

# Human Resources

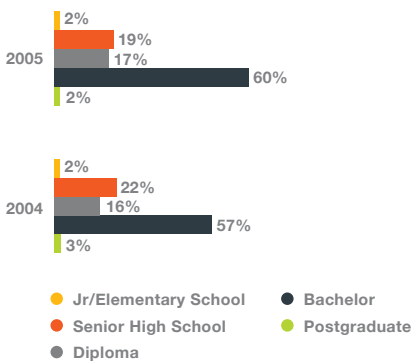
## Focused on key fundamentals

One of our key strategic priorities is to become the employer of choice. We believe that we will achieve this positioning in the long term by building on four fundamental attributes:

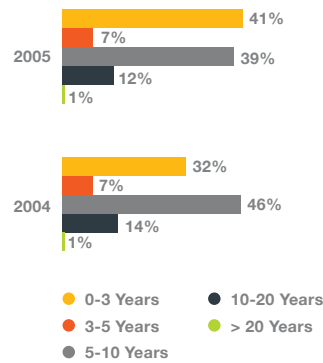
1. A healthy and sound financial enterprise with strong financial standing and reputable image.
2. An enterprise that provides great working environment with open communication, and respect for the individual. A company that empowers employees and values entrepreneurship.
3. A place where employees can look up to leaders who have strong track record and reputation as being the best in their areas of expertise. An enterprise that attracts and develops leaders in all layers of management.
4. A place which provides the opportunity for growth and development, where meritocracy is the main driver for success and high performing individuals grow in accordance to their performance.

In 2005, training courses and workshops were attended by as many as 16,309 participants; most of which were held at our dedicated training campus in Ciawi, West Java, where some 295 senior executives also acted as internal trainers. During the year, we recruited over 4,500 new employees aboard and strengthened our talent pool. The following are some employee measurements:

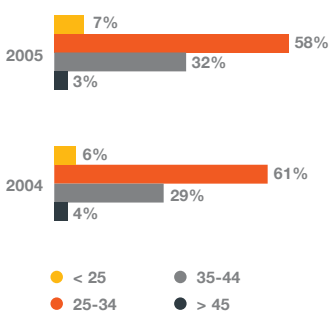
**Number of Employees by Level of Education**



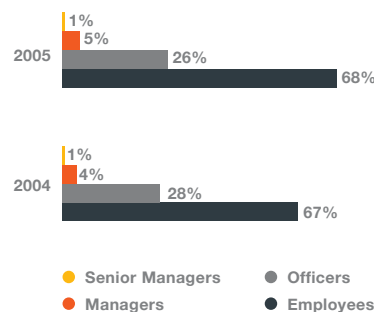
**Number of Employees by Years of Service**



**Number of Employees by Age Group**

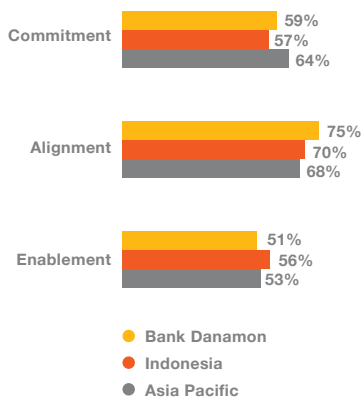


**Number of Employees by Grade**



## The importance of self-assessment - how we tested our aspiration to become the employer of choice using Asia's largest employee survey

### Employee Survey Result



In the first half of 2005, the Bank's Human Resources team engaged the services of a global human capital firm, Watson Wyatt, to conduct a detailed survey on the attitude and views inside Bank Danamon. To ensure the exercise was thorough, we deliberately designed a wide-ranging questionnaire, and to assure accuracy, our sample was unusually high with 73% of all employees surveyed at all levels - a total of 13,500 respondents.

To determine our relative position to the market we measured the results against our peers not just in Indonesia, but across 11 different markets in the Asia Pacific region and the opinions of over 500 different corporate respondents. The Danamon Employee Opinion survey, completed in June 2005 is one of the largest, if not the largest ever climate survey undertaken at a bank, in Asia.

We have chosen to publish a summary of the results from the survey as a valuable insight to our bank, and as a staging point in our ongoing journey. Clearly, there are going to be areas in need of attention - we will be measuring our improvements in a yearly survey - for a true update on how well we are progressing in our mission.

### What did we seek to measure?

We used three key indices, based on the global and regional empirical research:

1. Employee commitment - companies rating highly in this parameter have been shown to achieve a bottom line performance on average 3 times better than their competitors.
2. Employee alignment - companies with the highest alignment and common purpose shared by employees and management perform a staggering 22 times better than the competition.
3. Employee enablement - the degree to which employees believe they can realise their potential at work. High scoring companies perform 1.8 times better than their peers.

These three parameters take into account the personal issues: primarily compensation, benefits, training and career development including performance evaluation. They also examine the work environment and job satisfaction, the level of communication and teamwork, leadership and the effectiveness of management. In addition, questions were asked to assess how widely the bank's core values were known and understood.

The percentages quoted overleaf in each index relate to the number of respondents who agreed or strongly agreed with the question.

"Danamon Idol" was a fun night in which we discovered the hidden singing talents of Bank Danamon employees.



## Commitment

Overall Bank Danamon scored 59% on the index, a score which exceeds the comparable result of 57% for Indonesia while trailing the score of 64.4% in Asia Pacific.

Under this section of the questionnaire, the results indicated that the majority of our employees are very committed in working for us.

## Alignment

Overall Bank Danamon received an extraordinarily high score of 75% on this index, substantially above the scores of 69.7 % for Indonesia and 67.6% for Asia Pacific. The results in this index demonstrate a very clear understanding of the Bank's strategic direction and the role our employees see themselves playing in helping the Bank to achieve its goals.

In every single one of this selection of questions Bank Danamon outperformed both Indonesian and Asia Pacific peer groups.

## Enablement

Overall the Bank scored 51% on this index, which is below the score of 55.6% for Indonesia, but broadly in line with the score in Asia Pacific of 52.8%.

We recognize there is room for improvement for Bank Danamon in this index. Our priorities are to address the view that sharing of information and ideas across the bank could be improved, and we are examining ways in which to support and encourage employees to try out their ideas. We are looking forward to the results from the next survey which will be conducted during 2006.

## Our Campus

Danamon Learning Centre is a dedicated facility to support our employees' training and development needs. Located in Ciawi, West Java, the campus occupies 4.5 hectares of land, and houses 88 dormitories to accommodate over 300 residents.

Left: Outward bound-part of our commitment to leadership development and team building skills.

Below: During 2005, 16,309 participants completed training in courses developed for every business area of the bank. Over 1,100 workshops were held.

Our Training Campus in Ciawi, West Java.

