PT Impack Pratama Industri Tbk

2017 ANNUAL REPORT

Laporan Tahunan

CREATES A SUSTAINABLE BUSINESS DEVELOPMENT

TENTANG LAPORAN TAHUNAN

About Annual Report

Laporan Tahunan 2017 PT Impack Pratama Industri Tbk ini diterbitkan sesuai Peraturan Otoritas Jasa Keuangan Nomor 29/POJK.04/2016 tanggal 29 Juli 2016 tentang Laporan Tahunan Emiten atau Perusahaan Publik, Surat Edaran Otoritas Jasa Keuangan Nomor 30 /SEOJK.04/2016 Tentang Bentuk Dan Isi Laporan Tahunan Emiten Atau Perusahaan Publik, serta Keputusan Direksi PT Bursa Efek Jakarta Nomor Kep-306/BEJ/07-2004 tentang Peraturan Nomor I-E mengenai Kewajiban Penyampaian Informasi.

Laporan Tahunan 2017 PT Impack Pratama Industri Tbk disajikan dalam dua bahasa yaitu Bahasa Indonesia dan Bahasa Inggris dengan menggunakan jenis dan ukuran huruf yang mudah dibaca dan dipahami serta dicetak dengan kualitas baik. Laporan Tahunan ini juga dapat diunduh di website resmi PT Impack Pratama Industri Tbk yaitu www.impack-pratama.com.

Annual Report 2017 of PT Impack Pratama Industri Tbk is published according to the Regulation of Financial Services Authority Number 29/POJK.04/2016 dated 29 July 2016 regarding Annual Report of Issuers or Public Companies, Circular Letter of Financial Services Authority Number 30/ SEOJK.04/2016 concerning the form and content of Annual Report of Issuers or Public Companies as well as Decision of Board of Directors of Indonesia Stock Exchange Number Kep-306/BEJ/07-2004 concerning Regulation Number I-E on Obligation of Information Disclosure.

Annual Report of PT Impack Pratama Industri Tbk 2017 is presented bilingually, in Indonesian Language and English, with readable font type and size and printed in good quality. This Annual Report can be downloaded from the official website of PT Impack Pratama Industri Tbk, namely www.impack-pratama.com

SANGGAHAN DAN BATASAN TANGGUNG JAWAB

Disclaimer

Laporan Tahunan ini memuat pernyataan kondisi keuangan, hasil operasi, proyeksi, rencana, strategi, kebijakan serta tujuan Perusahaan, yang digolongkan sebagai pernyataan ke depan dalam pelaksanaan peraturan perundang-undangan yang berlaku, kecuali hal-hal yang bersifat historis.

Pernyataan-pernyataan tersebut memiliki prospek risiko, ketidakpastian, serta dapat mengakibatkan perkembangan aktual secara material berbeda dari yang dilaporkan.

Pernyataan-pernyataan prospektif dalam Laporan Tahunan ini dibuat berdasarkan berbagai asumsi mengenai kondisi terkini dan kondisi mendatang Perusahaan serta lingkungan bisnis di mana Perusahaan menjalankan kegiatan usaha. Perusahaan tidak menjamin bahwa dokumen-dokumen yang telah dipastikan keabsahannya akan membawa hasil-hasil tertentu sesuai harapan.

Laporan Tahunan ini memuat kata "Perseroan" yang didefinisikan sebagai PT Impack Pratama Industri Tbk yang menjalankan bisnis dalam bidang industri dan perdagangan bahan bangunan plastik.

Adakalanya kata "Perusahaan" digunakan atas dasar kemudahan untuk menyebut PT Impack Pratama Industri Tbk secara umum.

Catatan:

Sistem penulisan angka dalam semua tabel di dalam laporan tahunan ini menggunakan sistem penulisan angka dalam Bahasa Indonesia.

This Annual Report contains financial condition, operation results, projections, plans, strategies, policies, as well as the Company's objectives, which is classified as forward-looking statements in the implementation of the applicable laws, excluding historical matters.

Such forward-looking statements are subject to known and unknown risks (prospectives), uncertainties, and other factors that could cause actual results to differ materially from expected results.

Prospective statements in this Annual Report are prepared based on numerous assumptions concerning current conditions and future events of the Company and the business environment where the Company conducts business. The Company shall have no obligation to guarantee that all the valid documents presented will bring specific results as expected.

This Annual Report contains the word "Company" here in after referred to PT Impack Pratama Industri Tbk, as the company that engages in plastic building materials trade and industry.

The word "Company" is at times used to simply refer to PT Impack Pratama Industri Tbk in general.

Notes:

The number writing system in all tables inside this annual report uses the number writing system in Indonesian language.

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01

Ikhtisar Data Keuangan Penting
Highlights on Key Financial Data

Laporan Laba Rugi dan Penghasilan Komprehensif Lain Konsolidasian /
Consolidated Statements of Profit or Loss and Other Comprehensive Income

Dalam jutaan Rupiah / In Rp million

Uraian / Description	2017	2016	2015
Penjualan neto / Net revenues	1.193.054	1.135.296	1.147.838
Laba bruto / Gross profit	384.527	406.028	370.823
Laba tahun berjalan / Profit for the year	91.303	125.823	129.759
Total penghasilan komprehensif tahun berjalan / Total comprehensive income for the year	82.725	120.447	123.571
Laba tahun berjalan yang dapat diatribusikan kepada: / Profit for the year attributable to:			
- Pemilik Entitas Induk / Owner of the parent entity	87.262	102.543	76.797
- Kepentingan Non-Pengendali / Non-controlling interests	4.041	23.280	52.963
Penghasilan komprehensif tahun berjalan yang dapat diatribusikan kepada: / Comprehensive income for the year attributable to:			
- Pemilik Entitas Induk / Owner of the parent entity	79.204	97.294	71.178
- Kepentingan Non-Pengendali / Non-controlling interests	3.521	23.153	52.393
Laba per saham dasar / Basic earnings per share	18,05	21,22	158,88

Laporan Posisi Keuangan Konsolidasian /
Consolidated Statements of Financial Position

Dalam jutaan Rupiah / In Rp million

Uraian / Description	2017	2016	2015
Aset lancar / Current assets	1.200.669	1.261.952	897.761
Aset tidak lancar / Non-current assets	1.094.009	1.014.080	777.472
Total asset / Total assets	2.294.677	2.276.032	1.675.233
Liabilitas jangka pendek / Current liabilities	33.005	334.534	395.268
Liabilitas jangka panjang / Non-current liabilities	672.652	715.853	183.085
Total liabilitas / Total liabilities	1.005.657	1.050.387	578.353
Total ekuitas / Total equity	1.289.021	1.225.645	1.096.880

Laporan Arus Kas Konsolidasian /
Consolidated Statements of Cash Flows

Dalam jutaan Rupiah / In Rp million

Uraian / Description	2017	2016	Perubahan / Change
Arus kas dari aktivitas operasi / Cash flows from operating activities	20. 614	164.658	(87,5%)
Arus kas dari aktivitas investasi / Cash flows from investing activities	(123, 689)	(206.960)	(40,2%)
Arus kas dari aktivitas pendanaan / Cash flows from financing activities	(67.622)	443.584	(115,2%)
Kenaikan (penurunan) neto kas dan setara kas / Net increase (decrease) in cash and cash equivalents	(17.697)	401.282	(142,5%)
Pengaruh perubahan kurs / Foreign exchange effect	4.222	(1.533)	(375,4%)
Kas dan setara kas awal tahun / Cash and cash equivalents beginning of the years	521.518	121.769	328,3%
Kas dan setara kas akhir tahun / Cash and cash equivalents ending of the years	355.043	521.518	(31,9%)

Rasio Pertumbuhan / Growth Ratios

Dalam persen (%) / In percentage (%)

Uraian / Description	2017	2016	2015
Pendapatan neto / Net revenues	5,09	(1,09)	(18,78)
Laba tahun berjalan / Profit for the year	(27,44)	(3,03)	(55,26)
Total penghasilan komprehensif tahun berjalan / Total comprehensive income for the year	(31,32)	(2,53)	(56,39)
Aset / Assets	0,82	35,86	(3,75)
Liabilitas / Liabilities	(4,26)	81,62	(24,61)
Ekuitas / Equity	5,17	11,74	(12,69)

Rasio Keuangan / Financial Ratios

Dalam kali (x) / In times (x)

Rasio Total Aset Lancar terhadap Total Liabilitas Jangka Pendek / Total Current Assets to Total Current Liabilities Ratio	3,61	3,77	2,27
Rasio total liabilitas terhadap ekuitas / Total liabilities to equity ratio	0,78	0,86	0,53
Rasio total liabilitas terhadap total aset / Total liabilities to total assets ratio	0,44	0,46	0,35

Rasio Usaha / Operating Ratios

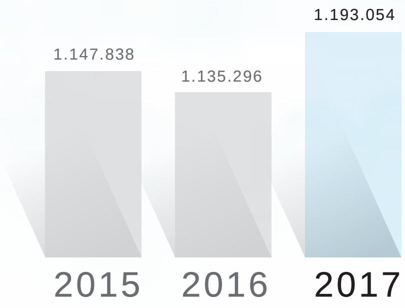
Dalam persen (%) / In percentage (%)

Laba tahun berjalan terhadap pendapatan neto / Profit for the year to net revenues	7,65	11,08	11,30
Laba tahun berjalan terhadap Total Aset / Profit of the year to Total Assets	3,98	5,53	7,75
Laba tahun berjalan terhadap Total Ekuitas / Profit of the year to Total Equity	7,08	10,27	11,83

Grafik Ikhtisar Keuangan
Chart of Financial Highlights

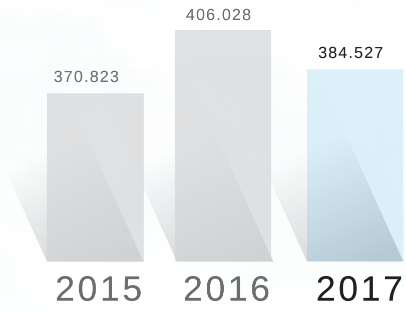
Pendapatan Neto
Net Revenues

dalam jutaan rupiah
in million rupiah



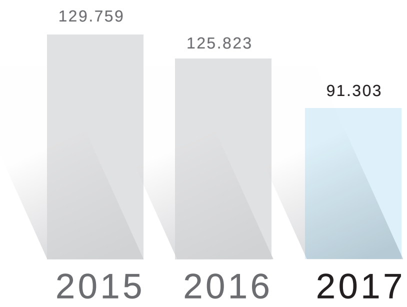
Laba Bruto
Gross Profit

dalam jutaan rupiah
in million rupiah



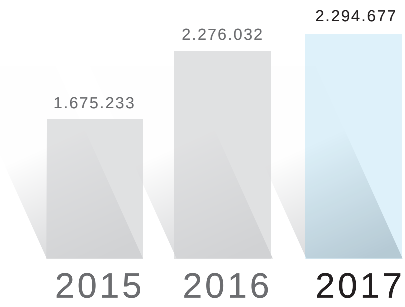
Laba Tahun Berjalan
Profit For The Year

dalam jutaan rupiah
in million rupiah



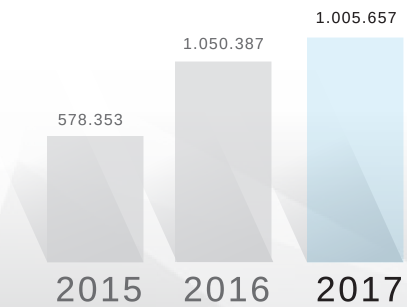
Total Aset
Total Assets

dalam jutaan rupiah
in million rupiah



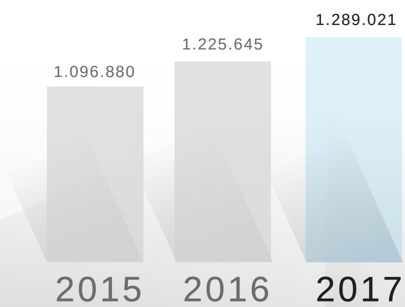
Total Liabilitas
Total Liabilities

dalam jutaan rupiah
in million rupiah



Total Ekuitas
Total Equity

dalam jutaan rupiah
in million rupiah



Informasi Saham
Stock Information

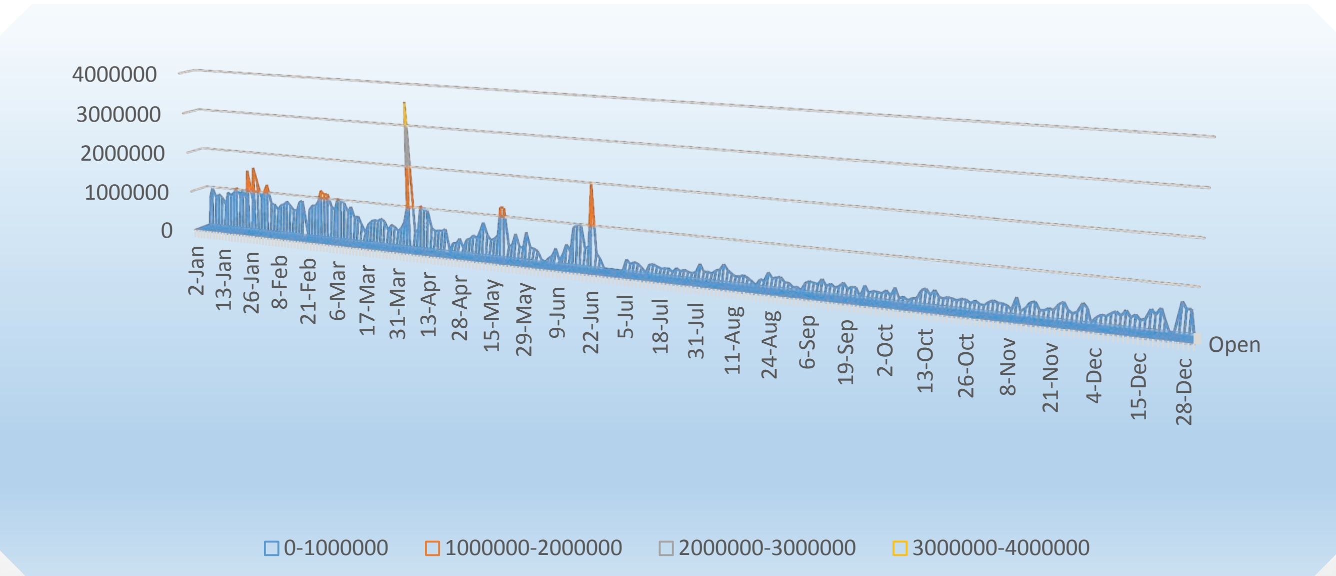
IKHTISAR SAHAM / STOCK HIGHLIGHTS

Triwulan / Quarter	2017					2016				
	Jumlah Saham Tercatat / Number of Listed Shares	Harga Saham Tertinggi / Highest Price	Harga Saham Terendah / Lowest Price	Harga Saham Penutupan / Closing Price	Volume Perdagangan Saham / Trading Volume	Jumlah Saham Tercatat / Number of Listed Shares	Harga Saham Tertinggi / Highest Price	Harga Saham Terendah / Lowest Price	Harga Saham Penutupan / Closing Price	Volume Perdagangan Saham / Trading Volume
Triwulan I Quarter I	4.833.500.000	1.070	940	950	48.558.900	483.350.000	9.625	9.125	9.575	120.119.000
Triwulan II Quarter II	4.833.500.000	990	915	990	19.452.400	4.833.500.000	995	945	995	100.066.900
Triwulan III Quarter III	4.833.500.000	1.035	980	1.000	11.870.000	4.833.500.000	1.075	970	1.050	86.104.200
Triwulan IV Quarter IV	4.833.500.000	1.095	970	1.090	15.024.500	4.833.500.000	1.060	1.000	1.025	151.091.000

Kapitalisasi pasar Perseroan yang tercatat pada Bursa Efek Indonesia (BEI) pada 2017 sebesar Rp5.268.515.000.000, sedangkan, pada 2016 tercatat sebesar Rp4.954.337.500.000.

The Company's market capitalization listed on Indonesia Stock Exchange (IDX) in 2017 amounted to Rp5,268,515,000,000, while in 2016 amounted to Rp4,954,337,500,000.

GRAFIK INFORMASI SAHAM / CHART OF STOCK INFORMATION



Peristiwa Penting 2017
2017 Significant Events

Januari
January

Perseroan melalui entitas anak, Impack International Pte Ltd, Singapura melakukan pembelian perusahaan OCI International Sdn Bhd, Malaysia (100% kepemilikan) serta merek dan bisnis Sealant & Adhesive dari OCI Holdings Berhad, Malaysia.
Through Impack International Pte Ltd, a subsidiary, the Company acquired OCI International Sdn Bhd, a company based in Malaysia (100% of ownership) as well as the brand and business of Sealant & Adhesive from OCI Holdings Berhad, Malaysia.

Maret
March

Penandatanganan *Memorandum Of Understanding* (MOU) *Inclusive Business* yaitu kolaborasi antara Perseroan dan Covestro untuk memasarkan Solar Dryer Dome di Indonesia.
The signing of Memorandum of Understanding (MoU) of Inclusive Business, namely a collaboration between the Company and Covestro to market Solar Dryer Dome in Indonesia.

April
April

Investasi tambahan 5 (lima) unit mesin PVC Solid Corrugated Roof (Alderon RS).
Carried out additional investment in the form of 5 (five) units of PVC Solid Corrugated roof (Alderon RS) machine.

Juni
June

Perseroan menyelenggarakan Rapat Umum Pemegang Saham Tahunan dan Rapat Umum Pemegang Saham Luar Biasa pada 16 Juni 2017 yang dilanjutkan dengan paparan publik.
The Company convened Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders on June 16, 2017, followed by a public expose.

Agustus
August

Perseroan melalui entitas anak yaitu Impack International Pte Ltd, Singapura dan anak usahanya Alsynite One NZ Ltd, New Zealand melakukan akuisisi bisnis dan aset perusahaan FRP dan Polikarbonat Alsynite NZ Limited di New Zealand.
Through Impack International Pte Ltd, Singapore, a Company's subsidiary and Alsynite One NZ Ltd, New Zealand, its subsidiary, the Company acquired the business and assets of FRP and Polycarbonate Alsynite NZ Limited in New Zealand.

Oktober
October

Perseroan melakukan pelunasan seluruh Medium Term Notes I Impack Pratama Industri I Tahun 2016 senilai Rp100.000.000.000
The Company paid off the Medium Term Notes I of Impack Pratama Industri of 2016 with the value of Rp100,000,000,000.

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Laporan Dewan Komisaris & Direksi

Report From The Board of Commissioners & Directors

02

LAPORAN DEWAN KOMISARIS

Board of Commissioners Report

Para Pemegang Saham yang Terhormat dan Seluruh Pemangku Kepentingan yang Terhormat,

Dear all respected Shareholders and Stakeholders,

Tahun 2017 telah kita lewati dengan berbagai strategi yang mampu menunjang kesinambungan usaha PT Impack Pratama Industri, Tbk. Dengan kerja keras dan dedikasi yang tinggi, Perseroan berhasil menjaga keseimbangan antara target jangka pendek dan tujuan jangka panjang serta meletakkan fondasi yang kuat bagi pertumbuhan di masa depan. Seluruh kegiatan usaha yang telah dihasilkan selalu mengutamakan kualitas, efisiensi, produktivitas, profitabilitas dan daya guna produk. Pada kesempatan ini, atas nama Dewan Komisaris, dengan bangga kami sampaikan laporan pengawasan Dewan Komisaris atas kinerja Perseroan untuk tahun buku 2017.

Sepanjang 2017, Dewan Komisaris menilai Direksi telah menjalankan tugas dan tanggung jawabnya dalam mengelola Perseroan dengan baik. Direksi juga telah menyikapi berbagai tantangan internal dan ekstenal melalui langkah-langkah strategis dan bijaksana. Hal ini didasarkan atas pertimbangan berbagai langkah yang dilakukan Direksi dalam menyikapi kondisi pasar dan perekonomian sepanjang tahun 2017.

2017 we passed by strategies that contribute to business sustainable of PT Impack Pratama Industri, Tbk. Through hard work and great dedication, Impack managed to maintain the balance between its short-term target and long-term objective, and place a strong foundation for its business growth in the future. All business activities conducted by the Company always prioritize quality, efficiency, productivity, profitability and effective utilization of the product. On this occasion, on behalf of the Board of Commissioners, I proudly present our report on the supervisory duty conducted on the Company's performance during 2017 fiscal year.

Over the course of 2017, the Board of Commissioners assesses that the Board of Directors has carried out their management duties and responsibilities properly. The Board of Directors has addressed various internal and external challenges by implementing sensible and strategic measures. Such assessment is based on the steps that were taken on the face of market and economic condition during 2017.

Dalam pandangan Dewan Komisaris, Direksi telah menunjukkan kinerja yang sangat baik dan berkontribusi dengan menunjukkan kinerja yang baik selaras dengan strategi bisnis Perseroaan.

We are of the opinion that the Board of Directors has demonstrated admirable performance and given great contributions to the Company achievement in line with its business strategies.

Penilaian Kinerja Direksi 2017

Pandangan kami atas kinerja Perseroan, Direksi telah menjalankan berbagai fungsinya dengan baik.

Direksi telah menerapkan berbagai inisiatif yang tepat untuk menjaga keseimbangan antara efisiensi, produktivitas, profitabilitas serta kualitas produk. Dengan menjaga fokus yang berimbang atas tujuan-tujuan jangka pendek maupun jangka panjang, Perseroan mampu untuk mencapai target-target strategis sesuai dengan visi dan misinya.

Hasil atas upaya-upaya Direksi pada tahun 2017 tercermin pada kinerja keuangan Perseroan yang cukup baik. Perseroan berhasil membukukan penjualan bersih sebesar Rp1.193 miliar atau meningkat 5,1% dibanding tahun sebelumnya yang tercatat sebesar Rp1.135 miliar. Sedangkan pencapaian laba tahun berjalan menurun sebesar 27,4% menjadi Rp91.303 miliar dari tahun sebelumnya.

Selain berhasil dalam meningkatkan kinerja operasional Perseroan, Direksi juga telah berhasil mengelola Perseroan dengan kepatuhan terhadap standar tata kelola yang relevan dan regulasi internal Perusahaan, termasuk peraturan Otoritas Jasa Keuangan (OJK), Bursa Efek Indonesia (BEI) dan Pemerintah.

Assessment on Board of Directors Performance in 2017

Our views on the Company performances that the Board of Directors has carried out their functions admirably.

The Board of Directors has implemented an array of initiatives that are deemed proper to maintain the equilibrium between the efficiency, productivity, profitability and quality of the products throughout the year. By maintaining balanced focus on the short-term and long-term objective, Impack would be able to achieve strategic targets in accordance with their vision and mission.

The results of efforts executed by the Board of Directors in 2017 are showcased in the positive financial performance of the Company. This year, the company managed to record net sales of Rp1,193 billion, an increase of 5.1% from the net sales of 2016 recorded at Rp1,135 billion. Meanwhile, the post of profit for the year declined by 27.4% to Rp91,303 billion in 2017 compared to the realization of the previous year

In addition to improving Company's operational performance, the Board of Directors also successfully managed the Company's compliance with the relevant governance standards and internal and external regulations, including the regulation of Financial Services Authority (OJK), Indonesia Stock Exchange (IDX) and the Government.

Penilaian Dewan Komisaris dibuat berdasarkan pembahasan berkala dengan Direksi dan Laporan Ketua Komite Audit yang mencakup laporan keuangan Perseroan, anggaran internal, rencana kerja audit internal dan akuntan publik.

Assessment of the Board of Commissioners was prepared through a regular discussion with the Board of Directors, as well as on the basis of the Report of Audit Committee which encompassed Company's financial statements, internal budget and internal audit work plan, as well as public accountant's report.

Pandangan atas Prospek Usaha

Kami menilai prospek usaha yang telah disusun oleh Direksi cukup realistis. Secara garis besar, Dewan Komisaris berpandangan bahwa prospek usaha yang telah disusun Direksi sudah baik dan sangat menjanjikan, selaras dengan visi dan misi Perseroan. Hal ini didukung oleh kondisi perekonomian nasional dan perkembangan bisnis manufaktur yang semakin kondusif beberapa tahun terakhir.

Produk-produk yang dihasilkan oleh Perseroan merupakan produk yang potensial bagi pembangunan infrastruktur yang sedang dilakukan oleh pemerintah saat ini. Perseroan optimis mampu menjual produknya seiring dengan meningkatnya kebutuhan dan permintaan bahan bangunan dari plastik.

Opinion on Business Outlook

We are of the opinion that the business outlook of the Company prepared by the Board of Directors has been realistic. Broadly speaking, the Board of Commissioners views that the business outlook has been prepared and is promising, in line with the Company's vision and mission. This is supported by the condition of domestic economy as well as conducive development of manufacturing industry in the last few years.

Products by Impack Pratama are potential for infrastructure development by the government, currently. The Company is optimistic to sell its products in line with the increasing needs and demand of plastic building materials.

Penerapan *Good Corporate Governance* (GCG) dan Penilaian terhadap Komite di bawah Dewan Komisaris

Penerapan Tata Kelola Perusahaan telah dilaksanakan Perseroan berlandaskan pada lima prinsip dasar (*Good Corporate Governance*/GCG) guna menciptakan pertumbuhan bisnis yang berkelanjutan. Dalam melakukan fungsi pengawasan, Dewan Komisaris dibantu oleh sejumlah komite Perseroan dibawah Dewan Komisaris. Kegiatan yang dilakukan oleh komite Perseroan dinilai cukup efektif untuk mendukung fungsi dan tanggung jawab Dewan Komisaris. Sepanjang 2017, seluruh komite-komite tersebut telah menjalankan fungsi dan tanggung jawab dengan sangat baik.

Komite Audit telah membantu Dewan Komisaris dalam menjalankan tanggung jawab pengawasannya terhadap proses pelaporan keuangan, sistem pengendalian internal, proses audit dan proses untuk memantau kepatuhan terhadap hukum, peraturan dan kode etik Perusahaan.

Implementation of Good Corporate Governance (GCG) and Assessment on Committees under Board of Commissioners

The Company has implemented Corporate Governance by always referring to the (5) five principles of GCG in order to create sustainable business growth. In conducting supervisory function, we are assisted by a number of Committees under the Board of Commissioners. Activities conducted by these committees are effective in supporting the implementation of our functions and responsibilities. During the year, all these committees have carried out their duties and responsibilities in a commendable manner.

The Audit Committee has assisted the Board of Commissioners in conducting supervisory duty on the processes of financial reporting, internal control system and audit, and in monitoring the compliance of the Company with the laws, regulations and code of conduct.

Frekuensi dan Cara Pemberian Nasihat Kepada Anggota Direksi

Dewan Komisaris telah memberikan nasihat dan arahan kepada Direksi melalui rapat gabungan yang dilaksanakan sepanjang 2017. Dalam rapat Dewan Komisaris senantiasa mendorong Direksi untuk terus meningkatkan implementasi aturan-aturan yang telah ditetapkan oleh regulator dalam setiap aktivitas bisnis Perseroan.

Perubahan Susunan Dewan Komisaris

Sepanjang 2017, tidak terdapat perubahan dalam komposisi Dewan Komisaris di Perseroan. Kami berharap komposisi ini mampu menjalankan tugas dan tanggung jawabnya secara optimal.

Apresiasi

Dewan Komisaris optimis Perseroan akan mampu meningkatkan pertumbuhan bisnis dengan menyikapi setiap tantangan yang ada dengan berbagai kebijakan strategis dengan komitmen untuk terus meningkatkan penerapan prinsip-prinsip GCG secara konsisten.

Dewan Komisaris mengamanatkan agar seluruh jajaran manajemen dan karyawan dapat bekerja sama secara sinergis dengan segenap *stakeholders* serta sukses mempersembahkan pelayanan prima melampaui tuntutan pelanggan.

Atas nama Dewan Komisaris, kami mengucapkan terima kasih kepada seluruh pemegang saham, karyawan, dan mitra usaha atas kepercayaan dan dukungan yang diberikan. Terima kasih atas dedikasi dan kerja keras yang tercurahkan demi upaya pengembangan Perseroan menjadi lebih baik lagi.

Frequency and Procedure of Advisory to Board of Directors

The Board of Commissioners has provided advice and directions to the Board of Directors through joint meetings conducted with the Board of Directors during the year. In the meetings, we continuously encouraged the Board of Directors to improve the implementation of regulations established by the regulators on all business activities of the Company.

Changes in Board of Commissioners Composition

There was no change in the composition of Board of Commissioners in 2017. We hope that the current composition will be able to perform the duties and responsibilities mandated to the Board of Commissioners optimally.

Appreciation

The Board of Commissioners is optimistic that the company will be able to leverage its business by addressing all challenges with strategic policies and strengthening commitment to always enhancing the implementation of GCG principles.

The Board of Commissioners requests that all levels of the management and the employees to carry out synergic cooperation with the stakeholders so as to be able to provide premium service that goes beyond customers' demands.

On behalf of the Board of Commissioners, I would like to extend our gratitude to all shareholders, employees and business partners for the trusts and supports given to the Company. We are also thankful for the dedication and hard work demonstrated over the years so that the Company can progress and develop towards an even better direction in the future.

Dewan Komisaris
Board of Commissioners

HANDOJO TJIPTODIHARDJO
Komisaris Utama
President Commissioner

CORNELIUS WIELIM PRANATA
Komisaris Independen
Independent Commissioner

Handojo Tjiptodihardjo
Komisaris Utama
President Commissioner

LAPORAN DIREKSI
Board of Directors Report

Para Pemegang Saham dan Seluruh Pemangku Kepentingan yang Terhormat,
Dear respected Shareholders and Stakeholders,

Kami masih berpegang pada komitmen untuk menghasilkan produk dan distribusi bahan bangunan dan barang plastik berkualitas serta penyediaan dan pengelolaan *real estate* yang nyaman. Kami bekerja keras membangun dan mempertahankan reputasi dengan mengokohkan tekad untuk kesempurnaan mutu serta kepuasan pelanggan. Setiap langkah menjadi rekam jejak yang membingkai kesetiaan kami dalam menghadirkan produk berkualitas dunia.

We remain steadfast in our commitment to creating and distributing high quality products, namely building materials and plastic goods, as well as providing and managing comfortable real estate. We strive to develop and maintain our reputation by solidifying our determination to leverage quality and reach customer satisfaction. Each step made becomes our milestones that cemented our loyalty to delivering world-class quality products.

KINERJA PERUSAHAAN 2017

Kebijakan Strategis

Perseroan senantiasa mencermati setiap perubahan kondisi lingkungan bisnis yang terjadi, baik yang bersifat eksternal maupun internal guna mencapai visi dan misi Perseroan. Beberapa kebijakan strategis yang kami laksanakan pada 2017 dari sisi keuangan antara lain dengan menjaga kolektibilitas piutang.

2017 COMPANY PERFORMANCE

Strategic Policies

The Company constantly takes into account all changes in business environment, either externally or internally, to realize its vision and mission. Several strategic policies on financial front carried out in 2017 were maintaining receivables collectability.

Dengan meningkatnya kebutuhan dan permintaan masyarakat terhadap properti dan barang-barang konsumsi, maka juga akan meningkatkan penjualan produk yang dihasilkan oleh Perseroan.

With the increasing public needs and demands for property and consumer goods, product sales of the Company also increased.

Dari sisi operasional, kami melakukan peningkatan kapasitas produksi, perluasan pangsa pasar baru dan peningkatan penjualan lokal baik retail maupun pasar proyek serta penjualan ekspor, dengan menggunakan merek-merek Perseroan yang telah dikenal pasar.

Kebijakan tersebut cukup efektif, yang dapat ditunjukkan antara lain dari meningkatnya penjualan bisnis utama (*core business*) sebesar 13,8% dari tahun sebelumnya, ekuitas yang mengalami peningkatan, serta rasio utang terhadap modal (*debt to equity ratio*) yang sehat. Pada praktiknya, penerapan kebijakan strategis tersebut dapat meraih pertumbuhan bisnis, meningkatkan pangsa pasar, serta penambahan kapasitas produksi.

Di sisi lain, pada tahun 2017, kami juga secara berkelanjutan menciptakan produk-produk inovatif diantaranya melakukan kerja sama dengan produsen polimer/polycarbonate, Covestro (d/h Bayer Material Science) dalam rangka *Inclusive Business*, yaitu Solar Dryer Dome (SDD) yang berkomitmen dalam peningkatan manajemen pasca panen bagi petani dan nelayan di daerah yang kurang terlayani.

In terms of operations, we continued to enhance our production capacity, expand market share and improve local sales, both in retail and project markets, as well as leveraging export activities through the widely-known brands of the Company in the market.

These policies were relatively effective as demonstrated in, among others, the rising sales of core business by 13.8% compared to the previous year, the increase in equity, as well as the soundness of debt to equity ratio. In practice, the strategic policies implementation managed to drive the Company's business growth, improve market share and elevate production capacity.

On the other hand, we continue to generate innovative products, among others, through cooperation with polymer/polycarbonate producer, Covestro (formerly Bayer Material Science), in an Inclusive Business scheme, the Solar Dryer Dome product. Through this, the Company is committed to improving the management of post-harvest process for the farmers and fishermen in underserved areas.

Dengan solar dryer dome, petani akan terbantu dalam proses pengeringan produk seperti pisang, tomat, cabai, kakao, biji kopi, dan rempah rempah serta produk perikanan untuk masyarakat nelayan dalam keadaan yang lebih higienis, serta meningkatkan kualitas produk dan hasil produksi.

With solar dryer domes, the farmers can improve the drying process of their products, such as bananas, tomatoes, chilies, cacaos, coffee beans, and spices, as well as fishery products for the fishermen, in a more hygienic condition, with a goal to increase product quality and yields.

Kerja sama ini kami harapkan dapat mempererat kolaborasi Impack Pratama dan Covestro dalam membantu peningkatan sosial dan ekonomi kehidupan petani kecil.

Through this cooperation, we hope that partnership between Impack Pratama and Covestro can be stronger and can support the development of social and economic condition of the small farmers.

Selain itu, kami juga melakukan penambahan kapasitas produksi dan juga efisiensi dalam operasional manufaktur. Penambahan kapasitas Perseroan dilakukan melalui pembelian mesin otomatisasi untuk divisi Alderon PT Unipack Plasindo, Cikarang. Selain itu PT Unipack Plasindo juga menambah model *profile* untuk merk dagang Alderon RS yang berhasil menambah kecepatan produksinya. Perseroan juga menambah dan mengganti mesin produksi di PT OCI Material Pratama dan berhasil menambah keuntungan.

We also increased our production capacity this year and conducted efficiency in manufacturing operations. The Company's capacity improvement is carried out by purchasing automation machine for Alderon Division of PT Unipack Plasindo in Cikarang. Furthermore, PT Unipack Plasindo also increased its profile model for Alderon RS brand which had successfully increased their production speed. The Company also added and replaced production machines at PT OCI Material Pratama and managed to gain more profit.

Dalam aksi korporasi, di tahun 2017 Perseroan mengakuisisi bisnis Sealant & Adhesive di Malaysia dan Pabrik FRP di New Zealand. Dari akuisisi ini telah menambah kontribusi peningkatan penjualan ekspor senilai Rp 56,5 miliar bagi Perseroan di tahun 2017. Keuntungan lainnya, penghasilan dalam dolar juga akan naik. Setelah akuisisi ini, Perseroan memiliki empat lokasi kegiatan produksi, yakni Cikarang dan Karawang di Indonesia, Long Thanh District di Vietnam, serta Hamilton di Selandia Baru.

In regard to corporate action, the Company acquired the business of Sealant & Adhesive in Malaysia and FRP Factory in New Zealand in 2017. This acquisition increased the contribution of export sales in 2017 amounting to Rp56.5 billion for the Company, in addition to increasing revenues in dollar currency. Furthermore, through this acquisition, the Company currently possesses four production facilities located in Cikarang and Karawang in Indonesia, Long Thanh District in Vietnam and Hamilton in New Zealand.

Pencapaian 2017

Kinerja Perusahaan untuk bisnis utamanya (core business) di bidang bahan bangunan plastik, mencatatkan nilai penjualan untuk bisnis utama perusahaan mencapai Rp1.155 miliar atau meningkat sekitar 13,8% dibandingkan dengan tahun 2016.

Tahun 2017, kami juga mencatatkan laba tahun berjalan sebesar Rp91 miliar atau kurang dari 27,4% dibandingkan dengan tahun 2016.

Bisnis utama Perseroan menyumbangkan laba tahun berjalan sebesar Rp83 miliar atau menurun sekitar 7,1% dibandingkan dengan tahun 2016.

2017 Achievements

The Company's core business performance in plastic material for buildings recorded sales value of Rp1,155 billion, a growth of 13,8% compared to that of 2016.

Meanwhile, profit for the year was booked at Rp91 billion, lower than that of the previous year by 27.4%.

The Company's core business contributed profit for the years amounted to Rp83 billion, down by 7,1% from the value recorded in 2016.

Untuk sektor properti, Perseroan mencatatkan nilai penjualan tahun 2017 sebesar Rp37,5 miliar atau menurun sekitar 68,7% dibandingkan tahun 2016, hal ini disebabkan masih belum pulihnya kembali minat investasi di unit ruang perkantoran.

In property sector, the Company recorded sales value in 2017 amounting to Rp37.5 billion, a decline of 68.7% from the value of 2016 due to the interest of the public for investing in office units which has yet to recover.

Perseroan memilki 3 (tiga) jenis produk yaitu roofing, *facade* dan material, yang kegiatan lokasinya berada di Cikarang dan Karawang di Indonesia, Long Thanh District di Vietnam, serta Hamilton di Selandia Baru.

The Company has 3 (three) types of products, namely roofing, façade and material, with production facilities located in Cikarang and Karawang in Indonesia, Long Thanh District in Vietnam, and Hamilton in New Zealand.

Upaya yang dilakukan oleh Perseroan agar produksi semakin mendekati kapasitas terpasang adalah dengan mengupayakan peningkatan jumlah permintaan pembelian dari pelanggan.

Efforts conducted by the Company to push production to reach the installed capacities were carried out by increasing the amount of purchasing demands from the customers.

Inovasi 2017

Pada 2017, Inovasi yang dilakukan Perseroan dalam rangka peningkatan kualitas produk yang dibutuhkan konsumen adalah:

1. *Adhesive & Sealant*
2. *ACP Decobond* 2 mm (lebih ekonomis)
3. *Solar Dryer Dome*

2017 Innovations

Innovations created by the Company in 2017 to improve product quality required by the consumers are, among others:

1. Adhesive & Sealant
2. ACP Decobond 2 mm (economically)
3. Solar Dryer Dome

Optimisme dan Tantangan

Pada 2017, secara umum Perseroan tidak mendapatkan kendala yang cukup besar, namun belum stabilnya perekonomian nasional menyebabkan daya serap masyarakat tidak maksimal dan hanya “wait and see” jika tidak sangat membutuhkan barang untuk dibeli. Selain itu, nilai kurs USD terhadap Rupiah yang berada pada kisaran Rp13.300-Rp13.600 masih cukup tinggi sehingga menyebabkan daya beli rendah. Hal tersebut semakin diperumit oleh "country risk" Indonesia yang meningkat akibat demo-demo ormas yang berlatar belakang politik.

Optimism and Challenges

Broadly speaking, there was neither significant challenge nor obstacle faced by the Company in 2017. Nevertheless, the economic condition which has yet to stabilize caused minimum public absorption rate and forced them to take “wait and see” policy in terms of purchasing goods. Furthermore, the currency exchange rate of USD against Rupiah in 2017 which was at the range of Rp13,300-Rp13,600 was still relatively high and further drove the decline in purchasing power. The "country risk" for Indonesia was also a factor contributing to the complexity of economic condition this year due to demonstrations conducted by several mass organizations during the year.

PROSPEK USAHA

Prospek usaha masih terbuka luas seiring dengan masih berjalannya pembangunan infrastruktur oleh pemerintah yang menciptakan peluang-peluang baru bagi produk-produk Perseroan. Penggunaan polikarbonat untuk proyek MRT dan LRT masih akan dilaksanakan meskipun sempat tertunda pada 2017.

BUSINESS OUTLOOK

The Company’s business outlook remains positive in line with the infrastructure development activities carried out by the government, which create new opportunities for the Company and its products. The use of polycarbonate sheet for MRT and LRT projects will be continued despite the delay occurring in 2017.

Strategi lain yang dilakukan Perseroan adalah dengan lebih fokus terhadap beberapa industri seperti pertanian/agrikultur, peternakan sapi, peternakan ayam, dan peternakan lainnya. Selain itu, Perseroan juga terus mencari peluang-peluang baru untuk meningkatkan penjualan dari aplikasi-aplikasi baru di industri pertanian dan peternakan.

Other strategies, the Company will enhance its focus on several industries, such as agriculture, cattle and poultry farming, and other forms of animal husbandry. In addition to commercial business, we also sought for new opportunity in 2017 to improve sales from new application in agriculture and livestock farming industries.

PENERAPAN *GOOD CORPORATE GOVERNANCE*

Sepanjang 2017, Perseroan mampu mempertahankan kinerja dengan baik. Hal itu karena didorong oleh penerapan tata kelola perusahaan yang baik oleh Perseroan.

Seluruh prinsip GCG diterapkan pada setiap aktivitas bisnis sehingga Perseroan berkomitmen untuk menjadi warga korporasi yang baik melalui pelaksanaan nilai-nilai dan kode etik Perseroan.

Selain itu, manajemen risiko dijalankan dengan penuh kehati-hatian yang didasarkan pada peraturan perundang-undangan yang berlaku. Kepatuhan pada ketentuan pasar modal dijalankan secara berkesinambungan agar tercapai keselarasan bisnis dan peningkatan kualitas kehidupan masyarakat.

GOOD CORPORATE GOVERNANCE IMPLEMENTATION

During the course of the year, the Company successfully maintained its performance with the support of proper implementation of Good Corporate Governance (GCG) principles.

The Company's commitment to becoming a good corporate citizen is realized through the implementation of GCG principles in each business activities as well as incorporation of Corporate values and code of conduct in all personnel.

Furthermore, risk management system is carried out in a continuous and prudent manner on the basis of the prevailing laws and regulations. Compliance with capital market provisions is also conducted constantly so as to reach harmony in business and to develop public's life quality.

PERUBAHAN KOMPOSISI ANGGOTA DIREKSI

Pada 2017, Perseroan tidak melakukan perubahan atas komposisi anggota Direksi.

CHANGES IN BOARD OF DIRECTORS COMPOSITION

There was no change in the composition of Board of Directors in 2017.

PENUTUP

Sebagai penutup, Direksi menyampaikan ucapan terima kasih dan apresiasi yang tinggi kepada Dewan Komisaris atas segala arahan dan saran yang diberikan kepada Direksi. Penghargaan yang sama juga disampaikan kepada pada pemegang saham, pelanggan dan mitra usaha, atas dukungan, kepercayaan dan kerja sama yang telah terjalin dengan sangat baik.

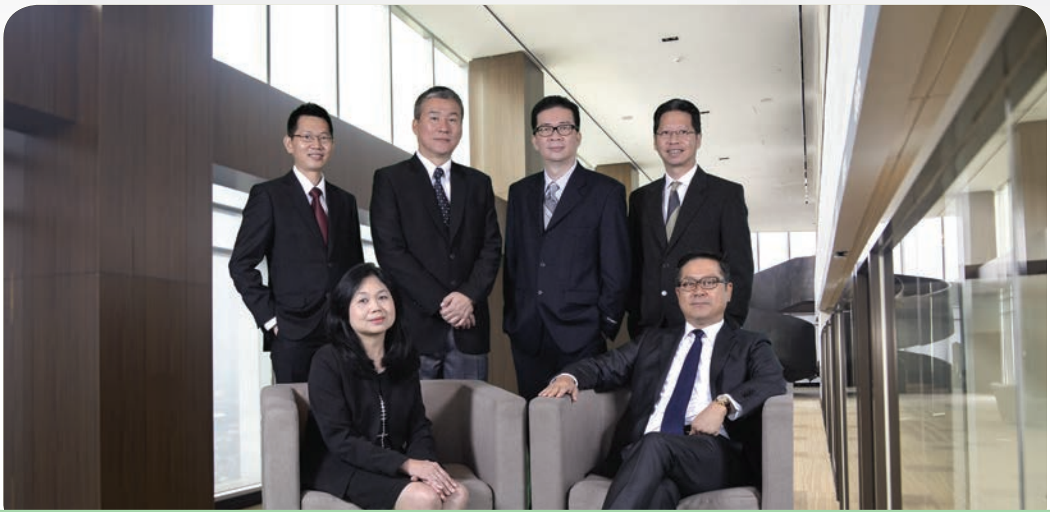
Direksi juga menyampaikan terima kasih dan penghargaan setinggi-tingginya kepada seluruh karyawan yang telah berkarya dengan penuh dedikasi dan kecintaan dalam melaksanakan tugas dan tanggung jawab masing-masing, serta mendukung upaya untuk mewujudkan visi dan misi Perseroan.

CLOSING

To conclude, the Board of Directors would like to extend the highest gratitude and appreciation to the Board of Commissioners for the directions and recommendations given to us. We would also like to express our gratitude to the shareholders, customers and business partners, for their relentless supports and trusts, as well as cooperation that has been well-nurtured.

We would also like to offer our utmost gratitude to the employees who have demonstrated their dedication and care in carrying out their duties and responsibilities, and in supporting the realization of the Company's vision and mission.

Direksi
Board of Directors



ALLEND WIBOWO
Direktur Independen / Independent Director

NGA SEG MIN
Direktur / Director

JANTO SALIM
Direktur / Director

DAVID HERMAN LIASDANU
Direktur / Director

LINDAWATI
Direktur / Director

HARYANTO TJIPTODIHARDJO
Direktur Utama / President Director

kiri ke kanan / left to the right

Ucapan terima kasih tak lupa kami sampaikan kepada seluruh pemangku kepentingan serta segenap pihak lainnya yang tidak dapat kami sebutkan satu persatu, yang senantiasa telah menjalin kerjasama terbaik sehingga Perseroan dapat meraih hasil yang terbaik.
Terima kasih.

We also thank our stakeholders and other parties whom we cannot mention one by one. Through their support and cooperation, we believe that the Company will reach better achievement and give the best performance in the years to come.
Thank you.

Haryanto Tjiptodihardjo
Direktur Utama
President Director


"Harvesting power of the sun"
covestro
PARABOLA DOME SOLAR DRYER
An innovation from Silpakorn University, Thailand
Supported, constructed and disseminated under
Covestro & Impack Pratama Inclusive Business Collaboration
No 2. – West Java - June, 2017

Profil Perusahaan

Company Profile

03

Akses Informasi dan Data Perusahaan

Access to Company Information and Data

Nama Perusahaan Name of the Company	PT Impack Pratama Industri Tbk
Tanggal Pendirian Date of Establishment	26 Januari 1981 January 26, 1981
Bidang Usaha Line of Business	Perseroan bergerak sebagai produsen dan distributor bahan bangunan dan bahan plastik serta real estate melalui penyertaan pada entitas anak. The Company is a manufacturer and distributor of building materials and plastic products and engaged in is real estate business through investment in subsidiaries.
Alamat Lengkap Perusahaan Full Address of the Company	Altira Office Tower Lantai 38, Altira Business Park, Jl. Yos Sudarso No. 85, Kel. Sunter Jaya, Kec. Tanjung Priok, Jakarta 14350, Indonesia Telepon / Phone : (+62 21) 2188 2000 Faksimili / Facsimile : (+62 21) 2188 2002 E-mail : corporate.secretary@impack-pratama.com Website : www.impack-pratama.com
Tanggal Pencatatan Saham di Bursa Efek Indonesia Share Listing Date on Indonesia Stock Exchange	17 Desember 2014 December 17, 2014
Kode Saham Ticker Code	IMPC
Pemegang Saham Shareholders	Haryanto Tjiptodihardjo (1,69%) PT Harimas Tunggal Perkasa (43,72%) PT Tunggal Jaya Investama (45,6%) Masyarakat / Public (8,99%)
Modal Dasar Authorized Capital	Jumlah Saham 17.000.000.000 lembar Jumlah Nominal Rp170.000.000.000 Total Shares 17,000,000,000 shares Nominal Value Rp170,000,000,000
Modal Ditempatkan dan Disetor Penuh Issued and Fully Paid-in Capital	Jumlah Saham 4.833.500.000 lembar Jumlah Nominal Rp48.335.000.000 Total Shares 4,833,500,000 shares Nominal Value Rp48,335,000,000
Jumlah Saham yang Beredar Total Shares Outstanding	4.833.500.000 saham 4,833,500,000 shares
Akta Pendirian dan Anggaran Dasar Perusahaan Deed of Establishment and Articles of Association of the Company	Akta Pendirian No.55 tanggal 26 Januari 1981 dengan pengesahan Menteri Kehakiman Republik Indonesia No. Y.A.5/179/4 tanggal 26 Januari 1981. Anggaran Dasar Perusahaan telah beberapa kali mengalami perubahan, terakhir diubah dengan Akta Pernyataan Keputusan Rapat No.23 tanggal 5 Juni 2015 yang telah diterima dan dicatat oleh Menteri Hukum dan Hak Asasi Manusia melalui suratnya Nomor: AHU-AH.01.03-0944020 tanggal 19 Juni 2016 bertalian dengan Akta Pernyataan Keputusan Rapat No. 81 tanggal 27 Mei 2016 yang perubahan Anggaran Dasar telah diterima dan dicatat oleh Menteri Hukum dan Hak Asasi Manusia Melalui Suratnya Nomor: AHU-AH.01.03-0055802 Tentang Penerimaan Pemberitahuan Perubahan Anggaran Dasar Perseroan serta termuat pada Daftar Perseroan Nomor AHU0071017.AH.01.11 Tahun 2016 tanggal 09 Juni 2016 dan perubahan Data Perseroan telah diterima oleh Menteri Hukum dan Hak Asasi Manusia Melalui Suratnya Nomor: AHU-AH.01.03-0055802 tanggal 09 Juni 2016. Deed of Establishment No. 55 dated January 26, 1981 with validation from the Minister of Justice of the Republic of Indonesia No. Y.A.5/179/4 dated January 26, 1981. The Company's Articles of Association has been amended for several times with the most recent amendment in accordance with the Deed of Meeting Resolutions No. 23 dated June 5, 2015, which has been received and recorded by the Minister of Justice and Human Rights through letter No. AHU-AH.01.03-0944020 dated June 19, 2016, juncto Deed of Meeting Resolutions No. 81 dated May 27, 2016, of which the Amendment to the Articles of Association has been received and recorded by the Minister of Justice and Human Rights through Letter No. AHU-AH.01.03-0055802 on Receive of Notification on the Amendment to the Articles of Association of the Company, and included in the Company Register No. AHU0071017.AH.01.11 Year 2016 dated June 9, 2016, of which the change to the Company's Data has been received by the Minister of Justice and Human Rights through Letter No. AHU-AH.01.03-0055802 dated June 9, 2016.

Jejak Langkah
Milestones

1981
PT Impack Pratama Industri berdiri.
PT Impack Pratama Industri was established.

1982
Perseroan memulai produksi Impraboard® dan menjadi produsen lembaran polypropylene twinwall pertama dan satu-satunya di Asia Tenggara. / The Company commenced the production of Impraboard® and became the first and the only manufacturer of polypropylene twinwall sheet in Southeast Asia.

1984
Perseroan memproduksi PVC compound dengan merek dagang Polyvic®, Vynil Compound yang layak digunakan untuk kemasan makanan. / The Company manufactured PVC compound with Polyvic® as its brand name. This PVC compound is a vinyl compound that is safe for use as a food container.

1990
Perseroan mengakuisisi seluruh saham Mulford Holding Group, distributor lembaran plastic terbesar di Australia dan New Zealand. / The Company acquired 100% shares of Mulford Holding Group, the largest plastic sheet distributor in Australia and New Zealand.

1992
Perseroan memulai produksi SolarTuff®, yang merupakan atap Polycarbonate pertama di Asia Tenggara. / The Company commenced the production of SolarTuff®, the first polycarbonate roof products in Southeast Asia.

1995
Perseroan mengakuisisi seluruh aset dan divisi bisnis dari Marley Plastic, sebuah perusahaan manufaktur lembaran plastic di Autralia, dan kemudian merubah namanya menjadi Laserlite Pty,Ltd. / The Company acquired all assets and business division of Marley Plastic, a plastic sheet manufacturing company in Indonesia, and then changed its name into Laserlite Pty,Ltd.

1996
Perseroan memproduksi lembaran atap vynil berkualitas tinggi pertama di Indonesia dengan merek dagang Lasercool®. / The Company commenced the production of the first high-quality vinyl roofing sheet in Indonesia under the brand name of Lasercool®.

1997
Perseroan memulai memproduksi Twinlite®, lembaran polycarbonate twinwall pertama di Asia Tenggara. / The Company commenced the production of Twinlite®, the first twinwall polycarbonate sheet in Indonesia.

1998
Perseroan mengakuisisi seluruh saham PT Unipack Plasindo Corp., salah satu produsen terbesar bijih plastik dan kemasan PVC. / The Company acquired 100% shares of PT Unipack Plasindo Corp., one of the largest manufacturers of plastic ores and PVC packaging products.

1999
Perseroan mengakuisisi seluruh saham Alsynite Roofing Pty,Ltd (Sydney), salah satu produsen besar FRP dan ventilasi atap di Australia. / The Company acquired 100% shares of Alsynite Roofing Pty,Ltd (Sydney), one of the major manufacturers of FRP and roof ventilation in Australia.

Perseroan melakukan divestasi Laserlite Pty.Ltd kepada Buyer Material Science. / The Company divested Laserlite Pty.Ltd to Buyer Material Science.

2002
Perseroan meluncurkan produk Twinlite X-3® yaitu lembaran polycarbonate berstruktur tiga lapis pertama di Indonesia dan melipatgandakan kapasitas terpasang untuk produksi lembaran polycarbonate. / The Company launched Twinlite X-3® product, the first polycarbonate sheet with 3-layer structure in Indonesia and doubled the installed capacity for polycarbonate sheet production.

2003
Perseroan melakukan divestasi atap saham Mulford Holding Group dan Alsynite Roofing. / The Company divested the shares of Mulford Holding Group and Alsynite Roofing.

2004
PT Kreasi Dasatama salah satu entitas anak perusahaan meningkatkan kapasitas terpasang produksi lembaran polypropylene twinwall menjadi 5.000 MT/tahun. / PT Kreasi dasatama, one of the Company's subsidiaries, improved the installed capacity for polycarbonate twinwall sheet production to 5,000 MT/annum

2009
Perseroan meluncurkan lembaran embossed polycarbonate pertama di Indonesia dan memulai produksi profil polycarbonate (H-join dan U-profile), sehingga menaikan kapasitas terpasang menjadi 16.800 MT/tahun. / The Company launched the first embossed polycarbonate sheet in Indonesia and commenced the production of polycarbonate profile (H-joint and U-profile); therefore, increasing the installed capacity to 16,800 MT/year.

2011
Perseroan merelokasi lembaran polycarbonate dan lembaran polypropylene ke lahan baru seluas 84.409 m2. / The Company relocated the polycarbonate and polypropylene sheets to a new area of 84,409 sqm.

2012
Perseroan memulai proyek pembangunan Altira Business Park, sebuah komplek perkantoran dengan lahan seluas 26.000 m2 dengan sebuah menara perkantoran yang memiliki 32 lantai untuk kantor pusat Impack Pratama Group. / The Company commenced the construction project of Altira Business Park, an office complex with 32-floor office tower on an area of 26,000-sqm for the head office of Impack Pratama Group.

2013
Perseroan memulai produksi polycarbonate twinwall di Vietnam dengan kapasitas terpasang 4.200 MT/tahun. / The Company commenced the production of twinwall polycarbonate in Vietnam with an installed capacity of 4,200 MT/annum.

2014
Perseroan mulai memproduksi Alcotuff dan Alcolite, Alumunium Composite Panel bekualitas premium pertama di Indonesia yang memiliki keunggulan fitur tahan terhadap api. / The Company commenced the production of Alcotuff and Alcolite, the first premium-quality Aluminum Composite Panel product in Indonesia with fire-resistant feature.

2015
Perseroan memulai produksi Sealtuff-Sealant Hybrid berperforma tinggi, melalui entitas anak perusahaanya, PT Master Sepadan Indonesia. / The Company commenced the production of Sealtuff, a high-performing Hybrid Sealant product, through PT Master Sepadan Indonesia, a Company's subsidiary.

Perseroan membeli Alderon, sebuah perusahaan distribusi (atap berlogam uPVC double walls), untuk memperluas bisnis bahan bangunan. / The Company acquired Alderon, a distributor of metal roof and uPVC double walls products, to expand its building materials business.

2016
Perseroan mencatatkan sahamnya di Bursa Efek Indonesia dengan kode saham IMPC. / The Company listed its shares on Indonesia Stock Exchange under the ticker code of IMPC.

Perseroan membeli Laserlite Australia dan New Zealand, divisi polycarnonae dari Bayer Material Science Pty Ltd. / The Company acquired Laserlite Australia and New Zealand, the polycarbonate division of Bayer Material Science Pty Ltd.

Perseroan membeli lahan seluas 10 Ha di Delta Silicon Cikarang untuk mengembangkan kapasitas produksi bahan bangunan. / The Company purchased 10 Ha of land at Delta Silicon Cikarang to expand its building material production capacity.

2017
Perseroan meluncurkan Twinlite Greca-atap bergelombang polycarbonate twinwall pertama di Indonesia. / The Company launched Twinlite Greca, the first wavy polycarbonate twinwall roof product in Indonesia.

Perseroan meluncurkan lembaran polycarbonate solid untuk meningkatkan jajaran produk polycarbonate di Vietnam. / The Company launched polycarbonate solid sheet product to improve the polycarbonate product lines in Vietnam.

Perseroan dan produsen polimer, Covestro, mengadakan kerjasama Bisnis Inklusif produk inovasi Solar Dryer Domes dalam rangka peningkatan manajemen pasca panen bagi petani dan nelayan. / The Company cooperated with Covestro, a polymer manufacturer, in the form of inclusive business partnership to manufacture Solar Dryer Dome, an innovative product to support the management of post-harvest activity for farmers and fishermen.

Akuisisi bisnis dan aset perusahaan Sealant & Adhesive, OCI Holding Sdn Bhd, Malaysia. / The Company acquired the business and assets of OCI Holding Sdn Bhd, a Sealant & Adhesive company based in Malaysia.

Akuisisi bisnis dan aset perusahaan FRP & Polycarbonate Alsynite NZ Limitied di New Zealand. / The Company acquired the business and assets of FRP & Polycarbonate Alsynite NZ Limited, a company based in New Zealand.

Kantor pusat perusahaan pindah ke Altira Tower, Altira Business Park. / The Company relocated its head office to Altira Tower, Altira business Park.

Meluncurkan tipe terbaru dari produk Alderon, yakni Alderon RS, atap Alderon yang lebih ekonomis, awet, dan tahan terhadap unsur-unsur kimia. / The Company launched the newest type of Alderon product, Alderon RS. This product is more affordable and has higher durability and resistance against chemical elements.

Membeli beberapa mesin baru untuk meningkatkan kapasitas terpasang produksi atap Alderon dan variannya menjadi 19.500 MT. / The Company purchased several new machineries to improve the installed capacity of Alderon roof production and its derivatives to 19,500 MT.

Menerbitkan obligasi rupiah untuk pertama kalinya senilai 500 milyar rupiah, dan mendapatkan rating A-. / The Company issued Rupiah denomination bonds for the first time with the value of Rp500 billion and A- rating.

Sekilas Perusahaan
Company in Brief

Kantor Pusat
PT Impack Pratama Industri Tbk

Head Office of
PT Impack Pratama Industri Tbk

Dahulu bernama PT Impack Pratama Industries Co. Ltd., Perseroan berdiri pada tahun 1981 melalui Surat Pengesahan Menteri Kehakiman Republik Indonesia No. Y.A.5/179/4. Pada 1982, Perseroan mengawali produksi Impraboard® dan menjadi produsen polypropylene twinwall sheet yang pertama dan satu-satunya di Asia Tenggara. Pada 1993 Perseroan secara resmi mengubah namanya menjadi PT Impack Pratama Industri. Dan pada tanggal 17 Desember 2014, saham perdana Perseroan resmi diperdagangkan di Bursa Efek Indonesia.

Selama perjalanan usaha 36 tahun, Perseroan terus berekspansi dengan mengembangkan dan meluncurkan produk-produk yang berguna bagi masyarakat maupun melakukan akuisisi perusahaan-perusahaan lain yang sesuai dengan strategi dan bisnis Perseroan. Saat ini Perseroan memiliki 13 Entitas Anak yang berlokasi di Indonesia, Singapura, Vietnam, dan New Zealand dengan 4 lokasi pabrik yang berada di Cikarang, Karawang, Vietnam, maupun New Zealand.

Komitmen Perseroan dalam menjalankan bisnis yang terintegrasi dengan kebutuhan masyarakat dan bangsa Indonesia guna meningkatkan taraf hidup yang lebih baik, telah mengokohkan Perseroan sebagai pemimpin dalam industri bahan bangunan berbahan plastik di Indonesia.

Formerly known under the name of PT Impack Pratama Industries Co. Ltd., the Company was established in 1981 pursuant to the Validation Letter of Minister of Justice of the Republic of Indonesia No. Y.A.5/179/4. In 1982, the Company commenced the production of Impraboard® and became the first and the only manufacturer of polypropylene twinwall sheet in Southeast Asia. The Company officially changed its name into PT Impack Pratama Industri in 1993 and on December 17, 2014, the Company’s shares were officially traded for the first time on Indonesia Stock Exchange.

During its 36 years of operations, the Company continues to expand its business by developing and launching useful products for the public as well as acquiring other companies in accordance with the Company's strategy and business. At present, the Company has 13 Subsidiaries that are located in Indonesia, Singapore, Vietnam and New Zealand, as well as 4 factories located in Cikarang, Karawang, Vietnam and New Zealand.

The Company's commitment to carrying out business activity that is integrated with the needs of the people and the nation and to improving the living standard has strengthened The Company position as a leader in the industry of plastic building materials in Indonesia.

Visi dan Misi
Vision and Mission

Visi
Vision

Menjadi perusahaan penyedia bahan bangunan dan barang plastik Indonesia yang terdepan di industrinya yang mampu menghasilkan produk berkelas dunia.

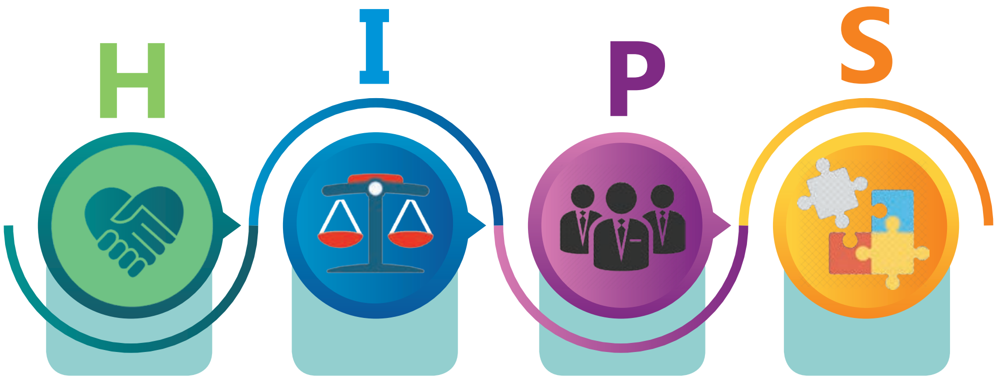
To become a leading plastic building materials company in Indonesia that is capable of producing world-class products.

Misi
Mission

- Senantiasa menyediakan produk yang berkualitas, inovatif, bermanfaat, terpercaya & senantiasa dicari konsumen.
- Untuk menciptakan produk dengan merek ternama dan mendominasi market sehingga bisa membuat produksi berskala besar dan memberikan pilihan produk ke konsumen dengan harga yang terjangkau.
- Senantiasa memiliki, mempertahankan dan meningkatkan sumber daya manusia yang kompeten, bersemangat dan berintegritas untuk kemajuan Perseroan.
- Menciptakan dan berperan serta dalam projek-projek ramah lingkungan, sebagai tanggung jawab Perseroan untuk kelestarian lingkungan

- To provide high quality, innovative and useful building materials that are trusted and sought after.
- To create strong product brands and to achieve dominant market position which allow us to offer consumers an affordable choice of product through mass production scale.
- To maintain good human capital by hiring and enhancing competent, passionate and dedicated human resources for the growth of the Company.
- To pursue and contribute “"green and environmentally-friendly"” projects as Good Citizen of the earth.

Nilai-Nilai Perusahaan
Group Values



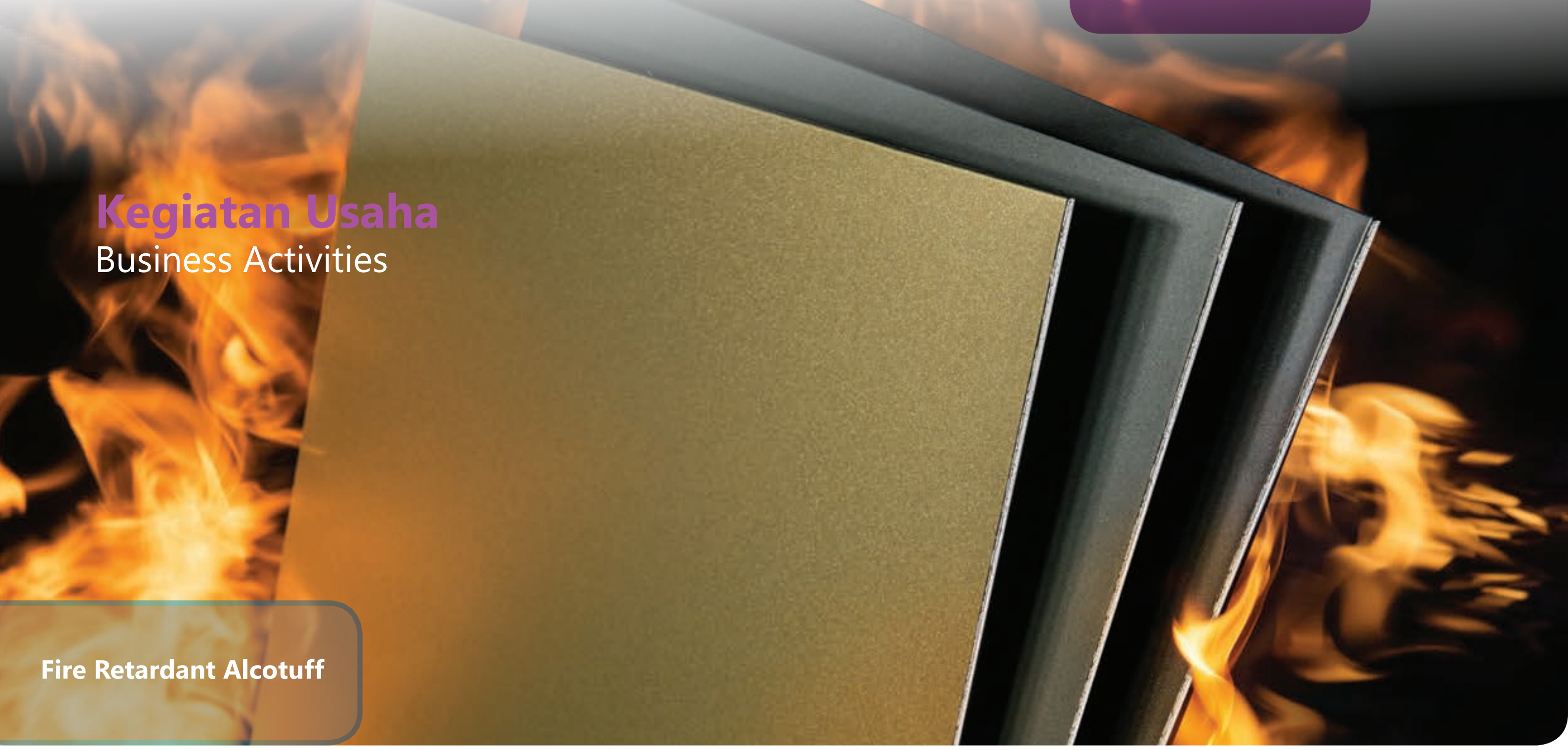
HUMILITY
(Kerendahan hati)
Kepemimpinan dan kerjasama tim merupakan kesuksesan para anggotanya pula, karena orang tidak selalu sukses dan konsekuensi selalu mengikuti.
Teamwork effort and leadership is the success of your team members, what goes up may come down and goes around.

INTEGRITY
(Integritas)
Berperilaku jujur dan melakukan hal yang benar bahkan ketika tidak ada orang yang melihat, bersikap jujur berujung tenang karena tidak ada yang ditutupi setiap saat.
A pattern of honest behavior and doing the right thing when nobody is looking, being honest is least stressful in not needing to cover up all the time.

PROFESSIONALISM
(Profesionalisme)
Berlaku Cepat, Akurat dan Bertanggung Jawab dengan kinerja yang adil dan akurat.
As in Quick, Accurate and Responsible way of doing things with fair and accurate measurement of performance.

SOLUTIONS PROVIDING
(Menyediakan Solusi)
Melalui kerja sama Tim.
Via Teamwork.

Kegiatan Usaha
Business Activities



Maksud dan tujuan usaha Perseroan berdasarkan Anggaran Dasar Terakhir Perseroan adalah berusaha di bidang perindustrian, perdagangan, pengangkutan, dan jasa. Untuk menjalankan maksud dan tujuan tersebut, Perseroan dapat menjalankan kegiatan usaha sebagai produsen sekaligus distributor bahan bangunan dan barang plastik untuk kebutuhan konsumen, seperti fiberglass, polycarbonate, aluminum composite panel, ventilator, dan perlengkapan/bahan bangunan plastik dan non-plastik lainnya. Serta menyelenggarakan usaha perdagangan terkait hasil produksi tersebut, termasuk perdagangan impor, ekspor dan lokal.

Perseroan dengan 13 Entitas Anak perusahaannya bergerak di berbagai bidang baik industri bahan bangunan plastik, distribusi, penunjang kegiatan industri plastik maupun bidang usaha lainnya seperti properti dan industri bahan perekat/lem. Dengan tetap memperkuat bisnis utama, kegiatan usaha penunjang juga tetap dilakukan sebagai bagian dari upaya strategis Perseroan dalam bersaing dan memperluas pangsa pasar yang ada serta menangkap berbagai peluang usaha lainnya.

Kegiatan usaha yang terintegrasi dalam Impack Pratama Group, Perseroan memastikan posisinya sebagai pemimpin pasar di Asia Tenggara dalam industri bahan bangunan berbahan plastik. Untuk itu, Perseroan akan tetap meningkatkan kapasitas produksi di fokus utama bisnisnya dalam beberapa tahun yang akan datang sekaligus memperkuat strategi penjualan yang agresif dari tim manajemen yang berpengalaman.

Based on the most recent amendment to the Company's Articles of Association, the Company is allowed to carry out business in the fields of industry, trading, transportation, and service. The Company carries out its business activities as a manufacturer and distributor of building materials and plastic products for consumers' needs, encompassing fiberglass, polycarbonate, aluminum composite panel, ventilator and other plastic and non-plastic equipment/ building materials. The Company may also conduct trading business in regard to its products, covering import, export and local trading activities.

Together with its 13 subsidiaries, the Company engages in various fields, namely the industry of plastic building materials, distribution, and plastic industry supporting activities as well as other business fields, such as property and industry of adhesive materials/glue. By continuously strengthening the core business, the Company also reinforces other supporting business as part of its strategic efforts to improve competitive edge, expand market share and seize other business opportunities.

The Company also assures its position as the market leader in Southeast Asia by always focusing on business activities that are integrated within Impack Pratama Group. To that end, the Company will continue to enhance its production capacity in its core business in years to come while simultaneously leveraging its sales strategy with the support of experienced management team in the Company.

Brand Kami
Our Brands

ATAP
Lembaran atap kami terdiri dari beberapa varian sesuai dengan bahan baku yang digunakan yaitu Polycarbonate, Vynil, uPVC, dan serat yang dikuatkan dengan Polyester (Fiber Reinforced Polyester/FRP).

ROOFING
Our roof sheet products consist of several variants according to the materials used, namely Polycarbonate, Vinyl, uPVC, and Fiber Reinforced Polyester (FRP).

FACADE
Produk facade berbahan baku alumunium composite panel dan polyethylene maupun lembaran untuk kemasan berbahan baku polyprophylene.

FAÇADE
Façade products of the Company is made from aluminum composite panel and polyethylene, as well as sheets for packaging made from polyprophylene material.

MATERIAL
Klasifikasi material terdiri dari bahan biji plastik PVC yang digunakan sebagai bahan baku untuk memproduksi botol dan sealant & adhesive untuk perekat keperluan industri maupun rumah tangga.

MATERIAL
This material classifications consist of PVC plastic ore materials used as the raw materials to produce bottles and sealant & adhesive for industrial and household purposes.

Penghuni Gedung
Our Tenants

Kegiatan usaha real estate Perseroan di kawasan Altira baik di tower maupun di office park telah dihuni oleh perusahaan-perusahaan besar dan ternama seperti:

The Company's Real Estate business activities in Altira area, either at the tower or the office park, have been occupied by several large and reputable companies, such as:

Dua Kelinci

eni

BCA
GRUP BCA

Maybank

OISHII
fine japanese dining

THE ART OF SPA

FIRST + CRACK
COFFEE

PT TRIAS SENTOSA, Tbk
FLEXIBLE PACKAGING FILM MANUFACTURER

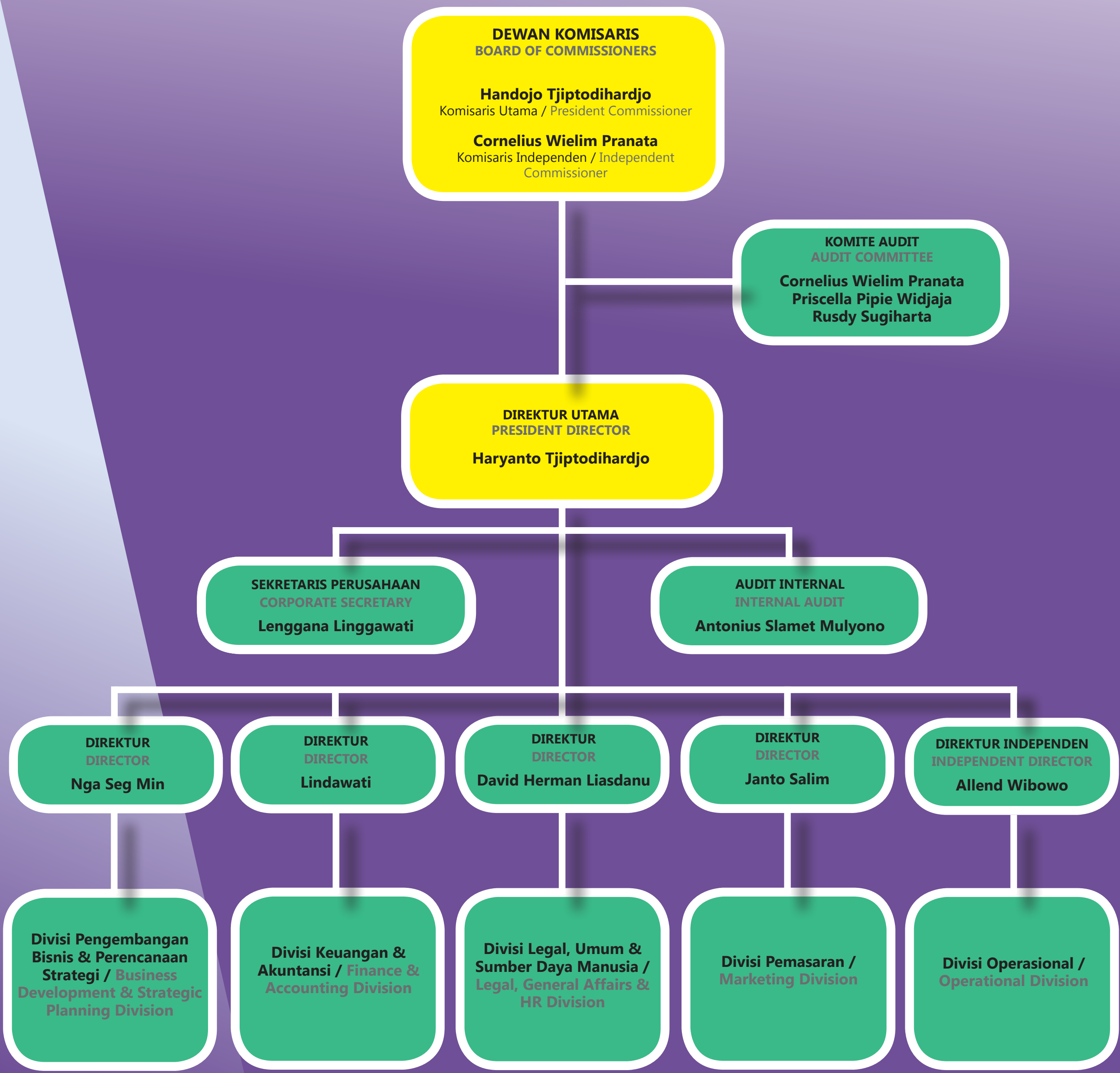
KALBE BLACKMORES

UL

ASG
PT. ARMADA SAMUDRA GLOBAL

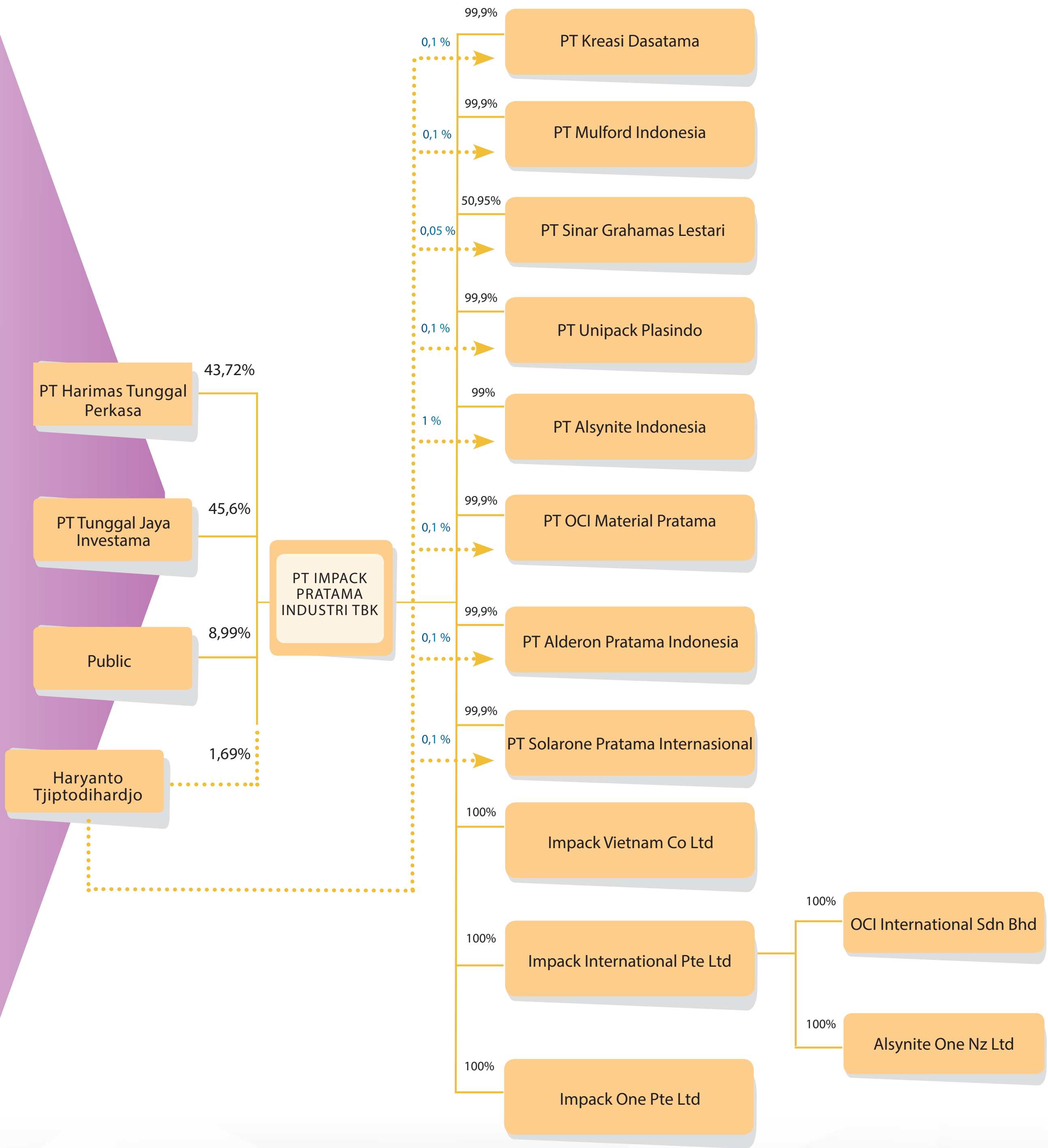
Penghuni kawasan Altira Business Park yang termuat dalam bagian Our Tenants ini merupakan sebagian penghuni saja. / The tenants of Altira Business Park included in this part of Our Tenants is only a part of the tenants.

Struktur Organisasi
Organization Structure



Struktur Kepemilikan Perseroan & Entitas Anak

Company Ownership Structure & Subsidiaries



Informasi Entitas Anak Perusahaan
Information on Subsidiary

Hingga akhir 2017, Perseroan memiliki 13 (tiga belas) Entitas Anak yang bergerak dalam berbagai bidang industri antara lain meliputi bahan bangunan berbahan plastik, sealant & adhesive, distributor plastik, dan properti. Entitas Anak Perseroan adalah sebagai berikut:

As of the end of 2017, the Company has established 13 (thirteen) Subsidiaries engaging in various industries, such as plastic manufacturing and distribution, sealant & adhesive, and property. The following table briefly summarized the Company's Subsidiaries.

No	Entitas Anak / Subsidiary	Alamat / Address	Bidang Usaha / Line of Business	Tahun Pendirian / Date of Establishment	Persentase Kepemilikan Perseroan / Company's Percentage of Ownership	Tahun Penyertaan / Investment Year	Status Operasional / Operational Status
1	PT Kreasi Dasatama	Altira Business Park-Office Lt. 38, Jl. Yos Sudarso Kav.85, RW 011, Kel.Sunter Jaya, Kec. Tanjung Priok, Jakarta 14350	Industri Plastik / Plastic Industry	1988	99,90%	1996	Beroperasi / Operating
2	PT Mulford Indonesia	Altira Business Park-Office Lt. 37, Jl. Yos Sudarso Kav.85, RW 011, Kel.Sunter Jaya, Kec. Tanjung Priok, Jakarta 14350	Distributor Plastik / Plastic Distributor	1989	99,90%	1996	Beroperasi / Operating
3	PT Sinar Grahamas Lestari	Altira Business Park-Office Block H 12-15 Jl. Yos Sudarso Kav. 85, RW 011, Kel. Sunter Jaya, Kec. Tanjung Priok, Jakarta 14350	Real Estat / Real Estate	1996	50,95%	1996	Beroperasi / Operating
4	PT Unipack Plasindo	Dusun Sukamulya RT 025/ RW 006, Desa Anggadita Kecamatan Klari, Kabupaten Karawang 41371	Industri Plastik / Plastic Industry	1990	99,90%	1998	Beroperasi / Operating
5	PT Alsynite Indonesia	Jl. Inti Raya Blok 4 No. 2-3, Kawasan Hyundai, Desa Sukaresmi, Kecamatan Cikarang Selatan, Kabupaten Bekasi	Industri Plastik / Plastic Industry	2007	99,00%	2012	Beroperasi / Operating
6	Impack Vietnam Co.Ltd	Workshop No. 17-18 Road No. 6, Long Thanh Industrial Zone, Long Thanh District, Dong Nai Province, Vietnam	Industri Plastik / Plastic Industry	2012	100%	2012	Beroperasi / Operating
7	PT OCI Material Pratama	Jl. Inti Raya Blok 4 No. 2-3, Kawasan Hyundai, Desa Sukaresmi, Kecamatan Cikarang Selatan, Kabupaten Bekasi	Industri Pelekat atau Lem / Adhesive Material or Glue Industry	2014	99,90%	2014	Beroperasi / Operating
8	Impack International Pte.Ltd	133 Cecil Street #16-01 Keck Seng Tower, Singapore (069535)	Investasi, Pemegang Merek dan Distribusi / Investment, Brand Holder, and Distribution	2014	100%	2014	Beroperasi / Operating
9	PT Alderon Pratama Indonesia	Altira Business Park-Office Lt. 37, Jl. Yos Sudarso Kav.85, RW 011, Kel.Sunter Jaya, Kec. Tanjung Priok, Jakarta 14350	Distributor Plastik / Plastic Distributor	2015	99,90%	2015	Beroperasi / Operating
10	PT Solarone Pratama Internasional	Altira Business Park-Office Lt. 38, Jl. Yos Sudarso Kav.85, RW 011, Kel.Sunter Jaya, Kec. Tanjung Priok, Jakarta 14350	Konstruksi Pengadaan Teknik / Engineering Procurement Constructor	2016	99,90%	2016	Beroperasi / Operating
11	Impack One Pte Ltd	133 Cecil Street #16-01 Keck Seng Tower, Singapore (069535)	Investasi, Perdagangan dan Distribusi / Investment, Trading and Distribution	2017	100%	2017	Belum Beroperasi / Not operating yet
12	OCI International Sdn Bhd	No. 15, Jalan Ang Seng 3, Brickfields, 50470 Kuala Lumpur, Wilayah Persekutuan Kuala lumpur	Distributor Pelekat atau Lem / Adhesives Material or Glue Distributor	2016	100%	2017	Beroperasi / Operating
13	Alsynite One NZ Ltd	7 de Leeuw Place,Te Rapa Park Hamilton 3200, Te Rapa Hamilton 3241 New Zealand	Industri Plastik / Plastic Industry	2017	100%	2017	Beroperasi / Operating

Profil Dewan Komisaris
Board of Commissioners Profile

Handojo Tjiptodihardjo
Komisaris Utama / President Commissioner

Cornelius Wielim Pranata
Komisaris Independen /
Independent Commissioner

Warga Negara Indonesia, 83 tahun, lulus SMA pada tahun 1952. Beliau menduduki jabatan sebagai Komisaris Utama Perseroan sejak 2007. Selain sebagai Komisaris Utama Perseroan, beliau juga masih serta memiliki pengalaman dalam memegang beberapa jabatan strategis seperti sebagai Komisaris PT Tunggal Jaya Investama (2007-sekarang), Komisaris PT Harimas Tunggal Perkasa (2007-sekarang), Komisaris Utama Perseroan (1993-2011), Komisaris Perseroan (1988-1993, 2011-Agustus 2014), Komisaris Utama PT Cypress Adimulia (1998-sekarang), Komisaris Utama PT Abadi Adimulia (1998-sekarang), Komisaris Utama PT Tunggal Jaya Indah (1998-sekarang), Direktur PT Tunggal Jaya Investama (1999-2007), Direktur PT Harimas Tunggal Perkasa (1988- 2007), Direktur Perseroan (1981-1988), Direktur Utama PT Cypress Adimulia (1977-1998), Direktur Utama PT Abadi Adimulia (1973-1998), Direktur Utama PT Tunggal Jaya Indah (1958-1998).

An Indonesian citizen of 83 years old, he graduated from High School in 1952. Mr. Handojo Tjiptodihardjo has been serving as the President Commissioner of the Company since 2007. He is an experienced individual and concurrently holds various key positions in the Company's subsidiaries as well as other companies, such as the position of Commissioner at PT Tunggal Jaya Investama (2007-present), Commissioner at PT Harimas Tunggal Perkasa (2007-present), President Commissioner of PT Cypress Adimulia (1998-present), President Commissioner of PT Abadi Adimulia (1998-present), and President Commissioner of PT Tunggal Jaya Indah (1998-present). Previously, he served as the President Commissioner of the Company (1993-2011), Company's Commissioner (1988-1993, 2011-August 2014), Director at PT Tunggal Jaya Investama (1999-2007), Director at PT Harimas Tunggal Perkasa (1988- 2007), Company's Director (1981-1988), President Director of PT Cypress Adimulia (1977-1998), President Director of PT Abadi Adimulia (1973-1998), and President Director of PT Tunggal Jaya Indah (1958-1998).

Warga Negara Singapura, 53 tahun, memperoleh gelar Bachelor of Business Administration dari University of Toledo, Ohio jurusan Keuangan pada 1988 dan Master of Business Administration dari University of Toledo, Ohio jurusan Keuangan pada 1989. Beliau menduduki jabatan sebagai Komisaris Independen Perseroan sejak tahun 2014. Selain menjabat sebagai Komisaris Independen Perseroan, beliau juga masih serta memiliki pengalaman dalam memegang beberapa jabatan strategis seperti Direktur UOB Kay Hian Pte Ltd, Singapore (2007-sekarang), Direktur Mooresrowland Corporate Advisory Pte. Ltd., Singapore (2003-2007), Associate Director PricewaterhouseCoopers Corporate Finance, Singapore (2000-2003), Group Corporate Finance, Vice President RGM International Pte. Ltd. (1999- 2000), Corporate Director PLB Engineering Bhd., Malaysia (1998-1999).

A Singaporean citizen of 53 years old, Mr. Cornelius Wielim Pranata obtained his Bachelor's degree in Business Administration, majoring in Finance from University of Toledo, Ohio (1988), and Master's degree in Business Administration, majoring in Finance from University of Toledo, Ohio (1989). He has been serving as the Company's Independent Commissioner since 2014. Aside from serving as the Company's Independent Commissioner, presently he holds several strategic positions at other prestigious companies, such as the position of Director at UOB Kay Hian Pte Ltd, Singapore (2007-present). Previously, he served as a Director at Mooresrowland Corporate Advisory Pte. Ltd., Singapore (2003-2007), Associate Director at PricewaterhouseCoopers Corporate Finance, Singapore (2000-2003), Group Corporate Finance, Vice President RGM International Pte. Ltd. (1999- 2000), and Corporate Director at PLB Engineering Bhd., Malaysia (1998-1999).

PENDIDIKAN DAN PELATIHAN DEWAN KOMISARIS

Pada 2017, tidak terdapat pendidikan dan pelatihan untuk Dewan Komisaris. Namun, dalam rangka meningkatkan kompetensi dan wawasan, Dewan Komisaris senantiasa mengikuti perkembangan makroekonomi baik dalam negeri maupun global. Selain itu, Dewan Komisaris juga terus melihat perkembangan implementasi tata kelola perusahaan yang baik agar dapat memberikan pengawasan yang optimal dalam pengelolaan Perseroan oleh Direksi.

EDUCATION AND TRAINING ACTIVITIES FOR BOARD OF COMMISSIONERS

The Company did not organize education and training activities for the Board of Commissioners in 2017. Nevertheless, the Board of Commissioners always keeps abreast of development in macroeconomic condition, both domestically and globally, in order to broaden their competence and knowledge. Moreover, the Board of Commissioners continues to observe the development of good corporate governance implementation in order to provide optimum supervision on the Board of Directors.

HUBUNGAN AFILIASI

AFFILIATIONS

Nama / Name	Jabatan / Position	Hubungan Afiliasi dengan / Affiliation with		
		Dewan Komisaris / Board of Commissioners	Direksi / Board of Directors	Pemegang Saham / Shareholders
Handojo Tjiptodihardjo	Komisaris Utama / President Commissioner	Tidak ada / None	Haryanto Tjiptodihardjo	• PT Harimas Tunggal Perkasa • PT Tunggal Jaya Investama
Cornelius Wielim Pranata	Komisaris Independen / Independent Commissioner	Tidak ada / None	Tidak ada / None	Tidak ada / None

INFORMASI PERUBAHAN SUSUNAN ANGGOTA DIREKSI DAN DEWAN KOMISARIS

Pada 2017, sampai dengan penyampaian Laporan Tahunan Perseroan tidak melakukan perubahan susunan Anggota Dewan Komisaris dan Direksi.

INFORMATION ON CHANGES IN BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS COMPOSITION

The Company did not change the composition of Board of Commissioners and Board of Directors in 2017.

Profil Direksi

Board of Directors Profile

Haryanto Tjiptodihardjo

Direktur Utama / President Director

Warga Negara Indonesia, 55 tahun, memperoleh gelar Bachelor of Science dari University of Southern California, USA, jurusan Industrial and Systems Engineering pada tahun 1983 dan Master of Business Administration dari Woodbury University, USA, pada 1986. Beliau menduduki jabatan sebagai Direktur Utama Perseroan sejak tahun 1993. Selain menjabat sebagai Direktur Utama Perseroan, Beliau juga masih dan memiliki pengalaman dalam memegang beberapa jabatan strategis seperti Komisaris PT Alderon Pratama Indonesia (2015-sekarang), Direktur Utama PT Harimas Tunggal Perkasa (2015-sekarang), Direktur PT Tunggal Jaya Investama (2015-sekarang), Komisaris PT Mulford Indonesia (2014-sekarang), Komisaris PT Abadi Adimulia (1998-sekarang), Komisaris PT Sinar Grahamas Lestari (1996-sekarang), Komisaris PT Indah Cup Sukses Makmur (2000-sekarang), Komisaris Utama PT Kreasi Dasatama (1996-sekarang).

An Indonesian citizen of 55 years old, Mr. Haryanto Tjiptodihardjo obtained his Bachelor's degree in Science, majoring in Industrial and Systems Engineering, from the University of Southern California, USA (1983), and his Master's degree in Business Administration from Woodbury University, USA (1986). He has been serving as the President Director of the Company since 1993. He is an experienced individual and concurrently holds various key positions in the Company's subsidiaries as well as other companies, such as the position of Commissioner at PT Alderon Pratama Indonesia (2015-present), President Director of PT Harimas Tunggal Perkasa (2015-present), Director at PT Tunggal Jaya Investama (2015-present), Commissioner at PT Mulford Indonesia (2014-present), Commissioner at PT Unipack Plasindo (1999-present), Commissioner at PT Sinar Grahamas Lestari (1996-present), Commissioner at PT Indah Cup Sukses Makmur (2000-present), and President Commissioner at of PT Kreasi Dasatama (1996-present).

Nga Seg Min

Direktur / Director

Warga Negara Malaysia, 56 tahun, memperoleh gelar Bachelor of Accountancy jurusan Akuntansi dari National University of Singapore, Singapore pada tahun 1983. Beliau menduduki jabatan sebagai Direktur Pengembangan Bisnis, Perencanaan Strategis dan Pemasaran Perseroan sejak tahun 2014. Selain menjabat sebagai Direktur Perseroan, Beliau juga masih dan memiliki pengalaman dalam memegang beberapa jabatan strategis seperti Direktur Mulford International Pte. Ltd., Singapore (1990-sekarang), President Director PT Guru Indonesia (1995-2002), Komisaris Utama PT Mulford Indonesia (2004-2009) dan (2009-2014), Business Development Manager PT Guru Indonesia (1991-1994), General Manager Unitraco Pte. Ltd., Singapore (1987-1991), dan Senior Accountant, Recovery KPMG (1983- 1987).

A Malaysian citizen of 56 years old, Mr. Nga Seg Min obtained his Bachelor's degree in Accounting from the National University of Singapore (1983). He has been serving as the Company's Director of Business Development, Strategic Planning and Marketing since 2014. Aside from serving as the Company's Director, presently he serves as a Director at Mulford International Pte. Ltd., Singapore (1990-present). Previously, he served as the President Director of PT Guru Indonesia (1995-2002), President Commissioner of PT Mulford Indonesia (2004-2009) and (2009-2014), Business Development Manager of PT Guru Indonesia (1991-1994), General Manager of Unitraco Pte. Ltd., Singapore (1987-1991), and Senior Accountant, Recovery KPMG (1983- 1987).

Lindawati
Direktur / Director

Warga Negara Indonesia, 51 tahun, memperoleh gelar Sarjana Ekonomi jurusan Ekonomi dari Universitas Atma Jaya, pada 1990. Beliau menduduki jabatan sebagai Direktur Keuangan dan Akuntansi Perseroan sejak tahun 2009. Selain menjabat sebagai Direktur Perseroan, Beliau juga masih dan memiliki pengalaman dalam memegang beberapa jabatan strategis seperti Direktur PT Harimas Tunggal Perkasa (2015-sekarang), Direktur PT Tunggal Jaya Investama (2015-sekarang), Direktur Utama PT Unipack Plasindo (2009-sekarang) dan pernah menjabat sebagai Direktur PT Unipack Plasindo (1998-2009), Manajer akuntansi Perseroan (1995-2009), Internal Audit PT Indocement Tunggal Prakarsa (1990-1995), dan Auditor KAP Hans Tuanokotta Mustofa (1988-1990).

An Indonesian citizen of 51 years old, Mrs. Lindawati obtained her Bachelor's degree in Economics from Atma Jaya University (1990). She has been serving as the Company's Director of Finance and Accounting since 2009. Aside from serving as the Company's Director, presently she holds various strategic positions such as Director at PT Harimas Tunggal Perkasa (2015-present), Director at PT Tunggal Jaya Investama (2015-present), and President Director of PT Unipack Plasindo (2009-present). Previously, she served as a Director at PT Unipack Plasindo (1998-2009), Company's Accounting Manager (1995-2009), member of Internal Audit of PT Indocement Tunggal Prakarsa (1990-1995), and Auditor for KAP Hans Tuanokotta Mustofa (1988-1990).

Janto Salim
Direktur / Director

Warga Negara Indonesia, 50 tahun, memperoleh gelar Bachelor of Business Administration jurusan Pemasaran dari Texas Tech University, USA, pada 1990, Bachelor of Business Administration jurusan Manajemen dari Texas Tech university, USA, pada 1991, dan Master of Science jurusan Interdisciplinary Studies dari Texas Tech university, USA, pada 1992. Beliau menduduki jabatan sebagai Direktur Pemasaran Perseroan sejak tahun 2014. Selain menjabat sebagai Direktur Perseroan, Beliau juga masih dan memiliki pengalaman memegang beberapa jabatan strategis seperti Direktur Utama PT Mulford Indonesia (2009-sekarang), Direktur PT Mulford Indonesia (2004-2009); Manajer Pemasaran Perseroan (1994-2004); Export Sales Manager Perseroan (1994-1996), Assistant Manager PT Bank Bali (1993-1994).

An Indonesian citizen of 50 years old, Mr. Janto Salim obtained his Bachelor's degree in Business Administration majoring in Marketing from Texas Tech University, USA (1990), Bachelor's degree in Business Administration majoring in Management from Texas Tech University, USA (1991), and Master's degree in Science, majoring in Interdisciplinary Studies from Texas Tech University, USA (1992). He has been serving as the Company's Director of Marketing since 2014. Aside from serving as the Company's Director, presently he serves as the President Director of PT Mulford Indonesia (2009-present). Previously, he served as a Director at PT Mulford Indonesia (2004-2009); Company's Marketing Manager (1994-2004); Company's Export Sales Manager (1994-1996), and Assistant Manager at PT Bank Bali (1993-1994).

David Herman Liasdanu

Direktur / Director

Allend Wibowo

Direktur Independen / Independent Director

Warga negara Indonesia, 51 tahun, memperoleh gelar Sarjana Ekonomi jurusan Akuntansi dari Universitas Tarumanagara, pada tahun 1990. Beliau menduduki jabatan sebagai Direktur Bidang Legal, Umum dan Sumber Daya Manusia Perseroan sejak tahun 2009. Selain menjabat sebagai Direktur Perseroan, Beliau juga masih dan memiliki pengalaman dalam memegang beberapa jabatan strategis seperti Direktur PT Sinar Grahamas Lestari (2009-sekarang). Sebelumnya, Beliau menjabat PVD Head Division Perseroan (2007-2009); Internal Audit Manager Perseroan (1999-2007); Senior Associate PricewaterhouseCoopers FAS (1998-1999); Corporate Planning, Business Development and Credit Manager PT Duta Anggada Realty (1997-1998); Deputy Accounting Manager PT Sungai Budi Group (1994-1996); Senior Auditor KAP KPMG Hanadi Sudjendro (1990-1994).

An Indonesian citizen of 51 years old, Mr. David Herman Liasdanu obtained his Bachelor's degree in Economics, majoring in Accounting from Tarumanagara University (1990). He has been serving as the Company's Director of Legal, Human Resources and General Affairs since 2009. Aside from serving as the Company's Director, presently he serves as a Director at PT Sinar Grahamas Lestari (2009-present). Previously, he served as the Company's PVD Head Division (2007-2009); Company's Internal Audit Manager (1999-2007); Senior Associate of PricewaterhouseCoopers FAS (1998-1999); Corporate Planning, Business Development and Credit Manager at PT Duta Anggada Realty (1997-1998); Deputy Accounting Manager at PT Sungai Budi Group (1994-1996); and Senior Auditor for KAP KPMG Hanadi Sudjendro (1990-1994).

Warga Negara Indonesia, 42 tahun. Beliau memperoleh Sarjana Teknik Elektro jurusan Komputer dan Sistem Kontrol dari Universitas Kristen Maranatha, Bandung, 1997. Beliau menduduki jabatan sebagai Direktur Independen sejak tahun 2014. Selain menjabat sebagai Direktur Perseroan, Beliau juga memiliki pengalaman dalam memegang beberapa jabatan strategis seperti Group Audit Operational Manager Perseroan (Mei 2014-Agustus 2014); Regional Manager PT Mulford Indonesia (2009-2011); Branch Manager PT Mulford Indonesia (2006-2009), serta Electronics, Electrical and IT Engineer, Production Manager, PPIC Manager, QA & PD Manager, Top Manager Representative PT Multi Spunindo Jaya (1998-2006).

An Indonesian citizen of 42 years old, Mr. Allend Wibowo obtained his Bachelor's degree in Electrical Engineering, majoring in Computer and Control System from Maranatha Christian University, Bandung (1997). He has been serving as the Company's Independent Director since 2014. Prior to serving as the Company's Director, he once served as the Company's Group Audit Operational Manager (May 2014-August 2014); Regional Manager of PT Mulford Indonesia (2009-2011); Branch Manager of PT Mulford Indonesia (2006-2009), as well as Electronics, Electrical and IT Engineer, Production Manager, PPIC Manager, QA & PD Manager, Top Manager Representative at PT Multi Spunindo Jaya (1998-2006).

PENDIDIKAN DAN PELATIHAN DIREKSI

Pada 2017, tidak terdapat pendidikan dan pelatihan untuk Direksi. Namun, dalam rangka meningkatkan kompetensi dan wawasan, Direksi senantiasa mengikuti perkembangan makroekonomi baik dalam negeri maupun global. Hal ini menjadi dasar dalam menentukan langkah strategis dan penetapan target Perseroan ke depan.

EDUCATION AND TRAINING ACTIVITIES FOR BOARD OF DIRECTORS

The Company did not organize education and training activities for the Board of Directors in 2017. Nevertheless, the Board of Directors always keeps abreast of development in macroeconomic condition, both domestically and globally, in order to broaden their competence and knowledge. Such activity becomes the foundation to determine the strategic steps and targets of the Company in the future.

HUBUNGAN AFILIASI

AFFILIATIONS

Nama / Name	Jabatan / Position	Hubungan Afiliasi dengan / Affiliation with		
		Dewan Komisaris / Board of Commissioners	Direksi / Board of Directors	Pemegang Saham / Shareholders
Haryanto Tjiptodihardjo	Direktur Utama / President Director	Handojo Tjiptodihardjo	Tidak ada / None	- PT Harimas Tunggal Perkasa - PT Tunggal Jaya Investama
Lindawati	Direktur / Director	Tidak ada / None	Tidak ada / None	- PT Harimas Tunggal Perkasa - PT Tunggal Jaya Investama
Janto Salim	Direktur / Director	Tidak ada / None	Tidak ada / None	Tidak ada / None
Nga Seg Min	Direktur / Director	Tidak ada / None	Tidak ada / None	Tidak ada / None
David Herman Liasdanu	Direktur / Director	Tidak ada / None	Tidak ada / None	Tidak ada / None
Allend Wibowo	Direktur Independen / Independent Director	Tidak ada / None	Tidak ada / None	Tidak ada / None

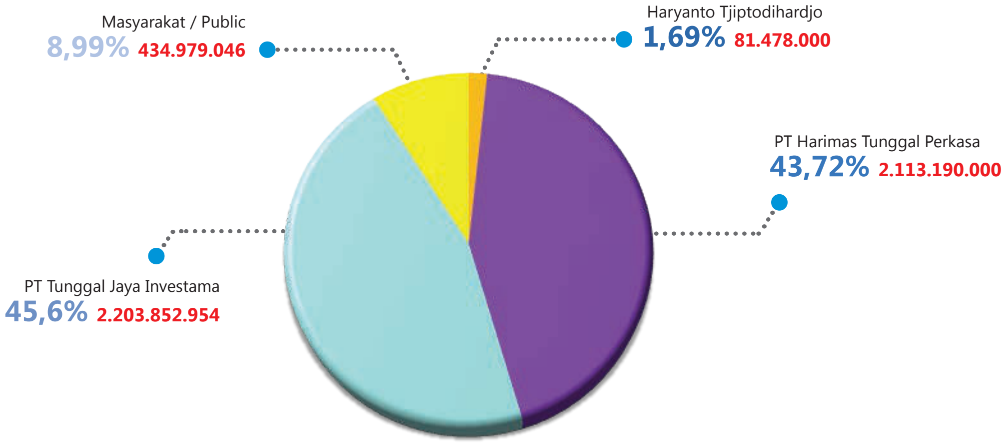
Informasi Pemegang Saham
Information on Shareholders

SUSUNAN PEMEGANG SAHAM

Pada 31 Desember 2017, susunan pemegang saham Perseroan adalah sebagai berikut:

SHAREHOLDERS COMPOSITION

As of December 31, 2017, the Company's shareholder composition is as follows:



KOMPOSISI PEMEGANG SAHAM BERDASARKAN KLASIFIKASI

SHAREHOLDER COMPOSITION BY CLASSIFICATION

Klasifikasi Pemegang Saham / Shareholder Classification	Jumlah Saham / Total Shares	Persentase / Percentage (%)
Kepemilikan Institusi Lokal / Ownership by Local Institutions	4.344.307.254	89,88
Kepemilikan Institusi Asing / Ownership by Foreign Institutions	115.489.900	2,39
Kepemilikan Individu Lokal / Ownership by Local Individuals	373.702.846	7,73
Kepemilikan Individu Asing / Ownership by Foreign Individuals	0	0

KEPEMILIKAN SAHAM ANGGOTA DEWAN KOMISARIS DAN DIREKSI

SHARE OWNERSHIP BY THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Nama / Name	Kepemilikan Saham / Share Ownership	Persentase / Percentage	Jabatan
Handojo Tjiptodiharjo	0	0%	Komisaris Utama / President Commissioner
Cornelius Wielim Pranata	0	0%	Komisaris Independen / Independent Commissioner

Nama / Name	Kepemilikan Saham / Share Ownership	Persentase / Percentage	Jabatan
Haryanto Tjiptodiharjo	81.478.000	1,69%	Direktur Utama / President Director
Lindawati	250.000	0,01%	Direktur / Director
Janto Salim	250.000	0,01%	Direktur / Director
David Herman Liasdanu	100.000	0,00%	Direktur / Director
Allend Wibowo	100.000	0,00%	Direktur / Director

Kronologi Pencatatan Saham
Share-Listing Chronology

Saham Perseroan pertama kali diperdagangkan di Bursa Efek Indonesia di Jakarta pada tanggal 17 Desember 2014. Harga saham Perseroan ditawarkan dengan nilai nominal Rp3.800 per saham. Jumlah seluruh penawaran umum adalah sebesar Rp 570.190.000.000 yang terdiri dari penawaran saham baru sebanyak Rp 183.730.000.000 dan saham divestasi sebanyak Rp 386.460.000.000.

The Company's shares were first publicly traded on the Indonesian Stock Exchange in Jakarta on December 17, 2014. The Company's shares were offered with par value of Rp3,800 per share. Total amount of public offering of shares reached Rp570,190,000,000 consisting of new shares amounting to Rp183,730,000,000 and divested shares amounting to Rp386,460,000,000.

Tanggal/ Date	Aksi Korporasi/ Corporate Action	Jumlah Saham/ Amount of Shares
17 Desember 2014 / December 17, 2014	Penawaran Umum Perdana/ Initial Public Offering	483.350.000
22 Juni 2017 / June 22 2017	Pemecahan Saham/ Stock Split	4.833.500.000

Kronologi Pencatatan Efek Lainnya

Other Securities-Listing Chronology

Obligasi Perseroan diterbitkan tanpa warkat dengan jangka waktu terlama selama 5 tahun sejak tanggal emisi yaitu 2 Desember 2016. Seri obligasi yang ditawarkan dalam penawaran umum ini sebagai berikut:

- Seri A: Jumlah Obligasi yang ditawarkan adalah sebesar Rp400.000.000.000,- (empat ratus miliar Rupiah) dengan tingkat bunga tetap sebesar 10% (sepuluh persen) per tahun. Jangka waktu Obligasi Seri A adalah 36 (tiga puluh enam) bulan terhitung sejak Tanggal Emisi. Pembayaran Obligasi Seri A dilakukan secara penuh (bullet payment) pada saat Tanggal Pelunasan Pokok Obligasi, yaitu tanggal 2 Desember 2019.

- Seri B: Jumlah Obligasi yang ditawarkan adalah sebesar Rp100.000.000.000,- (seratus miliar Rupiah) dengan tingkat bunga tetap sebesar 10,5% (sepuluh koma lima persen) per tahun. Jangka waktu Obligasi Seri B adalah 60 (enam puluh) bulan terhitung sejak Tanggal Emisi. Pembayaran Obligasi Seri B dilakukan secara penuh (bullet payment) pada saat Tanggal Pelunasan Pokok Obligasi, yaitu tanggal 2 Desember 2021.

The Company's bonds were issued scriptless with the longest period of maturity of 5 years since the issuance date December 2, 2016. Bonds series offered in this public offering were as follows:

- Series A with total values of bonds offered is IDR400.000.000.000 (four hundred billion Rupiah) with the fixed interest rate of 10% (ten percent) per year. The maturity period of Series A Bonds is 36 (thirty-six) months effective since the Issuance Date. Payment of Series A Bonds shall be conducted in full term (bullet payment) on the Maturity Date of Bonds Principal, i.e. on December 2, 2019.

- Series B with total values of bonds offered is IDR100.000.000.000 (one hundred billion Rupiah) with the fixed interest rate of 10,5% (ten point five percent) per year. The maturity period of Series B Bonds is 60 (sixty) months effective since the Issuance Date. Payment of Series B Bonds shall be conducted in full term (bullet payment) on the Maturity Date of Bonds Principal, i.e. on December 2, 2021.

Informasi Lembaga Profesi dan Penunjang Pasar Modal

Information on Professional Institutions Supporting Capital Market

BIRO ADMINISTRASI EFEK / SHARE REGISTRAR

PT Sharestar Indonesia

Alamat / Address : Berita Satu Plaza (d/h Citra Graha Building) Lantai 7 Jl. Jend. Gatot Subroto Kav. 35-36 Jakarta 12950

Telepon / Phone +6221 527 7966

Fax. +6221 527 7967

Jasa yang diberikan / Service rendered :

Administrasi Efek Tahunan / Annual Securities Administration

Periode Penugasan / Assignment Period : 2017

Biaya / Fee : Rp22.500.000

AKUNTAN PUBLIK / KAP / PUBLIC ACCOUNTANT

Amir Abadi Jusuf, Aryanto, Mawar & Rekan

Alamat / Address : Plaza ASIA, 10th Floor Jl. Jend. Sudirman Kav. 59 Jakarta 12190

Telepon / Phone +6221 5140 1340

Fax. +6221 5140 1350

Jasa yang diberikan / Service rendered :

Audit Laporan Tahunan PT Impack Pratama Industri Tbk & Entitas Anak / Audit activity on the Annual Report of PT Impack Pratama Industri Tbk & Subsidiaries

Periode Penugasan / Assignment Period : 2017

Biaya / Fee : Rp 635.000.000

NOTARIS / NOTARY

Dr. Irawan Soerodjo, SH, Msi

Alamat / Address : Jl. KH. Zainul Arifin No. 2 Komp. Ketapang Indah Blok B-2 No. 4-5

Telepon / Phone +6221 630 1511

Fax. +6221 633 7851

Jasa yang diberikan / Service rendered :

Pembuatan Akta RUPST-LB / Drawing up of Deed of AGMS and EGMS

Periode Penugasan / Assignment Period : 2017

Biaya / Fee : Rp24.750.000

PEMERINGKAT EFEK / RATING AGENCY

PT Pemeringkat Efek Indonesia ("Pefindo")

Alamat / Address : Panin Tower Senayan City, 17th Floor Jl. Asia Afrika Lot.19 Jakarta 10270, Indonesia

Telepon / Phone +62-21-7278-2380

Fax. +62-21-7278-2370

Jasa yang diberikan / Service rendered :

Pemantauan Tahunan Pemeringkatan Obligasi / Bonds Rating Annual Oversight

Periode Penugasan / Assignment Period : 2017 (obligasi) / (bonds)

Biaya / Fee : Rp137.500.000

Penghargaan dan Sertifikasi
Awards and Certifications


CERTIFICATE OF REGISTRATION
This is to certify that:
PT. IMPACK PRATAMA INDUSTRI Tbk
QUALITY MANAGEMENT SYSTEM
ISO 9001:2015
SAI GLOBAL

Sertifikasi PT Impack Pratama Industri Tbk,
ISO 9001:2015 Quality Management System,
berlaku hingga 7 Februari 2021

Certification of PT Impack Pratama Industri Tbk,
ISO 9001:2015 Quality Management System,
valid until February 7, 2021


CERTIFICATE OF REGISTRATION
This is to certify that:
PT. Unipack Plasindo
QUALITY MANAGEMENT SYSTEM
ISO 9001:2008
SAI GLOBAL

Sertifikasi PT Unipack Plasindo,
ISO 9001:2008 Quality Management System,
berlaku hingga 17 Mei 2018
Certification of PT Unipack Plasindo,
ISO 9001:2008 Quality Management System,
valid until May 17, 2018


SGS
PT KREASI DASATAMA
ISO 9001:2015

Sertifikasi PT Kreasi Dasatama,
ISO 9001:2005 Manufacture of Corrugated
Polypropylene Sheet and Converting
Corrugated Polypropylene Sheet,
berlaku hingga 4 Januari 2020
Certification of PT Kreasi Dasatama,
ISO 9001:2005 Manufacture of Corrugated
Polyproplylene Sheet and Converting
Corrugated Polypropylene Sheet,
valid until January 4, 2020

Kantor Pusat & Pabrik
Head Office & Factories

Kantor Pusat / Head Office
Altira Office Tower Lantai 38,
Altira Business Park
Jl. Yos Sudarso Nomor 85
Kel. Sunter Jaya, Kec. Tj. Priok
Jakarta 14350

Pabrik I / Factory I
Jl. Inti Raya Blok C-4 Kav 2-3
hyundai – Lippo Cikarang
17550 Bekasi

Pabrik II / Factory II
Jl. Trembesi Blok F 17-1
Delta Silicon II
Lippo Cikarang 17550
Bekasi

Pabrik III / Factory III
Dusun Sukamulya, Desa Anggadita
Kecamatan Klari, Karawang
41371 Jawa Barat / West Java

Pabrik IV / Factory IV
Workshop No. 17 & 18, Road 6,
Long Thanh Industrial Zone,
Tam an Village, Long Thanh District,
Dong nai province, Vietnam

Pabrik V / Factory V
7 de Leeuw Place,
Te Rapa Park, Hamilton 3200
New Zealand

Sumber Daya Manusia

Human Resources

Sumber Daya Manusia (SDM) sebagai faktor penting bagi Perseroan dalam mencapai keunggulan persaingan, kami posisikan sebagai mitra strategis dalam menjalankan kegiatan usaha. Strategi pengelolaan SDM diselenggarakan dengan mengerahkan seluruh sumber daya dan kemampuan yang dimiliki untuk merespon tantangan dan menyesuaikan diri terhadap tuntutan pasar yang dinamis agar Perseroan menjadi kuat dan kompetitif.

As a vital factor for the Company to reach competitive excellence, Human Resources (HR) is placed as a strategic partner in the framework of business activities. Therefore, HR management strategies are carried out by mobilizing all resources and capabilities in order to respond to the challenges and adjust to the dynamic demands of the market so that the Company can maintain its competitive edge and strengthen its performance.

Profil SDM

Perseroan secara bersungguh-sungguh, terencana dan berkesinambungan memusatkan perhatian untuk selalu memperhatikan pengembangan dan kualitas sumber daya manusia, melalui peningkatan kemampuan karyawan, pemeliharaan, dan pelayanan kesejahteraan bagi seluruh karyawan baik secara teknis, fungsional maupun manajerial. Setiap karyawan baik secara individu maupun tim, diberi kesempatan untuk mengambil peran yang lebih besar dari tugas dan tanggung jawabnya, sehingga memberikan kontribusi optimal bagi pencapaian kinerja perusahaan.

Sampai dengan 31 Desember 2017, jumlah karyawan Perseroan mencapai 1.527 orang, meningkat 7% dibandingkan tahun 2016 yang jumlahnya mencapai 1.425 orang. Seluruh karyawan Perseroan terdiri dari berbagai latar belakang pendidikan untuk beragam posisi teknis maupun non teknis. Peningkatan jumlah karyawan ini disebabkan adanya kebutuhan tenaga kerja baik pada Perseroan maupun anak perusahaan dan akuisisi 2 entitas anak Perseroan.

Komposisi SDM PT Impack Pratama Industri Tbk berdasarkan tingkat pendidikan, usia dan status kepegawaian pada tahun 2017 adalah sebagai berikut:

HR Profile

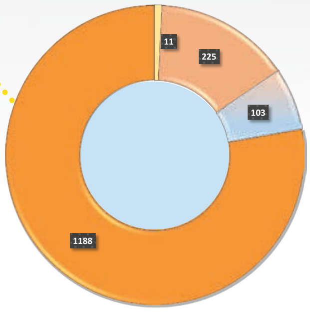
The Company sincerely focuses on the sustainable development of its HR quality through the improvement of employees’ capabilities and provision of welfare services in terms of technical, functional and managerial aspects. All employees, individually or in groups, are provided with an opportunity to play a bigger role than that of their duties and responsibilities, in order to contribute optimally to the Company’s performance achievement.

By the end of December 2017, total employees of the Company reached 1,527 employees, grew 7% compared to the number of employees in 2016 recorded at 1,425 employees. All Company’s employees have diverse educational backgrounds in order to fill various technical and non-technical positions. The growth in the number of employees in 2017 was mainly due to the needs for better workforce in the Company and its subsidiaries.

HR composition in PT Impack Pratama Industri Tbk based on educational level, age and employment status in 2017 is described in the following tables:

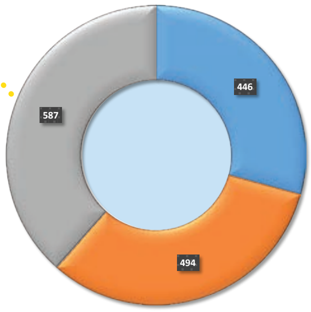
Komposisi Karyawan Berdasarkan Tingkat Pendidikan
Employee Composition by Education

Deskripsi / Description	2017	2016
Pascasarjana (S2) / Postgraduate Degree (S2)	11	8
Sarjana (S1) / Undergraduate Degree (S1)	225	202
Diploma	103	95
Non Akademi / Non-Academics	1.188	1.120
Total	1.527	1.425



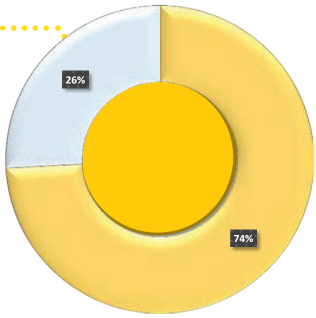
Komposisi Karyawan Berdasarkan Usia
Employee Composition by Age

Deskripsi / Description	2017	2016
>40 tahun / years old	446	412
31-40 tahun / years old	494	458
20-30 tahun / years old	587	565
Total	1.527	1.425



Komposisi Karyawan Berdasarkan Status Kepegawaian
Diagram of HR Composition by Employment Status

Deskripsi / Description	2017	2016
Tetap / Permanent	1.132	1.053
Tidak Tetap / Temporary	395	372
Total	1.527	1.425



KESEJAHTERAAN SOSIAL KARYAWAN

Sebagai upaya peningkatan kinerja karyawan, maka Perseroan memiliki beberapa program kesejahteraan karyawan antara lain:

1. Perekrutan Tenaga Kerja
   Perseroan berupaya untuk merekrut tenaga kerja yang dilakukan secara terencana agar tidak terjadi kelebihan tenaga kerja yang dapat menyebabkan inefisiensi dan budaya kerja yang kurang baik.

2. Penyelenggaraan Program Pelatihan
   Program pelatihan baik internal maupun eksternal, diselenggarakan secara berkala bertujuan untuk meningkatkan produktivitas karyawan Perseroan dan Entitas Anak. Setiap karyawan memiliki kesempatan yang sama untuk mengembangkan kemampuan dan potensinya melalui program pelatihan yang diperlukan sebagai penunjang pekerjaan.

EMPLOYEE SOCIAL WELFARE

As an effort to leverage employee's performance, the Company has put several employee welfare programs in place, among others:

1. Employee Recruitment
   The Company plans its employee recruitment process thoroughly in order to avoid excessive employment that can result in inefficiency of work and bad corporate governance practice and culture.

2. Training Program Management
   Both the internal and external training programs are carried out periodically to improve the productivity of employees of the Company and its subsidiaries. Each employee has equal opportunity to develop their skills and potentials through various training programs required to support their duty implementation.

3. Penyediaan Fasilitas dan Lingkungan Kerja yang Memadai
Lingkungan kerja yang aman, sehat, dan menyenangkan akan turut berpengaruh bagi produktivitas karyawan. Oleh karena itu, Perseroan memberikan waktu dan tempat untuk beribadah, serta mengadakan berbagai kegiatan sosial untuk mempererat kebersamaan antara para karyawan.

4. Penerapan *Core Value* Perseroan
Pedoman tata nilai Perseroan, yaitu kejujuran, produktivitas dan kesejahteraan senantiasa diterapkan kepada para karyawan sehingga semua karyawan memiliki tujuan serta visi dan misi yang sama.

5. Peningkatan Efisiensi Kerja dan Penempatan SDM sesuai Kreativitas dan Keahlian
Efisiensi kerja karyawan terus ditingkatkan dengan menyediakan berbagai peralatan dan teknologi serta penempatan karyawan sesuai dengan kreativitas dan keahliannya masing-masing. Harapan Perseroan adalah karyawan dapat memberikan hasil terbaik dalam bekerja di setiap unit kerjanya.

6. Mematuhi Ketentuan dan Peraturan Pemerintah

Perseroan dan entitas anak selalu mengikuti dan memenuhi ketentuan dan peraturan pemerintah yang berhubungan dengan kesejahteraan, seperti penyesuaian besaran gaji dan upah yang sejalan dengan tingkat kinerja karyawan dan laju inflasi, sesuai dengan standar gaji minimum dan UMR (Upah Minimum Regional) yang berlaku.

3. Provision of Adequate Facilities and Conducive

Work Environment Safe, sound and enjoyable work environment also influences employee's productivity. Hence, the Company has allocated time and facility for religious activity and conducts various social activities to strengthen the bonds among its employees.

4. Implementation of Core Values of the Company
The values of the Company, namely honesty, productivity and welfare, are always incorporated in all employees with an aim to create personnel with common vision and mission for the Company's business sustainability.

5. Improvement of Employee's Work Efficiency and Placement According to Creativity and Expertise
Employee's efficiency is always improved by providing tools and utilizing technologies, as well as by placing employees on positions suited to their respective creativity and expertise. Through such measure, the Company expects that all employees will be able to give their best contribution in carrying out their duties in each work unit.

6. Compliance with Government's Provisions and Regulation
The Company and its subsidiaries endeavor to always comply with the provisions and regulations of the government related to employee's welfare, such as the adjustment of salary amount that is in line with employees' performance level and inflation rate, according to the applicable minimum wage standards and Regional Minimum Wage (UMR) provisions.

TUNJANGAN, FASILITAS DAN KESEJAHTERAAN BAGI KARYAWAN

Fasilitas dan program kesejahteraan yang disediakan bagi karyawan Perseroan dan Entitas Anak terdiri dari:

1. Asuransi Jaminan Sosial Tenaga Kerja (BPJS Ketenagakerjaan);
2. Asuransi Jaminan Sosial Kesehatan (BPJS Kesehatan);
3. Tunjangan Hari Raya;
4. Fasilitas transportasi dan fasilitas pengganti transportasi;
5. Fasilitas mobil dinas;
6. Fasilitas pelatihan dan pengembangan;
7. Bonus tahunan atas kinerja Perseroan dan Entitas Anak;
8. Fasilitas kantin dan tunjangan pengganti uang makan;
9. Rekreasi Karyawan;
10. Lain-lain.

ALLOWANCES AND FACILITIES FOR EMPLOYEES

Facilities and programs that support employee's welfare in the Company and its subsidiaries are as follows:

1. Social Security for Employment (BPJS Ketenagakerjaan);
2. Social Security for Health (BPJS Kesehatan)
3. Religious holiday allowance;
4. Transportation facilities and reimbursement for transportation;
5. Office car service;
6. Training and development activities;
7. Annual bonus over the performance of the Company and its subsidiaries;
8. Cafeteria and reimbursement for meals;
9. Employee Trip;
10. Others.

PENDIDIKAN DAN PELATIHAN KARYAWAN

Perseroan dan Entitas Anak memberikan kesempatan yang sama untuk setiap karyawan untuk mengembangkan kemampuan dan potensi mereka melalui program pelatihan yang diperlukan sebagai penunjang pekerjaan.

EDUCATION AND TRAINING ACTIVITIES FOR EMPLOYEES

The Company and its subsidiaries provide each employee with equal opportunity to develop their skills and potentials through various training programs required to support their duty implementation.

Tabel informasi pendidikan dan pelatihan karyawan 2017
Table of information on education and training activities for employees in 2017

NO/ NO	TANGGAL / DATE	TEMA / THEME	TEMPAT / VENUE	PENYELENGGARA / ORGANIZER
1	1 Februari / February 1	Prosedur QC (Penilaian Setting Awal Produk, Problem dan Claim) / CQ Procedure (Assessment on Product Initial Setting, Problem and Claim)	R. Meeting BPD CKr / BPD Ckr Meeting Room	Bagian QC / QC Department
2	16 Februari / February 16	*Training Trouble*	R. Meeting BPD CKr / BPD Ckr Meeting Room	Bagian Produksi / Production Department
3	23 Februari / February 23	*Training Trouble Shooting*	R. Meeting BPD CKr / BPD Ckr Meeting Room	Bagian Produksi / Production Department
4	6 Maret / March 6	SOP Hitung M'I / SOP for Calculation of M'I	R. Meeting BPD CKr / BPD Ckr Meeting Room	Bagian Produksi / Production Department
5	14 Maret / March 14	DOSING	R. Meeting Twinlite / Twinlite Meeting Room	Bag Teknik, Produksi / Engineering, Production Department
6	29 Maret / March 29	Electrical OM 4	R. Meeting BPD CKr / BPD Ckr Meeting Room	Bagian Teknik / Engineering Department
7	30 Maret / March 30	SOP Crusher	R. Meeting BPD CKr / BPD Ckr Meeting Room	
8	30 Maret / March 30	SOP Spec Produk & metode Liat Display / SOP for Product Specification & Liat Display method	(pagi & Sore) / (morning & evening)	Bagian QC / QC Department
9	10 April / April 10	*Training Cutting*	R. Meeting BPD CKr / BPD Ckr Meeting Room	Bagian Produksi / Production Department
10	17 & 18 19 April / April 17-19	*Training Forklift*	PT. Bina Prima Ind.	PT. Impack Pratama Industri Tbk & PT. Bina Prima Ind.
11	26-28 April / April 26-28	ISO 14001:201	R. Meeting Twinlite / Twinlite Meeting Room	MR & SAI Global
12	25 April / April 25	*SOP AC Panel & Chiller OM 22*	R. Meeting BPD CKr / BPD Ckr Meeting Room	Bagian Produksi / Production Department
13	12 Mei / May 12	*Training Awareness*	R. Meeting BPD CKr / BPD Ckr Meeting Room	Bagian QC / QC Department
14	18 & 19 Mei / May 18 & 19	Internal Auditor 14001:2015	R. Meeting Twinlite / Twinlite Meeting Room	MR & SAI Global
15	22-24 Mei / May 22-24	Operator *Forklift*	PT. Bina Prima Ind.	PT. Bina Prima Ind.
18	22 Mei / May 22	*Training* SOP Mesin dan *Trouble* Mesin / Training of SOP for Machines and Trouble in the Machines	R. Meeting BPD CKr / BPD Ckr Meeting Room	Bagian Produksi / Production Department
21	03 Juli / July 3	Pelatihan Qualitas	R. Meeting BPD CKr	Bagian QC / QC Department
22	5-6 Juli / Jul 5-6	*Fundamental Selling Process*	R. Meeting Altira Office Tower Lt.38 / Altira Office Tower Meeting Room 38th floor	PT Impack Pratama Industri Tbk
23	11 Juli / July 11	*Training Spectoll Twinlite*	R. Meeting BPD ckr / BPD Ckr Meeting Room	Bagian QC / QC Department
26	18 Agustus / August 18	Standar Kualitas Solartuff dan Twinwall / Quality Standrads for Solartuff and Twinwall	R. Meeting Pabrik Ckr / BPD Ckr Factory Meeting Room	Bagian QC / QC Department
27	28 Agustus / August 28	*Training Trouble Shooting*	R. Meeting Pabrik Ckr / BPD Ckr Factory Meeting Room	Bagian Produksi / Production Department
28	11 September / September 11	*Training SOP Crusher*	*Training SOP Crusher*	Bagian Produksi / Production Department

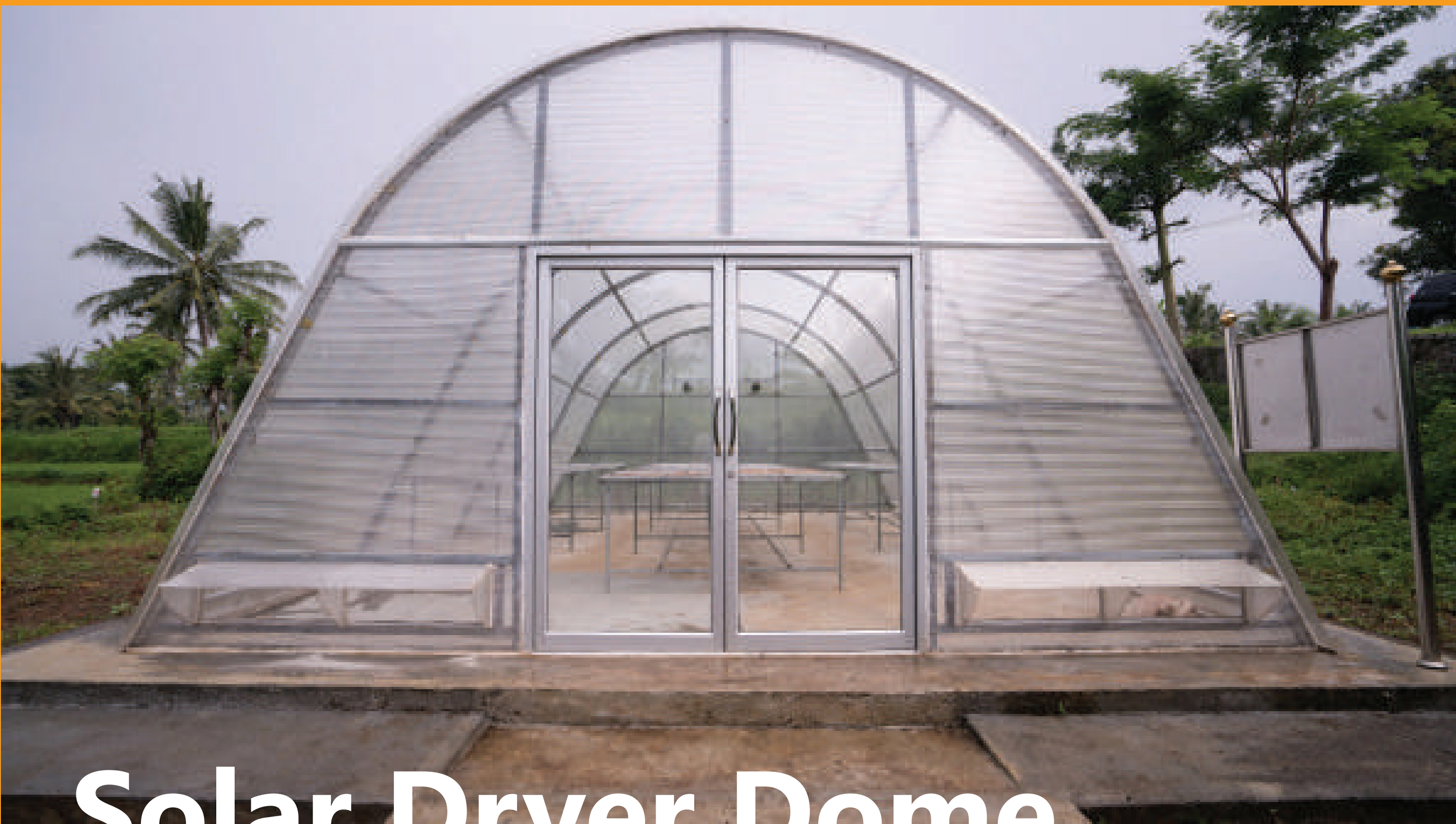
NO / NO	TANGGAL / DATE	TEMA / THEME	TEMPAT / VENUE	PENYELENGGARA / ORGANIZER
29	11 September September 11	Training Spec & Sosialisasi Form Baru / Training of Specification & Dissemination of New Form	Training Spec & Sosialisasi / Specification Training & Dissemination	Bagian QC / QC Department
30	12 Oktober / October 12	Sosialisasi KPI ISO 14001-2015 / Dissemination of KPI of ISO 14001:2015	R. Meeting Pabrik Ckr / BPD Ckr Factory Meeting Room	Bagian Produksi / Production Department
31	12 Oktober / October 12	*Hydrant*	Pos Timur / East Post	Bagian MTC Building / MTC Building Department
32	23,30 & 31 Oktober / October 23, 30 & 31	*Trouble Shooting*	R. Meeting Pabrik Ckr / BPD Ckr Factory Meeting Room	Bagian Produksi / Production Department
33	23 November / November 23	Kualitas Produk, Kedisiplinan, Serah terima alat-alat / Product Quality, Discipline and Handover of equipment	R. Meeting Pabrik Ckr / BPD Ckr Factory Meeting Room	Bagian QC / QC Department
34	27 November / November 27	*Troubel Shooting* & Dampak Lingkungan / Troubleshooting and Environmental Impact	R. Meeting Pabrik Ckr / BPD Ckr Factory Meeting Room	Bagian Produksi / Production Department
35	21 Desember / December 21	*Training* APAR & KW	R. Meeting Twinlite & Area Luar Pabrik / Twinlite Meeting Room & outside area of the factories	CV Bahona & PT. IP

SERIKAT PEKERJA

Perseroan memiliki serikat pekerja, yaitu pengurus unit Kerja Serikat pekerja Kimia Energi dan Pertambangan, Federasi Serikat Pekerja Seluruh Indonesia (PUK SPKEP-FSPSI) PT Impack Pratama Industri, Tbk.

LABOR UNION

The Company has established a labor union namely the Board of Work Unit of Chemical Energy and Mining Union, Federation of Labor Union of Indonesia (PUK SPKEP-FSPSI) of PT Impack Pratama Industri, Tbk.



Solar Dryer Dome

"Harvesting the power of the sun.
Helping farmers to improve their livelihood"

" Kami telah bermitra selama 25 tahun dengan Covestro. Sepanjang itu pula, kami membangun kemitraan yang kuat dan saling percaya. Kami yakin kolaborasi ini dapat berkontribusi bagi masyarakat kecil di Indonesia dan memperbaiki kesejahteraan mereka kedepannya. Manfaat bagi Indonesia sebagai negara agraris adalah penduduknya yang mayoritas memiliki mata pencaharian di bidang pertanian dan kelautan bagi kehidupan mereka."

" We have been in business with Covestro for over 25 years. Over time we have built strong relationship and trust together. We believe this collaboration would contribute to the underserve communities in Indonesia and beyond to improve their livelihood. This would benefit many as Indonesia is basically still an agrarian country with majority of the population depend on agriculture and fisheries for their livelihood. "

Haryanto Tjiptodihardjo

Direktur Utama / President Director,
PT Impack Pratama Industri,Tbk

Bisnis Inklusif / Inclusive Business

Bisnis inklusif merupakan penyediaan barang, jasa, dan mata pencaharian secara komersial berkelanjutan kepada masyarakat tak terlayani sehingga menjadikan masyarakat sebagai bagian dari mitra Perseroan dalam penggunaan produk. Selain kegiatan inklusif komersial ini, Perusahaan juga mengejar tujuan inklusif sosial yang lebih luas. Bisnis inklusif yang dijalankan PT Impack Pratama Industri Tbk bersama Covestro mempromosikan pembangunan berkelanjutan di semua dimensi ekonomi, sosial dan lingkungannya.

Hal ini sejalan dengan visi Pemerintah Indonesia melalui Nawacita-nya, diantaranya penggunaan energi baru terbarukan dan menumbuhkan ekonomi baru di masyarakat. Covestro (dahulu Bayer Material Science) dan Impack Pratama merupakan mitra bisnis yang memiliki pemahaman bersama dan saling percaya serta kesamaan misi dalam membantu masyarakat tertinggal melalui program kolaborasi Bisnis Inklusif.

Impack Pratama sebagai salah satu perusahaan yang berada di Indonesia ingin berkontribusi bagi masyarakat yang kurang terlayani. Kami yakin mereka mendapat manfaat dari penggunaan Solar Dryer Dome pada pengelolaan hasil-hasil paska panen dan peningkatan pendapatan tentunya. SDD merupakan produk unggulan Impack Pratama bersama Covestro yang pertama kali diterapkan di Indonesia.

Inclusive business is the provision of goods, services and job in a sustainable commercial manner to the underserved community with an aim to incorporate them as the Company's partners in product utilization aside from the commercially inclusive activity, the Company pursues an even broader social inclusive target. The inclusive business undertaken by PT Impack Pratama Industri Tbk with Covestro promotes sustainable development in all dimensions, encompassing economy, social and environment.

This is in line with the vision of the Indonesian government stipulated in the concept of 'Nawacita', namely the utilization of new and renewable energy and the development of new economy in the society. Covestro (formerly Bayer Material Science) and Impack Pratama are business partners with trust as well as similarity in mission to support underserved community through a collaboration in Inclusive Business.

Impack Pratama as an Indonesian company would like to contribute to our country underserve communities specially small-holder farmers and fishermen. We hope they could benefit by using Solar Dryer Dome for better post-harvest product and income accordingly. SDD is a competitive product of Impack Pratama, in collaboration with Covestro, which is launched and applied for the first time in Indonesia.

Solar Dryer Dome

Solar Dryer Dome dikembangkan oleh Prof. Serm Janjai dari Silpakorn University, Thailand.
Solar Dryer Dome (SDD) is developed by Prof. Serm Janjai from Silpakorn University, Thailand.

Stefan Koch dari Head of Inclusive Business Covestro ASEAN menyatakan bahwa, "Selama lebih 25 tahun, Impack Pratama telah menjadi salah satu mitra Covestro yang berharga. Kerja sama ini merupakan dasar yang baik dalam membangun sebuah kolaborasi Bisnis Inklusif melalui penawaran produk solar dryer solutions di pasar ASEAN serta memberikan keuntungan bagi masyarakat di pasar yang belum terlayani dengan baik (underserved market), terutama petani kecil, dengan penggunaan bahan Polikarbonat. Kami ingin membuktikan bahwa penciptaan dampak sosial dan pengembangan bisnis dapat berjalan bersama dalam suatu pendekatan bisnis yang berkesinambungan, di samping kinerja produksi Impack Pratama yang baik dan berkualitas tinggi serta penerapan nilai - nilai yang terkandung dalam visi Impack Pratama. Melalui komitmen untuk menghadirkan produk bernilai tinggi ke segmen pasar masyarakat tak terlayani, Impack Pratama turut berkontribusi bagi pembangunan berkelanjutan di Indonesia ke depannya".

Stefan Koch, the Head of Inclusive Business of Covestro ASEAN stated that, "Impack Pratama is a customer of Covestro and he appreciates more than 25 years of business together. This has been a great fundament to build an Inclusive Business collaboration to disseminate solar dryer solutions in ASEAN markets and to benefit the people in underserved markets, especially smallholder farmers, by the use of Polycarbonate. Together, Impack and Covestro aim to prove that social impact creation and business development can go hand-in-hand in a sustainable business approach. Beside the great production facilities of Impack Pratama and the outstanding quality, he highly appreciates the people, their values & vision, and their commitment to also bring high value materials to lower income market segments and, by this, to contribute to a sustainable development of Indonesia and beyond".

Setiap lembar polikarbonat Impack memiliki kemampuan untuk menahan panas dan sinar ultra violet

/ Each sheet of polycarbonate has the ability to retain heat and UV light

> Solar Dryer Dome merupakan kubah yang tertutup rapat, yang dapat mengendalikan suhu panas dengan adanya exhaust fan dan polikarbonat.
>
> It is a tightly sealed dome that is capable of controlling humidity, due to the presence of exhausts fan and polycarbonate.

Polikarbonat produksi Impack Pratama memiliki keunggulan-keunggulan yang paling sesuai digunakan sebagai bahan baku SDD. Polikarbonat yang digunakan sebagai bahan baku SDD merupakan produk premium yang tahan lama dan menjadi insulator atau penyimpan suhu panas yang ada pada holotype polikarbonat.

Setiap lembar polikarbonat memiliki kemampuan untuk menahan panas dan sinar ultra violet serta dapat meneruskan cahaya lainnya. Oleh sebab itu, bahan polikarbonat cocok bila dipakai untuk SDD yang sesuai dengan proses penyemaian hasil panen dimana ruang dalamnya dapat diatur baik intensitas cahaya, suhu, dan kelembabannya.

Polikarbonat memiliki sifat tidak mudah rapuh dan patah meskipun terus menerus dijemur. Oleh karena itu, polikarbonat menjadi bahan baku utama yang sesuai dalam terbentuknya SDD.

Polycarbonate produced by Impack Pratama has benefits that are most suitable to be used as the material for SDD. It is a premium product of the Company that is durable and can serve as an insulator or heat storage that exist on polycarbonate holotype.

Each sheet of polycarbonate has the ability to retain heat and UV light while forwarding other lights. To that end, polycarbonate material is suitable for SDD which is appropriate for the process of crops seeding as the inside can regulate the light intensity, temperature and humidity.

Polycarbonate is not easily brittle and broken even though it is continuously dried. Therefore, polycarbonate becomes the main raw material suitable in the formation of SDD.

Penerapan Solar Dryer Dome

Implementation of Solar Dryer Dome

Bisnis Inklusif merupakan kolaborasi bisnis yang mengintegrasikan tujuan Perusahaan dengan pertanggungjawaban sosial, masyarakat, dan lingkungan, melalui peningkatan mutu hasil pasca panen bagi masyarakat tak terlayani (undeserved) melalui penggunaan Solar Dryer Dome (SDD).

Inclusive Business is a form of business collaboration that integrates the Company's objectives with responsibilities in social field, to community and to environment, through quality improvement of harvest for underserved community via the utilization of Solar Dryer Dome (SDD).

Indonesia sebagai negara agraris menginspirasi Perseroan untuk menjalankan bisnis inklusif yang mampu menciptakan ekonomi baru bagi petani dan nelayan yang kurang terlayani melalui penggunaan Solar Dryer Dome.

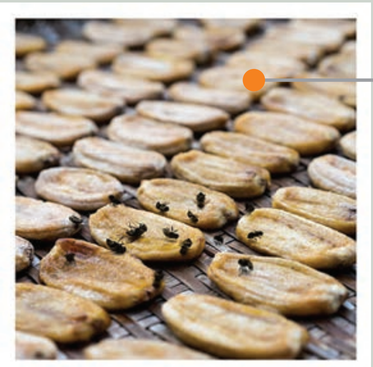
As an agrarian nation, Indonesia inspires the Company to implement inclusive business concept that can create new economy for underserved farmers and fishermen through the utilization of Solar Dryer Dome.

Dalam produksi dan pemasangannya di Indonesia, SDD dilakukan oleh Perseroan yang di tawarkan di seluruh Asia. Hingga akhir tahun 2017, telah terpasang 6 unit SDD/SSDD di seluruh Indonesia baik itu melalui pemerintah maupun swasta serta individu.

The Company carries out the production and installation in Indonesia, and the product is being offered to all regions of Asia. By the end of 2017, there has been 6 units of SDD/SSDD installed throughout Indonesia, either for the government, private sectors or individuals.

SDD telah beberapa kali diujicoba dan melalui beberapa proses penelitian seperti yang dilakukan di Javara, Bekasi melalui sebuah lembaga penelitian dari Kementerian Pertanian Republik Indonesia untuk menguji efektivitas SDD atau yang dilakukan oleh Institute Pertanian Bogor sebagai alat praktikumnya.

Solar Dryer Dome has been tested for several times and passed a number of research processes, such as the one conducted in Javara, Bekasi, by one of the research institutes from the Ministry of Agriculture of the Republic of Indonesia to examine the effectiveness of SDD, or the one conducted by Bogor Agricultural University as their practicum tool.



Banana Using Traditional Outside Drying

Which would you give to your family?

Banana Innovative Solar Drying

Manfaat SDD / SDD Benefits

SDD adalah fasilitas pengering produk hortikultura yang dibangun menggunakan lembar polikarbonat yang dilapisi material penyaring sinar ultraviolet menggantikan pengering konvensional lainnya.

SDD is a drying facility for horticulture products that is developed using polycarbonate sheets. The sheets are covered by materials that can filter UV light. SDD is used to replace other conventional drying methods.

Pengeringan konvensional membuat proses pengeringan menjadi terpapar debu, air hujan, dan cahaya ultraviolet yang menyebabkan 30%-50% hasil perkebunan kehilangan nilai ekonomis.

The conventional ones makes the drying process exposed to dust contamination, rainwater, and UV light, that would have caused 30%-50% of plantation yields to lose their economic value.

Peralihan ke Solar Dryer Dome bisa meningkatkan produksi perkebunan yang terjual hingga 45% karena produk menjadi lebih higienis dan nutrisi serta warna alami terjaga.

The alteration to Solar Dryer Dome will improve the sales of plantation productions up to 45% as the products are more hygienic and nutritious, while keeping their natural colors.

1. Pada tanggal 1 April 2017 di Kendal, Para petani langsung melakukan produksi pisang sale dengan uji coba awal 50 kg perbulan dan meningkat hingga mencapai ± 800 kg selama sebulan. On April 1, 2017, the farmers in Kendal directly tested SDD to produce dried bananas (pisang sale). The initial test was conducted on 50 kg of bananas a month and continued to increase reaching up to ± 800 kg per month.

2. Pada tanggal 12 Juni 2017, SDD Javara di Bekasi resmi digunakan sebagai penelitian oleh Kementerian Pertanian Republik inbdonesia. On June 12, 2017, SDD Javara in Bekasi was officially used for research purposes by the Ministry of Agriculture of the Republic of Indonesia.

3. Dinas Pangan, Pertanian dan Perikanan Pontianak, Kalimantan Barat tertarik menggunakan SSDD dalam pengelolaan pasca panen petani dan nelayan. The Food, Agriculture and Fishery Department of Pontianak, West Kalimantan, was interested in utilizing SSDD for the management of post-harvest activity of the farmers and fishermen.

4. Pada 16 Juli 2017, telah di kirim 1 unit SSDD ke Eastwest Seed, Purwakarta, dengan sistem bongkar pasang untuk pengeringan bibit. On July 16, 2017, 1 unit of SSDD was delivered to Eastwest Seed, Purwakarta, with knockdown system for seed drying process.

5. Pada 22 September 2017, SSDD dibeli oleh Pak Antonius – Flores untuk pengeringan Cabai. Hasilnya cukup memuaskan untuk cabai rawit merah dan cabai keriting. On September 22, 2017, Mr. Antonius from Flores purchased SSDD for the purpose of drying chili. The result was quite satisfying, especially for red chili and chili pepper.

6. Pada November 2017, PT Haldin telah memesan SDD 8 x 20 untuk pabriknya di Lampung. In November 2017, PT Haldin ordered SDD 8 x 20 for the factory in Lampung.

Pengguna SDD di Kendal Jawa tengah

Rusmawarni

"Kami senang sekali karena Solar Dryer Dome dapat memberikan pekerjaan baru bagi kami khususnya ibu-ibu rumah tangga di daerah sini."

Sale pisang yang di jual Bu Rusmawarni

Ada 10 Kepala Keluarga yang memproses pengeringan pisang sampai menjadi sale. Awalnya kami mencoba untuk mengeringkan 50 kg kemudian menjadi 200 kg pisang basah perbulan. Pemasaran kami lakukan ke tetangga sekitar dan *reseller* dari Semarang yang sudah langganan beli sale pisang sekitar 400 kg per bulan. Di akhir 2017 total kita sudah berhasil mengeringkan hingga 800 kg pisang basah perbulan. Produk kami juga sudah mulai masuk ke Yogyakarta, walaupun tidak banyak, namun pelan-pelan merambah ke kota".

"We are really glad because Solar Dryer Dome provides new job for us, especially the housewives in the surrounding area. There are 10 households here which carry out banana drying process until they become sale product. At first, we tried to dry 50 kg of banana before increasing the quantity up to 200 kg bananas per month. Marketing activity is conducted to the neighbors and resellers from Semarang who become our customers and buy around 400 kg of sale pisang product each month. By the end of 2017, we have dried up to 800 kg of bananas per month. Our product has even entered Yogyakarta market, and slowly, in small amount, but surely begin to penetrate the large city market."

Analisis dan Pembahasan Manajemen

Management Discussion dan Analysis

04

ANALISIS DAN PEMBAHASAN MANAJEMEN
Management Discussion and Analysis

TINJAUAN MAKROEKONOMI

Berdasarkan data Kementerian Keuangan, perekonomian global menunjukan peningkatan dari tahun-tahun sebelumnya. Sejalan dengan itu, angka pertumbuhan ekonomi di Indonesia juga meningkat tipis 0,02% menjadi 5,02% di akhir tahun 2017. Dengan membaiknya pertumbuhan ekonomi sepanjang tahun 2017, maka pemerintah merumuskan pertumbuhan ekonomi pada APBN 2018 sebesar 5,4%.

Ada beberapa indikator perekonomian yang membuat pemerintah optimis untuk mencapai pertumbuhan ekonomi sebesar 5,4% di tahun 2018.

Pertama, dunia ekspor dan impor Indonesia telah menunjukkan perkembangan positif setelah pada tahun-tahun sebelumnya selalu menurun. Kedua, pemerintah berharap dunia investasi juga mulai meningkat sebagai akibat dari pembangunan infrastruktur yang sudah berjalan selama dua hingga tiga tahun ini. Ketiga, pemerintah telah menyusun belanja prioritas yang akan memberikan efek besar bagi pembangunan.

Selain itu, kemudahan berkegiatan (*ease of doing business*) bagi para investor juga mendapat perhatian khusus dari pemerintah. Salah satu upaya yang dilakukan yaitu dengan mengeluarkan Paket-Paket Kebijakan Ekonomi. Pada Agustus 2017, Presiden Joko Widodo (Jokowi) telah meluncurkan Paket Kebijakan ke-17. Paket Kebijakan Ekonomi ini bertujuan untuk memperbaiki, menyederhanakan, dan mempermudah proses ekonomi dalam dunia investasi.

TINJAUAN INDUSTRI

Industri manufaktur merupakan salah satu industri penting dalam pembangunan ekonomi nasional. Sektor manufaktur masih menjadi kontributor terbesar bagi perekonomian nasional, di antaranya melalui peningkatan pada nilai tambah bahan baku dalam negeri, penyerapan tenaga kerja lokal, dan penerimaan devisa dari ekspor.

OVERVIEW ON MACROECONOMIC CONDITION

Based on data from the Ministry of Finance, the global economy showed an increase from the condition in the previous years. In line with such growth, domestic economic growth rate also increased slightly by 0.02%, reaching 5.02% by the end of 2017. With the improvement of economic growth throughout the year, the government projected economic growth in the 2018 State Budget of 5.4%.

There are several economic indicators that contributed to the government's optimism to achieve economic growth of 5.4% in 2018.

Firstly, the nation's export and import activities have shown a positive development after recording declines in preceding years. Secondly, the government hopes that the investment sector will also begin to show improvement as the result of infrastructure development that has been carried out in the last two to three years. Thirdly, the government has set priority expenditure that will have a major effect on development.

In addition, the ease of doing business aspect for investors has been receiving special attention from the government. One of the efforts conducted in regard to this is by issuing the Economic Stimulus Policy Packages. In August 2017, President Joko Widodo (Jokowi) launched the 17th Policy Package which aimed to improve, simplify and facilitate the economic process in investment sector.

INDUSTRY OVERVIEW

Manufacturing industry is one of the key sectors in national economic development. The manufacturing sector remains as the largest contributor to the national economy in 2017, among others through the increase in the added value of domestic raw materials, the absorption of local labor, and foreign exchange earnings from export activity.

Peningkatan nilai tambah ini misalnya dilakukan oleh industri berbasis agro dan tambang mineral yang telah menghasilkan berbagai produk hilir seperti turunan kelapa sawit dan *stainless steel*. Untuk jumlah ragam produk hilir kelapa sawit, meningkat menjadi 154 produk sepanjang tahun 2015-2017 dibanding tahun 2014 sekitar 126 produk.

Pertumbuhan nilai tambah sektor manufaktur mencapai 4,84% y/y pada kuartal III, yang tertinggi selama tiga tahun, didukung oleh perbaikan di beberapa industri, seperti makanan dan minuman, tekstil, dan alat angkutan. Data Kementerian Keuangan RI menyebutkan bahwa pertumbuhan industri manufaktur pada 2017 naik signifikan menjadi 17,1% (yoy) pertumbuhan industri manufaktur pada 2016 sebesar 1,2%.

Mengenai penyerapan tenaga kerja, Kementerian Perindustrian (Kemenperin) memprediksi total tenaga kerja yang terserap di sektor manufaktur pada 2017 sebanyak 17,01 juta orang, naik dibandingkan tahun 2016 yang mencapai 15,54 juta orang. Capaian ini mendorong pengurangan tingkat pengangguran dan kemiskinan di Indonesia yang cukup signifikan.

Sektor-sektor yang menyerap tenaga kerja cukup banyak, antara lain industri makanan dan minuman lebih dari 3,3 juta orang, industri otomotif sekitar 3 juta orang, industri tekstil dan produk tekstil sebanyak 2,73 juta, serta industri furnitur berbahan baku kayu dan rotan nasional untuk tenaga kerja langsung dan tidak langsung mencapai 2,5 juta orang.

Badan Pusat Statistik (BPS) mencatat, ekspor nonmigas hasil industri pengolahan pada Januari-November 2017 naik 14,25% dibanding periode yang sama tahun 2016. Sementara itu, pada semester I tahun 2017, ekspor industri pengolahan non-migas mencapai USD59,78 miliar atau naik 10,05% dibandingkan periode yang sama tahun 2016 sebesar USD54,32 miliar.

TINJAUAN OPERASIONAL

Tahun 2017 masih menjadi tantangan bagi Perseroan terutama pada segmen usaha properti, di mana realisasi penjualan unit ruang perkantoran hanya mencapai 48,5% dari target penjualan 2017. Penjualan sektor *real estate* tahun 2017 sebesar Rp37,6 miliar turun dibanding penjualan tahun 2016 sebesar Rp120,2 miliar.

This increase in value added occurred in, for example, agro-based industries and mineral mining which have generated various downstream products such as palm oil and stainless steel derivatives. The total range of downstream palm oil products grew to 154 products during the year 2015-2017 compared to that of 2014 which was around 126 products.

The growth of added value of manufacturing sector, on the other hand, reached 4.84% y/y in the third quarter, the highest for three years, due to the improvements made in several industries, such as food and beverages, textiles and transportation equipment. Data from the Ministry of Finance stated that the growth of the manufacturing industry in 2017 rose significantly to 17.1% (yoy) compared to manufacturing industry growth in 2016 which was 1.2%.

Regarding labor absorption, the Ministry of Industry has projected that total manpower absorbed in the manufacturing sector in 2017 amounted to 17.01 million people, an increase from total manpower absorbed in 2016 which was recorded at 15.54 million people. Such achievement leads to significant reductions in Indonesia's unemployment and poverty rates.

Sectors that absorbed quite a lot of labor in 2017 included food and beverage industry which was more than 3.3 million people, automotive industry which was about 3 million people, textile and textile products industry which was 2.73 million people, and national wood-based and rattan-based furniture industries which was 2.5 million people in terms of direct and indirect labor.

The Central Bureau of Statistics (BPS) recorded that exports of non-oil and gas products of processing industry in the period of January-November 2017 rose 14.25% compared to the same period in 2016. In the first semester of 2017, exports of non-oil and gas processing products reached USD59.78 billion, an increase of 10.05% from USD54.32 billion recorded in the same period in 2016.

OPERATIONAL OVERVIEW

2017 was another challenging year for the Company, especially in the property business segment where the realization of sales of office space unit only reached 48.5% of the 2017 sales target. Meanwhile, sales of real estate sector in 2017 reached Rp37.6 billion, showed a decline compared to the 2016 sales of Rp120.2 billion.

Namun demikian untuk bisnis utama Perseroan, realisasi penjualan tahun 2017 sedikit melebihi target dengan capaian 101,3%. Penjualan dari bisnis utama ini menunjukan pertumbuhan sebesar 13,8% dari penjualan tahun 2016.

Keberhasilan peningkatan penjualan bisnis utama Perseroan antara lain juga disebabkan oleh adanya akuisisi Perseroan pada Februari dan Agustus 2017, yaitu akuisisi OCI International Sdn Bhd dan Alsynite One NZ Ltd yang menjadi entitas anak di luar negeri.

Akuisisi tersebut mampu mendorong peningkatan penjualan di pasar internasional di tahun 2017 senilai Rp253,9miliar atau 21,3% dari total penjualan tahun 2017 atau meningkat dibandingkan tahun 2016 senilai Rp172,1 miliar atau 15,2% dari total penjualan tahun 2016. Kontribusi OCI International Sdn Bhd dan Alsynite One NZ Ltd di pasar internasional masing-masing sebesar Rp2,6 miliar dan Rp53,9 miliar.

Peningkatan penjualan bisnis utama selain karena peningkatan volume penjualan di pasar retail juga adanya peningkatan volume penjualan di pasar *project* melalui entitas anak PT Alderon Pratama Indonesia di tahun 2017 senilai Rp102,6 miliar meningkat dua kali lipat dibandingkan tahun 2016 senilai Rp47,4 miliar.

TINJAUAN OPERASIONAL PER SEGMEN USAHA

Kapasitas Produksi

Peningkatan penjualan ditopang oleh kapasitas produksi Perseroan yang terletak di empat wilayah sebagai berikut;

Fortunately, the realization of sales of the Company's core business in 2017 slightly exceeded the target with the achievement of 101.3%. Sales of this main business showed a growth of 13.8% from the sales of the sames sector recorded in 2016.

Such achievement of Company's core business sales growth was due to the acquisition activities conducted in February and August 2017, namely the acquisition of OCI International Sdn Bhd and Alsynite One NZ Ltd which then became the Company's overseas subsidiaries.

These acquisitions managed to boost the sales in international market in 2017 by Rp253.9 billion or 21.3% of the total sales in 2017, or grew from Rp172.1 billion or 15.2% of total sales recorded in 2016. The contributions from OCI International Sdn Bhd and Alsynite One NZ Ltd in international markets amounted to Rp2.6 billion and Rp53.9 billion, respectively.

Other the increasing sales volume in retail market in 2017 which contributed to the growing sales of core business of the Company, sales volume in project market through PT Alderon Pratama Indonesia, a subsidiary, also grew to Rp102.6 billion, more than double the amount recorded in 2016 which was Rp47.4 billion.

OPERATIONAL OVERVIEW PER BUSINESS SEGMENT

Production Capacity

The growth of sales in 2017 was supported by the production capacities of the Company's four facilities as follows:

Lokasi / Location	Kapasitas Produksi 2017 / Production Capacity in 2017										
	Roofing					Façade			Material		
	PC	PVC	uPVC	FRP	TOTAL	Impraboard	ACP	Total	PVC Compound	Sealant	Total
Cikarang	20.600		16.860	835	38.295	6.480	12.500	18.980		480	480
Karawang		3.000			3.000				6.048		6.048
Vietnam	6.000				6.000						
Selandia Baru / New Zealand				1.105	1.105						
	26.600	**3.000**	**16.860**	**1.940**	**48.400**	**6.480**	**12.500**	**18.980**	**6.048**	**480**	**6.528**

Lokasi / Location	Lini Produksi 2017 / Production Lines in 2017										
	Roofing					Façade			Material		
	PC	PVC	uPVC	FRP	TOTAL	Impraboard	ACP	Total	PVC Compound	Sealant	Total
Cikarang	7		10	1	18	2	2	4		2	2
Karawang		2			2				4		4
Vietnam	2				2						
Selandia Baru / New Zealand				1	1						

Manufaktur

Kegiatan usaha manufaktur yang dijalankan Perseroan meliputi produksi atap (roofing), *façade* dan material. Kapasitas produksi Perseroan di tahun 2017 mengalami peningkatan dengan uraian sebagai berikut;

- Kapasitas produksi uPVC meningkat sebesar 4.500 ton yang berasal dari penambahan 3 unit mesin
- Kapasitas produksi FRP meningkat sebesar 1.105 ton yang berasal dari akuisisi Alsynite One NZ Ltd.

Real Estate

Sejak tahun 2012, Perseroan melalui penyertaan pada Entitas Anaknya, SGL, mulai bergerak dalam penjualan *real estate*. Saat ini Perseroan memiliki 2 bangunan, yaitu Altira Office Tower yang terdiri atas 199 unit dan Altira Office Park yang terdiri atas 84 unit. Kedua bangunan tersebut terletak di Jl. Yos Sudarso No. 85, Kel. Sunter Jaya, Kec. Tanjung Priok, Jakarta 14350 dan merupakan bangunan gedung perkantoran tertinggi di Jakarta Utara.

Manufacture

The manufacture business activities conducted by the Company cover the production of roofing, façade and material. In 2017, the Company's production capacity demonstrated an improvement as follows:

- uPVC production capacity grew by 4,500 tons due to the addition of 3 machine units.
- FRP production capacity grew by 1,105 tons due to the acquisition of Alsynite One NZ Ltd.

Real Estate

Since 2012, the Company through investment in SGL, a subsidiary, has begun to participate in real estate sales. At present, the Company has 2 buildings, namely Altira Office Tower which has 199 units, and Altira Office Park which has 84 units. Both buildings are located at Jl. Yos Sudarso No. 85, Kel. Sunter Jaya, Kec. Tanjung Priok, Jakarta 14350, and are the highest office buildings in North Jakarta area.

Profitabilitas / **Profitability**

Dalam Rp Jutaan / In Rp Million

Deskripsi / Description	2017	2016	Perubahan / Change (%)
Core Business			
Pendapatan Neto / Net Revenues	1.155.459	1.015.054	13,8
Laba Bruto / Gross Profit	358.497	343.469	4,4
Laba Tahun Berjalan / Profit for the Year	83.200	89.547	(7,1)
EBITDA	228.567	215.998	5,8
Non Core Business			
Pendapatan Neto / Net Revenues	37.595	120.243	(68,7)
Laba Bruto / Gross Profit	26.030	62.560	(58,4)
Laba Tahun Berjalan / Profit for the Year	8.104	36.276	(77,7)
EBITDA	14.609	56.303	(74,1)
TOTAL			
Pendapatan Neto / Net Revenues	1.193.054	1.135.296	5,1
Laba Bruto / Gross Profit	384.527	406.028	(5,3)
Laba Tahun Berjalan / Profit for the Year	91.303	125.823	(27,4)
EBITDA	243.176	272.301	(10,7)

Pencapaian penjualan Perseroan pada 2017 meningkat sebesar 5,1% dari penjualan tahun 2016, dengan pencapaian laba kotor, laba bersih dan EBITDA masing-masing sebesar 32,2%, 7,7%, dan 20,4%.

The Company's sales in 2017 grew by 5,1% from the total sales of the previous year, with the achievement of gross profit, net profit and EBITDA each amounted to 32.2%, 7.7% and 20.4% respectively.

ANALISIS KINERJA KEUANGAN

Laporan Posisi Keuangan

Tabel Laporan Posisi Keuangan

FINANCIAL PERFORMANCE ANALYSIS

Statements of Financial Position

Table of Statements of Financial Position

dalam jutaan rupiah / In Rp Million

Deskripsi / Description	2017	2016	Perubahan / Change (%)
Aset Lancar / Current Assets	1.200.669	1.261.952	(4,9)
Aset Tidak Lancar / Non-Current Assets	1.094.009	1.014.080	7,9
Total Aset / Total Assets	2.294.677	2.276.032	0,8
Liabilitas Jangka Pendek / Current Liabilities	333.005	334.534	(0,5)
Liabilitas Jangka Panjang / Non-Current Liabilities	672.652	715.853	(6,0)
Total Liabilitas / Total Liabilities	1.005.657	1.050.387	(4,3)
Total Ekuitas / Total Equity	1.289.021	1.225.645	5,2

Total Aset

Total aset Perseroan per tanggal 31 Desember 2017 tercatat sebesar 2.294.677 juta mengalami peningkatan 0,8% dari total aset 2016 sebesar Rp2.276.032 juta. Peningkatan aset ini terutama disebabkan oleh peningkatan aset tidak lancar.

Aset lancar mengalami penurunan sebesar Rp61.283 juta atau sebesar 4,9% menjadi Rp1.200.669 juta dibandingkan tahun 2016. Penurunan aset lancar ini terutama disebabkan oleh penurunan kas dan bank untuk pelunasan hutang Medium Term Notes (MTN) pada tanggal 30 Oktober 2017.

Aset tidak lancar mengalami peningkatan sebesar Rp79.929 juta atau sebesar 7,9% dibandingkan dengan tahun 2016. Peningkatan ini terutama disebabkan oleh peningkatan aktiva tetap berupa penambahan bangunan, mesin dan kendaraan. Properti investasi juga mengalami peningkatan disebabkan adanya reklasifikasi unit ruang kantor yang disewakan yang sebelumnya dicatat dalam akun persediaan.

Total Liabilitas

Total liabilitas Perseroan per tanggal 31 Desember 2017 tercatat sebesar Rp1.005.657 juta turun 4,3% dibanding liabilitas tahun 2016. Penurunan ini terutama disebabkan oleh pelunasan hutang Medium Term Notes (MTN) pada tanggal 30 Oktober 2017.

Liabilitas jangka pendek mengalami penurunan sebesar Rp1.529 juta atau 0,5% dibanding tahun 2016. Penurunan ini disebabkan oleh menurunnya utang usaha, uang muka pelanggan dan utang pajak dan adanya peningkatan hutang bank entitas anak perusahaan.

Liabilitas jangka panjang mengalami penurunan sebesar Rp43.201 juta atau 6,0% dibanding liabilitas jangka panjang tahun 2016. Penurunan ini terutama disebabkan antara lain karena pelunasan hutang MTN sebesar Rp100 miliar serta adanya penambahan hutang bank jangka panjang entitas anak perusahaan.

Total Assets

Per December 31, 2017, total assets of the Company reached Rp2,294,677 million, an increase of 0.8% from total assets of 2016 at Rp2,276,032 million due to the increase in non-current assets.

Current assets of 2017 amounted to Rp1,200,669 million, declined by Rp61,283 million or 4.9% from that of the previous year. Such drop was particularly caused by the decrease in cash in banks which was used for the settlement of Medium term Notes (MTN) debt on October 30, 2017.

Non-current assets, on the other hand, grew by Rp79,929 million or 7.9% compared to that of 2016. Such growth was mainly attributable to the increase in fixed assets in the form of additional buildings, machines and vehicles. The post of investment property also increased due to the reclassification of office space units to be leased which was previously accounted for the inventories.

Total Liabilities

The Company's total liabilities as of December 31, 2017 amounted to Rp1,005,657 million, down 4.3% from total liabilities of 2016, due to the settlements of Medium Term Notes (MTN) debt on October 30, 2017.

Current liabilities declined by Rp1,529 million or 0.5% from the current liabilities of 2016 due to the decrease in trade payables, advances from customers, and tax payables, as well as the increase in bank's debt of subsidiaries.

The Company's non-current liabilities also decreased by Rp43,201 million or 6.0% from that of 2016. This was caused mainly by the settlement of MTN debt amounted to Rp100 billion as well as the increase in long-term bank's debt of subsidiaries.

Total Ekuitas

Total ekuitas Perseroan per tanggal 31 Desember 2017 tercatat sebesar Rp1.289.021juta meningkat 5,2% dari total ekuitas tahun 2016. Peningkatan ini berasal dari laba tahun berjalan.

Total Equity

Total equity of the Company per December 31, 2017 was recorded at Rp1,289,021 million, grew by 5.2% from total equity of 2016 due to the rising profit for the year.

Laporan Laba Rugi

Tabel Laporan Laba Rugi

Statements of Income

Table of Statements of Income

dalam jutaan rupiah / In Rp Million

Deskripsi / Description	2017	2016	Perubahan / Change (%)
Pendapatan Neto / Net Revenues	1.193.054	1.135.296	5,1
Beban Pokok Pendapatan / Cost of Revenues	(808.527)	(729.268)	10,9
Laba Bruto	384.527	406.028	(5,3)
Laba Usaha	189.231	218.803	(13,5)
Laba sebelum Pajak Penghasilan	111.424	164.796	(32,4)
Laba Tahun Berjalan	91.303	125.823	(27,4)
Total Penghasilan Komprehensif Tahun Berjalan	82.725	120.447	(31,3)
Laba per Saham Dasar / Basic Earnings per Share	Rp18,05	Rp21,22	(14,9)

Pendapatan Neto

Sepanjang 2017, Perseroan membukukan pendapatan neto sebesar Rp1.193.054 juta. Penjualan Perseroan mengalami pertumbuhan sebesar Rp57.8 miliar atau meningkat 5,1% dibandingkan tahun 2016.

Kenaikan ini disebabkan oleh pertumbuhan penjualan pada sektor bisnis utama sebesar dua digit (13.8%), meskipun sektor *real estate* mengalami pertumbuhan negatif, dimana pada tahun 2017 unit yang terjual adalah 2 unit Office Block sedangkan tahun 2016 unit yang terjual adalah 3 unit Office Block dan 20 unit (3 lantai) Office Tower.

Penjualan bisnis utama mengalami pertumbuhan sebesar Rp140,4 miliar atau 13,8% dibandingkan tahun 2016. Penjualan lokal berkontribusi senilai Rp58,6 miliar, sementara ekspor berkontribusi senilai Rp81,8 miliar terhadap total penjualan.

Pertumbuhan penjualan lokal disebabkan oleh peningkatan penjualan proyek senilai Rp55,1 miliar dan penjualan retail senilai Rp3,5 miliar.

Net Revenues

During the year, the Company has recorded net revenues of Rp1,193,054 million. The Company's sales grew by Rp57.8 billion or 5.1% from that of the previous year.

Such increase was caused by the rising sales of core business of the Company by 13.8%, despite the decline in the sales of real estate sector. In 2017, the Company only managed to sell 2 units of Office Block compared to the sale of 3 units of Office Block and 20 units (3 floors) of Office Tower in 2016.

The sales of core business rose by Rp140.4 billion or 13.8% from that of 2016, comprising the local sales and export activities with each contribution amounted to Rp58.6 billion and Rp81.8 billion, respectively.

The growth of local sales in 2017 was contributed by the increase in project sales amounted to Rp55.1 billion and retail sales amounted to Rp3.5 billion.

Sementara penjualan ekspor disebabkan oleh akuisisi entitas anak di luar negeri di tahun 2017 yang telah menyumbang penjualan sebesr Rp56,5 miliar, sedangkan pertumbuhan penjualan ekspor produk yang lain sebesar Rp25,3 miliar.

Penjualan produk atap terutama atap polikarbonat dan atap uPVC (Alderon), masih menjadi pemberi kontribusi terbesar untuk penjualan bisnis utama. Penjualan produk atap tahun 2017 mewakikli kurang lebih 76% dari total penjualan bisnis utama. Penjualan produk façade mewakili kurang lebihg 15% dari total penjualan bsinis utama, sisanya merupakan penjualan produk material.

Laba Kotor

Pada 2017, Perseroan memperoleh laba kotor sebesar Rp384.527 juta. Laba kotor Perseroan mengalami pertumbuhan negatif karena penjualan *real estate* sedang turun, sedangkan laba kotor dari sektor bisnis utama mengalami pertumbuhan 4,4% yang disebabkan oleh kenaikan volume penjualan serta harga jual.

Laba Tahun Berjalan

Laba tahun berjalan pada 2017 tercatat sebesar Rp91.303 juta. Laba tahun berjalan mengalami penurunan disebabkan oleh penurun laba kotor dan peningkatan biaya operasional serta beban bunga.

EBITDA

EBITDA Perseroan mengalami penurunan di tahun 2017 disebabkan terutama oleh peningkatan biaya operasional.

Meanwhile, the growth in export activity was due to the acquisition of overseas subsidiaries, which in 2017, managed to contribute sales amounted to Rp56.5 billion. Export activity of other products, on the other hand, grew by Rp25.3 billion.

The sales of roof products especially polycarbonate roof and uPVC (Alderon) roof product remained as the largest contributor to the sales of core business. In 2017, the sales of roof products represented 76% of the total sales of core business. Meanwhile, the sales of façade products in 2017 contributed around 15% to the total sales of core business with the remaining percentage was contributed by material products' sales.

Gross Profit

In 2017, the Company's gross profit was Rp384,527 million, demonstrated a decline along with the negative growth of real estate segment. Nevertheless, gross profit of core business of the Company rose 4.4% due to the increase in sales volume as well as selling prices.

Profit for the Year

The Company recorded profit for the year amounting to Rp91,303 million, a decline compared to that of the previous year due to the decrease in gross profit and increase in operating costs as well as interest expense.

EBITDA

EBITDA of the Company decreased in 2017 mainly due to the increase in operating costs.

Laporan Arus Kas

Tabel Laporan Arus Kas

Statements of Cash Flows

Table of Statements of Cash Flows

Dalam Jutaan Rupiah / In Rp Million

Deskripsi / Description	2017	2016	Perubahan / Change (%)
Arus kas dari aktivitas operasi / Cash flows from operating Activities	20.614	164.658	(87,5%)
Arus kas untuk aktivitas investasi / Cash flows for investing activities	(123.689)	(206.960)	(40,2%)
Arus kas dari (untuk) aktivitas pendanaan / Cash flows from (used in) financing activities	(67.622)	443.584	(115,2%)
Kenaikan (penurunan) neto kas dan setara kas / Net increase (decrease) in cash and cash equivalents	(170,697)	401.282	(142,5%)
Pengaruh perubahan kurs / Foreign exchange effect	4.222	(1.533)	375,5%
Kas dan setara kas awal tahun / Cash and cash equivalents at the beginning of the year	521.518	121.769	328,3%
Kas dan setara kas akhir tahun / Cash and cash equivalents at the end of the year	355.043	521.518	(31,9%)

Arus Kas dari Aktivitas Operasi

Pada 2017, arus kas dari aktivitas operasi Perseroan mengalami penurunan sebesar Rp140.044 juta, atau 87,5% dibandingkan arus kas dari aktivitas operasi pada 2016 sebesar Rp164.658 juta. Penurunan ini disebabkan oleh peningkatan pembayaran kepada pemasok dan pembayaran bunga pinjaman dan bunga obligasi.

Cash Flows from Operating Activities

In 2017, cash flows from operating activities of the Company dropped by Rp140.044 million or 87,5% from the balance recorded in 2016 amounting to Rp164,658 million. This decline was caused by an increase in payment to suppliers, payment of interest and bonds interests.

Arus Kas untuk Aktivitas Investasi

Arus kas untuk aktivitas investasi tercatat sebesar Rp123.689 juta, mengalami penurunan 40,2% dibandingkan pada 2016 sebesar Rp206.960 juta. Penurunan ini terutama disebabkan oleh menurunnya pembelian aktiva tetap.

Cash Flows for Investing Activities

Cash flows for investing activities in 2017 were recorded at Rp123.689 million, demonstrated a 40,2% declined compared to the amount recorded at the end of 2016 which was Rp206,960 million. This was mainly due to the decrease in the acquisition of fixed assets.

Arus Kas dari Aktivitas Pendanaan

Pada 2017, arus kas dari aktivitas pendanaan Perseroan mengalami penurunan 115,2% menjadi Rp67.622 juta, sedangkan pada 2016 tercatat Rp443.584 juta. Hal ini terutama disebabkan oleh pelunasan hutang MTN.

Cash Flows from Financing Activities

The Company’s cash flows from financing activities in 2017 declined by 115,2%, from Rp443,584 million recorded in 2016 to Rp67,622 million. Such decrease was attributable to the settlement of MTN debt.

KEMAMPUAN MEMBAYAR UTANG

Perseroan menggunakan rasio likuiditas untuk mengukur kemampuan dalam melunasi utang, sedangkan rasio solvabilitas digunakan untuk mengukur kemampuan Perseroan dalam memenuhi seluruh kewajibannya.

SOLVENCY

The Company uses liquidity ratio to measure its solvency and uses solvability ratio to measure its capability to meet all of its liabilities.

Rasio Likuiditas / Liquidity Ratio

Deskripsi / Description	2017	2016
Rasio Lancar / Current Ratio	3,6x	3,8x
Rasio Kas / Cash Ratio	1,07x	1,56x

Rasio likuiditas menunjukkan kemampuan Perseroan dalam memenuhi kewajiban keuangannya dalam jangka pendek digambarkan dengan rasio lancar dan rasio kas. Rasio kas dihitung dengan cara membandingkan kas yang dimiliki dengan jumlah liabilitas jangka pendek, sedangkan rasio lancar dihitung dengan cara membandingkan jumlah aset lancar dengan jumlah liabilitas jangka pendek.

Pada 2017, rasio likuiditas Perseroan menunjukkan sedikit penurunan baik dari rasio lancar maupun rasio kas. Rasio lancar dan rasio kas Perseroan untuk tahun 2017 berada pada tingkat yang sehat yaitu mencapai 3,6x dan 1,07x. Rasio lancar dan rasio kas tersebut masih menunjukkan bahwa Perseroan memiliki kemampuan yang baik dalam membayar utang.

Liquidity ratio shows the Company's capability to fulfill its short-term financial liabilities and is described by current ratio and cash ratio. The current ratio is calculated by comparing total current assets with total current liabilities while cash ratio is calculated by comparing the existing cash with total current liabilities.

In 2017, the Company's liquidity ratio demonstrated a slight decline, both in terms of current ratio and cash ratio. The current ratio and cash ratio of the Company in 2017 were at the sound level of 3.6x and 1.07x, respectively. It means that both ratios describe that the Company continue to have good capability in paying its current liabilities.

Rasio Solvabilitas

Rasio Solvabilitas digunakan untuk menghitung perbandingan dana yang tersedia dengan dana yang dipinjam sehingga dapat menunjukkan tingkat keamanan aset dan ekuitas dari jumlah pinjaman. Perhitungan rasio ini ditunjukan dengan membandingkan rasio liabilitas terhadap ekuitas dan rasio liabilitas terhadap aset.

Solvability Ratio

The solvability Ratio is used to calculate the comparison of available funds with borrowed funds; thus, showing the level of assets security and equity from total loans. This ratio is showed by comparing liabilities to equity ratio and liabilities to assets ratio.

Deskripsi / Description	2017	2016
Liabilitas terhadap Ekuitas / Liabilities to Equity	0,8x	0,9x
Liabilitas terhadap Aset / Liabilities to Assets	0,4x	0,5x

Pada tahun 2017, rasio solvablilitas ekuitas sebesar 0,8x dan solvabilitas aset sebesar 0,4x. Penurunan rasio solvabilitas tahun 2017 terutama disebabkan antara lain karena pelunasan utang Medium Term Note (MTN).

Rasio solvabilitas Perseroan masih berada pada tingkat yang cukup sehat.

In 2017, the equity solvability ratio was 0.8x and assets solvability was 0.4x. The declining solvability ratio in 2017 was mainly caused by, among others, settlement of Medium Term note (MTN).

The Company's solvability ratio remained in a fairly healthy level.

Rasio Profitabilitas

Rasio ini digunakan untuk mengukur kemampuan Perseroan dalam memperoleh laba atau keuntungan. Rasio ini terdiri dari return on asset dan *return on equity.*

Profitability Ratio

This ratio is used to measure the Company's capability in obtaining profit. This ratio consists of return on assets and return on equity.

Deskripsi / Description	2017	2016
Imbal Hasil Investasi / Return On Assets	4,0%	5,5%
Imbal Hasil Ekuitas / Return On Equity	7,1%	10,3%

Imbal hasil investasi adalah kemampuan Perseroan dalam menghasilkan laba bersih dari aset yang dimiliki, yang dapat dihitung dari perbandingan antara laba bersih dengan jumlah aset. Imbal hasil aset Perseroan pada tahun 2017 mencapai 4,0% turun dari tahun 2016 sebesar 5,5%.

Imbal hasil ekuitas adalah kemampuan Perseroan dalam menghasilkan laba bersih dari ekuitas yang dimiliki, yang dapat dihitung dari perbandingan antara laba bersih dengan jumlah ekuitas. Imbal hasil ekuitas Perseroan pada tahun 2017 mencapai 7,1% turun dati tahun 2016 sebesar 10,3%.

Menurunnya rasio profitabilitas disebabkan karena menurunnya laba tahun berjalan tahun 2017.

Return on assets is the Company's capability in generating net profit from owned assets, which can be calculated by comparing net profit and total assets. The Company's return on assets in 2017 reached 4.0%, decreasing from that of 2016 which was 5.5%.

Meanwhile, return on equity is the Company's capability in generating net profit from owned equity, which can be calculated by comparing net profit and total equity. Return on equity in 2017 reached 7.1%, decreasing from that of 2016 which was 10.3%.

The declining profitability ratio was caused by the decline in the Company's profit for the year.

TINGKAT KOLEKTIBILITAS PIUTANG

Tingkat kolektibilitas piutang Perseroan dapat dilihat melalui rasio lama penagihan rata-rata (*average collection period*). Rasio tersebut dapat menunjukkan waktu rata-rata yang dibutuhkan Perseroan dalam menagih piutangnya dan rasio perputaran piutang (*receivable turnover*) yang menunjukkan berapa kali dana yang ditanam dalam piutang berputar dalam setahun.

Pada 2017, tingkat kolektibilitas piutang Perseroan tercatat selama 65 hari, lebih lambat dibandingkan pada 2016 selama 54 hari. Sedangkan rasio perputaran piutang pada 2017 sebanyak 5,6 kali, lebih lambat dibandingkan pada 2016 adalah sebanyak 6,7 kali. Salah satu penyebab kelambatan ini adalah adanya entitas anak di luar negeri yang mana termin pembayarannya dihitung selalu dimulai dari akhir bulan transaksi bukan berdasarkan tanggal *invoice*/fatur penjualan.

RECEIVABLES COLLECTABILITY RATE

The Company's receivables collectability rate can be observed from the ratio of average collection period which may show the average time required by the Company to collect its receivables. In addition, the Company may also use the receivable turnover ratio which shows how many times the funds invested in receivables turn over during a year.

In 2017, receivables collectability rate of the Company was recorded at 65 days, slower than the rate recorded in 2016 which was 54 days. Meanwhile, receivables turnover ratio in 2017 was 5.6 times, slower than the ratio of the previous year which was 6.7 times. One of the factors contributing to this was the presence of overseas subsidiaries with payment term always being calculated beginning from the end of the month of transaction instead of the date of invoice.

STRUKTUR MODAL DAN KEBIJAKAN MANAJEMEN ATAS STRUKTUR MODAL

Struktur Modal

Struktur modal merupakan penggabungan antara modal sendiri (ekuitas) dan utang (liabilitas). Struktur modal dengan minimum biaya penggunaan dana dapat berperngaruh terhadap peningkatan nilai saham Perseroan, tetapi tidak meningkatkan laba bersih per saham.

Pada tahun 2017, struktur modal Perseroan terdiri dari liabilitas sebesar 43,82% dan ekuitas sebesar 56,18%. Persentasi tersebut mengalami perubahan dibandingkan dengan tahun 2016 dengan liabilitas sebesar 46,15% dan ekuitas sebesar 53,85%. Perubahan struktur tersebut terutama karena dilunasinya MTN.

Kebijakan Manajemen atas Struktur Modal

Kebijakan struktur permodalan Perseroan telah ditetapkan berdasarkan proporsi terhadap risiko usaha yang dimiliki. Dalam mengelola struktur modal, Perseroan melakukan penyesuaian jumlah dividen, menerbitkan saham baru atau menambah/mengurangi jumlah utang. Perseroan mengelola risiko ini dengan memantau *debt to equity ratio.*

Perseroan menargetkan rasio struktur permodalan Perseroan yaitu total liabilitas dibandingkan dengan ekuitas tidak lebih dari 1 (satu) kali. Pada tahun 2017, posisi rasio atas struktur modal adalah 0,78 menurun dibanding tahun 2016 yang tercatat sebesar 0,86. Penurunan ini terutama disebabkan oleh aksi pelunasan Medium Term Notes yang dilakukan Perseroan pada Oktober 2017.

IKATAN YANG MATERIAL UNTUK INVESTASI BARANG MODAL

Pada 2017, Perseroan tidak terdapat ikatan material untuk investasi barang modal.

INVESTASI BARANG MODAL YANG DIREALISASIKAN PADA TAHUN BUKU TERAKHIR

Perseroan tidak mencatatkan transaksi investasi barang modal yang direalisasikan pada tahun buku terakhir.

CAPITAL STRUCTURE AND MANAGEMENT POLICY ON CAPITAL STRUCTURE

Capital Structure

Capital structure is the combination between equity and liabilities. Capital structure with minimum use of fund can impact on the increase of the Company's share value, but do not increase the net earnings per share.

In 2017, the Company's capital structure consisted of 43.82% liabilities and 56.18% equity. Such percentage experienced a change compared with that of 2016 which was recorded at 46.15% and 53.85% for liabilities and equity, respectively. The changes in the structure was mainly due to the settlement of MTN.

Management Policy on Capital Structure

The Company's capital structure policy has been determined based on proportion of owned business risk. In managing capital structure, the Company makes adjustment to total dividends, issues new shares or adds/reduces debts. The Company manages this risk by monitoring debt to equity ratio.

The Company sets its capital structure ratio by comparing its total liabilities to total equity to be no more than 1 (one) time. In 2017, the position of ratio on capital structure was 0.78, decreased compared to 2016 which was 0.86. This was mainly caused by the settlement of Medium Term Notes conducted by the Company in October 2017.

MATERIAL COMMITMENT FOR CAPITAL GOODS INVESTMENT

The Company did not conduct any material commitment for capital goods investment in 2017.

CAPITAL GOODS INVESTMENT REALIZED IN THE LAST FISCAL YEAR

The Company did not record any transaction on capital goods investment realized in the last fiscal year.

INFORMASI DAN FAKTA MATERIAL YANG TERJADI SETELAH TANGGAL LAPORAN AKUNTAN

Pada 2017, Perseroan tidak memiliki informasi dan fakta material yang terjadi serelah tanggal laporan akuntan, sehingga informasi ini tidak dapat disajikan.

PROSPEK USAHA

Kegiatan usaha bahan bangunan dan barang plastik di Indonesia merupakan kegiatan usaha yang potensial bagi perkembangan Perseroan. Perseroan optimis untuk melakukan penjualan produk manufaktur seiring dengan meningkatnya kebutuhan dan permintaan masyarakat terhadap properti dan barang-barang konsumsi. Disamping itu, Perseroan juga memperluas target pasar, selain pasar retail dan pasar proyek.

Strategi Perseroan dalam meraih peluang yang ada adalah melakukan pemasaran yang agresif dan melalui diversifikasi produk baru agar dapat memenuhi perubahan kebutuhan konsumen yang dinamis. Diversifikasi produk yang telah dilakukan Perseroan di tahun 2017 antara lain peluncuran Solar Dryer Dome yang menjadi hasil kerja sama dengan Covestro.

Di segmen properti untuk gedung perkantoran, Perseroan optimis bahwa penjualan unit gedung perkantoran yang dimiliki Perseroan masih akan mengalami pertumbuhan karena adanya kebutuhan ekspansi bisnis, baik dari perusahaan multinasional maupun perusahaan local dan individu.

PERBANDINGAN ANTARA TARGET DAN REALISASI 2017

Perseroan memiliki tolok ukur untuk menghitung perbandingan target dan realisasi yang dicapai setiap tahunnya yang berfungsi untuk menilai kinerja Perseroan serta memberikan gambaran bagi Perseroan untuk menetapkan strategi kinerja usaha di tahun mendatang. Selain itu, Perseroan juga memiliki komponen lainnya yang menunjang perhitungan perbandingan target dan realisasi Perseroan.

MATERIAL INFORMATION AND FACT SUBSEQUENT TO BALANCE SHEET DATE

The Company does not have any material information and fact subsequent to balance sheet date. Hence, information regarding such matter cannot be presented.

BUSINESS OUTLOOK

Business activities related to building materials and plastic goods in Indonesia remain potential to the Company's development. Hence, the Company is optimistic to carry on with the sales of manufacturing products in line with the rising needs and demands of the public for property and consumer goods. In addition, the Company has targeted to expand its market aside from the retail market and project market.

The Company's strategy in seizing opportunities in the following year is by conducting aggressive marketing activity through diversification of new products in order to fulfill the dynamic needs of the consumers. Product diversification which was conducted in 2017 was, among others, the launching of Solar Dryer Dome, which were the Company's innovation in cooperation with Covestro.

Meanwhile, in property segment of office building, the Company is optimistic that the sales of office unit of the Company will grow in the upcoming year supported with the needs for business expansion, either from multinational companies or local companies and individuals.

COMPARISON BETWEEN TARGETS AND REALIZATIONS IN 2017

The Company has set a benchmark to calculate the comparison between targets and realizations of each year. This aims to evaluate the Company's performance as well as providing description for the Company to set out business performance strategies for the future. Moreover, the Company has established other components that support the calculation of comparison between its targets and the realizations.

Pada dasarnya realisasi tahun 2017 telah sesuai dengan target yang ditetapkan manajemen.

Essentially, the realizations of 2017 have been in accordance with the targets set by the management.

Deskripsi / Description	Target 2017	Realisasi / Realization
Pendapatan Bersih / Net Revenues	97,96%	Rp1.193.054 juta / milion
Laba Kotor / Gross Profit	88,74%	Rp384.527 juta / milion
Laba Bersih / Net Profit	67,44%	Rp91.303

PROYEKSI 2018

2018 PROJECTIONS

Deskripsi / Description	Bisnis Utama / Core Business	Real Estate	Konsolidasi / Consolidation
Pendapatan Neto / Net Revenues	1.364.546	56.563	1.421.109
Beban Pokok Pendapatan / Cost of Revenues	(937.794)	(11.982)	(949.776)
Laba Kotor / Gross Profit	426.752	44.581	471.333
Beban lain-lain bersih / Other expenses – net	243.179	(25.265)	318.444
Laba sebelum pajak / Profit before tax	133.573	19.316	152.889
Laba tahun berjalan / Profit for the year	98.704	17.025	115.729
Laba tahun berjalan yang diatribusikan pada entitas induk / Profit for the year attributable to owner of the parent entity	98.581	8.674	107.255
EBITDA	267.294	27.230	294.524

Perseroan memproyeksikan untuk meningkatkan pencapaian pendapatan di tahun 2018. Pendapatan tahun 2018 diproyeksikan mencapai nilai sebesar Rp1,42 triliun. Penjualan bisnis utama mewakili 96% dari total pendapatan tahun 2018, sedangkan pendapatan *real estate* mewakili 4% dari total pendapatan tahun 2018.

The Company has projected to increase its revenues in 2018 which shall reach Rp1.42 trillion. The sales of core business shall represent 96% of the total revenues of the Company in 2018, while real estate income shall represent 4% of the 2018 total revenues.

Pendapatan tahun 2018 mengalami pertumbuhan sekitar 19% dibandingkan dengan tahun 2017 melalui peningkatan volume penjualan bisnis utama sekitar 7% dan peningkatan harga jual antara 5%-15%.

Revenues for 2018 grow by 19% from the achievement of 2017 due to the increase in sales volume of core business by around 7% and the increase in selling price by 5% to 15%.

Penjualan bisnis utama diproyeksikan mengalami pertumbuhan sebesar 18% ditahun 2018 menjadi Rp1,36 triliun sehubungan dengan adanya akuisisi OCI International Sdn Bhd dan Alsynite One NZ Ltd.

The sales of core business is projected to grow by 18% in 2018 to Rp1.36 trillion in relation to the acquisition OCI International Sdn Bhd and Alsynite One NZ Ltd.

Penjualan produk atap diproyeksikan akan mewakili 73% dari total penjualan bisnis utama di tahun 2018, sedangkan produk façade diproyeksikan mewakili 15% dari total penjualan bisnis utama, sisanya adalah penjualan produk material.

The sales of roof products and façade products in 2018 are projected to represent 73% and 15%, respectively, of the total sales of core business in 2018, while the remaining shall be contributed by the sales of material products.

Produk roofing terutama polikarbonat disusul produk baru Alderon, masih menjadi kontributor utama dari penjualan bisnis utama tahun 2018 yaitu sekitar 61% sedangkan kontribusi produk atap lainnya seperti FRP dan PVC sekitar 12%.

Roofing product, especially polycarbonate, followed by the new Alderon product, will remain as the major contributors in the sales of core business in 2018, namely around 61%. Meanwhile, the contribution of other roof products such as FRP and PVC will reach around 12%.

Ditahun 2018, penjualan real estat diproyeksikan sebesar Rp56,6 milyar yang berasal dari penjualan 4 unit Office Tower dan 1 unit Office Block serta sewa beberapa unit ruang perkantoran. Seluruh unit ruang perkantoran diproyeksikan akan sepenuhnya terjual pada 2021.

In the following year, the sales of real estate are predicted to reach Rp56,6 billion, originating from the sales of 4 units of Office Tower and 1 unit of Office Block, as well as the lease of several units of office space. The Company has projected that all office units will be sold entirely by 2021.

Tabel proyeksi segmen usaha dan produk tahun 2018

Table of business segment and product projection for 2018

Dalam Jutaan Rupiah / in Millions of Rupiah	2018	%
Distribusi / Distribution	811.696	57%
Manufaktur / Manufacture	552.849	39%
Real Estat / Real Estate	56.563	4%
Total	1.421.109	100%

Dalam Jutaan Rupiah / in Millions of Rupiah	2018	%
Roofing	1.039.978	73%
Facade	208.065	15%
Material	116.503	8%
Real Estat / Real Estate	56.563	4%
Total	1.421.104	100%

Tahun 2018 Laba Kotor Konsolidasian diproyeksikan mencapai 33% sama dengan tahun 2017.
Laba Tahun Berjalan Konsolidasian 2018 diproyeksikan mencapai 8% sama dengan tahun 2017

The Consolidated Gross Profit in 2018 is projected to reach 33% the same as that of 2017.
The Consolidated Profit for the Year in 2018 is projected to reach 8% the same as that of 2017.

ASPEK PEMASARAN

Pangsa Pasar

Perseroan menjual hasil produksinya ke pasar domestik maupun pasar internasional. Sebanyak 79% hasil produksi dijual di pasar domestic, sisanya yaitu 21% hasil produksi dijual di pasat internasional. Sedangkan entitas anak di Vietnam, Malaysia dan Selandia Baru, penjualannya mencapai 9,54% dari total penjualan produk Perseroan.

MARKETING ASPECT

Market share

The Company's products are sold to domestic and international markets. 79% of the products are sold to domestic market while the remaining 21% are sold to international market. Meanwhile, the sales of subsidiaries in Vietnam, Malaysia and New Zealand reach 9.54% of the total product sales of the Company.

Strategi Pemasaran

Dalam upaya memperluas pemasaran produknya, Perseroan melakukan beberapa strategi yang antara lain:

- Peningkatan ekspor secara lebih agresif, sebagai upaya untuk memperluas pangsa pasar karena industri manufaktur yang dijalankan Perseroan merupakan sektor yang memberikan nilai tambah yang tinggi bagi kegiatan ekonomi negara.
- Diversifikasi produk dengan menciptakan produk dan aplikasi baru, sebagai salah satu cara meningkatkan volume penjualan. Dengan adanya diversifikasi produk, Perseroan juga tidak akan bergantung pada satu jenis produk saja tetapi dapat mengandalkan jenis produk lainnya.

Marketing Strategy

In the efforts to expand its product marketing, the Company employs several strategies as follows:

- Increasing export activity in a more aggressive manner. This step is taken as an effort to expand the market share since manufacturing industry in which the Company is engaged is a sector that provides high added values for national economic activities.
- Diversifying product by creating new products and applications. This strategy is implemented as a method to increase the sales volume. In addition, with product diversification, the Company will not only depend on one product, but can also rely on other products.

KEBIJAKAN DIVIDEN

Perseroan melakukan pembayaran dividen dengan memperoleh persetujuan Pemegang Saham dalam RUPS serta berdasarkan perundang-undangan yang berlaku. Pada 2017, informasi kebijakan dividen Perseroan yaitu, Perseroan telah memutuskan untuk melakukan pembayaran dividen dari laba bersih Perseroan sebesar Rp19.334.000.000,- atau sebesar Rp4,- per lembar saham yang akan dibagikan kepada 4.833.500.000 lembar saham perseroan, dengan jadwal dan tata cara pembagian dividen tunai tahun buku 2016 sebagai berikut:

DIVIDEND POLICY

The Company conducts dividend payment by firstly gaining approval of Shareholders in GMS based on the prevailing laws and regulations. In 2017, the Company decided to conduct dividend payment from the Company's net profit amounting to Rp19,334,000,000 or Rp4 per share. Dividend shall be paid to 4,833,500,000 shares with schedule and regulation of cash dividend distribution of fiscal year 2016 as listed below:

JADWAL PEMBAYARAN DIVIDEN TUNAI TAHUN BUKU 2016 / SCHEDULE OF CASH DIVIDEND PAYMENT IN 2016 FISCAL YEAR

KETERANGAN / INFORMATION	TANGGAL / DATE
Akhir Periode Perdagangan Saham Dengan Hak Dividen (Cum Dividen) / End of Share Trading Period with Dividend Rights (Cum Dividend)	
• Pasar Reguler dan Negosiasi / Regular and Negotiating Market	3 Juli 2017 / July 3, 2017
• Pasar Tunai / Cash Market	6 Juli 2017 / July 6, 2017
Awal Periode Perdagangan Saham Tanpa Hak Dividen (Ex Dividen) / Beginning of Share Trading Period without Dividend Rights (Ex Dividend)	
• Pasar Reguler dan Negosiasi / Regular and Negotiating Market	4 Juli 2017 / July 4, 2017
• Pasar Tunai / Cash Market	7 Juli 2017 / July 7, 2017
Tanggal Daftar Pemegang Saham Yang Berhak Dividen (Recording Date) / Recording Date of Shareholders Entitled to Receive Dividend	6 Juli 2017 / July 6, 2017
Tanggal Pembayaran Dividen Tunai Tahun Buku 2016 / Date of Payment of Cash Dividend for 2016 Fiscal Year	20 Juli 2017 / July 20, 2017

REALISASI PENGGUNAAN DANA HASIL PENAWARAN UMUM

Perseroan telah melakukan 2 (dua) kali penawaran umum, yaitu:

- Penawaran Umum Perdana Saham pada tanggal 16 Desember 2014, dengan dana hasil penawaran umum yang diperoleh Perseroan dibukukan sebesar Rp183.730 juta.
- Penawaran Umum Obligasi I Impack Pratama Industri Tahun 2016 pada tanggal 2 Desember 2016, dengan hasil penawaran umum yang diperoleh Perseroan dibukukan sebesar Rp500.000 juta.

Seluruh penggunaan dana hasil penawaran umum saham telah dilaporkan kepada Otoritas Jasa Keuangan (OJK) dan telah terealisasi semua pada tahun 2016. Laporan Realisasi Penggunaan Dana (LRPD) penawaran perdana saham per 31 Desember 2016 melalui surat Perseroan Nomor 1/IP-CORSEC/I/2017 tanggal 10 Januari 2017 merupakan LRPD terakhir.

Sedangkan realisasi penggunaan dana hasil penawaran umum obligasi untuk periode per 31 Desember 2017 telah dilaporkan kepada OJK dengan surat Nomor 3/IP-CORSEC/I/2018 tanggal 9 Januari 2018. Rincian realisasi penggunaan dana hasil penawaran umum obligasi adalah sebagai berikut:

USE OF PROCEEDS FROM PUBLIC OFFERING

The Company executed 2 (two) public offerings, namely:

- Initial Public Offering of Shares on December 16, 2014. Proceeds from the public offering were booked at Rp183,730 million.
- Public Offering of Bonds I of Impack Pratama Industri of 2016 dated December 2, 2016. Proceeds from the public offering were booked at Rp500,000 million.

All uses of proceeds from public offering have been reported to the Financial Services Authority (OJK) and has been fully realized in 2017. Report on the Realization of Use of Proceeds from initial public offering per December 31, 2016, delivered through letter of the Company No. 1/IP-CORSEC/I/2017 dated January 10, 2017, is the latest report of the Company to OJK.

Meanwhile, realization of the use of proceeds from public offering of bonds per December 31, 2017, has been reported to OJK through letter No. 3/IP-CORSEC/I/2018 dated January 9, 2018. Details on the use of proceeds from public offering of bonds are as follows:

Periode pelaporan 31 Desember 2017

Reporting period of December 31, 2017

Dalam Jutaan Rupiah / In Rp Million	Rencana / Plan	Realisasi / Realization
Hasil IPO (obligasi) / Proceeds from IPO	500.000	500.000
Dikurangi – Biaya IPO / Net of IPO Costs	5.840	5.840
Hasil IPO – net / Proceeds from IPO – Net	494.160	494.160
Pelunasan utang Bank / Setttlement of Bank's debts	104.500	104.636
Belanja Modal / Capital Expenditure	117.000	98.802
Modal kerja / Working Capital	272.660	280.722
Total Realisasi Penggunaan Dana IPO / Total Realization of the Use of Proceeds from IPO	494.160	484.160
SISA DANA IPO / Remaining Proceeds from IPO	0	10.000

INFORMASI MATERIAL MENGENAI INVESTASI, EKSPANSI, DIVESTASI, PENGGABUNGAN/PELEBURAN USAHA, AKUISISI ATAU RESTRUKTURISASI UTANG/MODAL

Selama tahun 2017, Perseroan tidak melakukan transaksi material mengenai investasi, ekspansi, divestasi, akuisisi, atau restrukturisasi utang/modal, sehingga informasi ini tidak dapat disajikan.

MATERIAL INFORMATION ON INVESTMENT, EXPANSION, DIVESTMENT, BUSINESS MERGER/CONSOLIDATION, ACQUISITION OR CAPITAL/DEBT RESTRUCTURING

During the year, the Company has not entered into material transaction regarding investment, expansion, divestment, acquisition, or capital/debt restructuring. Hence, information regarding such matter cannot be presented.

INFORMASI TRANSAKSI MATERIAL YANG MENGANDUNG BENTURAN KEPENTINGAN DAN TRANSAKSI DENGAN PIHAK AFILIASI

Selama 2017, Perseroan tidak memiliki informasi transaksi material yang mengandung benturan kepentingan dengan pihak afiliasi, sehingga informasi ini tidak dapat disajikan.

PERUBAHAN PERATURAN PERUNDANG-UNDANGAN YANG BERPENGARUH SIGNIFIKAN TERHADAP KINERJA PERUSAHAAN

Perseroan tidak memiliki informasi perubahan peraturan perundang-undangan yang berpengaruh signifikan terhadap kinerja Perseroan sepanjang 2017, sehingga informasi ini tidak dapat disajikan.

PERUBAHAN KEBIJAKAN AKUNTANSI YANG DITERAPKAN PADA TAHUN BUKU TERAKHIR

Berikut adalah amandemen dan penyesuaian atas standar dan interpretasi standar yang telah di terbitkan oleh DSAK-IAI dan berlaku efektif untuk tahun buku yang di mulai pada atau setelah 1 Januari 2017, yaitu :

- PSAK No. 1 (Amandemen 2015): "Penyajian Laporan Keuangan";
- ISAK No. 31: "Interpretasi atas Ruang Lingkup PSAK No. 13: Properti Investasi";
- ISAK No. 3 (Penyesuaian 2016): "Laporan Keuangan ";
- PSAK No. 24 (Penyesuaian 2016): "Imbalan Kerja";
- PSAK No.58 (Penyesuaian 2016): "Aset Tidak Lancar yang Dimiliki untuk Dijual dan Operasi yang Dihentikan";
- PSAK No. 60 (Penyesuaian 2016): ''Instrumen Keuangan: Pengungkapan''.
- ISAK No. 32: "Definisi dan Hierarki Standar Akuntansi Keuangan".

INFORMATION ON MATERIAL TRANSACTION CONTAINING CONFLICT OF INTEREST AND TRANSACTION WITH AFFILIATIONS

During the year, the Company has not entered into material transaction containing conflict of interest and transaction with affiliations. Hence, information regarding such matter cannot be presented.

CHANGES IN LAWS AND REGULATIONS WITH SIGNIFICANT IMPACT ON COMPANY PERFORMANCE

There is no information on changes in laws and regulations with significant impact on Company’s performance in 2017. Hence, this Annual Report cannot present such discussion.

CHANGES IN ACCOUNTING POLICIES IMPLEMENTED IN THE LATEST FISCAL YEAR

The following are new standards, amendements of standards and interpretation of standards issued by DSAK-IAI and effectively applied for the period starting on or after January 1, 2017, namely:

- PSAK No. 1 (Amandements 2015): "Presentation of Financial Statements";
- ISAK No. 31: "Interpretation of the Scope of PSAK PSAK No. 13: Property Investasi";
- PSAK No. 3 (Revised 2016): "Financial Reporting";
- PSAK No. 24 (Revised 2016): "Employee Benefits";
- PSAK No. 58 (Revised 2016): "Non-current Assets Held for Sale and Discontinued Operations";
- PSAK No. 60 (Revised 2016): "Financial Instruments: Disclosures".
- ISAK No. 32: "Definition and Hierarchy of Financial Accounting Standar".

Tata Kelola Perusahaan

Good Corporate Governance

05

TATA KELOLA PERUSAHAAN
Good Corporate Governance

Perseroan menyadari bahwa peranan Tata Kelola Perusahaan yang Baik (*Good Corporate Governance* - GCG) dalam perkembangan Perseroan sangat penting. Oleh sebab itu, Perseroan senantiasa berupaya meningkatkan penerapan prinsip GCG di lingkungan Perseroan. Penerapan prinsip-prinsip Tata Kelola Perusahaan yang Baik secara konsisten dan berkelanjutan, merupakan kebutuhan dalam menghadapi persaingan global.

Selain itu, Perseroan senantiasa berupaya membangun kerangka manajemen risiko agar proses bisnis di lingkungan Perseroan dapat berjalan secara berkesinambungan.

Standar penerapan Tata Kelola Perusahaan yang Baik terus ditingkatkan untuk menyesuaikan dengan kondisi terkini dan diterapkan secara berkesinambungan serta dengan melakukan evaluasi secara periodik. Seluruh pimpinan dan karyawan Perseroan juga wajib menjunjung tinggi kode etik dan prinsip Tata Kelola Perusahaan yang Baik dalam menjalankan aktivitasnya sehari-hari.

DASAR PENERAPAN GCG

Penerapan prinsip-prinsip Tata Kelola Perusahaan mengadopsi standar yang berlaku umum yakni :

1. Undang-Undang Nomor 40 Tahun 2007 Tentang Perseroan Terbatas;
2. Peraturan OJK Nomor 21/POJK.04/2015 Tentang Penerapan Pedoman Tata Kelola Perusahaan Terbuka.
3. Surat Edaran OJK No. 32/SEOJK.04/2015 Tentang Pedoman Tata Kelola Perusahaan Terbuka.

RAPAT UMUM PEMEGANG SAHAM

Rapat Umum Pemegang Saham (RUPS) merupakan organ tertinggi Perseroan yang memiliki wewenang antara lain untuk menyetujui perubahan Anggaran Dasar, mengangkat dan memberhentikan anggota Dewan Komisaris dan Direksi, menyetujui laporan tahunan Perseroan, menunjuk auditor eksternal, menentukan penggunaan laba bersih Perseroan dan lain-lain, sesuai dengan ketentuan peraturan perundang-undangan dan Anggaran Dasar Perseroan.

The Company understands that the role of Good Corporate Governance (GCG) in its development is highly crucial. Hence, the Company continuously strives to improve GCG principles implementation within its business. The consistent and sustainable implementation of Good Corporate Governance Principles is regarded as a need to face global competition.

Furthermore, the Company continuously makes an effort to build proper risk management framework so that its business process can run in a sustainable manner.

The standards of Good Corporate Governance implementation are continuously upgraded to meet the current conditions and to be applied on an ongoing basis. In addition, the implementation are always evaluated in a periodic manner. All leaders and employees of the Company are obliged to uphold the Code of Conduct and Good Corporate Governance principles in carrying out their daily activities.

BASIS OF GCG IMPLEMENTATION

The implementation of GCG in the Company adopts the generally prevailing standards, namely :

1. Law No. 40 of 2007 on Limited Liability Company;
2. OJK Regulation No. 21/POJK.04/2015 on Implementation of Governance Guidelines for Public Companies;
3. OJK Circular Letter No. 32/SEOJK.04/2015 on Governance Guidelines for Public Companies.

GENERAL MEETING OF SHAREHOLDERS

General Meeting of Shareholders (GMS) is the highest organ of the Company authorized to, among others, approve the amendment to the Articles of Association, appoint and dismiss members of Board of Commissioners and Board of Directors, approve the Company's annual report, appoint external auditors, determines the use of Company's net profit, and so on according to the provisions contained in the laws and regulations and Articles of Association of the Company.

Mekanisme Pengambilan Keputusan

Pengambilan keputusan seluruh mata acara dilakukan berdasarkan musyawarah untuk mufakat, dalam hal musyawarah untuk mufakat tidak tercapai, pengambilan

Decision-Making Mechanism

Resolution made for all agenda of the meeting is conducted based on deliberation for consensus. Should the consensus cannot be achieved, resolution shall be made through voting mechanism.

Rapat Umum Pemegang Saham Tahunan

Pelaksanaan RUPS Perseroan telah sesuai dengan Peraturan Otoritas Jasa No. 32/POJK.04/2014, dimana sebelumnya telah dilakukan pengumuman dan pemanggilan. Pada 2017, Perseroan telah menyelenggarakan RUPS Tahunan (RUPST) pada tanggal 16 Juni 2017, bertempat di Holiday Inn Jakarta-Kemayoran. RUPST tersebut dihadiri oleh 4.293.284.184 saham atau sebesar 88,823% dari jumlah seluruh saham yang mempunyai hak suara yang sah. Keputusan RUPST adalah sebagai berikut:

Annual General Meeting of Shareholders

The convention of GMS of the Company has complied with the Regulation of Financial Services Authority No. 32/POJK.04/2014 in which the announcement and summons have been conducted beforehand. On June 16, 2017, the Company convened the Annual General Meeting of Shareholders (AGMS) at Holiday Inn Jakarta-Kemayoran which was attended by 4,293,284,184 shares or 88.823% of the total shares issued by the Company with valid voting right. The resolutions of the AGMS are as follows:

Agenda	**Keputusan /** Resolution	Realisasi / Realization
Persetujuan dan pengesahan Laporan Tahunan Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2016, termasuk di dalamnya antara lain Laporan Kegiatan Perseroan, Laporan / Tugas Pengawasan Dewan Komisaris, persetujuan dan pengawasan Laporan Keuangan Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2016 serta pemberian pembebasan tanggung jawab (*acquit et de charge*) kepada Direksi dan Dewan Komisaris atas pengurusan dan pengawasan yang dilakukan dalam tahun buku yang berakhir pada tanggal 31 Desember 2016. Approval and ratify for the Company's Annual Report of the fiscal year ended on December 31, 2016 which include the Report of Company's Activities and Report of Board of Commissioners' Supervisory duties, and approval and validation of the Company's Financial Statements for the fiscal year ended on December 31, 2016, as well as granting of full discharge of responsibility (acquit et decharge) to the Board of Directors and Board of Commissioners of the Company for the management and supervisory actions conducted during the fiscal year ended on December 31, 2016.	Menyetujui dan mengesahan Laporan Tahunan Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2016, termasuk di dalamnya Laporan Kegiatan Perseroan, Laporan Tugas Pengawasan Dewan Komisaris dan Laporan Keuangan tahun buku yang berakhir pada tanggal 31 Desember 2016, serta memberikan pelunasan dan pembebasan tanggung jawab sepenuhnya (*acquit et de charge*) kepada Direksi dan Dewan Komisaris Perseoan atas tindakan pengurusan dan pengawasan yang mereka lakukan dalam tahun buku yang berakhir pada tanggal 31 Desember 2016 sepanjang tindakan-tindakan tersebut tercermin dalam Laporan Tahunan. Approving and ratify the Company's Annual Report of the fiscal year ended on December 31, 2016, including Report of Company's Activities and Report of the Board of Commissioners' Supervisory Duties, and approval and validation of the Company's Financial Statements for the fiscal year ended on December 31, 2016, as well as granting full discharge of responsibility (acquit et decharge) to the Board of Directors and Board of Commissioners of the Company for the management and supervisory actions conducted during the fiscal year ended on December 31, 2016, provided that those actions are recorded in the Annual Report.	Telah direalisasikan Has been Realized

Agenda	Keputusan / Resolution	Realisasi / Realization
Persetujuan atas penggunaan laba bersih tahun buku yang berakhir pada tanggal 31 Desember 2016 Approval for the use of net profit of the Company for the fiscal year ended on December 31, 2016	Menyetujui laba bersih Perseroan tahun buku yang berakhir pada tanggal 31 Desember 2016 sebesar Rp102.543.504.632 ditetapkan penggunaannya, sebagai berikut: • sebesar Rp19.334.000.000 dibagikan sebagai dividen tunai kepada seluruh pemegang saham yang tercatat sesuai dengan ketentuan yang berlaku, dimana setiap saham akan memperoleh dividen tunai sebesar Rp4,00 dengan memperhatikan peraturan perpajakan yang berlaku. • sisanya dimasukkan dan dibukukan sebagai Saldo Laba, untuk menambah modal kerja Perseroan dan/atau pengembangan serta ekspansi usaha Perseroan Memberikan kuasa dan wewenang kepada Direksi Perseroan untuk melaksanakan pembagian dividen tersebut dan melakukan setiap dan semua tindakan yang diperlukan sehubungan dengan keputusan tersebut di atas, sesuai dengan peraturan perundangan-undangan yang berlaku. Approving the use of the Company's net profit for the fiscal year ended on December 31, 2016 amounting to Rp102,543,504,632 as follows: • As many as Rp19,334,000,000 to be distributed as cash dividend to all shareholders registered according to the prevailing provisions, in which each shareholder is entitled to obtain cash dividend of Rp4.00 per share, by taking into account the tax regulations in force. • The remaining shall be put into and booked as Retained Earnings to increase the Company's work capital and/or business development and expansion. Granting power and authority to the Company's Board of Directors to carry out dividend distribution and carry out all actions deemed necessary in relation to the aforementioned resolutions in accordance with the prevailing laws and regulations.	Telah direalisasikan Has been Realized
Laporan pertanggungjawaban realisasi penggunaan dana hasil penawaran umum Accountability report on the realization of use of proceeds from public offering	Menerima baik laporan dan pertanggungjawaban realisasi penggunaan dana hasil penawaran umum. Receiving report on the realization of the use and proceeds of public offering.	Telah Direalisasikan Has been realised

Agenda	Keputusan / Resolution	Realisasi / Realization
Penunjukan Akuntan Publik Independen untuk mengaudit Laporan Keuangan Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2017, dan pemberian wewenang kepada Direksi Perseroan untuk menetapkan honorarium Akuntan Publik Independen tersebut serta persyaratan lain penunjukannya. Appointment of Independent Public Accountant to audit the Company's Financial Statements for the fiscal year ended on December 31, 2017, and granting of authority to the Company's Board of Directors to determine the honorarium for the Independent Public Accountant as well as other requirements concerning their appointment	Menyetujui penunjukan Akuntan Publik Amir Abadi Jusuf, Aryanto, Mawar & Rekan untuk mengaudit Laporan Keuangan Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2017, dan pemberian wewenang kepada Direksi Perseroan untuk menetapkan honorarium Akuntan Publik tersebut berikut syarat-syarat penunjukan termasuk pemberhentiannya. Approving the appointment of Public Accountant of Amir Abadi Jusuf, Aryanto, Mawar & Partners to audit the Company's Financial Statements for the fiscal year ended on December 31, 2017, and granting authority to the Company's Board of Directors to determine the honorarium for the Public Accountant as well as other requirements concerning their appointment and dismissal.	Telah Direalisasikan Has been Realized
Persetujuan perubahan susunan Dewan Komisaris	a. Mengubah susunan anggota Dewan Komisaris Perseroan terhitung sejak ditutupnya Rapat ini sampai dengan ditutupnya Rapat Umum Pemegang Saham Tahunan Perseroan pada tahun 2019, adalah sebagai berikut: Direksi: DIrektur Utama : Bapak Haryanto Tjiptodihardjo Direktur : Bapak David Herman Liasdanu Direktur : Ibu Lindawati Direktur : Bapak Nga Seg Min Direktur : Bapak Janto Salim Direktur (Independen) : Bapak Allend Wibowo Dewan Komisaris Komisaris Utama : Bapak Handojo Tjiptodihardjo Komisaris Independen : Bapak Cornelius Wielim Pranata	Telah Direalisasikan

Agenda	Keputusan / Resolution	Realisasi / Realization
	b. Memberikan wewenang dan kuasa kepada Direksi Perseroan, dengan hak substitusi, untuk menuangkan/ menyatakan keputusan mengenai susunan anggota Direksi dan Dewan Komisaris Perseroan tersebut di atas dalam akta yang dibuat dihadapan Notaris, dan selanjutnya memberitahukannya pada pihak yang berwenang, serta melakukan semua dan setiap tindakan yang diperlukan sehubungan dengan keputusan tersebut sesuai dengan peraturan perundang-undangan yang berlaku.	
Approval for the change in the composition of Board of Commissioners	a. Approving the change in the composition of Company's Board of Commissioners effective since the closing of the Meeting until the closing of the Company's Annual General Meeting of Shareholders in 2019, as follows: Board of Directors President Director : Mr. Haryanto Tjiptodihardjo Director : Mr. David Herman Liasdanu Director : Mrs. Lindawati Director : Mr. Nga Seg Min Director : Mr. Janto Salim Independent Director : Mr. Allend Wibowo Board of Commissioners President Commissioner : Mr. Handojo Tjiptodihardjo Commissioner : Mr. Cornelius Wielim Pranata b. Granting authority and power to the Company's Board of Directors, with the right of substitution, to state the resolution on the composition of Board of Directors and Board of Commissioners in a deed drawn up before a Notary, and to inform it to the regulators as well as to carry out all and every action deemed necessary in relation to the resolution pursuant to the prevailing laws and regulations.	Has been Realized
Penentuan gaji dan/atau honorarium anggota Dewan Komisaris dan gaji serta tunjangan untuk anggota Direksi Perseroan Determination of salary and/or honorarium for members of Board of Commissioners as well as salary and allowance for members of Board of Directors of the Company	Memberikan wewenang dan kuasa kepada pemegang saham pengendali Perseroan untuk menetapkan gaji dan tunjangan bagi anggota Dewan Komisaris dan Direksi dengan memperhatikan rekomendasi dari Dewan Komisaris Perseroan. Granting authority and power to the controlling shareholders of the Company to determine the salary and allowance for members of Board of Commissioners and Board of Directors by taking into account the recommendations from the Company's Board of Commissioners.	Telah Direalisasikan Has been Realized

Keputusan RUPST tersebut di atas telah diumumkan di surat kabar dan telah diumumkan dalam situs resmi Perseroan dan Bursa Efek Indonesia pada hari yang sama.

All the above-mentioned resolutions of AGMS have been announced in newspapers and in the official website of the Company and Indonesia Stock Exchange in the same day.

Rapat Umum Pemegang Saham Luar Biasa

Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) dapat diselenggarakan sewaktu-waktu berdasarkan kebutuhan untuk kepentingan Perseroan. Pada 2017, Perseroan telah menyelenggarakan RUPSLB pada tanggal 16 Juni 2017 yang dihadiri oleh 4.293.284.284 saham atau sebesar 88,823% dari jumlah seluruh saham yang mempunyai hak suara yang sah. Keputusan RUPSLB tahun 2017 adalah sebagai berikut:

Extraordinary General Meeting of Shareholders

Extraordinary General Meeting of Shareholders (EGMS) can be held at any time based on the needs and interests of the Company. Impack Pratama convened an EGMS on June 16, 2017 which was attended by 4,293,284,284 shares or 88.823% of the total shares issued by the Company with valid voting right. The resolutions of the 2017 EGMS are as follows:

Agenda	Keputusan / Resolution	Realisasi / Realization
Penjaminan aset dan atau harta kekayaan Perseroan dengan nilai lebih dari 50% dari ekuitas Perseroan sehubungan dengan perolehan pendanaan bagi Perseroan maupun anak perusahaan.	a. Menyetujui untuk menjaminkan aset Perseroan yang jumlahnya lebih dari ½ (satu per dua) bagian dari jumlah kekayaan bersih Perseroan termasuk penjaminan aset yang dilakukan oleh anak perusahaan Perseroan, untuk kepentingan Perseroan dan/atau anak Perusahaan Perseroan, dalam memperoleh fasilitas pinjaman dari bank maupun lembaga keuangan lainnya. b. Memberikan wewenang dan kuasa kepada Direksi Perseroan, untuk melakukan semua dan setiap tindakan yang diperlukan sehubungan dengan keputusan untuk menjaminkan aset Perseroan tersebut di atas, sesuai dengan ketentuan peraturan perundang-undangan yang berlaku terutama sebagai pemenuhan ketentuan dalam anggaran asar Perseroan dan UU No. 40 tahun 2007 tentang Perseroan Terbatas.	Telah Direalisasikan
Approval for the pledging of assets and/or wealth of the Company with a value of more than 50% of the Company's equity in order to gain funding for the Company and its subsidiaries.	a. Approving the proposal to pledge the Company's assets totaling more than ½ (half) of the Company's total net assets, including the pledging of assets by its subsidiaries, for the benefit of the Company and/or subsidiary of the Company, in order to obtain loan facility from banks as well as other financial institutions; b. Granting authority and power to the Company's Board of Directors to carry out all and every action deemed necessary in relation to the above-mentioned resolution to pledge the Company's assets, in accordance with the provisions contained in the prevailing laws and regulations, especially in compliance with the Company's Articles of Association and Law No. 40 of 2007 on Limited Liability Companies.	Has been Realized

DEWAN KOMISARIS

Tugas dan Tanggung Jawab Dewan Komisaris

Rincian dan tugas dan tanggung jawab Dewan Komisaris Perseroan adalah sebagai berikut:

1. Melaksanakan tugas, tanggung jawab sesuai dengan ketentuan Anggaran Dasar Perseroan dan keputusan Rapat Umum Pemegang Saham;
2. Melaksanakan pengawasan atas kebijakan Direksi serta memberikan nasihat kepada Direksi untuk kepentingan Perseroan dalam rangka mencapai tujuan Perseroan;
3. Memastikan pelaksanaan manajemen risiko dan prinsip-prinsip GCG dalam menjalankan operasional kegiatan usaha Perseroan;
4. Dewan Komisaris setiap waktu dalam jam kerja kantor Perseroan, berhak memasuki bangunan dan atau tempat lain yang dipergunakan atau dikuasai oleh Perseroan, berhak memeriksa semua pembukuan, surat dan alat bukti lainnya, memeriksa dan mencocokkan keadaan uang kas dan lain-lain serta berhak mengetahui segala tindakan yang telah dijalankan oleh Direksi;
5. Setiap anggota Direksi berkewajiban untuk memberikan penjelasan tentang segala hal yang ditanyakan oleh Dewan Komisaris;
6. Dewan Komisaris diwajibkan mengurus Perseroan untuk sementara, dalam hal seluruh anggota Direksi diberhentikan untuk sementara.

Pedoman Kerja Dewan Komisaris

Dalam menjalankan tugas pengawasan dan pemberian saran atas pengelolaan Perusahaan, Dewan Komisaris mengacu kepada Pedoman Kerja Dewan Komisaris. Tujuan penyusunan Pedoman Kerja Dewan Komisaris adalah memberikan pedoman kepada Dewan Komisaris dan Direksi dalam memahami peraturan-peraturan yang terkait dengan tata kerja Dewan Komisaris dan Direksi.

BOARD OF COMMISSIONERS

Duties and Responsibilities of Board of Commissioners

Details of the duties and responsibilities of the Company's Board of Commissioners are as follows:

1. Performing the duties and responsibilities in accordance with provisions Company's Articles of Association and the resolutions of General Meeting of Shareholders;
2. Carrying out supervision over the policy of Company's Board of Directors as well as providing advice to the Board of Directors for the Company's interests in order to achieve its objectives;
3. Ensuring the implementation of risk management and GCG principles in running the operations of Company's business activities;
4. The Board of Commissioners at any time in the Company's office hours is entitled to enter the building or any other places used or controlled by the Company, is entitled to inspect all books, letters and other evidence, to examine and match Company's cash and so on, and is entitled to know all the actions undertaken by the Board of Directors;
5. Each member of the Board of Directors is obliged to give an explanation on matter inquired by the Board of Commissioners;
6. The Board of Commissioners is required to manage the Company temporarily, in terms of the entire Board of Directors was laid off for temporary.

Board Charter of Board of Commissioners

In conducting supervisory and advisory duties on the Company's management, the Board of Commissioners refers to the Board Charter of Board of Commissioners. The Board Charter is formulated to provide guidance to the Board of Commissioners and Board of Directors in understanding the regulations related to the work procedures of Board of Commissioners and Board of Directors.

Pedoman dan Tata Tertib Kerja dalam Pedoman Kerja Dewan Komisaris Perusahaan menjadi pedoman bagi Dewan Komisaris dalam penerapan GCG di Perusahaan yang mencakup:

- Keanggotaan dan Persyaratan Anggota Dewan Komisaris
- Ketentuan Jabatan Rangkap Anggota Dewan Komisaris
- Persyaratan menjadi Komisaris Independen
- Tugas dan Kewajiban Dewan Komisaris
- Masa Jabatan Dewan Komisaris
- Rapat Dewan Komisaris

Pedoman Kerja Dewan Komisaris tersebut senantiasa disempurnakan dengan tujuan agar GCG perusahaan dapat berjalan lebih baik lagi di masa yang akan datang.

Prosedur, Dasar Penetapan, Struktur, dan Remunerasi Dewan Komisaris

Prosedur & Dasar Penetapan

Remunerasi bagi anggota Dewan Komisaris ditetapkan dengan mengacu pada ketentuan Anggaran Dasar Perseroan. Penetapan remunerasi Dewan Komisaris dilakukan dengan memperhatikan rekomendasi dari Komite Nominasi dan Remunerasi, dan ditetapkan serta disahkan dalam RUPS Tahunan Perseroan.

Struktur Remunerasi

Berdasarkan Anggaran Dasar Perseroan dan Pedoman Komite Nominasi dan Remunerasi, komponen remunerasi anggota Dewan Komisaris terdiri dari:

a. Gaji;
b. Insentif dan/ atau;
c. Tunjangan tetap dan/atau variabel.

Jumlah Remunerasi Dewan Komisaris

Dewan Komisaris menerima remunerasi dalam bentuk gaji dan tunjangan lainnya. Jumlah remunerasi dan tunjangan yang diberikan kepada anggota Dewan Komisaris pada tahun 2017 adalah sebesar Rp 18.915.081.252.

The Board Charter of Board of Commissioners serves as a reference for the Board of Commissioners in implementing GCG in the Company, which encompasses:

- Membership of and Requirements of Board of Commissioners
- Provisions on Concurrent Position of Board of Commissioners
- Requirements for Independent Commissioner
- Duties and Obligations of Board of Commissioners
- Term of office of the Board of Commissioners
- Meetings of the Board of Commissioners

The Board Charter of Board of Commissioners is continuously improved so as to be able to enhance GCG implementation in the Company in the upcoming years.

Procedures, Basis of Implementation and Structure of Remuneration for Board of Commissioners

Procedures & Basis of Implementation

Remuneration for members of Board of Commissioners is determined by referring to the provisions of Articles of Association and by taking into account the recommendations from the Nomination and Remuneration Committee. The remuneration is determined and approved in the Annual GMS of the Company.

Remuneration Structure

Based on the Articles of Association and Nomination and Remuneration Committee Charter, remuneration components for the Board of Commissioners are as follows:

a. Salary;
b. Incentives; and/or
c. Fixed and/or varied allowances.

Total Remuneration for Board of Commissioners

The Company's Board of Commissioners received remuneration in the form of salary and other allowances. In 2017, total remuneration received by the Board of Commissioners was Rp 18,915,081,252.

Rapat Dewan Komisaris

Sepanjang 2017, Dewan Komisaris telah mengadakan rapat sebanyak 6 (enam) kali rapat dengan tingkat kehadiran sebagai berikut:

Meetings of Board of Commissioners

Throughout the year, the Board of Commissioners has held 6 (six) meetings with attendance rate as follows:

Dewan Komisaris / Board of Commissioners	Jabatan / Position	Jumlah Rapat / Total Meetings	Tingkat Kehadiran / Attendance Rate	Persentase Frekuensi Kehadiran / Percentage of Attendance
Handojo Tjiptodihardjo	Komisaris Utama / President Commissioner	6	6	100
Cornelius Wielim Pranata	Komisaris Independen / Independent Commissioner	6	6	100

DIREKSI

Direksi merupakan organ tata kelola Perseroan yang bertanggung jawab dalam kepengurusan Perseroan sesuai kepentingan dan tujuan Perseroan. Susunan Direksi Perseroan pada tanggal 31 Desember 2017 adalah sebagai berikut:

BOARD OF DIRECTORS

Board of Directors is a governance organ of the Company responsible for the management of the Company in accordance with its interests and objectives. The composition of Company's Board of Directors on December 31, 2017 is as follows:

Nama / Name	Jabatan / Position
Haryanto Tjiptodihardjo	Direktur Utama / President Director
Lindawati	Direktur / Director
Janto Salim	Direktur / Director
Nga Seg min	Direktur / Director
David Herman Liasdanu	Direktur / Director
Allend Wibowo	Direktur Independen / Independent Director

Penetapan jumlah anggota Direksi saat ini telah mempertimbangkan kondisi dan kebutuhan serta efektivitas pengambilan keputusan untuk Perusahaan.

The determination of the number of Board of Directors' members has taken into account the condition and needs as well as effectiveness of decision-making process of the Company.

Pengangkatan dan Pemberhentian Direksi

RUPS memiliki kewenangan untuk mengangkat Direksi, dimana pengangkatan kembali juga dilakukan sesuai keputusan RUPS. Usulan pengangkatan, pemberhentian, dan/atau penggantian anggota Direksi kepada RUPS harus memperhatikan rekomendasi dari Dewan Komisaris atau Komite Nominasi. Masa jabatan Direksi adalah 5 (lima) tahun setiap periodenya.

Appointment and Dismissal of Board of Directors

GMS has an authority to appoint the Board of Directors, in which re-appointments are also carried out in accordance with the GMS' resolutions. Proposals for appointment, dismissal, and/or changing of Board of Directors' members to the GMS must consider recommendations from the Board of Commissioners or the Nomination Committee. Term of office of the Board of Directors is 5 (five) years for each period.

Independensi Direksi

Segala tindakan pengurusan Perseroan secara independen dijalankan oleh Direksi tanpa campur tangan pihak-pihak lain atau yang bertentangan dengan peraturan perundang-undangan dan Anggaran Dasar.

Independency of Board of Directors

Every action of management of the Company is independently carried out by the Board of Directors without intervention of other parties or those against the laws and regulations or the Articles of Association.

Tugas dan Tanggung Jawab Masing-Masing Direksi

Untuk melaksanakan pengelolaan Perseroan secara profesional, efisien dan efektif, Direksi Perseroan dibagi untuk membawahi masing-masing divisi, dengan pembagian tugas dan tanggung jawab sebagai berikut:

Duties and Responsibilities of Each Member of Board of Directors

In order to professionally, efficiently and effectively manage the Company, the Company's Board of Directors is assigned with responsibilities for different divisions with distribution of duties and responsibilities as follows:

Nama / Name	Jabatan / Position	Lingkup Tanggung Jawab / Scope of Responsibilities
Haryanto Tjiptodihardjo	Direktur Utama / President Director	Sebagai Direktur Utama, bertanggung jawab melakukan fungsi koordinasi atas semua bidang yang ada di bawah Direksi./ As a President Director, he is responsible for coordinating all fields under the jurisdiction of the Board of Directors.
Lindawati	Direktur / Director	Membawahi bidang Akuntansi dan Keuangan yang secara umum merencanakan, mengembangkan, dan mengontrol fungsi keuangan dan akuntansi di perusahaan dalam memberikan informasi keuangan secara komprehensif dan tepat waktu untuk membantu Perusahaan dalam proses pengambilan keputusan yang mendukung pencapaian target finansial Perusahaan./ Being responsible for the field of accounting and finance, and for formulating, developing and controlling the Company's finance and accounting function in providing comprehensive and timely financial information to assist the Company in decision-making process that support the achievement of Company's financial targets.
David Herman Liasdanu	Direktur / Director	Membawahi bidang Legal, Umum dan Sumber Daya Manusia yang secara umum melakukan pengawasan dan evaluasi terhadap permasalahan hukum Perusahaan, merumuskan sasaran, strategi serta kebijakan dalam bidang SDM dan mengkoordinasikan proses perencanaan./ Being responsible for the field of Legal, General Affairs and Human Resources, and for monitoring and evaluating the legal cases faced by the Company, formulating targets, strategies and policies in the field of HR, and coordinating planning process in the Company.
Nga Seg Min	Direktur / Director	Membawahi bidang Pengembangan Bisnis dan Perencanaan Strategis yang secara umum melakukan perencanaan pengembangan usaha, pengembangan konsep bisnis dalam jangka panjang dan pendek serta melakukan pengembangan inovasi atas produk-produk yang dihasilkan Perseroan./ Being responsible for the field of Business Development and Strategic Planning, and for formulating business development plan and business concept expansion in ling-term and short-term, as well as conducting innovation development on products made by the Company.
Janto Salim	Direktur / Director	Membawahi bidang Pemasaran yang secara umum melakukan pengawasan terhadap aktivitas pemasaran, penjualan dan promosi, merencanakan dan merumuskan kebijakan strategis terkait kegiatan pemasaran./ Being responsible for the field of marketing, and for monitoring the marketing, selling and promotion activities, planning and formulating strategic policy concerning marketing.
Allend Wibowo	Direktur Independen / Independent Director	Membawahi bidang Operasional yang secara umum mengawasi pelaksanaan operasional di pabrik./ Being responsible for the field of operations, and for monitoring the operations of the management as well as Company's productions.

Pedoman Kerja Direksi

Dalam menjalankan peran dan fungsi pengelolaan Perusahaan serta menjalin hubungan harmonis dengan Dewan Komisaris, Direksi mengacu pada Pedoman Kerja Direksi yang berisi pedoman praktis dalam penerapan GCG di Perusahaan. Pedoman Kerja Direksi menjadi acuan Direksi dalam melaksanakan tugas masing-masing Direksi untuk mencapai visi dan misi Perusahaan. Pedoman dan Tata Tertib Kerja Direksi dalam Pedoman Kerja Direksi tersebut mencakup:

- Keanggotaan dan Persyaratan Direksi
- Ketentuan Jabatan Rangkap Anggota Direksi
- Tugas Dan Wewenang Direksi
- Masa Jabatan Anggota Direksi
- Rapat Direksi

Pedoman Kerja Direksi tersebut senantiasa disempurnakan dengan tujuan agar GCG perusahaan dapat berjalan lebih baik lagi dimasa yang akan datang.

Prosedur, Dasar Penetapan, Struktur, dan Remunerasi Direksi

Prosedur & Dasar Penetapan

Remunerasi bagi anggota Direksi ditetapkan dengan mengacu pada ketentuan Anggaran Dasar Perseroan. Penetapan remunerasi Direksi dilakukan dengan memperhatikan rekomendasi dari Komite Nominasi dan Remunerasi, dan ditetapkan serta disahkan dalam RUPS Tahunan Perseroan.

Struktur Remunerasi

Berdasarkan Anggaran Dasar Perseroan dan Pedoman Komite Nominasi dan Remunerasi, komponen remunerasi anggota Direksi terdiri dari:

1. Gaji;
2. Insentif dan/ atau;
3. Tunjangan tetap dan/atau variabel

Jumlah Remunerasi Direksi

Direksi menerima remunerasi dalam bentuk gaji dan tunjangan lainnya. Jumlah remunerasi dan tunjangan yang diberikan kepada anggota Direksi pada tahun 2017 adalah sebesar Rp15.682.061.973.

Board Charter of Board of Directors

In conducting their roles and functions to manage the Company and build harmonious relationship with the Board of Commissioners, the Board of Directors refers to the Board Charter of Board of Directors. The Board Charter contains practical guidelines for the implementation of GCG in the Company and serves as a guidance for the Board of Directors to carry out their respective duties in order to reach the Company's vision and mission. The Board Charter of Board of Directors covers:

- Membership and requirements for Board of Directors
- Regulations on Concurrent Position for Board of Directors
- Duties and Authority of Board of Directors
- Term of Office of Board of Directors
- Meetings of Board of Directors

The Board Charter of Board of Directors is continuously improved win an aim to enhance GCG implementation in the Company in years to come.

Procedures, Basis of Implementation and Structure of Remuneration for Board of Directors

Procedures & Basis of Implementation

Remuneration for members of Board of Directors is determined by referring to the provisions of Articles of Association and by taking into account the recommendations from the Nomination and Remuneration Committee. The remuneration is determined and approved in the Annual GMS of the Company.

Remuneration Structure

Based on the Articles of Association and Nomination and Remuneration Committee Charter, remuneration components for the Board of Directors are as follows:

1. Salary;
2. Incentives; and/or
3. Fixed and/or varied allowances.

Total Remuneration for Board Directors

The Company's Board of Directors received remuneration in the form of salary and other allowances. In 2017, total remuneration received by the Board of Directors was Rp15,682,061,973.

Rapat Direksi

Sepanjang 2017, Direksi menyelenggarakan rapat sebanyak 12 (dua belas) kali rapat dengan tingkat kehadiran sebagai berikut:

Meetings of Board of Directors

Throughout the year, the Board of Directors has held 12 (twelve) meetings with attendance rate as follows:

Direksi/ Board of Directors	Jabatan/ Position	Jumlah Rapat/ Total Meetings	Tingkat Kehadiran/ Attendance Rate	Persentase Frekuensi Kehadiran/ Percentage of Attendance
Haryanto Tjiptodihardjo	Direktur Utama / President Director	12	12	100%
Lindawati	Direktur / Director	12	12	100%
Janto Salim	Direktur / Director	12	12	100%
Nga Seg min	Direktur / Director	12	12	100%
David Herman Liasdanu	Direktur / Director	12	12	100%
Allend Wibowo	Direktur / Director	12	12	100%

Rapat Gabungan Direksi dan Dewan Komisaris

Sepanjang 2017, Dewan Komisaris dan Direksi telah melaksanakan Rapat Gabungan sebanyak 3 (tiga) kali rapat, sebagaimana dapat dilihat melalui tabel yang disajikan sebagai berikut:

Joint Meeting of Board of Directors and Board of Commissioners

The Board of Commissioners and Board of Directors held 3 (three) joint meetings with details described in the following table:

Nama / Name	Jabatan / Position	Jumlah Rapat / Total Meetings	Tingkat Kehadiran / Attendance Rate	Persentase Frekuensi Kehadiran / Percentage of Attendance
Haryanto Tjiptodihardjo	Direktur Utama / President Director	3	3	100%
Lindawati	Direktur / Director	3	3	100%
Janto Salim	Direktur / Director	3	3	100%
Nga Seg min	Direktur / Director	3	3	100%
David Herman Liasdanu	Direktur / Director	3	3	100%
Allend Wibowo	Direktur / Director	3	3	100%
Handojo Tjiptodihardjo	Komisaris Utama / President Commissioner	3	3	100%
Cornelius Wielim Pranata	Komisaris Independen / Independent Commissioner	3	3	100%

KOMITE AUDIT

Komite Audit dibentuk oleh Dewan Komisaris untuk membantu Dewan Komisaris dalam melakukan pengawasan atas pelaksanaan fungsi Direksi dalam pengelolaan perusahaan yang baik dan anggota Komite Audit memiliki masa tugas yang tidak boleh lebih lama dari masa jabatan Dewan Komisaris.

AUDIT COMMITTEE

Audit Committee is established by the Board of Commissioners to assist them in conducting supervision on the implementation of Board of Directors' function to manage the Company. The term of service of Audit Committee's members shall not be longer than the Board of Commissioners.

Ketentuan Komite Audit mengacu pada Peraturan Otoritas Jasa Keuangan No. 55/ POJK.04/2015 tanggal 23 Desember 2015 tentang Pembentukan dan Pedoman Pelaksanaan Kerja Komite Audit, susunan keanggotaan Komite Audit Perseroan adalah sebagai berikut:

Regulations on the Audit Committee of the Company refers to the Regulation of Financial Services Authority No. 55/ POJK.04/2015 dated December 23, 2015 on Establishment and Work Guidelines of Audit Committee. The following table describes the composition of Company's Audit Committee.

Nama / Name	Jabatan / Position	Periode Jabatan / Period of Service
Cornelius Wielim Pranata	Ketua/ Komisaris Independen / Independent Commissioner	2014 - 2019
Priscella Pipie Widjaja	Anggota / Member	2014 - 2019
Rusdy Sugiharta	Anggota / Member	2014 - 2019

Profil Komite Audit

Cornelius Wielim Pranata (*Ketua Komite Audit*)

Profil ketua Komite Audit ini telah disajikan pada profil Komisaris Independen yang dapat dilihat pada pembahasan profil Dewan Komisaris.

Priscella Pipie Widjaja (*Anggota Komite Audit*)

54 Tahun

Warga Negara Indonesia, Memperoleh gelar Sarjana dari Institut Keguruan dan Ilmu Pendidikan (IKIP) Negeri Semarang, jurusan Akuntansi pada 1990. Beliau menjabat sebagai anggota Komite Audit Perseroan sejak tahun 2014. Beberapa jabatan strategis lain yang pernah dipegang adalah Direktur PT Abadi Adimulia (2016-sekarang), Direktur PT Cypress Adimulia (2016-sekarang), Direktur Keuangan dan Akuntansi PT Indah Cup Sukses Makmur (1996-2014), bagian Akuntansi Biaya Perseroan (1995-1996), Kepala Akuntansi PT Polindo Intercitra (1994-1995); Konsultan Akuntansi Perpajakan PT Bogor Lakeside Developer (1994-1994); Kepala Akuntansi PT Vonix Latexindo (1993-1993); Bagian Akuntansi PT Surya Kencana Jaya Pratama (1991-1993); dan Kasir PT Golden Konimex Corp (1985-1985).

Audit Committee Profile

Cornelius Wielim Pranata (Head of Audit Committee)

Profile of the Head of Audit Committee has been presented in the profile of Independent Commissioners under the sub-chapter of Board of Commissioners Profile

Priscella Pipie Widjaja (Member of Audit Committee)

54 years old

An Indonesian citizen, she obtained her Bachelor's degree in Accounting from the State Institute of Teacher Training and Educational Science (IKIP) of Semarang in 1990. She has been serving as the Company's Audit Committee Member since 2014. Other strategic positions she has served in were Director at PT Abadi Adimulia (2016-now), Director at PT Cypress Adimulia (2016-now), Director of Finance and Accounting at PT Indah Cup Sukses Makmur (1996-2014), Cost Accounting Division of the Company (1995-1996), Head of Accounting at PT Polindo Intercitra (1994-1995), Tax Accounting Consultant at PT Bogor Lakeside Developer (1994-1994); Head of Accounting at PT Vonix Latexindo (1993-1993); Accounting Division at PT Surya Kencana Jaya Pratama (1991-1993); and Cashier at PT Golden Koimex Corp (1985-1985).

Rusdy Sugiharta (*Anggota Komite Audit*)
49 Tahun
Warga Negara Indonesia, Memperoleh gelar Sarjana dari Universitas Kristen Djaja (sekarang UKRIDA), jurusan Akuntansi pada tahun 1992. Beliau menjabat sebagai anggota Komite Audit Perseroan sejak 2014. Jabatan lain yang pernah dipegang adalah sebagai Direktur Keuangan dan Akuntansi PT Indah Cup Sukses Makmur (2003-sekarang), Manajer Yunior Akuntansi PT Royal Standard (2002-2003); Supervisor Akuntansi dan Pajak PT Classic Intermark (1995-2002); Supervisor Akuntansi PT Astrido (1991-1995); bagian Akuntansi Biaya PT Upati (1990-1991); dan staf Akuntansi Umum PT Futaco Prima (1987-1989).

Rusdy Sugiharta (Member of Audit Committee)
49 years old
An Indonesian citizen, he obtained his Bachelor's degree in Accounting from Djaja Christian University (now UKRIDA) in 1992. He has been serving as the Company's Audit Committee Member since 2014. Other positions he has served in were Director of Finance and Accounting at PT Indah Cup Sukses Makmur (2003-now), Accounting Junior Manager at PT Royal Standard (2002-2003); Tax and Accounting Supervisor at PT Classic Intermark (1995-2002); Accounting Supervisor at PT Astrido (1991-1995); Cost Accounting Division at PT Upati (1990_1991); and General Accounting Staff at PT Futaco Prima (1987_1989).

Independensi Komite Audit

Komite Audit diketuai oleh Komisaris Independen dan dua anggota profesional lainnya yang berasal dari luar Perseroan. Dalam pelaksanaan tugas dan tanggung jawabnya, Komite Audit bertindak secara profesional dan independen. Independensi Komite Audit Perseroan diwujudkan dalam bentuk sebagai berikut:

- Komite Audit paling kurang terdiri dari 3 (tiga) orang anggota yang berasal dari Komisaris Independen dan pihak dari luar Perseroan;
- Komite Audit diketuai oleh Komisaris Independen Perseroan yang ditetapkan dan diangkat berdasarkan Keputusan Dewan Komisaris Perseroan;
- Memiliki keahlian dan pengalaman di bidang akuntansi dan/atau keuangan;
- Bukan merupakan orang dalam Kantor Akuntan Publik, Kantor Konsultan Hukum, Kantor Jasa Penilai Publik atau pihak lain yang memberi jasa assurance, jasa nonassurance, jasa penilai dan/atau jasa konsultasi lain kepada Emiten atau Perusahaan Publik yang bersangkutan dalam waktu 6 (enam) bulan terakhir;
- Bukan merupakan orang yang bekerja atau mempunyai wewenang dan tanggung jawab untuk merencanakan, memimpin, mengendalikan, atau mengawasi kegiatan Emiten atau Perusahaan Publik tersebut dalam waktu 6 (enam) bulan terakhir kecuali Komisaris Independen;
- Tidak mempunyai saham langsung maupun tidak langsung pada Emiten atau Perusahaan Publik;

Independency of Audit Committee

The Audit Committee is led by an Independent Commissioner and two other professional members coming from outside of the Company. In carrying out the duties and responsibilities, the Audit Committee acts professionally and independently. The independency of Audit Committee is realized through the following:

- Consisting of at least 3 (three) members coming from an Independent Commissioner and external parties of the Company;
- Being led by the Company's Independent Commissioner who is determined and appointed based on the Decision of Company's Board of Commissioners;
- Having expertise and experience in accounting and/or financial fields;
- Not being a member of a Public Accounting Firm, Legal Consultant, Public Appraiser or others which provide assurance services, non-assurance services, appraisal and/or other consultation services to the Issuer or Public Company concerned within the last 6 (six) months;
- Not working or having authority and responsibility to plan, lead, control, or supervise activities of the Issuer or Public Company concerned within the last 6 (six) months except the Independent Commissioner;
- Not having direct or indirect shares in the Issuer or Public Company concerned;

- Tidak mempunyai hubungan Afiliasi dengan anggota Dewan Komisaris, anggota Direksi atau Pemegang Saham Utama Emiten atau Perusahaan Publik tersebut; dan
- Tidak mempunyai hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan usaha Emiten atau Perusahaan Publik tersebut.

Piagam Komite Audit

Piagam Komite Audit ditetapkan oleh Dewan Komisaris Perseroan pada tanggal 8 September 2014. Berdasarkan Surat Keputusan Dewan Komisaris Perseroan No. 01/IP/SK-DK/IX/2014 tanggal 8 September 2014 tentang Pengangkatan Komite Audit.

Tugas dan Tanggung Jawab

Berdasarkan Piagam Komite Audit Perseroan, Komite Audit memiliki tugas dan tanggung jawab sebagai berikut:

1. Melakukan penelaahan atas informasi keuangan yang akan dikeluarkan Perusahaan seperti laporan keuangan, proyeksi, dan informasi keuangan lainnya;
2. Melakukan penelaahan atas ketaatan Perusahaan terhadap peraturan perundang-undangan di bidang Pasar Modal dan peraturan perundang-undangan lainnya yang berhubungan dengan kegiatan Perusahaan;
3. Melakukan penelaahan atas pelaksanaan pemeriksaan oleh auditor internal terhadap Perusahaan;
4. Melaporkan kepada Dewan Komisaris berbagai risiko yang dihadapi Perusahaan dan pelaksanaan manajemen risiko oleh Direksi;
5. Melakukan penelaahan dan melaporkan kepada Dewan Komisaris atas pengadaan yang berkaitan dengan Perusahaan; dan
6. Menjaga kerahasiaan dokumen, data dan informasi yang dimiliki Perusahaan.

Rapat Komite Audit

Rapat diadakan paling kurang 1 (satu) kali dalam setiap 3 (tiga) bulan, namun demikian Komite dapat melakukan rapat sewaktu waktu jika dibutuhkan dengan pemberitahuan paling kurang 3 (tiga) hari kerja sebelum rapat diadakan. Komite Audit mengambil keputusan atas dasar musyawarah untuk mufakat, yang dituangkan dalam risalah rapat, serta disampaikan kepada Dewan Komisaris.

- Having no Affiliations with members of the Board of Commissioners, Board of Directors or Major Shareholders of the Issuer or Public Company concerned; and
- Having no direct or indirect business relations which are related to business activities of the Issuer or Public Company concerned.

Audit Committee Charter

The Charter of Company's Audit Committee was established by the Board of Commissioners on September 8, 2014, based on the Decision Letter of Board of Commissioners No. 01/IP/SK-DK/IX/2014 dated September 8, 2014 on the Appointment of Audit Committee.

Duties and Responsibilities

Based on the Company's Audit Committee Charter, the Audit Committee has duties and responsibilities as follows:

1. Reviewing the financial information that will be issued by the Company such as financial statements, projections, and other financial information;
2. Reviewing the Company's compliance with the laws and regulations in Capital Market and other laws and regulations related to the Company's activities;
3. Reviewing the implementation of audit activity by internal auditors of the Company;
4. Reporting to the Board of Commissioners various risks faced by the Company and the implementation of risk management by the Board of Directors;
5. Reviewing and reporting to the Board of Commissioners procurement activities related to the Company; and
6. Maintaining the confidentiality of documents, data and information owned by the Company.

Meetings of Audit Committee

The meeting of Audit Committee is held, at the very least, once every 3 (three) months; nevertheless, the Committee may hold meeting at any time as required by delivering notification, at the minimum, 3 (three) work days before the meeting is held. The Audit Committee makes decisions on the basis of deliberation and consensus that are outlined in the minutes of meeting and submitted to the Board of Commissioners.

Selama 2017, Komite Audit menyelenggarakan 4 (empat) kali rapat dengan tingkat kehadiran sebagai berikut:

In 2017, the Audit Committee held 4 (four) meetings with attendance rate as follows:

Komite Audit / Audit Committee	Jabatan / Position	Jumlah Rapat / Total Meetings	Tingkat Kehadiran / Attendance Rate	Persentase Frekuensi Kehadiran / Percentage of Attendance
Cornelius Wielim Pranata	Ketua / Head of Audit Committee	4	4	100
Priscella Pipie Widjaja	Anggota / Member	4	4	100
Rusdy Sugiharta	Anggota / Member	4	4	100

Pelaksanaan Tugas Anggota Komite Audit 2017

Selama 2017, Komite Audit telah melakukan tugas sebagai berikut:

1. Pengawasan auditor eksternal yang bertanggung jawab untuk mengaudit laporan keuangan sesuai dengan Standar Profesional Akuntan Publik yang berlaku di Indonesia dan memberikan opini apakah laporan keuangan tersebut telah disajikan secara wajar, dalam seluruh aspek-aspek yang material, posisi keuangan dan hasil kegiatan dan arus kas perusahaan sesuai dengan Standar Akuntansi Keuangan yang berlaku umum di Indonesia
2. Melakukan evaluasi atas sumber daya manusia, struktur organisasi, pelaporan pelaksanaan audit internal dan tindak lanjut atas temuannya. Komite Audit telah mereview hasil pekerjaan yang dilakukan oleh Internal Audit.

Implementation of Audit Committee Duties in 2017

Over the course of 2017, the Company's Audit Committee has performed the following duties:

1. Supervision of external auditors who are responsible for auditing the financial statements in accordance with the Public Accountants Professional Standards that apply in Indonesia and providing an opinion whether the financial statements have been presented fairly, in all material aspects, financial position and results of operations and cash flows of the company in accordance with Financial Accounting Standards generally accepted in Indonesia.
2. Evaluating the Company's human resources, organizational structure, reporting of implementation of internal audits and follow-up on its findings. The Audit Committee has reviewed results of works carried out by the Internal Audit.

KOMITE/FUNGSI NOMINASI DAN REMUNERASI

Fungsi nominasi dan remunerasi sepanjang 2017 dijalankan oleh Dewan Komisaris dengan mengacu pada Peraturan Otoritas Jasa Keuangan No. 34/POJK.04/2014 tanggal 8 Desember 2014 Tentang Komite Nominasi dan Remunerasi Emiten atau Perusahaan Publik.

Fungsi Nominasi

Tugas dan Tanggung Jawab Komite Nominasi dan Remunerasi yang fungsi nominasi dijalankan Dewan Komisaris Perseroan adalah sebagai berikut:

1. Memberikan rekomendasi mengenai:
   a. Komposisi jabatan anggota Direksi dan/atau anggota Dewan Komisaris;
   b. Kebijakan dan kriteria yang dibutuhkan dalam proses Nominasi; dan
   c. Kebijakan evaluasi kinerja bagi anggota Direksi dan/atau anggota Dewan Komisaris;

NOMINATION AND REMUNERATION COMMITTEE/ FUNCTION

Throughout 2017, the Board of Commissioners has carried out the nomination and remuneration function of the Company by referring to the Regulation of Financial Services Authority No. 34/POJK.04/2014 dated December 8, 2014 on Nomination and Remuneration Committee of Issuer or Public Company.

Nomination Function

Duties and Responsibilities of the Nomination and Remuneration Committee, particularly in terms of Nomination function, carried out by the Company's Board of Commissioners are as follows:

1. Providing recommendations regarding:
   a. The composition of members of Board of Directors and/or Board of Commissioners;
   b. Policies and criteria required in the Nomination process; and
   c. Performance evaluation policy for members Board of Directors and/or Board of Commissioners;

2. Membantu melakukan penilaian kinerja anggota Direksi dan/ atau anggota Dewan Komisaris berdasarkan tolak ukur yang telah disusun sebagai bahan evaluasi;
3. Memberikan rekomendasi mengenai program pengembangan kemampuan anggota Direksi dan/atau anggota Dewan Komisaris; dan
4. Menelaah dan memberikan usulan calon yang memenuhi syarat sebagai anggota Direksi dan/atau anggota Dewan Komisaris untuk disampaikan kepada RUPS.
5. Menyusun dan memberikan rekomendasi mengenai struktur, jumlah, sistem dan prosedur pemilihan dan/ atau penggantian anggota Dewan Komisaris dan/atau Direksi kepada Dewan Komisaris;
6. Melakukan evaluasi kinerja individu dan kolektif Direksi.

2. Assisting the performance evaluation of Board of Directors and/or Board of Commissioners based on the benchmarks compiled as evaluation materials;
3. Providing recommendations on competence development programs for members of Board of Directors and/or Board of Commissioners;
4. Examining and proposing candidates who qualify as members of Board of Directors and/or Board of Commissioners to be submitted to the GMS.
5. Compiling and providing recommendations on structure, amount, system and procedure of election and/or changing of members of Board of Commissioners and/or Board of Directors to the Board of Commissioners;
6. Evaluating individual and collective performance of the Board of Directors.

Fungsi Remunerasi

Tugas dan Tanggung Jawab Komite Nominasi dan Remunerasi yang fungsi Remunerasi dijalankan Dewan Komisaris Perseroan adalah sebagai berikut:

1. Melakukan evaluasi terhadap kebijakan remunerasi Perusahaan.
2. Memberikan rekomendasi mengenai Kebijakan remunerasi (termasuk fasilitas-fasilitas dan tunjangan-tunjangan) bagi Dewan Komisaris dan Direksi untuk disampaikan kepada Rapat Umum Pemegang Saham Perusahaan, dengan memperhatikan kinerja keuangan, prestasi kerja individual, kewajaran dengan *peer group,* nilai tambah bagi pemegang saham, pertimbangan sasaran dan strategi jangka panjang Perusahaan;
3. Melaksanakan tugas lain yang berkaitan dengan kebijakan remunerasi sesuai dengan ketentuan yang berlaku.

Remuneration Function

Duties and Responsibilities of the Nomination and Remuneration Committee, particularly in terms of Remuneration function, carried out by the Company's Board of Commissioners are as follows:

1. Evaluating the Company’s remuneration policies.
2. Providing recommendations regarding remuneration policies (including facilities and allowances) for the Board of Commissioners and Board of Directors to be submitted to the Company’s General Meeting of Shareholders, by taking into account the Company’s financial performance, individual working achievements, fairness to peer groups, added values for shareholders, as well as the Company’s goals, and long-term strategy.
3. Carrying out other duties related to remuneration policies in accordance with prevailing provisions.

RAPAT PELAKSANA FUNGSI NOMINASI DAN REMUNERASI

Sejak diundangkan pada 8 Desember 2014, berdasarkan ketentuan POJK No. 34/POJK.04/2014, Perseroan telah menyesuaikan ketentuan tersebut dengan menyelenggarakan Rapat Dewan komisaris terkait Fungsi Nominasi dan Remunerasi pada 2017, dengan frekuensi kehadiran dalam rapat sebagai berikut:

MEETINGS OF NOMINATION AND REMUNERATION FUNCTION

Since the promulgation on December 8, 2014, under the provisions of the POJK No. 34/POJK.04/2014, the Company has adjusted the provision by conducting a meeting of the Board of Commissioners related to functions of Nomination and Remuneration in 2017, with the attendance frequency at the meeting as follows:

Nama / Name	Jabatan / Position	Tingkat Kehadiran / Attendance Rate
Handojo Tjiptodihardjo	Komisaris Utama / President Commissioner	100%
Cornelius Wielim Pranata	Komisaris Independen / Independent Commissioner	100%

SEKRETARIS PERUSAHAAN

Dalam struktur organisasi Perusahaan, Sekretaris Perusahaan bertanggung jawab langsung kepada Direktur Utama, yang mempunyai tugas utama mengelola hubungan dengan investor, publik, pihak internal dan mengelola data Perseroan. Sekretaris Perusahaan diangkat dan diberhentikan berdasarkan keputusan Direksi.

Perseroan mengangkat Lenggana Linggawati sebagai Sekretaris Perusahaan berdasarkan Surat Keputusan Direksi No. 02/IP/SK-Dir/IX/2014. Sekretaris Perusahaan bertanggung jawab langsung kepada Direktur Utama dan wajib membuat laporan berkala paling sedikit 1 (satu) kali dalam setahun.

Profil Sekretaris Perusahaan

Lenggana Linggawati

Warga Negara Indonesia, berdomisili di Jakarta Utara, memperoleh gelar Sarjana dari Universitas Trisakti Jakarta jurusan Ilmu Hukum pada 1999 dan memperoleh gelar Master dari Universitas Mercu Buana Jakarta jurusan Manajemen pada 2009. Beliau menjabat sebagai Sekretaris Perusahaan Perseroan sejak 2014.

Tugas dan Tanggung Jawab

Sekretaris Perusahaan mengemban tugas dan tanggung jawab sebagai berikut:

1. Mengikuti dan menginformasikan dengan baik mengenai perkembangan pasar modal, OJK dan peraturan perundang-undangan berlaku khususnya di bidang pasar modal serta bertindak sebagai penghubung antara Perseroan, regulator dan publik;
2. Memberikan masukan kepada Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik untuk mematuhi ketentuan peraturan perundang-undangan di bidang Pasar Modal;

CORPORATE SECRETARY

In the organization structure of the Company, the Corporate Secretary is responsible directly to the President Director and has a main duty to manage relationship with the investors, the public and internal parties of the Company, and to manage the Company's data. Corporate Secretary is appointed and dismissed based on the decision of Board of Directors.

The Company has appointed Lenggana Linggawati as the Corporate Secretary based on Decision Letter of Board of Directors No. 02/IP/SK-Dir/IX/2014. The Corporate Secretary is also obliged to prepare regular report once every year to be submitted to the President Director.

Corporate Secretary Profile

Lenggana Linggawati

An Indonesian citizen, she currently domiciles in North Jakarta. She obtained her Bachelor's degree in Law from Trisakti University in 1999 and Master's degree in Management from Mercu Buana University in 2009. Mrs. Linggawati has been serving as the Corporate Secretary since 2014.

Duties and Responsibilities

The Corporate Secretary carries out duties and responsibilities as follows:

1. Keeping abreast of and obtaining information of the development of Capital Market, OJK and prevailing laws and regulations, especially on Capital Market, as well as acting as the liaison between the Company, regulators and public;
2. providing inputs to the Board of Directors and Board of Commissioners of Issuer or Public Company concerned in compliance with provisions of laws and regulations in Capital Market;

3. Membantu Direksi dan Dewan Komisaris dalam pelaksanaan tata kelola perusahaan yang meliputi:
    - Keterbukaan informasi kepada masyarakat, termasuk ketersediaan informasi pada Situs Web Emiten atau Perusahaan Publik;
    - Penyampaian laporan kepada Otoritas Jasa Keuangan tepat waktu;
    - Penyelenggaraan dan dokumentasi Rapat Umum Pemegang Saham;
    - Penyelenggaraan dan dokumentasi rapat Direksi dan/atau Dewan Komisaris; dan
    - Pelaksanaan program orientasi terhadap perusahaan bagi Direksi dan/atau Dewan Komisaris.
4. Sebagai penghubung antara Emiten atau Perusahaan Publik dengan pemegang saham Emiten atau Perusahaan Publik, Otoritas Jasa Keuangan dan pemangku kepentingan lainnya.

3. Assisting the Board of Directors and Board of Commissioners in GCG implementation which involves:
    - Information transparency to the public, including availability of information on the websites of Issuer or Public Company concerned;
    - Timely submission of report to the Financial Services Authority;
    - Convention and documentation of the General Meeting of Shareholders;
    - Implementation and documentation of the meeting of Board of Directors and/or Board of Commissioners; and
    - Implementation of Company's orientation programs for the Board of Directors and/or Board of Commissioner.
4. Acting as a liaison between the Issuer or Public Company concerned with shareholders, Financial Services Authority, and other stakeholders.

Pelaksanaan Tugas Sekretaris Perusahaan 2017

Sepanjang 2017, Sekretaris Perusahaan telah melakukan korespondensi terkait pemenuhan kepatuhan terhadap peraturan pasar modal yang berlaku kepada otoritas dan lembaga pasar modal, di antaranya mengenai:

- laporan bulanan registrasi pemegang efek sebanyak 12x;
- laporan bulanan data hutang atau kewajiban valas sebanyak 12x;
- laporan keuangan tahunan dan triwulan
- laporan tahunan;
- laporan rencana dan agenda Rapat Umum Pemegang Saham berikut iklan pengumumannya;
- laporan realisasi penggunaan dana hasil penawaran umum;
- laporan materi dan hasil *public expose;*
- laporan keterbukaan informasi berkenaan dengan informasi yang perlu disampaikan kepada publik sebanyak 14x.

Implementation of Duties of Corporate Secretary in 2017

Throughout 2017, the Corporate Secretary made correspondence with the authorities and capital market institution on matters related to compliance with capital market regulation, namely:

- 12x monthly report on registration of securities holder;
- 12x monthly report on debt record or foreign exchange obligations;
- annual and quarterly financial statements;
- annual report;
- report on plan and agenda of General Meeting of Shareholders, along with the advertisement of its announcement;
- report on the realization of proceeds from public offering;
- report on material and results of public expose;
- 14x report on information disclosure related to information that needs to be submitted to the public.

Pelatihan Sekretariat Perusahaan

Sekretaris Perusahaan telah mengikuti *workshop*/ pelatihan/seminar sepanjang 2017 guna meningkatkan kompetensinya, antara lain:

Training for the Corporate Secretary

In order to improve her competence, the Corporate Secretary had attended workshops/trainings/seminars in 2017, such as:

Pelatihan/ Training/Seminar	Penyelenggara/ organizer	Tanggal / Date
Workshop "Merger Dan Akuisisi Serta Diskusi Peraturan Otoritas Jasa Keuangan 74/POJK/ POJK.14/2016 dan peraturan Bapepam-LK IX.H.1" / Workshop "Merger and Acquisition as well as Discussion on the Regulation of Financial Services Authority No. 74/POJK/POJK.14/2016 and Regulation of Bapepam-LK IX.H.1"	PT Bursa Efek Indonesia & Indonesian Corporate Secretary Association (ICSA) / Indonesian Stock Exchange (IDX) & Indonesian Corporate Secretary Association (ICSA)	8 Maret 2017/ March 8, 2017
Sosialisasi Annual Report Award 2016 Peraturan Otoritas Jasa Keuangan Nomor 10/POJK.04/2017 dan POJK Nomor 11/POJK.04/2017./ Dissemination of Annual Report Award 2016, Regulation of Financial Services Authority No. 10/POJK.04/2017 and POJK No. 11/ POJK.04/2017.	Otoritas Jasa Keuangan bersama PT Bursa Efek Indonesia & Indonesia Corporate Secretary Association (ICSA) / Financial Services Authority with Indonesia Stock Exchange (IDX) & Indonesian Corporate Secretary Association (ICSA)	13 April 2017 / April 13, 2017
Sosialisasi Peraturan Otoritas Jasa Keuangan No.07/POJK.04/2017 Tentang Dokumen Pernyataan Pendaftaran Dalam Rangka Penawaran Umum Efek Bersifat Ekuitas, Efek Bersifat Utang Dan/Atau Sukuk / Dissemination of Regulation of Financial Services Authority No. 07/POJK.04/2017 on Document of Statement of Registration in Public Offering of Equity Securities Debt Securities and/or Sukuk	Otoritas Jasa Keuangan bersama PT Bursa Efek Indonesia & Indonesia Corporate Secretary Association (ICSA) / Financial Services Authority with Indonesia Stock Exchange (IDX) & Indonesian Corporate Secretary Association (ICSA)	15 Mei 2017 / May 15, 2017
Workshop Terkait Penerapan Sistem Pernyataan Pendaftaran Atau Aksi Korporasi Secara Elektronik *(E-Registration)* / Workshop on the Implementation of Electronic System of Statement of Registration or Corporate Action (E-Registration)	Otoritas Jasa Keuangan / Financial Services Authority	20 Juli 2017 / July 20 2017
Seminar "Peraturan Otoritas Jasa Keuangan Nomor 21/POJK/04/2015 Tentang Penerapan Pedoman Tata Kelola Perusahaan Terbuka Melalui Pendekatan Terapkan Atau Jelaskan *(Comply Or Explain)"* / Seminar "Regulation of FInanial Services Authority No. 21/POJK/04/2015 on Implementation of Corporate Governance Guidelines for Public Companies through the Comply-or-Explain Approach"	Otoritas Jasa Keuangan bersama PT Bursa Efek Indonesia & Indonesia Corporate Secretary Association (ICSA) / Financial Services Authority with Indonesia Stock Exchange (IDX) & Indonesian Corporate Secretary Association (ICSA)	16 Agustus 2017 / August 16, 2017
Seminar dengan tema "Peraturan Konversi & Revisi peraturan lama menjadi POJK" / Seminar with the theme "Conversion of Regulation and Revisions of Old Regulations into POJK"	Otoritas Jasa Keuangan bersama PT Bursa Efek Indonesia & Indonesia Corporate Secretary Association (ICSA) / Financial Services Authority with Indonesia Stock Exchange (IDX) & Indonesian Corporate Secretary Association (ICSA)	5 Oktober 2017 / October 5, 2017
Seminar dengan tema "Indonesia 2018: Sailing through economic and political tide" / Seminar with the theme "Indonesia 2018: Sailing through economic and political tide"	PT Kustodian Sentral Efek Indonesia / Indonesia Central Securities Depository	20 November 2017 / November 20, 2017

UNIT AUDIT INTERNAL

Perseroan membentuk dan menyusun Piagam dan Unit Audit Internal sebagaimana diatur dalam POJK No. 56/POJK.04/2015 tentang Pembentukan dan Pedoman Penyusunan Piagam Unit Audit Internal. Piagam Audit Internal ini dijadikan acuan dalam melaksanakan seluruh kegiatan audit internal.

Berdasarkan Surat Keputusan Direksi Perseroan No. 01/IP/SKDir/IX/2014 tanggal 8 September 2014 tentang Pengangkatan Unit Audit Internal yang telah disetujui oleh Dewan Komisaris, Perseroan menunjuk Antonius Slamet Mulyono selaku Ketua Unit Audit Internal.

Profil Ketua Audit Internal

Antonius Slamet mulyono

Warga Negara Indonesia, memperoleh gelar Sarjana dari Universitas Atma Jaya, Yogyakarta jurusan Akuntansi pada 2002. Beliau menjabat sebagai Kepala Audit Internal Perseroan sejak tahun 2014. Jabatan strategis lainnya yang pernah dipegang adalah bagian Akuntansi Pabrik PT Kerry Ingredients Indonesia (2012-2014); Kepala Keuangan dan Akuntansi Cabang PT Wahana Wirawan (2011-2012); Asisten Manajer Audit PT Mega Pratama (2010-2011); Supervisor Akuntansi PT Global Natural Resources (2008-2010); dan Senior Auditor Kantor Akuntan Publik BDO Tanubrata Sutanto (2004-2008).

Sertifikasi

Ketua Audit Internal memiliki beberapa sertifikasi sesuai bidangnya guna mendorong keoptimalan kinerja dan pengembangan kompetensi Audit Internal, sebagai berikut:

Pelatihan Audit I

Sertifikat No. 402/SK-PA.1/2004
Tanubrata Yogi Subarani Hananta (Akuntan Publik Teregistrasi)
Jakarta, 6-10 September 2004

Pelatihan Audit II

Sertifikat No. 269/SK-PA.2/2005
Tanubrata Yogi Subarani Hananta (Akuntan Publik Teregistrasi)
Bogor, 20-22 Oktober 2005

INTERNAL AUDIT UNIT

The Company has established an Internal Audit Unit and formulated its Charter as regulated in the POJK No. 56/POJK.04/2015 on Establishment and Guidelines for the Formulation of Internal Audit Unit Charter. The Charter serves as a reference for Internal Audit Unit in carrying out all of their activities.

Based on the Decision Letter of Board of Directors of the Company No. 01/IP/SK-Dir/IX/2014 dated September 8, 2014 on Appointment of Internal Audit Unit, which has been approved by the Board of Commissioners, the Company appointed Antonius Slamet Mulyono as the Head of Internal Audit Unit.

Profile of Head of Internal Audit

Antonius Slamet mulyono

An Indonesian Citizen, he obtained his Bachelor's degree in Accounting from Atma Jaya University, Yogyakarta in 2002. He has been serving as the Company's Head of Internal Audit Unit since 2014. Other strategic positions he has served in were the Factory Accounting Division at PT Kerry Ingredients Indonesia (2012-2014); Branch Head of Finance and Accounting at PT Wahana Wirawan (2011-2012); Audit Manager's Assistant at PT Mega Pratama (2010-2011); Accounting Supervisor at PT Global Natural Resources (2008-2010); and Senior Auditor at Public Accounting Firm BDO Tanubrata Sutanto (2004-2008).

Certifications

The Head of Internal Audit has obtained various certifications in order to encourage optimum performant and competence development of Internal Audit Unit, such as:

Audit Training I

Certificate No. 402/SK-PA.1/2004
Tanubrata Yogi Subarani Hananta (Registered Public Accountant)
Jakarta, September 6-10, 2004

Audit Training II

Certificate No. 269/SK-PA.2/2005
Tanubrata Yogi Subarani Hananta (Registered Public Accountant)
Bogor, October 20-22, 2005

Pelatihan Unit Audit Internal

Pada tahun 2017, Unit Audit Internal tidak mengikuti pendidikan dan/atau pelatihan, sehingga informasi tersebut tidak dapat diungkapkan.

Tugas dan Tanggung Jawab

Tugas dan tanggung jawab Unit Audit Internal adalah sebagai berikut:

1. Menyusun dan melaksanakan rencana audit internal tahunan serta program untuk mengevaluasi mutu kegiatan audit internal yang dilakukan;
2. Menguji dan mengevaluasi pelaksanaan sistem pengendalian internal dan sistem manajemen risiko pada penerapan Good Corporate Governance sesuai ketentuan/kebijakan peraturan Perseroan yang berlaku;
3. Melakukan pemeriksaan dan penilaian terhadap efisiensi dan efektivitas di bidang keuangan, akuntansi, operasional, sumber daya manusia, pemasaran, teknologi informasi dan kegiatan lainnya pada setiap unit Perseroan;
4. Melakukan evaluasi dan validasi terhadap sistem pengendalian, pengelolaan, pemantauan efektivitas serta efisiensi sistem dan prosedur pada setiap unit Perseroan, baik yang telah berjalan maupun yang baru akan diimplementasikan;
5. Melakukan monitoring dan evaluasi atas hasil-hasil temuan audit dan menyampaikan saran dan perbaikan yang diperlukan terhadap penyelenggaraan kegiatan Perseroan dan sistem/kebijakan/peraturan yang sesuai dengan peraturan perundang-undangan yang berlaku. Lebih lanjut, audit internal akan memantau, menganalisis dan melaporkan pelaksanaan tindak lanjut perbaikan yang telah disarankan;
6. Membuat laporan hasil audit dan menyampaikan laporan tersebut kepada Direktur Utama dan Dewan Komisaris dengan tembusan kepada Komite Audit;
7. Melaksanakan tugas khusus dalam lingkup pengendalian internal yang ditugaskan oleh Direktur Utama.

Trainings of Internal Audit Unit

In 2017, the Internal Audit Unit did not attend any education and/or training activities. Hence, information regarding such matter cannot be disclosed.

Duties and Responsibilities

Duties and responsibilities of Internal Audit Unit are as follows:

1. Preparing and implementing annual internal audit plan and program to evaluate the quality of internal audit activity;
2. Examining and evaluating implementation of internal control and risk management systems within GCG implementation according to the applicable provision/policies of the Company;
3. Examining and assessing efficiency and effectiveness in finance, accounting, operations, human resources, marketing, information technology, and other activities in each unit of the Company;
4. Evaluating and validating internal control and management system, and monitoring the effectiveness and efficiency of system and procedure in each unit of the Company, either ongoing or to be implemented;
5. Monitoring and evaluating audit finding results and providing necessary inputs and improvements on the implementation of the Company's activities and system/policy/regulation that are in line with the prevailing laws and regulations. Furthermore, internal audit will monitor, analyze, and report the implementation of follow-up action on improvements that have been recommended.
6. Preparing report on audit findings and submitting the report to the President Director and Board of Commissioners with a copy delivered to the Audit Committee;
7. Conducting special task within the scope of internal control assigned by the President Director.

Pelaksanaan Tugas 2017

Sepanjang 2017, Unit Audit Internal telah melaksanakan tugas dan tanggung jawabnya dalam melakukan pengecekan dan *monitoring* terhadap prosedur dan sistem pengendalian internal sesuai dengan peraturan yang berlaku. Tugas-tugas tersebut yaitu:

1. Audit Berbasis Risiko atas Pembelian : melaksanakan Audit Berbasis Risiko terhadap proses Pembelian sebagai bentuk partisipasi aktif dalam proses pengendalian internal perusahaan dan untuk memberikan jaminan bahwa risiko-risiko dalam proses pembelian telah dikelola di dalam batasan risiko yang telah ditetapkan manajemen pada tingkatan korporasi.

2. Audit Berbasis Risiko atas Penjualan : melaksanakan Audit Berbasis Risiko terhadap proses Penjualan sebagai bentuk partisipasi aktif dalam proses pengendalian internal perusahaan dan untuk memberikan jaminan bahwa risiko – risiko dalam proses Penjualan telah dikelola di dalam batasan risiko yang telah ditetapkan manajemen pada tingkatan korporasi.

Implementation of Duties in 2017

During the year, the Internal Audit Unit has carried out their duties and responsibilities in examining and monitoring the internal control system and procedures according to the applicable regulations, such as:

1. Risk-Based Audit on Purchasing Process: conducting Risk-Based Audit on Purchasing process as a form of active participation in the company's internal control process and a form of assurance that all risks in the purchasing process have been properly managed within risk limit determined by the management at corporate level.

2. Risk-Based Audit on Selling Process: conducting Risk-Based Audit on Selling process as a form of active participation in the company's internal control process and a form of assurance that all risks in the Selling process have been properly managed within risk limit determined by the management at corporate level.

SISTEM PENGENDALIAN INTERNAL

Tujuan dari sistem pengendalian Internal adalah memberikan keyakinan (assurance) kepada pemangku kepentingan bahwa segala sistem, prosedur, kaidah dan norma dijalankan dengan tepat dan benar.

Pengendalian yang efektif akan meningkatkan keterandalan dari informasi keuangan, efisiensi dan efektivitas dari kegiatan operasional, serta kepatuhan Perseroan terhadap hukum dan peraturan yang berlaku. Pengendalian internal dapat mengarahkan Perseroan guna mencapai Good Corporate Government (GCG), yang diwujudkan dengan prinsip Tranparansi, Akuntabilitas, Responsibilitas, Independen dan kewajaran.

Sistem pengendalian internal di Perseroan dilaksanakan melalui penerapan Standard Operating Procedure (SOP) untuk mengelola dan mengendalikan laporan keuangan, distribusi, dan pelaksanaan manufaktur. Perseroan juga melaksanakan peninjauan berkala operasi masing-masing unit usaha untuk memastikan bahwa tingkat pengendalian internal yang didefinisikan oleh sistem yang sesuai dengan standar yang berlaku umum dan diterapkan secara efektif.

INTERNAL CONTROL SYSTEM

The objective of Internal Control System is to assure the stakeholders that all systems, procedures, principles and norms have been properly implemented in the Company.

Effective control will improve the reliability of financial information, efficiency and effectiveness of operations, and compliance of the Company with the prevailing laws and regulations. Internal control will lead the Company to reach the best practice of GCG which shall be realized by continuously upholding the principles of Transparency, Accountability, Responsibility, Independency and Fairness.

Internal control system in the Company is implemented through the application of Standard Operating Procedures (SOP) to manage and control financial reporting, distribution and manufacturing activities. The Company also conducts periodical review on the operations of each business unit to ensure that internal control level defined by the system has been in line withthe generally applicable standards and implemented effectively.

Penerapan sistem pengendalian internal meliputi;

a. Pengendalian Lingkungan;
b. Penilaian Risiko;
c. Kegiatan Pengendalian;
d. Informasi dan Komunikasi;
e. Pemantauan.

Secara umum pengendalian internal dijalankan oleh Unit Audit Internal sesuai dengan perintah dari Direktur Utama dengan scope audit berbasis keuangan, operasional, kepatuhan dan Risiko. Dalam melakukan audit, informasi ditelaah kemudian dilakukan pengujian sesuai dengan standar yang ditetapkan dalam pelaksanaan audit yang berlaku secara umum sehingga mampu meyakinkan bahwa sistem pengendalian internal tidak dilanggar oleh organ dalam Perseroan.

Evaluasi terhadap Efektivitas Sistem Pengendalian Internal

Evaluasi efektivitas penerapan sistem pengendalian internal Perusahaan dilakukan oleh Unit Audit Internal. Untuk memastikan bahwa sistem pengendalian internal Perseroan diaplikasikan secara efektif dan efisien dalam Perseroan, maka Manajemen Perseroan sudah memutuskan untuk dilaksanakan pemeriksaan atau audit atas beberapa fungsi dan divisi yang ada di Perseroan.

Pelaksanaan audit diantaranya adalah compliance audit/ review atas pelaksanaan kebijakan dan prosedur yang telah ditetapkan perusahaan, dan dalam pelaksanaannya, audit internal akan dilakukan oleh seorang Auditor Internal.

INFORMASI TENTANG KANTOR AKUNTAN PUBLIK

Tugas dan fungsi Akuntan Publik adalah melaksanakan audit berdasarkan standar audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Akuntan Publik diharuskan untuk merencanakan dan melaksanakan audit agar diperoleh keyakinan yang memadai bahwa laporan keuangan bebas dari salah saji material. Dalam hal ini Akuntan Publik bertanggung jawab atas pendapat yang diberikan terhadap laporan keuangan yang diauditnya.

Perseroan telah menunjuk Kantor Akuntan Publik Amir Abadi Jusuf, Aryanto, Mawar & Rekan (*Member Firm of* RSM International) sebagai pihak yang melaksanakan audit untuk Laporan Keuangan Tahunan Perseroan tahun 2016, berdasarkan Surat Penunjukan No.0741017/BNA/1113/EL tertanggal 23 Oktober 2017.

The implementation of internal control system in the Company covers:

a. Control Environment;
b. Risk Assessment;
c. Control Activities;
d. Information & Communication;
e. Monitoring.

Broadly speaking, the internal control is carried out by the Company's Internal Audit Unit as mandated by the President Directors, with the scope of audit on the basis of finance, operations, compliance and risks. In conducting audit activities, information is reviewed and examined based on the standards established in general audit activities. Therefore, the results can provide assurance that the internal control system has always been complied with by all Company's organs.

Evaluation on the Effectiveness of Internal Control System

The Internal Audit Unit shall evaluate the effectiveness of internal control system evaluation in the Company. To ensure that internal control system has been applied effectively and efficiently, the Company's management has decided to conduct audit on several functions and divisions existing in the Company.

Audit activities conducted, among others, are compliance audit/review on the implementation of policies and procedures set out by the Company. Internal audit activity is performed by an Internal Auditor.

INFORMATION ON PUBLIC ACCOUNTING FIRM

The duties and functions of Public Accountant are performing audit activities based on the audit standards established by the Indonesian Institute of Certified Public Accountants. Public Accountants are required to plan and execute the auditing in order to obtain adequate assurance that the financial statements are free of material mistakes. In this case, Public Accountants are responsible for their opinion given to the audited financial statements.

The Company has appointed Public Accounting Firm of Amir Abadi Jusuf, Aryanto, Mawar & Partners (Member Firm of RSM Network) as the party performing audit activity on the Company's Annual Financial Statements of 2017, based on the Letter of Assignment No. 0741017/BNA/1113/EL dated October 23, 2017.

Audit yang dilakukan Akuntan Publik mencakup pemeriksaan atas dasar pengujian bukti-bukti yang mendukung jumlah-jumlah dan pengungkapan dalam laporan keuangan. Selain itu, audit juga dilakukan dalam lingkup penilaian atas prinsip-prinsip akuntansi yang dipergunakan dan estimasi yang signifikan yang dibuat oleh manajemen serta penilaian terhadap penyajian laporan keuangan secara keseluruhan.

Informasi KAP Perusahaan pada 3 (tiga) tahun terakhir adalah sebagai berikut:

Audit activity conducted by the Public Accountant includes examination on the basis of evidence assessment that supports the amounts and disclosures in financial statements. In addition, audit activity is also conducted to assess accounting principles used and significant estimation made by the management, as well as assessing the overall presentation of financial statements.

Information on Company's Public Accounting Firm for the last 3 (three) years is as follows:

Tahun Periode / Year	**Kantor Akuntan Publik /** Public Accounting Firm	**Akuntan Publik /** Public Accountant
2017	Amir Abadi Jusuf, Aryanto, Mawar & Rekan	Benny Andria
2016	Amir Abadi Jusuf, Aryanto, Mawar & Rekan	Rudi Hartono Purba
2015	Amir Abadi Jusuf, Aryanto, Mawar & Rekan	Rudi Hartono Purba

MANAJEMEN RISIKO

Manajemen risiko merupakan salah satu aspek yang penting bagi Perseroan dalam memastikan kelangsungan usaha. Tujuan utama dari diterapkannya praktik manajemen risiko adalah untuk menjaga dan melindungi Perseroan melalui pengelolaan risiko kerugian yang mungkin timbul dari berbagai aktivitasnya serta menjaga tingkat risiko agar sesuai dengan arahan yang sudah ditetapkan.

Penerapan Manajemen Risiko melibatkan pengawasan aktif dari manajemen. Oleh karena itu, Direksi dan Dewan Komisaris senantiasa paham terhadap penerapan manajemen risiko, memberikan arahan, melakukan pengawasan dan mitigasi risiko, mengembangkan budaya manajemen risiko, memastikan struktur organisasi yang memadai, menetapkan tugas dan tanggung jawab masing-masing satuan kerja, serta memastikan kecukupan kuantitas dan kualitas untuk mendukung penerapan Manajemen Risiko secara efektif.

Risiko yang dihadapi Perseroan dalam menjalankan kegiatan usaha antara lain sebagai berikut:

RISK MANAGEMENT

Risk Management is a crucial aspect for the Company to endure its business sustainability. The main purpose of risk management practice is to keep and protect the Company through the management of loss risks that may arise due to its activities, as well as maintaining the risk level so as to be in line with the determined directions.

Implementation of Risk Management involves active monitoring from the management. To that end, the Board of Directors and Board of Commissioners continuously monitors the risk management implementation in the Company, provides directions, oversees risk mitigation efforts, develops risk management culture, ensures the adequacy of organization structure, determines duties and responsibilities of each work unit and ensures the adequacy of quantity and quality of risk management to support its effective implementation.

Risks faced by the Company in conducting its business activities are as follows:

1. **Risiko Persaingan Usaha**
   Persaingan usaha yang terdapat di dalam Industri Perseroan dapat terdiri dari produk sejenis atau produk substitusi yang berasal dari dalam negeri maupun luar negeri. Produk-produk tersebut dapat memiliki harga yang lebih bersaing, teknologi yang lebih maju atau strategi pemasaran yang lebih efektif sehingga hal tersebut dapat berdampak pada menurunnya pangsa pasar Perseroan. Apabila kondisi ini terjadi, maka hal tersebut dapat berpengaruh pada tingkat pendapatan, kegiatan usaha, kondisi keuangan, kinerja dan prospek Perseroan dan Entitas Anak.

2. **Risiko Fluktuasi Harga Bahan Baku**
   Fluktuasi harga bahan baku dasar tidak dapat dikendalikan oleh Perseroan, termasuk perkembangan ekonomi, fluktuasi nilai tukar mata uang asing, ketersediaan bahan baku, permintaan konsumen, kebijakan pemerintah dan kondisi-kondisi lainnya. Bahan baku utama yang digunakan oleh Perseroan adalah resin, dimana fluktuasi harga resin sangat mempengaruhi harga bahan baku plastik yang digunakan oleh Perseroan dan Entitas Anak. Ketidakstabilan harga bahan baku dapat mempengaruhi harga jual produk, kegiatan usaha, kondisi keuangan, kinerja dan prospek Perseroan dan Entitas Anak.

3. **Risiko Perubahan Nilai Tukar Mata Uang Asing**
   Utang bank dan pembelian bahan baku impor Perseroan sebagian besar dilakukan dalam mata uang asing, sehingga penurunan nilai tukar Rupiah akan mengakibatkan peningkatan beban Perseroan yang pada akhirnya dapat mempengaruhi tingkat pendapatan, kegiatan usaha, kondisi keuangan, kinerja dan prospek Perseroan dan Entitas Anak.

4. **Risiko Ketergantungan Penyediaan Bahan Baku**
   Untuk menghasilkan produk Perseroan dan Entitas Anak, dibutuhkan bahan baku berupa resin dan bahan pembantu lainnya. Perseroan memiliki permintaan pembelian (*purchase order*) dengan pemasok, namun tidak dapat dipastikan bahwa pemasok akan selalu dapat menyediakan seluruh bahan baku yang diperlukan oleh Perseroan dan Entitas Anak. Terganggunya pasokan bahan baku akan mengganggu proses produksi dan berdampak negatif terhadap kegiatan usaha, kondisi keuangan, kinerja dan prospek Perseroan dan Entitas Anak.

1. **Business Competition Risk**
   Business competition in the Company's industry may consist of the emergence of similar or substitute products, both from the country and overseas. In addition, such products may emerge with competitive prices, advanced technology or effective marketing strategy which can decrease the Company's target market. If this happens, it will affect the level of income, business activities, financial condition, performance and prospects of the Company and Subsidiaries.

2. **Raw Material Price Fluctuation Risk**
   The Company cannot control fluctuation on the basic price of raw materials, including economic development, fluctuation in foreign currency exchange rates, raw material availability, consumer demand, Government policy and other conditions. The main raw material used by the Company is resin in which its price fluctuation strongly affects the price of plastic raw materials used by the Company and Subsidiaries. Unstable raw material price can affect product selling price, business activities, financial condition, performance and prospects of the Company and Subsidiaries.

3. **Risk of Changes in Foreign Exchange Rate**
   The Company's bank debt and purchase of imported raw materials are mostly conducted in foreign currency, so the decline in Rupiah exchange rate would result an increase in the Company's expenses, which in turn can affect the level of income, business activities, financial condition, performance and prospects of the Company and Subsidiaries.

4. **Risk of Dependency on Raw Material Supply**
   To manufacture the products, the Company and Subsidiaries require raw materials of resins and other supporting materials. The Company has purchase order with suppliers, but it is not certain that the supplier will always be able to provide required raw materials. Unstable raw material supply will disrupt the production process and create negative impact to business activities, financial condition, performance and prospects of the Company and Subsidiaries.

5. **Risiko Kerusakan Mesin Produksi**
Perseroan saat ini memiliki berbagai mesin yang digunakan untuk melakukan proses produksi sebagaimana dijelaskan dalam proses produksi produk roofing, facade, dan material. Proses produksi ini dilakukan melalui serangkaian proses dengan menggunakan mesin-mesin tersebut. Apabila terdapat kerusakan pada mesin-mesin tersebut maka hal ini akan mengganggu proses produksi Perseroan dan Entitas Anak, hal ini dapat berdampak negatif terhadap kegiatan usaha, kondisi keuangan, kinerja dan prospek usaha Perseroan dan Entitas Anak.

6. **Risiko Kenaikan Harga Bahan Bakar Minyak**
Saat produk telah selesai dihasilkan oleh Perseroan dan Entitas Anak, maka produk harus dikirim dengan menggunakan moda transportasi darat dan laut kepada distributor dan Entitas Anak. Sehingga jika terjadi kenaikan harga bahan minyak secara umum akan meningkatkan biaya transportasi dimaksud yang akan berdampak pada kenaikan biaya transportasi Perseroan dan Entitas Anak.

7. **Risiko tentang Ketenagakerjaan, Pemogokan, dan Pemutusan Hubungan Kerja**
Risiko ini dapat terjadi jika terdapat isu-isu ketenagakerjaan antara lain seperti gaji dan tunjangan kerja. Isu-isu tersebut penting bagi Perseroan dan Entitas Anak dalam memenuhi kewajibannya terhadap karyawan. Karena kelalaian tersebut dapat berdampak pada penurunan produktivitas, atau pemogokan kerja dan pada akhirnya dapat mengganggu operasional Perseroan dan Entitas Anak. Selain itu, apabila tidak tercapai kesepakatan antara Perseroan dan tenaga kerja maka dapat terjadi pemutusan hubungan kerja yang menyebabkan Perseroan harus membayar pesangon dalam jumlah yang ditetapkan oleh peraturan ketenagakerjaan, sehingga hal tersebut akan dapat berdampak negatif pada kondisi keuangan Perseroan dan Entitas Anak.

5. **Risk of Production Machine Damage**
Currently, the Company has various machines used to carry out production process for the products of roofing, aluminum composite panels, packaging, and vinyl compound. The process of production is done by using those machines. Damages to those machines will interrupt the production process of the Company and Subsidiaries; this can create negative impact to business activities, financial condition, performance and prospects of the Company and Subsidiaries.

6. **Risk of Rising Fuel Price**
After the products have been manufactured by the Company and Subsidiaries, those products must be delivered to distributors and Subsidiaries by using land and sea transportation mode. Thus, the rise of fuel price in general will increase transportation cost, which will cause the increase in the Company and Subsidiaries' transportation cost.

7. **Risk of Employment, Strikes, and Employment Termination**
The risk may happen when employment issues occur, such as salary and benefits. Those issues are important for the Company and Subsidiaries to fulfil their duties to the employees. Negligence from the Company and Subsidiaries in fulfilling obligations toward employees may have an impact on reducing productivity or strikes, which in the end could disrupt operations of the Company and Subsidiaries. In addition, when an agreement is not achieved between the Company and employees, employment termination can occur that leads the Company to pay severance in the amount determined by employment regulations. This may create negative impact to the Company and Subsidiaries' financial condition.

8. **Risiko Kebijakan Pemerintah**

Perseroan berdomisili di Indonesia sehingga seluruh kegiatan usaha Perseroan tidak terlepas dari kebijakan yang dikeluarkan oleh Pemerintah. Seluruh perubahan yang terjadi pada kebijakan yang dikeluarkan oleh Pemerintah secara langsung maupun tidak langsung dapat berpengaruh pada kegiatan usaha Perseroan seperti izin yang dimiliki oleh Perseroan atau tingkat ketersediaan barang subtitusi. Perubahan kebijakan Pemerintah atas barang impor yang semakin ketat juga dapat mempengaruhi kemudahan Perseroan dalam mendapatkan bahan baku. Apabila kondisi tersebut terjadi, maka hal ini dapat berdampak negatif pada kegiatan usaha, kinerja dan kondisi keuangan Perseroan dan Entitas Anak.

9. **Risiko Ekonomi**

Secara umum kinerja Perseroan dan Entitas Anak memiliki hubungan dengan kondisi ekonomi di Indonesia. Faktor-faktor ekonomi yang dapat mempengaruhi kinerja Perseroan antara lain adalah kenaikan tingkat suku bunga dan inflasi serta perubahan perpajakan yang dapat mempengaruhi daya beli masyarakat. Apabila kondisi-kondisi tersebut terjadi, maka akan berdampak pada kegiatan usaha, kondisi keuangan, kinerja dan dan prospek usaha Perseroan dan Entitas Anak.

Dalam menghadapi risiko-risiko usaha, Perseroan akan terus menerapkan manajemen risiko untuk memitigasi risiko-risiko usaha yang dihadapi sebagai berikut:

1. Perseroan melakukan diversifikasi produk, sehingga pangsa pasar yang sudah dikuasai dapat dipertahankan. Perseroan juga akan terus menjaga kualitas dari produk-produk Perseroan serta terus mengembangkan inovasi untuk menjadi market leader di industri Perseroan.

2. Perseroan senantiasa berupaya untuk menyesuaikan marjin penjualan produk sehingga dapat terus memberikan kinerja yang konsisten.

8. **Government Policy Risk**

The Company is located in Indonesia, so all of its business activities are not separated from all policies issued by the government. All changes on the policies can directly or indirectly affect the Company business such as the permits owned by the Company or the presence of substitute goods. Changes on government policy on import goods which becomes stricter can also affect the way the Company obtains the basic materials easily. If that condition happens, then it can affect negatively to business activities, performance and financial condition of the Company and Subsidiaries.

9. **Economic Risk**

In general, the performance of the Company and Subsidiaries may be affected by economic conditions in Indonesia. Economic factors that can affect the Company's performance, among others, are increase in interest rates and inflation as well as tax changes that may have an impact on purchasing power of the community. This will have an impact on business activities, financial condition, performance and business prospects of the Company and Subsidiaries.

To face business risks, the Company will always implement risk management to mitigate the risks faced as follows:

1. The Company diversifies products, so target market that has been handled can be maintained. The Company will also keep the quality of its products as well as develop innovation to be market leader in its industry.

2. The Company always tries adjusting margin of product selling so it can keep consistent performance.

3. Perseroan juga melakukan penjualan ekspor dalam mata uang asing sehingga perubahan nilai tukar untuk pembelian bahan baku dapat diimbangi dengan penjualan dalam mata uang asing. Perseroan berpendapat bahwa pergerakan nilai tukar Rupiah terhadap mata uang asing masih dapat dikelola oleh Perseroan.

4. Perseroan selalu berupaya untuk mengatur kebutuhan bahan baku dengan perkiraan pasokan dan permintaan produk Perseroan, sehingga dapat meminimalisir terjadinya kekurangan bahan baku untuk produksi.

5. Perseroan secara berkala melakukan pemeliharaan atas mesin-mesin produksi sehingga proses produksi Perseroan tidak terganggu.

6. Perseroan senantiasa berupaya untuk mencari moda transportasi yang paling efisien dan sesuai dengan kebutuhan Perseroan.

7. Perseroan telah memenuhi ketentuan-ketentuan ketenagakerjaan dan melakukan tinjauan atas gaji dan tunjangan sumber daya manusia secara berkala.

8. Perseroan senantiasa berupaya untuk melakukan peninjauan secara menyeluruh terhadap peraturan dan ketentuan yang berlaku dan berupaya untuk menghasilkan produk-produk yang inovatif dan bermanfaat bagi pelanggan sehingga dapat bersaing dengan produk-produk sejenis di pasar.

Tinjauan atas Efektivitas Sistem Manajemen Risiko

Identifikasi dan evaluasi atas risiko senantiasa dilakukan Perusahaan melalui masing-masing departemen. Direksi bersama-sama dengan Unit Internal Audit dan Dewan Komisaris melakukan kajian dan merumuskan strategi pengelolaan dan mitigasi yang diperlukan.

Dewan Komisaris mengambil peran memonitor pelaksanaan aktivitas manajemen risiko namun memberikan wewenang penuh kepada manajemen untuk mengelola risiko karena manajemen yang paling mengetahui risiko-risiko yang ada dalam proses bisnis Perusahaan.

3. The Company also has export selling in foreign currency so the changes of currency to buy raw materials can be balanced with the selling in foreign currency. The Company is of the opinion that the movement of Rupiah exchange rate to foreign currency can be managed by the Company.

4. The Company always tries to manage the needs of raw materials by considering the supply and demand of Company products, so it minimizes the lack of raw materials for production.

5. The Company regularly maintains production machines so that its production process will not be disturbed.

6. The Company regularly strives to find the most efficient transportation modes and the most suitable for its needs.

7. The Company has fulfilled the employment regulation and reviewed salary and allowances for its human resources regularly.

8. The Company keeps on reviewing thoroughly the applied regulation and stipulation and keeps on manufacturing innovative and useful products for consumers so it can compete with similar products in the market.

Review on the Effectiveness of Risk Management System

Identification and evaluation on risks are always conducted by the Company in each of its department. The Board of Directors along with Internal Audit Unit and Board of Commissioners review and formulate management strategy and mitigation needed.

The Board of Commissioners takes monitoring role over implementation of risk management activity, but give full authority to the management to manage risks as the management knows the most detail of risks in Company business process.

PERKARA PENTING YANG DIHADAPI PERUSAHAAN 2017

Tidak terdapat perkara atau gugatan, baik perdata maupun pidana, serta sanksi administratif yang dihadapi dan diterima Perusahaan sepanjang 2017.

LEGAL CASES FACED IN 2017

No important cases or lawsuit, both civil and criminal, as well as administrative sanction faced and accepted by the Company throughout 2017.

INFORMASI SANKSI ADMINISTRATIF YANG DIKENAKAN KEPADA PERUSAHAAN

Sepanjang 2017, Perseroan tidak memiliki sanksi administratif yang dikenakan kepada Perseroan.

INFORMATION ON ADMINISTRATIVE SANCTION

Throughout 2017, there has been no administrative sanction imposed on the Company.

KODE ETIK DAN BUDAYA PERUSAHAAN

Perseroan memiliki kode etik yang menjadi pedoman bagi seluruh karyawan dalam bekerja.

Isi kode etik Perusahaan sebagai berikut:

1. Tidak diperkenankan untuk menerima hadiah/komisi dari pemasok maupun pelanggan/agen/distributor, karena hal tersebut dapat mempengaruhi keputusan jual beli yang bisa merugikan Perseroan.
2. Sedapat mungkin menolak entertainment dari pemasok/pelanggan/agen/distributor dan lain sebagainya.

Pelanggaran atas hal-hal tersebut, bisa dikenakan sanksi surat peringatan atau pemutusan hubungan kerja terhadap karyawan. Tim Internal Audit juga secara berkala akan memeriksa atau memonitor kewajaran transaksi-transaksi yang dilakukan.

Pemberlakuan Kode Etik

Kode etik berlaku bagi anggota Direksi, anggota Dewan Komisaris dan karyawan, oleh karena itu setiap komponen wajib mematuhi kode etik untuk memastikan keadilan dan keseimbangan dapat tercipta diantara seluruh pemangku kepentingan meliputi karyawan, pelanggan, mitra kerja, kreditur, pemerintah dan komunitas tempat dimana Perseroan beroperasi.

CODE OF CONDUCT AND CORPORATE CULTURE

The Company has established code of conduct that serves as the guidelines for all employees in conducting their work, as follows:

1. All employees of the Company are not allowed to receive gift/commission from the suppliers/agents/distributors, as it can affect the decision of sale and purchase that can cause loss to the Company.
2. All employees should Reject entertainment given by the suppliers/customers/agents/distributors and others to the best of their ability.

The violation to such matter is subject to sanction in the form of warning letter or employment termination. The Internal Audit Team also periodically reviews or monitors the fairness of the transactions.

Enforcement of Code of Conduct

The code of conduct prevails for all members of Board of Directors, Board of Commissioners and employees of the Company. To that end, every component is obliged to adhere to the code of conduct to ensure that fairness and balance are created among all stakeholders, covering the employees, customers, work partners, creditors, government and community where the Company operates.

PROGRAM KEPEMILIKAN SAHAM OLEH KARYAWAN DAN MANAJEMEN

Pada 2017, Perseroan tidak mengadakan program kepemilikan saham oleh karyawan dan/atau manajemen (ESOP/MSOP).

EMPLOYEE AND MANAGEMENT STOCK OWNERSHIP PROGRAM

The Company has not established employee and/or management stock ownership program (ESOP/MSOP) by 2017.

SISTEM PELAPORAN PELANGGARAN

Dalam rangka mendukung penerapan tata kelola perusahaan yang baik, Perseroan mengimplementasikan sistem pelaporan pelanggaran (*Whistleblowing System*) dalam rangka mencegah terjadinya tindak kecurangan dengan melaporkan kejadian perilaku pelanggaran serta mendorong budaya kejujuran dan keterbukaan.

Perseroan memiliki sistem pelaporan yang dapat dipantau secara langsung oleh Direktur Utama dalam beberapa kasus meliputi:

a. Adanya kecurangan-kecurangan (fraud).
b. Manipulasi data dan laporan.
c. Adanya benturan kepentingan/conflict of interest.
d. Penyalahgunaan data-data usaha Perseroan.

Mekanisme *whistleblowing system* dilakukan agar proses pelaporan pelanggaran dapat mencegah terjadinya *fraud* dengan pola pengawasan yang menyeluruh dan melibatkan seluruh pegawai sehingga memberikan rasa aman bagi seluruh pihak yang berinteraksi dengan Perseroan.

a. Penyampaian Laporan Pelanggaran

Setiap orang, organisasi masyarakat, atau lembaga swadaya masyarakat dapat memberikan informasi adanya dugaan telah terjadi penyimpangan wewenang di Perseroan serta menyampaikan saran dan pendapat kepada pihak terkait di Perseroan. Penerapan whistleblowing system dilakukan secara bertanggung jawab sesuai dengan ketentuan perundang-undangan yang berlaku, norma agama, dan kesusilaan serta kesopanan.

b. Perlindungan Whistleblower

Penerima informasi merahasiakan identitas pelapor yang telah memberi informasi saran dan pendapat yang disampaikan.

WHISTLEBLOWING SYSTEM

To support the implementation of GCG, the Company has established and applied Whistleblowing System to prevent the occurrence of fraud by reporting the regulation violation event and encouraging the culture of honesty and transparency in the Company.

Impack Pratama's established reporting system can be monitored directly by the President Director and covers the following:

a. Occurrence of fraud activity.
b. Manipulation of data and reports.
c. Occurrence of conflict of interest.
d. Abuse of Company's business data.

The mechanism of whistleblowing system is implemented so that violation reporting process can prevent fraud activity from occurring. The system is carried out comprehensively by involving all employees in order to provide safe and secure environment for all parties interacting with the Company.

a. Submission of Violation Report

Every individual, public organization or non-governmental organization can submit information on the allegation of abuse of authority in the Company and submit opinions and recommendations to the related Company's party. The implementation of whistleblowing system in conducted responsibly in accordance with the prevailing laws and regulations, as well as religious and social norms

b. Protection for Whistleblower

Information recipient shall keep the confidentiality of whistleblower or party submitting the report, inputs or recommendations.

c. **Penanganan Pengaduan**
Terhadap informasi yang masuk dilakukan verifikasi. Verifikasi diklasifikasikan berdasarkan kelompok masalah dan diteruskan kepada satuan kerja yang bertanggung jawab untuk menindaklanjuti. Hasil verifikasi terkait dugaan penyimpangan atau penyalahgunaan wewenang diklasifikasikan menjadi tiga kelompok, yaitu dapat segera ditindaklanjuti, belum dapat ditindaklanjuti dan tidak dapat ditindaklanjuti. Hasil verifikasi dugaan penyimpangan dengan klasifikasi "segera ditindaklanjuti" diteruskan ke Unit Audit Internal untuk ditindaklanjuti dan dibuatkan Laporan Hasil Audit.

d. **Pengelola Pengaduan**
Pengelola whistleblower dijalankan oleh Unit Audit Internal.

PENERAPAN ATAS PEDOMAN TATA KELOLA PERUSAHAAN TERBUKA

Sebagai Perusahaan yang mencatatkan saham pada Bursa Efek Indonesia, Perseroan patuh dan tunduk pada peraturan dan perundang-undangan yang berlaku. Kepatuhan ini juga membuat Perseroan secara bertahap dan konsisten melakukan penerapan atas pedoman tata kelola perusahaan terbuka yang dikeluarkan oleh Otorotas Jasa Keuangan. Sebagai wujud Perseroan dalam penerapan tata kelola perusahaan yang baik dan sebagai Perseroan Terbuka, PT Impack Pratama Industri Tbk menjamin telah menjalankan prinsip-prinsip GCG secara berkelanjutan melalui website Perseroan dan korespondensi dengan Otoritas Jasa Keuangan serta patuh pada ketentuan perundang-undangan yang berlaku.

Beberapa rekomendasi penerapan pedoman tata kelola perusahaan terbuka yang telah diimplementasikan oleh Perseroan sebagai berikut:

1. Hubungan Perusahaan Terbuka dengan Pemegang Saham dalam Menjamin Hak-Hak Pemegang Saham
   - Meningkatkan Nilai Penyelenggaraan Rapat Umum Pemegang Saham.
   - Meningkatkan Kualitas Komunikasi Perusahaan Terbuka dengan Pemegang Saham atau Investor.

c. **Complaint Handling**
Verification is conducted on all incoming information, which is classified based on the issue groups. It is then forwarded to the responsible work unit to perform follow-up action. Verification result related to fraud or abuse of power allegations is further classified into three groups, namely: can be immediately followed-up, has yet to be followed-up, and cannot be followed-up. The verification result which falls under the classification of 'can be immediately followed-up' is forwarded to the Internal Audit Unit to be followed-up. The Internal Audit Unit, then, shall prepare Report on Audit Result.

d. **Parties Managing the Complaints**
Whistleblowing system is managed by the Internal Audit Unit.

IMPLEMENTATION OF GOVERNANCE GUIDELINES FOR PUBLIC COMPANIES

The Company is a business entity that lists its shares on Indonesia Stock Exchange; hence, it shall comply with and oblige the prevailing laws and regulations in Indonesia. This compliance leads the Company to gradually and consistently implement governance guidelines for public companies issued by the Financial Services Authority. As a form of realization of its commitment to implementing GCG, PT Impack Pratama Industri Tbk guarantees that all GCG principles have been applied in a sustainable manner, as showed on the Company's website, and has carried out correspondence with the Financial Services Authority and complied with all prevailing laws and regulations.

Several recommendations for the implementation of governance guidelines for public companies to be applied by the Company are as follows:

1. Regarding Relationship of Public Company with Shareholders in Ensuring Shareholders' Rights
   - To improve the Values of Convention of General Meeting of Shareholders
   - To improve the Communication Quality of Public Company with Shareholders or Investors.

2. Fungsi dan Peran Dewan Komisaris
   - Memperkuat Keanggotaan dan Komposisi Dewan Komisaris.
   - Meningkatkan Kualitas Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris.
3. Fungsi dan Peran Direksi
   - Memperkuat Keanggotaan dan Komposisi Direksi.
   - Meningkatkan Kualitas Pelaksanaan Tugas dan Tanggung Jawab Direksi.
4. Partisipasi Pemangku Kepentingan
   - Meningkatkan Aspek Tata Kelola Perusahaan melalui Partisipasi Pemangku Kepentingan.
5. Keterbukaan Informasi
   - Meningkatkan Pelaksanaan Keterbukaan Informasi.

2. Regarding Functions and Roles of Board of Commissioners
   - To strengthen the Membership and Composition of Board of Commissioners.
   - To improve the Quality of Duty and Responsibility Implementation of Board of Commissioners.
3. Regarding Functions and Roles of Board of Directors
   - To strengthen the Membership and Composition of Board of Directors.
   - To improve the Quality of Duty and Responsibility Implementation of Board of Directors.
4. Regarding Stakeholders Engagement
   - To improve Corporate Governance Aspect through Stakeholders' Engagement.
5. Regarding Information Disclosure
   - To improve the implementation of Information Disclosure.

Tanggung Jawab Sosial Perusahaan

Corporate Social Responsibility

06

TANGGUNG JAWAB SOSIAL PERUSAHAAN
Corporate Social Responsibility

Perseroan berkomitmen untuk melaksanakan kebijakan dan kegiatan yang dapat berkontribusi bagi masyarakat dan lingkungan serta menjadi salah satu aspek berkelanjutan bisnis Perusahaan. CSR menjadi upaya Perseroan dalam menjaga keseimbangan yang harmonis antara aktivitas usaha dengan seluruh pemangku kepentingan secara umum, maupun komunitas di sekitar lokasi pabrik dan Kantor Pusat secara khusus.

Selain itu, program dan kegiatan CSR yang dilaksanakan Perseroan juga menjadi suatu upaya dalam menjaga keselarasan dengan lingkungan sekitar. Pelaksanaan program CSR menjadi komitmen Perseroan untuk berperilaku etis dan berkontribusi terhadap pembangunan ekonomi berkelanjutan, sekaligus meningkatkan kualitas hidup komunitas lokal serta masyarakat luas.

The Company is committed to implementing policies and activities that can provide beneficial contribution to the community and environment and to support the sustainability of Company's business. CSR is an effort of the Company to maintain harmony between the stakeholders in general as well as with the community surrounding the Company's factories and Head Office in specific.

In addition, CSR programs and activities conducted by the Company are regarded as an effort to maintain balance with the environment. Implementation of CSR programs is the Company's commitment to conducting ethical behavior and supporting the sustainability of economic development, while simultaneously improving the life quality of local community and the public.

Dasar Kebijakan CSR
Basis of CSR Policies

Perseroan menyelenggarakan kebijakan CSR berdasarkan Undang-Undang Nomor 40 Tahun 2007, Bab V, Pasal 74 ayat (1). Dalam undang-undang tersebut dijelaskan bahwa perusahaan yang menjalankan kegiatan usaha berkaitan dengan sumber daya alam wajib melaksanakan program CSR. Perseroan berinisiatif untuk melaksanakan program CSR yang tepat guna sesuai dengan kebutuhan.

Impack Pratama carries out its Corporate Social Responsibility (CSR) based on the Law no. 40 of 2007, Chapter V, Article 74 paragraph (1). In that article, it is stated that companies undertaken business activities related to natural resources are obliged to conduct CSR programs. To that end, the Company has an initiative to implemented effective and efficient CSR programs according to the needs of the society.

Penerapan CSR Perseroan didasarkan pada Peraturan Otoritas Jasa Keuangan No. 30 /SEOJK.04/2016 Tentang Laporan Tahunan Perusahaan dan diuraikan dalam Surat Edaran Otoritas Jasa Keuangan No. 30 /SEOJK.04/2016 Tentang Bentuk dan Isi Laporan Tahunan yang meliputi upaya-upaya pemberdayaan masyarakat, tanggung jawab terhadap lingkungan, praktik ketenagakerjaan, serta perlindungan konsumen melalui produk yang bertanggung jawab. Perseroan beserta Entitas anak senantiasa aktif dalam melakukan kegiatan sosial sebagai wujud kepedulian terhadap masyarakat sekitar dengan beragam kegiatan sosial dan kegamaan. Sepanjang 2017, Perseroan menyalurkan dana CSR mencapai Rp8.590.605.980, sedangkan pada 2016 sebesar Rp6.551.250.000. Perseroan memformulasikan program tanggung jawab sosial menjadi 4 aspek yaitu :

LINGKUNGAN HIDUP

Tanggung jawab sosial perusahaan dalam bidang lingkungan dilaksanakan setiap tahun sebagai bukti keseriusan Perseroan dalam menjaga dan melindungi alam. Beberapa kegiatan yang dilakukan seperti pengolahan limbah, serta melakukan analisis mengenai dampak lingkungan. Secara berkala, Perseroan bekerja sama dengan masyarakat untuk mendaur ulang limbah plastik dari masyarakat.

Produk yang dihasilkan oleh Perseroan senantiasa ramah bagi lingkungan dan dapat didaur ulang. Pelaksanaan kelestarian bagi lingkungan telah kami terapkan pada produk Perseroan yaitu Aluminium Composite Panel (ACP) dengan merek Alcolite yang salah satu komposisi bahan pembuatannya menggunakan bahan *scrap* plastik atau limbah plastik yang dikumpulkan dari pengumpul limbah plastik sehingga bahan-bahan *scrap* yang semestinya menjadi limbah dapat dimanfaatkan dalam proses industri dan membantu mengurangi pencemaran limbah plastik yang dapat berdampak buruk bagi lingkungan hidup.

Furthermore, CSR implementation in the Company is based on the Regulation of Financial Services Authority No. 30/ SEOJK.04/2016 on Annual Report of Public Companies, which is further elaborated in the Circular Letter of Financial Services Authority No. 30/SEOJK.04/2016 on Form and Contents if Annual Report of Public Companies, which cover the efforts to empower community, responsibility to the environment, manpower practice, and consumer protection through reliable products. The Company and its Subsidiaries actively endeavor to carry out social activities, such as social and religious activities, as a form of awareness to the surrounding community. During the year the Company distributed CSR funds amounting to Rp8,590,605,908, while in 2016 the funds distributed amounted to Rp6,551,250,000. The Company formulates its social responsibility programs into 4 aspects, namely:

ENVIRONMENT

Corporate social responsibility to the environment is conducted each year as a form of Company's commitment to preserving the nature. Several activities conducted in regard to this aspect are, among others, waste treatment and analysis on environmental impact. Periodically, the Company cooperates with the society to recycle plastic waste.

The Company's products are environmentally-friendly and recyclable. Activities to preserve the environment have been continuously carried out on the Company's Aluminum Composite Panel (ACP) product with the brand name of Alcolite. One of the materials composing this product is plastic scrap or plastic waste collected from plastic waste collector, Hence, scrap material which are supposed to be waste can be utilized in the industrial process and can reduce plastic pollution that may have adverse impact on the environment.

Perseroan menyadari bahwa seluruh kegiatan operasional Perusahaan yang dilakukan memiliki dampak terhadap lingkungan sekitar salah satunya dalam jumlah limbah yang dihasilkan. Untuk mengatasi dampak pencemaran limbah, Perseroan telah menerapkan sistem pengolahan limbah perusahaan yaitu pengelolaan air bekas pakai disalurkan melalui etalase yang telah tersedia serta termasuk pengelolaan limbah bahan berbahaya dan beracun, baik untuk pabrik Cikarang di Kawasan Industrial Hyundai dan Delta Silicon maupun pabrik Karawang. hal tersebut dilakukan sebagai wujud pemenuhan Perseroan dalam memenuhi peraturan dan perundang-undangan terkait lingkungan yang diwujudkan Perseroan dalam bentuk pemenuhan seluruh persyaratan industri di bidang lingkungan, mulai dari pemenuhan persyaratan dan pembuatan dokumen upaya pengelolaan lingkungan dan upaya pemantauan lingkungan hidup (UKL/UPL) serta tak lupa mengenai pengendalian pencemaran udara.

Kegiatan Terkait CSR Lingkungan

Sebagai bagian dari inisiatif perlindungan terhadap lingkungan terutama di lingkungan kantor, Perseroan juga mendorong efisiensi energi pada seluruh kegiatan operasional Perseroan. Aktivitas efisiensi energi yang dilaksanakan oleh Perseroan selama, sebagai berikut:

1. Mematikan seluruh lampu penerangan ruang kerja dan ruang rapat jika seluruh karyawan pada lantai tersebut telah meninggalkan kantor;
2. Mematikan penerangan pada ruang rapat jika tidak dipergunakan dan membuka tirai jendela secukupnya;
3. Mematikan lampu ruangan jika akan meninggalkan ruangan dalam waktu cukup lama;
4. Pengaturan pencahayaan untuk ruangan kantor dan gedung yang terpantau, tidak berlebih- lebihan dan secukupnya;
5. Mematikan unit AC seluruh gedung setelah jam operasional selesai;
6. Mematikan lampu di seluruh ruang kerja setelah operasional selesai;
7. Pemeliharaan unit AC oleh tim engineering gedung secara berkala;
8. Pengecekan panel maupun instalasi listrik oleh tim engineering gedung secara berkala.

The Company realizes that all of it operational activities may have an impact on the company, one which through the produced waste. To mitigate the impact of the Company's production waste, Impack has implemented a corporate waste treatment system, namely the utilization of used water which is channeled through the available media. This system is also used to treat hazardous and toxic waste and has been implemented in the Company's factories in Cikarang, in Hyundai and Delta Silicon Industrial Area, and in Karawang. This is done to comply with the laws and regulations regarding the environment and as a form of realization of Company's commitment to meeting all environmental requirements in conducting its business, starting from the fulfillment of conditions and creations of documents of environmental management efforts and supervision (UKL/UPL), as well as control of air pollution nearby the Company's production area.

Activities related to CSR to the Environment

As a part of the Company's initiatives in environmental protection, particularly nearby the office area, the Company encourages energy efficiency activities implemented in all of its operations. The energy efficiency activities conducted are, among others:

1. Turning off all lights in office area and meeting rooms if all employees have left the office and the floor;
2. Turning off all lights in the meeting rooms if they are not used and open the window curtain to let natural lights in;
3. Turning of the room lightings whenever an employee leave the room in a long time;
4. Regulate the lighting in office space and work area proportionately;
5. Turning of Air Conditioning units when the office hours are over;
6. Turning off all lights at office space when the operational hours are over;
7. Maintaining AC units by building engineering team in a periodical manner;
8. Examining electricity panels and installations by building engineering team in a periodical manner.

Mekanisme Pengaduan Masalah Lingkungan

Letak lokasi pabrik perusahaan berada di lingkungan kawasan industri yang tentunya terikat akan suatu aturan yang ditetapkan oleh manajemen pengelola kawasan industri yang secara langsung wajib dipatuhi oleh perusahaan, sehingga permasalahan lingkungan sudah diantisipasi dan minim kemungkinan. Namun apabila ada pengaduan akan ditangani perusahaan dengan prinsip kehati-hatian dengan tetap memperhatikan peraturan yang berlaku serta merangkul lembaga swadaya masyarakat setempat.

Complaint Mechanism for Environmental Issues

The Company's factory is located within an industrial area, which is certainly related to the regulations stipulated by the management of the industrial area. Those regulations must always by complied with at all costs. Hence, environmental issues are properly mitigated and the occurrence possibility is minimum. Nevertheless, should an environmental issue arises and is reported, the Company will handle them by taking into account prudent principle and the prevailing regulations, as well as by cooperating with the local non-governmental organizations.

PRAKTIK KETENAGAKERJAAN, KESEHATAN, DAN KESELAMATAN KERJA

Perseroan menjunjung tinggi prinsip-prinsip kesetaraan dalam melakukan perekrutan karyawan dengan tanpa memandang suku, agama, ras, antar golongan, dan tingkatan sosial. Hubungan industrial yang terjalin di lingkungan Perseroan antara karyawan dengan Perseroan seperti mitra strategis sehingga tercipta hubungan harmonis yang kuat, hal ini menjadi salah satu fondasi dalam menyongsong keberlanjutan bisnis Perseroan.

MANPOWER AND OCCUPATIONAL HEALTH AND SAFETY PRACTICE

The Company upholds the principle of equality in recruiting employees without any prejudice to the ethnicity, religion, race, group and social level. Industrial relationship built between the employees and the Company is a strategic partnership so as to create strong, harmonious relationship which can become a foundation to support the Company's business sustainability.

Kegiatan Terkait Ketenagakerjaan

Pada tahun 2017, prinsip kesetaraan kami jalankan dalam proses peningkatan kemampuan karyawan melalui pengembangan diri (soft skill) dan/atau kemampuan (hard skill) pada diri karyawan. Untuk segi kesehatan dan keselamatan kerja karyawan pun sangat diutamakan oleh Perseroan. Dari sisi ketenagakerjaan, Perseroan melakukan beberapa hal sebagai berikut:

1. Kebijakan kesetaraan gender dan kesempatan kerja bagi seluruh karyawan Perseroan;
2. Melakukan penilaian kinerja karyawan secara berkala untuk tujuan pengembangan karir karyawan dan pemberian reward yang layak;
3. Mengimplementasikan regulasi Upah Minimum Regional (UMR) yang ditetapkan oleh Pemerintah;
4. Pemberian cuti kepada para karyawan, baik bagi wanita hamil maupun bagi karyawan yang lainnya;

Activities Related to Manpower

In 2017, the Company manifested the equality principle through employee's competence development process, i.e. through self-development (soft skills) and/or capability improvement (hard skills) activities. The aspect of occupational health and safety is also prioritized by the Company. In terms of manpower aspect, he Company conducted several activities as follows:

1. Implementing equality policies and fair work opportunity for all employees of the Company;
2. Assessing employee's performance periodically to develop their career and adjust the rewards to be given;
3. Implementing the Regional Minimum Wage (UMR) policy set out by the government;
4. Providing special leave to the employees, such as maternity leave for female employees;

5. Pelaksanaan Program Pelatihan bagi karyawan Perseroan untuk meningkatkan kompetensi dan keterampilan yang dimiliki karyawan baik melalui pelatihan soft skill maupun technical skill dengan catatan bahwa penyelenggaraan setiap program pelatihan harus disesuaikan dengan kebutuhan dan rencana pengembangan perusahaan.

6. Jaminan Sosial melalui program BPJS Ketenagakerjaan yaitu Jaminan hak-hak pegawai dan perlindungan dasar terhadap kecelakaan kerja, kematian dan har itua sehingga para pegawai dapat bekerja dengan rasa tenang dan nyaman.

7. Jaminan sosial melalui program BPJS Kesehatan yaitu jaminan berupa perlindungan kesehatan agar pegawai dapat memperoleh manfaat pemeliharaan kesehatan dan perlindungan dalam memenuhi kebutuhan dasar kesehatan yang diberikan kepada setiap karyawan yang telah membayar iuran. Dalam bidang kesehatan dan keselamatan kerja tersebut, Perseroan berkomitmen untuk mewujudkan keselamatan, kesehatan dan lingkungan kerja yang aman dan nyaman di lingkungan kerja melalui kebijakan Perseroan terkait penggunaan alat keselamatan kerja. Perseroan juga telah melakukan upaya pencegahan diantaranya dengan cara melakukan identifikasi potensi bahaya, memberikan Alat Pelindung Diri (APD) kepada setiap Karyawan sesuai dengan potensi bahaya yang ada.

5. Carrying out Training Programs for employees to elevate their competence and capability. Training programs are conducted in the form of soft skill and technical skill trainings which should always take into account the needs of the Company as well as in line with the Company's development plans.

6. Social security through BPJS Ketenagakerjaan (Employment Social Security) program, namely assurance of employee's rights and basic protection against work accident, death and old age. Thus, employees will be able to work securely and comfortably.

7. Social security through BPJS Kesehatan (Health Social Security) program, namely health protection for all employees who have paid the monthly fees so that they can obtain health treatment facilities and other health benefits. In this aspect, the Company is also committed to realizing safe, secure and comfortable work environment through the Company's policies related to the use of work safety equipment. Furthermore, the Company has also conducted various work accident prevention programs, such as by conducting early identification of danger potential and providing Self-Protection Equipment to all employees according to the existing danger risks.

Mekanisme Pengaduan Masalah Ketenagakerjaan

Terkait dengan praktik ketenagakerjaan, kesehatan dan keselamatan kerja dalam hal terdapat kejadian kecelakaan di lingkungan kerja mekanisme penanganannya serta dipengaduannya dilakukan dengan cara sebagai berikut:

1. Karyawan yang mengalami kecelakaan kerja akan ditangani sesegera mungkin dan dibantu untuk membuat laporan kepada kepala bagiannya;
2. Kepala bagiannya melakukan koordinasi dengan security untuk dibuatkan *form* pelaporan kejadian kecelakaan kerja;
3. *Form* laporan kecelakaan kerja tersebut sebagai referensi untuk dibawa ke rumah sakit nantinya, dalam hal ini Perseroan memiliki rumah sakit yang menjadi rekanan (*trauma center*)
4. Kepala bagian akan membuat kronologis kejadian kecelakaan kerja sebagai dasar untuk laporan ke BPJS ketenagakerjaan untuk klaim Asuransi;

Complaint Mechanism for Manpower Issues

Mechanism to settle issues and complaints related to the aspect of manpower and occupational health and safety, particularly in regard to work accidents, are as follows:

1. Employees involved in work accident will be treated immediately and given assistance in preparing the report to their supervisor.
2. The supervisor then coordinates with the security and prepares a reporting form on accident occurring in work area;
3. The form shall serve as a reference to be shown to the partner hospitals of the Company. These hospitals also serve as the trauma centers.
4. The supervisor will also prepare a report that states the chronology of work accident as a supporting evidence for BPJS Ketenagakerjaan and for proposing insurance claim.

PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN

Perseroan senantiasa berorientasi pada kepentingan bisnis tanpa mengesampingkan kegiatan tanggung jawab sosial dalam mengelola hubungan dengan para pemangku kepentingan. Oleh karena itu, Perseroan memperhatikan budaya saling menghargai sehingga tercapai keseimbangan dan keharmonisan antara Perseroan dengan seluruh pemangku kepentingan.

Kegiatan CSR Terkait Pengembangan Kemasyarakatan

Kebijakan tanggung jawab sosial perusahaan untuk memberdayakan masyarakat secara berkelanjutan dilakukan oleh Perseroan dengan memberi perhatian khusus kepada pembangunan kesejahteraan masyarakat, baik fisik maupun non-fisik. Kebijakan tersebut dilakukan dengan menetapkan program yang tepat sasaran dan memberikan manfaat maksimal, diantaranya:

1. Sumbangan untuk kegiatan keagamaan.
2. Kegiatan Donor Darah bekerja sama dengan Palang Merah Indonesia.
3. Perseroan memberikan bantuan dalam bentuk renovasi kepada panti asuhan Al-Aadiyat di Lombok barat berupa atap Alderon RS dan renovasinya telah selesai pada Bulan Maret 2017.

SOCIAL AND COMMUNITY DEVELOPMENT

The Company always orients its business to all activities that support social and community development in order to maintain and manage good relationship with the stakeholders. To that end, the Company constantly takes into account the culture of respecting each other so as to attain balance and harmony between the Company and all stakeholders.

CSR Activities Related to Community Development

CSR activities to sustainably empower the community are conducted by providing special attention to the development of community's welfare, both in physical as well as non-physical manner. This policy is implemented by formulating effective plans that will provide optimum benefits to the society, such as:

1. Donation for religious activities.
2. Blood Donation activity in cooperation with Indonesian Red Cross (PMI).
3. Donation in the form of renovation to Al-Aadiyat orphanage in Lombok Barat in. The Company provided Alderon RS roof for the renovation which was completed in March 2017.

4. Perseroan memberikan bantuan dalam bentuk renovasi rumah berupa atap Alderon RS kepada warga tidak mampu, sebagai berikut:

- Rumah Bapak Benny yang berlokasi di Surabaya, yaitu pemasangan atap Alderon RS sepanjang 2, meter sebanyak 58 lembar dan Nok Alderon RS sebanyak 10 lembar
- Rumah Ibu Suhaeni yang berlokasi di Warakas, Jakarta Utara, yaitu pemasangan atap Alderon RS sepanjang 2,4 meter sebanyak 40 lembar.
- Rumah Bapak Slamet berlokasi di Bungur, Jakarta Pusat, yaitu pemasangan atap Alderon RS sepanjang 1,8 meter sebanyak 60 lembar dan Nok Alderon RS sebanyak 10 lembar

TANGGUNG JAWAB PRODUK

Perseroan berkomitmen untuk terus berinovasi dan mempertahankan kepercayaan pelanggan karena Perseroan menyadari bahwa kepuasan pelanggan menjadi kunci sukses Perusahaan dalam meraih pangsa pasar yang lebih besar. Untuk itu, Perseroan bertanggung jawab dalam membina hubungan baik dengan pelanggan melalui jalur komunikasi yang baik dalam memahami kebutuhan pelanggan akan kualitas hasil produksi. Perseroan akan menindaklanjuti setiap pengaduan atau pertanyaan pelanggan berdasarkan standar operasional prosedur yang berlaku.

4. Donation in the form of house renovation, in which the Company provided Alderon RS roofs to the underprivileged household as follows:

- Mr. Benny's house which is located in Surabaya. The Company installed 58 sheets of Alderon RS roof with the length of 2.1 meter, and 10 sheets of Nok Alderon RS roof.
- Mrs. Suhaeni's house which is located in Warakas, North Jakarta. The Company installed 40 sheets of Alderon RS roof with the length of 2.4 meter.
- Mr. Slamet's house which is located in Bungur, Central Jakarta. The Company installed 60 sheets of Alderon RS roof with the length of 1.8 meter, and 10 sheets of Nok Alderon RS roof.

PRODUCT RESPONSIBILITY

The Company fully commits to always innovating and maintaining its customers' trusts as the Company understands that customers' satisfaction is the key to success in obtaining bigger market share. Therefore, the Company is responsible for nurturing and maintaining good relationship with all customers through proper communication, and understanding its customers' needs and concerns on the quality of its products. Impack shall follow-up all complaints or inquiries submitted by the customers based on the applicable standards of operating procedure.

Kegiatan CSR Terkait Tanggung Jawab Produk

Perseroan memberikan garansi terhadap produk dan apabila produk Perseroan tidak memenuhi standar pemesanan, maka pelanggan mempunyai hak untuk mengklaim produk tersebut. Selain itu, kegiatan edukasi menjadi sarana yang efektif bagi Perseroan dan entitas anak Perusahaan sebagai bentuk kepedulian terhadap tanggung jawab produk sekaligus sarana dalam meningkatkan segmen distribusi produk. Kegiatan edukasi yang dilakukan berupa pelatihan kepada para pelanggan maupun aplikator, mengenai produk-produk Perseroan beserta cara mengaplikasikan produk dengan baik dalam setiap penggunaannya.

CSR Activities Related to Product Responsibility

The Company provides warranty on its products and if the products do not meet the standards of order, the customer has the right to claim the product. In addition, the Company and its subsidiary conduct educational training activities that are regarded as an effective tool to improve product responsibility as well as distribution. The educational activities are realized through trainings for all customers and applicators regarding the Company's products and their proper use.

Surat Penyataan Anggota Dewan Komisaris dan Direksi Tentang Tanggung Jawab Atas Laporan Tahunan 2017 PT Impack Pratama Industri, Tbk.

The Board of Commissioners and The Board of Directors Statement of Responsibility for the 2017 Annual Report of PT Impack Pratama Industri, Tbk.

Kami yang bertanda tangan di bawah ini menyatakan bahwa semua informasi dalam Laporan Tahunan PT Impack Pratama Industri, Tbk. tahun 2017 telah dimuat secara lengkap dan bertanggung jawab penuh atas kebenaran isi Laporan Tahunan dan Laporan Keuangan Perusahaan.

Demikian pernyataan ini dibuat dengan sebenarnya

We, the undersigned, testify that all information in the Annual Report of PT Impack Pratama Industri, Tbk. for 2017 is presented in its entirety and we are fully responsible for the correctness of the contents in the Annual Report and Financial Report of the Company.

This statement is hereby made in all truthfulness.

Jakarta, April 2018 / Jakarta, April 2018

DEWAN KOMISARIS
BOARD OF COMMISSIONERS

Handojo Tjiptodihardjo
Komisaris Utama / President Commissioner

Cornelius Wielim Pranata
Komisaris Independen / Independent Commissioner

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BOARD OF DIRECTORS

Lindawati
Direktur / Director

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Direktur Utama / President Director

Janto Salim
Direktur / Director

Nga Seg Min
Direktur / Director

David Herman Liasdanu
Direktur / Director

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Jl. Trembesi Blok F 17-1
Bekasi 17550 - Indonesia

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PT Impack Pratama Industri Tbk

CREATES A SUSTAINABLE BUSINESS DEVELOPMENT

2017 ANNUAL REPORT
LAPORAN TAHUNAN