SIG



DELIVERING SUSTAINABLE VALUES AMIDST CHALLENGES

Annual Report
PT Semen Indonesia (Persero) Tbk

2020

Disclaimer and Limitation of Liability

This Annual Report includes financial statements, results of operations, projections, plans, strategies, policies, and objectives of the Company, which are classified as forward-looking in terms of the implementation of prevailing laws, except for historical matters. These statements contain the prospect of risks and uncertainties that may eventually differ materially from what has been reported.

Prospective statements in this Annual Report are based on various assumptions of the Company's current state and future condition, including the business environment in which the Company operates. The Company does not guarantee that the expectations in this report will match the actual end results.

This Annual Report refers to PT Semen Indonesia (Persero) Tbk as "the Company", "SIG" "Semen Indonesia", and "Group" which is defined as PT Semen Indonesia (Persero) Tbk on a consolidated basis. The currency denomination of "Rupiah", "Rp", and "IDR" refers to the official currency of the Republic of Indonesia, while "US Dollar" or "USD" refers to the official currency of the United States. All financial information is presented in Rupiah unless otherwise stated.

This Report is presented in two languages, Indonesian and English, which are published separately. Both book are printed using letters with type and size that are easy to read, and printed with good quality. This Annual Report is also available on and can be downloaded from the official website of Semen Indonesia: www.sig.id.





Delivering Sustainable Values Amid Challenges

We started 2020 by rebranding as ‘SIG’, complete with new logo, identity and spirit that would strengthen our commitment toward sustainability. We also implemented various initiatives to deliver sustainable values despite the challenges faced throughout the year.

SIG understands the need to be flexible, agile, and always one step ahead in adapting to changes in an increasingly competitive market, especially with the weakening of the national and global economies due to the trade war and the COVID-19 pandemic. With the vision to be the leader in providing building material solutions in the region, SIG is determined to be a pioneer in the building materials industry that empowers the stakeholders to build sustainable living for the future.

2020 HIGHLIGHTS

Installed Capacity

53 million

Tonnes/Year

#1

Cement Producer
in Southeast Asia

>50%

Indonesian
Market Share

9 Integrated Cement Plants

8 Locations

7 Ports

6 Grinding Plants

32 Packing Plants



Gross Profit Margin Growth **1.53%**

Net Profit Margin Growth **2.01%**

EBITDA Margin Growth **4.25%**

EBITDA Growth **4.30%**

Decrease in Finance Cost

884 billion



Carbon Emission Intensity

Specific Scope 1

634

kg CO_2/tonne cement (2019)

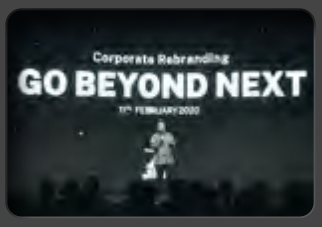
607

kg CO_2/tonne cement (2020)



TRANSFORMATION OF THE COMPANY









On February 11, 2020, PT Semen Indonesia (Persero) Tbk carried out a corporate rebranding and changed its logo to SIG. This marks the start of the Company's transformation and confirms its vision to become the Leader of Building Material Solution Provider in the Region. This is also part of the Company's strategy in responding to the challenges of rapid changes as well as part of the SIG step into the building material industry by also paying attention to sustainability.

"Of the several state-owned companies that we have noticed, Semen Indonesia is the best company in dealing with this change"

Budi Gunadi Sadikin - Deputy Minister of SoE

On the same occasion SIG introduced the integration of various services related to construction needs, such as design service and contractors, through an online platform "SobatBangun". This platform is expected to be the easy solution for stakeholders looking to meet their building material needs.

Meanwhile in his remarks, Deputy Minister of BUMN, Budi Gunadi Sadikin said that Of the several stateowned companies that we have noticed, Semen Indonesia is the best company in dealing with this change.

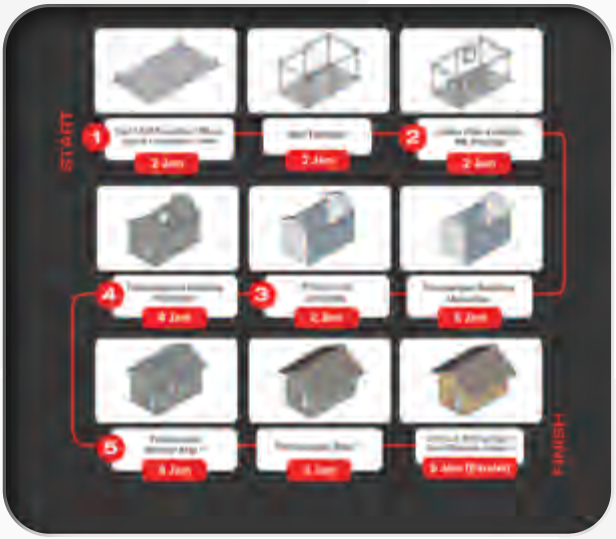
DYNAHome
ONE-DAY-ONEHOME

HOME CONSTRUCTION IN HOURS

SIG provides innovation to build a house in one day by using monolithic construction and liquid concrete material with on-site printing method to speed up the process.

DynaHome provides solutions to fulfill the needs of massive, high quality, yet affordable housing. DynaHome can provide benefits for developers, contractors and home owners with faster construction.









SpeedCrete

FASTER ROAD CONSTRUCTION AND REPAIR

SpeedCrete is a solution provided by SIG for road construction and repairs. The innovation allows construction work to be completed more quickly, thus reducing traffic congestion and in turn lower the CO_2 emission from vehicles.

INTEGRATED CEMENT PLANT

SEMEN PADANG

Operates five cement plants with an installed capacity of 8.5 million tonnes of cement per year in Indarung, West Sumatra. Semen Padang also has ports in Teluk Bayur and Dumai, a grinding plant in Dumai, and packing plants in Teluk Bayur, Belawan, Batam, Tanjung Priok, Ciwandan, Malahayati, Lhokseumawe, Bengkulu and Lampung.

SEMEN GRESIK

Operates five cement plants with an installed capacity of 17.7 million tonnes of cement per year in Tuban, East Java and Rembang, Central Java. Semen Gresik also has two ports, Semen Gresik Special Port in Tuban and Gresik, and operates a grinding plant in Gresik and packing plants in Ciwandan, Banyuwangi, Sorong, Balikpapan, Pontianak and Banjarmasin.

SEMEN TONASA

Operates four cement plants with an installed capacity of 7.4 million tonnes of cement per year in Pangkep, South Sulawesi. Semen Tonasa also has a port in Biringkassi and packing plants in Biringkassi, Makassar, Mamuju, Sofifi, Palu, Bitung, Kendari, Samarinda, Ambon, and Celukan Bawang, Bali.


Indarung Plant


Tuban SI Plant


Lhoknga Plant


Rembang Plant

THANG LONG CEMENT

Operates one integrated cement plant in Quang Ninh Province, Vietnam and one grinding plant in Ho Chi Minh, Vietnam, with a total installed capacity of 2.3 million tonnes of cement per year. Thang Long has its own port.

SOLUSI BANGUN INDONESIA

Operates six cement plants with an installed capacity of 14.8 million tonnes of cement per year. SBI has two ports in Tuban and Lhoknga.

PT Solusi Bangun Indonesia Tbk owns grinding plants in Ciwandan and Kuala Indah, and operates packing plants in Lhokseumawe, Belawan, Perawang, Batam, Palembang, Pontianak and Lampung.


Tonasa Plant


Thang Long Plant


Narogong Plant


Cilacap Plant


Tuban SBI Plant

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SUSTAINABLE MARKET EXPANSION

In the midst of uncertainties caused by the pandemic, we are continuing our commitment to grow as a multinational company by focusing on product innovation and sustainable market expansion.

1

Financial and Operational Highlights



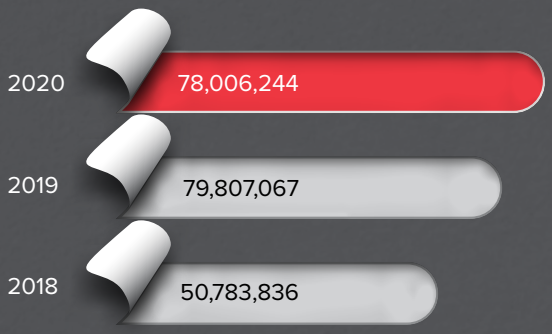

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SEARCH
FINANCE

FINANCIAL HIGHLIGHTS

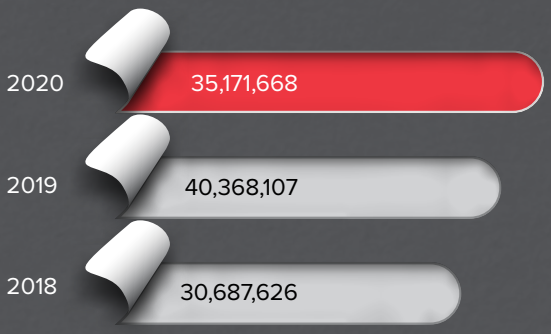
Description	2020	2019	2018
Consolidated Statements of Financial Position			In Million Rupiah
Current Assets	15,564,604	16,658,531	16,091,024
Investments in Associates	35,133	89,001	85,638
Fixed Assets	56,053,483	56,601,702	32,391,950
Goodwill and Intangible Assets	3,961,695	4,260,059	1,084,687
Other Noncurrent Assets	2,391,329	2,197,774	1,130,537
Total Assets	**78,006,244**	**79,807,067**	**50,783,836**
Current Liabilities	11,506,163	12,240,252	8,179,819
Noncurrent Liabilities	29,065,511	31,674,891	9,988,702
Total Liabilities	**40,571,674**	**43,915,143**	**18,168,521**
Temporary Syirkah Funds	1,781,235	2,000,000	-
Total Equity	**35,653,335**	**33,891,924**	**32,615,315**
Capital Expenditure	1,821,882*	1,629,496	1,796,158
Net Working Capital	4,058,441	4,418,279	7,911,205
Consolidated Statements of Profit or Loss and Other Comprehensive Income			In Million Rupiah
Revenue	35,171,668	40,368,107	30,687,626
Gross Profit	11,617,101	12,713,983	9,330,530
Operating Income	5,648,243	6,185,043	4,880,639
Profit for the Year	2,674,343	2,371,233	3,085,704
Total Comprehensive Income for the Year	2,317,236	2,268,151	3,517,374
Profit for the Year Attributable to the Owners of Parent Entity	2,792,321	2,392,151	3,079,115
Profit for the Year Attributable to the Non-Controlling Interests	(117,978)	(20,918)	6,589
Total	**2,674,343**	**2,371,233**	**3,085,704**
Comprehensive Income Attributable to Owners of Parent Entity	2,423,372	2,316,376	3,475,788
Comprehensive Income Attributable to Non-Controlling Interests	(106,136)	(48,225)	41,585
Total	**2,317,236**	**2,268,151**	**3,517,373**
EBITDA [a)]	9,072,537	8,699,497	6,576,705
Market Capitalization	73,699,136	71,178,240	68,212,480
Weighted Average Number of Shares Outstanding (in Thousands)	5,931,520	5,931,520	5,931,520
Earnings Per Share (Full Amount)	471	403	519
Financial Ratios			
Gross Profit Margin (%)	33.03	31.50	30.40
Operating Margin (%)	16.06	15.32	15.90
Net Profit Margin (%)	7.94	5.93	10.03
EBITDA Margin (%)	25.80	21.55	21.43
EBITDA to Interest (X)	3.91	2.71	6.86
Return on Equity (%) [b)]	8.17	7.41	9.87
Return on Asset (%)	3.58	3.00	6.06
Current Ratio (%)	135.27	136.10	196.72
Debt to Equity Ratio (%) [c)]	75.31	93.08	30.79
Debt to Asset Ratio (%) [d)]	32.99	37.64	18.91
Debt to Capital Ratio (%) [e)]	42.96	48.21	23.54

Information:
* In 2020 numbers includes the impact of PSAK 73: leases of Rp522,170 implemented in 2020.
a) Calculated using operating income (including other operating income and expense), added by depletion, depreciation, amortisation and impairment of fixed assets and intangible assets
b) Equity attributable to the owners of parent entity
c) Total interest-bearing debt and equity attributable to the owners of parent entity
d & e) Total interest-bearing debt

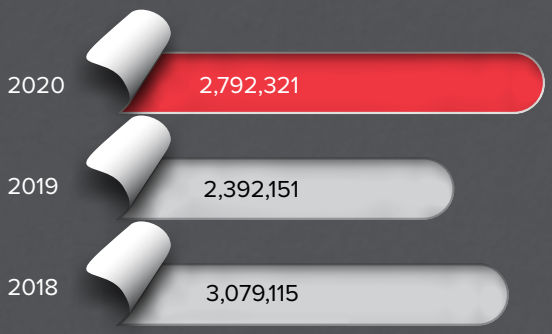
Total Assets
(Rp million)



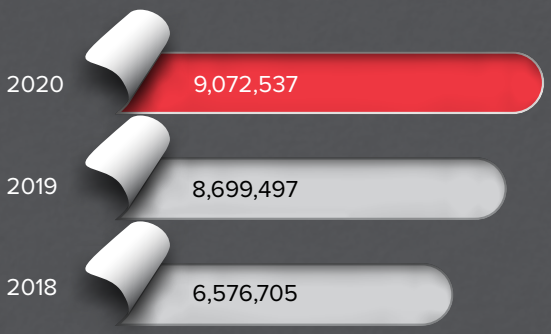
Revenues
(Rp million)



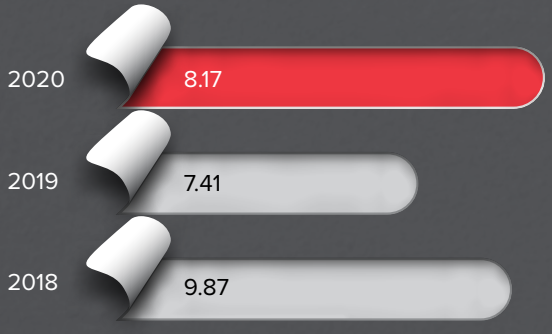
Profit for the Year Attributable to the Owners of Parent Entity
(Rp million)



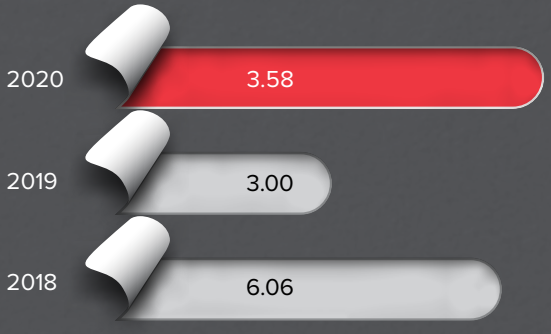
EBITDA
(Rp million)



Return on Equity/ROE
(%)



Return on Assets/ROA
(%)



OPERATIONAL HIGHLIGHTS

Industry	Unit	2020	2019	2018
Cement				
Total Production Capacity [a]	Thousand Tonnes	52,600	52,600	37,800
Domestic Production	Thousand Tonnes	32,599	38,280	28,566
Regional Production	Thousand Tonnes	1,335	1,430	1,994
Total Production [b]	Thousand Tonnes	33,935	39,710	30,560
Domestic Sales [c]	Thousand Tonnes	31,972	36,341	27,421
Regional Sales [d]	Thousand Tonnes	7,720	6,271	5,750
Domestic Clinker	Thousand Tonnes	157	668	213
Total Sales	Thousand Tonnes	39,849	43,280	33,384

[a] Including grinding plant
[b] The decline in production in 2020 was due to the COVID-19 pandemic
[c] Excluding domestic clinker
[d] Cement and Clinker

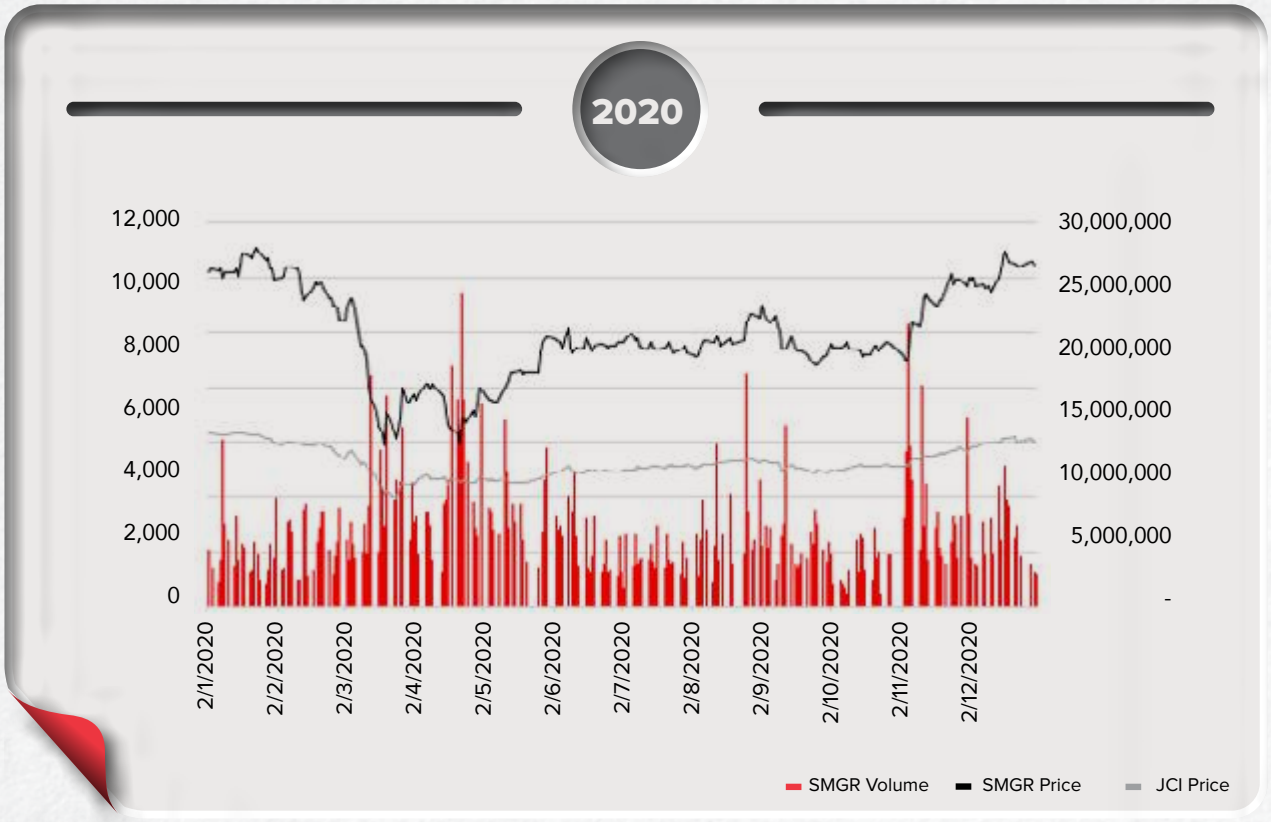
SHARE HIGHLIGHTS

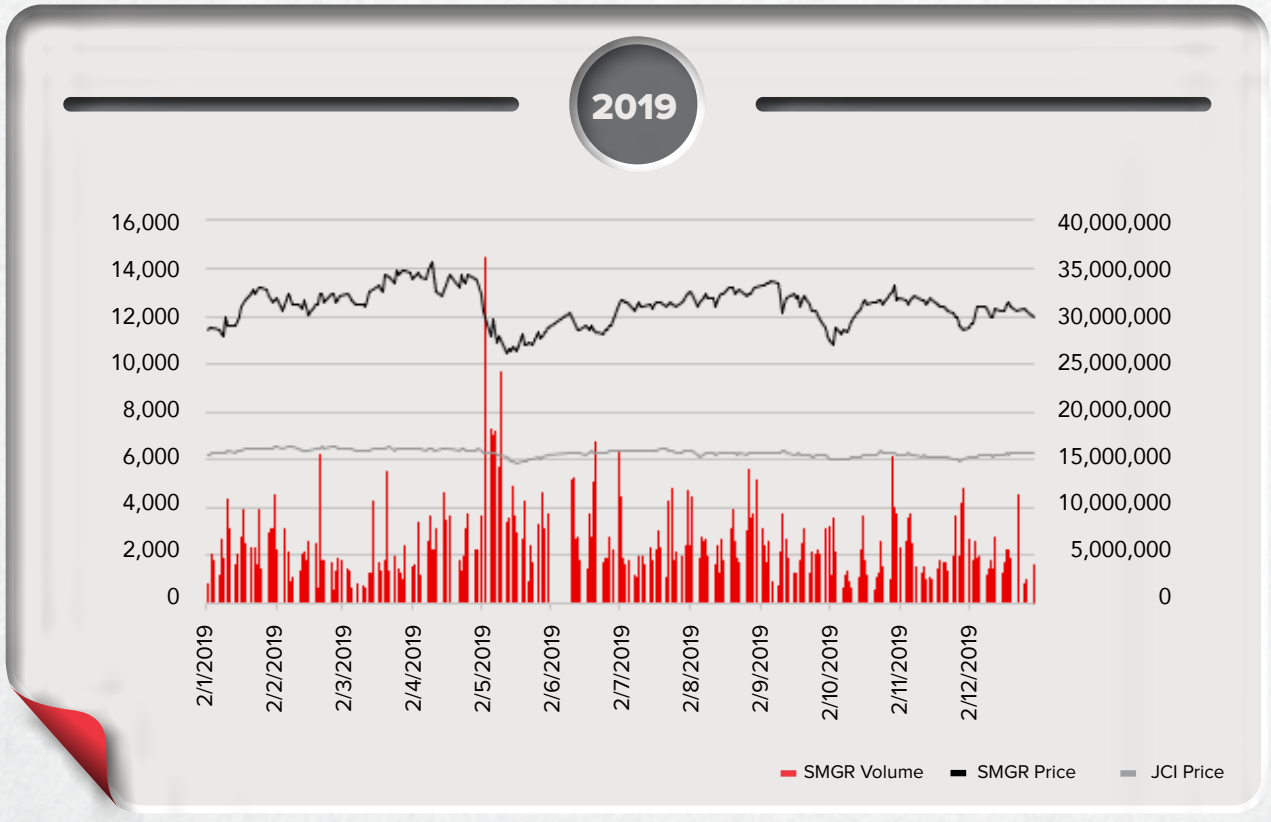
Quarterly Share Performance

2020	Share Price (Rp)				Total Shares	Transaction Volume	Market Capitalization (Rp Billion)
	Opening	Highest	Lowest	Closing			
1st Quarter	12,200	13,050	5,875	7,625	5,931,520,000	368,593,900	77,406
2nd Quarter	7,700	10,150	5,900	9,625	5,931,520,000	435,885,500	60,205
3rd Quarter	9,650	11,000	8,800	9,175	5,931,520,000	314,549,400	65,247
4th Quarter	9,575	12,925	8,925	12,425	5,931,520,000	340,753,400	76,665

2020	Share Price (Rp)				Total Shares	Transaction Volume	Market Capitalization (Rp Billion)
	Opening	Highest	Lowest	Closing			
1st Quarter	11,475	13,950	11,200	13,875	5,931,520,000	327,151,600	82,745
2nd Quarter	13,800	14,300	10,475	11,575	5,931,520.000	498,787,900	68,657
3rd Quarter	12,475	13,450	11,550	11,550	5,931,520.000	420,872,000	68,509
4th Quarter	11,200	13,325	10,825	12,000	5,931,520.000	328,980,300	71,178

Price and Volume Chart of SMGR Shares Compared to JCI on the IDX





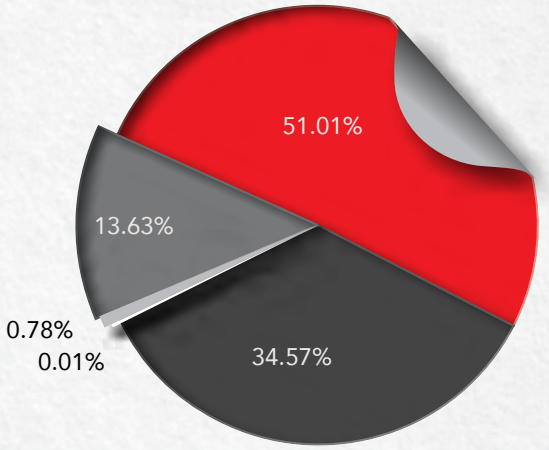
Comparison of SMGR Performance with JCI, LQ45, and Cement Industry Peer Group

	SMGR	Peer 1	Peer 2	JCI	LQ45
Profitability for the 9 months of 2020					
Revenue growth	-8.88%	-10.56%	-19.22%	N/A	N/A
Gross profit margin	32.12%	33.87%	39.01%	22.81%	N/A
EBITDA margin	24.54%	22.82%	16.99%	N/A	N/A
Operating margin	15.49%	10.97%	3.72%	12.13%	18.77%
Net profit margin	6.02%	11.00%	-9.79%	6.05%	12.09%
ROE	8.14%	7.94%	-3.09%	6.34%	11.58%

Source : Bloomberg (processed)

Shareholder Composition

Shareholders	Total Shares	%
Government of Indonesia	3,025,406,000	51.01%
Foreign Institutions	2,050,892,009	34.57%
Foreign Individuals	485,100	0.01%
Domestic Individuals	46,321,692	0.78%
Domestic Institutions	808,415,199	13.63%
Total	**5,931,520,000**	**100.00%**



Share Trading Sanction

In 2020, there was no temporary suspension and/or delisting of shares sanctioned to PT Semen Indonesia (Persero) Tbk., which was showed that the Company has complied with the provisions of the prevailing laws and regulations related to the capital market in Indonesia.

Corporate Actions

In 2020, there were no corporate actions taken by the Company in any form, either in the form of stock splits, mergers of shares, bonus shares, or changes in the nominal value of shares.

OTHER SECURITIES

Bonds	Exchange Name	Date of Issue	Tenor (year)	Currency	Value (Billion)	Due Date	Interest Rate	Securities Rating		Trustee
								2020	2019	
Obligasi Berkelanjutan I Semen Indonesia Tahap I Tahun 2017	IDX	20 June 2017	5	Rupiah	3,000	20 June 2022	8.6%	AA	AA	PT Bank Tabungan Negara (Persero) Tbk
Obligasi Berkelanjutan I Semen Indonesia Tahap II Tahun 2019 Seri A	IDX	28 May 2019	5	Rupiah	3,364	28 May 2024	9.0%	AA	AA	PT Bank Tabungan Negara (Persero) Tbk
Obligasi Berkelanjutan I Semen Indonesia Tahap II Tahun 2019 Seri B	IDX	28 May 2019	7	Rupiah	714	28 May 2026	9.1%	AA	AA	PT Bank Tabungan Negara (Persero) Tbk



AWARDS AND CERTIFICATIONS

Awards



28 FEB

Serambi Award

PT Solusi Bangun Andalas (SBA)'s commitment in building the economy of the region through community empowerment received and award at the 'Serambi Award 2020' event in the category of Community Economic Empowerment.



4 MAR

Excellence Award

SIG was awarded the title of 2020 Industry Leader at the BUMN Performance Excellence Award. The event organized by the SoE Excellence Forum in collaboration with Infobank as a tribute to SoEs that have been able to build Competitiveness through the integration of various management systems to achieve excellent performance.



5 MAR

Directorate General of Taxation Award

The contribution of PT Semen Gresik in increasing state revenue through tax payments in 2019 was appreciated by the Central Java I Tax Service Office with the award of "Top 10 Corporate Taxpayers with the Largest Tax Payments in the KPP Pratama Pati in 2019".



8 APR

Green Label Certificate

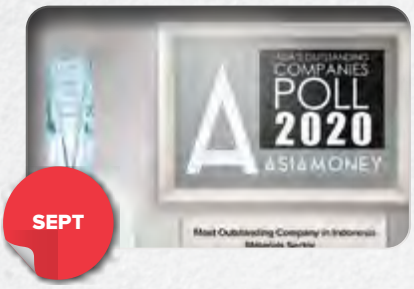
PT Krakatau Semen Indonesia (KSI) received the Green Label Certificate from Singapore Environment Council (SEC) for consistently producing eco-friendly raw materials and cement mix. The eco-friendly building material certificate is valid from 8 April 2020 until 7 April 2022.



20 APR

Public Relation Indonesia Award

Four awards were won by SIG at the Public Relations Indonesia Awards 2020 for the SoE public company categories. SIG received the Silver Winner award for the sub-categories of Annual Report, Sustainability Report, Community Based Development (Semen Indonesia Community Day), as well as The Most Popular in Media Awards in the Mainstream Media Monitoring category.



SEPT

Asia's Outstanding Companies Poll

SIG was named the Most Outstanding Company in Indonesia's Materials Sector in the Asia's Outstanding Companies Poll 2020, held by Asiamoney. The poll was conducted to give recognition to public companies in the Asian region for their excellence in various businesses and markets.



8 OKT

Zero Accident Award

PT Solusi Bangun Andalas (SBA) made brilliant achievements in the midst of the COVID-19 pandemic which has caused disruption to almost all business sectors. This subsidiary of PT Solusi Bangun Indonesia (SBI) won the Zero Accident Award from the Ministry of Manpower of the Republic of Indonesia.

SBA recorded zero accidents for the Lhoknga Factory and the Lhokseumawe Packing Plant (PP Lhokseumawe). The Lhoknga factory managed to maintain 3,918,658 working hours of people (JKO) with zero accidents for the period January 1, 2017 to October 31, 2019.



22 OKT

Nusantara CSR Award

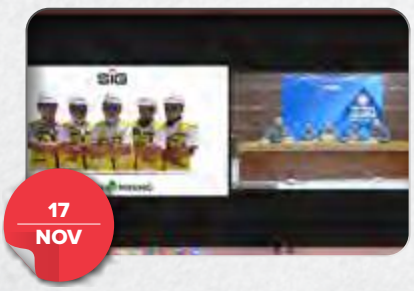
SIG triumphed at the Nusantara Corporate Social Responsibility (CSR) Award 2020, held by The La Tofi School of CSR. SIG, which has consistently rolled out various CSR programs to improve the welfare and independence of the community, took home awards in three categories at once.
The three awards are Health and Economic Assistance for Emergency Management of COVID-19, Inspirational Leader for CSR Practices, and Community Involvement in Handling Waste.



9 NOV

ASEAN Marketing Summit 2020

At the 2020 ASEAN Marketing Summit (AMS) held virtually by MarkPlus Inc. in Jakarta, Singapore, Seoul and California, SIG was awarded the ASEAN Branded Export Champion 2020 which confirmed SIG's ability in producing valuable export products that contributed to the Indonesian economy.



17 NOV

National Quality & Productivity Gathering

The outstanding results were made by the SIG Group innovators in the XXIV-2020 National Quality & Productivity Gathering event which was held virtually, 15-17 November 2020. Sending 30 innovation teams, SIG Group succeeded in bringing home 2 Diamonds, 11 Platinum, 15 Gold and 2 Silver in an innovation event entitled 'Work and Innovate in Improving Quality and Productivity in this New Adaptation Era'.



17 NOV

Padmamitra Awards

PT Solusi Bangun Andalas (SBA) Aceh won the Padmamitra Awards 2020. Indonesia's Social Minister Juliari P. Batubara gave this award to SBA Director Agung Wiharto at the Grand Mercure Kemayoran, Jakarta, for corporate excellence in carrying out social and environmental responsibilities to end poverty through social welfare





25 NOV

Digital Marketing & Human Capital Awards

SIG successfully won three awards at the Digital Marketing & Human Capital Awards. SIG managed to get five platinum stars in the Manufacture & Process Industries category and was named The Best Overall for Corporate in Digital Marketing & Human Capital 2020.

In addition, Director of Human Capital & Legal SIG Tina T. Kemala Intan was also named The Best Chief Human Capital Officer 2020, while SIG Marketing & Supply Chain Director Adi Munandir successfully won the Best Chief Marketing Officer 2020 award.





30 NOV

The Most Resilient BUMN Award

SIG won the Most Resilient SoE Award 2020 for Non-Financial Public Company Category with Assets above Rp15 trillion. SIG also won the Best SoE CEO Award 2020 Category for Non-Financial Public Company Sector with Assets above Rp15 Trillion under the guidance of SIG President Director Hendi Prio Santoso. Hendi was considered successful in keeping the company afloat in the midst of economic uncertainties due to COVID-19.



3 DES

ICQCC 2020

SIG's innovation team won the ICQCC 2020 award at the International Convention on Quality Control Circles 2020 hosted virtually by the Bangladesh Society for Total Quality Management from Dhaka, Baldadesh, 1-3 December 2020. The SIG delegation won 10 Platinum medals, the highest accolade throughout the event.



5 DES

Iconomics CSR Award

SIG realized the tremendous impact of the COVID-19 pandemic on the community's economy. It took mutual cooperation and concern from all parties to improve the economy back. The pandemic has also motivated SIG to sustain its CSR program rollout so that the surrounding communities remain empowered during the pandemic.

SIG's consistency in empowering the community was recognized through Iconomics CSR Award 2020 for the COVID-19 Community Empowerment Initiative Program. This award gave appreciation to Indonesia's best companies which carried out targeted CSR activities to communities affected by the pandemic. Appreciation was also given to companies in Indonesia whose CSR activities had a significant impact on sustainable community economic activities.



14 DES

Bisnis Indonesia Award 2020

SIG's ability to maintain business performance in the midst of the COVID-19 pandemic again received positive appreciation. Through the Bisnis Indonesia Award 2020 event, this building material solution company was named the best producer in the cement industry sector. The award for SIG was presented virtually on Monday (14/12), in an event attended by the Minister of Finance Sri Mulyani and the Coordinating Minister for the Economy Airlangga Hartarto.

SIG is considered as a producer able to survive and achieve excellent growth in the era of COVID-19, which had negatively impacted the economy.



14 DES

Green Proper Award

PT Solusi Bangun Indonesia Tbk (SBI) won the Green Proper again in 2020 for its Narogong Factory, West Java and Cilacap Factory, Central Java from the Ministry of Environment and Forestry (Kementerian Lingkungan Hidup dan Kehutanan-KLHK).

Certifications

Certificate Names	Period	Scope of Certifications	Description	Institution	Scale
SMOHS (PP No. 50/2012)	2020-2023	Manufacture of Cement (Tuban & Gresik Plant)	Occupational Health and Safety Management Systems PT Semen Indonesia (Persero) Tbk.	Ministry of Labor of the Republic of Indonesia	Regional
ISPS Code	19 Jul 2025	Special terminal of PT Semen Indonesia (Persero) Tbk - Tuban	International Code about Ship Security and Port Facilities	Directorate General of Marine Transportation	International
LSP BNSP	25 Sept 2021	Profession and Competency	Competency standards and workforce recognition on all professional field with the certification process job competence, either that come from job training graduates as well as from work experience.	Badan Nasional Sertifikasi Profesi (BNSP)	Regional
ISO 50001 : 2011	20 August 2021	Manufacture of Cement Plant 4 & 5 and Power Generation Facilities Unit C & D PT Semen Tonasa	Energy management system standards that aim to build systems and processes to improve performance, efficiency and energy consumption.	Sucofindo	Regional
ISO 50001 : 2018	17 Jun 2022	Revised Energy Management System	Energy management system standards that aim to build systems and processes to improve performance, efficiency and energy consumption.	SGS	International
ISO 9001 : 2015	20 Oct 2021	Quality Management System of PT Semen Indonesia (Persero) Tbk	Management of Business Development, Research & Development, Manufacturing, Supply Chain, Procurement and Marketing for Cement & Building Material and Manufacture of Cement at Grinding Plant (Slag Portland Cement, OPC, PPC, PCC)	SGS	International
ISO 14001 : 2015	14 Oct 2021	Quality Management System of PT Semen Indonesia (Persero) Tbk	Management of Business Development, Research & Development, Manufacturing, Supply Chain, Procurement and Marketing for Cement & Building Material and Manufacture of Cement at Grinding Plant (Slag Portland Cement, OPC, PPC, PCC)	SGS	International
ISO 45001 : 2018	27 Apr 2023	Occupational Health and Safety Management System of PT Semen Indonesia (Persero) Tbk.	Manufacture of cement for Tuban Plant, Gresik Grinding Plant, Cigading Grinding plant, Dumai Grinding Plant and Semen Gresik office-Tuban	Sucofindo	International
ISO 17025 : 2017	23 Apr 2024	Testing Laboratory	General requirements for Competence of the Testing and Calibration Laboratory PT Semen Indonesia (Persero) Tbk.	National Accreditation Committee (Komite Akreditasi Nasional - KAN)	International
ISO 37001 : 2016	9 Aug 2023	Anti-Bribery Management System PT Semen Indonesia (Persero) Tbk.	Anti-bribery management system designed to help organization establishes, implements, maintains and improves anti-bribery programs.	Sucofindo	International
Sertifikat Produk Penggunaan Tanda SNI (SPPT SNI)	8 Oct 2023	SNI 8363:2017 Semen Portland Slag	Product certification to use SNI mark for Max Strength Cement (Brand of Portland Slag Cement)	Balai Besar Bahan dan Barang Teknik (B4T)	Regional

IMPORTANT HIGHLIGHTS

23 JAN

SIG Revitalized the Civil Engineering Laboratory of Bung Hatta University



SIG Revitalized the civil engineering Laboratory of Bung Hatta University (UBH) in Padang, West Sumatera, by modernizing the laboratory equipments. The activity was conducted through SIG CSR SI Cerdas as the continuation of the BUMN Goes to Campus program.

11 FEB

SIG Corporate Rebranding



SIG renewed its logo as part of rebranding, launched at the Jakarta Convention Center. The name change from Semen Indonesia to SIG was also part of the company's transformation to build a more sustainable future.

14 FEB

SIG Launched SI-KRISNA



In responding to the issue of affordable and quality housing, SIG introduced innovative housing product SI-KRISNA (Semen Indonesia-Kepemilikan Rumah Indah dan Sehat Nasional), a 36m² house using green concrete based eco-friendly materials utiliziing Fly Ash and Bottom Ash (FABA) waste.

22 FEB

SIG Launched Edupark in Rembang Plant



SIG launched Education Park (Edupark) as one of the tools to improve the skills of the surrounding communities in Rembang to achieve food, energy and economic sustainability. The Edupark is equipped with various agricultural and farming facilities, as well as organic fertilizer and biogas facility from animal waste.

30 MAR

SIG Opened COVID-19 Centers in Solo and Semarang

SIG opened COVID-19 Centers in Solo and Semarang, Central Java, in collaboration with other SoEs to fight the global pandemic. The facilities that carry out the function of the information center and raising aid are located in De Tjolomadoe Semarang and Pesona Hotel in Solo.



9 APR

Semen Gresik Built Partnership with 6 Village-Owned Enterprises (BUMDes)



As part of its commitment to empower communities surrounding the Rembang Plant, Central Java, SIG initiated a joint-venture company between Semen Gresik (SG) with 6 BUMDes. The joint-venture companies aimed to improve the welfare of the community in Rembang Plant.

21 APR

SIG and SBI Signed MoU with Taiheiyo Cement Corporation



SIG and SBI signed a memorandum of understanding (MoU) with Taiheiyo Cement Corporation (TCC), Japan. Strategic cooperation that will be explored includes TCC plant to investment in SBI and SBI opportunities to expand the global market through TCC.

19 JUN

SIG Held Annual General Meeting of Shareholder



SIG held the Annual General Meeting of Shareholders (AGMS) in South Quarter, Tower A, 20th floor, Cilandak, Jakarta. The AGMS, among others, approved the determination of profit for the year attributable to owners of the parent entity (net profit) for the 2019 amounting to Rp2.39 trillion, where the 10 percent of the amount or Rp239.22 billion was allocated as dividends, while the remaining 90% or Rp2.15 trillion was designated as reserve.

21 JUL

Official Opening of RDF Facility in Cilacap Plant



SIG through PT Solusi Bangun Indonesia Tbk. was successful in converting municipal waste into refuse derived fuel (RDF), an alternative energy for cement production in SBI Cilacap plant, Central Java. The RDF facility is officially inaugurated by Coordinating Minister of Marine Affairs and Investment, Luhut Binsar Pandjaitan, also attended by Minister of Marine Affairs and Fisheries Edhy Prabowo, Minister of Energy and Mineral Resources Arifin Tasrif, Central Java Vice Governor Taj Yassin Maimoen, Regent of Cilacap Tatto Suwarto Pamuji, SIG Director of Production Benny Wendry, SBI President Director Aulia Mulki Oemar, and PT Pertamina (Persero) President Director Nicke Widyawati.

29 JUL

SIG Partnered with Bank BTN



SIG signed an agreement with BTN to speed up housing sector recovery to support the government in the national economic recovery program in reducing the impact of COVID-19 on the national economy. The agreement was signed by SIG President Director Hendi Prio Santoso and BTN President Director Pahala N. Mansury.

24 SEP

SIG Innovation Award 2020



SIG hosted the Innovation Award 2020 Company Code 2000 & 7000 virtually. This year, 112 innovation teams took part in submitting innovation proposals, consisting of 89 Breakthrough innovation teams and 34 Incremental innovation teams. This was a 60% increase compared to the previous year, which recorded 70 teams consisting of 21 Breakthrough innovation teams and 49 Incremental innovation teams.

SEP

Semen Padang and Semen Andalas Supplied 1 Million Tonnes of Cement for Trans Sumatera Toll Road

PT Semen Padang and PT Solusi Bangun Andalas supplied all the cement needs for the construction of the Sumatera Toll Road, amounting to 1 million tonnes as of September 2020. The toll roads include the 112 km of Kayu Agung-Palembang-Betung section, Kisaran-Tebing Tinggi, section 6 Padang-Pekanbaru; 131.48 km of Pekanbaru-Bangkinang, Pekanbaru-Dumai; and 74.2 km of Sigli-Banda Aceh.



14 OKT

SIG Launched Dynamix Masonry



SIG launched this product in response to customer need. Dynamix Masonry was a special type of cement for non-structural applications. Marked with a green stripe on the packaging, it is an S-type masonry cement specially formulated for non-structural applications with a dry control agent that produces a fluffier mixture, with right dry time and good adhesion. This enables faster completion of construction with durable result.

26 NOV

Collaborating with Semen Baturaja, SIG Launched Indonesia Cement Research Institute



To support research and development as well as its continuous learning and innovation process, SIG works in synergy with PT Semen Baturaja (Persero) Tbk. to form the Indonesia Cement Research Institute (ICRI). The partnership includes joint research and collaborating with other research institutions in developing cement, concrete, building materials and AFR using existing facilities including the Gresik Cement Research Center, SBI Narogong Plant in Bogor, Semen Baturaja OKU South Sumatra and Nathabumi in Narogong, Bogor.

26 NOV

SIG and KAI Signed MoU for Optimization and Development of Cargo Transport



In continuing a long tradition of synergy, SIG and PT Kereta Api Indonesia (Persero) signed an MoU for optimization and development of cargo transport. This cooperation includes increasing rail-based transportation and leasing land or buildings for the medium and long term; conducting joint studies for commercial and operational plans related to railways and infrastructure to support distribution of SIG products; as well as exploring other potential cooperations to increase business benefits of both parties.

2

Management Report




11:30
12:30
13:00
USD/JPY
#USDHKD
#USDCNY
EUR 7,45 DKK
RUB 0,04 TND
MYR 0,25 USD
Change
Change
Change

REPORT OF THE BOARD OF COMMISSIONERS

Dear Respected Shareholders and Stakeholders,

All praise and thanks to God Almighty for His gifts and blessings that allowed PT Semen Indonesia (Persero) Tbk (SIG) to get through the challenges of 2020 with good performances. Herewith, we convey the main points of the Management Supervision Report of the Company for the financial year ended 31 December 2020 which is also part of the practices of Good Corporate Governance principles.

Improved Performance amid Challenges

The COVID-19 pandemic is the main challenge everyone had to face in 2020, and it resulted in a decline in global and national economic performance. Companies, both state- and privately-owned, were severely affected by the pandemic as they struggled to perform throughout the year

Based on data released by Bloomberg, at the end of the third quarter of 2020 the operating profit margin of public companies listed on Indonesia Stock Exchange decreased by 18.15% compared to the previous year, even the average net profit margin of public companies was down by 33.15%. This is an evidence of how big the impact of COVID-19 was to the entire industrial sector.

Even with the challenges, SIG's performance improved when compared to the average of other public companies. Despite a decrease in the Company's revenue compared to the previous year, profit realization actually increased, thanks to the Company's implementation of operational excellence, especially its improvement in overall efficiency. Throughout 2020, the Board of Commissioners consistently prompted the Board of Directors to improve operational excellence, especially efficiency, in all of the Company's business lines, and encouraged a heightened improved corporate risk management. It is the Board of Commissioners view that a company that operates effectively and efficiently with reliable risk management will survive any challenges, including the 2020 pandemic. This is evident, among other indications, from the Company's cost of goods manufactured, that was relatively stable throughout 2020.

The Board also considered that the steps taken by the Board of Directors for corporate rebranding were in line with the Company's new vision and mission. The Company needed to go beyond being perceived as a company that only manufactured cement, considering the wide range of products and services it currently offers. The Board of Commissioners hoped that the corporate rebranding effort was not only about changing SIG's name and logo, but also about the continuous improvement of operational excellence and investment to constantly gain competitive edge and market capitalization.

The Board continued to promote the development of a culture of innovation within the SIG environment. The Company must be able to develop new and innovative products, devise new ways that are consistent with the needs of the market, and create effective and efficient work processes. In the middle of increased competition, innovation is the key factor that determines the Company's success. In line with such innovations, the Board also encouraged the Company to provide more opportunities for women and millennials to

The Board continues to promote the development of a culture of innovation within the SIG environment. The Company must be able to develop new and innovative products, devise new ways that are consistent with the needs of the market.



Rudiantara
President Commissioner

play active roles in advancing SIG based on the merit system.

The Board of Commissioners would like to express its appreciation to the Directors and all their staff for carrying out the mandate of the Annual General Meetings of Shareholders (AGMS) and achieving the Company's targets.

Active Supervision by the Board of Commissioners

In the year 2020 the BOC improved the monitoring effectiveness of the BOD's management function. The BOC opined that because of the challenges of operating under an abnormal situation, the monitoring needs to use a different approach from the usual.

The Board improved the effectiveness of its relationship with the Directors, in both formal and informal manners, while still observing the governance aspects and respecting each other's rights and authorities. The Board built more intense communication with the Directors through meetings and other forums.

In every discussion with the Directors, the Board raised substantial issues that affected or could affect the Company. Such discussions provided inputs for the Directors to develop and execute strategies that boosted the Company's performance.

In addition, through its Committees, the Board of Commissioners actively performed its supervisory function by conducting meetings, both internally among Committee members and externally with Directors or related management staff. Throughout 2020, 18 meetings were conducted by the Audit Committee, 5 meetings by the Nomination and Remuneration Committee, and 30 meetings by the Risk Management Strategy Committee These numbers saw a significant increase from last year's. The quality of the meeting resolutions also improved, which indicated the Board's considerable attention to the Company's management during the pandemic.

SIG's Business Prospects

In 2021, the Government continued to increase the procurement of COVID-19 vaccines and started distributing them to the public. This is expected to curb the spread of COVID-19 and provide a positive stimulus to Indonesia's economic development.

As the pandemic and its impact will still consume the world in 2021, the Company must stay alert to any possible challenges. Consequently, the Board of Commissioners has emphasized to the Directors that the implementation of risk management should be forward-looking to maintain business continuity. Therefore, any decisions made by the Directors should already anticipate the potential of having to mitigate any possible risks.

In an attempt to anticipate any missed growth targets, the Board of Commissioners also encouraged the Directors to keep improving the Company's operational excellence.

Implementation of Good Corporate Governance and Sustainability Commitment

The Board of Commissioners believed it necessary for the Company to constantly improve the quality of its Good Corporate Governance (GCG) implementation, particularly in these challenging economic and business conditions. Achieving the best quality implementation of GCG principles was the only way for SIG to keep maintaining and improving its performance and gained the confidence of all its stakeholders, especially customers and investors, and therefore positively grew its business scale.

The Board saw that the implementation of GCG within the Company kept showing good progress. The Directors constantly improved and enhanced the organs, structure, and mechanism of SIG's GCG by observing the development of applicable laws and regulations. In 2020, SIG also received the Anti-Bribery Management SNI (ISO 37001:2016), which

showed its commitment to being a company free of bribery practices. This is an important achievement, as SIG's status as a Public Company subjected it to many regulations. The Company's attempt to improve its GCG implementation was also seen by how the Directors and their staff followed up the results of GCG assessments regularly conducted by the Company.

Besides, SIG was also committed to achieving the Sustainable Development Goals (SDGs) of Indonesia, as demonstrated in various environmentally and socially friendly programs carried out by the Company. In performing its business activities, the Company strived to maintain a balance among its economic, social, and environmental aspects.

One of the real steps that have been taken and will keep being improved on by the Company was utilizing waste as an alternative fuel. The Company always endeavored to use refuse-derived-fuel (RDF) to help the Government address the waste issue.

Changes in the Composition of the Board of Commissioners

In 2020, SIG's Board of Commissioners underwent some changes following the Annual General Meeting conducted on 19 June 2020, which honorably discharged Soekarwo from his position as the Company's President Commissioner and appointed Rudiantara as his successor. The new composition of the Board of Commissioners is as follows:

President Commissioner	:	Rudiantara
Commissioner	:	Sony Subrata
Commissioner	:	Astera Primanto Bhakti
Independent Commissioner	:	Mochamad Choliq
Independent Commissioner	:	Nasaruddin Umar
Commissioner	:	Hendrika Nora Osloi Sinaga
Commissioner	:	Lydia Silvanna Djaman

On behalf of SIG, we would like to express our highest gratitude and appreciation to Soekarwo for his dedication during his tenure as President Commissioner of the Company.

Appreciation

The Board of Commissioners would also like to express its deep appreciation and gratitude to the Directors and all employees of the Company for their hard work and dedication, which allowed the Company to perform well in 2020. We also extended our highest appreciation to SIG's shareholders and stakeholders for their confidence and support. We sincerely hope that SIG will keep progressing continuously and provide positive contributions to Indonesia's development.

Jakarta, 2 March 2021



Rudiantara
President Commissioner

BOARD OF COMMISSIONERS

Top left to right

Rudiantara
President Commissioner

Nasaruddin Umar
Independent Commissioner

Mochamad Choliq
Independent Commissioner

Bottom left to right

Hendrika Nora Osloi Sinaga
Commissioner

Astera Primanto Bhakti
Commissioner

Lydia Silvanna Djaman
Commissioner

Sony Subrata
Commissioner















REPORT OF THE BOARD OF DIRECTORS

Dear Respected Shareholders and Stakeholders,

Despite increasingly fierce competition, Indonesia's contracted economic condition, and a decline in cement demand due to the COVID-19 pandemic, we are proud to announce, with much gratitude, that the Company survived 2020 and even recorded a satisfying performance. Other accomplishments were also made during the year, which were geared toward achieving our vision to be the "Leading Building Material Solution Provider in the Region," through the strength of the Group's synergies and spirit of innovation.

2020 Strategic Initiatives and Performance

The spread of COVID-19 severely impacted the world economy. The International Monetary Fund (IMF)in its World Economy Outlook report released in January 2021 projected global economic growth of -3.5%, as a result of the COVID-19 Pandemic. Although the Indonesian government initiated various economic stimuli and imposed a number of policies, the national economy has not shown scalable improvement. optimum improvement. Indonesia's economy experienced a contraction of -2.07%, which was still better than the average world economic growth.

The Company formed a task force to create and ensure the implementation of health protocols during the pandemic. These protocols were strictly imposed at all units, especially at those that were required to work in our offices or factories.

Even with the increasingly aggressive competition in the cement industry, SIG booked revenues totaling Rp35,172 billion, a decrease of 12.87% compared to the Rp40,368 billion of revenue in 2019. The decrease was due to lower demand for building materials and the postponement of strategic national projects owing to the government's budget reallocation. In response to the domestic market, the Company pushed the export sales to Australia, Fiji, Bangladesh, Sri Lanka, and China.

By implementing various efficiency initiatives, the Cost of Revenue for 2020 decreased more compared to the decrease in revenue. This resulted in an EBITDA increase of 4.30% and an EBITDA margin increase of 4.25% to be 25.8%. Profit for the Year Attributable to Owners of the Parent Company increased to Rp2,792 billion or 16.72% higher than 2019. The Company also prudently managed its cash



By implementing various efficiency initiatives, the Cost of Revenue for 2020 decreased more compared to the decrease in revenue. This resulted in an EBITDA increase of 4.30% and an EBITDA margin increase of 4.25% to be 25.8%.

Hendi Prio Santoso
President Director



flow and implemented strict capital expenditure policy. This enabled SIG to keep its cash flow from operating activities positive. With its tight financial performance and cash flow management, The company was able to pay off the interest-bearing debt in nett of more than Rp5 trillion.

In general, SIG's performance in 2020 was better than that of other cement companies listed on the IDX, especially in terms of EBITDA margin and operating margin. Its operating margin was even better than the average operating margin of the companies listed in IDX.

To overcome overcapacity, the integrated marketing strategy has been implemented since 2018 to maintain leadership position in the cement industry. Among the measures used to achieve its vision, in 2020 SIG launched a number of new products, one of which was masonry cement. The Company also developed its digital marketing using a number of platforms such as SobatBangun, AksesToko, and SIG official online store, to make its products more accessible.

At the beginning of 2020, the Company carried out a corporate rebranding and changed its logo into SIG. The corporate objective was also transformed into "creating sustainable living that constantly exceeds expectations and ensuring that more people benefit from SIG's various high quality products and building solutions."

Business Prospects

Bank Indonesia (BI) projected Indonesia's economic growth for 2021 to be between 4.3-5.3% according to Bank Indonesia based on BI survey in which, retail sales were increasing and exports of non-oil and gas products are showing positive trends. SIG is more optimistic in facing 2021 with the continuation of national strategic projects. The government has also increased the 2021 infastructure budget by 37.3% to Rp387.4 rillion from the postpandemic 2020 adjusted budget of Rp282.1 trillion. In addition, BI also predicted that the private sector is also predicted to improve in 2021. SIG will also continue to deliver solutions for its customers in 2021 by constantly strengthening the synergy between its entities.

Implementation of Corporate Governance

One of the agendas in strengthening the SIG organization is through the implementation of Good Corporate Governance. In 2020, the Company achieved a score of 95.08

with the predicate, "Very Good." This was an improvement compared to the previous year when the company achieved a score of 94.54, with the predicate also "Very Good." based on the Decree of the Secretary of the Ministry of BUMN No.SK-16/S.MBU/2012 dated 6 June 2012 concerning Indicators/Parameters for Assessment and Evaluation of Good Corporate Governance Implementation in SoE. The 2020 GCG assessment was conducted by PT Multi Utama Indojasa (MUC Consulting Group). The Company also received ISO 37001 Anti-Bribery Management System certification with its commitment to prevent bribery in its environment.

Commitment to Sustainability

SIG supports the efforts to achieve the Sustainable Development Goals in Indonesia through the Community Development Program implemented by the Company. In addition, the Company also continues to improve products that are more environmentally friendly, one of which is non-OPC cement with a lower clinker factor that allowed the Company to reduce the carbon emissions intensity to be 607 kg CO2/ tonne cement in 2020 from 634 kg CO2/tonne cement in 2019.

In 2020, SIG, through PT Solusi Bangun Indonesia Tbk, in collaboration with the government of Cilacap Regency, launched an integrated waste management facility to convert municipal waste into fuel (RDF – Refuse Derived Fuel) in Cilacap, Central Java. SIG also uses several other alternative fuels such as rice husks, cocopeat, tobacco plantation waste and cigarette waste as alternative fuel. The total alternative fuel used in 2020 was 532,260 tonnes or equivalent to 4.04% of the Company's fuel consumption.

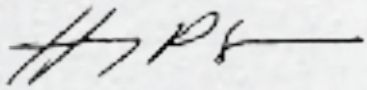
Changes to the Composition of the Board of Directors

In 2020, no changes were made to the composition of SIG Board of Directors.

Closure

SIG has gone through a challenging 2020 with good achievements. On behalf of the Company, we extend our most sincere appreciation to all SIG employees for their hard work and contributions. We also express our appreciation to the Board of Commissioners, the shareholders, and all our stakeholders for the cooperation and support they have provided us over the years.

Jakarta, 2 March 2021



Hendi Prio Santoso
President Director

BOARD OF DIRECTORS

Top left to right

Hendi Prio Santoso
President Director

Doddy Sulasmono Diniawan
Director of Finance

Fadjar Judisiawan
Director of Business Strategy & Development



Bottom left to right

Benny Wendry
Director of Production

Tri Abdisatrijo
Director of Engineering & Projects

Adi Munandir
Director of Marketing & Supply Chain

Tina T. Kemala Intan
Director of Human Capital & Legal



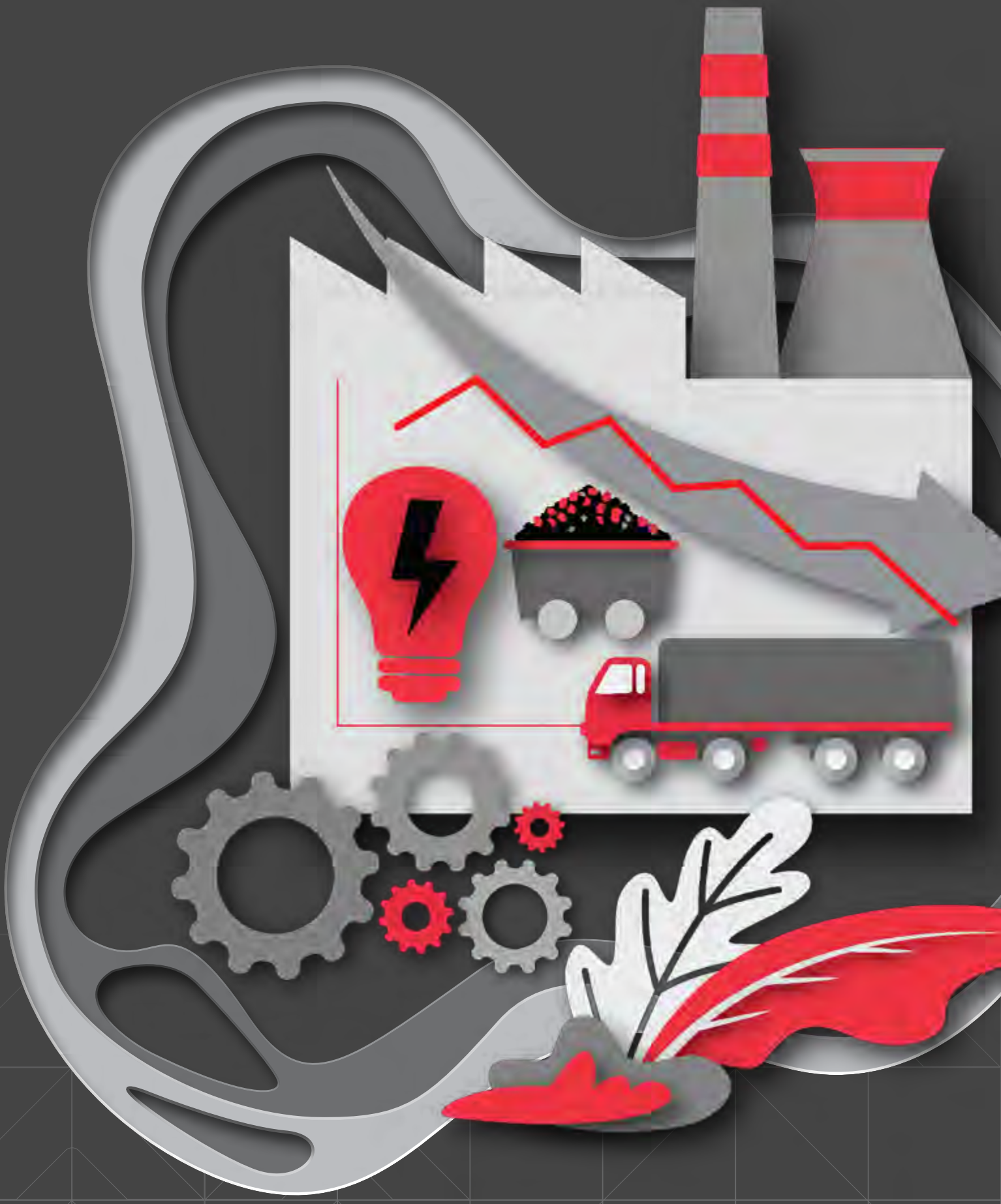












SUSTAINABLE COST EFFICIENCY

Financial responsibility to all stakeholders is our main concern amidst the global economic downturn. We maintain business sustainability through a number of efforts and policies to improve cost efficiency.

3

Company Profile


Go
Beyond
Next

COMPANY IDENTITY

Name

PT Semen Indonesia (Persero) Tbk.

Line of Business

Cement industry

Date of Establishment

7 August 1957

Legal Incorporation

Indonesian Government Regulation no. 132 of 1961 on the Establishment of the State-Owned Enterprise of Semen Gresik

Ownership

- Republic of Indonesia 51.01%
- Public 48.99%

Authorized Capital

RP2,000,000,000,000

Issued and Fully Paid Capital

Rp593,152,000,000

Stock Listing Date

8 July 1991



Stock Exchange

Indonesia Stock Exchange (IDX)

Stock Code

SMGR

Corporate Secretary

Vita Mahreyni

Head Office

South Quarter,
Tower A, 19th-20th Floor
Jl. R.A. Kartini Kav.8,
Cilandak Barat
South Jakarta 12430,
Indonesia
Tel. +62-21-5261174-5
Fax. +62-21-5261176
Email: info@sig.id

Website

www.sig.id

Contact

@sig.id
sig.id
@semenku
Semen Indonesia
PT Semen Indonesia
0 800 1088888



MILESTONES

1957

The Company started one production facility with a design capacity of 250,000 tonnes per annum.

1991

Initial Public Offering (IPO) with a market capitalization of Rp0.63 trillion.
Ownership structure:
Government of Indonesia : 73%
Public : 27%

1995

Acquired domestic cement Company PT Semen Padang (Persero and PT Semen Tonasa (Persero).

1998

CEMEX became a strategic partner with 14.0% ownership. The ownership structure changed to:
Government of Indonesia : 51%
Public : 35%
CEMEX : 14.0%
Market capitalization went up to Rp4.9 trillion.

1999

CEMEX increased its share of ownership to 25.5%. The ownership structure changed to:
Government of Indonesia : 51%
Public : 23.5%
CEMEX : 25.5%
Market capitalization went up to Rp6.6 trillion.

2006

Blue Valley Holdings bought SMGR's shares from CEMEX with a capitalized value of Rp21.5 trillion.
Ownership structure:
Government of Indonesia : 51%
Public : 24.1%
Blue Valley : 24.9%

2010

Blue Valley Holdings sold its entire shares of SMGR.
Market capitalization April 2010 was Rp 72.31 trillion.
Ownership structure:
Government of Indonesia : 51%
Public : 49%

2012

- Completion of 2 cement plants construction
- Acquisition of Thang Long Cement Joint Stock Company (TLCC) in Vietnam
- Transition into a strategic holding Company and name change to PT Semen Indonesia (Persero) Tbk.

2013

Established PT Krakatau Semen Indonesia, which process slag powder waste as raw material for cement manufacturing, followed by the establishment of PT Semen Gresik as the next step in the corporate transformation.

2014

- Initiated the construction of new plants in Rembang and Padang (Indarung VI).
- Established PT Sinergi Informatika Semen Indonesia (SISI).

2016

Formed PT Semen Indonesia International (SII), PT Semen Indonesia Aceh (SIA) and PT Semen Kupang Indonesia (SKI). Also changed the name of PT SGG Prima Beton to PT Semen Indonesia Beton (SIB) as part of the Company's expansion plan into cement and non-cement businesses.

2017

- Established a building materials joint venture Company PT Semen Indonesia Industri Bangunan (SIIB) to seize the growth opportunity in this industry while improving synergy between subsidiaries.
- Commercial operations of the Rembang Plant in Central Java and the Indarung VI Plant in West Sumatra, each with a capacity of 3 million tons/year.

2019

- Acquired 80.64% shares of PT Holcim Indonesia Tbk owned by Holdervin B.V. through its subsidiary, PT Semen Indonesia Industri Bangunan (SIIB) on January 31, 2019, making SIIB the majority shareholder of PT Holcim Indonesia Tbk.
- Renamed PT Holcim Indonesia Tbk to PT Solusi Bangun Indonesia (SBI).
- Conducted a Mandatory Tender Offer which caused share ownership in PT Solusi Bangun Indonesia to increase to 98.3%.
- Changed the brand name Holcim to Dynamix.

2020

Corporate re-branding to SIG and renewing the Company logo.

LINE OF BUSINESS

Line of Business According to the Latest Article of Association

According to the most recent Article of Association of the Company, the aims and objectives of the Company are to conduct businesses in the cement industry, including production and distribution of cement as well as cement derivative products. The Company has now expanded to other businesses connected to, and supporting, the cement industry.

Business Activities within the Fiscal Year

During the fiscal year 2020, SIG has conducted business activities as stated out in the Company's Article of Association.

Products and Services

Bag Cement

Multipurpose Cement

Portland Composite Cement (PPC)

- Better adhesion
- Easy to work with
- Lower concrete temperature, more difficult for cracks to form
- Stronger result with smoother surface



Cement for Special Applications

Dynamix Extra Power

- Easy to work with
- More water resistant
- Lower concrete temperature, more difficult for cracks to form
- Stronger concrete without the need for additional additives



Dynamix Masonry

A special cement for non-structural applications such as masonry-ceramic pairing, plastering, binding, profiling and angle.



Bulk Cement

EzPro



EzPro is easy to work with and has high adhesion. This simplifies the construction work, giving strong result with smooth surface.

Applications:
- Soil stabilization
- General concrete construction
- Housing
- Irrigation system

PwrPro



PwrPro uses an environmentally friendly formula to achieve faster initial compressive strength performance to improve construction productivity while maintaining quality.

Applications:
- Medium-to-high quality cast and precast concrete
- Paving, concrete brick and concrete roof
- Drymix mortar industry

UltraPro



UltraPro combines ease of work and optimum strength result, ideal for construction projects requiring high initial and end pressure strength.

Applications:
- High quality cast and precast concrete
- Structural drymix mortar industry
- Airplane runway

SprintPro



SprintPro offers best speed in achieving high initial pressure while maintaining hydration heat.

Applications:
- Pre-stress concrete, such as box grider
- Light brick industry
- Fiber cement board industry

DuPro+ SBC, LH, HSR & MSR



DuPro+ SBC, LH, HSR & MSR results in concrete with low hydration and optimum protection against sulfate and chloride.

Applications:
- Offshore Construction
- Power Plant, Smelter
- Wastewater Tunnels
- Tunnels

SuperTermo

SuperTermo is produced with API 10A specification which provides good response to ligno-sulfonate retarder and provides sufficient thickening time with well cementing application

Applications:

- Oil and gas mining
- Geothermal power plant
- Can be used for Class G HSR Design
- Can be combined with Silica for strength retrogeration

MaxStrength

Max Strength Cement is a portland slag cement formulated specifically for the ready mix and precast industry for construction of mega projects such as high rise buildings, flyover bridges, underground tunnels, in accordance to the needs of modern society.

Applications:

General construction such as concrete road, buildings and construction requiring high sulfate resistance and low hydration heat, such as bridges that are exposed to sea water, docks, power plants, and waste management facilities.

MRT Jakarta, one of the infrastructure projects that use SIG product



Concrete Products

MiniMix

MiniMix is an innovative concrete delivery truck that is only a third of the size of a normal concrete delivery truck. MiniMix is capable of passes through narrow roads or roads with height limitation. Customers can now use high quality ready mix in smaller volumes. Suitable for houses, shops, full construction or renovation projects.

Applications:
- Village roads
- Roofing, canopy, staircases and concrete floors
- Concrete walls



SpeedCrete

SpeedCrete is an innovative solution for applied concrete, that produces earlier strength and high performance, drying within hours. SpeedCrete is produced using the latest technology, applied with a high level of expertise, craftsmanship and professionalism, giving customers superior strength and work speed. SpeedCrete is proven to be effective in reducing traffic jam usually caused by roadwork on busy roads.

Applications:
- Ports
- Main roads
- Busway
- Toll roads



PakCrete

PakCrete is an instant concrete solution that comes in special packaging, consisting of aggregate, cement, special additives, without water. PakCrete's quality is on par with ready mix concrete in the cities, produced using the same stirring process with command batch and the same command QC, but in smaller volume - per cubic meter. PakCrete can be produced with custom specification depending on the project need. PakCrete has received the TKDN (local content) certification from the Ministry of Industry of Indonesia.

Applications:
To fulfill the need for project concrete in rural areas in accordance to project specification.





ThruCrete

ThruCrete is an applied concrete solution with high absorption, which can quickly move rainwater from roads, parking surfaces, garage, or footpaths to the ground or reservoir. ThruCrete, as the most recent technology, also supports the KDH 30% Zero Run-Off program. Exceeding the standards required for porous concrete surface, ThruCrete is a sustainable solution which combines concrete durability and the latest water absorption technology.

Applications:
- Runway stripe and airport's taxi lane
- Jogging tracks
- Parks, footpaths and sidewalks





MassCrete

MassCrete is a total solution for mass casting, combining high performance concrete with added-value services. Every mixing of MassCrete concrete has a low peak temperature to reduce thermal crack. Continuous casting management is also provided to prevent cold connection during the casting process, including on-site management and supervision of construction materials.

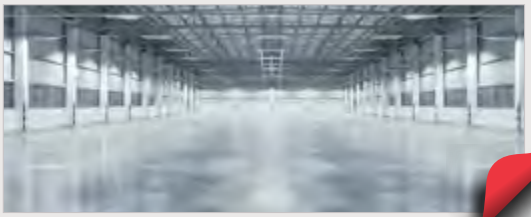
Applications:
- Large-sized columns
- Raft foundation



ApexCrete

ApexCrete is an applied concrete solution for warehouse and industrial floors. ApexCrete is formulated by our experts using high quality materials and equipment, the laser screed technology and 3D profilers, making it an integrated solution for industrial floor construction.

Applications:
- Suitable for big construction size area
- Low maintenance costs
- Super flat floors, high FF/Fl numbers
- Floor without extension



OptimaCrete

OptimaCrete mix is formulated to give strength and durability to the structure and surrounding of multi-storey buildings. OptimaCrete has a minimum pressure strength of 60MPa, and is contributing to the reduction of structural component size and the use of building materials.

Applications:

- Infrastructure: Bridge columns and wide-span beams
- Multi-storey Buildings: Sliding wall and columns



ComfilPlas

ComfilPlas is an applied concrete solution with lightweight materials that works as the bottom layer of a road structure foundation or as the foundation layer of a bridge. ComfilPlas has good consistency and is easy to apply.

Applications:

- Main roads
- Toll roads
- Approach slabs/*oprit*



DekoCrete

DekoCrete is an innovative and decorative applied concrete in multiple colors, fit for interior and exterior floors. DekoCrete provides many choices for colors and high quality patterns. The mix is designed to meet the high aesthetic and durability requirement of our customers, while reducing the amount of paint needed. DekoCrete can be used together with ThruCrete to improve water absorption on concrete footphaths. DekoCrete can also be shaped to mimic granite, ceramic and natural stone floors. Its natural texture is anti-slip for pedestrians. With proper maintenance, DekoCrete will look as good as the day it was installed as the years go by.

Applications:

- Parking area
- Roads
- Parks
- Footpaths and sidewalks





EzyfloCrete

EzyfloCrete is a concrete solution that can be poured without segregation, making it easy to pour into the formwork and perfectly covering the reinforcement. EzyfloCrete application ensures cost-saving due to faster casting using vibration. It requires less man hours to produce a smooth, geometrically accurate surface that is also durable.

Applications:
- Screed
- Element precast
- Horizontal and vertical structures
- Uniquely-shaped elements
- Foundation





MarineCrete

MarineCrete is designed with high density special materials that can reduce corrosion during reinforcement in a high-chloride environment. Due to its virtues, MarineCrete can reduce concrete expansion and shrinkage. MarineCrete holds well against chloride, has low water-to-cement ratio, and is made with high quality materials.

Applications:
- Ports
- Docks
- Power plants
- Oil and gas projects



StilCrete

StilCrete is a solution for problems usually occurring on structural concrete work in areas with high sulfate and chloride environments. The issue could cause damage to the structural concrete and corrosion on the concrete reinforcement because the concrete is unable to hold itself while protecting the reinforcement.

Applications:
- Ports
- Docks
- Geothermal power plants
- Roads that are prone to seawater intrusion



Cement Aggregate and Derivative Products

Aggregates

Aggregate is a collection of crushed stone grains, gravel, sand, or other naturan and nonnatural minerals. Aggregates is processed through three steps of granulation so that customers can determine gradation, powder index and washing loss.





Applications:
- Asphalt stirring
- Readymix concrete stirring
- Precast concrete stirring
- Breakwater
- Road construction
- Railroad construction
- Load-bearing walls

Expose Concrete

Artistic and functional 3D concrete tile with carefully curated materials and designed through modern and contemporary ideas generated by the use of unusual materials, as well as unprecedented shapes or color combinations. Every process is done carefully and with great attention to detail. Expose Concrete is the perfect solution for those wanting freshness and originality on their wall and floor decor.





Applications:
Suitable for exterior or interior wall/floor decoration.

Precast Concrete

Product development of precast or pre-stressed concrete and all its variants such as canal U, girder block, square pile, spun pile, bearing carriage and others.

Applications:
- Box culvert
- Sheet pile
- Slab
- Girder
- Pile
- Other custom precast products





Ground Granulated Blast Furnace Slag

Ground Granulated Blast Furnace Slag (GGBFS) is a green product used to build strong and durable concrete after combining it with Ordinary Portland Cement (OPC) or pozzolan material. Other advantages of GBBFS such as improving the chemical stability of concrete and mortar, increasing pressure strength, high quality final surface and brighter color. It is great for use in infrastructure projects such as ports, bridges, roads and multi-storey building.

Applications:
- Sand replacement aggregate
- Cement replacement




Services

- Logistics
- Ready-mix concrete
- Building materials trading
- Mining services
- Cement packaging production
- Industrial estate
- Property
- Information system
- International trading
- Waste management (Nathabumi)

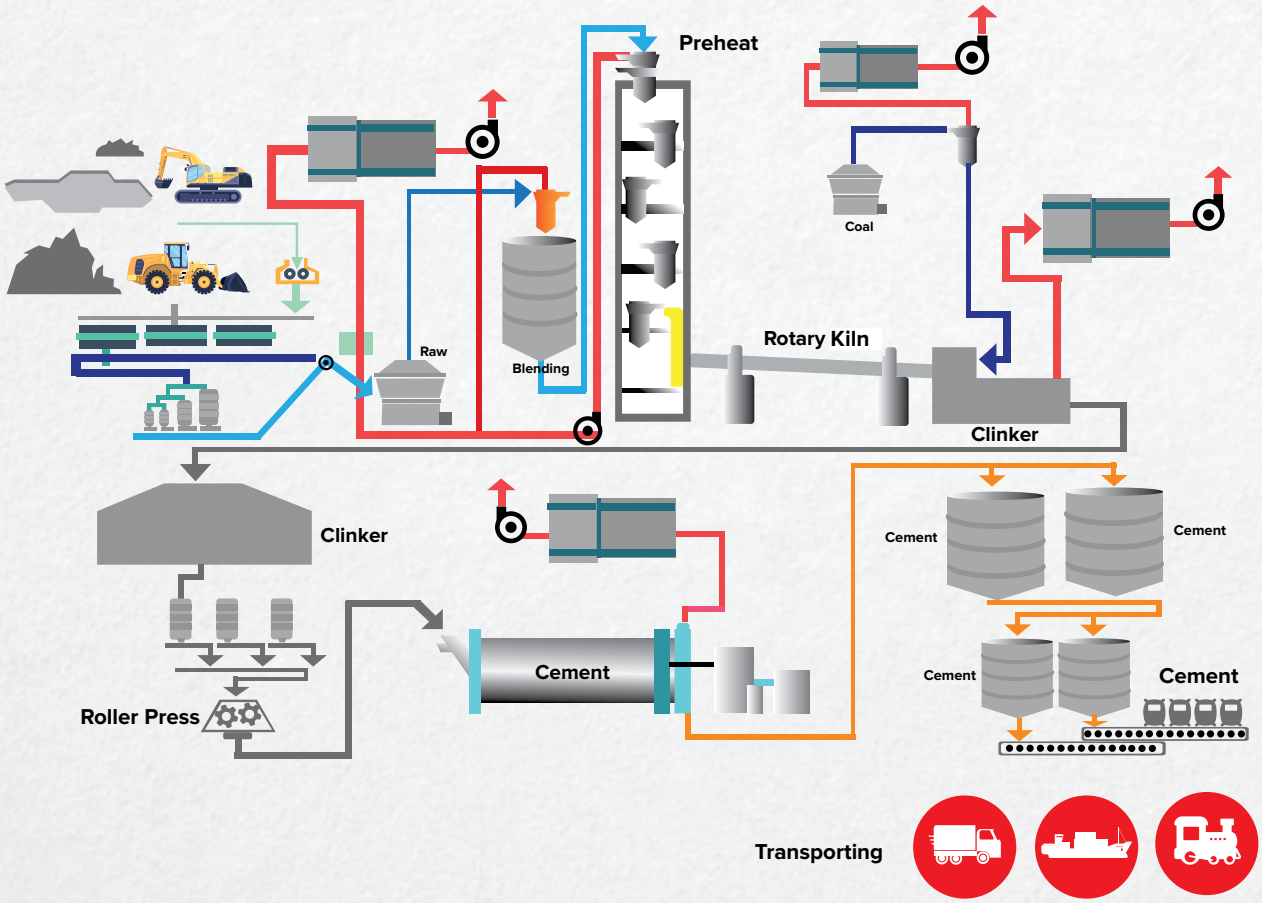
nathabumi

Integrated with four plant locations in Narogong, Cilacap, Tuban and Lhoknga, Nathabumi is the Company's waste management unit that provides innovative solutions which are safe, reliable and guaranteed for all industrial waste.





Cement Manufacturing Process



CONVENIENCE FOR THE CUSTOMERS

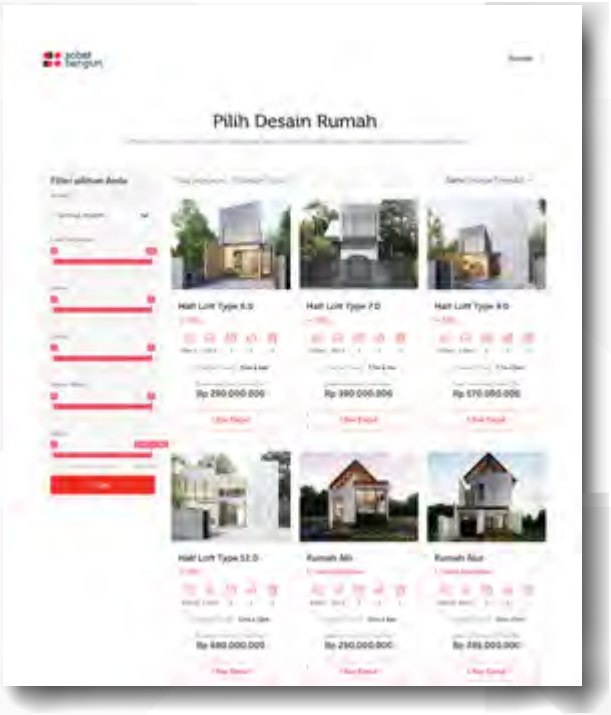


sobat bangun

Through SobatBangun, SIG offers House 2.0, designed and built in a way that allows for future expansion using high quality, long-lasting and environmentally friendly materials.

House 2.0 concept is also designed to be energy efficient through the use of alternative energy or by applying a design concept that allows for optimum natural light and air circulation to reduce energy use.

People wishing to build a house could choose from our list of trusted contractors, comply with pertaining building codes, use high quality materials, and take advantage of financing options. SobatBangun works with various trusted architects such as Studio Arsitektropis, AGo Architects, US&P Architects, Studio SA_e, and ArMSchitecture.



AksesToko is SIG's innovation as part of company's commitment to use technology to provide the best service by integrating all processes into one solution. Distributors and retail stores can view and order all SIG products, pay with various payment methods, and update their shipping addresses via AksesToko.id.



SIG Official Store on Tokopedia



The Indonesian government imposed a large-scale social restriction (PSBB) policy to curb COVID-19 transmission, which impacted people's mobiltiy. During the pandemic, people had to follow health protocols including in construction sites and during renovation work.

SIG provides a solution to help the retail customer to meet their needs for quality building materials by opening the SIG Official Store at the Tokopedia market place.

COMPANY LOGO

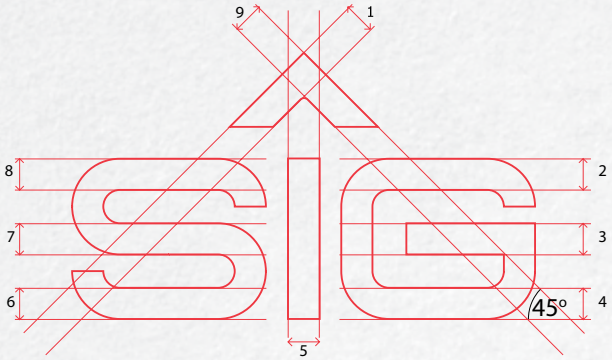
The Company rebranded in 2020 to change brand positioning and reinforce PT Semen Indonesia (Persero) Tbk's new vision to be " The Leading Building Material Solution Provider in the Region."

Historically, Semen Indonesia has been the pillar for national development and has built a strong reputation as a leader in the cement industry in Indonesia. Currently, the Company continues its efforts to become a company that inspires stakeholders in creating sustainable living and a better life in the future, as well as transforming into SIG.

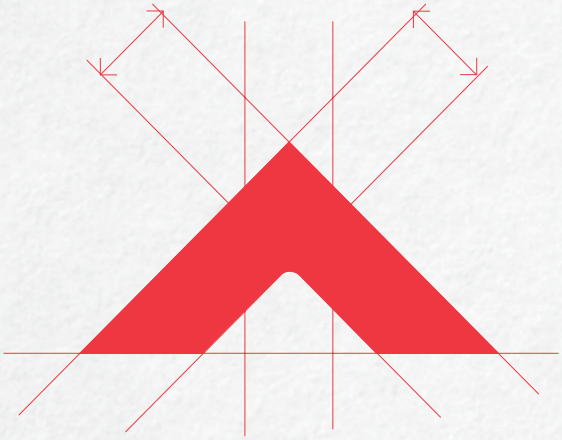
SIG's goal is to become the leading supplier of building materials in the region by providing a comprehensive range of quality products and services. In line with this vision, the corporate brand represents SIG desires to be:

- The Leader (trendsetter) in the building materials industry.
- At the forefront in providing the most innovative, newest, and most valuable material solutions
- A recognizable and trustworthy brand that is identical with good quality and value

The Philosophy of Colors and Shapes on the Company Logo



Our corporate identity (logo) forms a triangle with 45° angle and a strong base, representing a sharp focus and a vision for progress. The logo is formed with 9 straight lines as nine is believed to be the best number.



The Edge of the Arrow:
Represents SIG which keeps on moving forward.

Wide Base:
Represents a solid foundation which provides protection and attention to the Company.

Upward Direction:
Represents growth and continuous improvement.

Sharp Angle (On Top):
Represents SIG's focus on a detailed approach.



Red Color
Representing courage and leadership, red is a symbol of determination, passion, and action. Red also symbolizes the main color of Indonesia.

Black
As the strongest neutral color, black is a symbol of elegant strength. Black also represents an absolute willpower.

BUSINESS NETWORK AND OPERATIONAL AREAS



Integrated Cement Plants

Quang Ninh Plant - Vietnam
Capacity: 2.3 Million tons/year

Lhoknga Plant
Capacity: 1.8 Million tons/year

Indarung Plant
Capacity: 8.5 Million tons/year

Narogong Plant
Capacity: 6 Million tons/year

Rembang Plant
Capacity: 3 Million tons/year

Cilacap Plant
Capacity: 3.4 Million tons/year

Tuban Plant
Capacity SI: 14.7 Million tons/year
Capacity SBI: 3.6 Million tons/year

Pangkep Plant
Capacity: 7.4 Million tons/year

Packing Plants

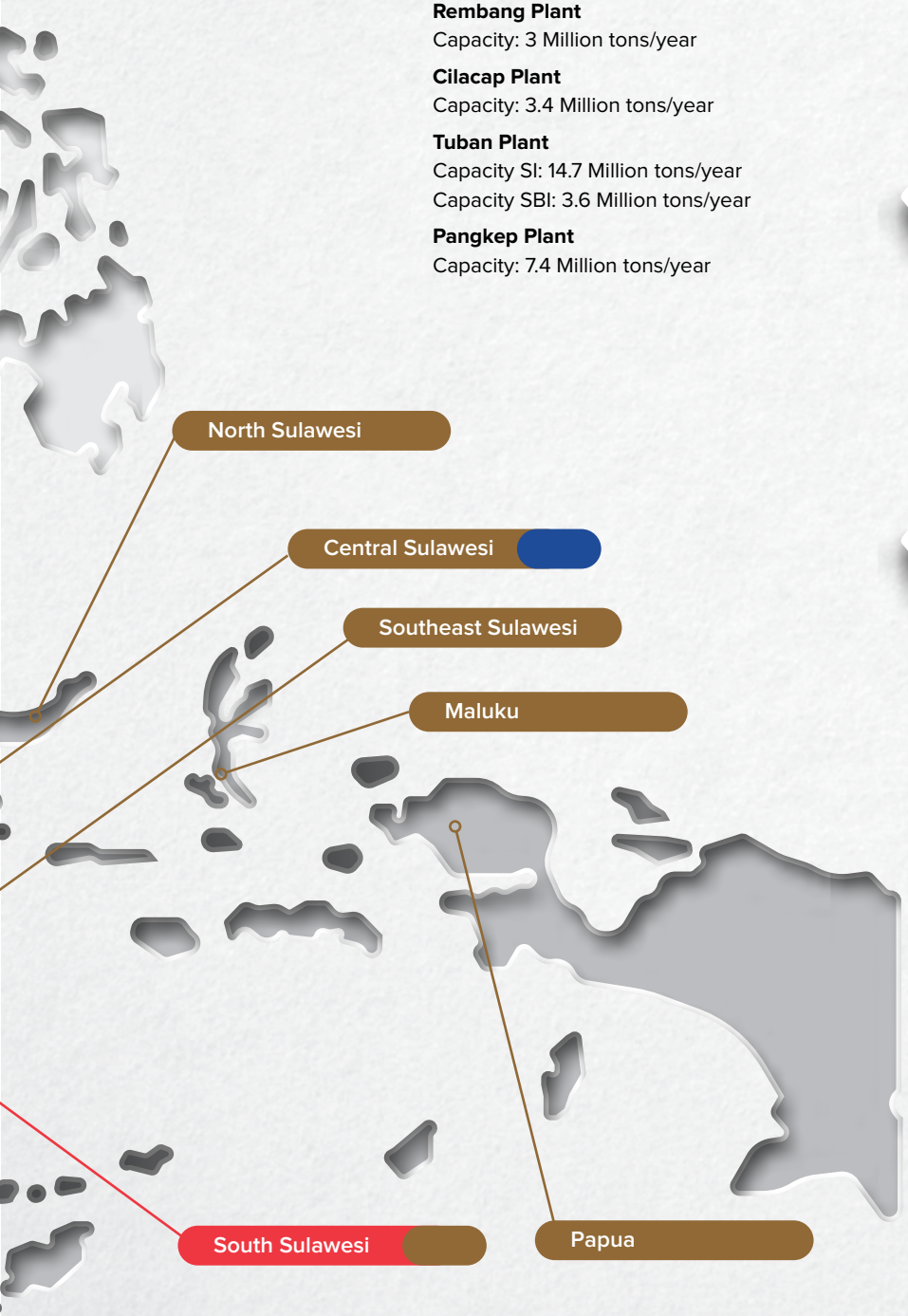
Lhokseumawe
Malahayati
Belawan
Dumai
Batam
Teluk Bayur
Bengkulu
Palembang
Lampung
Ciwandan
Tanjung Priok
Banyuwangi
Pontianak
Banjarmasin
Balikpapan
Samarinda
Makassar
Mamuju
Palu
Biringkassi
Kendari
Bitung
Celukan Bawang
Maluku Utara
Ambon
Sorong

Grinding Plants

Ho Chi Minh City
Kuala Indah
Dumai
Cigading
Ciwandan
Gresik

Ports

Thang Long Port
Lhoknga
Dumai
Teluk Bayur
Tuban
Gresik
Biringkasi



VISION, MISSION AND CORPORATE CULTURE



Vision

Leading Building Material Solution Provider in the Region



Mission

1. Being customer satisfaction-oriented in every business initiative.
2. Applying the best standard of practice for superior quality.
3. Focusing on environment preservation and sustainable social responsibility.
4. Providing best added value for all stakeholders.
5. Focusing on human capital as the center of the Company's development.

Go Beyond Next

SIG has become a company undergoing a transformation. To build sustainable living conditions for future generations, SIG will act differently and always go beyond (Go Beyond Next).

Reviewing the 2019 Vision and Mission

Up until the end of 2020, the Company still followed the vision and mission formalized on May 13, 2019. Upon review by the management, the vision and mission were still considered relevant to the business development, the stakeholders needs and the competition among business players.

Corporate Culture

In 2020, The Company adjusted its Corporate Culture by incorporating the Core Values of AKHLAK, in line with the direction of the Ministry of SoE through the Circular Letter of the Minister of SoE No. SE-7/MBU/07/2020 dated 1 July 2020 in regards to the Core Values of SoE Human Resources, followed by the Board of Directors' decree No. 047/2020 about SIG's AKHLAK Core Values Guidelines, as the core values to form the corporate culture and the foundation for building talent character in the SIG.



Strengthening the Corporate Culture

The Company has established AKHLAK as the core values to form the corporate culture and the foundation for the Company's operations. As such the Company internalizes and strengthens AKHLAK in SIG. By implementing AKHLAK, it is hoped that the Company could achieve more synergy and its people could be more in sync in working towards achieving common vision.

AKHLAK was implemented in stages, starting with socialization, internalization, implementation, monitoring and evaluation; and continuously providing reinforcement to every SIG working units and employees so that AKHLAK can be consistently embedded in each individual. AKHLAK's internalization was conducted through:

1. Communication media and/or cultural artefact.
2. AKHLAK is used as a reference in the implementation of the Company's code of ethics.
3. AKHLAK is used as a reference in developing the character and behavioral competencies of employees.
4. Reinforcement given to Working Unit Leaders as the role models and to all employees as change agents in implementing AKHLAK.

With the adoption of AKHLAK, all employees are required to:

1. Understand, comply and play an active role in implementing AKHLAK
2. Become the agents of change in AKHLAK's implementation, in the office, family and community.

Meanwhile, Working Unit Leaders are required to:

1. Act as AKHLAK's role model
2. Socialize and internalize AKHLAK to the team members, the implementation of which will be reflected in the behaviour of the team members as well as the work culture in the Working Unit.
3. Regularly monitor, evaluate and provide feedback to the team members about the implementation and reinforcement of AKHLAK in the Working Unit.

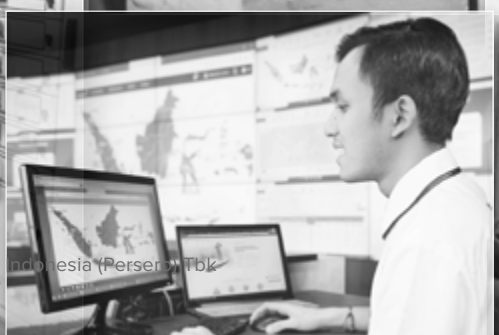




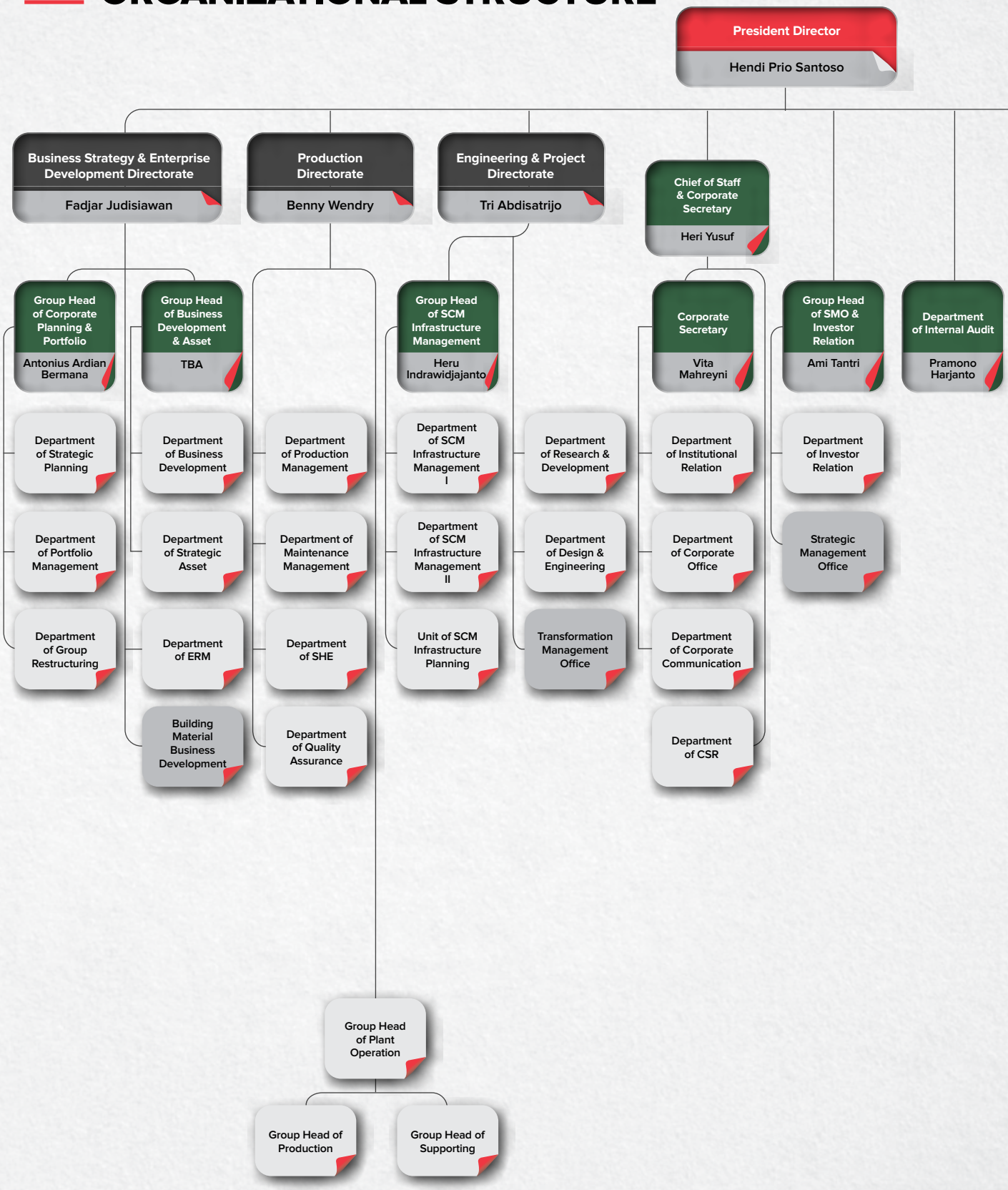







ORGANIZATIONAL STRUCTURE




Marketing & Supply Chain Directorate
Adi Munandir
Human Capital & Legal Directorate
Tina T. Kemala Intan
Finance Directorate
Doddy Sulasmono Diniawan
Group Head of Sales
Rahman Kurniawan
Group Head of Supply Chain
Wahyu Purnomo
Group Head of Marketing
TBA
Group Head of Human Capital
Tigor Pangaribuan
Group Head of Procurement
Hadi Setiadi
Group Head of Finance
Andriano Hosny Panangian
Group Head of ICT
Fachlul Infithar
Department of Regional Sales I
Department of Regional Sales II
Department of Regional Sales III
Department of Regional Sales IV
Department of Channel & Salesforce Management
Group of Corporate Sales
Group of Corporate Sales
Department of Ready Mix & Infrastructure
Department of SoE Sales
Department of Industrial Sales
Department of Technical Sales
Department of Trasportation Management
Department of Distribution Management
Department of Marketing Intelligence
Department of Product Management
Department of Pricing & Margin Management
Department of Brand Management
Department of MSC Digital Solution
Department of Ready Mix
Department of HC Policy & Strategy
Department of Performance & Talent Mgt
Department of Learning & Development
Department of HC Shared Service
Department of Busines Process Development
Department of Legal
Department of Strategic Procurement
Department of Operational Procurement
Unit of Inventory
Department of Financial Planning & Analysis
Department of Accounting
Department of Treasury
Department of Tax
Department of Finance Policy & Excellence
Department of ICT Strategic & Governance
Department of ICT Solution & Project
Department of ICT Service & Performance Evaluation

BOARD OF COMMISSIONERS



Rudiantara

President Commisioner

Age: 61 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Bachelor of Statistics from Universitas Padjadjaran, Bandung (1984)
- Master of Business Administration from IPPM, Jakarta (1988)

Experience:
- Minister of Communication and Information of Republic of Indonesia (2014-2019)
- Director/Commissioner of PT Telekomunikasi Seluler, PT XL Axiata Tbk, PT Indosat Tbk, PT Telkom Indonesia (Persero) Tbk (between 1996-2014)
- Vice President Director of PT PLN (Persero) (2008-2009)
- Vice President Director of PT Semen Indonesia (Persero) Tbk (2006-2008)

Other experience:
- President Commissioner of PT Solusi Energi Digital (2020-now)
- Commissioner of of PT Vale Indonesia Tbk (2020-now))
- Commissioner of PT Rukun Raharja Tbk (2020-now)

Legal base of first appointment:
Appointed as President Commissioner at the AGMS 19 June 2020, serving until 2025

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2020-now



Nasaruddin Umar

Independent Commisioner

Age: 61 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- PhD from UIN Syarif Hidayatullah, Jakarta (1999)
- Master degree from UIN Syarif Hidayatullah, Jakarta (1992)
- Bachelor's degree from Faculty of Shariah, IAIN Alauddin, Ujung Pandang (1984)

Experience:
- Vice Minister of Religious Affairs (2012-2014)
- Director General of Islamic Community Education, the Ministry of Religious Affairs (2006-2012)

Other experience:
- Great Imam of Masjid Negara Istiqlal
- Professor at UIN Syarif Hidayatullah

Legal base of first appointment:
Appointed as Independent Commissioner at the AGMS on 31 March 2017, serving until 2022

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2017-now



Mochamad Choliq

Independent Commisioner

Age: 68 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Master of Management from STM Prasetya Mulya, Jakarta (1997)
- Bachelor of Engineering from Institut Teknologi Sepuluh Nopember (ITS), Surabaya (1979)

Experience:
- President Director of PT Waskita Karya (Persero) Tbk. (2008-2018)
- Director of PT Adi Karya (Persero) (2001-2006)

Other experience: Nil

Legal base of first appointment:
Appointed as Independent Commissioner at the AGMS on 30 April 2018, serving until 2023

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2018-now



Sony Subrata

Commisioner

Age: 55 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Bachelor of Commerce in Marketing from the University of New South Wales, Sydney, Australia (1988)

Experience:
- Independent Commissioner of PT Ciputra Surya Tbk (1999-2003)
- Executive Director Asosiasi Yayasan Untuk Bangsa (1997-1999)
- President Director of PT Adiriasindo (1995)

Other experience: Nil

Legal base of first appointment:
Appointed as Commissioner at the EGMS on 23 January 2015, serving until 2020 and reappointed based on AGMS decision on 19 June 2020.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2020-now



Astera Primanto Bhakti

Commisioner

Age: 53 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Master degree in Taxation from the University of Denver, USA (1997)
- Bachelor of Economics in Management from Universitas Jenderal Soedirman, Purwokerto (1990)

Experience:
- Head of Financial Education and Training for the Ministry of Finance (2017-2018)
- State Revenue Policy Expert Staff to the Minister of Finance (2015-2017)
- State Revenue Expert Staff to the Minister of Finance (2015)

Other experience:
Director General of Fiscal Balance for the Ministry of Finance

Legal base of first appointment:
Appointed as Commissioner at the AGMS on 31 March 2017, serving until 2022.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2017-now



Hendrika Nora Osloi Sinaga

Commisioner

Age: 50 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Master of Management from Universitas Indonesia, Depok (2003)
- Bachelor of Chemical Engineering from Institut Teknologi Bandung, Bandung (1994)

Experience:
- Assistant Deputy for Construction and Transportation Facilities & Infrastructure (KSPP) III of the Ministry of SoEs (2019-2020)
- Commissioners of PT Perusahaan Gas Negara (Persero) Tbk (2016-2018)
- Commissioners of PT Perusahaan Pengelola Aset (Persero) (2014-2016)

Other experience:
Assistant Deputy of Construction and Transportation Facilities & Infrastructure for the Ministry of State-Owned Enterprises

Legal base of first appointment:
Appointed as Commissioner at the AGMS on 30 April 2018, serving until 2023.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2018-now



Lydia Silvanna Djaman

Commisioner

Age: 52 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Master of Law from the University of Technology, Sydney (1998)
- Bachelor of Law from Universitas Sebelas Maret, Solo (1992)

Experience:
- Assistant Deputy of Economic Affairs for the Ministry of State Secretariat (2015-2018)
- Assistant Deputy of Economics Legislation for the Ministry of State Secretariat (2012-2018)
- Legal and Human Rights Expert Staff for the Minister of State Secretariat (2012)

Other experience:
Deputy of Law and Legislation for the Ministry of State Secretariat

Legal base of first appointment:
Appointed as Commissioner at the AGMS on 22 May 2019, serving until 2024.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2019-now

DIRECTORS' PROFILES



Hendi Prio Santoso

President Director

Age: 53 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Bachelor of Business Administration (BBA) in Finance and Economics (double major) from the University of Houston, Texas, USA (1990)
- Master of Economics from the The University of Texas, Austin, USA (1988)

Experience:
- President Director of PT Perusahaan Gas Negara (Persero) Tbk (2008-2017)
- Director of Finance of PT Perusahaan Gas Negara (Persero) Tbk (2007-2008)
- Director of Investment Banking of PT JP Morgan Securities Indonesia (2001-2007).

Other experience:
- President Commissioner of PT Semen Gresik (2018-now)
- President Commissioner of PT Semen Indonesia International (2018-now)

Legal base of first appointment:
Appointed as President Director at the EGMS on 15 September 2017, serving until 2022.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2017-now



Doddy Sulasmono Diniawan

Director of Finance

Age: 53 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Master of Financial Management from Universitas Padjadjaran, Bandung (2005)
- Bachelor of Economics majoring in Management from Universitas Katolik Parahyangan, Bandung (1990)

Experience:
- Director of Business Strategy & Development PT Semen Indonesia (Persero) Tbk (2017-2018)
- Director of Finance and Human Resources of PT Rekayasa Industri (2016-2017)
- Executive Vice President - CEO of Jakarta Regional Office of PT Bank Negara Indonesia (Persero) Tbk (2016)

Other experience:
- President Commissioner of PT Semen Indonesia Logistik (2019-now)
- President Commissioner of PT Semen Indonesia Beton (2018-now)

Legal base of first appointment:
Appointed as Director at the EGMS on 15 September 2017, serving until 2022.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2017-now



Fadjar Judisiawan

Director of Business Strategy and Development

Age: 49 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Master of Management from Universitas Gadjah Mada, Jogjakarta (2002).
- Bachelor of Engineering from Institut Teknologi Sepuluh Nopember, Surabaya (1995)

Experience:
- Director of Finance PT Semen Indonesia (Persero) Tbk (2017-2018)
- Acting Deputy of Construction, Transportation Facilities and Infrastructure for the Ministry of State-Owned Enterprise (2017)
- Assistant Deputy of Construction, Transportation Facilities and Infrastructure 1 for the Ministry of State-Owned Enterprise (2015-2017)

Other experience:
- President Commissioner of PT Solusi Bangun Indonesia (2019-now)
- President Commissioner of PT Sinergi Mitra Investama (2019-now)

Legal base of first appointment:
Appointed as Director at the EGMS on 15 September 2017, serving until 2022.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2017-now



Benny Wendry

Director of Production

Age: 51 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Master of Management from Universitas Gadjah Mada, Jogjakarta (2001)
- Bachelor of Chemical Engineering from Institut Teknologi Bandung, Bandung (1994)

Experience:
- President Director of PT Semen Padang (2014-2017)
- Director of Marketing of PT Semen Padang (2011-2014)
- Corporate Secretary of PT Semen Padang (2008)

Other experience:
- President Commissioner of PT United Tractor Semen Gresik (2019-now)
- President Commissioner of PT Semen Tonasa (2018-now)

Legal base of first appointment:
Appointed as Director at the EGMS on 15 September 2017, serving until 2022.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2017-now



Tri Abdisatrijo

Director of Engineering & Projects

Age: 53 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Bachelor of Chemical Engineering from Institut Teknologi Sepuluh Nopember, Surabaya (1992)

Experience:
- Commercial Director, PT Semen Tonasa (2014-2017)
- General Manager for Energy, Materials and Environment of PT Semen Indonesia (Persero) Tbk (2014)
- General Manager Project Specialist OOTC PT Semen Indonesia (Persero) Tbk (2013-2014)

Other experience:
- President Commissioner of PT Semen Indonesia Aceh (2018-now)
- Acting President Director of PT Semen Indonesia Aceh (2018-now)

Legal base of first appointment:
Appointed as Director at the EGMS on 15 September 2017, serving until 2022.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2017-now



Adi Munandir

Director of Marketing and Supply Chain

Age: 39 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Master of Science in Management, Universitas Indonesia, Depok (2013)
- Bachelor of Engineering from Universitas Indonesia, Depok (2003)

Experience:
- Group Head of Marketing of PT Perusahaan Gas Negara (Persero) Tbk (2016-2018).
- Head of Strategic Management Division of PT Perusahaan Gas Negara (Persero) Tbk (2015-2016)
- Executive Officer – Strategic Management Office of PT Perusahaan Gas Negara (Persero) Tbk (2013-2015)

Other experience:
- President Commissioner of PT Semen Kupang Indonesia (2019-now)
- Commissioner of PT Solusi Bangun Indonesia Tbk (2019-now)

Legal base of first appointment:
Appointed as Director at the AGMS on 30 April 2018, serving until 2023.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2018-now



Tina T. Kemala Intan

Director of Human Capital & Legal

Age: 61 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Bachelor of Psychology, Psychologist from Universitas Padjadjaran, Bandung (1985)

Experience:
- Director of Human Capital, General Affairs and Information Technology of Angkasa Pura II (2017-2019)
- HR Expert for AUSAID, USAID,UNDIP, GIZ & MCA (2014-2017)

Other experience:
- President Commissioner of PT Sinergi Informatika Semen Indonesia (2019-now)
- President Commissioner of PT Industri Kemasan Semen Gresik (2019-now)

Legal base of first appointment:
Appointed as Director at the AGMS on 22 May 2019, serving until 2024.

Share ownership: Nil

Affiliation:
No affiliation with members of the Board of Commissioners, Board of Directors and Shareholders

Term of office: 2019-now

EMPLOYEE DEMOGRAPHICS (THE COMPANY AND ITS CEMENT BUSINESS SUBSIDIARIES)

Employees by Employment Status



Status	2020	2019	2018	2017	2016
Permanent	7,597	7,644	5,403	5,465	5,145
Internship	0	0	0	1	10
Contract	132	125	45	87	89
Total	**7,729**	**7,769**	**5,448**	**5,553**	**5,244**

Employees by Position Level



Position Level	2020	2019	2018	2017	2016
Band 1	141	115	116	164	151
Band 2	365	327	323	359	315
Band 3	1,133	1,110	685	776	674
Band 4	3,440	3,372	1,835	2,037	1,825
Band 5	2,650	2,769	2,489	2,217	2,279
Total	**7,729**	**7,769**	**5,448**	**5,553**	**5,244**

Employees by Age



Age Range	2020	2019	2018	2017	2016
< 25 years	138	139	175	190	297
26-30 years	930	1,214	1,145	1,092	1,041
31-35 years	1,504	1,432	979	763	701
36-40 years	1,051	885	541	580	598
41-45 years	1,226	1,554	1,221	1,377	1,170
46-50 years	1,749	1,645	908	941	747
>50 years	1,131	875	479	610	690
Total	**7,729**	**7,769**	**5,448**	**5,553**	**5,244**

Employees by Gender



Gender	2020	2019	2018	2017	2016
Male	6,926	6,990	4,910	5,111	4,812
Female	803	779	538	442	432
Total	**7,729**	**7,769**	**5,448**	**5,553**	**5,244**

Employees by Education



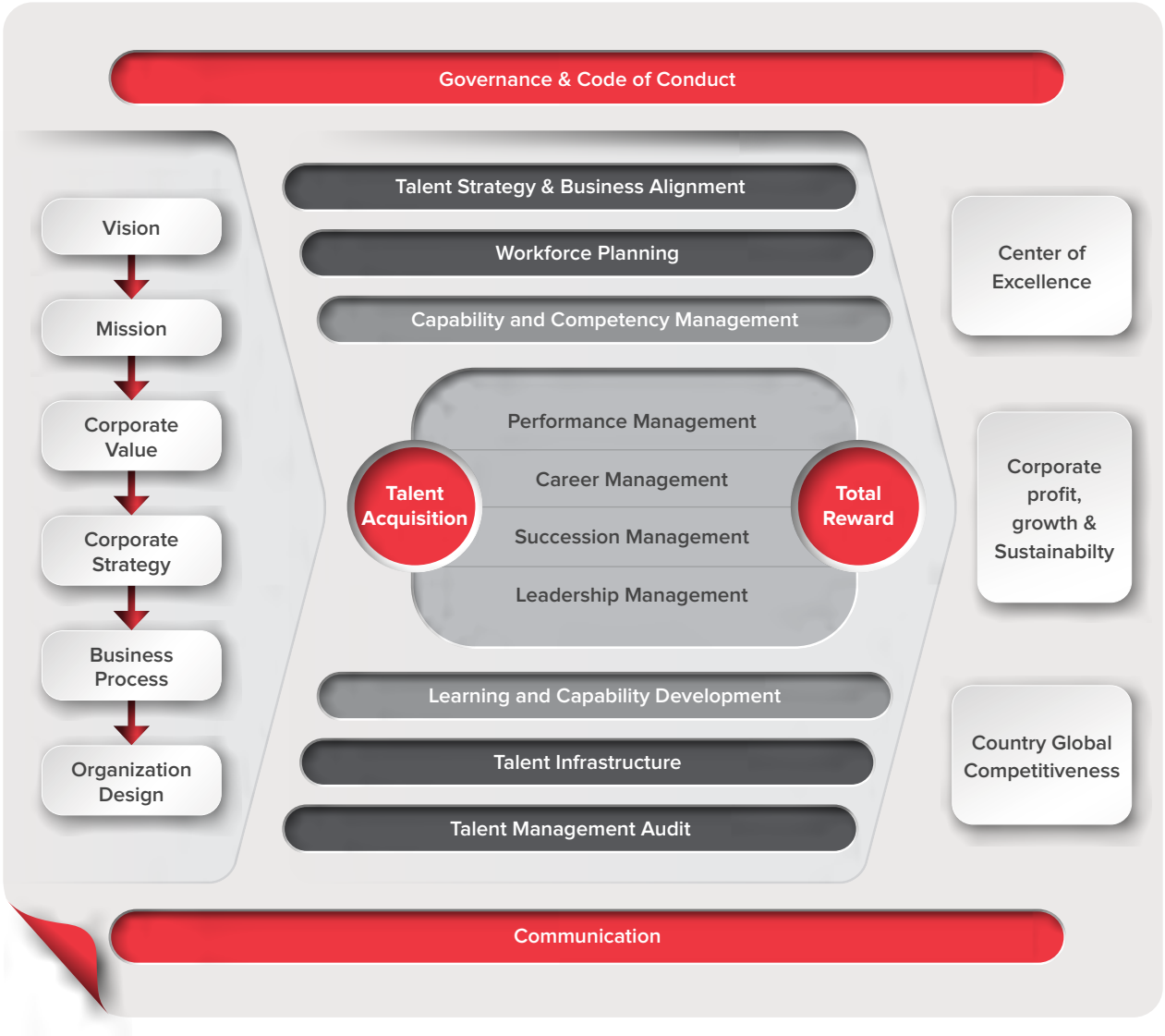
Latest Qualification	2020	2019	2018	2017	2016
Postgraduate degree	314	277	181	187	176
Bachelor degree	2,688	2,643	1,752	1,704	1,443
Diploma degree	1,385	1,061	636	617	702
High school or equivalent	3,342	3,788	2,879	3,045	2,923
Total	**7,729**	**7,769**	**5,448**	**5,553**	**5,244**

Synergy in Human Capital Transformation

Since the end of 2019, SIG has begun preparing the foundation for transformation in Human Capital in support of the Company's vision. The roadmap now includes:

1. Establishing the Human Capital Management Framework as the foundation for the transformation;
2. Establishing a lifecycle and a single digital platform in the Human Capital infrastructure to accelerate digitalization in Human Capital;
3. Centralizing all Human Capital policies and procedures;
4. Redefining the Human Capital operating model through shared services;
5. Building SIG performance based culture, innovation culture, and continuous learning culture;
6. Embedding the AKHLAK core values in all SIG ellements ;
7. Managing talent development through talent development programs and talent mobility among companies in the SIG.

The Company has established the Human Capital Management Framework as the foundation for the Human Capital transformation in the PT Semen Indonesia Board of Directors Decree No. 003/Kpts/Dir/2020 regarding the Guidelines for the Semen Indonesia Group Human Capital Management System as outlined in the following framework:

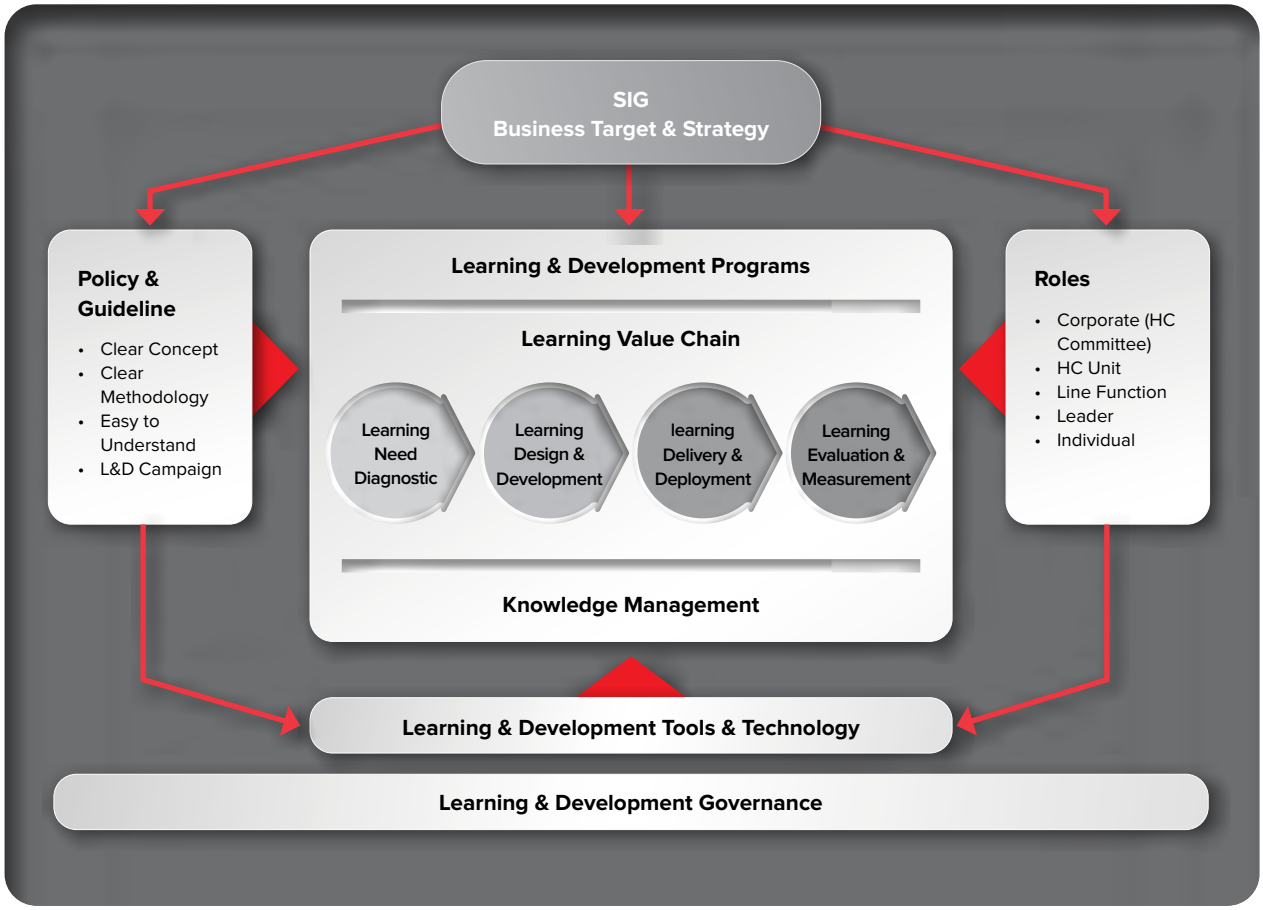


To accelerate digitalization in Human Capital, the Company has set the Human Capital lifecycle and single digital platform in the Human Capital infrastructure:



Learning and Development

The Company continuously strives to improve and develop competencies to improve performance in addressing business needs by developing a Framework for learning System and Capability Development, as follows:



The Capability Learning and Development System has a learning value chain consisting of 4 (four) stages as follow:
1. Learning Need Diagnostic
2. Learning Design & Development
3. Learning Delivery & Deployment
4. Learning Evaluation & Measurement

The Company is committed to continuously develop its human resources as its main asset. The Company actively organizes learning and development activities for employees, thus enabling the Company to keep abreast of dynamic business developments.

The Company invests in Learning and Development conducted by Working Unit in Corporate Learning & Development, as follow:

1. Learning & Development Design

SIG conducts competency development planning and learning design in 2020 based on Learning Need Diagnosis (LND) which is divided into:
1. Developmental Need Analysis (DNA)
2. Training Need Analysis (TNA)
3. Core Competency Analysis (CCA)
4. Certification Need Analysis (CNA)

The implementation of learning is carried out based on Job Function priorities and competencies. In order to support the implementation of an effective learning system and capability development as well as to support talent management in the framework of Human Capital Management Model, SIG has set the Semen Indonesia Group Learning and Capability Development Guide which is regulated under the SIG Board of Director Decree No. 023/Kpts/Dir/2020.

In line with learning concept development and the advancement of technology, SIG focused on conducting the learning process through development of Digital Platform and Digital Content. The company plays a role in creating learning access and bringing Learning closer to employees through a process of determining their learning needs, known as Personal Learning Plan (PLP) and digitalization. The platform used by SIG is the Success Factor Learning Management System (SF LMS).

Learning Content Design is prepared in collaboration with Internal Subject Matter Expert (SME) who are SIG employees that have comprehensive knowledge, expertise and experience in their fields, and become a reference or resource for other employees and selected by the Company based on certain criteria. Among the digital content that have been developed are:
1. New learning modules consisting of 7 learning videos:
   a. Product Knowledge (3 videos)
   b. Risk Management (3 videos)
   c. KPKU (1 video)
2. Webinar
   a. Project Management Office (PMO)
   b. Finance for Non Finance 1 (Finon 1)
   c. Total Productive Maintenance (TPM)
3. 40 materials for Learning & Storyboard from every job function
4. 31 curriculum and syllabus from each job function

With this digital platform and digital content, employees are expected to be more active and proactive in carrying out the learning process.

2. Learning & Development Operations and Certification

The Company adjusted materials in the learning plan based on the LND approach to address employees' learning needs as identified through their competency gap in carrying out work and / or from employee learning needs to answer business issues or performance issues needed by employees and the Company.

The basic principles of Learning and Development in the Company are:

1) Priority-Based

a. Need to know or nice to know
   Prioritizing mandatory over non-mandatory learning and development programs to meet the competency requirements in accordance

with a certain position and/or to meet the provisions of the Company.

b. Levelling
Prioritizing the implementation of learning and development to fulfill competencies which is carried out in stages, starting from the basic level (basic), intermediate level (intermediate) to the skilled / expert level (advanced).

2) Adult Learning Principles

a. Reciprocal learning
Employees play an active role as learners who are responsible for their learning needs (active learning) and can also share experiences to become learning for instructors and other.

b. Experiential learning
The Company prioritizes employees to gain exposure in the form of real experiences by practicing experiential learning which has the largest portion (70%), followed by social learning (20%) and formal learning (10%).

3) Blended learning

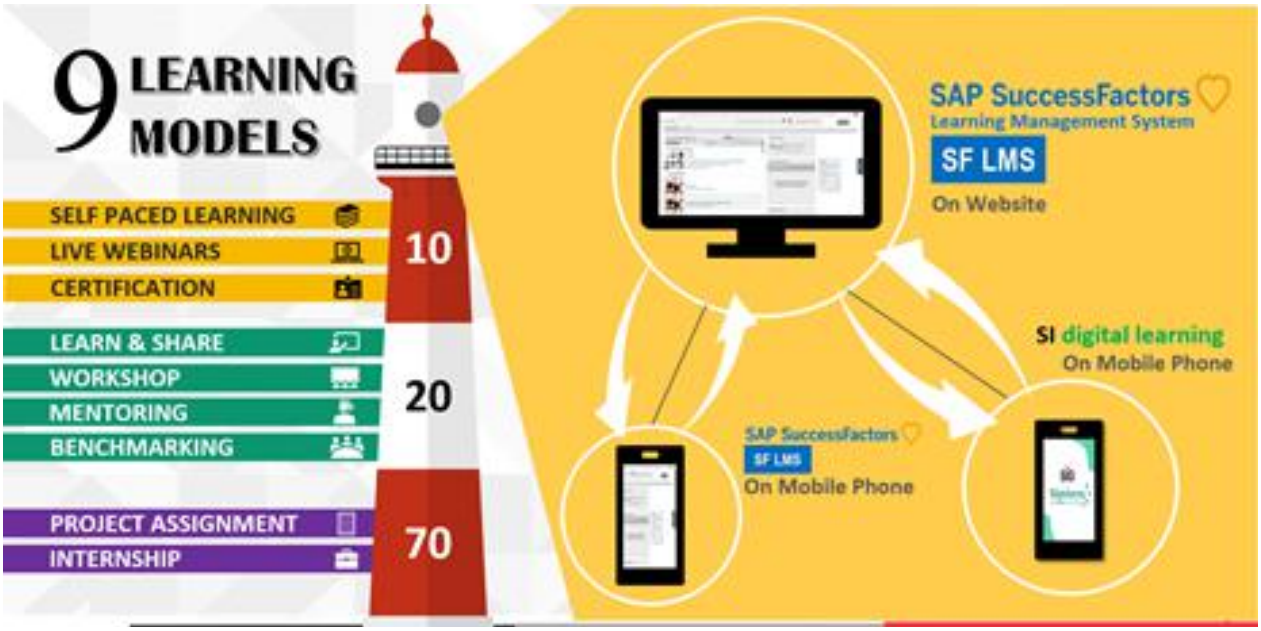
The learning and development programs using combination of online (digital learning/e-learning) and offline (classroom setting).

The implementation of learning and development programs refers to the following learning method and learning model:

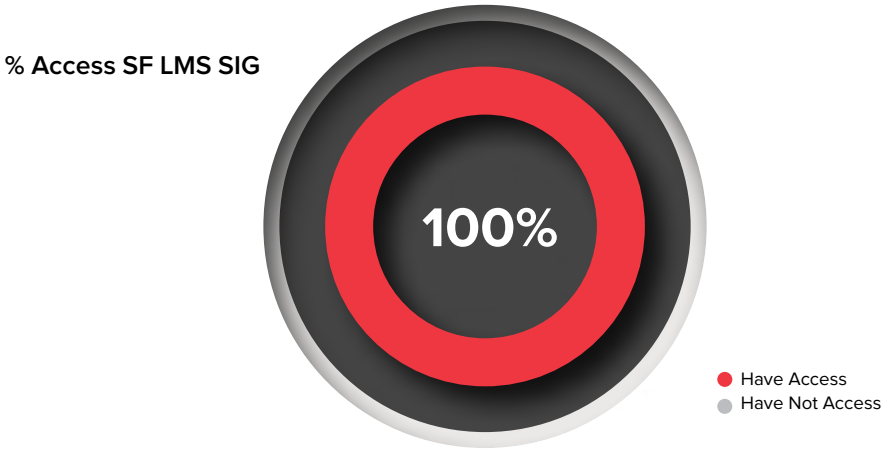
Learning Method	Learning Effectiveness	Description	Learning Model
Experiential Learning	70%	Learning that is carried out using practice media, guided and supervised by experts or leader/seniors in the Company.	1. Project Assignment 2. Internship
Social Learning	20%	Learning that is carried out through social interaction media, involving internal or external subject matter experts.	1. Learn and Share 2. Workshop 3. Mentoring 4. Benchmark
Formal Learning	10%	Learning that is carried out through structured course media in the classroom, digital learning or certification.	1. Digital Learning 2. Classroom 3. Certification

a) Project Assignment, which is assigning employees to a project to solve the work / problems that occur, where the assignment will be counted as learning hours.
b) Internship, a learning model through direct work practice which aims to increase competence and expand the network.
c) Learn and Share, a process of sharing knowledge among individuals and groups within the Company to achieve competitive advantage.
d) Workshop, a learning model that discusses a topic accompanied by practice and is guided by internal or external experts according to the competencies required in the job.
e) Mentoring, a learning model through the guidance of a manager who has mastered certain competencies and shares his knowledge with team members or employees who need these competencies at work.
f) Benchmark, a learning model in the form of a comparative study to other companies or organizations that have implemented best practices in terms of the required competencies for certain job/profession.
g) Digital Learning / Self Paced Learning, a learning model through online learning media that can be accessed from anywhere and anytime according to the competencies needed in learning.
h) Classroom / Live Webinars, an in-class or online learning model guided by internal or external instructors according to the competencies required in the job.
i) Certification, a certification process carried out systematically and objectively through an assessment process that refers to national or international work competency standards in the certification scheme.

During the pandemic in 2020, learning activities were optimized through SF-LMS, a digital learning platform developed by the Company. This platform went live on March 20, 2020.



By the end of 2020, users accessing this platform reached the full target of 100%.



3. Professional Certification Institute

In 2015, the Company has established the Professional Certification Institute (Lembaga Sertifikasi Profesi - LSP) in partnership with the National Professional Certification Agency (Badan Nasional Sertifikasi Profesi - BNSP). LSP as the center for competency certification for the Company and its subsidiaries has the following duties:

i) design and develop the certification scheme,
ii) create assessment and competency examination tools,
iii) provide assessors,
iv) conduct certification,
v) conduct surveillance of certification maintenance,
vi) determine requirements, verify and determine the Competency Test Place (Tempat Uji Kompetensi – TUK),
vii) maintain the performance of assessors and TUK, and
vii) develop certification services. LPS currently issues 106 types of certification to improve employees' competitive advantage at regional level.

In 2020, during the pandemic, LSP continued to provide certification services remotely to fulfill employee needs.

4. Knowledge Management & Innovation

The Company believes that knowledge management is a pillar to support organizational knowledge. Organizational knowledge is managed within a framework consisting of nine competencies, where the first six competencies are the knowledge sharing practices, while the last three are the provision of supporting infrastructure, structured policies and the commitment of the leaders in knowledge management. The nine competencies are:

1) Expert Locator
2) Communities of Interest
3) Peer Assist
4) Shared Learning
5) Project Retrospectives
6) Community of Practice
7) Technology
8) Change Management
9) Strategy

The Company has planned and implemented knowledge management programs, one of them was Shared Learning.

Shared Learning is consistently and continuously carried out by inviting various external sources who have experience in their fields to share knowledge related to various interesting topics that can help improve employee competence and performance.

The shared learning activities with external sources that have been carried out in 2020 are as follows:

No	Date	Topic
1	23 January	Semen Indonesia in Facing the Cement Industry Competition
2	11 March	Increasing employee awareness of the environment as an effort to implement the green industry in the SIG Group
3	01 April	How to mind your mental health during The COVID-19 Pandemic
4	09 April	Be a Great Communicator in Business Presentation
5	17 April	Keep Calm and Stay Positive while WFH: A Psychological Perspective
6	29 April	Coaching for Peak Performance Session 2
7	30 April	Manage Your Finance Successfully During #COVID-19
8	08 May	Digital Leadership & Transformation During the Pandemic
9	15 May	Key Success Factors in Implementing Employee Database Management
10	19 May	Creating an Innovation Culture, The Road to SIGIA 2020
11	20 May	Gratuity Socialization by KPK
12	04 June	Surviving The New Normal with Digital Readiness
13	12 June	What's Up with the New Normal? (Event by CovRpangers)
14	10 July	Productivity & Work Smart in The New Normal
15	30 July	*Internalization of SoE AKHLAK Core Values*
16	27 August	Managing Employee Productivity During & Post Pandemic
17	10 September	Are You Ready to be SIG's Next Top Talent?
18	18 September	NGOPI "Ngobrolin Pandemi" #3 // Pandemic Coffee Talks #3 Money Lessons from The Pandemic
19	28 September	Implementation of Human Capital (HC) & Shared Service (SS)
20	09 October	Strengthening Immunity and Compliance during the Pandemic
21	16 October	Establish an Effective Performance & Innovation Culture
22	23 October	People Analytics
23	10 December	SIG Bersih #1"

The Company has consistently and continuously hosted shared learning sessions by presenting speakers from internal SIG such as Directors, Senior Vice Presidents and other senior leaders. The events involved all employees as participants. Some of the shared learning activities with internal sources that have been carried out in 2020 are as follows:

No	Date	Topic
1	23 January	Alternative Fuels & Raw Materials
2	23 January	Supply Chain Performance Alignment
3	05 June	HC Challenges in New Era
4	17 July	Anti-Bribery Management System ISO 37001 : 2016
5	25 August	New Appreoaches in Developing the Internal Audit Work Plan
6	08 October	Restructuring Program to Improve Company Value
7	15 October	Staying Excellent in Procurement during Pandemic
8	05 November	AKHLAK Core Values Internalization
9	13 November	Riding the Wave of Hypercompetition
10	03 December	Distribution & Transportation : The Delivery Agent in The Supply Chain

With regards to innovation activities in 2020, several awards in national and international events were successfully obtained, such as:

No	Event Name	Innovation Category	Innovation Group Name	Award
1	National Quality & Productivity Gathering (TKMPN) XXIV - 2020 Virtual 15-18 November 2020	QCP	Fb-Ash	Gold
			Mine Energi	Gold
			Miner Empire	Gold
		QIC	Green Mining	Diamond
			Si Krisna	Diamond
			Si Milo	Platinum
2	45th International Convention on Quality Control Circles (ICQCC) Dhaka, Bangladesh (Online) 27-30 Oktober 2020	QCP	Minimize	Platinum
		QIC	Win_007	Platinum

Human Capital Competency Development to Support Optimization of Performance Management

The coaching and feedback method is one of the tools to support the optimization of Performance Management as part of the organization's business processes that will help Leaders to ensure that all achievements are measurable and in accordance with the Company's expectations.

Investment in Human Capital Development

The company has a strong commitment to continuously improve the capacity and capability of its human resources. One concrete manifestation of this commitment is the provision of budget for the implementation of learning programs and competency development. In 2020, the learning plan and competency development runs 100% in accordance with the budget that has been provided by the Company.

EDUCATION AND/OR TRAINING FOR MEMBERS OF BOARD OF COMMISSIONERS, BOARD OF DIRECTORS, COMMITTEES, AND CORPORATE SECRETARY

Competency Development for the Board of Commissioners

Name	Title	Competency Development / Training Materials	Date and Place	Training Provider
Nasaruddin Umar	Independent Commissioner	Dissemination of Capital Market, Responsibilities of the Issuer, and the Roles of Board of Directors and Commissioners in Managing the Company to Fulfill Expectations and Protect Shareholders' Interest	1 September 2020 in Jakarta (Virtual)	Financial Services Authority (OJK)
Mochamad Choliq	Independent Commissioner	1. Dissemination of Capital Market, Responsibilities for the Issuer, and the Roles of Board of Directors and Commissioners in Managing the Company to Fulfill Expectations and Protect Shareholders' Interest	1 September 2020 in Jakarta (Virtual)	Financial Services Authority (OJK)
		2. Training on the Implementation of Good Corporate Governance in State-Owned Enterprises	5 October 2020 in Jakarta (Virtual)	Ministry of State-Owned Enterprises and the IFC
Astera Primanto Bhakti	Commissioner	Training on the Implementation of Good Corporate Governance in State-Owned Enterprises	5 October 2020 in Jakarta (Virtual)	Ministry of State-Owned Enterprises and the IFC
Hendrika Nora Osloi Sinaga	Commissioner	Training on the Implementation of Good Corporate Governance in State-Owned Enterprises	5 October 2020 in Jakarta (Virtual)	Ministry of State-Owned Enterprises and the IFC
Lydia Silvanna Djaman	Commissioner	Dissemination of Capital Market, Responsibilities of the Issuer, and the Roles of Board of Directors and Commissioners in Managing the Company to Fulfill Expectations and Protect Shareholders' Interest	1 September 2020 in Jakarta (Virtual)	Financial Services Authority (OJK)

Competency Development for the Board of Directors

Name	Title	Competency Development / Training Materials	Date and Place	Training Provider
Hendi Prio Santoso	CEO	1. Communication Strategy and Agenda-Setting.	13 August 2020	Ministry of SoEs
		2. Good Corporate Governance Implementation in SoEs	5 October 2020	Ministry of SoEs
Doddy Sulasmono Diniawan	Director of Finance	1. Dissemination of Capital Market, Responsibilities for the Issuer, and the Roles of Board of Directors and Commissioners in Managing the Company to Fulfill Expectations and Protect Shareholders' Inter	1 September 2020	Financial Service Authority (OJK)
		2. Good Corporate Governance Implementation in SoEs	5 October 2020	Ministry of SoEs
Fadjar Judisiawan	Director of Business Strategy and Development	1. Reinforcing the SoE PMMB in 2020	12 February 2020	Ministry of SoEs
		2. Leadership Potential Inventory	14 April 2020	Daya Dimensi Indonesia
		3. Synergy to Accelerate Housing Sector Recovery	29 July 2020	Ministry of SoEs
		4. Dissemination of Capital Market, Responsibilities for the Issuer, and the Roles of Board of Directors and Commissioners in Managing the Company to Fulfill Expectations and Protect Shareholders' Inter	1 September 2020	Financial Service Authority (OJK)
		5. Good Corporate Governance Implementation in SoEs	5 October 2020	Ministry of SoEs
Benny Wendry	Director of Production	1. Economic Outlook 2020	23 January 2020	Indonesian Cement Association
		2. Synergy to Accelerate Housing Sector Recovery	29 July 2020	Ministry of SoEs
		3. Good Corporate Governance Implementation in SoEs	5 October 2020	Ministry of SoEs
		4. Investment in Growth Mindset Program	7 November 2020	Mahadibya Nurcahyo Chakrasana
Tri Abdisatrijo	Director of Engineering and Projects	1. Challenges and Innovation in Indonesia's Cement Industry	17 September 2020	Indonesian Cement Association
		2. Good Corporate Governance Implementation in SoEs	5 October 2020	Ministry of SoEs
		3. Investment in Growth Mindset Program	5 November 2020	Mahadibya Nurcahyo Chakrasana

Name	Title	Competency Development / Training Materials	Date and Place	Training Provider
Adi Munandir	Director of Marketing and Supply Chain	1. Kellogg Digital Marketing Strategies: Data, Automation, AI & Analytics	1 September 2020	MarkPlus
		2. Good Corporate Governance Implementation in SoEs	5 October 2020	Ministry of SoEs
Tina T. Kemala Intan	Director of Human Capital and Legal	1. The Big Reset for Leadership: Five Lessons for the Future	20 May 2020	Daya Dimensi Indonesia
		2. Remodeling HR Strategy and Solution in The New Normal	9 June 2020	BINUS University Business School
		3. Good Corporate Governance Implementation in SoEs	5 October 2020	Ministry of State-Owned Enterprise
		4. Business Agility With Coaching, Business & Leadership : Business Rebounding Through Coaching & Leadership	28 November 2020	ICF
		5. SoEs Digital Behaviour & Mindset	2-16 December 2020	BUMN Digital Academy
		6. Intrapreneur Fundamentals	17-30 December 2020	BUMN Digital Academy



Competency Development for the Audit Committee

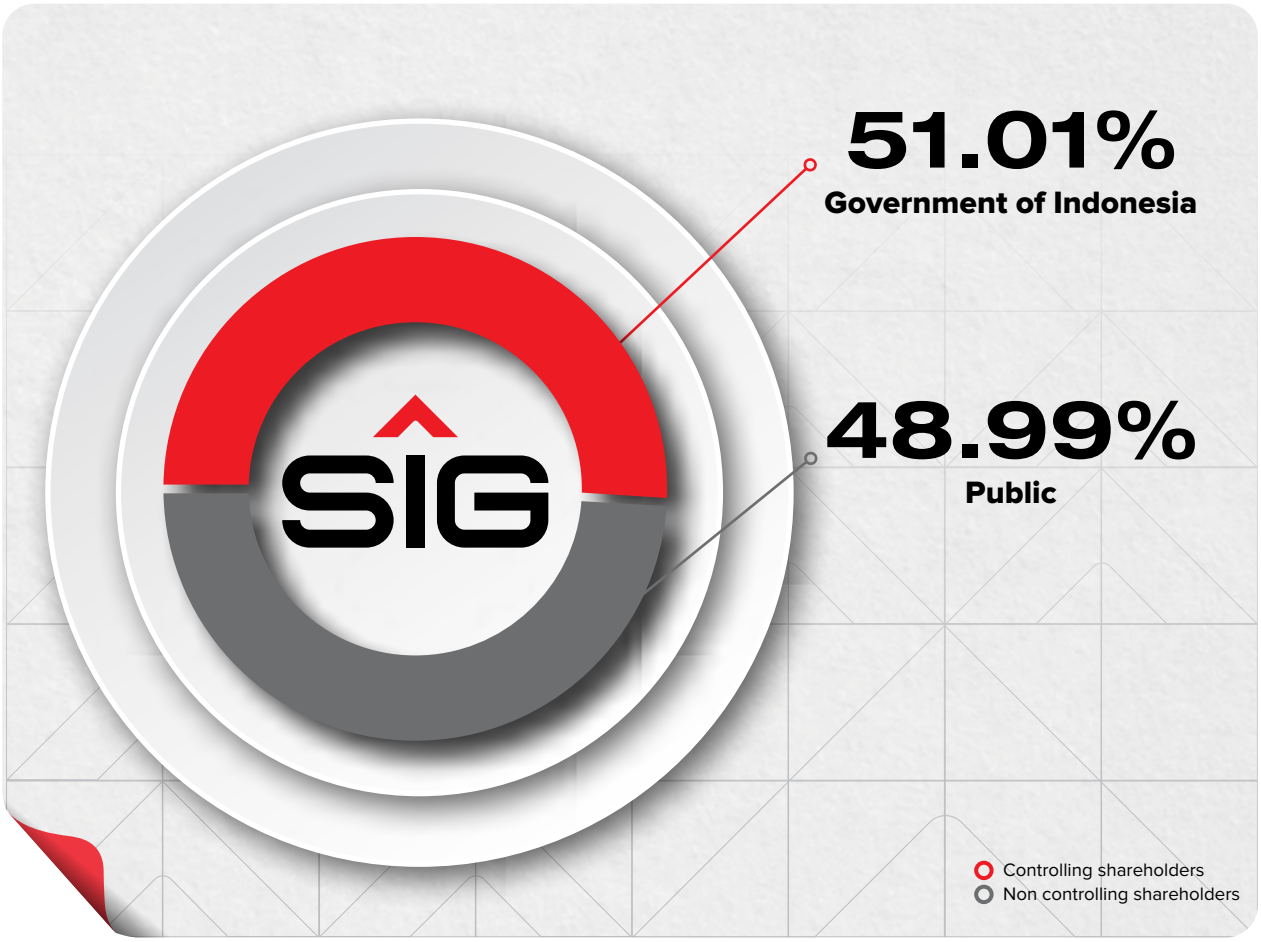
Name	Title	Competency Development / Training Materials	Date and Place	Training Provider
Elok Tresnaningsih	Member	1. Panel Discussion: Manipulation of Financial Reports: Responsibilities and Relationship between the Audit Committee and External Auditor	14 February 2020	The Indonesian Audit Committee Association (IKAI)
		2. Webinar: "Agile Auditing – Partnership between the Audit Committee and Internal Auditor in Response to Disruption"	22 June 2020	IKAI and the Indonesian Accountant Association (IAI)
		3. Panel Discussion: "Key Audit Matters in the Context of the New Audit Regulation"	30 June 2020	The Indonesian Institute of Public Accountant (IAPI) -ACCA
		4. Panel discussion: "Three Lines as catalysts for Business Recovery in the New Normal Era"	25 June 2020	The Indonesian Audit Committee Association (IKAI), the Indonesian Accountant Association (IIA), IRMAPA
		5. Panel discussion: Roles of Internal Auditor, Audit Committee and External Auditor in ISO ISO 37001: 2016 Anti-Bribery Management System	29 July 2020	The Indonesian Audit Committee Association (IKAI), the Indonesian Accountant Association (IIA), the Indonesian Institute of Public Accountant (IAPI)
		6. Panel Discussion: Optimizing the Role of Audit Committee in Monitoring and Evaluation of Audit Services by Public Accountant and Public Accounting Firm	12 October 2020	Ikatan Komite Audit Indonesia (IKAI) dan Institut Akuntan Publik Indonesia (IAPI)
		7. IIA Indonesia National Conference "Enhancing Communication & Collaboration: Learning from the Pandemic".	2-3 December 2020	Ikatan Akuntan Indonesia (IAI)
M.Z. Abidin	Member	1. Financial Statement Analysis	21-23 Juy 2020	Ikatan Akuntan Indonesia (IAI)
		2. Risks of for Neglecting the Accountant's Code of Ethics in Financial Reporting.	29 August 2020	Ikatan Akuntan Indonesia (IAI)
		3. Three-Line Model: Implementation Challenges and Realities in Indonesia	29 September 2020	The Institute of Internal Audit (IIA), Institut Akuntan Publik Indonesia (IAPI) dan Association of Certified Fraud Examiners (ACFE)
		4. Optimizing the Role of Audit Committee in Monitoring and Evaluation of Audit Services by Public Accountant and Public Accounting Firm	12 October 2020	The Indonesian Audit Committee Association (IKAI), and the Indonesian Institute of Public Accountant (IAPI)

Name	Title	Competency Development / Training Materials	Date and Place	Training Provider
		5. 2020 IIA National Conference: Enhancing Communication & Collaboration: Learning From the Pandemic.	2-3 December 2020	The Institute of Internal Audit (IIA)
		6. 2020 IAI Conference of Business Finance Accounting: "Resilience Toward Recovery Path – Indonesia's Business Landscape in 2021".	8-10 December 2020	The Institute of Internal Audit (IIA)
		7. Corruption in the midst of the Pandemic	19 December 2020	Internal Audit Educational Foundation - Yayasan Pendidikan Internal Audit (YPIA), Anti Corruption Agency (KPK) dan Financial and Development Monitoring Board (BPKP)
		8. Webinar: Agile Auditing – Partnership between the Audit Committee and Internal Auditor in Response to Disruption	2 June 2020	IKAI and the Indonesian Accountant Association (IAI)
		9. Panel discussion: "Three Lines as catalysts for Business Recovery in the New Normal Era"	25 June 2020	The Indonesian Audit Committee Association

Competency Development for the Corporate Secretary

Name	Title	Competency Development / Training Materials	Date and Place	Training Provider
Vita Mahreyni	Corporate Secretary	Cultivating *AKHLAK* to Accelerate SoE Transformation	30 July 2020	Ministry of SoEs
		Communication Strategy and Agenda Setting	13 August 2020	Ministry of SoEs
		Limited Liability Company and Capital Market Laws	20 October 2020	SIG
		Corporations and Businesses with Integrity	10 December 2020	SIG – KPK
		PR Summit: Communication Outlook 2021	17 December 2020	SIG

SHAREHOLDERS STRUCTURE AND COMPOSITION



No	Shareholders	Total Shares	Percentage of Share Ownership
Shareholders with 5% or More Shares			
1	Republic of Indonesia C/Q Ministry of SoE of the Republic of Indonesia	3,025,406,000	51.006
Shareholders who are members of the Board of Directors or the Board of Commissioners of the Company			
1	Board of Commissioners	0	0
2	Board of Directors	0	0
Public Shareholders with Less than 5% Shares			
1	Public (under 5%)	2,906,114,000	48.99
Total		**5,931,520,000**	**100.00**

Composition of Shareholders Based on Classification

Type	Number of Shareholders	Total Shares	Composition (%)
Local Investors			
Republic of Indonesia	1	3,025,406,000	51.00558
Indonesian Individuals	9,015	46,321,692	0.78094
Employees	32	122,000	0.00206
Cooperatives	7	172,700	0.00291
Foundation	11	5,618,900	0.09473
Pension Funds	126	358,343,850	6.04135
Insurance	109	248,277,167	4.18573
Bank	2	35,390	0.00060
Limited Liability Companies	60	2,529,615	0.04265
Association	1	5,000	0.00008
Other Business Entities	18	84,000	0.00142
Mutual Funds	317	193,226,577	3.25762
Sub Total	9,699	3,880,142,891	65.41567
Foreign Investors			
Foreign Individuals	72	485,100	0.00818
Foreign Institutions	763	2,050,892,009	34.57616
Sub Total	835	2,051,377,109	34.58434
Total	**10,534**	**5,931,520,000**	**100.00000**

Profile of Controlling Shareholders

Ministry of State-Owned Enterprises (SoEs)	Jl. Medan Merdeka Selatan No. 13 Jakarta 10110 Indonesia Telp. 021-29935678 Fax. 021-29935740
Management	Minister : Erick Thohir Vice Minister : Kartika Wirjoatmodjo dan Pahala Nugraha Mansury Secretary : Susyanto
History	The Ministry of SoEs is a transformation from the Echelon II Work Unit of the Ministry of Finance (1973-1993) which then became Echelon I (1993-1998 and 2000-2001). Between 1998-2000 and 2001-now, the Work Unit became the Ministry of State-Owned Enterprises. Considering its financial contribution to the nation, in 1998, the Indonesian government put its supervisory and management role into the ministerial level. The change occurred during the VI Development Cabinet, under the name "Office of the State Minister for Investment and Development of BUMN/Head of the SoEs/Head of the SoE Development Agency." In 2009, following the change in nomenclature for all ministries, the unit changed its name to the Ministry of State-Owned Enterprises (SoEs).
Responsibilities	The Ministry of SoEs' responsibilities are to carry out government affairs in the state-owned enterprises, called BUMN in the Ministerial Decree, to help the President in carrying out his/her governance duties. The leadership over SoEs includes those directly or indirectly controlled by the government, in which the Ministry of SoEs is to hold the following functions, as written in Article 2: 1. Formulating and stipulating policies for strategic business initiatives, strengthening of competitive advantage, restructuring, business development, and improvement of the SoE's business infrastructure capacity. 2. Coordinating and synchronizing the implementation of policies in the areas of strategic business initiatives, strengthening of competitive advantage, restructuring, business development, and improvement of the SoE's business infrastructure capacity. 3. Coordination for the implementation of tasks, mentoring and administrative support within the Ministry of SoEs 4. Management of state property / assets which fall under the responsibility of the Ministry of State-Owned Enterprises 5. Supervising the implementation of projects within the Ministry of State-Owned Enterprises

SUBSIDIARIES

The Company has subsidiaries engaged in cement-related businesses, from cement manufacturing, distribution and cement product utilization to other supporting services.

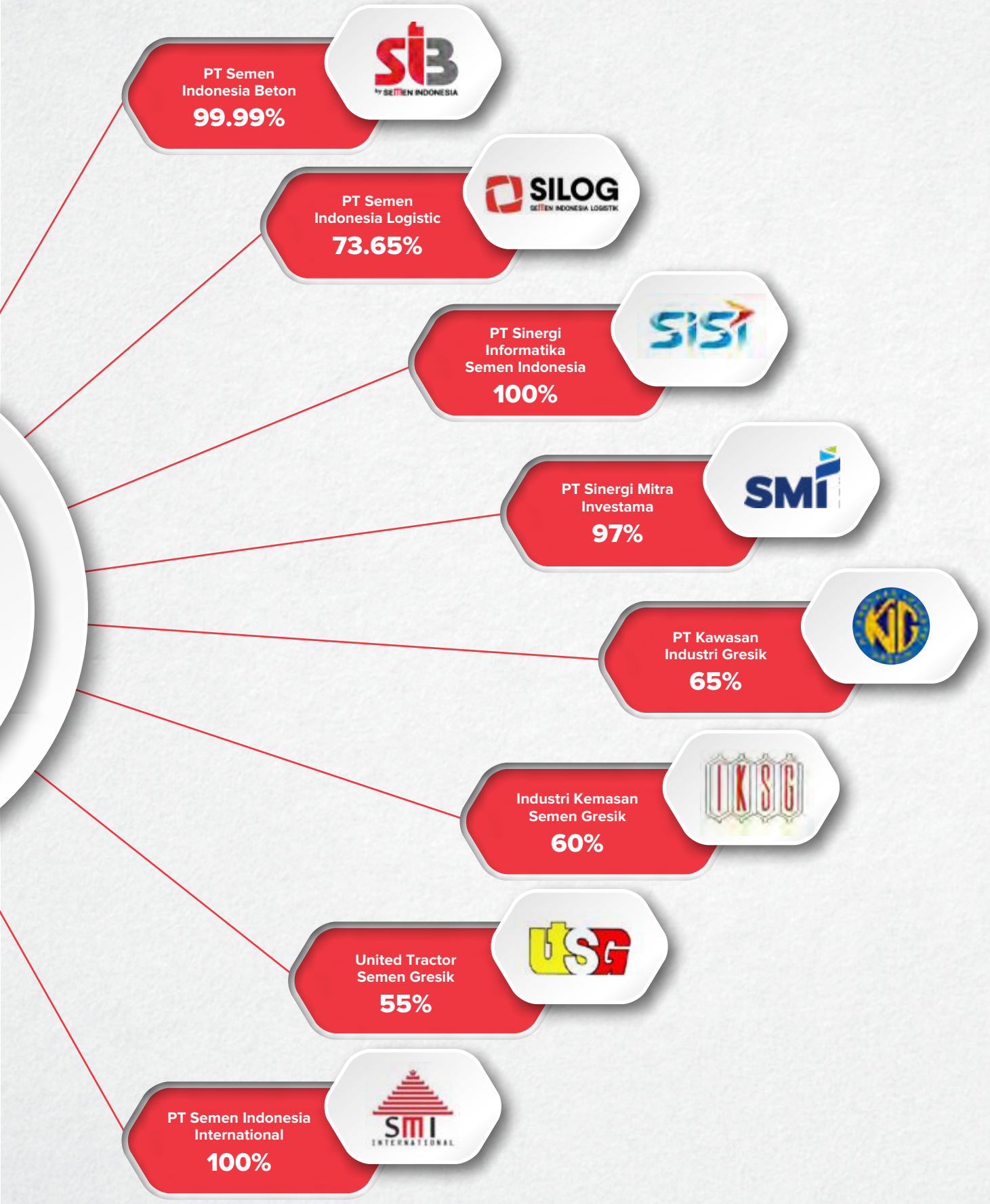
Name	Address
PT Semen Padang	Indarung, Padang 25237, West Sumatra Tel. : +62-751-815250 Fax. : +62-751-815590 Email : layanan.sp@sig.id www.semenpadang.co.id
PT Semen Gresik	Jl. Veteran Gresik 61122 East Java, Indonesia Tel. : +62-31-3981732 Fax. : +62-31-3983209 www.semengresik.sig.id
PT Semen Tonasa	Head Office Desa Bantoa, Kec. Minasate'ne, Kab. Pangkep, South Sulawesi 90651 Tel. : +62-410-312345 Fax. : +62-410-310113 Email : tonasa@sementonasa.co.id www. sementonasa.co.id
PT Thang Long Cement Company (TLCC)	Le Loi Commune – Hoanh Bo District – Quang Ninh, Vietnam Tel. : +84-03-33691325 Fax. : +84-03-33691326 www.thanglongcement.com.vn
PT Sinergi Mitra Investama (SMI)	Perumdin PT Semen Indonesia (Persero) Tbk. Jl. Awikoen Blok A-7 Segunting, Gresik, East Java 61122 Tel. : +62-31 3970374 Fax. : +62-31 3972263
PT Semen Indonesia Beton (SIB)	Jl. Tebet Timur Dalam VIII X/15 South Jakarta 12820 Tel. : +62-21-8295327 Fax. : +62-21-29222849 Email: info@semenindonesiabeton.com www.semenindonesiabeton.com
PT United Tractors Semen Gresik (UTSG)	Jalan Raya Kerek, Desa Sumberarum, Kec. Kerek, Kab. Tuban, East Java Tel. : +62-356-711800
PT Industri Kemasan Semen Gresik (IKSG)	Desa Socorejo, Kec. Jenu, Tuban, East Java 62352 Tel. : +62-356-491200 Fax. : +62-356-491234 Email : pt.iksg@iksg.co.id www.iksg.co.id
PT Kawasan Industri Gresik (KIG)	Jl. Tridharma No. 3, Gresik, East Java 61121 Tel. : +62-31-3984707 Fax. : +62-31-3984472 Email : marketing@kig.co.id www.kig.co.id
PT Semen Kupang Indonesia (KSI)	Jl. Yos Sudarso, Alak, Tenau, Kupang, East Nusa Tenggara
PT Semen Indonesia Industri Bangunan* (SIIB)	The East Building 18th floor Jl. Dr. Ide Anak Agung Gde Agung Kav E.3.2 No. 1, Setiabudi, Kuningan, South Jakarta
PT Semen Indonesia Aceh (SIA)	Jl. Banda Aceh – Medan KM 107 No.100, Gampong, Kampong Baro, Kec. Pidie, Kab. Pidie 24151
PT Sinergi Informatika Semen Indonesia (SISI)	Graha Irama (Indorama) Building 6th floor, Jl. HR Rasuna Said kav. 1-2, Jakarta 12950 Tel. : +62-21-5213711 Fax. : +62-21-5261176 Email : ptsisi@sisi.id www.sisi.id
PT Semen Indonesia Internasional (SII)	Menara Anugrah, Kantor Taman E.3.3, No. 22F, Jl. Mega Kuningan Lot 8.6-8,7, Jakarta 12950 Tel. : +62-21-57853977 Fax. : +62-21-57942294 www.semenindonesiainternational.com
PT Semen Indonesia Logistik (SILOG)	Jl. Veteran No. 129, Gresik, East Java 61122 Tel. : +62-31-3981463 Fax. : +62-31-3982304 Email : contact@silog.co.id www.silog.co.id

Note: (*) SIIB is the parent company of PT Solusi Bangun Indonesia Tbk.

Line of Business	Commencement Year	Share Ownership (%)	Total Asset (Rp Million)	
			2020	2019
Cement manufacturing	1913	99.99%	10,328,170	9,914,107
Cement manufacturing	2017	99.96%	5,540,965	5,713,277
Cement manufacturing	1968	99.99%	8,317,935	8,059,432
Cement manufacturing	2008	70.00%	2,096,749	2,212,022
Building rental	2012	97.00%	35,467	44,010
Production of ready mix concrete	2012	99.99%	1,426,857	1,955,369
Limestone and clay mining service	1992	55.00%	454,493	544,900
Cement bag manufacturing	1994	60.00%	393,903	405,019
Industrial real estate development	1991	65.00%	401,101	396,560
Cement distribution	2019	99.48%	210,872	204,843
Building material	2019	100%	32,909,755	32,471,647
Cement manufacturing	-	52.28%	571,548	569,861
Information system	2014	100%	119,586	113,264
Trade, service logistic management and investment	2016	100%	603,670	517,328
Trade, transporation, and construction	1974	73.65%	2,165,615	2,243,388

CORPORATE GROUP STRUCTURE




PT Semen Indonesia Beton
99.99%
PT Semen Indonesia Logistic
73.65%
PT Sinergi Informatika Semen Indonesia
100%
PT Sinergi Mitra Investama
97%
PT Kawasan Industri Gresik
65%
Industri Kemasan Semen Gresik
60%
United Tractor Semen Gresik
55%
PT Semen Indonesia International
100%

CHRONOLOGY OF ISSUANCE AND/ OR LISTING OF SHARES

The Company conducted Initial Public Offering (IPO) on the Jakarta Stock Exchange (now the IDX) 8 July 1991. Since the IPO until the reporting date, the company has recorded three corporate actions which caused changes in the number of shares outstanding as follow:

- A rights issue on 2 June 1995, which changed the total number of shares from 148,288,000 to 593,152,000, followed by changes in the value of authorized capital and paid-up capital
- Stock Split 1:10 on 7 August 2007 which increased total number of shares to 5,931,520,000
- Stock buyback and sell-back between 13 October 2008 to January 2009 (for buyback) and 6-7 October 2009 (for sell-back), which ultimately did not affect the number of shares outstanding.

Dates	Description	Nominal of Shares (Rp)	Number of Shares	Number of Shares Outstanding	Exchange
17 May 1991	IPO	7,000	40,000,000	40,000,000	JSX
4 July 1991	Company listing		30,000,000	70,000,000	JSX
30 May 1995	Company listing		78,288,000	148,288,000	JSX
2 June 1995	Rights issue		444,864,000	593,152,000	JSX
7 August 2007	Stock split 1:10	5,000	5,338,368,000	5,931,520,000	IDX
13 October 2008 - 9 January 2009	Share buyback	2,919	68,032,000	5,863,488,000	IDX
6-7 October 2009	Share sell-back	6,075	68,032,000	5,931,520,000	IDX

CHRONOLOGY OF ISSUANCE AND/ OR LISTING OF OTHER SECURITIES

Securities	Stock Exchange	Date of Issuance	Tenor (year)	Currency	Value (Rp billion)	Maturity Date	Interest Rate	Securities Rating		Trustee
								2019	2018	
Obligasi Berkelanjutan I Semen Indonesia Tahap I Tahun 2017	BEI	20 June 2017	5	Rp	3,000	20 June 2022	8.6%	AA	AA	PT Bank Tabungan Negara (Persero) Tbk
Obligasi Berkelanjutan I Semen Indonesia Tahap II Tahun 2019 Seri A	BEI	28 May 2019	5	Rp	3,364	28 May 2024	9.0%	AA	AA	PT Bank Tabungan Negara (Persero) Tbk
Obligasi Berkelanjutan I Semen Indonesia Tahap II Tahun 2019 Seri B	BEI	28 May 2019	7	Rp	714	28 May 2026	9.1%	AA	AA	PT Bank Tabungan Negara (Persero) Tbk



SUPPORTING INSTITUTIONS AND/OR PROFESSIONS

Certified Public Accountant

Name	KAP Tanudiredja, Wibisana, Rintis & Rekan (a member of PwC network of firms) Business License Number: KEP-241/KM.1/2015
Address	World Trade Center 3 Jl. Jend. Sudirman Kav. 29-31, Jakarta 12920, Indonesia
Phone Fax Website	+62 21 50992901 +62 21 52905555 / 52905050 www.pwc.com/id
Services	General audit services for consolidated financial statements for the fiscal year ended on 31 December 2020
Assignment Period	2020
Cost	Rp7,733,350,000.-

Securities Rating Agency

Name	PT Pemeringkat Efek Indonesia
Address	Panin Tower Senayan City 17th floor Jl. Asia Afrika Lot. 19 Jakarta 10270 Indonesia
Phone Fax Website	+62 21 – 7278 2380 +62 21 – 7278 2370 www.pefindo.com
Services	Annual monitoring services for shelf registration bond of of PT Semen Indonesia (Persero) Tbk and the Company.
Assignment Period	2020
Cost	Rp155,000,000.-

Securities Administration Bureau

Name	PT Datindo Entrycom
Address	Jalan Hayam Wuruk No. 28 Jakarta 10120
Phone Fax Website	+62 21 3508077 (*hunting*) +62 21 3508078 www.datindo.com
Services	Stock administration services, dividend administration, AGMS' securities administration.
Assignment Period	2020
Cost	Rp245,110,000,-

Public Notary

Name	Leolin Jayayanti, SH
Address	Jl. Pulo Raya VI/I, Kebayoran Baru – Jakarta 12170
Phone Fax Website	+62 21 7278 7232/ 7278 7233 +62 21 7234 607
Services	Notarial services
Assignment Period	June-July 2020
Cost	Rp45,000,000,-

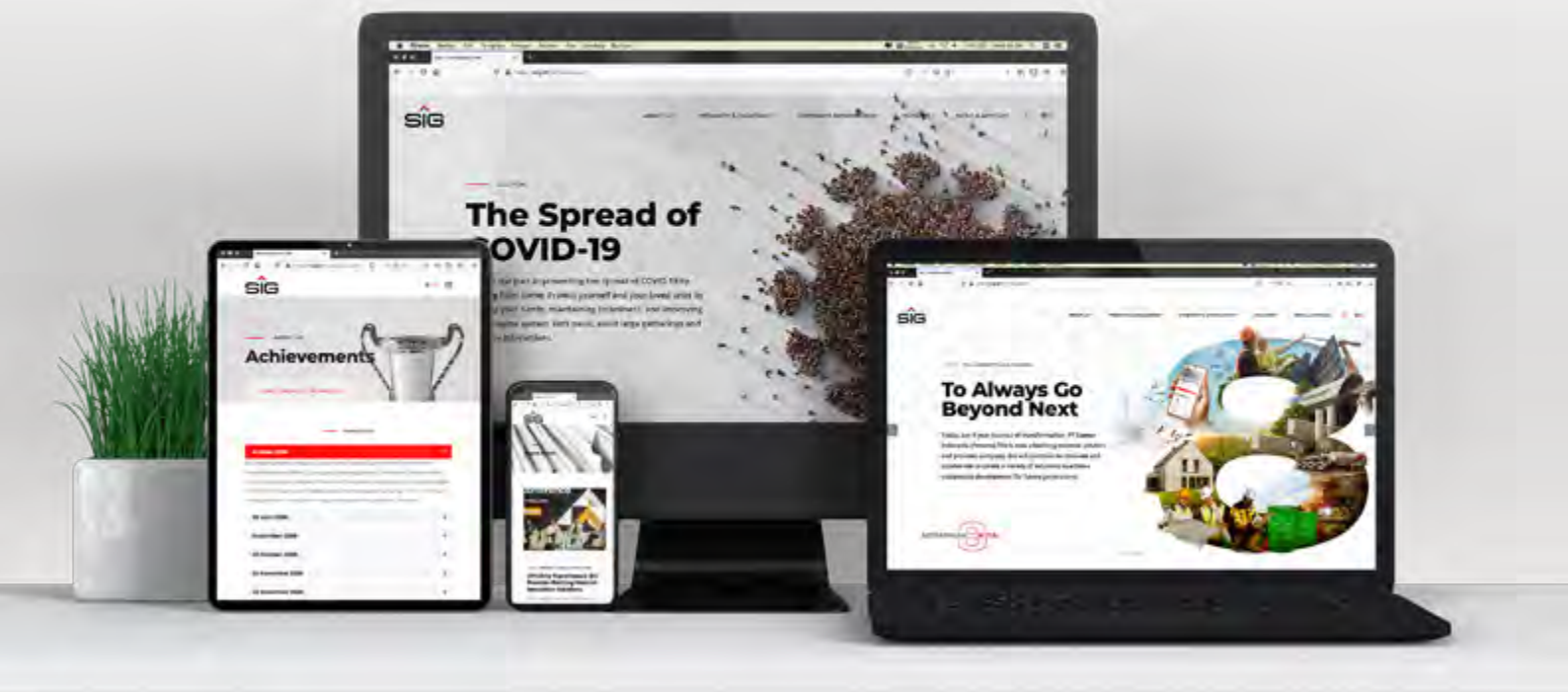
INFORMATION ON THE COMPANY WEBSITE

PT Semen Indonesia (Persero) Tbk's official website is www.sig.id, launched to improve transparency whilst improving shareholders' and stakeholders' access to official Company informationas the application of the good corporate governance, as well as a form of transparency in the disclosure of Company information through the use of technology.

In accordance with the Financial Services Athority's regulation number 8/POJK.04/2015 about Issuer and Public Company Website; a public Company is required to have a website that reflects its identity in 2 (two) languages, one of which the Indonesian language. All information about the Company's condition should be current, accurate and easy to understand.

Article 5 of said regulation stipulated that the website should at least contain the following:
1. Information about the issuer or the public Company;
2. Information about the investors;
3. Information about corporate governance; and
4. Information about corporate social responsibility.

PT Semen Indonesia (Persero) Tbk regularly maintains and updates the data and information on the Company website.




Integrated

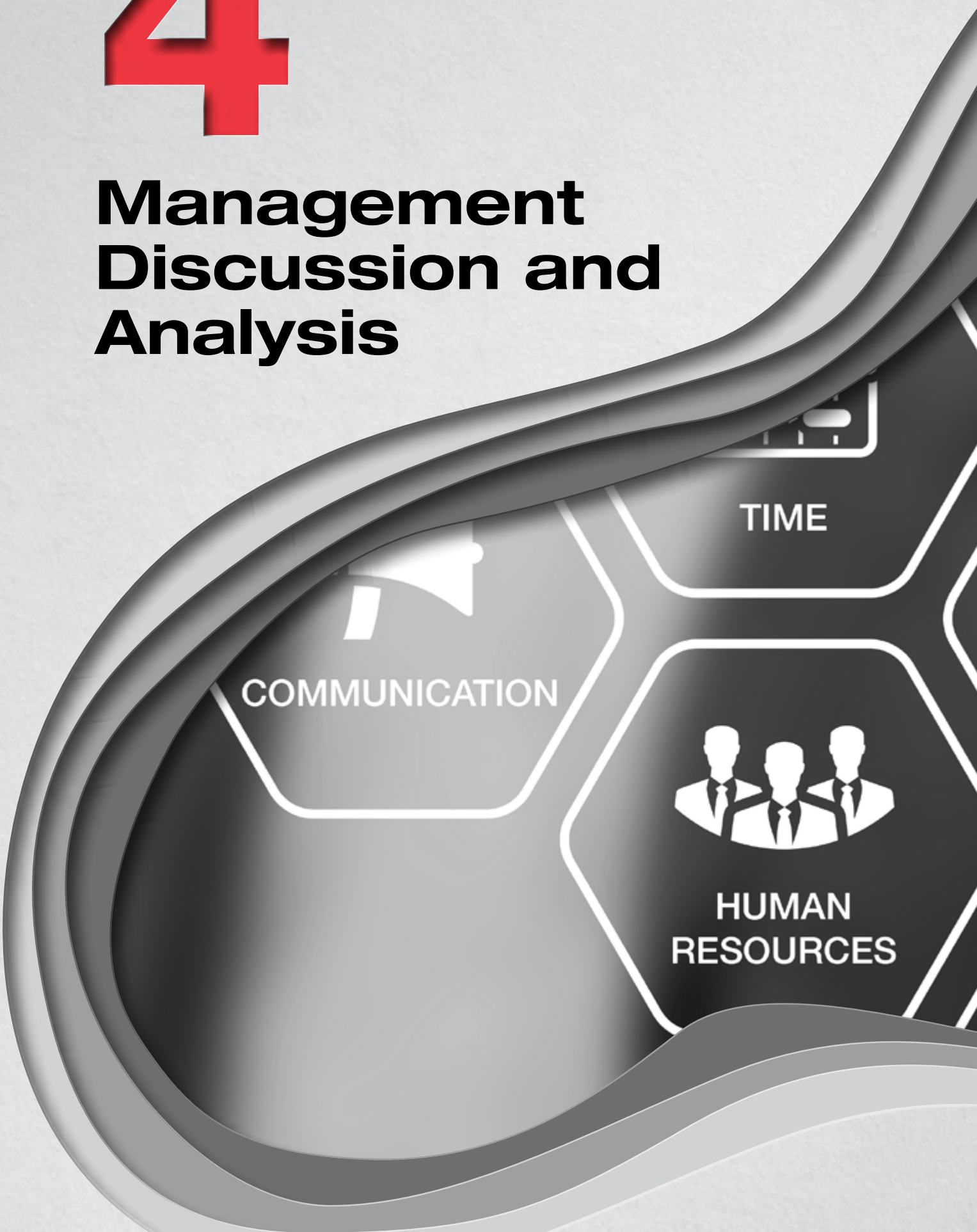


SUSTAINABLE INTEGRATED SOLUTIONS

We continue to strengthen the synergy between our entities and maximize the use of integrated solutions to meet community needs for building materials in a responsible and sustainable manner.

4

Management Discussion and Analysis




SCOPE
COST
PROJECT
MANAGEMENT
PROCUREMENT

ECONOMIC AND INDUSTRY REVIEW

Global Economic Analysis

2020 is a year full of challenges for all economic and business players in the world as a result of the outbreak of the COVID-19 pandemic. Its spread is fast and massive, almost no country is free from the virus which has claimed many lives. In dealing with these conditions, various countries have taken policies to prioritize the health and safety aspects of their citizens by carrying out lockdowns, either at the city or state level.

The lockdown policy had a major impact on the economic performance of various countries due to almost halted economic and community activity. This is reflected in the economic growth of most countries in the world which experienced negative growth in the first and second quarters of 2020. Many countries experienced recession, including the United States, Japan, South Korea, Germany and Italy which are developed countries. Moreover, the relationship between the United States and China were heating up, which had an impact on the world economy, considering that the two countries had a major influence in the global economy.

The International Monetary Fund (IMF), in its World Economic Outlook report released in January 2021, predicts global economic growth in 2020 of -3.5%. However, the IMF sees that the performance of the global economy begins to show improvement in the third quarter of 2020 as policies from various countries have reopened access to entry and exit of their countries and relaxed economic and community activities despite having to implement health protocols. In 2021, the IMF predicts that the global economy will experience positive growth again with a growth of 5.5%.

National Economic Analysis

The COVID-19 pandemic has also become a major challenge for the Indonesian economy in 2020. The Corona virus has spread rapidly throughout Indonesia. Since the President announced the first confirmed positive case of COVID-19 in Depok, West Java in early March 2020, until the end of 2020, no less than 740 thousand people have been confirmed positive with more than 22 thousand numbers of death, which still continue growing until now.

The government has paid great attention to the impact of this pandemic where the safety of citizens became the main focus. One of the actions taken was issuing of Government Regulation in lieu of Law No. 1/2020 about National Financial Policy and Financial System Stability to Handle the COVID-19 Pandemic and/or In the Interest of Responding to Threats Endangering the National Economic and/or the Financial System Stability (Perppu 1/2020). This was then ratified as Law No. 2/2020. With this regulation the government could reallocate the budget to respond to the COVID-19 pandemic.

In line with the steps taken by the Central Government, the Regional Government has also established various policies to break the chain of the spread of COVID-19, one of which is by implementing a Large-Scale Social Restriction (PSBB) policy, although this policy is less popular from an economic perspective.

The government has also provided various economic stimuli, both in the form of cash and non-cash assistance, especially for the poor and affected by this pandemic as part of efforts to save the national economy in preventing a recession.

Bank Indonesia (BI) has also issued an accommodative policy by lowering the BI 7 days

repo rate. Throughout 2020, BI was recorded to have lowered the BI 7 days repo rate by 5 (five) times (until December 2020) from 5.00% to 3.75%.

Through these various countermeasures, the realization of Indonesia's economic growth in 2020 was recorded at -2.07%, lower than the previous year's economic growth of 5.02%. Meanwhile, inflation in 2020 reached 1.68%, indicating a decline in people's purchasing power in line with the declining economic growth in 2020.

In the midst of a pandemic and a declining economy, Indonesia's trade balance experienced a surplus, mainly due to declining import values. The Government and Bank Indonesia (BI) were also able to maintain exchange rate stability, particularly the Rupiah exchange rate against the US dollar.

With this condition, the government was confident that Indonesia will return to growth in 2021, whereby the Central Bank is predicting a 4.3%-5.3% growth. This confidence is based on the improving economic sentiment between Q3 to the end of 2020.

National Cement Industry Analysis

The pandemic also became the main challenge for the country's cement industry. Demand for cement products decreased compared to the previous year due to the decline in people's purchasing power. Moreover, most of the property and infrastructure projects, both developed by the Government and the private sector, experienced delays.

Based on data from the Indonesian Cement Association (ASI), cement industry sales volume in 2020 only reached 72.0 million tons, down 5.4% compared to the previous year's sales of 76.1 million tons. Domestic sales decreased 10.2% to 62.7 million tonnes, while export sales increased 47.62% to 9.3 million tonnes. Of this amount, the largest decrease came from the type of bulk cement, which in 2020 fell 23.4%, while bag cement only decreased by 4.2%.

Meanwhile, the supply of cement in the market has increased with the operation of a new cement factory in Jember, East Java. This resulted in an increase in the national cement supply capacity by 2.7% to 115.3 million tonnes. The increase in supply capacity and the decline in national cement demand resulted in increased oversupply of cement in the market. Based on ASI data, oversupply in the cement market in 2020 increased to 43.3 million tons, or an increase of 19.61% compared to 2019.

Below is the table of Capacity Development, Domestic Demand and Average Utilization 2019-2020 is as follows:

Description	Unit	2020	2019
Installed Capacity	Million tonnes	115.3	112.3
Domestic Demand	Million tonnes	62.7	69.8
Export Sales	Million tonnes	9.3	6.3
Total Sales of the National Cement Industry	Million tonnes	72.0	76.1
Utilization	%	64.1*	67.4

* Using an installed capacity of 112.3 million tonnes (excluding the capacity of a new cement plant in Jember, where the sales volume was not recordedin the Indonesian Cement Association data).

SIG Position in The National Cement Industry

SIG is the most dominant player in the national cement industry. The Company has the largest production and distribution facilities in various parts of Indonesia and Vietnam. This is one of the Company's main strengths in facing the increasingly competitive landscape in the national cement industry. SIG's installed capacity in 2020 reached 52.6 million tonnes, making SIG the largest cement producer both in Indonesia and Southeast Asia.

With its five main brands, which are Semen Gresik, Semen Padang, Semen Tonasa, Semen Andalas and Dynamix, SIG has dominated more than 50% of the cement market in Indonesia.



SIG Supplied Concrete for Istiqlal Mosque Renovation

SIG, through its subsidiary, PT Semen Indonesia Beton (SIB), supplied 11,500 m3 of ready-mixed concrete for the renovation of the Istiqlal Mosque in Jakarta which was inaugurated by President Joko Widodo on January 7, 2021. It was an honor for SIG to be part of the mosque renovation of the mosque construction since it was one of the monumental buildings in Indonesia and the largest mosque in Southeast Asia.

OPERATIONAL OVERVIEW

SIG Strategic Policy

The COVID-19 pandemic in Indonesia has become a challenge for the Roadmap towards SIG vision to become the Largest Building Materials Solution Provider in the Region which has been implemented since 2019. The four strategic priorities set by the Company were *Operation Excellent "Obsession"; Partner of Choice "Reinforce"; Innovate to "Disrupt"* dan *Policy Advocate to "Win"* with the following explanation:

1. Operation Excellent "Obsession"
   a. Aiming to continue and increase the intensity of strategic initiatives in creating cost efficiency through various programs throughout the directorates.
   b. Reducing costs by changing business model methods, improving business processes, collaborating with strategic partners to accommodation the latest technology solutions for efficiency and effectiveness.
2. Partner of Choice "Reinforce"
   a. Aimed at returning the positioning of SIG as a company and its products as the first and main choice for customers and *stakeholders*.
   b. Increase the position of SIG and its products through marketing communication activities, creation of new products and added value that differentiates it from competitors.
   c. Develop strong production base and distribution channels to grab new market opportunities.
3. Innovate to "Disrupt"
   a. Aimed at revolutionizing the cement and building materials industry by bringing innovative new products, solution products, and introducing processes that are beyond business as usual
   b. Innovation initiatives from the process side are carried out by all sectors/directorates with a focus on cost efficiency and giving added value in winning the competition to continue and improve the intensity of strategic initiatives to create cost efficiency through various programs in the whole Directorate.
4. Policy Advocate to "Win"
   Aiming at creating conducive conditions in the industry for SIG in fulfilling its duties as SoE in supplying important goods and creating value as a form of investment in state assets; Building proactive coordination and communication with all key stakeholders and encourages industrial change that is more conducive to realizing the Company vision and mission.

As the largest player in Indonesia's cement industry, SIG needs to continue cementing its leadership in the industry. Through cost leadership strategy, the Company is focused on internal improvements to be more efficient, especially in production cost and financing cost. This way, SIG stays ahead of the competition in an increasingly challenging condition.

SIG also continues to support product and service innovations in providing added value to customers in line with the Company's new vision to be "the Leading Building Material Solution Provider in the Region". This effort is carried out through the development of various products and services as the solutions for customers.

Marketing Aspect

The cement industry went through considerable challenges in 2020. Demand for cement products plummeted along with the economic slowdown due to the COVID-19 pandemic. On the other hand, cement supply in the market went up along with a new entrant which started to operate in 2020 and has caused an increase in cement oversupply in the market.

For SIG, the COVID-19 pandemic is not only a threat that bring negative impact to cement demand and increase the competition intensity, it also become a catalyst for the Company to accelerate varios innovation to win the competition.

SIG applied a comprehensive marketing strategy to adapt, among others:

Mega Distributor

The pandemic has caused a decline in demand for cement products and construction materials. This has intensified the competition among industry players. To improve its competitive advantage, SIG had to be more cost efficient. to conduct cost efficiency, where in the context of marketing and supply chain, efficiency could be done by reducing marketing and distribution cost.

In 2020, SIG has implemented a new business model in distribution and sales by implementing a single distributor or mega distributor scheme. In this business model, SIG (parent company) acts as the sole distributor that will market and distribute all SIG products (which are not limited to cement products only) through the established SIG distribution network throughout Indonesia.

Through this model, the Company gains efficiency through transaction costs in addition to distributor operations which are also simpler and more efficient. On the other hand, this mega distributor model provide convenience in marketing and selling SIG product portfolio whereby customers can purchase various products and brands of the Company by only transacting with one party.

Digital Marketing

In line with the development of information and communication technology, SIG continues to improve its marketing function through digital marketing channels. This strategy is also suitable to accommodate conditions in 2020 where the community must carry out physical distancing to avoid transmission of COVID-19.

The company has built several digital marketing platforms for customers and business partners of SIG. SIG develops the SobatBangun platform, which is supported by various services of architects, contractors, and financial services to provide comprehensive solutions for customers in building their properties.

The Company also developed the AksesToko platform which is intended for distributors and retail stores that distribute SIG products where retail stores can place orders for goods online and also take advantage of using the financial services offered which provide easy transactions for its users.

In addition, the Company also opened an official online store in the online marketplace as a solution for customers wanting to purchase SIG products without the trouble of having to visit a building materials shop especially during the pandemic.

Strengthening Export Market

In response to the decline in domestic demand during the pandemic, the Company continued its efforts to increase export sales. Such approach was also taken to ensure that the utilization of production facilities can be maintained as part of a capacity management strategy and in order to strengthen the position of SIG as the largest cement player in Southeast Asia.

The Company continues to increase access to new markets for export, such as Myanmar, Brunei Darussalam and Taiwan. In addition, GIS also continues to maintain its established markets such as Australia, Bangladesh, Sri Lanka, China and several other countries.

To support an increase in the export market, the Company has made enhancements at several ports to increase loading rates to increase supply capability in the regional market.

Product Innovation

The Company continues to encourage product innovation development to expand its market. Product innovation development is also tailored to customer needs. In 2020, the Company introduced various types of cement that can be tailored to the type of building / construction and customer needs, one of which is Dynamix Masonry, which is a type of cement suitable for non-structural construction work at a more economical price.

The development of innovative products aims to strengthen the position of GIS as a provider of building materials solutions that are able to offer a complete product portfolio for various applications, so that customers can find products that are more accurate and suit their needs at more competitive prices.

Marketing Communications

In supporting the marketing strategy, the Company actively carries out marketing communications. Since 2019, SIG has implemented an integrated marketing communication strategy, in which the Company carries out more local communications to strengthen the position of a brand.

The marketing communication program plays a role in maintaining the continuity of interactions between principals and consumers in an effort to form, expand and increase awareness.

In addition, the Company is also active in marketing communications through social media which are managed in a professional manner.

Market Share

More than 50% of the total national cement consumption in 2020 still came from Java, but the portion was decreasing compared to 2019 because Java has been the center of the COVID-19 pandemic with the highest number of cases compared to other regions. With production and distribution facilities spread across all regions in Indonesia, the Company was still able to maintain its leadership in the market by dominating more than 50% of the national cement market.

OPERATION SEGMENT OVERVIEW

SIG is engaged in the cement industry. In line with the development of its business, the Company also has various supporting businesses as well as business lines that aim to optimize the assets owned by the Company.

Based on the Company's financial statements that have been audited by the Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan (a member of the PwC firm network), on note No.31 regarding operating segments referring to the provisions of PSAK 5 (Revised 2015), SIG presents business segment reports in two major groups, namely the cement production segment and the non-cement production segment.

Cement Production Segment

SIG produces and markets cement products throughout Indonesia, Vietnam and several other countries as export destinations. SIG is the largest cement producer in the Southeast Asia region with an installed capacity in 2020 of 52.6 million tons per year, through plants spread across 8 locations in Indonesia and Vietnam. The installed capacity did not change from the previous year.

Other than production facilities, the Company is also supported by packing plants and distribution facilities spread throughout Indonesia and Vietnam.

In 2020, with six flagship brands, namely Semen Gresik, Semen Padang, Semen Andalas, Semen Tonasa, Thang Long Cement and Dynamix, cement production segment contributed 75.36% of the Company's total consolidated revenue.

Cement Production

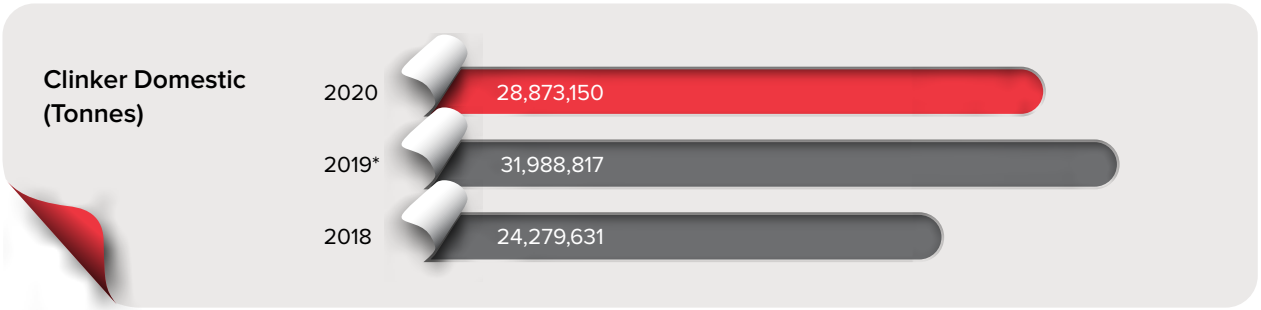
In line with the decreasing demand for cement products, the volume of cement production at SIG in 2020 also decreased. Clinker production volume in Indonesia in 2020 has decreased by 10% from last year. The volume of TLCC clinker production in Vietnam also decreased by 9% compared to last year. The Company's domestic cement production volume in 2020 reached 32,599,268 tons, down 15% compared to the previous year of 38,279,602 tons. while the cement production volume of TLCC in 2020 decreased by 7% to 1,335,369 tons from 1,429,597 tons in 2019. In total, during 2020, the Company produced 33,934,637 tons of cement, down 15% from the total cement production volume in 2019 which reached 39,709,199 tons.

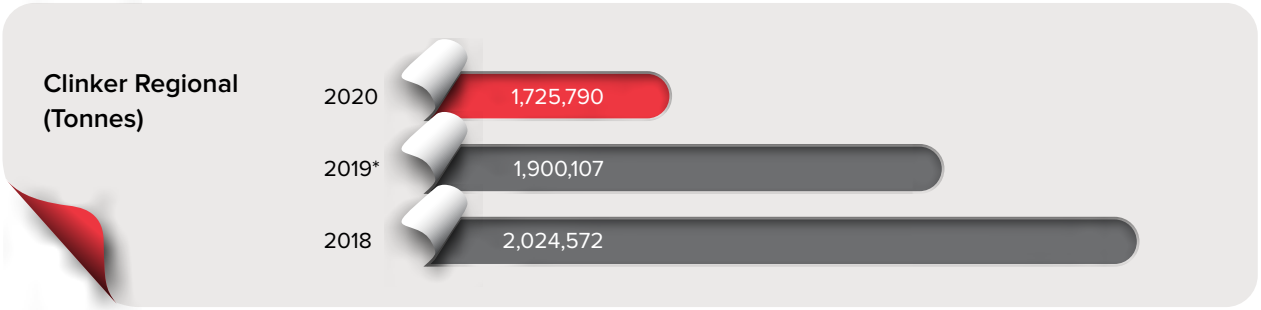
The decline in 2020 production volume of the Company was the impact of the COVID-19 pandemic, which has decreased the national cement demand. The company adjusted the production volume according to the demand to minimize the buildup of inventories.

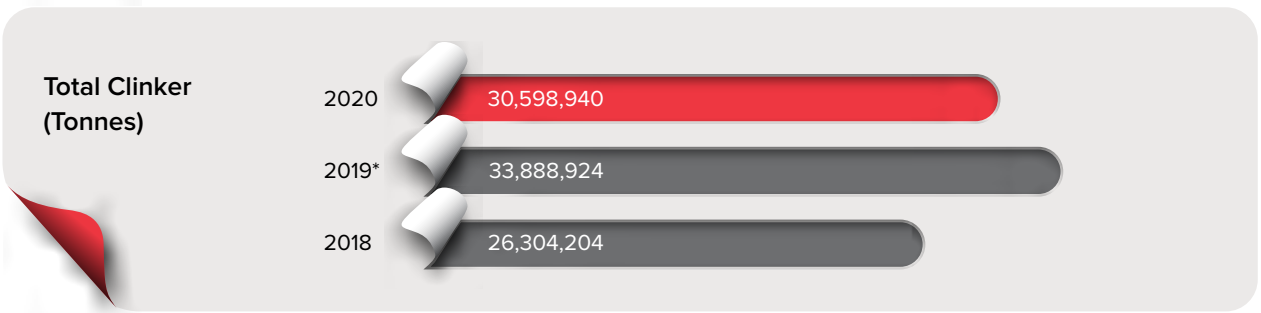
Description		2020	2019*	Growth
		1	2	1:2
Clinker Production	Domestic	28,873,150	31,988,817	-10%
	Regional	1,725,790	1,900,107	-9%
	Total	**30,598,940**	**33,888,924**	**-10%**
Cement Production	Domestic	32,599,268	38,279,602	-15%
	Regional	1,335,369	1,429,597	-7%
	Total	**33,934,637**	**39,709,199**	**-15%**
Installed Capacity	Domestic	50,300,000	50,300,000	0%
	Regional	2,300,000	2,300,000	0%
	Total	**52,600,000**	**52,600,000**	**0%**
Utilization**	Domestic	76%	83%	-7%
	Regional	90%	97%	-7%
	Total	**76%**	**84%**	**-8%**

* Including SBI production in January 2019 before the acquisition of 774,636 tonnes of clinker and 867,873 tonnes of cement
** Utilization is calculated from cement production volume plus clinker sales volume devided by cement production capacity

Production Volume

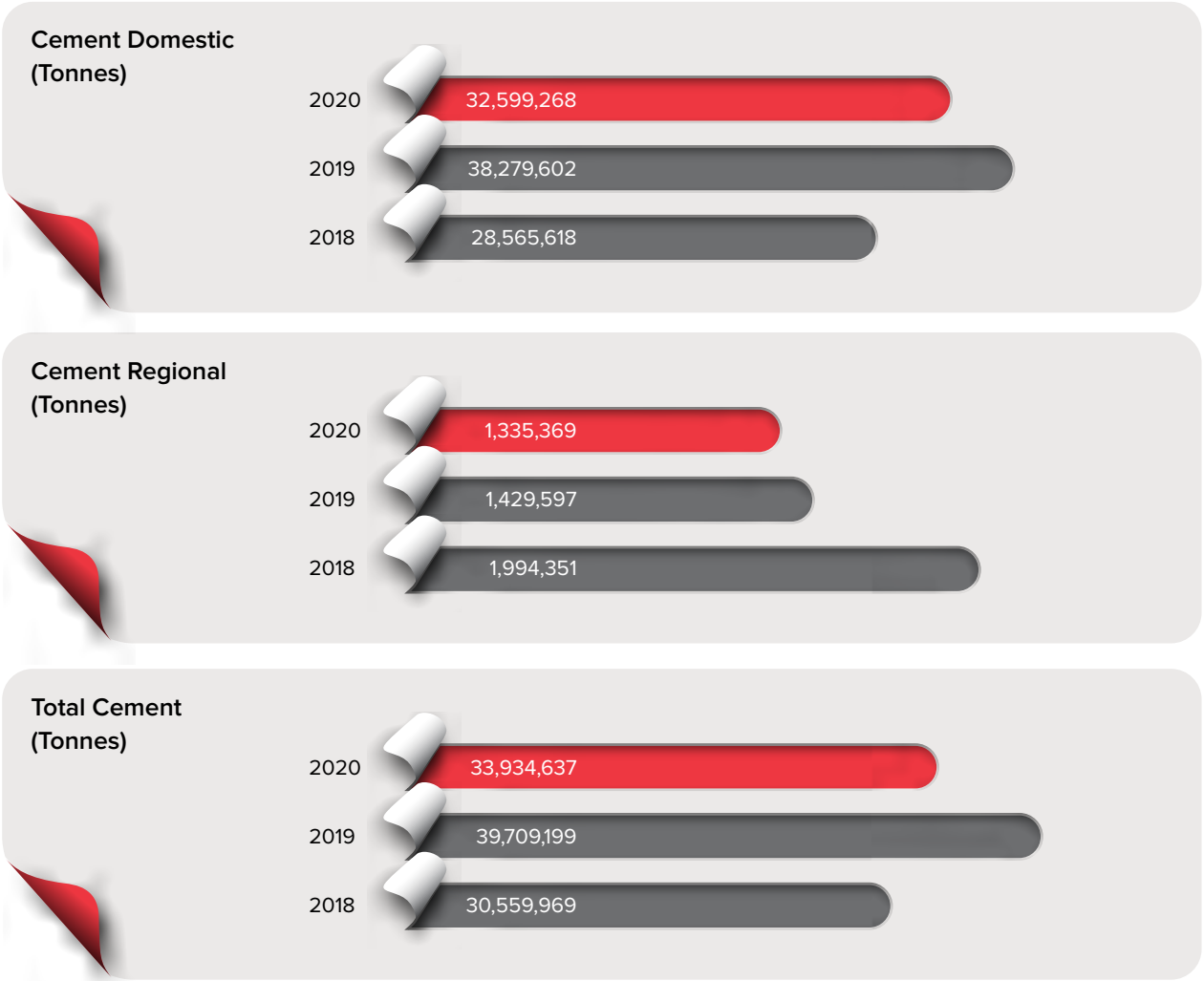






* including SBI production in January 2019 before the acquisition of 774,636 tonnes of clinker and 867,873 tonnes of cement

Production Volume



* Including SBI production in January 2019 before the acquisition of 774,636 tonnes of clinker and 867,873 tonnes of cement

Sales Performance

In the midst of decreasing demand due to the COVID-19 pandemic, in 2020 the Company managed to record domestic cement sales of 31,972,151 tons. When compared to the previous year, the Company's cement sales decreased by 12%, where in 2019 the Company recorded total domestic cement sales of 36,340,833 tons.

The decline in the cement sales volume of SIG was in line with the decreasing demand for cement products in 2020 as a result of the COVID-19 pandemic. Domestic cement sales in 2020 were still dominated by sales on Java. Meanwhile, regional sales in 2020 were recorded at 7,719,408 tonnes in the form of cement and clinker. Regional sales increased by 23% from the previous year and was able to help the Company to maintain production utilization levels amid the decline in domestic cement demand due to the COVID-19 pandemic.

The largest export destinations were China, Australia and Bangladesh, in addition to the markets recently acquired by companies such as Taiwan and Brunei Darussalam.

Financial Performance

With the decline in demand for cement, in 2020 the Company recorded sales (before elimination) of IDR 31,904 billion, down 10.08% compared to the previous year of IDR 35,480 billion. However, the segment result in 2020 for cement production segment (before elimination) increased to Rp7,716 billion, from Rp7,503 billion in the previous year. This was in line with the efficiency efforts conducted by the Company, particularly in the cement production process.

Profit before income tax in the cement production segment in 2020 also went up by 21.13% to Rp5,687 billion, compared to Rp4,695 billion in the previous year.



Non-Cement Production Segment

The non-cement production segment consists of limestone and clay mining, cement bag manufacturing, industrial real estate, precast and readymix concrete, IT services, logistics and trading. Each of these segment activities includes:

- Limestone and clay mining which is intended to meet the Company's needs for raw materials.
- Cement bags are intended to meet cement packaging needs.
- Development of industrial estates, including managing the former mining area for raw materials into areas that can be used for commercial purposes and for public facilities
- Logistics services and trading in building materials
- Ready mix concrete production is carried out to supply the needs of construction projects.
- Other business activities.

The Company receives non-cement revenue from these business activities. In line with the change in the Company's business paradigm which will develop downstream non-cement products, the contribution of revenue from the non-cement segment will continue to increase in the coming years.

Production & Sales Performance

The largest portion of production and sales activities in the non-cement production segment comes mainly from sales of building material products, including ready mix concrete, as well as income from various activities to support the efficiency of the SIG value chain, such as mining services, logistics and packaging. In 2020, the production and revenue of this segment experienced a decline, wherein the non-cement production segment revenue decreased 16.71% to Rp10,429 billion (before elimination) in line with the decline in production and revenue from the cement production segment which decreased by 10.08% considering the two segments are closely related. The largest decline in production volume and sales in the non-cement production segment was mainly derived from production and sales of ready mix concrete. This was in line with the decline in infrastructure project activities in 2020 as a result of the COVID-19 pandemic, where part of the government infrastructure budget was reallocated to handle the pandemic.

In billion Rupiah

Non-Cement Production Segment	2020	2019	Growth (Decline)	
			Rp	%
Sales to third parties and related parties	8,930	10,492	(1,562)	(14.89%)
Inter-segment sales	1,499	2,030	(531)	(26,16%)
Total revenue before elimination	**10,429**	**12,522**	**(2,093)**	**(16.71%)**

Financial Performance

The Company recorded a total revenue (before elimination) from the non-cement production segment of Rp10,429 billion in 2020. This was 16.71% lower compared to the previous year's number of Rp12,522 billion. The decline has caused the Company to book a loss of Rp2,298 billion in the current year, increased compared to previous year where the Company reported a loss from the non-cement production segment of Rp1,483 billion.

FINANCIAL OVERVIEW

The following financial overview is based on the Consolidated Financial Statements of PT Semen Indonesia (Persero) Tbk for the year ended 31 December 2020, which has been audited by Public Accounting Firm Tanudiredja, Wibisana, Rintis & Partners (a member of PwC's network of firms) with an "unmodified" opinion.

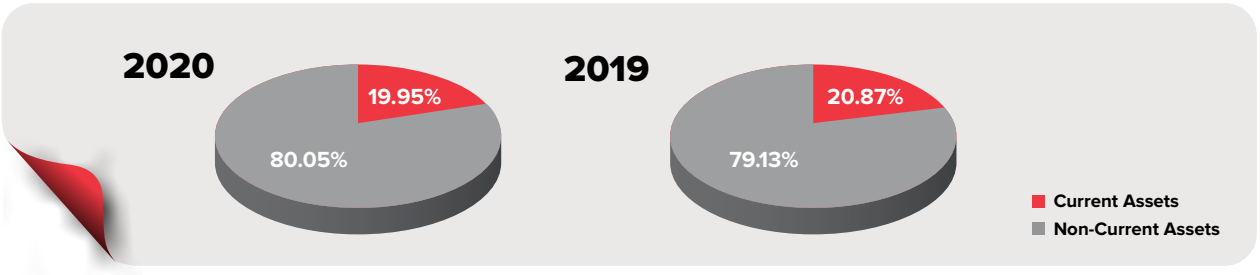
Summary of Consolidated Statements of Financial Position

in billion Rupiah

Financial Position	2020	2019	Growth (Decline)	
			Rp	%
Current Assets	15,564	16,658	(1,094)	(6.57%)
Non-current Assets	62,442	63,149	(707)	(1.12%)
Total Assets	**78,006**	**79,807**	**(1,801)**	**(2.26%)**
Current Liabilities	11,506	12,240	(734)	(6.00%)
Non-current Liabilities	29,066	31,675	(2,609)	(8.24%)
Total Liabilities	**40,572**	**43,915**	**(3,343)**	**(7.61%)**
Temporary Syirkah Funds	**1,781**	**2,000**	**(219)**	**(10.95%)**
Equities Attributable To				
- Owners of the Parent Entity	34,173	32,277	1,896	5.87%
- Non-Controlling Interests	1,480	1,615	(135)	(8.36%)
Total Equity	**35,653**	**33,892**	**1,761**	**5.20%**
Total Liabilities, Temporary Syirkah Funds and Equity	**78,006**	**79,807**	**(1,801)**	**(2.26%)**

Assets

Total assets of SIG on 31 December 2020 amounted to Rp78,006 billion, 2.26% lower from the previous year's total of Rp79,807 billion. The decline in total asset occurred in both Current Assets, which decreased by Rp1,094 billion or 6.57%, and Non-Current Assets, which went down to Rp707 billion or a 1.12% lower compared to the year 2019. The Company's asset composition in 2020 was still dominated by Non-Current Assets, recorded at Rp62,442 billion or equivalent to 80.05% of the Company's Total Assets.



Current Assets

in billion Rupiah

Current Assets	2020	2019	Growth (Decline)	
			Rp	%
Cash and Cash Equivalent	2,931	3,950	(1,019)	(25.80%)
Short-term Investment	1,103	67	1,036	1546.27%
Trade Receivables	5,777	6,490	(713)	(10.99%)
Other Receivables	261	370	(109)	(29.46%)
Inventory	4,548	4,641	(93)	(2.00%)
Advances	114	136	(22)	(16.18%)
Prepaid Expenses	197	216	(19)	(8.80%)
Prepaid Taxes	601	764	(163)	(21.34%)
Other Current Assets	32	24	8	33.33%
Total Current Assets	**15,564**	**16,658**	**(1,094)**	**(6.57%)**

On 31 December 2020, total current assetss of the Company amounted to Rp15,564 billion, an increase of 6.57% compared to the previous year of Rp16,658 billion. The increase in current asset was mainly related to:

- **Accounts Receivable**
  The Accounts Receivable went down by Rp713 billion or by 10.99% compared to 2019, in line with the decline in revenue due the COVID-19 pandemic which has caused a a decline in economic conditions, purchasing power, and followed by a decline in national cement demand. The decline in Accounts Receivable was also caused by the increase in provision for impairment of receivables amounting to Rp389 billion as a result of adjustments to the beginning balance related to the application of PSAK 71 “Financial Instruments”.
- **Inventory**
  To maintain a shorter cash cycle especially during the pandemic, the Company maintained low inventory level. The amount of net inventory at the end of 2020 was worth Rp4,548 billion, 2.00% lower compared to the same period in 2019, which totalled Rp4,641 billion.
- **Prepaid Taxes**
  The amount of prepaid taxes went down by Rp163 billion as compared to 2019, mainly due to the reclassification of 2016 and 2017 income tax article 28 on the 2016 and 2017 income tax prepayments to the account of claim for tax refund on non-current assets, related to the appeal process to the Tax Court.

Non-current Assets

In billion Rupiah

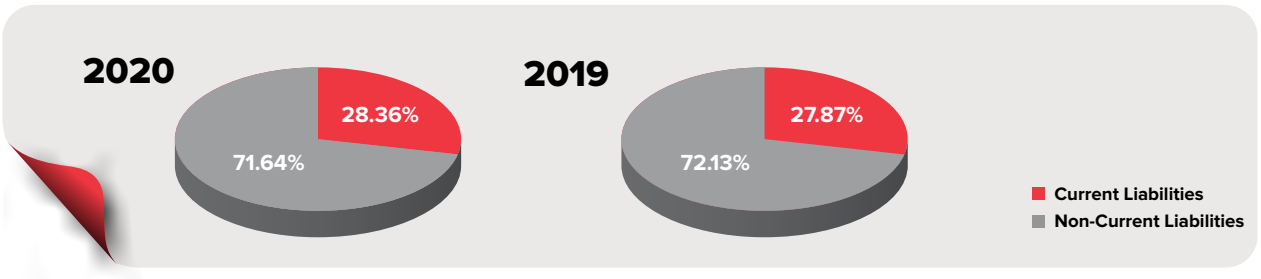
Non-current Assets	2020	2019	Growth (Decline)	
			Rp	%
Restricted Cash	61	58	3	5.17%
Deferred Tax Assets	552	658	(106)	(16.11%)
Investment in Associates	35	89	(54)	(60.67%)
Investment in Joint Ventures	53	52	1	1.92%
Investment Properties	110	120	(10)	(8.33%)
Fixed Assets	56,053	56,602	(549)	(0.97%)
Goodwill and Intangible Assets	3,962	4,260	(298)	(7.00%)
Claims for Tax Refund	847	443	404	91.20%
Other Non-current Assets	769	867	(98)	(11.30%)
Total Noncurrent Assets	**62,442**	**63,149**	**(707)**	**(1.12%)**

At the end of 2020, Total non-current assets of the Company reached Rp62,442 billion, a decrease of 1.12% compared to the previous year of Rp63,149 billion. The decline in non-current assets was mainly caused by:

- **Deferred Tax Assets**
  The amount of deferred tax assets in 2020 decreased by 16.11% to IDR552 billion from IDR658 billion in 2019 due to a decrease in the amount of accumulated tax losses and the impact of a decrease in the Corporate Income Tax rate in accordance with Law No.2 of 2020.
- **Fixed Assets**
  At the end of 2020, the total fixed assets of SIG reached IDR 56,053 billion, decreased by 0.97% from the previous year of IDR 56,602 billion. The decrease in fixed assets was in line with the increase in Accumulated Depreciation and Depletion which was higher compared to the amount of Fixed Assets additions during 2020 since the Company was being more selective in making capital expenditures as a strategy to maintain the Company's liquidity during the COVID-19 pandemic.
- **Goodwill and Intangible Assets**
  Goodwill and intangible assets went down by Rp298 billion or 7% compared to 2019, mostly caused by amortization and impairment of intangible assets.

Liabilities

At the end of 2020, total liabilities of SIG were recorded at IDR 40,572 billion, decreased by 7.61% from IDR 43,915 billion in the previous year. The decrease in total liabilities was mainly due to the Company's efforts to repay bank loans. Similar to the previous year, the composition of the Company's liabilities in 2020 was still dominated by no-current liabilities of IDR 29,066 billion or 71.64% of total liabilities. Meanwhile, the Company's current liabilities in 2020 were recorded at IDR 11,506 billion or 28.36% of total liabilities.



Current Liabilities

In billion Rupiah

Current Liabilities	2020	2019	Growth (Decline)	
			Rp	%
Short-term Borrowings	496	1,212	(716)	(59.08%)
Trade payables	6,521	5,670	851	15.01%
Other payables	307	575	(268)	(46.61%)
Accruals	1,130	1,222	(92)	(7.53%)
Taxes Payable	561	626	(65)	(10.38%)
Short-term Employee Benefits Liabilities	773	735	38	5.17%
Sales Advances	104	120	(16)	(13.33%)
Current Maturities of Long-term Borrowings	1,614	2,080	(466)	(22.40%)
Total Current Liabilities	**11,506**	**12,240**	**(734)**	**(6.00%)**

As of December 31, 2020, current liabilities were recorded at Rp11,506 billion, a decrease of 6.00% compared to the previous year of Rp12,240 billion. The decrease was mainly from a decrease in the short-term borrowings by 59.08% in 2020 to be IDR496 billion, from IDR1,212 billion in 2019. It was also impcated by the decrease in current maturities of Long-term Borrowings of IDR466 billion or 22.40% lower compared to 2019. Such decrease was due to the on schedule as well as accelerated repayment of the SIG debts during 2020 in line with the increase in cash flows from the Group's operating activities as a result of tighter and disciplined cash flow management throughout 2020.

Non-current Liabilities

In billion Rupiah

Non-current Liabilities	2020	2019	Growth (Decline)	
			Rp	%
Deferred Tax Liabilities	3,364	3,839	(475)	(12.37%)
Long-term Employee Benefits Liabilities	2,887	2,236	651	29.11%
Long-term Borrowings Net of Current Maturities	21,844	24,749	(2,905)	(11.74%)
Long-term Provisions	304	265	39	14.72%
Other Long-term Liabilities	667	586	81	13.82%
Total Non-current Liabilities	**29,066**	**31,675**	**(2,609)**	**(8.24%)**

Total non-current liabilities of SIG at the end of 2020 was recorded at IDR 29,066 billion, a decrease of 8.24% from IDR31,675 billion in the previous year. The decrease in total long-term liabilities was from:

- **Deferred Tax Liabilities**
  The Company's deferred tax liabilities amounted to Rp3,364 billion at the end of 2020 which decreased by 12.37% from the previous year's amount of Rp3,839 billion. The decrease was due to the adjustment in the corporate income tax rate to be 22% for the 2020 and 2021 tax years and 20% for the 2022 tax year and beyond.

- **Current Maturities of Long-term Borrowings**
  Current Maturities of Long-term Borrowings decreased 11.74% to Rp21,844 billion, which resulted from the on schedule and accelerated repayment of the SIG debts, iin line with the increase in cash flows from the SIG operating activities in 2020 as a result of tighter and disciplined cash flow management. Throughout 2020, SIG has paid off the interest bearing debt in net of more than IDR 5 trillion, including early repayment of the debts.

Temporary Syirkah Funds

In billion Rupiah

Temporary Syirkah Funds	2020	2019	Growth (Decline)	
			Rp	%
Temporary Syirkah Funds	1,781	2,000	(219)	(10.95%)

Temporary syirkah funds are funds received by the Company under a financing facility based on a musyarakah agreement with sharia banking using a profit sharing ratio that is paid every month. In 2020, the amount of temporary syirkah funds decreased by 10.95% from the previous year to be Rp1,781 billion, related to the gradual payments made by the Company during 2020.

Equity

In billion Rupiah

Equity	2020	2019	Growth (Decline)	
			Rp	%
Share capital	593	593	-	0.00%
Additional Paid-In Capital	1,459	1,459	-	0.00%
Difference in Equity Transactions With Non-Controlling Parties	29	29	-	0.00%
Other Equity Components	53	422	(369)	(87.44%)
Retained Earnings:				
Appropriated	253	253	-	0.00%
Unappropriated	31,786	29,521	2,265	7.67%
Total Equity Attributable to Owners of The Parent Entity	**34,173**	**32,277**	**1,896**	**5.87%**
Non-Controlling Interests	1,480	1,615	(135)	(8.36%)
Total Equity	**35,653**	**33,892**	**1,761**	**5.20%**

The total equity of the Company as of 31 December 2020 was recorded at IDR 35,653 billion, an increase of 5.20% compared to the previous year IDR 33,892 billion. This increase was mainly due to an increase in unappropriated retained earnings of IDR2,265 billion, which was derived from the net profit obtained by the Group during 2020.

Consolidated Statements of Profit or Loss and Other Comprehensive Income

In billion Rupiah

Profit or Loss and Other Comprehensive Income	2020	2019	Growth (Decline)	
			Rp	%
Revenue	35,172	40,368	(5,196)	(12.87%)
Cost of Revenue	(23,555)	(27,654)	4,099	(14.82%)
Gross Profit	11,617	12,714	(1,097)	(8.63%)
Operating Expenses	(5,969)	(6,529)	560	(8.58%)
Profit before Income Tax	3,489	3,196	293	9.17%
Profit for the Year Attributable to:				
Owners of the parent entity	2,792	2,392	400	16.72%
Non-controlling interests	(118)	(21)	(97)	(461.90%)
Comprehensive Income for the Year Attributable to:				
Owners of the parent entity	2,423	2,316	107	4.62%
Non-controlling interests	(106)	(48)	(58)	(120.83%)
EBITDA	9,073*	8,699	374	4.30%
Weighted Average Number of Shares Outstanding (in Thousands)	5,931,520	5,931,520	-	0.00%
Basic Earnings per Share (Rupiah)	471	403	68	16.87%

*including impairment of fixed assets and intangible assets in 2020

Despite the COVID-19 pandemic, the Company was able to record positive performance, especially in achieving an increase in profit for the year attributable to owners of the parent entity of 16.72% or Rp400 billion to be Rp2,792 billion in 2020 from Rp2,392 billion in 2019.

Revenue

In billion Rupiah

Revenue	2020	2019	Growth (Decline)	
			Rp	%
Cement*	31,918	36,224	(4,306)	(11.89%)
Non-Cement	3,254	4,144	(890)	(21.48%)
Total	**35,172**	**40,368**	**(5,196)**	**(12.87%)**

* Including clinker revenue

The COVID-19 pandemic has caused demand for cement and building materials to decline. Such condition was reflected in the revenue recorded by SIG in 2020 which decreased by 12.87% to Rp35,172 billion from Rp40,368 billion in 2019. The Company's main revenue still came from sales of cement products which in 2020 was recorded at Rp31,918 billion, while revenue from non-cement products was IDR 3,254 billion.

Cost of Revenue

In billion Rupiah

Cost of Revenue	2020	2019	Growth (Decline)	
			Rp	%
Raw Materials Used	1,628	1,874	(246)	(13.13%)
Labor	2,228	2,254	(26)	(1.15%)
Manufacturing Overhead				
Fuel and Energy	7,818	8,996	(1,178)	(13.09%)
Depreciation and Amortization	2,781	1,956	825	42.18%
Others	9,367	12,711	(3,344)	(26.31%)
Total Manufacturing Cost	23,822	27,791	(3,969)	(14.28%)
Work-in-Progress Inventory				
At the beginning of the year	693	689	4	0.58%
Purchases	-	42	(42)	(100.00%)
At the end of the year	(735)	(693)	42	6.06%
Cost of Goods Manufactured	23,780	27,829	(4,049)	(14.55%)
Finished Goods Inventory				
At the beginning of the year	776	596	180	30.20%
Purchases	0	5	(5)	(100.00%)
At the end of the year	(1,001)	(776)	(225)	(28.99%)
Total	**23,555**	**27,654**	**(4,099)**	**(14.82%)**

The total cost of revenue in 2020 was recorded at Rp23,555 billion, a decrease of 14.82% from the previous year of Rp27,654 billion. Such decline was not only related to lower production volumes due to lower domestic demand for cement and building materials, but also a result of the Company's efficiency and Operational Excellence initiatives. The Company was able to achieve a greater decrease in cost of revenue than the decrease in revenue. This was shown by the achievement of the cost of goods sold per tonne in 2020 amounting to Rp591.10 thousand, which was lower than 2019 amounting to Rp638.96 thousand, or a decrease of 7.49%. In addition, the cost of revenue ratio in 2020 decreased to 66.97% from 68.50% in the previous year.

Below are various efforts made by the Company to manage cost of revenue as part of the cost transformation implementation.

- **Raw Material Costs**
  Raw material costs in 2020 were IDR 1,628 billion, down 13.13% from 2019 amounting to IDR 1,874 billion. This decline is in line with a decrease in the Company's production volume and is supported by several raw material management initiatives, including:
  - Optimization of raw materials from the most efficient sources.
  - Optimizing the use of the most efficient material and composition
  - Optimizing the use of recycled materials
  - Optimizing the use of waste from other industries.

- **Cost of Energy**
  Absolute Energy Costs in 2020 amounted to Rp7,818 billion, decreased by 13.09% from 2019 amounting to Rp8,996 billion in line with the decline in production volume in 2020 and energy costs / tonnes of sales which decreased by 5.61% due to a decrease coal prices as well as various cost transformation efforts made for energy costs, including:
  - Reducing the coal consumption figure/ coal consumption index and fuel consumption

index at our plants by maintaining the best performance ever achieved.
- Evaluating coal purchases by prioritizing large contracts and based on the proximity of the mine location to production facilities in order to get the best price and the most efficient freight costs. The goal is to reduce energy costs per tonne of clinker.
- Optimization and centralization of industrial oil purchases to obtain competitive prices.
- Optimization of the electricity consumption index, especially for equipments that consume large power while maintaining the best performance in each equipment.
- Optimizing the utilization of SIG power plants and WHRPG facilities.

- **Other Manufacturing Overhead**
  Other manufacturing overhead in 2020 were Rp9,367 billion, down 26.31% from 2019 amounting to Rp12,711 billion. Costs included in other manufacturing overhead are distribution cost, packaging cost, maintenance cost, general & administrative cost, taxes and insurance cost, and others. The decrease in other manufacturing overhead was not only impacted by lower production and sales volumes, but also due to:
  - The decrease in distribution costs, in line with the decrease in the Company's sales volume and production volume in 2020 which was affected by the COVID-19 pandemic. The reduction in distribution cost also came from the synergy and integration of supply chain management post acquisition of PT Solusi Bangun Indonesia Tbk and the implementation of cost transformation initiatives, including:
    - Maximizing the supply chain management by integrating the Company's distribution facilities.
    - Integrating distribution and transportation procurement contract and renegotiation.
    - Evaluation of carrier vessel contracts to obtain optimal freight routes and rates.
    - Optimization and utilization of vessels by synergizing in order to increase the value of transport cost efficiency
    - Optimization of land transportation modes by selecting the type of transportation and distribution patterns.
    - In addition, there was a decrease in distribution costs as a result of the implementation of PSAK 73 "leases", so that it was reclassified to depreciation and amortization expense and interest expense.
  - The decline in expenses related to the Transitional Service and License Agreement (TSLA) between SBI and Holcim Service (South Asia) Limited and Holcim Technology Ltd for one-year period ended on 31 January 2020.
  - The continuous efforts for efficiency include:
    - Efficiency in maintenance cost index and reducing job patches.
    - Centralization of outsourcing and material management.
    - Optimization of heavy equipment procurement with more effective and efficient patterns.
    - Increasing the use of local and alternative spare parts and substituting into more competitive lubricants.
    - Standardization and centralization of spare parts materials for more competitive prices.

Gross Profit

At the end of 2020, the Company's gross profit was recorded at Rp11,617 billion, an 8.63% decline compared to the previous year, which amounted to Rp12,714 billion. The decline in gross profit was a consequence of the decline in domestic demand for cement and building materials due to the COVID-19 pandemic. However, the Company's gross profit margin was maintained with a 1.53% increase in gross profit margin to 33.03% from 31.50% in 2019 as a result of the Company's efforts to manage the declining rate of cost of revenue to be lower than the decline in revenue with the various Operational Excellence initiatives described above.

Operating Expenses

In billion Rupiah

Operating Expenses	2020	2019	Growth (Decline)	
			Rp	%
Selling Expenses	2,803	3,084	(281)	(9.11%)
General and Administrative Expenses	3,162	3,537	(375)	(10.60%)
Other Operational (Expense)/Income	4	(92)	96	(104.35%)
Total	**5,969**	**6,529**	**(560)**	**(8.58%)**

The Company's total operating expenses in 2020 was Rp5,969 billion, an 8.58% decrease compared to Rp6,529 billion in the previous year. Selling expenses decreased by 9.11% as compared to 2019, mainly due to lower transportation and handling expenses in line with the decrease in sales volume. General & administrative expenses also went down by 10.60% due to lower TSLA costs with Holcim Service (South Asia) Limited and Holcim Technology Ltd that ended on 31 January 2020. This decrease was also a consequence of the COVID-19 pandemic and the implementation of health protocols, where most of the Group's administrative activities had to be carried out on a Work from Home (WFH) basis, thereby reducing the burden on office needs, entertainment, business trips, as well as expenses for education, training and development that were conducted virtually.

Operating Profit and EBITDA

In billion Rupiah

Operational Profit	2020	2019	Growth (Decline)	
			Rp	%
Operating Profit	5,648	6,185	(537)	(8.68%)
Gross Profit Margin (%)	16.06	15.32	-	0.74%
EBITDA	9,073*	8,669	374	4.30%
EBITDA Margin (%)	25.80	21.55	-	3.68%

* Including the impairment of fixed assets and intangible assets in 2020

Operating profit in 2020 was down 8.68% from Rp6,185 billion the previous year to Rp5,649 billion in 2020. The decline in operational profit was caused by a decrease in sales volume as a result of the COVID-19 pandemic. However, the Company was able to maintain efficiency and Operational Excellence resulting an increase in operating profit margin from 15.32% in 2019 to 16.06% in 2020.

The Company also managed to record an increase in EBITDA, both in absolute terms and in EBITDA margin. Absolute EBITDA went up 4.30% to Rp9,073 billion compared to 2019, while the EBITDA margin increased to be 25.80% from the previous year of 21.55%. The improvement in EBITDA and EBITDA margin were mainly derived from various efficiency and Operational Excellence efforts carried out in 2020, lower fuel and distribution costs, the completion of the TSLA contract in January 2020, and the implementation of PSAK 73 "lease".

Finance Cost

SIG's financial expenditure in 2020 experienced a significant decrease of Rp884 billion, from 2019's Rp3,205 billion to Rp2,321 billion in 2020. The decline was the result of loan refinancing in May and July 2019 for competitive interest rates, settlement of bank loans throughout 2020 –both on-schedule and accelerated– as well as a reduction in the loan reference interest rate (JIBOR) in 2020.

Profit for the Year Attributable to Owners of the Parent Entity

Despite the challenges in 2020, the Company successfully recorded an increase in profit for the year attributable to owners of the parent entity of 16.72% to be Rp2,792 billion, compared to the previous year which amounted to Rp2.392 billion.

The increase in profit for the year attributable to owners of the parent entity also improved the Company's gross profit margin from 5.93% in 2019 to 7.94% in 2020.

Comprehensive Income for the Year

In 2020, the Company recorded a comprehensive income for the year of Rp2,317 billion, an increase of 2.16% compared to the previous year amounted to Rp2,268 billion.

Profit per Share

In line with the increase in profit for the year 2020, earnings per share of the Company also went up by 16.87% from Rp403 in 2019 to Rp471 in 2020.

Consolidated Statements of Cash Flows

In billion Rupiah

Cash Flows	2020	2019	Growth (Decline)	
			Rp	%
Net Cash Flows from Operating Activities	7,221	5,609	1,612	28.74%
Net Cash Flows for Investment Activities	(2,251)	(17,161)	14,910	86.88%
Net Cash Flows from (for) Financing Activities	(6,003)	10,285	(16,288)	(158.37%)
Net Decrease Cash and Cash Equivalent	**(1,033)**	**(1,267)**	**234**	**18.47%**
Beginning Balance – Cash and Cash Equivalent	3,950	5,246	(1,296)	(24.70%)
Effect of Exchange Rates Changes	14	(29)	43	148.28%
Cash and Cash Equivalents at the End of the Year	**2,931**	**3,950**	**(1,019)**	**(25.80%)**

Cash Flow from Operation Activities

Net cash flow obtained from operating activities in 2020 was Rp7,221 billion, a 28.74% increase from Rp5,609 billion in 2019. This increase was mainly derived from a strict cash flow management and the Company's efforts to maintain liquidity during the COVID-19 pandemic by managing more optimum cash cycle.

Cash Flow for Investment Activities

Total net cash flows used for investing activities in 2020 reached Rp2,251 billion, a lower than to the previous year's amount of Rp17,161 billion. Such decrease was due to the capital expenditure (CAPEX) activities in 2020 which were mostly dedicated to maintain the daily operations (selective CAPEX), while 2019's capex spending were much higher, especially due to the acquisition of PT Solusi Bangun Indonesia Tbk (formerly PT Holcim Indonesia Tbk).

Throughout 2020, there were short-term investment made in the form of time deposits in banks amounting to Rp1,036 billion, and procurement of fixed assets at Rp1,280 billion.

Cash Flows from (for) Financing Activities

In 2020, SIG recorded a net cash flow for financing activities of of Rp6,003 billion. Throughout 2020, on a net basis, the Company has made debt payments, both short and long-term, as well as disbursing Rp5,384 billion of temporary syirkah funds. This amount was higher than the debt amount that actually due in 2020 according to the repayment schedule. With the decrease in the amount of interest bearing debt and a lower floating interest rate which refer to JIBOR, the Company was able to reduce its financial cost in 2020. On the contrary to the previous year, the Company recorded a net cash flow of Rp10,285 billion from financing activities used to fund the acquisition of PT Solusi Bangun Indonesia Tbk (formerly PT Holcim Indonesia Tbk).

Debt Repayment Capability and Debt Collectability

SIG is committed in ensuring the payment of its debt which is shown by paying the principal and interest in a timely manner. The Company continues to make efforts to manage liquidity and monitor the maturity date of the loan principal and interest payments.

The Company's ability in fulfilling all debts, both long and short term, is measured by several ratios such as liquidity ratios and solvency ratios. The liquidity ratio is used to measure the ability to pay off short-term obligations, while the solvency ratio is used to measure the ability to meet all the Company's debts.

Important Financial Ratios	2020	2019
Gross Profit Margin (%)	33.03	31.50
Operating Margin (%)	16.06	15.32
Net Profit Margin (%)	7.94	5.93
EBITDA Margin (%)	25.80	21.55
EBITDA to Interest Expense (x)	3.91	2.71
Return on Equity (%)*	8.17	7.41
Return on Assets (%)	3.58	3.00
Current Ratio (%)	135.27	136.10
Liabilities/Asset (%)	32.99	37.64
Liabilities/Capital (%)	42.96	48.21
Equities/Capital (%)	57.04	51.79
Liabilities/EBITDA (x)	2.84	3.45
Liabilities/Equities (%)	75.31	93.08

Liabilities are interest-bearing liabilities
*) Profit for the year attributable to owners of the parent company

Current Ratio

The Company's ability to fulfill short-term debts was measured through the current ratio, calculated by dividing current assets with current liabilities. In 2020, the Company's current ratio was 135.27% which was lower compared to the previois year of 136.10%

Solvability Ratio

The solvency ratio shows the Company's ability to meet its liabilities, both short and long term, which is indicated by measuring the interest bearing liabilities on equity, on capital and on total assets. In 2020, the interest bearing liabilities/equity ratio decrease to 75.31%, the interest bearing liabilities/capital ratio decrease to 42.96% and the interest bearing liabilities/total assets ratio also decrease to 32.99%. The decrease in these ratios was due to the debt repayment conducted by the Company throughout 2020.

Collectability of Receivables

Collectability of Receivables is measured using Average Collection Period (ACP) by comparing the average account receivables with revenue times the number of days in a year (365 days).

In 2020, the ACP was 63 days, or longer than previous year of 55 days. The longer ACP in 2020 was mainly derived from the extension of the Term of Payment which was selectively given to several distributors and projects significantly affected by COVID-19. On the other hand, SIG experienced better cash cycle by managing the average payables turnover by optimizing the utilization of the Supplier Financing facility so that vendors could adjust the their payment terms with a competitive cost of funds.

Capital Structure And Capital Structure Policy

Details of Capital Structure

The capital structure of SIG in 2020 was 40% from interest bearing liabilities, 3% from temporary syirkah funds, and 57% in the form of equity. This composition has relatively changed compared to 2019 with an enlarged portion of equity as a result of debt repayment conducted by the Company in 2020.

In billion Rupiah

Capital Structure	2020	2019	Growth (Decline)	
			Rp	%
Liabilities*	23,954	28,042	(4,088)	(14.58%)
Temporary Syirkah Funds	1,781	2,000	(219)	(10.95%)
Equity Attributable to Owners of the Parent Entity	34,173	32,277	1,896	5.87%
Total Capital	**59,908**	**62,319**	**(2,411)**	**(3.87%)**

*) Liabilities are interest bearing liabilities

Capital Structure Policy

The Company always carries out sound and prudent financial policies. The Company has been able to maintain a strong balance sheet, strong cash flow and healthy financial ratios.

The capital structure policy ensured that the Company had a strong capital structure to cover its business development strategy and the Company's future development.

The Company's capital structure policies that are implemented are:

1. Consider the balance between financial risk and rate of return in an effort to increase the value of the Company.
2. Optimization of capital structure by adjusting the ideal Debt and Equity composition by considering funding requirements and cash flow capability of the Company.
3. The combination of capital structure is determined after conducting a sensitivity analysis with a variety of related core assumptions.

The Company maintains a sound level of its capital structure by monitoring the net gearing ratio, which is calculated by dividing total loans with interest bearing liabilities net of cash and cash equivalents by the total equity attributable to the parent entity. The Company's policy is to maintain leverage within an optimal range by comparing it with similar companies in Indonesia. this is done to ensure a good financial condition of the company and ensuring access to competitive sources of funding.

The Basis Used in the Determination of Management Policies on Capital Structure

The management policy on capital structure is based on the objective of protecting the Company's ability to maintain business continuity in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company complies with the applicable tax regulations, Regulation of the Minister of Finance No.169 / PMK.010 / 2015, where the maximum Debt to Equity (DER) allowed for tax purposes, which calculated using Interest Bearing Debt divided by Total Equity, is 4 : 1. As of 31 December 2020, DER of the Company was 0.72: 1. Under these conditions, the Company's debt to equity ratio was still complies with the above provisions.

Material Commitment for Capital Expenditure

Financial Services Authority Regulation No. 17/ POJK.04/2020 dated 21 April 2020 regarding Material Transactions and Changes in Business Activities stipulates that a transaction is categorized as a material transaction if the value is equal to or more than 20% of the public company's equity. During 2020, the Company did not conduct any material transactions with a value equal to or more than 20% of its equity, therefore no information regarding material commitment for capital ependiture.

Realization Of Capital Expenditures

Investment is an important activity to provide optimal benefit value for the Company in the future. The Company invests in capital goods through equity investment, fixed asset investment and development investment.

The Company's investment in capital expenditure throughout 2020 amounted to Rp1,293 billion, consisting of mining land; buildings, roads, bridges and ports; machine; heavy equipment and vehicles; and office supplies intended for investment and to support the Company's operations.

Below is the details of capital expenditures in 2020:

Capital Expenditure	Purpose	Value (In billion Rupiah)
Direct Ownership		
Mining properties	Investment and Operations	10
Buildings, roads, bridges and ports	Investment and Operational Support	25
Machinery	Operational Support	166
Heavy equipment and vehicles	Operational Support	37
Furnitures and Office Equipments	Operational Support	23
Assets in Development		
Land	Operational Support	27
Buildings, roads, bridges and ports	Operational Support	156
Machinery	Operational Support	786
Heavy equipment and vehicles	Operational Support	5
Equipments	Operational Support	58
Total		**1,293**

Material Information and Fact After Accountant Reporting Date

No material information and facts occurred after the Accountant reporting date.

Target Realization and Projections for the Following Year

Comparison of Initial Year Target and Realization

The Company set a number of of targets at the beginning of 2020, however the COVID-19 pandemic has affected various activities and economic conditoins. This has a significant impact on the cement industry and the Company's ability to achieve targets.

Production volumes and utilization rates must be adjusted to the declining cement demand last year. In addition, market competition increased as players must maintain utilization through more aggressive promotions.

This can be seen from the Company's net profit in 2020 which was 16.72% higher than the previous year.

Projections for the Following Year

In 2021, with the COVID-19 vaccination program and economic growth that the government predicts to increase by 5%, domestic cement demand is expected to grow as well. In addition, the government has allocated a 2021 infrastructure budget that is higher compared to 2020 budget which will be one of the drivers for domestic cement demand. SIG expects to increase its sales volume in 2021, both from domestic and export sales.

Dividend Policy And Distribution

Dividend Policy

Law No. 40 of 2007 concerning Limited Liability Companies stipulates that dividend distribution is carried out based on the resolution of the General Meeting of Shareholders.

The Company pays attention to the rights of the shareholders while still considering the financial condition of the Company. The determination of the Company's dividends is carried out by considering the net profit received in the fiscal year, the Company's obligation to allocate reserve funds in accordance with applicable regulations, as well as the Company's financial condition. In addition, the Company also refers to future growth rates and expansion plans as consideration.

The Company is required to pay cash dividend to rightful shareholders no later than 30 days after the announcement of the AGMS summary which decides the distribution of cash dividends.

Chronology of Dividend Distribution

The chronology of dividend distribution in the last two fiscal years are as follows:

Description	Fiscal Year 2019	Fiscal Year 2020
Profit for the Year Attributable to Owners of Parent Entity (Rp million)	2,392,151	3,079,115
Total Dividend (Rp million)	239,215	1,231,646
Dividend per Share (Rp)	40.34	207.64
Payout Ratio	10%	40%
Announcement Date	22 June 2020	22 May 2019
Payment Date	23 July 2020	21 June 2019

Compliance of Tax Payment

As a company that complies with applicable regulations, SIG has fulfilled its obligations to pay taxes which are part of the Company's contribution to the state. The tax contributions from the Company in 2019 and 2020 are as follows:

in million Rupiah

Tax	2020	2019
Income Tax	1,911,199	1,418,699
Value Added Tax	1,480,573	1,667,673
Import Duty	22,178	26,404
Property Tax	56,315	24,124
Local Tax	261,547	604,555
Total	**3,731,812**	**3,741,455**

Share Ownership Program

The Company has no share ownership program for employees and/or management (ESOP/MSOP).

Material Information Regarding Investment, Expansion, Divestment, Merger/Consolidation, Acquisition, and Debt/Capital Restructure

In the first quarter of 2020, the Company mitigated the impact of the economic downturn due to the COVID-19 pandemic on the cement industry and its derivatives by establishing financial policies in times of crisis. The Company made adjustments by reviewing the Company's activity plans and monitoring more closely any changes in the business environment, trends in cement demand as the main source of revenue, and carrying out efficiency and optimization.

The Company also adjusts its capital expenditure (capex) plan by focusing on Mandatory capex (for compliance with applicable laws and regulations), capex for Operational Continuity (to maintain the continuity of the Company's business operations) and capital expenditures that have become commitments with the external parties at the previous year. Meanwhile, the capex for supporting operational activities, such as the procurement of facilities and infrastructure, were postponed.

Capital expenditures for development have also been delayed, except for those that can provide quick yields in increasing revenue or increasing efficiency. Such policy was to maintain the Company's financial resilience in order to ensure the Company sustain the declining economic due to the COVID-19 pandemic, which was estimated unable to recover in the next one or two years.

Expansion

In 2020, there was no material information regarding expansion carried out by the Company.

Divestment

In 2020, there was no material information regarding divestment carried out by the Company.

Merger/Consolidation

In 2020, there was no material information regarding merger/consolidation carried out by the Company.

Debt/Capital Restructure

In 2020, there was no material information regarding the debt/capital restructure carried out by the Company.

Realization of Proceeds Use from Public Offering

In 2020, there were no public offering made by the Company, either issuance of equity or debt securities. All proceeds from the Public Offering of the Obligasi Berkelanjutan I Semen Indonesia Tahap II Tahun 2019 has been used entirely in 2019 as reported in the 2019 Annual Report.

Material Transaction Information Containing Conflict of Interest and/or Transactions with Affiliated Parties

Transactions containing Conflict of Interest

In 2020, the Company did not conduct transactions that contain conflict of interest. All of the Company's transactions have been carried out in accordance with the terms and conditions as well as economic benefits that are substantially comparable to transactions with third parties.

Fairness and Reason of Transaction

All transactions in 2020 were carried out fairly (Arm's Length) and in accordance with normal commercial terms. Transactions with related parties have been carried out fairly in accordance with laws and regulations. Transactions are carried out based on the needs of the Company and are free from conflicts of interest. With regard to transactions with related parties, the Company and Subsidiaries conduct transactions with related parties as defined in SFAS No. 7 "Related Party Disclosures" and Bapepam & LK Regulation No. KEP-347 / BL / 2012 dated 25 June 2012 concerning "Presentation and Disclosure of Financial Statements of Issuers or Public Companies".

Name, Nature of Relationships, and Balance

The Company and its subsidiaries have transactions with related parties as stated in Note No. 30 "Nature and Related Party Transactions" in the Consolidated Financial Statements, as part of this Annual Report.

The Company has a balance of assets, liabilities, revenues and expenses related to the transactions with related parties which are recorded in the following accounts: cash and cash equivalents, trade receivables, other receivables, trade payables, other payables, short-term borrowings and long-term borrowings. revenue, cost of revenue, finance income and finance cost.

Changes in the Laws and Regulations related to the Company in the Last Fiscal Year

No.	Regulation	Description	Impact to the Company
1.	Law Number 3 of 2020 regarding Amendments to Law Number 4 of 2009 regarding Mineral and Coal Mining	Refinement of regulation related to the coal and mineral mining activities in Indonesia. The government will issue the derivatives of this regulation.	Changes in arrangements relating to the Company's mining activities.
2.	Financial Services Authority (OJK) Regulation No. 15/POJK.04/2020 on Planning and Holding General Meeting of Shareholders	The use of information technology in running AGMS, including providing information related to the AGMS so as to improve efficiency and effectivity in the AGMS execution	Arrangement in granting power of attorney electronically and in the media for GMS announcement
3.	Financial Service Authority (OJK) Regulation No. 16 /POJK.04/2020 on Holding Virtual General Meeting of Shareholders	The implementation of an electronic GMS is another alternative that can be carried out by the Company. The implementation of the GMS electronically can be done using the e-GMS provided by the e-GMS Provider or the system provided by the Public Company itself.	The Company can conduct AGMS virtually as an alternative to a physical AGMS.

No.	Regulation	Explanation	Impact to Company
4.	Financial Service Authority (OJK) Regulation No.17 /POJK.04/2020 on Material Transaction and Changes in Business Activities	Refining the definition and procedure for Material Transaction, clarifying the substance of regulation, and improve regulation effectiveness in order to improve protection towards the public shareholders and transparency in Material Transaction and Changes in Business Activities.	Clarify the definition of Material Transaction and Changes of Business Activities in order to support the Company's corporate action.
5.	OJK Regulation No. 42/POJK.04/2020 on Affiliated Transaction and Transaction with Conflict of Interest	Refining the definition, scope, and procedure of The Affiliated Transaction and Transaction with Conflict of Interest, clarifying the substance of the Regulation, and improve regulation effectiveness in order to improve protection towards the public shareholders and the quality of transparency in Affiliated Transaction and Transaction with Conflict of Interest.	Clarify the arrangement for Affiliated Transaction and Transaction with Conflict of Interest in order to support the Company's corporate action.
6.	Minister of SoE Regulation No. PER-02/ MBU/04/2020 regarding the Third Amendment to the Regulation of the Minister of SoE No. PER-09/ MBU/07/2015 on Partnership Program and SoE's Community Development	Encouraging the acceleration of the Partnership Program and the Community Development Program for SoE to provide a strong foundation for SoE in tackling the spread of the COVID-19 outbreak through environmental development programs	Refining the internal CSR process
7.	Minister of SoE Regulation No. PER-04/MBU/06/2020 concerning Amendments to the Regulation of the State Minister for SoE Number PER-03/ MBU/2012 concerning Guidelines for the Appointment of Members of the Board of Directors and Members of the Board of Commissioners for Subsidiaries of State-Owned Enterprise	To create a process of candidate nomination for Board of Directors and Commissioners in SoE's subsidiaries so it will become more accountable to fulfill the need of the subsidiary while maintaining a recent trend in management practice suitable to the SoE's industry.	Refining the guideline for appointing SoE's Board of Directors
8.	Minister of SoE Regulation No. PER-10/ MBU/10/2020 on Amendment to the Regulation of Minister of SoE No. PER-02/MBU/02/2015 regarding Requirements and Procedures for Appointment and Dismissal of the SoE's Board Member	To obtain a more competent and experienced Board of Commissioners/ Advisory, improve the advisory role of the Board of Commissioners/Advisory, and create a good governance in the nomination of the Board of Commissioners/ Advisory suitable to the current need.	Refining the guideline for appointment and dismissal of the member(s) of the Board of Commissioners
9.	Minister of SoE Regulation No. PER-11/MBU/11/2020 regarding Management Contracts and Annual Management Contracts for the Directors of SoE	Determination of references regarding management contracts for prospective members of the Board of Directors of State Owned Enterprises and performance indicators to monitor and assess the effectiveness of the implementation of duties of members of the Board of Directors	Adjustments to Management Contracts and Management Contracts Annual Directors
10.	Minister of SoE Regulation No. PER-12/ MBU/11/2020 on the Fifth Amendment to the Regulation of Minsiter of SoE No. PER- 04/MBU/2014 concerning Guideline for Remuneration for Board of Directors and Commissioners and the Supervisory Board of SoE.	Restructure of the remuneration system for the executive bodies of an SoE.	Refining the structure of Director's income

Changes In Accounting Policies

In 2020, a number of new accounting standards and amendments to accounting standards effective as of 1 January 2020 were adopted in the Company's financial statements. This includes:

- SFAS 71: Financial Instruments
- SFAS 72: Revenue from Contracts with Customers
- SFAS 73: Lease
- Annual improvements on SFAS 1: Presentation of Financial Statement.
- Annual improvements on SFAS 25: Accounting Policies, Changes in Accounting Estimates and Errors.
- Amendment of SFAS 15: Investments in Associates and Joint Ventures.
- The amendments of SFAS 55: Financial Instruments: Recognition and Measurement.
- The amendments of SFAS 60: Financial Instruments Disclosure.
- ISAK 36: Interpretation of the Interaction between Provisions regarding Land Rights in SFAS 16: Fixed Assets and SFAS 73: Leases.

Except for the changes described in the Financial Statement note 2.b, the implementation of these standards did not result in any substaintial changes in the Group's accounting policies and did not have a material impact on the consolidated financial statements for 2020 or the previous year.

Business Prospect

Indonesia has a very large potential for cement demand since it is one of the most densely populated countries in the world with a population of around 270 million, most of whom are in the productive age group. Meanwhile, cement consumption per capita in Indonesia is still quite low compared to most other Asian countries.

Based on the census conducted in 2015, Indonesia had 11.4 million housing backlogs that have been addressed by the government through various affordable housing programs (source: ppdpp.id).

The government infrastructure budget also has a major influence on cement demand, especially from the bulk side. The Government infrastructure budget has increased by more than 150% in the 5 years period of 2015-2019 compared to the 5 years period of 2010-2014. The growth in bulk demand was much higher than the growth in bag demand, and the bulk portion in national cement consumption has increased from 22% in 2014 to 27% in 2019.

The COVID-19 pandemic has affected the economy and national cement demand, including demand from infrastructure projects in 2020. By 2021, the COVID-19 vaccine program is expected to increase public and business confidence. The government has also increased the infrastructure budget to Rp387.4 trillion to boost the economy because infrastructure has a large multiplier effect on economic growth which is expected to have a positive impact on cement demand.

5

Good Corporate Governance





GOOD CORPORATE GOVERNANCE POLICY

> SIG believes in the importance of implementing good corporate governance in supporting sustainable business performance, and also as a form of the Company's accountability to stakeholders.

Good Corporate Governance (GCG) is the principles that underlie a company management process and mechanism based on laws, regulations and business ethics. The implementation of GCG can be driven from ethical and regulatory perspective. Ethical drive (ethical driven) comes from the awareness of every individual who carries out business activities by prioritizing the company sustainability of the company, the interests of stakeholders, and avoiding ways to get instant profits. On the other hand, regulatory driven requires companies to comply with the prevailing laws and regulations.

SIG is committed to implementing GCG principles in every operational activity of the Company. For SIG, the application of GCG principles is not merely an effort to comply with applicable regulations, but also an important part of achieving optimum and sustainable business growth. The implementation of GCG is also part of the Company's participation to provide maximum contribution to the national development.

The Company believes in the importance of implementing GCG as a foundation and means of achieving the Company's vision, mission and objectives in maintaining the continuity of business activities as well as supporting sustainable economic growth.

The Company also believes that the implementation of GCG will encourage the creation of healthy competition and a conducive business climate. In addition, GCG implementation is also an important part of supporting sustainable economic growth and stability. This understanding underlies the Company's commitment to always uphold the implementation of GCG at every level of the organization and its operational activities.

Through high commitment and consistency to the implementation of good corporate governance, the Company believes that the implementation of GCG will prevent the practices of Corruption, Collusion and Nepotism and improve the supervisory function in the management of the Company.

SIG compliance commitment to GCG consists of several policies and related provisions, including:

- All levels of the Company are committed to implement all regulations and policies as part of the effort to implement best corporate governance practices. Such commitment is shown by the top management in making decisions and policies by always referring to the relevant rules and laws.
- Top management signs a Statement of Compliance with the Code of Ethics, a Statement of Conflict of Interest and a Statement of Share Ownership as a form of compliance with all rules contained in the company's ethical code of conduct. Statement of Compliance with the Code of Ethic is signed by all levels of the Company up to the executive level.
- Establish KPIs related to GCG implementation;
- Conducting entity level control tests to ensure the effectiveness of the implementation of internal control at the entity level in order to provide adequate assurance on the reliability of financial statements.

General Principle of GCG

The Company refers to the five (5) Good Corporate Governance principles called TARIF: *Transparency, Accountability, Responsibility, Independence* and *Fairness* as described below:

Principle	Description of the Principle	The Company's Commitment
Transparecy	The principle of transparency is openness in the decision-making process and in presenting material and relevant information about the Company. The company always complies with the laws and regulations governing the issue of information disclosure that applies to the Company. Transparency also includes matters that are relevant to the information needed by the public in relation to the Company's products and operational activities that can potentially influence stakeholder behavior.	We provide data and information to all stakeholders including financial report, annual report, corporate presentation, and other relevant information. All these information are available on the Company's website www.sig.id.
Accountability	Accountability refers to the clarity of function, implementation, and accountability of the Company's Organs to achieve an effective management. Accountability relates to the implementation of duties and authorities owned by a person or work unit in carrying out the responsibilities assigned to the Company. This accountability includes an explanation of the implementation of duties and authorities, reporting on the implementation of duties and authorities, as well as accountability for activities in carrying out these duties and authorities.	The Company has clearly defined the functions and responsibilities of each individual in the company in line with the established vision and mission, which is stated in the policy regarding the organizational structure and duties. This policy serves as a guide in carrying out the functions, duties and authorities of every individual in the company, to ensure that all actions taken can be clearly accounted for and contained in a performance report.
Responsibility	The principle of accountability is the conformity of the management of the Company with the prevailing laws and regulations as well as sound corporate principles.	The company ensures the conformity of company management with the stipulated regulations. The Company also complies with and improves compliance with the prevailing rules and regulations. This principle of compliance is applied by the company to maximize value, improve performance and contribution, and maintain the sustainability of the company.
Independence	The principle of independence is a condition in which the Company is managed professionally without conflict of interest and influence / pressure from any party that is not in accordance with applicable laws and regulations and sound corporate principles.	The Company believes that independence and professionalism in managing the company is a must. The Company always carries out every activity and decision independently, without coercion or pressure, and in accordance with applicable regulations.
Fairness	Fairness and equality in fulfilling the rights of stakeholders that arise based on agreements, laws and regulations.	The Company always provides a fair and reasonable portion in fulfilling the rights of the stakeholders. The Company also pays attention to the interests of shareholders and stakeholders based on the principles of equality and fairness.

Legal Basis for GCG Implementation

In implementing GCG, the Company refers to a number of regulations, including:

- Law No. 40 of 2007 concerning Limited Liability Companies.
- Law No. 19 of 2003 concerning State Owned Enterprises (BUMN).
- Law of the Republic of Indonesia Number 8 of 1995 regarding the Capital Market.
- Regulation of the Minister for State-Owned Enterprises No. PER-01 / MBU / 2011 regarding the Implementation of Good Corporate Governance in State-Owned Enterprises as amended by the Regulation of the Minister for State-Owned Enterprises Number PER-09 / MBU / 2012 concerning Amendments to the Regulation of the Minister for State-Owned Enterprises State Number PER-01/MBU/2011 concerning the Implementation of Good Corporate Governance in State-Owned Enterprises.Decree of the Secretary of the Ministry of State-Owned Enterprises No. SK-16 / S.MBU / 2012 regarding the Indicators/ Parameters for Assessment and Evaluation of the Implementation of Good Corporate Governance in State-Owned Enterprises.
- Financial Services Authority Regulation No. 21/ POJK.04/ 2015 concerning Implementation of Governance Guidelines for Public Companies. OJK Circular No. 32 SEOJK.04 / 2015 concerning Governance Guidelines for Public Companies.

THE DEVELOPMENT OF GOOD CORPORATE GOVERNANCE IMPLEMENTATION IN THE COMPANY

Establishment of GCG Quality Standards in the Company

In establishing quality standards for implementing GCG, SIG refers to the Decree of the Secretary of the Ministry of State-Owned Enterprises No SK-16 / S.MBU / 2012 concerning Indicators / Parameters for Assessment and Evaluation of the Implementation of Good Corporate Governance in SoE and Financial Services Authority Circular Letter Number 32 / SEOJK.04 / 2015 concerning Governance Guidelines for Public Companies.

Objective of GCG Implementation

The implementation of GCG principles within the Company is aimed at:

1. Optimizing the value of the Company in order to have strong competitiveness, both nationally and internationally to maintain its existence and sustainability in achieving the goals and objectives of the Company.
2. Encouraging professional, efficient and effective management of the Company, as well as empowering the function and independence of the Company's organs.
3. Encourage the Company's Organs to make decisions and carry out actions based on high moral values and compliance with laws and regulations, as well as awareness of the Company's social responsibility towards Stakeholders and the environment around the Company.
4. Improving the Company's contribution to the national economy.
5. Creating a more conducive climate for the growth of national investment.

GCG Dissemination within the Company

In 2020, coordination with all related work units has been carried out to provide an understanding of the indicators / parameters for assessment and evaluation of the implementation of GCG in companies and to follow up on recommendations for the previous year's GCG assessment.

Roadmap of GCG

The GCG Roadmap was prepared by the Company to provide a comprehensive overview of various aspects of corporate governance that need to be improved and foster commitment from the Management in implementing GCG followed by improvement and consistency in its implementation.

The Company has established a roadmap for implementing GCG with the aim of becoming an ethical and responsible company, by making good governance practices a culture in managing the company, as follows:



Development of GCG in 2020

In 2020, the company will conduct an assessment of the implementation of GCG in the form of an evaluation of the follow-up of the implementation of GCG in the company carried out in the following year after the assessment, which includes evaluation of the results of the assessment and follow-up on recommendations for improvements.

Monitoring and Assessment on GCG Implementation

To measure the development of the quality of GCG implementation, since 2009 the Company has consistently conducted an assessment of the implementation of GCG, both through self-assessment and by using third party services.

The GCG assessment is carried out to obtain an overview of the implementation of GCG in relation to applicable regulations so that areas that need improvement can be identified.

Criteria Used

The assessment and evaluation is carried out using indicators/parameters set by the Secretary of the Ministry of SoE through the Decree of the Secretary of the Ministry of State-Owned Enterprises No. SK-16 / S.MBU / 2012 concerning Indicators / Parameters for Assessment and Evaluation of the Implementation of Good Corporate Governance in State-Owned Enterprises, which was established on 6 June 2012.

The Party Conducting the Assessment

The company conducted a self-assessment by forming a GCG Implementation Evaluator Team to evaluate the implementation of GCG in 2020. The team was assisted by an independent appraiser, namely PT Multi Utama Indojasa (MUC Consulting Group).

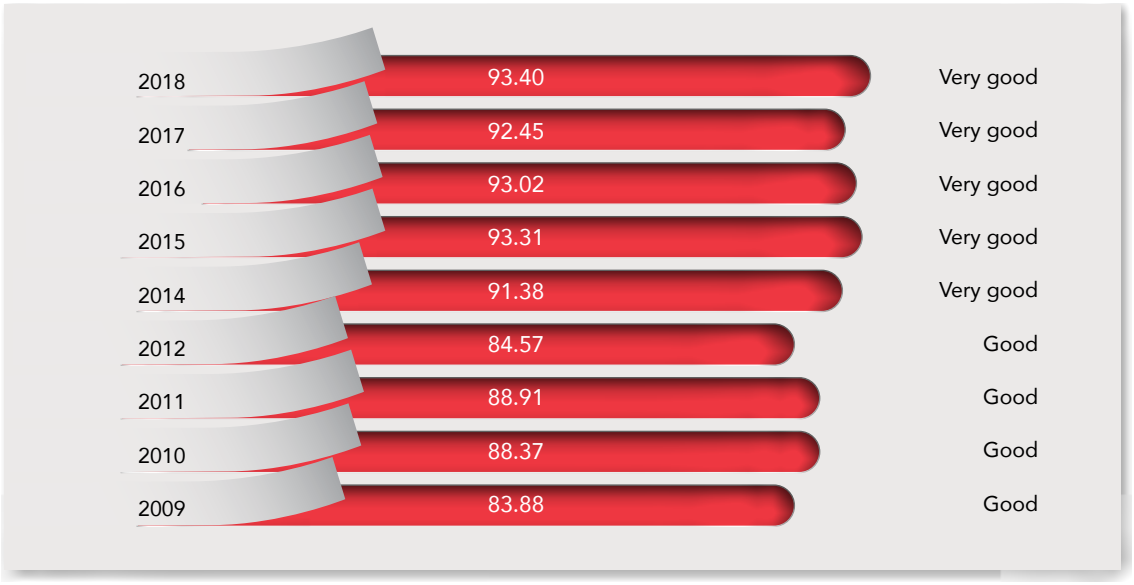
2020 Assessment Result

In 2020, the total score obtained by the Company is **95,079**. The overall assessment results of the Company's GCG implementation in 2020 received the predicate "**Very Good**." This achievement was an increase compared to the previous year's score, which was **94,537** with the qualification of "**Very Good**" as well.

2010-2020 GCG Assessment Evaluation Result

The assessment results of the GCG implementation from 2009 to 2020 using the criteria of the Ministry of SoEs are as follows:

Year	GCG Assessment Score	Assessor	Category
2020	95.08	Internal GCG Implementation Evaluator Team and PT Multi Utama Indojasa (MUC Consulting Group)	Very Good
2019	94.54	PT Sinergi Daya Prima	Very Good



ASEAN Corporate Governance Scorecard

As a public company, SIG participates in the Asean Corporate Governance Scorecars (ASEAN CG) which is one of the standards for implementing GCG practices based on the principles of the Organization for Economic Cooperation and Development (OECD) Corporate Governance issued by the ASEAN Capital Market Forum.

There are 6 criterias used as a reference in the ASEAN CG assessment, including:

1. Right of shareholders
2. Equitable treatment of shareholders
3. Roles of stakeholders
4. Disclosure and transparency
5. Responsibilities of the board
6. Bonus / penalty as additional criteria

Based on the assessment conducted by the Indonesian Institute For Corporate Directorship (IICD), the following results were obtained:

Year	ASEAN CG SCORE
2019	84.96 (Good) Award: Best Right Of Shareholders
2018	84.15 (Good) Award: Top 50 Emiten BigCap
2017	93.37 (Very Good) Award: Best State Owned Enterprise
2016	77.57 (Fair)

Until this Annual Report is published, the assessor has not announced the results of the assessment of the ASEAN CG scores for the 2020 fiscal year.



Recommendation based on the Asean Corporate Governance Assessment

IICD's assessment delivers results and recommendations as below:

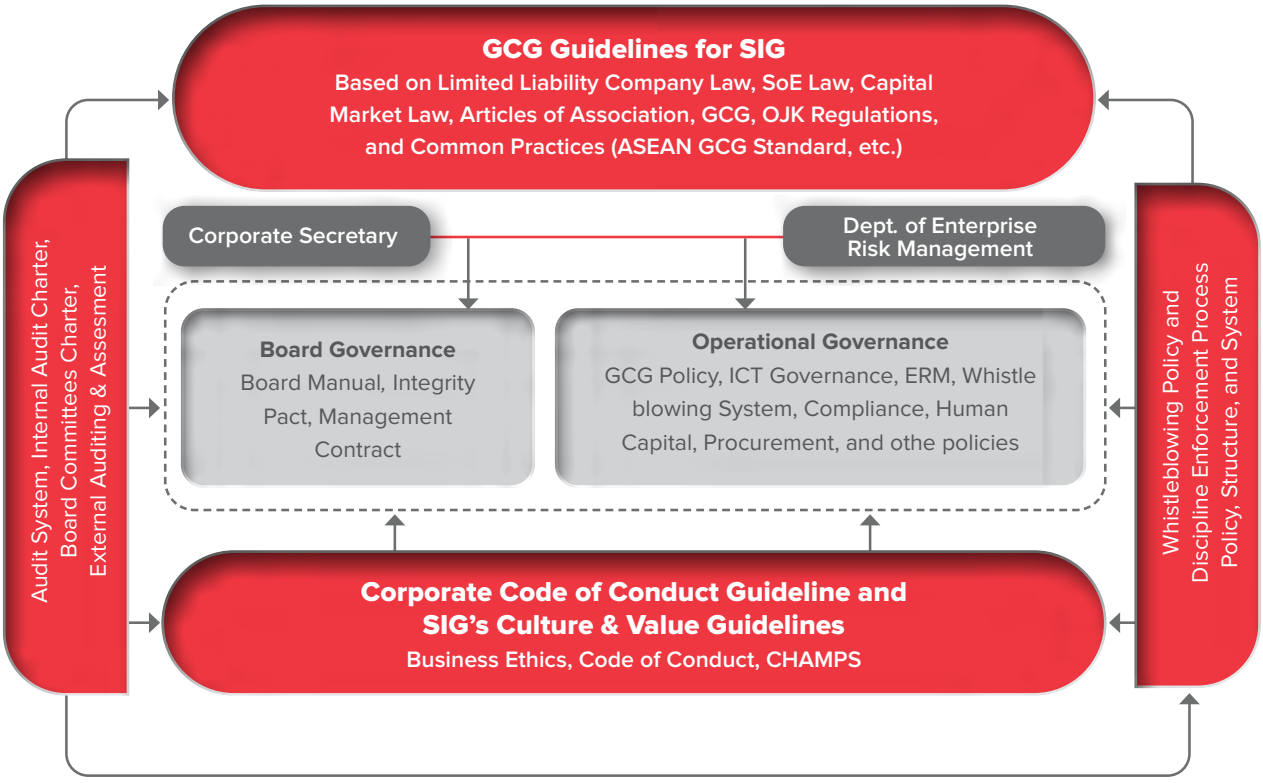


CORPORATE GOVERNANCE STRUCTURE

The general structure of corporate governance is reflected in the main organs of the Company, namely the General Meeting of Shareholders (GMS), the Board of Commissioners and Directors and other supporting organs. The implementation of corporate governance is carried out systematically and continuously by making GCG principles a reference in daily activities. The Board of Commissioners has established functional committees to empower the supervisory function, which consists of the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management and Investment Strategy Committee (SMRI). In accordance with Permen No. 01/2011 / KBUMN, the Board of Directors is also supported by working units that conduct control, oversee and responsible for the GCG implementation as well as serve as working partner of committees under the Board of Commissioners.

Corporate Governance Mechanism

The close relationship between work units that manage GCG as in the chart below shows the implementation of the Company's well-organized mechanism in which all GCG organs have separate responsibilities but still carry out the implementation of GCG in an integrated manner.



The GMS has the highest authority where the shareholders will carefully consider their decisions based on the long-term interests of the Company. After the decisions are made, the AGMS will hand over all supervisory authority and implementation of the decision to the Board of Commissioners and Directors.

Based on this mechanism, the management of the Company and the implementation of each AGMS decision is to be carried out by the Board of Directors. The Board of Commissioners supervises and provides advice to ensure that the Company's objectives and the resolutions of the AGMS are implemented and achieved. In carrying out its work, the Board of Commissioners is assisted by the organs of the Board of Commissioners, namely the Secretary of the Board of Commissioners, the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management and Investment Strategy Committee.

The Board of Directors, who is responsible for managing the Company, will be assisted in carrying out these management duties by the Corporate Secretary, the Internal Audit, and other working units that manage the Company's management functions.

The Company also conducts an independent audit on financial statements by a accountant since it is a fundamental information that reflects the Company's performance and how the company's management is carried out.



THE IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE

As an issuer in the capital market, the Company has an obligation to disclose information regarding the implementation of the recommendations in the Governance Guidelines as stipulated in the Financial Services Authority Regulation No. 21/POJK.04/2015 regarding the implementation of Good Corporate Governance for Public Listed Companies and the Financial Services Authority circular letter No. 32/SEOJK.04/2015 regarding Good Corporate Governance Guidelines for Public Listed Companies. The said guidelines covered 5 aspects, 8 principles, and 25 recommendations for the implementation of GCG aspects and principles. The application of those recommendations is described below:

No	Principle	Recommendation	Implementation in SIG
I	**Principle 1** Improve the Value of AGMS	Public companies have technical voting methods or procedures, both openly and privately, that prioritize independence and the interests of shareholders.	Such recommendation has been implemented and the voting mechanism has been stipulated in the rules of the GMS.
		All members of Board of Directors and Commissioners of the public listed Company are present in the AGMS.	This recommendation has been implemented where all the Board of Directors and the Board of Commissioners attended the AGMS which was held on 19 June 2020.
		The summary of the minutes of the GMS is available on the Public Company Website for at least 1 (one) year.	This recommendation has been implemented wherein a summary of the GMS minutes is available on the company's website, www.sig.id
	Principle 2 Improve the Quality of the Public Company's Communication to Shareholders or Investors	The Public Company has a communication policy with shareholders and investors.	This recommendation has been applied. The highlights are available on www.sig.id
		The Public Company discloses the communication policy of the Public Company with shareholders or investors on the Website.	This recommendation has been implemented where the Policy has been set out in a code of conduct and is available on the company website.
II	**Principle 3** Strengthen Membership and Composition of the Board of Commissioners	Decision on the number of members in the Board of Commissioners takes into account the condition of the Public Company.	Such recommendation has been implemented in accordance with the Articles of Association and GCG Guidelines of the Company. There are currently 7 (seven) Commissioners of the Company, this number has taken into account the characteristics, capacity, size and targets the company is trying to achieve.
		Decision on the composition of the Board of Commissioners takes into account the diversity of expertise, knowledge and experience required.	Has been implemented in accordance with the Articles of Association and GCG Guidelines of the Company. The composition of the Board of Commissioners consists of personnel with diverse backgrounds and expertise, so that they can provide advice and oversight from a wider variety of aspects.

No	Principle	Recommendation	Implementation in SIG
	Principle 4 Improving the Quality of Implementation of Duties and Responsibilities of the Board of Commissioners.	The Board of Commissioners has a self-assessment policy to assess BOC performance.	This recommendation has been implemented and regulated in the Board Manual of the Company.
		Self-assessment policies to assess the performance of the Board of Commissioners is disclosed in the Annual Report of the Public Company.	This recommendation has been implemented where the disclosures are as stated in the 2020 Annual Report.
		The Board of Commissioners has a policy relating to the resignation of BOC members involved in financial crimes.	The Company's code of ethics states that every individual in the Company is required to avoid all forms of potential conflict of interest that may harm the company. They are prohibited from engaging in activities that benefit their personal, family or relatives interests directly or indirectly in the Company. To avoid a conflict of interest, company personnel who are in a position to have a conflict of interest are obliged to free themselves from the situation or notify their superiors or parties responsible for this matter. In this regard, members of the Board of Commissioners must resign if they are involved in a financial crime or other crime related to the Company, considering that it will create a potential conflict of interest.
		The Board of Commissioners or the committee in charge of the Nomination and Remuneration functions designs a succession policy for members of the Board of Directors.	This recommendation has been mplemented. The Company has a Nomination and Remuneration Committee along with its Working Guidelines/Charter, which has been renewed based on the BOC's decree No. 003/SI/Kep.DK/04.2020 dated 16 April 2020.
III	**Principle 5** Strengthen Membership and Composition of the Board of Directors	The number of directors appointed takes into account the condition of the Company and effectiveness in decision-making.	The recommendation has been implemented in accordance with the Articles of Association and GCG Guidelines of the Company. There are currently 7 (seven) Directors of the Company, this number has taken into account the characteristics, capacity, size and goals of the Company.
		The Board of Directors' composition considers the range of expertise, knowledge and experience needed.	Such recommendation hass been implemented, in accordance with the Articles of Association and GCG Guidelines of the Company. The composition of the Board of Directors consists of personnels who have relevant experience and expertise in their fields, so that they have the ability to manage and develop the company's business.
		Members of the Board of Directors in charge of accounting or finance must have expertise and/or knowledge in accounting.	This recommendation has been implemented, the experience and education of the Director of Finance shows that he has met the requirements of expertise and knowledge for the fields of finance and accounting. The Annual Report contains information on the curriculum vitae of the Director of Finance who has studied Masters (S2) in Financial Management at Universitas Padjajaran graduated in 2005 and has served as Director of Finance at PT Rekayasa Industri as well as the CEO Region of PT Bank Negara Indonesia (Persero) Tbk.

No	Principle	Recommendation	Implementation in SIG
	Principle 6 Improving the Quality of Implementation of Duties and Responsibilities of the Board of Directors	The Board of Director has a self-assessment policy to assess BOD performance.	Key Performance Indicators (KPI) of Directors in the Company follow the KPI Guidelines for SoEs as stated in the Regulation of the Minister of SoE regarding Management Contracts and Annual Management Contracts for Directors of State-Owned Enterprises (SoE Ministerial Regulation No PER - 11 / MBU / 11/2020). The Board of Directors' KPIs consist of Collegial/Collictive KPIs and the Individually/per Directorate KPI. The collegial/ collective KPI for the Board of Directors is also the KPI for the individual Directors for the President Director. Meanwhile, the KPI for Individual/per Directorate for other Directors consists of a composition of 40% (forty percent) of the Collegial/Collective KPI which is entirely cascaded and 60% (sixty percent) of the Individual KPI of the Board of Directors which is determined from the tasks and work programs of each Director. This provision also regulates the periodic and annual reporting of KPIs to the Board of Commissioners, in which the Collective KPI reports as well as the individual KPI of the Board of Directors need to be reviewed by the Public Accountant Office (KAP) so that the implementation of the assessment, both self-assessment and external assessment on the Board of Directors performance can be performed optimally in accordance with applicable regulations. As written on: The Minister of SoEs' regulation about the Contract Management and Annual Contract Management for Directors of an SoE (Permen BUMN No. PER – 11/MBU/11/2020).
		Self-assessment policies to assess the performance of the Board of Directors is disclosed in the Annual Report of the Public Company.	According to the Minister of SoEs' regulation about Contract Management and Annual Contract Management for Directors of an SoE (Permen BUMN No. PER – 11/ MBU/11/2020), the Directors' performance should be reported periodically and annually to the Board of Commissioners. The annual report should also be reviewed by a public accounting firm to assess compliance and fairness of the Directors' KPI in the Company. For the submission of Collective / Collective KPI Reports in the Company's Annual Report in a public manner, it will be further regulated in accordance with the provisions & Company policies. As written on: The Minister of SoEs' regulation about the Contract Management and Annual Contract Management for Directors of an SoE (Permen BUMN No. PER – 11/MBU/11/2020)
		The Board of Directors possesses a policy relating to the resignation of members involved in financial crimes	This recommendation has been applied as written in the Board Manual.

No	Principle	Recommendation	Implementation in SIG
IV	**Principle 7** Improving Aspect of the Company's Good Corporate Governance through Stakeholder Engagement	The Public Company possesses a policy to prevent insider trading	The policy about insider trading is stipulated in the Code of Conduct on Chapter III, The Company's Behavioral Ethics
		The Public Company has an anti-corruption and anti-fraud policy	This recommendation has been applied. The Company has the policy, the Gratification Control and Anti-Bribery Team, and has received ISO 37001 certificate.
		The Public Company has a policy for the selection and capacity building of suppliers and vendors.	The Company has applied the following (as per 1 October 2020): 1. SIG Behavioral Ethics Guideline, Chapter II Point 2.4. about Supplier Relationship 2. Work Procedures and Instructions which regulates the procurement process: • Procedure for Procurement of Goods and Services No. P/SIG/PRO/001 • Work Instruction for Master Data Vendor No. IK/SMI/PRO/50052887/001 • Work Instruction for Vendor Evaluation No. IK/SMI/PRO/50052887/002
		The Public Company has a policy about fulfillment of creditors' rights.	The policy about fulfillment of creditors' rights is stipulated in the Group Financing Policy. Such policy is used as a reference in implementing group financing program, including how to fulfill creditors' rights
		The Public Company has a whistleblowing system	This recommendation has been applied. The company has a policy and procedures to report possible violations.
		The Public Company has a policy about long-term incentives for Directors and employees	Not yet implemented. Long-term incentives based on the Company's long-term achievement for the Directors or employees, still require further review and calculation, taking into account the consequences.
V	**Principle 8** Improving the implementation of information disclosure	Public Company uses information technology beyond a website more widely as tools for information disclosure.	This recommendation has been applied. Technology has been used to disclose information, among others: Corporate WhatsApp, email, intranet, internal media, including the OJK-BEI electronic reporting system, as written in the Communication policy available on the company's website, www.sig.id
		The Public Company's annual report reveals the beneficiaries in the Public Company whose shares is at least 5% (five percent), beyond revealing the beneficiaries of key and controlling shareholders.	There is no share ownership of more than 5% other than the Ministry of SoE which is stated in the Annual Report.

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders (GMS) is the organ of the company that holds the highest power and authority. The authority of the GMS includes, among other things, appointing and dismissing members of the Board of Commissioners and Directors, evaluating the performance of the Board of Commissioners and Directors, approving amendments to the Articles of Association, approving annual reports and determining the form and amount of remuneration for members of the Board of Commissioners and Directors.

The GMS is conducted with reference to:
1. Law of the Republic of Indonesia No. 40 of 2007 on Limited Liability Company.
2. Law of the Republic of Indonesia No. 19 of 2003 on State-Owned Enterprises (SoE).
3. Financial Services Authority Regulation No. 15 POJK.04/2020 regarding the Planning and Holding General Meeting of Shareholders of Public Companies.
4. Financial Services Authority's Regulation No. 16/POJK.04/2020 regarding Holding Virtual General Meeting of Shareholders.
5. The Company's Article of Association.

Types of AGMS

1. Annual GMS is a General Meeting of Shareholders which is held annually not later than 6 (six) months after the Company's fiscal year ends. The agenda in the Annual GMS includes:
   a. Ratification of annual reports on the condition and operation of the Company.
   b. Determination of the use of net income.
   c. Appointment of an independent auditor registered with the Financial Services Authority (OJK).
   d. Appointment of members of the Board of Directors and Board of Commissioners (if necessary).
   e. other matters that have been submitted at the meeting in accordance with the provisions of the Articles of Association and the Limited Liability Company Law.
2. Extraordinary GMS is a GMS which is held from time to time based on the need to determine or decide on matters that are not carried out in the Annual GMS.

Authority of AGMS

GMS holds the right to appoint and dismiss members of the Board of Commissioners and Directors, approve changes and ratification of the Articles of Association, approve the Annual Report and make decisions related to the corporate actions or other strategic decisions submitted by the Board of Directors.

The decisions made at the GMS are based on the interests of the Company. Without reducing the power and authority possessed by the GMS, the GMS or Shareholders cannot intervene in the duties, functions and powers of the Board of Commissioners and Directors to carry out their obligations and rights in accordance with the Articles of Association as well as laws and regulations. GMS decisions are made in a fair and transparent manner.

Shareholders

Shareholders are individuals or legal entities that legally own the shares of the Company. Under the Articles of Association, the Shareholders of the Company consists of:

- Series A Dwiwarna, which can only be owned by the Republic of Indonesia; and
- Series B, which can be owned by the Republic of Indonesia and/or the public.

Rights of Shareholders

The Company recognizes a legal person or entity as the party authorized to exercise the rights granted by law to shares. Shareholders of Series A Dwiwarna and Series B Shares have the same rights and every 1 (one) share provides 1 (one) vote. According to the Articles of Association, the shares of Series A Dwiwarna is a special share owned by the Republic of Indonesia.

The privileg of Shareholders of Series A Dwiwarna are:

1. The right to approve the GMS on the following matters:
   a. Approval of amendment in the Articles of Association.
   b. Approval of change in capital.
   c. Approval to appoint and dismiss member the Board of Directors and Commissioners.
   d. Approval related to merger, consolidation, acquisition, separation and dissolution.
   e. Approval of the remuneration of members of the Board of Directors and Commissioners.
   f. Approval of transfer of assets which based on the Articles of Association requires approval of the GMS.
   g. Approval of participation and reduction in percentage of equity participation in other companies which, based on the Articles of Association, require approval from the GMS.
   h. Approval on the use of profits.
   i. Approval of long-term investment and non-operational financing which based on the Articles of Association requires GMS approval.
2. The right to nominate candidates for members of the Board of Directors and Commissioners.
3. The right to propose agenda in the GMS.
4. The right to request and access company data and documents with the mechanism of exercising such rights in accordance with the provisions of this Articles of Association and laws and regulations.

GMS Implementation Procedure

The procedure for holding GMS is in accordance to the Law of the Republic of Indonesia No. 40 of 2007 on Limited Liability Companies as well as in the Financial Services Authority Regulations No. 15/POJK.04/2014 regarding the Planning and Holding General Meeting of Shareholders of Public Company and the Company's Articles of Association.

1. Proposal for Holding GMS
   GMS is held by the Directors. The BOC or shareholder(s) that comprises one tenth or more of the number of shares could submitted a GMS to the Directors.
2. Announcement of GMS Agenda
   Submission of the agenda to the OJK no later than 5 (five) Business Days prior to the announcement of the GMS.
3. GMS Announcement
   Announcement of the GMS to shareholders no later than 14 days prior to the invitation through daily newspapers, the Stock Exchange website and the Company's website informing the provisions of shareholders who are entitled to attend and proposing meeting agenda, the date, and the invitation for the GMS
4. Calling of GMS
   The calling of GMS to shareholders is no later than 21 days prior to the date of GMS through daily newspapers, the Stock Exchange and Company Web sites informing the date, time and place of the GMS, provisions of the shareholders who are entitled to attend, agenda items including an explanation of each agenda item.

The 2020 Annual GMS and the Resolutions

The GMS is held in accordance with the interests of the Company, the Articles of Association and laws and regulations, and is held with adequate preparation in order to make legal, fair and transparent decisions by taking into account the sustainability of the Company.

The 2020 GMS

PT Semen Indonesia (Persero) Tbk held the Annual General Meeting of Shareholders for Fiscal Year 2020 (the Meeting) on Friday, 19 June 2020 at 14:31 to 15:55 Jakarta time, at the Company's office, South Quarter Tower A, 20th floor, Jl. R.A. Kartini, Kav. 8, Cilandak Barat, South Jakarta.

Stages of the GMS

Stages of the Annual General Meeting of Shareholders for the 2019 FIscal Year are illustrated in the following table

OJK Submission	Announcement	The Calling for GMS	Implementation	Resolution
The Company submit the Annual GMS agenda to the Financial Services Authority on 9 March 2020 as stated in the letter No. 2441/ KS.08.02/ SUP/ 50045147/2000/ 03.2020	The Company published an announcement on the Annual GMS in Republika on 13 May 2020, the Company's website, the Stock Exchange, and Indonesia Central Securities Depository (KSEI).	The Company has called the Shareholders for the Annual GMS in Bisnis Indonesia on 28 May 2020, the Company's website, the Stock Exchange, and the KSEI.	The Company held the Annual GMS on Friday, 19 June 2020, in its office.	Minutes of Meetings from the Annual GMS was published in Bisnis Indonesia on 23 June 2020, on the Company's website, the Stock Exchange website, and the KSEI.

Code of Conduct of GMS

1. Shareholders or their proxies were given the opportunity to submit questions and/or opinions related to the topic being discussed, before the vote.
2. The voting was conducted by physically raising hands or electronically using the eASY.KSEI system.
3. The Company appointed an independent party Notary Leolin Jayayanti, SH., M.Kn. and Securities Administration Bureau PT Datindo Entrycom to execute the counting and/or validate the votes.

The meeting was attended by the Board of Commissioners and Directors, Notary, Witnesses, and Shareholders/their Proxies with a sum of 4,939,508,364 registered shares, including Series A Dwiwarna, equivalent to 83.27% of the total shares issued by the Company amounted to 5,931,520,000 shares.

The meeting was attended by the following members of the Board of Commissioners and Directors:

President Commissioner	:	Soekarwo
Independent Commissioner	:	Mochamad Choliq
Commissioner	:	Hendrika Nora Osloi Sinaga
Commissioner	:	Lydia Silvanna Djaman
Commissioner	:	Astera Primanto Bhakti
Independent Commissioner	:	Nasaruddin Umar
Commissioner	:	Sony Subrata

President Director	:	Hendi Prio Santoso
Director of Finance	:	Doddy Sulasmono Diniawan
Director of Business Strategy and Development	:	Fadjar Judisiawan
Director of Human Capital and Legal	:	Tina T. Kemala Intan
Director of Marketing and Supply Chain	:	Adi Munandir
Director of Engineering and Projects	:	Tri Abdisatrijo
Director of Productions	:	Benny Wendry

2020 Annual GMS Resolutions

The Resolutions for the 2020 Annual GMS have been stated in the deed of Minutes of Meeting No. 45/NOT/VI/2020 dated 19 June 2020, certified by Notary Leolin Jayayanti, SH., M.Kn., as follows:

First Agenda	Approved the Annual Report of Fiscal Year 2019, including the Board of Commissioners' Supervision Task Report for Fiscal Year 2019, and the ratification of the Financial Statements for the Fiscal Year 2019, as well as the granting of full acquittal and discharge of responsibility (*volledig acquit et decharge*) to the Board of Commissioners and Directors for the Company's management and supervision duties carried out during the Fiscal Year 2019.		
Number of Shareholders Asking Questions	3		
Decision Making	**Voting**		
	Affirmative	**Non Affirmative**	**Abstain**
	4,927,776,685 (99.76%)	187,100 (0.003%)	11,544,579 (0.23%)
Decision	Approved the 2019 Annual Report including the Board of Commissioners' Supervision Task Report and ratified the Company's Financial Statements for the 2019 Financial Year which have been audited by Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan (a member firm of PricewaterhouseCoopers) according to their report No. 00297 / 2.1025 / AU. 1/04 / 0222-1 / 1 / III / 2020 dated 12 March 2020 with the opinion "fair in all material respects, the consolidated financial position of PT Semen Indonesia (Persero) Tbk. and its subsidiaries as at 31 December 2019, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards", as well as providing full acquittal and discharge of responsibility (volledig acquit et de charge) to the Board of Directors and The Board of Commissioners of the Company for management and supervisory actions that have been carried out in the Financial Year ending on December 31, 2019 as long as these actions are not criminal offense and are reflected in the Company's report books.		
Follow-up/Execution	Resolution effective immediately		

Second Agenda	Ratification of the Annual Report for the Partnership and Community Development Program for Fiscal Year 2019, as well as granting acquittal and discharge to the Board of Directors and Commissioners for the management and supervision of the partnership and community development program carried out during Fiscal Year 2019.		
Number of Shareholders Asking Questions	None		
Decision Making	**Voting**		
	Affirmative	**Non Affirmative**	**Abstain**
	4,927,776,685 (99.43%)	187,100 (0.51%)	11,544,579 (0.23%)
Decision	Approved the Annual Report of the Partnership and Community Development Program for Fiscal Year 2019 and ratified the Financial Statements of the Partnership and Community Development Program audited by Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan (a member firm of PricewaterhouseCoopers), according to their report No. N20200316006/DC2/MJW/ 2020 dated 16 March 2020, as well as providing full redemption and release of responsibility (*volledig acquit et de charge*) to the Board of Directors and Commissioners of the Company for the management and supervision duties of the Partnership and Community Development Program for the Fiscal Year 2019, as long as these actions do not constitute criminal offenses and is reflected in the Company's report.		
Follow-up/Execution	Resolution effective immediately		

Third Agenda	Appointment of use of the Company's net profit from the Fiscal Year 2019.		
Number of Shareholders Asking Questions	2		
Decision Making	**Voting**		
	Affirmative	**Non Affirmative**	**Abstain**
	4,911,724,264 (99.43%)	25,380,000 (0.51%)	2,404,100 (0.04%)
Decision	1. Determine the use of Net Profit Attributable to the Holding Company's Shareholders for fiscal year 2019 amounting to Rp2,392,151,000,000,- as follows: • 10% or Rp239,215,100,000,- determined as cash dividends, thus the dividend for the Government of Indonesia with 51.01% of shares amounted to Rp122,023,622,510,- • 90% or Rp2,152,935,900,000,- is designated as other reserves. 2. Granted authority and power to the Board of Directors of the Company with the right of substitution to further regulate the procedure and implementation of the distribution of cash dividends in accordance with applicable regulations, including rounding up for payment of dividends per share.		
Follow-up/Execution	The Company has paid dividends as scheduled on 23 July 2020.		

Fourth Agenda	Determined the Fiscal Year 2019 tantiem, salary for the Board of Directors and honorarium for the Board of Commissioners along with facilities and other benefits for 2020.		
Number of Shareholders Asking Questions	-		
Decision Making	**Voting**		
	Affirmative	**Non Affirmative**	**Abstain**
	4,587,176,745 (92.86%)	305,423,911 (6.18%)	46,907,708 (0.94%)
Decision	1. Granted authority and power to the Dwiwarna A Series Shareholders to determine the amount of the tantiem for the Fiscal Year 2019, as well as determine the honorarium, benefits and facilities for members of the Board of Commissioners for 2020; and 2. Granted authority and power to the Board of Commissioners by first obtaining written approval from Dwiwarna A Series Shareholders to determine the amount of tantiem for Fiscal Year 2019, as well as determine salary, benefits, facilities and other incentives for the Board of Directors for 2020.		
Follow-up/Execution	Series A shareholders have determined the tantiem and honorarium of the Board of Commissioners and Directors through letter No. S-4/Wk1.MBU.F/08/2020 dated 4 August 2020 regarding Determination of Income of the Board of Directors and Commissioners of PT Semen Indonesia (Persero) Tbk. for 2020.		

Fifth Agenda	Approved the Appointment of a Public Accountant Firm ("KAP") to audit the Company's Financial Statements including audits of the Partnership and Environment Program Report for Fiscal Year 2020 and other periods in Fiscal Year 2020.		
Number of Shareholders Asking Questions	-		
Decision Making	**Voting**		
	Affirmative	**Non Affirmative**	**Abstain**
	4,449,426,269 (90.07%)	471,843,201 (9.55%)	18,238,894 (0.36%)
Decision	1. The GMS appointed Public Accounting Firm (KAP) Tanudireja, Wibisana, Rintis & Rekan (a member firm of PricewaterhouseCoopers) to carry out the general audit of the Company's Consolidated Financial Statements for Fiscal Year 2018 and other periods of Fiscal Year 2020, and the Use of Funds for the Partnership and Community Development Program Fiscal Year 2020. 2. Granted delegation of authority to the Board of Commissioners to determine the amount of compensation for audit services and other appointment requirements that are reasonable for the Public Accounting Firm. 3. Granted delegation of authority to the Board of Commissioners, with a written approval from holders of Series A Dwiwarna shares, to appoint a substitute public accounting firm to the KAP Tanudiredja, Wibisana, Rintis & Rekan (a member firm of PricewaterhouseCoopers) should the appointed public accounting firm is unable to carry out or continue its work for any reason.		
Follow-up/Execution	Public Accounting Firm Tanudireja, Wibisana, Rintis & Rekan (a member firm of PricewaterhouseCoopers) has been appointed to carry out the work as decided in the Meeting.		

Sixth Agenda	Changes in the Composition of the Company's Management		
Number of Shareholders Asking Questions	-		
Decision Making	**Voting**		
	Affirmative	**Non Affirmative**	**Abstain**
	4,856,734,464 (98.32%)	19,493,400 (0.39%)	63,280,500 (1.28%)
Decision	1. Honorably dismissed Mr. Soekarwo as the President Commissioner of the Company who was appointed in the 2019 Annual GMS dated 22 May 2019, with gratitude for the contribution of his energy and thoughts given while serving as the President Commissioner. 2. Appointed Mr. Rudiantara as the President Commissioner of the Company. 3. The term of office of the appointed President Commissioner as stated in 2, in reference to the provisions of the Articles of Association of the Company, by taking into account the legislation in the Capital Market and the right of the GMS to dismiss at any time without prejudice. 4. With the transfer of duties to the new President Commissioner as stated in point 1, 2, and 3, the composition of the Company's Board of Commissioners is: • President Commissioner : Rudiantara • Commissioner : Astera Primanto Bhakti • Commissioner : Hendrika Nora Osloi Sinaga • Commissioner : Lydia Silvanna Djaman • Commissioner : Sony Subrata • Independent Commissioner : Mochamad Choliq • Independent Commissioner : Nasaruddin Umar 5. The appointed President Commissioner, as stated in (2), still held another position, in which the laws and regulations prohibited serving concurrently in the Board of Commissioners of a State-Owned Enterprise, and must resign or be terminated from that position. 6. Granting authority and power to the Board of Directors of the Company with the right of substitution to take all necessary actions related to the resolutions in this agenda in accordance with the applicable laws and regulations, including to declare in a separate Notary Deed and notify the composition of the Company's Board of Directors and Commissioners to the Ministry of Law and Human Rights.		
Follow-up/Execution	Resolution effective immediately		

Resolutions of The Previous Annual General Meeting of Shareholders

In 2019, the Company held one Annual General Meeting of Shareholders (AGMS) on Wednesday, 22 May 2019, at 15:15 to 16:58, at the Ballroom of Sheraton Hotel Grand Jakarta Gandaria City, Jl. Iskandar Muda Kebayoran, Jakarta. Resolutions have been stated in the deed "Minutes of Annual General Meetings of Shareholders of PT Semen Indonesia (Persero) Tbk." dated 24 May 2019, made by Notary Leolin Jayayanti, S.H., M.Kn. as follows:

First Agenda	Approval of the Annual Report on the situation and the course of the Company for the Financial Year 2018 including the Report of the Supervisory Board of Commissioners for the Financial Year 2018 and Approval of the Financial Statements for the Financial Year 2018 simultaneously granting release and full discharge of all responsibilities (volledig acquit et decharge) to the Board of Directors and Board of Commissioners for the management and supervision that has been carried out for the Financial Year 2018.
Decision	Approved the Annual Report for the Financial Year 2018 including the Board of Commissioners' Supervisory Report and to validate Company's Financial Report for the Financial Year 2018 also restatement of Financial Report for the Financial Year 2017 dated December 31, 2017, audited by Public Accounting Firm Satrio Bing Eny & Partners (a member firm of Deloitte Touche Tohmatsu Limited), in accordance with its Report in letter Number 00282/2.1097/AU.1/04/0565-3/1/III/2019 dated March 30, 2019, with the opinion "Fair, in all material respects, the financial position of PT Semen Indonesia (Persero) Tbk. and subsidiaries as of December 31, 2018, as well as financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards ", while providing complete waiver of responsibility (volledig acquit et de charge) to the Board of Directors and Board of Commissioners for the actions of management Question/ Suggestion Voting Result - and supervision made during the Financial Year ended December 31, 2018, as long as it is not a criminal act and is reflected in the Company's Report.
Status	Resolution effective immediately

Second Agenda	Validation of the Annual Report of Partnership and Community Development Program Financial Year 2018 simultaneously granting release and discharge of all responsibilities (acquit et decharge) to the Board of Directors and Board of Commissioners for the management and supervision of the Partnership and Community Development Program that has been carried out for the Financial Year 2018.
Decision	Approved the Annual Report of Partnership and Community Development Program Financial Year 2018 and to validate the Financial Report of Partnership and Community Development Program audited by Public Accounting Firm Satrio Bing Eny & Partners, a member firm of Deloitte Touche Tohmatsu Limited, in accordance with its Report in letter Number NAR119 0006 PKBLSI RBP dated March 1, 2019, and to grant the acquisition and discharge of responsibility (volledig acquit et de charge) to the Board of Directors and Board of Commissioners for action the management and supervision of the Partnership and Community Development Program during Financial Year of 2018, as long as it is not a criminal act and is registered in the Company's Report.
Status	Resolution effective immediately

Third Agenda	Determination of the use of the Company's net profit for Financial Year 2018.
Decision	1. To set the allocation of Net Profit of the Attributable of Financial Year 2018 at Rp3.079.115.411.000,- as follows: • Dividend of 40% or Rp1.231.646.164.400,- or Rp207,64 per share, shall be distributed as cash dividends. Shareholder's share of the Republic of Indonesia is 51,01% or Rp628.262.708.460,- • The remaining 60% or Rp1.847.469.246.600,- shall be allocated as Retained Earnings. 2. To grant authority and power to the Board of Directors of the Company with the right of substitution to determine the payment procedures and execution of the distribution of the cash dividends in accordance with prevailing regulation, including rounding up for payment of dividends per share.
Status	Resolution effective immediately

Fourth Agenda	Determined the Fiscal Year 2018 tantiem, salary for the Board of Directors and honorarium for the Board of Commissioners along with facilities and other benefits for 2019.
Decision	1. Authorized the Series A Dwiwarna Shareholder to determine the amount of tantiem for Financial Year of 2018 and to determine honorarium, allowances, and facilities for members of the Board of Commissioners for the Year 2019. 2. Granted authority and power to the Board of Commissioners by obtaining written approval from the Series A Dwiwarna Shareholders, to determine the amount of tantiem for the Financial Year of 2018 and to determine the remuneration, allowances, facilities, and other incentives for the Board of Directors for 2019.
Status	Resolution effective immediately

Fifth Agenda	Approval of the appointment of a Public Accounting Firm ("KAP") to audit the Company's Financial Statements which includes the audit of Partnership and Community Development Program Report Financial Year 2019 and other periods in Financial Year 2019.
Decision	1. Approved the appointment of Public Accounting Firm of KAP Tanudiredja, Wibisana, Rintis & Rekan (a member of PwC network of firms) to conduct audit services on the Company's Consolidated Financial Statements and the Financial Statements of the Implementation of the Partnership and Community Development (PKBL) Program for the Fiscal Year ending 31 December 2019. 2. Granted delegation of authority to the Board of Commissioners of the Company to determine the amount of compensation for audit services, additional scope of work required, and other reasonable requirements for the Public Accounting Firm. 3. Granted authority and power to the Board of Commissioners by first obtaining written approval from Dwiwarna Series A Shareholders to determine a replacement for the Public Accounting Firm, in the case of Public Accounting Firm of KAP Tanudiredja, Wibisana, Rintis & Rekan (a member of PwC network of firms) for whatever reason cannot complete the audit of the Company's Consolidated Financial Statements for Fiscal Year 2019 and other periods in Fiscal Year 2019 and the Financial Statements for Implementation of the Partnership and Community Development (PKBL) Program of the Company for Fiscal Year 2019.
Status	Resolution effective immediately

Sixth Agenda	Amendment to the Company's Articles of Association.
Decision	1. Approved changes to the Company's Articles of Association. 2. Approved to rearrange all provisions in the Company's Articles of Association in connection with the changes referred to in item a of the above-mentioned decision. 3. Granted power and authority to the Board of Directors with the right of substitution to take all necessary actions related to the decision of the agenda of this Meeting, including preparing and restating the entire Articles of Association in a Notary Deed and submitting to authorized institutions to obtain approval and/or receipt of notification of changes to the Articles of Association of the Company, to conduct everything deemed necessary and useful for these purposes with none of which is excluded, including to make additions and/or changes in the Articles of Association if it is required by the relevant authority.
Status	Resolution effective immediately

Seventh Agenda	Changes in the Composition of the Company's Management

Decision

1. Respectfully dismissed the following names:
   - Mr. Sutiyoso as President Commissioner;
   - Mr. Wahyu Hidayat as Commissioner;
   - Mr. Agung Yunanto as Director of Human Resources and Legal, as of the closing of this GMS, with gratitude for the contribution of energy and thoughts that have been given while serving as a member of the Board of Commissioners and Directors of the Company
2. Appointed the following new names:
   - Mr. Soekarwo as President Commissioner;
   - Mrs. Lydia Silvanna Djaman as Commissioner;
   - Mrs. Tina T. Kemala Intan as Director of Human Resources and Law.
3. The term of office of members of the Board of Commissioners and Directors appointed as in point 2 in accordance with the provision of the Articles of Association by taking into account the legislation in the Capital Market and to the rights of the GMS to dismiss at any time without prejudice.
4. With the dismissal and appointment of the Company's Board of Commissioners and Directors as referred to previously, the Company's new Management Structure is as follows:

   a. Board of Commissioners

No	Name		Position
1	Soekarwo	:	President Commissioner
2	Lydia Silvanna Djaman	:	Commissioner
3	Nasaruddin Umar	:	Independent Commissioner
4	Mochamad Choliq	:	Independent Commissioner
5	Astera Primanto Bhakti	:	Commissioner
6	Hendrika Nora Osloi Sinaga	:	Commissioner
7	Sony Subrata	:	Commissioner

   b. Board of Directors

No	Name		Position
1	Hendi Prio Santoso	:	President Director
2	Doddy Sulasmono Diniawan	:	Director of Finance
3	Benny Wendry	:	Director of Production
4	Fadjar Judisiawan	:	Director of Business Strategy and Development
5	Tri Abdisatrijo	:	Director of Engineering and Projects
6	Adi Munandir	:	Director of Marketing and Supply Chain
7	Tina T. Kemala Intan	:	Director of Human Capital and Legal

5. Granted authority and power to the Board of Directors of the Company with the right of substitution to take all necessary actions related to the decision of this agenda in accordance with applicable laws and regulations, including to state in a separate Notary Deed and notify the composition of the Board of Directors and Commissioners of the Company to the Ministry of Law and Human Rights.

Status

Realized and carried out

THE BOARD OF COMMISSIONERS

The Board of Commissioners (BOC) is the Organ of the Company that has the responsibility to carry out general and / or specific supervision in accordance with the Articles of Association, provide advice to the Directors, and ensure that the Company implements GCG principles. The Board of Commissioners is responsible to Shareholders in terms of overseeing the Board of Directors' policies regarding the Company's operations in general, which refers to the business plans that have been approved by the Board of Commissioners and Shareholders, and ensures compliance with all applicable laws and regulations.

Each member of the Board of Commissioners must have high integrity, knowledge, ability and commitment to provide time in carrying out their duties. The role of the Board of Commissioners is very strategic. Therefore, the composition of the Company's Board of Commissioners must enable decision makers to be effective, precise and fast. In addition, the Board of Commissioners is also required to be able to act independently, in the sense that they do not have a conflict of interest that can interfere with their ability to carry out their duties independently and be critical, be it between members of the BOC and with the Directors.

Legal Basis

1. Law No. 40 of 2007 regarding Limited Liability Companies.
2. Law No. 19 of 2003 regarding State-Owned Enterprises (SoEs).
3. Financial Services Authority Regulation No. 33/POJK.04/2014 regarding The Board of Directors and Commissioners of Issuers or Public Companies.
4. Regulation of the Minister of SoEs No. PER-02/MBU/02/2015 concerning Requirements and Procedures for Appointment and Dismissal of Members of the Board of Commissioners of SoEs.

Board Manual of the Board of Commissioners

The Company has a Board Manual that acts as a reference for the Board of Commissioners in carrying out its supervisory duties and providing advice to the Board of Directors. The Board of Commissioners and Directors regularly review the Board Manual to keep its compliance with the applicable laws. SIG's Board Manual was last updated on 11 December 2019.

The Board of Commissioners' guidelines in the Board Manual include:

1. Vision and Mission of the Board of Commissioners.
2. Function of the Board of Commissioners.
3. Requirement of the Board of Commissioners.
4. Membership of the Board of Commissioners.
5. President Commissioner.
6. Independent Commissioner.
7. Board of Commissioners' Code of Ethics.
8. Orientation and Refreshment Program.
9. Duties obligations and authorities of the Board of Commissioners.
10. Decision Making of the Board of Commissioners.
11. Accountability of the Board of Commissioners.
12. Performance Evaluation of the Board of Commissioners.
13. Supporting Organ of the Board of Commissioners.

Criteria for the Board of Commissioners

The Board of Commissioners' requirements are explained in the Company's Board Manual, which confirms the existence of general and specific requirements. The general requirements include:

1. Possess good characters and moral.
2. Has never been declared bankrupt within 5 years prior to the nomination.
3. Has never been a Director or member of the Board of Commissioners who was found guilty of causing a company to go bankrupt within 5 years prior to the nomination;
4. Has never been a Director or member of the Board of Commissioners in a public company that did not fulfill certain obligations required by the Financial Services Authority (OJK).
5. Has never been convicted of financial crime within 5 years prior to the nomination.

Meanwhile, special requirements are requirements that are tailored to the needs and nature of the Company's business which is engaged in the Cement Industry. Members of the Board of Commissioners must have technical competence / expertise, including:

1. Adequate knowledge in the company's business.
2. Ability to perform strategic oversight in the framework of company development.
3. Understanding the Company's management issues related to a management function.

The specific requirements have become the essence of the nomination and selection system and procedure developed by the Board of Commissioners and proposed to the GMS for ratification. The development of specific requirements is intended to obtain candidates for members of the Board of Commissioners in accordance with the needs of the company.

Composition and Legal Base of Appointment of BOC Members

In accordance with the provisions of the Company's Board Manual, the Board of Commissioners consists of at least 2 (two) persons, one of which is appointed as the President Commissioner. In 2020, The number of members of the Board of Commissioners of the Company is 7 (seven), and has fulfilled the provisions in the Board Manual. In 2020, the composition of the Company's Board of Commissioners underwent changes in accordance with the resolution of the Annual GMS which was held on June 19, 2020.

The composition of the SIG Board of Commissioners serving from 1 January 2020 until 19 June 2020:

Name	Position	Legal Base of Appointment
Soekarwo	President Commissioner	AGMS 22 May 2019
Sony Subrata	Commissioner	AGMS 23 January 2015
Astera Primanto Bhakti	Commissioner	AGMS 31 March 2017
Nasaruddin Umar	Independent Commissioner	AGMS 31 March 2017
Mochamad Choliq	Independent Commissioner	AGMS 30 April 2018
Hendrika Nora Osloi Sinaga	Commissioner	AGMS 30 April 2018
Lydia Silvanna Djaman	Commissioner	AGMS 22 May 2019

The composition of the SIG Board of Commissioners serving since 19 June 2020:

Name	Position	Legal Base of Appointment
Rudiantara	President Commissioner	AGMS 19 June 2020
Sony Subrata	Commissioner	AGMS 19 June 2020
Astera Primanto Bhakti	Commissioner	AGMS 31 March 2017
Nasaruddin Umar	Independent Commissioner	AGMS 31 March 2017
Mochamad Choliq	Independent Commissioner	AGMS 30 April 2018
Hendrika Nora Osloi Sinaga	Commissioner	AGMS 30 April 2018
Lydia Silvanna Djaman	Commissioner	AGMS 22 May 2019

Independence of the Board of Commissioners

in carrying out its duties and responsibilities, the Board of Commissioners must act independently and be free from intervention by any party in any decision-making. The commitment to independence of the Board of Commissioners is manifested in the "Statement of Compliance with the Code of Ethical Conduct of PT Semen Indonesia (Persero) Tbk" signed by each Board.

Commissioner on stamp duty. In 2020, all Independent Commissioners of the Company have signed the "Statement Letter".

The Statement Letter stipulated the following points:

1. Understanding that the PT Semen Indonesia (Persero) Tbk ("The Company")'s Code of Ethics is the guideline on behaviour, awareness, and thinking; and that Good Corporate Governance principles could be applied to bring to life the Company's vision, mission and culture;
2. Compliance to pertaining laws and regulations in implementing the Company's tasks and projects as well as avoiding the the practice of gratification, bribery, and other corruption acts;
3. Willings not to engage in any activities or transactions which have a conflict of interest or any potentials for conflict of interest in implementing the Company's tasks and projects;
4. For the benefit of the Company, I will not use my title, the information or confidential information about the Company, and the Company's asset for the benefit family members, self or other parties;
5. For the benefit of the Company, responsible to inform family members so they would know and understand not to receive or give anything from and/or to another party that could impact the Commissioner's independence; and
6. Morally and legally responsible for the implementation of the Company's Code of Ethics, and willing to be sanctioned according to the Company rules should be in breach of this Statement of Compliance

Duties and Responsibilities

The Board of Commissioners perform supervisory duties on the policies and management of the Company and provide advice to the Board of Directors concerning the interests and the purpose of the Company by taking into account the interests of the shareholders and are accountable to the General Meeting of Shareholders. Their duties and responsibilities include:

1. Supervise the policies and management of the Company and the operational management in the Company carried out by the Directors.
2. Provide management advice to the Board of Directors.
3. Provide feedback and approval to the Work Plan and Corporate Budget (RKAP) as well as other work plans prepared by the Board of Directors. The draft for the RKAP is to be approved no later than 30 (thirty) days after the fiscal year runs (the fiscal year of the related RKAP) or no later than the required time stated in the law. Should the draft of the RKAP has not been ratified within the aforementioned period of time, the previous RKAP would apply.
4. Follow up the development of the Company's activities and providing opinion and suggestion to the GMS regarding any issues deemed important to the Company.
5. Report to the holders of Series A Dwiwarna shares should there be any symptoms of a decline in the Company's performance.
6. Suggest to the GMS regarding appointment of a Public Accounting Firm that will carry out the audit work for the Company's finance.
7. Assess and analyze the regular and annual reports prepared by the Board of Directors and sign the annual reports.
8. Provide clarification, suggestion, and feedback to the GMS regarding the Annual Report, should it be required.
9. Develop minutes from BOC meetings and keep the copies.
10. Report their and their families share ownership to the Company and other companies.
11. Provide a supervisory report to the GMS.
12. Attend all questions and inquiries submitted by the holders of Series A Dwiwarna shares according to the laws, specifically the laws for the Capital Market.
13. Perform other supervisory and advisory duties in accordance to the law, the Articles of Association, and/or the GMS resolution.
14. In specific circumstances, hold AGMS and other GMS within their authority stated in the law.

In accordance with the Law of the Republic of Indonesia No. 40 of 2007 on Limited Liability Companies, the Law of the Republic of Indonesia No. 19 of 2003 on SoE, and the Articles of Association of the Company, the duties and scope of responsibilities of the Board of Commissioners are as follows:

1. Perform supervisory duties on the policies and the management of the Company and providing advice on the implementation of the Company's Long-Term Plan (RJPP), Work Plan and Corporate Budget (RKAP), including the Company's KPI and the provisions of the Articles of Association and GMS decisions, as well as the laws and regulations that apply to the interests of the Company and in accordance with the aims and objectives of the Company.
2. Carry out GCG principles' implementation and supervising their application within the organization.
3. Provide general views and input on the Board of Directors' performance report to the GMS
4. Provide reports on the accountability of activities and performance of the Board of Commissioners to the GMS.
5. Lead committees formed by the Board of Commissioners in carrying out all the duties and work relationships of the Committee
6. Give approval to the Board of Directors, or providing opinion/response to the GMS on the Board of Directors' plans in implementing their policies in accordance with the Articles of Association of the Company.
7. Follow up the development of the Company's activities and providing opinion and suggestions regarding the plan and implementation of RJPP, RKAP, and any issues deemed important to the Company.
8. Ensure that the Company discloses the implementation of GCG principles in the GMS and Annual Report.
9. Conduct meetings with the Board of Directors, Audit Committee and other units related to the management of the Company.

Division of Duties among the Board of Commissioners

To improve the effectiveness of the BOC supervisory duties in the Company, a division of duties among the Board of Commissioners is stated in the Decree of the Board of Commissioners concerning the appointment of Commissioners as the Head and the Member of the Committee. This policy will allow the BOC to better assess the condition, policies, and performance of the Company that include the works of the Board of Directors and factors that need analysis such as internal control, risk management, business strategy, corporate actions, investment and capital expenditure, human resources, and corporate social responsibility of the Company.

Induction Program for New Commissioners

In 2020, the Company appointed Rudiantara as the President Commissioner, replacing Soekarwo, through the GMS held on 19 June 2020. The orientation program to introduce the new Commissioner to the Company has been carried out on 16 July 2020.

In carrying out the orientation program, these factors need to be taken into account:

1. The program must be carried out to any new Commissioners who has never had any position in the Company.
2. The purpose of the program is to improve the work function and effectiveness of the Board of Commissioners.
3. Expenses for the program are budgeted in the BOC Work Plan and Budget.
4. Responsibilities of the implementation of the program lies on the Secretary of the Company.
5. The materials given in the program:
   a. Implementation of the GCG principles, risk management system, and whistleblowing system.
   b. A diagram that illustrates the Company's purpose, character, business activities, products and services, financial and operational performance, business strategy, short- and long-term planning, position in the competition, risk, and other strategic issues.
   c. Explanation related to the delegated duties and responsibilities, internal and external audits, internal control system and policies, and task and roles of the Audit Committee and other committees established by the Board of Commissioners.
   d. Legal responsibilities of the Board of Commissioners.
   e. Explanation on BOC's work relations, duties and responsibilities.
   f. Team building. All members of the BOC should participate in this activity, aiming for better teamwork and collaboration in performing duties as part of the Board of Commissioners.
6. The program can be carried out with presentations, meetings, visits to the Company's facilities, personal introduction to the members of the Board of Directors and the employees in the Company as well as other activities deemed necessary and can be accounted for and is cost efficient.

Competency Development

Education and training programs participated in by the Board of Commissioners in 2020 is available in the chapter Company Profile in this Annual Report.

Recommendations and Implementation of Duties of the Board of Commissioners

The sum of letters, memo, and decree issued by the Board of Commissioners in 2020 are as follow:

49 Internal Memoranda	• 19 memoranda on Audit Committee • 6 memoranda on SMRI Committee • 7 memoranda on Nomination and Remuneration Committee • 17 memoranda on Secretary to the Board of Commissioners
52 Outgoing Letters	• 20 letters on BOC approvals • 2 letters on remunerations • 5 letters on audit and public accounting firm • 1 letter on GCG • 4 letters on RKAP, CAPEX and RJPP • 1 letter on KPI • 1 letter on WBS • 18 letters on general topic
15 Decrees	• 1 decree on public accounting firm • 1 decree on RKAP 2021 ratification • 1 decree on Audit Committee • 1 decree on SMRI Committee • 3 decrees on Nomination and Remuneration Committee • 8 decrees on general remuneration

Performance Evaluation on Committees under the Board of Commissioners

The Audit Committee, the Committee of the Nomination, Remuneration and CSR, and the Committee for the Risk Management and Investment Strategy are all under the Company's Board of Commissioners and serve to assist the Board of Commissioners to fulfill their duties and responsibilities.

After a regular performance assessment of the Committees, the Board of Commissioners observ a good fulfillment of duties and responsibilities by the Committees in 2020. These Committees had given commendable insights and recommendations related to their areas of expertise.

Share Ownership of the Board of Commissioners

By the end of 2020, all members of the Board of Commissioners did not own shares in SIG.

Buy/Sell of the Board of Commissioners' Shares

In accordance with the Financial Services Authority (OJK) regulation No. 11/POJK.04/2017 on Ownership Reports or Any Changes in Ownership of Public Company Shares, in 2020 there were share transactions with members of the Company's Board of Commissioners. The transactions have been reported to OJK.

Name	Position	Transaction	Total Shares before Transaction	Total Buy/Sell	Total Shares after Transaction	Date of Transaction	Transaction Purpose	Report Date
Hendrika Nora O. Sinaga	Commissioner	Sell	30,000	10,000	7,600	14 April 2020	Selling shares	11 May 2020
Hendrika Nora O. Sinaga	Commissioner	Sell	20,000	10,000	8,300	13 May 2020	Selling shares	8 June 2020
Hendrika Nora O. Sinaga	Commissioner	Sell	10,000	10,000	9,500	28 May 2020	Selling shares	8 June 2020

Concurrent Position of the Board of Commissioners

Members of the Board of Commissioners are prohibited to hold the following concurrent positions:

1. As a member of the Board of Directors in any state-owned enterprises, regional-owned business entities, private entities, and other position that may project a conflict of interest with the Company; and/or,
2. Independent Commissioners can hold no more than 5 (five) committees owned by the Company, its subsidiaries, or other companies.
3. Other positions must comply with the statutes of the law.

In 2020, all members of the SIG Board of Commissioners fulfilled the above requirement with details as follows:

Name	Position	Position in Other Company/Institution	Name of Company/Institution
Rudiantara	President Commissioner	President Commissioner	PT Solusi Energi Digital Tbk
		Commissioner	PT Vale Indonesia Tbk
		Commissioner	PT Rukun Raharja Tbk
Sony Subrata	Commissioner	-	-
Astera Primanto Bhakti	Commissioner	Director General of Financial Balance	Ministry of Finance
Nasaruddin Umar	Independent Commissioner	Great Imam	Masjid Istiqlal
		Professor	UIN Syarif Hidayatullah
Mochamad Choliq	Independent Commissioner	-	-
Hendrika Nora Osloi Sinaga	Commissioner	Assistant Deputy of Construction, Transportation facilities and Infrastructure	Ministry of State-Owed Enterprises
Lydia Silvanna Djaman	Commissioner	Deputy of Law and Legislation	Ministry of State Secretariat

Resignation and Termination of the Board of Commissioners

The term of office of the BOC members ends upon:
1. Resignation.
2. Passing.
3. End of office term.
4. Dismissal decided by the GMS.
5. Declared bankrupt by the Commercial Court which has permanent legal force or is placed under amnesty based on a court decision.
6. No longer meets the requirements as a member of the Board of Commissioners based on the Company's Articles of Association and other laws and regulations.

A member of the Board of Commissioners has the right to resign from his/her position before his term of office ends by informing the Company in writing of his/her intentions. The members of the Board of Commissioners who resigned are still held accountable from the time of their appointment until the date of resignation in the next GMS.

If a member of the Board of Commissioners resigns or is dismissed before his/her term of office ends, the term of office for his/her replacement is determined by the GMS, and if not so determined, the remaining term of office for the member of the Board of Commissioners is in accordance with the term of office of the member of the Board of Commissioners he/she replaces.



INDEPENDENT COMMISSIONER

Independent Commissioner is a member of the Board of Commissioners who is not affiliated with the Board of Directors, other members of the Board of Commissioners, and controlling shareholders. Also free from business relations or other relations that may influence its capability to act independently or act solely for the Company's interests.

The mission of the Independent Commissioner is to encourage the creation of an objective environment and fairness in various interests, including the Company and stakeholders' interests as the main principles in decision making by the Board of Commissioners.

Several considerations related to the Independent Commissioner are, as follows:

1. Independent Commissioner has the main responsibility to encourage the implementation of good corporate governance principles in the Company through the Board of Commissioners' empowerment, so as to achieve effective implementation of supervisory and advisory duties to the Board of Directors, and provide added value to the Company
2. The composition of Independent Commissioner consists of at least 30% (thirty percent) from the Board of Commissioners' members.
3. In implementing good responsibilities, the Independent Commissioner pro-actively urges the Board of Commissioners to carry out supervisory and advisory to the Board of Directors related to, but not limited, on the following matters:
   a. Ensuring effective corporate business strategy, including monitoring on schedules, budgets, and effectiveness of the strategy.
   b. Assurance on the appointment of professional executives and managers.
   c. Ensuring effective corporate information, control system, and audit system.
   d. Assurance of proper identification and management of risks and risks potential.
   e. Assurance of proper implementation and compliance on GCG principles and practices.
   f. Ensuring that the implementation of corporate supervisory and management are in compliance towards all prevailing regulations, including:
      - Ensuring the reliability and transparency of the Company's financial statements.
      - Fair treatment of minority shareholders and other stakeholders.
      - Fairly disclosure transactions with conflicts of interest.
      - Ensuring that the company complies with the applicable legislation as well as the values set by the company in carrying out its operations.Ensuring the accountability of.
      - The Company's organs.
4. The Independent Commissioner acts as the Chairman of the BOC Committees.

Composition and Membership of Independent Commissioners in Board of Commissioners

The Company has 2 (two) Independent Commissioners, Nasaruddin Umar and Mochamad Choliq, in order to fulfill the required number of independent commissioners, as regulated in the OJK regulation No.33/POJK.04/2014.

Independent Commissioners Criteria

Independent Commissioners must fulfill the regulation stated in point 21 in the Financial Services Authority (OJK) regulation No. 33/POJK.04/2014 dated 8 December 2014 as follows:

1. Not a person who works or has the authority and responsibility to plan, lead, control, or supervise the Company's activities within the last 6 (six) months, except for re-appointment as the Company's Independent Commissioner for the next period.
2. Do not have shares, either directly or indirectly, in the Company.
3. Has no affiliation with the Company, members of the Board of Commissioners, members of the Board of Directors or major shareholders of the Company.
4. Has no business relationship, either directly or indirectly, related to the Company's business activities.

OJK's Independent Criteria	Nasaruddin Umar	Mochamad Choliq
Not a person who works or has the authority and responsibility to plan, lead, control, or supervise the activities of the Issuer or Public Company within the last 6 (six) months.	✓	✓
Do not own shares, either directly or indirectly, in the Issuer or Public Company.	✓	✓
Has no affiliation with the Issuer or Company, Public, members of the Board of Commissioners, members of the Board of Directors, or Major Shareholders of the Issuer or Public Company.	✓	✓
Do not have a business relationship, either directly or indirectly, with the business activities of the Issuer or Public Company.	✓	✓

Statement of Independence of Independent Commissioners

All Independent Commissioners are required to sign an independence statement, which stated that in doing their duties and responsibilities, they must be free from all kind of conflict of interests.

All Independent Commissioners of Semen Indonesia have made independence statements and declared their independence status in carrying out their duties and responsibilities on 7 January 2020.



SURAT PERNYATAAN



SURAT PERNYATAAN

THE BOARD OF DIRECTORS

The Board of Directors is the Organ of the Company that carries out the task of managing the Company in the interests of the Company, in accordance with the purposes and objectives of the Company, and representing the Company both inside and outside the court, with due observance of applicable laws, Articles of Association and GMS Decisions.

The position of each member of the Board of Directors, including the President Director, is equivalent to the President Director coordinating all activities of the Board of Directors. The Board of Directors can make decisions, including at the Board of Directors' meetings, and carry out these decisions in accordance with the division of tasks and authorities, however collegial responsibilities remain in force. Actions taken by members of the Board of Directors outside of those decided by the Board of Directors meetings are the personal responsibility of the person concerned until the action is approved by the Board of Directors meeting.

The Board of Directors' Work Guidelines

In carrying out the roles and functions of managing the Company and managing relations with the Board of Commissioners, the Board of Directors refers to the Board of Commissioners and the Board of Directors Work Guidelines (Board Manual). The Board of Directors' Board Manual was last revised on 11 December 2019.

The Board of Directors' Charter and Code of Conduct in the Company's Manual Board regulates:

1. Vision and mission of the Board of Directors.
2. Function of the Board of Directors.
3. Requirements for the Board of Directors.
4. Membership of the Board of Directors.
5. Composition and independence of the Board of Directors.
6. Ethics of the Board of Directors' position.
7. Orientation program and competency development for the Board of Directors..
8. Duties, authorities, and responsibilities of the Board of Directors.
9. Company Management Policy establishment by the Board of Directors.
10. Decision making by the Board of Directors.
11. Board of Directors' meetings.
12. Accountability of the Board of Directors.
13. Performance evaluation of the Board of Directors.
14. Internal Audit and Secretary to the Company.

Criteria for the Board of Directors

Based on the Company's Board Manual, there are general requirements and special requirements that are applied when selecting members of the Board of Directors as follows:

General Requirements

General requirements are the basic requirements set by the applicable laws and regulations, including:

1. Individual.
2. Having good character and moral grounds.
3. Able to carry out legal actions.
4. Have never been declared bankruptcy by the Court within 5 (five) years prior to nomination.
5. Has never been a member of the Board of

Directors or The Board of Commissioners who was guilty of causing a company to go bankrupt within 5 (five) years prior to nomination.

6. Has never been convicted of a criminal offense detrimental to the country's finances within 5 (five) years prior to nomination as the Board of Directors' candidate.
7. Shall not have any blood relations up to the third degree, either in a vertical or horizontal line or in-laws relations (son-in-law or brother-in-law) with other members of the Board of Directors and/or the Board of Commissioners.
8. Shall not hold concurrent positions of the Board of Directors and the Board of Commissioners in a similar company, except for the position of the Board of Commissioners of a subsidiary.
9. Shall not hold concurrent positions of the Board of Directors and the Board of Commissioners in any other state-owned enterprise.
10. Shall not hold concurrent structural and/or functional positions in the central and/or regional government.
11. Shall not serve as an official of a political party and/or a candidate/legislative member at any level.
12. Shall not hold a concurrent position that may cause conflict of interest, directly or indirectly, with the Company and or which is in conflict with the provisions of the applicable laws and regulations.
13. For concurrent positions of the Board of Directors that are not included in the provisions of point 8 to 12 above, approval from the Board of Commissioners is required.
14. Shall have integrity and morals, and must never been involved in:
    a. Engineering deeds and deviant practices in the management of the previous job prior to the nomination.
    b. A breach of contract that can be categorized as not fulfilling the commitments agreed at the previous job prior to the nomination.
    c. Actions that can be categorized as providing personal benefits to prospective members of the Board of Directors, employees in the previous job prior to the nomination.
    d. Actions that can be categorized as violating the provisions of the principles of sound company management.
15. Must have a commitment to comply with applicable laws and regulations.
16. Must have competence, the ability and experience in fields that contribute to the Company.

Special Requirements

These are requirements for the Directors of the Company tailored to the needs and nature of the Company's business in the cement industry:

1. Adequate and relevant knowledge of the position.
2. Experienced and have expertise in cement.
3. Able to carry out strategic management to develop the Company.
4. Understanding of the Company's management issues related to one of management functions.
5. Dedicated and provides full time to do the work.
6. Able to carry out legal actions and has never been declared bankrupt or been a member of the Board of Directors or the Board of Commissioners guilty of or caused a company to be declared bankrupt or a person who had been convicted of a criminal offense detrimental to the country's finances and/or related to the sector.

Fulfillment of the requirements above is proven by a statement letter from the candidate member of the Board of Directors prior to appointment, which is kept by the Company.

The special requirements constitute one of the essences of the nomination and selection system and procedure established by the Board of Commissioners for subsequent submission to the GMS for approval.

Nomination of Members of the Board of Directors

Policies related to the nomination of the Board of Directors of Semen Indonesia refer to the Ministry of SoEs Regulation No. PER-03/MBU/02/2015 concerning Requirements, Procedures for Appointment, and Dismissal of Members of the Board of Directors of SoEs.

The regulation states that the candidates for the Board of Directors come from:
1. SoE Directors.
2. SoE Board of Commissioners/Supervisory Board.
3. SoE talents proposed through the Board of Commissioners consist of:
   a. Officials who are one level below the Directors or officials who have special achievements.
   b. Directors of SoE subsidiaries/SoE joint ventures.
4. Ministry of SoEs talents.
5. Other sources:
   a. Other SoE officials; and
   b. Other sources.

Selection is carried out by the Minister, Secretary to the Minister, Technical Deputy, and/or Deputy looking for prospective candidates by taking into account:
1. Candidates and Talents from SoE, proposed through the Board of Commissioners/ Supervisory Board.
2. The Minister, Secretary, Technical Deputy and/or Deputy may determine prospective candidates from SoE talents without the proposal of the Board of Commissioners/Supervisory Board if the said person is deemed to have good achievements.
3. Candidates and the Ministry of SoEs talent, proposed through the Secretary.
4. Candidates from the Board of Directors, the Board of Commissioners/ Supervisory Board, and/or Other Sources may submit applications to or be proposed directly by the Minister, Secretary, Technical Deputy and/or Deputy.
5. The selection of prospective candidates takes precedence over SoE talents.

Exception to public SoE, prospective candidates from SoE Talents must be proposed through the Board of Commissioners. If the Minister views that there are other candidates who have the potential to become members of the Board of Directors, but not included in the list of names proposed by the Board of Commissioners, the Minister can ask the Board of Commissioners to evaluate the person concerned and if they meet the requirements to be proposed to the Minister.

List, Sum, Composition and Legal Basis of Appointment of Members of the Board of Directors

According to the SIG Board Manual, the Board of Directors consist of a minimum 2 (two) people, of which one is appointed as the President Director, and if required, another of which may be appointed as the Vice President Director.

In 2020, the Board of Directors of the Company had 7 (seven) members, one of which was appointed as the President Director, hence fulfilling the requirement in the Board Manual.

The composition of the Board of Directors in 2020 had no change:
:

Name	Position	Legal Base of Appointment
Hendi Prio Santoso	President Director	EGMS 15 September 2017
Doddy Sulasmono Diniawan	Director of Finance	EGMS 15 September 2017
Fadjar Judisiawan	Director of Business Strategy and Development	EGMS 15 September 2017
Benny Wendry	Director of Production	EGMS 15 September 2017
Tri Abdisatrijo	Director of Engineering and Projects	EGMS 15 September 2017
Adi Munandir	Director of Marketing and Supply Chain	AGMS 30 April 2018
Tina T. Kemala Intan	Director of Human Capital and Legal	AGMS 22 May 2019

Duties of the Board of Directors

Directors carry out all relevant actions and are accountable to the Company's management for the interest of the Company in accordance with the Company's business purpose. They also represent the Company within and outside the Court concerning all kinds of issues and occurrences within the limitations of the statute, the Articles of Association, and/or the GMS resolution, with these terms:

1. Carrying out all actions related to and responsible for managing the Company for the benefit of the Company as well as representing the Company both inside and outside the court, with due observance of applicable laws, Articles of Association and the GMS Decisions.
2. The Board of Directors is to devote their full energy, thoughts, attention and dedication to the duties, obligations and attainment of the Company's goals.
3. The Board of Directors must comply with the Company's Articles of Association and the legislation and implement the principles of professionalism, efficiency, transparency, independency, accountability, responsibility and fairness.
4. Every member of the Board of Directors must carry out his duties and responsibilities in good faith, full of responsibility and prudently.
5. The Board of Directors must obtain a written approval from another Company's organ such as the Board of Commissioners or the GMS, as required, in carrying out specific management duties as stated in the Articles of Association.
6. The Board of Directors must obtain the approval from the GMS to transfer the assets of the Company or make collateral for the Company's assets, which value is more than 50% (fifty percent) of the total net assets of the Company in 1 (one) transaction or more, whether related to one another or not, except as executor of the Company's business activities.
7. The Board of Directors must obtain a written response from the Board of Commissioners and the approval of the GMS in carrying out actions that are included in material transactions as stipulated by laws in the field of capital markets, unless these actions are included in material transactions exempted by the prevailing laws and regulations in the Capital Market sector, conduct transactions that contain conflict of interest as stipulated in the prevailing laws and regulations on the capital market, and conduct other transactions in order to comply with the prevailing laws and regulations on the capital market.
8. Members of the Board of Directors who have a conflict of interest are not authorized to represent the Company and are replaced by other members of the Board of Directors who do not have a conflict or potential conflict of interest.
9. If all members of the Board of Directors have a conflict or potential conflict of interest, the interest of the Company is represented by the Board of Commissioners or a person appointed by the Board of Commissioners.

10. Members of the Board of Directors must act in the interest of the Company and therefore:
    a. Apart from the Board of Directors, any other party is prohibited from engaging in or interfering in the management of the Company.
    b. The Board of Directors must be able to make decisions objectively, without conflict of interest and without pressure from any party.
11. In order to carry out duties based on the GCG principles by prioritizing the interests of the Company over personal interests (the Duty of Loyalty), the Board of Directors is thus prohibited from:
    a. Participating in a competitor's business.
    b. Utilizing the Company's facilities for personal use.
    c. Revealing confidential/non-public information.
    d. Using the Company's information or business opportunity for personal gain.
12. Members of the Board of Directors are to function and make decisions in accordance with their duties and authorities but are also collectively responsible for their implementation.
13. Any management action within the Company with a potential of affecting the Company's performance must be communicated to the Board of Commissioners.
14. Members of the Board of Directors are required to resign should they be involved in financial crimes, namely being convicted. The financial crimes may refer to financial manipulation, embezzlement, or money laundering.

Division of Duties of the Board of Directors

The Board of Directors should have overall competence in the fields of cement, marketing, finance, production and management and each member can carry out and make decisions in accordance with the division of duties and authorities with applicable collegial responsibilities.

The duties and responsibilities of each member of the Board of Directors:

President Director	In charge of coordinating other members of the Board of Directors, ensuring all activities run according to the vision, mission, business objectives, strategies, policies and programs. Specifically, the President Director is responsible for aligning all strategic initiatives of the Company, coordinating operational tasks in the areas of internal audit, and communication, as well as controlling and evaluating the application of governance principles and ethical standards consistently within the Company.
Director of Finance	Responsible for coordinating, controlling and evaluating the operation of finance, budgeting, accounting, funding, procurement and inventory management, as well as information technology systems..
Director of Marketing & Supply Chain	Responsible for sales, distribution and transportation as well as marketing.
Director of Production	Responsible for coordinating, controlling and evaluating the operation of raw material production,clinker production, cement production as well as engineering, work safety, the environment and developing programs to improve process efficiency in production.
Director of Engineering & Projects	Responsible for coordinating, controlling and evaluating the operation of design and development, as well as maintaining product quality.
Director of Human Capital & Legal	Responsible for coordinating, controlling and evaluating the operation of Human Resources, management of Company assets and company compliance with the applicable legislation as well as business process development.
Director of Business Strategy and Development	Responsible for coordinating, controlling and evaluating the operation of strategy and business development of the company, managing CAPEX investment strategies, developing group energy, and securing raw materials.

Induction Program for New Directors

Orientation program must be given to members of the Board of Directors who have never served in the Company. The program is carried out to improve the function and work effectiveness of the Board of Directors.

The Responsibility to organizing programs is under the Secretary Company, with implementation no later than 6 (six) months after appointment of the Board of Directors at the GMS.

Material provided on the Orientation Program are following:

1. Implementation of the GCG principles, governance system, risk and compliance (GRC), and whistleblowing system.
2. An overview of the Company in relation to its objectives, nature, scope of activities, products, financial and operational performance, strategy, short-term and long-term business plans, competitive position, risks and various other strategic issues.
3. An explanation regarding delegated authority, internal and external audit, internal control systems and policies as well as the duties and roles of the team and other committees established by the Company.
4. Legal responsibility of the members of the Board of Directors.
5. Explanation on the work relations, duties and responsibility of the Board of Directors.
6. Team Building, in which all members of the Board of Directors participate in, to improve teamwork and team cohesiveness within the Board of Directors.

The program can be in the form of presentations, meetings or visits to Company facilities, introductions to members of the Board of Commissioners, members of the Board of Directors and employees at the Company and other programs based on the needs of the members of the Board of Directors concerned and taking into account accountability and cost efficiency.

In 2020, the Company did not appoint or dismiss members of the Board of Directors, therefore no orientation program taking place.

Competency Development

The education and training programs participated in by the Board of Directors in 2020 can be seen in the Company Profile chapter in this Annual Report.

Performance Assessment of Committees Under the Board of Directors

The SIG Board of Directors has a Corporate Secretary and Internal Audit that assists the execution of activities, duties and responsibilities of the Board of Directors. Performance appraisals are carried out annually and as for the 2020 performance, the Board of Directors assesses that the Corporate Secretary and the Internal Audit have carried out their duties and responsibilities well and provided useful input and recommendations related to their respective fields.

Terms of Concurrent Position

Members of the Company's Board of Directors shall not have concurrent positions as stipulated in the POJK No. 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies, which are also listed in the Articles of Association of the Company and the Work Guidelines for the Board of Commissioners and Directors. Members of the Board of Directors are not allowed to hold concurrent management and supervisory positions at similar companies, except for supervisory positions in subsidiaries.

Name	Position	Position in Other Company/Institution	Name of Company/Institution
Hendi Prio Santoso	President Director	President Commissioner President Commissioner	PT Semen Gresik PT Semen Indonesia Internasional
Doddy Sulasmono Diniawan	Director of Finance	President Commissioner President Commissioner	PT Semen Indonesia Logistik PT Semen Indonesia Beton
Fadjar Judisiawan	Director of Business Strategy and Development	President Commissioner President Commissioner	PT Sinergi Mitra Investama PT Solusi Bangun Indonesia Tbk
Benny Wendry	Director of Production	President Commissioner President Commissioner	PT United Tractor Semen Gresik PT Semen Tonasa
Tri Abdisatrijo	Director of Engineering and Projects	President Commissioner	PT Semen Indonesia Aceh
Adi Munandir	Director of Marketing and Supply Chain	President Commissioner Commissioner	PT Semen Kupang Indonesia PT Solusi Bangun Indonesia Tbk
Tina T. Kemala Intan	Director of Human Capital and Legal	President Commissioner President Commissioner	PT Sinergi Informatika Semen Indonesia PT Industri Kemasan Semen Gresik

Share Ownership of the Board of Directors

Members of the Board of Directors shall not own any share in PT Semen Indonesia (Persero) Tbk. as reported by Datindo Entrycom on 31 December 2020.



Mechanism of Resignation and Dismissal of Directors

The GMS may dismiss members of the Board of Directors if the facts shows that the members of the Board of Directors:

1. Did not fulfill their duties as agreed in the management contract, or lacking in.
2. Did not perform their duties properly.
3. Violating the provisions of the Articles of Association and/or the legislation.
4. Involved in actions that harm the Company and/or the country.
5. Violating the ethics and/or compliance that should be respected by the Board of Directors.
6. Found guilty by a court decision which has permanent legal force.
7. Are resigning.
8. Other reasons deemed appropriate by the GMS for the interests and objectives of the Company.

A member of the Board of Directors may resign from his position before his term of office ends and must submit to the Company a resignation request in writing regarding his intentions.

The company is obliged to hold a GMS to decide on the request for resignation of a member of the Board of Directors no later than 90 (ninety) days after receiving the resignation letter.

The member of the Board of Directors who resigned will still be held accountable from the time of appointment until the date of resignation of the Member of the Board of Directors in the next GMS.



Board of Commissioners and Directors SIG at the 2020 AGMS

PERFORMANCE APPRAISAL OF THE BOARD

Performance Appraisal of the Board of Commissioners

The performance of the Board of Commissioners (BOC) is appraised annually by the shareholders at the General Meeting of Shareholders (GMS). In general, the performance of the BOC is determined based on the duties and obligations stated in the applicable laws and regulations and the Articles of Association of the Company and the mandate of the shareholders. The BOC performance appraisal is conducted periodically at least once a year.

The performance appraisal of the BOC is carried out both collegially and individually. The BOC appraisal criteria are as follows:

1. Attendance levels in the BOC meetings and meetings with existing committees.
2. Contribution in the process of monitoring and providing advice to the management.
3. Involvement in certain assignments.
4. Compliance with applicable laws and regulations as well as the Company's policies.
5. Commitment to advancing the interests of the Company.

The BOC may carry out a self-assessment of the BOC performance independently as an internal evaluation of the BOC regarding the effectiveness of the implementation of the functions and duties of the BOC.

Board of Commissioners Performance Self-Assessment

The Board of Commissioners' self-assessment performance appraisal is based on the 2020 Key Performance Indicators (KPI) of the Board of Commissioners which were established at the end of 2019. The 2020 KPI for the Board of Commissioners consists of 8 (eight) main indicators that represent the execution of duties in accordance with the applicable regulations and corporate governance, including implementation of regular company performance evaluations, field review of the Company's conditions, discussion meetings with the Board of Directors and Commissioners with the Committees, and others. Self-assessment results of the Board of Commissioners showed good performance.

BOC Performance Appraisal on GCG

Performance appraisal of the Board of Commissioners refers to the Regulation of the Ministry of SoEs No. PER-09/MBU/2012 dated 6 July 2012 concerning Implementation of Good Corporate Governance in SoEs and the Decree of the Secretary of the Ministry of SoE No. SK-16/S.MBU/2012 dated 6 June 2012 concerning Indicators/Parameters for Assessment and Evaluation of the Implementation of Good Corporate Governance in BUMN.

Implementation Procedures and Parties Assessing the Performance of the Board of Commissioners

During their tenure, members of the Board of Commissioners will be assessed for their performance. The assessment is carried out through several stages, including: submission of required documents, filling out questionnaires by the Board of Commissioners and Directors, interviews, analysis by assessors PT Multi Utama Indojasa (MUC Consulting Group) on documents, questionnaires, interviews and observations conducted, presentation of interim results by MUC, and reporting by MUC on the results and recommendations on the performance of the Board of Commissioners.

Performance Appraisal Criteria for the Board of Commissioners

The appraisal criteria for the Board of Commissioners include:

1. Implementation of training/education programs for the Board of Commissioners.
2. Division of duties and determining factors needed to support the implementation of BOC duties.
3. Approval of the draft of RJPP and RKAP submitted by the Board of Directors.
4. Provide direction to the Board of Directors on the implementation of company plans and policies.
5. Supervision of the Board of Directors on the implementation of company plans and policies.
6. Supervision of the implementation of the management policies of subsidiaries/joint ventures.
7. Role in nominating members of the Board of Directors, evaluating the performance of the Board of Directors (individual and collegial) and proposing bonuses/performance incentives for the Board of Directors.
8. Implementing actions against potential conflicts of interest involving the Board of Commissioners.
9. Monitoring the implementation of the principles of Good Corporate Governance.
10. Implementation of Board of Commissioners meetings and attendance at these meetings.
11. There is a Secretary of the Board of Commissioners who supports the implementation of the secretarial duties of the Board of Commissioners.
12. There is an effective Board of Commissioners Committee.

Appraisal Outcome of the Board of Commissioners

Based on the 2020 GCG assessment for Board of Commissioners, the BOC received “Very Good” result with a total score of 34.061 out of 35.000



Performance Appraisal of the Board of Directors

The appraisal results of the overall performance of the Board of Directors (BOD) and the performance of each member of the BOD are a means of assessing and increasing the effectiveness of the BOD as well as being an integral part of providing compensation schemes for the Directors. The overall results of the performance appraisal of each member of the BOD are one of the basic considerations for the shareholders to dismiss and/or reappoint the Director concerned after receiving recommendations and reports from the BOD.

The guideline for the appraisal of the Board of Directors:

1. The BOD performance appraisal is carried out by the Board of Commissioners.
2. The performance appraisal of the Board of Directors is based on these general criteria:
   a. The BOD's collective performance towards the company's achievements in accordance with the criteria set by the Board of Commissioners.
   b. Individual Directors' performance achievements in accordance with the KPIs approved by the Board of Commissioners.
   c. Implementation of GCG principles both individually and collegially.

Board of Directors Performance Appraisal through GCG Assessment

The Board of Directors' self-assessment performance appraisal refers to the Regulation of the State Minister for SoE No. PER-09/MBU/2012 dated 6 July 2012 concerning the Implementation of Good Corporate Governance in SoEs and the Decree of the Secretary of the Ministry of SoE No. SK-16/S.MBU/2012 dated 6 June 2012 concerning Indicators/Parameters for Assessment and Evaluation of the Implementation of Good Corporate Governance in SoE.

Procedure for Implementing Performance Appraisal of the Board of Directors

The assessment was carried out in several stages: submission of required documents, filling out questionnaires by the Board of Commissioners and Directors, interviews, analysis by PT Multi Utama Consultindo (MUC Consulting Group), assessment of documents, questionnaires, interviews and observations made, presentation of interim results by MUC, and reporting by MUC on the outcome of the performance evaluation of the Board of Directors.

Performance Evaluation Criteria for the Board of Directors

The criteria used in appraising the performance of the Board of Directors include:

1. Implementation of training/learning programs for the Board of Directors.
2. Clear division of duties/functions, powers and responsibilities of the Board of Directors.
3. Preparation of company planning.
4. Fulfillment of Company's performance target.
5. Implementation of operational and financial controls on the execution of the Company's plans and policies.
6. The Company's management is in accordance with the legislation and the Articles of Association.
7. The implementation of value-added relationships for the Company and stakeholders.
8. Monitor and manage potential conflicts of interest for members of the Board of Directors and management under the Board of Directors.
9. Implementation of information and communication disclosure, as well as delivery of information to the Board of Commissioners and Shareholders in a timely manner.

10. Organizing Board of Directors meetings and attendance at Board of Commissioners meetings.
11. Implementation of quality and effective internal control.
12. Implementation of quality and effective functions of the Corporate Secretary.
13. Organizing the Annual GMS and other GMS in accordance with the legislation.

Outcome of the BOD Performance Appraisal

Based on the 2020 GCG assessment for Board of Directors, the BOD received “Very Good” result with a total score of 32.764 out of 35.000



THE BOARD MEETINGS

Board of Commissioners Meetings

In 2020, the Board of Commissioners held 11 (eleven) meetings with details as below:

Date	Agenda	Attendance	
		Board of Commissioners	Committee Member
29 January 2020	a. Previous meeting's followup; b. December 2019 company performance evaluation ; c. 2019 performance appraisal of the BOC and its supporting organs; d. Supervisory strategy of the BOC in 2020; e. Other.	• Soekarwo • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono
19 February 2020	a. Previous meeting's followup; b. January 2020 company performance evaluation; c. Supervisory strategy of the BOC (continuation); d. Other.	• Soekarwo • Sony Subrata • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono
22 April 2020	a. Previous meeting's followup and update report; b. March 2020 and Q1-2020 company performance evaluation; c. Other.	• Soekarwo • Sony Subrata • Astera Primanto Bhakti • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono
20 May 2020	a. April 2020 Company performance evaluation; b. Preparation for AGMS 2020; c. Other.	• Soekarwo • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono
16 June 2020	a. May 2020 company performance evaluation; b. Other.	• Soekarwo • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono
16 July 2020	a. Previous meeting's followup; b. June 2020 company performance evaluation; c. Evaluating the RJPP draft; d. Other.	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono

Date	Agenda	Attendance	
		Board of Commissioners	Committee Member
19 August 2020	a. Previous meeting's followup; b. July 2020 company performance evaluation and supervisory focus until the end of 2020; c. Deciding on remuneration for the BOC Secretariat; d. Other.	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono
15 September 2020	a. Previous meeting's followup; b. August 2020 company performance evaluation and assessing strategic issues and procurement policy and strategy followup (e.g. Securities supply, TKDN, UMKM); c. Assessing the suggestion from the Commissioners of a subsidiary from KBUMN; d. Other.	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono
15 October 2020	a. Previous meeting's followup (15 September 2020); b. September 2020 and Q3-2020 company performance evaluation; c. Decision making related to 2020's KPI (revised); d. Other.	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono
16 November 2020	a. Previous meeting's followup; (15 October 2020); b. October 2020 company performance evaluation; c. Other.	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono
14 December 2020	a. Previous meeting's followup (16 November 2020) ; b. 2021 RKAP evaluation based on risk management; c. Internal audit work program based on the 2021 RKAP & risk management; d. Formulating the work program and KPI for BOC based on the 2021 RKAP; e. November 2020 company performance evaluation; f. Other.	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Elok Tresnaningsih • M.Z. Abidin • Fritz Bonar Panggabean • Agus Waluyo • Dedi Kusnendar • Edi Eko Cahyono

Special Meeting

The Board of Commissioners hold special meetings with Directors in-charged regarding strategic matters related with talent, succession, and Corporate KPI policies.

The percentage of attendance of the members of the Board of Commissioners:

No	Name	Position	Number of Meetings and % of Attendance			
			Internal BOC		Special	
			Attendance	%	Attendance	%
1	Soekarwo [1)]	President Commissioner	5	100	0	0
2	Rudiantara [2)]	President Commissioner	6	100	4	100
3	Sony Subrata	Commissioner	11	100	4	100
4	Astera Primanto Bhakti	Commissioner	9	82	4	100
5	Nasaruddin Umar	Independent Commissioner	9	82	4	100
6	Mochamad Choliq	Independent Commissioner	10	91	3	75
7	Hendrika Nora O. Sinaga	Commissioner	11	100	4	100
8	Lydia Silvanna Djaman	Commissioner	10	91	4	100

1) *Dismissed as per AGM dated 19 July 2020;*
2) *Appointed as per AGM dated 19 July 2020*

Board of Directors Meetings

In 2020, the Board of Directors held 29 (twenty nine) meetings with details on the agenda and attendance data as follows:

No	Meeting Date	Meeting Agenda	Attendance
1	14 January 2020	• Success Factor project • Corporate Rebranding • Business Process Transformation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
2	20 January 2020	Performance Evaluation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
3	28 January 2020	• SI Group Business Strategy • KPI for Subsidiaries	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir
4	5 February 2020	Corporate Rebranding	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
5	25 February 2020	• 2020 Company's AGM • Brand Collateral	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
6	19 March 2020	Performance evaluation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
7	26 March 2020	Implementation of the virtual working group	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan

No	Meeting Date	Meeting Agenda	Attendance
8	8 April 2020	• RKAP • BUMDES partnership	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
9	17 April 2020	SBPU project	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
10	18 May 2020	Performance evaluation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
11	3 June 2020	AGM of the subsidiaries	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
12	11 June 2020	Performance evaluation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
13	15 June 2020	RKAP	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
14	7 July 2020	Ready Mix business restructure	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan

No	Meeting Date	Meeting Agenda	Attendance
15	14 July 2020	Performance evaluation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
16	4 August 2020	TLCC update	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
17	14 August 2020	• Performance evaluation • Subsidiaries restructure	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
18	18 August 2020	Performance evaluation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
19	7 September 2020	SIG operational model	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
20	10 September 2020	Performance evaluation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
21	12 October 2020	Performance evaluation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan

No	Meeting Date	Meeting Agenda	Attendance
22	27 October 2020	• 2021 RKAP • SoE Draft Bill	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir
23	28 October 2020	• SIG's KPI • SBPU project	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
24	12 November 2020	• SBPU project • Proposal for Integration of RMX BUMN Karya	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
25	16 November 2020	Performance evaluation	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
26	23 November 2020	• 2021 RKAP • Company's RJPP	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
27	30 November 2020	SBPU project	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
28	11 December 2020	• Performance evaluation • Portfolio development business model	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
29	19 December 2020	2021 RKAP	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan

The percentage of attendance of the members of the Board of Directors:

No	Name	Position	Number of Meetings	Number of Attendance	% of Attendance
1	Hendi Prio Santoso	President Director	29	29	100
2	Doddy Sulasmono Diniawan	Director of Finance	29	29	100
3	Fadjar Judisiawan	Director of Business Strategy and Development	29	29	100
4	Benny Wendry	Director of Production	29	29	100
5	Tri Abdisatrijo	Director of Engineering and Projects	29	29	100
6	Adi Munandir	Director of Marketing and Supply Chain	29	29	100
7	Tina T. Kemala Intan	Director of Human Resources and Legal	29	27	93

Joint Meeting

Throughout 2020, the Board of Commissioners and Directors held 11 (eleven) meetings with agenda and attendance as below:

No	Date	Agenda	Attendance	
			BOC	BOD
1	29 January 2020	a. Previous meeting's followup; b. December 2019 company performance evaluation; c. General audit progress 2019; d. Other.	• Soekarwo • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
2	19 February 2020	a. Previous meeting's followup; b. January 2020 company performance evaluation; c. Other.	• Soekarwo • Sony Subrata • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
3	22 April 2020	a. Previous meeting's followup; b. 2020 March and Q1-2020 performance evaluation; c. Other.	• Soekarwo • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Lydia Silvanna Djaman • Hendrika Nora O. Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
4	20 May 2020	a. April 2020 company performance evaluation; b. AGM 2020 preparation;	• Soekarwo • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan

No	Date	Agenda	Attendance	
			BOC	BOD
5	16 June 2020	a. May 2020 company performance evaluation; b. Brief report on AGM 2020 preparedness;	• Soekarwo • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
6	16 July 2020	a. Introducing the new Commissioner b. June 2020 company performance evaluation; c. RJPP draft evaluation;	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
7	19 August 2020	a. Following up the BOCBOD meeting dated 16 July 2020; b. July 2020 company performance evaluation and focus on performance improvement until the end of 2020; c. TKDN strategy and program; d. Other	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
8	15 September 2020	a. Following up the BOCBOD meeting dated 19 August 2020; b. August 2020 company performance evaluation and focus on the performance improvement until the end of 2020; c. Other	• Rudiantara • Sony Subrata • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
9	15 October 2020	a. Previous meeting's followup b. (15 September 2020); c. September 2020 and Q3-2020 company performance evaluation; d. Other	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan
10	16 November 2020	a. Previous meeting's followup (15 October 2020); b. October 2020 company performance evaluation; c. RKAP 2021 presentation d. Other	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan

No	Date	Agenda	Attendance	
			BOC	BOD
11	14 December 2020	a. Following up the BOCBOD meeting dated 16 November 2020; b. RKAP 2021 based on risk management; c. November 2020 company performance evaluation; d. Other.	• Rudiantara • Sony Subrata • Astera Primanto Bhakti • Nasaruddin Umar • Mochamad Choliq • Lydia Silvanna Djaman • Hendrika Nora Osloi Sinaga	• Hendi Prio Santoso • Doddy Sulasmono Diniawan • Fadjar Judisiawan • Benny Wendry • Tri Abdisatrijo • Adi Munandir • Tina T. Kemala Intan

With the percentage of attendance as below:

No	Name	Position	Number of Meetings	Number of Attendance	% of Attendance
1	Soekarwo [1)]	President Commissioner	5	5	100
2	Rudiantara [2)]	President Commissioner	6	6	100
3	Sony Subrata	Commissioner	11	11	100
4	Astera Primanto Bhakti	Commissioner	11	9	82
5	Nasaruddin Umar	Independent Commissioner	11	10	91
6	Mochamad Choliq	Independent Commissioner	11	10	91
7	Hendrika Nora O. Sinaga	Commissioner	11	10	100
8	Lydia Silvanna Djaman	Commissioner	11	10	91
9	Hendi Prio Santoso	President Director	11	11	100
10	Doddy Sulasmono Diniawan	Director of Finance	11	11	100
11	Fadjar Judisiawan	Director of Business Strategy and Development	11	11	100
12	Benny Wendry	Director of Production	11	11	100
13	Tri Abdisatrijo	Director of Engineering and Project	11	11	100
14	Adi Munandir	Director of Marketing and Supply Chain	11	11	100
15	Tina T. Kemala Intan	Director of Human Capital and Legal	11	11	100

1) Term of office ended as per AGM 19 July 2020;
2) Term of office began as per AGM 19 July 2020

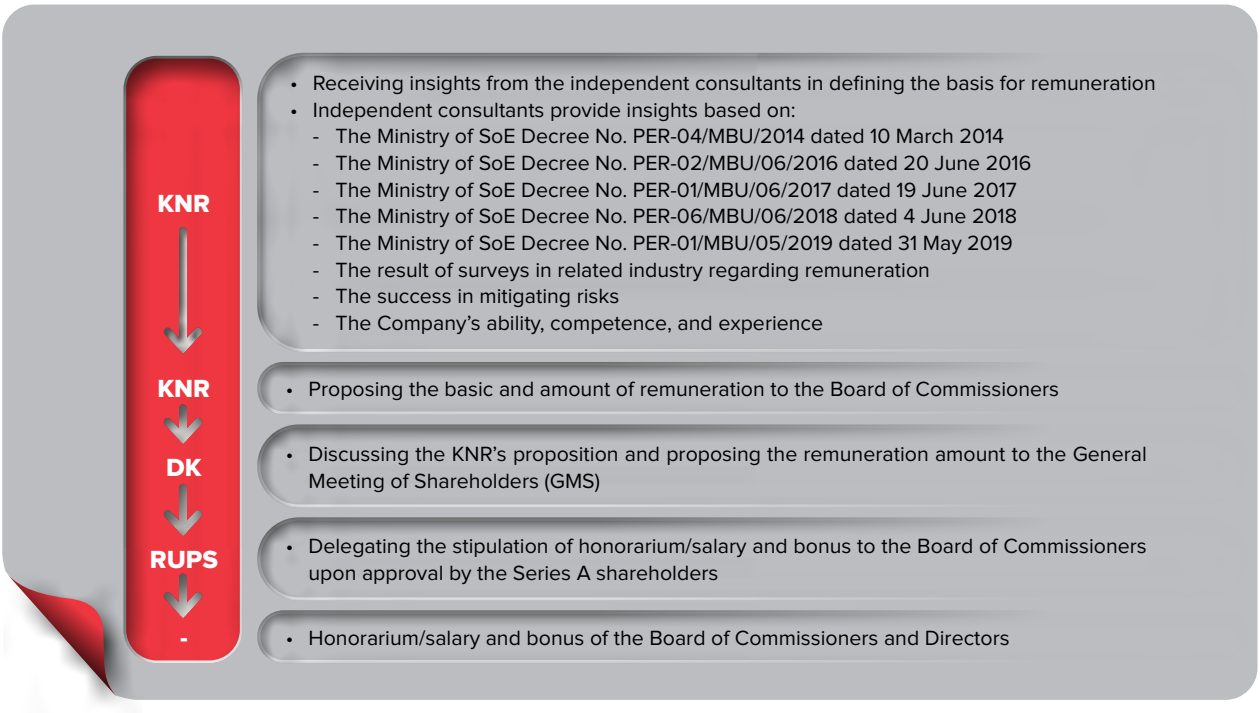
REMUNERATION FOR THE BOARD OF COMMISSIONERS AND DIRECTORS

Remuneration for the Board of Directors and Commissioners referred to the Minister of State-Owned-Enterprises regulation No. PER-04/MBU/2014 about the Guidelines for Determining the Remuneration for Board of Directors, Board of Commissioners and the SoE Monitoring Board that has been replaced by The Minister of State-Owned-Enterprises regulation No. PER-01/MBU/05/2019 about the Fourth Change to the Minister of SoE's regulation about the Guidelines for Determining the Remuneration for Board of Directors, Board of Commissioners and the SoE Monitoring Board.

The procedure to propose remuneration of the Board of Commissioners and Directors

Every year at the GMS (General Meeting of the Shareholders), discussing the remuneration is always in the agenda. The amount of remuneration for members of the Board of Commissioners is proposed in the GMS, based on the performance achievements of the Board of Commissioners and the analysis and recommendations of the Nomination and Remuneration Committee (NRC). The NRC always involves an independent consultant in determining the basis for determining and recommending the appropriate and fair amount of remuneration.

Supported by a reliable and vast database of market surveys from similar companies and by taking NRC's directioninto account, independent consultants



compile several main factors to propose the amount of remuneration. This includes both fixed and non-permanent remuneration, consisting of: honorarium/salary, allowances, and other facilities that are paid/given monthly, bonuses as annual performance incentives, the amount of which is recommended by the Nomination and Remuneration Committee, and is decided by the shareholders at the Annual GMS.

Remuneration Structure

The remuneration referred to the Minister of State-Owned Enterprises regulation No. 04/MBU/2014 about the Guidelines for Determining the Remuneration for Board of Directors, Board of Commissioners and the SoE Monitoring Board which has been replaced by the Minister of State-Owned-Enterprises regulation No. PER-01/MBU/05/2019 about the Fourth Change to the Minister of SoE's regulation about the Guidelines for Determining the Remuneration for Board of Directors, Board of Commissioners and the SoE Monitoring Board. Remuneration to each member of the Board of Directors and Commissioners would be done based on the results of the Annual General Meeting, according to which the the remuneration structure for the Board of Commissioners would be decided by Serie A shareholders. Meanwhile, the remuneration for the Board of Directors will be decided by the Board of Commissioners once approved by Serie A shareholders

Remuneration components consist of:
1. Salary/Honorarium.
2. Allowances.
3. Facilities.
4. Bonus/Performance Incentives.

Remuneration Indicator

The factors to determine the remuneration include:
1. The company's scale.
2. The company's complexity factors.
3. Inflation rate.
4. The company's financial condition and health.
5. Other factors that are relevant and don't conflict with the Legislation

Remuneration for the Board of Commissioners and the Board of Directors refer to the following indicators:
1. Remuneration is given in the event that the company makes a profit in the relevant fiscal year.
2. Remuneration is given with reference to the development in the construction industry market.
3. Remuneration is granted through assessment of the performance of the Board of Commissioners and the Board of Directors in accordance with their duties and responsibilities;
4. Financial performance and achievement of the Company's Key Performance Indicator (KPI).
5. Individual work performance.
6. Fairness with other corporate peers.
7. Amounts of honorarium/salary and bonus received are:
   a. President Commissioner earns 45% of the President Director's renumeration.
   b. Members of the Board of Commissioners receives 90% of the President Commissioner's renumeration.
   c. President Director 100%.
   d. Director in charge of Human Resources earns 90% of the President Director's renumeration
   e. Other members of the Board of Directors earns 85% of the President Director's renumeration

Nominal/Remuneration Component for the Board of Commissioners and the Board of Directors

In 2020, the remuneration details of each Board of Commissioners and Directors that have been realized is as follows:

No	Type of Income/Facilities	Board of Commissioners		Board of Directors	
		Total Persons	Rp (million)	Total Persons	Rp (million)
1	Salary/Honorarium*	8	8,986	7	19,188
	Transportation Benefits*	8	1,797	-	-
	Housing Allowance	-	-	7	2,310
	Holiday Allowance*	-	-	-	-
	Tantiem**	9	19,136	8	40,864
2	Other facilities in the form of natura	-	-	-	-
	Housing (not ownership)	-	-	-	-
	Transportation (not ownership)	-	-	-	-
	Full Service insurance (cannot be owned)*	5	1,253	7	4,043
	Health Insurance (cannot be owned)*	-	-	-	-

Total Remuneration	Total Commissioner	Total Director
Above Rp2 billion*	7	8
Above Rp1 billion-Rp2 billion	2	-
Above Rp300 million-Rp1 billion	1	-
Rp300 million and below	-	-

Note:
*) including the Board of Commissioners and the Board of Directors whose term of office expires on 19 June 2020
**) The Board of Commissioners and the Board of Direction won't receive holiday allowance

AFFILIATION RELATIONSHIP

The affiliation relationship between the Board of Commissioners, Board of Directors and shareholders has been regulated in Law Number 40 of 2007 concerning Limited Liability Companies. The law attempted to avoid conflictsof interest which could interfere with the decision making process, leading to harmful consequences to the Company.

Name	Title	Financial Relationship with						Familial Relationship with						Ownership of SIG's stock	
		BOC		BOD		Investors		BOC		BOD		Investors			
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Rudiantara	President Commissioner		✓		✓		✓		✓		✓		✓		✓
Sony Subrata	Commissioner		✓		✓		✓		✓		✓		✓		✓
Astera Primanto Bhakti	Commissioner		✓		✓		✓		✓		✓		✓		✓
Nasaruddin Umar	Independent Commissioner		✓		✓		✓		✓		✓		✓		✓
Mochamad Choliq	Independent Commissioner		✓		✓		✓		✓		✓		✓		✓
Hendrika Nora Osloi Sinaga	Commissioner		✓		✓		✓		✓		✓		✓		✓
Lydia Silvanna Djaman	Commissioner		✓		✓		✓		✓		✓		✓		✓
Hendi Prio Santoso	President Director		✓		✓		✓		✓		✓		✓		✓
Doddy Sulasmono Diniawan	Director of Finance		✓		✓		✓		✓		✓		✓		✓
Fadjar Judisiawan	Director of Business Strategy & Development		✓		✓		✓		✓		✓		✓		✓
Benny Wendry	Director of Production		✓		✓		✓		✓		✓		✓		✓
Tri Abdisatrijo	Director of Engineering & Project		✓		✓		✓		✓		✓		✓		✓
Adi Munandir	Director of Marketing & Supply Chain		✓		✓		✓		✓		✓		✓		✓
Tina T. Kemala Intan	Director of HR & Legal		✓		✓		✓		✓		✓		✓		✓

DIVERSITY IN THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

The diversity of the Board of Commissioners and the Board of Directors, as stipulated in the Attachment to the Financial Services Authority Circular Letter Number 32/SEOJK.04/2015 concerning Guidelines for Governance of Public Companies, favors the interest of the Board of Commissioners and Directors as well as members of the Board of Commissioners and Directors, according to the needs of the Company. The appointment of the Board of Commissioners and the Board of Directors is assessed by considering their integrity, dedication, understanding of the company's management issues related to any management functions, knowledge and/or expertise in the fields required by the Company, ability to provide time to carry out their duties and other requirements based on the regulations and legislations.

Throughout 2020, the diversity of the Board of Commissioners and the Board of Directors as reflected in education, work experience, age and gender, can be seen as in the table below:

Name	Title	Age	Gender	Education	Work Experience
Rudiantara	President Commissioner	61 years	Male	• Bachelor of Statistics from Universitas Padjadjaran, Bandung • Master of Business Administration from IPPM, Jakarta	• Minister of Communication and Information of Republic of Indonesia • Director/Commissioner of PT Telekomunikasi Seluler, PT XL Axiata Tbk, PT Indosat Tbk, PT Telkom Indonesia (Persero) Tbk • Vice President Director of PT Semen • Indonesia (Persero) Tbk • Vice President Director of PLN (Persero)
Sony Subrata	Commissioner	55 years	Male	• Bachelor of Commerce in Marketing from the University of New South Wales, Sydney, Australia	• Independent Commissioner of PT Ciputra Surya Tbk • Executive Director Asosiasi Yayasan Untuk Bangsa • President Director of PT Adiriasindo Delta Pratama
Astera Primanto Bhakti	Commissioner	53 years	Male	• Bachelor of Economics in Management from the Universitas Jenderal Soedirman, Purwokerto • Master's degree in Taxation from the University of Denver, USA	• Director General of Fiscal Balance of the Ministry of Finance of the Republic of Indonesia • Head of the Financial Education and Training Agency of the Ministry of Finance of the Republic of Indonesia • Head of Financial Education and Training for the Ministry of Finance

Name	Title	Age	Gender	Education	Work Experience
Nasaruddin Umar	Commissioner Independent	61 years	Male	• Bachelor's degree from Faculty of Shariah, IAIN Alauddin, Ujung Pandang • Master's degree from UIN Syarif Hidayatullah, Jakarta • PhD from UIN Syarif Hidayatullah, Jakarta	• Vice Minister of Religious Affairs • Director General of Islamic Community Education, the Ministry of Religious Affairs
Mochamad Choliq	Independent Commissioner	68 years	Male	• Bachelor of Engineering from Institut Teknologi Sepuluh Nopember (ITS), Surabaya • Master of Management from STM Prasetya Mulya, Jakarta	• President Director of PT Waskita Karya (Persero) Tbk • Director of PT Adhi Karya (Persero)
Hendrika Nora Osloi Sinaga	Commissioner	50 years	Female	• Bachelor of Chemical Engineering from Institut Teknologi Bandung, Bandung • Master of Management from the Universitas Indonesia, Depok	• Assistant Deputy for Construction of Transportation Facilities and Infrastructure (KSPP) III of the Ministry of SoEs • Commissioner of PT Perusahaan GasNegara (Persero) Tbk • Commissioner of PT Perusahaan Pengelola Aset (Persero)
Lydia Silvanna Djaman	Commissioner	52 years	Female	• Master of Law from the University of Technology, Sydney • Bachelor of Law from Universitas Sebelas Maret, Solo	• Assistant Deputy of Economics for the Ministry of State Secretariat • Assistant Deputy of Economics Regulations for the Ministry of State Secretariat • Legal and Human Rights Expert Staff for the Minister of State Secretariat
Hendi Prio Santoso	President Director	53 years	Male	• Master of Economics from the The University of Texas, Austin, USA • Bachelor of Business Administration (BBA) in Finance and Economics (double major) from the University of Houston, Texas, USA	• President Director of PT Perusahaan Gas Negara (Persero) Tbk • Director of Finance of PT Perusahaan Gas Negara (Persero) Tbk • Director of Investment Banking of PT JP Morgan Securities Indonesia

Name	Title	Age	Gender	Education	Work Experience
Doddy Sulasmono Diniawan	Director of Finance	53 years	Male	• Bachelor of Economics majoring in Management from Universitas Katolik Parahyangan, Bandung • Master of Financial Management from Universitas Padjadjaran, Bandung	• Director of Business Strategy & Business Development PT Semen Indonesia (Persero) Tbk • Director of Finance and Human Resources of PT Rekayasa Industri • Executive Vice President, and then CEO of Jakarta Regional Office of PT Bank Negara Indonesia (Persero) Tbk
Fadjar Judisiawan	Director of Business Strategy & Development	49 years	Male	• Bachelor of Engineering from Insititut Teknologi Sepuluh Nopember, Surabaya • Master of Management from the Universitas Gajah Mada, Jogjakarta	• Director of Finance PT Semen Indonesia (Persero) Tbk • Acting Deputy of Construction, Transportation • Facilities and Infrastructure for the Ministry of State-Owned Enterprise • Assistant Deputy of Construction, Transportation Facilities and Infrastructure I for the Ministry of State-Owned Enterprise
Benny Wendry	Director of Production	51 years	Male	• Bachelor of Chemical Engineering from Institut Teknologi Bandung, Bandung • Master of Management from Universitas Gajah Mada, Jogjakarta	• President Director of PT Semen Padang • Director of Finance of PT Semen Padang • Corporate Secretary of PT Semen Padang
Tri Abdisatrijo	Director of Engineering & Project	53 years	Male	• Bachelor of Chemical Engineering from Institut Teknologi Sepuluh Nopember, Surabaya	• Commercial Director, PT Semen Tonasa • General Manager for Energy, Materials and Environment of PT Semen Indonesia (Persero) Tbk • General Manager Project Specialist OOTC PT Semen Indonesia (Persero) Tbk
Adi Munandir	Director of Marketing & Supply Chain	39 years	Male	• Bachelor of Electrical Engineering from Universitas Indonesia, Depok • Master of Management Science, Universitas Indonesia, Depok	• Group Head of Marketing of PT Perusahaan Gas Negara (Persero) Tbk • Head of Strategic Management Division of PT Perusahaan Gas Negara (Persero) Tbk • Executive Officer – Strategic Management Office of PT Perusahaan Gas Negara (Persero) Tbk
Tina T. Kemala Intan	Director of HR & Legal	61 years	Female	• Bachelor of Psychology, Psychologist from Universitas Padjadjaran, Bandung	• Director of Human Resources, General Affairs and Information Technology of Angkasa Pura II • Consultant for UNDP, USAID, AUSAID & GIZ

SUPPORTING ORGANS OF THE BOARD OF COMMISSIONERS

In order to effectively implement the functions, duties and responsibilities of the Board of Commissioner, it has formed three Committees under its supervision: the Audit Committee; Nomination, Remuneration and CSR Committee; the Risk Management and Investment Strategy Committee and the Secretary of the Board of Commissioners.

SECRETARY OF THE BOARD OF COMMISSIONERS

To ensure the smooth execution of its duties, the Board of Commissioners may appoint a Secretary to the Board of Commissioners at the Company's expense. The Secretary of the Board of Commissioners performs administrative and secretarial duties relating to all activities of the Board of Commissioners.

Criteria

The Secretary of the Board of Commissioners/Board of Trustees must meet the following requirements:
1. Understand the SoE management, supervision and guidance system.
2. High integrity.
3. Understand the secretarial function.
4. Strong ability to communicate and coordinate well.

Terms of Office

The term of office for the Secretary and Secretariat Staff of the Board of Commissioners/Supervisory Board is determined by the Board of Commissioners/Supervisory Board for a maximum of 3 (three) years and can be reappointed for a maximum of 2 (two) years without diminishing the right of the Board of Commissioners/ Board of Supervisors to dismiss them at any time.

Profile of the Secretary of the Board of Commissioners



Edi Eko Cahyono

Secretary of the Board of Commissioners

Age: 38 years

Nationality: Indonesia

Residence: Jakarta

Educational Background:
- Diploma from the State College of Accountancy (STAN) in 2003
- Bachelor of Economics from the University of Indonesia (UI) in 2008
- Master of Applied Accounting from Gadjah Mada University (UGM) in 2014

Work Experience:
- Secretary of the Board of Commissioners of PT Petrokimia Gresik (2016-2019),
- PT Indonesia Asahan Aluminum (Persero) (2014-2016),
- Secretary of the Board of Commissioners of PT Len Industri (Persero) (2013-2014)
- Secretary of the Board of Commissioners of PT Industri Nuklir Indonesia (Persero) (2009-2013)

Concurrent Positions:
Department Head for Performance Planning and Management, Ministry of SoEs, since 2020

Legal Basis for Appointment:
In accordance with the Decree of the Board of Commissioners No.016/SI/KepDK/06.2019, dated 26 June 2019

Terms: 1 July 2019 - Now

Responsibilities of the Secretary of the Board of Commissioners

1. Coordinate the provision of protocol services for the Board of Commissioners and the supporting organs for the Board of Commissioners with Company protocol.
2. Together with Remuneration Committee, prepare the administrative tasks in relation to Board of Commisioners' Supporting Organ's assignment, dismissal, and formalization of their numeration.
3. Coordinate the implementation of good corporate governance (GCG) within the Board of Commissioners.
4. Provide essential information for Board of Commissioners in order to make decisions.
5. Prepare essential materials for the Directors' routine reportsy, such as: RKAP, Annual Report, Quarterly Reports, Internal Audit Audit Reports, and other required reports.
6. Prepare any materials needed/information to help the Board of Commissioners in making decisions regarding the Company's management activities carried out by the Board of Directors and all staff.
7. Prepare and coordinate meeting agendas with attendees at the meeting.
8. Prepare and send meeting invitations to parties who are invited.
9. Confirm the time, place, attendance, and other matters necessary for a successful meeting.
10. Organize meetings/meetings of the Board of Commissioners, both internally to the Board of Commissioners, and with the Board of Directors and its staff and other parties.
11. Prepare Minutes of Meetings for routine / internal and non-routine / internal meetings of the Board of Commissioners and submit the Minutes of Meetings to relevant parties.

12. Arrange considerations, opinions, suggestions and other decisions from the Board of Commissioners for the Shareholders, Directors and parties related to the management of the Company.
13. Follow up every decision of the Board of Commissioners in the following manner:
    a. Record every decision made in decision-making forums and the person in charge.
    b. Monitor the progress of any implementations decided on the meeting, as well as opinion considerations, suggestions and other results discussed in the meeting with the Board of Commissioners.
    c. Follow up with relevant person-in-charge in relation to meeting decisions, considerations, opinions, suggestions and other decisions of the Board of Commissioners.
14. Organize financial, civil service, and general administration activities concerning members of the Board of Commissioners and the personnel of the supporting organs.
15. Organize secretarial activities (finance, personnel and general affairs) within the Board of Commissioners, both for the purposes of the Board of Commissioners and the supporting organs of the Board of Commissioners.
16. Coordinate administrative and archival activities.
17. Implement good security over the data and documents which fall under the Board of Commissioners in the following ways:
    a. Archive the meeting results within the Board of Commissioners, both with the Board of Directors or other parties.
    b. Conduct and coordinate the administration of the Minutes of Meetings of the Board of Commissioners, both internal and meetings with the Board of Directors.
    c. Coordinate activity schedules of the Board of Commissioners and organize all materials needed to carry out these activities
    d. Carry out and coordinate the administration of materials/documents/reports provided by the Board of Directors to the Board of Commissioners.

Remuneration Policy and Amount

In grating remuneration for the secretary of the board of commissioners and the secretariat staff of the board of commissioners is determined by the board of commissioners with due observance of the company's capabilities and applicable regulations.

Implementation of 2020 Tasks

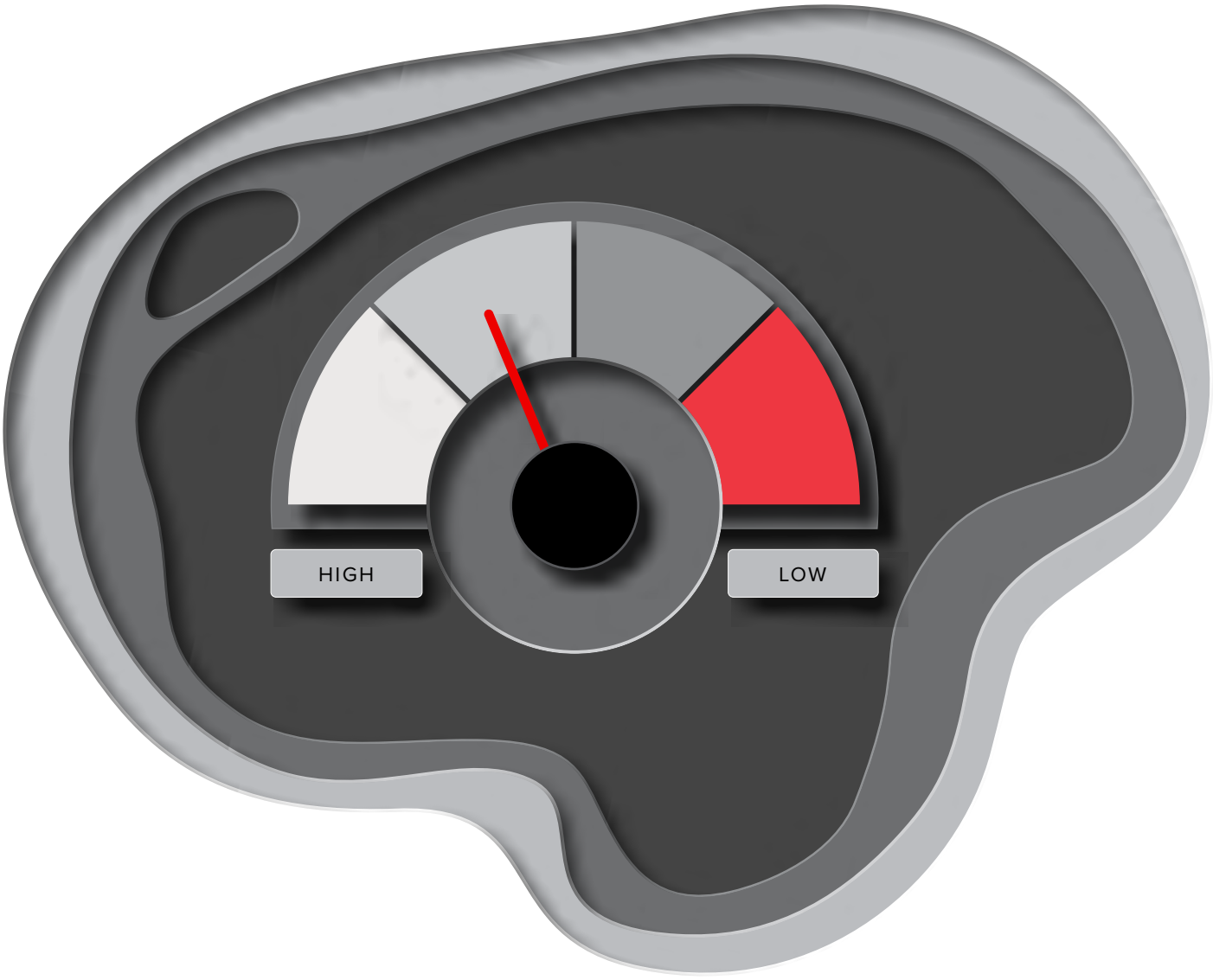
The Secretary of the Board of Commissioners supported by the Secretariat Staff of the Board of Commissioners has performed various work programs throughout 2020, such as:

1. Prepare and coordinate meeting materials, compile minutes of meetings, and administer the Board of Commissioners Meetings and Board of Commissioners Meetings inviting the Board of Directors, including meetings conducted using video conference technology.
2. Provide information and/or coordinate the completion of information for the Board of Commissioners on matters of concern to the Board of Commissioners. as well as, information required to assist decision makings by the Board of Commissioners. This includes corporate actions that require the approval of the Board of Commissioners, policy programs of the Board of Directors in RKAP 2021, implementation of the Whistleblowing System, and others.
3. Coordinate with the Committees under the Board of Commissioners to perform the duties of the Board of Commissioners.
4. Prepare the written correspondence between the Board of Commissioners and the Committees of the Board of Commissioners.

5. Coordinate the participation of members of the Board of Commissioners and Committees of the Board of Commissioners in seminars for competency development.
6. Cooperate with the Corporate Secretary in implementing the program to introduce new Commissioners to the newly appointed President Commissioners.
7. Perform other tasks in the context of implementing supervisory duties and providing advice to the Board of Commissioners.

Performance Evaluation by the Board of Commissioners

The Secretary of the Board of Commissioners performance evalution is conducted every 1 (one) year using the method established by the Board of Commissioners. The 2020 performance evaluation states that the person concerned has carried out his duties properly based on the fulfillment of the work program and the quality of his output.



AUDIT COMMITTEE

The Audit Committee of the Company is formed by and is responsible to the Board of Commissioners. Its main objective is to assist with the supervision of financial reporting, internal audit and external audit, internal control and compliance with applicable laws and regulations.

The establishment of the Audit Committee is an obligation for the Company as determined in Law Number 19 of 2003 concerning State-Owned Enterprises and Financial Services Authority Regulation No. 55/POJK.04/2015 concerning the Establishment and Work Guidelines of the Audit Committee.

Audit Committee Charter

The Audit Committee of SIG has an Audit Committee Charter which was approved based on the Decree of the Board of Commissioners of PT Semen Indonesia (Persero) Tbk. No. 009/SI/Kep.DK/06.2017 dated 16 June 2017. In short, the provisions stipulated in the Audit Committee Charter include:

1. Purpose and Scope of Work.
2. Definitions.
3. Duties and Responsibilities.
4. Authority.
5. Work Codes and Procedures.
6. Composition and Structure.
7. Membership Requirements.
8. Meeting Implementation Policy.
9. Activity Reporting System.
10. Handling of Complaints or Reporting.
11. Term of Service.
12. Funding.

The Audit Committee's Members Criteria

The SIG Audit Committee Charter lays out the requirements for the Audit Committee as follows:

1. Have high integrity, ability, knowledge, experience in accordance with the field of work, and strong communication skills.
2. Well-versed in reading financial reports, the Company's business (especially those related to the services or business activities of the Company), the audit process, risk management, and laws and regulations in the Capital Market sector as well as other related laws and regulations.
3. Must comply with the Audit Committee code of conduct established by the Company.
4. Willing to continuously improve competence through education and training.

Term of Office Policy

1. The working period of Audit Committee members should not be longer than the term of office of the Board of Commissioners, as shown in the Company's Articles of Association, and can be re-elected for the next 1 (one) period;
2. The Board of Commissioners may dismiss at any time a member of the Audit Committee who is not a member of the Board of Commissioners if the person concerned is deemed not implementing their duties as stated in the Decision of the Board

of Commissioners regarding the appointment of the relevant members of the Audit Committee;
3. The rights of members of the Audit Committee who are not the Board of Commissioners are regulated in a separate agreement in the Board of Commissioners' decision letter with the knowledge of the Company's Board of Directors.

Arrangement, Allotment, and the Composition Basis for Hiring Audit Committee

At the end of 2020, the arrangement and allotment of the Audit Committee is 4 (four) people. The membership arrangement and allotment underwent one change on 19 August 2020 as follow:

The arrangement and allotment of the Audit Committee from 1 January to 19 August 2020:

Name	Title	Details	Terms of Office
Mochamad Choliq	Chairman	Independent Commissioner	1 January 2020-31 December 2020
Astera Primanto Bakti	Member	Commissioner	1 January 2020-18 August 2020
Elok Tresnaningsih	Member	Independent Party	1 January 2020-31 December 2020
MZ Abidin	Member	Independent Party	1 January 2020-31 December 2020

The arrangement and allotment of the Audit Committee from 19 August to end of 2020:

Name	Title	Details	Terms of Office
Mochamad Choliq	Chairman	Independent Commissioner	1 January 2020 - 31 December 2020
Sony Subrata	Member	Commissioner	19 August 2020-31 Desember 2020
Elok Tresnaningsih	Member	Independent Party	1 January 2020-31 December 2020
MZ Abidin	Member	Independent Party	1 January 2020-31 December 2020

Audit Committee Profile

The profile of Mochammad Choliq as the Chairman and Sony Subrata as members can be seen in the Board of Commissioners section in this Annual Report.



Elok Tresnaningsih

Member

Age: 61 years

Nationality: Indonesia

Domicile: Jakarta

Education:
- Bachelor degree in Economics majoring in Accounting, Faculty of Economics, University of Indonesia (1983)
- Master degree in Accounting, Faculty of Economics, University of Indonesia (2007).

Experience:
- Audit Committee of PT Perusahaan Listrik Negara (Persero) (2007-2012)

Concurrent Position:
- Permanent lecturer at the Department of Accounting, Faculty of Economics and Business, University of Indonesia (1985- present)
- Board of Directors of the Indonesian Audit Committee Association (IKAI)
- Main Member of the Indonesian Institute of Accountants (IAI)

Legal Basis for Appointment:
Board of Commissioners' Decree No. 021/SI/Kep. DK/09.2013, date 2 September 2013

Term of Office:
1 October 2013 – Now



M.Z. Abidin

Member

Age: 58 years

Nationality: Indonesia

Domicile: Jakarta

Education:
- State Registered Accountants who graduated from the State College of Accountancy (STAN) in 1984 and 1992
- Master of Science from the University of Indonesia in the field of tax policy and administration (2001)

Experience:
- Directors and Commissioners of SoE Subsidiaries (2012-2015)
- Chairperson of the RNI Pension Fund Supervisory Board (2012-2014)
- Head of Internal Audit for SoEs (2012-2014)

Concurrent Position:
- Lecturer in Accounting & Auditing STAN Ministry of Finance RI
- Main Members of the Indonesian Accountants Association (IAI)
- Member of the Institute of Internal Auditor (the IIA)
- Member of the Indonesian Audit Committee Association (IKAI)=

Legal Basis for Appointment:
Board of Commissioners' Decree No. 009/SI/Kep. DK/08.2018, tanggal 16 Agustus 2018

Term of Office:
16 August 2018 - Now

Independence of Audit Committee Members

All members of the Audit Committee must meet the independence requirements following the GCG practices. The GCG practice advises that Audit members should not work or have the authority and responsibility to plan, lead, control or supervise the activities of the Company in the last 6 (six) months; do not have direct or indirect shares in the Company; have no affiliation with the Board of Commissioners, Directors or controlling shareholders of the Company; and do not have business relations, directly or indirectly; nor have any interest to the Company's business activities.

For non-independent Commissioners who are members of the Audit Committee, in order to maintain the independence of the Audit Committee, they do not have voting rights in the decision making process.

Independence Aspects	Mochamad Choliq	Sony Subrata	Elok Trananingsih	M.Z. Abidin
Has no financial relationship with members of the Board of Commissioners and Directors	✓	✓	✓	✓
Has no management relationship in the Company, its subsidiaries, or affiliated companies	✓	✓	✓	✓
Has no management relationship in the Company, its subsidiaries, or affiliated companies	✓	✓	✓	✓
Has no familial relationship with members of the Board of Commissioners, Directors, and/ or fellow members of the Audit Committee	✓	✓	✓	✓
Does not serve as a manager of political parties, officials and government	✓	✓	✓	✓

Duties and Responsibilities

The Audit Committee acts independently in carrying out its duties and responsibilities, which include:

1. Reviewing financial information released by the Company, in the form of financial statements, projections and other reports related to the Company's financial information.
2. Providing independent opinion in the event of disagreements between Management and the Independent Accountant/Auditor for the services they provide.
3. Providing recommendations to the Board of Commissioners regarding the appointment of an Independent Accountant/Auditor based on independence, the scope of the assignment, and compensation for services.
4. Reviewing complaints related to the Company's accounting and financial reporting processes.
5. Reviewing the implementation of audits by internal and external audits and overseeing the implementation of the follow-up on audit findings recommendations by the Board of Directors.
6. Reviewing compliance with laws and regulations in the capital market and other regulations related to the Company's activities.
7. Examining and providing suggestions for potential conflicts of interest of the Company.
8. Maintaining the confidentiality of the Company's documents and information in accordance with applicable regulations.

Assignment of Tasks Between Audit Committee Members

Responsibilities and tasks are not delegated in any special manner because the nature of Audit Committee to work collaboratively. All responsibilities and tasks required are laid out in Annual Work Plan, written by the Board of Commissioner.

Audit Committee Meetings

The Audit Committee should hold meetings at least 1 (one) time each month to complete its duties and responsibilities. Throughout 2020, the Audit Committee held meetings with attendance as below:

No	Name	Title	Total Meetings	Attendance	%
1	Mochamad Choliq	Audit Chairman/Independent Commissioner	18	18	100%
2	Astera Primanto Bhakti [1)]	Audit Committee Member /Commissioner	7	7	100%
3	Sony Subrata [2)]	Audit Committee Member /Commissioner	11	11	100%
4	Elok Tresnaningsih	Audit Committee Member	18	18	100%
5	M.Z. Abidin	Audit Committee Member	18	18	100%

1) No longer an Audit Committee member since Decree No. 011/SI/Kep.DK/08.2020, dated 19 August 2020.
2) Becomes an Audit Committee member since Decree No. 011/SI/Kep.DK/08.2020, dated 19 August 2020.

Competency Development

Learning and development programs attended by the Audit Committee in 2020 could be seen in the Company Profile section in the Annual Report

Remuneration policy and amount for the Audit Committee

Remuneration for the Audit Committee from Independent Non-Commissioner parties is stipulated in the Decree of the Board of Commissioners regarding the Letter of Assignment of Committee members under the Board of Commissioners. Based on the Regulation of the Minister of SoEs No. PER-12/MBU/2012 dated 26 July 2012 concerning the Supporting Functions for the Board of Commissioners/Supervisory Board in SoEs, the maximum honorarium for Non-Commissioner Committee Members is 20% of the President Director's salary and does not receive any other income.

The Practical Duties of the Audit Committee

The duties and responsibilities of the Audit Committee during 2020 follows the Audit Committee Charter and the 2020 Audit Committee Work Plan, which are:

1. Supervision of financial information. Among other things, to review and clarify quarterly and annual Consolidated Financial Statements as well as the application of new accounting standards, namely PSAK 71, PSAK 72 and PSAK 73.
2. Supervision of the effectiveness of the internal audit function. Among other things, reviewing and approving the internal audit work plan, monitoring the implementation of the internal audit work plan and the independence of the internal audit as well as following up on internal audit and external audit recommendations.
3. Supervision of the effectiveness of internal control, which among others is by reviewing and clarifying the findings and recommendations of internal audit and external audit on internal control.
4. Oversight of the Public Accounting Firm (KAP) which conducts general audits of the consolidated financial statements and PKBL financial reports. Among other things, evaluating, selecting and proposing a Public Accounting Firm to the Board of Commissioners to be proposed in the Annual General Meeting. In addition, monitoring the implementation of the audit by a Public Accountant.
5. Supervision of compliance with pertaining laws and regulations and reporting of complaints. Among other things, conducting an assessment of the effectiveness of the compliance system and procedure as well as the whistle blowing system.
6. Reporting to the Board of Commissioners and regulators, including reports on significant issues related to internal control and financial reports as well as reports to financial services authorities regarding the Audit Committee's Recommendations in the Appointment of a Public Accounting Firm and reports on the Evaluation Results of the Audit Committee on the Performance of Audit Services by KAP.
7. Audit Committee Development Program, which is conducted by attending various trainings and webinars.

Assessment by the Board of Commissioners

The Board of Commissioners has evaluated the performance of the committees. The Board of Commissioners opined that during 2020, the Audit Committee has carried out its duties and responsibilities effectively, based on the accomplishment of all activity plans approved by the Board of Commissioners. Additionally, the Board of Commissioners affirmed that the quality of the analysis output, suggestions and recommendations given is also adequate in assisting the supervisory and advisory duties of the Board of Commissioners.

NOMINATION AND REMUNERATION COMMITTEE

As a supporting organ of the Board of Commissioners, the Nomination & Remuneration and CSR Committee (NR-CSR Committee) carries out its duties based on Financial Services Authority Regulation No. 34/POJK.04/2014.

The NR-CSR Committee's role is to assist SIG's Board of Commissioners by providing supervisory recommendations and advice, as well as carrying out specific tasks and general tasks:

1. Determines the selection criteria, nomination procedures, and recommended the number and selection process of the Board of Commissioners and the Board of Directors
2. Provides remuneration recommendations for the Board of Commissioners and the Board of Directors members, as well as the Board of Commissioners' supporting organs' members, and
3. Gives suggestions, supervision, and recommendations in the field of management and development of the Company's Human Resources (HR).
4. Provides input for supervision and advice in the areas of Social and Environmental Responsibility (TJSL) and Corporate Social Responsibility (CSR).

Work Guidelines/Charter of the Nomination and Remuneration Committee

The Company's Nomination & Remuneration and CSR Committee has a Charter or Work Guidelines established through the Board of Commissioners' decision No. 011/SI/Kep.DK/11.2015 regarding Charter of the Nomination and Remuneration Committee. This decision referred to OJK Regulation No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies.

The Nomination and Remuneration Committee Charter, among others, contains:

Chapter	I	Introduction
	A.	Purpose
	B.	Scope
Chapter	II	Guidelines
	A.	Composition and Membership Structure
	B.	Duties and Responsibilities
	C.	Authority
	D.	Prohibition
	E.	Work Ethics
	F.	Working Procedures and Procedures
	G.	Meeting Implementation Policy
	H.	Activity Reporting System
	I.	Correspondence Mechanism
Chapter	III	Closing

Criteria for Member of the Nomination & Remuneration and CSR Committee (NRCSR Committee)

1. NR-CSR Committee must have integrity, dedication, experience and understanding of the Company's risk management, have adequate knowledge in the field of Human Resources and can provide sufficient time to complete its duties.
2. NR-CSR Committee members must have in-depth knowledge and understanding of the duties and responsibilities of the Committee in accordance with applicable laws and regulations and the Company's internal policies related to their area of work.
3. NR-CSR Committee must be independent and be able to carry out its duties independently, solely for the benefit of the Company, regardless of the influence of various parties who have interests that may be in conflict with the interests of other parties.
4. NR-CSR Committee shall not:
   a. have familial relations with members of the Board of Directors and members of the Board of Commissioners up to the second degree, both in a straight line and to the side or in a marital relationship (son-in-law and brother-in-law);
   b. have any personal interest, directly or indirectly, in material information about the Company;
   c. have status as Director and employees of the Company within the last 1 (one) year.

Term of Office Policy

1. Members of the Nomination and Remuneration Committee are appointed for a certain term only. Members are available for reappointment for the next term.
2. The term of office of members of the Nomination and Remuneration Committee who are not members of the Board of Commissioners should not be longer than the term of office of the Board of Commissioners.
3. Replacement of members of the Nomination and Remuneration Committee who are not members of the Board of Commissioners shall be carried out no later than 60 (sixty) days after the members of the Nomination and Remuneration Committee are no longer able to carry out their duties.

Arrangement, Allotment, Composition and Basis of Appointment of the Nomination and Remuneration Committee

The arrangement of the Nomination and Remuneration-CSR Committee (KNR) in 2020 underwent one change and the arrangement from 1 January to 27 July 2020 as follows:

Name	Title	Description	Term of Office
Nasaruddin Umar	Chairman	Independent Commissioner	1 January 2020 - Now
Sony Subrata	Member	Commissioner	1 January 2020 - 26 July 2020
Dedi Kusnendar	Member	Independent Party	1 January 2020 - Now

The arrangement of the Nomination and Remuneration-CSR Committee (KNR) from 27 July to 31 Dec 2020:

Name	Title	Description	Term of Office
Nasaruddin Umar	Chairman	Independent Commissioner	1 January 2020 - Now
Lydia Silvanna Djaman	Member	Commissioner	27 July 2020 - Now
Dedi Kusnendar	Member	Independent Party	1 January 2020 - Now

Nomination and Remuneration Committee Profile

The profile of Nasaruddin Umar as Chairman and Lydia Silvanna Djaman as member of the Nomination and Remuneration Committee - CSR can be seen in the Company Profile chapter in this Annual Report book.



Dedi Kusnendar

Member

Age: 59 years

Nationality: Indonesia

Domicile: Jakarta

Education:
- Bachelor of Chemical Engineering, Bandung Institute of Technology (1986)
- Master of Management (MM), Master of Management in Business Administration Program (MBAT), Bandung Institute of Technology (2003)

Experience:
- Commissioner, PT Sucofindo EPISI (2014-2018)
- Vice President of the Strategic Management Division, PT Sucofindo (2014-2017)
- Vice President of the Eastern Region Division, PT Sucofindo (2012-2014)
- Vice President of the Finance and Accounting Division, PT Sucofindo (2002-2012)

Concurrent Position:
Senior Consultant in several management consultancy companies

Legal Basis for Appointment:
The Board of Commissioners Decree No. 013/SI/Kep.DK/06.2019 - 26 June 2019

Term of Office:
26 June 2019 - Now

Independency of Nomination and Renumeration Committee Members

Independence Aspect	Nasaruddin Umar	Lydia S Djaman	Dedi Kusnendar
Has no financial relationship with the Board of Commissioners and Directors	✓	✓	✓
Has no managerial relationship in the Company, subsidiaries, or affiliated companies	✓	✓	✓
Has no managerial relationship in the Company, subsidiaries, or affiliated companies	✓	✓	✓
Has no familial relationship with the Board of Commissioners, Directors, and/or fellow Audit Committee members	✓	✓	✓
Does not serve as an administrator of political parties, officials and government	✓	✓	✓

Duties and Responsibilities

The NRC's role is to assist the Board of Commissioners in several ways:

1. In relation to the Nomination function:
   a. Provide recommendations to the Board of Commissioners regarding:
      1. Composition of positions of members of the Board of Directors and/or members of the Board of Commissioners.
      2. Policies and criteria required in the Nomination process; and
      3. Performance evaluation policy for members of the Board of Directors and / or members of the Board of Commissioners.
   b. Assist the Board of Commissioners in assessing the performance of members of the Board of Directors and/or members of the Board of Commissioners based on benchmarks that have been prepared as evaluation materials.
   c. Provide recommendations to the Board of Commissioners regarding capacity building programs for members of the Board of Directors and/or members of the Board of Commissioners; and
   d. Propose candidates who meet the requirements as members of the Board of Directors and/or members of the Board of Commissioners to the Board of Commissioners to be submitted to the AGM.
   e. Assisting the Board of Commissioners as a Talent Committee for SoE Executives (Directors and Officers One Level Below the Board of Directors).
2. In relation to the Remuneration function:
   a. Provide recommendations to the Board of Commissioners regarding:
      1. Remuneration Structure.
      2. Remuneration Policy, and
      3. Amount of Remuneration.
   b. Assist the Board of Commissioners in assessing performance according to the remuneration received by each member of the Board of Directors and/or members of the Board of Commissioners. Performance appraisals include but are not limited to Key Performance Indicators (KPI) of the Board of Directors and the Board of Commissioners.
   c. Provide recommendations related to remuneration/income for the Secretary and Secretariat Staff of the Board of Commissioners and members of the Board of Commissioners Committee.
3. Carry out other duties assigned by the Board of Commissioners.

Distribution of Duties between the Nomination and Remuneration Committee

There is no specific division of duties because the responsibilities of the members of the Nomination and Remuneration Committee are collegial. Basically, all duties and obligations that are carried out are set forth in the Annual Work Plan determined by the Board of Commissioners.

Nomination and Remuneration Committee Meetings

The Nomination and Remuneration Committee holds regular meetings at least 1 (one) time in 4 (four) months to discuss the Committee's Work Program and analysis output in the context of providing suggestions and recommendations to assist the Board of Commissioners in carrying out supervisory and advisory activities. Throughout 2020, the Committee held 5 (five) meetings with a member attendance rate of 100%.

No	Meeting Date	Meeting Agenda	Attendance			
			Nasaruddin Umar	Sony Subrata [1]	Lydia S Djaman [2]	Dedi Kusnendar
1	30 April 2020	Discussion of Candidates for Commissioners of Subsidiaries	✓	✓		✓
2	29 May 2020	Discussion of 2020 remuneration and 2019 bonus	✓	✓		✓
3	13 August 2020	a. Organizational Structure b. Progress of the Proposal for Candidates for the Board of Directors of the Subsidiary Commissioner	✓		✓	✓
4	14 August 2020	Discussion of the 2020 Organization proposal	✓		✓	✓
5	3 October 2020	Discussion on the KNR's Recommendations regarding the Recommendations of the Directors of the Commissioners of the Subsidiaries	✓		✓	✓
Total Meetings			5	2	3	5
Total Attendance			5	2	3	5
Attendance Percentage			100	100	100	100

[1] Has not been a member of the KNR since Decree number 010 / SI / Kep.DK / 07.2020 dated 27 July 2020 was issued
[2] Has been a member of the KNR since Decree number 010 / SI / Kep.DK / 07.2020 dated 27 July 2020 was issued

Competency Development

The education and trainings which the Nomination and Remuneration Committee participated in 2020 can be seen in the Company Profile chapter in this Annual Report.

Remuneration Policy for the Nomination and Remuneration Committee

Remuneration for the Nomination and Remuneration Committee from an Independent Non-Commissioner is stipulated in the Board of Commissioners Letter regarding the Letter of Assignment about as a Committee member under the Board of Commissioners. Based on the Regulation of the Minister of State for SoEs No PER-12 / MBU / 2012 dated 26 July 2013 concerning the Supporting Organs of the Board of Commissioners / Supervisory Board in BUMN, the maximum honorarium for Non-Commissioner Committee Members is 20% of the President Director's salary and does not receive any other income.

Implementation of the Nomination and Remuneration Committee Duties in 2020

Throughout 2020, the Nomination and Remuneration Committee has carried out the following tasks:

- Assisting in the supervision and review of the Board of Commissioners on management succession plans and their implementation.
- Monitoring and evaluating the achievement of the 2020 Board of Directors KPI.
- Monitoring and evaluating the preparation of the 2021 Board of Directors KPI draft.

- Preparing remuneration policy recommendations for the Board of Directors and the Board of Commissioners for 2020, including the tantiem for the 2019 financial year in accordance with the laws and regulations, then comparing it with the remuneration of comparable companies and other data sources.
- Monitoring career development / talent pool policies and their implementation, including promotion plans and Band-1 and 2 transfers as well as employee assignments in subsidiaries and affiliated companies/institutions.
- Conducting a quarterly evaluation of CSR implementation
- Reviewing the 2021 RKA CSR draft submitted by the Board of Directors

Assessment by the Board of Commissioners

The Board of Commissioners has assessed the effectiveness of the committee. The Board of Commissioners considers that during 2020 the Nomination and Remuneration Committee has carried out its duties and responsibilities effectively, based on an evaluation of the achievement of the Committee's Work Plan approved by the Board of Commissioners. analysis, suggestions and recommendations given were also sufficient in assisting the supervisory and advisory duties of the Board of Commissioners.

Directors Succession Policy

In preparing for a change of leadership, the Company has prepared future cadres and organized a Leadership Development Program and an accelerated Talent Management program. SIG prepared a recommendation for potential cadres' competency improvement in the Talent Pool, from which they will undergo a series of training programs to refine their skills in management, business development strategy, evaluation of strategic plans and other relevant learning areas. This way, an internal pool of new leaders is available when the time comes for a change of leadership. The Company can propose internal candidates to be chosen by the AdHoc Committee, facilitated by the Board of Commissioners. The selection result is then submitted to the Ministry of SoEs to undergo a fit and proper test.

STRATEGY, RISK MANAGAMENT AND INVESTMENT COMMITTEE (KSMRI)

KSMRI is a committee formed by the Board of Commissioners (BOC) to help in carrying out its duties to monitor and provide advice to the Board of Directors about the management of the Company. Be it general or specific advice, this task is carried out in compliance to pertaining laws and the Company's Article of Association, especially for matters related to the planning and implementation of strategic corporate actions. KSMRI also advises the BOC to ensure the that risk management principles in the Company are implemented, and analyzes the Company's investment plan.

Charter for the Strategy, Risk Management and Investment Committee

The Company has created a guildeline for the Strategy, Risk Management and Investment Committee in the PT Semen Indonesia (Persero) Tbk. BOC decree No. 010/SI/Kep.DK/11.2015 issued on 17 November 2015.

The Charter for the Strategy, Risk Management and Investment Committee contains, among others:

1. Purpose and Work Scope.
2. Duties and Responsibilities
3. Authorities.
4. Procedures.
5. Composition and Structure.
6. Membership requirement.
7. Meeting Policy.
8. Activity reporting system.
9. Term of Service.
10. Funding.

Membership Requirement

KSMRI members must meet the following criteria:

1. Possess integrity, dedication, experience and understanding of the Company's risk management. They must be knowledgeable in the Company's business line but not limited to the stock market and could set aside time to complete their tasks.
2. Possess in-depth knowledge of the duties and responsibilities of the Committee according to pertaining laws and the Company's internal policies relevant to his/her line of work.
3. Maintain independence and could carry out his/her task independently, purely for the benefit of the Company, and act without influence from any parties that could be in conflict with each other.
4. Committee members are not allowed to:
   a. Be a relative of any members of the Board of Directors or Commissioners up to second degree, be it vertical or horizontal familial blood lines or in-laws.
   b. Have any personal interest, directly or indirectly, with the Company's material information
   c. Has held the position of Director as well as staff member of the Company in the last 1 (one) year.

Term of Service

Members of KSMRI who are not a member of the Board of Commissoiner serve for a maximum of 3 (three) years and could serve for another 2 (two) years, however the Board of Commissioners has the right to cut the term short.

Structure, Number, Composition and Basis for Appointment of the Strategy, Risk Management and Investment Committee

In 2020, the KSMRI structure changed on 27 July to the following:

The SMRI committee structure from 1 January to 27 July 2020:

Name	Title	Description	Term
Lydia Silvanna Djaman	Chair	Commissioner	1 January 2020 - 26 July 2020
Hendrika Nora Osloi Sinaga	Member	Commissioner	1 January 2020 - Now
Fritz Bonar Panggabean	Member	Independent Party	1 January 2020 - Now
Agus Waluyo	Member	Independent Party	1 January 2020 - Now

The SMRI committee structure from 17 July to 31 December 2020:

Name	Title	Description	Term
Astera Primanto Bhakti	Chair	Independent Commissioner	27 July 2020 - Now
Hendrika Nora Osloi Sinaga	Member	Commissioner	1 January 2020 - Now
Fritz Bonar Panggabean	Member	Independent Party	1 January 2020 - Now
Agus Waluyo	Member	Independent Party	1 January 2020 - Now

Profile of KSMRI Members

The profiles of Astera Primanto Bhakti as Chair and Hendrika Nora Osloi Sinaga as member can be read in the Company Profile section of this Annual Report.



Fritz Bonar Panggabean

Member

Age: 51 years

Nationality: Indonesia

Domicile: Jakarta

Education:
- Bachelor of Civil Engineering from Bandung Institute of Technology, 1995, Bandung, Indonesia

Experience:
- Deputy Director of Sales & Marketing, SAHID Group (PT Sahid Inti Dinamika) (2014-2017)
- GM Sales & Marketing at PT Graha Cemerlang (2013-2014)
- Senior Manager at Cowell Development Tbk (2010-2012)
- Senior Manager for Project Sales, Knight Frank Indonesia (2007-2009)
- Senior Manager, Coldwell Banker Commercial (2002-2006)
- Management Trainee at Panangian Simanungkalit & Associates Property Consultant (1998-2001)
- Junior engineer at Civil Engineering Consultant Dinamaritama Engineering, Bandung

Concurrent Position:
Director of Business Development, PT Indra Megah Makmur

Legal Basis for Appointment:
Board of Commissioner decree No. 004/SI/Kep.DK/04.2019, dated 23 April 2019

Term:
1 May 2019 – now



Agus Waluyo

Member

Age: 48 years

Nationality: Indonesia

Domicile: Jakarta

Education:
- Bachelor of Economics, Widya Wiwaha School of Economics, Yogyakarta, Indonesia, 2009
- Accounting Diploma III, Jakarta Public Accounting School, Jakarta, Indonesia, 1994

Experience:
- Audit Committee, PT Angkasa Pura I (Persero) (2015-2019)
- Auditor, Provincial BPKP for East Nusa Tenggara (2011-2015).
- Auditor, Provincial BPKP DI. Yogyakarta (1999-2011)
- Auditor, Provincial BPKP South Sumatera (1994)

Other Titles:
Junior Auditor, Ministry of SoE Inspectorate (2015-now)

Legal Basis for Appointment:
Board of Commissioner decree No. 014/SI/Kep.DK/06.2019, dated 26 June 2019

Term:
1 July 2019-now

Independence of KSMRI Members

Aspect of Independence	Astera Primanto Bhakti	Hendrika Nora Osloi Sinaga	Fritz Bonar Panggabean	Agus Waluyo
No financial connection with Board of Commissioners or Directors	✓	✓	✓	✓
Not a board member of the Company, subsidiary or affiliated companies.	✓	✓	✓	✓
No familial relations with the Board of Commissioners, Directors and/or fellow SMRI Committee members.	✓	✓	✓	✓
Not a board member of any political parties and does not hold any governmental or elected positions.	✓	✓	✓	✓

Duties and Responsibilities

KSMRI carries out its duties and responsibilities professionally and independently. The committee helps the Board of Commissioners to monitor and evaluate the planning and implementation of strategic plans, work plans and Company budget, risk management system, and investment plan as detailed below:

1. Conduct a comprehensive review over the Company's Long-Term Plan (RJPP) as well as the Work Plan and Company Budget (RKAP) as proposed by the Board of Directors
2. Monitor the implementation of RJPP and RKAP, ensuring that they are in line with the RJPP and RKAP as approved by the Commissioners
3. Evaluate the development and implementation of the Company's risk systems and recommend further improvement
4. Evaluate and provide advice on identifying and mitigating risk that could derail the Company from its RKAP targets.
5. Evaluate and provide advice on the identification and mitigation of risks for the Company's development projects such as the installation of new cement plants, and investment or purchase of a cement factory overseas.
6. Review any proposals for investment or divestment as well as the Company's capital expenditure within the amount proposed by the Directors as well as monitoring the implementation
7. Examine proposals for strategic actions and monitor the implementation

KSMRI's full duties, responsibilities and authorities of are regulated by the Board of Commissioners' decree on the Charter of the Strategy, Risk Management and Investment Committee that is reviewed regularly.

Division of Work between Committee Members

The KSMRI chair has briefed 2 (two) committee members with the following division of work:

Committee member 1:
Sub-department Strategy/Evaluation of Monthly Performance relating to Marketing, Supply Chain, Sale sand COGM/COGS, as well as Sub-Department for Investment/Investment Performance

Committee member 2:
Sub-Department Strategy/Evaluation of Financial Performance, and Sub-Department for Risk Management.

Meeting of the KSMRI Members

KSMRI meets regularly at least once a month to discuss the Committee Program Plan. Throughout 2020, the Committee met 30 (thirty) times with 100% member attendance rate.

No	Meeting Date	Agenda	Attendance				
			Astera Primanto Bhakti [1]	Lydia Silvanna Djaman [2]	Hendrika Nora Osloi Sinaga	Fritz Bonar Panggabean	Agus Waluyo
1	21 January 2020	Evaluation of Company Performance up to December 2019				✓	✓
2	29 May 2020	Discussion of RKAP Revision for 2020		✓	✓	✓	✓
3	5 June 2020	Continued: Discussion of RKAP Revision 2020			✓	✓	✓
4	12 June 2020	May 2020 Performance				✓	✓
5	10 July 2020	RJPP Proposal		✓	✓	✓	✓
6	13 July 2020	June 2020 Performance		✓	✓	✓	✓
7	15 July 2020	RJPP		✓	✓	✓	✓
8	29 July 2020	Corporate actions relating to assets with subsidiaries		✓		✓	✓
9	5 August 2020	a. Continued: Corporate actions relating to assets with subsidiaries; b. Deep dive re. monthly target in the 2020 revision to RKAP SMRI committee appointment			✓	✓	✓
10	6 August 2020	SMRI committee appointment	✓		✓	✓	✓
11	15 August 2020	Financial performance July 2020				✓	✓
12	28 August 2020	Loan Project (including DER) until the end of 2020 P	✓		✓	✓	✓
13	1 September 2020	Biweekly sales and marketing performance				✓	✓
14	11 September 2020	Financial performance August 2020				✓	✓
15	22 September 2020	Procurement strategy	✓		✓	✓	✓
16	8 October 2020	KPI	✓		✓	✓	✓
17	13 October 2020	Company performance September 2020				✓	✓
18	21 October 2020	KPI 2020	✓		✓	✓	✓
19	21 October 2020	Evaluation of SIG corporate actions	✓		✓	✓	✓
20	27 October 2020	Capex exceedance	✓		✓	✓	✓
21	30 October 2020	Subsidiary restructuring				✓	✓
22	4 November 2020	SIG risk management	✓		✓	✓	✓
23	13 November 2020	Continued: SIG ERM	✓		✓	✓	✓
24	14 November 2020	Company performance October 2020	✓		✓	✓	✓

No	Meeting Date	Agenda	Attendance				
			Astera Primanto Bhakti [1]	Lydia Silvanna Djaman [2]	Hendrika Nora Osloi Sinaga	Fritz Bonar Panggabean	Agus Waluyo
25	14 November 2020	Subsidiary Restructuring	✓		✓	✓	✓
26	25 November 2020	RKAP2021 Concept	✓		✓		✓
27	26 November 2020	Continued: RKAP2021 Concept				✓	✓
28	8 December 2020	Continued: RKAP2021 Concept				✓	✓
29	16 December 2020	Discussion of RKAP2021 with RKAP team	✓		✓	✓	✓
30	21 December 2020	Continued Subsidiary Restructuring	✓		✓	✓	✓
Total Meeting			22	8	30	30	30
Total Attendance			14	5	20	30	30
% of attendance			64	67.5	67	100	100

1) Became KSMRI chair upon issuance of decree No. 009/SI/Kep.DK/07.2020 dated 27 July 2020
2) No longer KSMRI chair upon issuance of decree No. 009/SI/Kep.DK/07.2020 dated 27 July 2020

Competency Development

Learning and development programs for KSMRI in 2020 could be read on the Company Profile section in this Annual Report.

Remuneration Policy and Structure for SMRI Committee

Independent non-commissioner members of the SMRI committee were given remuneration as stipulated on the Board of Commissioners decree appointing them as committee members reporting to the BOC. Based on the Minister of SoEs regulation No. PER-12/MBU/2012 dated 26 July 2012 about the supporting function of the BOC/Advisory Board of State-Owned Enterprises, their honorarium should not exceed 20% of the CEO's remuneration and they do not receive any other income.

KSMRI Milestones for 2020

In brief, KSMRI has carried out the following duties, roles and functions in 2020:

1. Provided input to the BOC on the focus of monitoring in 2020
2. Analyzed and evaluated the Company's month-by-month performance and conducted discussion with relevant management teams to monitor RKAP2020 attainment as well as recommended necessary improvements
3. Monitored, evaluated and provided input on the Company's strategy relating to raw material security, fuel supply continuity, market innovation

and cement distribution pattern to maintain market share
4. Monthly monitoring of Capex 2020 and quarterly review of Capex 2020 implementation.
5. Monthly monitoring of non-cement subsidiary performance against RKAP2019 that has been laid out by each subsidiary
6. Provided input to the BOC prior to approving the proposal for 2020-2024 RJPP
7. Provided input to the BOC prior to approving the proposed revisions to RKAP2020
8. Provided input to the BOC relating to the proposal for partnership with the village-owned enterprise (BUMDes) in Rembang, giving it the share ownership option at PT Semen Gresik.
9. Advised the BOC in relation to the proposal to release some assets
10. Provided input to the BOC with regards to restructuring of subsidiaries
11. Provided input to the BOC about the proposal to change the Corporate KPIs
12. Provided input to the BOC in relation to the proposal to Capex 2020 ceiling exceedance

Assessment by the Board of Commissioners

The Board of Commissioners (BOC) has reviewed the performance effectiveness of the committees reporting to the BOC. After evaluating the SMRI Committee Work Plan that was previously approved by the BOC, it concluded that throughout 2020, the SMRI Committee has effectively carried out its duties and responsibilities. Other than using the work plan's completed activities as the basis for review, BOC also concluded that the quality of analysis, advice and recommendation.

SUPPORT FUNCTION TO THE BOARD OF DIRECTORS CORPORATE SECRETARY

As a Public Company, the Company is required to have a Corporate Secretary to act as the bridge between the Company and the Shareholders and other Stakeholders, and to ensure Company compliance to pertaining laws and regulations especially in the field of capital market.

Profile of Corporate Secretary



Vita Mahreyni

Corporate Secretary

Age: 36 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
- Bachelor of Communication from Prof. Dr. University. Moestopo (2004)
- Master of Management in Financial Business, Pelita Harapan University (2016)

Experience:
- Corporate Secretary (April 2019-now)
- Department Head of Institutional Relations

Other experience:
None

Legal Base for first appointment:
Director's Decree No. 004/Instr/Dir/2020

Period:
2019 – now

Function of Corporate Secretary

The Corporate Secretary acts as the policymaker, as well as the function-in-charge of developing and managing the Company's communications. Among others, the Corporate Secretary is to:
- Ensure smooth communication between the Company and all stakeholders.
- Ensure the availability of information that can be accessed by stakeholders according to their reasonable needs.
- Ensure that the Company fulfills its obligations to the capital market and shareholders according to pertaining regulations.
- Nurture the Company's identity and image to enhance the Company's reputation.
- Manage the Company's internal and external communication channels and to direct the subsidiaries in their corporate communication activities

Other than the abovementioned functions, the Corporate Secretary is also tasked to:

- Manage the communication strategy to build the Company's reputation
- Act as the Company's representative and the connector between the Company and all stakeholders in communicating the Company's activities with accuracy and in a timely manner
- Control the delivery of the Company's performance and corporate actions to the Financial Services Authority and stock exchange authority.
- Coordinate the reporting of the Company's Annual Report and Financial Report in a timely manner to the capital market and stock exchange authorities
- Coordinate the implementation of the Board of Directors' meetings, the meetings between the Board of Directors and Commissioners, and the Annual General Meeting.

The Corporate Secretary's functions are implemented through various functions below:

- Compliance officer, to follow and provide counsel to the Board of Directors about the pertaining laws and regulations as well as ensuring that the Company abides to them.
- Stakeholders relation, providing service to the shareholders, Board of Commissioners an Directors, as well as other stakeholders including but not limited to investors; relating to information relevant to the Article of Association and pertaining regulations. This service is in line with the transparency and disclosure principles that the Company promised to its stakeholders
- Liaison officer/contact person, to act as the connector between the Company and Bapepam-LK, the stock exchange, and the public.
- Business information, to provide information about the actual events in response to rumors or hearsays, whether they be positive or negative, to all stakeholders.

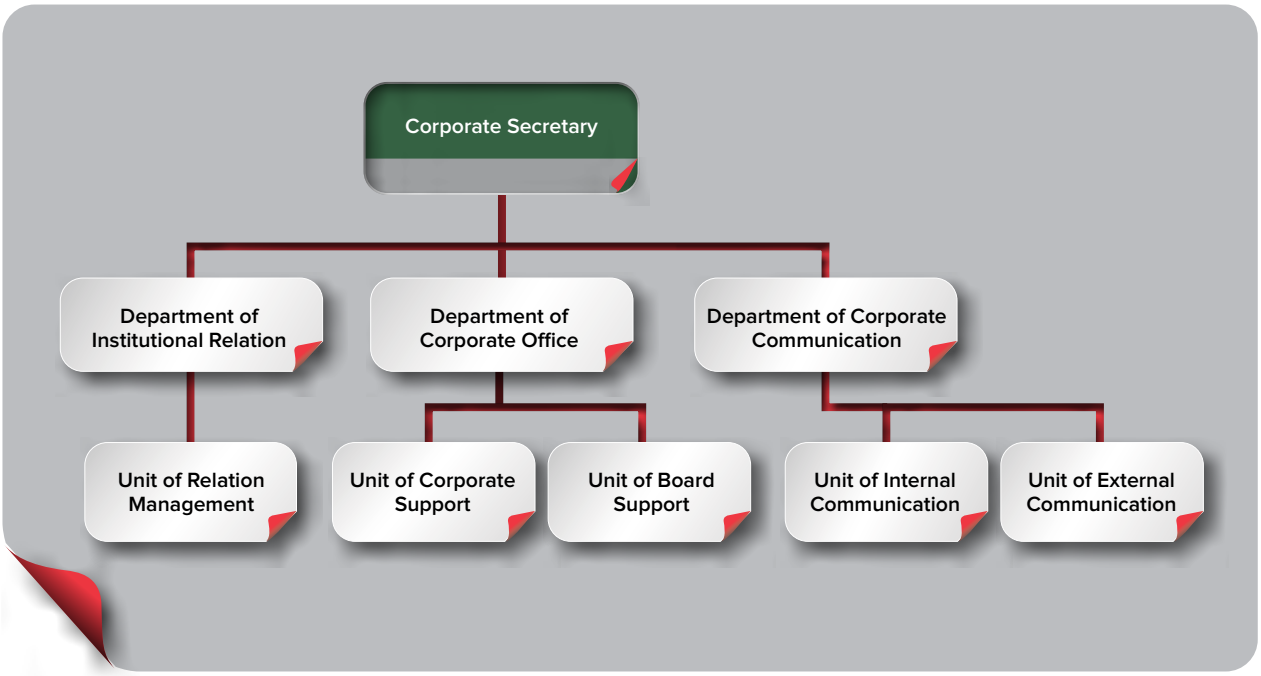
Roles and Responsibilities

The Company's roles and responsibilities are described in the Bapepam-LK Regulation IX.14 about the Corporate Secretary and Minister of SoEs' Decree No. KEP-117/M- MBU/2002 about the Implementation of GCG Practices in State-Owned-Enterprises, as well as the Financial Services Authority's Regulation No. 35/ POJK.04/2014 on 8 December 2014 about the Issuer's Corporate Secretary or the Public Issuer.

The roles and responsibilities of the Company Secretary are:

1. To follow the development in the capital market especially the pertaining laws in the area of capital market.
2. To provide input to the Board of Directors and Commissioners of the Issuer or the Public Company to comply with the capital market laws; to conduct orientation program for the Board of Directors and Commissioners of the Company
3. The bridge between the Issuer or the Public Company with their shareholders, Financial Services Authority and other stakeholders.
4. The Corporate Secretary is required to produce a report no less frequently than once per annum about the implementation of the Corporate Secretariat function to the Board of Directors, cc-ed to the Board of Commissioners.

Organizational Structure of the Corporate Secretariat



Duties Carried Out in 2020

In the year 2020, the Corporate Secretary's activities included managing relationships with shareholders and stakeholders, internal and external relations, as well as providing counsel to the Board of Directors about compliance to pertaining laws and regulations, including Good Corporate Governance in the Company.

As the bridge between the Company, the capital market community and other stakeholders, the Corporate Secretary together with Investor Relations ensured the transparency aspect as one of the GCG principles to the capital market authority.

It also built relationships with shareholders, bondholders and holders of other securities; analysts, journalists, trustees rating agencies, Self Regulatory Organizations (SRO) and other members of the financial community.

The Corporate Secretary also managed activities relating to the department's functions in institutional relations, corporate office, and corporate communications; including coordinating and supporting the Directorates or other stakeholders to successfully run the corporate actions.

Correspondence with the Corporate Secretary

To comply with the regulations and improve the effectiveness of its communication, the Company hosted media gatherings, press conferences, media visits, public exposes, and press release distributions to communicate its operational development and the latest financial condition. In addition, the Company also conveyed information to all employees through its internal communications program. This was done to ensure equal access to information to all stakeholders.

In the year 2020, the Corporate Secretary has conducted several activities related to the stakeholders: hosted one Annual General Meeting, participating in every meeting of the Board of Commissioners and Directors as well as writing the Minutes of Meetings; communicated with the Ministry of State-Owned-Enterprises, the Ministry of Finance, the State Secretariat, Bapepam, Self Regulatory Organisation (BEI, KSEI, KPEI), BAE, and other relevant institutions; hosted feedback meetings and work visits from members of DPR-RI (the national parliament); hosted or participated in public exposes, media site visits, analyst meetings, conferences, exhibitions and arranged for press conferences as well as teleconferences.

Information Disclosure

In the interest of ensuring people's access to information, the Company continuously submits a report to the regulator. Every year, the Corporate Secretary develops an Annual Report in compliance to pertaining regulations.

The Company also issued press releases to the media. Below is the list of press releases published throughout the year 2020:

No	Number	Date	Title
1	001/HM.03/50050407/2000/01.20	8 January 2020	Celebrating its 7th Anniversary, Semen Indonesia Held a Gathering and Rewarded Employees
2	002/HM.03/50050407/2000/01.20	23 January 2020	Semen Indonesia Revitalized the Civil Engineering Lab at Bung Hatta University, West Sumatera
3	003/HM.03/50050407/2000/02.20	11 February 2020	Semen Indonesia is Now SIG
4	004/HM.03/50050407/2000/03.20	12 March 2020	SIG Encourages Public to Live a Healthy Lifestyle to Curb the Spread of Coronavirus
5	005/HM.03/50050407/2000/03.20	17 March 2020	SIG Recorded 2019 Net Profit of Rp2,392 Trillion
6	006/HM.03/50050407/2000/04.20	6 April 2020	SIG Delivered Medical Equipment and PPE for Medics at Semen Gresik Hospital
7	007/HM.03/50050407/2000/04.20	9 April 2020	SIG Initiated Joint Venture Company with Village Enterprise (BUMDes) in the town of Rembang
8	008/HM.03/50050407/2000/04.20	21 April 2020	SIG Works at Global Investment Partnership for Growth
9	009/HM.03/50050407/2000/05.20	2 May 2020	SIG and SoE Task Force for Disaster Response in Central Java Delivered Medical Equipment and PPE
10	010/HM.03/50050407/2000/05.20	5 May 2020	SIG Delivered Medical Equipment and PPE Worth Rp750 Million for COVID-19 Handling in Gresik and Lamongan
11	011/HM.03/50050407/2000/05.20	7 May 2020	SIG's Zakat Collection Unit (Unit Pengumpul Zakat - UPZ) Delivered Aid for COVID-19 Handling in Gresik and Lamongan
12	012/HM.03/50050407/2000/05.20	8 May 2020	Maintaining Performance, SIG Fulfilled its Commitment through On-Time Payment of Obligation
13	013/HM.03/50050407/2000/05.20	12 May 2020	SIG Delivered Medical Equipment and PPE for COVID-19 Handling in Bondowoso and Situbondo
14	014/HM.03/50050407/2000/05.20	13 May 2020	Optimizing Services during the Pandemic, SIG Strengthens its Digital Platform

No	Number	Date	Title
15	015/HM.03/50050407/2000/05.20	15 May 2020	SIG Recorded Rp8.58 Trillion Revenue in Q1 of 2020
16	016/HM.03/50050407/2000/05.20	20 May 2020	Under the Instruction of the SoE Ministry, SIG is Ready to Roll Out "The New Normal"
17	017/HM.03/50050407/2000/05.20	22 May 2020	Welcoming Eid Mubarak 1441 H, SIG Delivered 64,601 Packages of Daily Necessities
18	018/HM.03/50050407/2000/06.20	10 June 2020	SIG Launches Online Ready Mix Go To Retail
19	019/HM.03/50050407/2000/06.20	19 June 2020	SIG Distributes 10% Dividend
20	020/HM.03/50050407/2000/06.20	25 June 2020	Innovations Done by Small-Medium Enterprises under SIG's Wings During the COVID-19 Pandemic
21	021/HM.03/50050407/2000/07.20	10 July 2020	SIG Implemented New Reclamation Technique in the Post-Mining Fields of the Tuban Factory
22	022/HM.03/50050407/2000/07.20	17 July 2020	SIG Launched "Construction Masters Collective 2.0" (Arisan Jago Bangunan 2.0) for Construction Workers
23	023/HM.03/50050407/2000/07.20	21 July 2020	SIG Uses Trash in Cilacap as Alternative Fuel
24	024/HM.03/50050407/2000/07.20	25 July 2020	SIG Handed Out Umrah Prize to the Grand Prize Winner of "Arisan Jago Bangunan 2.0
25	025/HM.03/50050407/2000/07.20	29 July 2020	SIG and BTN Partnered to Speed Up Development of Housing Complexes
26	026/HM.03/50050407/2000/07.20	30 July 2020	SIG Implemented AKHLAK BUMN Internally
27	027/HM.03/50050407/2000/08.20	3 August 2020	SIG Recorded 26.3% growth in Net Profit in the First Semester of 2020
28	028/HM.03/50050407/2000/08.20	11 August 2020	SMEs in Poultry Cluster under SIG's Coordination Continued to Grow in the midst of the Pandemic
29	029/HM.03/50050407/2000/08.20	14 August 2020	Caring for Education, SIG Built Schools in Pasuruan and Bogor
30	030/HM.03/50050407/2000/08.20	22 August 2020	SIG Built Village Infrastructures in Central Java and West Java Worth Rp 1.94 Billion
31	031/HM.03/50050407/2000/08.20	31 August 2020	Through Efficiency Programs, SIG Net Profit Grew 26.3% in the First Semester
32	032/HM.03/50050407/2000/09.20	10 September 2020	SIG Used Clay Post-Mine Fields in Tuban as Cavendish Banana Plantation
33	033/HM.03/50050407/2000/09.20	18 September 2020	Assisting Fisheries SMEs to Grow, SIG Provided Mentoring and Supplies
34	034/HM.03/50050407/2000/09.20	26 September 2020	SIG Worked with Balitjestro to Grow Fruits in the Green Belt of its Tuban Factory
35	035/HM.03/50050407/2000/10.20	1 October 2020	SIG Supplied Cement for the Trans-Sumatera Toll Road
36	036/HM.03/50050407/2000/10.20	5 October 2020	SIG Used Biomass as Fuel Alternative
37	037/HM.03/50050407/2000/10.20	7 October 2020	SIG Rewarded Driver with an Umrah Pilgrimage
38	038/HM.03/50050407/2000/10.20	14 September 2020	SIG Launched Dynamix Masonry, New and Innovative Type of Cement
39	039/HM.03/50050407/2000/10.20	26 October 2020	SIG Supplied Concrete for Production Floor Construction

No	Number	Date	Title
40	040/HM.03/50050407/2000/11.20	4 November 2020	SIG Recorded 19.1% Net Profit Increase between January-September 2020
41	041/HM.03/50050407/2000/11.20	10 November 2020	In Commemoration of National Heroes' Day, SIG Provided Scholarships to 72 University Students in South Sulawesi
42	042/HM.03/50050407/2000/11.20	19 November 2020	Bandeng Mentari, a Local Business under SIG's mentoring, Continued to Innovate to Survive the Pandemic
43	043/HM.03/50050407/2000/11.20	25 November 2020	SIG Delivered Tanker Car and Rice Harvesting Machine Worth Rp730 Million to Trenggalek and Pacitan
44	044/HM.03/50050407/2000/11.20	26 November 2020	SIG and KAI Partnered to Optimize Cement Transport
45	045/HM.03/50050407/2000/11.20	27 November 2020	SIG and Baturaja Joined Hands to Establish ICRI
46	046/HM.03/50050407/2000/12.20	12 December 2020	SIG's Innovation Team Won 10 Platinum Awards at ICQCC, Bangladesh
47	047/HM.03/50050407/2000/12.20	14 December 2020	SIG CEO Hendi Prio Santoso Won Best CEO Award at Top SoE Awards 2020
48	048/HM.03/50050407/2000/12.20	23 December 2020	SIG Delivered Aid to Hospital and Primary Care Medics in Tuban, East Java
49	049/HM.03/50050407/2000/12.20	29 December 2020	Committed to Implement Anti-Corruption System, SIG Obtained ISO 370001:2016 Certification

Skills Development

Education and Training attended by the Corporate Secretary in the year 2020 could be viewed in the Company Profile of this Annual Report.

INTERNAL AUDIT DEPARTMENT

Internal Audit Charter

In its duties, the Internal Audit Department is guided by the Internal Audit Charter ratified by the President Director and approved by the Independent Commissioner as Chairman of the Audit Committee on 17 July 2017. Other than as a guiding principle, the Internal Audit Charter also plays a role in strengthening the roles, function, responsibilities and the form the basis of existence and implementation for internal audit duties.

The Company's Internal Audit Charter consists of six chapters as follows:
1. Chapter I Introduction
2. Chapter II Internal Audit Group
3. Chapter III Standards for Audit Implementation
4. Chapter IV Ethical Code
5. Chapter V Internal Audit Function Synergy
6. Chapter VI Closing

Purpose of Audit

The Internal Audit Department conducted various audits with the intention to:
1. Help the Management achieve the Company goals by conducting independent review and consultation to ensure that risk management, internal control and corporate governance processes are implemented effectively.
2. Provide rational, complete, accurate and timely recommendation for the management to improve performance, achieve goals and prevent/avoid potential breach.

Profile of Internal Audit Department Officer



Pramono Harjanto

GM of Internal Audit

Age: 50 years

Citizenship: Indonesia

Domicile: Jakarta

Education:
Bachelor of Economic,
Accounting – Unversity of Gadjah Mada (1996)

Experience:
- General Manager Internal Audit Deptartment SIG (Oktober 2020-Sekarang)
- Group Head Internal Audit (PGN)
- Senior Manager IA (TGI)
- Auditor Senior (PetroChina)
- Auditor Senior (Deloitte Touche)

Other experience:
- IIA Member
- FKSPI Member

Legal basis for first assignment:
0039/SI/DK/RHS/10.2020

Areas of expertise:
Investigative Audit

Roles and Responsibilities

According to the Internal Audit Charter, The Internal Audit Department is tasked to help the Company achieve its goals by:

a. Designing and implementing the Annual Internal Audit Program Plan consisting of review and appraisal of the efficiency and effectiveness of the financial, operational, human resources, marketing, information technology and other areas.
b. Providing advice for improvement and objective information about the reviewed activities at all levels of management.
c. Monitoring, analysis and reporting on the follow-up of recommended actions.
d. Developing quality assurance program for the internal audit activities it conducts.
e. Reviewing and/or auditing the Company financial statements periodically.
f. Fulfilling its role as a counterpart in coordinating with the external auditor and other supervisory institutions.
g. Conducting special reviews, if needed.
h. Providing consultation in the form of advice at the request of a work unit or a specific party. The nature and scope of this consultancy service is based on the agreement with the work unit/ requester. In doing the consulting service, the Internal Audit Department must always put forward independence, objectivity, and without taking over or accepting management responsibilities. The Management's responsibilities include but are not limited to:
   - Operational activities of the work unit/requester
   - Every decision-making of the work unit/ requester based on the consultative activities

1. Conducting analysis, appraisal, recommendation, consultation and reporting of all activities conducted based on:
   - The Professional Internal Audit Standards
   - International Professional Practices Framework (IPPF).
   - The pertaining laws and regulations
   - Other rules the Company must abide to, such as the SIG Management System, and the Board of Directors' decrees, Manuals and Work Instructions
2. Writing a Review Report and presenting the findings to the CEO and the Board of Commissioners c.q. Audit Committee.
3. Coordinating, collaborating and partnering with the Audit Committee in doing its roles and functions according to the pertaining laws and regulations

Authorities of the Internal Audit Department

In carrying out its duties, the Internal Audit Department is guided by a Program Plan that has been approved by the President Director and Audit Committee, from which the department has authority and unlimited access to:

1. Conduct a review of work activities, workplace, and every area of the Company where its assets and interests lie
2. Ask for information and explanation from every level of management and employees, and be present in meetings deemed relevant in the Company
3. Receive a copy of decisions, agreements, and/ or other binding and applicable rules and regulations in the Company as well as summaries and minutes of meetings as required
4. See and study data, documents and Company notes, to obtain necessary information relating to its task
5. Ask for external examiners to be funded by the Company should there be no competent and sufficient number of personnel
6. Access every relevant information about the Company in relations to its task and functions
7. Communicate directly with the Board of Directors and Commissioners, and/or the Audit Committee
8. Conduct periodic and incidental meetings with the Board of Directors and Commissioners as well as the Audit Committee
9. Coordinate its activities with that of the external auditor
10. Convey to the President Director and/or the

Audit Committee should there be any indications of fraud for follow-up actions. The investigation itself should be done under the leadership of the Board of Directors for internal operational matters and done by the Internal Auditor (supported by the External Auditor if needed). For matters at the level of Board of Directors or above, the investigation should be done by an External Auditor.

Every level in the Company is mandated to cooperate without delay with the Internal Audit Department. Every attempt at blocking access should be communicated to the relevant management team and should be resolved. Should there be a need, the Head of Internal Audit Department could report to and seek resolution from the CEO and/or the Audit Committee.

Scope of the Internal Audit Department

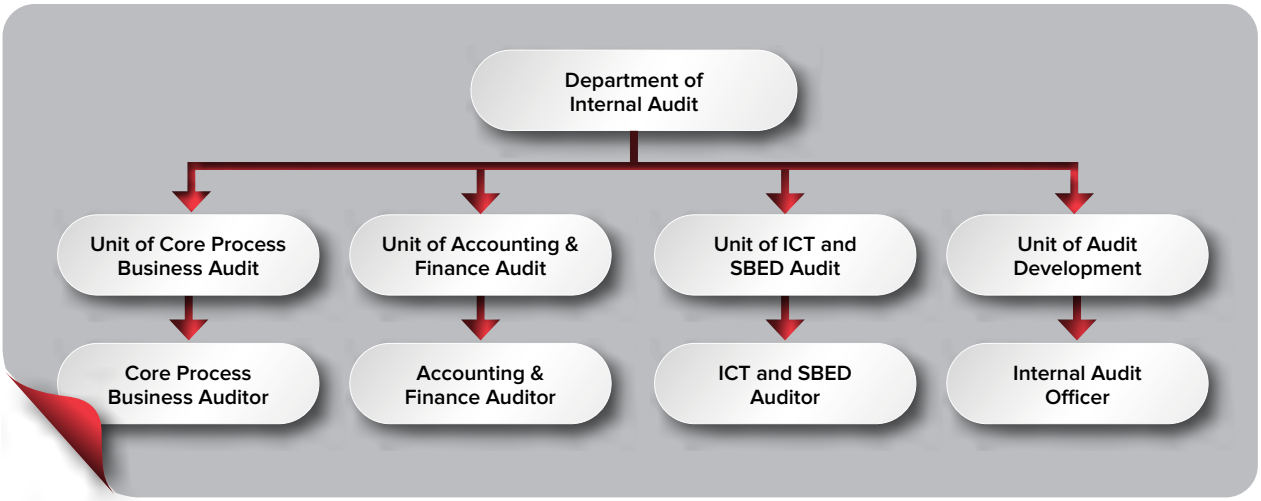
The scope includes all business matters in the Company and its subsidiaries, covering the following activities:

1. Testing, evaluating and providing opinion over the effectiveness of the internal control system, risk management, and corporate governance according to the Company policies
2. Evaluating, reviewing, and providing consultation, among others in the development and implementation of Control Self Assessment (CSA) in the Company's main business process
3. Confirming and reviewing the quality of the Company's Good Corporate Governance implementation
4. Providing assurance of the Company's compliance to pertaining rules, regulations, standards and business ethics.
5. Evaluating the reliability and integrity of information and the ways to identify, measure, classify and report on those information
6. Providing internal consultations, if needed, to the Company's management to:
   - Formulate the Company's Program Plan and Budget, and
   - Facilitate the identification of risks and controls
7. Conducting audit in the cement production subsidiaries based on the blueprint strategic holding blueprint and in accordance with the HoldCo Internal Audit Work Plan
8. Conducting audit in a subsidiary, if needed, in accordance with the disposition from the CEO (as the shareholder in the subsidiary) or the Board of Commissioners/Audit Committee, and/or the request of the Board of Commissioners of the subsidiary through the CEO
9. Fulfilling other duties and responsibilities in support of the pertaining blueprint strategic holding of the Company.

Parties to Appoint and Dismiss the Head of Internal Audit

The Company's Head of Internal Audit Department is appointed and dismissed by the President Director upon the approval of the Board of Commissioners. Every appointment, replacement and dismissal , there should be a notification to the Financial Services Authority (OJK).

Department Internal Audit Organizational Structure



SIG's Internal Audit Synergy Roadmap 2017-2021

In carrying out its duties, the Internal Audit Department set a roadmap for the SIG Internal Audit as follows:

2017

- Implementation of KSO audit system design, procedures and organization
- Implementation of systems:
  1. e-audit Group (e-GRCA)
  2. Timesheet
  3. Continuous monitoring
- Standardization of IA group consultative activities
- Review of Internal Control and GCG Self Assessment
- Group Audit on Strategic Investments • Competence certification of Internal Auditors

2018

- Optimization of Group e-audit (e-GRCA) system
- Implementation of systems:
  1. Timesheet Group IA
  2. Continuous monitoring Group IA
  3. Group GCG Self Assessment
- Improvement on IA consultative activities at SI
- Design of Group Internal QAR blueprint
- Group Audit on Strategic Investments
- Competence certification of Internal Auditors

2019

- Optimization of Group IA systems:
  1. e-audit Group (e-GRCA)
  2. Timesheet
  3. Continuous monitoring
- Improvement on Group IA consultative activities
- Implementation of Group Internal QAR
- Group Audit on Strategic Investments
- Audit of NonCement Business Subsidiary
- Internal Auditor Competency Certification
- IA Group Standardization

2020

- Optimization of Group IA systems:
  1. e-audit Group (e-GRCA)
  2. Timesheet
  3. Continuous monitoring
- Improvement on IA Group consultative activities
- Implementation of QAR Internal Group
- Group Audit on Strategic Investments
- Audit of NonCement Business Subsidiary
- Internal Auditor Competency Certification
- IA Group Standardization

2021

- Optimization of Group IA systems:
  1. e-audit Group (e-GRCA)
  2. Timesheet
  3. Continuous Monitoring
- Improvement on IA Group consultative activities
- Implementation of External QAR in Semen Indonesia (Persero) Tbk. (Target Maturity Level: Problem Solver)
- Group Audit on Strategic Investments
- Audit of Non-Cement Business Subsidiary
- Internal Auditor Competency Certification
- IA Group Standardization

Professional Certification for Internal Audit

To improve on the quality of audit, the Company equipped its auditors with audit certifications, among them:

No	Name	Sertifikasi Profesi
1	Muhamad Soleh, PIA	Professional Internal Audit (PIA)
2	Rudy Subijantoro, SE.,PIA.	Professional Internal Audit (PIA)
3	Erfanti Qodarsih, SE., Akt., QIA.	• Qualified Internal Audit (QIA) • Certified Risk Management Professional (CRMP) • Chartered Accountant (CA)
4	Dian Prapanca, SE., MM., QIA.	• Qualified Internal Audit (QIA) • Certified Risk Management Officer (CRMO)
5	Daniel Wirjawan D., SE., Cisa.	Certified Information System Audit (CISA)
6	Budi Setiyawan, SH., PIA	Professional Internal Audit (PIA)

Implementation in 2020

The Internal Audit Department has conducted the following in 2020:

1. Operational audit consisting of core process business audit, accounting & finance audit, as well as ICT and BSED audits .
   a. For core process business audit, the Internal Audit Unit has completed the production and maintenance audit, marketing and sales audit, and strategic procurement audit. The supply chain and infrastructure audit would be postponed to 2021.
   b. For accounting & finance audit, the Internal Audit Unit has completed accounting and finance audit, PKBL audit and analytical review.
   c. For ICT and BSED audits, the Internal Audit Unit has completed the stratetic ICT audit, Human Resource Governance review, as well as the GRC and legal audit for 2019.
2. Internal QAR
3. GCG Internal Assessment

Competency Development

Education and training where our Internal Audit Unit participated in in the year 2020 could be viewed on the Company Profile in this Annual Report.

Judul	Person
Ngampooz Talk “Guarding Data and Information in the Digital Era”	Daniel Wirjawan
Training on the implementation of Good Corporate Governance in State-Owned Enterprises	Daniel Wirjawan
Fraud Tree	All Team Auditor SIG
An Autopsy on a Data Privacy Case	Daniel Wirjawan
GRC Summit: Integrated GRC 2020: Embrancing a Better New Normal	Daniel Wirjawan
New Approaches in Developing the Internal Audit Work Plan	All Team Auditor SIG
ISACA ID Webinar Session 8 July 2020	Daniel Wirjawan
MTS June 2020	Daniel Wirjawan
General Control: Change and Patch Management	Daniel Wirjawan
Agile Auditing: Partnership between the Audit Committee and Internal Auditors in Responding to Disruption	All Team Auditor SIG
Information Security: Exposition and Consultation on Securing Personal Data at Local Servers and the Internet	Daniel Wirjawan
Interpretation of KPKU 2020-G	Yudi Ismanto
Component of Audit Reporting	Setyo Budi Prayitno
Audit Exposures and Audit Suggestion	Dian Prapanca
Investigation for Internal Auditors	Eka Kristiani
Why Risk Audit	Erfanti Qodarsih, Bakti Prasetyo
Internal Audit Root Couse Analysis	Dian Prapanca
The Role of Analyzing Business Process	Eka Kristiani
Business Not as Usual: Impact of COVID-19 to FR and Tax	Erfanti Qodarsih
How to Detect Fraud	All Team Fin & Acct Audit
Talent Management (Survey Result IIA)	Setyo Budi Priyitno
Performance Appraisal for Internal Auditors (Survey Results IIA)	Erfanti Qodarsih
Audit Partnership with the Directorate General of Taxation and Customs	Erfanti Qodarsih
Follow-Up of OFI regarding KPKU 2019	All Team Core Process Buss Audit
Socialization of the Main Directorate’s Business Partners	Yudi Ismanto
Office of the President Director’s Business Partner Socialization	Yudi Ismanto

PUBLIC ACCOUNTANT

A public accounting firm (*Kantor Akuntan Publik* – KAP) was assigned to conduct an independent monitoring of the Company's financial aspect through an external audit. The Annual General Meeting on 19 June 2020 decided who would be chosen as the external auditor reviewing the 2020 Corporate financial statements, based on the proposal of the Board of Commissioners and considering the recommendation of the Audit Committee. The bidding process was done according to the pertaining procurement process for goods and services. To guarantee independence and quality of the audit, the External Auditors should not have any conflict of interest with the Company.

Policy around Assigning a Public Accountant

With regards to engaging a public accountant, the Company referred to the terms in the Financial Services Authority No. 13 of the year 2017 about the Use of Public Accountant Chapter VI article 16 which stated that the general audit services over the financial statements of an entity should only be done by the same public accountant for a consecutive period of no longer than 3 (three) years in a row, after with the same public accountant could be appointed again after 2 (two) consecutive years of break. The assigned independent auditors were responsible to state his/her opinion over the consolidated financial reports based on the standard accounting practices in Indonesia.

Public Accountant Firm and Public Accountant(s)

Year	Public Accountant Firm	Name of Accountant (Partner-in-charge)	Fee (Rp)	Opinion
2020	KAP Tanudiredja, Wibisana, Rintis & Partners (member of PwC network of companies)	M. Jusuf Wibisana (No. AP. 0222)	7.733.350.000	Unmodified
2019	KAP Tanudiredja, Wibisana, Rintis & Partners (member of PwC network of companies)	M. Jusuf Wibisana (No. AP. 0222)	6.477.250.000	Unmodified
2018	KAP Satrio Bing Eny & Partners (member of Deloitte Touche Tohmatsu)	Muhammad Irfan (No. AP. 0565)	2.737.500.000	Unqualified Opinion
2017	KAP Satrio Bing Eny & Partners (member of Deloitte Touche Tohmatsu)	Muhammad Irfan (No. AP. 0565)	6.726.750.000	Unqualified Opinion
2016	KAP Osman Bing Satrio & Eny (member of Deloitte Touche Tohmatsu)	Muhammad Irfan (No. AP. 0565)	4.550.765.000	Unqualified Opinion

Other Serivces

In 2020, KAP Tanudiredja, Wibisana, Rintis & Rekan (member of PwC network of companies) provided other services other than general audit of the consolidated financial reports of PT Semen Indonesia (Persero) Tbk for fiscal year 2020, namely:

1. Audit for the Financial Report on Partnership and Community Development Programs (*Pengelolaan Program Kemitraan dan Bina Lingkungan* - PKBL) for the fiscal year ending 31 December 2020 for the following:
   a. PT Semen Indonesia (Persero) Tbk.
   b. PT Semen Padang
   c. PT Semen Tonasa
2. Agreed Upon Procedures (AUP) for the Compiled PKBL Financial Reports of PT Semen Indonesia (Persero) Tbk, for the fiscal year ending 31 December 2020.
3. AUP for the compliance of PKBL implementation and financial management to pertaining laws and regulations for the fiscal year ending 31 December 2019 for the following:
   a. PT Semen Indonesia (Persero) Tbk.
   b. PT Semen Padang
   c. PT Semen Tonasa
4. AUP for the Report on Activities for the Implementation of Precautionary Principle (*Kegiatan Penerapan Prinsip Kehati-hatian* ("KPPK") for the fiscal year ending 31 December 2019 for the following units:
   a. PT Semen Indonesia (Persero) Tbk.
   b. PT Semen Gresik
   c. PT Semen Padang
   d. PT Semen Tonasa
   e. PT Solusi Bangun Indonesia Tbk
   f. PT Solusi Bangun Andalas
5. AUP Procedure on Key Performance Indicators for the Board of Directors of PT Semen Indonesia (Persero) Tbk collectively and individually for the year ended 31 December 2020

RISK MANAGEMENT

To handle and mitigate risks as the Company does its operational and investment activities, since 2005 SIG has implemented a comprehensive Governance of Risk by building an integrated Enterprise Risk Management (ERM) system in every company's management system. ERM has been consistently implemented in all business processes as well as strategic and operational decision-making.

This system will continue to be developed in stages in line with the growth of our business, to keep it in line with the latest risk handling methodology. This is also in line with the Regulation from the Minister of State-Owned-Enterprises No. PER-01/MBU/2011 about Good Corporate Governance (GCG) application and its latest update in the Regulation from the Minister of State-Owned Enterprises No. PER-09/MBU/2012 Article 25 about Risk Management.

Development & Implementation Milestones Risk management that has been implemented by SIG can be seen in the following image:

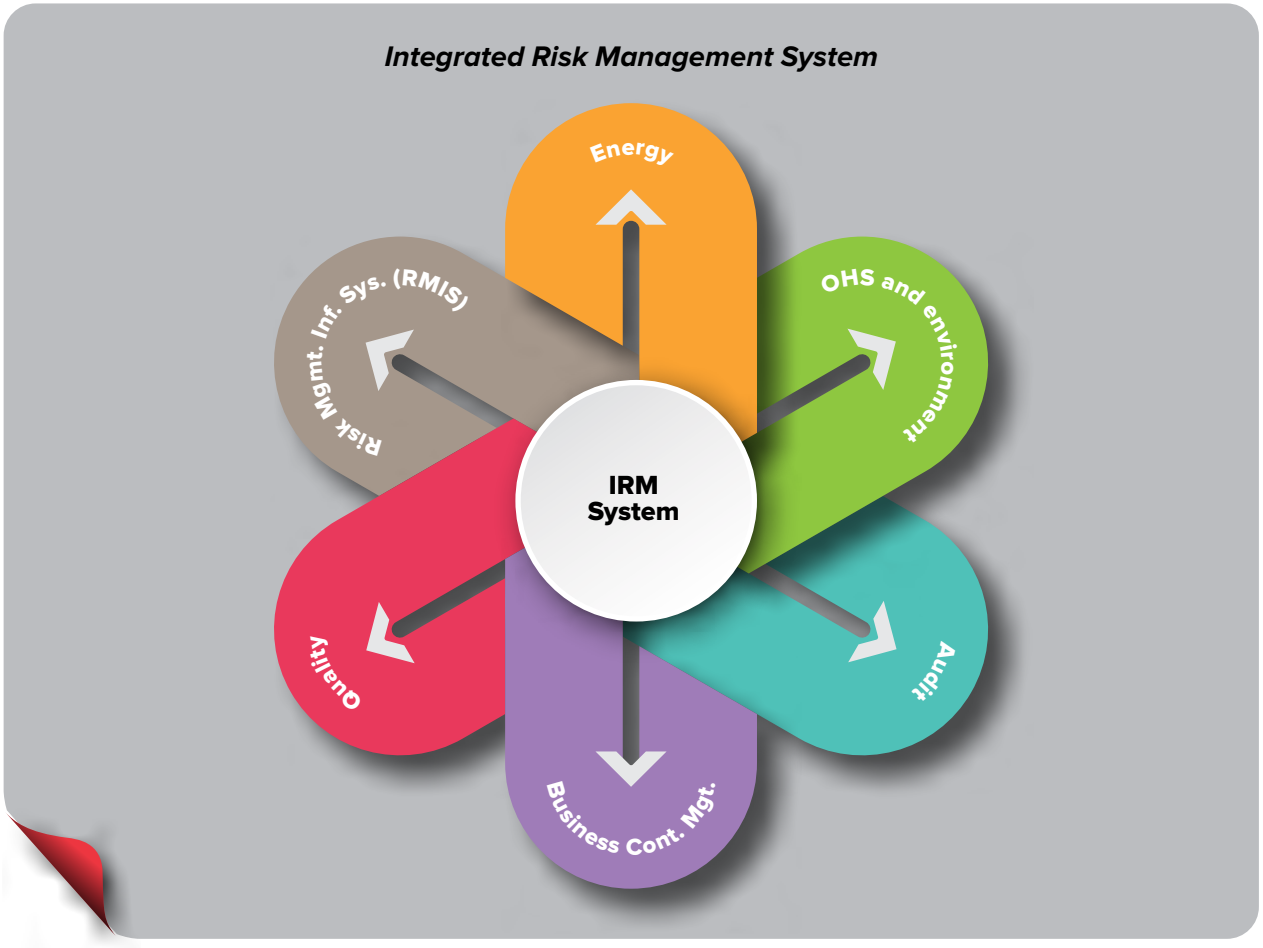
2009 - 2018	2019	2020
Development and Implementation	**Implementation in 2019**	**Implementation in 2020**
• Development and review of SIG's risk management policies; • Risk management framework implementation based on ISO 31000 : 2009; • Risk management socialization and training at every SIG element; • Risk assessment in all of SIG's work units; • Assessment of risk maturity level; • Implementation of risk-based audit; • Review of operational and strategic risks; • Implementation of Internal Control of Financial Reporting (ICoFR); • SIG risk management implementation audit by the Board of Commissioners' Audit Committee • Development of SIG's sustainable risk management roadmap	• Review of SIG's risk management policy; • Design of risk management architecture based on ISO 31000:2018; • Integration of risk management policy with SIG's existing policies and procedures; • Risk management socialization and training at every SIG element; • Design and implementation of risk assessment in all SIG work units using online application; • Hybrid assessment of risk maturity level, conducted by internal and external parties; • Development of Risk Maturity Level Assessment guideline	• Review of SIG's risk management policy and procedures • Implementation of anti-bribery management system based on ISO:37001; • Mentoring for the development of Bribery Risk Assessment (BRA) and RIsk Mitigation Monitoring Management Plant (RM3P); • Integration of risk management policy with other ISO-based management systems; • Risk management socialization and training at every SIG element; • Design and implementation of risk assessment in all SIG work units using online application; • Development of Risk Profile guideline for business and project processes;

Integrated Risk Management System

SIG faces a wider array of challenges as it operates in multiple locations, both in Indonesia and overseas, as a result of its development and expansion plans. Among the challenges are: accurate investment decision-making process, monitoring of investment activity implementation, management of subsidiaries, changes in business environment, as well as regulatory and compliance requirements be it in Indonesia or overseas.

SIG needs to understand and manage these challenges effectively in order to achieve its goals and maintain optimum and sustainable growth. For this reason, SIG developed a professional and responsible corporate governance practice by, among others, implementing the Integrated Risk Management (IRM) system.

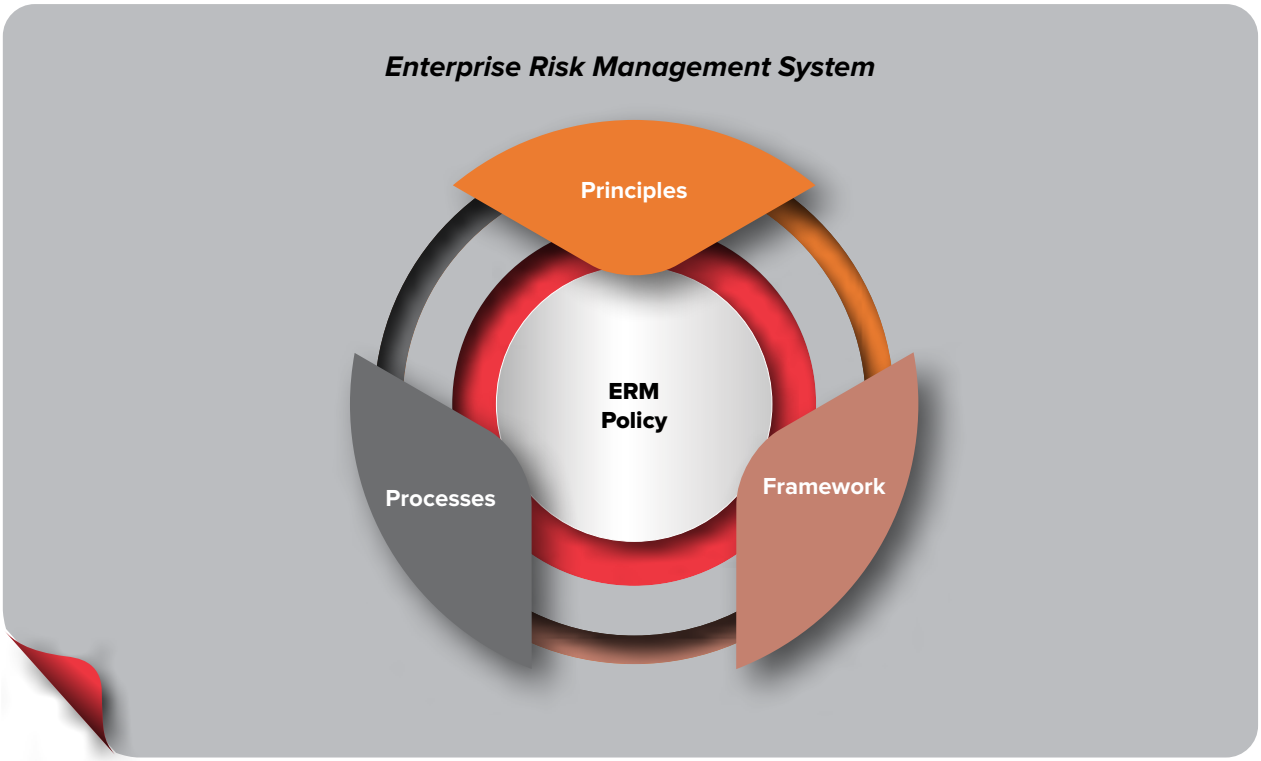
Integrated Risk Management (IRM) in today's era is the basis of implementation of each management system. It sets an early parameter that risk management is no longer a secondary requirement, rather a key and integral part of the whole management system that needs to be applied in all of SIG's companies. SIG sees this as a priority. Every component of SIG from today onwards thus needs to change their paradigm and make risk management as the foundation of management system implementation in SIG, especially in smaller work units that own the risk.



Risk Management Implementation Policy

SIG has implemented a transformation program for risk management, shifting from AS/NZS as the previous standard to ISO 31000 : 2009. By using ISO 31000 : 2009 as the framework, it is hoped that SIG's risk management could be done according to international standards and in line with its vision and mission. In 2019, SIG conducted a migration process and adaptation from ISO 31000 : 2009 to ISO 31000 : 2018.

In addition, SIG hopes that risk management implementation would support Good Corporate Governance so that SIG business processes can run more smoothly according to the wishes of all stakeholders.



The challenges in implementing the risk management system in SIG is determining the effectiveness of the socialization to all elements be it internal or external to build a risk-aware culture. SIG anticipated this challenge by conducting regular socialization alongside infrastructure building in the form of developing a risk management application.

Apart from socialization, we conduct open proactive mentoring and facilitation so that during the communication and consultative sessions on risk management with the risk process owners, everyone is tuned to the Risk Management Process Guidelines. The combination of these programs is hoped to embed risk management as a habit that shapes every activity in SIG's every element.

In 2020, according to the instruction of the Ministry of State-Owned Enterprises, SIG iniated the implementation of the Anti-Bribery Management System based on ISO 37001 : 2016. This implementation consisted of preparation, socialization, to audit of ISO:37001 whereby the Risk Management team and members of the Gratuity Control and Anti-Bribery Team (*Tim Pengendalian Gratifikasi dan Anti Penyuapan* – TPAGP) were included in the Bribery Risk Assessment. The implementation of the Anti-Bribery Management System is among the many improvements in SIG's GCG as a state-owned enterprise.

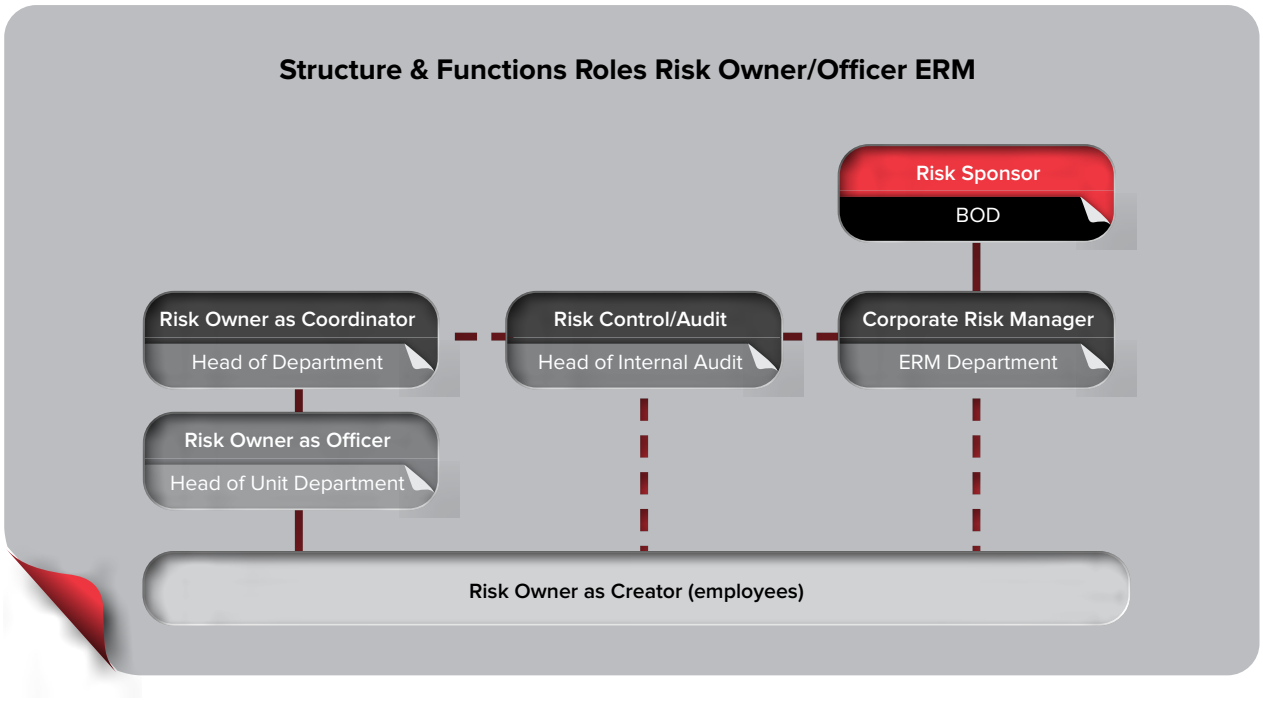
ERM Function's Organizational Structure

SIG has formed the Enterprise Risk Management (ERM) Department as a coordinator in applying the corporate risk management system (IRM system). ERM's function and role is to create policies, frameworks and process for risk management in the Company according to the guidelines in the International Standard for Organization (ISO).

To operate a sustainable management system, the ERM department conducted monitoring and controlling of the implementation and reporting of risk management from all risk owners so that the Company's vision and mission could be achieved.

In addition, this function also designed a risk management framework and process from development to fine-tuning of infrastructure required to apply the risk management system, as well as facilitated and socializing the activities relating to the risk management application.

Within the ERM structure, there were close connections between enterprise risk manager, business process owner as the risk owner, and the department's internal audit unit as risk controller so that every process owner is responsible for risk control and mitigation in his/her work unit.



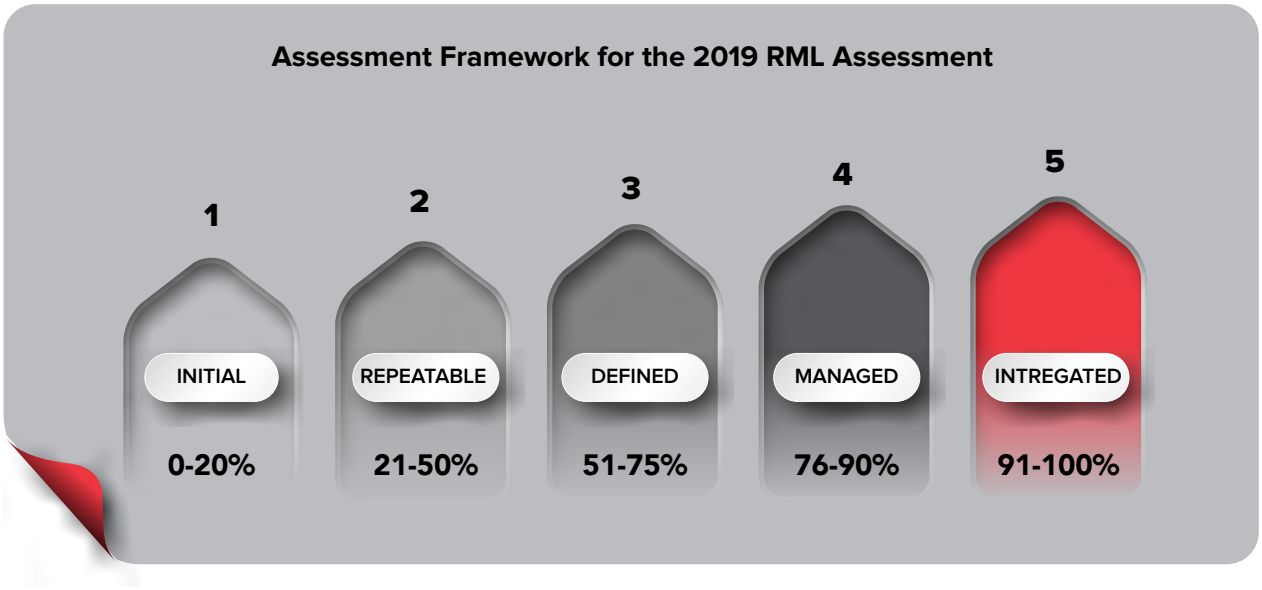
To support the ERM system implementation, the Company assigned a Risk Officer in every busines process, responsible for management and monitoring of risks. Aside from that, ERM department's personnel were tasked to operate the system, equipped with training and certification in risk management (ERMCP dan ERMAP).

ERM Structure's Leadership and Commitment

A crucial counterpart in the structure is the Risk Sponsor, namely the Board of Directors. The Board of Directors and the Risk Management Committee support the implementation of sustainable Risk Management in SIG, and are committed to allocate the right people to build, maintain and continually improve on the ERM framework. Together, the Risk Management department and and staf coordinators in every division jointly undertake a review of the completeness ERM structure in order to risk mapping more better.

Evaluation of ERM System's Implementation

SIG periodically evaluates the implementation of its risk management system by conducting a *Risk Maturity Level* (RML) *Assessment*. The output of RML *Assessment* is an RML score ranging from 1 to 5: initial (level 1), repeatable (level 2), defined (level 3), managed (level 4), and integrated (level 5).



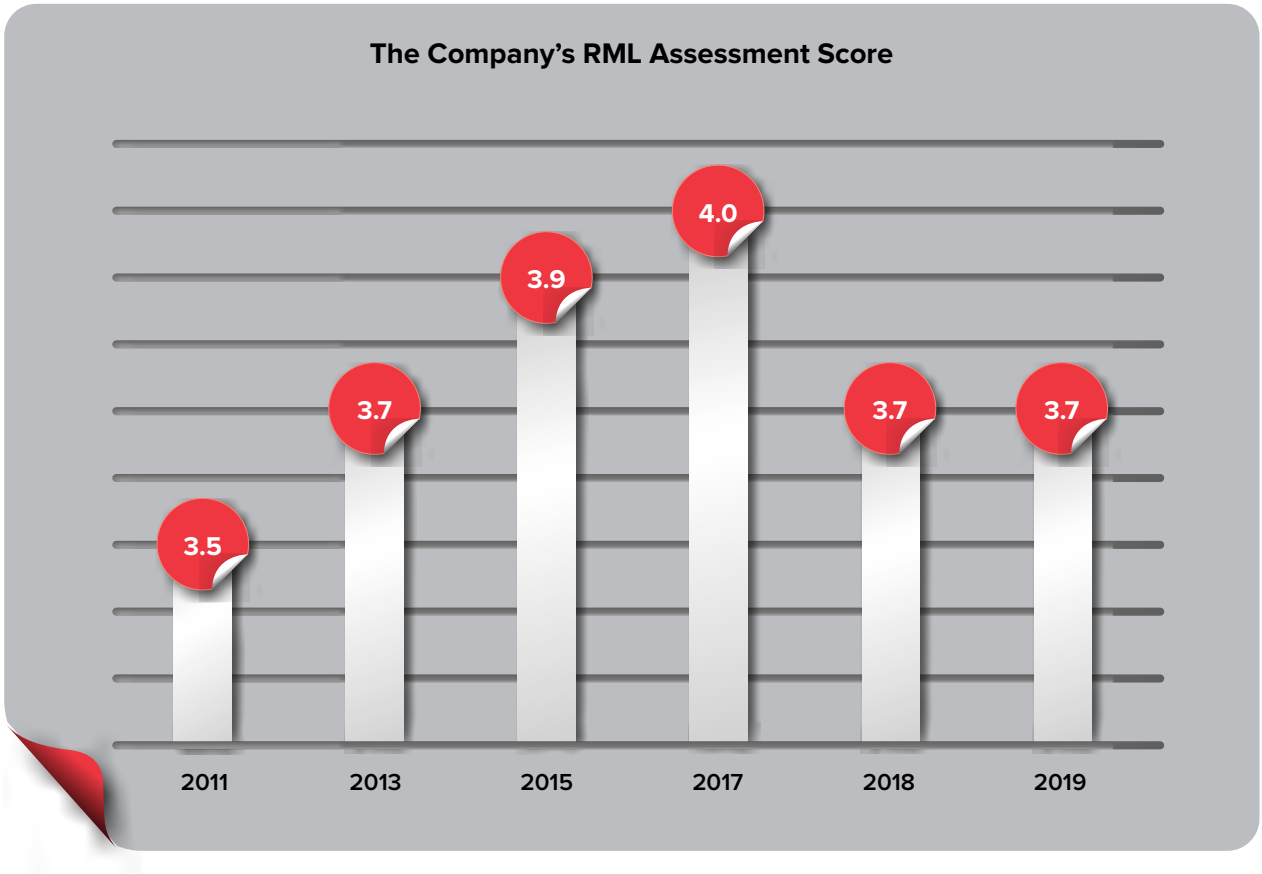
The year 2019 saw a risk management system implementation score of 3.7. This score was obtained through a series of assessment by document review, questionnaire, and interviews with relevant parties such as the Board of Directors and Department Heads.

RML Assessment Score Achievement in 2019



Gambar 6.

Specifically, the risk maturity level assessment process underwent some technical changes pre and post 2018. Prior to 2018, the assessment was based on the ISO 31000 : 2009 seven criteria on Risk Management Process. Meanwhile, 2018 and 2019 assessment method used three elements in ISO 31000 : 2018 namely Principles, Framework and Risk Management Process



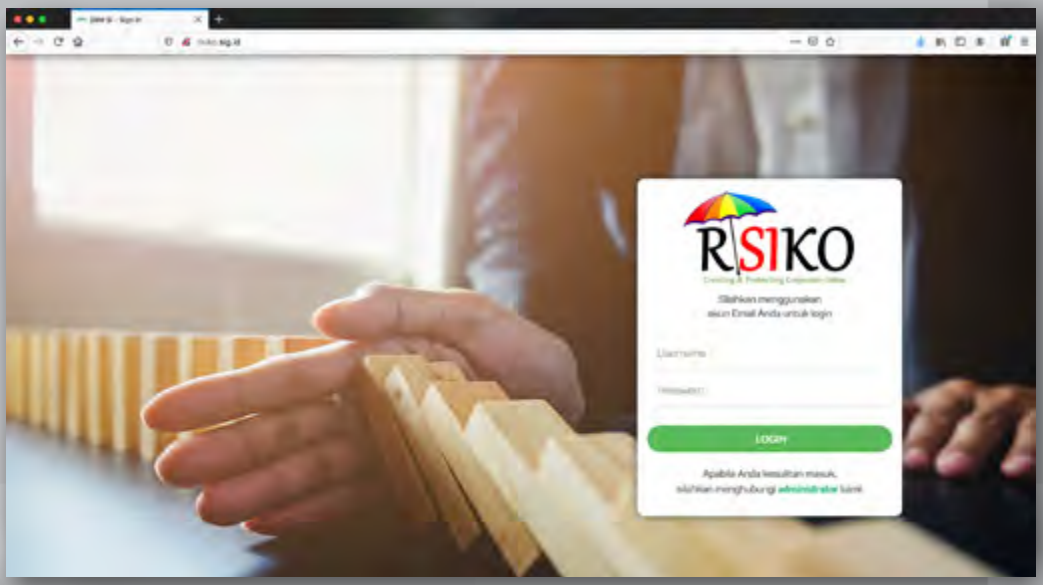
ERM Information System

To anticipate Industrial Revolution 4.0, SIG attempted to adapt to the current business competition by implementing changes to better address market needs so that SIG could continue to grow sustainably in the coming years.

IT system in the implementation of Risk Management at SIG was an absolute need in Industrial Revolution 4.0. For this reason, SIG has built an IT system that could improve effectiveness and efficiency of risk management implementation in order to create and/or maintain SIG values in every policy decision going forward.

Monitoring of Risk Management Realization Report was the next step after the "Submit Risk Register" process. The following figure pictured the risk management realization trend consisting of: total mitigated risk in the current year (2,513) and the realized percentage of 63% for Q2, 69% for Q3, and 81% in Q4. The total of Risk Register submitted was 48 out of 48 departments, with total risk mitigated numbering 2,513 in Q1.

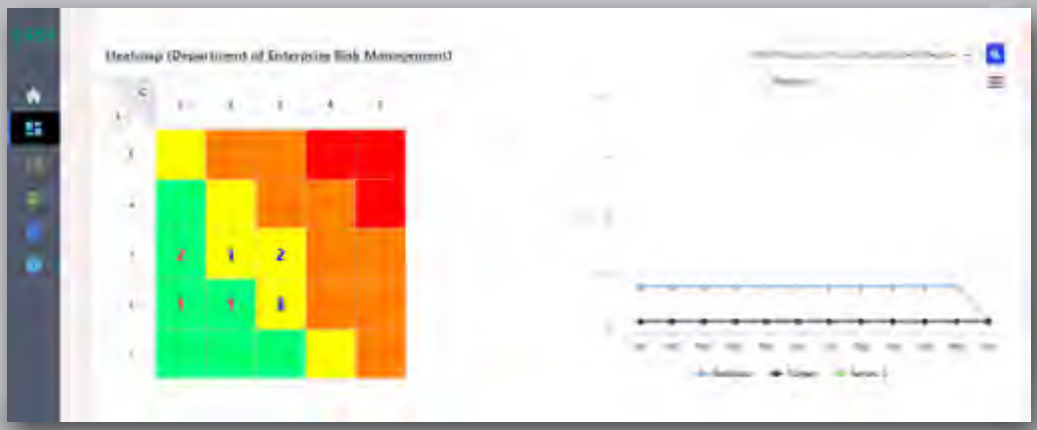
ERM Homepage

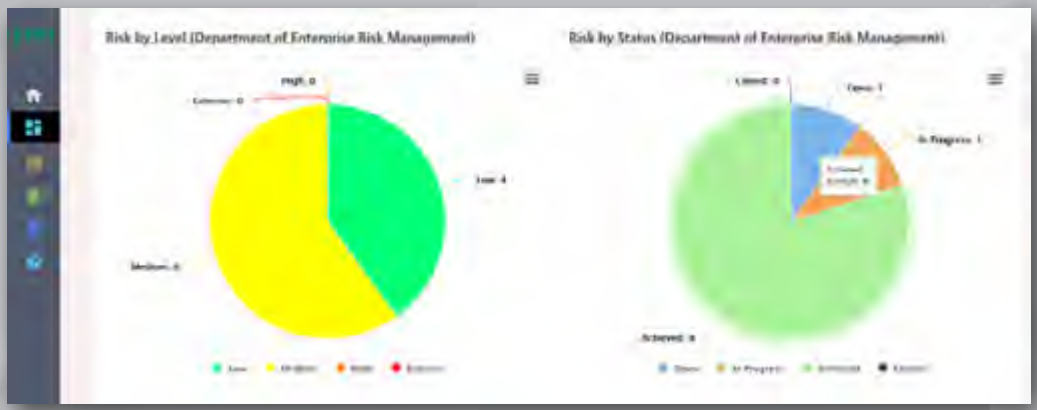


Dashboard view of SIG's Operational Risk Handling



***Dashboard view* dari Pengelolaan Risiko pada Unit Kerja Pemilik Risiko**





An information system that supports risk management will go through continuous improvement according to the Company needs and its integration with other platforms already existing within SIG's enterprise architecture. The said integration is connected to the master data used as resources, as well as other system implementation which also uses an IT platform to support its function.

Risk Register and Mitigation

No	Risk type	Risk handling
1	Business Competition (in the cement and building materials industry)	• SIG's marketing strategy transformation
2	Human Capital (Wider growth of the Company from capacity or business line, as well as organizational transformation, requires competent and capable human capital.)	• Fulfillment of the employees' competencies and capabilities • Development of the Talent Management program to support SIG's strategic transformation programs
3	IT Readiness (IT readiness to support the Company's strategic programs and business transactions)	• Implementation of the SIG's ICT Masterplan
4	Financial (Financial and liquidity management)	• Optimization of SIG's financial management
5	Politics & Regulation (The changes of the regulatory that can be harmful to company operations)	• Institutional relations and communication management to advocate for regulatory changes relevant to SIG
6	Sustainability (ESG)	• Waste management and alternative fuel utilization • Communicating PKBL and CSR program to community and stakeholders.
7	Legal Compliance	• Conduct analysis/review of legal, governance, as well as risk & compliance aspects to ensure that the Company's strategies and transactions are in accordance with applicable laws and in line with the GCG principles and criterias
8	Comodity & Energy Risk	• Long-term contractual ties for commodities coal with standard quality


Audit
financial
data
information
risk
review
product
checking
investigation
inspect
calculate
examine
assessment
scrutiny
management
performance
figure
account
evaluate
systems
report
analysis
independent
Monthly
accounting
balancing
view
Yearly
statements
standard
check

INTERNAL CONTROL SYSTEM

The Company has implemented a comprehensive Internal Control System (SPI) involving every function in the Company including the BOC, BOD and all employees. The Company's SPI activities were aimed at helping the management in maintaining trust on the quality of financial reporting, legal compliance, risk management, operational effectiveness and efficiency, and protecting Company assets at every level of the organization.

URGENT MATTERS

The year 2020 saw no material important matters with regards to the Company, subsidiaries, as well as the BOC or BOD members.

ADMINISTRATIVE PENALTY

The Company did not receive any administrative penalties from the regulator throughout the year 2020.

ACCESS TO INFORMATION AND CORPORATE DATA

SIG gives open access to all stakeholders about our performance in compliance with pertaining laws and regulations. The development of Company performance and other corporate information such as the independent audited report, the annual report, press releases, to company activities and events, can be accessed widely from our official website www.sig.id

The Company also welcomes questions, suggestions, critics and request for information in writing, addressed to the headquarters and addressed to the Corporate Secretary on:

Headquarters
South Quarter, Tower A, 19th-20th floors
Jalan R.A. Kartini Kav.8, Cilandak Barat
South Jakarta 12430, Indonesia
Phone. +62-21-5261174-5
Fax. +62-21-5261176
Email: info@sig.id
Website: www.sig.id

Communication Policy

As a Public Company there is a requirement to disclose material information and facts about the Company to all stakeholders. For this reason, PT Semen Indonesia (Persero) Tbk. has created a Communication Policy with Shareholders, Investors and/or Media.

This policy guides the process of disclosure of information to stakeholders, the investment community, the media and regulators in a way that is timely and true about the Company. In addition, the capital market and stock exchange regulates the Company to exercie information transparency with all stakeholders according to pertaining laws and regulations. Material information should not be exposed to the media before it was disclosed to the Financial Services Authority ("OJK") and the Indonesian Stock Exchange ("BEI").

The Company uses the following communication channels to reach out to all stakeholders, among others: :

1. Annual report
2. Interim and annual financial report
3. Sustainability report
4. Annual General Meeting
5. Public exposé
6. Corporate website
7. Press releases
8. Press conferences
9. Corporate social media accounts
10. Corporate email
11. Open communication to public
12. Shareholder question-and-answer and information session
13. Analyst meeting

CODE OF ETHICS

SIG's Ethical Standards

To ensure best practice in corporate governance, SIG adopted the highest standard of good corporate governance, be it in Indonesia or internationally, among others the criteria and methodology laid out by the Ministry of SoEs, OJK, and the ASEAN Corporate Governance Standard. These standards guided the BOC in carrying out its monitoring function as well as the BOD in its operational function. Functions that support good corporate governance also work in synergy to ensure that the Company's operational activities are conducted in compliance to applicable laws and regulations.

Every SIG personnel must understand and sign the SIG ethical standards for good corporate governance. This included the BOC, BOD, the supporting functions of the BOC, and every individual including employees at the head office, business unit, projects, subsidiaries and SIG-affiliated companies

Content and Main Points of the Code of Ethics

The code of ethics is a set of commitments comprising the Company's business ethics and a code of conduct all company personnel, written to affect, shape and regulate proper behavior based on the principles of ethical sensibility, ethical reasoning and ethical conduct to achieve an outcome that is consistent with the corporate culture to achieve our vision and mission.

The code of ethics consists of the following content:
Chapter I Introduction
Chapter II Corporate Business Ethics
Chapter III Corporate Code of Conduct
Chapter IV Implementation of the Code of Conduct
Chapter V Closing

Ethical Code Socialization and Dissemination to the Employees

According to the Ministry of SoEs' Secretary's Decree No. SK-16/S.MBU/2012 and Financial Services Authority's Regulation No. 33/POJK.04/2014, the Code of Ethics has been uploaded and displayed on the company website and could be accessed by all stakeholders.

In addition, the Department of Enterprise Risk Management is working alongside the Department of Corporate Communication to disseminate the latest Code of Ethics to all employees through an email blast on 25 June 2020 as well as publishing an article titled "SIG Publishes Code of Ethics for All Employee Personnel" in the internal print publication SMILE on 26 June 2020.

Enforcement and Application of the Code of Ethics

The Code of Ethics is applicable to members of the Board of Directors and Commissioners, the support function to the Board of Commissioners, and every employee. Every company personnel must sign an agreement to comply to the this code.

Enforcement of the code of ethics is the responsibility of every company personnel. The Board of Comissioners and Directors are responsible for the implementation of the code of ethics in the Company with the support of EVP, SVP, department heads and other officers in these ranks.

Monitoring of Compliance to the Ethical Code

1. Reporting, Handling and Enforcement of Violation
   The company gives an opportunity to Company personnel and other stakeholders to submit reports about suspected ethical code violations to the company through the whistleblowing team who acts in accordance with the company's whistleblowing system. In submitting the suspected violation, the whistleblower is encouraged to provide some personal details for easy communication. The company respects the whistleblower's right for anonymity and will follow up on each valid report submitted in good intention for the benefit and improvement of the Company. The Company is determined to protect the whistleblower's identity.

   We will make our best attempt to maintain secrecy in all investigations, unless disclosure is critical to the investigation and reporting to the relevant authorities or to defend the Company's standpoint before the law. The Company respects every whistleblower's right to submit a report including the possibility that violations might have happened, and will not tolerate every discrimination or pushback towards the whistleblowers who have, in their good intention, reported on the possibility of a violation.

   Every report, handling and enforcement of rules in line with code of ethics violation is an unseparable part of the company's whistleblowing system.

2. Penalty for Violation
   Non-compliance to the ethical code could be categorized as corruption and economic crimes, general criminal action, and violation of company policies. Non-compliance that can be categorized as corruption, economic crimes and general criminal action will be pursued in accordance with prevailing laws and regulations or by using the mechanism in the whistleblowing guidelines. Non-compliance that falls under violation of the Company policies will be pursued based on the employement agreement, or by using the mechanism in the whistleblowing guidelines.

Number of Ethics Violation Reported Including Sanctions Given in the Last Fiscal Year

There were no complaints submitted relating to ethical violation by an employee throughout fiscal year 2020.

ANTI CORRUPTION POLICIES

In the year 2020 SIG obtained the ISO 37001 certificate for our anti-bribery management system. There will be a surveillance audit to measure the performance and effectiveness of this system. Every department is required to have an anti bribery goal and conduct a bribery risk assessment (BRA). This initiative supported SIG's sustainable living goal to conduct our business in a way that is corruption-free, positively impacting our ecosystem; as well as a workplace that has integrity.

GRATIFICATION AND ANTI-CORRUPTION MANAGEMENT SYSTEM (ISO 37001)

SIG received ISO 37001 certification in August 2020. The certification is valid for three years and an annual audit surveillance will be conducted to assess performance and effectiveness of our anti-bribery management system. Every department is required to have anti-bribery goal and conduct a bribery risk assessment (BRA). Business activities that are free of corruption will lead to positive impact in the ecosystem and work environment, and supports the attainment of SIG's sustainable living goals.

As the largest construction material solution in the region, SIG is committed to conduct business in a way that complies with prevailing laws with regards to gratification, bribery and corruption by abiding to the highest ethical standards by:

1. Prohibiting SIG personnel from luring public servants, business partners and other third parties relevant to our work with gifts or promises
2. Prohibiting SIG personnel to ask for any sorts of gifts from any individuals or organizations within their job scope with SIG.
3. Encouraging relationships based on good intentions, or under the premise of reasonable belief without fear of retaliation.
4. Setting the authority and independence of the SIG Gratification Control and Anti Bribery Team (Tim Pengendalian Gratifikasi dan Anti Penyuapan - TPGAP).
5. Fulfilling the requirements for Anti Bribery Management System and conducting periodic improvement
6. Prohibiting punishment or pushback towards whistleblowers because of his/her concerns over the Anti Bribery Management System

SIG is committed to conduct monitoring of said policy. We have socialized this policy through various programs to encourage an anti gratification and anti bribery culture within our company including all subsidiaries. Among others, we conducted activities

to internalize the GCG, printed a guide book on gratification control, printed banners and placed them in high visibility spots within our premise, to using the intranet as well as printed media to socialize the principles. The Company provides consequences for non compliance of this policy, ranging from disciplinary action, termination of employment, civil case to criminal suit.

TRANSPARENCY ON THE COMPANY'S FINANCIAL AND NON-FINANCIAL CONDITIONS

We have fulfilled our transparency requirement by publicizing our financial and non financial conditions according to the pertaining regulations through the following channels, be it in print or through the company website::

1. Quarterly Financial Report to the regulator, which is also publicized through print media and the company website.
2. SIG Annual Report which is put together and presented to the regulator according to their terms and conditions.
3. Audited Annual Financial Report
4. Information on corporate governance, among them the Annual Corporate Governance Report, Vision, Mission, Values of the Company, Composition and Profiles of the Board of Commissioners and Directors, and internal policies relating to corporate governance from Articles of Association to Committee Charters - all publicized on the company website.
5. Information on the company's products and services, including our network of offices and subsidiaries, are publicized through the Annual Report and on the Company website, so that the public at large can easily access information of what we have to offer.
6. Information on the procedure to lodge a complaint through the Company website for matters in relations to consumer protection.
7. Other information in support of information transparency and public services.

PROCUREMENT POLICIES

SIG has a goods and services procurement policy. This policy regulates the user and manager of the goods and services, the manager of the procurement process, the manager on the supplier side, the materials manager, the procurement team, the relevant executives as well as the supplier of the goods and services with duties, functions, rights and responsibilities of each party and the role of each party in the procurement process.

SIG's procurement policy has been adjusted to SNI ISO 37001 about Anti-Bribery Management System (SMAP).

NET WORTH REPORT OF STATE APPARATUS

In accordance to Law No. 28 /1999 about Corruption, Collusion and Nepotism-Free State Administration, the Company has complied by reporting the assets and wealth (LHKPN) of its executives to the Anti-Corruption Agency (KPK).

The Company has also determined the parties responsible to report their assets to KPK. The Company also facilitated, coordinated and socialized the need for reporting as well as provided technical guidance on how to lodge this report through the e-LHKPN application.

LHKPN 2020 Realization

SIG recorded 100% compliance in submitting the LHKPN report by all relevant officials, with not a single late report.

WHISTLEBLOWING SYSTEM

As a commitment to implement GCG, SIG welcomed feedback on possible violations be it from internal or external parties (such as customers, suppliers or general public). To improve on the quality of transparency, accountability and fairness in the implementation, SIG implemented a whistleblowing system (WBS).

Types of Violation that could be Reported

The Company classifies the violations into three types, whereby each warrants a different treatment:

1. **Category 1 (Corruption and Economic Crime)**
   - Economic crimes that fall under the category of corruption, be it beneficial to self or other parties; fraud, abuse of power with regards to management and use of funds belonging to the Company (financial fraud), bribery, gratification and conflict of interest conducted by any of the company's personnel.
   - Violations of accounting principles and processes as well as capital market authority's regulations with regards to financial reporting, non compliance to taxation rules, and other types of fraud that could lead to financial losses to the Company or any other parties that are done by the Board of Directors and/or Commissioners.
2. **Category 2 (General Criminal Actions)**
   This classification covers many types of criminal acts as stipulated in the Criminal Act and relevant laws, including but not limited to theft, violence towards employees or supervisors, blackmailing, use of illegal drugs, harassment, and other criminal actions that may endanger the safety and health of people at work, the Company, and the surrounding communities; that are done by any of the company personnel.
3. **Category 3 (Violation of Company Policies)**
   This covers every violation other than corruption and economic crimes, general criminal actions, as regulated by the Company's ethical guidelines, policies and standard operating procedures, as well as employee disciplinary policies; that are done by any of the Company personnel.

Structure and Mechanism of the Company's Whistleblowing System

Mechanism for handling the violation reports consists of four key elements:

1. *Tim Pengelola Pelaporan Pelanggaran* (Violation Report Management Team - TP3) is tasked to:
   - Receive, register and categorize the reports
   - Conduct informant's protection program according to the prescribed policies, including maintaining confidentiality of the reporter's identity as well as the persons being reported under the presumption of innocence.
   - Maintaining regular communication with the informant
   - Submitting six-monthly activity report to the Board of Commissioners
2. Investigation Team, consisting of the Internal Investigation Team, External Investigation Team, and Subsidiaries' Investigation Team. They are tasked to investigate the substance of the violation reports in greater depth in order to collect evidence of a violation
3. Board of Commissioners, tasked mainly to select, confirm (based on the types of violation, who did it and the presence of evidence) and verify. The members also decide if the reports will be

pursued further and archived in the instance that the persons being reported include any members of the Board of Commissioners, Directors, or Support Functions to the Board of Commissioners.

Should there be a decision to pursue any whistleblowing reports, the Board of Commissioners will:

- Assign the Investigation Team to find more facts and evidence, if the violation might have involved any members of the Board of Commissioners, Directors or the Support Function of the Board of Commissioners (as individuals); or
- Recommend to the Board of Directors (as the owner of the subsidiaries) to follow up with an investigation if the violation might have been done by the Board of Commissioners or Directors of any subsidiaries

4. Board of Directors, tasked mainly to:
   - Select, confirm (based on the types of viation, who did it and the presence of evidence) and verify. The members also decide if the reports will be pursued further and archived in the instance that the persons being reported are employees
   - The Board of Directors assign the Investigation Team to find more facts and evidence relating to any violations that might have involved any members of the Board of Commissioners, Directors and employees of any subsidiaries

Socialization of the Whistleblowing System

As part of the Company's effort in improving good corporate governance and the quality of its WBS, in January 2021 the Company partnered with Deloitte Indonesia as independent consultant to manage WBS. The independent management and the new reporting channel has been communicated to internal and external audiences by e-mail, internal communication channels, and the Company website.



Mechanism to Submit a Violation Report

Until 2020, the submission of reports and procedures for handling violations is submitted to:

Tim Pengelola Pelaporan Pelanggaran (TP3)
U/P Sekretaris Perusahaan
PT Semen Indonesia (Persero) Tbk.
South Quarter Tower A, 19th-20th floor
Jl. RA Kartini Kav. 8, South Jakarta 12430, Indonesia
Telp. (021) 5261174 ext. 8089
email:semenindonesiabersih@sig.id

The whistleblowing system guidelines specify how to submit a report and how to follow up on the report, complete with a scheme on how to make a submission based on the informant's inference. The violation report could be submitted by:



Protection for Whistleblowers

The Company protects the whistleblowers, be it an employee of SIG or an external party, who lodged a report with good intention. The Company will comply with pertaining regulations and best practices in the management of violation reporting systems. Any employees who reported in good intention will be protected from dismissal, demotion, harassment or discrimination in any shapes or form, which could compromize their good standing on record. This protection does not extend to whistleblowers who are proven to submit false reports and/or slander.

The company can impose sanction on any internal or external parties who misuse the whistleblowing system to falsify reports. The person reporting who wishes to remain anonymous will be given guarantee of protection over his/her personal identity unless the legal process requires the informant's identity to be revealed.

Managing Reported Violations

Procedures and resolution of reported violations are conducted based on the mechanism as stipulated in the whistleblowing system, namely the mechanism for reported violations supposedly conducted by

1. An employee of the company
2. Members of the Board of Directors or Commissioners (as individuals) and Supporting Functions of the Board of Commissioners (Organ Pendukung Dewan Komisaris)
3. The Company's Board of Commissioners (as a board)
4. Board of Directors and Commissioners of any subsidiaries
5. Personnel of any subsidiaries
6. Whistleblowing report relating to the accounting process and the public company and issuer's financial reporting

Parties Responsible for Managing Reported Violations

The Board of Directors is responsible for the running of the company's whistleblowing system while the Board of Commissioners is responsible for supervising the operation of this system. The Board of Directors and Commissioners together created the whistleblowing structure in the company. This centralized structure includes whistleblowing in the holding company and all of its subsidiaries. The Company also collaborated with Deloitte Indonesia to manage the Company's whistleblowing system.

Number of Violations Reported and Processed in the Last Fiscal Year

No complaints were submitted to the company throughout fiscal year 2020.

INSIDER TRADING POLICY

The company's Ethical Guidelines regulate insider trading, whereby the company's personnel and any parties related to the company are not allowed to misuse their titles and work to disclose material information that could affect investors' decisions.

Material information is information that has not been widely publicized that could lead people to buy, sell or hold the company's shares.

Ethical standards to be mindful of:

1. The company's personnel and other parties receiving inside knowledge is prohibited to trade stocks and securities issued by the company, be it directly or through an intermediary, for as long as the material has not been publicized.
2. The company's personnel are not allowed to take advantage of information or material facts that have not been publicized to gain profit from those information.
3. The company's personnel must maintain secrecy of the material information disclosed to them.

INFORMATION ABOUT BUYBACK OF SHARES AND BONDS

Throughout 2020, SIG did not engage in buyback of shares and bonds previously issued.

PROVISION OF FUNDS FOR POLITICAL ACTIVITIES

The Company does not disburse funds, assets or corporate profits for political donation, as stipulated in the Company's Ethical Guidelines number 7C.11 about Donations.

DONATION TO RELEVANT INSTITUTIONS

The Company provided donations to the local communities in ways that were not related to politics and to the business interests of the company. All donations from the Company require prior written proposals addressed to the company, can be accounted for, and is in accordance with prevailing regulations. Other donations can only be done in compliance with existing rules and regulations.

TRANSPARENCY ON THE INCIDENCE OF BAD GOVERNANCE

The company realizes that bad corporate governance practices disrupt the good corporate governance (GCG) system it strives to build. For this reason, we wish to report that in the year 2020, the company did not engage in any bad governance practices as laid out in the table below:

No	Description	Number of incidence
1	Reports of activities which polluted the environment	Nil
2	Non-compliance to taxation rules	Nil
3	Inconsistencies between the annual report and the financial report with pertaining regulations and Financial Accounting Standards (SAK)	Nil
4	Failure to disclose cases or lawsuits in relations to workers and employees	Nil
5	Failure to report on operating segment reviews	Nil
6	Inconsistencies between the hard copy and soft copy (website) versions of the annual report.	Nil
7	Failure to disclose important matters faced by the company, subsidiaries, members of the Board of Directors / Commissioners during their tenure as written in the annual report.	Nil

6

Corporate Social Responsibility




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COMMITMENT TOWARDS SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

> "More explanation about the Company's corporate social responsibility programs and commitment could be seen on the Sustainability Report which forms an inseparable part of this Annual Report."

On 21 October 2015, The United Nations (UN) issued a resolution on Sustainable Development Goals (SDGs). This resolution was made together with multiple countries as the mutual goal until 2030. SDGs consists of 17 goals with 169 measurable achievements and deadlines set by the United Nations as a world development agenda for the benefit of humans and the planet earth.

As a good corporate citizen, SIG is committed to the success of this resolution in accordance with its capacity. Moreover, the National Development Planning Agency (Bappenas) also continues to encourage the achievement of SDGs which are simplified into 4 main pillars, namely the Social Development Pillar, the Economic Development Pillar, the Environmental Development Pillar and the Legal Development and Governance Pillar.

One of the commitments of SIG is manifested in the Corporate Social Responsibility (CSR) program. Through the CSR program, the Company seeks to provide maximum benefits to stakeholders, especially the people, both in the vicinity of the Company's operational areas as well as in other areas throughout Indonesia.

In addition, as a State-Owned Enterprise (BUMN), the Company also has the obligation to implement the Partnership and Community Development Program (PKBL). Fulfillment of these responsibilities is carried out in various activities and programs as part of the implementation of good corporate governance.

One of the SIG responsibilities for community social development is manifested through the Partnership and Community Development Program (PKBL). The PKBL program is carried out in accordance with the Regulation of the Minister of BUMN No.PER-09/MBU/07/2015 dated 3 July 2015 concerning the Small-Business Partnership Program and the State-Owned Enterprise Community Development Program.

The PKBL program, which consists of the Partnership Program and the Community Development Program, aims to provide tangible benefits for community development, especially the communities around the Company's business areas. The implementation of the PKBL program is expected to help government efforts to increase community independence, reduce the number of unemployed and poor people, which in turn will increase economic growth.

The implementation of the PKBL program carried out by SIG is in accordance with the SDGs. The Company believes that the positive changes made in society will have a sustainable impact on future generations. The Company is committed to realizing good business growth while at the same time making a positive contribution to the environment and society.

Vision and Mission of Semen Indonesia's CSR

In order to implement the CSR program in a more targeted manner and achieve the desired goals, the Company has compiled the vision and mission of Semen Indonesia's CSR:

Vision

To be a CSR facilitator that focuses on sustainable environmental conservation and social responsibility, thus providing added value for stakeholders.

Mission

- Carrying out the CSR programs based on the harmonious principle of triple bottom line (Profit, Planet, People) and SDGs concept.
- Managing its CSR and work towards being a good corporate citizen.

Strategic Initiatives

- To become an ethical & responsible company.
- To contribute significantly to a prosperous society with high environmental awareness.
- To gain support from the stakeholders and environmental caretakers for the smooth operations of the Company (Social License to Operate)

Commitment to Sustainability 2024

To support our sustainable development programs, SIG is commited to become the pioneer in providing building materials that will empower stakeholders to create a sustainable living in the. The Company's commitment to creating sustainable living is manifested in the four pillars of sustainability, including:

1. Sustainable Economic Growth;
2. Climate and Energy;
3. Circular Economy;
4. Society and Community.

Sustainable Economic Growth

SDGs



Commitment	To continue innovating for our sustainable solutions and to strengthen the supply chain
Strategy	• Providing sustainable solutions through innovative products and services, so that we can anticipate increase demand for limited resources • Enhancing the *supply chain* and developing sustainable- oriented partnership with strategic partners
2024 Target	• A yearly increase in the proportion of revenue from sustainable solutions • Enforce strategic partner screening using sustainability criteria established by the Company

Climate and Energy

SDGs



Commitment	To use alternative materials responsibly SIG will continue to support Indonesia's commitment to COP21 (year 2015) to reduce GRK emission by 29% by 2030 independently, or by 41% with international help.
Strategy	• Reduction of greenhouse gas (CO_2) • Significant reduction of air emissions (dust/ particles, NOx, SOx) • Reduction of energy consumption
2024 Target	• Specific CO_2 emission scope 1 (per cement equivalent) reduction by 16% as compared to the 2010 base line • 67% of clinker factor • 15% Thermal Substitution Rate

Circular Economy

SDGs



Commitment	SIG is committed to use all materials in the production process responsibly
Strategy	• Using raw materials efficiently through product development • Utilizing renewable resources (waste-derived) as alternative fuels
2024 Target	• Utilizing 1.8 million tons of waste as alternative fuels • Utilizing 1.9 million tons of waste as alternative raw materials

People and Community

SDGs



Commitment	As we value our people and community highly, we implement good corporate governance and ensure proactive stakeholder management
Strategy	• Promoting health and safety for employees and contractors • Creating shared values for community
2024 Target	• Zero fatality • LTIFR ≤ 0,90 • A total of 73,000 people have benefitted through partnership programs (PK) since the program began

COMPANY RESPONSIBILITY IN MANAGING THE ENVIRONMENT

The Company realizes that businesses should contribute in preserving and improving the quality of life of the community and the next generation. Therefore, in carrying out its business activities, the Company seeks to protect the environment in its response to global warming. This includes the Company's efforts to reduce air pollution; reduce and utilize B3 and/or non B3 waste; water conservation; biodiversity protection; and energy efficiency.

This commitment is a manifestation of the Company's compliance with Law No.32 of 2009 concerning Environmental Protection and Management, and related laws and other environmental obligations.

SIG ensures that every operational activity is always carried out by taking into account the points as stated in the AMDAL, UKL/UPL documents which are prerequisites as well as parameters mutually agreed upon by all stakeholders prior to operational activities.

Environmental Responsibility

SIG has mapped various environmental responsibilities related to its operational activities. For this reason, the Company seeks to implement various efforts ranging from establishing policies and regulations to monitoring and managing operational activities that have an impact on the environment both within and in the areas surrounding the Company.

Several environmental issues related to the Company's operational activities include:
1. Energy management;
2. Water management;
3. Air quality and emission management;
4. Waste and B3 waste management
5. Mine reclamation and rehabilitation;
6. Biodiversity management.

Environmental Monitoring and Management

In order to control the environmental impacts from the company's operational activities, the Company carried out regular environmental monitoring activities. Several issues of concern to the Company were monitoring of greenhouse gas emissions, air emissions, waste management and land reclamation. In addition, the Company strived for high efficiency in the use of fossil energy, one of which is the use of alternative fuels.

Various strategic initiatives have been carried out in resource conservation, including applying the concept of environmentally friendly mining in accordance with good mining practices, from the planning to post-mining stages. The Company also utilized post-mining land for biodiversity conservation by preserving protected flora and fauna as well as utilizing post-mining land for agricultural irrigation, aquaculture and eduecotourism facilities.

In addition, the Company also utilized other industrial waste as alternative raw materials, increased the use of alternative fuels using biomass, industrial waste and domestic waste and implemented an energy management system to reduce CO_2 gas emissions.

Energy Management Activities

In its operations, SIG uses various types of energy. In the cement production process, the Company primarily uses coal as an energy source. In addition, SIG also uses electrical energy in the production process and office operations. The Company also uses Oil Fuel as a source of energy to support operational activities.

SIG realized that most of the energy sources used come from non-renewable energy. Therefore, the Company strived to make efficient use of fossil fuels which will have an impact on the conservation of non-renewable energy and reduce pollution from fuel combustion.

To ensure that the Company uses energy efficiently, the Company routinely conducted energy audits, both internally and by a third party every three years. In 2020, the total energy Consumption (Domestic and Regional) reached 119,167,005 GJ, down 5,4% compared to the previous year of 125,903,072 GJ. The decline was due to a decrease in the volume of cement and clinker production.

Utilization of Industrial Waste as Alternative Fuels

One of SIG's efforts in managing energy was by utilizing alternative fuels. The Company maximized the use of industrial waste, including B3 waste and biomass, to reduce dependence on fossil fuels.

The biomass was produced from rice husks, cocopeat, tobacco plantation waste and cigarette waste. Meanwhile, the B3 waste used was oil sludge, used oil, resin, used filter bag, used rags, and Impregnated Biomass. SIG is also a pioneer in the use of domestic waste to become Refuse Derived Fuel. Throughout 2020, the Company used 532,260 tonnes of RDF as a substitute for coal in the Company's production facilities.

This effort was aimed at managing energy, reducing CO2 emissions, obtaining the CER-CDM Project, as a solution for handling agricultural waste in the environment around factories, creating environmentally friendly factories, and supporting government programs related to climate change. In 2020, the total volume of use of AFR reached 248,427 tonnes, higher than in 2019 of 232,904 tonnes, so the Termal Substitution Rate (TSR) in 2020 become 4.04%.

Water Management

Throughout the production, SIG uses surface water as its resource. Clean water is one of the main resources for survival and, according to the United Nations, about 40% of the world's population is experiencing scarcity of clean water. So, if it is not managed properly, water scarcity will continue to increase. For this reason, the Company strived to be wise in water use and carries out various programs for water conservation.

In 2020, the total volume of water use reached 10,518,502,754 m^3, an decrease compared to the previous year of 13,098,195,731 m^3. The decrease was due to the implementation of three strategies: reduce consumption, expand water circulation, and improve rainwater harvesting capacity

Waste Management

The Company's operational activities produced various types of waste, both solid and liquid waste as well hazardous and toxic (B3) waste and non-B3. One of SIG's environmental strategies is comprehensive and effective waste management.

With regards to B3 waste, the Company has obtained B3 waste management permit from the Ministry of Environment and Forestry (KLHK). Several types of B3 waste such as used oil, rags and bag filters are used for alternative fuel and used refractories are used as alternative raw materials using the co-processing method.

Solid B3 waste that cannot be recycled such as car batteries, fluorescent lamps, toners, cartridges and chemical bottles, were passed on to a third party with a permit from the Ministry of Environment and Forestry.

Non-B3 waste resulting from SIG's operation included domestic waste, faulty material, and used goods (afval). The Company reused domestic waste as alternative fuel for its kilns, while non-hazardous solid metal waste was transferred to a third party for metal recycling.

In 2020, SIG sent a total of 1,026 tonnes of internal waste to external parties including licensed third parties and external landfills. This constituted 0.49% of total non-B3 and B3 waste produced throughout 2020.

Meanwhile, 108,622.53 tonnes or 99.51% of Company waste were repurposed through the 4R process – reduce, reuse, recycle, recovery; be it using the Company's internal waste management capacity or through third parties.

Emission Management

SIG is committed to reduce GHG emissions and other air emissions, namely dust, SOX, NOX due to its operational activities. The cement industry globally contributes 7% of Greenhouse Gas emissions, therefore SIG targets to reduce CO_2 emissions per tonne of cement equivalent to 16% in 2024 from 2010 base.

As a company committed to the preservation of nature and the environment, SIG strived to reduce these impacts through a series of activities and innovations.

The Company continued to control emission in the midst of production capacity increase due to its business expansion. PT Semen Gresik Rembang started operation in 2018 and PT Solusi Bangun Indonesia Tbk joined us in 2019, both contributing to the Company's year-on-year rise in GRK absolute emission. In 2020, the intensity of GRK emission scope-1 decreased from 634 kg CO_2/tonne of cement to 607 kg CO_2/tonne of cement. The GRK scope-1 and 2 emission intensity also went down from 693 kg CO_2/tonne of cement to 659 kg CO_2/tonne of cement.

Use of Alternative Raw Materials

One way for the Company to enact the circular economy was by utilizing industrial waste as an alternative raw material. The use of alternative raw materials had a double meaning for the Company. Firstly, the use of alternative raw material meant that main raw material is being conserved, which resulted in less pollution. Secondly, the use of industrial waste also became another stream of income for the Company.

Several alternative raw materials that have been routinely utilized by the Company include: bottom ash, fly ash, EAF dust, steel slag, COCS, spent bleaching earth, drilling cutting and paper sludge. The volume of use of alternative raw materials used by the Company continued to show an increase from year to year.

In 2020, the Company used 1,064,754 tonnes of alternative materials. This amount has decreased

compared to 2019, where the amount of alternative fuels used by the Company reached 1,659,627 tons. The decrease was due to lower volume of clinker and cement production.

Post-Mining Land Conservation

Reclamation is an activity carried out post-mining to restore, manage, and improve the quality of the environment and ecosystem so that it can function again as normal (Permen ESDM No. 26/2018).

The main problem arising in ex-mining areas is environmental change. Chemical changes mainly affected groundwater and surface water, and continued to physically change land morphology and topography. Furthermore, there were already changes in the microclimate caused by changes in wind speed, changes in biological habitats in the form of flora and fauna, a decrease in soil productivity with the land becoming more barren, less aquatic productivity marked by degradation of the water ecosystem.

The Company has converted the post-mining land into plantation as well as educational and recreational centers. This is part of SIG's commitment to post-mining environmental management.

Meanwhile post-mining clay land was turned into water reservoir that can also be used for aquaculture and agricultural irrigation. Until the end of 2020, reclamation realization as mandated by RKAB 2020 reached 50.32 Ha or 90.5% of target. Cumulatively, SIG's reclamation actualization up to end of 2020 reached 680.77 Ha.

Biodiversity

SIG is committed to sustaining biodiversity in its operational areas. The Company recorded and monitored biodiversity in the areas pre and post operation, and considered it part of our responsibility to protect biodiversity.

The Company believes that maintaining good biodiversity benefits the local communities and make for good legacy to the next generations. The Company has done various flora and fauna conversation projects involving multiple parties for maximum result. The Company is also committed to continue impacting the community in a positive way through its post-mining programs. For this reason, the Company planted trees in the green belt area around the raw material fields, green barrier in and around the factory area, and provided buffer zones.

Awards and Certification in the Environmental Sector

In 2020, PT Solusi Bangun Indonesia Tbk (SBI)'s factory - a part of SIG, succeeded in achieving Green PROPER rating from the Ministry of Environment and Forestry.

The Company also completed its operations with certifications relating to the environment, among others:

- ISO 14001 : 2015 for Environmental Management System
- Green Label Certificate from Singapore Environment Council (SEC)

Environmental Complaints Mechanism

SIG provides an opportunity for all stakeholders to submit complaints and reports related to the Company's operational activities that are contrary to environmental laws and regulations. These reports and complaints can be submitted through the Company's whistleblowing system. SIG is committed to following up every incoming report and complaint accordingly.

Throughout 2020, there were no complaints from any parties regarding the Company's activities that are against the laws and regulations related to the environment or activities that pollute and damage the environment.



SOCIAL RESPONSIBILITY FOR LABOR AND OCCUPATIONAL HEALTH & SAFETY

With regards to labor issues, the Company made Law No. 13 of 2003 concerning Labors and Collective Labor Agreement (*Perjanjian Kerja Bersama* - PKB) as the main basis for establishing industrial relations with employees. Meanwhile, for the aspect of Occupational Health and Safety (OHS), SIG adheres to Law No. 1 of 1970 concerning Occupational Safety and Health and other related regulations that apply both domestically and internationally.

Employment

Creating a harmonious and dynamic industrial relations is the main objective of the Company. For this reason, the Company strives to fulfill the rights of employees as stipulated in the labor laws and regulations. The Company is also highly committed to gender equality and job opportunities, job training to improve employee professionalism and an equivalent remuneration system.

Gender Equality and Equal Rights

The Company strongly supports gender diversity and provides equal opportunities for everyone to join the Company as long as they fulfill the administrative and competency requirements as well as having the right fit with the job specifications. The company does not differentiate gender, ethnicity, religion, race and class in conducting the recruitment process. Regardless, currently the Company employees are 89.61% male, 10.39% female.

Likewise, in granting rights to employees, the Company does not differentiate based on gender. However, the Company still guarantees human rights for female employees, where the Company also provides menstrual leave facilities for female employees and lactation rooms for female employees who are breastfeeding their children.

Career and Competency Development Program

The Company provides equal opportunities for all employees to develop their competencies and capacities to support their career development. SIG carries out competency development programs on an ongoing basis but is still tailored to the needs of the Company.

In 2020, the Company organized 273 competency development programs that were attended by 10,246 participants from all levels of the organization. The Company also provides equal opportunities for all employees to be able to achieve a higher career path in accordance with the mechanism established by the Company.

Remuneration and Welfare

SIG understands that compensation and benefits also affect employee performance and turnover rates. Therefore, the Company always pays attention to the welfare of employees by trying to facilitate the needs of employees in the hope that a relationship of mutual need will be established so that there is a bond between the employees and the Company that work together to achieve the same goal.

Employee welfare is one of the rights that must be fulfilled by the Company, one of which can be fulfilled through adequate remuneration or compensation. In order to provide competitive remuneration, the Company establishes a standard salary based on employee ratings and positions based on remuneration surveys in similar industries by taking into account the labor law and the Provincial Minimum Wage (UMP) regulations.

In addition to remuneration, the Company also provides facilities and benefits to employees, the amount of which is adjusted to the employee's position level, including: health benefits; life insurance; work accident benefits; and several other benefits.

Pension Program

The Company has a defined benefit pension plan for employees who have reached the age of 56 years. However, before the employees arrive at that period, the Company provides a program for every employee aged 50-55 years who will enter retirement to take part in the Retirement/Entrepreneurship Preparation Training as part of the Company's appreciation to employees with the aim of preparing employees optimally for the future. This includes the employees' psychological aspects, health aspects, financial aspects, motivation for creativity and business visits so that employees can maintain their best performance in spending the remaining period of service until the end of retirement.

In addition to the entrepreneurship program, a Socialization Program for Employee Pension Rights is also carried out with the aim of providing information about the rights that will be obtained at retirement and providing knowledge about mental and financial preparation for entering retirement age both from a psychological and health perspective. The program includes:

1. Explanation of Pension Rights by the Human Resources Department;
2. Defined Benefit Pension Program by Semen Gresik Pension Fund;
3. Tax Treatment for Pension & Individuals by the Taxation Unit;
4. *Paguyuban Wredatama* Semen Gresik by PWSG;
5. Mental Retirement Preparation by Psychologists;
6. Financial Arrangements by Financial Experts;
7. Spiritual & Health by Health Experts.

Employee Turnover Rate

Throughout 2020, the Company made various efforts to increase employee engagement so that the employee turnover rate decreased from the previous year by 0.7%

Occupational Health and Safety

A work environment that is safe, comfortable and free from work accidents is the Company's goal. Therefore, the Company has established a basic policy regarding Occupational Safety and Health (OHS), namely "Occupational Safety and Health is the responsibility of all parties, therefore the Company and related parties are determined to create a healthy work environment, prevent occupational diseases, free are injured and carry out operational activities in accordance with applicable rules".

To ensure the quality of OHS implementation, the Company has implemented the OHSAS 18001: 2007 OHS standard system, as well as accident prevention programs in the 5R program and the Advice System. In addition, the Company also put in place the Standard Operating Procedures (SOP) for Safety, Health and Environment (Safety, Health and Environment/SHE) to achieve the zero accident target.

In addition, the Company has also implemented a Contractor Safety Management System (CSMS) intended to determine the performance of work units within the Company and work partners or third party contractors in implementing SMOHS.
The Company has formed P2OHS (Committee for Occupational Safety and Health)/SC (Safety Committee) as a forum for employee participation in the implementation of OHS in the workplace. The main task of P2OHS as an auxiliary body in the workplace is to provide suggestions and considerations, whether requested or not, to the employer / manager of the workplace concerned regarding occupational safety and health issues.

The Company also regularly holds safety committee meetings with related work units as well as with mining partners/contractors. Regular meetings aim to remind all parties to keep implementing all provisions related to OHS.

In 2020, the implementation of OHS aspects were very important considering that Indonesia was being hit by the COVID-19 pandemic. To maintain the health and safety of employees during the pandemic, the Company strictly implemented health protocols as recommended by the Government. In addition, SIG also formed a COVID-19 Task Force Team headed by the Director of Human Resources and Legal.

SIGuard Covid Rangers

SIG created SIGuard Covid Rangers, consisting of millennial employees, as agents of change to usher in the new normal were due to COVID-19. SIGuard Covid rangers are tasked to assist other employees and enforced the new normal protocols.



Employee Health

Employee health is one of the main aspects that concern the Company. For this reason, the Company provides various health facilities for employees, both for prevention and treatment.

The Company provides several sporting facilities in the work environment and facilities for participating in activities at certain sports clubs as an effort to encourage a healthy lifestyle. The Company also provides a comprehensive medical check-up (MCU) benefit for all employees once a year for early detection and treatment of any illnesses. The health check up coverage for employees include physical examinations, physical fitness, laboratory, EKG, spiromentry, audiometry, x-rays, and dental and eye examinations.

As for treatment, employees can take advantage of health facilities in the work environment and use health insurance that can be used in almost all hospitals in Indonesia.

Aside from routine annual programs, the COVID-19 pandemic in 2020 forced SIG to adapt to improve workplace health and safety, especially to reduce the spread and minimize transmission risk. By doing so, we created a sense of safety and a level of comfort for all employees in coming to work and continuing operational activities.

The Company regularly distributed supplies for COVID-19 prevention such as vitamins, masks, hand sanitizers, and proper personal protective equipment; as well as developing manuals for employees on how to work in the new normal era. The Company provided additional facilities to prevent COVID-19 infection and enforce strict protocols with regards to activities going in and out of the factory, applicable in all operational areas. The Company also imposed work-from-home arrangement so that employees could continue to work productively during the pandemic.

Work Accident Prevention Program

In accordance with the OHS Management System (SMOHS) guidelines, the Company must implement a work accident prevention program. For this reason, the Company continues to strive to increase employee safety awareness. Employees are required to comply with all provisions related to OHS management and may refuse to work if the conditions are considered to endanger work safety. In addition, the Company also regulates OHS aspects in the PKB.

Several work accident prevention programs carried out by the Company include:

1. Implementation of the Brief, Neat, Clean, Care and Diligent (5R) assessment program every three months;
2. Internal audit program by Internal Audit and external audit by certification body every once a year;
3. Establishment of an independent work unit Safety Officer and OHS Activities team;
4. Conduct safety talk once a week in the work unit;
5. Improve work unit P2OHS activities through the appointment of OHS Ambassadors;
6. Increase employee knowledge/competence through General OHS Expert Certification, Boiler Operator Certification.

In addition to implementing this program, SIG also conducts OHS related training for all employees, especially for employees in the production division. Throughout 2020, the Company held 36 OHS-related training which was attended by 2,635 participants.

In addition, the Company also provides various facilities in accordance with SMOHS standards in the work environment, such as APAR, Hydrant, P3 Box, Health Clinic and Evacuation Route Instructions.

OHS Statistics

The performance of the OHS aspect is measured by achieving the parameters of the frequency of work accidents and the severity index, as well as the number of hours/days lost due to work accidents. The Company's work accident statistics for the last 3 years are as follows:

	Description	Unit	2020	2019	2018
A	Employee				
	Total *Fatality*	Incident	0	0	0
	Total *Lost Time Injury Frequency Rate* (LTIFR)	Rate	0.46	1.16	1.28
	Lost Time Injury Severity Rate(LTISR)	Rate	2.99	**	**
B	Contractor				
	Total *Fatality*	Incidet	1	0	*
	Total *Lost Time Injury Frequency Rate* (LTIFR)	Rate	0.63	0.70	*
	Lost Time Injury Severity Rate (LTISR)	Rate	9.66	**	**

Catatan:
* In 2018, contractors were not included
**In 2018 and 2019, the Company has not calculated LTISR

Emergency Response Mechanism

Emergency situations could occur at any moment without warning, including but not limited to fires, B3 waste spills, misfires, explosions, bomb threats, riots and protests, occupational incidents, earthquakes and tsunamis. For this reason, the Company issued the Procedure for Emergency Response, most recently updated on 13 April 2020. This emergency response mechanism covered immediate actions, classification of the emergency situation, until evacuation and rehabilitation in an emergency situation that requires special handling.

The policy around emergency response in SIG is as follows:

1. Deciding if the emergency situation is any of the following three factors:
   a. Natural disasters, such as earthquakes and tsunamis
   b. Technical failures, such as fire, B3 liquid spill and B3 waste spill, work-related accidents, explosions, misfires and sleep blasting
   c. Riots, such as protests, bomb threats and riots
2. Determining the structure for Emergency Response Team in each subsidiary and reporting it to the parent company
3. Scheduling and implementation of emergency response simulation in each subsidiary, then reported to the parent company at regular intervals
4. The handling of the emergency situation starting from immediate actions, evacuation and post-incident recovery / rehabilitation had to be reported to the parent company
5. Technicalities and details including supporting equipment, such as communication devices, are up to par in each subsidiary
6. Should there be an emergency situation that requires a special expertise or could not be handled internally, PT Semen Indonesia (Persero) Tbk could seek assitance from the Rapid Response Team appointed through SKD Rapid Response Team

Awards and Certification in the Field of Labor and OHS

253 employees had participated in OHS training throughout 2020.

Training	Certificate
a. Hazard Awareness: 5 Main Killers b. Area Ownership c. Assessment Quality Control Analysis d. Assessment Energy Auditor e. Assessment Energy Manager f. Assessment Supervisi CCR Operasi Finish Mill g. First Aid & MERP h. Health Talk: Diet for Metabolic Syndrome & Ageing Diseases Monitoring i. Hazard identification Assessment Risk and Opportunity j. Isolation Officer Lototo k. Working Safely during the Pandemic l. Working Safely with Rotating Machines m. MyActs Mobile Application n. Work Permit System o. Surveyor for Machine Safety	a. General OHS Expert b. Exam of ERMAP – ERMCP c. Forklift Class II - Ministry of Manpower d. Boom Lift Operator e. Rigger f. Supervisor OHS Framework g. OHS Electrician h. First Aid Officer i. Accident investigation j. Person-in-Charge B3 Waste Management Coordinator k. Person-in-Charge Water Pollution Control (PPPA) l. Person-in-Charge Air Pollution Control (PPPU) m. First Supervisor - Operational (POP) n. PPR for Industry level 1, 2 and Medic level 1 o. Refresh Radiation Protection Officer p. OHS Port q. PFSO Certification r. OHS Management Techniques for Professional OHS Supervisor

SOCIAL RESPONSIBILITY FOR COMMUNITY DEVELOPMENT

The third and fourth points of the Company's mission focuses on protecting the environment and creating a sustainable social responsibility; as well as providing the best added value for all stakeholders. It's very clear from this statement that the Company is highly committed to social and community development.

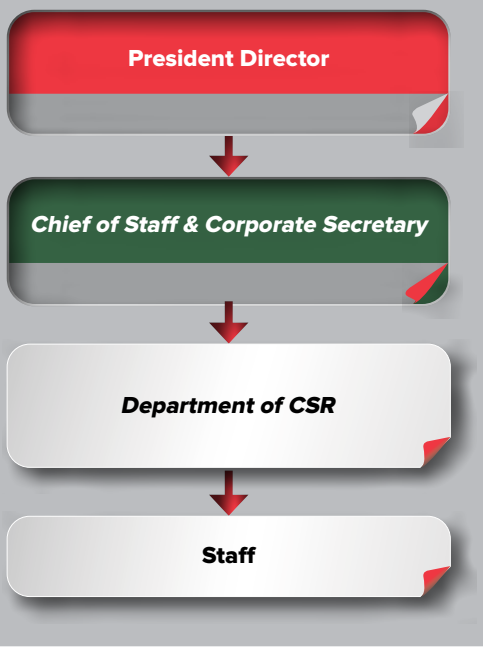
This commitment is based on the Company's awareness that it is part of society. The business growth that the Company has achieved so far cannot be separated from the participation of the community. For this reason, the Company paid great attention to social development which is manifested in various CSR and PKBL activities related to the social culture of the community.

The Company implemented the CSR program through the Partnership and Community Development (PKBL) program as regulated in the Regulation of the Minister of BUMN No. Per.09/MBU/05/2015 concerning the Partnership Program for State-Owned Enterprises with Small Businesses and the Community Development Program.

CSR Program Manager

The Company established a CSR Department under the Corporate Secretary as the person in charge of implementing the CSR and PKBL programs. The CSR Department is a staffed structure that manages Partnership and Community Development Program, CSR Planning and Evaluation, Management of CSR and financial reports, as well as the management fuction of the BUMN Untuk Indonesia or the BUMI program (SoEs for Indonesia).

Advisor 1 : CEO
Advisor 2 : Corporate Secretary
Person-in-charge : CSR department
Technical lead : PKBL Function Manager
Executor : Every function within CSR



Targets and Strategies for Implementing the 2020 CSR Program

Target	Activity	Measurement	Result
Becoming an ethical and responsible state-owned enterprise (SoE)	1. Implementing the Code of Conduct and ISO 37001 in AKHLAK core values for SoEs 2. Integrating CSR program with the Company's business strategy 3. Adjusting all interconnected systems, terms and regulations 4. Sustainability system implementation, PROPER and Green Company in SoEs	1. Ethical business practices 2. Real contribution to community welfare • Local • Domestic • Global 3. High social and environmental concern	1. Recognition as a blue chip company 2. Most wanted workplace. 3. Supported by stakeholders and the community through CSR (Social License to Operate) 4. Supporting the attainment of Sustainable Development Goals (TPB)

CSR budget

As the proof of the Company's commitment to support the realization of SDGs in Indonesia, the Company provides a special budget for the implementation of CSR and PKBL programs. The amount of CSR and PKBL budgets set by the Company is highly dependent on the CSR Department's program plan by considering the Company's financial capacity.

No	Description	Total (Rp billion)
1	Community Development	76.94
2	Social and Environmental Responsibility	48.29
3	Operational	8.42
	Total	**133.66**

Local Workforce

SIG provides equal opportunities for everyone to participate in the recruitment process of employees regardless of ethnicity, religion, race and class. Recruitment is carried out openly according to the needs and qualifications required. As part of SIG's commitment to empower the local communities, the Company also hires local recruits, who come from the Company's operational areas.

Recruiting People with Disabilities and the Best Papuan Men/Women

SIG provides opportunities for workers with disabilities and has hired 8 (eight) employees working in various operational areas of the Company, such as in Gresik (East Java), Jakarta, Indarung (West Sumatra), Rembang (Central Java) and Pangkep (South Sulawesi).

This program refers to Law No. 8 of 2016 concerning People with Disabilities.

SIG also provides opportunities for the best Papuan men/women by recruiting 4 (four) of them in the Sales function.

Partnership Program

In accordance with Sustainable Development Goals number 8 - supporting an inclusive and sustainable economic goal, full time and productive employees and proper jobs for all; partnership program management throughout 2020 that have been carried out are:

1. Strengthening and development of SIG's internal system (SIMCSR)
2. Involving partners in exhibitions or small business (UMKM) events
3. Training our business mentees
4. Optimizing monitoring and collection teams as well as coaching business mentees how to conduct payment from virtual bank accounts
5. Cease disbursement to business mentees and focus on collectability





6. The Company continued to support management and empowerment of business mentees using the funds from administrative services loan according to the terms set by the Ministry of SoEs.

Other than the above, referring to the letter from the Minister S-142/MBU/DSI/03/2020 dated 27 March 2020 about stimulus for business mentees in relation to the novel Coronavirus disease 2019, the Company has carried out the program to support the national economic recovery and its business mentees. Throughout 2020, SIG's collectability reached Rp19 billion, exceeding its Rp10 billion target.

Community Development Program

In 2020 the Company conducted some activities through the *Bina Lingkungan* and Social and Environmental Responsibility, including:

1. SoEs for Indonesia program
2. Strengthen CSR Activities for Sustainable Environmental and Develop Sustainability Agenda
3. Support Company's Strategy Business Priority and Proactive Stakeholders Management
4. Intensify Social Support Through Community Involvement & Development (CID) & Partnership program, which -among others- provided community development funds to provide value for surrounding communities such as:
   a. Victims of natural and man-made disasters, including disease outbreak
   b. Education, training, educational infrastructure and facilities, arts and culture
   c. Health improvement
   d. Public infrastructure and facilities
5. Religious facilities
6. Environmental preservation
7. Social and community activities to reduce poverty, including:
   a. Bringing electricity where there was none
   b. Access to clean water
   c. Hygiene and sanitation facilities
   d. House renovation for the underprivileged
   e. Seeds for farming
   f. Business equipment support
   g. Sporting facilities
   h. Educational activities

Feedback Channel in Community Development

SIG provided a channel to all stakeholders and community members to give feedback and report on social and community activities which might have violated any pertaining laws in relation to environmental and social responsibilities.

The report and feedback could be submitted through a whistleblowing system set up by the Company or through the e-mail address: info@sig.id. SIG is committed to follow up every properly submitted report. Throughout 2020, there was one report from the community with regards to disruption of water supply, and this case has been resolved.

RESPONSIBILITY TOWARDS PRODUCTS AND CONSUMERS

"Focusing on customer satisfaction in every business initiative" and "applying the highest standards to ensure quality" are the first and second points in the SIG mission. For SIG, consumers are a very important element that must always be a top priority.

SIG always puts customer satisfaction first by providing the best products and services. The company does not compromise on product quality.

Every product produced by the Company must have the best quality and comply with applicable standards. In addition, SIG also provides maximum protection to consumers through a policy of excellent service, which is continuously improved from year to year and is implemented in the form of increased service to customers and the availability of information about products and services offered.

Target

The consumer responsibility targets covered several aspects, namely:

- Availability of products on the market in sufficient quantities;
- Fulfillment of consumer expectations for product specifications as stated in the packaging and in the marketing kit presentation;
- Fulfillment of cement supply contracts on time and on quality, to support completion of customer physical construction projects;
- Protected consumers from the risk of health and safety impacts when using the Company's products.

Product Information Availability

SIG provides clear information on each product it produces. In terms of product safety, the Company always includes product specifications including the ingredients in them. This is intended to make it easier for consumers to get products according to their needs.

In addition, SIG also provides various media that consumers can use to obtain information on products marketed, including through the Company's website, advertisements in the media, brochures and social media.

Customer Education

In order for the marketed products to provide optimal benefits for customers, SIG also conducts customer education programs. Specifically for cement products, SIG educates the masons who are the end users of the product.

For the general public, SIG conducts education programs through social media, both through the @sig.id Instagram and Facebook accounts, @semenku Twitter account and the @Semen Indonesia Youtube account.

Customer Service Center

The Company has a hotline that can be accessed through 0800-1088888. Customers and the public can contact this number to obtain information and submit complaints and questions about the Company's products and services.

The Semen Indonesia Contact Center operates 24 hours a day and 7 days a week. Any questions regarding the Company's products and services will be responded to directly by the Contact Center Agent and complaints will be forwarded to the authorized department for follow-up. Overall, both questions and complaints will be recorded in the Contact Center database.

In 2020, customers submitted 128 reports, consisting of 64 industrial customer feedback, 32 infrastructure customer feedback, 27 retail customer feedback, and 5 SoE customer feedback. All reports have been resolved according to procedures that were in place in 2020

Customer satisfaction survey

The Company regularly measures customer satisfaction to assess the consistency and the quality of the products and services, so that it can be aware of changes in customer expectations and needs.

The survey results are displayed in the Customer Satisfaction Index (CSI) for distribution channels and customers, which will serve as input for the Company to continue providing the best service and improving its service performance.

The 2020 customer satisfaction survey showed an improvement in customer satisfaction index, from 88.7% in 2019 to 88.8% in 2020. Meanwhile, customer's unsatisfaction index went down from 0.6% in 2019 to 0.5% in 2020.

Consumer Health and Safety Risk Mitigation

To ensure consumer safety, the Company and its subsidiaries produced cement bags with a weight of 40 kilograms and 50 kilograms. This corresponds to the maximum ergonomic weight that humans can lift without tools.

The Company complements every product that is produced and sold to customers with information regarding quality and other specifications, which are listed on the outside of the package and contain:

1. The symbol/logo of the producing company;
2. Product name;
3. Industrial National Standard Number (SNI);
4. Packaged weight;
5. Types of cement;
6. Instructions for use;
7. Customer service number if there is a complaint/ complaint.

7

Consolidated Financial Report





PT Semen Indonesia (Persero) Tbk.
dan Entitas Anak */ and Its Subsidiaries*

Laporan Keuangan Konsolidasi

Consolidated Financial Statements

31 Desember 2020 dan 2019
December 31, 2020 and 2019



SURAT PERNYATAAN DIREKSI TENTANG TANGGUNG JAWAB ATAS LAPORAN KEUANGAN KONSOLIDASIAN PADA TANGGAL 31 DESEMBER 2020 DAN 2019 PT SEMEN INDONESIA (PERSERO) Tbk DAN ENTITAS ANAK

DIRECTORS' STATEMENT LETTER RELATING TO THE RESPONSIBILITY ON THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND 2019 PT SEMEN INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES

Kami yang bertanda tangan di bawah ini: *We, the undersigned:*

Nama	**Doddy Sulasmono Diniawan**	*Name*
Alamat kantor	Gedung South Quarter Tower A Lt. 19-20 Jl. RA. Kartini Kav. 8, Jakarta Selatan 12430	*Office address*
Alamat domisili	Jl. Degung No. 7 RT/RW 002/001 Desa Turangga Bandung Jawa Barat	*Domicile as stated*
Telepon	+62 21 5261174-5	*Telephone*
Jabatan	Plt. Direktur Utama dan Direktur Keuangan */Acting President Director and Finance Director*	*Position*

menyatakan bahwa: *declare that:*

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian PT Semen Indonesia (Persero) Tbk dan entitas anak;
2. Laporan keuangan konsolidasian pada tanggal 31 Desember 2020 dan 2019, telah disusun dan disajikan berdasarkan Standar Akuntansi Keuangan di Indonesia;
3. a. Semua informasi dalam laporan keuangan konsolidasian telah disajikan secara lengkap dan benar;

   b. Laporan keuangan konsolidasian tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material; dan
4. Kami bertanggung jawab atas sistem pengendalian internal Perseroan dan entitas anak.

1. *We are responsible for the preparation and presentation of the consolidated financial statements of PT Semen Indonesia (Persero) Tbk and its subsidiaries;*
2. *The consolidated financial statements as of December 31, 2020 and 2019 have been prepared and presented in accordance with the Indonesian Financial Accounting Standards;*
3. *a. All information has been fully and correctly disclosed in the consolidated financial statements;*

   b. The consolidated financial statements do not contain false material information or facts, nor do they omit material information or facts; and
4. *We are responsible for the Company and its subsidiaries' internal control system.*

Demikian pernyataan ini dibuat dengan sebenarnya. This statement letter is made truthfully.

Jakarta, 26 Pebruari 2021 / February 26, 2021
Atas nama dan mewakili Direksi/*For and on behalf of the Board of Directors*

METERAI TEMPEL

Doddy Sulasmono Diniawan
Plt. Direktur Utama dan Direktur Keuangan
/Acting President Director and Finance Director

LAPORAN AUDITOR INDEPENDEN KEPADA PARA PEMEGANG SAHAM

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

PT SEMEN INDONESIA (PERSERO) Tbk

Kami telah mengaudit laporan keuangan konsolidasian PT Semen Indonesia (Persero) Tbk dan entitas anaknya terlampir, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2020, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

We have audited the accompanying consolidated financial statements of PT Semen Indonesia (Persero) Tbk and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Tanggung Jawab Manajemen atas Laporan Keuangan Konsolidasian

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian ini sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan konsolidasian yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Tanggung Jawab Auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan konsolidasian ini berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan konsolidasian bebas dari kesalahan penyajian material.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such consolidated financial statements are free from material misstatement.

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan konsolidasian. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan konsolidasian, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan konsolidasian entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektivitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan konsolidasian secara keseluruhan.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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Nomor Izin Usaha: KEP-241/KM.1/2015.
00192/2.1025/AU.1/04/0222-2/1/II/2021

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Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opini

Menurut opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT Semen Indonesia (Persero) Tbk dan entitas anaknya tanggal 31 Desember 2020, serta kinerja keuangan dan arus kas konsolidasiannya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Semen Indonesia (Persero) Tbk and its subsidiaries as at 31 December 2020, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

JAKARTA
26 Februari/*February* 2021

Drs. M. Jusuf Wibisana, M.Ec., CPA
Surat Ijin Praktek Akuntan Publik/*License of Public Accountant* No. AP.0000

PT SEMEN INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

Halaman - 1/1 - *Schedule*

LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2020 DAN 2019
(Dinyatakan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	2020	Catatan/ *Notes*	2019	
ASET				***ASSETS***
ASET LANCAR				***CURRENT ASSETS***
Kas dan setara kas	2.930.598	5	3.950.448	*Cash and cash equivalents*
Investasi jangka pendek	1.103.469		67.222	*Short-term investments*
Piutang usaha:				*Trade receivables:*
- Pihak berelasi	1.451.214	6	1.493.872	*Related parties -*
- Pihak ketiga	4.326.040	6	4.995.989	*Third parties -*
Piutang lain-lain:				*Other receivables:*
- Pihak berelasi	116.780		111.994	*Related parties -*
- Pihak ketiga	144.004		257.736	*Third parties -*
Persediaan	4.547.825	7	4.641.646	*Inventories*
Uang muka	114.340		136.159	*Advances*
Beban dibayar di muka	197.417		215.667	*Prepaid expenses*
Pajak dibayar di muka:				*Prepaid taxes:*
- Pajak penghasilan badan	44.894	8a	538.150	*Corporate income tax -*
- Pajak lain-lain	555.626	8a	225.728	*Other taxes -*
Aset lancar lainnya	32.397		23.920	*Other current assets*
Jumlah Aset Lancar	**15.564.604**		**16.658.531**	***Total Current Assets***
ASET TIDAK LANCAR				***NON-CURRENT ASSETS***
Kas yang dibatasi penggunaannya	60.564	9	57.356	*Restricted cash*
Aset pajak tangguhan	551.979	8e	658.262	*Deferred tax assets*
Investasi pada entitas asosiasi	35.133	10	89.001	*Investments in associates*
Investasi pada ventura bersama	53.087		52.108	*Investments in joint venture*
Properti investasi	110.102	11	119.602	*Investment properties*
Aset tetap	56.053.483	12	56.601.702	*Fixed assets*
Goodwill dan aset takberwujud	3.961.695	13	4.260.059	*Goodwill and intangible assets*
Tagihan pengembalian pajak:				*Claims for tax refund:*
- Pajak penghasilan badan	652.744	8b	299.367	*Corporate income tax -*
- Pajak lain-lain	194.271	8b	143.766	*Other taxes -*
Aset tidak lancar lainnya	768.582		867.313	*Other non-current assets*
Jumlah Aset Tidak Lancar	**62.441.640**		**63.148.536**	***Total Non-Current Assets***
JUMLAH ASET	**78.006.244**		**79.807.067**	***TOTAL ASSETS***

Catatan atas laporan keuangan konsolidasian merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

The accompanying notes form an integral part of these consolidated financial statements.

PT SEMEN INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

Halaman - 1/2 - *Schedule*

LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2020 DAN 2019
(Dinyatakan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	2020	Catatan/ *Notes*	2019	
LIABILITAS				***LIABILITIES***
LIABILITAS JANGKA PENDEK				***CURRENT LIABILITIES***
Pinjaman jangka pendek	495.986	14	1.211.916	*Short-term borrowings*
Utang usaha:				*Trade payables:*
- Pihak berelasi	870.085	16	864.792	*Related parties -*
- Pihak ketiga	5.650.614	16	4.804.967	*Third parties -*
Utang lain-lain:				*Other payables:*
- Pihak berelasi	55.655		19.462	*Related parties -*
- Pihak ketiga	251.662		555.664	*Third parties -*
Akrual	1.129.537	17	1.222.508	*Accruals*
Utang pajak:				*Taxes payable:*
- Pajak penghasilan badan	200.819	8c	326.508	*Corporate income tax -*
- Pajak lain-lain	360.743	8c	299.122	*Other taxes -*
Liabilitas imbalan kerja jangka pendek	772.724	29	735.066	*Short-term employee benefits liabilities*
Uang muka penjualan	103.909		119.918	*Sales advances*
Pinjaman jangka panjang yang jatuh tempo dalam satu tahun:				*Current maturities of long-term borrowings:*
- Pinjaman bank	1.100.000	14	2.052.348	*Bank loans -*
- Liabilitas sewa	514.429	14	27.981	*Lease liabilities -*
Jumlah Liabilitas Jangka Pendek	**11.506.163**		**12.240.252**	***Total Current Liabilities***
LIABILITAS JANGKA PANJANG				***NON-CURRENT LIABILITIES***
Liabilitas pajak tangguhan	3.363.550	8e	3.838.407	*Deferred tax liabilities*
Liabilitas imbalan kerja jangka panjang	2.887.419	29	2.235.955	*Long-term employee benefits liabilities*
Pinjaman jangka panjang, setelah dikurangi bagian yang jatuh tempo dalam satu tahun:				*Long-term borrowings, net of current maturities:*
- Pinjaman bank	14.188.305	14	17.659.900	*Bank loans -*
- Utang obligasi	7.069.229	14	7.065.345	*Bonds payable -*
- Liabilitas sewa	586.460	14	24.457	*Lease liabilities -*
Provisi jangka panjang	303.799	18	264.891	*Long-term provision*
Liabilitas jangka panjang lainnya	666.749		585.936	*Other non-current liabilities*
Jumlah Liabilitas Jangka Panjang	**29.065.511**		**31.674.891**	***Total Non-Current Liabilities***
Jumlah Liabilitas	**40.571.674**		**43.915.143**	***Total Liabilities***
DANA *SYIRKAH* TEMPORER	**1.781.235**	15	**2.000.000**	***TEMPORARY SYIRKAH FUNDS***

Catatan atas laporan keuangan konsolidasian merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

The accompanying notes form an integral part of these consolidated financial statements.

PT SEMEN INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

Halaman - 1/3 - *Schedule*

LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2020 DAN 2019
(Dinyatakan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	2020	Catatan/ *Notes*	2019	
EKUITAS				***EQUITY***
Ekuitas yang dapat diatribusikan kepada pemilik entitas induk:				*Equity attributable to equity holders of the parent entity:*
Modal saham - nilai nominal Rp 100 (angka penuh) per saham untuk saham Seri A Dwiwarna dan saham Seri B, Modal dasar - 1 lembar saham Seri A Dwiwarna dan 19.999.999.999 lembar saham Seri B Modal ditempatkan dan disetor penuh - 1 lembar saham Seri A Dwiwarna dan 5.931.519.999 lembar saham seri B	593.152	19	593.152	*Share capital - par value of Rp 100 (full amount) per share for Series A Dwiwarna share and Series B shares Authorized - 1 Series A Dwiwarna share and 19,999,999,999 Series B shares Issued and fully paid - 1 Series A Dwiwarna share and 5,931,519,999 Series B shares*
Tambahan modal disetor	1.458.258	20	1.458.258	*Additional paid-in capital*
Selisih transaksi ekuitas dengan pihak nonpengendali	28.928		28.928	*Difference in value of equity transaction with non-controlling interest*
Komponen ekuitas lainnya	53.246		422.194	*Other equity components*
Saldo laba				*Retained earnings*
- Ditentukan penggunaannya	253.338		253.338	*Appropriated*
- Belum ditentukan penggunaannya	31.786.487		29.520.945	*Unappropriated*
Jumlah ekuitas yang dapat diatribusikan kepada pemilik entitas induk	**34.173.409**		**32.276.815**	*Total equity attributable to the owners of the parent entity*
Kepentingan nonpengendali	1.479.926	22	1.615.109	*Non-controlling interests*
Jumlah Ekuitas	**35.653.335**		**33.891.924**	***Total Equity***
JUMLAH LIABILITAS, DANA *SYIRKAH* TEMPORER DAN EKUITAS	**78.006.244**		**79.807.067**	***TOTAL LIABILITIES, TEMPORARY SYIRKAH FUNDS AND EQUITY***

Catatan atas laporan keuangan konsolidasian merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

The accompanying notes form an integral part of these consolidated financial statements.

PT SEMEN INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

Halaman - 2 - *Schedule*

LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2020 DAN 2019
(Dinyatakan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	2020	Catatan/ *Notes*	2019	
PENDAPATAN	35.171.668	23	40.368.107	***REVENUE***
BEBAN POKOK PENDAPATAN	(23.554.567)	24	(27.654.124)	***COST OF REVENUE***
LABA KOTOR	11.617.101		12.713.983	*GROSS PROFIT*
Beban penjualan	(2.802.821)	25	(3.084.107)	*Selling expenses*
Beban umum dan administrasi	(3.161.626)	25	(3.536.797)	*General and administration expenses*
Penghasilan keuangan	214.077		217.823	*Finance income*
Beban keuangan	(2.320.781)	26	(3.205.298)	*Finance costs*
Bagian atas hasil bersih entitas asosiasi dan ventura bersama	(52.889)		(1.793)	*Share of result of associates and joint venture*
(Beban)/ penghasilan operasi lainnya - bersih	(4.411)	27	91.964	*Other operating (expense)/ income - net*
LABA SEBELUM PAJAK PENGHASILAN	**3.488.650**		**3.195.775**	***PROFIT BEFORE INCOME TAX***
Beban pajak penghasilan	(814.307)	8d	(824.542)	*Income tax expense*
LABA TAHUN BERJALAN	**2.674.343**		**2.371.233**	***PROFIT FOR THE YEAR***
RUGI KOMPREHENSIF LAIN				***OTHER COMPREHENSIVE LOSS***
Pos-pos yang tidak akan direklasifikasi ke laba rugi:				*Items that will not be reclassified to profit or loss:*
Pengukuran kembali atas liabilitas imbalan pasti	(495.588)		(7.523)	*Remeasurements of defined benefit obligation*
Pajak penghasilan terkait	99.010	8e	1.795	*Related income tax*
	(396.578)		(5.728)	
Pos-pos yang akan direklasifikasi ke laba rugi:				*Items that will be reclassified to profit or loss:*
Selisih kurs dari penjabaran kegiatan usaha luar negeri	39.471		(97.354)	*Exchange difference from translation of foreign operations*
Jumlah rugi komprehensif lain tahun berjalan - setelah pajak	(357.107)		(103.082)	*Total other comprehensive loss for the year - net of tax*
JUMLAH PENGHASILAN KOMPREHENSIF TAHUN BERJALAN	**2.317.236**		**2.268.151**	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR***
LABA TAHUN BERJALAN YANG DIATRIBUSIKAN KEPADA:				***PROFIT FOR THE YEAR ATTRIBUTABLE TO:***
- Pemilik entitas induk	**2.792.321**		**2.392.151**	*Owners of the parent entity* -
- Kepentingan nonpengendali	(117.978)	22	(20.918)	*Non-controlling interests* -
LABA TAHUN BERJALAN	**2.674.343**		**2.371.233**	***PROFIT FOR THE YEAR***
JUMLAH PENGHASILAN KOMPREHENSIF TAHUN BERJALAN YANG DIATRIBUSIKAN KEPADA:				***TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:***
- Pemilik entitas induk	**2.423.372**		**2.316.376**	*Owners of the parent entity* -
- Kepentingan nonpengendali	(106.136)		(48.225)	*Non-controlling interests* -
JUMLAH PENGHASILAN KOMPREHENSIF TAHUN BERJALAN	**2.317.236**		**2.268.151**	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR***
Laba per saham (dinyatakan Rupiah penuh)				*Earnings per share (expressed in full Rupiah)*
Dasar dan dilusian	471	28	403	*Basic and diluted*

Catatan atas laporan keuangan konsolidasian merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

The accompanying notes form an integral part of these consolidated financial statements.

PT SEMEN INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

Halaman - 3 - *Schedule*

LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
TAHUN YANG BERAKHIR 31 DESEMBER 2020 DAN 2019
(Dinyatakan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

		Diatribusikan kepada pemilik entitas induk/*Attributable to owners of the parent entity*									
	Catatan/ *Notes*	Modal saham/ *Capital stock*	Tambahan modal disetor/ *Additional paid-in capital*	Selisih transaksi ekuitas dengan pihak nonpengendali/ *Difference in value of equity transaction with non-controlling interest*	Komponen ekuitas lainnya/ *Other equity components*	Saldo laba/ *Retained earnings*		Jumlah/ *Total*	Kepentingan nonpengendali/ *Non-controlling interests*	Jumlah/ *Total*	
						Dicadangkan/ *Appropriated*	Belum dicadangkan/ *Unappropriated*				
Saldo 1 Januari 2019		593.152	1.458.258	28.928	497.969	253.338	28.360.440	31.192.085	1.423.230	32.615.315	*Balance as at January 1, 2019*
Laba tahun berjalan		-	-	-	-	-	2.392.151	2.392.151	(20.918)	2.371.233	*Profit for the year*
Rugi komprehensif lain tahun berjalan setelah pajak		-	-	-	(75.775)	-	-	(75.775)	(27.307)	(103.082)	*Other comprehensive loss for the year, net of tax*
Akuisisi entitas anak		-	-	-	-	-	-	-	253.406	253.406	*Acquisition of a subsidiary*
Dividen	21	-	-	-	-	-	(1.231.646)	(1.231.646)	(13.302)	(1.244.948)	*Dividends*
Saldo 31 Desember 2019		**593.152**	**1.458.258**	**28.928**	**422.194**	**253.338**	**29.520.945**	**32.276.815**	**1.615.109**	**33.891.924**	***Balance as at December 31, 2019***
Saldo 1 Januari 2020		**593.152**	**1.458.258**	**28.928**	**422.194**	**253.338**	**29.520.945**	**32.276.815**	**1.615.109**	**33.891.924**	***Balance as at January 1, 2020***
Penyesuaian saldo atas penerapan standart baru		-	-	-	-	-	(287.564)	(287.564)	(14.269)	(301.833)	*Opening balance adjustment upon application of new standards*
Saldo 1 Januari 2020 setelah penyesuaian		**593.152**	**1.458.258**	**28.928**	**422.194**	**253.338**	**29.233.381**	**31.989.251**	**1.600.840**	**33.590.091**	***Balance as at January 1, 2020 after adjustment***
Laba tahun berjalan		-	-	-	-	-	2.792.321	2.792.321	(117.978)	2.674.343	*Profit for the year*
Rugi komprehensif lain tahun berjalan setelah pajak		-	-	-	(368.948)	-	-	(368.948)	11.841	(357.107)	*Other comprehensive loss for the year, net of tax*
Penerbitan saham kepada kepentingan nonpengendali		-	-	-	-	-	-	-	480	480	*Issuance of share to non-controlling interests*
Dividen	21	-	-	-	-	-	(239.215)	(239.215)	(15.257)	(254.472)	*Dividends*
Saldo 31 Desember 2020		**593.152**	**1.458.258**	**28.928**	**53.246**	**253.338**	**31.786.487**	**34.173.409**	**1.479.926**	**35.653.335**	***Balance as at December 31, 2020***

Catatan atas laporan keuangan konsolidasian merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

The accompanying notes form an integral part of these consolidated financial statements.

PT SEMEN INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

Halaman - 4 - *Schedule*

LAPORAN ARUS KAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2020 DAN 2019
(Dinyatakan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED
DECEMBER 31, 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	2020	2019	
ARUS KAS DARI AKTIVITAS OPERASI			***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan dari pelanggan	35.553.198	40.470.215	*Receipts from customers*
Pembayaran kepada pemasok	(21.362.414)	(27.448.166)	*Payments to suppliers*
Pembayaran kepada karyawan	(3.863.736)	(3.804.203)	*Payments to employees*
Kas yang dihasilkan dari operasi	**10.327.048**	**9.217.846**	***Cash generated from operations***
Penghasilan keuangan yang diterima	214.043	213.468	*Finance income received*
Pembayaran pajak penghasilan badan	(1.195.316)	(616.721)	*Payment of corporate income taxes*
Pembayaran beban keuangan	(2.292.863)	(3.163.479)	*Payment of finance cost*
Penerimaan/(pembayaran) lainnya	168.345	(42.183)	*Other receipts/(payments)*
Arus kas bersih yang diperoleh dari aktivitas operasi	**7.221.257**	**5.608.931**	***Net cash flows provided from operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI			***CASH FLOWS FROM INVESTING ACTIVITIES***
Pembelian aset tetap	(1.279.575)	(1.639.080)	*Acquisition of fixed assets*
Penempatan kas yang dibatasi penggunaannya	(3.208)	(4.755)	*Placement of restricted cash*
Perolehan properti investasi	-	(2.309)	*Additions of investment property*
Penerimaan dari pelepasan aset tetap	74.249	6.708	*Proceeds from disposal of fixed assets*
Akuisisi entitas anak	-	(15.459.602)	*Acquisition of a subsidiary*
Penambahan investasi pada entitas asosiasi	-	(625)	*Addition investment in associate*
Penambahan aset takberwujud	(6.413)	(2.116)	*Additions of intangible assets*
Penempatan investasi jangka pendek	(1.036.247)	(58.769)	*Placement of short-term investments*
Arus kas bersih yang digunakan untuk aktivitas investasi	**(2.251.194)**	**(17.160.548)**	***Net cash flows used in investing activities***
ARUS KAS DARI AKTIVITAS PENDANAAN			***CASH FLOWS FROM FINANCING ACTIVITIES***
Penerimaan utang bank jangka pendek	3.677.059	6.451.326	*Proceeds from short-term borrowings*
Pembayaran utang bank jangka pendek	(4.392.989)	(8.506.886)	*Payment of short-term borrowings*
Penerimaan utang bank jangka panjang	1.650.000	33.214.334	*Proceeds from long-term bank loan*
Pembayaran utang bank jangka panjang	(6.099.130)	(25.109.036)	*Payment of long-term bank loan*
Penerimaan dana *syirkah* temporer	-	2.000.000	*Proceeds from temporary syirkah funds*
Pembayaran dana *syirkah* temporer	(218.765)	-	*Payment of temporary syirkah funds*
Penerimaan utang obligasi	-	4.078.000	*Proceeds from bonds payable*
Pembayaran liabilitas sewa	(364.899)	(337.938)	*Payment of lease liabilities*
Pemberian pinjaman kepada entitas ventura bersama	-	(260.000)	*Loan given to joint venture entity*
Pembayaran dividen:			*Payment of dividends:*
- Pemilik entitas induk	(239.215)	(1.231.646)	*Equity holders of parent entity* -
- Kepentingan nonpengendali	(15.257)	(13.302)	*Non-controlling interests* -
Arus kas bersih yang (digunakan untuk)/ diperoleh dari aktivitas pendanaan	**(6.003.196)**	**10.284.852**	***Net cash flows (used in)/ provided from financing activities***
PENURUNAN BERSIH KAS DAN SETARA KAS	(1.033.133)	(1.266.765)	***NET DECREASE CASH AND CASH EQUIVALENTS***
KAS DAN SETARA KAS PADA AWAL TAHUN	3.950.448	5.245.731	***CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR***
DAMPAK PERUBAHAN SELISIH KURS TERHADAP KAS DAN SETARA KAS	13.283	(28.518)	***EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS***
KAS DAN SETARA KAS PADA AKHIR TAHUN	**2.930.598**	**3.950.448**	***CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR***

Catatan atas laporan keuangan konsolidasian merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

The accompanying notes form an integral part of these consolidated financial statements.

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Halaman - 5/1 - *Schedule*

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1. UMUM

a. Pendirian dan Informasi Umum

PT Semen Indonesia (Persero) Tbk ("Perseroan") didirikan dengan nama NV Pabrik Semen Gresik pada tanggal 25 Maret 1953 dengan Akta Notaris Raden Mr. Soewandi No. 41. Pada tanggal 17 April 1961, NV Pabrik Semen Gresik dijadikan Perusahaan Negara (Persero) berdasarkan Peraturan Pemerintah No. 132 Tahun 1961, kemudian berubah menjadi PT Semen Gresik (Persero) berdasarkan Akta Notaris J.N. Siregar, S.H. No. 81 tanggal 24 Oktober 1969.

Anggaran Dasar Perseroan telah mengalami beberapa kali perubahan dan yang terakhir antara lain mengenai tempat, maksud dan tujuan, tugas, wewenang dan kewajiban Direksi berdasarkan Akta No. 29 tanggal 13 Juni 2019 yang dibuat dihadapan Leolin Jayayanti, S.H., Notaris di Jakarta. Perubahan ini telah mendapatkan persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia pada tanggal 9 Juli 2019, melalui surat keputusan No. AHU-0035582.AH.01.02 tanggal 9 Juli 2019.

Ruang lingkup kegiatan usaha Perseroan menurut Anggaran Dasar adalah menjalankan usaha dalam bidang industri semen, termasuk kegiatan produksi, menambang dan/atau menggali bahan yang diperlukan dalam industri semen atau industri lainnya, perdagangan, pemasaran dan distribusi terkait dengan industri semen serta pemberian jasa untuk industri semen dan/atau industri lainnya.

Perseroan berkedudukan dan berkantor pusat di Jakarta Selatan. Perseroan memulai kegiatan komersialnya pada tanggal 7 Agustus 1957.

Lokasi pabrik semen Perseroan dan Entitas Anak ("Grup") berada di Gresik dan Tuban di Jawa Timur, Rembang dan Cilacap di Jawa Tengah, Narogong di Jawa Barat, Indarung di Sumatera Barat, Lhoknga di Aceh, Pangkep di Sulawesi Selatan dan Quang Ninh di Vietnam.

1. GENERAL

a. Establishment and General Information

PT Semen Indonesia (Persero) Tbk (the "Company") was established on 25 March 1953 as NV Pabrik Semen Gresik based on Notarial Deed No. 41 of Raden Mr. Soewandi. On 17 April 1961, NV Pabrik Semen Gresik has become a state enterprise (Persero) based on Government Regulation No. 132 Year 1961, and subsequently became PT Semen Gresik (Persero) based on Notarial Deed No. 81 dated 24 October 1969 of J.N. Siregar, S.H..

The Company's Articles of Association have been amended several times, the most recent was concerning, among others, the location, scope of business, the dutys, authorities and responsibility of the Board of Director based on Notarial Deed No. 29 dated 13 June 2019 of Leolin Jayayanti, S.H., Notary in Jakarta. The amandment was approved by Ministry of Law and Human Rights of the Republic of Indonesia by virtue of its letter dated 9 July 2019 with decree No. AHU-0035582.AH.01.02 dated 9 July 2019.

The scope of business activities of the Company in accordance with its Articles of Association includes conducting business in the field of cement industry, production, mining and/or digging materials required in cement or other industries, trading, marketing and distribution related to cement industry, and providing services for cement and/or other industries.

The Company's head office is located at South Jakarta. The Company commenced commercial operations on 7 August 1957.

The Company and its subsidiaries' ("the Group") cement plants are located in Gresik and Tuban in East Java, Rembang and Cilacap in Central Java, Narogong in West Java, Indarung in West Sumatera, Lhoknga in Aceh, Pangkep in South Sulawesi and Quang Ninh in Vietnam.

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1. UMUM (lanjutan)

a. Pendirian dan Informasi Umum (lanjutan)

Entitas induk langsung dan entitas induk akhir Perseroan adalah Pemerintah Republik Indonesia.

Susunan Dewan Komisaris dan Direksi Perseroan, dan Komite Audit pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

***1. GENERAL** (continued)*

***a. Establishment and General Information** (continued)*

The Company's immediate parent and ultimate parent is Government of the Republic of Indonesia.

The members of the Company's Board of Commissioners and Directors, and Audit Committee, as at December 31, 2020 and 2019 were as follows:

	2020	2019	
Dewan Komisaris			***Board of Commissioners***
Komisaris Utama	Rudiantara	Soekarwo	*President Commissioner*
Komisaris	Hendrika Nora Osloi Sinaga	Hendrika Nora Osloi Sinaga	*Commissioners*
	Astera Primanto Bhakti	Astera Primanto Bhakti	
	Sony Subrata	Sony Subrata	
	Lydia Silvanna Djaman	Lydia Silvanna Djaman	
Komisaris Independen	Mochamad Choliq	Mochamad Choliq	*Independent Commissioners*
	Nasaruddin Umar	Nasaruddin Umar	
Dewan Direksi			***Board of Directors***
Direktur Utama	Hendi Prio Santoso	Hendi Prio Santoso	*President Director*
Direktur	Fadjar Judisiawan	Fadjar Judisiawan	*Directors*
	Doddy Sulasmono Diniawan	Doddy Sulasmono Diniawan	
	Adi Munandir	Adi Munandir	
	Tri Abdisatrijo	Tri Abdisatrijo	
	Tina T. Kemala Intan	Tina T. Kemala Intan	
	Benny Wendry	Benny Wendry	
Komite Audit			***Audit Committee***
Ketua	Mochamad Choliq	Mochamad Choliq	*Chairman*
Anggota	Sony Subrata	Astera Primanto Bhakti	*Members*
	M. Z. Abidin	M. Z. Abidin	
	Elok Tresnaningsih	Elok Tresnaningsih	

Personil manajemen kunci meliputi Dewan Komisaris dan Direksi Perseroan. Kompensasi imbalan kerja jangka pendek yang dibayarkan kepada personil manajemen kunci Perseroan untuk tahun yang berakhir pada 31 Desember 2020 sebesar Rp97.577 (2019: Rp108.746).

Key management personnel are the Company's Boards of Commissioners and Directors. Short-term compensation paid to the key management personnel of the Company for the year ended 31 December 2020 amounted to Rp97,577 (2019: Rp108,746).

Pada tanggal 31 Desember 2020, Grup mempunyai 11.357 karyawan (2019: 11.518 karyawan) - tidak diaudit.

As at December 31, 2020, the Group had 11,357 employees (2019: 11,518 employees) - unaudited.

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1. UMUM (lanjutan)

b. Struktur Entitas Anak

Kepemilikan saham Perseroan pada entitas anak adalah sebagai berikut:

***1. GENERAL** (continued)*

b. The Subsidiaries Structure

The Company's ownership interests in subsidiaries are as follows:

Entitas anak/ Subsidiaries	*Domisili/ Domicile*	*Jenis usaha/ Nature of business*	Persentase kepemilikan/ *Percentage of ownership* 2020	Persentase kepemilikan/ *Percentage of ownership* 2019	Dimulainya kegiatan komersial/ *Start of commercial activities*	Jumlah aset sebelum eliminasi/ *Total assets before eliminations* 2020	Jumlah aset sebelum eliminasi/ *Total assets before eliminations* 2019
Pemilikan langsung/*Direct ownership*							
PT Semen Padang ("SP") dan entitas anak/ *and subsidiary*	Indarung, Sumatera Barat/ *West Sumatera*	Produksi semen/ *Cement manufacturing*	99,99%	99,99%	1913	10.328.170	9.914.107
PT Semen Tonasa ("ST")	Pangkep, Sulawesi Selatan *South Sulawesi*	Produksi semen/ *Cement manufacturing*	99,99%	99,99%	1968	8.317.935	8.059.432
Thang Long Cement Joint Stock Company ("TLCC") dan entitas anak/ *and subsidiary*	Hanoi, Vietnam	Produksi semen/ *Cement manufacturing*	70,00%	70,00%	2008	2.096.749	2.212.022
PT Semen Gresik ("SG") dan entitas anak/*and subsidiary*	Tuban, Jawa Timur/ *East Java*	Produksi semen/ *Cement manufacturing*	99,96%	99,96%	2017	5.540.965	5.713.277
PT Semen Indonesia Aceh ("SIA")	Aceh	Produksi semen/ *Cement manufacturing*	52,28%	52,28%	-	571.548	569.861
PT Industri Kemasan Semen Gresik ("IKSG")	Tuban, Jawa Timur/ *East Java*	Produksi kantong semen/ *Cement bag manufacturing*	60,00%	60,00%	1994	393.903	405.019
PT Semen Kupang Indonesia ("SKI")	Kupang, Nusa Tenggara Timur	Distribusi semen/ *Cement distribution*	99,48%	99,48%	2019	210.872	204.843
PT Semen Indonesia Logistik ("SIL") dan entitas anak/*and subsidiary*	Gresik Jawa Timur/ East Java	Perdagangan, transportasi, jasa bongkar muat dan konstruksi/ *Trade, transporation, and construction*	73,65%	73,65%	1974	2.165.615	2.243.388
PT Kawasan Industri Gresik ("KIG")	Gresik, Jawa Timur/ *East Java*	Pengembangan kawasan industri/*Industrial real estate development*	65,00%	65,00%	1991	401.101	396.560
PT United Tractors Semen Gresik ("UTSG")	Tuban, Jawa Timur/ *East Java*	Jasa penambangan batu kapur dan tanah liat/ *Limestone and clay mining service*	55,00%	55,00%	1992	454.493	544.900
PT Sinergi Mitra Investama ("SMI")	Gresik, Jawa Timur/ *East Java*	Persewaan bangunan/ *Building rental*	97,00%	97,00%	2012	35.467	44.010
PT Semen Indonesia Beton ("SIB") dan entitas anak/*and subsidiary*	DKI Jakarta	Produksi beton siap pakai/ *Production of ready mix concrete*	99,99%	99,99%	2012	1.426.857	1.955.369
PT Sinergi Informatika Semen Indonesia ("SISI")	DKI Jakarta	Sistem informasi/ *Information system*	100,00%	100,00%	2014	119.586	113.264
PT Semen Indonesia International ("SII") dan entitas anak/ *and subsidiary*	DKI Jakarta	Perdagangan, jasa pelayanan, manajemen logistik dan investasi/ *Trade, service logistic management and investment*	100,00%	100,00%	2016	603.670	517.328
PT Semen Indonesia Industri Bangunan ("SIIB") dan entitas anak/ *and subsidiary*	DKI Jakarta	Bahan bangunan/ *Building material*	100,00%	100,00%	2019	32.909.755	32.471.647

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1. UMUM (lanjutan)

b. Struktur Entitas Anak (lanjutan)

***1. GENERAL** (continued)*

***b. The Subsidiaries Structure** (continued)*

Entitas anak/ Subsidiaries	*Domisili/ Domicile*	*Jenis usaha/ Nature of business*	Persentase kepemilikan/ *Percentage of ownership* 2020	2019	Dimulainya kegiatan komersial/ *Start of commercial activities*	Jumlah aset sebelum eliminasi/ *Total assets before eliminations* 2020	2019
Pemilikan tidak langsung/*Indirect ownership*							
Melalui/*Through* SG:							
PT Sinergi Mitra Operasi Rembang ("SMOR")	Jawa Tengah/ *East Java*	Pengadaan barang dan jasa umum/ *Procurement of public goods and services*	52,00%	-	2020	6.576	-
Melalui/*Through* SP:							
PT Sepatim Batamtama ("Sepatim")	Batam, Kepulauan Riau	Pengantongan dan distribusi semen/*Cement packing and distribution*	97,00%	97,00%	1994	25.910	35.946
PT Bima Sepaja Abadi ("BSA")	DKI Jakarta	Pengantongan semen, distribusi, dan jasa transportasi/*Cement packing, distribution transportation*	80,00%	80,00%	1996	75.532	131.260
Melalui/*Through* SIL:							
PT Semen Indonesia Distributor ("SID") (dahulu/*formerly* PT Waru Abadi)	Gresik Jawa Timur/ *East Java*	Perdagangan/*Trading*	73,28%	73,28%	1989	810.148	842.405
PT Varia Usaha Dharma Segara ("VUDS")	Gresik Jawa Timur/ *East Java*	Jasa pengurusan transportasi/ *Freight forwarding services*	73,65%	73,65%	1995	65.765	64.819
PT Varia Usaha Fabrikasi ("VUFA") (dahulu/*formerly* PT Megah Sejahtera Bersama (MSB)	Gresik Jawa Timur/ *East Java*	Jasa ketenagakerjaan/ *Outsourcing services*	48,40%	48,40%	2015	19.160	11.905
PT Varia Usaha Bahari ("VUBA") *)	Gresik Jawa Timur/ *East Java*	Jasa bongkar muat/ *Stevedoring services*	73,65%	73,65%	1992	119.989	125.492
PT Varia Usaha Lintas Segara ("VULS")	Gresik Jawa Timur/ *East Java*	Jasa transportasi laut/ *Sea transportation services*	73,65%	73,65%	1997	114.063	143.157
Melalui/*Through* SIB:							
PT Varia Usaha Beton ("VUB")	Sidoarjo, Jawa Timur/ *East Java*	Produksi beton siap pakai/ *Ready mix concrete production*	63,15%	63,15%	1991	721.651	782.008
Melalui/*Through* SIIB:							
PT Solusi Bangun Indonesia Tbk (dahulu/*formely* PT Holcim Indonesia Tbk) dan entitas anak/*and subsidiary*	DKI Jakarta	Produksi semen/ *Cement manufacturing*	98,31%	98,31%	1971	20.738.125	19.567.499
PT Solusi Bangun Beton (dahulu/*formely* PT Holcim Beton)	DKI Jakarta	Beton jadi dan tambang agregat/ *Readymix concrete and aggregates quarry*	98,31%	98,31%	1990	1.129.801	1.264.394
PT Pendawa Lestari Perkasa ("PLP")	Surabaya	Perijinan tambang agregat/ *Aggregates quarry license*	98,31%	98,31%	2007	231.779	237.111
PT Readymix Concrete Indonesia ("RCI")	Surabaya	Beton jadi dan tambang agregat/ *Readymix concrete and aggregates quarry*	98,31%	98,31%	1992	86.136	82.111
PT Aroma Sejahtera Indonesia ("ASI")	DKI Jakarta	Jasa konsultansi/ *Consulting services*	98,31%	98,31%	-	521	462
PT Aroma Cipta Anugrahtama ("ACA")	DKI Jakarta	Izin usaha tambang (IUP)/ *Mining production license*	98,31%	98,31%	2000	39.248	4.576
PT SBI Bangun Nusantara (dahulu/*formely* PT Langkat Mineral Indonesia) ("SBN")	DKI Jakarta	Aktivitas tambang/ *Mining activities*	98,31%	98,31%	-	238	178
PT Solusi Bangun Andalas (dahulu/*formely* PT Lafarge Cement Indonesia)	Aceh	Produksi semen/ *Cement manufacturing*	98,31%	98,31%	1983	3.438.410	2.837.202
PT Ciptanugrah Indonesia ("CI")	DKI Jakarta	Jasa konsultansi/ *Consulting services*	98,31%	98,31%	2018	1.479	2.115
Melalui SII/*Through SII*:							
SI International Trading PTE. LTD ("SIIT")	Singapura/ *Singapore*	Perdagangan umum/ *General trading*	100,00%	100,00%	2017	658.749	411.709
Melalui TLCC/*Through TLCC*:							
Thang Long Cement Joint Stock Company 2	Hanoi, Vietnam	Produksi semen/ *Cement manufacturing*	69,57%	69,57%	-	40.071	39.239
An Phu Cement Joint Stock Company ("APCC")	Hanoi, Vietnam	Produksi semen/ *Cement manufacturing*	69,93%	69,93%	-	59.616	57.294

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1. UMUM (lanjutan)

c. Penawaran Umum Efek Perseroan

Perseroan mendapat persetujuan melalui Keputusan Menteri Keuangan No. 859/KMK.01/1987 tanggal 23 Desember 1987, juncto Keputusan Menteri Keuangan No. 1548/KMK.013/1990 tanggal 4 Desember 1990 untuk menawarkan saham kepada masyarakat. Berdasarkan izin Menteri Keuangan cq Ketua Badan Pengawas Pasar Modal dan Lembaga Keuangan ("BAPEPAM-LK") No. S-622.PM/1991 tanggal 17 Mei 1991, Perseroan melakukan Penawaran Umum Perdana atas 40.000.000 saham lembar saham, dengan nilai nominal Rp 1.000 (nilai penuh) per saham dengan harga penawaran Rp 7.000 (nilai penuh) per lembar saham, sehingga jumlah saham beredar meningkat menjadi 70.000.000 lembar saham.

Pada tahun 1995, Perseroan melakukan pencatatan tambahan 78.288.000 saham, dengan harga penawaran Rp 1.000 (nilai penuh) per saham. Selanjutnya, Perseroan melakukan Penawaran Umum Terbatas dengan Hak Memesan Efek Terlebih Dahulu dengan dasar tiga lembar saham baru untuk setiap satu lembar saham beredar, yang meningkatkan jumlah saham beredar sebesar 444.864.000 lembar saham, dengan harga penawaran Rp 1.000 (nilai penuh). Dengan demikian, jumlah saham beredar Perseroan menjadi 593.152.000 lembar saham.

Pada tahun 2007, Perseroan melakukan pemecahan saham dengan perbandingan 1:10, yang meningkatkan jumlah saham beredar menjadi 5.931.520.000 lembar saham dan merubah nilai nominal saham dari Rp 1.000 (nilai penuh) menjadi Rp 100 (nilai penuh).

Seluruh saham Perseroan telah dicatatkan pada Bursa Efek Indonesia.

***1. GENERAL** (continued)*

c. Public Offering of Shares of the Company

The Company obtained the approval of the Minister of Finance in his decision No. 859/KMK.01/1987 dated 23 December 1987, as amended by Decree No. 1548/KMK.013/1990 dated 4 December 1990, to offer its shares to the public. Based on the approval of the Minister of Finance cq Head of Capital Market and Financial Institutions Supervisory Agency ("BAPEPAM-LK") No. S-622.PM/1991 dated 17 May 1991, the Company conducted an Initial Public Offering of 40,000,000 shares, with par value of Rp 1,000 (full amount) per share with offering price of Rp 7,000 (full amount) per share, such that issued shares increased to 70,000,000 shares.

In 1995, the Company conducted an additional listing of 78,288,000 shares with offering price of Rp 1,000 (full amount) per share. Subsequently, the Company conducted Limited Public Offering with pre-emptive rights on a three to one basis, increasing the number of shares issued 444,864,000 shares, with offering price of Rp 1,000 (full amount). Therefore, the total shares issued increased to become 593,152,000 shares.

In 2007, the Company executed a stock split with a ratio of 1:10, increasing the number of share issued to 5,931,520,000 shares and changed in par value from Rp 1,000 (full amount) to Rp 100 (full amount).

All of the Company's issued shares are listed on the Indonesia Stock Exchange.

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2. KEBIJAKAN AKUNTANSI PENTING

Laporan keuangan konsolidasian ini telah diotorisasi oleh Direksi pada tanggal 26 Februari 2021.

Berikut ini adalah kebijakan akuntansi penting yang diterapkan dalam penyusunan laporan keuangan konsolidasian.

a. Dasar Penyusunan

Dasar penyusunan laporan keuangan konsolidasian adalah biaya historis, kecuali instrumen keuangan tertentu yang diukur pada nilai wajar melalui laba rugi pada setiap akhir periode pelaporan, yang dijelaskan dalam kebijakan akuntansi di bawah ini serta menggunakan dasar akrual kecuali untuk laporan arus kas konsolidasian.

Laporan arus kas konsolidasian disusun dengan menggunakan metode langsung dengan mengelompokkan arus kas ke dalam aktivitas operasi, investasi dan pendanaan.

Penyusunan laporan keuangan konsolidasian Grup, sesuai dengan Standar Akuntansi Keuangan di Indonesia dan peraturan Badan Pengawas Pasar Modal dan Lembaga Keuangan ("Bapepam-LK") Indonesia; sekarang Otoritas Jasa Keuangan ("OJK") No. VIII.G.7 tentang Penyajian dan Pengungkapan Laporan Keuangan Emiten atau Perusahaan Publik, yang terlampir dalam surat keputusan No. KEP-347/BL/2012.

Seluruh angka dalam laporan keuangan konsolidasian ini, dibulatkan dan disajikan dalam jutaan Rupiah ("Rp"), kecuali dinyatakan lain. Lihat Catatan 2d untuk informasi mata uang fungsional Grup.

Penyusunan laporan keuangan konsolidasian sesuai dengan Standar Akuntansi Keuangan di Indonesia mengharuskan penggunaan estimasi dan asumsi. Hal tersebut juga mengharuskan manajemen untuk membuat pertimbangan dalam proses penerapan kebijakan akuntansi Grup. Area yang kompleks atau memerlukan tingkat pertimbangan yang lebih tinggi atau area di mana asumsi dan estimasi dapat berdampak signifikan terhadap laporan keuangan konsolidasian diungkapkan di Catatan 3.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been authorised by Directors on February 26, 2021.

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below.

a. Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured fair value through profit or loss at the end of each reporting period, as explained in the accounting policies below and using the accrual basis except for the consolidated statement of cash flow.

The consolidated statement of cash flow is prepared based on the direct method by classifying cash flows on the basis of operating, investing, and financing activities.

The preparation of the consolidated financial statements of the Group are in conformity with Indonesian Financial Accounting Standards and Indonesian Capital Market and Financial Institution Supervisory Agency's ("Bapepam-LK") regulations; now Authority of Financial Services ("OJK") No. VIII.G.7 regarding the Presentation and Disclosures of Financial Statements of Listed Entity, enclosed in the decision letter No. KEP-347/BL/2012.

Figures in the consolidated financial statements are rounded to and stated in millions of Rupiah ("Rp"), unless otherwise stated. Refer to Notes 2d for the information on the Group's functional currency.

The preparation of consolidated financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates and asumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

b. Perubahan pada Pernyataan Standar Akuntansi Keuangan (''PSAK'') dan Interprestasi Pernyataan Standar Akuntansi Keuangan (''ISAK'')

Standar dan interpretasi baru/revisi yang relevan terhadap kegiatan operasi Grup dan berlaku untuk tahun buku yang dimulai pada atau setelah tanggal 1 Januari 2020 adalah sebagai berikut:

- PSAK 71 "Instrumen Keuangan"
- PSAK 72 "Pendapatan dari Kontrak dengan Pelanggan"
- PSAK 73 "Sewa"
- Amandemen PSAK 15 "Investasi pada Entitas Asosiasi dan Ventura Bersama: Kepentingan Jangka Panjang pada Entitas Asosiasi dan Ventura Bersama"
- Penyesuaian tahunan atas PSAK 1 "Penyajian Laporan Keuangan"
- Penyesuaian tahunan atas PSAK 25 "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan"
- Amandemen PSAK 73 "Sewa" tentang konsesi sewa terkait COVID-19
- Amandemen PSAK 55 "Instrumen Keuangan: Pengakuan dan Pengukuran", PSAK 60 "Instrumen Keuangan: Pengungkapan" dan PSAK 71 "Instrumen Keuangan" tentang reformasi acuan suku bunga
- ISAK 36 "Interpretasi atas Interaksi antara Ketentuan Mengenai Hak atas Tanah dalam PSAK 16: Aset Tetap dan PSAK 73: Sewa"
- Amandemen PSAK 71 "Instrumen Keuangan: tentang Fitur Percepatan Pelunasan dengan Kompensasi Negatif.
- Kerangka konseptual

Kecuali untuk perubahan yang dijelaskan di bawah ini, implementasi dari standar-standar tersebut tidak menghasilkan perubahan substansial terhadap kebijakan akuntansi Grup dan tidak memiliki dampak yang material terhadap laporan keuangan konsolidasian di tahun berjalan atau tahun sebelumnya.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b. Changes to the Statements of Financial Accounting Standards (''SFAS'') and Interpretations of Statements of Financial Accounting Standards (''ISFAS'')

New/amended standards and interpretations relevant to the Group's operation that are effective for the financial year beginning on or after 1 January 2020 are as follows:

- *SFAS 71 "Financial Instruments"*
- *SFAS 72 "Revenue from Contracts with Customers"*
- *SFAS 73 "Leases"*
- *Amendment of SFAS 15, "Investments in Associates and Joint Ventures: Long Term Interest in Associate and Joint Ventures"*
- *Annual improvements on SFAS 1, "Presentation of Financial Instruments"*
- *Annual improvements on SFAS 25, "Accounting Policies, Changes in Accounting Estimates and Errors"*
- *The amendments of SFAS 73 "Lease" about rent concession related to COVID-19*
- *The amendments of SFAS 55 "Financial Instruments: Recognition and Measurement", SFAS 60 "Financial Instruments Disclosure" and SFAS 71 "Financial Instrument"*
- *ISAK 36 "Interpretation of the Interaction between Provisions regarding Land Rights in SFAS 16: Fixed Assets and SFAS 73: Leases"*
- *The amendments of SFAS 71 "Financial Instruments: Prepayment Features with Negative Compensation"*
- *Conceptual framework*

Except for the changes described below, the implementation of these standards does not result in substantial changes to the Group's accounting policies and has no material impact on the consolidated financial statements in the current or previous year.

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b. Perubahan pada Pernyataan Standar Akuntansi Keuangan (''PSAK'') dan Interprestasi Pernyataan Standar Akuntansi Keuangan (''ISAK'') (lanjutan)

PSAK 71 "Instrumen Keuangan"

PSAK 71 menggantikan PSAK 55 "Instrumen Keuangan: Pengakuan dan Pengukuran" dan memperkenalkan pengaturan baru untuk klasifikasi dan pengukuran instrumen keuangan berdasarkan penilaian atas model bisnis dan arus kas kontraktual, pengakuan dan pengukuran cadangan kerugian penurunan nilai instrumen keuangan dengan menggunakan model kerugian kredit ekspektasian ("KKE"), yang menggantikan model kerugian kredit yang terjadi serta memberikan pendekatan yang lebih sederhana untuk akuntansi lindung nilai.

Sesuai dengan persyaratan transisi pada PSAK 71, Grup memilih penerapan secara retrospektif dengan dampak kumulatif pada awal penerapan diakui pada tanggal 1 Januari 2020 dan tidak menyajikan kembali informasi komparatif.

Penerapan atas PSAK 71 tidak memiliki dampak yang signifikan terhadap laporan keuangan konsolidasian, kecuali untuk penyisihan penurunan nilai aset keuangan. Untuk piutang usaha dan piutang lain-lain, Grup menerapkan metode sederhana untuk mengukur KKE yang disyaratkan oleh PSAK 71 yang mengharuskan penggunakan provisi kerugian ekspektasian seumur hidup untuk semua piutang usaha dan piutang lain-lain. Hal tersebut menyebabkan kenaikan penyisihan penurunan nilai atas piutang usaha sebesar Rp262.832 yang diakui sebagai penyesuaian atas saldo laba pada 1 Januari 2020.

PSAK 72 "Pendapatan dari Kontrak dengan Pelanggan"

PSAK 72 mengubah pengakuan pendapatan menggunakan lima tahapan berdasarkan kontrak dimana pendapatan diakui ketika kewajiban pelaksanaan dipenuhi dengan mengirim barang atau jasa yang dijanjikan kepada pelanggan (yaitu ketika pelanggan memperoleh kendali atas barang atau jasa). PSAK 72 juga memperkenalkan persyaratan pengungkapan baru tentang sifat, jumlah dan waktu pendapatan yang timbul dari kontrak dengan pelanggan.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b. Changes to the Statements of Financial Accounting Standards (''SFAS'') and Interpretations of Statements of Financial Accounting Standards (''ISFAS'') *(continued)*

SFAS 71 "Financial Instruments"

SFAS 71 replaced SFAS 55 "Financial Instruments: Recognition and Measurement" and introduced new arrangements for the classification and measurement of financial instruments based on valuation of business models and contractual cash flows, recognition and measurement of allowance for impairment losses of financial instruments using the expected credit loss ("ECL") model, which replaces the credit loss model that occurs and provides a simpler approach to hedge accounting .

In accordance with the transition requirements in SFAS 71, the Group elected to apply retrospectively with the cumulative effect of initial implementation recognised at 1 January 2020 and not restate comparative information.

The adoption of SFAS 71 did not have a significant impact to the consolidated financial statements, except for impairment of financial assets. For trade receivables and other receivables, the Group applies the simplified approach to provide for ECL as prescribed by SFAS 71 which requires the use of lifetime expected loss provision for all trade and other receivables. This increased the provision for impairment of trade receivables of Rp262,832, which were recognised as an adjustment to the retained earnings as at 1 January 2020.

SFAS 72 "Revenue from Contracts with Customers"

SFAS 72 amends revenue recognition using five steps based on contracts where revenue is recognised when performance obligation is satisfied by transferring the promised goods or services to a customer (which is when the customer obtains control of the goods or services). SFAS 72 also introduces new disclosure requirements about the nature, amount and timing of revenue arising from contracts with customers.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

b. Perubahan pada Pernyataan Standar Akuntansi Keuangan (''PSAK'') dan Interprestasi Pernyataan Standar Akuntansi Keuangan (''ISAK'') (lanjutan)

PSAK 72 "Pendapatan dari Kontrak dengan Pelanggan" (lanjutan)

Penerapan atas PSAK 72 tersebut tidak memiliki dampak yang signifikan terhadap laporan keuangan konsolidasian, sehingga Grup melakukan penyesuaian atas dampaknya terhadap laporan keuangan konsolidasian tahun berjalan.

PSAK 73 "Sewa"

PSAK 73 memperkenalkan model di mana liablitias sewa, yang diukur pada nilai kini pembayaran sewa, dan aset hak-guna yang terkait diakui pada laporan posisi keuangan konsolidasian pada saat dimulainya sewa. Dalam laporan laba rugi, penyusutan aset hak-guna dan bunga liabilitas sewa diakui sebagai beban, bukan sebagai pembayaran sewa garis lurus menurut standar akuntansi sebelumnya.

Sesuai dengan persyaratan transisi dalam PSAK 73, Grup memilih untuk menerapkan secara retrospektif dengan efek kumulatif dari implementasi awal yang diakui pada 1 Januari 2020 dan tidak menyajikan kembali informasi komparatif.

Grup memilih untuk menggunakan cara praktis di mana jumlah aset hak-guna sama dengan liabilitas sewa sehingga tidak ada penyesuaian awal saldo laba, bersama dengan cara praktis berikut:

- untuk tidak memisahkan komponen nonsewa dari komponen sewa berdasarkan kelas aset pendasar;
- menerapkan tingkat diskonto tunggal untuk portofolio sewa dengan karakteristik yang cukup serupa;
- sewa operasi yang masa sewanya berakhir dalam 12 bulan dari 1 Januari 2020 diperlakukan sebagai sewa jangka pendek;
- pengecualian biaya langsung awal dari pengukuran aset hak-guna pada tanggal penerapan awal;

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b. Changes to the Statements of Financial Accounting Standards (''SFAS'') and Interpretations of Statements of Financial Accounting Standards (''ISFAS'') *(continued)*

SFAS 72 "Revenue from Contracts with Customers" *(continued)*

The adoption of SFAS 72 did not have a significant impact to the consolidated financial statements, therefore the Grup adjusted the impact in the current year consolidated financial statements.

SFAS 73 "Leases"

SFAS 73 introduces a model in which lease liabilities, measured at the present value of lease payments, and their corresponding right-of-use assets are recognised on the consolidated statement of financial position at the commencement of the leases. In the profit or loss, depreciation of the right-of-use assets and interest on lease liabilities are recognised as expenses instead of the straight-line lease payments approach under the previous accounting standard.

In accordance with the transition requirements in SFAS 73, the Group elected to apply retrospectively with the cumulative effect of initial implementation recognised at 1 January 2020 and not restate comparative information.

The Group elected to use the practical expedient where the right-of-use assets amount are equal to the lease liabilities resulting in no adjustment to the beginning of retained earnings, along with the following practical expedients:

- *not to separate non-lease components from lease components on lease by class of underlying assets;*
- *the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;*
- *operating leases with a remaining lease term of less than 12 months as at 1 January 2020 are treated as short-term lease;*
- *the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application;*

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

b. Perubahan pada Pernyataan Standar Akuntansi Keuangan (''PSAK'') dan Interprestasi Pernyataan Standar Akuntansi Keuangan (''ISAK'') (lanjutan)

PSAK 73 "Sewa" (lanjutan)

- menggunakan peninjauan kembali dalam menentukan jangka waktu sewa di mana kontrak berisi opsi untuk memperpanjang atau mengakhiri sewa;
- mengandalkan penilaian apakah sewa bersifat memberatkan sesuai PSAK 57, "Provisi, Liabilitas Kontinjensi, dan Aset Kontinjensi" segera sebelum tanggal penerapan awal sebagai alternatif untuk melakukan tinjauan penurunan nilai.

ISAK 36 "Interpretasi atas Interaksi antara Ketentuan Mengenai Hak atas Tanah dalam PSAK 16: Aset Tetap dan PSAK 73: Sewa".

ISAK 25 "Hak atas tanah", dicabut dengan diterbitkannya PSAK 73 "Sewa" dan tidak akan efektif lagi sejak 1 Januari 2020. Interpretasi atas standar tersebut mengharuskan manajemen untuk melakukan penilaian apakah substansi suatu transaksi adalah merupakan transaksi pembelian aset atau sewa. ISAK 36 memberikan panduan lebih lanjut tentang bagaimana membedakan sewa dari pembelian atau penjualan ketika hak milik atas aset pendasar tidak dialihkan kepada *lessee*/pembeli dan menekankan akuntansi untuk hak atas tanah tergantung pada substansi hak dan bukan hukumnya.

Dengan menerapkan standar ini, pada tanggal 1 Januari 2020 aset hak-guna Grup meningkat sebesar Rp1.107.685 yang terdiri dari pengakuan liabilitas sewa yang sebelumnya diakui sebagai sewa operasi sebesar Rp879.180, reklasifikasi dari biaya dibayar di muka sebesar Rp47.070, reklasifikasi dari aset tetap sebesar Rp98.807, reklasifikasi dari aset yang sebelumnya telah diakui sebagai aset sewa pembiayaan sebesar Rp82.628 serta dampak terhadap saldo awal laba ditahan sebesar Rp24.732.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b. Changes to the Statements of Financial Accounting Standards (''SFAS'') and Interpretations of Statements of Financial Accounting Standards (''ISFAS'') *(continued)*

SFAS 73 "Leases" *(continued)*

- *the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease;*
- *reliance on the assessment of whether leases are onerous based on SFAS 57, "Provisions, Contingent Liabilities and Contingent Assets" immediately before the date of initial application as an alternative to perform an impairment review.*

ISFAS 36 "Interpretation of the Interaction between Provisions regarding Land Rights in SFAS 16: Fixed Assets and SFAS 73: Leases".

ISFAS 25 "Land rights" was withdrawn with the issuance of SFAS 73 "Leases", and will no longer be effective since 1 January 2020. It requires an entity to first assess whether the substance of the transaction is purchase of asset or lease. ISFAS 36 provides further guidance on how to distinguish a lease from a purchase or a sale when legal title to the underlying assets is not transferred to the lessee/buyer and emphasis that the accounting for land rights depends on the substance of the rights and not its legal form.

By applying this standard, the Group's right-of-use assets increased by Rp1,107,685 on 1 January 2020, which comprised recognition of lease obligation that was previously recognised as operating lease amounting to Rp879,180, reclassification of prepaid expense amounting to Rp47,070, reclassification of fixed assets amounting to Rp98,807, reclassification from assets that previously were recognised as finance lease assets amounting to Rp82,628 and impact to the beginning retained earnings of Rp24,732.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

2. *SIGNIFICANT ACCOUNTING POLICIES* *(continued)*

b. Perubahan pada Pernyataan Standar Akuntansi Keuangan (''PSAK'') dan Interprestasi Pernyataan Standar Akuntansi Keuangan (''ISAK'') (lanjutan)

b. *Changes to the Statements of Financial Accounting Standards (''SFAS'') and Interpretations of Statements of Financial Accounting Standards (''ISFAS'')* *(continued)*

PSAK 73 "Sewa" (lanjutan)

SFAS 73 "Leases" *(continued)*

Tingkat pinjaman inkremental penyewa yang diterapkan pada liabilitas sewa pada tanggal 1 Januari 2020 antara 5,09%-8,57%. Dalam menentukan suku bunga pinjaman inkremental, Grup mempertimbangkan faktor-faktor utama berikut: risiko kredit korporat Grup, jangka waktu sewa, jangka waktu pembayaran sewa, waktu dimana sewa dimasukkan, dan mata uang dimana pembayaran sewa ditentukan.

The lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was between 5.09%-8.57%. In determining the incremental loan interest rate, the Group considered the following main factors: the Group's corporate credit risk, rental period, term period of the lease payment, the time the lease was entered, and the currency in which the lease payment was determined.

Rekonsiliasi antara komitmen sewa operasi berdasarkan PSAK 30 pada tanggal 31 Desember 2019 dan tambahan liabilitas sewa yang diakui berdasarkan PSAK 73 pada tanggal 1 Januari 2020 adalah sebagai berikut:

The reconciliation between the operating lease commitments under SFAS 30 as at 31 December 2019 and addition lease liabilities recognised under SFAS 73 as at 1 January 2020 were as follows:

	2020	
Komitmen sew a operasi pada tanggal 31 Desember 2019	1.162.300	*Operating lease commitments as at 31 December 2019*
Didiskontokan menggunakan suku bunga pinjaman inkremental Grup pada tanggal penerapan aw al	(182.651)	*Discounted using the Group incremental borrowing rate as at the date of initial application*
Dikurangi: sew a jangka pendek tidak diakui sebagai liabilitas	(96.494)	*Less: short-term leases not recognised as a liability*
Dikurangi: sew a bernilai rendah tidak diakui sebagai liabilitas	(3.975)	*Less: low-value leases not recognised as a liability*
Liabilitas sew a diakui pada tanggal 1 Januari 2020	879.180	*Lease liability recognised as at 1 January 2020*

PSAK dan ISAK lainnya

Standar baru, amandemen, dan interpretasi yang telah diterbitkan, namun berlaku efektif untuk tahun buku yang dimulai pada 1 Januari 2021 dan belum diterapkan secara dini oleh Grup adalah sebagai berikut:

Efektif 1 Januari 2021

- Amendemen PSAK 22 "Kombinasi Bisnis";
- Amendemen PSAK 55 "Instrumen Keuangan: Pengakuan dan Pengukuran"
- Amendemen PSAK 60 "Instrumen Keuangan: Pengungkapan"
- Amendemen PSAK 71 "Instrumen Keuangan"

Other PSAK and ISAK

New standards, amendments, and interpretations issued but effective for the financial year beginning 1 January 2021 and have not been early adopted by Group are as follows:

Effective 1 January 2021

- *Amendment of SFAS 22 "Business Combination"*
- *Amendment of SFAS 55 "Financial Instruments: Recognition and Measurement"*
- *Amendment of SFAS 60" Financial Instruments: Disclosures"*
- *Amendment of SFAS 71 "Financial instruments"*

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

b. Perubahan pada Pernyataan Standar Akuntansi Keuangan (''PSAK'') dan Interprestasi Pernyataan Standar Akuntansi Keuangan (''ISAK'') (lanjutan)

PSAK dan ISAK lainnya (lanjutan)

Efektif 1 Januari 2021 (lanjutan)

- Amendemen PSAK 73 "Sewa"

Efektif 1 Januari 2022

- Amendemen PSAK 22 "Kombinasi Bisnis tentang Referensi ke Kerangka Konseptual"
- Amendemen PSAK 57 "Provisi, Liabilitas Kontinjensi, dan Aset Kontinjensi tentang Kontrak Memberatkan—Biaya Memenuhi Kontrak"
- Penyesuaian Tahunan 2020 PSAK 71 "Instrumen Keuangan"
- Penyesuaian Tahunan 2020 PSAK 73 "Sewa"

Efektif 1 Januari 2023

- Amendemen PSAK 1 "Penyajian Laporan Keuangan (Klasifikasi liabilitas sebagai jangka pendek atau jangka panjang)"
- Amendemen PSAK 16 "Aset tetap tentang hasil sebelum penggunaan yang diintensikan"

Pada saat laporan keuangan konsolidasian diotorisasi, Grup masih mempelajari dampak yang mungkin timbul dari penerapan standar baru dan revisi yang telah diterbitkan namun belum berlaku efektif di atas serta pengaruhnya pada laporan keuangan konsolidasian.

c. Prinsip-prinsip Konsolidasi dan Investasi Entitas Asosiasi

Entitas anak adalah seluruh entitas (termasuk entitas terstruktur) dimana Grup memiliki pengendalian. Grup mengendalikan entitas lain ketika Grup terekspos atas, atau memiliki hak untuk, pengembalian yang bervariasi dari keterlibatannya dengan entitas dan memiliki kemampuan untuk mempengaruhi pengembalian tersebut melalui kekuasaannya atas entitas tersebut. Entitas anak dikonsolidasikan secara penuh sejak tanggal di mana pengendalian dialihkan kepada Grup. Entitas anak tidak dikonsolidasikan lagi sejak tanggal dimana Grup kehilangan pengendalian.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b. Changes to the Statements of Financial Accounting Standards (''SFAS'') and Interpretations of Statements of Financial Accounting Standards (''ISFAS'') *(continued)*

Other PSAK and ISAK *(continued)*

Effective 1 January 2021 (continued)

- *Amendment of SFAS 73 "Lease"*

Effective 1 January 2022

- *Amendment of SFAS 22 "Business Combination (References to the Conceptual Framework of Financial Reporting)"*
- *Amendment of SFAS 57 "Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts—Cost of Fulfilling the Contracts"*
- *Annual Improvement for 2020 SFAS 71 "Financial Instruments"*
- *Annual Improvement for 2020 SFAS 73 "Lease"*

Effective 1 January 2023

- *Amendment of SFAS 1 "Presentation of Financial Statements (Liabilities Classification as Short or Long Term)"*
- *Amendment of SFAS 16 "Property, Plant and Equipment – Proceeds before Intended Use"*

As at the authorisation date of these consolidated financial statements, the Group is still evaluating the potential impact of the implementation of the above new and amended standards issued but not yet effective to the consolidated financial statements.

c. Principles of Consolidation and Investment in Associates

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which that control ceases.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

c. Prinsip-prinsip Konsolidasi dan Investasi Entitas Asosiasi (lanjutan)

Grup menerapkan metode akuisisi untuk mencatat kombinasi bisnis. Imbalan yang dialihkan untuk akuisisi suatu entitas anak adalah sebesar nilai wajar aset yang dialihkan, liabilitas yang diakui terhadap pemilik pihak yang diakusisi sebelumnya dan kepentingan ekuitas yang diterbitkan oleh Grup. Imbalan yang dialihkan termasuk nilai wajar aset atau liabilitas yang timbul dari kesepakatan imbalan kontinjensi. Aset teridentifikasi yang diperoleh dan liabilitas serta liabilitas kontinjensi yang diambil alih dalam suatu kombinasi bisnis diukur pada awalnya sebesar nilai wajar pada tanggal akuisisi.

Grup mengakui kepentingan nonpengendali pada pihak yang diakuisisi sebesar bagian proporsional kepentingan nonpengendali atas aset neto pihak yang diakuisisi. Kepentingan nonpengendali disajikan di ekuitas dalam laporan posisi keuangan konsolidasian, terpisah dari ekuitas pemilik entitas induk.

Selisih lebih imbalan yang dialihkan, jumlah setiap kepentingan nonpengendali pada pihak diakuisisi dan nilai wajar pada tanggal akuisisi kepentingan ekuitas sebelumnya dimiliki oleh pihak pengakuisisi pada pihak diakuisisi atas nilai wajar aset bersih teridentifikasi yang diperoleh dicatat sebagai *goodwill* (Catatan 13). Jika jumlah tersebut lebih rendah dari nilai wajar aset bersih teridentifikasi atas bisnis yang diakuisisi dalam kasus pembelian dengan diskon, selisihnya diakui dalam laba rugi.

Biaya yang terkait dengan akuisisi dibebankan pada saat terjadinya.

Ventura bersama adalah suatu entitas dimana Grup memiliki pengendalian bersama dengan satu venturer atau lebih. Entitas asosiasi adalah seluruh entitas dimana Grup memiliki pengaruh signifikan namun bukan pengendalian, biasanya melalui kepemilikan hak suara antara 20% dan 50%. Investasi pada ventura bersama dan entitas asosiasi dicatat dengan metode ekuitas, setelah pada awalnya diakui pada nilai perolehan.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

c. Principles of Consolidation and Investment in Associates *(continued)*

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets. Non-controlling interest is reported as equity in the consolidated statement of financial position, separate from the owner of the parent's equity.

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill (Note 13). If those amount are less than the fair value of the net identifiable assets of the business acquired, in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related costs are expensed as incurred.

Joint ventures are entities which the Group jointly controls with one or more other venturers. Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investment in joint venture and associates are accounted for using the equity method of accounting, after initially being recognised at cost.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

c. Prinsip-prinsip Konsolidasi dan Investasi Entitas Asosiasi (lanjutan)

Transaksi, saldo dan keuntungan antar entitas Grup yang belum direalisasi telah dieliminasi. Kerugian yang belum direalisasi juga dieliminasi. Jika diperlukan, nilai yang dilaporkan oleh entitas anak telah diubah untuk menyesuaikan dengan kebijakan akuntansi yang diadopsi oleh Grup.

d. Transaksi dan Penjabaran Laporan Keuangan Dalam Mata Uang Asing

Mata uang fungsional dan penyajian

Pos-pos yang disertakan dalam laporan keuangan setiap entitas anggota Grup diukur menggunakan mata uang yang sesuai dengan lingkungan ekonomi utama dimana entitas beroperasi ("mata uang fungsional").

Mata uang fungsional Perseroan dan sebagian besar dari entitas anak adalah Rupiah. Laporan keuangan konsolidasian disajikan dalam mata uang Rupiah.

Aset dan kewajiban entitas anak dengan mata uang fungsional yang bukan Rupiah dijabarkan ke dalam mata uang penyajian. Selisih kurs yang dihasilkan diakui pada penghasilan komprehensif lain-lain dan diakumulasikan dalam ekuitas pada komponen ekuitas lainnya.

Transaksi dan saldo

Transaksi dalam mata uang asing dijabarkan ke dalam mata uang Rupiah dengan menggunakan kurs yang berlaku pada tanggal transaksi. Aset dan liabilitas moneter dalam mata uang asing dijabarkan ke dalam mata uang Rupiah dengan menggunakan kurs yang berlaku pada akhir periode pelaporan.

Keuntungan dan kerugian selisih kurs yang timbul dari penyelesaian transaksi dalam mata uang asing dan dari penjabaran asset dan liabilitas moneter dalam mata uang asing secara umum diakui di dalam laporan laba rugi. Keuntungan atau kerugian ini ditangguhkan di dalam ekuitas jika terkait dengan lindung nilai arus kas dan lindung nilai investasi bersih yang memenuhi syarat atau disebabkan oleh sebagian investasi bersih dalam operasi asing.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

c. Principles of Consolidation and Investment in Associates *(continued)*

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

d. Foreign Currency Transactions and Translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entites are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The functional currency of the Company and most of subsidiaries is Rupiah. The consolidated financial statements are presented in Rupiah.

The assets and liabilities of subsidiaries for which functional currency is not Rupiah are translated into presentation currency. The resulting exchange differences are recognised in the other comprehensive income and accumulated in equity under other equity components.

Transactions and balances

Foreign currency transactions are translated into Rupiah using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities are translated into Rupiah at the rates of exchange prevailing at end of the the reporting period.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are generally recognised in the profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

d. Transaksi dan Penjabaran Laporan Keuangan Dalam Mata Uang Asing (lanjutan)

Transaksi dan saldo (lanjutan)

Kurs utama yang digunakan, berdasarkan kurs tengah yang diterbitkan Bank Indonesia, adalah sebagai berikut (nilai penuh):

	2020	2019	
Dolar Amerika Serikat ("USD")	14.105	13.901	*United States Dollar ("USD")*
Dong Vietnam ("VND")			*Vietnamese Dong ("VND")*
(per Rp 1.000 jumlah penuh)	610	600	*(at Rp 1,000 full amount)*
Euro ("EUR")	17.330	15.589	*Euro ("EUR")*

e. Transaksi Pihak-pihak Berelasi

Grup melakukan transaksi dengan pihak-pihak berelasi sebagaimana didefinisikan dalam PSAK 7, Pengungkapan Pihak-Pihak Berelasi.

Seluruh transaksi dan saldo material dengan pihak-pihak berelasi diungkapkan dalam catatan atas laporan keuangan konsolidasian.

f. Instrumen Keuangan

Sejak 1 Januari 2020

Grup mengklasifikasikan aset keuangan dalam kategori berikut ini:

- Aset keuangan diukur pada biaya perolehan diamortisasi; dan
- Aset keuangan yang diukur pada nilai wajar melalui laba rugi atau melalui penghasilan komprehensif lain.

Klasifikasi ini tergantung pada model bisnis Grup dan persyaratan kontraktual arus kas – apakah penentukan arus kasnya semata dari pembayaran pokok dan bunga.

Grup menentukan klasifikasi aset keuangan tersebut pada pengakuan awal.

Grup melakukan reklasifikasi instrumen utang jika dan hanya jika terdapat perubahan model bisnis atas aset keuangan tersebut.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

d. Foreign Currency Transactions and Translation *(continued)*

Transactions and balances (continued)

The main exchange rates used, based on the middle rate published by the Indonesian Central Bank, are as follows (full amount):

e. Transactions with Related Parties

The Group enters into transactions with related parties as defined in PSAK 7, Related Party Disclosures.

All significant transactions and balances with related parties are disclosed in the notes to consolidated financial statements.

f. Financial Instruments

Since 1 January 2020

The Group classifies its financial assets into the following categories:

- *Financial assets measured at amortised costs; and*
- *Financial assets measured at fair value through profit or loss ("FVTPL") or through other comprehensive income ("FVOCI").*

The classification depends on the Group's business model and the contractual terms of the cash flows when determining whether their cash flows are solely payment of principal and interest.

The Group determines the classification of its financial assets at initial recognition.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

f. Instrumen Keuangan

Sejak 1 Januari 2020 (lanjutan)

Aset keuangan pada awalnya diakui sebesar nilai wajar ditambah biaya transaksi yang terkait. Aset keuangan ini selanjutnya diukur sebesar biaya perolehan diamortisasi menggunakan metode suku bunga efektif dikurangi penurunan nilai. Keuntungan atau kerugian pada penghentian atau modifikasi aset keuangan yang dicatat pada biaya perolehan diamortisasi diakui pada laba rugi. Kerugian yang timbul dari penurunan nilai juga diakui pada laba rugi.

Aset keuangan dihentikan pengakuannya ketika hak untuk menerima arus kas dari aset telah berakhir atau telah ditransfer dan Grup telah secara substansial mentransfer seluruh risiko dan manfaat kepemilikan.

Penurunan nilai aset keuangan

Grup menerapkan pendekatan yang disederhanakan untuk mengukur KKE yang menggunakan cadangan KKE seumur hidup berdasarkan basis *forward looking* untuk seluruh saldo piutang usaha, piutang lain-lain dan aset kontrak tanpa komponen pendanaan yang signifikan.

Untuk mengukur KKE, piutang usaha telah dikelompokkan berdasarkan karakteristik risiko kredit dan waktu jatuh tempo yang serupa.

Liabilitas keuangan

Grup mengklasifikasikan liabilitas keuangan dalam kategori berikut ini: diukur pada nilai wajar melalui laba rugi dan yang diukur pada biaya perolehan diamortisasi.

Pada tanggal 31 Desember 2020 dan 2019, Grup hanya memiliki liabilitas keuangan yang diukur pada biaya perolehan diamortisasi.

Grup memiliki liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi yang meliputi utang usaha, utang lain-lain, akrual, dan pinjaman.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

f. *Financial Instruments*

Since 1 January 2020 (continued)

Financial assets are initially recognised at fair value plus related transaction costs. They are subsequently measured at amortised cost using the effective interest method less impairment. Any gains or losses on derecognition or modification of a financial asset held at amortised cost are recognised in profit or loss. The losses arising from impairment are also recognised in the profit or loss.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Impairment of financial assets

The Group applies the "simplified approach" to measure ECL which uses a lifetime expected loss allowance on a forward looking basis for all trade receivables, other receivables and contract assets without significant financing components.

To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Financial liabilities

The Group classifies its financial liabilities in the following categories: at fair value through profit or loss and measured at amortised costs.

As at December 31, 2020 and 2019, the Group only had financial liabilities measured at amortised costs.

The Group has financial liabilities measured at amortised cost, which comprised of trade payables, other payables, accruals and borrowings.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

f. Instrumen Keuangan (lanjutan)

Sejak 1 Januari 2020 (lanjutan)

Liabilitas keuangan (lanjutan)

Setelah pengakuan awal yaitu sebesar nilai wajar ditambah biaya transaksi, Grup mengukur seluruh liabilitas keuangan pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Liabilitas keuangan dihentikan pengakuannya pada saat liabilitas tersebut dilepaskan atau dibatalkan atau kadaluarsa.

Saling hapus antar instrumen keuangan

Aset keuangan dan liabilitas keuangan disalinghapuskan dan jumlah netonya dilaporkan pada laporan posisi keuangan ketika terdapat hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan adanya niat untuk menyelesaikan secara neto, atau untuk merealisasikan aset dan menyelesaikan liabilitas secara bersamaan.

Hak saling hapus tidak kontinjen atas peristiwa di masa depan dan dapat dipaksakan secara hukum dalam situasi bisnis yang normal dan dalam peristiwa gagal bayar, atau peristiwa kepailitan atau kebangkrutan Grup atau pihak lawan.

Sebelum 1 Januari 2020

Aset keuangan

Grup mengklasifikasi aset keuangan dalam kategori berikut ini: diukur pada nilai wajar melalui laba rugi, pinjaman dan piutang, tersedia untuk dijual, serta dimiliki hingga jatuh tempo.

Pinjaman yang diberikan dan piutang adalah aset keuangan nonderivatif dengan pembayaran yang tetap atau dapat ditentukan dan tidak mempunyai kuotasi harga di pasar aktif. Pinjaman yang diberikan dan piutang dimasukkan sebagai aset lancar, kecuali jika jatuh temponya melebihi 12 bulan setelah akhir periode pelaporan. Pinjaman yang diberikan dan piutang ini dimasukkan sebagai aset tidak lancar.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

f. Financial Instruments *(continued)*

Since 1 January 2020 (continued)

Financial liabilities continued)

After initial recognition which is at fair value plus transaction costs, the Group measures all financial liabilities at amortised cost using effective interest rate method. Financial liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default in solvency or bankcrupty of the Group or the counterparty.

Before 1 January 2020

Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, available-for-sale, and held to maturity.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of reporting period. These are classified as non-current assets.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

f. Instrumen Keuangan (lanjutan)

Sebelum 1 Januari 2020 (lanjutan)

Aset keuangan (lanjutan)

Pinjaman yang diberikan dan piutang Grup terdiri dari kas dan setara kas, kas yang dibatasi penggunaannya, investasi jangka pendek, piutang usaha dan piutang lain-lain.

Pinjaman yang diberikan dan piutang pada awalnya diakui sebesar nilai wajarnya ditambah biaya transaksi dan selanjutnya diukur pada biaya perolehan yang diamortisasi dengan menggunakan metode suku bunga efektif dikurangi penurunan nilai. Pinjaman yang diberikan dan piutang dihentikan pengakuannya ketika hak untuk menerima arus kas dari aset telah berakhir atau telah ditransfer dan Grup telah secara substansial mentransfer seluruh risiko dan manfaat kepemilikan.

Penurunan nilai aset keuangan

Pada setiap akhir periode pelaporan, Grup menilai apakah terdapat bukti objektif bahwa aset keuangan atau kelompok aset keuangan telah mengalami penurunan nilai. Aset keuangan atau kelompok aset keuangan diturunkan nilainya dan kerugian penurunan nilai terjadi hanya jika terdapat bukti objektif bahwa penurunan nilai merupakan akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset (peristiwa kerugian) dan peristiwa kerugian (atau peristiwa) tersebut memiliki dampak pada estimasi arus kas masa datang atas aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara andal.

Untuk kategori pinjaman yang diberikan dan piutang, kerugian penurunan nilai diukur sebagai selisih antara jumlah tercatat aset dengan nilai kini estimasi arus kas masa depan yang didiskontokan menggunakan suku bunga efektif pada saat pengakuan awal dari aset tersebut. Jumlah tercatat aset tersebut dikurangi melalui penggunaan akun penyisihan. Jumlah kerugian yang terjadi diakui dalam laba rugi.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

f. Financial Instruments *(continued)*

Before 1 January 2020 (continued)

Financial assets (continued)

The Group's loans and receivables comprise cash and cash equivalents, restricted cash, short-term investments, trade receivables and other receivables.

Loans and receivables are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method less any impairment. Loans and receivables are derecognised when the rights to receive cash flows from the assets have ceased to exist or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

For the loan and receivables, loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at original effective interest rate of the financial assets. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in profit or loss.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

f. Instrumen Keuangan (lanjutan)

Penurunan nilai aset keuangan (lanjutan)

Manajemen awalnya akan menentukan apakah terdapat bukti objektif penurunan nilai secara individual atas aset keuangan yang signifikan secara individual. Jika tidak terdapat bukti objektif mengenai penurunan nilai aset keuangan secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka aset tersebut dimasukkan ke dalam kelompok aset keuangan dengan karakteristik risiko kredit yang serupa dan menentukan penurunan nilai secara kolektif.

Liabilitas keuangan

Grup mengklasifikasikan liabilitas keuangan dalam kategori berikut ini: diukur pada nilai wajar melalui laba rugi dan yang diukur pada biaya perolehan diamortisasi.

Grup memiliki liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi yang meliputi utang usaha, utang lain-lain, akrual, dan pinjaman.

Setelah pengakuan awal yaitu sebesar nilai wajar ditambah biaya transaksi, Grup mengukur seluruh liabilitas keuangan pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Liabilitas keuangan dihentikan pengakuannya pada saat liabilitas tersebut dilepaskan atau dibatalkan atau kadaluarsa.

Saling hapus antar instrumen keuangan

Aset keuangan dan liabilitas keuangan disalinghapuskan dan jumlah netonya dilaporkan pada laporan posisi keuangan ketika terdapat hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan adanya niat untuk menyelesaikan secara neto, atau untuk merealisasikan aset dan menyelesaikan liabilitas secara bersamaan. Hak saling hapus tidak kontinjen atas peristiwa di masa depan dan dapat dipaksakan secara hukum dalam situasi bisnis yang normal dan dalam peristiwa gagal bayar, atau peristiwa kepailitan atau kebangkrutan Grup atau pihak lawan.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

f. *Financial Instruments* *(continued)*

Impairment of financial assets (continued)

Management initially assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset whether significant or not, it includes the asset in a group of financial assets with similiar credit risk characteristics and collectively assesses them for impairment.

Financial liabilities

The Group classifies its financial liabilities in the following categories: at fair value through profit or loss and measured at amortised costs.

The Group has financial liabilities measured at amortised cost, which comprised of trade payables, accruals, other payables, accruals and borrowings.

After initial recognition which is at fair value plus transaction costs, the Group measures all financial liabilities at amortised cost using effective interest rate method. Financial liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default in solvency or bankcruptcy of the Group or the counterparty.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

g. Kas dan Setara Kas

Kas dan setara kas mencakup kas, simpanan yang sewaktu-waktu bisa dicairkan dan investasi likuid jangka pendek lainnya dengan yang jatuh tempo dalam waktu tiga bulan atau kurang.

Deposito berjangka dan *call deposits* yang jatuh tempo lebih dari tiga bulan disajikan sebagai "investasi jangka pendek".

Kas dan setara kas yang dibatasi penggunaannya disajikan sebagai "kas yang dibatasi penggunaannya".

h. Piutang Usaha dan Lain-lain

Piutang usaha adalah jumlah piutang dari pelanggan untuk barang yang dijual atau jasa yang diberikan dalam kegiatan usaha biasa. Piutang lain-lain adalah piutang dari transaksi selain penjualan barang dan jasa.

Piutang usaha dan piutang lain-lain pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur sebesar biaya perolehan yang diamortisasi dengan menggunakan metode bunga efektif, kecuali dampak diskontonya tidak signifikan, dikurangi penyisihan untuk penurunan nilai.

i. Persediaan

Persediaan dinyatakan berdasarkan biaya perolehan atau nilai realisasi bersih, mana yang lebih rendah. Biaya perolehan ditentukan dengan metode rata-rata tertimbang untuk barang jadi dan barang dalam proses serta metode rata-rata bergerak untuk bahan baku, penolong dan suku cadang. Harga perolehan barang jadi dan barang dalam proses terdiri dari biaya bahan baku, tenaga kerja langsung, biaya-biaya langsung lainnya dan biaya overhead yang dinyatakan sebesar nilai yang terkait dengan produksi. Nilai realisasi bersih adalah taksiran harga jual dalam kegiatan usaha dikurangi taksiran biaya penyelesaian dan taksiran biaya yang diperlukan untuk melakukan penjualan.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

g. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

Call and time deposits with maturities over three months are included within "short-term investments".

Cash and time deposits, which are restricted in use, are included within "restricted cash".

h. Trade and Other Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Other receivables are receivables from transactions other than the sale of goods and services.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, unless the impact of discounting is not significant, less any provision for impairment.

i. Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost is determined using the weighted average method for finished goods and work-in-progress and using the moving average method for raw and indirect materials and spare parts. The cost of finished goods and work-in-progress comprises of raw and indirect materials, direct labor, other direct costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated selling cost necessary to make the sale.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

j. Properti Investasi

Properti investasi adalah properti (tanah atau bangunan atau bagian dari suatu bangunan atau kedua-duanya atau prasarana) yang dikuasai Grup untuk menghasilkan rental atau untuk kenaikan nilai atau keduanya. Properti investasi diakui sebesar biaya perolehan setelah dikurangi akumulasi penyusutan dan akumulasi kerugian penurunan nilai.

Penyusutan bangunan dan prasarana dihitung dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomis aset antara 10 sampai 30 tahun.

Tanah tidak disusutkan.

Masa manfaat ekonomis, nilai residu dan nilai penyusutan ditelaah setiap akhir tahun dan pengaruh dari perubahan estimasi tersebut berlaku prospektif.

Nilai wajar properti investasi diungkapkan dalam catatan atas laporan keuangan konsolidasian berdasarkan metode penilaian profesional untuk menentukan harga pasar kini atau dengan menerapkan metode arus kas diskonto.

k. Aset Tetap

Hak atas tanah diakui sebesar harga perolehan.

Grup menganalisa fakta dan keadaan untuk masing-masing jenis hak atas tanah dalam menentukan perlakuan akuntansi untuk masing-masing hak atas tanah tersebut sehingga dapat merepresentasikan dengan tepat suatu kejadian atau transaksi ekonomi yang mendasarinya. Jika hak atas tanah tidak mengalihkan pengendalian atas aset kepada Grup, melainkan mengalihkan hak untuk menggunakan aset, Grup menerapkan perlakuan akuntansi atas transaksi tersebut sebagai sewa berdasarkan PSAK 73 “Sewa”. Jika hak atas tanah secara substansi menyerupai pembelian tanah, maka Grup menerapkan PSAK 16 “Aset tetap”.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

j. Investment Properties

Investment properties are properties (land or a building - or part of a building - or both or infrastructures) which are held by the Group to earn rentals or for capital appreciation or both. Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of buildings and infrastructure is computed using the straight-line method based on the estimated useful life of the assets for 10 to 30 years.

Land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimated accounted for on a prospective basis.

The fair value of investment properties is disclosed in the notes to the consolidated financial statements based on the professional valuation methods used to determined the current market price or by applying the discounted cash flow methods.

k. Fixed Assets

Land rights are recognised at cost.

The Group analyses the facts and circumstances for each type of land rights in determining the accounting for each of these land rights so that it can accurately represent an underlying economic event or transaction. If the land rights do not transfer control of the underlying assets to the Group, but give the rights to use the underlying assets, the Group applies the accounting treatment of these transactions as leases under SFAS 73 “Leases”. If land rights are substantially similar to land purchases, the Group applies SFAS 16 “Property, Plant and Equipment”.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

k. Aset Tetap (lanjutan)

Aset tetap yang dimiliki untuk digunakan dalam produksi atau penyediaan barang atau jasa atau untuk tujuan administratif dicatat berdasarkan biaya perolehan setelah dikurangi akumulasi penyusutan dan akumulasi kerugian penurunan nilai. Harga perolehan termasuk pengeluaran yang dapat diatribusikan secara langsung atas perolehan aset tersebut. Biaya perolehan juga termasuk estimasi biaya pembongkaran, dan pemindahan aset tetap, dan restorasi lokasi aset.

Biaya-biaya setelah pengakuan awal diakui sebagai bagian nilai tercatat aset atau sebagai aset yang terpisah, sebagaimana mestinya, hanya jika kemungkinan besar Grup mendapat manfaat ekonomis di masa depan berkenaan dengan aset tersebut dan biaya perolehan aset dapat diukur dengan andal. Nilai tercatat dari komponen yang diganti dihapuskan. Biaya perbaikan dan pemeliharaan dibebankan ke dalam laba rugi dalam periode keuangan ketika biaya-biaya tersebut terjadi.

Biaya legal awal untuk mendapatkan hak legal diakui sebagai bagian biaya akuisisi tanah, biaya-biaya tersebut tidak disusutkan. Biaya terkait dengan pembaruan hak atas tanah diakui sesuai dengan perlakuan akuntansi hak atas tanah pada saat transaksi awal.

Suku cadang utama dan peralatan siap pakai diklasifikasikan sebagai aset tetap bila diperkirakan akan digunakan dalam operasi selama lebih dari satu tahun.

Tanah tidak disusutkan.

Penyusutan (selain tanah pertambangan) dihitung menggunakan metode garis lurus setelah memperhitungkan nilai residu berdasarkan taksiran masa manfaat ekonomis aset tetap sebagai berikut:

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

k. Fixed Assets *(continued)*

Fixed assets held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost, less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Such cost also includes estimated costs of dismantling and removing of the item and restoring the site on which the asset is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Initial legal costs incurred to obtain legal rights are recognised as part of the acquisition cost of the land, and these costs are not depreciated. Costs related to renewal of land rights are recognised in accordance with the accounting treatment of land during initial transaction.

Major spare parts and stand-by equipment are classified as fixed assets when they are expected to be used in operations during more than one year.

Land is not depreciated.

Depreciation (except for mining properties) is calculated using the straight-line method after calculating the residual value based on the estimated useful lives of the assets as follows:

	Tahun/ *Years*	
Bangunan, jalan, jembatan dan pelabuhan	15 - 50	*Buildings, roads, bridges and harbors*
Mesin	2 - 50	*Machinery*
Alat-alat berat dan kendaraan	4 - 30	*Heavy equipment and vehicles*
Perlengkapan dan peralatan kantor	2 - 8	*Furniture and office equipment*

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

k. Aset Tetap (lanjutan)

Nilai sisa aset, masa manfaat dan metode penyusutan ditelaah dan jika perlu disesuaikan, pada setiap akhir periode pelaporan dan pengaruh dari setiap perubahan estimasi tersebut berlaku prospektif.

Tanah pertambangan dideplesi dengan menggunakan metode unit produksi berdasarkan estimasi cadangan.

Nilai tercatat aset segera diturunkan sebesar jumlah yang dapat dipulihkan jika nilai tercatat aset lebih besar dari estimasi jumlah yang dapat dipulihkan.

Keuntungan atau kerugian bersih atas pelepasan aset tetap ditentukan dengan membandingkan hasil yang diterima dengan nilai tercatat dan diakui dalam laba rugi.

Akumulasi biaya konstruksi bangunan, jalan, jembatan, pelabuhan, pembangkit tenaga listrik dan pabrik semen serta pemasangan mesin dikapitalisasi sebagai aset dalam pembangunan. Biaya bunga dan biaya pinjaman lain, seperti pinjaman yang digunakan untuk mendanai proses pembangunan aset tertentu, dikapitalisasi sampai dengan saat proses pembangunan tersebut selesai. Biaya-biaya ini direklasifikasi ke akun aset tetap pada saat proses konstruksi atau pemasangan selesai. Penyusutan aset dimulai pada saat aset tersebut siap untuk digunakan, yaitu pada saat aset tersebut berada pada lokasi dan kondisi yang diinginkan agar aset siap digunakan sesuai dengan keinginan dan maksud manajemen.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

k. Fixed Assets *(continued)*

The assets' residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

Mining properties are depleted using the unit of production method based on estimated reserves.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Net gains or losses on disposals of fixed assets are determined by comparing the proceeds with the carrying amount and are recognised in the profit or loss.

The accumulated costs of the construction of buildings, roads, bridges, harbors, power and cement plants and the installation of machinery are capitalized as construction in progress. Interest and other borrowing costs, such as fees on loans used in financing the construction of a qualifying asset, are capitalized up to the date when the construction is completed. These costs are reclassified into fixed asset accounts when the construction or installation is complete. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

k. Aset Tetap (lanjutan)

Biaya bunga dan biaya pinjaman lainnya yang digunakan baik secara langsung atau tidak langsung untuk pendanaan konstruksi asset kualifikasian, dikapitalisasi hingga aset tersebut selesai secara substansial dan siap untuk digunakan. Untuk pinjaman yang dapat diatribusikan secara langsung pada asset kualifikasian, jumlah yang dikapitalisasi ditentukan dari biaya pinjaman aktual yang terjadi selama periode berjalan, dikurangi penghasilan yang diperoleh dari investasi sementara atas dana hasil pinjaman tersebut. Untuk pinjaman yang tidak dapat diatribusikan secara langsung pada suatu aset kualifikasian, jumlah yang dikapitalisasi ditentukan dengan mengalikan tingkat kapitalisasi terhadap jumlah yang dikeluarkan untuk memperoleh asset kualifikasian. Tingkat kapitalisasi dihitung berdasarkan rata-rata tertimbang biaya pinjaman yang dibagi dengan jumlah pinjaman yang tersedia selama periode, selain pinjaman yang secara spesifik diambil untuk tujuan memperoleh suatu aset kualifikasian.

l. Aset Takberwujud

Merk dan Lisensi

Merk dan lisensi memiliki masa manfaat yang terbatas dan dicatat sebesar harga perolehan dikurangi akumulasi amortisasi dan akumulasi kerugian penurunan nilai. Jika merk dan lisensi yang diperoleh sebagai bagian dari kombinasi bisnis, maka biaya perolehannya adalah nilai wajar pada tanggal akuisisi. Amortisasi dihitung dengan menggunakan metode garis lurus untuk mengalokasikan harga perolehan merk dan lisensi selama estimasi masa manfaatnya masing-masing 10 tahun dan 40 tahun.

Piranti Lunak Komputer

Biaya pengembangan yang dapat secara langsung diatribusikan kepada desain dan pengujian produk piranti lunak yang dapat diidentifikasi dan unik yang dikendalikan oleh Grup diakui sebagai aset takberwujud dan diamortisasi selama estimasi masa manfaat, yang tidak lebih dari lima tahun.

Biaya yang dapat diatribusikan secara langsung dikapitalisasi sebagai bagian produk piranti lunak mencakup beban pekerja pengembang piranti lunak dan bagian overhead yang relevan.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

k. Fixed Assets *(continued)*

Interest and other borrowing costs either directly or indirectly used in financing the construction of a qualifying asset, are capitalised up to the date the assets are substantially completed and are ready for its intended use. For borrowings that are directly attributable to a qualifying asset, the amount to be capitalised is determined as the actual borrowing cost incurred during the period, less any income earned on the temporary investment of such borrowings. For borrowings that are not directly attributable to a qualifying asset, the amount to be capitalised is determined by applying a capitalisation rate to the amount expended on the qualifying assets. the capitalisation rate is the weighted average of the total borrowing costs applicable to the total borrowings outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

l. Intangible Assets

Trademarks and Licenses

Trademarks and licenses have a limited useful life and are recorded at acquisition cost less accumulated amortisation and accumulated impairment losses. If the trademarks and licenses are obtained as part of a business combination, the acquisition cost is the fair value at the date of acquisition. Amortisation is calculated using the straight-line method to allocate the acquisition cost of trademarks and licenses over their estimated useful lives of 10 and 40 years, respectively.

Computer Software

Development cost that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group is recognised as intangible assets and amortised over their estimated useful lives, which does not exceed five years.

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

l. Aset Takberwujud (lanjutan)

Piranti Lunak Komputer (lanjutan)

Pengeluaran pengembangan yang lain yang tidak memenuhi kriteria ini diakui sebagai beban pada saat terjadinya. Biaya pengembangan yang sebelumnya diakui sebagai beban tidak dapat diakui sebagai aset pada periode berikutnya. Biaya yang terkait dengan pemeliharaan program piranti lunak komputer diakui sebagai beban pada saat terjadinya.

m. *Goodwill*

Goodwill merupakan selisih lebih biaya perolehan atas kepemilikan Grup terhadap nilai wajar aset net teridentifikasi entitas anak, pada tanggal akuisisi.

Peninjauan atas penurunan nilai pada *goodwill* dilakukan setahun sekali atau dapat lebih sering apabila terdapat peristiwa atau perubahan keadaan yang mengindikasikan adanya potensi penurunan nilai. *Goodwill* dinyatakan sebesar nilai perolehan dikurangi akumulasi kerugiaan penurunan nilai.

Untuk pengujian penurunan nilai, *goodwill* yang diperoleh dalam kombinasi bisnis dialokasikan pada setiap unit penghasil kas, atau kelompok unit penghasil kas, yang diharapkan dapat memberikan manfaat dari sinergi kombinasi bisnis tersebut. Setiap unit atau kelompok unit yang memperoleh alokasi *goodwill* menunjukkan tingkat terendah dalam entitas yang *goodwill*-nya dipantau untuk tujuan manajemen internal. *Goodwill* dipantau pada level segmen operasi.

Rugi penurunan nilai yang diakui atas *goodwill* tidak dibalik lagi.

n. Penurunan Nilai Aset Nonkeuangan kecuali *Goodwill*

Aset tetap dan aset takberwujud, selain *goodwill* diuji ketika terdapat indikasi bahwa nilai tercatatnya mungkin tidak dapat dipulihkan. Penurunan nilai diakui jika nilai tercatat aset melebihi jumlah terpulihkan. Jumlah terpulihkan adalah yang lebih tinggi antara nilai wajar aset dikurangi biaya untuk menjual dan nilai pakai aset.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

l. Intangible Assets *(continued)*

Computer Software (continued)

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Cost associated with maintaining computer software programs are recognised as an expense as incurred.

m. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary, at the effective date of acquisition.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. Goodwill is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGU"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Impairment losses relating to goodwill would not be reversed.

n. Impairment of Non-Financial Assets except Goodwill

Fixed assets and intangible assets, other than goodwill are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

n. Penurunan Nilai Aset Nonkeuangan kecuali *Goodwill* (lanjutan)

Dalam menentukan penurunan nilai, aset dikelompokkan pada tingkat yang paling rendah dimana terdapat arus kas masuk yang dapat diidentifikasi, yang sebagian besar tidak tergantung pada arus masuk kas dari aset lain atau kelompok aset (unit penghasil kas). Aset nonkeuangan selain *goodwill* yang mengalami penurunan nilai diuji setiap tanggal pelaporan untuk menentukan apakah terdapat kemungkinan pemulihan penurunan nilai.

o. Utang Usaha

Utang usaha adalah kewajiban untuk membayar barang atau jasa yang dibeli dalam kegiatan usaha biasa dari pemasok.

Utang lain-lain terutama merupakan utang atas pembelian aset tetap dan transaksi penyedia jasa untuk proyek.

Utang usaha dan utang lain-lain pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur sebesar biaya perolehan yang diamortisasi dengan menggunakan metode bunga efektif, kecuali dampak diskontonya tidak signifikan.

p. Sewa

Sejak 1 Januari 2020

Suatu kontrak merupakan atau mengandung sewa jika kontrak tersebut memberikan hak untuk mengendalikan penggunaan aset identifikasian selama suatu jangka waktu untuk dipertukarkan dengan imbalan.

Kontrak dapat berisi komponen sewa dan non-sewa berdasarkan harga relatif yang berdiri sendiri. Grup memilih untuk tidak memisahkan komponen sewa dan non-sewa dan sebagai gantinya memperhitungkannya sebagai komponen sewa tunggal.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

n. *Impairment of Non-Financial Assets except Goodwill* *(continued)*

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or group of assets (cash generating units). Non-financial assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

o. *Trade Payables*

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Other payables primarily represents payables for purchase of fixed assets and transaction services for the project.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, unless the impact of discounting is not significant.

p. *Leases*

Since 1 January 2020

A contract is or contains a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Contracts may contain both lease and non-lease components based on their relative stand-alone prices. Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

p. Sewa (lanjutan)

Sejak 1 Januari 2020 (lanjutan)

Pada tanggal permulaan sewa, Grup mengakui aset hak-guna dan liabilitas sewa. Aset hak-guna diukur pada biaya perolehan, dimana meliputi jumlah pengukuran awal liabilitas sewa yang disesuaikan dengan pembayaran sewa yang dilakukan pada atau sebelum tanggal permulaan, ditambah dengan biaya langsung awal yang dikeluarkan dan estimasi biaya yang akan dikeluarkan untuk membongkar dan memindahkan aset pendasar atau untuk merestorasi aset pendasar ke kondisi yang disyaratkan dan ketentuan sewa, dikurangi dengan insentif sewa yang diterima.

Aset hak-guna kemudian disusutkan menggunakan metode garis lurus dari tanggal permulaan sewa hingga tanggal yang lebih awal antara akhir umur manfaat aset hak-guna atau akhir masa sewa. Jika sewa mengalihkan kepemilikan aset pendasar kepada Grup pada akhir masa sewa atau jika biaya perolehan aset hak-guna merefleksikan Grup akan mengeksekusi opsi beli, maka Grup menyusutkan aset hak-guna dari awal masa sewa hingga akhir umur manfaat aset pendasar.

Liabilitas sewa diukur pada nilai kini pembayaran sewa yang belum dibayar pada awal sewa. Pembayaran sewa yang termasuk dalam pengukuran liabilitas sewa meliputi pembayaran tetap, termasuk pembayaran tetap secara substansi dikurangi dengan piutang insentif sewa.Grup menggunakan suku bunga pinjaman inkremental sebagai tingkat bunga diskonto.

Setelah awal masa sewa, setiap pembayaran sewa dialokasikan sebagai beban keuangan dan pengurangan liabilitas sehingga menghasilkan tingkat suku bunga yang konstan atas saldo liabilitas yang tersisa. Utang sewa yang terkait, dikurangi dengan beban keuangan, dimasukkan ke dalam “liabilitas sewa”. Elemen bunga dari beban keuangan dibebankan pada laba rugi.

Beberapa sewa berisi ketentuan pembayaran variabel dihitung berdasarkan volume. Pembayaran sewa variabel tersebut tidak termasuk dalam pengukuran liabilitas sewa.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

p. Leases *(continued)*

Since 1 January 2020 (continued)

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset to the condition required by the terms and conditions of the lease, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Lease payments included in the measurement of the lease liability from fixed payments, including in-substance fixed payments less any lease incentive receivable. The Group uses its incremental borrowing rate as the discount rate.

After the commencement date, each lease payment is allocated between finance charges and reduction of the lease liability so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in “lease liabilities”. The interest element of the finance cost is charged to profit or loss.

Some leases contain variable payment terms which payments are calculated based on volume. Those variable lease payments are excluded in the measurement of the lease liability.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

p. Sewa (lanjutan)

Sejak 1 Januari 2020 (lanjutan)

Grup menyajikan aset hak-guna sebagai bagian dari "aset tetap" pada laporan posisi keuangan konsolidasian.

Sewa jangka pendek dan bernilai rendah

Grup telah memilih untuk tidak mengakui aset hak-guna dan liabilitas sewa untuk sewa jangka pendek yang memiliki jangka waktu sewa 12 bulan atau kurang, dan sewa yang aset pendasarnya bernilai-rendah. Grup mengakui pembayaran terkait dengan sewa ini sebagai beban dengan metode garis lurus selama masa sewa.

Sebelum 1 Januari 2020

Penentuan apakah suatu perjanjian merupakan, atau mengandung, sewa dibuat berdasarkan substansi perjanjian itu sendiri dan penilaian apakah pemenuhan atas perjanjian bergantung dari penggunaan aset tertentu atau aset, dan apakah perjanjian memberikan hak untuk menggunakan aset.

Grup menyewa aset tetap tertentu. Sewa aset tetap dimana Grup, sebagai *lessee*, memiliki sebagian besar risiko dan manfaat kepemilikan diklasifikasikan sebagai sewa pembiayaan. Sewa pembiayaan dikapitalisasi pada awal masa sewa sebesar yang lebih rendah antara nilai wajar aset sewaan dan nilai kini pembayaran sewa minimum.

Setiap pembayaran sewa dialokasikan antara porsi pelunasan liabilitas dan beban keuangan. Jumlah liabilitas sewa, setelah dikurangi beban keuangan, disajikan sebagai liabilitas jangka panjang kecuali untuk bagian yang jatuh tempo dalam waktu 12 bulan atau kurang yang disajikan sebagai liabilitas jangka pendek. Unsur bunga dalam beban keuangan dibebankan ke laba rugi selama masa sewa yang menghasilkan tingkat suku bunga konstan atas saldo liabilitas. Aset tetap yang diperoleh melalui sewa pembiayaan disusutkan selama jangka waktu yang lebih pendek antara umur manfaat aset dan masa sewa.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

p. *Leases* *(continued)*

Since 1 January 2020 continued)

The Group presents right-of-use assets as part of "fixed assets" in the consolidated statement of financial position.

Short-term and low value leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases with low value asset. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Before 1 January 2020

Determination of whether an arrangement is, or contains, a lease is made based on the substance of the arrangement and assessment of whether fulfilment of the arrangement is dependent on the use of a specific asset or assets, and whether the arrangement conveys a right to use the asset.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group as lessee has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

Each lease payment is allocated between the liability portion and a finance charge. The corresponding rental obligations, net of finance charges are included in other long-term liabilities, except for those with maturities of 12 months or less which are included in current liabilities. The interest element of the finance cost is charged to profit or loss over the lease period so as to produce a constant rate of interest on the remaining balance of the liability. Fixed assets acquired under finance leases are depreciated over the shorter of the useful life of the assets or the lease term.

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p. Sewa (lanjutan)

Sebelum 1 Januari 2020

Sewa dimana sebagian besar risiko dan manfaat yang terkait dengan kepemilikan dipertahankan oleh pesewa diklasifikasikan sebagai sewa operasi. Pembayaran sewa operasi (dikurangi insentif yang diterima dari pesewa) dibebankan pada laporan laba rugi dengan menggunakan metode garis lurus selama periode sewa.

Pendapatan sewa guna usaha dari kegiatan operasi sewa dimana Grup bertindak sebagai pemberi sewa diakui sebagai pendapatan secara garis lurus selama masa sewa.

q. Provisi

Provisi diakui ketika: Grup memiliki kewajiban hukum atau konstruktif masa kini sebagai akibat peristiwa masa lalu; terdapat kemungkinan besar penyelesaian kewajiban tersebut mengakibatkan arus keluar sumber daya; dan jumlah kewajiban tersebut dapat diukur secara andal. Provisi tidak diakui untuk kerugian operasi masa depan.

Provisi diukur sebesar nilai kini dari estimasi terbaik manajemen atas pengeluaran yang diharapkan diperlukan untuk menyelesaikan kewajiban kini pada akhir periode pelaporan. Tingkat diskonto yang digunakan untuk menentukan nilai kini adalah tingkat diskonto sebelum pajak yang mencerminkan penilaian pasar atas nilai waktu uang dan risiko yang terkait dengan kewajiban. Peningkatan provisi karena berjalannya waktu diakui sebagai biaya keuangan.

Rehabilitasi dan restorasi tanah tambang

Provisi atas rehabilitasi dan restorasi tanah tambang ditentukan berdasarkan ketentuan dan peraturan yang berlaku. Estimasi beban tersebut diakui dan dibebankan sebagai biaya produksi. Provisi tersebut dinilai kembali secara rutin dan dampak perubahannya diakui secara prospektif.

Rehabilitasi dan restorasi tanah tambang yang dilaksanakan Grup mencakup, namun tidak terbatas pada, penggantian tanah bagian atas (top soil), pengerukan endapan pada kolam dan bendungan, pengawasan atas kualitas air, pengolahan limbah, penanaman kembali, dan pembibitan tanaman hutan.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

p. *Leases* *(continued)*

Before 1 January 2020

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the term of the lease.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight line basis over the lease term.

q. Provision

Provision is recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance costs.

Quarry rehabilitation and restoration

The provision for quarry rehabilitation and restoration is based principally on legal and regulatory requirements. Such estimated costs are expensed as production cost. The provision is reassessed regularly and the effects of change are recognised prospectively.

Quarry rehabilitation and restoration at the Group includes, but is not limited to, top soil replacement, dredging of sediment ponds and dams, water quality control, waste handling, forest planting, and seeding.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

r. Pinjaman

Pada saat pengakuan awal, pinjaman diakui sebesar nilai wajar, dikurangi dengan biaya-biaya transaksi yang terjadi. Selanjutnya, pinjaman diukur sebesar biaya perolehan diamortisasi; selisih antara penerimaan (dikurangi biaya transaksi) dan nilai pelunasan dicatat pada laporan laba rugi selama periode pinjaman dengan menggunakan metode bunga efektif.

Pinjaman diklasifikasikan sebagai liabilitas jangka pendek kecuali Grup memiliki hak tanpa syarat untuk menunda pembayaran liabilitas selama paling tidak 12 bulan setelah tanggal pelaporan.

s. Dana *Syirkah* Temporer

Dana *syirkah* temporer adalah dana yang diterima oleh Grup, berdasarkan akad musyarakah mutanaqisha, yaitu akad kerjasama antara Grup dengan bank untuk suatu usaha tertentu, dimana masing-masing pihak memberikan kontribusi dana dengan ketentuan bahwa keuntungan dibagi berdasarkan kesepakatan sedangkan kerugian berdasarkan porsi kontribusi dana. Pada akad ini, bagian dana bank akan menurun sejalan dengan pembayaran bertahap oleh Grup kepada bank dan pada akhir masa akad, Grup akan menjadi pemilik penuh atas usaha tersebut.

Penerimaan dana dari bank diakui sebagai akun dana *syirkah* temporer, yang bukan merupakan bagian dari liabilitas maupun ekuitas. Dana *syirkah* temporer pada awalnya diakui sebesar jumlah kas yang diterima dan selanjutnya diukur pada jumlah kas yang diterima dikurangi dengan jumlah dana yang telah dikembalikan dan dikurangi kerugian (jika ada). Keuntungan yang menjadi hak bank sesuai kesepakatan diakui sebagai bagi hasil di laba rugi.

t. Pengakuan Pendapatan dan Beban

Sejak 1 Januari 2020

Pendapatan Semen Indonesia terutama berasal dari penjualan bahan bangunan terstruktur sederhana, seperti semen, agregat, beton siap pakai yang pengendaliannya dialihkan kepada pelanggan pada waktu tertentu tergantung pada kontrak/syarat penjualan.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

r. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

s. Temporary Syirkah Funds

Temporary syirkah funds is the fund received by the Group, based on musyarakah mutanaqisha agreement, which is cooperation between the Group and the Bank to conduct certain business, where the Group and the Bank will give fund contribution with condition that profit sharing is based on fund contribution portion. Under the agreement, the bank's portion will be diminished as the Group will gradually make installments to the bank and the Group will be the full owner of the business eventually.

Receipts of funds from the Bank will be recognised as temporary syirkah funds account, which does not belong to liabilities nor equity accounts. Initially, temporary syirkah funds will be recognised based on cash received and then will be measured based on total cash received deducted with funds repayment and loss (if any). Gain which is the rights of Bank as agreed will be recognised as profit-sharing in profit or loss.

t. Revenue and Expense Recognition

Since 1 January 2020

Semen Indonesia primarily generates revenue from simply structured sales of building materials, such as cement, aggregates, ready-mixed concrete for which the control is transferred to the customer at a specific point in time depending on the contract/sales terms.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

t. Pengakuan Pendapatan dan Beban (lanjutan)

Sejak 1 Januari 2020 (lanjutan)

Pendapatan dari kontrak dengan pelanggan diakui dengan mengacu pada setiap kewajiban pelaksanaan berbeda yang dijanjikan dalam kontrak dengan pelanggan ketika atau saat Grup mengalihkan kendali atas barang atau jasa yang dijanjikan dalam kontrak dan pelanggan memperoleh kendali atas barang atau jasa. Pendapatan dari kontrak dengan pelanggan diukur pada harga transaksinya, sebagai jumlah imbalan yang diharapkan akan menjadi hak Grup sebagai imbalan atas pengalihan barang atau jasa yang dijanjikan kepada pelanggan, setelah dikurangi pajak pertambahan nilai, jika ada retur, potongan harga dan diskon dan setelah mengeliminasi penjualan dalam Grup.

Harga transaksi dialokasikan untuk setiap barang atau jasa berbeda yang dijanjikan dalam kontrak. Tergantung pada persyaratan kontrak, pendapatan diakui ketika kewajiban pelaksanaan dipenuhi, yang mungkin terjadi pada suatu waktu atau seiring waktu.

Pendapatan dari penjualan barang diakui pada saat penjualan, ketika pengendalian aset dialihkan kepada pelanggan sesuai dengan ketentuan penjualan. Jika kontrak dengan pelanggan mencakup serangkaian hasil kerja, kewajiban pelaksanaan perlu diidentifikasi. Harga transaksi, yang merupakan imbalan yang ditetapkan dalam kontrak dan setelah dikurangi diskon jika ada, kemudian dialokasikan untuk setiap kewajiban pelaksanaan berdasarkan harga jual berdiri relatif.

Pendapatan dari pemberian jasa diakui sepanjang waktu kontrak. Grup mengakui pendapatan atas kewajiban pelaksanaan yang dipenuhi sepanjang waktu hanya jika entitas dapat mengukur kemajuan secara wajar terhadap penyelesaian penuh atas kewajiban pelaksanaan. Dalam beberapa keadaan, Grup mungkin tidak dapat mengukur hasil kewajiban pelaksanaan secara wajar, tetapi Grup memperkirakan untuk memulihkan biaya yang terjadi dalam memenuhi kewajiban pelaksanaan. Dalam keadaan tersebut, Grup mengakui pendapatan hanya sejumlah biaya yang terjadi sampai waktu tertentu di mana Grup dapat mengukur hasil kewajiban pelaksanaan secara wajar.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

t. Revenue and Expense Recognition *(continued)*

Since 1 January 2020 (continued)

Revenue from contracts with customers is recognised by reference to each distinct performance obligation promised in the contract with the customer when or as the Group transfers control of the goods or services promised in a contract and the customer obtains control of the goods or services. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to a customer, net of value added tax, if any returns, rebates and discounts and after eliminating sales within the Group.

The transaction price is allocated to each distinct good or service promised in the contract. Depending on the terms of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

Revenue from sale of goods is recognised at the point of sale, when the control of the asset is transferred to the customers, which in accordance with the sales term. Where the contracts with customers include multiple deliverables, the separate performance obligations are identified. The transaction price, which is represented by the consideration fixed in the contract and net of discounts if any, is then allocated to each performance obligation based on their relative stand-alone selling prices.

Revenue from rendering of services is recognised overtime of the contract. The Group recognises revenue for a performance obligation satisfied overtime only if the Group can reasonably measure its progress towards complete satisfaction of the performance obligation. In some circumstances, the Group may not be able to reasonably measure the outcome of a performance obligation, but the Group expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

t. Pengakuan Pendapatan dan Beban (lanjutan)

Sejak 1 Januari 2020 (lanjutan)

Pendapatan yang berhubungan dengan kontrak konstruksi dicatat dengan menggunakan metode persentase penyelesaian. Dengan metode ini, pendapatan yang diakui setara dengan estimasi terbaru dari total nilai kontrak dikalikan dengan tingkat penyelesaian sebenarnya yang ditentukan dengan mengacu pada keadaan fisik kemajuan pekerjaan (metode output).

Aset kontrak dan kewajiban kontrak diakui segera setelah salah satu pihak yang mengadakan kontrak memulai pelaksanaan kontrak. Aset kontrak dan kewajiban kontrak tidak ditampilkan secara terpisah di neraca tetapi di bawah masing-masing piutang usaha dan uang muka penjualan.

Beban diakui pada saat terjadinya dengan menggunakan dasar akrual.

Sebelum 1 Januari 2020

Pendapatan diukur pada nilai wajar imbalan yang diterima atau akan diterima dari penjualan barang dan jasa dalam kegiatan usaha normal Grup. Pendapatan disajikan neto setelah dikurangi pajak pertambahan nilai, retur, potongan harga dan diskon dan setelah mengeliminasi penjualan dalam Grup.

Grup mengakui pendapatan ketika jumlah pendapatan dapat diukur secara andal, besar kemungkinan manfaat ekonomis masa depan akan mengalir kepada entitas dan kriteria tertentu telah dipenuhi untuk setiap aktivitas Grup seperti dijelaskan dibawah ini.

Pendapatan dari penjualan barang diakui pada saat risiko dan manfaat secara signifikan terkait kepemilikan barang telah ditransfer kepada pembeli sesuai dengan ketentuan penjualan.

Pendapatan dari penyediaan jasa diakui pada saat jasa telah diserahkan dengan acuan pada tingkat penyelesaian berdasarkan kontrak.

Beban diakui pada saat terjadinya dengan menggunakan dasar akrual.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

t. Revenue and Expense Recognition *(continued)*

Since 1 January 2020 (continued)

Revenues related to construction contracts are accounted for using the percentage of completion method. Under this method, the revenue recognised equals the latest estimate of the total value of the contract multiplied by the actual completion rate determined by reference to the physical state of progress of the works (output method).

Contract assets and contract liabilities are recognised as soon as one of the contracting parties has commenced performance of the contract. Contract assets and contract liabilities are not shown separately in the balance sheet but under trade receivables and sales advances.

Expenses are recognised when incurred on an accrual basis.

Before 1 January 2020

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below.

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the customers in accordance with the sales term.

Revenue from rendering of services is recognised when the service is rendered by reference to the percentage of completion of the contract.

Expenses are recognised when incurred on an accrual basis.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

u. Imbalan Kerja (lanjutan)

Imbalan kerja jangka pendek

Imbalan kerja jangka pendek adalah imbalan kerja yang jatuh tempo dalam jangka waktu dua belas bulan setelah akhir periode pelaporan dan diakui pada saat pekerja telah memberikan jasa kerjanya.

Imbalan pascakerja

Grup memiliki program imbalan pascakerja yang terdiri atas program imbalan pasti dan iuran pasti.

Program Imbalan Pasti

Perseroan dan entitas anak menyelenggarakan program pensiun imbalan pasti yang dikelola oleh Dana Pensiun untuk seluruh karyawan tetapnya sebagaimana ditetapkan dalam Peraturan Perseroan dan entitas anak. Jumlah kontribusi terdiri dari kontribusi karyawan yang dihitung sebesar 5% dari penghasilan dasar pensiun dan kontribusi Perseroan dan entitas anak yang dihitung secara aktuaria.

Program imbalan pasti lainnya dalam bentuk manfaat pascakerja sesuai dengan UU Ketenagakerjaan No. 13/2003 dan lain-lain.

Program Iuran Pasti

Program pensiun iuran pasti adalah program pensiun dimana Grup membayar iuran tetap kepada sebuah entitas yang terpisah dan tidak memiliki kewajiban hukum atau kewajiban konstruktif untuk membayar iuran lebih lanjut bila dana tersebut tidak memiliki aset yang cukup untuk membayar imbalan kerja terkait dengan jasa yang diberikan oleh karyawan pada periode berjalan dan sebelumnya.

Grup menghitung selisih antara imbalan berdasarkan undang-undang yang berlaku dengan manfaat yang diterima dari program pensiun untuk pensiun normal.

Liabilitas imbalan pensiun merupakan nilai kini liabilitas imbalan pasti pada akhir periode pelaporan dikurangi dengan nilai wajar aset program. Liabilitas imbalan pasti dihitung setiap tahun oleh aktuaris independen dengan menggunakan metode *projected unit credit*.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

u. Employee Benefits *(continued)*

Short-term employee benefits

Short-term employee benefits are employee benefits which are due for payment within twelve months after the reporting period and recognised when the employees have rendered the related service.

Post-employment benefits

The Group has post-employment benefits comprise of defined benefit and defined contribution plans.

Defined Benefit Plans

The Company and its subsidiaries have defined benefit pension plans covering all of their permanent employees which is managed by a Pension Fund as stipulated in the Company's and subsidiaries' regulations. Total contributions consist of employee contributions of 5% of employees' basic pensionable salaries and the Company's and its subsidiaries' contributions computed on an actuarial basis.

Other defined benefit plans in the form of benefits in accordance with Labor Law No. 13/2003 and others.

Defined Contribution Plans

Defined contribution plans are pension plans under which the Group pays fixed contributions into a separate entity and have no legal and constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employee benefits related to the employees' services in the current and prior periods.

For normal pension scheme, the Group calculates and recognises the higher of the benefits under the Labow Law and those under such pension plan.

The pension benefit obligation is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

u. Imbalan Kerja (lanjutan)

Program Iuran Pasti (lanjutan)

Nilai kini liabilitas imbalan pasti ditentukan dengan mendiskontokan estimasi arus kas di masa depan dengan menggunakan tingkat bunga obligasi pemerintah jangka Panjang pada akhir periode pelaporan dalam mata uang Rupiah sesuai dengan mata uang di mana imbalan tersebut akan dibayarkan dan yang memiliki jangka waktu yang sesuai dengan liabilitas imbalan pensiun yang bersangkutan.

Pengukuran kembali yang timbul dari penyesuaian dan perubahan dalam asumsi-asumsi aktuarial langsung diakui seluruhnya melalui penghasilan komprehensif lainnya. Akumulasi saldo pengukuran kembali dilaporkan di komponen ekuitas lainnya.

Biaya jasa lalu yang timbul dari amandemen atau kurtailmen program diakui sebagai beban dalam laba rugi pada saat terjadinya.

Imbalan kerja jangka panjang lain

Perseroan dan entitas anak memberikan imbalan kerja jangka panjang lain dalam bentuk cuti panjang dan penghargaan masa kerja. Perhitungan imbalan kerja jangka panjang lain menggunakan metode *Projected Unit Credit*. Seluruh keuntungan atau kerugian aktuaria dan biaya jasa lalu diakui sebagai beban dalam laba rugi.

Jumlah yang diakui sebagai kewajiban untuk imbalan kerja jangka panjang lain di laporan posisi keuangan konsolidasian adalah nilai kini kewajiban imbalan pasti per tanggal pelaporan.

v. Perpajakan

Beban pajak penghasilan terdiri dari pajak penghasilan kini dan pajak tangguhan. Pajak penghasilan kini dan pajak tangguhan diakui dalam laba rugi, kecuali untuk pajak penghasilan yang berasal dari transaksi atau kejadian yang langsung diakui ke ekuitas atau penghasilan komprehensif lain. Dalam hal ini, pajak penghasilan diakui dalam ekuitas atau penghasilan komprehensif lain.

Beban pajak penghasilan kini dihitung dengan menggunakan tarif pajak yang berlaku pada akhir periode pelaporan.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

u. Employee Benefits *(continued)*

Defined Contribution Plans (continued)

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the yield at end of the reporting period of long-term government bonds denominated in Rupiah in which the benefits will be paid and that have terms to maturity similar to the related pension obligation.

Remeasurements arising from experience adjustments and changes in actuarial assumptions are directly recognised in other comprehensive income. The balance of accumulated remeasurements is reported in other equity components.

Past service costs arising from amendment or curtailment programs are recognised as expense in profit or loss when incurred.

Other long-term employee benefits

The Company and its subsidiaries provide other long-term employee benefits in the form of long service leave and loyalty awards. The cost of providing other long-term employee benefits is determined using Projected Unit Credit method. All actuarial gains or losses and past service cost are recognised as expenses in profit or loss.

The other long-term employee benefits obligation recognised in the consolidated statement of financial position represents the present value of defined benefit obligation at the reporting date.

v. Taxation

The income tax expense is comprised of current and deferred income tax. Current and deferred income tax is recognised in the profit or loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case, the income tax is recognised in equity or other comprehensive income.

The current income tax is calculated using tax rates that have been enacted at the end of the reporting period.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

v. Perpajakan (lanjutan)

Manajemen secara berkala mengevaluasi ketentuan yang diambil dalam Surat Pemberitahuan Pajak sehubungan dengan situasi dimana peraturan pajak yang berlaku membutuhkan penafsiran. Hal ini menentukan jumlah provisi diperlukan yang sesuai dengan jumlah yang diharapkan akan dibayarkan kepada otoritas pajak.

Pajak penghasilan tangguhan diakui dengan menggunakan metode balance sheet liability untuk semua perbedaan temporer yang berasal dari selisih antara dasar pengenaan pajak aset dan liabilitas dengan nilai tercatatnya pada laporan keuangan konsolidasian. Namun, liabilitas pajak penghasilan tangguhan tidak diakui jika berasal dari pengakuan awal *goodwil*l.

Pajak penghasilan tangguhan juga tidak diperhitungkan jika pajak penghasilan tangguhan tersebut timbul dari pengakuan awal aset atau pengakuan awal liabilitas dalam transaksi yang bukan kombinasi bisnis yang pada saat transaksi tidak mempengaruhi laba akuntansi maupun laba kena pajak/rugi pajak.

Pajak penghasilan tangguhan diukur dengan menggunakan tarif pajak yang sudah diberlakukan atau secara substantif berlaku pada akhir periode pelaporan dan diekspektasi akan digunakan ketika aset pajak tangguhan yang berhubungan direalisasi atau liabilitas pajak tangguhan diselesaikan.

Aset pajak tangguhan diakui hanya jika kemungkinan jumlah penghasilan kena pajak di masa depan akan memadai untuk dikompensasi dengan perbedaan temporer yang masih dapat dimanfaatkan dan rugi fiskal yang masih dapat dimanfaatkan.

Aset dan liabilitas pajak penghasilan tangguhan dapat saling hapus apabila terdapat hak yang berkekuatan hukum untuk melakukan saling hapus antara aset pajak kini dengan liabilitas pajak kini dan apabila aset dan liabilitas pajak penghasilan tangguhan dikenakan oleh otoritas perpajakan yang sama, baik atas entitas kena pajak yang sama ataupun berbeda dan adanya niat untuk melakukan penyelesaian saldo-saldo tersebut secara neto.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

v. Taxation *(continued)*

Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of the amounts expected to be paid to the tax authorities.

Deferred income tax is provided, using the balance sheet liability method, on temporary differences which arise from the difference between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and and tax losses carried forward can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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2. KEBIJAKAN AKUNTANSI PENTING (lanjutan)

w. Laba per Saham

Laba per saham dasar dihitung dengan membagi laba bersih yang tersedia bagi pemegang saham Perseroan dengan jumlah rata-rata tertimbang saham biasa yang beredar pada tahun berjalan.

Laba per saham dilusian dihitung dengan membagi laba bersih yang diatribusikan kepada pemilik entitas induk dengan jumlah rata-rata tertimbang saham biasa yang telah disesuaikan dengan dampak dari semua efek berpotensi saham biasa yang dilutif.

x. Dividen

Pembagian dividen final diakui sebagai liabilitas ketika dividen tersebut disetujui Rapat Umum Pemegang Saham Perseroan. Pembagian dividen interim diakui sebagai liabilitas ketika dividen disetujui berdasarkan keputusan rapat Direksi dan persetujuan Dewan Komisaris telah diperoleh serta sudah diumumkan kepada publik.

y. Pelaporan Segmen

Segmen operasi dilaporkan dengan cara yang konsisten dengan pelaporan internal yang diberikan kepada pengambil keputusan operasi utama. Pengambil keputusan operasi utama, yang bertanggung jawab mengalokasikan sumber daya dan menilai kinerja segmen operasi, telah diidentifikasi sebagai komite pengarah yang mengambil keputusan strategis.

3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING

Estimasi dan pertimbangan yang digunakan dalam mempersiapkan laporan keuangan dievaluasi secara berkala berdasarkan pengalaman historis dan faktor-faktor lainnya, termasuk ekspektasi dari kejadian-kejadian di masa depan yang mungkin terjadi. Hasil aktual dapat berbeda dengan jumlah yang diestimasi. Estimasi dan asumsi yang mempunyai pengaruh signifikan terhadap jumlah tercatat atas aset dan liabilitas diungkapkan dibawah ini.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

w. Earnings per Share

Basic earnings per share are computed by dividing profit attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is computed by dividing net profit attributable to the owners of the Company by the weighted average number of shares outstanding as adjusted for the effects of all dilutive potential ordinary shares.

x. Dividends

Final dividend distributions are recognised as a liability when the dividends are approved in the Company's General Meeting of the Shareholders. Interim dividend distributions are recognised as a liability when the dividends are approved by a Board of Directors' resolution, approval has been obtained from the Board of Commissioners and a public announcement has been made.

y. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The estimates and judgements used in preparing the financial statements are evaluated regularly based on historical experience and other factors, including expected future events that may occur. Actual results may differ from these estimates. The estimates and assumptions that have a significant effect on the carrying amount of assets and liabilities are disclosed below.

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3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Akuisisi entitas anak

Proses awal atas akuisisi entitas anak melibatkan identifikasi dan penentuan nilai wajar yang akan dialokasikan untuk aset, liabilitas dan liabilitas kontinjensi yang dapat diidentifikasi dari entitas yang diakuisisi. Nilai wajar aset tetap dan aset takberwujud ditentukan oleh penilai independen dengan mengacu pada harga pasar atau nilai sekarang dari arus kas bersih yang diharapkan dari aset tersebut.

Setiap perubahan dalam asumsi dan estimasi yang digunakan dalam menentukan nilai wajar akan berdampak pada jumlah tercatat dari aset dan liabilitas ini liabilitas ini.

Penyusutan dan amortisasi

Manajemen menentukan estimasi masa manfaat, beban penyusutan dan beban amortisasi dari aset tetap dan aset takberwujud yang dimiliki Grup.

Manajemen akan menyesuaikan beban penyusutan dan amortisasi jika masa manfaatnya berbeda dari estimasi sebelumnya atau manajemen akan menghapusbukukan atau melakukan penurunan nilai atas aset yang secara teknis telah usang atau aset non-strategis yang dihentikan penggunaannya atau dijual.

Penurunan nilai aset nonkeuangan

Grup melakukan tes penurunan nilai setiap tahun untuk *goodwill*. Aset nonkeuangan lainnya ditelaah untuk penurunan nilai apabila terdapat kejadian atau perubahan keadaan yang mengindikasikan bahwa jumlah tercatat aset melebihi nilai yang dapat diperoleh kembali. Nilai yang dapat diperoleh kembali suatu aset atau unit penghasil kas ditentukan berdasarkan yang lebih tinggi antara harga jual bersih dan nilai pakai, yang dihitung berdasarkan asumsi dan estimasi manajemen. Perubahan asumsi penting, termasuk asumsi tingkat diskonto atau tingkat pertumbuhan dalam proyeksi arus kas dan asumsi harga, dapat memengaruhi perhitungan nilai yang dapat diperoleh kembali secara material.

Penurunan nilai piutang usaha

Grup menghitung KKE piutang usaha dan piutang lain-lain. Tingkat provisi adalah berdasarkan hari jatuh tempo atas kelompok segmen pelanggan yang mempunyai karakteristik risiko kredit yang serupa.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

Acquisitions of subsidiaries

The initial process on the acquisition of subsidiary involves identifying and determining the fair values to be assigned to the identifiable assets, liabilities and contingent liabilities of the acquired entities. The fair values of fixed assets and intangible assets are determined by independent valuers by reference to market prices or present value of expected net cash flows from the assets.

Any changes in the assumptions used and estimates made in determining the fair values will impact the carrying amount of these assets and liabilities.

Depreciation and amortisation

Management determines the estimated useful lives, related depreciation and amortisation charges for the Group's fixed assets and intangibles assets.

Management will revise the depreciation and amortisation charge where useful lives are different to those previously estimated, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

Impairment of non-financial assets

The Group tests annually whether goodwill suffered any impairment. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash generating unit is determined based on the higher of its fair value less costs to sell and its value in use, calculated on the basis of management's assumptions and estimates. Changing the key assumptions, including the discount rates or the growth rate assumptions in the cash flow projections and price assumptions, could materially affect the calculations of recoverable amount.

Impairment of trade receivables

The Group calculate ECL for trade receivables and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar credit risk characteristics.

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3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Penurunan nilai piutang usaha (lanjutan)

Grup menyesuaikan pengalaman kerugian kredit historis dengan infomasi *forward-looking*. Sebagai contoh, jika prakiraan atas kondisi ekonomi diperkirakan memburuk selama periode/tahun depan, yang dapat menyebabkan meningkatnya jumlah gagal bayar, tingkat gagal bayar historis disesuaikan. Pada setiap tanggal pelaporan, tingkat gagal bayar historis diperbaharui dan perubahan estimasi *forward-looking* dianalisis.

Penilaian atas korelasi antara tingkat gagal bayar historis yang diobservasi, prakiraan atas kondisi ekonomi dan KKE merupakan estimasi yang signifikan. Jumlah KKE paling dipengaruhi oleh perubahan keadaan dan prakiraan kondisi ekonomi. Pengalaman kerugian kredit historis Grup dan prakiraan kondisi ekonomi juga mungkin tidak menggambarkan gagal bayar aktual pelanggan di masa yang akan datang.

Liabilitas imbalan kerja

Nilai kini liabilitas imbalan kerja tergantung pada sejumlah faktor yang ditentukan dengan menggunakan asumsi aktuaria. Asumsi yang digunakan dalam menentukan biaya bersih untuk pensiun termasuk tingkat pengembalian jangka panjang yang diharapkan atas aset program yang sama dan relevan, tingkat kenaikan gaji di masa datang dan tingkat diskonto. Setiap perubahan dalam asumsi ini akan berdampak pada nilai tercatat liabilitas imbalan kerja.

Perpajakan

Grup beroperasi di bawah peraturan perpajakan di Indonesia. Pertimbangan yang signifikan diperlukan untuk menentukan provisi pajak penghasilan badan dan pajak lainnya. Apabila keputusan final atas pajak tersebut berbeda dari jumlah yang pada awalnya dicatat, perbedaan tersebut akan dicatat di laba rugi pada periode dimana hasil tersebut dikeluarkan.

Sewa

Penentuan apakah suatu perjanjian mengandung unsur sewa membutuhkan pertimbangan yang cermat untuk menilai apakah perjanjian tersebut memberikan hak untuk mendapatkan secara subtansial seluruh manfaat ekonomi dari penggunaan aset identifikasian dan hak untuk mengarahkan penggunaan aset identifikasian, bahkan jika hak tersebut tidak dijabarkan secara eksplisit di perjanjian.

3. *CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS* *(continued)*

Impairment of trade receivables (continued)

The Group adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next period/year, which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates and forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined by using actuarial assumptions. The assumptions used in determining the net cost for pensions include the same and relevant rate for expected long-term rate of return on plan assets, future salary increase and the discount rate. Any changes in these assumptions will impact the carrying amount of employee benefit obligations.

Taxation

The Group operates under the tax regulations in Indonesia. Significant judgement is required in determining the provision for corporate income taxes and other taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will be recorded in profit or loss in the period in which such determination is made.

Lease

Determining whether an arrangement is or contains a lease requires careful judgement to assess whether the arrangement conveys a right to obtain substantially all the economic benefits from use of the asset throughout the period of use and right to direct the use of the asset, even if the right is not explicitly specified in the arrangement.

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3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Sewa (lanjutan)

Pembayaran sewa didiskontokan dengan menggunakan suku bunga pinjaman tambahan. Dalam menentukan suku bunga pinjaman tambahan, Grup mempertimbangkan faktor-faktor utama berikut: risiko kredit korporasi Grup, jangka waktu sewa, jangka waktu pembayaran sewa, lingkungan ekonomi, waktu sewa dimulai, dan mata uang yang digunakan untuk pembayaran sewa.

4. KOMBINASI BISNIS

Pada tanggal 31 Januari 2019, Perseroan melalui entitas anak, SIIB melakukan akuisisi 80,64% saham PT Solusi Bangun Indonesia Tbk (sebelumnya PT Holcim Indonesia Tbk) ("SBI") perusahaan terbuka yang berdomisili di Jakarta dan bergerak dalam bidang produksi semen dengan nilai USD 916,9 juta atau setara dengan Rp12.926.876. Akuisisi ini dilakukan dalam rangka memperkuat posisi di pasar domestik.

Pada bulan April 2019, SIIB telah melakukan penawaran tender wajib sebagai mana yang dipersyaratkan oleh Peraturan Otoritas Jasa Keuangan ("POJK") dengan nilai Rp2.838.365 sehingga kepemilikan SIIB di SBI menjadi 98,31%.

Nilai wajar aset dan liabilitas SBI yang dapat diidentifikasi pada tanggal akuisisi adalah sebagai berikut:

3. *CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS* *(continued)*

Lease (continued)

The lease payments are discounted using the incremental borrowing rate. In determining incremental borrowing rate, the Group considers the following main factors: the Groups corporate credit risk, the lease term, the lease payment term, the economic environment, the time at which the lease is entered into, and the currency in which the lease payments are denominated.

4. BUSINESS COMBINATION

On 31 January 2019, the Company through subsidiary entity, SIIB acquired 80.64% shares of PT Solusi Bangun Indonesia Tbk (previously PT Holcim Indonesia Tbk) ("SBI"), a listed company based in Jakarta and engages in producing of cement amounting to USD 916.9 million or equivalent to Rp12,926,876. The acquisition of SBI is to strengthen domestic market position.

In April 2019, SIIB conducted mandatory tender offers as required by Peraturan Otoritas Jasa Keuangan ("POJK") with a value of Rp2,838,365 so that the ownership of SIIB in SBI became 98.31%.

The fair value of the identifiable assets and liabilities of SBI as at the date of acquisition were:

	Nilai wajar yang diakui pada saat tanggal akuisisi/ *Fair value recognised on acquisition date*	
Kas dan setara kas	305.639	*Cash and cash equivalents*
Aset lancar lain-lain	2.341.138	*Other current assets*
Aset tetap	25.330.178	*Fixed assets*
Goodwill	1.024.193	*Goodwill*
Aset takberwujud	2.321.691	*Intangible assets*
Aset pajak tangguhan	21.417	*Deferred tax assets*
Aset tidak lancar lainnya	272.567	*Other non-current assets*
Liabilitas jangka pendek dan jangka panjang lainnya	(11.692.953)	*Other current and non-current liabilities*
Liabilitas pajak tangguhan	(3.788.359)	*Deferred tax liabilities*
Liabilitas kontijensi	(401.303)	*Contingent liabilities*
Kepentingan nonpengendali	(253.406)	*Non-controlling interests*
Jumlah harga perolehan	**15.480.802**	*Total purchase price*
Aset indemnifikasi	284.439	*Indemnification assets*
Kas dan setara kas yang diperoleh	(305.639)	*Cash and cash equivalent acquired*
Arus kas keluar atas akuisisi	**15.459.602**	*Cash outflows from acquisitions*

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4. KOMBINASI BISNIS (lanjutan)

Nilai wajar aset dan liabilitas SBI yang dapat diidentifikasi tersebut ditentukan berdasarkan laporan penilaian yang diterbitkan oleh KJPP Firman Suryantoro, Sugeng, Suzy, Hartomo dan Rekan, penilai independen, dalam laporannya tertanggal 21 Juni 2019.

Selama tahun 2019, sejak tanggal akuisisi, SBI memiliki kontribusi pendapatan sebesar Rp10.214.306 dan laba tahun berjalan sebesar Rp856.762 Jika akuisisi telah terjadi sejak awal tahun, pendapatan konsolidasian akan menjadi Rp41.299.388 dan laba tahun berjalan menjadi sebesar Rp2.165.849.

Biaya terkait akuisisi sebesar Rp146.054 telah dibebankan pada laba rugi tahun 2018.

***4. BUSINESS COMBINATION** (continued)*

The fair value of the identifiable assets and liabilities of SBI are determined based on an appraisal report issued by KJPP Firman Suryantoro, Sugeng, Suzy, Hartomo & Rekan, an independent valuer, in its report dated 21 June 2019.

During 2019, from the date of acquisition, SBI has contributed revenue of Rp10,214,306 and profit for the year of Rp856,762 If the combination had taken place at the beginning of the year, the consolidated revenue would have been Rp41,299,388 and the consolidated profit for the year would have been Rp2,165,849.

The acquisition-related cost of Rp146,054 have been expensed in 2018 profit or loss.

5. KAS DAN SETARA KAS / ***5. CASH AND CASH EQUIVALENTS***

	2020	2019	
Kas	23.055	16.716	*Cash on hand*
Kas pada bank	2.160.434	2.798.451	*Cash in banks*
Deposito berjangka dan *call deposits*	747.109	1.135.281	*Time and call deposits*
Jumlah	**2.930.598**	**3.950.448**	*Total*

a. Kas pada bank / ***a. Cash in banks***

	2020	2019
Pihak berelasi/*Related parties*:		
Rupiah:		
PT Bank Negara Indonesia (Persero) Tbk	914.533	984.653
PT Bank Mandiri (Persero) Tbk	372.849	972.761
PT Bank Rakyat Indonesia (Persero) Tbk	67.738	75.181
Lain-lain/*Others* (masing-masing di bawah/*each below* Rp 3.000)	521	1.072
	1.355.641	2.033.667
USD:		
PT Bank Mandiri (Persero) Tbk	304.458	262.264
PT Bank Negara Indonesia (Persero) Tbk	121.882	109.238
Lain-lain/*Others* (masing-masing di bawah/*each below* Rp 3.000)	99	98
	426.439	371.600
EUR:		
PT Bank Mandiri (Persero) Tbk	15.704	5.197
PT Bank Negara Indonesia (Persero) Tbk	6.573	-
Lain-lain/*Others* (masing-masing di bawah/*each below* Rp 3.000)	199	2.396
	22.476	7.593
Dolar Singapura/Singapore Dollar ("SGD"):		
PT Bank Mandiri (Persero) Tbk	31	36
	1.804.587	2.412.896

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5. KAS DAN SETARA KAS (lanjutan)

5. *CASH AND CASH EQUIVALENTS* *(continued)*

a. Kas pada bank (lanjutan)

a. Cash in banks *(continued)*

	2020	2019
Pihak ketiga/*Third parties*:		
Rupiah:		
PT Bank CIMB Niaga Tbk	97.419	43.477
PT Bank Central Asia Tbk	69.445	37.078
Standard Chartered Bank	62.287	93.492
PT Bank DKI	14.200	91.326
PT Bank Permata Tbk	10.404	6.216
Sumitomo Mitsui Indonesia	3.301	9.654
PT Bank Maybank Indonesia Tbk	232	5.988
PT Bank Bukopin Tbk	155	4.371
PT Bank Danamon Indonesia Tbk	88	8.807
PT Bank ICBC Indonesia	54	17.234
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	5.170	2.806
	262.755	320.449
USD:		
Standard Chartered Bank	39.164	36.451
BNP Paribas	-	3.288
Bank for Investment and Development of Cambodia Plc	-	4.731
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	1.384	1.158
	40.548	45.628
EUR:		
Standard Chartered Bank	41.843	-
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	634	3.125
	42.477	3.125
VND:		
Bank for Investment and Development of Vietnam	8.601	-
Bank for Investment and Development of Cambodia Plc	-	8.255
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	1.466	8.098
	10.067	16.353
	355.847	385.555
Jumlah kas pada bank/*Total cash in banks*	**2.160.434**	**2.798.451**

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5. KAS DAN SETARA KAS (lanjutan) / ***5. CASH AND CASH EQUIVALENTS** (continued)*

b. Deposito berjangka dan *call deposits* / ***b. Time and call deposits***

	2020	2019
Pihak berelasi/*Related parties*:		
Rupiah:		
PT Bank Negara Indonesia (Persero) Tbk	234.274	471.472
PT Bank Rakyat Indonesia (Persero) Tbk	109.458	159.100
PT Bank Mandiri (Persero) Tbk	68.625	61.658
PT Bank Tabungan Negara (Persero) Tbk	8.000	80.000
PT Bank Syariah Mandiri	-	10.000
	420.357	782.230
USD:		
PT Bank Negara Indonesia (Persero) Tbk	-	180.713
PT Bank Mandiri (Persero) Tbk	-	69.505
	-	250.218
	420.357	1.032.448
Pihak ketiga/*Third parties*:		
Rupiah:		
PT Bank Pembangunan Daerah Jawa Timur Tbk	300.000	-
PT Bank Syariah Bukopin	20.000	39.500
PT Bank Bukopin Tbk	6.720	27.300
PT Bank Central Asia Tbk	-	24.000
PT Bank Syariah Mega Indonesia	-	7.000
PT Bank Kesejahteraan Ekonomi	-	5.000
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	32	33
	326.752	102.833
Jumlah deposito berjangka dan *call deposits* / *Total time and call deposits*	**747.109**	**1.135.281**

Suku bunga tahunan atas deposito berjangka dan *call deposits* adalah sebagai berikut:

Annual interest rates on time and call deposits are as follows:

	2020	2019	
Rupiah	3,25% - 6,75%	3,40% - 8,00%	*Rupiah*
USD	-	2,50% - 3,00%	*USD*

Lihat Catatan 30 untuk rincian informasi mengenai pihak berelasi.

Refer to Note 30 for details information of related parties.

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6. PIUTANG USAHA / *6. TRADE RECEIVABLES*

	2020	2019	
Pihak berelasi:			*Related parties:*
Rupiah	1.504.867	1.533.090	*Rupiah*
Dikurangi:			*Less:*
Penyisihan penurunan nilai	(53.653)	(39.218)	*Provision for impairment*
	1.451.214	**1.493.872**	
Pihak ketiga:			*Third parties:*
Rupiah	4.883.638	5.172.844	*Rupiah*
USD	147.931	140.230	*USD*
VND	31.991	30.860	*VND*
	5.063.560	5.343.934	
Dikurangi:			*Less:*
Penyisihan penurunan nilai	(737.520)	(347.945)	*Provision for impairment*
	4.326.040	**4.995.989**	
Jumlah	**5.777.254**	**6.489.861**	*Total*

Umur piutang usaha adalah sebagai berikut: / *The aging of trade receivables is as follows:*

	2020	2019	
Lancar	4.058.462	4.275.088	*Current*
Lewat jatuh tempo:			*Overdue:*
1 - 45 hari	317.500	735.781	*1 - 45 days*
46 - 135 hari	455.353	515.314	*46 - 135 days*
136 - 365 hari	653.361	495.498	*136 - 365 days*
Lebih dari 365 hari	1.083.751	855.343	*Over 365 days*
Jumlah	**6.568.427**	**6.877.024**	*Total*

Mutasi penyisihan penurunan nilai piutang adalah sebagai berikut: / *The movement of provision for impairment of receivables is as follows:*

	2020	2019	
Saldo awal	387.163	140.403	*Beginning balance*
Penyesuaian saldo awal sehubungan dengan penerapan PSAK 71	389.489	-	*Adjustment of beginning balance related to application of PSAK 71*
Akuisisi entitas anak	-	62.443	*Acquisition of a subsidiary*
Penyisihan penurunan nilai piutang usaha	14.521	184.317	*Provision for impairment of trade receivables*
Saldo akhir	**791.173**	**387.163**	*Ending balance*

Manajemen berkeyakinan bahwa penyisihan atas penurunan nilai piutang usaha tersebut cukup untuk menutup risiko kerugian dari tidak tertagihnya piutang usaha. / *Management believes that the provision for impairment of trade receivables is adequate to cover risk of losses on uncollectible trade receivables.*

Lihat Catatan 30 untuk rincian informasi mengenai pihak berelasi. / *Refer to Note 30 for details information of related parties.*

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7. PERSEDIAAN / *7. INVENTORIES*

	2020	2019	
Barang jadi	1.001.610	776.046	*Finished goods*
Barang dalam proses	735.041	693.291	*Work in process*
Bahan baku dan penolong	1.211.897	1.536.375	*Raw and indirect materials*
Barang dalam perjalanan	90.558	109.968	*Goods in transit*
Suku cadang	1.757.594	1.761.366	*Spare parts*
	4.796.700	4.877.046	
Dikurangi:			*Less:*
Penyisihan persediaan usang dan bergerak lambat	(248.875)	(235.400)	*Provision for obsolete and slow moving inventories*
Jumlah	**4.547.825**	**4.641.646**	*Total*

Mutasi penyisihan persediaan usang dan bergerak lambat adalah sebagai berikut:

The movement in the provision for obsolete and slow moving inventories is as follows:

	2020	2019	
Saldo awal	235.400	161.474	*Beginning balance*
Akuisisi entitas anak	-	93.879	*Acquisitions of a subsidiary*
Penambahan/(pembalikan), bersih	13.475	(19.953)	*Additions/(reversal), net*
Saldo akhir	**248.875**	**235.400**	*Ending balance*

Manajemen Grup berkeyakinan bahwa penyisihan persediaan usang dan bergerak lambat telah mencukupi untuk menutup kemungkinan kerugian yang timbul dari persediaan usang dan bergerak lambat.

The management of the Group believes that the provision for obsolete and slow moving inventories is adequate to cover possible losses from obsolete and slow moving inventories.

Pada tanggal 31 Desember 2020, persediaan sebesar Rp1.518.732 dijadikan jaminan atas pinjaman tertentu (Catatan 14).

As at December 31, 2020, inventories of Rp1,518,732 were pledged as collateral for certain borrowings (Note 14).

Pada tanggal 31 Desember 2020, persediaan senilai Rp4,266,304 telah diasuransikan terhadap risiko kerugian yang disebabkan oleh bencana alam, kebakaran, dan risiko kerugian lainnya dengan nilai pertanggungan sebesar Rp1.848.051.

As at December 31, 2020, inventories amounted to Rp4,266,304 are covered by insurance against the risk of loss due to natural disaster, fire, and other risks with a total coverage of Rp1,848,051.

Manajemen berpendapat bahwa, nilai pertanggungan asuransi tersebut telah memadai untuk menutupi kerugian yang mungkin timbul dari risiko-risiko tersebut.

Management believes that the insurance coverage is adequate to cover possible losses arising from such risks.

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8. PERPAJAKAN / *8. TAXATION*

a. Pajak dibayar dimuka / *a. Prepaid taxes*

	2020	2019	
Pajak penghasilan badan			***Corporate Income Tax***
Perseroan			***The Company***
Pasal 28a			*Article 28a*
- 2017	-	432.329	*2017* -
- 2016	-	59.060	*2016* -
	-	491.389	
Entitas anak			***Subsidiaries***
Pasal 28	30.754	34.122	*Article 28*
Pasal 28a	14.140	12.639	*Article 28a*
	44.894	46.761	
	44.894	538.150	
Entitas anak			***Subsidiaries***
Pajak Pertambahan Nilai	440.090	160.086	*Value Added Tax*
Lain-lain	115.536	65.642	*Others*
	555.626	225.728	
Jumlah	**600.520**	**763.878**	*Total*

b. Tagihan pengembalian pajak / *b. Claim for tax refund*

	2020	2019	
Tagihan pengembalian pajak:			***Claims for tax refund:***
Perseroan			***The Company***
- Pajak penghasilan badan	491.389	-	*Corporate income tax* -
Entitas anak			***Subsidiaries***
- Pajak penghasilan badan	161.355	299.367	*Corporate income tax* -
- Pajak lain-lain	194.271	143.766	*Other taxes* -
	355.626	443.133	
Jumlah	**847.015**	**443.133**	*Total*

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8. PERPAJAKAN (lanjutan) / ***8. TAXATION*** *(continued)*

c. Utang pajak / ***c. Taxes payable***

	2020	2019	
Pajak penghasilan badan			***Corporate income tax***
Perseroan			***The Company***
Pasal 29	105.864	93.850	*Article 29*
Entitas anak			***Subsidiaries***
Pasal 29	94.955	232.658	*Article 29*
	200.819	326.508	
Pajak lain-lain			***Other Taxes***
Perseroan			***The Company***
Pajak Penghasilan:			*Income Taxes:*
- Pasal 21	16.929	9.704	*Article 21* -
- Pasal 22	31.069	8.470	*Article 22* -
- Pasal 23 dan 26	2.611	2.122	*Articles 23 and 26* -
- Final	280	1.709	*Final* -
Pajak Pertambahan Nilai	242.550	111.251	*Value Added Tax*
	293.439	133.256	
Entitas anak			***Subsidiaries***
Pajak Penghasilan:			*Income Taxes:*
- Pasal 21	35.332	28.284	*Article 21* -
- Pasal 22	7.388	8.390	*Article 22* -
- Pasal 23 dan 26	4.406	38.318	*Articles 23 and 26* -
- Final	1.326	1.318	*Final* -
Pajak Bumi dan Bangunan	3.279	1.475	*Land and Building Tax*
Pajak Pertambahan Nilai	1.710	66.676	*Value Added Tax*
Lainnya	13.863	21.405	*Others*
	67.304	165.866	
	360.743	299.122	
Jumlah	**561.562**	**625.630**	*Total*

Perseroan ditunjuk sebagai Wajib Pungut Pajak Penghasilan Pasal 22 dan Pajak Pertambahan Nilai masing-masing pada tanggal 9 Juni 2015 dan 20 Juni 2012.

The Company was appointed as an Income Tax Article 22 and Value Added Tax collector on 9 June 2015 and 20 June 2012, respectively.

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8. PERPAJAKAN (lanjutan)

d. Beban pajak penghasilan

Beban pajak Grup terdiri dari:

***8. TAXATION** (continued)*

d. Income tax expense

Tax expense of the Group consists of the following:

	2020	2019	
Perseroan			***The Company***
Kini	353.475	293.858	*Current*
Tangguhan	147.277	2.224	*Deferred*
Subjumlah	500.752	296.082	*Subtotal*
Entitas anak			***Subsidiaries***
Kini	554.490	689.679	*Current*
Tangguhan	(358.368)	(231.850)	*Deferred*
Penyesuaian tahun sebelumnya	117.433	70.631	*Prior year adjustment*
Subjumlah	313.555	528.460	*Subtotal*
Konsolidasian			***Consolidated***
Kini	907.965	983.537	*Current*
Tangguhan	(211.091)	(229.626)	*Deferred*
Penyesuaian tahun sebelumnya	117.433	70.631	*Prior year adjustment*
Jumlah	**814.307**	**824.542**	***Total***

Berdasarkan Peraturan Pemerintah No. 30/2020, perseroan terbuka yang memenuhi syarat-syarat tertentu berhak memperoleh penurunan tarif pajak penghasilan sebesar 3,0% dari tarif pajak penghasilan yang berlaku. Perseroan telah memenuhi syarat-syarat tersebut dan telah menerapkan penurunan tarif pajak tersebut.

Based on the Government Regulation No. 30/2020, public listed entities which meet certain requirements are entitled to a 3.0% tax rate reduction from the applicable tax rates. The Company has complied with these requirements and has applied for such reduction.

Rekonsiliasi pajak atas laba sebelum pajak Grup secara teoritis dengan beban pajak penghasilan adalah sebagai berikut:

Reconciliation of theoretical tax amount on the Group profit before tax to the income tax as follows:

	2020	2019	
Laba konsolidasian sebelum beban pajak penghasilan	3.488.650	3.195.775	*Consolidated profit before income tax expense*
Pajak dihitung dengan tarif pajak yang berlaku	767.503	798.944	*Tax calculated at applicable tax rate*
Penghasilan kena pajak final	(47.097)	(54.456)	*Income subject to final tax*
Beban yang tidak dapat dikurangkan	283.867	159.004	*Non-deductible expenses*
Perbedaan tarif pajak Perseroan dengan entitas anak	(256.423)	(239.826)	*Differences in tax rate of the Company and subsidiaries*
Aset pajak tangguhan yang tidak diakui dan dihentikan pengakuannya	65.191	90.245	*Unrecognised and derecognised deferred tax assets*
Penyesuaian terkait perubahan tarif pajak penghasilan	(116.167)	-	*Adjustment related to changes in income tax rate*
Penyesuaian tahun sebelumnya	117.433	70.631	*Prior year adjustment*
	814.307	**824.542**	

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8. PERPAJAKAN (lanjutan)

d. Beban pajak penghasilan (lanjutan)

Rekonsiliasi antara laba sebelum pajak penghasilan dengan taksiran penghasilan kena pajak Perseroan untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

***8. TAXATION** (continued)*

***d. Income tax expense** (continued)*

The reconciliation of profit before income tax and estimated taxable income of the Company for the years ended 31 December 2020 and 2019 are as follows:

	2020	2019	
Laba konsolidasian sebelum beban pajak penghasilan	3.488.650	3.195.775	*Consolidated profit before income tax expense*
Laba entitas anak sebelum beban pajak penghasilan	(1.715.543)	(1.528.336)	*Subsidiaries' profit before income tax expense*
Bagian atas hasil bersih entitas asosiasi dan ventura bersama	52.889	1.793	*Share of result of associates and joint venture*
Disesuaikan dengan eliminasi konsolidasi	1.153	(17.233)	*Adjusted for consolidation eliminations*
Laba sebelum pajak penghasilan Perseroan	1.827.149	1.651.999	*Profit before income tax - the Company*
Penyesuaian pajak:			***Tax adjustments:***
Beban yang tidak dapat dikurangkan	555.187	416.361	*Non-deductible expenses*
Penghasilan kena pajak final	(177.785)	(215.047)	*Income subject to final tax*
Perbedaan penyusutan dan amortisasi fiskal dan komersial	(509.523)	(698.373)	*Difference between fiscal and commercial depreciation and amortisation*
Sewa	(23.479)	-	*Lease*
Liabilitas imbalan kerja	163.204	278.012	*Employee benefits liabilities*
Penyisihan persediaan usang dan bergerak lambat	8.655	26.325	*Provision for obsolete and slow moving inventories*
Cadangan penurunan nilai piutang usaha	3.049	-	*Provision for impairment of trade receivable*
Provisi lainnya	13.937	10.014	*Other provisions*
	33.245	(182.708)	
Penghasilan kena pajak - Perseroan	1.860.394	1.469.291	*Taxable income - the Company*
Beban pajak penghasilan Perseroan - kini	353.475	293.858	*Income tax expense of the Company - current*
Pembayaran pajak dimuka Perseroan	(247.611)	(200.008)	*Prepayment of income taxes of the Company*
Utang pajak penghasilan - Perseroan	**105.864**	**93.850**	*Income tax payable - the Company*

Dalam laporan keuangan konsolidasian ini, jumlah penghasilan kena pajak tahun 2020 didasarkan atas perhitungan sementara, karena Perseroan belum menyampaikan Surat Pemberitahuan Tahunan ("SPT") pajak penghasilan badan.

In these consolidated financial statements, the amount of taxable income for the year 2020 is based on preliminary calculations, as the Company has not submitted its annual corporate income tax return.

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8. PERPAJAKAN (lanjutan)

8. TAXATION (continued)

e. Aset dan liabilitas pajak tangguhan

e. Deferred tax assets and liabilities

	2020					
	Saldo awal/ *Beginning balance*	Dampak penerapan standar akuntansi baru/ *Impact of adoption new accounting standard*	Dikreditkan/ (dibebankan) ke laporan laba rugi/ *Credited/ (charged) to profit or loss*	Dikreditkan ke penghasilan komprehensif lain/ *Credited to other comprehensive income*	Saldo akhir/ *Ending balance*	
Aset pajak tangguhan - bersih						***Deferred tax assets, net***
Perseroan						***The Company***
Aset tetap	183.199	-	(89.554)	-	93.645	*Fixed assets*
Sewa	-	-	(374)	-	(374)	*Leases*
Aset takberwujud	27.795	-	(10.896)	-	16.899	*Intangible assets*
Penyisihan persediaan usang dan bergerak lambat	22.969	-	(3.905)	-	19.064	*Provision for obsolete and slow moving inventories*
Penyisihan penurunan nilai piutang usaha	1.754	-	255	-	2.009	*Provision for impairment of trade receivables*
Liabilitas imbalan kerja jangka panjang	160.121	-	(14.651)	18.918	164.388	*Long-term employee benefits liabilities*
Lain-lain	107.259	-	(28.152)	-	79.107	*Others*
	503.097	-	(147.277)	18.918	374.738	
Entitas anak						***Subsidiaries***
Aset tetap	(77.023)	-	22.157	-	(54.866)	*Fixed assets*
Sewa	(5.977)	-	(3.987)	-	(9.964)	*Leases*
Aset takberwujud	(12.201)	-	3.338	-	(8.863)	*Intangible assets*
Penyisihan persediaan usang dan bergerak lambat	679	-	243	-	922	*Provision for obsolete and slow moving inventories*
Penyisihan penurunan nilai piutang usaha	39.969	58.473	(17.557)	-	80.885	*Provision for impairment of trade receivables*
Liabilitas imbalan kerja jangka panjang	54.037	-	(94.113)	80.092	40.016	*Long-term employee benefits liabilities*
Akumulasi rugi fiskal	126.748	-	(28.522)	-	98.226	*Accumulated fiscal loss*
Lain-lain	28.933	-	1.952	-	30.885	*Others*
	155.165	58.473	(116.489)	80.092	177.241	
Jumlah aset pajak tangguhan - bersih	658.262	58.473	(263.766)	99.010	551.979	*Total deferred tax assets - net*
Liabilitas pajak tangguhan - bersih						***Deferred tax liabilities - net***
Entitas anak						***Subsidiaries***
Aset tetap	(3.342.722)	-	(24.088)	-	(3.366.810)	*Fixed assets*
Sewa	(9.315)	-	11.724	-	2.409	*Leases*
Aset takberwujud	(573.625)	-	(108.355)	-	(681.980)	*Intangible assets*
Penyisihan persediaan usang dan bergerak lambat	21.810	-	(5.125)	-	16.685	*Provisions for obsolete and slow moving inventories*
Penyisihan penurunan nilai piutang usaha	45.517	-	(24.363)	-	21.154	*Provision for impairment of trade receivables*
Liabilitas imbalan kerja jangka panjang	353.985	-	(101.956)	-	252.029	*Long-term employee benefits liabilities*
Akumulasi rugi fiskal	28.174	-	(28.174)	-	-	*Accumulated fiscal loss*
Lain-lain	(362.231)	-	755.194	-	392.963	*Others*
Total liabilitas pajak tangguhan - bersih	(3.838.407)	-	474.857	-	(3.363.550)	*Total deferred tax liabilities - net*
Manfaat pajak tangguhan - bersih		**58.473**	**211.091**	**99.010**		***Deferred tax benefit - net***

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8. PERPAJAKAN (lanjutan) / ***8. TAXATION*** *(continued)*

e. Aset dan liabilitas pajak tangguhan (lanjutan) / ***e. Deferred tax assets and liabilities*** *(continued)*

	2019					
	Saldo awal/ *Beginning balance*	Dikreditkan/ (dibebankan) ke laporan laba rugi/ *Credited/ (charged) to profit or loss*	Dikreditkan ke penghasilan komprehensif lain/ *Credited to other comprehensive income*	Akuisisi entitas anak/ *Acquisition of a subsidiary*	Saldo akhir/ *Ending balance*	
Aset pajak tangguhan - bersih						***Deferred tax assets, net***
Perseroan						***The Company***
Aset tetap	270.137	(86.938)	-	-	183.199	*Fixed assets*
Aset sewa	57	(57)	-	-	-	*Lease assets*
Aset takberwujud	31.612	(3.817)	-	-	27.795	*Intangible assets*
Penyisihan persediaan usang dan bergerak lambat	17.704	5.265	-	-	22.969	*Provision for obsolete and slow moving inventories*
Penyisihan penurunan nilai piutang usaha	1.754	-	-	-	1.754	*Provision for impairment of trade receivables*
Liabilitas imbalan kerja jangka panjang	137.023	21.562	1.536	-	160.121	*Long-term employee benefits liabilities*
Lain-lain	45.832	61.427	-	-	107.259	*Others*
	504.119	(2.558)	1.536	-	503.097	
Entitas anak						***Subsidiaries***
Aset tetap	9.850	(86.873)	-	-	(77.023)	*Fixed assets*
Aset sewa	(5.487)	(490)	-	-	(5.977)	*Lease assets*
Aset takberwujud	(15.596)	3.395	-	-	(12.201)	*Intangible assets*
Penyisihan persediaan usang dan bergerak lambat	183	496	-	-	679	*Provision for obsolete and slow moving inventories*
Penyisihan penurunan nilai piutang usaha	10.427	29.542	-	-	39.969	*Provision for impairment of trade receivables*
Liabilitas imbalan kerja jangka panjang	17.822	35.956	259	-	54.037	*Long-term employee benefits liabilities*
Akumulasi rugi fiskal	25.849	100.899	-	-	126.748	*Accumulated fiscal loss*
Lain-lain	15.442	(7.926)	-	21.417	28.933	*Others*
	58.490	74.999	259	21.417	155.165	
Jumlah aset pajak tangguhan - bersih	562.609	72.441	1.795	21.417	658.262	*Total deferred tax assets - net*
Liabilitas pajak tangguhan - bersih						***Deferred tax liabilities - net***
Entitas anak						***Subsidiaries***
Aset tetap	(654.975)	551.431	-	(3.239.178)	(3.342.722)	*Fixed assets*
Aset sewa	(9.409)	94	-	-	(9.315)	*Lease assets*
Aset takberwujud	-	-	-	(573.625)	(573.625)	*Intangible assets*
Penyisihan persediaan usang dan bergerak lambat	18.924	2.886	-	-	21.810	*Provisions for obsolete and slow moving inventories*
Penyisihan penurunan nilai piutang usaha	14.684	30.833	-	-	45.517	*Provision for impairment of trade receivables*
Liabilitas imbalan kerja jangka panjang	182.271	171.714	-	-	353.985	*Long-term employee benefits liabilities*
Akumulasi rugi fiskal	42.336	(14.162)	-	-	28.174	*Accumulated fiscal loss*
Lain-lain	198.936	(585.611)	-	24.444	(362.231)	*Others*
Total liabilitas pajak tangguhan - bersih	**(207.233)**	**157.185**	**-**	**(3.788.359)**	**(3.838.407)**	***Total deferred tax liabilities - net***
Manfaat pajak tangguhan - bersih		**229.626**	**1.795**	**(3.766.942)**		***Deferred tax benefit - net***

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8. PERPAJAKAN (lanjutan)

f. Surat ketetapan pajak

Pada tahun 2020, Grup telah menerima beberapa surat ketetapan pajak untuk berbagai tahun pajak. Grup menyetujui sebagian ketetapan pajak tersebut dan telah membukukan tambahan beban sebesar Rp123.757 (2019: Rp100.694) dalam laba rugi.

Atas jumlah sisanya, Grup telah mengajukan keberatan dan banding. Pada tanggal 31 Desember 2020, jumlah ketetapan pajak yang masih dalam proses keberatan dan banding adalah sebagai berikut:

***8. TAXATION** (continued)*

f. Tax assessments

In 2020, the Group has received a number of assessments for various tax years. The Group has accepted a portion of these assessments and booked an additional expenses amounting Rp123,757 (2019: Rp100,694) in profit or loss.

For the remaining amounts, the Group has filed objections and appeals. As at 31 December 2020, the amount of assessments in the process of objection and appeal were as follows:

	2020	2019	
Pajak penghasilan badan	1.399.328	1.268.597	*Corporate income tax*
Pajak lain-lain	319.464	578.870	*Other taxes*
	1.718.792	**1.847.467**	

g. Perubahan tarif pajak

Pada 31 Maret 2020, Pemerintah Indonesia menerbitkan Peraturan Pemerintah No. 1/2020 tentang kebijakan keuangan negara dan stabilitas sistem keuangan untuk penanganan pandemi *Coronavirus disease 2019* ("COVID-19") dan dalam menghadapi ancaman yang membahayakan stabilitas keuangan nasional. Peraturan ini antara lain mengatur penyesuaian tarif pajak penghasilan badan menjadi 22% untuk tahun pajak 2020 dan 2021 serta 20% untuk tahun pajak 2022 dan seterusnya. Sedangkan berdasarkan peraturan direktur jenderal pajak nomor PER-08/PJ/2020 untuk perusahaan perseroan yang memenuhi persyaratan yang diatur pada pasal 3 ayat 2, tarif pajak penghasilan badan disesuaikan menjadi 19% untuk tahun pajak 2020 dan 2021 serta 17% untuk tahun pajak 2022 dan seterusnya.

Aset dan liabilitas pajak tangguhan pada tanggal 31 Desember 2020 telah dihitung dengan memperhitungkan tarif pajak yang diharapkan berlaku pada saat pajak tangguhan direalisasi atau diselesaikan.

g. Tax rates changes

On 31 March 2020, the Indonesian Government issued Government Regulation No. 1/2020 concerning state financial policies and financial system stability for handling the Coronavirus disease 2019 (the "COVID-19") pandemic and in facing threats that endanger the national financial stability. This regulation, among others, regulates the adjustment of corporate income tax rate to become 22% for the fiscal years of 2020 and 2021 and 20% for the 2022 fiscal year onward. Meanwhile, based on the regulation of the director general of tax number PER-08 / PJ / 2020 for corporate companies that meet the requirements stipulated in Article 3 paragraph 2, the corporate income tax rate is adjusted to become 19% for the fiscal year of 2020 and 2021 and 17% for the 2022 fiscal year onward.

Deferred tax assets and liabilities as at 31 December 2020 have been calculated taking into account tax rates expected to be prevailing at the related deferred tax are realised or settled.

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9. KAS YANG DIBATASI PENGGUNAANNYA / *9. RESTRICTED CASH*

	2020	2019
Pihak berelasi/*Related parties*:		
Rupiah:		
PT Bank Negara Indonesia (Persero) Tbk	2.975	1.453
PT Bank Mandiri (Persero) Tbk	2.760	3.216
PT Bank Rakyat Indonesia (Persero) Tbk	478	3.600
	6.213	8.269
Pihak ketiga/*Third parties*:		
Rupiah:		
PT Bank Pembangunan Daerah Jawa Timur Tbk	49.132	44.938
PT Bank Pembangunan Daerah Jawa Tengah	4.149	4.149
PT Bank Aceh Syariah	1.070	-
	54.351	49.087
Jumlah/*Total*	**60.564**	**57.356**

Kas yang dibatasi penggunaannya merupakan dana yang ditempatkan sebagai jaminan biaya rehabilitasi dan restorasi tanah tambang, jaminan atas fasilitas pinjaman Grup.

Restricted cash are used as guarantee of quarry rehabilitation and restoration, collateral required in relation to the Group's credit borrowing facilities.

10. INVESTASI PADA ENTITAS ASOSIASI / *10. INVESTMENT IN ASSOCIATES*

Nama entitas asosiasi/ *Name of associates*	Aktivitas utama/ *Principal activity*	*Lokasi usaha/ Business Location*	Persentase kepemilikan/ *Percentage of ownership* 2020	2019	Saldo/ *Balance* 2020	2019
PT Swadaya Graha	Kontraktor dan persewaan alat berat/ *Contractor and lessor of heavy equipment*	Gresik	33,06%	33,06%	35.133	89.001
PT Mitra Kiara Indonesia	Distributor bahan bangunan/ *Distributor building material*	Jakarta	20,00%	20,00%	-	-
PT Igasar	Distributor semen/*Cement distributor*	Padang	12,00%	12,00%	-	-
Jumlah / *Total*					**35.133**	**89.001**

Seluruh entitas asosiasi dicatat dengan menggunakan metode ekuitas dalam laporan keuangan konsolidasian ini.

All of the above associates are accounted for using the equity method in these consolidated financial statements.

Persentase kepemilikan pada PT Igasar kurang dari 20% namun kepemilikan tersebut diklasifikasi sebagai investasi pada entitas asosiasi karena Grup mempunyai pengaruh signifikan pada PT Igasar melalui Koperasi Karyawan Semen Padang.

The percentage ownership in PT Igasar is less than 20%, but such ownership is classified as investment in associate as the Group has significant influence on PT Igasar through Koperasi Karyawan Semen Padang.

Ringkasan laporan posisi keuangan PT Swadaya Graha pada tanggal 31 Desember 2020 dan 2019 serta rekonsiliasinya dengan jumlah tercatat atas kepentingan Grup pada PT Swadaya Graha adalah sebagai berikut:

Summarised statements of financial position of PT Swadaya Graha as at December 31, 2020 and 2019 and the reconciliation with the carrying amount of the Group's interest in PT Swadaya Graha are as follows:

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10. INVESTASI PADA ENTITAS ASOSIASI (lanjutan) ***10. INVESTMENT IN ASSOCIATES** (continued)*

	2020	2019	
Aset lancar	646.274	792.356	*Current assets*
Aset tidak lancar	190.962	116.033	*Non-current assets*
Jumlah Aset	**837.236**	**908.389**	***Total Assets***
Liabilitas jangka pendek	740.831	698.987	*Current liabilities*
Liabilitas jangka panjang	77.642	56.941	*Non-current liabilities*
Jumlah Liabilitas	**818.473**	**755.928**	***Total Liabilities***
Persentase kepemilikan efektif	33,06%	33,06%	*Percentage of effective ownership*
Bagian Grup atas aset bersih entitas asosiasi	6.203	50.404	*The Group's share of the net asset of associates*
Penyesuaian metode ekuitas	28.930	38.597	*Equity method adjustments*
Nilai catat bagian Grup	**35.133**	**89.001**	***Carrying amount of the Group's interest***

Ringkasan laporan laba rugi dan penghasilan komprehensif lain PT Swadaya Graha untuk tahun yang berakhir pada 31 Desember 2020 dan 2019 adalah sebagai berikut:

Summarised statements of profit or loss and other comprehensive PT Swadaya Graha for the years ended December 31, 2020 and 2019 are as follows:

	2020	2019	
Pendapatan	312.001	925.344	*Revenue*
Beban	(523.343)	(913.525)	*Expenses*
(Rugi)/laba tahun berjalan	(211.342)	11.819	*Profit (loss) for the year*
(Rugi)/penghasilan komprehensif lain tahun berjalan setelah pajak	(2.064)	5.163	*Other comprehensive (loss)/income for the year, net of tax*
Jumlah (rugi)/penghasilan komprehensif tahun berjalan	(213.406)	16.982	*Total comprehensive (loss)/income for the year*
Dividen yang dibayarkan	-	5.614	*Dividend paid*

Informasi diatas adalah jumlah sebelum eliminasi antar entitas.

The information above is the amount before inter-company eliminations.

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11. PROPERTI INVESTASI / *11. INVESTMENT PROPERTIES*

	2020					
	Saldo awal/ *Beginning balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassification*	Saldo akhir/ *Ending balance*	
Biaya perolehan						***Acquisition cost***
Tanah	3.716	-	-	-	3.716	*Land*
Bangunan dan prasarana	234.906	-	(752)	-	234.154	*Buildings and infrastructure*
Jumlah	**238.622**	**-**	**(752)**	**-**	**237.870**	*Total*
Akumulasi penyusutan						***Accumulated depreciation***
Bangunan dan prasarana	119.020	8.909	(161)	-	127.768	*Buildings and infrastructure*
Jumlah	**119.020**	**8.909**	**(161)**	**-**	**127.768**	*Total*
Nilai tercatat neto	**119.602**				**110.102**	*Net carrying amount*

	2019					
	Saldo awal/ *Beginning balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassification*	Saldo akhir/ *Ending balance*	
Biaya perolehan						***Acquisition cost***
Tanah	3.716	-	-	-	3.716	*Land*
Bangunan dan prasarana	232.597	2.309	-	-	234.906	*Buildings and infrastructure*
Jumlah	**236.313**	**2.309**	**-**	**-**	**238.622**	*Total*
Akumulasi penyusutan						***Accumulated depreciation***
Bangunan dan prasarana	104.270	14.750	-	-	119.020	*Buildings and infrastructure*
Jumlah	**104.270**	**14.750**	**-**	**-**	**119.020**	*Total*
Nilai buku neto	**132.043**				**119.602**	*Net book value*

Hak atas tanah Grup berupa Sertifikat Hak Guna Bangunan ("SHGB"). SHGB memiliki masa berlaku hingga tahun 2044. Manajemen berpendapat bahwa SHGB tersebut dapat diperpanjang.

The Group's land represents land-use rights ("SHGB"). The SHGB will expire until 2044. Management believes that the SHGB are extendable.

Beban penyusutan untuk tahun yang berakhir pada 31 Desember 2020 dan 2019 masing-masing sebesar Rp8.748 dan Rp14.750 dicatat sebagai beban pokok pendapatan.

Depreciation expense for year ended December 31, 2020 and 2019 amounting to Rp8,748 and Rp14,750, respectively, were recorded under cost of revenue.

Pada tanggal 31 Desember 2020 dan 2019, nilai wajar properti investasi masing-masing sebesar Rp917.374 and Rp740.036.

As at December 31, 2020 and 2019, fair value of investment properties amounted to Rp917,374 and Rp740,036, respectively.

Pada tanggal 31 Desember 2020, properti investasi telah diasuransikan dengan jumlah pertanggungan sebesar Rp277.112.

As at December 31, 2020, investment properties were insured with total coverage of Rp277,112.

Manajemen berpendapat bahwa jumlah pertanggungan asuransi tersebut telah memadai untuk menutup kemungkinan kerugian atas aset yang diasuransikan.

Management believes that the insurance coverage is adequate to cover possible losses on the assets insured.

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12. ASET TETAP / *12. FIXED ASSETS*

	2020						
	Saldo awal/ *Beginning balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassifications*	Selisih kurs/ *Foreign exchange*	Saldo akhir/ *Ending balance*	
Harga perolehan:							***Acquisition cost:***
Kepemilikan langsung							*Direct ownership*
Tanah	4.873.810	-	(122.325)	143.434	-	4.894.919	*Land*
Tanah pertambangan	1.960.587	9.796	(78)	(88.211)	-	1.882.094	*Mining properties*
Bangunan, jalan, jembatan dan pelabuhan	17.820.676	25.169	(25.210)	291.325	21.139	18.133.099	*Buildings, roads, bridges and harbors*
Mesin	44.509.900	166.520	(32.263)	806.961	41.618	45.492.736	*Machinery*
Alat-alat berat dan kendaraan	2.785.361	37.218	(58.230)	93.640	209	2.858.198	*Heavy equipment and vehicles*
Perlengkapan dan peralatan kantor	1.256.617	22.770	(730)	122.540	70	1.401.267	*Furniture and office equipment*
Aset dalam pembangunan:							*Construction in progress:*
Tanah	128.952	26.720	(789)	(55.222)	-	99.661	*Land*
Bangunan, jalan, jembatan dan pelabuhan	909.593	156.574	(6.575)	(236.121)	1.054	824.525	*Buildings, roads, bridges and harbors*
Mesin	720.858	785.860	(2.290)	(1.004.515)	-	499.913	*Machinery*
Alat-alat berat dan kendaraan	15.223	4.762	(38)	(19.536)	-	411	*Heavy equipment and vehicles*
Perlengkapan	157.001	57.910	(684)	(114.689)	-	99.538	*Equipment*
	75.138.578	1.293.299	(249.212)	(60.394)	64.090	76.186.361	
Aset hak guna							*Right of use assets*
Tanah	179.118	57.212	-	-	-	236.330	*Land*
Bangunan	43.292	138.154	(536)	-	-	180.910	*Buildings*
Mesin	14.822	-	-	-	-	14.822	*Machinery*
Alat-alat berat dan kendaraan	999.137	314.419	(47.061)	5.802	-	1.272.297	*Heavy equipment and vehicles*
Perlengkapan dan peralatan kantor	57.037	12.385	(2.791)	-	-	66.631	*Furniture and office equipment*
	1.293.406	**522.170**	**(50.388)**	**5.802**	**-**	**1.770.990**	
Jumlah biaya perolehan	**76.431.984**	**1.815.469**	**(299.600)**	**(54.592)**	**64.090**	**77.957.351**	*Total acquisition cost*
Akumulasi penyusutan, deplesi dan penurunan nilai:							***Accumulated depreciatin, depletion, and impairment:***
Kepemilikan langsung							*Direct ownership*
Tanah pertambangan	142.647	30.711	(78)	-	-	173.280	*Mining properties*
Bangunan, jalan, jembatan dan pelabuhan	3.508.610	467.151	(12.528)	219	8.004	3.971.456	*Buildings, roads, bridges and harbors*
Mesin	12.593.626	1.752.921	(37.456)	-	24.656	14.333.747	*Machinery*
Alat-alat berat dan kendaraan	1.650.761	210.127	(54.419)	14.721	176	1.821.366	*Heavy equipment and vehicles*
Perlengkapan dan peralatan kantor	846.109	100.093	(678)	(91)	63	945.496	*Furniture and office equipment*
	18.741.753	**2.561.003**	**(105.159)**	**14.849**	**32.899**	**21.245.345**	
Aset hak guna							*Right of use assets*
Tanah	24.732	27.750	-	-	-	52.482	*Land*
Bangunan	-	37.291	(536)	-	-	36.755	*Buildings*
Mesin	-	5.156	-	-	-	5.156	*Machinery*
Alat-alat berat dan kendaraan	158.198	438.928	(44.255)	(14.849)	-	538.022	*Heavy equipment and vehicles*
Perlengkapan dan peralatan kantor	2.791	26.108	(2.791)	-	-	26.108	*Furniture and office equipment*
	185.721	**535.233**	**(47.582)**	**(14.849)**	**-**	**658.523**	
Jumlah akumulasi penyusutan, deplesi dan penurunan nilai	**18.927.474**	**3.096.236**	**(152.741)**	**-**	**32.899**	**21.903.868**	*Total accumulated depreciation, depletion and impairment*
Nilai buku bersih	**57.504.510**					**56.053.483**	*Net book value*

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12. ASET TETAP (lanjutan) / *12. FIXED ASSETS (continued)*

	2019							
	Saldo awal/ *Beginning balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassifications*	Selisih kurs/ *Foreign exchange*	Akuisisi entitas anak/ *Acquisition of subsidiary*	Saldo akhir/ *Ending balance*	
Biaya perolehan:								***Acquisition cost:***
Pemilikan Langsung								*Direct Ownership*
Tanah	847.284	-	(1.012)	(170.618)	-	4.321.695	4.997.349	*Land*
Tanah pertambangan	952.211	9.357	(40.824)	287.162	-	752.681	1.960.587	*Mining properties*
Bangunan, jalan, jembatan dan pelabuhan	12.226.300	21.821	(15.872)	528.463	(58.499)	5.118.461	17.820.675	*Buildings, roads, bridges and harbors*
Mesin	28.862.785	255.078	(50.537)	1.191.672	(100.030)	14.350.932	44.509.899	*Machinery*
Alat-alat berat dan kendaraan	2.664.430	38.436	(137.382)	59.341	(522)	161.058	2.785.361	*Heavy equipment and vehicles*
Perlengkapan dan peralatan kantor	1.094.611	18.356	(27.107)	62.476	(179)	108.460	1.256.617	*Furniture and office equipment*
Aset dalam pembangunan:								***Construction in progress:***
Tanah	69.762	42.553	(40)	16.676	-	2.356	131.307	*Land*
Bangunan, jalan, jembatan dan pelabuhan	407.135	385.792	(1)	(397.547)	(2.673)	229.293	621.999	*Buildings, roads, bridges and harbors*
Mesin	1.270.242	627.153	(763)	(1.205.836)	-	275.454	966.250	*Machinery*
Alat-alat berat dan kendaraan	25.381	103.384	-	(113.541)	-	-	15.224	*Heavy equipment and vehicles*
Perlengkapan	57.917	137.106	-	(9.250)	-	9.785	195.558	*Equipment*
Pabrik semen	190.803	-		(190.803)	-	-	-	*Cement plants*
	48.668.861	**1.639.035**	**(273.537)**	**58.195**	**(161.903)**	**25.330.175**	**75.260.827**	
Aset sewa pembiayaann								*Financial lease assets*
Bangunan						-	-	*Buildings*
Alat-alat berat dan kendaraan	646.359	28.699	(445.502)	11.270	-	-	240.826	*Heavy equipment and vehicles*
Perlengkapan dan peralatan kantor	36.151	1.292	-	(34.652)	-	-	2.791	*Furniture and office equipment*
	682.510	**29.991**	**(445.502)**	**(23.382)**	**-**	**-**	**243.617**	
	49.351.371	**1.669.026**	**(719.039)**	**34.813**	**(161.903)**	**25.330.175**	**75.504.444**	
Akumulasi penyusutan dan deplesi:								***Accumulated depreciation and depletion:***
Pemilikan Langsung								*Direct Ownership*
Tanah pertambangan	109.007	27.195	(70)	6.514	-	-	142.647	*Mining properties*
Bangunan, jalan, jembatan dan pelabuhan	3.098.630	681.982	(8.502)	7.969	(19.873)	(251.596)	3.508.610	*Buildings, roads, bridges and harbors*
Mesin	11.119.920	1.304.146	(40.882)	-	(41.154)	251.596	12.593.626	*Machinery*
Alat-alat berat dan kendaraan	1.587.753	209.412	(129.228)	(16.725)	(451)	(0)	1.650.761	*Heavy equipment and vehicles*
Perlengkapan dan peralatan kantor	740.600	95.304	(6.351)	16.725	(169)	-	846.109	*Furniture and office equipment*
	16.655.910	**2.318.040**	**(185.033)**	**14.483**	**(61.646)**	**(0)**	**18.741.753**	
Aset sewa pembiayaann								*Financial lease assets*
Bangunan							-	*Buildings*
Alat-alat berat dan kendaraan	287.649	26.047	(160.601)	5.103	-	-	158.198	*Heavy equipment and vehicles*
Perlengkapan dan peralatan kantor	15.862	-	-	(13.071)	-	-	2.791	*Furniture and office equipment*
	303.511	**26.047**	**(160.601)**	**(7.968)**	**-**	**-**	**160.989**	
Jumlah akumulasi penyusutan dan penurunan nilai	**16.959.421**	**2.344.086**	**(345.634)**	**6.515**	**(61.646)**	**(0)**	**18.902.742**	*Total accumulated depreciation and impairment*
Nilai buku bersih	**32.391.950**						**56.601.702**	***Net book value***

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12. ASET TETAP (lanjutan)

Dampak dari penerapan PSAK 73 terhadap rincian kelas aset adalah sebagai berikut:

12. *FIXED ASSETS* *(continued)*

The impact of PSAK 73 implementation to the details of asset class are as follows:

	Biaya perolehan/*Cost*			
		Penyesuaian PSAK 73/ *PSAK 73 adjustment*		Saldo awal yang disesuaikan/ *Adjusted beginning balance*
	01/01/2020	Penambahan/ *Additions*	Reklasifikasi/ *Reclassifications*	
Aset/*Assets*				
Tanah/*Land*	4.997.349	-	(123.539)	4.873.810
Aset sewa pembiayaan/*Finance lease asset*				
Alat-alat berat dan kendaraan/*Heavy equipment and vehicles*	240.826	-	(240.826)	-
Perlengkapan dan peralatan kantor/*Furniture and office equipment*	2.791	-	(2.791)	-
	5.240.966	-	(367.156)	4.873.810
Aset hak-guna/*Right-of-use assets*				
Tanah/*Land*	-	55.579	123.539	179.118
Bangunan/*Buildings*	-	43.292	-	43.292
Mesin/*Machinery*	-	14.822	-	14.822
Alat-alat berat dan kendaraan/*Heavy equipment and vehicles*	-	758.311	240.826	999.137
Perlengkapan dan peralatan kantor/*Furniture and office equipment*	-	54.246	2.791	57.037
	-	926.250	367.156	1.293.406

	Akumulasi penyusutan/*Accumulated depreciation*			
		Penyesuaian PSAK 73/ *PSAK 73 adjustment*		Saldo awal yang disesuaikan/ *Adjusted beginning balance*
	01/01/2020	Penambahan/ *Additions*	Reklasifikasi/ *Reclassifications*	
Aset sewa pembiayaan/*Finance lease asset*				
Alat-alat berat dan kendaraan/*Heavy equipment and vehicles*	(158.198)	-	158.198	-
Perlengkapan dan peralatan kantor/*Furniture and office equipment*	(2.791)	-	2.791	-
	(160.989)	-	160.989	-
Aset hak-guna/*Right-of-use assets*				
Tanah/*Land*	-	(24.732)	-	(24.732)
Alat-alat berat dan kendaraan/*Heavy equipment and vehicles*	-	-	(158.198)	(158.198)
Perlengkapan dan peralatan kantor/*Furniture and office equipment*	-	-	(2.791)	(2.791)
	-	(24.732)	(160.989)	(185.721)

Rincian kerugian pelepasan aset tetap adalah sebagai berikut:

Details of loss on disposal of fixed assets are as follows:

	2020	2019	
Hasil pelepasan aset tetap	74.249	6.708	*Net proceeds from disposal of fixed assets*
Nilai buku bersih	146.859	12.471	*Net book value*
Kerugian atas pelepasan aset tetap	**(72.610)**	**(5.763)**	***Loss on disposal of fixed assets***

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12. ASET TETAP (lanjutan)

12. *FIXED ASSETS* *(continued)*

Beban penyusutan dan kerugian penurunan nilai aset tetap dialokasikan sebagai berikut:

Depreciation expense and impairment loss of fixed assets were allocated as follows:

	2020	2019	
Beban pokok pendapatan	2.608.562	1.941.831	*Cost of revenue*
Beban penjualan, umum dan administrasi	487.674	402.257	*Selling, general and administration expenses*
Jumlah	**3.096.236**	**2.344.088**	*Total*

Lihat Catatan 13b untuk informasi kerugian penurunan nilai aset tetap sebesar Rp37.431 dari nilai buku sebesar Rp1.757.764 terkait TLCC.

Refer to Note 13b for the information of impairment loss of fixed assets amounting to Rp37,431 against the book value amounting to Rp1,757,764 related to TLCC.

Persentase penyelesaian aset dalam pembangunan pada tanggal 31 Desember 2020 berkisar antara 1% - 99% (2019: 2% – 99%) dari jumlah yang dianggarkan. Sebagian besar bangunan, mesin dan peralatan dalam penyelesaian diperkirakan akan selesai pada tahun 2021.

The percentage of completion for construction in progress as at December 31, 2020 ranges from 1% - 99% (2019: 2% – 99%) of total budgeted costs. Most of the buildings, machinery, and equipment under construction are estimated to be completed in 2021.

Jumlah tercatat aset tetap yang telah disusutkan penuh dan masih digunakan pada tanggal 31 Desember 2020 dan 2019 masing - masing sebesar Rp8.233.626 dan Rp7.986.168.

The carrying amount of fixed assets that are fully depreciated and still in used for production as at December 31, 2020 and 2019 amounted to Rp8,233,626 and Rp7,986,168, respectively.

Jumlah tercatat aset tetap yang tidak digunakan sementara untuk aktivitas operasi pada tanggal 31 Desember 2020 dan 2019 masing - masing adalah sebesar Rp42.562 dan Rp45.848.

The carrying amount of fixed assets which are not used in operations as at December 31, 2020 and 2019 amounted to Rp42,562 and Rp45,848, respectively.

Berdasarkan penilaian internal, nilai wajar aset tetap pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar Rp71.440.629 dan Rp72.891.439. Nilai wajar aset tetap diukur menggunakan input level 3.

Based on internal valuation, the fair value of fixed assets as of December 31, 2020 and 2019 amounted to Rp71,440,629 and Rp72,891,439 respectively. The fair value of the Group's fixed assets are measured using input level 3.

Pada tanggal 31 Desember 2020, aset tetap (kecuali tanah, tanah pertambangan, dan aset dalam pembangunan) telah diasuransikan dalam industrial special risk dan resiko lainnya dengan jumlah pertanggungan sebesar Rp71.359.292.

As at December 31, 2020, fixed assets (except land, quary, and assets under construction), were insured under industrial special risks and other risks with total coverage of Rp71,359,292.

Manajemen berpendapat bahwa jumlah pertanggungan asuransi tersebut memadai untuk menutup kemungkinan kerugian atas aset yang dipertanggungkan.

Management believes that the insurance coverage is adequate to cover possible losses on the assets insured.

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13. *GOODWILL* DAN ASET TAKBERWUJUD / *13. GOODWILL AND INTANGIBLE ASSETS*

	2020	2019	
Aset takberwujud	2.608.353	2.909.363	*Intangible assets*
Goodwill	1.353.342	1.350.696	*Goodwill*
Jumlah	**3.961.695**	**4.260.059**	***Total***

a. Aset takberwujud / a. *Intangible assets*

	2020						
	Saldo awal/ *Beginning balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassifications*	Selisih kurs/ *Foreign exchange*	Saldo akhir/ *Ending balance*	
Biaya perolehan:							***Acquisition cost:***
Lisensi	2.194.906	559	-	-	12.723	2.208.188	*Licenses*
Merek dagang	1.046.632	-	-	-	2.899	1.049.531	*Trademark*
Perangkat lunak komputer	225.098	4.777	(2.275)	(8.445)	-	219.155	*Computer software*
Pengurusan perpanjangan hak atas tanah	25.302	1.077	(783)	8.445	-	34.041	*Land rights renewal*
	3.491.938	**6.413**	**(3.058)**	**-**	**15.622**	**3.510.915**	
Akumulasi amortisasi dan penurunan nilai							***Accumulated amortisation and impairment***
Lisensi	197.853	210.178	-	-	1.696	409.727	*Licenses*
Merek dagang	167.465	101.159	-	-	1.546	270.170	*Trademark*
Perangkat lunak komputer	208.021	7.022	(2.275)	(397)	-	212.371	*Computer software*
Pengurusan perpanjangan hak atas tanah	9.236	790	(128)	397	-	10.295	*Land rights renewal*
	582.575	**319.149**	**(2.403)**	**-**	**3.242**	**902.563**	
Nilai buku bersih	**2.909.363**					**2.608.352**	*Net book value*

	2019							
	Saldo awal/ *Beginning balance*	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications	Akuisisi entitas anak/*Acquisition of a Subsidiary*	Selisih kurs/ Foreign exchange	Saldo akhir/ *Ending balance*	
Biaya perolehan:								***Acquisition cost:***
Lisensi	798.139	-	-	-	1.428.574	(31.807)	2.194.906	*Licenses*
Merek dagang	181.225	27	-	-	872.628	(7.248)	1.046.632	*Trademark*
Perangkat lunak komputer	180.232	2.089	-	-	43.489	(712)	225.098	*Computer software*
Pengurusan perpanjangan hak atas tanah	11.680	-	-	(613)	14.235	-	25.302	*Land rights renewal*
Hubungan pelanggan							-	*Customer relation*
	1.171.276	**2.116**	**-**	**(613)**	**2.358.926**	**(39.767)**	**3.491.938**	
Akumulasi amortisasi dan penurunan nilai:								***Accumulated amortisation and impairment:***
Lisensi	130.418	65.997	(177)	-	6.685	(5.070)	197.853	*Licenses*
Merek dagang	108.721	63.365	-	-	-	(4.621)	167.465	*Trademark*
Perangkat lunak komputer	173.394	6.375	-	-	28.961	(709)	208.021	*Computer software*
Pengurusan perpanjangan hak atas tanah	7.175	472	-	-	1.589	-	9.236	*Land rights renewal*
	419.708	**136.209**	**(177)**	**-**	**37.235**	**(10.400)**	**582.575**	
Nilai tercatat neto	**751.568**						**2.909.363**	*Net book value*

Lisensi dan merk dagang merupakan aset takberwujud yang diperoleh dari akusisi SBI, SILOG dan TLCC.

Trademark and licenses arising from acquisition of SBI, SILOG and TLCC.

Beban amortisasi dan kerugian penurunan nilai aset takberwujud dicatat pada masing-masing beban umum dan administrasi, dan beban pokok pendapatan.

Amortisation and impairment loss of intangible assets is recorded in general and administrative expenses and cost of revenue, respectively.

Lihat Catatan 13b untuk informasi kerugian penurunan nilai aset takberwujud sebesar Rp161.931 dari nilai buku sebesar Rp635.799 terkait TLCC. Beban penurunan nilai tersebut dicatat sebagai "beban pokok pendapatan" pada laba rugi tahun 2020.

Refer to Note 13b for the information of impairment loss of intangible assets amounting to Rp161,931 against the book value amounting to Rp635,799 related to TLCC. The impairment expense is recorded as "cost of revenue" in the 2020 profit or loss.

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13. *GOODWILL* DAN ASET TAKBERWUJUD (lanjutan) / ***13. GOODWILL AND INTANGIBLE ASSETS*** *(continued)*

b. *Goodwill* / ***b. Goodwill***

	2020	2019	
Saldo awal	1.350.696	333.119	*Beginning balance*
Akuisisi entitas anak	-	1.024.193	*Acquisition of subsidiary*
Selisih kurs	2.646	(6.616)	*Foreign exchange*
Jumlah tercatat	**1.353.342**	**1.350.696**	*Carrying amount*

Goodwill timbul dari akuisisi SBI, TLCC, SILOG dan VUB.

Goodwill was arising from acquisition of SBI, TLCC, SILOG and VUB.

Pengujian penurunan nilai atas *goodwill* dilakukan setiap tahun dan ketika terdapat suatu indikasi bahwa nilai tercatatnya mengalami penurunan nilai.

Goodwill is tested for impairment annually and when circumstances indicate the carrying value may be impaired.

Manajemen telah menunjuk KJPP Ruky, Safrudin dan Rekan, penilai independen, untuk menilai nilai yang dapat terpulihkan dari *goodwill* tersebut. Nilai terpulihkan tersebut telah ditelaah dengan mengacu pada nilai pakai unit penghasil kas.

Management has appointed KJPP Ruky, Safrudin dan Rekan, an independent appraiser, to assess the recoverable value of the goodwill. The recoverable value has assessed by reference to the cash-generating unit's value-in-use.

Nilai terpulihkan dari nilai pakai unit penghasil kas ditentukan dengan menggunakan pendekatan pendapatan (metode arus kas yang didiskontokan). Nilai tersebut berada dalam kategori pengukuran nilai wajar Level 3.

The recoverable amount of the cash-generating unit's value-in-use has been determined using the income approach (a discounted cash flows method). The value is within the category of fair value measurement Level 3.

Asumsi kunci yang digunakan dalam perhitungan pendekatan pendapatan sebagai berikut:

Key assumptions used in the income approach calculation were as follows:

	SBI		TLCC		SILOG		
	2020	2019	2020	2019	2020	2019	
Volume Penjualan (% tingkat pertumbuhan tahunan)	4,88% - 9,34%	2% - 7%	4%	7% - 11%	3% - 5,47%	2%	*Sales volume (% annual growth rate)*
Harga Penjualan (% tingkat pertumbuhan tahunan)	2,7% - 2,91%	2,45% - 3,5%	2%	1% - 3%	0%	3%	*Sales price (% annual growth rate)*
Tingkat diskonto	11%	11.45%	9%	9%	9,55% - 9,67%	9.28%	*Discount rate*

Berdasarkan penelaahan tersebut, tidak ada penurunan nilai *goodwill* pada 31 Desember 2020 (2019: Rp Nihil).

Based on the assessment, there is no impairment of goodwill in December 31, 2020 (2019: Rp Nil).

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14. PINJAMAN / *14. BORROWINGS*

a. Pinjaman jangka pendek / *a. Short-term borrowings*

	2020	2019
Pihak berelasi/*Related parties*:		
Rupiah		
PT Bank Negara Indonesia (Persero) Tbk	343.073	788.269
PT Bank Mandiri (Persero) Tbk	47.831	391.423
	390.904	1.179.692
VND		
Bank for Investment and Development of Vietnam	62.485	24.262
Ho Chi Minh City Development Joint-Stock Commercial Bank	42.597	4.229
Sapa Vietnam Joint Stock Company	-	3.733
	105.082	32.224
Jumlah pinjaman jangka pendek/*Total short-term borrowings*	**495.986**	**1.211.916**

Bank	Jatuh tempo fasilitas/ *Maturity of facility*	Jumlah fasilitas/ *Total facility*	Suku bunga/ *Interest rate*
PT Bank Mandiri (Persero) Tbk - National Pooling	20 Maret/*March 20,* 2021	Rp 2,4 triliun/*trillion*	Lembaga Penjamin Simpanan + 2,00%
PT Bank Negara Indonesia (Persero) Tbk - National Pooling	25 September/*Septemrber 25*, 2021	Rp 2,6 triliun/*trillion*	Lembaga Penjamin Simpanan + 2,00%
Ho Chi Minh City Development Joint Stock Commercial Bank	15 Mei/*May 15,* 2021	VND 100 miliar/*billion*	6,40%
Bank for Investment and Development of Vietnam	16 September/*Septemrber* 16, 2021	VND 240 miliar/*billion*	6,60%
PT Bank Mandiri (Persero) Tbk	5 Oktober/*October 5,* 2021	Rp 5 miliar/*billion*	8,00%

Fasilitas-fasilitas ini digunakan untuk membiayai modal kerja, belanja modal dan keperluan pendanaan umum lainnya.

The facilities are used to finance working capital funding requirements, capital expenditures and for other general corporate funding purposes.

Pada tanggal 31 Desember 2020, persediaan (Catatan 7) sebesar Rp1.518.732 dijadikan jaminan atas pinjaman tertentu.

As at December 31, 2020, inventories (Note 7) of Rp1,518,732 were pledged as collateral for certain borrowings.

Dalam perjanjian pinjaman tersebut, diatur beberapa pembatasan yang harus dipenuhi oleh Grup, antara lain untuk memperoleh persetujuan tertulis dari pemberi pinjaman sebelum melakukan transaksi tertentu seperti mengadakan penggabungan usaha, pengambilalihan, likuidasi atau perubahan pembatasan dalam pemberian pinjaman kepada pihak ketiga, dan kepatuhan terhadap rasio-rasio keuangan tertentu.

In the borrowing agreements, there are several restrictions that have to be fulfilled by the Group, such as to obtain written approval from lenders before entering into certain transactions such as mergers, takeovers, liquidation or change in status restrictions on provide borrowing to third parties, and requirement to comply with certain financial ratios.

Pada tanggal 31 Desember 2020, Grup telah memenuhi batasan-batasan yang diwajibkan dalam semua perjanjian-perjanjian fasilitas pinjaman tersebut.

As at December 31, 2020, the Group was in compliance with the covenants required in all of these borrowing facility agreements.

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14. PINJAMAN (lanjutan) / ***14. BORROWINGS** (continued)*

b. Pinjaman bank jangka panjang / ***b. Long-term bank loans***

	2020	2019
Pihak berelasi/*Related parties*:		
Rupiah		
Pinjaman sindikasi/*syndicated loan* -		
PT Bank Negara Indonesia (Persero) Tbk	14.850.000	15.700.000
PT Bank Negara Indonesia (Persero) Tbk	-	1.734.942
PT Bank Rakyat Indonesia (Persero) Tbk	-	2.612
	14.850.000	17.437.554
Pihak ketiga/*Third parties*:		
Rupiah		
PT Bank Permata Tbk	500.000	500.000
PT Bank Maybank Indonesia Tbk	-	1.045.897
PT Bank CIMB Niaga Tbk	-	700.000
	500.000	2.245.897
EUR		
KfW	-	116.110
	500.000	2.362.007
	15.350.000	19.799.561
Biaya transaksi yang belum diamortisasi/ *Unamortised transaction cost*	(61.695)	(87.313)
	15.288.305	19.712.248
Bagian jangka pendek/ *Current portion*	(1.100.000)	(2.052.348)
Bagian jangka panjang/*Non-current portion*	**14.188.305**	**17.659.900**

Informasi lain mengenai pinjaman bank tanggal 31 Desember 2020 adalah sebagai berikut:

Other information relating to bank loans as at December 31, 2020 are as follows:

Bank	Jatuh tempo fasilitas/ *Maturity of facility*	Jumlah fasilitas/ *Total facility*	Suku bunga/ *Interest rate*
Pinjaman Sindikasi/*Syndicated loan*			
PT Bank Negara Indonesia (Persero) Tbk	22 Juli/*July 22,* 2026	Rp 9,35 triliun/*trillion*	3 Month JIBOR + 1,85%
PT Bank Permata Tbk	26 September/*September* 26, 2022	Rp 0,5 triliun/*trillion*	3 Month JIBOR + 2,00%
Pinjaman Sindikasi/*Syndicated loan*			
PT Bank Negara Indonesia (Persero) Tbk	12 Desember/*December 12,* 2025	Rp 8 triliun/*trillion*	3 Month JIBOR + 2,00%

Dalam perjanjian pinjaman tersebut, diatur beberapa pembatasan yang harus dipenuhi oleh Grup, antara lain untuk memperoleh persetujuan tertulis dari pemberi pinjaman sebelum melakukan transaksi tertentu seperti mengadakan penggabungan usaha, pengambilalihan, likuidasi atau perubahan pembatasan dalam pemberian pinjaman kepada pihak ketiga, dan kepatuhan terhadap rasio-rasio keuangan tertentu.

In the borrowing agreements, there are several restrictions that have to be fulfilled by the Group, such as to obtain written approval from lenders before entering into certain transactions such as mergers, takeovers, liquidation or change in status restrictions on provide borrowing to third parties, and requirement to comply with certain financial ratios.

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14. PINJAMAN (lanjutan) / ***14. BORROWINGS** (continued)*

b. Pinjaman bank jangka panjang (lanjutan) / ***b. Long-term bank loans** (continued)*

Pada tanggal 31 Desember 2020, Grup telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian-perjanjian fasilitas pinjaman tersebut.

As at December 31, 2020, the Group was in compliance with the covenants required in all of these borrowing facility agreements.

Pinjaman bank jangka panjang tidak dijamin dengan aset tertentu yang dimiliki Grup.

Long-term banks loan were not collateraised by any specific Group assets.

c. Utang obligasi / ***c. Bonds payable***

	2020	2019	
Pokok pinjaman	7.078.000	7.078.000	*Loan principal*
Biaya transaksi yang belum diamortisasi	(8.771)	(12.655)	*Unamortized transaction costs*
	7.069.229	7.065.345	

Rincian dari utang obligasi adalah sebagai berikut:

Details of bonds are as follows:

Obligasi/ *Bonds*	Peringkat/ *Rating*	Jumlah/ *Total*	Suku bunga/ *Interest rate*	Wali amanat/ *Trustee*	Jadwal pembayaran/ *Repayment schedule*
2020 dan/ *and* 2019					
Obligasi berkelanjutan/*Public Offering Shelf Bond* I Semen Indonesia:					
- Tahap/*Shelf* I 2017	idAA	3.000.000	8,6%	PT Bank Tabungan Negara (Persero) Tbk	20 Juni/*June* 2022
- Tahap/*Shelf* II 2019 A	idAA	3.364.000	9,0%	PT Bank Tabungan Negara (Persero) Tbk	28 Mei/*May* 2024
- Tahap/*Shelf* II 2019 B	idAA	714.000	9,1%	PT Bank Tabungan Negara (Persero) Tbk	28 Mei/*May* 2026

Utang obligasi tersebut ditujukan untuk pembiayaan kembali pinjaman bank dan modal kerja dalam rangka pembiayaan operasional.

The bonds are intended for refinancing of bank loans and working capital for operational funding.

Grup diharuskan untuk memenuhi beberapa persyaratan, antara lain untuk memperoleh persetujuan sebelum melakukan transaksi tertentu seperti mengadakan penggabungan usaha, pengambilalihan, dan menjaminkan aset atau pendapatannya dengan pengecualian secara khusus; pembatasan dalam mengubah aktivitas utama dan harus mematuhi rasio-rasio keuangan tertentu.

The Group is required to comply with certain covenants, such as to obtain approval before entering into certain transactions such as mergers, takeovers, and collateralising assets or revenue with certain exceptions; restrictions on change in core business activities, and required to comply with certain financial ratios.

Pada tanggal 31 Desember 2020, Grup telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian penerbitan obligasi tersebut.

As at December 31, 2020, the Group was in compliance with the covenants required in all of these bonds.

Utang obligasi tidak dijamin dengan aset tertentu yang dimiliki oleh Grup.

Bonds payable was not collateralised by any specific Group assets.

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14. PINJAMAN (lanjutan)

d. Liabilitas sewa

Pembayaran sewa pembiayaan minimum di masa mendatang, serta nilai kini atas pembayaran minimum sewa pembiayaan pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

***14. BORROWINGS** (continued)*

d. Lease liabilities

Future minimum lease payments under finance leases together with the present value of the minimum lease payments as of 31 December 2020 and 2019 were as follows:

	2020	2019	
Liabilitas sewa bruto - pembayaran sewa minimum			*Gross lease liabilities - minimum lease payments*
Tidak lebih dari 1 tahun	553.700	29.405	*No later than 1 year*
Lebih dari 1 tahun dan kurang dari 5 tahun	582.440	26.737	*Later than 1 year and no later than 5 years*
Lebih dari 5 tahun	131.919	-	*Later than 5 years*
	1.268.059	56.142	
Beban keuangan di masa depan atas sewa	(167.170)	(3.704)	*Future finance charges on leases*
Nilai kini liabilitas sewa	1.100.889	52.438	*Present value of lease liabilities*
Nilai kini liabilitas sewa adalah sebagai berikut:			*The present value of lease liabilities is as follows:*
Tidak lebih dari 1 tahun	514.429	27.981	*No Later than 1 year*
Lebih dari 1 tahun dan kurang dari 5 tahun	507.846	24.457	*Later than 1 year and no later than 5 years*
Lebih dari 5 tahun	78.614	-	*Later than 5 years*
	1.100.889	52.438	

Tidak ada pembatasan signifikan yang ditetapkan oleh *lessor* dalam perjanjian sewa pembiayaan dengan Grup terkait dengan penggunaan aset atau pencapaian kinerja keuangan tertentu.

There is no significant restriction imposed by lease arrangements between lessor and the Group on use of the assets or maintenance of certain financial performance.

Pembayaran sewa variabel

Beberapa sewa berisi ketentuan pembayaran variabel yang terkait dengan jasa sewa kapal, dan sewa alat berat, yang pembayarannya dihitung berdasarkan jumlah tonase, meter kubik dan lainnya. Biaya yang berkaitan dengan pembayaran sewa variabel tidak termasuk dalam kewajiban sewa sebesar Rp1.255.699

Total pembayaran sewa selama tahun 2020 adalah sebesar Rp1.927.923.

Variable lease payment

Some leases contain variable payment terms that are linked to shipping rental and heavy equipment rental whereby payments are calculated based on tonnage, cubic metre, etc. Expense relating to variable lease payments not included in lease liabilities amounting to Rp1,255,699.

Total lease payment for lease in 2020 amounting to Rp1,927,923.

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14. PINJAMAN (lanjutan)

e. Informasi lainnya

Mutasi pinjaman adalah sebagai berikut:

***14. BORROWINGS** (continued)*

e. Other information

The movements in borrowings are as follows:

	2020					
	Pinjaman jangka pendek/ *Short-term borrowings*	Pinjaman bank/ *Bank loans*	Utang obligasi/ *Bonds payable*	Liabilitas sewa/ *Lease liabilities*	Jumlah/ *Total*	
Saldo awal	1.211.916	19.712.248	7.065.345	52.438	28.041.947	*Beginning balance*
Penyesuaian saldo awal atas penerapan PSAK 73	-	-	-	879.180	879.180	*Opening balance adjustment upon application of PSAK 73*
Arus kas:						*Cash flow:*
Penerimaan pinjaman	3.677.059	1.650.000	-	-	5.327.059	*Proceeds from borrowings*
Pembayaran kembali pinjaman	(4.392.989)	(6.099.130)	-	(364.899)	(10.857.018)	*Repayments of borrowings*
Perubahan nonkas:						*Non-cash movements:*
Penyesuaian selisih kurs	-	-	-	12.000	12.000	*Foreign exchange adjustments*
Penambahan aset hak-guna	-	-	-	522.170	522.170	*Addition of right of use assets*
Biaya transaksi	-	25.617	3.884	-	29.501	*Transaction cost*
Lainnya	-	(430)	-	-	(430)	*Others*
Saldo akhir	495.986	15.288.305	7.069.229	1.100.889	23.954.409	*Ending balance*

	2019					
	Pinjaman jangka pendek/ *Short-term borrowings*	Pinjaman bank/ *Bank loans*	Utang obligasi/ *Bonds payable*	Liabilitas sewa/ *Lease liabilities*	Jumlah/ *Total*	
Saldo awal	1.551.659	4.694.219	2.994.902	361.680	9.602.460	*Beginning balance*
Arus kas:						*Cash flow:*
Penerimaan pinjaman	6.451.326	33.214.334	4.078.000	-	43.743.660	*Proceeds from borrowings*
Pembayaran kembali pinjaman	(8.506.886)	(25.109.036)	-	(337.938)	(33.953.860)	*Repayments of borrowings*
Perubahan nonkas:						*Non-cash movements:*
Akuisisi entitas anak	1.715.817	6.931.537	-	-	8.647.354	*Acquisition of a subsidiary*
Biaya transaksi	-	-	(12.655)	-	(12.655)	*Transaction cost*
Acrue bunga	-	(18.806)	-	-	(18.806)	*Acrued interest*
Lainnya	-	-	5.098	28.696	33.794	*Others*
Saldo akhir	1.211.916	19.712.248	7.065.345	52.438	28.041.947	*Ending balance*

15. DANA *SYIRKAH* TEMPORER

Dana *syirkah* temporer merupakan dana yang diterima oleh Grup, berdasarkan fasilitas pembiayaan atas dasar akad musyarakah dengan PT Bank Syariah Mandiri, PT Bank CIMB Niaga Tbk, dan PT Bank BRI Syariah Tbk ("Bank") di tahun 2019. Berdasarkan akad ini Grup dan Bank melakukan kerjasama dengan nilai kerjasama sebesar Rp34.736.295, dimana porsi pembiayaan Grup dan Bank adalah masing-masing sebesar Rp32.736.295 dan Rp2.000.000, dengan nisbah bagi hasil setara Jibor 3 bulan + 1,85% yang dibayarkan tiap 3 bulan.

Dalam akad tersebut, bagian dana Bank akan menurun sejalan dengan pembayaran bertahap per 6 bulan kepada Bank sampai dengan Juli 2026.

15. TEMPORARY SYIRKAH FUNDS

Temporary syirkah funds is the fund received by Group, based on the financing facility of musyarakah with PT Bank Syariah Mandiri, PT Bank CIMB Niaga Tbk, dan PT Bank BRI Syariah Tbk ("Bank") in 2019. Based on the agreement, the Group and the Bank agree to conduct a joint partnership of amounting to Rp34,736,295, where the portion of fund invest by the Group and Bank is amounting to Rp32,736,295 and Rp2,000,000, respectively with predetermined profit sharing ratio ranging equivalent to JIBOR 3 months + 1,85% which will be paid every 3 months.

Under the agreement, the Bank's portion will be diminished as the Group will gradually make 6 monthly installments to the Bank until July 2026.

15. DANA *SYIRKAH* TEMPORER (lanjutan)

Dalam perjanjian tersebut, diatur beberapa pembatasan yang harus dipenuhi oleh Grup, antara lain untuk memperoleh persetujuan tertulis dari pemberi pinjaman sebelum melakukan transaksi tertentu seperti mengadakan penggabungan usaha, pengambilalihan, likuidasi atau perubahan status serta Anggaran Dasar; pembatasan dalam mengubah aktivitas utama dan harus mematuhi rasio-rasio keuangan tertentu.

Pada tanggal 31 Desember 2020, Grup telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian tersebut.

***15. TEMPORARY SYIRKAH FUNDS** (continued)*

In the agreements, there are several restrictions that have to be fulfilled by the Group, such as to obtain written approval from lenders before entering into certain transactions such as mergers, takeovers, liquidation or change in status and Articles of Association, restrictions on change in core business activities, and required to comply with certain financial ratios.

As at December 31, 2020, the Group was in compliance with the covenants required in the agreements.

16. UTANG USAHA / ***16. TRADE PAYABLES***

	2020	2019	
Pihak berelasi:			*Related parties:*
Rupiah	870.085	864.792	*Rupiah*
Pihak ketiga:			*Third parties:*
Rupiah	5.042.176	4.065.860	*Rupiah*
USD	263.732	199.881	*USD*
VND	237.699	462.536	*VND*
Euro	103.419	73.520	*Euro*
Mata uang asing lainnya	3.588	3.170	*Other foreign currencies*
	5.650.614	4.804.967	
	6.520.699	**5.669.759**	

Utang usaha merupakan utang yang berasal dari pembelian barang dan jasa.

Trade payables represent payables arising from purchases of goods and services.

Lihat Catatan 30 untuk rincian informasi mengenai pihak berelasi.

Refer to Note 30 for details information of to related parties.

17. AKRUAL / ***17. ACCRUALS***

	2020	2019	
Pemeliharaan	162.351	177.471	*Maintenance*
Pengangkutan	165.404	223.202	*Transportation*
Promosi peningkatan penjualan	137.713	107.653	*Sales promotion*
Biaya operasional	136.726	112.627	*Operational expense*
Beban keuangan	74.130	75.714	*Finance cost*
Jasa profesional	49.589	81.386	*Professional fees*
Asuransi, sew a dan ekspedisi	38.383	73.872	*Insurance, rent and expedition*
Beban pengantongan	38.346	50.215	*Packer fees*
Retribusi pertambangan	30.189	30.680	*Mining rights fees*
Listrik	3.852	10.251	*Electricity*
Lain-lain	292.854	279.437	*Others*
Jumlah	**1.129.537**	**1.222.508**	*Total*

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18. PROVISI JANGKA PANJANG / *18. LONG-TERM PROVISION*

	2020				
	Saldo awal/ *Beginning balance*	Provisi tambahan (pengurangan)/ *Additional (deduction) provision*	Jumlah yang terealisasi/ *Amount realised*	Saldo akhir/ *Ending balance*	
Rehabilitasi dan restorasi tanah tambang	135.313	42.572	(8.071)	169.814	*Quarry rehabilitation and restoration*
Estimasi biaya pembongkaran aset tetap	129.578	6.345	(1.938)	133.985	*Estimated cost of dismantling of fixed assets*
	264.891	**48.917**	**(10.009)**	**303.799**	

	2019					
	Nilai tercatat awal/ *Beginning balance*	Provisi tambahan (pengurangan)/ *Additional (deduction) provision*	Jumlah yang digunakan dan penyesuaian/ *Amount realized and adjustment*	Akuisisi entitas anak /*Acquisition of a subsidiary*	Nilai tercatat akhir/ *Ending balance*	
Rehabilitasi dan restorasi tanah tambang	109.445	2.441	(19.747)	43.174	135.313	*Quarry rehabilitation and restoration*
Estimasi biaya pembongkaran aset tetap	118.743	11.235	(400)	-	129.578	Estimated cost of dismantling of fixed assets
	228.188	**13.676**	**(20.147)**	**43.174**	**264.891**	

Rehabilitasi dan restorasi tanah tambang dilakukan setiap tahun sesuai dengan rencana yang disampaikan kepada otoritas terkait. Pembongkaran aset tetap akan dilakukan pada saat selesainya masa sewa lahan terkait aset tetap tersebut.

Quarry rehabilitation and restoration is carried out every year based on plan reported to the authority. Dismantling of fixed assets will be realised at the end of land rent period of related fixed assets.

19. MODAL SAHAM / *19. SHARE CAPITAL*

Sesuai dengan daftar pemegang saham yang dikeluarkan oleh Biro Administrasi Efek, PT Datindo Entrycom, susunan pemegang saham Perseroan pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

Based on the list of shareholders issued by the Securities Administration Bureau, PT Datindo Entrycom, the Company's shareholders and their ownership interests as at December 31, 2020 and 2019 are as follows:

	2020 dan/*and* 2019			
	Jumlah saham ditempatkan dan disetor penuh/ *Number of Shares issued and fully paid*	Presentase kepemilikan/ *Percentage of ownership*	Nilai/ *Amount*	
Saham seri A Dwiwarna:				*Series A Dwiwarna share:*
Pemerintah Negara Republik Indonesia	1	0,00%	0	*Government of the Republic of Indonesia*
Saham seri B:				*Series B share:*
Pemerintah Negara Republik Indonesia	3.025.405.999	51,01%	302.541	*Government of the Republic of Indonesia*
Masyarakat (masing-masing dibawah 5%)	2.906.114.000	48,99%	290.611	*Public (below 5% each)*
	5.931.520.000	**100,00%**	**593.152**	

19. MODAL SAHAM (lanjutan)

Pemegang saham Seri A memperoleh hak istimewa tertentu sebagai tambahan diluar yang diperoleh saham Seri B. Hak istimewa tersebut mencakup hak menyetujui (a) perubahan anggaran dasar (b) pengangkatan dan pemberhentian anggota dewan komisaris dan direksi (c) persetujuan penggunaan laba (d) pemindah-tanganan aset (e) penyertaan dan pengurangan penyertaan modal (f) penggabungan, peleburan, pengambilalihan, pemisahan dan pembubaran.

***19. SHARE CAPITAL** (continued)*

The holder of Series A shares has certain special rights in addition to the rights held by the holders of the series B shares. These special rights include the right to approve (a) amendements to the Articles of Association, (b) the appointment and dismissal of the members of the Boards of commissioners and directors, (c) approval for use the Company's net profits (d) transfer of assets (e) participation and disposal of investee (f) merger, acquisition, separation and liquidation.

20. TAMBAHAN MODAL DISETOR

Rincian tambahan modal disetor pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

20. ADDITIONAL PAID-IN CAPITAL

The additional details of paid-up capital as at December 31, 2020 and 2019 are as follows:

	2020	2019	
Agio saham	1.252.066	1.252.066	*Share premium*
Biaya emisi efek ekuitas	(4.710)	(4.710)	*Share issuance costs*
Selisih nilai perolehan dengan hasil penjualan saham yang diperoleh kembali	210.902	210.902	*Difference between the cost and the proceeds from the sale of treasury stock*
	1.458.258	**1.458.258**	

21. DIVIDEN

Berdasarkan Rapat Umum Pemegang Saham Tahunan (RUPST) tahun 2020 yang diselenggarakan pada tanggal 19 Juni 2020, yang tertuang dalam Akta Notaris No. 45, pemegang saham memutuskan, antara lain, untuk membagi dividen sebesar Rp40.34 per lembar saham (nilai penuh) dengan total pembayaran Rp239.215.

Berdasarkan Rapat Umum Pemegang Saham Tahunan (RUPST) tahun 2019 yang diselenggarakan pada tanggal 22 Mei 2019, yang tertuang dalam Akta Notaris No. 29, pemegang saham memutuskan, antara lain, untuk membagi dividen sebesar Rp207,64 per lembar saham (nilai penuh) dengan total pembayaran Rp1.231.646.

21. DIVIDENDS

Based on the Annual General Meeting of Shareholders (AGMS) in 2020 which was held on June 19, 2020 as stated on Notarial Deed No. 45 the shareholders approved, among others, the distribution of dividend amounting to Rp40,34 per share (full amount) for a total amount paid of Rp239,215.

Based on the Annual General Meeting of Shareholders (AGMS) in 2019 which was held on 22 May 2019, as stated on Notarial Deed No. 29 the shareholders approved, among others, the distribution of dividend amounting to Rp207.64 per share (full amount) for a total amount paid of Rp1,231,646.

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22. KEPENTINGAN NONPENGENDALI / *22. NON-CONTROLLING INTERESTS*

Kepentingan nonpengendali pada 31 Desember 2020 dan 2019 adalah sebagai berikut:

Non-controlling interests as at December 31, 2020 and 2019 are as follows:

	31 Desember/ *December 31,* 2020	**31 Desember/ *December 31,* 2019**	
Thang Long Cement Joint Stock Company	540,957	649,316	*Thang Long Cement Joint Stock Company*
PT Semen Indonesia Industri Bangunan	275,718	253,149	*PT Semen Indonesia Industri Bangunan*
PT Semen Indonesia Aceh	207,114	212,607	*PT Semen Indonesia Aceh*
PT Semen Indonesia Logistik	169,514	185,701	*PT Semen Indonesia Logistik*
PT Kawasan Industri Gresik	119,163	116,178	*PT Kawasan Industri Gresik*
PT Industri Kemasan Semen Gresik	98,526	97,680	*PT Industri Kemasan Semen Gresik*
PT United Tractors Semen Gresik	70,349	86,839	*PT United Tractors Semen Gresik*
PT Semen Gresik	2,124	607	*PT Semen Gresik*
PT Semen Kupang Indonesia	1,018	988	*PT Semen Kupang Indonesia*
PT Bima Sepaja Abadi	(3,562)	12,708	*PT Bima Sepaja Abadi*
PT Sinergi Mitra Investama	(971)	(676)	*PT Sinergi Mitra Investama*
PT Semen Indonesia Beton	(24)	12	*PT Semen Indonesia Beton*
Jumlah	**1,479,926**	**1,615,109**	*Total*

Berikut ini adalah ringkasan informasi keuangan entitas anak yang memiliki kepentingan nonpengendali yang material terhadap Grup.

Set out below is the summarised financial information of subsidiaries that have non-controlling interests that are material to the Group.

Ringkasan laporan posisi keuangan pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

Summarised statements of financial position as at December 31, 2020 and 2019 is as follows:

	2020			**2019**			
	PT Semen Indonesia Industri Bangunan dan entitas anak/ *and subsidiary*	**Thang Long Cement Joint Stock Company dan entitas anak/ *and subsidiaries***	**PT Semen Indonesia Logistik dan entitas anak/ *and subsidiaries***	**PT Semen Indonesia Industri Bangunan dan entitas anak/ *and subsidiary***	**Thang Long Cement Joint Stock Company dan entitas anak/ *and subsidiaries***	**PT Semen Indonesia Logistik dan entitas anak/ *and subsidiaries***	
Aset lancar	4,257,688	312,547	1,198,483	3,207,285	290,912	1,174,048	*Current assets*
Aset tidak lancar	28,652,068	2,406,480	967,130	29,264,362	1,921,110	1,069,340	*Non-current assets*
Jumlah Aset	32,909,756	2,719,027	2,165,613	32,471,647	2,212,022	2,243,388	*Total Assets*
Liabilitas jangka pendek	4,069,831	558,497	1,265,406	2,963,920	546,019	1,172,781	*Current liabilities*
Liabilitas jangka panjang	25,049,416	299,075	341,682	25,259,821	294,822	461,196	*Non-current liabilities*
Ekuitas yang dapat diatribusikan kepada pemilik entitas induk	3,514,775	1,861,159	554,032	3,928,411	1,370,891	605,651	*Equity attributable to owners of the parent*
Kepentingan nonpengendali	275,734	296	4,493	319,495	290	3,760	*Non-controlling interests*
Jumlah Liabilitas dan Ekuitas	32,909,756	2,719,027	2,165,613	32,471,647	2,212,022	2,243,388	*Total Liabilities and Equity*

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22. KEPENTINGAN NONPENGENDALI (lanjutan) / *22. NON-CONTROLLING INTERESTS (continued)*

Ringkasan laporan laba rugi dan penghasilan komprehensif lain untuk tahun yang berakhir pada 31 Desember 2020 dan 2019 adalah sebagai berikut:

Summarised statements of profit or loss and other comprehensive income for the year ended December 31, 2020 and 2019 are as follows:

	2020			2019			
	PT Semen Indonesia Industri Bangunan dan entitas anak/ *and subsidiary*	Thang Long Cement Joint Stock Company dan entitas anak/ *and subsidiaries*	PT Semen Indonesia Logistik dan entitas anak/ *and subsidiaries*	PT Semen Indonesia Industri Bangunan dan entitas anak/ *and subsidiary*	Thang Long Cement Joint Stock Company dan entitas anak/ *and subsidiaries*	PT Semen Indonesia Logistik dan entitas anak/ *and subsidiaries*	
Pendapatan	10,108,220	1,182,519	4,289,674	10,214,306	1,291,058	4,841,177	*Revenue*
Beban	(10,233,850)	(1,583,160)	(4,269,841)	(11,071,111)	(1,305,747)	(4,815,361)	*Expenses*
Laba/(rugi) tahun berjalan	(125,630)	(400,641)	19,833	(856,805)	(14,689)	25,816	*Profit/(loss) for the year*
Penghasilan/(rugi) komprehensif lain	(32,359)	39,635	2,475	67,212	(55,973)	1,362	*Other comprehensive income/(loss)*
Selisih kurs dari penjabaran kegiatan usaha luar negeri							*Exchange difference from*
Jumlah laba/(rugi) komprehensif lain tahun berjalan	(157,989)	(361,006)	22,308	(789,593)	(70,662)	27,178	*Total other comprehensive income/ (loss) for the year*
Laba/(rugi) yang dapat diatribusikan kepada:							*Profit/(loss) attributable to:*
Pemilik entitas induk	(125,630)	(400,641)	19,833	(868,011)	(14,690)	24,010	*Owners of the company*
Kepentingan nonpengendali	-	-	-	11,206	1	1,806	*Non-controlling interests*
Laba/(rugi) tahun berjalan	(125,630)	(400,641)	19,833	(856,805)	(14,689)	25,816	*Profit/(loss) for the year*
Jumlah penghasilan komprehensif lain yang dapat distribusikan kepada							*Total other comprehensive income attributable to*
Pemilik entitas induk	(157,989)	(361,006)	22,308	(801,934)	(53,871)	25,373	*Owners of the company*
Kepentingan nonpengendali	-	-	-	12,341	(16,791)	1,806	*Non-controlling interests*
Jumlah penghasilan komprehensif lain tahun berjalan	(157,989)	(361,006)	22,308	(789,593)	(70,662)	27,179	*Total other comprehensive income for the year*

Ringkasan laporan arus kas pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

Summarised statements of cash flows as at December 31, 2020 and 2019 is as follows:

	2020			2019			
	PT Semen Indonesia Industri Bangunan dan entitas anak/ *and subsidiary*	Thang Long Cement Joint Stock Company dan entitas anak/ *and subsidiaries*	PT Semen Indonesia Logistik dan entitas anak/ *and subsidiaries*	PT Semen Indonesia Industri Bangunan dan entitas anak/ *and subsidiary*	Thang Long Cement Joint Stock Company dan entitas anak/ *and subsidiaries*	PT Semen Indonesia Logistik dan entitas anak/ *and subsidiaries*	
Arus kas bersih yang diperoleh dari aktivitas operasi	(53,247)	133,357	145,960	290,817	50,515	91,893	*Net cash flows generated from operating activities*
Arus kas bersih yang digunakan untuk aktivitas investasi	(273,060)	(2,161)	20,672	(15,662,045)	(999)	(7,855)	*Net cash flows used in investing activities*
Arus kas bersih yang diperoleh dari/(digunakan) untuk aktifitas pendanaan	375,464	(140,820)	(84,391)	15,756,411	(94,165)	(58,206)	*Net cash flows generated from/(used) in financing activities*
Kenaikan/ (penurunan) bersih kas dan setara kas	49,157	(9,624)	82,241	385,183	(44,649)	25,832	*Net increase/ (decrease) in cash and cash equivalents*
Kas dan setara kas pada awal tahun	336,606	29,528	114,921	921	74,197	89,140	*Cash and cash equivalents at the beginning of the year*
Dampak perubahan selisih kurs terhadap kas dan setara kas	988	(27)	(288)	988	1,481	(51)	*Effect of exchange rate changes on cash and cash equivalents*
Kas dan setara kas pada akhir tahun	386,751	19,877	196,874	387,092	31,029	114,921	*Cash and cash equivalents at the end of the year*

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23. PENDAPATAN / *23. REVENUE*

	2020	2019	
Semen	29.023.106	33.143.056	*Cement*
Terak	2.894.491	3.081.458	*Clinker*
Beton jadi dan siap pakai	1.821.992	3.121.398	*Precast and readymix concrete*
Kantong semen	75.363	66.567	*Cement bags*
Persew aan tanah	29.463	39.814	*Land rental*
Tanah kaw asan industri	16.285	24.480	*Industrial real estate land*
Jasa penambangan	23.663	22.689	*Mining services*
Lain-lain	1.287.305	868.645	*Others*
	35.171.668	**40.368.107**	
Pihak berelasi	(2.454.354)	(2.621.242)	*Related parties*
Pihak ketiga	32.717.314	37.746.865	*Third parties*

Tidak ada penjualan kepada satu pelanggan yang melebihi 10% dari jumlah pendapatan.

There were no sales to any party representing more than 10% of total revenue.

Pendapatan yang diakui sepanjang waktu kontrak, diakui pada suatu titik waktu dan pendapatan sewa masing-masing sebesar Rp126.384, Rp34.998.109 dan Rp47.175.

Revenue recognised overtime, at point in time, and revenue from rental amounting to Rp126,384, Rp34,998,109 and Rp47,175, respectively.

Grup mengakui aset dan liabilitas kontrak terkait dengan pendapatan dari kontrak dengan pelanggan:

The Group has recognised the following contract assets and liabilities related to revenue from contracts with customers:

	2020	
Aset kontrak yang berkaitan dengan jasa konstruksi	66.212	*Contract assets relating to construction service*
Liabilitas kontrak	114.340	*Contract liabilities*
Kontak aset dan liabilitas disajikan masing-masing dalam piutang usaha dan uang muka		*Contract assets and liabilities are presented as trade receivables and advance respectively.*

Kewajiban pelaksanaan tidak dipenuhi yang tersisa akan dipenuhi di tahun 2021.

The remaining unfulfilled performance obligation will be fulfilled in 2021

Lihat Catatan 30 untuk rincian informasi mengenai pihak berelasi.

Refer to Note 30 for details information of related parties.

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24. BEBAN POKOK PENDAPATAN / *24. COST OF REVENUE*

	2020	2019	
Pemakaian bahan baku	1.628.604	1.874.416	*Raw materials used*
Tenaga kerja	2.227.644	2.253.967	*Labor*
Beban pabrikasi:			*Manufacturing overhead:*
- Bahan bakar dan energi	7.817.701	8.995.635	*Fuel and energy* -
- Penyusutan, amortisasi dan penurunan nilai	2.780.731	1.955.818	*Depreciation, amortisation and impairment* -
- Sew a	74.865	98.375	*Rentals* -
- Lain-lain	9.292.336	12.613.047	*Others* -
Jumlah beban produksi	23.821.881	27.791.258	*Total manufacturing costs*
Persediaan barang dalam proses			*Work-in-progress inventories*
Pada aw al tahun	693.291	689.587	*At the beginning of the year*
Pembelian	-	41.726	*Purchases*
Pada akhir tahun	(735.041)	(693.291)	*At the end of the year*
Harga pokok produksi	23.780.131	27.829.280	*Cost of goods manufactured*
Persediaan barang jadi			*Finished goods inventory*
Pada aw al tahun	776.046	595.570	*At the beginning of the year*
Pembelian	-	5.320	*Purchases*
Pada akhir tahun	(1.001.610)	(776.046)	*At the end of the year*
Jumlah	**23.554.567**	**27.654.124**	***Total***

Tidak ada pembelian dari satu pemasok yang melebihi 10% dari jumlah beban pokok pendapatan.

There were no purchases from any suppliers representing more than 10% of total cost of revenue.

Lihat Catatan 30 untuk rincian informasi mengenai pihak berelasi.

Refer to Note 30 for details information of related parties.

25. BEBAN BERDASARKAN SIFAT / *25. EXPENSES BY NATURE*

	2020	2019	
Beban umum dan administrasi	3.161.626	3.536.797	*General and administration expenses*
Beban penjualan	2.802.821	3.084.107	*Selling expenses*
Jumlah	**5.964.447**	**6.620.904**	*Total*

a. Beban penjualan / *a. Selling expenses*

	2020	2019	
Ongkos angkut dan bongkar	2.085.937	2.387.011	*Transportation and handling*
Gaji, upah dan manfaat	358.572	338.751	*Salaries, wages and benefits*
Promosi	222.438	191.043	*Promotion*
Pemeliharaan	21.818	16.375	*Maintenance*
Penyusutan dan amortisasi	18.390	10.754	*Depreciation and amortisation*
Penelitian, pengembangan jasa profesional	16.797	27.369	*Research, development and professional fees*
Perjalanan dinas	14.580	25.439	*Business trips*
Sew a	13.007	-	*Rentals*
Lain-lain	51.282	87.365	*Others*
	2.802.821	**3.084.107**	

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25. BEBAN BERDASARKAN SIFAT (lanjutan) / *25. EXPENSES BY NATURE (continued)*

b. Beban umum dan administrasi / *b. General and administration expenses*

	2020	2019	
Gaji, upah, kesejahteraan karyawan dan bonus Direksi dan Komisaris	1.564.727	1.573.459	*Salaries, wages, employee welfare and Director's and Commissioners' bonuses*
Penyusutan dan amortisasi	625.173	546.996	*Depreciation and amortisation*
Pemeliharaan	203.872	157.828	*Maintenance*
Jasa profesional	183.588	198.766	*Professional fees*
Sewa	124.111	122.078	*Rentals*
Keperluan kantor	112.448	296.311	*Office supplies*
Pajak dan asuransi	80.116	106.451	*Taxes and insurance*
Pemakaian bahan, listrik, air dan telepon	41.157	41.445	*Supplies, electricity, water and telephone*
Promosi dan jamuan	34.990	53.299	*Promotion and entertainment*
Penurunan nilai piutang dan lain-lain	26.691	205.478	*Impairment loss of trade receivable and other receivable*
Perjalanan dinas	23.649	40.112	*Business trips*
Pendidikan, latihan dan pengembangan	13.652	30.129	*Education, training and development*
Lain-lain	127.452	164.445	*Others*
	3.161.626	**3.536.797**	

26. BEBAN KEUANGAN / *26. FINANCE COSTS*

	2020	2019	
Pinjaman bank	1.472.280	2.173.983	*Bank loans*
Obligasi	654.359	475.150	*Bonds*
Pinjaman jangka pendek	109.236	522.769	*Short-term borrowings*
Liabilitas sewa	51.512	7.679	*Lease liabilities*
Lain-lain	33.394	25.717	*Others*
	2.320.781	**3.205.298**	

27. (BEBAN)/PENGHASILAN OPERASI LAINNYA – BERSIH / *27. OTHER OPERATING (EXPENSE)/ INCOME – NET*

	2020	2019	
Sewa	58.231	61.087	*Rental*
Klaim dan denda	23.614	3.333	*Claims and penalties*
Penjualan barang usang	11.981	6.269	*Sales of scrap materials*
Kerugian pelepasan aset tetap	(72.610)	(5.763)	*Loss on disposal of fixed assets*
Kerugian selisih kurs	(49.306)	(13.078)	*Foreign exchange loss*
Penghasilan penanganan limbah	-	23.845	*Income from waste treatment*
Lain-lain - bersih	23.679	16.271	*Others - net*
Jumlah	**(4.411)**	**91.964**	*Total*

28. LABA PER SAHAM / *28. EARNINGS PER SHARE*

	2020	2019	
Laba tahun berjalan yang diatribusikan kepada pemilik entitas induk	2.792.321	2.392.151	*Profit for the year attributable to owners of the parent entity*
Total rata-rata tertimbang saham yang beredar (lembar saham)	5.931.520.000	5.931.520.000	*Weighted average number of shares outstanding (shares)*
Laba per saham dasar (nilai penuh)	471	403	*Basic earnings per share (full amount)*

Perusahaan tidak memiliki saham biasa yang berpotensi dilutif. Dengan demikian, laba per saham dilusian setara dengan laba per saham dasar.

The Company has no potential dilutive ordinary shares. Therefore, the diluted earnings per share is equivalent to the basic earnings per share.

29. LIABILITAS IMBALAN KERJA / *29. EMPLOYEE BENEFITS LIABILITIES*

Estimasi liabilitas imbalan kerja tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

The estimated employee benefits liabilities as at December 31, 2020 and 2019 are as follows:

a. Liabilitas imbalan kerja jangka pendek / *a. Short-term employee benefits liabilities*

	2020	2019	
Tunjangan produktivitas, uang jasa, bonus Direktur dan Komisaris	641.249	712.271	*Productivity allowance, incentives, and Directors' and Commissioners' bonuses*
Tunjangan pegawai lainnya	131.475	22.795	*Other employee allowances*
Jumlah	**772.724**	**735.066**	*Total*

b. Liabilitas imbalan kerja jangka panjang / *b. Long-term employee benefits liabilities*

	2020	2019	
Liabilitas imbalan pensiun	929.682	649.114	*Pension benefits obligations*
Liabilitas imbalan pasca kerja lainnya	1.276.464	1.054.401	*Other post employment benefits liabilities*
Liabilitas imbalan kerja jangka panjang lainnya	681.273	532.440	*Other long-term employee benefits liabilities*
Jumlah	**2.887.419**	**2.235.955**	*Total*

Asumsi aktuarial utama yang digunakan adalah sebagai berikut:

The principal actuarial assumptions used were as follows:

	2020	2019	
Tingkat kenaikan gaji:			*Salary increase:*
Program pensiun	7,5% per tahun/*per annum*	7,5% per tahun/*per annum*	*Pension plan*
Imbalan kerja lainnya	10% per tahun/*per annum*	10% per tahun/*per annum*	*Other employee benefits*
Tingkat diskonto	6,48% - 7,3% per tahun/*per annum*	7,47% - 8,5% per tahun/*per annum*	*Discount rate*

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29. LIABILITAS IMBALAN KERJA (lanjutan) / *EMPLOYEE BENEFITS LIABILITIES (continued)*

b. Liabilitas imbalan kerja jangka panjang (lanjutan) / ***b. Long-term employee benefits liabilities*** *(continued)*

Liabilitas bersih imbalan pensiun yang diakui di laporan posisi keuangan konsolidasian adalah sebagai berikut:

The net liability for pension benefits recognised in the consolidated statements of financial position is as follows:

	2020	2019	
Nilai kini kew ajiban imbalan pasti	4.095.487	3.273.530	*Present value of defined benefits obligation*
Nilai w ajar aset program	(3.165.805)	(2.624.416)	*Fair value of plan assets*
	929.682	649.114	
Liabilitas imbalan pascakerja lainnya	1.276.464	1.054.401	*Other post employment benefits liabilities*
Liabilitas imbalan kerja jangka panjang lainnya	681.273	532.440	*Other long-term employee benefits liabilities*
	1.957.737	1.586.841	
	2.887.419	**2.235.955**	

Mutasi nilai kini liabilitas imbalan kerja adalah sebagai berikut:

Movements of the present value of employee benefits liabilities is as follows:

	2020				
	Dana pensiun/ *Pension fund*	Pasca kerja lainnya/ *Other post employment benefit*	Imbalan kerja jangka panjang lainnya/*Other long-termemployee benefit*	Jumlah/ *Total*	
Saldo awal	3.273.530	1.054.401	532.440	4.860.371	*Beginning balance*
Biaya jasa kini	76.052	62.920	110.942	249.914	*Current service cost*
Biaya jasa lalu	172	-	9.385	9.557	*Past service cost*
Biaya bunga	248.589	60.001	36.458	345.048	*Interest cost*
Pengukuran kembali liabilitas imbalan kerja					*Remeasurement on the employee benefits liabilities*
- Perubahan asumsi demografi	154.342	22.136	11.451	187.929	*Change in demographics assumption* -
- Perubahan asumsi keuangan	544.171	78.441	74.263	696.875	*Change in financial assumption* -
- Penyesuaian atas pengalaman	(20.764)	16.974	(18.390)	(22.180)	*Experience adjustments* -
Pembayaran manfaat	(186.499)	(18.409)	(75.276)	(280.184)	*Benefits paid*
Kontribusi peserta	5.894	-	-	5.894	*Participant contributions*
Saldo akhir	**4.095.487**	**1.276.464**	**681.273**	**6.053.224**	***Ending balance***

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b. Liabilitas imbalan kerja jangka panjang (lanjutan) / ***b. Long-term employee benefits liabilities*** *(continued)*

	2019				
	Dana pensiun/ *Pension fund*	Pasca kerja lainnya/ *Other post employment benefit*	Imbalan kerja jangka panjang lainnya/*Other long-term employee benefit*	Jumlah/ *Total*	
Saldo awal	2.625.876	510.923	391.619	3.528.418	*Beginning balance*
Biaya jasa kini	87.578	40.826	102.366	230.770	*Current service cost*
Biaya jasa lalu	3.261	(42.170)	26.543	(12.366)	*Past service cost*
Biaya bunga	141.548	81.932	32.858	256.338	*Interest cost*
Akuisisi entitas anak	452.143	609.758	-	1.061.901	*Acquisition of a subsidiary*
Pengukuran kembali liabilitas imbalan kerja					*Remeasurement on the employee benefits liabilities*
- Perubahan asumsi keuangan	176.582	6.699	28.726	212.007	*Change in financial assumption* -
- Penyesuaian atas pengalaman	(53.688)	(92.801)	(3.500)	(149.989)	*Experience adjustments* -
Pembayaran manfaat	(165.789)	(60.766)	(46.172)	(272.727)	*Benefits paid*
Kontribusi peserta	6.019	-	-	6.019	*Participant contributions*
Saldo akhir	**3.273.530**	**1.054.401**	**532.440**	**4.860.371**	***Ending balance***

Beban imbalan kerja yang dibebankan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian merupakan jumlah neto dari:

Amounts recognised in the consolidated statement of profit or loss and other comprehensive income consists of the net total of the following amounts:

	2020				
	Dana pensiun/ *Pension fund*	Pasca kerja lainnya/ *Other post employment benefit*	Imbalan kerja jangka panjang lainnya/*Other long-term employee benefit*	Jumlah/ *Total*	
Biaya jasa kini	76.052	62.920	110.942	249.914	*Current service cost*
Biaya jasa lalu	172	-	9.385	9.557	*Past service cost*
Beban bunga besih	248.589	60.001	36.458	345.048	*Net interest expense*
Pengukuran kembali liabilitas imbalan pasti - neto:					*Remeasurement on the net defined benefit liability:*
Perubahan asumsi demografi	-	-	11.451	11.451	*Change in demographics assumption*
Perubahan asumsi keuangan	-	-	74.263	74.263	*Changes in financial assumptions*
Penyesuaian atas pengalaman	-	-	(18.390)	(18.390)	*Experience adjustment*
Komponen dari biaya imbalan pasti yang diakui dalam laba rugi	**324.813**	**122.921**	**224.109**	**671.843**	*Components of defined benefit costs recognized in profit or loss*
Pengukuran kembali liabilitas imbalan pasti - bersih:					*Remeasurement on the net defined benefit liability:*
Perubahan dampak batas atas aset, tidak termasuk bunga bersih	(186.181)	-	-	(186.181)	*Change in the effect of the asset ceiling, excluding amount of net interest expense*
Perubahan asumsi demografi	154.342	22.136	-	176.478	*Change in demographics assumption*
Perubahan asumsi keuangan	544.171	78.441	-	622.612	*Changes in financial assumptions*
Penyesuaian atas pengalaman	(20.764)	16.974	-	(3.790)	*Experience adjustment*
Imbal hasil aset program (tidak termasuk jumlah yang dimasukkan dalam beban bunga bersih)	(113.531)	-	-	(113.531)	*Return on plan assets (excluding amounts included in net interest expense)*
Komponen beban imbalan pasti yang diakui dalam penghasilan komprehensif lain	**378.037**	**117.551**	**-**	**495.588**	*Components of defined benefit costs recognised in other comprehensive income*

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b. Liabilitas imbalan kerja jangka panjang (lanjutan) / ***b. Long-term employee benefits liabilities*** *(continued)*

	2019				
	Dana pensiun/ *Pension fund*	Pasca kerja lainnya/ *Other post employment benefit*	Imbalan kerja jangka panjang lainnya/*Other long-term employee benefit*	Jumlah/ *Total*	
Biaya jasa kini	87.578	40.826	102.366	230.770	*Current service cost*
Biaya jasa lalu	3.261	(42.170)	26.543	(12.366)	*Past service cost*
Beban bunga neto	23.397	81.932	32.858	138.187	*Net interest expense*
Pengukuran kembali liabilitas imbalan jangka panjang lainnya	-	-	28.726	28.726	*Remeasurement of the net liabilities of other long-term benefits*
Keuntungan dari penyelesaian	-	-	(3.500)	(3.500)	*Gains from settlements*
Komponen dari biaya imbalan pasti yang diakui dalam laba rugi	**114.236**	**80.588**	**186.993**	**381.817**	*Components of defined benefit costs recognized in profit or loss*
Pengukuran kembali liabilitas imbalan pasti - neto:					*Remeasurement on the net defined benefit liability:*
Perubahan dampak batas atas aset, tidak termasuk bunga neto	161.100	-	-	161.100	*Change in the effect of the asset ceiling, excluding amount of net interest expense*
Perubahan asumsi keuangan	176.582	6.699	-	183.281	*Changes in financial assumptions*
Penyesuaian atas pengalaman	(53.688)	(92.801)	-	(146.489)	*Experience adjustment*
Imbal hasil aset program (tidak termasuk jumlah yang dimasukkan dalam beban bunga neto)	(205.415)	-	-	(205.415)	*Return on plan assets (excluding amounts included in net interest expense)*
Komponen beban imbalan pasti yang diakui dalam penghasilan komprehensif lain	**78.579**	**(86.102)**	**-**	**(7.523)**	*Components of defined benefit costs recognised in other comprehensive income*

Perubahan dalam nilai wajar aset program adalah sebagai berikut: / *Changes in the fair value of plan assets are as follows:*

	2020	2019	
Saldo awal	2.624.416	2.095.159	*Beginning balance*
Akuisisi entitas anak	-	469.357	*Acquisition of subsidiaries*
Pendapatan bunga	236.645	118.151	*Interest income*
Kontribusi pemberi kerja	163.869	90.647	*Employer contributions*
Kontribusi peserta	5.893	5.995	*Participant contributions*
Pembayaran manfaat	(183.976)	(160.308)	*Benefits paid*
Pengukuran kembali atas nilai wajar neto aset program:			*Remeasurement on the net fair value of plan assets:*
Imbal hasil atas aset program	113.531	205.415	*Return on plan assets*
Penyesuaian atas aset program	205.427	(200.000)	*Adjustment for asset program*
Saldo akhir	**3.165.805**	**2.624.416**	***Ending balance***

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29. LIABILITAS IMBALAN KERJA (lanjutan) / ***29. EMPLOYEE BENEFITS LIABILITIES*** *(continued)*

b. Liabilitas imbalan kerja jangka panjang (lanjutan) / ***b. Long-term employee benefits liabilities*** *(continued)*

Aset program terdiri dari: / *Plan assets comprise the following:*

	2020	2019	
Surat Berharga Negara	32%	32%	*Government Bonds*
Kas dan deposito	20%	11%	*Cash and time deposit*
Saham	6%	10%	*Stocks*
Obligasi	13%	14%	*Bonds*
Reksadana	7%	8%	*Mutual funds*
Tanah dan bangunan	12%	12%	*Land and buildings*
Penempatan langsung	10%	13%	*Direct placement*
Jumlah	**100%**	**100%**	*Total*

Sensitivitas dari kewajiban imbalan pasti terhadap perubahan asumsi aktuarial utama adalah sebagai berikut: / *The sensitivity of the defined benefit obligation to changes in the principal actuarial assumptions is as follows:*

	2020			
	Dampak atas kewajiban imbalan pasti/ *Impact on defined benefit obligation*			
	Perubahan asumsi/ *Change in assumption*	**Kenaikan asumsi/ *Increase in assumption***	**Penurunan asumsi/ *Decrease in assumption***	
Tingkat diskonto	1,0%	Penurunan sebesar/ *Decrease by* Rp649.259	Kenaikan sebesar/ *Increase by* Rp530.303	*Discount rate*
Kenaikan gaji masa datang	1,0%	Kenaikan sebesar/ *Increase by* Rp163.250	Penurunan sebesar/ *Decrease by* Rp147.693	*Future salary increment*

Analisa sensitivitas didasarkan pada perubahan atas satu asumsi aktuarial dimana asumsi lainnya dianggap konstan. Dalam prakteknya, hal ini jarang terjadi dan perubahan beberapa asumsi mungkin saling berkorelasi. Analisa sensitivitas tersebut dihitung menggunakan metode yang sama (*projected unit credit*).

The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The sensitivity analyses are calculated using the same method (projected unit credit).

Melalui program imbalan pasti, Grup menghadapi sejumlah risiko signifikan sebagai berikut:

Through its defined benefit pension plans, the Group is exposed to a number of significant risks of which are detailed below:

- Perubahan imbal hasil obligasi
  Liabilitas imbalan kerja yang dihitung berdasarkan PSAK No. 24 menggunakan tingkat diskonto obligasi. Jika tingkat diskonto tersebut turun, maka kewajiban imbalan pasti akan cenderung mengalami kenaikan.

- *Changes in bond yields*
  The employee benefit obligations calculated under PSAK No. 24 use a discount rate on bond yields. If bond yields decrease, the defined benefit will tend to increase.

- Tingkat kenaikan gaji
  Liabilitas imbalan kerja Grup berhubungan dengan tingkat kenaikan gaji. Semakin tinggi tingkat kenaikan gaji akan menyebabkan semakin besarnya jumlah liabilitas.

- *Salary growth rate*
  The Group's employee benefits obligations are linked to salary growth rate. Higher salary growth rate will lead to higher liabilities.

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29. LIABILITAS IMBALAN KERJA (lanjutan)

b. Liabilitas imbalan kerja jangka panjang (lanjutan)

- Volatilitas aset
  Liabilitas program dihitung menggunakan tingkat diskonto yang merujuk kepada tingkat imbal hasil obligasi pemerintah/perusahaan. Jika imbal hasil aset program lebih rendah, maka akan menghasilkan defisit program.

Durasi rata-rata dari kewajiban imbalan pada tanggal 31 Desember 2020 adalah 6 tahun untuk program dana pensiun dan 15 tahun untuk program manfaat lainnya (2019: 8 tahun dan 15 tahun).

Pada tanggal 31 Desember 2020, Grup diharapkan membayar iuran sebesar Rp228.918 untuk program manfaat pasti selama tahun anggaran berikutnya.

29. EMPLOYEE BENEFITS LIABILITIES *(continued)*

b. Long-term employee benefits liabilities *(continued)*

- *Asset volatility*
  The employee benefit obligations are calculated using a discount rate referred to government/corporate bond yields. If plan assets underperform this yield, this will create a plan deficit.

The average duration of the benefit obligation at December 31, 2020 is 6 years for pension benefits and 15 years for other employee benefits (2019: 8 years and 15 years).

As at December 31, 2020, the Group expected to make a contribution amounting to Rp228,918 to the defined benefit plans during the next financial year.

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30. SIFAT DAN TRANSAKSI PIHAK BERELASI / *30. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES*

Sifat Hubungan dengan Pihak Berelasi / ***Nature of Relationships with Related Parties***

Sifat Hubungan/*Relationship*	Pihak berelasi/*Related parties*
• Pemegang saham utama/*Majority shareholder*	- Pemerintah Republik Indonesia/ *Government of Republic of Indonesia*
• Entitas sepengendali: Badan Usaha Milik Negara (BUMN)/ *Entities under common control: State-owned Enterprise (SOE)*	- PT Askes (Persero) - PT Adhi Karya (Persero) Tbk - PT Adhi Persada Beton - PT Adhi Persada Gedung - PT Asuransi Jasa Indonesia (Persero) - PT Asuransi Jiwa Inhealth Indonesia - PT Bank Mandiri (Persero) Tbk - PT Bank Negara Indonesia (Persero) Tbk - PT Bank Rakyat Indonesia (Persero) Tbk - PT Bank Syariah Mandiri - PT Bank Tabungan Negara (Persero) Tbk - PT Brantas Abipraya (Persero) - PT PP Presisi Tbk - PT Pertamina Hulu Mahakam - PT Dahana (Persero) - PT Hakaaston - PT Hutama Karya (Persero) - PT Jamsostek (Persero) - PT Kereta Api Indonesia (Persero) - PT Krakatau Daya Listrik - PT Krakatau Steel (Persero) Tbk - PT Nindya Karya (Persero) - PT Pelabuhan Indonesia II (Persero) - PT PP (Persero) Tbk - PT Pertamina (Persero) - PT Perusahaan Listrik Negara (Persero) - PT Perusahaan Perdagangan Indonesia (Persero) - PT Petrokimia Gresik (Persero) - PT Pindad (Persero) - PT PP Urban - PT Wijaya Karya Beton Tbk - PT Wijaya Karya Bangunan Gedung Tbk - PT Semen Baturaja (Persero) Tbk - PT Sucofindo (Persero) - PT Telekomunikasi Indonesia (Persero) Tbk - PT Telekomunikasi Seluler - PT Varuna Tirta Prakasya (Persero) - PT Waskita Beton Precast Tbk - PT Waskita Karya (Persero) Tbk - PT Wijaya Karya (Persero) Tbk - PT Wijaya Karya Realty Tbk

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30. SIFAT DAN TRANSAKSI PIHAK BERELASI (lanjutan)

30. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES *(continued)*

Sifat Hubungan dengan Pihak Berelasi

Nature of Relationships with Related Parties

Sifat hubungan/*Relationship*	Pihak berelasi/*Related parties*
• Entitas asosiasi/*Associates*	- PT Swadaya Graha - PT Igasar - PT Mitra Kiara Indonesia
• Entitas ventura bersama/*Joint venture*	- PT Krakatau Semen Indonesia
• Entitas dimana Perseroan memiliki pengaruh signifikan secara tidak langsung/ *Entities which the Company has indirect significant influence*	- Koperasi Warga Semen Gresik - PT Konsulta Semen Gresik - PT Swabina Gatra
• Entitas dimana entitas anak memiliki pengaruh signikan secara tidak langsung/ *Entities which subsidiaries have indirect significant influence*	- Koperasi Karyawan Warga Varia Usaha Beton - Koperasi Karyawan Semen Padang - Koperasi Karyawan Semen Tonasa - Koperasi Karyawan Usaha Sejahtera Bersama - Semen Indonesia Foundation - PT EMKL Topabiring - PT Kabau Sirah Semen Padang - PT Pasoka Sumber Karya - PT PBM Biringkasi Raya - PT Pelayaran Tonasa Lines - PT Prima Karya Manunggal - PT Sumatera Utara Perkasa Semen - PT Yasiga Sarana Utama
• Entitas adalah suatu program imbalan pasca kerja untuk imbalan kerja dari Perseroan atau entitas anak/ *Entities is a post-employment benefit plan for the benefit of employees of the Company or subsidiaries*	- Dana Pensiun Semen Gresik - Dana Pensiun Semen Padang
• Personil manajemen kunci/ *Key management personnel*	Dewan Komisaris dan Direksi Perseroan dan entitas anak/ *Board of Commissioner and Directors of the Company and subsidiaries*

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30. SIFAT DAN TRANSAKSI PIHAK BERELASI (lanjutan)

30. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES *(continued)*

a. Transaksi-transaksi Pihak Berelasi

Rincian transaksi dengan pihak berelasi adalah sebagai berikut:

a. Transactions with Related Parties

The details of transactions with related parties are as follows:

	2020	2019
Penjualan produk/*Sales of goods*		
Koperasi Warga Semen Gresik	1.364.973	1.177.662
PT Wijaya Karya Beton Tbk	191.494	240.636
PT Adhi Karya (Persero) Tbk	153.172	147.533
PT Adhi Persada Beton	145.057	57.727
PT PP (Persero) Tbk	100.651	110.099
PT Prima Karya Manunggal	88.321	148.054
PT Wijaya Karya (Persero) Tbk	66.373	113.448
Koperasi Karyaw an Semen Padang	50.118	82.814
PT PP Presisi Tbk	42.209	89.665
PT Hutama Karya (Persero)	38.605	30.919
PT Wijaya Karya Bangunan Gedung Tbk	36.862	7.165
PT Krakatau Semen Indonesia	31.020	47.109
PT PP Urban	24.697	54.287
PT Waskita Karya (Persero) Tbk	24.124	47.400
PT Nindya Karya	13.494	-
PT Waskita Beton Precast Tbk	10.625	42.794
PT Brantas Abipraya (Persero)	10.397	32.766
PT Igasar	8.219	91.729
PT Mega Eltra	8.124	-
PT Perusahaan Perdagangan Indonesia (Persero)	5.982	15.721
PT Sw adaya Graha	4.671	14.483
PT Hakaaston	3.597	21.320
PT Adhi Persada Gedung	3.559	9.586
PT Perkebunan Nusantara III	3.149	-
PT Semen Baturaja (Persero) Tbk	-	22.070
PT Pasoka Sumber Karya	-	9.116
PT Wijaya Karya Realty Tbk	-	5.628
Lain-lain/*Others* (masing-masing di baw ah/ *each below* Rp 3.000*)*	24.861	1.511
	2.454.354	**2.621.242**
Sebagai persentase terhadap jumlah pendapatan/ *As a percentage of total revenue*	**6,98%**	**6,49%**

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30. SIFAT DAN TRANSAKSI PIHAK BERELASI (lanjutan)

30. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES *(continued)*

a. Transaksi-transaksi Pihak Berelasi (lanjutan)

a. Transactions with Related Parties *(continued)*

	2020	2019
Pembelian produk dan jasa/*Purchases of goods and services*		
PT Perusahaan Listrik Negara (Persero)	1.941.424	2.253.037
PT Swabina Gatra	251.418	253.542
PT Pelayaran Tonasa Lines	236.176	283.524
PT Pasoka Sumber Karya	193.138	138.021
Koperasi Warga Semen Gresik	167.929	200.355
PT Pertamina (Persero)	133.402	166.967
PT PBM Biringkasi Raya	121.505	480.482
Dana Pensiun Semen Padang	117.444	54.181
PT Swadaya Graha	113.873	60.471
PT Krakatau Semen Indonesia	93.514	321.259
Koperasi Karyawan Semen Padang	79.211	81.770
PT Yasiga Sarana Utama	77.305	60.235
PT Prima Karya Manunggal	77.147	59.365
PT EMKL Topabiring	74.863	453.460
PT Petrokima Gresik (Persero)	65.144	57.039
PT Pelabuhan Indonesia II (Persero)	62.367	77.140
PT Dahana (Persero)	60.487	24.441
PT Kereta Api Indonesia (Persero)	60.096	45.281
PT Asuransi Jasa Indonesia (Persero)	47.732	60.138
Koperasi Karyawan Semen Tonasa	47.607	100.145
BPJS Ketenagakerjaan	46.474	46.481
PT Pindad (Persero)	43.460	-
Koperasi Karyawan Warga Varia Usaha Beton	33.690	35.923
PT Telekomunikasi Indonesia	32.837	33.648
PT Igasar	31.882	26.828
PT Kanitra Mitra Jayautama	30.974	-
PT PP (Persero) Tbk	25.077	-
PT Waskita Karya (Persero) Tbk	22.750	-
PT Konsulta Semen Gresik	19.116	16.742
PT Sucofindo (Persero)	16.578	10.692
PT Sumatera Utara Perkasa Semen	15.060	21.566
Dana Pensiun Semen Gresik	14.753	14.395
PT Bank Mandiri (Persero) Tbk	12.856	-
PT Swabina Gatra Travel	12.092	-
PT Kabau Sirah Semen Padang	11.000	10.780
PT Askes (Persero)	8.376	6.551
PT Wijaya Karya Industri dan Konstruksi	8.065	-
PT Adhi Karya (Persero) Tbk	7.774	-
Koperasi Warga UTSG	5.936	-
PT Telekomunikasi Seluler	5.123	3.122
PT Aneka Tambang (Persero) Tbk	4.749	-
PT Pelabuhan Indonesia IV (Persero)	3.007	-
PT Varuna Tirta Prakasya (Persero)	2.018	12.044
PT Asuransi Jiwa Inhealth Indonesia	-	7.041
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	52.166	57.526
	4.487.595	**5.534.192**
Sebagai persentase terhadap jumlah beban/ *As a percentage of total expense*	**15,20%**	**16,15%**

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30. SIFAT DAN TRANSAKSI PIHAK BERELASI (lanjutan)

30. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES *(continued)*

a. Transaksi-transaksi Pihak Berelasi (lanjutan)

a. Transactions with Related Parties *(continued)*

	2020	2019
Penghasilan keuangan/*Finance income*		
PT Bank Negara Indonesia (Persero) Tbk	47.752	41.372
PT Bank Mandiri (Persero) Tbk	13.164	121.546
PT Bank Rakyat Indonesia (Persero) Tbk	1.779	19.982
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	390	577
	63.085	**183.477**
Sebagai persentase terhadap jumlah penghasilan keuangan/ *As a percentage of total finance income*	**29,47%**	**84,22%**
Beban keuangan/*Finance costs*		
PT Bank Negara Indonesia (Persero) Tbk	662.251	684.823
PT Bank Syariah Mandiri	173.758	38.652
PT Bank Mandiri (Persero) Tbk	12.856	30.158
	848.865	**753.633**
Sebagai persentase terhadap jumlah beban keuangan/ *As a percentage of total finance costs*	**36,58%**	**23,51%**

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30. SIFAT DAN TRANSAKSI PIHAK BERELASI (lanjutan)

30. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES *(continued)*

b. Saldo dengan pihak berelasi

b. Balances with related parties

	2020	2019
Aset/*Assets*		
Kas dan setara kas/*Cash and cash equivalents*		
PT Bank Negara Indonesia (Persero) Tbk	1.277.262	1.748.295
PT Bank Mandiri (Persero) Tbk	761.668	1.371.422
PT Bank Rakyat Indonesia (Persero) Tbk	177.494	234.560
PT Bank Tabungan Negara (Persero) Tbk	8.025	80.560
PT Bank Syariah Mandiri	491	10.507
Bank Negara Indonesia Syariah	4	-
Kas dan setara kas/*Cash and cash equivalents*	2.224.944	3.445.344
Jumlah	**2.224.944**	**3.445.344**
Sebagai persentase terhadap jumlah aset/ *As a percentage of total assets*	**2,85%**	**4,32%**
Kas yang dibatasi penggunaannya/ *Restricted cash*		
PT Bank Negara Indonesia (Persero) Tbk	2.975	1.453
PT Bank Mandiri (Persero) Tbk	2.760	3.216
PT Bank Rakyat Indonesia (Persero) Tbk	478	3.600
Kas yang dibatasi penggunaannya/*Restricted cash*	**6.213**	**8.269**
Sebagai persentase terhadap jumlah aset/ *As a percentage of total assets*	**0,01%**	**0,01%**
Investasi jangka pendek/*Short-term investments*		
PT Mitra Kiara Indonesia	45.001	45.001
PT Sw abina Gatra	6.190	6.190
PT Eternit Gresik	1.861	1.861
Lain-lain/*Others* (masing-masing di baw ah/ *each below* Rp 3.000*)*	402	402
Jumlah	**53.454**	**53.454**
Sebagai persentase terhadap jumlah aset/ *As a percentage of total assets*	**0,07%**	**0,07%**

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30. SIFAT DAN TRANSAKSI PIHAK BERELASI (lanjutan)

30. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES *(continued)*

b. Saldo dengan pihak berelasi (lanjutan)

b. Balances with related parties *(continued)*

	2020	2019
Aset (lanjutan)/***Assets*** *(continued)*		
Piutang usaha /*Trade receivables*		
Koperasi Warga Semen Gresik	277.959	252.910
PT Adhi Karya (Persero) Tbk	172.330	137.908
PT Adhi Persada Beton	157.676	60.914
PT PP (Persero) Tbk	127.491	188.147
PT Wijaya Karya Beton Tbk	117.683	105.032
PT Prima Karya Manunggal	102.277	113.325
PT Wijaya Karya (Persero) Tbk	89.760	136.051
PT Pembangunan Perumahan Presisi Tbk	85.036	98.386
PT Waskita Beton Precast Tbk	54.554	4.794
PT Igasar	51.365	50.768
PT Wijaya Karya Bangunan Gedung Tbk	40.518	25.790
PT Hutama Karya (Persero)	38.259	32.467
PT PP Urban	35.814	62.746
PT Waskita Karya (Persero) Tbk	30.137	31.126
PT Hakaaston	16.410	28.597
PT Brantas Abipraya (Persero)	10.084	12.465
PT Nindya Karya (Persero)	8.130	8.945
PT Swadaya Graha	8.040	10.521
Koperasi Karyawan Semen Padang	7.281	11.899
PT Adhi Persada Gedung	6.558	10.895
PT Wijaya Karya Realty Tbk	5.988	7.780
PT Semen Baturaja (Persero) Tbk	210	17.912
PT Krakatau Steel (Persero) Tbk	-	3.338
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	61.307	120.374
	1.504.867	**1.533.090**
Sebagai persentase terhadap jumlah aset/ *As a percentage of total assets*	**1,93%**	**1,92%**
Piutang lain-lain/*Other receivables*		
PT Pertamina Hulu Mahakam	21.065	26.697
PT Swadaya Graha	18.023	16.638
Yayasan Semen Padang	15.712	23.468
PT Pertamina (Persero)	5.966	-
Semen Indonesia Foundation	4.551	4.289
PT Mitra Kiara Indonesia	4.276	-
PT Biringkasi Raya	3.568	-
PT Pelabuhan Indonesia II	3.346	-
PT Pelayaran Tonasa Lines	3.069	-
PT Asuransi Jasa Indonesia (Persero)	-	16.770
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	37.204	24.132
	116.780	**111.994**
Sebagai persentase terhadap jumlah aset/ *As a percentage of total assets*	**0,15%**	**0,14%**

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30. SIFAT DAN TRANSAKSI PIHAK BERELASI (lanjutan)

30. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES *(continued)*

b. Saldo dengan pihak berelasi (lanjutan)

b. Balances with related parties *(continued)*

	2020	2019
Liabilitas/*Liabilities*		
Utang usaha/*Trade payables*		
PT Perusahaan Listrik Negara (Persero)	249.190	310.904
PT Swabina Gatra	112.222	89.142
PT Pasoka Sumber Karya	63.071	46.090
PT Swadaya Graha	38.486	28.910
PT Dahana (Persero)	36.419	16.081
Koperasi Warga Semen Gresik	30.969	41.562
Koperasi Karyawan Warga Varia Usaha Beton	28.204	20.530
PT Petrokimia Gresik (Persero)	26.085	21.952
PT Pindad (Persero)	25.978	18.077
Koperasi Karyawan Semen Padang	23.853	21.735
PT PBM Biringkasi Raya	23.676	16.555
PT Yasiga Sarana Utama	23.241	16.698
PT Pertamina (Persero)	23.034	44.097
PT Pelayaran Tonasa Lines	18.936	27.600
PT Prima Karya Manunggal	17.377	11.920
Koperasi Karyawan Semen Tonasa	13.366	10.281
PT Kereta Api Indonesia (Persero)	12.210	2.946
PT Igasar	11.707	8.964
PT EMKL Topabiring	9.399	14.431
PT Sucofindo (Persero)	9.194	4.911
PT Konsulta Semen Gresik	7.326	4.926
PT PP (Persero) Tbk	6.804	6.793
PT Tekomunikasi Indonesia (Persero) Tbk	6.260	4.279
PT Asuransi Jiwa Inhealth Indonesia	5.905	3.560
PT Pelabuhan Indonesia III (Persero)	3.351	-
PT Asuransi Jasa Indonesia (Persero)	3.029	3.161
PT Pelabuhan Indonesia II (Persero)	2.749	15.316
PT Sumatera Utara Perkasa Semen	1.091	12.832
Koperasi Karyawan Usaha Sejahtera Bersama	826	3.462
PT Varuna Tirta Prakasya (Persero)	34	4.347
PT Krakatau Semen Indonesia	-	16.111
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000*)*	36.093	16.619
	870.085	**864.792**
Sebagai persentase terhadap jumlah liabilitas/ *As a percentage of total liabilities*	**2,13%**	**1,97%**

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30. SIFAT DAN TRANSAKSI PIHAK BERELASI (lanjutan)

30. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES *(continued)*

b. Saldo dengan pihak berelasi (lanjutan)

b. Balances with related parties *(continued)*

	2020	2019
Liabilitas (lanjutan)/***Liabilities*** *(continued)*		
Utang lain-lain/*Other payables*		
PT Petrokima Gresik (Persero)	10.649	10.182
PT Telekomunikasi Indonesia (Persero) Tbk	3.243	3.243
PT Asuransi Jiwasraya (Persero)	3.087	-
Lain-lain/*Others* (masing-masing di bawah/ *each below* Rp 3.000)	38.676	6.037
	55.655	**19.462**
Sebagai persentase terhadap jumlah liabilitas/ *As a percentage of total liabilities*	**0,14%**	**0,04%**

	2020	2019
Liabilitas jangka pendek/*Current liabilities*		
Pinjaman jangka pendek/*Short-term borrowings*		
PT Bank Negara Indonesia (Persero) Tbk	343.073	788.269
PT Bank Mandiri (Persero) Tbk	47.831	391.423
	390.904	**1.179.692**
Sebagai persentase terhadap jumlah liabilitas/ *As a percentage of total liabilities*	**0,96%**	**2,69%**
Liabilitas jangka panjang/*Non current liabilities*		
Pinjaman bank/*Bank loans*		
Sindikasi/*Syndicated* - PT Bank Negara Indonesia (Persero) Tbk	14.850.000	15.700.000
PT Bank Negara Indonesia (Persero) Tbk	-	1.734.942
PT Bank Rakyat Indonesia (Persero) Tbk	-	2.612
	14.850.000	**17.437.554**
Sebagai persentase terhadap jumlah liabilitas/ *As a percentage of total liabilities*	**36,60%**	**39,71%**
Dana *syirkah* temporer/*Temporary syirkah funds*		
PT Bank Syariah Mandiri	**1.781.235**	**2.000.000**
Sebagai persentase terhadap jumlah dana *syirkah* temporer/ *As a percentage of total temporary syirkah funds*	**100%**	**100%**

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31. INFORMASI SEGMEN / *31. SEGMENT INFORMATION*

Grup melaporkan segmen-segmen berdasarkan PSAK 5 (revisi 2015) berdasarkan segmen usaha sebagai berikut:

1. Manufaktur semen dan pendukungnya (Produksi semen);
2. Produksi non semen yang terdiri dari penambangan batu kapur dan tanah liat, pembuatan kantong kemasan, pengembangan kawasan industri, beton jadi dan siap pakai, jasa sistem informasi, logistik, dan perdagangan.

The Group's reportable segments under PSAK 5 (revised 2015) are based on the following business segments:

1. *Cement manufacturing and support (Cement production);*
2. *Non-cement productions consist of limestone and clay mining, cement bag manufacturing, industrial real estate, precast and readymix concrete, IT services, logistics, and trading.*

Berikut ini adalah informasi segmen berdasarkan segmen usaha:

Segment information based on business segments is presented below:

	2020					
	Produksi semen/ *Cement production*	Produksi non semen/ *Non-Cement production*	Jumlah sebelum eliminasi/*Total before eliminations*	Eliminasi/ *Eliminations*	Konsolidasian/ *Consolidated*	
PENDAPATAN						***REVENUE***
Penjualan pada pihak ketiga dan pihak-pihak berelasi	26.241.957	8.929.711	35.171.668	-	35.171.668	*Sales to third parties and related parties*
Penjualan antar segmen	5.661.923	1.499.413	7.161.336	(7.161.336)	-	*Inter-segment sales*
Jumlah pendapatan	31.903.880	10.429.124	42.333.004	(7.161.336)	35.171.668	*Total revenue*
LABA USAHA						***OPERATING INCOME***
Hasil segmen	7.715.700	(2.061.525)	5.654.175	(5.932)	5.648.243	*Segment result*
Penghasilan keuangan	236.276	13.630	249.906	(35.829)	214.077	*Finance income*
Beban keuangan	(2.212.328)	(144.587)	(2.356.915)	36.134	(2.320.781)	*Finance cost*
Bagian atas hasil bersih entitas asosiasi dan ventura bersama	(52.889)	-	(52.889)	-	(52.889)	*Share of result of associates and joint venture*
Laba sebelum pajak penghasilan	5.686.759	(2.192.482)	3.494.277	(5.627)	3.488.650	*Profit before income tax*
Beban pajak penghasilan	(717.224)	(97.083)	(814.307)	-	(814.307)	*Income tax expense*
Laba tahun berjalan	4.969.535	(2.289.565)	2.679.970	(5.627)	2.674.343	*Profit for the year*
Laba yang dapat diatribusikan kepada :						*Profit attributable to :*
Pemilik entitas induk	5.076.921	(2.287.064)	2.789.857	2.464	2.792.321	*Equity holders of parent entity*
Kepentingan nonpengendali	(107.386)	(10.592)	(117.978)	-	(117.978)	*Non-controlling interest*
Total laba tahun berjalan	4.969.535	(2.297.656)	2.671.879	2.464	2.674.343	*Total profit for the year*
LAPORAN POSISI KEUANGAN						***STATEMENTS OF FINANCIAL POSITION***
Aset segmen	78.330.795	5.600.475	83.931.270	(6.013.246)	77.918.024	*Segment assets*
Investasi pada entitas asosiasi dan ventura bersama	88.004	216	88.220	-	88.220	*Investments in associates and joint venture*
Jumlah aset	78.418.799	5.600.691	84.019.490	(6.013.246)	78.006.244	*Total assets*
Liabilitas segmen	39.289.385	3.119.220	42.408.605	(1.836.931)	40.571.674	*Segment liabilities*
Dana *syirkah* temporer	1.781.235	-	1.781.235	-	1.781.235	*Temporary syirkah loan*
INFORMASI LAINNYA						***OTHER INFORMATION***
Pengeluaran modal	1.652.555	169.327	1.821.882	-	1.821.882	*Capital expenditures*
Penyusutan, deplesi amortisasi, dan penurunan nilai	3.074.288	319.227	3.393.515	30.779	3.424.294	*Depreciation, depletion amortisation expense, and impairment*

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31. INFORMASI SEGMEN (lanjutan) / *31. SEGMENT INFORMATION (continued)*

	2019					
	Produksi semen/ *Cement production*	Produksi non semen/ *Non-Cement production*	Jumlah sebelum eliminasi/*Total before eliminations*	Eliminasi/ *Eliminations*	Konsolidasian/ *Consolidated*	
PENDAPATAN						***REVENUE***
Penjualan pada pihak ketiga dan pihak-pihak berelasi	29.876.043	10.492.065	40.368.108	-	40.368.108	*Sales to third parties and related parties*
Penjualan antar segmen	5.604.220	2.030.137	7.634.357	(7.634.357)	-	*Inter-segment sales*
Jumlah pendapatan	35.480.263	12.522.202	48.002.465	(7.634.357)	40.368.108	*Total revenue*
LABA USAHA						***OPERATING INCOME***
Hasil segmen	7.503.101	(1.318.549)	6.184.552	491	6.185.043	*Segment result*
Penghasilan keuangan	203.394	15.350	218.744	(921)	217.823	*Finance income*
Beban keuangan	(3.011.596)	(194.622)	(3.206.218)	920	(3.205.298)	*Finance cost*
Bagian atas hasil bersih entitas asosiasi dan ventura bersama	-	(1.793)	(1.793)	-	(1.793)	*Share of result of associates and joint venture*
Laba sebelum pajak penghasilan	4.694.899	(1.499.614)	3.195.285	490	3.195.775	*Profit before income tax*
Beban pajak penghasilan	(841.177)	16.635	(824.542)	-	(824.542)	*Income tax expense*
Laba tahun berjalan	3.853.722	(1.482.979)	2.370.743	490	2.371.233	*Profit for the year*
Laba yang dapat diatribusikan kepada :						*Profit attributable to :*
Pemilik entitas induk	3.894.540	(1.502.879)	2.391.661	490	2.392.151	*Equity holders of parent entity*
Kepentingan nonpengendali	(40.818)	19.900	(20.918)	-	(20.918)	*Non-controlling interest*
Total tahun periode berjalan	3.853.722	(1.482.979)	2.370.743	490	2.371.233	*Total profit for the year*
LAPORAN POSISI KEUANGAN						***POSITION***
Aset segmen	73.072.539	6.127.930	79.200.469	465.489	79.665.958	*Segment assets*
Investasi pada entitas asosiasi and ventura bersama	-	141.109	141.109	-	141.109	*Investments in associates and joint venture*
Jumlah aset	73.072.539	6.269.039	79.341.578	465.489	79.807.067	*Total assets*
Liabilitas segmen	39.839.960	3.899.760	43.739.720	175.423	43.915.143	*Segment liabilities*
Dana *syirkah* temporer	2.000.000	-	2.000.000	-	2.000.000	*Temporary syirkah loan*
INFORMASI LAINNYA						***OTHER INFORMATION***
Pengeluaran modal	1.346.328	131.611	1.477.939	151.557	1.629.496	*Capital expenditures*
Penyusutan, deplesi dan amortisasi	2.207.033	307.421	2.514.454	-	2.514.454	*Depreciation, depletion and amortisation expense*

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31. INFORMASI SEGMEN (lanjutan)

***31. SEGMENT INFORMATION** (continued)*

Segmen Geografis

Geographical Segments

Tabel berikut menunjukkan distribusi dari aset konsolidasian dan pengeluaran modal Grup berdasarkan segmen geografis:

The following table shows the distribution of the Group's consolidated assets and capital expenditures by geographical segment:

	2020	2019	
Aset			*Assets*
Indonesia	75.909.493	77.595.045	*Indonesia*
Luar Negeri	2.096.751	2.212.022	*Overseas*
Jumlah	**78.006.244**	**79.807.067**	*Total*

	2020	2019	
Pengeluaran modal			*Capital expenditures*
Indonesia	1.819.595	1.622.424	*Indonesia*
Luar Negeri	2.287	7.072	*Overseas*
Jumlah	**1.821.882**	**1.629.496**	*Total*

Grup berdomisili di Indonesia dan Vietnam.

The Group is domiciled in Indonesia and Vietnam.

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32. IKATAN DAN PERJANJIAN SIGNIFIKAN

a. Ijin usaha pertambangan

Pada tanggal 31 Desember 2020, Grup memiliki ijin usaha pertambangan dan membayarkan pajak retribusi atas tanah pertambangan untuk lahan sebagai berikut:

32. COMMITMENTS AND SIGNIFICANT AGREEMENT

a. Mining license

As at 31 December 2020, the Group has a mining business license and paid for tax levy for the following areas:

No.	Surat keputusan/*Decree*			Izin/*Permit*		Lokasi/*Location*
	Nomor/*Number*	Tanggal/*Date*	Oleh/*By*	Pemegang/ *Holder*	Period akhir/ *End period*	
1	IUP OP P2T/1/15.02/02/I/2019	14 Mei/*May* 2019	Gubernur Jawa Timur/*Governor of East Java*	Perseroan	14 Mei/*May* 2029	Desa Temandang, pongpongan, sumberarum dan senori, kecamatan merakurak dan kerek, kabupaten tuban, provinsi jawa timur/*Temandang,Pongpongan, Sumberarum and Senori Village, Meakurak and Kerek Sub-District, Tuban District, East Java.*
2	IUP OP P27/80/15.02/VIII/2018	6 Agustus/*August* 2018	Gubernur Jawa Timur/*Governor of East Java*	Perseroan	6 Agustus/*August* 2023	Desa Temandang,Sugihan dan Tobo, Kecamatan Merakurak, kabupaten Tuban, Provinsi Jawa Timur/*Temandang,Sugihan and Tobo Village, Meakurak Sub-District, Tuban District, East Java.*
3	IUP OP No P2T/8/15.02/02/XI/2017	23 November 2017	Gubernur Jawa Timur/*Governor of East Java*	Perseroan	23 November 2023	Desa Mliwang, Tobo dan Karangasem, Kabupaten Tuban, Provinsi Jawa Timur/*Mliwang,Tobo and Karangasem Village, Tuban District, East Java.*
4	IUP OP No 543.32/1712 Tahun 2017	8 Maret/*March* 2017	Kepala Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu/*Head of Investment Office and One-Stop Integrated Services*	Perseroan	8 Maret/*March* 2027	Desa Kajar, Desa Pasucen, Desa Tegaldowo, Desa Timbrangan, Kecamatan Gunem, Kabupaten Rembang, Provinsi Jawa Tengah/*Tegaldowo,Pasucen,Timbrangan and Kajar Village, Gunem Sub-District, Rembang District, Central Java.*
5	IUP OP No 543.32/1529 Tahun 2017	2 Maret/*March* 2017	Kepala Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu/*Head of Investment Office and One-Stop Integrated Services*	Perseroan	2 Maret/*March* 2037	Desa Tegaldowo dan Desa Kajar, Kecamatan Gunem, Kabupaten Rembang, Provinsi Jawa Tengah/*Tegaldowo and Kajar Village, Gunem Sub-District, Rembang District, Central Java.*
6	No. 503/IUP-OP/3301.4.40.16 Tahun 2015	22 Mei/*May* 2015	Gubernur Jawa Tengah/*Governor of Central Java*	SBI	22 Mei/*May* 2023	Kecamatan Cilacap Selatan, Kabupaten Cilacap / *South Cilacap Sub-District, Cilacap District*
7	No. 503/IUP-OP/3301.4.39.15 Tahun 2015	22 Mei/*May* 2015	Gubernur Jawa Tengah/*Governor of Central Java*	SBI	22 Mei/*May* 2023	Desa Tritih Lor, Kecamatan Jeruklegi dan Desa Jangrana, Kecamatan Kesugihan, Kabupaten Cilacap / *Tritih Lor Village, Jeruklegi Sub-District and Jangrana Village, Kesugihan Sub-District, Cilacap District*
8	No. 541.3/018/Kpts/ESDM/2012	26 Desember/*December* 2012	Bupati Bogor/*Regent of Bogor*	SBI	26 Desember/*December* 2022	Desa Nambo dan Desa Klapanunggal, Kecamatan Klapanunggal, Kabupaten Bogor / *Nambo Village and Klapanunggal Village, Bogor District*
9	No.540/Kep.32/10.1.02.2/BPMPT/2016.39/Kep./10.1.03.0/BPMPT/2016	27 Juli/*July* 2016	Kepala Badan Penanaman Modal dan Perijinan Terpadu Provinsi Jawa Barat/*Head of Investment Office and One-Stop Integrated Services of West Java Province*	SBI	27 Juli/*July* 2021	Desa Nambo dan Desa Lulut, Kecamatan Klapanunggal, Kabupaten Bogor / *Nambo Village and Lulut Village, Klapanungal Sub-District, Bogor District*
10	No. P2T/97/15.02/IX/2018	13 September 2018	Gubernur Jawa Timur/*Governor of East Java*	SBI	13 September 2034	Desa Sawir dan Desa Kedungrejo, Kecamatan Tambakboy dan Kecamatan Kerek, Kabupaten Tuban / *Sawir Village and Kedungrejo Village, Tambakboy Sub-District and Kerek Sub-District, Tuban District*

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a. Ijin usaha penambangan (lanjutan)

32. COMMITMENTS AND SIGNIFICANT AGREEMENT *(continued)*

a. Mining license (continued)

No.	Surat keputusan/*Decree*			Izin/*Permit*		Lokasi/*Location*
	Nomor/*Number*	Tanggal/*date*	Oleh/*by*	Pemegang/ *Holder*	Period akhir/ *End period*	
11	No. P2T/96/15.02/IX/2018	13 September 2018	Gubernur Jawa Timur/*Governor of East Java*	SBI	13 September 2024	Desa Mliwang, Kecamatan Kerek, Kabupaten Tuban / *Mliwang Village, Kerek Sub-District, Tuban District*
12	No. P2T/98/15/02.IX/2018	13 September 2018	Gubernur Jawa Timur/*Governor of East Java*	SBI	13 September 2022	Desa Mliwang, Kecamatan Kerek, Kabupaten Tuban / Miwang Village, Kerek Sub-District, Tuban District
13	IUP No. 544-81-2018	06 April 2018	Gubernur Sumatera Barat/*Governor of West Sumatera*	SP	06 April 2028	Kelurahan Batu Gadang, Kecamatan Lubuk Kilangan, Padang, Sumatera Barat/*Batu Gadang Regency, Lubuk Kilangan Sub-district, Padang, West Sumatera*
14	IUP No. 544-82-2018	06 April 2018	Gubernur Sumatera Barat/*Governor of West Sumatera*	SP	06 April 2023	Kelurahan Indarung, Kecamatan Lubuk Kilangan, Padang, Sumatera Barat/*Indarung Regency, Lubuk Kilangan Sub-district, Padang, West Sumatera*
15	IUP No. 544-83-2018	06 April 2018	Gubernur Sumatera Barat/*Governor of West Sumatera*	SP	06 April 2023	Kelurahan Batu Gadang, Kecamatan Lubuk Kilangan, Padang, Sumatera Barat/*Batu Gadang Regency, Lubuk Kilangan Sub-district, Padang, West Sumatera*
16	IUP No. 544-84-2018	06 April 2018	Gubernur Sumatera Barat/*Governor of West Sumatera*	SP	06 April 2023	Kelurahan Batu Gadang, Kecamatan Lubuk Kilangan, Padang, Sumatera Barat/*Batu Gadang Regency, Lubuk Kilangan Sub-district, Padang, West Sumatera*
17	IUP OP No 1/I.03.p/P2T/01/2016	20 Januari/*January* 2016	Gubernur Sulawesi Selatan/*Governor of South Sulawesi*	ST	20 Januari/*January* 2026	Kabupaten Pangkep, Provinsi Sulawesi Selatan / Pangkep District, South Sulawesi
18	IUP OP No 39/I.03a.P/P2T/10/2017	18 Oktober/*October* 2016	Gubernur Sulawesi Selatan/*Governor of South Sulawesi*	ST	9 Juli/*July* 2026	Kabupaten Pangkep, Provinsi Sulawesi Selatan / Pangkep District, South Sulawesi
19	IUP OP No 95/I.03/PTSP/2018	5 Juni/*June* 2018	Gubernur Sulawesi Selatan/*Governor of South Sulawesi*	ST	5 Juni/*June* 2028	Kabupaten Pangkep, Provinsi Sulawesi Selatan / Pangkep District, South Sulawesi
20	IUP OP No 28/I.03a/PTSP/2018	5 Juni/*June* 2018	Gubernur Sulawesi Selatan/*Governor of South Sulawesi*	ST	19 Agustus/*August* 2023	Kabupaten Pangkep, Provinsi Sulawesi Selatan / Pangkep District, South Sulawesi
21	IUP OP No 23/I.03a/PTSP/2019	23 Desember/*December* 2019	Gubernur Sulawesi Selatan/*Governor of South Sulawesi*	ST	28 Desember/*December* 2024	Kabupaten Pangkep, Provinsi Sulawesi Selatan / Pangkep District, South Sulawesi
22	No. 324 Tahun 2012	03 September 2012	Bupati Aceh Besar/*Regent of Aceh Besar*	ACA	03 September 2022	Kecamatan Lhoknga, Kabupaten Aceh Besar, Provinsi Aceh / *Lhoknga Sub-District, Aceh Besar District, Aceh Besar Province*
23	No. 325 Tahun 2012	03 September 2012	Bupati Aceh Besar/*Regent of Aceh Besar*	ACA	03 September 2022	Kecamatan Lhoknga, Kabupaten Aceh Besar, Provinsi Aceh / *Lhoknga Sub-District, Aceh Besar District, Aceh Besar Province*
24	No. 540/53/10.1.06.2/DPMPTSp/2017	09 November 2017	Kepala Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu/*Head of Investment Office and One-Stop Integrated Services*	SBB	09 *November* 2022	Kampung Maloko, Desa Sukasari dan Desa Cipinang, Kecamatan Rumpin, Kabupaten Bogor / *Maloko Village, Village Sukasari and Village Cipinang, Rumpin Sub-Dsitrict, Bogor District*
25	No. P2T/1/15.02/02/VIOl/2017	17 Juli 2017/*July* 2017	Gubernur Jawa Timur/*Governor of East Java*	PLP	17 Juli/*July* 2022	Desa Jeladri, Kecamatan Winongan, Kabupaten Pasuruan, Provinsi Jawa Timur / *Jeladri Village, Winongan Sub-District, Pasuruan District, Jawa Timur Province*

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32. IKATAN DAN PERJANJIAN SIGNIFIKAN (lanjutan)

b. Fasilitas kredit

Perseroan dan beberapa entitas anak tertentu memiliki fasilitas kredit untuk modal kerja, pembiayaan, jaminan bank, *letters of credit* dan kontrak valuta asing. Fasilitas kredit yang belum digunakan oleh Perseroan dan entitas anak pada tanggal 31 Desember 2020 sejumlah Rp13.714.704.

c. Komitmen pembelian barang modal

Kontrak pembelian barang modal pada tanggal 31 Desember 2020 adalah sejumlah Rp743.923.

d. Perjanjian Pengalihan dan Penyertaan Modal/*Assignment* dan *Subscription Agreement* (‘‘SSA‘‘) & Perjanjian Induk Jual Beli (‘‘Perjanjian *Offtake*‘‘)

Pada tanggal 26 Januari 2021, SIIB, SBI dan Taiheiyo Cement Corporation (“TCC”) menandatangani Perjanjian Pengalihan dan Penyertaan Modal/*Assignment and Subscription Agreement* (”SSA”) serta perjanjian induk jual beli semen antara SBI dan TCC sebagai pembeli (”Perjanjian *Offtake*”). Melalui SSA, SIIB setuju untuk melakukan pelepasan atas kepemilikan saham di SBI kepada TCC melalui penerbitan saham baru dengan Hak Memesan Efek Terlebih Dahulu (HMETD) dengan nilai sebesar USD 220.000.000. Kesepakatan kerja sama ini juga menjadi bagian dari kewajiban *refloat* saham Perusahaan setelah *Mandatory Tender Offer* (‘‘MTO‘‘) yang dilakukan pada tahun 2019 lalu.

32. COMMITMENTS AND SIGNIFICANT AGREEMENT *(continued)*

b. Credit facilities

The Company and certain subsidiaries have credit facilities for working capital, financing, bank guarantees, letters of credit and foreign exchange contracts. The total available credit facilities of the Company and subsidiaries as at December 31, 2020 amounted to Rp13,714,704.

c. Capital commitments

Capital expenditure contracted as at December 31, 2020 amounted to Rp743,923.

d. Assignment and Subscription Agreement (‘‘SSA‘‘) and (‘‘Purchase of Cement Offtake Agreement‘‘)

On January 26, 2021, SIIB, SBI and Taiheiyo Cement Corporation (‘‘TCC”) signed Assignment and Subscription Agreement (‘‘SSA”) and framework cement offtake agreement between SBI as a seller and TCC as buyer (‘‘Offtake Agreement”). Through the SSA, SIIB agree to transfer its ownerhsip in SBI to TCC through the right issue by issuing new shares amounting to USD 220,000,000. This agreement was also a part of the Company's stock refloat obligation after the Mandatory Tender Offer (‘‘MTO”) which conducted in 2019.

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33. ASET DAN LIABILITAS MONETER DALAM MATA UANG ASING

33. MONETARY ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

Pada tanggal 31 Desember 2020 dan 2019, Grup mempunyai aset dan liabilitas moneter dalam mata uang asing sebagai berikut:

As at December 31, 2020 and 2019, the Group had monetary assets and liabilities denominated in foreign currencies as follows:

	2020					
	USD (dalam ribuan/ *in thousand*)	EUR (dalam ribuan/ *in thousand*)	VND (dalam ribuan/ *in thousand*)	Mata uang asing lainnya/ *Others foreign currencies*	Jumlah setara Rupiah/ *Equivalent in Rupiah*	
Aset:						***Assets:***
Kas dan setara kas	33.108	3.748	16.715.967	3	542.038	*Cash and cash equivalents*
Piutang usaha	10.488	-	52.445.034	-	179.922	*Trade receivables*
Piutang lain-lain - pihak ketiga	8	-	-	-	116	*Other receivables - third party*
Jumlah aset	43.604	3.748	69.161.001	3	722.076	*Total assets*
Liabilitas:						***Liabilities:***
Pinjaman jangka pendek	-	-	172.265.366	-	105.082	*Short-term borrowings*
Utang usaha	18.698	5.970	389.669.943	235	608.438	*Trade payables*
Liabilitas sewa	21.342	-	-	-	301.035	*Lease liabilities*
Jumlah liabilitas	40.040	5.970	561.935.309	235	1.014.555	*Total liabilities*
Liabilitas bersih	3.564	(2.222)	(492.774.308)	(232)	(292.479)	*Net liabilities*

	2019					
	USD (dalam ribuan/ *in thousand*)	EUR (dalam ribuan/ *in thousand*)	VND (dalam ribuan/ *in thousand*)	Mata uang asing lainnya/ *Others foreign currencies*	Jumlah setara Rupiah/ *Equivalent in Rupiah*	
Aset:						***Assets:***
Kas dan setara kas	48.014	687	27.255.000	-	694.553	*Cash and cash equivalents*
Piutang usaha	10.088	-	51.433.333	-	171.090	*Trade receivables*
Piutang lain-lain	609	-	-	-	8.466	*Other receivables*
Jumlah aset	58.711	687	78.688.333	-	874.109	*Total assets*
Liabilitas:						***Liabilities:***
Pinjaman jangka pendek	-	7.448	53.706.667	-	148.334	*Short-term borrowings*
Utang usaha	14.379	4.716	770.893.333	242	739.107	*Trade payables*
Utang lain-lain	18.997	-	-	-	264.077	*Other payables*
Jumlah liabilitas	33.376	12.164	824.600.000	242	1.151.518	*Total liabilities*
Liabilitas bersih	25.335	(11.477)	(745.911.667)	(242)	(277.409)	*Net liabilities*

Aset dan liabilitas dalam mata uang asing lainnya disajikan dalam jumlah yang setara dengan USD dengan menggunakan kurs pada akhir periode pelaporan.

Assets and liabilities denominated in other foreign currencies are presented as USD equivalents using the exchange rate prevailing at the end of the reporting period.

34. TUJUAN DAN KEBIJAKAN MANAJEMEN MODAL DAN RISIKO KEUANGAN

Grup terpengaruh terhadap risiko pasar, risiko kredit, dan risiko likuiditas. Manajemen menerapkan manajemen risiko atas risiko-risiko tersebut dengan melakukan evaluasi atas risiko keuangan dan kerangka pengelolaan risiko keuangan yang tepat untuk Grup. Pengelolaan resiko tersebut memberikan keyakinan kepada manajemen bahwa aktivitas keuangan dikelola secara pruden sesuai kebijakan dan prosedur yang tepat dan risiko keuangan diidentifikasi, diukur dan dikelola sesuai dengan kebijakan dan risk appetite.

Manajemen menerapkan kebijakan pengelolaan risiko-risiko sebagaimana dirangkum di bawah ini:

a. Risiko pasar

Risiko pasar adalah risiko nilai wajar arus kas masa depan suatu instrumen keuangan akan berfluktuasi karena perubahan harga pasar. Harga pasar mengandung tiga tipe risiko: risiko nilai tukar mata uang asing, risiko harga, dan risiko tingkat suku bunga. Instrumen keuangan yang terpengaruh oleh risiko pasar termasuk kas dan setara kas, investasi jangka pendek, piutang usaha, piutang lain-lain, kas dan setara kas yang dibatasi penggunaannya, utang usaha, utang lain-lain, akrual, dan pinjaman jangka panjang.

b. Risiko nilai tukar mata uang asing

Grup rentan terhadap risiko nilai tukar mata uang asing yang timbul dari berbagai eksposur mata uang. Risiko nilai tukar mata uang asing timbul dari aset dan liabilitas moneter yang diakui dalam USD.

Manajemen telah menetapkan kebijakan yang mengharuskan entitas-entitas dalam Grup mengelola risiko nilai tukar mata uang asing terhadap mata uang fungsionalnya. Untuk mengelola risiko nilai tukar mata uang asing yang timbul dari transaksi komersial masa depan serta aset dan liabilitas yang diakui, entitas menggunakan kontrak berjangka, yang ditransaksikan dengan bank-bank yang telah ditunjuk dan memiliki *swap* mata uang asing.

Pada tanggal 31 Desember 2020, jika Rupiah melemah/menguat sebesar 5%, terhadap USD dengan variabel lain konstan, laba setelah pajak untuk tahun berjalan akan lebih rendah/tinggi sebesar Rp2.035 (2019: Rp14.087) terutama diakibatkan (kerugian)/keuntungan dari penjabaran aset dan liabilitas moneter dalam mata uang asing.

34. FINANCIAL RISK AND CAPITAL MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to market risk, credit risk and liquidity risk. Management applies risk management for such risks by evaluating the financial risks and the appropriate financial risk governance framework for the Group. Such risk management provides assurance to management that prudent financial activities are managed according to appropriate policies and procedures and financial risks are identified, measured and managed in accordance with policies and risk appetite.

The management applies policies for managing each of these risks which is summarised below:

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risk: foreign currency risk, price risk, and interest rate risk. Financial instruments affected by market risk included cash and cash equivalent, short-term investment, trade receivables, other receivables, restricted cash and cash equivalent, trade payable, other payables, accruals and long-term borrowings.

b. Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from recognised monetary assets and liabilities in USD.

Management has set up a policy to require Group companies to manage their foreign risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group use forward contracts, transacted with the banks appointed and enter into foreign currency swap.

As at December 31, 2020, if Rupiah had weakened/strengthened by 5% against USD with all other variables held constant, post-tax profit for the year would have been Rp2,035 (2019: Rp14,087) lower/higher, mainly as a result of foreign exchange (losses)/gains on translation of monetary assets and liabilities in foreign currency.

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34. TUJUAN DAN KEBIJAKAN MANAJEMEN MODAL DAN RISIKO KEUANGAN (lanjutan)

b. Risiko nilai tukar mata uang asing (lanjutan)

Risiko harga

Grup terkena dampak risiko harga yang terutama diakibatkan oleh pembelian batu bara yang merupakan komponen utama biaya produksi. Harga batu bara tersebut dipengaruhi oleh beberapa faktor, antara lain permintaan, pasokan, nilai tukar, dan cuaca.

Kebijakan Grup untuk meminimalkan risiko yang berasal dari fluktuasi harga batu bara adalah antara lain dengan mengadakan kontrak pembelian yang berjangka waktu 12 bulan atau kurang dan pembelian secara bersama antara Grup kepada pemasok agar mendapatkan harga yang menguntungkan.

c. Risiko kredit

Risiko kredit timbul dari kas dan setara kas, piutang usaha, piutang lain-lain dan kas yang dibatasi penggunaannya. Jumlah tercatat aset di laporan posisi keuangan konsolidasian Grup merupakan eksposur maksimal dari risiko kredit.

Untuk kas dan setara kas, dan kas yang dibatasi penggunaannya, Grup hanya memilih bank yang memiliki reputasi dan kredibilitas yang baik.

Terkait dengan eksposur kredit atas piutang usaha kepada pelanggan, Grup melakukan analisa kredit dan menetapkan batasan kredit konsumen sebelum penerimaan konsumen baru. Batasan kredit ini ditinjau secara berkala. Grup juga melakukan pengawasan secara berkelanjutan untuk portofolio kredit untuk meminimalisasi dampak dari risiko kredit.

Analisa lebih lanjut terhadap piutang usaha disajikan pada Catatan 6 dalam laporan keuangan konsolidasi.

Semua saldo piutang lain-lain jatuh tempo yang belum mengalami penurunan nilai yang merupakan pelanggan, pihak berelasi dan karyawan tanpa adanya kasus gagal bayar di masa lalu.

34. FINANCIAL RISK AND CAPITAL MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

b. Foreign exchange risk *(continued)*

Price risk

The Group is exposed to price risk that is mainly due to the purchase of coal which is the main component of production costs. The price of coal is influenced by several factors, including demand, supply, exchange rates, and weather.

The Group's policy to minimize risks arising from fluctuations in the price of coal is among other things entered into purchase contracts for a period of 12 months or less and a joint purchase between the Group to suppliers in order to obtain favorable prices.

c. Credit risk

Credit risk arises from cash and cash equivalent, trade receivables, other receivables and restricted cash. The carrying amount of financial assets in the Group's consolidated statement of financial position represents maximum credit risk exposure.

Regarding cash and cash equivalent, and restricted cash, the Group only selects bank with a good reputation and credibility.

In respect of credit exposures of trade receivable due from customers, the Group assesses the potential customer's credit quality and sets credit limits before accepting any new customers. These limits are reviewed periodically. The Group also performs ongoing credit portfolio monitoring as well as manages the collection of the receivables in order to minimise the credit risk.

exposure. Further analysis on trade receivables is provided in Note 6 to the consolidated financial statements.

All balances of other receivables are neither pass due nor impaired in which represent customers, related parties and employees with no history of default in the past.

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34. FINANCIAL RISK AND CAPITAL MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

d. Risiko likuiditas

Risiko likuiditas muncul dalam situasi dimana Grup mengalami kesulitan dalam memperoleh pendanaan. Manajemen risiko likuiditas berarti menjaga kecukupan saldo kas dan setara kas. Grup mengelola risiko likuiditas dengan terus memantau perkitaan dan arus kas aktual dan mencocokan profil jatuh tempo aset dan kewajiban keuangan, dan memanfaatkan fasilitas kredit dari bank.

Tabel dibawah merangkum profil jatuh tempo liabilitas keuangan Grup berdasarkan pembayaran kontraktual yang tidak didiskontokan pada tanggal 31 Desember 2020 dan 2019.

d. Liquidity risk

Liquidity risk arises in situations where the Group has difficulties in obtaining funding. Prudence liquidity risk management implies maintaining sufficient cash and cash equivalents. The Group manages liquidity risk by continuosly monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities, and utilising the credit facilities from the bank.

The table below summarises the maturity profile of the Group financial liabilities based on contractual undiscounted payments as at December 31, 2020 and 2019.

	2020				
	Kurang dari 1 tahun/ ***Less than 1 year***	**1-2 tahun** ***1-2 years***	**Lebih dari 2 tahun** ***More than 2 years***	**Jumlah/** ***Total***	
Pinjaman jangka pendek	569.327	-	-	569.327	*Short-termborrowings*
Utang usaha	6.520.699	-	-	6.520.699	*Trade payables*
Utang lain-lain	307.317	-	-	307.317	*Other payables*
Akrual	1.129.537	-	-	1.129.537	*Accruals*
Liabilitas imbalan kerja jangka pendek	772.724	-	-	772.724	*Short-termemployee benefit liabilities*
Pinjaman bank	1.433.067	388.543	15.641.741	17.463.351	*Bank loans*
Utang obligasi	-	3.258.000	4.445.734	7.703.734	*Bonds payable*
Liabilitas sewa	553.700	582.440	131.919	1.268.059	*Lease liabilities*
	11.286.371	**4.228.983**	**20.219.394**	**35.734.748**	

	2019				
	Kurang dari 1 tahun/ ***Less than 1 year***	**1-2 tahun** ***1-2 years***	**Lebih dari 2 tahun** ***More than 2 years***	**Jumlah/** ***Total***	
Pinjaman jangka pendek	1.211.916	-	-	1.211.916	*Short-termborrowings*
Utang usaha	5.669.759	-	-	5.669.759	*Trade payables*
Utang lain-lain	575.126	-	-	575.126	*Other payables*
Akrual	1.222.508	-	-	1.222.508	*Accruals*
Liabilitas imbalan kerja jangka pendek	735.066	-	-	735.066	*Short-termemployee benefit liabilities*
Pinjaman bank	4.155.572	5.071.165	17.593.145	26.819.882	*Bank loans*
Utang obligasi	625.734	625.734	8.256.283	9.507.751	*Bonds payable*
Liabilitas sewa	10.897	44.132	-	55.029	*Lease liabilities*
	14.206.578	**5.741.031**	**25.849.428**	**45.797.037**	

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34. TUJUAN DAN KEBIJAKAN MANAJEMEN MODAL DAN RISIKO KEUANGAN (lanjutan)

Estimasi Nilai Wajar

Nilai tercatat dari aset dan liabilitas keuangan dengan jatuh tempo kurang dari 1 tahun, termasuk kas setara kas, piutang usaha, piutang lain-lain, pinjaman bank jangka pendek, utang usaha, dan akrual diperkirakan mendekati nilai wajarnya karena bersifat jangka pendek. Nilai tercatat pinjaman bank, liabilitas sewa pembiayaan, dan utang obligasi dengan jatuh tempo lebih dari 1 tahun juga mendekati nilai wajarnya karena dampak pendiskontoan tidak signifikan.

***34. FINANCIAL RISK AND CAPITAL MANAGEMENT OBJECTIVES AND POLICIES** (continued)*

Fair value estimation

The carrying amount of financial assets and liabilities with maturities of less than 1 year, including cash equivalents, trade receivables, other receivables, short-term bank loans, trade payables and accruals, are estimated to be near their fair values because they are short-term. The carrying value of bank loans, finance lease liabilities, and bonds payable with maturities of more than 1 year also approaches their fair value because the impact of discounting is not significant.

Pengelolaan modal

Tujuan utama pengelolaan modal Grup adalah untuk memastikan pemeliharaan rasio modal yang sehat untuk mendukung usaha dan memaksimalkan imbalan bagi pemegang saham dan pemangku kepentingan lainnya.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value and other stakeholders.

Grup mengelola struktur permodalan dan melakukan penyesuaian, bila diperlukan, berdasarkan perubahan kondisi ekonomi. Untuk memelihara dan menyesuaikan struktur permodalan, Grup dapat menyesuaikan pembayaran dividen kepada pemegang saham, menerbitkan saham baru atau mengusahakan pendanaan melalui pinjaman.

The Group manages its capital structure and makes adjustments to it, if necessary, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, issue new shares or raise debt financing.

Grup mengawasi modal dengan menggunakan rasio *gearing*, dengan membagi jumlah pinjaman berbunga yang sudah dikurangkan dengan kas dan setara kas, dengan jumlah ekuitas yang dapat diatribusikan kepada pemilik entitas induk.

The Group monitors its capital using gearing ratios, by dividing interest bearing loan after deducted with cash and cash equivalent, by total equity attributable to equity holders of the parent entity.

Rasio *gearing* pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

The gearing ratios as at December 31, 2020 and 2019 are as follow:

	2020	2019	
Pinjaman bank	15.784.291	20.924.164	*Bank loans*
Utang obligasi	7.069.229	7.065.345	*Bonds payable*
Liabilitas sewa pembiayaan	1.100.889	52.438	*Finance lease liabilities*
Dana *syirkah* temporer	1.781.235	2.000.000	*Temporary syirkah fund*
Jumlah pinjaman dan dana *syirkah* temporer	25.735.644	30.041.947	*Total borrowings and temporary syirkah fund*
Dikurangi:			*Less:*
- Kas dan setara kas	(2.930.598)	(3.950.448)	*Cash and cash equivalent* -
	22.805.046	26.091.499	
Jumlah ekuitas yang dapat diatribusikan kepada pemilik entitas induk	34.173.409	32.276.815	*Total equity attributable to owners of the parent entity*
Rasio pengungkit (x)	0,67	0,81	*Gearing ratio (x)*

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35. INFORMASI PENTING LAINNYA

PT Wijaya Karya Industri & Konstruksi

Pada tanggal 4 Agustus 2016, PT Wijaya Karya Industri & Konstruksi (WIKON) mengajukan permohonan pengalihan pekerjaan proyek pekerjaan *Mechanical Construction* Paket (MC) 2 dan 3 sehubungan dengan pembangunan Indarung VI dari WIKON ke SP. Total nilai kontrak pekerjaan MC 2 dan 3 adalah Rp108.997. SP menyetujui permohonan atas pengalihan pekerjaan tersebut efektif tanggal 4 Agustus 2016 dimana biaya atas pengalihan pekerjaan tersebut akan diperhitungkan dengan tagihan dari WIKON. Pada tanggal 4 Mei 2017 disepakati pemutusan kontrak MC2 dan MC3 terhitung sejak tanggal 4 Agustus 2016 dengan posisi progress pekerjaan MC 2 dan MC 3 masing-masing sebesar 59,13% dan 42,28%.

Pada tahun 2016, WIKON menyampaikan klaim pertama sebesar Rp90,207 dan kemudian direvisi menjadi Rp173,345 pada tahun 2017. Pada Februari 2018, SP menyampaikan surat penolakan atas klaim WIKON karena klaim tersebut tidak didukung dengan bukti-bukti yang valid. SP juga menyampaikan klaim kepada WIKON dengan jumlah sebesar Rp26.119.

Pada tanggal 17 September 2020, para pihak telah menyepakati hasil evaluasi dan perhitungan klaim masing-masing pihak. Nilai klaim Wikon sebesar Rp8.390 sedangkan nilai klaim SP sebesar Rp6.743 sehingga selisih klaim yang harus dibayar SP sebesar Rp1.647 yang telah dilunasi pada bulan Januari 2021.

Rencana Konstruksi Regional Provinsi Quang Ninh

Berdasarkan Keputusan No.1488/QD-TTg tahun 2011 yang dikeluarkan oleh Perdana Menteri Vietnam yang meratifikasi atas rencana pengembangan industri semen di Vietnam untuk periode 2011–2020 atas visi 2030, proyek pabrik semen TLCC telah termasuk dalam daftar proyek yang disetujui. Namun, pada tahun 2014, berdasarkan Keputusan No. 1588/QD-UBND yang dikeluarkan oleh Komite Rakyat Provinsi Quang Ninh terkait persetujuan rencana konstruksi regional Provinsi Quang Ninh atas visi 2030-2050 dan setelah 2050, lokasi proyek pabrik semen TLCC kemungkinan akan direlokasi ke area lain.

35. OTHER SIGNIFICANT INFORMATION

PT Wijaya Karya Industri & Kontruksi

On August 4, 2016, PT Wijaya Karya Industri & Konstruksi (WIKON) submitted a request for the transfer of the workload of the Mechanical Construction Projects (MC) 2 and 3 in connection with the construction of Indarung VI from WIKON to SP. The total contract value of MC 2 and 3 is Rp108,997. SP approved the application for the transfer of the workload effective on August 4, 2016 and the additional cost arising from the transfer of workload will be incorporated to billing calculation from WIKON. On May 4, 2017, it was agreed that the termination of MC2 and MC3 contract is effective from August 4, 2016, with the status of MC 2 and MC 3 work progress is 59.13% and 42.28%, respectively.

In 2016, WIKON submitted a claim of Rp90,207, which subsequently was revised to Rp173,345 in 2017. In February 2018, SP submitted a rejection letter because the claim was not supported by a valid evidence. SP also submitted a claim to WIKON totaling to Rp26,119.

On September 17, 2020, the parties have agreed on the results of the evaluation and calculation of each party's claims. Wikon's claim value was Rp8,390 while the claim value of SP was Rp6,743, so that the difference in claims to be paid by SP was Rp1,647 which have been paid in January 2021.

Regional construction plan of Quang Ninh Province

According to Decision No.1488/QD-TTg issued In 2011, issued by the Prime Minister of Vietnam, ratifying the cement industry development plan in Vietnam for the period 2011–2020 of vision 2030, the cement plant project of TLCC was included in the approved list of projects. However, in 2014, based on Decision No. 1588/QD-UBND issued by People's Committee of Quang Ninh Province relating to approval of regional construction plan of Quang Ninh Province of vision 2030-2050 and beyond 2050, the site of TLCC cement plant might be subject to relocation to another area.

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CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
31 DESEMBER 2020 DAN 2019
(Dinyatakan dalam jutaan Rupiah, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

35. INFORMASI PENTING LAINNYA (lanjutan)

Pada tanggal penyelesaian laporan keuangan konsolidasian ini, TLCC telah mengirimkan dokumen kepada otoritas terkait untuk memohon perijinan melanjutkan proyek konstruksi namun hingga saat ini belum mendapatkan tanggapan. Manajemen yakin bahwa pabrik semen TLCC tidak akan direlokasi sesuai dengan Keputusan No.1488/QD-TTg tahun 2011.

Undang-Undang Cipta Kerja

Pada bulan Februari 2021, Pemerintah resmi mengundangkan 49 peraturan pelaksana Undang-Undang Cipta Kerja yang sebelumnya telah disahkan pada tanggal 2 November 2020 sebagai Undang-Undang No. 11/2020. Pada saat laporan keuangan konsolidasian diotorisasi, Grup masih mempelajari dampak yang mungkin timbul dari peraturan pelaksana Undang-Undang Cipta Kerja, serta pengaruhnya pada laporan keuangan konsolidasian Grup.

***35. OTHER SIGNIFICANT INFORMATION** (continued)*

As at the completion date of these consolidated financial statements, TLCC had sent a document to relevant authorities requesting for permission to continue the project construction but has not yet received any feedback. Management believes that TLCC cement plant would not be subject to relocation as per Decision No.1488/QD-TTg year 2011.

Job Creation Bill

In February 2021, the Government officially enacted 49 implementing regulations of the Job Creation Law which was previously ratified on 2 November 2020 as Law No. 11/2020. As at the authorisation date of these consolidated financial statements, the Group is still evaluating the potential impact of the implementing regulations of the Job Creation Law, as well as the impact on the Group's consolidated financial statements.

36. TRANSAKSI NON-KAS

Aktivitas investasi signifikan yang tidak mempengaruhi arus kas:

	2020	2019	
Perolehan aset tetap melalui sewa	522.170	28.699	*Acquisition of fixed assets through lease*
Kapitalisasi estimasi biaya pembongkaran aset tetap	-	6.057	*Capitalisation of the estimated cost of fixed assets dismantling*
Perolehan aset tetap melalui reklasifikasi uang muka dan utang	13.724	9.199	*Acquisition of fixed assets through reclassification of advances and payables*
	535.894	**43.955**	

36. NON-CASH TRANSACTIONS

Significant investing activities not affecting cash flows:

37. PANDEMI COVID-19

Telah terjadi penurunan ekonomi akibat pandemi COVID-19 yang sangat berdampak terhadap permintaan produk dan jasa secara global bersamaan dengan rantai pasokan. Manajemen telah menilai dampak dari kejadian tersebut terhadap operasi Grup dan meyakini bahwa tidak ada dampak kerugian signifikan yang harus dipertimbangkan agar Grup dapat terus berjalan. Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, manajemen berpandangan bahwa dampak jangka panjang sulit untuk diprediksi. Manajemen akan terus memantau perkembangan pandemi COVID-19 dan mengambil tindakan yang diperlukan untuk mengatasi risiko dan ketidakpastian yang mungkin muncul di masa mendatang.

37. COVID-19 PANDEMIC

There has been an economic downturn as a result of COVID-19 pandemic that severely affecting global demand for product and services along with the supply chains. Management has assessed the effect of the event to the Group's operations and believes that no significant adverse impact should be considered for the Group to continue as a going concern. As at the completion date of these consolidated financial statements, management is of the view that long-term impacts are difficult to predict. Management will continue to monitor the development of the COVID-19 pandemic and take the necessary actions to overcome the risks and uncertainties that may arise in the future.

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2020 Annual Reporting Liability





Statement Letter of Members of The Board of Commissioners and Directors on the Accountability of the 2020 Annual Report of PT Semen Indonesia (Persero) Tbk

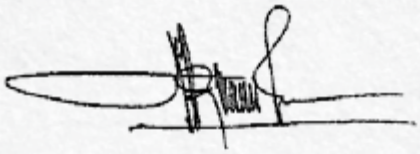
We, the undersigned, hereby declare that all information in the Annual Report of PT Semen Indonesia (Persero) Tbk for the fiscal year of 2020 are presented completely and we are fully responsible for the accuracy of the contents of this Annual Report and the Consolidated Financial Statements of the Company. Thus, this statement is made truthfully.

Jakarta, 2 March 2021

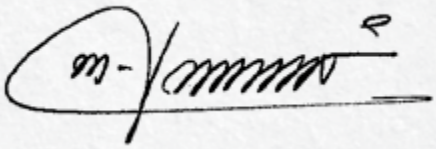
THE BOARD OF COMMISSIONERS



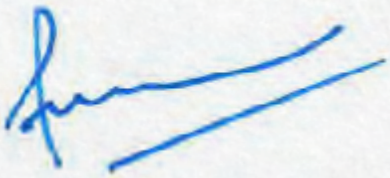
Rudiantara
President Commissioner



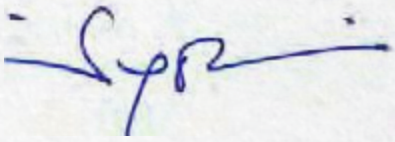
Nasaruddin Umar
Independent Commissioner



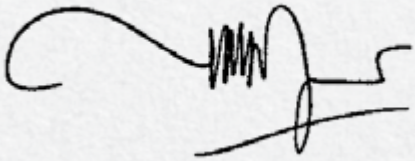
Mochamad Choliq
Independent Commissioner



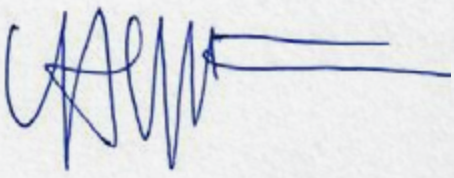
Astera Primanto Bhakti
Commissioner



Lydia Silvanna Djaman
Commissioner



Hendrika Nora Osloi Sinaga
Commissioner



Sony Subrata
Commissioner

THE BOARD OF DIRECTORS

Hendi Prio Santoso
President Director

Doddy Sulasmono Diniawan
Director of Finance

Fadjar Judisiawan
Director of Strategy and Business Development

Benny Wendry
Director of Production

Tri Abdisatrijo
Director of Engineering and Projects

Adi Munandir
Director of Marketing and Supply Chain

Tina T. Kemala Intan
Director of Human Resources and Legal

SEOJK REFERENCE NO.30-SEOJK.04-2016: ANNUAL REPORT OF PUBLIC COMPANY

Cross Reference with OJK Circular Letter No. 30 /SEOJK.04/2016 on The Format and Content of Annual Report of Issuers or Public Companies

ANNUAL REPORT FORM	Page
1. The Annual Report shall be presented as a printed and electronic document.	✓
2. The Annual Report shall be presented as a printed document, on brightly colored, good quality, A4 paper, be bound, and be reproduced with good quality	✓
3. The Annual Report shall be presented electronically in pdf format.	✓
ANNUAL REPORT CONTENTS	
1. GENERAL TERMS	
a. The Annual Report shall at least include the following information:	
1. an overview of important financial data;	
2. share information (if any);	
3. Board of Directors' report;	
4. Board of Commissioners' report;	
5. Issuer or Public Company profiles;	✓
6. management discussion and analysis;	
7. Issuer or Public Company governance;	
8. Issuer or Public Company social and environmental responsibility;	
9. audited annual financial statements; and	
10. a statement from the Board of Directors and the Board of Commissioners on their responsibility for the Annual Report;	
b. Annual reports can present information in the form of pictures, graphs, tables, and / or diagrams clearly stating the title and / or description, which is easy to read and understand;	✓

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DESCRIPTION OF ANNUAL REPORT CONTENTS	
2. ANNUAL REPORT CONTENTS DESCRIPTION	
A. FINANCIAL HIGHLIGHTS Financial Highlights includes financial information presented in the form of comparison for 3 (three) financial years, or since starting business if the Issuer's or the Public Company's business activities are less than 3 (three) years, and should at least include:	
1. revenue / sales;	16-18
2. gross profit;	
3. profit (loss);	
4. the amount of profit (loss) attributable to owners of the parent and non-controlling interests;	
5. total comprehensive profit (loss);	
6. the amount of comprehensive profit (loss) attributable to owners of the parent and non- controlling interests;	
7. profit (loss) per share;	
8. total assets;	
9. total liabilities;	
10. total equity;	
11. profit (loss) to total assets ratio;	
12. profit (loss) to equity ratio;	
13. profit (loss) to earnings / sales ratio;	
14. current ratio;	
15. liabilities to equity ratio;	
16. liabilities to total assets ratio; and	
17. information and other financial ratios relevant to the Issuer or a Public Company and type of industry;	
B. SHARE INFORMATION Share information (if any) shall at least include:	
1. shares issued for each quarter (if any) are presented in the form of comparison for the last 2 (two) years, to include at least:	18-20
a. total outstanding shares;	
b. market capitalization based on the price on the Stock Exchange where the securities are listed;	
c. highest, lowest, and closing share price based on the Stock Exchange where the securities are listed; and	
d. the volume of trading on the Stock Exchange where the securities are listed;	
The information in paragraph a) is disclosed by the Issuer which is a Public Company whether the shares are listed or not listed on the Stock Exchange; Information on the letter b), c) and d) is only disclosed if the Issuer is Public Company and its shares are listed on the Stock Exchange;	
2. in event of corporate actions, such as a stock split, reverse stock, stock dividends, bonus shares, and changes in the nominal value of shares, stock information referred to in point 1), written explanation to include at least:	

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a. the date of execution of corporate actions;	18-20
b. the ratio of the stock split, reverse stock, stock dividends, bonus shares, and changes in the nominal value of shares;	
c. the number of shares outstanding before and after the corporate action; and d) share price before and after the corporate action;	
3. in the event of a temporary suspension of trading, and / or delisting of shares during the financial year, the Issuer or Public Company shall explain the reason for any temporary suspension of trading and / or any delisting of shares; and	
4. in the case of temporary suspension of trading and / or the delisting of shares as mentioned in point 3) still existing at the end of the Annual Report, the Issuer or Public Company shall describe the actions taken to resolve the temporary suspension of trading and / or the delisting of shares such;	
C. BOARD OF DIRECTORS' REPORT The Board of Directors' Report shall at least include:	38-41
1. A brief description of the performance of the issuer or public company, to include at least:	
a. The strategy and strategic policy of the issuer or public company;	
b. A comparison between the results achieved and those targeted; and	
c. The constraints faced by the Issuer or Public Company;	
2. An overview of the business prospects;	
3. The Issuer or Public Company's application of governance; and	
4. Changes in the composition of the members of the Board of Directors and the reasons for the change (if any);	
D. BOARD OF COMMISSIONERS' REPORT The Board of Commissioners' Report shall at least include:	32-35
1. An assessment of the performance of the Board of Directors concerning the management of the Issuer or Public Company;	
2. Supervision over the implementation of the or Public Company strategy;	
3. View on the business prospects of the Issuer or Public Company prepared by the Board of Directors;	
4. View on the Issuer or Public Company's application of governance;	
5. Changes in the composition of the Board of Commissioners and the reasons for the change (if any); and	
6. The frequency and mode of administration advice to the Board of Directors;	
E. ISSUER OR PUBLIC COMPANY PROFILE The Issuer or Public Company Profile shall at least include:	48-49
1. The name of the Issuer or Public Company including if there was any change of name, reason for the change, and effective date of the name change during the financial year;	
2. Access to Issuer or Public Company, including any branch offices or representative offices, which allows the public access to information on the Issuer or Public Company, including:	
a. Address;	
b. Telephone number;	
c. Fax number;	
d. Electronic mail address; and	
e. Web site address;	

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3. A brief history of Issuer or Public Company;	50-51
4. The vision and mission of the Issuer or Public Company;	68-70
5. Business activities according to the last articles of association, the business activities carried out during the year, as well as the type of goods and / or services produced;	52-63
6. The organizational structure of the Issuer or Public Company in the form of a chart, at least until 1 (one) level below the Board of Directors, including names and positions;	72-73
7. The profile of Directors, to at least include:	78-81
a. The name and position in accordance with the duties and responsibilities;	
b. A recent photograph;	
c. Age;	
d. Nationality;	
e. Educational history;	
f. Position history, including information on:	
i. The legal basis for the appointment as member of the Board of Directors of the Issuer or Public Company in question;	
ii. Concurrent positions, either as a member of the Board of Directors, member of the Board of Commissioners and / or member of committees as well as other positions (if any); and	
iii. Time period of work experience both inside and outside the Issuer or Public Company;	
g. Education and / or training which has been followed by members of the Board of Directors in improving competence in the financial year (if any); and	
h. Affiliation with the other Board of Directors' members, members of the Board of Commissioners, and major shareholders (if any) and shall include the name of affiliated parties;	
8. The profile of the Board of Commissioners shall at least include:	74-77
a. Name;	
b. A recent photograph;	
c. Age;	
d. Nationality;	
e. Educational history;	
f. Position history, including information on:	
i. The legal basis for the appointment as member of the Board of Commissioners who is not an Independent Commissioner of the Issuer or Public Company in question;	
ii. The legal basis for the first appointment as member of the Board of Commissioners who is an Independent Commissioner of the Issuer or Public Company in question;	
iii. Concurrent positions either as a member of the Board of Commissioners, member of the Board of Directors and / or member of committees as well as other positions (if any); and	
iv. Time period of work experience both inside and outside the Issuer or Public Company;	
g. Education and / or training which has been followed by members of the Board of Commissioners in improving competence in the financial year (if any);	
h. Affiliation with other members of the Board of Commissioners and the major shareholders (if any) and shall include the name of affiliated parties; and	

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i. A statement of independence for the Independent Commissioners who have served more than 2 (two) periods (if any);	
9. In the event of changes in the composition of the Board of Directors' and / or the Board of Commissioners' members that occurred after the financial year ends until the deadline for submission of the Annual Report, the composition to be included in the Annual Report is the latest and the previous composition of the Board of Directors' and / or the Board of Commissioners' members;	n/a
10. The number of employees and description of their educational level and age during the financial year;	82
11. The names of shareholders and percentage of ownership at the end of the financial year, comprising:	97-99
a. Shareholders who own 5% (five percent) or more shares of the Issuer or Public Company;	
b. Members of the Board of Directors and the Board of Commissioners who have shares of the Issuer or Public Company; and	
c. Public shareholder groups, namely groups of shareholders who each own less than 5% (five percent) of the shares of the Issuer or Public Company;	
12. The number of shareholders and the percentage of ownership at the financial year end based on the classification of:	98
a. Local institutions ownership;	
b. Foreign institutional ownership;	
c. Local individual ownership; and	
d. Foreign individual ownership;	
13. Information regarding the major and controlling shareholders of the Issuer or Public Company, either directly or indirectly, to the individual owners, presented in the form of schematics or charts;	99
14. Name of subsidiaries, associated companies, joint venture companies in which the Issuer or Public Company has jointly control, and their percentage of ownership, line of business, total assets and operating status of the Issuer or Public Company (if any); For a subsidiary, added information about the address of its subsidiaries;	100-103
15. Chronological listing of shares, number of shares, nominal value, and the offer price from the start of recording until the end of the financial year and the name of the Stock Exchange where the shares of the Issuer or Public Company are listed (if any);	104
16. Chronology of securities listing other than securities referred to in item 15), which shall include the name of the Security, year of issuance, date of maturity, the offer value, and securities ratings (if any);	105
17. Name and address of capital market institutions and / or supporting professions and;	108
18. In the event of a capital market supporting professions who provide services on a regular basis to the Issuer or Public Company, information on the services provided shall be disclosed, the commission (fee) paid, and the period of assignment; and	108
19. Awards and / or certificates received by the Issuer or Public Company both at the national and international level in the last financial year (if any), which shall include:	22-26
a. Name of the awards and / or certificates;	
b. Issuing body or institution; and	
c. Validity period for the awards and / or certificates (if any);	

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F. MANAGEMENT DISCUSSION AND ANALYSIS Management Discussion and Analysis shall include analysis and discussion of the financial statements and other important information with an emphasis on material changes that occurred during the financial year, to at least include:	
1. A review of operations per operating segment based on the Issuer or Public Company's type of industry, at least including:	118-122
a. Production, including the process, capacity, and its development;	
b. Revenue / sales; and	
c. Profitability;;	
2. Comprehensive financial performance including a comparison of financial performance in the last 2 (two) years, an explanation of the cause of any changes and the impact of such changes, at least including:	123-133
a. Current assets, non-current assets and total assets;	
b. Short-term liabilities, long-term liabilities, and total liabilities;	
c. Equity;	
d. Revenue / sales, expenses, profit (loss), other comprehensive income and total comprehensive profit (loss); and	
e. Cash flow;	
3. Ability to pay debt by presenting the relevant ratios;	133-134
4. TIssuer or Public Company receivable collection by presenting the relevant ratios;	134
5. Capital structure and management policies on capital structure accompanied by the basis for determining the policy;	135-136
6. Discussion on material commitments for capital investments with explanations, at least including:	136
a. The purpose of such commitments;	
b. Sources of funds to meet such commitments;	
c. Currency denominated; and	
d. Planned measures by the Issuer or Public Company to cover the risks of foreign currency positions;	
7. Discussion regarding capital goods investments realized in the last financial year, at least including:	136
a. Type of capital goods investments;	
b. Capital goods investment objectives; and	
c. Value of capital goods investments realized;	
8. Material information and facts occurring after the date of the auditor's report (if any);	137
9. Business prospects of the Issuer or Public Company based on the condition of the industry, the general economy and the international markets supporting quantitative data from trusted data sources;	143
10. Comparison between the targets / projections at the beginning of the year with the results achieved (realized), including:	138
a. Revenue / sales;	
b. Profit (loss);	

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	c. Capital structure; or	
	d. Other matters that are considered important for the Issuer or Public Company;	
11.	Targets / projections to be achieved by the Issuer or Public Company for one (1) year ahead, including:	138
	a. Revenues / sales;	
	b. Profit (loss);	
	c. Capital structure; or	
	d. Dividend policy; or	
	e. Other matters that are considered important for the Issuer or Public Company;	
12.	Issuer or Public Company's marketing of goods and / or services, at least including the marketing strategy and market share;	116-117
13.	Description regarding dividend for the last 2 (two) years (if any), at least including:	138-139
	a. Dividend policy;	
	b. Cash dividend payment date and / or non-cash dividend distribution date;	
	c. Amount of the dividend per share (cash and / or non-cash); and	
	d. Amount of dividends paid per year;	
14.	Use of proceeds from Public Offering, provided that:	140
	a. During the financial year, where the Issuer is still required to submit reports on realization of the use of funds, then the realization of the disclosed use of public offering proceeds is cumulative until the end of the financial year; and	
	b. In the event of changes in the use of funds as stipulated in Otoritas Jasa Keuangan Regulations regarding Reporting on Utilization of Public Offering Proceeds, the Issuer shall explain the changes;	
15.	Material information (if any), including investments, expansions, divestitures, mergers / consolidations, acquisitions, debt / equity restructuring, transactions with Affiliates, and transactions with conflict of interest, which occurred in the financial year, including:	140
	a. Date, value, and the object of the transaction;	
	b. Name of the party involved in the transaction;	
	c. Nature of affiliation (if any);	
	d. Description of the fairness of the transaction; and	
	e. Compliance with related provisions;	
16.	Changes in regulations and legislations that significantly impact the Issuer or Public Company and the impact on the financial statements (if any); and	141-143
17.	Changes in accounting policies, reasons and impact on the financial statements (if any);	143
G. ISSUER OR PUBLIC COMPANY GOVERNANCE ISSUER OR PUBLIC COMPANY Governance shall include at least a brief description of:		
1.	Board of Directors, including among others:	160-170
	a. The duties and responsibilities of each member of the Board of Directors;	182-189
	b. Statement that the Board of Directors have guidelines or charter;	192-193
	c. Procedure, the basis for determining the structure and amount of remuneration of each member of the Board of Directors, as well as the relationship between remuneration with performance of the Issuer or Public Company;	194-203

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d. Policy and implementation of Board of Directors' meeting frequency, including joint meetings with the Board of Commissioners, and attendance rate of Board of Directors' members at meetings;	204-206
i. Information on AGM decisions made the previous 1 (one) year, including:	
ii. AGM decisions realized during the financial year; and	
e. Reasons for decisions not realized;	
f. Information on AGM decisions made during the financial year, including:	
i. AGM decisions realized during the financial year; and	
ii. Reasons for decisions not realized;	
g. Performance assessment for committees supporting the Board of Directors;	
2. Board of Commissioners, including among others:	171-181 190-191 194-203 204-206
a. Duties and responsibilities of the Board of Commissioners;	
b. Statement that the Board of Commissioners have guidelines or charter;	
c. Procedure, the basis for determining the structure and amount of remuneration of each member of the Board of Commissioners;	
d. Policy and implementation of Board of Commissioners' meeting frequency, including joint meeting with the Board of Directors, and attendance rate of Board of Commissioners' members at meeting;	
e. Issuer or Public Company policy on performance assessment for the Board of Directors and the Board of Commissioners and its implementation, including at least:	
i. The execution of performance assessment procedures;	
ii. Criteria used; and	
iii. Parties to a assess;	
f. Performance assessment of the committees supporting the Board of Commissioners; and	
g. In cases where the Board of Commissioners has not formed a Nomination and Remuneration Committee, information on at least:	
i. Reason for not the establishing the committee; and	
ii. Nomination and remuneration procedures performed during the financial year;	
3. The Sharia Supervisory Board, the Issuer or Public Company that runs the business activities based on Islamic principles as stated in the articles of association shall at least include:	n/a
a. Names;	
b. Duties and responsibilities of the Shariah Supervisory Board; and	
c. Frequency and mode of administration advice and suggestions as well as monitoring compliance with Sharia Principles in the Capital Market of the Issuer or Public Company;	
4. The Audit Committee, including among others:	215-220
a. Names and positions of the committee members;	
b. Age;	
c. Nationality;	
d. Education history;	

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e. Position history, including: i. Legal basis for appointment as committee member;	
ii. Concurrent positions as members of the Board of Commissioners, members of the Board of Directors and / or members of committees as well as other positions (if any); and	
iii. Work experience both inside and outside the Issuer or Public Company;	
f. Period and tenure of Audit Committee members;	215-220
g. Statement of Audit Committee independence;	
h. Policy and implementation of Audit Committee meeting frequency and level of attendance of Audit Committee members at the meetings;	
i. Education and / or training followed in the financial year (if any); and	
j. Implementation of Audit Committee activities in the financial year in the Audit Committee guidelines or charter;	
5. Other committees in the Issuer or Public supporting the Board of Directors and / or Board of Commissioners, such as the Nomination and Remuneration Committee, including among others:	
a. Names and positions of the committee members;	
b. Age;	
c. Nationality;	
d. Education history;	
e. Position history, including: (1) legal basis for appointment as committee member; (2) concurrent positions as members of the Board of Commissioners, members of the Board of Directors and / or members of committees as well as other positions (if any); and (3) work experience both inside and outside the Issuer or Public Company;	221-226 227-234
f. Period and tenure of committee members;	
g. Description of duties and responsibilities;	
h. Statement that it has established committee guidelines or charter;	
i. Statement of committee independence;	
j. Policy and implementation of committee meeting frequency and level of attendance of committee members at the meetings;	
k. Education and / or training followed in the financial year (if any); and	
l. Brief description of the committee's activities in the financial year;	
6. Corporate Secretary, including among others:	
a. Name;	
b. Domicile;	
c. Position history, including:	
i. Legal basis for appointment as Corporate Secretary; and	235-240
ii. Work experience both inside and outside the Issuer or Public Company;	
d. Education history;	
e. Education and / or training followed during the financial year; and	
f. Brief description of the Corporate Secretary activities in the financial year;	

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7. Internal Audit Unit, including among others:	241-246
a. Name of the Internal Audit Unit head;	
b. Position history, including:	
i. The legal basis for the appointment as Internal Audit Unit head; and	
ii. Work experience with both inside and outside of the Issuer or Public Company;	
c. Professional internal audit qualifications or certifications (if any);	
d. Education and / or training followed in the financial year;	
e. Structure and positions within the Internal Audit Unit;	
f. Duties and responsibilities description;	
g. Statement that it has established Internal Audit Unit guidelines or charter; and	
h. Brief description of the Internal Audit Unit activities in the financial year;	
8. Description of the internal control system applied by the Issuer or Public Company, at least including:	259
a. Financial and operational control and compliance with other laws and regulations; and	
b. Review of the internal control system effectiveness;	
9. Risk management system applied by the Issuer or Public Company, at least including:	248-257
a. General description of the Issuer or Public Company risk management system;	
b. Risks types and their management; and	
c. Review of the Issuer or Public Company risk management system effectiveness;	
10. Important cases faced by the Issuer or Public Company, its subsidiaries, members of the Board of Directors and the Board of Commissioners (if any), including:	259
a. Case/litigation description;	
b. Case/litigation settlement status; and	
c. Impact on the Issuer or Public Company condition;	
11. Information concerning administrative sanctions imposed on the Issuer or Public Company, a member of the Board of Commissioners and Board of Directors, by the Capital Market Authority and other authorities in the financial year (if any);	259
12. Information regarding the Issuer or Public Company code of ethics including:	261-262
a. Code of conduct content;	
b. Form of code of ethics socialization and enforcement efforts; and	
c. Statement that the code of conduct is applicable to members of the Board of Directors, Board of Commissioners, and employees of the Issuer or Public Company	
13. Information on corporate culture or corporate values (if any);	69-70
14. Description of the employee and / or management stock ownership program implemented by the Issuer or Public Company (if any), including:	139
a. Number of shares and / or options;	
b. Exercise period;	
c. Requirements of the employee and / or management beneficiaries; and	
d. Exercise price;	

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15. Description of the whistleblowing system in the Issuer or a Public Company (if any), including:	266-269
a. Violation report submission;	
b. Protection for whistleblowers;	
c. Complaint handling;	
d. Complaint management; and	
e. Complaint handling results, at least including:	
i. Number of complaints received and processed during the financial year; and	
ii. Complaint follow up;	
16. Implementation of Code of Corporate Governance guidelines by the Issuer that issues equity securities or the Public Company, including:	156-159
a. Statement regarding recommendations have been implemented; and /or	
b. Description of the recommendations that have not been implemented, the reasons and the implementation alternatives (if any);	
H. SOCIAL AND ENVIRONMENTAL RESPONSIBILITY OF THE ISSUER OR PUBLIC COMPANY	
1. Information on social and environmental responsibility of the Issuer or Public Company including policies, types of programs, and costs, related aspects including:	
a. environment, including:	278-282
i. use of materials and energy that are environmentally friendly and can be recycled;	
ii. Issuer or Public Company waste treatment systems;	
iii. complaint mechanism for environmental problems; and	
iv. environmental certification held;	
b. employment practices, health and safety, including:	283-288
i. gender equality and employment opportunities;	
ii. method and work safety;	
iii. employee turnover;	
iv. number of workplace accidents;	
v. education and / or training;	
vi. remuneration; and	
vii. complaints mechanism for labor disputes;	
c. social and community development, including:	288-291
i. use of local labor;	
ii. Issuer or Public Company community empowerment including the use of raw materials produced by the public or the provision of education;	
iii. social infrastructure improvement;	
iv. other donations; and	
v. communication on anti-corruption policies and procedures in the Issuer or Public Company, as well as training on anti-corruption (if any);	
d. responsibility regarding goods and / or services, among others:	292-293
i. consumer health and safety;	
ii. information on goods and / or services; and	
iii. method, number, and countermeasures on consumer complaints.	

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2. In the event that the Issuer or Public Company presents information on social and environmental responsibility referred to in point 1) in a separate report such as a social and environmental responsibility report or a sustainability report, the Issuer or Public Company is excluded from disclosing social and environmental responsibility information in the Annual Report; and	✓
3. The report referred to in item 2) shall be submitted to the Otoritas Jasa Keuangan together with the Annual Report:	✓
I. ANNUAL AUDITED FINANCIAL REPORT	
The annual financial report shall be published in the Annual Report and be prepared in accordance with the Financial Accounting Standards in Indonesia and have been audited. The financial statements referred to shall include a statement regarding the responsibility for the financial statements as stipulated in the legislation in the Capital Markets sector regulating the Board of Directors' responsibilities for the financial statements or the legislation in the Capital Markets sector regulating securities company periodic reports in the case of an Issuer for a Securities company; and	✓
J. BOARD OF DIRECTORS' AND BOARD OF COMMISSIONERS' STATEMENT ON RESPONSIBILITY FOR THE ANNUAL REPORT	
Board of Directors' and Board of Commissioners' Affidavit on the responsibility for the Annual Report prepared in accordance with the format of the Board of Directors' and Board of Commissioners' Statement on Responsibility for the Annual Report as contained in the Appendix which is an integral part of this Otoritas Jasa Keuangan Circular .	296-297

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