED PARTIES

Table of Detailed of Bank Mandiri Affiliated Transaction Type 2

No.	Date	Transaction Type	Affiliated Party	Transaction Value	Nature of Relations
1	18 March 2024	Collaboration on the development of a Central Counterparty for Over-the-Counter Interest Rate and Exchange Rate Derivative Transactions (CCP SBNT)	Bank Mandiri BNI and BRI	n.a	Bank Mandiri, together with BNI and BRI, are state-owned banks with the same majority ownership, namely the Government of Indonesia, through the Ministry of State-Owned Enterprises.
2	28 August 2024	Signing of the Heads of Agreement (HoA) regarding the plan to explore the management or optimization of state-owned enterprise (BUMN) assets.	Bank Mandiri 19 (nineteen) other SOEs	n.a	Bank Mandiri with 19 other SOEs, are state-owned enterprises with the same majority ownership, namely the Government of Indonesia, through the Ministry of State-Owned Enterprises.

Explanation:

1) The signing of a Memorandum of Understanding ("MoU") regarding the planned collaboration for the development of a Central Counterparty for Over-the-Counter Interest Rate and Exchange Rate Derivative Transactions ("CCP SBNT").

Explanation of Date and Object of Transaction
On 18 Mxarch 2024, Bank Mandiri signed a Memorandum of Understanding (MoU) regarding the planned collaboration for the development of a Central Counterparty for Over-the-Counter Interest Rate and Exchange Rate Derivative Transactions (CCP SBNT) together with two other state-owned banks, BNI and BRI.

- Nature of Affiliated Relationship
  The Company with BNI and BRI, has an affiliated relationship, as the majority shares of all three companies are owned by the Government of Indonesia through the Ministry of State-Owned Enterprises. As a result, all three entities are under the same controlling shareholder.
- Considerations and Reasons for Conducting the Affiliated Transaction
  The signing of the MoU is part of Indonesia's commitment to supporting the G20 OTC Derivative Market Reforms. The establishment of CCP SBNT is expected to help address segmentation and fragmentation in the money and foreign exchange markets in Indonesia by mitigating counterparty credit risk and promoting more efficient transaction settlements.

  Additionally, the initiative aims to accelerate the development of CCP SBNT as a key financial market infrastructure with systemic importance. To ensure the sustainability of CCP SBNT, the participation and role of banks as both shareholders and clearing members are essential.

  The implementation of CCP SBNT has previously been regulated under Bank Indonesia Regulation No. 21/11/PBI/2019 on the Operation of a Central Counterparty for Over-the-Counter Interest Rate and Exchange Rate Derivative Transactions.
- Compliance with Relevant Regulations
  The transaction complies with Article 6, Paragraph (1), Letter c of POJK 42/2020, as the signing of the MoU does not create obligations or commitments exceeding 0.5% of the company's paid-up capital or Rp5,000,000,000. Therefore, the Company is not required to follow the procedures stipulated in Article 3 and Article 4, Paragraph (1) of POJK 42/2020.

2) The signing of a Preliminary Agreement/Heads of Agreement ("HoA") regarding the plan to explore the management or optimization of State-Owned Enterprise (SOE) assets in collaboration with 19 (nineteen) other SOEs.

Explanation of Date and Object of Transaction
On 28 August 2024, Bank Mandiri signed a Heads of Agreement (HoA) regarding the plan to explore the management or optimization of state-owned enterprise (SOEs) assets together with 19 other SOEs.

- Nature of Affiliated Relationship
  The Company with the 19 SOEs, has an affiliated relationship, as all 20 companies involved in the HoA are majority-owned by the Government of Indonesia through the Ministry of State-Owned Enterprises. As a result, all entities fall under the same controlling shareholder.
- Considerations and Reasons for Conducting the Affiliated Transaction
  The signing of the HoA was carried out to assess the plan for optimizing SOE assets, particularly those located within Ring 1 or the Medan Merdeka area in Jakarta, referring to Presidential Decree No. 25 of 1995 on the Development of the Medan Merdeka Area in the Special Capital Region of Jakarta. The form of cooperation in the management of these SOE assets still requires further identification, study, and analysis by each SOE.
- **Compliance with Relevant Regulations**
  The transaction complies with Article 6, Paragraph (1), Letter c of POJK 42/2020, as the signing of the HoA requires further discussion among the parties and is not intended to be a binding agreement (non-binding) nor does it create responsibilities, rights, or obligations/commitments for any party to engage in a specific transaction of a certain value. Therefore, the signing of the HoA is valued at Rp0 or does not exceed 0.5% of the company's paid-up capital and does not exceed Rp5,000,000,000. As a result, the Company is not required to follow the procedures outlined in Article 3 and Article 4, Paragraph (1) of POJK 42/2020.

In addition to the aforementioned Affiliated Transactions, there are affiliated transactions that meet the criteria of Article 8 of POJK 42/2020, including affiliated transactions involving financial instruments such as Securities, Money Market transactions, and Repurchase Agreement/Reverse Repurchase Agreement transactions with several affiliated companies and other SOEs. The affiliated parties are presented in the following table:

Transaction Objects	Affiliated Parties	Nature of Affiliated Relations	Transaction Value (IDR)
Securities Transactions	PT BANK SYARIAH INDONESIA TBK	Bank Mandiri Subsidiary	16,449,256,400,000
Securities Transactions	PT BAHANA SEKURITAS	SOE Subsidiaries (directly or indirectly controlled by the Government of the Republic of Indonesia)	11,437,337,000,000
Securities Transactions	PT BANK RAKYAT INDONESIA (PERSERO) TBK	SOEs (directly or indirectly controlled by the Government of the Republic of Indonesia)	11,285,469,410,000
Securities Transactions	BANK MANDIRI TASPEN	Bank Mandiri Subsidiary	7,381,463,000,000
Securities Transactions	PT BANK NEGARA INDONESIA (PERSERO) TBK	SOEs (directly or indirectly controlled by the Government of the Republic of Indonesia)	5,594,600,000,000
Securities Transactions	PT BANK TABUNGAN NEGARA (PERSERO) TBK	SOEs (directly or indirectly controlled by the Government of the Republic of Indonesia)	4,495,063,745,000
Securities Transactions	DANA PENSIUN BANK MANDIRI	Related Parties of Bank Mandiri	877,866,000,000
Securities Transactions	BANK MANDIRI (EUROPE) LTD. LONDON	Bank Mandiri Subsidiary	298,585,000,000
Securities Transactions	DANA PENSIUN BANK MANDIRI DUA	Related Parties of Bank Mandiri	57,000,000,000
Money Market Transactions	PT BANK NEGARA INDONESIA (PERSERO) TBK	SOEs (directly or indirectly controlled by the Government of the Republic of Indonesia)	5,827,195,000,000
Money Market Transactions	BANK MANDIRI TASPEN	Bank Mandiri Subsidiary	4,150,000,000,000
Money Market Transactions	BANK MANDIRI (EUROPE) LTD. LONDON	Bank Mandiri Subsidiary	2,798,477,000,000
Money Market Transactions	PT BANK TABUNGAN NEGARA (PERSERO) TBK	SOEs (directly or indirectly controlled by the Government of the Republic of Indonesia)	1,375,000,000,000
Money Market Transactions	PT BANK RAKYAT INDONESIA (PERSERO) TBK	SOEs (directly or indirectly controlled by the Government of the Republic of Indonesia)	1,114,150,000,000
Repurchase Agreement/ Reverse Repurchase Agreement Transactions	PT BANK NEGARA INDONESIA (PERSERO) TBK	SOEs (directly or indirectly controlled by the Government of the Republic of Indonesia)	71,225,000,000,000
Repurchase Agreement/ Reverse Repurchase Agreement Transactions	PT BANK RAKYAT INDONESIA (PERSERO) TBK	SOEs (directly or indirectly controlled by the Government of the Republic of Indonesia)	50,250,000,000,000
Repurchase Agreement/ Reverse Repurchase Agreement Transactions	PT BANK TABUNGAN NEGARA (PERSERO) TBK	SOEs (directly or indirectly controlled by the Government of the Republic of Indonesia)	3,455,000,000,000
Repurchase Agreement/ Reverse Repurchase Agreement Transactions	BANK MANDIRI TASPEN	Bank Mandiri Subsidiary	200,000,000,000

INFORMATION ON MATERIAL TRANSACTIONS WITH CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATED/RELATED PARTIES

STATEMENT BY THE BOARD OF DIRECTORS REGARDING ADEQUATE PROCEDURES FOR AFFILIATED TRANSACTIONS (ARMS-LENGTH PRINCIPLE)

The Board of Directors of Bank Mandiri affirms that, in accordance with Article 3 of POJK No. 42/2020, the Affiliated Transaction has undergone adequate procedures to ensure that it is conducted in accordance with prevailing general business practices and adheres to the arm's-length principle.

The Board of Directors of Bank Mandiri takes full responsibility for the accuracy of all information related to these affiliated transactions, as has been thoroughly explained. In accordance with the provisions of Article 10 letter (i) of POJK No. 42/2020, the Board of Directors of Bank Mandiri affirms that, after conducting adequate examination and to the best of their knowledge and belief, these transactions do not involve any Conflict of Interest. Furthermore, all information disclosed in this announcement is accurate, and there are no other material and relevant undisclosed details that would render the information in this announcement incorrect and/or misleading.

ROLE OF THE BOARD OF COMMISSIONERS AND AUDIT COMMITTEE IN ENSURING ADEQUATE PROCEDURES (ARMS-LENGTH PRINCIPLE)

The Board of Commissioners of Bank Mandiri affirms that, in accordance with Article 3 of POJK No. 42/2020, the Affiliated Transaction has undergone adequate procedures to ensure it is conducted in line with prevailing general business practices and adheres to the arm's-length principle.

The Board of Commissioners of Bank Mandiri assumes full responsibility for the accuracy of all information related to this affiliated transaction. In compliance with Article 10(i) of POJK No. 42/2020, the Board of Commissioners confirms that, after conducting sufficient examination and to the best of its knowledge and belief, this transaction does not involve any conflict of interest. Furthermore, all information disclosed in this announcement is accurate, with no material or relevant information omitted that could render the provided information false or misleading.

Further information regarding the affiliated transaction of Mandiri Inhealth share divestment can also be found in the Audited Financial Statements, Note No. 1g, as attached in this Annual Report.

The affiliated transaction of Mandiri Inhealth divestment, along with other affiliated transactions previously mentioned, does not fall under the category of significant transactions as stipulated in Article 3, Paragraph 2 of POJK No. 17/2020, and therefore does not require shareholder approval through a General Meeting of Shareholders (GMS).

The Board of Directors and Board of Commissioners of Bank Mandiri take full responsibility for the accuracy of all information related to this affiliated transaction. In accordance with Article 10, letter (i) of POJK No. 42/2020, the Board of Directors and Board of Commissioners of Bank Mandiri affirm that, after conducting due examination and to the best of their knowledge and belief, this transaction does not contain a Conflict of Interest.

TRANSACTIONS WITH RELATED PARTIES

In the course of its normal business operations, Bank Mandiri engages in significant transactions with related parties, as follows:

- **Related party relationship as the majority shareholder**
  The Government of the Republic of Indonesia through the Ministry.
- **Related party relationship due to ownership and/or management**
  The nature of transactions with related parties includes equity participation, loans granted and receivables/Islamic financing, customer deposits, bank guarantees, issued securities, borrowings, and subordinated securities.

No.	Related Parties	Nature of Relationships
1	Bank Mandiri Pension Fund	Bank Mandiri as founder
2	Bank Mandiri Pension Fund 1	Bank Mandiri as founder
3	Bank Mandiri Pension Fund 2	Bank Mandiri as founder
4	Bank Mandiri Pension Fund 3	Bank Mandiri as founder
5	Bank Mandiri Pension Fund 4	Bank Mandiri as founder
6	PT Bumi Daya Plaza	Controlled by Bank Mandiri Pension Fund (since 19 December 2013)
7	PT Pengelola Investama Mandiri	Controlled by Bank Mandiri Pension Fund (since 19 December 2013)
8	PT Usaha Gedung Mandiri	Controlled by Bank Mandiri Pension Fund (since 19 December 2013)
9	PT Estika Daya Mandiri	Controlled by Bank Mandiri Pension Fund 1
10	PT Asuransi Staco Mandiri (formerly PT Asuransi Staco Jasapratama)	Controlled by Bank Mandiri Pension Fund 2
11	PT Mulia Sasmita Bhakti	Controlled by Bank Mandiri Pension Fund 3
12	PT Krida Upaya Tunggal	Controlled by Bank Mandiri Pension Fund 4
13	PT Wahana Optima Permai	Controlled by Bank Mandiri Pension Fund 4
14	Bank Mandiri Employee and Pension Health Cooperative (Mandiri Healthcare)	Significantly influenced by Bank Mandiri

- **Related Parties with Government Entities**
  The nature of transactions with related government entities includes current accounts with other banks, placements with other banks, securities, government bonds, other receivables from trading transactions, receivables from securities purchased under resale agreements, derivative receivables, loans granted and receivables/Islamic financing, consumer financing receivables, acceptance receivables, equity participation, customer deposits, deposits from other banks, derivative liabilities, acceptance liabilities, issued securities, borrowings received, subordinated loans and securities, temporary syirkah funds, unused credit facilities, outstanding irrevocable letters of credit, and guarantees provided in the form of bank guarantees and standby letters of credit.

  In conducting its business activities, the Group also engages in transactions for the purchase or use of services, such as telecommunications expenses, electricity costs, and other expenses, with related government entities.

  Further details on related parties with government entities can be found in the audited financial statements, Note No. 56, as attached in this Annual Report.

- **Management relationship or key employees of Bank Mandiri**
  Salaries and benefits, bonuses and tantiem, long-term compensation for the Board of Commissioners, Board of Directors, Audit Committee, Risk Oversight Committee, Sharia Supervisory Board, as well as Senior Executive Vice Presidents and Senior Vice Presidents (Note 49 in the Audited Consolidated Financial Statements) for the years ended 31 December 2024 and 2023, amounted to Rp2.71 trillion and Rp2.03 trillion, respectively, or 4.62% and 3.77% of total consolidated other operating expenses.

- **Realization of Related Party Transactions**
  The details of transaction balances with related parties as of 31 December 2024, and 2023, are further explained in Note No. 56 of the Audited Consolidated Financial Statements, as attached in this Annual Report.

REVIEW OF MECHANISM POLICY ON TRANSACTIONS AND COMPLIANCE WITH RELATED RULES AND REGULATIONS

Bank Mandiri has internal policies related to transactions involving conflicts of interest and/or transactions with affiliated and related parties. In lending transactions that involve affiliated or related parties, such transactions must receive approval from the Board of Commissioners.

The policy for providing funds to related parties must not violate the general procedures for fund provision and must offer fair benefits to Bank Mandiri. Additionally, such provisions must be approved by the Board of Commissioners.

LOAN POLICY FOR THE BOARD OF COMMISSIONERS AND DIRECTORS

Bank Mandiri has internal provisions governing loans to the Board of Commissioners and Directors, adhering to prudential principles through the generally accepted lending process applied to other debtors.

Description	Loans (Rp Million)	Exceeding the Legal Lending Limit (LLL)	Violation of Legal Lending Limit (LLL)
Board of Commissioners	529	Nil	Nil
Board of Directors	126,177	Nil	Nil

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

Changes in Laws and Regulations and Its Impact on the Bank

The following are changes in laws and regulations that affected the Bank, including their impacts and the adjustments made by Bank Mandiri in response to these changes during 2024:

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
1.	Regulation of the Financial Services Authority of the Republic of Indonesia Number 20 of 2024 Concerning Amendments to the Financial Services Authority Regulation Number 50/POJK.03/2017 on the Obligation to Fulfill the Net Stable Funding Ratio (NSFR) for Commercial Banks	This POJK came into effect on the date of enactment, 8 November 2024. This regulation governs, among other things, the scope of banks required to report NSFR, adjustments to the scope of Allowance for Impairment Losses (CKPN), and reporting procedures. The obligation for reporting and publishing NSFR for banks categorized as Tier 1 banks, excluding foreign banks, must be implemented for the first time for the position at the end of December 2024, both on an individual and consolidated basis. Adjustments have been made to the group of banks required to monitor, calculate, and report NSFR. Previously, this obligation was limited to BUKs (Commercial Banks) in Tier 3, 4, and 5, excluding foreign banks. It now applies to all Commercial Banks (BUKs), including branches of banks domiciled overseas.	The issuance of the POJK on Amendments to POJK Number 50/POJK.03/2017 concerning the Obligation to Fulfill the Net Stable Funding Ratio (NSFR) for Commercial Banks (POJK NSFR) was motivated by updates to the standards of the Basel Committee on Banking Supervision (BCBS) as well as updates to financial accounting standards, necessitating adjustments to the applicable NSFR regulations. The legal basis for this POJK is Law No. 7 of 1992 as amended several times, most recently by Law No. 4 of 2023; Law No. 21 of 2011 as amended by Law No. 4 of 2023; and POJK No. 50/POJK.03/2017. There is an expansion of the scope of obligations for monitoring, calculating, and reporting NSFR to apply to all Commercial Banks (BUKs), whereas previously, BUKs categorized as Tier 1 banks, excluding foreign banks, were not included in the NSFR regulatory scope. This expansion was implemented considering that maintaining the NSFR ratio is aimed at supporting the strengthening of banking liquidity, requiring data that is consistent, reliable, and comparable across all BUKs.	• Bank Mandiri remains obligated to comply with the calculation and reporting requirements for NSFR as stipulated in this POJK. • Bank Mandiri is required to publish NSFR reports both on an individual and consolidated basis.
2.	Regulation of the Financial Services Authority of the Republic of Indonesia Number 19 of 2024 concerning Amendments to the Financial Services Authority Regulation Number 42/POJK.03/2015 on the Obligation to Fulfill the Liquidity Coverage Ratio (LCR) for Commercial Banks	This POJK came into effect on the date of enactment, November 8, 2024. The POJK applies to all Commercial Banks (BUKs), including branch offices of banks domiciled overseas. This regulation governs, among others, the scope of banks required to report the Liquidity Coverage Ratio (LCR), criteria for High-Quality Liquid Assets (HQLA), obligations related to the Internal Liquidity Adequacy Assessment Process (ILAAP), and reporting procedures. The obligation for daily LCR calculations for banks categorized as Tier 1 banks, excluding foreign banks, must be implemented starting from 1 December 2024. Meanwhile, the obligation for report submission and publication for these banks must be implemented for the position as of the end of December 2024. An additional obligation requires banks to conduct ILAAP to monitor liquidity and ensure the bank maintains adequate liquidity under various market conditions and periods of stress that the bank may face.	The issuance of the POJK on Amendments to POJK Number 42/POJK.03/2015 concerning the Obligation to Fulfill the Liquidity Coverage Ratio (LCR) for Commercial Banks (POJK LCR) was motivated by updates to the standards of the Basel Committee on Banking Supervision (BCBS), including tools for monitoring liquidity risk and additional clarifications on LCR components. In line with the OJK Destination Statement 2022–2027, aimed at strengthening prudential regulations aligned with international standards while considering national interests, adjustments to the applicable LCR provisions were deemed necessary. The legal basis for this POJK includes Law No. 7 of 1992, as amended several times, most recently by Law No. 4 of 2023; Law No. 21 of 2011, as amended by Law No. 4 of 2023; and POJK No. 42/POJK.03/2015. There is an expansion of the scope of obligations for monitoring, calculating, and reporting LCR to apply to all Commercial Banks (BUKs), whereas previously, BUKs categorized as Tier 1 banks, excluding foreign banks, were not included in the LCR regulatory scope. This expansion was implemented because maintaining the LCR ratio aims to support the strengthening of banking liquidity, requiring data that is consistent, reliable, and comparable across all BUKs.	• Bank Mandiri needs to adjust the components of the LCR calculation. • Bank Mandiri is required to conduct ILAAP to ensure the bank has adequate liquidity. • Bank Mandiri needs to adjust its internal regulations governing the calculation of LCR in accordance with the provisions of this POJK.

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
3.	Regulation of the Financial Services Authority of the Republic of Indonesia Number 15 of 2024 concerning the Integrity of Bank Financial Reporting	This POJK came into effect on its enactment date, 9 October 2024. The POJK applies to Conventional Commercial Banks, Sharia Commercial Banks, Branch Offices of Banks Domiciled Overseas, Rural Banks, and Sharia Rural Banks. The preparation, determination, and implementation of internal control policies and procedures in the bank's financial reporting process must be completed no later than three (3) months after the enactment of this POJK. The establishment of a dedicated work unit or the appointment of an executive officer responsible for preventing fraud or manipulation in financial information and/or financial reports must be completed no later than six (6) months after the enactment of this POJK. For Commercial Banks, internal control reports in the bank's financial reporting process must be submitted as part of the financial publication report and annual financial performance information in accordance with the Financial Services Authority Regulation on transparency and publication of bank reports.	The integrity of financial information and financial reports is a primary aspect that must be ensured to maintain the trust of regulators and the public in the banking industry, as well as to support decision-making by market participants and the public. To achieve financial information and reports with integrity, it is necessary to strengthen the implementation of governance and internal controls in the bank's financial reporting process. This POJK aims to prevent fraudulent practices and maintain public confidence in financial reports, accelerate the detection and resolution of bank issues by the OJK, strengthen data input for the OJK's supervisory processes, and clarify sanctions in the event of fraud in financial reporting. The legal basis for this POJK includes Law No. 7 of 1992, as amended several times, most recently by Law No. 4 of 2023; Law No. 21 of 2008, as amended by Law No. 4 of 2023; and Law No. 21 of 2011, as amended by Law No. 4 of 2023.	• Develop policies and procedures for internal controls in the Bank's financial reporting process. • Establish a dedicated work unit responsible for preventing fraud or manipulation in the financial information and/or financial reports of Commercial Banks. • Submit the Internal Control Report in the Bank's financial reporting process as part of the Financial Publication Report and Annual Financial Performance Information.
4.	Regulation of the Financial Services Authority Number 13 of 2024 concerning Transparency and Publication of Prime Lending Rates for Conventional Commercial Banks (POJK SBDK BUK)	This POJK came into effect on its enactment date, 12 August 2024. The regulation applies to all conventional commercial banks, including branch offices of banks domiciled overseas. Banks are required to: a. Announce the latest Prime Lending Rate (SBDK) Publication Report on the bank's website and in each bank office whenever there is a change, effective 1 October 2024. b. Submit the Detailed SBDK Report to the OJK on a monthly basis, with the first report due no later than 7 November 2024. c. For banks with digital channels and/or other electronic media, announce the latest SBDK Publication Report through these media. d. Maintain the announcement of the SBDK Publication Report on the website for at least the last five (5) years.	To implement the mandate of Article 8A of Law Number 7 of 1992 concerning Banking, as amended several times, most recently by Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector, it is necessary to apply the Financial Services Authority Regulation on Transparency and Publication of Prime Lending Rates for Conventional Commercial Banks. The legal basis for this POJK is: Law No. 7 of 1992, as amended several times, most recently by Law No. 4 of 2023; and Law No. 21 of 2011, as amended by Law No. 4 of 2023.	• Bank Mandiri adjusts the components of the SBDK Publication Report and the Detailed SBDK Report in accordance with the latest POJK. • Bank Mandiri needs to make adjustments to its internal regulations governing the SBDK Report.

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
5.	Regulation of the Financial Services Authority of the Republic of Indonesia Number 12 of 2024 concerning the Implementation of Anti-Fraud Strategies for Financial Services Institutions (POJK SAF LJK)	This POJK applies to all Financial Services Institutions (LJK). The POJK was enacted on 31 July 2024, and comes into effect three (3) months from the date of enactment. This POJK regulates, among others: a. The types of actions categorized as fraud, including corruption, asset misappropriation, financial statement fraud, deceit, disclosure of confidential information, and/or other actions equivalent to fraud as defined by laws and regulations. b. The scope of involved parties, including Financial Services Institutions (LJK) and controlled organizations, consumers, and other parties collaborating with LJK (including the private sector). c. The obligation to conduct education, competency development, and/or socialization on the implementation of the Anti-Fraud Strategy for internal and external parties at least once a year. d. The addition of qualifications for heads of work units or officials overseeing the Anti-Fraud Strategy function, requiring experience in anti-fraud practices. e. Adjustments to the submission of the Anti-Fraud Strategy, reports or corrections to the Anti-Fraud Strategy Implementation Report, and reports on significant fraud incidents based on the type of Financial Services Institution.	The increasing complexity of business activities within financial services institutions (LJK) has led to heightened risk exposure for LJKs to potential fraud. The risk of fraud is significant because it can result in losses to the financial services industry, the government, and society. To minimize the occurrence of fraud, it is necessary to strengthen the internal control systems of LJKs, which also supports the implementation of risk management within LJKs. Currently, anti-fraud strategies are already in place within the commercial banking industry, the insurance industry, and the financing company industry through regulations issued by the OJK, although there are differences in the complexity of the standards regulated. Therefore, the provisions on the implementation of anti-fraud strategies for commercial banks, insurance companies, and financing companies need to be refined into a single Financial Services Authority Regulation on the implementation of anti-fraud strategies for LJKs to ensure applicability across all financial service sectors in Indonesia. The legal basis for this POJK is: Law No. 7 of 1992, as amended several times, most recently by Law No. 4 of 2023; Law No. 25 of 1992, as amended by Law No. 4 of 2023; Law No. 8 of 1995, as amended by Law No. 4 of 2023; Law No. 40 of 2004, as amended by Law No. 4 of 2023; Law No. 21 of 2008, as amended by Law No. 4 of 2023; Law No. 2 of 2009, as amended by Law No. 4 of 2023; Law No. 21 of 2011, as amended by Law No. 4 of 2023; Law No. 24 of 2011, as amended by Law No. 6 of 2023; Law No. 1 of 2013, as amended by Law No. 4 of 2023; Law No. 40 of 2014, as amended by Law No. 4 of 2023; Law No. 1 of 2016, as amended by Law No. 4 of 2023; Law No. 4 of 2016, as amended by Law No. 4 of 2023; and Law No. 4 of 2023.	Bank Mandiri has established Anti-Fraud Strategy guidelines and adheres to the regulations by implementing: • Adjustments to internal provisions related to the Anti-Fraud Strategy. • Submission of reports related to the Anti-Fraud Strategy.
6.	Regulation of the Financial Services Authority Number 5 of 2024 concerning the Determination of Supervision Status and Resolution of Issues in Commercial Banks	This POJK came into effect on its enactment date, 27 March 2024. The regulation applies to Conventional Commercial Banks, Islamic Commercial Banks, and Branch Offices of Banks Domiciled Overseas. POJK Number 11/POJK.03/2016 concerning the Minimum Capital Requirement for Commercial Banks, as amended several times, most recently by POJK Number 27 of 2022 concerning the Second Amendment to POJK Number 11/POJK.03/2016, remains in effect as long as it does not conflict with the provisions of this POJK. This POJK regulates, among others: a. The OJK establishes a Capital Surcharge in five (5) buckets, as follows: 1. 1.0% of risk-weighted assets for Systemically Important Banks (SIBs) classified in bucket 1. 2. 1.5% of risk-weighted assets for SIBs classified in bucket 2. 3. 2.0% of risk-weighted assets for SIBs classified in bucket 3. 4. 2.5% of risk-weighted assets for SIBs classified in bucket 4. 5. 3.5% of risk-weighted assets for SIBs classified in bucket 5. b. Banks designated as Systemically Important Banks (SIBs) that are unable to meet the Capital Surcharge requirement must submit a Capital Surcharge Fulfillment Plan to the OJK no later than 14 (fourteen) working days. c. Banks are required to prepare and submit a Recovery Action Plan to the OJK and must obtain shareholder approval in the General Meeting of Shareholders (GMS). d. d. Bank supervision status consists of Banks under normal supervision, Banks under recovery, and Banks under resolution.	With the enactment of Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector, it is necessary to align and update the provisions related to the determination of supervision status and resolution of bank issues currently in effect. This alignment is achieved by formulating a single Financial Services Authority Regulation (POJK), namely the POJK on the Determination of Supervision Status and Resolution of Issues in Commercial Banks. This POJK covers four main regulatory topics: the determination of systemically important banks and capital surcharge, recovery action plans, determination of bank supervision status and follow-up actions, and bridge banks. This POJK aims to achieve a robust financial system stability through the development and strengthening of the financial sector in Indonesia to support sustainable and contributive economic growth, with regulatory aspects that enhance bank supervision and follow-up actions, address bank issues, and improve inter-agency coordination in accordance with their respective authorities. The legal basis for this POJK is Law No. 7 of 1992, as amended several times, most recently by Law No. 4 of 2023; Law No. 21 of 2008, as amended by Law No. 4 of 2023; Law No. 21 of 2011, as amended by Law No. 4 of 2023; Law No. 9 of 2016, as amended by Law No. 4 of 2023; and Law No. 4 of 2023.	Bank Mandiri has established regulations governing the calculation of the Capital Surcharge and the Recovery Action Plan.

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
7.	Circular Letter of the Financial Services Authority Number 13/ SEOJK.08/2024 concerning the Preparation and Submission of Financial Literacy and Financial Inclusion Plan and Realization Reports	This SEOJK came into effect on its enactment date, 24 October 2024. Upon the enactment of this SEOJK: a. SEOJK Number 1/SEOJK.07/2014 concerning the Implementation of Education to Improve Financial Literacy for Consumers and/or the Public; b. SEOJK Number 30/SEOJK.07/2017 concerning the Implementation of Activities to Improve Financial Literacy in the Financial Services Sector; and c. SEOJK Number 31/SEOJK.07/2017 concerning the Implementation of Activities to Improve Financial Inclusion in the Financial Services Sector are repealed and declared no longer in effect. Subsequently, Financial Services Institutions (PUJK) shall submit financial literacy and financial inclusion plan and realization reports in accordance with the formats and guidelines provided in the annex, which forms an integral part of this SEOJK. This POJK regulates, among others: a. Adjustments to the components of the Financial Literacy Plan Report, including activity name, activity category, activity objective, activity scope, implementation format, implementation method, materials, target audience and/or number of participants, schedule, region, frequency of implementation, source and amount of funding, cooperation/collaboration in implementation, activity initiator, activity indicators, and evaluation format. b. Adjustments to the components of the Financial Inclusion Plan Report, including activity name, activity category, activity objective, activity scope, implementation format, activity target, number of target consumers, schedule, region, frequency of implementation, cooperation/collaboration in implementation, evaluation indicators, and evaluation format. c. Adjustments to the components of the Financial Literacy Realization Report, including activity name, activity category, activity objective, activity scope, implementation format, implementation method, materials, target audience and/or number of participants, schedule, region, frequency of implementation, source and amount of funding, cooperation/ collaboration in implementation, activity initiator, activity indicators, evaluation format, evaluation results, and documentation. d. Adjustments to the components of the Financial Inclusion Realization Report, including activity name, activity category, activity objective, activity scope, implementation format, activity target, number of target consumers, schedule, region, frequency of implementation, cooperation/collaboration in implementation, evaluation indicators, evaluation format, evaluation results, and documentation. e. Financial Literacy & Inclusion Plan Reports must be submitted annually no later than November 30 of the year preceding the implementation year. f. Financial Literacy & Inclusion Realization Reports must be submitted semiannually, on July 31 of the current year and January 31 of the following year.	The Circular Letter on the Preparation and Submission of Financial Literacy and Inclusion Plan and Realization Reports was drafted to fulfill the mandate of Article 13, paragraph (6) of POJK Number 22 of 2023 concerning Consumer and Community Protection in the Financial Services Sector. This SEOJK provides guidelines for Financial Services Business Actors (PUJK) regarding the format and guidelines for preparing plan and realization reports aimed at improving financial literacy and inclusion. The legal basis for this SEOJK is POJK Number 3 of 2023 and POJK Number 22 of 2023. This SEOJK regulates the preparation and submission of financial literacy and inclusion plan and realization reports, including: a. the format and preparation of financial literacy and inclusion reports; b. the submission of financial literacy and inclusion reports; c. the party responsible for the reports; d. the procedure for report submission; and e. the submission of exemption requests for activities aimed at improving financial literacy and inclusion.	Bank Mandiri has adjusted the report components in the Financial Literacy & Inclusion Plan Report and the Financial Literacy & Inclusion Realization Report in accordance with this SEOJK.

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
8.	Law of the Republic of Indonesia Number 1 of 2024 concerning the Second Amendment to Law Number 11 of 2008 on Electronic Information and Transactions	This law came into effect on its enactment date, 2 January 2024. This law regulates, among other things: a. Electronic Certification Providers may offer services including but not limited to: 1. Electronic signatures; 2. Electronic seals; 3. Electronic time stamps; 4. Registered electronic delivery services; 5. Website authentication; 6. Preservation of electronic signatures and/or electronic seals; 7. Digital identities; and/or 8. Other services utilizing electronic certificates. b. Electronic System Providers are required to provide protection for children regarding the use of products, services, and features developed and provided by the Electronic System Providers. c. In providing child protection, Electronic System Providers must offer: 1. Information about the minimum age restrictions for children to use their products or services; 2. Mechanisms for verifying child users; and 3. Mechanisms for reporting misuse of products, services, and features that violate or potentially violate children's rights.	To maintain a digital space in Indonesia that is clean, healthy, ethical, productive, and fair, it is necessary to regulate the utilization of Information Technology and Electronic Transactions to provide legal certainty, fairness, and protection of public interests from all types of disruptions resulting from the misuse of Electronic Information, Electronic Documents, Information Technology, and/or Electronic Transactions that disturb public order.	Bank Mandiri will adjust its internal policies and procedures in accordance with the latest Electronic Information and Transactions (ITE) Law.
9.	Regulation of the Financial Services Authority Number 3 of 2024 concerning the Implementation of Financial Sector Technology Innovation (ITSK)	This POJK came into effect on its enactment date, 19 February 2024. This regulation governs, among others: a. ITSK operators must comply with licensing requirements stipulated by the Financial Services Authority (OJK). b. Prospective participants intending to join the Sandbox must submit an application to OJK, accompanied by an application form, testing plan, and supporting documents. c. Participants are required to conduct trials and develop innovations according to the testing plan and submit periodic reports on the trial implementation results. d. The trial period must be conducted within a maximum of one (1) year from the date of approval, and a final trial implementation report must be submitted no later than 20 (twenty) working days before the end of the trial period. e. Participants who pass the Sandbox must apply for a business license from OJK within the validity period of the Sandbox completion letter, which is six (6) months, and this period may be extended based on OJK's consideration. f. ITSK operators who have registered and/or obtained a business license are required to conduct self-evaluations. g. ITSK operators who have registered and/or obtained a business license are required to submit periodic reports (monthly and annual reports) and incidental reports to OJK.	To implement Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector and to address inconsistencies in POJK Number 13/POJK.02/2018 on Digital Financial Innovation in the Financial Services Sector, amendments were deemed necessary.	Bank Mandiri needs to develop a strategy to accommodate the use of OJK's regulatory sandbox, ensuring the Bank complies with the requirement to participate in and submit reports to OJK regarding sandbox utilization.

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
10.	Regulation of the Financial Services Authority Number 4 of 2024 concerning Reports on Ownership or Any Changes in Ownership of Shares of Public Companies and Reports on Activities of Pledging Shares of Public Companies	This POJK came into effect on its enactment date, 28 August 2024. This regulation governs, among others: a. voting rights, directly or indirectly, are required to report their share ownership and any changes to the Financial Services Authority (OJK) no later than five (5) working days from the acquisition of voting rights or any changes to them. b. In addition to members of the Board of Directors or Board of Commissioners, the following parties are required to report to OJK: 1. Any party holding at least 5% (five percent) of voting shares. 2. Parties who are controllers of the Public Company. c. Shareholders who engage in activities of pledging shares of a Public Company (PT) must report such activities to OJK if the pledged shares represent at least 5% (five percent) of voting rights, and the report must be submitted no later than five (5) working days after the agreement is signed.	The issuance of this POJK aims to improve the quality of information disclosure by certain shareholders and the supervision of share ownership reports, align with international standards/comparative studies from other countries, and expand the regulatory scope to include other types of transactions conducted by shareholders of Public Companies, such as activities involving the pledging of shares.	Bank Mandiri has submitted share ownership reports in accordance with applicable regulations and has established provisions governing this matter. These provisions need to be adjusted to align with the prevailing regulations.
11.	Government Regulation Number 47 of 2024 concerning the Write-Off of Non-Performing Loans for Micro, Small, and Medium Enterprises (MSMEs)	This Government Regulation came into effect on its enactment date, 5 November 2024. This regulation governs, among others: • The write-off of non-performing loans is carried out by Banks and/or non-Bank financial institutions under the following conditions: 1. Non-performing loans have undergone restructuring efforts. 2. State-owned Banks and/or non-Bank financial institutions have made optimal collection efforts, including restructuring, but the loans remain uncollectible. 3. The write-off of non-performing loans does not eliminate the right of the Bank and/or non-Bank financial institution to collect the debt. • State-owned Banks and/or non-Bank financial institutions write off non-performing loans that have been written off the books in the following cases: 1. MSME loans or financing under government programs funded by state-owned Banks and/or non-Bank financial institutions, whose programs have ended when this Government Regulation takes effect. 2. MSME loans or financing outside government programs funded by the respective state-owned Banks and/or non-Bank financial institutions. 3. MSME loans or financing affected by natural disasters such as earthquakes, liquefaction, or other natural disasters declared by the central government, regional government, and/or authorized agencies. • State-owned Banks and/or non-Bank financial institutions must submit reports on the realization of non-performing loan write-offs to the minister responsible for state-owned enterprises (SOEs). • Conditional write-off of state receivables is applied to: 1. Revolving fund receivables declared to have been optimally managed and categorized as PSBDT by PUPN or PPNTO. 2. Program credit receivables declared to have been optimally managed with an official optimization certificate issued by the Program Credit Administrator. • Absolute write-off of state receivables is applied to revolving fund receivables and program credit receivables that have undergone a write-off. • Absolute write-offs must occur at least three (3) months after the decision on conditional write-off is issued and no later than the expiration of this Government Regulation.	• To enhance national economic resilience through the empowerment of MSMEs, it is necessary to provide easier access to MSME financing. • To facilitate access to financing, the management of non-performing loans for MSMEs must include write-offs, conditional write-offs of state receivables, and absolute write-offs of receivables.	Bank Mandiri has adjusted its internal regulations governing the write-off of receivables.

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
12	Regulation of the Members of the Board of Governors Number 10 of 2024 concerning Bilateral Transactions Between Indonesia and South Korea Using Rupiah and Won.	This PADG came into effect on its enactment date, 30 September 2024. This regulation governs, among othes: • The designation of Appointed Cross Currency Dealer (ACCD) Banks is based on considerations of: a. Size; b. Interconnectedness; and c. Complexity. • Financial activities in Rupiah and Won bilateral transactions: a. Opening a new SNA Rupiah account at an Indonesian ACCD Bank or designating an existing account owned by a South Korean ACCD Bank at an Indonesian ACCD Bank. b. Opening a new SNA Won account at a South Korean ACCD Bank or designating an existing account owned by an Indonesian ACCD Bank at a South Korean ACCD Bank. c. Opening a new Sub-SNA Won account at an Indonesian ACCD Bank or designating an existing account owned by an Indonesian customer at an Indonesian ACCD Bank to become a Sub-SNA Won account. • Indonesian ACCD Banks may provide financing in won to Indonesian customers in the form of trade financing. • Financial transactions of Indonesian ACCD Banks include: a. Domestic Non-Deliverable Forward transactions. b. Won-to-Rupiah transactions, including: 1. Spot transactions; 2. Forward transactions; 3. Swap transactions; 4. Cross-currency swap transactions; 5. Domestic non-deliverable forward transactions; and/or other transactions. • Adjustments for won-to-rupiah transaction settlements: a. Transaction extension; b. Early settlement of transactions; and/or c. Termination of transactions. These may be conducted through: a. Netting; b. Without underlying transaction documents; c. Up to the nominal value of the initial underlying transaction. • Indonesian ACCD Banks must publish and display won-to-rupiah price quotations through information platforms at least once per day, with quotations reflecting fair and executable or tradable prices. • Indonesian ACCD Banks are required to submit reports on the implementation of Rupiah and Won bilateral transactions to Bank Indonesia through: a. Integrated general bank reports; b. Foreign exchange traffic reports; and other reports.	• To increase the use of local currencies in bilateral transactions, Bank Indonesia and the Bank of Korea have collaborated to promote bilateral transactions between Indonesia and South Korea using rupiah and won. • To ensure the effective and structured implementation of the cooperation between Bank Indonesia and the Bank of Korea, implementing regulations are necessary as guidelines for banks and market participants in the financial market.	Bank Mandiri adjusts the regulatory reporting columns for LBUT and LLD reports by including transactions related to bilateral transactions between the Rupiah and Won currencies.

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No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
13.	Regulation of the Members of the Board of Governors Number 11 of 2024 concerning Foreign Exchange Market Transactions.	This PADG came into effect on its enactment date, 30 September 2024. This regulation governs, among others: a. Foreign exchange market participants conducting derivative transactions must use financial contracts supported by written confirmation. b. Derivative transactions in the foreign exchange market may use smart contracts. c. If a Bank uses smart contracts, it must first consult with Bank Indonesia. d. The reference exchange rates for foreign exchange transactions are the Jakarta Interbank Spot Dollar Rate (JISDOR) and the Non-US/IDR Reference Rate. e. Banks may conduct foreign exchange transactions against the rupiah with non-residents, such as overseas banks, using the underlying transactions held by the customers of those banks for the purpose of cover hedging. f. Banks must ensure that foreign exchange transactions against the rupiah with a nominal value exceeding a certain amount have an underlying transaction.	To promote a modern and advanced foreign exchange market, it is necessary to establish regulations that consider global economic dynamics and the needs of market participants while adhering to prudential principles.	• There is an obligation to submit reports on activities in the Foreign Exchange Market to Bank Indonesia, including periodic reports and incidental reports. • Bank Mandiri needs to adjust its internal regulations governing foreign exchange market transactions. • Prohibitions and limitations on foreign exchange transactions.
14.	Regulation of the Members of the Board of Governors Number 13 of 2024 concerning Money Market Transactions	This PADG came into effect on its enactment date, 30 September 2024. This regulation governs, among others: a. Money Market Products: • Money Market Instruments; and • Financial contracts and/or written confirmations in the Money Market. b. Forms of Money Market: • Promissory notes; • Payment orders; • Debt securities; and other forms. c. Types of Instruments: • Commercial Papers; • Other Money Market Instruments. d. Money Market Products may utilize smart contracts, provided that the smart contract agreement is stored. e. Money Market participants must use reference prices provided by Bank Indonesia, such as IndONIA and/or other reference prices. f. Types of Money Market Transactions: • Trading of financial instruments in the Money Market; • Lending and borrowing transactions other than credit; • Repo (repurchase agreement) transactions; • Interest rate derivative transactions; • Other transactions based on Money Market characteristics as determined by Bank Indonesia. g. Settlement of Money Market Transactions can be conducted by: • Full transfer of principal funds (gross); or • Transfer of funds by calculating the net difference in obligations from the transaction (netting). h. Money Market Transactions may include: • Transaction rollovers (extensions); • Early terminations; or • Transaction unwinds (final closures).	A modern and advanced Money Market (PU) can be realized through comprehensive (end-to-end) regulation, development, and supervision of the Money Market, including the regulation, development, and supervision of products, reference prices (pricing), Money Market participants, and Money Market transactions. This ensures that the Money Market is well-organized and functions effectively (well-functioning money market). Based on this, Bank Indonesia deems it necessary to issue a Regulation of the Members of the Board of Governors concerning Money Market Transactions.	Bank Mandiri needs to adjust its internal regulations governing money market transactions.

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
15.	Circular Letter of the Financial Services Authority Number 11/ SEOJK.01/2024 concerning Reporting and Requesting Debtor Information Through the Financial Information Service System	This SEOJK came into effect on its enactment date, 2 October 2024. This regulation governs, among others: a. The expansion of mandatory SLIK (Financial Information Service System) reporting to include insurance companies, Islamic insurance companies, guarantee companies, Islamic guarantee companies, and peer-to-peer lending operators (LPBBTI). b. Debtor Reports must include information on: • Debtors; • Financing facilities, risk coverage/management, guarantees, or LPBBTI services, in both rupiah and foreign currency; • Collateral; • Guarantors; • Managers and owners; and • Debtors' financial details. c. Reporting entities that have had their business licenses revoked or are in liquidation cannot update Debtor Reports in SLIK. In such cases, OJK may update Debtor Reports based on written requests from: • Parties designated to settle the reporting entity's obligations, such as the Deposit Insurance Corporation or a liquidation team; or • Debtors of the reporting entity whose business license has been revoked, accompanied by supporting documents, including: 1. Proof of identity; and 2. Supporting documents, such as a Letter of Debt Settlement (SKL) or a debtor's statement declaring no outstanding facilities with the revoked entity and willingness to take legal responsibility if the provided documents are later found to be false, signed on stamped paper. d. The scope of debtor information has been expanded. Debtor Reports from reporting entities that: • Have had their business licenses revoked, meeting criteria such as: 1. No designated party to settle their obligations; or 2. Inactivity of the designated party to settle their obligations. • Have had their resignation approved by OJK; or • Have had their approval as reporting entities revoked by OJK, will no longer be presented in Debtor Information. e. SLIK consists of four (4) applications: SLIK Reporting, SLIK Web, Host-to-Host SLIK, and iDeb Viewer. f. Debtor Reports can be used for: • Supporting the seamless process of providing financing facilities, risk coverage/management, guarantees, or LPBBTI services; • Implementing credit or financing risk management and/or insurance or guarantee risk management; • Identifying debtor quality to meet OJK or other authorized party requirements; • Managing human resources within the reporting entity; and/or • Verifying cooperation between the reporting entity and third parties. g. Applications for debtor information requests through Host-to-Host SLIK: • Reporting entities requiring access to debtor information requests via interactive connectivity between their application and OJK can submit an application to OJK for host-to-host SLIK access approval. • Applications must be submitted to the department managing data and statistics. • Approval will be granted to the reporting entity once the host-to-host SLIK system and/or application is available and ready for use.	• Industry needs, specifically the provision of more comprehensive debtor information through the inclusion of risk coverage/management, guarantees, and peer-to-peer lending services (LPBBTI) offered by the insurance, guarantee, and LPBBTI industries, to improve the quality of risk management within the industry. • Adding references by considering the development of applicable regulations. • Accommodating guidelines previously regulated through the Chief Executive's Circular Letter.	Bank Mandiri adjusts its internal regulations in accordance with the latest provisions.

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
16	Decree of the Deputy for Finance and Risk Management of the Ministry of State-Owned Enterprises Number SK-5/DKU. MBU/11/2024 of 2024 concerning Technical Guidelines for Internal Control Over Financial Reporting (ICoFR)	This SOE Decree came into effect on its enactment date, 11 November 2024. This decree governs, among others: • Basic principles for implementing ICoFR: a. COSO Internal Control Framework: Used to help companies monitor the quality of internal control management, consisting of five interrelated components: 1. Control Environment 2. Risk Assessment 3. Control Activities 4. Information and Communication 5. Monitoring. b. COBIT 2019: A component for building and maintaining governance systems, including processes, corporate structures, policies and procedures, information flows, culture and behavior, skills, and infrastructure to minimize IT risk, realize IT benefits, and optimize IT resources. COBIT 2019 divides IT activities and risks into five major domains: 1. Evaluate, Direct, and Monitor (EDM) 2. Align, Plan, and Organize (APO) 3. Build, Acquire, and Implement (BAI) 4. Deliver, Service, and Support (DSS) 5. Monitor, Evaluate, and Assess (MEA) • Determination of the ICoFR scope is conducted by: 1. Top-Down: A focus on risks that could lead to material misstatements in the company's financial statements. 2. Risk-Based Approach: This approach involves the following stages: a) Determination of materiality; b) Identification of significant financial statement accounts and disclosures; c) Identification of significant locations/entities; d) Identification of significant business processes; and e) e) Identification of significant applications and IT General Controls (ITGC).	In connection with the issuance of Minister of SOE Regulation Number PER-2/MBU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities of State-Owned Enterprises, it is stated that the Internal Control System in risk management implementation includes, among other things, control over financial reporting and operational activities that are accurate and timely. Based on this Ministerial Regulation, internal control over financial reporting (ICoFR) becomes a crucial aspect aimed at providing reasonable assurance that financial statements are prepared reliably and free from material misstatements, thereby offering greater confidence to financial statement users.	• Bank Mandiri adjusts the roles and responsibilities of the three lines in the implementation of ICoFR. • Bank Mandiri determines the scope of ICoFR using a top-down and risk-based approach.
17	Decree Number SK-275/MBU/11/2024 concerning Cybersecurity Implementation Priorities within State-Owned Enterprises	This SOE Decree came into effect on its enactment date, 18 November 2024. This decree governs, among others: a. Fifteen cybersecurity controls covering the processes of identification, protection, detection, response, and recovery. b. SOEs are required to conduct a risk assessment for any minimum controls that cannot be implemented. c. Tools to support the implementation of cybersecurity measures. d. Reporting on the implementation of the fifteen controls to the Ministry of SOEs on an annual basis as part of the SOE Annual Report.	To ensure optimal cybersecurity within State-Owned Enterprises, it is necessary to establish policies regarding the prioritization of cybersecurity implementation within the environment of State-Owned Enterprises.	Bank Mandiri is required to implement cybersecurity controls and conduct risk assessments for any minimum controls that cannot be implemented.
18	Regulation of the Deposit Insurance Corporation Number 3 of 2024 concerning Reports from Deposit Insurance Participant Banks.	This PLPS came into effect on its enactment date, 16 October 2024. This PLPS regulates, among others: Banks are required to submit: 1. Periodic Reports, including annual financial statements, summary SCV data reports per Bank, SCV data reports per customer, self-assessment reports on the Bank's compliance with its obligations, and resolution plans. 2. Other Reports, including Integrated Reports, reports on changes to the Bank's principal data information, and detailed SCV data reports per customer.	To support the implementation of deposit insurance for customers and the handling of banks, the Deposit Insurance Corporation has the authority to obtain complete, accurate, up-to-date, comprehensive, and timely bank deposit data and financial reports.	Bank Mandiri is required to submit Periodic Reports and Other Reports to the Deposit Insurance Corporation (LPS).

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
19	Regulation of the Members of the Board of Governors Number 9 of 2024 concerning the Operation of Central Counterparty	This PADG came into effect on its enactment date, 18 September 2024. This regulation governs, among others: a. The framework for the regulation, development, and supervision of Central Counterparty (CCP). b. The operation of CCP activities. c. The operation of Tri-Party Agent activities. d. CCP connectivity arrangements. e. CCP membership. f. Qualifying CCP criteria. g. Licensing of CCPs. h. Provision of recommendations and consultation processes. i. Data and information management. j. Implementation of prudential principles, risk management, and governance.	In accordance with the mandate of the law on the development and strengthening of the financial sector, the operation of markets in the financial sector must be supported by financial market infrastructure that keeps pace with technological advancements. One such financial market infrastructure that can be operated by parties other than Bank Indonesia is the central counterparty, which is a systemic financial market infrastructure.	Bank Mandiri needs to adjust its internal regulations regarding transactions conducted by the CCP. Bank Mandiri is already a member of the CCP and complies with this regulation.
20	Circular Letter of the Financial Services Authority Number 7/ SEOJK.07/2024 concerning Reporting by Financial Sector Technology Innovation Operators Registered with the Financial Services Authority	This SEOJK came into effect on its enactment date, 18 September 2024. This SEOJK regulates, among others: Reports by Registered Financial Sector Technology Innovation (ITSK) Operators consist of: 1. Periodic Reports, which include: a) Monthly Reports for the periods of March, June, September, and December, to be submitted no later than 10 (ten) working days after the reporting period ends. b) Annual Reports, which include: 1) Reports on the realization of the Annual Business Plan. 2) Annual financial statements, both of which must be submitted no later than April 30 of the following year. 2. Incidental Reports, which include: a. Reports on changes in business activities. b. Reports on organizational matters. c. Reports on incidents. d. Other reports.	In connection with the enactment of Financial Services Authority Regulation Number 3 of 2024 concerning the Implementation of Financial Sector Technology Innovation (State Gazette of the Republic of Indonesia of 2024 Number 5/OJK, Supplement to the State Gazette of the Republic of Indonesia Number 73/OJK), it is necessary to further regulate the implementation provisions regarding the reporting obligations of financial sector technology innovation operators registered with the Financial Services Authority.	If Bank Mandiri engages in ITSK activities or acts as an Information Technology Service Provider, it is obligated to submit Monthly Reports and Incidental Reports for those activities.
21	Regulation of the Deposit Insurance Corporation Number 2 of 2024 Resolution Plans for Commercial Banks	This PLPS came into effect on its enactment date, 13 August 2024. This regulation governs, among others: a. Banks are required to prepare and submit a Resolution Plan to the Deposit Insurance Corporation (LPS) every two (2) years. b. Banks must prepare a Resolution Plan consisting of: 1. An executive summary; 2. A general overview of the Bank; and 3. A resolution strategy. c. Banks must submit to LPS: 1. A recovery action plan approved by the Financial Services Authority (OJK) no later than 15 (fifteen) calendar days after receiving approval from OJK; and 2. Data, information, and other documents required by LPS. d. Banks are required to follow up on corrective actions by updating the Resolution Plan approved by LPS no later than 60 (sixty) calendar days from the date of the written request by LPS.	To enhance the effectiveness of handling Banks designated as Banks in Resolution, the Deposit Insurance Corporation (LPS) requires a Resolution Plan that includes, among other things, detailed characteristics of the Bank and a prioritized resolution strategy. This strategy aims to ensure the continuity of the Bank's critical economic functions without causing disruptions to financial system stability if resolution actions are taken by LPS.	Bank Mandiri is obligated to prepare and submit a Resolution Plan to the Deposit Insurance Corporation (LPS).

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

REGULATORY CHANGES WITH A SIGNIFICANT IMPACT ON THE COMPANY

No.	Laws and Regulations	Key Provisions in the New Regulation or Significant Changes from the Previous Regulation	Background for the Issuance of the Regulation or Changes to the Regulation	Impact on Bank Mandiri
22	Bank Indonesia Regulation Number 5 of 2024 concerning Competency Standardization in the Payment System Area	This Bank Indonesia Regulation (PBI) came into effect on its enactment date, 16 July 2024. This regulation governs, among others: a. Competency Standardization in the Payment System (SK SP): 1. SK SP Actors, consisting of: a) Payment service providers; b) Payment system infrastructure operators; c) Providers of rupiah currency processing services; and d) Non-bank foreign exchange business operators. 2. SK SP Organizers, consisting of: a) Payment System Training Institutions (LPK); and b) Payment System Professional Certification Institutions (LSP). b. Payment System Qualification Levels: 1. Payment System Qualification Level 4 for operators; 2. Payment System Qualification Level 5 for supervisors; and 3. Payment System Qualification Level 6 for executive officers and board members. c. SK SP actors must ensure that personnel conducting Payment System activities possess a Payment System PBK Certificate and/or a Payment System Competency Certificate. d. SK SP actors must ensure the implementation of Payment System Competency Maintenance at least once every three (3) years. e. SK SP actors must submit a funding provision plan based on funding needs assessment and its realization to Bank Indonesia for the first time no later than 13 December 2024, for the 2025 funding provision plan. f. Reports submitted to Bank Indonesia must include: 1. Periodic reports; and/or 2. Incidental reports, submitted in a complete, accurate, current, comprehensive, and timely manner.	The direction of payment system policies, along with technological and information system developments in the field of payment systems, is inseparable from various risks that need to be mitigated, including fraud, cybercrime, and money laundering and/or terrorism financing. Therefore, payment system operators must continuously enhance the competence of human resources (HR) to establish a payment system that is fast, easy, affordable, secure, and reliable, while ensuring the availability of high-quality and trustworthy rupiah currency throughout the entire territory of Indonesia.	Bank Mandiri has a reporting obligation to Bank Indonesia. Bank Mandiri must ensure that its human resources involved in Payment System activities possess a Payment System PBK Certificate and/or a Payment System Competency Certificate.
23	Bank Indonesia Regulation Number 2 of 2024 concerning Information System Security and Cyber Resilience for Payment System Operators, Money Market and Foreign Exchange Market Participants, and Other Parties Regulated and Supervised by Bank Indonesia	This Bank Indonesia Regulation (PBI) came into effect on its enactment date, 22 April 2024. This regulation governs, among others: a. Entities subject to the regulation and supervision of Information System Security and Cyber Resilience (KKS): Includes Payment Service Providers (PJP), Payment System Infrastructure Providers (PIP), Money Market and Foreign Exchange Market Settlement Centers (PUSK PUVA), Money Market Supporting Institutions, Foreign Exchange Market Supporting Institutions, Non-Bank Foreign Exchange Business Operators, and other parties regulated and supervised by Bank Indonesia. b. Scope of KKS regulation and supervision: 1. Governance of entities in implementing KKS strategies and policies as well as fostering a KKS culture. 2. Prevention measures by entities to anticipate cyber incidents, covering identification, protection, and detection. 3. Cyber incident handling by entities, covering response and recovery. 4. Supervision, including mechanisms for supervision by Bank Indonesia and the submission of data and/or information from entities to Bank Indonesia. 5. Collaboration between Bank Indonesia and entities.	• The authority of Bank Indonesia to regulate and supervise Financial Sector Business Actors (PUSK) and the implementation of Financial Sector Technology Innovation to ensure information system security and cyber resilience, as stipulated in Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector (P2SK Law). • Bank Indonesia's efforts to mitigate cyber risks in the financial sector, which can lead to financial losses and disrupt financial system stability as a result of increased digitalization in the financial sector. • Encouraging strengthened supervision and collaboration in the prevention and handling of cyber incidents in the financial sector.	• Organizers conduct periodic evaluations of their strategic plans for Information System Security and Cyber Resilience (KKS). • Bank Mandiri establishes policies, standards, and procedures for KKS and conducts periodic evaluations of those policies, standards, and procedures.

CHANGES IN ACCOUNTING POLICIES AND IMPACTS IMPLEMENTED IN 2024

The accounting policy changes were made to comply with applicable PSAK regulations relevant to the operations of the Bank and its Subsidiaries.

Changes in Accounting Policy and Its Impact (Effective 1 January 2024)

No.	Description of Changes in Accounting Policy	Quantitative Impact of Changes in Accounting Policy on Financial Statements	Exposure to Consequences and Adjustments Made
1.	**The Indonesian Financial Reporting Standards Framework (KSPKI) and the renumbering of PSAK and ISAK within the Indonesian Financial Accounting Standards (formerly known as Financial Accounting Standards)**	KSPKI regulates the pillars of SAK applicable in Indonesia, the criteria, and the transition between SAK pillars, while the renumbering adjusts the numbering of PSAK and ISAK to align with IFRS Accounting Standards, local, and sharia standards. The impact of the implementation of these new standards, adjustments, or amendments is not material to the group's consolidated financial statements.	Updating Bank Mandiri's internal accounting policies in accordance with the requirements set by the amendments.
2.	**Amendment to PSAK 201 on "Presentation of Financial Statements" regarding "Long-Term Liabilities with Covenants"**	The implementation of this amendment aligns with the revised effective date of the Amendment to PSAK 201 on "Presentation of Financial Statements" regarding "Classification of Liabilities as Current or Non-Current," which was previously set to take effect on January 1, 2023, and has been changed to January 1, 2024. This amendment establishes the requirements for classifying liabilities as either current or non-current. The impact of the implementation of these new standards, adjustments, or amendments is not material to the group's consolidated financial statements.	Updating Bank Mandiri's internal accounting policies in accordance with the requirements set by the amendments.
3.	**Amendment to PSAK 116 on "Leases" regarding Lease Liabilities in Sale and Leaseback Transactions**	The amendment fully adopts the provisions of the Amendment to IFRS 16 on "Leases" regarding "Lease Liability in a Sale and Leaseback." The impact of the implementation of these new standards, adjustments, or amendments is not material to the group's consolidated financial statements.	Updating Bank Mandiri's internal accounting policies in accordance with the requirements set by the amendments.
4.	**Amendments to PSAK 207 and PSAK 107 on Supplier Financing Arrangements.**	The amendments to PSAK 207 and PSAK 107 refer to the provisions in the amendments to IAS 7 and IFRS 7 on "Supplier Finance Arrangements." The impact of the implementation of these new standards, adjustments, or amendments is not material to the group's consolidated financial statements.	Updating Bank Mandiri's internal accounting policies in accordance with the requirements set by the amendments.

BANK SOUNDNESS LEVEL

Bank Mandiri routinely assesses its risks and performance through the self-assessment of the Bank Soundness Level (TKB) using a risk-based approach (Risk-Based Bank Rating) and in accordance with OJK Regulation No. 4/POJK.03/2016 on the Assessment of Commercial Bank Soundness. The final result of the TKB self-assessment is the Composite Rating (PK), which evaluates the following factors:

1. Risk Profile
2. Good Corporate Governance (GCG)
3. Earnings
4. Capital

Bank Mandiri Soundness Level As of 31 December 2024 and 2023 Individually (Self-Assessment)

Assessmen Factors	Assessment (Rating)	
	Per 31 December 2024	Per 31 December 2023
Risk Profile	1	1
Good Corporate Governance (GCG)	1	1
Earnings	1	1
Capital	1	1
Bank Soundness Level Composit Raring	**PK-1**	**PK-1**

As of 31 December 2024, the results of Bank Mandiri's Individual Bank Soundness Level Self-Assessment placed it at Composite Rating 1 (PK-1). This reflects the Bank's overall very sound condition, indicating its strong ability to withstand significant negative impacts from changes in business conditions and other external factors. This assessment is supported by excellent ratings across key evaluation factors, including risk profile, governance implementation, profitability aspects, and capital adequacy. Any identified weaknesses are generally manageable within normal business activities.

BUSINESS CONTINUITY INFORMATION



Indonesia's positive economic growth throughout 2024 serves as a crucial foundation for navigating 2025. Economic recovery continues, with GDP growth projected to remain stable at around 5%, supported by increased domestic consumption, expansion in the manufacturing sector, and inflows of foreign investment.

A healthy macroeconomic environment, characterized by controlled inflation and exchange rate stability, provides a strong foundation for the banking sector to continue its growth. Amid this momentum, Bank Mandiri positions itself as a leading player in the national banking industry with a solid strategy and a strong focus on sustainability.

Bank Mandiri has a positive business continuity outlook for 2025, supported by strong financial performance in previous years, including consolidated net profit reaching Rp55.78 trillion as of December 2024. With an aggressive credit growth strategy, Bank Mandiri is optimistic about achieving loan growth above the national banking industry average.

This target is reflected in the Bank's Business Plan (RBB), which prioritizes financing for productive sectors such as MSMEs and infrastructure. Furthermore, ongoing digital transformation through the super app Livin' by Mandiri and the Wholesale Kopra platform strengthens Bank Mandiri's competitiveness in delivering innovative and efficient financial services.

On the other hand, Bank Mandiri also reinforces its commitment to sustainability through various community empowerment programs. One such initiative is "Mandiri Sahabatku", designed to enhance financial literacy and foster new entrepreneurs among Indonesian Migrant Workers. This program reflects Bank Mandiri's efforts not only to focus on profit growth but also to create a significant social impact. With a combination of strong financial performance, a solid growth strategy, and a firm commitment to sustainability, Bank Mandiri is well-positioned to maintain its business continuity and serve as a key driver of Indonesia's economic growth in 2025 and beyond.

Management Assessment of Significant Factors Affecting Business Continuity

Bank Mandiri's management consistently conducts a comprehensive evaluation of factors influencing business continuity. This is carried out to ensure sustainable operations amid evolving economic, social, and technological landscapes. Additionally, Bank Mandiri recognizes that both national and global economic stability have a direct impact on business sustainability. Key indicators such as economic growth, inflation, exchange rate fluctuations, benchmark interest rates, and fiscal/monetary policies are continuously monitored. Indonesia's strong economic resilience serves as a foundation for reinforcing Bank Mandiri's business portfolio.

As one of the largest banks in Indonesia, Bank Mandiri's sustainability heavily relies on the solidity of its financial performance. Consistent consolidated net profit achievements, operational efficiency, and growth in fee-based income remain key priorities. Management also places strong emphasis on credit risk management by maintaining a low non-performing loan (NPL) ratio and ensuring healthy loan growth.

Digital technology continues to be a cornerstone of Bank Mandiri's business continuity. The development of Livin' by Mandiri and Kopra platforms has enhanced financial inclusion and provided more efficient services for both retail and corporate customers. To stay competitive in the digital era, Bank Mandiri remains committed to continuous investment in IT infrastructure, cybersecurity, and technology-driven financial product innovation.

As a financial institution, Bank Mandiri is firmly committed to complying with regulations set by the Financial Services Authority (OJK), Bank Indonesia (BI), and other relevant regulators. Adherence to banking regulations, customer data protection, and transparent financial reporting are top priorities in maintaining stakeholder trust.

Bank Mandiri's management also recognizes that business sustainability is not solely determined by financial performance but also by social and environmental contributions. The Bank actively supports sustainability initiatives through green financing, environmentally friendly investments, and community empowerment programs. These efforts aim to create a long-term positive impact that aligns with societal needs.

The intense competition in the national banking industry, particularly from digital banks and fintech companies, remains a key focus for Bank Mandiri. The Bank recognizes that product innovation, customer experience, and operational efficiency are critical factors in maintaining market share and competitiveness. To strengthen its position, Bank Mandiri continues to expand collaborations within the technology ecosystem, enabling broader market reach and enhanced service offerings.

On the other hand, Bank Mandiri consistently implements comprehensive risk management to address potential external risks, such as global economic fluctuations and geopolitical uncertainties. Additionally, internal risks, including compliance, operational, and credit risks, are managed through a robust risk framework. This approach enables Bank Mandiri to remain resilient in the face of challenges.

Bank Mandiri's management remains proactive in identifying and managing various factors that significantly impact business continuity. With strong financial performance, progressive digital transformation, regulatory compliance, and a focus on social and environmental impact, Bank Mandiri is well-positioned to sustain its business amid an ever-evolving business landscape.

Assumptions Used by Management in the Assessment

Bank Mandiri considers several key assumptions in assessing business continuity, including:

a. Stronger economic growth is expected to support greater financial system stability.
b. Internal analysis conducted by Bank Mandiri to determine its position in the Indonesian banking industry through a Strength, Weakness, Opportunity, and Threat (SWOT) analysis.
c. Bank Mandiri is in a generally sound condition, with a composite rating of 1, reflecting the Bank's strong ability to withstand significant negative impacts from changes in business conditions and other external factors.
d. Bank Mandiri has a strong capital adequacy position, with core capital of Rp229.93 trillion and a Capital Adequacy Ratio (CAR) (Bank only) of 20.10% as of December 2024.
e. Bank Mandiri is classified under the ASEAN Asset Class in the ASEAN Corporate Governance Scorecard (ACGS) rankings by the ASEAN Capital Market Forum (ACMF).
f. Bank Mandiri is the first KBMI 4 bank in Indonesia to receive ISO 22301 certification for its Business Continuity Management System (BCMS) from the global certification body British Standard Institution. This international standard certification covers key functions, including payment, settlement, cash processing, treasury, and information technology.
g. Recognition of Bank Mandiri's implementation of Good Corporate Governance (GCG) from various institutions in 2024 includes:
    - Corporate Governance Perception Index – Bank Mandiri was awarded the title of "The Most Trusted Company" for the 18th consecutive year, achieving a score of 95.30 in the Corporate Governance Perception Index (CGPI), an increase from the previous score of 95.22.
    - The 15th IICD Corporate Governance Award 2024 – Bank Mandiri was recognized as a "Top 50 Big Capitalization Public Listed Company." This award is given to the largest publicly listed companies in Indonesia based on assessments using the ASEAN CG Scorecard standard.
    - The Most Trusted Company by SWA – Bank Mandiri received this recognition for the 16th consecutive year, scoring 95.11 in the Corporate Governance & Perception Index, an improvement from the previous score of 95.01.

PRIME LENDING RATE

Bank Mandiri discloses information on the Prime Lending Rate (SBDK) in accordance with OJK Circular Letter No. 9/SEOJK.03/2020 on Transparency and Publication of Conventional Commercial Bank Reports, which requires conventional commercial banks to report and publish the SBDK in Rupiah.

The Prime Lending Rate serves as the basis for determining the loan interest rates charged by the Bank to customers. The SBDK does not include the estimated risk premium component, which varies depending on the Bank's assessment of the risk associated with each debtor or debtor group. Therefore, the actual loan interest rate charged to a debtor may differ from the SBDK.

Year	Basic Rupiah Lending Rate Based on Business Segment (Effective % per annum)					
	Period	Corporate Loans	Retail Loans	Micro Loans	Consumer Loans	
					Mortgages	Non-Mortgages
2024	March 2024	8.05%	8.30%	11.30%	7.30%	8.80%
	June 2024	8.05%	8.30%	11.30%	7.30%	8.80%
	Sep 2024	8.05%	8.30%	11.30%	7.30%	8.80%
	Dec 2024	8.50%	N/A	13.50%	12.50%	12.00%
2023	Dec 2023	8.05%	8.30%	11.30%	7.30%	8.80%

DEPOSIT INTEREST RATE

The interest rates for Bank Mandiri's deposit, savings and current demand deposits as of 31 December 2024 are as follows:

Deposit Interest Rate as of 31 December 2024
(In%)

Tier	Tenor (Month)				
	1	3	6	12	24
Rupiah Deposits with Monthly Interest and Maturity					
< Rp100 million	2.25	2.25	2.50	2.50	2.50
≥ IDR 100 million - < Rp 1 billion	2.25	2.25	2.50	2.50	2.50
≥ IDR 1 billion - < Rp 2 billion	2.25	2.25	2.50	2.50	2.50
≥ IDR 2 billion - < Rp 5 billion	2.25	2.25	2.50	2.50	2.50
≥ IDR 5 billion	2.25	2.25	2.50	2.50	2.50
Rupiah Deposits with Prepaid Interest					
< Rp100 million	2.24	2.23	2.46	2.43	2.37
≥ IDR 100 million - < Rp 1 billion	2.24	2.23	2.46	2.43	2.37
≥ IDR 1 billion - < Rp 2 billion	2.24	2.23	2.46	2.43	2.37
≥ IDR 2 billion - < Rp 5 billion	2.24	2.23	2.46	2.43	2.37
≥ IDR 5 billion	2.24	2.23	2.46	2.43	2.37
USD Deposits with Monthly Interest and Maturity					
≤ USD100 thousand	0.75	0.75	0.75	0.75	0.75
≥ USD100 thousand - < USD1 million	1.00	1.25	1.25	1.25	1.25
≥ USD1 million - < USD10 million	1.00	1.50	1.50	1.50	1.50
≥ USD10 million	1.00	1.75	1.75	1.75	1.75
USD Deposits with Prepaid Interest					
≤ USD100 thousand	0.70	0.69	0.69	0.68	0.66
≥ USD100 thousand - < USD1 million	0.95	1.19	1.18	1.17	1.14
≥ USD1 million - < USD10 million	0.95	1.44	1.43	1.41	1.38
≥ USD10 million	0.95	1.69	1.67	1.65	1.61

Savings Interest Rate as of 31 December 2024

(In%)

Tier	Interest
Rupiah Savings	
0 - < Rp1 million	0.00
Rp1 million - < Rp50 million	0.00
Rp50 million – < Rp500 million	0.10
Rp500 million - < Rp1 billion	0.60
≥ 1 billion	0.60
Business Savings	
0 - < Rp1 million	0.00
Rp1 million - < Rp50 million	0.40
Rp50 million – < Rp500 million	0.60
Rp500 million - < Rp1 billion	0.80
≥ 1 billion	1.00
Rupiah Investor Savings	
0 - < Rp1 million	0.00
Rp1 million - < Rp50 million	0.00
Rp50 million – < Rp500 million	0.10
Rp500 million - < Rp1 billion	0.60
≥ 1 billion	0.60
NOW Savings	
0 - < Rp1 million	0.00
Rp1 million - < Rp50 million	0.00
Rp50 million – < Rp500 million	0.05
Rp500 million - < Rp1 billion	0.35
≥ 1 billion	0.40
Rupiah Plan Savings/SiMuda RumahKu Plan Savings	
Term 1-3 years	1.10
Term 4-9 Years	1.35
Term 10-14 years	1.60
Term ≥ 15 Years	1.85
Payroll Savings	
0 - < Rp1 million	0.00
Rp1 million - < Rp50 million	0.00
Rp50 million – < Rp500 million	0.05
Rp500 million - < Rp1 billion	0.35
≥ 1 billion	0.40
Business Partner Savings	
0 - < Rp1 million	0.00
Rp1 million - < Rp50 million	0.00
Rp50 million – < Rp500 million	0.05
Rp500 million - < Rp1 billion	0.35
≥ 1 billion	0.40
Indonesian Labour Savings	
0 - < Rp1 million	0.00
Rp1 million - < Rp50 million	0.00
Rp50 million – < Rp500 million	0.05
Rp500 million - < Rp1 billion	0.35
≥ 1 billion	0.40

Tier	Interest
Foreign Exchange/USD Premium Forex Savings	
≤ USD100	0.00
≥ USD100 ribu - < USD10,000	0.10
≥ USD10,000 - < USD200,000	0.20
≥ USD200,000	0.20
USD Foreign Exchange Business/USD Investor Savings	
≤ USD100	0.00
≥ USD100 ribu - < USD10,000	0.08
≥ USD10,000 - < USD200,000	0.20
≥ USD200,000	0.20
USD Plan Savings	
< USD100	0.20
≥ USD100	0.20
TabunganKu	
Rp0 s/d Rp500,000	0%
Rp500,001 - s/d Rp1,000,000	0.10%
> Rp1,000,000	0.10%
SiMakmur (Branchless Banking Savings / TabBB)	
All Tier	0.10%
Student Savings	
All Tier	0%

Current Account Interest Rate as of 31 December 2024

(In%)

Tier	Interest
Rupiah Regular Current Accounts	
0 - < Rp10 million	0.00
Rp10 million - < Rp100 million	0.25
Rp100 million - < Rp500 million	1.00
Rp500 million - < Rp1 Billion	1.25
≥ 1 Billion	1.90
USD Regular Current Accounts	
<100,000 USD	0.00
≥ 100,000 USD	0.10
SGD Regular Current Accounts	
<1,000 SGD	0.00
≥ 1,000 SGD - < 20,000 SGD	0.15
≥ 20,000 SGD - < 200,000 SGD	0.25
< 200,000 SGD	0.25
CNY Regular Current Accounts	
≤ 10,000 CNY	0.00
> 10,000 CNY - 100,000 CNY	0.15
> 100,000 CNY	0.20
Non-USD, SGD, and CNY Regular Current Accounts	
AUD	0.00
CHF	0.00
EUR	0.10
GBP	0.10
HKD	0.00
JPY	0.00

TAXATION ASPECTS

TAX PAYMENT DISCLOSURE

Bank Mandiri consistently complies with the prevailing laws and regulations in Indonesia, including tax regulations. In this regard, the Bank manages its tax rights and obligations transparently and accountably in accordance with applicable regulations.

TAX PAYMENTS

The realization of tax payments as part of Bank Mandiri's commitment to contributing to national development through tax compliance as of 31 December 2024, is as follows:

Description	Amount (in full Rupiah)	
	2024	2023
Income Tax Article 25	9,232,433,920,158	10,018,626,986,438
Income Tax Article 21	2,775,850,523,720	2,354,191,405,701
Income Tax Article 22	20,739,308,213	23,563,276,960
Income Tax Article 23	113,550,637,918	131,385,090,461
Income Tax Article 26	2,144,372,163,912	1,611,185,901,195
Income Tax Article 4 paragraph (2)	5,456,200,210,594	4,879,403,643,811
VAT	1,938,625,264,616	2,019,046,891,031
Regional Tax and Other Taxes	87,826,653,195	60,438,433,316
Total	**21,769,598,682,326**	**21,097,841,628,913**

NON-COMPLIANCE IN TAX PAYMENTS

As of 31 December 2024, there were no instances of non-compliance by Bank Mandiri in fulfilling its tax payment obligations (NIL).

LEGAL LENDING LIMIT AND LARGE EXPOSURES FOR COMMERCIAL BANKS

LEGAL LENDING LIMIT (LLL) REPORT AS OF 31 DECEMBER 2024

In accordance with Financial Services Authority Regulation No. 32/POJK.03/2018 dated December 26, 2018, as last amended by POJK No. 38/POJK.03/2019 concerning amendments to Financial Services Authority Regulation No. 32/POJK.03/2018 on Legal Lending Limit (LLL) and Large Exposure for Commercial Banks, we hereby present the LLL Report as of 31 December 2024, with the following details:

1. Based on the balance sheet data as of 31 December 2024, obtained from the Accounting Group, the following information is available:
   a. The Bank's capital for LLL calculation amounts to Rp244,839,742 million.
   b. The Bank's Core Capital (Tier 1) for LLL calculation, excluding Related Parties, amounts to Rp230,516,850 million.

2. In accordance with the LLL calculation provisions under Financial Services Authority Regulation No. 32/POJK.03/2019, the Bank's LLL value as of 31 December 2024, is as follows:

(In Rp million)

Description	LLL Percentage	LLL Value Limit	Funding	Allowance of Fund Preparation Against LLL
Related Parties LLL	10% of Bank Capital	24,483,974	11,353,506	13,130,468
LLL of Un-Related Parties - Borrowers/ Borrower Groups	25% of the Bank's Core Capital (Tier 1)	57,629,213	40,824,646	16,804,567
LLL of SOEs for development purposes	30% of Bank Capital	73,451,923	–	–

Information	List of Related Parties Getting Funding	List of Largest Debtors Un-Related Parties (Borrowers)
Leeway LLL	NIHIL	NIHIL
Exceeding LLL	NIHIL	NIHIL

Bank Mandiri confirms that there is no leeway and/or exceeding of the Legal Lending Limit regarding fund provisions to Related Parties of Bank Mandiri. The LLL calculation is conducted in accordance with Financial Services Authority Regulation No. 32/POJK.03/2018 on the Legal Lending Limit (LLL) and Large Exposure for Commercial Banks, as last amended by POJK No. 38/POJK.03/2019.

MAXIMUM LIMIT FOR LENDING AND LARGE EXPOSURES FOR COMMERCIAL BANKS

List of Funding to Related Parties by 31 December 2024
(Which is included in the calculation of the Bank's Related Party LLL)

(In Rp million)

No.	Borrower's Name	Provision of Funds (Recorded Value)			Funding Participation*	
		Rupiah	Forex	Total	Rupiah	Forex
I. Related Parties - Subsidiaries						
1	Axa Mandiri Financial Services PT.	334	0	334	98,109	-
2	Kustodian Sentral Efek Indonesia PT.	0	0	0	3,000	-
3	Mandiri Sekuritas PT.	102,686	0	102,686	640,482	-
4	Mandiri Tunas Finance (MTF)	4,136,033	0	4,136,033	290,000	-
5	Bank Syariah Indonesia	62,151	0	62,151	7,442,650	-
6	Bank Mandiri Taspen Pos	1,545,214	0	1,545,214	1,118,480	-
7	Asuransi Jiwa Inhealth Indonesia	107	0	107	330,000	-
8	Mandiri Utama Finance (MUF)	3,080,604	0	3,080,604	1,274,000	-
9	Mandiri Capital Indonesia	77	0	77	3,358,400	-
10	Mandiri Europe Ltd.	0	2,137,753	2,137,753	-	414,227
11	Mandiri International Remittance.	0	0	0	-	25,191
12	Mandiri Manajemen Investasi	117	0	117	-	-
13	Mitra Transaksi Indonesia	19,745	0	19,745	-	-
	Total	**8,947,068**	**2,137,753**	**11,084,821**	**14,555,121**	**439,418**
II. Related Parties - Individuals						
	Total	**268,685**	**0**	**268,685**	**-**	**-**
	Total Related Parties Overall	**9,215,753**	**2,137,753**	**11,353,506**	**14,555,121**	**439,418**

* Based on data obtained from the Accounting Group and for investments excluded from the BMPK calculation in accordance with Compliance Group Memorandum Number KPS.CPL/CSS.1223/2022 dated October 11, 2022, regarding the Minutes of the Meeting on the Adjustment of the BMPK Report.

MAXIMUM LIMIT FOR LENDING AND LARGE EXPOSURES FOR COMMERCIAL BANKS

List of 20 Largest Debtors Based on LLL Report to OJK
Position As of 31 December 2024

(In Rp million)

No.	Group	Bank Mandiri Core Capital (Tier 1)	LLL Percentage (%)	LLL Limit	Inhouse Limit	Funding (Recorded Value)	Allowance for Funding to 25% Core Capital
1	MINISTRY OF FINANCE GROUP	230,516,850	Excluded from LLL calculation				
2	BANK INDONESIA	230,516,850	Excluded from LLL calculation				
3	SINAR MAS GROUP	230,516,850	25	57,629,213	51,866,291	40,824,646	16,804,567
4	SALIM HOLDING GROUP	230,516,850	25	57,629,213	51,866,291	35,553,006	22,076,207
5	ASTRA GROUP	230,516,850	25	57,629,213	51,866,291	28,760,386	28,868,827
6	MEDCO GROUP	230,516,850	25	57,629,213	51,866,291	27,480,713	30,148,500
7	PLN GROUP	230,516,850	25	57,629,213	51,866,291	24,037,758	33,591,455
8	JASA MARGA GROUP	230,516,850	25	57,629,213	51,866,291	22,648,965	34,980,248
9	PEGADAIAN GROUP	230,516,850	25	57,629,213	51,866,291	19,255,115	38,374,098
10	WILMAR GROUP	230,516,850	25	57,629,213	51,866,291	19,023,676	38,605,537
11	PERTAMINA GROUP	230,516,850	25	57,629,213	51,866,291	16,487,912	41,141,301
12	PEMBANGUNAN PERUMAHAN GROUP	230,516,850	25	57,629,213	51,866,291	15,351,359	42,277,854
13	KALLA GROUP	230,516,850	25	57,629,213	51,866,291	14,354,013	43,275,200
14	PELINDO GROUP	230,516,850	25	57,629,213	51,866,291	13,532,969	44,096,244
15	WIJAYA KARYA GROUP	230,516,850	25	57,629,213	51,866,291	13,219,249	44,409,964
16	BARITO PACIFIC GROUP	230,516,850	25	57,629,213	51,866,291	12,836,501	44,792,712
17	TRAKINDO GROUP	230,516,850	25	57,629,213	51,866,291	12,806,596	44,822,617
18	PUPUK INDONESIA GROUP	230,516,850	25	57,629,213	51,866,291	12,747,363	44,881,850
19	DJARUM GROUP	230,516,850	25	57,629,213	51,866,291	12,552,664	45,076,549
20	PTPN 3 HOLDING GROUP	230,516,850	25	57,629,213	51,866,291	12,117,520	45,511,693

DERIVATIVES AND HEDGING FACILITIES

Derivative receivables are financial assets classified as measured at fair value through profit or loss, while derivative liabilities are financial liabilities classified as measured at fair value through profit or loss.

Bank Mandiri presents derivative receivables at the amount of unrealized gains from derivative contracts, net of allowance for impairment losses. Meanwhile, derivative liabilities are presented at the amount of unrealized losses from derivative contracts.

Gains or losses from derivative contracts are presented in the consolidated financial statements based on the Bank's objective for the transactions, namely for (1) fair value hedging, (2) cash flow hedging, (3) hedging of net investment in foreign operations, and (4) trading instruments, as follows:

1. Gains or losses from derivative contracts designated and qualifying as fair value hedging instruments, along with gains or losses from changes in the fair value of the hedged assets and liabilities, are recognized as profit or loss and offset within the same accounting period. Any differences arising indicate hedge ineffectiveness and are directly recognized as current year consolidated profit or loss.
2. The effective portion of gains or losses on derivative contracts designated as cash flow hedges is reported as other comprehensive income. The ineffective portion of the hedge is recognized as current year consolidated profit or loss.
3. Gains or losses from derivative contracts designated as hedges of net investment in foreign operations are reported as other comprehensive income, provided that the transaction is considered effective as a hedging transaction.
4. Gains or losses from derivative contracts that are not designated as hedging instruments (or derivative contracts that do not meet the criteria as hedging instruments) are recognized as current year consolidated profit or loss.



Derivatives Transaction Highlights as of 31 December 2024
(In Rp Million)

Transaction	Fair Value		
	Contract Value (absolute equivalent to Rupiah)	Derivative Receivables	Derivative Liabilities
Related Parties			
Related exchange rates			
Futures-buy contracts United States Dollar	642,915	3,407	2,179
Futures-sell contracts United States Dollar	17,607,910	80,799	147,628
Swap-buy United States Dollar	3,750,222	21,744	12,457
Swap-sell United States Dollar	5,368,475	14,872	47,810
Option-buy United States Dollar	37,420,875	2,671,196	–
Others	570,000	156,977	–
Option-sell United States Dollar	37,420,875	–	1,923,430
Total Related Parties	–	**2,948,995**	**2,133,504**
Third Parties			
Related exchange rates			
Futures-buy contracts United States Dollar	39,755,137	397,798	109,406
Others	5,741,043	30,333	81,928
Futures-sell contracts United States Dollar	5,058,184	15,569	39,642
Others	268,758	2,757	96
Swap-buy United States Dollar	70,295,306	542,780	301,752
Others	1,504,351	4,784	16,190
Swap-sell United States Dollar	74,831,830	309,055	700,374
Others	607,985	28,356	16,595
Option-buy United States Dollar	38,121,008	2,021,158	–
Option-sell United States Dollar	38,121,008	–	2,731,496
Related interest rates			
Swap-interest rate United States Dollar	33,205,257	497,518	411,091
Others	30,258,157	961,457	785,848
Bond forward-buy Others	7,400,000	948	9,076
Total Third Parties	–	**4,812,513**	**5,203,494**

EARNINGS ASSET QUALITY REPORT AND OTHER INFORMATION

Statements Of Assets' Quality And Other Information as of 31 December 2024 and 31 December 2023

(In Millions of Rupiah)

No.	Description	INDIVIDUAL											
		31 December 2024 (Audited)						31 December 2023 (Audited)					
		L	DPK	KL	D	M	TOTAL	L	DPK	KL	D	M	TOTAL
I	**RELATED PARTIES**												
1	Placements with other banks												
	a. Rupiah	-	-	-	-	-	**-**	22	-	-	-	-	22
	b. Foreign currencies	1,325,822	-	-	-	-	**1,325,822**	966,553	-	-	-	-	966,553
2	Spot and derivative receivables/forward												
	a. Rupiah	–	–	–		–	**–**	–	–	–	–	–	–
	b. Foreign currencies	–	–	–		–	**–**	–	–	–	–	–	–
3	Securities												
	a. Rupiah	745,890	-	-	-	-	**745,890**	72,010	-	-	-	-	72,010
	b. Foreign currencies	-	-	-	-	-	**-**	-	-	-	-	-	-
4	Securities sold with agreement to repurchase (Repo)												
	a. Rupiah	–	–	–		–	**–**	–	–	–	–	–	–
	b. Foreign currencies	–	–	–		–	**–**	–	–	–	–	–	–
5	Securities purchased with agreement to resell												
	a. Rupiah	–	–	–		–	**–**	–	–	–	–	–	–
	b. Foreign currencies	–	–	–		–	**–**	–	–	–	–	–	–
6	Acceptances receivables	1,437	-	-	-	-	**1,437**	3,017	-	-	-	-	3,017
7	Loans and financing provided												
	a. Micro, small and medium loans (UMKM)	–	–	–		–	**–**	–	–	–	–	–	–
	i. Rupiah	–	–	–		–	**–**	–	–	–	–	–	–
	ii. Foreign currencies	–	–	–		–	**–**	–	–	–	–	–	–
	b. Non UMKM	10,141,851	384	-	-	-	**10,142,235**	6,486,387	2,282	-	-	-	6,488,669
	i. Rupiah	9,338,367	384	-	-	-	**9,338,751**	5,718,521	2,282	-	-	-	5,720,803
	ii. Foreign currencies	803,484	-	-	-	-	**803,484**	767,866	-	-	-	-	767,866
	c. Restructured loans*)	–	–	–		–	**–**	–	–	–	–	–	–
	i. Rupiah	–	–	–		–	**–**	–	–	–	–	–	–
	ii. Foreign currencies	–	–	–		–	**–**	–	–	–	–	–	–
8	Investments in shares	14,555,122	-	414,227	25,191	-	**14,994,540**	14,526,121	-	414,227	25,191	-	14,965,539
9	Other receivables	-	–	–		–	**–**	-	-	–	–	–	–
10	Commitments and contingencies												
	a. Rupiah	979,613	1,066	-	-	-	**980,679**	687,397	25	-	-	-	687,422
	b. Foreign currencies	–	–	–		–	**–**	–	–	–	–	–	–

EARNINGS ASSET QUALITY REPORT AND OTHER INFORMATION

No.	Description	INDIVIDUAL											
		31 December 2024 (Audited)						31 December 2023 (Audited)					
		L	DPK	KL	D	M	TOTAL	L	DPK	KL	D	M	TOTAL
II	**THIRD PARTIES**												
1	Placements with other banks												
	a. Rupiah	565,924	-	-	-	-	**565,924**	26,641,841	-	-	-	-	**26,641,841**
	b. Foreign currencies	66,085,059	-	-	-	-	**66,085,059**	61,782,892	-	-	-	-	**61,782,892**
2	Spot and derivative receivables/forward												
	a. Rupiah	7,413,352	-	-	-	-	**7,413,352**	1,836,519	-	-	-	-	**1,836,519**
	b. Foreign currencies	178,704	-	-	-	-	**178,704**	132,374	-	-	-	-	**132,374**
3	Securities												
	a. Rupiah	122,845,700	-	-	-	8,674	**122,854,374**	190,965,202	-	-	-	39,496	**191,004,698**
	b. Foreign currencies	50,684,467	-	-	-	-	**50,684,467**	50,895,465	-	-	-	-	**50,895,465**
4	Securities sold with agreement to repurchase (Repo)												
	a. Rupiah	80,499,885	-	-	-	-	**80,499,885**	27,164,767	-	-	-	-	**27,164,767**
	b. Foreign currencies	9,785,348	-	-	-	-	**9,785,348**	12,540,968	-	-	-	-	**12,540,968**
5	Securities purchased with agreement to resell (reverse repo)												
	a. Rupiah	7,166,266	-	-	-	-	**7,166,266**	16,205,580	-	-	-	-	**16,205,580**
	b. Foreign currencies	-	-	-	-	-	**-**	-	-	-	-	-	**-**
6	Acceptances receivables	9,154,828	5,457	-	-	-	**9,160,285**	14,452,865	7,059	-	-	-	**14,459,924**
7	Loans and financing provided												
	a. Micro, small and medium loans (UMKM)	128,086,629	3,643,861	357,927	497,332	962,727	**133,548,476**	119,540,357	4,266,991	438,406	716,981	531,957	**125,494,692**
	i. Rupiah	127,038,542	3,643,861	357,927	497,332	962,727	**132,500,389**	119,029,329	4,266,991	438,406	716,981	531,957	**124,983,664**
	ii. Foreign currencies	1,048,087	-	-	-	-	**1,048,087**	511,028	-	-	-	-	**511,028**
	b. Non UMKM	1,114,857,115	41,440,323	1,090,408	1,709,920	7,990,925	**1,167,088,691**	901,379,800	43,112,073	1,850,904	3,605,579	3,855,710	**953,804,066**
	i. Rupiah	849,013,943	30,646,682	1,090,408	1,709,920	6,602,705	**889,063,658**	663,887,055	29,263,150	1,850,904	3,093,362	2,823,353	**700,917,824**
	ii. Foreign currencies	265,843,172	10,793,641	-	-	1,388,220	**278,025,033**	237,492,745	13,848,923	-	512,217	1,032,357	**252,886,242**
	c. Restructured loans*)	31,531,725	35,036,854	420,576	388,192	6,089,000	**73,466,347**	36,548,105	34,776,121	1,044,617	2,677,760	3,150,180	**78,196,783**
	i. Rupiah	24,964,809	24,243,213	420,576	388,192	4,700,876	**54,717,666**	28,421,570	21,387,995	1,044,617	2,165,543	2,123,759	**55,143,484**
	ii. Foreign currencies	6,566,916	10,793,641	-	-	1,388,124	**18,748,681**	8,126,535	13,388,126	-	512,217	1,026,421	**23,053,299**
8	Investments in shares	20,000	-	-	-	1,955	**21,955**	-	-	-	-	34,093	**34,093**
9	Other receivables	29,528,032	101,066	-	-	1,264,092	**30,893,190**	25,024,252	245,783	-	-	1,215,601	**26,485,636**
10	Commitments and contingencies												
	a. Rupiah	267,619,804	1,460,912	506	1,609	7,083	**269,089,914**	234,773,930	1,155,346	4,184	51,879	36,315	**236,021,654**
	b. Foreign currencies	166,998,266	1,129,953	-	-	-	**168,128,219**	120,707,932	5,865,049	-	1,978	330	**126,575,289**
III	**OTHER INFORMATION**												
1	Value of bank's assets pledged as collateral:												
	a. To Bank Indonesia						**-**						**-**
	b. To others						**-**						**-**
2	Repossessed assets**)						**-**						**-**

*) Include restructured loans due to Covid-19
**) Repossessed assets are presented net after the allowance for impairment of assets.

EARNINGS ASSET QUALITY REPORT AND OTHER INFORMATION

Allowance For Impairment And Asset Quality Assessment

(In Millions of Rupiah)

No.	Description	31 December 2024 (Audited)						
		Allowance for Impairment (CKPN)				Allowance for Asset Quality Assessment (PPKA)		
		Stage 1	Stage 2	Stage 3	Total CKPN	General	Specific	Total Allowance for Asset Quality Assessment
1	Placements with other banks	17,537	-	-	17,537	567,103	-	567,103
2	Spot and derivative receivables/forward	-	-	-	-	74,915	-	74,915
3	Securities*)	12,102	-	6,921	19,023	320,716	8,674	329,390
4	Securities sold with agreement to repurchase (Repo)	-	-	-	-	8,635	-	8,635
5	Securities purchased with agreement to resell (Reverse Repo)	-	-	-	-	71,086	-	71,086
6	Acceptances receivables	25,737	3,751	-	29,488	91,563	273	91,836
7	Loans and financing provided*)	9,094,305	16,664,969	12,581,110	38,340,384	12,530,856	12,528,756	25,059,612
8	Investments in shares	30	-	12,597	12,627	145,752	76,685	222,437
9	Other receivables	44,397	68,290	1,264,119	1,376,806	295,280	1,269,145	1,564,425
10	Commitments and contingencies	412,129	672,971	4,863	1,089,963	2,235,014	47,765	2,282,779
Total		**9,606,235**	**17,409,980**	**13,869,610**	**40,885,828**	**16,340,919**	**13,931,298**	**30,272,218**

No.	Description	31 December 2023 (Audited)						
		Allowance for Impairment (CKPN)				Allowance for Asset Quality Assessment (PPKA)		
		Stage 1	Stage 2	Stage 3	Total CKPN	General	Specific	Total Allowance for Asset Quality Assessment
1	Placements with other banks	12,329	-	-	12,329	486,240	-	486,240
2	Spot and derivative receivables/forward	-	-	-	-	19,501	-	19,501
3	Securities*)	14,614	-	24,850	39,464	334,859	39,496	374,355
4	Securities sold with agreement to repurchase (Repo)	-	-	-	-	7,425	-	7,425
5	Securities purchased with agreement to resell (Reverse Repo)	-	-	-	-	47,804	-	47,804
6	Acceptances receivables	29,916	87,984	-	117,900	144,559	353	144,912
7	Loans and financing provided*)	11,201,507	15,660,142	15,473,730	42,335,379	10,274,065	9,261,410	19,535,475
8	Investments in shares	30	-	44,505	44,535	145,261	108,823	254,084
9	Other receivables	55,293	178,637	1,215,609	1,449,539	250,243	1,227,890	1,478,133
10	Commitments and contingencies	471,778	476,059	163,893	1,111,730	1,945,865	321,732	2,267,597
Total		**11,785,467**	**16,402,822**	**16,922,587**	**45,110,876**	**13,655,822**	**10,959,704**	**24,615,526**

*) Stage 1 Allowance for Impairment includes allowance for impairment for financial assets that are measured at fair value through other comprehensive income which booked in equity.

HUMAN CAPITAL MANAGEMENT

In 2024, Human Capital focused on cultivating an ecosystem-based business mindset and enhancing strategic leadership capabilities, ensuring that Bank Mandiri maintains its growth momentum and market leadership position. As such, we urge all Mandirian personnel to consistently embody the core value of "AKHLAK," which serves as a guiding principle for SOEs, both within the workplace and beyond. Additionally, we have embedded the Wholesale Banker mindset, characterized by the distinctive Mandirian DNA, across our entire organization, reinforcing our commitment to achieving the Company's long-term targets and aspirations.

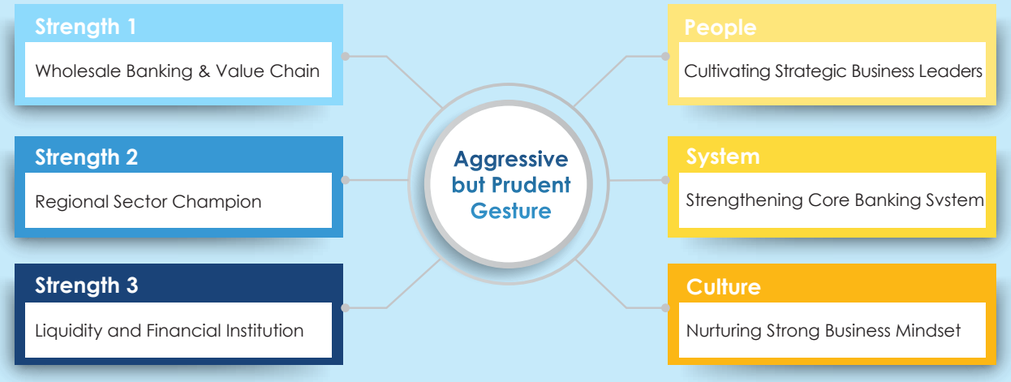


HUMAN CAPITAL FRAMEWORK

In 2024, Bank Mandiri's Human Capital management focused on cultivating an ecosystem-based business mindset and developing strategic leaders to drive sustainable growth. By implementing targeted programs, we aim to create a resilient and adaptive workforce, supporting the Bank's strategic purpose of "Leading Today, Championing the Future" and solidifying its position as the market leader in domestic and regional markets.

3-3-1 STRATEGY

Aligned with the vision and mission of the Corporate Plan 2020-2024, Bank Mandiri Human Capital remains focused on nurturing top talent through its 3-3-1 strategy, emphasizing the pivotal role of People & Culture.

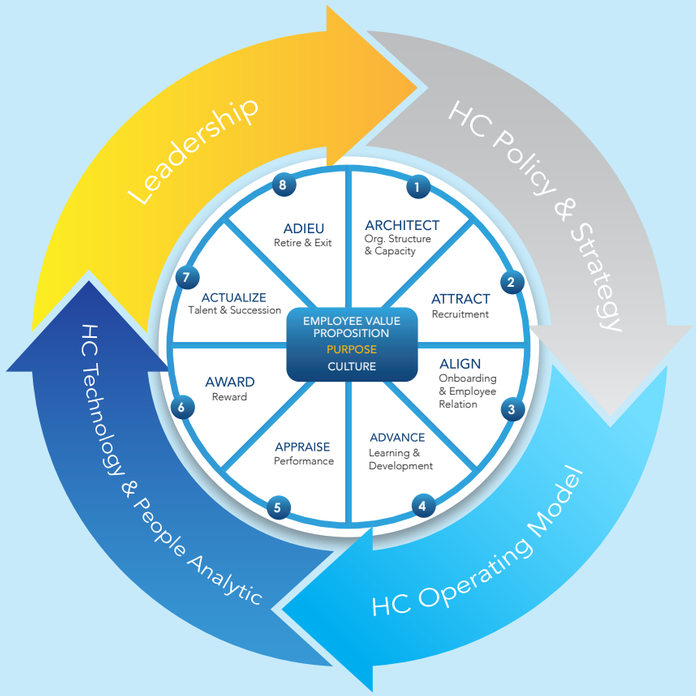


To drive sustainable business growth, Bank Mandiri implements two main focus areas in its Human Capital management programs, namely:

1. **People:** The Bank focuses on enhancing the ability to seize business opportunities by managing a productive workforce.

2. **Culture**: To be able to realize sustainable business growth, the Bank transforms its business mindset.

BANK MANDIRI HUMAN CAPITAL ARCHITECTURE



Bank Mandiri Human Capital Architecture consists of 3 (three) key components:

1. **Employee Value Proposition (EVP) & Culture**
   The foundation of Mandiri's Human Capital development is built upon the purpose of fostering the AKHLAK Mandirian culture and positioning Bank Mandiri as an employer that offers an Employee Value Proposition focused on opportunities for learning, growth, collaboration, and meaningful contribution to both Bank Mandiri and Indonesia.

2. **Human Capital Life Cycle**
   The Employee Value Proposition (EVP) is realized through comprehensive management of all stages of the employee lifecycle, encapsulated in the "Human Capital Life Cycle." This process begins with organizational structure and capacity design, followed by recruitment, onboarding, recognition, development, and finally, retirement and exit.

The Human Capital Life Cycle includes:

a. ARCHITECT (Organization Structure and Capacity) – Organization Development
b. Organizational development which includes organizational structure design and position evaluation, career development, and employee needs planning (capacity planning).
c. ATTRACT (Recruitment – Human Resource Fulfillment)
d. A reliable Human Resources fulfillment system both through internal and external sources, and employee attraction (strategies to attract employees).
e. ALIGN (Onboarding & Employee Relation – Employee Onboarding and Employment Relations System)
f. A friendly system of employee onboarding and relations for employees and new employees.
g. ADVANCE (Learning and Development)
h. Training and capability development of employees to support business needs.
i. APPRAISE (Performance – Individual Performance Management)
j. Employee performance appraisal and feedback system that is accountable and transparent.
k. AWARD (Reward – Reward System (Total Reward))
l. Competitive and accurate employee reward system.
m. ACTUALIZE (Talent and Succession)
n. Quality and timely talent and succession management system.
o. ADIEU (Retire and Exit)
p. Employee termination system and pension plan

3. **Human Capital Platform**
   The management of the Human Capital Life Cycle is carried out through the implementation of an operating model supported by technological infrastructure and leaders who are also responsible for managing Human Capital.

The following is the Human Capital Platform that supports Bank Mandiri Human Capital management:

- HC Technology & People Analytic
  a. Human Capital Information System (HCIS)
     Core human capital system to support administrative processes, databases, verification and employee payroll integrated with the finance system.
  b. Mandiri CLiCK
     Platform for digitizing personnel administration processes and information centers related to Human Capital provisions.
  c. New Learning Management System (MY Learn)
     End-to-end digital learning and capability development solutions that are integrated with more than 9,000 learning courses both internally and externally to provide a better employee learning experience.
  d. Standalone EASy
     Systems to support the goal setting process, performance management and processes in the compensation cycle.
  e. Mandiri TaMS (Talent Management System)
     Bank Mandiri Talent Management is related to talent profile, successor pipeline, assessment result and centralized top talent management.
  f. Recruitment Platform System
     Recruitment and application tracking system to accelerate and support the recruitment process and candidate tracking.

- Leadership
  Bank Mandiri Human Capital annually holds a Co-creating Future Mandirian forum, which is a collaboration forum between all Leaders and Human Capital in order to align and communicate programs that require the involvement of all Leaders.

- HC Policy & Strategy
  Each Human Capital policy is listed in SPSDM in accordance with the Employee Life Cycle. Human Capital Strategy is prepared in alignment with the direction of the Bank's strategy and is reviewed annually. The purpose of implementing the 3-3-1 Human Capital strategy is to increase productivity, increase employee engagement, in addition to continuing to nurture and develop new leaders in order to ensure sustainable business growth.

- HC Operating Model
  Bank Mandiri Human Capital Architecture is designated as the HC Operating Model by the Bank in order to facilitate ongoing organizational development and align with current business developments.

HUMAN CAPITAL STRATEGY

Bank Mandiri implements its Human Capital Strategy as a key component of its focus on shaping the Bank's People and Culture, as outlined below:



The purpose of Bank Mandiri Human Capital is to elevate employee engagement and productivity in order to be able to foster sustainable business growth and develop new leaders. To achieve this goal, Bank Mandiri Human Capital has 3 Strategies and 3 Mandates.

The 3 strategies are:
1. Strategy #1: Increase productivity
2. Strategy #2: Accelerate capability improvement
3. Strategy #3: Deepen Employee Engagement with AKHLAK & EVP

Below are 3 mandates of Human Capital:
1. For Mandiri: To support and activate the Strategy and Corporate Plan
2. For Our Nation: To contribute to building talent for Indonesia
3. For Our Employee: To create a meaningful Employee Experience.

ORGANIZATION STRUCTURE OF BANK MANDIRI HUMAN CAPITAL MANAGEMENT

ORGANIZATIONAL STRUCTURE OF DIRECTORATE OF COMPLIANCE & HR



Based on the structure, the Directorate of Compliance & HR consists of:
- Compliance & AML – CFT Group that manage the functions of Anti Money Laundering (AML) System & Development, AML Advisory, Financial Crime Analysis, AML Reporting & Data Analyst, Compliance System, Corporate Governance, QA & LEA, IT Compliance, and Compliance Officer.
- HC Engagement & Outsource Management Group that manage the functions of Industrial Relations, Outsourcing Management, Outsourcing Operations & Supporting, Pension Fund & Alumni Relations, Employee Special Assignment.
- HC Performance & Remuneration that manage the functions of Reward Management, Performance Management, Organization Development, Strategic Workforce Program.
- HC Strategy & Talent Management that manage the functions of Talent Management, HC Strategy & Analytics, HC Digital & Employee Experiences, Culture Activation, HC Communication & Employer Branding, Leadership & Management Development, Emerging Leaders Development, and Talent Exchange.
- HC Services that manage the functions of Talent Acquisition, HC Information System, HC Operations, Quality Assurance & Effectiveness Improvement, and Improvement Project.
- Mandiri University that in charge of Operation & Strategic Projects including Learning Operations & Monitoring, Branding, Partnership & Communication, Registered Training Organization (RTO), Certification, and Academies.
- Human Capital Business Partner that includes:
  - Distribution & Retail Banking: HCBP Business & Network (1-2) and HCBP Retail Banking.
  - Wholesale Banking: HCBP Institutional Relations, HCBP Commercial Banking, HCBP Treasury & International Banking, HCBP Subsidiaries, HCBP SAM, HCBP Corporate Banking.
  - Supporting: HCBP Wholesale Risk, HCBP Retail Risk, HCBP Enterprise Risk & Internal Audit, HCBP Compliance & HC, HCBP Finance & Corporate Transformation, HCBP Information Technology, HCBP Operations.

DIVERSITIES AND EQUAL OPPORTUNITIES

In line with its human resource management policy, Bank Mandiri consistently upholds its commitment to valuing diversity and ensuring equal opportunities for all employees to grow and develop, regardless of ethnicity, religion, race, or other distinctions in its Human Capital practices.

Bank Mandiri ensures that Human Capital management is based on competencies, providing equal opportunities for all employees in career development, skill enhancement, remuneration, and other aspects.

This commitment to equality is reflected in the relatively balanced percentage of female employees, accounting for 52.37% (2023: 52.32%) of the total workforce. Meanwhile, the percentage of women in top-level management positions, from Assistant Vice President to Director, reached approximately 35.47% in the 2024 reporting year (2023: 33.17%).



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

Bank Mandiri implements a robust and consistently applied Human Capital management program to support the realization of its Corporate Plan and strategic objectives, as outlined below:

INTERNALIZATION OF CORPORATE CULTURE

Bank Mandiri consistently and continuously implements the AKHLAK Core Values through unique characteristics known as the Mandirian DNA (m-DNA) as a Way of Working at Bank Mandiri.

Mandirian DNA (m-DNA) is defined as a form of embodiment of AKHLAK's Core Values, which consists of:

A Trustworthy	Uphold the trust given "Trustworthy" value code of conduct: • Deliver on agreements and commitments • Responsible for the duties, decisions and actions performed • Firmly upholding the moral and ethical values
K Competent	Continue to learn and develop capabilities. "Competent" value code of conduct: • Improving self-competence to overcome ever-changing challenges • Helping others learn • Complete tasks of the highest quality
H Harmonious	Care for each other and respect differences. "Harmonious" value code of conduct: • Respect everyone regardless of background • Fond to help others • Building a favourable work environment
L Loyal	Dedicated and to first put the interests of the nation and the country. "Loyal" value code of conduct: • Maintaining the good name of fellow employees, leaders, SOEs, and the Nation • Willing to sacrifice to achieve greater goals • Be obedient to the leadership as long as it does not conflict with law and ethics
A Adaptif	Continue to innovate & be enthusiastic in enforcing or overcoming change. "Adaptive" value code of conduct: • Quickly adjust to perform better • Constantly make improvements following technological developments • Act proactively
K Collaborative	Build synergistic cooperation. "Collaborative" value code of conduct: • Provide opportunities for various parties to contribute • Open to working together to generate added value • Drive the utilization of multiple resources for a common goal

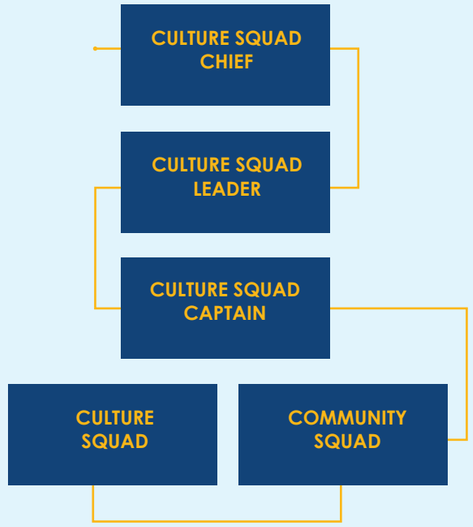
Bank Mandiri Culture Implementation Framework:

To strengthen the sustainable implementation of AKHLAK core values, Bank Mandiri developed a framework as unique characteristics of all Bank Mandiri employees called Mandirian DNA (m-DNA). m-DNA is as a manifestation of core values (Trustworthy, Competent, Harmonious, Loyal, Adaptive, and Collaborative). These unique characteristics are actualized through Gerakan Bersama Mandirian to realize Mandirian who always deliver & ahead (m-DNA) in realizing Bank Mandiri's vision and aspirations.



Bank Mandiri has established a Culture Network Team (CNT) which has a strategic role as an enabler in shaping the Super Happy Super Productive work culture through cultural programs that are embedded with daily work to deliver an impact on the formation of employee mindset and behavior.

Culture Network Team (CNT) is a strategic partner of Human Capital that engages all levels of employees both at the Top Management level, Senior Management to the junior level of employees. CNT carries out its role by implementing culture through programs hosted both within work units and across bank-wide, such as events, campaigns, and cultural programs, to deliver management and motivation messages to employees across all work units.



Board of Directors & SEVP (L1)
Provide input and direction to the culture squad leader in determining and implementing work culture and main behaviors in each work unit.

Regional CEO, Group Head and Relevant Executives (L2)
As a role model and foster work culture practices in each work unit.

ROH/RCBDH/RTCH (L3), Department Head, Area Head and Relevant Executives (L3)
Coordinator in the preparation, implementation and evaluation of work culture programs in each work unit.

Culture Squad (L4) & Community Squad (Mandiri Influencer, Mandiri Writer, Mandiri Movie Creator, Mandiri Dancer)
Take an active role in ensuring that the work culture program consistently performs in each work unit.

*) Provisions related to Culture Network Team refer to:
- Memorandum No. PPP.HCE/CMD.273/2021 & PPP Letter No. HCE/CMD.141/2021 dated 30 April 2021 on the adjustment of the organizational structure of the Culture Network Team in order to strengthen work culture practices in 2021.
- Decree of the Board of Directors No. KEP. DIR/34/2022 dated 23 September 2022 on Appointment and Determination as Culture Squad.
- Decree of the Board of Directors No. KEP. DIR/33/2022 dated 23 September 2022 on Appointment and Determination as Culture Squad Captain.

FLAGSHIP PROGRAMS

The following bankwide flagship programs have been implemented during 2024, as follows:

No.	Program	Description	Purpose
1	Well-being Program	Covering the aspects of Physical, Psychological, Financial, and Workplace well-being, which are structured around three main pillars: Employee Assistance, Well-being Program, and Well-being Campaign.	Enhancing the implementation of employee well-being initiatives and exploring measures to maintain well-being while performing daily work tasks.
2	AKhLAK Townhall Mandiri Group	As part of the series of activities commemorating the 4th Anniversary of AKHLAK, the management organized a townhall meeting involving the Board of Directors and all employees under the theme: "AKHLAK as the Foundation of SOEs for Sustainable Performance Growth and Improved Services."	The management's directives to all employees focused on: • Optimizing the implementation of AKHLAK values to sustainably enhance employee performance • Raising awareness and reinforcing employee adherence to the Respectful Workplace Policy (RWP) within the work environment

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

No.	Program	Description	Purpose
3.	Culture Campaign Multichannel	The strategy involves launching a campaign program that utilizes an integrated approach to various internal communication platforms and channels. This includes disseminating messages and reinforcing the company's cultural values through narratives, presentations, posters, videos, and interactive podcasts. Each channel is tailored to its unique context, packaging, and audience characteristics to ensure the delivery is effective and engaging.	The goal is to communicate management's directives and focus areas, such as Mandirian DNA characteristics and employee well-being, in a way that is easily understood and embraced by the target employees.
4	Corporate Culture Training	This program forms part of the internalization process for AKHLAK core values and the Mandirian DNA (m-DNA) as unique characteristics, targeting both new hires (ODP) and existing employees (SDP) through core module training sessions before they commence their assignments.	• Establish a clear understanding of the AKHLAK core values and their impact on accelerating business transformation. • Building knowledge about the unique characteristics of the Mandirian DNA (m-DNA) and how these traits are shaped by AKHLAK core values. • Instill a sense of ownership among participants, ensuring that the core values of AKHLAK and the m-DNA are seen as personal responsibilities that must be demonstrated in employees' behaviors.
5	AKhLAK Blusukan Culture	An informal communication forum between management and employees that focuses on the topics of AKHLAK core values and employee well-being.	To deliver motivation and conduct monitoring (pulse check) regarding how the implementation of AKHLAK and well-being programs supports bank-wide initiatives and creates the Mandirian Joint Movement "Always Deliver & Always Ahead."
6	AKhLAK Culture Visit	A discussion forum for the Culture Network Team (CNT) at Regional and Headquarters units, held regularly both online and offline.	• To gather feedback as an area of improvement for the implementation of cultural programs. • To conduct a pulse check on cultural program implementation within the units through CNT.
7	Edutainment Mandiri Best Employee (MBE)	A development program for Bank Mandiri's top employees delivered in an edutainment format.	• Enhancing engagement and psychological well-being to foster closer connections with the Creator. • Providing spiritual experiences for MBE winners to deepen their understanding of religious values and embrace the principles within AKHLAK core values, thereby strengthening purpose of work. • Providing new knowledge and networks, allowing participants to bring back positive insights from the program and shaping them into Strategic Business Leaders Who Always Deliver and Always Ahead (mDNA).

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

No.	Program	Description	Purpose
8	Mandiri Best Employee (MBE)	A training program designed for all top employees of Bank Mandiri (Mandiri Best Employees) to serve as role models in embodying AKHLAK values and fostering a strong sense of national identity as professional bankers.	• Enhancing the capabilities of candidates with strong national awareness and high integrity, enabling them to become role models within their respective units. • Fostering a deep sense of love and pride for Indonesia.
9	Mandirian Ber-NYALI (Mandirian Bergerak Nyata untuk Lingkungan)	A program aimed at supporting Bank Mandiri's Sustainable Finance Action Plan (RAKB), particularly in fostering sustainable operations by encouraging eco-friendly behaviors among employees. These include reducing plastic use, minimizing paper consumption, conserving electricity, and separating organic from non-organic waste.	• Enhancing employees' awareness of the importance of environmental care (eco-friendly acts). • Pulse checks on cultural program implementation within work units through the Culture Network Team (CNT).
10	ABC in Mandiri (Asyiknya Bahas Culture)	An educational and socialization program delivered in podcast format that provides information about various culture-related topics, wellbeing initiatives, and other matters currently prioritized by Bank Mandiri's management.	The program serves as a fun and engaging medium to increase employee awareness of culture, wellbeing, and management concerns, making these topics more accessible and relatable.
11	Mandiri Innovation	An innovation incubation program designed to foster experimentation and cultivate a culture of innovation, enabling the creation of a competitive edge at Bank Mandiri.	This initiative provides employees with the space and resources to engage in innovative activities, thereby accelerating the innovation process within the Bank.
12	Mandiri Young Leader (MYLead)	A development program for Top Talent at the L4 level that involves three years of stretch and challenging assignments.	This initiative aims to accelerate the career growth of L4 employees, preparing them to become successor-ready for the next level (L3).
13	Future ME (Mandirian Excellence)	A development program for active students from first to fourth year who have been selected through a rigorous process, designed to accelerate and build their career in the banking industry.	• Enhance students' knowledge in financial management, career preparation, and leadership. • Provide insight and a clearer picture of a career path at Bank Mandiri.
14	My Digital Academy (MDA)	My Digital Academy is an early engagement and hiring program for final-year students and fresh graduates from selected universities and faculties. The program includes a one-month IT capability development innovation bootcamp.	This serves as a platform to attract the best digital talents in support of the Corporate Plan to become The Best Modern Digital Bank, while also positioning Bank Mandiri as an employer of choice among students from various universities.

RECRUITMENT

Bank Mandiri has established several stages in the employee recruitment process, as outlined below:



An elimination system is applied at each stage of selection.

Employee recruitment at Bank Mandiri is conducted through two main channels: internal and external sources. Internal recruitment is carried out through internal development programs targeting leadership positions, while external recruitment involves hiring fresh graduates and experienced professionals (pro hire) for both managerial and operational roles. All recruitment activities are aligned with the Bank's needs and follow established policies and guidelines.

Internal Recruitment

Internal recruitment is managed by Human Capital Services for the "Staff Development Program (SDP)" positions. The guidelines for implementing the SDP are outlined in Bank Mandiri's internal regulations, as detailed below:

1. Officers and Security Officers with the top priority of the Authority Holder Employees (P3K).
2. Minimum education of Diploma 4 or Bachelor degree.
3. Have a professional disposition, namely: speak with respect, well dressed, well mannered, self-confidence.
4. Minimum Performance Level of PL2 in the last 2 years.
5. Minimum service period of 5 years from the effective date of employment.
6. HIPO/CR Talent Classification.
7. Maximum age of 45 years at the time of initial selection.
8. Minimum Individual Grade of PP2.
9. Not in the process of audit/ investigation due to violations of employee discipline.
10. Not sanctioned in the last 1 year and not currently under sanctions.
11. Have never participated in the SDP selection more than 3 (three) times.
12. Have never participated in the SDP selection in the previous year.

Specifically for security officer:
Implementing Authority Holder Employees (P3K) Security/Security Supervisor.

Specifically for officers of Branch Sales Staff, Branch Sales Supervisor and Unit Supervisor:

1. Minimum working period of 2 (two) years is calculated from PKWT as Branch Sales Staff, Branch Sales supervisor and Unit Supervisor.
2. No minimum Individual Grade.

In 2024, the number of employees participating in recruitment from internal sources was 579 personnel, an increase of 8% from 538 personnel in 2023. This increase was caused by the number of employees who were eligible to take part in the development process and there was a need for leadership employees from the SDP pathway in work units.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

Description	2024	2023
SDP Recruitment	579	2,959

Internal recruitment is carried out through rotation, secondment, promotion, and demotion as part of the employee career development process. The Bank adopts a holistic approach, considering not only promotions but also capability enhancement, expansion of responsibilities, individual development, and improved remuneration.

- Rotation refers to the transfer of employees within the same unit or across different units.
- Secondment is a temporary assignment of employees for a specific period.
- Promotion involves moving an employee to a higher-ranking position, either within the same unit or across different units, where the new role has a higher level of responsibility or job grade.
- Demotion is the transfer of an employee from a higher position to a lower one, aimed at providing coaching and learning opportunities to help improve productivity in line with the Bank's business and organizational needs.

Bank Mandiri Employee Promotion, Demotion and Rotation

Description	2024	2023
Promotions (MPC and SPC)*	10.388	9,210
Demotion	14	5
Rotation	15.525	13,440

MPC is a Main Promotion Cycle and SPC is a Secondary Promotion Cycle.

External Recruitment

External recruitment is conducted to fill positions within the "Officer Development Program (ODP)." The implementation guidelines for the ODP are outlined in Bank Mandiri's internal policies, as detailed below:

a. Minimum of Bachelor Degree Education Level
b. Candidates from the graduates of universities with the best reputation in Indonesia and overseas set by Bank Mandiri.
c. Courses:
   - Study Programs required by the Bank
d. Maximum age at the time of following the initial selection:
   - 26.0 years for Bachelor Degree/ equivalent graduates
   - 28.0 years for Master Degree graduates
e. Minimum Grade Point Average (GPA):
   - Bachelor Degree graduates: 2.75 – 3.00 (4.00 scale)
   - Master Degree graduates: 3.20
   - Graduates of Overseas Universities: Pass or based on certain standards according to the origin of the University
f. Unmarried and willing to be unmarried during the program.
g. Have no Criminal record from the Police or a record of misconduct from the previous company.

In 2024, the total recruitment of ODP programs was 829 personnel, an increase of 30% from previous year's recruitment of 640 personnel. This increase was due to an increase in the need for leadership employees in Bank Mandiri work units.

In 2024, the recruitment of leadership candidates through ODP Program was sourced through job fairs, campus hiring events attended by Bank Mandiri, the "Talent Hunt" program, the "Future Me" program, internship opportunities, and the use of an Applicant Tracking System in collaboration with "Talentics."

Description	2024	2023
Rekrutmen ODP	829	640

CPDK (Special Regional Leadership Candidate) Recruitment

This recruitment program is specifically targeted at fresh graduates from local region communities. Employees hired through the CPDK pathway will undergo a comprehensive and intensive development program, which includes both in-class and on-the-job training. This training aims to provide a thorough understanding of standard operations and business processes within the unit, equipping them to effectively perform their roles in their respective local areas. In 2024, a total of 68 employees were recruited through the CPDK pathway, marking an increase of 100% from zero recruitment in the previous year.

Description	2024	2023
CPDK Recruitment	68	Nil

CPDK recruits are assigned to various Bank units, including Regional 9 (Kalimantan and surrounding areas), Regional 10 (Sulawesi and Maluku), Regional 11 (Bali and Nusa Tenggara), and Regional 12 (Papua and West Papua).

Regions	Total
Region II/South Sumatra	21
Region IX/Kalimantan	11
Region X/Sulawesi & Maluku	17
Region XI/Bali & Nusa Tenggara	10
Region XII/Papua	9
Grand Total	**68**

Recruitment of Employees With Disabilities

As a commitment to equal opportunities, Bank Mandiri also upholds employees with disabilities recruitment policy. Currently, the recruitment of employees with disabilities is aimed at roles such as Contact Center staff, Mandiri University staff, and IT staff.

The recruitment process for employees with disabilities is conducted independently by the respective units in coordination with Human Capital. One example is the Mandiri Call 14000 service at the Mandiri Contact Center, which handles its own recruitment.

In addition, the recruitment of employees with disabilities is carried out in collaboration with FHCI (Forum Human Capital Indonesia), which serves as a platform for Human Capital managers and practitioners within SOEs to engage, learn, and synergize for better Human Capital management.

In 2024, the Bank hired 67 employees with disabilities, marking an increase/decrease of 27% from 2023, when 18 employees were recruited, as detailed below.

Description	2024	2023
Recruitment of Employee with Disabilities	9	2

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

Internship Recruitment

The purpose of the Internship Program is to equip and develop the competencies of graduates from schools and universities, preparing them to enter the workforce. Interns who demonstrate strong skills and competencies are considered as potential candidates in Bank Mandiri's recruitment pool. The Bank's internship programs, which serve as a recruitment source, consist of two main types: Kriya Mandiri and Partnership Internship Programs, including Magang Generasi Bertalenta (MAGENTA) and the Certified Internship Program under Kampus Merdeka (MBKM).

Kriya Mandiri is an integrated internship program introduced in 2012 for high school graduates, Diploma 3 (D3), and Bachelor's (S1) degree students. It aims to provide knowledge, skills, and hands-on experience, particularly in the banking industry. Learning modules include back-office tasks, call center, customer service, and teller roles. For contact center positions, the Bank offers a special internship program for differently-abled individuals with a minimum high school education, known as Kriya Mandiri Contact Center. Participants undergo three stages of training; basic, intermediate, and advanced, over a comprehensive three-year period based on a structured syllabus. In 2024, there were 3,029 Kriya Mandiri participants, of which 273 became full-time Bank Mandiri employees. This was a decrease of 67% from last year's total of 817 participants.

The Partnership Internship Program is conducted in collaboration with two ministries: the Ministry of State-Owned Enterprises (SOEs) and the Forum Human Capital Indonesia (FHCI) for the Magenta Internship Program, as well as the Ministry of Education, Culture, Research, and Technology for the Certified Internship Program under Kampus Merdeka (MBKM). The Magenta Internship Program started in 2023, while the MBKM program has been ongoing since 2021. These internships are offered to students from public and private universities as part of the "SOEs for the Nation" initiative. The aim is to support the government's efforts in preparing a competitive and skilled workforce and to bridge the gap between university curricula and industry needs. Interns participating in these programs gain comprehensive and structured knowledge and skills, particularly in banking. In 2024, the program successfully recruited 521participants, representing an increase of 8.31% compared to last year's total of 481 participants.

Internship Program	2024	2023
MBKM	293	152
Magenta and General Internship	228	329
Total	**521**	**481**

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024



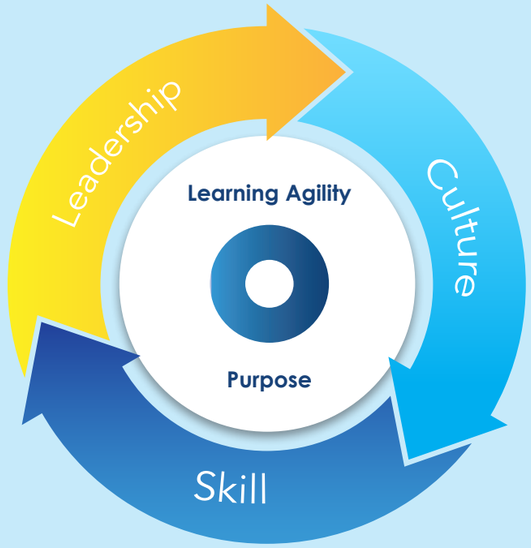
EMPLOYEE DEVELOPMENT

To enhance employee competencies and achieve global competitiveness, Bank Mandiri has implemented a series of ongoing development initiatives aimed at cultivating exceptional talent. The focus on improving employee skills is closely tied to the overall importance of career development.

Employee Career Development

Bank Mandiri's approach to career development is grounded in its Talent Management and Succession program, which adheres to the principle of fair opportunity. This ensures that every employee has an equal chance to grow and progress, while also taking into account the Bank's needs, individual capabilities, performance evaluations, potential, talent classifications, roles, and other relevant factors. The program is designed to prepare employees for key management positions within the Bank.

Bank Mandiri's Talent Management and Succession strategy is structured around the Mandirian Propeller framework, which encompasses five key elements: Technical Capability, Leadership Capability, Culture, Learning Agility, and Purpose. This framework serves as the foundation for talent development, ensuring that all five aspects are implemented in a balanced and comprehensive manner.

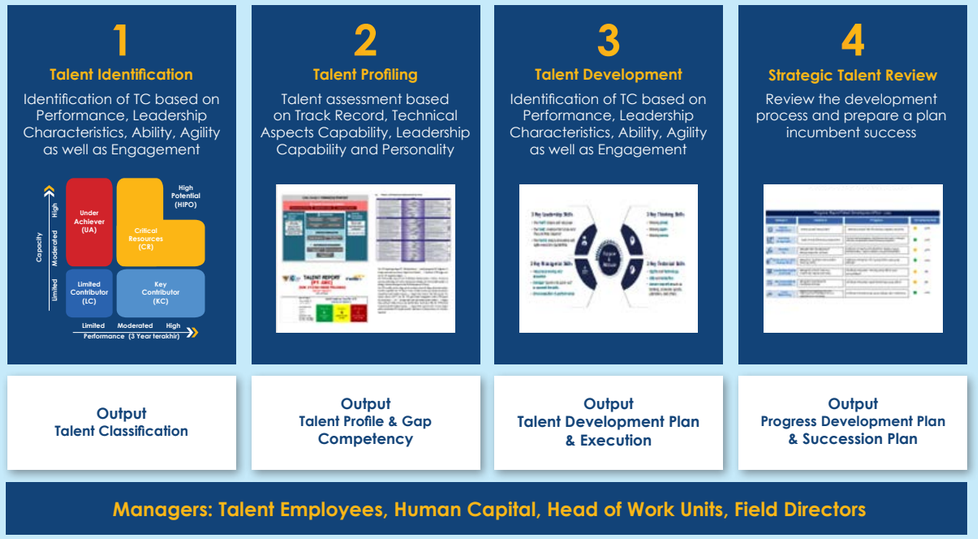


Super Happy, Super Productive, Sustainable Business

The talent management and succession process is divided into 4 (four) main processes, as follows:

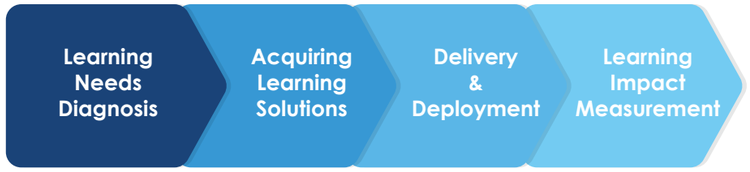
1. Talent Identification
   TC Identification Process (Talent Classification) based on performance, Leadership Characteristics, Ability, Agility and Engagement.
2. Talent Profiling
   Talent assessment process based on track record, technical capability, leadership capability and personality aspects.
3. Talent Development
   Plan and execute talent development based on capability gaps.
4. Strategic Talent Review
   Review development progress and prepare an incumbent succession plan.

Bank Mandiri Talent Management Process



Employee Competency Development

Bank Mandiri's approach to employee competency development is facilitated through its corporate university, known as Mandiri University. This is driven by an operating model based on the Strategic Learning Process, a comprehensive learning chain that starts with analyzing business needs and employee competencies, followed by the implementation of learning solutions, and concludes with measuring the impact on business outcomes. The Strategic Learning Process can be illustrated as follows:



INPUT	Organizational capability competency requirements based on business plan & strategy	Learning blue print & roadmaps	Learning program/ module (blended/non-blended)	Data outcome of learning (survey. questionnaires. observation. interviews. etc
PROCESS	• Core competency analysis • Development needs analysis • Training needs analysis	• Decide/choose: makeborrow- buy-reuse • Analyze program/ module requirements • design program/ module framework • Develop program/ module content	• Program/module Campaign • Implement (deliver/ deploy) by corporate teacher (on job & work place trainer. classroom/virtual facilitator. coaching. consulting. mentoring)	• Evaluate: • The quality of the outcome of learning • The learning solutions • The learning system • The performance of employee
TOOLS	• Development needs analysis forms • Training needs analysis forms	ISD Toolkit: • Learning requirements • Design window analysis • course structure & lesson plan • Learning & evaluation materials • Test & pilot course	Trainer's Toolkit: • instructional design form • course structure • facilitator's guideline • Teaching slide's	• Participant's evaluation ROI toolkit • Data collection plan • ROI analysis plan • Monetary Conversion • Cost analysis
OUTPUT	• Organizational learning blue print (company wide) • Learning roadmaps (proactive) • Training additional program (reactive)	Learning program/ module (blended/non-blended)	Outcome of learning	Learning evaluation (L1, L2, L3, L4 return on training investment)

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

The employee development program managed by Mandiri University aims to support the implementation of Bank Mandiri's Corporate Plan by enhancing employee competencies aligned with the Bank's vision. To ensure alignment with Bank Mandiri's strategic goals, competency development is focused on leadership, managerial, and technical skills, particularly in areas such as wholesale banking, retail banking, risk management, IT, digital banking, and other essential fields like banking operations, finance, and human resources.

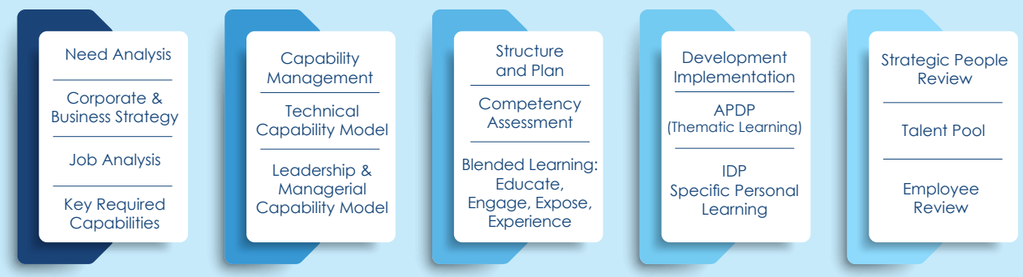
The development of leadership and technical competencies is guided by the Leadership Capability Model (LCM) and the Technical Capability Model (TCM).

In the area of technical competencies, in addition to training programs identified based on business and individual employee needs, Bank Mandiri has been focusing on Reskilling, Upskilling & Redeployment. This includes initiatives tied to Smart Branch implementation and digital capability building for all employees. Development within each Directorate at Bank Mandiri is systematically planned to meet business needs, communicated early to stakeholders, resource allocations are efficiently managed, and progress is regularly monitored.

The employee development plan is outlined in the Annual People Development Plan (APDP) for each Directorate based on its specific needs. This plan is systematically prepared, beginning with a learning needs analysis, identifying learning solutions in the form of training modules, scheduling program implementation (learning delivery and deployment), and measuring the impact of learning (learning impact). The APDP is developed by Mandiri University in collaboration with relevant working units and Human Capital Business Partners (HCBP), with top-down training programs tailored to organizational needs (Thematic Learning). In addition to this top-down approach, Bank Mandiri also plans employee development from a bottom-up perspective, addressing Specific Personal Learning gaps, discussed in development dialogues with supervisors. Bottom-up training programs are organized as Individual Development Plans (IDP) for each employee.

The employee development scheme is illustrated in the following Capability Development Framework:

The employee development flow is described in the following Capability Development Framework:



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

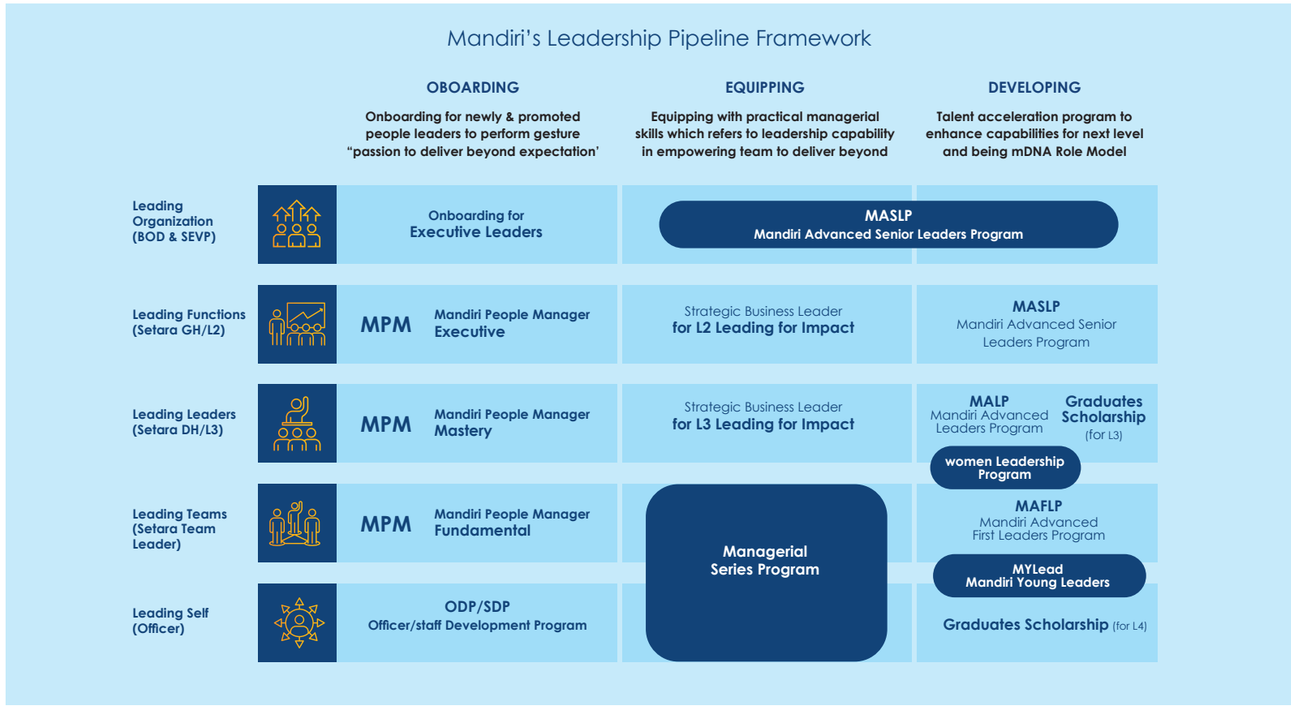
Mandiri University has established dedicated academies for each business segment of the Bank, enabling employees in each respective unit to receive training and development specifically tailored to their roles and responsibilities. The following academies are available at Bank Mandiri:

Academy	Segment
Wholesale Banking Academy	Focus on the development of Wholesale Banking, Trade Finance, Treasury, International Banking and Overseas Unit segments.
Retail Banking Academy	Focus on developing the Small Medium Enterprise, Retail Banking, Consumer Deposit, Financial Services and Investment Management segments.
Operations Academy	Focus on competency development in Business Continuity Management, Credit Operations, e-Channel Operations, Trade Services Operations and Customer Care.
Risk Academy	Focus on developing competencies in Risk Management, Audit and Control Function, Compliance and Legal.
Digital Banking and Information Technology Academy	Focus on competency development in Digital Banking, Information Technology, Enterprise Data Management.
Human Capital and Finance Academy	Focus on competency development in Finance, Corporate Transformation and Human Capital.
Leadership and Management Development Academy	Focus on leadership and managerial development at Bank Mandiri.

Bank Mandiri's employee competency development programs are divided into the Leadership Development Program and the Technical Development Program, each structured around the core competencies of each job family and capability model. These programs are designed to support employees' career progression, enhance their agility in facing challenges, foster cultural values, and align with the shared purpose of nation-building. The details of each program are as follows:

a. **Leadership Development Program**
This is a structured, tiered leadership development program designed to align with the leadership capacity required at each employee level. The program is divided into three main phases for each level of organizational leadership: Onboarding, Equipping, and Developing. The goal of Onboarding is to prepare employees with essential leadership skills as they assume new roles. Equipping aims to provide employees with specific leadership skills to support their roles based on identified competency gaps. Developing focuses on preparing and accelerating employees for the next level of leadership. This program targets all employees at various leadership levels, from officers to directors.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024



The tiered programs in the leadership development program are as follows:

- **Officer Development Program (ODP)**
An onboarding development path intended for fresh graduate candidates or candidates who have less than 4 (four) years of work experience. Candidates who pass the recruitment and selection stage will be determined as prospective employees and are required to attend an intensive ODP education program for 1 year, consisting of 3 months of classroom learning, 5 months on the job training, and 3 month's probation before becoming a permanent employee. To meet business needs, competency development in ODP includes aspects of Information Technology (IT), Risk Management, wholesale banking, retail banking, and support functions. In 2024, a total of 827 prospective employees in 27 batches participated in the ODP development.

- **Staff Development Program**
An employee onboarding development program promoted from staff level to leadership employee level. The focus of development includes briefing related to leadership, managerial, and technical skills needed by an officer: self-leadership, business banking, general banking, IT, risk management, and culture. The learning program lasts for 3 months in class and 3 months On the Job Training in the placement unit. During 2024, the number of employees participating in the SDP was 611 employees with 19 batches.

- **SESPIBANK Program**
The Bank Staff and Leadership College (SESPIBANK) is a development program in collaboration with the Indonesian Banking Development Institute for Bank Mandiri Level L3 leaders to prepare employees to the next level. The SESPIBANK curriculum consists of classical classes, general banking certification tests, benchmarking, and making papers as

final evaluation material. After participating in this program, participants are expected to develop more advanced banking technical skills, as well as network with official participants from various other banks in Indonesia. In 2024, 4 Bank Mandiri employee participated in the SESPIBANK program.

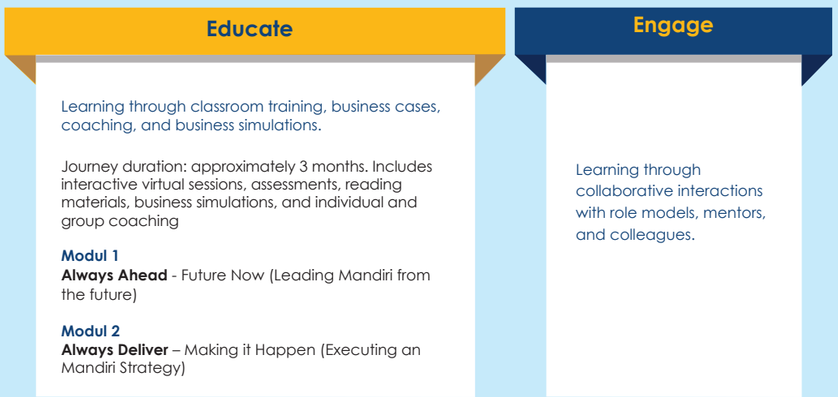
- **Mandiri People Manager (MPM) Fundamental**
  A training program for employees of L4 (officer) levels to equip leadership skills. The curriculum includes the preparation of a SMART work plan, prioritization of tasks based on PDCA, performance monitoring, and communication. The duration of the program is 1 day. In 2024, a total of 163 employees have participated in the MPM Fundamental.

- **Mandiri People Manager (MPM) Mastery**
  A training program for employees at the L3 level (Department Head level and equivalent) with the aim of improving leadership capabilities in managing, motivating, and improving team performance. The curriculum includes building effective work teams, managing change to achieve goals, planning, mentoring and execution, as well as managing energy and prioritizing team goals. During 2024, 1,027 employees have participated in the PM Mastery program.

- **Mandiri People Manager (MPM) Executive**
  This leadership program is designed for L2 (BOD-2) and BOD-1 employees, aiming to develop Mandirian leaders with deep insights and knowledge, excellent skills, and strong motivation to help Bank Mandiri achieve its aspiration of becoming the Undisputed Industry Leader. In 2024, a total of 213 employees participated in the MPM Executive program.

- **Mandiri Advanced Senior Leaders Program (MASLP)**
  The Mandiri Advanced Senior Leaders Program (MASLP) is a leadership development program tailored for top BOD-1 talent, preparing them for the next level of leadership. This program focuses on intrapreneurship, strategic leadership, people-focus, and digital leadership, aligned with the Bank's strategic needs and objectives.

- **Mandiri Advanced Leaders Program (MALP)**
  Mandiri Advanced Leaders Program (MALP) is a leadership development program for top BOD-2 talents, aimed at preparing them for the next level. The program focuses on intrapreneurship, strategic leadership, people focus, and digital leadership, aligning with the Bank's needs and strategy.



MALP is held for ±3 months, consisting of 2 Educate modules, each lasting 5 days.

By participating in this program, the participants are expected to have strategic leadership skills that are capable to lead organizations and teams to achieve the vision. During 2024, 2 (two) MALP cohorts have been held with a total of 60 top L3 talent participants.

- **Mandiri Advanced First Leaders Program (MAFLP)**
  Mandiri Advanced First Leaders Program (MAFLP) is a Leadership development program that prepares BOD-3 top talents (Team Leaders, Branch Managers or equivalent) to the next level of leadership. The focus of this program development is People Focus, Digital Mindset, Strategy & Innovation. During 2024, 10 MAFLP cohorts have been held with a total of 498 top L4 talent participants.

- **Mandiri Executive Leaders Program (MAELP)**
  Mandiri Executive Leaders Program (MAELP) is a leadership development program for Commissioners, Directors and SEVP levels. This program aims to improve leadership and technical capabilities in accordance with Bank Mandiri's business needs, as well as build relationships with other stakeholders. In 2024, 6 (six) Commissioners and 7 (seven) Directors have participated in this program at various Top Global Universities.

- **Post Graduate Scholarship Program (S2)**
  A development program for top talents employees who are selected to attain postgraduate formal education both overseas and domestically.
  - Mandiri Executive Scholarship for Postgraduate (MESP)
    A domestic S2 scholarship program to improve the knowledge and skills of top talents employees at the BOD-2 level which focuses on developing future skills needed in the Bank's long-term strategy. In 2024, there were 21 (twenty-one) L3+ and L3 employees (Department Head and equivalent) participating in the program.
  - S2 Scholarship Program Abroad
    An S2 scholarship program overseas that aims to increase the exposure, networking skills and knowledge of participants related to global insights relevant to Bank Mandiri's needs. In 2024, there were 30 (thirty) employees that currently studying Post Graduate scholarships in the Top 15 Universities around the world. The fields of study taken are Digital Business, Advanced Finance, Technology, and Enablers (Human Resources & Laws).

b. Technical Development Program

A technical employee competency improvement program in accordance with the managed business segment. This technical capability development program is held thematically and specifically with the aim of increasing the knowledge and skills of employees in business units which include wholesale banking, retail banking, risk management, IT and digital banking, as well as other fields, including banking operations, finance, and human resources. In 2024, 896 technical program modules were carried out with 168,292 participants.

The following are several technical programs training held in 2024:

- ***Strategic Business Leaders (SBL) Program***
  To realize Bank Mandiri's aspiration to become an Undisputed Industry Leader, one of the focuses carried out by Bank Mandiri is to develop Mandirian's capabilities as strategic business leaders.

  The purpose of the Strategic Business Leaders program is to equip all L3 Level employees, particularly Bank Mandiri Leaders at the head office and regions with the skills and capabilities to be able to lead in implementing the 3-3-1 corporate strategy in achieving market dominance by creating own game in their work units. In 2024, this program was attended by 3,737 employees.



- **Wholesale RM Coverage Program**
  Wholesale RM Coverage is a program to develop RM Wholesale capabilities to support the Wholesale Banking business and Value Chain for employees to be able to provide end to end transaction solutions to customers. become ecosystem enablers and maintain relationships with customers both at head office and regions through training programs. In 2024. this program was attended by 10,016 employees.

- **Digital Talent Readiness for Future**
  Digital Talent Readiness for Future is a digital talent program for Bank Mandiri employees, which is implemented through 2 programs to improve the digital capabilities of Bank-wide employees as Digital Leaders, such as:
  - IT Bootcamp
  - MSJD - Mandirian Ready to Go Digital

  As of December 2024, the Digital Talent Readiness for Future Program has been implemented with a total of 8,726 participants.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

Competencies Development by Program

Development Program	2024		2023	
	Batch	Participants	Batch	Participants
Leadership Development Program				
Officer Development Program	27	827	21	640
Staff Development Program	19	611	16	568
SESPIBANK Program	2	3	1	1
Mandiri People Manager (MPM) Fundamental	3	163	2	615
Mandiri People Manager (MPM) Advance	1	1,027	0	0
Mandiri People Manager (MPM) Mastery	1	213	3	81
Mandiri Advanced Leaders Program (MALP)	2	60	2	65
Mandiri Advanced First Leaders Program (MAFLP)	10	498	5	364
Mandiri Executive Leaders Program (MAELP)	15	13	5	14
S2 Program	3	51	2	73
Women Leadership Program	-	-	2	280
Other Leaderships	65	9,670	58	6,529
Technical Development Program	2,839	168,292	2,718	300,228
E-learning & Podcast	9,071	768,204	3,369	483,598

Competency Development Based on Position Level

Bank Mandiri consistently upholds the principle of equality in its employee competency development programs, providing equal opportunities for all employees to enhance their potential. In 2024. a total of 38,002 employees participated in training. accounting for 97.8% of the active workforce. This included 18,193 male employees (98.2%) and 19,809 female employees (97.4%). The number of employees attending training in 2024 increased by 97.5% compared to 2023. which saw participation from 37,084 employees.

Competency Development by Position Level in 2023-2024

No.	Employee Levels	Total Training	
		2024	2023
1.	Commissioner	10	12
2.	Director	12	12
3.	SEVP - SVP	154	158
4.	VP - AVP	4,120	3,965
5.	SM - FAM	13,993	13,822
6.	Officer	19,659	19,751
7.	Non Officer	55	59
8.	Pension/Terminate	2,032	1,738
	Grand Total	**40,035**	**39,517**

Total Days and Hours of Training (Man Hour) by Gender in 2023-2024

Gender	Total Trainees		Total Training Duration (hours)		Average Training Hours per Employee	
	2024	2023	2024	2023	2024	2023
Female	20,916	20,623	2,140,788	2,664,804	102,4	124.4
Male	19,119	18,894	2,175,159	2,674,432	113,8	136.6
Grand Total	**40,035**	**39,517**	**4,315,947**	**5,339,236**	**107,8**	**135.1**

Total Days and Hours of Training (Man Hour) by Gender in 2023-2024

No.	Employee Level	Total Trainees		Total Training Duration (hours)		Average Training Hours per Employee	
		2024	2023	2024	2023	2024	2023
1.	Commissioner	10	12	179	1,008	17.9	0.0
2.	Director	12	12	70	146	6.3	64.0
3.	SEVP - SVP	154	158	9,532	15,558	61.9	117.5
4.	VP - AVP	4,120	3,965	533,885	807,516	129.6	174.3
5.	SM - FAM	13,993	13,822	1,947,625	2,553,630	139.2	162.0
6.	Officer	19,659	19,751	1,743,310	1,839,932	88.7	84.2
7.	Non Officer	55	59	649	808	11.8	30.3
8.	Terminate	2,032	1,738	80,698	120,638	39.7	58.7
	Grand Total	**40,035**	**39,517**	**4,315,947**	**5,339,236**	**107.8**	**118.5**

EMPLOYEE ONBOARDING SYSTEM

New employees at Bank Mandiri, whether joining through the New Hire program or transitioning via the New Promote (Onboarding for New at Level) program, are required to undergo an onboarding system designed to equip them with the necessary knowledge, skills, and behaviors as Bank Mandiri employees.

To support the digitalization of the onboarding process, the Bank has introduced an enhanced, interactive onboarding experience using a gamification-based learning approach. This new process covers 10 learning topics over a three-month period and is accessible online.

The General Principles of the implementation of employee onboarding are as follows:

1. Compliance
   The Bank prepares employees to understand the basics of the provisions and policies applicable at the Bank.

2. Culture
   The Bank prepares employees to be able to accept and implement the Bank's norms including the Bank's work culture and core values.

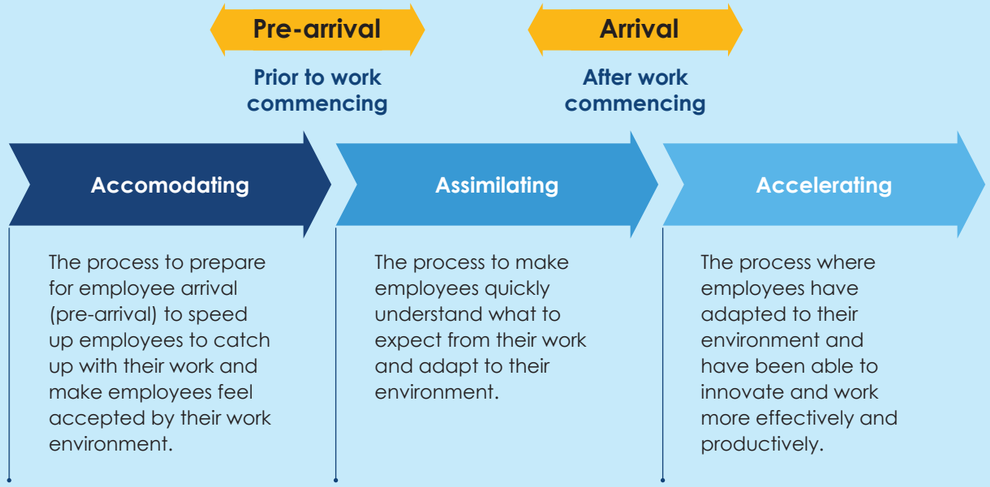
3. Clarification
   The Bank ensures that employees understand and aware on the duties and responsibilities of their new job and the expected performance results.

4. Connection
   The Bank ensures that employees can maintain good and positive relationships between employees

Onboarding for New Hire

The Onboarding Program is designed to help New Hires adapt to their new work environment, enabling them to quickly understand the behaviors and tasks specific to their new unit. The onboarding process begins as soon as the New Hire joins their designated unit. It consists of two stages: Pre-Arrival and Arrival, each comprising two integrated processes as outlined below:

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024



The objectives of Onboarding for New Hire are as follows:

1. Accelerate the process of employees' comprehension of their work so as to increase Speed to Productivity, which begins by providing facilities and infrastructure that can support work explanation on Job Description and Goals.
2. Introducing Bank Mandiri Culture in order to gain an understanding of aligned values for employees to quickly adapt to their work environment (attach to new culture).
3. Introducing the applicable provisions and systems for employees to attain risk awareness thereby able to measure and manage the risks encountered during their work.
4. Building a Resilient Independent spirit with a pattern of Resilient Learners who are willing to learn proactively from various sources (build proactive learner).

The supporting facilities provided during Onboarding for New Hire are as follows:

1. Welcome Kit Onboarding
   A package that contains equipment to support the performance and general information about Bank Mandiri provided to New Hire. The Welcome Kit Onboarding is given to increase understanding of Bank Mandiri and the productivity and work motivation of New Hire.
2. Buddy System
   During Onboarding, New Hire will be accompanied by a Buddy. The Buddy's role in implementing the Onboarding Program is very important, particularly in introducing the work environment thereby able to speed up the New Hire adaptation process. A Buddy must have an adequate understanding related to the work unit and Bank Mandiri as its function is to always be able to provide positive and precise information to New Hire.
3. Onboarding Mission Checklist
   The Mission Checklist is a guide to onboarding activities to assist New Hire in the process of adapting to the work environment during the Onboarding implementation.

Onboarding for New at Level

To support new employees in quickly adapting to their work environment and understanding their new roles, Bank Mandiri offers the Onboarding for New at Level program. This program is tailored for employees joining through the New Promote initiative, helping them gain a clear understanding of their job descriptions, set performance goals, and familiarize themselves with the company culture, Code of Conduct, and Business Ethics.

The objectives of the Onboarding for New at Level Program are as follows:

1. Understand leadership & bank-wide expectations
2. Understand specific missions & responsibilities
3. Integrity Reminder & Awareness
4. Understand the conditions & objectives of the unit to be led
5. Understand the preparation of a New Unit strategic plan (including Quick Win & improvement)

Stages of Onboarding for New at Level program:

1. Onboarding Development Dialog
2. Onboarding Briefing
3. Onboarding Learning
4. Mid-Review
5. Evaluation of Probation Period

EMPLOYEE COMPETENCE DEVELOPMENT EVALUATION

To enhance the quality of employee competency development programs, Mandiri University conducts continuous evaluations of the content, instructor quality, and learning methodologies. This ongoing assessment ensures that the training programs remain relevant, effective, and aligned with the evolving needs of the business.

Mandiri University implements a comprehensive evaluation process for its employee development programs, including the following stages:

- Level 1 (L1) is an evaluation to assess participants' reactions to the implementation of learning carried out using the Net Promoter Score (NPS) method, which includes the suitability of the material, the ability of teachers to deliver the material, and the availability of learning facilities.
- Level 2 (L2) is an evaluation to assess the level of understanding of participants during learning using written examination methods (theory) and practical exams.
- Level 3 (L3) is an evaluation to assess the implementation of learning materials and changes in behavior before and after learning with the multirater method, namely asking for opinions/ assessments from employees, supervisors, colleagues, subordinates of employees who are the training participants. This evaluation is carried out at least 3 (three) months after learning.
- Level 4 (L4) is an evaluation to assess the impact of learning on the resulting performance. This evaluation uses the performance assessment method and is carried out at least 3 (three) months after learning period.

In 2024. Bank Mandiri held 79,101 training with various learning media. both face-to-face. virtual classroom and e-learning with a total of 9,952 training modules attended by 949,438 participants.

For the training conducted in 2024, Bank Mandiri has carried out an evaluation of its employee competency development programs, summarized in the following table:

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

Evaluation Type	Results
Level 1, Reaction	The average participant satisfaction level (NPS) reached a score of +75.74 on a scale of -100 to +100, and the average evaluation score was 5.54 on a scale of 1-6.
Level 2, Learning	The average understanding level of participants was 85.59, on a scale of 0-100.
Level 3, Behaviour	The average behavioral change of employees after training was reflected in their performance, with an average evaluation score of 5.05 on a scale of 1-6.
Level 4, Performance	The average impact of training on employee performance reached 80.88%.

EMPLOYEE COMPETENCE DEVELOPMENT COSTS

Throughout 2024. Bank Mandiri allocated a total of Rp397.1 billion billion for employee competency development. This amount represents an increase from the 2023 budget realization of Rp382.83 billion.

The table below provides a summary of Bank Mandiri's employee competency development expenses.

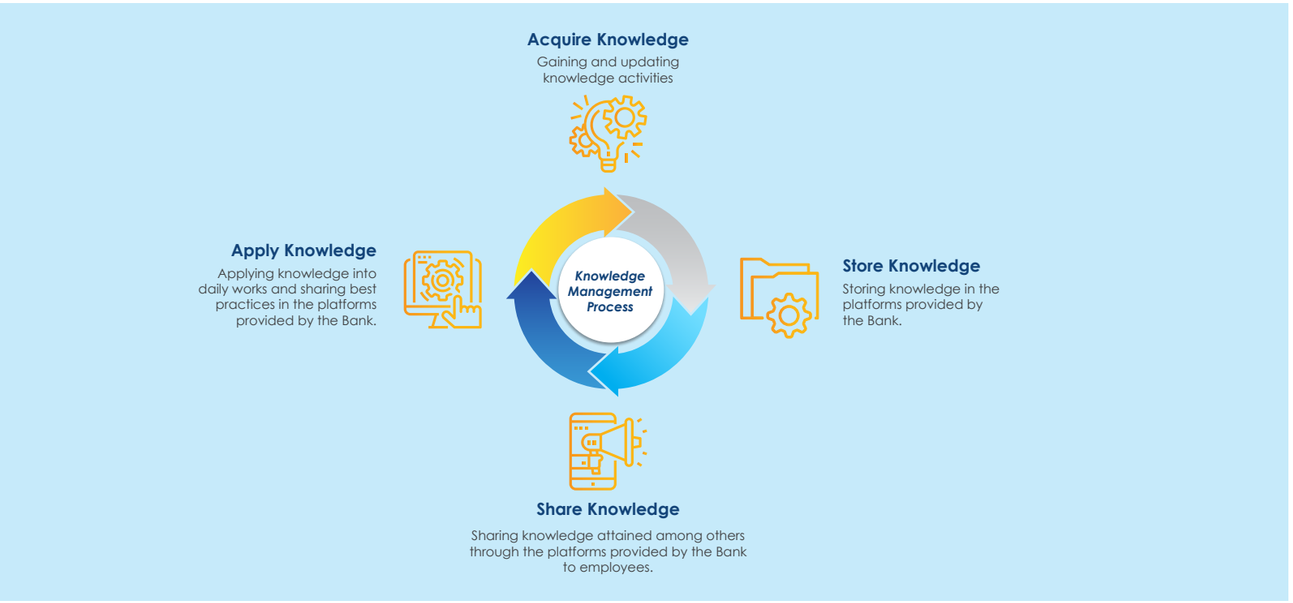
Employee Competence Development Cost

No.	Employee Development Cost Realization Program (Rp Million)	2024 Budget	2022 Realization	2023 Realization	2024 Realization
1	Executive Development Program	5,006	3,681	5,800	2,015
2	Leadership Development Program	193,226	88,702	176,135	212,065
3	Culture Development Program	2,725	3,695	1,342	398
4	Pre-Retirement	5,672	8,896	1,882	6,878
5	5 Strategic & Technical Skill Program	204,769	241,305	151,436	163,660
6	Elearning	13,602	17,467	15,343	12,108
Total		**425,000**	**363,746**	**351,938**	**397,124**

KNOWLEDGE MANAGEMENT

Bank Mandiri implements knowledge management to ensure that both explicit and tacit knowledge of employees and the organization can be captured, documented, and distributed effectively. This initiative aims to maintain and enhance the organization's competitive advantage.

Knowledge management activities at Bank Mandiri involve a series of ongoing processes, including:



Mandirian Learners Community to Facilitate Knowledge Management Activities

Bank Mandiri established the Mandirian Learning Community as part of its knowledge management efforts. This community of practice consists of groups of Bank Mandiri employees who share similar professions, skills, or interests, with the goal of exchanging specific knowledge and best practices. Through these exchanges, the community fosters innovation and generates new ideas, knowledge, and work practices or enhances existing ones. The knowledge and practices created by the Mandirian Learning Community are then curated, stored, and redistributed through the Bank's platform, enabling adoption across the organization.

Currently, the following are several Mandirian Learners Community that specifically address certain fields:

- **KMP Smart Branch Knowledge (SBK) Corner** is a community of general bankers to share knowledge, experience, and best practices in Smart Branch.
- **KMP Legal Warrior** is a community of legal officers and employees of Bank Mandiri with legal education backgrounds to discuss legal knowledge and practice.
- **KMP KOPRA Community Network (KoCoNet)** is a community of Bank Mandiri employees who have an interest in sharing knowledge and experience related to KOPRA.
- **KMP Data Quality** is Bank Mandiri's data inputer community that has the same interest/ concern regarding efforts to improve data accuracy.
- **KMP Let's Grow** is a community consisting of Bank Mandiri's learning partners and facilitators who have an interest in increasing knowledge and competencies related to the learning process strategy.
- **KMP Mandiri Facilitator Squad** is a community of Bank Mandiri facilitators who are expected to improve the knowledge, skills of community members in carrying out their role as a facilitator.
- **KMP FMCG Ecosystem Zone** is a community of Bank Mandiri employees who focus on managing customers within the Fast-Moving Consumer Goods (FMCG) sector.
- **KMP Construction Ecosystem Zone** is a community of Bank Mandiri employees dedicated to managing customers in the construction sector.

Mandirian Learners Community Platform

Bank Mandiri uses MY Learn as one of KMP's platforms for the community members to be able to connect, and build relationships with each other, facilitate community related activities and data management related activities.

EMPLOYEE PERFORMANCE APPRAISAL

Bank Mandiri conducts employee performance assessments to measure both Achievement (results) and Attitude (the application of culture and leadership characteristics in daily work).

In 2024, through the enhancement of the employee performance appraisal system, Bank Mandiri continued to encourage every employee to "Think Big & Deliver Beyond Expectations" in achieving the Bank's aspirations, as well as to establish individual assessments that can map employees' contributions, thereby motivating, fostering optimal employee engagement, and identifying capability gaps to determine appropriate development programs.

The enhancements include a New KPI Structure that encourages all employees to go the extra mile, a Mid-Year Review as a platform for providing feedback and monitoring performance achievements during the first semester, and the refinement of criteria and mechanisms in the Final Performance Review to recognize the best of the best.

Performance Assessment System

The employee performance assessment system is based on the achievement of agreed Key Performance Indicators (KPI) (Achievement) and the implementation of behaviour based on core values and core behaviour (Attitude). The elements of performance assessed consist of process and result elements. Process indicates how to achieve targets (lead measure) and Results indicate the results of employee achievement over targets (log measure).

The following are performance appraisal categorized based on 5 (five) ratings that have been refined:

1. Beyond Expectations, indicates exceptional/ extraordinary performance.
2. Exceed Expectations, indicates satisfactory/ excellent performance.
3. Meet Expectations, indicates good performance/ meeting expectations
4. Below Expectations, indicates the need for improvement to help enhance the performance.
5. Required Significant Attitude Improvement, indicates performance that does not align with or meet the expectations.

Starting from 2024, adjustments are made to the components of Individual KPIs, which is divided into three components: Core Responsibilities Objectives, Value-Added Objectives, and Capability Development Objectives. These aim to provide room for employees to have their contributions beyond their core tasks to be considered in their Final Performance Review, to encourage all employees to have extra miles contribution, and ensure employee development as part of the objectives. The process of determining these KPIs will be discussed and agreed upon jointly by the employee and their Employee Manager through development dialogue during the Goal Setting phase, which will be the basis for the Final Performance Review.

The performance appraisal process of Bank Mandiri employees consists of 3 (three) stages that has been refined to foster the Bank's aspiration achievements, as follows:

1. Goal Setting
   Bank Mandiri employees first set goals at the beginning of the year through development dialogue between employees and Employee Manager.
2. Mid-Year Review
   Mid-Year Review is carried out by employees in the middle of the year to readjust to the Bank's business conditions, as a tool to give feedback and monitor on the employees' performance throughout Semester 1.
3. Final Performance Review
   At the end of the year, a final appraisal is conducted in which employees are given the opportunity to conduct a self-assessment of their achievements. The results of the self-assessment are further discussed, reviewed, and validated by the Employee Manager to be further calibrated by the Employee Manager's Manager. The parties engage in the employee performance appraisal are described in the following chart.

Which Parties Play a Role in Individual Assessment ?



1 Employee
Employee carries out a self-assessment.



2 Employee Manager
Direct supervisor provides final scores and initial performance level.



3 Employee Manager Manager
Employee Manager's Manager provides final performance level by taking into account the normal distribution



4 Matrix Manager
Head of Work Unit as a Mentor for the system or segment of employee assigned in the region for several positions. Employee Manager will receive inputs/ reviews/ comments and Matrix Manager in determining the employee performance assessment.

In 2024, approximately 38,000 employees participated in the performance appraisal. The results of these evaluations are used as key factors in determining compensation, talent categories, promotion decisions, and employee development. Through the enhancement of the performance appraisal system, it is expected to continuously drive employee performance improvements and recognize the contributions made by employees.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

EMPLOYEE ENGAGEMENT

To foster employees' emotional connection to the Company, Bank Mandiri undertakes several initiatives, including enhancing employee welfare to drive optimal productivity. Employee welfare improvements are provided in both material and non-material forms. Below is an overview of some of the employee engagement programs implemented by Bank Mandiri.

Employee Remuneration

Bank Mandiri's employee remuneration is determined in accordance with applicable regulations. The remuneration levels are governed based on internal policies set above the highest Indonesia's Minimum Wage standards and applicable in all of the Bank's operational areas. Bank Mandiri applies a total reward principle, ensuring that employees receive both financial and non-financial compensation fully. The Bank also strives to maintain employee remuneration at a competitive level, aligned with its remuneration strategy.

Bank Mandiri prioritizes gender equality by ensuring equal base salary and remuneration between men and women at every position level. The salary and remuneration ratio between male and female employees is 1:1, with compensation and benefits based on position and performance rather than gender differences.

Allowances

Bank Mandiri provides allowances as part of its efforts to maintain employee loyalty. Employee allowances are offered based on employment status (permanent, contract, trainee), level, and type of job.

Maternity and Paternity Leave Policy

Bank Mandiri provides maternity leave for female employees and paternity leave for male employees whose spouses have given birth, maintaining all employee rights in accordance with applicable laws and regulations. After the leave period, employees are welcomed back to their previous positions.

In the 2024 reporting year, a total of 1.420 employees took parental leave, comprising 900 female and 520 male employees. This represents a decrease of 15% from the previous year's total of 1,633 employees (1,007 female and 603 male employees).

Of those who took parental leave, 100% returned to work after their leave ended. Additionally, 100% of employees who took parental leave in the previous year also returned to Bank Mandiri after their leave. The high return rate after parental leave reflects Bank Mandiri's commitment to being an 'employer of choice' and providing strong support for the development of its female employees.

Retirement Program

Bank Mandiri's retirement program includes both pension funds and pre-retirement training. The Bank's pension fund is managed by an established Pension Fund, offering a defined contribution plan as well as a defined benefit plan derived from the pension funds of merged banks.

As a token of appreciation for dedicated service, Bank Mandiri provides pre-retirement training to employees approaching retirement to support their well-being and productivity in retirement. This training covers various topics, including entrepreneurship, health, and psychology.In 2024, 43 batches participated in the pre-retirement training, with a total of 693 employees set to retire within the next 2 year. This training is conducted offline over 3 days.

Awards

One of the ways Bank Mandiri enhances employee engagement is by recognizing outstanding employees through the Mandiri Excellence Award (MEA). This annual awards event is held regularly, with the following award categories:

- Mandatory Award
  The Mandiri Best Employee (MBE) award is the highest form of recognition given by management to outstanding employees who consistently demonstrate exceptional performance and embody the company culture through behaviors aligned with the AKHLAK Core Values. This award aims to boost motivation and engagement, encouraging employees to continue making their best contributions.

In 2024, a total of 121 employees and 15 subsidiary employees received the MBE award.

- Thematic Award
  This award recognizes Business Units or Employees who have contributed significantly and achieved excellence in supporting bank-wide initiatives. These initiatives include executing corporate strategies, driving business growth and sustainability, fostering a resilient learning mindset, and implementing the company culture. Details are as follows:

  a. Best Strategy Bankwide
     Appreciation to Work Units that have the best performance achievements through the implementation of 3-3-1 strategies, 8 Strategic Goals, and LUNAR

  b. Best Collection & Recovery of The Year
     Appreciation to Mandirian that exceeds the target in billing and in line with applicable ethics.

c. Mandiri Service Award
   Mandiri Service Award (MSA) 2024 is an appreciation event for individuals and work units, with the assessment process focused on services that contribute to sustainable business achievements. The main activities of MSA 2024 consist of two categories:

   1. **Individual Category: National Frontliner Championship**
      The National Frontliner Championship (NFC) is a national-level competition for Bank Mandiri Frontliners, covering the categories of General Banker, Customer Service, Teller, Security, and RM Priority Banking. NFC 2024 was held on 28-29 October 2024, with 60 top Frontliners selected as national-level participants from approximately 17,500 Frontliners across Indonesia.

      During the competition, participants demonstrated their skills through a series of tests, including a digital mindset test, sales advisory test, and individual presentation. The highest-scoring winners also underwent a 360-degree validation process to ensure that the competition results align with the service standards implemented in their respective work units.

   2. **Work Unit Category: Branch Service Award**
      The Branch Service Award (BSA) is an appreciation event for work units, categorized into Conventional Branches, Smart Branches, Priority Outlets, the best Areas in each Region, and the best Region at the National level.

      The assessment for BSA 2024 in all categories is based on survey results conducted by external surveyors, and validated against the business contribution achievements of each work unit throughout 2024.

      Through the MSA 2024 event, Bank Mandiri hopes that all individuals and work units will be further motivated to enhance their awareness in creating a remarkable customer experience that positively impacts Bank Mandiri's market share while continuously being the Preferred Financial Partner for customers.

d. Mandiri Innovation eXperience (MIX)
   MIX is Bank Mandiri's innovation platform to address future business challenges. Bank Mandiri will give appreciation to this innovation.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024



To enhance employee engagement and support the well-being of its female workforce, Bank Mandiri provides dedicated lactation rooms for nursing mothers, available at both the Head Office and regional/branch offices. These rooms are designed to offer a comfortable, clean, and private environment, equipped with all essential facilities to meet the needs of breastfeeding mothers. Amenities include comfortable area, refrigeration for milk storage, and other necessary supplies, ensuring that nursing employees have a supportive and convenient space to care for their needs.

EMPLOYEE ENGAGEMENT SURVEY

In the 2024 reporting year, Bank Mandiri conducted an employee engagement survey with 80.81% response rate, resulting in a score of 89.93%, an increase from the 2023 score of 89.65%. This survey, carried out by an independent consultant, measured various aspects, including organization, leadership, career development, relationships and communication, compensation benefits, job alignment, opportunities for contribution, and teamwork.

Employee Turnover

To assess employee engagement, Bank Mandiri regularly monitors the Resignation Rate annually. This measurement provides insight into the profiles of departing employees, particularly the reasons behind their resignations, enabling the Bank to develop targeted engagement programs. The turnover rate trend for Bank Mandiri from 2022 to 2024 is presented in the following table.

Bank Mandiri's Resignation Rate Trend 2022-2024

Year	Total Resignation (person)	Total Employee (person)	Percentage
2024	1,024	38,847	2.63%
2023	1,044	38,940	2.68%
2022	1,102	38,176	2.89%

In 2024, the total number of employees resigning from the Bank was 1,024 personnel with an employee turnover rate of 2.63%.

Employee Resignation Trend

Description	2024	2023	2022
Total resignation (person)	2,411	2,048	1,840
Total employees at year end (person)	38,847	38,940	38,176
Turnover percentage (%)	6.21%	5.26%	4.82%



INDUSTRIAL RELATIONS

Bank Mandiri manages industrial relations in accordance with Law No. 13 of 2003 on Employment, as amended by Law No. 6 of 2023, which establishes the Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation as a formal law, along with its implementing regulations. This approach aims to foster a comfortable, transparent, positive, and progressive work environment. To achieve the best outcomes, the Bank employs the following approaches:

1. Fostering Harmonious Industrial Relations: The Bank builds and maintains well-managed industrial relations with active participation from employees, the Bank Employee Union, and recognized employee organizations.
2. Enhancing Employee Engagement: The Bank implements activities and programs designed to effectively increase employee engagement, positively influencing attitudes, behaviors, and overall performance, thus contributing to the Bank's success.

The Bank's industrial relations are founded on the principle of mutual respect, trust, and cooperation among Bank Mandiri, its employees, and the Employee Union. This shared commitment aims to ensure business continuity, growth, and the improvement of employee welfare.

To support these industrial relations objectives, the Bank provides several mechanisms, including:

Employee Unions

Bank Mandiri has only one labor union, known as Serikat Pegawai Bank Mandiri (SPBM), which was established in 2000 and is officially registered with the Ministry of Manpower and Transmigration of the Republic of Indonesia under No. KEP.804/M/BW/2000 and listed with the Ministry under No. 45/V/P/V/2001.

The SPBM was established as a platform to accommodate employees' aspirations, which are subsequently conveyed to management through various forums regulated by labor laws. The union aims to foster harmonious industrial relations between management and employees.

The provisions UU No. 21/2000 have been ratified and are incorporated into Bank Mandiri's Collective Labor Agreement, emphasizing that no one is permitted to obstruct or coerce employees to form or refrain from forming, to serve or refrain from serving as administrators, to join or refrain from joining, or to participate or refrain from participating in labor union activities.

Collective Labor Agreement

Bank Mandiri has established a Collective Labor Agreement (CLA) with the mandate of UU Ketenagakerjaan (Labor Law). In compliance with Pasal 116 UU 13/2003, Bank Mandiri and the employee's union jointly draft the CLA through negotiations to reach mutual agreement. The CLA incorporates the aspirations and working conditions, including the rights and obligations of both parties, as stipulated by prevailing laws and regulations.

In line with Pasal 123 UU Ketenagakerjaan (Labor Law), The CLA is valid for maximum 2 (two) years from the date of signing and may be extended for a maximum of one additional year, with only a single extension allowed.

The first CLA covered the period from 2004 to 2006. As of today, as part of fostering harmonious industrial relations, Bank Mandiri has reached its 10th CLA, effective for the 2023-2025 period. It has been registered and approved by the Ministry of Manpower of the Republic of Indonesia, as documented in the Decision of the Director General of Industrial Relations and Social Security No. KEP.4/HI.00.01/00.0000.231228008/B/I/2024, dated 10 January 2024.

Internal and External Regulations

Bank Mandiri consistently adheres to all applicable regulations, both external and internal. This includes the updated Operational Policy (Human Resources), approved on 3 April 2023, and the most recent Human Resources Standard Guidelines, revised in January 2024.

Bipartite Cooperation Institute

The Bipartite Cooperation Institution (LKS Bipartit) at Bank Mandiri was established in 2005 and is registered with the South Jakarta Office of Manpower and Transmigration.

Pursuant to the mandate of Law No. 13/2003 and the terms of the 2023-2025 CLA, Bank Mandiri and the Employee Union regularly hold LKS Bipartite meetings. This forum serves as a platform for communication and consultation on matters related to industrial relations. During these meetings, Bank Mandiri shares updates on Human Capital policies and key areas of business development aligned with the Bank's vision and mission. The Employee Union is also given the opportunity to provide suggestions, feedback, and communicate employee aspirations to management.

Complaints Handling

To foster a positive and conducive work environment, Bank Mandiri is committed to comprehensively managing employee concerns through effective communication forums. Bank Mandiri provides various platforms that employees can use to voice their concerns, which are promptly addressed by the Bank. By maintaining open and effective communication channels, the Bank aims to strengthen employee relations, resolve issues promptly, and enhance overall workplace harmony.

Industrial Relations Dispute Resolution

Bank Mandiri manages industrial disputes in accordance with Law No. 2 of 2004 on the Settlement of Industrial Relations Disputes, prioritizing communication to achieve mutually beneficial agreements that safeguard the interests of all parties involved. This approach helps create a calm working environment for employees, fostering harmonious industrial relations and ultimately enhancing work productivity.

HUMAN CAPITAL DEVELOPMENT & MANAGEMENT PLANS IN 2025

In 2025, Bank Mandiri's human capital strategy will continue to focus on aligning employee development with the corporate plan and business objectives to drive sustainable growth. The key aim is to build a strong talent base, develop top-tier leaders, and nurture a culture of continuous learning and innovation throughout the organization. To achieve these goals, the human capital development plan is structured around three key strategic pillars:

- Capability Enabler aims to enhance existing competencies for current productivity while developing new skills to anticipate future challenges.
- Learning-to-Business Alignment focuses on ensuring that all development and training programs have a positive impact on the business, particularly in achieving the set business targets aligned with the Bank's strategic objectives.
- Learning Experience Design aims to cultivate a learning mindset and foster a strong learning culture among all employees, while also providing an engaging learning experience. By developing a solid learning mindset, culture, and experience, employees are empowered to take the initiative in building their competencies independently.

Based on these strategic pillars, Bank Mandiri's human capital development plan for 2025 includes a comprehensive suite of training and development programs focused on both leadership and technical competencies. The initiatives will cover key areas such as:

- Leadership Development: Cultivating future leaders through targeted programs designed to build strategic business acumen, enhance decision-making skills, and develop effective people management capabilities.
- Technical Competency Enhancement: Strengthening core technical skills across various business segments, with a focus on wholesale banking, digital innovation, IT, and risk management.



- Digital Talent Development: Expanding digital capabilities among employees to support the Bank's digital transformation agenda, including initiatives for upskilling, reskilling, and building expertise in emerging technologies.

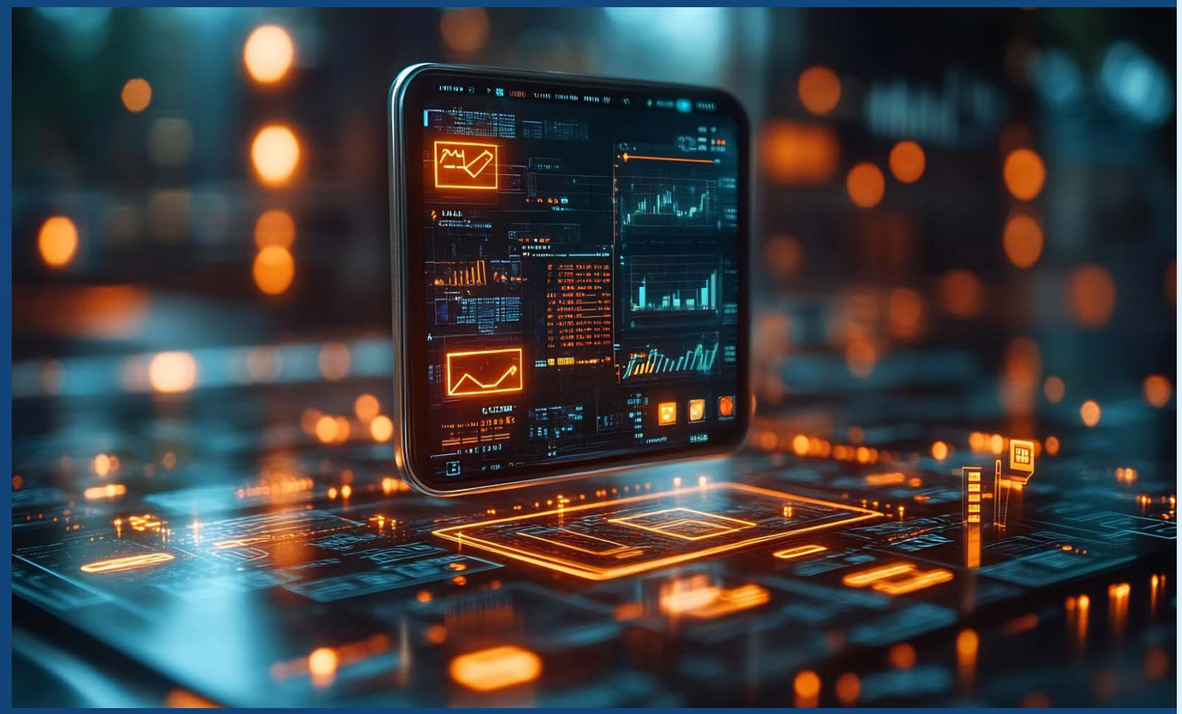
The 2025 plan will continue leveraging a blended learning model that combines multiple teaching methods for optimal impact, includes traditional classroom sessions, virtual learning, and e-learning modules tailored to meet specific training needs. Emphasizes learning from others through development dialogues, mentoring, and coaching sessions. Focuses on hands-on experience through on-the-job training, job rotations, and project-based assignments, enabling employees to apply new skills in real-world scenarios.

In 2025, Bank Mandiri will further expand its digital learning initiatives, building on the foundation established in previous years. This includes enhancing the digital learning platform, offering interactive and gamified content, and integrating knowledge management systems to capture and share best practices. The Bank will strengthen its knowledge-sharing framework through the development of communities of practice, where employees can collaborate, exchange ideas, and drive innovation in specific business areas.

The 2025 human capital development and management plan is designed to support Bank Mandiri's strategic vision of becoming a market leader by investing in its most valuable asset, its Mandirian. By focusing on capability enhancement, aligning learning with business needs, and delivering a superior learning experience, the Bank aims to build a highly skilled, adaptable, and engaged workforce that drives excellent business performance and sustains long-term growth.

INFORMATION TECHNOLOGY

Bank Mandiri IT continues to accelerate digital transformation through the implementation of IT Strategic Plan, including continuous innovation in key digital initiatives such as Kopra, Livin', and Livin' Merchant. The execution of IT development and operations consistently adheres to the principles of good IT Governance, supported by a governance structure for strategic decision-making, an IT organization strengthened by a systematic talent development program for IT and digital professionals, and disciplined management and implementation of IT policies to ensure compliance. Furthermore, Bank Mandiri has also implemented a comprehensive cybersecurity strategy covering people, processes, and technology to safeguard data security and IT service operations from cyber threats. As such, Bank Mandiri IT consistently delivers innovative, reliable, and secure technology solutions to meet customer needs.



INFORMATION TECHNOLOGY STRATEGIC PLAN

In the dynamic era of digital transformation, Bank Mandiri positions technology development and utilization strategies as a fundamental pillar in driving competitive advantage. This strategy is implemented through a planned, structured, and effective approach to technology adoption, as outlined in the IT Strategic Plan (RSTI). The RSTI is designed in alignment with the Corporate Strategy and executed with discipline to ensure that each IT initiative significantly contributes to sustainable and sound business growth.

Bank Mandiri's IT Strategic Plan, as outlined in the IT Strategy & Execution Plan 2020-2024, is guided by an IT Vision aimed at becoming a **technology strategic partner that is "Always Deliver, Always Ahead."** This vision reflects the commitment to consistently delivering value and driving innovation for all stakeholders. To realize this vision, Bank Mandiri focuses its efforts on three main pillars: Fit For Growth, Drive Digital Transformation, and Transform IT.

IT Strategy & Execution Plan 2020-2024

IT VISION 2020-2024

Becoming a technology strategic partner that is **"Always Deliver, Always Ahead"** to provide added value and enforce innovation to all stakeholders in promoting sound and sustainable business growth.

IT MISSION 2020-2024

A Fit For Growth

Providing **reliable, available, scalable & secure** technology in accommodating business growth.

B Drive Digital Transformation

Providing **adaptive** technology to **drive digital transformation & business innovation**.

C Transform IT

Build the best and sustainable **operating model, organization,** and **people capability** to support IT strategy execution.

INFORMATION TECHNOLOGY STRATEGIC PLAN

A. Fit For Growth

As a manifestation of its commitment to providing reliable digital services, Bank Mandiri ensures the availability of technology that is reliable, available, scalable, and secure through:

1. Modernizing core banking to ensure that features, capacity, and scalability can support a healthy and sustainable business with controlled risk while enhancing operational excellence.
2. Enhancing IT reliability, availability, and scalability, as well as strengthening cybersecurity to support the Bank's services and business.
3. Implementing regulatory & compliance initiatives to prepare systems to meet the needs of regulators and principals.
4. Developing and optimizing data analytics to drive the Bank's business growth.

B. Drive Digital Transformation

Providing adaptive technology to drive digital transformation and business innovation through:

1. Wholesale digitalization to accelerate digital transformation and business innovation in the wholesale segment, such as the development of KOPRA as a single access platform for all business customer transaction needs.
2. Retail digitalization by strengthening capabilities and developing IT systems to optimize fast, easy, and user-friendly banking services across all channels, including the development of Livin' by Mandiri as a digital channel to enhance customer experience for retail customers, transforming branches through Smart Branch, and expanding the Livin' ecosystem to offline merchants via Livin' Merchant.
3. IT capability development to support business strategies in the SME & Micro segments, such as the development of sales tools to accelerate loan acquisition and improve Relationship Manager productivity.
4. Capability enhancement to support enterprise-wide application usage and operations, covering HR management, financial recording, risk and fraud monitoring, and operations improvement.

C. Transform IT

Building fundamental IT aspects consisting of operating model, organization, and best-in-class and sustainable people capability, to support the execution of the IT strategy through:

1. Enhancing quality and governance to improve the delivery quality of IT solutions.
2. Increasing the capacity and competency of IT resources to support digitalization and enhance the quality of IT service delivery.
3. Strengthening collaboration and synergy within Mandiri Group through knowledge sharing and the establishment of a dedicated IT Business Partner under the Mandiri Group IT Synergy initiative.

IMPLEMENTATION OF INFORMATION TECHNOLOGY STRATEGIC PLAN 2024



In 2024, Bank Mandiri IT continues the execution of the 2020-2024 IT Strategic Plan, focusing on key strategic initiatives such as the implementation of modern and reliable IT infrastructure, enhancement of cybersecurity, and optimization of customer experience through innovative digital services. Below are the key highlights of the IT Strategic Plan implementation for 2024:

A. Fit For Growth

Bank Mandiri continuously modernizes its core banking as the primary foundation of banking operations by ensuring the availability of technology that is reliable, available, scalable, and secure to deliver dependable digital services. Through core banking modernization and the implementation of robust technology, Bank Mandiri provides digital services that are seamless, fast, and secure for customers in their transactions, through several key initiatives, as follows:

1. Modernizing core banking to enhance scalability, strengthen features, and meet business needs through the development of the Wealth Management Core System (WM Core) and Treasury Core System, as well as improving the capabilities of the Core Banking eMAS through in-house development.
2. Strengthening system reliability, availability, and scalability to maintain system performance stability and reliability, as well as enhancing IT security to detect cyber threats through the implementation of Threat Intelligence Automation.
3. Implementing regulatory and compliance initiatives to ensure system readiness for reporting requirements, as well as a data privacy management system initiative to support compliance with the Personal Data Protection Law.
4. Developing and enhancing system capabilities for Big Data analytics and improving Data Warehouse capabilities as a reporting data source.

IMPLEMENTATION OF INFORMATION TECHNOLOGY STRATEGIC PLAN 2024

B. Drive Digital Transformation

Bank Mandiri continues to drive digital transformation and business innovation to enhance customer experience through service personalization, ease of access, and transaction speed, aiming to deliver a seamless banking experience for customers. Additionally, Bank Mandiri automates and improves internal system processes to achieve operational excellence.

1. Continuous development of KOPRA to establish it as a platform that provides comprehensive solutions for wholesale customers through feature enhancements aimed at improving customer experience, including a personalized dashboard, personalized payment experience, and facilitating transactions within a closed-loop business ecosystem.
2. Continuous innovation in the retail segment to provide seamless, fast, and user-friendly digital services, including:
   - Development of the Super App Livin' by Mandiri, with the addition of several features such as investment transactions, cross-border QR payment transactions, and Livin' loyalty to enhance customer engagement. New features also include Livin' Auto and Livin' KPR for digital lending services. Additionally, to facilitate transactions for individual customers in Dili, Timor-Leste, Bank Mandiri has developed Livin' by Mandiri Timor-Leste.
   - As a digital service for business owners, Livin' Merchant continues to innovate by introducing key features such as tailored solutions for the F&B sector, card payment acceptance capabilities, as well as stock ordering and financing solutions for merchants.
3. Development of IT capabilities to support the SME and Micro segments, including the development of an early warning system to enhance credit portfolio monitoring for SME debtors and business process re-engineering for the micro and SME segments.
4. Automation and improvement of internal system processes to enhance operational effectiveness and efficiency through the implementation of the Straight-Through Processing Integrated Reconciliation System and the development of systems to accommodate inventory management processes via the e-channel inventory management platform and e-channel delivery platform.

C. Transfor IT

Bank Mandiri continuously optimizes internal processes to enhance the quality of solution delivery, including the optimization of the IT Business Partner role and improvements in IT planning processes to refine business and technical requirements.

In terms of people development, internal development capabilities are strengthened through the implementation of the Digital Product Developer Bootcamp program to enhance application development in line with business requirements and the required technology stack.

To enhance collaboration and synergy within Mandiri Group, Bank Mandiri has established a dedicated IT Business Partner under the Sinergi IT Mandiri Group initiative, serving as a single point of contact to improve alignment between Bank Mandiri's IT and its subsidiaries. Furthermore, the Special Interest Group (SIG) program acts as a platform for knowledge sharing and collaboration across Mandiri Group, with this year's focus on the implementation of standardized IT governance in the areas of planning, development, security, and operations. Moreover, shared services synergy has been implemented for several subsidiaries, including the use of the Business Continuity Management (BCM) system and interbank fund transfer services as part of the Business Continuity Plan (BCP).

INFORMATION TECHNOLOGY GOVERNANCE

In the continuously evolving digital era, Bank Mandiri recognizes that sound Information Technology governance is one of the key foundations for delivering reliable and innovative IT services. Therefore, Bank Mandiri's IT governance is supported by a governance structure (Committees and Cross-Functional Forums) for strategic decision-making, an organizational framework, and talent development to drive digital transformation. In addition, IT policy implementation serves as the rules of the game for IT processes, ensuring adaptability to the latest technology trends and regular evaluation. The key aspects are explained as follows:

A. Governance Structure

To ensure prudent IT-related decision-making involving stakeholders across business units, IT Bank Mandiri is supported by committee and forum mechanisms, including the following:

1. IT & Digital Banking Committee (ITDC), chaired by the President Director and comprising the IT Director, Risk Management Director, Directors/SEVPs representing IT user units, SEVP IT, and the Compliance and Human Resources Director. ITDC has the authority to approve the IT Strategic Plan, strategic IT initiatives with specific investment values, IT development plans, and other related matters.
2. Project & Change Steering Committee, comprising Directors/SEVPs from project owner units, the IT Director/SEVP, and the Compliance & Human Resources Director. This committee is responsible for discussing and making decisions on IT initiatives at the planning and development stages.
3. Release Control Board (RCB), comprising the IT Director/SEVP, Risk Management Director/SEVP, and the Compliance and Human Resources Director (for initiatives related to Bank Product Implementation). This forum is responsible for ensuring a smooth migration process into the Bank Mandiri IT production environment.

B. Digital Organization and Talent Development

An adaptive organization and continuous talent development are key aspects in driving digital transformation. Bank Mandiri's IT organization is designed and continuously developed to remain relevant to evolving business needs. This is reflected in the IT Directorate, which includes functions for digital product development supported by data analytics, end-to-end IT management, and IT operational risk management.

In addition, the fulfillment of digital talent capacity in the IT Directorate is carried out through the My Digital Academy program, which equips selected digital talents from reputable universities in Indonesia during final year of study, to become a pipeline Officer Development Program (ODP). Meanwhile, capability development is carried out through globally recognized training and certifications, as well as a rotation program to enrich employee exposure.

C. IT Policy

IT Bank Mandiri manages and implements IT Policy as the rule of the game for IT operations across the following areas:

- IT Planning, including the formulation of the IT Strategic Plan, IT project portfolio aligned with the Bank's strategy, technology standards as a development reference, and others.
- IT Development, including the Software Development Lifecycle process using waterfall, agile, and DevSecOps methodologies for intensive collaboration.
- IT Operations, covering all activities to ensure IT systems perform efficiently, including the management of data centers (DC) and disaster recovery centers (DRC), systems, backup and restore processes, networks, and IT system monitoring.
- IT Security, encompassing security mechanisms within the cybersecurity framework, which includes aspects of governance, protection, and operations.

INFORMATION TECHNOLOGY GOVERNANCE

Bank Mandiri IT also maintains the quality of IT services by adhering to best practice standards in quality management, such as:

a. ISO 9001:2015 for the operation and development of data centers, disaster recovery centers (DRC), and IT infrastructure.
b. ISO 20000-1:2018 for IT service management.
c. ISO/IEC 27001:2022 for the provision and development of infrastructure and operational data centers (DC) and disaster recovery centers (DRC).



a. ISO 9001:2015 for the operation and development of data centers, disaster recovery centers (DRC), and IT infrastructure.





b. ISO 20000-1:2018 for IT service management.



c. ISO/IEC 27001:2022 for the provision and development of infrastructure and operational data centers (DC) and disaster recovery centers (DRC).

INFORMATION TECHNOLOGY SECURITY

Bank Mandiri navigates complex challenges in data security and cyber threats, given the complexity of technology integration and stringent regulatory requirements. To mitigate these risks, the Bank implements proactive measures such as process automation and stringent cybersecurity policies, supported by regular software updates and employee training. Moreover, a dedicated team is in place to monitor regulatory changes and ensure timely compliance. In addressing resource constraints, Bank Mandiri optimizes resource allocation, fosters strategic partnerships, and invests in IT talent development. These initiatives ensure the Bank remains resilient, innovative, and competitive in an ever-evolving industry.

It has also established a dedicated team to monitor regulatory changes and ensure timely compliance. Addressing resource constraints, Bank Mandiri optimizes resource allocation, fosters strategic partnerships, and invests in IT talent development. These measures ensure the Bank remains resilient, innovative, and competitive in a rapidly evolving industry.

Bank Mandiri has designated a dedicated risk management unit to identify cybersecurity risks, determine mitigation strategies, and monitor their implementation, including ensuring compliance with regulations and best practices in data security management. To raise awareness of the importance of data security and the potential risks of data protection failures, the risk management unit also conducts awareness programs for employees through facilities such as podcasts, posters, and other materials.

To ensure service availability and minimize downtime, Bank Mandiri conducts capacity planning as part of its proactive measures. In terms of cyber incident handling, the Bank has established comprehensive cyber incident response procedures and regularly tests its readiness through activities such as tabletop exercises, switchover simulations, and Adversarial Attack Simulation Exercises (AASE).

As part of its commitment to improving information security quality, Bank Mandiri has developed and implemented a layered IT security strategy. This approach adheres to regulatory requirements (Bank Indonesia and OJK regulations, including POJK No. 11/POJK.03/2022 on IT Implementation by Commercial Banks), aligns with international standards (ISO 27001), and incorporates best practices such as the NIST Cybersecurity Framework, COBIT Framework, and PCI Security Standards. The Bank has also established a 24/7 operational capability to detect and respond to cyberattacks and conducts periodic cybersecurity resilience and security testing.

The implementation of this layered IT security strategy and the development of an information security management system are categorized into three main areas: People, Process, and Technology. A detailed concise explanation of these areas is as follows:

1. **People**
   a. **Security Awareness**
   The Security Awareness Program is carried out to foster awareness on information security in daily behavior which ultimately becomes the Bank's culture. Bank Mandiri conducts security awareness certification every year to all levels of employees in domestic and overseas offices. Routine security awareness campaign programs are also carried out in various media, namely newsletters (monthly), posters (quarterly), podcasts (quarterly), and phishing drills (quarterly). Security awareness campaign program delivered in the form of newsletters has been provided to Mandiri Group entities as a reference for implementing security awareness campaign. Some of the topics of security awareness campaigns include data security protection, maintaining data confidentiality, the latest cyber-attack trends, how to identify and avoid phishing, and online transaction security.

   Bank Mandiri also continues to increase customer security awareness with educational programs through various official Bank channels such as websites, social media (Instagram, Facebook, Twitter), and other specific channels.

Campaign Security Awareness







   b. **Human Resource Development (HR)**
   Strengthening the people aspect is carried out by continuous skills development (capacity and capability) on human resources. Bank Mandiri provides training & certification to regularly develop soft skills and hard skills to all employees, and vendors/ contractors.

   1. Training & certification for employees: CISM (Certified Information Security Manager), CISSP (Certified Information Systems Security Professional), CRISC (Certified in Risk and Information Systems Control), ISO 27001 Lead Implementer, ISO 27001 Lead Auditor, CISA (Certified Information Systems Auditor), CEH (Certified Ethical Hacker), CHFI (Computer Hacking Forensic Investigator), and product-based knowledge training to deepening and expertise on the Bank security system.
   2. Training for vendors/contractors: Internal training for vendor employees who work for operational support.

   Soft skill development is provided through training such as leadership mindset, strategic thinking, creative thinking, design thinking, problem solving, presentation skill, and negotiation skill.

   Training & certification is provided through various methods, both onsite and online (virtual) training through public platforms.

2. **Process**
   a. **Three Lines of Defense (3LoD)**
   Bank Mandiri has implemented a risk management mechanism consisting of three levels of defense:
   - 1st line of defense - CISO Office Group, responsible for bank information security through three main functions, namely:
     - Design, designing security architecture and security requirements that are embedded from the beginning of development, implementation to system/application operations.
     - Services, developing, reviewing and disseminating standard procedures, awareness programs and risk management. IT also implements security controls in the IT planning and development process.
     - Operations, conducting 24/7 monitoring, detecting attack threat anomalies and handling information security incidents which include identification, protection, detection, response and recovery of cyber security incidents.
   - 2nd line of defense - Operational Risk Group, responsible for developing the bank-wide operational risk management framework.
   - 3rd line of defense – Internal Audit, responsible for carrying out assurance functions on operational activities in accordance with internal and regulatory regulations.

   b. **Security Policy & Procedure**
   To continuously strengthen cybersecurity processes and infrastructure, Bank Mandiri has designed, implemented, and regularly reviewed its information security strategy through policies and regulations that not only comply with national regulations-such as those set by Bank Indonesia and the Financial Services Authority (OJK)-but also align with international standards and industry best practices, including ISO 27001, the NIST Cybersecurity Framework, CIS Benchmark, and PCI Security Standards.

   These information security policies and procedures have also been disseminated to Mandiri Group entities as a reference to strengthen information security governance by tailoring the complexity of each entity's systems.

INFORMATION TECHNOLOGY SECURITY

c. Security Operation Center (SOC)

As part of its preparedness in facing cyber threats, Bank Mandiri has developed the capability to detect and respond to cyber attacks through its Security Operation Center (SOC), which operates 24/7. The Bank proactively monitors and mitigates risks related to cyber attack trends using reputable Threat Intelligence Services and conducts threat hunting on its brand and website to provide online protection against phishing, malware, ransomware, online scams, unauthorized access, and counterfeit threats. Bank Mandiri has also established a Computer Security Incident Response Team (CSIRT), registered with the National Cyber and Crypto Agency (BSSN), to ensure a swift and effective response to cyber incidents. The bank's cyber incident response mechanism is governed by internal policies in accordance with SEOJK No. 29/SEOJK.03/2022 on Cyber Resilience and Security for Commercial Banks, which includes the following stages:

i. Identification and analysis of the incident scope to determine appropriate countermeasures.
ii. Containment through mitigation measures to prevent further damage.
iii. Eradication and recovery, including actions to stop the incident and restore affected systems.

To mitigate the impact of incidents and restore system security, Bank Mandiri has developed a recovery strategy and business continuity management framework, which is governed by the bank's internal policies.

SOC proactively follows up on updates regarding cyberattack trends from reputable Threat Intelligence Services. Following our commitment to monitoring and mitigating cyber risks within Mandiri Group, we regularly share insights from reputable Threat Intelligence Services to all entities. Each entity is responsible for taking appropriate actions based on its specific operational needs and authorities. Furthermore, Bank Mandiri has built internal capabilities to conduct threat hunting, providing online protection for its brand and website against threats such as phishing, online scams, unauthorized access, and counterfeits.

d. Cyber Security Forum

Bank Mandiri's seriousness in monitoring information security is expressed by the direct involvement of the Board of Commissioners and Directors in this topic through the Risk Oversight Committee, Audit Committee and Integrated Governance Committee which are carried out regularly. The agenda of discussion at the committee meeting included reporting on ESG initiatives in the quarterly Privacy & Data Security aspect, multi-layer defense mechanism, and updates related to the cyber security posture fulfillment across Mandiri Group including the implementation of non-negotiable controls to prevent cyberattacks.

e. Cybersecurity Testing

To maintain and evaluate cyber resilience and security while enhancing incident response readiness, Bank Mandiri regularly conducts cybersecurity resilience testing in compliance with applicable regulations (SEOJK No. 29/SEOJK.03/2022 on Cyber Resilience and Security for Commercial Banks), covering:

1. Penetration Testing: Assessment based on vulnerability analysis of operational and business-supporting devices and applications.
2. Phishing Drill: A social engineering attack simulation targeting employees through phishing emails to evaluate their readiness in responding to phishing attempts securely.
3. Adversarial Attack Simulation Exercise (AASE): A real-life hacker attack simulation conducted by an independent consultant to identify potential security gaps in Bank Mandiri's IT operations.

INFORMATION TECHNOLOGY SECURITY

f. Third Party Security Review

To anticipate information security risks from third parties (supply chain) collaborating with the Bank, Bank Mandiri routinely conducts reviews of the information security measures implemented by these third-party organizations (people, processes, and technology) according to the scope of their involvement with Bank Mandiri. These reviews are carried out through various methods, including questionnaires, interviews, and/or site visits.

Furthermore, to measure and evaluate the optimization of the information security process, Bank Mandiri conducted a series of assessment activities by the dependent external assessor, namely the State Cyber and Encryption Agency (BSSN) related:

a. **Cyber Security Maturity (CSM) assessment with maturity level 5 – "Optimal" (highest score).** CSM Assessment is an instrument from BSSN to assess the level of cybersecurity maturity of an organization, including the assessment of the maturity of management and protection of personal data confidentiality (data privacy).

b. **Measurement of Incident Handling Maturity Level (TMPI) with the result of maturity level 5 – "Optimise" (highest value).** TMPI is a tool to map the level of organizational readiness in responding to and recovering cybersecurity incidents, including detecting and responding if there is an incident of personal data leakage due to system security gaps.

3. Technology

Bank Mandiri maximizes the implementation of industry-leading security solutions to safeguard information and digital assets through a multi-layered architecture and best-in-class practices, including:

a. Applications accessed by customers and employees: Implementation of Multi-Factor Authentication (MFA) and Web Application Firewall (WAF).
b. Network security: Deployment of firewalls equipped with Intrusion Prevention System (IPS) and Network Access Control (NAC).
c. Endpoint protection (personal computers/ laptops, servers): Use of Endpoint Detection & Response (EDR), antivirus and antimalware solutions, and regular security patches.
d. Access management: Implementation of Identity Access Management (IAM) and Privileged Access Management (PAM) with Privileged Threat Analysis (PTA).
e. Data protection: Adoption of encryption and Data Loss Prevention (DLP) solutions.

As part of its commitment to continuous improvement, Bank Mandiri consistently enhances its IT security capabilities through strategic investments across all security layers, further strengthened by the utilization of artificial intelligence (AI) and machine learning technologies.

INFORMATION SECURITY MANAGEMENT IMPLEMENTATION IN 2024

With the enactment of Law No. 17 of 2022 on Personal Data Protection, Bank Mandiri has designed and implemented a program to strengthen information security as part of its efforts to protect personal data. The Bank applies Data Loss Prevention systems and data encryption technologies, following best practices, to enhance data security initiatives, particularly for personal data protection.

ADDRESSING AND ENHANCING DATA SECURITY AGAINST CYBER THREATS

1. **Data Security and Cyber Threats:** Cyber threats such as malware, ransomware, or data theft are major concerns.
   Efforts to address these threats:
   a. Adopting strict security policies, regularly updating software, and conducting security training for employees to raise awareness about cyber risks.
   b. Implementing automation and integration in development and security processes to minimize security risks or errors in technology use.

2. **Regulations and Compliance:** The banking industry is constantly under pressure to comply with increasingly complex regulations. Changing rules and evolving compliance demands can hinder the implementation of new innovations.

   Efforts to address these challenges:
   a. Establishing teams focused on monitoring regulatory changes and creating strategies to adapt quickly.
   b. Strengthening monitoring and reporting systems to ensure timely compliance with existing regulations.

3. **Technology Complexity and System Integration:** Developing new technologies often requires integration with complex legacy systems, which can be challenging and time-consuming.
   Efforts to address these challenges:
   a. Carefully planning every process in system development, migration, or integration.
   b. Improving communication and coordination between IT teams and business units to ensure alignment with business expectations.

4. **Resource Constraints:** Challenges related to limited human, financial, or technological resources can restrict the ability to expand teams, adopt the latest technologies, or carry out necessary innovations.
   Efforts to address these constraints:
   a. Reviewing budgets and allocating resources more efficiently.
   b. Seeking collaborative solutions or partnerships with technology providers or fintech companies to expand service coverage at lower costs.
   c. Enhancing recruitment and training of IT personnel to tackle new technological challenges.

Bank Mandiri recognizes the critical role of cybersecurity resilience and security in supporting reliable and trustworthy digital banking services for customers. As part of its continuous improvement efforts to enhance customer trust and protect its reputation, Bank Mandiri adopts information security management practices based on regulations, global standard operations aligned with International Standards and Best Practices, complete with certifications. These certifications demonstrate the Bank's consistency in exploring potential, developing transformative innovations in services, digitalization, and products such as Livin', Kopra, and Smart Branch, while prioritizing security and quality to meet customer needs.



Some of the certifications and accreditations obtained by Bank Mandiri include:
a. ISO 27001:2013 Information security services provisioned by the Security Operation Center to manage cybersecurity threats in banking systems and cyber operations.
b. ISO 27001:2013 Provision of application development and IT operations related to Livin' by Mandiri.
c. ISO 27001:2022 Provision of application development and IT operations related to Kopra by Mandiri.
d. ISO 27001 Provision of infrastructure and operational data center and disaster recovery center services.
e. ISO/IEC 17025:2017 Digital Forensics Laboratory certification for the CISO Office Group.

IT HR DEVELOPMENT

Bank Mandiri remains committed to developing IT human resources competencies to support business strategies and address increasingly complex industry challenges. Through the Annual People Development Plan (APDP) 2024, IT human resources development programs are focused on five main areas:

A. Business Challenges/Targets

Enhancing in-house technical competencies to ensure readiness in supporting the development of the bank's digital solutions. The key focus areas include:

- Cyber Security: Training in cybersecurity such as Security Operation Center, Customer Identity and Access Management, and Penetration Test.
- Application Development: Enhancing skills in the development of applications and digital banking systems.
- UI/UX for the development of Digital Retail & Wholesale Banking applications.

B. IT Leaders Programs

A development program for all Department Heads and IT Team Leaders to serve as role models in implementing Mandirian DNA. This program aims to build strategic thinking, critical thinking, and effective communication skills in team management and technology implementation. It will be delivered through a Development Bootcamp, talent exchange, and mentoring sessions.

C. Regulatory Training

Enhancing employees' understanding of the latest regulations in IT and banking, including:

- Personal Data Protection Law (UU PDP) and its implementation at Bank Mandiri.
- Digital Regulatory Training to understand compliance aspects of the latest digital regulations.
- Cybersecurity training focused on meeting POJK standards related to digital banking services.

D. Leadership and Managerial

A skills enhancement program for leadership and effective communication, specifically for employees with strategic roles in team management and technology implementation. The key focus areas include:

- Critical & Strategic Thinking for data-driven decision-making.
- Business Presentation & Storytelling to improve the ability to convey ideas and strategies effectively.

Through this program, Bank Mandiri aims to develop outstanding, innovative IT talent ready to tackle future industry challenges.

E. Signature Program

Enhancing employee competencies in application development through the following training programs:

- Wealth Management Core System
  To enhance technical capabilities in developing features for the Wealth Management application.
- Power Platform Developer
  To improve skills in building application features according to business needs using the Power Apps and Power Automate programming languages.

MANDIRI DIGITAL TOWER AS BANK MANDIRI'S INTEGRATED INFORMATION TECHNOLOGY INNOVATION CENTER

Mandiri Digital Tower stands as a manifestation of Bank Mandiri's commitment to leading digital innovation in the banking sector. This building serves not only as a collaboration hub for Bank Mandiri's digital talent but also as a catalyst for the creation of innovative solutions that enhance efficiency, productivity, and contribute to the development of an inclusive and competitive digital ecosystem.

Mandiri Digital Tower is also designed as a new icon of sustainable green buildings. This recognition is affirmed by a platinum certification from the Green Building Council Indonesia, positioning Mandiri Digital Tower among the leading environmentally friendly buildings in Indonesia. This certification is proof that the construction and operation of the building meet high standards in energy efficiency, responsible resource utilization, and environmental impact reduction.



The inauguration of the Mandiri Digital Tower by the Minister of SOEs, Erick Thohir, on 18 September 2024.

Several energy efficiency initiatives at Mandiri Digital Tower are implemented through various eco-friendly features and technologies, such as:

- Installation of solar panels with a capacity of 81 kWp as a renewable energy source.
- Use of Low-E glass on the building façade to minimize heat transfer from outside, thereby reducing cooling requirements.
- Implementation of an automatic sensor-based lighting system to ensure efficient energy usage.

The combination of these features and technologies makes Mandiri Digital Tower not only a modern and innovative building but also an environmentally friendly and sustainable one.



INFORMATION TECHNOLOGY PLAN 2025



The development of Information Technology in 2025 will be executed in alignment with the IT Strategic Plan outlined in the IT Strategy & Execution Plan (ISP) for the 2025-2029 period. The ISP 2025-2029 has been formulated based on a comprehensive analysis of internal and external factors, including alignment with the Corporate Plan 2025-2029, evolving technology trends, and prevailing regulatory dynamics. The ISP 2025-2029 encompasses the IT Vision as follows:

> STRENGTHENED IT CAPABILITIES IN ALL DISCIPLINES THROUGH CENTER OF EXCELLENCE TO ACCELERATE SUSTAINABLE BUSINESS GROWTH BY LEVERAGING WHOLESALE ECOSYSTEM AND ITS VALUE CHAIN.

To achieve this vision, the main IT focus areas that will be continuously implemented include:

1. **Business Focus**, through key digital initiatives such as:
   - Development of Kopra to connect customers with their business ecosystems through Bank Mandiri's digital channels.
   - Development of Livin' by Mandiri to enhance customer engagement and expand customer acquisition segments, supporting Livin' as the primary transaction channel for the retail segment.
   - Development of Livin' Merchant to expand service reach by leveraging Bank Mandiri's merchant network.

2. **Enablers**, to ensure IT system availability and security, supported by efficient IT operations, and to drive innovation through AI implementation to create a seamless customer experience, improve operational process efficiency, and apply better risk management.

3. **People Aspect**, through comprehensive internal capability development to support the execution of all initiatives under Business Focus and Enablers.