

Competence Development for Employees

Policy

Bank Mandiri gives equal opportunities to all employee regardless of the gender or position level. The human capital training and development was carried out with referring to the training and development framework that includes all aspects and methods of human capital development. The Training and Development include the introduction to the organization, vision and mission, the company's work culture, the needed technical competence, as well as the will to lead.

The training and development framework is prepared based on business needs and aligned with Human Capital strategies. The training and development is carried out using the life-long learning method, which is an employee capability improvement program that is not only conducted within classroom training, but also through experiential learning, including programs on the job training, coaching, mentoring, assignments, and so on. In addition, employees are asked to conduct self-learning through e-learning and/or other developments such as reading and sharing.

Competence Development Based on Position Level

The manifestation of Bank Mandiri's commitment to providing equal opportunities for its employees in developing competencies can be seen in the following table:

Table of Competency Development Based on Position Level in 2018

Level Position	Type Training	Program Training	Purpose Training	Total Participants
Board of Commissioners	Inhouse	Leadership	To improve leadership.	2
	Total			2
Directors	Inhouse	Leadership	To improve leadership.	3
		Management	To improve knowledge and competence in terms of company management.	1
		Credit	To improve knowledge and competence in terms of credit field.	1
		Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	4
	Total			9
SEVP	Inhouse	Credit	To improve knowledge and competence of the employees in terms of credit field.	2
		Finance & Accounting	To improve knowledge and competence of the employees in terms of finance and accounting.	1
		General	To improve knowledge and competence in terms of marketing, risk management, and so on.	1
		Leadership	To improve knowledge and competence in terms of leadership.	6
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	1
	Sub-total			11
	Public	Leadership	To improve knowledge and competence in terms of leadership.	2
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	1
	Sub-total			3
	Total			14

Level Position	Type Training	Program Training	Purpose Training	Total Participants	
EVP/SVP	Inhouse	Credit	To improve knowledge and competence of the employees in terms of credit field.	39	
		Finance & Accounting	To improve knowledge and competence of the employees in terms of finance and accounting.	22	
		General	To improve knowledge and competence in terms of marketing, risk management, and so on.	67	
		Information Technology	To improve knowledge and competence of the employees in terms of information technology.	4	
		Leadership	To improve knowledge and competence in terms of leadership.	210	
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	43	
		Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	35	
	Sub-total				420
	Public	Credit	To improve knowledge and competence of the employees in terms of credit field.	5	
		Finance & Accounting	To improve knowledge and competence of the employees in terms of finance and accounting.	1	
		General	To improve knowledge and competence in terms of marketing, risk management, and so on.	5	
		Information Technology	To improve knowledge and competence of the employees in terms of information technology.	10	
		Leadership	To improve knowledge and competence in terms of leadership.	17	
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	4	
		Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	5	
Sub-total				47	
Total				467	
VP – AVP	Inhouse	Credit	To improve knowledge and competence of the employees in terms of credit field.	2.219	
		Finance & Accounting	To improve knowledge and competence of the employees in terms of finance and accounting.	850	
		General	To improve knowledge and competence in terms of marketing, risk management, and so on.	1.003	
		Information Technology	To improve knowledge and competence of the employees in terms of information technology.	248	
		Leadership	To improve knowledge and competence in terms of leadership.	770	
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	1.448	
		Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	1.878	
	Sub-total				8.416
	Public	Credit	To improve knowledge and competence in terms of credit field.	18	
		Finance & Accounting	To improve knowledge and competence of the employees in terms of finance and accounting.	8	

Level Position	Type Training	Program Training	Purpose Training	Total Participants	
SRM – AM		General	To improve knowledge and competence in terms of marketing, risk management, and so on.	50	
		Information Technology	To improve knowledge and competence of the employees in terms of information technology.	87	
		Leadership	To improve knowledge and competence in terms of leadership.	62	
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	105	
		Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	66	
	Sub-total				396
	Total				8.812
	Inhouse		Credit	To improve knowledge and competence of the employees in terms of credit field.	5.803
			Finance & Accounting	To improve knowledge and competence of the employees in terms of finance and accounting.	1.827
			General	To improve knowledge and competence in terms of marketing, risk management, and so on.	3.248
			Information Technology	To improve knowledge and competence of the employees in terms of information technology.	888
Leadership			To improve knowledge and competence in terms of leadership.	1.645	
Management			To improve employee insights and competencies related to Bank Mandiri's management activities.	3.461	
Operations			To improve employee insights and competencies related to Bank Mandiri's management activities.	5.700	
Sub-Total				22.572	
Public		Credit	To improve knowledge and competence of the employees in terms of credit field.	32	
		Finance & Accounting	To improve knowledge and competence of the employees in terms of finance and accounting.	9	
		General	To improve knowledge and competence in terms of marketing, risk management, and so on.	105	
		Information Technology	To improve knowledge and competence of the employees in terms of information technology.	115	
		Leadership	To improve knowledge and competence in terms of leadership.	56	
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	174	
		Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	78	
Sub-total				569	
Total				23.141	
Clerk	Inhouse		Credit	To improve knowledge and competence of the employees in terms of credit field.	3.646
			Finance & Accounting	To improve knowledge and competence of the employees in terms of finance and accounting.	994
			General	To improve knowledge and competence in terms of marketing, risk management, and so on.	2.604
			Information Technology	To improve knowledge and competence of the employees in terms of information technology.	684
			Leadership	To improve knowledge and competence in terms of leadership.	338
			Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	3.005
			Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	6.531

Information Technology	Corporate Governance	Corporate Social Responsibility	Cross Reference POJK	Cross Reference ACGS	Financial Statement
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Level Position	Type Training	Program Training	Purpose Training	Total Participants
Others	Sub-total			17.802
	Public	Credit	To improve knowledge and competence of the employees in terms of credit field.	2
		General	To improve knowledge and competence in terms of marketing, risk management, and so on.	71
		Information Technology	To improve knowledge and competence of the employees in terms of information technology.	74
		Leadership	To improve knowledge and competence in terms of leadership.	17
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	30
		Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	22
	Sub-total			216
	Total			18.018
	Inhouse	Credit	To improve knowledge and competence of the employees in terms of credit field.	323
		Finance & Accounting	To improve knowledge and competence of the employees in terms of finance and accounting.	134
		General	To improve knowledge and competence in terms of marketing, risk management, and so on.	215
		Information Technology	To improve knowledge and competence of the employees in terms of information technology.	22
		Leadership	To improve knowledge and competence in terms of marketing, risk management, and so on.	42
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	233
		Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	429
	Sub-total			1.398
	Public	Credit	To improve knowledge and competence of the employees in terms of credit field.	1
		General	To improve knowledge and competence in terms of marketing, risk management, and so on.	7
		Information Technology	To improve knowledge and competence of the employees in terms of information technology.	9
		Leadership	To improve knowledge and competence in terms of leadership.	4
		Management	To improve employee insights and competencies related to Bank Mandiri's management activities.	10
		Operations	To improve employee insights and competencies related to Bank Mandiri's management activities.	7
Sub-total			38	
Total			1.436	
Grand Total			51.899	

Information about the number of employees training participants, number of training days on the number of training and the number of training days on the number of employees can be seen in the following table.

Table of Number of Training Days

Year	Total Employee	Total Number of Training Days	Training Days/ Employee	Total of Training Participant	Total of the Training Employee
2018	39,809	263,365	6.62	283,636	37,141
2017	38,307	237,860	6.22	245,769	35,170

Leadership Development Program Table

Leadership Development Program	2018		2017	
	Total Batch	Total Participants	Total Batch	Total Participants
Officer Development Program (ODP)	23	609	12	281
Staff Development Program (SDP)	19	554	25	710
MyLead Program	1	10	1	4
Master's Degree Bank Program	1	26	1	17
Middle Management Development Program (MDP)	2	60	2	60
Great Development Program (GDP)	1	34	-	-
SESPIBANK Training Program	1	4	2	6
Executive Training Program	1	21	1	12

Throughout 2018 there was a decrease in the number of participants and batch numbers in several leadership development programs that had been carried out by the Company, the decrease in participants was among them in the Staff Development Program (SDP) of 21.97% and the SESPIBANK Training Program of 33.33%. The decrease is based on the needs of the Company that affect the number of participants and batches according to the needs of the SDP and SESPIBANK classes in 2018.

While several other leadership programs experienced a significant increase such as the Program Officer Development Program (ODP) which increased by 216.76%. The significant increase in the ODP program was due to the organization's need to adjust the Company's business development in 2018. The success of the doctoral degree program also led to an increase in participants reaching 52.94%.

Implementation of Competence Development Evaluation

As one of the Company's Human Capital development strategies, competency development is aimed at employees at all levels, both business units and supporting, regardless of gender. The company also sets a target in the form of coverage development competency development activities for Bank Mandiri employees. Furthermore, it was revealed to each work unit to be one of the Key Performance Indicators (KPI) in the form of talent development and attendance rate training.

In addition to classroom training and experiential learning, Bank Mandiri also provides self-learning facilities for employees through 3 (three) online portals namely Mandiri i-learn, Mandiri i-share and Mandiri i-know. Mandiri i-learn contains information about e-learning training that can be accessed from all over

Indonesia, registration of training and assessment tools. Mandiri i-share is a social learning media as a means of sharing information among Bank Mandiri employees. Mandiri i-know includes a system of knowledge management to manage knowledge and collaboration facilities for Bank Mandiri employees.

Bank Mandiri evaluates training programs that have been carried out as input material for module development as well as subsequent employee development plans. This evaluation is divided into 4 evaluation levels, namely:

- Level 1 (L1) is an evaluation to assess the participants' reactions to the implementation of training. This includes the suitability of the material, the ability of the teacher to deliver material and the availability of training facilities.
- Level 2 (L2) is an evaluation to assess the participants' understanding throughout the training. This evaluation can be in the form of a theory or practice exam related to training material.
- Level 3 (L3) is an evaluation to assess the implementation of training materials and changes in training participants' behavior before and after the training takes place. This evaluation is carried out at least 3 (three) months after the training is conducted. The assessment process is carried out by multi-evaluator method that is asking for an assessment/opinion from employees, superiors, colleagues, subordinates of the employee.
- Level 4 (L4) is an evaluation to assess the impact of training that employees have followed on improving their performance. This evaluation is carried out after 3 (three) months since the training took place.

The results of the evaluation will then be reviewed by Bank Mandiri to make improvements to the training both in terms of material renewal, methods of delivering training, teaching quality and training facilities. The results of the evaluation of training and employee development at Bank Mandiri throughout 2018 are as follows:

Evaluation L1

Shows a score of 5.48 from a minimum standard of 4.8 (scale 1-6). This shows that the participants considered the implementation of the training to have been well implemented.

Evaluation L2

Shows a score of 83.73 from a minimum standard of 75 (scale 1-100). This shows that the participants have sufficient understanding of the training material that is followed.

Evaluation L3

Shows a score of 5.41 from a minimum standard of 4.8 (scale 1-6). This shows that the behavior of the participants experienced satisfying positive changes after attending the training.

Evaluation L4

Shows a score of 39.22% from a minimum standard of 15% (scale 1%-100%). This shows that there is an impact of training on improving employee performance.

Competence Development Expense

The commitment of Bank Mandiri to always increasing the added value for the employees is manifested in the sustainability competence development. The realization of employee competence development expense of 2018 amounts to IDR592.7 billion, increasing IDR38.4 billion or 6.9% in comparison to 2017. The total amount of the employee competence development expense can be viewed in the following table.

Table of Competence Development Expense in 2017-2018

(in billion IDR)

Competence Development Expense		Growth	
2018	2017	in currency	in percent
592,665	554,232	38,433	6.9%

Table of Competence Development Expense by Program Type

(in million rupiah)

Program	2018	2017	2016	2015	2014
Executive Development Program	9,025	5,014	5,540	29,714	13,473
Middle and Junior Management Development Program	103,689	120,216	186,541	83,625	101,337
Retaining Competency Development Program	42,415	27,430	44,582	37,097	40,181
Change and Culture Development Program	19,036	14,840	13,379	17,000	17,000
Essential Leadership Capability Development Program	10,218	78,150	30,433	39,000	29,500
Organizational Capability Development Program	63,266	21,810	2,166	18,750	36,999
Pre Retirement Program	9,565	1,479	12,571	23,000	11,000
Employee Engagement Activities	25,918	38,007	16,133	16,350	15,000
Mandatory Skill Development Program	309,532	247,286	219,486	227,647	90,395
Total	592,665	554,232	530,831	492,100	354,885

Shareholders' Composition

Table of Bank Mandiri's Shareholders' Competition Per December 2018

Shareholding	Number of Shareholders	Total Share	Shareholding Percentage
National			
The Government of the Republic of Indonesia	1	28,000,000,000	60.00000%
Individual	20,856	489,212,358	1.04831%
Employees	1,548	16,357,404	0.03505%
Cooperatives	6	1,474,200	0.00316%