

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



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

Bank Mandiri Culture Implementation Framework:

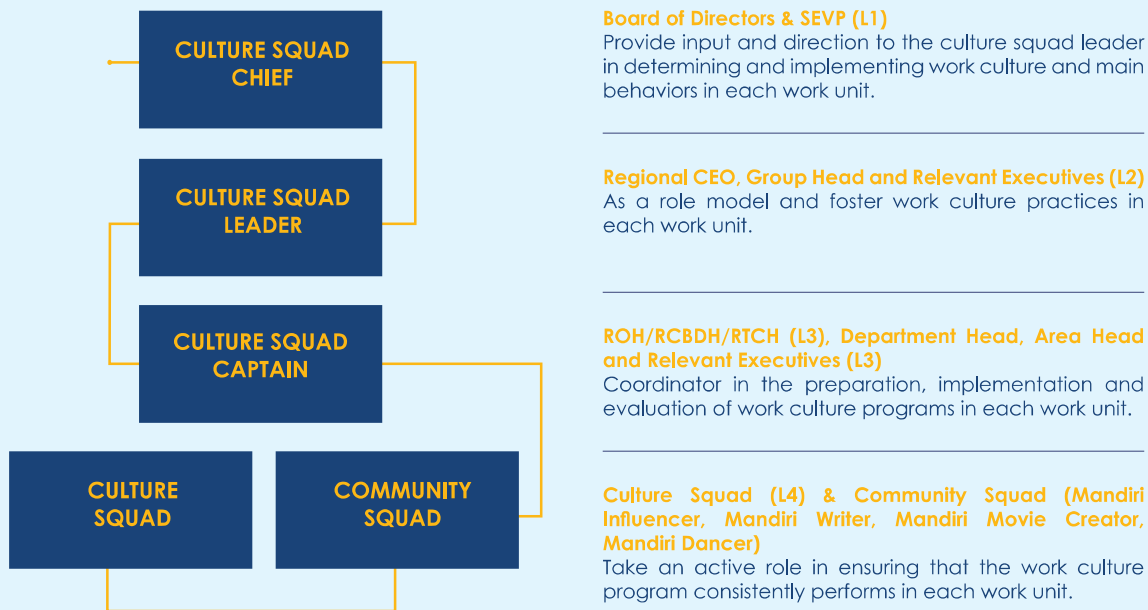
To strengthen the sustainable implementation of AKHLAK core values, Bank Mandiri developed a framework as unique characteristics of all Bank Mandiri employees called Mandiri DNA (m-DNA). m-DNA is as a manifestation of core values (Trustworthy, Competent, Harmonious, Loyal, Adaptive, and Collaborative). These unique characteristics are actualized through Gerakan Bersama Mandiri to realize Mandiri 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.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024



- *) 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: <ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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.



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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:

- Officers and Security Officers with the top priority of the Authority Holder Employees (P3K).
- Minimum education of Diploma 4 or Bachelor degree.
- Have a professional disposition, namely: speak with respect, well dressed, well mannered, self-confidence.
- Minimum Performance Level of PL2 in the last 2 years.
- Minimum service period of 5 years from the effective date of employment.
- HIPO/CR Talent Classification.
- Maximum age of 45 years at the time of initial selection.
- Minimum Individual Grade of PP2.
- Not in the process of audit/ investigation due to violations of employee discipline.
- Not sanctioned in the last 1 year and not currently under sanctions.
- Have never participated in the SDP selection more than 3 (three) times.
- 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:

- Minimum working period of 2 (two) years is calculated from PKWT as Branch Sales Staff, Branch Sales supervisor and Unit Supervisor.
- 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:

- Minimum of Bachelor Degree Education Level
- Candidates from the graduates of universities with the best reputation in Indonesia and overseas set by Bank Mandiri.
- Courses:
 - Study Programs required by the Bank
- 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
- 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



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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 521 participants, 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.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024



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





HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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:



Learning culture, infrastructure, administration, support system

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	<ul style="list-style-type: none"> Core competency analysis Development needs analysis Training needs analysis 	<ul style="list-style-type: none"> Decide/choose: make/borrow- buy-reuse Analyze program/module requirements design program/module framework Develop program/module content 	<ul style="list-style-type: none"> Program/module Campaign Implement (deliver/ deploy) by corporate teacher (on job & work place trainer, classroom/virtual facilitator, coaching, consulting, mentoring) 	<ul style="list-style-type: none"> Evaluate: The quality of the outcome of learning The learning solutions The learning system The performance of employee
TOOLS	<ul style="list-style-type: none"> Development needs analysis forms Training needs analysis forms 	ISD Toolkit: <ul style="list-style-type: none"> Learning requirements Design window analysis course structure & lesson plan Learning & evaluation materials Test & pilot course 	Trainer's Toolkit: <ul style="list-style-type: none"> instructional design form course structure facilitator's guideline Teaching slide's 	<ul style="list-style-type: none"> Participant's evaluation ROI toolkit Data collection plan ROI analysis plan Monetary Conversion Cost analysis
OUTPUT	<ul style="list-style-type: none"> 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

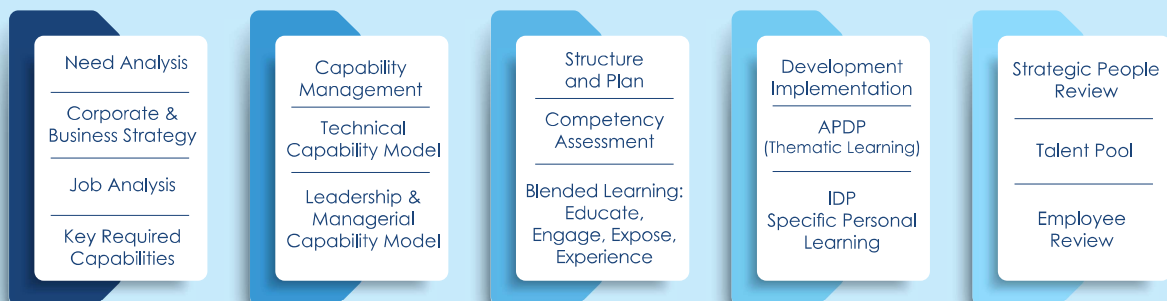
training programs identified based on business and individual employee needs, Bank Mandiri has been focusing on Reskilling, Upskilling & Redeployment. This includes initiatives tied to Smart Branch implementation and digital capability building for all employees. Development within each Directorate at 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:

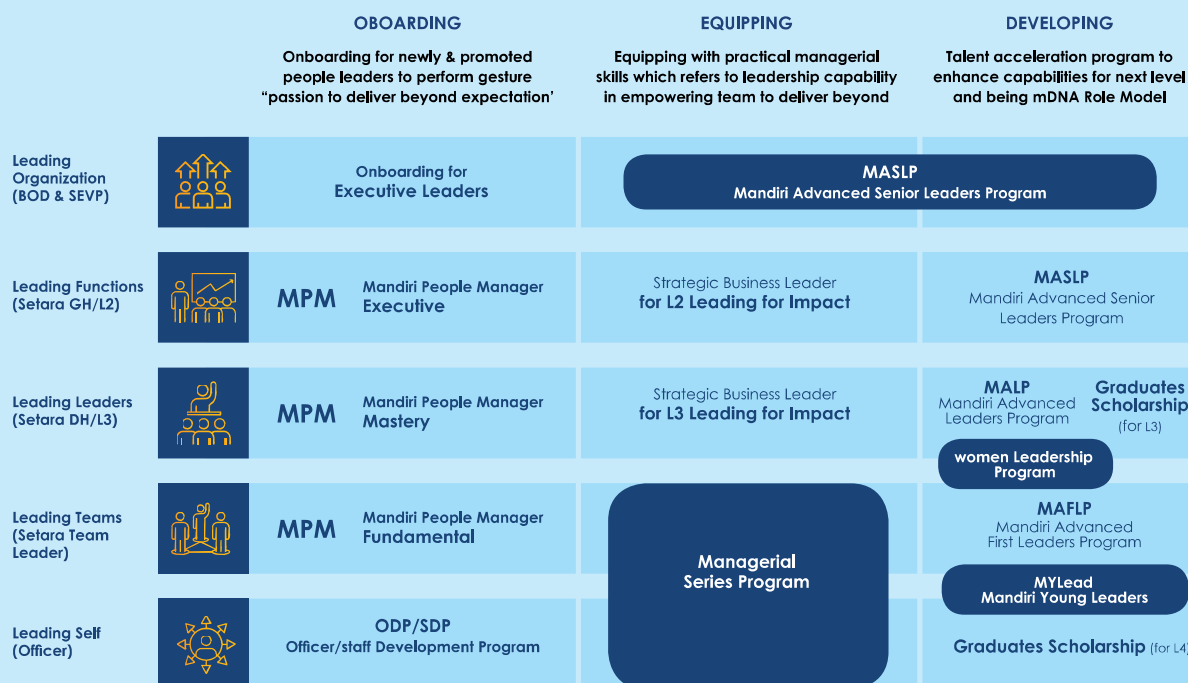
a. Leadership Development Program

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

Mandiri's Leadership Pipeline Framework



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



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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.

Educate

Learning through classroom training, business cases, coaching, and business simulations.

Journey duration: approximately 3 months. Includes interactive virtual sessions, assessments, reading materials, business simulations, and individual and group coaching

Modul 1

Always Ahead - Future Now (Leading Mandiri from the future)

Modul 2

Always Deliver – Making it Happen (Executing an Mandiri Strategy)

Engage

Learning through collaborative interactions with role models, mentors, and colleagues.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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:

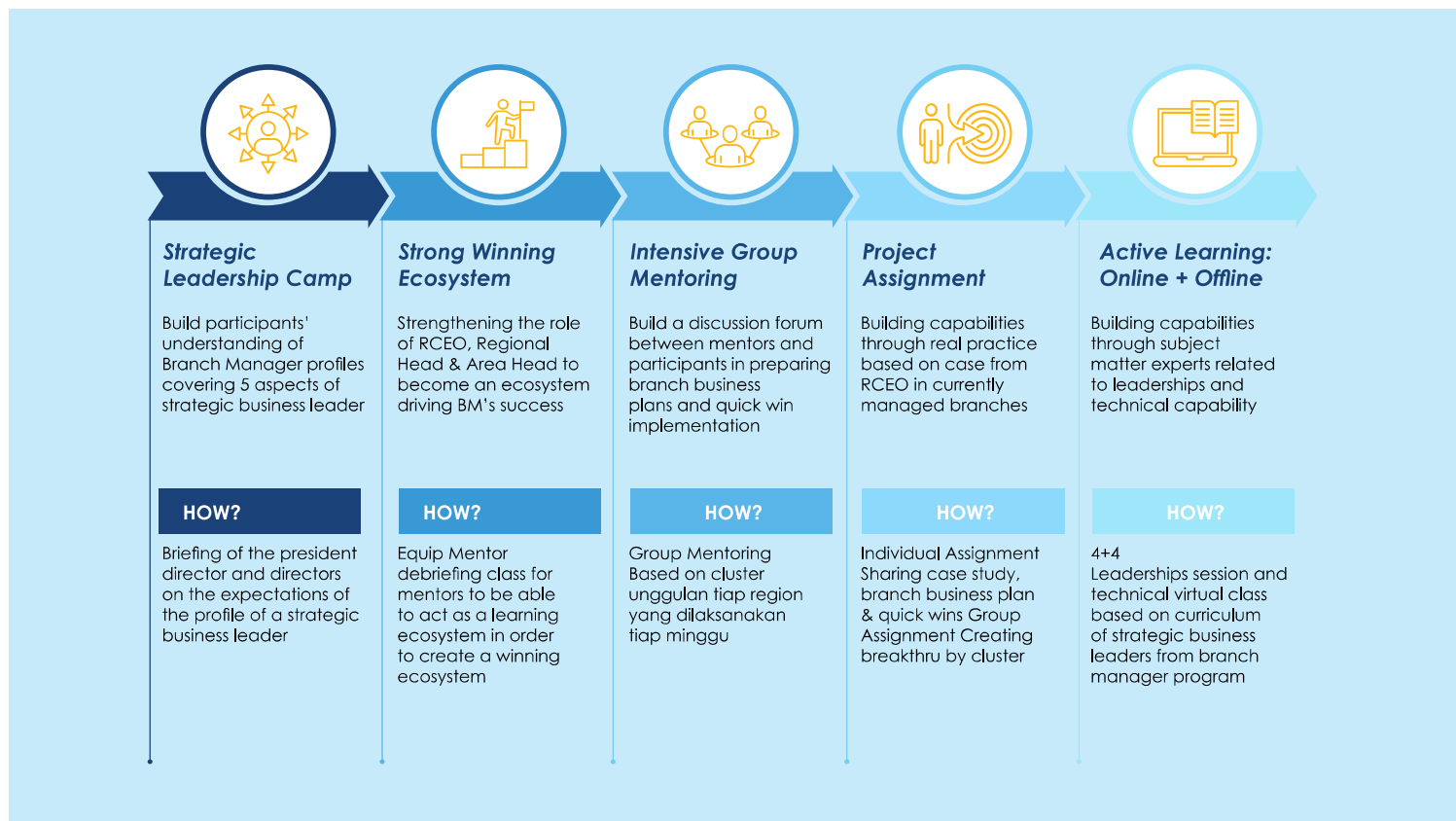
- **Strategic Business Leaders (SBL) Program**

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.



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024



- **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



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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:

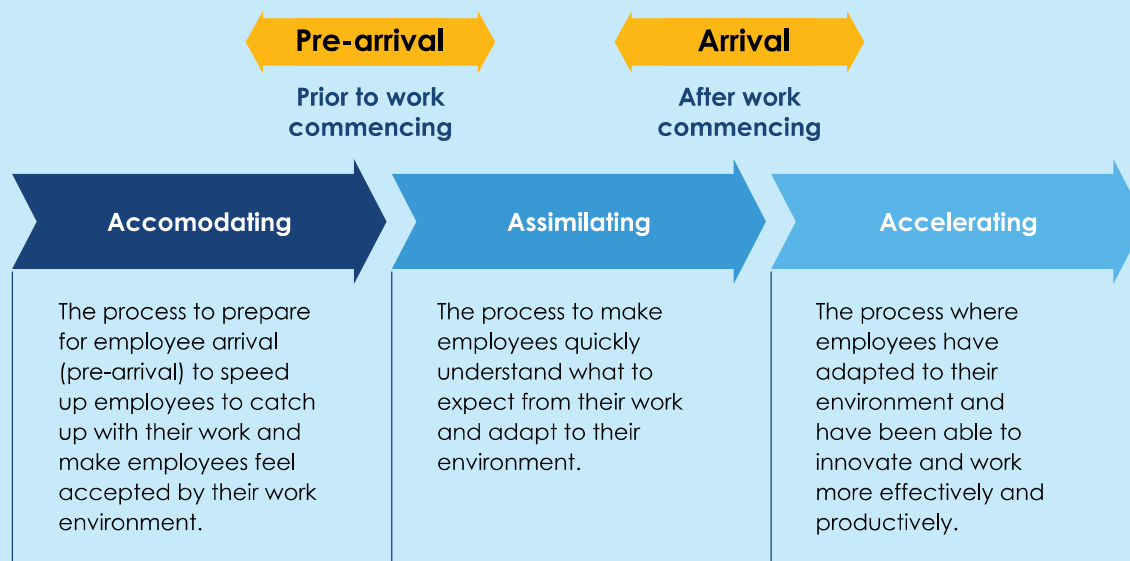
- 1. Compliance**
The Bank prepares employees to understand the basics of the provisions and policies applicable at the Bank.
- 2. Culture**
The Bank prepares employees to be able to accept and implement the Bank's norms including the Bank's work culture and core values.
- 3. Clarification**
The Bank 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.



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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

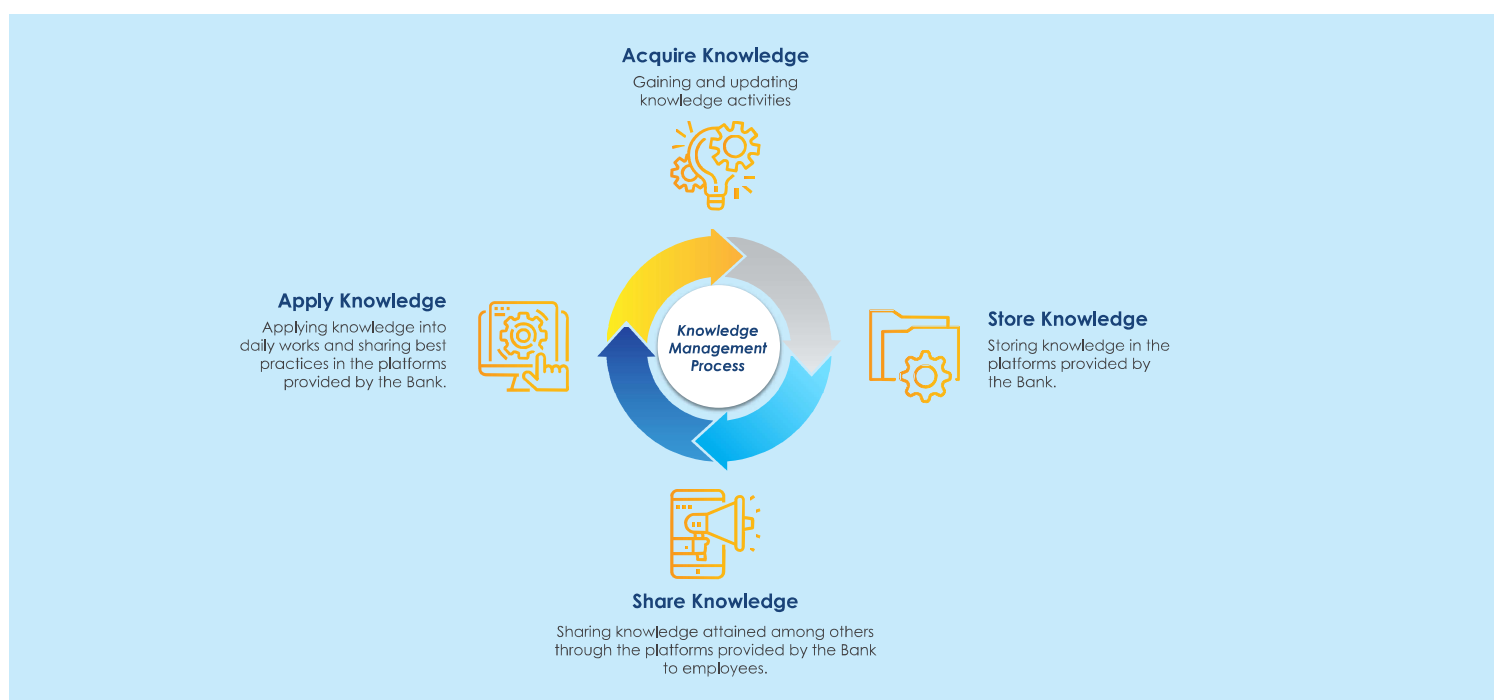


HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

- **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 (lag 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:



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

- 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.



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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:

- 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
- Best Collection & Recovery of The Year**
Appreciation to Mandirian that exceeds the target in billing and in line with applicable ethics.
- 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.

- 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%



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024



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

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2024

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.