

COMMUNICATION ON PROGRESS

**CORPORATE
SUSTAINABLE
REPORT
YEAR 2021**

PT MARTINA BERTO TBK



Management commitment in Implementing Sustainable Business



Statement of Support

The spread of the corona virus has changed many plans and the world's economic situation, including Indonesia. Despite being affected by COVID-19 and having to optimize assets, PT Martina Berto Tbk is grateful that the company can still survive, stay strong, optimistic to rise, and continues to commit in helping the government and the community in dealing with COVID-19.

We express our appreciation and thanks to stakeholders over the full trust and continuous support to us during this pandemic so that we still able to survive, grow and reach target on every milestone, while we are pleased to continuous support the ten principles of the Global Compact in line to the SDGs achievement for the next years and after as we have been engage both local and global network under the flag of UNGC for over the last 19 years covering area of human rights, labor, environment, and anti-corruption.

As 2021 draws to a close, we're still in the thick of the global health crisis caused by COVID-19. And for what feels like such a long time we have experienced so much hardship during this Pandemic. We, as a community face our new beginnings and journeys with anticipation, optimism, enthusiasm and care for each other. I believe it's the right times for us to reflect and be thankful for what is ending. Be grateful for what was learned and what was accomplished in order to get through these difficult times together and prepare for a better start.

Sincerely yours,

Brian David Emil
President Director
PT Martina Berto Tbk

Foreword from Chairwoman

Along the year 2021 was quite challenging moment for almost all private sectors, especially during this pandemic.

However, company has to be survived and run continuously. By strong commitment and dedication, company can still achieve small growth on sales. We believe that the prospect of cosmetic business is still good.

As a beauty company, we have blended business, social, and ecological principle by exploring the ancient wisdom of beauty care throughout the lifecycle. We have transformed and blended the richness of Eastern culture and Indonesian natural resources to be the soul of our brands and services to win the heart of consumers around the globe. While corporate social responsibility (CSR) is merged in the company mission that in-line to the business strategy and being highly committed by corporate management for the sustainable development.

We do our business not just Profit oriented, but we commit in considering People and Planet. The reputation of our company is more internationally recognized as a trend setter producing natural techno beauty products that continuously merged with the richness of our Eastern culture, where we transform the local wisdom that supported by scientific data to meet the urban lifestyle and go global.

Dr. (HC) Martha Tilaar
Founder & Chairwoman
Martha Tilaar Group



COMPANY PROFILE

Name and Address

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Domicile in Jakarta, Jl. Pulo Kambing II No.1
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Mail Address: corpsecretary@martinaberto.co.id

Website: www.martinaberto.co.id

Stock Exchange where the Company's Stock is listed:
Indonesia Stock Exchange

Capital Market Institution and Professional Share Registrar

PT. Adimitra Jasa Korpora
Rukan Kirana Boutique Office.
Jl. Kirana Avenue III Blok F3 No. 5
Kelapa gading Jakarta Utara 14250
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Public Accountant Office

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Sudirman Kav. 79, Prudential
Tower Lt. 16-17, Jakarta
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HISTORY

PT Martina Berto Tbk

Dr. (HC) Martha Tilaar started her business with a beauty salon in 1970. She continuously enhanced her knowledge about beauty and body care from American and European beauty centers. It motivated and gave her understanding that the raw materials from Indonesia, if professionally processed, will be able to produce natural cosmetics and traditional medicines that can beautify Indonesian women and those of the world in a holistic manner. Being successful in the beauty salon business through opening many beauty salons in Jakarta, Mrs. Martha Tilaar established "Puspita Martha" School of Beauty to develop beauty specialists, makeup artists, hair specialists and therapists. The beauty salons and beauty school were operated under the flagship of PT Martha Beauty Gallery.





Being successful in beauty salon and school, Mrs. Martha Tilaar and her partners, the late Mr. Bernard Pranata and Mrs. Theresia Harsini Setiady founded PT Martina Berto 1st Juni 1977. The first brand produced and marketed was “Sari Ayu Martha Tilaar” as natural cosmetics with a holistic approach, with the salons and beauty school as teaching laboratories. This has enhanced Sari Ayu Martha Tilaar as education-oriented, practical and easy-to-apply products.

Since the market response was very positive, the Company built the first modern factory on Jl. Pulo Ayang, Pulo Gadung Industrial Estate in 1981. Along the years, this factory was short of production capacity, until the second factory was built at Jl. Pulo kambing II/1, Pulo Gadung Industrial Estate, which focused on dry, semi solid cosmetics and herbal medicines, while the first factory focused on liquid cosmetics.

During the period of 1998-1994 in order to meet the increasing market demand, the Company developed new brands of cosmetics such as Cempaka, Martina, Pesona, Biokos Martha Tilaar, Caring Colours Martha Tilaar and Belia Martha Tilaar. All these products have helped utilize the factory capacity. Further strategic action done by the Company after year 2000 was to restructure the brand ownership between Martha Tilaar-labeled-brands under license from Dr. (HC) Martha Tilaar and her family, and other brands such as “Cempaka” and “Pesona” remaining the Company’s intellectual property.

During the period of 1993 – 1995, the Company acquired various subsidiaries in cosmetics business, i.e. PT Cedefindo (CDF), PT Kurnia Harapan Raya (KHR) and PT Estrella Laboratories (Estrella).

To achieve efficiency in production, the Company conducted business restructuring process and factory relocation during 1995 – 1996 periods. Further strategic development during 2001-2009 was among others remapping of brands in different market segments which will be discussed in a separate chapter.

In year 2011, the Company launched Initial Public Offering at Indonesia Stock Exchange by released 1/3 (one third) of shares issued and paid as capital to the public. In 2013, the Company established packaging facilities to fulfill need of Pareto product packaging material. In 2016, the Company acquired Rudy Hadisuwarno Cosmetics trademark for cosmetics, beauty and personal care categories.

MILESTONES

1977	1981	1986	1993	1995	1999
Started operations with the launch of Sariayu brand in own salon	The Company built its 1st factory at Jl. Pulo Ayang No. 3, Pulo Gadung Industrial Estate, with Martha Tilaar brand.	The Company built its second modern factory at Jl. Pulo Kambing II/1, Pulo Gadung Industrial Estate (“Pulo Kambing Factory”).	The Company acquired PT Cedefindo whose main business was in contract manufacturing for cosmetics products.	Relocated herbal facility to Gunung Putri and transferred Pulo Ayang Factory to PT. Cempaka Belkosindo Indah (“CBI”/subsidiary) to produce Mirabella & Cempaka brands	The Company fully owned by Martha Tilaar family after passed the monetary crisis.

2005	2010	2011	2012	2013	2016
Merged with PT. CBI and transferred Mirabella & Cempaka production to Pulo Kambing Factory.	Launched Martha Tilaar Shop (MTS) overseas to grab international market share.	Initial Public Offering of MBTO shares in IDX	Groundbreaking construction of new herbal/traditional medicine in Kampoeng Djamu Organik (KaDO), Cikarang.	Established the packaging production facility in Pulo Ayang Factory	Acquired Rudy Hadisuwarno trade mark for cosmetics, Beauty and personal care categories.

COMPANY STRATEGIES ON SUSTAINABLE BUSSINESS

Since the beginning of this company, management committed to run business inclusively by involving all stakeholders in the company program and activities related to sustainable business. By implementing clean and green process, company will continue to expand its wings by releasing international quality products. In order to be able to enter global market and take the position beside multi-national companies, all of the companies under the Group have to comply the ten principles of the UN Global Compact.

In implementing the Ten Principles of UNGC, company has developed strategy to translate those principles into practical works and later become company attitude to gain every tied competition in the market. In some cases we do business processes from the beginning trough the marketing communication and program activities by involving other parties as our stakeholders such as government and non-government organizations.

Combining the ten principles into business strategies

Our business strategies, as reflected company's vision, "To be one of leading companies in beauty and spa industries with Eastern atmospheres and value through modern technology", are designed by combining UNGC principles. These strategies involve stakeholders along the supply chains. Labor, human rights, and environment issues altogether colorize company and become the model of company's strategy. This is the most valuable point in improving our product competitiveness.

Bringing along the ten principles in implementing sustainable business

From the very first start, company has been running the business by involving all stake holders along from the production chain to product distribution. CSR activities are embedded in business processes from upstream to downstream by empowering all people involved in the production processes. From farmers, the supplier of raw materials, to end users of our products, mainly women, have to be touched and involved in our program. While principle 10, Anti-corruption, has played more important role and it is big challenges in building good performance in competing global market.

Above all, the implementation of GC principles through CSR activities has made the efforts to create high impact to communities and to achieve our targets more effectively. We unite the values of our business and operations to meet the expectations of stakeholders, which include customers, employees, regulators, investors, suppliers, communities, and environments.

We combine our social, economic, and environmental responsibilities to the stakeholders by actions and in our corporate policies. We openly communicate our strategies, targets, performance and management to the stakeholders in a continuous commitment to company's sustainability development. Finally, we try to continuously improve our activities related to sustainable business to fulfill company's short-term and long-term goals.

STRONG COMMITMENT OF CORPORATE IN BUILDING SUSTAINABLE BUSSINESS



COMMUNITY DEVELOPMENT

1. Developing Partnership with Local Farmers

PT Martina Berto, Tbk provided organic planting training on medicinal, aromatic, and cosmetic plant (MAC plant) and post-harvest handling to groups of farmers in Nagrak-Sukabumi and Ponorogo villages. The farmer group in Sukabumi has 23 farmer members and in Ponorogo there are 18 farmer members in 2021.

2. Women Empowerment through KWT (Group of Women Farmers) Collaboration Program with APP-Sinarmas

Women Empowerment program for women farmer groups (KWT, Kelompok Wanita Tani), especially in rural areas around the forest, is a program that we have implemented in collaboration with other companies that is member of the IGCN (Indonesia Global Compact Network), namely APP-Sinarmas. The community targets are in five provinces, namely Riau, Jambi, South Sumatra, East Kalimantan and West Kalimantan, which are APP-Sinarmas concession areas. Besides that, women around the forestry area have also never received a Training program, because the program is mostly aimed at men, namely small farmers.

By carrying out a coaching program aimed at women, it is hoped that women as members of the family can contribute more to their family's economy, as well as play a more active role in the family both economically and in knowledge and the role of maintaining family health independently. No less than 14 activities, which cover nearly 100 groups of women farmers (KWT), have received various trainings on micro-entrepreneurship at home and knowledge about independent health care at the family level by utilizing various plant materials around their homes.

This training is quite interesting and gets enough attention from the community and village officials, with the hope that by implementing knowledge from the training it will improve the welfare of families in rural areas. Furthermore, it is hoped that even though they are far from access to health providers, people living far away in rural areas will be able to independently maintain (preventive) the health of their family members by increasing (promotive) endurance through the use of MAC plant material that grows and are available in their vicinity.

Women Empowerment Program in Villages Surrounding the Forest

This program currently has reached more than 1,000 women who have received training and have also started making innovative products from processed herbal materials in their vicinity, for food and health drinks. With the support of the local government and local village officials in term of providing facilities and infrastructures, this group of women farmers is encouraged to be more creative in helping the family economy through the use of various natural materials available in the vicinity. From this activity, this will also provides stimulation to the community and also other businesses to contribute to empowering local communities in their working areas.

In addition, a Beauty Class program for women was also held in several villages in the same area. About 8 trainings have been attended by around 750 women. This training is also expected to provide provisions for rural women in caring for health and beauty independently at the family level. It can be seen in table 1 that the total number of people who have been given training is 740 people in 80 villages in 6 provinces, namely Jambi, Riau, South Sumatra, East Kalimantan and West Kalimantan. This number will continue to grow until the end of the program in 2020. Meanwhile for beauty care training there are already 750 women

Time	Location	Number of participant
29 – 30 January 2019	Dataran kempas, Jambi	77
19 – 20 March 2019	Desa Simpang Heran, Sumsel	50
23 – 25 April 2019	Kp. Perawang Barat, Siak, Riau	73
25 – 26 June 2019	Desa Benua Baru, Kutai Timur, Kaltim	52
9 – 10 July 2019	Desa Mengkiang, Sanggau, KalBar	52
24 – 25 July 2019	Desa Petapahan, Kampar, Riau	58
6-7 August 2019	Desa Mendis, Sumsel	71
23 – 25 September 2019	Desa Simpang tiga makmur, Seumsel	39
9 – 10 October 2019	Desa Mandarsah, Jambi	58
22 – 23 October 2019	Desa Tarik, Sidoarjo, Jatim	50
5 – 6 November 2019	Desa Manunggal Jaya, Kaltim	52
2-5 December 2019	Kampung Belutu, Siak, Riau	48
17 – 20 December 2019	Desa Riding, Oki, Sumsel	60
Total		740

3. Community Development in Bilebante Lombok for Wellness Tourism Village

PT Martina Berto Tbk became one of the companies that contributed to the "Innovation and Investment for Inclusive Sustainable Economic Development" (ISED) project. This project was initiated by the Indonesian and German governments, through the Ministry of National Development Planning of the Republic of Indonesia / BAPPENAS and the German Federal Ministry for Economic Cooperation and Development with GIZ (*Deutsche Gesellschaft für Internationale Zusammenarbeit*). The ISED project aims to strengthen the capacity of the private and public sectors to promote inclusive and sustainable jobs and closely linked to development priorities set by the Indonesian government.

PT Martina Berto, through Kampoeng Djamoeng Organik (KaDO) is committed to joining ISED in promoting inclusive and sustainable employment through the development of a wellness tourism village in Bilebante, Central Lombok Regency, NTB (West Nusatenggara). In the future, this village is expected to develop regional potential and maximize its capacity, so that the community can benefit from it.



This program takes an area in the Central Lombok region, in Bilebante, which previously since 2015 began to raise the potential of the village to become a green tourism village (*DWH, desa wisata hijau*) which is driven by young people, the community and also village officials. With the village's potential in agriculture as well as its natural wealth, vast expanses of rice fields that can be planted all year round, various kinds of fruit products, as well as various processed foods from local crops . The choice of Bilebante village has several considerations, including the Lombok region which is the priority of the central government for the development of its Economic and Tourism Zone, which is famous for the MANDALIKA area in the Kuta Lombok area. In addition, this empowerment program is intended to provide support to the community after the earthquake in 2018 which had a major impact on the local economy.

Through community empowerment programs in creating Wellness Tourism Village, we are members of various parties, both government and private and the community. Initiated by BAPPENAS,

supported by the Ministry of Villages and the Ministry of UMKM Cooperatives from the government, and involving the private sector, Martha Tilaar Group, Santika hotel, Panorama Travel, and Allianz, this program has been successfully realized with financial support from GIZ Indonesia. Until after one year of the program, Bilebante village began to be known as one of the natural and healthy wellness tourism destinations, by offering various natural tourism packages and health services that we have built there.

The training activities we provide for this program are about knowledge in making healthy food and drinks by utilizing MAC plant materials around the site, training on MAC plant cultivation and post-harvest handling and manufacturing of health products, setting up Herbal Garden contains more than 130 types of MAC plants are nutritious for health care, beauty and aromatics properties.

Kampoeng Djamoë Organik provides knowledge about making healthy food and drinks by utilizing MAC plants (medicinal, aromatic, cosmetic) ingredients around the site; Skill training on MAC plant cultivation and post-harvest handling; and also manufacturing of health products. Moreover, we have also guided community to set up Herbal Garden containing more than 130 MAC plant species with the properties for health and beauty care, and also for aromatics. The Herbal Garden that we have built is a point of interest that is quite unique and has attracted many visitors to learn and gain knowledge about independent health care by utilizing medicinal, aromatic, and cosmetic plants that grow around. Visitors will be served with health drinks, herbs, and then continued with taking health education.

This training program will complement various pre-existing activities, namely cycling around the rice fields, local art performances at the performance arena (fishing market), as well as the sale of various village specialties and drinks in the form of a local culinary bazaar. With the program we support, it will give more various activities to improve the image and services of this village to be a Wellness Tourism village. The Bilebante Herbal Garden we have built is a point of interest that is quite unique and is of great interest to visitors to learn and gain knowledge about self health care by utilizing medicinal, cosmetic, and aromatic plant materials that grow around us. By serving health drinks, Jamu, to visitors, then continued with health education, and massage treatment

will provide complete health recovery to visitors after doing a little exercise cycling around the rice fields

In the future, this program is expected to improve the standard of living of the Bilebante village community through health and fitness tourism services. With the appointment of Lombok as an economic area as well as a tourist target, it is hoped that the Bilebante people will be ready to receive tourist visits, both local and foreign. By offering a wide variety of products and services, it is also hoped that the economy of this village community will improve so that the prosperous community's family will come true.

4. Kampoeng Djamoe Organik Martha Tilaar

Kampoeng Djamoe Organik (KaDO) is a botanical garden that contains various types of medicinal, aromatic, and cosmetic plants (MAC plants). KaDO was established as an initiative of Mrs. D.R. (HC) Martha Tilaar dedicated to environment due to the current environmental condition is getting more worrying. Since 1997 the planting area in Cikarang city – West Java, which covers about 10 ha area, began to be built from the beginning of marginal land. Initially, the land was empty land, bare area with the pure condition as planting area. The soil texture and structure are also quite difficult to cultivate, requiring heavy processing of the soil to make it fertile for plants can grow on this land.

This garden has been functioned as a center for environmental education and as an area for the preservation of MAC plants. Currently, the number of collections is around 700 species of medicinal, aromatic, and cosmetic plants. This garden is managed by agricultural experts and supported by the Martha Tilaar Innovation Center (MTIC), KaDO as a center for environmental education, is one of the Botanical Gardens in Indonesia which can help foster good environmental awareness for the community and educate farmer community to be able to cultivate well and be environmentally friendly through organic farming system. This also to support the achievement of the Sustainability Development Goals (SDGs) more quickly and effectively. In addition, KaDO has provided training to more than 120 farmer groups from various provinces in Indonesia, from planting, harvesting, to drying crops.

KaDO is actively collaborating with several schools to provide experience for students to get to know the environment more closely and detail, planting trees and get to know the ecosystem, as well as an ecotourism object where visitors can take a short recreation by traveling around organic gardens, planting trees, yoga, healthy gymnastics, herbal juice demonstrations, herbal medicine making demonstrations, a demonstration of making compost and biopori wells, natural painting for children, and having lunch with an organic healthy foods and drinks at Kedai Sehat Alami, where a place to eat and drink in the middle of the garden. Not only providing healthy food, but also herbal and various herbal teas.

REALIZING SOURCE OF SUPERIOR HUMAN

Employees, as one of the elements of business capital, play an important role in determining the survival of the company. Therefore, the company continues to renew its initiatives to ensure increased productivity of employee to really contribute to the progress and growth of the company. Realizing this matter, PT. Martina Berto Tbk has implemented the following Human Resources policies:

1. Equality for all on working Opportunity

Through this policy PT Martina Berto Tbk provides equal opportunities for all employees regardless of gender, ethnicity, race, religion, skin color, age, marital status and physical limitations. This applies since the selection, promotion, wage setting and employee transfer processes. In accordance with the provisions of Law No. 13/2003 concerning Manpower article 68, PT Martina Berto, Tbk does not recruit and employ workers under 18 years of age due to not having the emotional maturity to do a job and support natural child growth. The entire management of PT. Martina Berto, Tbk agrees with this and applies working conditions that refer to welfare & safety regarding to the production manufacturing facilities, implements rules to minimize employee negligence and fosters working synergy in teams and individually.

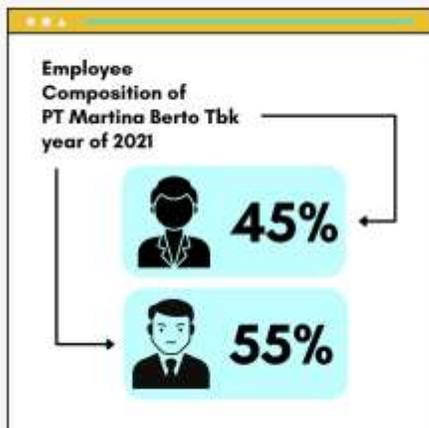
The implementation of the policy starts from the top management level to the managers and supervisors who are responsible for implementing equal opportunities for employees in each department / division. This is reflected in the company's constructive personnel practices and

promotes equal employment opportunities for all employees from the selection, promotion to transfer process regardless of gender, ethnicity, race, religion, skin color, age, marital status and physical limitations. The Collective Labor Agreement (PKB) clearly imposes sanctions for policy violations in the form of discriminatory attitudes and is described in the following table.

Number of Employee Based on Age & Gender

Age	2017	2018	2019	2020	2021
>50	127	119	117		71
40 s/d 49	253	252	233		136
30 s/d 39	217	183	165		56
20 s/d 29	387	315	275		43
< 20	4	20	9		0
Gender					
Male	418	358	306		168
Female	570	531	493		138
TOTAL	988	889	799		

Due to the pandemic, the number of female employees this year has decreased, from 60% to 45%, but the number of female employees in top management positions is still around 50%.



In order to prepare for the 4.0 industrial revolution, the majority of employees of PT. Martina Berto, Tbk currently comes from the Z millennial generation with an age range between 20-29 years. They work in harmony with generation X & baby boomers that are currently still active to work together so that it becomes a balance of work dynamics as well as a succession transition and workforce regeneration for the continuity of PT Martina Berto Tbk.

The disruption of competition by shifting to online-based sales platforms through access to applications that accelerate transaction rates affects the dynamics of employees who decide to have a career outside PT Martina Berto Tbk, and also common reasons such as retirement, early retirement, seeking new career opportunity, and changing domicile.

This year the total number of employees is 306, a significant decrease due to the pandemic which has caused companies to have to downsize employees as a step to be able to survive in the midst of the COVID-19 pandemic. However, the company realizes that current labor capital is an important asset that evolves over time and commonly adapts to the labor market.

PT. Martina Berto Tbk currently has employees with various levels of education and work qualifications following the company and market needs. The undergraduate level (S1) continues to dominate the composition of the education level of employees, and is corrected in terms of numbers

as is with Strata 2 (S2) although it is less significant, while the Doctoral level (S3) is still a part of the top management ranks. The description is shown in the following table:

Education	2017	2018	2019	2020	2021
S3	3	3	3		2
S2	24	22	19		11
S1	191	195	172		103
D3	57	59	50		31
D2	4	4	4		3
D1	13	12	12		8
SMA/SMK	658	560	509		143
SMP	34	31	27		5
SD	4	3	3		0

2. Selection & Reposition of Employee

The policy of Employee selection is focused on capitalizing the best talent with qualifications that respond to market needs of this company. Therefore, the recruitment process is transparent in accordance with the provisions of the PKB and is open to anyone which takes place in an inclusive and non-discriminatory manner. Mutations of employees both internally and externally (retire & resign) also occur dynamically along with market changes that are disrupted by the presence of technology that makes PT Martina Berto Tbk has adapted especially in terms of employment, the results are reflected in the following table. External employee mutations (resigning) have increased in the last 4 years, triggered by the acceleration of technology disruption with competitive compensation offers and wider career opportunities, especially from startups other than personal reasons, also caused by the pandemic condition.

Number of Turnover & New Employee

Month	2017		2018		2019		2020		2021	
	Resign	New								
January	4	2	2	8	4	5			8	4

February	3	5	4	4	2	3			87	6
March	4	4	2	7	9	3			32	4
April	5	7	1	2	2	6			5	2
May	8	3	-	7	3	3			4	0
June	7	3	4	1	1	2			4	2
July	4	7	4	4	9	3	8	0	2	5
August	4	4	6	2	6	5	1	0	2	2
September	1	6	4	5	5	4	3	1		
October	3	3	1	4	2	8	3	0		
November	8	7	-	1	1	1	3	2		
December	-	5	6	4	1	3	9	2		
TOTAL	51	56	34	49	45	46	27	5	144	25
%	0.05	0.06	0.03	0.05	0.05	0.06				

Reasons for resignation include:

- a. Change of domicile, accompanying husband to work out of town
- b. Move work closer to the place of residence / domicile
- c. Normal age retirement
- d. Early retirement (resizing program)
- e. Change jobs to find new opportunities.

3. Remuneration

Remuneration policy of PT Martina Berto Tbk is dynamically adjusting market & competitive responses from time to time. It cannot be denied that external factors have more influence on management decisions regarding remuneration, such as the increase in the Regional Minimum Wage (UMR) and the City Minimum Wage (UMK) to the Provincial Sectoral Minimum Wage (UMSP), which has been a Government provision communicated through the PT Martina Berto Tbk Labor Union.

Market competition in general is also a consideration in determining the remuneration structure of employees and is wisely addressed by management so that it can be properly facilitated.

Remuneration received by employees is accompanied by work facilities which are a contributing factor to welfare and allow employees to be dedicated to their work, which is reflected in the loyalty of the employee's long service life. The following table is a comparison of the facilities received by both permanent and contract employees:

Kind of Benefits	Permanent Employee	Contract Employee
Health benefit	√	√
Transport benefit	√	√
Communication benefit	√	
Working equipments benefit	√	√
Scholarship for Children	√	
Award of Working Period	√	

Apart from the employee facilities given above, PT Martina Berto Tbk initiated a Scholarship Program for employees' sons and daughters and an Employee Service Award since 1990 as a token of appreciation for employees. Scholarships are given to employees' sons and daughters with permanent work status with Basic Level (KD) positions, staff and supervisors who are registered at the Company.

Specifically for tenure awards, the company gives a token of appreciation for work loyalty in the form of vouchers / cash or rings / pins / pendants made of 22 carat gold at every anniversary ceremony of the founder of Martha Tilaar Group: DR. Martha Tilaar, in 4 September each year. The employees who are entitled to receive the award have previously been marked by the Human Resources Department (HRGA) with a minimum service period of five (5) years without interruption, starting from the time the employee has become a permanent employee of the company.

However, in the last two years, scholarship programs for employees' children and awards for employees have been temporarily postponed because the company focuses on helping employees and communities affected by COVID-19.

4. Training & Development

HR qualification improvement policy at PT. Martina Berto Tbk in the form of development & training is the Company's effort in creating the value of human resource capitalization which continues to increase as seen from its ability to contribute to the company in competing fairly in an increasingly competitive market. Various career development efforts & employee training are provided proportionally according to the duties and responsibilities of the employee concerned. Through this policy, employees are given motivation and a constructive approach to increasing productivity with a real contribution that determines the remuneration they will receive.

This training program for employees includes general and functional training, which is provided to employees at every level. General training aims to provide knowledge and awareness to employees, while the mandatory material provided includes ISO, GMP, SMK3, Halal. Furthermore, the functional training provided aims to improve employee competence as needed.

There are two types of employee training today: functional (adjusting the position) and general (general & soft skills). In the last 3 years, PT. Martina Berto Tbk provides equal opportunities for all employees proportionally to get training according to work duties & responsibilities. The training program is designed in such a way especially to meet the needs of companies that are productive, specific and part of compliance with certain rules and standards as a cosmetic company that has penetrated the international market.

Standard provisions for PT. Martina Berto Tbk moves to follow regulations at the national and international levels through HR assets which impact on the company's commercial conditions. This can be seen from the application of Occupational Safety & Health (K3) Standards as minimum

provisions, halal certification & standards applied in the use of materials and work processes that are in contact with social responsibility. Overall, this is not only intended for the company as an entity, but the most important thing is the increased competence and welfare of the employees of PT. Martina Berto Tbk, which drives the company's continued growth.

The following training data shows that in the last 3 years there has been a correction in the participation of employees who have participated in training and this has followed the number of employees, especially in production, who have experienced internal and external mutations. General training mostly includes crew followed by staff and supervisors who have the task of implementing management strategies. General training consists of basic competency skills, soft skills, quality management knowledge in the context of implementation and compliance standards that must be mastered by almost all job levels. Meanwhile, functional training is specifically designed to sharpen the competencies that are mastered with high training intensity as seen from the duration followed by each level of position. The number of participation has increased significantly if it is observed in the last 3 years with a higher intensity duration compared to general training.

This increase in participation was caused by management's expectations that employees have higher productivity in line with sharply increasing market competition and additional production capacity. It cannot be denied that the intensity of this capacity increase automatically motivates employees to compete and is motivated to make the best contribution which not only benefits the company but also has the same opportunity to race against time to improve their respective competencies so as to contribute better performance to the company implementation and compliance standards that must be mastered by almost all job levels. Meanwhile, functional training is specifically designed to sharpen the competencies that are mastered with high training intensity as seen from the duration followed by each level of position. The number of participation has increased significantly if it is observed in the last 3 years with a higher intensity duration compared to general training.

This increase in participation was caused by management's expectations that employees have higher productivity in line with sharply increasing market competition and additional production capacity. It cannot be denied that the intensity of this capacity increase automatically motivates employees to compete and is motivated to make the best contribution which not only benefits the company but also has the same opportunity to race against time to improve their respective competencies so as to contribute better performance to the company.

TRAINING & DEVELOPMENT PROGRAM										
A. CORE TRAINING										
N O	MODULE	EMP LOY EE	DURAT ION/ MAN	AVER AGE	EM PLO YEE	DUR ATIO N/ MAN	AVER AGE	EMPL OYEE	DURAT ION/ MAN	AVERA GE
1	Emergency Response Evaluation	26	104	4						
2	Awareness Training GMP, ISO, HALAL, SMK3	70	350	5	446	2230	5	407	2035	5
3	K3, SMK3, P2K3, APAR, P3K	106	848	8						
4	HIRAC	43	129	3						
5	5 R Culture	63	189	3						
6	GMP (CPKB+ISO 22716), Halal, ISO 9001 & 14001, SMK 3, K3, Emergency Response, Firefighter, First Aid, B3, Emergency Evacuation	419	1676	4						
7	CPOTB, ISO, HALAL, SMK 3	37	185	5						

8	Product Development Procedure Socialization				38	190	5			
9	First aid work environment				49	196	4			
TOTAL		245	1431	5.84						
B. GENERAL TRAINING										
N O	MODULE	EMP LOY EE	DURAT ION/ MAN	AVER AGE	EM PLO YEE	DUR ATIO N/ MAN	AVER AGE	EMPL OYEE	DURAT ION/ MAN	AVERA GE
1	Fire Fighting & APAR	41	164	4						
2	Person in Charge of Room, SOP for Emergency Response, APAR, First Aid	42	126	3						
3	Health Seminar on HIV, AIDS & Drugs Prevention & Control in the Workplace	54	162	3						
4	KEP Labor Union Training and Education	70	490	7						
5	Integrated Management System Internal Audit Based on ISO 19011 : 2011				38	912	24			
6	FINAD Training Workshop				41	656	16			
7	Socialization of BPJS TK & Health				40	160	4			
8	CGMP Internal Auditor Training							7	56	8

9	Firefighter Training (APAR, HYDRANT)							97	485	5
10	DJITU							238	1904	8
11	Business Craft (for Sales & Marketing)							34	136	4

NO	CATEGORY	Level	2018			2019			2021		
			No Of Employee	Training Hours	Average Time	No Of Employee	Training Hours	Average Time	No Of Employee	Training Hours	Average Time
1	GENERAL	Dir	1	16	16	0	0	0	5		
		Mgr	59	484	8.20	19	126	6.63	60		
		Spv	149	793	5.32	83	421	5.07	68		
		Staff	290	1,638	5.64	124	629	5.07	103		
		Crew	305	1,458	4.78	235	1,175	5	97		
		Total	804	4,389	39.94	461	2,351	21.77			
		Dir	1	24	24	0	0	0	5		
		Mgr	23	608	26.43	20	290	14.5	60		

2	FUNCTIONAL	Spv	16	384	24	106	937	8.83	68		
		Staff	0	0	0	204	1,617	7.92	103		
		Crew	0	0	0	68	352	5.17	97		
		Total	40	1,016	74.43	398	3,196	36.42			
ALL	Dir	2	40	20	0	0	0	5			
	Mgr	82	1,092	13.31	39	416	10.66	60			
	Spv	165	1,177	7.13	189	1,358	7.18	68			
	Staff	290	1,638	5.64	328	2,246	6.84				
	Crew	305	1,458	4.78	303	1,527	5.03				
	GRAND	844	5,405	50.86	859	5,547	29.71				

For over 50 years we have consistently promoted “Beautifying Indonesia” by developing cosmetic production facilities which include skin care products, body care, hair care, decorative, make up bases, and others; as well as traditional medicinal facilities that produce herbal products such as

caplets, tapels, pilis, param, masks and others; to provide holistic beauty and health products that can exude beauty and physical health for every user