

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.



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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.