



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-