

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

To realize the Bank's Corporate Plan and Strategy, Bank Mandiri has a human capital management program that continues to be carried out from year to year. The programs are as follows:

CORPORATE CULTURE INTERNALISATION

Bank Mandiri consistently and continuously implements the Core Values of AKHLAK through 5 Cultural Work Program Themes to create specific behaviours (key actions) that are part of Mandirian's daily work.

5 Themes of Bank Mandiri Cultural Work Program:

A thematic program to implement the Core Values of AKHLAK into a cultural program in order to establish a favourable work culture that is reflected through the way Mandirian works, both as an individual and as a team.

1	One Heart One Mandiri 		How do we work as a Team?
2	Resilience Mandirian 		How do we work as Mandirian?
3	Business Sustainability 		How do we grow business & performance?
4	Customer Focus 		How do we behave to customers?
5	Contribute to the Nation 		How do we define work & responsibility?



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022



Bank Mandiri Cultural Implementation Framework:

Cultural implementation framework is illustrated through the culture framework to ease Mandirian in understanding and implementing the Core Values of AKHLAK.

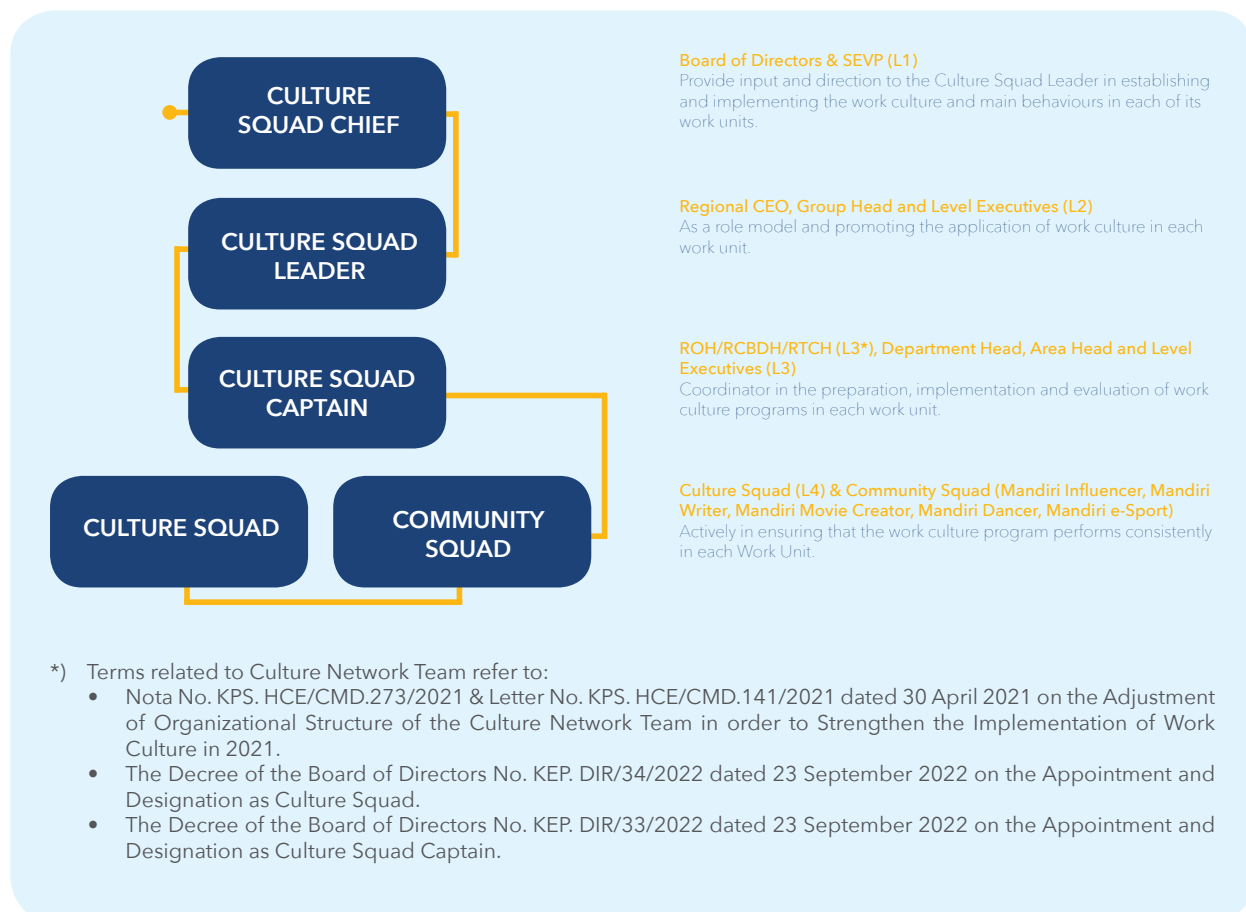


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To increase the awareness and establish the mindset and behaviour as the impact from cultural program, work unit leaders as the culture enablers along with culture network team are needed to develop, perform, monitor, and measure the effectiveness of each cultural program.

Culture Network Team is a Human Capital partner in carrying out and ensuring cultural implementation through programs execution, both within the work unit and bankwide. Considering that the formation of mindset and behaviour is being established not only through activities/events, hence, a culture

network team was established as the culture agent with critical role that involved several layers of employees at in various levels of position as follows:



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In 2022, several flagship programs have been implemented in bankwide scope as follows:

No	Explanation	Purpose	Tujuan
1	Culture Summit	Cultural communication forum attended by Top and Senior Management to convey management directions that are used as a foundation in carrying out cultural implementation programs	<ul style="list-style-type: none"> • CEO directs focus of cultural programs to be implemented in support of the bank's strategy • Socialization related to cultural strategies and initiatives that will be conducted in bankwide scope • Joint Commitment to the Implementation of the Cultural Work Program in 2023
2	Culture Camp	Cultural communication forum to compile cultural work programs as a follow-up to the Culture Summit attended by the Culture Network Team	<ul style="list-style-type: none"> • Equipping the Culture Network Team to internalize & implement the Cultural Work Program in its Work Unit
3.	Podcast Series	Media used to communicate cultural messages and management directives related to HC & Culture	<ul style="list-style-type: none"> • Increase awareness in internalizing the Core Values of AKHLAK
4	Regional People Development & Acceleration (RPDA)	Learning forum aimed at Leaders in the Region as part of an acceleration program in improving competence as Strategic Business Leaders	<ul style="list-style-type: none"> • Equipping Leaders in the Region to understand the Board of Directors' expectations for their role as Strategic Business Leaders • Increase motivation and strengthen the competence of Leaders in the Region in managing HR and Team (People Capability)
5	Mandiri Best Employee (MBE) Training	The training program for all Mandiri Best Employee as a role model in implementing AKHLAK values, and has national insight as a professional banker	<ul style="list-style-type: none"> • Improving the capabilities of candidates who have great nationalism & integrity to become role models in their Work Units • Increase the sense of love and pride for Indonesia

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RECRUITMENT

Bank Mandiri has stages in employee recruitment, as seen in the following chart:



The Bank recruitment is carried out through two sources, internally and external sources. Internal sources are carried out through internal development programs for the leadership level, while external sources are carried out through fresh graduate and experience hire or pro hire channels for both the leadership and officer levels. All Bank recruitment is carried out by taking into account the needs of the Bank and other matters in accordance with the Bank's regulations.

Internal Recruitment

Recruitment through internal sources is carried out by Human Capital Services for the position of "Staff Development Program (SDP)". The provisions of the SDP program are stated in the internal rules of Bank Mandiri with the following explanation:

1. Officers and Security Employees with the top priority of the Authority Holder Officer Employees (P3K).
2. Minimum education of Diploma 4 or Bachelor degree.
3. Have a professional disposition, namely: speak with respect, well dressed, well mannered, self-confidence.
4. Minimum Performance Level of PL2 in the last 2 years.
5. The service period is at least 5 years from the effective date of employment.
6. HIPO/CR Talent Classification.

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7. The maximum age is 45 years at the time of initial selection
8. Minimum Individual Grade of PP2.
9. Not in the process of audit/ investigation due to violations of employee discipline.
10. Not sanctioned in the last 1 year and not currently under sanctions.
11. Have never participated in the SDP selection more than 3 (three) times.
12. Have never participated in the SDP selection in the previous year.

Specifically for security officer employees:

1. Authority Holder Officer Employee (P3K) of Security/ Security Supervisor.
2. Minimum Individual Grade of PM1.

Specifically for officers of Branch Sales Staff, Branch Sales Supervisors and Unit Supervisors :

1. The minimum working period of 2 (two) years is calculated from the time of PKWT as

- Branch Sales Staff, Branch Sales supervisor and Unit Supervisor.
2. No minimum Individual Grade.

In 2022, the number of employees participated in internal recruitment was 2,074 personnel, an increase of 137.03% from 875 personnel in 2021. The increase was due to an increase in eligible employees based on the above criteria to follow the development process and a need for leadership employees from the SDP line in work units.

Description	2022	2021
SDP Recruitment	2.074	875

Internal recruitment is carried out through rotation, temporary deployment to other assignment, promotion, and demotion as part of the career development of employees. The Bank has holistic considerations, not only in terms of promotion but also in terms of enhancing capabilities, expanding authority, developing individuals, and increasing remuneration.

Rotation is the transfer of employees in one work unit or between work units, temporary deployment is the assignment of employees that are temporary within a certain period of time, promotion, namely the transfer of employees from one position to another in one work unit or between work units where the new position has a higher position

rank and/or promotion of position rank in the same position and work unit, while demotion is the transfer of employees from higher positions to lower positions with the aim of coaching and learning to increase productivity in managing the Bank's business and organization.

Promotion, Demotion, and Rotation of Bank Mandiri Total Employees

Description	2022	2021
Promotion (MPC and SPC)*	10.964	11.129
Demotion	4	11
Rotation	13.045	11.844

*MPC is the Main Promotion Cycle and SPC is the Secondary Promotion Cycle.

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External Recruitment

External recruitment is carried out to fulfil the position of "Officer Development Program (ODP)". The provisions of the ODP program implementation are stated in the internal rules of Bank Mandiri with the following explanation:

- a. Minimum of Bachelor Degree Education Level
- b. Candidates from the graduates of universities with the best reputation in Indonesia and overseas set by Bank Mandiri
- c. Courses:
 - Economics: Management, Accounting, Development Studies, Finance, Business
 - Engineering

- MIPA: mathematics, statistics
- Computer Science, Informatics
- Social: Law, International Relations, Communication Studies
- Other Study Programs needed by the Bank
- d. Maximum age at the time of following the initial selection:
 - 26.0 years for Bachelor Degree/equivalent graduates
 - 28.0 years for Master Degree graduates
- e. Minimum Grade Point Average (GPA):
 - Bachelor Degree graduates: 2.75 – 3.00 (4.00 scale)
 - Master Degree graduates: 3.20

- Graduates of Overseas Universities: Pass or based on certain standards according to the origin of the University
- f. Unmarried and willing to be unmarried during the program.
- g. Have no Criminal record from the Police or a record of misconduct from the previous company.

In 2022, ODP program recruitment was 751 personnel, an increase of 22.91% from previous year's recruitment of 611 personnel. This increase was due to an increase in the need for leadership employees in Bank Mandiri's work units.

Description	2022	2021
ODP Recruitment	751	611

The sources for the recruitment of leadership employees through the ODP program in 2022 come from Jobfair and campus hiring, which are participated by Bank Mandiri, the talent referral program, internship program and the Applicant Tracking System in collaboration with "Kalibr".

CPDK Line Recruitment (Special Regional Leadership Candidates)

This recruitment is specifically aimed at fresh graduate candidates who come from the region. Employees recruited through the CPDK route will receive coaching and training through a special and intensive development program consisting of in-class and on the job training in order to understand the standard operations and business processes in the work unit and to be ready to carry out their roles and duties as employees in the local area. In 2022, the number of employee recruitment through the CPDK channel was 39 personnel, a decrease of 7.14% from the previous year's recruitment of 42 personnel.

Description	2022	2021
CPDK Recruitment	39	42

Recruitment of CPDK employees is placed in a number of work units of the Bank, including Kalimantan and surrounding areas (Regional 9), Sulawesi and Maluku Regions (Regional 10), Bali and Nusa Tenggara Regions (region 11) and Papua & West Papua Regions (Regional 12).

Region	Total
Region IX/Kalimantan	15
Region X/Sulawesi & Maluku	6
Region XII/Papua	12
Grand Total	6



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Recruitment of Employees with Disabilities

Bank Mandiri has a policy for the recruitment of employees with disabilities as a manifestation of the Bank's commitment to employment equality. Currently, the recruitment of employees with disabilities is intended for the positions of Contact Center staff, Mandiri University staff and IT staff.

The recruitment process for employees with disabilities is carried out independently by work units in coordination with Human Capital. One of the work units that recruits independently is the Mandiri Call 14000 service at the Mandiri Contact Center.

Moreover, the recruitment of employees with disabilities also collaborates with FHCI (Forum Human Capital Indonesia) which is a requirement for managers and practitioners of Human Capital Management in the SOEs to interact with each other, conduct learning and synergy for its members for the advancement of Human Capital management.

The recruitment of employees with disabilities in 2022 was 17 personnel, an increase of 240% from 5 personnel in 2021. The following is the recruitment of employees with disabilities at Bank Mandiri.

Description	2022	2021
Recruitment of Employees with Disabilities	17	5

Internship Recruitment

The internship program is intended to provide training and develop the competencies of school and university graduates to be ready to enter the business world. Interns who have good abilities and competencies will be assigned as pool candidates in the Bank Mandiri recruitment process. Bank Mandiri's internship program, which is a recruitment sourcing consists of 2 (two) types, namely Kriya Mandiri and the Partnership Internship Program (Certified Student Internship Program (PMMB) and the Independent Campus Certified Internship Program (MBKM)).

Kriya Mandiri is an integrated internship program introduced in 2012 for high school students/ equivalent, Diploma 3 (D3) and Bachelor Degree programs with the aim of providing knowledge, skills and hands-on experience in the business world, particularly in the banking industry. The learning modules are back office, call center, customer service, and tellers. For this type of contact center, the Bank has a special internship program for persons with disabilities with a minimum education of high school graduates. This program is called Kriya Mandiri Contact Center, where participants will take part in 3 (three) stages of the program, namely basic, intermediate and advanced. The three stages are carried out comprehensively for 3 (three) years according to the prepared syllabus and curriculum. In 2022, a total of 2,860 Kriya Mandiri was recorded, of which 416 were employees of Bank Mandiri, an increase of 43.9% from 289 participants in the previous year.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

Initiated by the Ministry of State-Owned Enterprises (SOEs) that facilitated by the Indonesian Human Capital Forum (FHCI) and the Merdeka Campus Certified Internship Program initiated by the Ministry of Education, Culture, Research, and Technology, the Certified Student Internship Program (PMMB) is an internship program for students from various Public/Private Universities. This program is a form of implementation of the "SOEs for the Nation" program with the aim of supporting government programs in preparing excellent and competitive human capital, as well as being the initiator of creating a link and match between the curriculum and the syllabus of universities with the industrial sector. Apprentices of this program will gain comprehensive and structured employability knowledge and skills. Participants who have a good assessment will become the Bank Mandiri's recruitment pool candidates. In 2022, a total of 370 PMMB and MBKM participants were recorded, an increase of 42.86% from 259 participants in the previous year.

Internship Programs	2022	2021
PMMB	160	220
Merdeka Campus	210	39
Total	370	259

Employee Development

To support the preparation process of employee capabilities to be globally competitive, Bank Mandiri has designed several sustainable employee talent development programs for the Bank to attain excellent human resources (HR). Employee talent development focuses on employee career development, and employee competency development.

Employee Career Development

Career development of Bank Mandiri employees is carried out through the Talent Management and Succession program, which is based on the principle of fair opportunity, namely equal opportunities for every employee to grow and develop while still paying attention to the factors of Bank Mandiri's needs, job family of the intended position, ability, performance level, value rating, talent classification, availability of job title, and other requirements.

Talent management and succession are prepared to develop employee talents to be ready to become successors who occupy key positions within the Bank's management scope. Talent management and succession have 5 elements in Mandirian Propeller which consists of Technical Capability (skill), Leadership Capability, Culture, Learning Agility and Purpose. The framework is used as a basis for talent development that ensures the implementation of five aspects in a balanced and comprehensive manner.

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Super Happy, Super Productive,
Sustainable Business

The talent management and succession process are divided into 4 (four) main processes, as follows:

1. Talent Identification
TC (Talent Classification) Identification Process based on performance, Leadership Characteristics, Ability, Agility and Engagement.
2. Talent Profiling
The talent assessment process is based on aspects of track record, technical capability, leadership capability and personality.
3. Talent Development
Set and implement the development plan based on capability gaps.
4. Strategic Talent Review
Review the development progress and prepare the incumbent succession plan.

Bank Mandiri Talent Management Process



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Employee Competency Development

The competency development of Bank Mandiri employees is carried out through a corporate university called Mandiri University using an operating model that refers to the Strategic Learning Process, which is a learning chain that starts from analysing business needs and employee competencies to measuring the impact of learning solutions on business achievement. The Strategic Learning Process is described as follows:



LEARNING CULTURE, INFRASTRUCTURE, ADMINISTRATION, SUPPORT SYSTEM

INPUT	Organizational capability competency requirements based on business plan & strategy	Learning blue print & roadmaps	Learning program/module (blended/non-blended)	Data outcome of learning (survey, questionnaires, observation, interviews, etc)
PROCESS	<ul style="list-style-type: none"> - Core competency analysis - Development needs analysis - Training needs analysis 	<ul style="list-style-type: none"> - Decide/choose: make-borrow-buy-reuse - Analyze program/module requirements - design program/module framework - Develop program/module content 	<ul style="list-style-type: none"> - Program/module campaign - Implement (deliver/ deploy) by corporate teacher (on job & work place trainer, classroom/ virtual facilitator, coaching, consulting, mentoring) 	Evaluate: <ul style="list-style-type: none"> - The quality of the outcome of learning - The learning solutions - The learning system - The performance of employee
TOOLS	<ul style="list-style-type: none"> - Development needs analysis forms - Training needs analysis forms 	ISD Toolkit: <ul style="list-style-type: none"> - Learning requirements - Design window analysis - course structure & lesson plan - Learning & evaluation materials - Test & pilot course 	Trainer's Toolkit: <ul style="list-style-type: none"> - instructional design form - course structure - facilitator's guideline - Teaching slide's 	<ul style="list-style-type: none"> - Participant's evaluation ROI toolkit - Data collection plan - ROI analysis plan - Monetary Conversion - Cost analysis
OUTPUT	<ul style="list-style-type: none"> - Organizational learning blue print (company wide) - Learning roadmaps (proactive) - Training additional program (reactive) 	Learning program/module (blended/non-blended)	Outcome of learning	Learning evaluation (L1, L2, L3, L4 return on training investment)



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As a corporate university, the employee development program managed by Mandiri University aims to support the implementation of Bank Mandiri's Corporate Plan by enhancing employee competence that supports the achievement of Bank Mandiri's vision. In line with Bank Mandiri's strategy, employee competence improvement is carried out through the development of leadership and managerial and technical competencies, particularly in wholesale banking, retail banking, risk management, IT and digital banking, as well as banking operations, finance, and human resources. The development of leadership and technical competencies is carried out by referring to the Leadership Capability Model (LCM) and Technical Capability Model (TCM).

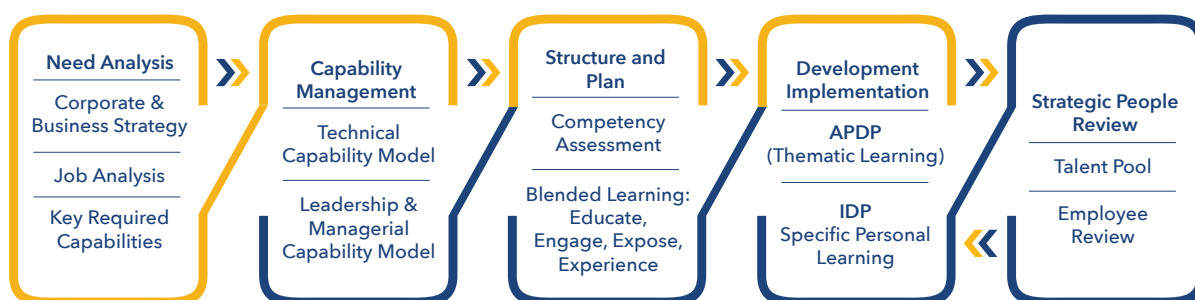
In the area of technical competencies, in addition to training and development

programs that have been identified based on the business and individual needs of employees, in 2022 Bank Mandiri also focused on executing Reskilling, Upskilling and Redeployment in line with the implementation of Smart Branch, as well as on the development of digital capability for all employees. The development of employees of each Directorate at Bank Mandiri is carried out in a planned manner to suit the business needs, initially informed to all stakeholders, with proper resource allocation, and regular monitoring of achievements/realizations.

The employee development plan is outlined in the Annual People Development Plan (APDP) document for each Directorate specifically according to its needs and is prepared systematically, starting with learning needs analysis, establishing learning solutions with training modules, learning delivery

and deployment, to measuring the learning impact. APDP is prepared by Mandiri University together with work units and related HCBP, where the training programs in the APDP are top-down according to organizational needs (Thematic Learning). In addition to the top-down learning program, Bank Mandiri also plans the development of its employees in a bottom-up manner according to the specific employee competency gap (Specific Personal Learning) that has been discussed with its superiors through a development dialogue. The bottom-up training program is arranged in an Individual Development Plan (IDP) for each employee.

The employee development flow is described in the following Capability Development Framework:



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Mandiri University has several academies for each business segment of the Bank, allowing employees in the work unit that manages each business segment to receive training and development, which focuses on the work duties and responsibilities of each unit. The following academies are located at Bank Mandiri:

Academy	Segments
Wholesale Banking Academy	Focus on the development of Wholesale Banking, Trade Finance, Treasury, International Banking and Overseas Unit segments.
Retail Banking Academy	Focus on developing the Small Medium Enterprise, Retail Banking, Consumer Deposit, Financial Services and Investment Management segments.
Operations Academy	Focus on competency development in Business Continuity Management, Credit Operations, e-Channel Operations, Trade Services Operations and Customer Care.
Risk Academy	Focus on developing competencies in Risk Management, Audit and Control Function, Compliance and Legal.
Digital Banking and Information Technology Academy	Focus on competency development in Digital Banking, Information Technology, Enterprise Data Management.
Human Capital and Finance Academy	Focus on competency development in Finance, Corporate Transformation and Human Capital.
Leadership and Management Development Academy	Focus on leadership and managerial development at Bank Mandiri.

In general, Bank Mandiri's employee competence development program is divided into Leadership Development Program and Technical Development Program, which are compiled based on core competencies in each job family and capability model. These programs will support employee careers and be able to increase agility to challenges, live cultural values and have a common goal of building the nation. Here's an explanation of these two programs:

a. Leadership Development Program

A series of leadership development programs that are tiered and structured according to leadership capacity at each employee level. This program is divided into 3 main phases for each level of organizational leadership, namely Onboarding, Equipping, and Developing. Onboarding aims to equip employees with leadership capacity when occupying new

positions. Equipping aims to equip employees with various leadership skills to support their work specifically according to the competency gap. Developing aims to prepare and accelerate employees to the next level of leadership. Program objectives are aimed at all employees at every level of organizational leadership, from officer to director level.

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Bank Mandiri Leadership Pipeline



The tiered programs in the leadership development program are as follows:

- Officer Development Program (ODP)**

An onboarding development path intended for fresh graduate candidates or candidates who have less than 4 (four) years of work experience. Candidates who pass the recruitment and selection stage will be designated as prospective employees and are required to take part in an intensive ODP education program for 1 year, which consists of 3 months of classroom learning, 3 months on the job training, and 6 months of placement in a work unit as a contract employee. To meet business needs, ODP development includes aspects of Information Technology (IT), Risk Management, wholesale

banking, retail banking, and supporting functions. During 2022, a total of 614 prospective employees and 24 batches participated in the ODP development.

- Staff Development Program**

An employee onboarding development program that is promoted from the staff level to the leadership employee level. The development focus includes trainings related to leadership, managerial, and technical skills needed by an officer: self-leadership, business banking, general banking, IT, risk management, and culture. The program is carried out for 3 months of classroom learning and 3 months of On the Job Training in the placement unit. During 2022, a total of 357 employees with 11 batches participated in the SDP.

- SESPIBANK Program**

The School of Bank Staff and Leaders (SESPIBANK) is a development program in collaboration with the Indonesian Banking Development Institute for Bank Mandiri Level L3 leaders to prepare employees to the next level. The SESPIBANK curriculum consists of classical classes, general banking certification tests, benchmarking, and paper as final evaluation material. After participating in this program, participants are expected to develop more advanced technical banking skills, as well as establish networks with executives' participants from various other banks in Indonesia. During 2022, 3 Bank Mandiri employee participated in the SESPIBANK program.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022



- **Mandiri People Manager (MPM) Fundamental**

A training program for employees at the P3K and L4 (officer) levels to equip leadership skills. The curriculum includes the preparation of a SMART work plan, priority tasks based on PDCA, performance monitoring, and communication. The program is carried out for 1 day. During 2022, a total of 151 employees have participated in MPM Fundamental

- **Mandiri People Manager (MPM) Advanced**

A training program for employees at the L4 level (Team Leader and equivalent) to equip leadership skills to lead the teams. The curriculum includes building effective work teams, change management, planning and mentoring, stakeholder management, and talent development. The program is carried out for 1 day. During 2022, a total of 15 employees have participated in MPM Advanced.

- **Mandiri People Manager (MPM) Mastery**

A training program for employees at the L3 level (Department Head level and equivalent) with the aim of improving leadership capabilities in managing, motivating, and improving team performance. The curriculum includes building effective work teams, change management to achieve goals, planning, guidance and execution, and managing energy and prioritizing team goals. During 2022, a total of 66 employees have participated in the MPM Mastery.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

- **Mandiri Advanced Senior Leaders Program (MASLP)**

Mandiri Advanced Senior Leaders Program (MASLP) is a Leadership development program for top talent BOD-1 to prepare for the next level. The focus of this development is on Intrapreneurship, strategic leadership, people focus & digital leadership according to the needs and strategies of the Bank.

Mandiri Advanced Senior Leaders Program (MASLP) is a Leadership development program for top talent BOD-1 to prepare the leadership capabilities needed at the next level. The focus of this development is on Intrapreneurship, strategic leadership, people focus & digital leadership.

Educate

Learning through class trainings, business cases and business simulations

3 months journey: interactive virtual session, reading assessment & materials, business simulations, and coaching

Modul 1 - Strategic Leadership & Digital Leadership
(17-20 May '22)

Modul 2 - Ambidextrous Leadership, People Focus & Stakeholder Management
(1-5 Aug '22)

Engage

Learning through collaborative interaction with the coaches, mentors and mentees

+ 3 months journey through mentoring session to become mentee and mentor

IMD Ambidex Coaching

Cross Mentoring with Directors

Participants as Mentor

Expose

International exposures through benchmarking to global companies

+ 1 month program through global benchmarking session

Learning Expedition
Benchmarking through global companies with excellent leadership & management practices and can be applied in Bank Mandiri

MASLP was carried out for ±6 months consisting of 2 modules, each with a duration of 5 days. Between the two modules, the participants further conducted cross mentoring with the Director of Bank Mandiri, as well as becoming mentors for MALP (BOD-2) participants. The Expose stage was not carried out in 2022 due to pandemic, hence the journey expose will be carried out in the following year.

It is hoped that by participating in this program, the participants can master the strategic leadership skills that are able to lead the organization and create the team to jointly achieve the Mandiri's vision. During 2022, 1 MASLP cohort has been carried out with a total of 26 L2 talent participants.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

- **Mandiri Advanced Leaders Program (MALP)**

Mandiri Advanced Leaders Program (MALP) is a Leadership development program for top talents BOD-2 to prepare for the next level. The focus of this development is on Intrapreneurship, strategic leadership, people focus and digital leadership in accordance with the needs and strategies of the Bank.

Mandiri Advanced Leaders Program (MALP) is a Leadership development program for top talents BOD-2 to prepare for the next level. The focus of this development is on Intrapreneurship, strategic leadership, people focus and digital leadership.

Educate

Learning through class trainings, business cases and business simulations

3 months journey: interactive virtual session, reading assessment & materials, business simulations, and group coaching

Modul 1

Leading the Business: Strategy, Execution and Digital Transformation

Modul 2

Leading People: Self, Team and Stakeholders

Engage

Learning through collaborative interaction with the role models, mentors, and mentees

+ 3 months journey through mentoring session to become mentee and mentor

Cross Mentoring (Group & Individual)

The MASLP L2 participants help develop the personal and professional capabilities through discussion and insight sharing

Expose

International exposures through benchmarking to global companies

+ 1 week program through global benchmarking session

Learning Expedition

Benchmarking through global companies with excellent leadership & management practices and can be applied in Bank Mandiri

MALP was carried out for ±3 months consisting of 2 modules, each with a duration of 5 days. Between the two modules, participants further conducted mentoring with participants of the Mandiri Advanced Senior Leadership Program (for L2 talent).

It is hoped that by participating in this program, participants can have strategic leadership skills that are able to lead the organization and team to achieve the vision. For 2022, 2 cohort MALP was carried out with a total of 59 participants of L3 talents.



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

• **Postgraduate Scholarship Program (S2)**

The postgraduate scholarship program is a development program for talent employees who are selected to attain formal postgraduate education both overseas and in the country. This program aims to increase exposure, networking participants with professionals from all over the world and open global insights that are relevant to Bank Mandiri's needs. In 2022, a total of 55 L3 and L3+ employees (Department and

Equivalent) who were selected to take part in the national postgraduate scholarship program with the field studies of Data Analytics and Business Innovation, while 30 employees are currently under overseas scholarships studying for the postgraduate at the Top 30 Universities around the world. The study taken are Digital Business, Advanced Finance, Innovation, and Laws.

• **Women Leadership Program**

A special development program that prepares the top talents of

female millennials to the next level through the development of personal and professional skills to address women-specific challenges. Conducted through intensive workshops/discussions, coaching, and mentoring with C-level female leaders for 3 days, this program prepares female leaders for the next career path. In 2022, a total of 29 females L3+ and L3 top millennial talent employees participating in the program.



Workshop

Sharing & Discussion with C-level women leader

Topics:

1. The dynamics of women roles in the context of personal & professional
2. Women and Business
3. Executive Presence
4. Women leadership



Mentoring

In-dept mentoring (in group of 5) with C-level women leaders

Goals:

Connecting the discussion workshop to personal level and daily applications



Personal Devt Coaching

In-dept coaching (in group of 5) development plan (career & personal)

Goals:

1. As action plan & "what's next" takeaways
2. Frequent check-ups after program completion



Engagement Activites

Short-class to enhance engagement & well-being

Optional, examples:

1. Golf course
2. Parenting class for career-women
3. Fun cooking class
4. Fun art class

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

- **Strategic Business Leaders (SBL) L3 Program**

Aims to equip all L3 Level employees in the Head Office with skills and capabilities in implementing the company's strategy to achieve the Bank's aspirations for 2020-2024 to become an **Undisputed Industry Leader**

In 2022, the Head Office's Strategic Business Leaders L3 has been attended by 262 employees. Meanwhile, the Strategic Business Leaders Region in 2022 was carried out for Branch Managers and was attended by 122 regional employees with the following development journey:

Development program for all L3 employees at the Head Office
(non-retail & network). Aims at equipping employees with **strategy implementation skills**.

Delivery

Full *online* live virtual

Timeline

- Every W1/W2 per month
- 3 days duration

Pra program



Leadership Assessment & coaching



Virtual Class & Business Simulation

Prior to the program begins, the participants are provided with **self-awareness** on leadership behaviors, through:



online self-assessment on:

1. **Intrapreneurship** (proactive, opportunity, seeking, risk-taking)
2. **People leadership** (enabler & derailer behaviors on leading people)



Group coaching based on assessment results to develop awareness on behaviors that need intervention during the program

Phase 1: Growing People (0,5 days)

Winning mindset & winning team: growth mindset, play to win

Development dialogue: Theory and implementation (role play)

Phase 2: Growing Business (1 day)

Digital transformation in banking & *fintech*

Entrepreneurship & business acumen

Strategic management for growth

finance for non finance

Phase 2B: Business Simulation (1,5 days)

Simulation of decision making for Asset & Liabilities, Capital Market, & Digital Banking



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

• **Strategic Business Leaders (SBL) Program for Branch Managers**

In realizing Bank Mandiri's aspiration to become an Undisputed Industry Leader, one of Bank Mandiri's focuses is to develop Mandiri's

capabilities as a strategic business leader.

The purpose of the Strategic Business Leaders for Branch Manager program is to equip Branch Managers with capabilities in accordance with the profile expected of

Branch Managers to be able to lead the achievement of market dominance by creating our own games through the Branch he leads. This program was attended by 123 Branch Managers in 2022.



• **Mandiri Learning Carnival**

Mandiri Learning Carnival is a learning series for #MandirianPembelajarTangguh across regional offices and head office that includes learning class sessions and talk shows from several speakers with inspirational and creative digital/virtual packaging. Mandiri Learning Carnival 2022 was conducted by roadshow at the Head Office and Region for 2 days and focused on building

skills to enforce performance, which is a development priority to boost the achievement of the 2022 performance target. During MLC 2022, more than 72,000 employees (permanent, contract, and TAD) have participated in the program.

• **Leadership Managerial Skills Series**

Equipping Leaders at all levels of the organization with Practical Managerial skills that refer to

the indicator gap in leadership capabilities according to the 10 Characteristics of Mandirian. The 4 elements reflected in this program are Leadership, Contextual, Management and Culture. The skills include productivity, emotional intelligence, and strategic thinking. During 2022, a total of 23,803 employees have participated in this program.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

b. Technical Development Program

A program to enhance the competence of employees technically in accordance with the business segment they manage. This technical capability development program is carried out thematically and specifically with the aim of improving the knowledge and skills of employees in business units, which include wholesale banking, retail banking, risk management, IT and digital banking, as well as other fields including banking operations, finance, and human resources. In 2022, the 1,346 modules of technical program were implemented and attended by 346,404 participants, an increase from previous year that only implemented 826 modules and was attended by 156,747 participants.

The technical programs of the top signature training held in 2022 were as follows:

- **Upskilling & Reskilling**

This program begins with mapping the jobs impacted by the Smart Branch Program, which is followed by the preparation of job descriptions and Upskilling programs to new roles of General Banker and Reskilling to other roles, such as Credit, Sales and Administration. As of September 2022, the total number of employees who took part in the Upskilling training was 2,715 personnel from various regions, and 766 personnel who took part in the Reskilling training.

- **Operation Transformation**

Operation Transformation to support business excellence through online and offline channels. This program aims to improve employee competence to be Aggressive But Prudent (ATP) and Digital Ready, which consists of several training programs, including: Rapid Improvement Events, Lean Thinking with DMAIC Awareness & Implementation, Design Thinking, UI/UX, Data Analytics, Operation Management, Robotic Process Automation (RPA), and Agile Scrum. As of September 2022, 395 employees have participated in this series of programs.

- **Beyond Lending**

Training provided to employees of Wholesale business units (Corporate Banking, Commercial Banking, Institutional Relations, Treasury & International Banking) in order for employees to be able to provide transaction solutions apart from loans to customers, and to support the achievement of Bank Mandiri's Corporate Plan 2020-2024, particularly in increasing the market share of funds/ CASA and fee-based income. As of December 2022, 23,286 employees have attended a series of 6 Beyond Lending trainings: Structured Treasury, Capital Market & Investment Banking, Environmental Social Governance Related,

Strategic Business Leaders Program, Mandiri Advanced Leaders Program, and Data Analytics with Excel.

- **Mandirian Ready to Go Digital**

The implementation program of the 2022 Digital Capability Improvement Program Framework, which consists of 3 programs that are a journey for enhancing employee digital capabilities, namely:

- Digital Awareness: a program to build a digital mindset and awareness about the competencies that need to be prepared to face digital transformation, including technology trends and futures, digital business models, innovation, optimization, and automation.
- Digital Literacy: a program to build basic digital technical skills (particularly IT Project Management, Data Processing & Visualization, Optimization capabilities) to support transformation initiatives in each work unit according to the job role.
- Digital Innovation: a program to build the ability to develop ideas and to innovate, in collaboration with MIX (Mandiri Innovation Xperience), hence innovation can be implemented sustainably and generate benefits for the Bank's business.

As of December 2022, a total of 20,251 employees have participated in 57 Programs of Mandirian Ready to Go Digital.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

COMPETENCY DEVELOPMENT BASED ON POSITION LEVEL

Bank Mandiri's employee competence development program is always based on the principle of equality, where the Bank provides equal opportunities for its employees in developing their potential. In 2022, the number of Bank employees who took part in the training was 37,698 employees or 98.7% of the total active employees, with details of 18,046 trainings for male employees (47.9%) and 19,652 training for female employees (52.1%). The number of active employees who took part in training in 2022 increased by 2% from 2021 which was attended by 37,084 employees.

Competence Development Based on Position Level in 2022

No.	Employee Level	Total Employees
1.	Commissioner	0
2.	Director	12
3.	SEVP - SVP	148
4.	VP - AVP	3,793
5.	SM - FAM	13,294
6.	Officers	20,364
7.	Non-Officers	87
8.	Pension/ Terminate	1,376
Grand Total		39,074

Total Man Days and Man Hours of Training by Gender in 2022

Gender	Total Trainees	Sum of Training Duration (hours)	Average Training Hours per Employee
Female	20,338	2,360,482	116.1
Male	18,736	2,270,256	121.2
Grand Total	39,074	4,630,738	118.5

Total Man Days and Man Hours of Training by Employee Level in 2022

No.	Employee Level	Total Trainees	Sum of Training Duration (hours)	Average Training Hours per Employee
1.	Commissioners	0	0	0.0
2.	Directors	12	768	64.0
3.	SEVP - SVP	148	17,392	117.5
4.	VP - AVP	3,793	661,178	174.3
5.	SM - FAM	13,293	2,153,892	162.0
6.	Officers	20,364	1,713,998	84.2
7.	Non-Officers	87	2,640	30.3
8.	Pension/ Terminate	1,377	80,870	58.7
Grand Total		39,074	4,630,738	118.5

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

EMPLOYEE ONBOARDING SYSTEMS

New employees, either from the New Hire program (newly joined employees) or the New Promote program (Onboarding for New at Level) must go through an onboarding system to gain the knowledge, abilities, and behaviours needed as Bank employees.

In order to digitize the onboarding system, the new onboarding process is more interactive through gamification-based learning consisting of 10 learning topics

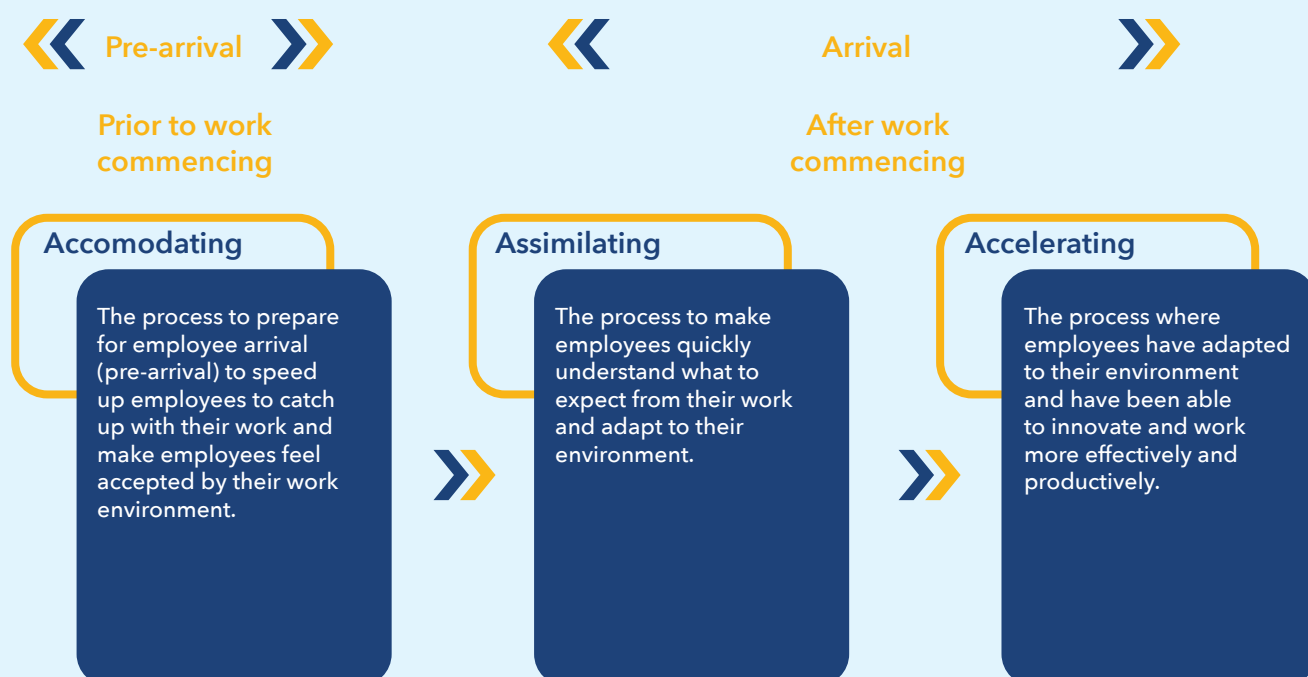
with a duration of 3 months that can be accessed online.

The General Principles of employee onboarding are as follows:

1. Compliance
The Bank prepares employees to understand the basics of the provisions and policies applicable in the Bank.
2. Culture
The Bank prepares employees to be able to accept and implement the Bank's norms including work culture and core values of the Bank.
3. Clarification
The Bank ensures that employees understand and aware about the duties and responsibilities of their new job and expected performance outcomes.
4. Connection
The Bank ensures that employees can foster good and positive relationships between employees.

Onboarding for New Hire

The On Boarding program is implemented to help New Hire adapt to new work environment to quickly understand the behaviour and work in the new work unit. The On Boarding program has been carried out since New Hire joined the new work unit. The On Boarding program consists of 2 (two) stages, namely the Pre-Arrival stage and the Arrival stage. Each of these stages consists of 2 (two) processes that are integrated with each other as follows:





HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

The objectives of Onboarding for New Hire are as follows:

1. Accelerating the process of employee understanding of their work thereby able to increase Speed to Productivity, which starts by providing facilities and infrastructure that can support work to explanation on Job Description and Goals.
2. Introducing Bank Mandiri Culture in order to gain an understanding of aligned values for employees to quickly adapt to their work environment (attach to new culture).
3. Introducing the applicable provisions and systems for employees to attain risk awareness thereby able to measure and manage the risks encountered during their work.
4. Building a Resilient Independent spirit with a pattern of Resilient Learners who are willing to learn proactively from various sources (build proactive learner).

The supports provided during the Onboarding for New Hire are as follows:

1. Onboarding Welcome Kit
The Onboarding Welcome Kit is a package that contains equipment to support the performance and general information about Bank Mandiri provided to New Hire. The Onboarding Welcome Kit is given to increase understanding of Bank Mandiri and the productivity and work motivation of New Hire.
2. Buddy System
During Onboarding, New Hire will be accompanied by a Buddy. The Buddy's role in implementing the Onboarding Program is very important, particularly in introducing the work environment thereby able to speed up the New Hire adaptation process. A Buddy must have an adequate understanding related to the work unit and Bank Mandiri as its function is to always be able to provide positive and precise information to New Hire.
3. Onboarding Mission Checklist
The Mission Checklist is a guide to onboarding activities to assist New Hire in the process of adapting to the work environment during the Onboarding implementation.

Onboarding for New at Level

To help new employees adapt quickly to the environment and understand the work, Bank Mandiri conducts an Onboarding for New at Level program. This program is intended for employees who join through the New Promote program to help talent understand the job descriptions and goal settings, introduction on culture and the applicable Code of Conducts and Business Ethics.

The objectives of the Onboarding for New at Level Program are as follows:

1. Understand leadership & bankwide expectations
2. Understand specific missions & responsibilities
3. Integrity Reminder & Awareness
4. Understand the conditions & objectives of the unit to be led
5. Understand the preparation of a New Unit strategic plan (including Quick Win & improvement)

Stages of Onboarding for New at Level program:

1. Onboarding Development Dialog
2. Onboarding Briefing
3. Onboarding Learning
4. Mid-Review
5. Evaluation of Probation Period

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

EMPLOYEE COMPETENCE DEVELOPMENT EVALUATION

To improve the quality of employee competence development programs, Mandiri University conducts continuous evaluations of material content, teacher quality, and learning methods. The following are the stages of evaluation carried out by Mandiri University on the implementation of the employee competence development program:

- Level 1 (L1) is an evaluation to assess the reaction of participants to the implementation of learning carried out with the Net Promoter Score (NPS) method, which includes the suitability of the material, the ability of teachers to deliver material, and the availability of learning facilities.
- Level 2 (L2) is an evaluation to assess the level of understanding of participants during learning with the written examination method (theory) and practical exams.
- Level 3 (L3) is an evaluation to assess the implementation of learning materials and changes in behaviour before and after learning with the multirater method, namely asking for opinions/ assessments from employees, supervisors, colleagues, subordinates of employees who are the training participants. This evaluation is carried out at least 3 (three) months after learning.
- Level 4 (L4) is an evaluation to assess the impact of learning on the resulting performance. This evaluation uses the performance assessment method and is carried out after 3 (three) months after the completion of learning period.

In 2022, Bank Mandiri held 3,023 trainings with various learning media both face-to-face, virtual classroom and e-learning with a total of 1,363 training modules followed by 524,216 participants.

For the training conducted in 2022, Bank Mandiri has evaluated the employee competence development program, which is presented in the table below:

Types of Evaluation	Results
First Level, Reaction	The average level of satisfaction of training participants (NPS) reached a value of +77.54 from a scale of -100 to +100 and an average evaluation score of 5.59 on a scale of 1-6
Level Two, Learning	The average level of understanding of participants was 75.32, on a scale of 0-100
Third Level, Behaviour	The average change in employee behaviour after training is noted in their performance, with an average evaluation score of 5.22 on a scale of 1-6

EMPLOYEE COMPETENCE DEVELOPMENT COSTS

In 2022, Bank Mandiri realized employee competence development costs of Rp363,745 billion. This figure was increased from the realization of the 2021 budget at Rp207.1 billion.

The following is the Bank Mandiri employee competence development costs.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

Employee Competence Development Costs

No	Program	Employee Development Budget 2022 (Rp Million)	Realization of Employee Development Costs (Rp Million)		
			2022	2021	2020
1	Executive Development Program	4,000	3,681	5,800	4,307
2	Leadership Development Program	104,537	88,702	97,204	89,088
3	Change & Culture Development Program	4,000	3,695	2,937	11,038
4	Organizational Capability Development Program	20,663	18,115	28,330	50,401
5	Pre-Retirement	11,444	8,896	1,882	2,823
6	Mandatory Skill Development Program	157,071	240,657	70,941	74,366
Grand Total		301,715	363,745	207,094	232,023

KNOWLEDGE MANAGEMENT

To maintain and improve the competitive advantage of the organization, Bank Mandiri implements knowledge management to ensure that the knowledge (explicit and tacit knowledge) of employees and organizations can be evenly extracted, documented, and redistributed.

Knowledge management activities at Bank Mandiri include a series of sustainable activities, as follows:



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

Mandirian Learners Community to Facilitate Knowledge Management Activities

One of the Bank's efforts to manage this knowledge is to establish a Mandirian Learners Community. The Mandirian Learners Community (KMP) is a community of practitioners consisting of a group of Bank Mandiri employees who have the same profession, expertise, and interests with the aim of sharing the knowledge practice specifically, hence they can build innovation and create new ideas/ knowledge/ work practices and or improve current work practices. The knowledge/ work practices generated by the Mandirian Learners Community are then curated, stored, and redistributed through the Bank's platform so that they can be adopted by the organization.

Currently, there are several KMPs that specifically discuss certain fields, as follows:

- **KMP Smart Branch Knowledge (SBK) Corner** is a community of general bankers to share knowledge, experiences, and best practices in the Smart Branch.
- **KMP Legal Warrior** is a community of legal officers and employees of Bank Mandiri with a background in legal education to discuss legal knowledge and practice.
- **KMP Kopra Community Network (KoCoNet)** is a community of Bank Mandiri employees who have an interest in sharing knowledge and experience related to KOPRA.
- **KMP Data Quality** is a community of Bank Mandiri data inputers who have the same interest/ concern on efforts to improve data accuracy.
- **KMP Let's Grow** is a community consisting of learning partners and facilitators of Bank Mandiri who have an interest in improving knowledge and competencies related to the strategy learning process.
- **KMP Mandiri Fasilitator Squad** is a community of Bank Mandiri facilitators that is expected to improve the knowledge and skills of community members in carrying out their roles as a facilitator.
- **KMP FMCG Ecosystem Zone** is a community of Bank Mandiri employees who manage Fast Moving Consumer Goods (FMCG) customers.
- **KMP Konstruksi Ecosystem Zone** is a community of Bank Mandiri employees who manage construction customers.

Mandirian Learners Community Platform

Bank Mandiri uses MY Learn as one of the KMP platforms for the community members to be able to connect, and build relationships with each other, facilitating community related activities and data management related activities.



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

EMPLOYEE PERFORMANCE ASSESSMENTS

Bank Mandiri conducts employee performance assessments to measure results (Achievement), as well as the application of culture and leadership characteristics in daily work (Attitude). Since 2019, Bank Mandiri has implemented 360 Survey as a tool in measuring employee attitudes. The implementation of the 360 Survey includes employees with the position level of Assistant Vice President (minus 2-BOD) to Senior Executive Vice President (minus-1 BOD). The purpose of this assessment is for all leaders at Bank Mandiri to be assessed through observation with a broader perspective, as well as obtaining reliable input for continuous improvement, both in terms of performance, leadership and decision making. As an effort to optimize the results of 360 Survey, adjustments were made to the format and expansion of the distribution of 360 Survey Reports. It aims to foster the use of the results of the 360 Survey as part of an employee development plan.

The assessment component is also refined through the integration of the parameters of 10 Leadership Characteristics with 6 Core Values of AKHLAK as a reflection of leaders that apply the core values of SOEs. The improvement aims to build an objective and transparent assessment process based on factual observations in the field and maintain the integrity of decisions where policy, recommended distribution,

fairness and consistency are the basis for implementing employee performance.

Performance Assessment System

The employee performance assessment system is based on the achievement of agreed Key Performance Indicators (KPIs) and the implementation of competencies/ core values (Attitude). The performance assessment elements consist of process and result elements. The Process indicates how to achieve the target (lead measure), and Result indicates the results of employee achievement of the target (lag measure).

The results of the performance assessment are categorized based on 5 (five) ratings, which are:

1. Excellent Performance, indicates exceptional/ extraordinary performance.
2. Very Good Performance, indicates satisfactory/ excellent performance.
3. Good Performance, indicates good performance/ meeting expectations
4. Requires some improvement, indicates improvements requirements to help improve the performance.
5. Under Performance, indicates undeliverable of appropriate/ expected performance.

In 2022, improvements are made to the employee performance

assessment system to differentiate the top, middle, and lower performers by adjusting the assessment weight at each level, setting normal distribution quotas, and adding performance level predicate criteria.

Bank Mandiri employee performance assessment has 3 (three) stages, as follows:

1. Goal Settings
Bank Mandiri employees first carry out goal setting at the beginning of the year through a development dialogue between employees and employees' direct supervisors (Employee Managers).
2. Mid-Reviews
Mid-review is conducted by employees in the middle of the year to readjust to the Bank's business conditions.
3. Final Assessments
At the end of the year, a final assessment is conducted in which employees are given the opportunity to conduct a self-assessment of their achievements. The results of the self-assessment are further discussed, reviewed, and validated by the Employee Manager to be further calibrated by the Employee Manager's Manager. The parties engage in the employee performance assessment are described in the following charts.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022



With the performance assessment system, it is expected to encourage employees to improve performance in the next period. The results of the performance assessment are used as one of the factors in determining

compensation, talent categories, and position promotions.

In 2022, the number of employees who participated in the performance assessment was

37,657 employees. The results of performance assessment are used as one of the factors in determining compensation, talent categories, position promotions and employee developments.



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

EMPLOYEE ENGAGEMENTS

To maintain the emotional attachment of employees to the Company, Bank Mandiri carries out several programs, one of which is by improving the welfare of all employees hence they can synergize to create optimum productivity. The welfare improvement program of the Bank's employees is provided materially and non-materially. The following are the Bank's employee engagement programs.

Employee Remuneration

Remuneration for Bank Mandiri employees is given based on prevailing regulations. The remuneration amount is adjusted to the applicable internal provisions and is above the Minimum Wage standard applicable in the Bank Mandiri's operational area. Nevertheless, Bank Mandiri strives to maintain employee remuneration to remain competitive and in accordance with the Bank's remuneration strategy.

In each level of position, Bank Mandiri does not distinguish between basic salary and remuneration between female and male employees. The ratio of basic salary and remuneration between female and male employees is 1:1. The salaries and facilities are set according to position and performance, not over gender.

Allowances

As an effort to maintain employee loyalty, Bank Mandiri also provides benefits. Employee benefits are provided according to the status (fixed, contractual, trainee) and type of employment of the employee.

Maternity Leaves

Bank Mandiri provides maternity leave for female employees, and a paternity leave for male employees by providing their rights in accordance with prevailing regulations and laws. Bank Mandiri accepts employees to return after the leave period ends, and employees can attain to their previous positions.

In 2022, a total of 1,759 employees took the maternity leave consisted of 1,169 female employees and 590 male employees. A decrease of 5.79% from 1,861 employees in the previous year (1,217 female employees and 644 male employees).

Of the number of employees who took maternity leave, 100% of employees have returned to work after the leave ends. In addition, 100% of employees who in the previous year took maternity leave, have returned to work at Bank Mandiri after the leave ends. The high percentage of employees

returning to work after maternity leave shows that Bank Mandiri is an 'employer of choice' and provides support to female employees.

Pension Plans

As a form of appreciation to employees who have served, Bank Mandiri provides pension program trainings for employees who retire to maintain their welfare. Bank Mandiri's pension program consists of pension funds and training prior to retirement. Bank Mandiri's pension fund is managed by the Pension Fund that has been established by the Bank. Bank Mandiri's pension fund is provided through fixed contributions, apart from the defined benefit pension plan derived from each pension fund of the merged participating banks.

For employees entering retirement, Bank Mandiri provides special seminars for the prospective retirees to remain prosperous and productive during retirement. Various topics related to self-employment, health, and psychology are discussed in this seminar. In 2022, the training before retirement was attended by 22 batches with a total of 313 employees who will retire within the next 0-1 year. This training was conducted for 3 days offline

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

AWARDS

One of the ways that the Bank does to enhance employee engagement is by providing appreciation in the form of awards to the Bank employees through the Mandiri Employee Award (MEA). This award event is regularly held every year, with the following awarding categories:

- **Mandatory Award**

The highest appreciation given by the management to Mandiri Best Employee (MBE), which is an award to the best employee for consistency in showing the best performance, as well as in implementing corporate culture that are reflected in work behaviour in accordance with AKHLAK's Core Values, to enhance employee motivation and engagement in order to continue to deliver the best contribution.

In 2022, the number of employees who received the MBE award was 114 employees, consisting of the AVP/VP category for 40 employees, the Manager category for 40 employees, the Executive category for 34 employees and Subsidiaries for 17 employees.

- **Thematic Award**

An appreciation to the Work Unit/ Employees who have contributed and have achievements in supporting bankwide initiatives, including related to the execution of

company strategies, business growth and sustainability, strengthening the mindset of strong learners, and implementing corporate culture, with the following details:

- a. **Best Strategi 3-3-1**

Appreciation to the Work Units that have the best performance achievements through the implementation of the 3-3-1 strategy.

- b. **Best Collection & Recovery of The Year**

Appreciation to Mandirian who exceeds the target in billings and in accordance with applicable ethics.

- c. **Best Bansos Heroes**

Pemberian apresiasi kepada Appreciation to the Work Units that have made the best contribution in the distribution of Social Assistance to the community.

- d. **Best Facilitator**

Awarding to Mandirian who is active as a teacher/trainer.

- e. **National Frontliner Championship**

Mandiri Service Award for the National Frontliner Championship (NFC) category is a competition held to appreciate the best Frontliners in the General Banker, Customer Service, Teller, Security, RM Priority

Banking and Mandiri Call Staff categories of Bank Mandiri for the services provided to customers that are able to make an impact on employee engagement. Through this event, Bank Mandiri hopes that all Frontliners can be motivated to strive to be the best and consistently provide a remarkable customer experience to customers.

In 2022, the NFC was held on 23 - 25 November 2022. This national-level competition was attended by 76 of the best Frontliners, from a total of 17,000 Frontliners across 2,400 branches throughout Indonesia from Region I to Region XII. Before participating in the National level competition, the Frontliners have first gone through selection at the Branch, Area and Region levels. The Frontliners who participated in the competition at the National level were 1 of the best Frontliner representatives from each category who passed through the Region selection.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

LACTATION ROOM AND DAY CARE



To enhance employee engagement, Bank Mandiri provides lactation rooms for female employees who are breastfeeding both at the Head Office and in the regional/branch offices. The lactation room provided is built with a comfortable and clean atmosphere, and is equipped with various facilities and standard needs for breastfeeding mothers.

In addition to the lactation room, Bank Mandiri also provides Day Care facilities to employees who already have children by opening a Child Care Center (TPA) called "Mandiri Day Care." By providing this facility, it is hoped that employees can continue to carry out their duties/work professionally but also continue to be able to carry out their functions and roles as mothers/parents that able to create a more comfortable working atmosphere, which in turn can enhance productivity for Bank Mandiri. Currently, Mandiri Day Care is available at Plaza Mandiri Lt. B1 Jl. Jend. Gatot Subroto Kav.36-38 Jakarta 12190.

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

Employee Engagement Survey

The Bank conducted an engagement survey to 18,466 employees during the December 2022 period, with a score of 88.06%. The survey was conducted by an independent consultant with measurements of organization, leadership, career development, relationships and communication, compensation benefits, job suitability, contributions/opportunities to provide the best and working groups.

Employee Turnover

To measure employee engagement, Bank Mandiri periodically monitors the Resignation Rate every year. The measurement is carried out for the Bank to analyse and being informed the exact profile of the employee that are resigning, particularly the reasons/background of the employee's resignation hence the Bank can provide the right employee engagement program. Bank Mandiri's Resignation Rate trend for 2020 - 2022 is presented in the table below:

Bank Mandiri Resignation Rate trends for 2020-2022

Year	Total Resignation (persons)	Total Employees (persons)	Percentage
2022	1,102	38,176	2.89%
2021	1,185	37,840	3.13%
2020	1,078	38,247	2.82%

In 2022, the number of employees leaving the Bank was 1,840 personnel with an employee turnover rate of 4.82%.

Trend of Employees Leaving the Company

Information	2022	2021	2020
Number of employees resigning (person)	1,840	1,998	1,890
Number of employees at year-end (person)	38,176	37,840	38,247
Turnover percentage (%)	4.82%	5.28%	4.94%



HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022

INDUSTRIAL RELATIONS

In an effort to create a comfortable, open, positive and progressive work environment, the Bank carries out industrial relations guided by Law No. 13 of 2003 on Manpower (Law No. 13/2003) jo. Law No. 11 of 2020 on Job Creation (Law No. 11/2020) and its implementing regulations, by applying the following principles:

1. Creating harmonious Industrial Relations that are well built and managed, with the active role of employees, the Bank Employees Union, and employee organizations recognized by the Bank.
2. Creating activities that can enhance the level of employee engagement with the Bank through programs that are effectively able to have an impact on changes in employee attitudes and work behaviour and bring positive changes to the Bank's performance.

The Bank's Industrial Relations are built on the basis of the understanding that Bank Mandiri, Employees, and Employee Unions must respect, trust, and resolve each other in carrying out their respective rights, obligations, and responsibilities with the aim of ensuring the Bank's business continuity and improving employee welfare.

To achieve the industrial relations as agreed above, the Bank provides the means of industrial relations, including:

1. Employees' Union
Bank Mandiri provides employees the freedom to join

employee union organizations. The Bank Mandiri Employees Union (SPBM) is an employee union formed to establish good relations between the Bank Mandiri's employees and management, thereby able to create harmonious industrial relations. SPBM was formed in 2000 and has been registered with the Ministry of Manpower and Transmigration of the Republic of Indonesia No. KEP.804/M/BW/2000 and recorded at the Ministry of Manpower and Transmigration of the Republic of Indonesia No. 45/V/P/V/2001.

2. Collective Labour Agreement
Bank Mandiri already has in place a Collective Labour Agreement (CLA), which is the result of negotiations between Bank Mandiri and SPBM that contains the terms of work, rights and obligations of both parties based on laws and regulations.

CLA is valid for 2 (two) years from the date of signing and can be extended for a maximum of 1 (one) year provided that the extension is only valid for 1 (one) time only.

The first CLA was valid for the 2004-2006 period and the current CLA is the 10th CLA for the 2021-2023 period, which has been registered and approved by the Ministry of Manpower of the Republic of Indonesia, in accordance with the Decree of the Director General of

Industrial Relations and Social Security of Manpower No. KEP.4/HI.00.01/00.000.211217003/B/XII/2021 dated 27 December 2021.

3. Internal and External Regulations
Bank Mandiri complies with and adheres to the prevailing laws and regulations, both external and internal regulations, including the Operational Policy (Human Resources) which has been updated and approved on 8 September 2022 and the Human Resources Guidelines Standards which were last updated in September 2022.
4. Bipartite Cooperation Institute
The Bipartite Cooperation Institute (LKS) at Bank Mandiri was first formed in 2005 and has been registered at the South Jakarta Manpower and Transmigration Service Office with registration No. 4391/-1,837 dated 13 December 2015 with the latest update on the management structure of the Bipartite LKS for the period of 2020 - 2023 on 23 July 2020.

In accordance with the mandate of Law No. 13/2003 and as the content of the 2021-2023 CLA, Bank Mandiri and the Employee Union routinely carry out Bipartite LKS every 2 (two) months as a forum for communication and consultation on matters related to industrial relations. At the forum, Bank Mandiri communicated policies related

HUMAN CAPITAL MANAGEMENT PROGRAMS IN 2022



to Human Capital and several matters that are the focus of the company's business development in accordance with the set forth vision and mission. The Employees' Union also had the opportunity to submit suggestions and inputs for improvement, as well as several aspirations of employees to management.

5. Complaints Handling

To create a favourable work climate, Bank Mandiri

strives to properly manage complaints through an open communication forum in order to create effective employment relations.

6. Industrial Relations Disputes Resolution

To create peace of mind and striving at work place for employees and the Company, harmonious industrial relations must be pursued by all levels of Bank Mandiri. One example of creating peace of mind and

striving at work place is that if a dispute arises, it can be properly resolved at the work unit or at the company level in accordance with the provisions of Law No. 13 of 2003 jo Law No. 11 of 2020 on Job Creation and Law No. 2 of 2004 on Settlement of Industrial Relations Disputes.