

Performance and Reward Management PT Bank Mandiri (Persero) Tbk.

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.

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.

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.