

REWARDS MANAGEMENT

Philosophy

Total Reward is the Bank strategy in providing reward to the employee which is financial and non-financial in nature. Total reward strategy is adjusted with the bank capacity so as it is able to accommodate demographic change of the employee, manpower cost management in the framework of driving the achievement of Bank business objective.

The reward philosophy which becomes the platform of Bank total reward is:

- 1) It is based on the Bank performance and cultural values which are implemented consistently and in line with the Bank vision, mission and strategy.
- 2) Competitive, fair and innovative.

Objective

The objective of Bank total reward is for recruiting the talent, increasing the employee motivation, increasing employee engagement sustainably, as well as attracting and maintaining the top talent.

Strategy

Long term total reward strategy is that the Bank has high competitive value against the market. In applying this reward strategy, it shall remain observing the Bank performance, work unit performance, each employee individual performance and available budget.

Structure

The structure of Bank total reward is as follows:

a. Extrinsic Reward/Tangible Reward/Transactional Reward

It constitutes the provision of reward by the Bank which is financial in nature or it can be in the form of other facilities, such as in the form of in kind. Its provision constitutes something which has been promised to the employee and or in the form of provisions as stipulated by the Bank.

1. Compensation

a) Salary

It is service compensation as provided in cash to the employee according to the value of position as held and according to the competency in his/her possession.

b) Guaranteed Cash

It is allowance as provided in cash to the employee without calculating the performance, position and it is equally applicable to the whole employees.

- Religious Holiday Allowance
- Annual Leave Implementation Allowance
- Long Leave Allowance

c) Unfixed Allowance (Non Guaranteed Cash)

It is allowance as provided in cash to certain employee which calculation is based on his/her position, character of work as well as work location. This allowance can be withdrawn anytime in the event that the employee has no longer held the position or existing in the previous work location.

- Location Allowance
- Teller Allowance
- Appearance Allowance
- Authority Allowance
- Other Allowance

d) Bonus

Bonus is Bank appreciation for the employee performance achievement in certain period. The bonus is provided in cash by still observing the business strategy and the Bank capability.

e) Sales Incentive

f) Overtime Compensation

Overtime compensation is work implementation beyond working hours for which such works cannot be postponed/put off and/or urgent in character for being settled immediately (requiring immediate settlement).

2. Benefit

a) Business Trip

It is facilities as provided by the Bank to the employee which is adjusted with the aim of Business Trip implementation.

b) Domestic Relocation and International Relocation

Relocation facility is the facility as provided to the employee and his/her family in the event that such employee is relocated to the city of destination with minimum distance of 80 kilometer and the city of origin (domestic relocation) or in the event that such employee is relocated to the overseas branch office.

c) Employee Leave Day

- Annual leave is a number of leave days as provided to permanent employee after such employee has been working within the period of at least 12 (twelve) months consecutively.
- Long leave is the provision of compensation in the form of long leave allowance as paid to the employee periodically every multiplication of three years of service period.
- Delivery Leave/Miscarriage Leave is a number of leave days as provided for female employee who has civil marriage status due to delivery/miscarriage.
- Bank Unpaid Leave is a permit from the Bank to the application of the employee for not working due to personal purposes which is important and/or urgent and the Bank shall terminate all forms of compensations and facilities to the relevant employee.
- Hajj Pilgrimage Leave is a number of leave days as provided to the employee for the purpose of exercising hajj pilgrimage worship.
- Sick Leave is a number of leave days as provided to the employee suffering from prolonged leave and supported with letter of application in writing from the employee and certificate from the doctor taking care for him/her.
- Collective Leave is a number of leave days as provided to all employees which implementation is adjusted to the Government Decree. The practice of collective leave shall reduce total annual leave days of the respective employee.



d) Position Facilities

- Service House
- Service Vehicle
- Utility Facility
- Telephone Credit Facility
- Golf Membership

e) Recreation

Recreation facilities as provided by the Bank for employee and his/her family for conducting collective activities from each work unit which has the objective for improving social relationship and sense of togetherness among the employees and the families of the employees.

f) Employee Health

Health constitutes important element for the life of anybody. Any individual is expected for being able to safeguard his/her health by implementing healthy life pattern as early as possible.

Relating to such matter, the Bank is participated to observe the employee health, by providing health facilities for the employee and members of his/her family in the form of:

- Hospitalization Guarantee
- Outpatient Guarantee
- Delivery Guarantee
- Dental Care Guarantee
- Eyeglasses Guarantee
- Health Special Aid
- General Check Up

g) Employee Welfare Credit

- House purchase credit
- Motorized vehicle purchase credit
- Emergency condition credit

b. Intrinsic Reward/Intangible Reward/Relational Reward

It constitutes the provision of reward by the Bank not in the form of goods (intangible), it can be in the form of provision for training to the employee, employee development, recognition to the employee, and others, for which in this matter it is useful for completing transactional reward.

1. Learning & Development

- a) Training
- b) Career Development

2. Work Environment

a) Employee Recognition Programs

Recognition constitutes appreciation for providing special appreciation to the employee for the action, positive behavior, achievement, as well as efforts as shown by the employee in doing his/her work which support the achievement of Bank objective. Recognition constitutes a form of appreciation which is based on the objective for building mutual respect relationship between the Bank and the employee having achievement (Relational Rewards).





b) Natural Disaster Aid

The aid as provided in the event that it has occurred natural disaster incident where the damage as arisen has extensive impact in an area so that it paralyzes the vital function in such area and/or the disaster is declared by the government as a national disaster.

c) Mourning Pay & Compensation Aid

Mourning pay is an aid in the form of cash money as provided at the same time by the Bank to the employee or the family of the employee relating to the death of the employee or the family of the employee with the objective to mitigate funeral cost.

d) Pension Fund Aid for Employee who Dies or Employee who is terminated due to Undergoing Physical Defect.

e) Counseling Program

