



**Bakrie &
Brothers**

BUILD TO LAST



SUSTAINABILITY
REPORT
2019





BUILD TO LAST

In line with the vision of the Government of Indonesia which emphasizes the distribution of infrastructure development along with the development of the raw material industry to the finished goods industry on a national scale, PT Bakrie & Brothers Tbk has also sharpened its vision and reorganized its business strategy to strengthen its business basis in the manufacturing industry and the development of infrastructure projects that have become the foundation of the company's growth in recent years.

In 2019, the strengthening of the business foundation of PT Bakrie & Brothers Tbk was demonstrated through several 'game-changing milestones' that were successfully carried out by all levels of the company to the level of subsidiaries. Breakthroughs in the technical and managerial aspects of the manufacturing industry, strategic cooperation in the development of the electric vehicle industry, to the preparation of key energy infrastructure projects successfully completed. These achievements are complemented by a change in the core management of PT Bakrie & Brothers Tbk through the General Meeting of Shareholders in May 2019.

Built on a stronger and sturdier foundation, PT Bakrie & Brothers Tbk now have quintessential start for its success longevity.

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DISCLAIMER:

This report contains certain statements that may be considered "forward-looking statements", the Company's actual results, performance or achievements could differ materially from those projected in the forward-looking statements as a result, among other factors, of changes in general, national or regional economic and political conditions, changes in foreign exchange rates, changes in the prices and supply and demand on the commodity markets, changes in the size and nature of the Company's competition, changes in legislation or regulations and accounting principles, policies and guidelines and changes in the assumptions used in making such forward-looking statements.

* This Annual Report will use the name "BNBR " or "Company" as reference of PERUSAHAAN PERSEROAN (PERSERO) PT BAKRIE & BROTHERS Tbk.

For more information please visit www.bakrie-brothers.com



CEO MESSAGE

[102-14]

Dear Stakeholders,

Praise our gratitude to God Almighty for the achievement of PT Bakrie & Brothers TBK (BNBR) in 2019. This sustainability report presents our endeavors in implementing sustainability practices in everything We do and striving to distribute positive socio-economic benefit and environmental preservation for the betterment of the society and the development of the country.

The year 2019 is still indeed a challenging year for BNBR. Nevertheless, We are soundly committed as We were for the last 78 years to play Our role in the development of Indonesia. Also, the Company can record positive results and actively contribute to national development programs and the actualization of sustainability related targets.

By upholding Our philosophy, “Bakrie Untuk Negeri” which is rooted to the principles of ISO 26000 standard, we stay true to Bakrie Group’s key values of Being Indonesia, Sustainable Benefits, and Togetherness, which are the foundation value of everything that we do. To that end, based on that philosophy and values, We ensure that each of our business activities are able to actualize our spirit to ensure that “Every rupiah produced by Bakrie, must be beneficial to the communities”.

Based on the values and philosophy that, all aspects of corporate governance, formulation of corporate strategy, compliance with prevailing regulations and legislation, product quality, and environmental responsibility, as well as community engagement, are all carried out for the best interest of our stakeholders.

In the area of human resources, we acknowledge the importance of our employees to the Company’s sustainability. We would not be able to sustain the last 78 years if it is not for our employees’ dedication, hard work, and expertise. In 2019, the total number of our employees increased to 3,180 people or increased by 38 people from the previous year. This figure represent our carefully planned growth and evolution, as well as our ability to continue to distribute positive benefit for the community where we operate.

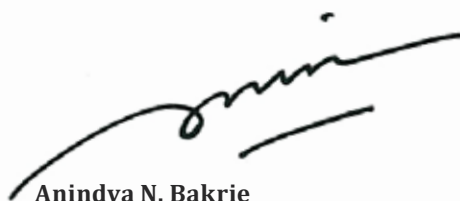
We believe that sustainability and profitability go hand-in-hand. A company can is not sustainable if it is not profitable. On that note, since the second quarter of 2019, we had been successful to turn around the company loss to profit and was able to be retained until the end of 2019. We also managed to restructure our debts of Rp11.41 trillion.

Positive financial performance makes us have great believes in contributing in national development programs with involvement in various government projects, especially in projects that are related to the infrastructure development and improvement projects. We also work with various stakeholders for the completion of the Cimanggis-Cibitung toll road project. Construction section IA of this toll road has been fully completed and phase II has reached 72% completion. Meanwhile land acquisition has reached 82%. Also to be noted that the development of Tanjung Jati A Power Plant is on track, hence it can provide benefits for the larger society and for the nation development.

Moving forward, We will continue to commit to contributing to national development through involvement in strategic infrastructure development projects with the application of appropriate technology, the utilization of digital technology developments, supported by reliable manpower.

As a Group, we always strive to improve the performance of each subsidiary so it can provide stronger contribution to the Group’s performance. In addition to our effort to foster our existing industrial sectors, the Company aims to explore and develop other potential industrial sectors.

Jakarta,
On behalf of the Board of Directors
PT Bakrie & Brothers Tbk



Anindya N. Bakrie
President Director & CEO

ABOUT BAKRIE & BROTHERS





7 DECADES OF BUILDING INDONESIA

PT Bakrie & Brothers Tbk for the past seven decades has continued to develop into a company that is open and forward thinking. This year, we develop the business in a sustainable manner by ongoing participation in developing Indonesia and commencing the footsteps of the industry future.

PT BAKRIE & BROTHERS TBK AT A GLANCE

PT Bakrie & Brothers Tbk was established in 1942 by the late H. Achmad Bakrie (1914-1997). The Company's journey begins with the story of a growing small trading business, and in more than 75 years has engaged in investment and/or divestment business, has reached a various achievements and deliver the Company to become one of the leading corporations in Indonesia.

The Company registered at the Jakarta Stock Exchange (now Indonesia Stock Exchange) back in 1989. The investment portfolio approach of BNR has been the controlling on potential businesses and developed inter-business synergy for the long term, as well as designing and implementing value creation strategy.

By the start of the new millennia, BNR business activities comprised of general trading, construction, agribusiness, coal mining, oil & gas, as well as telecommunication business; while still growing the manufacturing industries it has started in the 1950s – namely steel pipes, building materials as well as automotive components. The Company

has also expanded its venture to participate in strategic infrastructure projects in energy and transportation sectors. This business diversification provides opportunities for the Company to contribute to the national development.

In 2014, through subsidiaries and affiliations, the Company put its strategy and business focus on manufacturing, infrastructure and investments as its main pillars. The strategy has become the accurate steps to strengthen recurring income business, as well as to respond to wide-open opportunities, in line with Indonesia's infrastructure development plans.

BNBR stood with a solid and noble foundation, developed to form a strong investment base and creating sustainable value a proud Indonesian corporation. BNR is aspired to continue to be a strong company, to serve its employees and the community, as well as to deliver value to shareholders and stakeholders, and also contribute to accelerate the growth of Indonesian economy.



CORPORATE PROFILE [102-1][102-2][102-3][102-4][102-5][102-6][102-7]

Name <small>[102-1]</small>	: PT Bakrie & Brothers Tbk	
Ticker Code	: BNBR	
Business Activity <small>102-2]</small>	: Investment and Divestment	
Line of Business <small>[102-2] [102-6]</small>	: General trading, construction, agriculture, mining, industry, especially steel pipes manufacturing, building materials and other construction materials, telecommunication systems, electronic and electrical goods, and investment, including equity investments in other companies.	
Address <small>[102-3]</small>	: Bakrie Tower, lantai 35 – 37, Rasuna Epicentrum Jl. H.R Rasuna Said, Jakarta 12940	
Phone	: 021 2991 2222	
Fax	: 021 2991 2333	
Homepage	: www.bakrie-brothers.com	
Email	: ir@bakrie.co.id	
Date of Establishment	: March 13, 1951	
Operational Area <small>[102-4] [102-6]</small>	: Throughout the Indonesian region	
Ownership <small>[102-5]</small>	: - FOUNTAIN CITY INVESTMENT LTD : - DALEY CAPITAL LIMITED : - CREDIT SUISSE AG SINGAPORE BRANCH S/A BRIGHT VENTURES PTE LTD (MOU FACILITY) : - PT ASURANSI SIMAS JIWA - SIMAS EQUITY FUND 2 : - PUBLIK (less than 5%)	33.97% 10.73% 9.71% 5.89% 39.70%
Legal Base of Establishment	: Deed of Sie Khwan Djioe dated March 13, 1951 No. 55.	
Authorized Capital	: Rp 54,474,769,356,400 (293,715,580,156 shares)	
Number of Employee	: 3,180	

7 OF BUSINESS

DECADES



1942 — 1962

- Established as a general merchant and commissioner agent.
- Pioneered Indonesia's steel manufacturing industry.

1973 — 1989

- Expanded the company's business lines into steel structures, metal working, and other infrastructure projects.
- Establishment of PT Bakrie Building Industries.
- Establishment of PT Bakrie Tosanjaya which later changed its name into PT Bakrie Autoparts (BA).
- IPO of PT Bakrie & Brothers Tbk (BNBR).

1990 — 1996

- Bakrie Pipe Industries became the first Indonesian company that obtained ISO 9002 certification.
- Licensed to operate fixed wireless service.

1997 — 2001

- Beginning of PT South East Asia Pipe Industries (SEAPI) commercial production followed by first shipping for West Natuna project.
- Successful debt restructuring of US\$ 1.1 billion through debt to equity and debt to asset swap.

2002 — 2003

- Major participation of SEAPI in the gas transmission pipes project of PT Perusahaan Gas Negara.

2004 — 2006

- Rp 1.9 trillion Rights Issue to structure historical debts in pipe companies, invest in telecommunications business, reacquire BSP, and increase working capital.
- Awarded Kalimantan-Java gas pipeline tender worth US\$ 1.26 billion.

2007 – 2008

- Consortium Plus-Bakrie-Global, awarded Cimanggis-Cibitung toll road tender valued Rp 3.2 trillion.
- Rights Issue Rp 40.1 trillion, issuance of warrants of Rp 2.9 trillion.
- Establishment of PT. Bakrie Indo Infrastructure (BIIN).
- Transformation of PT Bakrie Corrugated Metal Indonesia (BCMI) into PT Bakrie Metal Industries (BMI).

2009 – 2010

- Establishment of Bakrie Energy International, which is engaged in fuel business, as a cash generating investment.
- SPA Signing with Vallar, UK - Value \$844 mn.

2011 – 2012

- BNBR completed quasi reorganization.
- Bakrie Group formed strategic partnership with BORN and reduced debt by US\$1billion.
- Gas Transportation Agreement segment Kepodang Tambak Lorok was signed.

2013 – 2015

- First phase of Kalija gas pipeline project completed in 2015 and fully operated in 2016.
- Cimanggis Cibitung toll road project started.

2016 – 2017

- Cimanggis-Cibitung Tollways Project continues land acquisition process as well as construction of phase 1.
- First phase of Kalija project has fully operated. Gas transportation carried out according to GTA.

2018 – 2019

- Signed a Memorandum of Understanding (MOU) with BYD Auto China to develop electric vehicle industry in Indonesia.
- Signed a Memorandum of Understanding (MOU) with China Railway International Group.
- Debt restructuring to creditors done through Non Preemptive Rights Issue (NPR).

COMPANY VISION, MISSION & VALUES [102-16]



VISION

To become a leading Investment Company and a proxy of the Indonesian economy.



MISSION

To maximize shareholder value through profitable investment activities and enhancement of core portfolio's value.

CORPORATE VALUES & PHILOSOPHY [102-16]

It began with a noble aspiration to improve the quality of life for Indonesia and to become a nation with dignity. H. Achmad Bakrie, founder of BNBR, focused on business development as well as raising the high spirit and honourable goals. Through basic core values that embodies, maintains and bequeathed to the next generation in the Bakrie Group, called the PIAGAM BAKRIE. The said values provide a guidance to balance intellectual, emotional and spiritual elements in order to realize the three pillars of life.

Ke-Indonesiaan, Kemanfaatan and Kebersamaan (Indonesian-ness, Usefulness and Togetherness) known as TRIMATRA BAKRIE.



PIAGAM BAKRIE

BERAWAL DARI SEMANGAT UNTUK MENERUSKAN
CITA-CITA LUHUR YANG DIANUT, DIJALANKAN DAN DIWARISKAN
OLEH HAJI ACHMAD BAKRIE

DENGAN LANDASAN NILAI-NILAI LUHUR
BAKRIE UNTUK NEGERI

DAN MENYADARI PENTINGNYA NILAI DASAR
UNTUK MENJADI PEREKAT YANG MEMPERKUAT
SEMANGAT KESATUAN DALAM KERAGAMAN
GUNA MENINGKATKAN KUALITAS HIDUP YANG LEBIH BAIK
SERTA MENJADI BANGSA YANG BERMARTABAT
MELALUI KEGIATAN WIRUSAHA KELAS DUNIA
DALAM

GERAKAN BAKRIE UNTUK NEGERI

TERUMUSKANLAH KONFIGURASI NILAI-NILAI DASAR KELUARGA BESAR BAKRIE
YANG MENCERMINKAN KESEIMBANGAN TIGA DIMENSI PILAR KEHIDUPAN
SPIRITUAL, INTELEKTUAL DAN EMOSIONAL

YANG DISEBUT:

TRIMATRA BAKRIE

KEINDONESIAAN - KEMANFAATAN - KEBERSAMAAN

JAKARTA, 10 FEBRUARI 2010
ATAS NAMA SEGENAP INSAN BAKRIE

ABURIZAL BAKRIE

ROOSMANIA B. KUSMULJONO

NIRWAN D. BAKRIE

INDRA U. BAKRIE

TRIMATRA BAKRIE

BASIC VALUE

INDONESIAN-NESS

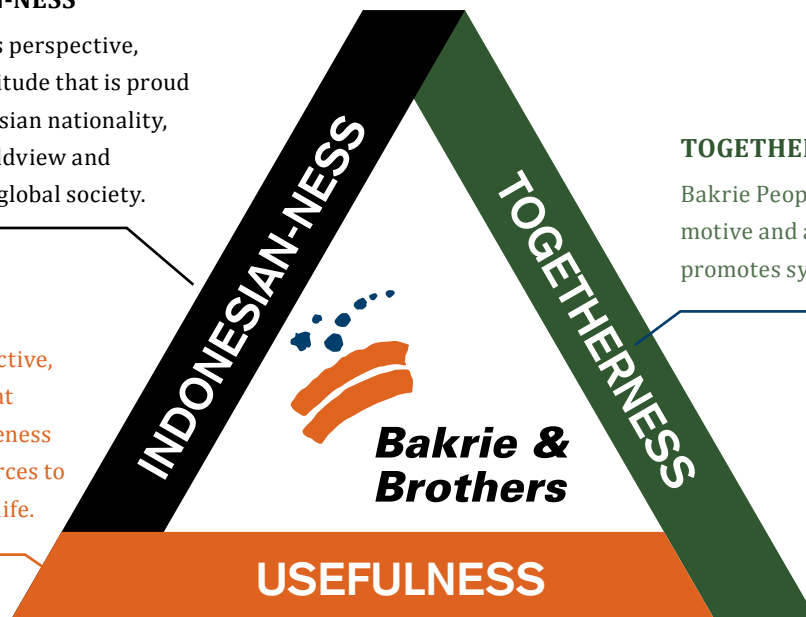
Bakrie People's perspective, motive and attitude that is proud to be of Indonesian nationality, has global worldview and contributes to global society.

USEFULNESS

Bakrie People's perspective, motive and attitude that prioritizes the effectiveness and efficiency of resources to enhance the quality of life.

TOGETHERNESS

Bakrie People's perspective, motive and attitude that promotes synergy in diversity.



INSTRUMENTAL VALUE

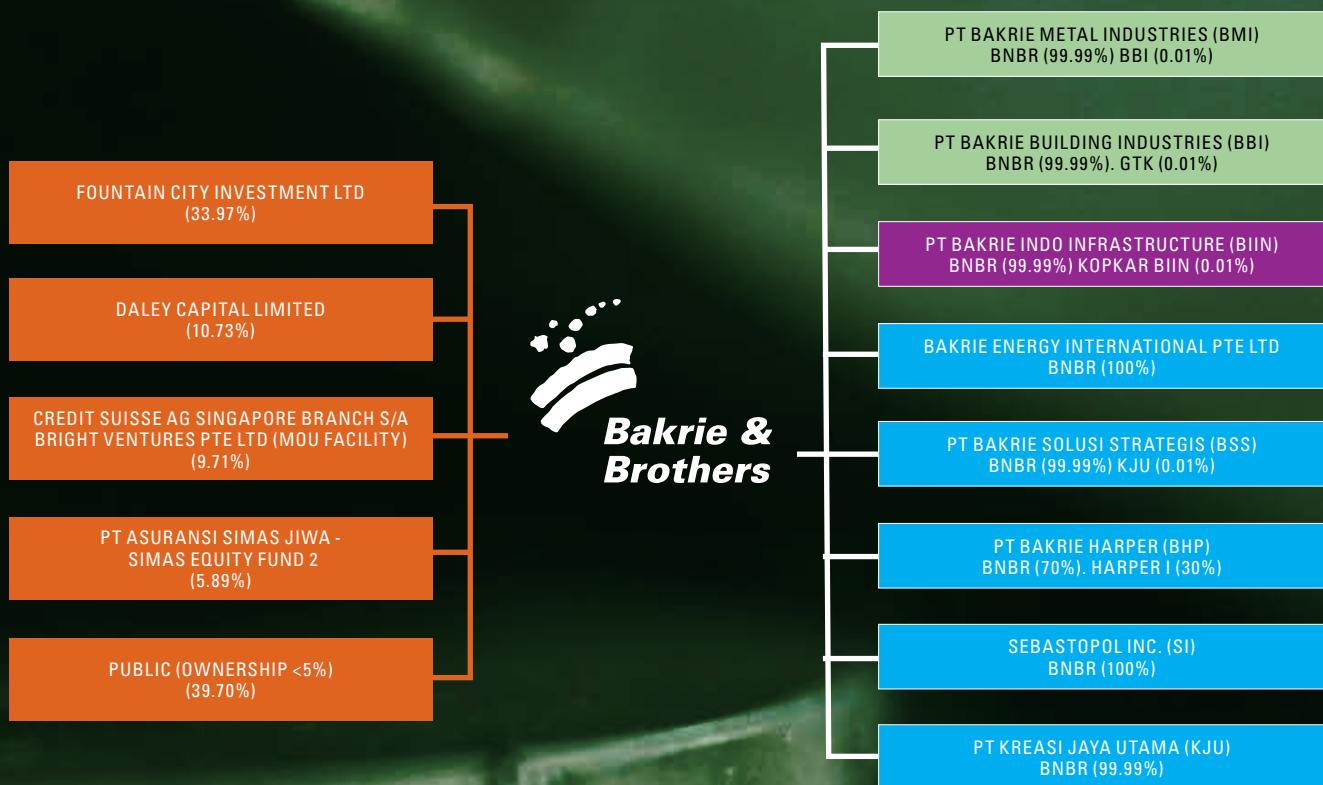
INTEGRITY

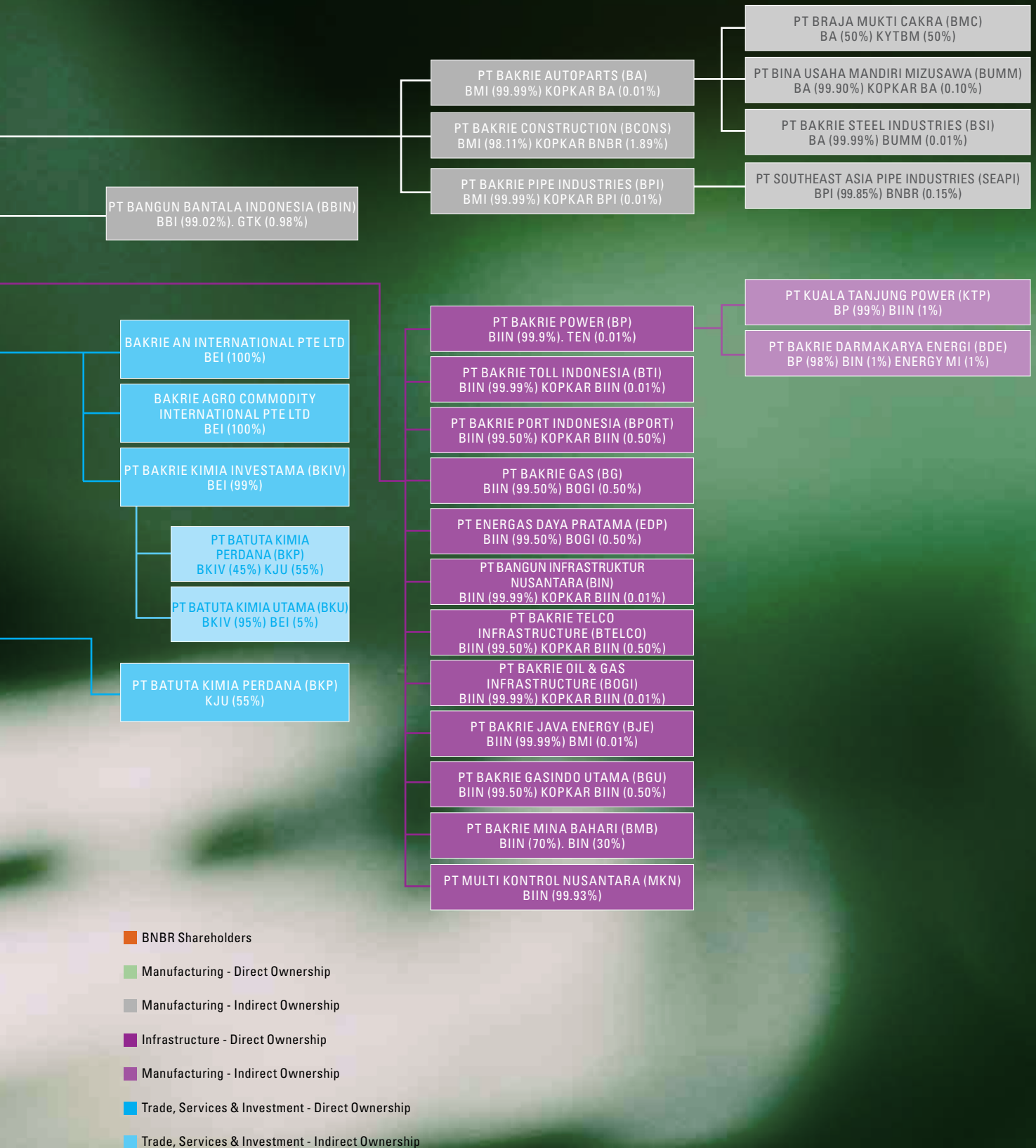
Performing obliged duties earnestly, fervently, loyally, honestly, always respecting the principles of truth and prioritizing national and company interests.

PROFESSIONALISM

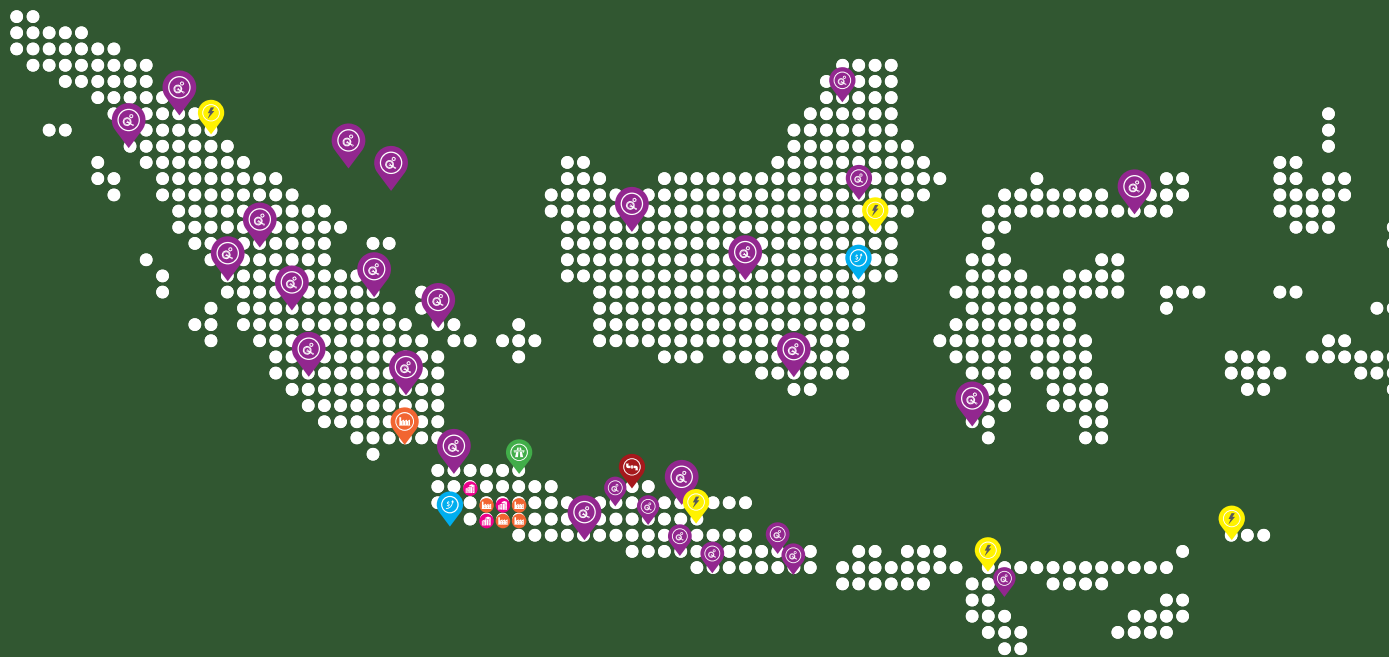
Having the intelligence, expertise and worldview that encourages achievement of excellent performance, best quality, through orderly procedure, respecting the value of interpersonal and company relationship with any other parties.

CORPORATE GROUP STRUCTURE [102-45]





MAP OF PRODUCT AND DISTRIBUTION [102-2] [102-4] [102-6]



The distribution process of BNBR products and services are spread throughout Indonesia region, and all BNBR products have not been withdrawn.

MANUFACTURING



Distribution



Factory



Head Office

INFRASTRUCTURE



Electricity



Gas and Pipeline



Toll Road

SERVICE & INVESTMENT



Trading, Services & Investment

BUSINESS LINE [102-2][102-6]

Infrastructure

PT Bakrie Indo Infrastructure (BIIN)

Bakrie Tower 34th Floor, Jl H.R Rasuna Said,
Jakarta Selatan 12940, Indonesia

Tel : (62 21) 299 12345

Fax : (62 21) 299 41955

http://www.bakrie-brothers.com/#/our_business/infrastructure_projects

Manufacturing

PT Bakrie Building Industries (BBI)

Jl. Daan Mogot Km 17,3
Jakarta 11850, Indonesia

Tel : (62 21) 619 0208

Fax : (62 21) 619 2950

www.bakrie-building.com

PT Bakrie Autoparts (BA) Head Office / Factory

Jl. Raya Bekasi KM.27 Pondok Ungu,
Bekasi 17132, Indonesia

Tel : (62 21) 8897 6601

Fax : (62 21) 8897 6607

www.bakrie-autoparts.com

PT Bakrie Metal Industries (BMI) Head Office

Bakrie Tower 35th Floor, Jl HR
Rasuna Said,

Jakarta 12940, Indonesia

Tel : (62 21) 2991 2120

Fax : (62 21) 2991 2211

www.bakrie-metal.com

Factory

Jl. Raya Kaliabang Bungur No. 86,
RT. 004 RW. 02, Kelurahan Harapan
Jaya,

Kecamatan Bekasi Utara 17124,

Indonesia

Tel : (62 21) 8895 8673

Fax : (62 21) 8895 8586

PT Bakrie Pipe Industries (BPI) Head Office

Bakrie Tower 7th Floor, Jl H.R
Rasuna Said,

Jakarta Selatan 12940, Indonesia

Tel : (62 21) 2994 1270

Fax : (62 21) 2994 1267-68-69

Factory

Jl. Raya Perjuangan, Medan Satria,
Kota Bekasi 17131, Indonesia








Tel : (62 21) 887 1135

Fax : (62 21) 8898 6474

www.bakrie-pipe.com



BNBR IN NUMBERS [102-7]

	2017	2018	2019
 NUMBER OF EMPLOYEE	3,658	3,142	3,180
 TOTAL REVENUE (RP BILLION)	2,460	3,340	3,236
 TOTAL CAPITALIZATION (RP BILLION)	5,677	1,039	1,043
 LIABILITIES (RP BILLION)	12,655	11,656	12,010
 EQUITY (RP BILLION)	(5,382)	2,679	2,355
 TOTAL ASSETS (RP BILLION)	7,273	14,335	14,365
 PROFIT (LOSS) NETTO (RP BILLION)	(1,208)	(1,250)	863

ASSOCIATION MEMBERSHIP AND EXTERNAL INITIATIVE

[102-12, 102-13]

BNBR participates in several initiative related to economic, environmental and social aspect and one of them is PROPER. Furthermore, BNBR also participated in several mining and non-mining associations. Some of them are Association of Indonesian Mining Professionals (PERHAPI), Chamber of Commerce and Industry (KADIN), and Indonesian Stock-Issuer Association (AEI).

EXTERNAL ACCOLADES AND RECOGNITIONS



Indonesia Trusted Companies Award December 2019

BAKRIE & BROTHERS

PT Bakrie & Brothers Tbk received the Trusted Company Based On Corporate Governance Perception Index award by SWA and IICG (The Indonesian Institute For Corporate Governance) on December 11, 2019.



Appreciation SEA 2019 February 2019

PT BAKRIE AUTOPARTS

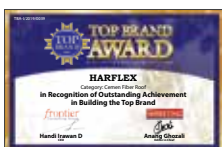
PT Bakrie Autoparts breceived achievement quality 2018 by PT Hino Motor Manufacturing Indonesia. The award was obtained on February 22, 2019



Kaizen Festival 2019 November 2019

PT BAKRIE AUTOPARTS

PT Bakrie Autoparts received Silver award for the Global – Quality Control Circle category , Silver award for the Quality Control Circle category and Gold award for the Suggestion System category in the 2019 Kaizen Festival from Toyota Manufacturers Club. The award was obtained on November 30, 2019.



TOP BRAND AWARD 2019

BAKRIE BUILDING INDUSTRIES

PT Bakrie Building Industries received achievement TOP Brand Award 2019 for Harflex product, with category cement fiber roof in Recognition of Outstanding Achievement in Building the Top Brand. The award was obtained in 2019.



PROPER 2019
December 2019

BAKRIE METAL INDUSTRIES

PT Bakrie Metal Industries received the 2018-2019 Blue PROPER certification for Environmental Management. The award was obtained on December 21, 2018.



SNI Awards 2019
November 2019

BAKRIE PIPE INDUSTRIES

PT Bakrie Pipe Industries received the 2019 Gold SNI Award for the electronics, steel, and steel products corporations category from the Indonesian National Standards (SNI). The award was obtained on November 20, 2019.



Indonesia Trusted Companies Award
December 2019

BAKRIE PIPE INDUSTRIES

PT Bakrie Pipe Industries received the Trusted Company Based On Corporate Governance Perception Index award by SWA and IICG (The Indonesian Institute For Corporate Governance) on December 11, 2019.



ABOUT THIS REPORT

The 2019 Sustainability Report is our sixth report and the proof of our commitment and responsibility in upholding high transparency and accountability for all BNBR stakeholders.

This report is our responsibility in strengthening BNBR's cooperation with the government, public institutions, the private sectors and society.

BNBR has consistently published Sustainability Reports since 2014 which are published once a year. The previous BNBR Sustainability Report was published on 30 August 2019. In the presentation of the report, we use the terms “BNBR”, “Company”, or “We” to be used to represent PT Bakrie & Brothers Tbk. [102-51] [102-52]

REPORT TECHNICAL STANDARDS

BNBR Sustainability Report 2019 is prepared in accordance with GRI Standard: Core Options. In this report, the presentation of GRI related indices is listed at the end of the paragraph / page discussing relevant topics / issues. For the overall GRI Standard index can be seen on page 79. [102-54] [102-55]

REPORTING PRINCIPLES

BNBR in reporting Sustainability Reports uses ISO 26000 references and also adjusts to the Financial Services Authority (POJK) regulatory standards: POJK No. 51 / POJK.03 / 2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies.

The preparation of this report is based on ISO 26000 which includes operational, financial, governance, human resources, occupational safety and health, the environment, and community development. This is our commitment to stakeholders to present the contents and reports' data that are accurate, complete, balanced and reliable. For the adjustment POJK 51 standards, our Sustainability Report uses several different disclosures that are relevant to the Company's conditions such as customer satisfaction surveys, the use of environmentally friendly materials, and some matters related to the implementation of Sustainable Finance, including problems faced, financing targets, and product development responsibilities.

STRUCTURE, SCOPE AND REPORT BOUNDARIES

There is no significant change in the reporting structure of the Report and the company's organizational structure and its scope for the BNBR Sustainability Report 2019. In Addition, there is a correction in regards to the data or information reported in the previous report, i.e. the total remuneration was amounting to IDR 419.55 billion in 2018. [102-10][102-48][102-49]

This BNBR Sustainability Report covers all subsidiaries, consisting of manufacturers (PT Bakrie Autoparts, PT Bakrie Building Industries, PT Bakrie Metal Industries, PT Bakrie Pipe Industries) and infrastructure (PT Bakrie Indo Infrastructure). All financial information in this report is stated in Indonesian Rupiah (IDR) with numerical notation in Bahasa Indonesia.

REPORTING PERIOD

BNBR's reporting period 2019 covers performance during the period January 1, 2019 to December 31, 2019. This BNBR Sustainability Report includes quantitative data over the past two periods in several GRI Standard indicators. In addition, BNBR does not appoint third parties to verify this report. This Sustainability Report can be accessed at https://www.bakrie-brothers.com/#/investor_relations/annual_report. [102-50][102-56]

SUGGESTION AND FEEDBACK

Any input and feedback from external parties toward this report is part of the company's commitment in improving our sustainability report. For any questions, input or comments on this report, can be sent to: [102-53]

Investor Relations

PT Bakrie & Brothers Tbk
Bakrie Tower, 35-37 Floor,
Rasuna Epicentrum
Jl. H.R Rasuna Said, Jakarta 12940,
Indonesia
Phone. : (+62 21) 2991 2222
Fax. : (+62 21) 2991 2333
Website : www.bakrie-brothers.com
Email : ir@bakrie.co.id



BNBR'S SUSTAINABILITY COMMITMENT

BNBR acknowledges the importance of sustainability commitment in carrying out our business operations.

We implement sustainable commitment in various aspects such as environments, social, and economy. These aspects are our responsibility in improving future business potential which corresponds with sustainable business focus of the future.

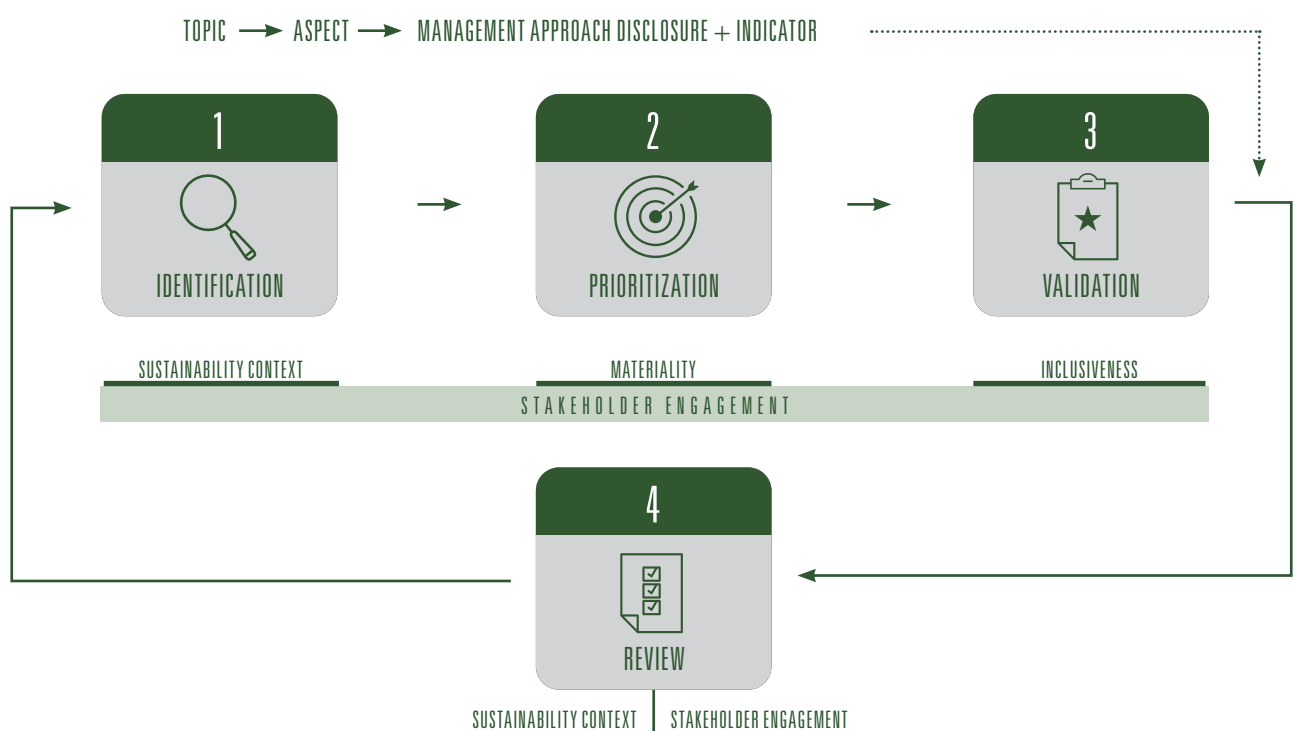
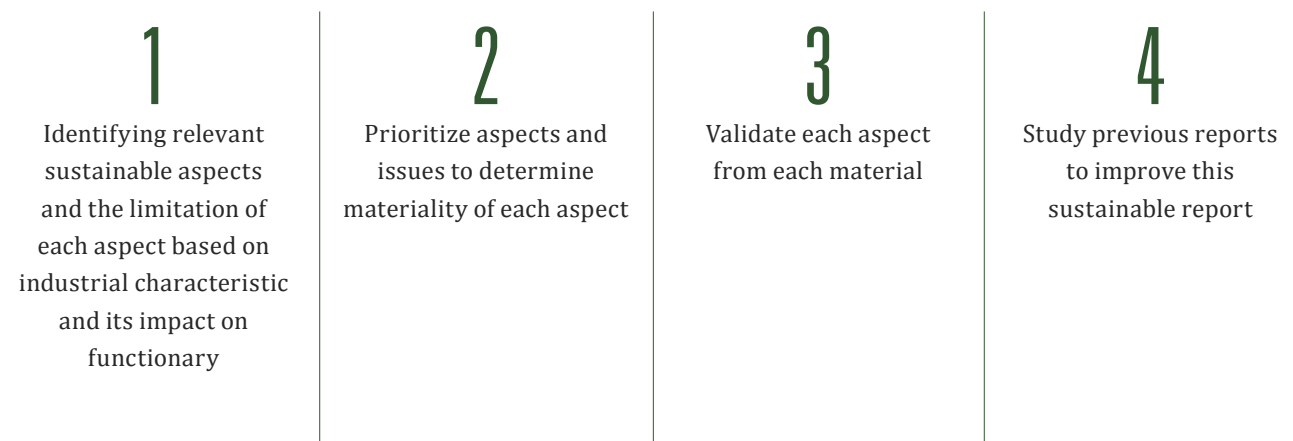
For seven decades in building Indonesia, BNBR steps ahead in various industrialized sectors that values strategies and sustainability. With the spirit of growing together, and contributing in sectors like economy, environment, and community development, BNBR is focussing on improving industrialization in various sector.

Despite various economic challenges, BNBR has strategies to continuously improve the company, by strengthening capital structure, focussing on business core, and developing business to promote to the next level. These strategies are also strengthened by environmental values, society and management system. We expect these values can shape us into a company that is open and thinks forward.

DETERMINING BNBR'S SUSTAINABILITY REPORT CONTENT

BNBR's sustainability report content determination process is made based on the decision making of functionary and BNBRs' workers, which involves BNBR's subsidiary which plays a role in economic performance, social, and environment of the company.

There are four steps in determining materiality and report content:



STAKEHOLDER ENGAGEMENT APPROACHES

Our stakeholders holds an important role in BNBR’s sustainability. Therefore, we identify stakeholders groups in all our operations, which consist of shareholders, customers, workers, non-governmental organization, industrial groups, and governmental agencies[102-42]

The involvement of stakeholders is done through various engagement approaches through opinion and feedback gathering that we need to foster our performance towards sustainability. The involvement process involves quantitative and qualitative survey approach. BNBR’s involvement principle is based on the risk management principle.

<p>INCLUSIVE</p> <p>Stakeholders who have direct interest with BNBR’s business, and impacted by business and operational activities.</p>	<p>MATERIALITY</p> <p>Stakeholders engagement in identifying and issues that have arisen and future issues.</p>	<p>RESPONSIVENESS</p> <p>Stakeholders who gain benefit from BNBR’s operational activities, and monitor BNBR’s operational changes.</p>
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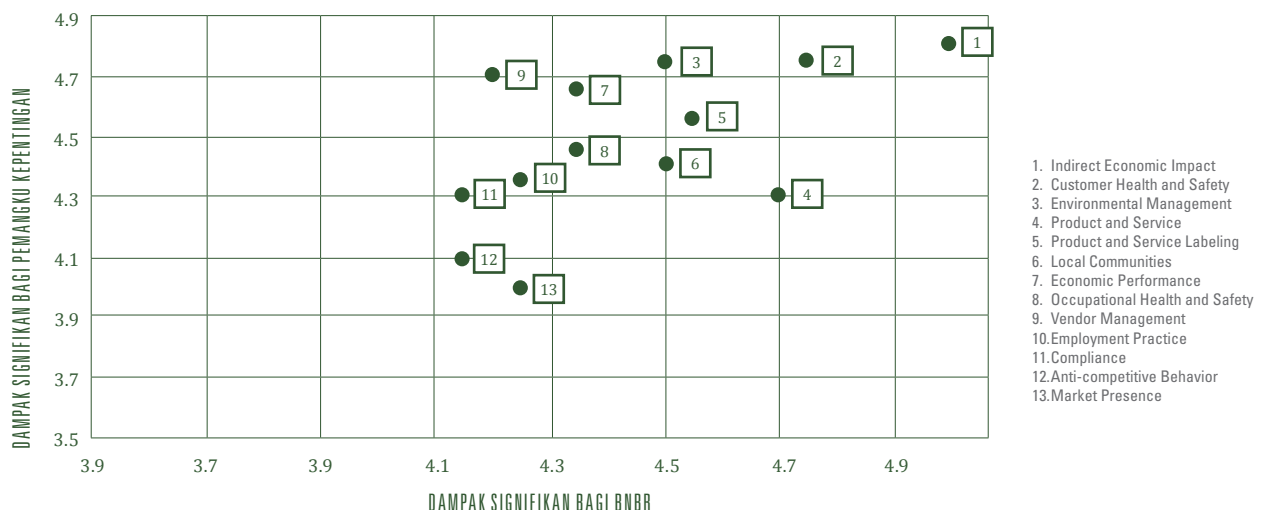
By recognizing our stakeholders, we understand their interest and we commit to facilitating all stakeholders in expressing their opinion and thoughts, be transparent, on time, and consider our stakeholders interest in business decision. The following table summarizes our approaches in stakeholders’ engagement.

LIST OF STAKEHOLDERS, APPROACHES AND DISCUSSION TOPICS [102-40][102-43][102-44]

STAKEHOLDER GROUPS [102-40]	STAKEHOLDER ENGAGEMENT APPROACHES [102-43]	TOPICS RAISED DURING ENGAGEMENT [102-44]
Investors	<ul style="list-style-type: none"> • Hold regular meetings between Investor Relations and shareholders • Annual General Meeting of Shareholders • Corporate management presentation • Quarterly performance report • Website 	<ul style="list-style-type: none"> • Risk management • Corporate governance • Strategy and performance • Financial performance
Customers	<ul style="list-style-type: none"> • Internal Customer Satisfaction Survey • External Customer Satisfaction Survey 	<ul style="list-style-type: none"> • Product and Services • Complaint Handling • Customers facilities at business units • Building quality and handover timeliness
Employees	<ul style="list-style-type: none"> • Employee communication forums • Regulars meetings • Employees events 	<ul style="list-style-type: none"> • Training and Development • Career Path • Remuneration and Benefit
Local Communities	<ul style="list-style-type: none"> • Routine community engagement meetings • Community development programs and activities 	<ul style="list-style-type: none"> • Sound and waste management of the property that may impacted the surrounding areas • Economic development • Opportunities to work • Opportunities to be suppliers
Multi-Stakeholders, including NGO and Media	<ul style="list-style-type: none"> • Corporate Reports • Quarterly Performance Report • Press releases • Website 	<ul style="list-style-type: none"> • Risk management • Corporate governance • Business strategy • Financial Performance • Product and Service

DETERMINING MATERIALITY

BNBR, in determining materiality focusses on issues and achievements related to economy, environment, and social. Through materiality analysis, we identify this choice of topic based on what's important for BNBR and our functionary. Then, we assess relevant potential topics that is identified. From materiality analysis, there are 13 identification aspects and report boundaries. [102-46][102-47][103-1]



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MATERIAL ASPECT IDENTIFICATION & REPORT BOUNDARY [102-47][103-1]






NO.	MATERIAL ASPECT	SCOPE AND BOUNDARIES			SUSTAINABILITY TOPIC IN CHAPTER
		BNBR	SUBSIDIARIES	SUPPLIERS/ CONTRACTORS/ BUSINESS PARTNER	
1	Indirect Economic Impact	√	√		Social and Community Development
2	Customer Health and Safety	√	√		Sustainable Economic Performance
3	Environmental Management	√	√		Environmental preservation
4	Product and Service	√	√	√	Sustainable Economic Performance
5	Product and Service Labeling	√	√		Sustainable Economic Performance
6	Local Communities	√	√		Social and Community Development
7	Economic Performance	√	√		Sustainable Economic Performance
8	Occupational Health and Safety	√	√	√	Occupational Health and Safety
9	Vendor Management	√	√		Sustainable Economic Performance
10	Employment Practice	√	√		Competent and Sustainable Human Resources
11	Compliance	√	√		Corporate Governance and Sustainability
12	Anti-competitive Behavior	√	√		Corporate Governance and Sustainability
13	Market Presence	√	√		Corporate Governance and Sustainability






SUPPORTING THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)


Sustainable Development Goals (SDGs) was launched by United Nations in 2015 which is a global action plan that was agreed by the world leaders, including Indonesia. This global action plan is expected to overcome poverty, hunger, climate changes, gender equality, clean water and sanitation, as well as responsible consumption and production by 2030.

BNBR realizes that to fulfil SDGs, strong commitment, time, and cooperation with functionary is needed. Hence, this year BNBR has mapped several SDGs that is in line with our commitment in the past few years and the SDGs will be increasing for the next few years. This few SDGs is also part of sustainability topic and the Corporate Social Responsibility plan through the implementation of ISO 26000. This is our first step in participating on sustainability based on the SDGs that can bring positive impact on the future generation of Indonesia. [102-12][103-1][103-2][103-3]

POIN SDGs	OUR COMMITMENT PLAN	2019 ACTIVITIES
 	Organization's Management System and Human Rights <ol style="list-style-type: none"> 1. Code of ethics and business behaviour arrangement and implementation. 2. Commitment in obeying the law and fulfilling tax obligations. 3. Providing the same opportunities for everyone to be a worker, undergoes training, and develops a career in BNBR. 4. Respecting others' civil, political, economic, social and cultural rights. 	<ol style="list-style-type: none"> 1. Implementation and enforcement: Management System Manual; Board Manual; Conflict of Interest Manual; Integrity Pact; and Company Culture. 2. BNBR Group and management is not involved in any legal case and tax issue in 2019. Based on Law No. 13 Year 2003 regarding Manpower, BNBR Group gives the same opportunities to all people aged 18 and above to be a worker, undergo training, and develop a career based on their competencies and performance. 3. BNBR respects individual right in expressing their opinion and expression in group and association that is peaceful, in search and sorting of information, as well as in due process and fair hearing before taking disciplinary action. 4. BNBR provides sufficient health insurance, as well as educational assistance for the workers and their families.
 	Work Force Practice <ol style="list-style-type: none"> 1. Provide good workplace environment and social protection, as well as social dialogue practice 2. Support and manage Occupational Health and Safety. 3. Support personal development. 	<ol style="list-style-type: none"> 1. Workers' responsibility and rights are discussed on a two-way communication forum between management and workers. 2. Employment contract extension. 3. BNBR train workers on Occupational Health and Safety every year to make sure that every worker has the sufficient knowledge of Occupational Health and Safety related to their everyday job. In 2019, there were 327 workers who underwent the training. 4. BNBR continuously improve workers' competencies through various relevant training programmes. Further information can be learned in the chapter of Human Resource Management.
	Environment <ol style="list-style-type: none"> 1. Implementation of environmental risk management. 2. Implementation of prevention approach in dealing with environmental problem related to daily business operation. 	<p>BNBR acquires certification related to environmental issues from external party. The programme that has been held by BNBR can be seen in the programme <i>Hijau untuk Negeri</i>.</p>

POIN SDGs	OUR COMMITMENT PLAN	2019 ACTIVITIES
 <p>4 QUALITY EDUCATION</p>	Fair Operation Practice <ol style="list-style-type: none"> 1. Practicing business ethics in operations and various strategic decision. 2. Respect intellectual rights. 	<p>The company has made and implemented Policy and Procedure No. 264/BNBR/I/2016 regarding Anti-Fraud and Gratification Acceptance Report.</p> <p>BNBR avoids impersonation or piracy and provides fair compensation for the ownership acquired or used.</p>
 <p>12 RESPONSIBLE CONSUMPTION</p>	Consumer's Protection <ol style="list-style-type: none"> 1. Provide customer service, customer support and dispute resolution. 2. Provide clear and useful user information in every product and services. 	<p>BNBR views consumers as partners in business development and sustainability of the company. Therefore, BNBR ensures customer satisfaction and protection as our top priority.</p>
 <p>4 QUALITY EDUCATION</p>	Public Involvement and Development <ol style="list-style-type: none"> 1. Participate in social investment through the improvement of social aspects in the community around BNBR. 2. Involve in improving the education quality and supporting the good health for worker and community around BNBR. 	<p>BNBR aware of the long-term interest in sustainability of the environment where BNBR operates in. This can be seen in 4 of CSR programmes, such as <i>Peduli untuk Negeri</i> (social and religious), <i>Cerdas untuk Negeri</i> (education), <i>Sehat untuk Negeri</i> (health) and <i>Kemitraan untuk Negeri</i> (community development).</p>

CORPORATE GOVERNANCE AND SUSTAINABILITY



The importance of good corporate governance (GCG) and integrity is required in bringing the company towards sustainability.

Based on this understanding, BNBR is fully committed in prioritizing continuously GCG principles that are in line with the company's upholding values in carrying out all operational activities.

The progress of BNBR today is inseparable from our continued efforts to improve good governance (GCG). Likewise, BNBR implements comprehensive GCG principles by considering various aspects in order to increase stakeholders' trust in the company's sustainability in the future.

BNBR always uphold on to the core principles and noble aspirations contained in Trimatra Bakrie. This principle is a guide for BNBR to always implement GCG and uphold firmly by all employees in carrying out company activities. BNBR is not neglecting to make ethics and transparency as all employees' foundation to carry out operational and business activities of the company.

The company sustainability in conducting its business is also supported through various effective risk monitoring and management systems, which are part of the corporate governance system.

CORPORATE GOVERNANCE CHARTER [102-19]

The GCG implemented by BNBR covers several fields, which include the board evaluation processes, internal controls, risk management, and areas of compensation practices.

In support to the creation of good corporate governance standards, BNBR continuously develops a Corporate Governance Charter that is constantly updated and adapted to challenges of times and current business conditions. The Corporate Governance Charter is socialized to all employees to be a guideline when carrying out every activities of the Company.

The guidelines for implementing GCG by the Company are as follows:

1. Corporate Values -> Trimatra Bakrie (Indonesian-ness – Usefulness – Togetherness)
2. Company's Ethics
 - Integrity Pacts
 - Company's Code of Conduct
 - Business Conduct Policy
3. Corporate Governance Manual
4. Board Manual
5. Corporate Governance Implementation Policy & Procedures

6. Company's Risk Management System Manual; Risk Management System Policy & Procedures
7. Company's GCG Roadmap
8. GCG Assessment Participation (Internal/Independent)
9. The Board of Directors Meeting
10. Committees under the Board of Commissioners
 - Audit Committee
 - Nomination & Remuneration Committee
 - Investment & Risk Management Committee
 - Corporate Governance Committee
11. Internal Audit
12. Compliance
13. Whistleblowing System Policies and Procedures
14. Internal Control System
15. Antifraud and Acceptance of Gratification Reporting Policies and Procedures

GOVERNANCE FRAMEWORK [102-18]

BNBR strives to continuously improve management services effectively and efficiently to all stakeholders which is realized through a number of strategic steps. This is done well by installing the Corporate Governance Framework as a foundational reference in managing relationships between the company's functions.

The following is the BNBR Corporate Governance Framework:

GOOD CORPORATE GOVERNANCE STRUCTURE PT BAKRIE BROTHERS TBK



CODE OF ETHICS AND CODE OF BUSINESS CONDUCT [102-16]

Every pillar within the Company, including directors, officers, employees and subsidiaries, always acts ethically and responsibly as a commitment's manifestation to stakeholders. In achieving this path, BNBR has designed a code of conduct in the form of high standards Code of Ethics and a Business Conduct Policy that uphold in high regard by the Company.

BNBR's Code of Ethics lays out standards in interacting with stakeholders. This compliance to the Company's regulations and policies, prohibition in giving donations and entertaining stakeholders and prohibition to any act that may cause any loss to the Company.

In addition, we implement Code of Business Conduct which is a compilation of norms and rules that lay the ethical foundation in conducting any action or expression, providing a clear direction on matters that are obligatory, prohibited, or considered inappropriate to be conducted by employees of BNBR.

Our commitment in implementing good and responsible governance for stakeholders is stipulated in the BNBR's Code of Conduct and Business Conduct. This is stipulation base on Governance Guidelines, Board Manual, Conflict of Interest Guidelines, Integrity Pacts and Corporate Culture.

Socialization through improving understanding of good governance is continue to be carried out consistently and regularly to all BNBR employees through

Governance-Risk-Compliance (GRC) Day held by the Risk Management Division (CRM) and through the company's internal portals.

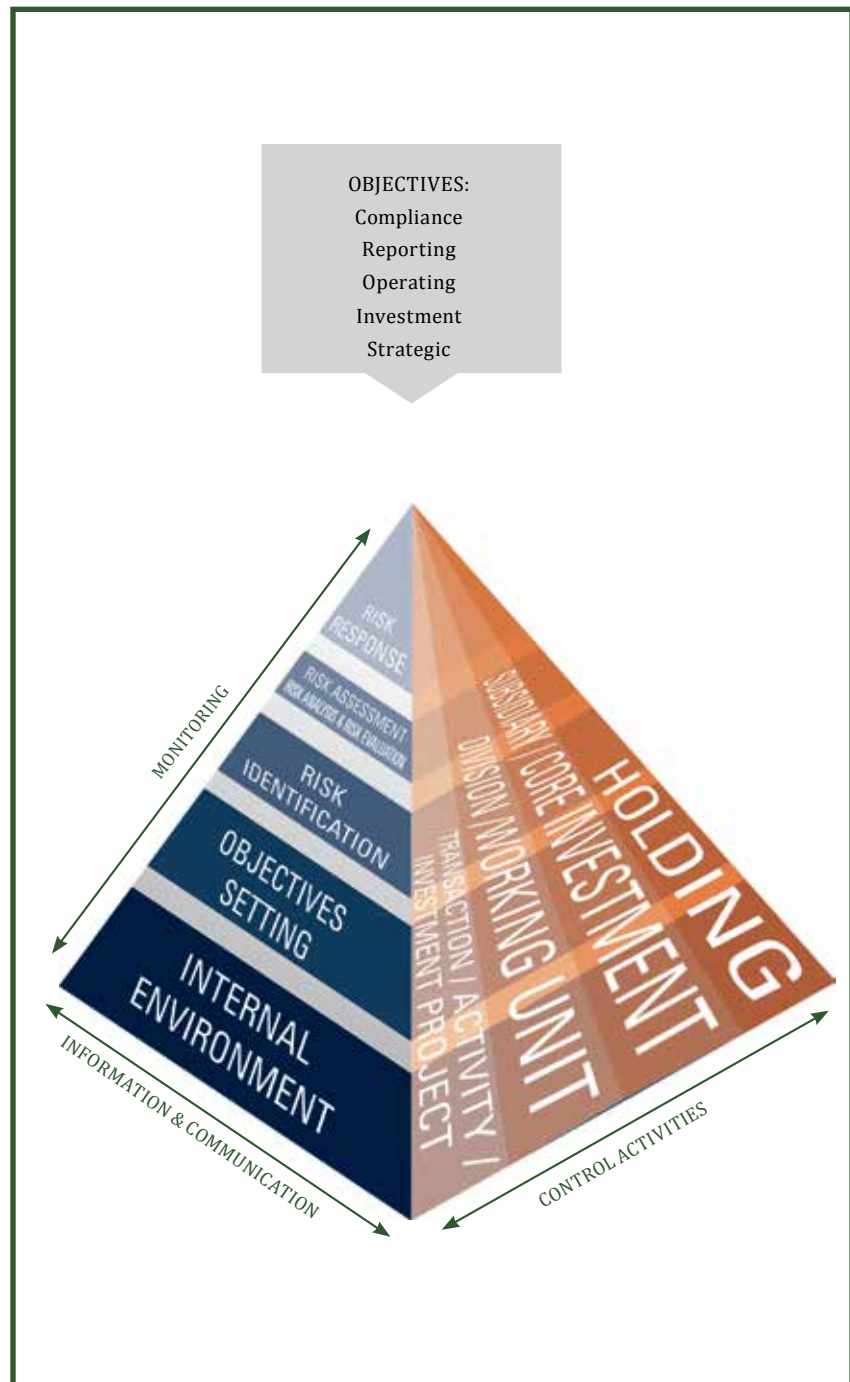
All BNBR employees are committed in implementing good governance (GCG) that is strengthened through the signing of integrity pact in work employment agreement. It contains a compliance agreement toward company regulations for all BNBR employees.

The contents listed the regulations regarding the type of violation and sanctions that are imposed if the employee violates the regulations. Companies can impose sanctions in the form of letters of reprimand, warning letters, or employment termination.

RISK MANAGEMENT [102-15]

In the efforts for realizing good governance (GCG), the Company guarantees that all business activities are running safe and stable so as to avoid any risks and potential losses. Risk mitigation is consistently being carried out by evaluating and identifying every area of BNBR's operational activities.

The Corporate Risk Management Division (CRM) is formed as an implementation and effort by BNBR to strengthen the Company's risk management system. CRM has improves the Company's risk management system through the Framework development in accordance with ISO 31000 standards on Risk Management. We referred this BNBR's Risk Management Framework as The Pyramid.



We always strive to ensure quick and appropriate responses to protect BNBR's business activities and prevent any disruption toward the stakeholders. By creating a management process flow and defining various activities, tools, techniques and organizational arrangements to guarantee material risks can be identified and managed optimally.

The company also appointed Risk & Control Self-Assessment (RCSA) officials as the commitment by the Board of Directors and all BNBR employees towards the implementation of Enterprise Risk Management (ERM). RCSA is working with BNBR's risk and business committees.

Responsibilities of RCSA officials include:

- Forward and disseminate ERM System's Policies and Procedures in all respective work units or risk owners to in an entity within their scope of duties.
- Follow up and socialize the format of the filling documents or Standard Working Papers their respective entities to fill out.
- Collecting Risk Lists from all entities within the scope of their duties, then summarizing them into Risk Lists.
- Collecting the Risk Mitigation Plans and Risk Mitigation Progress Status Reports from all the entity within their scope of duties, as well as reporting to the related unit head if there is any risk that has not been responded or dealt in time.
- Follow up and inform the CRM Division if any business entity within their scope of duties is exposed to a risk whose level is beyond the organization's tolerance limit.
- Conduct an annual evaluation of the implementation of the ERM System in the entity within their scope of duties.
- Facilitating Risk Assessment Meetings in the entity within their scope of duties.
- Assist entities within the scope of their duties in socializing risk management continuously to all employees and related parties.
- Generating, encouraging, and maintaining a risk awareness culture within the entity's scope of duties.

As a way to mitigate the operational risk, CRM sustainably reviews, renews, and finalizes the company's internal policy and procedures which correspond with the Company's directives and policy and in accordance with applicable laws and regulations.

The outcome of these mitigation strategies are used to address risks that have been well identified at the Group and subsidiary level. Identified risks that have a significant impact on the company's operational sustainability in the year 2019 can be found in this Annual Report on page 186-192.

INTERNAL CONTROL SYSTEM [102-15]

We continue to make a series of systematic efforts to minimize the risks that arise in the corporate environment consistently and periodically. In the continuation of the effort, we implement an Internal Control System that is based on an approach developed by the COSO Committee (Committee of Sponsoring Organizations of the Treadway Commissions). BNBR's Internal Control System generally is integrated along the implementation of corporate values, ethics and integrity, which are further reflected in the Code of Business Conduct, Business Conduct Policies, and Integrity Pacts.

The objectives of Internal Control are to ensure the reliability of financial reporting, operational effectiveness and efficiency, and compliance with applicable legislation. The Board of Commissioners directly monitors the implementation of internal control through the Audit Committee.

IMPORTANT LEGAL CASES

Throughout 2019, the Company, the Board of Commissioners, Directors and employees of BNBR were not involved in any legal or tax cases.

WHISTLEBLOWING SYSTEM [102-17]

The Whistleblowing System is a reporting mechanism implemented by the Company to prevent and reduce the risk of fraud, irregularities, impropriety, or violations in both legal and ethical norms. This system becomes a part of the Company's internal control, which is expected to further enhance the corporate culture within the Company.

Enforcement of the Whistleblowing System is regulated, stated in Company Policy and Procedure No. 258 / BNBR / III / 2012 which specifically provides guidance on reporting irregularities, impropriety, breaches of laws and regulations, information on investigation procedure, disciplinary action criteria. The implementation of Whistleblowing System at BNBR is professionally managed by the Ethics & Compliance Committee (ad hoc) with the assistance of Whistleblowing System Administration Management.

All employees, subsidiaries, and external parties are allowed to report any incident that is not in accordance with the

Company's standards of conduct, community norms, as well as applicable laws and regulations.

Whistleblowing System is constantly being socialized and implemented to all BNBR employees. This is carried out in line with the company's sustainability initiatives and business development towards better future.

The Ethics & Compliance Committee and the Whistleblowing System Officer (investigation team) guarantee in providing security and convenience toward the reporting party or Whistleblower personal identity protection.

As of December 2019, there were no reports of any violations reported through the Whistleblowing System neither from employees, subsidiaries, or external parties.

Whistleblowing System Procedures Conducted by the Employees as Illustrated Below:

WHISTLEBLOWING SYSTEM PROCEDURES CONDUCTED BY THE EMPLOYEES



ANTI-CORRUPTION MEASURES, TRAINING AND DISSEMINATION

Culture of corruption is one of the sources of problems that result in company's imparity. We are firm and fully committed in mitigating corruption and bribery practices in all operational areas which also in line with the government's focus on eradicating corruption at its root. These anti-corruption policies and procedures are stipulated in regulation No. 264 / BNBR / I / 2016 concerning Anti-Fraud and Reporting on Acceptance of Gratification. [103-3]

BNBR implements procedures that are related to corruption as a useful control to all employees in carrying out operational activities whilst avoid in committing acts of corruption.

Any suspected corruption or bribery case will be investigated in accordance with applicable regulations and penalties / sanctions will be imposed on the employee. A comprehensive evaluation will be conducted if there are occurrence cases of corruption and briber in order to prevent the recurrence of the incident. [103-1] [103-2]

We consistently and continuously conduct regular training in anti-corruption culture and socialization as a part of GCG implementation to all employees and third parties who work closely with BNBR. These activities are implemented efforts for BNBR's anti-corruption policies, standards and procedures to be understood by all levels of management, employees, suppliers and business partners of the Company.

During the reporting period, there is not any incident of corruption and legal case involving BNBR employees and management. [205-3]

SUSTAINABLE ECONOMIC PERFORMANCE





The whole 2019 has become
a momentum for BNR in
strengthening company's
business foundation
in manufacture and
infrastructure.

We hope that these strengthening business lines
will bring BNR to better sustainability into the
future. Furthermore, the stronger BNR businesses
will maximize our contribution to Indonesia
economic improvement as a country and its people.

In 2019, BNBR faces increasingly dynamic business challenges. We continue to stay up-to-date with business development in order to strengthen our company's competitiveness therefore we can contribute maximally towards this country progress. We, BNBR, is sustainably strengthening the running of manufacturing and infrastructure business sector. The manufacturing and infrastructure business sectors are important for us because of these two matters. First, the manufacturing sector is the cornerstone of the Indonesian economy as it is the largest contributor to Gross Domestic Product (GDP) in 2019. Second, the infrastructure sector is one of the seven sectors in the Indonesian government's development agenda. [103-2]

BNBR's contribution to infrastructure development and manufacturing in Indonesia can be seen from various businesses run by BNBR's subsidiaries, which include:

BAKRIE INDO INFRASTRUCTURE

- 2x660 MW Steam Power Plant Tanjung Jati A in West Java
- 26.4 km Cimanggis-Cibitung toll road in West Java
- 200 km Kalijaga gas pipeline along as phase 1 off the north coast of Java from Kepodang to Tambak Lorok
- 550 km of gas pipelines as phase 2 from Bontang, East Kalimantan, to Banjarmasin, South Kalimantan.

BAKRIE METAL INDUSTRIES

- Contribute in non-oil & gas construction for the procurement of guardrails and bridges for various toll road projects.

BAKRIE PIPE INDUSTRIES

- Contribute in the supply of pipes steel for oil & gas distribution
- Contribute in the supply of electric poles for electricity distribution for PLN
- Contribute in the supply of steel pipes for water distribution

BAKRIE BUILDING INDUSTRIES

- Supporting the housing accessibility and its settling plans that are decent, safe and affordable.

OPERATIONAL AND FINANCIAL PERFORMANCE [201-1]

In 2019, BNBR recorded a satisfactory financial performance with a positive score and a net profit of Rp863.27 billion. It is due to the increase in company's efficiency. We continuously evaluate every operational activity regularly and improve them if necessary for the operational performance to be more effective. In addition, we consistently continue to initiate various company's businesses sustainability programs in order to face the dynamic challenges in business competition going forward.

BNBR's positive financial performance throughout 2019 was driven by the strengthening of the rupiah exchange rate, Rp580 points increase which record as a foreign exchange gain in the company book. In addition, we implement debt restructuring to improve the financial position of BNBR and we achieved good results from it. The Company has managed to restructure its debt of Rp11.41 trillion until the end of 2019. BNBR's subsidiaries also recorded improved performances even though they did not show improvement as a whole in macroeconomic level. Following are BNBR operational performance per business segment:

BAKRIE PIPE INDUSTRIES

In 2019, PT Bakrie Pipe Industries (BPI) as a subsidiary of BNBR that produces steel pipes is recorded an revenues of Rp1.83 trillion which surpass its achievements in 2018 of Rp1.63 trillion. BPI has diverse multi-year sustainable projects and few number of new projects in both oil-and-gas and outside oil-and-gas sectors.

In the oil & gas sector, BPI is entrusted to be the steel pipes supplier for Pertamina downstream sector which has been installed since the end of 2017 and is completed in the first semester of 2019. On the other hand, BPI has become the supplier of electricity poles for PT Perusahaan Listrik Negara (PLN) in the non-oil-and-gas sector.

BAKRIE AUTOPARTS

PT Bakrie Autoparts (BA) is a business unit of the company that manufactures automotive components. At the moment, BNBR has become the supplier of commercial vehicle components to two major OEMs in Indonesia, namely Mitsubishi and Hino. In the future, BA will try to increase its operational performance by selling components in the non-automotive segment (general casting).

In 2019, BA recorded revenues of Rp 698.68 billion. BA revenue has decreased in 2019 compared to the previous year which influenced by the decline in sales in the automotive sector as the majority of BA products are used for commercial vehicle components. However, BA strived to sell products with higher margins which resulted in the increasing operating income from Rp 26.51 billion in 2018 to Rp 36.85 billion in 2019, up by 36.1%.

BAKRIE METAL INDUSTRIES

PT Bakrie Metal Industries (BMI) is a BNBR business unit engaged in the metal industry. BMI has experience in handling EPC projects for diverse oil-and-gas and non-oil-and-gas constructions. In 2019, the majority of projects handled by BMI came from non-oil-and-gas constructions. BMI's operational performance can be seen from the BMI's annual production capacity of 200 thousand tons of steel pipes use for the oil-and-gas sector and non-oil-and-gas, 20 thousand tons of non-oil-and-gas manufactured steel structure and 2.5 million work hours of oil-and-gas manufactured steel structure.

BAKRIE INDO INFRASTRUCTURE

PT Bakrie Indo Infrastructure (BIIN) is BNBR business unit engaged in infrastructure. In running its business, BIIN places strong emphasis on investment in toll road, electricity, oil-and-gas, port and telecommunications infrastructure projects that are profitable and have high growth potential.

At the moment, there are three main infrastructure projects handled by BIIN, i.e. the 2x660 MW Tanjung Jati A Steam Power Plant in West Java, the 26.4 km Cimanggis-Cibitung toll road in West Java and the Kaliya gas pipeline consisting phase 1 - a 200 km off the north coast of Java from Kepodang to Tambak Lorok and phase 2 - a 550 km from Bontang, East Kalimantan, to Banjarmasin, South Kalimantan.

Through PT Multi Kontrol Nusantara (MKN) as subsidiary, BIIN has also developed telecommunication support infrastructure and a technology solution. MKN has been one of the implementers of the Palapa Ring project, which is one of the Government's efforts to improve Indonesia's digital connectivity. In 2019, MKN has recorded revenues of Rp 252.95 billion

BAKRIE BUILDING INDUSTRIES (BBI)

PT Bakrie Building Industries (BBI) is a BNBR business unit that manufactures building materials. BBI is one of the pioneers of building material manufacturers in Indonesia that provides Total Building Solutions for the domestic and international markets. BBI products are high-quality building materials such as fiber cement for roofs, ceilings and partitions as well as wood replacement products.

BBI has developed two business lines to improve the sustainability of its business, i.e. a platform for prefab home solution providers and another platform for logistics and distribution services. BBI shift the business lines from manufacturing to services provider in fabrication, distribution and logistics. Therefore, the production capacity and varieties in BBI products are reduced and BBI's effective capacity is at 15.9 million Stdm by the end of 2019.

DISTRIBUTION OF ECONOMIC BENEFITS [201-1]

We keep improving the effectiveness and efficiency of our operational performance in 2019 in order to improve our financial performance. This can be seen from Rp863.27 billion net profit and an increase of Rp137.67 billion for the operating profit.

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED [201-1]

CATEGORY	2019 (IN MILLION OF RUPIAH)	2018 (IN MILLION OF RUPIAH)	2017 (IN MILLION OF RUPIAH)
ECONOMIC VALUE GENERATED			
Revenue	3,235,677	3,340,451	2,459,736
Other Incomes	83,677	401	1,071
Total Economic Value Generated	3,319,354	3,340,852	2,460,807
ECONOMIC VALUE DISTRIBUTED			
Operating Costs	278,799	328,580	264,452
Employees salary and allowance	261,789	262,837	253,125
Total Operational Costs and Employee Salaries	540,588	591,417	517,577
Total Payment for Funds Provider	96,686	63,570	50,667
Expenses for Government Obligation (tax, royalties, etc)	187,893	112,878	687,336
Community Development Expenses	17,867	1,498	1,068
Total Economic Value Distributed	842,934	769,363	656,648
Economic Value Retained	2,476,420	2,571,489	1,804,159

Note:

- The Company's economic performance is presented in a consolidated manner in accordance with the audited financial statements, therefore it is not presented based on subsidiaries.
- The calculation of economic value presented in the Sustainability Report uses the cash basis method as recommended in GRI Standard, so that the figures presented are different from the Audited Financial Statement.

CONTRIBUTION TO THE NATIONAL INCOME THROUGH TAX

In 2019, BNBR has contributed to Indonesia through tax payments of Rp187.89 billion to national treasury as recorded revenues, up 66% from the previous year of Rp112.88 billion.

SUSTAINABLE PARTNERSHIP WITH SUPPLIERS [203-1][203-2]

BNBR ensures and is committed to implementing trustworthy, family-friendly practices and continuing good communication with suppliers. Since a good relationship with supplier will result in smooth running of our business processes.

We consistently involve our local suppliers to be engage in BNBR's business processes. This is ultimately done in order to drive the local economy toward improvement. Throughout 2019, BNBR has work with thousands of suppliers in running our business operations.

In addition, we regularly review our suppliers' performances to maintain the quality and quantity of the products and services. We are safeguarding the fulfillment of the partnership agreements with our suppliers, ensuring the criteria set by the Company are met. Also, we need maintain the partnership between the company and our suppliers always follows the applicable government law and regulations.

RESPONSIBLE PRODUCTS, SERVICES AND BUSINESS OPERATIONS

We believe the expanded business till this day due to our customer trust in the quality of products and services offered by BNBR. Therefore, we maintain its quality and suitability of the product and services offered to customer demand by continually run verifications. In addition, we also ensure the quality of expertise and competency of human resources who are operationally responsible for BNBR including in providing construction services in the oil-and-gas sector in the engineering equipment supporting the oil & gas sector.

Furthermore, BNBR has consistently apply the international standard ISO 9001: 2008. We also appoint an independent survey institution in conducting inspection on the production systems and guarantee standards according to set standard. This is a manifestation of the company's commitment to produce the best quality products and services.

It is important to us by making sure the products and service produce responsibly to minimize the health and safety risks on our customers. BNBR consistently implements a strict production process as well as attaching clear information and instruction manual to customers on the packaging and / or product brochures. Also, BNBR is committed to continuously monitoring the health and safety impact of the product in accordance with applicable laws and regulations. BNBR did not receive any health and safety non-compliance report on our products and services throughout 2019. [416-2][417-2]

Each BNBR manufacturing product is equipped with product information, instruction manuals and other specifications, such as: [417-1]

- SNI index number
- Brand name / manufacturer's company logo
- Product name

- Weight and thickness (for steel pipes and plates)
- Customer service telephone numbers for any complaints or questions

In addition, we provide customer services for any complaints and suggestions/input related to our products and services. This is a part of BNBR's commitment and compliance with Law and Regulations (UU) No. 8 in 1999 in regards to consumer protection. Clear customers' feedback or information is also a form of our corporate responsibility.

RELATIONSHIP MANAGEMENT & CUSTOMER SATISFACTION ASSESSMENT

We are committed in always maintaining good relationships with our customers by upholding the values of integrity and professionalism in performing the operational activities. We always provide the best services with great sincerity and honesty to our customers, which include customer from the infrastructure sector, the automotive sector for parts, the construction service sector for steel / pipe products and building materials, as well as other sectors

We routinely conduct customer satisfaction evaluations to improve the service quality for our customers. We have developed an after-sales service program that aims to help customers in regards to any issue of our products, and for every operational activity they run.

It is important for BNBR to ensure that customers receive factual and accurate information on each product produced and experience fair practices in fulfilling contracts that comply with applicable laws and regulations. Also, we are committed to maintaining the confidentiality on our customer data, as a form of customer protection so that there are no privacy violations or loss of customer data. BNBR proved its commitment to customer satisfaction with no complaints and legal sanctions received throughout 2019. [418-1]

BNBR FOCUSES ON DEVELOPING ELECTRIC VEHICLES WITH THE DKI JAKARTA PROVINCIAL GOVERNMENT

The emergence of electric vehicles era is well responded by the Indonesian government and local automotive industries. On April 29, 2019, BNBR together with the Provincial Government of DKI Jakarta held an event called Trans Jakarta Electric Bus Trial in the City Hall yard. This event was opened by DKI Jakarta Governor Anies Baswedan, and attended by Trans Jakarta bus operators and other related parties.

BNBR is one of the partners of Trans Jakarta in developing a fleet of Electric Busses. Through this trial, PT Trans Jakarta is seeking to increase the use of electric buses to supplement their already operating fleet as one of their urban transportation mode.

PT Bakrie Autoparts as a subsidiary of PT Bakrie & Brothers Tbk has formed a partnership with BYD Auto, a leading electric vehicle manufacturer from China in developing these electric buses. PT Bakrie Autoparts plans to gradually

develop the electric bus industry, which will begin with the importation of whole units (CBU) from BYD, and then gradually they will extend the industry structurally in this country in the next few years.

These electric buses which is a joint effort between BA and BYD, are the first electric buses in Indonesia that has passed all the provisions of the homologation process and fulfill all legal and technical requirements for testing. Currently, these electric buses are initiated by BA and BYD to be tested commercially on the Trans Jakarta route.

Furthermore, the national development of related industries such as the component industry and electric vehicle parts will prosper with the support from this partnership. This is in line with the existing TKDN improvement program. Going forward, BNBR has prepared steps for technology-transfer and development of locally sourced electric buses.



COMPETENT AND SUSTAINABLE HUMAN RESOURCES





Competent Human Resources (HR) is one of the keys in the Company sustainable development.

Throughout the Company's history, BNBR has always been committed to keep supporting employees in working and innovating to face any challenging time by creating a safe and comfortable work environment. This is done in order to assist employees' personal development and careers; therefore it is in line with BNBR's business sustainability

BNBR always strives to achieve sustainability through business development in all range of sectors. The company realizes that this goal will be difficult to achieve without the presence of competent Human Resources. BNBR develop a program as a concrete step to improve the quality of Human Resources which is reliable and in line with the Company's development strategy. We believe that good management of Human Resources who have a high work ethic, are committed, consistent and motivated will contribute the best result toward the Company's and Indonesia advancement.

BNBR carried out various integrated HR development and management programs in order to ensure an effective, sustainable and integrated HR management system. Several HR management programs and their organizations have been conducted throughout 2019. These includes including agreement and organizational design development program which in accordance with the Company's business capital, HR planning and recruitment programs, performance management, remuneration management, HR systems and procedures, leadership development programs and corporate culture development programs. [103-2]

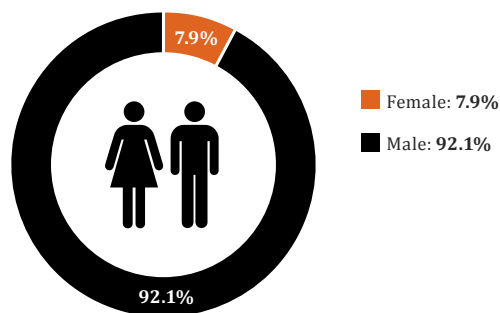
The Company's HR management efforts are optimally realized by perfecting the Company's HR Policies and Procedures (KSDM). Human Resources is planned from both quantity (people quantity) and quality (people quality) of the workforce needed for the next five years to anticipate our business development. BNBR has reorganized the Company's KSDM which regulates policies in regard to business behavior, organization, recruitment and selection process, inter-departmental mutations, inter-company transfers within the Bakrie Group, performance appraisal systems, training and development, compensation and benefits as well as industrial relations. [103-2]

BNBR gives opportunities for everyone without discrimination on the basis of race, skin color, sex, religion, political opinion, and descent in recruiting new employees. We claim that BNBR did not have any discrimination incidents both internally and externally during this reporting period. [406-1]

BNBR'S EMPLOYMENT PROFILE 2019

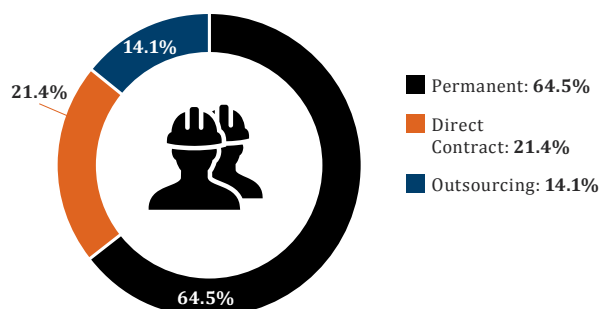
EMPLOYEE COMPOSITION BASED ON GENDER [102-8]

GENDER	2017	2018	2019
Male	3,365	2,347	2,929
Female	293	795	251
TOTAL	3,658	3,142	3,180



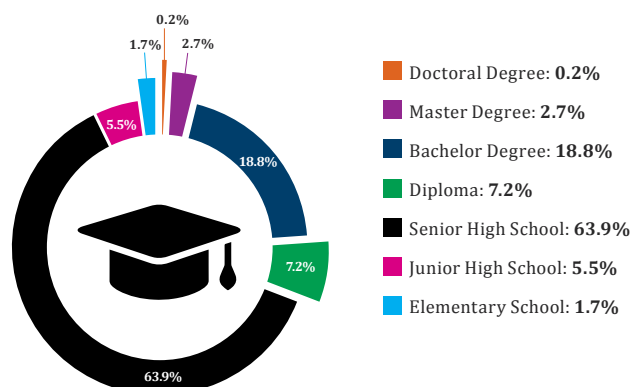
EMPLOYEE COMPOSITION BASED ON EMPLOYMENT STATUS

STATUS KEPEGAWAIAN	2017	2018	2019
Permanent	2,555	2,201	2,052
Direct Contract	574	560	681
Outsourcing	529	381	447
TOTAL	3,658	3,142	3,180



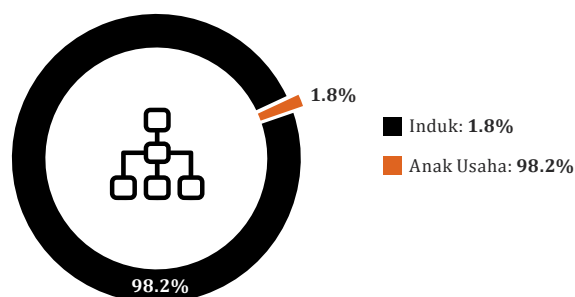
EMPLOYEE COMPOSITION BASED ON EDUCATION LEVEL

EDUCATION LEVEL	2017	2018	2019
Doctoral Degree	2	5	5
Master Degree	82	89	87
Bachelor Degree	660	598	597
Diploma	251	254	230
Senior High School	2,377	1,930	2,033
Junior High School	206	194	175
Elementary School	80	72	53
TOTAL	3,658	3,142	3,180



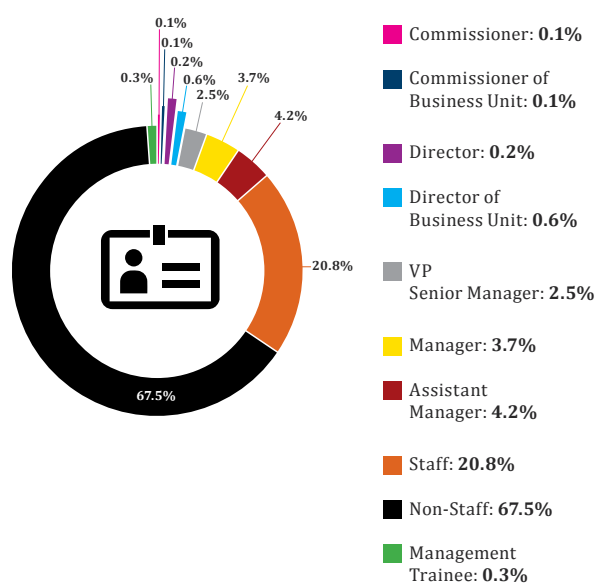
EMPLOYEE COMPOSITION BASED ON ORGANIZATIONAL LEVEL

ORGANIZATIONAL LEVEL	2017	2018	2019
Holding	55	57	58
Subsidiary	3,603	3,085	3,122
TOTAL	3,658	3,142	3,180



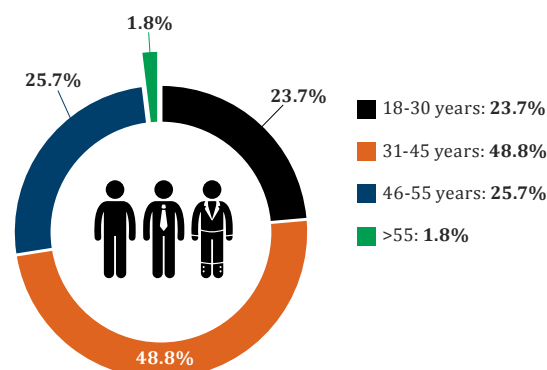
EMPLOYEE COMPOSITION BASED ON POSITION

POSITION	2017	2018	2019
Commissioner	3	3	4
Commissioner of Business Unit	0	1	2
Director	4	5	5
Director of Business Unit	25	24	18
VP/Senior Manager	78	86	81
Manager	142	127	117
Assistant Manager	128	136	133
Staff	676	654	663
Non-Staff	2,587	2,102	2,146
Management Trainee	15	4	11
TOTAL	3,658	3,142	3,180



EMPLOYEE COMPOSITION BASED ON AGE GROUP

AGE GROUP	2017	2018	2019
18-30 years	976	803	755
30-45 years	1,768	1,494	1,551
45-55 years	833	783	816
> 55 years	81	62	58
TOTAL	3,658	3,142	3,180



EMPLOYEE TURNOVER (RESIGN) BASED ON POSITION

POSITION	2018	2019	Variance
Commissioner	0	0	N/A
Director	3	2	-33%
VP/ Senior Manager	9	2	-78%
Manager	23	6	-74%
Assistant Manager	4	8	100%
Staff	46	34	-26%
Non Staff	25	35	40%
Management Trainee	0	0	N/A
TOTAL	110	87	-21%

NEW HIRES BASED ON POSITION

POSITION	2018	2019	Variance
Commissioner	0	1	N/A
Director	1	3	200%
VP/ Senior Manager	10	8	-20%
Manager	12	5	-58%
Assistant Manager	7	7	0%
Staff	73	93	27%
Non Staff	301	225	-25%
Management Trainee	4	7	75%
TOTAL	408	348	-15%

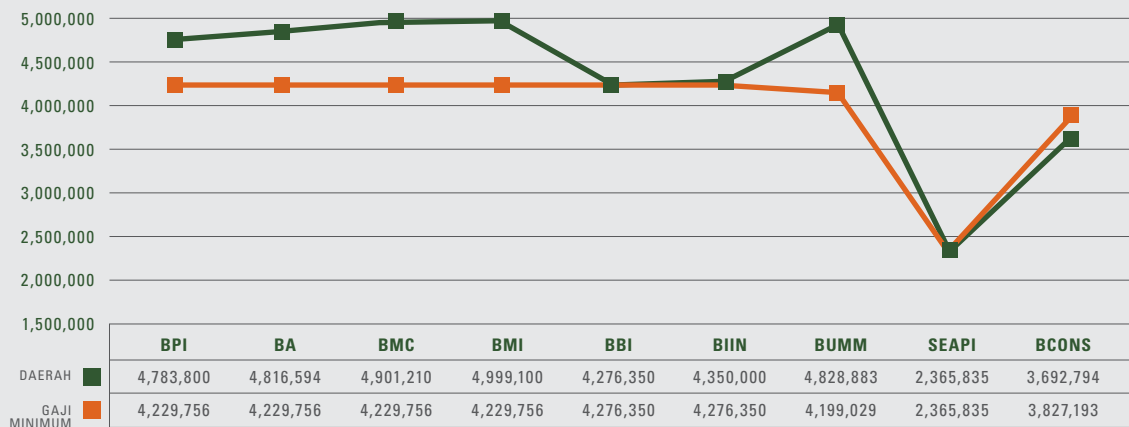
REMUNERATION

Remuneration is one of the steps taken by BNBR to create qualified human resources (HR) with high work ethic and corporate culture. BNBR executes this remuneration scheme by adhering to the principles of internally fair and external competitiveness in its implementations.

BNBR remuneration scheme is not only implemented to increase productivity, it helps every individual within the company to have equal rights in the distribution of compensations and remuneration.

In 2019, BNBR has distributed total remuneration of Rp390.77 billion to all employees (not including outsourced employees). This is part of BNBR appreciation toward its employees who have given the Company their best performance. These remuneration and bonuses are determined based on annual performance appraisal of each employee.

REMUNERATION OF ENTRY-LEVEL WAGE STANDARD IN BNBR AND SUBSIDIARIES COMPARED TO THE LOCAL MINIMUM WAGE



Note:

- Remuneration ratio between male and female employees are (equal) 1:1
- The BPI, BA, BMC and BMI Operational Areas are located in Bekasi area. BBI and BIIN are located in Jakarta, BUMM is located in Tangerang, SEAPI is located in Lampung and finally BCON is located in Cilegon.

REMUNERATION & BENEFITS [401-2]	PERMANENT	TEMPORARY
Wages and Salaries	√	√
Support for Celebrations on Religious Holidays	√	√
Transport Allowance	√	√
Annual Leave	√	√
Working Period Reward	√	
Production Services Reward	√	
Employee Health Insurance (BPJS Kesehatan)	√	√
Worker Social Security (BPJS Tenaga Kerja)	√	√
Meal Allowance	√	√
Positional Allowance	√	√
Employees' Family Grief Allowance	√	√
Shift Allowance	√	√
Employee Attendance Incentives	√	√
Telecommunication Allowance	√	
Maternity Leave	√	√
Marriage Allowance	√	√
Hajj/Umroh Bonus	√	
Company Clinic	√	√
Yearly Bonus	√	√

REMUNERATION & BENEFITS [401-2]	PERMANENT	TEMPORARY
Housing		
Recreation	√	√
Replacement Allowance	√	√
Family Allowance	√	
Education Allowance	√	

BNBR always support its employees in offering opportunities for personal development and learning, in order to support company's achievement and its sustainability. With this realization, we offer opportunities for every employee to improve their expertise with a variety of training and mentoring provided by the Company.

The type of training we provide is divided into two groups, i.e. Managerial and leadership training programs and Specialized skill trainings. In its implementation of training and development programs, BNBR is collaborating with the Bakrie Strategic Solution (BSS) / Bakrie Learning Center (BLC). This collaboration formulates Talent Management system as long-term sustainable program. This program is organized into several stages, as follows:

1. Talent assessment and identification.
2. Implementation of the Bakrie Succession Plan
3. Development of talent leadership programs through the Bakrie Leadership Development Program
4. Formulation and Socialization of Bakrie values, or Trimatra Bakrie
5. Carrying out Bakrie Engagement Programs

TRAINING AND DEVELOPMENT [103-2] [404-2]

NUMBER OF PARTICIPANTS AND COST OF TRAINING PER TRAINING CATEGORY

Training	Participant	Training Cost (in Rupiah)
Management and Leadership Training	23	59,200,000
Functional Ability Development Training (Finance, HR, Marketing, Operation, Legal)	304	744,906,820
ISO and Continuous Improvement Related Training	545	166,804,405
Basic Corporate Values Training	49	51,470,000
TOTAL	921	1,022,381,225

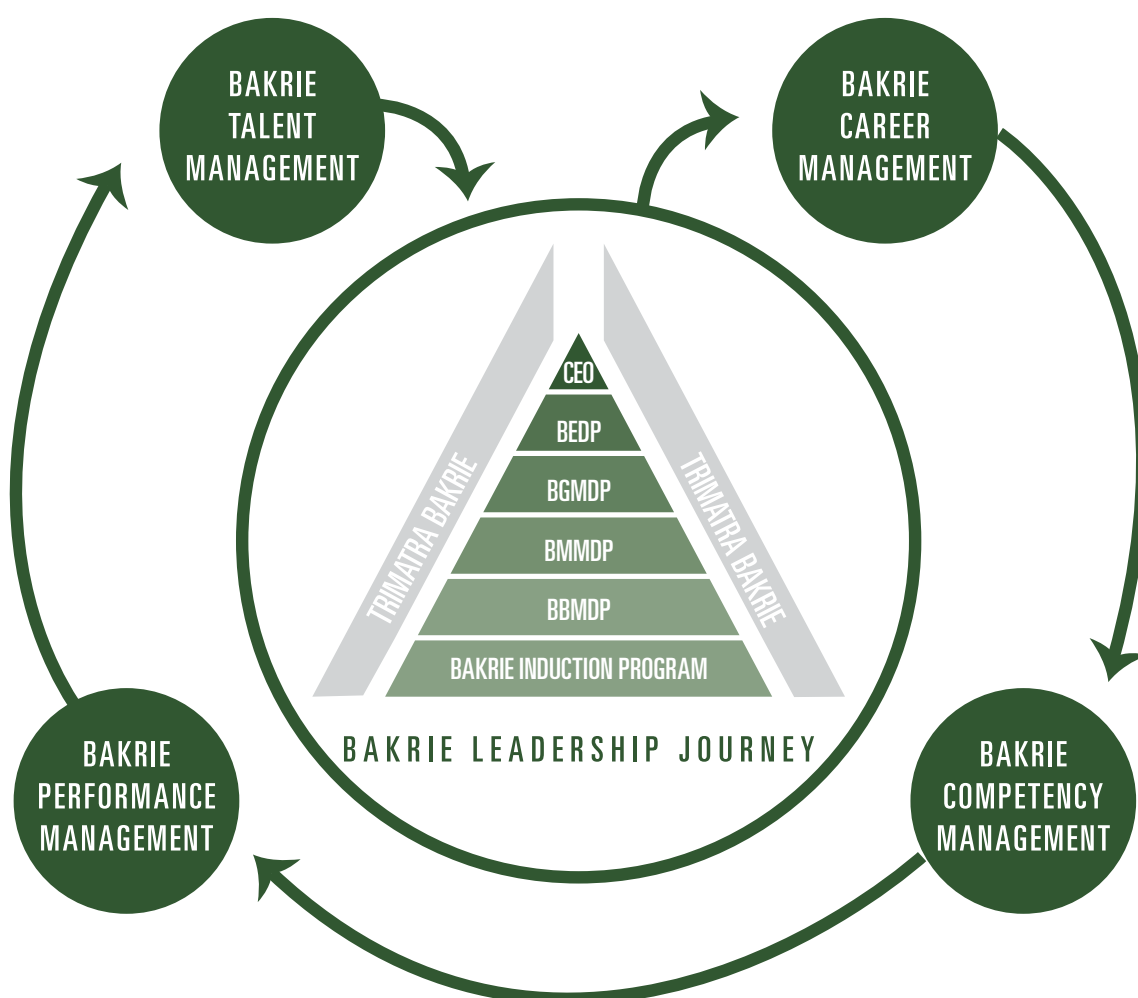
BAKRIE'S LEADERSHIP DEVELOPMENT PROGRAM

The Company can run effectively and ideally if it is run by competent human resources and understand the intricacy of the Company's operations. The company also collaborates with the Bakrie Strategic Solutions (BSS) and Bakrie Learning Center (BLC) in building a leadership development system for every level in the Company's organization through a program called the Bakrie Leadership Journey. This program ensures the birth of future leader candidates within the Bakrie Group.

Bakrie Leadership Journey is a tiered and structured leadership development program. This is done to ensure the BNBR Group's business sustainability which is in accordance with set competency and performance standards. In compiling the Bakrie Leadership Journey development program framework, several aspects such as competency and performance that lead to the formation of a talent pool and career path are the basis for consideration.

Furthermore, each individual will pass a number of stages in the form of Bakrie Career Management, Bakrie Competency Management, and Bakrie Performance Management. These processes are carried out to map the competencies and performance of each individual until they finally reach Bakrie Talent Management.

These processes are executed in accordance with the Company's principles and culture contained in Trimatra Bakrie. Therefore, the Company can identify these talents according to their talents and potential.



Based on these stages, the program levels are arranged starting from the entry level to the executive level, i.e:

1. Bakrie Future Leader Development Program (BFLDP)

BFLDP is a program that is intended in the effort to find talents to become the Company's future leaders. Employees who taken part in this program are expected to be able to understand culture aspect, vision, mission, and the Company line of businesses as a whole. Therefore, the graduate of this program later on can fill any position within the Company.

2. Bakrie Basic Induction Program (BBIP)

This program aims to provide new employees with an understanding of the culture, vision and mission of the Company. Employees will have the foundation and the in-depth knowledge of their work environment, as well as be able to contribute to the Company's targets and achievements after participating in the BBIP.

3. Bakrie Basic Management Development Program (BBMDP)

Through BBMDP, employees will be equipped with in-depth knowledge and ability to manage teams. These employees will later on becoming more independent to self- manage themselves, manage tasks effectively and also lead small-sized work teams within their department or division. These employees are expected to be capable and skilled individuals, able to lead their teams to achieve the Company's goals and objectives.

4. Bakrie Middle Management Development Program (BMMDP)

BMMDP aims to produce individuals with interpersonal level leadership abilities. Employees will have the competence to optimize team performance, control processes effectively and also able to build/plan new ideas into action-plans through this program.

5. Bakrie General Management Development Program (BGMDP)

The main objectives of BGMDP program are that the employees have the abilities to manage cross-functional responsibilities, provide a more integrated and multidisciplinary view of strategy and leadership, develop ambidextrous abilities and enhance entrepreneurial enthusiasm to build a company's competitive advantage.

6. Bakrie Executive Development Program (BEDP)

The aim of this program is to increase the competence of upper level management strategist and upper level management candidates. These Company leaders are given knowledge in to think creatively and being innovative in strategic planning. The knowledge to have a broader mindset be able to identify and assess any challenger/risks, to motivate, and to mobilize human resources as the Company's competitive capital, as well as to develop the capabilities of corporate entrepreneurship (intrapreneurship).



OTHER TRAINING PROGRAMS

The Managerial Training programs and Specialized Skill Training programs are offered to employees. They have been well tested due to their collaboration with leading institutions which are competent in their fields.

In addition, an Employee Competency Development Program is implemented for all BNBR employees.

This year the training program is focused on the program:

1. “Finance for Non-finance” Training Program

This program is intended for employees who do not have any background in the financial sector. It provide education in utilizing financial reports properly. After this training, participants will have knowledge about:

- Strategic financial management
- Various processes in financial activities
- Effective and efficient money management
- The importance of financial management capabilities for each person in the Company

2. Retirement Preparation Training

The welfare of the employees after retirement remains BNBR’s concern; BNBR consolidates all workers in the Defined Benefit Pension Program organized by the Bakrie Pension Fund. Employees who have entered retirement and early retirement will be provided with knowledge and preparation to ensure their well-being when they have retired.

The company also organizes “Building Entrepreneurship Mindset” training program, which the Company held a joint corporation with the third parties. Some of this program’s objectives are:

- Provide knowledge, experience and ideas to prospective retirees in preparing themselves for retirement,
- Prepare prospective retirees psychologically to feel more calm, peaceful and happy, and recognize the goals that need to be achieved in life after retirement,

- Have the skills needed to manage family finances,
- Have a more comprehensive picture of how to transform themselves from employees into entrepreneurs, if retirees are interested in entrepreneurship.

In addition to the above training, the Company also conducts other training program, i.e. “Mental Preparation Training, Business Mindset and Business Planning for Early Retirement Employees”. This training consists of a series of events including presentations from relevant speakers, workshops and sharing sessions.

EMPLOYEE RIGHTS

BNBR always upholds the right of every employee to receive equal opportunity in reward and compensation for their contributions to the Company. All employees without any exception have equal opportunity to be employed, in terms of receiving assignments as well as training and career development in accordance with their competencies and performance.

BNBR employees are also given the freedom to become union members of their choice and gain access to collective bargaining. As a manifestation of BNBR’s compliance in the Indonesian Government’s labor practices in accordance with Law No. 13 of 2003 on Employment, the Company limits the minimum age of workers to 18 years. [102-41]

NAME OF TRADE UNION	NUMBER OF MEMBERS
Serikat Pekerja Metal Indonesia (SPMI)	439
Serikat Pekerja Seluruh Indonesia (SPSI)	964
Serikat Pekerja Bangunan dan Pekerjaan Umum (SPBU)	0
SP INTERNAL	0
TOTAL	1,403

EMPLOYEE PERFORMANCE ASSESSMENT MANAGEMENT

Performance appraisals are implemented to measure and improve all human resources' performance as well as increase their potentials for the company's sustainability going to better direction. This assessment is carried out comprehensively, so all Human Resources have the same vision and direction in building the Company's businesses.



BAKRIE PERFORMANCE CONTRACT

BNBR applies a performance appraisal system through system development and the establishment of Key Performance Indicators (KPI), which are the basis of the Company's performance appraisal process and individual employee performance. This system is one of the criteria for determining the career paths of all levels of Human Resources.

The job evaluation system needs to be carried out in an objective, fair and measurable manner based on established standards. The Company implements Bakrie Performance Contract (BPC) for employee performance appraisal. This BPC has been systematically compiled to assist employees in achieving their already set goals.

The BPR system allows work processes and employee performance to be monitored through the Position Description, Objective Setting and Performance Review documents.

Employees will receive an assessment measured through their work results (KPI) with a weight of 80% and employee competence with a weight of 20%.

REWARD MANAGEMENT

Through remuneration schemes that are based on the principles of internally fair and external competitiveness. BNBR keeps mentoring and assisting their employees to achieve all their potential which rooted in a consistent work ethic and culture.

Also, BNBR facilitate all components of the Company to achieve mutually agreeable goals by implementing a reward and punishment policy system. Employees who have good performance and achieve certain targets will receive a reward. On the contrary, Employees who neglect their work will be subject to proportional sanctions.

EMPLOYEE WELFARE AND FACILITIES

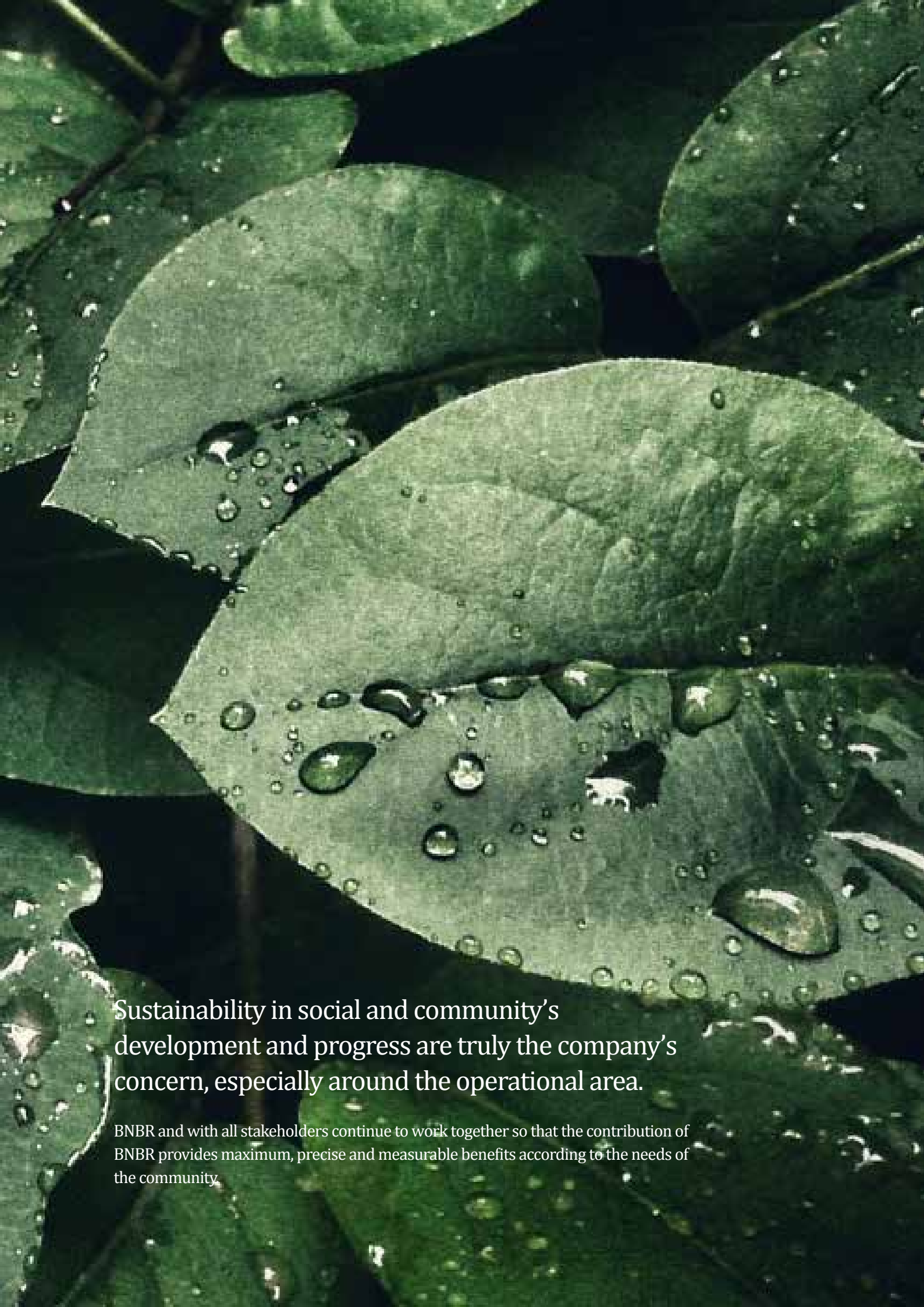
BNBR pays attention to the welfare of every employee by establishing various facilities that support employees to continue to grow. These various facilities includes employee cooperatives, Bakrie Pension Fund Programs, health clinics, canteens, educational assistance for staff level employees as well as for employees' children with outstanding achievements, recreational activities and sports programs for all BNBR employees.

BNBR provides coaching in the development of cooperative organization through the BNBR Employee Cooperatives (Kopkar). This is done in order to help them fulfill employees' needs. This cooperative consists of savings and loan cooperatives, shops, and office stationery supplies.

The welfare of retired employees is guaranteed under a defined benefit pension plan under Bakrie's Pension Fund program which does not require the employees to make contributions toward BNBR. All facilities are given to improve employees' wellbeing so that they are able to concentrate more on their work. They able to achieve progression both themselves and the sustainability of the Company.

SOCIAL AND COMMUNITY DEVELOPMENT

A close-up photograph of green leaves with water droplets, serving as a background for the text. The leaves are vibrant green and have a prominent vein structure. Numerous small, clear water droplets are scattered across the leaf surfaces, some appearing as bright highlights. The lighting is soft, creating a natural and fresh atmosphere. The text 'SOCIAL AND COMMUNITY DEVELOPMENT' is overlaid in a clean, white, sans-serif font, positioned in the upper left quadrant of the image. A thin white horizontal line is placed above the text.



Sustainability in social and community's development and progress are truly the company's concern, especially around the operational area.

BNBR and with all stakeholders continue to work together so that the contribution of BNBR provides maximum, precise and measurable benefits according to the needs of the community

As a company that is in the midst of people and the community, BNBR is always loyal to maintain harmonious relationship with the social environment in order to achieve positive benefits for all parties.

Our company's achievements to this day are inseparable from the great support provided by the community. Therefore, BNBR continues to maintain their harmonious relations with the people and community is one of their priority aspects.

BNBR aims to bring the company and the community to grow together sustainably by actively participating in fostering this relationship. [103-2]

The company collaboration with the community and the stakeholders ensures the benefits are received by all parties and carry-out in accordance with the regional development agenda. This commitment is carried out based on our uphold values and foundation. It is consistent with the Company's Philosophy, "Bakrie Untuk Negeri" with the basic value of "Trimatra Bakrie", as stated in the Bakrie Charter. [103-2]

We implement programs with the aims to improve life quality of the people. These programs are divided into several pillars, namely "Cerdas Untuk Negeri" (education), "Sehat Untuk Negeri", "Peduli Untuk Negeri" (social and religious), "Hijau Untuk Negeri" (environment), and "Kemitraan Untuk Negeri" (community development) which is entirely aims to improve the quality of people's lives. [103-2]

BNBR refers to the ISO 26000 standard which was decided in the Bakrie CSR Conference on 10 June 2011 for implementing all the community development activities with the Corporate Social Responsibility (CSR) program. [103-2]

CORPORATE SOCIAL RESPONSIBILITY VISION AND MISSION

In CSR programs' implementation, BNBR is based on the philosophy of "Bakrie untuk Negeri" which is clearly stated in the Bakrie Charter. The philosophy of "Bakrie Untuk Negeri" is a manifestation of the mandate of the Founder of the Bakrie Group, H. Ahmad Bakrie (1916-1988), who stated that "Every rupiah earned by Bakrie must be beneficial to many people."

Furthermore, "Bakrie Untuk Negeri" has three dimensions as the basic values that we called Trimatra Bakrie, i.e.:

1. **Ke-Indonesiaan** (Indonesian-ness) is a perspective, motive and action of Bakrie's personnel who is proud as an Indonesian national, has global perspective and make contributions to the world community
2. **Kemanfaatan** (Usefulness) is a perspective, motive and action of Bakrie's personnel prioritizing resources' effectiveness and efficiencies to improve a better quality of life
3. **Kebersamaan** (Togetherness) is a perspective, motive and action of Bakrie's personnel in promoting the synergy in diversity

To oversee the running of the "Bakrie for the Nation" program to fit the needs and be beneficial justifiably, BNBR established the "Bakrie untuk Negeri" Management Agency (BP BUN). The agency also aims to synergize CSR programs at BNBR and its subsidiaries.



We visualize BNBR's dream in the company's official logo in the form of a stretch of the earth and a total of seven stars that illustrate efforts to reach the highest goals possible, but must remain grounded in a solid foundation. The other meaning also says that "No matter how great and high the ideals are, Bakrie will never forget where he stands and must stand forever."

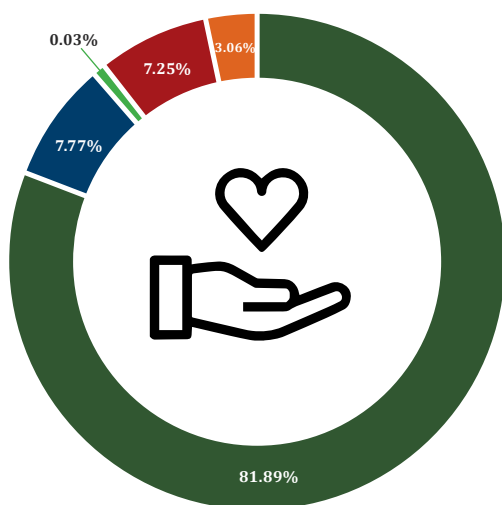
IMPLEMENTATION OF ISO 26000

BNBR refers to international standard guidelines in relation to carrying out voluntary social responsibility implementation by an institution, which are called ISO 26000. In implementing ISO 26000, BNBR focuses on 7 (seven) main subjects, i.e. Organizational Governance, Human Rights, Labor Practices, Environment, Fair Operation Practices, Consumer Issues and Community Involvement and Development.

The comprehensive look of BNBR's ISO 26000 implementation can be seen as follows:



CSR expenditures throughout 2019 can be seen below: [203-1][413-1]



CSR Program	Expenditure (dalam Rupiah)
Peduli Untuk Negeri (Social and religious sector)	14,630,597,691
Cerdas Untuk Negeri (Formal and non-formal education sector)	1,388,532,100
Hijau Untuk Negeri (Environmental sector)	4,800,000
Sehat Untuk Negeri (Health sector)	1,295,572,076
Kemitraan Untuk Negeri (Community development sector)	547,148,074
Total	17,866,649,941

OUR DEDICATION FOR THE NATION, FOR INDONESIA [413-1]



SEHAT UNTUK NEGERI

A good quality of public health is an important factor in the excellence of human resources development. Public health development will result in an increase in productivity that will have an impact on progress and welfare.

BNBR routinely have gymnastics once a week as their internal activities which to encourage the implementation of a healthy lifestyle among employees.

Also, the company ensures surrounding communities receive benefit from this program by running various activities such as blood donation, mass circumcision, clean water supply, and community health services.

The total funds disbursed for supporting "Sehat Untuk Negeri" program throughout 2019 amounted to Rp1,295,572,076.



CERDAS UNTUK NEGERI

The Human Development Index places education as one aspect of its measurement. The quality of life will improve when the community receives education. The higher the level of education, the higher the community's welfare expectancy. The company is aware that education is the key factor for the nation's growth.

In our effort to prepare future generations who are educated and have equal future opportunity, the Company created a "Cerdas untuk Negeri" program. Also, the company offers various programs that bring opportunities to the community to get an education.

Few of the activities implemented through "Cerdas untuk Negeri" program in 2019 is offering work experience through an internship program to university and high-school equivalent students at BNBR, BMU and BA, and as well as scholarships reward towards BA employees' sons and daughters while excel academically.

In addition, several BNBR Group employees contribute their expertise in the field of education by participating as lecturers and visiting teachers at Bakrie University and schools around the factory environment.

The total funds disbursed to support "Cerdas Untuk Negeri" program throughout 2019 amounted to Rp1,388,532,100.



PEDULI UNTUK NEGERI

Public facilities and infrastructure development will support the activities, growth and the advancement of an area. BNBR has prepared this “Peduli untuk Negeri” program as standard of caring for others, by facilitating much needed facilities and infrastructure to ensure the community gets an adequate access to live their daily lives.

BNBR supports the implementation of various social and religious activities in the community. These includes routine participation in various activities such as the construction of houses of worship, supporting the implementation of religious holidays and the provision of administrative facilities and infrastructure for communities around the Company’s operational area. Also, BNBR is also responsive in providing assistance during Indonesia’s natural disasters.

The total funds disbursed to support the “Peduli Untuk Negeri” program throughout 2019 is amounted to Rp14,630,597,691.



KEMITRAAN UNTUK NEGERI


BNBR runs the “Kemitraan untuk Negeri” program by offering opportunities for local entrepreneurs surrounding company’s operational areas to develop their potential partnerships with our company in the form of work opportunities and business cooperation. This program is aim to support and improve the economy of the people surrounding the Company’s operational area.

The “Kemitraan untuk Negeri” program is carry-out by the Company by inviting local residents to work together in environmental sanitation management, building and facilitate the factory with sports facilities which open to public free of charge especially by local residents, and business capital funds provision toward potential local products development .

Total expenditure for the “Kemitraan untuk Negeri” throughout 2019 is Rp547,148,074.

ENVIRONMENTAL PRESERVATION

A close-up photograph of green leaves with water droplets, serving as a background for the text. The leaves are dark green and have several small, clear water droplets on their surfaces. The lighting is soft, creating a natural and serene atmosphere.



The Meaning of Corporate
Sustainability for BNBR can be
interpreted as creating environmental
sustainability in each operational area.

We always prioritize best practices by integrating green practices in the Company's business strategy, supporting energy conservation and mitigating the environmental impact from carrying-out the operational activities. These practices are part of our responsibility to create a sustainable environment for present and future generations.

Environmental sustainability aspects are an important part of BNBR in every operational activity. Therefore, we always prioritize best practices by developing corporate strategies that support energy conservation and climate change mitigation efforts. This strategy is implemented in all operational areas of the Company and its subsidiaries in accordance with Law No. 32 of 2009 concerning Environmental Protection and Management. [103-2]

We always prioritize three pillars of environment sustainability including Green Technology, Green Products and Green Building as our corporate strategy. These three pillars are BNBR's internal operational reference in producing environmentally friendly products. Also, we ensure that every operation that it carries out has fulfilled and complied with every existing regulation related to the environment, such as by implementing the Environmental Impact Analysis (EIA), Environmental Management Efforts (Upaya Pengelolaan Lingkungan or UKL), and Environmental Monitoring Efforts (Upaya Pemantauan Lingkungan or UPL) in our operational activities. [103-2][102-11]

Furthermore, we routinely conduct assessments and evaluations regarding any environmental impacts that might occur in all operational areas of the Company and its subsidiaries. It helps Us in making improvements and adjusting policies that have been implemented. Also, We also provide training and counseling to employees to help prioritizing environmental aspects during operational activities. [103-3]

ENVIRONMENTAL COMMITMENT AND CERTIFICATION [103-2]

Our full commitment in the implementation of environmental management efforts complies with the applicable rules and regulations, both nationally and internationally. We has realize our commitment to environmental management through the following approaches:

1. Environmental management that is part of our operations in compliance with regulations and operating standards, which are described in ISO certification and regulations from the Ministry of Environment and Forestry (KLHK).

2. Social responsibility in the field of environment with a "Hijau Untuk Negeri" theme.

BNBR has obtained certification in their environment performance through a Corporate Environmental Performance Rating Program (PROPER) by the Ministry of Environment (KLH) according to the Ministry of Environment Regulation No. 6 of 2013, as part of our commitment toward the government related to the environment.

In addition, BNBR also implements environmental management standards in our operational areas. Some BNBR certified standards, include:

BPI	: ISO 14001:2015 from TÜV Rheinland
SEAPI	: ISO 14001:2015 from TÜV Rheinland
BA	: ISO 14001:2015 from TÜV SÜD PSB
BUMM	: ISO 14001:2015 from SAI Global
BCons	: ISO 14001:2015 from Bureau Veritas Certification
BMI	: ISO 14001:2015 from AJA Europe Registrars Proper Blue rating in Environmental Management.
BMC	: ISO 14001:2015 from BSI, ANAB, IAF, KAN

ENVIRONMENTAL MANAGEMENT PROGRAM

BNBR's efforts related to environmental management in every operational activity are implemented through the Environmental Management Program. The program consists of several programs namely Water Management and Conservation, Waste Management, Emission Control, Use of Recycled and Environmentally Friendly Materials, Environmentally Friendly Energy Sources, and Corporate Social Responsibility (CSR) in the environmental aspects. [103-2]

Through the Environmental Management Program, it is expected that the Company will implement environmental management in more directed and measureable manner. The Environmental Management Program is an effort by BNBR to mitigate and prevents risks and minimizes any impacts on the community and the environment. Also, we continue to carry out ongoing evaluations and adjustments to our environmental management system in order that the programs we carry out are in accordance with the regulations and can actually bring impacts on the environment.

WATER MANAGEMENT AND CONSERVATION

Water is an important part of every operational activity carried out by BNBR, such as manufacturing, building construction, and other supporting needs. Therefore, BNBR ensures that the water management and conservation program is the Company's main concern. We are committed to ensure the availability and the quality of water supply not only for Company's purposes but also for the communities around the operational area, by carrying out water efficiency and recycling and controlling water quality in each of the Company's operational activities. [103-1]

Furthermore, we carry out various programs and strategic policies to maintain the water supply and quality by developing a water circulation system that can ensure water conservation effort and installing a wastewater treatment facility to recycle wastewater. BNBR also conducts water-saving campaigns socialization using posters and stickers to all areas of the Company's operations. [103-2]

In 2019, BNBR did not receive any complaints from the public regarding the quality and quantity of water sources around the operational areas of BNBR. [103-3]



ENERGY CONSERVATION

The main energy source of BNBR in carrying out operational activities is energy produced by fuel and electricity. We consistently use energy efficiently and conserve energy because it is the key towards Company sustainability and environmental sustainability in the Company's operational areas. Therefore, we consistently implement energy efficiency programs

and continue to measure and evaluate our electricity and fuel consumption in effort to save energy and develop our energy efficiency programs. We also engage all BNBR employees to increase their participation and involvement in company-wide energy efficiency programs at each operational activity. [103-1] [103-2]

ENERGY CONSUMPTION 2019 [302-1]

ELECTRICITY CONSUMPTION	TOTAL (KWH)	TOTAL (GJ)
2017	64,913,488	233,689
2018	65,812,867	236,926
2019	57,292,167	206,252

FUEL CONSUMPTION	TOTAL (LITER)	TOTAL (GJ)
2017	143,716	4,826
2018	284,744	9,561
2019	342,323	11,495

Note:
Fuel Consumption data is collected from 7 out of 8 BNBR's plants refer to the standard provisions of PROPER of the Ministry of Environment and Forestry of the Republic of Indonesia and for conversion factors using the IPCC standard (UNEP) 2006 (Conversion factor: 1 KWH = 0,0036 GJ; 1 liter Bensin = 0,033 GJ).

EMISSION CONTROL

BNBR's efforts in environmental sustainability include controlling emissions in every operational activity. It cannot be denied that BNBR's operations produce emissions that are mostly generated from subsidiaries. Therefore, we are committed to trying to control emissions so as to minimize environmental impacts in all operational areas of the Companies. [103-1]

We make efforts to control emissions by adopting the latest technology relevant to the Company's business. These efforts are made to improve efficiency and to minimize emissions produced. We regularly maintain facilities to control the emissions of ozone depleting substances (ODS) at a minimum level. [103-2]

We are also committed to reducing emissions from other sources that can damage the ozone layer, such as CFCs from the use of air conditioners, as well as fuel emissions. At present, we have replaced the use of air conditioners with CFCs with cooling systems that are more environmentally friendly. [103-2]

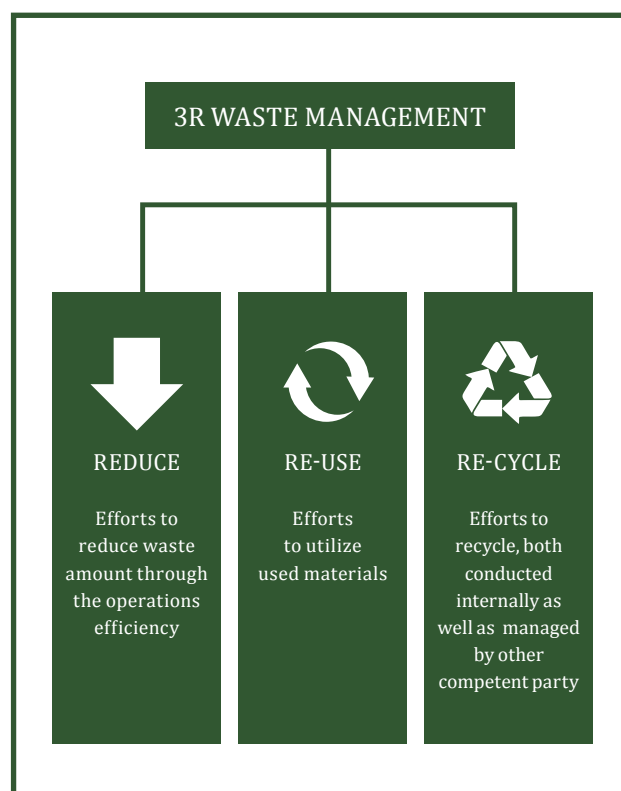
We also carry out air quality reduction activities by pairing exhaust fan dust collectors, providing ventilation, installing chimneys equipped with filters and greenery in the open space of the factory area.

In addition, BNBR regularly conducts emissions tests on engines and operational vehicles every six months. [103-3]

WASTE MANAGEMENT [306-2]

It is important for Us to ensure that waste generated by the Company can be managed properly according to applicable standards and regulations This becomes a form of Company's responsibility in protecting the environment and minimizing any risks from its operational activities. The types of waste generated by BNBR are including solid and liquid waste as well as non-hazardous and hazardous and toxic (B3) waste. [103-1] [103-2]

BNBR implements 3R policy in its waste management, as follows:



In the management of hazardous and toxic (B3) waste, we ensure that our waste handling practices are in accordance with applicable standards. These practices includes recycling as an alternative raw material or isolation process to prevent contamination to the environment Waste that can still be recycled are used as alternative raw materials for other industries, such as the utilization of used oil.

As for the waste that cannot be recycled, BNBR carries out a process of isolation in special temporary storage to prevent contamination to the environment before being sent to certified third parties to further manage the waste. [103-2]

In managing the liquid waste process, BNBR has built and managed a Waste Water Management Installation (IPAL) that utilizes the circulation process or sludge retrieval process. The recycled water quality in our IPAL is regularly monitored and tested periodically by a certified laboratory. The results will then be reported to the Regional Environmental Bureau.

	2017 (Kg)	2018 (Kg)	2019 (Kg)
Reuse	730,191	410,579	820
Recycling	179,745	65,195	488,278
Composting	0	0	9,200
Recovery (energy recovery)	0	0	-
Incineration (mass burn)	0	0	-
Deep Well Injection	0	0	-
Landfill	293,695	14,693	54,006
On-site Storage	180,741	186,363	170,762

THE USE OF RECYLED AND ENVIRONMENTALLY FRIENDLY MATERIALS

We recognize that the products produced by the Company have impacts on the environment. Consequently, we are committed to utilizing environmentally friendly materials to produce environmentally friendly products. BNBR subsidiary, PT Bakrie Building Industries (BBI) has utilized environmentally friendly materials to produce environmentally friendly wood product called Versa Wood. This product does not use wood but is made of calcium silicate fiber cement. Since 2015, Versa Wood products have received the Green Listing award as the product is considered very environmentally friendly and could reduce deforestation.

In addition, BNBR's PT Bakrie Autoparts (BA) Subsidiary utilizes recycled material, namely scrap from the automotive component machining process, as raw materials in the casting process.

ENVIRONMENTALLY-FRIENDLY ENERGY

The development of environmentally friendly energy becomes a focus of concern at other BNBR subsidiaries, PT Bakrie Power, which focuses on renewable energy generation such as from geothermal power, solar power, wind turbines and biomass resources. This is a concrete manifestation of BNBR's environmental sustainability implementation, in their efforts to develop renewable energy in Indonesia.

As of 2019, PT Bakrie Power has had the experience of EPC Solar Power Plant projects of up to 735 kWp and is currently working to develop geothermal power plants in two locations in Indonesia and mini hydropower plants in several areas in Indonesia.

ENVIRONMENTAL MONITORING PROGRAM

BNBR constantly monitors the Company's operational activities that might impact the environment and surrounding communities, as a form of the Company's responsibility towards environmental management. We periodically assess and monitor potential environmental, social and health impacts as, which serve as a reference in making corporate programs and policies.

The assessment and monitoring activities include water quality, air quality, soil quality, soil pollution, noise level, and water biota found in the area around the operation. We collaborate with independent third parties in conducting this monitoring and assessment.

The Company's parameters in managing environmental impacts include for wastewater handling, solid waste handling, noise intensity, air quality, and biological components. In 2019, our overall monitoring results showed that the waste generated by the Company's business activities did not exceed applicable environmental quality standards and the parameters of solid waste, liquid waste, noise or air quality



TOTAL SOLID WASTE

1,584,248 ton
/ unit production

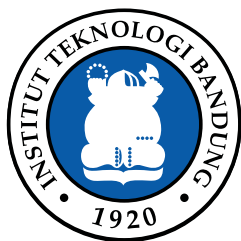
TOTAL LIQUID WASTE

184,034 M³
/ unit production

SOCIAL RESPONSIBILITY PROGRAMS ON ENVIRONMENTAL ASPECTS

In achieving environmental sustainability in the Company's operational area, BNBR already has a Corporate Social Responsibility (CSR) program through the "Hijau untuk Negeri" Program. This program covers various aspects related to environmental protection, conservation and the efficiency of natural and energy resources.

In 2019, BNBR implemented an environmental CSR program in the "Hijau untuk Negeri" program, which is a 'go green' program carried out by PT Bakrie Pipe Industries by donating trees to Medan Satria sub district each year.



BAKRIE TEAMS UP WITH ITB TO DEVELOP BREAKWATER

With Indonesia's geographical condition which is a country with one of the longest coastlines in the world, the potential need for breakwater product is also huge.

BNBR is taking the initiative to work together with the Bandung Institute of Technology (ITB) by signing a collaborative research and development of breakwater products. This collaboration is expected to assist the government in overcoming the abrasion problem that often occurs in the waters edge area.


This Memorandum of Understanding (MoU) was signed by then BNBR President Director Bobby Gafur Umar and ITB Chancellor Prof. Dr. Ir. Kadarsah Suryadi, DEA in ITB Rectorate Building, Bandung on Tuesday, January 29, 2019.

The development of A-jack breakwater product is carried out by PT Bangun Bantala Indonesia (Bantala), a business unit under PT Bakrie Building Industries (BBI). BBI itself is a subsidiary of BNBR for the building materials industry.

In 2019, Bantala invested Rp 15 billion in the construction of a batching plant, the production operation and application of a breakwater installation on the shoreline in one of the toll roads in Central Java. Currently, the A-Jack product itself has been widely applied in coastal areas such as Jakarta Ancol Beach, Pelabuhan Ratu Sukabumi Beach, and Kalibaru Jakarta.



OCCUPATIONAL HEALTH & SAFETY



BNBR is committed to prioritizing aspects of Health, Safety and Environment (HSE) for its employees, by ensuring all business activities are carried out in accordance with applicable Operational Procedure Standards.

It is important for every individual involved in running the Company's business can conduct their activities in a conducive, safe, healthy and secured environment.

The Company recognizes that a safe and healthy work environment can encourage best work performance. If our employees can always maintain their health and safety, productivity can be attained, which would eventually lead to the achievement of all Company's targets and goals. For that reason, Health, Safety and Environment (HSE) becomes the main focus for all employees, contractors, and visitors in all operational areas of the Company.

BNBR strives to minimize and even eliminate the risk of incidents / illness in operational areas by organizing programs that aim to improve the quality of occupational health and safety and environmental preservation efforts. The HSE program is routinely conducted annually with the main focus of overcoming any occupational diseases, work accidents, and potential impacts on the community and the environment. [103-1][103-2]

We demand all parties to take part in and be responsible for always complying with applicable standards and procedures as well as participating in monitoring any potential hazards that exist, as part of our HSE program realizations. Also, BNBR engages employees, families and subcontractors to actively participate in the planning, development and improvement of OHS procedures in all operational areas. [103-1][103-2]

In addition, leadership becomes inseparable and a key factor in improving the Company's HSE performance. For that reason, each unit leader will be responsible for the safety of their team and must have above average exemplary standards and safety practices. [103-1][103-2]

In its implementation, BNBR has passed an OHS management system certification according to the standards of ISO 45001: 2018, ISO 14001: 2015 and SMK3 which refers to PP No. 50 of 2012. These certifications are periodically conducted by competent third parties. A number of related programs and activities under HSE, including availability of Personal Protective Equipment (PPE), implementation of work procedures and HSE trainings for the employees have also been carried out by BNBR. [403-1]

HSE procedures are used as a foundation that must be obeyed by employees while working. BNBR also instills this HSE as a priority mindset, both inside and outside of work, for employees and their families. It is hoped that, this HSE mindset is not only done as an obligation but as a behavioral culture for each individual.



**PT BAKRIE PIPE
INDUSTRIES HAS
IMPLEMENTED AN
OHS MANAGEMENT
SYSTEM WITH THE
ACHIEVEMENT SCORE OF
96.38%
IN THE ADVANCED
CATEGORY.**

HSE POLICY [103-1][103-2][403-1][403-5]

Part of the framework of HSE implementation in the Company environment, we have a series of policies that function to manage risks, provides proper guidelines in implementing HSE, and continues encouraging compliance with the applicable rules and regulations. The Company also regularly conducts reviews, improvements and developments on existing policies to ensure effectiveness of the policies to mitigate potential risks due to the Company's operations on the employees, contractors or other parties that are working within BNR's operational areas.

The implementation of the Company's HSE is in compliance with the Law No. 1 of 1970 on Occupational Safety, the Law No. 23 of 1992 on Health, Government Regulations No. 50 of 2012 in regards to Implementation of HSE System, and the Collective Labor Agreement (CLA) both at each subsidiary and at the Holding Company, as well as BNR's Occupational Health and Safety Policy that has been in effect since 25th of January 2013.

Currently, This HSE Policy serves a guidelines in implementing HSE throughout the Company's operations. The aim is to fulfill ideal indicators of occupational health and safety, as follows: [403-1]

- Identification and evaluation on the aspects of and potential threats on occupational health and safety as well as in implementing control on any risks and impacts at an acceptable level
- Commitment to comply with other applicable and relevant rules and regulations
- Prevention of workplace accidents, injuries, and illness at work as well as pollution
- Reduction of waste and energy consumption
- Recording and communicating aspects of occupational health and safety performance
- Ensure control on unsafe conditions and behaviors that may cause accidents or injuries at work
- Continuous improvements in HSE implementation

The company continues to make upgrades and improvements in the Company's OHS system through ISO 9001: 2015 workshops, First Aid Programs, Disease Prevention Socialization Programs, Hazardous and Toxic Material (B3) Programs and Fire Fighting Programs. This is done as a form of our commitment to comply with all laws and regulations related to the Company's activities as well as other laws and regulations on HSE. [403-5]

HSE COMMITTEE [403-4]

BNBR has established a committee as a form of their seriousness and responsibility towards the implementation of OHS in the Company, i.e. the Occupational Health and Safety Advisory Committee (Panitia Pembina Kesehatan dan Keselamatan Kerja or P2K3). This committee is further divided into Health Unit and Safety Unit. P2K3 members are appointed employees from each business unit, who collectively responsible to monitor compliance with all elements in the HSE-related regulations. Total members of P2K3 from manufacturing business unit in 2019 is 130 employees

Details on the functions of P2K3 as well as the position, duties and responsibilities are further elaborated in the articles and chapters of CLA, as follows:

- CLA from PT Bakrie Autoparts (BA) Chapter VIII article 55
- CLA from PT Bakrie Building Industries (BBI) Chapter VII article 30
- CLA from PT Bakrie Metal Industries (BMI) Chapter IX article 51
- CLA from PT Bakrie Pipe Industries (BPI) Chapter VII article 45

All subsidiaries of the Company have consistently be responsible for implementing HSE aspects that elaborated in the CLAs. These includes: providing Personal Protective Equipment (PPE), forming a collective HSE Management committee, engaging representatives from employee to participate

at inspection points, organizing education and trainings on work safety procedures, and conducting periodic inspection on the firefighting equipments.

HSE PERFORMANCE [103-1]

BNBR always provides best operational facilities and is in line with industry standards. On top of it, we ensure that the facilities are well maintained and protected. We also set strict security and inspection procedures to prevent unexpected incidents, by measuring HSE performance periodically. We do this to maximize HSE performance and achieve our HSE targets i.e., Zero Fatality and Zero Environmental Damage.

HSE performance of BNBR's subsidiaries in the manufacturing business throughout 2019 are as follows:

BUSINESS UNIT	MAJOR ACCIDENT		MINOR ACCIDENT		LOST-TIME INJURY (LTI)	
	2018	2019	2018	2019	2018	2019
BBI	0	1	3	3	0	0
BMI (BFU, BCONs, Construction Site Projects)	0	0	6	16	0	0
BI (including SEAPI)	0	0	1	1	0	0
BA (BA, BUMM, BMC)	11	1	22	18	65	154
TOTAL	11	2	32	37	65	154

However, we realize that our HSE performance is still below our set targets. For this reason, we continuously conduct evaluations to improve and strengthen the implementation of HSE policy & system. BNBR commits to improving HSE performances to achieve both targets of Zero Fatality and Zero Environmental Damage. This can be done through cooperation and support from related parties, fulfillment of responsibilities of our employees, commitment from the Management to always prioritize HSE aspects throughout the Company's business activities.



THE CERTIFICATION

OHSAS 18001:2007

January 2017 – January 2020

OHSAS 18001: 2007 Occupational Health and Safety Management System Certification (Beureau Veritas Certification) for fabrication and construction services for onshore / offshore oil-and-gas facilities, and mining was obtained by **PT Bakrie Construction** since 25 November 2017. It has been recertified and is valid from January 20, 2017 to January 5, 2020.

OHSAS 18001:2007

October 2018 – March 2021

OHSAS 18001: 2007 Health & Safety Management System Certification (AJA Indonesia Certification) with the scope of design, development and manufacture of structures, corrugated steel and steel bridges obtained by **PT Bakrie Metal Industries** since 2012. The latest certification renewal was in 2018, and this certification is valid until 2021.

Certificate of Recognition - Management System**Occupational Health and Safety**

July 2017 – July 2020

Certificate of Recognition for the Management and Occupational Health System has been officially given by the Minister of Manpower of the Republic of Indonesia, M. Hanif Dhakiri. This certificate is based on the Minister of Manpower of the Republic of Indonesia's decree No. 201 of 2017 which stated that **PT Bakrie Pipe Industries** has implemented an Occupational Safety and Health Management System with an achievement of 96.38% for the advanced category. This certificate was obtained on July 14, 2017 and is valid until July 14, 2020.

Contractor SMHSE Qualification Certificate

February 2018 – December 2020

The certificate of recognition for the Contractor's SMHSE qualification has been officially given by PT Pertamina EP to **PT Bakrie Pipe Industries** which stated that it has passed the SMHSE Contractor's qualification in the medium and high risk categories. The certificate was obtained on February 2, 2018 and is valid until December 31, 2020.

HSE Qualification Award

April 2018 – March 2020

The award for HSE qualification has been officially given by PT Pertamina Hulu Mahakam to state that **PT Bakrie Pipe Industries** has passed the HSE qualification with the achievement of 74.5% in the high risk category. The certificate was obtained on April 23, 2018 and is valid until March 14, 2020.

OHSAS 18001:2007

April 2019 – April 2021

Occupational, Health and Safety Management System Certification; OHSAS 18001: 2007 (ABS Quality Evaluations) for manufacturing Fabricated Steel Pipe, Steel Polishing, Coated Steel Pipes, Galvanized Steel Pipes, Rectangular and Square Pipes obtained by **PT Bakrie Pipe Industries** since May 28, 2013. It has been recertified starting effectively on April 4, 2019 until April 11, 2021.

ISO 45001:2018

March 2020 – April 2022

Occupational, Health and Safety Management System Certification; ISO 45001: 2018 (ABS Quality Evaluations) for manufacturing Fabricated Steel Pipes, Steel Polishing, Coated Steel Pipes, Galvanized Steel Pipes, Rectangular and Square Pipes obtained by **PT Bakrie Pipe Industries**. This certificate is a migration from OHSAS 18001: 2007.

OHSAS 18001:2007

November 2016 – November 2019

OHSAS 18001: 2007 (BSI, ANAB) Occupational Health and Safety Management System Certification for manufacturing Machining Parts for Engines, Drive Axles and Brake Systems has been obtained by **PT Braja Mukti Cakra** effective from November 30, 2016 to November 29, 2019.

OHSAS 18001:2007

September 2017 – September 2020

Occupational, Health and Safety Management System Certification; OHSAS 18001: 2007 (TÜVRheinland) for the oil and gas, chemical and construction steel pipe industry was obtained by **PT South East Asia Pipe Industries** since April 2, 2007. It has been recertified which is valid from September 25, 2017 to September 24, 2020.

HSE TRAINING [403-5]

To internalize HSE culture as part of the daily activities of BNBR employees, the Company continues to conduct trainings to build a more comprehensive awareness and understanding on HSE aspects, which is expected to gradually impact on their behavior and form a lifestyle.

The provided trainings include occupational safety procedures, HSE standards, and how to recognize potential risks of hazard. Being aware and being able to realize on the importance of HSE can help employees to prevent dangerous incidents or accident/disease risks as early as possible.

Training that held throughout 2019 was as follows:

- OHSAS 18001 Workshop;
- Disease prevention socialization;
- Increased Environmental Awareness and Control, Hazardous Material Handling, MSDS Implementation & Spill Response;
- Load safety;
- Hazard identification and safe behavior;
- Firefighting;
- Electrical safety

OCCUPATIONAL HEALTH [403-3]

The main focus of all BNBR health programs in its implementations is the prevention and treatment of diseases. We promote various programs that can support the improvement of employees' healthy lifestyles, including organizing sports activities. Also, BNBR offers various health facilities and programs to all employees, including sports facilities, medical facilities, up to medical expenses for those who have health problems. The Company also offers counseling activities for employees, especially related to occupational diseases.

The goal of implementation of BNBR's various occupational health programs and policies is to ensure that all our employees can work productively without any disruptions such as illness. This productive employee is expected to be able to support the achievement of all the Company's targets. In other words, we are minimizing the disruptions of the Company's performance caused by diseases that can actually be prevented and treated early on.

Therefore, BNBR implements various comprehensive occupational health programs, starting with medical check-ups for all employees to anticipate the risk of exposure to occupational diseases. We also routinely evaluate physical-related hazards and consequences of occupational diseases.

GRI STANDARDS CONTENT INDEX & POJK 51.0JK03/2017

[102-55]

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PROFILE MANAGEMENT





BOARD OF COMMISSIONER



Armansyah Yamin
Commissioner

**Bobby Gafur
S. Umar**
Commissioner



Sutanto
President Commissioner
& Independent Commissioner



Firmanzah
Independent Commissioner

BOARD OF DIRECTOR



**Dody
Taufiq Wijaya**
Independent Director

**R.A. Sri
Dharmayanti**
Director

**A. Amri
Aswono Putro**
Director



**Anindya
Novyan Bakrie**
President Director & CEO

**Roy Hendrajanto
M. Sakti**
Director

**A. Ardiansyah
Bakrie**
Vice President Director

SENIOR MANAGEMENT OF PT BAKRIE & BROTHERS TBK



Bimo Bayu Nimpuno
Head of Corporate
Communication

Ruddyar
Head of Group
Accounting

**V. Bimo
Kurniatmoko**
SVP Strategic Business Development

Indra Ginting
EVP Strategy
& Business Control



Okder Pendrian
Head of Human Capital
& Office Support

Andri Kabul
Act. Head of
ERM Policy & Process

Bachril Bachtarudin
Head of Corporate Finance

Christofer A. Uktolseja
Head of Corporate Legal
& Corporate Secretary

PT BAKRIE INDO INFRASTRUCTURE



A. Amri Aswono Putro
Director of Bakrie Indo Infrastructure

AD Erlangga
Director of Bakrie Indo Infrastructure



A. Ardiansyah Bakrie
Chief Executive Officer

Dody Taufiq Wijaya
Chief Independent Officer

Andri Kabul
Director of Bakrie Mina Bahari

PT BAKRIE METAL INDUSTRIES



Rachmat Harimurti
Chief Commercial Officer

Mila Wijaya Kusuma
Chief Financial Officer



R. Atok Hendrayanto
Chief Executive Officer



Esti Rochyati
General Manager Human Resources & Admissions



Sumitro
Chief Technical Officer

PT BAKRIE AUTOPARTS



V. Bimo Kurniatmoko
Director



Dino A. Ryandi
President Director & CEO

Bambang Indra Maryono
Chief Strategic Business Development Officer

PT BAKRIE PIPE INDUSTRIES



Arief Djoko P
Chief Logistic Officer

Iskandar I. Daulay
Chief Commercial Officer

Deddy Kurnia
Chief Operations Officer



R. Atok Hendrayanto
Chief Executive Officer

Mila Wijaya Kusuma
Chief Financial Officer

Rahmat Budiarto
Chief Corporate Support

PT BAKRIE BUILDING INDUSTRIES



Erti Sri Santi
General Manager Finance



Indra Ginting
Director

Yogi Pratomo Widhiarto
Chief Executive Officer

PT MULTI KONTROL NUSANTARA



Didit Ardyanto
President Director



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