INDIKA ENERGY | NET ZERO 2050



ACCELERATING SUSTAINABILITY

SUSTAINABILITY REPORT 2022

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Cover story

If we could take a snapshot characterizing Indika Energy's journey in 2022, it might feature a stylish electric motorbike. Or perhaps delegates from leading global businesses coming together to share solutions to the world's most pressing challenges. Or it might be a solar farm glinting in Indonesia's abundant sunlight.

In truth, the snapshot would be a tapestry, because that would be the best way to characterize on how many fronts and in how many ways we continued pursuing our sustainability goals through our environmental, social, and governance values.

2022 was a landmark year across all three of our business approaches: diversifying into low-carbon businesses; decarbonizing our existing operations; and divesting from high-carbon businesses. Everything we did served the larger goal of increasing our non-coal revenue to more than 50% by 2025 and achieving net-zero carbon emissions by 2050.

In our pursuit of a clean energy future, we maintained our leadership position at national and international forums to emphasize the need for an energy transition that is not only swift and transformative, but, above all, one that is just.

This is the future that we envision, for the communities we are in, for the people of Indonesia, and for the planet. So if the 2022 tapestry looks like a snapshot of the future, that's because it is.



LETTER FROM OUR PRESIDENT DIRECTOR

> “2022 was the year we gained traction on some of our most important diversification initiatives, firming the foundation for Indika Energy’s future as Indonesia’s leading diversified investment company.”

Paving the road to a bright new future often calls for disrupting the business-as-usual model. For some, it may mean making small adaptations. For others, it may entail an entire shift in identity.

Indika Energy has throughout its existence been recognized as a leading energy company in Indonesia. Empowering the people of Indonesia and energizing the country’s growth have always been at the heart of what we do.

In the future that we envisioned when we embarked on our ambitious and unprecedented sustainability transition in 2018, that will never change. We will continue to empower and energize, but in new and diverse ways that represent both a fundamental transformation of business as usual and a strengthening of our core commitments.

2022 was a milestone year for this brave new future in Indonesia. This was the year we gained traction on some of our most important diversification initiatives, firming the foundation for Indika Energy’s future as Indonesia’s leading diversified investment company. It was also the year that Indonesia, under the exemplary leadership of President Joko Widodo, took charge of the global agenda in the G20 to push for solutions to the pressing issues that we all face, from climate impacts to energy security, and we were there every step of the way.

At Indika Energy, these are issues we are all too familiar with. This is what spurred our transition, which centers on two headline numbers: generate at least 50% of our total business from non-coal streams by 2025, and achieve net-zero greenhouse gas emissions by 2050.

At the heart of our ambitious transition is a mantra: diversify, decarbonize, and divest. It is the fundamental formula to a hugely complex challenge. How do we achieve our goals? First, we diversify into low-carbon businesses. Second, we decarbonize our existing operations to reduce our footprint. And third, we divest from legacy businesses centered on coal, even if these have historically been the core pillars of our business.

In 2022, we made huge strides in our journey to diversify, decarbonize, and divest. We unveiled two new joint ventures in electric vehicles — one for motorbikes, the other commercial vehicles — and strengthened our position as a leading solar power provider. We also began exploring nature-based solutions as a win-win for both business and biosphere.



M. Arsjad Rasjid P. M.

President Director



> “We understand the urgency of decarbonizing the global economy, but we also understand that the transition that follows must leave no one behind.”

Across our operations, we intensified efforts to cut our carbon footprint, reduce waste, and do more with less. And as this report will show, for the most part we managed this with quantifiable success.

Importantly, we also completed the divestment of our majority stake in mining and engineering services provider Petrosea, as part of continuing efforts to reduce our exposure to high-carbon businesses. These are only some of the transformative initiatives we will continue to take to hit our 2025 target of ensuring more than half of our revenue comes from non-coal businesses.

At the same time, we played an increasingly prominent role on the national and international stages in advocating for a just energy transition. We understand the urgency of decarbonizing the global economy, but we also understand that the transition that follows must leave no one behind. That was the message we brought to the B20 business event of the G20 here in Indonesia, and also to the COP27 climate summit in Egypt.

Our commitment

From its very inception five decades ago, Indika Energy has unfailingly pursued the goal of energizing Indonesia. Today, we remain as committed as ever to this goal as we chart a path forward to a sustainable future.

2022 marked a period of hard work by all the teams and across all the organizations within the group, as we sought to deliver long-term value for everyone in our ecosystem, supported by our values. Our employees continued to be the driving force for our progress, and together with all our stakeholders, helped push us ever closer toward our mid- and long-term decarbonization goals.

Our ESG score was upgraded by Sustainalytics, an independent global provider of ESG ratings: In July 2022, our score under Sustainalytics improved to 34.5 from previously 38.1, proof that we continue to make good on our commitments while also delivering greater value to stakeholders.

Our contributions to the community also increased in the past year. We made a positive impact on the lives of our more than 3,900 employees, and thousands of family members who depend on them amid an economy not yet fully recovered from the pandemic yet also rattled by geopolitical developments.

And while we endeavored to ensure that all systems and safeguards were in place to keep employees safe on the job, regrettably we did experience the fatality of a contract



worker at our operation at Kideco in 2022. We have since strengthened measures to prevent such incidents, ensured the family of the deceased is taken care of, and rededicated ourselves to the pursuit of the zero-fatality workplace that has long been our hallmark.

Beyond our workforce, we spent more than IDR 59.9 billion on community development efforts, touching the lives of more than 260,000 people.

Diversify

2022 saw several key milestones in our journey to diversify our entry into low-carbon businesses. We officially unveiled not one but two electric vehicle (EV) joint ventures: Ilectra Motor Group (IMG), focusing on electric motorbikes, and Foxconn Indika Motor (FIM), focusing initially on electric batteries and commercial vehicles.

We are confident that these steps represent only the start of a thriving EV ecosystem that encompasses not just electric vehicles themselves, but the entire value chain — from battery production to vehicle assembly to charging points and battery swap stations.

We also had a successful high-profile introduction of our electric buses, used at the G20 and B20 summits in Bali as part of the events' focus on EVs as the preferred mobility choice. As public transportation infrastructure improves in urban areas across Indonesia, including in the transit-oriented new capital city of Nusantara, we see a promising market for EV buses that address the twin problems of emissions and traffic.

Also as part of business diversification, we are set to become the first company to introduce the environmentally friendly DNi process for extracting nickel — a key component of EV batteries. This is also part of our wider push into the metals space, joining our gold-mining venture in South Sulawesi, Nusantara Resources, which will contribute to diversifying our low-carbon revenue stream while also contributing to livelihood improvement in often underserved regions of Indonesia.

In 2022 we also strengthened our solar power joint venture, Empat Mitra Indika Tenaga Surya (EMITS). Envisioned as part of a growing renewable energy network serving consumers across the country, it is expected to spur greater investment in the field and help Indonesia meet its target of doubling the share of renewable sources in the country's energy mix.

A newer field that we explored in 2022 is nature-based solutions, the promising range of initiatives where success for the bottom

"A newer field that we explored in 2022 is nature-based solutions, the promising range of initiatives where success for the bottom line is also success for the planet."

line is also success for the planet. This is part of our efforts to keep our Earth sustainable for future generations. The solutions we are currently looking at include carbon offsets, biomass for energy, and community-engaged agroforestry. These represent not just new spaces for Indika Energy as we continue to diversify our investments, but pioneering new industries in Indonesia, where we hope to establish leadership positions.

Decarbonize

While we explored promising new areas in 2022, we also maintained our focus on our core legacy businesses, with an emphasis on efforts aimed at decarbonization. We have every reason to be proud of our achievements over the past year. We reduced our Scope 1 greenhouse gas emissions by 14% in 2022 and maintained our Scope 1 emissions intensity at 0.022 tonCO2eq / ton coal production, demonstrating that we are well on track (or beyond) to meet our 2025 target.

> “We reduced our Scope 1 greenhouse gas emissions by 14% in 2022.”

Infused by the same culture of pursuing efficiencies, we also achieved a 11.2% decrease in revenue-based water withdrawal intensity, coupled with a significant increase in waste repurposing and reduction in air pollution. In a world of finite resources, every bit of accountability matters.

Decarbonization was also our main point of advocacy when we participated in both the B20 business summit and the COP27 climate summit. At the B20, we served on the Energy, Sustainability, and Climate Task Force to formulate policy recommendations on sustainable energy transition. For Indika Energy, it was a key opportunity to offer our perspectives on a just energy transition for Indonesia and help inform national policy, strategy, and planning.

At COP27, we participated in panel sessions on “Scaling New Green Businesses and Climate Resilience & Energy Transition” and “Climate Resilience and Energy Transition: Fostering Collaborative Action.” Our message there was simple: To seek collaboration with communities on solutions that have a positive impact on their welfare. We are strong believers that driving societal change to be more environmentally oriented is what will move us closer toward true sustainability.

The actions we take today to avoid and reduce emissions also include careful sustainable and operational initiatives resulting in less energy demand, and investments to increase our energy efficiency. In 2022, we complemented these efforts with carbon credit purchases to help meet our 2050 net-zero emissions target. This voluntary purchase from one of the world’s largest blue carbon projects will offset 52,800 tonCO2eq of emissions. The project protects and restores 350,000 hectares of tidal river channels and creeks, low-lying sandy islands, mangrove forests and intertidal areas on the southeast coast of Pakistan’s Sindh province. This project will drive broader biodiversity and socioeconomic benefits that can further advance the United Nations Sustainable Development Goals.

Divest

If our commitment to a low-carbon future is to hold, it will take more than diversifying our business and decarbonizing our operations. It will also call for the often difficult decision to divest from legacy businesses that, historically, have been important to our success, and to do so without disrupting shareholder value or employee welfare.

In 2021, we divested from coal transportation provider PT Mitrabahtera Segara Sejati Tbk (MBSS). In 2022, we followed this by divesting from PT Petrosea Tbk, a mining services and engineering contractor.

As we explore further opportunities, it is important to emphasize that Indika Energy will continue to be Indonesia's leading diversified investment company. These divestments do not signal our exit from the energy industry. If anything, they herald our entry into sustainable forms of energy that will serve people and the planet better over the long term.

The future is ...

All the progress we made in 2022, from countless initiatives big and small, represents a leap forward in our journey toward the sustainable future that we have long envisioned. Our hope is that, as you go through this report, you will come to appreciate, as we do, that these achievements are not one-offs. Taken all together, they are a tapestry that shows where we stand today and where we want to be tomorrow.

We believe the future is what we make it. Let's make it a bright one, a sustainable one, and one that we can be proud to leave to our children.





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our President Director

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ABOUT THIS REPORT

Indika Energy understands that sustaining a successful business over the long term is about more than just the business itself. The environmental, social and governance (ESG) aspects of what we do determine how sustainable the business truly is. That is why we are committed to providing the full picture about our ESG commitments and progress through this annual reporting process.

Report scope and boundary

This report focuses on the ESG topics that are material to the Indika Energy Group, as informed by extensive consultations with Indika Energy's internal and external stakeholders.

Unless otherwise stated, we report financial and non-financial data, including environmental, social and governance data, from Indika Energy subsidiaries. These are defined as companies in which Indika Energy holds more than 50% of shares and has management control. These include PT Kideco Jaya Agung (Kideco), PT Multi Tambangjaya Utama (MUTU), PT Tripatra Engineers & Constructors and PT Tripatra Engineering (Tripatra), PT Interport Mandiri Utama (Interport), PT Xapiens Teknologi Indonesia (Xapiens), PT INDY Properti Indonesia (IPI). [GRI 2-2]

Indika Energy has also begun diversifying into various non-coal businesses as a step toward decarbonizing its portfolio and enhancing future business returns. As these new businesses are currently in the process of being developed, they also start to process data to provide a complete ESG picture in the future, and thus it is not reported here.

Our material ESG topics [GRI 3-1, 3-2, 3-3]

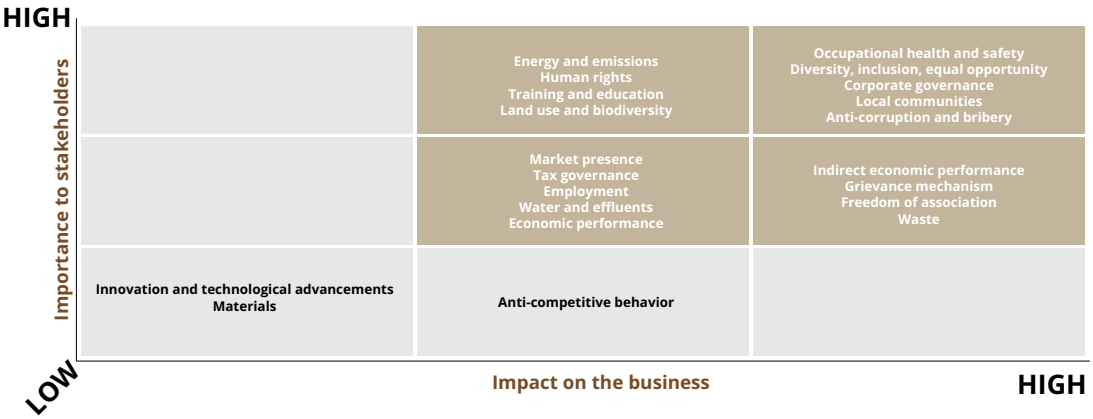
We undertake a materiality assessment to establish the areas of focus for our sustainability strategic review and the information we disclose in our sustainability reporting. Our assessment takes the views of both internal and external stakeholders and considers topics at the global, national and local levels, as well as information relating to our business and the natural resources sector; our regulatory requirements; and topics raised during engagement with our internal and external stakeholders.

Determining the material topics was done throughout the stages of identification, priority, validation and review based on feedback and independent stakeholder assessments. The report's material topics are aligned with Indika Energy's commitment to ESG management for sustainable growth. Below are our materiality assessment results.

Material topics disclosure	Why the topic is material	Boundary	
		Head office	Subsidiaries
Energy and emissions	Have significant impacts on the sustainability of the environment	√	√
Water and effluents	Have significant impacts on the sustainability of the environment	√	√
Waste management	Have significant impacts on the sustainability of the environment	√	√
Land use and biodiversity	Have significant impacts on the sustainability of the environment	√	√
Occupational health and safety	Have significant impacts on the operations and employees	√	√
Diversity, inclusion, and equal opportunity	Have significant impacts on the operations and employees	√	√
Employment	Have significant impacts on the operations and employees	√	√
Training and education	Have significant impacts on the operations and employees	√	√
Freedom of association and collective bargaining	Have significant impacts on the operations and employees		√
Local communities	Have significant impacts on the operations and communities		√
Human rights and grievance mechanism	Have significant impacts our stakeholders	√	√
Corporate governance	Have significant impacts on the sustainability of the company	√	√
Anti-corruption/anti-bribery	Have significant impacts on the sustainability and reputation of the company	√	√
Tax governance	Have significant impacts on the sustainability of the company	√	√
Economic performance	Have significant impacts on the sustainability of the company	√	√

Material topics disclosure	Why the topic is material	Boundary	
		Head office	Subsidiaries
Indirect economic impacts	Have significant impacts on the sustainability of the company and community	√	√
Market presence	Have significant impacts on the sustainability of the company	√	√
Materials	Have significant impacts on the sustainability of the company	√	√

We finalized high priority ESG topics that are material to our business and stakeholders. Further, these material topics that we prioritized are the ones in the medium and high levels, as shown in the following graph.



– **Energy and emissions**

As one of Indonesia's leading diversified investment companies, we have a key role to play in enabling the transition to a low-carbon economy. We do this through our well-positioned portfolio that includes commodities that underpin energy and mobility transformation.

– **Water and effluents**

We recognize that water is a shared and finite resource. We are conscious of the increasing concerns of our local stakeholders and other local water users regarding ongoing availability and quality of water, security of access, and the potential for impacts on water supply. We aim to minimize any potential water-related impacts.

– **Waste management**

Our operations generate waste that can affect the environment and nearby communities. We monitor all material emissions and constantly look for ways to reduce those that pollute the air around us. We avoid, minimize and reuse waste as much as possible, and maintain, assess and audit our waste-disposal facilities according to national regulations and internationally accepted guidelines.

– **Land use and biodiversity**

Indonesia is blessed with one of the highest levels of biodiversity of any country in the world. We understand the importance of conserving this biodiversity: keeping Indonesia's forests standing protects endangered species, mitigates flood risk, and helps slow climate change.

– **Occupational health and safety**

The success of our business is dependent on a safe and healthy workforce, and this is our top priority, even as COVID-19 restrictions begin to ease in Indonesia. Learning from decades of occupational health and safety experience, and nearly three years of a global pandemic, we take a proactive, preventive approach toward health and safety to establish a positive safety culture.

– **Diversity, inclusion, and equal opportunity**

Our approach to promoting diversity, eliminating gender bias, and supporting equal opportunity at work is an inviolable part of our work culture. We are a proudly Indonesian company that reflects the rich diversity of this archipelago and its people's tradition of tolerance, from our new hires all the way up to our senior leadership.

– **Employment**

Our workforce is fundamental to our success, which is reliant on our ability to attract and retain the best talent. We foster an environment that supports and encourages people from different backgrounds, cultures and beliefs. We recognize that diversity brings new ideas, innovation and different ways of working, and that mutual respect leads to a driven workforce, dedicated to our common goals.

– **Training and education**

Learning is for life, and we honor this principle by providing ample opportunity for employees to continuously improve their skills, grow their capacity, and advance their career in a way that benefits them, the company, and their families and communities.

– **Freedom of association and collective bargaining**

We believe strongly in workers' rights to freedom of association, to unionization, and to collective representation. We have always engaged in collective bargaining talks and other negotiations in good faith and are proud to say that we share the same interests of doing the best by the workers.

– **Local communities**

Our activities make a significant contribution to the local economies where we operate, even reverberating out to the national level. We recognize our responsibility to minimize any negative impact from our activities and to support sustainable development and growth, including through education and empowerment opportunities for local communities.

– **Human rights and grievance mechanism**

At Indika Energy, we take very seriously our commitment as a responsible member of society to respect human rights in everything we do. We remain vigilant to the fact that the potential for violations exists within our operations, which is why we plan for these risks to mitigate them. We take all concerns raised by employees or third parties very seriously, and work to resolve them thoroughly and fairly.

– **Corporate governance**

Good governance is fundamental to economic growth, political stability and security. It underpins the performance of our business, helps us become more stable and productive, and unlocks new opportunities.

– **Anti-corruption/anti-bribery**

We have always taken a zero-tolerance approach to corruption and bribery, and work to uphold responsible business practices that embrace integrity, transparency, and honesty, and eschew practices such as bribery, facilitation payments, fraud, extortion, collusion, and money laundering.

- **Tax governance**

As a responsible corporate citizen and proud stakeholder in Indonesia's empowerment, both literal and economic, over the decades, we are committed to giving back to the nation that has nurtured us. We pay all our dues diligently, in full and on time, from taxes to royalties, and maintain a governance mechanism to ensure we continue to do so.

- **Economic performance**

For us as a business, the bottom line is, well, the bottom line. Our performance as measured against our goals carries great weight for the value we return to shareholders. Increasingly, as with all other businesses, climate change has become a factor that must be addressed for its financial implications.

- **Indirect economic impacts**

Our contribution to the economy, at the local level and even to the national GDP, is easily quantifiable. Less apparent but no less important is the impact we make through investments in community education and health, vocational training, support for small businesses, and more. These are impacts that will be felt not on a quarterly basis, but for generations to come.

- **Market presence**

Wherever we operate, we come as good-faith partners to the community. We make it a point to hire people from local communities, offering pay that exceeds the minimum wage, and to solicit local businesses as suppliers. The knock-on effects of directly empowering communities improves welfare for more than just the individuals directly impacted.

Based on the materiality assessment, we report the following changes to the list of material topics compared to the previous reporting period [GRI 3-2]:

- Diversity, inclusion, and equal opportunity
- Training and education
- Freedom of association and collective bargaining
- Tax governance
- Economic performance
- Indirect economic impacts
- Market presence

Reporting period [GRI 2-3]

Unless otherwise stated, the ESG disclosures contained in this report pertain to the period from January to December 2022. Where relevant, we have supplemented data for 2020 and 2021 to provide more context.

Reporting cycle [GRI 2-3]

We are committed to publishing our Sustainability Report on an annual basis.

Reporting standards

This Sustainability Report was prepared in accordance with POJK No. 51/POJK.03/2017, the Global Reporting Initiative (GRI) 2021 and Core Metrics of the WEF Stakeholder Capitalism Metrics. The content of this Report is also aligned with the United Nations' Sustainable Development Goals (SDGs) and the Ten Principles of the United Nations Global Compact (UNGC).

Indika Energy is a signatory to the principles of the United Nations Global Compact (UNGC), and this Sustainability Report outlines our support for its development objectives and our work on implementing the Compact's 10 principles.

At the start of 2022, we signed a letter of commitment to incorporate the World Economic Forum (WEF) Stakeholder Capitalism Metrics (SCM) into our ESG reporting, demonstrating our endeavors to increase transparency and accountability.

External assurance [GRI 2-5]

We have engaged SGS Indonesia to provide external assurance for this Sustainability Report's compliance with the GRI reporting standards. The details of the assurance engagement can be found in the Sustainability Report Assurance Statement.

Restatements of information [GRI 2-4]

We report several restatements, which include:

- 2020 total energy consumption data.
- 2020 and 2021 data in the Hazardous and non-hazardous waste by management method table.

Feedback channel [GRI 2-3]

Your feedback is important to us. Please reach out to us with your comments or questions on this report and our sustainability performance.

sustainability@indikaenergy.co.id



KEY HIGHLIGHTS

Supporting global efforts toward sustainability

Indika Energy has always been a leader in the fields in which we operate, and on the issue of sustainability, we are once again taking the lead.

Indonesia B20 and G20 Summit

Indonesia's presidency of the G20 group of biggest economies in 2022 presented a key opportunity for us to demonstrate our commitment at the highest global stage. This included participating in the affiliated B20 Indonesia Energy, Sustainability, and Climate Task Force to formulate policy recommendations on sustainable energy transition. Through this Task Force, Indika Energy offered its perspectives on Indonesia's green energy transition to help shape national policy, strategy, and planning.

Partnered with Foxconn, Indika Energy provided a fleet of five electric buses to the Indonesian Ministry of Investment to support mobility at the B20 and G20 Summit in Bali. The Ministry has since praised these Foxtron buses as the best among those used at the event, where EVs were the preferred mode of transport.

Our technology subsidiary, Xapiens, provided cybersecurity for the entire series of B20 events, from pre-events to the in-person summit held on November 13 to 14, 2022.



To accelerate the transition towards more sustainable energy, cooperation is needed both at the sectoral and cross-sectoral levels, at the regional and national and international levels to share information and technology, develop productive and innovative solutions. Indika Energy has also taken various strategic steps related to the transition towards a sustainable business by diversifying its business into the low-carbon sector.

M. Arsjad Rasjid P.M.
President Director of Indika Energy

> We work collaboratively with communities to find solutions that would bring a positive impact to their well-being. It is a powerful platform for bringing environmental and behavioral change towards sustainability. The time for action is now.

Leonardus Herwindo
Chief Executive Officer of Indika Nature



The Conference of the Parties of the UNFCCC (COP 27)

Indika Energy also continues to push for a just energy transition as a key climate solution. Once again, we participated in the United Nations climate summit, which in 2022 was held in Egypt, COP27, where we participated through Indika Nature, in panel sessions on "Scaling New Green Businesses and Climate Resilience & Energy Transition," and "Climate Resilience and Energy Transition: Fostering Collaborative Action."

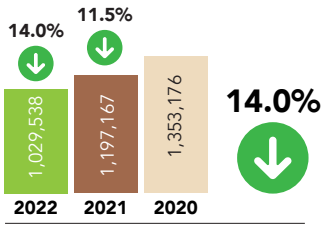
At the national scale, Indonesia is committed to continuing to encourage the use of new and renewable energy (known in Indonesian by the acronym EBT), which will have an impact on reducing greenhouse gas emissions and thus contributing to climate efforts. A key part of this transition is the phasing out of coal in favor of biomass — a renewable energy source with tremendous potential for development in Indonesia, thanks to the country's vast forest resources.

This is where Indika Energy is poised to play a pioneering role. Through Indika Nature, we run a nature-based solutions business that manages a forest estate of more than 170,000 hectares in a sustainable manner. Indika Nature's three business pillars are energy plantations, environmental services and agroforestry, and non-timber forest products (NTFPs).

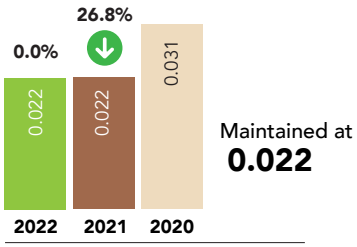
With nature-based solutions, we are looking for greater synergy with local communities, working together to protect forests and Earth so that they remain sustainable for future generations. Ultimately, this is one of several approaches we are taking to achieve carbon neutrality by 2050.

ESG performance

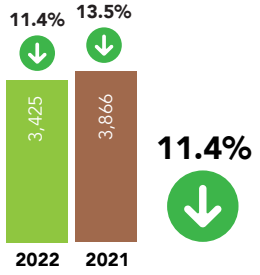
We take our responsibilities to our people, society and environment seriously, and align our activities with the relevant national and international standards, including the United Nations' Sustainable Development Goals (SDGs), the Ten Principles of the United Nations Global Compact (UNGC), and the WEF Stakeholder Capitalism Metrics (SCM).



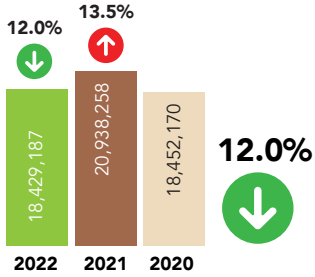
Scope 1 GHG emissions
(TonCO2eq)



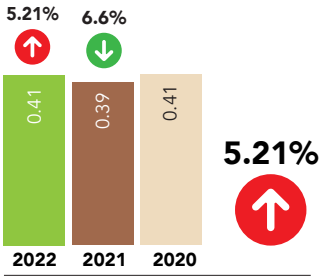
Scope 1 GHG emissions intensity
(TonCO2eq/ton coal production)



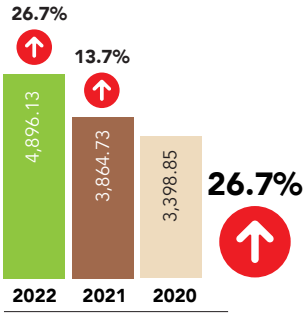
Scope 2 GHG emissions
(TonCO2eq)



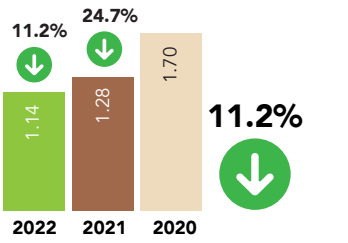
Energy consumption
(Gigajoule)



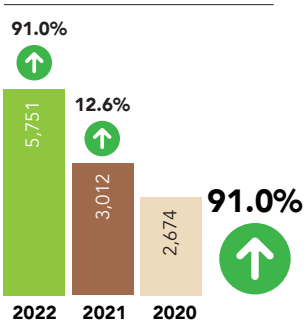
Energy intensity
(Gigajoule/ton coal production)



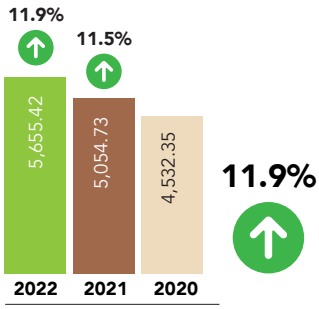
Water withdrawal
(ML)



Water withdrawal intensity
(ML/USD mn revenue)



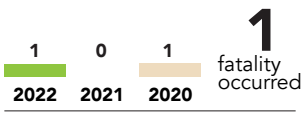
Waste reused and recycled
(ton)



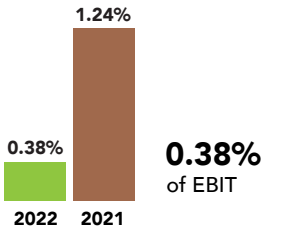
Reclamation area
(hectare)



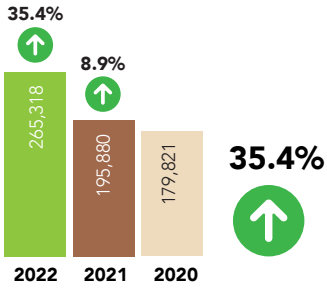
Employee fatalities at managed operations
(lives)



Contractor fatalities at managed operations
(lives)

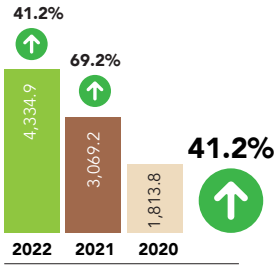


Community investment spending [GRI 201-1]
(% of EBIT)

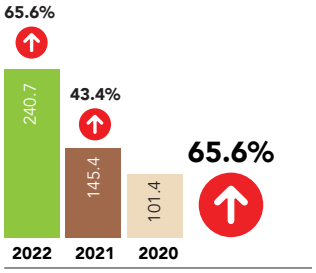


Community relations
(Number of lives impacted)

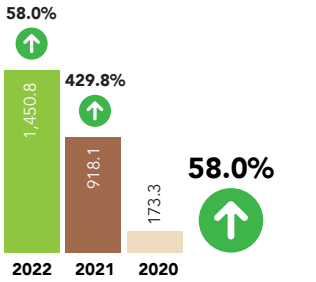
Financial performance



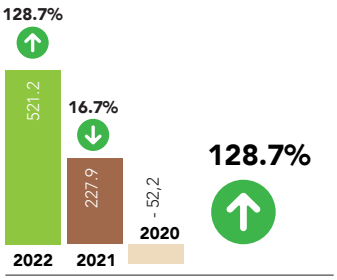
Revenues [GRI 201-1]
(USD million)



Operating costs [GRI 201-1]
(USD million)

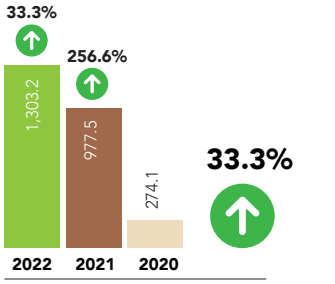


Gross profit [GRI 201-1]
(USD million)

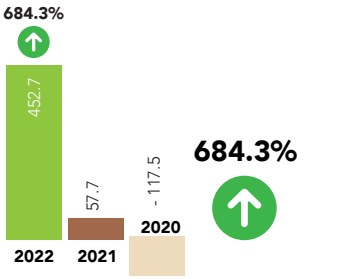


Core profit (loss)* [GRI 201-1]
(USD million)

*) Core Profit (Loss) is defined as net profit (loss) attributable to Owners of the Company for the year excluding: 1) amortization of intangible assets of Kideco and MUTU; 2) fair value changes on contingent consideration obligation related to acquisition of additional shares in Kideco in 2021; 3) impact from refloat of Petrosea's shares recognized in 2021; and 4) loss recognized on acquisition of Nusantara in 2021.



Adjusted EBITDA [GRI 201-1]
(USD million)



Net profit (loss) [GRI 201-1]
(USD million)



Economic impact

The energy we produce at Indika Energy Group helps power economic growth and improves the quality of life for the people of Indonesia.

> We also transform communities through our community development programs, on which we spent more than IDR 59.9 billion in 2022.

This year, we supplied 36.6 million metric tons of coal and contributed USD 990.4 million for taxes to the government. We support local economic growth in the regions where we operate. This, in turn, creates jobs, drives further economic development and social empowerment, and generates revenue for local and national governments.

This year, we provided compensation and benefits to more than 3,900 employees across the nation.

We also transform communities through our community development programs, on which we spent more than IDR 59.9 billion in 2022. With this spending, we are able to empower our communities by providing access to health care and education, implementing environmental conservation programs, and strengthening communities' financial independence.

Indika Energy Group complies with all applicable laws and regulations related to tax payments as a part of our efforts to support state financing and national development. In 2022, our subsidiaries did not receive financial assistance from the Government [GRI 201-4]. We paid all relevant taxes on time, including Employee Income Tax, Corporate Income Tax, Period VAT, royalties and Land & Building Tax. We also submitted annual and monthly tax return documents (SPT) and other relevant documents to the regulatory agency on time [GRI 207-1].

Our operational activities also indirectly have an impact on improving the national, regional and local economy. This includes development of physical infrastructure such as roads repair, bridges, schools as well microeconomic development programs and local suppliers.

Economic benefit



36.6 million metric tons total coal production

3,900+ lives impacted from employee wages and benefits

USD 990.4 million tax contribution to the government

USD 452.7 million net profit [GRI 201-1]

Indirect economic impact



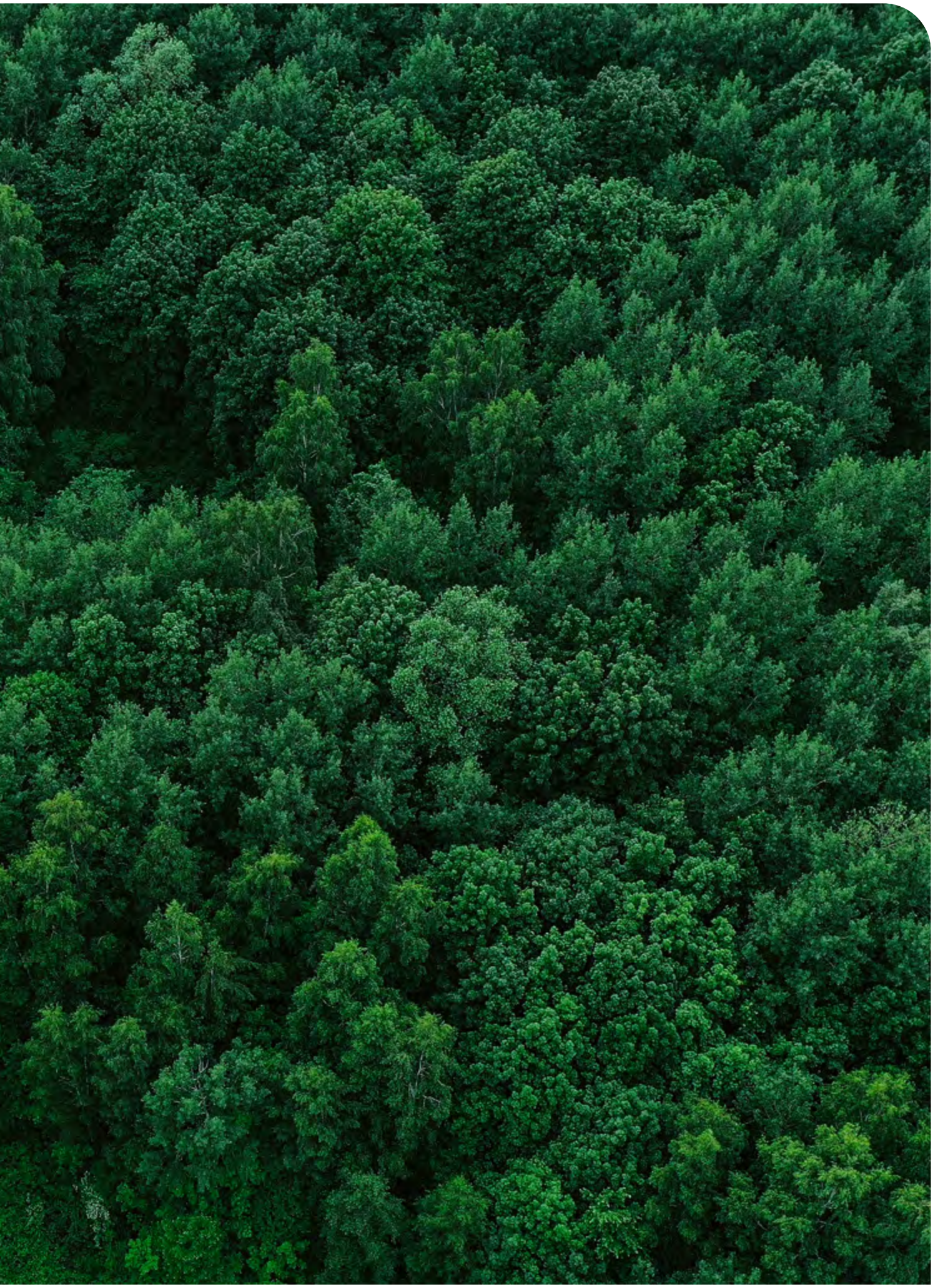
Skill enhancement and business opportunity creation in surrounding communities [GRI 203-2]

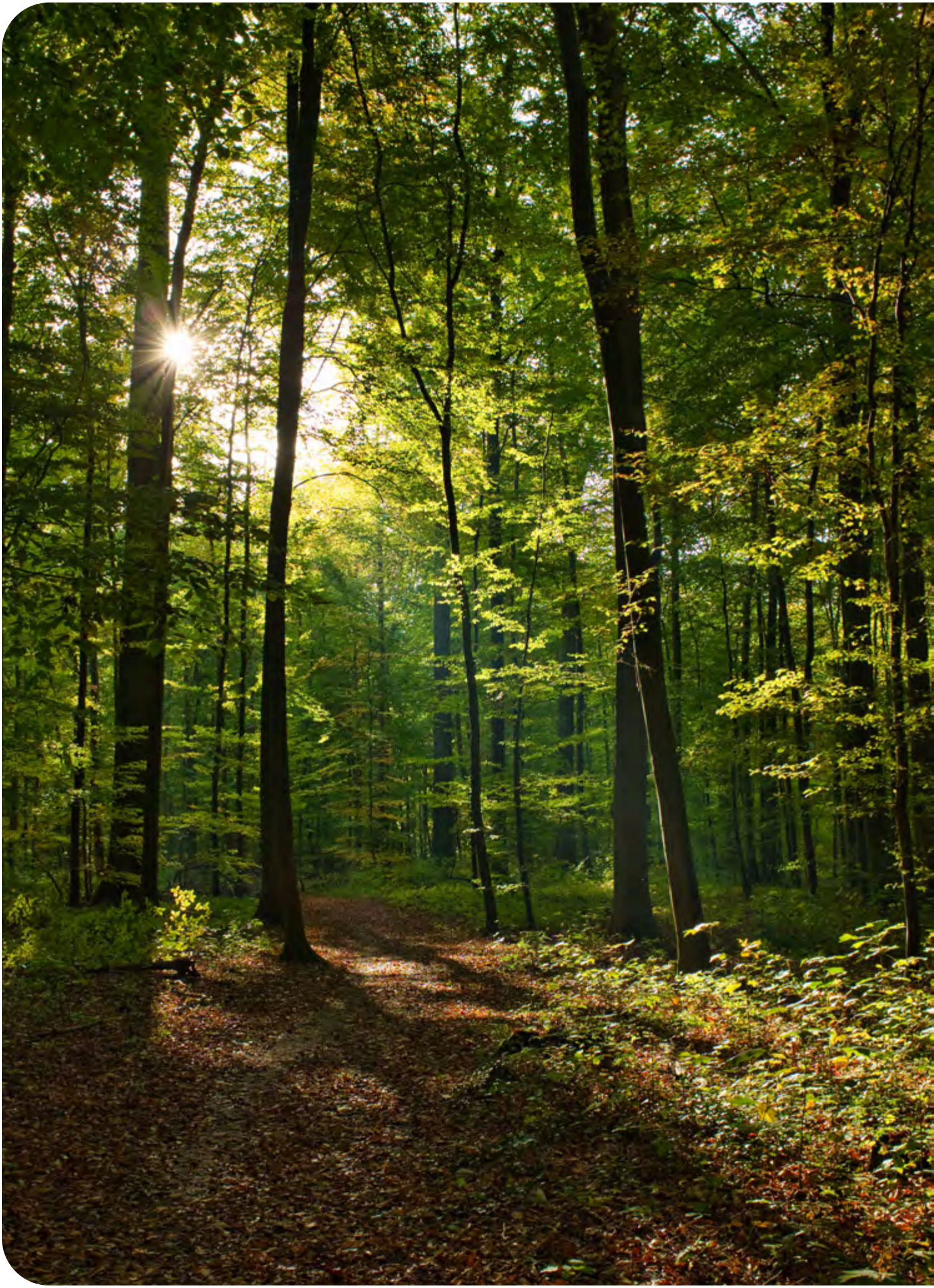
112 employees in senior management level hired from the local community [GRI 202-2]

1,076 local hires at Kideco, Tripatra, and Interport

94% proportion of spending by Tripatra on local suppliers

Rp 59.9 billion Community investment spending [GRI 201-1]







INDIKA ENERGY AT A GLANCE

PT Indika Energy Tbk, referred to as "Indika Energy" throughout this report, is Indonesia's leading diversified investment company, established on October 19th, 2000, and listed on the Indonesia Stock Exchange (IDX) with the ticker code of INDY since 2008. Our diversified portfolio comprises a wide range of businesses with strong growth opportunities, including renewable energy, nature-based solutions, electric vehicle ecosystem, logistics and infrastructure, minerals, digital technology and health care — all in line with our commitment to energize Indonesia for a sustainable future. [GRI 2-1, 2-6]

We have grown to become an industry leader committed to the empowerment of the nation and its people. At the same time, Indika Energy has conscientiously maintained an excellent record on environmental, safety, and regulatory compliance, as well as strong standards of corporate governance in line with its responsibilities and commitment to all stakeholders. Today, we have committed to a path of business diversification that will ensure at least 50% of our revenue in 2025 will come from non-coal streams, with the goal of achieving carbon neutrality by 2050 or sooner.

Our vision and mission

Our purpose:

We energize Indonesia for a sustainable future.

Our vision:

Highly trusted, innovative, and enduring business partner for sustainable value creation.

Our mission:

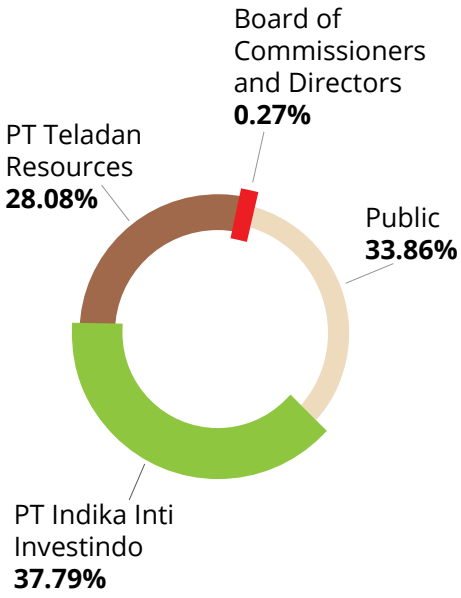
- To develop Indonesia in a sustainable way
- To be a robust diversified investment company
- To empower our people and actively develop next generation leaders
- To be socially responsible, embracing diversity and acting with integrity
- To create exceptional value for all our stakeholders

Our core values

Our values reflect our purpose, our priorities, and the beliefs by which we seek to conduct ourselves and carry out our business activities. They define what it means to work at Indika Energy, regardless of location or role.

- Unity in Diversity: Viewing diversity as an asset to the company and accepting, valuing, completing and strengthening one another as a solidly unified entity
- Integrity: Honest with oneself, others and one's work at every moment by upholding prevailing ethical standards and legal norms
- Teamwork: Actively contributing and collaborating based on trust and shared interests rather than personal interests
- Agility: Consistently demonstrating resilience and showing flexibility as well as adaptability through innovative entrepreneurship
- Achievement: Achievement as the measure of success and the motivation to do what is best for the company
- Social Responsibility: Highly concerned to the environment and community, and contributing added value to the society

Shareholders composition





Our products and services [GRI 2-1]

Driving Indika Energy's position as Indonesia's leading diversified investment company is the ambitious transformation we have been undertaking since making our sustainability pledge: to shift at least 50% of our business to non-coal streams by 2025, and to achieve net-zero emissions by 2050.

This transformation has seen Indika Energy move away from our previous three-pillar model of energy resources (coal exploration, production, and trading), energy services (coal mining services and EPC services in oil and gas), and energy infrastructure (coal-fired power plants).

Today, we embrace a new model that better represents our vision for a sustainable future, one that increasingly nurtures renewable energy and low-carbon initiatives. While not compromising on our commitment to Indonesia's energy security, we are expanding into the sectors of logistics and infrastructure, minerals, green businesses, and digital ventures.

The corporate entities under Indika Energy to which this sustainability report applies are:

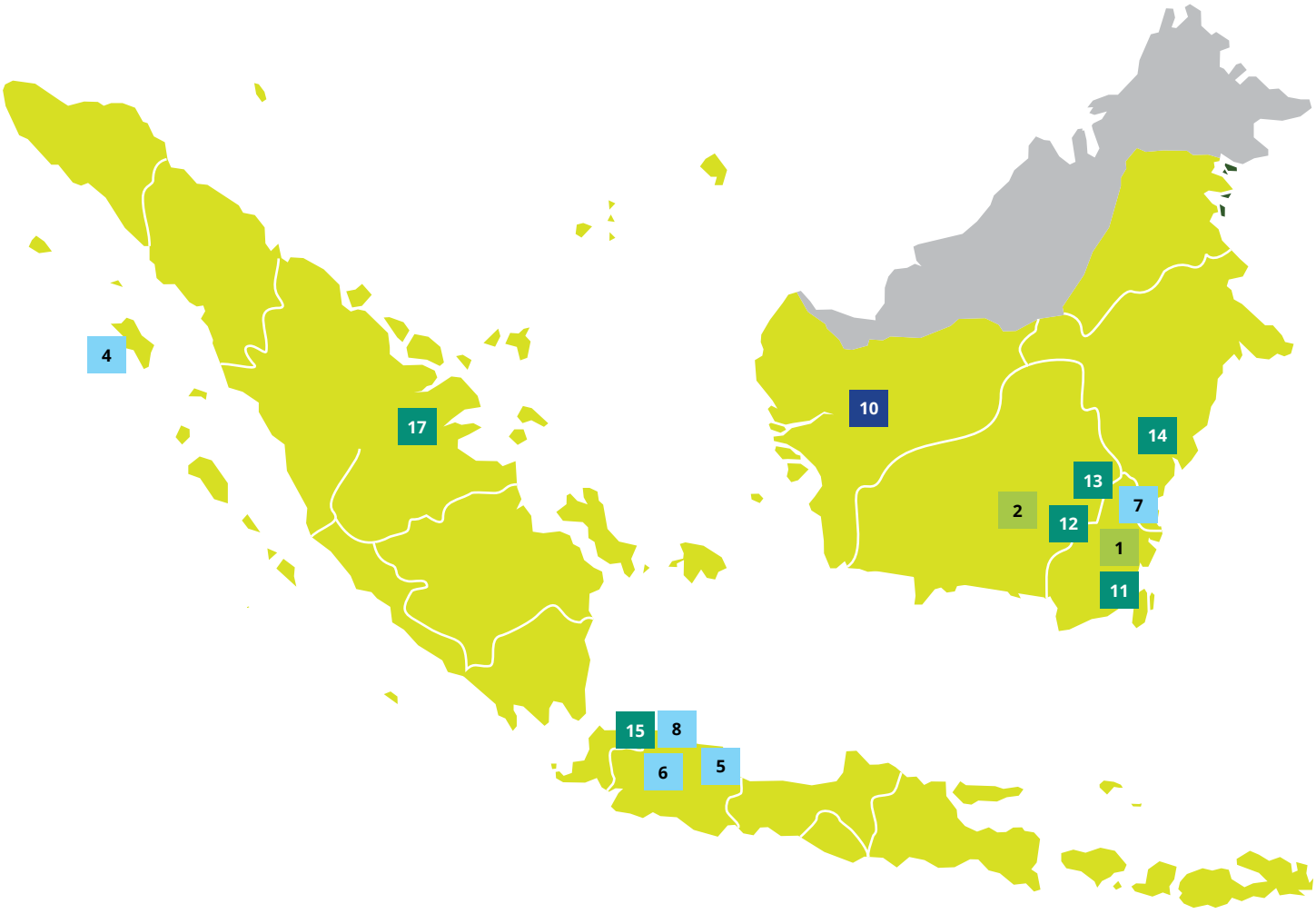
- In the Energy pillar: PT Kideco Jaya Agung, PT Multi Tambangjaya Utama, Indika Energy Trading Pte.Ltd., Indika Capital Investment Pte. Ltd., PT Tripatra Multi Energi, PT Tripatra Engineers & Constructors, PT Tripatra Engineering, PT Cirebon Electric Power
- In the Logistics and Infrastructure pillar: PT Interport Mandiri Utama, PT Kariangau Gapura Terminal Energi
- In the Minerals pillar: Nusantara Resources Limited, PT Perkasa Investama Mineral (Mekko), PT Rockgeo Energi Nusantara
- In the Green Businesses pillar: PT Indika Multi Properti (Indika Nature), PT Empat Mitra Indika Tenaga Surya (EMITS), PT Ilectra Motor Group (IMG), PT Foxconn Indika Motor
- In the Digital Ventures pillar: PT Indika Digital Teknologi
- In the Other pillar (health care): PT Indika Medika Nusantara, PT Bioneer Indika Group



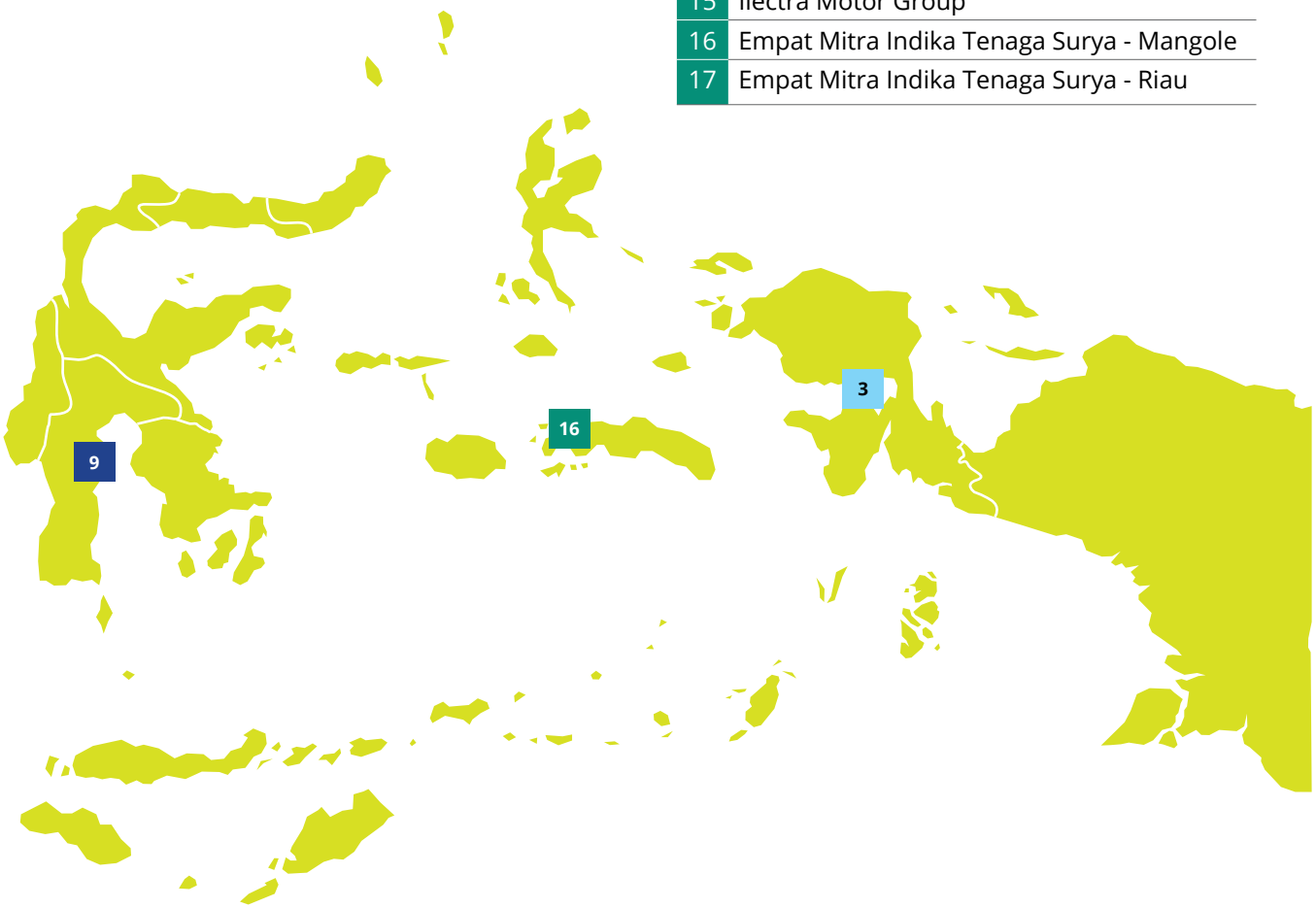
Operational map

Indika Energy is headquartered in Jakarta, with offices at Graha Mitra, on Jl. Jend. Gatot Subroto, and at INDY Bintaro, with operational areas spread across Indonesia, including on the islands of Sumatra, Kalimantan, Java, Sulawesi, and Papua. As of the end of 2022, the Company's operational areas were all within Indonesia, with no operational activities overseas. [GRI 2-1]

In 2022, through our subsidiaries we produced 36.6 million metric tons of coal, with 27.6% allocated for the Domestic Market Obligation (DMO) in Indonesia. This exceeds the 25% DMO required by the government. Exports of coal produced by Kideco in 2022 went to China, South Korea, India, the Philippines, Malaysia, Japan, Taiwan, and Singapore. [GRI 2-6]



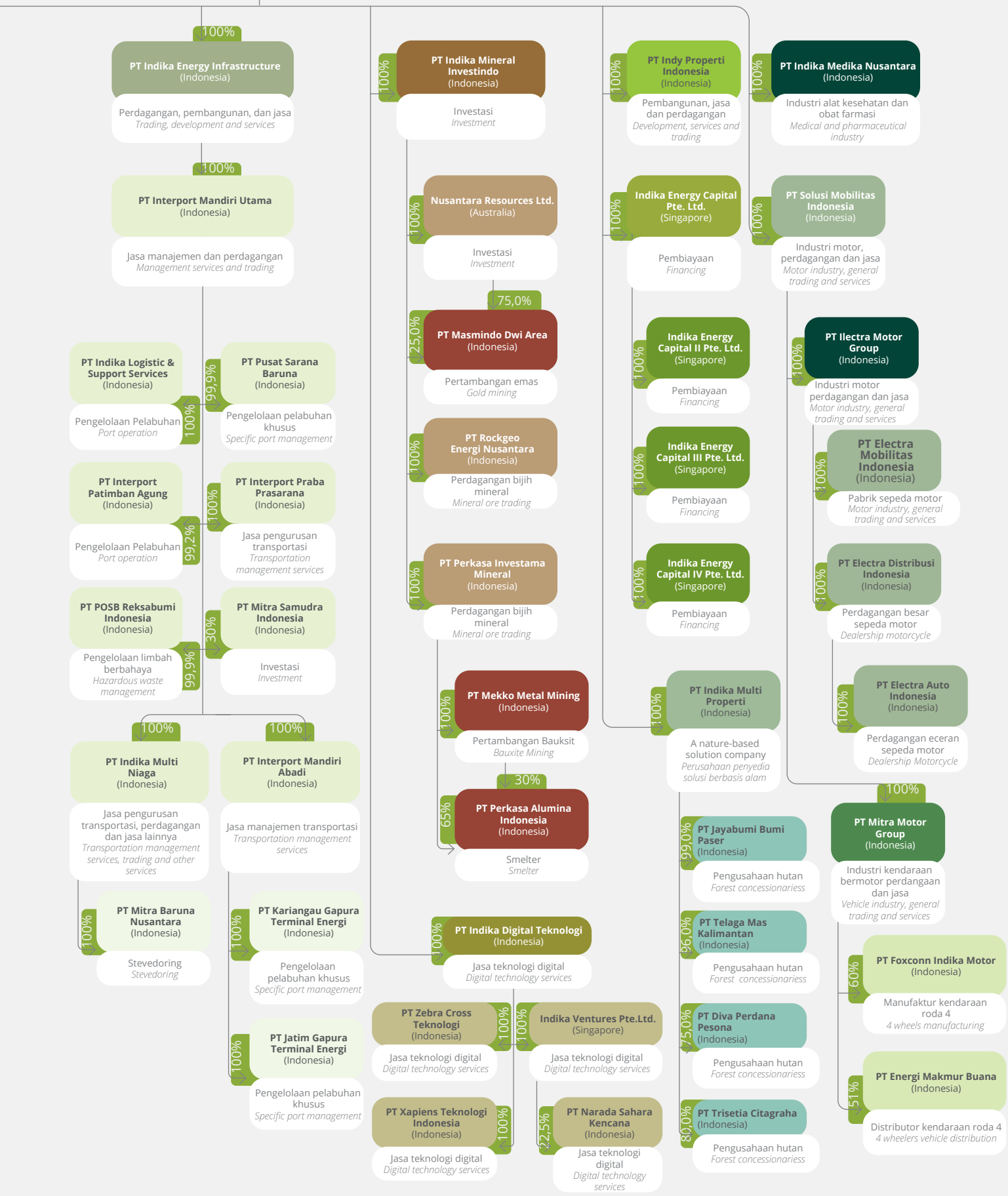
1.	Kideco Jaya Agung
2.	Multi Tambangjaya Utama
3.	Tripatra - BP Tangguh
4.	Tripatra - PLN - Nias
5.	Cirebon Electric Power dan Cirebon Energi Prasarana
6.	Tripatra - Salak
7.	Interport - Fuel Tank Terminal
8	Interport - Patimban Port
9	Masmindo Dwi Area
10	Mekko Metal Mining
11	Jaya Bumi Paser
12	Trisetia Cita Graha
13	Telaga Mas Kalimantan
14	Dwi Perdana Pesona
15	Ilectra Motor Group
16	Empat Mitra Indika Tenaga Surya - Mangole
17	Empat Mitra Indika Tenaga Surya - Riau



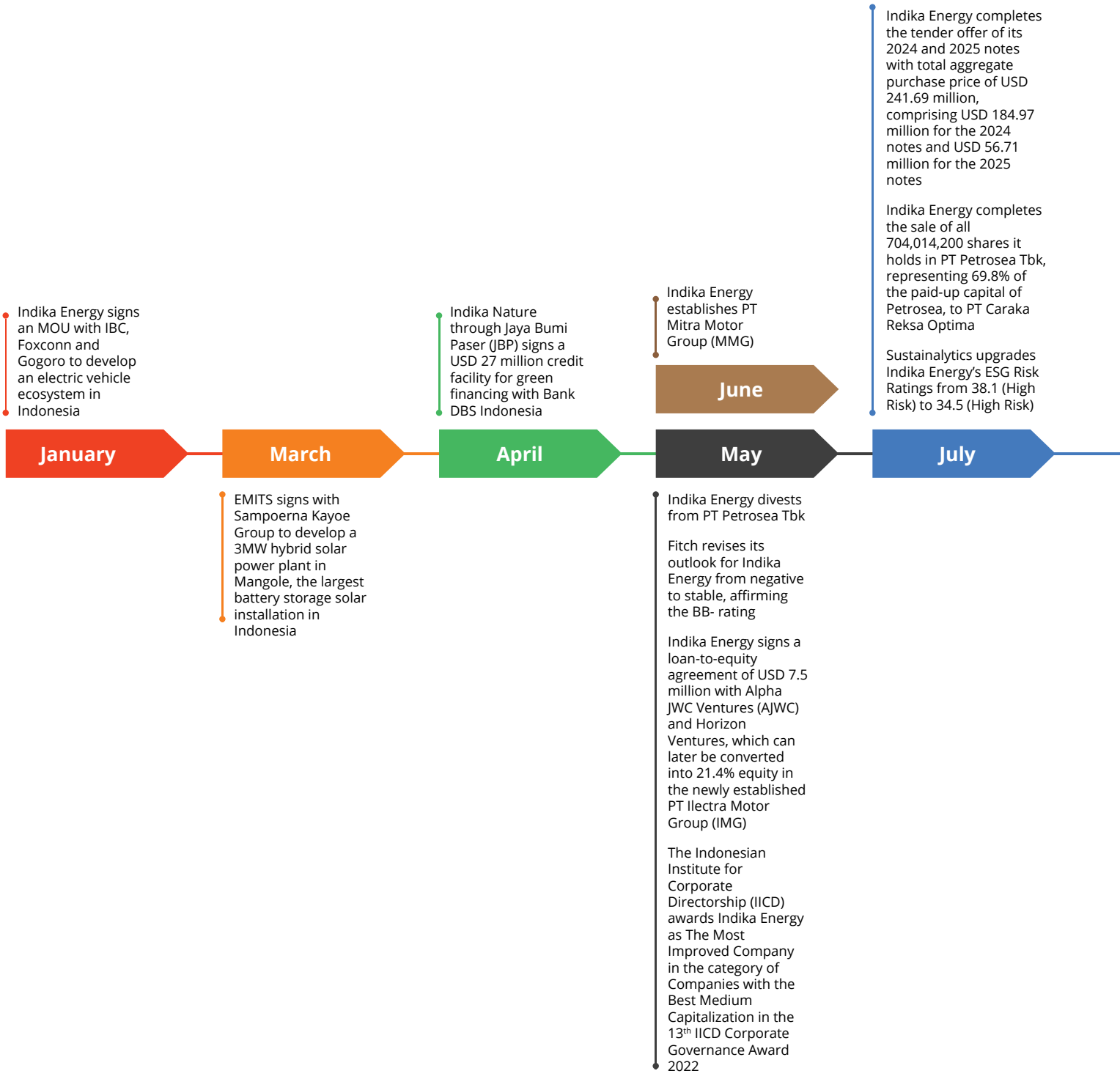
Corporate structure



PT Indika Energy Tbk.
(Indonesia)



Milestone


January
Indika Energy signs an MOU with IBC, Foxconn and Gogoro to develop an electric vehicle ecosystem in Indonesia
March
EMITS signs with Sampoerna Kayoe Group to develop a 3MW hybrid solar power plant in Mangole, the largest battery storage solar installation in Indonesia
April
Indika Nature through Jaya Bumi Paser (JBP) signs a USD 27 million credit facility for green financing with Bank DBS Indonesia
May
Indika Energy establishes PT Mitra Motor Group (MMG)
June
Indika Energy divests from PT Petrosea Tbk
Fitch revises its outlook for Indika Energy from negative to stable, affirming the BB- rating
Indika Energy signs a loan-to-equity agreement of USD 7.5 million with Alpha JWC Ventures (AJWC) and Horizon Ventures, which can later be converted into 21.4% equity in the newly established PT Ilectra Motor Group (IMG)
The Indonesian Institute for Corporate Directorship (IICD) awards Indika Energy as The Most Improved Company in the category of Companies with the Best Medium Capitalization in the 13th IICD Corporate Governance Award 2022
July
Indika Energy completes the tender offer of its 2024 and 2025 notes with total aggregate purchase price of USD 241.69 million, comprising USD 184.97 million for the 2024 notes and USD 56.71 million for the 2025 notes
Indika Energy completes the sale of all 704,014,200 shares it holds in PT Petrosea Tbk, representing 69.8% of the paid-up capital of Petrosea, to PT Caraka Reksa Optima
Sustainalytics upgrades Indika Energy's ESG Risk Ratings from 38.1 (High Risk) to 34.5 (High Risk)

August

HR Asia awards Tripatra as one of the Best Companies to Work for in Asia 2022

INDY enters the Indonesia Stock Exchange's LQ45 index

Indika Energy announces the distribution of interim dividends totaling USD 40.0 million for 2022

Ilectra Motor Group launches its first electric two-wheel vehicle at the Gaikindo Indonesia International Auto Show (GIIAS) under the ALVA brand

Katadata awards Indika Energy with the highest score in the energy sector in the Katadata Corporate Sustainability Awards

Ikatan Jurnalis Televisi Indonesia (IJTI) Cirebon Raya awards Cirebon Electric Power as "Perusahaan Peduli Pendidikan Anak," the company most concerned about childhood education

September

Alpha Southeast Asia awards Indika Energy for Best Strategic CSR and Best Senior Management Investor Relations Support at the 12th Institutional Investor Corporate Awards 2022

Mitra Motor Group (MMG) establishes a joint venture with Foxconn, called PT Foxconn Indika Motor (FIM), to manufacture commercial electric vehicles and electric batteries, as well as provide management consultation services for the EV ecosystem

Indika Mineral Investindo (IMI) acquires 100% of shares in PT Perkasa Investama Mineral (PIM)

Kideco Jaya Agung receives the Aditama Charter for Management of Standardization and Coal Mining Services Business, and the Aditama Charter for Coal Mining Technical Management, Coal Mining Environmental Management and Coal Conservation.

October

Mitra Motor Group (MMG) works with PT Energi Makmur Buana (EMB), a limited liability company engaged in distribution of electric four-wheel vehicles

November

The ALVA One factory starts commercial production of two-wheel EVsIndika Energy and Foxconn provide electric buses for the B20 and G20 summits attended by world leaders in Bali

Indika Energy participates in the B20 Summit in Bali

The Corporate Forum for CSR Development (CFCD) honors Kideco with 14 awards at the Indonesian Sustainable Development Award (ISDA) 2022

Kideco receives an Asia Sustainability Reporting Rating (ASRRAT) 2022

Metro TV awards Arsjad Rasjid, Indika Energy's President Director, as CEO of the Year for Energy and Sustainability in its People of The Year 2022 awards

December

Indika Energy repurchases and cancels (open market and tender offer) a total of USD 252.1 million of 2024 notes and USD 107.1 million of 2025 notes as part of a liability management exercise. With this cancellation, the balance of 2024 notes stands at USD 322.9 million from the original amount of USD 575 million and 2025 notes at USD 567.9 million from original USD 675 million

Indika Energy signs the CSPA for Indika Multi Properti in Natura Aromatik Nusantara for USD 11.5 million (46% of shares)

Indika Energy forms a partnership with Damon Motors, the Canada-based premier producer of EV motorbikes

Our journey of transition towards a sustainable future

Let the sunshine in

If the future is electric, then that electricity must be clean. That is the only way to achieve the low-carbon future that will sustain our society against climate disruptions.

Indonesia, under the leadership of President Joko Widodo, is taking ambitious steps in this direction with its sweeping plan to decarbonize the energy sector, including investing heavily in renewable energy. Indika Energy has long promoted this transition, which we understand must be a just transition: any progress we make must be for the benefit of all.

As part of our commitment to the just energy transition, Indika Energy in 2021 launched an integrated solar power company in partnership with India's leading solar developer, Fourth Partner Energy (4PEL). This joint venture, Empat Mitra Indika Tenaga Surya (EMITS), is a manifestation of our vision to diversify our business portfolio, achieve our sustainability goals, improve our ESG performance, and support the Indonesian government's efforts to achieve its renewable energy mix target of 23% by 2025.

EMITS represents not just a solar farm, but a window into what a low-carbon future can look like. Our broader aim with EMITS is to help stimulate investment in renewable energy infrastructure, usher in technological innovations that are more reliable, efficient, affordable, and environmentally friendly, and create jobs in an exciting new field that will support economic growth at the local and national levels.

As a leading player in the industry, we understand that the private sector has a key role to play in building the renewable energy infrastructure that Indonesia needs. Current

Solar PV in Kideco*

- *Proven hybrid power plant operation (combination of solar and battery) for off-grid operation in critical mining facility*
- *Potential future expansion to solarize all facilities up to* **10 MWp**
- **294 tons** *of coal saved**
- **25,539 tons** *equivalent carbon offset**
- **1,300 kiloliters** *water saved**
- **45%** *reduction in diesel use*

**) Note: annual data*



Two-wheeled wonder

In May 2022, we officially unveiled PT Ilectra Motor Group (IMG), our new joint venture with Alpha JWC Ventures and Horizons Ventures. It was born out of a simple calculus: Every year, 6 million new motorbikes hit the roads of Jakarta, and by 2035, 3.2 million of them are expected to be electric. And that is where we want to be.

The ALVA One is the model that IMG began marketing in 2022, with deliveries that started in November 2022. As a homegrown brand, it ticks every box for consumers in Indonesia, one of the biggest motorcycle markets in the world: it is sleek, stylish, and futuristic. It offers superior comfort, power, and speed. It is everything a lifestyle two-wheeler should be — only better, because of what powers it.

The 60-volt, 45-Ah lithium-ion battery offers a range of up to 70 km, top speed of 90 km/h, and torque of 46.5 Nm, and charges in just four hours from a standard household outlet.

With the ALVA One, we hope to spark greater investment by more companies, including established brands, into the electric motorbike industry.



renewable capacity needs to approximately double in order to reach the government's 2025 target, and this will require massive investment in technology, infrastructure, and human resources. The EMITS venture alone is expected to bring at least USD 500 million in investment into Indonesia by then.

EMITS is gearing up to play a vital role in enabling this green energy transition through a simple value proposition to the consumer: cleaner electricity at lower rates than the current grid tariff, which will help meet sustainability goals. For Indika Energy, EMITS will contribute to the company's commitment to increase the non-coal portion of its revenue to 50% by 2025.

EMITS is Indonesia's leading customer-centric renewable energy solutions provider, on track to build up to 500 MW operational portfolio across Indonesia by 2025. As a qualified power supplier, EMITS aims to be the market leader and the fastest-growing solar energy solutions provider.

Focusing on the commercial and industrial (C&I) and utility sectors, EMITS's integrated renewable energy solutions comprise solar, battery storage, and hybrid with diesel generation. EMITS offers end-to-end capabilities including dedicated in-house design, engineering, procurement, construction, logistics and supply, quality assurance, quality check, service, asset management, ESG, safety, and financing.

Currently EMITS's operational areas cover Java, Bali, Nusa Tenggara, Kalimantan, and Sulawesi, and to date EMITS has installed base of up to 50 MW* (*under construction).

Indonesia, with its abundant sunshine, wind, and geothermal reserves, has huge potential in the renewable energy sector. Our consumers are increasingly demanding green energy solutions, and Indika Energy, as part of our overall sustainability transition, is committed to answering that call.



"Indonesia is a nation of more than 10,000 islands so supplying the whole country with electricity is a huge challenge. Yet Indonesia has great potential for renewable sources of energy. Besides abundant sunshine year round, Indonesia is the world's largest producer of nickel, a critical component in electric vehicle batteries, which puts us in prime position to benefit from the upcoming boom in EVs. At Indika Energy, we are trying to adjust the technology to local environmental conditions to find the optimal balance between performance and costs, providing a greener lifestyle towards a better future for Indonesia."

Purbaja Pantja
Director of Indika Energy



The no-fuss bus

Our electric motorbike startup was not the only joint venture we unveiled in 2022. Working with Foxteq Singapore Pte. Ltd., an affiliate of Hon Hai Technology Group (better known as Foxconn), we launched PT Foxconn Indika Motor (FIM), to produce commercial EVs, starting with buses, and battery packs.

The initiative is part of our wider goal of creating an EV ecosystem that focuses on the entire value chain, not just the EVs themselves. Our aim is to become one of the leading electric vehicle and battery ecosystem developers in Indonesia.

Foxconn's manufacturing expertise is world famous, and under the build-operate-localize (BOL) investment model, we hope to leverage this to fuel the mobility transition at scale. We see great potential for emissions reduction and green mobility with the growing EV space. This is just the beginning of a comprehensive EV ecosystem in Indonesia for a more sustainable future.

Accelerating the EV revolution

Globally, the energy sector has historically been the biggest source of carbon emissions. In second place is the transportation sector.

With EMITS, our solar power joint venture, we aim to address that first source. And for the second, we have chosen to embrace one of the most exciting and promising new industries around: electric vehicles. And not just the vehicles themselves, but the entire ecosystem around them: from battery production, to vehicle assembly, to charging points, to battery swap stations.

Once again, we recognize the visionary leadership of President Joko Widodo, who has made it his priority to turn Indonesia into a center of the global EV industry by leveraging Indonesia's world-leading reserves of nickel — one of the key elements that go into EV batteries.

In 2022, the first EVs made in Indonesia began rolling off the assembly line just outside Jakarta. 2022 also marked the prominent use of EVs as the mobility method of choice for the G20 summit, including for visiting heads of state, that Indonesia hosted in Bali. This was also the year that the government introduced regulations easing investment in the EV industry and incentivizing EV ownership.

At Indika Energy, our EV vision is to go big by going small. That means starting with electric two-wheelers. Two-wheelers consistently outsell four-wheeled vehicles in Indonesia many times over, so the most effective way to get the most number of clean vehicles on the roads in the quickest time is to go after the motorbike segment. Indeed, the government has targeted having 13 million electric motorbikes on the roads by 2030, compared to 2 million electric cars.

At the other end of the scale from individual mobility, we are also exploring the electrification of mass transportation. Expanding urban areas across Indonesia are increasingly pushing for mass transportation to tackle both traffic congestion and emissions. Indonesia's new capital city, Nusantara, is also being designed with electric mass transportation as the main means of mobility.

This makes electric buses an ideal solution. In 2022, we rolled out the first of these buses for use at the G20 event in Bali, where they received high praise. Going forward, we plan to scale up production to meet demand.



> We believe in big things planned by Indika Energy and especially Indika Nature to build a regenerative forestry business. Things are different and unusual in the forestry sector. We want to have a positive impact on the environment through reforestation, restoring the forest's function for carbon sequestration, as well as an agroforestry business that prioritizes collaboration with the surrounding community, respecting customary peoples and customary rights. The challenges are not easy, both technical and non-technical. Being away from family is a challenge in itself. But we are honored to be a small part of this sustainable journey.
>
> ***Nurhidayat Firmansyah***
> *Indika Nature*

Offsetting our carbon footprint for the planet

Indika Nature is our holding of diversified businesses that cover the scope of nature-based solutions. These are ventures that we are still in the process of developing as we fine-tune our various green initiatives.

Indika Nature focuses on environmental maintenance and development for communities and stakeholders through three business pillars. The first of these is Energy Plantations, centered on the production of biomass to produce wood pellets as a source of energy, in line with environmental conservation values. The second pillar is Environmental Services, where we provide management of forestry assets and biodiversity, supported by our industry-leading experience in ecosystem rehabilitation and preservation. The third pillar is Agroforestry & Non-Timber Forest Products, focused on community-centered sustainable landscape management and maintenance of commodities that contribute to local ecosystems, livelihoods, and community empowerment.

At the heart of Indika Nature is a 170,000-hectare land bank, including reclaimed forest area, that will serve as the engine for the growth of our nature-based solutions. One of these solutions is biomass production. Biomass, typically in the form of wood pellets, is widely acknowledged as a clean, low-carbon alternative to other fuels for generating energy. In many places, including in some power plants in Indonesia, it is already used in co-firing to reduce the amount of coal being burned.

What makes biomass a green fuel is that, in its simplest form, it is effectively carbon neutral: the emission generated from burning it does not pump additional carbon into the air, but rather releases carbon that was previously absorbed by the tree.

As the Indonesian government and state electricity utility PLN move to reduce the amount of coal in the energy mix, we anticipate a growing market for wood pellets, both through co-firing and the conversion of existing plants to burn only biomass.





Another nature-based solution we are looking at is the carbon market. The scale of the forest area that we are restoring and preserving gives us plenty of scope to explore marketing and selling carbon offsets, both within the Indika Energy Group and to third parties.

As the carbon market is still in its infancy in Indonesia, we hope to work closely with the government and regulators to come up with a model that meets internationally accepted standards for carbon trading.

The third nature-based solution we are exploring is agroforestry and non-timber forest products. Agroforestry has long been recognized as the most sustainable form of cultivation because of its emphasis on preserving a diverse landscape. Working with local communities, we want to develop an agroforestry-based economy that allows small farmers to prosper from growing a rich variety of crops all year round: coffee, cocoa, all kinds of fruits. They can supplement this with non-timber forest products such as honey, cinnamon, and other produce that can be collected while keeping the forest standing.

Already in 2022 we acquired a large stake in PT Natura Aromatika Nusantara, a leading producer of organic, ethical, and sustainable plant-based derivatives, including flavors, fragrances, and essential oils. We believe this venture represents a prime example of the company, community and nature all benefiting from such a partnership.

Minerals for the greater good

Minerals was one of the first fields that Indika Energy expanded into as we began our diversification process. Today, our subsidiary Nusantara Resources oversees the Awak Mas gold mine in Sulawesi, which is estimated to hold potential resources of 2.0 million ounces and potential reserves of 1.1 million ounces.

To this field we bring our decades of mining experience, as well as our industry-leading reputation for minimizing the environmental impact of our operations. This venture is in line with the Indonesian government's wider push to leverage the country's rich natural resources for the benefit of the people. This part of Sulawesi remains one of the most underdeveloped parts of Indonesia, and we hope our presence in the region can kickstart a cycle of growth that improves the welfare of local communities, much as we have done in other areas across Indonesia.

Moving forward, we are exploring investments in other mineral ventures. We remain especially cognizant of the government's emphasis on nickel as the building block for the country's future as a global hub for the manufacture of electric vehicles and batteries.

Digital technology

One of the key lessons from nearly three years of COVID-19 pandemic has been how central technology has become in our lives. From online meetings to test-and-trace apps to online food delivery, we as a society deepened our reliance on digital technology in myriad ways.



Indika Energy has long understood this reliance — and the inevitable security issues that arise from such a strong dependency. That is why we have always maintained a focus on the issues of digital threats and cybersecurity, through our subsidiary Xapiens Teknologi Indonesia.

In addition to being a leading cybersecurity provider in Indonesia, Xapiens also offers a wide range of other digital services, from artificial intelligence to cloud services to smart industry supporting the adoption of Industry 4.0 practices.

As the Indika Energy Group's diversification takes us into new industries, it is reassuring to know that we have Xapiens at our back, our own cyber ninjas to take on the cyberthreats at the bleeding edge of digital technology.

The magic of mangroves

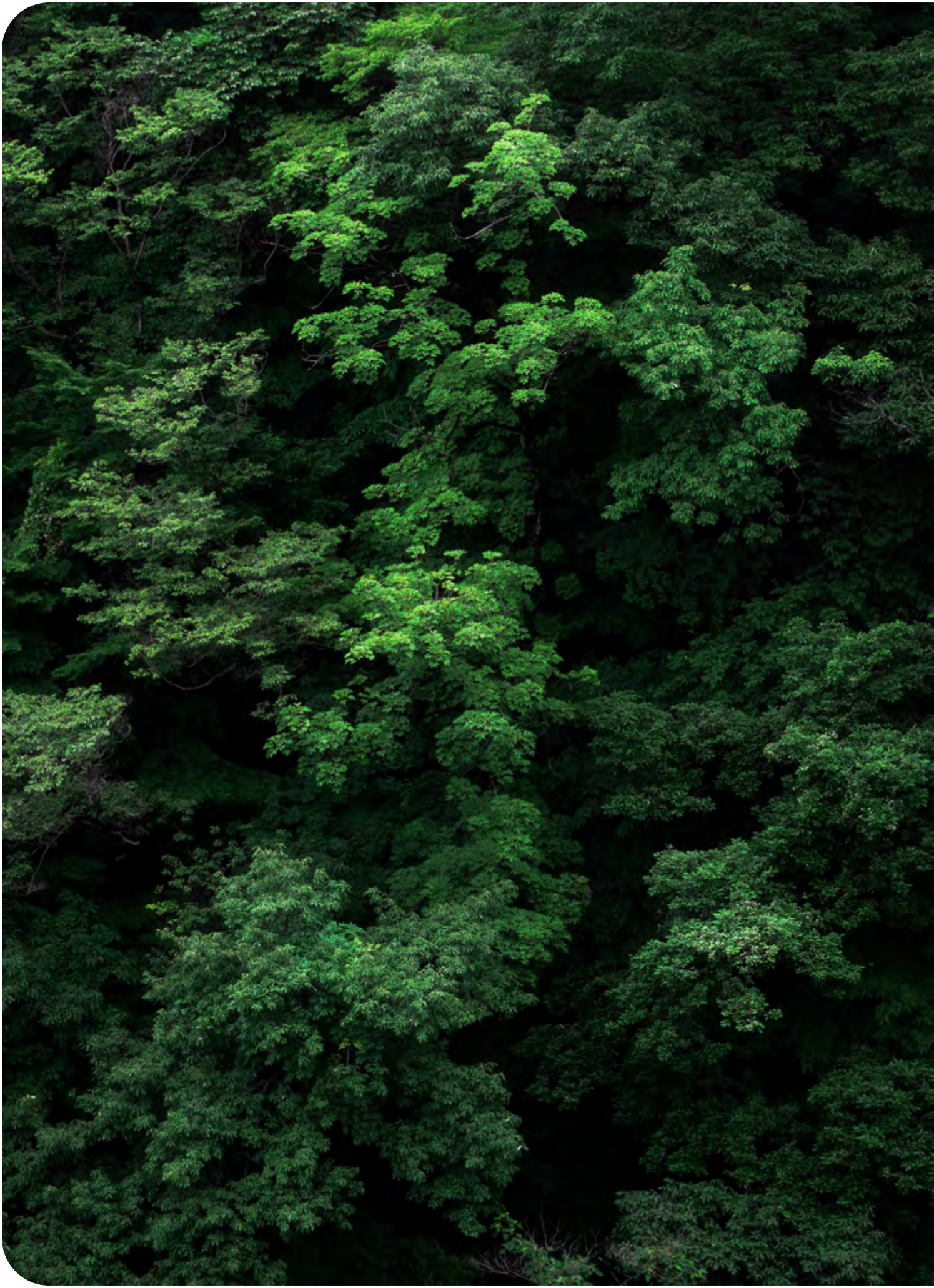
Mangroves are among the most productive marine ecosystems on Earth. They provide a safe refuge for a host of aquatic organisms, protect the coastline from erosion, and secure the economic livelihood of coastal communities. Mangrove forests are also incredibly effective carbon sinks, more so than even tropical rainforests on a hectare-by-hectare basis. These ecosystems sequester and store large quantities of carbon in both the plants and the soil below, and are therefore an essential piece of the solution to global climate change.

Indonesia has the largest area of mangrove forests of any country in the world. But in many parts of Indonesia, these important coastal ecosystems are being lost due to various factors. At Indika Energy, we have long been committed to replanting and restoring mangroves in the areas where we operate.

Beyond that, we continue to support mangroves planting in Indonesia. To date, together with our subsidiaries and partners, we have planted more than 109,000 mangrove trees across Indonesia. We also mentor the local community to ensure that the mangroves are properly rehabilitated and cared for over the long term.

We also initiated a flagship mangrove program as part of our longer-term net-zero target, working with the government through the Indonesian Peatland and Mangroves Restoration Agency (BRGM) to identify areas and raise awareness for sustainable mangrove rehabilitation.

Over the long term, the hope is that these mangrove restoration and conservation efforts will count toward our net-zero target. In the short term, we have also turned to mangroves to offset our emissions. In 2022, Indika Energy voluntarily purchased carbon credits from the world's largest blue carbon project, aimed at offsetting 52,800 tonCO2eq of our emissions. The project protects and restores 350,000 hectares of tidal river channels and creeks, low-lying sandy islands, mangrove forests and intertidal areas on the southeast coast of Pakistan's Sindh province. The voluntary carbon market is a proven mechanism for channeling finance to projects that would otherwise not get off the ground. This will drive broader biodiversity and socioeconomic benefits that can further advance the United Nations Sustainable Development Goals.





SUSTAINABILITY APPROACH, STRATEGY, AND TARGETS

Our approach and strategy [GRI 2-22]

Indika Energy's overarching goal of energizing Indonesia for a sustainable future aligns with the Indonesian government's own objectives under the United Nations Sustainable Development Goals (SDGs).

The main objective of these goals is to maintain the improvement of the people's economic welfare in a sustainable manner, to sustain the community's social life, quality of the environment, and inclusive development, and to implement governance that ensures each generation enjoys a better quality of life than the one before.

Sustainability is at the core of how our company operates. We measure our company's ESG performance with the same stringency as our financial performance because we believe we have a responsibility to our stakeholders to deliver value and impact that is meaningful, measurable, and credible.

Indika Energy's long-term business strategies are reflected within our business pillars, and include boosting organic growth and expanding through acquisitions.

Our mid- and long-term goals on sustainability are well-defined: Indika Energy has committed to increasing the share of our non-coal revenue to at least 50% of our total business by 2025, and to achieving net-zero greenhouse gas emissions by 2050 or sooner.

> "Sustainability is at the core of how our company operates. We believe that we have to deliver value and impact that is meaningful, measurable, and credible."

We have mapped out three principal ways to do this:

1. Investing in non-coal industries

As part of our wider energy transition, Indika Energy is diversifying and investing in sectors ranging from renewable energy and nature-based solutions to electric vehicles (EV) and EV ecosystem.

2. Decarbonizing our operations

Minimizing our carbon footprint is an important part of our strategic focus and our wider target of achieving net-zero emissions, and in turn contributes to Indonesia's greater decarbonization commitments as a nation.

3. Divesting from high-carbon industries

The corollary to diversifying our portfolio is that we must also reduce our exposure to high-carbon businesses in our portfolio. We see this as a necessary part of our long-term vision to achieve our sustainability goals and contribute to a better planet for all.

Mid-term ESG goals

Indika Energy's sustainability road map is clear: We know where we are headed, and we continue to assess the best ways to achieve that goal. For Indika Energy, the ultimate target is to achieve net-zero GHG emissions by the year 2050, in line with Indonesia's own targets for reducing emissions. A key milestone on the path to reaching this point is to grow our non-coal revenue streams to at least 50% of our total business by 2025.

	2025 targets	Where we are today compared to baseline [GRI 3.3]	Next steps
Scope 1 emissions intensity	Reduce by 10% (baseline of 0.031 TonCO2eq/ton coal production in 2020)	On track - reduced by 29%	Maintain a significant pace of reduction in Scope 1 emissions intensity through innovative decarbonization initiatives
Land reclamation	Increased by 20% (baseline of 4.5 thousand Ha in 2020)	On track - increased by 24.8%	Continue expansion of land reclamation area
Health and safety	0 fatalities	In 2022 we recorded zero employee fatality and one contractor fatality.	Strengthen our workplace protocols through digital approaches to health and safety to maintain zero fatalities in operations
Community development	1% EBIT	Needs improvement - 0.38% of EBIT was spent on community development	Implement large-scale flagship programs that highly impact to the community and environment
Sustainability committee	Form Sustainability Committee chaired by Independent Board Member	Sustainability Committee in the Holding company was formed in 2021, followed by subsidiaries Kideco, Tripatra, Interport, and Indika Indonesia Resources in 2022.	Approach new businesses for alignment in ESG implementation, programs and performance
Corporate governance	Incorporate ESG parameters into BOD and BOC KPIs	On track - ESG-related BOD KPIs have been set	Monitor relevant ESG-related KPIs for the Board of Directors

Risk and mitigation [GRI 2-16, 313-2]

The environmental, social and governance aspects of our sustainability principles cover a range of risks that we work to mitigate against. It is these risks, and how we assess and address them, that inform our sustainability strategy, and thus our operational focus.

Risks and critical concerns	Potential Impacts	Mitigation Actions	
Risks related to emissions and energy consumption [GRI 201-2]	Physical risks, including extreme heat, drought, and water access as well as acute risks like wildfires, hurricanes, and flooding. Employees and community members getting injured or falling sick. Disruptions to supply chain, transport and distribution networks. Damage to assets, which may reduce productivity, increase costs, and delay project schedules.	Implement environmental management systems and comply with prevailing environmental regulations. Invest in research & development, as well as technologies to support efficient and environmentally friendly operational activities. Monitor and report emissions and energy performance data to the Sustainability Committee quarterly.	Comply with the Indika Energy Sustainability Policy and Environmental Policy. Improve energy efficiency and reduce emissions by investing in renewable energy, low-carbon technologies and decarbonization efforts. Achieve medium-term and long-term targets: Net-zero emissions by 2050 or sooner 50% non-coal revenue by 2025 10% reduction in Scope 1 GHG emissions intensity by 2025
	Transition risks Regulatory risks: Changes in policies and regulations, especially those related to carbon pricing and reporting. Market risks: Changes in consumer behavior, uncertainty through market signals Reputational risks: Stigmatization of the sector, shifts in consumer preferences, increased stakeholder concern	Identify transition risks related to climate change Commit to manage regulatory, market, and reputational risks of climate change.	Comply with the Indika Energy Sustainability Policy and Environmental Policy. Integrate these transition risks into regular risk assessments and report these risks to the highest governance body.

Risks and critical concerns	Potential Impacts	Mitigation Actions	
Water stress	Lack of available water for operations and the local communities. Increased charges to access water, resulting in higher production costs.	Identify water risks and mitigation plans. Monitor data related to water management quarterly, which are then reported during the Sustainability Committee meetings.	Comply with the Indika Energy Sustainability Policy and Environmental Policy. Protect the water sources in our operational areas. Improve processes to reduce water withdrawal and consumption. Ensure compliance with national and local regulations related to water discharge and effluents
Waste-related hazards	Potential threat of marine pollution resulting from leakage of discarded plastic packaging into water bodies Soil contamination Public health hazards	Identify waste-related risks and mitigation plans. Monitor and report data related to waste generation and management quarterly to the Sustainability Committee.	Comply with the Indika Energy Sustainability Policy and Environmental Policy. Minimize the amount of waste generated and maximize the amount of waste recycled and reused. Ensure compliance with national and local regulations related to waste disposal and management.
Biodiversity loss and land degradation	Reduction of species, especially those that are included in the IUCN Red List and the National Conservation List	Conduct biodiversity monitoring and risk assessments regularly Monitor and report data related to biodiversity and land use quarterly to the Sustainability Committee.	Comply with the Indika Energy Sustainability Policy and Environmental Policy. Proactively plan for closure and rehabilitation in the areas we operate in. Conduct impact mitigation measures and conserve the habitats of endangered species. Achieve medium-term target: 20% increase in land reclamation area by 2025

Risks and critical concerns	Potential Impacts	Mitigation Actions	
Resource depletion	Increased competition for, and the regulation of limited resources, thus affecting our productivity and costs. Uncertainty with regard to where the income of the business will come from in the upcoming years.	Diversify business to renewable energy, gold mining, nature-based solutions, and technology sectors. Rehabilitation and land reclamation initiatives.	Comply with the Indika Energy Sustainability Policy and Environmental Policy. Proactively plan for closure and rehabilitation in the areas we operate in. Achieve medium-term targets: 50% non-coal revenue by 2025 20% increase in land reclamation area by 2025
Health and safety hazards	As the COVID-19 pandemic persists, our employees remain subject to the risk of infection. The higher the complexity of energy projects, the higher the associated safety risks.	Implement a work-from-home policy and group division, implement health protocols, and establish an isolation center facility for employees and their families. Implement digitalization and visualization technologies to make operational activities safer and more efficient. Conduct regular occupational health and safety training programs for all workers and OHS audits to identify points of improvement. Monitor and report health and safety performance data to Sustainability Committee quarterly.	Comply with the Indika Energy Sustainability Policy and Health & Safety Policy. Implement health and safety management systems and comply with regulations and standards. Maintain zero fatalities and zero lost-time injuries every year.

Risks and critical concerns	Potential Impacts	Mitigation Actions	
Community relations	Protests by local communities, e.g. due to lack of local employment opportunities or disruptions due to operational activities, leading to the possibility of losing our social license to operate.	Actively recruit and promote high-performance local hires. Community development programs related to education, health, environment and empowerment to enhance livelihood and community welfare. Accommodate and record complaints and feedback from the community through our Whistleblowing System. Monitor and report community relations performance data to Sustainability Committee quarterly.	Comply with the Indika Energy Sustainability Policy. Implement health and safety management systems and comply with regulations and standards. Maintain zero fatalities and zero lost-time injuries every year. Engage regularly with our local communities to ensure all their needs are fulfilled and concerns addressed. Achieve medium-term target: 1% of EBIT to be spent on community development each year
Health and safety protection for the community	Protests by local communities, e.g. due to lack of company's initiative to create safe and healthy workplace conditions leading to the possibility of losing our social license to operate.	Develop and implement OHS management and security based on the company's enterprise risk management principles. Manage the company's security system to create safe and healthy workplace conditions.	Comply with the Indika Energy Sustainability Policy and Health & Safety Policy. Implement health and safety management systems and comply with regulations and standards.
Violation of human rights and indigenous peoples' rights	Incidents of violations involving rights of indigenous peoples. Protests by employees and communities leading to high employee turnover and possibility of losing our social license to operate. Reputational damage and loss of trust from stakeholders.	Practice due diligence and assess risks of human rights violations at operational sites. Follow up and take concrete actions to handle grievances submitted through the Whistleblowing System. Conduct human rights training to all workers, including security personnel. [GRI 410-1] Empower indigenous communities and local communities.	Comply with the Indika Energy Sustainability Policy. Adopt programs in line with the UN Declaration of Human Rights [GRI 2-23]. Recognize and respect indigenous peoples' relationship with land, water, and the environment.

Risks and critical concerns	Potential Impacts	Mitigation Actions	
Employee dissatisfaction	Low productivity leading to lower revenues and profits. High employee turnover causing high costs to hire and train new employees.	Provide fair and merit-based compensation as well as benefits. Provide training and development programs to help employees advance their careers. Monitor and report human capital data, including gender equality and training parameters, to Sustainability Committee quarterly.	Comply with the Indika Energy Sustainability Policy. Promote a healthy, safe, and respectful working environment. Foster an environment that supports and encourages different backgrounds, cultures, beliefs.
Bribery and corruption	Financial damage due to legal fines. Reputational damage and loss of trust from stakeholders. Decrease in employee productivity due to loss of trust.	Implement Anti-Bribery Management Systems ISO 37001:2016. Conduct regular training and refresher sessions about anti-bribery management systems for employees.	Comply with the Indika Energy Sustainability Policy and the Anti-Bribery & Corruption Policy. Prohibit any form of bribery and corruption and conduct business in an ethical manner. Comply with requirements set out in ISO 37001:2016.
Cyber security attacks	Theft of funds as well as corporate and financial information. Operational disruptions and reputational damage.	Form a special Cyber Security Ninja task force with Xapiens Teknologi that is responsible for conducting outreach, monitoring and mitigating possible cyber attacks. Launch a cyber security training program among employees to cover topics such as email phishing and correct classification and handling of information. Regularly update security of IT systems and infrastructure and back up important data.	Implement Information Security Management Systems ISO 27001:2013. Conduct regular training for all employees to raise awareness on the prevention of cybersecurity attacks.
Decrease in revenue due to commodity price volatility	Lower revenues and profits. Low productivity of assets and employees. Inability to repay debt.	Set a target for the majority of revenue to come from non-coal businesses by 2025. Diversify and enter businesses other than coal.	Achieve medium-term target: 50% non-coal revenue by 2025.

Risks and critical concerns	Potential Impacts	Mitigation Actions	
Challenges to access capital or funding [GRI 201-2]	Inability to receive funding due to increased pressures from global investors demanding responsible deployment of capital.	Set a target for the majority of revenue to come from non-coal businesses by 2025. Diversify and enter businesses other than coal. Pledge commitment to ESG and take actions to mitigate ESG-related risks.	Achieve medium-term target: 50% non-coal revenue by 2025.

Climate impacts pose another set of risks to Indika Energy's business sustainability. As science continues to improve our understanding of what these impacts will look like across different timeframes and under different emissions scenarios, there is general consensus that weather extremes (such as drought, heatwaves, flooding, and storms, among others) are likely to increase in frequency and intensity. This could potentially disrupt our operational and/or distribution activities, or impact suppliers and/or customers, which would then have a knock-on effect on our own finances. But while the potential risks abound, there is an opportunity in that these impacts could spur public urgency for greater emissions reductions and a swiffer transition to clean energy. This would boost the green and low-carbon industries into which we are currently diversifying. [GRI 201-2]

Stakeholder engagement [GRI 2-29]

Engaging our stakeholders in a meaningful, continuous, and transparent way is fundamental to ensuring we respond to the ESG risks and opportunities most material to our company. We identify stakeholders relevant to our business depending on the impact we have on them and they on us. This helps us engage with our stakeholders in a manner that is purposeful and effective.

We foster dialogues at local, national, regional and international levels through a range of engagement activities, as well as participate in multi-stakeholder discussions. We acknowledge feedback and take this decision-making consideration. Through building constructive and transparent relationships with our stakeholders, we can strengthen our approach locally and globally and improve our operating processes and performance.

The stakeholders are identified in accordance with the 2015 AA1000 Stakeholder' Engagement Standard. Based on this standard, the Company has identified its stakeholders into five attributes:

1. Dependency - Individuals or groups who have direct or indirect dependence on the company's activities
2. Responsibility - Individuals or groups to which the Company has legal, commercial, and/or ethical responsibilities.
3. Tension - Individuals or groups who need immediate attention from the Company related to economic, social, and environmental issues.
4. Influence - Individuals or groups who influence the strategies and policies of the Company or other stakeholders.
5. Diverse perspectives - Individuals or groups who have different views that can influence the situation and encourage action that was not planned.

Stakeholder group	Key concern and expected outcome	Method of engagement	Frequency
Workforce and labor unions	Occupational health and safety Career development and benefits	Occupational health and safety policies and procedure Trainings, socialization Awareness campaign	Quarterly town hall Biweekly internal publications
Government and regulators	Collaboration to address climate change Compliance for environment, safety and good governance practices	Official meetings Joint Program Performance reporting	Annual report Annual sustainability report Annual environmental report
Communities	Health, economic support Local employment Procurement opportunities Operational impacts	Public consultation Community programs Publication of reports Community forum	Annual report Annual sustainability report Regular discussion with local communities
Clients/ customers	Operations excellence Occupational health and safety	Occupational health and safety policies and procedure Socialization	Ad hoc meetings Regular corporate information update
NGOs and civil society	Collaboration to address climate change Operational management Water and waste management Biodiversity and land use Socio economic projects	Consultation Partnership	Annual report Annual sustainability report
Financial, community and media	Financial performance Integration of sustainability ESG initiative alignment Anti-bribery and corruption	Official meetings Joint program Performance reporting Public exposé Media gathering	Annual report Annual sustainability report Quarterly or ad hoc press release Quarterly company updates
Suppliers	Occupational health and safety	Occupational health and safety policies and procedure Trainings, socialization Awareness campaign	Ad hoc meetings Regular trainings for safety
Peer companies	Collaboration to address climate change and alignment towards government policy	Forum discussion Collaboration program	Ad hoc meetings

Participation in external initiatives and memberships [GRI 2-28]

Our business operations are based on trust. For that reason, we provide our stakeholders with meaningful information about our business in the public domain. Our approach to transparency is strongly grounded in our transparency principles of responsibility, openness, fairness, and accountability.

We participate in a wide range of external initiatives, including global, national and regional organizations. Our participation supports our commitment to ongoing improvement in our approach and performance. Our activities in these organizations vary, ranging from reporting our progress to taking a role in driving strategic change. A number of external organizations assess and publicly report on our performance.

- United Nations Global Compact (UNGC)
- Indonesia Global Compact Network (IGCN)
- Indonesia Business Council for Sustainable Development (IBCSD)
- World Economic Forum (WEF)
- Powering Past Coal Alliance (PPCA)
- Masyarakat Energi Terbarukan Indonesia (METI)
- Kamar Dagang dan Industri (KADIN)
- Asosiasi Emiten Indonesia (AEI)
- Asosiasi Pengusaha Indonesia (APINDO)
- Asosiasi Pertambangan Batubara Indonesia (APBI-ICMA)
- Indonesian Mining Association (API-IMA)
- Indonesian Contractors Association (AKI)
- Masyarakat Ketenagalistrikan Indonesia (MKI)

Sustainability governance

For Indika Energy, good corporate governance (GCG) means complying with the prevailing laws and regulations, mitigating against, and managing current and potential risks, and strengthening engagement with stakeholders across the spectrum. As a member of society, we recognize that we do not operate in isolation and that it is important to collaborate with other stakeholders to generate positive impacts on society. Above all, implementing GCG means we operate transparently, accountably, responsibly, independently, and fairly at all times.

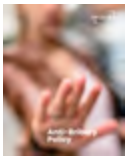
Our portfolio aligns with our purpose, We Energize Indonesia for a Sustainable Future, responsibly sourcing energy that advances everyday life and enabling the transition to a low-carbon economy, while meeting society's energy needs as it progresses through the transition. [GRI 2-22]

Sustainability Committee

In 2022, our Sustainability Committee set the strategic direction for our sustainability activities and oversees the development and implementation of our strategic health, safety, environment, community, human rights, and other sustainability issues. Our policies support the delivery of our values and Code of Conduct, which together detail the behavior and performance expectations for all assets and offices where we have operational control.

Policy commitments

In 2022, we continued to make progress on our low-carbon transition to increase our non-coal revenue by 50% in 2025 and achieve net-zero emissions by 2050 or sooner. We also refreshed and developed our policies on sustainability, health and safety, environmental, anti-bribery, communications, and their supporting standards, which will strengthen our governance for overseeing the implementation of these targets.










We tracked implementation progress quarterly through Sustainability Committee meetings, Sustainability Panel and regular discussions, including at working level, for gap analysis on each ESG aspect and ESG performance toward the 2025 target.

We also implemented management systems and ensured compliance with international certification standards to ensure that our business conduct aligns with existing best practices.

- ISO 9001 Quality Management System
- ISO 14001 Environmental Management System
- ISO 37001 Anti-Bribery Management System
- ISO 45001 Occupational Health and Safety
- ISO 50001 Energy Management System
- ISO 21500 Project Management System
- ISO 50001 Energy Management System
- ISO 27001 Information Security Management System



Sustainability framework

At the heart of Indika Energy's ESG commitment is the confluence of our corporate strategy, values, and sustainability practices. To be a sustainable business is to be sustainable in every sense: in our use of resources, in our relations with employees, communities and other stakeholders, and in our impact on society.

OUR PURPOSE
Energizing Indonesia for a sustainable future

OUR VISION
Highly trusted, innovative and enduring business partner for sustainable value creation

OUR MISSION
— To develop Indonesia in a sustainable way
— To be a robust diversified investment company
— To empower our people and actively develop next generation leaders
— To be socially responsible, embracing diversity and acting with integrity
— To create exceptional value for all our stakeholders

OUR VALUES
Unity in Diversity | Integrity | Teamwork | Agility | Achievement | Social Responsibility

CORPORATE STRATEGY
Investment in the non-coal sector | Decarbonization in the company's operational activities | Divestment of high carbon portfolio

MATERIAL TOPICS
Internal and external materiality assessment process to identify material topics
Material topics are the focus of our sustainability strategy review and reporting

2025 SUSTAINABILITY TARGETS

Environment
SCOPE 1 GHG EMISSIONS INTENSITY
10% Baseline of 0.0031 tCO2e / ton coal production
LAND RECLAMATION
20% Baseline of 4.5 thousand Ha of land reclaimed

Social
HEALTH AND SAFETY
0 Fatalities, Baseline of zero fatality at operations
COMMUNITY DEVELOPMENT
1% EBIT, ~3% of EBIT was spent on community development in 2020

Governance
SUSTAINABILITY COMMITTEE
Form Sustainability Committee chaired by Independent Board Member
CORPORATE GOVERNANCE
Incorporate ESG parameters into BOD and BOC KPIs

COMPLIANCE
Policies, Standards, Procedures, Guidelines
Metrics, Reporting and Assurance

SUSTAINABILITY COMMITTEE
Oversees and evaluates ESG programs, initiatives, performance, and policies across all our operations



Our external commitments

Advancing the Sustainable Development Goals (SDGs)

At Indika Energy, we use the United Nations' Sustainable Development Goals (SDGs) to align our efforts to global targets, as well as measure how our company and ecosystem contributes to resolving society's most pressing challenges. In ensuring the impact we have is measurable, accurate and relevant, we have mapped Indika Energy's approach and management of our material ESG issues with the relevant SDGs and the corresponding reporting standard disclosures (GRI for this reporting period).

SDG targets		GRI Disclosure	Our approach and key initiatives in 2022
Environment	SDG 6 Clean water and sanitation Target: 6.6	GRI 303-2 GRI 303-3 GRI 303-4 GRI 303-5	We are committed to managing our effluents and wastewater properly to ensure that the water we put back into the ecosystem is at least as clean as when we took it out. We source the water we use for our operations from the water we have recycled. We also implement various water efficiency programs, ranging from road paving for reducing use of water spray to the reuse of water in the washing bay.
	SDG 14 Life below water Target: 14.2	GRI 304-2	We responsibly comply with the environmental standards, aim to look beyond these standards and to implement approaches to achieve sustainable growth without negatively affecting the oceans, seas, and its ecosystems.
	SDG 7 Affordable and clean energy Target: 7.2 7.3	GRI 302 - 1	Transitioning to clean and affordable energy is more of a necessity now than ever before. Since 2021 our subsidiaries have used solar energy in their operation sites. Indika Energy also participated in Patriot Energi initiated by the Ministry of Energy and Mineral Resources, which developed solar panels in Indonesia's remote areas. In 2022 and beyond, we plan to further scale the use of renewable energy across our offices, operation sites and other workplaces.
	SDG 12 Responsible consumption and production Target: 12.2 12.4 12.5	GRI 306-3 GRI 306-4	In addition to sustainable management and efficient use of natural resources, Indika Energy also strives for waste reduction, reuse, and recycling. In 2022, we achieved a significant increase (53%) in the amount of waste recycled and reused compared to the previous year. This can be attributed to the various waste management activities done by our subsidiaries, ranging from tyre retreading to the use of waste oil for blasting activities.

SDG targets		GRI Disclosure	Our approach and key initiatives in 2022
	SDG 13 Climate action Target: 13.2 13.3	GRI 2-22 GRI 2-23	In 2022, Indika Energy actively participated in the B20 Energy, Sustainability, and Climate Task Force to formulate policy recommendations on sustainable energy transition. Through this endeavor, Indika Energy offered its perspectives on Indonesia's green energy transition that would help shape national policy, strategy, and planning.
	SDG 15 Life on land Target: 15.2 15.5	GRI 304-1 GRI 304-2 GRI 304-3 GRI 304-4	Recently, Indika Energy entered the nature-based solutions sector through Indika Nature, which aims to manage 170,000 hectares of forest concessions sustainably. Through Kideco, Indika Energy has also been putting its focus on sustainable reclamation and biodiversity protection in Tandarayan Arboretum conservation area.
Social	SDG 3 Good Health and Wellbeing Target	GRI 403-1	Ensuring healthy lives and promoting well-being at all ages is essential to sustainable development.
	SDG 4 Quality education Target: 4.1 4.4	GRI 413-2 GRI 203-1	Indika Energy contributes to ensuring inclusive and equitable quality education for all by providing scholarships through the Indika Energy Cerdaskan Anak Bangsa program. Furthermore, as part of our community development, we hold various vocational training programs to help our local communities surrounding our operational sites to gain the skills necessary to achieve financial independence.
	SDG 5 Gender equality Target: 5.5	GRI 401-3 GRI 405-1 GRI 405-2	At Indika Energy, we support women by implementing equal opportunities, pay, and benefits for work of equal value, promoting work-family balance, and fostering women's representation in business and management at all levels, particularly in middle and senior management. Gender equality among the main issues that we plan to focus on in 2023 and beyond.
	SDG 8 Decent work and economic growth Target: 8.5 8.8	GRI 407-1 GRI 408-1 GRI 409-1 GRI 410-1 GRI 2-25 GRI 2-30	Indika Energy combats all forms of forced and child labor in accordance with the standards set by the International Labor Organization (ILO) and local regulations across all locations of our operations. All of our employees are provided with safe and secure working environments and protected by their rights and obligations under the Collective Bargaining Agreements.

SDG targets		GRI Disclosure	Our approach and key initiatives in 2022
	SDG 10 Reduced inequalities Target: 10.1	GRI 2-22	In 2022, Indika Energy provided living income opportunities for 3,916 employees. Our pay is based on thorough and objective benchmarks and market insights, therefore we ensure that our lowest compensation ranges, including for entry-level positions, are well above minimum wage.
Governance	SDG 16 Peace, justice and strong institutions Target: 16.3 16.5 16.6	GRI 205-1 GRI 205-2 GRI 205-3	At Indika Energy, we strive to build an effective, accountable, and inclusive institution by implementing the following five Good Corporate Governance principles: transparency, accountability, responsibility, independence, and fairness. We also uphold a zero-tolerance policy for bribery and corruption. Indika Energy implements an Anti-Bribery Management System across the Group, and the Anti-Bribery Compliance Function is responsible for ensuring compliance with prevailing rules and regulations.
	SDG 17 Partnership for the goals Target: 17.17		At Indika Energy, we engage in public-private partnerships as well as with civil society organizations for sustainable development.



> We would like to see Indika Energy become a significant contributor to sustainability in Indonesia. That involves scaling down our dependency on fossil fuels and transitioning to practices that apply sustainable principles, such as human rights, commitment to labor, and gender equality.
>
> *Azis Armand*
> *Vice President Director & Group CEO of Indika Energy*



Our commitment to incorporate the World Economic Forum (WEF) Stakeholder Capitalism Metrics (SCM)

Businesses across the energy industry face increasing pressure to deliver sustainable prosperity while minimizing climate impact, engaging a diverse workforce, and many other deliverables. We believe that increasing our accountability and transparency to all of our stakeholders is also a crucial part of delivering sustainable value creation. With our goal of working toward a more prosperous and fulfilled society and a more sustainable relationship with our planet, we have pledged our commitment to incorporate the World Economic Forum's (WEF) Stakeholder Capitalism Metrics (SCM) into our ESG reporting.

In this Sustainability Report, we report against the 21 core metrics that make up the SCM. Among the key measures:



PEOPLE

- **148,113** hours of training
- **47.7%** employees receiving regular performance reviews and learning opportunities
- **32.4%** reduction in employee turnover



PLANET

- **14.0%** reduction in Scope 1 GHG emissions
- **11.9%** increase in cumulative area of land reclaimed
- **46.9%** water recycling rate
- **9,000+** tons of waste diverted from disposal to landfill



PROSPERITY

- **3,916** employees
- **975** new hires
- **USD 4,334.9** million revenue
- **IDR 59.9** billion spent on community development



GOVERNANCE

- **Zero** incidents of corruption
- **100%** of employees having access to Whistleblowing system



Our commitment to support the United Nations Global Compact (UNGC)

Indika Energy pledged support for the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption. These principles align with our own commitments on the environmental, social and governance aspects of our operations. We are committed to making the U.N. Global Compact and its principles part of the strategy, culture, and day-to-day operations of the company, and to engage in collaborative projects that advance the broader development goals of the U.N., particularly the Sustainable Development Goals.

Our commitment to join the Indonesia Business Council for Sustainable Development (IBCSD)

Indika Energy is a proud member of the Indonesia Business Council for Sustainable Development (IBCSD), which brings together companies and leaders from across a wide range of industries. We are part of a diverse group that is united in our vision for sustainable development that furthers Indonesia's progress on meeting the SDGs. Through this platform, we are able to share best practices, help guide the national conversation on sustainability, and build consensus at the industry and policy levels about the importance of grounding growth in sustainable practices.

Our commitment to join the Powering Past Coal Alliance (PPCA)

In one of the strongest demonstrations to date of Indika Energy's commitment to transitioning toward a low-carbon business path, we are proud to be the first, and to date only, Indonesian company that is a member of the Powering Past Coal Alliance (PPCA). Announced at the COP26 climate summit in Glasgow in 2021, the PPCA brings together national and subnational governments, the private sector and other organizations that are driving the phase-out of coal and accelerating the transition to clean energy. Indika Energy's own commitment is to ensure most of our revenue comes from non-coal streams by 2025, and transition to net-zero greenhouse gas emissions by 2050 or sooner.





ENVIRONMENTAL



GRI : 302-1, 302-2, 302-3, 302-4, 302-5, 3-3, 303-1, 303-2, 303-3, 303-4, 303-5, 304-1, 304-2, 304-3, 304-4, 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-1, 306-2, 306-3, 306-4, 306-5

Global Compact : Principle 7, Principle 8, Principle 9

WEF SCM : Planet pillar



At Indika Energy, we are transforming how we do business to mitigate the environmental impact of our company and that of our broader ecosystem. We are well on track to transitioning the majority of our business to non-coal streams by 2025, and have committed to achieving net-zero emissions by 2050.

Our commitments to doing better by the environment are serious and accountable. To date, Indika Energy remains the only Indonesian company to have signed up for the Powering Past Coal Alliance (PPCA) that was formed at the Glasgow climate summit in 2021 to hasten the clean energy transition. Indika Energy is also part of the United Nations Global Compact, a growing cohort of some of the leading companies from across the globe that are committed to advancing sustainability, equality and human rights.

What does all that mean? In a nutshell, three things: We are moving away from coal. We are innovating to reduce our carbon footprint as much as possible. And we are embracing new businesses in clean energy, nature-based solutions and, perhaps most exciting, in the electric vehicle ecosystem.

On their own, each of these measures will take us a small step on the way toward our sustainability goals. Together, they constitute a giant leap.

> “Our commitments to doing better by the environment are serious. We are moving away from coal, innovating to reduce our carbon footprint and we are embracing new businesses in clean energy, nature-based solutions and the electric vehicle ecosystem.”

Energy and emissions

To cut emissions, it is important to start with understanding our existing carbon footprint. That is why we calculate and manage our emissions inventory according to the Greenhouse Gas Protocol, quantifying total GHG emissions attributed to our direct and indirect operational activities. Having an accurate, transparent, and regularly updated inventory allows us to understand the total impact of our activities on the climate, and in turn develop viable emissions reduction strategies to reach our goal of net-zero emissions by 2050.

Our approach [GRI 3-3]

We look at our emissions footprint holistically, continuously assessing and investing in ways we can become more efficient in our energy use and reduce dependence on fossil fuels.

While our role in contributing to Indonesia's empowerment means being a dependent supplier of affordable and reliable energy for now, we are also doing everything we can to ensure that we minimize greenhouse gas (GHG) emissions throughout the process. At the same time, we continue to explore new avenues for carbon mitigation and decarbonization.

We are taking a three-pronged strategy to meet the targets we have established:

- **Investing in non-coal industries**

Since 2018, Indika Energy has diversified beyond our core sectors of mining and energy, as we pursue a sustainable vision of growth based on decarbonization. We have committed to a target of at least 50% of our revenue coming from non-coal businesses by 2025. To achieve this, we are investing in a wide range of new businesses, including low-carbon ones, ranging from nature-based solutions to electric vehicles.

- **Divesting from high-carbon industries**

In 2022, Indika Energy divested its 69.8% stake in PT Petrosea Tbk. (PTRO), a multidisciplinary company engaged in mining contracts with more than 50 years of experience. This followed the 2021 divestment of a 51% stake in PT Mitrabahtera Segara Sejati Tbk. (MBSS), an energy shipping company equipped with complete facilities and fleets. Both Petrosea and MBSS were for years solid contributors to Indika Energy Group's growth, and our divestment from both underscores just how serious and committed we are to transitioning away from coal and accelerating our decarbonization toward our net-zero goal by 2050.

- **Decarbonizing our operations**

We strive to reduce our emissions through a range of initiatives aimed at improving operational efficiency. At Kideco, for instance, we now run a solar photovoltaic system to provide power and reduce our use of diesel for generators. Kideco also operates an electric bus fleet for workers. We have also adopted solar PV at our Group headquarters just outside Jakarta, with immediate tangible reductions in our grid electricity consumption. Initiatives like these, and countless others, may seem incremental in scale. But taken together, across all the companies in the Indika Energy Group, and all the activities conducted by those companies, they amount to significant carbon savings — and a much-needed win for the planet.

In 2021, Indika Energy set a target to reduce Scope 1 GHG emissions intensity by 10% by 2025 against the 2020 baseline. To achieve this, in 2022 Indika Energy launched several new initiatives and continued existing ones to decarbonize our operations, leading to a 14% reduction in Scope 1 GHG emissions. [GRI 305-5]



Key initiatives



Solar PV in Kideco site Paser, East Kalimantan

Installation of 409 kWp solar PV and 100 kWh battery was conducted in 2020, with potential future expansion to solarize all facilities up to 10 MWp.
Emissions reduction: 1,610.37 tonCO2eq in 2022



Solar PV in Interport Business Park Kariangau, East Kalimantan

Installation of 140 kWp rooftop solar PV completed in September 2022. Since its first usage in October 2022, the solar PV has supplied 51,439 kWh of electricity.



Solar PV in INDY Bintaro Office Park, South Tangerang, Banten

313 kWp rooftop solar PV installed in four separate buildings to supply 14% of the office's electricity demand.
Since its first usage in June 2022, the solar PV supplied 194,925 kWh of electricity.



Electric bus at Kideco site

At Kideco's operational site in East Kalimantan, we have since December 2021 been using an electric bus to transport employees. The bus can carry up to 48 passengers per trip, and can travel up to 250 km on a full charge.
This initiative is aimed at reducing both fossil fuel usage and carbon emissions. We calculate that in the course of a year, we have been able to save 66,778 liters of diesel, which in 2022 was the equivalent to avoiding carbon emissions of 134.89 tonCO2eq. As a pilot project, this electric bus initiative has successfully shown how incremental measures, when scaled up, can deliver big gains.



Mining initiatives at Kideco

Any mining operation, especially those at the scale that Indika Energy operates, will have a wide range of heavy equipment, powered either by fossil fuels or electricity. That makes them prime candidates for initiatives to reduce power consumption and hence fuel use, and ultimately slash emissions.
One way to achieve this is by doing more with what's available. In one initiative, for instance, we use excavator engines to power the lighting needed during excavation activities, thereby saving energy that would have gone toward the separate lamp tower system.
In another, we installed sound-reduction equipment on dump trucks to improve fuel consumption. Similarly, we installed pumps on excavator units that serve as a mud-handling system.
Altogether, these initiatives allowed us to reduce emissions from our heavy equipment use and other mining activity by 7,521.52 tonCO2eq in 2022.



Use of B30 biodiesel for operations

Since 2021, we have fully adopted B30 biodiesel, a blend of 30% palm oil-derived fuel to reduce fossil fuel emissions. With the government mandating progressively cleaner blends of B35 in 2023 and B50 by 2025, we anticipate our carbon savings going up even further.



Office electricity-saving initiatives

Away from the project site and over at the corporate offices, there are also energy savings to be made. At the Graha Mitra office, all lights are turned off during break times and air conditioners are shut after 6 p.m. At the INDY Bintaro Office Park, the air-conditioning system uses a much more energy-efficient refrigerant than other commercial types. We also use "smart elevators" that can optimize trips based on passenger distribution to reduce waiting times, thereby requiring fewer elevator trips, and hence less energy consumption.

Energy conservation and efficiency initiatives at Indika Energy [GRI 302-4]

Initiative	Impact (in Gigajoules)
Utilization of solar panels in mining area	17,057.83
Utilization of solar panels in partner villages	13,295.58
Utilization of used oil in place of diesel in blasting activities	11,308.10
Change of lighting system for soil excavation activities	26,594.82
Utilization of bottom plugs in blasting activities	74,522.71
Change of mud handling system by installing pumps on excavators	7,954.88
Installation of sound reduction equipment on HD 777D dump trucks	2,567.94
Utilization of reverse osmosis drinking water treatment	190.52
Utilization of biodigesters in the Integrated Farming Area	18,063.08
Installation of FECO (Auto Economod) on HD units to reduce fuel consumption during overburden removal activities	13,263.78
Utilization of micro hydro energy to power lighting system	172.71

In 2022, we engaged even more closely with the third parties we work with to discuss how we can further accelerate our decarbonization journey. This is very important for Indika Energy as we understand that we cannot do this alone. One of the ways this was manifested was through Kideco's ESG Day held in June 2022 and Integrated ESG Workshop held in October 2022 to discuss its Integrated Action Plan for 11 prioritized ESG aspects with all of its contractors, one of the main topics being decarbonization.

At Indika Energy Group, we ensure that all partners and third parties working in our operational areas must comply with the Group's environmental regulations and will be evaluated. During 2022, we are proud to report zero significant environmental incidents or violations of environmental regulations within the operational areas of Indika Energy Group. [GRI 308-1, 308-2]

In addition to carbon, we are concerned about the very high environmental risks associated with ozone-depleting substances (ODS), which are found in air-conditioning systems, refrigerators and fire extinguishers. Indika Energy does not produce, import or export ODS, which is why we do not measure ODS emissions onsite. However, in our efforts to avoid generating these emissions, we have started to implement the use of air conditioners that use the more environmentally friendly 410a refrigerant at our INDY Bintaro Office Park headquarters. [GRI 305-6]



Performance

GHG emissions at Indika Energy [GRI 305-1, 305-2, 305-4, 305-5]

Description	Unit	2022	%	2021	%	2020
SCOPE 1						
Absolute emissions	TonCO2eq	1,029,538	-14.00%	1,197,167	-11.53%	1,353,176
Intensity	Million ton coal production	36.6	2.14%	37.4	9.04%	34.3
	TonCO2eq / ton coal	0.022	0.00%	0.022	-26.81%	0.031
	USD mn revenue	4,307.20	42.70%	3,018.27	52.19%	1,983.20
	TonCO2eq / USD mn revenue	239.03	-39.74%	396.64	-41.87%	682.32
SCOPE 2						
Absolute emissions	TonCO2eq	3,425	-11.40%	3,866	16.55%	3,317
Intensity	USD mn revenue	4,307.20	42.70%	3,018.27	52.19%	1,983.20
	TonCO2eq / revenue	0.80	-37.62%	1.28	-23.42%	1.67

Note:

- *Data on Scope 1 GHG emissions in Indika Energy Group is compiled based on Kideco, Petrosea, Tripatra, MUTU and Interport data, while Scope 2 GHG emissions data excludes MUTU. Indika Energy uses the operational control to consolidate emissions data. Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard [GRI 305-1].*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *Gas included in the calculation of Scope 1 and 2 absolute emissions and emissions intensity is only CO2 [GRI 305-1, 305-2, 305-4].*
- *The year 2020 is chosen as our base year for Scope 1 and 2 emissions calculations because 2020 data was used in the process of redefining our purpose, as well as creating our mid-term and long-term sustainability strategy and ESG targets [GRI 305-1].*
- *Conversion factors:*
  - *Calculations of Scope 1 emissions refer to the method outlined in IPCC 2006 2nd vol: https://www.ipcc-nggip.iges.or.jp/public/2006gl/vol2.html. Emission factors for Scope 1 emissions in 2020 and 2021 are based on Guidelines for Calculation and Reporting of Greenhouse Gas Inventories for the Energy sector from the Ministry of Energy and Mineral Resources and from US Department of Energy (https://afdc.energy.gov/files/pdfs/30882.pdf) as follows:*
    - *CO2 emission factor for diesel fuel / IDO = 74,100 kg/TJ*
    - *Calorific value for diesel fuel / IDO = 0.000038 TJ/liter*
- *In 2022, Kideco started using emissions factor for Scope 1 emissions as follows: 2.02 tonCO2eq per liter of B30 biodiesel, to account for B30 biodiesel usage.*
- *Calculations of Scope 2 emissions refer to the emission factors outlined by the Indonesian Ministry of Energy and Mineral Resources: https://gatrik.esdm.go.id/assets/uploads/download_index/files/96d7c-nilai-fe-grk-sistem-ketenagalistrikan-tahun-2019.pdf*
- *GWP rates used for calculating Scope 1 and 2 emissions are based on IPCC 2007 and IPCC 2013 the Physical Science Basis: CO2 = 1*
- *Coal production-based intensity parameters are calculated based on Kideco and MUTU data. Revenue-based intensity parameters are calculated based on Kideco, Petrosea, Interport, Tripatra, and MUTU data*

Both Scope 1 and 2 emissions are calculated with reference to the IPCC 2006 document and the Guidelines for Calculation and Reporting of Greenhouse Gas Inventories for the Energy Sector from the Indonesian Ministry of Energy and Mineral Resources [GRI 305-1, 305-2]. As of 2022, Indika Energy has not started calculating Scope 3 emissions due to the complexity of data and the lack of access to data sources that are not under the company's control [GRI 305-3]. Indika Energy also does not produce emissions from biogenic or biomass sources, therefore we do not report this data [GRI 305-1].

Energy consumption at Indika Energy [GRI 302-1, 302-3, 302-4]

Description	Unit	2022	%	2021	%	2020
Renewable energy consumption	GJ	30,557	0.86%	30,295	-99.84%	30,565
Non-renewable energy consumption	GJ	18,398,630	-12.00%	20,907,962	13.31%	18,421,605
Total energy consumption	GJ	18,429,187	-11.98%	20,938,257	13.47%	18,452,170
Energy intensity	Million ton coal production	36.6	2.14%	37.4	9.04%	34.3
	GJ/ton coal production	0.41	5.21%	0.39	-6.59%	0.42
	USD mn revenue	4,307.20	42.70%	3,018.27	52.19%	1,983.20
	GJ/USD mn revenue	4,278.69	-38.32%	6,937.17	-25.44%	9,304.25
Fuel consumption	liter	490,093,293	-11.95%	556,600,315	10.39%	504,218,270
Electricity consumption	GJ	20,750	-96.82%	652,882	2901.77%	21,750
Cooling, heating, and steam consumption	GJ	0	0.00%	0	0.00%	0

Note:

- *Data on energy consumption in Indika Energy Group is compiled based on Kideco, Petrosea, Tripatra, MUTU and Interport data. Indika Energy consolidates the energy consumption data from these subsidiaries quarterly through the use of an internal ESG Dashboard.*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *The year 2020 is chosen as our base year because 2020 data was used in the process of redefining our purpose, as well as creating our mid-term and long-term sustainability strategy and ESG targets. [GRI 302-4]*
- *Conversion factors [GRI 302-1]:*
  - *1 liter of diesel fuel and biofuel = 9,100 Kcal*
  - *1 cal = 4,184 Joule*
- *The types of energy included in the energy intensity ratio are biodiesel fuel, solar power, diesel fuel and grid electricity.*
- *Indika Energy has not calculated energy usage outside the company or reductions in energy requirements of sold products and services because of the complexity of data and lack of access to data that are not under the company's control. [GRI 302-2, 302-5]*
- *Energy intensity ratios use energy consumption within the organization in the calculation, and cover fuel and electricity only, as Indika Energy does not have consumption from heating, cooling and steam. [GRI 302-3]*
- *Coal production-based intensity parameters are calculated based on Kideco and MUTU data. Revenue-based intensity parameters are calculated based on Kideco, Petrosea, Interport, Tripatra, and MUTU data.*
- *Energy consumption from B30 biofuel is assumed to be non-renewable energy consumption.*
- *There is a restatement for 2020 total energy consumption data - in previous reporting, Kideco's energy consumption from renewable sources was not included.*

Water and effluents

Access to clean water is a human right, but water management in any context is a complex issue. Indika Energy's approach is to ensure that our use of water does not deprive anyone else of this precious resource, which is why we focus on solutions such as recycling used water and harvesting rainwater. We also closely monitor our water usage, treatment and discharge processes, to ensure that the water that we put back into the ecosystem is at least as clean as when we took it out. [GRI 303-1]

While our operations are water intensive in nature, none of our operating locations are classified as being of high or extremely high baseline water stress, per the WRI (World Resources Institute) Aqueduct Water Risk Atlas.

Our approach [GRI 3-3, 303-1]

From rainwater collection to reuse of water, we constantly innovate to use less. Across the Group, not only do we monitor water withdrawal, consumption and discharge performance regularly, but we also evaluate the impacts of these water-related processes to identify the most effective risk mitigation plans and ways to address water stress in our operational areas.

We also established a baseline in order to set medium-term targets for water withdrawal reduction in 2021. All companies within the Indika Energy Group are required to report water management performance quarterly to their respective Sustainability Committees. We realize that achieving our targets will require cooperation from all parties, so we involve our business partners, such as vendors and subcontractors, in the development of new initiatives and strategies to reduce water usage.

Indika Energy uses water sourced from groundwater, surface water, seawater and PDAM (water utility company) sources. We also use recycled water in our operations and supporting activities. Surface water is taken from rivers, for instance the Samurangau, Kasungai, Seratai, Busui and Biu rivers as well as the Embung Tandarayan, Kolam Tadah Hujan Desa Lolo and Kolam KM4 Desa Janju ponds in Kalimantan. Meanwhile, for activities in the Jakarta head office, many of our subsidiaries are served by the local water utility, PDAM Bintaro.

Our wastewater treatment processes are strictly monitored and reported monthly to ensure acceptable standards of water quality — from pH level to turbidity — before release, as outlined in the following regulations [GRI 303-2]:

- Ministry of Environment and Forestry Regulation No. 68 of 2016 on domestic waste
- East Kalimantan Provincial Reglation No. 2 of 2011
- State Ministry of Environment Decree No. 113 of 2003 on Wastewater Quality Standards for Coal Mining Businesses and/or Activities

> "We ensure that our use of water does not deprive anyone else of this precious resource, which is why we focus on solutions such as recycling used water and harvesting rainwater."

Kideco, for example, strictly monitors the 11 rivers that receive its water discharge, namely the Kandilo, Samurangau, Popor, Melas, Kamarayun, Kuaro, Uko, Kenyan, Busui, Suru, and Biu rivers. Runoff water is collected and treated in settling ponds to protect the rivers from pollution. [GRI 303-2]

Key initiatives



Settling the score

Kideco operated 29 settling ponds with a total capacity of 7,730 ML in 2022, treating wastewater that includes runoff from sump pit pumping as well as from domestic activities. Treatment of wastewater is followed by periodic monitoring and testing, carried out by an external laboratory. The water is only released into natural water bodies once the test results show the quality of the treated wastewater complies with the established quality standards.



Big guns and fog cannons

Coal dust emanating from stockpiles can post a health and safety hazard, and the typical way to tackle it is to spray water onto the stockpiles to prevent dust. However, this solution leads to another problem, which is wastewater. To get around this, we installed fog cannons and big gun sprinklers with a nozzle system in our coal stockpile yard. The nozzle system is key, because it atomizes the water into even finer droplets, resulting in more uniform watering and thus water consumption savings of up to 4.8 ML in 2022.



Use the filter

The concept of wastewater treatment is a simple one: Separate the waste from the water. There are several methods to do this, such as the use of settling ponds, which allow the waste, or total suspended solids (TSS), to sink to the bottom. At our facilities, we also use FILSA filter bags, which speed up the process of separating the sludge from the water. This method has allowed us to reduce our TSS parameter by 0.04 tons every year.



Taking control

We also have a control box installed in our settling ponds to facilitate the initial processing and reduce TSS levels by up to 40%. This in turn reduces the processing load in the settling pond, and has led to a cut in the TSS pollution load by 1,348.92 tons in 2022.

Performance

Water performance at Indika Energy [GRI 303-3]

Description	Unit	2022	%	2021	%	2020
Water withdrawal	ML	4,896.11	26.69%	3,864.72	13.71%	3,398.84
Water withdrawal intensity	Million ton coal production	36.6	2.14%	37.4	9.04%	34.3
	ML/kiloton coal	0.112	30.41%	0.086	7.33%	0.080
	USD mn revenue	4,307.20	42.70%	3,018.27	52.19%	1,983.20
	ML/ USD mn revenue	1.14	-11.22%	1.28	-24.68%	1.70
Water recycled	ML	2,296.39	152.54%	909.31	-30.60%	1,310.27
Water recycling rate	%	46.90%	99.34%	23.53%	-38.97%	38.55%
Water consumption	ML	4,881.34	26.75%	3,851.04	14.19%	3,372.52
Water consumption intensity	Million ton coal production	36.6	2.14%	37.4	9.04%	34.3
	ML/kiloton coal	0.11	30.41%	0.09	7.33%	0.08
	ML/ revenue	1.13	-11.18%	1.28	-24.97%	1.70
Water discharge	ML	317,812	5.58%	301,025	-13.82%	349,301

Note:

- *Data on water management in Indika Energy Group is compiled based on Kideco, Petrosea, Tripatra, and Interport data. Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard.*
- *Water discharge also covers collected rainwater which then gets treated to meet quality standards and discharged to various bodies of water.*
- *Interport's water discharge only comprises data from Sorong site and does not include data from Balikpapan site.*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*



Waste management

Waste is an inevitable by product of most processes, but if managed well, it can have minimal to no impacts on the environment. At Indika Energy, that is the goal we strive for, through initiatives such as waste reduction, reuse and recycling. We closely monitor all the different kinds of waste being generated and treat each type appropriately to minimize risk to our employees, our facilities, and our environment.

Our approach [GRI 3-3, 303-1]

Indika Energy's business activities generate waste that can be categorized as either hazardous or non-hazardous. Hazardous waste comes in various forms, ranging from used lubricants, used filters, to used batteries. Non-hazardous waste includes scrap metals, scrap tires, and domestic waste.

We recognize that there are various risks related to the potential negative impacts that our waste, whether hazardous or non-hazardous, could bring to the environment and society, such as the potential threat of marine pollution resulting from leakage of discarded plastic packaging into water bodies, soil contamination, and public health hazards. [GRI 306-1]

> "The most effective way to reduce waste is to generate less in the first place. We focus first on waste prevention, and valuate recycling and composting options to manage waste that cannot be prevented."

That is why we ensure our waste management activities are carried out independently or involving third parties with the requisite qualifications, including having a permit from the regulatory agency, and safe transportation and storage facilities. These third parties manage the waste in line with contractual obligations [GRI 304-2].

Throughout 2022, we continued to make progress on our commitment to reduce and eventually eliminate waste to landfill from our company and ecosystem [GRI 306-2]. New initiatives were developed such as:

- Reuse of intermediate bulk containers (IBCs) to store and contain hazardous waste in Interport Business Park, Balikpapan
- Trash banks - at Kideco's work area in Paser, East Kalimantan province, volunteers gather every Saturday to clean up and collect plastic bottles, beverage cans, and paper and cardboard waste, all of which can be sold to recycling facilities for community income. Meanwhile at the Interport Business Park in Balikpapan, East Kalimantan province, domestic waste managed by a third-party is sent to a waste collection area, or trash bank, to be further processed for recycling.

We also continued existing waste management initiatives, such as:

- Retreading of worn tires - keeping vehicle and equipment tires running longer and out of landfills.
- Repurposing of scrap tires - tires that can no longer be salvaged get a second life as drop structures in reclamation areas and in settling ponds, as well as for community purposes and as road markers.
- Reuse of scrap oil and 1.5-liter plastic water bottles for blasting activities - discarded bottles can be inserted in between the explosive column during blasting activities to provide an air deck, an accepted technique used all over the world to reduce the amount of explosives used while also improving blast results at mine sites. Similarly, waste oil can be used to replace diesel fuel in blasting operations, simultaneously putting the waste to use while reducing diesel consumption.
- Reduction of single-use plastic - we require the use of reusable tumblers, water bottles and food containers in the office. Small steps, when scaled up, make a difference.

Performance

Waste generation by composition at Indika Energy [GRI 306-3]

Description	Unit	2022	%	2021	%	2020
Hazardous waste	Tons	6,871	16.24%	5,911	38.71%	4,262
Non-hazardous waste	Tons	12,752	114.37%	5,948	8.21%	5,497
Total waste generated	Tons	19,623	65.46%	11,860	21.53%	9,759

Note:

- *Data on waste generation in Indika Energy Group is compiled based on Kideco, Petrosea, Tripatra, MUTU and Interport data. Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard.*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *At most of our subsidiaries, the data is sourced from direct measurements done by third parties hired for waste collection, reutilization and management.*

As business activity across Indonesia ramped up in 2022 amid the post-pandemic recovery, there was an associated and inevitable increase in waste generation. Across the Indika Energy Group, we saw a 65.46% increase, mostly from Tripatra. With new projects commencing at the start of the year, Tripatra recorded a 227% increase in waste generation in 2022 from the previous year.

In 2022, we are proud to report a major increase in the amount of waste recycled and reused due to a significant jump in the amount of waste reused by Kideco. The subsidiary's tyre retreading and regrooving initiative proves to be a major contributor to Indika Energy Group's endeavors to divert as much waste from the disposal as possible.

Waste recycled and reused by composition [GRI 306-4]

Description	Unit	2022	%	2021	%	2020
Hazardous waste	Tons	392	-42.04%	676	32.42%	511
Non-hazardous waste	Tons	5,359	129.49%	2,335	7.94%	2,163
Total waste recycled and reused	Tons	5,751	90.96%	3,012	12.61%	2,674

Note:

- *Data on waste management in Indika Energy Group is compiled based on Kideco, Petrosea, Tripatra, MUTU and Interport data. Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard.*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *Data of waste reused and recycled refers to the amount of waste with onsite recovery operations, while waste with offsite recovery operations is categorized under waste brought to a third party data.*

Waste diverted from disposal by composition [GRI 306-4]

Description	Unit	2022	%	2021	%	2020
Hazardous waste	Tons	3,539	4.30%	3,393	32.29%	2,565
Non-hazardous waste	Tons	5,563	125.37%	2,469	3.63%	2,382
Total waste diverted from disposal	Tons	9,102	55.29%	5,861	18.49%	4,947

Note:

- *Data on waste management in Indika Energy Group is compiled based on Kideco, Petrosea, Tripatra, MUTU and Interport data. Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard.*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *Waste diverted from disposal refers to waste that is recycled, reused, and composted onsite as well as offsite by licensed third parties.*





Biodiversity and land use

Indonesia is one of the most biodiverse countries on Earth, with the third-largest expanse of tropical rainforest, largest area of tropical peatland, largest area of mangroves, and much more. Many of these important ecosystems also overlap with the resources necessary to drive Indonesia's growth and development, so as an Indonesian company dedicated to the long- term welfare of the country, it is our duty to find a healthy balance between our operations and the well-being of the environment.



Our approach [GRI 3-3, 303-1]

A key part of our environmental focus has always been to minimize our impact and reduce harm wherever possible. This is a process that begins before operations even start, through impact assessments and mitigation measures, and continues long after operations have wound down, through reclamation and monitoring.

Managing and reducing negative impacts on biodiversity is one of our greatest concerns. Much of the current environmental discourse is focused on emissions, and there is less attention paid to the ongoing loss of biodiversity, which is just as important an issue.

As we diversify our operations, we are venturing into new fields where we can fine-tune our various green initiatives. The newly established Indika Nature covers the scope of nature-based solutions, protecting and restoring 170,000 hectares of forests in East Kalimantan. This incredibly rich and diverse landscape provides a critical ecosystem service. In addition to delivering positive climate impacts, it sustains productive forestry and biodiversity, and supports the socioeconomic livelihoods of local communities.

Managing biodiversity at Kideco [GRI 304-1, 304-2]

Kideco’s mining permit area of 11,975 hectares is located in Paser Regency, East Kalimantan province, and covers Roto Samurangau and Susubang Uko, which is mainly a production forest and limited production forest, respectively. A portion of Kideco’s transshipment port, however, includes protected forest area inside the Adang Bay Nature Reserve, a site of high biodiversity conservation value established in 2001. Kideco’s site is also adjacent to Mount Jondang, which Kideco considers a biodiversity conservation area based on criteria in the 1990 Natural Resources Conservation Law and the 1999 government regulation on protected species.

Through the Kideco Care program, we work with local communities to grow native tree species in nurseries that are then planted to create forest corridors connecting fragmented patches of forest, giving wildlife freedom to move safely. Studies have shown that at Kideco’s Tandarayan Arboretum reclamation area, near our Roto Samurangau site, no pests were found to disturb the reclamation area’s flora and fauna. With our sustainable reclamation, we help conserve and provide shelter for IUCN Red List species.

Managing biodiversity at Tripatra [GRI 304-1, 304-2]

Tripatra runs a Brine Heat Recovery Power Plant (BHRPP) in the Gunung Salak area of West Java, for project owner Star Energy. The plant is located near Mount Halimun-Salak National Park, an important biodiversity habitat for threatened species like the Javan hawk-eagle *(Nisaetus bartelsi)*, Indonesia's national bird, as well as a key resource for the social, economic, and cultural needs of local communities.

In its operations outside the park's boundaries, Tripatra ensures that reforestation is conducted using only native species of plants, such as *saninten, huru, puspa,* and *rasamala*. In 2022, Tripatra planted 500 *puspa (Schima wallichii)* and *rasamala (Altingia excelsa)* trees around the project site. Tripatra also provides *saninten (Castanopsis argentea)* trees to the national park management body, as this species is one of the priority flora species identified for conservation by the government's research agency.

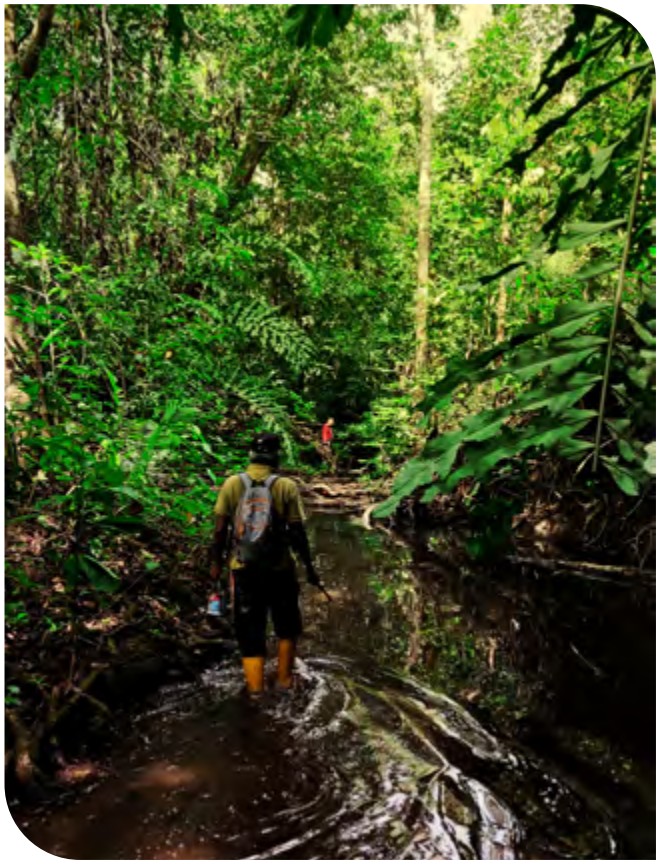
Managing biodiversity at Indika Nature [GRI 304-1, 304-2]

Indika Nature is our newest diversified business unit, formally established in 2022 to lead our nature-based solutions initiatives. These include forest generation for biomass, a fuel considered a renewable energy source by the European Union and others; management of agroforestry and non-timber forest products, to help rural communities earn a livelihood without having to deforest; and sustainable forestry management and environmental services. Indika Nature today manages a 170,000-hectare site in South Kalimantan province, home to critically endangered wildlife like the Sunda pangolin site *(Manis javanica),* and trees like bangkirai *(Hopea ferruginea).*

Land reclamation

Land reclamation is an important part of our activities, to ensure we mitigate any harm to the environment. To reclaim the land, we first prepare it by loading topsoil, then replant it, nurture the plants, and monitor the development over the long term. At the end of 2022, Kideco had completed land reclamation activities over a combined area of 440.69 hectares in the mine permit areas of Roto Samurangau and Susubang Uko in East Kalimantan province. To date, Kideco's reclamation program has produced carbon offsets of 677,034 tonCO2eq. In Central Kalimantan, MUTU has reclaimed a total of 160 hectares.

Kideco's reclamation program has had a positive impact on the environment, one of which is the increase in available water stored in the reclamation area. Just as important as land reclamation is watershed rehabilitation. This is carried out outside the Kideco and MUTU concession areas as a part of our obligation as holders of Borrow-to-Use Forest Area Permits (IPPKH). In 2022, Kideco completed the rehabilitation of 8,325 hectares of land in Kutai National Park, East Kalimantan.



List of wildlife recorded at the Tandarayan Arboretum reclamation area [GRI 304-4]

Local Name	Scientific Name	Status Based on IUCN Red List
Sunda pangolin	Manis javanica	Critically Endangered
Proboscis monkey	Nasalis larvatus	Endangered
Bornean gibbon	Hylobates muelleri	Endangered
Borneo bay cat	Catopuma badia	Endangered
Long-tailed macaque	Macaca fascicularis	Endangered
Southern pig-tailed macaque	Macaca nemestrina	Endangered
Greater green leafbird	Chloropsis sonnerati	Endangered
White-rumped woodpecker	Meiglyptes tristis	Endangered

Area of land reclamation by Indika Energy [GRI 304-3]

Description	Unit	2022		2021		2020	
		Realization	Cumulative	Realization	Cumulative	Realization	Cumulative
Kideco	Ha	440.69	5,050.06	471.64	4,609.37	426.19	4,168.12
MUTU	Ha	160.00	605.36	81.13	445.36	120.77	364.23
Total	Ha	600.69	5,655.42	552.77	5,054.73	546.96	4,532.35

Note:

- *Data on land reclamation is compiled from Kideco and MUTU data. Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard.*
- *The area of land reclaimed in 2022 has not been handed over to the Ministry of Energy and Mineral Resources. [GRI 304-3]*







SOCIAL



GRI : 203-1, 203-2, 3-3, 401-1, 401-2, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1, 407-1, 408-1, 409-1, 413-1, 413-2

Global Compact : Principle 3, Principle 4, Principle 5, Principle 6

WEF SCM : People and Prosperity pillars



Developing our human capital

Our employees are the cornerstone of our company's success, bringing our vision to life and leading our efforts to continue delivering innovative, high-quality and impactful solutions for our customers and community. To attract the best talent, with the minds, hearts and commitment to help deliver our mission and drive impact across our ecosystem, we have to provide the best support system and channels for our employees to continue growing and thriving.

We also adhere to a strong ethical code of conduct and expect all our employees and business partners to share and respect those values as part of contributing to a more transparent, accountable and safe working environment.

We involve employees or representatives in the development of most company policies. The company also promotes new policies related to employee welfare, the merit system, or future company plans one month prior to rollout. These awareness activities are conducted through internal communications channels such as email, town hall meetings, coordination meetings and other platforms, in keeping with prevailing company regulations and collective labor agreements. [GRI 402-1]

> "We provide the best support system and channels for our employees to continue growing and thriving, to drive impact across our ecosystem."

Our approach [GRI 3-3, 303-1]

Attracting the right talent

We pay close attention to how we attract and assess talent at every step of the recruitment and hiring process. We are also focused on "culture add" and values when evaluating candidates, looking to hire people from different backgrounds and with a wide range of experiences. That means we focus on how a candidate can add to Indika Energy's culture, not simply how they might fit in. When we look at hiring, we also consider geographic and socioeconomic diversity for better representation.

- **Talent attraction:** We follow a clear policy to eliminate bias and ensure sourcing channels do not discriminate against applicants, whether directly or indirectly. A dedicated human capital recruitment team ensures recruitment announcements are clear about expectations for candidates, and works to stamp out fraudulent postings.
- **Recruitment:** Our recruitment team, working with hiring managers and employees with the relevant subject matter expertise, interview and screen the most promising candidates, using established evaluation criteria.

Developing the right skills [GRI 404-2]

We are strong believers in the idea that learning is a lifelong process, and to that end we are strongly committed to ensuring all Indika Energy Group employees have access to targeted learning opportunities and development programs. By helping our employees continue enhancing their skills and expanding their knowledge, we want to help them move forward and carve out a meaningful career path.

A highlight of our learning and development ecosystem is the Indika Energy executive leadership program, which works in collaboration with reputable universities to cover sustainability topics, including sustainable finance, carbon accounting, and case studies of leading sustainable corporations.

- **Mandatory training:** We ensure all employees complete the mandatory training as administered by our Human Capital teams. Mandatory training topics include the Code of Conduct, Business Ethics, Anti-Bribery and Anti-Corruption, and Health and Safety.
- **Executive leadership program:** We work with some of the leading business management universities in Indonesia to give high-achieving employees an insight into sustainability topics, including sustainable finance, carbon accounting, and case studies of leading sustainable corporations.
- **Leaders' insights training:** This high-level program is for leaders of the Indika Energy Group to delve into the topics of ESG and Purpose, Climate Change and Energy Transition, Implementation of Sustainable Development Goals (SDGs), and macroeconomic outlook. [GRI 404-2]
- **Sustainability workshop:** This set of learning programs is focused on sustainability and aimed at serving Indika Energy's business units to standardize and improve their understanding of ESG material topics.
- **External training:** We frequently bring in external guest speakers and subject matter experts to help our employees better understand a broad range of topics through webinars and training sessions.



Accelerating growth

We provide a supportive environment where all employees have equal opportunities for personal and professional growth.

- **Performance evaluation policy:** Our Human Capital teams have detailed performance review procedures, which include standard evaluation frameworks to assess employee performance. This ensures comprehensive, objective and transparent reviews of each employee's contributions to the company and supports identifying the right tools and opportunities for talent development.
- **Coach ecosystem:** A coaching support network equips our leaders with the necessary tools and skills to be better mentors for their teams.
- **Mentoring that matters:** At Tripatra, we administer a mentoring program that brings together employees serving as mentors to fellow employees, as part of efforts to build employees' soft skills. This program helped earn Tripatra the award for "Best Companies to Work For in Asia 2022" at the HR Asia Awards.
- **Internal mobility opportunities:** Moving employees across different roles within the Indika Energy Group allows them to gain valuable experience and skills that they would otherwise not have access to.

Retaining our people

- **Indika Energy Cerdaskan Anak Bangsa:** This scholarship for the children of employees and frontliners from elementary school up to university level.
- **Long service award:** We honor those employees who have given 5, 10, 15, 20 and 25 years of service with a special award in appreciation of their dedication and loyalty.

Championing diversity, equity and inclusivity

– **Representation**

We continued to see increases in representation for women in our industry, which has historically been a male-dominated one. We expect this representation to grow as we diversify into other sectors and implement more women's empowerment initiatives.

– **Gender equality**

We do not differentiate pay and compensation based on gender, therefore the ratio of basic salary for women to men is 1:1 [GRI 405-2]. We also foster women's representation in business and management at all levels, particularly in middle and senior management. We support work-family balance by taking a zero-tolerance stance on discrimination against pregnant women and workers with family responsibilities in hiring, job assignment, training, conditions of work, and firing. Our commitment to gender equality is also reflected through our policy of paid maternity and paternity leave, which is aligned with national regulatory requirements [GRI 401-3].

– **Women's empowerment**

At Tripatra, we are committed to helping women develop their careers by facilitating women-to-women mentorships. In 2022, 50 mentor-mentee pairs participated in the program, accounting for 41% of all the women employees in Tripatra.

– **Zero tolerance of harassment**

Indika Energy Group condemns all kinds of harassment, not just of our employees, but of our partners and users as well. We are bringing together Group-wide support mechanisms to ensure all our employees are protected, no matter where they are. For our partners and users, we are committed to raising awareness of different types of harassment, and ensuring our ecosystem has the right protection mechanisms in place to eliminate it outright. We have incorporated this in our Code of Conduct to strengthen our zero-tolerance policy toward harassment in the workplace.

– **Local hiring**

We continue our efforts to increase local representation by recruiting workers from the areas where we operate. This not only provides job opportunities for communities around each project area, but gives the local hires valuable work experience and competency development that then also benefits their community. And as an Indika Energy employee, each local hire is expected to contribute to the successful implementation of the company's projects.

– **Fair pay and equal rights**

We are committed to providing a living wage for all of our employees. Our pay structure is based on thorough and objective benchmarks and market insights; our lowest compensation bracket, including for entry-level positions, is well above the minimum wage. [GRI 202-1]. We do not differentiate on pay and compensation based on age, ethnicity or other demographic characteristics. Temporary or contract employees receive the same benefits as full-time employees [GRI 401-2].

– **Raising awareness in the workplace**

In 2022, Indika Foundation held a session to convey messages related to inclusivity in the workplace, types of disabilities, and how to effectively work with colleagues with disabilities.

– **People with disabilities**

We make sure to nurture our people equally, which includes embracing people with disabilities as part of our workforce. Over the past few years, we've been working on creating spaces that are universally accessible and inclusive. At Indika Energy, we are putting the theory of universal design into practice by making spaces inclusive of everyone, including people with disabilities.

Regardless of any individual's abilities, we make sure that all can engage, imagine and build — that they can belong in all the ways that matter at Indika Energy.

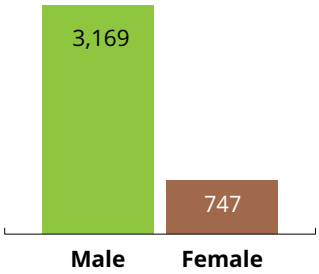
Retirement plan [GRI 201-3]

The Indika Energy career path is founded above all else on equal and fair opportunities for all employees. This starts from the recruitment process, through career development, and all the way to retirement. As a form of responsibility to employees who have dedicated their lives to the Company, we provide pension plans that include programs such as pension protection and pension preparation period. These programs are targeted at employees who will enter their retirement period and aim to maintain a decent standard of living after they enter retirement age, or ensure that their beneficiaries are looked after if they are forced to stop working due to permanent total disability or death. This program works to help employees face the prospects of retiring while still remaining comfortable and productive. The program consists of:

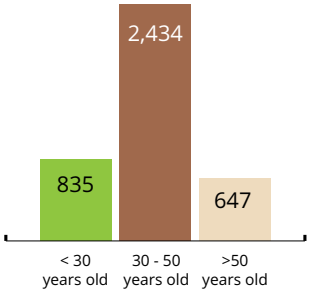
- Pre-pension debriefing to give employees a better understanding of the financial and health management expectation, which is provided at least three years before employees enter retirement age;
- Pension debriefing, which is provided two years before employees enter retirement, with various options: entrepreneurship, certification, and spiritual debriefing.[GRI 201-3]
- Training to prepare employees for retirement focuses on issues of mental and physical health, and financial management. The training is delivered via classroom sessions, role playing, business visits, and other means.

As of December 31, 2022, Indika Energy Group employs a total of 3,916 workers. The figures below show the broad diversity of our workforce, broken down by employment status, gender, education, age, position, and employee category [GRI 2-7].

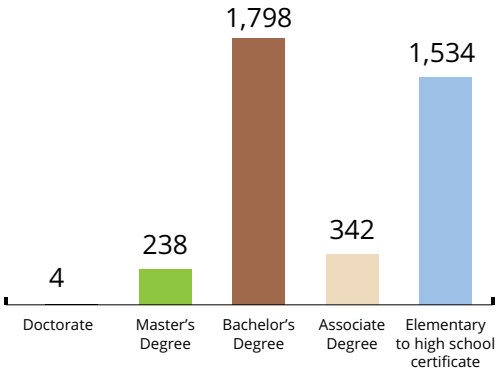
Gender



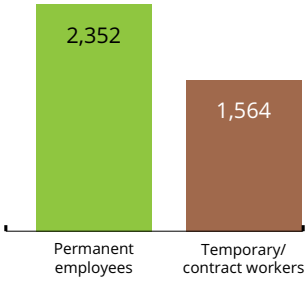
Age Group



Educational Background



Employment Status





Nationality	Number of Employees
	2022
Indonesian	3,882
Bulgarian	1
Filipino	1
Indian	8
South Korean	7
Trinidadian and Tobagonian	1
American	2
Japanese	3
Australian	4
Singaporean	5
New Zealander	1
Canadian	1
Total	**3,916**



"Breaking the bias means going beyond perceived limits, giving everyone the freedom to bring all of who they are to the table in service of their greater self. We continued to invest in current (and future) employees."

Retina Rosabai
Director at Indika Energy

> The open and inclusive culture is the most valuable experience I have cherished at Indika Energy Group over the years. It has taught me to be accepting of myself and others, which in turn has helped me grow into a better person.
>
> *Surya Nuswantoro*
> *Senior Legal Officer at Indika Energy*

In addition to that, Indika Energy also records the number of workers who are not employees, which consists of part-time staff / interns, outsourced staff, and experts. [GRI 2-8]

Description	Male	Female
Part-time/ temporary/ internship staff	21	20
Outsourced staff	1,514	98
Experts	13	3

**Note: The data on workers who are not employees was compiled using the headcount methodology with the cutoff date of December 31, 2022.*

Our achievements throughout 2022:

Reduced our employee turnover from **12.82% to 8.67%**

Our employees participated in **5,547** training and development programs

Increased our training and development expenditure by 8.94% to **USD 716,760**

Training Parameters [GRI 404-1, 404-3]	Unit	By gender		By level	
		Male	Female	BOC, BOD, Executive	Manager Below
Average hours of training per employee	Hours	37.63	38.64	4.31	39.03
Number of employees receiving performance and career development reviews	Employees	1,491	377	61	1,807
Percentage of employees receiving performance and career development reviews	%	47.05%	50.47%	44.85%	47.80%



Promoting Safety in Indika Energy Group

In the industries in which Indika Energy operates, safety comes first and foremost. We maintain a strong emphasis on occupational health and safety (OHS), nurturing a culture of safety that goes beyond box-ticking and looks at ways to anticipate and mitigate potential risks. By being constantly on our toes, we strive to create the safest possible workspace that will allow our employees to perform at their best.

Our approach [GRI 3-3, 303-1]

Compliance with health and safety standards

We are strict about our adherence to ISO 45001:2018 for Occupational Health and Safety Management System standards as well as the prevailing national standards and industry health and safety certifications such as the Occupational Health and Safety Management System (SMK3) certification that applies for all stakeholders (internal and external) in accordance with Ministry of Manpower Decree No. 50 of 2012. Kideco's OHS system also complies with the Ministry of Energy and Mineral Resources Decree No. 26 of 2018, while Interport's OHS system complies with Government Regulation No. 0196.K/18/DMT/2018.

As a company engaged in the oil and gas sector, Interport is required to implement an Oil and Gas Safety Management System (SMKM), per Ministry of Energy and Mineral Resources Regulation No. 32 of 2021.

Our health and safety management system covers our permanent and full-time employees as well as temporary/contract workers and those under third parties (subcontractors/vendors). It also covers all business activities. [GRI 403-1, 403-8]

Due to the existence of high-risk jobs at relevant units or divisions, the company continuously evaluates and improves the OHS management system. This includes carrying out internal and external hazard identification and risk assessments, investigating incidents to ensure continuous improvement and to prevent any recurrence, evaluating compliance with regulations, following up on existing gaps in compliance with regulations, and implementing management review [GRI 403-2].

> "We maintain a strong emphasis on occupational health and safety (OHS), nurturing a culture of safety that goes beyond box-ticking and looks at ways to anticipate and mitigate potential risks."

At the subsidiary level, risks related to safety, occupational health, and the environment are identified and assessed starting from the proposal phase, to be continued in HAZOP/ HAZID, HIRADC (Hazard Identification, Risk Assessment, Determining Control), and Environmental Impact Aspects before the project starts, as well as monitoring/ monitoring for its implementation during the project.

Meanwhile at the Corporate level, the identification and control of risks in the project is monitored and recorded. The identified risks from all operations, including HIRADC, are collected and monitored regularly, to be used later for annual assessments.

The process used in incident investigation depends on the level of potential risk of the incident. The risk of the incident itself is divided into 4 types:

1. Very low risk
2. Low risk
3. Medium risk
4. High/extreme risk

For very low, low, and medium level incidents, "why" analysis is used, while for high-risk incidents where there is a potential to endanger the life of one or more persons, an investigation is carried out. The HSE department of each subsidiary is responsible for leading such incident investigations. [GRI 403-2]

We implement Industry 4.0 technology for occupational health and safety. This includes leveraging digital tools for quick decision-making, safety improvement, and productivity boost with efficient use of resources. For example, Kideco developed a mobile application called Nembayu for safety administration, including hazard reporting, permits, and incident management. Increasing adoption of such mobile apps provides access to real-time reporting and notification for any unsafe conditions in the workplace. [GRI 403-2]

The company has put in place programs on health and OHS facilities such as [GRI 403-3]:

- **Promotive program:** This disseminates information on health issues concerning the work environment and illness in general.
- **Preventive program:** This promotes the prevention of health issues among employees through regular check-ups.
- **Curative program:** This provides consultation, medication, and treatment facilities for employees who experience workplace accidents or illness.
- **Rehabilitative program:** This provides therapy for employees following a workplace accident or illness, to allow them to return to work in good health.

The company also implements fundamental support structures for employee health and well-being, including [GRI 403-3]:

- Emergency response facility in the form of a rescue vehicle, emergency equipment and first-aid kit.
- Health care facility in the form of a first-aid room or clinic where permitted.
- Proper working environment and facilities in the form of a safe and comfortable working space or area that considers all elements, including lighting, temperature, air circulation, noise level, shock level, and dust, to be within safe permitted limits.
- The company also collaborates with local external clinics and hospitals in the event of an emergency.

There is also an Emergency Response Plan that guides our response to emergency incidents and that details the roles and responsibilities of the Crisis Management Team. [GRI 403-3]

We work closely with our employees for their input and participating in developing and implementing health and safety management systems. Worker representatives, especially senior managers, are involved in all activities of the occupational health and safety management system, starting from determining the company's occupational health and safety policies, to setting goals, to implementing and evaluating the management system. [GRI 403-4]

We also conduct regular training and awareness programs for employees about occupational health and safety. For specific activities undertaken within a project, employees get additional training in accordance with their respective scope of work, such as working at heights or in confined spaces, basic lifting and rigging, chemical handling, and excavation safety. In 2022, we conducted OHS training related to a wide range of topics, including Contractor Safety Management System (CSMS), incident investigations, Lock Out Tag Out (LOTO), and Behavior Based Safety. Basic occupational health and safety knowledge is also shared with all employees and visitors to project sites. [GRI 403-5]

To identify and control risk hazards, the company also implements strict internal policies, including work permits, safety targets, safety scorecards, OHS audits (internal and external), and safety investigations. [GRI 403-7]

Promoting mental health and wellness [GRI 403-6]

As pandemic-era restrictions eased and more workers returned to the office, Indika Energy placed an even greater focus on maintaining physical and mental health. We offered several programs throughout the year to assist employees in managing their health and well-being, such as:

- **Interport Wellness Program:** Interport turned to gamification to get employees to pay more attention to their health. This included competitions for lowest record of health insurance claims, best medical check-up results, most significant body fat reduction, and most steps walked. Interport also continued holding its Health Talks program, a series of seminars discussing various health themes such as mental health issues, and carried out campaigns using banners and other communication tools to raise awareness about the importance of a healthy lifestyle.
- **Indika Foundation's support for mental health:** With the increased emphasis on mental health, the Indika Foundation facilitates professional psychological counseling for employees who may need it, whether their personal or mental health issues arise from grief, a family crisis, or a traumatic event such as sexual violence.





Health and safety performance at Indika Energy [GRI 403-9, 403-10]

Description	2022	2021	2020
No. of employee fatalities	0	0	0
No. of contractor fatalities	1	0	1
No. of work-related ill health cases	2	8	8
No. of lost time injuries	3	0	1
No. of recordable injuries	14	8	13
No. of high-consequence injuries (excluding fatalities)	7	1	3
No. of hours worked	58,643,037	47,847,807	53,215,939
Lost Time Injury Rate	0.010	0.000	0.004
Total Recordable Injury Rate	0.048	0.033	0.049

Note:

- *Data on health and safety performance in Indika Energy Group is compiled based on Kideco, Petrosea, Tripatra, MUTU and Interport data. Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard.*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *Lost Time Injury Rate and Total Recordable Injury Rate are both calculated per 200,000 hours worked.*

While we endeavored to ensure that all systems and safeguards were in place to keep employees safe on the job, unfortunately we did experience the fatality of a contract worker at our operation at Kideco in 2022. Kideco has taken measures to eliminate the risk of similar incidents across its operations, and ensured that the family of the deceased is taken care of.



Community relations

Since the formation of the Indika Energy Group, our collective reach has expanded significantly, touching the lives of millions — community members, local vendors, suppliers. As such, we believe we are uniquely positioned and have a responsibility to continue being a positive force wherever we operate, and on the lives of all those who depend on us, including the employees, local community members and suppliers who make up a large majority of our stakeholders.

Our approach [GRI 3-3, 303-1]

Local communities' engagement

We engage with communities in all of the areas where we operate and conduct assessments to ensure that we are meeting their needs through our community development programs [GRI 413-1]. Through these assessments, we also seek to identify any potential negative impacts that our operations may bring to the communities and how we can mitigate them [GRI 413-2]. We also continue to facilitate community development programs, vocational training courses and entrepreneurial skill building.

We maintain mechanisms to collect, record and address complaints or grievances from local communities. Anyone in the community can submit feedback or complaints directly to the program manager or to the Indika Energy Group at the company level via email, website, telephone or a visit to the local Indika Energy Group office. All feedback and complaints are recorded in accordance with the policies of the relevant company in the group. [GRI 2-25]

Our mutual respect for community groups extends in particular to the indigenous communities around our operating areas, whose cultures we cherish and work to protect as an integral part of Indonesia's rich diversity. In East Kalimantan province, Kideco has established relationships with social groups representing local Indigenous communities, such as Lembaga Adat Paser, Laskar Pertahanan Adat Paser, and Paser Bekerai. Meanwhile, in Sumatra, Tripatra also supported activities held by the indigenous peoples near their operational area in Bengkalis, Duri, Riau. Some of the programs include support to the Sakai village and Lembaga Adat Melayu Riau. These groups share the common goal of maintaining their long-held traditions and cultural customs in a fast-globalizing society. In working with such groups, Kideco and Tripatra provide both participation and support toward reaching their goals. [GRI 411-1]

Wherever we are, we aim to make important contributions to society — by providing better access to education, health care, as well as empowering the community. Through our community programs we create jobs, drive economic development, and generate social prosperity.

Education

- **Interport and Indika Foundation's Character-Building Program:** Following from the Character Education Training program for teachers in 2021, in 2022 we organized activities around the Character-Building program for children at three primary schools in Balikpapan, East Kalimantan. The aim is to instill in young learners a strong sense of character to complement the academic education they already receive, with the hope of raising a generation that is smart, healthy, and noble-minded. To further cement what they learned, these schools carried out mini projects that channeled the students' understanding of cooperation, discipline and creativity.
- **Karya Salemba Empat scholarship program** - In line with the company's spirit to provide better access to education in Indonesia, Indika Energy is holding a scholarship education fund program for students at national Indonesian universities.
- **MUTU scholarship:** For junior and senior high school students living in the immediate vicinity of MUTU's operating area in South Barito, Central Kalimantan province, the MUTU scholarship can be an educational lifeline.
- **Cirebon Power education initiatives:** In Cirebon, West Java province, Cirebon Power has embarked on a similar initiative, providing educational opportunities for some 16,400 primary school students, many of them from impoverished fishing communities. The company plans to expand the program to also include junior and senior high school students. Cirebon Power has also set up a "floating library" in the fishing village of Citemu Mundu, catering to some 200 children on weekends. In 2022, it set up another library, near the Cirebon Power plant, that offers a catalog of 1,000 books as well as other educational activities for children. These efforts earned Cirebon Power an award for the company that most cares about childhood education, from the Cirebon TV journalists' association.

Health

- **Combating stunting:** Childhood stunting remains a problem across Indonesia, where parents often do not understand the importance of good nutrition from infancy. In Kalibawang, Yogyakarta province, where the prevalence of childhood stunting is high, at 218 cases, Tripatra held a workshop led by clinical nutritionists from Aisyiyah University to educate 100 mothers on the importance of good nutrition. Tripatra also distributed supplementary food packages to all the participants.

- **Interport and Kideco also engaged in stunting awareness and prevention programs.** Kideco implemented the Canting program (Cegah dan Tangani Stunting, or Prevent and Tackle Stunting) in 14 villages across Paser, East Kalimantan. Kideco and Indika Energy as a group have made the fight against stunting in Paser one of our flagship programs through interventions to improve nutrition for pregnant women, nursing mothers, and infants under the age of two. We do this through awareness campaigns and improving local health care facilities.
- **COVID-19 relief**
  - During the worst period of the COVID-19 pandemic, in mid-2021, Indonesia was reporting thousands of infections and hundreds of deaths a day. Most of those deaths were from lack of oxygen, with the acute shortage of this life-giving gas highlighting the importance of having supplies ready. Working with tech unicorn GoTo and the Indonesian Chambers of Commerce and Industry (KADIN), Indika Energy, MUTU and Indika Nature provided oxygen generators to Jaraga Sasameh Hospital in Buntok, Central Kalimantan in September 2022. Capable of producing enough oxygen to fill 100 canisters per day, this new facility now has the highest oxygen-producing capacity in the entire province of Central Kalimantan.
  - **Vaccine Goes to Community:** The Indonesian government's rollout of the COVID-19 vaccine is widely regarded as one of the most successful in the world for its reach and speed. Keen to assist in this unprecedented effort, Kideco, in collaboration with the government of Paser regency, East Kalimantan province, held a vaccination drive from June-July 2022 for residents who had not received their first and second shots, as well as those who had not received a booster shot.

Economic empowerment

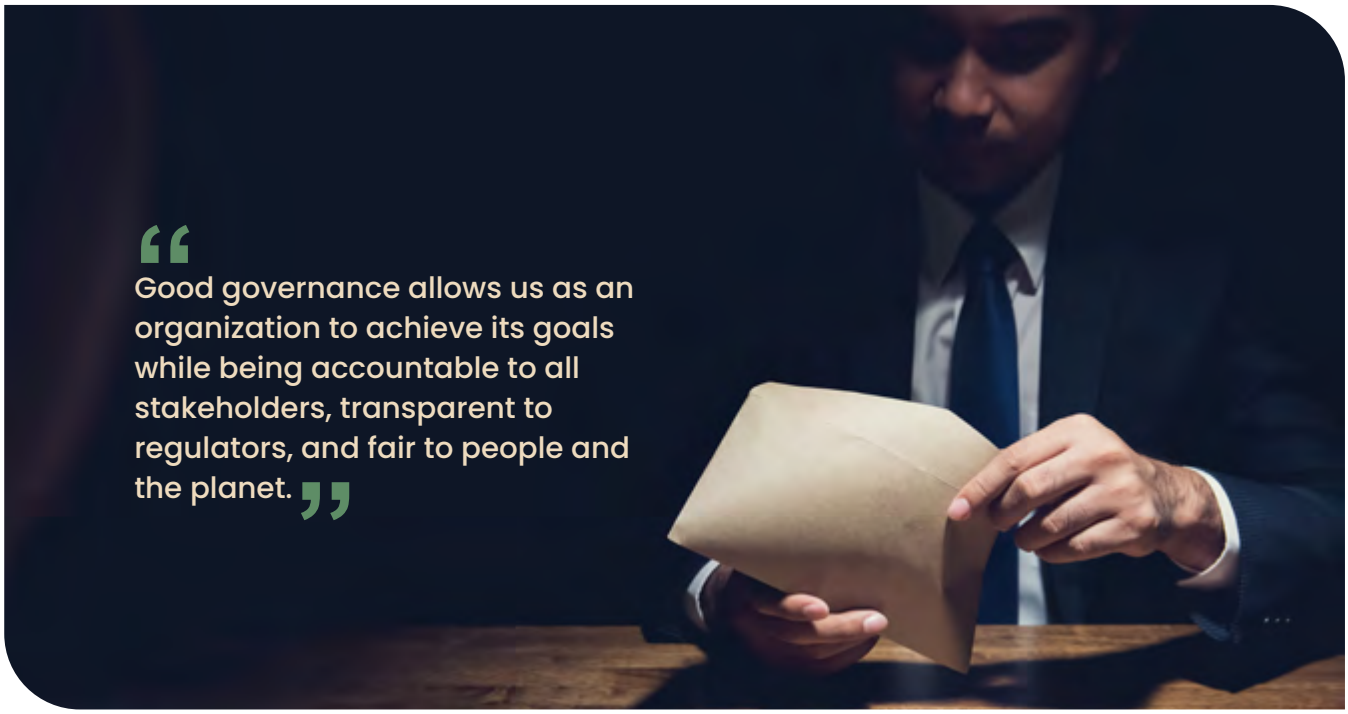
- **Interport's tilapia fish cultivation training:** In community consultations, residents of West Balikpapan, East Kalimantan province, voiced the need for help farming tilapia as a form of livelihood. So in collaboration with other companies, Interport provided training on fish farming, starting with the release of 7,000 tilapia spawn in six ponds newly built by Interport and the Salok Baru Youth Organization. The tilapia will be sold at Pandansari Market in West Balikpapan, and a small portion will also be sold around the village.
- **MUTU's organic fertilizer production training:** The combination of high fertilizer prices (a consequence of the Russia-Ukraine conflict) and growing consumer demand for organically grown produce has provided a golden opportunity for farmers in Wayun village in South Barito, Central Kalimantan province. Here, MUTU is training the farmers on how to produce organic fertilizer, helping them reduce their dependence on costly chemical fertilizer and get more for their organic produce.
- Subsidiaries' support for infrastructure in operational sites: Throughout 2022, our subsidiaries initiated development of infrastructure, including roads, bridges and community facilities. [GRI 203-1]

Environment

- **Kideco Green Eco Edu for Kids:** Children are never too young to learn about environmental conservation. So as part of an awareness-raising campaign, Kideco enrolled 140 students from a junior high school in Paser, East Kalimantan, in a series of fun activities to spur new ideas on the importance of nature. The students were also asked to think about innovative solutions to climate change, and try to understand the concept of sustainability.



- **Interport Waste Sorting and Composting Workshop:** Interport collaborated with several stakeholders to hold a workshop on sorting and composting household waste in Kariangau, West Balikpapan, East Kalimantan province, in September 2022. Some 30 residents representing three neighborhood units took part in the event.
- **Masmindo "Million Tree Movement":** Masmindo partnered with the local environmental agency in Luwu, South Sulawesi province, on a campaign to plant a million trees. The start of the campaign on March 22 saw the distribution of 15,000 seedlings to residents of the villages of Pajang, Ulusalu and Boneposi, near Masmindo's concession. Residents will receive more seedlings as the campaign progresses. These include fruit trees that can provide a source of income once they mature, such as durian, rambutan, langsat and jackfruit, as well as timber trees.



Human rights and grievance mechanism

Wherever Indika Energy operates, our approach to and engagement with local communities is always grounded first and foremost in respect for human rights. We are proud of this record and are committed to not just maintaining it, but to also build even stronger relations with the communities, as part of our ambition to be the best corporate citizen we can be. Tolerance and cooperation are the foundations of Indonesian society, and we are proud to reflect those principles in action.

Our approach [GRI 3-3, 303-1]

Respect for human rights [GRI 2-25]

We are committed to identifying and handling the risks and human rights impacts associated with our activities, including the rights of our employees and local communities who may be affected by our activities. We stand against the use of child, forced or exploited labor, as well as forced or exploitative working conditions, and ensure our partners comply with regulations. In 2022, none of our operations or suppliers were found to have risks for incidents of child labor and forced labor [GRI 408-1, 409-1].

Whistleblowing system [GRI 2-25, 2-26]

Our whistleblowing system provides a formal grievance mechanism to address any concerns from all stakeholders, including employees and external parties. It is accessible via mail, email, fax, telephone and a dedicated website 24/7 in both Indonesian and English to ensure greater accessibility. We also welcome inputs from other channels and avenues outside the formal grievance mechanism, including legacy media, social media and other platforms. In 2022, we received 10 whistleblowing reports. We treat all these inputs with the same high level of professionalism and make every effort to resolve issues that are brought to our attention.

Grievances

Indika Energy's policy for handling employee complaints is stipulated in Chapter VII of the Collective Labor Agreement, specifically articles 133 and article 134. These state that complaints by employees may be submitted directly to the supervisor, who will then find a solution and way out of the problem. If the complaint cannot be resolved structurally, the employee has the right to submit it to the union to be resolved in a bipartite manner. If this is still unsuccessful, the matter must be resolved in a tripartite manner with reference to the prevailing employment laws and regulations. All stakeholders, including employee representatives, have a say in designing and proposing improvements to this mechanism. [GRI 2-25]

Collective bargaining agreements [GRI 2-30, 407-1]

Indika Energy recognizes employees' right to organize and believes that diverse opinions and views, if well communicated, can enrich the group. Employees have the opportunity to form labor unions as a channel for communication with management, and to date there are four such labor unions within Indika Energy Group: Serikat Pekerja Seluruh Indonesia (SPSI), Serikat Buruh Sejahtera Indonesia (SBSI), Serikat Pekerja Paser (SPP), and Serikat Pekerja Batubara (SP BARA). A total of 396 employees from our subsidiary Kideco participate in labor unions, which serve as communication channels for these employees to share their aspirations for the company's growth and better working relations. Besides the Group's policies and regulations, freedom of association is also ensured under Indonesian employment laws and International Labour Organization conventions. 100% of employees at Indika Energy Group are covered by collective bargaining agreements, and no operations were found at risk of violating workers' rights to exercise freedom of association and collective bargaining.

Raising awareness

All parties we work with must understand and respect the rights of our employees and the communities living in our operations, which is why we are careful to ensure 100% of our security forces at our sites have been trained and socialized as to the importance of respecting human rights [GRI 410-1]. We also conduct assessments to identify areas of improvement in our security personnel training.




NET ZERO
BOC - BOD INDUCTION 2022
PROGRESSING TOWARDS SUSTAINABILITY
7 - 8 AUGUST 2022
INDIDIKA
INDUCTION 2022



GOVERNANCE

GRI : 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20, 2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 2-28, 205-1, 205-2, 205-3, 3-3

Global Compact : Principle 1, Principle 2, Principle 10

WEF SCM : Governance and Prosperity pillars



Our robust governance structures [GRI 2-9]

Indika Energy has always taken a long-term view on value creation for all our stakeholders. Key to this is how effectively we manage our material ESG issues, as well as the impacts and outcomes of our efforts on all our stakeholders, not just our company. In maintaining this long-term focus, we have enshrined relevant ESG best practices into our governance structure and management processes.

Our business, by its nature, is driven by collective growth and has an inherently positive impact on the communities where we operate, on the homes, schools and businesses that we power, and on the growth of the nation and its people. This gives us the foundation to operate ethically, comply with relevant local laws and regulations, as well as ensure the highest levels of trust, safety, and transparency across our ecosystem.

Since our inception, we have grown significantly. Today, we manage portfolios covering a wide range of businesses with strong growth opportunities, including renewable energy, nature-based solutions, electric vehicle ecosystem, logistics and infrastructure, minerals, and digital technology — all in line with our commitment to energize Indonesia for a sustainable future.

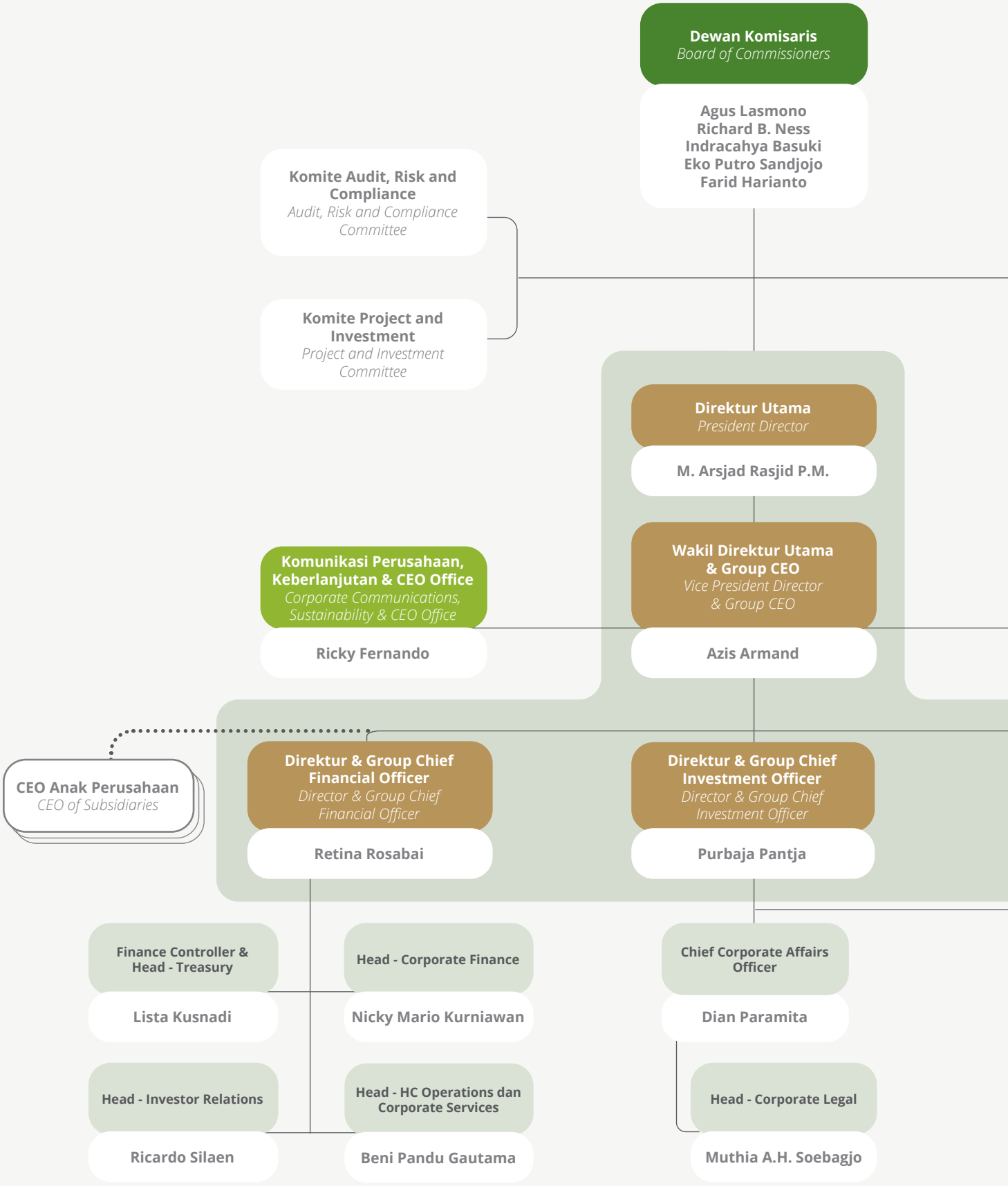


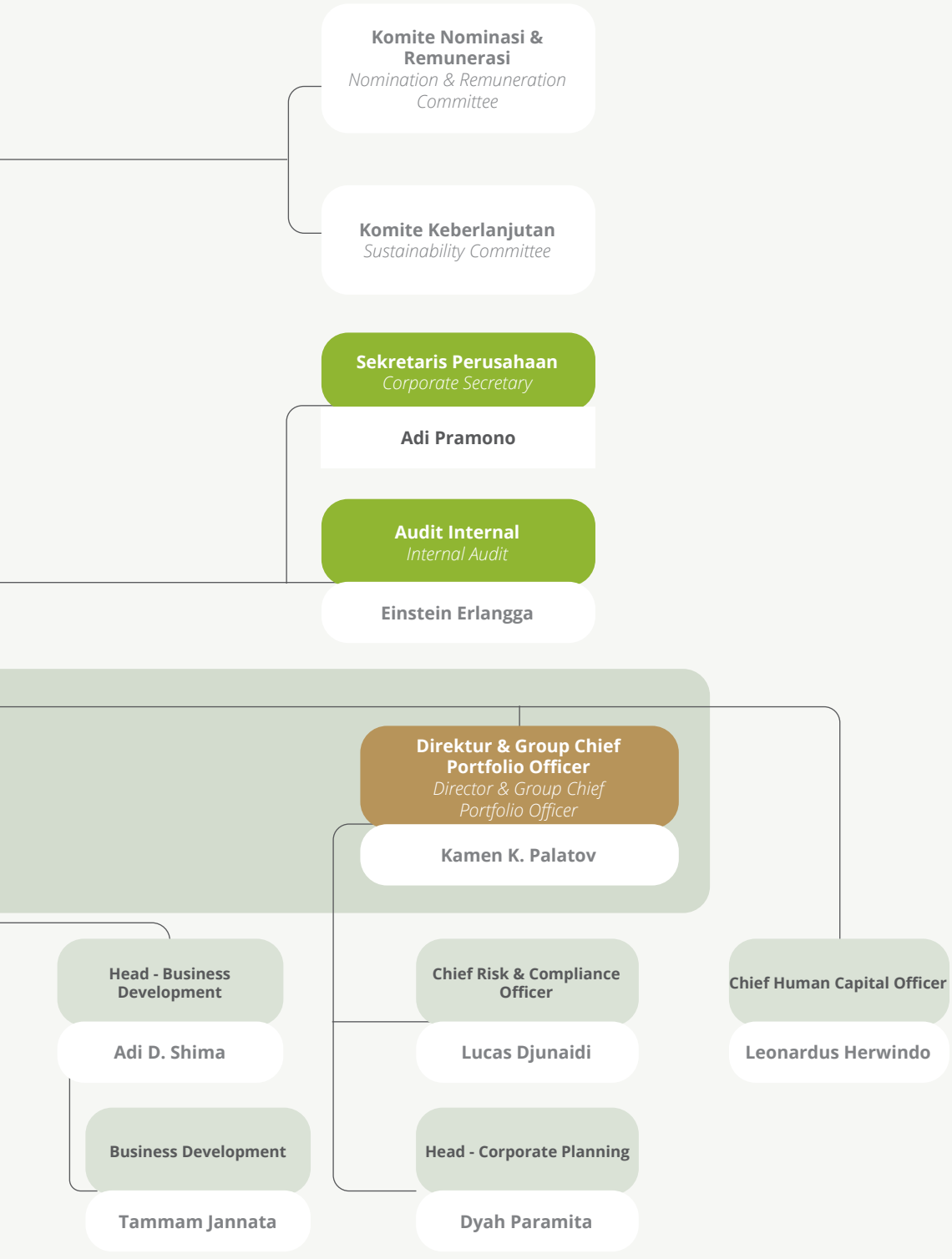
Our approach [GRI 3-3, 303-1]

As our business continues to grow and make an impact for the better, ensuring proper management and disclosures of ESG in our governance structure is of the utmost importance. Ultimately, the entire senior leadership of the Indika Energy Group is accountable for our ESG performance, including how effectively we integrate it into our company's operations. We set out our ESG strategy and priorities once a year and update them quarterly. The Board of Commissioners reviews the Group's ESG performance at the start of every financial year (prior to the publication of the Sustainability Report), to sign off on our progress and disclosures.

The Company's corporate governance process abides by a strict set of policies: the Board Charter, Audit, Risk and Compliance Committee Charter, Project and Investment Committee Charter, Nomination and Remuneration Committee Charter, and Sustainability Committee Charter. The general structure of corporate governance places Shareholders as the highest decision-makers, through the General Meeting of Shareholders forum, and the Board of Commissioners and Board of Directors serving to carry out management and supervisory duties on business activities [GRI 2-11].

Organization Structure




Komite Nominasi & Remunerasi
Nomination & Remuneration Committee
Komite Keberlanjutan
Sustainability Committee
Sekretaris Perusahaan
Corporate Secretary
Adi Pramono
Audit Internal
Internal Audit
Einstein Erlangga
Direktur & Group Chief Portfolio Officer
Director & Group Chief Portfolio Officer
Kamen K. Palatov
Head - Business Development
Adi D. Shima
Chief Risk & Compliance Officer
Lucas Djunaidi
Chief Human Capital Officer
Leonardus Herwindo
Business Development
Tammam Jannata
Head - Corporate Planning
Dyah Paramita

Role and responsibilities [GRI 2-12]

– **General Meeting of Shareholders (GMS)**

The GMS is the Company's highest institution. Indika Energy's corporate governance structure is determined at the GMS, which appoints members of the Board of Commissioners and Board of Directors, and of the various committees that support their functions [GRI 2-10].

In 2022, the Annual General Meeting of Shareholders was held on May 20, and served as a forum to pass resolutions and gain approval for matters related to the company's business and operations. In the structure of the corporate governance body, the highest governance body consists of two levels: the Board of Commissioners as the Supervisory Board, and the Board of Directors as the Executive Board. Both Boards are responsible for making decisions on sustainability topics that cover economic, environmental, social, and corporate governance topics and for reviewing and approving all sustainability reporting information [GRI 2-14].

– **Board of Commissioners**

The Board of Commissioners is the organ of the Company responsible for supervising the company's policies and management as conducted by the Board of Directors, both with regard to management of the Company and the Company's business, and to advise the Board of Directors in executing its role. The Board of Commissioners performs its duties independently and ensures the implementation of good corporate governance. The Board of Commissioners reports to the GMS on the execution of its duties in overseeing the implementation of the Company's management.

As of December 31, 2022, the Board of Commissioners consists of a President Commissioner, a Vice President Commissioner, a Commissioner, and two Independent Commissioners. They hold tenures as Commissioners ranging from one to five years. The two Independent Commissioners meet the requirements of not being affiliated with Indika Energy, fellow members of the Board of Commissioners or the Board of Directors, auditing parties, or major shareholders. [GRI 2-6]

– **Board of Directors**

The Board of Directors is the organ of the Company that is authorized and takes full responsibility for management of the Company for the benefit of the Company, in accordance with the purposes and objectives of the Company, and for representing the Company, both inside and outside court in accordance with the Articles of Association of the Company. The Board of Directors is accountable to the GMS for the management of the Company in accordance with the principles of good corporate governance.

As of December 31, 2022, the Board of Directors consists of a President Director, a Vice President Director, and three Directors, ranging in age from 47 to 55 years. One of the five members of the Board of Directors is a woman. Three of the five members — Retina Rosabai, Purbaja Pantja, and Kamen Palatov — are independent, meaning that they do not have any affiliation with the beneficial owners of the Company, and do not own shares in the Company. [GRI 405-1]

– **Sustainability Committee**

The Company established a Sustainability Committee in 2021 as part of its commitment to support business sustainability by considering environmental, social and governance aspects. We believe that an effective Sustainability Committee will promote openness and objectivity in addressing issues relating to sustainability, which in turn will improve the quality of decisions at the levels of the Board of Commissioners and the Board of Directors. The President Directors and Directors-in-Charge of all companies within the Indika Energy Group convene every year for a Sustainability Panel, where they discuss their respective companies' achievements, progress and next steps in their sustainability journey.



> "In 2022, Indika Energy has demonstrated an even stronger commitment to sustainability by setting ESG-linked key performance indicators (KPIs) for its Board of Directors and Board of Commissioners."

Delegation of roles

Members of the Board of Commissioners allocate their duties among each other, with each member serving as a Chairperson or Vice Chairperson of the various Committees that support the duties and responsibilities of the Board of Commissioners, based on their respective competencies and experiences [GRI 2-13].

- Audit, Risk, and Compliance: Eko Putro Sandjojo
- Project and Investment: Farid Harianto and Eko Putro Sandjojo
- Nomination and Remuneration: Agus Lasmono and Farid Harianto
- Sustainability: Indracahya Basuki

ESG-linked key performance indicators [GRI 2-18]

In 2022, Indika Energy has demonstrated an even stronger commitment to sustainability by setting ESG-linked key performance indicators (KPIs) for its Board of Directors and Board of Commissioners. A quarterly business review ensures progress and updates on ESG-linked KPIs reported directly to the Group CEO. The review results also will be used as the basis for bonus and incentives according to achievements against Company goals and targets [GRI 2-24].

The Sustainability Function is responsible for overseeing ESG-related policies and strategy on all material topics, defining sustainability goals and targets, periodically reviewing the company's performance, and providing recommendations to continuously improve the implementation of ESG-linked roadmaps.

ESG is a key tenet in building and planning for the Company's longevity and resilience. The Indika Energy Group Risk Management Framework was established to identify key risks within the business, serving as a guide to review our management of environmental and social risks the same way we do all material risks, and aligns with ISO 31000 on Risk Management. This ensures that environmental and social risks are reviewed and managed with the same rigor as other key business risks; and that they are proactively identified, addressed and reviewed with respect to the management approach on an ongoing basis. The respective business leaders are then held responsible for implementing risk management strategies, policies and processes.

The criteria for the performance evaluation of the Board of Directors are determined by the Board of Commissioners based on KPIs that include the following [GRI 2-24]:

- The achievement of targets set out in the Company's Work Plan Budget.
- Contributions to the Company's business activities.
- Involvement in certain assignments.
- Commitment to advancing the interests of the Company.
- Adherence to the prevailing laws and regulations and to the Company's policies.
- Attendance at meetings of the Board of Directors and at meetings with the Board of Commissioners.

Competency development of the highest governance body [GRI 2-9, GRI 2-17]

Our Group's executive officers are expected to have the appropriate knowledge and competencies to implement sustainable practices. We regularly engage members of the Group Board of Directors and Board of Commissioners in various sustainability-oriented programs, discussions, conferences, and training. Throughout 2022, all members of the Boards participated in the BOC and BOD Induction as part of their competency development program. Several members of the Group's Board of Directors also took short courses on sustainability topics, including Tropical Forest Landscape, Conservation Restoration and Sustainable Use.

Remuneration policies [GRI 2-19, 2-20, 2-21]

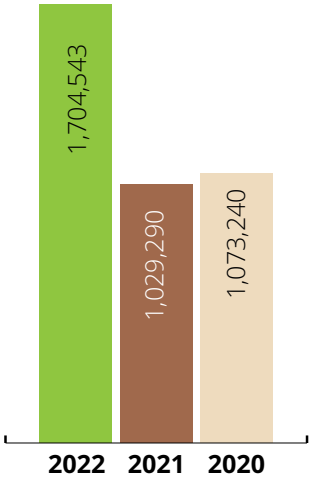
The Company's Human Capital Committee is responsible for carrying out functions related to remuneration, in line with regulation POJK No.34/2014. This requires the Committee to formulate the remuneration structure, develop remuneration policy and prepare the remuneration amount for members of the Board of Directors.

The remuneration structure for each member of the Board of Directors may include a salary, honorarium, incentives, and/or allowances that are fixed and/or variable. In preparing the structure, policies and amount of this remuneration, the following must be taken into consideration:

1. Prevailing remuneration practices in similar industries in accordance with the Company's operations.
2. The duties, responsibilities and authority of members of the Board of Directors linked to the achievement of the Company's goals and its performance.
3. Target performance or the performance of individual members of the Board of Directors.
4. A balance of benefits between fixed and variable components.
5. The structure, policy and amount of remuneration is evaluated by the Nomination and Remuneration Committee each year.

For members of the Board of Commissioners, the nomination and remuneration structure refers to the Company's internal policies, prevailing laws and regulations, and is based on prevailing industry standards. It is approved at the General Meeting of Shareholders [GRI 2-10]. The structure, policy, and amount of remuneration for the Board of Commissioners is evaluated by the Nomination and Remuneration Committee. In doing so, the Committee also considers remuneration applicable in similar industries, and the members' duties and performance linked to achievement of the Company's goals [GRI 2-20].

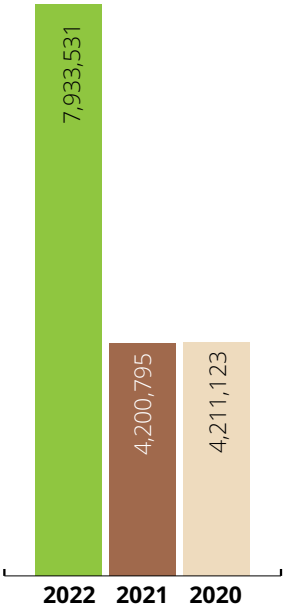
Short term benefit of the Board of Commissioners
(in USD)



Short term benefit of the Board of Directors
(in USD)



Total
(in USD)



Conflicts of interest [GRI 2-15]

The Company maintains a clear segregation between personal interests and the Company's interests and avoids any situation that may result in or be perceived as a conflict of interest between the Company's and personal interests. This applies to all members of the Board of Directors and Board of Commissioners. During 2022, no members of the Board of Commissioners or the Board of Directors of Indika Energy had any familial or financial relations with fellow members of either Board or with Major and/or Controlling Shareholders.

The Group is managed professionally without any conflict of interest or influence from any party that would breach applicable laws and regulations and healthy corporate principles. Our Code of Business Conduct addresses the topic of conflicts of interest. This principle is applied by, among others, upholding the rights, obligations, duties, authorities and responsibilities of each of the Company's organs, such as the Shareholders and Board of Commissioners, that do not intervene in the Company's management. The Board of Commissioners, Board of Directors and all employees are committed to avoiding conflict of interest in the decision-making process.

Communication of critical concerns [GRI 2-16]

The Company nurtures an internal culture of open communication, including through frequent meetings of the Board of Commissioners, Board of Directors, and the various Committees. During crisis events, we activate our cross-functional team, full-time senior leadership, and high-level decision-making authority, to construct a detailed scenario of the main primary and secondary threats, covering planning and intelligence gathering, stakeholder stabilization, technical or operational resolution, recovery, investigation, and governance.



Policies and code of business conduct [GRI 2-23, 2-24]

In 2022, we developed new policies and renewed existing ones to reflect our current sustainability commitments more accurately. Some of the new policies we developed are the Human Capital and Human Rights Policy, Third Party Engagement Policy, Environmental Policy, Health and Safety Policy, and Communications Policy. Development and implementation of these policies is overseen by the Board of Directors. All employees at all organizational levels across the Indika Energy Group are required to comply with these policies. To ensure high awareness and understanding of these policies across the Group, we conduct a series of training, awareness raising through town hall meetings, and discussion forums for leaders and management such as the Leadership Forum, Leaders' Insight and BOC and BOD Induction, as well for employees in general through internal publications and discussion forums. [GRI 2-4]

Our Code of Business Conduct is a set of guidelines to ensure we always carry out our operations in an ethical and responsible manner. All employees at all organizational levels across the Indika Energy Group are required to comply with these policies; violations may lead to disciplinary actions, including termination of employment [GRI 2-24].

We have started developing a Supplier Code of Conduct/Third Party Engagement Policy that applies the same high standards to all our partners and the third-party organizations we engage with. This policy covers the environmental and social standards that we expect our suppliers and third parties to uphold [GRI 414-1, 414-2]. Our Code of Business Conduct covers the issues of employees; health, safety and environment; integrity; information management; company asset record, control and protection; and reporting of non-compliance, investigations and disciplinary sanctions.

Our policy commitments are publicly available. For further details please visit *www.indikaenergy.co.id*



Operating with ethics and integrity

At Indika Energy, we strive to maintain the trust and confidence of our employees, consumers and partners, as well as other stakeholders affected by our operations and the public. Business ethics and integrity are fundamental values across the Indika Energy Group. These are things that we expect from all employees, business partners and other stakeholders as an essential part of practicing good governance and complying with prevailing laws and regulations.

We have strong policies and systems in place to ensure ethical conduct in our company and the larger partner ecosystem. Our Code of Conduct embeds ethical business practices into the fabric of our organization. This means we take a zero-tolerance approach to conduct such as bribery, and we do not engage in political activities such as donations, endorsements or lobbying. In 2022, the organization made no political contributions [GRI 415-1]. We have also never faced any legal actions related to anti-competitive behavior and violations of antitrust and monopoly practice [GRI 206-1].

We maintain a culture of ethics and compliance throughout Indika Energy and uphold a robust anti-bribery and corruption management system.

Any reports of possible violations can be made through the whistleblowing system, with the Ethics Committee then reports to the Board of Directors. The Committee also assists the Board in following up on the reports. The Ethics Committee's wider duties and responsibilities include supervision of business ethics and behavior, counseling employees and stakeholders regarding the Company's Code of Business Conduct, updating ethics-related rules in line with developments, and receiving, monitoring and following up on reports of ethical misconduct [GRI 3-3].

Anti-bribery and corruption [GRI 205-1, 205-3]

Indika Energy implements an Anti-Bribery Management System (ABMS) across the Group, with the Anti-Bribery Compliance Function responsible for ensuring everyone abides by the prevailing rules and regulations. In 2022 we conducted a re-assessment to renew our certification and demonstrate our continued commitment to business integrity and ethics. The Anti-Bribery Compliance Function continued to implement the ABMS across the company, raising awareness about the system and the Anti-Bribery and Corruption Policy.

All companies throughout the Indika Energy Group conduct annual Bribery Risk Assessments (BRAs) to identify, analyze, assess and prioritize the bribery risks that must be anticipated, as well as to evaluate the effectiveness of the existing controls to mitigate these risks. In 2022, we managed to maintain having identified zero risks related to corruption and recording zero incidents of corruption.

To maintain a robust system, we conduct an audit. The audit reviews procedures, controls and systems for bribery or suspected bribery, violations of the anti-bribery policy or ABMS requirements, failure of a business partner to comply with Indika Energy's anti-bribery requirements, and weaknesses in or opportunities for improvement to the ABMS. We establish the procedures that define the audit methodology and the criteria and competence of appropriate auditors, as well as the corrective actions taken. The audit results are reported to the Governing Body, the Board of Directors, and the Anti-Bribery Compliance Function.

Whistleblowing system [GRI 2-26]

Since December 2013, Indika Energy has had a whistleblowing system in place for reporting violations or non-compliance. This system serves as a platform for complainants to submit data and information regarding indications of violations in any of the companies in the Group. The whistleblowing system is available to all employees, suppliers, customers and other third parties. To ensure its accessibility, the whistleblowing system can be accessed via email, mail, telephone, fax, and a dedicated website. From 2021, the system is also made available in both Indonesian and English.

The Ethics Committee is responsible for following up and reporting grievances and reports submitted through the whistleblowing system to the Board of Directors. If the Committee determines that the report needs to be investigated further, it prepares a report that covers the results of the investigation and a recommendation of action. The Corporate Secretary and Legal Department are also required to report the number of whistleblowing reports received, the medium used by each whistleblower, and the results of the investigations (if any) to the Board of Commissioners, President Director, the Audit, Risk and Compliance Committee, and the Nomination and Remuneration Committee, every three months.



Raising awareness [GRI 205-2, 205-3]

To nurture a corporate culture of ethical behavior, all newly hired employees receive training on the Code of Business Conduct and are required to read and sign it to show their commitment to complying with the regulations. Aside from our own employees, we also communicate the mitigation of bribery and corruption risks to all of our business partners, including vendors and subcontractors, through our Integrity Pact, which we require them to read and sign.

Throughout 2022, the Ethics Committee and the Anti-Bribery Compliance Function also raised awareness of the Code of Business Conduct, the Anti-Bribery Management System (including the Anti-Bribery and Corruption Policy), and the Whistleblowing Program through various channels: regular emails, updates on the website, banners, desktop wallpapers, employee surveys, and refresher courses.

If employees have inquiries on responsible business conduct, they are encouraged to raise questions to the Ethics Committee [GRI 2-26].

At the subsidiary level, we are proud to report that there was a 16.8% increase in the number of people who received training in our anti-corruption policies and procedures, from 1,163 in 2021 to 1,358 employees in 2022.

Risk assessment and communications related to anti-corruption in Indika Energy
[GRI 205-1, 205-2]

Description	2022	
	Number	Percentage
Operations assessed for risks related to corruption	4 business units	100%
Governance bodies that have been communicated to and trained on anti-corruption policies and procedures	81	100%
Employees who have been communicated to on anti-corruption policies and procedures	3,916	100%
Employees trained in anti-corruption	1,358	34.7%

Note:
Data is compiled based on 4 subsidiaries: Kideco, Tripatra, MUTU and Interport.

- *Data on the number of employees and governance bodies receiving communication or training on anti-corruption policies and procedures is not broken down by employee category and region due to unavailability of data and the inability to categorize some employees by region as they work in different locations.*



Statement of Members of the Board of Commissioners and Board of Directors regarding Responsibility for the 2022 Sustainability Report

We, as the Board of Commissioners and Board of Directors of Indika Energy, have evaluated the contents of this Sustainability Report and state that the report covers all sustainability aspects that are relevant to Indika Energy. We are responsible for the accuracy of the contents of this Sustainability Report, including financial statements and other related information.

Jakarta, March 2023



Agus Lasmono
President Commissioner



M. Arsjad Rasjid P.M.
President Director



Richard Bruce Ness
Vice President Commissioner



Azis Armand
Vice President Director



Indracahya Basuki
Commissioner



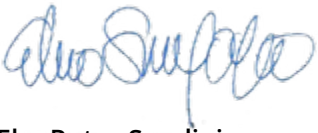
Retina Rosabai
Director



Farid Harianto
Independent Commissioner



Purbaja Pantja
Director



Eko Putro Sandjojo
Independent Commissioner



Kamen Kamenov Palatov
Director

ASSURANCE STATEMENT

SGS INDONESIA'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE PT. INDIKA ENERGY Tbk SUSTAINABILITY REPORT 2022

NATURE OF THE ASSURANCE/VERIFICATION

PT. SGS Indonesia was commissioned by PT. Indika Energy Tbk to conduct an independent assurance of the Sustainability Report 2022. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and data in accompanying tables, contained in this report.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all PT. Indika Energy Tbk's stakeholders.

RESPONSIBILITIES

The information in the Report and its presentation are the responsibility of the directors or governing body and the management of PT. Indika Energy Tbk. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform PT. Indika Energy Tbk's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognised assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2 General Disclosure 2021 for organisation's reporting practices and other organizational detail, GRI 3 2021 for organisation's process of determining material topics, its list of material topics and how to manages each topic, and the guidance on levels of assurance contained within the AA1000 series of standards.

The assurance of this report has been conducted according to the following Assurance Standards:

- SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)
- AA1000ASv3 Type 2 (AA1000AP Evaluation) with level of assurance is Moderate.

Assurance has been conducted at a moderate level of scrutiny

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

- Global Reporting Initiative Sustainability Reporting Standards 2021 (in accordance)
- AA1000 Accountability Principles (2018)

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research and interviews with relevant accountable managers and employees at the Head Office of PT. Indika Energy Tbk's in Jakarta via remote, sampling for 2 (two) subsidiaries, site PT. Kideco Tbk in Kalimantan Timur via remote and PT. Interport Mandiri Utama in Kalimantan Timur via remote. PT. Indika Energy Tbk's Sustainability Report 2022 covers PT. Indika Energy Tbk's, Subsidiaries, Joint Ventures, and Associated Companies .

LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

Some statements and data within the scope were not assured due to lack of accessible records during the timescale allowed for assurance, and these are clearly marked throughout the Report.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from PT. Indika Energy Tbk , being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with International Register of Certificated Auditors (IRCA), Environmental Management System (EMS) Lead Auditor, Quality Management System (QMS) Lead Auditor, Occupational Health and Safety Management System Lead Auditor, the IRCA Corporate Responsibility

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION

1. It is recommended to improve internal system and control by implementing data validation on primary source data.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

Inclusivity

PT. Indika Energy Tbk's has made a commitment to be accountable to those on whom it has an impact or who have an impact on it as stated in some Policies such as Environment Policy, Safety and Health Policy, and Code of Conduct. Inclusivity is the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability. Process of engagement and participation that provides comprehensive and balanced involvement and results in strategies, plan, action and outcomes that address and respond to issues and impacts in an accountable way. The company has a process of stakeholder participation (all stakeholders) through periodic meeting with stakeholders.

Materiality

PT. Indika Energy Tbk's has identified stakeholders and those issues that are material to each group of stakeholders and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

Responsiveness

PT. Indika Energy Tbk's has responded to stakeholders issues that affect to its sustainability performance and is released through decisions, actions and performance, as well as communication with stakeholders.

Impact

PT. Indika Energy Tbk's has identified and fairly represented impacts that were monitored and measured. PT. Indika Energy Tbk's has established processes to monitor, measure and evaluate impacts that lead to effective decision making management within organization.

ADHERENCE TO GLOBAL REPORTING INITIATIVE SUSTAINABILITY REPORTING STANDARDS (2021)

In our opinion, the PT. Indika Energy Tbk's Sustainability Report 2022 is presented in accordance with the Global Reporting Initiative Sustainability Reporting Standards 2021 and fulfills all the required content and quality criteria.

Foundation

In our opinion, the content and quality of the report adheres to the GRI Reporting Principles of Balance, Clarity, Comparability, Completeness, Sustainability context, Timeliness and Verifiability

General Disclosures

All the General disclosures required for reporting in accordance with the Global Reporting Initiative Sustainability Reporting Standards 2021

Material Topics

PT. Indika Energy Tbk disclose material topics that represent an organization's most significant impacts on the economy, environment, and people, in accordance with Global Reporting Initiative Sustainability Reporting Standards 2021 .

Signed:
For and on behalf of SGS Indonesia



Waras Putri Andrianti
Business Manager
Jakarta, Indonesia
13 April 2023

WWW.SGS.COM

AA1000
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000-8/V3-B4KLI





GLOSSARY

A

annual total compensation
compensation provided over the course of a year

anti-competitive behavior
action of the organization or employees that can result in collusion with potential competitors, with the purpose of limiting the effects of market competition

anti-trust and monopoly practice
action of the organization that can result in collusion to erect barriers for entry to the sector, or another collusive action that prevents competition

area of high biodiversity value
area not subject to legal protection, but recognized for important biodiversity features by a number of governmental and non-governmental organizations

area protected
area that is protected from any harm during operational activities, and where the environment remains in its original state with a healthy and functioning ecosystem

area restored
area that was used during or affected by operational activities, and where remediation measures have either restored the environment to its original state, or to a state where it has a healthy and functioning ecosystem

B

baseline
starting point used for comparisons

basic salary
fixed, minimum amount paid to an employee for performing his or her duties

benefit
direct benefit provided in the form of financial contributions, care paid for by the organization, or the reimbursement of expenses borne by the employee

business partner
entity with which the organization has some form of direct and formal engagement for the purpose of meeting its business objectives

business relationships
relationships that the organization has with business partners, with entities in its value chain including those beyond the first tier, and with any other entities directly linked to its operations, products, or services

C

carbon dioxide (CO2) equivalent
measure used to compare the emissions from various types of greenhouse gas (GHG) based on their global warming potential (GWP)

child
person under the age of 15 years, or under the age of completion of compulsory schooling, whichever is higher

collective bargaining
all negotiations that take place between one or more employers or employers' organizations, on the one hand, and one or more workers' organizations (e.g., trade unions), on the other, for determining working conditions and terms of employment or for regulating relations between employers and workers

community development program
plan that details actions to minimize, mitigate, or compensate for adverse social and/or economic impacts, and/or to identify opportunities or actions to enhance positive impacts of a project on the community

conflict of interest
situation where an individual is confronted with choosing between the requirements of their function in the organization and their other personal or professional interests or responsibilities

conservation and efficiency initiative
organizational or technological modification that allows a defined process or task to be carried out using less energy

corruption
abuse of entrusted power for private gain, which can be instigated by individuals or organizations

customer privacy
right of the customer to privacy and personal refuge

D

defined benefit plan
post-employment benefit plan other than a defined contribution plan

direct (Scope 1) GHG emissions
greenhouse gas (GHG) emissions from sources that are owned or controlled by the organization

discrimination
act and result of treating persons unequally by imposing unequal burdens or denying benefits instead of treating each person fairly based on individual merit

disposal
any operation which is not recovery, even where the operation has as a secondary consequence the recovery of energy

due diligence
process to identify, prevent, mitigate, and account for how the organization addresses its actual and potential negative impacts

E

effluent
treated or untreated wastewater that is discharged

employee
individual who is in an employment relationship with the organization according to national law or practice

employee turnover
employees who leave the organization voluntarily or due to dismissal, retirement, or death in service

energy indirect (Scope 2) GHG emissions
greenhouse gas (GHG) emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by the organization

energy reduction
amount of energy no longer used or needed to carry out the same processes or tasks

environmental laws and regulations
laws and regulations related to all types of environmental issues applicable to the organization

environmental protection expenditure
expenditure on environmental protection by the organization, or on its behalf, to prevent, reduce, control, and document environmental aspects, impacts, and hazards

exposure
quantity of time spent at or the nature of contact with certain environments that possess various degrees and kinds of hazard, or proximity to a condition that might cause injury or ill health (e.g., chemicals, radiation, high pressure, noise, fire, explosives)

F

financial assistance
direct or indirect financial benefits that do not represent a transaction of goods and services, but which are an incentive or compensation for actions taken, the cost of an asset, or expenses incurred

forced or compulsory labor
all work and service that is exacted from any person under the menace of any penalty and for which the said person has not offered herself or himself voluntarily

formal agreement
written document signed by all relevant parties declaring a mutual intention to abide by what is stipulated in the document

freedom of association
right of employers and workers to form, to join and to run their own organizations without prior authorization or interference by the state or any other entity

freshwater
water with concentration of total dissolved solids equal to or below 1,000 mg/L

full-time employee
employee whose working hours per week, month, or year are defined according to national law or practice regarding working time

G

governance body
formalized group of individuals responsible for the strategic guidance of the organization, the effective monitoring of management, and the accountability of management to the broader organization and its stakeholders

greenhouse gas (GHG)
gas that contributes to the greenhouse effect by absorbing infrared radiation

grievance
perceived injustice evoking an individual's or a group's sense of entitlement, which may be based on law, contract, explicit or implicit promises, customary practice, or general notions of fairness of aggrieved communities

grievance mechanism
routinized process through which grievances can be raised and remedy can be sought

groundwater
water that is being held in, and that can be recovered from, an underground formation

H

hazardous waste
waste that possesses any of the characteristics contained in Annex III of the Basel Convention, or that is considered to be hazardous by national legislation

highest governance body
governance body with the highest authority in the organization

high-potential work-related incident
work-related incident with a high probability of causing a high-consequence injury

I

impact
effect the organization has or could have on the economy, environment, and people, including on their human rights, which in turn can indicate its contribution (negative or positive) to sustainable development

indigenous peoples
indigenous peoples are generally identified as:

indirect political contribution
financial or in-kind support to political parties, their representatives, or candidates for office made through an intermediary organization such as a lobbyist or charity, or support given to an organization such as a think tank or trade association linked to or supporting political parties or causes

infrastructure
facilities built primarily to provide a public service or good rather than a commercial purpose, and from which the organization does not seek to gain direct economic benefit

landfilling
final depositing of solid waste at, below, or above ground level at engineered disposal sites

local community
individuals or groups of individuals living or working in areas that are affected or that could be affected by the organization's activities

L

local minimum wage
minimum compensation for employment per hour, or other unit of time, allowed under law

local supplier
organization or person that provides a product or service to the reporting organization, and that is based in the same geographic market as the reporting organization (that is, no transnational payments are made to a local supplier)

M

marketing communication
combination of strategies, systems, methods, and activities used by the organization to promote its reputation, brands, products, and services to target audiences

material topics
topics that represent the organization's most significant impacts on the economy, environment, and people, including impacts on their human rights

mitigation
action(s) taken to reduce the extent of a negative impact

N

non-guaranteed hours employee
employee who is not guaranteed a minimum or fixed number of working hours per day, week, or month, but who may need to make themselves available for work as required

non-renewable energy source
energy source that cannot be replenished, reproduced, grown or generated in a short time period through ecological cycles or agricultural processes

O

occupational health and safety management system
set of interrelated or interacting elements to establish an occupational health and safety policy and objectives, and to achieve those objectives

occupational health and safety risk
combination of the likelihood of occurrence of a work-related hazardous situation or exposure, and the severity of injury or ill health that can be caused by the situation or exposure

occupational health services
services entrusted with essentially preventive functions, and responsible for advising the employer, the workers, and their representatives in the undertaking, on the requirements for establishing and maintaining a safe and healthy work environment, which will facilitate optimal physical and mental health in relation to work and the adaptation of work to the capabilities of workers in the light of their state of physical and mental health

other indirect (Scope 3) GHG emissions
indirect greenhouse gas (GHG) emissions not included in energy indirect (Scope 2) GHG emissions that occur outside of the organization, including both upstream and downstream emissions

P

part-time employee
employee whose working hours per week, month, or year are less than the number of working hours for full-time employees

permanent employee
employee with a contract for an indeterminate period (i.e., indefinite contract) for full-time or parttime work

political contribution
financial or in-kind support given directly or indirectly to political parties, their elected representatives, or persons seeking political office

protected area
geographic area that is designated, regulated, or managed to achieve specific conservation objectives

R

reclaimed
refers to collecting, reusing, or recycling products and their packaging materials at the end of their useful lives

recordable work-related injury or ill health
work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness

recycling
reprocessing of sector or components of products that have become waste, to make new materials

remuneration
basic salary plus additional amounts paid to a worker

renewable energy source
energy source that is capable of being replenished in a short time through ecological cycles or agricultural processes

reporting period
specific time period covered by the reported information

S

scope of GHG emissions
classification of the operational boundaries where greenhouse gas (GHG) emissions occur

seawater
water in a sea or in an ocean

services supported
services that provide a public benefit either through direct payment of operating costs or through staffing the facility or service with an organization's own employees

significant air emission
air emission regulated under international conventions and/or national laws or regulations

significant impact on biodiversity
impact that can adversely affect the integrity of a geographic area or region, either directly or indirectly, by substantially changing its ecological features, structures, and functions across its whole area, and over the long term, so that habitat, its population levels, and the species that make the habitat important cannot be sustained

significant operational change
alteration to the organization's pattern of operations that can potentially have significant positive or negative impacts on workers performing the organization's activities

spill
accidental release of a hazardous substance that can affect human health, land, vegetation, waterbodies, and groundwater

stakeholder
individual or group that has an interest that is affected or could be affected by the organization's activities

substantiated complaint
written statement by regulatory or similar official body addressed to the organization that identifies breaches of customer privacy, or a complaint lodged with the organization that has been recognized as legitimate by the organization

supplier
entity upstream from the organization (i.e., in the organization's supply chain), which provides a product or service that is used in the development of the organization's own products or services

supply chain
range of activities carried out by entities upstream from the organization, which provide products or services that are used in the development of the organization's own products or services

surface water
water that occurs naturally on the Earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers, and streams

sustainable development/ sustainability
development that meets the needs of the present without compromising the ability of future generations to meet their own needs

T

tax jurisdiction
country or territory with autonomous taxing powers similar to a country

temporary employee
employee with a contract for a limited period (i.e., fixed term contract) that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed (e.g., the end of a project or return of replaced employees)

V

value chain
range of activities carried out by the organization, and by entities upstream and downstream from the organization, to bring the organization's products or services from their conception to their end use

W

waste
anything that the holder discards, intends to discard, or is required to discard

waste disposal method
method by which waste is treated or disposed of

water consumption
sum of all water that has been withdrawn and incorporated into products, used in the production of crops or generated as waste, has evaporated, transpired, or been consumed by humans or livestock, or is polluted to the point of being unusable by other users, and is therefore not released back to surface water, groundwater, seawater, or a third party over the course of the reporting period

water discharge
sum of effluents, used water, and unused water released to surface water, groundwater, seawater, or a third party, for which the organization has no further use, over the course of the
reporting period

water withdrawal
sum of all water drawn from surface water, groundwater, seawater, or a third party for any use over the course of the reporting period

worker
person that performs work for the organization

work-related injury or ill health
negative impacts on health arising from exposure to hazards at work



Global Reporting Initiative (GRI) Content Index

Statement of use	**PT Indika Energy Tbk. has reported the information in accordance with the GRI Standards 2021, as cited in this GRI content index for the period January 1 to December 31, 2022**
GRI 1 used	**GRI 1: Foundation 2021**

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
GRI 2: General Disclosures 2021	2-1 Organizational details	21, 22, 24	
	2-2 Entities included in the organization's sustainability reporting	7	
	2-3 Reporting period, frequency and contact point	11, 12, 132	
	2-4 Restatements of information	12	
	2-5 External assurance	12	
	2-6 Activities, value chain and other business relationships	21, 24, 100	
	2-7 Employees	80, 129	
	2-8 Workers who are not employees	82	
	2-9 Governance structure and composition	97, 102	
	2-10 Nomination and selection of the highest governance body	100, 102	
	2-11 Chair of the highest governance body	97	
	2-12 Role of the highest governance body in overseeing the management of impacts	100	
	2-13 Delegation of responsibility for managing impacts	101	
	2-14 Role of the highest governance body in sustainability reporting	100	
	2-15 Conflicts of interest	103	
	2-16 Communication of critical concerns	39, 103, 131	
	2-17 Collective knowledge of the highest governance body	102	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
	2-18 Evaluation of the performance of the highest governance body	101	
	2-19 Remuneration policies	102	
	2-20 Process to determine remuneration	102	
	2-21 Annual total compensation ratio		We currently do not disclose data related to compensation and benefits.
	2-22 Statement on sustainable development strategy	37, 46	
	2-23 Policy commitments	42, 104	
	2-24 Embedding policy commitments	101, 104	
	2-25 Processes to remediate negative impacts	87, 91, 92	
	2-26 Mechanisms for seeking advice and raising concerns	91, 106, 107	
	2-27 Compliance with laws and regulations	131	
	2-28 Membership associations	46	
	2-29 Approach to stakeholder engagement	44-45	
	2-30 Collective bargaining agreements	92	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	7-9	
	3-2 List of material topics	9-11	
	3-3 Management of material topics	7, 57, 62, 66, 70, 77, 83, 87, 91, 97, 105	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	15, 16, 18	
	201-2 Financial implications and other risks and opportunities due to climate change	39, 44	
	201-3 Defined benefit plan obligations and other retirement plans	80	
	201-4 Financial assistance received from government	17	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	79	
	202-2 Proportion of senior management hired from the local community	18	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	89	
	203-2 Significant indirect economic impacts	18	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	18	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	106, 108	
	205-2 Communication and training about anti-corruption policies and procedures	107, 108	
	205-3 Confirmed incidents of corruption and actions taken	106, 107, 131	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	105	
GRI 207: Tax 2019	207-1 Approach to tax	17	
	207-2 Tax governance, control, and risk management		Information is currently not available and we currently do not have any specific policies regarding tax. However, we comply with the government's tax regulations.
	207-3 Stakeholder engagement and management of concerns related to tax		Information is currently not available and we currently do not have any specific policies regarding tax. However, we comply with the government's tax regulations.
	207-4 Country-by-country reporting		Information is currently not available and we currently do not have any specific policies regarding tax. However, we comply with the government's tax regulations.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	61	
	302-2 Energy consumption outside of the organization	61	
	302-3 Energy intensity	61	
	302-4 Reduction of energy consumption	59, 61	
	302-5 Reductions in energy requirements of products and services	61	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	62, 66, 70, 77, 83, 87, 91, 97	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
	303-2 Management of water discharge-related impacts	49, 62	
	303-3 Water withdrawal	64, 125	
	303-4 Water discharge	49, 125	
	303-5 Water consumption	57, 49	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	50, 70, 71	
	304-2 Significant impacts of activities, products and services on biodiversity	66, 70, 71	
	304-3 Habitats protected or restored	50, 72	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	50, 72	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	60,61	
	305-2 Energy indirect (Scope 2) GHG emissions	60, 61	
	305-3 Other indirect (Scope 3) GHG emissions	61	
	305-4 GHG emissions intensity	60	
	305-5 Reduction of GHG emissions	57, 60	
	305-6 Emissions of ozone-depleting substances (ODS)	59	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	125	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	66	
	306-2 Management of significant waste-related impacts	66	
	306-3 Waste generated	67	
	306-4 Waste diverted from disposal	49, 67, 68, 126,	
	306-5 Waste directed to disposal	55, 126, 127	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	59	
	308-2 Negative environmental impacts in the supply chain and actions taken	59	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	129, 130	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	79	
	401-3 Parental leave	50, 79, 130	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	76	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	50, 83	
	403-2 Hazard identification, risk assessment, and incident investigation	83, 84	
	403-3 Occupational health services	84	
	403-4 Worker participation, consultation, and communication on occupational health and safety	84	
	403-5 Worker training on occupational health and safety	85	
	403-6 Promotion of worker health	85	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	85	
	403-8 Workers covered by an occupational health and safety management system	83	
	403-9 Work-related injuries	86	
	403-10 Work-related ill health	86	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	82	
	404-2 Programs for upgrading employee skills and transition assistance programs	77	
	404-3 Percentage of employees receiving regular performance and career development reviews	82	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	50, 100, 128, 129	
	405-2 Ratio of basic salary and remuneration of women to men	79, 50	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	75, 130	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	50, 75, 92	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	50, 91	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	50, 75, 91	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	42, 82	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	88,131	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	87	
	413-2 Operations with significant actual and potential negative impacts on local communities	87	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	104	
	414-2 Negative social impacts in the supply chain and actions taken	104	
GRI 415: Public Policy 2016	415-1 Political contributions	105	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories		The requirement does not apply to the organization based on the nature of its businesses.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		The requirement does not apply to the organization based on the nature of its businesses.
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling		The requirement does not apply to the organization based on the nature of its businesses.
	417-2 Incidents of non-compliance concerning product and service information and labeling		The requirement does not apply to the organization based on the nature of its businesses.
	417-3 Incidents of non-compliance concerning marketing communications		The requirement does not apply to the organization based on the nature of its businesses.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		The requirement does not apply to the organization based on the nature of its businesses.



WEF Stakeholder Capitalism Metrics (SCM) Index

Theme	Core metric	Page
Governance		
Governing Purpose	Setting purpose	21
Quality of Governing Body	Governance body composition	50, 97, 100, 102, 128, 129
Stakeholder Engagement	Material issues impacting stakeholders	9-11
Ethical Behavior	Anti-corruption	105-108, 131
	Protected ethics advice and reporting mechanisms	105-108
Risk and Opportunity Oversight	Integrating risk and opportunity into business process	39-44, 101
Planet		
Climate Change	Greenhouse Gas emissions	57-61
	TCFD implementation	We have not implemented recommendations on TCFD.
Nature Loss	Land use and ecological sensitivity	69-70
Freshwater Availability	Water consumption and withdrawal in water-stressed areas	62, 64
People		
Dignity and Equality	Diversity and inclusion	80-82, 128-129
	Pay equality	79
	Wage level	We currently do not disclose data related to compensation and benefits.
	Risk for incidents of child, forced or compulsory labor	91
Health and Wellbeing	Health and safety	83-86
Skills for the Future	Training provided	82
Prosperity		
Employment and wealth generation	Absolute number and rate of employment	129
	Economic contribution	15-18
	Financial investment contribution	N/A
Innovation in better products and services	Total R&D expenses	N/A
Community and social vitality	Total tax paid	18



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Theme	Principle	Page
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights	91-92
	2. Businesses should make sure that they are not complicit in human rights abuses.	91-92
Labor	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	92, 131
	4. Businesses should uphold the elimination of all forms of forced and compulsory labor	91
	5. Businesses should uphold the effective abolition of child labor	91
	6. Businesses should uphold the elimination of discrimination in respect of employment and occupation	79, 130
Environment	7. Businesses should support a precautionary approach to environmental challenges	56
	8. Businesses should undertake initiatives to promote greater environmental responsibility	57-72
	9. Businesses should encourage the development and diffusion of environmentally technologies	58, 59, 63, 66
Anti-corruption	10. Businesses should work against corruption in all of its forms, including extortion and bribery	105-108

Appendix

Appendix A: Emissions and Energy

Exhaust gas emissions at Indika Energy [GRI 305-7]

Description	Unit	2022	%	2021	%	2020
CO	Tons	92.84	-15.81%	110.27	18.62%	92.96
NOx	Tons	516.04	-30.03%	737.48	13.47%	649.96
SOx	Tons	1.48	-97.79%	66.82	4.64%	63.86
Particulate	Tons	3.56	-46.30%	6.63	-46.88%	12.48

Note:

- *The formula used to calculate exhaust gas emissions is concentration (mg/Nm3) x debit (m3/second) x no. of operational hours (hours/year) x 0.0036 (seconds/hour). Calculations are done based on emissions testing conducted in the laboratory.*
- *The exhaust gas emissions data only includes numbers from Kideco and Petrosea. Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *Both the concentration and debit data are obtained from emissions test results done by the laboratory.*
- *Other categories of air emissions, e.g. persistent organic pollutants (POP), volatile organic compounds (VOC), etc. are not calculated yet in 2021, because they are not included in the requirements of the aforementioned Ministerial Regulation.*

Appendix B: Water

Water withdrawal by source in Indika Energy [GRI 303-3]

Source	Unit	2022	%	2021	%	2020
Surface water	ML	4,119.68	24.37%	3,312.44	16.17%	2,851.37
Ground water	ML	10.42	-30.44%	14.98	115.32%	6.96
Seawater	ML	40.88	18.25%	34.57	-21.63%	44.11
Third-party water	ML	1.80	429.41%	0.34	100.00%	0.00

Note:

- *The water withdrawal by source data displayed in the table above only includes numbers from Kideco, Petrosea, MUTU and Interport, and excludes numbers from Tripatra. Tripatra only started measuring the breakdown of water withdrawal by source in 2021, therefore displaying the 2021 and 2022 breakdown without the 2020 breakdown would make the data incomparable.*
- *We do not provide a breakdown of water withdrawal data by the categories of Freshwater (≤1,000 mg/L Total Dissolved Solids) and Other water (>1,000 mg/L Total Dissolved Solids), because most of our subsidiaries measure water withdrawal using the Total Suspended Solids (TSS) parameter instead of Total Dissolved Solids (TDS).*

Water discharge by destination [GRI 303-4]

Destination	Unit	2022	%	2021	%	2020
Surface water	ML	317,801.31	5.58%	301,007.84	-13.82%	349,281.56
Ground water*	ML	6.72	-52.23%	14.06	-22.08%	18.04
Seawater	ML	3.61	1.06%	3.57	192.90%	1.22

Note:

- *The water discharge by destination data displayed in the table above only includes numbers from Kideco, Petrosea, MUTU and Interport, and excludes numbers from Tripatra. Tripatra only started measuring the breakdown of water discharge by destination in 2021, therefore displaying the 2021 and 2022 breakdown without the 2020 breakdown would make the data incomparable. Tripatra recorded water discharge of 496.40 ML in 2020.*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *Water discharge to groundwater accounts for the amount of water released by Petrosea to land for gardening purposes.*
- *Interport's water discharge only comprises data from Sorong site and does not include data from Balikpapan site.*
- *We do not provide a breakdown of water discharge data by the categories Freshwater (≤1,000 mg/L Total Dissolved Solids) and Other water (>1,000 mg/L Total Dissolved Solids), because most of our subsidiaries measure water discharge using the Total Suspended Solids (TSS) parameter instead of Total Dissolved Solids (TDS).*

Appendix C: Waste

Hazardous waste by management method [GRI 306-4, 306-5]

Waste Managed	Unit	2022	%	2021	%	2020
Reused	Tons	124.79	-42.35%	216.44	3385.35%	6.21
Recycled	Tons	267.30	-41.89%	460.00	-8.84%	504.60
Composted	Tons	0.00	0.00%	0.00	0.00%	0.00
Brought to a third party licensed to reuse/recycle	Tons	3,146.61	15.84%	2,716.28	32.25%	2,053.86
Total waste diverted from disposal	**Tons**	**3,538.70**	**4.30%**	**3,392.72**	**32.29%**	**2,564.67**
Incinerated (without energy recovery)	Tons	68.67	-19.21%	85.00	37.10%	62.00
Landfilled	Tons	0.00	0.00%	0.00	0.00%	0.00
Brought to a third party	Tons	3,263.89	34.11%	2,433.75	48.85%	1,635.09
Total waste directed to disposal	**Tons**	**3,332.56**	**32.31%**	**2,518.75**	**48.42%**	**1,697.09**

Note:

- *Data on waste management in Indika Energy Group is compiled based on Kideco, Petrosea, Tripatra, MUTU and Interport data. Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard.*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *There is a restatement in 2021 and 2020 data because there is an additional category in the current reporting to reflect the waste recycled and reused offsite by licensed third parties, thus leading to changes in categorization and scope of data included in the current reporting.*

Non-hazardous waste by management method [GRI 306-4, 306-5]

Waste Managed	Unit	2022	%	2021	%	2020
Reused	Tons	3,514.67	1013.65%	315.60	14716.85%	2.13
Recycled	Tons	1,844.16	-8.68%	2,019.54	-6.56%	2,161.31
Composted	Tons	198.00	51.90%	130.35	-40.32%	218.40
Brought to a third party licensed to reuse/recycle	Tons	6.66	110.76%	3.16	887.50%	0.32
Total waste diverted from disposal	**Tons**	**5,563.49**	**125.37%**	**2,468.65**	**3.63%**	**2,382.16**
Incinerated (without energy recovery)	Tons	1,040.45	52.93%	680.33	31.51%	517.34
Landfilled	Tons	2,271.90	6.25%	2,138.26	-1.04%	2,160.63
Brought to a third party not licensed to reuse/recycle	Tons	3,875.83	486.21%	661.17	51.35%	436.86
Total waste directed to disposal	**Tons**	**7,188.18**	**545.39%**	**3,479.76**	**81.82%**	**3,114.83**

Note:

- *Data on waste management in Indika Energy Group is compiled based on Kideco, Petrosea, Tripatra, MUTU and Interport data. Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard.*
- *Due to Petrosea divestment which was completed in Q2 2022, the data included in consolidation is only from Petrosea's Q1 and Q2 2022.*
- *There is a restatement in 2021 and 2020 data because there is an additional category in the current reporting to reflect the waste recycled and reused offsite by licensed third parties, thus leading to changes in categorization and scope of data included in the current reporting.*

Significant spills at Indika Energy

Type of Spill	Unit	2022	%	2021	%	2020
Oil spill	m3	0.60	650.00%	0.08	0.00%	0.00
Fuel spill	m3	0.00	0.00%	0	0.00%	0.00
Waste spill	m3	0.00	0.00%	0	0.00%	0.00
Chemical spill	m3	0.00	-100.00%	0.02	0.00%	0.00
Total	**m3**	**0.60**	**500.00%**	**0.10**	**100.00%**	**0.00**

Note:

- *Data on significant spills in Indika Energy Group is compiled based on Kideco, Tripatra, MUTU and Interport data. Indika Energy consolidates the data from these subsidiaries annually through the use of an internal ESG Dashboard.*

Appendix D: Our People

Gender [GRI 405-1]	No. of Employees		
	2022	2021	2020
Male	3,169	6,887	6,837
Female	747	706	702

Women's Representation	No. of Employees		
	2022	2021	2020
Overall	19.08%	9.30%	9.31%
On the board	7.41%	6.84%	8.24%

Age Group [GRI 405-1]	No. of Employees	
	2022	2021
< 30 years old	835	1,523
30 - 50 years old	2,434	5,271
> 50 years old	647	799

Nationality [GRI 405-1]	No. of Employees	
	2022	2021
Indonesian	3,882	7,551
Bulgarian	1	1
Filipino	1	6
Indian	8	1
South Korean	7	11
Trinidadian and Tobagonian	1	1
American	2	1
Japanese	3	0
Australian	4	9
Singaporean	5	5
New Zealander	1	1
British	0	4
Portuguese	0	0
Canadian	1	1
Pakistani	0	1
Total	**3,916**	**7,593**

Educational Qualification [GRI 405-1]	No. of Employees	
	2022	2021
Doctorate	4	4
Master's degree	238	281
Bachelor's degree	1,798	2,361
Associate degree	342	599
Elementary to high school certificate	1,534	4,348

Employment Status [GRI 2-7]	No. of Employees	
	2022	2021
Permanent employees	2,352	5,728
Temporary/contract workers	1,564	1,865

Note: It is not possible to categorize employees by work region as they may be assigned to projects in several locations.

New Hires* [GRI 401-1]	2022
By age group	
< 30 years old	470
30 - 50 years old	457
> 50 years old	48
By gender	
Male	751
Female	224

Note: It is not possible to categorize new hires by work region as they may be assigned to projects in several locations.

Employee Turnover [GRI 401-1]	2022
By age group	
< 30 years old	129
30 - 50 years old	226
> 50 years old	144
By gender	
Male	424
Female	75

Note: It is not possible to categorize employee turnover by work region as they may be assigned to projects in several locations.

In 2022, we reduced our employee turnover significantly:

Employee Turnover [GRI 401-1]	2022	2021
Voluntary	2.99%	3.75%
Involuntary	5.68%	9.07%
Total	8.67%	12.82%

Description [GRI 401-3]	Male	Female
Total number of employees entitled to parental leave	229	50
Total number of employees that took parental leave	47	20
Total number of employees that returned to work after parental leave ended	47	19

Appendix E: Incidents related to Discrimination

Status of Discrimination Incidents [GRI 406-1]	2022	2021	2020
Incidents being reviewed by the organization	0	0	0
Remediation plans being implemented	0	0	0
Remediation plans have been implemented and results reviewed through routine internal management review processes	0	0	0
Incidents no longer subject to action	0	0	0
Total number of incidents	**0**	**0**	**0**

Appendix F: Human Rights

Grievances about labor practices in Indika Energy

Description	2022	2021	2020
Total no. of grievances filed about labor practices	0	6	6
No. of grievances about labor practices that were addressed and resolved	0	6	4
No. of grievances about labor practices filed prior to the reporting period that were resolved during the reporting period	0	6	5

Unionized employees in Indika Energy

Company	No. of unionized employees
Male	369
Female	27

Status of Incidents Involving Rights of Indigenous Peoples [GRI 411-1]	2022	2021
Incidents being reviewed by the organization	0	0
Remediation plans being implemented	0	0
Remediation plans have been implemented and results reviewed through routine internal management review processes	0	0
Incidents no longer subject to action	0	0
Total number of incidents	**0**	**0**

Appendix G: Compliance and Business Ethics

Reports and incidents of non-compliance in Indika Energy [GRI 2-27, 205-3, 2-16]

Description	2022	2021	2020
Whistleblowing reports received	10	7	15
Instances of non-compliance with laws and regulations	0	0	0
Fines for non-compliance with laws and regulations	0	0	0
Monetary value of fines for non-compliance with laws and regulations (USD)	0	0	0

Note:

- *Data is compiled based on five subsidiaries: Kideco, Petrosea, Tripatra, MUTU and Interport.*

Incidents related to corruption in Indika Energy [GRI 205-3, 2-16]

Description	2022
Incidents of corruption	0
Incidents in which employees were dismissed for corruption	0
Incidents of business partners' contracts being terminated due to violations related to corruption	0

Contact us [GRI 3]

- Our Sustainability Report 2022 forms part of Indika Energy's annual Environmental, Social, and Governance (ESG) communications [GRI 2-3].
- Include information provided in our Annual Report 2022, detailing how we address the most material sustainability risks and opportunities we faced during the year.
- We also publish our ESG performance through other corporate publications as well as making regular updates on our activities via our website and social media platforms.
- We also publish United Nations Global Compact Communication on Progress every year as part of our commitment as a UNGC signatory.

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