

BOARD OF DIRECTORS REPORT

As part of the implementation of the 2025-2029 Corporate Plan, Bank Mandiri has defined its strategic focus for 2025, emphasizing Integrated Strategic Growth and Transformational Leadership Driven by Orchestrating the Ecosystem. This strategic focus is reflected in three Strategic Objectives for 2025:

1. Becoming the **“Main Transaction Bank”** for both Wholesale and Retail customers, where Bank Mandiri aims to dominate transaction market share by providing high-quality products and services, supported by a strong relationship management framework for principals, merchants, and individuals.
2. Establishing itself as the **“Leader in Low-Cost Funding”**, positioning Bank Mandiri as the preferred bank for transactions and the primary operational account for customers.
3. Becoming the **“Largest Lender”** in Wholesale and Retail lending based on an ecosystem approach while maintaining an optimal yield level

Role of the Board of Directors in Strategy Formulation and Strategic Policies

The formulation of Bank Mandiri's strategy and strategic policies is consistently aligned with the Bank's vision, mission, and strategic plan. The Board of Directors actively communicates the work plan to shareholders and all levels of the Bank.

Strategy formulation and development consider both driving and inhibiting factors for success, referencing the Bank's competitive advantage and incorporating a structured implementation roadmap. The Board of Directors, in collaboration with the Board of Commissioners, also takes into account external dynamics that need to be anticipated to ensure optimal strategy execution. The established strategies are then outlined in the Bank Business Plan (RBB) and, more specifically, in the Sustainable Finance Action Plan (RAKB). Bank Mandiri's RAKB is formulated, implemented, and evaluated in response to the growing global and national focus on sustainability issues. Additionally,

the RAKB reflects Bank Mandiri's commitment to supporting the Indonesian Government's sustainability programs in achieving the Sustainable Development Goals (SDGs).

The Board of Directors, with the Board of Commissioners, formulates and establishes performance measurement parameters for all programs outlined in the RBB and RAKB. The development of these parameters considers alignment with the Bank's core values and includes a rewards and punishment system for all levels of the organization. This approach ensures the optimal implementation of strategies by leveraging the Bank's full competencies.

Process Undertaken by the Board of Directors to Ensure Strategy Implementation

Under the guidance and supervision of the Board of Commissioners, the Board of Directors coordinates the execution of all programs and work plans outlined in the RBB and RAKB together with all relevant levels of the organization. The Board of Directors also delegates authority for executing each program in accordance with the assigned roles and responsibilities. Regular meetings are held with the Executive Committee, division heads, and department heads to ensure that the implementation of programs and the management of Bank Mandiri's business activities remain aligned with the approved business strategy, risk appetite, and policies established by the Board of Commissioners and the Board of Directors.

In addition to formulating decisions related to program implementation, these meetings also serve as a forum to discuss, evaluate, and establish the Annual Work Plan and Budget (RKAP), Bank Business Plan (RBB), Long-Term Corporate Plan (RJPP), and Sustainable Finance Action Plan (RAKB) for the upcoming period. This comprehensive approach has led to tangible achievements, ensuring the attainment of various performance targets set in advance.