



# Beyond The Road

Sustainable Strategies  
for Assets and  
Community Well-being



SUSTAINABILITY REPORT 2023

This is an excerpt of Giti's Sustainability Report 2023.

For full report, please send an email to [webmaster@giti.com](mailto:webmaster@giti.com)

# Executive Summary

In today's rapidly evolving industrial landscape, Giti stands at the forefront of sustainability, driving impactful change through innovative practices and a robust organisational structure. As a leading tire manufacturer, our commitment to sustainability is not merely a corporate obligation but a core component of our business ethos. This report highlights the significant strides Giti has made in integrating sustainability into every facet of our operations, guided by a location-based sustainability management framework, a pioneering business model, and a strong emphasis on education and innovation.

Giti has advanced its organisational structure by establishing a location-based sustainability management framework. This framework is designed to focus on compliance, regulation, and brand advancement, ensuring that our sustainability initiatives are deeply rooted in the specific contexts of our operational locales. By tailoring our approach to the unique environmental and regulatory landscapes of each location, we maximise our positive impact and maintain stringent compliance with local and international standards.

Central to Giti's strategy is the implementation of the 3P (Profit, Planet, and People) business model. Leveraging LEAN principles, data analytics, and digitisation, we have created a sustainable framework that balances economic growth with environmental stewardship and social responsibility. This model drives efficiency, reduces waste, and fosters a culture of continuous improvement, ensuring that sustainability is at the heart of our decision-making processes.

To embed sustainability into our corporate culture, Giti has developed proprietary sustainability training programs. These in-house programs educate and train all employees on how to integrate the 3Ps into their daily roles. By empowering our workforce with the knowledge and skills necessary to drive sustainable practices, we ensure that every member of the Giti family contributes to our overarching sustainability goals.

Our commitment to excellence in sustainability has been recognised through numerous awards. In 2023, Giti was honoured to be ranked among the top 10 companies in sustainability perception value and earned a silver medal in the EcoVadis rating. Additionally, our carbon management and procurement practices have received a B- rating (awarded in 2024) from the Carbon Disclosure Project (CDP), reflecting our dedication to transparency and improvement in environmental performance.

“ By tailoring our approach to the unique environmental and regulatory landscapes of each location, we maximise our positive impact and maintain stringent compliance with local and international standards. ”



Innovation is a cornerstone of our sustainability efforts. Giti has developed several innovative products designed to enhance tire sustainability. By utilising digital technologies, we help fleet companies maximise tire mileage and improve fuel efficiency, thereby reducing environmental impact and operational costs.

In 2023, our Fujian plant set a new standard for health and safety with the creation of a unique experiential facility. This state-of-the-art centre educates employees on safety and health precautions, fostering a safer and more aware workforce. Meanwhile, our Anhui plant is poised to make a significant leap forward with the construction of a Net Zero Production Line, with pre-orders placed for the line's entire production output.

Socially, Giti actively participates in government-organised activities and collaborates closely with the local governments on new sustainable initiatives. Our engagement in these activities underscores our commitment to social responsibility and community development.

Looking ahead to 2024, Giti aims to build on our achievements by further enhancing our sustainability assets and reducing our carbon emissions. We are dedicated to advancing social and employee development, ensuring that our sustainability journey not only benefits the environment but also contributes to the well-being of our communities and workforce.

Through these comprehensive efforts, Giti continues to lead the tire industry towards a more sustainable future, demonstrating that economic success and environmental responsibility can go hand in hand.



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# Sustainability at Giti

The Giti Elephant mural, constructed by Giti staff with up-cycled expired tires, embodies our commitment to resilience, stability and strength, with sustainability at our core.



# Foreword

GRI 2-22

Greetings,

I am delighted to present the 2024 Sustainability Report of Giti Tire, marking another year of significant progress and achievements in our sustainability journey.

First and foremost, I am thrilled to announce another year of growth in our customer base that not only underscores the strength of our products and services, but also reflects a growing awareness and appreciation for sustainability among consumers. As we welcome new customers into the Giti Tire family, we are committed to delivering innovative solutions that meet their needs while advancing our sustainability goals.

I am pleased to report substantial improvements in our sustainability ratings across key platforms such as EcoVadis, the Carbon Disclosure Project (CDP), and Sustainability Assessment Questionnaire (SAQ). These enhanced scores are a testament to our unwavering dedication to environmental stewardship, social responsibility, and corporate governance. They serve as validation of our efforts to integrate sustainability into every aspect of our business operations.

Furthermore, I am proud to highlight the success of our new sustainability projects that exemplify our commitment to pushing the boundaries of sustainability innovation and driving positive change within our industry and beyond. By leveraging cutting-edge technologies and forging strategic partnerships, we can reduce our Carbon Dioxide Equivalent (CO<sub>2</sub>e) Emissions, generate green, regenerative and renewable energy, and optimise material usage and production to reduce the waste generated. Through these initiatives, we are not only reducing our environmental footprint but also creating value for our stakeholders.

Moreover, we have overcome significant milestones in the development of key performance indicators (KPIs) that are critical to addressing climate and social risks. These KPIs serve as essential tools for measuring our progress, identifying areas for improvement, and holding ourselves accountable to our

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**We remain steadfast in our commitment to continuous improvement, innovation, and collaboration.**

”

sustainability commitments. By setting ambitious targets and tracking our performance against these metrics, we are better equipped to mitigate risks, seize opportunities, and drive long-term value creation.

As we reflect on the achievements of the past year, we recognise that our sustainability journey is far from over. We remain steadfast in our commitment to continuous improvement, innovation, and collaboration. To guide us in fulfilling our commitments, we have developed our own Giti sustainability business model which helps us to focus on sustainability and digitisation without jeopardising our profitability.

Together with our employees, customers, partners, and stakeholders, we will continue to lead the way towards a more sustainable and resilient future.

Thank you to everyone who has contributed to our sustainability efforts. Your dedication, passion, and collaboration have been instrumental in our success.

Sincerely,

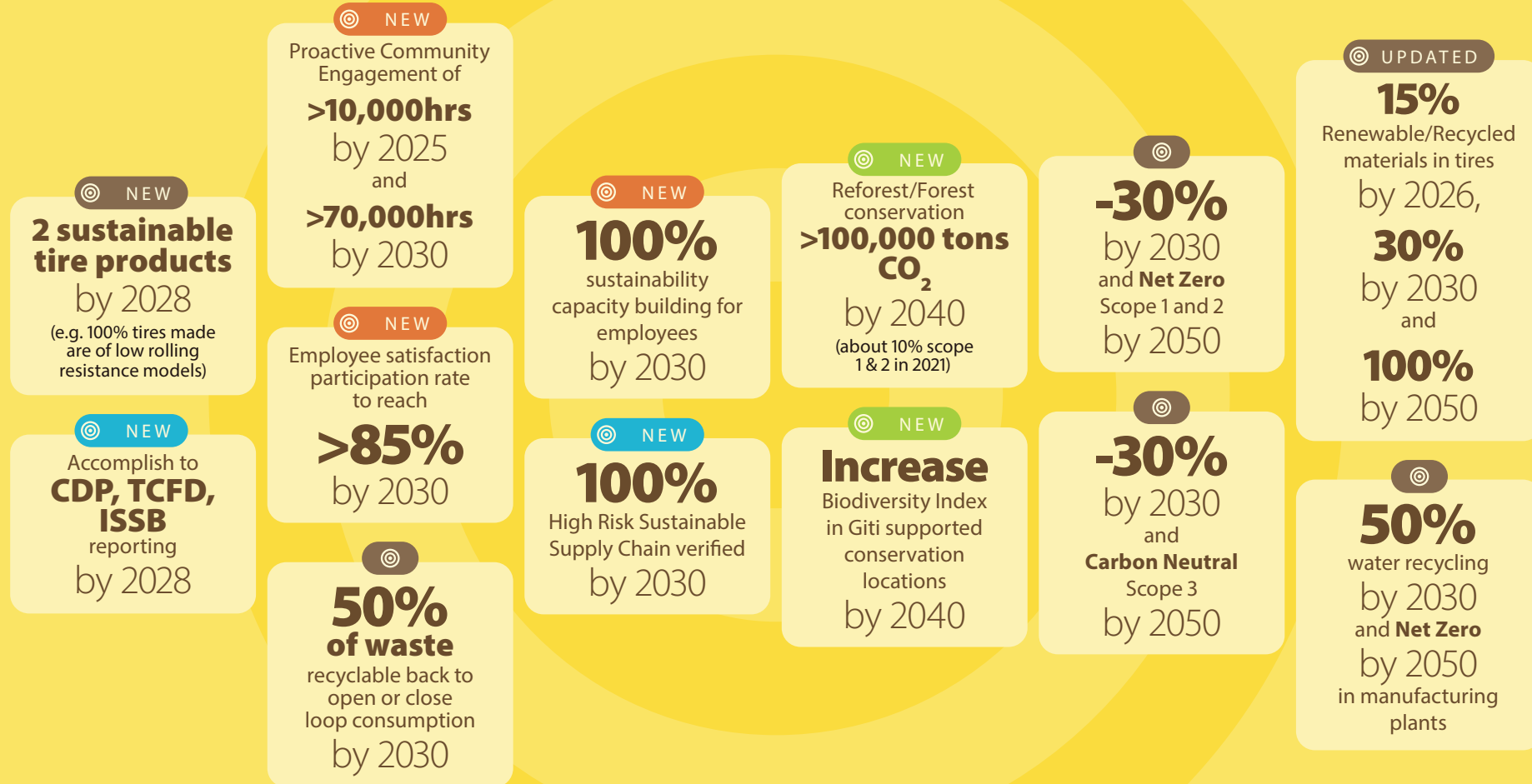
**Dr Enki Tan**

Group CEO, Giti Tire Pte Ltd

# Sustainability KPIs Up to 2050

2023

2050



Brown Environmental



Green Environmental



Social



Governance

CDP: Carbon Disclosure Project  
 TCFD: Task Force on Climate-related Financial Disclosures  
 ISSB: The International Sustainability Standards Board

## Giti Sustainability Targets GRI 303-1

The series of sustainability key performance indicators (KPIs) for Giti Tire, with specific targets set for various years up to 2050. These KPIs are categorised under Brown Environmental (BE), Green Environmental (GE), Social (S), and Governance (G) objectives.

Giti Tire is dedicated to substantial emission reductions and increased use of sustainable materials, with goals of achieving net zero and 100% sustainability in various areas by 2050. Emphasis is placed on community engagement, employee satisfaction, and capacity building. Governance objectives include ensuring supply chain sustainability and compliance with major sustainability reporting standards.

### Brown Environmental (BE)

Addressing topics that deal with systems which can reduce carbon emissions generated.

- **Sustainable Tire Products:** By 2028, at least 2 sustainable products<sup>1</sup>.
- **Net Zero Emissions:** Achieve a 30% reduction by 2030 and net zero Scope 1 and 2 emissions by 2050.
- **Carbon Neutral Scope 3:** Achieve a 30% reduction by 2030 and carbon neutrality by 2050.
- **Renewable/Recycle Materials:** Increase the use of renewable/recycled materials in tires to 15% by 2026, 30% by 2030, and 100% by 2050.
- **Water Recycling:** Achieve 50% water recycling by 2030 and net zero water usage by 2050.
- **Waste Recycling:** Ensure 50% of waste is recyclable by 2030.

### Green Environment (GE)

Addressing topics that create nature-based solutions.

- **Reforestation:** Offset over 100,000 tons of CO2 through reforestation and conservation efforts by 2040.
- **Biodiversity Index increase in Giti supported locations by 2040**

### Social (S)

- **Community Engagement:** Commit to over 10,000 hours of community engagement by 2025 and over 70,000 hours by 2030.
- **Employee Satisfaction:** Ensure employee satisfaction participation rates exceed 85% by 2030.
- **Sustainability Capacity Building:** Set targets for 100% sustainability capacity building for employees by 2030.

### Governance (G)

- **Sustainable Supply Chain:** Ensure 100% of high-risk supply chains are verified as sustainable by 2030.
- **Reporting and Compliance:** Achieve compliance with CDP, TCFD, and ISSB reporting standards.

These targets demonstrate a comprehensive approach to sustainability, addressing environmental impact, social responsibility, and governance standards.

<sup>1</sup> Please refer to [Product Design and Lifecycle](#) for details on the sustainable products



# Introducing Giti Tire

GRI 2-1, GRI 2-6

Giti Tire is a Singaporean global tire company with more than 70 years of experience in the tire industry. Giti has become one of the world's largest tire manufacturers, available around globe in more than 130 countries.

Focused on creating a sustainable business, Giti leverages the strengths of its diverse international team, staying ahead of market trends by capitalising on technological advancements, and continuously tailoring, improving and expanding product offerings to meet the needs of the different local markets.

The combination of global expertise and local excellence makes Giti Tire is a trusted brand worldwide.



## Giti's Commitment

### Top Quality Production and Innovation



#### Reliable Products

Delivering value, reliable performance, and top quality.

#### Innovation

Bringing insights, innovation, and creativity to the continuous process of building and improving our trusted brands.

#### Quality Services

Listening to our customers and striving to meet or exceed their needs and expectations in a service-focused approach.

#### Partnership

Engaging with our customers and building long-term relationships with superior value in our partnerships, built on a foundation of integrity.

# 01

### Being a Responsible Corporate Partner



#### Shareholder Value

Maximising shareholders' value through continuous growth and upholding our market position in the industry, while being supported by responsible management practices.

#### Sustainability

Achieving sustainable growth while being mindful of our responsibility to the environment and the people who live in it.

#### Corporate Governance

Embracing full responsibility to our stakeholders, we are committed to uphold the highest levels of integrity, business ethics, and transparency.

# 02

### Facilitating Employee Innovation and Growth



#### Leadership

Embracing a winning spirit, sharing skills, demanding integrity, focusing on priorities, and becoming a workplace of choice.

#### Growth

Encouraging personal growth through skills training, development, and career advancement opportunities.

#### Empowerment

Building on a culture of continuous improvement, we encourage our people to share knowledge and experiences in an environment that is built on trust, creating an open communication channels that transcend boundaries.

# 03

# Giti Tire's Sustainability Philosophy and Approach

GRI 2-29, GRI 303-1

Giti Tire adheres to a comprehensive sustainability philosophy centred around **three foundational pillars: Profit, Planet, and People**. This philosophy guides our strategic decisions and operational practices, ensuring a balanced approach that fosters economic success, environmental stewardship, and social responsibility.

## Profit



Economic sustainability is vital for the continued success of Giti Tire. We aim to achieve real profit through various channels, including:

- **Price:** Implementing competitive and fair pricing strategies that ensure value for customers while maintaining profitability. This includes optimising manufacturing costs through LEAN Six Sigma, automation and efficient use of resources.
- **Product:** Developing high-quality, innovative products that meet market needs to optimise tire mileage for lower fuel usage, monitoring tire conditions and lower rolling resistance.
- **Positive Brand:** Building and maintaining a positive brand reputation through ethical practices and becoming the first choice for tires, thereby satisfying customers, investors and employees.

## Planet



Our commitment to the environment is demonstrated through initiatives aimed at minimising our ecological footprint and each element will strive to embrace price, product and positive brand image:

- **Sustainable Materials:** Utilising eco-friendly materials in our products with a promise of continuous improvement and strategic partnerships to achieve 100% sustainable materials in our tires.
- **Net Zero:** Striving towards net-zero carbon emissions in our operations and supply chain, including water and energy usage, while enhancing greenery within our boundary and beyond.
- **Zero Waste and Defects:** Implementing LEAN practices to reduce waste and eliminate defects, with a mission to recycle all internal waste to lower cost, reduce resource consumption and thus decrease carbon emissions.
- **Responsible Supply Chain:** Ensuring that our supply chain adheres to sustainable and ethical standards, complying with legal regulations, and fostering close partnership with local governments, employees, suppliers, customers and communities to strive for win-win solutions.

## People



We value the well-being of our employees, customers, and communities:

- **Social Uplifts:** Engaging in initiatives that uplift and support social causes, including quality education, uplifting the poor, training employees and raising customer awareness about sustainability.
- **Empowering Workers:** Promoting employee well-being through engagement and support, leading to increased job satisfaction, productivity, and innovation.

# Scale of Operations

GRI 2-1, GRI 2-2

## Manufacturing Locations

- 01 Chester County, South Carolina  
USA
- 02 Putian, Fujian  
CHINA
- 03 Hefei, Anhui  
CHINA
- 04 Hualin, Heilongjiang  
CHINA
- 05 Tangerang, Banten  
INDONESIA

## R&D / Tire Testing Centre Locations

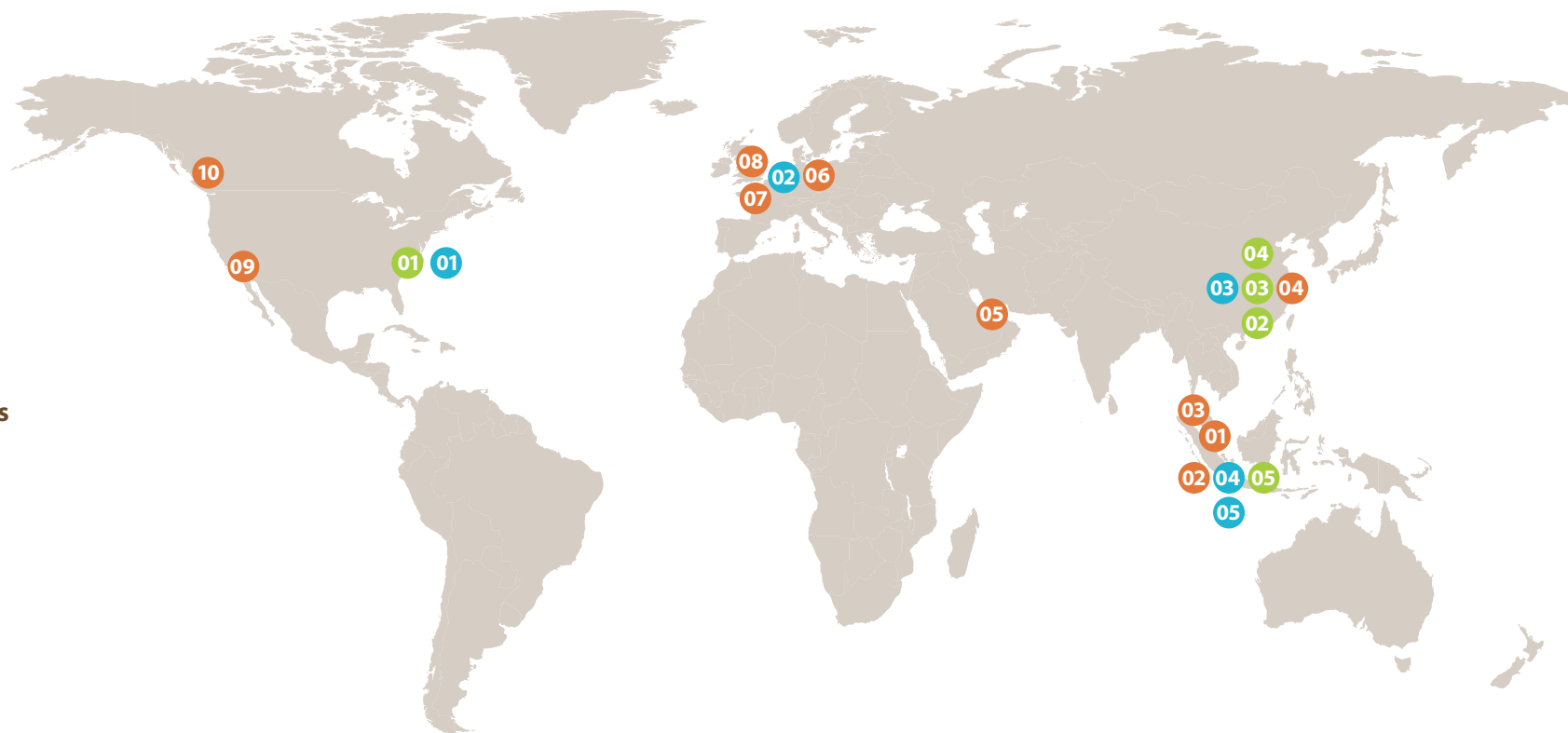
- 01 Chester County, South Carolina  
USA
- 02 Hanover  
GERMANY
- 03 Hefei, Anhui  
CHINA
- 04 Tangerang, Banten  
INDONESIA
- 05 Karawang, West Java  
INDONESIA

## Global Offices

- 01 Giti Tire Pte Ltd.  
SINGAPORE
- 02 PT Gajah Tunggal Tbk.  
INDONESIA
- 03 Giti Tire (Malaysia) Sdn. Bhd  
MALAYSIA
- 04 Giti Tire (China) Investment Co. Ltd.  
CHINA
- 05 Giti Tire (M.E.A.) FZCO.  
DUBAI

- 06 Giti Tire Deutschland GmbH  
GERMANY
- 07 Giti Tire (France) SAS  
FRANCE
- 08 Giti Tire (UK) Ltd  
UNITED KINGDOM
- 09 Giti Tire (USA) Ltd  
UNITED STATES
- 10 Giti Tire (Canada) Ltd  
CANADA

## International Accreditations





# Giti Facts



## Global One Collaboration and Innovation

**4 R&D centres** in China, U.S., Germany, Indonesia, and **1 Tire Testing Centre** in Indonesia allow for collaborative improvements in technology and localised adaptations for market needs.



## Optimised Global Manufacturing and Supply Chain Efficiency

**5 factories** across the U.S., Indonesia and China form an extensive supply network driven toward logistical efficiency to meet global demand.



## A Reputation Build on Trust

Featured as Original Tires on **over 670 vehicle models** worldwide, Giti's long working relationships are a testament to its performance, quality control and reliability.



## Worldwide Reach and Professional Service

Providing support to markets from key regional hubs, Giti has **10 established offices** in Singapore, China, Indonesia, U.S., Canada, U.K., Germany, France, Dubai and Malaysia.


















## Global Access and Local Service

Giti tires are widely accepted around the world with **more than 90,000 Points of Sale** in **over 130 countries**, providing extensive reach and convenient access.

## Our Brand Portfolio

Giti tires are designed for cars, SUVs, off-road vehicles, mini commercial vehicles, trucks, buses, special machinery, and other models to meet different environment use cases, applications and road conditions.

						
	Competition Tires	Consumer Tires	Commercial Tires	Specialty Tires	Motorcycle Tires	Bias Tires
	● ❄️	● ❄️ 🌱	● ❄️	●	—	—
	●	● ❄️ 🌱	● ❄️	—	—	—
	—	● ❄️	●	—	—	—
	—	● ❄️	—	—	—	—
	—	●	●	—	—	—
	—	—	—	●	—	●
	—	—	●	—	—	—
	—	—	●	—	—	—
	—	—	—	—	●	—
	—	—	—	—	●	—

● Produced worldwide    ● Produced in Indonesia    ● Produced in China  
 🌱 EV/EV-Ready Tires Available    ❄️ Winter Tires Available

# More Than 90,000 Retail Terminals

Through continued development of global strategic layout and the participation of outstanding dealers, the number of Giti retail network members continues to grow. At present, the Giti retail service network owns a global professional team with over 1,000 people to provide integrated sales, technical support, and customer services. Giti Tire maintains a personalised customised retail service strategy, according to different market conditions to meet the specific needs of local users.



## Giti Retail Service Network China

Nearly 20,000 members (including passenger car, truck and bus tires)



## GT Radial Performance Centre (GTPC)

The first GTPC was set up in UK in 2010. At present, there are nearly 250 retail stores displayed as GTPC.



## TireZone Service System Indonesia

There are 116 TireZone retail terminals in 33 cities around Indonesia. Meanwhile, Giti also cooperates with well-known retail channel Ace Hardware.



## Retail Partners in US & Canada

In US, there are more than 6,700 retail terminals (including Wal-Mart, Discount Tire and Firestone Complete Auto Care); In Canada, there are more than 740 retail stores selling Giti Tire products.



## SPEEDWORK AUTOCARE

In China, Giti-owned Speedwork Autocare locations are committed to providing responsive, high-quality, and professional car care services.

# Employee Statistics GRI 405-1

## Total Employees of Giti Tire\* WITH MORE THAN 20 NATIONALITIES



2023

27,414

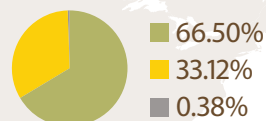
US  
Europe

China  
Singapore

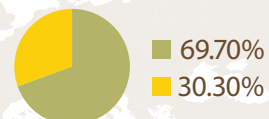
Indonesia

## Number of Employees by Gender GRI 2-7

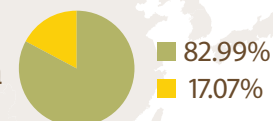
US



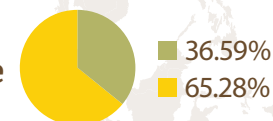
Europe



China



Singapore



Indonesia



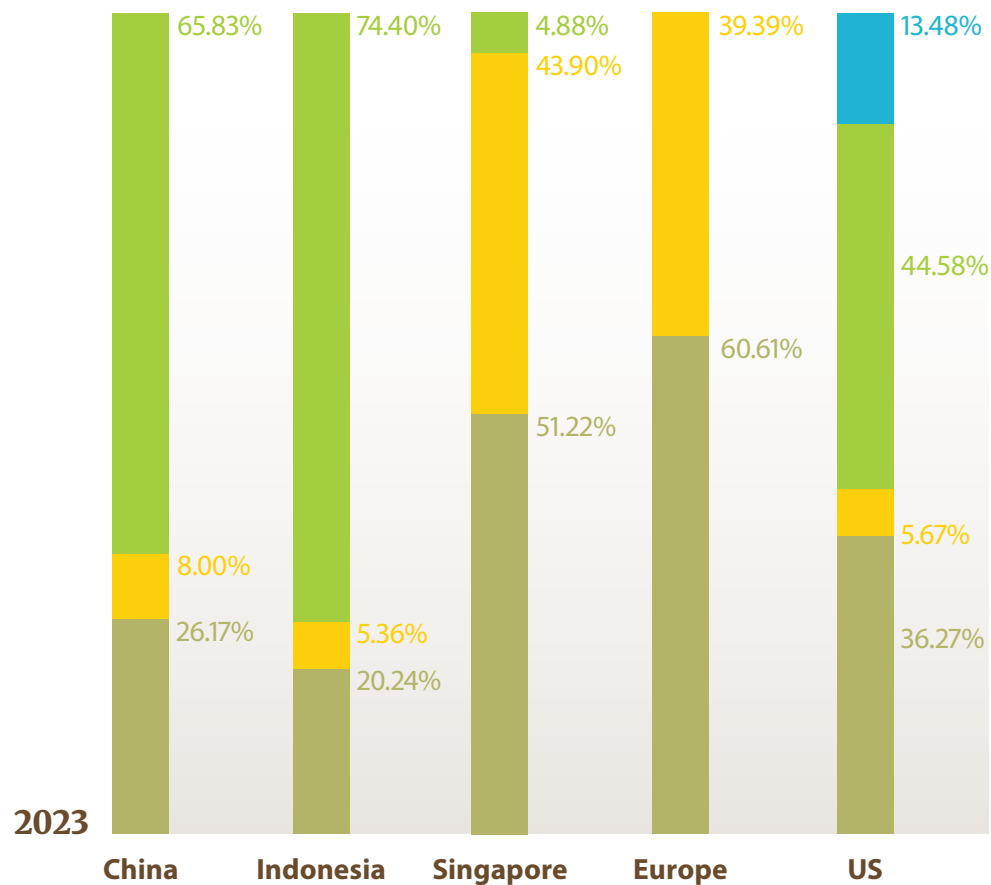
Male Female Undisclosed\*\*

\* The data collected is in headcount, calculated by the end of the reporting period.

\*\* In the United States, gender information is not compulsory. While some forms and applications may include gender as an optional field, there is no federal requirement mandating individuals to disclose their gender.

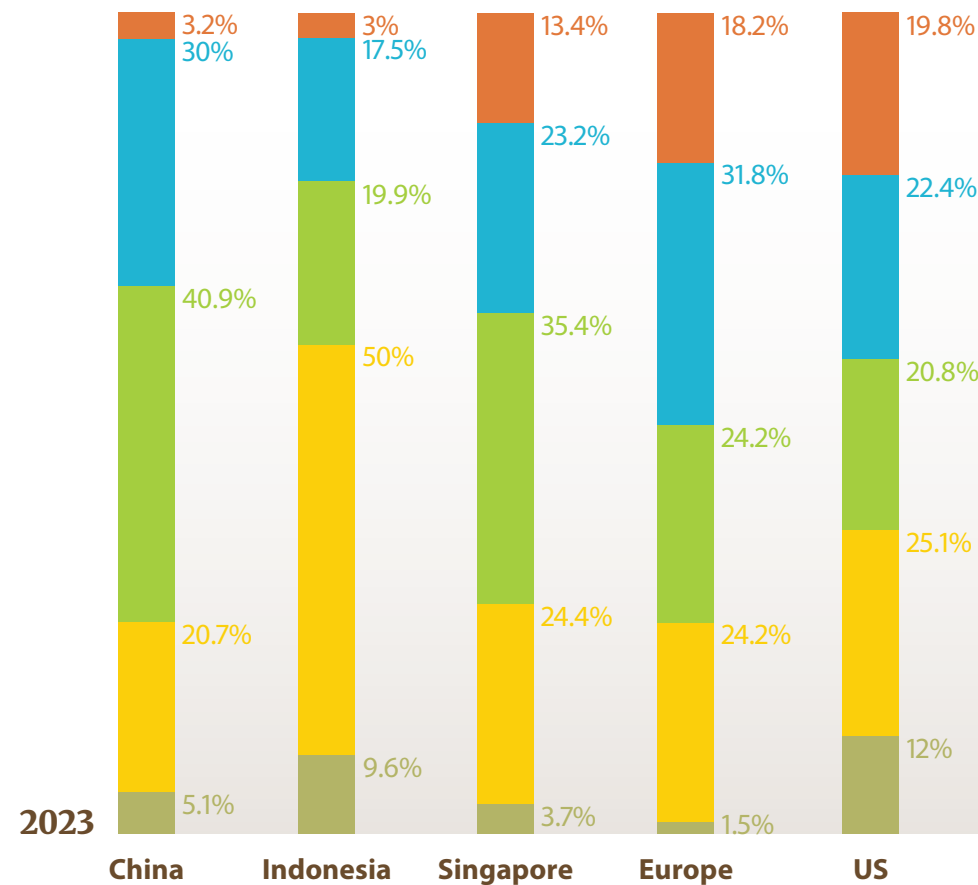


## Total Number of Employees by Category



■ Administrative, technical staff and others  
■ Supervisors and managers  
■ Production operators  
■ Undisclosed

## Giti Diversity GRI 405-1



**Age Group**  
■ 18-25  
■ 26-35  
■ 36-45  
■ 46-55  
■ >=56

# 3 Ps Sustainability Performance GRI 303-5

## Profit

	2022	2023
<b>Revenue of Giti Tire Group</b> (Billion USD)	2.838	<b>+5%</b> <b>2.978</b>

## Planet

<b>CO<sub>2</sub>e without Carbon Sequestration</b> (MTCO <sub>2</sub> e/T-FP)	1.21	<b>-2%</b> <b>1.19</b>	In 2023, Giti Tire absolute carbon emissions increased due to volume increase. However, our intensity reduced by 2%.
<b>CO<sub>2</sub>e with Carbon Sequestration</b> (MTCO <sub>2</sub> e/T-FP)	1.2	<b>-2%</b> <b>1.18</b>	Carbon sequestration comes from reforestation of lands and open space in Giti Tire. We estimated our reforestation program can reach up to 100,000 MTCO <sub>2</sub> e/year of Carbon sequestraion.
<b>Renewable Generation</b> (MWh)	11,000	<b>+68%</b> <b>18,500</b>	Fujian Plant. Other plants are working actively on solar installation.
<b>Carbon sequestration</b> (MTCO <sub>2</sub> e)	8,000	<b>+44%</b> <b>11,482</b>	
<b>Water Consumption</b> ('000 m <sup>3</sup> )	4,744	<b>+3%</b> <b>4,894</b>	While overall water consumption increased year-on-year, water intensity reduced by 4%, from 5.478 m <sup>3</sup> /T-FP to 5.252m <sup>3</sup> /T-FP.
<b>Water Recycling</b> ('000 m <sup>3</sup> )	-	<b>New</b> <b>567</b>	Data shown reflects China factories that has a recycling rate of 35%. Other plants did carry out some level of recycling but have not officially recorded the data. From 2024, we will ensure all water recycling activities are recorded.
<b>People</b>			
<b>Total Employee</b>	29,702	<b>-7.7%</b> <b>27,414</b>	
<b>Total Average Training Hrs per employee</b>	14	<b>+29%</b> <b>18</b>	Invested more than 1,400 hours in sustainability training
<b>Total Employee Sustainability Training</b> (Hrs)	-	<b>New</b> <b>1,400</b>	In 2023, we created our sustainability training skills competency. We have started in Sept 2023 and will continue to roll out 100% to all our employees in Giti Tire.
<b>WRI Freq Rate</b> (injuries/1 million hrs of work)	-	<b>New</b> <b>0.45</b>	

## Conflict of Interest Policy GRI 2-15

Our Conflict of Interest Policy prevents economic or personal relationships that could conflict with employees' duty to the company. It establishes processes for the declaration and approval of conflicts. All employees must avoid activities or relationships conflicting with the company's interests to uphold their duties in good faith.

- New employees declare conflicts of interest and confirm kinship upon joining.
- Changes in conflict of interest (e.g., job changes) are disclosed within a month.
- Employees in sensitive positions demonstrate conflicts and kinship every two years.

## Regional Practices Regarding Political Contributions GRI 415-1

Our organisation's approach to political contributions varies by region. In China Mainland, political contributions are not applicable due to the absence of democratic elections and candidates. In the United States in 2023, our Company made no political contributions, reflecting our commitment to ethical practices and legal compliance. In Indonesia, we adhere to the general rule for publicly listed companies, refraining from political donations in line with legal and ethical guidelines.

## Anti-Competitive Behaviour GRI 206-1

Giti does not tolerate anti-competitive behaviour. We have developed the "Regulations on Fair Trade and Competition Management" and we are pleased to report that there were no relevant litigations during the reporting period.

Our commitment is to conduct business activities with our partners based on principles of fairness and integrity.

We collect and disclose competitive information in a lawful manner, do not participate in any form of monopoly agreement, and do not abuse our dominant market position against our customers and suppliers which reflects our corporate values.

# Strategically Addressing TCFD

GRI 2-1, GRI 2-2, GRI 201-2, GRI 207-2, GRI 403-2

Giti Tire (China) has taken the lead among our entities to complete the Task Force on Climate-related Financial Disclosures (TCFD) assessment and identified key climate change risks. This comprehensive evaluation has highlighted several areas of potential impact, including:

- 01. Physical Risks:** Vulnerabilities due to extreme weather events and changing climate patterns affecting our manufacturing facilities and supply chain logistics.
- 02. Transitional Risks:** Challenges related to shifting market demands, regulatory changes, and evolving industry standards as the global economy moves towards low-carbon alternatives.
- 03. Reputational Risks:** Potential negative perceptions and reduced market share if we fail to meet stakeholders' expectations regarding our environmental performance.

In response to these identified risks, Giti Tire (China) is developing a robust strategy to mitigate climate impacts. As we move forward into 2024, we will continue to collaborate with Indonesia and USA factories to identify other climate-related risks specific to these locations.



Our approach will focus on:

- **Reducing Carbon Footprint:** Implementing energy-efficient technologies and transitioning to renewable energy sources in our production processes.
- **Sustainable Product Innovation:** Developing and promoting eco-friendly tire products that meet both performance and environmental standards.
- **Supply Chain Resilience:** Enhancing the sustainability and resilience of our supply chain through improved risk management and collaboration with suppliers.
- **Stakeholder Engagement:** Strengthening communication and collaboration with stakeholders to ensure transparency and alignment with our sustainability goals.

Our commitment to these strategies will help mitigate climate risks and ensure Giti Tire remains a leader in sustainable practices within the tire industry.



# Corporate Governance

GRI 2-9, GRI 2-10,  
GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-16

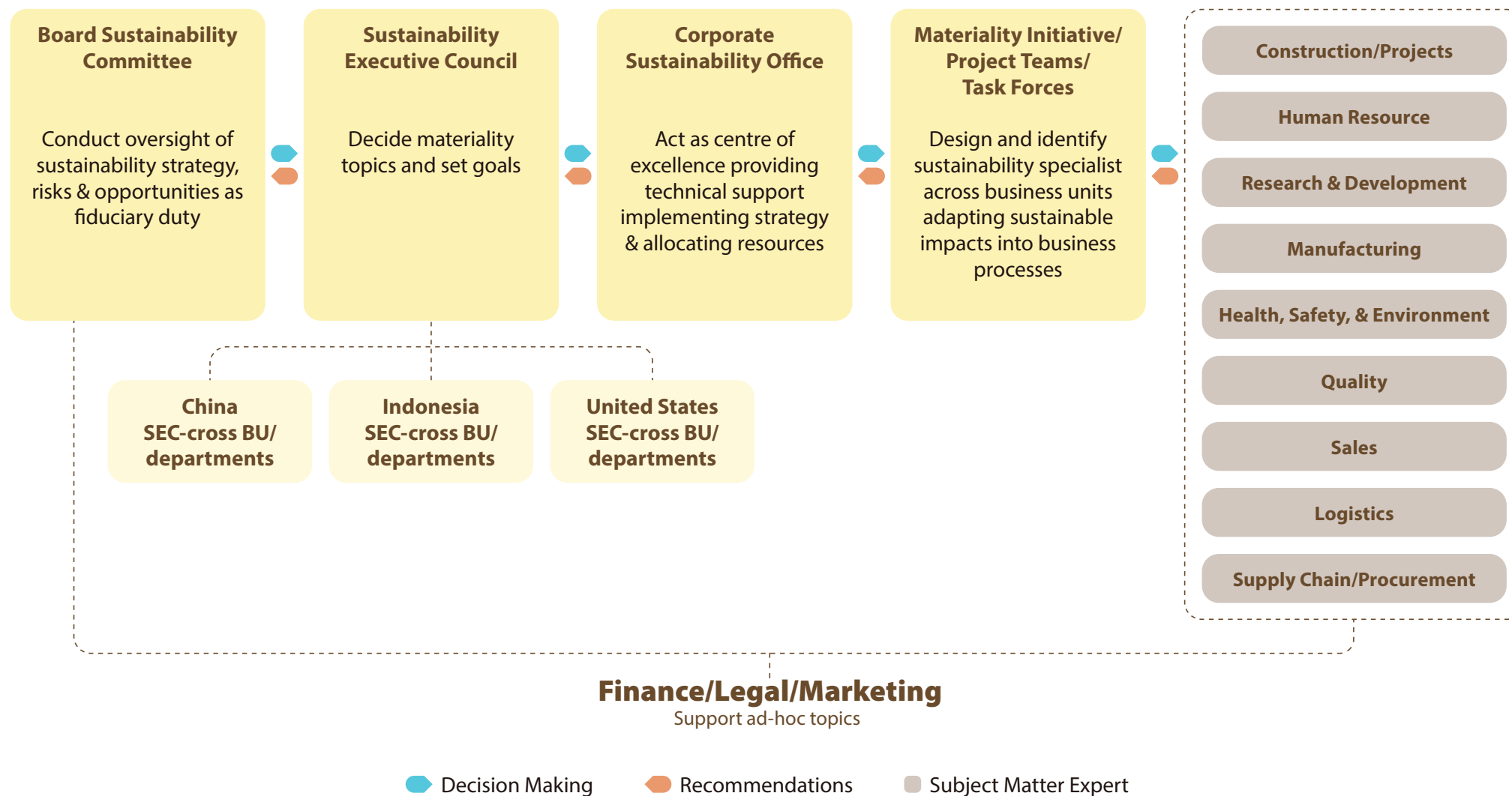
Our sustainability governance framework is structured to drive impactful and cohesive sustainability strategies across the organisation.



- 01. Board Sustainability Committee:** Comprising the Group CEO, Group Executive Directors and Location CEOs, this committee oversees and sets the strategic direction for sustainability initiatives at the highest level.
- 02. Location Sustainability Executive Councils:** Each location has established a Sustainability Executive Council, including heads of departments who are responsible for developing sustainable Key Performance Indicators (KPIs) and driving significant environmental and social impacts within their respective areas.
- 03. Corporate Sustainability Office:** Serving as the centre of excellence, this office integrates best practices, the latest technologies, and robust governance frameworks. It also proposes new projects to enhance sustainability impacts across the organisation.
- 04. Taskforces:** These are specialised location-based project teams tasked with planning, executing, and delivering innovative sustainability projects, ensuring local engagement and on-the-ground impact.

This structure ensures a unified and effective approach to tackle sustainability challenges, fostering innovation and accountability at every level of our organisation.

## Sustainability Organisational Structure



## Upholding Ethics and Integrity GRI 2-15, GRI 2-23, GRI 2-27, GRI 205-2, GRI 205-3

Our approach to upholding Ethics and Integrity consists of three key steps:

- 01. Policy:** We have established formal policies to foster a culture of integrity and prevent corruption.
- 02. Targets and Actions:** We are committed to maintaining a corruption-free environment and upholding the integrity of our business through concrete actions and initiatives.
- 03. Results:** We continuously monitor the outcomes and effectiveness of our policy, and we are prepared to make necessary amendments should any gaps or deficiencies be identified.

Our commitment to ethical behaviour is evident in our day-to-day operations. We require stakeholders to sign off on ethics agreements such as Conflicts of interest declarations, Relationship Declarations, and Ethics Declarations to ensure compliance.

During the reporting period, there were no cases of corruption and lawsuits against anti-competitive, anti-monopoly or monopolistic throughout our operation. We take serious actions regarding any violations according to applicable regulations.

## Giti Information Security and Privacy Policy GRI 418-1

In 2022, Giti obtained the German OEM's VDA-TISAX certification for our Shanghai headquarters, research and development centre, Anhui factory, and European branch (Germany, UK). We also updated our privacy policy, outlining our information security protection measures for personal information collection, use, processing, sharing, and retention, including special statements on COOKIE technology and information collection of 14-year-old children. We have implemented measures such as management systems, process processing, technical controls, and physical security to enhance our security capabilities. Our updated policy also includes information on dispute resolution and complaint handling.

# Sustainability Highlights GRI 2-18



**Ranked in Top 10  
for Sustainability  
Perception Value**



**First submission of CDP  
acknowledged in 2023**



**Solar Panels installed  
in Indonesia in 2023**

[VIEW DETAILS](#)



**1,400 hours of  
sustainability training**

[VIEW DETAILS](#)



**EcoVadis  
Silver 2023**



**51,000 trees  
planted until 2023**

[VIEW DETAILS](#)



**Construction of China  
Safety Experience Hall  
completed in Oct 2023**

[VIEW DETAILS](#)



**Implemented 26  
Sustainability Project  
Using Our Business  
Sustainability Model**

[VIEW DETAILS](#)



**2023 SQA rating  
greater than 90 points**



**Implemented Tree  
Management System  
for the monitoring of  
planted trees**

[VIEW DETAILS](#)



**Continual Support  
of Conservation  
International focused on  
Ocean Conservation**



**Advances made in  
EUDR Preparation**

[VIEW DETAILS](#)



# Memberships & Associations, Awards & Certifications

GRI 2-28

## Technical Exchange within the Industry

Giti Tire highly values the exchange and development of the industrial technology. Giti has joined several authoritative associations in the tire industry to grasp and share tire development technology in a timely manner.

No	Name of the Association	Position
1	China Association for Standardization	Senior Member
2	National Tire and Rim Standardization Technical Committee	Committee Member
3	National Rubber Tire Quality Supervision and Inspection Centre	Member
4	China Tire Rim Valve Standards Yearbook Council	Member of the Council
5	National Rubber and Rubber Products Standardization Technical Committee	Committee Member
6	Carbon Black Technical Committee of National Rubber Standard Committee	Member of the Council
7	Rubber and Plastic Design Committee of China Petroleum and Chemical Survey and Design Association	Committee Member
8	Tire Dynamics Collaborative Innovation Alliance	Vice President
9	China Urban Rail Transit Association	Member
10	Association of Indonesian Companies (Apindo) - Tangerang	Head of Association
11	Global Platform Sustainability Natural Resources (GPSNR)	Member

No	Name of the Association	Position
12	Indonesia Business Coalition for Women Empowerment (IBCWE)	Founder & Member
13	Association of Indonesian Tire Companies (APBI)	Member
14	Indonesian Chamber of Commerce and Industry - Jakarta	Member
15	United Nations Global Compact	Member

## Giti Tire (China) Achievements and Recognitions 2023

No	Date	Achievements and Recognitions
1	Sept 2024	<b>Anhui Provincial Department of Ecology and Environment</b> Recognised as an environmentally excellent enterprise through a 4-tier evaluation process.
2	Sept 2023	<b>Hefei Enterprise Confederation</b> Ranked 26th among manufacturing enterprises in Hefei.
3	Nov 2023	<b>Anhui Enterprise Confederation</b> Ranked 76th among manufacturing enterprises in Anhui.
4	Dec 2023	<b>China Rubber Industry Association Tire Association</b> 2022 National Tire Industry Energy Efficiency Leader
5	Dec 2023	<b>Hefei Municipal Human Resources and Social Security Bureau</b> Acknowledged as an honest and trustworthy labour protection demonstration unit.
6	May 2023	<b>Mudanjiang Municipal People's Government</b> Top Quality Award

## Giti Tire (China) Achievements and Recognitions 2023

(continued)

No	Date	Achievements and Recognitions
7	Nov 2023	<b>Mudanjiang Municipal Health Commission and Mudanjiang Federation of Trade Unions</b> 28 employees awarded the "Occupational Health Expert" title for 2023.
8	Jan 2023	<b>EcoVadis Silver</b> CSR assessment rated better than 88% of industry peers.
9	Jun 2023	<b>Shanghai Rende Foundation</b> Recognition for donation of children's books for Rende Heart-to-Heart Shanghai
10	Dec 2023	<b>Liepin East China Region</b> Human Resource Management Excellence Award
11	Nov 2024	<b>NQC SAQ 5.0</b> Sustainability Assessment Score of 93 (Scope B) - Above industry average of 67

These accolades and certifications reflect Giti Tire's dedication to environmental excellence, energy efficiency, corporate social responsibility, and labour protection, solidifying its position as a leader in the tire manufacturing industry.

## PTGT Achievements and Recognitions 2023

PT Gajah Tunggal Tbk was awarded Indonesia CSR Excellence Awards (ICEA) 2024 in March 2024. For categories:

No	Achievements and Recognitions
1	The Best Sustainability Environmental Award
2	The Best Program in Education Program
3	The Best President Director Commitment on CSR Mr. Sugeng Rahardjo

## List of Certifications



Certification	Giti China	PT Gajah Tunggal Tbk	Giti USA
ISO 14001	✓	✓	_*
ISO 9001	✓	✓	✓
ISO 45001	✓	✓	-
ISO 50001	✓	-	-
ISO 14064	✓	-	-
IATF 16949	✓	✓	✓

\* Giti USA is currently pursuing ISO 14001 certification.

## Product Certifications GRI 416-1, GRI 417-1

Our products are certified by reputable accreditation agencies to ensure quality, safety, and performance. Our products comply with applicable laws and regulations, as well as regularly audited on-site or remotely by ministerial bodies, OEMs or delegated bodies. We also conduct internal self-audits in accordance with international quality management systems like IATE16949, VDA 6.3 or other OEMs' standards to ensure product quality and safety.

With a presence in over 130 countries, we strive to meet local regulations and standards to meet the needs of our customers while ensuring safety. Our internal management system, including SOPs, ensures compliance, and our certifications include:



## Product Compliance – Typical Product Certification

No	Product Certification	Issued by	Covered Countries
1	CCC	Beijing Zhong Hua Combination Certification (HQC)	China
2	DOT	Department of Transportation (DOT)	ES
3	ECE	The Netherlands Centre for Vehicle Technology and Informations (RDW)	Europe
4	Inmetro	Instituto da Qualidade Automotiva (IQA)	Brazil
5	SNI	PT TUV Rheinland Indonesia (TUV)	Indonesia
6	ISI	Bureau of Indian Standards (BIS)	India
7	PS Mark	Bureau of Philippine Standards (BPS)	Philippines
8	GCC	GCC Standards Organisation (GSO)	Gulf Countries
9	SASO	Saudi Standards Metrology and Quality Organisation (SASO)	Saudi Arabia
10	NOM	Normalizacion Y Certification Electronia (NYCE)	Mexico
11	TIS	Thai Industrial Standards Institute (TISI)	Thailand
12	VSCC	Vehicle Safety Certification Centre (VSCC)	Taiwan
13	KC Mark	Korea Testing & Research Institute	Korea
14	LATU	LSQA	Uruguay
15	QCVN	Vietnam Register (VR)	Vietnam
16	SmartWay	Environmental Protection Agency (EPA)	US
17	MS	Standard of Industrial and Research Institute in Malaysia (SIRIM)	Malaysia

# Scope of Report and Data

GRI 2-3,  
GRI 2-4, GRI 2-5

Into our 3<sup>rd</sup> edition of this annual sustainability report, we continue to engage with various stakeholders on this sustainability journey. Sharing transparently, we hope to inspire a collaborative effort between all parties, and share the commitment that Giti has toward integrating sustainability into every aspect of our business.

Additionally, the reporting process serves as an internal audit and assessment system, allowing us to monitor progress and continuously improve. This report refers to Giti Tire as “We/Giti Tire/the Company.” This sustainability report encompasses our operations from January 1 to December 31, 2023, and includes a new addition of our Scope 3 emissions calculated using a spend-based approach. The report is prepared with accordance to the Global Reporting Initiative (GRI) Standards 2021, recognised as the best global standards for sustainability reporting. There is no restatement of the information provided in previous reports regarding mergers or acquisitions, changes in the reporting period, the nature of the company’s business, as well as measurement methods, however, discrepancies may exist due to a migration of calculation software since the last edition.

The report is available in English on our website and provides information regarding our sustainability activities, press releases, and organisational policies. Any questions or feedback regarding this report can be directed to our head office.

## External Assurance

We have established collaborative partnerships with third-party entities to conduct comprehensive analyses and evaluations of our data. We have executed external assurance\* for our Scope 1 and Scope 2 data from our China offices and look to accommodate other country offices in the coming years as part of our efforts to ensure the highest standards of accuracy and accountability across our organisation.

### Giti Tire Head Office

150 Beach Road,  
#22-01/08 Gateway West,  
Singapore 189720

**Telephone:** +65 6249 5399  
**E-mail:** inquiry-sg@giti.com  
**Fax:** +65 6249 5300



\* In 2023, Bureau Veritas was engaged by Giti to conduct its external assurance audit.

# Materiality Report GRI 3-1, GRI 3-2, GRI 3-3

In 2023, we have reassessed our materiality topics by conducting a materiality assessment consisting of a thorough process involving stakeholder engagement, gathering and analysing data from various sources, industry benchmarks, and internal and external reports.

We have prioritised concerns identified by stakeholders, which are crucial for strategic focus in sustainability initiatives for Giti Tire.

Our materiality assessment identified 8 Material Topics of collective concern as follows:

- 01. Regulatory Compliance
- 02. Production Quality and Safety
- 03. Energy Management
- 04. Employee Development and Talent Attraction

- 05. Product Design and Life Cycle
- 06. Materials Sustainable Sourcing & Efficiency
- 07. Sustainable Supply Chain
- 08. Logistics

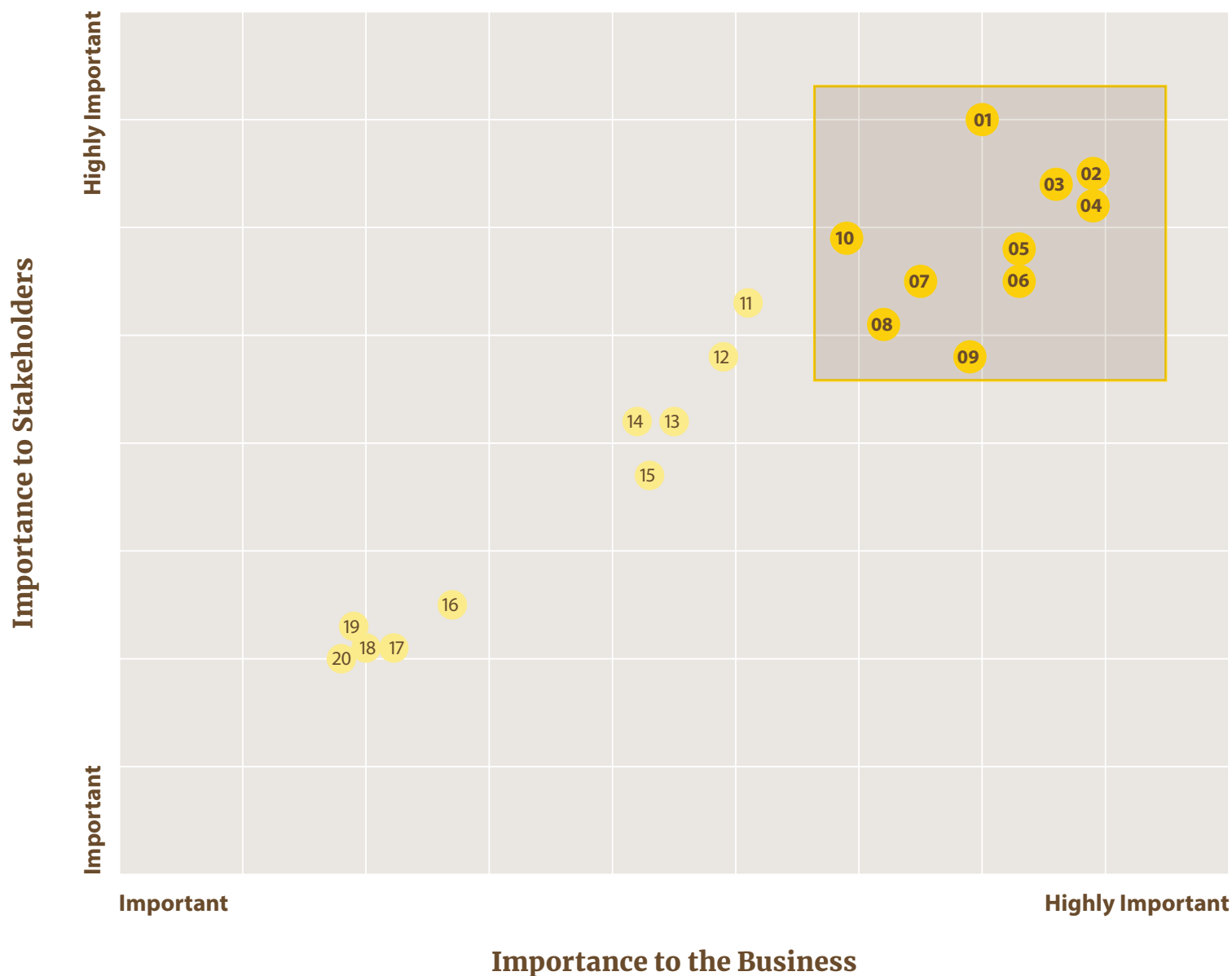
These 8 material topics were derived from our materiality chart after careful consideration in collaboration with the sustainability committee, validated by management and approved by the Board of Directors.

We will therefore, address the topics in the subsequent sections:

No.	Section	Materiality Topic(s)
01.	Sustainable Supply Chain (including Materials Sustainable Sourcing & Efficiency)	<ul style="list-style-type: none"> <li>Sustainable Supply Chain</li> <li>Materials Sustainable Sourcing &amp; Efficiency</li> </ul>
02.	Product Design and Life Cycle	<ul style="list-style-type: none"> <li>Product Design and Life Cycle</li> </ul>
03.	Production Quality and Safety	<ul style="list-style-type: none"> <li>Production Quality and Safety</li> </ul>
04.	GHG Emissions & Energy Management	<ul style="list-style-type: none"> <li>Energy Management</li> <li>Logistics</li> </ul>
05.	Sustainable HR (including Regulatory Compliance)	<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Employee Development and Talent Attraction</li> </ul>



## Materiality Chart



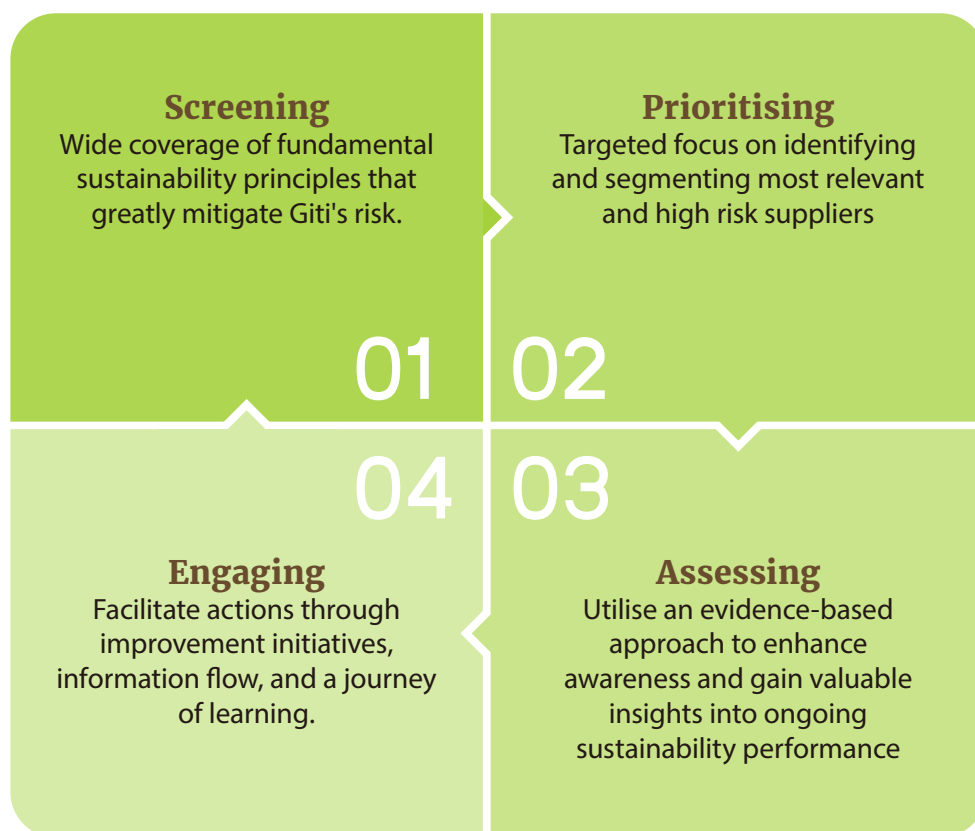
- 01. GHG Emission
- 02. Product Design & Life Cycle
- 03. Regulatory Compliance
- 04. Production Quality & Safety
- 05. Sustainable Supply Chain
- 06. Employee Development & Talent Attraction
- 07. Logistics
- 08. Sustainability Governance
- 09. Materials Sustainable Sourcing & Efficiency
- 10. Occupational Health & Safety
- 11. Pollution e.g. Air, Noise, Particles
- 12. Stakeholder/Community Engagement
- 13. Cyber Security & Data Privacy
- 14. Water & Waste Water
- 15. Energy Management
- 16. Anti-Corruption
- 17. Human Rights and Modern Slavery
- 18. Non-Discrimination: Racial/Women/Minority Equality & Inclusivity
- 19. Selling Practices & Product Labelling
- 20. Waste Management

# Sustainability in Production

Looking to secure a sustainable future, Giti has begun investing into technologies and practices, rolling into the future.



## 4-Step Approach to Risk-Based Due Diligence Framework



As of 2023, we continue to progressively engage our suppliers on high importance topics in our sustainable procurement policy.

## Key Statistics

Procurement KPI	PTGT	Giti China
% of procurement spend spent on local sourcing	52%	89%
Targeted % of shortlisted suppliers to sign the supplier code of conduct	100%	98%
% of shortlisted suppliers that have signed the supplier code of conduct as at 2023	65%	98%
% of suppliers with contracts that include clauses on environmental, labour, and human rights requirements	24%	88%
% of suppliers that have gone through a CSR assessment (e.g. questionnaire)	32%	82%
% of suppliers that have gone through an on-site CSR audit	7%	100%
% of buyers trained on sustainable procurement	100%	100%
% of targeted suppliers who have be certified with ISO14001	65%	85%
% of targeted suppliers who have be certified with ISO45001	30%	65%
% of targeted tire frame suppliers covered by EcoVadis	75%	89%

Note: We are currently collecting data for Giti USA and working towards including it in future reports.



Giti intentionally creates a robust Responsible Supply Chain Framework through various initiatives, such as:

## 01. Materials - Sustainable Sourcing (GRI 301-1, GRI 301-2)

### European Union Deforestation-Free Regulation (EUDR) Compliance

In June 2023, Europe enacted the European Union Deforestation-Free Regulation (EUDR) to ensure traceable and responsible supply chains. Giti fully supports these regulatory requirements and has achieved a significant milestone by entering into EUDR Rubber Contracts and commencing EUDR audits. Production under the EUDR guidelines is slated to commence on August 1, 2024, with the shipment of EUDR-compliant tires scheduled to begin in September 2024.

In August 2023, Giti actively joined GPSNR working groups and established robust due diligence management systems in alignment with our mission to foster sustainable business growth through a responsible supply chain. This initiative includes enhancing capacity building for both employees and suppliers. Following a thorough screening process of potential suppliers for EUDR compliance, Giti has begun engaging with them through this due diligence system.

By the end of 2023 into January 2024, Giti completed the necessary steps to meet EUDR standards. This included conducting on-site audits for natural rubber segregation, legality, and geolocation, implementing system traceability measures, and initiating pilot production at our facility in China. While work continues to finalise EUDR compliance, Giti employs our structured four-step approach to address identified risks collaboratively with suppliers and internal production teams. This ensures systematic implementation of EUDR-compliant rubber from suppliers to Giti's outgoing processes.

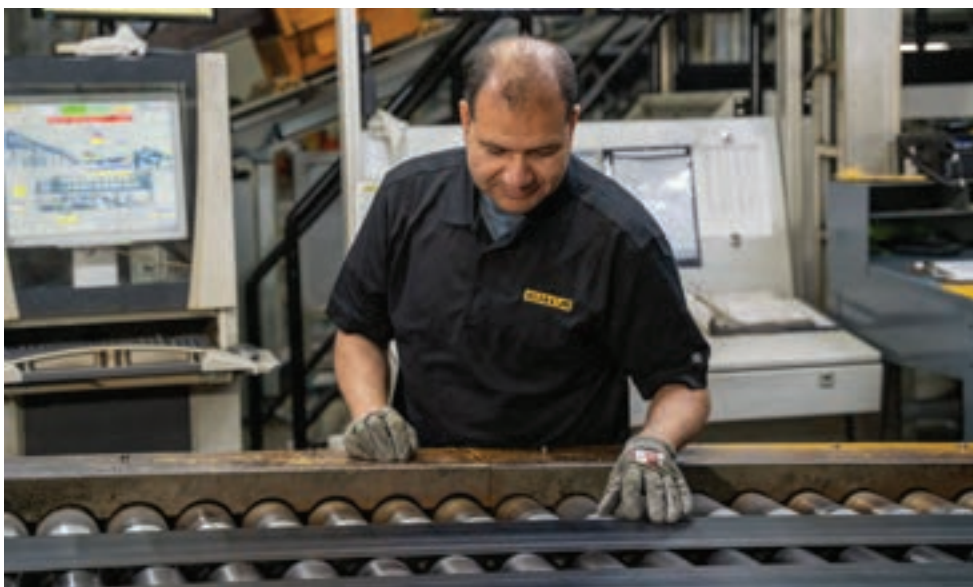


## Conflict Materials GRI 414-2

As a tire manufacturer, we purchase a small proportion of raw materials that may contain certain conflict minerals, such as cobalt. However, we exercise our duty of care by adhering to the relevant Organisation for Economic Cooperation and Development (OECD) recommendations and utilising the application developed by the Responsible Minerals Initiative (RMI).

To ensure that materials and components used in our products that contain such minerals or their derivatives are ethically sourced, we have identified them and regularly request that our suppliers submit RMI reporting templates.

We verify that these forms and inventories are RMI compliant, enabling us to confirm that our suppliers work with RMI-approved smelters for all these minerals. Implementing these measures promotes responsible sourcing practices and contributes to a more sustainable and ethical industry.





# Product Design & Life Cycle

## Developing Giti's Smart Tires

Giti has created two digital systems for smart tires: the Tire Life-Cycle Management System (TLMS) and the Temperature and Pressure Management System (TPMS). These systems cater to various client needs. By leveraging intelligent technology, fleet clients can achieve paperless operations, minimise tire loss, reduce risk, and drive toward more scientific management practices.

## Tire Life-Cycle Management System (TLMS)

Giti embeds RFID chips in the production of tires to identify and record tire information, and with handheld terminals, records the chip information into our self-developed full life cycle management system. The information in the system covers the nodes of tire entry, exit, boarding, disembarkation, maintenance, retreading, scrapping, etc. It can carry out comprehensive statistical management of registered vehicles, tires on board, tires in stock, tires in circulation, and scrapped vehicles, and automatically generates a variety of analytical reports for managers to access at any time, thus realising inventory management, tire theft prevention, mileage tracking, scrapping analysis, cost control, etc. In 2023, Giti assembled 8,339 chip tires for our customers.

### Handheld Terminal Function

- Tire Registration
- Tire Loading and Unloading
- Tire Transfer
- Retread Repair
- Vehicle Management
- Scrap Management
- Labeling Management
- Tire Inventory
- Information Query
- Tire Inspection



### Back-end System Function:

01. Automatically calculate tire mileage and cost efficiency, providing data support for tire management and decision-making
02. Fine management of tires at all stages, respectively, statistics on mileage and other information
03. Tire failure analysis for tire purchase, use, retreading to provide a basis for decision-making
04. Generate customised data reports according to users' individual needs

## Update on E-Liability with Supplier Project in Giti

### Overview

In 2023, we have collaborated with suppliers and one of our prominent customers to progress the E-liability pilot project. The project involves updating E-liability with various raw material suppliers to share Greenhouse Gas (GHG) emission data. This data is critical in understanding and reducing the environmental impact of tire production. Suppliers are actively participating, and significant progress has been made.

**E-liability** is an accounting algorithm designed to provide organisations with real-time, precise, and auditable data on both their direct emissions and those from their suppliers.

### Participating Suppliers and Materials

The project includes multiple suppliers for different key raw materials, each contributing to the overall GHG emissions of tire production.

### Progress and Achievements

#### 01. Data Sharing:

- All suppliers have shared GHG emission data using the E-liability template.
- The primary GHG emissions for all raw materials, responsible for 86% of total emissions, have been documented.

#### 02. Training and Coaching:

- Several rounds of on-site and online coaching/training sessions have been conducted to ensure suppliers are well-versed in the methodology and approach of the E-liability project.

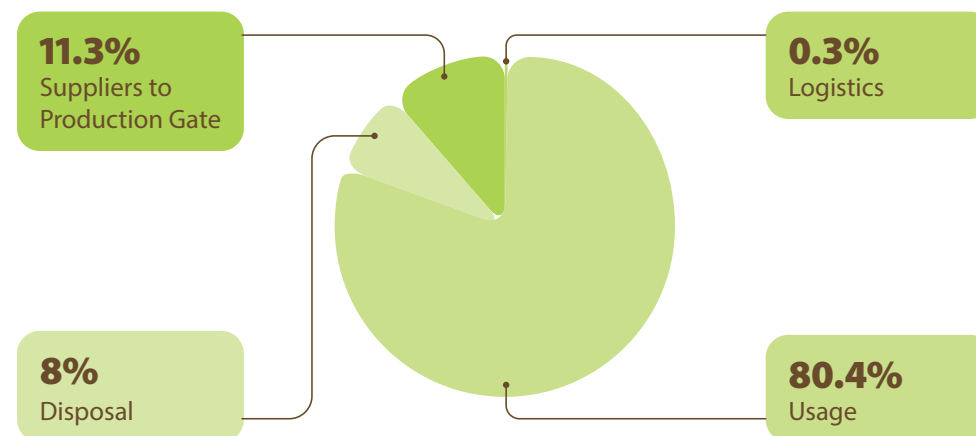
#### 03. Current Status:

- Key tier 1 supplier data from the following listed materials are available:
  - » Steel Cords
  - » Cord Fabrics
  - » Antioxidants
  - » Carbon Black
  - » Silica
  - » Synthetic Rubber

#### Next Steps

We will continue this project into 2024 as it requires much effort from all our suppliers. However, Giti is committed to improve our scope 3 data quality through E-liability. We will release our data by 2024 reporting.

We have completed a comprehensive measurement and analysis of our GHG distribution across each step of the product life cycle. Here are the highlights of other key carbon sources:



## 19 Potential Safety Hazard Scenarios

### 9 Scenarios Created from Repurposed Waste Machinery

- |  |   |
|--|---|
| 01. Cylinder Injury Experience Zone      | 06. Forklift Operation Experience Zone  |
| 02. Gear Chain Injury Experience Zone    | 07. Working-at-Height Experience Zone   |
| 03. Conveyor Belt Injury Experience Zone | 08. Confined Space Work Experience Zone   |
| 04. Locking and Tagging Experience Zone  | 09. Emergency Stop/Safety Photoelectricity/Light Curtain Protection Experience Zone |
| 05. Clamping Injury Zone                 |   |

### 10 Scenarios Created from Customisation of External Equipment

- |   |  |
|---|--|
| 01. Interactive System Experience Zone (For Labour Insurance) | 07. Flammable Explosion Experience Zone                                  |
| 02. Virtual Reality Experience Zone                           | 08. Roller Pinch Experience Zone   |
| 03. Safety Knowledge Quiz Zone                                | 09. Safety Attire & Anti-Smashing Experience Zone (For Labour Insurance) |
| 04. Emergency Rescue Experience Zone                          | 10. Fire Safety Labeling Experience Zone                                 |
| 05. Static Electricity Experience Zone                        |  |
| 06. Electrical Short Circuit Overload Experience Zone         |  |





## EXPERIENCE ZONE HIGHLIGHTS

### Virtual Reality (VR) Experience Zone



The Safety Experience Hall is equipped with 2 sets of virtual reality (VR) equipment, which is able to showcase 20 common injury scenarios. This immersive technology allows employees to experience situations such as falls from heights, fires, mechanical injuries, object strikes etc., providing them the knowledge to avoid accidents and understand emergency escape procedures.

### Working-at-Height Experience Zone



Simulation facilities for working at heights was custom-built, including ascent and high platform equipment, safety belts, helmets, and safety ropes. Through this experience, employees can practice wearing safety belts and helmets correctly, climbing to a high operating platform, and experiencing the risks associated with working at heights. This simulation provides a more intuitive understanding of these risks and highlights the importance of using protective equipment when working at heights.

## Cylinder Injury Experience Zone



Experiential equipment were repurposed from a waste machine and configured to allow users to simulate inserting a hard prop (e.g. an arm) into a clamping point. By operating the pneumatic valve in the lower left corner, the cylinder shaft drives the gripping piece to extend and press against the block in front of the cylinder. This demonstration shows how a hand or arm (props) can be caught in the fixture, potentially resulting in severe injuries and fractures.

## Consumer Feedback GRI 416-2, GRI 417-2, GRI 417-3

Giti Tire listens to customer feedback to enhance the quality of our products and services. We provide communication channels and consumer complaints services to address any concerns and continuously improve. Our robust grievance mechanism for marketing and labelling can be accessed through various channels, including social media and email. We are proud to report that we have had no non-compliance reports regarding service information, labelling, marketing communications, or product recalls.



# Giti Tires Net Zero (Scope 1 and 2) Transition Plan

GRI 302-2, GRI 302-3, GRI 302-4, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5

Giti Tire, a leading global tire manufacturer, has committed to achieving net zero carbon emissions by 2050 for scope 1 and 2. The Net Zero Transition Plan outlines a comprehensive strategy to reduce greenhouse gas (GHG) emissions across the entire value chain, from raw material sourcing to end-of-life tire disposal.

## Key Components

### 01. Energy Efficiency and Renewable Energy:

- **Energy Efficiency:** Implement advanced manufacturing technologies and processes to reduce energy consumption in production facilities. For example, in our new Anhui Plant, which will be ready by 2026, we are implementing Smart Automation, such as building management systems and sensors, with energy efficient warehousing equipment and facilities into our design, optimising energy usage.
- **Renewable Energy:** Transition to >50% renewable energy sources for all operations by 2030, including the installation of solar panels and procurement of green electricity. In addition, our new Anhui plant has also collaborated with China government to utilise waste-to-energy technology in order to generate steam for the plant. By 2050, we plan to purchase green energy from the grid to directly benefit our operation. We are also working in partnership with our main customers to create Net Zero Production line so that we may speed up our Net Zero ambitions.

### 02. Sustainable Materials:

- **Raw Materials:** Increase the use of sustainable and recycled materials in tire production, targeting 30% sustainable materials by 2030.
- **Innovation:** Invest in research and development to create new, sustainable tire materials that reduce environmental impact.
- **Collaboration with Sustainable Suppliers:** Collaboration with Key Sustainable Suppliers: 100% of key component suppliers actively collaborating with Giti to improve their sustainability by 2040.

### 03. Supply Chain Management:

- **Supplier Engagement:** Collaborate with suppliers to reduce their carbon footprint and ensure they adhere to Giti's sustainability standards.

- **Logistics Optimisation:** Optimise transportation routes and methods to reduce emissions from logistical operations. We have identified routes that allow us to save costs and reduce carbon emissions.

#### 04. Product Lifecycle Management:

- **Eco-Friendly Products:** Develop tires that enhance fuel efficiency and reduce vehicle emissions, contributing to lower overall carbon emissions.
- **End-of-Life Solutions:** Establish recycling programs and partnerships to ensure responsible disposal and recycling of used tires.

#### 05. Carbon Credits:

- **Carbon Credits:** Invest in carbon neutrality projects, such as reforestation and renewable energy initiatives, to neutralise unavoidable emissions.
- **Community Projects:** Support local and global sustainability conservation projects that contribute to carbon sequestration and environmental conservation for blue and green economies. We will ensure that all our efforts will be net cash neutral to allow continuous contributions to conservation.

#### 06. Monitoring and Reporting:

- **Transparency:** Regularly publish progress reports detailing Giti's advancements towards net zero, including GHG emissions data and sustainability achievements.
- **Stakeholder Engagement:** Maintain open communication with stakeholders, including customers, employees, and investors, to ensure accountability and encourage collective action.

## Implementation Timeline

#### By 2025:

- Achieve >15% reduction in GHG emissions from 2021 levels.
- Source 30% of energy from renewable sources.
- Scope 3 to measure and map out carbon intensive suppliers' contributions
- To pilot supply chain net zero/carbon neutral Giti tires.

#### By 2030:

- Achieve >30% reduction in GHG emissions from 2021 levels.
- Use 50% sustainable materials in tire production.
- Source 100% of energy from renewable sources.
- Proactively create more than 1 Net Zero Production Lines to align with customers' demand.

#### By 2050:

- Achieve net zero carbon emissions scope 1 and 2 across all operations.
- Achieve carbon neutral scope 3 across our supply chain

## Conclusion

Giti Tire's Net Zero Transition Plan is a holistic approach to sustainability, aiming to minimise environmental impact while driving innovation in the tire industry. Through a combination of energy efficiency, sustainable materials, supply chain optimisation, and carbon offsetting, Giti Tire is committed to leading the way towards a more sustainable future.

# 2023 Our Carbon Scorecard

GRI 302-2, GRI 302-3, GRI 302-4, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5

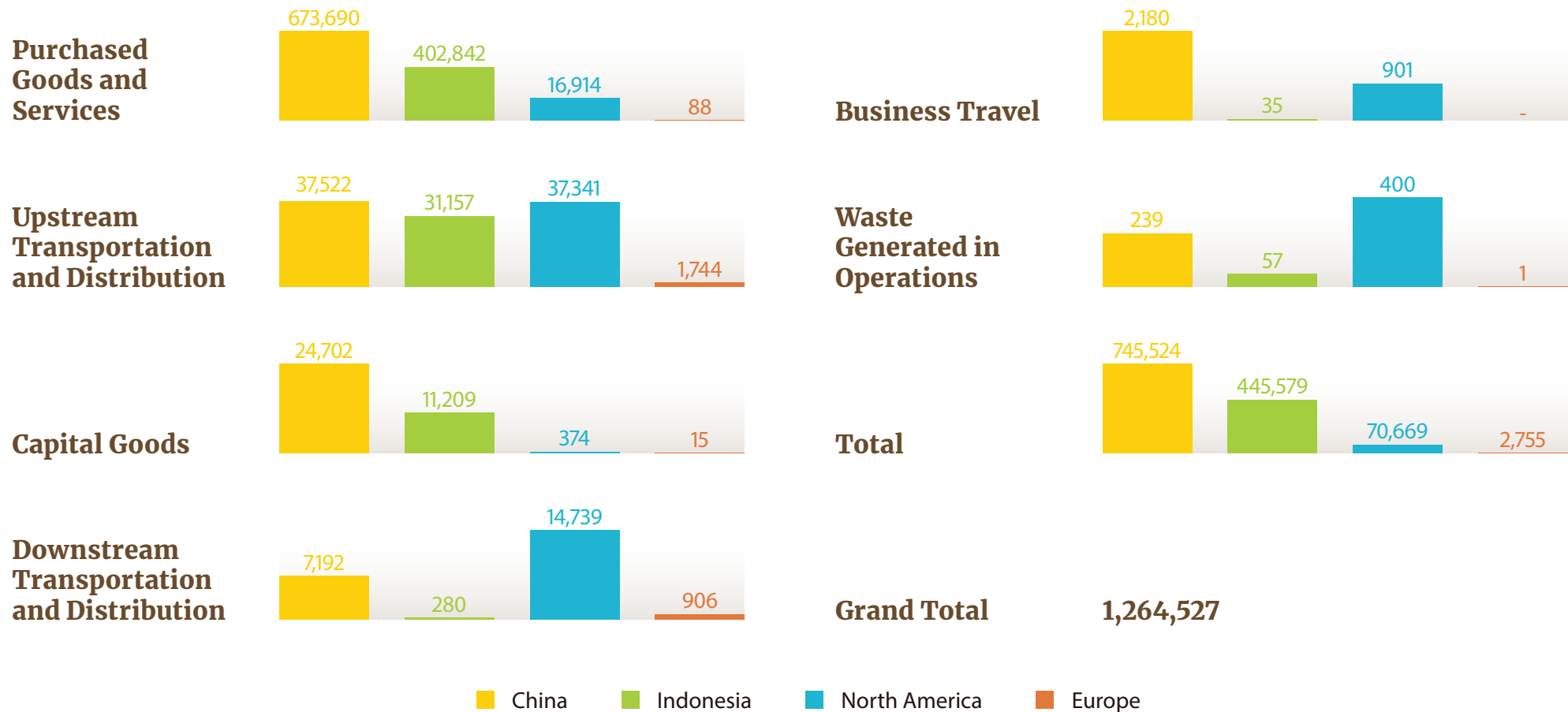
The table on the right categorises carbon emissions by different location. The combined total emissions amount to 2.5 million MTCO<sub>2</sub>e for Scopes 1, 2, and 3 (upstream and partial downstream). In 2023, Giti Tire successfully completed its Scope 3 carbon emissions profiling using a spend-based approach. The estimated uncertainty was +/-15%, resulting in a total of 1.271 million tons of CO<sub>2</sub>e. This accounts for approximately 50% of the combined Scope 1 and 2 emissions. Giti Tire's strategy focuses on optimising costs while ensuring sustainability impact by closely managing critical processes. Notably, the remaining 50% arises from materials processed internally within Scopes 1 and 2.

Locations	Total Carbon Emissions(MtCO <sub>2</sub> e)			
	Scope 1	Scope 2	Scope 3	Grand Total
<b>China</b>	<b>240,213</b>	<b>303,748</b>	<b>745,524</b>	<b>1,289,485</b>
Anhui	54,618	144,077	397,073	595,768
Fujian	105,312	97,294	224,695	427,301
Hualin	73,246	42,331	103,021	218,598
China-Others	7,037	20,046	20,735	47,818
<b>Indonesia</b>	<b>234,111</b>	<b>417,881</b>	<b>445,579</b>	<b>1,097,572</b>
Indonesia Plant	219,838	343,338	445,579	1,008,756
Indonesia-Others	14,273	74,543		88,816
<b>North America</b>	<b>14,641</b>	<b>11,586</b>	<b>70,669</b>	<b>96,896</b>
United States Plant	14,641	11,586	16,880	47,021
United States-Others			53,381	53,381
Canada			409	409
<b>Europe</b>			<b>2,755</b>	<b>2,755</b>
France			7	7
Germany			1,622	1,622
United Kingdom			1,126	1,126
<b>Rest of the World (ROW)</b>			<b>6,323</b>	<b>6,323</b>
<b>Grand Total</b>	<b>488,965</b>	<b>733,216</b>	<b>1,270,849</b>	<b>2,493,030</b>

Note: \*Rest of the world estimated based on 0.5% of total Giti Tire scope 3.

Most of our upstream scope 3 carbon emissions derived from goods and services we have purchased. In view of this, our E-liability program becomes applicable as we continue to trace and measure carbon emissions along our upstream supply chain.

### Total Carbon Emissions(MTCO<sub>2</sub>e)



# Accelerating Our Goals

We are thrilled to announce our Scope 1 and 2 Net Zero Pathway for 2030 and 2050. The chart below illustrates the downward trend of carbon intensity in Giti Tire plants. In our LEAN-Sustainability method, we have successfully integrated LEAN cost saving with Sustainable impact. Here, we can see an examples of saving more than 100 MTCO<sub>2</sub>e through different LEAN initiatives which create both sustainability impact and cost effectiveness.

Approximately

**USD 37 million** (RMB 259 million)

has been saved in 2023 thanks to Lean project implementation.

## Implementing Sustainable LEAN Practices

To find innovative ways of integrating LEAN principles with sustainable practices, Giti factories\* have started Lean Six Sigma training since 2011. Through classroom teaching, outdoor development and sand table demonstration, participants are encouraged to actively project Lean concepts into on-site practices and improvement, so as to realise the improvement of enterprise management effectiveness, business process optimisation, cost reduction, customer satisfaction and sustainable development of the enterprise. As of December 2023, a total of 2,649 employees have been trained, of which 2,304 employees have been certified as yellow, green, and black belts, and 915 Lean projects have been completed, resulting in a gain of RMB 259 million (approximately USD 37 million).

In 2023, 73 Lean improvement projects were completed at the Giti plants, and we analyzed and calculated the energy consumption and material usage after the improvements. The Lean projects reduced CO<sub>2</sub> emissions caused by electricity and steam by 1,691,177kg, and reduced embodied CO<sub>2</sub> emissions caused by material saving by 1,550,882kg.

Lean Six Sigma is a long-term strategic plan for Giti to form a culture of continuous improvement and optimisation, and to achieve breakthroughs in productivity improvement, defect rate reduction, and cost reduction to achieve sustainable development.

\* Only the two plants in Anhui and Fujian are counted.



# Waste Management

At Giti Tire, our commitment to sustainability encompasses responsible waste management practices. Tire production and scrap materials generate the majority of our solid waste. As we recognise the impact our operations can have on the environment, we constantly seek innovative solutions to minimise waste generation and recycle production waste, while lowering carbon emissions.

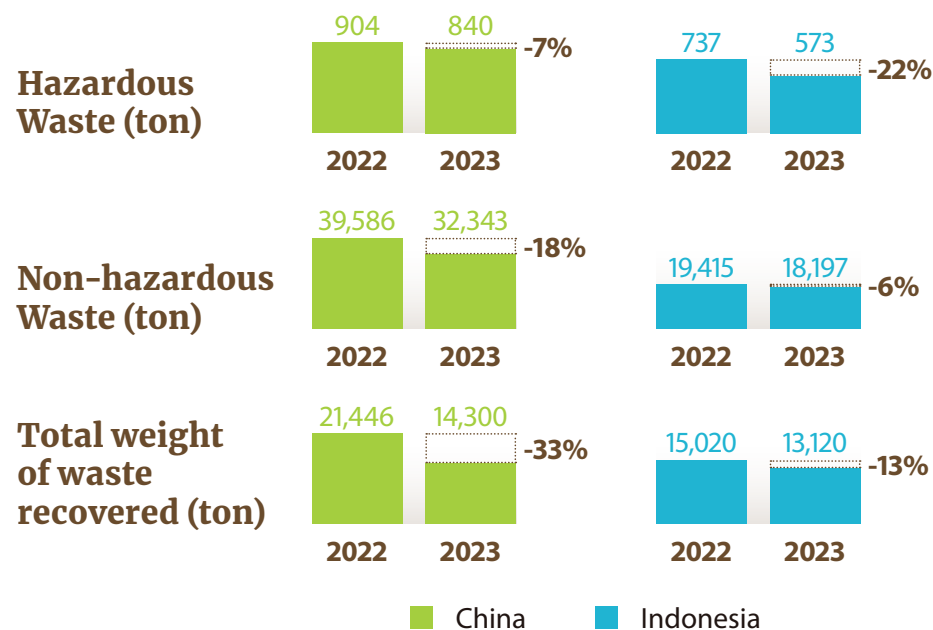
This dedication to sustainability is reflected in our use of recycled materials and implementation of eco-friendly manufacturing practices. We've achieved significant progress by repurposing, recycling, and upcycling a significant portion of our waste into new tires and other products. We remain committed to achieve reductions in carbon emissions per tire produced.

# Statistics GRI 306-3

In 2023, Giti Tire has made significant improvement in reducing its waste generation.

In China, hazardous waste decreased by 7% from 904 tons in 2022 to 840 tons in 2023, while non-hazardous waste saw an 18% reduction from 39,586 tons to 32,343 tons. In Indonesia, Giti Tire reported 177 tons of hazardous waste and 2,161 tons of non-hazardous waste for 2023, the first step in demonstrating our commitment to minimise environmental impact through robust waste management practices.

## Waste Generated

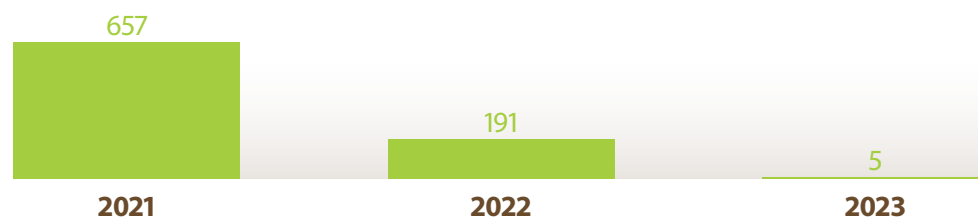


## PTGT's Plastic Reduction Initiative

PT Gajah Tunggal has been at the forefront of sustainable innovation, having engineered and manufactured a range of eco-conscious tires for both automobiles and motorcycles. These tire products, which have been available on the market for several years, are crafted from environmentally responsible raw materials that pose no carcinogenic risks.

In alignment with the Indonesian government's initiative to mitigate plastic waste, PT Gajah Tunggal successfully eliminated plastic wrapping from its tire products. With the removal of 657 tons of plastic wrapping used, this initiative has resulted in a substantial reduction of 2,038 tons of CO<sub>2</sub>e emissions.

### Plastic Wrapping Usage (tons)



▲ Old wrapping method

▲ New labeling method

## Future Goals and Target GRI 306-2

At Giti Tire, we have set an ambitious target to ensure that 50% of our waste is recyclable and reintegrated into open or closed-loop consumption by 2030. To achieve this goal, we will collaborate closely with local authorities, leveraging waste recovery plants to repurpose the heat generated in our processes.

Furthermore, Giti Tire is proud to announce plans for a flagship green manufacturing facility in Anhui, scheduled for completion by 2026. This facility will exemplify our dedication to sustainable practices and environmental stewardship.

Through these initiatives, we strive to achieve our waste reduction targets while maintaining our commitment to environmental responsibility.

# Employee Health & Safety

Caring for our most valuable assets, our employees, Giti continues to engage at all levels of the company to build a workforce ready for the future.





# Sustainable Human Resource Practices and Regulatory Compliance

GRI 2-25, GRI 2-26, GRI 202-1

At Giti, we prioritise sustainable human resource (HR) practices and building a conducive work environment for all employees. We believe that investing in our people is key to long-term success. We foster a sustainable work environment by offering competitive compensation, clear paths for career advancement, and prioritising employee safety and well-being. This translates to a more engaged and productive workforce, with lower turnover rates and reduced training costs. Furthermore, by prioritising employee well-being, we build a positive reputation as a socially responsible employer, which resonates with today's workforce and consumers.

We invest in employee development through a comprehensive training framework. A pilot program for Giti China and Indonesia successfully trained over 150 staff in 13 sustainability topics. Our training model, consisting of four stages—Introductory, Yellow Belt, Green Belt, and Black Belt—has seen 2,649 employees trained in Lean Six Sigma, with 2,304 certified and 915 lean projects completed by December 2023. Additionally, 150 employee leaders received sustainability training, totaling 1,400 hours.

Giti China actively participates in the UN Global Compact's Target Gender Equality program, identifying strengths and weaknesses in gender policies. PT Gajah Tunggal (PTGT) promotes gender equality through equal career development opportunities and support for female employees.

Health and wellness are prioritised, with Giti USA sponsoring annual health fairs and PTGT conducting health awareness sessions and medical check-ups for 15,351 employees in 2023.

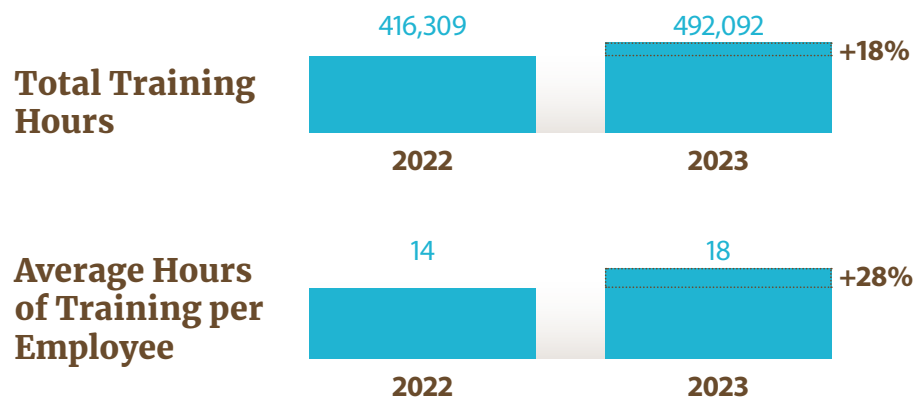
Maintaining a fair and ethical workplace is paramount. Almost 100% of Giti China and PTGT employees received anti-discrimination and harassment training, and we are proud to report zero confirmed corruption or bribery incidents in 2023, with a robust whistleblowing mechanism in place for ethical concerns.

In 2023, there were no whistleblowing incidents reported in PTGT while Giti China reported 15 incidents. These incidents involved employee conduct, financial practices, product quality, and supply chain management. Giti's Internal Audit Department thoroughly investigated each case, conducted on-site inspections and issued detailed reports with corrective actions. All matters have been resolved, and the company is implementing measures to enhance internal controls and prevent future occurrences.

# Statistics

GRI 404-1

## Giti Group Training Hours



## Employee Trainings

2023	Giti China	PTGT
% of employees across all locations who received awareness training on discrimination and harassment	99.5%	100%
% of employees who have undergone IT security training	69%	n/a
% of total workforce trained (e.g. through e-learning) on business ethics issues	99%	91%

## Compliance KPIs

2023	Giti China	PTGT
% of total workforce trained (e.g. through e-learning) on business ethics issues	99%	91%
Number of incidents reported through internal whistleblower mechanism	15	0
Number of confirmed corruption and bribery incidents	0	0
% of sites with sensitive transactions guidelines	100%	-
% of business partners who have undergone the third party anti-corruption due diligence-process	82%	-
% of employees who have undergone IT security training	69%	-
Number of customer/client data breaches	0	0
% of sites with records retention schedule	100%	1
% of sites that have undertaken IT-security risk assessments	100%	1
% of sites that have undertaken IT-security audit	100%	1
ISO 27001 certification	100%	0



## Employee Benefits GRI 401-2, GRI 401-3

We believe in being a responsible business and providing comprehensive benefits to our employees. Employee benefits are important for job satisfaction, retention, and overall productivity. Through our comprehensive employee benefits programme, we demonstrate our commitment to our employees' health, financial stability, and work-life balance, which helps us attract and retain top talent.

As part of our sustainability commitment, we offer a range of employee benefits, including:

- Endowment Insurance
- Unemployment Insurance
- Work-related injury insurance
- Medical Insurance
- Maternity insurance
- Life accident insurance

Additionally, we provide a public accumulation fund for housing and a working meal to fulfil our employee's basic human needs.

Our employees also have access to ample time off, including:

- Annual leave
- Maternity/paternity/parental leave
- Bereavement leave
- Marriage leave
- Sick leave

We believe that these benefits are essential in ensuring the health and happiness of our employees and, in turn, supporting the sustainability and success of our company.

### Maternity & Paternity Leave

- Female employees are eligible for paid maternity leave ranging from 158 to 180 days, depending on regional laws.
- Male employees also have the opportunity to take paternity leave, typically ranging from 10 to 30 days.

Additionally, Giti offers parental leave to support mothers and fathers in caring for their children. These benefits support families during the transition and help new parents balance work and family responsibilities. Notably, we allow employees who have taken maternity leave to return to work.

Through these initiatives, we are dedicated to helping our employees achieve a better work-life balance and foster equality.

## Labour Management GRI 2-30, GRI 402-1, GRI 407-1

We place a strong emphasis on labour management and workers' rights. We ensure compliance with local laws for notice periods during operational changes and actively engage our employees in advance to minimise disruptions. Our collective agreements specify notice periods and provisions, all determined by collective bargaining resolutions.

In China, we embrace collective bargaining and actively promote workers' right to join trade unions. Our commitment to transparency extends to our suppliers through the 'CSR Questionnaire,' ensuring freedom of association. Besides, in the USA, we uphold the legal rights of our associates. We respect their choices regarding collective bargaining and labour unions, always fully complying with local laws across all regions.

## Fair Compensation Approach GRI 2-19, GRI 2-20

At Giti China, we believe in fair and merit-based compensation for our employees. We regularly compare our pay with industry standards to ensure its competitive and compliant with local laws and agreements. Besides the base salary, we offer bonuses and sales incentives linked to their performance. Our employees can join statutory social security programs, giving them a well-rounded compensation package.

Process for determining remuneration:

- Formulate guidelines, policies and parameters for the compensation structures
- Review employee compensation information occasionally to ensure it aligns with market or industry rates
- Evaluate the performance of the company and employees
- Determine annual salary increments and bonuses

## Upholding Human Rights GRI 2-8, GRI 408-1, GRI 409-1, GRI 411-1

We are dedicated to upholding the ethical standards in our business operations. Our commitment to ethical practices includes a strict prohibition of forced or child labour, supported by a comprehensive Employee Code of Conduct policy tailored to address these critical issues.

At Giti, we value the communities in which we operate and actively promote sustained growth for society. We believe it is important to protect the rights of local communities and encourage the flourishing of indigenous cultures and customs. We have had no incidents of violations involving the rights of indigenous peoples.

## Local Recruitment GRI 202-2

Giti is committed to providing equal career opportunities to all employees and strongly emphasise local recruitment. This focus extends to staff and senior management positions, filling a large majority of senior management positions with local hires. In Giti, senior management is defined as those at the Assistant General Manager level and above. This approach to staffing helps ensure that the company is deeply connected to the local community and can respond to its unique needs and challenges.

## Continuous Evaluation GRI 404-3

We evaluate our training programmes through satisfaction assessments and individualised feedback to management skill improvement trainees. Professional organisations collaborate with us to assess employees' professional development and skill levels. Giti encourages employees to create career and development plans with their supervisors and leadership teams.

**100% of employees receive annual performance reviews to support their career growth and progression.**

# Annual Health Fair at Giti USA

GRI 403-1, GRI 403-3, GRI 403-4, GRI 403-6, GRI 403-8

Investing in the health of the staff in Giti USA, Giti sponsors annual Health Fairs at the Giti USA factory. In 2023, 17 health and wellness professionals covering physical health, mental health and healthy lifestyles, were invited onto the factory grounds for a 2-day health fair. Staff at Giti were encouraged to approach the various service providers to learn about various aspects of their health.

Giti staff were able to participate in no-cost wellness screenings that gave them a snapshot of their overall health which they could later discuss with a health educator or medical provider. In collaboration with Clemson Rural Health, a health screening was open to all staff, that included a blood pressure check, lipid panel, complete blood count, basic metabolic panel, and health risk assessment.

Other allied health services were also provided by the Medical University of South Carolina, Lancaster Parks and Recreation, Catawba Mental Health and The Eye and Laser Centre, among others.



# PT GT Tangerang Health Department Information

In 2023, the Health Centre (Klinik Kesehatan PT Gajah Tunggal) conducted eight awareness sessions at PT GT Tangerang, with a total attendance of 513 workers. These sessions covered a range of topics, including personal health issues such as hypertension and kidney disease, as well as health issues related to the working environment. The list of topics is as follows:

No.	Area	Year	2023																											
		Month	Jan				Feb				Mar				Apr				May				Jun				Jul			
		Week	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
1	Factory or Head Office	SCHEDULE																												
		ACTUAL																												
2	Gajah Tunggal Canteen	SCHEDULE																												
		ACTUAL																												

No.	Date	Speaker	Institution Represented	Topic	Number of Participants
1	24 January 2023	Dr. Prasetyo Hariadi, Sp.P	RS An-Nisa Tangerang	Has COVID-19 Disappeared?	68
2	21 February 2023	Dr. Yearly Azhar, Sp.PD	RS Hermina Tangerang	How Metabolic Syndromes Affect Work Productivity	63
3	16 March 2023	Dr. Carmia Prariwi, Sp.OK	Mandaya Hospital Puri	Effects of Metabolic Syndromes on Office Employees	40
4	22 May 2023	Dr. Christiano Tansol, Sp.U	Siloam Hospitals Lippo Village	Kidney Disease Can Be Treated	73
5	5 July 2023	Dr. Vivien Maryam, Sp.PD, KGEH, FINASIM	Primaya Hospital Tangerang	Recognising the Symptoms of Liver Disease	71
6	22 August 2023	Dr. Vivi Sumarna, Sp.KFR	Mayapada Hospital Tangerang	Addressing Risks of Occupational Diseases from Manual Handling	73
7	29 August 2023	Eko Handoyo, S.K.M	Dinas Kesehatan Kota Tangerang	Food Poisoning Outbreak Precautions	60
8	20 December 2023	Dr. Martin Kurniawan, Sp.PD	Metro Hospital Tangerang	Hypertension and Kidney Failure	65



Scheduled Implementation



Actual Implementation





Another health initiative organised by the Health Department is the medical check-up for all employees. In 2023, a total of 15,351 employees from both the factory in Tangerang and the head office in Jakarta underwent medical check-ups.





# Gender Equality at Giti

GRI 405-1

## Giti China Target Gender Equality Participation

Target Gender Equality (TGE) is a UN Global Compact initiative aimed at accelerating the achievement of gender equality in the workplace. In 2023, Giti China participated in the TGE accelerator program over a six-month period. Through this course, we identified our strengths and weaknesses in gender equality and labour policies. We plan to pilot some of the recommended targets in 2024 and 2025.



## PTGT Gender Equality Participation

PT Gajah Tunggal, Tbk is committed to promoting gender equality by providing equal opportunities for both male and female employees to achieve the highest career paths and develop their competencies.

The Company has established policies and practices related to recruitment, ensuring that no particular gender is prioritised. Employee career development, facilities, and employee benefits are provided equally, based on each individual's competence and performance. In addition, PTGT supports female employees by adhering to regulations that grant rights to women who are menstruating, pregnant, or giving birth, and by providing breastfeeding rooms for nursing mothers. The Company has also implemented regular internal capacity building programs focused on gender equality, including carrying out workplace gender equality diagnostic assessments (GEARS) in collaboration with the Indonesia Business Coalition for Women Empowerment (IBCWE).



## Leadership Training Initiatives

We commenced on-site training journey with **over 150 leaders** undergoing basic training in the fundamentals of Sustainability and Sustainability Management. This foundational training is crucial in empowering our leaders to champion sustainability initiatives, thereby setting a precedent for the entire organisation. In the training, we have introduced using the DMAIC (Design, Measure, Analyse, Improve, Control) format to incorporate sustainability impacts, productivity and cost reduction into one assessment methodology. We have also used 2023 LEAN projects as our samples to show the effectiveness of our methodology.

The training outcomes have been well received, with **over 80% of the leaders** trained believing that the sessions are beneficial for their daily work. The training has provided them with a better understanding of how to incorporate sustainability into their roles while balancing profit, planet and people.

Moving forward, Giti will be practically incorporating sustainable impacts into operational excellence and providing the company better profit with sustainability.



▲ Sustainability Training for Leaders carry out in Indonesia and China

## Employee Engagement through Online Training

Our ambitious goal is to reach 100% employee engagement through comprehensive online training. This approach ensures that all employees, regardless of their location or role, have access to high-quality, consistent sustainability education. By leveraging digital platforms, we can efficiently disseminate information and foster a unified understanding of our sustainability objectives.

By implementing this structured and inclusive training program, Giti is committed to embedding sustainability into every facet of our operations, ensuring a sustainable future for our company and the communities we serve.

# A Better Community & World



Sustainability is not a new concept to Giti, so we lead by example and share our experiences with those around us and build up those who will come after us.



# Rallying for the Community

GRI 203-1, GRI 203-2

## Giti Gazelles – Rallying with a Heart

For several years now, Giti has been in support of the Gazelles as they take to the deserts and hills for great causes. The All-Female rally team participate in various off-road challenges in Europe and Africa, raising awareness and funds for cancer research.

But going beyond the provision of funds for research, the Giti Gazelles hold a rural community in their hearts. Returning year after year to the Talatast Rural Learning Centre, the Gazelles have watched children and women pass through its halls toward building a stronger and more resilient community in rural Africa.

In 2023, the Gazelles once again returned to Talatast bearing much needed learning supplies, and smiles to the faces of the townspeople.



# Supporting Education & Learning in the Community

GRI 203-1, GRI 203-2, GRI 413-1

When setting up a factory, Giti does not only look at the impact the factory would have on its top line and the environment, but also about the impact that Giti has on the surrounding community.

Giti conducts 2 annual activities for the students surrounding its tire manufacturing plant in Richburg, South Carolina. In 2023, Giti hosted the fifth Annual Giti Math & Science Competition and the second City of Chester Annual Back to School Drive.

Giti partners with the Chester County School District in hosting the Giti Math & Science Competition to develop valuable STEAM (Science, Technology, Engineering, Arts and Mathematics) skills in the students. This year, the students got hands-on experience with cutting-edge technology like 3D printing, while inspiring them to develop a love of learning and problem-solving.

In support of under-privileged families and equal opportunity for education, Giti's annual Back to School drive supplies learning materials and stationery, helping them be prepared to learn and grow through quality education.

By partnering with the City of Chester and local schools, Giti is able to lead by example, practicing blended financing to support the development of the future generation towards a sustainable society.







## Walking the Talk, and Sharing About It GRI 2-17, GRI 413-1

### Discussing Blended Financing and E-Liability

At the 28<sup>th</sup> United Nations Climate Change Conference or Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC), more commonly known as COP28, the spotlight was shone on Giti's efforts in partnering with governments and educational institution in laying the groundwork of increased efficiencies in sustainability.

A concept first drafted at the G20 Bali Conference, Blended Financing calls for a concerted effort between private and public entities to make a marked impact on climate change. Vice Chairman of Giti Group, Ms Cherie Nursalim, who actively participates as part of the G20 Bali Global Blended Finance Alliance, was invited to share her experience in working with private corporations and governments for sustainability at the Indonesia Pavillion and again at the Singapore Pavillion.

Besides blended financing, Giti was also featured at the London Climate Action Week earlier in June as a pilot example and first mover in the adoption of the E-Liability algorithm to monitor and reduce emissions in our own supply chain.

These features of the Giti brand on the global stage continue to build Giti's reputation as a sustainable company. With the upper echelon of Giti taking centre stage on these issues, it inspires confidence in onlookers and provides reassurance to partners and stakeholders that Giti is committed to making our sustainable future a reality.

# Supporting Education in China

GRI 413-1

Giti's plants in China demonstrate active investment in sustainable development and education support.

**For employees:** We emphasise the personal skill growth and professional development of our employees and provide them with support for continuing education. In 2023, we provided incentives totaling RMB 22,760 (approximately USD 3,251.43) to employees who obtained academic qualifications through self-study in their spare time and to those who actively obtained certificates for job-related skills. We also have a learning incentive points policy, which awards contribution points to employees who have obtained external titles, and the accumulated points can be exchanged for rewards such as travel allowances, medical check-ups, meal allowances, paid vacations, academic advancement, training, and book purchase cards.

**For employees' children:** We care for employees' families and emphasise the learning and education of Giti's employees' children, and have set up a college entrance examination scholarship system to encourage employees' children to enter universities with scholarships amounting to RMB 154,000 (approximately USD 22,000) in 2023.

**For public education:** In addition to encouraging the education of internal employees and their children, we also actively fulfill our social responsibility by participating in social donations to schools, with a cumulative total of RMB 49,000 (approximately USD 7,000) donated to public schools in 2023.



▲ Hualin Plants supported in Huaxin secondary school's 2023 Sports and Arts Festival.



▲ Anhui Plant visited Xiaitang Teenager Protection Workstation to care for children who remain in rural villages while their parents work in far-away cities.





▲ Anhui Plant participated Specialty Course Achievement Showcase of Changfeng County Special Education School and made donations to the school.



▲ Fujian Plant has supported education at Xizhu Elementary School through donations on Teachers' Day and Children's Day for more than ten consecutive years.

Our investment in sustainable development and educational support not only reflects our concern for the personal growth of our employees, but also demonstrates our sense of responsibility and contribution to social education. Through the establishment of scholarships, support for employees' continued education, and participation in social donations to schools, we not only improve the overall quality and skill level of our employees, but also contribute to the education of the next generation and the community.



▲ *Mr. Lim Liat Tjung or Pak Atong, Plant Head - Plant PCR, PT Gajah Tunggal Tbk. - Tangerang*

## Gajah Tunggal Polytechnic GRI 413-1

Gajah Tunggal Industrial Technical Education (or PATIGAT) was established on 14 September 1981 with Industrial Engineering as its first educational department. In 1995, as it developed, its name was official changed to Gajah Tunggal Polytechnic. Currently, the Polytechnic has four departments: Mechanical Engineering, Electronic Engineering, Industrial Technology, and Information Technology. To date, the Polytechnic has graduated 2,829 students and as per December 2023 there are 384 active students enrolled in Polytechnic. Each cohort of the Polytechnic accepts around 150 students from all provinces in Indonesia. All students studying at the Polytechnic receive full scholarships until graduation.

One of the Polytechnic's alumni who is still actively working in the company is Mr. Lim Liat Tjung or commonly referred to as Pak Atong. He was enrolled the Polytechnic in 1982 as part of the second cohort, majoring in Mechanical Engineering. According to Pak Atong, the scholarship program at the Polytechnic provides great opportunities for children from all regions in Indonesia, including from remote areas, to develop and grow by learning about the technical sector, especially the operational processes of tire manufacturing factories. At the Polytechnic, these students are taught practical skills that align with labour market needs, making them confident and ready to enter the workforce.

# Giti Sustainability Lectures at GT Polytechnic

GRI 413-1

At Giti Indonesia, we have begun involving students at our polytechnic in discussions on sustainability. Our aim is to instill an appreciation for sustainability among these young minds. By doing so, we anticipate that the future talents of Giti Indonesia will naturally incorporate sustainable practices into their daily work routines. This approach not only fosters a culture of sustainability but also prepares our next generation of employees to contribute effectively to our company's environmental goals.

By introducing them to Giti's dedication to sustainability, we also aim to prepare them to actively contribute to our ongoing sustainability initiatives. We believe that early exposure to our company's values and practices will equip them with the knowledge and motivation needed to drive continuous improvements in our sustainability efforts. Our students asked serious questions about climate change showing that they are concerns with their environment.



▲ General lecture on Sustainability topics with Dr Pang Chong Hau, Chief Sustainability Officer at Giti Tire) Tangerang, 29 November 2023

*Students of Gajah Tunggal Polytechnic have the opportunity to learn about sustainability from Dr Pang.*

*This raises awareness of the importance of practicing sustainability and the urgency of achieving this soon. This impresses upon them at an early age a sense of responsibility to safeguard our planet for the generations to come.*



# Building PTGT as a Top Sustainability Brand in Indonesia

GRI 101-1, GRI 101-2, GRI 304-3, GRI 413-1

Giti aims to establish PTGT as a leading sustainability brand in Indonesia. PTGT has initiated a comprehensive reforestation plan to restore numerous hectares of land, although the investment in these reforestation efforts does not directly contribute to enhancing PTGT's business or market share growth, despite every tree being tagged with GPS coordinates. To achieve economic benefits, the primary objective of our reforestation plan—to absorb **100,000 tons of CO<sub>2</sub> annually**—should be aligned with business goals by integrating our sustainability efforts with customer engagement or contracts.

## Restoration Bunder Area

PTGT continuously carries out its commitment to the environment through greening programs aimed at carbon emission absorption. Activities include planting trees within and around the company premises. One such area is the greening land in Bunder. The Bunder Arboretum is located about 5 km from the factory, in Pasir Jaya Village. Covering an area of 60 hectares, approximately 15 hectares have been planted with more than 14,300 trees (approximately 246 tons of carbon emissions sequestered) from about 150 species that consist of local and exotic plants. This includes rare species like Meranti (*Shorea leprosula*). Besides these rare trees, various fruit trees have also been planted to attract birds and other wildlife, such as Kauki (*Manilkara kauki* (L.) Dubard), hog plum (*Spondias pinnata*), Breadfruit (*Artocarpus communis*), and Indonesian bay leaf (*Syzygium polyanthum*).

In managing the arboretum, the company partners with the local community near arboretum in the tree planting and maintenance activities. This partnership has been ongoing since 2017 and continues to this day. Ten farmers have been collaborating with the company. These farmers are responsible for maintaining one block of the arboretum area. In return, they are allowed to plant intercropping plants between the trees in their designated blocks. Plants such as banana, lemongrass, turmeric, galangal, ginger, and cassava are cultivated. The harvest from these intercropping plants is entirely owned by the partner farmers. In a single harvest period, farmers can harvest 50 kg of turmeric, which is then sold to local markets or collectors around the Bunder area.



▲ Discussion between Management of PT Gajah Tunggal Tbk with local farmer at Bunder Arboretum



▲ Group picture of PT Gajah Tunggal representatives and local farmers who collaborate with the Company



▲ Every tree planted in PTGT will be tagged to account for accurate identification and numbering of trees planted.

## Tree Management

To manage all the plants in all land areas under PTGT, we have developed a tree management application. The Tree Management application is an internet-based app designed to digitally record all trees on PTGT grounds, including

newly planted trees, and calculate the CO<sub>2</sub> absorption of these trees. Features of this application include tree identification codes, detailed information about individual trees (tree diameter, tree age, diameter at breast height (DBH), and estimated tree height), tree categories, a catalogue of trees in green open spaces, and CO<sub>2</sub> absorption reports. Data in the Tree Management app indicates that by 2023, PT Gajah Tunggal has cumulatively contributed to the absorption of 11,000 tons of CO<sub>2</sub>, based on calculations of 51,000 trees across the company's green open spaces.



▲ PTGT's web-based Tree Management application

Every tree that planted in the company's green open spaces has an identification number (ID number) as individual-unique identity. Through ID number we can identify the species, location of tree, trunk diameter, height, and date of planted. These all data was input in database and upload in Tree Management application.

PTGT has planted a total of **51,000 trees** across its green open space areas in the Bunder, factories in Tangerang and Merak, and the Karawang proving ground, which will sequester **11,000 tons of CO<sub>2</sub> emissions**.

Giti Tire is on target to successfully sequester **100,000 tons of CO<sub>2</sub> emissions by 2030**, which will mark a significant step towards carbon neutrality. This achievement equates to approximately 10% of Giti's total Scope 1 and 2 CO<sub>2</sub> emissions. PTGT continues to progress with its annual reforestation plan, further cementing our commitment to environmental stewardship. In addition, this initiative has the potential to create marketable green credits for customers' tires.

PTGT is currently in the planning stages to certify the **first net-zero proving ground in ASEAN**, aiming to establish itself as the largest proving ground in the region. The facility will integrate tree planting and solar panels, enhancing Giti's global brand perspective and advancing Giti as a leader in the tire industry.

In 2023, Giti has made significant strides toward achieving near net zero emissions. Looking ahead to 2024, Giti plans to increase the number of trees planted within the proving ground. By doing so, we will **fully neutralise carbon emissions** resulting from both facility operations and vehicle testing.



◀ Proving Ground in Karawang progressing towards becoming net-zero

# Thought Leading GRI 2-17, GRI 413-1

## Through Webinars on Sustainably Resilient Practices

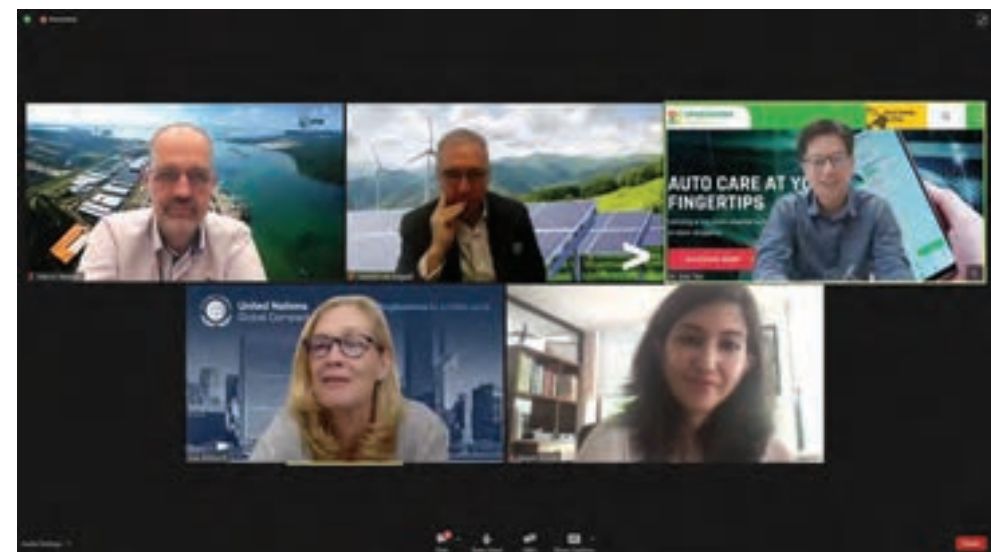
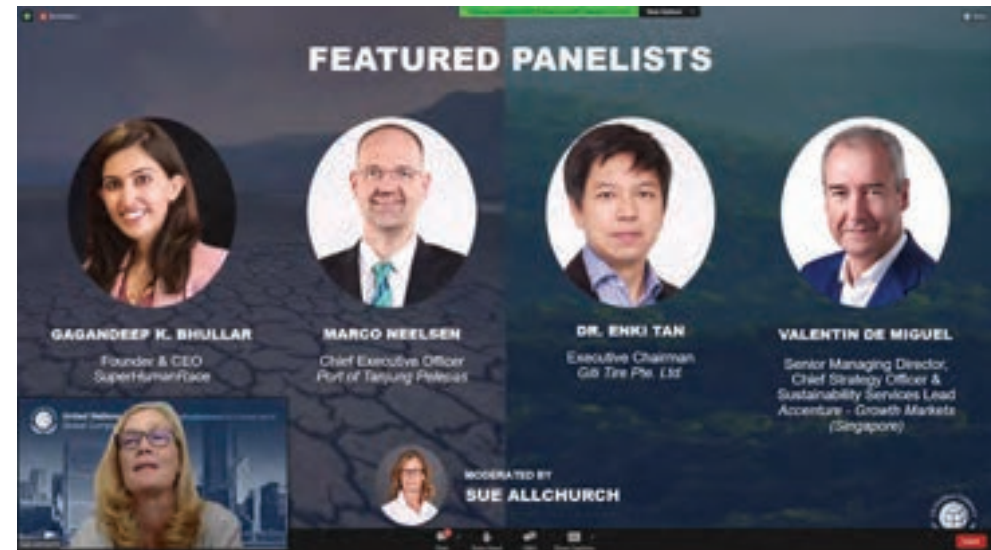
As an active advocate and practitioner of sustainable practices, Giti Tire's Executive Chairman, Dr Enki Tan, continues to champion the implementation and adoption of sustainable policies in corporations on a global scale.

In 2023, Dr Tan was invited to speak at an online seminar hosted by the United Nations Global Compact (UNGC), sharing his experience and insight in "Unlocking the Global Pathways to Resilience, Growth and Sustainability for 2030".

This webinar had over 800 persons in attendance hailing from countries all over the world, with Dr Tan being 1 of 4 key speakers. Dr Tan shared hands-on advice for how organisations could help scale its sustainability impact across the value chain for a socially-just and climate-resilient future, while also shedding light on the importance of the C-Suite's role in advancing the Sustainable Development Goals.

Drawing from his valuable experience of leading a global tire company, Dr Tan shared on the importance of keeping an eye on future trends in the market while always having the other on the environmental and social impact the company has. Besides thinking on a macro-scale, Dr Tan also shared the importance of local resilience and the utilisation of latest technology and data analytics to efficiently deal with the details in order to better implement sustainability monitoring and reporting vertically in the supply chain.

At the end of the webinar, participants were better equipped to implement sustainability in their companies, starting ahead as they drew on the experience of Dr Tan and the other presenters.





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# SDG Compass





# GRI Index

This report has been prepared in accordance with GRI (Global Reporting Initiative) standards specified in GRI 1: Foundation. The following table cross-references sections in the report that are aligned with GRI indicators, according to the standards updated on December 31, 2023.

## Statement of Use

Statement of Use Giti Tire has disclosed the information in this GRI Index from January 1, 2023 to December 31, 2023.

## GRI 1 Used

GRI 1: Foundation 2021

Disclosures	Description	Page
<b>GRI 2: General Disclosures 2021</b>		
2-1	Organizational details	08, 12, 20
2-2	Entities included in the organization's sustainability reporting	12, 20
2-3	Reporting period, frequency and contact point	37
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# Giti China's 2023 Sustainability Performance

	Unit	2023	2022	2021
<b>Total Carbon Emissions</b>				
Scope 1	tCO <sub>2</sub> e	240,213	211,082	228,808
Scope 2	tCO <sub>2</sub> e	303,748	230,992	259,293
Scope 3	tCO <sub>2</sub> e	745,524	/	/
<b>Electricity Consumption</b>				
Electricity	MWh	472,852	417,950	465,790
<b>Human Resource</b>				
<b>Age Group</b>				
18-25	#	569	445	334
26-35	#	2,302	2,334	2,675
36-45	#	4,553	4,668	4,903
46-55	#	3,342	3,223	2,897
>=56	#	359	445	335
<b>Gender</b>				
Male	#	9,233	9,185	9,180
Female	#	1,892	1,930	1,964
<b>Job Class</b>				
Administrative, technical staff and others	#	2,911	2,529	2,463
Supervisors and managers	#	890	873	881
Production operators	#	7,324	7,713	7,800
<b>Hire &amp; Turnover</b>				
Turnover Rate	%	13.8	12.4	14.0
Male Hire Rate	%	88.4	86.0	77.8
Female Hire Rate	%	11.6	14.0	22.2
Lost Time Injury Events	#	13	12	19
Lost Time Injury Frequency	%	0.51	0.52	0.77



## SUSTAINABILITY REPORT 2023

In this year's report, we have updated our naming convention to better reflect the reporting period. In 2023, our report was named based on the year it was released. Starting with this edition, the report will be named based on the year it covers. For example, this report, titled "Sustainability Report 2023: Beyond the Road," covers the performance metrics and key developments for the year 2023, even though it is released in 2024. This change aims to provide clearer and more accurate representation of the reporting period.

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