



GOVERNANCE IN PROVIDING REMUNERATIONS

Moreover, Bank Mandiri provides health benefits for employees and their families, covering inpatient and outpatient care, maternity care, dental care, General Check Up, eyewear allowances, and a health program for Bank Mandiri retirees.

Remuneration Adjustment Related to Performance and Risk

Bank Mandiri provides variable remuneration tied to performance and risk, which includes bonuses, rewards, performance incentives, or other equivalent forms. These variable remuneration components may be provided in the form of cash, shares, or share-based instruments issued by Bank Mandiri. However, in the case of the Board of Commissioners, variable remuneration is granted exclusively in cash to prevent any potential conflicts of interest during the execution of their supervisory duties.

External Consultant Services

To assess the competitiveness of the Bank's remuneration relative to market conditions, Bank Mandiri participates in the Annual Salary Survey conducted by an independent and reputable third-party organization. The results serve as a key reference for adjusting Bank Mandiri's remuneration strategy. The proposed adjustments are then submitted for review and approval at the Board of Directors Meeting.

Process for Preparation of Remuneration Policy

The remuneration policy plays a crucial role in attracting and retaining competent and qualified employees, executives, members of the Board of Directors, and the Board of Commissioners. It forms a strategic approach for the Bank, providing rewards that align with Bank Mandiri's financial capacity while adapting to changes in employee demographics, effectively managing labor costs, and driving the achievement of the Bank's business objectives.

The remuneration framework at Bank Mandiri is

designed to attract, retain, and motivate talent, while also enhancing employee commitment. This approach aims to ensure that employees consistently deliver optimal performance, thereby supporting the vision, mission, and strategic goals of Bank Mandiri.

Bank Mandiri's considerations when preparing the remuneration policy:

1. Financial performance and reserve fulfilment as stipulated in the applicable laws and regulations.
2. Remuneration that is adapted to the industry in accordance with the Company's business activities and the scale of the company's business in the industry.
3. The duties, responsibilities and authorities of members of the Board of Directors and members of the Board of Commissioners related to the achievement of the Company's goals and performance.
4. Target or performance of each member of the Board of Directors and/or members of the Board of Commissioners in order to achieve equality between the work results and the benefits received.
5. Balance between permanent and variable benefits.
6. The Bank's Long-term goals and Strategies

REMUNERATION AND FACILITIES FOR THE BOARD OF COMMISSIONERS AND DIRECTORS

Remuneration Structure of Members of the Board of Commissioners and Directors

By taking into account the prevailing remuneration stipulations, the remuneration for the Board of Commissioners and Board of Directors is provided in the form of:

1. Fixed remuneration, a remuneration that is unrelated to performance and risk, such as salary/honorarium, facilities, housing allowance, health allowance, education allowance, festive allowance, and post-

GOVERNANCE IN PROVIDING REMUNERATIONS

employment benefit Salary/ honorarium, facilities, allowances, and post-employment benefit are provided in cash.

- Variable remuneration: Remunerations provided in connection with performance and risks, such as bonuses, rewards/ performance incentives, or any other similar forms.

Bonuses, rewards, and incentives may be provided in cash, shares, or stock-based instruments issued by the Company, and cash only for the Board of Commissioners to prevent conflict of interest in their supervisory duties.

The structure for determining the remuneration for the Board of Commissioners and the Board of Directors is as follows:

Board of Commissioners and Directors Remuneration Structure

No.	Types of Income	Rules	
		Board of Commissioners	Board of Directors
1.	Honorarium/Gaji	The amount of position factor <ul style="list-style-type: none"> President Commissioner 45% of the President Director Vice President Commissioner 42.5% of the President Director Commissioners 90% of the President Commissioner 	The amount of position factor <ul style="list-style-type: none"> Vice President Director 90% of Managing Directors Other Directors Members 85% of the President Commissioners
2.	Allowances		
	Religious Holiday Allowance	1 (one) time honorarium	1 (one) time honorarium
	Housing allowance	Not given	Housing allowance was given monthly with a maximum of Rp27,500,000
	Transportation Allowance	Equal to 20% of the honorarium	Not given
	Annual Leave Allowance	Not given	Not given
	Retirement Compensation	Maximum insurance premium was 25% of honorarium/ year	Insurance premium maximum was 25% of salary/year
3.	Facilities		
	Service Vehicle Facilities	Given in the form of transportation allowance of 20% of the honorarium	Given 1 (one) service vehicle in the form of rental according to the predetermined criteria
	Health Facilities	Replacement of treatment in accordance with the internal policy No. KEP.KOM/011/2024	Replacement of treatment in accordance with the internal policy No. KEP.KOM/011/2024
	Professional Facilities Association	Maximum 2 (two) memberships relevant to the Company's activities	Maximum 2 (two) memberships relevant to the Company's activities
	Legal Assistance Facilities	Legal assistance facilities following the internal policy No. KEP.KOM/011/2024	Legal assistance facilities following the internal policy No. KEP.KOM/011/2024
4.	Bonuses, Rewards, Incentives	Can be given in the form of shares or cash.	Can be given in the form of shares or cash.



GOVERNANCE IN PROVIDING REMUNERATIONS

Nominals of Every Component of the Remuneration Structure of the Board of Commissioners and the Board of Directors

Remuneration in one year is grouped into the range of income levels as follows.

Board of Commissioners and Directors Total Remuneration Nominal

Total Remuneration and Other Facilities	Total Received			
	Board of Commissioners		Board of Directors	
	Total Person	Total in Rp Million	Total Person	Total in Rp Million
Remunerations				
Salaries	10 Persons	66,418	12 Persons	164,807
Housing Allowances	-	-	12 Persons	5,264
Tantiem	10 Persons	334,843	12 Persons	784,493
Other Facilities				
Housing (natura)	-	-	-	-
Transportation (cash)	10 Persons	5,998	-	-
Full-service Insurance (cash)	10 Persons	5,766	12 Persons	10,440
Health (cash)	10 Persons	1,603	12 Persons	3,511
Remuneration Amount per person in 1 year				
Above Rp2 billion	10 Persons	-	12 Persons	-
Above Rp1 billion to Rp2 billion	-	-	-	-
Above Rp500 million to Rp1 billion	-	-	-	-
Rp500 million and below	-	-	-	-

The basis for the stock bonus:

To fulfill POJK No. 45/POJK.03/2015 concerning Implementation of Good Corporate Governance in Providing Remuneration for Commercial Banks.

Name	Position	Bonus Shares
Board of Commissioners		
M. Chatib Basri	President Commissioner/Independent	Nil
Zainudin Amali	Vice President Commissioner/Independent	Nil

GOVERNANCE IN PROVIDING REMUNERATIONS

Name	Position	Bonus Shares
Loeke Larasati Agoestina	Independent Commissioner	Nil
Muliadi Rahardja	Independent Commissioner	Nil
Heru Kristiyana	Independent Commissioner	Nil
Rionald Silaban	Commissioner	1,412,500 shares
Fariied Utomo	Commissioner	1,412,500 shares
Arif Budimanta	Commissioner	1,412,500 shares
Muhammad Yusuf Ateh	Commissioner	1,412,500 shares
Tedi Bharata	Commissioner	Nil
Board of Directors		
Darmawan Junaidi	President Director	3,487,800 shares
Alexandra Askandar	Vice President Director	3,139,100 shares
Agus Dwi Handaya	Director of Compliance and HR	2,964,700 shares
Riduan	Director of Corporate Banking	2,964,700 shares
Aquarius Rudianto	Director of Network & Retail Banking	2,964,700 shares
Toni E. B. Subari	Director of Operations	2,964,700 shares
Rohan Hafas	Director of Institutional Relations	2,964,700 shares
Sigit Prastowo	Director of Finance & Strategies	2,964,700 shares
Timothy Utama	Director of Information Technology	2,964,700 shares
Eka Fitria	Director of Treasury & International Banking	1,002,500 shares
Danis Subyantoro	Director of Risk Management	Nil
Totok Priyambodo	Director of Commercial Banking	Nil

Variable Remuneration to Directors, Board of Commissioners and Employees

The number of Directors, Commissioners and Employees who received variable remuneration for 1 (one) year and total nominal are as follows.

Variable Remunerations	Amount received in 1 (one) Year			
	Board of Directors		Board of Commissioners	
	Persons	Rp Million	Persons	Rp Million
Total	12	333,737	10	135,759



GOVERNANCE IN PROVIDING REMUNERATIONS

Variable Remuneration

In addition, the Bank provides variable compensation including location allowances, certain position allowances, performance allowances for frontliners, overtime compensation, performance achievement bonuses, sales incentives, retention programs and the Long-Term Incentive program in the form of shares. Specifically for members of the Independent Board of Commissioners get remuneration in cash in accordance with the provisions of OJK Regulation No. 45/POJK.03/2015.

To support official service, Bank Mandiri provides facilities such as official housing, reimbursement of utility costs, telephone credit, and rental official vehicles. Meanwhile, to support the needs of employees in ownership of houses, vehicles and other needs, Bank Mandiri provides Employee Welfare Credit facilities.

Position and Numbers as Material Risk Takers

All members of the Board of Commissioners and Directors of Bank Mandiri are material risk takers. There are 26 (twenty-six) members of the Board of Directors and the Board of Commissioners who served during the 2024 financial year. Including Directors and Commissioners whose term of office ends at the 2024 Annual GMS.

Shares Options

Bank Mandiri did not issue share option programs for Directors, Board of Commissioners, and employees throughout 2024.

Ratio of the Highest and The Lowest Salaries

Bank Mandiri adheres to all applicable regulations regarding employee remuneration. The amount of remuneration provided is adjusted to comply with current prevailing regulations and is set above the Minimum Wage level applicable in the Bank Mandiri operational areas. In implementing its remuneration governance, Bank Mandiri aims to minimize the salary gap among all employees, ensuring that the difference between the highest and lowest salaries remains reasonable. Detailed information on the salary ratio is disclosed in the Sustainability Report.

Number of Recipients and Total Variable Remuneration

During 2023, no number of recipients and the total number of Variable Remunerations that were guaranteed unconditionally to be given by Bank Mandiri to candidates for the Board of Directors, candidates for the Board of Commissioners, and/or prospective employees during the first 1 (one) year of work as referred to in Article 21 OJK Regulation No. 45/POJK.03/2015

Total Amount of Deferred Variable Remuneration

Until the end of 2024, the amount of variable remuneration that was still deferred in the form of Bank Mandiri shares or time deposits is as follows:

1. Shares, with a total of 72,362,400 shares.
2. Cash, with a total of Rp71,677,416,064.

GOVERNANCE IN PROVIDING REMUNERATIONS

Quantitative Information

Quantitative information regarding:

1. Total remaining deferred Remuneration, whether exposed to implicit or explicit adjustments.
2. Total reduction in remuneration due to explicit adjustments during the reporting period.
3. Total reduction in remuneration due to implicit adjustments during the reporting period.

As in the following table:

Types of Variable Remuneration	Remaining Deferred	Total Deductions Over the Period		
		Caused an Explicit Adjustment (A)	Caused an Explicit Adjustment (B)	Total (A) + (B)
Cash (in million rupiah)	Rp71,677,416,064	-	-	-
Shares/share-based instruments issued by the Bank. (In shares and a million-rupiah nominal value which is a conversion of the said share sheet)	72,362,400 shares	-	-	-