

# PROVIDING THE ECONOMIC BENEFITS FOR THE NATION

## Contributions to the State

SAs a State-Owned Enterprise with 60.00% of its shares owned by the Government of the Republic of Indonesia, the Company always contributes to national economic development through dividends and tax deposits. In 2018, the Company pays dividends of RpXX billion, an increase of XX% compared to 2017, which is valued at Rp523.78 billion. This value is equivalent to XX% of the Company's profit for fiscal year 2017, which is worth RpXX trillion.

Contribution to the state in the form of tax payments paid by the Company in 2018 amounts to RpXX trillion. This was an increase by XX% from 2017, which was valued at Rp2.47 trillion.

### The Company's Contributions to Government (billions Rupiah)

Tax Classification	2018	2017	2016
Corporate Income tax	976,955.75	1,090.16	743.02
Tax Deduction Obligations	270,300.50	1,353.54	1,188.94
VAT	16.57	16.13	7.93
	-	7.67	8.61
<b>Total</b>	<b>1,247.30</b>	<b>2,467.50</b>	<b>1,948.50</b>

## Empowerment of Local Suppliers

Economic contribution to the Indonesian economy is also manifested in the purchase of goods and services to support business activities. The Company always works with suppliers of goods and services both in the long term and short term to meet operational needs. In the process of selecting suppliers, the Company refers to the principles of effective, efficient, open and competitive, transparent, fair and non-discriminatory, accountable, responsible, and independent. In addition, as a company that cares about sustainability aspects, the Company also continuously empowers local suppliers, namely suppliers from Indonesia. This policy is listed in Directors Regulation No. 13/PD/PGSD/2015 concerning Procurement of Goods and/or Services.

During 2018, the total value of the procurement of goods and services of the Company reached Rp526.74 billion, increasing by -5.39% from 2017, which was valued at Rp556.77 billion. All procurement carried out by the Company comes from local suppliers. In addition to reducing operational costs, it also aims to support the economy of domestic business activities. [GRI 103-2, GRI 103-3]

### Amount of Procurement of Goods and Services (Millions Rupiah) [GRI 2014-1]

Type of Suppliers	2018	2017	2016	Percentage of Local Suppliers
Local (Nasional)	526,743	556,768	415,797	
Non-Local (International)	0	0	0	
<b>Total</b>	<b>526,743</b>	<b>556,768</b>	<b>415,797</b>	

**100%**