



COMPETENCE DEVELOPMENT FOR EMPLOYEES

Policy

The competence development of Bank Mandiri employees is prepared based on and in support of the implementation of Bank Mandiri's 2016-2020 Corporate Plan "Restart" and promotes equal opportunities for all Bank Mandiri employees regardless of gender. Training and Development include an introduction to the organization, vision and mission, Corporate work culture, technical competencies needed, and leadership skills that are aligned with the Human Capital strategy by promoting equal opportunities for all Bank Mandiri employees.

Such employee competence development is carried out using the Blended Learning Solution method, which combines classroom instruction (20%) and experiential learning (80%), and makes use of technology to facilitate learning. Bank Mandiri redesigned a work unit-based training curriculum to complement and enhance the support of all units in order that Bank Mandiri can grow in a healthy and sustainable manner.

Competence Development Program

In 2019, Bank Mandiri organized the following nine programs to develop its employees' competencies:

1. Executive Development Program
A program to sharpen leadership and strategic skills of Bank Mandiri's Senior Management (Directors and SEVP/ EVP/SVP-level employee), and to keep up with various major business issues and development presently and in the future, at regional and global levels.
2. Middle and Junior Management Development Program
A program intended to develop leadership potential through a Leadership Development Plan consisting of the following stages:
 - Officer Development Program (ODP) and Staff Development Program (SDP) for managerial staff candidates of Bank Mandiri consisting of fresh graduates from selected universities and high-performing executives who have passed the selection stage.
 - First Development Program (FDP)
A program to prepare executives serving as unit head equivalent to Team Leader or Section Head for the first time, thus they are required to develop leadership competencies to be a leader that can manage their team and carry out their work well.
 - Middle Manager Development Program (MDP)
A program to prepare employees newly promoted to associate manager. This is an integrated program and delivers materials that cover leadership, technical, managerial, and global insights.
 - General Development Program (GDP)
An integrated program intended for Senior Manager candidates and delivers materials that cover leadership, technical, managerial, and global insights.
3. Retaining Competency Development Program,
An example of retention for employees eligible for an overseas Master's degree program. This program aims to arm the participants with knowledge of leadership, managerial, and global insights.
4. Change and Culture Development Program
A program to strengthen internalization of company culture in pursuit of Bank Mandiri's visions and missions.
5. Essential Leadership Capability Development Program
An employee soft skill program to improve synergy and collaboration among employees to boost spirit, work productivity, and innovation.
6. Organizational Capability Development Program
A program to prepare Bank Mandiri successors through the Mandiri Young Leaders (MYLead) program.

7. Pre-Retirement Program

A program to prepare employees that will soon retire with education about physical, mental, and spiritual health, and financial literacy for happy and financially-secure retirement days.

8. Employee Engagement Activities

To improve employee engagement, Bank Mandiri provides activities that support the work-life balance.

9. Mandatory Skill Development Program

A technical skill development program to improve employees' insights and competencies in the fields of credit, finance and accounting, marketing, risk management, information technology, as well as company operations and management.

POSITION-BASED COMPETENCE DEVELOPMENT

Bank Mandiri's commitment to provide equal opportunities for its employees in terms of competence development is shown in this program. In 2019, 38,224 employees or 98.0% of total employees participated in the competence development training, 4.7% higher compared to 2018 (93.3%), consisting of 18,244 male employees (47.7%) and 19,980 female employees (52.3%). Based on the 2019 Bank Business Plan, Bank Mandiri expects that 75% or 29,262 employees would participate in the training. It means that realization of Bank Mandiri's target coverage in 2019 reached 130.6%.

Table of Position-Based Competence Development in 2019

Employee Level	Training Program	Training Objective	Type of Training			Number of Employees	Percentage of Employees Attending Training for Each Level of Position
			InHouse	Public	Total		
01. COMMISSIONER			0	7	6	11	64%
	Leadership	To improve knowledge and competencies in leadership and career path escalation	0	1	1		
	Operations	To improve employees' knowledge and competencies in Company operations.	0	6	6		
02. DIRECTOR			2	9	11	11	100%
	Finance & Accounting	To improve employees' knowledge and competencies in finance and accounting.	0	3	3		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	0	0	0		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	0	1	1		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	0	4	4		
	Operations	To improve employees' knowledge and competencies in Company operations.	2	1	3		
03. SENIOR EXECUTIVE VICE PRESIDENT			2	3	5	6	83%
	Credit	To improve employees' knowledge and competence in credit.	0	1	1		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	1	1	2		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	1	0	1		



Employee Level	Training Program	Training Objective	Type of Training			Number of Employees	Percentage of Employees Attending Training for Each Level of Position
			InHouse	Public	Total		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	0	1	1		
	Operations	To improve employees' knowledge and competencies in Company operations.	0	0	0		
04. EXECUTIVE VICE PRESIDENT			3	1	4	5	80%
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	0	0	0		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	1	0	1		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	1	1	2		
	Operations	To improve employees' knowledge and competencies in Company operations.	1	0	1		
05. ASSISTANT VICE PRESIDENT - SENIOR VICE PRESIDENT			2.876	251	3.127	3.371	93%
	Credit	To improve employees' knowledge and competencies in credit.	555	13	568		
	Finance & Accounting	To improve employees' knowledge and competencies in Finance and accounting.	169	15	184		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	820	59	879		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	111	88	199		
	Leadership	To improve knowledge and competencies in leadership and career path escalation.	150	6	156		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	536	51	587		
	Operations	To improve employees' knowledge and competencies in Company operations.	535	19	554		
06. ASSISTANT MANAGER - SENIOR MANAGER			9.810	699	10.509	12.805	82%
	Credit	To improve employees' knowledge and competencies in credit.	2.457	81	2.538		
	Finance & Accounting	To improve employees' knowledge and competencies in Finance and accounting.	449	29	478		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	2.841	138	2.979		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	376	292	668		

Employee Level	Training Program	Training Objective	Type of Training			Number of Employees	Percentage of Employees Attending Training for Each Level of Position
			InHouse	Public	Total		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	764	2	766		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	1.298	119	1.417		
	Operations	To improve employees' knowledge and competencies in Company operations.	1.625	38	38		
07. EXECUTIVE			12.939	496	13.435	22.807	59%
	Credit	To improve employees' knowledge and competencies in credit.	2.082	23	2.105		
	Finance & Accounting	To improve employees' knowledge and competencies in Finance and accounting.	458	3	461		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	4.736	160	4.896		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	273	168	441		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	36	0	36		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	1.060	52	1.112		
	Operations	To improve employees' knowledge and competencies in Company operations.	4.294	90	4.384		
08. OTHERS			606	47	653		100%
	Credit	To improve employees' knowledge and competencies in credit.	121	0	121		
	Finance & Accounting	To improve employees' knowledge and competencies in Finance and accounting.	18	0	18		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	176	24	200		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	11	15	26		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	28	0	28		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	74	7	81		
	Operations	To improve employees' knowledge and competencies in Company operations.	178	1	179		
		Total	26.238	1.513	27.751	39.016	71%
Percentage of employees attending training for each training			95%	5%	...		



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

Table of Total Days of Training

Year	Number of Employees	Number of Training Participants	Number of Employees Attending Training	Total Days of Training	Days of Training/ Employees
2019	39.016	242.847	38.220	322.641	8.26
2018	39.809	283.636	37.141	263.365	7.09

Leadership Development Program Table

Leadership Development Program	2019		2018	
	Total Batch	Total Participants	Total Batch	Total Participants
Program Officer Development Program (ODP) Nasional	20	500	23	609
Program Staff Development Program (SDP)	7	212	19	554
Program MyLead	1	16	1	10
Program S2 Bank	1	18	1	26
Program SESPIBANK	2	5	2	6
Onboarding First Time Leader (OFL)	4	120	-	-
Middle Management Development Program (MDP)	1	25	2	60
General Development Program (GDP)	1	34	1	34
Executive Development Program (EDP)	1	8	-	-
Executive Training (Commissioners and Directors)	3	31	1	21

In 2019, Bank Mandiri started to organize an employee development program (Onboarding First Time Leader/OFL) to improve competencies of leading employees at the assistant manager level to senior manager level to prepare them for structural positions as Section Head or Team Leader. During 2019, OFL was held in 4 batches and attended by 120 employees. In several leadership programs, the number of training participants decreased as a result of adjustments to the Company's needs in 2019

Implementation of Competence Development Evaluation

In an effort to continuously improve the quality of training implementation both in terms of material renewal, training delivery methods, instructor quality and training facilities, Bank Mandiri conducts an evaluation of the implementation of training and employee development 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.

In 2019, Bank Mandiri conducted 2,639 training classes with 702 modules of training and development modules being taught. The results of the evaluation of training and employee development at Bank Mandiri in 2019 are as follows:

Evaluation L1	Evaluation L2	Evaluation L3
Shows a score of 5,57 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.	Shows a score of 80,98 from a minimum standard of 75 (scale 1-100). This shows that the participants have sufficient understanding of the training material that is followed.	Shows a score of 4,97 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.

Competence Development Expense

In 2019 the Company has allocated competency development costs for employees who recorded growth of 6.8% compared to 2018, this is in line with the Company's commitment to continue to increase added value for employees, one of which is through competencies. The total cost of developing employee competencies can be seen in the following table.

Table of Competence Development Expense in 2018-2019

(in billion IDR)

Competency Development Costs		Growth	
2019	2018	in currency	in percent
633.039	592,665	40,374	6,8

Table of Competence Development Expense by Program Type

(in billion IDR)

Program	2019	2018	2017	2016	2015
Executive Development Program	6.664	9.025	5.014	5.540	29.714
Middle and Juneor Management Development Program	162.263	103.689	120.216	186.541	83.625
Retaining Competency Development Program	24.435	42.415	27.430	44.582	37.097
Change and Culture Development Program	16.840	19.036	14.840	13.379	17.000
Essential Leadership Capability Development Program	9.300	10.218	78.150	30.433	39.000
Organizational Capability Development Program	39.591	63.266	21.810	2.166	18.750
Pre Retirement Program	11.186	9.565	1.479	12.571	23.000
Employee Engagement Activities	15.313	25.918	38.007	16.133	16.350
Mandatory Skill Development Program	347.447	309.532	247.286	219.486	227.647
Total	633.039	592.665	554.232	530.831	492.100

2020 Competence Development Plan

The employee competence development strategy in 2019 was set based on and in support of the implementation of Bank Mandiri's Corporate Plan for 2020-2024 by building quality human resources that contribute to the achievement of Bank Mandiri's visions. For this reason, the training strategy is aligned with and supports the implementation of the Company's strategy, among others, through the development of leadership and technical competencies, particularly in the Corporate banking, retail banking, business and network segments, and supporting units with initiatives to:

1. Develop and implement leadership and managerial capability training programs.



2. Develop an employee capability improvement program through the preparation and implementation of training programs in:
 - Corporate banking
 - Retail banking
 - Business and network
3. Develop capability programs in the supporting fields, namely information technology, operations, and risk management.

Bank Mandiri will establish a Job Training Institute (LPK) to support the implementation of Competency-Based Training (PBK) in the Payment System and Rupiah Money Management (SPPUR). The employee capability improvement program is carried out using the life-long learning method, which is conducted not only through classroom training, but also through experiential learning, including on-the-job training, mentoring, and other programs. In addition, employees are required to conduct self-learning (through e-learning and/or other activities such as reading, attending sharing sessions, and many more).

Shareholders' Composition

Table of Bank Mandiri's Shareholders' Composition Per December 2019

Shareholding	Number of Shareholders	Number of Shares (Sheets)	Shareholding Percentage
NATIONAL			
The Government of the Republic of Indonesia	1	28.000.000.000	60,00000%
Individual	28.401	425.255.388	0,91126 %
Employees	1.439	13.095.464	0,02806%
Cooperatives	7	1.585.300	0,00340%
Foundations	19	34.608.390	0,07416%
Pension Fund	138	387.923.102	0,83126%
Insurance	112	1.203.481.520	2,57889%
Limited Liability Company	112	933.572.424	2,00051%
Mutual Fund	354	1.514.738.456	3,24587%
Sub Total	30.583	32.514.260.044	69,67341%
Foreign			
Foreign Individual	189	4.325.894	0,00927%
Foreign Business Entity	1.491	14.148.080.728	30,31732%
Sub Total	1.680	14.152.406.622	30,32659%
TOTAL	32.263	46.666.666.666	100,00000%