





# HUMAN CAPITAL

SUMBER DAYA MANUSIA

# HUMAN CAPITAL

## Sumber Daya Manusia

A company's business performance is highly related to the quality of its human capital. Hence, a proper management of human resources shall be upheld to achieve the goals of an organization and also to fulfill the high demand of qualified human capital in a company. In corresponding with this, PT Goodyear Indonesia Tbk (the Company) is committed to recruiting and managing its human resources. The Company regulates the management of human capital in an integrated framework to provide the added value and support the optimization of the Company's objectives.

Kinerja bisnis sebuah perusahaan sangat berkaitan dengan kualitas sumber daya manusianya. Maka dari itu, pengelolaan sumber daya manusia yang baik harus ditegakkan untuk mencapai tujuan organisasi dan juga memenuhi permintaan tinggi akan sumber daya manusia yang berkualitas pada sebuah perusahaan. Dalam menyikapi hal ini, PT Goodyear Indonesia Tbk (Perseroan) berkomitmen untuk merekrut dan mengelola sumber daya manusianya. Perseroan mengatur pengelolaan sumber daya manusia secara terintegrasi dengan memberikan nilai tambah dan mendukung optimalisasi tujuan Perseroan.

# STRATEGIES AND MANAGEMENT

## STRATEGI DAN MANAJEMEN

In 2019, the Company took strategic steps in managing its human resources. This was done in harmony with the Company's business needs through:

1. Training and development of associates in line with the Company needs, and;
2. Continuous improvement of the Human Capital management system to support the creation of a supportive work climate to increase productivity;
3. The Innovation in Human Resource management includes optimizing the online-based recruitment system, our performance management system, and associate training system through leadership development programs, knowledge sharing systems and completion of collective labor agreements.

Pada 2019, Perseroan mengambil langkah strategis dalam mengelola sumber daya manusianya. Hal ini dilakukan sejalan dengan kebutuhan bisnis Perseroan melalui:

1. Pelatihan dan pengembangan rekan karyawan sejalan dengan kebutuhan, dan;
2. Perbaikan sistem manajemen Sumber Daya Manusia yang berkelanjutan untuk mendukung terciptanya iklim kerja yang suportif guna meningkatkan produktivitas;
3. Inovasi pada manajemen Sumber Daya Manusia mencakup optimalisasi sistem rekrutmen berbasis daring, sistem manajemen kinerja Perseroan, dan sistem pelatihan karyawan melalui program pengembangan kepemimpinan, sistem berbagi pengetahuan dan penyelesaian perjanjian kerja bersama.

# EQUALITY AND EMPLOYMENT OPPORTUNITIES

## KESETARAAN DAN KESEMPATAN KARYAWAN

### Principle of Equality for Everyone

The Company provides equal employment opportunities to every associate regardless of gender, ethnicity, religion and race. The Company implements a performance-based culture that focuses on the performance, contribution, and competence of each associate in considering HR-related decision making. Its policy is regulated in the Business Conduct Manual published on our internal portal.

### Gender Equality

The Company does not differentiate treatment based on gender, thus providing equal opportunities for each associate to work including having human capital development and giving facilities as well as other benefits. The policies on gender equality are regulated in the Business Conduct Manual published on our internal portal.

### Prinsip Kesetaraan untuk Semua Pihak

Perseroan memberikan kesempatan yang sama kepada karyawan tanpa memandang gender, etnis, agama dan ras. Perseroan mengimplementasikan budaya berbasis kinerja yang berfokus pada kinerja, kontribusi, dan kompetensi dari setiap asosiasi dalam mempertimbangkan pengambilan keputusan berdasarkan SDM. Kebijakan Perseroan diatur dalam Pedoman Pelaku Bisnis yang diterbitkan pada portal internal Perseroan.

### Kesetaraan Gender

Perseroan tidak membedakan perlakuan berdasarkan gender. Dengan begitu, Perseroan memberikan kesempatan yang sama kepada setiap karyawan untuk berkerja, termasuk pengembangan sumber daya manusia dan memberikan fasilitas serta keuntungan lainnya. Kebijakan mengenai kesetaraan gender diatur dalam Pedoman Perilaku Bisnis yang diterbitkan pada portal internal Perseroan.

# COMPOSITION OF ASSOCIATES

## KOMPOSISI KARYAWAN

### Associate Composition Based on Gender

Komposisi Karyawan Berdasarkan Gender

Gender Gender	Year Tahun			
	2019		2018	
	Total Jumlah	%	Total Jumlah	%
Male Laki-laki	866	95%	863	95%
Female Perempuan	44	5%	49	5%
Total Jumlah	910	100%	912	100%

In 2019, the composition of the Company's associates based on gender documented there were 95% of men or 866 people out of a total of 910 permanent associates. While female associates occupy a percentage of 5% or 44 people. The current proportion has resulted from the domination of male applicants. In addition, the fields that the company is engaged in, the manufacturing of tire and all of its business activities, tend to be more favored by men than women.

Pada 2019, komposisi karyawan Perseroan berdasarkan gender adalah 95% pria atau 866 orang dari total 910 karyawan permanen. Sementara itu, karyawan perempuan berjumlah 5% atau 44 orang. Proporsi saat ini dihasilkan dari dominasi pelamar pria. Selain itu, bidang yang digunakan perusahaan, pembuatan ban dan semua kegiatan bisnisnya, cenderung lebih disukai oleh pria daripada wanita.

**Associate Composition Based on Organization Level**

Komposisi Karyawan Berdasarkan Level Organisasi

Position Jabatan	Year Tahun			
	2019		2018	
	Total Jumlah	%	Total Jumlah	%
Executive & Group Manager	7	1%	7	1%
Manager	55	6%	49	5%
Specialist/Engineer	20	2%	65	7%
Supervisor/Staff	102	11%	30	3%
Technician/Operator	726	80%	761	83%
Total Jumlah	910	100%	912	100%

In 2019, the composition of the Company's associates based on organization level was dominated by technicians or operators who represented 80% or 726 people out of a total of 910 associates. The second highest position in this composition is represented by Supervisor/Staff of 11% or 102 people, followed by the position of Manager amounting to 55 people or 6% of the total of the associates. The Executive & Group Manager only represented 1% or as many as 7 people out of the total.

Pada 2019, komposisi karyawan Perseroan berdasarkan tingkat organisasi didominasi oleh teknisi atau operator sebesar 80% atau 726 orang dari total 910 karyawan. Posisi tertinggi kedua dalam komposisi ini ditempati oleh Supervisor/Staff sebanyak 11% atau 102 orang, diikuti oleh posisi Manajer sejumlah 55 orang atau 6% dari total jumlah karyawan. Executive & Group Manager hanya 1% atau sebanyak 7 orang dari total.

**Associate Composition Based on Education Level**

Komposisi Karyawan Berdasarkan Tingkat Pendidikan

Education Level Tingkat Pendidikan	Year Tahun			
	2019		2018	
	Total Jumlah	%	Total Jumlah	%
S2/Master Degree	10	1%	15	2%
S1/Bachelor Degree	129	14%	102	11%
D3/Diploma	54	6%	62	7%
SMA/Sederajat/HighSchool/Equivalent	717	79%	733	80%
Total Jumlah	910	100%	912	100%

Associates with a high-school diploma contributed the highest number in the Company. In 2019, the total number of associates graduating from high school reached 717 people or covered 79% of the total composition of associates. While S2 graduate associates occupy only 1% or as many as 10 people. The Company absorbs a large number of high school-graduates (including SMK and STM) with expertise in engineering.

Karyawan dengan tingkat pendidikan SMA dan Diploma merupakan jumlah karyawan terbanyak di Perseroan. Pada 2019, jumlah karyawan dengan pendidikan SMA adalah 717 orang atau 79% dari total komposisi karyawan. Sementara karyawan dengan pendidikan S2 berjumlah 1% atau sebanyak 10 orang. Perseroan menyerap karyawan dengan pendidikan SMA dalam jumlah banyak (termasuk SMK dan STM) dengan spesialisasi di bidang teknik.

### Composition of Associate based on Age Range

Komposisi Karyawan Berdasarkan Usia

Age Range Usia	Year Tahun			
	2019		2018	
	Total Jumlah	%	Total Jumlah	%
< 25	0	0%	8	1%
25 - 45	694	76%	725	79%
46 - > 55	216	24%	179	20%
Total Jumlah	910	100%	912	100%

The highest associate composition in the Company was in the age range of 25-45 years, representing 694 people or 76% of total associates.

Komposisi karyawan tertinggi di Perseroan adalah dalam kisaran usia 25-45 tahun, mewakili 694 orang atau 76% dari total karyawan.

## TURNOVER LEVEL TINGKAT TURNOVER

The Company's turnover rate is of 3%. Anticipating the Company's turnover rate, the Company carries out several strategic steps by:

- Increasing the associate capacity and capability continuously through recruitment of qualified associates
- Improving the associate competency by aligning work performance with remuneration.

Tingkat turnover Perseroan adalah 3%. Dalam mengantisipasi tingkat turnover Perseroan, Perseroan melakukan beberapa langkah strategis dengan:

- Meningkatkan kapasitas dan kemampuan rekanan secara berkelanjutan melalui rekrutmen rekanan yang berkualitas
- Meningkatkan kompetensi rekanan melalui penyesuaian kinerja kerja dengan remunerasi.

## SAFETY, HEALTH WORK, AND ENVIRONMENT

### KESELAMATAN, KESEHATAN KERJA, DAN LINGKUNGAN

Safety, Occupational Health and Environment and Medical Services of the Company have established a work safety and health program that aims to achieve zero accidents in each operating unit. The program includes training, continuous counseling, provision of facilities and infrastructure for work safety, routine supervision and inspection. In 2019, the Company experienced no work accidents.

To strengthen the Company's commitment on the implementation of occupational safety and health policies in each operation, the Company conducted several safety awareness events and mandatory safety training in 2019.

In the health sector, the Company's activities include preventive measures, treatment (curative), maintaining health (promotion) and restoring health as before (rehabilitative). The Company built the clinic in the Company's factory area in collaboration with BPJS Kesehatan.

All levels of management and permanent associates also receive medical checks (medical check-ups) on a regular basis, at least once a year and are also included in the BPJS Kesehatan Program.

Keselamatan, Kesehatan Kerja dan Lingkungan serta Layanan Medis Perseroan telah menetapkan program keselamatan dan kesehatan kerja yang bertujuan untuk mencapai kecelakaan nihil pada setiap unit operasi. Program tersebut mencakup pelatihan, penyuluhan yang berkesinambungan, penyediaan sarana dan prasarana untuk keselamatan kerja, melakukan pengawasan dan inspeksi secara rutin. Pada tahun 2019, tidak terjadi kecelakaan kerja.

Untuk memperkuat komitmen Perseroan dalam penerapan kebijakan keselamatan dan kesehatan kerja dalam setiap aktivitas operasi, pada 2019, Perseroan melakukan beberapa acara safety awareness dan pelatihan mandatory safety.

Di sektor kesehatan, kegiatan Perseroan meliputi tindakan pencegahan, pengobatan (kuratif), menjaga kesehatan (promosi) dan memulihkan kesehatan seperti sebelumnya (rehabilitasi). Perseroan membangun klinik di area pabrik Perseroan bekerja sama dengan BPJS Kesehatan.

Semua tingkatan manajemen dan karyawan tetap juga menerima pemeriksaan medis (medical check-up) secara teratur, setidaknya setahun sekali dan juga termasuk dalam Program BPJS Kesehatan.

## RECRUITMENT OF ASSOCIATES

### REKRUTMEN KARYAWAN

In order to achieve the best human capital quality, including all aspects of ability, behavior and professionalism, the Company conducts a targeted and objective recruitment system continually without discrimination based on gender, ethnicity, religion, and race.

Untuk mewujudkan kualitas sumber daya manusia terbaik, termasuk semua aspek kemampuan, perilaku dan profesionalisme, Perseroan menerapkan sistem rekrutmen yang tersasar dan objektif secara berkelanjutan tanpa diskriminasi berdasarkan gender, etnis, agama, dan ras.

## HR DEVELOPMENT AND TRAINING PROGRAM PROGRAM PENGEMBANGAN DAN PELATIHAN SDM

Considering the importance of honing the associate's skill to be able to show their best performance for business continuity, the Company creates and conducts various HR development and training programs. Throughout 2019, the Company implemented various competency development programs reaching 964 participants. This program is in line with the Company's policy to improve the competence of each associate while still considering efficiency through an in house training program.

Perseroan mempertimbangkan pentingnya mengasah kemampuan karyawan agar mampu menunjukkan kinerja terbaik untuk bisnis berkelanjutan dengan menciptakan dan menerapkan program pengembangan dan pelatihan SDM. Sepanjang 2019, Perseroan telah mengimplementasikan berbagai program pengembangan kompetensi yang mencapai 964 peserta. Program tersebut sejalan dengan kebijakan Perseroan untuk meningkatkan kompetensi setiap karyawan, sembari mempertimbangkan efisiensi melalui *program in house training*.

HR development and training programs are explained in the following table.

Program pengembangan dan pelatihan SDM dijelaskan dalam tabel berikut ini.

No.	Description Keterangan	Total Participants Jumlah Peserta
1	2019 Business Conduct Manual Certification	133
2	2019 Incentive Plans Update	1
3	AP HR Development - Difficult Interactions	2
4	Associate Toolkit- Own Your Career Development	24
5	Becoming a Compliance Leader	142
6	Compensation Foundation (AP)	3
7	Deliver Results	54
8	DiSC Work of Leaders	2
9	DuraSeal Technology - French	2
10	Engagement Race	24
11	Ethical Leadership: Anti-Corruption	152
12	Executive Compensation Annual Communications March 2019	2
13	Financial Planning & Investment Knowledge	34
14	Future of Mobility: F.A.C.E Trends and Opportunities - Webinar	1
15	Global Competition – Our Responsibilities	134
16	Global Procurement Letter of Representation	8
17	Health Talk	22
18	Introducing Robotic Process Automation	1
19	Leadership Foundations (2013)	1
20	Leadership: Practical Skills	1
21	Learning Sharing - Presenting with Strategic Impact	27
22	Manager Toolkit – Compensation Foundation	4
23	Managing Stress & Improving Blood Flow	1
24	Networking Foundations: Networking Basics	1
25	Power Up: e-Commerce Growth Strategy - China Example	3
26	Power up: Product Development	3
27	Power-up: Consumer OE Business	8
28	Power-up: Understanding CBM	15
29	Power-up: Increasing the Value of Goodyear Brand	11
30	Programming Foundations: Databases	1
31	Protecting Our Information	142



No.	Description Keterangan	Total Participants Jumlah Peserta
32	SAP ERP Essential Training	1
33	Strategic Thinking	1
34	UiPath: Robotic Process Automation (RPA)	1
35	Writing a Business Case	2
Total		964

## REMUNERATION POLICY INFORMATION COMPENSATION PHILOSOPHY FILOSOFI KOMPENSASI INFORMASI KEBIJAKAN REMUNERASI

The Company's compensation philosophy is to provide a comprehensive and flexible package that attracts, retains, and motivates associates to drive performance and achievement of strategies that ultimately result in the creation of long-term shareholder value.

Filosofi kompensasi Perseroan bertujuan untuk memberikan paket yang komprehensif dan fleksibel yang menarik, memelihara dan memotivasi karyawan untuk mendorong kinerja dan pencapaian strategis perusahaan yang pada akhirnya menghasilkan penciptaan nilai pemegang saham jangka panjang.

The Company's philosophy is to have a global structure that will allow us to have a common framework that is competitively aligned to the marketplace in which we operate.

Filosofi Perseroan adalah memiliki struktur global yang akan memungkinkan kami untuk memiliki kerangka kerja bersama yang secara kompetitif selaras pasar tempat kami beroperasi.

The Company believes that a true leader:

1. Builds and improves the capabilities of self, individuals, and teams through talent acquisition and development.
2. Creates innovative business solutions by establishing a vision and driving to it through new ideas, processes and continuous improvement efforts.
3. Is a clear and concise communicator who expresses information and ideas effectively and listens to and values input from others.
4. Demonstrates confidence, decisiveness and the ability to take calculated risks.
5. Delivers results with the highest levels of ethics and integrity.

Perseroan percaya bahwa seorang pemimpin sejati:

1. Membangun dan meningkatkan kemampuan diri, individu, dan tim melalui perolehan dan pengembangan bakat.
2. Menciptakan solusi bisnis yang inovatif dengan membangun visi dan mengarahkannya melalui ide-ide baru, proses dan upaya peningkatan berkelanjutan.
3. Adalah komunikator yang tegas dan ringkas yaitu mengungkapkan informasi dan ide secara efektif dan mendengarkan serta menghargai masukan dari orang lain.
4. Menunjukkan kepercayaan, ketegasan dan kemampuan untuk mengambil risiko yang diperhitungkan.
5. Memberikan hasil dengan tingkat etika dan integritas tertinggi.

As Human Resource Leaders we seek to provide every associate:

- A competitive total compensation package.
- A clear understanding of what's expected of each associate in his/her respective role.
- Recognition opportunities for work efforts.
- A great place to work.

Sebagai Pemimpin Sumber Daya Manusia, Perseroan berupaya memfasilitasi setiap karyawan dengan:

- Paket kompensasi total yang kompetitif.
- Pemahaman yang jelas tentang apa yang diharapkan dari setiap karyawan dalam perannya masing-masing.
- Peluang pengakuan untuk upaya kerja.
- Tempat yang bagus untuk bekerja.

As Human Resource Leaders we seek to provide effective Compensation Programs to include:

1. Internal Relativity – ensure we have determined the value of each job in relationship to one another and to develop and follow set guidelines for pay.
2. External Competitiveness – provide a competitive compensation structure to foster attraction, retention and motivation of associates.
3. Financial Sustainability – ensure our compensation programs are in line with the Company's financial performance, business, and market conditions.
4. Transparency – our compensation programs should be clear and easy to explain and understand.
5. Differentiation – our programs should recognize and reward performance differences among associates, as reflected by our Performance Management Process.
6. Administrative efficiency – our programs should be relatively easy to administer by our team, other HR counterparts and most importantly, our management team.

Sebagai Pemimpin Sumber Daya Manusia, Perseroan berupaya menyediakan Program Kompensasi yang efektif untuk mencakup:

1. Relativitas Internal - memastikan Perseroan telah menentukan nilai dari setiap pekerjaan dalam hubungan satu sama lain dan untuk mengembangkan dan mengikuti pedoman upah yang telah ditetapkan
2. Daya Saing Eksternal - menyediakan struktur kompensasi kompetitif untuk menumbuhkan daya tarik, retensi dan motivasi karyawan.
3. Keberlanjutan Finansial - memastikan program kompensasi Perseroan sejalan dengan kinerja keuangan, bisnis, dan kondisi pasar Perseroan.
4. Transparansi - program kompensasi Perseroan harus jelas dan mudah dijelaskan dan dipahami.
5. Diferensiasi - program Perseroan harus mengenali dan menghargai perbedaan kinerja di antara rekanan, sebagaimana tercermin dalam Proses Manajemen Kinerja kami.
6. Efisiensi administratif - program Perseroan harus relatif mudah dikelola oleh tim, mitra SDM lainnya dan yang paling penting, tim manajemen.

## MECHANISM OF EMPLOYMENT ISSUES

### MEKANISME PENGADUAN MASALAH KETENAGAKERJAAN

In the event of issues arise, the Company's associates have the right to complain by filling out a complaint form. Settlement of complaints in the Company is carried out in stages through the associate's superiors, Trade Unions and Bipartite mechanisms. If the complaint is not resolved until the level of the Bipartite mechanism, the settlement will use a mechanism in accordance with the applicable regulation.

Jika terdapat masalah yang muncul, karyawan Perseroan berhak untuk mengajukan komplain dengan mengisi formulir komplain. Penyelesaian komplain di Perseroan dilakukan secara bertahap melalui atasan karyawan, Serikat Pekerja dan mekanisme Bipartit. Jika komplain tersebut tidak bisa diselesaikan dengan mekanisme Bipartit, penyelesaian akan menggunakan mekanisme yang sesuai dengan peraturan yang berlaku.

## LEGAL COMPLIANCE

### KEPATUHAN HUKUM

The Company complies with all applicable laws and regulations relating to global compensation arrangements in the region and country where the Company operates. Any suspected practice of illegal payment or compensation must be reported immediately using the procedures listed in Goodyear's Business Conduct Manual.

Perseroan mematuhi semua hukum dan regulasi yang berlaku terkait pengaturan kompensasi global di wilayah dan negara tempat kita beroperasi. Setiap dugaan praktik pembayaran atau kompensasi ilegal harus dilaporkan segera menggunakan prosedur yang tercantum dalam Pedoman Perilaku Bisnis Goodyear.



A hand is holding a Goodyear S200+ tire box in front of a truck wheel. The box is green and white with the Goodyear logo and the text 'S200+ LONG REGIONAL HAUL, ALL POSITIONS'. The background shows a large black tire on a silver metal rim. The overall scene is set against a light, textured background.

**GOODYEAR**  
COMMERCIAL TIRE

**S200+**

LONG REGIONAL HAUL, ALL POSITIONS

# CORPORATE GOVERNANCE

TATA KELOLA PERUSAHAAN

# CORPORATE GOVERNANCE

## TATA KELOLA PERUSAHAAN



By definition, Corporate Governance is a structure and mechanism that govern a company is management to set a sustainable long-term economic value for shareholders and stakeholders. Capitalizing on such a value, the practice of Good Corporate Governance or GCG is of great importance. In fact, GCG has become a significant element of the market economy associated to the investors' reliance, both to the companies and the overall business climate. The implementation of GCG encourages fair competition and creates a favorable business environment, paving the way for the sustainable economic growth and stability. In the end, it creates added value for all stakeholders of the Company.

To make the most of the result in GCG implementation requires two approaches: ethics-based approach and regulatory-based approach. The ethics-based approach is predominantly driven by the consciousness of business practitioners in conducting their business, both for the short-term profit and the long-term relationship with their stakeholders. On the other hand, the regulatory approach is driven by the initiative to enforce the Company to comply with the prevailing regulations. Both approaches are complimentary to each other in creating a good business environment.

Secara definisi, Tata Kelola Perusahaan adalah struktur dan mekanisme yang mengatur manajemen perusahaan untuk menetapkan nilai ekonomi jangka panjang yang berkelanjutan bagi pemegang saham dan pemangku kepentingan. Dengan memanfaatkan nilai seperti itu, praktik Tata Kelola Perusahaan yang Baik atau GCG sangatlah penting. Faktanya, GCG telah menjadi elemen penting dari ekonomi pasar yang terkait dengan kepercayaan investor, baik kepada perusahaan maupun iklim bisnis secara keseluruhan. Penerapan GCG mendorong persaingan yang adil dan menciptakan lingkungan bisnis yang menguntungkan, membuka jalan bagi pertumbuhan dan stabilitas ekonomi yang berkelanjutan. Pada akhirnya, GCG menciptakan nilai tambah bagi semua pemangku kepentingan Perseroan.

Untuk memaksimalkan hasil dalam penerapan GCG diperlukan dua pendekatan: pendekatan berbasis etika dan pendekatan berbasis peraturan. Pendekatan berbasis etika didominasi oleh kesadaran praktisi bisnis dalam menjalankan bisnis mereka, baik untuk keuntungan jangka pendek dan hubungan jangka panjang dengan para pemangku kepentingan perusahaan. Di sisi lain, pendekatan regulasi didorong oleh inisiatif untuk menegakkan Perseroan agar mematuhi peraturan yang berlaku. Kedua pendekatan tersebut saling melengkapi dalam menciptakan lingkungan bisnis yang baik.

The implementation of companies' GCG in Indonesia is pursuant to the Law No. 40/2007 on Limited Liability Company as the main reference. It accommodates some GCG principals such as similarity of company's instruments, clear definition of rights of each stakeholder; roles, rights and responsibilities of the Board of Directors and the Board of Commissioners; Board of Commissioners collective principals; and the rights and responsibilities of the Independent Commissioner. In addition to the Company Law, The Financial Services Authority (OJK) stipulates some key regulations with regard to GCG implementation as follows:

1. Regulation of Financial Services Authority No. 21/POJK.04/2015 concerning Application of Good Corporate Governance of Public Company;
2. Regulation of Financial Services Authority No. 32/POJK.04/2014 concerning Plan and Implementation of General Meeting of Shareholders of Public Company;
3. Regulation of Financial Services Authority No. 33/POJK.04/2014 concerning Board of Directors and Board of Commissioners of Issuer or Public Company;
4. Regulation of Financial Services Authority No. 35/POJK.04/2014 concerning Corporate Secretary of Issuer or Public Company;
5. Regulation of Financial Services Authority No. 55/POJK.04/2015 concerning Establishment and Implementation of the Audit Committee; and
6. Regulation of Financial Services Authority No. 29/POJK.4/2016 dated July 29, 2016, concerning Annual Report of Issuer or Public Company.

The Company as a listed company has strong commitment to implement the regulations and policies based on the Capital Market standards. The Company is fully aware on the importance of implementing Good Corporate Governance (GCG) principles as a means to increase the Company's performance and public accountability.

As a part of the Company's culture and values, management has taken the strategic steps to socialise and manage GCG for all employees at all levels of the organization.

Implementasi GCG perusahaan di Indonesia sesuai dengan UU No. 40/2007 tentang Perseroan Terbatas sebagai rujukan utama. Ini mengakomodir beberapa prinsip-prinsip GCG seperti kesamaan instrumen perusahaan, definisi yang jelas tentang hak masing-masing pemangku kepentingan; peran, hak, dan tanggung jawab Direksi dan Dewan Komisaris; prinsipal kolektif Dewan Komisaris; dan hak serta tanggung jawab Komisaris Independen. Selain Hukum Perusahaan, Otoritas Jasa Keuangan (OJK) menetapkan beberapa peraturan utama terkait dengan penerapan GCG sebagai berikut:

1. Peraturan Otoritas Jasa Keuangan Nomor 21/POJK.04/2014 tentang Penerapan Pedoman Tata Kelola Perusahaan Terbuka;
2. Peraturan Otoritas Jasa Keuangan Nomor 32/POJK.04/2014 tentang Rencana dan Penyelenggaraan Rapat Umum Pemegang Saham Perusahaan Terbuka;
3. Peraturan Otoritas Jasa Keuangan Nomor 33/POJK.04/2014 tentang Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik;
4. Peraturan Otoritas Jasa Keuangan Nomor 35/POJK.04/2014 tentang Sekretaris Perusahaan Emiten atau Perusahaan Publik;
5. Peraturan Otoritas Jasa Keuangan Nomor 55/POJK.04/2015 tentang Pembentukan dan Pelaksanaan Komite Audit; dan
6. Peraturan Otoritas Jasa Keuangan Nomor 29/POJK.4/2016 tertanggal 29 Juli 2016, tentang Laporan Tahunan Emiten atau Perusahaan Publik.

Perseroan sebagai perusahaan terbuka memiliki komitmen kuat untuk mengimplementasikan peraturan dan kebijakan berdasarkan standar Pasar Modal. Perseroan menyadari sepenuhnya tentang pentingnya menerapkan prinsip-prinsip Tata Kelola Perusahaan yang Baik (GCG) sebagai cara untuk meningkatkan kinerja dan akuntabilitas publik Perseroan.

Sebagai bagian dari budaya dan nilai-nilai Perseroan, manajemen telah mengambil langkah-langkah strategis untuk mensosialisasikan dan mengelola GCG untuk semua karyawan di seluruh tingkatan organisasi.

# GENERAL MEETING OF SHAREHOLDERS

## RAPAT UMUM PEMEGANG SAHAM

In the Company, the Annual General Meeting of Shareholders (Annual GMS) and Extraordinary General Meeting of Shareholders (Extraordinary GMS) are the highest forum for shareholders to use their authority in the company's management. The Annual GMS is held every year. Meanwhile, an Extraordinary GMS may be held any time based on the need for Company's consideration.

### 2019 EGMS Resolution

In 2019, the Company held an Extraordinary GMS on January 11, 2019 at the Santika Hotel, Bogor (2019 EGMS).

All members of Board of Directors and Mr. Michael Dreyer and Mr. Bhra Eka Gunapriya from the Board of Commissioners participated at the 2019 EGMS. Meanwhile, Chandra Wuisantono as Commissioner was unable to attend.

The 2019 EGMS approved and validated the following matters:

1. Approved the removal of Mr. Loi Siew Kee (Allan Loi) from his position as President Director of the Company and confirmed that Mr. Loi Siew Kee (Allan Loi) had agreed to the termination as President Director of the Company.
2. Approved the appointment of Mr. Randeep Singh Kanwar as President Director of the Company.
3. Accepted the resignation of Mr. Bhra Eka Gunapriya as the Independent Commissioner of the Company and approved the appointment of Mr. Koenraad Martin Irine Verheyen as the Company's Independent Commissioner.
4. Determined the composition of the Company's Board of Directors and Board of Commissioners for the term of office since the closing of this Meeting until the closing of the Company's Annual General Meeting of Shareholders which will be held in 2019, as follows:

#### BOARD OF DIRECTORS

- President Director : Mr. Randeep Singh Kanwar
- Director : Mr. Vikash Mahendra Pillay
- Independent Director : Mr. Ir. Budiman Husin

#### BOARD OF COMMISSIONERS

- President Commissioner : Mr. Michael Lee Dreyer
- Commissioner : Mr. Chandra Wuisantono
- Independent Commissioner : Mr. Koenraad Martin Irine Verheyen

5. Authorized the Company's Board of Directors to declare part or all of the decisions taken at the Meeting in a notary deed and to take all necessary actions for the

Di dalam Perseroan, Rapat Umum Pemegang Saham Tahunan (RUPS Tahunan) dan Rapat Umum Pemegang Saham Luar Biasa (RUPS Luar Biasa) adalah forum tertinggi bagi pemegang saham untuk menggunakan wewenang mereka dalam manajemen perusahaan. RUPS Tahunan diadakan setiap tahun. Sementara itu, RUPS Luar Biasa dapat diadakan setiap saat berdasarkan kebutuhan demi kepentingan Perseroan.

### Hasil RUPSLB 2019

Di tahun 2019, Perseroan mengadakan RUPS Luar Biasa pada 11 Januari 2019 di Hotel Santika, Bogor (RUPSLB 2019).

Semua anggota Direksi dan Bapak Michael Dreyer serta Bapak Bhra Eka Gunapriya dari Dewan Komisaris berpartisipasi pada RUPS Luar Biasa 2019. Sementara itu, Chandra Wuisantono sebagai Komisaris tidak dapat hadir.

RUPSLB 2019 telah menyetujui dan memvalidasi hal-hal berikut:

1. Menyetujui pemberhentian Bapak Loi Siew Kee (Allan Loi) dari jabatannya sebagai Presiden Direktur Perseroan dan menegaskan bahwa Bapak Loi Siew Kee (Allan Loi) telah menyetujui pemberhentian sebagai Presiden Direktur Perseroan.
2. Menyetujui pengangkatan Bapak Randeep Singh Kanwar sebagai Presiden Direktur Perseroan.
3. Menerima pengunduran diri Bapak Bhra Eka Gunapriya sebagai Komisaris Independen Perseroan dan menyetujui pengangkatan Bapak Koenraad Martin Irine Verheyen sebagai Komisaris Independen Perseroan.
4. Menentukan komposisi Dewan Direksi dan Dewan Komisaris Perseroan untuk masa jabatan sejak ditutupnya Rapat ini hingga penutupan Rapat Umum Pemegang Saham Tahunan Perseroan yang akan diadakan pada 2019, sebagai berikut:

#### DEWAN DIREKSI

- Presiden Direktur : Bapak Randeep Singh Kanwar
- Direktur : Bapak Vikash Mahendra Pillay
- Direktur Independen: Bapak Ir. Budiman Husin

#### DEWAN KOMISARIS

- Presiden Komisaris : Bapak Michael Lee Dreyer
- Komisaris : Bapak Chandra Wuisantono
- Komisaris Independen: Bapak Koenraad Martin Irine Verheyen

5. Perseroan untuk menyatakan sebagian atau semua keputusan yang diambil dalam Rapat dalam suatu akta notaris dan melakukan semua tindakan yang diperlukan

purpose of notifying the Minister of Law and Human Rights of the Republic of Indonesia regarding changes in the composition of the Directors as decided at the Meeting and register it in the Company Register at the relevant Company Registration Office.

## 2019 GMS Resolution

In 2019, the Company held an Annual GMS on May 23, 2019, at Aston Lake Resort and Conference Center ("AGMS").

The Company carried out the AGMS in accordance with Law No. 40 of 2007 on Limited Liability Company and Financial Services Authority Regulations (OJK) No. 32/POJK.04/2014 on the Plan and Implementation of the Public Company's General Meeting of Shareholders of as last amended by OJK Regulation No. 10/POJK.04/2017 on Amendments to OJK Regulation No. 32/POJK.04/2014 on the Plan and Implementation of the Public Company's General Meeting of Shareholders.

The AGMS was attended by members of Board of Directors and Board of Commissioners. Meanwhile, Chandra Wuisantono, as the Company's Commissioner, could not attend the meeting.

The AGMS approved and validated the following agendas:

1. First Agenda Item:
  - a. Approved the Annual Report of the Company for the year ending December 31, 2018 ("2018 Annual Report of the Company") that has been approved including the supervisory report of the Board of Commissioners of the Company as stipulated in the 2018 Annual Report of the Company, and the Company's Annual Financial Report has been approved for the financial year ending December 31, 2018 as stipulated in the 2018 Annual Report of the Company ("2018 Financial Report of the Company").
  - b. Approved the fulfilment and release of responsibility to the Company's Directors for their managerial actions and the implementation of their authority and to the Company's Board of Commissioners members for their supervisory actions during the financial year ending December 31, 2017, insofar as those actions are reflected in the Company's Annual Report 2018 which was approved and/or in the 2018 Company's Financial Statements that were ratified.

untuk maksud pemberitahuan kepada Menteri Hukum dan Hak Asasi Manusia Republik Indonesia mengenai perubahan susunan Direksi Perseroan sebagaimana diputuskan dalam Rapat dan mendaftarkannya dalam Daftar Perseroan di Kantor Pendaftaran Perseroan terkait.

## Hasil RUPS Tahunan 2019

Pada tahun 2019, Perseroan mengadakan RUPS Tahunan pada tanggal 23 Mei 2019, di Aston Lake Resort and Conference Center ("RUPST").

Perseroan melaksanakan RUPST sesuai dengan Undang-Undang No. 40 tahun 2007 tentang Perseroan Terbatas dan Peraturan Otoritas Jasa Keuangan (OJK) No. 32/POJK.04/2014 tentang Rencana dan Pelaksanaan Rapat Umum Pemegang Saham Perusahaan Publik sebagaimana terakhir diubah dengan Peraturan OJK No. 10/POJK.04/2017 tentang Perubahan atas Peraturan OJK No. 32/POJK.04/2014 tentang Rencana dan Pelaksanaan Rapat Umum Pemegang Saham Perusahaan Publik.

Anggota Direksi dan Dewan Komisaris berpartisipasi pada RUPS Tahunan 2019. Sementara itu, Chandra Wuisantono sebagai Komisaris tidak dapat hadir.

RUPST telah menyetujui beberapa hal sebagai berikut:

1. Mata Acara Pertama:
  - a. Menyetujui Laporan Tahunan Perseroan untuk tahun buku yang berakhir pada 31 Desember 2018 ("Laporan Tahunan Perseroan 2018") yang telah disetujui termasuk laporan pengawasan Dewan Komisaris Perseroan sebagaimana diatur dalam Laporan Tahunan 2018 Perseroan, dan Laporan Keuangan Tahunan Perseroan telah disetujui untuk tahun buku yang berakhir pada tanggal 31 Desember 2018 sebagaimana diatur dalam Laporan Tahunan Perseroan 2018 ("Laporan Keuangan Perseroan 2018").
  - b. Menyetujui pemenuhan dan pelepasan tanggung jawab kepada anggota Direksi Perseroan untuk tindakan manajerial dan pelaksanaan wewenang mereka dan kepada anggota Dewan Komisaris Perseroan untuk tindakan pengawasan mereka selama tahun keuangan yang berakhir 31 Desember 2017, sepanjang tindakan tersebut tercermin dalam Laporan Tahunan Perseroan 2018 yang disetujui dan/atau dalam Laporan Keuangan Perseroan 2018 yang telah disahkan.



2. Second Agenda Item:
- Allocation of the Company's net profit for the financial year 2018 has been approved as retained earnings.
  - Determined that the Company will not distribute dividends for financial year 2018.
3. Third Agenda Item:  
The Company's Board of Commissioners is given authorities to:
- Appoint a public accountant registered at the Financial Services Authority (OJK) to audit the financial statements of the Company which will expire on December 31, 2019, with the provision that the public accountant must be a partner in the Public Accountant Firm registered at the Financial Services Authority; and
  - Determine the honorarium of the public accountant and other appointment requirements.
4. Fourth Agenda Item:
- Approved that the persons mentioned below are appointed/re-appointed as members of the Company's Board of Directors and Board of Commissioners and confirmed the composition of the Company's Board of Directors and Board of Commissioners for the term of office from the closing of the AGMS until the closing of the Company's AGMS held in 2020 is as follows:  
Board of Directors:
    - President Director : Mr. Randeep Singh Kanwar;
    - Director : Mr. Vikash Mahendra Pillay; and
    - Director : Mr. Iman Santoso.  
Board of Commissioners:
    - President Commissioner : Mr. Michael Lee Dreyer;
    - Commissioner : Mr. Budiman Husin; and
    - Independent Commissioner : Mr. Koenraad Martin Irine Verheyen.
  - The Board of Commissioners of the Company has authority to determine salaries and benefits for each member of the Board of Directors of the Company for the financial year ending on December 31, 2019.
  - The Company's President Commissioner is given the authority to determine the salary and benefits for the Company's Board of Commissioners for the financial year ending on December 31, 2019 and to determine the allocation of each member of the Company's Board of Commissioners.
2. Mata Acara Kedua
- Alokasi laba bersih Perseroan untuk tahun buku 2018 telah disetujui sebagai saldo laba.
  - Menetapkan bahwa Perseroan tidak akan membagikan dividen untuk tahun buku 2018.
3. Mata Acara Ketiga  
Dewan Komisaris Perseroan telah diberikan wewenang untuk:
- Menunjuk akuntan publik yang terdaftar di Otoritas Jasa Keuangan (OJK) untuk mengaudit laporan keuangan Perseroan yang akan berakhir pada tanggal 31 Desember 2019, dengan ketentuan bahwa akuntan publik harus menjadi mitra di Kantor Akuntan Publik yang terdaftar di Otoritas Jasa Keuangan; dan
  - Menetapkan honorarium akuntan publik tersebut dan persyaratan penunjukan lainnya.
4. Mata Acara Keempat
- Menyetujui bahwa orang-orang yang disebutkan di bawah telah diangkat/diangkat kembali sebagai anggota Direksi dan Dewan Komisaris Perseroan dan mengkonfirmasi komposisi Dewan Direksi dan Dewan Komisaris Perseroan untuk masa jabatan sejak penutupan rapat RUPST sampai penutupan RUPST yang diadakan pada tahun 2020 adalah sebagai berikut:  
Dewan Direksi:
    - Presiden Direktur : Bapak Randeep Singh Kanwar;
    - Direktur : Bapak Vikash Mahendra Pillay; dan
    - Direktur : Bapak Iman Santoso.  
Dewan Komisaris:
    - Presiden Komisaris : Bapak Michael Lee Dreyer;
    - Komisaris : Bapak Budiman Husin; dan
    - Komisaris Independen : Bapak Koenraad Martin Irine Verheyen.
  - Dewan Komisaris Perseroan berwenang menentukan gaji dan tunjangan untuk setiap anggota Direksi Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2019.
  - Presiden Komisaris Perseroan diberikan wewenang untuk menentukan gaji dan tunjangan bagi Dewan Komisaris Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2019 untuk menentukan alokasi masing-masing anggota Dewan Komisaris Perseroan.

## BOARD OF COMMISSIONERS DEWAN KOMISARIS

The Company understands the key role of Commissioners in protecting the shareholders' interests. To accommodate this needs, the Board of Commissioners composition consists of professionals with many years of experience and knowledge of the tire industry, as well as in finance, capital market laws, and regulations.

The Board of Commissioners (BOC) has responsibility and authority to supervise the Board of Directors' performance, and make suggestions to the Board of Directors if deemed necessary. In addition, the BOC has full authorization to access any corporate information in a timely and comprehensive manner.

In performing their role, the BOC are assisted by an Independent Audit Committee, chaired by an Independent Commissioner in accordance with the Indonesia Stock Exchange rules and regulations.

The total members of the Board of Commissioners shall be at least three people; a President Commissioner, a Commissioner and an Independent Commissioner. The Board of Commissioners is given the responsibility to monitor all policies arranged by the Board of Directors in running the Company's operations and to give advice to the Board of Directors as well as to execute the other activities decided upon during Shareholders Meeting and/or by the Company's articles of association.

### Members of the Board of Commissioners

The composition of Board of Commissioners are presented in the following table:

Name Nama	Position Jabatan	Assigned Since Menjabat Sejak
Michael Lee Dreyer	President Commissioner Presiden Komisaris	2017
Budiman Husin	Commissioner Komisaris	2019
Koenraad Martin	Independent Commissioner Komisaris Independen	2019

Perseroan memahami peran penting para anggota Komisaris dalam melindungi kepentingan seluruh pemegang saham. Untuk mengakomodasi kebutuhan ini, Dewan Komisaris yang terdiri dari para profesional yang memiliki pengalaman dan pengetahuan bertahun-tahun mengenai bidang industri ban, hukum yang berlaku, peraturan keuangan dan pasar modal.

Dewan Komisaris memiliki tanggung jawab dan wewenang untuk mengawasi kinerja Direksi, dan memberikan saran kepada Direksi jika dianggap perlu. Selain itu, Dewan Komisaris memiliki wewenang penuh untuk mengakses informasi apa pun terkait Perseroan secara tepat waktu dan menyeluruh.

Dalam menjalankan perannya, Dewan Komisaris dibantu oleh Komite Audit Independen, diketuai oleh Komisaris Independen sesuai dengan peraturan dan ketentuan Bursa Efek Indonesia.

Jumlah anggota Dewan Komisaris sekurang-kurangnya tiga orang; seorang Presiden Komisaris, seorang Komisaris dan seorang Komisaris Independen. Dewan Komisaris diberi tanggung jawab untuk memantau semua kebijakan yang diatur oleh Direksi dalam menjalankan operasi Perseroan dan untuk memberikan nasihat kepada Direksi serta untuk melaksanakan kegiatan lain yang diputuskan oleh Rapat Umum Pemegang Saham dan/atau Anggaran Dasar Perseroan.

### Anggota Dewan Komisaris

Komposisi Dewan Komisaris disajikan dalam tabel berikut:

# BOARD OF DIRECTORS

## DEWAN DIREKSI

The Company's Board of Directors (BOD) has responsibility for leading the business direction of the Company, managing the Company's operation, and formulating the proper policies in accordance with its corporate philosophy and Articles of Association as well as the prevailing laws and regulations.

The BOD's main responsibility is for leading the Company in meeting its objectives, whilst maintaining and utilizing its assets and resources in a professional and responsible manner. In carrying out its responsibilities, the BOD is required to conduct regular meeting and mandatory meetings if deemed necessary.

Pursuant to Articles of Association, the Company's BOD consists of at least three members. The BOD is appointed through the mechanism of GMS, effective on the appointment date until the closing date of the next GMS after the appointment of the members of the Board of Directors. The Board of Directors' members can be re-elected for another term of office.

### Members of the Board of Directors

The composition of Board of Directors are presented in the following table:

Name Nama	Position Jabatan	Assigned Since Menjabat Sejak
Randeep Singh Kanwar	President Director Presiden Direktur	2019
Vikash Mahendra Pillay	Director Direktur	2018
Iman Santoso	Director Direktur	2019

### Board of Commissioners and Board of Directors Relationship

The Board of Commissioners and the Board of Directors coordinate in the implementation of their duties and responsibilities as mandated in the Company's Articles of Association as well as the applicable Laws and Regulations. The Board of Commissioners and the Board of Directors' relationship may include but is not limited to the following matters:

1. The Board of Commissioners gives approval to the Board of Directors' proposals regarding the Company's Long-Term Plan, Corporate Work Plan and Budget, appointment and dismissal of the Head of Internal Audit & Corporate Secretary and other matters as stated in the Company's Articles of Association and the Board of Commissioners and Directors Work Guidelines as well as the applicable laws and regulations;

Dewan Direksi Perseroan (BOD) memiliki tanggung jawab untuk memimpin arah bisnis Perseroan, mengelola operasi Perseroan, dan merumuskan kebijakan yang tepat sesuai dengan filosofi perusahaan dan Anggaran Dasar serta undang-undang dan peraturan yang berlaku.

Tanggung jawab utama BOD adalah memimpin Perseroan dalam mencapai tujuannya, selagi mempertahankan dan menggunakan aset dan sumber dayanya secara profesional dan bertanggung jawab. Dalam melaksanakan tanggung jawabnya, Direksi diharuskan untuk melakukan rapat rutin dan rapat wajib jika dianggap perlu.

Berdasarkan Anggaran Dasar, Direksi Perseroan terdiri dari setidaknya tiga anggota. Direksi diangkat melalui mekanisme RUPS, yang berlaku sejak tanggal pengangkatan sampai dengan tanggal penutupan RUPS berikutnya setelah pengangkatan anggota Direksi. Anggota Direksi dapat dipilih kembali untuk masa jabatan yang lain.

### Anggota Dewan Direksi

Komposisi Dewan Direksi disajikan dalam tabel berikut:

### Hubungan Dewan Komisaris dan Direksi

Dewan Komisaris dan Direksi berkoordinasi dalam pelaksanaan tugas dan tanggung jawabnya sebagaimana diamanahkan dalam Anggaran Dasar Perseroan serta Peraturan Perundang-undangan yang berlaku. Hubungan Dewan Komisaris dengan Direksi dapat meliputi tetapi tidak terbatas pada hal-hal antara lain sebagai berikut:

1. Dewan Komisaris menyetujui usulan Direksi mengenai Rencana Jangka Panjang Perseroan, Rencana Kerja dan Anggaran Perseroan, pengangkatan dan pemberhentian Kepala Satuan Pengawasan Intern & Sekretaris Perusahaan serta hal-hal lain sebagaimana tercantum dalam Anggaran Dasar Perseroan dan Pedoman Kerja Dewan Komisaris dan Direksi serta peraturan perundang-undangan yang berlaku;

2. The Board of Directors is required to submit periodic reports to the Board of Commissioners as required by the Board of Commissioners' supervisory function regarding the Company's management policies. In addition, the Board of Commissioners together with the Board of Directors submit the Annual Report to the GMS;
  3. The Board of Commissioners is required to hold a meeting with the Board of Directors in order to follow the development of the Company's activities. In this meeting, the Board of Commissioners also gives opinions, suggestions and advice to the Board of Directors to manage the Company properly;
  4. The Board of Commissioners together with the Board of Directors review the Company's Vision and Mission;
  5. If it is necessary, the Board of Commissioners assisted by the Board of Directors appoints the prospective external auditors in accordance with the provisions for the procurement of goods & services, and appoints an independent assessor for the assessment of the Company's GCG implementation;
  6. The Board of Commissioners has the right to obtain access to the Company's information in a timely, measurable and complete manner;
  7. With prior notification, the Board of Commissioners may attend the Board of Directors' meetings to give advice and views on the discussed matters.
2. Direksi wajib menyampaikan laporan berkala kepada Dewan Komisaris seperti yang diwajibkan oleh Dewan Komisaris sebagai fungsi pengawasan terhadap kebijakan pengurusan Perseroan. Dewan Komisaris bersama-sama dengan Direksi juga menyampaikan Laporan Tahunan kepada RUPS;
  3. Dewan Komisaris wajib mengadakan rapat bersama Direksi untuk mengikuti perkembangan kegiatan Perseroan. Dalam rapat ini, Dewan Komisaris juga memberikan pendapat, saran dan usulan kepada Direksi tentang cara terbaik mengelola Perseroan.
  4. Bersama-sama dengan Direksi, Dewan Komisaris melakukan kajian Visi dan Misi Perseroan;
  5. Apabila diperlukan, Dewan Komisaris dibantu Direksi dalam proses penunjukan calon auditor eksternal sesuai dengan ketentuan pengadaan barang & jasa, dan penunjukan penilai (assessor) independen dalam proses asesmen penerapan GCG Perseroan.
  6. Dewan Komisaris berhak memperoleh akses atas informasi Perseroan secara tepat waktu, terukur dan lengkap;
  7. Dengan pemberitahuan terlebih dahulu, Dewan Komisaris dapat menghadiri rapat Direksi dan memberikan pandangan-pandangan terhadap hal-hal yang dibicarakan.

### **Diversity of the Board of Commissioners and the Board of Directors**

The diversity of expertise, experience and education background of the Board of Commissioners and Directors' members greatly influences the effectiveness of the Board of Commissioners' supervisory function and the Board of Directors' management function.

The Company's Board of Commissioners and Directors are appointed pursuant to the Resolution of the General Meeting of Shareholders. In the appointment of the Board of Commissioners and Directors members, the Company is against any form of discrimination on gender, race, or belief. All members are appointed based on expertise and experience needed to support the function of each main.

Furthermore, the Company strives to maintain the mix of expertise and experience of the members of the Board of Commissioners and Directors including in the fields of engineering, economics and business, as well as accounting. The current composition is quietly diverse, both based on age, educational background, expertise and experience required in carrying out their duties and responsibilities.

### **Keberagaman Komposisi Dewan Komisaris dan Direksi**

Keberagaman keahlian, pengalaman, dan latar belakang pendidikan anggota Dewan Komisaris dan Direksi sangat berpengaruh pada efektivitas tugas pengawasan Dewan Komisaris dan fungsi manajemen Dewan Direksi.

Dewan Komisaris dan Direksi Perseroan ditunjuk berdasarkan Keputusan Rapat Umum Pemegang Saham. Dalam pengangkatan anggota Dewan Komisaris dan Direksi, Perseroan menentang segala bentuk diskriminasi gender, ras, atau kepercayaan. Semua anggota diangkat berdasarkan keahlian dan pengalaman yang diperlukan untuk mendukung setiap fungsi.

Selanjutnya, Perseroan berupaya untuk mempertahankan campuran keahlian dan pengalaman anggota Dewan Komisaris dan Direksi termasuk di bidang teknik, ekonomi dan bisnis, serta akuntansi. Komposisi saat ini cukup beragam, baik berdasarkan usia, latar belakang pendidikan, keahlian dan pengalaman yang dibutuhkan dalam menjalankan tugas dan tanggung jawab mereka.

The Company continually encourages the Board of Commissioners and Directors to improve their competence through training, workshops and other relevant activities.

### **Performance Assessment of the Board of Commissioners and the Board of Directors**

The Company regularly evaluates the Board of Commissioners and Directors performances, both collegially and individually, through an independent mechanism. Annual assessment is conducted based on the Company's achievement level compared to the approved target (Key Performance Indicator). The performance assessment is also carried out by considering the duties and responsibilities of each member of the Board of Commissioners and Directors in accordance with the laws and regulations and/or the Company's Articles of Association.

The results of the Board of Commissioners performance assessment is submitted to the President Commissioner. Meanwhile, the results of the Board of Directors performance assessment is submitted to the Board of Commissioners. Furthermore, the President Commissioner handles the final assessment based on the recommendation from the Nomination and Remuneration Committee. The results are taken into account in providing direction to improve the effectiveness of the Board of Commissioners and Directors' performances. Nevertheless, it acts as the basis for the remuneration structure of the Board of Commissioners and Directors.

In addition, the performance assessments of the Board of Commissioners and Directors is publicly conveyed as an accountability act for the implementation of duties and responsibilities at the Annual GMS and the Company's annual report.

### **Affiliation between Members of the Board of Commissioners, the Board of Directors and/or Majority Shareholders**

The Board of Commissioners and Directors of the Company do not have any affiliation, either in kinship or financial matter, with other members of the Board of Commissioners and/or Directors and/or the Controlling Shareholder.

The Board of Commissioners and Directors of the Company also do not have any affiliation, either in kinship or financial matter, up to the third degree with other members of the Board of Commissioners and/or Directors in other companies.

Perseroan terus mendorong Dewan Komisaris dan Direksi dalam meningkatkan kompetensi mereka melalui pelatihan, lokakarya dan kegiatan terkait lainnya.

### **Penilaian Kinerja terhadap Dewan Komisaris dan Direksi**

Perseroan menilai kinerja Dewan Komisaris dan Direksi baik secara kolejal maupun individu melalui mekanisme mandiri setiap tahunnya berdasarkan tingkat pencapaian Perseroan dibandingkan dengan target (Key Performance Indicator) yang telah disepakati. Evaluasi kinerja tersebut juga dilakukan dengan mempertimbangkan tugas dan tanggung jawab masing-masing anggota Dewan Komisaris dan Direksi sesuai dengan peraturan perundang-undangan dan/atau Anggaran Dasar Perseroan.

Hasil penilaian kinerja Dewan Komisaris disampaikan kepada Presiden Komisaris. Sedangkan, hasil penilaian kinerja Direksi disampaikan kepada Dewan Komisaris. Selanjutnya, evaluasi akhir penilaian akan dilakukan oleh Presiden Komisaris berdasarkan rekomendasi dari Komite Nominasi dan Remunerasi. Hasil penilaian kinerja anggota Dewan Komisaris dan Direksi menjadi bahan pertimbangan dalam memberikan arahan untuk meningkatkan efektivitas kinerja Dewan Komisaris dan Direksi. Hasil penilaian tersebut juga merupakan salah satu dasar pertimbangan bagi Komite Nominasi dan Remunerasi memberikan rekomendasi untuk mengangkat kembali anggota Dewan Komisaris dan Direksi dan untuk menyusun struktur remunerasi Dewan Komisaris dan Direksi.

Selain itu, penilaian kinerja Dewan Komisaris dan Direksi disampaikan secara umum sebagai bentuk pertanggungjawaban pelaksanaan tugas dan tanggung jawab pada saat RUPS Tahunan dan laporan tahunan Perseroan.

### **Hubungan Afiliasi antara Anggota Dewan Komisaris, Direksi, dan Pemegang Saham Utama dan/atau Pengendali**

Dewan Komisaris dan Direksi Perseroan tidak memiliki hubungan afiliasi baik secara kekeluargaan dan finansial, dengan anggota Direksi lain dan/atau anggota Dewan Komisaris serta Pemegang Saham Pengendali.

Dewan Komisaris dan Direksi Perseroan juga tidak memiliki hubungan afiliasi baik secara kekeluargaan atau finansial, hingga derajat ketiga dengan anggota Dewan Komisaris lain dan/atau anggota Direksi di perusahaan lain.

Affiliation between the members of the Board of Commissioners, the Board of Directors and the Main and/or controlling Shareholders is shown in the following table:

Hubungan Afiliasi antara Anggota Dewan Komisaris, Direksi, dan Pemegang Saham Utama dan/atau Pengendali lebih lengkap disajikan pada tabel berikut:

No No	Name Nama	Family Relationship with Hubungan Keluarga dengan						Financial Relationship with Hubungan Keuangan dengan					
		Board of Commissioners Dewan Komisaris		Board of Directors Direksi		Controlling Shareholders Pemegang Saham Pengendali		Board of Commissioners Dewan Komisaris		Board of Directors Direksi		Controlling Shareholders Pemegang Saham Pengendali	
		Yes Ya	No Tidak	Yes Ya	No Tidak	Yes Ya	No Tidak	Yes Ya	No Tidak	Yes Ya	No Tidak	Yes Ya	No Tidak
1	Michael Lee Dreyer	-	√	-	√	-	√	-	√	-	√	-	√
2	Budiman Husin	-	√	-	√	-	√	-	√	-	√	-	√
3	Koenraad M. I. Verheyen	-	√	-	√	-	√	-	√	-	√	-	√
4	Randeep Singh Kanwar	-	√	-	√	-	√	-	√	-	√	-	√
5	Vikash Mahendra Pillay	-	√	-	√	-	√	-	√	-	√	-	√
6	Iman Santoso	-	√	-	√	-	√	-	√	-	√	-	√

### Supporting Committees of the Board of Commissioners

To support its supervisory function the Board of Commissioners has formed one supporting committee, namely the Audit Committee led by Independent Commissioners. The Audit Committee's duties and responsibilities are described in the work guideline. The legal basis for establishing the supporting organ of the Board of Commissioners refers to the regulations:

1. Financial Services Authority Regulation No. 33/POJK.04/2014 concerning Directors and Commissioners of Issuers or Public Companies;
2. Financial Services Authority Regulation No. 55/POJK.04/2015 concerning Establishment and Implementation of the Audit Committee; and
3. Financial Services Authority Regulation No. 57/POJK.04/2017 concerning the Implementation of Governance of Securities Companies Conducting Business Activities as Securities Underwriters and Broker-Dealers.

### Organ Penunjang Dewan Komisaris

Untuk mendukung fungsi pengawasan Perseroan, Dewan Komisaris telah membentuk satu komite penunjang, yaitu Komite Audit yang diketuai oleh Komisaris Independen. Tugas serta tanggung jawab Komite Audit dijelaskan dalam pedoman kerja. Adapun dasar hukum pembentukan penunjang Dewan Komisaris mengacu pada peraturan:

1. Peraturan Otoritas Jasa Keuangan Nomor 33/POJK.04/2014 tentang Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik;
2. Peraturan Otoritas Jasa Keuangan Nomor 55/POJK.04/2015 tentang Pembentukan dan Pelaksanaan Komite Audit; dan
3. Peraturan Otoritas Jasa Keuangan Nomor 57/POJK.04/2017 tentang Penerapan Tata Kelola Perusahaan Efek yang Melakukan Kegiatan Usaha Sebagai Penjamin Emisi Efek dan Perantara Pedagang Efek.

## Training and Development of the Board of Directors

Throughout 2019, member of the Board of Directors participated in several training and development, program summarized in the following table:

## Pelatihan dan Pengembangan Direksi

Sepanjang tahun 2019, anggota Direksi telah berpartisipasi dalam beberapa program pelatihan dan pengembangan, dan dirangkum dalam tabel berikut:

Entity Title Nama Kegiatan
Becoming a Compliance Leader
Protecting Our Information
Global Competition – Our Responsibilities
2019 Business Conduct Manual Certification
Executive Compensation Annual Communications March 2019
Power-up: Understanding CBM
Health Talk
Financial Planning & Investment Knowledge
Engagement Race
Deliver Results
Associate Toolkit - Own Your Career Development
Learning Sharing - Presenting with Strategic Impact
Power-up: Consumer OE Business
Ethical Leadership: Anti-Corruption
Becoming a Compliance Leader
Protecting Our Information
Strategic Thinking
Writing a Business Case
2019 Business Conduct Manual Certification
Global Competition – Our Responsibilities
Ethical Leadership: Anti-Corruption
Protecting Our Information
Becoming a Compliance Leader
2019 Business Conduct Manual Certification
Global Competition – Our Responsibilities

# AUDIT COMMITTEE

## KOMITE AUDIT

The Audit Committee is formed to enhance the corporate governance execution and to assist the Board of Commissioners in decision making. The members of Audit Committee are appointed by Board of Commissioners. The main responsibility of Audit Committee is to assist Board of Commissioners in evaluating the integrity of the financial report and operations made by the Board of Directors, in accordance with the Company's constitution and other policies related to the the Company's business activities.

Komite Audit dibentuk untuk meningkatkan pelaksanaan tata kelola Perseroan dan membantu Dewan Komisaris dalam mengambil keputusan, Dewan Komisaris membentuk Komite Audit. Anggota Komite Audit diangkat dan ditunjuk melalui rapat Dewan Komisaris. Tugas utama Komite Audit adalah membantu Dewan Komisaris dalam mengevaluasi integritas laporan keuangan dan operasional yang dibuat oleh Direksi, mengidentifikasi ketidaksesuaian dengan perundang-undangan, peraturan, dan ketentuan lain menyangkut aktivitas bisnis Perseroan.

### Members of Audit Committee

The composition of Audit Committee are presented in the following table:

Name Nama	Position Jabatan	Assigned Since Menjabat Sejak
Koenraad Martin Irine Verheyen	Head of Audit Committee Ketua Komite Audit	2019
Devy Saviatry Nazahar	Member of Audit Committee Anggota Komite Audit	2015
Herwan Ng	Member of Audit Committee Anggota Komite Audit	2019

### Anggota Komite Audit

Komposisi Komite Audit disajikan dalam tabel berikut:

The Audit Committee's duties include the supervision of the Internal Audit Unit and External Auditors to maintain the Company's independency and objectivity. In addition, the Audit Committee has responsibility for reviewing the audit plan and its execution, as well as supervising the follow up to the audit result. This committee actively engages in the appointment of the Public Accountant, evaluates the Public Accountant's ability in maintaining its independence, establishes evaluation criteria for its work, and performs the assessment based on these criteria.

Tugas-tugas Komite Audit meliputi pengawasan terhadap Unit Audit Internal maupun Auditor Eksternal Perseroan. Selanjutnya, Komite Audit juga bertanggung jawab untuk melakukan pengkajian atas rencana audit, pelaksanaan, hasil, sekaligus tindak lanjut dari sebuah hasil audit. Komite Audit juga secara aktif berpartisipasi dalam memilih Akuntan Publik, mengevaluasi kemandiriannya, menyusun kriteria evaluasi terhadap kinerjanya dan melakukan evaluasi berdasarkan kriteria tersebut.

In performing its duty, the Audit Committee has a full and unlimited access to any records, employees, resources and funds, as well as other assets of Company.

Dalam melaksanakan tugasnya, Komite Audit memiliki hak penuh serta akses tak terbatas terhadap semua catatan, karyawan, sumber daya, dana, dan aset Perseroan lainnya.

Throughout 2019, the Audit Committee held four meetings with the Company's management. These meetings were attended by the Independent Commissioner in charge of the Audit Committee Head, and the Audit Committees members.

Selama tahun 2019, Komite Audit telah melaksanakan empat kali pertemuan resmi dengan manajemen Perseroan. Pertemuan ini dihadiri oleh Komisaris Independen yang membawahi Kepala Komite Audit dan anggota Komite Audit.



### Audit Committee Profile

Koenraad Martin Irine Verheyen serves as the Chairman of Audit Committee also acting as Independent Commissioner.

His full profile is presented in the Board of Commissioners Profile.

### Profil Komite Audit

Koenrad Martin Irine Verheyen menjabat sebagai Ketua Komite Audit (Merangkap Komisaris Independen).

Profil lengkap beliau dapat dilihat dalam Profil Dewan Komisaris.



Herwan Ng

Herwan Ng is a member of the Audit Committee who is an Indonesian citizen aged 47 years.

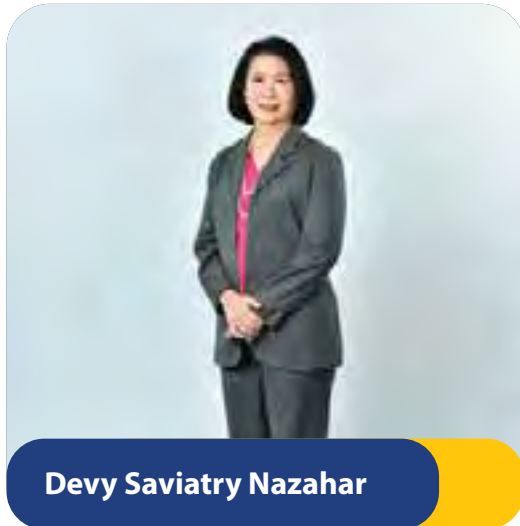
Herwan Ng merupakan anggota Komite Audit yang merupakan warga negara Indonesia berusia 47 tahun.

Herwan Ng completed his education by earning a Bachelor of Economics in Accounting from Tarumanegara University in 1995, and earned a Master of Business Administration from Edinburgh Business School of Heriot-Watt University in 2010.

Herwan Ng menyelesaikan pendidikannya dengan meraih gelar Sarjana Ekonomi Akuntansi dari Universitas Tarumanegara tahun 1995, dan meraih gelar Master of Business Administration dari Edinburgh Business School of Heriot-Watt University pada 2010.

He began his professional career at PwC by holding his last position as Senior Manager (1995-2005). Then he joined Rio Tinto Indonesia as Finance Director and CFO (2005-2019). Finally, he served as Managing Director - Indonesia at AWR Lloyd (2019-Present).

Beliau mengawali karier profesionalnya di PwC dengan menjabat posisi terakhir sebagai Senior Manager (1995-2005). Kemudian beliau bergabung dengan Rio Tinto Indonesia sebagai Direktur Keuangan dan CFO (2005-2019). Terakhir, beliau menjabat sebagai Managing Director - Indonesia di AWR Lloyd (2019-sekarang).



Ms. Devy Saviatry Nazahar serves as an Audit Committee member. She is 62 years old and was born in Palembang on October 8, 1957. She holds Indonesian citizenship.

Ibu Devi Saviatry Nazahar merupakan anggota Komite Audit berusia 62 tahun yang lahir di Palembang pada tanggal 8 Oktober 1957. Beliau memegang kewarganegaraan Indonesia.

Devy Saviatry Nazahar earned a Bachelor's degree of Economics in Accounting from the University of Indonesia in 1985 and obtained a Master's degree in Accounting from University of Indonesia in 2000.

She began her career as an Auditor at an accounting firm (1982-1984) and became an Accountant at a private company (1985-1988). From 1988-1991, she served as the Company's Regional Internal Auditor before leaving the Company and joining PWC as Assistant Manager and Business Service Manager (1991-1996). From 1996-1998, she served as Citibank's as Unit Head and Jamsostek serving as a member of the Audit Committee. She held the same position at PT Semen Gresik Tbk (Persero). Afterwards, she served as Head of Internal Audit at the University of Indonesia. In 2015, she rejoined the Company as a Member of the Audit Committee. Up to the present, she also served as a member of the Audit Committee at PLN Batam since 2018.

Devy Saviatry Nazahar merupakan peraih gelar Sarjana Ekonomi Akuntansi dari Universitas Indonesia tahun 1985 dan memperoleh gelar Magister Akuntansi dari Universitas Indonesia pada tahun 2000.

Beliau mengawali kariernya sebagai Auditor di sebuah firma Akuntansi (1982-1984) dan menjadi seorang Akuntan di sebuah perusahaan swasta (1985-1988). Pada periode 1988-1991, beliau bergabung di Perseroan sebagai Regional Internal Auditor sebelum meninggalkan Perseroan dan bergabung dengan PWC sebagai Assistant Manager dan Business Service Manager (1991-1996). Pada 1996-1998, beliau bergabung dengan Citibank sebagai Unit Head dan Jamsostek sebagai Anggota Komite Audit. Posisi yang sama dia jabat di PT Semen Gresik Tbk (Persero). Kemudian, beliau menjabat sebagai Head of Internal Audit di Universitas Indonesia. Di tahun 2015, beliau kembali bergabung dengan Perseroan sebagai Anggota Komite Audit, dan hingga saat ini, beliau juga menjabat sebagai anggota Komite Audit di PLN Batam sejak tahun 2018.

# INTERNAL AUDIT CHARTER

## PIAGAM AUDIT INTERNAL

### 1. Purpose

The main function of The Goodyear Tire and Rubber Company's Global Internal Department is to provide independent, objective assurance and advisory services designed to protect the assets and reputation of The Goodyear Tire & Rubber Goodyear Indonesia while adding value and improving the organization's operations. It helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, internal control, compliance and governance processes.

### 2. The Scope of Audit Work

The Goodyear Tire and Rubber Company's Global Internal Department activities principally involve evaluating whether the organization's network of risk management processes, internal controls, governance activities, operations, and information systems, as designed and represented by management, are adequate and functioning in a manner to ensure:

- a. Risks are appropriately identified and managed;
- b. The reliability, integrity, and timeliness of financial and operational information;
- c. The effectiveness and efficiency of operations;
- d. The safeguarding of assets; and
- e. Compliance with laws, regulations, contracts, and corporate policies.

All business systems, processes, operations, functions, and activities within the organization are subject to Global Internal Audit's evaluation.

### 3. Responsibilities

The Goodyear Tire and Rubber Company's Global Internal Department responsibilities include, but are not limited to:

- a. Developing and periodically reviewing with executive management and the Audit Committee the internal audit charter, adapting it as necessary to ensure it remains relevant to the needs of the organization;
- b. Developing a flexible, strategy-focused audit plan using an appropriate risk-based methodology, including risks and control concerns identified by management, that will be subject to the Audit Committee's review and approval;
- c. Updating the audit plan when warranted by changes in business conditions;
- d. Executing the plan in accordance with the 'International Standards for the Professional Practice of Internal Auditing' as issued by the Institute of Internal Auditors;

### 1. Tujuan

Fungsi utama Departemen Internal Audit Goodyear Tire and Rubber Company's adalah untuk menyediakan layanan yang independen, obyektif, dan memberikan saran yang dirancang untuk melindungi aset dan reputasi The Goodyear Tire & Rubber Goodyear Indonesia seraya menambahkan nilai dan meningkatkan operasi organisasi. Hal ini membantu organisasi mencapai tujuannya dengan membawa pendekatan sistematis dan disiplin untuk mengevaluasi dan meningkatkan efektivitas manajemen risiko, pengendalian internal, kepatuhan dan proses tata kelola.

### 2. Lingkup Pekerjaan Audit

Kegiatan Departemen Internal Audit Goodyear Tire and Rubber Company's pada prinsipnya melibatkan evaluasi apakah jaringan proses manajemen risiko, pengendalian internal, kegiatan tata kelola, operasi, dan sistem informasi organisasi, sebagaimana dirancang dan diwakili oleh manajemen, sudah cukup memadai dan berfungsi untuk memastikan:

- a. Risiko diidentifikasi dan dikelola dengan tepat;
- b. Keandalan, integritas, dan ketepatan waktu informasi keuangan dan operasional;
- c. Efektivitas dan efisiensi operasi;
- d. Perlindungan aset; dan
- e. Kepatuhan terhadap hukum, peraturan, kontrak, dan kebijakan Perseroan.

Semua system bisnis, proses, operasi, fungsi, dan aktivitas dalam organisasi tunduk pada evaluasi Global Internal Audit.

### 3. Tanggung Jawab

Tanggung jawab Kegiatan Departemen Internal Audit Goodyear Tire and Rubber Company meliputi, tetapi tidak terbatas pada:

- a. Mengembangkan dan meninjau secara berkala dengan manajemen eksekutif dan Komite Audit piagam audit internal, mengadaptasinya sesuai keperluan untuk memastikannya tetap relevan dengan kebutuhan organisasi;
- b. Mengembangkan rencana audit yang fleksibel dan berfokus pada strategi menggunakan metodologi yang tepat, termasuk risiko dan masalah pengendalian yang diidentifikasi oleh manajemen, yang akan tunduk pada tinjauan dan persetujuan Komite Audit;
- c. Memperbarui rencana audit saat terjamin oleh perubahan kondisi bisnis;
- d. Melaksanakan rencana tersebut sesuai dengan 'International Standards for the Professional Practice of Internal Auditing' yang dikeluarkan oleh Institut Auditor Internal Auditor;

- e. Providing assurance services to management, the Board of Directors, and the Audit Committee as to the design adequacy and operating effectiveness of internal control, risk management, and governance systems within the scope of work described above;
- f. Systematically evaluating the Company's efficiency and effectiveness in achieving its established goals and objectives;
- g. Providing auditors with the knowledge and skills required to fulfill responsibilities under this Audit Charter and positioning them to serve as future business leaders of the Company;
- h. Acting as the focal point into which matters of known or suspected fraud are reported by associates or others;
- i. Providing investigative services into matters of alleged improprieties and non-compliance with laws, regulations, or corporate policies and apprising executive management and the Audit Committee of the outcome of such matters, as appropriate, and;
- j. Leading or participating in special projects as requested by management and/or the Audit Committee.

Management is responsible for designing and maintaining processes to effectively and efficiently accomplish Company objectives, and adequate internal controls to manage risks facing the organization. While The Goodyear Tire and Rubber Company's Global Internal Audit Department may be consulted on the design and operation of processes and controls and may subsequently audit those same processes and controls, it has no responsibility to design or operate them.

Management is also responsible for correcting identified control issues and implementing identified process improvements within the agreed timeframe. The Goodyear Tire and Rubber Company's Global Internal Audit Department will follow up with management to ensure that corrective actions are properly completed.

#### 4. Authority

Internal Audit is granted the authority to discharge the responsibilities set forth in this Internal Audit Charter by the Audit Committee of the Board of Directors, with the full support and assistance of the Company's management.

- e. Memberikan layanan penjaminan kepada manajemen, Dewan Direksi, dan Komite Audit mengenai kecukupan desain dan efektivitas operasi pengendalian internal, manajemen risiko, dan sistem tata kelola dalam lingkup pekerjaan yang dijelaskan di atas;
- f. Mengevaluasi efisiensi dan efektivitas Perseroan secara sistematis dalam mencapai sasaran dan sasaran yang ditetapkan;
- g. Memberikan para auditor pengetahuan dan keterampilan yang diperlukan untuk memenuhi tanggung jawab berdasarkan Piagam Audit ini dan memposisikan mereka untuk melayani sebagai pemimpin bisnis Perseroan di masa depan;
- h. Bertindak sebagai titik fokus ke mana masalah kecurangan yang diketahui atau diduga terjadi dilaporkan oleh rekanan atau orang lain;
- i. Memberikan layanan investigasi pada masalah dugaan ketidakwajaran dan ketidakpatuhan terhadap undang-undang, peraturan, atau kebijakan Perseroan dan memberi tahu manajemen eksekutif dan Komite Audit tentang hasil dari masalah tersebut, yang sesuai, dan;
- j. Memimpin atau berpartisipasi dalam proyek-proyek khusus seperti yang diminta oleh manajemen dan/atau Komite Audit.

Manajemen bertanggung jawab merancang dan memelihara proses untuk mencapai berbagai tujuan Perseroan secara efektif dan efisien, dan kontrol internal yang memadai untuk mengelola risiko yang dihadapi organisasi. Walaupun Departemen Internal Audit Goodyear Tire and Rubber Company dapat dikonsultasikan mengenai desain dan operasi proses dan kontrol dan selanjutnya dapat mengaudit proses dan control yang sama, Departemen Internal Audit Goodyear Tire and Rubber Company tidak memiliki tanggung jawab untuk merancang atau mengoperasikannya.

Manajemen juga bertanggung jawab untuk memperbaiki masalah kontrol yang teridentifikasi dan menerapkan perbaikan proses yang teridentifikasi dalam jangka waktu yang disepakati. Departemen Internal Audit Goodyear Tire and Rubber Company akan menindaklanjuti hal tersebut dengan manajemen untuk memastikan bahwa tindakan korektif diselesaikan dengan benar.

#### 4. Otoritas

Audit Internal diberikan wewenang untuk membebaskan tanggung jawab yang ditetapkan dalam Piagam Audit Internal ini oleh Komite Audit Dewan Direksi, dengan dukungan penuh dan bantuan dari manajemen kepada Perseroan.

## 5. Independence

To provide for the independence of The Goodyear Tire and Rubber Company's Global Internal Audit Department, its personnel report to the Vice President & General Auditor, who reports functionally to the Audit Committee and administratively to the Chief Financial Officer. In order to preserve its independence, Global Internal Audit shall have no line responsibilities over the operations it audits. The internal audit activity is free from interference in determining the audit scope, performance of audit work, and communicating results.

## 6. Standards of Audit Practice

The Goodyear Tire and Rubber Company's Global Internal Audit Department will govern itself by adherence to the Institute of Internal Auditors guidance including the definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing. This guidance constitutes statements of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of The Goodyear Tire and Rubber Company's Global Internal Audit Department's performance.

## 7. Periodic Assessment

The Goodyear Tire and Rubber Company's Global Internal Audit Department will maintain a quality assurance and improvement program to ensure the function is operating effectively and efficiently as well as in compliance with the Institute of Internal Auditors Standards. At least every five years an independent quality assessment will be arranged to ensure the function satisfactorily meets the Institute of Internal Auditors Standards.

## 8. Communications

To be effective in discharging these responsibilities and to perform services that are relevant to the needs of its stakeholders, audit plans are developed, revised and executed with the active participation of and partnering with such stakeholders while recognizing the need for The Goodyear Tire and Rubber Company's Global Internal Audit Department to be independent in exercising judgment on where and how to execute its responsibilities. All audit reports are discussed with appropriate management prior to issuance and are distributed to management and external audit.

## 5. Kemandirian

Untuk memberikan independensi Departemen Internal Audit Goodyear Tire and Rubber Company's, personelnya melapor kepada Wakil Presiden & Auditor Umum, yang melapor secara fungsional kepada Komite Audit dan secara administratif kepada Chief Financial Officer. Untuk menjaga independensinya, Global Internal Audit tidak akan memiliki tanggung jawab garis atas operasi yang diaudit. Aktivitas audit internal bebas dari gangguan dalam menentukan ruang lingkup audit, kinerja pekerjaan audit, dan mengkomunikasikan hasil.

## 6. Standar Praktik Audit

Departemen Internal Audit Goodyear Tire and Rubber Company akan mengatur dirinya dengan mematuhi pedoman Institute of Internal Auditor termasuk definisi Audit Internal, Kode Etik, dan Standar Internasional untuk Praktik Profesional Audit Internal. Panduan ini merupakan pernyataan persyaratan mendasar untuk praktik profesional audit internal dan untuk mengevaluasi efektivitas kinerja Departemen Internal Audit Goodyear Tire and Rubber Company.

## 7. Penilaian Berkala

Departemen Internal Audit Goodyear Tire and Rubber Company's akan mempertahankan program penjaminan kualitas dan peningkatan untuk memastikan fungsi beroperasi secara efektif dan efisien serta sesuai dengan Institut Standar Auditor Internal. Setidaknya setiap lima tahun, penilaian kualitas independen akan diatur untuk memastikan fungsi tersebut memenuhi Standar Institut Auditor Internal.

## 8. Komunikasi

Agar dapat melaksanakan tanggung jawab secara efektif dan untuk melakukan layanan yang relevan dengan kebutuhan para pemangku kepentingannya, rencana audit dikembangkan, direvisi dan dieksekusi dengan partisipasi aktif dan bermitra dengan para pemangku kepentingan tersebut. Independensi Departemen Internal Audit Goodyear Tire and Rubber Company's juga diperlukan dalam melakukan penilaian ke mana arah dan bagaimana pelaksanaan tanggung jawabnya. Semua laporan audit didiskusikan dengan manajemen yang tepat sebelum diterbitkan dan ke manajemen dan audit eksternal.

The Goodyear Tire and Rubber Company's Global Internal Audit Department provides the Audit Committee with quarterly audit activity reports summarizing progress towards completing the audit plan, changes to the plan, summaries of significant control issues and management's progress in implementing agreed to corrective actions, summaries of significant fraud incidents, and other matters of interest to the Committee.

### 9. Administration and Interpretation

Administration and interpretation of the Internal Audit Charter is the responsibility of the Vice President & General Auditor with the concurrence of the Audit Committee and the Executive Vice President and Chief Financial Officer.

Departemen Internal Audit Goodyear Tire and Rubber Company's menyediakan laporan kegiatan audit triwulanan kepada Komite Audit yang merangkum kemajuan menuju penyelesaian rencana audit, perubahan rencana, rangkuman masalah-masalah pengendalian yang signifikan dan kemajuan manajemen dalam penerapan yang disetujui untuk tindakan korektif, rangkuman insiden kecurangan yang signifikan, dan hal-hal lain yang menarik bagi Komite.

### 9. Administrasi dan Interpretasi

Hal yang berkaitan dengan administrasi dan interpretasi Piagam Audit Internal merupakan tanggung jawab Wakil Presiden & Auditor Umum dengan persetujuan Komite Audit dan Wakil Presiden Eksekutif dan Kepala Pejabat Keuangan.

## CORPORATE SECRETARY SEKRETARIS PERUSAHAAN

Pursuant to Regulation of Financial Services Authority No. 35/POJK.04/2014 concerning Corporate Secretary of Issuer or Public Company; Corporate Secretary plays significant roles in the Company to monitor the situation in the capital market and review regulations, disclose information to the public/stakeholders related to Company's performance, provide advice to BOD, ensure the Company's compliance to the capital market laws and regulations, and become the main liaison between the Company, the capital market authority, the stock exchange, and our stakeholders. The Corporate Secretary carries out several responsibilities involving:

1. Monitor the compliance of regulations in the Company's Article of Associations, Company laws, capital market laws and related regulations;
2. Coordinate and develop communication among stakeholders as well as inside the Company and implement a sustainable corporate social responsibility program;
3. Develop and maintain good communication with security analyst and investors;
4. Coordinate and manage BOC and BOD meetings as well as the committee meetings.

Berdasarkan Peraturan Otoritas Jasa Keuangan No. 35/POJK.04/2014 tentang Sekretaris Perusahaan Emiten atau Perusahaan Publik, peran Sekretaris Perusahaan adalah memantau perkembangan yang terjadi di pasar modal dan peraturan-peraturannya, memberikan informasi kepada publik/pemangku kepentingan mengenai kondisi Perseroan, memberikan saran ke Direksi untuk mematuhi Hukum dan Peraturan Pasar Modal, dan menjadi penghubung utama antara Perseroan, otoritas pasar modal, bursa efek, dan masyarakat/pemangku kepentingan pada umumnya. Tanggung jawab Sekretaris Perusahaan mencakup:

1. Memantau kepatuhan terhadap aturan yang berlaku dalam Anggaran Dasar Perseroan, undang-undang Perseroan Terbatas, Undang-Undang pasar modal, dan peraturan terkait;
2. Melakukan koordinasi dan membina komunikasi dengan para pemangku kepentingan serta di dalam Perseroan serta menerapkan program tanggung jawab sosial perusahaan yang berkesinambungan;
3. Membangun dan memelihara komunikasi yang baik dengan para pengamat sekuritas dan penanam modal;
4. Melakukan koordinasi dan pengelolaan rapat Dewan Komisaris, rapat Dewan Direksi, dan rapat komite-komite Perseroan.

In 2019, the Corporate Secretary position has changed in the Company, presented in the following table:

Pada 2019, terdapat perubahan pada posisi Sekretaris Perusahaan seperti tersaji dalam tabel berikut:

Name Nama	Position Jabatan	Assigned Since Menjabat Sejak
Vikash Mahendra Pillay	Corporate Secretary Sekretaris Perusahaan	2019

The brief profile of Vikash Mahendra Pillay as the Corporate Secretary can be seen in the Board of Directors' Profile section in the Company Profile Chapter.

Profil singkat Vikash Mahendra Pillay selaku Sekretaris Perusahaan dapat dilihat di bagian Profil Direksi pada Bab Profil Perseroan.

## INTERNAL SUPERVISION AND CONTROL PENGAWASAN DAN PENGENDALIAN INTERNAL

The Company continually strengthens its policy and practice of its corporate governance such as establishing internal control structures and procedures in accordance with the international management standards. One of the standards used for internal supervision and control system is the Sarbanes Oxley Act (SOX) in 2002, a financial report constitution and reformation of company management in the USA. The content of SOX is to require some companies listed in the US stock exchanges to adhere to the requirements which promoted higher assurance to the integrity of a financial report.

Perseroan secara terus menerus memperkuat kebijakan dan praktek tata kelola perusahaan, antara lain dengan membangun struktur pengendalian internal serta prosedur yang dapat mengimbangi tuntutan pemenuhan standar tata kelola Internasional. Salah satu standar tersebut adalah the Sarbanes Oxley Act (SOX) tahun 2002, sebuah undang-undang tentang pelaporan keuangan dan reformasi tata kelola perusahaan di Amerika Serikat (AS). Isinya antara lain mewajibkan perusahaan-perusahaan yang tercatat di bursa AS untuk mentaati sejumlah persyaratan yang mendorong adanya kepastian lebih besar terhadap integritas sebuah laporan keuangan.

SOX gives the impact on the management and disclosure of the Company's financial reports. Therefore, the Company has a strong commitment to maintain the sustainable internal control procedure as well as sustain the best standard for managing corporate governance and ethics.

SOX memberikan dampak pada tata kelola dan pengungkapan laporan keuangan Perseroan. Oleh karena itu, Perseroan memiliki komitmen yang kuat untuk mempertahankan prosedur pengendalian internal yang berkelanjutan serta mempertahankan standar terbaik untuk mengelola tata kelola dan etika perusahaan.

The Company is a subsidiary of Goodyear Tire & Rubber Company headquartered in Akron, Ohio, United States, listed on the NASDAQ Global Select Market. Therefore, it affects the operational and strategic decision making procedures in Indonesia as any decision should be made under the agreement of the head office and regional management.

Perseroan merupakan anak perusahaan dari Goodyear Tire & Rubber Company yang berpusat di Akron, Ohio Amerika Serikat yang telah mencatatkan sahamnya di NASDAQ Global Select Market. Hal ini berdampak pada prosedur pengambilan keputusan operasional dan strategis di Indonesia yang harus melalui persetujuan dan penelaahan yang ketat dari pimpinan pusat maupun pimpinan regional.

The Company has implemented the internal control system which has been arranged by the Committee of Sponsoring Organization (COSO). Through the internal control system, the Company is expected to maintain an efficient and effective internal control system which is able to evaluate and build risk management processes, controls and oversight.

The Company also refers to the Internal Audit Charter, as the guideline to provide direction to the Internal Audit team in carrying out its functions and duties. The Internal Audit Charter is formulated and approved by The Goodyear Tire and Rubber Company and must be complied by all Internal Audit teams in each Goodyear office throughout the world. The Internal Audit Charter contains the description of goals, reach, responsibility, authority, independence, standards, periodic assessments, communication, and administration and interpretation of the internal audit process.

In conducting internal control process, the Board of Directors is assisted by Internal Audit. This Department is on duty to ensure the Board of Directors, the Board of Commissioners and the Audit Committee that the business risks have been identified and managed through an effective and efficient internal control system.

In 2019, the Internal Audit Department conducted an audit of various departments in the Company, such as Finance and Manufacturing. The purpose of internal control system audit is to ensure that every transaction has received authority from the management, all assets have been covered and all of the aforementioned matters have been properly recorded.

Internal Audit implemented in 2019 covers:

1. Compliance Review. Risk theme: Anti-Corruption, Fraud and Ethics
2. Capital Spend Review. Risk theme: Accounting, Reporting and Disclosure

Perseroan telah menerapkan kerangka system pengendalian internal seperti yang diatur oleh Committee of Sponsoring Organization (COSO). Dengan memiliki system pengendalian internal, Perseroan berharap dapat mempertahankan sistem pengendalian internal yang efisien dan efektif, mampu mengevaluasi dan meningkatkan proses pengelolaan resiko, pengendalian dan pengawasan.

Perseroan juga berpedoman pada Piagam Audit Internal, yang dibuat untuk memberikan arahan kepada tim Audit Internal dalam melaksanakan fungsi dan tugasnya. Internal Audit Charter dirumuskan dan disahkan oleh Goodyear Tire and Rubber Company's serta merupakan pedoman yang harus dipatuhi oleh seluruh tim Audit Internal di setiap kantor Goodyear di seluruh dunia. Piagam Audit Internal mencakup tujuan, jangkauan, tanggung jawab, kewenangan, independensi, standar, penilaian berkala, komunikasi, serta administrasi dan interpretasi dari proses audit internal.

Dalam melakukan proses pengendalian internal, Direksi dibantu oleh Audit Internal. Departemen ini bertugas untuk memastikan kepada Dewan Direksi, Dewan Komisaris dan Komite Audit bahwa risiko bisnis telah diidentifikasi dan dikelola melalui sistem kontrol internal yang efektif dan efisien.

Pada tahun 2019, Departemen Audit Internal melakukan audit ke berbagai departemen di Perseroan, seperti Keuangan dan Manufaktur. Tujuan audit sistem pengendalian internal adalah untuk memastikan bahwa setiap transaksi telah mendapat wewenang dari manajemen, semua aset telah dicakup dan semua hal yang disebutkan di atas telah dicatat dengan benar.

Audit Internal yang dilakukan pada tahun 2019 meliputi:

1. Tinjauan Kepatuhan. Tema risiko: Anti-Korupsi, Penipuan dan Etika
2. Ulasan Pengeluaran Modal. Tema risiko: Akuntansi, Pelaporan dan Pengungkapan



# BUSINESS AND WORK ETHICS

## ETIKA BISNIS DAN KERJA

The Company has implemented its business and work ethics through our Business Conduct Manual (BCM), which is applied on a global scale. The BCM is the manual to every associates of the Company to carry out their activities in accordance with the expected culture. The Manual contains and summarizes the legal and ethical requirements that all Goodyear's associates must comply. The BCM contains business ethics, values and behaviors for all the Company's associates to implement the vision, mission, goals and strategy and to build a work culture to continue the professional, honest, open, caring and perceptive workplace supporting the Company's activities and stakeholders' interests. The BCM of the Company describes several basic principles of business and work ethics to provide guidance for all the Company's:

### 1. Protecting Workforce, Workplace and Environment;

The Company is strongly committed to protecting its workforce, workplace and the environment surrounding our business operations. In each location, the Company's workforce is required to wear the work uniform. Crisis management and emergency actions are implemented when a work accident occurs. The Company has registered the associates in BPJS Employment. The cleanliness of our work areas are well maintained. The Company's environmental conservation efforts are led by implementing programs and are realized in such activities as the disposal of industrial waste in an eco-friendly manner.

### 2. Product Quality;

In maintaining our product quality, the Company applies Quality Control to an integrated production process before production tires are shipped to distributors and retailers. Quality Control is also supported by our associates who find any product or process that does not fit to Goodyear's quality standards. Listening to the customers suggestions and criticism related to product quality as well as providing excellent service is one of the Company's keys to achieve excellence in business.

### 3. Financial Records, Accounting, Internal Controls and Auditing;

The Company relies on the accurate information and reliable records to make responsible business decisions. The Code of Business Conduct serves as the basis for managing the Company's business; measure and fulfill the Company's obligations to shareholders, customers, associates, suppliers and other parties; and aims to comply with tax and financial reporting requirements, including Company public financial reporting.

Perseroan telah menerapkan kode etik bisnis dan kerja melalui Buku Pedoman Perilaku Bisnis kami atau Business Conduct Manual (BCM), yang diterapkan dalam skala global. BCM adalah pedoman yang harus diikuti oleh setiap karyawan Perseroan dalam menjalankan aktivitasnya sesuai dengan budaya yang diharapkan. BCM memuat dan merangkum nilai-nilai etika bisnis dan etika perilaku bagi seluruh karyawan Perseroan untuk mendukung pencapaian visi, misi, tujuan, dan strategi Perseroan untuk membangun budaya kerja dalam rangka menjaga berlangsungnya lingkungan kerja yang profesional, jujur, terbuka, peduli, dan tanggap yang mendukung setiap kegiatan Perseroan serta kepentingan pemangku kepentingan. BCM dari Perseroan menjelaskan beberapa prinsip-prinsip dasar bisnis dan etika kerja untuk memberikan panduan kepada semua karyawan dan mencakup beberapa aspek sebagai berikut:

### 1. Melindungi Tenaga Kerja, Tempat Kerja dan Lingkungan;

Perseroan berkomitmen kuat melindungi tenaga kerja, area kerja, dan lingkungan hidup di sekitar tempat operasi usaha kami. Di setiap lokasi, para tenaga kerja Perseroan diwajibkan mengenakan seragam kerja. Manajemen krisis serta tindakan darurat diimplementasikan jika terjadi kecelakaan kerja. Setiap karyawan Perseroan didaftarkan BPJS Ketenagakerjaan. Kebersihan area kerja kami dijaga dengan baik. Usaha pelestarian lingkungan hidup dilakukan Perseroan dengan menerapkan program dan diwujudkan dalam aktivitas-aktivitas seperti pembuangan limbah industri yang ramah lingkungan.

### 2. Kualitas Produk;

Dalam menjaga kualitas produk kami, menerapkan Quality Control pada proses produksi yang terintegrasi sebelum ban-ban produksi Perseroan dikirimkan ke para distributor dan toko retail. Quality Control juga dilakukan ketika karyawan kami menemukan produk atau proses apa pun yang tidak sesuai dengan standar kualitas Perseroan. Mendengarkan pelanggan serta memberikan keunggulan layanan adalah salah satu pedoman Perseroan demi mencapai keunggulan bisnis.

### 3. Catatan Keuangan, Akuntansi, Kontrol Internal dan Audit;

Perseroan bergantung pada informasi akurat dan catatan yang dapat diandalkan untuk membuat keputusan bisnis yang bertanggung jawab. Pedoman Perilaku Bisnis berfungsi sebagai landasan untuk mengelola bisnis Perseroan; mengukur dan memenuhi kewajiban Perseroan kepada pemegang saham, pelanggan, rekan, penyuplai, dan lainnya; dan untuk mematuhi persyaratan pelaporan pajak dan keuangan, termasuk pelaporan keuangan publik Perseroan.

#### 4. Anti-Trust Law;

The Company is committed to comply with antitrust policies and business competition regulations throughout the world. "Antitrust law," and/or "business competition law," refer to civil and criminal laws governing business behavior. Violations of these laws can affect individual careers at the Company. Therefore, each associate of the Company is required to understand these legal matters as responsibility for each division.

#### 5. Anti-Bribery and US Foreign Corrupt Practice Act (FCPA);

The Foreign Corrupt Practices Act ("FCPA") includes actions regarded as a criminal act under the US law and these laws must be adhered to by Goodyear associates throughout the world.

#### 6. Avoiding insider trading;

The Company always avoids the trading of products and shares in the work environment to protect the Company's assets and business. All employees of the Company are also required to safeguard any information related to the Company's assets and business to avoid being misused for personal or group interest.

In addition, to prevent the internal sales of products by the Company for commercial purposes, the Company provides trade in centralized products in internal cooperatives. These products are sold only to the Company's associates.

#### 7. Protection of Trade Secret;

The Company takes further steps to protect the confidentiality of information that provides benefits in the tire industry. The Code of Business Conduct regulates confidential and exclusive information protected by the Company associates.

#### 8. Privacy;

The Company is committed to protecting the privacy of associates and complies with all applicable privacy laws. When legal and business regulations require the Company to obtain, record, store and use personally identifiable information, the information must be handled appropriately.

#### 9. Policy on Global Human Rights.

Goodyear's Global Human Rights Policy applies throughout the world and is part of the Company's commitment to ethical and socially responsible behaviors.

#### 4. Hukum Anti-Trust;

Perseroan berkomitmen untuk patuh kepada hukum antitrust persaingan usaha serta peraturan di seluruh dunia. "Hukum Antitrust," dan/atau "hukum persaingan usaha," merujuk ke hukum sipil dan criminal yang mengatur tentang perilaku bisnis. Pelanggaran terhadap hukum ini dapat memengaruhi karier individu di Perseroan. Oleh sebab itu, setiap karyawan Perseroan wajib memahami perihal hukum ini sebagai wujud tanggung jawab terhadap masing-masing divisi.

#### 5. Anti-Suap dan Undang-Undang Praktik Korupsi Asing AS (FCPA);

Undang-Undang Praktik Korupsi Asing ("FCPA") memasukkan beberapa tindakan yang dianggap sebagai kejahatan berdasarkan hukum AS dan undang-undang tersebut harus dipatuhi oleh karyawan Goodyear seluruh dunia.

#### 6. Menghindari perdagangan orang dalam;

Perseroan senantiasa menghindari perdagangan produk dan saham di dalam lingkungan kerja guna melindungi aset dan bisnis Perseroan. Segenap karyawan Perseroan juga diwajibkan untuk menjaga informasi terkait aset dan bisnis Perseroan agar tidak disalahgunakan untuk keuntungan pribadi atau pun golongan.

Selain itu, untuk mencegah penjualan produk oleh internal Perseroan untuk tujuan komersil, Perseroan menyediakan perdagangan produk terpusat di koperasi karyawan. Produk tersebut dijual hanya untuk karyawan Perseroan.

#### 7. Perlindungan Rahasia Dagang;

Perseroan mengambil langkah-langkah dalam melindungi kerahasiaan informasi yang memberikan keuntungan dalam industri ban. Pedoman Perilaku Bisnis mengatur agar informasi rahasia dan eksklusif dilindungi oleh setiap karyawan Perseroan.

#### 8. Privasi;

Perseroan berkomitmen melindungi privasi individu karyawan dan mematuhi semua undang-undang privasi yang berlaku. Ketika persyaratan hukum dan bisnis mengharuskan Perseroan untuk memperoleh, mencatat, menyimpan, dan menggunakan informasi yang dapat diidentifikasi secara pribadi, informasi tersebut harus ditangani dengan tepat.

#### 9. Kebijakan tentang Hak Asasi Manusia Global.

Kebijakan Global Hak Asasi Manusia Goodyear berlaku di seluruh dunia dan merupakan bagian dari komitmen Perseroan terhadap perilaku yang etis dan bertanggung jawab secara sosial.

The Company adheres to the principles of the Global Policy on Human Rights, which are, providing a safe calm, workplace that is free from discrimination; prohibiting all forms of human trafficking, child exploitation, and slavery in every business activity; guaranteeing the freedom of speech and involvement to certain organizations; and complying with the applicable laws and regulations relating to wages and working hours.

Perseroan mematuhi prinsip-prinsip Kebijakan Global Hak Asasi Manusia antara lain menyediakan tempat kerja yang aman, tenang, dan bebas dari diskriminasi; melarang segala bentuk perdagangan manusia, eksploitasi anak, dan perbudakan dalam setiap aktivitas usaha; menjamin kebebasan berpendapat dan berorganisasi; serta mematuhi undang-undang dan peraturan yang berlaku terkait dengan upah dan jam kerja.

## CORPORATE RISK MANAGEMENT

### PENGELOLAAN RISIKO PERSEROAN

One of the Company's main efforts and responsibility is to increase the corporate added value for all stakeholders. In doing so, the Company is exposed to various risks, both internally and externally. The following list contains general types of risk that are embedded in our day-to-day operations.

Salah satu upaya dan kewajiban utama Perseroan adalah meningkatkan nilai bagi semua pemangku kepentingan. Dalam melakukan hal tersebut, Perseroan menghadapi berbagai jenis risiko, baik secara internal maupun eksternal. Berikut adalah jenis risiko umum yang melekat dalam aktivitas usaha harian.

#### Competition Risk

The Company, as a pioneer in Indonesia's tire industry, operates in a highly competitive environment, due to the activities in the market from local producers, other foreign producers, and imported products. To professionally strengthen the Company position in this challenge, the Company has conducted several strategic steps to increase brand image in Indonesia for the GOODYEAR brand. The Company continues penetrating the market with professionally designed products and continues investing in the market by expanding Goodyear branded outlets, such as Tire Center, Sentraservis and Autocare.

#### Risiko Persaingan Usaha

Perseroan, sebagai pelopor industri ban di Indonesia, beroperasi dalam lingkungan yang sangat kompetitif dikarenakan aktivitas di dalam pasar dari produsen lokal, produsen asing lainnya dan produk impor. Untuk memposisikan diri secara profesional dalam tantangan tersebut, Perseroan telah melakukan beberapa langkah strategis untuk meningkatkan pencitraan merek lokal di Indonesia untuk merek GOODYEAR. Perseroan terus melakukan penetrasi pasar dengan produk yang dirancang secara profesional dan terus berinvestasi dengan memperluas outlet bermerek Goodyear seperti Tire Center, Sentraservis dan Autocare.

#### Operational Risk

Being a production facility, the Company's day-to-day operations encounter the impacts from key raw material price fluctuations. In order to ensure the Company earns a maximum return on investments, the management continually improves performance and control of production costs in the manufacturing sector through the Continuous Improvement System - Six Sigma and Lean Management Tools.

#### Risiko Operasional

Sebagai fasilitas produksi, operasi sehari-hari Perseroan menghadapi dampak fluktuasi harga bahan baku utama. Untuk memastikan pencapaian laba maksimum, manajemen Perseroan terus memperbaiki kinerja dan pengendalian biaya produksi di sektor manufaktur melalui Continuous Improvement System Six Sigma dan Lean Management Tools, yang pada gilirannya akan meningkatkan pendapatan bagi pemegang saham.

#### Financial Risk

The Company uses the US Dollar as its denominated currency. This creates a currency risk exposure against the Rupiah. Throughout 2019, the movements in value of rupiah against US dollar was a relatively stable year, and the macro economic development of Indonesia supports this trend.

#### Risiko Keuangan

Perseroan menggunakan Dolar AS sebagai mata uangnya. Hal ini menciptakan eksposur risiko mata uang terhadap Rupiah. Sepanjang 2019, pergerakan nilai rupiah terhadap dolar AS relatif stabil, dan perkembangan ekonomi makro Indonesia mendukung tren ini.

## INFORMATION DISCLOSURE KETERBUKAAN INFORMASI

Following is the list of information that the Company released in 2019:

1. Annual Report;
2. Mid-Year Financial Statement;
3. Annual Financial Statement;
4. Quarterly Financial Statement;
5. Press Releases;
6. Public Expose;
7. Annual General Meeting of Shareholders;
8. Extraordinary General Meetings of Shareholders

Berikut adalah daftar keterbukaan informasi yang disampaikan Perseroan selama tahun 2019:

1. Laporan Tahunan;
2. Laporan Keuangan Tengah Tahunan;
3. Laporan Keuangan Tahunan;
4. Laporan Keuangan Kuartalan;
5. Siaran Pers;
6. Paparan Publik;
7. Rapat Umum Pemegang Saham Tahunan; dan
8. Rapat Umum Pemegang Saham Luar Biasa

## INFORMATION DISTRIBUTION DISTRIBUSI INFORMASI

The Company is highly committed to provide's information and access to stakeholders. The Company facilitates information disclosure through several channels as follows:

1. Website: <https://www.goodyear-indonesia.com/>
2. Regular submission of financial and annual report to OJK and IDX
3. Publication on newspapers related to financial reports, announcement and invitation of the Annual GMS including announcement of dividend, and press release
4. Email: [corpsec\\_id@goodyear.com](mailto:corpsec_id@goodyear.com)  
Telephone: +62 251 8322071  
Fax: +62 251 8328088

Perseroan sangat berkomitmen untuk menyediakan kemudahan layanan akses informasi kepada pemangku kepentingan. Perseroan menyediakan sarana untuk memudahkan akses informasi melalui beberapa media sebagai berikut:

1. Website: <https://www.goodyear-indonesia.com/>
2. Pengajuan rutin laporan keuangan dan tahunan ke OJK dan BEI
3. Publikasi di surat kabar terkait dengan laporan keuangan, pengumuman dan undangan RUPS Tahunan termasuk pengumuman dividen, dan siaran pers
4. Email: [corpsec\\_id@goodyear.com](mailto:corpsec_id@goodyear.com)  
Telepon: +62 251 8322071  
Fax: +62 251 8328088

## PROCUREMENT OF GOODS AND SERVICES PENGADAAN BARANG DAN JASA

The Company establishes policies related to the Procurement of Goods and Services as the main reference in purchasing all goods and services used for the Company's interest. In procurement of goods and services, the Company considers the quality and best sources of goods and services. Procurement is carried out through an effective and efficient strategy, with procurement planning, processes and controls to enforce the applicable laws and regulations in Indonesia.

Perseroan menetapkan kebijakan terkait Pengadaan Barang dan Jasa sebagai acuan utama dalam pembelian semua barang dan jasa yang digunakan untuk kepentingan Perseroan. Dalam pengadaan barang dan jasa, Perseroan mempertimbangkan kualitas dan sumber barang dan jasa terbaik. Pengadaan dilakukan melalui strategi yang efektif dan efisien, dengan perencanaan, proses, dan pengendalian pengadaan untuk menegakkan hukum dan peraturan yang berlaku di Indonesia.

## PUBLIC ACCOUNTANT AKUNTAN PUBLIK

In the Annual GMS 2019, the Company's shareholders agreed to delegate authority to the Company's Board of Commissioners to appoint an Independent Public Accountant from the Public Accounting Firm (KAP) listed at Financial Services Authority (OJK) to audit the Company's Financial Report for the year ended December 31, 2019.

Pursuant to the Circular Resolution of the Board of Commissioners dated November 15, 2019 concerning the Decision of the Board of Commissioners on the Appointment of the Public Accounting Firm (KAP) and/or Public Accountant (AP) for Annual Audit Services for Financial Statements of Annual Position December 31, 2019 the Company, the Board of Commissioners decided to Appoint KAP Tanudiredja, Wibisana, Rintis & Rekan with Public Auditor Mr. Jumadi to conduct an audit of the annual historical financial information services at December 31, 2019 at the Company.

The Board of Commissioners has agreed that the fee for the service is in the amount of USD72.084.

Dalam RUPS Tahunan 2019, pemegang saham Perseroan setuju untuk mendelegasikan wewenang kepada Dewan Komisaris Perseroan untuk menunjuk seorang Akuntan Publik Independen dari Kantor Akuntan Publik (KAP) yang terdaftar di Otoritas Jasa Keuangan (OJK) untuk mengaudit Laporan Keuangan Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2019.

Berdasarkan Surat Keputusan Dewan Komisaris tertanggal 15 November 2019 tentang Keputusan Dewan Komisaris atas Penunjukan Kantor Akuntan Publik (KAP) dan/atau Akuntan Publik (AP) untuk Jasa Audit atas Jasa Laporan Keuangan Historis Tahunan Posisi 31 Desember 2019 Perseroan, maka Dewan Komisaris memutuskan Menunjuk KAP Tanudiredja, Wibisana, Rintis & Rekan dengan Auditor Publik Bapak Jumadi untuk melakukan audit atas jasa informasi keuangan historis tahunan posisi 31 Desember 2019 pada Perseroan.

Dewan Komisaris telah menyetujui bahwa besaran nilai jasa tersebut adalah sebesar USD72,084.

## MANAGEMENT OF CONFLICTS OF INTEREST AND RELATIONS WITH RELATED PARTIES PENGELOLAAN BENTURAN KEPENTINGAN DAN HUBUNGAN DENGAN PIHAK BERELASI

A Conflict of Interest is defined as a situation when conflict occurs between the Company's financial interests and the personal financial interests of the members of the Board of Directors, the Board of Commissioners, or major shareholders.

In 2019, there were no conflicts of interest conducted by the Company's Board of Commissioners and Directors.

Benturan kepentingan adalah keadaan yang mana terdapat konflik antara kepentingan finansial Perseroan dengan kepentingan finansial pribadi anggota Direksi, anggota Dewan Komisaris, atau pemegang saham utama.

Sepanjang 2019, tidak terjadi benturan kepentingan oleh Dewan Komisaris dan Direksi Perseroan.

## INSIDER TRADING PREVENTION PENCEGAHAN TRANSAKSI ORANG DALAM

The Company operates a Securities Trading Policy published on the Company's internal portal and website. The Company's insiders are strictly prohibited from using the Company's confidential information that has not been disclosed to the general public to trade the Company's securities or its affiliated parties for personal financial interest.

By definition, the Company's insiders include:

1. The Company's Main Shareholders;
2. Commissioners, Directors or Company Employees;
3. An individual, due to position or profession or as a result of his or her business relationship with the Company, allows the person to obtain the information from Insider; or
4. Any party that within the last six months was an insider as mentioned in number (1), (2) or (3) above.

To prevent any occurrence of trading by the Company's insider, the Company has arranged a Business Conduct Guide that contains the provisions regarding Insider Transaction Policy. All of the Company's associates must comply to these provisions. The severe consequences of a violation of the provisions will be administered according to the applicable laws.

Perseroan menerapkan Kebijakan Perdagangan Efek yang dipublikasikan di portal internal dan website Perseroan. Orang dalam Perseroan dilarang keras menggunakan informasi rahasia Perseroan yang belum diungkapkan kepada masyarakat umum untuk memperdagangkan sekuritas Perseroan atau pihak terafiliasinya untuk kepentingan finansial pribadi.

Secara definisi, orang dalam Perseroan termasuk:

1. Pemegang Saham Utama Perseroan;
2. Komisaris, Direktur, atau Karyawan Perseroan;
3. Orang perseorangan yang karena kedudukan atau profesinya atau karena hubungan usahanya dengan Perseroan memungkinkan orang tersebut memperoleh Informasi Orang Dalam; atau
4. Pihak yang dalam waktu 6 (enam) bulan terakhir merupakan orang dalam sebagaimana disebutkan dalam angka (1), (2) dan (3) di atas.

Untuk mencegah terjadinya perdagangan oleh orang dalam, Perseroan telah menyusun Panduan Perilaku Bisnis yang berisi ketentuan mengenai Kebijakan Transaksi Orang Dalam. Semua karyawan Perseroan harus mematuhi ketentuan ini. Konsekuensi berat dari pelanggaran terhadap ketentuan akan dikelola sesuai dengan hukum yang berlaku.

## WHISTLEBLOWING SYSTEM SISTEM PELAPORAN PELANGGARAN

In order to ensure the implementation of sound and sustainable internal controls and business activities, the Company established a whistleblowing system as a means of communication between employees and the President Director to report the indication of fraud or violation of the code of ethics in the Company.

In 2019, the Company did not receive any violation report.

Demi memastikan pelaksanaan pengendalian internal dan kegiatan usaha yang sehat serta berkelanjutan, Perseroan membentuk sistem pelaporan pelanggaran (whistleblowing system) sebagai alat komunikasi antara karyawan dan Presiden Direktur untuk melaporkan indikasi-indikasi kecurangan atau pelanggaran kode etik di dalam Perseroan.

Pada tahun 2019, Perseroan tidak menerima laporan pelanggaran.