

GOVERNANCE IN PROVIDING REMUNERATIONS

Variable Remuneration

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

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

Position and Numbers as Material Risk Takers

All members of the Board of Commissioners and Directors of Bank Mandiri are material risk takers. There are 23 (twenty-three) members of the Board of Directors and the Board of Commissioners

who served during the 2022 financial year. Including Directors and Commissioners whose term of office ends at the 2022 Annual GMS.

Shares Options

Bank Mandiri did not issue share option programs for Directors, Board of Commissioners, and employees throughout 2022

Ratio of the Highest and The Lowest Salaries

Bank Mandiri complies with all applicable regulations regarding remuneration for employees. The amount of remuneration given has been adjusted to the prevailing regulations and is above the Minimum Wage standard applicable in the operational area of Bank Mandiri. In implementing remuneration governance, Bank Mandiri strives to maintain a gap in the salary ratio of all employees hence there is no too high difference. In detail, information regarding the ratio of the highest and lowest salaries is presented in the Sustainability Report.

Number of Recipients and Total Variable Remuneration

During 2022, there were no number of recipients and the total number of Variable Remunerations that

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

Total Amount of Deferred Variable Remuneration

Until the end of 2022, the amount of variable remuneration that was still deferred in the form of Bank Mandiri shares or time deposits is as follows:

1. Shares, with a total of 32,442,300 shares.
2. Cash, with a total of Rp33,615,420,166.

Quantitative Information

Quantitative information regarding:

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

As in the following table:

Types of Variable Remuneration	Remaining Deferred	Total Deductions Over the Period		
		Caused an Explicit Adjustment (A)	Caused an Explicit Adjustment (B)	Total (A) + (B)
Cash (in million rupiah)	Rp17,010,190,392	-	-	-
Shares/share-based instruments issued by the Bank. (In shares and a million-rupiah nominal value which is a conversion of the said share sheet)	15.682.000 Shares	-	-	-