INDIKA ENERGY | NET-ZERO 2050



Driving Change, Powering Progress

SUSTAINABILITY REPORT 2023

Cover story

Driving Change, Powering Progress encapsulates the dynamic essence of collaborative efforts aimed at societal advancement. It epitomizes our commitment to proactive engagement and continuous improvement. As we navigate the complexities of sustainability, this mantra underscores our collective responsibility to effect meaningful change, both within our operations and across our broader ecosystem. By harnessing innovative solutions, fostering strategic partnerships, and embracing stakeholder collaboration, we drive initiatives that not only reduce our environmental footprint but also empower communities, enhance social equity, and drive economic prosperity. It signifies a shared vision of harnessing collective power to confront challenges, catalyze innovation, and create a more equitable and sustainable future for all.

PT Indika Energy Tbk.

Driving Change, Powering Progress

2023 SUSTAINABILITY REPORT

Letter from our President Director

IN 2023, WE REASSESSED OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) GOALS TO MAKE THEM EVEN MORE AMBITIOUS.

Scaling Up Our Ambitions

When we set out our medium- and long-term goals at Indika Energy in 2021, we knew the challenge we had set ourselves would not be easy. The headline figures we were working towards were ambitious for any company, and even more so for an energy company: growing our non-coal businesses to half of our revenue by 2025 and achieving net zero emissions by 2050.

Adding to the scale of the challenge were unforeseen external factors that swept entire industries, from the COVID-19 pandemic to the global supply chain crunch to ongoing geopolitical conflicts. And yet, since then, we are committed to achieving this goal across nearly all parameters that we are tracking.

But we know we can do even better. In 2023, we reassessed our environmental, social and governance (ESG) goals to make them even more ambitious. We have doubled down, giving ourselves new parameters to track and fulfill; refining ongoing targets to ensure more meaningful outcomes; and ensuring that our processes and goals carry more clout in the boardroom and across the organization.

If anything has changed with respect to our commitment over the past year, it is that we have set the bar even higher — and are more determined than ever to clear it. We are not just setting goals, we are delivering in meaningful and impactful ways.



M. ARSJAD RASJID P.M.
PRESIDENT DIRECTOR

Our Approach

Indika Energy's ESG drive takes a three-pronged approach: Diversify, Divest, Decarbonize. We continue to diversify into low- and zero-carbon businesses to achieve our goal of 50% revenue from non-coal activities by 2025. To that end, we are also divesting from the more carbon-intensive segments of our business portfolio, with an emphasis on a just and responsible transition. As of the end of 2023, we recorded 12.0% of revenue from non-coal activities. We also continue to find ways to decarbonize our ongoing activities, innovating in various ways to work towards our goal of net zero emissions by 2050.

In 2023, we reassessed our ESG baseline and targets, adjusting them to be in line with our diversification updates, and coming up with even more ambitious ESG targets that will have a more meaningful impact.

In our reassessment, we sought to be both ambitious and realistic with what we can achieve through key high-level actions and cost-effective levers. That has meant setting ourselves even more focused goals, including reducing our scope 1 and 2 emissions by 25% in 2025 and 33% in 2030, as well as our scope 1 and 2 emission intensity per revenue by 50% in 2025 and 55% in 2030, and per coal production by 10% in 2025 and 25% in 2030, relative to our 2020 baseline.

We have also refined our energy consumption goals by adding renewable energy requirements; increased our targets for both water savings and waste recycling and reuse; expanded our zero-fatality goals to cover not just employees but also contractors; significantly boosted our gender equity targets for the workforce in general and senior management in particular; and given greater weight to ESG-linked performance indicators for board members.

Diversification

In 2023, we continued to seek out new opportunities and grow our presence in existing low- and zero- carbon segments. We see Indika Energy as the leading diversified investment company in Indonesia, and our diversification approach is as much a push to that end as it is part of our ESG drive.

Over the past year, we boosted our presence in the sectors of minerals, electric vehicles, renewable energy, nature-based solutions, and digital services.

We are putting our decades of expertise in coal mining to good use in our new gold, bauxite and nickel ventures. Through Masmindo, we manage a gold-mining concession in Luwu, South Sulawesi, with extensive reserves. Working closely with local authorities and communities, we saw construction began in 2023 and expect to start production in 2025. Through Mekko Metal Mining, we also manage a bauxite- mining concession in Landak, West Kalimantan, which has been in production since 2022. A third venture, Rockgeo, is our entry into nickel, a key mineral in the clean-energy transition, as well as other minerals.

This helps position Indika Energy as a front-runner in building Indonesia's electric vehicle (EV) ecosystem from the ground up. Through ALVA, we launched the ALVA One electric motorbike in 2022, and followed in 2023 with the ALVA Cervo and in 2024 with the ALVA One XP. ALVA also established a manufacturing facility in Cikarang, Indonesia's automotive hub, and opened ALVA Experience Centers in Jakarta, Bali, Bandung, Surabaya and Semarang. Crucially, all motorbike models meet the government's requirements for local content in their production, ensuring that ALVA not only supports the transition to clean transportation, but also contributes to the domestic economy.

At the other end of the EV spectrum, through INVI we distribute electric commercial vehicles under the KGM, Foxtron and Hyundai brands, supporting facilities for electric charging stations under the Daeyoung Chaevi brand, and air-conditioning systems for BOA brand electric buses. Meanwhile, through Kalista we provide FaaS (fleet as a service) solutions to simplify customers' transition into the EV ecosystem, offering electric two-wheelers and four-wheelers as well as charging unit rental schemes. From the charging infrastructure to the vehicles themselves, INVI and Kalista are committed to being a key player in the full-range EV ecosystem.

On the renewable energy front, Empat Mitra Indika Tenaga Surya (EMITS), Indika Energy's joint-venture solar subsidiary, has to date installed 60 MW of solar photovoltaic (PV) capacity in Java, Bali, Sumatra, Kalimantan, Sulawesi and Maluku, targeted at commercial and industrial clients and utilities. EMITS targets to install up to 500 MW of solar capacity by 2025. EMITS offers a full range of services, from financing, design, engineering, procurement, construction to operations and maintenance.

Another green sector where we are growing our presence is nature-based solutions, through our subsidiary Indika Nature. Indika Nature cultivates an industrial forest certified by the Forest Stewardship Council (FSC), which provides biomass for carbon-neutral energy generation. In 2023, Indika Nature completed the construction of a wood pellet factory in Paser, East Kalimantan, and is set to become the first biomass company in Indonesia with a comprehensive value chain. It is currently in preparation for its first batch of production, including planned exports to Japan.

Also in 2023, Indika Nature acquired a stake in Natura Aromatik Nusantara, a producer and the fourth- largest exporter of essential oils, based in Solo, Central Java. The acquisition strengthens Indika Nature's agroforestry portfolio by expanding into aromatic chemicals, essential oils and natural extracts. Natura Aromatik Nusantara is poised to capitalize Indonesia's rich and abundant natural ingredients, products that have a long history in Indonesia's agricultural sector. Indika Nature continues to grow its business through its subsidiary Laras Ekosistem Organik by partnering with Slow Forest Coffee and Krakakoa, a producer of sustainable, traditional-grown coffee and cocoa, leveraging agroforestry expertise and social commitment to revolutionize our regenerative farming systems. These actions yield positive effects on the climate, biodiversity, and profitability, thereby enabling us to contribute to societal well-being and livelihoods.

Technology is another key focus area for Indika Energy's diversification. In 2023, our subsidiary Xapiens continued to collaborate with leading technology companies including Microsoft, Amazon Web Services, Odoo, SANS Cyber Security Awareness, and HP, as well as developing applications for clients in the EV industry and AI-based coal prediction solutions in the mining industry.

Divestment

In 2023, Indika Energy continued a series of ongoing divestments from what has long been our core, and most carbon-intensive, business sector: coal.

In 2021, we divested our majority stake in Mitrabahtera Segara Sejati (MBSS), a major player in the coal- shipping sector. In 2022, we divested from Petrosea, a leading mining services and engineering provider. And in 2023, we started the divestment process from Multi Tambangjaya Utama (MUTU), a top miner of high-quality coal.

These were difficult decisions to make, but were necessary for us to achieve our long-term sustainability goals.

This move is undoubtedly a massive stride towards our twin goals of achieving 50% revenue from non- coal activities by 2025 and net zero emissions by 2050. It also reflects our unwavering commitment to our sustainability targets and sends the clear message that Indika Energy is determined to lead by example. Going forward, we will continue to explore more divestment options.

Decarbonization

Business diversification and divestment are ways to make a clean break from carbon-intensive businesses. But when your goal is to energize a nation, as Indika Energy's overarching purpose has been, such a break is not always possible. And so, these approaches have to be complemented by a third approach: decarbonization.

At Indika Energy, we have for years practiced a wide range of decarbonization techniques to reduce our emissions, and we continue to refine them while also innovating new ways of minimizing our carbon footprint. At the Kideco Jaya Agung (Kideco) mine in Paser, East Kalimantan, we introduced solar panels to generate some of the electricity provided by diesel generators, and we continue to increase tthe share of solar photovoltaic (PV) in our energy mix. The Kideco site also uses electric buses to transport employees, cutting off another source of emissions.

Where we still need to use diesel, we now consume B35 biofuel, which contains a 35% blend of palm oil derivative, marking an improvement from the B30 biofuel used previously. Our subsidiary Tripatra Engineers and Constructors is currently developing biofuel for sustainable aviation fuel and biogas and biomass for energy generation.

IN 2023, WE CONTINUED TO SEEK OUT NEW OPPORTUNITIES AND GROW OUR PRESENCE IN EXISTING LOW- AND ZERO-CARBON SEGMENTS

Our solar use has spread from the mine site to our other facilities, including at our INDY Bintaro Office Park just outside Jakarta, and at the Interport Business Park in Balikpapan, East Kalimantan.

An innovative decarbonization technique we are increasingly using is the employment of artificial intelligence technology to improve the efficiency of our processes and operations, ensuring we minimize our energy use. This has the added benefit of improving workplace safety, an issue of utmost priority to Indika Energy.

As a result, in 2023 we reduced our scope 1 and 2 emissions by 11.26% in 2023, demonstrating that we are well on track (or beyond) to meet our 2025 target. In 2023, we reassessed our ESG baseline targets, adjusting them to be in line with our diversification updates by expanding our boundaries including our new businesses, and coming up with even more ambitious ESG targets that will have a more meaningful impact.

In the industries in which we operate, sometimes it's simply not feasible or possible to cut emissions entirely, in which case we turn to nature restoration activities to offset our carbon footprint. As of the end of 2023, Kideco has rehabilitated more than 10,000 hectares of river watersheds. Across the Indika Energy Group, we have also planted more than 162,000 mangrove trees, thus helping restore an ecosystem that's an even more effective carbon sink than tropical rainforests. This replanting not only has the benefit of offsetting an estimated 1,988 tonCO2eq of emissions annually, but also contributes to the livelihoods of local communities and well-being of the native biodiversity.

As technologies develop and new opportunities present themselves, Indika Energy will continue finding ways to decarbonize.

Making an Impact

In parallel with our diversify-divest-decarbonize approach, in 2023 we also continued to advance our programs and initiatives aimed at making a positive impact on the communities where we live and work.

Among these is the Canting (Cegah dan Tangani Stunting) program to prevent and tackle childhood stunting — a perennial problem in Indonesia. Indonesia has a "demographic bonus", where a large proportion of working-age citizens drives the country's productivity and growth. But

IN 2023 WE REDUCED OUR SCOPE 1 AND 2 EMISSIONS BY 11.26% IN 2023, DEMONSTRATING THAT WE ARE WELL ON TRACK (OR BEYOND) TO MEET OUR 2025 TARGET

stunting as a result of poor childhood nutrition threatens to undermine this boost. In Paser, East Kalimantan, where Kideco operates, for example, the stunting prevalence rate increased to 24.9% in 2022 from 23.6% in 2021 (according to Studi Status Gizi Indonesia).

Our holistic approach involves the government, communities in 14 villages, and related stakeholders to address the problem. This approach includes increasing access to quality nutrition, improving health services, providing adequate nutrition education, and raising public awareness.

Another of our key initiatives is the Indika Energy Mangrove Program in Action (IMPACT), launched in March 2023. Working via Indika Nature alongside the national Peat and Mangrove Restoration Agency (BRGM), we aim to rehabilitate and restore 250 hectares of mangroves by 2025 in Paser, East Kalimantan. Last year alone we planted more than 46,600 mangrove trees across 35 hectares, which is expected to sequester 573 tonCo2eq annually.

Mangrove planting not only restores these unique ecosystems, but also helps the native biodiversity recover. Mangroves are a key nursing ground for many of the aquatic species that fishing communities rely on. They also serve as a buffer against tidal surges, protecting coastlines from erosion and vulnerable communities from economic losses.

Crucially, mangroves are also among the most efficient stores of carbon in the world: hectare for hectare, they store more carbon in their soil alone than tropical rainforests do in their combined soil and vegetation. So, when completed, the IMPACT initiative is expected to sequester the equivalent of more than 18,000 cars' worth of emissions.

We recognize that our socio-economic contribution goes beyond local employment and procurement and the payment of taxes and royalties. We identify opportunities to partner with and contribute to the communities living near our industrial assets. During 2023, we spent 66.1 billion Rupiah on community development

programs. This was an 10.43% increase from the previous year.

We also made a positive impact on the lives of our more than 3,500 employees, and the thousands of family members who depend on them. Protecting the health and well-being of all our people is one of our key priorities. We have always nurtured a culture of safety that goes beyond box-ticking and looks at ways to anticipate and mitigate potential risks.

While we endeavored to ensure all systems and safeguards were in place to keep employees safe on the job, it is with great sadness that we report that two of our contractors lost their lives in work-related accidents at our operations during 2023. Our deepest sympathies go out to their families, and we have since strengthened measures to prevent such incidents and rededicated ourselves to the pursuit of the zero-fatality workplace that has long been our hallmark.

Impact Through Leadership

In 2023, Indika Energy took significant strides in enhancing its governance framework, continuing our pursuit of the highest standards of integrity and ethical conduct. A key milestone was the renewal of our anti-bribery management system ISO 37001 certificate. This accomplishment underscores our unwavering commitment to business ethics, demonstrating to our stakeholders and partners that Indika Energy always prioritizes transparency and accountability in every aspect of our operations.

Furthermore, we continued integrating ESG aspects into the Key Performance Indicators (KPIs) of our Board, ensuring that our leadership is directly accountable for driving sustainability progress. Additionally, our Sustainability Committee has played an instrumental role in overseeing the implementation of sustainability-related policies, spearheading sustainability initiatives, and performance monitoring. Their continuous efforts have been central to Indika Energy's journey towards a more sustainable and responsible business model, aligning our growth with the broader objectives of social and environmental stewardship.

Taking the Lead

Indika Energy also continues to be a leading player in domestic, regional and international forums promoting sustainability. In 2023, we took part at the COP28 United Nations climate summit in Dubai. Azis Armand, Vice President Director and Group CEO, participated in a high-level panel discussion titled "Nature Worth Investing In?", in which he set out Indika Energy's ambitions for its nature-based solutions businesses through the three pillars of carbon business, agroforestry and biomass energy.

Indika Energy also attended the 2023 World Economic Forum (WEF) in Davos, Switzerland, discussing issues ranging from clean cities to green investments to the voluntary carbon market as a crucial climate solution.

At the regional level, Indika Energy also participated in the 2023 ASEAN Business Advisory Council (ASEAN-BAC), which discussed the Southeast Asian region's energy transition outlook, solutions to funding shortages, and opportunities for cross-border collaboration.

Indika Energy also remains a committed signatory to the United Nations Global Compact (UNGC), a grouping of forward-thinking companies and governments taking the lead to build a sustainable future for all. In 2023, we finalized our UNGC Communication on Progress Report, detailing and demonstrating our commitment to progress on sustainability governance, human rights, labor, environment, and anti- corruption issues; the efforts we take to prevent negative and social and environmental impact;

our performance indicators, remediation, and reporting mechanisms to address grievances; and reflections on lessons learned.

We also participate in the CDP initiative (formerly the "Carbon Disclosure Project"), which encourages companies and governments to commit to environmental transparency and accountability through disclosure reports. We submitted our first CDP report in July 2023, on climate change and water security, and received scores of C for each.

Our presence, participation, and leading role in these forums and initiatives reflect the very real progress we are making on our sustainability journey. Today, we have an ESG rating of BBB from MSCI ESG Ratings and 34.9 (High Risk) from Sustainalytics, the two leading ratings agencies, which puts Indika Energy in fifth place among global companies in the coal sector.

New Challenges Ahead

2023 marked an inflection point in Indika Energy's ongoing sustainability journey. It was a year in which we not only continued to pursue our wider goals but recommitted ourselves even further: setting even more ambitious targets, introducing new parameters to generate meaningful outcomes, and continuing to deliver on our promises. With a higher bar to clear, come new challenges. And that makes us even more determined than ever to deliver.

As we navigate today's energy transitions, we face multifaceted challenges including technological advancements, regulatory changes, and the urgent need for widespread adoption of green energy solutions. These obstacles remind us that the path to a sustainable energy future is complex and fraught with uncertainties. Yet, they also highlight the critical importance of collaborative efforts among all stakeholders. Together, we can accelerate the transition to sustainable energy, pushing the boundaries of what is possible.

We are deeply grateful for the unwavering support and dedication of all stakeholders involved in this transition. Your contributions, big and small, have been instrumental in propelling us forward. As we embark on this next phase of our journey, your continued engagement and partnership will be key to unlocking new opportunities and achieving our collective goals.

With our focus on green innovations, energy efficiency, and collaborative efforts, Indika Energy's journey towards a sustainable energy and climate future will help mitigate climate change and build a resilient world for future generations. The opportunity is here now, and it's ours to seize. Let's go.

M. Arsjad Rasjid P.M.
President Director

Contents Page

Letter from our President Director

Overview

About this Report

Report scope and boundary
Our material ESG topics
Reporting period
Reporting cycle
Reporting standards
External assurance
Restatement of information
Feedback channel

Key highlights

Pathway to net zero
Our 2025 and 2030 ESG targets
2023 ESG performance
Financial performance
Creating value for society
Supporting global efforts towards sustainability

Indika Energy at a glance

Our journey towards a sustainable future
Engaging with our stakeholders and creating value
Our sustainability approach and strategy
Risk and mitigation
Sustainability governance
Our external commitments

Environmental

Emissions and energy
Water and effluents
Waste management
Biodiversity and land use

Social

Developing our human capital
Championing diversity, equity, and inclusivity
Promoting safety in the Indika Energy Group
Community development
Human rights and grievance mechanism

Governance

Our robust governance structures
Operating with ethics and integrity

BOC BOD statement
Assurance statement
Glossary
GRI index
WEF SCM index
United Nations of Global Compact index
Appendix
Contact us

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 SUSTAINABILITY. THAT IS WHY WE ARE COMMITTED TO PROVIDING THE BIG PICTURE ABOUT OUR ESG COMMITMENTS AND PROGRESS THROUGH THIS ANNUAL REPORTING PROCESS.

Report scope and boundary

This report focuses on the ESG topics 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 data and non-financial data, including environmental, social, and governance data from companies in which Indika Energy holds more than 50% of shares and has management control. These are PT Kideco Jaya Agung (Kideco), PT Indika Indonesia Resources (IIR) including PT Multi Tambangjaya Utama (MUTU), PT Tripatra Engineering and PT Tripatra Engineers and Constructors (Tripatra), PT Interport Mandiri Utama (Interport), PT Masmindo Dwi Area (Masmindo), PT Mekko Metal Mining (Mekko), PT Empat Mitra Indika Tenaga Surya (EMITS), PT Indika Multi Properti (Indika Nature), PT Ilectra Motor Group (IMG), and PT Xapiens Teknologi Indonesia (Xapiens). [GRI 2-2]

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. This was the basis for Indika Energy to start the divestment process of Multi Tambangjaya Utama (MUTU) in 2023, after previously divested from Mitrabahtera Segara Sejati (MBSS) and Petrosea.

For further information regarding each business, please refer to the chapter "Indika Energy at a Glance" within this report.

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

We regularly undertake sustainability-related materiality assessments that consider input from within our business and other stakeholders. Materiality assessments are formal exercises that involve engaging with stakeholders to find out the relative importance of ESG-related topics to them.

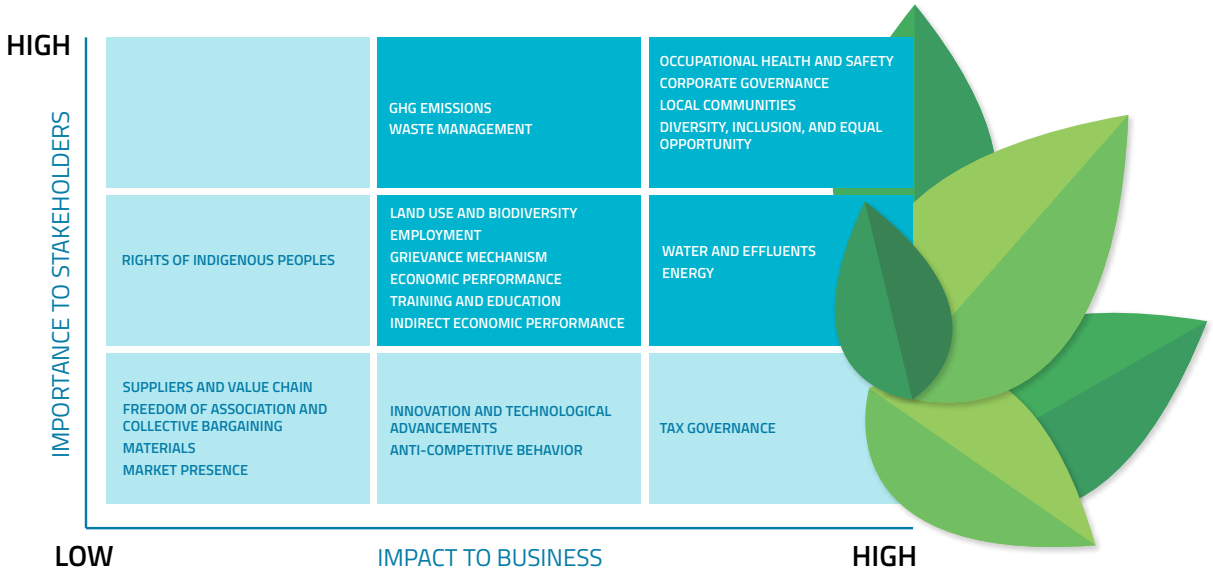
We use these assessments into our strategic overview and our sustainability-related disclosures and publications. This assessment identifies topics that are material to our development, performance and current position as well as for our future opportunities.

During 2023, we undertook materiality assessments with internal and external stakeholders to validate whether our current material topics continue to be appropriate and to identify emerging issues.

2023 materiality assessment process

DESK RESEARCH	STAKEHOLDER ENGAGEMENT	FINAL SCORING
We considered our original material topics and assessed the inclusion of new topics and/or sub-topics through looking at stakeholders' areas of interest and the materiality assessments undertaken by our peers.	We engaged with our external and internal stakeholders including government, investors, banks, insurance companies, media, customers, industry associations, and NGOs as well our internal stakeholders which cover employee representatives.	The Sustainability team and Committee reviewed the findings. Where interest was expressed, we shared the final list of topics with participating stakeholders. Work is underway to align our strategy and communications with the updated identified topics.

We finalized high-priority ESG topics that are material to our business and stakeholders. These same material topics are also of medium and high impact on our business, as shown in the following graph:



- **Emissions and energy [GRI 302, 305]**
  Addresses the company's energy consumption in various forms, such as fuel, electricity, heating, cooling, or steam, as well the measurement and management of greenhouse gas emissions (including fugitive emissions associated with coal mining), ozone-depleting substances (ODS), nitrogen oxides (NOx), and sulfur oxides (SOx), among other significant air emissions.

- **Water and effluents [GRI 303]**
  Addresses impacts the company has on the water resources from which it withdraws and consumes and to which it discharges for its own operations.

- **Waste management [GRI 306]**
  Addresses the impacts of the waste generated in the company's operations and how the company manages risks related to the environment and human health from waste generation and disposal.

- **Land use and biodiversity [GRI 304]**
  Addresses the company's strategy to minimize the impact of its business activities on land and to protect biological diversity to ensure the survival of plant and animal species, genetic diversity, and natural ecosystems.

- **Employment [GRI 401, 402, 404, 406, 407]**
  Includes the company's approach to employment or job creation: hiring, recruitment, retention and related practices, and the working conditions it provides. While training and education addresses the company's approach to training and upgrading employee skills, and performance and career development reviews.

- **Diversity, inclusion, and equal opportunity [GRI 405]**
  Addresses the company's approach to promoting diversity, eliminating gender bias, and supporting equal opportunity at work. Includes the diversity of its governance bodies and its employees as well as fairness in remuneration.

- **Occupational health and safety [GRI 403]**
  Addresses how the company provides healthy and safe work conditions for its workforce, which involve both prevention of physical and mental harm, and promotion of workers' health.

- **Local communities [GRI 413, 414]**
  Addresses the economic, social, cultural, and/or environmental impacts that the company's activities and infrastructure can have on local communities.

- **Economic performance [GRI 201, 203, 207]**
  Addresses the economic value generated and distributed by the company, which include its defined benefit plan obligation, and the financial implications of climate change. It also addresses indirect economic impacts that have an influence on the local community's wellbeing and longer-term prospects for development.

- **Corporate governance [GRI 206, 408, 409, 410, 411, 415, 416]**
  Addresses the framework for attaining the company's objectives, encompassing practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure. This also addresses the company's approach to upholding responsible business practices: business ethics, anti-corruption, human rights and grievance mechanisms.

Reporting period [GRI 2-3]

Unless otherwise stated, the ESG disclosures contained in this report pertain to the period from 1 January to 31 December 2023. Where relevant, we have supplemented the data and information for 2022 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 (in accordance), and Core Metrics of the WEF Stakeholder Capitalism Metrics. The content of this report also addresses the United Nations' Sustainable Development Goals (SDGs) and the Ten Principles of the United Nations Global Compact (UNGC), to which Indika Energy is a signatory.

Indika Energy is a signatory to the principles of the UNGC, and this Sustainability Report outlines our support for its development objectives and our work on implementing the UNGC'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 independent assurance of this report's GRI compliance. The details of assurance engagement can be found in the Assurance Statement.

Restatement of information [GRI 2-4]

We report several restatements, which include:

- 2022 Scope 1 and 2 GHG emissions data
- 2022 energy consumption data

In 2023, we conducted an exercise to recalculate our 2022 GHG emissions and energy consumption to reflect our strategic pivots more accurately, including the new businesses (EMITS, Ilectra Motor Group, Masmindo, Mekko, Indika Nature, Xapiens) and omitting calculations from a divested entity (Petrosea). We also used a more standardized calculation methodology for the two metrics.

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

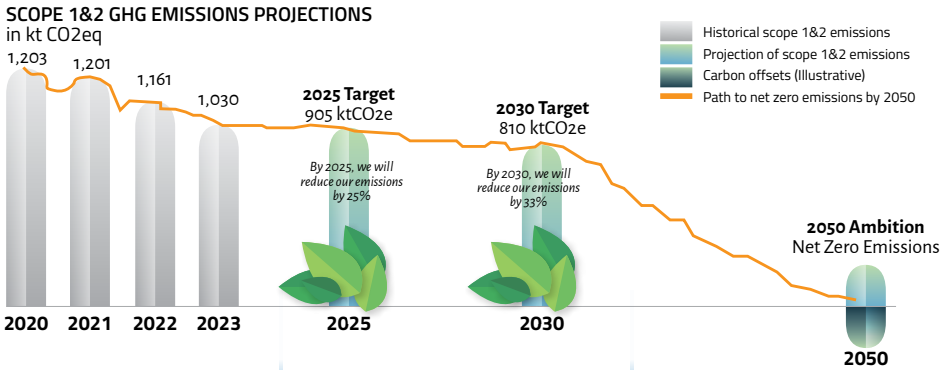
AT INDIKA ENERGY WE HAVE PUT THE NET ZERO TRANSITION AT THE HEART OF OUR BUSINESS STRATEGY: COMBINING INVESTMENTS IN BUSINESSES THAT ENABLE THE ENERGY TRANSITION WITH ACTIONS TO DECARBONIZE OUR OPERATIONS AND VALUE CHAINS.

Pathway to net zero

We are committed to responsibly managing our portfolio and carbon footprint in line with our scope 1 and 2 emissions reduction targets, 25% by the end of 2025 and 33% by the end of 2030 against our 2020 baseline, with a longer-term ambition of achieving net zero emissions by the end of 2050.

To achieve these, we have mapped our carbon footprint across our value chain and business process to ensure we have a clear understanding of where to focus our efforts, which informs our pathway to net zero.

INDIKA ENERGY NET ZERO ROADMAP



Emissions in 2023

Scope 1&2 GHG Emissions
(kt CO2eq)
1,030
2020 (baseline) 1,203

Scope 1&2 GHG Emissions Intensity
(ton CO2eq / ton coal production)
0.031
2020 (baseline) 0.033

BUILDING FOUNDATION

Supporting energy transition

- Investing in low-carbon economy
- Divesting coal-related assets

Partnering to reduce the carbon footprint across our value chains

- Measuring scope 3 emissions
- Developing carbon reduction program with contractors

STRENGTHENING PRACTICES

Reducing carbon footprint of our operations

- Implementing digital technology in mining operations
- Investing in EVs and electrification of equipment
- Installing solar PV and battery storage system
- Adopting the use of B35 diesel
- Conducting reclamation

ACCELERATING GROWTH

We cater the nation's strategic necessities to enable sustainable development while taking care for the environment and making positive difference to the society

By 2050, we expect to be
net zero

Indika Energy 2025 and 2030 ESG Targets

E
Environmental

SCOPE 1 AND 2 EMISSIONS
(Relative to 2020 baseline)

- **25%** Reduce scope 1 and 2 emissions by 25% in 2025
- **33%** Reduce scope 1 and 2 emissions by 33% in 2030
- **50%** Reduce scope 1 and 2 emissions intensity per revenue by 50% in 2025
- **55%** Reduce scope 1 and 2 emissions intensity per revenue by 55% in 2030
- **10%** Reduce scope 1 and 2 emissions intensity per ton coal production by 10% in 2025
- **25%** Reduce scope 1 and 2 emissions intensity per ton coal production by 25% in 2030

ENERGY MANAGEMENT
(Relative to 2020 baseline)

- **30%** Increase % RE share in the energy consumption mix to 30% by 2025
- **35%** Increase % RE share in the energy consumption mix to 35% by 2030



WATER MANAGEMENT
(Relative to 2020 baseline)

- **30%** Reduce water withdrawal intensity per revenue by 30% by 2025
- **32%** Reduce water withdrawal intensity per revenue by 32% by 2030



WASTE MANAGEMENT
(Relative to 2020 baseline)

- **40%** Divert 40% of waste from landfill by 2025
- **45%** Divert 45% of waste from landfill by 2030



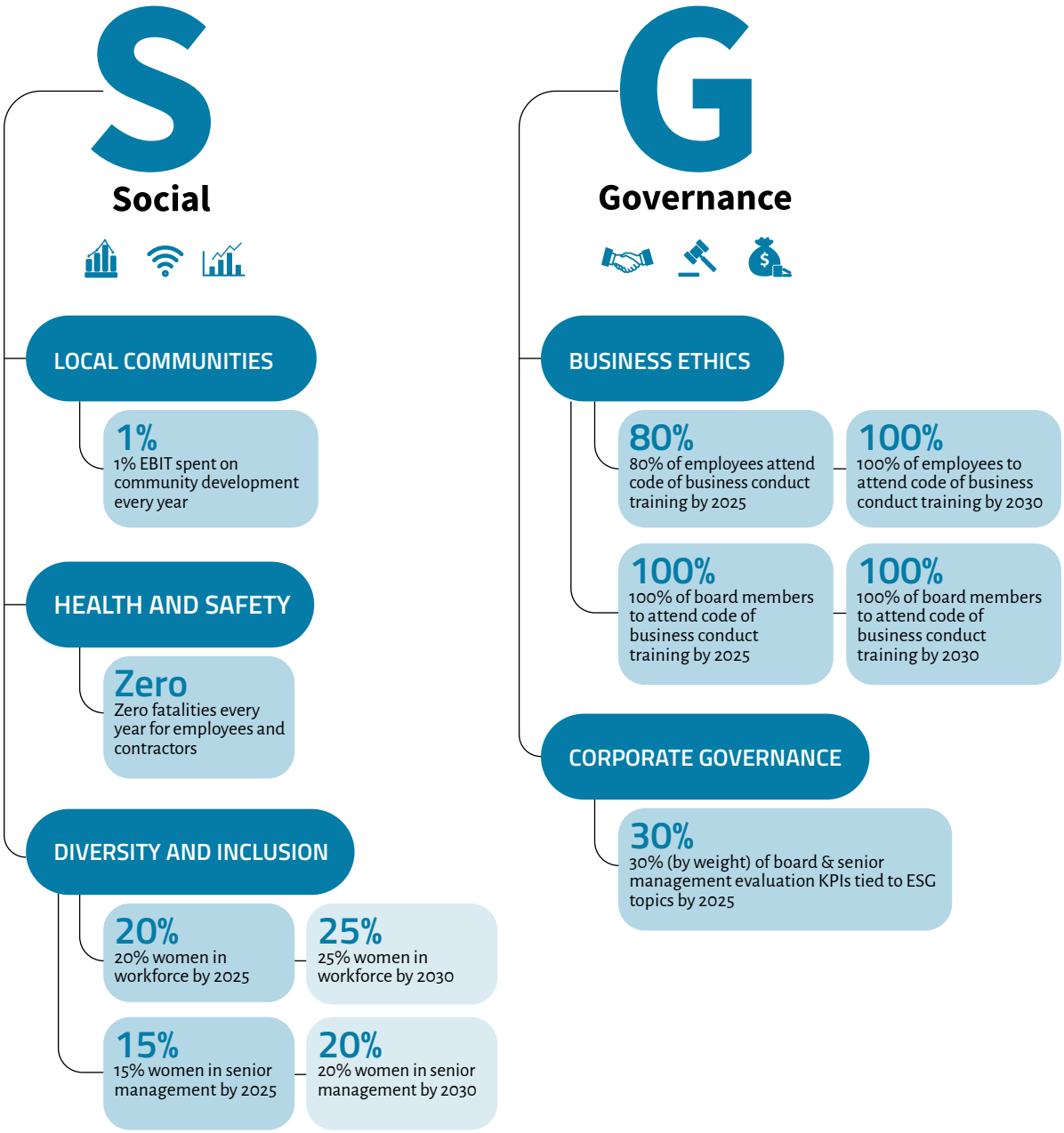
LAND AND BIODIVERSITY
(Relative to 2020 baseline)

- **20%** Increase land reclamation area by 20% by 2025

Our New Ambition: A Business Model Compatible with a Sustainable World

We continue to track and assess ESG metrics applicable to Indika Energy's sustainability goals, and have revisited our targets for a balance between ambitious and realistic.

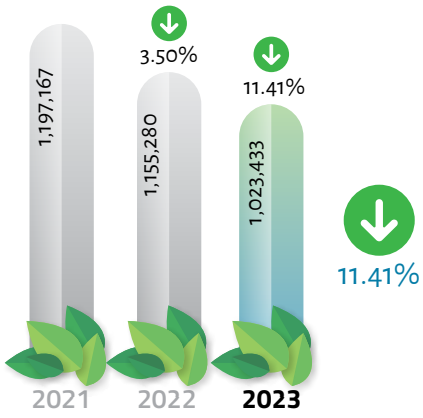
In 2023, we reassessed our scope 1 and 2 ESG baseline targets, expanded our data boundaries including our new business units and ventures, and came up with even more ambitious ESG targets that will have a more meaningful impact. We also identifies decarbonization initiatives for scope 1 and 2 across the Group's, and sequence it into a roadmap in line with Indonesia's and Indika Energy's considerations.



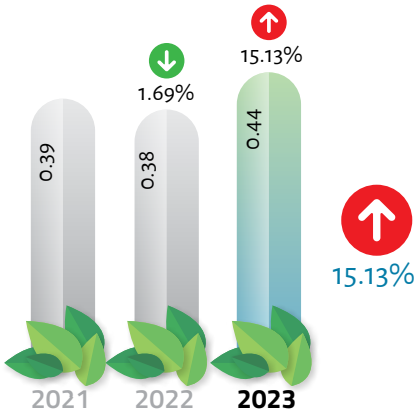
2023 ESG Performance

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).

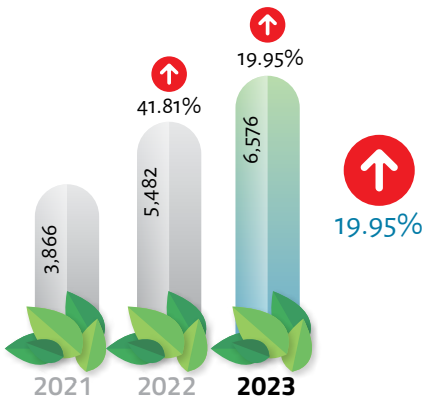
SCOPE 1 GHG EMISSIONS (TONCO2EQ)



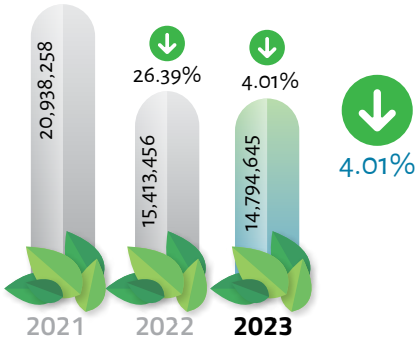
ENERGY INTENSITY (GIGAJOULE/TON COAL PRODUCTION)



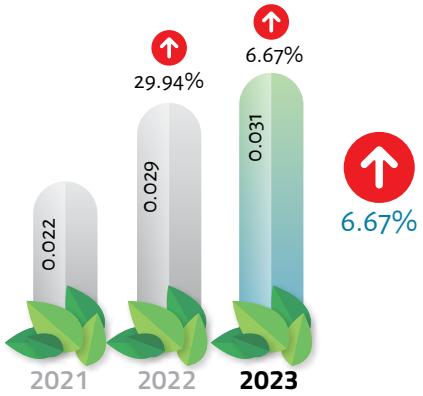
SCOPE 2 GHG EMISSIONS (TONCO2EQ)



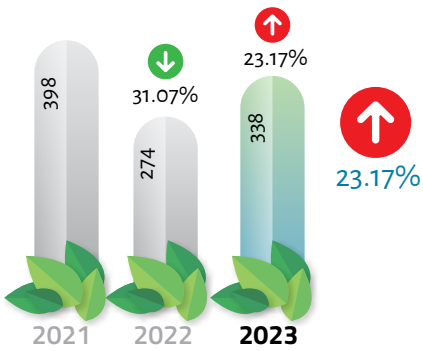
ENERGY CONSUMPTION (GIGAJOULE)



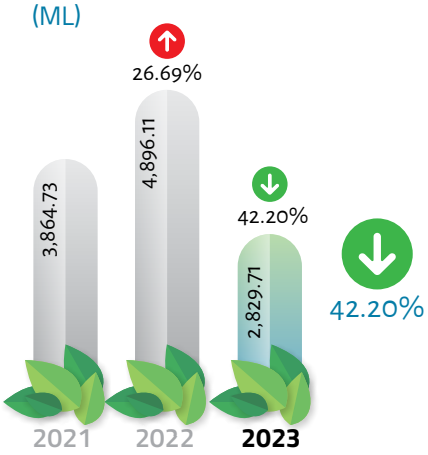
SCOPE 1 AND 2 GHG EMISSIONS INTENSITY (TONCO2EQ/ TON COAL PRODUCTION)



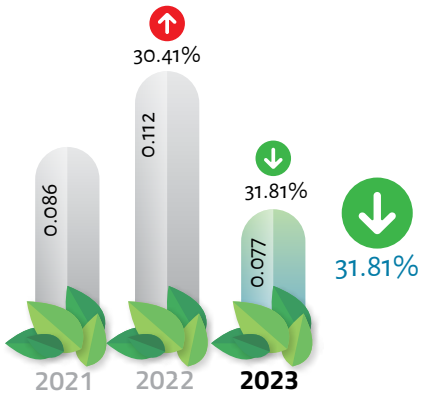
SCOPE 1 AND 2 GHG EMISSIONS INTENSITY (TONCO2EQ/ USD MN REVENUE)



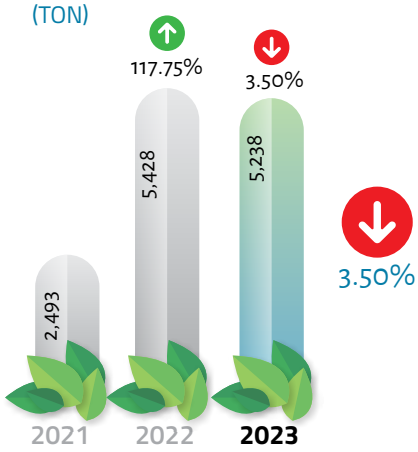
WATER WITHDRAWAL
(ML)



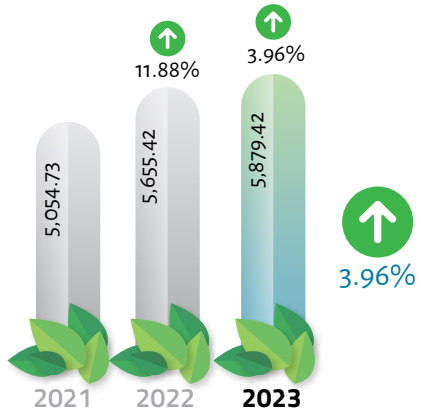
WATER WITHDRAWAL INTENSITY
(ML/KILOTON COAL PRODUCTION)



WASTE REUSED AND RECYCLED
(TON)



RECLAMATION AREA
(HECTARE)

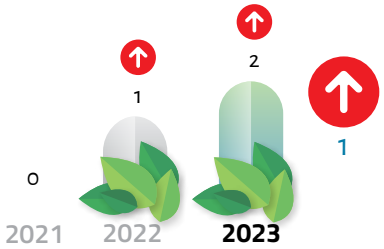


EMPLOYEE FATALITIES AT MANAGED OPERATIONS
(LIVES)

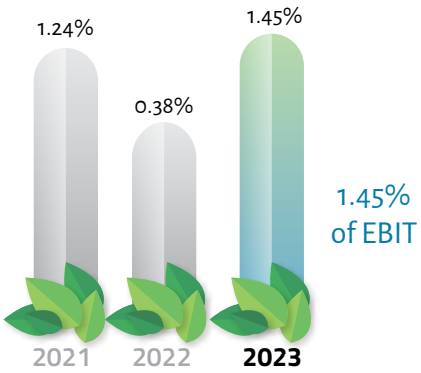
0 FATALITY RECORD MAINTAINED

2023 2022 2021

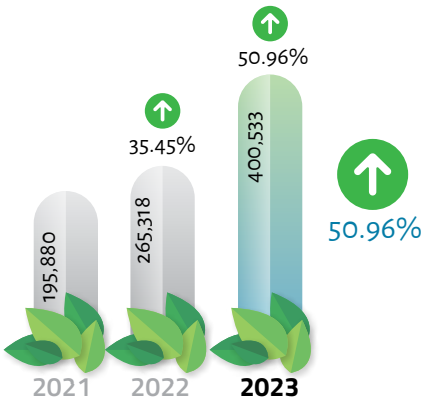
CONTRACTOR FATALITIES AT MANAGED OPERATIONS
(LIVES)



COMMUNITY INVESTMENT SPENDING [GRI 201-1]
(% OF EBIT)

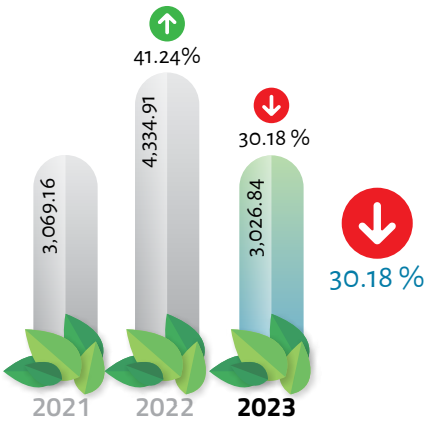


COMMUNITY DEVELOPMENT
(NUMBER OF LIVES IMPACTED)

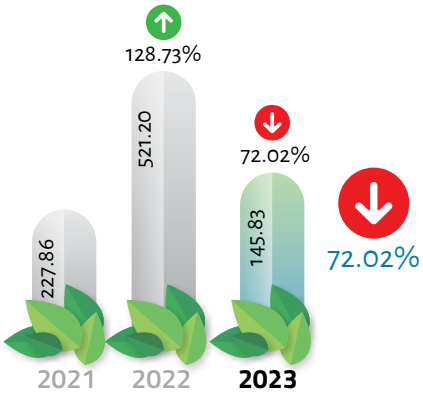


Financial Performance

REVENUE [GRI 201-1]
(USD MILLION)

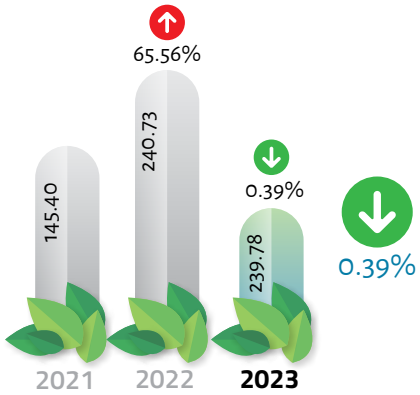


CORE PROFIT (LOSS) [GRI 201-1]
(USD MILLION)

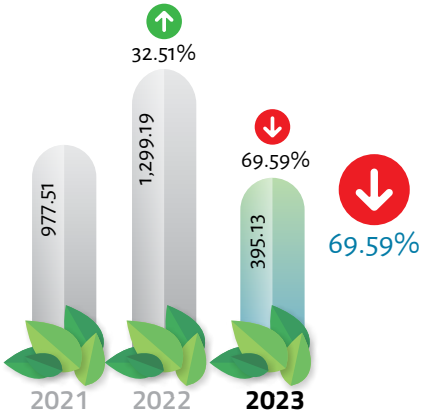


**) Core Profit (Loss) is defined as net profit (loss) attributable to the Owner of the Company for the year, excluding: 1) Amortization of Kideco and MUTU intangible assets; 2) Changes in the fair value of contingent consideration obligations related to the acquisition of additional shares in Kideco in 2023.*

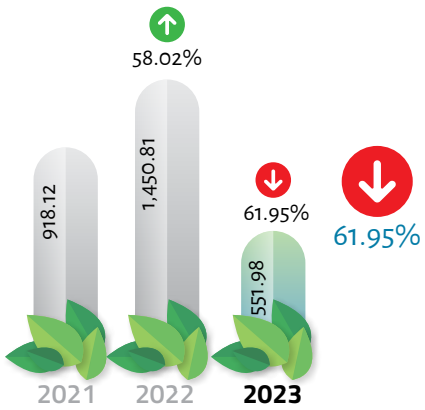
OPERATING COST [GRI 201-1]
(USD MILLION)



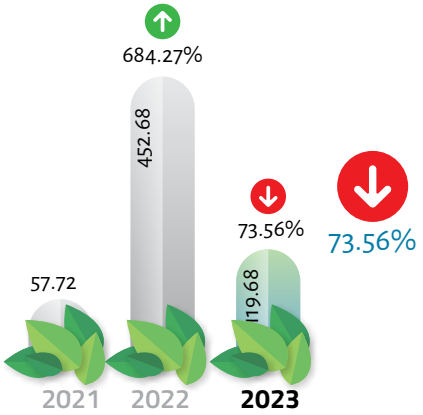
ADJUSTED EBITDA [GRI 201-1]
(USD MILLION)



GROSS PROFIT [GRI 201-1]
(USD MILLION)



NET PROFIT (LOSS) [GRI 201-1]
(USD MILLION)



Creating Value for Society

The energy we produce at Indika Energy Group helps power economic growth and improves the quality of life for the people of Indonesia. Our business activities make significant contributions to the national and local economies in which we operate. The most significant derive from employment, procurement, payment of taxes and royalties, and community development, but we also try to ensure that we create as much value for them as possible all along our value chain. Our aim is to minimize dependency on our operations, and promote healthy, sustainable communities with diversified and resilient local economies. This is particularly important as changing market conditions may continue to affect our business.

Direct economic value generated and distributed

The economic value obtained by the Company during the reporting period (on accrual basis), was distributed to stakeholders interests as needed. In 2023, we recorded USD 119.7 million net profit. Disclosure information related to the economic value generated is as stated in Financial highlight.

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]. In 2023, we contributed USD 1,333.2 million in taxes and royalties to the government..

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. We do not receive financial assistance from the Government [GRI 201-4], although the government does offer financial assistance to buyers of ALVA, our electric two-wheelers, in a bid to push electric vehicle (EV) adoption in Indonesia. [GRI 201-4]

Indirect economic impact

Employment [203-1b]

Employment is one of the most obvious signs of the economic benefits we generate. We provide families with their livelihoods via direct employment at our operations and indirect employment, via contractors and our use of local suppliers. We prioritize employing people from the regions close to our assets. This extends to investing in education projects, skills development programs, and apprenticeships for local people. This also creates jobs, drives economic development and social empowerment, and generates revenue for national and subnational governments. This year, we provided compensation and benefits to more than 3,500 employees across the nation. Our local hires in 2023 amounted to 40.40% of our total employees.

We emphasize diversity in our training initiatives, particularly given our own limited capacity to offer additional employment in the current economic climate. We also seek to work with local governments, education authorities and community representatives to identify skill gaps and find the best ways to meet the needs and expectations of our stakeholders.

Local procurement [203-1b]

We use local suppliers whenever we can, to reduce our costs and provide our host communities with alternative employment opportunities. Our development of local procurement bases also helps local governments to fulfill their own development objectives. Some of the regions where we operate lack strong local businesses. We want to help these businesses grow and become competitive. Aside from that, we work with our local suppliers, nurturing them to comply with ESG standards

Our community and procurement teams work together to identify needs and develop support programs for local businesses, to help them meet our quality standards and expectations with regard to conduct. We offer targeted business

management training, and future business within specific limits.

Community development [203-1b]

Our community development programs are an integral part of our community and stakeholder engagement strategies. We design our programs to help reduce dependency on our operations, encourage self-reliance and contribute to sustainable growth in our local regions. We aim for the greatest impact against both short- and long-term objectives and are aligned with each asset's overall operational strategy, closure planning and local and/or national development objectives.

The programs must have input from those stakeholders identified during stakeholder assessment. They help to further improve the prosperity and resilience of our local communities by supporting access to basic services, such as education and health. In 2023, we transformed communities through our community development programs, on which we spent more than IDR 66.1 billion. With this spending, we are able to empower our communities by providing access to health care and education, implementing environment conservation programs, and enhancing the community's financial independence. We provide skill enhancement and business opportunity creation in surrounding communities. [GRI 203-2]

Infrastructure

Many of our operations are located in remote areas; here we can contribute by sharing infrastructure, such as roads, water, sanitation projects and electricity, with communities. This gives local people safer and faster access to other towns and markets, meets local water needs, and facilitates access to education and health care. [203-1b]

We believe there is a direct link between building infrastructure and general community development. Contributions to local infrastructure have a significant impact on long-term growth and help to alleviate poverty. This includes pro-bono development of physical infrastructure such as road repair, bridges, schools as well microeconomic development programs and working with local suppliers. [203-1, 203-1c].

Market share

We are also committed to ensuring energy stability in Indonesia. Through our subsidiaries Kideco Jaya Agung, we produced 30.1 million metric tons of coal in 2023, with 29.7% 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 2023 went to China, South Korea, India, the Philippines, Malaysia, Japan, Taiwan, and Singapore. [GRI 2-6]

ECONOMIC IMPACT

USD 119.7 million

NET PROFIT

USD 1,333.2 million

TAX CONTRIBUTION TO THE GOVERNMENT

IDR 66.1 billion

COMMUNITY INVESTMENT SPENDING

NON ECONOMIC IMPACT

3,500+ lives

IMPACTED FROM EMPLOYEE WAGES AND BENEFITS

1,400+

LOCAL HIRES ACROSS INDIKA ENERGY GROUP

400,000+

BENEFICIARIES OF COMMUNITY DEVELOPMENT PROGRAMS

Supporting global efforts towards sustainability

Indika Energy continues to be a leading player in domestic, regional and international forums promoting sustainability. In 2023, we took part at the COP28 United Nations climate summit in Dubai, discussing investments in nature-based solutions; at the World Economic Forum (WEF) in Davos, Switzerland, discussing issues ranging from clean cities to green investments to the voluntary carbon market as a crucial climate solution; and at the ASEAN Business Advisory Council (ASEAN-BAC), looking at the Southeast Asian region's energy transition outlook, solutions to funding shortages, and opportunities for cross-border collaboration.

Azis Armand, Vice President Director and Group CEO of Indika Energy

"THE PROACTIVE ENGAGEMENT OF BUSINESSES AND COLLABORATIVE ENDEAVORS AMONG DIVERSE STAKEHOLDERS ARE IMPERATIVE FOR THE PROSPERITY OF NATURE-BASED INVESTMENTS, YIELDING BENEFITS FOR BOTH THE GLOBAL CLIMATE AND LOCAL ECOSYSTEMS. INDIKA ENERGY IS COMMITTED TO EXPAND ITS LOW-CARBON BUSINESSES BY INVESTING IN NATURE-BASED SOLUTIONS SUCH AS CARBON BUSINESS, AGROFORESTRY, AND BIOMASS ENERGY. TOGETHER, WE CAN CREATE A SUSTAINABLE FUTURE WHERE NATURE AND HUMANITY THRIVE IN HARMONY."





In Indika Nature's biodiverse realm, hornbill serves as a poignant emblem of endangered biodiversity, emphasizing the pressing necessity for conservation endeavors to safeguard its habitat and secure its existence.

01.1

Indika Energy at a Glance

INDIKA ENERGY WAS ESTABLISHED ON OCTOBER 19TH, 2000, AND LISTED ON THE INDONESIA STOCK EXCHANGE (IDX) UNDER THE TICKER CODE INDY IN 2008. FOR NEARLY A QUARTER OF A CENTURY, OUR TRACK RECORD HAS BEEN ONE OF EXEMPLARY ENVIRONMENTAL, SAFETY AND REGULATORY COMPLIANCE, AS WELL AS STRONG STANDARDS OF CORPORATE GOVERNANCE, IN LINE WITH OUR RESPONSIBILITIES AND COMMITMENT TO ALL STAKEHOLDERS.

As the world moves towards a low-carbon economy, we continue to be focused on supporting the energy needs of today whilst investing in a transition for tomorrow that is just, equitable and sustainable. The world we envision will look very different, with new sources of energy and even greater levels of connectivity.

Positioned as Indonesia's leading diversified investment company, Indika Energy continues to expand its wide-ranging portfolio with a mix of investments in businesses with strong growth opportunities, transformative potential, and prospects for empowering society. Today, we are involved in logistics and infrastructure, minerals, nature-based solutions, renewable energy, electric vehicle ecosystem, and digital technology — all part of our commitment to energize Indonesia for a sustainable future. [GRI 2-1, 2-6]

Our commitment to ESG principles underscores our belief in the interconnectedness of environmental stewardship, social progress, and sound governance. Through transparent reporting and stakeholder engagement, we strive to uphold the highest standards of corporate citizenship, driving positive change and leaving a lasting impact for good on both society and the environment.

Our operations

Indika Energy is headquartered in Jakarta, with offices at Graha Mitra on Jl. Jendral Gatot Subroto Kav. 21, Jakarta, and at INDY Bintaro Office Park, Tangerang, with operational areas spread across Indonesia, including on the islands of Sumatra, Kalimantan, Java, Bali, Sulawesi, and Papua. As of the end of 2023, the Company had no operational activities outside Indonesia. [GRI 2-1]



1	Kideco Jaya Agung, East Kalimantan
2	Tripatra Salak Project, West Java
3	Tripatra BP Tangguh Project, West Papua
4	Tripatra Duri Project, Riau
5	Cirebon Electric Power and Cirebon Energi Prasarana, West Java
6	Interport Fuel Tank Terminal, East Kalimantan
7	Interport Patimban Project, West Java

8	Masmindo Dwi Area, South Sulawesi
9	Mekko Metal Mining, West Kalimantan
10	Indika Nature Jaya Bumi Paser, East Kalimantan
11	Indika Nature Telaga Mas Kalimantan, East Kalimantan
12	Indika Nature Natura Aromatik Nusantara, Central Java
13	ALVA Manufacturing Facilities, West Java
14	ALVA Experience Centre, Jakarta



15	ALVA Experience Centre Bandung, West Java
16	ALVA Experience Centre Semarang, Central Java
17	ALVA Experience Centre Surabaya, East Java
18	ALVA Experience Centre Denpasar, Bali

19	EMITS Sampoerna Kayoe Project, North Maluku
20	EMITS Solusi Bangun Indonesia Project, East Java
21	EMITS Jaya Bumi Paser Project, East Kalimantan
22	EMITS EcoOils Project, Riau

Supported by our values

- **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.

Our purpose

Energizing Indonesia for a sustainable future

..influences our strategic commitments

at least 50% of our revenue in 2025 will come from non-coal streams

achieving carbon neutrality by 2050 or sooner

...which we deliver through our business model

Amidst our steadfast dedication to ensuring energy fulfillment and security for Indonesia's development, our business also extends across diverse sectors, from energy markets to the non-coal sector. Embracing logistics and infrastructure, minerals, nature-based solutions, renewable energy, electric vehicle ecosystem, and digital technology, we are helping shape a sustainable and innovative landscape for tomorrow. [GRI 2-1]

INDIKA ENERGY STRIVES TO CONTRIBUTE TO INDONESIA'S ENERGY TRANSITION AND ECONOMIC DEVELOPMENT



Note: MBSS and Petrosea have been divested in 2021 and 2022 consecutively

Energy

Key offerings: Exploration, production, processing, energy services and electricity generation

Companies: PT Kideco Jaya Agung (Kideco), PT Indika Indonesia Resources (IIR), PT Tripatra Engineering and PT Tripatra Engineers and Constructors (Tripatra)

Logistics and Infrastructure

Key offerings: Roads, ports, and coal barges for transport to both domestic and export customers

Companies: PT Interport Mandiri Utama (Interport), PT Kariangau Gapura Terminal Energi (KGTE)

Minerals

Key offerings: Gold and bauxite mining

Companies: PT Masmindo Dwi Area (Masmindo), PT Mekko Metal Mining (Mekko), PT Rockgeo Energi Nusantara

Green Businesses

Key offerings: Renewable energy, nature-based solutions

Companies: PT Empat Mitra Indika Tenaga Surya (EMITS), PT Indika Multi Properti (Indika Nature)

Electric Vehicle

Key offerings: EV ecosystem

Companies: PT Ilectra Motor Group (ALVA), PT Mitra Motor Group (INVI, Foxconn Indika Motor - FIM), PT Kalista Nusa Armada (Kalista), PT Industri Baterai Nusantara

Digital Ventures

Key offerings: Implementing digital transformation across the Group and for external clients

Companies: PT Xapiens Teknologi Indonesia (Xapiens)



ALVA Manufacturing, located in Bekasi, West Java, has an annual production capacity of 100,000 electric two-wheelers.

01.2

Our Journey Towards a Sustainable Future

THROUGHOUT 2023, WE MADE SUBSTANTIAL STRIDES IN GROWING THE LOW-CARBON BUSINESSES IN OUR PORTFOLIO, FROM EVS TO NATURE-BASED SOLUTIONS TO RENEWABLE ENERGY. THESE VENTURES FORM A CRUCIAL PART OF OUR STRATEGY TO GENERATE AT LEAST 50% OF OUR TOTAL BUSINESS FROM NON-COAL ACTIVITIES BY 2025, AND TO ACHIEVE NET ZERO CARBON EMISSIONS BY 2050.

In alignment with our commitment to sustainable practices, our corporate responsibility extends beyond our core business operations. Over the past year, we actively pursued diverse programs aimed at preserving natural ecosystems and empowering communities. Our efforts in nature conservation included initiatives such as reforestation projects, biodiversity preservation, and wildlife habitat restoration. These initiatives were strategically designed to mitigate environmental impacts and promote the long-term health of our planet.

Simultaneously, our dedication to community empowerment remained steadfast. We engaged in a range of programs aimed at uplifting local communities, fostering economic development, and enhancing social well-being. These initiatives encompassed education and skill development programs, health care initiatives, and support for small-scale enterprises. By investing in the prosperity and resilience of the communities where we operate, we aim to create shared value and contribute to inclusive growth.



Renewable energy

Empat Mitra Indika Tenaga Surya (EMITS) was founded in 2021 as a joint venture between Indika Energy and leading Indian solar power developer Fourth Partner Energy Ltd. From our first project, a solar photovoltaic installation at the Kideco mine site in Paser, East Kalimantan, EMITS has since grown rapidly; as of the end of 2023, EMITS has installed 60 MW of solar photovoltaic capacity in Java, Bali, Sumatra, Kalimantan, Sulawesi, and Maluku. Customers include commercial and industrial users as well as local utilities. EMITS targets to install up to 500 MW of solar capacity by 2025. As a one-stop shop for renewable energy solutions, EMITS offers services ranging from financing to design and engineering, to construction, operations, and maintenance.



EV ecosystem

Ilectra Motor Group (IMG) was founded in 2022 as Indika Energy's pioneering venture into the homegrown electric vehicle space, targeting the crucial segment of two-wheeled motor transportation. Following the launch of the ALVA One motorbike, one of the first locally designed and produced EV bikes in Indonesia, we introduced the ALVA Cervo and ALVA One XP. Eighty-seven percent of all motor vehicles on Indonesia's roads today are two-wheelers, which means that scaling up the transition to EVs must emphasize bikes to have any meaningful impact. And with a local manufacturing base supported by local suppliers, we are also contributing to Indonesia's wider ambitions of being the next EV powerhouse.

Nature-based solutions

Indika Nature protects and manages a 170,000-hectare site in East Kalimantan, home to critically endangered wildlife like helmeted hornbills *(Rhinoplax vigil)*, Sunda pangolins *(Manis javanica)* and trees like bangkirai *(Hopea ferruginea)*, a prized timber tree. By reclaiming this forest landscape, we are striking a blow for the climate, investing in a precious carbon sink that we estimate will be able to offset nearly 835,000 tons of emissions annually — equivalent to taking nearly 200,000 cars off the roads.

In 2023, Indika Nature completed construction of a biomass pellet mill, with an eye to exporting this carbon-neutral energy source to Japan. Also in 2023, Indika Nature acquired a stake in Natura Aromatik Nusantara, a producer, and the fourth-largest exporter of essential oils, based in Solo, Central Java. The acquisition strengthens Indika Nature's agroforestry portfolio by expanding into aromatic chemicals, essential oils, and natural extracts. Indika Nature continues to grow its business through its subsidiary Laras Ekosistem Organik by partnering with Slow Forest Coffee and Krakakoa, a producer of sustainable, traditional-grown coffee and cocoa, leveraging agroforestry expertise and social commitment to revolutionize our regenerative farming systems. The actions will yield positive effects on the climate, biodiversity, and profitability, thereby enabling us to contribute to societal well-being and livelihoods.



Biomass: Nature's renewable energy source, powering sustainable solutions for a greener tomorrow.

Minerals: Gold, nickel, bauxite

Indika Energy is bringing its decades of mining expertise to bear in new ventures. We are investing heavily in gold mining via Masmindo's concession in South Sulawesi, with plans to start production as early as 2025. Another investment, in Mekko, is already yielding bauxite from a mine in West Kalimantan, and we are currently building a smelter to process the ore into alumina. A third venture, Rockgeo, is our entry into nickel, a key mineral in the clean-energy transition, positioning Indika Energy as a full-ecosystem player in the EV space.

Ayu Dewi Utari Secretary of Peatland and Mangrove Restoration Agency (BRGM)

"SYNERGY AND COLLABORATION AMONG THE GOVERNMENT, PRIVATE SECTOR, AND COMMUNITY ARE NECESSARY FOR MANGROVE RESTORATION AND REHABILITATION ACTIVITIES TO PROCEED SUSTAINABLY. ONE OF THESE COLLABORATIONS IS WITH INDIKA ENERGY THROUGH THE IMPACT PROGRAM (INDIKA ENERGY MANGROVE PROGRAM IN ACTION), WHERE WE CONTINUE TO DEVELOP ENVIRONMENTAL CONSERVATION AND FORESTRY PRESERVATION IN INDONESIA. THIS WAY, THE MANGROVE FORESTS CAN BE MANAGED BY THE COMMUNITY AND HOLD HIGH ECONOMIC VALUE."

46,600+ TREES

PLANTED AND EXPECTED TO GROW

2 VILLAGES

LORI AND SUNGAI LANGIR
BENEFITED FROM THIS PROGRAM

1 GENUS (RHIZOPHORA)

PLANTED AND EXPECTED TO GROW

573.3 TONCO2E

EXPECTED TO BE SEQUESTERED FROM 46,600 MANGROVE TREES PLANTED IN THE 2023 IMPACT PROGRAM

1,988 TONCO2E

IN ADDITION TO THE IMPACT PROGRAM, WE HAVE ALSO PLANTED OVER 162,000 MANGROVE TREES, POTENTIALLY OFFSETTING AN ESTIMATED 1,988 TONCO2EQ ANNUALLY.

IMPACT: Indika Energy Mangrove Program in Action

Mangrove forests are 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.

Indika Energy has long been committed to replanting and restoring mangroves in the areas where we operate. To date, together with our subsidiaries and partners, we have planted more than 110,000 mangrove trees across Indonesia. To ensure the long-term viability of these plantings, we also work with local communities to ensure that the mangroves are properly cared for.

It is in this spirit that we initiated our flagship IMPACT program — Indika Energy Mangrove Program in Action — in 2023 as part of our longer-term net zero target by 2050. Working with the government through the Peatland and Mangrove Restoration Agency (BRGM), we identify areas and raise awareness for sustainable mangrove rehabilitation. This three-year initiative is not just about restoring mangroves, however; it's also about transforming communities, fostering environmental resilience, and championing sustainable development — a holistic, people-centric approach to ecosystem restoration and community development. In 2023, we planted more than 46,600 mangrove trees across 35.35 hectares, which is expected to sequester 573 tonCo2eq annually.

Ultimately, we hope to plant more than 275,000 mangrove trees across 250 hectares — a carbon sink that would hold the equivalent annual emissions of 18,000 cars. In addition to their climate importance, these mangroves will also protect the coastline from erosion and tidal surges, serve as a nursery for the marine species that local communities depend on for their livelihood, and act as a filter preventing pollutants entering the sea.

35.35 HA

PLANTED AREA

Canting Berkelanjutan: Save a child, strengthen the community

Recognizing the imperative of nurturing a healthy and intellectually vibrant future generation, we launched the Canting Berkelanjutan program in March 2023 to combat childhood stunting in 14 villages across Paser, East Kalimantan.

Stunting, a significant public health concern in Indonesia, not only affects physical growth but also hampers cognitive development and increases susceptibility to diseases among children. Despite a national decline in stunting prevalence, regions like Paser and East Kalimantan more widely witnessed a concerning rise in stunting rates from 2021 to 2022.

The program focuses on multifaceted interventions, including:

- Cadre development: Enhancing the capacity of health workers and community volunteers to effectively communicate health-related information and interventions.
- Nutritional support: Providing targeted nutritional assistance to pregnant women, lactating mothers, and young children to improve dietary diversity and adequacy.
- Health infrastructure: Collaborating with local stakeholders to enhance health care facilities and services, ensuring accessibility and quality care for mothers and children.

The Canting Berkelanjutan program fosters collaboration among various stakeholders, including government agencies, community health centers, and beneficiaries of existing health programs. Through collective efforts, the program aims to amplify its impact and address the root causes of stunting comprehensively.

By implementing tailored interventions and strengthening community engagement, Indika Energy and Kideco Jaya Agung aspire to achieve sustainable reductions in stunting prevalence. The program's success will be measured not only by statistical indicators but also by the tangible improvements in the health and well-being of children and families in the targeted villages.

The program exemplifies a proactive corporate approach to addressing pressing societal challenges. By prioritizing health and community empowerment, it signifies a crucial step toward building a sustainable and inclusive future for Indonesia, where every child has the opportunity to thrive and reach their full potential.



300+ CADRES

UPSKILLING CADRES FOR HEALTH SERVICES FROM 78 COMMUNITY HEALTH CENTERS

600+ PEOPLE

HEALTH AND SOCIAL CAMPAIGN TO IMPROVE COMMUNITY AWARENESS (KELAS SIAGA AND PMBA)

250+ CHILDREN AND PREGNANT MOTHERS

IN-KIND FOR CHILDREN UNDER 2 Y.O. AND FOR PREGNANT MOTHERS THROUGH SUPPLEMENTARY FEEDING (MULTIVITAMIN, MILK, EGGS)

30+ PEOPLE

HEALTH ASSISTANCE AND SUPPLEMENT FOR PREGNANT MOTHERS

01.3

Engaging with Our Stakeholders and Creating Value

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 it into our 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. [GRI 2-26]

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: [GRI 2-29]

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	REASON TO ENGAGE	AREAS OF INTEREST DURING 2023	ENGAGEMENT METHOD	COMMUNICATIONS FREQUENCY
Our workforce and labor unions	Through developing and building a cohesive workplace culture that encourages our people to focus on the same goals, we can deliver our strategic priorities. Our internal communications and human capital program and our policy framework are available to our employees and contractors, and other stakeholders. We uphold the right to freedom of association, to unionize and to collective representation, regardless of location or duties. We take an honest and open approach to working with labor unions and undertake negotiations in good faith. We uphold the right to freedom of association, to unionize and to collective representation, regardless of location or duties. We take an honest and open approach to working with labor unions and undertake negotiations in good faith. We expect our business partners to share this commitment and to leverage into our business relationship.	Health, safety, and well-being Training, compensation and career opportunities Company culture and reputation Negotiations of workplace agreements Industrial relations and potential site closures	Occupational health and safety policies and procedure Trainings, socialization Awareness campaign	Quarterly town hall Daily briefing Biweekly publication

STAKEHOLDER	REASON TO ENGAGE	AREAS OF INTEREST DURING 2023	ENGAGEMENT METHOD	COMMUNICATIONS FREQUENCY
Governments	We develop and maintain constructive relationships with national, regional, and local governments in the countries where we operate and maintain regular dialogue on all relevant issues. We do this through a variety of means that best reflect local context. Engagement activities may be individually, collectively with other companies or organizations, or as part of an industry association. When dealing with governments, we are guided by our Code of Conduct and Business Ethics Policy, which does not permit the use of our funds or resources as contributions to any political campaign, political party, political candidate or any such affiliated organization.	Tax and royalty payments Ethics and compliance Local employment and procurement Operational environmental management, including tailings storage Climate change Socio-economic development Social transitioning Transparency and human rights Public health Security	Official meetings Joint program Performance reporting	Annual report Annual sustainability report Regular discussion with related government official



STAKEHOLDER	REASON TO ENGAGE	AREAS OF INTEREST DURING 2023	ENGAGEMENT METHOD	COMMUNICATIONS FREQUENCY
Communities	We build relationships with local communities and decision-making authorities. They meet and engage with the communities living around our industrial assets to share information about our activities that may affect them, key risks, and control measures, and to help us understand their views and address any concerns raised. We adapt our approach to reflect the operational and cultural environment and engagement can include open-house sessions, formal engagements, face-to-face discussions, and local grievance mechanisms	Socio-economic development Social transitioning Human rights Indigenous people Environmental management Operational impacts Potential industrial site closure Tailings storage facilities Security and its engagement with civil society	Public consultation Community programs Publication of reports Community forum	Annual report Annual sustainability report Regular discussion with local communities
Non-governmental organizations (NGOs) and civil society	We engage with NGOs, think tanks and business associations interested in our activities. Topics of discussion include broad policy issues with a global or national reach, as well as local matters that affect the communities close to our industrial assets. We welcome constructive feedback on our activities, and seek to engage with all our critics or, at the very least, respond to their concerns to increase our understanding	Human rights Social incidents Public health Operational and environmental management Closure of operational sites Socio-economic development Transparency in payments to governments Security and engagement with civil society Compliance with laws and regulations	Consultation Partnership	Annual report Annual sustainability report

STAKEHOLDER	REASON TO ENGAGE	AREAS OF INTEREST DURING 2023	ENGAGEMENT METHOD	COMMUNICATIONS FREQUENCY
Financial community and media	We actively engage with our investors and financial institutions through regular communication, one-on-one meetings, roadshows, and Q&A sessions. We engage with the media at global, national, and local levels on topics of public interest. Our approach is one of transparency and timely communications to support fair disclosure	Financial and operational performance Climate change Compliance with laws and regulations Presence in developing countries Transparency payments to government Industrial relations	Official meetings Joint program Performance reporting Public expose Media gathering	Annual report Annual sustainability report Quarterly or ad hoc press release Quarterly company updates
Suppliers and customers	We maintain good relationships with our suppliers and customers, engaging regularly with them to understand their views, expectations and perspectives. We undertake risk-based due diligence on our supply chain, both for the goods and services we procure and the third-party commodities we purchase. We are active in many industry initiatives, where we work to promote the safe use and handling of our products. We share the specifications of our products and any associated risks with our customers.	Responsible sourcing and supply Development of industry standards Transparency in the supply chain Procurement process Human rights Compliance with laws and regulations Product carbon footprint	Occupational health and safety policies and procedure Trainings, socialization Awareness campaign	Ad hoc meetings Regular trainings for safety

STAKEHOLDER	REASON TO ENGAGE	AREAS OF INTEREST DURING 2023	ENGAGEMENT METHOD	COMMUNICATIONS FREQUENCY
Peer companies	At both global and national levels, we engage with other mining, trading and extractive companies through various platforms. These initiatives provide an opportunity to learn from best practice and to find industry-wide solutions to common challenges. At an operational level, we often work with other multinational and domestic mining companies through nationally run chambers of commerce to deliver an industry-consistent voice during engagement on industry topics.	Occupational health and safety Public health Climate change Land management and nature Industrial, site closure and water security Engagement with civil society Development of industry standards	Forum discussion Collaboration program	Ad hoc meetings



Media and analyst tour of the ALVA manufacturing plant, where journalists and analysts were given firsthand insights into the advanced technology and eco-conscious practices driving the production process.

01.4

Our Sustainability Approach and Strategy [GRI 2-22]

WE ACCELERATE SUSTAINABILITY TRANSFORMATION
AND AIM TO CAPTURE THE FULL BUSINESS VALUE OF SUSTAINABILITY

As one of Indonesia's leading investment companies with diversified businesses, we combine the knowledge generated by our strength in the energy sector to position the Indika Energy Group for a just and sustainable journey towards a low carbon economy, in line with Indonesia's energy transition and economic development.

We accelerate sustainability transformation and aim to capture the full business value of sustainability.

Our bold commitment towards net zero took shape in 2021, when Indika Energy committed to increasing the share of our non-coal revenue to at least 50% by 2025, and to achieving net-zero greenhouse gas emissions by 2050 or sooner. This pivotal year also witnessed the establishment of a baseline for aligning Indonesia's Sustainable Development Goals (SDGs) with Indika Energy's mission of empowering Indonesia towards a sustainable future.

At the heart of our operations lies a steadfast dedication to sustainability. We hold ourselves accountable to the same rigorous standards for measuring our Environmental, Social, and Governance (ESG) performance as we do for our financial metrics, as we firmly believe in our responsibility to deliver tangible value and impactful outcomes for our stakeholders, underpinned by transparency, measurability, and credibility.

Indika Energy has set sustainability targets covering most ESG topics, and we are implementing several actions to drive the targets and structure our approach to sustainability through a three-pronged approach:

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 infrastructure.
2. Decarbonization of 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.

Reassessing ESG targets

We continued to track and assess ESG metrics applicable to Indika Energy's sustainability goals, and revisited targets for a balance between ambitious and realistic.

In 2023, we reassessed our existing ESG strategy, expanded our data boundaries including our new business units and ventures, and came up with even more ambitious ESG targets that will have a more meaningful impact. We also identified decarbonization initiatives for scope 1 and 2 across the Group's, sequencing it into a roadmap in line with Indonesia's and Indika Energy's aspirations.

Furthermore, in 2023 we initiated our first exercise on calculating our baseline scope 3 emissions footprint.

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 and the planet.



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 & 2030 ESG TARGETS

ENVIRONMENT

SCOPE 1 AND 2 EMISSIONS
(Relative to 2020 baseline)

25% Reduce scope 1 and 2 emissions by 25% in 2025

33% Reduce scope 1 and 2 emissions by 33% in 2030

50% Reduce scope 1 and 2 emissions intensity per revenue by 50% in 2025

55% Reduce scope 1 and 2 emissions intensity per revenue by 55% in 2030

10% Reduce scope 1 and 2 emissions intensity per ton coal production by 10% in 2025

25% Reduce scope 1 and 2 emissions intensity per ton coal production by 25% in 2030

ENERGY MANAGEMENT
(Relative to 2020 baseline)

30% Increase % RE share in the energy consumption mix to 30% by 2025

35% Increase % RE share in the energy consumption mix to 35% by 2030

WATER MANAGEMENT
(Relative to 2020 baseline)

30% Reduce water withdrawal intensity per revenue by 30% by 2025

32% Reduce water withdrawal intensity per revenue by 32% by 2030

WASTE MANAGEMENT
(Relative to 2020 baseline)

40% Divert 40% of waste from landfill by 2025

45% Divert 45% of waste from landfill by 2030

LAND AND BIODIVERSITY
(Relative to 2020 baseline)

20% Increase land reclamation area by 20% by 2025

SOCIAL

LOCAL COMMUNITIES

1% 1% EBIT spent on community development every year

HEALTH AND SAFETY

Zero Zero fatalities every year for employees and contractors

DIVERSITY AND INCLUSION

20% 20% women in workforce by 2025

25% 25% women in workforce by 2030

15% 15% women in senior management by 2025

20% 20% women in senior management by 2030

GOVERNANCE

BUSINESS ETHICS

80% 80% of employees attend code of business conduct training by 2025

100% 100% of employees to attend code of business conduct training by 2030

100% 100% of board members to attend code of business conduct training by 2025

100% 100% of board members to attend code of business conduct training by 2030

CORPORATE GOVERNANCE

30% 30% (by weight) of board & senior management evaluation KPIs tied to ESG topics by 2025

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

SUSTAINABILITY COMMITTEE
Has oversight and ultimate responsibility.
It receives regular updates of how our business is performing across all our operations, sustainability related material risk areas.

01.5

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.

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, heat waves, flooding, storms, forest fires, storm surges, 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, fuel switching, solar panels, and a swifter transition to clean energy. This would boost the green and low-carbon industries into which we are currently diversifying. [GRI 201-2]

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.



Amidst the scorching heat of East Nusa Tenggara, the communities in Boen Village united to construct solar-powered water pumps, laying pipes across an impressive distance of 3 kilometers to improve access to clean water.

Risks and critical concerns	Potential impacts	Mitigation actions	Targets
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 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	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 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 Improve energy efficiency and reduce emissions by investing in renewable energy, low-carbon technologies and decarbonization efforts Integrate these transition risks into regular risk assessments and report these risks to the highest governance body
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 and improve processes to reduce water withdrawal and consumption Ensure compliance with national and local regulations related to water discharge and effluents

Risks and critical concerns	Potential impacts	Mitigation actions	Targets
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
Resource depletion	Increased competition for, and the regulation of limited resources, thus affecting our productivity and costs Uncertainty regarding 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

Risks and critical concerns	Potential impacts	Mitigation actions	Targets
Health and safety hazards	The higher the complexity of energy projects, the higher the associated safety risks	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
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

Risks and critical concerns	Potential impacts	Mitigation actions	Targets
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 Conduct assessments to identify areas of improvement in our security personnel and provide training related to the importance of respecting human rights. [GRI 410-1]	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
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

Risks and critical concerns	Potential impacts	Mitigation actions	Targets
Cyber security attacks	Theft of funds as well as corporate and financial Information Operational disruptions and reputational damage	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 attack
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
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

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.

The forums and organizations in which we participate include:

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)

Indonesian Renewable Energy Society **- Masyarakat Energi Terbarukan Indonesia** (METI)

Indonesian Chambers of Commerce and Industry **- Kamar Dagang dan Industri** (KADIN)

Indonesian Listed Companies Association **- Asosiasi Emiten Indonesia** (AEI)

Indonesian Employers Association **- Asosiasi Pengusaha Indonesia** (APINDO)

Indonesian Coal Mining Association **- Asosiasi Pertambangan Batubara Indonesia** (APBI-ICMA)

Indonesian Mining Association - Asosiasi Pertambangan Indonesia (API-IMA)

Indonesian Contractors Association **- Asosiasi Kontraktor Indonesia** (AKI)

Indonesian Electrification Society **- Masyarakat Ketenagalistrikan Indonesia** (MKI)



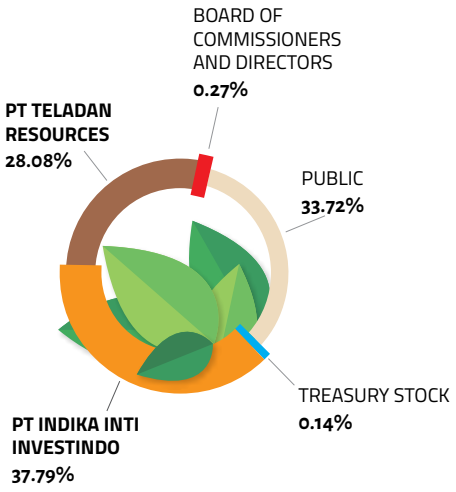
01.6

Sustainability Governance

OUR PORTFOLIO ALIGNS WITH OUR PURPOSE, ENERGIZING 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]

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, Energizing 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]



Corporate structure



PT Indika Energy Tbk.

(Indonesia)



Mineral | Minerals **Bisnis Hijau** | Green Business **PorfolioLain** | Other Portfolio

Sustainability Committee

In 2023, our Sustainability Committee set the strategic direction for our sustainability activities and oversaw 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

We continued to make progress on our low-carbon transition and 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, and regular discussions, including at working level, for gap analysis on each ESG aspect and ESG performance toward the 2025 and 2030 target.

In addition, we also implement management systems and adhere to 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

01.7

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 contribute 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).



The preparation and execution of the Solar Chapter's Water for Boen project have been completed. Now, their dedication has yielded results as the community can easily access clean water.

SDG targets		GRI Disclosure	Our approach and key initiatives in 2023
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 and meticulously monitor and report our water treatment processes monthly, ensuring compliance with acceptable standards of water quality.
	SDG 14 Life below water Target: 14.2	GRI 304-2	We comply responsibly with environmental standards, aim to look beyond these standards and to implement approaches to achieve sustainable growth without negatively affecting the oceans, seas, and aquatic 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. We also set up a solar photovoltaic-powered pump system in Boen Village, harnessing the abundant sunlight in this region of eastern Indonesia, to provide piped water to the community. In 2023 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 2023, we increased by 6.84% the amount of waste diverted from disposal 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 13 Climate action Target: 13.2 13.3	GRI 2-22 GRI 2-23	In 2023, Indika Energy actively participated in COP28, ASEAN Business Advisory Council (ASEAN-BAC), and the World Economic Forum (WEF). Through these endeavors, Indika Energy offered its perspectives on Indonesia's green energy transition that could help shape national policy, strategy, and planning.

SDG targets		GRI Disclosure	Our approach and key initiatives in 2023
	SDG 15 Life on land Target: 15.2 15.5	GRI 304-1 GRI 304-2 GRI 304-3 GRI 304-4	Indika Energy entered the nature-based solutions sector through Indika Nature, which manages 170,000 hectares of forest concessions sustainably. Through Kideco, Indika Energy has also been putting its focus on sustainable reclamation and biodiversity protection in the Tandarayan Arboretum conservation area, home to rare and threatened wildlife native to Borneo.
SOCIAL	SDG 3 Good Health and Well-being	GRI 403-1	Ensuring healthy lives and promoting well-being at all ages are 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 local communities near our operational sites 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.
	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 Labour Organization (ILO) and local regulations across all locations of our operations. We respect the dignity and human rights of our workforce, business partners, societies in which we live and work, and others potentially affected by our activities. We expect our business partners to share our commitment to human rights and we leverage our business relationships to advance human rights. For further details, please see our Human Rights policy at https://www.indikaenergy.co.id/governance/gcg-updates/ All of our employees are provided with safe and secure working environments, under which all their rights and obligations under Collective Bargaining Agreements are protected.

SDG targets		GRI Disclosure	Our approach and key initiatives in 2023
	SDG 10 Reduced inequalities Target: 10.1	GRI 2-22	In 2023, Indika Energy provided living income opportunities for 3,579 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 against 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.

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.

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 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 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 at least half of our revenue comes from non-coal streams by 2025, and transition to net-zero greenhouse gas emissions by 2050 or sooner.



Indika Nature adopts a regenerative approach to biomass production, prioritizing sustainable practices that bolster ecosystem health and resilience. This holistic strategy not only optimizes biomass yields but also combats environmental degradation, facilitates carbon sequestration, and nurtures the long-term vitality of ecosystems.

SDG	
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

ENVIRONMENTAL

At Indika Energy, we are transforming how we do business to mitigate the environmental impact of our company and that of our broader ecosystem. In striking a balance between contributing to Indonesia's energy security and ensuring a just clean-energy transition, we have tightened up our own emissions targets as we eye achieving net zero emissions by 2050.

Our wide-ranging approach of Diversify-Divest-Decarbonize has kept us well on track to achieving these goals. Beyond energy, we also continue to shrink our waste and water footprints, using a combination of industry best practices, an increasing shift to renewable alternatives, and innovations tailored to our applications.

By doing less harm, we also seek to do more good. That is why our approach includes landscape restoration and revitalization activities that aim to maximize carbon storage, boost wildlife welfare, and empower local communities all at the same time.



02.1

Emissions and Energy

UNDERLYING OUR COMMITMENT TO ACHIEVING CARBON NEUTRALITY IS OUR ANNUAL GREENHOUSE GAS (GHG) EMISSIONS INVENTORY, WHICH WE AIM TO REDUCE EVERY YEAR UNTIL WE GET TO NET ZERO BY 2050.

Indika Energy is deeply aware of the vital role that fuel and electricity play in powering our diverse operations. Fuel and electricity are essential for the smooth operation of our machinery, heavy equipment, and operational vehicles, as well as for our daily office functions.

We fully understand the array of risks associated with emissions and energy consumption in our activities. These risks include the physical challenges posed by climate change, such as extreme heat and drought, as well as transitional, regulatory, market, and reputational risks.

In response to these challenges, Indika Energy is steadfast in its commitment to environmental stewardship. We have pledged to significantly reduce our greenhouse gas (GHG) emissions and enhance the proportion of renewable energy utilized across our operations. Guided by our Environmental Policy, established in 2022, we are dedicated to adhering to best practices in sustainability. [GRI 3-3]

Emissions

Our approach [GRI 3-3]

Underlying our commitment to achieving carbon neutrality is our annual greenhouse gas (GHG) emissions inventory, which we aim to reduce every year until we get to net zero by 2050.

In 2023, we remodeled the way we calculate our scope 1 and 2 emissions, aiming to make the baseline from which we are working more accurate and comprehensive as well as standardizing our methodology across the Group.

We have also adjusted the organizational boundaries to no longer include emissions from Petrosea (from which we divested in 2022), and to include emissions from our new non-coal ventures: Masmindo, Mekko, Indika Nature, EMITS, Ilectra Motor Group, and Xapiens. This adjustment better reflects the strategic changes in the portfolio.

We calculate and manage our GHG emissions inventory in alignment with the Greenhouse Gas Protocol, quantifying the total GHG emissions attributed to our direct and indirect operational activities. In our calculation, we have incorporated

emissions sources such as fugitive emissions from coal-mining activities as well as refrigerants and process emissions. For other emissions sources that we included in previous calculations, we have adjusted the emissions factors to ensure we follow the same international standards across the Group. Indika Energy has not started disclosing its Scope 3 emissions due to the the need to increase our confidence level in the quality of the data gathered. Indika Energy also does not produce emissions from biogenic or biomass sources, therefore we do not report this data. [GRI 305-3]

Having an accurate, transparent, and regularly updated inventory allows us to understand the total impact of our ecosystem on the climate, and in turn develop viable emissions reduction strategies to reach our net-zero goal by 2050.

Strategies to reduce GHG emissions and energy consumption

How we deliver on our climate commitment can be broken down into three approaches:

1. **Diversifying** into non-coal industries

One of the most meaningful ways to reduce emissions is to invest in low- or no-emissions businesses. This is why Indika Energy kicked off its diversification journey in 2018, aiming to expand beyond the core sectors of mining and energy. Having committed to a target of at least 50% of revenue coming from non-coal businesses by 2025, we have since invested in a wide range of businesses, ranging from electric vehicles to nature-based solutions.

Our diversification highlights from 2023 include:

- Launched our latest electric motorcycle model under the ALVA brand, the Cervo, and investing in a manufacturing facility outside Jakarta;
- Expanded the brand offering we distribute through our electric bus startup Energi Makmur Buana (INVI);
- Worked with local communities and authorities in Luwu, South Sulawesi, in preparation for the start of operations at our gold mine run by Masmindo;
- Managed our bauxite-mining concession run by Mekko Mining;
- Completed the installation of 60 MW of solar photovoltaic capacity in Java, Bali, Sumatra, Kalimantan, Sulawesi and Maluku through our joint venture Empat Mitra Indika Tenaga Surya (EMITS);
- Completed the construction of a wood pellet factory in Paser, East Kalimantan, by Indika Nature, in preparation for exports of this carbon-neutral fuel;
- Acquired a stake in Natura Aromatik Nusantara, a major producer of essential oils, based in Solo, Central Java, to expand our presence into aromatic chemicals, essential oils and natural extracts;
- Partnered with Slow Forest Coffee and Krakakoa, a producer of sustainable, traditional-grown coffee and cocoa, through Laras Ekosistem Organik, a subsidiary of Indika Nature.

2. **Divesting** from high-carbon industries

In addition to diversifying into new businesses, we are also divesting out of legacy businesses as part of our emissions-slashing drive. In 2021, we divested our majority stake in Mitrabahtera Segara Sejati (MBSS), a major player in the coal-shipping sector. In 2022, we divested from Petrosea, a leading mining services and engineering provider. And in 2023, we started the divestment process from Multi Tambangjaya Utama (MUTU), a top miner of high-quality coal, marking significant progress in our transition away from carbon-intensive business.

3. **Decarbonizing** our operations

While diversification and divestment go some way toward shrinking our carbon footprint, it is inevitable that we will remain engaged in some carbon-intensive activities. For these, we continue, as we always have done, to seek ways to cut emissions as much as possible while maximizing energy efficiency.

Our decarbonization and energy efficiency highlights from 2023 include:

- Increased use of biofuels at our operations sites, including a shift to the cleaner B35 blend of biodiesel from the B30 blend used previously;
- Increased used of solar power through new installations at our INDY Bintaro Office Park

(313 kWp), Interport Business Park (140 kWp), and Kideco site (409 kWp + 284 kWh battery);

- Continued use of electric buses for employee transport in Kideco, thereby cutting our diesel use;
- Various energy efficiency initiatives in our mining activities, including mine road grade management, installation of sound reduction in heavy duty units, mini tower LED program, installation of slurry pump in excavators for mud handling, etc.

Non-GHG emissions

Our efforts to cut our diesel use, including through the increased adoption of biodiesel and the use of solar power as an alternative energy source, have also had the benefit of tackling our CO, NOx, SOx and particulate emissions from our diesel generators.

To manage our impact on air quality, Kideco conducts emissions testing of these stationary sources in external laboratories and monitors them continuously to ensure they meet government-stipulated quality standards (Peraturan Menteri LHK No. 11/2021). Despite recording an increase in NOx, SOx, CO, and particulate matter, testing throughout 2023 showed our emissions of these pollutants remain well below the allowable limits.

Going forward, we will continue implementing measures to prevent and control these pollutant emissions, and explore new methods and technologies for doing so. As our carbon footprint shrinks, we expect to see an associated decrease in these types of emissions as well.

Emissions containing ozone-depleting substances

Another class of pollutants of high concern are ozone-depleting substances (ODS), typically found in air-conditioning systems, refrigerators and fire extinguishers. While the world has made major strides, through the Montreal Protocol, to phase out these harmful substances, they continue to be produced and distributed, albeit at a much smaller scale than previously. For our part, Indika Energy does not produce, import or export ozone-depleting substances, hence why we do not measure ODS emissions. Nevertheless, we have switched to using air-conditioning units with the ozone-friendly refrigerant R410a in most of our offices. [GRI 305-6]

2023 GHG emissions performance [GRI 305-1, 305-2, 305-4, 305-5]

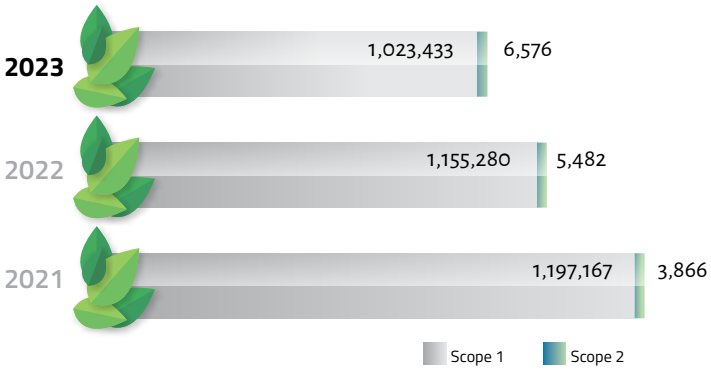
In 2023, Indika Energy achieved a 11.26% decrease in our total direct (Scope 1) and indirect (Scope 2) greenhouse gas (GHG) emissions compared to the year before. At Indika Energy, we adopt a comprehensive approach to measuring our environmental impact, focusing not just on absolute emissions but also on emissions intensity. We calculate emissions intensity using two key metrics: coal production and revenue. The former provides insight into the efficiency of our primary operation — coal mining — while the latter offers a broader view of our operational efficiency in all our operations including new ventures.

This year, we observed an increase in both our production-based and revenue-based emissions intensities, rising by 6.67% and 23.17% respectively. These changes are attributed to a significant reduction in both coal production and revenue over the course of the year, relative to 2022. This shift presents both challenges and opportunities for Indika Energy as we navigate the complexities of the energy sector while steadfastly pursuing our sustainability objectives.

In 2021, Indika Energy embarked on a transformative journey, redefining its purpose and developing a comprehensive sustainability strategy, alongside specific ESG targets for 2025, all grounded in data from the year 2020. This pivotal year was selected as our baseline, setting the stage for our progress measurements in the years to follow.

Reflecting on our achievements since this strategic pivot, we are proud to report remarkable progress in 2023. Despite the significant expansion of our reporting boundaries, we successfully reduced our revenue-based intensity by 50.80% and recorded a slight increase of our production-based intensity by 0.81% compared to our 2020 baseline.

SCOPE 1 AND 2 GHG EMISSIONS TONCO2EQ



Note:

- Gases included in the calculation: CO2, CH4, N2O. GWP rates used for calculating Scope 1 and 2 emissions are based on the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5): CO2 = 1, CH4 = 28, N2O = 265. [GRI 305-1, 305-2]
- 2021 Scope 1 and 2 GHG emissions data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2022 and 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding.
- 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].
- Scope 1 emission factors [GRI 305-1]:
  - 100% mineral diesel: 0.00256 tCO2e per liter
  - B30: 0.00191 tCO2e per liter
  - B35: 0.00179 tCO2e per liter
  - Refrigerant R-410A: 1.924 tCO2e per kg
  - Refrigerant R-134A: 1.3 tCO2e per kg
  - Refrigerant R-32: 0.677 tCO2e per kg
- Scope 2 emission factors are derived from the Indonesian Ministry of Energy and Mineral Resources: https://jdih.esdm.go.id/index.php/web/result/2183/detail [GRI 305-2]

SCOPE 1 AND SCOPE 2 GHG EMISSIONS INTENSITY [GRI 305-4]

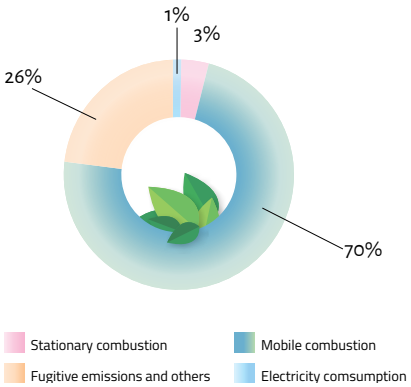
338

TCO2E/USD MILLION REVENUE

0.031

TCO2E/TON COAL PRODUCTION

GHG EMISSIONS BY SOURCE



Note:

Figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding.

2023 energy performance [GRI 302-1]

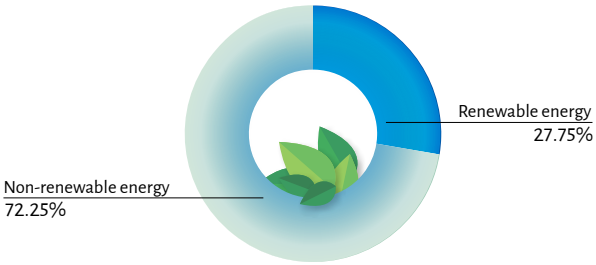
In 2023, we observed a modest reduction of 4.01% in our overall energy usage compared to the year before. Notably, due to the shift to B35 biofuels, our consumption of renewable energy sources experienced an increase, contributing to a decline in our reliance on non-renewable energy. This positive shift resulted in an enhancement of our renewable energy mix, which grew from 27.75% to an impressive 33.37%.

We witnessed growth in both our production- and revenue-based energy consumption intensities, rising by 15.13% and 33.23%, respectively. This significant rise primarily stems from a reduction in coal production scale and a decrease in revenue in 2023, against the backdrop of 2022's unusually high coal prices. Additionally, with our new ventures starting or ramping up their operations, we only saw a small decrease in energy consumption despite our energy efficiency efforts.

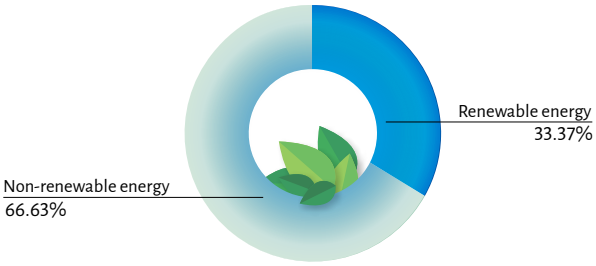
Since establishing our 2020 baseline, we have successfully reduced our energy consumption by 24.83%. This milestone reflects our steadfast commitment to environmental stewardship and our ongoing efforts to operate more sustainably.

ENERGY SOURCE	UNIT	2022	%	2023
Renewable energy consumption				
Solar Photovoltaic	GJ	5,694	-84.06%	907
Biofuel	GJ	4,270,819	15.58%	4,936,382
Total renewable energy consumption	GJ	4,276,513	15.45%	4,937,289
Non-renewable energy consumption				
Diesel fuel and petrol	GJ	11,114,064	-11.52%	9,833,354
Electricity on-grid	GJ	22,879	4.90%	24,001
Total non-renewable energy consumption	GJ	11,136,943	-11.49%	9,857,355
Total energy consumption	**GJ**	**15,413,456**	**-4.01%**	**14,794,645**

RENEWABLE ENERGY MIX IN 2022



RENEWABLE ENERGY MIX IN 2023



Note:

- Figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding.
- The biodiesel blend in the B30 or B35 fuel is factored into the renewable energy consumption calculation. Aside from that, use of electricity generated from solar PV is also included in the renewable energy portion.

For further details on 2023 perfomance, please see Appendix

It's Always Sunny at Indika Energy

At the present time, renewable power accounts for 33.3% of Indika Energy's total energy mix, with solar photovoltaic contributing 907 Gigajoules of energy.

At the Kideco site in Paser, East Kalimantan, our solar side quest began with 409 kWp of solar photovoltaic and a 284 kWh battery, lighting up employee housing. Installed by Empat Mitra Indika Tenaga Surya, 999 solar panels and three inverters have brought this vision to life.

Expanding our reach, INDY Bintaro Office Park saw a 313 kWp rooftop solar array installed in 2021, expanding our commitment to renewable energy.

Most recently, Interport Business Park in Kariangau welcomed on-grid rooftop solar photovoltaic enough to meet approximately 7% of the facility's electricity needs, again thanks to the expertise of EMITS.

With each installation, we're forging a greener, brighter future, one panel at a time.

252,053

KWH ELECTRICITY PRODUCED WITH SOLAR PHOTOVOLTAIC

02.2

Water and Effluents

WATER IS LIFE, AND IN A CLIMATE OF GLOBAL WARMING, IT IS ALSO AN INCREASINGLY PRECIOUS RESOURCE. AT INDIKA ENERGY, WE REAFFIRM OUR DEDICATION TO SUSTAINABLE WATER MANAGEMENT, PRIORITIZING THE CONSERVATION OF THIS FINITE RESOURCE WHILE ENSURING THE WELL-BEING OF LOCAL COMMUNITIES WHO ALSO DEPEND ON IT.

Our approach [GRI 303-1]

We are deeply committed to responsible water use, ensuring that our activities do not compromise access to this vital resource for others. Recognizing the potential for contamination of surface and groundwater through the leaching of chemicals and heavy metals—stemming from mine runoff, waste disposal, and the use of chemicals in processing—we place a high value on the well-being of nearby communities, as well as the health of aquatic life and ecosystems.

We closely monitor our water usage, treatment and discharge processes using a flow meter across all operational sites, implementing quarterly assessments to enhance efficiency and accountability. The data collected is compiled from all subsidiaries and reported to the Sustainability Committee quarterly for further evaluation of ongoing initiatives and for monitoring progress against our 2025 and 2030 water withdrawal intensity targets. Regular environmental assessments, conducted every six months, involve accredited personnel and adhere to Indonesian National Standards (SNI), safeguarding water bodies and seawater quality.

Indika Energy operates two sites - Interport's Babelan site and ALVA's Cikarang plant - situated in regions identified by the WRI's Aqueduct Water Risk Atlas as having high water stress. Our control over water usage at these locations is limited since the Babelan site and the Cikarang plant receive water supply from a client and the industrial estate respectively. Aware of the critical importance of water conservation in these regions, we have intensified our water efficiency measures to mitigate environmental impacts.

We remain steadfast in our commitment to responsible water stewardship, recognizing the pivotal role it plays in our operations and the broader community.

Water usage [GRI 303-1]

Indika Energy uses water from various sources: surface water, groundwater and seawater at our various operational sites, and piped water from the local utility at our head office. Surface water is taken from rivers such as Sungai Biu, Sungai Seratai, Anak Sungai Kasungai, and Anak Sungai Samurangau, as well as other sources such as Waduk Tandarayan and Kolam Tadah Hujan Lolo.

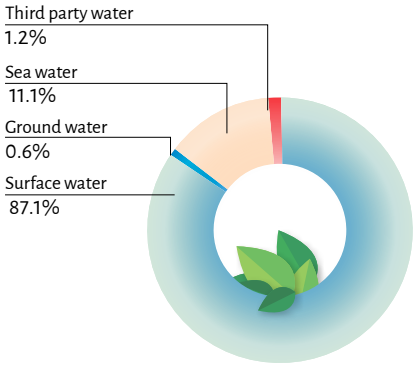
Water efficiency initiatives

At the Kideco site, we prioritize responsible water management practices, implementing closed circuit systems for vehicle washing; we employ a similar system for ore processing at Mekko to recycle water efficiently. Holding permits for water extraction and reuse, we collaborate with contractors to conduct rainwater harvesting and promote greywater reuse for non-consumption purposes. Additionally, our innovative nozzle-equipped fog cannons and big gun sprinklers ensure precise water distribution in our coal stockpile yard, reducing consumption while maintaining effectiveness. These initiatives underscore our commitment to sustainability, reflecting our dedication to environmental stewardship and resource efficiency across our operations.

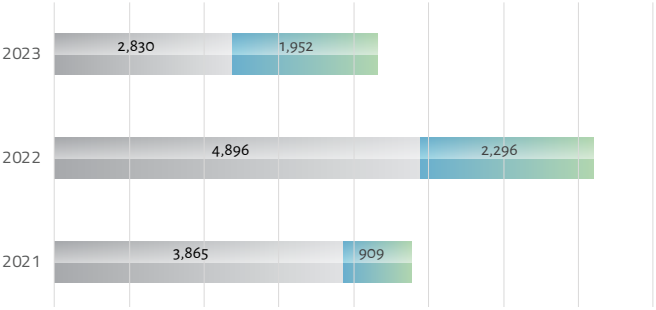
Water discharge [GRI 303-2]

We always prioritize the proper management of effluents and wastewater, understanding the potential risks they pose to destination water bodies and the surrounding communities' water supply quality. As part of this commitment, we meticulously monitor and report our water treatment processes, ensuring compliance with acceptable standards of water quality, encompassing factors such as pH levels and turbidity, before any release. Moreover, our effluent management practices adhere strictly to both local and national regulations.

WATER WITHDRAWAL BY SOURCE [GRI 303-3]



WATER WITHDRAWAL AND RECYCLING PERFORMANCE [GRI 303-3] (megaliters)



For further details on 2023 perfomance, please see Appendix

2023 WATER AND EFFLUENTS PERFORMANCE [GRI 303-3. 303-4, 303-5]

WATER WITHDRAWAL

42% 2023: 2,830 ML
2022: 4,896 ML

WATER CONSUMPTION

42% 2023: 2,819 ML
2022: 4,881 ML

WATER DISCHARGE
(megaliters)

33% 2023: 212,812 ML
2022: 317,812 ML



"We used to have to spend hours fetching water, carrying heavy buckets from the river. But now clean water is easier to get. I can grow vegetables now and my daughter can go to school." **- Mama Emi, resident of Wekeke Village**

"We thank Solar Chapter and Indika Energy and the other support we have received as an extension of God's love. Water is now flowing in Boen Village, and thank God we can feel the pleasure of clean water." **- Father Teddy, priest and community leader in Boen Village.**

Giving the gift of water, courtesy of the sun

Boen Village, about an eight-hour drive from Kupang in Nusa Tenggara Timur Province, faces significant challenges due to limited infrastructure and tough terrain. Despite being home to more than 1,000 residents, the village has untapped economic potential, primarily in food crop production. However, the community's development is hampered by the critical issue of water scarcity, forcing residents to travel long distances daily to obtain water from the Benanain River, their sole water source.

This water scarcity has far-reaching implications, affecting various aspects of community life, including sanitation, education, productivity, and the economy. The financial burden of purchasing water, which can consume up to 74% of the average monthly income, exacerbates the situation.

In response to this pressing need, in collaboration with Solar Chapter, the initiator of the Water for Boen program, Indika Energy assisted units of solar photovoltaic for Boen Village. Harnessing the abundant sunlight in this region of eastern Indonesia, a piped water distribution network was developed using pumps powered by solar energy. This emissions-free and sustainable solution was successfully completed on Indonesian Independence Day, August 17th 2023, following meticulous planning and execution.

The installation comprises a solar photovoltaic array from EMITS with total power capacity of 9,900 Wp, which serves as the backbone of the pump system, facilitating water distribution throughout the village. This transformative initiative aims not only to address the immediate water needs of the community but also to unlock the village's economic potential, fostering opportunities for improved welfare and health among residents.

Through this collaborative effort, Indika Energy and Solar Chapter Indonesia are committed to empowering Boen Village with sustainable access to clean water, catalyzing positive socio-economic development and enhancing the quality of life for residents.

02.3

Waste Management

BY PRIORITIZING WASTE REDUCTION, RECYCLING, AND RESPONSIBLE DISPOSAL METHODS, WE AIM TO MINIMIZE OUR ENVIRONMENTAL FOOTPRINT AND SAFEGUARD THE ECOSYSTEMS IN WHICH WE OPERATE.

Indika Energy's operational endeavors, particularly at Kideco and Interport, inevitably produce both hazardous and non-hazardous waste. This waste spectrum encompasses a variety of materials, from used oil and contaminated equipment to used conveyor belts and livestock manure. Hazardous waste mainly comes from the operation of heavy machinery and the activities within our on-site health facilities and clinics. Non-hazardous waste includes everyday domestic waste from our offices and the operations of dump truck units and conveyor belts. Furthermore, our coal mining endeavors at Kideco result in the production of overburden and topsoil.

We recognize that there are various risks related to the potential negative impacts that waste from our operations, 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.

Understanding the potential environmental impacts of improper waste management, we are committed to implementing comprehensive waste management practices across all facets of our operations. By prioritizing waste reduction, recycling, and responsible disposal methods, we aim to minimize our environmental footprint and safeguard the ecosystems in which we operate. Through ongoing assessment and improvement of our waste management strategies, we remain steadfast in our commitment to responsible waste handling. [GRI 3-3, 306-1]

Our approach [GRI 3-3, 306-2]

At the Group level, we diligently collect and monitor waste-related data quarterly, utilizing an ESG Dashboard to track our progress against our targets. Additionally, at the subsidiary level, waste data is collected on a monthly basis, ensuring thorough oversight of our waste management practices. These data are then reported to our Sustainability Committee and used to evaluate the effectiveness of existing waste management programs in our subsidiaries.

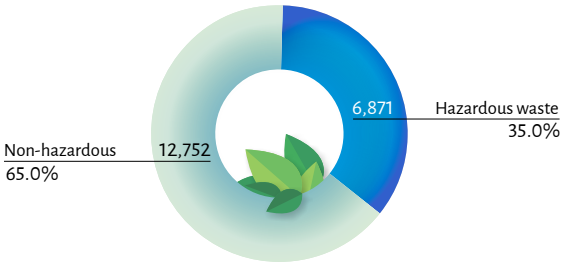
In our efforts to minimize waste generation, meticulous project planning plays a pivotal role. Moreover, at Kideco, we prioritize maximizing the lifespan of used tires by retreading and regrooving them from heavy-duty units. When tires are no longer suitable for retreading, we repurpose them for various applications, including road markings and drop structures in reclamation areas.

The management of hazardous waste is executed with utmost care. We temporarily store hazardous waste at licensed temporary processing sites (TPS) before managing it according to its type. At Kideco, we are pioneering eco-conscious practices by repurposing waste lubricant oil, integrating it as a sustainable substitute for a portion of the diesel oil typically used in ammonium nitrate fuel oil (ANFO) explosives for our blasting activities. Meanwhile, some hazardous waste is entrusted to licensed third parties for further management, whether it be landfilled or reused and recycled.

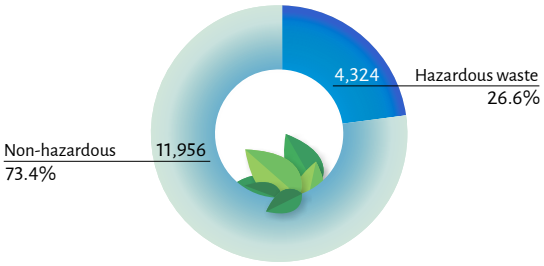
Through these initiatives, we aim not only to mitigate environmental risks but also to foster a culture of sustainability within our operations. By prioritizing responsible waste management practices, we strive to minimize our environmental footprint and contribute positively to the communities and ecosystems in which we operate.

2023 Waste management performance

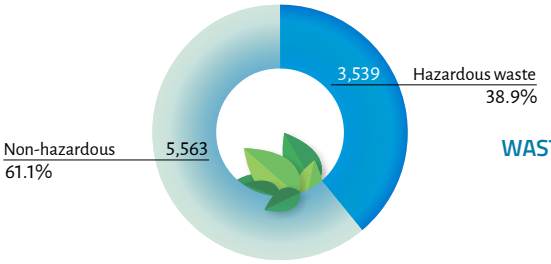
WASTE GENERATED IN 2022 (TONS) [GRI 306-3]



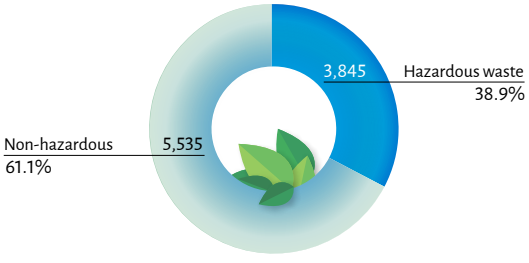
WASTE GENERATED IN 2023 (TONS) [GRI 306-3]



WASTE DIVERTED FROM DISPOSAL IN 2022 (TONS) [GRI 306-4]



WASTE DIVERTED FROM DISPOSAL IN 2023 (TONS) [GRI 306-4]



Significant spills in Indika Energy

Type of spill	Unit	2021	%	2022	%	2023
Oil spill	m3	0.02	-100.00%	0.00	100.00%	0.10
Fuel spill	m3	0.00	0.00%	0.00	0.00%	0.00
Spills of waste	m3	0.00	0.00%	0.00	0.00%	0.00
Spills of chemicals	m3	0.02	-100.00%	0.00	0.00%	0.00
Total	**m3**	**0.04**	**-100.00%**	**0.00**	**100.00%**	**0.10**

In 2023, despite efforts to maintain zero spills, we recorded two oil spill incidents at Tripatra's sites for the Tangguh and SPV projects. Responding to these incidents, measures were taken to prevent a recurrence in future:

Project Tangguh Expansion Project (TEP)

- Every new personnel going through onboarding to work on the TEP project is required to take part in Spill Prevention Training, which provides information regarding potential spills, spill handling tools, spill handling systems, emergency spill drills, etc
- The TEP Project also details spill handling procedures in the Environment Management Plan and ERP.
- The ERP explains the team's response if a spill occurs, as well as pre-planning for spill conditions that occur
- The Environmental Management Plan contains provisions and procedures for how to handle spills that occur and what needs to be prepared to prevent spills from occurring.
- Personnel must carry out recording/ documentation of spills.

Project South Pacific Viscose

- Organizing an emergency spill response for spill scenarios and must be implemented to ensure the readiness of personnel in their respective roles and responsibilities.
- Personnel must carry out routine inspections.
- An emergency spill response team must be present on site.
- Spill response must be carried out according to existing procedures.
- Spill handling equipment must be provided on site.
- Personnel must carry out recording/ documentation of spills.

For further details on 2023 perfomance, please see Appendix

From trash to treasure, with wise waste management

In 2023, we launched the "Bijak Kelola Sampah" program at our Graha Mitra office in Jakarta as part of our commitment to sustainable waste management practices. Through this initiative, we actively engage our employees in sorting waste into three categories: organic, non-organic, and residue.

Collaborating with Waste4Change, a social enterprise dedicated to zero-waste-to-landfill solutions in Indonesia, we aim to instill a culture of waste reduction and responsible disposal among Indika Energy employees, cleaning staff, and building management.

Our waste management strategy focuses on reducing landfill waste by implementing sustainable solutions for each waste category. Organic waste can be composted by black soldier flies (BSF), whose larvae can then be used as livestock feed, perpetuating a circular system and contributing to organic waste reduction. For non-organic waste, various options exist, including shredding plastic waste, compacting paper waste, and packaging glass and metal waste for safe distribution to Waste4Change recycling partners. Residual waste, meanwhile, undergoes a process using Refuse-Derived Fuel (RDF) technology to convert it into alternative fuel, further minimizing our environmental impact.

The implementation of the "Bijak Kelola Sampah" program has enabled us to measure waste management data regularly, facilitating monthly reports on waste generation and sorting trends. This data not only informs our sustainability reporting but also aids in evaluating the effectiveness of our waste management efforts and identifying areas for improvement.

Inspired by the success of the program at our Graha Mitra office, two of our subsidiaries, Indika Indonesia Resources and Indika Nature, have initiated their own waste management programs in collaboration with Waste4Change. Together, we are driving positive change and fostering a more sustainable future through responsible waste management practices.

02.4

Biodiversity and Land Use

OUR COMMITMENT TO ESG PRINCIPLES EXTENDS TO THE PRESERVATION AND ENHANCEMENT OF BIODIVERSITY IN AREAS WHERE WE OPERATE, FROM COMING UP WITH BIODIVERSITY MANAGEMENT STRATEGIES, TO MINIMIZING OUR ENVIRONMENTAL IMPACT, PROTECTING SENSITIVE HABITATS, AND PROMOTING BIODIVERSITY CONSERVATION.

Our approach [GRI 3-3]

We realize that our operations can have significant impacts on local biodiversity, affecting ecosystems in various direct and indirect ways. The disruption of land, especially to access coal reserves, leads to habitat fragmentation and alteration, directly threatening the survival of local flora and fauna. Such disturbances can result in the displacement of species and reduction in biodiversity, potentially leading to long-term ecological imbalance.

Therefore, as responsible corporate citizens, we recognize the critical importance of biodiversity conservation in sustaining healthy ecosystems and supporting local communities. Our commitment to ESG principles extends to the preservation and enhancement of biodiversity in areas where we operate, from coming up with biodiversity management strategies, to minimizing our environmental impact, protecting sensitive habitats, and promoting biodiversity conservation. Through proactive measures and stakeholder engagement, we aim to mitigate biodiversity risks and contribute to the long-term ecological resilience of our operational areas.

At Indika Energy, we collect biodiversity and land reclamation data from relevant subsidiaries quarterly through the use of an ESG Dashboard, which is later reported to the Sustainability Committee for further evaluation. [GRI 304-3]

Managing biodiversity at Kideco and Indika Nature [GRI 3-3, 304-1, 304-2, 304-3]

Kideco's mining activities cover 11,974 hectares in Paser, East Kalimantan, and include the areas of Roto Samurangau and Susubang Uko, which are largely production and limited production forests respectively. Part of Kideco's transshipment port also overlaps with Adang Bay Nature Reserve, a designated protected forest due to its high biodiversity conservation value, while adjacent to the Kideco site sits Mount Jondang, which we recognize internally as a biodiversity conservation area based on criteria in the 1990 Natural Resources Conservation Law and the 1999 government regulation on protected species.

Given the sensitivity and importance of the habitats around us, we have a duty of care to minimize our footprint and offset its impact. Through the Kideco Care program, the company collaborates with local communities to cultivate

native tree species in nurseries, which are then planted to establish forest corridors connecting fragmented patches of forest and facilitating wildlife movement. Studies indicate successful biodiversity conservation efforts in the reclaimed areas, demonstrating comparable biodiversity levels to surrounding natural forests and providing habitat for endangered species.

Biodiversity monitoring has revealed the presence of hundreds of mammal, bird, amphibian, reptile and insect species across our reclamation areas, where food chains have been established, marking them out as functioning wildlife habitat. Furthermore, studies have shown that at Kideco's Tandarayan Arboretum reclamation area, no pests were found to disturb the area's flora and fauna. Kideco partners with Ecositrop to protect and restore habitat areas, further enhancing biodiversity conservation measures.

Kideco has also developed Mine Closure Plans for each site, with Roto Samurangau's plan drafted in 2020-2021 and approved in 2022, and Susubang Uko's plan drafted in 2018-2019 and approved in 2019. These plans, covering the entire mining operation area in Paser, are communicated to relevant stakeholders to ensure transparency and alignment with environmental regulations and community interests. Provincial financial allocations, which include an environmental cost component in our Financial Statements, support our commitment to land reclamation and rehabilitation.

Another subsidiary, Indika Nature, protects and manages a 170,000-hectare site in East Kalimantan, home to critically endangered wildlife like helmeted hornbills (Rhinoplax vigil), Sunda pangolins (Manis javanica) and trees like bangkirai (Hopea ferruginea), a prized timber tree. It operates within landscapes of significant ecological importance. For instance, 9,137 hectares of our Jaya Bumi Paser site is nestled next to areas of high conservation value. This site is dedicated to the cultivation of Calliandra for the production of biomass. In addition, our Telaga Mas Kalimantan site spans 21,461 hectares, positioned adjacent to an area of high conservation value. We also identified a high conservation value area bordering our Trisetia Citra Graha site covering an area of 7,040 hectares. These high conservation value areas have been identified based on practices outlined in the HCV Resources Network guidance.

Indika Nature continues to identify and develop biodiversity programs, as well as to explore potential collaboration with third parties for biodiversity measures. [GRI 304-3]

IUCN Red List Species in areas managed by Indika Energy Group [GRI 304-2, 304-4]

LEVEL OF EXTINCTION RISK	2021	2022	2023
Critically endangered	1	1	17
Endangered	5	7	41
Vulnerable	14	14	93
Near threatened	26	26	91
Least concern	205	209	242

Note: 2021 and 2022 data is derived from Kideco only, while 2023 data already includes Kideco and Indika Nature.

Fauna biodiversity performance by species [GRI 304-2]

DESCRIPTION	2021	2022	2023
Mammal	47	49	49
Avifauna	134	138	141
Herpetofauna	34	44	45
Insects	424	429	446

Note: This data has received recognition through ISBN No. 978-602.50513-3-3.

List of flora and fauna 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
Muller's gibbon	Hylobates muelleri	Endangered
Bay cat	Catopuma badia	Endangered
Long-tailed macaque	Macaca fascicularis	Endangered
Southern pig-tailed macaque	Macaca nemestrina	Endangered
Greater green leafbird	Chloropsis sonnerati	Endangered
Buff-rumped woodpecker	Meiglyptes tristis	Endangered

Area of land reclamation [GRI 304-3]

DESCRIPTION	UNIT	2021		2022		2023	
		REALIZATION	CUMULATIVE	REALIZATION	CUMULATIVE	REALIZATION	CUMULATIVE
Kideco	Ha	471.64	4,609.37	440.69	5,050.06	79.97	5,130.03
Mekko	Ha	0.00	0.00	0.00	0.00	6.00	6.00
MUTU	Ha	81.13	445.36	160.00	605.36	138.03	743.39
Total	**Ha**	**552.77**	**5,054.73**	**600.69**	**5,655.42**	**224.00**	**5,879.42**

Note:

- With the accomplished area of land reclamation as displayed in the table above, we have achieved the targets we have set in our annual and five-year Mine Reclamation Plan that has been approved by the government.
- None of the reclamation area has been handed over to the government.





35.35 ha

PLANTED AREA AS OF 2023

46,600+ trees

PLANTED IN 2023 AND EXPECTED TO GROW

573.3 tonCO2e

EXPECTED TO SEQUESTER FROM 46,600+ MANGROVE TREES PLANTED IN 2023

Growing the 'rainforests of the sea'

Mangroves are often referred to as the "rainforests of the sea," but these vital coastal ecosystems are even more impressive than the name suggests. Hectare for hectare, mangroves store more carbon than any kind of terrestrial forest, making their preservation hugely important in the fight against climate change.

Mangroves also support diverse marine and terrestrial biodiversity, providing habitat for numerous species of fish, birds and other wildlife. Additionally, they offer valuable resources and ecosystem services to coastal communities, including fisheries support, timber and medicinal plants, and serve as buffers against tidal surges and tropical storms.

Reflecting the urgent need for conservation efforts to safeguard these invaluable ecosystems and the benefits they provide to both nature and society, the Indika Energy Mangrove Program in Action (IMPACT) was launched in March 2023 in Paser, East Kalimantan.

This three-year initiative transcends traditional mangrove restoration, emphasizing community empowerment, environmental resilience, and sustainable development. By empowering local communities to engage in mangrove preservation and restoration, we foster a symbiotic relationship between nature and people.

Working with government entities, local communities, and Maroon, our implementing partner, we have been able to amplify our collective efforts to protect and rehabilitate mangroves, contributing to broader goals of carbon neutrality in Indonesia.

Our ambitious plans entail mangrove rehabilitation across 250 hectares of land in Lori, Sungai Langir, Tajur, and Pasir Mayang villages. Prioritizing four mangrove species based on natural conditions and local dominance, we anticipate significant ecological benefits and carbon sequestration potential.

To date, we have planted over 46,600 mangrove seedlings across 35.35 hectares, marking strides toward our 2025 target. Beyond the ecological benefits, IMPACT underscores our commitment to safeguarding the economic livelihoods of coastal communities, fostering resilience and sustainability. Through initiatives like IMPACT, Indika Energy continues to lead by example, driving positive change for the environment and society alike

Across our 5.6 hectare biomass nursery, we foster sustainable solutions, nurturing the growth of renewable resources while promoting environmental stewardship.



SDG	
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

SOCIAL

03.1

Developing Our Human Capital

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 all our users. We know to attract the right talent, with the minds, hearts, and commitment to help deliver our mission and drive impact across our ecosystem, we have to establish the necessary support system and channels for our employees to continuously grow and thrive.

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.

Our approach [GRI 3-3, 404-2]

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 with different backgrounds and 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 applicants, either directly or indirectly. Any official recruitment posts with clearly defined job descriptions are coordinated by a dedicated human capital recruitment team to ensure quality, be clear about expectations for candidates, and prevent fraudulent applications.

Recruitment: Our recruitment team alongside hiring managers and employees with relevant subject matter expertise, partake in candidate interviews and screening, using the established evaluation criteria.

Our efforts in 2023 led to a significant growth in our teams across the nation, with current employment of 3,579 across all levels.

FROM 8.67% TO 4.46%

REDUCTION IN EMPLOYEE TURNOVER

BY 2.55% TO USD 735,037

INCREASE IN TRAINING AND DEVELOPMENT EXPENDITURE

For further details on 2023 perfomance, please see Appendix

Developing the right skills [GRI 404-2]

We deliver targeted learning and development programs for all Indika Energy Group employees because we believe it is important to help our employees continue enhancing their skills and expand their knowledge to move forward and carve out a meaningful career path.

We ensure that every employee has equal opportunity to learn and develop themselves to maximize their individual potential and support their career path.

- **Mandatory training:** We ensure all the mandatory training is completed by employees, coordinated, and managed by our Human Capital teams. Mandatory training includes Code of Conduct, Business Ethics, Anti-Bribery and Anti-Corruption, and Health and Safety.
- **Executive training program**: Held in May 2023, covered a wide range of topics, such as Corporate Action, Corporate Law and Trade Practices, Monetizing Business Opportunities, Subsidiary Governance, and Corporate Investment Strategies for Value Creation, for all Indika Energy Group executives and new members of BOD at the subsidiary level.
- **Sustainability workshops**: A set of learning programs focused on sustainability, in collaboration with a third-party consultant, aimed at serving Indika Energy business units to standardize and improve their understanding on ESG materials.
- **External training**: Indika Energy Group holds webinars and sessions with external guest speakers and subject matter experts for all employees on a broad range of topics.
- **LinkedIn Learning**: In 2023, we started to provide our employees with access to more than 16,000 online courses through an e-learning platform called LinkedIn Learning, accessible 24/7 through a desktop or mobile phone. Throughout 2023, employees enrolled in courses covering topics such as Audit and Due Diligence, Communicating with Confidence, Decision-Making Strategies, Excel Training, Principles of Sustainable Development, Strategic Human Resources, among others.

Accelerating growth

- We cultivate an environment where all employees have equal opportunities for personal and professional growth.
- 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 our employees' contributions to the company and supports identifying the right tools and opportunities for talent development.
- We also have a coaching support network to equip our leaders with the necessary tools and skills to better coach their teams.
- In May 2023, we undertook a comprehensive Employee Engagement Survey across Indika Energy Holding and its subsidiaries, including Indika Indonesia Resources, Interport, Indika Nature, and Ilectra Motor Group. The survey saw an impressive participation rate of 93%, reflecting a strong commitment from our team members to share their insights and contribute to our ongoing efforts to enhance our work environment and practices. This initiative underscores our dedication to fostering a sustainable and inclusive corporate culture that values the voices and well-being of all employees.

We involve employees or representatives in the development of most company policies. The Company also ensures adequate dissemination to employees of policies related to employee welfare, the merit system, or future Company plans one month before they are carried out. Dissemination activities are conducted through various Company internal communication channels such as email, town hall meetings, coordination meetings, and others. These provisions are in accordance with the prevailing Company regulations and collective labor agreements. [GRI 402-1]

114,813

TRAINING HOURS PROVIDED TO EMPLOYEE

ZERO

INCIDENTS OF DISCRIMINATION IN 2023 [GRI 406-1]

For further details on 2023 perfomance, please see Appendix

03.2

Championing Diversity, Equity and Inclusivity

We prioritize diversity, equity, and inclusivity in our workforce, witnessing increased representation of women in our historically male-dominated industry, with expectations of further growth through diversification and empowerment initiatives. Our commitment to gender equality includes pay parity, women's representation in management, and support for work-family balance, reflected in our policies on paid maternity and paternity leave. We maintain a zero-tolerance stance on harassment, ensuring protection for all employees, partners, and users through comprehensive supporting mechanisms and awareness-raising efforts. Furthermore, our emphasis on local hiring provides job opportunities for communities while ensuring fair pay and equal rights for all employees, including those with disabilities, and comprehensive retirement plans for long-term employee well-being and financial security.

- **Representation:** We continue 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 empowerment initiatives.
- **Gender equality:** We do not differentiate on pay and compensation based on gender. 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].
- **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 implement a Group-wide supporting mechanism 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 protective mechanisms to eliminate it altogether. 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 local workers. This policy provides job opportunities for communities around a project area, with each local hire not only contributing to the successful implementation of the project but also gaining work experience and competency development that can be beneficial for the individual workers, their families, and their communities.



Ikhsan Alman Latif, Chief Mine Officer Kideco Jaya Agung

"MY YEARS OF JOURNEY AND MILESTONES AS A CHIEF MINE OFFICER (KEPALA TEKNIK TAMBANG) AT THE KIDECO MINE SITE AND AS A PART OF INDIKA ENERGY GROUP HAVE BEEN TRULY REMARKABLE. THE CULTURE OF SUPPORT, COLLABORATION, AND CORE VALUES OF SOLUSI KIDECO BRING ME GENUINE JOY WHEN I STEP INTO WORK EACH DAY. I FEEL VALUED AND APPRECIATED AS A PERSON WHO WAS BORN AND RAISED IN PASER REGENCY, EAST KALIMANTAN. IT HAS GIVEN ME AN OPPORTUNITY TO CONTRIBUTE TO THE GROUP'S COMMITMENT TO FOSTERING SUSTAINABLE DEVELOPMENT WITHIN THE LOCAL COMMUNITY HERE IN MY HOMETOWN. I HOPE THIS JOYFUL ENERGY CAN AFFECT AND INSPIRE OTHERS TO ALWAYS BRING A POSITIVE IMPACT TO THE PLACE WHERE WE WERE BORN AND RAISED."

- **Fair pay and equal rights:** We are committed to providing a living wage for all of our employees. Our pay is based on thorough and objective benchmarks and market insights, therefore our lowest compensation ranges, including for entry-level positions, are well above the local minimum wage. [GRI 202-1]. We do not differentiate on pay and compensation based on gender, age, ethnicity, or other demographic aspects. Benefits provided to employees include social security and health insurance, meal and transportation allowance, communication allowance, annual leave allowance, holiday allowance (THR), paid leave, parental leave, etc. These benefits apply to all full-time/permanent employees and part-time/temporary employees alike [GRI 401-2].
- **Disability inclusion:** We make sure to nurture our people equally, and that includes welcoming people with disabilities to join our workforce.
- **Retirement plan:** We strive to provide equal and fair opportunities for all employees, from the recruitment process, career development, as well as retirement. The Pension Protection program aims to maintain a decent standard of living for employees and/or their heirs after they enter retirement age, experience permanent total disability, or death. The training provided focuses on psychological, health and financial management aspects, with the training material being delivered through various methods, such as classroom, roleplay and business visits. [GRI 404-2]

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.

In 2023, our subsidiary Kideco started the first and second batches of Kideco Pensionpreneur, a program offering new skills and preparing employees to be entrepreneurs in their retirement. The program aims to impart at least 30% soft skills and 70% practical knowledge relevant to food and beverage, plantations, fisheries, and livestock small business.

As of December 31, 2023, Indika Energy Group employs 3,579 individuals. Gender, age, nationality, and educational background diversity are showcased below [GRI 405-1]:

Gender

2,908/81.2% MALE

671/18.8% FEMALE

Age Group

1,083 <30 YEARS OLD

2,084 30 - 50 YEARS OLD

412 >50 YEARS OLD

Educational Background

4 DOCTORATE

257 MASTER'S DEGREE

2,012 BACHELOR'S DEGREE

314 ASSOCIATE DEGREE

992 ELEMENTARY TO HIGH SCHOOL

Nationality

3,555 INDONESIAN

1 BULGARIAN

1 FILIPINO

5 SOUTH KOREAN

2 AMERICAN

3 AUSTRALIAN

4 SINGAPOREAN

1 NEW ZEALANDER

1 CANADIAN

1 TRINIDAD & TOBAGONIAN

5 INDIAN

For further details on 2023 perfomance, please see Appendix



A special focus on special-needs children

From 10 to 13 August 2023, Kideco and the Indika Foundation joined forces in the Kideco Cares for Disabled Communities (DREAMS) program, aimed at mentoring, empowering, and enhancing inclusion competency among teaching staff, parents, and children with special needs in Batu Sopang subdistrict, Paser, East Kalimantan.

With 149 teaching staff and parents and 50 children in attendance, the program sought to make a positive impact on the community, fostering the development of the children's potential within a supportive ecosystem.

The program comprised various activities, including Focus Group Discussions (FGDs) involving teaching staff, parents, and experienced professionals in sustainable inclusive community development. Participants shared insights on disability conditions and identified needs to foster an inclusive ecosystem supporting the children's development.

There were also training sessions for teaching staff and parents, focusing on "Optimizing the Growth and Development of Children with Disabilities" led by occupational therapy experts. These sessions aimed to equip participants with a deeper understanding of the sensory needs and effective learning approaches for children with special needs, fostering optimal growth and development.

The DREAMS activities concluded with a learning and playing session, allowing the practical application of training methods by teaching staff and parents. Beyond being playful and educational, these moments fostered interaction, knowledge sharing, and supportive bonds, nurturing holistic growth within the community.

Through the DREAMS program, Kideco and the Indika Foundation aim to cultivate an active Disability Care Community in Batu Sopang to play a pivotal role in creating an inclusive environment that embrace and support individuals with special needs, thereby challenging stigmas and fortifying efforts toward inclusivity and empowerment.

"My views of disability changed. At first, I just thought disabled people were people who had shortcomings. After participating in this activity, I realized that everyone has the same potential, rights and opportunities. I would like to thank Kideco Jaya Agung and the Indika Foundation for organizing this activity. I hope this is just the beginning and there will be other programs that raise disability issues, especially in Batu Sopang." - **Mrs. Wahidah, a parent of a special-needs child.**

03.3

Promoting Safety in the 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.

Compliance with health and safety standard

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 certification such as the Occupational Health and Safety Management System (SMK3) certification that applies for all stakeholders (internal and external) in accordance with Government Regulation No. 50/2012. Kideco's OHS system also complies with Government Regulation No.26/2018.

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]

The Company also implements evaluation and continuous improvement to the OHS management system, which includes carrying out self-assessment audits internally and externally, 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]

Each business unit has their own hazard identification, risk assessment, and incident investigation procedures. In Kideco's case, each department has the duty and responsibility to identify hazards, assess a risk, and record them using a predetermined form. Every supervisor, Department Leader, and Safety Representative in each department actively carries out reviews periodically at least once a year or if new activities and equipment occur in the department and if an accident occurs. [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; using mobile apps HAZOB, BBS, and PTO and SHEPRO provide access to real-time reporting and notification for any unsafe condition in the workplace. [GRI 403-2]

The Company has established programs on health and OHS facilities such as [GRI 403-3]:

- Promotive Program: Dissemination of information on health issues concerning the work environment and illness in general.
- Preventive Program: Prevention of health issues among employees through regular check-ups.
- Curative Program: Provision of consultation, medication, and treatment facilities for employees who experience workplace accidents or illness.
- Rehabilitative Program: Provision of therapy to improve physical condition after an employee experiences workplace accident or illness, to allow them to return to work.

Furthermore, the Company has also established various facilities to support the health of employees, 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 considering all elements, including lighting, temperature, air circulation, noise level, shock level, and dust, to be within ideal range in line with applicable regulations.
- The Company also collaborates with local clinics and hospitals in the event of an emergency.

Related to emergency response, we have an Emergency Response Plan that outlines the actions that must be done in response to an incident or an emergency as well as the roles and responsibilities of the Crisis Management Team. [GRI 403-3]

We engage with workers to provide input and participate in developing and implementing health and safety management systems. We involve worker representatives, especially senior managers, who are also involved in all activities of the occupational health and safety management system, starting from determining the company's occupational health and safety policies, setting goals, to the implementation and evaluation of the management system. At the subsidiary level, a formal health and safety committee is established with the aim of conducting regular inspections and monitoring in work areas, as well as collecting valuable quarterly feedback from workers regarding health and safety management. [GRI 403-4]

Regular training and awareness programs are conducted for employees about occupational health and safety. Health and safety training can be delivered either by an employee within the organization or by an external party with expertise in health and safety, such as government authorities. Employees are provided with safety training related to specific activities undertaken within the project, in accordance with their respective scope of work, such as working at heights, confined spaces, basic lifting and rigging, chemical handling, lock out tag out, and excavation safety. Basic occupational health and safety knowledge is also shared with all employees and visitors to project sites. [GRI 403-5]

The Company also implements strict internal policies to identify and control risk hazards including permit to work, safety target, safety scorecard, OHS audit (internal and external), and safety investigation. [GRI 403-7]

Promoting mental health and wellness [GRI 403-6]

In our commitment to the health and well-being of our employees beyond the workplace, we have implemented several initiatives to ensure our workforce has comprehensive access to non-occupational medical and healthcare services. Recognizing the importance of preventative care and health education, we hold regular informal health and safety talks that cover a wide range of topics, from maintaining a healthy lifestyle to managing chronic diseases. These sessions are open to all employees and aim to foster a culture of health awareness and self-care.Additionally, our communications strategy includes the distribution of posters and materials related to health, ensuring that vital information is accessible to everyone within the organization. A standout initiative is the I Reborn program, launched by our subsidiary Kideco, which focuses on preventing diseases related to obesity. This program encourages both employees and contractors to achieve and maintain a healthy body weight and Body Mass Index (BMI), providing them with the tools and motivation to do so.

Moreover, understanding the significant impact of HIV/AIDS on communities, we conduct periodic testing, underscoring our commitment to the overall health of our employees. Through these efforts, we aim to create a supportive environment that empowers our employees to take control of their health, ensuring they have the necessary resources and support to access medical and healthcare services outside of occupational requirements.

ZERO

EMPLOYEE FATALITIES

TWO

CONTRACTOR FATALITIES

TWO

EMPLOYEE WORK-RELATED ILL HEALTH CASES

ZERO

HIGH-CONSEQUENCE INJURIES

TWO

RECORDABLE INCIDENTS

For further details on 2023 perfomance, please see Appendix

Health and safety performance

During the year, we maintained our lost-time injury rate (LTIR) at 0.00, and managed to reduce our total recordable incident rate (TRIR) to 0.01 from the previous year (0.05), despite recording 2 incidents at Interport.

While we endeavored to ensure all systems and safeguards were in place to keep employees safe on the job, unfortunately we did experience the fatality of 2 contractor workers at our operation at Kideco in 2023.

Kideco prioritizes safety in all its operational activities. A comprehensive investigation has been conducted to analyze the root causes of the incident and develop necessary corrective actions, improvements and mitigation strategies as a prevention of repeating accidents. Kideco also carries out reassessment of all high-risk activities and conducts general safety talks and periodically conducts audits of mining contractors to ensure that all safety procedures have been fulfilled and all personnel are aware of applicable work safety regulations and procedures.



03.4

Community Development

INDIKA ENERGY'S CONTRIBUTION TO THE INDONESIAN ECONOMY MAKES US A POSITIVE FORCE AND DRIVER OF ECONOMIC GROWTH IN THE COUNTRY. SINCE THE FORMATION OF THE INDIKA ENERGY GROUP, OUR COLLECTIVE REACH HAS EXPANDED SIGNIFICANTLY - TOUCHING THE LIVES OF MILLIONS OF COMMUNITY MEMBERS, LOCAL VENDORS, AND SUPPLIERS. AS SUCH, WE BELIEVE WE ARE UNIQUELY POSITIONED AND HAVE A RESPONSIBILITY TO CONTINUE BEING A POSITIVE FORCE IN ALL OPERATIONS WHERE WE OPERATE, AND ON THE LIVES OF ALL THOSE WHO DEPEND ON US. A LARGE MAJORITY OF OUR STAKEHOLDERS (EMPLOYEES, LOCAL COMMUNITIES, SUPPLIERS) RELY ON OUR OPERATIONS FOR THEIR LIVELIHOODS AND TO SUPPORT THEIR FAMILIES.

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. The community can submit feedback or complaints directly to the program manager or to Indika Energy Group at the company level via email, website, telephone, and visits to the local Indika Energy Group office. Feedback and complaints are recorded in accordance with the policies at each company in the group. [GRI 2-25]

We also respect the indigenous communities around the operating areas by supporting the local cultures. Kideco establishes relationships with traditional social groups of the local community. The company provides financial support for all activities held by these social groups, such as Sanggar Seni Tari Rebuntung as part of its commitment to support the indigenous peoples' traditional arts and cultural activities. In 2023, we had no incidents of violations involving the rights of indigenous people. [GRI 411-1]

In every operational area we aim to deliver significant contributions to societies — by providing easier access to education, health, as well as empowering the community. Through our community's program we create jobs, drive economic development, and generate revenue for society.

Education

Kideco's teacher training and tkills enhancement program:

Our company forged valuable partnerships with district-level teacher forums, culminating in the participation of 425 educators. This initiative encompassed an extensive range of training sessions held for teachers across diverse regions, including Batu Sopang, Muara Samu, Kuaro, Muara Komam, Long Ikis, Long Kali, Tanah Grogot, Paser Belengkong, Batu Engau, and Tanjung Harapan. The curriculum was thoughtfully designed to encompass a variety of innovative teaching methodologies, such as project-based

learning, integrated literacy for children, digital and literacy learning, and Minimum Competency Assessments, covering educational stages from kindergarten through to high school. Each training module was meticulously tailored to meet the specific needs of the educators, facilitated in close coordination with the Department of Education and Teacher Forums, thereby reinforcing our commitment to elevating the quality of education and fostering a sustainable impact on future generations.

Kideco's Perpustakaan Keliling:

We proudly operate three specially equipped vehicles, each serving as a beacon of knowledge and learning on wheels. These mobile libraries are not just transporters of books; they are fully-fledged educational hubs, offering an impressive collection of 13,055 books, making 73 school visits, and facilitating 250 book-lending transactions. Beyond the tangible resources, the program is enhanced with multimedia equipment and dedicated storytellers, transforming each visit into a dynamic and engaging learning experience. This initiative underscores our commitment to promoting literacy and making education accessible to all, thereby contributing significantly to the sustainable development of our communities.

Health

In line with Indika Energy's flagship program to reduce the level of stunting prevalence in Indonesia, Indika Energy's subsidiaries also carry out stunting interventions programs in their respective operational areas.

Masmindo's stunting prevention Program

In our dedicated effort to mitigate and address stunting, the Masmindo program in Luwu district, particularly in Latimojong subdistrict, shines as a beacon of hope and nourishment. Our program, centered on the provision of Supplementary Feeding (PMT), benefits an average of 250-275 individuals monthly across eight villages. A key component of this initiative is empowering health cadres through training in the preparation of nutritious and healthy food. Utilizing locally sourced ingredients such as moringa leaves and sweet potatoes, they craft a variety of ready-to-eat meals aimed at meeting the nutritional needs of children. In a collaborative stride towards stunting prevention, we have partnered with the Luwu Stunting Prevention Task Force and the Latimojong Public Health Center, intensifying our outreach in the villages of Latimojong subdistrict. This includes providing "Midwife Kit" equipment to ten village midwives operating within mining-adjacent communities, further enhancing our support network.

Interport's stunting prevention program

Prospective brides and grooms are a crucial point for providing education on how to prevent stunting, because they are the ones who will plan, give birth and care for the children who make up the nation's next generation. Improving the quality of preparation for prospective brides and grooms is carried out by Interport through the provision of guidebooks or pocket materials as reference sources. This guidebook, of which more than 75 copies have been distributed, contains the basic tenets of Islamic marriage, generation planning, and how to provide healthy food to babies and children. One of the materials that is planned to be added is related to parenting patterns. Through this book, it is hoped that prospective brides and grooms will be able to increase their literacy about stunting prevention and communicate with the nearest health workers and family planning extension workers when needed.

Economic empowerment

Masmindo's local economic empowerment program

Economic self-sufficiency within the community has been significantly strengthened through the optimization of the natural resources found in the agriculture and plantation sectors. This has been achieved by facilitating the establishment of horticulture demonstration plots in Boneposi Village. These plots serve as an educational medium, introducing a variety of vegetables that are easy to cultivate, tailored to the local geographical and climatic conditions, and are combined with short-term fruit plants. For long-term cultivation, the focus is on coffee cultivation integrated with beekeeping, implemented across three villages (Boneposi, Toklajuk, and Ulusalu), designating these areas as coffee commodity clusters. To facilitate easier access to capital for farmers and small businesses, Masmindo has partnered with the Regional Development Bank (BPD) of South Sulawesi, Belopa branch. This holistic approach not only advances agricultural practices and productivity but also fosters economic empowerment and sustainability within the community, underscoring our

commitment to supporting and enhancing the livelihoods of those we serve.

Indika Nature's hydroponic vegetable cultivation training

Indika Nature's commitment to fostering sustainable development and empowerment is vividly illustrated through our hydroponic vegetable cultivation program in Prayon. By providing training and financial assistance to 12 members of the local Family Welfare Movement (PKK), we have initiated a transformative journey towards economic and environmental resilience. This initiative not only enhances participants' skills, leading to potential additional income streams, but also plays a crucial role in bolstering food security through the adoption of cutting-edge hydroponic farming techniques.

400,000+

BENEFICIARIES OF OUR COMMUNITY DEVELOPMENT PROGRAMS

IDR 66.1 BILLION

SPENDING ON COMMUNITY DEVELOPMENT PROGRAMS

1,400+

EMPLOYEES HIRED FROM LOCAL COMMUNITIES

47

INDIVIDUALS IN THE SENIOR MANAGEMENT HIRED FROM LOCAL COMMUNITIES [GRI 202-2]



Respecting Traditional Customs

In a symbolic gesture of respect and cultural harmony, Indika Nature conducted a Hutan Melas ceremony to mark the initiation of its subsidiary, Telaga Mas Kalimantan, into the Swan Slutung Village territory.

This ceremony, deeply rooted in local tradition, sought blessings from ancestors and the Creator to safeguard against potential perils as the company ventures into new terrain.

The procession commenced with the Traditional Leader reciting a prayer while throwing colorful rice grains in the air as a symbolic offering of blessings. Containers filled with rice, adorned with coconut leaves and candles were then ceremoniously passed over the heads of company representatives, signifying the receipt of ancestral blessings.

Central to the ceremony was the solemn sacrifice of a buffalo, preceded by a prayer seeking permission from the ancestors. Chickens with vibrant plumage, believed to be auspicious offerings, were also sacrificed. Following the rituals, villagers and company representatives alike marched to a designated area in the forest to inter the buffalo's head, while the remaining meat was prepared for a traditional communal feast later in the day.

Beyond its cultural significance, the Hutan Melas ceremony exemplifies values of collaboration, cooperation, tolerance, and social welfare. While Indika Nature and TMK initiated the event, it was the active participation of the local community that was integral to its success. Chiefs, traditional elders, community leaders, and government officials were joined by representatives of youth organizations, social groups, and women's associations, all contributing their expertise in traditional ceremonies and culinary skills.

Through this collaborative endeavor, Indika Nature not only demonstrated respect for local customs and ancestors but also forged meaningful connections with the community, laying the groundwork for a harmonious and mutually beneficial relationship as we embarked on our venture in Swan Slutung Village.

EVs and Solar Photovoltaic for an Eco-Friendly Tourism Village

In a collaborative effort on 15 April 2023, ALVA and the Youth Ecco Indonesia Foundation handed over two ALVA One electric motorbikes to Genggelang Village in North Lombok, West Nusa Tenggara. This event marked a significant milestone, introducing electric vehicles (EVs) to the village and promoting sustainable transportation solutions while also fostering environmental consciousness.

Village officials and local business owners were invited to participate in a month-long trial of the ALVA electric bikes. At the end of the trial period, in June, the bikes were assigned for use in guided village tours, part of a wider effort to support the village's ecotourism activities.

To further promote sustainability and educate the community, the Youth Ecco Indonesia Foundation conducted workshops in local schools under the banner "Ecco Goes to School." These workshops highlighted the benefits of EVs as environmentally friendly transportation options, with a focus on ALVA's electric motorbikes.

The foundation also organized "ALVA Explore by Ecco," an educational initiative showcasing the practical applications of EVs in daily life and travel. This activity featured a journey from the provincial capital, Mataram, to Genggelang, a distance of 68 kilometers. Alongside promoting EV usage, the event aimed to raise awareness of Genggelang Village as a tourist destination.

In celebration of World Environment Day, Ecco also hosted "ECHOES of the Forest," an environmental concert that saw Genggeleng also receive solar panels from EMITS. With the integration of renewable energy sources, such as solar power, into the EV ecosystem, Genggelang Village took a significant step towards sustainability.

Together, these initiatives not only enhance the viability of EVs in the village but also make Genggelang a sustainable tourism destination, attracting visitors keen on experiencing eco-friendly transportation and renewable energy initiatives firsthand.


CHARGE
YOUR
ENERGY
ALVA
CERVO
BOOST YOUR
NEXT MOVE
B 2818 SVF

03.5

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.

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. [GRI 408-1, 409-1]

In locations and sites where there is a higher likelihood of conflict, Indika Energy is careful to engage on a basis of respecting human rights. The security forces we work with must understand and respect the rights of our employees and the communities living our operations, which is why we are careful to ensure our security forces have been trained and socialized as to the importance of respecting human rights. We also conduct assessments to identify areas of improvement in our security personnel training. [GRI 410-1]

Whistleblowing system [GRI 2-25]

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. We treat 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 has a policy related to handling employee complaints, stipulated in CLA Chapter VII Industrial Relations Article 133 on Employee Complaints and Article 134 on the Settlement of Employee Complaints. Complaints from employees can 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. Afterward, if the complaint cannot be resolved in a bipartite manner, it will be resolved in a tripartite manner with reference to the prevailing employment Laws and regulations [GRI 2-25]. These processes also involve inputs from stakeholders, including employee representatives, in designing and proposing improvements to these mechanisms [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 nine such labor unions within Indika Energy Group: Serikat Pekerja Seluruh Indonesia (SPSI), Serikat Buruh Sejahtera Indonesia (SBSI), Serikat Independen Serikat Pekerja Paser (SPP), and Serikat Pekerja Batubara (SP BARA). These labor unions serve as communication channels for all 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 assured under Indonesian employment laws and International Labour Organization conventions. Currently, we have not recorded the number of employees at Indika Energy Group that are covered by collective bargaining agreements, but no operations were found at risk of violating workers' rights to exercise freedom of association and collective bargaining.

11 GRIEVANCES

WE RECEIVED 11 GRIEVANCES ABOUT LABOR PRACTICES, WHICH ALL HAVE BEEN ADDRESSED AND RESOLVED.

400 EMPLOYEES

WE RECORDED A TOTAL OF 400 EMPLOYEES THAT ARE REPRESENTED BY LABOR UNIONS (369 MALE, 31 FEMALE).

For further details on 2023 perfomance, please see Appendix

DESCRIPTION	2021	2022	2023
Total no. of grievances filed about labor practices	25	33	11
No. of grievances about labor practices that were addressed and resolved	25	33	11
No. of grievances about labor practices filed prior to the reporting period that were resolved during the reporting period	25	33	11



SDG	
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

GOVERNANCE

AS OUR BUSINESS CONTINUES TO GROW AND IMPACT, ENSURING PROPER MANAGEMENT AND DISCLOSURE OF ESG IN OUR GOVERNANCE STRUCTURE IS OF THE UTMOST IMPORTANCE. ULTIMATELY, ALL INDIKA ENERGY GROUP'S SENIOR LEADERSHIP ARE ACCOUNTABLE FOR OUR ESG PERFORMANCE, INCLUDING HOW EFFECTIVE WE ARE AT INTEGRATING IT INTO OUR COMPANY'S OPERATIONS.


INDIKA
ENERGY
INDIKA ENERGY
Summit
2023

04.1

Our Robust Governance Structures

OUR FOCUS IS ON LONG-TERM VALUE CREATION FOR ALL OUR STAKEHOLDERS: WE DEFINE AND MEASURE THIS VALUE IN LINE WITH HOW EFFECTIVELY WE MANAGE OUR MATERIAL ESG ISSUES, AS WELL AS THE IMPACT AND OUTCOMES OF OUR EFFORTS ON ALL OUR STAKEHOLDERS, NOT JUST OUR COMPANY. IN ENSURING THIS IS A LONG-TERM PRIORITY, WE HAVE EMBEDDED RELEVANT ESG BEST PRACTICES INTO OUR GOVERNANCE STRUCTURE AND MANAGEMENT PROCESSES.

As Indonesia's leading diversified investment company, we believe we have a meaningful role to play in responding to and supporting solutions to some of the most pressing issues in the country. Our business, by its nature, is driven by collective growth and makes an inherently positive impact in the communities where we operate empowerment of the nation and its people. This provides us with 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.

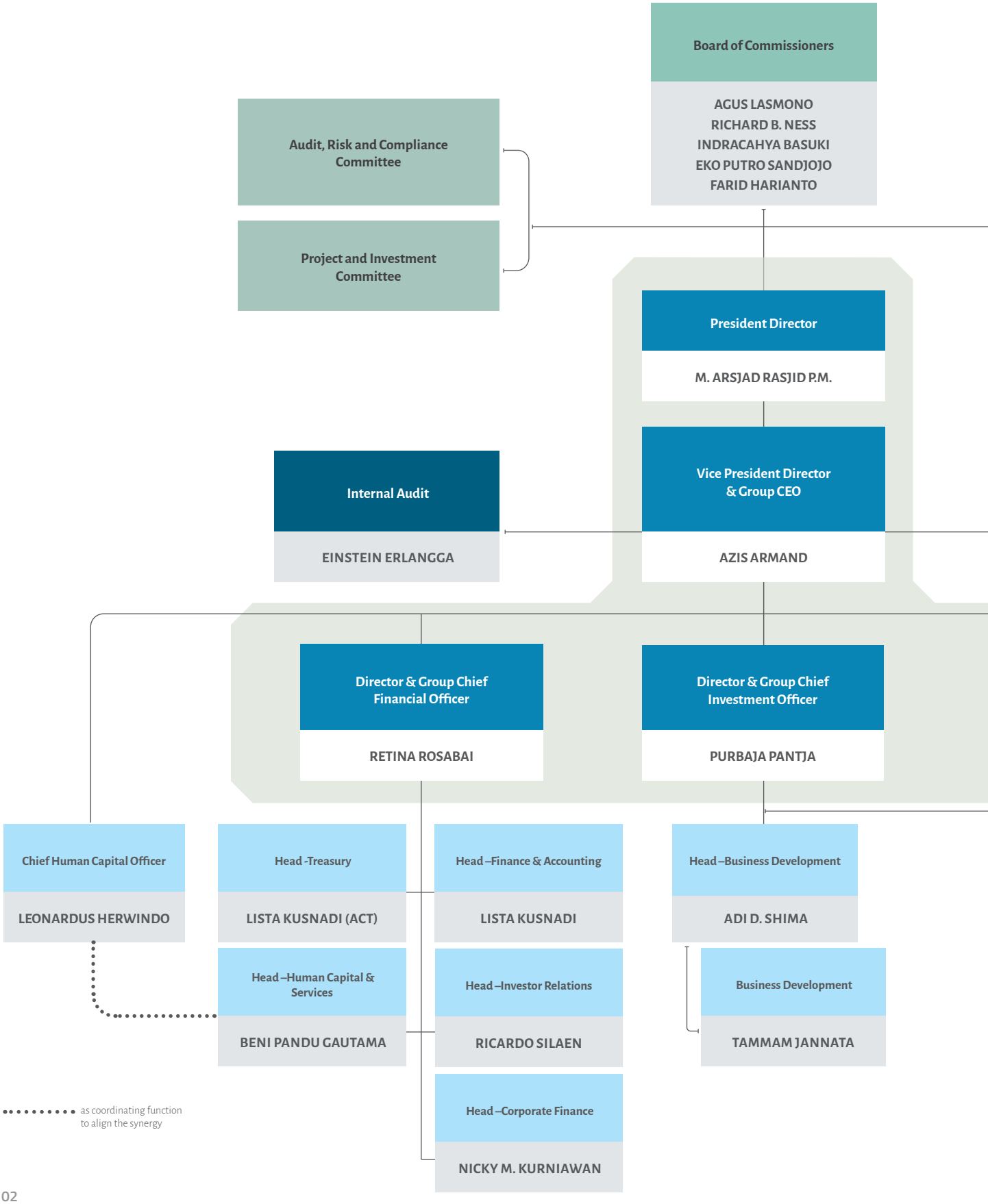
Since our inception, we have grown significantly. Today, we manage portfolios comprising a wide range of businesses with strong growth opportunities, including renewable energy, nature-based solutions, electric vehicle ecosystem, logistics and infrastructure, minerals, and digital technology – all in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

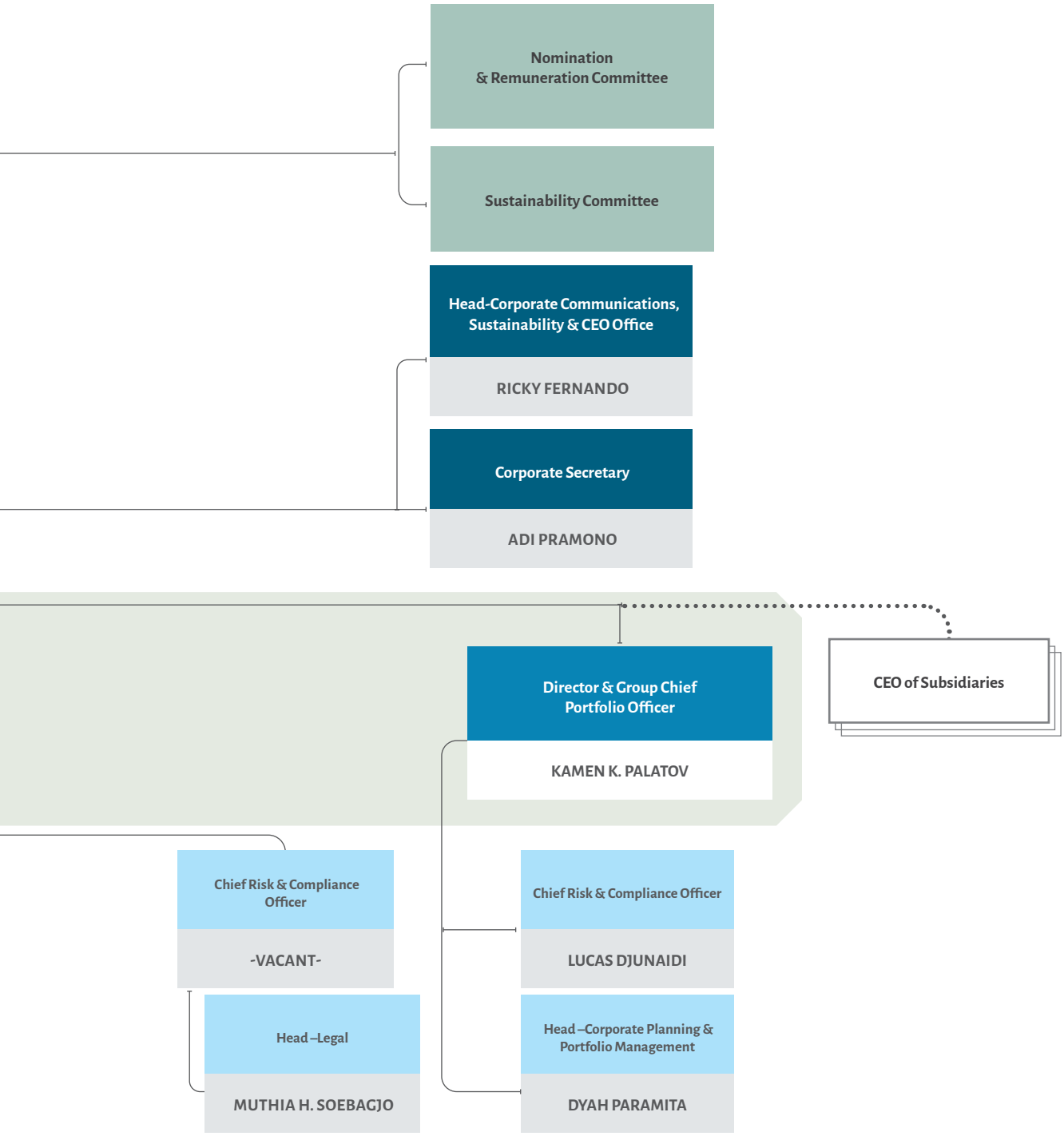
As our business continues to grow and impact, ensuring proper management and disclosures of ESG in our governance structure is of the utmost importance. Ultimately, all Indika Energy Group's senior leadership are accountable for our ESG performance, including how effective we are at integrating it into our company's operations. Our ESG strategy and priorities are set once a year and updated 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.

Moreover, the Company's corporate governance process is performed by referring to policies stipulated by the Company, namely Board Charter, Audit, Risk and Compliance Committee Charter, Project and Investment Committee Charter, Nomination and Remuneration Committee Charter, and Sustainability Committee Charter.

Pursuant to the Company Law, general structure of corporate governance comprises Shareholders with General Meeting of Shareholders forum as the highest decision maker, and Board of Commissioners and Board of Directors who serve as the organ in carrying out management and supervisory duties on business activities [GRI 2-11].

ORGANIZATION STRUCTURE




Nomination
& Remuneration Committee
Sustainability Committee
Head-Corporate Communications,
Sustainability & CEO Office
RICKY FERNANDO
Corporate Secretary
ADI PRAMONO
Director & Group Chief
Portfolio Officer
KAMEN K. PALATOV
CEO of Subsidiaries
Chief Risk & Compliance
Officer
-VACANT-
Head –Legal
MUTHIA H. SOEBAGJO
Chief Risk & Compliance Officer
LUCAS DJUNAIDI
Head –Corporate Planning &
Portfolio Management
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 General Meeting of Shareholders (GMS), which appoints members of the Board of Commissioners and Board of Directors, and of the various committees that support their function. [GRI 2-10]

In 2023, the Annual General Meeting of Shareholders was held on April 19, 2023, 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 also hold responsibility for making decisions on sustainability topics that cover economic, environmental, social, and governance, and for reviewing and approving all sustainability reporting materials. [GRI 2-14]

The Board of Commissioners

The Board of Commissioners is the organ of the Company responsible for supervising the company's policies and management of the Company conducted by the Board of Directors, both with regards to management of the Company and the Company's business, and to advise the Board of Directors' in executing their role. The Board of Commissioners shall perform its duties independently and ensure the implementation of good corporate governance. The Board of Commissioners shall report to the GMS on execution of their duties in overseeing the implementation of the Company's management.

As of December 31, 2023, the Board of Directors consists of a President Director, a Vice President Director, and three Directors, ranging in age from 48 to 56 years. One of the five members of the Board of Directors is a woman. [GRI 2-9]

Sustainability Committee

The Company established a Sustainability Committee in 2021 as part of its commitment to support sustainability of the Company's business by considering environmental, social and governance aspects. We believe that an effective Sustainability Committee will enhance the Company's sustainability in conducting its business, so that it will promote openness and objectivity in addressing issues relating to sustainability which in turn would improve the quality of decisions at the Board of Commissioners and the Board of Directors levels.

The 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 to represent the company, both inside and outside the court in accordance with the Articles of Association of the Company. The Board of Directors is responsible to the GMS as a form of accountability for the management of the Company in accordance with the principles of good corporate governance.

Independence

As of December 31, 2023, 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.

Delegation of roles

The Board of Commissioners shall set their distribution of work among the members, with the focus area of supervision of each member of the Board of Commissioners refers to the division of roles as Chairman and Vice Chairman of Committees that support the duties and responsibilities of the Board of Commissioners based on the 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, Eko Putro Sandjojo and Farid Harianto

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

ESG-linked KPIs are set annually at the Group level, during the company's planning cycles. A quarterly business review ensures progress and updates on ESG-linked KPIs reported directly to our Group CEO. 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 operationalization of ESG-linked roadmaps.

ESG is a key tenet in building and planning for our company's longevity and resilience. The Indika Energy Group Risk Management Framework was established to identify key risks within the business, guide us to review our management of environmental and social risks the same way we do all material risks, and is in alignment with ISO 31000 on Risk Management. This ensures environmental and social risks are reviewed and managed with the same rigor as other key business risks; 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 the implementation of 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 the KPIs, which 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 the Company's policies.
- Attendance level in the meeting of the Board of Directors as well as meetings with the Board of Commissioners.

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

Indika Energy is committed to operating in a sustainable manner. The Company's executive officers have the appropriate knowledge and competencies to implement sustainable practices. Indika Energy regularly engages the Company's Board of Directors and Board of Commissioners in various sustainability oriented programs, discussions, conferences, and training. Throughout 2023, all members of the Board of Commissioners participated in the Indika Energy Summit as part of their competency development program, while several BOD members also participated in short courses on sustainability-related issues.

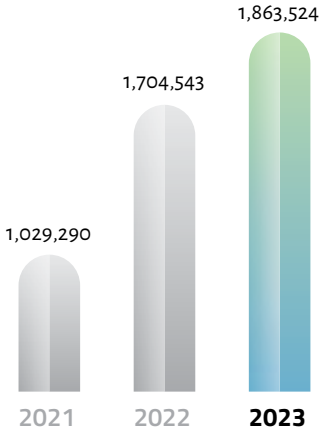
Remuneration policies [GRI 2-19, 2-20]

As set forth in POJK 34, in carrying out the functions of the remuneration, the Human Capital Committee shall formulate the remuneration structure of the members of the Board of Directors, develop remuneration policy for members of the Board of Directors, and prepare the remuneration amount for members of the Board of Directors.

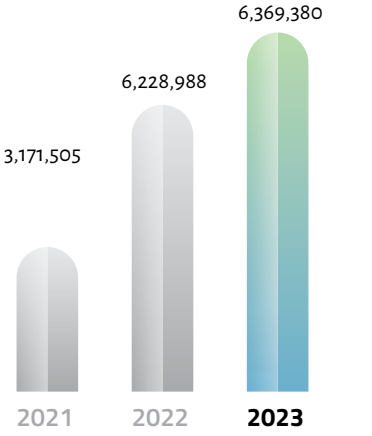
The remuneration structure of the Board of Directors may include salaries, honorarium, incentives, and/or allowances that are fixed and/or variable. Furthermore, in the preparation of the structure, policies, and amount of remuneration referred to above, the following must be taken into consideration:

1. Prevailing remuneration practices in similar industries in accordance with the Company's operations
2. The duties, responsibilities and authority of Board of Directors members linked to the achievement of the goals and performance of the Company
3. Target performance or the performance of individual members of the Board of Directors.
4. A balance of benefits between fixed and variable components.

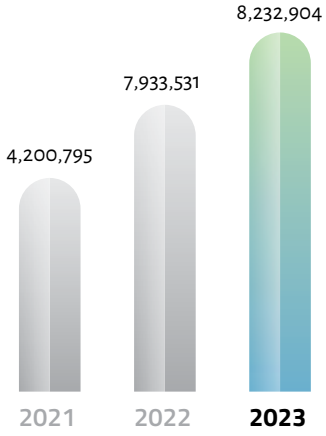
SHORT TERM BENEFIT OF THE BOARD OF COMMISSIONER (IN US$)



SHORT TERM BENEFIT OF THE BOARD OF DIRECTORS (IN US$)



TOTAL



5. The structure, policy and amount of remuneration shall be evaluated by the Nomination and Remuneration Committee each year.

The structure, policy, and amount of remuneration for the Board of Commissioners is evaluated by the Nomination and Remuneration Committee. However, the remuneration applicable in similar industries, as well as the members' duties and performance linked to achievement of Company goals are also taken into consideration in the development of the remuneration structure [GRI 2-20].

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 to avoid any conflicts of interest. This applies to all members of the Board of Directors and Board of Commissioners. During 2023, neither the Board of Commissioners nor the Board of Directors of Indika Energy had any familial or financial relations with fellow members of the Board of Commissioners, members of the Board of Directors, and Major and/or Controlling Shareholders.

The Group is managed professionally without any conflict of interest and influence from any party against the 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, paying mutual respect to rights, obligations, duties, authorities, and responsibilities among 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 continue to avoid conflict of interest in the decision-making process.

Communication of critical concern [GRI 2-16]

Indika Energy also nurtured an open communication within the company. We communicate frequently through a series of Board of Commissioners, Board of Directors and Committee meetings. During crisis events, we activate our cross-functional team, full-time senior leader, 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 the 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 the level of awareness and understanding across the Group, we conduct a series of training, socialization through town hall meetings and discussion forums for leaders and management such as BOC 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].

Through our subsidiaries, we have started developing a Supplier Code of Conduct that applies the same standards to all our partners and third-party organizations we engage with. 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, investigation and disciplinary sanctions.

For further details regarding Indika Energy's policies, please visit www.indikaenergy.co.id/governance/gcg-updates



04.2

Operating with Ethics and Integrity

AT INDIKA ENERGY, WE STRIVE TO MAINTAIN THE TRUST AND CONFIDENCE OF OUR PEOPLE, 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, COMPLIANCE PREVAILING LAWS AND REGULATIONS [GRI 2-27].

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.

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

Indika Energy Ethics Committee assists the Board of Directors in following up the report received by the Company through a whistleblowing system. For each report received, the Ethics Board will report it to the Board of Directors. The Ethics Committee has duties and responsibilities, including supervision of business ethics and behavior, counseling all employees and stakeholders regarding the Company's Code of Business Conduct, adjusting the rules related to ethics with developments, receiving, monitoring and follow up on reports of ethical misconduct received.

Anti-bribery and corruption [GRI 205-1, 205-3, 2-27]

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. Last year we conducted a re-assessment to obtain renewal of the certification and to demonstrate our continued commitment to business integrity and ethics. The Anti-Bribery Compliance Function continued to implement ABMS across the Company, raising awareness about ABMS and the Anti-Bribery and Corruption Policy.

In compliance with these standards, Indika Energy Holding as well as the subsidiaries, conduct annual Bribery Risk Assessments (BRAs) to identify, analyze, assess, and prioritize the bribery risks that must be anticipated by functions and business lines, as well as to evaluate the effectiveness of the existing controls to mitigate such risks [GRI 205-1]

We establish the procedures that define the methodology, criteria and competence of appropriate auditors, and the corrective actions taken. The audit results are reported to the Governing Body, the Board of Directors, and the Anti-Bribery Compliance Function. The audits review procedures, controls and systems for bribery or suspected bribery, violation 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.

In compliance with these standards, Indika Energy Holding as well as the aforementioned subsidiaries, conduct annual internal Bribery Risk Audits to identify, analyze, assess, and prioritize the bribery risks that must be anticipated by functions and business lines, as well as to evaluate the effectiveness of the existing controls to mitigate such risks. No significant risks related to corruption were identified in 2023. The Group also recorded no incidents of corruption for 2023. [GRI 205-1]

Whistleblowing system [GRI 2-26]

Since December 2013, Indika Energy has had a whistleblowing system in place for reporting violations or noncompliance. 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. Upon receiving the report, the Committee discusses whether the report needs to be investigated further. If an investigation is to be done, the Committee is responsible for preparing 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 whistle-blower, and the results of the investigations (if any) to the Board of Commissioners, President Director, the Audit, Risk, and Compliance Committee, the Human Capital Committee, and the Good Corporate Governance 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 100% of our business partners, including vendors and subcontractors, through our Integrity Pact, which we require them to read and sign.

Throughout 2023, 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.

We regularly organize anti-bribery sessions to inform employees about its harmful impacts and encourage ethical behavior, thereby nurturing a culture of integrity and compliance throughout the company.



At the Group level, we are proud to report that 100% of our employees have received communication and socialization on our anti-corruption policies and procedures. We also regularly conduct risk assessment and communications related to anti-corruption in Indika Energy. [GRI 205-2, 205-3].

To break down details on the number of employees and governance bodies receiving communication or training on anti-corruption policies and procedures by employee category and region is something that we need to explore in the future as many of our employees work in different locations. [GRI 205-2]



57.8%

57.8% OR 2,070 EMPLOYEES HAVE UNDERGONE THE ANTI-CORRUPTION TRAINING

100%

100% OR 86 MEMBERS OF GOVERNANCE BODIES HAVE BEEN COMMUNICATED TO AND TRAINED ON ANTI-CORRUPTION POLICIES AND PROCEDURES

3,579

100% OR 3,579 EMPLOYEES HAVE BEEN COMMUNICATED TO ON ANTI-CORRUPTION POLICIES AND PROCEDURES

100%

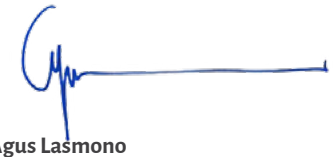
100% OF OPERATIONS IN INDIKA ENERGY GROUP ASSESSED FOR RISKS RELATED TO CORRUPTION


WORLD ECONOMIC FORUM
COMMITTED TO IMPROVING THE STATE OF THE WORLD

Statement of Members of the Board of Commissioners and Board of Directors regarding Responsibility for the 2023 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 2024



Agus Lasmono
President Commissioner



M. Arsjad Rasjid P.M.
President Director



Richard Bruce Ness
Vice President Commissioner



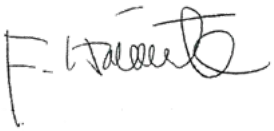
Azis Armand
Vice President Director



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 2023

NATURE OF THE ASSURANCE/VERIFICATION

PT. SGS Indonesia was commissioned by PT. Indika Energy Tbk to conduct an independent assurance of the Sustainability Report 2023. 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 2023 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 assurance work performed, we are satisfied that the disclosure with inclusivity, materiality, responsiveness, and impact information in the scope of assurance is 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

It is recommended to perform external assurance annualy in order to increase the robustness, accuracy, trustworthiness of disclosed information and to implement any recommended improvements.

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. In order to establish Key Material issues for Sustainability Report 2023, PT. Indika Energy Tbk's conducted Materiality Assessment Survey to PT. Indika Energy Tbk's stakeholders, the result of the Survey is presented in the Sustainability Report 2023. Materialities are GHG emissions and energy, Water and effluents, Waste management, Land use and biodiversity, Employment, Diversity, inclusion, and equal opportunity, Occupational health and safety, Local communities, Economic performance, Corporate governance.

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 2023 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 Accuracy, 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



AA1000
Licensed Report
000-8/V3-WHLUQ

Waras Putri Andrianti
Business Manager
Jakarta, Indonesia
01 April 2024

WWW.SGS.COM


ELINDUNG DIRI
GUNAKAN DI
A INI

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

An initial set of critical data used for comparison to data in following years.

C

Carbon Scope 1 and Scope 2 intensity

The carbon Scope 1 and 2 intensity is calculated as a ratio of Scope 1 and 2 location-based emissions of Indika Energy-operated industrial assets owned at the end of the reporting year, divided by their coal production (in Tons) and by revenue (in USD million). Further synonyms of these metrics used in this report include 'emissions intensity' and 'greenhouse gas emissions intensity'.

CO2eq (Carbon dioxide equivalent)

The universal unit of measurement for the global warming potential (GWP) of greenhouse gases (GHG), where one unit of CO2eq is the GWP for one unit of carbon dioxide. This unit allows us to discuss the equivalence of different GHGs in terms of their GWP. More commonly measured in metric tons of CO2eq, or tonCO2eq.

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

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

ESG

Environmental, social and governance.

F

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

G

GHG (Greenhouse gas)

Greenhouse Gas Protocol Standards and guidance for corporate accounting and reporting on GHG emissions, which help governments and business leaders to understand, quantify, and manage GHG emissions (eg CO_2). The Greenhouse Gas Protocol separates GHG emissions into different scopes depending on source.

GRI

The Global Reporting Initiative (GRI) is an international independent standards organisation that develops and disseminates voluntary sustainability reporting frameworks.

Grievance process

A formal grievance process/mechanism for local community members or other stakeholders to use to register any concerns about real or perceived actions by nearby operations, with the objective of resolving problems before they escalate.

H

Hazardous

Dangerous, as defined by national legislation.

Hours worked

Total hours worked by employees and contractors at our industrial sites, including overtime but excluding any scheduled or unscheduled absence (eg holidays or sickness) during the reporting year.

I

IECAB

Indika Energy Cerdaskan Anak Bangsa, a scholarship program initiated by Indika Energy

ILO

The International Labour Organization (ILO) is a United Nations agency for the promotion of social justice and internationally recognised human and labor rights.

ILO Declaration

In 1988, the ILO adopted the Declaration on Fundamental Principles and Rights at Work, with the core categories of collective bargaining, discrimination, forced labour and child labour.

IPCC

The United Nations Intergovernmental Panel on Climate Change (IPCC) assesses scientific, technical and socioeconomic information on the risk of human induced climate change. The United Nations Environment Programme and the World Meteorological Organization established the IPCC.

L

LTIs

Lost time injuries (LTIs) are recorded when an employee or contractor is unable to work following an incident. We record lost days as beginning on the first rostered day that the worker is absent after the day of the injury. The day of the injury is not included. LTIs do not include restricted work injuries (RWIs) and fatalities.

LTIR

The lost time injury rate (LTIR) is the total number of LTIs recorded per 200,000 hours worked.

O

OECD

The Organisation for Economic Cooperation and Development (OECD) is an international organization that provides a forum in which governments can work together to share experiences and seek solutions to tackle economic, social, environmental and governance challenges.

Occupational disease

Any chronic ailment or illness that occurs because of work or occupational activity; these are typically identified as being more prevalent in a given body of workers than in the general population, or in other worker populations. An occupational disease is different from an occupational injury.

P

Paris Agreement

An agreement within the United Nations Framework Convention on Climate Change, dealing with GHG emissions mitigation, adaptation, and finance, signed in 2016.

PPCA

Powering Past Coal Alliance

PV

Photovoltaic

S

Scope 1 emissions

Greenhouse gas emissions from owned or controlled sources (i.e. direct emissions), including emissions from combustion in owned or controlled boilers, furnaces and vehicles/vessels and coal seam emissions. We measure our Scope 1 emissions in tonCO2eq.

Scope 2 emissions

This approach applies GHG emissions from contractual arrangements; we apply supplier-specific emission factors when relevant and available, but where they are not, the country's residual or grid emission factor is applied. We measure our Scope 2 emissions in tonCO2eq.

Scope 3 emissions

Indirect greenhouse gas emissions (not included in Scope 2) that occur in our value chain, including both upstream and downstream emissions. We are currently exploring ways to calculate scope 3 emissions.

SDG

Sustainable Development Goals

Senior Management

Senior Management refers to the individuals working in positions such as Chairman, CEO, President, Executive Director and other senior staff (including Vice President and Senior Vice President) in organizations who manage a specific area of the business and ensure the provision of resources for successful delivery of projects

U

United Nations Global Compact (UNGC)

The UNGC is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support the UN Sustainable Development Goals. United Nations Guiding Principles the United Nations Guiding Principles on Business and Human Rights are a set of guidelines for states and companies to prevent, address and remedy human rights abuses committed in business operations.

Universal Declaration of Human Rights

The Universal Declaration of Human Rights is a common standard for all peoples and all nations that sets out fundamental human rights to be universally protected.

V

Voluntary Principles

The Voluntary Principles on Security and Human Rights (Voluntary Principles) Initiative is a multi-stakeholder initiative involving governments, companies and NGOs, which promotes a set of principles for oil, gas and mining companies to guide them in providing security for their operations in a manner that respects human rights.

W

Water discharge

Total amount 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

Total amount of water drawn into the boundaries of the reporting organization from all sources for any use over the course of the reporting period. Includes surface water, groundwater, seawater, and water imported from third parties.

Workforce

References to our workforce include both employees and contractors.

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 1 January 2023 to 31 December 2023
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
GRI 2: General Disclosures 2021	2-1 Organizational details	25, 26, 28	
	2-2 Entities included in the organization's sustainability reporting	11	
	2-3 Reporting period, frequency and contact point	14	
	2-4 Restatements of information	14	
	2-5 External assurance	14	
	2-6 Activities, value chain and other business relationships	22, 25	
	2-7 Employees	Appendix	
	2-8 Workers who are not employees	Appendix	
	2-9 Governance structure and composition	104	
	2-10 Nomination and selection of the highest governance body	104	
	2-11 Chair of the highest governance body	101	
	2-12 Role of the highest governance body in overseeing the management of impacts	104	
	2-13 Delegation of responsibility for managing impacts	104	
	2-14 Role of the highest governance body in sustainability reporting	104	
	2-15 Conflicts of interest	106	
	2-16 Communication of critical concerns	43, 106, Appendix	
	2-17 Collective knowledge of the highest governance body	105	
	2-18 Evaluation of the performance of the highest governance body	105	
	2-19 Remuneration policies	105	
	2-20 Process to determine remuneration	105	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
	2-21 Annual total compensation ratio		We currently do not disclose data on compensation.
	2-22 Statement on sustainable development strategy	40, 51	
	2-23 Policy commitments	47, 56, 107	
	2-24 Embedding policy commitments	105, 107	
	2-25 Processes to remediate negative impacts	57, 91, 95, 96	
	2-26 Mechanisms for seeking advice and raising concerns	34, 110	
	2-27 Compliance with laws and regulations	109, Appendix	
	2-28 Membership associations	49	
	2-29 Approach to stakeholder engagement	34	
	2-30 Collective bargaining agreements	57, 97	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	11	
	3-2 List of material topics	11	
	3-3 Management of material topics	11, 63, 69, 72, 76, 82, 84, 88, 91, 96	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	19, 20	
	201-2 Financial implications and other risks and opportunities due to climate change	43, 44, 48	
	201-3 Defined benefit plan obligations and other retirement plans	85	
	201-4 Financial assistance received from government	21	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	85	
	202-2 Proportion of senior management hired from the local community	93	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	21, 22, 57	
	203-2 Significant indirect economic impacts	22	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	21	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	109, 110, Appendix	
	205-2 Communication and training about anti-corruption policies and procedures	110, 111, Appendix	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
	205-3 Confirmed incidents of corruption and actions taken	109, 110, 111, Appendix	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		This is currently not considered as a material topic.
GRI 207: Tax 2019	207-1 Approach to tax		This is currently not considered as a material topic.
	207-2 Tax governance, control, and risk management		This is currently not considered as a material topic.
	207-3 Stakeholder engagement and management of concerns related to tax		This is currently not considered as a material topic.
	207-4 Country-by-country reporting		This is currently not considered as a material topic.
GRI 301: Materials 2016	301-1 Materials used by weight or volume		This is currently not considered as a material topic.
	301-2 Recycled input materials used		This is currently not considered as a material topic.
	301-3 Reclaimed products and their packaging materials		This is currently not considered as a material topic.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	66, Appendix	
	302-2 Energy consumption outside of the organization	Appendix	
	302-3 Energy intensity	19, Appendix	
	302-4 Reduction of energy consumption	Appendix	
	302-5 Reductions in energy requirements of products and services	Appendix	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	69	
	303-2 Management of water discharge-related impacts	70	
	303-3 Water withdrawal	70, Appendix	
	303-4 Water discharge	70, Appendix	
	303-5 Water consumption	70, Appendix	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
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	76	
	304-2 Significant impacts of activities, products and services on biodiversity	76, 77	
	304-3 Habitats protected or restored	76, 77 78	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	77	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	64, 65, 66, Appendix	
	305-2 Energy indirect (Scope 2) GHG emissions	65, 66, Appendix	
	305-3 Other indirect (Scope 3) GHG emissions	64	
	305-4 GHG emissions intensity	64, 65, Appendix	
	305-5 Reduction of GHG emissions	65, Appendix	
	305-6 Emissions of ozone-depleting substances (ODS)	65, Appendix	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Appendix	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	72	
	306-2 Management of significant waste-related impacts	72	
	306-3 Waste generated	73, Appendix	
	306-4 Waste diverted from disposal	73, Appendix	
	306-5 Waste directed to disposal	Appendix	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		This is currently not considered as a material topic.
	308-2 Negative environmental impacts in the supply chain and actions taken		This is currently not considered as a material topic.
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Appendix	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	85	
	401-3 Parental leave	84, Appendix	
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	83	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	88	
	403-2 Hazard identification, risk assessment, and incident investigation	88	
	403-3 Occupational health services	89	
	403-4 Worker participation, consultation, and communication on occupational health and safety	89	
	403-5 Worker training on occupational health and safety	89	
	403-6 Promotion of worker health	89	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	89	
	403-8 Workers covered by an occupational health and safety management system	88	
	403-9 Work-related injuries	Appendix	
	403-10 Work-related ill health	Appendix	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Appendix	
	404-2 Programs for upgrading employee skills and transition assistance programs	82, 83, 85	
	404-3 Percentage of employees receiving regular performance and career development reviews	Appendix	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	85, Appendix	
	405-2 Ratio of basic salary and remuneration of women to men	Appendix	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	82	
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	57, 97	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	57, 96	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	57, 96	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	47, 57, 96	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	91, Appendix	

GRI STANDARD	DISCLOSURE	PAGE	OMISSION
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	91	
	413-2 Operations with significant actual and potential negative impacts on local communities	91	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		This is currently not considered as a material topic.
	414-2 Negative social impacts in the supply chain and actions taken		This is currently not considered as a material topic.
GRI 415: Public Policy 2016	415-1 Political contributions	99	
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.

Stakeholder Capitalism Metrics (SCM) Index

THEME	CORE METRIC	PAGE
Governance		
Governing Purpose	Setting purpose	28
Quality of Governing Body	Governance body composition	104, 105
Stakeholder Engagement	Material issues impacting stakeholders	12
Ethical Behavior	Anti-corruption	109, 110, 111
	Protected ethics advice and reporting mechanisms	96, 97
Risk and Opportunity Oversight	Integrating risk and opportunity into business process	43 - 48
Planet		
Climate Change	Greenhouse Gas emissions	63 - 67
	TCFD implementation	We have not followed TCFD recomendation this year.
Nature Loss	Land use and ecological sensitivity	76, 77, 78
Freshwater Availability	Water consumption and withdrawal in water-stressed areas	70, Appendix
People		
Dignity and Equality	Diversity and inclusion	84, 85, Appendix
	Pay equality	84
	Wage level	We currently do not disclose data on compensation.
	Risk for incidents of child, forced or compulsory labor	57, 96
Health and Wellbeing	Health and safety	88, 89, 90, Appendix
Skills for the Future	Training provided	82, 83, Appendix
Prosperity		
Employment and wealth generation	Absolute number and rate of employment	Appendix
	Economic contribution	21, 22
	Financial investment contribution	N/A
Innovation in better products and services	Total R&D expenses	N/A
Community and social vitality	Total tax paid	21

UN Global Compact Index

THEME	PRINCIPLE	PAGE
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights	96, 97
	2. Businesses should make sure that they are not complicit in human rights abuses.	96, 97
Labor	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	97
	4. Businesses should uphold the elimination of all forms of forced and compulsory labor	96
	5. Businesses should uphold the effective abolition of child labor	57
	6. Businesses should uphold the elimination of discrimination in respect of employment and occupation	82 - 85
Environment	7. Businesses should support a precautionary approach to environmental challenges	60 -78
	8. Businesses should undertake initiatives to promote greater environmental responsibility	60 -78
	9. Businesses should encourage the development and diffusion of environmentally technologies	60 -78
Anti-corruption	10. Businesses should work against corruption in all of its forms, including extortion and bribery	109 - 111

Appendix

Appendix A: Emissions and Energy

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

DESCRIPTION	UNIT	2021	%	2022	%	2023
Scope 1 emissions	tCO2e	1,197,167	-3.50%	1,155,280	-11.41%	1,023,433
Scope 2 emissions	tCO2e	3,866	41.81%	5,482	19.95%	6,576
Total Scope 1 & 2 emissions	tCO2e	1,201,033	-3.35%	1,160,762	-11.26%	1,030,009

Note:

- Gases included in the calculation: CO_2, CH_4, N_2O. GWP rates used for calculating Scope 1 and 2 emissions are based on the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5): $CO_2 = 1$, $CH_4 = 28$, $N_2O = 265$. [GRI 305-1, 305-2]
- 2021 Scope 1 and 2 GHG emissions data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2022 and 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding.
- 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, 305-2].
- The following Scope 1 emission factors were derived from DEFRA Greenhouse gas reporting: Conversion factors 2023 document [GRI 305-1]:
  - 100% mineral diesel: 0.00256 tCO2e per liter
  - B30: 0.00191 tCO2e per liter
  - B35: 0.00179 tCO2e per liter
  - Refrigerant R-410A: 1.924 tCO2e per kg
  - Refrigerant R-134A: 1.3 tCO2e per kg
  - Refrigerant R-32: 0.677 tCO2e per kg
- Scope 2 emission factors are derived from the Indonesian Ministry of Energy and Mineral Resources: https://jdih.esdm.go.id/index.php/web/result/2183/detail. Emission factors were selected based on the grid each operational site is connected to (e.g., Jamali, Mahakam, Barito, etc.) [GRI 305-2]

GHG emissions intensity at Indika Energy [GRI 305-4]

DESCRIPTION	UNIT	2021	%	2022	%	2023
Production-based intensity (coal mining companies only)	tCO2e	835,067	26.99%	1,060,419	-7.79%	977,853
	million ton coal production	37.4	-2.28%	36.6	-13.55%	31.6
	tCO2e / ton coal production	0.022	29.94%	0.029	6.67%	0.031
Revenue-based intensity (all subsidiaries)	tCO2e	1,201,033	-3.35%	1,160,762	-11.26%	1,030,009
	USD million revenue	3,018	40.21%	4,232	-27.95%	3,049
	tCO2e / USD million revenue	398	-31.07%	274	23.17%	338

Note:

- 2021 Scope 1 and 2 GHG emissions data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2022 and 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding.
- The intensity calculation includes gases CO_2, CH_4, and N_2O, and covers Scope 1 and 2 GHG emissions. [GRI 305-4]
- 2021 to 2023 production-based intensity parameters are calculated based on Kideco and Indika Indonesia Resources data
- 2021 revenue-based intensity parameters are calculated based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2022 and 2023 revenue-based intensity parameters include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding.

Significant air emissions [GRI 305-7]

DESCRIPTION	UNIT	2021	%	2022	%	2023
NOx	tons	737.48	-30.03%	516.04	33.67%	689.79
SOx	tons	66.82	-97.79%	1.48	50.68%	2.23
Persistent organic pollutants	tons	0.00	0.00%	0.00	0.00%	0.00
Volatile organic compounds	tons	0.00	0.00%	0.00	0.00%	0.00
Hazardous air pollutants (HAP)	tons	0.00	0.00%	0.00	0.00%	0.00
Particulate matter (PM)	tons	6.63	-46.30%	3.56	265.17%	13.00
Other standard categories of air emissions identified in relevant regulations	tons	110.27	-15.81%	92.84	1.57%	94.30

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 significant air emissions data includes numbers from Kideco and Petrosea. Due to Petrosea divestment completion in 2022, the 2023 data no longer includes numbers from Petrosea.
- 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, because they are not included in the requirements of the aforementioned Ministerial Regulation.

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

DESCRIPTION	UNIT	2021	%	2022	%	2023
Renewable energy consumption	GJ	30,295	14016.23%	4,276,513	15.45%	4,937,289
Non-renewable energy consumption	GJ	20,907,962	-46.73%	11,136,943	-11.49%	9,857,355
Total energy consumption	GJ	20,938,257	-26.39%	15,413,456	-4.01%	14,794,645

Note:

- 2021 energy consumption data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2022 and 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding.
- Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard [GRI 302-1].
- The following conversion factors were derived from DEFRA Greenhouse gas reporting: Conversion factors 2023 document [GRI 302-1]:
  - Electricity consumption: 0.0036 GJ per kWh
  - Fuel consumption:
    - 100% mineral diesel: 0.0357 GJ per liter
    - B30: 0.0353 GJ per liter
    - B35: 0.0352 GJ per liter
- In 2021, renewable energy consumption only includes use of solar PV, while use of biodiesel is assumed to be non-renewable. For 2022 and 2023 data, the biodiesel blend in the B30 or B35 is factored into the renewable energy consumption calculation. Types of energy included in the energy intensity ratio are biodiesel fuel, diesel fuel, solar power, 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]
- There is a restatement for 2022 energy consumption data due to improved calculation method, using a more standardized calculation methodology and conversion factors.

Energy consumption by activity source [GRI 302-1]

DESCRIPTION	UNIT	2021	%	2022	%	2023
Fuel consumption	GJ	20,285,375	-24.16%	15,384,883	-4.00%	14,769,736
Electricity consumption	GJ	652,882	-95.62%	28,573	-12.82%	24,908
Cooling, heating, and steam consumption	GJ	0	0.00%	0	0.00%	0
Total energy consumption	GJ	20,938,257	-26.39%	15,413,456	-4.01%	14,794,645

Note:

- 2021 energy consumption data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2022 and 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding.
- Indika Energy consolidates the data from these subsidiaries quarterly through the use of an internal ESG Dashboard [GRI 302-1].
- The following conversion factors were derived from DEFRA Greenhouse gas reporting: Conversion factors 2023 document [GRI 302-1]:
  - Electricity consumption: 0.0036 GJ per kWh
  - Fuel consumption:
    - 100% mineral diesel: 0.0357 GJ per liter
    - B30: 0.0353 GJ per liter
    - B35: 0.0352 GJ per liter

Energy intensity at Indika Energy [GRI 302-3]

DESCRIPTION	UNIT	2021	%	2022	%	2023
Production-based intensity (coal mining companies only)	GJ	14,522,163	-3.88%	13,959,032	-0.47%	13,892,929
	million ton coal production	37.4	-2.22%	36.6	-13.55%	31.6
	GJ / ton coal production	0.39	-1.69%	0.38	15.13%	0.44
Revenue-based intensity (all subsidiaries)	GJ	20,938,257	-26.39%	15,413,456	-4.01%	14,794,645
	USD million revenue	3,018	42.70%	4,232	-29.21%	3,049
	GJ / USD million revenue	6,937	-47.50%	3,642	33.23%	4,852

Note:

- 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]
- 2021 to 2023 production-based intensity parameters are calculated based on Kideco and Indika Indonesia Resources data
- 2021 revenue-based intensity parameters are calculated based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2022 and 2023 revenue-based intensity parameters include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding.

Appendix B: Water and effluents

Water withdrawal performance [GRI 303-3]

DESCRIPTION	UNIT	2021	%	2022	%	2023
By source						
Surface water	ML	3,313.34	24.43%	4,122.72	-40.22%	2,464.44
Ground water	ML	14.98	-30.44%	10.42	76.47%	18.39
Seawater	ML	535.33	40.33%	751.21	-58.16%	314.28
Produced water	ML	0.00	0.00%	0.00	0.00%	0.00
Third party water	ML	1.08	988.89%	11.76	177.24%	32.60
Total water withdrawal	ML	3,864.73	26.69%	4,896.11	-42.20%	2,829.71

DESCRIPTION	UNIT	2021	%	2022	%	2023
By Total Dissolved Solids category						
Freshwater (≤1,000 mg/L TDS)	ML	3,329.06	24.45%	4,143.10	-39.89%	2,490.60
Other water (>1,000 mg/L TDS)	ML	535.67	40.57%	753.01	-54.97%	339.11
Total water withdrawal	ML	3,864.73	26.69%	4,896.11	-42.20%	2,829.71
Water withdrawal intensity	million ton coal production	37.4	-2.14%	36.6	-13.63%	31.6
	ML / kiloton coal production	0.086	30.41%	0.112	-31.81%	0.077
	USD million revenue	3,018	42.70%	4,307	-29.21%	3,049
	ML / USD million revenue	1.28	-11.22%	1.14	-18.35%	0.93

Note:

- 2021 and 2022 water-related data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding
- While two of our operational areas are considered areas with water stress according to the World Resources Institute's Aqueduct Water Risk Atlas, we have not broken down our water performance data for these areas only.

Water consumption performance [GRI 303-5]

DESCRIPTION	UNIT	2021	%	2022	%	2023
By Total Dissolved Solids category						
Freshwater (≤1,000 mg/L TDS)	ML	3,329.06	24.45%	4,143.10	-39.94%	2,488.32
Other water (>1,000 mg/L TDS)	ML	521.98	41.43%	738.24	-55.20%	330.72
Total water consumption	ML	3,851.04	26.75%	4,881.34	-42.25%	2,819.04

Note:

- 2021 and 2022 water-related data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding
- While two of our operational areas are considered areas with water stress according to the World Resources Institute's Aqueduct Water Risk Atlas, we have not broken down our water performance data for these areas only.

Water discharge performance [GRI 303-4]

DESCRIPTION	UNIT	2021	%	2022	%	2023
By source						
Surface water	ML	301,007.84	5.58%	317,801.31	-33.13%	212,512.66
Ground water	ML	14.06	-52.20%	6.72	-55.05%	3.02
Seawater	ML	3.57	1.12%	3.61	8054.57%	294.38
Third party water	ML	0.00	0.00%	0.00	100%	1.63
Total water discharge	ML	301,025.47	5.58%	317,811.64	-33.04%	212,811.69

DESCRIPTION	UNIT	2021	%	2022	%	2023
By Total Dissolved Solids category						
Freshwater (≤1,000 mg/L TDS)	ML	301,021.90	5.58%	317,808.03	-33.13%	212,515.68
Other water (>1,000 mg/L TDS)	ML	3.57	0.00%	3.61	0.00%	296.01
Total water discharge	ML	301,025.47	5.58%	317,811.64	-33.04%	212,811.69

Note:

- 2021 and 2022 water-related data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding
- While two of our operational areas are considered areas with water stress according to the World Resources Institute's Aqueduct Water Risk Atlas, we have not broken down our water performance data for these areas only.

Appendix C: Waste

Waste generated [GRI 306-3]

DESCRIPTION	UNIT	2021	%	2022	%	2023
Hazardous waste	Tons	5,911	16.25%	6,871	-37.08%	4,324
Non-hazardous waste	Tons	5,949	114.36%	12,752	-6.25%	11,956
Total waste generated	Tons	11,860	65.46%	19,623	-17.04%	16,279

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

DESCRIPTION	UNIT	2021	%	2022	%	2023
Reused	Tons	216.44	-42.34%	124.79	-97.12%	3.60
Recycled	Tons	460.00	-41.89%	267.30	92.38%	514.23
Composted	Tons	0.00	0.00%	0.00	0.00%	0.00
Brought to a third party licensed to reuse/recycle	Tons	2,716.28	15.84%	3,146.61	5.75%	3,327.39
Total waste diverted from disposal	Tons	3,392.72	4.30%	3,538.70	8.66%	3,845.22
Incinerated (with energy recovery)	Tons	0.00	0.00%	0.00	0.00%	0.00
Incinerated (without energy recovery)	Tons	85.00	-19.21%	68.67	-1.08%	67.93
Landfilled	Tons	0.00	0.00%	0.00	0.00%	0.00
Brought to a third party licensed to dispose waste	Tons	2,433.40	34.13%	3,263.89	-87.43%	410.41
Total waste brought to disposal	Tons	2,518.40	32.33%	3,332.56	-85.65%	478.34

Note:

- 2021 and 2022 waste-related data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding
- Waste that is brought to a third party (both licensed to reuse/recycle and licensed to dispose) indicates that it is diverted or directed to disposal offsite, while waste that is included in other categories indicates that it is diverted or directed to disposal onsite.

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

DESCRIPTION	UNIT	2021	%	2022	%	2023
Reused	Tons	315.60	1013.63%	3,514.62	-100.00%	0.00
Recycled	Tons	2,019.54	-8.69%	1,843.96	155.98%	4,720.11
Composted	Tons	130.35	51.90%	198.00	274.51%	741.53
Brought to a third party licensed to reuse/recycle	Tons	3.16	110.76%	6.66	996.61%	73.03
Total waste diverted from disposal	Tons	2,468.65	125.36%	5,563.24	-0.51%	5,534.67
Incinerated (with energy recovery)	Tons	0.00	0.00%	0.00	0.00%	0.00
Incinerated (without energy recovery)	Tons	0.00	0.00%	0.00	0.00%	0.00
Landfilled	Tons	2,138.02	6.25%	2,271.68	133.15%	5,296.53
Brought to a third party licensed to dispose waste	Tons	1,342.33	266.23%	4,916.00	-77.13%	1,124.30
Total waste brought to disposal	Tons	3,480.35	106.52%	7,187.68	-10.67%	6,420.83

Note:

- 2021 and 2022 waste-related data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding
- Waste that is brought to a third party (both licensed to reuse/recycle and licensed to dispose) indicates that it is diverted or directed to disposal offsite, while waste that is included in other categories indicates that it is diverted or directed to disposal onsite.

Appendix D: Our People

GENDER [GRI 405-1]	NO. OF EMPLOYEES		
	2021	2022	2023
Male	6,887	3,169	2,908
Female	706	747	671

WOMEN REPRESENTATION [GRI 405-1]	NO. OF EMPLOYEES		
	2021	2022	2023
Overall	9.30%	19.08%	18.75%
On the board	6.84%	7.41%	6.98%

DESCRIPTION [GRI 405-1]	2022	2023
Male in senior management	117	121
Female in senior management	19	16
Women representation in senior management	13.97%	11.68%

Note: Senior Management refers to the individuals working in positions such as Chairman, CEO, President, Executive Director and other senior staff (including Vice President and Senior Vice President)

AGE GROUP [GRI 405-1]	NO. OF EMPLOYEES	
	2022	2023
< 30 years old	835	1,083
30 - 50 years old	2,434	2,084
> 50 years old	647	412

NATIONALITY [GRI 405-1]	NO. OF EMPLOYEES	
	2022	2023
Indonesian	3,882	3,555
Bulgarian	1	1
Filipino	1	1
Indian	8	5
South Korean	7	5
Trinidadian and Tobagonian	1	1
American	2	2
Japanese	3	0
Australian	4	3
Singaporean	5	4
New Zealander	1	1
Canadian	1	1
Total	3,916	3,579

EDUCATIONAL BACKGROUND [GRI 405-1]	NO. OF EMPLOYEES	
	2022	2023
Doctorate	4	4
Master's degree	238	257
Bachelor's degree	1,798	2,012
Associate degree	342	314
Elementary to high school certificate	1,534	992
Total	3,916	3,579

DESCRIPTION [GRI 2-7]	PERMANENT	TEMPORARY / CONTRACT WORKERS
Male	1,590	1,318
Female	403	268

Note:

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

WORKERS WHO ARE NOT EMPLOYEES [GRI 2-8]	MALE	FEMALE	TOTAL
Part-time/temporary/internship staff	45	41	86
Outsourced staff	1,393	83	1,476
Experts	8	2	10

Note:

- The data on workers who are not employees was compiled using the headcount methodology with the cutoff date of December 31, 2023

Diversity of governance bodies [GRI 405-1]

DESCRIPTION	2023	
	NUMBER	%
By gender		
Male	80	93.02%
Female	6	6.98%
By age group		
<30 years old	0	0.00%
30-50 years old	28	32.56%
>50 years old	58	67.44%

NO. OF NEW HIRES [GRI 401-1]	2023
By age group	
< 30 years old	131
30 - 50 years old	111
> 50 years old	9
By gender	
Male	202
Female	49

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

NO. OF EMPLOYEE TURNOVER [GRI 401-1]	2023
By age group	
< 30 years old	73
30 - 50 years old	68
> 50 years old	26
By gender	
Male	123
Female	44

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

EMPLOYEE TURNOVER [GRI 401-1]	2022	2023
Voluntary	2.99%	1.71%
Involuntary	5.68%	2.75%
Total	8.67%	4.46%

DESCRIPTION [GRI 401-3]	MALE	FEMALE
Total number of employees entitled to parental leave	962	172
Total number of employees that took parental leave	63	15
Total number of employees that returned to work after parental leave ended	63	11
Return to work rate	100%	73%

Note: Return to work rate is calculated by dividing total number of employees that returned to work after parental leave by total number of employees due to return to work after taking parental leave

Training parameters

DESCRIPTION [GRI 404-1, 404-3]	UNIT	BY GENDER		BY LEVEL		TOTAL
		MALE	FEMALE	BOC BOD EXEC	MGR BELOW	
Total hours of training	Hours	90,319	24,494	4,728	110,085	114,813
Average hours of training per employee	Hours	31.06	36.50	34.51	31.98	32.08
Percentage of employees receiving performance and career development reviews	%	100.00%	100.00%	100.00%	100.00%	100.00%

Appendix E: Incidents related to discrimination

STATUS OF DISCRIMINATION INCIDENTS [GRI 406-1]	2021	2022	2023
Incidents 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	2	3	0
Incident no longer subject to action	0	0	0
Total number of incidents	2	3	0

Appendix F: Health and safety

HEALTH AND SAFETY PARAMETERS [GRI 403-9, 403-10]	TOTAL		
	2021	2022	2023
For employees:			
No. of fatalities	0	0	0
No. of work-related ill health	8	2	0
No. of lost time injuries	0	3	0
No. of recordable injuries	8	14	2
No. of high consequence injuries	1	7	0
No. of hours worked	47,847,907	58,643,037	30,603,127
Lost Time Injury Rate	0.00	0.01	0.00
Total Recordable Injury Rate	0.03	0.05	0.01
For contractors:			
No. of fatalities	0	1	2
No. of work-related ill health	0	0	0
No. of lost time injuries	62	6,096	12,188
No. of recordable injuries	6	23	8
No. of high consequence injuries	2	5	2
No. of hours worked	47,759,756	55,883,600	58,606,276
Lost Time Injury Rate	0.26	21.82	41.59
Total Recordable Injury Rate	0.03	0.08	0.03

Note:

- 2021 and 2022 health and safety data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding
- Contractor lost-time injuries for 2022 and 2023 experienced a significant increase due to contractor fatalities. According to *Kepdirjen ESDM No.185 Tahun 2019*, fatalities translate to 6,000 days of lost-time injuries.

Appendix G: Human Rights

Unionized employees in Indika Energy by gender

GENDER	NO. OF UNIONIZED EMPLOYEES
Male	369
Female	31

Note: Currently, only employees from Kideco participate in labor unions.

Incidents related to rights of indigenous peoples [GRI 411-1]

STATUS OF INCIDENTS INVOLVING RIGHTS OF INDIGENOUS PEOPLES	2021	2022	2023
Incidents 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
Incident no longer subject to action	0	0	0
Total number of incidents	0	0	0

Note:

- 2021 and 2022 data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding

Appendix H: Business Ethics

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

DESCRIPTION	2023	
	NUMBER	PERCENTAGE
Operations assessed for risks related to corruption	Holding company and 10 business units	100%
Governance bodies that have been communicated to and trained on anti-corruption policies and procedures	86	100%
Employees who have been communicated to on anti-corruption policies and procedures	3,579	100%
Employees trained in anti-corruption	2,070	57.8%

Note:

- 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.

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

DESCRIPTION	2023
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
Public legal cases brought against the company or its employees	0

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

DESCRIPTION	2021	2022	2023
Whistleblowing reports received	7	10	2
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 (in USD)	0	0	0

Note:

- 2021 and 2022 data is compiled based on Kideco, Petrosea (divested in 2022), Tripatra, MUTU, and Interport. 2023 figures include Kideco, Tripatra, Interport, Indika Indonesia Resources, EMITS, Ilectra Motor Group, Xapiens, Masmindo, Mekko, Indika Nature, and Indika Energy Holding

Contact us [GRI 3]

Our Sustainability Report 2023 forms part of Indika Energy's annual Environmental, Social, and Governance (ESG) communications [GRI 2-3]. This Report includes information provided in our Annual Report 2023, 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. Since 2022, we also publish the UNGC Communication on Progress Report as part of our commitment as an UNGC signatory.

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