

## BOARD OF COMMISSIONERS REPORT

Fundraising in the capital market continued to increase, reaching a total of Rp181.11 trillion from new equity and bond issuances. 79 new companies raised funds through the capital market, setting a new record for the Indonesian Stock Exchange (IDX). The stock index also strengthened by 6.62% (year-to-date/ytd) to reach 7,303.89 as of 29 December 2023.

The growth of the Indonesian capital market is supported by the increasing number of investors, reaching 12.16 million investors, with the number of stock investors currently reaching 5.25 million.

Total investors in the capital market reached 10.31 million in 2023, which is a new milestone for the industry. The ease of access to capital market instruments and the expansion of distribution channels, especially through digital means, have supported a 17.94% (yoy) growth in the number of investors.

Throughout 2023, COVID-19 bank loan restructuring decreased significantly to Rp265.8 trillion from its peak of Rp830 trillion at the end of 2022. This indicates that the end of the restructuring period is approaching, in line with the target to conclude by March 2024.

### BOARD OF DIRECTORS' PERFORMANCE ASSESSMENT

The Board of Commissioners' assessment on the Board of Directors' performance is reflected in the Key Performance Indicators (KPIs) of the Directors, both individually and collectively, which are presented to the Shareholders through the mechanism of the General Meeting of Shareholders (GMS).

The Board of Commissioners evaluates that the Directors have performed their duties and responsibilities exceptionally well during 2023, as evidenced by the overall performance of the Company, which has met the targets set in the Corporate Work Plan and Budget (RKAP) and other established criteria, resulting in a total score of 107.28%.

We have observed that Bank Mandiri has navigated through the challenging and uncertain landscape of 2023 while consistently delivering outstanding performance, with the majority of its indicators exceeding the banking industry. For instance, Bank Mandiri's consolidated loan balance grew by 16.29% (yoy), while the gross Non-Performing Loan (NPL) ratio was successfully kept at 1.02%. In comparison, the industry's loan growth and gross NPL ratio reached 11.38% (yoy) in December 2023 and 2.19% in November 2023, respectively.

Amidst increasing competition and declining liquidity in the third-party funds acquisition market, Bank Mandiri also exhibited growth of 5.78% (YoY) in its third-party funds, surpassing the industry's growth rate of 3.80% in 2023. Bank Mandiri's consolidated Low-Cost Funds Ratio (Current Account and Saving Account/CASA) also strengthened from 73.42% in 2022 to 74.30% in 2023.

We believe that Bank Mandiri's excellent performance in 2023 is attributable to the consistent implementation of adaptive strategies by the Directors, their astute approach in targeting potential segments, and their ability to optimize digital transformation throughout various operational phases. As a result, Bank Mandiri's efficiency level increased, driving business volume growth across all segments and enabling the Bank to close 2023 on a high note. Notably, Bank Mandiri achieved a consolidated net profit of Rp55.06 trillion, representing a remarkable growth rate of 33.74% (yoy).