

social responsibility for occupational health and safety

The Company's success in terms of K3 in 2015 is shown by the zero occupational accidents within the Company environment (zero accident).

Bank Mandiri is ever mindful of the importance of Occupational Health and Safety (K3) in maintaining optimal productivity. Therefore, the Bank is committed to properly treat its employees in accordance with their rights. This includes ensuring that employees are getting paid according to the working hours, providing health insurance and providing a wide range of benefits. Additionally, that entails giving salary raise conforming to the inflation rate, as well as ensuring the safety of workers during the performance of their duties.

Policy

For Bank Mandiri, employees are a valuable asset for the Company's business viability, so that the safety and health of employees is key. Therefore, Bank Mandiri has put in place regulations on manpower and occupational health and safety. Such regulations include:

1. Law of the Republic of Indonesia No. 13/2003 on Manpower
2. Collective Labor Agreement (CLA) PT Bank Mandiri (Persero)

Activity Program

In practice, the responsibility of Bank Mandiri to the employees and K3 is met by implementing 2 (two) strategies as follows:

Manpower Practices

Employee Welfare

Bank Mandiri is always concerned about the fair and just well-being of its employees, with the hope of establishing mutually beneficial relationship, forging a bond between employees and Bank Mandiri that work in synergy to achieve productivity, work efficiency and effectiveness, increased profit, as well as decreasing

employee turnover rate. Such efforts toward achieving welfare are meaningful and useful to meet the physical and mental needs of employees and their families. Welfare programs implemented by the Bank are based on legislation in force with respect to gender equality, decency and fairness of employment opportunities.

The programs to improve the welfare of Bank Mandiri employees cover both material and non-material programs. Employee's material welfare directly relates to employee performance, and can be given in the form of such compensation as transport allowance, meal allowance, pension, holiday allowance, functional allowance, bonuses, educational assistance, medical allowance, uniforms, leave allowance and bereavement assistance. Meanwhile, non-material welfare of employees can take form of facilities and service provided to employees by the Company.

One of the Bank's concerns for its employees is shown by providing a lactation room at Plaza Mandiri. This

room is located on the 11th floor in Plaza Mandiri and comes with an attractive interior.

The facility provides 15 booths which could be used by lactating mothers. Each booth is provided with a sofa and table. The privacy of the users in the lactation room is also protected since each chamber is separated by curtain.

To further improve the room's comfort, it is also equipped with air conditioning and a number of supporting facilities. In lactation room, bottle racks, a dispenser, two sterilizers and a two-door refrigerator as a place to store breast milk are made available.



Besides, Bank Mandiri also provides special facilities for female employees, by organizing a day nursery called Mandiri DayCare for employees, women (and men as permitted) for 1 (one) month at 2 (two) weeks before the long Idul Fitri holiday and 2 (two) weeks after.



Equal Employee's Rights

Related to the rights of its employees, the Bank continues to provide equal chances and opportunities to all employees regardless of religion, ethnicity, race or gender to work in the Company. Bank Mandiri seeks to promote gender equality by providing the opportunity for women to become leaders in various programs. Potential women continue to be explored and optimized for business progress and development of personal knowledge. The contribution of women in various kinds of leadership programs showed the proportion continues to rise.

Strong public support for gender equality is fundamental to the achievement of business advancement and improvement of the results obtained as proof that gender equality in the field of business has received. During 2015, there were no reports of incidents of discrimination based on race, color, gender, religion, political opinion, social origin and all other forms of discrimination involving internal and external stakeholders throughout the Company's operations.

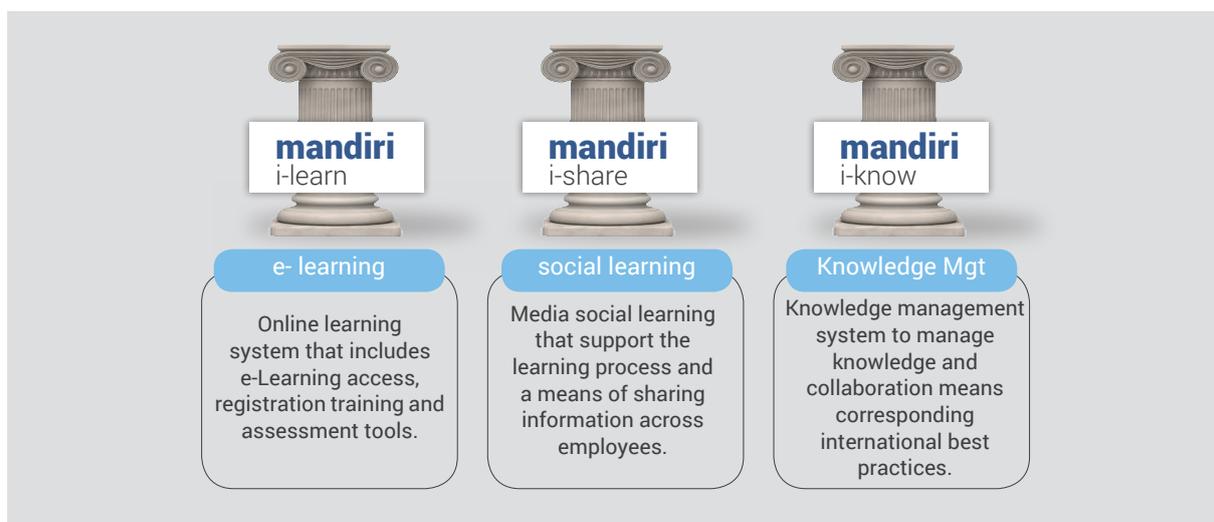
In addition, the Bank continues to strengthen the development of the technology as a way to accommodate the growth in the number and increasingly widespread distribution of employees. In 2015, the Bank has three (3) online portals to support the learning process items, namely i-Share, i-Learn and i-Know.

Employee Learning and Development

Bank Mandiri in continuous learning and development of employees to meet the competencies and expertise required by the method of Education, Training, Special Assignment, Coaching/Counseling and Independent Learning.

Throughout 2015, the Bank has implemented programs to increase knowledge and skills of human resources through education and training in Bank Mandiri, which consisted of a Leadership attended by 2,940 participants as well as Technical & Specific Knowledge Program which has been attended by 50,501 participants. Bank Mandiri also provides modules of e-learning that has been accessed by 152,351 participants.

As a commitment to continue to develop the competence of its employees, the bank continued to improve employee development budget into IDR 492.2 billion compared to 2014 amounting to IDR 454.9 billion. The realization of employee development costs in 2015 amounted IDR 485.1 billion increases compared to 2014 amounting to IDR 429.2 billion.



Career Development

Career development is important where management can improve productivity, improve work attitude, creating job satisfaction also achieve its goals. Therefore, Bank Mandiri provides equal opportunities for male and female employees in terms of career development.

The Company applies a career path system that is based on the requirements of each job and the competencies of each employee as integrated into the performance appraisal system.

Employee Protection

Bank Mandiri facilitates the protection of labor rights and justice in the law enforcement process for employees through their unions. Bank Mandiri gives freedom to its employees to join a labor union in order

to provide protection to employees, aimed to improve the welfare of the employees.

Bank Mandiri has a Collective Labor Agreement (CLA) resulted from negotiations between the Bank and the Labor Union of Bank Mandiri (SPBM), which contains the terms of employment, the rights and obligations of both parties under the provisions of law. The current CLA is for the period of 2015-2017. The CLA has been signed by the Company along with the management and SPBM representative at the Auditorium Plaza on November 25, 2015. With the presence of CLA for 2015-2017, it is expected to be a cornerstone of creating a harmonious working atmosphere, dynamic and equitable to all employees.

With the freedom of association for workers is expected to create channels of communication with management and encourage the employment rules can be carried out properly. Besides, it can represent its members in finding a solution to employment related issues.

Turnover Rate

Throughout 2015, the turnover rate of workers equal to 3.19% with a composition of 434 female and 693 male.

Total Turnover Employees Bank Mandiri

Year	Total (People)	Turnover
2013	1251	3,91%
2014	1022	3,00%
2015	1127	3,19%

Occupational Health & Safety Practice

Managing Occupational Accident Risk

Bank Mandiri provides protection to workers from the risk of accidents that can happen when doing work in the workplace. With the implementation of K3 protection, is expected to create a workplace that is safe, comfortable, healthy and productive workforce, thereby increasing the productivity of labor and productivity. Thus K3 is very large role in improving the Company productivity, mainly to prevent human casualties.

Protection of workers from the risk of workplace accidents caused by work carried out through the management of occupational risks by identifying the risks of occupational accidents and how to manage them. Managing risks of workplace accidents are managed in accordance with the needs in the office and in the field when the service.

In managing the risk of workplace accidents, Bank Mandiri classifies them into two aspects as follows:

1. In the Office
 - a. Provision of training and information on evacuation of high-rise buildings on a regular basis.
 - b. Basic training on use of fire extinguishers.
 - c. Training for the rescue of victims from inside buildings for building security staff.
 - d. Provision of adequate safety equipment and facilities, including oxygen tubes, first aid kits, sliding ladder and emergency exit windows.
 - e. Provision of ambulances at head office and branch offices.
2. On Duty in the Field
 - a. Regulation requiring every employee to attend safety induction

- b. Providing all employees with occupational and personal accident insurance, and occupational accident benefits program

Managing Occupational Health Risk

The health of employees is important for Bank Mandiri since the impacts of work-related diseases are not only detrimental to the employee, but also the Bank either directly or indirectly. To ensure that all the Bank employees remain in good health, the Company provides general medical check-up and health care benefits to both permanent and non-permanent employees. In addition, the Company provides health benefits for employees' dependents, including children up to 21 years who are not employed and are unmarried. In the case of children who are still attending college and who are not employed and are unmarried, benefits are provided up until 25 years of age. This is regulated in the CLA of PT Bank Mandiri (Persero) Tbk under section Health Facilities.

The following activities related to occupational health efforts that the Company made over the course of 2015:

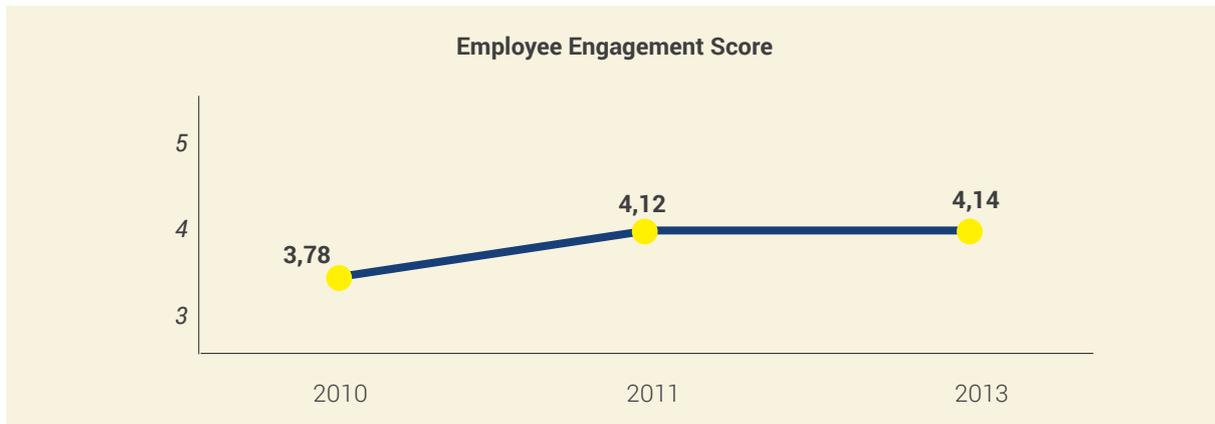
- Blood Donor conducted every three months and participated by 750 employees.
- Medical check up conducted once a year and participated by employees aged 40 years old and above.
- Non routine medical treatment, inpatient, dental and eye care. Medical treatment for the employees in the head and branch office and non-routine allowance for the purpose of first degree outpatient and higher level.

Employee Satisfaction Survey

Employee satisfaction survey is one important element in supporting productivity levels and employee creativity in showing a strong correlation between the level of productivity and creativity of employees with the level of employee satisfaction. Employees who are satisfied tend to be more productive at work, and more to produce ideas.

Thus, Bank Mandiri has had an integrated program to improve the level of engagement of all employees

through Mandiri i-care program. The program began with activities in engagement survey conducted by an independent consultant and continued with the preparation and implementation of the plan in the respective impact of labor unit scorecard survey results. Mandiri i-Care Survey began in 2010 and continued in 2011 and 2013. The survey is conducted every two years, but for 2015 it will be held by early 2016. The following chart shows employee engagement surveys since the beginning of its implementation.



Based on the chart above can be seen that the level of employee engagement continues to increase from year to year. Increased levels of employee engagement indicate that employees perform more productively, contributing to the best ideas and a sincere commitment to achieve long-term success of the Company.