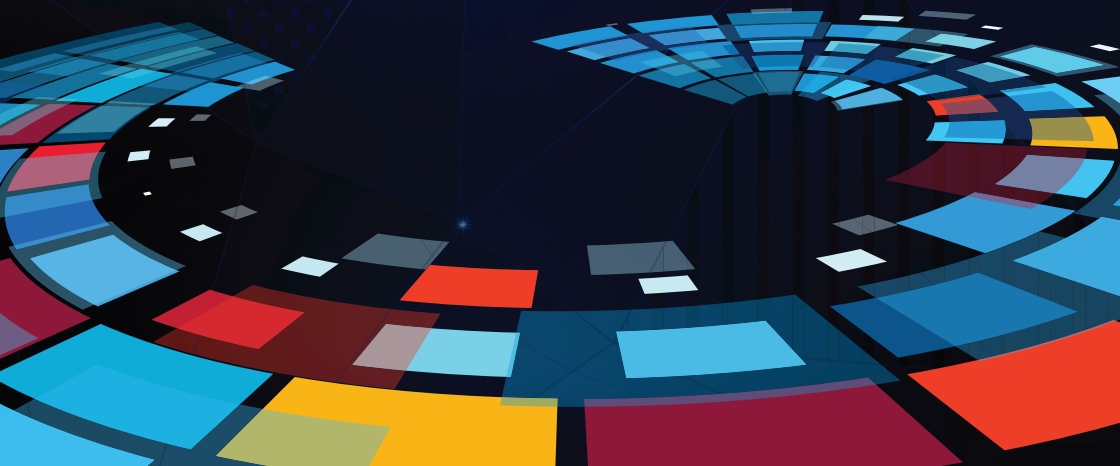
PT. PAN BROTHERS Tbk

Sustainability Report 2020

REAFFIRMING TOWARDS SUSTAINABILITY





PT PAN BROTHERS Tbk

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REAFFIRMING TOWARDS SUSTAINABILITY

Preface

2020, a year of challenges and uncertainties, but PT Pan Brothers Tbk or referred to as "PBRX" or "the Company" remains committed to ensure prosperity for all stakeholders.

In our commitment to respond to the United Nations' Sustainable Development Goals and urgent call for action against the world's most pressing problems, our Company has formed a group-wide Sustainable Development Program centered around 10 SDG goals that puts forward the concept of the 'Triple Bottom Line' - People, Planet, and Profit.

As one of the largest garment manufacturing businesses in Indonesia, PBRX ensures sustainability by supporting the development of local communities and the national economy, focusing on responsible material sourcing, enhancing the usage of renewable energy sources, and fulfilling the UN Sustainable Development Goals through various social, economic, and environmental initiatives, thereby creating a three-pronged approach focusing on People, Planet and Profit that will contribute positively to the ecosystem.

Our three-pronged ('Triple Bottom Line': People, Planet, Profit) sustainability strategy aims to benefit all stakeholders including our communities, environment and business itself. Focusing on these social, environmental, and economic dimensions, we recognize our responsibility as a global company to do business in a sustainable and ethical way. Keeping in mind the world's finite resources and the need to ensure a better life for the next generation, responsible production and consumption is our main objective through this initiative.

In our efforts to make a strong economic contribution with the least negative impact to our ecosystem, the Company has established the Internal Sustainability Advisory Committee (ISAC Committee) and Sustainability Task Force (T2K) to reaffirm the Company's commitment towards sustainability and integrate the sustainable development program as part of the company's day-to-day activities.



PT PAN BROTHERS Tbk

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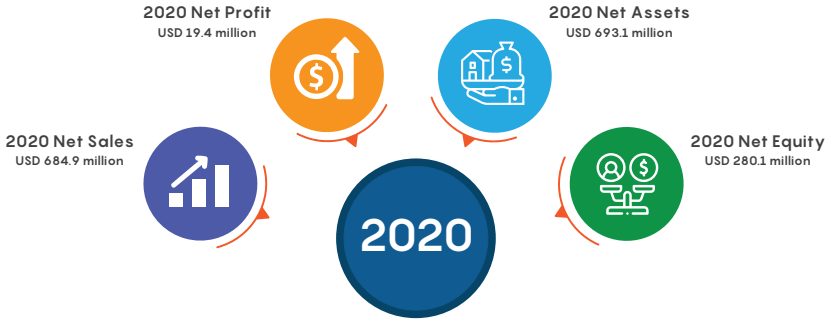


Sustainability Highlights

Sustainability Highlights

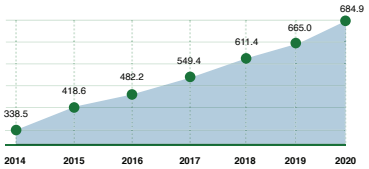
[GRI 102-7]

PROFIT – ECONOMIC SUSTAINABILITY

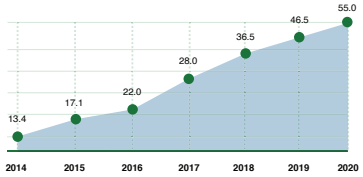


Aspects	2016(USD)	2017(USD)	2018(USD)	2019(USD)	2020(USD)
Net Sales	482,204,159	549,355,786	611,371,311	665,049,043	684,892,301
Net Profit	13,286,218	7,817,516	16,260,183	17,050,942	19,367,114
Total Assets	519,506,767	573,351,293	579,066,122	658,393,892	693,123,729
Total Equity	227,640,512	234,795,896	250,593,352	264,136,333	280,185,257

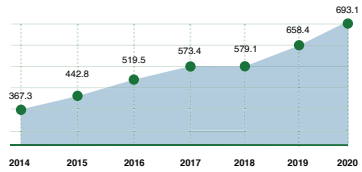
Net Sales
in million USD



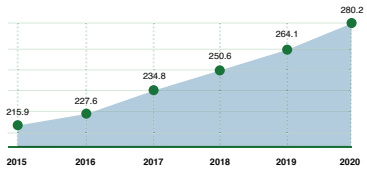
Operating Profit (Loss)
in million USD



Total Assets
in million USD



Total Equity
in million USD



Certified

ISO 9001:2015 Quality Management System

PT PANCAPRIMA EKABROTHERS
PT PAN BROTHERS TBK–PAN 9 BOYOLALI,
PT PAN BROTHERS TBK–PAN 8 SRAGEN,
PT TEODORE PAN GARMINDO

PLANET – ENVIRONMENTAL SUSTAINABILITY

29.87% Reduction in Energy intensity
Reduced energy consumption per unit of revenue from 0.0010087 GJ/USD in 2016 to 0.0007074 GJ/USD in 2020

23.3% Local Material Sourcing in 2020
From total materials sourced in USD

31.92% Reduction in Water Intensity
Consumption reduces water per unit of income from 0.00000246 megaliter / USD in 2016 to 0.00000169 megaliter / USD in 2020

1.64% Reduction in Waste
Reduced volume of waste in metric tonnes from 1225.174 tonnes in 2016 to 1205 tonnes in 2020

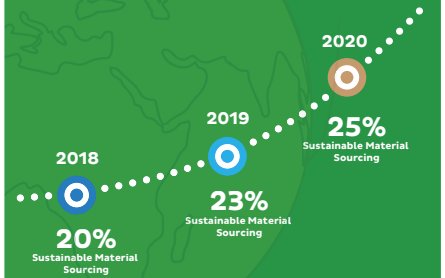
24.84% Reduction in GHG (Greenhouse Gas) Emissions Intensity
Reduced emissions per unit of revenue from 0.00010964 tCO2e/USD in 2016 to 0.00008242 tCO2e/USD in 2020

25% Sustainable Material Sourcing in 2020
From total materials sourced in USD

Certified

- **ISO 14001:2015 Environmental Management System**
  PT Pancaprima Ekabrothers, PT Prima Sejati Sejahtera
- **US Cotton Trust Protocol**
  PT Pan Brothers Tbk., PT Ocean Asia Industry
- **Organic Content Standard (OCS)**
  For textile unit — PT Ocean Asia Industry
- **Recycled Claim Standard (RCS)**
  For textile unit — PT Ocean Asia Industry
- **ZDHC (Zero Discharge of Hazardous Chemicals)**
  For textile and dyeing unit — PT Ocean Asia Industry, PT Eco Laundry Hijau Indonesia

Sustainable Material Sourcing in 2018-2020





PEOPLE – SOCIAL SUSTAINABILITY

IDR 19.5 Billion
USD 1.34 Million
2020 CSR Program Fund

Community Empowerment

IDR 467 million - 2020

Sales of Canteen project with MSMEs

Health and Well-Being

- 642,481 capsules of Vitamin C 250 mg donated and distributed
- 400,000+ non-medical cloth masks and PPE donated and distributed

Training and Education

123,034 total training hours

For PBRX active and prospective employees in 2020

- **7,930 trainees and participants**

  For training programs such as the Vocational Training Program with AK Tekstil, the Professional Certification Institution (LSP) program, and Skill Development Partnership with Industrial and Job Training Centers in Indonesia (BLK Surakarta, BBPLK Semarang, BDI Jakarta and Surabaya), Management Development Program up to 2020

- **IDR 6.912 billion academic scholarships and education subsidies to 2,171 recipients**

  For PBRX employees' children and low-income community members

Occupational Health and Safety

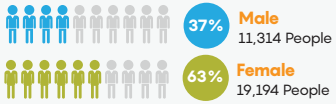
0 fatal incidents caused by work accidents in 2020

Certified

- **ISO 45001:2015 — Occupational Health and Safety**
  - PT Pancaprima Ekabrothers
  - PT Prima Sejati Sejahtera
- **SA8000:2014 — Social Accountability Certification**
  - PT Pancaprima Ekabrothers

Human Capital & Work Environment

- **30,508 total employees**



- **50:50 male to female composition**

  At Board of Directors level

- **10.91% of total employees promoted in 2020**
- **100% of employees given freedom of association and collective bargaining rights as per company and government regulation**
- **0% child labor**

  No employees under the age of 18 as per the Manpower Act Number 13 of 2003 and the Law Number 20 of 1999 which has ratified the International Labor Organization (ILO) Convention Number 138 of 1973 concerning Minimum Age for Admission to Employment

- **125 workers with physical (63 workers) and sensoric (62 workers) disability**
- **100% employees paid above Minimum Wage Standard (UMK)**





PT PAN BROTHERS Tbk

I-pan

Statement from the Board of Directors





Statement From The Board Of Directors

[GRI 102-14] [GRI 102-15]

Our respected stakeholders, we sincerely express our gratitude for the tremendous support you have given us in 2020, a year full of challenges and uncertainties, where both the national and global economy are shaken by the Covid-19 virus pandemic.

On this valuable opportunity, allow us to present the 2020 Sustainability report as a special report to reaffirm our commitment to realizing the company's sustainability vision. To ensure that the company's sustainability vision can be realized, the company has established the ISAC Committee and Sustainability Task Force (T2K) as the company's vehicle to success sustainability programs so our group can have a strong positive impact for the realization of prosperity for all stakeholders.

As one of the most prominent garment manufacturing companies in Indonesia - employing nearly 30,000 people - we are committed to preserving and contributing positively to our ecosystem. Recognizing our tremendous responsibility and impact we have towards our society, environment, and economy, PBRX has carried out a wide range of activities to address various social, environmental, and economic issues in Indonesia since 2010, which represent our support for MSMEs (Micro, Small, Medium Enterprises) activities and the development of Indonesia as a whole.

Our company has formed a group-wide Sustainable Development Program centered around 10 UN Sustainable Development Goals that puts forward the concept of the 'Triple Bottom Line' - People, Planet, and Profit. Recognizing our tremendous responsibility and impact we have towards our society, environment, and economy, we have selected the following goals and targets to flag off our Sustainable Development Program.

Triple Bottom Line

People, Planet, and Profit



SOCIAL SUSTAINABILITY (PEOPLE)

From a social dimension, human capital development programs are a very important part of our social strategy given the public and labor-intensive nature of our company. With over 30,000 employees across our integrated apparel manufacturing facilities, our people and surrounding communities make up the heart of our business. Therefore, we strive to make a positive impact for the development of our people and surrounding communities in everything we do. Our social sustainability programs focus on developing the skills of local communities, preparing quality education, providing wide opportunity for innovation, ensuring a healthy and safe working environment, supporting the health and well-being of our communities, and encouraging gender equality at every level of our organization.

The socioeconomic empowerment of the communities around us plays an integral role in improving people's livelihoods and supporting the future sustainability of our business. PBRX has supported the Government of Indonesia in poverty alleviation programs by providing jobs to the wider community, including persons with disabilities, and supporting micro, small and medium enterprises (MSMEs) to sustain and succeed in their businesses, from local suppliers to canteens.

Through the Vocational Training Program with AK Tekstil, the Professional Certification Institution (LSP) program, and Skill Development Partnership with Industrial and Job Training Centers in Indonesia (BLK Surakarta, BBPLK Semarang, BDI Jakarta and Surabaya), we have trained an estimated 7,930 community members over 18 years old to develop foundational sewing and technical skills and secure a job within one of PBRX's facilities. These training programs not only serve as a pipeline for us to obtain young talent, but also creates opportunities for them to grow their careers and receive stable income for their families.

We recognize the value of providing quality education and training given its direct positive impact for the community and since 2017, have provided academic scholarships and education subsidies worth IDR 6.912 billion to 2,171 low-income students from elementary to university levels through partnerships with IndoRunners Foundation, the University of Indonesia as well as schools across 36 regions in the island of Java. We are committed to continuously providing ample educational and skill development opportunities for both our employees and community members.



We are also committed to supporting the health and well-being of our employees and surrounding community members. The Company's PAN Bersahabat nutrition program has provided milk to community members and employees since 2018 as a way to address the malnutrition issues that are prevalent in many communities around Indonesia. In 2020, we worked with government offices and community members in West and Central Java to donate 400,000+ non-medical cloth masks and personal protective equipment (PPE) to prevent the spread of COVID-19 and improve community awareness of the importance of using mask wherever they go.

In addition to existing Occupational Health and Safety procedures, we have also implemented work safety procedures in accordance with COVID-19 health protocol such as adjusting the work schedule, maintaining safe distance between workers' tables in garment production line and office, providing vitamins, hand sanitizers and sanitation products across all facilities, and enforcing 3M (wearing masks, washing hands, social distancing) to ensure safe and healthy working environment.

Throughout the 2020 pandemic, these community empowerment programs have strengthened the social and economic resilience of PBRX's surrounding communities. We remain committed to improving the quality and sustainability of these social programs for the betterment of the people of Indonesia and beyond.

ENVIRONMENTAL SUSTAINABILITY (PLANET)

From an environmental dimension, PBRX recognizes the tremendous environmental footprint of the garment industry as a whole and have taken active steps to positively contribute to the environment and minimize negative impact towards our ecosystem. As an integrated garment manufacturing business, the Company plays an active role in supporting the Indonesian government's programs and actively collaborates with third parties, surrounding communities and our global network of suppliers and buyers to realize our vision for environmental sustainability.

To minimize negative impact towards our ecosystem, our business is committed to utilizing our natural resources efficiently and effectively. Our environmental strategy focuses on improving energy efficiency through utilization of energy-saving technologies, managing our water usage responsibly, reducing our GHG emissions through renewable energy investments, implementing sustainable and local material sourcing for more sustainable fashion, and upholding responsible waste management programs for the 8 types of waste generated in our facilities such as paper, plastic, scrap fabrics etc. Sustainable and responsible resource utilization is our main objective through our environmental projects.



As the one of the first garment companies in Indonesia to have a green facility, our Green Office in Boyolali, Central Java — which was awarded the Platinum standard by Green Building Council Indonesia in September 17, 2020 — is a demonstration of our commitment to setting up greener factories in the future. Our Green Office's energy saving, and water conservation features has also inspired us to manage our energy and water resources more responsibly. With our investments in solar panels and rainwater harvesting technologies, our energy and water intensity performance — which refers to our energy and water usage per unit of revenue generated — has improved significantly with reduction of 29.76% and 31.92% respectively between 2016-2020.

The Company is planning to launch 3 more pilot projects to install more solar panels in our production facilities in Central and Western Java for greater renewable energy usage (at least 23% renewable energy by 2025). Our wastewater treatment plants in our textile and washing units, which has a combined 3800-liter daily capacity, has also been certified ZDHC (Zero Discharge of Hazardous Chemicals) and has met environmental standards of BSR (Business for Social Responsibility) and the Indonesian Ministry of Environment and Forestry.

Out of all the materials we sourced in 2020, 25% is certified environmentally sustainable (i.e. BCI, GRS, RCS etc.) and 23.3% is locally sourced (from Indonesia). As sustainable procurement practices become increasingly important for future resource regeneration as well as our customers, community stakeholders, and ourselves, we are committed to increasing our sustainable and local material sourcing to at least 40% by 2023 in order to reduce our environmental footprint, mitigate biodiversity loss, and promote sustainable, circular fashion.

In line with our commitment to responsible consumption and production, we have also launched various waste management programs such as the Say-No-to-Plastic Initiative and Paperless Project. From an early stage, we have upcycled majority of our scrap textile fabric — the largest source of waste at PBRX — inevitably generated from our production process, working together with local community members to upcycle scrap fabric into upcycled clothes — all proceeds of which are given to local community members for income generation. These programs demonstrate our strong environ-mental commitment and purpose-driven mindset for driving future business growth.

ECONOMIC SUSTAINABILITY (PROFIT)

From an economic and governance perspective, the Company ensures proper execution and implementation of our social, environmental, and economic activities through good corporate governance, transparency, digitalization and technological innovation as we journey towards Industry 4.0. The global Covid-19 pandemic has made 2020 a year full of challenges in the Company's business journey.

However, through proactive collaboration with relevant internal and external stakeholders — shareholders, regulators, business partners, customers, suppliers, the Board of Commissioners, community members, and all employees — the Company has been able to sustain and compete in the global market in a positive manner. PT Pan Brothers Tbk and Group managed to record strong financial performance, with recorded net sales revenue of USD 684.9 million in 2020, which increased by 2.99% from USD 665.0 million in 2019.

Looking ahead towards the challenges the Company is facing, PBRX will continue to maximize digitization of systems to accelerate production, implement integrated data intelligence systems for greater transparency and better inventory management, develop the quality of our products and workforce, and contribute positively to the Indonesian and global markets.

ADDRESSING SUSTAINABILITY CHALLENGES TOGETHER

Focusing on these social, environmental, and economic dimensions, we recognize our responsibility as a global company to do business in a sustainable and ethical way. We believe in making ESG investments that minimizes our negative footprint and maximizes our role as a catalyst for sustainable positive impact. Keeping in mind the world's finite resources and the need to ensure a better life for the next generation, we are committed to address the sustainability challenges that affect our society, environment, and economy today.

Equal access to quality education for human capital development and jobs for community income generation, responsible environmental management, and advancement of Indonesia's export competitiveness relative to neighboring countries present several key areas that need work for Indonesia's sustainability. As a company, we are committed to realizing a strategic and impactful collaboration with other stakeholders to solve these challenges and meet the UN Sustainable Development Goals by 2030.

OUR APPRECIATION

In closing, we would like to express our gratitude for the trust and support given by shareholders, regulators, business partners, customers, suppliers, the Board of Commissioners, community members, and all employees. Despite the challenging year of 2020, our business' positive performance was the result of the support and hard work of our people and relevant parties. Moving forward, PT Pan Brothers Tbk. and Group will continue to improve the quality and impact of our sustainability programs as per our 2030 Sustainability Targets featured in this report. We hope that your support and cooperation will continue and sustain for the years ahead.

On behalf of
PT Pan Brothers Tbk. Board of Directors



ANNE PATRICIA SUTANTO
Vice President Director

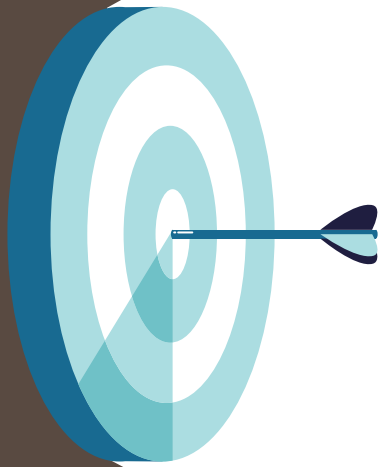
LUDIJANTO SETIJO
President Director

MOTTO

"Clothing The World With Indonesian Heart"

VISION

"To Be An Integrated And Worldwide Sustainable Apparel Supplier Company"



MISSION

- To improve the Company's performance and products by applying the best management practices continuously with the least possible negative impact to the ecosystem
- To create the best opportunities for our employees and stakeholders so they can develop and achieve their full potential
- To maximize shareholder's value and utilize our financial resources efficiently to provide attractive opportunities
- Improve Good Corporate Governance and continue to strive for the best.
- To enhance Good Corporate Governance and continually strive for excellence
- To be the leader in apparel supply chain by supplying apparel products that are high-quality, environmentally friendly, and socially responsible
- To be the leader in apparel supply chain with maximum customer satisfaction
- To be a socially responsible and environmentally friendly Company
- To actively contribute to Indonesia's economic development





PT PAN BROTHERS Tbk

About Us

About Us

Company Name : PT PAN BROTHERS TBK. [GR 102-1]

Date of Establishment : 21 August 1980

Legal Form and Business Entity Type : Limited Liability and Public Company, registered in the Indonesian Stock Exchange with the share code of PBRX since 16 August 1990

Public Company Registration Number : S1-121/SHM/MK-10/1990

Industrial License Number : 230/DJA I/IVT-III/Non-PMA-PMDN/VII/1992

Article of Association : Notarial Deed No. 58 date 16 October 1980 Ministerial Decree from the Ministry of Justice and Human Rights of the Republic of Indonesia No. YA/5/500/II date 30 October 1980.

Type of Business dan Product : Garment/Apparel Manufacturing and Textile Production [GRI 102-2]

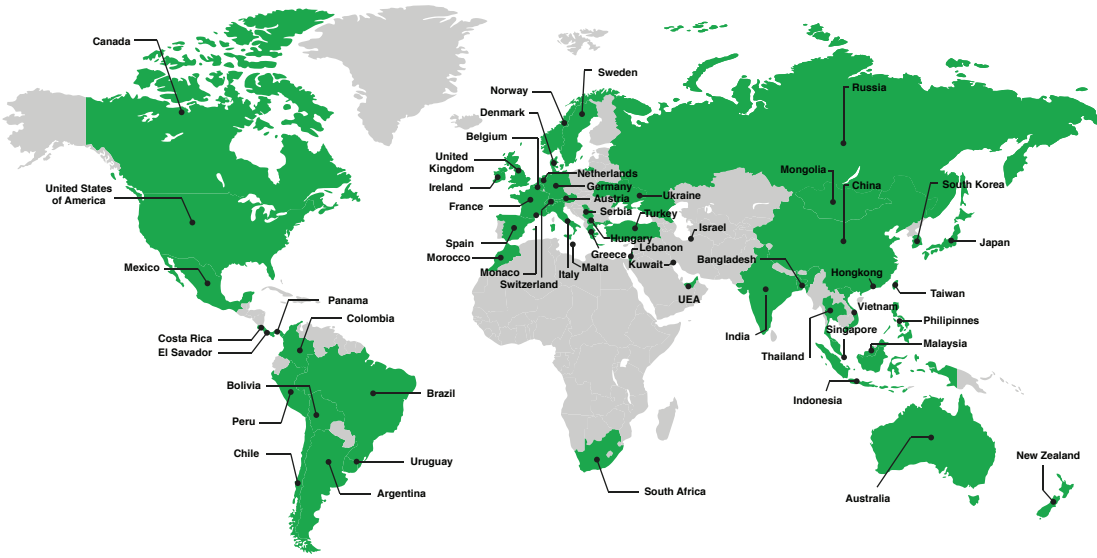
Shareholders Composition as of December 31, 2020 [GRI 102-5]:

Shareholders	Share (Vol)	Share (%)
Local Individual	1,358,998,432	20.98 %
Local Institutional	3,392,476,107	52.36 %
Foreign Individual	148,135,460	2.29 %
Foreign Institutional	1,578,685,612	24.37 %
Total	**6,478,295,611**	**100.00 %**

Membership of Association [GRI 102-13]

- KADIN (Indonesian Chamber of Commerce and Industry)
- APINDO (Indonesian Employer Association).
- API (Indonesian Textile Association)
- Better Work Indonesia
- Indonesia Business Coalition for Women Empowerment (IBCWE)
- U.S. Cotton Trust Protocol (USCTP)
- Asian Venture Philanthropy Network (AVPN)
- Endeavor Indonesia

Market Presence : Production facilities in three main areas, Banten, Western Java, and Central Java. Representative offices in Singapore, Hongkong, and the Netherlands. Exported products to 78 countries as of 2020. [GRI 102-4] [GRI 102-6]



Clothing The World With Indonesian Heart

Head office [GRI 102-3] [GRI 102-4]

Jalan Siliwangi No. 178, Jatiuwung, Tangerang 15133, Indonesia
Tel. +6221 5900718, 5900705
Fax. +6221 5900706, 5900717
Website: http://www.panbrotherstbk.com
E-mail (Corporate Secretary) : iswardeni@pbrx.co.id
E-mail (Marketing) : pbt@pbrx.co.id
E-mail (SDGs) : sdgs@pbrx.co.id

PBRX at a Glance

Established in 1980, PT Pan Brothers Tbk (PBRX) is one of the largest garment manufacturing companies in Indonesia. PT Pan Brothers Tbk and its garment subsidiaries manufacture various kinds of garments, ranging from woven garments to sports and high-performance wear. With headquarters based in Tangerang, Pan Brothers manufacturing facilities are primarily located in Central and Western Java in the following locations: Tangerang, Serang, Bandung, Boyolali, Sragen, Klego, Sambi, Ungaran and Tasikmalaya. [GRI 102-2]



PT Pan Brothers Tbk and its subsidiary garment Companies manufacture "Technical, Functional and Activewear" Suited for Snowboarding, Ski Outer Wear, Jogging, Hiking, and other Sports and Outdoor Activities, etc, "Woven Garments" such as Padded and Lightweight Jackets, Pants, Shorts, Casual Pants Dress Shirt, etc. as well as "Cut and Sewn Knit Garments" such as Polo Shirts, Golf Shirts, Track Suits, Sweatsuits with a variety of fabrics. [GRI 102-2]



Since March 2020, PBRX also produces "Personal Protective Equipment (PPE)" products and various types of masks and hazmat. At first, these products were used for all employees and donated to certain parties who needed it, but now it has become the Company's new product line. [GRI 102-2]

PT Pan Brothers Tbk and its subsidiary garment companies supply to various brands such as Uniqlo, Adidas, The North Face, Salomon, Arcteryx, J Crew, Dillard, LL Bean, Macy's, Orvis, Stella Mc Cartney, Spyder, Mavic, Strellson, Oviesse, Coin SpA, Holy Fashion, Atomic, Lacoste, Kathmandu, Duluth, Indygena, Polo Ralph Lauren, Sterling, Burton, Wilson, Haddad, Christopher & Banks, Berghaus, Columbia, Oakley, Hunter, Prada, Betabrand, Tommy Hilfiger, Banana Republic, Joe Brown, Scotch & Soda, IKEA, etc. [GRI 102-2] [GRI 102-6]

The Company's market spans across various regions such as the United States of America, Western and Eastern Europe, Canada, Asia, Australia, New Zealand and various other countries. [GRI 102-6]



As an export-oriented garment manufacturer, the Company complies with customers' requirements and international environmental, health, and safety standards. The Company fulfills all the qualifications required such as safety regulations, healthy work practices, and human rights.

Subsidiaries Information and Share Ownership

[GRI 102-4] [GRI 102-45]

Entity	Location	Type of Business	Share Ownership
PT Pancaprima Ekabrothers	Tangerang, Banten	Apparel Products, PPE	99.91%
PT Eco Smart Garment Indonesia	Boyolali, Jawa Tengah	Apparel Products, PPE	85%
PT Prima Sejati Sejahtera	Boyolali, Jawa Tengah	Apparel Products, PPE	99%
PT Teodore Pan Garmindo	Tasikmalaya, Jawa Barat	Apparel Products, PPE	51%
PT Berkah Indo Garment	Ungaran, Jawa Tengah	Apparel Products, PPE	99%
PT Hollit International	Jakarta	Product Development	53.57%
Continent 8 PTE. LTD	Singapore	Sales Agent and Product Development	65.43%
Cosmic Gear LTD.	Hongkong	Sales Agent and Product Development	51%
PB International B.V.	Netherlands	Representative Office	100%
PB Island PTE. LTD.	Singapura	Sales Agent and Product Development	51%
PT Apparelindo Prima Sentosa	Jakarta	Retail	99%
PT Victory Pan Multitex	Bandung, Jawa Barat	Sewing and Embroidery Thread	51%
PT Ocean Asia Industry	Cikande, Banten	Textile and Dyeing	51%

PT Pancaprima Ekabrothers

Based in Tangerang, Banten, is engaged in the apparel manufacturing industry, producing various kinds of garment products ranging from Technical, Functional and Active Wear Jackets and Outer Wear suited for Snow Boarding, Skiing, Jogging, Hiking, and other Sports and Outdoor Activities for the export market, including PPE products.

PT Prima Sejati Sejahtera (PSS)

Was established in 2014 in Boyolali, Central Java. The Company is engaged in the apparel industry to manufacture various kinds of garment products for the export market. It currently manufactures Technical, Functional and Active Wear Jackets and Outer Wear suited for Snow Boarding, Skiing, Jogging, Hiking, and other Sports and Outdoor Activities as well as PPE products such as masks and hazmat suits.

PT Eco Smart Garment Indonesia (ESGI)

In Boyolali, Central Java was established in 2013 as a company engaged in the apparel industry. ESGI manufactures woven garments such as ultra light down, parka, and winter bottoms as well as PPE products for the export market.

PT Teodore Pan Garmindo (TPG)

In Bandung and Tasikmalaya, West Java was established in 2014 as a company engaged in the apparel industry. TPG manufactures woven and cut & sewn knit garments, for both lifestyle wear and sportswear as well as PPE for the export market.

PT Berkah Indo Garment (BIG)

In Ungaran, Central Java is engaged in apparel industry to manufacture various kinds of garment products for export market including PPE.

PT Hollit International (HI)

Is a Jakarta based Fashion House where product development, material sourcing and production are combined under one roof. Closely monitoring the latest trends in styling, finishing, and material sourcing, Hollit has built a solid track record and a leading reputation in the international fashion market — having worked closely with international fashion brands and lifestyle companies. With its expertise and know-how, it adds value to PBRX portfolio through its network of partnerships and production partners in supplying innovative, high-quality products.

Continent 8 Pte. Ltd (C8)

With offices in Singapore and Hanoi, Vietnam, offers product development and apparel sourcing capabilities to various global brands. Providing easier access and country specific benefits of sourcing from Vietnam, Continent 8 Pte. Ltd. has, in a short time frame proved its capabilities as a reliable sourcing partner for many reputed international brands.

PT Ocean Asia Industry (OAI)

In Serang, Banten, manufactures circular knitted fabric, and has piece dyeing and printing facilities. PT Ocean Asia Industry is presently supplying to international brands like H&M, J. Crew, Adidas etc., and will continue to serve both local and overseas garment manufacturers efficiently and sustainably.

PT Apparelindo Prima Sentosa (APS)

In Jakarta serves as a holding company for PBRX retail businesses. At this moment, the company has subsidiary companies in the retail apparel segment with brands such as ZOE Label, ZOE Black, Salt n Pepper, and Wastu and also in medical sector in Boyolali Central Java. Besides being the holding company representing the group's interest in the Retail industry, the company also helps other local retailers and department stores fulfill their apparel sourcing needs. The in-depth technical knowledge and the wide sourcing network enables the experienced merchandisers of PT Apparelindo Prima Sentosa to cater to a wide variety of garment segments ranging from casual to modest fashion and even outerwear.

Cosmic Gear Ltd (CG)

Is based in Hongkong and is active as an Apparel Material Sourcing Agent and Product Development Company to help the PBRX group better cater to the needs of the international market.

PT Victory Pan Multitex (VPM)

In Bandung, West Java is an established supplier of high-quality sewing, embroidery and other threads. Serving the Indonesian market since 2014, the company has built a reputed brand "TAKAYAMA" which is now synonymous with high quality products and efficient service. Offering over 1000 sewing thread colors and 360 embroidery thread colors, VPM's thread materials range from polyester (mono filament polyester, filament texture polyester, spun polyester, core spun polyester) and viscose rayon.

PB International B.V. (PBI BV)

In Netherlands, was established to support Company activities in Europe. The company acts as an agent for PBRX garment trading activities.

PB Island Pte. Ltd (PBL)

Based in Singapore serves as an Apparel Buying Agent and Product Development Company. PBL engages in sourcing activities that will allow the Group's products to reach more international markets and focuses on the development and creation of fashion products that closely follow the latest styles, trends, finishes, and materials.

PT Eco Laundry Hijau Indonesia (ELHI)

Also known as La Tintoria — is a dyeing and washing facility based in Central Java. Equipped with eight washing/dyeing Tonello machines and eight dryers with capacities of approximately 2 million pieces/year, ELHI provides added value to the PBRX portfolio. With a clear focus on meeting the highest international standards in social responsibility and environmental care, ELHI's goal is to direct product research towards creative and aesthetic solutions that are ever conscious of the needs of the people and their environment, and the responsible use of natural resources.

PT Prima Cosmic Screen Graphics (PCSG)

Located in Boyolali, Central Java and founded in 2014, supports the PBRX group with its printing capabilities. PCSG printing capabilities range across various printing types, from rubber type, high density, reflective print, and solvent type printing, as well as silicon print, puff print, glow in the dark, fragrance print, heat change print — among other prints. Innovative technologies and development of various printing capabilities continuously improve the quality and productivity of its printing services — which has increased production capacity from 5.7 million pieces of printed garments in 2019 to 8 million pieces of printed garments in 2020.

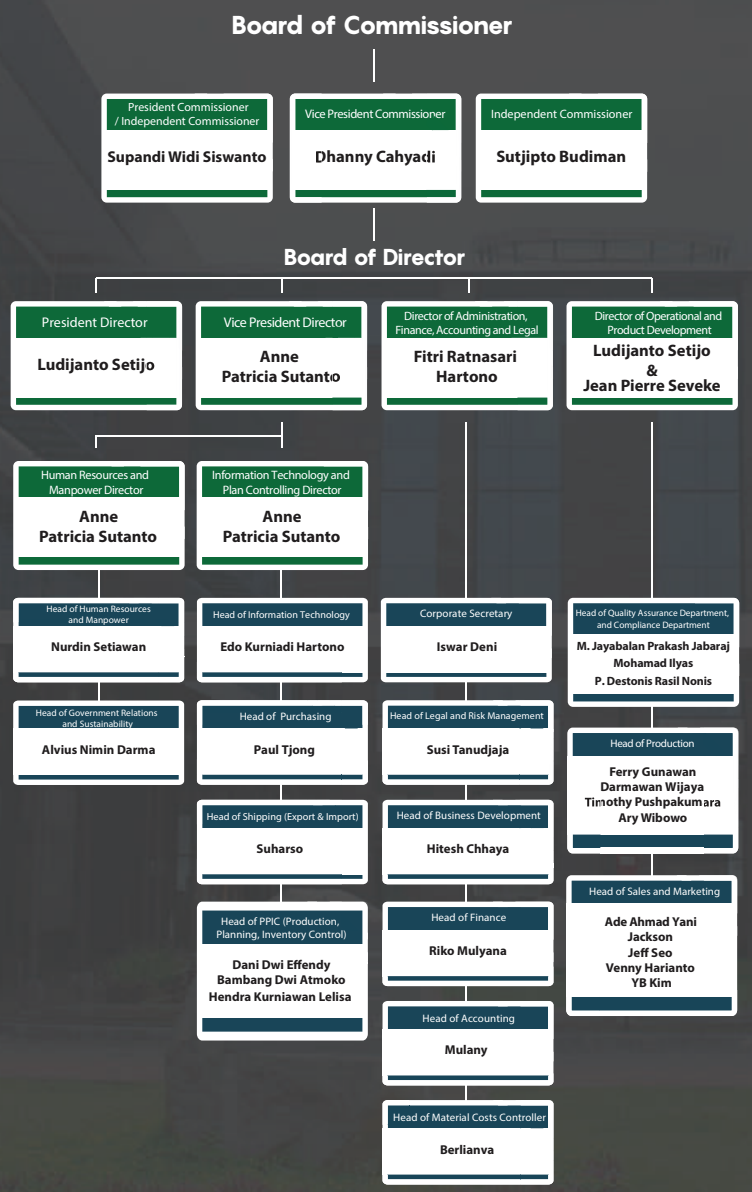
PT Prima Kreasi Gemilang (PKG)

Based out of Boyolali, Central Java - provides added value and embroidery expertise to the Pan Brothers Group. With the capacity of operating 225,000 pcs/month for large embroidery to 1,400,000 pcs/month for minimum stitches, PT Prima Kreasi Gemilang provides an efficient service on each embroidery work at various level of difficulty.



Organizational Structure

[GRI 102-18] [GRI 102-22]



Company Milestones

1980
Established on August 21st as a company engaged in the garment industry in Tangerang, Banten, Indonesia

1990
Listed as a public company (PBRX) in the Indonesian Stock Exchange with shares offered to the public for the first time (12.8 million shares)

1992
Issued bonus shares— total shares increased to 38.4 million shares

1996
Received tender offer on PBRX shares by new management

1997
Carried out a stock split — total shares increased to 76.8 million shares



2011
Developed a partnership with PT Hollit International in connection with PBRX's entry as a majority shareholder (53.57%); Conducted a second LPO — increasing shares to 765.965 million shares; Carried out another stock split — increasing shares to 3.063 billion shares.

2007
Expanded production facilities and developed presence in various regions across Central Java, namely Boyolali and Sragen

2005
Established a partnership with PT Pancaprima Ekabrothers; Conducted the first Limited Public Offering (LPO) — increasing total shares to 445.44 million shares

2003
Carried out a stock split total shares increased to 384 million shares

2012
Established Ocean Asia Industry as a subsidiary involved in textile production

2013
Established Apparelindo Prima Sentosa (APS) as a subsidiary involved in product sourcing

2014
Established subsidiaries of Cosmic Gear Ltd., Teodore Pan Garmindo (TPG), Victory Pan Multitx (VPM), and Prima Sejati Sejahtera (PSS); Limited Public Offering, increasing total shares become 6,478 billion shares





2015
Established Berkah Indo Garment (BIG) and PB International BV Industry; Expanded the industrial capacity of Teodore Pan Garmindo (TPG) to Tasikmalaya

2017
Established PB Island Pte. Ltd

2019
Expanded Teodore Pan Garmindo (TPG) for the second time in Tasikmalaya

Certifications and External Involvements

[GRI 102-12]

No	Category	Certificate/ Membership/ Report	Subsidiary Name	Certificate /Report Number	Issued Date	Valid Until	Certification Body	Remarks
1	ISO	ISO 9001:2015	PT PANCAPRIMA EKABROTHERS	10256665	16-Apr-2020	15-Apr-2023	Lloyd's	Certification
2			PT PAN BROTHERS TBK-PAN 9 BOYOLALI	10178098	21-Aug-2018	30-Aug-2021	Lloyd's	Certification
3			PT PAN BROTHERS TBK-PAN 8 SRAGEN	10300159	15-Nov-2020	14-Nov-2023	Lloyd's	Certification
4			PT TEODORE PAN GARMINDO	ID003357	21-Apr-2020	21-Mar-2023	BUREAU VERITAS	Certification
5		ISO 14001:2015	PT PANCAPRIMA EKABROTHERS	10287562	27-Aug-2020	27-Aug-2023	Lloyd's	Certification
6			PT PRIMA SEJATI SEJAHTERA	ES-0834	27-Aug-2019	19-Jul-2021	ACM	Certification
7		ISO 45001:2018	PT PANCAPRIMA EKABROTHERS	10288083	27-Aug-2019	27-Aug-2023	Lloyd's	Certification
8			PT PRIMA SEJATI SEJAHTERA	HS-0834	27-Aug-2019	19-Jul-2021	ACM	Certification
9	Social	SA8000:2014	PT PANCAPRIMA EKABROTHERS	IND18.9527 Ref.No SCS/L /00058/02/2021	31-Jan-2018	8-Jun-2021	BUREAU VERITAS	Certification
10		Better Work Portal	PT PAN BROTHERS TBK-PAN 9 BOYOLALI	ID: 1782	28-Mar-2016	5-Aug-2020	Better Work Indonesia	Annual Membership
11			PT PRIMA SEJATI SEJAHTERA	ID: 1972	28-Aug-2018	5-Nov-2020	Better Work Indonesia	Annual Membership
12			PT ECO SMART GARMENT INDONESIA -KLEGO	ID: 2909	20-Aug-2019	16-Aug-2021	Better Work Indonesia	Annual Membership
13			PT ECO SMART GARMENT INDONESIA -SAMBI	ID: 3438	1-Sep-2020	February 2021	Better Work Indonesia	Annual Membership
14		Higg Index FSLM	PT PANCAPRIMA EKABROTHERS	ID:7206	30 Des 2018	29 Apr 2021	Higg Portal	Annual Membership
15			PT OCEAN ASIA INDUSTRY	ID:32865	11-Jan-2021	10-Jan-2022	Higg Portal	Annual Membership
16	Customs and Excise	AEO	PT PANCAPRIMA EKABROTHERS	AEO.1.2.0.0. 0.6.0.00087.ID	10-Jul-2018	10-Jul-2023	Ministry of Finance RI Directorat General Of Customs and Excise	Certification
17			PT PAN BROTHERS TBK	AEO.1.2.0.0.0. 0.0.00116.ID	17-Dec-2018	17-Dec-2023		Certification



No	Category	Certificate/ Membership/ Report	Subsidiary Name	Certificate /Report Number	Issued Date	Valid Until	Certification Body	Remarks
18	Environment	Greenship New Building	PT PAN BROTHERS TBK	031/RP/NB/ IX-2020	17-Sep-2020	17-Mar-2022	Green Building Council Indonesia	Certification
19		Higg Index FEM	PT PANCAPRIMA EKABROTHERS	ID: 7206	30-Dec-2018	29-Apr-2021	Higg Portal	Annual Membership
20			PT PAN BROTHERS TBK-PAN 9 BOYOLALI	-	26-Apr-2018	1-Jan-2022	Higg Portal	Annual Membership
21			PT PRIMA SEJATI SEJAHTERA	ID: 14753	March 2012	March 2019	Higg Portal	Annual Membership
22			PT ECO SMART GARMENT INDONESIA -KLEGO	ID: 136373	February 2020	July 2020	Higg Portal	Annual Membership
23			PT ECO SMART GARMENT INDONESIA- SAMBI	ID: 136035	February 2020	July 2020	Higg Portal	Annual Membership
24		ZDHC (Zero Discharge of Hazardous Chemicals)	PT OCEAN ASIA INDUSTRY	(7120)281-0042	21-Oct-2020	27-Feb-2024	BUREAU VERITAS	Certification
25			PT. ECO LAUNDRY HIJAU INDONESIA	(7120)273-0072	29-Sept-2020	7-Nov-2024	BUREAU VERITAS	Certification
26		Organic Content Standard (OCS)	PT OCEAN ASIA INDUSTRY	CU1015668OCS-2020-00078756	23-Nov-2020	15-Sept-2021	Control Union	Certification
27		Recycled Claim Standard (RCS)	PT OCEAN ASIA INDUSTRY	CU1015668RCS-2020-00078755	23-Nov-2020	15-Sept-2021	Control Union	Certification

Sustainability Awards



2018

1 (one) 100 Fastest Growing Company Awards 2018
Info Bank Magazine, January 25, 2018

1 (one) Indonesia Corporate Social Responsibility Awards 2018
Economic Review, February 23, 2018

1 (one) The Obedient Bonded Zone for PT Pan Brothers Tbk
Primary Service Office of Customs and Excise, February 23, 2018

1 (one) Corporate Secretary & Corporate Communication Awards 2018
Economic Review, March 2, 2018

(one) Most Innovative Business Award 2018
Warta Ekonomi, March 23, 2018

1 (one) Indonesia Sales Marketing Awards 2018
Economic Review, April 13, 2018

1 (one) Indonesia Legal Award 2018
Economic Review, April 13, 2018

1 (one) OCI Sustainable Innovation Award 2018
PPM, PDMA and SWA, May 2, 2018

1 (one) Indonesia Human Capital Award 2018
Economic Review, May 30, 2018

1 (one) Award for the Implementation of Gender Equality in the Workplace
DPN APINDO, June 29, 2018

1 (one) Indonesia Risk Management Award 2018
Economic Review, August 3, 2018

1 (one) Best Indonesia Public Company 2018
Economic Review, September 19, 2018

1 (one) Indonesia Finance Award 2018
Economic Review, September 19, 2018

1 (one) TOP CSR Award 2018
Business News, October 4, 2018

1 (one) Primaniyarta Export Award 2018
The Ministry of Trade and Industry Republic Indonesia, October 24, 2018

1 (one) Top 5 GCG Issues in Textile & Garment Sectors Award 2018
Warta Ekonomi, October 26, 2018

1 (one) Indonesia Operational Excellence Award 2018
Economic Review, November 2, 2018

1 (one) Tangerang Green Industry Award 2018
The Ministry of Industry Tangerang Kota Government, November 30, 2018

4 (four) Green Industry Award 2018
The Ministry of Industry Republik Indonesia, December 12, 2018



2019

1 (one) Award Charter for Participation in Blood Donation in the Interest of Humanity 2018, totaling 131 donors
Indonesian Red Cross Semarang Regency, January, 2019

1 (one) Best Inventory Company for PT Pan Brothers Tbk
Directorate General of Customs and Excise, February 20, 2019

1 (one) Indonesia Corporate Secretary & Corporate Communication Awards 2019
Economic Review, February 22, 2019

1 (one) Industry 4.0 INDI Award 2019
The Ministry of Industry of the Republic of Indonesia, April 15, 2019

1 (one) 2019 Best Listed Company Award
Investor Magazine, May 16, 2019

1 (one) Indonesia Human Capital Award 2019
Economic Review, May 16, 2019

1 (one) Top GRC (Governance, Risk and Compliance) Award 2019
Top Business, August 22, 2019

1 (one) GRC (Governance, Risk and Compliance) Leader Award 2019
The Most Committed Award
Top Business, August 22, 2019

1 (one) Indonesia Good Corporate Governance Award 2019
Economic Review, August 23, 2019

1 (one) Best Issuer Award 2019
Pikiran Rakyat Daily News Paper, August 29, 2019

1 (one) Primaniyarta Award 2019
Ministry of Trade of the Republic of Indonesia, October 16, 2019

1 (one) 3rd best ABHINAWA ANUGRAHA Environmental Care Company For PT Eco Smart Garment Indonesia-Sambi
Environmental Office of Boyolali District, October 21, 2019

1 (one) Mitra Bhakti Husada Award - National GP2SP to PT Prima Sejati Sejahtera
Ministry of Health of the Republic of Indonesia, November 6, 2019

1 (one) Award for companies that have implemented the Productive Healthy Women Worker Movement to PT Eco Smart Garment Indonesia
Ministry of Health of the Republic of Indonesia, November 10, 2019

1 (one) Mitra Bhakti Husada Award - Provincial GP2SP to PT Prima Sejati Sejahtera
Governor of Central Java, November 11, 2019

1 (one) Top Implementation of the 2019 Digital Award
IT Works Magazine, November 27, 2019

1 (one) Top Digital Implementation in Industry 4.0 Award 2019
IT Works Magazine, November 27, 2019

2 (two) Top Leaders for Implementing the 2019 Digital Award
IT Works Magazine, November 27, 2019

1 (one) Gender Award Vlog Competition 2019
Better Work Indonesia, November 28, 2019

1 (one) monthly medium major industry survey award
Statistics Indonesia, December 2, 2019

1 (one) Indonesia Excellent Performance Public Company Award 2019
Warta Ekonomi Magazine, December 4, 201

6 (six) Green Industry Award 2019
The Ministry of Industry Republic of Indonesia, December 16, 2019





2020

1 (one) Manufacture Industry Statistic Survey Award
Statistics Indonesia, January, 2020

1 (one) Corporate Secretary & Corporate Communication Awards 2020
Economic Review, February 07, 2020

1 (satu) Leading Best Practices on Safety Precautionary Measures of COVID-19 to PT Prima Sejati Sejahtera Award
Adidas, February 17, 2020

1 (one) Indonesia Sales Marketing Award 2020
Economic Review, March 12, 2020

1 (one) Indonesia Human Capital Award 2020
Economic Review, July 24, 2020

1 (one) TOP CSR Award 2020
Top Business, July 29, 2020

1 (one) Indonesia Finance Award 2020
Economic Review, October 08, 2020

1 (one) The Best CFO in Business Innovation Award 2020
Economic Review, October 08, 2020

1 (one) GRC (Governance, Risk and Compliance) Award 2020
Top Business, October 15, 2020

1 (one) The Best IT for Public Company Award 2020
Economic Review, November 06, 2020

1 (one) Country Star of the year Company Award 2020
Asian Business Award, November 06, 2020

1 (one) Forbes The Best of The Best 2020 Award
Forbes Magazine, December 10, 2020

2 (two) Awards for the Implementation of the Health Protocol for Handling COVID-19
Industry and Trade Office of Central Java Province, December 15, 2020

1 (one) Top Digital Award 2020 for Best IT Implementation on Garment and Textile
IT Works Magazine, December 20, 2020



PT PAN BROTHERS Tbk

I-pan

Good Corporate Governance and Business Ethics

Good Corporate Governance and Business Ethics

[GRI 102-16] [GRI 102-17]

As a public company, the BOD and BOC realize that a system of management which is based on principles of transparency, responsibility, accountability, fairness will consistently be able to increase value for its shareholders and other stakeholders.

The company ensures transparency and accountability across all business units through implementing good corporate governance (GCG). The company strongly supports the Government of Indonesia in eliminating corruption in two vital ways: administering a transparent supply chain from material sourcing to sales and enforcing proper code of conduct, which ensures that employees practice proper business ethics and engage in moral, human and social responsibility.

In particular, the Board of Commissioners at PBRX play a vital role in overseeing the implementation of GCG through giving initiatives and strategic policy directives as well as supervising and monitoring company activities. Compliance with these principles is an essential element in our business success. PBRX Board of Directors is responsible for ensuring these principles are communicated to, and understood and observed by, all employees.

Day to day responsibility is delegated to all senior management of each department. They are responsible for implementing these principles, if necessary, through more detailed guidance to condition and regulation. Assurance of compliance is given and monitored each year. Compliance with the code is subject to review by the Board of Directors supported by the Audit Committee and all executives. Any breaches of the code must be reported in accordance with the procedures specified by the Company. The Board of Directors expect employees to bring their finding of any breach or suspected breach of these principles towards the Board of Commissioners. [GRI 102-17]

Corporate Culture

I-pan

INTEGRITY

The Titanium colour implies that all PBRX people have firmness and consistency in maintaining morals, honesty, sincerity & business ethics.

PASSION

The Green colour with a heart in the middle, implies that all PBRX people have love, passion and are willing to sacrifice to maintain the sustainability of the company.

ACTION

The Titanium color, implies that all PBRX people are committed to providing high-quality and high-value services that meet the goals of the Company.

NATIONALISM

The Gold color implies that all PBRX people have a spirit of patriotism and uphold the values of diversity in working for the Company and for Indonesia's growth.

THREE ASCENDING LINE

It symbolizes dedication PBRX team in implementing the appropriate business strategy, quickly, provide excellent service, as well as global corporate always increase the value to the World Class Apparel Suppliers.

Business Principles

[GRI 102-11] [GRI 102-15]

Our Purpose and Principles. Conducting our operations with integrity, dignity and with respect for all stakeholders including employees, third parties and community.

Code of Conduct. We conduct our operations with honesty, integrity and openness, and with respect for human rights and interest of our employees. We shall similarly respect the legitimate interest of those with whom we have relationships. The code also supports our approach to governance and corporate responsibility. Code of Conduct is implemented at all levels including top management.

Business Partners. Pan Brothers is committed to establishing mutually beneficial relations with our suppliers, buyers and business partners. We want to work with partners who have values similar to our own and work with the same standards as we do. Our Code of Conduct is aligned to our own Code of Business Principles, and comprises of principles covering business integrity and responsibilities relating to employees, buyers and the environment.

Obeying the Law. Pan Brothers companies and our employees are required to comply with laws and regulations.

Employees. Pan Brothers is committed to diversity in a working environment where there is mutual trust and respect and where everyone feels responsible for the performance and reputation of the company. We will recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed. We are committed to safe and healthy working conditions for all employees. We will maintain good communication with employees.

Shareholders. Pan Brothers will conduct its operations in accordance with accepted principles of good corporate governance. We will provide timely, regular and reliable information on our activities, structure, financial situation and performance to all shareholders.

Business Integrity. Pan Brothers does not give or receive, whether directly or indirectly, bribes or other improper advantages for business or financial gain. No employee may offer, give or receive any gift or payment which is, or may be constructed as being, a bribe. Any demand for, or offer of a bribe must be rejected immediately and reported to management. No undisclosed or unrecorded account, fund or asset will be established or maintained.

Conflicts of Interests. All Pan Brothers employees are expected to avoid personal activities and financial interests which could conflict with their responsibilities to the company. Pan Brothers employees must not seek gain for themselves or others through misuse of their positions.

Compliance-Monitoring-Reporting. Compliance with these principles is an essential element in our business success. Pan Brothers Board of Directors is responsible for ensuring these principles are communicated to, and understood and observed by, all employees. Day to day responsibility is delegated to all senior management of each department.

They are responsible for implementing these principles, if necessary, through more detailed guidance to condition and regulation. Assurance of compliance is given and monitored each year. Compliance with the code is subject to review by the Board of Directors supported by the Audit Committee and all executives. Any breaches of the code must be reported in accordance with the procedures specified by the Company. The Board of Directors expect employees to bring their finding to, or to senior the management, any breach or suspected breach of these principles.

The Environment. Pan Brothers is committed to making continuous improvement in the management of our environmental impact and to the longer-term goal of developing a sustainable business. Pan Brothers will work in partnership with others to promote environmental care, increase understanding of environmental issues and disseminate good practice. We are always looking for ways to improve the way we manage our environmental impacts parallel to our longer-term goal of developing a sustainable business.

Public Activities. Pan Brothers will cooperate with governments and other organizations, both directly and through bodies such as trade association, in the development of proposed legislation and other regulations which may affect legitimate business interests. Pan Brothers neither supports political parties nor contributes to the funds of groups whose activities are supposed to promote party interests.



PT PAN BROTHERS Tbk

I-pan

Sustainability Strategy and Framework

Sustainability Strategy and Framework

[GRI 102-15] [GRI 102-16] [GRI 102-29] [GRI 103-1] [GRI 103-2] [GRI 103-3]

Since 1980, PT Pan Brothers Tbk. and Group has played an active role in the garment and textile industry, creating value for relevant stakeholders and community members. PBRX ensures sustainability by supporting the development of local communities and the national economy, focusing on responsible material sourcing, enhancing the usage of renewable energy sources, and fulfilling the United Nations Sustainable Development Goals through various social, economic, and environmental initiatives, thereby creating a three-pronged approach focusing on People, Planet and Profit that will contribute positively to the ecosystem.

Our three-pronged ('Triple Bottom Line': People, Planet, Profit) sustainability strategy aims to benefit all stakeholders including our communities, environment and business itself.



People



Planet



Profit

The Company has formed a group-wide Sustainable Development Program centered around 10 SDG goals and 10 targets that puts forward the concept of the 'Triple Bottom Line' - People, Planet, and Profit. Recognizing the tremendous responsibility and impact the Company has towards our society, environment, and economy, the Company has selected the following goals and targets to flag off our Sustainable Development Program. [GRI 103-2]



'' The World is always changing and PBRX must always be one step ahead. Result is most important, nothing is impossible, everything is possible''

Social

Sustainability Initiatives

SDGs Goal	Commitment	Targets 2030
1 NO POVERTY	To support the Government of Indonesia in reducing the number of people below the poverty line by providing employment in PT Pan Brothers Tbk and Group (1.2)	By 2030, double the indirect economic impact made towards the local community from 2020
3 GOOD HEALTH AND WELL-BEING	To enable access to safe, effective, affordable, quality healthcare services for all, including employees and surrounding community members where PT Pan Brothers Tbk and Group are located (3.8) To reduce exposure to hazardous chemicals as well as air and water pollution through provision of proper resources for surrounding communities where PT Pan Brothers Tbk and Group are located (3.9)	By 2030, double the outreach for educational programs that emphasize the importance of health and hygiene to communities in each operational facility from 2020
4 QUALITY EDUCATION	To provide technical skills and vocational training to young and mature adults related to PBRX business functions to enhance employability and encourage entrepreneurship (4.4)	By 2030, double the amount of academic scholarship and education subsidy recipients to low-income community members and PBRX employees from 2020 and increase average number of training hours per employee annually to minimum of 12 hours regardless of position level
5 GENDER EQUALITY	To provide equal opportunity for women so that they can participate in the management function at all levels in PT Pan Brothers Tbk and Group and grow as leaders (5.5)	By 2030, achieve gender balance in upper management level by creating more equal opportunities for both men and women to be promoted based on merit and double the participation in health and productivity programs across all facilities for male and female workers from 2020
8 DECENT WORK AND ECONOMIC GROWTH	To support the Government of Indonesia in enhancing economic growth and per capita income by creating job opportunities within PBRX (8.1) To support productive employment and fair employment programs with equal pay and facilities for all, including for young people and for physically challenged people (8.5)	By 2030, expand our recruitment pipeline to include more diverse workforce regardless of gender, age, ethnicity, and/or disability. By 2030, continue to comply with regional and national minimum wage standard (UMK) and halve the number of average annual work-related accidents from 2020

Environment

Sustainability Initiatives

7 AFFORDABLE AND CLEAN ENERGY	To utilize energy efficiently, invest in renewable energy resources, and use at least 31% renewable energy by 2030 at PT Pan Brothers Tbk and Group (7.3)	By 2025, increase renewable energy usage to at least 23% of total energy mix By 2030, increase renewable energy usage to at least 31% of total energy mix, invest in more energy efficient production technologies to reduce energy consumption and double the capacity for rainwater harvesting and upgrade wastewater treatment plant
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	To ensure sustainable resource utilization throughout the supply chain and substantially reduce waste production through prevention, reduction, recycling and reuse across all PBRX facilities (12.5)	By 2030, increase % of sustainably sourced material to at least 60% of total materialssourced and halve amount/volume of waste generated for all waste types from 2020 By 2030, at least 75% of all non-hazardous waste generated must be recycled, downcycled, or upcycled
13 CLIMATE ACTION	To reduce GHG emissions by at least 30% by 2030 through investments in renewable energy resources and increased biomass usage (13.2)	By 2030, halve our carbon footprint/GHG emissions through investments in biomass energy usage

Economic

Sustainability Initiatives

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	To promote inclusive and sustainable industrialization and innovation in the garment industry through raising share of GDP while maintaining share of employment (9.2)	By 2030, increase productivity and efficiency by an additional 25% from 2020 through low cost, high impact digitalization, data intelligence, and smart technology investments (Industry 4.0) and maintain principles of Manufacturing, Operational, and Business Excellence in all operations
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	To support the Government of Indonesia to eliminate corruption in all forms by implementing good corporate governance (GCG) within PT Pan Brothers Tbk and Group (16.5)	By 2030, implement 100% data integration and communication throughout the end-to-end production process (from procurement to shipping) to ensure transparency and reliability to global partners (buyers, suppliers, investors)



5-Year Total ESG Investment 2018-2022

Total Amount (USD)
35,785,332

26,948,649

ENVIRONMENTAL SUSTAINABILITY EXPENDITURES

LED lights, solar panels, fuel/steam management system, Wastewater Treatment Plant (WWTP), water-efficient dyeing machines, energy-efficient sewing and cutting machines etc.

6,958,262

SOCIAL SUSTAINABILITY EXPENDITURES

Community development programs, academic scholarships, training programs, Covid-19 programs, occupational health and safety expenditures etc.

1,878,421

ECONOMIC/GOVERNANCE SUSTAINABILITY EXPENDITURES

RFID (Radio Frequency Identification) technologies for inventory management, ERP/SAP system, training programs etc.

Sustainability Governance

[GRI 102-18] [GRI 102-19] [GRI 102-20] [GRI 102-21] [GRI 102-22] [GRI 102-23] [GRI 102-24] [GRI 102-26] [GRI 102-27] [GRI 102-28] [GRI 102-29] [GRI 102-30] [GRI 102-31] [GRI 102-32] [GRI 103-2]

In our efforts to ensure responsible, transparent, and proper implementation of our sustainability commitments, the company has established the Internal Sustainability Advisory Committee (ISAC) and Sustainability Task Force (T2K) to reaffirm the company's commitment in implementing our sustainable development program as an integral part of the company's day-to-day activities. By the issuance of Directors Decree (SK) No. 015 / SK / Directors / VIII / 2020, the ISAC Committee provides direction and supervision to all committee members, as led by the chairman, in planning and implementing sustainability programs in PT Pan Brothers Tbk and its Subsidiaries.

The Chairperson of the ISAC Committee, Anne Patricia Sutanto, also serves as the Company's Vice CEO. Chosen based on her high level of knowledge, expertise and experience in the garment industry and ability to engage with relevant stakeholders, the Chairperson's role in the sustainability program will ensure proper direction, oversight, and implementation of the Company's sustainability initiatives.

Based on the issued SK No. 015 and strengthened by the issuance of Corporate Policy Decree No. 110/KP/IX/2020, the following highlights the key responsibilities of PBRX's internal Sustainable Development Program team:

- ISAC Committee has authority in planning, coordinating, implementing and evaluating sustianability programs of PT Pan Brothers Tbk and its Subsidiaries.
- T2K, under the supervision of the chairperson of the ISAC Committee, is responsible for implementing and succeeding all sustainability programs of PT Pan Brothers Tbk and its Subsidiaries and writing the sustainability report for publication and for review by the ISAC Committee. [GRI 102-32]

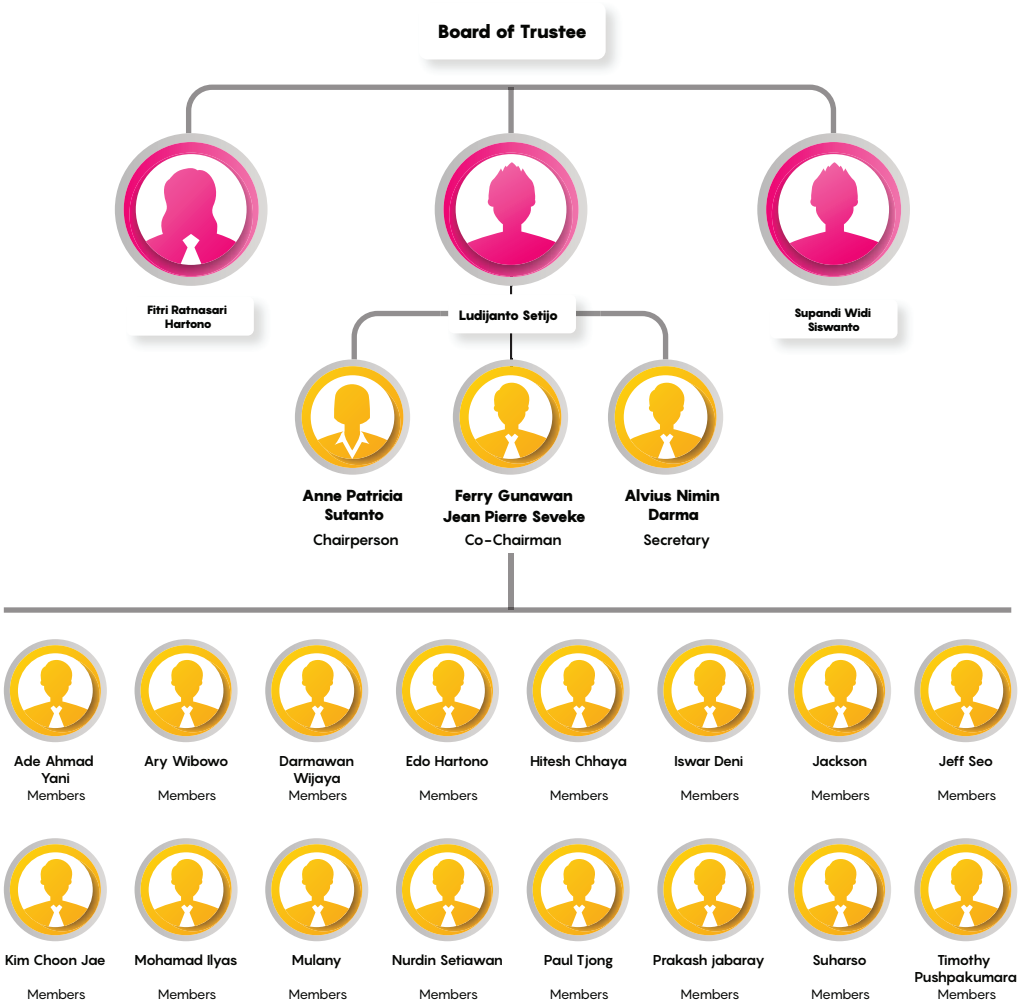
Task and Responsibilities of the Sustainability Commitee

[GRI 102-21] [GRI 102-26] [GRI 102-27] [GRI 102-28] [GRI 102-30] [GRI 102-31] [GRI 102-32] [GRI 102-33]

Board of Trustee	To provide the strategic road map, overall direction and advice on the planned implementation for the SDGs program of PT Pan Brothers Tbk and Group.
Chairperson	• To plan, coordinate, implement and evaluate the SDG programs of PT Pan Brothers Tbk and Group. • To review the effectiveness of the organization's economic, environmental, and social performance and identify potential areas of improvement for existing initiatives on an bi-annual basis [GRI 102-30] [GRI 102-31
Chairperson	To support the Chairperson in implementing and reviewing the group's SDG Program based on the advice of the Board of Trustees and relevant stakeholders
Secretary	• To assist the Board of Trustees, the Chairperson and the Co-Chairman in preparing the strategy and implementation plan of SDGs programs of PT Pan Brothers Tbk and Group • To provide the draft of agreement to related third parties for potential collaboration for the group's SDG programs. • To prepare SDG reports and meetings (Quarterly report and meeting).
ISAC Members	• To give input to the committee on the implementation of the SDG program of PT Pan Brothers Tbk and Group. • To provide recommendation to the committee for any potential collaboration with the third party (supply chain) towards the group's SDG program. • Evaluate and suggest improvements on the economic, environmental, and social performance of the Company's SDG program to the Sustainability Task Force and Chairperson on a monthly basis [GRI 102-33]
Secretariat Offices (PIC)	• To support secretary in preparing SDGs programs quarterly report • To assist the committee in contacting relevant parties by phone, email and mail related to SDGs programs. • To support the T2K in implementing the SDGs programs of PT Pan Brothers Tbk and Group.
Sustainability Task Force (T2K)	• To report to the Chairman of the Committee and ISAC Committee members regarding the progress of the SDGs programs of PT Pan Brothers Tbk and Group. [GRI 102-27] • To successfully implement the SDG programs of PT Pan Brothers Tbk and Group as approved by the Internal Sustainability Advisory Committee (ISAC). • To collaborate with the Secretary to prepare SDG reports of PT Pan Brothers Tbk and Group • To ensure that all Company sustainability priorities are being reported and implemented correctly in the Company's projects and sustainability report [GRI 102-32] • To identify and suggest new sustainability initiatives and areas of improvement in sustainability performance via monthly discussions with relevant stakeholders and Company executives [GRI 102-21]

Internal Sustainability Advisory Committee (ISAC)

[GRI 102-18] [GRI 102-22]



Sustainability Task Force (T2K)

[GRI 102-18] [GRI 102-22]



Facility Supervisors

- **Jakarta** : Dewi Sri Nurwanti, Marlina Sihotang, Sari Simbolon
- **Tangerang** : Sasih Suarsih (Acih), Chaerunnisa, Lany Indrawati, Mia Meliana, Prasetyo, Pie Ing, Ayun, Harjanto, Denny Samboh, Everit
- **Banten** : Dasuki
- **Tasik** : Syaiful, Victor
- **Butuh, Boyolali** : Anik Kuswandari, Arinda Ratna Sari, Elysia, Erwin, Fuad Hasan, Hendriks BNO Nata, Miki Andydharma, Tursini, Yuni Ratnasari, Yusi Hersanty
- **Klego & Sambi, Boyolali** : Imam Bakhri, Lusiana
- **Semarang** : Iwan Sustriawan
- **Sragen** : Wahyu B. Effendi, Warih Sugiarta

Information & Management Data

Willyam Susilo, Everit, Bellani Rizkiani

Multimedia & Design

Dipa P. Prihatno, Luthfi Gunadi



PT PAN BROTHERS Tbk

I-pan

Economic Sustainability

Why Economic Sustainability is Important for PBRX

[GRI 103-1] [GRI 103-2]

The garment industry in Indonesia and around the world has faced a lot of challenges during the Covid-19 pandemic, due to a declining trend in global consumer spending on non-essential goods and growing awareness of more minimalistic lifestyle. Nevertheless, PT Pan Brothers Tbk. and Group has capitalized on the increasing popularity of the environmentally sustainable, 'back to nature' lifestyle and demonstrated strong and stable financial performance in 2020 despite the aforementioned challenges. As many individuals increasingly seek outdoor experiences, the Company's diverse product portfolio, which primarily consists of outdoor, sports, and performance wear, has helped the Company perform well during the pandemic.

The Company also actively responds to global sentiments and trends, which led to the development of Personal Protective Equipment (PPE) such as hazmat suits and non-medical masks and implementation of Covid-19 protocols in all production facilities to prevent the spread of the virus. Continuous innovation in product development, such as the use of natural dyes and sustainable material in garment products, has additionally enabled PBRX to grow sustainably with the support of our global partners, buyers, and suppliers.

The Indonesian garment industry, known for its labor-intensive and export-oriented nature, has become a concern for the Government of Indonesia, given its strong positive impact on the national economy and large provision of employment. Although fashion retail brands have experienced sales declines in 2020, the Company has not experienced any order cancellations due to the strong relationship and partnership with buyers. The Company is committed to continuously add value to relevant stakeholders, such as our buyers, suppliers, and employees, in order to maintain Indonesia's garment export competitiveness and economic development.

To ensure that our people and surrounding communities can continue to rely on our business to sustain their livelihoods, we recognize our responsibility to grow our business steadily and sustainably. Stable and strong financial performance is important for PBRX's economic sustainability. The Company addresses the economic concerns and interests of investors, suppliers, buyers, and other relevant stakeholders' by investing in sustainable, technological innovations that improve productivity and efficiency, promoting good corporate governance (GCG), ensuring transparency across our supply chain, and maintaining the infrastructure and environment that supports our business. PBRX is the committed to drive positive impact for the local, national, and global economy in a sustainable and responsible manner.

Our economic sustainability commitments focus on the following SDG goals:



Scope

- Economic Performance, Digitalization and Technological Innovation (Industry 4.0)

Targets

- By 2030, increase productivity and efficiency by an additional 25% from 2020 through low cost, high impact digitalization, data intelligence, and smart technology investments (Industry 4.0)
- By 2030, maintain principles of Manufacturing, Operational, and Business Excellence in all operations

Initiatives

- Digitalization and automation of systems (ERP/SAP)
- Technological Innovation and Industry 4.0



Scope

- Transparency and Anti-Corruption

Targets

- By 2030, implement 100% data integration and communication throughout the end-to-end production process (from procurement to shipping) to ensure transparency and reliability to global partners (buyers, suppliers, and investors)

Initiatives

- Transparent Supply Chain
- Good Corporate Governance (GCG)
- Anti-Corruption Policies and Communication

Economic Performance

[GRI 102-7] [GRI 201-1]

Aspects	2016(USD)	2017(USD)	2018(USD)	2019(USD)	2020(USD)
Net Sales	482,204,159	549,355,786	611,371,311	665,049,043	684,892,301
Net Profit	13,286,218	7,817,516	16,260,183	17,050,942	19,367,114
Total Assets	519,506,767	573,351,293	579,066,122	658,393,892	693,123,729
Total Liabilities	291,866,255	338,555,397	328,472,770	394,257,559	412,938,472
Total Equity	227,640,512	234,795,896	250,593,352	264,136,333	280,185,257
Earnings per Share	0.0023	0.0014	0.0028	0.0031	0.0037
Personnel Expenses (direct labor cost, employee salary and expenses)	85,253,211	97,386,636	100,249,030	107,999,619	97,198,396
CSR Program Fund	476,695	592,080	702,070	772,630	1,343,827

While the Covid-19 pandemic has impacted PBRX's businesses directly and indirectly in the early months of the pandemic, the Company was able to work around the challenging situation and adapt to the changing needs of the global economy. The consolidated financial data is based on the Consolidated Financial Statements of PT Pan Brothers Tbk. and Subsidiaries, which were externally audited by Accounting Firm Amir Abadi Jusuf, Aryanto, Mawar & Rekan (an independent member of RSM International) as per the appointment of the Board of Commissioners during the Annual General Meeting of Shareholders held on August 27, 2020.

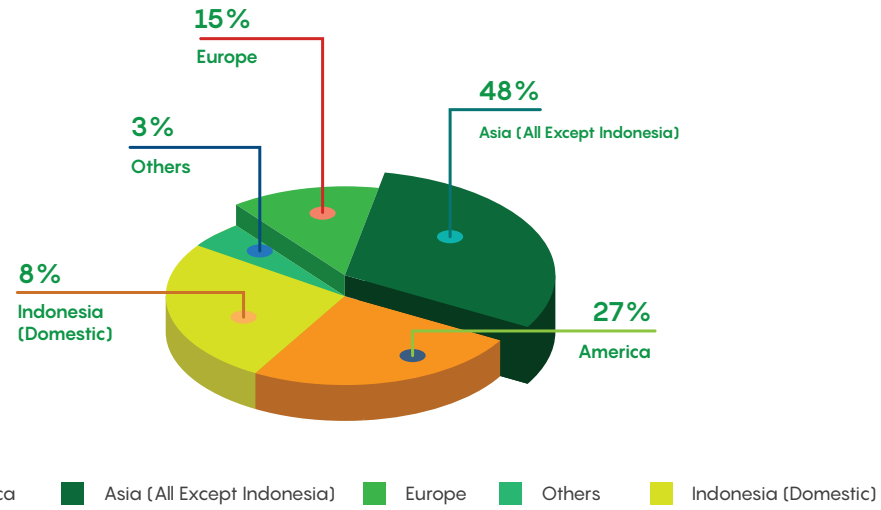
Before 2020, the Company has targeted net sales of USD 680 million in 2020. PBRX managed to exceed this target and maintain stable sales growth — recording net sales of USD 684,9 million in 2020, which grew 2,99% from USD 665.0 million in 2019. The main contributor of total net sales is the Garment segment of PBRX, which comprise 97% of total net sales as of 2020. The Company strives to achieve cost efficiency across the PBRX portfolio by ensuring that the growth in cost of goods sold (COGS) is lower than growth in sales. The Company recorded increase in net profit of USD 19,4 million in 2020, up 13,5% from USD 17,1 million in 2019.

As of December 31, 2020, PBRX total assets amounted to USD 693,1 million, which grew 5.3% from USD 658,4 million in 2019. At the end of 2020, the Company recorded total liabilities of USD 412,9 million, which increased by 4.7% from USD 394.3 million in 2019.

Overall, PT Pan Brothers Tbk and Group's economic performance has demonstrated resilience despite dramatic changes in the global economy. The Company was able to achieve stable and strong financial performance amid the recession and Covid-19 pandemic due to the Company's responsiveness and proactiveness in forming initiatives that address the aforementioned challenges.

Export Sales	2016 (USD)	2017 (USD)	2018 (USD)	2019 (USD)	2020 (USD)
USA	127.3	142.9	155.7	186.8	183.95
Europe	81.2	92.2	93.2	93.1	102.2
Asia	268.6	289.1	346.4	365.7	379.2
Others	5.1	25.1	16.1	19.4	19.6
TOTAL	**482.2**	**549.3**	**611.4**	**665.0**	**684.9**

Financial Highlights Chart (in USD million)



Creating Long-Term Value for Stakeholders

To maintain a positive business performance in the present and in the future, the Company has a longterm business strategy that focuses on technological innovation in the garment industry to increase transparency, optimization, productivity, and efficiency; responsible product development to incorporate sustainability and circular economy trends that drive consumer spending ; and the continuous expansion in the local market. The Company will continuously increase and optimize its efficiency, productivity and quality products through machinery replacement/modernization periodically; application of consistent quality management ISO 9001; development of the quality of human resources; and active partnerships with global buyers and suppliers.

Economic sustainability will be reflected in the achievement of the Company's financial performance and economic value distribution, which aims to benefit all stakeholders, ensure the social welfare of the communities we work with, and secure a better life for the next generation.

In accordance with GRI Reporting Standards, economic sustainability also encompasses organization's direct economic value towards stakeholders at the local, national, and global level. The economic value distribution of PBRX represents the organization's capital flows to different stakeholder groups and the economic impact of the organization towards the economy and society. PBRX generates and distributes economic value to 5 main stakeholders:



The economic performance of PBRX during the 2020 reporting period and previous years are shown in the following economic value generation and distribution table, which is in accordance with GRI Standards.



Economic Value Generation, Distribution, Retention 2016-2020

[GRI 201-1]

	2016(USD)	2017(USD)	2018(USD)	2019(USD)	2020(USD)
Generated Economic Value					
Net Sales	482,204,159	549,355,786	611,371,311	665,049,043	684,892,301
Other income - net	5,227,407	2,693,913	5,319,605	4,053,077	3,795,266
Finance income - net	1,924,931	2,134,869	516,277	658,056	349,478
Total Economic Value Generated	489,356,497	554,184,568	617,207,193	669,760,176	689,037,045
Distributed Economic Value					
Operating costs (cost of goods sold, selling and marketing expenses, general and administrative expenses excluding direct and indirect labor cost)	374,948,590	423,942,265	474,632,162	510,560,482	507,667,542
Personel expenses (direct labor cost, employee salary and allowances)	85,253,211	97,386,636	100,249,030	107,999,639	97,198,396
Dividends	954,586	973,374	931,995	917,866	
Income Tax (government payment)	4,994,946	3,137,669	4,287,852	7,320,142	6,578,130
CSR program fund	476,695	592,080	702,070	772,630	1,343,827
Total Economic Value Distributed	466,628,028	526,032,024	580,803,109	627,570,759	612,787,895
Retained Economic Value					
Total Economic Value Retained	22,728,469	28,152,544	36,404,084	42,189,417	76,249,150

Generated Economic Value

In 2020, the Company's generated economic value comprised of the Company's net sales and other net income, which amounted to USD 689.04 million, up 2.88% from USD 669.76 million in 2019.

Distributed Economic Value

The economic value distributed to stakeholders in 2020 was USD 612.8 million. In 2020, dividends for the financial year 2020 are not fully distributed to shareholders. In 2020, the economic value distributed comprised of the following components: operating costs amounting to USD 507.67 million (83%); employee salary and allowances amounting to USD 97.2 million (15.9%); income tax payments amounting to USD 6.58 million (1,1%); and CSR funding amounting to USD 1.34 million (0.22%).

Retained Economic Value

Retained Economic Value is calculated by subtracting Generated Economic Value with Distributed Economic Value. As of 2020, the economic value retained by the Company is USD 76.52 million, up 80.7% from USD 42.2 million in 2019.



Goal 9 — Industry, Innovation, and Infrastructure

Targets 9.2

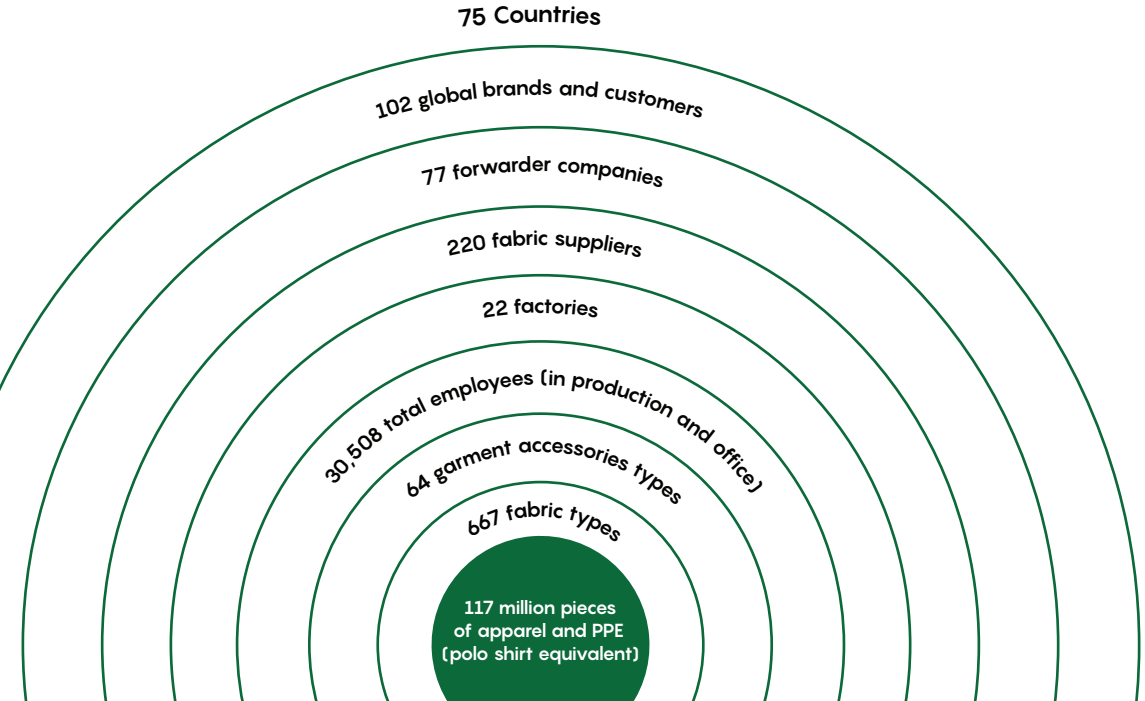
To promote inclusive and sustainable industrialization and innovation in the garment industry through raising share of GDP while maintaining share of employment (9.2)

Transparent Supply Chain

[GRI 102-7] [GRI 102-9]

Our global suppliers and buyers are inseparable partners that support us in producing the quality of products, ensuring transparency throughout our integrated supply chain, and helping us meet international social, environmental and economic standards. Our integrated garment business involves many stakeholders across the supply chain. From a production standpoint, the production capacity of 117 million pieces of apparel and PPE (polo shirt equivalent) consists of 667 fabrics types from 220 fabric suppliers and 64 garment accessories types, supported by 30,508 employees (in production and office). In terms of shipping, we have been supported by 77 forwarder companies to 75 countries and 102 global brands and customers all around the world.

To ensure transparency throughout the production process, the company has already utilized RFID technologies across most garment manufacturing facilities to trace and locate the product as it passes the workstream. The implementation of the ERP-SAP digital system also demonstrates the Company's commitment to implement transparent and accountable business operations at all levels of the supply chain, from procurement and warehousing to production and shipping. By 2022, the Company plans to increase supply chain transparency through the development of an online procurement and tracking platform, which will allow suppliers, buyers, investors, and other relevant stakeholders to easily monitor the supply chain starting with the Tangerang.



Digitalization and automation of systems (Industry 4.0)

PT Pan Brothers Tbk. and Group has invested in high-impact technological innovations to enhance the digitalization and automation of systems, particularly in the garment production process. As PBRX journeys towards Industry 4.0, the goal of these technology-oriented initiatives is to boost productivity, production efficiency (reduced lead time), quality, consistency, and precision without compromising human capital development.

PBRX has established an in-house Manufacturing Excellence team, who collaborates with related departments in each subsidiary to implement and monitor relevant automation equipment seamlessly in the existing labor-intensive garment production facilities. Through these projects, production teams at PBRX garment facilities are more well-equipped to monitor, control, and manage output and inventory through data-driven insights to ensure proper lead times (i.e. output per hour in each production line through RFID technology — radio frequency identification).

Such investments also enable our team to ensure consistent product quality as per buyers' requirements and expectations and pinpoint problems should they arise anywhere in the production process — enhancing efficiency and market competitiveness.

On a regular basis, the Manufacturing Excellence and production teams at all garment facilities utilizing these technologies assess the effectiveness and value of each investment through measuring OEE rates (overall equipment efficiency) and comparing YoY improvements in productivity, sales, efficiency, lead time etc. Currently, garment subsidiaries within PBRX do not have 100% digitalization and automation as it requires heavy investment.

Nevertheless, the Company is committed to investing in and utilizing high-impact data-driven technologies that can make a real positive difference in our overall operations. For example, while some of our garment subsidiaries have already utilized SAP system for the end-to-end production process, we are currently integrating SAP system for other facilities in order to collect and process relevant data more comprehensively and make management-level decisions more easily.

The following include several technologies we have invested in as PBRX journeys towards Industry 4.0

Process	Technology used	Function	% Improvement
Cutting	Automated Fabric Cutter Machine	Automation on fabric cutting process	88% Time Savings in comparison with manual
	Automated Fabric Spreading Machine	Automation on spreading process of large fabric rolls in preparation for cutting garment pieces	74% Time Savings in comparison with manual
	High Speed Laser Cutting Machine	Special fabric cutting technology for cutting specific materials or fabric	For garment carving and cutting
	Ultrasonic Cut Machine	Special machine for cutting and joining specific types of material	Cut and join fabric w/o stitching
Secondary process and Pre-production assembly	Auto 3 stripe stitching	Automatic 3 Stripe stitching and handling process	44% Time Savings in comparison with manual
	Automated Heat Transfer Machine for Fabric	Automation on heat transfer/digital transfer process for fabric printing	30% Time Savings in comparison with manual
	Pad Printing	Quicken process for high-quality, low density print design	Improve lead time and efficiencies
	C-Tex	Automation fabric inspection, colour matching, and fabric relaxing machine & generation of digital report results	All data record in system, better and more consistent quality control
	Auto attach label sticker machine	Automation for attachment of label in garment	76% Time Savings in comparison with manual
Secondary process and Pre-production assembly	Auto fabric flattening machine	Fabric flattening technology for specific material	50% Time Savings in comparison with manual
	Automatic Laser Bonding	Automation on fabric laser bonding process	78% Time Savings in comparison with manual
	Automatic Down Weighing and Filling	Automatic down weighing and filling process	150% Time Savings in comparison with manual
	Auto elastic waistband stitch	Automatic elastic waistband stitching to garment piece	77% Time Savings in comparison with manual
	Rotary label Stitching	Automated process on label stitching	25% Time Savings in comparison with manual
	Auto hangtag machine	Automation for attaching hang tag labels to clothing	45% Time Savings in comparison with manual
	Press Machine	Automated pressing / steaming of fabric to prevent wrinkles	Improve lead time and efficiency
Sewing/Stitching	CNC (Computer Numerical Control) Sewing Machine	Automation on sewing process	Improve lead time and efficiency
	Needle Management System/ Mobile Counter	Digital process for needle Management	Paperless (all digital); reduce 54.750 sheets of paper used per year
	Automated hanging system	Automatic transport of finished garment products to next process	15-20% increase in efficiency

Process	Technology used	Function	% Improvement
Storage	Auto storage & retrieval system for warehousing	Automation of storage and retrieval of raw materials and finished goods in warehousing and packaging facility	Improved precision and efficiency
Production Floor Data Tracking and Support System	Intellocut	Software cutting system to increase efficiency, yield, and utilization of fabric/ material (minimizes waste)	Increased efficiency, yield, and utilization of fabric (waste minimization)
	General Sewing Data (GSD)	Methods analysis (motion and sewing time study) and time -cost benchmarking data software for evaluation of cutting, sewing, examination, packing etc. processes	Improved accuracy and precision of production data
	Manufacturing Execution System (MES)	Software that helps collect and analyze production data in real-time	Easier problem identification and handling in production floor
	Digital Process Analysis	Utilize video as a way to analyze process and identify production improvements	Easier comparison of productivity before and after improvements have been made
	Fast React	Production planning and scheduling software for optimal and on-time output distribution across production lines	Improved planning and production capacity utilization
	Radiofrequency Identification (RFID)	Digital real time tracking of output per hour	Increase in accuracy and efficiency
	SAP System	Data management software that integrates the end-to-end production process for traceability and accurate resource planning	Increased data integration, traceability, and accurate resource planning







Goal 16 — Peace, Justice, and Strong Institutions

Target 16.5

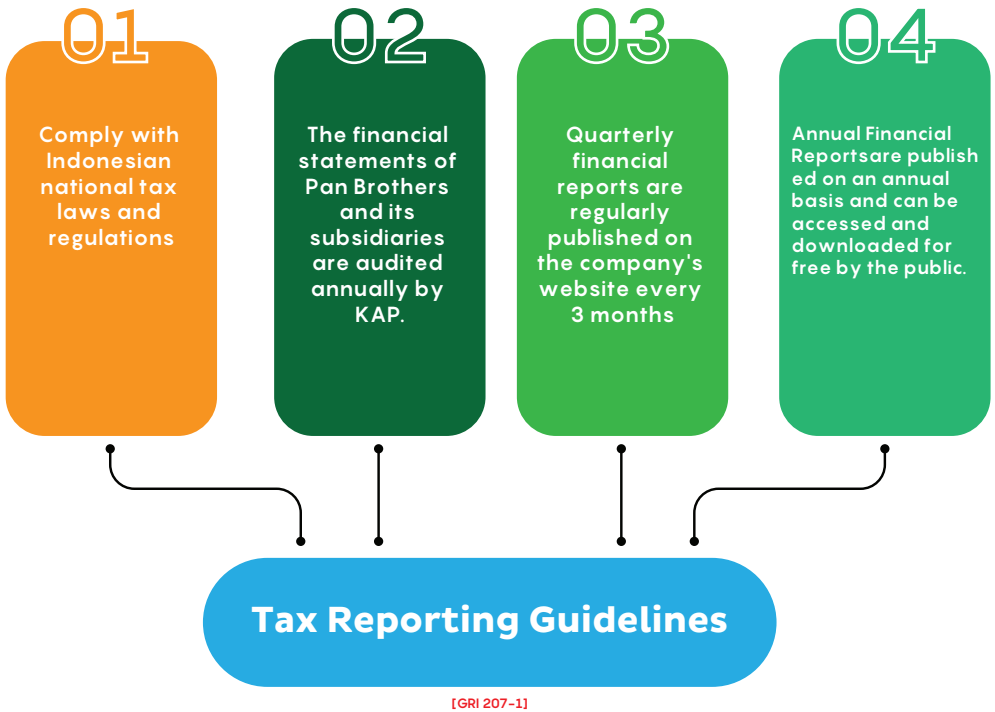
To support the Government of Indonesia programs to eliminate corruption in all forms by implementing good corporate governance (GCG) within PT Pan Brothers Tbk and Group.

A sustainable company needs to anticipate and mitigate the risks that the business faces so that business objectives can be met, and the organization's growth strategies can be successfully implemented. The Company ensures transparency and accountability across all business units through implementing good corporate governance (GCG). The company strongly supports the Government of Indonesia in eliminating corruption in two vital ways: administering a transparent supply chain from material sourcing to sales and enforcing proper code of conduct, which ensures that employees practice proper business ethics and engage in moral, human and social responsibility

In particular, the Board of Commissioners at PBRX play a vital role in overseeing the implementation of GCG through giving initiatives and strategic policy directives as well as supervising and monitoring company activities. Compliance with these principles is an essential element in our business success. Pan Brothers Board of Directors is responsible for ensuring these principles are communicated to, and understood and observed by, all employees.

Day to day responsibility is delegated to all senior management of each department. They are responsible for implementing these principles, if necessary, through more detailed guidance to condition and regulation. Assurance of compliance is given and monitored each year. Compliance with the code is subject to review by the Board of Directors supported by the Audit Committee and all executives. Any breaches of the code must be reported in accordance with the procedures specified by the Company. The Board of Directors expect employees to bring their finding of any breach or suspected breach of these principles towards the Board of Commissioners.

The implementation of the ERP-SAP system is the company's commitment to implement transparent and accountable business operations. All business units are connected to the integrated system which facilitates to monitoring and preventing functions against violations of the compliance principles of GCG. At the end, this will help the company to ensure all business units will have the same vision and mission to support Goal 16 of SDGs.



[GRI 207-1]

Transparency and Anti-Corruption Measures

[GRI 205-2]

Upon entering the Company, 100% of PBRX employees are required to learn about and sign the Code of Conduct, which details the Company's anti-corruption policies and regulations. Also the Company's Human Resources Department and Management regularly monitors operations at all levels and identifies and reports any suspicious activity to the Board of Directors so that the issue can be appropriately addressed. Every month, the Company holds an internal GM (General Managers) meeting to address such issues on a regular basis.

Currently, the Company also holds internal training programs for all PBRX employees to embody the Corporate Culture and PBRX business principles, as per the I-PAN culture: Integrity, Passion, Action, and Nationalism; with integrity being the main area that focuses on responsibility, the transparency and honesty across all business activities. In the future, the Company is committed to issue regular email and verbal communication of these anti-corruption policies to all employees at all levels of the organization beyond existing training programs.

Business Integrity

PBRX does not receive or give, either directly or indirectly, bribes or other improper advantage for business or financial gain. No employee may offer, give or accept gifts or payments that constitute, or could be interpreted, as a means of bribery. Any claims, or offers of bribes, are rejected outright and reported to management. There are no hidden or unrecorded transactions of funds or assets, everything is and will be recorded.

Compliance with Laws and Regulations

All employees and management are committed to complying with the laws and regulations in Indonesia as well as mutually agreed agreements, including the provisions regarding the work relations as stated in the Collective Bargaining Agreement (PKB) and / or Regulations — as signed by management and employee representatives and registered with the Ministry of Manpower and Transmigration. Management will reinforce these laws and regulations when needed.

Conflict of Interest

All PBRX employees are expected to avoid personal activities and financial interests that could conflict with their responsibilities to the Company. All employees are not allowed to seek profit for themselves or others through the abuse of their position.

- All employees and management are not allowed to have an official or unofficial working relationship with other relevant external parties (both personal and corporate), either part or full time, without written permission from Top Management.
- All employees and management are not allowed to conduct trade transactions with external companies, suppliers, contractors, agents or other similar activities, whether due to capital participation, blood family relations and similarities, without written permission from Top Management.

- All employees and management are required to refuse gifts, commission or bribery from company-related stakeholders except for unavoidable reasons (e.g. holiday parcels) and must report in writing such gifts, gifts or entertainment to their superiors.
- If in order to maintain a healthy business relationship between the Company and its relations, the duties of said employee are related to giving gifts and entertainment, then it should be carried out in accordance with the regulations set by their superiors or by the Company by making a transparent & written report.

Confidentiality

All company documents / data, trade secrets and production formulas that are the confidential, etc., should only be used by employees and management for the benefit of the company. All employees and management who have access to company information are fully responsible for maintaining and protecting it with high integrity and avoiding unauthorized use for personal gain. If this happens, the Company can and has the right to sue the employee in accordance with the applicable law

- All employees or management who have retired or stopped working at the company are also obliged to protect company secrets while working at the company.

Maintenance of Company Assets

All employees and management are required to safeguard all company assets with high integrity and avoid unauthorized use, including safeguarding equipment and raw materials from possible damage and loss.

- All employees and management are required to report to their superiors if they find fraud or possible theft / conspiracy or if the company's assets are in a dangerous condition from fire or theft.

Relationships with Customers / Buyers and Suppliers / Suppliers

All employees and management are responsible for carrying out business activities that lead to fair competition. All agreements must be carefully prepared and their implementation must be carried out in accordance with the terms of the agreement.

- Every employee and management must ensure that only quality products are provided to customers / buyers and only quality products are supplied by the company's appointed suppliers.





PT PAN BROTHERS Tbk

I-pan

Environmental Sustainability

Why Environmental Sustainability is Important for PBRX

[GRI 103-1] [GRI 103-2]

As an integrated garment manufacturing business, the Company recognizes the tremendous environmental footprint of the garment industry, namely in the usage of energy and water resources, material sourcing, and waste generation. Therefore, we feel an inherent responsibility to manage and maintain environmental resources without harming the ecosystem. To minimize negative impact towards the environment, our Company is committed to utilizing our natural resources efficiently and effectively. Responsible consumption and production are our main objectives through our environmental projects.

The Company will continuously optimize its environment performance, apply standard **ISO 14001 :2015** about Environmental Management System (SML), and identify, prioritize and manage environmental risks as an integral part of the Company's business operations. PBRX is committed to certifying all operational facilities. As of 2020, there are two subsidiaries, PT Pancaprima Ekabrothers and PT Prima Sejati Sejahtera certified **ISO 14001:2015** related to responsible Environmental Management System. Other subsidiaries have been audited externally by global partners and buyers such as Adidas, Uniqlo etc. as part of the purchasing requirement. The scope of the environmental data — related to energy, water, waste — presented in this report includes all entities that comprise PBRX. The Company plays an active role in supporting the Indonesian government's programs - particularly those related to environmental conservation programs. We collaborate with third parties, surrounding local communities, and the global community to realize our vision of sustainability from an environmental aspect. Our Company's environmental sustainability commitment encapsulates five main areas through the following SDG goals [GRI 103-2]



Scope

- Greenhouse Gas (GHG) Emissions Reduction

Initiatives

- GHG Emissions Reduction
- Biomass to Energy Conversion

Targets

- By 2030, halve our carbon footprint/GHG emissions through investments in biomass energy usage



Scope

- Energy Efficiency and Conservation
- Responsible Water Usage

Initiatives

- Green Office in Boyolali, Central Java
- Renewable Energy Investments
- Energy-saving Production Technologies
- Rainwater Harvesting Methods
- Water Efficient Production Technologies
- Wastewater Treatment Plant (WWTP)

Targets

- By 2025, increase renewable energy usage to at least 23% of total energy mix
- By 2030, increase renewable energy usage to at least 31% of total energy mix
- By 2030, invest in more energy efficient production technologies to reduce energy consumption
- By 2030, double the capacity for rainwater harvesting and upgrade wastewater treatment plant



Scope

- Sustainable Material Sourcing
- Circular Economy & Waste Management

Initiatives

- Sustainable/recycled/local procurement approach
- Sustainable Product Development
- Supplier Assessment
- Upcycled Scrap Fabric Projects
- Say No to Plastic Initiative
- Paperless Project
- Factory Waste Minimization

Targets

- By 2030, increase % of sustainably sourced material to at least 60% of total materials sourced
- By 2030, halve amount/volume of waste generated for all waste types from 2020
- By 2030, at least 75% of all non-hazardous waste generated must be recycled, downcycled, or upcycled

“KADO BUMI”

TREE PLANTING AS PART OF ‘EARTH DAY’,

LOCATED IN CIKANDE, SERANG, BANTEN





Goal 7 — Affordable and Clean Energy

Target 7.3

To utilize energy efficiently, invest in renewable energy resources, and use at least 31% renewable energy by 2030 at PT Pan Brothers Tbk and Group (7.3)

The Company continuously strives to apply greener building and manufacturing concepts. Our Green Office Building located in the production complex of Mojosongo, Boyolali, Central Java has been awarded the Platinum standard by the Green Building Council of Indonesia based on its "green building concept" on September 17, 2020. As of 2020, two of the largest subsidiaries — PT Pancaprima Ekabrothers and PT. Prima Sejati Sejahtera are certified ISO 14001:2015 for Environmental Management System.

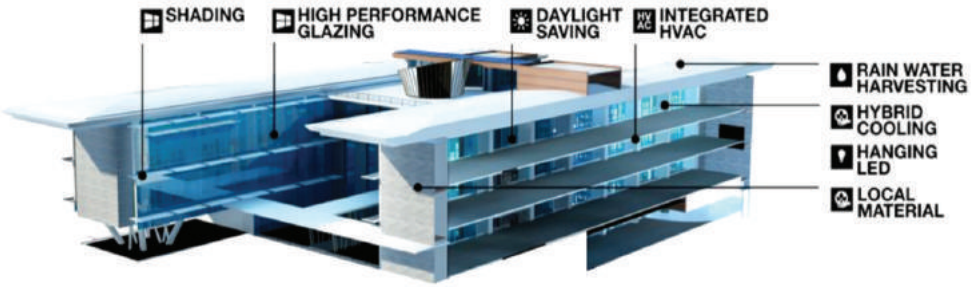


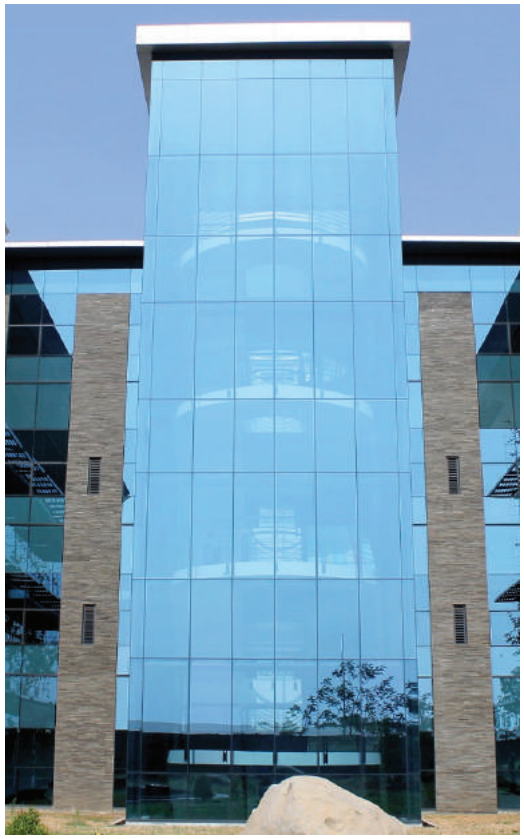
The Company has determined that all new factories, the office buildings, and machineries must and will be environmentally friendly in terms of its energy and water usage nd is committed to certifying all subsidiaries and meeting buyers' environmental compliance standards. As per the President's Decree No. 79 of 2014 on National Energy Policy, Indonesia has set an ambitious target for the contribution of renewable energy to the energy mix to be at least 23% by 2025 and at least 31% by 2030. In line with this national commitment, we are committed to utilizing at least 31% renewable energy sources across all our 18 entities by 2030 by investing in renewable energy and energy-efficient technologies.

Green Office in Boyolali

The Green Office building located in PBRX Central Java facility is awarded the Platinum standard by Green Building Council Indonesia as office building with "green building concept" on September 17, 2020. As one of the first 'green' garment production facilities in Indonesia, PBRX is committed to setting up greener factories, buildings, and machineries for the future.

Energy Saving Features





- **High Performance Glazing**

  Building designed with low SHGC (Solar Heat Gain Coefficient) glazing system and shading devices.

- **Daylight Saving**

  Designed with opening area in the north and south side of the building for daylight access can reduce building energy consumption of lighting system up to 52%.

- **Suspended Lighting and Led System**

  Lighting energy consumption is reduced by reducing artificial lighting use and using energy efficient lighting system. Almost all of working space have a direct access to the window and get daylighting.

  By using automatic lighting sensor (daylight sensor) for lighting system control, energy consumption for lighting may be reduce more than 50%. LED, an energy efficient light, is used in all working space. By using suspended lighting design, number of lamps can be reduced up to 30% without reducing required illuminance level.

Water Conservation Features



- **High Performance Glazing**

  All rainwater that falls in the roof is collected and used for irrigation, make up cooling tower, and flushing toilet.

- **Water Recycling**

  Wastewater from basin and floor drain are recycled for makeup cooling tower, irrigation, and flushing toilet.

- **Water Efficiency Landscaping**

  All water used for irrigation system is not from ground water and or municipal waterworks (PDAM).

- **Water Efficient Fixture**

  Using water efficient fixture

Platinum Standard Result



74 Point Platinum

Water Saving	18%
Energy Saving	52%
Co2 Emissions Reduction	50%

Energy Performance

- 14.6 W/m2
- OTTV (Overall Thermal Transfer Value)
- Standart 45 W/M2
- 111 kWh/m2
- EPI (Energy Performance Index)
- Standart 214 kWh/m2
- Saving 103.13 kWh/m2

Energy Management

[GRI 103-1] [GRI 103-2] [GRI 103-3] [GRI 302-1] [GRI 302-3] [GRI 302-4]

Energy Consumption

At PBRX, the primary energy resources used to support the production process and supporting facilities are electricity and fuel. The diverse, integrated nature of PT Pan Brothers Tbk & Group's garment manufacturing business means that PBRX is not only involved in garment manufacturing, despite it being our primary business. The Company is also involved in the textile industry (PT Ocean Asia Industry) and secondary processes such as dyeing/washing (PT Eco Laundry Hijau Indonesia). The scope of the energy data for PBRX group is comprised of all production and office entities and separated into to evaluate energy consumption and identify areas of improvement based on the different production processes involved:

- Garment
- Non-Garment (textile, dyeing/washing)

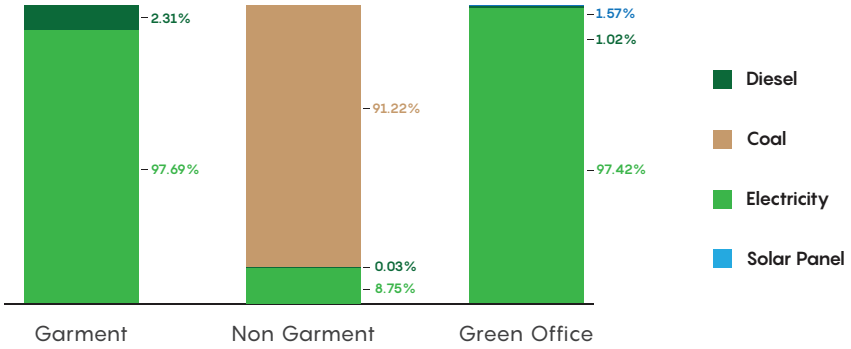
Currently, the Company's Green Office in Boyolali uses solar panels to harvest renewable energy for the office in Central Java. We are committed to increasing the proportion of renewable energy usage across all our facilities. The Company is launching 3 pilot projects to install more solar panels in our production facilities in Central and Western Java for greater renewable energy usage (at least 23% renewable energy by 2025). The Company also plans to convert the use of coal in the textile unit, PT Ocean Asia Industry, to at least 25% biomass (such as food waste) to be used as renewable fuel as early as 2022. This is in line with our commitment to promote a circular economy, where waste is converted once again into a valuable raw material that can be used as energy.

ENERGY CONSUMPTION AND ENERGY INTENSITY AT PBRX 2016-2020

Category	Type of Energy	2016		2017		2018		2019		2020	
		Total Consumption (MJ)	Energy Intensity (MJ/USD)	Total Consumption (MJ)	Energy Intensity (MJ/USD)	Total Consumption (MJ)	Energy Intensity (MJ/USD)	Total Consumption (MJ)	Energy Intensity (MJ/USD)	Total Consumption (MJ)	Energy Intensity (MJ/USD)
Garment	ELECTRICITY, FUEL (DIESEL)	61,121.15	0.0001268	67,077.36	0.0001221	75,500.86	0.0001235	77,711.94	0.0001169	77,512.32	0.0001132
Non Garment	ELECTRICITY, FUEL (DIESEL), COAL	425,268.39	0.0008819	417,161.07	0.0007594	351,118.78	0.0005743	272,082.90	0.0004091	406,948.09	0.0005942
Total	ELECTRICITY, FUEL (DIESEL), COAL, SOLAR PANEL	486,389.54	0.0010087	484,238.44	0.0008815	426,619.64	0.0006978	349,794.83	0.0005260	484,460.41	0.0007074

Energy Sources used at PBRX 2020

[GRI 302-1]



Energy Intensity

[GRI 302-3] [GRI 103-1]

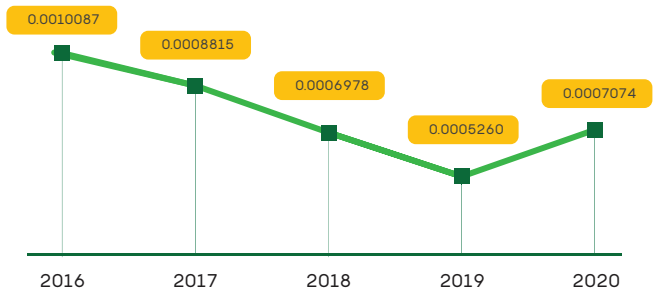
Energy intensity for PBRX refers to how efficient the Company's energy usage is per unit of revenue generated. It represents the amount of energy needed per unit of revenue (USD). The smaller the energy intensity, the less energy it takes to generate one unit of revenue. Given the diversity of businesses that comprise PBRX's portfolio, the Company has decided to calculate energy intensity from the energy consumption used in production and supporting units in MJ (megajoules) divided by the total amount of annual revenue in USD.

The Company's rationale behind using revenue instead of SMV (standard minute value) — which measures the rate of productivity in the garment production process — or metric tonnes — which measures the total weight of products produced annually — is because PBRX does not produce only one type of product.

PBRX produces garment, textile, and other products where SMV or metric tonnes may not be directly applicable for some processes. Thus, in accordance with GRI standards, the Company chose to utilize revenue in order to standardize all energy intensity data from all PBRX subsidiaries.

YoY Energy Intensity at PBRX (GJ/ USD in revenue)

[GRI 302-3]



Average energy intensity across all PBRX facilities has shown a declining trend and has **decreased significantly by 29.87% between 2016-2020**. This is primarily due to the various energy efficiency investments we have made across our production facilities — such as converting fluorescent light to LED lights and changing clutch motor to servo motor sewing machines that are more energy efficient. PBRX is committed to improving energy intensity performance through greater investments in renewable energy.

Energy Efficiency

[GRI 302-4]

The efficient use of energy to support all business activities at all operational facilities is Company's priority program. The Company strives to minimize overall carbon footprint and ensures the efficient use of resources to minimize environmental risk. Every business unit of the Company is expected to carry out its activities in an energy efficient way without compromising productivity.

We have invested in a variety of energy efficiency technologies in our production process, such as converting fluorescent lights to more energy efficient LED lights (low cost), installing skylights and solar panels to reduce amount of non-renewable electricity usage (medium cost), and switching from clutch to servo motor for our sewing machines (high cost).



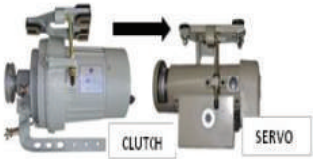
Fluorescent To LED



Sky Light Installation



Solar Panel Installation



Converting Clutch To Servo Motor

Electric Savings			
2.02%	1.01%	16%	32%

The projects we implemented so far for greater energy efficiency are:

Low cost:

- Socialization of the use of 21-23 degrees Celsius AC temperature to reduce electricity consumption
- Installation of the lamp auto sensor

Medium cost:

- The use of sky light for electrical energy savings of 1.01%
- Replacement of the 36-watt fluorescent lamp with a 16-watt LED lamp that saves energy by 2.02%
- The use of solar panels in non-production areas which saves electrical energy by 16%.
- The energy obtained from solar panels is an average of 16000 kW/year (capacity 662 kW)
- Using electric forklifts to reduce emissions and use of diesel

High cost:

- Changing sewing machine from clutch motor to servo motor saving 32% electricity cost for garment production
- The renewable energy roof top solar panel program for the production area with a
- capacity of 1,727 kWp (kilowatts peak) will start in Q4 of 2021.

Water Management

[GRI 103-1] [GRI 103-2] [GRI 103-3] [GRI 303-1] [GRI 303-2] [GRI 303-3] [GRI 303-4] [GRI 303-5]

Water Withdrawal and Consumption

[GRI 303-1] [GRI 303-3] [GRI 303-5] [GRI 103-1]

At PBRX, our primary businesses that utilize water most are our non-garment subsidiaries, namely our textile unit, PT Ocean Asia Industry, and dyeing/washing unit, PT Eco Laundry Hijau Indonesia. Same as our energy-related data, the scope of the water-related data comprised of all entities used to support the production process and supporting facilities at PBRX and is separated categories to assess water consumption and identify areas of improvement based on the different production processes:

- Garment
- Non-Garment (textile, dyeing/washing)

For garment, water is primarily used to steam garment products as it goes through the production line. Meanwhile, for non-garment facilities, namely our textile and dyeing units, water is primarily used in the washing and dyeing process, to which later the wastewater will head towards the wastewater treatment plant to be treated in accordance with the utmost environmental compliance standards and then discharged to surrounding water bodies. The use of water for the garment area is mostly domestic, the water source used is more groundwater and rainwater. The use of non-garment water is used for production, the water source used is more surface water and ground water [GRI 303-1]

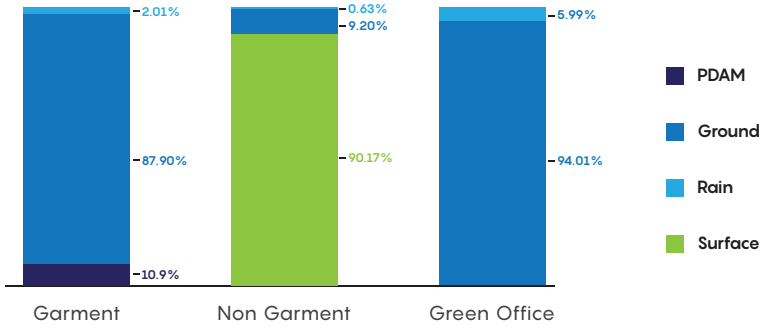
WATER CONSUMPTION AND WATER CONSUMPTION INTENSITY AT PBRX 2016-2020

[GRI 303-1] [GRI 303-3] [GRI 303-5] [GRI 103-1]

Category	2016		2017		2018		2019		2020	
	Total Water Consumption (megaliter)	Water Intensity (megaliter/USD)	Total Water Consumption (megaliter)	Water Intensity (megaliter/USD)	Total Water Consumption (megaliter)	Water Intensity (megaliter/USD)	Total Water Consumption (megaliter)	Water Intensity (megaliter/USD)	Total Water Consumption (megaliter)	Water Intensity (megaliter/USD)
Garment	145.769	0.000000302	190.092	0.000000346	212.037	0.000000347	240.213	0.000000361	257.239	0.000000376
Non Garment	1041.948	0.000002161	1117.676	0.000002035	900.086	0.000001472	501.325	0.000000754	900.346	0.000001315
Total	1187.717	0.000002463	1307.768	0.000002381	1112.123	0.000001819	741.538	0.000001115	1157.585	0.000001690

Water Sources used by PBRX 2020

[GRI 303-1] [GRI 303-3]



Water Withdrawal by Source 2016-2020

[GRI 303-1] [GRI 303-3]

Water Source (m3)	Unit	2016	2017	2018	2019	2020
Surface water (lake or river)	(megaliter)	961.648	1004.849	864.108	371.232	820.891
Groundwater	(megaliter)	210.873	266.05	210.285	339.183	305.024
Rainwater	(megaliter)	8.986	10.191	10.891	6.547	13.876
PDAM	(megaliter)	6.210	26.678	26.839	24.576	17.794
TOTAL		1187.717	1307.768	1112.123	741.538	1157.585

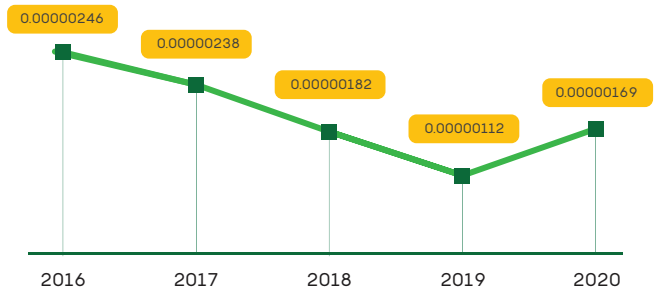
Water Intensity

[GRI 303-3] [GRI 103-1]

Water intensity for PBRX refers to how efficient the Company's water usage is per unit of revenue generated. In other words, it represents the amount of water needed per unit of revenue (USD). The smaller the water intensity, the less water it takes to generate one unit of revenue. Average water intensity across all PBRX facilities has shown a declining trend and has decreased significantly by 31.92 % between 2016-2020. PBRX is committed to improving water intensity performance by investing in more rainwater capture technologies and recycling and reusing water whenever possible in our production processes.

YoY Energy Intensity at PBRX (GJ/ USD in revenue)

[GRI 303-3]



Water Efficiency

[GRI 303-1]

Recognizing Indonesia's excessive reliance on groundwater, PT Pan Brothers Tbk. is committed to harvesting rainwater and utilizing it for our operational activities. The Company has installed and utilized the rainwater harvesting tank to minimize water consumption since 2018. Total capacity or amount of rainwater that could be collected from our four rainwater tanks is 480 m3. We are in the process of installing an auto valve to refill & drain in rainwater tank system automatically.



Rain Water Tank



Water Filter



Outlet Rain Water

Water Discharge and Wastewater Treatment

[GRI 303-1] [GRI 303-2] [GRI 303-4]

For subsidiaries that discharge water in the production process, namely textile unit, PT Ocean Asia Industry, and dyeing/washing unit, PT Eco Laundry Hijau Indonesia, the Company has the two Wastewater Treatment Plants (WWTP) with 3,000 liters daily capacity and 800 liters daily capacity respectively to process all water discharge in accordance with required water quality standards and prevent environmental pollution. 100% of the wastewater from the production process enters the wastewater treatment plant (WWTP) where it goes through the process of aeration, sedimentation, carbon filter, and lab assessment to ensure that no harmful chemicals enter the surrounding environment upon water discharge. No wastewater is released into the environment before being processed in the WWTP.



Aeration



Sedimentation



Carbon Filter



Lab Assessment

The 3000-liter daily capacity wastewater treatment plant (WWTP) of PT Ocean Asia Industry — PBRX's textile production subsidiary in Serang — and the 800-liter daily capacity wastewater treatment plant (WWTP) of PT Eco Laundry Hijau — PBRX's dyeing/washing facility in Central Java — has complied with national and international environmental regulations such as ZDHC (Zero Discharge of Hazardous Chemicals) which certifies that treated wastewater has passed environmental compliance standards.

PT Ocean Asia Industry is also in the process of renewing the Standard 100 OEKO-TEX certification, which certifies that all textile products produced does not contain harmful substances that pollute the environment. Beyond ZDHC Wastewater quality standards, the results of regular lab assessments in our wastewater treatment process have passed BSR (Business for Social Responsibility) and government standards. We are committed to improving the performance of our WWTP to ensure that all wastewater discharge continues to meet environmental standards.







Example of Lab Assessment Results at PT Ocean Asia Industry

No	Parameter	BSR Quality Standard	Government Quality Standard	ZDHC Quality Standard	Outlet Result Feb 2021
1.	Temperature	37 C	-	35 C	35.1 C
2.	TSS (Total Suspended Solid)	<30	<50	<50	10
3.	PH	6-9	6-9	6-9	7.9
4.	BOD (Biological Oxygen Demand)	30	60	30	27
5.	COD (Chemical Oxygen Demand)	200	150	150	120
6.	Ammonia (NH3-H)	-	<8	-	3.17
7.	Phenol	-	<0,5	-	<0.0009
8.	Chrome (Cr) Total	-	<1	-	<0.0020
9.	Oil and Fat (OG)	-	<3	-	<0.86
10.	Sulfide (H2S)	-	<0,3	-	0.11





Goal 12 — Responsible Consumption & Production

Target 12.5

To ensure sustainable resource utilization throughout the supply chain and substantially reduce waste production through prevention, reduction, recycling and reuse across all PBRX facilities

As an integrated garment manufacturing business, our sustainability depends on collaboration with other stakeholders across the apparel supply chain, from fiber producers and textile manufacturers to fashion brands, retailers, and consumers. Engaged in the intermediate processes between the end-to-end stages of the apparel value chain, PBRX cares about our business' impact on the environment before, in between, and after our production process.

Taking on the concept of circular, closed-loop fashion for environmental and biodiversity conservation, we are committed to partnering with relevant stakeholders for sustainable and local material sourcing of fibers, fabric, and other materials and responsible waste management to minimize overexploitation and pollution of environmental habitats and ecosystems that current and future generations heavily depend on. Through these initiatives, we hope to maximize our role in addressing the environmental risks that increasingly endanger the Earth's climate, environmental habitats and species caused by irresponsible consumption and production. [GRI 103-2] [GRI 304-2]

Procurement Practices and Approach

[GRI 103-1] [GRI 103-2] [GRI 103-3] [GRI 204-1] [GRI 301-1] [GRI 301-2] [GRI 308-1] [GRI 414-1]

In line with our objective to ensure transparency throughout our supply chain and the maintain of responsible resource utilization, the Company is committed to sustainable and the local material procurement and has engaged with global suppliers and buyers to make this initiative a universal commitment. PBRX procures various kinds of materials to support the production process from a total of 995 suppliers as of 2020 — 175 local suppliers and 760 import suppliers from 32 different countries. The Company groups the materials into three broad categories: fabric, accessories, and packaging. A sample breakdown of materials sourced in each category are as follows:

Fabric : Cotton (organic and non-organic), polyester (recycled and non-recycled), interlining, knit fabric, woven fabric, nylon, Tencel/lyocell, modal, rayon, Spun Bond polypropylene and others

Accessories : Thread, yarn, buttons, zippers, Velcro, elastic, patch, buckle, carabiner, bungee cord, snap and 66 other accessories

Packaging : Carton, polybag, hang tag, packing tape, tissue paper, cardboard, silica gel and 25 other packaging materials

PT. Pan Brothers Tbk current approach to procurement involves two kinds of suppliers:

Nominated suppliers	Non-Nominated suppliers
Suppliers that have been screened, audited, and chosen by our customers and buyers to meet their product and cost requirements.	suppliers that are selected, screened, and audited by PBRX and approved by our customers and buyers in accordance with their requirements

Nominated suppliers mostly require importing of materials, whereas non-nominated suppliers are mostly locally produced. As per PBRX's supplier product quality, social, and environmental assessments, all non-nominated suppliers are chosen in accordance with the following criteria [GRI 414-1]

Quality : Quality of material produced by supplier must be in accordance with PBRX and buyers' requirements (density, color, finish, composition etc.) and must pass standard product quality test

Compliance : Production process and quality of output must meet international social, environmental and/or product certifications as needed by the buyer such as BSCI (Business Social Compliance Initiative), OEKO-TEX etc.

Price : price must be competitive relative to other suppliers producing the same product and below or at the target price

Output : supplier must be willing to work together with PBRX to meet production lead time and output/capacity expected

Commitment :
a. Terms of payment: can provide a more lenient term of payment and at a competitive price
b. Delivery: can fulfil delivery on time and support PBRX at any time should additional orders or orders that require fast processing time be made
c. Quick response to problems: can respond quickly to quality issues found by PBRX QC (quality control) team should it be found last minute

Despite the vast supplier network of PBRX, PBRX's procurement team is dedicated to selecting and assessing suppliers in accordance with buyers' requirements and in compliance with international and social standards from product quality, social, and environmental dimensions. All suppliers of PBRX must pass the aforementioned criteria, verified through the supplier assessment form, and approved by the related buyer before an order is issued. Should there be a compliance and/or other issue found in the process of assessment, then the Company will issue a corrective action plan and work together with the supplier in question to solve the issue. Based on the common problems identified in the procurement stage, PBRX has identified the following risks and developed corresponding action plans to address these issues.

Procurement Risk Mitigation and Corrective Action Plan

[GRI 308-1] [GRI 414-1]

Type of Supplier	Problem/Risk	Corrective Action Plan
Local	Cannot meet product quality, social, and environmental standard	Work together with supplier to educate them on how to meet quality standards Audit the supplier on a monthly /yearly basis depending on their performance
	Cannot meet production capacity required for output	Split order to other suppliers if supplier cannot meet output requirements
	Difficulty sourcing raw materials	Tap into PBRX supplier network and collaborate with import suppliers to assist local supplier in raw material sourcing
Import	Delayed shipment/logistical issue	Split sourcing for one type of product to different countries as part of logistical risk mitigation
		Collaborate with supplier to ensure on-time shipment through regular communication
		Develop with local supplier as much as possible (as part of local procurement goal)

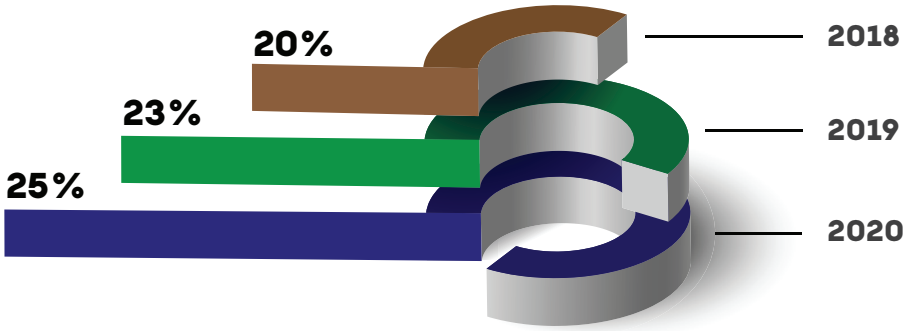
Sustainable Material Sourcing

[GRI 103-1] [GRI 103-2] [GRI 103-3] [GRI 301-1] [GRI 301-2]

After conducting a traceability study across all facilities on the materials we regularly source to produce garment and textile products, the Company has decided to focus on increasing the % of sustainable and recycled/recyclable materials used in production by (1) encouraging buyers and global partners to demand and develop products that are environmentally sustainable and (2) advising and collaborating with global suppliers to produce more sustainable material over the long run.

Recognizing the tremendous social and environmental impact of our procurement practices, PBRX aims to increase Sustainable Sourcing material at least 40% of its annual procurement by 2023 and 60% of annual procurement by 2030 from 25% sustainably sourced material in 2020.

To ensure compliance, traceability and transparency in our material sourcing efforts, the Company only classifies materials sourced as 'sustainable' or 'recycled' if suppliers have the following certifications: PFOA/PFOS Free, Biodegradable, RDS, BCI, GOTS, OCS, OEKO-TEX, IOS MAT 0010, Bluesign, PFC Free, C0, GRS (Global Recycling Standard), RCS (Recycled Claim Standard)



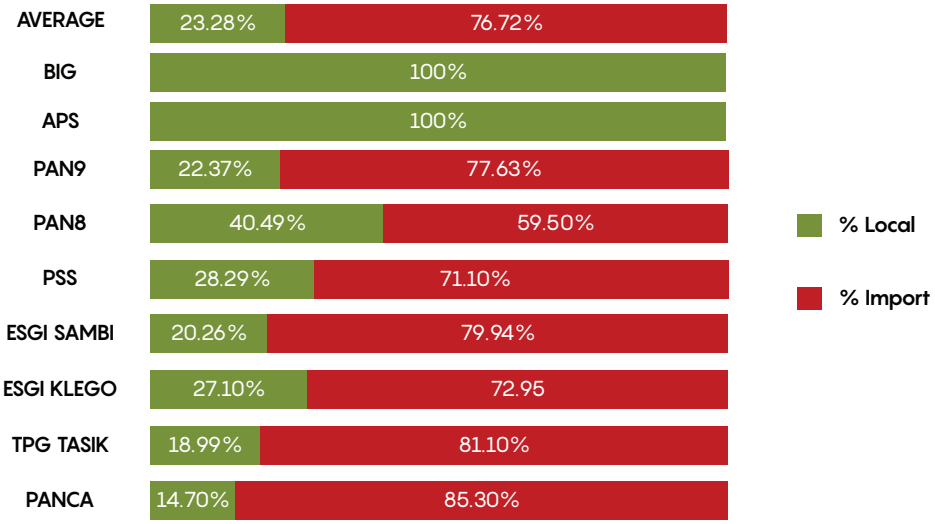
Year	Sustainable Material Sourcing Cost (USD million)	Total Material Sourcing Cost (USD million)	% Sustainable Material Sourcing
2018	78	396	20%
2019	103	455	23%
2020	117	471	25%

Local Material Sourcing

[GRI 103-1] [GRI 103-2] [GRI 103-3] [GRI 204-1]

Through the Indonesian Investment Coordinating Board (BKPM), the Indonesian government has appointed PT Pan Brothers Tbk as one of the 50 Largest Enterprises in Indonesia to engage in partnerships with local MSMEs (Micro, Small and Medium Enterprises) as suppliers of materials within the provinces where the Company is located such as Tangerang, Banten, and other Central Java regions such as Salatiga, Kartasura, Boyolali etc. The Company creates opportunities for MSMEs to be direct suppliers of the company and continually provides assistance and direction to ensure environmental and social compliance with global standards and requirements. This program aims to promote the growth of local businesses in a sustainable and globally competitive way, create opportunities for skill development, and minimize environmental footprint (carbon emissions from transportation etc.) through reduced dependence on imported materials.

In connection with the procurement of goods and services for the Company's needs, the Company commits to provide opportunities for MSMEs to be our supplier. Our Company ensures the continuity and quality of the goods and services supplied by working actively with our local partners and supporting them to become more sustainable businesses. By 2022, we aim to work with our customers to increase our % local procurement out of the total materials we source to at least 30%, up from the 23.3% local materials sourced in 2020.

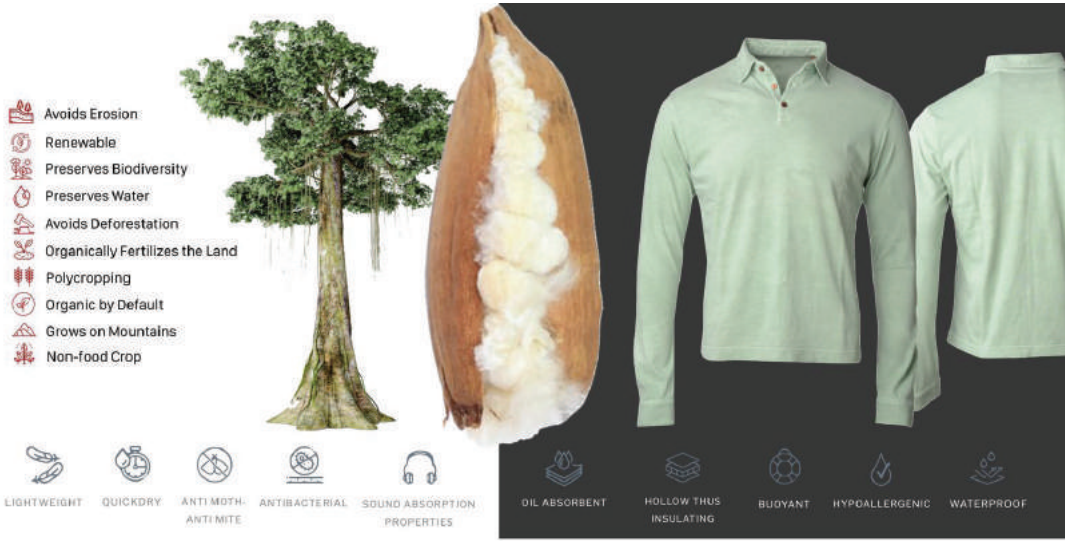


Sustainable Product Development

Through subsidiaries such as PT Ocean Asia Industry, Continent 8, and PT Eco Laundry Hijau Indonesia PBRX has also begun developing sustainable products — using organic fibers and natural dyes for garment products and encouraging buyers around the world to partner with us in this initiative.

Kapok Organic Fibre

Through PT Ocean Asia Industry and Continent 8, the Company has been experimenting the usage of organic kapok fibre to produce textile products. Kapok fibre is naturally versatile fibre for textiles, which may be spun into the thinnest yarn counts, and blended to create a wide range of fabrics and insulation materials. Products containing kapok fibres are naturally comfortable, lightweight, hypoallergenic, and soft to the touch. Kapok fibre is a non-food fruit crop which can be picked, like an apple, from the tree on which it grows - leaving the tree to grow and prosper. Kapok trees need no irrigation, no pesticides, and no fertilisers. They can grow on hills, in a biodiverse environment, and on land which is not suitable for agricultural purposes — positively impacting the environment. The Company intends to expand this product range to include different product styles in collaboration with buyers from around the world.



Natural Dyes

Through PT Eco Laundry Hijau Indonesia, the Company is also developing products using natural dyes derived from natural ingredients such as leaves, roots, bark, berries, nuts. The extraction has been done with water and is a 100% environmentally friendly practice as the waste can be used as fertilizer or biofuel. All sourced natural dyes are certified GOTS (Global Organic Textile Standard).



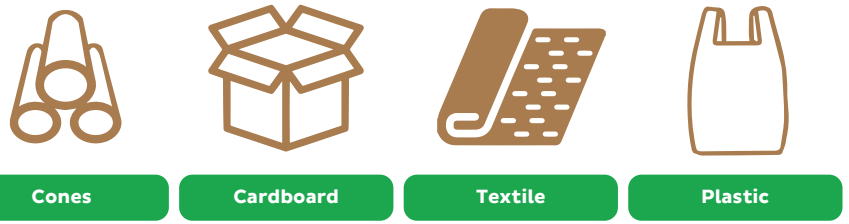
Circular Economy and Waste Management

[GRI 103-1] [GRI 306-1] [GRI 306-2] [GRI 306-3]

Recognizing our Company's tremendous environmental footprint as an integrated garment manufacturing company, we manage our waste as per our commitment to be an environmentally responsible business. By 2030, the Company's goal is to halve the amount/volume of waste generated for all waste types from 2020 and recycle, upcycle, or downcycle at least 75% of all non -hazardous waste generated.

Types of Waste Generated at PBRX

Non-Hazardous Waste

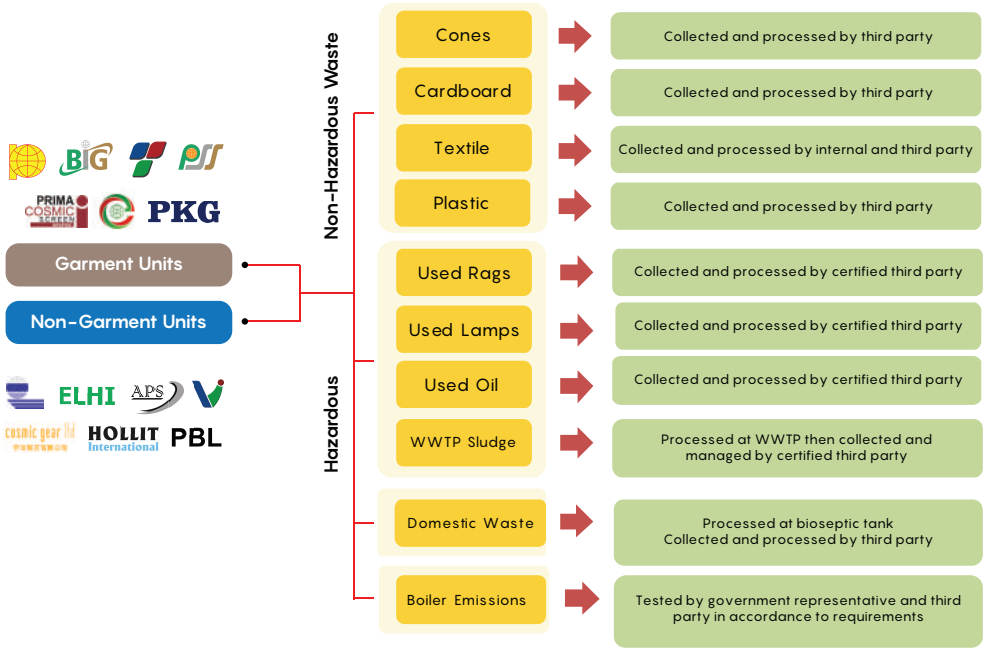


Hazardous Waste



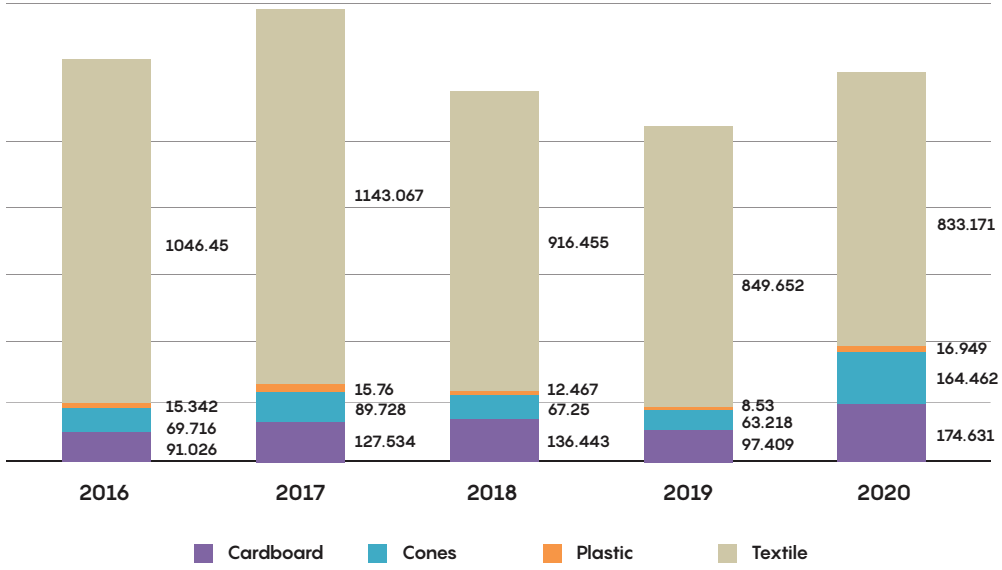
PBRX facilities generate two main categories of waste: non-hazardous waste and hazardous waste. Non-hazardous waste types range from cardboard, cones, plastic, and scrap textile fabric, where as hazardous waste types include used oil, used rags, used lamps, and sludge from the Wastewater Treatment Plant.

All facilities at PBRX employ the 3R (Reduce, Reuse, Recycle) principle for both non-hazardous and hazardous waste generated, as stipulated in Government Regulation No. 101 of 2014 on Management of Hazardous and Toxic Waste. The following diagram visualizes how PBRX manages each type of waste: [GRI 306-1] [GRI 306-2]



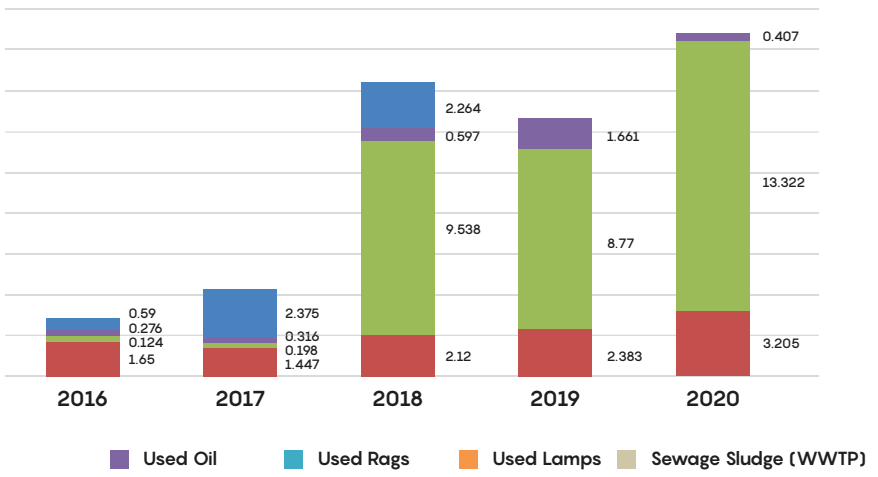
Non-Hazardous Waste Generated YoY by Type (metric tonnes)

[GRI 306-3]



Hazardous Waste Generated YoY by Type (metric tonnes)

[GRI 306-3]



Total Non-Hazardous and Hazardous Waste Generated 2016-2020

[GRI 306-3]

Type of Waste	Amount (in metric tonnes)				
	2016	2017	2018	2019	2020
NON-HAZARDOUS WASTE					
Cardboard	91.026	127.534	136.443	97.409	174.631
Cones	69.716	89.728	67.25	63.218	163.462
Plastic	15.342	15.76	12.467	8.53	16.949
Textile	1046.45	1143.067	916.455	849.652	833.171
Total Non-Hazardous Waste	1222.534	1376.089	1132.615	1018.809	1188.213
HAZARDOUS WASTE					
Used Oil	1.65	1.447	2.12	2.383	3.205
Used Rags	0.124	0.198	9.538	8.77	13.322
Used Lamps	0.276	0.316	0.597	1.661	0.407
Sewage sludge (WWTP)	0.59	2.375	2.264	0	0
Total Non-Hazardous Waste	2.64	4.336	14.519	12.814	16.934
Total Hazardous and Non-Hazardous Waste	1225.174	1380.425	1147.134	1031.623	1205.147

Due to the nature of the garment business, PBRX generates relatively less hazardous waste than non-hazardous waste in metric tonnes. For non-hazardous waste, between 2016 and 2020, PBRX has experienced a substantial decrease in the generation of plastic and textile fabric waste due to the implementation of efficient technologies throughout the production process (i.e. Intellocut algorithmic fabric cutting system that minimizes fabric waste) and initiatives such as the Say-No-to-Plastic Initiative. For hazardous waste, the amount of sewage sludge generated from the processing of wastewater in the WWTP has substantially decreased over the years due to upgrades to the WWTP facility [GRI 306-2].

Hazardous Waste Management

[GRI 306-1] [GRI 306-2]

Hazardous waste generated by PT Pan Brothers Tbk. and Group is comprised of used oil, used rags, used lamps, and sewage sludge from the Wastewater Treatment Plant (WWTP). Waste such as used oil, used rags, and used lamps are mainly generated from facility maintenance. Meanwhile, sewage sludge from the WWTP is the sludge left behind after wastewater generated from the production process of PBRX's textile and washing units, PT Ocean Asia Industry and PT Eco Laundry Hijau Indonesia, has been processed in the Wastewater Treatment Plant in accordance with ZDHC and government standards.

All production facilities of PBRX have Temporary Storage (TPS) facility for Hazardous Waste that meet provisions of regulation from the Indonesian Minister of Environment No. 30/2009 regarding Permit and Supervision of Hazardous and Toxic Waste Management. All TPS facilities have obtained a permit and are built and managed in accordance with the government requirements such as proper air circulation and ventilation, segregation by waste type (no mixing), grounding (in anticipation of natural disasters and prevention of leakage), secondary containment (to prevent leakage in case of spilling) and coated floor. All temporary storage facilities are also equipped with fire protection equipment (fire alarm, fire extinguisher etc.), eyewash and sink for washing hands. As a preliminary caution, all hazardous waste is properly sorted, packaged, weighted, and recorded before being stored appropriately by waste type in the TPS. Depending on the type of hazardous waste, the maximum storage time of hazardous waste stored in the TPS varies from 90 days to 365 days in accordance with applicable regulations.

Based on government regulation, final management of hazardous waste must be assigned to certified third party with permit from the Ministry of Environment and Forestry. PBRX ensures that all hazardous waste from the Temporary Storage Facility is handled, managed, and collected appropriately by certified third party hazardous waste management service such as PT Prasadha Pamunah Limbah Industri (PPLI), PT Wastec international, PT Bendi Nasha Niaga Industry and PT Teknotama Lingkungan Internusa.

Non-Hazardous Waste Management

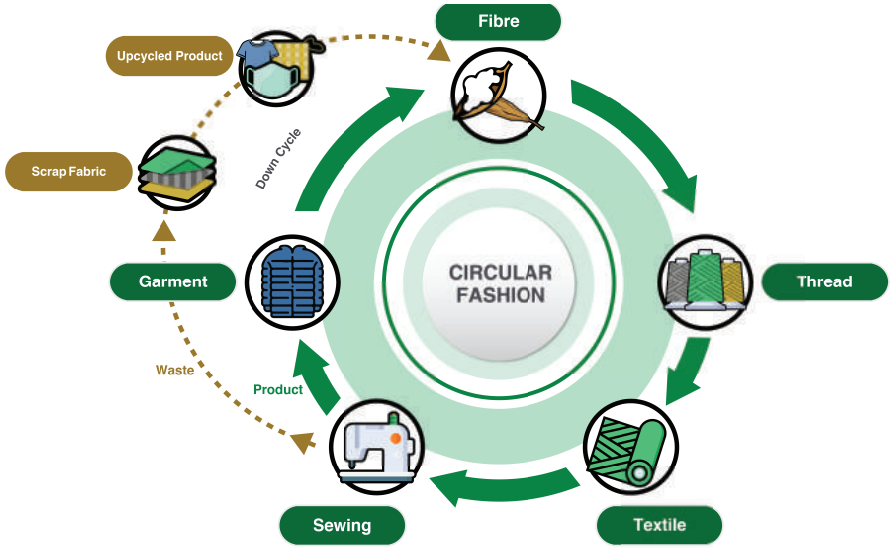
[GRI 306-1] [GRI 306-2]

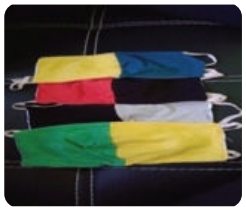
Non-hazardous solid waste generated by PBRX is comprised of cardboard, cones, plastic, and scrap textile fabric. Cardboard, cones, and plastic are mainly utilized as packaging material in the production process, and also other office-related purposes. The largest amount of waste generated in metric tonnes out of the four types of non-hazardous waste generated is textile scrap fabric, which is mainly generated from the fabric cutting process prior to garment assembly. Yet, there has been significant minimization of fabric waste generated (24% decrease between 2016-2020) due to the usage of more efficient fabric cutting technologies such as the Intellocut system.

Project Highlights

1. Upcycled Scrap Fabric Projects

We turn trash into treasure by upcycling scrap fabrics generated by our textile and garment production facilities into variety of product types such as masks, pillow cover, carpet and more. The Company recycles scrap fabric in two main ways: internally in our production facilities or externally by 3rd party producers, micro, small, and medium enterprises (MSMEs) and local community members to which we provide the scrap fabric for free so they can sell the upcycled product for income.




Internal Recycle : Mask, Hand Gloves, Hat, Seat cover, Vest, Carpet, Oven mitt/potholder

External Recycle : (By 3rd party, micro business, community members) Pillow cover, Underwear, Plastic pellet, Mask, Oven mitt/potholder, Carpet

2. Say No to Plastic Initiative

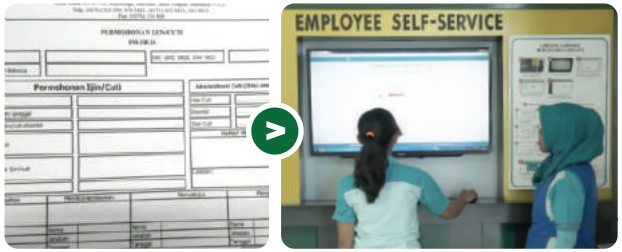


To minimize plastic usage across our offices and production facilities, the Company launched the Say No to Plastic initiative and provided our employees free reusable drinking tumblers to eliminate single use plastic bottles. We plan to expand this initiative to all our production facilities and implement more comprehensive programs to minimize other types of plastic waste generated in 2021.

3. Paperless Project

The company has initiated a paperless project in efforts of becoming more environmentally friendly and improving the efficiency of the work process for several production-related activities. Digitalization of these processes also ensures data accuracy, improves digital literacy of our workers, and enhances the security of our information.

HR Self Service



165,496 sheets of paper reduced from 2016 to 2020

Digital Needle Management



54,750 sheets of paper reduced in 2020





Goal 13 — Climate Action

Target 13.2

To reduce GHG emissions by at least 50% by 2030 through investments in renewable energy resources and increased biomass usage (13.2)

Greenhouse Gas (GHG) Emissions

[GRI 103-1] [GRI 103-2] [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] [GRI 305-5]

The production process and supporting activities of PT Pan Brothers Tbk and Group contribute to the release of direct and indirect GHG emissions. Indirect GHG emissions — which represent majority of the Company's total GHG emissions — are sourced from electricity consumption using national electricity grid (PLN).

Direct GHG emissions are sourced from boiler fuel consumption using diesel, scrap wood, and coal in several subsidiaries for steam generation and heater in the garment and textile units, which emits greenhouse gases such as carbon dioxide (CO2), sulfur dioxide (SO2) and nitrogen dioxide (NO2).

In accordance with the regulations from the Ministry of Environment and Forestry of the Republic of Indonesia, these emissions are tested bi-annually (every 6 months), emission audit results of which have met the emission standards required for gases such as nitrogen dioxide (NO2), sulfur dioxide (SO2) and particulate matter (PM 2.5 and PM 10).

In accordance with Higg Index and Indonesian government standard, the indirect and direct GHG emissions in metric tons CO2 equivalent (tCO2e) was calculated using the following conversion factors:

- 1 KWH Electricity factor = 0.929 kgCO2e
- 1 Kg Coal factor = 2.14 kgCO2e
- 1 Litre Gasoline = 2.66 kgCO2e

Total Indirect and Direct GHG Emissions 2016-2020

[GRI 305-1] [GRI 305-2] [GRI 305-3]

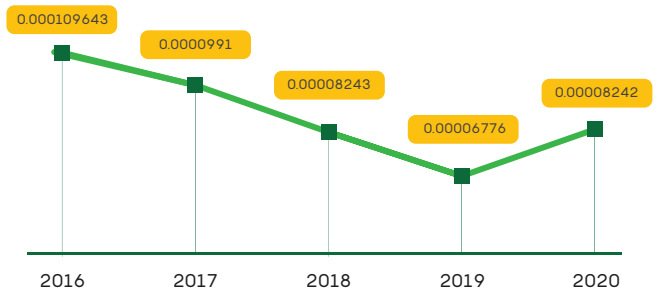
Category	2016		2017		2018		2019		2020	
	Total GHG emissions (tCO2e)	Emissions Intensity (tCO2e/USD	Total GHG emissions (tCO2e)	Emissions Intensity (tCO2e/USD	Total GHG emissions (tCO2e)	Emissions Intensity (tCO2e/USD	Total GHG emissions (tCO2e)	Emissions Intensity (tCO2e/USD	Total GHG emissions (tCO2e)	Emissions Intensity (tCO2e/USD
Garment	15,661.44	0.00003248	17,163.62	0.00003124	19328.16	0.00003161	19983.22	0.00003005	19968.72	0.00002916
Non Garment	37,208.88	0.00007716	37,279.37	0.00006786	31064.97	0.00005081	25080.46	0.00003771	36483.45	0.00005327
Total	52,870.32	0.000109643	54,442.99	0.00009910	50393.13	0.00008243	45063.67	0.00006776	56452.17	0.00008242

GHG Emission Intensity

[GRI 305-4]

GHG emissions intensity for PBRX refers to how much GHG emissions, in metric tons CO2 equivalent, does the Company generate per unit of revenue. In other words, it represents the amount of GHG emissions generated per unit of revenue (USD). The smaller the intensity of GHG emissions, the less GHG emissions generated for the Company's activities. On average, the GHG emissions intensity across all PBRX facilities has shown a declining trend and has decreased significantly by 24.83% between 2016-2020 from 0.000.

YoY GHG Emissions Intensity at PBRX (tCO2e/USD in revenue)



GHG Emission Reduction

[GRI 305-5]

We recognize how important of a role we play in reducing our greenhouse gas (GHG) emissions to minimize the risk of climate change, global warming, and related natural disasters. The Company is committed to halving our GHG emissions by 2030 through several projects:

- Investments in renewable energy sources with the next solar panel pilot project to begin in Q4 of 2021 in Central Java, with capacity of 1,727 kWp (kilowatts peak)
- Increased usage of biomass-derived energy (i.e. from food waste) through diversion from non-renewable energy resources (i.e. coal) as early as 2022
- Usage of electric forklifts to reduce emissions and use of diesel. Other energy consumption reduction efforts aforementioned in page 91

Environmental Compliance

[GRI 307-1]

According to the results of internal and external audits conducted based on the environmental standards and requirements in Appendix 2 on page 192, there were no incidents of environmental non-compliance with national and international laws and regulations. The Company remains committed to upholding and implementing environmental standards at all aspects of the company.







PT PAN BROTHERS Tbk

Social Sustainability

Why Social Sustainability is Important for PBRX

[GRI 103-1] [GRI 103-2]

As a public and labor-intensive company, human capital development programs are a very important part of our Company policy and long-term business success. With over 30,000 employees across our integrated apparel manufacturing facilities, our people make up the heart of our business. Through increasing skills, preparing quality education, providing wide opportunity for innovation and encouraging gender equality at every level of our organization, PBRX strives to make a positive impact for the development of the Company's people and surrounding communities. Our social objective is to create a positive impact on Indonesia's economic growth and development for the betterment of people in Indonesia and beyond.

PBRX supports the Government of Indonesia in poverty alleviation programs by supporting micro, small, and medium enterprises (MSMEs) to sustain and succeed in their businesses and providing quality jobs to the wider community, including persons with disabilities. The Company is committed to developing valuable and competitive human resources in Indonesia to compete in the global market in accordance with the Company's line of business. This commitment is realized through the provision of quality education and training to all employees and community members and the creation of ample opportunities for them to become leaders in the Company without discriminating against gender, ethnicity, race, and/or religion. Through our social commitments, PBRX focuses on the following SDG goals that comprise several main areas: local community empowerment, community health and well-being, human capital development, fair and equal access to job opportunities and educational resources, and safe and healthy work environment as per international social compliance standards.



Scope

- Local Community Empowerment (Disability, Individual, MSMEs)

Initiatives

- Canteen Project with MSMEs (Micro, Small, Medium Enterprises)
- Indirect Economic Impacts

Targets

- By 2030, double the indirect economic impact made towards the local community from 2020



Scope

- Community Health & Well-Being

Initiatives

- Program PAN Bersahabat
- Vitamin Distribution Program
- Clean Water Program for the Community
- Distribution of Masks and PPE (Personal Protective Equipment)
- Blood Donation Program with Red Cross Indonesia

Targets

- By 2020, provide quality access to healthcare services to employees in all operational facilities.
- By 2030, double the outreach for educational programs that emphasize the importance of health and hygiene to communities in each operational facility from 2020



Scope

- Human Capital Development
- Training and Education

Initiatives

- Training and Education Programs for internal employees and external community members
- Skill Development Programs
- Academic Scholarship Programs (elementary to master's program)

Targets

- By 2030, double the amount of academic scholarship and education subsidy recipients to low-income community members and PBRX employees from 2020
- By 2030, increase average number of training hours per employee annually to minimum of 12 hours regardless of position level



Scope

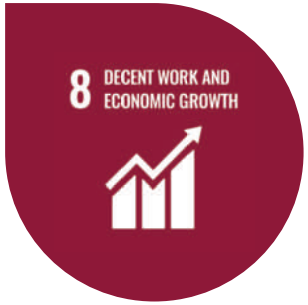
- Diversity and Equal Opportunity

Initiatives

- Management Development Program (MDP)
- Women's Empowerment Program
- Women's Health and Productivity Program (GP2SP)

Targets

- By 2030, achieve gender balance in upper management level by creating more equal opportunities for both men and women to be promoted based on merit
- By 2030, double the participation in health and productivity programs across all facilities for male and female workers from 2020



Scope

- Provision of Jobs & Employment
- Occupational Health and Safety

Initiatives

- Fair and Equal Employment Opportunity
- Occupational Health and Safety

Targets

- By 2030, expand our recruitment pipeline to include more diverse workforce regardless of gender, age, ethnicity, and/or disability
- By 2030, continue to comply with regional and national minimum wage standard (UMK)
- By 2030, halve the number of average annual work-related accidents from 2020

Mapping the Scope of PBRX Social Programs

[GRI 413-1]

100% of PBRX facilities are involved in the Company's social sustainability programs. The scope of PT Pan Brothers Tbk. and Group's social sustainability programs are represented in the Ripple Effect Social Mapping Diagram below, where Ring 1 represents the communities around the Company's operational facilities, factories, and offices in Jakarta, Tangerang, Serang, Tasikmalaya, Bandung, Boyolali, Sragen, Klego, Sambi, Ungaran (Semarang). Meanwhile, Ring 2 represents socioeconomically vulnerable communities outside the Company's operational areas — many of whom are supported in accordance with the social causes cared about by the Company.





Goal 1 — No Poverty

Target 1.2

To support the Government of Indonesia in reducing the number of people below the poverty line by providing employment in PT Pan Brothers Tbk and Group

PBRX is committed to advancing the economic empowerment of individuals, including the development of MSMEs (Micro, Small, and Medium enterprises). Through this commitment to ensure better livelihoods for all, the Company has launched and implemented several programs to support the Indonesian government in economically and socially empowering the unemployed and those living below the poverty line. Capitalizing on the presence of PBRX across various regions in Indonesia, the Company generates positive externalities for the surrounding community.

Local Community Empowerment

[GRI 413-1] [GRI 413-2]

Canteen Project with MSMEs (Micro, Small, Medium Enterprises)

The objective of the 'Canteen Project' is to nurture the financial sustainability of local businesses where PT Pan Brothers Tbk. and Group are located and promote income generation for canteen owners and community members engaged in the food business. With over 30,000 employees across all PBRX facilities, providing nutritious, affordable food is an important necessity for our employees.

Capitalizing on this opportunity, the Company has established a partnership with food vendors and canteen owners in the local community in Boyolali, Central Java facility since 2015. In 2020, we supported 23 MSMEs (Micro, Small, Medium Enterprises) and canteen owners in generating total monthly sales of IDR 467 million. [GRI 413-2]

List of Canteens and Daily and Monthly Sales Average in Boyolali, Central Java

No	Canteen Name	Canteen Business Since	Daily Sales Average (IDR)	Monthly Sales Average (IDR)
1.	Oudis Catering	1 Year	600.000	12.600.000
2.	Fatma Catering	2 Years	800.000	16.800.000
3.	Sunarto catering	2 Years	800.000	16.800.000
4.	Abimanyu Catering	7 Years	1.000.000	21.000.000
5.	Intan Catering	7 Years	1.500.000	31.500.000
6.	Lintang Catering	7 Years	800.000	16.800.000
7.	Lita Catering	7 Years	1.500.000	31.500.000
8.	Reak Catering	7 Years	1.000.000	21.000.000
9.	Bety Catering	8 Years	800.000	16.800.000
10.	Jaya Catering	8 Years	600.000	12.600.000
11.	Jeo Catering	8 Years	1.200.000	25.200.000
12.	Joko Catering	8 Years	800.000	16.800.000
13.	Mekar Catering	8 Years	1.000.000	21.000.000
14.	Pondok Parkir Catering	8 Years	800.000	16.800.000
15.	Rahayu Catering	8 Years	800.000	16.800.000
16.	Sumini Catering	8 Years	800.000	16.800.000
17.	Kayu Manis Catering	10 Years	1.300.000	27.300.000
18.	Pring Gading Catering	10 Years	1.300.000	27.300.000
19.	Saminah Catering	10 Years	650.000	13.650.000
20.	Sania Catering	10 Years	1.200.000	25.200.000
21.	Sari Melati Catering	10 Years	1.000.000	21.000.000
22.	Sederhana Catering	10 Years	1.000.000	21.000.000
23.	Warijo Catering	10 Years	1.000.000	21.000.000
	TOTAL		**22.250.000**	**467.250.000**

The majority of canteen owners — 20 out of 23 canteens — have been operating their business in the Company's Central Java facility for more than 7 years and have seen a tremendous improvement in their respective livelihoods as per their personal testimonies. Our goal is to expand these partnerships for all the Company's locations, beginning with our Tangerang facility by 2022.

Jaya Catering—Sularsih

"This Partnership Program is very helpful to provide for my family's need and this place is closes to my home. It is able to help us to survive before Covid-19. During Covid-19, I had to reduce our workers due to operational costs, so the income received is only to meet our daily needs. I hope the Covid-19 will end quickly."



Intan Catering-Musiyani

"Opening canteen here can increase my family income, employ friends and help others. Canteen owners and all workers are being closer and friendship. By selling here, I could support others, besides my family, as well as my workers and also their family members. In addition, it is also as a substitute job during the Covid-19, so we are still getting income regularly from selling at Pan Brothers."



Sania Catering-Sukeni



"Benefits to open the canteen at Pan Brothers will increase our income, we do not worry about the menu price has been set but we have to concern about the food qualities. The canteen income that we receive can be used to pay our family's needs such as for tuition and school fees for our children, to improve our family's living standard, and learning how to cook properly and to be as a good canteen/catering at least level B."

Indirect Economic Impacts

[GRI 203-2]

Given the expansive scope and scale of PBRX facilities, our Company also opens windows of opportunity for local communities where PT Pan Brothers Tbk. and Group's facilities are located to do business and sell goods and services to meet the basic needs of our workers. The presence of PBRX generates positive externalities and indirect economic impacts for the surrounding community in the following ways:

1. BOARDING HOUSE/ WORKERS' DORMITORY



The company indirectly contributes to the local economy by giving local community members an opportunity to provide rental accommodation in the form of boarding houses to an estimated 25,000 factory workers in Central and Western Java facilities. Depending on the location, the rental cost is estimated to be between IDR 150,000 and IDR 500,000 per month. From housing, the economic contribution to the society is estimated to be IDR 82 billion per year.

2. Parking



The company also provides indirect employment opportunities for local residents who offer parking services for our 17,000+ employees who drive vehicles. While the cost of parking varies depending on location, the estimated monthly parking cost is between IDR 20,000 and 50,000 per month. The total income local community members receive from offering parking services is estimated to be IDR 26 billion per year.

3. Local Food vendors



Through providing the lunch needs of 30,000+ employees, food providers and canteen owners in the surrounding community also earn income of an estimated IDR 189 billion per year as employees can spend anywhere between IDR 100,000 and IDR 400,000 per month on food.



Goal 3 — Good Health and Well-Being

Target 3.8

To enable access to safe, effective, affordable, quality healthcare services for all, including employees and surrounding community members where PT Pan Brothers Tbk and Group are located

Target 3.9

To reduce exposure to hazardous chemicals as well as air and water pollution through provision of proper resources for surrounding communities where PT Pan Brothers Tbk and Group are located

Program PAN Bersahabat

To maintain the health and fitness of employees and surrounding community members, several subsidiaries of PT Pan Brothers Tbk in Boyolali, Central Java have established the PAN Bersahabat program. The objective of the PAN Bersahabat program is to provide employees and the local community members with proper nutrition and help them develop a strong immune system to improve their health and productivity. There are two main aspects to this program. First is offering a healthy exercise program, classes for pregnant women, and a bi-weekly nutrition program, that provides free milk to our internal employees and external community members every 2 weeks. Second is promoting a responsible and healthy lifestyle (sosialisasi Pola Hidup Bersih & Sehat) by providing free sports equipment, student stationery, and education related to waste management, proper sanitation and hand washing. [GRI 413-2]









Provision of Milk as a Nutritional Supplement in Boyolali, Central Java Area 2018-2020

Year	2018	2019	2020
For internal employees (once every 2 weeks)			
Period	August - December	January - December	January-June
Number of Cups	60,900 cups	146,080 cups	3,080 cups
Location	Pan 9, PSS (Central Java)	Pan 9, PSS (Central Java)	Pan 9, PSS (Central Java)
For students in elementary schools			
Period		January - August	February - March
Number of Cups		3110 cups	4687 cups
Location		6 elementary schools in Central Java	20 elementary schools in Central Java
For students during National Children's Day			
Period		27 July	
Number of Cups		500 cups	
Location		Selo, Boyolali	
For public during National Health Day			
Period		12 November	
Number of Cups		150 cups	
Location		Alun Alun Kidul, Boyolali, Central Java	

Vitamin Distribution Program

Since the COVID-19 pandemic began, the Company has partially replaced the milk distribution program with the vitamin distribution program to prevent the spread of the virus through physical contact yet ensure adequate nutrition for as many community members as possible, both internally and externally. In 2020 alone, we have provided 642,481 capsules of Vitamin C 250 mg to all company employees and their family members once every week to bolster the health and well-being of our community members. [GRI 413-2]





Clean Water Program for the Community

PT Pan Brothers Tbk has partnered with Columbia Sportswear to build a tower of clean and ready-to-drink water, located at SDN Mudal 1 near the company facility in Boyolali, Central Java. This project has a positive impact for the students and teachers at the school as well as for the surrounding community to access clean water. The purpose of this program is to prevent disease transmission through water, provide access to clean and ready-to-drink water, and promote healthy and clean living. This program has afforded the community the ability to access 1,000 liters of water per hour, which can be used by the surrounding community in Mudal Village, which has a population of around 1,200 people. [GRI 413-2]



Distribution of Masks and PPE (Personal Protective Equipment)

To prevent the spread of COVID-19 in our company and surrounding communities, PBRX has engaged in the provision and distribution of free masks and personal protective equipment (PPE) — having distributed 400,000+ non-medical cloth masks for free to our community members in Central and Western Java. We work in partnership with the following government offices and community stakeholders to ensure effective and widespread distribution of masks: [GRI 413-2]









Blood Donation Program with Red Cross Indonesia

Since 2018, the Company's Central Java facilities has been working in collaboration with the Red Cross in Indonesia (Palang Merah Indonesia) to support those in critical health conditions by donating blood to medical patients in need every 3 months. The objective of this program is to enable surrounding community members with medical needs to have access to reliable blood supply provided by PBRX employee volunteers. Between 2018 and 2020, we have donated 4,400+ blood bags. [GRI 413-2]





Goal 4 — Quality Education

Target 3.8

To provide technical skills and vocational training to teens, young adults and mature adults related to business functions of PT Pan Brothers Tbk and Group (both internal employees and external community members) to enhance employability and encourage entrepreneurship.

Given the labor-intensive nature of our industry, PBRX's most valuable capital is undoubtedly our employees. Our people represent the heart of our business, the face of our brand, and the energy that drives our business. Their passion for quality, devotion to detail, and their innovative attitude enables us as a company to progressively provide products and services that are sustainable to our clients.

Recognizing the value of quality education, PBRX has provided various education and training opportunities for the career development and skill enhancement of our community members and employees - regardless of their gender, race, ethnicity and religion — including disabilities. PBRX's education programs target both internal and external stakeholders, namely employees and low-skill community members to meet our goal of sustainable human capital development in Indonesia. From an internal standpoint, the Company focuses on training active employees of PBRX at all levels of the organization — non-discriminating of gender, race, age, and/or disability — to enhance their core, managerial and technical competencies and providing consistent performance reviews for the personal and professional growth of employees and more effective human capital development.

From an external perspective, the Company develops the foundational skills and employability of community members and provides ample educational opportunities in the form of academic scholarships and programs for young talent from lower socioeconomic background. [GRI 103-1] [GRI 103-2]

Training and Education Programs

[GRI 404-1] [GRI 404-2]

To realize PBRX's Vision and Mission, the Human Resource Management (HRM) Division plays a major role and function in the employee education and training process and human resources development to support the company's business operations and productivity in a sustainable manner. The division oversees and trains employees to enhance their skills and capabilities every day, month, and year.

Training and education programs are given to all PBRX employees. These programs help employees (1) practice and embody the values of the company culture (integrity, passion, action, and nationalism) and (2) develop their skills and competencies from a foundational, managerial, and technical standpoint.

Classification of Target Participants

Category	Target Participants	Total Participants	Total Training Hours
Internal	All PBRX active employees	25,973	80,518
External	Prospective PBRX employees, job candidates, and low-skill, local community members	7,497	42,516
Total		**33,470**	**123,034**

2020 Average Hours of External and Internal Training based on Gender, Age, and Position

[GRI 404-1]

Category	Total Number of Employees	Total Hours of Training	Average Number of Training Hours per Employee per Year
Total	30,508	129,822	4.26
By Gender			
Female	19,194	75,575	3.94
Male	11,314	54,263	4.80
By Age			
18-30 Years Old	20,198	94,904	4.70
31 - 40 Years Old	7,045	23,459	3.33
41 - 50 Years Old	2,790	10,459	3.75
>50 Years Old	475	1,000	2.11
By Age			
Director	13	16	1.23
General Manager	21	40	1.90
Managerial	192	782	4.07
Supervisory	1,400	31,994	22.85
Office Staff	1,417	12,675	8.94
Production	27,465	84,331	3.07

In 2020, the average number of training hours differ significantly between position levels. Nevertheless, by 2022, the Company is committed to increasing the average training hours per employee per year to 12 hours per year at a minimum regardless of their position. Each position level requires different training programs depending on the core capabilities necessary to perform the job well. Nevertheless, based on the 2020 training hours, we recognize the need to train employees at the middle to upper management levels (office staff to general manager level) so they can develop managerial competencies that allow them to exercise effective leadership and interpersonal skills, develop strategic mindset, and manage the business operations and challenges well.

Classification of Training and Education Programs

[GRI 404-2]

Training Program	Total Participants	Total Training Hours
Corporate Culture Mandatory training program for employees and prospective PBRX workers that teaches every worker to always apply the company culture in carrying out work which consists of Integrity, Passion, Action and Nationalism — abbreviated as I-PAN.	17,315	60,953
Core Competencies Training program to improve core competencies of all employees and prospective PBRX workers. The training material teaches participants about integrity, achievement orientation, workplace orientation, customer orientation and teamwork.	1,168	6,043
Managerial Competencies Training program to improve the managerial competencies of all PBRX employees according to their position level. This training is also given to prospective workers specifically from the Management Development Program (MDP) pathway. The training material is related to self-confidence, leadership, problem solving, and strategic thinking.	1,112	12,149
General Technical Competencies Training program to improve technical competencies that are general in nature for all workers and prospective PBRX workers. The training material provided is communication skills, computer skills, administrative management systems, foreign language skills and knowledge of occupational health and safety.	7,028	7,608
Specific Technical Competencies Training program to improve technical competencies of all employees and prospective PBRX workers that are specific or unique to each department. For example, technical skills in the fields of Sewing, Merchandising, PPIC, Quality Control, Finance, Shipping etc.	6,847	36,281
TOTAL	**33,470**	**123,034**

Corporate Culture

Our corporate culture is an important part of the Company's identity and reflects our commitment to high performance. Through I-PAN character building and basic leadership training programs, PBRX ensures that employees maintain values of Integrity, Passion, Action, and Nationalism — which when abbreviated stand for I-PAN — during work at all times.





I-PAN Character Building, Basic Leadership Training & Multi Skill Training

Skill Development

In improving the competence of PBRX employees, the HRM Department has an LCP (Leadership Course Program) program to equip and improve the managerial competence of employees. The Company also provides competency-based training and technical skill development programs, especially for sewing operators, such as the Vocational Training Program, Professional Certification Institution (LSP) program, and global training program in collaboration with partners and buyers. These programs consist of developing the skills of new low-skilled operators, up-skilling the operator's ability to contribute to the production process, and multi-skilling to increase the ability to handle more than one tool and process.

Training Highlights

1. Vocational training program with AK Tekstil (Textile and Textile Product Industry Community Academy in Surakarta)

[GRI 413-1]

The vocational training program with AK Tekstil aims to improve the quality of the company's internal human resources by providing opportunities for employees to engage in a 1—2-year vocational education program based on the industrial competencies of the garment industry at AK Tekstil Surakarta.

The program is open to both prospective PBRX candidates interested in joining PBRX and existing employees of PBRX and its subsidiaries, as appointed by upper management to develop their existing skills. For external participants, the selection process involves sending an application of interest and academic qualification information.

To date, we have onboarded 227 participants over the 3-year span of 2018-2020, which was temporarily halted due to the COVID-19 pandemic restrictions in the year 2020 when the Company could not onboard as many participants as usual.

In 2022, PBRX intends to increase this target to 150 participants per year from the initial target of 110 participants annually, as the vocational training program serves as an important pipeline for young talent to grow as they work at or join PBRX group.

The program is currently classified into 2 classes, as follows:

Regular Class	Industry Class
High School or equivalent graduates, meet the entry requirements of AK Tekstil Surakarta and 3 years' service after graduation.	Existing employees of PT Pan Brothers Tbk and its Subsidiaries, 2 years programs and 5 years' service after graduation.

Table of Participant at AK Tekstil in 2019

Period	Target	Achievement	%
Q3-2020	110	39*	35.45%
2019	110	89	80.91%
2018	110	99	90.00%

*2020 due to the Covid-19 pandemic will not be able to accept more participants.





2. Professional Certification Institution (LSP) Program

[GRI 404-2] [GRI 413-2]

Established based on the Decree of the Board of Directors No. 278 / KD / HRM-GO / XII / 2019 and based in Boyolali, the Professional Certification Institution (LSP) program improves our employees' technical expertise (sewing, machine handling etc.) and encourages better knowledge uptake and retention through a competency-based certification system.

The certification scheme of the LSP program refers to Indonesian National Work Competency Standards based on the Decree of the Minister of Manpower of the Republic of Indonesia Number 177/2020 about the Establishment of Indonesian National Work Competency Standards for the Processing Industry Category in the Garment Industry.

Factory workers are chosen to join the certification program based on results of their performance appraisal and as per appointment of upper management so that the Company can continuously develop the skills of low performing employees and improve their productivity.

Program Vision

"To become an independent garment sector professional certification body and guarantee the quality of competence of human resources within PT Pan Brothers Tbk & Group."

Program Mission

- Support the human resources development in order to prepare reliable employees.
- Establish the human resources competence through professional certification procedures.
- Ensure the quality of LSP by keeping the certification process in accordance with applicable standards.
- Organize the independent and professional workforce competency certification.



2020 LSP Trainees by Gender

Sewing Operator by Gender (2020)	Number of Employees
Female	2,408
Male	1,448
Total	**3,856**

LSP Competency Certification

No	Code of Competency	Unit Competency Outcome
1	C.14GMT06.008.1	Able to operate Lockstitch Machine
2	C.14GMT06.010.1	Able to operate Overlock Machine
3	C.14GMT06.024.1	Able to operate ironing tool

3. Skill Development Partnership with Industrial and Job Training Centers in Indonesia

[GRI 404-2] [GRI 413-2]

In collaboration with several government agencies such as BLK (Job Training Center) Surakarta, BBPLK (Center for Job Training Indonesia) Semarang, BDI (Industrial Training Center) Jakarta and Surabaya, the Company also helps unemployed and/or low-skilled local community members gain specialized skills through the 'Sewing Training' program at the 'Garment Course Center' facility.

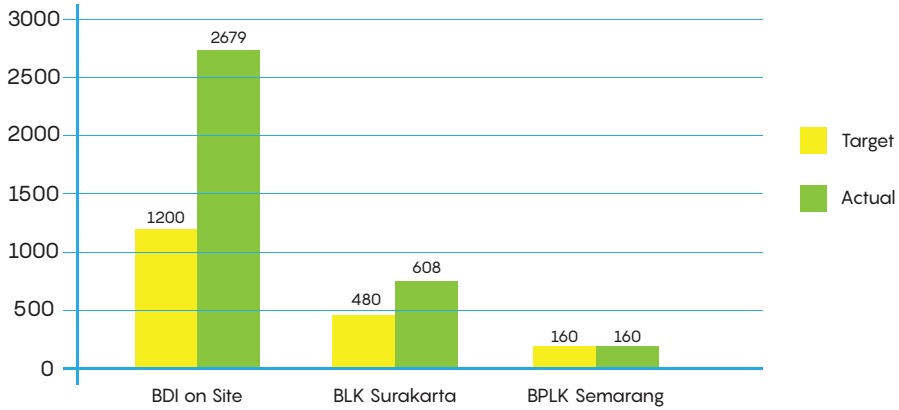
This training is intended for prospective unskilled employees and aims to provide employment opportunities for unskilled workers through what is known as "3-in-1 Training and Education", starting with competency-based training, certification, and work placement in the garment industry. The objective of this program is to upskill and increase the employability of local community members.

Upon completion of this program, all trainees are given the opportunity to join PBRX as an employee. Trainees are able to join this program from different schools in the production region and through government partners' recruitment events. Like other training programs, the selection process involves submitting an application of interest and academic qualifications.





2019 Training Achievement (Pre-COVID)



2020 (Q3) Garment Course Centre Training

Training Period	Participant	Activity and Outcome
January — February 2020	200	Produced MDP Uniform
July — August 2020	200	Produced MDP Uniform and Masks

Based on the product outcome, trainees will be financially rewarded with income, which motivates them to keep growing. During 2019, the sewing and training program of non-skilled workers exceeded the expected target at BLK Surakarta and BDI On Site. Meanwhile, the program met the expected target in BPLK Semarang. In 2019, the total amount of trainees is 3447 participants, which exceeds our initial target of 1840 participants by 87%. In 2020, 400 participants joined and completed the training program; however, the Company has decided to limit number of participants due to COVID-19 restrictions. Our goal is to expand these training opportunities so that it is readily available to more communities that surround our facilities by 2022.

4. Professional training program with global partners and buyers

[GRI 404-2] [GRI 413-2]

One of our main targets in 2022 is to engage in more meaningful partnerships with our partners and buyers at a global level. While COVID-19 has temporarily halted these plans, we have developed a study abroad opportunity for our Company's best-performing employees so they can continue their studies abroad and further develop their skills. The goal of this program is to ensure that employees can continuously add value to the Company over the long-term. For the pilot project, PBRX will send 2 employees to continue their education in Germany, one of the partner countries.

Partnering with our buyers, we have also planned another scholarship project to provide opportunities for our employees to get vocational training at each of the partners' training centers for at least 3 months to expand their knowledge of the garment industry.

No.	Program	Location	Partnership with	Participants	Program Duration
1.	Vocational Scholarship	Annecy, France	Salomon	2	3 Months
		Bayern, German	Adidas	2	3 Months
		Boulder, USA	Spyder	2	3 Months
		Denver, USA	The North Face	2	3 Months
		Christchurch, NZ	Kathamndu	2	3 Months
		Stockholm, Sweden	IKEA	2	3 Months
		Yamaguchi, Japan	Uniqlo	2	3 Months
2.	Master Degree	German	PT Pan Brothers Tbk	2	2-3 Years

Academic Scholarship and Education Subsidy Program

Quality education for the Indonesian people. To date, PBRX has provided academic scholarships and education subsidies worth IDR 6.912 billion to employees' family members and members of the surrounding community. Our scholarship program is available for students at any educational level, from elementary school to master's degree program.

The academic scholarship and education subsidy program certifies the Company's care and commitment towards providing greater access to educational opportunities for our community members, in the hope of improving their future livelihoods [GRI 103-1].

1) Scholarships for Students in Local Community

[GRI 413-2]



Total	Year	
	2018	2019
Target	1000 students	1000 students
Number of Scholarships	928 students	633 students
Number of Schools	86 schools	74 schools
Number of Regencies	17 regions	19 regions
Total Nominal Value	IDR 1,856,000,000	IDR 1,266,000,000
% Target Achieved	92.8%	63.3%

The objective of this program is to provide academic scholarships and tuition assistance to 1000 students every year to improve access to quality education for low-income local community members surrounding the facility of PT Pan Brothers Tbk & Group — all of whom are also given the opportunity to join PBRX upon graduation. In 2018, the Company has successfully distributed 928 scholarships out of 1000 target (92.8% target achieved) and 633 scholarships out of 1000 target (63.3% target achieved) to vocational/academic high school students across 36 regions in Central and East Java.





Goals :

- Establish good and sustainable partnerships with secondary education institutions.
- Create partnerships with communities around the company as a manifestation of the CSR (Corporate Social Responsibility) Program.
- Inform and socialize job opportunities at the leading apparel manufacturing company to Indonesia's creative young generation.

Target population : Low-income community members surrounding PBRX facilities
Partners : Indonesian companies, secondary and vocational educational institutions

Scholarship Recipient Criteria and Standards:

a. Student enrolled in either high school (minimum Grade 11) or vocational training school
b. Male or female, maximum age when registering is 18 years.
c. Ranked as one of the top 10 students who excel in academics, sports or the arts.
d. Domiciled in Boyolali Regency, Sragen Regency, around Solo Raya, Central Java and East Java or living in the community that surrounds facilities of PT Pan Brothers Tbk & Group
e. Prioritized for the underprivileged and holders of Social Protection Card (Kartu Pelindungan Sosial) and Prosperous Family Card (Kartu Keluarga Sejahtera).
f. Received a recommendation from the Schoool Principal to receive scholarship funds.
g. Demonstrated good behavior

Selection Process:

The interested candidate is required to complete a registration form indicating their interest and eligibility for the scholarship program as well as submit their headshot photo, related academic transcripts, proof of school enrollment, personal identification documents (such as national ID card) for identity verification and other relevant information. Those who meet the criteria set by PBRX for the scholarship program will be selected and considered for the scholarship.

Scholarship Duration and Funding Allocation:

Scholarships and tuition assistance are given to active students who have met the criteria & standards for scholarship acceptance based on a period of one year (two semesters) of IDR 1,000,000 (one million rupiah) per student per semester. Funding is provided either by direct transfer to the school account or to the account of the recipient which involves both the student concerned and their parent or guardian. The scholarship is awarded in 2 stages (IDR 1,000,000 / stage) for each 6-month semester of the year.

2) Education Subsidies for Employee Family Members

[GRI 413-2]

The Company also provides academic tuition assistance and education subsidies for employee's children to reward employees for their performance and/or loyalty to the Company and give opportunities for their children to pursue quality education. In the academic year 2019/2020, the Company has successfully subsidized the academic tuition fee of 510 students from kindergarten level to university level for family members of employees at PBRX facilities in Western and Central Java, spending total of IDR 395 million.

2019/2020 Recipients of Educational Subsidies from PBRX

No	Educational Level	Grade	Recipient
1	Elementary School	I	25
2	Elementary School	II	57
3	Elementary School	III	73
4	Elementary School	IV	73
5	Elementary School	V	65
6	Elementary School	VI	62
7	Junior High School	VII	14
8	Junior High School	VIII	38
9	Junior High School	IX	34
10	Senior High School or Equivalent	X	9
11	Senior High School or Equivalent	XI	24
12	Senior High School or Equivalent	XII	27
13	College	D3	2
14	Bachelor	S1	7

Target population : Students (kindergarten/elementary/middle/high school/university level) who are children or direct family members of PBRX employees who have worked for at least 1 year

Subsidy Recipient Criteria and Conditions:

1. Education subsidies apply to students (kindergarten/elementary/middle/high school/university level) who are children of PBRX employees
2. PBRX employees demonstrate good working condition where: they have not been absent in the last 1 (one) year
3. PBRX employee has never received a warning letter for the last 3 years
4. Student recipient related to PBRX employee has never received a scholarship from another school / institution (as evidenced by a certificate from the school principal).
5. Employees who receive subsidies are required to sign a receipt for subsidies from the company to ensure the accountability of subsidy funds
6. Subsidies will be stopped / returned if:
   a. Employees are caught giving falsified data.
   b. Employees resign as soon as their children receive Education Subsidies.
   c. Students have graduated from school.
   d. Students violate provisions at school and are dismissed / expelled from school.
   e. Student passed away

Selection Process:

The PBRX employee must complete the education subsidy application form as well as submit relevant legal/academic/personal identification documents to verify the student's qualifications and eligibility for the education subsidy. Depending on the performance of the employee, recommendation from management, and other criteria stated above, the PBRX employee will receive education subsidy if he/she meets all the stated requirements.

Implementation & Amount of Subsidies:

a. Semester 1 (period July - December) is given: End of August
b. Semester 2 (period January - June) is given: End of December

Each student receives cash funds of IDR 1,500,000 (one million and five hundred thousand rupiah) per semester in Central Java and IDR 2,000,000 (two million rupiah) in Western Java which is given in 2 stages.

3) University Scholarships for Community Members

[GRI 413-2]

PT Pan Brothers Tbk actively collaborates with the IndoRunners Foundation to offer university scholarships to 100 high-performing students so they can afford to attend the nation's best university, the University of Indonesia and increase their employability. The main objective of this program is to provide greater access to higher education for high performing, low-income students with potential, as this program also serves as a recruitment pipeline to nurture young talent and offer employment opportunities with PBRX upon graduation. Students are given the freedom to choose whatever degree or major they would like to pursue in university from economics to literature studies. The variety of majors pursued add up to 37 majors — reflecting the diversity of interests in the scholarship recipient population.

University Scholarship Funding Allocation and Distribution 2017-2021

Year of Academic	Paid to University by Pan Brothers	Number of students
2017	175.000.000 172.500.000	25 25
2018	332.500.000 332.500.000	50 50
2019	557.500.000 512.000.000	75 74
2020	687.500.000	100
TOTAL	2.769.500.000	

The period for this scholarship provision is 2017-2021, by which every year, the Company and program partners issue university scholarships to meet the 100 target, which has been met 100% as of 2020. Scholarships are given to incoming students and their tuition and book fees are fully financed throughout their 4 years at university. Total spending for this program is IDR 2.769 billion. In 2020, out of 100 scholarship recipients, 3 have recently graduated from university with a GPA above 3.50 out of 4.00 and are currently interested to join PBRX.

Selection Process:

1. Must be no more than 23 years old at the time of receiving the scholarship
2. Pass the University of Indonesia's Regular Undergraduate Student Admissions Test from the National Selection for State Higher Education Entrance (SNMPTN), Computer-Based Writing Examination (UTBK) and Joint Entrance Selection for State Universities (SBMPTN), Selection for Entrance to the University of Indonesia (SIMAK UI); shown with photocopy of proof of acceptance at the University of Indonesia.
3. Have a minimum score of 500 in the English language competency test for new students of the UI Regular Undergraduate Program held by the University of Indonesia;
4. Not currently receiving scholarships from other institutions / agencies;
5. Pass the evaluation per semester with a Grade Point Average (GPA) higher or equal to 3.0
6. Participate in all charity activities organized by IndoRunners, PT Pan Brothers Tbk, and the University of Indonesia. If requirements cannot be met, then PT Pan Brothers Tbk and the Mari Lari-IndoRunners Foundation have the right to terminate the scholarship received;







Goal 5 — Gender Equality

Target 5.5

To provide equal opportunity to women so that they can participate in the management function at all levels in PT Pan Brothers Tbk and Group and grow as leaders

Diversity and Equal Opportunity

The Company strives to provide equal and fair opportunity at all levels of our organization and across our PBRX facilities for both women and men. As one of the founders of the 'Indonesia Business Coalition for Women Empowerment' (IBCWE), PBRX is committed to advancing gender equality in the workplace and women's economic empowerment in Indonesia.

Represented by the Vice CEO of PT Pan Brothers Tbk, Mrs. Anne Patricia Sutanto has been appointed as a member of the IBCWE Board of Trustees. The Company has also received EDGE (Economic Dividends for Gender Equality) Certification — the first EDGE certification in Indonesia from five pioneering certification recipients, including PT Tira Austenite Tbk, PT Pan Brothers Tbk, PT Adis Dimension Footwear, PT Accenture Indonesia and PT Jones Lang Lasalle (JLL).

In the garment industry where, human capital is majority female, the Company recognizes a responsibility to ensure equal and fair opportunity to pursue employment and promotion at PBRX. While there has been significant improvement in the number of female workers pursuing management positions over the years.

PBRX is committed to actively provide performance appraisals, mentorship opportunities, the professional development resources, and training programs for both male and female PBRX employees equally to ensure that both are equally empowered and encouraged to grow at PBRX. For employees at the same level or position, the ratio of basic salary of women to men is 1:1. [GRI 405-2].



Deputy Head of Mission at the Australian Embassy in Jakarta, Mr. Allaster Cox:

"EDGE certification is a reflection of the company's promise to create a workplace that provides space and opportunity for women and men to develop to their full potential."

Human Capital Composition by Gender, Age, Education Level, Position 208-2020

[GRI 102-7] [GRI 102-8] [GRI 405-1]

TOTAL PBRX Employees	2018				2019				2020			
	37,283				38,212				30,508			
	Male	%	Female	%	Male	%	Female	%	Male	%	Female	%
	11298	30%	25985	70%	11153	29%	27059	71%	11314	37%	19194	63%
By Age												
18-30	8683	34%	16788	66%	8479	33%	17104	67%	8713	43%	11485	57%
31-40	1753	20%	7219	80%	1775	20%	7327	80%	1768	25%	5277	75%
41-50	660	26%	1842	74%	640	21%	2434	79%	572	21%	2218	79%
51 Above	202	60%	136	40%	259	57%	194	43%	261	55%	214	45%
By Education Level												
Master	11	52%	10	48%	11	61%	7	39%	10	67%	5	33%
Bachelor	356	37%	613	63%	358	38%	591	62%	452	47%	517	53%
College	132	30%	301	70%	137	31%	308	69%	136	31%	296	69%
High School	8469	35%	15598	65%	8405	34%	16232	66%	8802	41%	12516	59%
Below High School	2330	20%	9463	80%	2242	18%	9881	82%	1914	25%	5860	75%
By Position												
Board of Directors	2	50%	2	50%	2	50%	2	50%	2	50%	2	50%
Senior Management (Director of Subsidiaries, Senior GM, GM, Deputy GM)	28	74%	10	26%	26	72%	10	28%	43	81%	10	19%
Middle Management (Senior Manager, Manager and Assistant Manager)	144	65%	76	35%	144	63%	85	37%	114	67%	55	33%
Junior Management (Head, Supervisor and Assistant Supervisor)	658	47%	756	53%	673	46%	790	54%	699	50%	701	50%
Staff and Support Staffs	857	28%	2196	72%	613	20%	2495	80%	535	38%	882	62%
Factory	9609	30%	22945	70%	9695	29%	23677	71%	9921	36%	17544	64%

WORK PROMOTION BY GENDER (OFFICE STAFF LEVEL AND UP)

[GRI 404-3]

Category	Total Number of Office Staff	Total Employees Promoted in 2020	% of employees promoted
TOTAL	3043	332	10.91%
By Gender			
Female	1650	133	8.06%
Male	1,393	199	14.28%

1. Management Development Program (MDP)

[GRI 404-2] [GRI 413-2]

The MDP is a 6-month training program designed to prepare national university students to become future leaders at the firm. Open to fresh graduates at the bachelor level, this program is open twice a year and promotes gender equality principles as both female and male students have equal opportunity to join. The main objective of this program is to give equal opportunity for both men and women at the firm to develop their managerial competencies and leadership skills for their professional development.

After completing the 7th cycle at the end of 2020, we have successfully on boarded 146 participants from various universities across Indonesia into the program. The ratio of female and male participants was 50:50. In line with SDG target 5.5, the MDP program strives to create an inclusive professional development program and prepare reliable, competent, and professional human capital in accordance with the company's core mission as a leader in the garment industry — equipping participants with leadership, teamwork, and more technical skills that reflect the complexity of our day-to-day activities as a garment manufacturing business.

Upon completion of this program, PBRX employee participants have demonstrated greater leadership and management skills, with several moving onto being promoted due to their high performance.



Leadership Mentality Training by Human Resources Management General Manager, Mr. Nurdin Setiawan

2. Commitment to Women's Empowerment

On November 17, 2020, PT Pan Brothers Tbk signed a CEO Statement of Support for the Women's Empowerment Principles (WEP) in the workplace, business activities, and communities. The signing of this commitment is a concrete form of the company's support for the global community to empower women under the United Nations Women and the United Nations Global Compact. According to data from UN Women, more than 1,900 entrepreneurs around the world have been involved in the WEP commitment.

Take action across all seven Principles:

- Principle 1: Establish high-level corporate leadership for gender equality
- Principle 2: Treat all women and men fairly at work — respect and support human rights and non-discrimination
- Principle 3: Ensure the health, safety and well-being of all women and men workers
- Principle 4: Promote education, training and professional development for women
- Principle 5: Implement enterprise development, supply chain and marketing practices that empower women
- Principle 6: Promote equality through community initiatives and advocacy
- Principle 7: Measure and publicly report on progress to achieve gender equality



"Embracing A Better World with Gender Equality Empowerment"

Anne Patricia Sutanto

Vice President Director PT Pan Brothers Tbk

3. Women's Program for Health and Productivity (Gerakan Pekerja Perempuan Sehat Produktif/ GP2SP)

[GRI 413-2]

Recognizing the demanding nature of the garment industry, PBRX is committed to supporting both men and women in leading a healthy and productive lifestyle. While this is the first of many upcoming programs to support both male and female workers at PBRX, our program's initial focus primarily targets women — which comprise the majority of our human capital at the factory level. By 2022, the company plans to expand this program to accommodate all employees, both female and male, in all facilities.

Through the GP2SP program, the Company looks after the health of PBRX female employees — providing pregnant women with medical check-up privileges, lactation room, nutritional supplements, formation of peer-to-peer communication groups, and seats for those who usually work standing, among other benefits.

The objective of this program is to improve the health, well-being, and productivity of female employees and support government program in reducing stunting case for next generation. The Company also gives female workers 3-months of fully paid leave after giving birth as part of the national policy. In collaboration with USAID Jalin and office of the Ministry of Health in Boyolali, the Company has supported over 1,588 pregnant employees between 2018 and 2020.





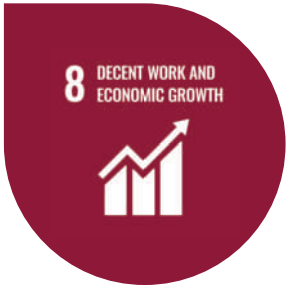


TOTAL PREGNANT EMPLOYEES SUPPORTED

16 Factories

	2018	2019	2020
Total	480	577	531





Goal 8 — Decent Work and Economic Growth

Target 8.1

To support the Government of Indonesia in enhancing economic growth and per capita income by creating job opportunities within PBRX

Target 8.5

To support productive employment and fair employment programs with equal pay and facilities for all, including for young people and for physically challenged people

Provision of Jobs and Employment

With over 30,000 people employed across all PBRX facilities, PBRX is committed to providing sample job opportunities and employee training programs for all, regardless of gender, race, ethnicity, religion, and/or physical disability. Our diverse and inclusive workforce — employing from different regions and countries and empowering low-skilled, low-income workers through training programs that serve as a recruitment pipeline for PBRX — is a testament of our commitment to principles of non-discrimination and equality as mandated by the Indonesian Constitution, UUD 1945.

New Employee Hires and Turnover Rate 2016-2020

[GRI 401-1]

Turnover	2016	2017	2018	2019	2020
Beginning Year	32.707	34.909	37.284	37.283	38.212
	1051	734	831	924	8,214
	3,253	3,109	830	1,853	510
End Year	34,909	37,284	37,283	38,212	30,508
TOTAL	3.11%	2.03%	2.23%	2.45%	23.91%

Prevention of Child Labor

[GRI 408-1]

As per the Manpower Act Number 13 of 2003 and Law Number 20 of 1999 which has ratified the International Labor Organization (ILO) Convention Number 138 of 1973 concerning Minimum Age for Admission to Employment, PBRX respects and implements labor regulations by not recruiting manpower under the age of 18. In terms of supplier assessment, PBRX also works directly with local and global suppliers to ensure that they meet social compliance standards. Majority of our suppliers are nominated by our buyers; suppliers are regularly audited by trusted global brands and external auditors and are required to have certificate of social compliance (such as ISO 45001) in order to meet purchasing requirements.

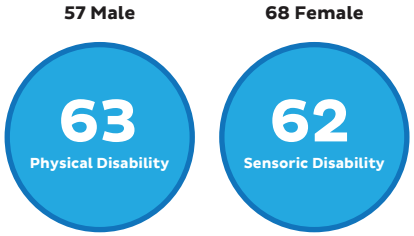
Manpower with Disabilities

[GRI 405-1] [GRI 406-1]

PT Pan Brothers Tbk. provides people with disabilities opportunities to contribute to the Indonesian nation and to the Company. To build an inclusive work environment in accordance with the mandate of Persons with Disabilities Act Number 8 of 2016, PBRX provides opportunities for employees with disabilities to be able to contribute with their abilities and skills. For employees with sensoric disability, the Company ensures that their peer workers and direct supervisor can communicate and speak sign language. For employees with physical disability, the Company has supporting facilities such as toilets with railing. The Company continuously strives to improve the working environment to include manpower with disabilities. [GRI 404-1]

Factory	Disability	
	Male	Female
PT Pancaprima Ekabrothers - Tangerang	7	1
PT Pan Brothers Tbk - Tangerang	3	2
PT Teodore Pan Garmindo - Tasikmalaya	-	4
PT Pan Brothers Tbk Unit 8 — Sragen	4	10
PT Pan Brothers Tbk Unit 9 — Boyolali	3	8
PT Prima Sejati Sejahtera — Boyolali	19	25
PT Eco Smart Garment Indonesia — Klego	11	10
PT Eco Smart Garment Indonesia — Sambi	4	4
PT Berkah Indo Garment — Ungaran	4	4
PT Prima Cosmic Screen Graphics - Boyolali	2	-
TOTAL	57	68
	125	

125 Workers with Disability in 10 factories



Freedom of Association and Collective Bargaining

[GRI 407-1]

Referring to Law Number 21 of 2000 regarding Workers Union / Labor Union, PBRX respects and complies with these regulations by giving freedom to form a Worker Union / Labor Union. Therefore, at PBRX, there are Workers / Labor Unions that are permitted to be formed or established. As a member of Better Work Indonesia, the Company's management is committed to being actively involved in hearing and responding to the labor unions' perspectives and needs.

AREA	LABOR UNION	NUMBERS OF MEMBERS
Tangerang	3	2521
Central Java	2	6199
West Java	1	684
TOTAL	**6**	**9404**

Compliance with Minimum Wage Standard

[GRI 202-1]

The Company complies with the 2021 regional and national minimum wage standard as per the Indonesian Government's decree — otherwise known as Upah Minimum Kabupaten/Kota or UMK — across all PBRX facilities in Tangerang, Serang, Tasikmalaya, DKI Jakarta, Boyolali, Sragen, Semarang/Ungaran. Male and female employees at the same level or position are compensated equally. The ratio of the standard entry level wage compared to local minimum wage in all aforementioned facilities is 1:1 for employees who have worked under 1 year. After 1 year, employees receive a salary raise and allowance.

Occupational Health and Safety

[GRI 403-1] [GRI 403-2] [GRI 403-3] [GRI 403-4] [GRI 403-5] [GRI 403-5] [GRI 403-6] [GRI 403-7] [GRI 403-9] [GRI 403-10]

PT Pan Brothers Tbk & Group is committed to carrying out business activities by upholding the principles of occupational safety and health (OHS). All operational activities must meet the OHS excellence criteria so that employees avoid work accidents, reduce fatality rates, and decrease the amount of time lost due to work accidents. To create a safe and healthy work environment, PBRX has implemented occupational health and safety programs - otherwise known as K3 (keselamatan dan kesehatan kerja) — in accordance with global compliance standards ISO 45001:2018. Our dedicated occupational health and safety or P2K3 (Panitia Pembina K3) committee and the Indonesian Health Department (Dinas Kesehatan) conduct regular training programs every 3-6 months, ranging from topics such as industrial emergency response, risk management, disease prevention etc.

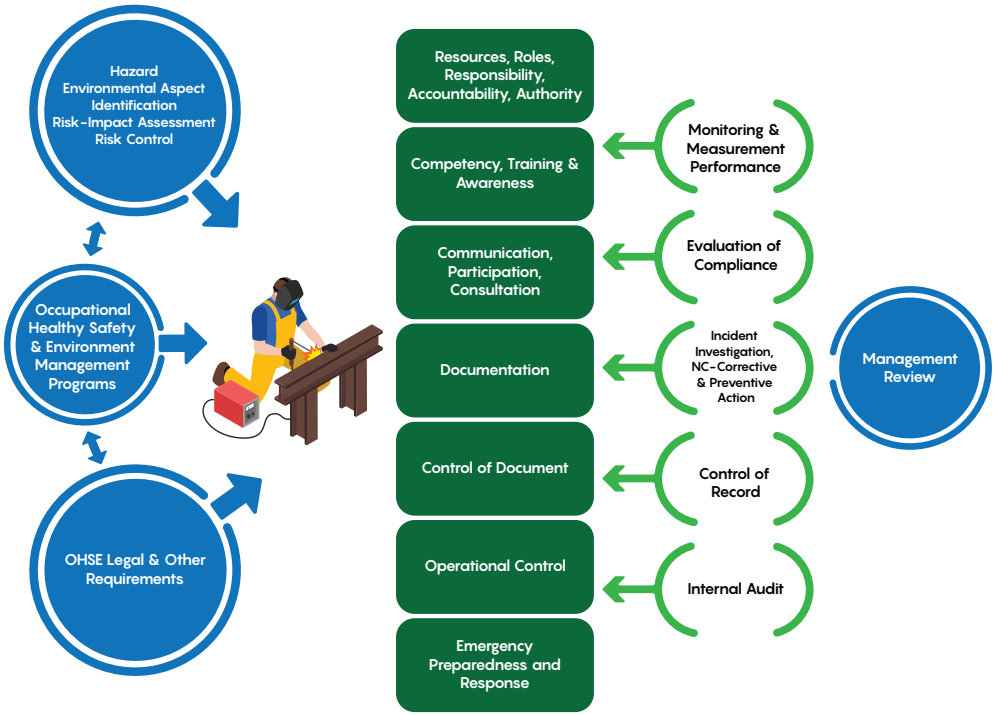
Occupational health and safety has always been a priority in all operational activities. This commitment is realized through the implementation of Occupational Health and Safety management system in all of PT Pan Brothers Tbk & Group based on OHS Management System and Environment (SMK3L), and also the implementation of ISO 45001:2018 (in replacement of OHSAS 18001:2007). These policies are implemented in all PT Pan Brothers Tbk companies to push worker participation in the realization of OHS. Pan Brothers Tbk is committed to certifying all factories at each areas. Right now, there are two factories that have been certified ISO 45001:2018; PT Pancaprima Ekabrothers and PT Prima Sejati Sejahtera. Meanwhile our other facilities are audited directly by global buyers in the form of buyer audit reports — results of which have met all occupational health and safety requirements as determined by the buyer (such as IKEA, Uniqlo etc.)



Certificate of ISO 45001:2018
PT. PANCAPRIMA EKABROTHERS



Certificate of ISO 45001:2018
PT. PRIMA SEJATI SEJAHTERA



% Employees Covered Occupational Health and Safety Management System

[GRI 403-8]

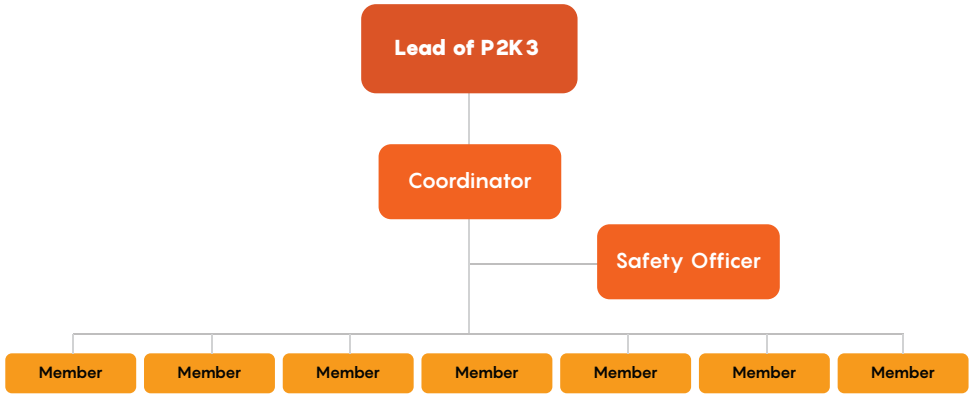
Employees in the operating areas protected by OHS management System		Employees in the operating areas protected by OHS management System and have been audited internally		Employees in the operating areas protected by OHS management System and have been audited or certified externally	
Total	% Total Workers	Total	% Total Workers	Total	% Total Workers
30,508	100%	30,487	99.9%	12,150	39.6%

* Operating areas that have ISO45001: PPEB and PSS

Oversight and Implementation of OHS Activities

[GRI 403-4]

The Company has established an Occupational Health and Safety Advisory Committee (P2K3) to guide the implementation of OHS across all company facilities. The P2K3 committee within each subsidiary of PT Pan Brothers Tbk & Group has been registered with the Social, Manpower and Transmigration Office of each region. The general organizational structure of the OHS committee in all factories is as follows:



Occupational Health and Safety Training

[GRI 403-2] [GRI 403-4] [GRI 403-5]

The Company regularly provides occupational health and safety (OHS) training as well as emergency response drill exercises that must be followed by all employees. To heighten the quality of OHS implementation, the Company has formed an OHS Advisory Committee (P2K3) in each unit and continues to increase the qualifications of certified OHS personnel.

Main Subject of Training	Topics Covered	Frequency of Training
General Occupational Health & Safety (OHS)	- Industrial OHS Orientation - Occupational Risk Management - Emergency Response - Physical Working Environment (Dust, work climate) - First aid for work accidents - Personal Protective Equipment (PPE) - Machine Guarding - Metal Tools Handling	Every 3 months with OHS expert and compliance team for at least 30 minutes per session
Occupational Health	- Prevention of work accident - Disease prevention (work-related, TBC, HIV/AIDS, pregnancy-related diseases)	Annual basis for at least 30 minutes with Indonesian Health Department
Industrial Emergency Response	- Fire safety & management - Firefighting techniques - Light fire extinguishers (APAR) practices - Evacuation drill - Victim evacuation techniques - Emergency response	Every 6 months with OHS expert and compliance team for at least 30 minutes per session/whole day

Occupational Safety Performance

[GRI 403-9]

The target of OHS activities is to prevent and minimize accidents through the continuous improvement of the OHS system and enhancing the OHS awareness culture. Every year, the Company targets the achievement of fatality zero accidents. In 2020, the average number of work -related accidents PT Pan Brothers Tbk & Group was 21 cases, down from 26 cases in 2019. There were no cases of fatal work accidents or occupational diseases during 2018 -2020.

NUMBER OF WORK-RELATED ACCIDENT PER FACTORY/SUBSIDIARIES

Year	PPEB	OCEAN	TPG TASIK	PAN9	PAN8	PSS	BIG	ESGI KLEGO	ESGI SAMBI	ELHI	HOLLIT	APS	MBS	AMA WASTU
2018	44	1	80	14	25	29	20	68	24	6	0	0	0	0
2019	36	0	61	15	23	23	21	59	14	6	0	0	0	0
2020	29	0	40	12	18	31	18	52	11	0	0	0	0	0

This data represents actual number of accidents, all of which are minor work accidents. There is no fatality accident.

0 fatal incidents caused by work accidents in 2020

Types of High-Risk Jobs and Their Management

[GRI 403-2]

Types of High Risk Jobs	Description of Activities and Risk	Risk Control and Achievement 2020
Use of welding machines	Work for the process of sticking panels with very hot temperatures, which can cause sparks from the copper plate and can cause burns	**Risk control :** The application of SIPOC risk management (SOP, use of PPE, training) for the work of the panel attachment process or the use of welding machines **Achievements:** The rate of accidents involving employees fell by 7%
Use of a roll press machine	Work for the seam seal process when joining 2 panels, which can cause the machine to pinch the hand.	**Risk control :** Application of SIPOC risk management (SOP , use of PPE, training) for the work of the 2-panel merging seam seal process **Achievements:** The rate of accidents involving employees fell by 7%
Use of an Auto Cutter Machine	Work for the cloth cutting process with an automatic machine, which can create the risk of cutting the employee's hand.	**Risk control :** Application of SIPOC risk management (SOP, use of PPE, training) for Auto Cutter process work **Achievements:** The rate of accidents involving employees **fell 100%**
Work at high altitude	Work for the process of repairing roofs, air conditioning, and felling trees, which can put employees at risk of falling from a height	**Risk control :** The application of SIPOC risk management (SOP, wearing PPE, training) for the process of working at heights **Achievements:** The rate of accidents involving employees fell 100%
High voltage work	Work for the process of repairing electricity, generators, which can cause electric shocks of employees.	**Risk control:** Determination of SIPOC risk management (SOP, use of PPE, training) for the process of working with high voltage / electricity **Achievements:** The rate of accidents involving employees fell 100%

PT Pan Brothers Tbk & Group continuously improved compliance and discipline in OHS implementation through several policies and activities during 2020. For instance, the Company has socialized the OHS Culture Campaign, through dissemination of information about OHS, the Covid-19 pandemic, and health protocols via email, banners, as well as work accident performance information boards and internal events such as blood donation, gymnastics, health talks, and sports competitions between employees. [GRI 403-4] [GRI 403-7]

Occupational Health Management Efforts

[GRI 403-3] [GRI 403-6] [GRI 403-8] [GRI 403-10]

The Company strives to provide adequate health facilities for employees. The Company has a polyclinic in each factory to serve employees. The polyclinic of each factory is handled by medical personnel and administrators. In each production unit, a first aid kit is provided for first aid in the event of a work accident. Periodic health checks are carried out to all employees in turn every year. If the results of the medical examination indicate that the employee is suffering from a disease that requires further treatment, he/she will be referred to the hospital. For monitoring the health of employees of PT. Pan Brothers Tbk & Group in each company, our Company has a monitoring system that addresses the employees' common diseases based on clinical doctor's diagnosis. As of 2020, there are no fatal work-related diseases incurred by our employees.

Through the implementation of OHS protocols, PT Pan Brothers Tbk & Group continues to build a culture of safety and health that is better and more disciplined. Learning from the number of minor work accidents and the top 10 diseases from the previous year, PT Pan Brothers Tbk regularly evaluates OHS management through OHS audit by the Compliance Department at each Business Unit, Compliance review audit on HSE aspect by the Holding company, and external audit by a certified agency and third parties also buyers. Evaluation of subcontractor / supplier is carried out through the Manual Compliance-HSE assessment. OHS management is complemented by procedures for investigation and reporting to the authorities, especially cases of work accidents. [GRI 403-2] [GRI 403-7]

COVID-19 Protocol

[GRI 403-6]

In light of the recent Covid-19 pandemic, we have also implemented work safety procedures in accordance with national and global health protocols and also formed a Covid-19 task force team (SATGAS). Since the start of the pandemic, we have given all our employees and their families personal protective equipment (PPE) such as masks, and for our front-line workers, face shields and hazmat suits. Our COVID-19 front-line workers ensure that our employees follow our 3M (memakai masker, menjaga jarak, mencuci tangan) policy, which mandates all workers to wear a mask, practice safe social distancing, and wash their hands or sanitize regularly.

Across our garment production facilities, we also adjusted the work schedule through creating additional work shifts to minimize employee traffic during lunch time hours, implementing stricter overtime schedule, and maintaining safe distance between workers' tables in the garment production line and office. In addition to providing Covid-19 prevention facilities, we have also provided free vitamins to our employees and conducted random rapid tests at the company's clinics every week.



During the pandemic, PT Pan Brothers Tbk. has also focused on health promotion to increase the immunity of employees, their family members, and surrounding community, while complying with existing health protocols. The efforts made include:

- Promotion of health via email, HRIS (HR information system), banner
- Health Webinar

Covid 19 Health and Safety Risk Management

[GRI 403-2]

Risk Event	Risk Management
Disruption of operational activity due to positive COVID-19 cases in operational area both from internal or external	· Ensuring the health conditions of workers and guests · Ensure adequate system and organization in supervising activities in operational areas. · Conduct regular inspections, assessments and health checks in operational work areas · Employee Mobility Restrictions · Restriction of guests who come · Provision of covid 19 protocol facilities: Hand Sanitizer, Chamber (disinfectant gate), Thermo scan, virus eradication tools / machines.

Continuity plan of HSE during Pandemic COVID-19

[GRI 403-2] [GRI 403-6] [GRI 403-7]

Establishing the Covid 19 Protocol Policy → Promotion of preventive measures and adoption of daily health monitoring protocols → Implementing an Isolation policy for employees to confirm covid and close contact as well as handling Covid-19 positive employees → Continue sustainbility activities realted to Covid 19 prevention and response, both internally and externally

PT Pan Brothers Tbk & Group imposes isolation policy on employees who show positive results on the polymerase chain reaction inspection (PCR test) to break the COVID-19 transmission chain. By the end of 2020, there are 130 out of 30,508 employees confirmed Covid 19 and have been declared recovered with a percentage of 0.4% confirmed and 86,2% declared recovered and negative,13.8% still in isolation without symptoms and 99.6% not contaminated Covid 19 PT Pan Brothers Tbk in collaboration with hospitals, clinics, and health offices, in the operating areas of the subsidiary, became a referral for further treatment for employees infected with COVID-19 with moderate and severe symptoms.

Socioeconomic Compliance

[GRI 419-1]

According to the results of internal and external audits conducted based on the social standards and requirements in Appendix 1 on page 187, there were no incidents of social non-compliance with national and international laws and regulations. The Company's active partnership with Better Work Indonesia, and government regulators on social compliance has enabled the Company to meet the social policies, laws, and legal requirements featured in Appendix 1 on page 187 sufficiently as well as the social compliance standards of global buyers.



PT PAN BROTHERS Tbk

Supporting Information

About The Sustainability Report

Since 2019, PT Pan Brothers Tbk. has published a Sustainability Report on a yearly basis to the complement the Annual Report and comply with Financial Services Authority Regulation No.51/POJK.03/2017 concerning the Application of Sustainable Finance to Financial Services Institution, Issuer, and Publicly Listed Company. This report complements the 2020 Annual Report published by PBRX on an annual basis, in order to inform stakeholders about the Company's sustainability efforts.

This report is presented in two separate languages, English and Indonesian. PT Pan Brothers Tbk and Group's Sustainability Task Force (T2K) is responsible for preparing this report, under the guidance of the Company's Internal Sustainability Advisory Committee (ISAC) who has reviewed and ensured the quality and validity of the information presented. In preparing this report, the company has not involved a third party as an independent consultant or external assurance. [GRI 102-20] [GRI 102-56]

Reporting Period and Cycle

The 2020 Sustainability Report published by PT Pan Brothers Tbk. is an annual report that is published concurrently with the Company's annual report. The Sustainability Report documents the Company's social, environmental, and economic performance, as well as the sustainability policies, initiatives, challenges and achievements faced by the Company for the period of January 1 to December 31, 2020 and our progress throughout the years. [GRI 102-50] [GRI 102-51] [GRI 102-52]

Reporting Framework and Standards

In line with the Company's three-pronged sustainability strategy that puts forward the concept of 'People', 'Planet', and 'Profit, reporting of PBRX's sustainability performance is divided into three main dimensions: economic sustainability, environmental sustainability, and social sustainability. as reviewed by the Company's Board of Directors and Internal Sustainability Advisory Committee (ISAC). This report has been prepared in accordance with the GRI Standards: Core option. The contents of this Sustainability Report have also been prepared in accordance with requirements in Appendix-II of the Financial Services Authority Regulation No. 51/POJK.03/2017, concerning the Application of Sustainable Finance to Financial Services Institution, Issuer, and Publicly Listed Company.

GRI Standards are applied and presented in a different color under each relevant subheading or paragraph. This report has attached the GRI Standards index on page 180. [GRI 102-26] [GRI 102-54] [GRI 102-55]

Scope and Content of Report

This report consists of the sustainability and financial performance of the 18 entities that comprise PT Pan Brothers Tbk:

- PT Pancaprima Ekabrothers
- PT Eco Smart Garment Indonesia
- PT Prima Sejati Sejahtera
- PT Teodore Pan Garmindo
- PT Berkah Indo Garment
- PT Hollit International
- Continent 8 Pte. Ltd
- Cosmic Gear Ltd.
- PT Victory Pan Multitex
- PT Ocean Asia Industry
- PT Apparelindo Prima Sentosa
- PT Mitra Busana Sentosa
- PT Apparelindo Mitra Andalan
- PT Cipta Wastu Salira
- PT Eco Laundry Hijau Indonesia
- PT Prima Kreasi Gemilang
- PT Prima Cosmic Screen Graphic
- PB International B.V. /PB Fashion B.V.

This report consolidates quantitative and qualitative data that uses a comparability principle for at least three consecutive years and includes a restatement of our previous social, environmental, and economic sustainability performance over the years. The Company's financial information includes all 18 entities that form the group and is included as per the Consolidated financial reports issued every quarter and every year. [GRI 102-45] [GRI 102-48] [GRI 102-49]

Feedback

The Company is committed to receiving feedback and improving transparent communication through this Sustainability Report. This report can be used as a reference for all stakeholders to assess the implementation of the company's sustainability performance.

Please feel free to contact us about this report:

Secretariat T2K (Sustainability Task Force or Tim Kerja Keberlanjutan)
Jl. Siliwangi No. 178 Jatiuwung - Tangerang 15133, Indonesia
Telephone: +6221 5900718
Fax: +6221 5900756 / 757 / 758
Email: sdgs@pbrx.co.id

[GRI 102-3] [GRI 102-53]

Materiality And Stakeholder Assessment

Materiality Assessment

[GRI 102-46] [GRI 102-47]

In preparing and determining the content and topics in this report, the ISAC Committee, which consists of representatives of the Company Board of Commissioners and Employees, has identified and prioritized several topics that highly involve the company's business. In order to obtain comprehensive input on material aspects, the ISAC Committee also invites third parties such as local communities, social institutions and government representatives to incorporate their constructive feedback. The relevant issues and concerns raised by stakeholders can be found in the 'Stakeholder Engagement' portion of this report. In identifying the social, environmental, and economic impact of the company, the report applies and references GRI Standards throughout the report and can be seen in detail in this report's appendix.

Our materiality assessment involves four main stages [GRI 102-46]:



Stage 1 : Identification

ISAC Committee identified an initial list of material topics based on the group's sustainability strategy and framework - encapsulating the company's social, environment and economic commitments.

Stage 2 : Prioritization

The initial list of material topics recommended by the ISAC Committee are prioritized according to their impact and influence for the company and related communities and stakeholders.





Stage 3 : Validation

Through the Company's Decree, the list of material topics is assessed and approved by the Company's Management to be implemented based on the company's sustainability and business objectives.

Stage 4 : Evaluation

The Sustainability Report is reviewed before and after publication to identify areas of improvement for future reporting and to continuously improve the quality of PBRX reporting of sustainability performance.



Material Topics

[GRI 102-47] [GRI 103-1]

PT Pan Brothers Tbk. has determined the following material topics to focus on this report based on the materiality matrix that evaluates the topic's impact on the business and relevant stakeholders.

Materiality Matrix Legend

Key	Category	Topic
1.	Economic	Economic Performance
2.		Digitalization and Technological Innovation (Industry 4.0)
3.		Transparency and Anti-Corruption Measures
4.	Environment	Energy Efficiency and Conservation
5.		Responsible Water Usage
6.		Greenhouse Gas (GHG) Emissions Reduction
7.		Sustainable Material Sourcing
8.		Circular Economy and Waste Management
9.	Social	Local Community Empowerment
10.		Good Health & Well-Being
11.		Human Capital Development
12.		Training and Education
13.		Diversity and Equal Opportunity
14.		Provision of Jobs and Employment
15.		Occupational Health and Safety



List of Material Topics and its Boundary

[GRI 102-47]

Category	SDG Goal	Scope/Topic	Commitment	GRI Standard	Specific Topic Disclosure	Why This Material
Social	1 NO POVERTY	Local Community Empowerment (Disability, Individual, MSMEs)	To support the Government of Indonesia in reducing the number of people below the poverty line by providing employment in PT. Pan Brothers Tbk and Group (1.2)	GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs 413-2 Operations with significant actual and potential negative impacts on local communities	Significant impact on stakeholders (community)
				GRI 203: Indirect Economic Impacts	203-2 Significant Indirect Economic Impacts	
	3 GOOD HEALTH AND WELL-BEING	Community Health & Well-Being	To enable access to safe, effective, affordable, quality healthcare services for all, including employees and surrounding community members where PT. Pan Brothers Tbk and Group are located (3.8) To reduce exposure to hazardous chemicals as well as air and water pollution through provision of proper resources for surrounding communities where PT. Pan Brothers Tbk and Group are located (3.9)	GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs 413-2 Operations with significant actual and potential negative impacts on local communities	Significant impact on stakeholders (community)
	4 QUALITY EDUCATION	Human Capital Development Training and Education	To provide technical skills and vocational training to young and mature adults related to PBRX business functions to enhance employability and encourage entrepreneurship (4.4)	GRI 404: Training and Education	404-1 Average hours of training per year per employee 404-2 Programs for upgrading employee skills and transition assistance programs	Significant impact on stakeholders and the company (employees, community)
				GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs 413-2 Operations with significant actual and potential negative impacts on local communities	
	5 GENDER EQUALITY	Diversity and Equal Opportunity	To provide equal opportunity to women so that they can participate in the management function at all levels in PT Pan Brothers Tbk and Group and grow as leaders (5.5)	GRI 404: Training and Education	404-2 Programs for upgrading employee skills and transition assistance programs 404-3 Percentage of employees receiving regular performance and career development reviews	Significant impact on stakeholders and the company (employees, community)
				GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees 405-2 Ratio of basic salary and remuneration of women to men	
	8 DECENT WORK AND ECONOMIC GROWTH	Provision of Jobs & Employment	To support the Government of Indonesia in enhancing economic growth and per capita income by creating job opportunities within PBRX (8.1)	GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Significant impact on stakeholders and the company (employees, community, government)
				GRI 401: Employment	401-1 New employee hires and employee turnover	
		Occupational Health and Safety	To support productive employment and fair employment programs with equal pay and facilities for all, including for young people and for physically challenged people (8.5)	GRI 403: Occupational Health & Safety	403-1 Occupational health and safety management system 403-2 Hazard identification, risks assessment, and incident investigation 403-3 Occupational health services 403-4 Worker participation, consultation, and communication on occupational health and safety 403-5 Worker training on occupational health and safety 403-6 Promotion of worker health 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships 403-8 Workers covered by an occupational health and safety management system 403-9 Work-related injuries 403-10 Work-related ill health	

Category	SDG Goal	Scope/Topic	Commitment	GRI Standard	Specific Topic Disclosure	Why This Material
				GRI 406: Non-Discrimination	406-1 Incidents of discrimination and corrective actions taken	
				GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	
				GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	
				GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	
Environment	7 AFFORDABLE AND CLEAN ENERGY	Energy Efficiency and Conservation	To utilize energy efficiently and invest in renewable energy resources to comprise at least 31% energy usage by 2030 at PT. Pan Brothers Tbk and Group (7.3)	GRI 302: Energy	302-1 Energy consumption within the organization 302-3 Energy intensity 302-4 Reduction of energy consumption	Significant impact on stakeholders (community, government) and the company
		Responsible Water Usage		GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts 303-3 Water withdrawal 303-4 Water discharge 303-5 Water consumption	
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Sustainable Material Sourcing	To ensure sustainable resource utilization throughout the supply chain and substantially reduce waste production through prevention, reduction, recycling and reuse across all PBRX facilities (12.5)	GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	Significant impact on stakeholders (community, suppliers, buyers, government) and the company
		Responsible Waste Management		GRI 301: Materials	301-1 Materials used by weight or volume or cost 301-2 Recycled input materials used	
				GRI 304: Biodiversity	304-2 Significant impacts of activities, products, and services on biodiversity	
				GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	
				GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	
				GRI 306: Waste	306-1 Waste generation and significant waste-related impacts 306-2 Management of significant waste-related impacts 306-3 Waste generated	
	13 CLIMATE ACTION	GHG Emissions Reduction	To reduce GHG emissions by at least 30% by 2030 through investments in renewable energy resources and increased biomass usage (13.2)	GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions 305-4 GHG emissions intensity 305-5 Reduction of GHG emissions intensity	Significant impact on stakeholders (community, government) and the company
				GRI 307: Environmental Compliance	GRI 307: Environmental Compliance	
Economic	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Economic Performance Digitalization and Technological Innovation (Industry 4.0)	To promote inclusive and sustainable industrialization and innovation in the garment industry through raising share of GDP while maintaining share of employment (9.2)	GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	Significant impact on stakeholders (investors, suppliers, buyers) and the company
	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Transparency and Anti-Corruption	To support the Government of Indonesia to eliminate corruption in all forms by implementing good corporate governance (GCG) within PT. Pan Brothers Tbk and Group (16.5)	GRI 205: Anti-Corruption	205-2 Communication and training about anti-corruption policies and procedures	Significant impact on stakeholders (investors, suppliers, buyers, government) and the company
				GRI 207: Tax	207-1 Approach to tax	

Stakeholder Engagement

[GRI 102-21] [GRI 102-24] [GRI 102-28] [GRI 102-29] [GRI 102-31] [GRI 102-40] [GRI 102-41] [GRI 102-42] [GRI 102-43] [GRI 102-44]

We believe that the achievement of our business performance and sustainability program in 2020 involves the synergy and cooperation of all stakeholders. The Company actively seeks constructive input from stakeholders to accelerate business performance from an economic, social and environmental aspect for the present and the future. The following table provides a breakdown of the stakeholders involved with PBRX throughout the years and in 2020:

Table of Stakeholders and their Involvements and Interests

Stakeholders [GRI 102-40]	Stakeholder Identification Method [GRI 102-42]	Main Interest and Expectation [GRI 102-44]	Method of Involvement [GRI 102-44]	Frequency of Involvement [GRI 102-43]
Shareholders	- Importance of economic, social and environmental aspects - The impact of the company's business performance	- Improving business performance and receiving dividends - Approval of the company's work plans budgets and long-term plans - Approval of the appointment of the Board of Commissioners and Board of Directors	General Meetings of Shareholders (GMS)	At least twice a year
Investor	- Importance of economic, social and environmental aspects - Access to information disclosure	- Improving the investment value of the company's performance - The benefits of energy efficiency and waste management - Accountability and transparency of financial statements	- General Meetings of Shareholders (GMS) - Analyst and investor meetings - Site visit	- At least twice a year - As required
Government / Regulator	- Importance of legal aspect and regulations - The impact of the company policy	- Policies or regulations support on the economic, social and environmental aspects. - Accelerated improvement of the company's business performance through policy, legal and administrative support. - Strategic partnerships for sustainability programs and economic development.	- Regular consultation meetings - Compliance audit	As required
Supplier	- Importance of economic aspects - The impact of production and non-production quality	- Part of the supply chain to support the quality and competitive on the production and non-production materials - Conducting fair and objective process of procurement tender	- Procurement tender process - Evaluation and monitoring of supplier performance	As required
Employee	- Importance of economic, social and environmental aspects - The impact the company's business performance	- Ensuring employees have clarity of rights and obligations in accordance to their KPIs. - No discrimination practices in all forms, including career paths and remuneration - Ensuring occupational health, safety and comfort in carrying out work	- Communication forum among employee and the management - Training, competency development and education scholarship	- As required - Senior management level monthly meeting - Annual meetings
		- Minimizing the risk of work accidents. - Improving skills, professionalism and competency development of employees, including educational scholarships - Maximum contribution to improve the company's business performance		
Customer / buyer	- Importance of economic, social and environmental aspects - The impact the company's business performance	- Ensuring product quality and service satisfaction - Providing valid information about the company - Satisfactory resolution of customer complaints - Developing the partnerships of sustainability programs and support on the social and environmental aspects	- Customer satisfaction survey - Complaint service - Partnership programs	As required
Public	- Importance of economic, social and environmental aspects - The impact of the company's perception - Operational site involvement	- Ensuring the success of sustainability programs in economic, social and environmental aspects - Providing the green, sustainable and non-polluting environment - Actively in building a harmonious relationship with the surrounding community	Public involvement in implementing CSR and or sustainability programs	As required
Labor Union	- Importance of legal and economic aspects - The impact the company's business performance	- Creating a conducive work climate. - Obtaining proper rights regarding the employment agreement. - Contribution positively on the issues of training and education as well as the company's business performance	- Discussion of the employment agreements - Discussion of the employment issues / problems	As required
Associations	- Importance of economic and social aspects - The impact of the company's perception - The company's Involvement at national and international forums	- Receiving the support of the associations in accordance with the associated fields including the information of strategic business cooperation opportunities - Obtaining current and valid information of the government policies / regulation related to the company's businesses - Improving the Company's economic performance as well as social and environmental responsibility - Improving the company's perspective at national and international forums	Strategic partnership to support the company's business performance	As required

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POJK-51/2017 Index

This Sustainability Report is prepared in accordance with the requirements in Appendix-II of the Financial Services Authority Regulation No. 51/POJK.03/2017 concerning the Application of Sustainable Finance to Financial Services Institution, Issuer, and Publicly Listed Company.

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Appendix

Appendix 1: Social Compliance Legal and International Requirements

No	REGULATION NO	SUBJECT
	LABOR	
1	Regulation No.13 of 2003	Employment
2	Regulation No.21 of 2000	Trade Unions/Trade Unions
3	Regulation No.2 of 2004	Industrial Relations Dispute Resolution
4	KepKa BSN No. 28 year 2004	Determination of 10 (Ten) Indonesian National Standards
5	Decree of the Minister of Manpower and Transmigration No. 16 year 2001	Procedures for Recording Trade Unions/Trade Unions
6	Decree of the Minister of Manpower and Transmigration No. 102 year 2004	Overtime and Overtime Wages
7	Decree of the Minister of Manpower and Transmigration No. 100 year 2004	Terms of Implementation of Certain Time Work Agreements
8	Decree of the Minister of Manpower and Transmigration No. 187 year 2004	Union/Trade Union Member Dues
9	Minister of Manpower Regulation No. 14 Year 2006	Procedures for Reporting Employment in the Company
10	Ministerial decree No.224/MEN/2003	Obligation of Employers who employ Workers / Women Workers between 23.00 to 05.00
11	Decree of the Minister of Manpower and Transmigration No. 20 year 2004	Procedure for Obtaining Permission to Hire Foreign Workers
12	Decree of the Minister of Manpower and Transmigration No. 69 year 2004	Procedures for Establishing National Work Competency Standards
13	Decree of the Minister of Manpower and Transmigration No. 48 year 2004	Procedures for Making and Ratification of Company Regulations and The Creation; Registration of Employment Agreements (PKB)
14	Law No. 7 of 1981	Mandatory Employment Report In The Company
15	Letter of Minister of Manpower and Transmigration No.B.600/Men/Sj-Hk /VIII/20052005	Housing Reimbursement and Treatment;
16	Law No. 7 of 2006	Anti-Corruption

No	REGULATION NO	SUBJECT
17	Law No. 19 of 1999	Removal of Forced Labor
18	Law No. 39 of 1999	Rights
19	Sk. Governor of Banten No. 561/Kep.272 -Huk/2020	Determination of Minimum Wage Region / City of Banten Province 2021
20	PP No. 78 of 2015	Wages
21	Law No. 40 of 2004	Social Security System
22	Ministerial decree No. 49 year 2004	Wage Structure and Scale Provisions
23	Law No. 20 of 1999	Ratification of ILO Convention no. 138 Concerning Minimum Age for admission to employment
24	Law No. 13 of 2006	Witness and Victim Protection
25	Law No. 1 of 2000	Ratification of ILO Convention No. 182 Concerning the prohibition and immediate action for the elimination of the worst forms of Child Labour
26	Law No. 21 of 1999	Ratification of ILO Convention No. 111 Concerning Discrimination in Respect of Employment and Occupation
27	Law No. 7 of 1984	Ratification of the ILO Convention on the Elimination of All Forms of Discrimination Against Women
28	Law No. 80 of 1957	Approval of the ILO Convention on No. 100 on Equal Pay for male and female workers for equal employment for male and female workers for equally valued employment
29	Law No. 18 of 1956	Approval of conventions of international labor organizations
30	Regulation of Minister Manpower and Transmigration No. 19 Year 2015	Procedures and Terms of Payment of Old Age Guarantee Benefits
31	Regulation of Minister Manpower and Transmigration No. 6 Year 2016	Religious Holiday Allowance (THR) for workers in the company
32	FLA Workplace Code of Conduct and Compliance Benchmarks	Labor, OHS and Environmental Standards
33	Better Work Assessment Tools	Labor, OHS and Environmental Standards
34	Higg Facility Environment Modul (FEM) Assessment Question	Environmental Standards

No	REGULATION NO	SUBJECT
35	Code of Conduct buyer Amersport	Labor Ethics, OHS, Environmental and Brand Protection Policies
	DISABILITY	
1	Law No.8 of 2016	About Persons with Disabilities
2	Government Regulation No.52 of 2019	Regarding the Implementation of Social welfare for Persons with Disabilities
3	Government Regulation Mo.70 of 2019	Concerning Planning, Organizing and Evaluating the Respect, Protection and Fulfilment of the Rights of Persons with Disabilities
4	Government Regulation No.13 of 2020	About Adequate Accommodation for Students with Disabilities
5	Government Regulation No.60 of 2020	Regarding the Disability Service Unit in the Manpower Sector
6	Presidential Regulation (Perpres) No.67 of 2020	Regarding the Terms & Procedures for Giving Awards and Respect, Protection and Fulfilment of Rights of Disabilities
7	Presidential Regulation No. 68/2020	About the National Disability Commission
	OCCUPATIONAL HEALTH AND SAFETY (OHS)	
1	Minister of Manpower Regulation No. 5 of 2018	Occupational Health and Safety, Work Environment
2	Law No. 01 of 1970	Work safety
3	Minister of Manpower and Transmigration Regulation No. 04 of 1980	APAR Installation & Maintenance Requirements
4	Decree of the Minister of Manpower and Transmigration No. 186 of 1999	Fire Fighting Unit in the Workplace
5	Minister of Manpower and Transmigration Regulation No. 04 of 1987	P2K3 and procedures for Work Safety Experts
6	Minister of Manpower and Transmigration Regulation No. 02 of 1989	Supervision of Lightning Channels Installation
7	Presidential Decree No. 11 of 1993	Diseases That Arise Due to Employment Relationships
8	Law No. 3 of 1992	Employment Social Security
9	Minister of Manpower and Transmigration Regulation No. 05 of 1985	Lift and Transport Aircraft

No	REGULATION NO	SUBJECT
10	Law No. 19 of 1999	Removal of Forced Labor
11	Minister of Manpower and Transmigration Regulation No. 03 of 1998	Accident Reporting and Inspection Procedures
12	Decree of the Minister of Manpower and Transmigration No. 174 of 2002	Enforcement of the Indonesian National Standard (SNI) Number: SNI-04-0225-2000 Regarding General Requirements for Electrical Installations 2000 (PUIL 2000) in the Workplace
13	Decree of the Director General of Industrial Relations and Labor Supervision No. 311 of 2002	Electrician Occupational Safety and Health Competency Certification
14	Government Regulations No. 50 of 2012	Implementation of SMK3
15	Minister of Manpower and Transmigration Regulation No. 4 of 1985	Power and Production Aircraft
16	Minister of Manpower and Transmigration Regulation No. 01 of 1981	Obligation to Report Occupational Diseases
17	Minister of Manpower and Transmigration Regulation No. 02 of 1980	Workforce Health Examination in Implementing Work Safety
18	Minister of Manpower and Transmigration Regulation No. 03 of 1982	Workforce Health Services
19	Minister of Manpower Regulation No. 02 of 1982	Welders Qualifications
20	Minister of Manpower and Transmigration Regulation No. 01 of 1976	Mandatory Hyperkes (Company Hygiene and Occupational Health) for Corporate Doctors
21	Regulation of the Minister of Health No. 492 of 2010	Quality Requirements of Drinking Water
22	Regulation of the Minister of Health No. 712 of 1986	Health requirements for catering services and implementation instructions
23	Decree of the Minister of Health No. 715 of 2003	Hygienic Requirements for Food Sanitation of Jasaboga (Catering Services) Snacks
24	Regulation of the Minister of Health No. 416 No. 1990	Terms & control of clean water quality
25	Decree of the Minister of Manpower No. 113 of 1987	Occupational Safety and Health Flag

No	REGULATION NO	SUBJECT
26	Regulation of Minister Manpower and Transmigration No. 5 of 1997	Supervision of Personal Protective Equipment
27	Regulation of the Minister of Manpower and Transmigration No. 02 of 1992	Procedures for the Government Regulations, Obligations & Authorities of AK3
28	Regulation of Minister Manpower and Transmigration No. 01 of 1998	Implementation of Workforce Health Maintenance
29	Decree of the Minister of Manpower No. 147 of 1989	Utilization of Occupational Health Services for Workers' Social Security Health Care Security Program
30	Decree of the Minister of Manpower No. 333 of 1989	PAK Diagnosis & Reporting
31	Regulation of Minister Manpower and Transmigration No. 01 of 1979	Company Hygienic Exercise Obligations for Company Paramedics
32	Regulation of Minister Manpower and Transmigration No. 08 of 2010	Personal protective equipment
33	Regulation of Minister Manpower and Transmigration No. 09 of 2010	Lift & Transport Aircraft Operators & Officers
34	Minister of Health Decree No. 1405 of 2002	Health requirements for office & industrial work environments
35	Regulation of Minister Manpower and Transmigration No. 15 of 2008	First aid kit at work
36	Government Regulation No. 33 of 2012	Exclusive Breastfeeding
37	ISO 45001:20018	Occupational Health & Safety
38	FLA Workplace Code of Conduct and Compliance Benchmarks	Labor, K3 and Environmental Standards
39	Betterwork Assessment Tools	Labor, K3 and Environmental Standards
40	Code of Conduct buyer Amersport	Policy on Labor Ethics, K3, Environment and Trademark Protection
COVID-19		
1	Mayor of Tangerang Decree Number: 443 / Kep.318-BPBD / 2020	Regarding the Enforcement of Large-Scale Social Restrictions in Handling Corona Virus Disease 2019 (COVID-19) in Tangerang City

Appendix 2: Environmental Compliance Legal and International Requirements

No	REGULATION NO	SUBJECT
	ENVIRONMENT	
1	Government Regulations No. 27 of 2012	Environmental impact analysis
2	Bapedal (Environmental Impact Control Agency) Decree No. 01 of 1995	Procedures and Technical Requirements for Storage and Collection of Hazardous and Toxic Waste
3	Regulation of the Minister of Environment no. 13 of 2010	Environmental Management Efforts & Environmental Monitoring Efforts and Statement of Capability in Environmental Management & Monitoring
4	Government Regulations RI No. 41 of 1999	Air Pollution Control
5	Regulation of the Minister of Environment No 05 of 2006	Old Motor Vehicle Exhaust Emission Threshold
6	Regulation of the Minister of Environment No.21 of 2008	Fixed source emission quality standards
7	Government Regulations No. 101 of 2014	Hazardous and toxic materials
8	Bapedal (Environmental Impact Control Agency) Decree No. 02 of 1995	B3 waste documents
9	Bapedal (Environmental Impact Control Agency) Decree No. 08 of 1996	Procedures and Requirements for Used Lubricating Oil Storage
10	Law No 18 of 2008	Waste management
11	Regulation of the Minister of Environment No. 05 of 2012	AMDAL / UKL & UPL obligations
12	Decree of the Minister of Environment No. 30 of 1994	Guidelines for implementing environmental audits
13	Decree of the Minister of Environment No. 112 of 2003	Domestic wastewater quality standards
14	Decree of the Minister of Manpower No. 187 of 1999	Control of Hazardous Chemicals in the Workplace
15	Law No. 32 of 2009	Environmental Protection & Management
16	Tangerang City Regional Regulation No.2 of 2009	Environmental Management
17	Regulation of the Minister of Environment No. 08 of 2006	Guidelines for Preparation of Environmental Impact Analysis
18	Regulation of the Minister of Environment No. 11 of 2006	Types of business and / or activity plans that must be accompanied by an analysis of environmental impacts
19	Regulation of the Minister of Environment No. 12 of 2009	Utilization of rain water
20	Constitution No.7 of 2004	Water resources
21	Government Regulation No. 82 of 2001	Water Quality Management and Water Pollution Control
22	Minister of Environment Regulation No. 01 of 2010	Water Pollution Control Procedure
23	Minister of Environment Decree No.51 of 1995	Liquid Waste Quality Standards for Industrial Activities
24	Minister of Environment Decree No. 110 / MENLH / 2003	Guidelines for Determining Water Pollution Load Storage Data at Water Sources
25	Minister of Environment Decree No.111 / MENLH / 2003	Guidelines Regarding Requirements & Licensing Procedures and Guidelines for the Study of Disposal of Wastewater to Water or Water Sources
26	Tangerang Regency Regional Regulation No.15 of 2004	Liquid Waste Disposal Permit
27	Regulation of the Minister of Environment No. 02 of 2008	Utilization of toxic & hazardous waste
28	Regulation of the Minister of Environment No. 14 of 2013	Symbols and Labels Hazardous and toxic materials
29	Government Regulations No.74 of 2001	Management of Hazardous & Toxic Materials
30	Government Regulations No.85 of 1999	Amendments to Government Regulation No.18 of 1999 concerning Management of Hazardous & Toxic Waste
31	Decree of the Minister of Environment No.48 of 1996	Noise level raw
32	Regulation of the Minister of Environment & Forestry RI No.P.74/Menlhk/Setjen/Kum.1 /10/2019 Regarding the Hazardous and / or Hazardous Waste Emergency Program	Hazardous & Toxic Material and / or Hazardous & Toxic Waste Management Emergency Program

No	REGULATION NO	SUBJECT
32	Regulation of the Minister of Industry of the Republic of Indonesia No.23 / M-1ND / PER / 4/2013	About the Global Harmonized System of Classification and Labeling of Chemicals
32	Regulation of the Minister of Environment and Forestry of the Republic of Indonesia Number: P.68 / Menlhk / Setjen / Kum.1 / 8/2016	Regarding Domestic Wastewater Quality Standards
32	Regulation of the Minister of Energy and Mineral Resources of the Republic of Indonesia No.14 of 2012	About Energy Management
32	Regulation of the Minister of Energy and Mineral Resources of the Republic of Indonesia No.15 of 2012	About Saving Groundwater Use
32	Regulation of the State Minister for the Environment of the Republic of Indonesia No. 16 of 2012	Regarding the Guidelines for the Preparation of Environmental Documents
32	Minister of Environment Regulation No. 3 of 2008	Concerning the Procedure for Symbolizing and Labeling Hazardous and Toxic Materials
32	Decree of the Minister of State for the Environment No.45 of 2005	Concerning Guidelines for Preparation of Reports on the Implementation of Environmental Management Plans (RKL) and Environmental Monitoring Plans (RPL)
32	Regulation of the Minister of Environment & Forestry RI No.P.12 / MENLHK / Setjen / PLB.3 / 5/2020	Concerning the Storage of Hazardous and Toxic Waste Materials
32	ISO 14001:2018	Environmental Management System (EMS)
32	Higg Facility Environment Modul (FEM) Assessment Question	Environmental Standards
32	FLA Workplace Code of Conduct and Compliance Benchmarks	Labor, K3 and Environmental Standards
32	Betterwork Assessment Tools	Labor, K3 and Environmental Standards
32	Code of Conduct buyer Amersport	Policy on Labor Ethics, K3, Environment and Trademark Protection



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