

## FINANCIAL REVIEW

## LENDING POLICIES FOR THE BOARD OF COMMISSIONERS AND DIRECTORS

Bank Mandiri has internal regulations on managing lending for the Board of Commissioners and Board of Directors taking into account the prudence principle through a generally accepted credit provision process as the process of credit provision to other debtors.

Description	Loan	Legal Lending Limit (LLL) Exceeded	Legal Lending Limit (LLL) Violated
Board of Commissioners	Nil	Nil	Nil
Directors	Nil	Nil	Nil

## CHANGES IN LAWS AND REGULATIONS AND THE IMPACT ON BANKS

The following are changes in laws and regulations affecting the Bank and the impacts of such changes, as well as information on adjustments made by Bank Mandiri to such changes during 2021.

No	Laws & Regulations	Regulatory Points in the New Regulations or Significant Regulatory Changes from Previous Regulations	Background Issuance of Regulations or Changes in Regulations	Impact on Bank Mandiri	Information on Adjustments Made by Bank Mandiri
1.	PADG No. 23/1/PADG/2021 concerning the Implementation of State Securities Auction in the Primary Market	<ol style="list-style-type: none"> <li>Implementation of SBN Auction and Supplementary SBN Auction by Bank Indonesia which includes stages of preparation of auction plan, announcement of auction plan, submission of auction bids, determination of auction results, announcement of auction results, and settlement of auction results.</li> <li>Transaction participants in the SUN auction consist of the Main Dealer, Bank Indonesia and/or LPS. Transaction Participants in SBSN auction consist of SBSN Main Dealer, Bank Indonesia, LPS and/or Other SBSN Auction Participants.</li> <li>Main Dealer and/or Main Dealer of SBSN submit bids for SUN auction and/or SBSN auction for and on behalf of themselves or for and on behalf of Parties other than Bank Indonesia, IDIC and/or Other SBSN Auction Participants by way of Competitive Bidding and/or Non-competitive Bidding).</li> </ol>	<p>This PADG aims to improve so that it is in line with the regulations made by the Minister of Finance as the issuer of SBN.</p> <p>The PADG is a regulation issued by BI which aims to regulate the implementation of SBN auctions in the primary market</p>	No significant impact	-
2.	PBI No. 22/22/PBI/2020 Regarding Amendments to PBI No. 21/9/PBI/2019 concerning Integrated Commercial Banks Report	<ol style="list-style-type: none"> <li>Parallel run period for report submission and/or report correction from the end of December 2019 data to the end of June 2021 data.</li> <li>Full implementation period: report submission and/or report correction since July 2021 data.</li> </ol> <p>Written notification is given to banks that are late and do not submit reports and/or report corrections from the end of March 2021 to the end of June 2021. Obligations to submit existing reports, namely: Commercial Bank Daily Reports (LHBU), Commercial Bank Monthly Reports (LBU), Monetary and Financial Stability Reports of Sharia Commercial Banks and Sharia Business Units (LSMK BUS-UUS), Commercial Bank Head Office Reports (LKPBU), Commercial Bank Periodic Reports (LBBU), and Sharia Commercial Bank Periodic Reports (LBBUS), remain valid until the end of June 2021 data.</p>	The spread of the COVID-19 pandemic that hampered bank operations including the Integrated Commercial Bank Report (LBUT). So it is necessary to adjust the timing of the implementation of the LBUT.	<p>Submission of report and/correction period:</p> <ol style="list-style-type: none"> <li>parallel run from the end of December 2019 data to the end of June 2021 data</li> <li>full implementation since July 2021 data</li> </ol>	Adjustment of internal regulations and reporting period to regulators