



2022

Sustainability

Report

**GROW TOGETHER IN
SUSTAINABLE DEVELOPMENT**



Sustainable development is the spirit of improving welfare and giving meaning to the future. For this reason, KIDECO and all stakeholders will always cooperate to create a balance of environmental, social, and governance (ESG) performance. We want to always grow, give meaning to life, and together with the community support the achievement of Sustainable Development Goals.



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Sustainability Performance Overview

Improving Environmental Performance

Excellent Performance	Unit	2022	2021	2020
National PROPER Rating		Green	Green	Gold
Post-mining Reclamation Land Area	Ha	5,050.06	4,609.37	4,168.12
Energy Reduction	GigaJoule	315,242.94	253,998.99	137,411.13
Greenhouse Gas (GHG) Emission Reduction	Ton CO ₂ eq	786,502.12	666,300.13*	564,838.44*
Total Water Usage	m ³	3,937,537	3,217,340	2,749,222
Fulfillment of Environmental Quality Standard Requirements	Category	In compliance	In compliance	In compliance
Hazardous and Toxic Waste Reduction	Ton	3,050.436	3,097.95	2,952.88
Non-hazardous and Toxic Waste Reduction	Ton	5,030.956	2,002.630	2,211.512
Land Area Rehabilitated	Ha	8,324.60	4,900.90	212.50

Notes: *restatement of 2020 and 2021 data due to changes in the way carbon offsets are calculated in the reclamation area. [2-4]



Reclaimed Land Area
2021: 4,609.37 Ha



Energy Reduction Value
2021: 253,998.99 GJ



GHG Emission Reduction Value
2021: 666,300.13 Ton CO₂eq

Developing Employee Values

Excellent Performance	Unit	2022	2021	2020
Fatal Occupational Accidents	Incident	None	None	None
Safe Working Hours	Million Hours	1.18	1.68	1.53
Employee Sick Visit Rate	Visit	376	660	657
Total Employee Training Hours	Hour	125,715	121,291	19,352
Average Training Hours/Employee	Hour	42.02	41.95	39.74

Strengthening Economic Values

Excellent Performance	Unit	2022	2021	2020
Production Cost Savings*	%	+21	+16	+20.1
Coal Production	Ton	34,769,448	35,821,057	33,004,280
Sales Value	Million USD	3,008.81	2,196.88	1,249.4
Net Profit		625.98	426.36	75.41
Customer Satisfaction Index	%	100	99.53	99.74
Corporate Tax Liability Value	Million USD	516.27	352.09	60.4
TKDN fulfillment	%	35.51	34.82	41.11

Note: *Increase in fuel prices & other cost components

Sharing Values with the Community

Superior Performance	Unit	2022	2021	2020
CSR Funds Realization	Billion IDR	47.5	53.02	42.10
Total Assistance in Handling the COVID-19 Pandemic		16.2	29.9	20.8

Building a Responsible Business

2022	2021	2020
The Board of Commissioners performs supervisory actions in the Company		
In conducting effective supervision in the Company, the Board of Commissioners regularly conducts Board of Commissioners Meetings with the Board of Directors of the Company		
Assist the Board of Commissioners in realizing and supporting effective supervision in the Company		
Committee members appointed in 2021 continued the function and responsibility of supervision in 2020.	Establishment and Appointment of Committee members to assist the Board of Commissioners in performing supervisory actions over the Company, namely: <ol style="list-style-type: none"> 1. Risk and Compliance Audit Committee 2. Nomination and Remuneration Committee (previously named Human Capital Committee) 3. Project & Investment Committee 4. Sustainability Committee 	Establishment and Appointment of Committee members to assist the Board of Commissioners in performing supervisory actions over the Company, namely: <ol style="list-style-type: none"> 1. Risk and Compliance Audit Committee 2. Nomination and Remuneration Committee (previously named Human Capital Committee) 3. Project & Investment Committee
	Based on the Circular Decision of the Board of Commissioners No. KJJ 216/LEG 022: KJJ 216/LEG 022/IV dated April 1st, 2021.	Based on the Circular Decision of the Board of Commissioners Number KJJ 206/LEG 015/VI dated July 28th, 2020.
	* ARC, Nomination Remuneration, Sustainability Committee meetings are held virtually every quarter and discuss the scope of the relevant committees to conduct regular meetings to discuss work plans or special predetermined agendas.	* ARC and Nomination and Remuneration Committee meetings are held virtually every quarter and discuss the scope of the relevant committees to conduct regular meetings to discuss work plans or special predetermined agendas.



2022	2021	2020
Implementation of good corporate governance, supervision of the Company to achieve effective performance for the benefit and continuity of the Company.		
<p>1. Appointment and Assignment of The Ethics Board for Performing Functions Anti-Bribery Compliance No. KJJ 226/LEG 040/IV dated 18 April 2022.</p> <p>2. Appointment and Assignment to Carry out Ethical Functions and Business Integrity No. KJJ 226/LEG 041/IV dated 18 April 2022.</p>	<p>1. Establishment and Appointment of the Ethics Council - Anti-Bribery Compliance Function based on the Circular Decree of the Board of Directors Number: KJJ 216/LEG 025/VII dated July 1st, 2021.</p> <p>2. Establishment and Appointment of Ethics and Business Integrity Function based on Circular Decree of the Board of Directors Number: KJJ 216/LEG 026/VII dated July 1st, 2021.</p> <p>3. PT Kideco Jaya Agung established the Gifts and Hospitality Policy in December 2021.</p>	<p>Policy implementation:</p> <p>1. Implementation of Anti-Bribery and Corruption (ISO 37001). Based on Anti-Bribery Policy No. 12/KJA/PD/A/2020 dated November 26th, 2020.</p> <p>2. Establishment of Governing Body, FKAP (Anti-Bribery Compliance Function), and BEI (Business Ethic and Integrity Function) to run ABMS in accordance with their functions and authorities. Based on the Decision of the Commissioner on the establishment of the Governing Body on Nov 20th, 2020, and the Decision of the Board of Directors for the establishment of FKAP and BEI on Nov 20th, 2020.</p> <p>3. Code of Conduct Based on Code of Conduct Document Nov 2020.</p> <p>4. Whistleblowing Procedure Based on Whistleblowing procedure document Nov 2020.</p> <p>5. Organizing regular Board of Directors Meetings as a form of joint decision making and each Board of Directors works functionally.</p> <p>6. Organization of regular Board of Commissioners Meetings together with the Board of Directors.</p> <p>* During the pandemic, every meeting is conducted virtually so that activities can still be carried out.</p>
Ensure the Company's interests are protected, and vendor obligations are fulfilled		
<p>Policy Implementation:</p> <p>1. Formation of Contract Principles to ensure standards contract making between KIDECO with counterpart received.</p> <p>2. Provide internal socialization regarding Standard Operating Manufacturing Procedure (SOP). Legal Documents & Agreements, to provide understanding of the implementation of a work based on the agreement.</p>	<p>Policy Implementation:</p> <p>1. Establishment of Contract Principle to ensure that the standard of contract making between KIDECO and counterparts is well protected by law.</p> <p>2. Providing internal socialization regarding the Standard Operating Procedure (SOP) for Making Legal Documents & Agreements, to provide an understanding of the implementation of a Job based on an Agreement.</p>	<p>Policy Implementation:</p> <p>1. SOP for Legal Document Creation at KIDECO. Based on the Legal Document Creation Policy dated August 1st, 2020.</p> <p>2. Record Management System.</p> <p>*In the form of an Internal Legal Portal - Record Management was launched in December 2020 and continued in 2021.</p> <p>*Record Management System, through digitization for more productive and efficient performance, enables collaboration in document work, digital approval management submission process, and archived documents in the system.</p>



KIDECO Achievements

2022 Awards

1. GMP Award for Environmental Management Aspect Aditama Charter-KESDM
2. PROPER National Green Rating - Ministry of Environment and Forestry (KLHK)
3. PROPER Province Green Rating - Governor of East Kalimantan Province



1. Subroto Award 2022 - Most innovative Coal Community Development and Empowerment Program for Coal Mining Companies



Indonesian Sustainable Development Award (ISDA) 2022

1. The Top Corporate Leadership on SDGs Year of 2022
2. The Most Committed Corporate on SDGs for Social Pillars
3. The Most Committed Corporate on SDGs for Economy Pillars
4. The Most Committed Corporate on SDGs for Environment Pillars
5. The Platinum Award (9 Platinum for the Program Field Category)



TOP CSR Award 2022

1. Top CSR Award Star 5 Excellent
2. Golden Star Trophy
3. Top CSR Award for the Environment in the Clean Water Provision Program
4. Top Leader in CSR Commitment 2022



Top Digital Award 2022

1. TOP DIGITAL Implementation 2022 level star 5
2. TOP LEADER on Digital Implementation



Awards from the Regent of Paser:

1. Zero Accident
2. Platinum Award for P2 HIV & AIDS Program
3. P2 Covid-19 Platinum Category

Award from the Governor of East Kalimantan:

1. Zero Accident
2. P2 HIV AIDS Platinum Category
3. P2 Covid-19 Platinum Category



M. Kurnia Ariawan
President Director

President Director's Remarks

“Stronger collaboration, higher achievements, and growing together with all stakeholders to contribute to sustainable development.”

Dear stakeholders,

Managing our business based on environmental, social, and governance (ESG) aspects have become an obligation for us at KIDECO. As a Company engaged in the mining sector, KIDECO conducts activities while striving to maintain environmental sustainability. We manage every impact of our activities to minimize the negative effects. In addition, the increasingly dynamic regulations require us to always adapt and operate while considering ESG aspects.

KIDECO is optimistic that in the future we will provide the best performance and, together with stakeholders, can grow together in a sustainable development.

Responding to Challenges and Managing Changes

We are committed to conducting sustainable business activities. Through the synergy between departments, KIDECO manages ESG aspects. We actualize this effort by signing a joint commitment with all partners to apply balanced ESG practices.

KIDECO understands that all management, staff, and workers should embrace sustainability values. For that reason, we hold values that are Synergy, Ownership, Agility, Unity in Diversity, Social Responsibility, and Integrity (SOLUSI). These values are embodied as a sustainability culture in the working environment. We also apply policies in managing changes and challenges.

Extreme weather and climate change are some of the challenges that hinder smooth operation. Similarly, carbon emissions are the biggest challenge in running our operational activities. Therefore, we strive to carry out more eco-friendly activities and stay updated with innovations to reduce emissions and improve efficiency. These efforts have yielded achievements, such as the Green PROPER award from the Ministry of Environment and Forestry (KLHK) for good environmental management and community empowerment.

In the production process, we have an environmentally friendly coal product, bituminous coal, which is thermal coal with efficient energy (heat). This bituminous coal has low sulfur content, which is 1/7 of the sulfur content of thermal coal in general. With this environmentally friendly coal product, we hope to contribute to reducing the negative impacts of emissions generated in the production process.

Sustainability Performance

In 2022, KIDECO produced and sold 34.7 million tons of coal. This achievement was due to the support of various stakeholders, strategic policy implementation, and the perseverance of all KIDECO personnel. The Company hopes to continue improving its performance, as it moves into its new eco-friendly office named Lou Taka, which means “our house” in local Paser language. All room names are in the local language to preserve the culture and natural environment of the Paser Regency.

In managing the environment, KIDECO continues its energy efficiency and decarbonization initiatives through various innovations. The Company uses solar power plants (PLTS) for employee basecamp, electric buses for employee transportation, and micro-hydro power plants as a substitute for conventional tower lamps. The Company has also improved waste treatment with the principle of reduce, reuse, and recycle (3R), for both hazardous and non-hazardous waste. All of these efforts have successfully reduced emissions by 790 KTon CO₂eq of 2022.

All of our employees comply with strict health and safety policies. Equal employment opportunities without discrimination are also a concern for women empowerment. The Company values and respects every background difference and implements equality in every aspect of its activities.

The community is the Company's closest family in carrying out its operations. Together with them, the Company carries out empowerment activities in education, health, economics, and culture, as well as infrastructure. The Company has 72 foster villages in the Paser Regency involved in community development and empowerment programs. Some of the programs are the Integrated Agricultural System, empowerment of MSME groups, KIDECO Gemilang Scholarship, Teacher Skills Training, Provision of Clean Water Facilities, Stunting Treatment, and infrastructure development. The total cost of implementing the 2022 social responsibility activities are in accordance with the budget approved by the government.

In 2022, the Company's community empowerment activities received awards, including the Subroto Award in the Innovative Coal Mining Program for Coal Mining Businesses, the Top CSR Award, and the Indonesian Sustainable Development Award (ISDA) for The Most Committed Corporate on SDGs for Social Pillars.

KIDECO also ensures sustainable practices supported by good governance. The Company implements a code of ethics embodied in the Code of Conduct and Business Ethics. It complies with ISO 37001 and respects human rights.

Target Achievement Strategy

KIDECO understands that the business prospects in the coal industry are transitioning towards energy transition. However, the need for energy supply in general still requires coal availability. Therefore, we manage this risk and capitalize on opportunities by providing coal products as a more eco-friendly energy source.

A variety of internal and external situations affect sustainable performance. Internally, we should align our understanding of sustainability and improve innovations that support sustainability. Meanwhile, externally, sustainability is heavily influenced by various regulations and standards, as well as stakeholder needs in implementing a balanced ESG aspect.

Growing Together

We believe that all of our achievements are inseparable from stakeholders' support. Therefore, we express our sincere thanks and appreciation to them for implementing sustainable practices. We hope that this step will become a rhythm of togetherness in growing and supporting the achievement of Sustainable Development Goals.

Jakarta, March 2023

On Behalf of the Board of Directors,

M. Kurnia Ariawan
President Director



Getting to Know PT Kideco Jaya Agung

PT Kideco Jaya Agung, hereinafter referred to as 'KIDECO' or 'We' or 'the Company', established on September 7th, 1982, A coal mining company in Paser Regency, East Kalimantan Province, Indonesia.

Vision, Mission and Corporate Values [2-23]

KIDECO internalizes the Company's vision, mission, and values through periodic socialization to all Company personnel and builds a culture of applying the Company's values, which are encapsulated in "SOLUSI". Socialization carried out through employee gathering activities as well

as activities with themes in line with the vision and mission. In addition, to support the comprehensive internalization of values, KIDECO established a People Transformation team, with relevant programs, activities, and measurement methods/parameters along with change management.

Vision

The most reliable and eco-friendly Indonesian energy provider for sustainable future

Mission

1. Maximizing value creation for our stakeholders
2. Being socially responsible for better Indonesian generation
3. Contributing to green living for harmonious environment
4. Continuously developing human capital for organization excellence



Synergy

Goal alignment and cooperation are based on understanding oneself and others in order to achieve a cohesive team.

Ownership

Promise fulfillment, results delivery, extra hard and smart work in order to achieve superior organizational performance.

Agility

Ability to seek different perspectives and make improvements to processes, products and services in order to remain relevant to the market and generate optimal economic value for the organization.

Unity in Diversity

An attitude of accepting and appreciating diversity as an important asset in order to strengthen the organization.

Social Responsibility

Implementation of safety, health, environmental sustainability, and community development standards in an effort to achieve mutual sustainability.

Integrity

Conformity of words with deeds to comply with government policies, Company regulations, and applicable codes of ethics, in order to improve the Company's reputation and credibility.

About Us [2-1]

Company Name	PT Kideco Jaya Agung (KIDECO)
Activities, Brands, Products and Services	Coal mining activities which include exploration, development and mining of coal, as well as coal delivery to customers. The product produced is bulk coal. There were no significant changes related to the Company during 2022 compared to the previous period.
Head Office	Graha Mitra 1 st Floor Jl. Jenderal Gatot Subroto Kav. 21 Sub-district Karet Semanggi, Kec. Setiabudi, City Adm. South Jakarta, DKI Jakarta Province Postal Code 12930 Tel. 021-5257626 Fax. 021-5257662
Operation Location	Batu Kajang Village/Subdistrict, Batu Sopang District, Paser Regency, East Kalimantan Province Kode Pos 78252 Telp. 0543-22522 Faks. 0543-22520
Legal Form	Limited Liability Company
Market Served	63 Domestic and foreign customers Export destination 11 countries





Sustainability Milestones

1993

The Signing of Coal Contract of Work (CCOW) with the Government of Indonesia.

1982

Establishment of PT Kideco Jaya Agung, in September.

Commercial production commenced, with a capacity of 1.2 million tons per year.

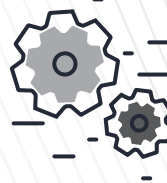


2017

PT Kideco Jaya Agung became part of PT Indika Energy Tbk.

2014

The highest production achievement was 40.3 million tons.



2018

Use of a new logo as KIDECO's identity.

2020

Maintained Gold PROPER Rating from the Ministry of Environment and Forestry.



2019

Gold PROPER from the Ministry of Environment and Forestry.

2021

- KIDECO deploys solar power plant
- Achievement of the Provincial Gold Proper award for the ninth time
- Launching of the Company value "SOLUSI" Synergy, Ownership, Agility, Unity In Diversity, Social Responsibility, and Integrity.

2022

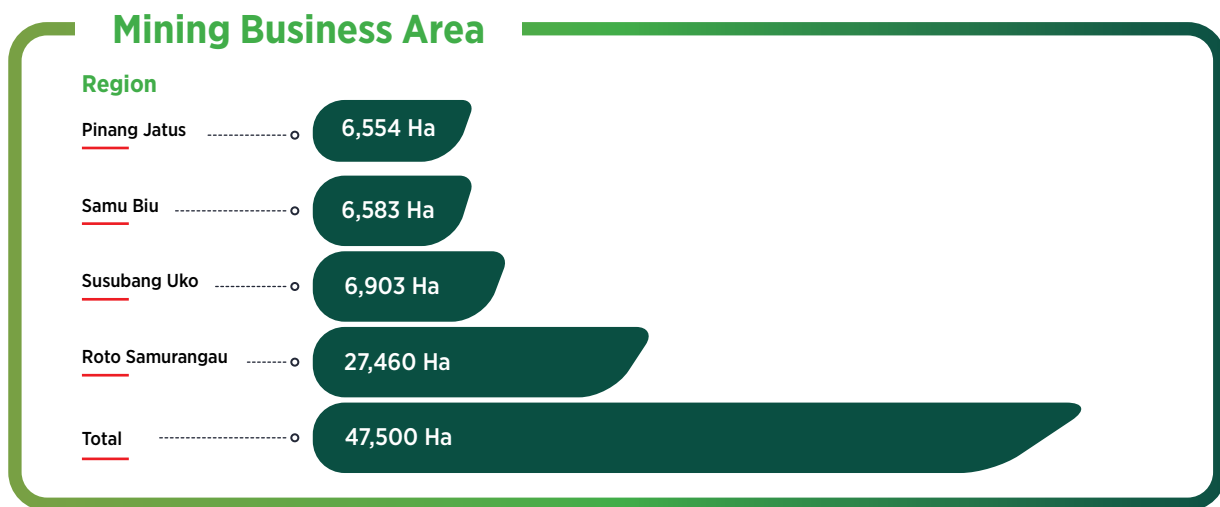
- Launch of Nembayu Application for safety administration
- Implementation of ESG integrity pact to all KIDECO site contractor partners.



Operation Area [2-1][2-6]

KIDECO's Mining Business Area (WUP) is located in Paser Regency, East Kalimantan, Indonesia. The current WUP area based on the Second Amendment of PKP2B Number 2444/30/DJB/2017 is 47,500 Ha, which is also supported by the Decree of the Minister of Energy and Mineral Resources Number 250.K/30/DJB/2018 dated May 21st, 2018, concerning Shrinkage in the Context of Amendment to the Coal Contract of Work of KIDECO.

Coal mining operations take place in Roto Samurangau and Susubang Uko. Production operations in the Roto Samurangau Block are based on the Extension of Forest Area Use Approval as stipulated in Minister of Environment and Forestry Decree No. SK.154/MENLHK/SETJEN/PLA.0/2/2022. For the Samu Biu Block, based on the Extension of Forest Area Use Approval as stipulated in Minister of Environment and Forestry Decree No. SK.192/MENLHK/SETJEN/PLA.0/3/2022.

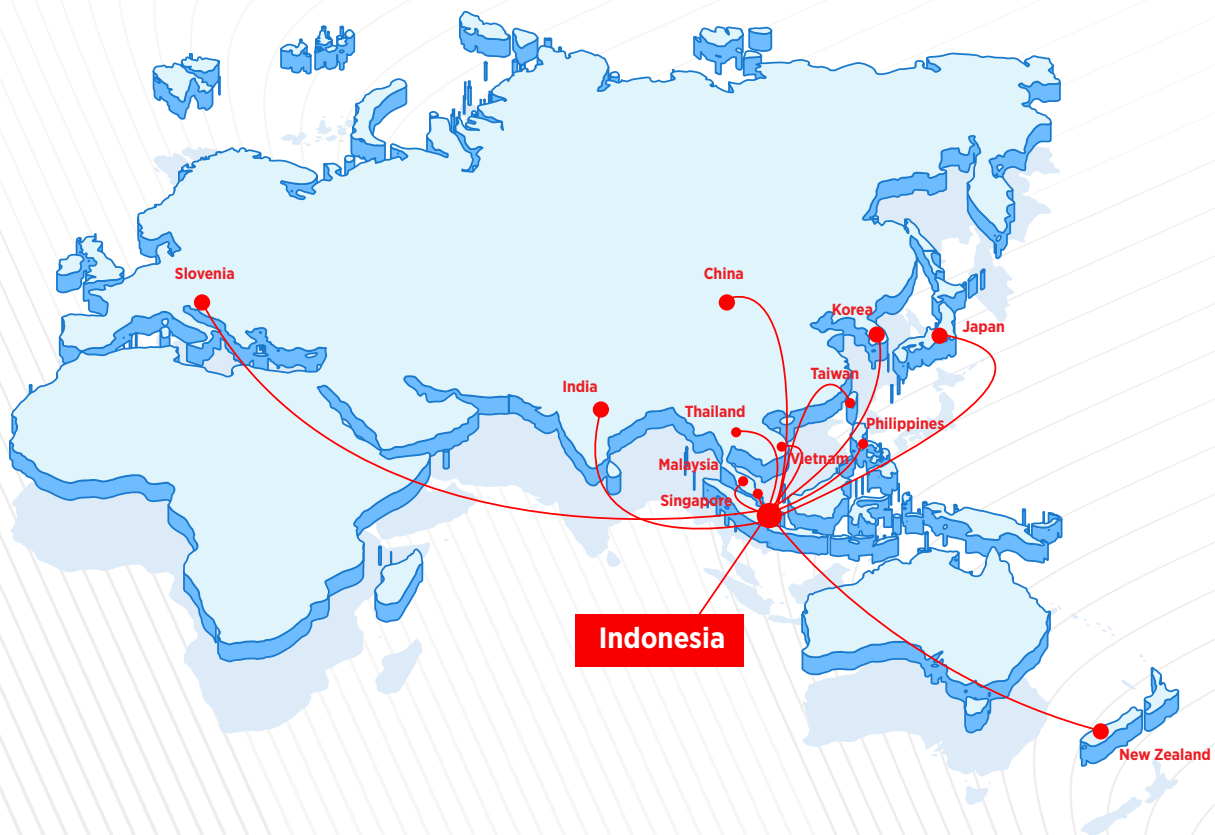


Market Served [2-1][2-6]

Total Sales (Million Tons)	Total Sales in 2022		
	Destination	Volume (Million Ton)	Percentage (%)
34.7	Domestic, including Domestic Market Obligation (DMO)	9.6	27.73
	Export to 11 countries	25.1	72.27
Total		34.7	100



Map of KIDECO's Sales Markets



Organization Scale [2-6]

Description	Unit	2022	2021	2020
Number of employees	People	722	632	552
Number of KIDECO employees who are union members		396	374	337
Total coal sales	Million USD	3,008.81	2,196.88	1,249.4
Number of operating areas (head office & mining sites)	Area	3	3	3
Balance Sheet				
Total assets	Million USD	1,270.79	902.9	489.5
Total liabilities		759.60	517.7	280.7
Total equity		511.19	385.2	208.8
Coal production and reserves				
Proven and probable reserves*	Ton	396.3	430.3**	498.0**
Production		34,769,448	35,821,057	33,004,280

Notes:








*Reserve data adapted from Joint Ore Resources Committee (JORC) and Komite Cadangan Mineral Indonesia (KCMI) Documents

** Restatement of 2020 and 2021 data [2-4]

External Initiatives

External Initiatives	Status
Corporate Forum for Community Development	Member
CSR Mining Forum of East Kalimantan Province	Member
Paser Regency CSR Forum	Chairman
CSR Forum of Ministry of Social Affairs East Kalimantan Province	Member
KIDECO HR Forum	Chairman
Paser District HR Forum	Member

Certification

Certification Name	Organizer	Validity Period
 PAS 99:2012 Integrated Management System		2020 - 2023
 ISO 9001:2015 Quality Management System		2020 - 2023
 ISO 14001:2015 Environmental Management System	British Standard Institution (BSI) Indonesia	2020 - 2023
 ISO 45001:2018 OHS Management System		2020 - 2023
 ISO 50001:2018 Energy Management System		2022- 2025
 SMK3 PP 50 Tahun 2012 OHS Management System	SUCOFINDO c/q Ministry of Manpower of the Republic of Indonesia	2019-2022
 ISO 37001:2016 Anti Bribery Management System	British Standard Institution (BSI) Indonesia	2022 - 2025

Non-certification

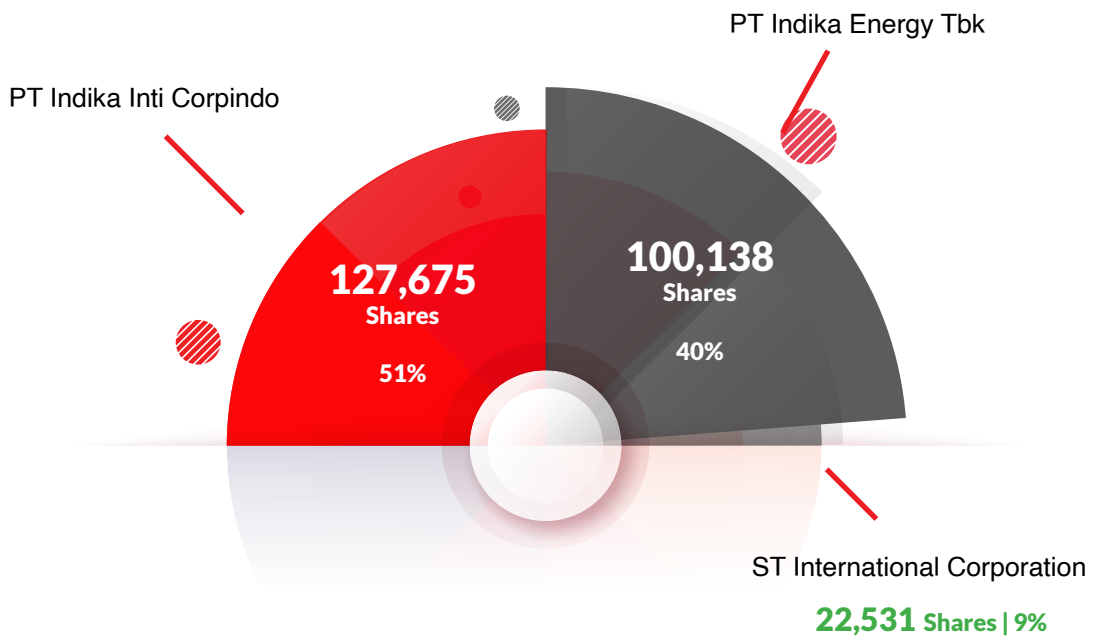
Standard/Regular	Description	Department
ISO 31000:2018 Enterprise Risk Management System	As a guide in the implementation of risk mitigation to facilitate KIDECO to achieve the Company's objectives.	Dept. ERM
Decree of the Director General of ESDM No. 185.K/37.04/DJB/2019 Mining Safety Management System (SMKP)	SMKP is part of the Company's management system to control mining safety risks. KIDECO has implemented SMKP and regularly conducts internal audits to its partners.	Dept. HSE
ISO 14040:2016, ISO 14044:2017, and Perdirjen PPKL No. 14 KLHK Life Cycle Assessment	Environmental impact assessment through impact category of global warming (global warming 100a), acidification, eutrophication, ozone layer depletion and energy use and renewable energy use for KIDECO Coal Life Cycle.	Dept HSE- Environment & Dept BPIT - CMS
Energy Audit	Assessment of KIDECO's energy performance, by evaluating energy utilization and aiming to identify energy saving opportunities and recommendations for improving energy efficiency at KIDECO.	Dept BPIT-CMS

Association Membership [2-28]

KIDECO is actively involved in several associations relevant to its business activities. The memberships serve to keep up to date with developments related to coal mining, as well as to maintain strategic partnerships with various stakeholders.



Shareholding



Business Process and Supply Chain [2-6]

KIDECO involves partners and provides open opportunities in the process of providing goods and services, as long as they meet the specified requirements and criteria. The Company evaluates the performance of suppliers related to social and environmental aspects of all suppliers. In general, all suppliers have carried out work in accordance

with the agreed contract. There are no negative impacts arising from the activities carried out, either on workers, the community, or the environment. KIDECO also ensures that there are no artisanal/small-scale mining activities in our mining areas. [308-1][308-2][414-1][414-2][CSS-12.15.8][CSS-12.15.9][CSS-12.16.3][CSS- 12.17.3]

The Company always prioritizes local companies and the use of domestic operating goods, capital goods, equipment, raw materials, and other supporting materials. The types of suppliers involved consist of equipment suppliers for heavy equipment, providers of raw materials in the operation process, and so on.

The involvement of local suppliers and the use of local products has fulfilled the Domestic Component Level (TKDN). For that reason, Indonesia Mining Association (IMA) acknowledges that KIDECO has succeeded as a mining company to achieve the best TKDN practices. Of note, KIDECO recorded the increase in TKDN from 34.82% in 2021 to 35.51% in 2022.

Business Processes, Support Facilities and Partner Companies in the KIDECO Supply Chain [2-6]

Business Process	Supporting Activities and Facilities	Total Partner Company
Mining	<ul style="list-style-type: none"> Open pit mining. Number of excavators 54 units. Number of dump trucks 340 units. 	7*
Processing	<ul style="list-style-type: none"> 4 Dedicated transportation road to breaking facility 3.0-27.3 km. The number of magnetic breakers is 10 units with a capacity of 55 million tons/year. 	0
Land Transportation	<ul style="list-style-type: none"> 35 km of dedicated road for transportation to the port. The number of Hauler trucks is more than 130 units. 	3**
Port and Loading	<ul style="list-style-type: none"> Internationally certified Tanah Merah Coal Terminal (TMCT) with a capacity of 55 million tons. Conveyor is equipped with 21 units of Magnetic Separator. Conveyor is installed with Metal Detector to avoid metal mixed with coal. 	0
Shipments	<ul style="list-style-type: none"> Offshore shipping facility in Adang Bay. Equipped with 3 Floating Loader Facility (FLF) and 3 Floating Crane (FC) unit facilities. 	3***

* Petrosea (PTRO), Sims Jaya Kaltim (SIMS), Pamapersada Nusantara (PAMA), Bima Nusa Internasional (BIMA), Diesel Utama Mineral (DUM), Karya Kembar Bersama (K2B), Mandiri Herindo Adiperkasa (MHA).

**Mandiri Herindo Adiperkasa (MHA), Samindo Utama Kaltim (SUK), Trasindo Murni Perkasa (TMP).

*** Cotrans Asia (CTA), Pelayaran Kartikasamudera Adijaya (KSA), Pusaka Lautan Berlian (PLB).

For KIDECO, local suppliers must have the requirements of being a legal entity, established under the Laws of the Republic of Indonesia, domiciled in the country, and having Domestic Capital (PMDN) or Foreign Capital (PMA). The

involvement of local suppliers/vendors in the Company's supply chain contributes to Regional Original Revenue (PAD) and the provision of jobs for the community.

Percentage of Partner Companies by Domicile (%) [204-1][CSS-12.8.6]

Domicile	2022	2021	2020
Local Paser Regency	1.60	11.52	0.9
Local, other regions in East Kalimantan	4.19	32.92	3.4
National	94.02	55.56	95.7
Overseas	0.19	0	0
Total	100	100	100



The involvement of local suppliers supports domestic product expenditures, which are products produced and sold by local suppliers at the district, provincial and national levels. In 2022, the realization of goods expenditure on

domestic products reached 99.81% of the total realization of the Company’s goods expenditure which reached USD241,917,635. While the remaining 0.19% came from abroad.

Realization of Goods Expenditure (USD Million) [204-1][CSS-12.8.6]

Year	Domestic Products	Imported Products	Total	Percentage
	1	2	3	1:3
2022	241.47	0.45	241.92	100
2021	146.20	0	146.20	100
2020	86.30	1.52	87.82	98.27

Sustainability Policy and Strategy

KIDECO carries out business processes that are based on environmental, social and governance (ESG) aspects, one of which is through initiatives that lead to net zero emissions. In 2022, KIDECO management signed a joint commitment with all partners to implement ESG, in line with Indika Energy’s target of net zero emissions by 2050.

KIDECO realizes that implementing sustainability has various challenges, especially in conducting more

environmentally friendly operations. Therefore, the Company has implemented various strategies, such as formulating a target for the next 5 years, which is a 40% emission reduction target from the 2020 baseline. To achieve this, the Company is undertaking decarbonization and carbon offsets. KIDECO continues to strengthen the implementation of ESG aspects together with stakeholders to improve the Company’s performance and contribution.

[2-22]

The Task Force on Climate-Related Financial Disclosures (TCFD)

KIDECO in 2022 started to align its effort to reduce carbon emissions using Task Force on Climate-related Financial Disclosure (TCFD). The effort mitigates the negative impacts of climate change and extreme weather.

Pillar	Implementation
Governance	<p>KIDECO has a Task Force Team (“TFT”) Environment, Social, and Governance (“ESG”) or TFT ESG. It is responsible for implementing ESG aspects and consists of Steering Committee, ESG Manager, and representatives from each department.</p> <p>Some members of the BoD accompanied by the Head of Mining Engineering are part of the Steering Committee as the highest governing body of KIDECO’s TFT ESG. Meanwhile, the ESG department under the Team Manager is responsible for developing strategies, roadmaps, targets, achievements, or ESG and climate change reporting.</p>

Pillar	Implementation
Strategies	KIDECO has identified climate risks which are transition risks and physical risks. Furthermore, the Company has climate strategies focusing on 1 scope of GHG emissions, resilience development, and collaboration with stakeholders.
Risks Management	KIDECO is currently developing long-term plans to calculate the financial impacts caused by the risks and chances of climate change.
Metrics and Targets	<p>KIDECO complies with 'The Greenhouse Gas Protocol: GHG Protocol: A Corporate Accounting and Reporting Standard-Revised Edition' in calculating 1-scope emissions deriving from heavy equipment used in the mining and transportation of coal. Moreover, KIDECO calculates 2-scope emissions deriving from the purchase of electricity from the State Electricity Company (PLN).</p> <p>KIDECO has set a GHG emission reduction target of 40% in 2025 based on the absolute emission baseline produced in 2020 with a coverage 1 GHG emission value of 1,003,820 Ton CO₂eq. The GHG emission baseline for scope 1 of 2020 is generated from the use of B0 fuel. The GHG emission target produced in 2025 for scope 1 GHG emissions is 604,423 Ton CO₂eq.</p>

About the Sustainability Report

The Sustainability Report describes the Company's performance, impact and response in managing ESG aspects. This report is a continuation of the previous report, which was published on March 14 2022.

Reference for the preparation of the report:

1. Financial Services Authority Regulation (POJK) No.51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies;
2. Circular Letter of the Financial Services Authority (SEOJK) Number 16/POJK.04/2021 on Technical Guidelines for the Preparation of Sustainability Reports for Issuers and Public Companies;
3. Global Reporting Initiative (GRI) Standards 2021: in accordance with the GRI Standards;

4. Global Reporting Initiative (GRI) Standard 12: Coal Sector, with conformity based on material topics;
5. Task Force on Climate-Related Financial Disclosures (TCFD).

We have no subsidiaries so the contents of this sustainability report are entirely from KIDECO, for one year from January 1st to December 31st, 2022. The financial performance information presented has also been audited by the Public Accounting Firm (KAP). This sustainability report has been prepared with due regard to the principles of accuracy, balance, completeness, and precision. All information disclosed has been approved by the Board of Directors as the responsible governance official. [\[2-2\]](#)[\[2-3\]](#)[\[2-14\]](#)

Restatement of Information [\[2-4\]](#)

Some of the information we present is a restatement of data from previous sustainability report information that is not significant. This restatement is affected by scope adjustments and changes in calculation methods.

Material Topics and Support to the Sustainable Development Goals (SDGs)

The sustainability performance reported includes significant issues that are material to the mining operations in Paser Regency and the Head Office in Jakarta, and how they support the achievement of the SDGs.

The process of determining material topics was carried out by Focus Group Discussion (FGD) facilitated by an independent party on December 19, 2022. The material topics in this year's sustainability report have been reviewed and approved by the Board of Directors. [2-14]

Stages of the Report Content Determination Process [3-1]



















Material Topics and Support to SDGs [3-1][3-2]




Disclosure of material topics has been adjusted to the significant issues faced by KIDECO, stakeholder concerns, and expectations for the future. Material topics in 2022 are determined from the results of internal discussions and reviews of the previous year's Sustainability Report topics. There are additional material topics related to Land Reclamation, Technology and Innovation, and Gender Equality. This addition has taken into account the issue of

sustainability in the coal sector and matters of concern to stakeholders.

KIDECO supports efforts to achieve 11 of the 17 SDGs. The process of identifying support for the SDGs was carried out by referring to the SDG Compass and Bappenas Metadata. In its implementation, KIDECO involves various parties such as the government, community organizations, the private sector, academics, and so on.

Material Topics & SDG	2022 Outcome	2023 Target	Strategy
Occupational Health and Safety   	Zero fatality	<ul style="list-style-type: none"> Zero Fatality Zero Major Incident Zero Consequence Events Labor Diseases (KAPTK) 	<ul style="list-style-type: none"> Improvement of safety and health aspects OHS training and general health check up for employees
Energy and Emissions 	<ul style="list-style-type: none"> ESG framework development GHG emission reduction 786,502.12 Ton CO2eq Energy reduction 315,242.94 GJ 	Reducing GHG emission and energy use, and working to increase the use of renewable energy	<ul style="list-style-type: none"> Commitment to the use of renewable energy Building awareness of eco-friendly acts Developing decarbonization innovation

Material Topics & SDG	2022 Outcome	2023 Target	Strategy
<p>Local Community Engagement</p>     	<ul style="list-style-type: none"> PPM program realization Community empowerment based creative economy Health program handling and preventing stunting Tourism-based assisted village program 	<p>Improving the contribution of PPM by increasing the number of beneficiaries</p>	<ul style="list-style-type: none"> Involvement of stakeholders and the locals Empowerment of local SMEs (Small and Medium Enterprises)
<p>Land Reclamation</p> 	<p>5,050.06 Ha of reclaimed land</p>	<p>Increasing the number of reclaimed lands</p>	<ul style="list-style-type: none"> Replanting in mined lands Do plant maintenance
<p>Waste</p> 	<p>The reduction of hazardous waste in 2022 reached 3,050.43 tons and 5,030.95 tons of non-B3 waste</p>	<ul style="list-style-type: none"> Reducing the volume of B3 waste Increasing the volume of B3 waste treated to reduce environmental pollutions 	<ul style="list-style-type: none"> Implementation of 3R practices (reduce, reuse, recycle) Innovation for reducing waste
<p>Biodiversity</p> 	<p>Increased number of protected species by 15 mammals and 30 avifauna</p>	<p>Conserving the endangered species</p>	<ul style="list-style-type: none"> Conducting biodiversity studies Carry out biodiversity management
<p>Water and Effluent</p>  	<p>Discharged water volume 317,801,287 m³</p>	<p>Increasing the volume of wastewater treated</p>	<ul style="list-style-type: none"> Reducing the consumption of clean water and reducing the wastewater discharge Compliance with prevailed environment standards
<p>Business Ethics</p>  	<p>No incidents of corruption found</p> <p>Anti-corruption policy socialization to all employees</p>	<ul style="list-style-type: none"> Zero business practice incidents which is not fair Prevent all forms acts of corruption 	<ul style="list-style-type: none"> Strengthening governance and reporting to improve transparency Formulate Anti-Corruption policies and socialization

Material Topics & SDG	2022 Outcome	2023 Target	Strategy
Technology and Innovation  	<ul style="list-style-type: none"> Implementation of Face Detection Attendance System for absences Digitalization of business processes (E-Procurement, computerized management system, fuel management) Implementation of 'Nembayu' application Implementation of 'One KIDECO' application 	Applying technology for business efficiency	<ul style="list-style-type: none"> Digitalization of mining activities Updating operational applications System and database integration in employee data management
Gender Equality 	109 female workers	Increasing the number of female employees serving the managerial officials	<ul style="list-style-type: none"> Training and career opportunities for female employees Dissemination of human rights, diversity, and equality

Assurance by Independent Parties [2-5]

This 2022 Sustainability Report has been assured by an independent external party, SR Asia. Verification was conducted using the AA1000 AS Type 1.

We ensure that there is no conflict of interest in this verification process and that the selection of assurers is carried out independently.

Stakeholder Engagement [2-29]

KIDECO engages stakeholders and maintains communication in each of its activities to maintain the sustainability of the Company's business. We identify stakeholders based on their interaction and level of influence on the Company.

Key Topics and Stakeholders' Needs	KIDECO Response	Engagement Method, Implementation and Frequency
Shareholders		
<ul style="list-style-type: none"> Financial Performance Production and business growth Good corporate governance (GCG) adjustments 	Committed to building relationships with stakeholders through approaches and engagement according to their respective needs.	<ul style="list-style-type: none"> Periodic reports on the Company's performance, published as required. The Annual General Meeting of Shareholders is held once every year. The 2022 AGM was held on March 29th, 2022. Establish a 5-year Strategic Business Plan (SBP). Establish an Annual Business Plan (ABP) at least once a year.

Key Topics and Stakeholders' Needs	KIDECO Response	Engagement Method, Implementation and Frequency
Customer		
<p>Quality, supply and price assurance coal as per contract</p>	<ul style="list-style-type: none"> Implementation of Quality Management System (ISO 9001). 	<ul style="list-style-type: none"> Communication and meetings with customers, at least once a year. Customer satisfaction survey. Customer Satisfaction Index 2022 reaches 100%
Government		
<ul style="list-style-type: none"> Legal Compliance Good environmental management performance, including aspects of energy, water, emissions, biodiversity, effluent & waste. Occupational health and safety (OHS) implementation. Company business growth. Good relationship and positive impact on the community. 	<ul style="list-style-type: none"> Fulfillment of obligations under the Coal Contract of Work (CCOW), including the Post-Mining Plan (RPT). Environmental management and mining safety in accordance with good mining practice regulations. Corporate social responsibility (CSR) activities 	<ul style="list-style-type: none"> Payment of taxes and other obligations in accordance with CCOW, including reclamation guarantees. Certification of environmental management and mining safety standards, along with periodic audits as required. Periodic performance reporting to the Government, conducted as required. Participation in PROPER assessment, conducted once every year. KIDECO successfully achieved PROPER. Community Development and Empowerment Program.
Employees		
<ul style="list-style-type: none"> Safe and healthy working environment. Improved welfare and benefits. Increased competence and career development. The Company has good environmental management policies and systems. 	<ul style="list-style-type: none"> Implementation of Occupational Safety & Health Management System (OHSAS 18001 and SMK3 PP No.50 the Year 2012); and Mining Safety Management System (SMKP). Determination of remuneration and fulfillment of normative rights. Employee training and education. Implementation of the environmental management system. Improvement of employee competence in running a good environmental management system. 	<ul style="list-style-type: none"> Conduct daily safety induction and K3 socialization. Implementation of Company Regulations as a substitute for PKB. Implementation of training and KPI assessment once a year. Placing employees as initiators and implementers of the environmental management system.
Local Communities		
<ul style="list-style-type: none"> Increased welfare Damage prevention Environmental pollution 	<ul style="list-style-type: none"> Community development and empowerment (PPM) CSR activities, improving the quality of education, health services and infrastructure development. Standardization of environmental management and mine safety. 	<ul style="list-style-type: none"> Periodic dialogue at least once every week or as needed. Conduct stakeholder forums at least once a month.

Key Topics and Stakeholders' Needs	KIDECO Response	Engagement Method, Implementation and Frequency
Suppliers and Partners		
<ul style="list-style-type: none"> Sharing growth through supply chain implementation. The Company has good environmental policies and management systems. 	<ul style="list-style-type: none"> Transparency of operational contracting processes and procedures. Providing technical and operational support to suppliers and partners. Implementation of environmental and mine safety management systems. 	<ul style="list-style-type: none"> Regular quarterly meetings with suppliers and partners, or as needed when deemed necessary.

Feedback Responses

KIDECO would like to thank all stakeholders for providing feedback so that we can improve the quality of our reporting. The Company provided feedback by completing energy and emissions-related reporting, and referring to the Task Force on Climate-Related Financial Disclosures

(TCFD) framework. We also took into account the feedback provided by the assesor on the previous period's report. Therefore, we endeavor to provide more complete data and information in accordance with our policies and relevance to our business strategy.

Report-related contacts [2-3]:

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Additional information on KIDECO's sustainability performance: www.kideco.com





*Sustainable
Environmental Performance*



“KIDECO manages the environment and minimizes any impact generated in the business process, including reducing the impact of climate change.”

Material Topic Management [3-3][CSS.12.1.1][CSS.12.3.1][CSS.12.5.1][CSS.12.6.1][CSS.12.7.1]

Material Topics: Energy and Emissions, Land Reclamation, Waste, Biodiversity, Water and Effluent

The Company’s operations are directly related to and have an impact on climate change and environmental sustainability. Therefore, KIDECO takes various management efforts to minimize the possible negative impacts. In its implementation, the Company refers to the ISO 14001:2015 Environmental Management System, ISO 50001:2018 Energy Management System, and the Mining

Safety Management System (SMKP). Furthermore, KIDECO begins to use renewable energy sources. Environmental management is under the responsibility of the Head of Mining Engineering and its performance is evaluated by the Board of Directors through the key performance indicator (KPI) mechanism. In 2022, KIDECO’s environmental management performance achieved the PROPER Green award from the Ministry of Environment and Forestry, as well as maintaining Aditama’s GMP ESDM rating.

Environmental Management Policy and Performance Achievements

KIDECO’s Commitment

- Integrated Management Standards (Pas 99)
• Quality Management System (ISO 9001)
• Occupational Safety and Health System (ISO 45001, SMK3, dan SMK3)
• Environmental Management System (ISO 14001)
• Energy Management System (ISO 50001)
• Good mining practices

KIDECO’s Mission

- Quality/Operational
• Mine Safety and Operation Safety
• Working Environment Health

KIDECO’s Environmental Mission

- Ensuring that all environmental impacts are considered in all aspects of the Company’s operations.
• Preventing pollution and reducing incidents that can degrade the environmental support system.
• Carrying out reclamation in former mining areas to make them productive, stable, and safe for their intended use.
• Creating and improving environmental awareness and urging all employees to have environmental responsibility.
• Implementing the 4R (reduce, reuse, recycle, recovery) aspect in the management program of hazardous and non-hazardous waste.
• Monitoring and preserving biodiversity.
• Conducting water resource conservation and reducing the load of wastewater pollutants
• Reducing air pollution from conventional air pollutants & greenhouse gasses.

In 2022, KIDECO spent USD20,101,125 for environmental management costs, including the management of air emissions, liquid waste, solid waste and hazardous waste, as well as biodiversity preservation.

Energy Efficiency and Use of Renewable Energy

Energy Usage

The mining and operational activities use energy sourced from fossil fuels (petroleum), which contributes to the air emission. KIDECO uses the energy 70% of which comes from the Company's contractors. To support decarbonization efforts, KIDECO and its contractors implement innovations in the mining process and start using renewable energy.

In the Roto Samurangau and Susubang Uko mining areas, the energy used for transportation and own power generation comes from B30 fuel. Meanwhile, the energy source for operational vehicles used at the Jakarta

headquarters is from petroleum and electric supply by the State Electricity Company (PT PLN Persero).

This report informs about the energy usage both within and outside the Company. The calculation is done through converting the fuel consumption volume into GigaJoule (GJ) units of energy using the method applied during the energy audit. In 2022, the total energy used was 13,894,343 GJ with an energy intensity of 0.40 GJ/ton of coal.

[302-1][302-2][302-3][CSS.12.1.2][CSS.12.1.3][CSS.12.1.4]

Energy Usage Inside and Outside KIDECO and Energy Consumption Intensity [302-1][302-2][302-3][CSS.12.1.3][CSS.12.1.4]

Scope	Energy source	Unit	2022	2021	2020
KIDECO	B30		611,464	623,531	597,309
Contractor	B30	GJ	13,282,878	12,971,851	12,976,038
Total Energy Usage (KIDECO + Contractor)			13,894,343	13,595,383	13,573,347
Energy Intensity	Production Amount	Ton	34,769,448	35,821,057	33,004,280
	Energy Intensity Figures	GJ/ton	0.40	0.38	0.41

In compliance with Presidential Regulation No.66 of 2018 on the increasing use of 20% biofuel for biodiesel (B20),

KIDECO currently uses biofuel (B30). In 2022, the total use of biofuel (B30) reached 364,926,140 Liters (100%).

Biofuel Usage Volume and Cost

Year	Use of Biofuel (100%)	
	Volume (Gigajoule)	Cost (USD)
2022	13,894,343	204,427,615
2021	13,595,383	181,213,075
2020	13,573,347	113,471,866



Energy Audit Results

KIDECO has conducted an energy audit by an independent third party, analyzing the energy consumption results in 2021 and the first semester of 2022. Based on the audit results, the largest energy usage was in three processes. The first was the material removal process or the process of moving the overburden roc. The process accounted for 67% energy use. The second was the coal hauling process accounting for 12% energy use. Finally, coal mining accounted for 10% energy use. There are several recommendations suggested to improve energy efficiency, including:

- Controlling the capacity ratio & relevant variables to best practice levels;
- Utilizing PLN electricity supply to replace electricity power from gensets;
- Controlling crusher operation load to best practice levels;
- Reducing the number of incinerator start-stops; and
- Installing Variable Speed Drives (VSDs) to regulate impeller speed.

Renewable energy

The use of alternative energy or new renewable energy (NRE) maximizes energy efficiency. It is applied by the installation of Solar Power Plants (SPP) in the employee housing area. In addition, we are innovating energy efficiency by implementing the micro hydro power

generation technology. This technology can replace the use of conventional tower lamp units as a source of lighting energy. This innovation can result in energy efficiency of 172.71 GJ.

Energy Efficiency

KIDECO uses alternative energy in its mining processes to maximize energy efficiency after conducting a life cycle analysis (LCA). The implementation is carried out in overburden removal activities. Meanwhile, innovations in hotspot areas use energy from a sound reduction system, auto economod system in the HD unit, the implementation of micro hydro technology in the settling pond area, and the use of bottom plug rods for blasting activities.

The energy efficiency from these mining processes is 117,122 GJ. Meanwhile, the overall energy saving value in 2022 reached 315,242.94 GJ and the cost saving reached IDR

105,347.18 million. KIDECO has a target to decrease energy consumption intensity by 1% annually from the baseline year, while the realization in 2022 reached 5.26% from the previous year. [302-4][302-5]

The largest energy savings are located in the use of bottom plug rods in blasting activities, which is 7,007.89 GJ or 10.38% from 2021. Additionally, the increase in energy efficiency in the FECO (Auto Economod) innovation installation is recorded to be 1,289.53 GJ or 10.77% from 2021.

Energy Saving and Its Achievements [302-4][302-5]

Efforts	Energy Saving Value (GJ)		
	2022	2021	2020
Utilization of solar cells in the mining area	17,057.83	16,979.96	17,270.55
Utilization of solar cells in the supported village	13,295.58	13,295.58	13,295.58
Utilization of used lubricating oil as a substitute for diesel fuel in blasting activities	11,308.10	19,461.08	21,347.94

Efforts	Energy Saving Value (GJ)		
	2022	2021	2020
Replacement of lighting system in overburden removal activities	26,594.82	27,377.02	16,426.21
Use of bottom plugs in blasting activities	74,522.71	67,514.82	1,489.64
Replacement of mud handling system with pump installation on excavator unit	7,954.88	69,538.14	42,693.78
Installation of sound reduction equipment on HD 777D unit	2,567.94	2,568.01	1,050.35
Self-sufficient through RO technology-based refill drinking water business	190.52	190.52	190.52
Biodigester in IFS area	18,063.08	25,013.26	17,659.44
Installation of FECO (Auto Economod) on HD unit to reduce fuel consumption in OB Removal activities.	13,263.78	11,974.25	5,987.12
Micro Hydro Energy to Lighting System (MINING)	172.71	86.35	-

Greenhouse Gas (GHG) Emission Control and Reduction

Strategy and Target for Reduction in GHG Emission

KIDECO aims to reduce GHG emission reduction target of 40% in 2025 based on the absolute emission baseline produced in 2020 with a scope 1 GHG emission value of 1,003,820 Ton CO₂eq. The GHG emission baseline for scope 1 of 2020 is generated from the use of BO fuel. The GHG emission target produced in 2025 for scope 1 GHG

emissions is 604,423 Ton CO₂eq. To achieve this, we will continue various strategies, including energy efficiency, innovation in emission reduction, revegetation activities in the reclamation and rehabilitation areas, and the use of renewable energy sources.

GHG Emission Calculation

Reducing and controlling GHG emission are carried out by monitoring and measuring GHG emissions from scope 1. The scope 1 is the GHG emissions from heavy equipment during the coal mining and transportation process. Additionally, KIDECO calculates scope 2 emissions from the purchase of electricity from the State Electricity Company (PLN). The calculation of GHG emissions is based on the Minister of Environment and Forestry (KLHK) Regulation No. 4 of 2014 and calculation of GHG emissions based on guidelines 'The Greenhouse Gas Protocol: GHG Protocol: A Corporate Accounting and Reporting Standard-Revised Edition'. We have yet to carry out scope 3 calculations because we are still reviewing the appropriate calculation mechanism. [305-3][CSS.12.1.7]

The total GHG emissions of scope 1 in 2022 reached 737,150.80 tons of CO₂eq. The amount lowered by 4.11% than the 2021 GHG emissions of 768,756.48 tons of CO₂eq. Furthermore, the GHG intensity in 2022 was 0.021 tons of CO₂eq/ton of coal, lower than the 2021 GHG intensity of 0.021 tons of CO₂eq/ton of coal. Of note, the calculation of intensity emissions only includes scope 1.



GHG Emission Scope 1 Volume and Intensity [305-1][305-4][2-4][CSS.12.1.5][CSS.12.1.8]

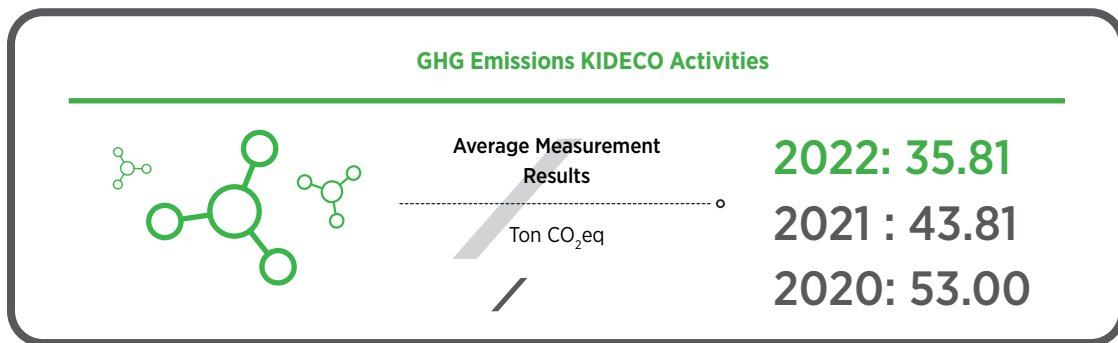
Description	Unit	Average Measurement Results		
		2022	2021	2020*
GHG Emissions KIDECO Activities		32,440.67	35,257.83	35,257.83
GHG Emissions Contractors Activities with Energy Sources from KIDECO	Ton CO ₂ eq	704,710.13	733,735.65	733,498.65
Total GHG Emissions		737,150.80	768,756.48	767,510.48
Total Coal Production	Ton	34,769,448	35,821,057	33,004,280
GHG Emission Intensity	Ton CO ₂ eq/Ton	0.021	0.021	0.023

Note: *Restatement of 2020 data due to the calculation of emissions starting to use the B30 fuel calculation method (which was previously solar). [2-4]

GHG Emissions Scope 2 [305-2][CSS.12.1.6]

The calculation of GHG scope 2 emissions used 'The Greenhouse Gas Protocol: GHG Protocol: A Corporate Accounting and Reporting Standard-Revised Edition'. The

2022 total GHG scope 2 emissions reached 35.81 tons of CO₂eq, 18.26% lower than the 2021 total GHG emissions of 43.81 tons of CO₂eq.



Ambient Air Quality Monitoring [305-7][CSS.12.4.2]

Monitoring and measuring ambient air quality in external laboratories are some efforts to control emission. The measurement reference is based on the Presidential Regulation (PP) No. 22 of 2021 (Appendix VII) on Environmental Protection and Management, the Ministry

of Manpower Regulation (Permenaker) No. 05 of 2018 on Workplace Health and Safety, and Ministry of Environment Decree (Kepmen) No. 48/Menlh/11/1996 on Noise Level Standards. The ambient air quality and noise level in 2022 were at the established limit.

Air Quality Monitoring

No	Parameter	Unit	Environmental Quality Standards*	Environmental Quality Standards**	Average Monitoring Results		
					2022	2021**	2020*
Roto Samurangau block							
1	CO	µg/Nm ³	30,000	4,000	1,226.33	777.11	346.67
2	NO ₂		400	65	14.00	17.73	33.37
3	SO ₂		900	75	30.07	31.61	32.14
TSP							
4	Settlement	µg/Nm ³	230	230	55.43	57.36	126.84
	Work Area		230	230	60.92	58.40	146.61
Susubang Uko block							
1	CO	µg/Nm ³	30,000	4,000	1,174.30	895.79	352.70
2	NO ₂		400	65	14.33	14.22	26.70
3	SO ₂		900	75	30.03	33.17	27.47
TSP							
4	Settlement	µg/Nm ³	230	230	46.80	34.88	103.64
	Work Area		230	230	61.27	51.24	130.93

Note:

* Based on PP No.41 of 1999 on Air Pollution Control

** Based on PP No. 22 of 2021 on Implementation of Environmental Protection and Management

Noise Monitoring

No.	Parameter	Unit	Environmental Quality Standards	Average Monitoring Results		
				2022	2021	2020
Roto Samurangau block						
1	Settlement	dB	55+3*	53.50	52.90	53.2
2	Work Area		85**	57.00	59.60	53.1
Susubang Uko block						
1	Settlement	dB	55+3*	50.59	48.08	45.8
2	Work Area		85**	49.31	52.19	49.0

Note:

* Based on Minister of Environment Decree No.48/Menlh/11/1996 concerning Noise Level Standards

** Based on Permenaker No. 05 of 2018 on Environmental Occupational Safety and Health



Efforts to Reduce Emissions

Another effort to reduce emissions is revegetation of both covered land areas and integrated agriculture system program areas. The effort aims to absorb CO₂. In addition,

we use solar panels and other equipment to reduce emissions. [305-5][CSS.12.2.3]

Benefits of Revegetation for Reducing CO₂ Emissions [305-5][CSS.12.2.3]

Description	Unit	2022	2021	2020
Revegetation in Reclaimed Land Cover Area				
CO ₂ Emissions Absorption	Ton CO ₂ eq	677,034.53	560,013.07*	460,563.00*
Revegetation in Integrated Farming System (IFS) Area				
CO ₂ Emissions Absorption	Ton CO ₂ eq	39.15	39.15	35.48
Savings Value	IDR Million	1.17	1.17*	1.17*
Watershed Area (DAS) Rehabilitation	Ton CO ₂ eq	35,202.00	2,065.53	1,434.97

Note: *Restatement of 2021 and 2020 data. [2-4]

Use of Solar Panels [305-5][CSS.12.2.3]

Description	Unit	2022	2021	2020
Use of Solar Panels in Mining Area				
CO ₂ Emissions Absorption	Ton CO ₂ eq	904.99	960.14	1,277.25
Use of Solar Panels for the Community				
CO ₂ Emissions Absorption	Ton CO ₂ eq	705.38	751.80	983.28

Note: In 2020 used diesel fuel and in 2021 used B30.

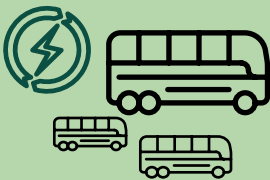
Utilization of Other Tools [305-5][CSS.12.2.3]

Description	Unit	2022	2021	2020
Mini Tower LED Program				
CO ₂ Emissions Absorption	Ton CO ₂ eq	52.36	26.18	-
Installation of Sound Reduction on HD units				
CO ₂ Emissions Absorption	Ton CO ₂ eq	136.24	145.21	77.88
Mud Pump Installation on Excavator				
CO ₂ Emissions Absorption	Ton CO ₂ eq	7,332.92	3,932.06	3,157.43

Description	Unit	2022	2021	2020
Use of Non-Halon Fire Extinguishers				
CO ₂ Emissions Absorption	Ton CO ₂ eq	98,847	98,847	98,847
Biodigester in IFS Area				
CO ₂ Emissions Absorption	Ton CO ₂ eq	4.77	6.61	1.17
Refill Drinking Water Based on Reverse Osmosis Technology				
CO ₂ Emissions Absorption	Ton CO ₂ eq	10.11	10.77	14.09
Water Gun Usage				
CO ₂ Emissions Absorption	Ton CO ₂ eq	14.54	15.50	20.27

Total Conventional Emission Load [305-7][CSS:12.4.2]

Emission Type	Unit	2022	2021	2020
NO _x	Ton	484.70	734.76	597.46
SO _x		1.48	2.39	5.81
CO ₂		70.82	110.27	92.96
Particle		3.56	6.63	12.48



Electric Bus

KIDECO has started using one unit of the locally-made MD 12E NF electric bus for transporting employees. Since its usage in December 2021, the use was expected to achieve a reduction in emissions of 134.89 tons of CO₂eq in equivalent to savings of 66,778 liters/year.

Ozone-Depleting Substance (ODS) Emissions [305-6]

KIDECO has taken initiative to reduce emissions containing ozone-depleting substances (ODS) by replacing the use of Chlorofluorocarbons (CFCs) with more environmentally

friendly non-CFC materials. However, we have yet to calculate the volume of ODS emissions released.



Post-Mining Reclamation and Rehabilitation

The Company's open-pit mining operation directly impacts on the surrounding environment. One of the impacts is the loss of trees, reducing the oxygen and decreasing carbon absorption.

Therefore, our post-mining land reclamation and rehabilitation restores carbon absorption. Through these efforts, we improve the land ecosystem, conduct conservation, and protect plant and animal species. The reclamation activities are monitored through mechanisms that are reported to the relevant authorities in accordance with applicable regulations. [\[CSS.12.5.3\]](#)

In 2022, we carried out the Stingless Bee Development Program in Tandaryan Arboretum area. This program aims to cultivate stingless bees as eco-friendly honey and propolis producers. Moreover, it helps to preserve the forest, which is the habitat of the bees. In addition, through this program, the cultivated bees can act as pollinators and boost the restoration of the post-mining ecosystem. Furthermore, KIDECO maximizes activities at the nursery center, which serves to supply seedling needs for the Company's reclamation activities. The nursery takes place at WUP Roto Samurangau, covering an area of 2 ha with a capacity of 1.2 million seedlings per year and at WUP Susubang Uko with a capacity of 2,000 seedlings per year.

Land Reclamation and Revegetation [\[304-3\]](#)[\[CSS.12.5.4\]](#)

The land rehabilitation activities involve local communities, institutions, and local government. In 2022, the realization of land reclamation activities in the WUP Roto Samurangau reached 400.65 hectares, making the total area of land reclamation 4,858.46 hectares. Meanwhile, the realization of land reclamation activities in the WUP Susubang Uko reached 40.04 hectares, making the total area of land reclamation 191.60 hectares. In 2022, total cost for the

rehabilitation of 440.69 ha of land is USD 5,162,579. The discussion on reclamation and revegetation does not include plans and targets for mine closure, because KIDECO is still extending its mining business permit. The extension will affect the mine closure plan in the future. However, if there is a mine closure plan, KIDECO will provide all workers with advance notification of the specified time. [\[402-1\]](#)[\[CSS.12.3.2\]](#)
[\[CSS.12.3.4\]](#)[\[CSS.12.3.5\]](#)[\[CSS.12.3.6\]](#)[\[CSS-12.15.5\]](#)

Reclamation Realization (Ha) [\[304-3\]](#) [\[POJK51-F.10\]](#)

WUP Mining Business Area	2022		2021		2020	
	Realization	Cumulative	Realization	Cumulative	Realization	Cumulative
Roto Samurangau	400.65	4,858.46	442.62	4,457.81	393.59	4,018.03
Susubang Uko	40.04	191.60	29.02	151.56	32.60	150.09
Total	440.69	5,050.06	471.64	4,609.37	426.19	4,168.12

Note: Re-use of reclamation land covered an area of 2.84 ha in Roto Samurangau Block and an area of 27.55 ha Susubang Uko Block in 2021.

Percentage of Reclamation Land to Mining Land [304-3]

Description	Unit	2022	2021	2020
Land Openings and Mining Facilities	Ha	12,997.10	12,503.00	12,325.48
Reclamation Land		5,050.06	4,609.37	4,168.12
Percentage of Reclamation Land Compared to Mining Land	%	38.86	36.87	33.82
Number of Trees	Trees	4,610,652	4,299,386	3,959,341

Note: Roto Samurangau Mining Business Area (WUP) and Susubang Uko Mining Business Area (WUP)

The cumulative watershed area (DAS) rehabilitation until 2022 was 13,438 Ha (including the implementation of DAS rehabilitation in 2021).

Waste Management Efforts

The Company’s mining and operational activities generate waste, having impacts on the environment. The types of waste generated from the Company’s operations are

hazardous waste (B3), non-hazardous waste, topsoil, and overburden. [306-1][CSS.12.6.2]

Activities, Waste Generation and Management

Activities	Form and Type of Waste	Management
Mining pit opening	Overburden	<ul style="list-style-type: none"> • Stored in and around the mining area. • Used as backfill material for the former mining area.
Heavy Equipment and Workshop Operations	Hazardous and Toxic Waste (B3)	<ul style="list-style-type: none"> • Temporarily stored in storage facilities (TPS). • Handed over to authorized third parties.
Health Center		<ul style="list-style-type: none"> • Reused. • Reduced.
Office	Non-B3 Waste	<ul style="list-style-type: none"> • Reused • Recycled
Canteen		<ul style="list-style-type: none"> • Reduced

Management of Topsoil and Overburden (OB)

The Company’s mining operations generate waste, such as topsoil and overburden material. The waste treatment involves stacking the waste in the mining area or outside of it. The material stockpile is re-used as a fill material in

the former mining land (backfill). This activity is a strategy for reducing the GHG emissions generated from the waste. [306-1][306-2][CSS.12.6.2][CSS.12.6.3]

**Topsoil (TS) Volume** [306-2][CSS.12.6.3]

Block	Unit	2022	2021	2020
Roto Samurangau	BCM (Bank Cubic Meter)	12,918,766	12,686,413	14,335,149
Susubang Uko		280,507	476,030	538,664
Total		13,199,273	13,162,443	14,873,813

Overburden (OB) Volume [306-2][CSS.12.6.3]

Block	Unit	2022	2021	2020
Roto Samurangau	Million BCM Million (Bank Cubic Meter)	165.31	170.06	177.31
Susubang Uko		10.46	9.82	9.61
Total		175.77	179.88	186.92

Hazardous (B3) Waste and Non-Hazardous (Non B3) Waste Management [306-2][306-4][306-5][CSS.12.6.5][CSS.12.6.6]

The generation of hazardous (B3) waste comes from the operation of heavy equipment. The B3 management involves reusing, recycling, and handing over to authorized third parties. B3 waste generated is stored in licensed temporary

shelters (TPS) which are then managed according to its type. Meanwhile, several B3 wastes generated are managed by means of incineration according to permits.

Type of Hazardous (B3) Waste and Its Treatment [306-2][CSS.12.6.3]

Type of Waste	Methods for Waste Treatment
Lubricating oil, used batteries, used oil filters, contaminated grease, used hoses, used grease, clinical waste, used fluorescent lamps, used cartridges, incinerator residue/ash, contaminated soil, electronic waste, laboratory waste, and hazardous (B3) waste packaging	Hazardous (B3) Waste Storage Activities <ul style="list-style-type: none"> Stored in temporary storage facilities (TPS), with a total of 22 units. Storage permission from the Paser Regent and Head of DPMPSTP of Paser District. Handled over to authorized third parties for processing.
Clinical waste, used oil filters, used diesel filters, used rag grease and the like with B110D waste code (e.g. used hoses)	Hazardous (B3) Waste Processing Activities <ul style="list-style-type: none"> Minister of Environment and Forestry Decree No. SK.473/Menlhk/Setjen/PLB.3/7/2019, dated July 22, 2019 (Extension). Head of BKPM Decree No. SK.1/1/KLHK/2020, dated March 03, 2020.
Used Lubricating Oil	Hazardous (B3) Waste Utilization Activities <p>Utilized as a substitute for diesel fuel in blasting activities. In accordance with Minister of Environment and Forestry Decree No. 376/Menlhk/Setjen/ PLB.3/8/2018, dated August 31, 2018.</p>

Hazardous Waste (B3) Generated (Ton) [306-3][CSS.12.6.4][CSS.13.2]

Type of B3 Waste	2022	2021	2020
Used Lubricating Oil	2,857.29	2,788.63	2,344.22
Used Batteries	64.44	60.04	69.06
Used Oil Filters	164.70	99.53	82.34
Rags	135.86	85.71	71.86
Hoses	41.71	21.51	22.22
Grease	12.84	10.69	9.6
Clinical Waste	8.63	27.31	14.53
Fluorescent Lamps	0.26	0.03	0.26
Residue	31.17	14.28	4.31
Contaminated Soil	16.37	20.88	9.91
Electronic Waste	0.36	0.16	0
Laboratory Waste	1.67	0.3	0.64
Hazardous (B3) Packaging Waste	0.69	5.28	2.34
Total	3,335.97	3,134.35	2,631.64

Note: The procurement of printing equipment is done through a rental system so that the used cartridges are managed by the rental service company.

The innovation in reducing the amount of used lubricating oil, include the installation of LEDs for heavy equipment during excavation activities. This innovation reduces the used lubricating oil waste generated from the use of tower light generators, which previously required two units for each excavator. KIDECO's other innovations in reducing hazardous waste (B3) generation include:

- Flushing of differential oil, hydraulic & transmission;
- Replacement of the mud handling system;
- Reducing the quantity of used lubricating oil by installing LEDs on excavation equipment;
- Installation of power inverters as an alternative lighting source for exploration activities.

Reduction Volume and Percentage of Hazardous Waste (B3) : Used Lubricating Oil

Reduction Program	Unit	2022	2021	2020
Flushing of differential oil, hydraulic & transmission oil		42.30	198.66	408.16
Replacement of mud handling system with the installation of Edy pump		8.68	4.13	2.53
Replacement of lighting system with LED lights		8.32	3.78	6.48
Installation of power inverter for exploration activities	Ton	0.162	0	0
Use of Electric Bus to reduce the amount of used lubricating oil		0.324	0	0
Total Reduction Amount		59.79	206.57	417.20
Total Hazardous Waste B3		3,335.97	3,134.35	2,631.64
The success in reducing hazardous and dangerous waste from used lubricating oil	%	1.79	15.17	15.85

**Reduction Percentage of B3 Waste: Used Fluorescent Lamps and Used B3 Packaging**

Waste Reduction Program	Type of Waste	Unit	2022	2021	2020
Installation of LED lights	Used fluorescent lamps		0.31	0.35	0.46
Use of tank packaging as a replacement for oil packaging	Used oil packaging	Ton	133.05	102.40	191.03
Total reduction			133.36	102.75	191.49
Generation of non-dominant B3 waste			478.69	345.72	287.42
Success of reducing used fluorescent lamps and used B3 packaging waste		%	27.86	29.72	66.62

Reuse of Used Lubricating Oil Waste

Based on the permit from the Ministry of Environment and Forestry (KLHK) No. SK.376/Menlhk/Setjen/PLB.3/8/2018 on the extension of Waste Treatment License, KIDECO utilizes used lubricating oil waste as a substitute for AN-FO

(Ammonium Nitrate Fuel Oil) for explosive fuel. In 2022, the total volume of used lubricating oil that was reused was 267 tons.

Volume and Percentage of Hazardous Waste Utilization: Used Lubricating Oil [306-4][CSS.12.6.5]

Reduction Program	Unit	2022	2021	2020
Utilization of used lubricating oil in blasting activities		267.30	460.02	504.62
Utilization of used lubricating oil by authorized third parties	Ton	2,589.99	2,328.61	1,839.60
Total reduction amount		2,857.29	2,788.63	2,341.22
Total Hazardous (B3) waste generated		3,335.97	3,134.35	2,631.64
The success in reducing hazardous (B3) used lubricating oil waste	%	86	89	89

Value of the Benefits of Used Lubricating Oil Waste in Blasting Activities [306-4][CSS.12.6.5]

Description	Unit	2022	2021	2020
Volume utilized	Ton	267.30	460.02	504.62
Savings value	IDR Million	3,623.99	3,265.12	2,907.74

KIDECO is innovating to reduce hazardous waste (B3) through its mud handling system, which optimizes the transportation of mud. Additionally, KIDECO has implemented a policy of refilling waste in large packaging to reduce the generation of drum, jerry can, and other small waste packaging. This policy was successful in reducing

hazardous waste (B3) by 133.05 tons. Throughout 2022, there were no incidents of coal material or hazardous waste spills that posed a threat to the environment. [306-3][12.13.2]

Management of Non-Hazardous B3 Waste

Processing Method	Utilization Form	Unit	2022	2021	2020
Organic	Utilization of livestock waste for compost.		115,000	55,350	144,400
	Utilization of fish bone waste into fish feed pellets.		0	0	2,150
Recycling	Utilization of used tires for road marking and erosion control.		1,463,680	1,669,500	1,672,140
	Utilization of used tires for road marking and erosion control.		116.25	720	1,580
	Utilization of used 1.5 liter bottled drinking water packaging.	Kg	0	0	12.44
	Utilization of tires as community aid.		272,160	277,060	391,230
	Reduction of waste generated from used tires through HD Tire Retreading Program		1,027,500.00	0	0
	Reduction of waste generated from used tires through HD Tire Regroove Program.		2,152,500.00	0	0
Total utilization			5,030,956	2,002,630	2,211,512.44
Non-Hazardous B3 waste generated			6,234,750	3,372,817	3,105,964.54
Success of utilization		%	80.69	59.38	71.20

Paper and Plastic Bottle Waste Management

In order to increase paper efficiency and reduce waste generation, KIDECO uses Go Arc, a central digital data visualization application. During 2022, the Company was

able to save 109.55 kg of paper. Additionally, KIDECO has implemented the use of tumblers for employees, reducing plastic bottle waste by 10,473 kg.

Biodiversity

Biodiversity Management

The coal mining activities at KIDECO are open pit systems in forest production area and limited production forest area equipped with Other Land Uses (APL). KIDECO has a specific coal transportation and port activity that partially lies in Adang Bay Nature Reserve area. The nature conservation complies with the Minister of Forestry Regulation No: P.85/Menhut-II/2014 on the Procedure for Cooperation in the Management of Wildlife Sanctuary and

Conservation Area. It also adheres to the amendment to the Minister of Environment and Forestry Regulation No: P.44/MENLHK/SETJEN/KUM.1/6/2017 on the amendment to P.85/Menhut-II/2014. KIDECO has conserved the forest production area as Tandarayan Arboretum Multifunctional Conservation Zone (KKMF). It provides ecological, biological and educational values. The area is used as a source of food for wildlife, a wildlife nesting site and an arboretum. [\[304-1\]\[CSS.12.5.2\]](#)



KIDECO's operational activities in the Adang Bay Nature Reserve is legalized by the Addendum to the 2021 Cooperation Agreement with the Head of the Kaltim BKSDA that is number: PKS.85/K.18/TU/PK/3/2021 and number: PKS.024/KJA/LGL/CON/III/2021. The Addendum

regulates imperative Strategic Development by utilizing roads, wharves with an area of ± 77.58 Ha, and a river flow of approximately 8.34 km in Adang Bay Nature Reserve in Paser Regency, East Kalimantan Province.

Area of Operation Production Permit in Hectares (Ha) [304-1][CSS.12.5.2]

WUP (Mining Business Area)	Forest Area			Not Forest Area	Total
	Conservation Forest	Protected Forest	Production Forest		
Roto Samurangau	-	-	11,974.78	15,485.22	27,460.00
Susubang Uko	-	59.00	1,897.00	4,947.00	6,903.00
Total	-	59.00	13,872.66	20,431.34	34,363.00

KIDECO's coal mining activity has low potential to produce acid mine drainage which can impact the environment and the biodiversity around it. We mitigate Potentially Acid Forming (PAF) materials that will be covered with Non Acid Forming (NAF) materials through encapsulation methods to prevent acid mine drainage and avoid contact with water. In Roto Samurangau Block, 94.74% of the area is Non-Acid Forming (NAF) and 5.26% of the area is Potentially Acid Forming (PAF) with low-capacity acid-forming material

(category II). Meanwhile, in Susubang Uko Block, it was found that 85.71% of the area is NAF and 14.29% of the area is PAF with low-capacity acid-forming material (category II). Apart from acid mine drainage, we are also aware of the potential for disruption to biodiversity, so the company is preparing the KKMf Arboretum Tandarayan and several other areas to preserve the existing flora and fauna. [304-2][CSS.12.5.3]

Land and Aquatic Biodiversity Monitoring

The Company also carried out reclamation efforts to protect biodiversity. For that reason, KIDECO conserves some species listed on the IUCN red list and the critically endangered and endangered national conservation lists.

In addition, the reclamation is necessary to maintain the water stored in the area. In the 2022 production operation phase, KIDECO successfully reclaimed 440.69 Ha from the reclamation target of 434.51 Ha. [304-2][CSS.12.5.3]

List of Protected Fauna in Reclamation Area [304-4][CSS.12.5.5]

No	Local Name	Scientific Name	Protection Status Based on IUCN Red List
1	Trenggiling peusing	<i>Manis javanica</i>	Critically Endangered
2	Bekantan kahau	<i>Nasalis larvatus</i>	Endangered
3	Owa kalawat	<i>Hylobates muelleri</i>	Endangered
4	Kucing merah	<i>Catopuma badia</i>	Endangered
5	Monyet ekor panjang	<i>Macaca fascicularis</i>	Endangered
6	Kucing merah	<i>Macaca nemestrina</i>	Endangered

List of Protected Avifauna in the Reclamation Area [304-4][CSS.12.5.5]

No	Local Name	Scientific Name	Protection Status Based on IUCN Red List
1	Cica-daun besar	<i>Chloropsis sonnerati</i>	Endangered
2	Caladi batu	<i>Meiglyptes tristis</i>	Endangered

KIDECO monitored 41 points, including the Roto area with 23 monitoring points, Susubang Uko with 10 monitoring points, and TMCT Port to Adang Bay with 8 monitoring points. The monitoring resulted in the moderate average index of water biota diversity that was ($H' > 1$). Meanwhile, the index of uniformity at all locations was stable at ($E' > 0.75$), indicating that the community was not dominated by a particular species or genus.

The Company carries out the KIDECO Care Program to maintain the sustainability of protected wildlife by building wildlife corridors and planting multifunctional plants. Through this program, the biodiversity of wildlife has increased. The KIDECO Care Program involves local residents. [304-3] [CSS.12.5.4]

Maintaining Water Source Quality

The operational activities of KIDECO require water, coming from rainwater stored in sediment ponds, as well as surface water sources. The Company uses water wisely and carefully so as not to disrupt the interests of the local community. [303-1] [CSS.12.7.2]

KIDECO innovates rain harvesting as a source of clean water in the process of coagulant mixing in the Chemical Treatment Settling Pond facility. The wastewater treatment includes mixing coagulants with clean water in two tanks,

with each capacity is 5,500-liter, before being injected into wastewater. This rain harvesting as a source of clean water in the coagulant mixing process saved the use of raw water by 1,635.10 m³ or equivalent to Rp2.1 million. In addition, we also installed a Big Gun Sprinkler with a nozzle system in the coal stockpile area. Throughout 2022, the installation of Big Gun Sprinkler with a nozzle system was able to save the use of raw water by 4,882 m³.

Water Management

KIDECO has a Water Extraction Permit (SIPA) and the water reuse from sediment ponds. By the end of 2022, KIDECO had a total of 8 SIPA, and no water stress was found in the water source. We only take river water, there is no groundwater withdrawal. The total volume of water taken was 2,112,768 m³, with an average flow rate of 241.18 m³/hour. This volume decreased by 475,856 m³ or 18.3% from the 2021 total volume of 2,588,624 m³. During the water extraction process, monitoring is conducted through a flow meter to ensure no negative impact on the quality and height of the river water surface. Our management practices are carried out in accordance with wastewater management, including East Kalimantan

Regional Regulation No. 2 of 2011 concerning Management of Water Quality and Control of Water Pollution. By the end of 2022, there were no incidents of non-compliance related to permits, standards, and water quality regulations. [303-1] [303-2][303-3][303-5][CSS.12.7.2][CSS.12.7.3][CSS.12.7.4][CSS.12.7.6]

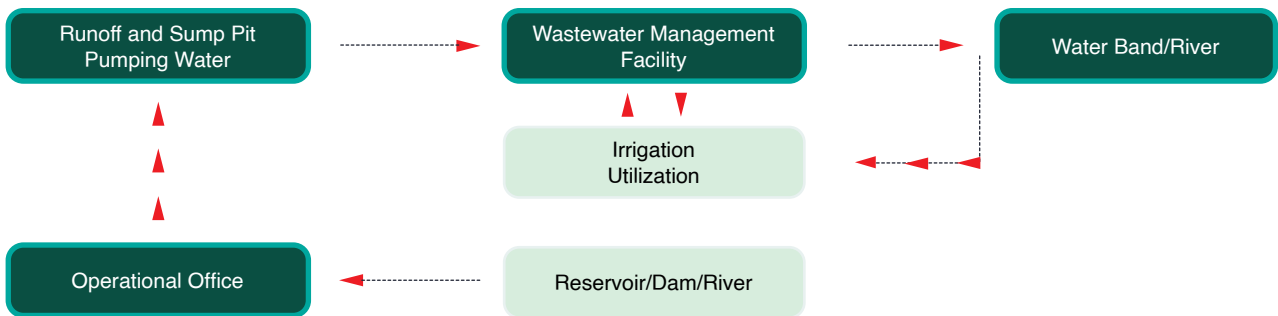
Equally important, KIDECO has another water source from sediment ponds. By the end of 2022, there were 29 sediment ponds with a capacity of 7,730,042 m³. The water in these sediment ponds is used for the Company's operational needs and its partners. The total volume of water from sediment ponds reused was 1,824,769 m³.



Water Usage Based on Source (m³) [303-3][303-5] [CSS.12.7.4]

Water Source	2022	2021	2020
Surface Water (Rainwater ponds and rivers)	2,112,768	2,588,624	2,243,244
Surface Water (Sediment pond)	1,824,769	628,716	505,979
Total	3,937,537	3,217,340	2,749,222

Wastewater Management Flow



By the end of 2022, the volume of wastewater was 317,801,287 m³. Of this amount, the volume of water is not directly discharged into the sea, but most of it is channeled into rivers. The quality of treated wastewater discharged

into the river met the standards set by the government. Indeed, there were no violations. In fact, the pollution load was reduced through the installation of a control box up to 3,459 ton. [303-4][CSS.12.7.5]

Monitoring of Waste Water Quality

Location	Parameter	Unit	Environmental Quality Standard	Average Measurement Result		
				2022	2021	2020
Roto Samurangau Block						
Kandilo River	pH		6-9	7.86	7.72	7.94
Samurangau River						
Popor River	TSS		300	38	23	13
Tandarayan Reservoir						
Melas River	Fe	mg/l	7	0.64	0.47	0.29
Kamarayun River						
Biu River	Mn		4	0.09	0.08	0.04
Kuaro River						
Susubang Uko Block						
Kandilo River	pH		6-9	7.60	7.71	7.89
Uko River	TSS		300	25	18	11
Busi River						
Suru River	Fe	mg/l	7	0.51	0.35	0.21
Kenyan River	Mn		4	0.18	0.11	0.04

Note: Environmental Quality Standard is based on the East Kalimantan Regional Regulation No. 02 of 2011, Annex 1.27, regarding Water Quality Management and Air Pollution Control.

Water Quality Monitoring [303-4][CSS.12.7.5]

No	Parameter	Unit	Environmental Quality Standard	Average Measurement Result		
				2022	2021	2020
Roto Samurangau Block						
Physic						
1	Temperature	°C	Deviation 3	22.01	25.00	25.11
	TDS	mg/l	≤1000	951.29	374.00	96.94
	TSS		≤50	114.26	105.70	89.45
Inorganic Chemistry						
2	pH		6-9	7.82	7.90	7.63
	BOD	mg/l	≤3	1.35	1.40	1.50
	COD		≤25	6.59	7.00	5.24
	DO		≥4	6.72	7.10	7.02
	Total Phosphate		≤0.2	0.05	0.10	0.05
Susubang Uko Block						
Physic						
1	Temperature	°C	Deviation 3	22.00	25.00	24.86
	TDS	mg/l	≤1000	109.60	107.00	107.28
	TSS		≤50	99.25	122.76	128
Inorganic Chemistry						
2	pH		6-9	7.86	7.90	7.57
	BOD	mg/l	≤3	1.34	1.40	1.55
	COD		≤25	6.57	6.90	4.73
	DO		≥4	6.77	7.00	6.97
	Total Phosphate		≤0.2	0.036	0.06	0.06

Note: Environmental Quality Standards are based on PP 22 Year 2021, Annex VI on the Implementation of Environmental Protection and Management.

KIDECO innovates to increase the wastewater treatment residence time. The innovation uses a floating Inlet installed in the compartment before the chemical process. Such a process reduces the pollution load of the TSS parameter. With this tool, the water to be treated will be held longer

in the compartment. The floating inlet can reduce the TSS level by up to 5% and reduce the processing load on the settling pond. By 2022, this innovation had reduced the pollution load of 1,268.04 ton.

**Calculation of Pollution Load in Roto Samurangau and Susubang Uko Blocks**

Parameter	Pollution Load (Ton/Year)		
	2022	2021	2020
	1	2	3
TSS	12,615.54	7,778.92	5,022.88
Iron (Fe)	199.24	158.47	111.79
Manganese (Mn)	32.48	23.45	13.76

Program for Water Waste Pollution Load Reduction [303-4]

No.	Reduction Program	Unit	2022	2021	2020
1	Substitution of aluminum sulfate with megafloc	Ton TSS	54.70	30.73	17.23
2	Sludge treatment with geotube		0.00	0.00	27.34
3	Reuse of wash water bay to reduce Total Suspended Solid (TSS) parameter		16.29	15.74	14.64
4	Reduction of pollution load for BOD parameter from domestic wastewater by providing community sanitation	Ton BOD	4.56	4.56	4.56
5	Reduction of BOD parameter pollution load from livestock waste treatment using biodigester		1.51	1.51	0.87
6	Treatment of wastewater using rollfloc as an alternative to aluminum sulfate	Ton TSS	50.94	15.30	117.61
7	Production of soap from used cooking oil as raw material to reduce oil and fat parameter load	Ton of Oil and Grease	0.85	0.85	0.85
8	Treatment of domestic wastewater at the domestic wastewater treatment facility using filtering bags "filsa"		0.04	0.04	0.04
9	Creation of control box from sump pit pumping activities to reduce TSS parameter pollution load	Ton TSS	1,348.92	620.03	667.20
10	Increase in Wastewater Treatment Retention Time using Floating Inlet to Reduce TSS Parameter Pollution Load		344.90	407.24	515.90

Environmental Complaint Mechanism

We provide the public and other stakeholders with the access to the submission of complaints/grievances related to environmental management. Complaints can be submitted through the External Relations & Sustainability

Department. Throughout 2022, we did not accept complaints or sanctions for allegations of pollution or environmental violations. [CSS.12.9.4]



*Growing Together with
Workers and Communities*



“Workers and communities are part of KIDECO’s sustainability and we want to grow with them by adding value to everything we do”

Material Topic Management [3-3][CSS.12.14.1][CSS.12.19.1]

Material Topics: Occupational Safety and Health (OHS), Gender Equality, Local Community Involvement

Equality and respect for human rights are the basis for KIDECO in carrying out its operational activities. The implementation of human rights applies to all stakeholders, both internal and external, including contractors and communities. One important aspect of the implementation of human rights is OHS (Occupational Safety and Health).

OHS performance is the responsibility of the Chief Mine Technical Officer and the management of Community Social Responsibility is the responsibility of the Chief of Corporate Services Officer (CCSO). This performance is evaluated regularly and becomes part of the key performance indicator (KPI).

Throughout 2022, KIDECO achieved zero fatality for KIDECO workers and recorded 1.18 million safe working hours.



Protection of Our Workers

Occupational Safety and Health Policy

OHSMS Mission

1. “Zero” fatal accidents.
2. “Zero” lost workdays.
3. Minimize loss of company assets and equipment.
4. Ensure all occupational Health hazards are effectively managed.
5. Ensure employee health is effectively managed.
6. Create and maintain a clean and healthy workplace.

In 2022, KIDECO implemented the 3Z50 target of Zero Fatality, Zero Major Injury, and Zero Occupational Illnesses with a target of 50% reduction from the previous year. Efforts to improve OHS performance are made, among others, through digitalization. With digitalization, the Company can

supervise the work process more effectively and efficiently, especially ensuring OHS activities are in accordance with regulations, both national and international regulations. All of these efforts are in line with the implementation of the Integrated Management System and Standards (PAS 99).

Specific Objectives of the Integrated Management System Policy



- Zero fatal workplace accidents.
- Zero lost day injury (LTI).
- Zero incidence of occupational diseases (KAPTK).
- Reduce the number of accidents by 50% from the previous year.
- Minimize equipment and property losses.
- Ensure feasibility checks, maintenance of facilities, infrastructure, installations and mining equipment are managed effectively and according to applicable standards.



- Ensure all workplace health hazards are effectively managed.
- Ensure employee occupational health is managed effectively.
- Create and maintain a clean and healthy workplace.
- Actively prevent the spread of HIV/AIDS and psychotropic drugs.

Establishment of OHSMS Policy and Operational System [403-1][CSS.12.14.2]

Organization & System	<ul style="list-style-type: none"> • MK3L team & committee • ISO 45001:2018 • Occupational Safety and Health Management System (SMK3) in accordance with Government Regulation No. 50, 2012 • Mining Safety Management System (SMKP) in accordance with the Decree of the Director General of ESDM No. 185.K/37.04/DJB/2019
Operation & Execution	Education & training; MK3L Protocol Management.
Programs & Objectives	MK3L program; Support for HSE management for suppliers.

OHSMS Organization and System

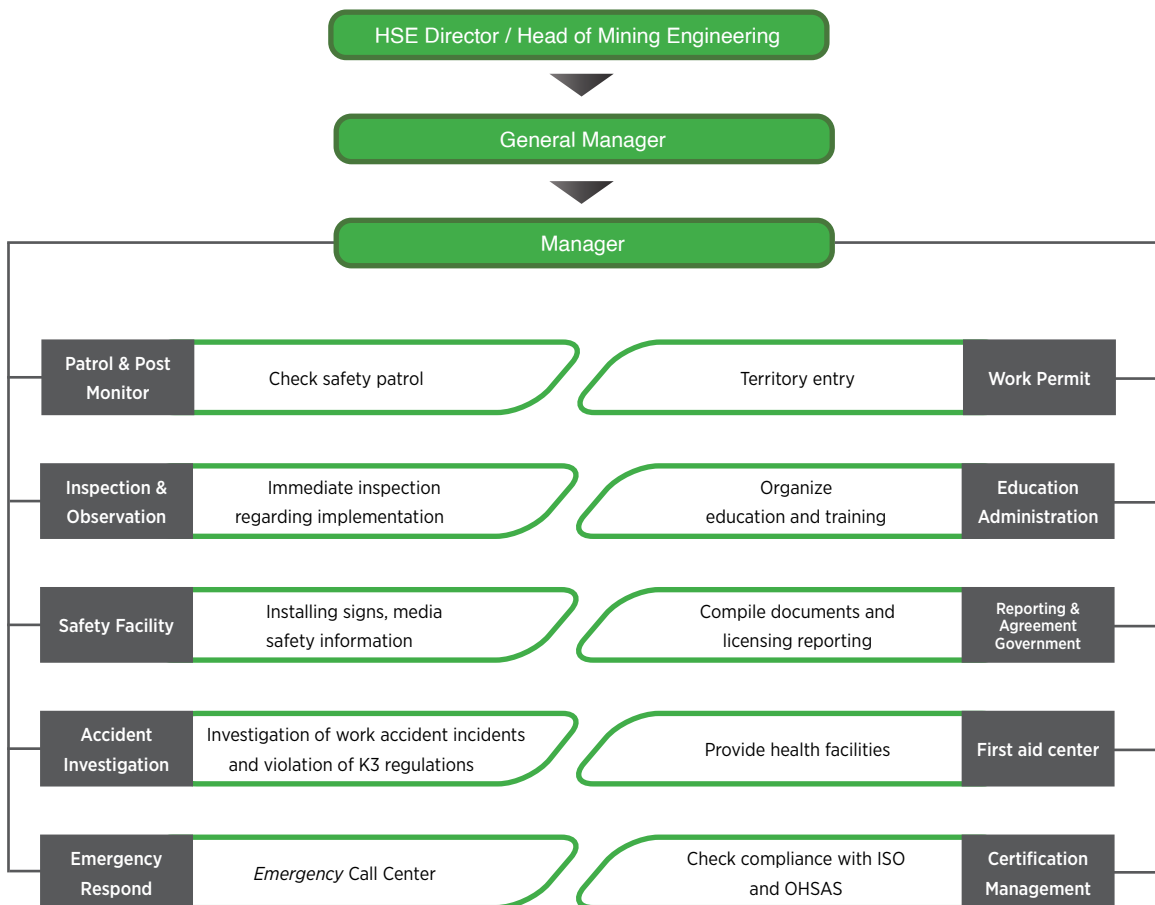
Every KIDECO employee and stakeholder is obliged to participate in mitigating the risk of hazards that may occur. One of the efforts to reduce risk is the use of the 'Nembayu' application, which can be accessed via website and mobile phone for hazard reporting, licensing, accident management, and results reporting. With this application, all employees can report, consult, and take action if there is an unsafe situation. Reports from the app will be reviewed by management to determine action plans. In addition, the communication and consultation process can also be carried out by observing hazard risks and meeting with related parties. [403-4][CSS.12.14.5]

Workers Covered by the Occupational Safety and Health Management System

KIDECO has an OHS Advisory Committee (P2K3) which is a joint committee of employee and management representatives. The rules regarding OHS are summarized in the Collective Labor Agreement (CLA) and bind all KIDECO employees as well as partners and contractors, without exception. P2K3 is expected to support the implementation of the OHSMS system to protect the safety and health of all (100%) employees, as well as partners and contractors.

[403-1][403-4][403-8][CSS.12.14.5][CSS.12.14.9]

OHSMS Team and Committee



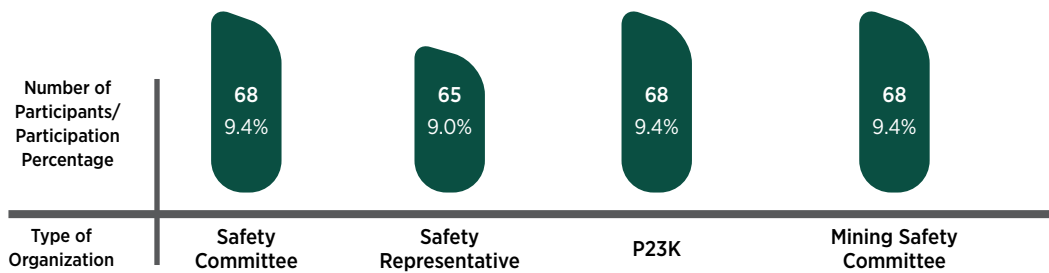
The OHS Advisory Committee (P2K3) consists of: [403-4] [CSS.12.14.5]

1. Safety Committee - in accordance with ISO 45001
Responsible for overseeing the outcomes of evaluations conducted by all departments and related working partners, meeting frequency is once every 3 months, the decision-making authority is the Chief Mine Technical Officer.
2. Safety Representative - in accordance with ISO 45001
Responsible for the results of issues and findings in the responsibility scope of each related department, meetings are held every 2 weeks, and the decision-making authority is the highest ranking officer of each department.
3. P2K3 Company - in accordance with PP No. 50 Year 2012 on the Implementation of Occupational Safety and Health Management System. Responsible for

the results of hazard identification that must be immediately corrected and followed up, in accordance with the risk control hierarchy. Meetings are held once every 3 months with a report submitted to the relevant government agencies, the decision-making authority is the Summit.

4. Mining Safety Committee (KKP) - in accordance with the Decree of the Directorate General of ESDM No.185.K/37.04/MEM/2019 concerning Technical Guidelines for the Implementation of Mining Safety and the Implementation, Assessment and Reporting of Mineral and Coal Mining Safety Management System. Responsible for the results of hazard identification that must be immediately corrected and followed up in accordance with the risk control hierarchy. Meetings are held once every 3 months, and the decision-making authority is the Summit.

By the end of 2022, the number of participants of OHS-related organizations and the percentage of participation:



Occupational Risks and Mitigation Measures [403-2][403-7][CSS.12.14.3][CSS.12.14.8][403-9]

[CSS.12.14.10]

Some of the risks of hazards and occupational accidents with high consequences, including those related to blasting, heavy equipment operators, maintenance units,

mobilization, and high risk jobs. Due to the existence of various types of work that have a high risk, we carry out several mitigation steps.

Use of Explosives and Blasting

Efforts made regarding safe blasting to maintain mine slope stability include:

- Use of the tie up method for each hole to reduce the impact of blasting vibration on mine slope stability;
- Monitoring ground vibration due to blasting, by determining the maximum PVS standard of 3mm/s according to SNI 7571: 2010. Measurement of ground vibration involves external parties (Independent Agencies) to take measurements in residential areas around the Company's operational area;
- Blasting procedures near critical areas refer to the Classification of Risk Levels and Slope Stability Status Based on Increased Velocity of Movement on Pit and Waste Dump Slope;
- Determination of drilling distance near the slope of 16 meters, measured from the first hole near the slope to the foot of the slope.
- Use of pre split blasting method, to create new freeface and reduce the impact of ground vibrations;
- Use of electronic detonators with hole-by-hole delay settings to reduce the impact of ground vibrations;
- Use of air decking methods (top decking, bottom decking, sysdeck, bottle airdeck, concrete decking).

Equipment and/or Installation Feasibility Testing

The following are some of the equipment and/or installations that received Certificate of Appropriateness to Use Equipment (SKPP/SKPI) from the Directorate General of Mineral and Coal of the Ministry of Energy and Mineral Resources:

- The number of lifting and transporting equipments tested and fit for operation is 29 units;
- The number of steam and pressure vessel equipments tested and fit for operation is 10 units;
- The number of jack stands tested and feasible for operation is 9 units;
- The number of production aircraft that have been tested and is operationally feasible is 1 unit.

Mining Safety Costs

The realization of mining safety costs in 2022 reached Rp90,999.395 million, lower than the realization in 2021 of Rp90,903.225. This cost does not include the cost of OHS and safety operations carried out by the Company's partners.

Type of Work	Mitigation
Blasting	Certification & competency (KIM, KPP Pratama, KPP Madya), working permit & entry permit
Heavy equipment driver/operator	GPS tracking, in car camera, speed awareness monitoring, Simper (the Company's driving license)
Construction of buildings and facilities	CSMS, inspection, work permit, IBPR, JSA
Maintenance unit	IBPR, job safety analysis, work permit, LOTO, inspection, observation
Mobilization	Work permit, induction, IBPR, JSA
High risk job (confined space, hot work, working at height, working near water)	Special work permit, induction, competencies, evacuation tools, monitoring tools, IBPR, JSA, emergency medical tools, APAR

Workplace Accidents [403-9][CSS.12.14.10]

Category

- Minor accident (Human)*
- Major accident (Human)*
- Fatal accident (Human)*
- Lost time injury (Days)*
- Frequency Rate (%)*
- Severity Rate (%)*

*KIDECO worker data



Zero

2022 - 2021 - 2020

Occupational Health Performance

A healthy and safe working environment applies to all parties, including employees, partners and contractors. We recognize the potential for occupational health problems, such as occupational diseases, drug abuse, and the spread of HIV/AIDS. For this reason, KIDECO implements programs as a form of countermeasure strategy and support for a healthy work environment, including: [\[401-2\]](#)[\[403-3\]](#)[\[403-5\]](#)[\[403-6\]](#)[\[403-7\]](#)[\[CSS.12.14.4\]](#) [\[CSS.12.14.6\]](#)[\[CSS.12.14.7\]](#)[\[CSS.12.15.3\]](#)

- All workers and work partners wear protective equipment and other safety equipment at work especially when in the field;
- Support for health costs and provision of insurance health including Social Security Agency of Health (BPJS);
- First Aid Center (P3K) facilities at mining operations and Tanah Merah Coal Terminal (TMCT);
- Health Classes, during the COVID-19 pandemic are transferred through a virtual or online system using the Ms. Teams and Zoom applications to provide health materials to partner companies and employee families;
- Prevention and Control (P2) of HIV/AIDS and drug abuse and COVID-19;

- Periodic health checks, in collaboration with external health institutions, including Pertamina Hospital Balikpapan and Tirta Medical Center Clinic. On each inspection implementation (MCU) form available guarantee of workers' health confidentiality;
- Hygiene and Sanitation Inspection of KIDECO canteen, Standardization Inspection of First Aid Center and Clinic at KIDECO Site, Inspection of First Aid Box Contents, Fit While Work Inspection (random fatigue, random drugs, random alcohol test).
- Measurement and monitoring of work environment hazards;
- Body weight monitoring and challenge program Body Mass Index.

During 2022, we also conducted regular medical examinations for all employees (100%). Based on the examination results, it was found that there was no dominant PAK. [\[403-10\]](#)[\[CSS.12.14.11\]](#)

Support for Occupational Health Performance [\[403-6\]](#)[\[CSS.12.14.7\]](#)

Description	Unit	2022	2021	2020
Health Costs		357,655.17	391,832.1	409,494.14
Health Insurance	USD	1,005,904.46	955,609.24	591,668.78
Referral Hospital Cooperation		202,758.62	142,149.06	1,145

Health Program for KIDECO Employees, Partner Company Workers and the Community [\[403-6\]](#)[\[CSS.12.14.7\]](#)

Program	Number of Participants		
	2022	2021	2020
Counseling and Promotion			
Counseling on HIV/AIDS, Hepatitis A&B, dengue fever, heart attack, stroke, diabetes and other non-communicable diseases	2,968	2,126	360
Counseling on the prevention of drug abuse and illicit trafficking, rest management, employee occupational health, first aid, health talk	7,611	1,384	850
COVID-19 prevention and vaccination counseling	204	1,577	214
Counseling on Monkeypox	53	-	-



Program	Number of Participants		
	2022	2021	2020
Employee health check	514	475	484
K3-conscious healthy exercise	2,400	600	200
Cholesterol, blood sugar, and uric acid checks	127	93	113
Blood donation	Not implemented*	Not implemented*	163
I-Reborn (employee BMI monitoring)	493	442	538
Medicine			
Patient visits to the First Aid Center	304	660	657

* Although in 2021 and 2022 the blood donation was not carried out, KIDECO still directs permanent employees to carry out blood donation by coming directly to PMI Paser Regency.

OHS Education and Training [403-5][CSS.12.14.6]

KIDECO organizes OHS training to improve knowledge and skills related to occupational health and safety. In 2022, 37 types of OHS training were conducted with a total of 585 participants. The training consisted of several topics, and were aimed at several training levels. The training includes

Primary Operational Supervisor (POP), Contractor Safety Management System (CSMS), incident investigation, SMKP awareness, Lock Out Tag Out (LOTO), Behavior Based Safety, and others.

Strategy Toward Zero Fatality and Loss Time Injury (LTI)

KIDECO's commitment to improving OHS performance is realized through the Safety Department by developing strategic objectives, targets and programs (OTP). The following are some of the programs implemented:



Organizational Aspect

1. Establishment of K3 Disciplinary Enforcement Committee (KPD)
2. Appointment of safety representatives in each department
3. KIDECO top management meeting with partners' top management related to serious accidents
4. Implementation of training and competency for all employees
5. Addition of safety personnel



Infrastructure Aspect

1. Development of digitization system (hazard report, permit, online induction, incident management)
2. Construction of forest and land fire monitoring towers
3. Procurement of long range lighting detection system and mobile lighting protection system
4. Purchase of a new fire truck



System Aspect

1. Safety culture maturity level measurement
2. Fatigue Management Program
3. Creation of I-reborn program
4. SMKP and SMT Internal Audit
5. Procedure review



Supervision Aspect

1. Implementation of night patrol program
2. Emergency drill
3. Evaluation of SMK3LE
4. Certification of facilities, infrastructure, installation, and equipment

In 2022, KIDECO continued its night patrol activities involving all managerial levels from Assistant Managers to Directors, to ensure the safe implementation of OHS. KIDECO also established an OHS Discipline Enforcement Committee (KPD), and ensured that all employees in the supervisory level have competencies as First Operational Supervisor (POP), Middle Supervisor (POM), and Main Operational Supervisor (POU). The intensity of communication with working partners/contractors to monitor OHS performance was increased to once a month so that they coordinate more frequently.

KIDECO also evaluates the implementation of OHSMS to ensure that there are no practices that conflict with human rights, including no child labor and forced labor in partners/contractors. We ensure that this clause is in the work contracts signed by KIDECO and work partners. Recognizing that occupational health and safety is a shared responsibility, KIDECO conducts OHSMS evaluations at partner companies. [\[403-2\]](#)[\[408-1\]](#)[\[409-1\]](#)[\[CSS-12.16.2\]](#)[\[CSS-12.17.2\]](#)

Partner Company Evaluation Results [\[403-5\]](#)

Description	2022	2021	2020
Termination of Employment Contract**	1	4	2
Employment Contract Extension	43	41	38
New Partner Company***	6	5	7
Number of Partner Companies	50	46	45

Note:

Based on Q4 2022 Mining Services Business Report to DG Minerals and Coal Partner Company directly contracted with Kideco (Contractor)

**PT SBS (under Marketing Department)

***PT Garuda Angkasa Sejati, PT Ammar, PT KRS, PT SAR, PT KSA, PT Anindya

Leaving Hazardous Work Situation [\[403-2\]](#)[\[CSS.12.14.3\]](#)

In certain situations that endanger and threaten work safety or cause occupational diseases, KIDECO allows workers to leave the job. The process for leaving work begins with completing the daily work preparation form which includes; reporting including hazard report, P5M program (safety talk), and supervisor inspection (daily

work environment readiness form), and submitting news related to the identification of hazard and risk activities. KIDECO guarantees that no punitive measures will be taken for leaving work due to safety reasons or occupational diseases.

OHS Incident Investigation [\[403-2\]](#)

KIDECO conducts investigation checks related to OHS incidents. Analysis of the investigation results is carried out by the OHS Disciplinary Enforcement Committee (KPD) Team. After the analysis, activities continue with hazard identification and risk assessment, determining corrective

actions and determining necessary improvements in the OHS management system. In realizing a conducive work environment, there is a work culture that guides the work in accordance with global standards, a culture of compliance, and high integrity.



High Ethics

Employees are able to have an honest and transparent attitude, based on high ethical awareness.

- A healthy view of the Company
- Honesty and diligence
- Taking initiative and setting an example
- Awareness, autonomy and responsibility.

Global Capabilities

Employees are able to work with a professional spirit based on global thinking and expertise.

- Global sensitivity
- Foreign language skills
- Specialized knowledge

Positive & Active

Employees are able to actively carry out their work to achieve their goals, rejecting a passive attitude. A healthy view of the Company.

- Awareness of purpose
- Strong spirit
- Strong competitive spirit

Creative

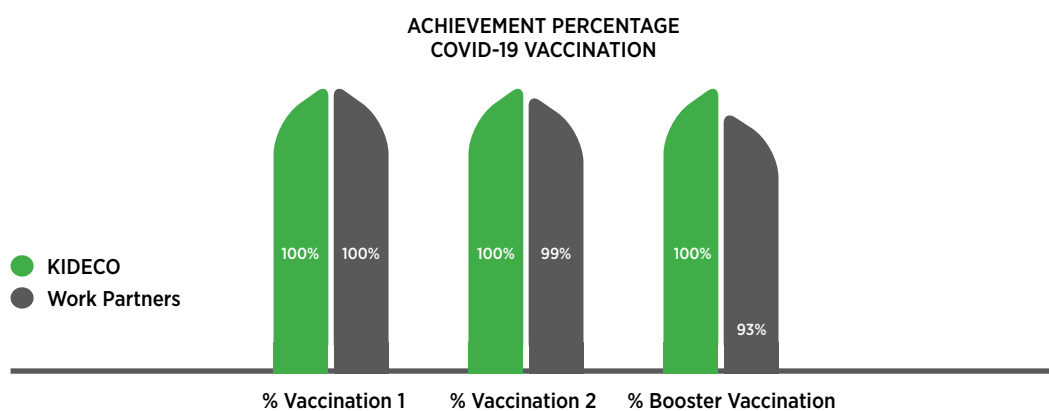
Employees are not afraid of change and innovation, and seek better solutions through creative thinking.

- Creative problem-solving skills
- Mindset Shift
- Driving force
- The courage to face challenges
- Flexibility

Facing the COVID-19 Pandemic [403-1][403-10][CSS.12.14.11]

As long as the COVID-19 pandemic is not over, KIDECO strives and ensures that all activities carried out, pay attention to health protocols in accordance with the Letter of the Director of Engineering and Environment / Chief Mining Inspector of the Ministry of Energy and Mineral Resources (ESDM) No 797/37.04/DBT/2020 regarding Efforts to Prevent Transmission of COVID-19 in the workplace. In addition, there is a Circular Letter of the Ministry of Energy and Mineral Resources No 02.E/04/DJB/2020 regarding the Prevention and Handling of COVID-19.

KIDECO synergizes with the local government through the National COVID-19 vaccination program. In 2022, the COVID-19 vaccination implementation rate reached 43,088 of KIDECO's total employees and contractor workers. KIDECO also established the COVID-19 Vaccination Task Force Team TFT, which involves cross-departments, and plays a role in implementing the countermeasure program.





Human Rights and Labor Management

KIDECO implements policies that are in line with human rights values for workers, stakeholders, as well as those related to local communities and indigenous peoples. In addition, KIDECO also socializes policies and provides human rights training to security officers (outsourcing) and all workers without exception. During 2022, KIDECO had no incidents of non-compliance and human rights violations, including no violation of the rights of indigenous peoples, and no child labor or forced labor. [2-24][2-27][408-1][409-1][410-1][411-1][CSS.12.11.2][CSS.12.12.2][CSS-12.16.2][CSS-12.17.2]

Human Rights in the Collective Labor Agreement

- Regulation of working hours and the obligation to compensate for excess working hours to avoid forced labor. [409-1][CSS-12.17.2]
- Freedom of association and opinion by forming trade unions and drafting CLA.
- Diversity and equality, including remuneration without distinction of gender and background. [405-2][CSS-12.19.7]
- Prevention of child labor with a minimum age of 18 and prevention of youth labor for hazardous work by applying competencies to all fields of work. [408-1][CSS-12.16.2]

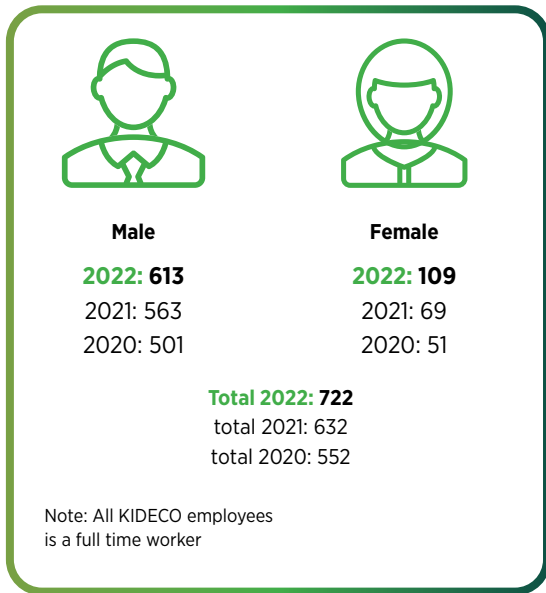
Diversity and Equality

We apply the principle of equality and there is no differentiation of workers based on ethnicity, religion, race, and other groups. During the recruitment process, career advancement, remuneration, retirement and other aspects are carried out based on competence, needs, and position level. In human capital management, the Company adheres to the principles of openness, fairness and equity, and there

were no incidents of discrimination in 2022. As of the end of the reporting period, our employees totaled 722 people, consisting of 613 men and 109 women. The composition of the number of men is more than women because the majority of people interested in working in the mining sector are men. [2-27][405-1][406-1][CSS-12.19.6][CSS-12.19.8]



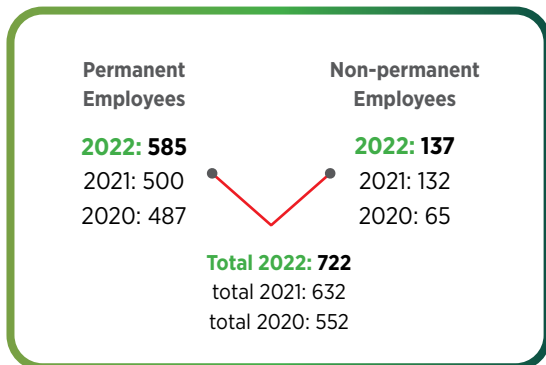
Number of KIDECO Employees by Gender [2-7]



Number of KIDECO Employees and Other Workers [2-7][2-8]



Number of KIDECO Employees Based on Employment Status [2-7]



Most of the employees are local residents from East Kalimantan. The number of employees from local residents is 444 or 61.5% of KIDECO’s total employees, and as many as 62 or 14% are senior management from the local workforce. We also involve local workers and people with disabilities in our business processes. In 2022, the Company has one disabled worker working in the ER and Sustainability Department. [202-2][405-1][CSS.12.8.3][CSS-12.19.3]

Number of Employees Based on Origin [2-7]

Employee Origin	2022	2021	2020
Paser Regency	344	328	323
Other Regencies in East Kalimantan Province	100	69	53
Other Regions in Indonesia	273	227	166
Foreign Nationals (Expatriates)	5	8	10
Total	722	632	552

In 2022, we hired 143 new employees, and 59 people left due to various reasons, such as retirement and resignation.

New Employee Recruitment in 2022 [401-1][CSS.12.15.2]

Operation Area	Male	Female	Total
Roto Samurangau	83	42	125
Susubang Uko	0	0	0
Jakarta Office	14	4	18
Total	97	46	143

Turnover Rate (%)

[401-1][CSS.12.15.2]



Notes: *restatement of data in 2020 [2-4]

Number and Reasons of Employees Leaving KIDECO in 2022

Background	Male	Female	Total
Retire	16	0	16
Resignation and Job Transfer	18	4	22
Death	3	0	3
Layoff - (Contract Completed)	16	2	18
Total	53	6	59

Freedom of Association

All KIDECO employees are protected by the Collective Bargaining Agreement (CLA) established by management and the worker unions, namely the All Indonesia Workers Union (SPSI), the Indonesia Welfare Workers Union (SBSI), the Paser Workers Union (SPP), and the Coal Workers Union (SP Bara). The number of KIDECO employees who are union members reaches 396 people or 54.8% of the

total employees. We protect all (100%) workers covered by the CLA, and ensure that there are no restrictions on unionizing or collective bargaining in the mining operation area. During the year 2022, there were no workers who went on strike for more than one week that potentially disrupts operations. [2-30][407-1][CSS-12.15.4][CSS-12.18.2]

Trade Union Membership

Description	2022	2021	2020
Number of KIDECO Employees	722	632	552
Number of KIDECO Employees Union Members	396	374	337
Membership Percentage (%)	54,8	59,2	61,1

Leave Entitlement

KIDECO provides maternity leave for female workers of 90 calendar days. Meanwhile, male workers are given 3 days of leave to accompany their wives in childbirth. By the end of 2022, 2 female workers took maternity leave and 22 male

workers took leave to accompany their wives in childbirth. All (100%) workers have returned to their original positions after their leave was completed. [401-3][CSS- 12.19.4]

Employee Remuneration and Other Benefit Programs

The provision of remuneration to all workers is adjusted to the minimum wage provisions regulated by the decree of the regional head. The Company has also established relationships with workers in accordance with applicable regulations, namely Law No.13 of 2003 concerning Manpower as amended by Law No.11 of 2020 concerning Job Creation.

In addition to remuneration, KIDECO includes employees in health insurance, life insurance, pension insurance, and other benefit programs that support their welfare. The provision of benefits for workers is not differentiated for areas of operation that are considered more significant than other areas. The basic benefits received by both permanent and non-permanent employees are the same, including health care, transportation assistance, life insurance, and relocation allowance. [401-2]

Percentage Comparison of Lowest Wage to Local Minimum Wage (%) [202-1][CSS-12.19.2]

Position	2022	2021	2020
Non Staff			
Female	114.29	114.75	115.66
Male			

Some Facilities and Benefit Programs for Employees [201-3]

Facilities and Benefit Programs	Description	2022	Accumulation (2017-2022)
House Construction Loan	Financial loan of up to Rp250 million with 0% interest for housing construction	IDR 6.35 billion (26 employees)	Total 108 employees, with a total budget of IDR 25.42 billion
Loan for Retirement Preparation Business Capital	Financial loan of up to Rp250 million with 0% interest for retirement preparation business capital	IDR 19.09 billion (85 employees)	Total 85 employees, with the total budget IDR 19.09 billion

Facilities and Benefit Programs	Description	2022	Accumulation (2017-2022)
Regular Children's Education Assistance	Funding for the education of employees' children from kindergarten to university	564 employees' children (semester 1, FY 2021/2022); 556 employees' children (semester 2, FY 2021/2022)	A total of 7,068 children employees, in total budget of IDR 4.464 billion
Educational Assistance for Children Entering University	Funding for the education of employees' children to enter the university level.	35 children of employees, Grant amount of IDR 70 million	Total 216 children of employees, with a total aid of IDR 281 million
Educational Assistance for Children with Achievement	Funding for the education of the children of outstanding employees from elementary school to university.	85 children of employees, Grant amount IDR 71,450 million (semester 1, FY 2021/2022); 85 children of employees, Grant amount IDR 96,350 million (semester 1, FY 2021/2022)	Total 1,016 children of employees, with a total aid of IDR 579.2 million
Employee Tenure Award	Appreciation and award of gold to employees who serve and contribute for 10 to 20 years.	53 employees	A total of 323 employees received the Gold Coin with a total aid of IDR 3.871 billion.

Employee Competency Development

During 2022, KIDECO organized employee training to improve their competencies. There were around 40 competency tests attended by employees, including Drone Pilot Competency (DPC) certification, Hazard Analysis Critical Control Points (HACC), Primary Operational Supervisor (POP), Training and Competency Test for

PLTD 3 Diesel Engine Operator, Scaffolding Inspector, and so on. In addition, employees are also provided with entrepreneurship training and other preparatory programs as provisions for employees later if they will close mining operations. [\[404-2\]\[CSS-12.3.3\]\[CSS-12.15.7\]](#)

Average Employee Training Hours [\[404-1\]\[CSS-12.15.6\]\[CSS-12.19.5\]](#)

Year	Number of Participants	Number of Training Hours	Average Training Hours/Employee
2022	2,992	125,715	42.02
2021	2,891	121,291	41.95*
2020	487	19,352	39.74*

Note: *Calculations are adjusted for different employee training hours.



Employee Training Hours by Training Type [404-1]

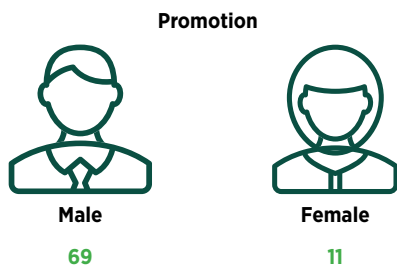
Type of Training	2022	2021	2020
Inhouse & Public Managerial Training	1,449	1,262	422
Inhouse & Public Training Operational & Certification	1,543	1,629	65
Total	2,992	2,891	487

Training Hours by Position Level [404-1]

Position Level	2022	2021	2020
Manager and above	343	807	74
Assistant Manager	600	670	80
Supervisor	634	722	153
Staff/Foreman/Officer/Engineer	1,366	669	165
Non-Staff	49	23	15
Total	2,992	2,891	487

In 2022, the Company conducted performance evaluations and career development reviews for all (100%) employees. From the evaluation, 80 employees were promoted. [404-3]

Career Development for KIDECO Permanent Employees



Competency Enhancement Related to Sustainability [2-17]

In addition to providing training to employees, the Company engages Directors, Commissioners and other executives in competency development activities or training related to sustainability. During 2022, there were five activities attended with various themes, including IEG Leaders insight and High Performance Leadership.

Growing with the Community

KIDECO strives to mitigate negative impacts and increase positive impacts on surrounding communities. The Company conducts various empowerment programs and other social assistance programs to assist communities in improving their welfare. In the implementation of

community engagement and development, we refer to the ISO 26000 Guidance Standard on Social Responsibility. Until the end of 2022, KIDECO has made social investments totaling IDR 47.5 billion for PPM activities.

Community Development and Empowerment (PPM) Vision, Mission, and Motto

Vision

Together with KIDECO towards a self-reliant community

Mission

1. Improvement of society in various spheres of life
2. Socially responsible investment
3. Harmonious and environmentally friendly

Motto

Think global, act national, based on local wisdom

Responsibilities of the CSR Department: [2-12]

- Establish CSR strategy and action plan;
- Set CSR KPIs and monitor progress;
- Oversee community development and cooperation;
- Publish CSR report.

KIDECO has a CSR Committee led by the President Director assisted by the Director of Finance, Director of Operations, and Chief Mine Technical Officer. This committee also serves to facilitate CSR forums for the community.

PPM and CSR Financing

The Community Development and Empowerment Program (PPM) is carried out from funds provided by the Company, no financing comes from other sources. Based on the Minister of Energy and Mineral Resources Regulation No. 25 of 2018 concerning Mineral and Coal Mining Business, unused funds from the realization will be added in the following year. On this basis, the accumulated PPM costs in 2022 amounted to IDR47.5 billion. Planned PPM costs in 2022 amount to IDR 47.5 billion with a realization of IDR 47.8 billion or 100.65%. [413-1][CSS.12.9.2]

KIDECO continuously strives to minimize the negative impacts arising from the Company's operations, such as potential environmental pollution and the quality of life of surrounding communities. Through community development and empowerment (PPM) and CSR programs, we conduct social mapping related to community problems, potential and needs. The CSR program covers mining communities in the Roto Samurangau and Susubang Uko WUPs, which are producing mining areas, and Pinang Jatus, which is still in the exploration stage, covering 72 locations in the Ring I to Ring V areas. [413-1][413-2][CSS.12.9.2][CSS.12.9.3]

PPM Program Priorities [203-2][CSS.12.8.5]

Economy and Culture	Education	Health	Infrastructure
<ul style="list-style-type: none"> Development of local economic potential through plantation, agriculture, livestock and fisheries program packages; Micro business capital financing; Marketplace-based MSE development program. 	<ul style="list-style-type: none"> Improving the quality and capacity of the fostered school community; S1 & S2 scholarship assistance program; Education stimulation; Mobile library; Education infrastructure assistance; Stimulant Education Fund Assistance; Student Achievement Prize; Bina Bersama KIDECO Foundation. 	<ul style="list-style-type: none"> Improvement of quality for local health center (posyandu) cadres; Health infrastructure aid; Health promotion; Clean water facilities; Stunting Program; KIDECO Vaccine Program; Healthy House Program; Healthy Car. 	Assistance in providing infrastructure to support PPM independence: community services, road and bridge access, clean water, education, health, religious facilities and others.

KIDECO CSR Program Financing 2022 (in IDR billion)

No.	Main Program	2022		2021		2020	
		Cost	%	Cost	%	Cost	%
1	Education	6.47	77.36	6.65	12.54	6.47	73.8
2	Health	4.38	101.81	2.41	4.55	3.45	83.0
3	Real Income & Employment Level	6.30	92.60	6.35	11.98	5.49	80.6
4	Economic Independence	1.01	97.86	0.81	1.53	0.90	58.9
5	Social and Cultural	16.84	129.53	24.02	45.30	19.86	94.5
6	Environmental Management	2.48	108.41	0.8	1.51	0.23	30.1
7	Community Institutionalization	0.05	100.00	0.08	0.15	-	-
8	Infrastructure	10.25	91.74	11.95	22.54	5.67	130.5
	Total	47.81	100.65	53.02	100	42.10	88.6

Community Engagement and Human Rights Aspects

The Company carries out all operational activities responsibly and considers community involvement, including in the preparation, implementation, and evaluation of PPM program implementation. Involvement is carried out in the form of discussion forums, as well as training that involves their active role.

Throughout 2022, none of the Company's operational areas are directly adjacent to indigenous peoples or Remote Indigenous Communities (KAT). Therefore, there were no land use disputes and violations of the rights of KAT communities. In addition, the Company also did not relocate any communities as a result of mining activities, and there were no incidents of human rights violations involving local communities. [411-1][CSS.12.10.2] [CSS-12.11.2][CSS.12.11.3][CSS.12.11.4]

PPM Economic Program [CSS.12.8.2]

KIDECO engages the community to manage livestock waste that is reused in agriculture as compost and biogas. In converting cattle waste into renewable energy in the form of biogas, KIDECO built a Biodigester installation.

The program successfully generated 18,052.84 GJ of renewable energy by utilizing 43 livestock animal wastes, and contributed to reducing emissions by 4.77 tons CO₂eq.

Plantation

The palm oil and rubber plantation sector is one of the potential sectors developed for community empowerment. KIDECO provides assistance, including capacity building of farmers, strengthening institutions, land provision, land clearing, provision of superior seeds, maintenance, and construction of access roads to plantations. This activity is embedded in the Integrated Farming System (IFS), which includes empowering demonstration plots of oil palm plantation crop cultivation that have successfully produced 1,860.1 tons of palm oil during 2022.

Integrated Farming System (IFS)

IFS development integrates agriculture with rural tourism to optimize land use. The presence of tourism in IFS can increase the happiness index of the community, as well as deliver agricultural education while traveling. By the end of 2022, there will be four farmer groups with 125 members, earning an average of IDR 3 million/month per member, up from IDR 2.5 million in the previous year. The number of visits by citizens learning IFS reached 500 people throughout 2022.

Honey Bee Cultivation

KIDECO together with the fostered group cultivated Mellifera Honey Bees. This honey bee cultivation is one of the activities carried out at IFS.

Home Industry

KIDECO involves housewives in the Women Farmers Group (KWT). The activities carried out are processing various kinds of home industry foods, such as amplang, crackers, and similar snacks. By 2022, there were 50 people in two villages who had received assistance. KWT activities, namely KWT Rangan Indah in Rangan Village and KWT Samuntai Village, Long Ikis Sub-district. This assistance succeeded in turning KWT Rangan Indah Agung into an independent self-help organization and has been developed into the Rangan Indah Agung Women Farmers Cooperative. In addition, there are nine community organizations in eight villages, consisting of KWT and Village-Owned Enterprises (BUMDES).

Home Industry Development Program

Program Performance	Unit	2022	2021	2020
Number of Home Industry (IRT) Production Centers	Unit	20	15	15
Number of Product Types Produced	Products	72	69	69
Number of Members	People	176	87	87
Business Income per Year	Rp Million	75,000	5,000	5,000

Community Financial Institutions (Cooperatives)

KIDECO has successfully assisted community groups that are now transforming into cooperatives. These cooperatives include Telake Jaya Agung Fishermen Cooperative, Adang Agung Jaya Fishermen Cooperative, Jaya Agung

Independent Farmers Cooperative, and Rangan Indah Agung Women Farmers Cooperative. During 2022, there were four cooperatives assisted by KIDECO with a total of 125 members.



PPM Social and Cultural Program

Community Activities

In 2022, for the Eid al-Fitr and Eid al-Adha celebrations, PPM KIDECO provided 16,300 holiday gifts to underprivileged residents in 62 assisted villages in eight sub-districts, and also provided 142 sacrificial cows. KIDECO also participated in the implementation of Semarak Pekan Ramadhan, Safari Dakwah, MTQ at the sub-district & district levels, and the construction of religious facilities.

Support for Paser Indigenous Art and Culture

KIDECO provides sponsorship for every performance held by the Rebuntung Dance Studio as a form of support for Paser's traditional cultural arts activities. KIDECO also provides assistance and empowerment to the studio, by organizing collaborations in various events.

Community Development and Training

KIDECO supported sports and youth development, especially in futsal, with the KIDECO Futsal CUP. A total of 52 teams participated in the student-level futsal competition. This activity was held on December 21st - 28th, 2022.

The KIDECO Badminton Academy was reopened after a 2-year hiatus due to the COVID-19 pandemic. The Badminton Academy won a bronze medal representing Paser Regency at the East Kalimantan Provincial Sports Week in Berau.

Self-awareness Movement (GSM)

Coaching and training is also provided for prisoners in the Class IIB Tanah Grogot Correctional Institution, through the Self-Aware Movement (GSM) program. This program aims to increase the awareness, skills and independence of prisoners in the prison. A total of 30 female prisoners attended handicraft and culinary training, and 10 male prisoners attended carpentry training.

Procurement of Socio-Cultural Infrastructure

KIDECO provided assistance for nine infrastructures consisting of the construction and repair of roads, bridges, mosques/mosques, sports facilities, and arts.

PPM Education Program

Training and Skill Development for Teacher

This program was organized in collaboration with the district-level teachers' forum, with a training target of 1,000 people, with a realization of 1,188 teachers. The training was attended by teachers from Batu Sopang, Muara Samu, Kuaro, Muara Komam, Long Ikis, Long Kali, Tanah Grogot, Paser Belengkong, Batu Engau and Tanjung Harapan sub-districts. Training themes include Digital Learning, Digital Literacy, and Minimum Competency Assessment for Kindergarten-PAUD, Elementary, Junior High, and High School Teachers. Training is conducted as needed, in coordination with the Education Office and the Teachers' Forum.

KIDECO Gemilang and KIDECO Paser Gemilang Scholarships

KIDECO provides educational scholarships to outstanding students from underprivileged families so that they can continue their education to the university level, both undergraduate and postgraduate. Until the end of 2022, there are 35 outstanding students who receive scholarships with a total aid of Rp1 billion per year. Meanwhile, 1,949 outstanding students received additional appreciation totaling IDR 289,989,000.

Education Stimulant Aid and Mobile Library

Education stimulant assistance is also provided to outstanding students from underprivileged families at all levels of education, as well as to outstanding teachers. Number of recipients of education funding assistance in 2022 reached 2,315 beneficiaries in four sub-districts.

In addition, KIDECO also provides literacy support with a mobile library, covering 73 schools in six sub-districts, and literacy week activities in three sub-districts. The number of beneficiaries in this literacy program is 9,984 students. In the mobile library program, there are three cars equipped with various facilities such as 13,055 book collections, 73 school visits, and 250 book loans, as well as multimedia equipment and storytellers.

KIDECO Bina Bersama Foundation (YBBK)

The YBBK program is a basic skills and expertise training program, such as English, Arabic, and computer training courses. This program aims to prepare young people who will enter the world of work. In addition, YBBK also develops religious education, namely the Quran Education Park (TPA). In 2022, there were 1,069 students participating in this program.

Education Collaboration Program

KIDECO collaborates with the Indika Foundation in CSR programs in the field of education. Several series of programs were implemented:

- Foster Parent Program, a mentoring and school funding program for children around the KIDECO site;
- KIDECO Digital Competition, a digital competition program;
- KIDECO UKS Champion Program, a training and mentoring program for junior high school students to become health ambassadors at school.

PPM Health Program

Various activities in the health sector are carried out by KIDECO, including local health center (Posyandu) Empowerment, Mobile Clinic (Mobil Sehat (Posbindu Mobile)), Education on the dangers of drugs and HIV/AIDS, capacity building for health workers, vaccine goes to community, water facilities and construction of health support facilities. Number of beneficiaries in 2022 is 3,939 people. KIDECO also provided training to Posyandu cadres and health workers (midwives) The number of beneficiaries who joined this training was 682 beneficiaries.

Provision of Clean Water Facilities

KIDECO built clean water facilities in inland and coastal areas in five villages, and distributed clean water using two water tanks for Songka Village. In its implementation, KIDECO cooperates with village governments and local companies. The realization of the budget spent for this program amounted to IDR 1.23 billion.

Prevent Stunting (CANTING) Program

KIDECO provides training to cadres and communities on the importance of nutrition for children from the womb, assistance to high-risk pregnant and postpartum women. KIDECO also provides supplements for children aged 6 months-2 years who are indicated to be stunted, and conducts health seminars on stunting prevention and treatment with 201 beneficiaries. The CANTING program was implemented in seven sub-districts and 14 villages with 78 local health center (posyandu) beneficiaries, 543 cadres trained, and 30 pregnant and postpartum mothers assisted. Furthermore, we also providing supplementation to 150 Baduta with indications of stunting. The realization of the budget provided amounted to IDR 922.6 million.

Protecting Communities from the COVID-19 Pandemic

KIDECO carries out COVID-19 vaccination activities by setting up vaccine outlets to mobile goes to the community in order to reach communities that are difficult to access vaccines (remote areas). The number of beneficiaries of this program was 2,505 people. The allocation of funds provided amounted to IDR 382.57 million.

PPM Infrastructure Development Program [203-1][CSS.12.8.4]

Infrastructure development and public facilities are provided pro bono so that people can use public facilities more easily. The realization of this infrastructure development includes a swallow farm building, a village library, and a place of worship.

Supporting Infrastructure for Development in Coastal Areas

Supporting infrastructure assistance is provided to fishermen in coastal areas by providing transportation equipment. Throughout 2022, the engine assistance provided 103 units spread across six villages. Other assistance included cooler boxes (32 units) and electric sprayers (25 units) in Pondong Village.



*Building Business
Excellence and Integrity*

“ KIDECO strives to strengthen the sustainable governance practices in its operational aspects and business development. Through good governance practices, KIDECO also supports the SDGs ”

Material Topic Management [3-3]

Material topics: Business Ethics, Technology, and Innovation

We adhere to business ethics, and they are our foundation for business partnership and ensuring smooth business operations. KIDECO does not tolerate any fraudulent practices, including corruption. We implement anti-corruption practices and adhere to anti-bribery policies. These policies comply with ISO 37001:2016 Anti-Bribery Management Systems (ABMS). Moreover, our Whistleblowing System (WBS) is a platform for reporting cases of misconduct.

In addition, KIDECO implements digitalization in every business process in order to support operational efficiency. The management of Business Ethics, Technology, and Innovation is the responsibility of the Business Ethics and Integrity Unit and the Business Process Improvement & Technology Unit. Of note, evaluation is conducted periodically every six months.

The management or employees evidenced no commitment to bribery and corruption. Indeed, the 2022 technology development supported the Company’s productivity and business efficiency.





Code of Ethics and Support for Anti-Corruption

Implementation of Code of Ethics

KIDECO's implementation of the Code of Ethics is outlined in the Code of Conduct and Business Ethics Guidelines. These two regulations are in accordance with the Decision of the Board of Directors (BoD) of PT Kideco Jaya Agung. The Decision of BoD states the Appointment and Assignment of the Ethics Council to Carry out Anti-Bribery Compliance Functions No. KJJ 226/LEG 040/IV dated April 18, 2022 (FKAP). Another to that regulation is the Decision of the Board of Directors (BoD) of PT Kideco Jaya Agung on the Appointment and Assignment of Members to Carry out the Business Ethics and Integrity (BEI) Function No. KJJ 226/LEG 041/IV dated April 18, 2022 .

The commitment to the Company's Business Ethics applies to all management and stakeholders. The Compliance Statement shows the internal scope's compliance with the Code of Conduct and Business Ethics.

Meanwhile, the drafting of the Charter of the Committee evidences the good corporate governance (GCG) practices. This Charter includes the duties, responsibilities, and authority of the Committee in managing conflicts of interest. The Company's management is committed to avoid and manage any conflict of interest.

Whistleblowing System (WBS)

KIDECO has a mechanism for reporting violations, inappropriate behavior, including bribery and corruption. All stakeholders can access our whistleblowing system (WBS) on <https://wbs.kideco.app/>. They can also directly contact the members of the Anti-Bribery Compliance Function (FKAP) or the Business Ethics Integrity (BEI) unit, responsible for managing the WBS. The FKAP members consist of the Directors. They are the Chief of Corporate Service (CCSO), Chief of Finance Procurement Officer (CFPO), and Chief of Legal Services Officer (CLSO). Meanwhile, the BEI members consist of the Legal, Internal Audit, and HRD departments. [2-16][2-25] [2-26]

As a follow-up to WBS reports, the Ethics Council has a role in receiving, identifying, following up, and making recommendations to the management regarding non-compliance reports. Its role complies with the Board of Directors' Decision on the Appointment and Assignment of the Ethics Council to Carry out the Anti-Bribery Compliance Function (FKAP) No. KJJ 226/LEG 040/IV dated April 18, 2022. The Company guarantees the confidentiality and security of the reporter. As of the end of 2022, there were no reports submitted through the WBS.

Anti-Corruption Support

KIDECO's internal and external scopes are committed to anti-corruption. The Company also implements ISO 37001 certification No. ABMS 740623 (Anti-Bribery and Corruption Policy). Moreover, we conducted a Surveillance Audit ISO 37001:2016 on November 9, 2022 to maintain the certification, which serves as a guide for management decision-making.

In implementing the Anti-Bribery Management System (ABMS) certification, KIDECO conducts a Bribery Risk Register to analyze the bribery risk in each department. We also analyze the risks from stakeholders who partner with each department. In addition, before external audits related to the implementation of anti-corruption, we conduct internal assessments of each clause and work program. Therefore, to strengthen the implementation of the Anti-Bribery Management System (ABMS), we conduct

dissemination to all departments and stakeholders, as well as signing an Integrity Pact. [205-1][CSS-12.20.2]

In 2022, the Company provided all Directors, Team Managers, and Assistant Managers of each department with the dissemination of anti-corruption policies and procedures. Furthermore, we also provided work partners, both contractors and subcontractors with such dissemination. Meanwhile, six management personnel

and 100 KIDECO employees had attended anti-corruption training. The results showed that there were no corruption cases in 2022, and KIDECO did not face corruption allegations involving its employees. We also did not have legal issues on anti-competitive behavior, anti-trust and monopoly regulations. Besides, we were not involved in any form of political contributions. [205-2][205-3][206-1][415-1][CSS-12.20.3][CSS-12.20.4] [CSS-12.22.2]

Digitalization of KIDECO's Operations

KIDECO braces digitalization to monitor mining operations and improve the performance. This system accelerates information delivery, problem solving, and decision making. It also improves safety and the implementation of good mining practices.

KIDECO digitizes its mining operations using an application for geotechnical analysis, mine planning, blasting, and production. The application is One KIDECO, and all employees can easily access the app through their mobile phones.

In 2022, KIDECO developed the 'Nembayu' application to improve its occupational health and safety. The Nembayu app is accessible via website or mobile phone. Moreover, the Company also developed a Radio Frequency Identification (RFID) Attendance System. It optimizes employee attendance and improves digital-based fuel procurement and management systems.

Sustainability Governance

The Good Corporate Governance (GCG) practice begins from the top management that is the Board of Directors (BoD) and the Board of Commissioners (BoC), all the way down to all employees. The Company's GCG complies with the Law No. 40 of 2007 on the business integrity of Limited Liability Companies and the adherence to prevailing policies in all its activities and business relationships. [2-24]

The General Meeting of Shareholders (GMS) is the highest governance structure, followed by the BoC and the BoD. The BoC is assisted by special committees to support its supervisory function, while the BoD also hold the position of Chief Executive Officer. The tasks of the BoD are to develop business, implement strategies, monitor business

and strategies, and manage the Company. Furthermore, the chairman and members of the BoC do not hold executive positions. Moreover, the BoC focus on monitoring the Company's operation, while the BoD focus on leading the Company's operations. [2-9][2-11]

The appointment of the members of the BoC and BoD complies with the proposal of shareholders in the GMS. The BoC and BoD do not have any particular affiliations. They are elected based on the GCG principles, their expertise, and educational backgrounds. [2-10]

In performing their duties and obligations, the BoC and BoD refer to the Code of Ethics, Company Values, Charter of the Audit, Risk and Compliance Committee, Charter of the Nomination and Remuneration Committee, Charter of the Project and Investment Committee, and Charter of the Sustainability Committee. The supervisory function of the BoC are strengthened by the committees as follows:

1. Audit, Risk & Compliance Committee;
2. Nomination and Remuneration Committee;
3. Project and Investment Committee;
4. Sustainability Committee.

As of December 31st, 2022, the BoC consist of a Main Commissioner and 6 members of the Board of Commissioners. While the Board of Directors consists of 8 people coming from different age groups, backgrounds, and expertise. The BoC are assisted by an Advisor and a Chief Mining Engineer at the Director level assist the BoC in performing their duties. [405-1] [CSS-12.19.6]

Composition of the Board of Commissioners as of December 31 2022

Name	Gender	Position	Areas of expertise
Azis Armand		President Commissioner	Economic
M. Arsjad Rasjid P. M			Business Administration
Myung Chang Yong			Foreign Studies
Commissioner General of Police (Purn) Drs. Suhardi Alius, M.H.	Male	Commissioner	Police Science
Lieutenant General TNI (Purn) Dodik Wijanarko,S.H.,CfrA			Indonesian National Army
Harry Ponto S.H., LL.M			Law
Kamen Kamenov Palatov			Finance-Accounting

Composition of the Board of Directors as of December 31 2022

Name	Gender	Position	Areas of expertise
Mochamad Kurnia Ariawan		President Director	Finance-Accounting
Johanes Ispurnawan		Vice President	Economic and Human Resource
Togi Ottoman Bernard			Finance-Accounting
Anton Kristianto	Male	Director	Marketing, Economy -Management
Edra Emilza			Mining Engineering
Kim Il Soo			Civil Engineering
Kang Seungmin			Mining/Civil Engineering
Arif Kayanto			Law

The changes in the BoC and BoD had been reported to the Minister of Energy and Mineral Resources. The changes are stated in KIDECO Letter No: KJJ 226/LEG-042/IV on the Reporting of Changes in the Composition of the BoC

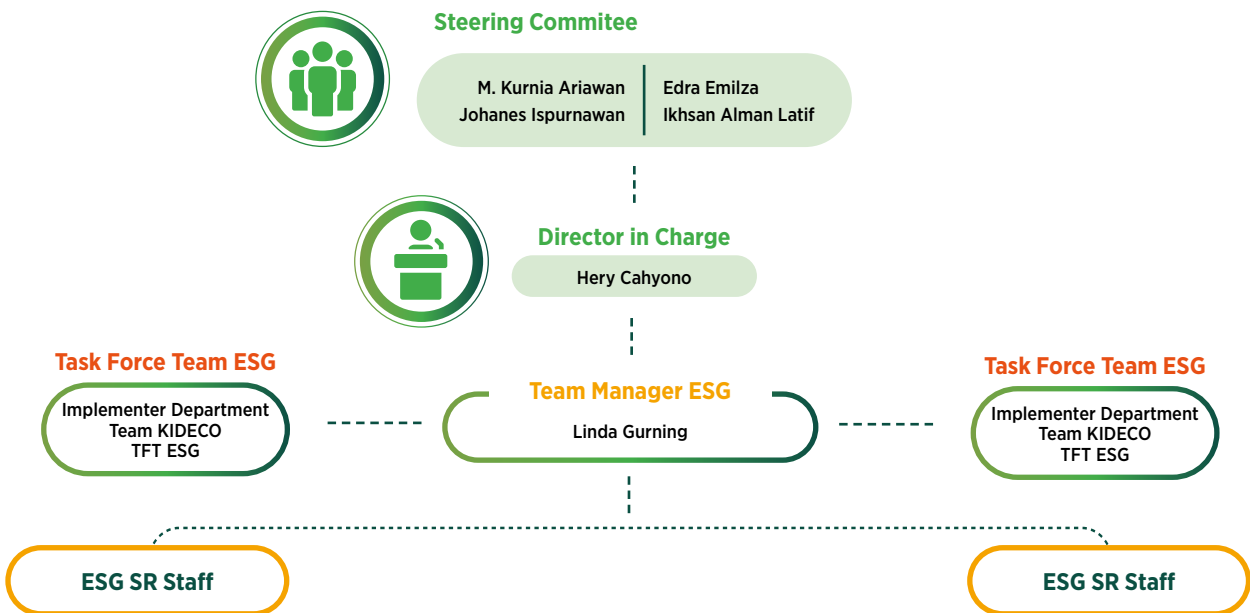
and BoD of PT Kideco Jaya Agung on May 5th, 2022 and the updated data on the Composition of the Board of Commissioners and Directors in the Minerba One Data Indonesia (MODI) application.

ESG Team

To strengthen initiatives for internal and external ESG implementation, KIDECO established an Environment, Social, and Governance (ESG) Task Force Team (TFT) or

TFT ESG. In 2022, the organizational structure of TFT ESG KIDECO was as follows.

KIDECO's ESG ORGANIZATIONAL STRUCTURE [2-9]



Delegation of Authority Related to ESG [2-12][2-13]

The BoD hold periodical internal and joint meetings with the BoC. The meetings discuss concerns for sustainability management and the impacts on the Company. All forms of responsibility and decision-making are collectively carried out under the supervision of the BoC. Then, they are reported to the shareholders through the General Meeting of Shareholders (GMS). The BoD may also delegate their tasks in managing the sustainability and its impacts on the Company to the subordinate officers.

Furthermore, the BoD may have direct on indirect consultation with stakeholders. The consultation identifies and manages a wide range of impacts and issues on environmental, social, and governance (ESG). The ESG Department, under the Team Manager, is responsible for developing strategies, achieving targets, reporting, and building ESG capacity. As for community empowerment activities, the BoD authorize the Senior Manager of External Relations-Corporate Social Responsibility (ER-CSR) to consult and coordinate with stakeholders.

Prevention of Conflict of Interest [2-15]

No members of the BoC and BoD had any relationships that caused conflicts of interest. Additionally, the BoC and BoD had signed an Integrity Pact to ensure no conflicts of

interest. Throughout 2022, all members of the BoC and BoD had signed the Integrity Pact, and there were no conflicts of interest between them.

Communication of Critical Concerns [2-16][2-26]

KIDECO holds meetings with different stakeholders, including shareholders, employees, and the community. These meetings discuss urgent concerns from the stakeholders and necessary follow-up. Employees and

stakeholders can convey and communicate any critical matters through the WBS, or they can directly convey the matters to members of FKAP/BEI.

Performance Evaluation of Directors and Board of Commissioners [2-18]

Once in a year, the performance of BoC and BoD is evaluated. The results showed that the BoC had carried out their supervisory duties, and the BoD were capable of leading the Company. Furthermore, KIDECO uses key performance indicators (KPIs) for evaluating the performance of the

BoC and BoD in the beginning of each fiscal year. Then, the Company reports the results to the shareholders. The KPIs of the BoC and BoD determine their remuneration.

Management of Environmental, Social, and Governance (ESG) Risks

KIDECO has mapped out ESG risks, covering occupational health and safety, human capital, and environmental impacts from mining activities. The Risk Management Team

manages risks and reports its performance to the BoD. The team conducts a periodical risk management evaluation to identify improvement opportunities.

Types of Risks	Mitigation
Environmental	KIDECO's operations have the potential to impact the environment. Therefore, the Company always complies with applicable regulations in environmental management, including environmental prevention and protection, such as obtaining the required permits and carrying out land reclamation and rehabilitation obligations.
Social	
Occupational Health and Safety	Coal mining activities carry risks related to work accidents that can disrupt operational activities. Therefore, KIDECO implements best mining practices to prevent work accident, occupational disease (PAK), and incident due to labor diseases (KAPTK).
Community	Potential social conflicts with communities may arise. To prevent this, KIDECO builds and maintains good relationships with all communities, including through the implementation of sustainable empowerment programs.

Types of Risks	Mitigation
Governance	
Regulatory	Changes in regulations have a direct impact on operational activities and the Company's competitive ability. Therefore, the Company adjusts governance provisions of energy resources in effect and prioritizes contractors, labor, products, and domestic services.
Production	Regular coordination is conducted between relevant KIDECO departments and partners.
Global Coal Market Volatility	The selling price and revenue earned by KIDECO are influenced by market volatility. The Company strives to maintain a customer base through renewal or extension of supply agreements for the purchase of coal with mutually beneficial agreements.

Disclosure of Remuneration Information [2-19][2-20][2-21]

KIDECO's remuneration policy complies with the prevailing regulations and provisions of Indika Energy as the Parent Company. Indika Energy, as the controlling shareholder, plays a crucial role in determining the remuneration given to the BoC, BoD, the Company's officials, and all employees.

This Sustainability Report has yet to disclose the amount of remuneration and the increasing percentage of total annual remuneration for the BoC and BoD, as well as its comparison to the increase in the total annual remuneration for KIDECO's employees.

Excellent and Sustainable Operations

KIDECO always maintains the balance between production and revenue so that optimal operations are achieved. To sustain our performance, we performed efficiency and

innovation amid the pandemic and the global coal price volatility. KIDECO optimizes its operations through the Minerva Project and market expansion.

Economic Performance

KIDECO achieved good economic performance in 2022 even though it was incapable of fulfilling the entire production target. The volume of coal production was 34,769,448 MT or 99% of the target. It experienced a 3% decline from the 2021 production due to market dynamics. During the

reporting period, the coal sales volume reached 34,756,041 tons or 99% of the target. KIDECO's 2022 marketing focused on fulfilling the Domestic Market Obligation (DMO) and the export market.



Economic Performance

Description	Unit	2022	2021	2020
Sales		3,008.81	2,196.8	1,249.4
Gross Profit	Million USD	1,222.75	835.58	177
Operating Profit		1,126.95	773.8	138.9
Net Income		625.98	426.3	75.4
Average Sales Price		USD/Ton	86.57	61.36
Gross Margin		40.64	38.03	14
Operating Margin	%	37.45	35.22	11.1
Net Margin		20.80	19.41	6.0
EBITDA Margin		37.96	35.4	10.85

Production and Sales Performance

Description	Unit	2022	2021	2020
Overburden Removal	Bcm	175,774,427	179,875,758	186,921,225
Coal Production	Ton	34,769,448	35,821,057	33,004,280
Coal Sales	Ton	34,756,041	35,803,539	33,054,580
Peel Ratio	Bcm/Ton	5.06	5.02	5.66
Average Sales Price	USD/Ton	86.57	61.36	37.82

Destination Country and Percentage of KIDECO's Coal Sales

Destination Country	Percentage of Total Buyers	Percentage of Total Purchased Quantity
Indonesia	22%	28%
China	33%	36%
Japan	4%	3%
South Korea	5%	4%
Taiwan	2%	3%
Philippines	12%	4%
Malaysia	2%	9%
Singapore	2%	0.5%
Thailand	2%	1%
India	12%	10%
Slovenia	2%	1%
Switzerland	2%	0.1%

Maintaining KIDECO's Competitive Edge

KIDECO performs exploration to maintain its product and business excellence as well as estimating coal resources to support the operations. The 2022 exploration until the end of the reporting period reported 1,503.12 million tons of coal resources. Meanwhile, the coal reserves were as much as 396.3 million tons.

Based on the exploration and production level, it is estimated that KIDECO will run production for as long as 20 years.

KIDECO Estimated Coal Resource

Operation Area	Unit	2022	2021	2020
Roto Samurangau		1,468.44	1,502.14	1,536.96
Susubang Uko	Million Ton	21.92	23.00	24.00
Samu Biu		7.34	7.30	1.50
Total		1,503.12	1,525.14	1,562.46

KIDECO Estimated Coal Reserve

Operation Area	Unit	2022	2021	2020
Roto Samurangau		389.2	422.1	493.0
Susubang Uko	Million Ton	6.2	7.30	5.0
Samu Biu		0.9	0.90	0
Total		396.3	430.3	498.0

Supporting Materials for the Coal Production Process [301-1][301-2]

Material	Unit	2022	2021	2020
Blasting				
Ammonium Nitrate	Ton	28,989	29,610	30,040
Dynamite	Kg	78,395	96,103	82,344
Detonator	Unit	580,057	592,107	632,758
Chalk		76,835	63,665	46,930
Alum	Kg	1,796,097	1,366,460	932,725
Other reagents		46,385	49,050	39,650
RollFloc		116,230	54,365	29,960

**Development of Eco-friendly Coal Products [2-6]**

KIDECO produces an eco-friendly bituminous coal that is a thermal coal with efficient energy (heat). Bituminous coal has a one-seventh (1/7) sulfur content of thermal coal, lower than other thermal coal.

KIDECO's products achieve global recognition as an eco-friendly energy source owing to the lowest sulfur content of 0.1% and low ash content of 2.5%. However, KIDECO's coal products do not necessarily have direct impacts on the safety and security of customers. During the reporting period, KIDECO did not record any product withdrawals and grievances against its products.

KIDECO's Coal Product Specification [2-6]

Element	Roto South	Blend	Samurangau
Caloric Value (GAR)	4,650 - 5,200	4,275 - 4,625	3,900 - 4,300
Total Moisture (ARB)	23.00 - 28.00	28.50 - 33.50	33.00 - 39.00
Ash (ADB)	2.00 - 5.00	2.60 - 5.50	2.70 - 6.00
Sulfur (ADB)	0.05 - 0.20	0.05 - 0.20	0.05 - 0.20
Particle Size < 50mm (%)	95	95	95

Product Responsibility [416-1][416-2]

KIDECO is committed to maintaining the quality of its eco-friendly coal products. For this reason, the Company's quality management complies with ISO 9001:2015 and its practices adhere to the Integrated Management. We are also committed to providing our customers with equal services for the products we sell. This report does not disclose information on product and packaging withdrawals due to the specific coal products distributed to customers. In

addition, this report does not disclose information on non-compliance with product marketing and labeling. . [301-3] [417-1][417-2][417-3]

During the reporting period, KIDECO has yet to make any innovation in coal products, but it continues to improve the efficiency in the coal production process.

Quality Improvement Targets

Target	2022 Achievements
Production on schedule and on time	34,769 Kton
Delivery on schedule and on time	34,756 Kton
Quantity certainty	RS 8,387 Kton, Blend 2,173 Kton & SM 24,160 Kton
Accurate quality specifications	RS 4,832 kcal/kg, Blend 4,512 Kcal/kg, & SM 4,133 kcal/kg

KIDECO Coal Quality Monitoring

Block Name	KIDECO Coal Quality Parameters 2022			
	Calorie Value (Kkal/Kg)	Dust (%)	Total Sulphur (TS) (%)	Total Moisture (%)
Roto Samurangau				
North Roto	3,989 - 6,208	2 - 6	0.08 - 0.21	14 - 37
Central Roto	3,961 - 4,945	2 - 8	0.08 - 0.17	24 - 36
South Roto	4,167 - 5,594	1 - 13	0.07 - 0.24	20 - 32
Haul road	3,734 - 4,839	2 - 11	0.08 - 0.32	26 - 39
Susubang Uko				
Susubang	4,567 - 5,510	2 - 10	0.11 - 0.28	19 - 25

KIDECO has a single mining system with effective operations thanks to the adequate supporting infrastructure it has. KIDECO records the production capacity of 55 million tons

per year using open-pit mining, trucks, and excavators. Besides, overburden materials will also be transported according to their material type.

Coal Transportation Operation Flow

Stages	Infrastructure and Facilities
Mine	Mine roads, excavators, dump trucks
Storage Area (ROM Stockpile)	Mining roads, dump trucks
Crushing Plant	<ul style="list-style-type: none"> • Breaking units, crushing units and screening units • Conveyor belts
Silo	<ul style="list-style-type: none"> • haul road • Double haul trailer truck • Conveyor belt
Tanah Merah Coal Terminal (TMCT)	<ul style="list-style-type: none"> • Stockpile area • Charging to the barge
Barge	Barge
Transfer to ship and delivery (Transshipment)	<ul style="list-style-type: none"> • Floating cranes • Floating transport facility

Building Synergy

KIDECO synergizes with the subsidiaries of Indika Energy Group in order to improve business and operation. The collaboration covers mining service operations with PT

Petrosea Tbk and energy infrastructure with PT Mitrabahtera Segara Sejati Tbk (MBBS) and Cirebon Electric Power.

KIDECO's synergy with INDIKA Group's subsidiaries



Note: *KIDECO's collaboration with PT Petrosea Tbk and PT Mitrahahtera Segara Sejati Tbk (MBBS) last until mid-2022

Economic Value Generated and Distributed

KIDECO's revenue during the reporting period came from the sale of coal products. The Company did not receive any government assistance or tax incentives. The 2022 total revenue was USD 3,008.81 million. In 2022, the extreme weather changes affected mining operations, and the

high rainfall disrupted production and product delivery processes. However, such challenges could be overcome by improving the performance of operating units and caused no significant financial implications.^{[201-1][201-2][201-4]} ^{[CSS.12.2.2][CSS.12.8.2][CSS-12.21.2][CSS-12.21.3]}

KIDECO Revenue Realization

Description	Unit	2022	2021	2020
Total Export Sales		2,508.36	1,591.5	791.65
Domestic Sales	USD Million	500.45	605.3	457.82
Total		3,008.81	2,196.8	1,249.47

The tax payment is done once a year. KIDECO involves stakeholders in the development of tax systems, legislation,

and administration. That affects its reputation and credibility. ^{[207-2][207-3][CSS-12.21.5][CSS-12.21.6]}

Payment of State Revenue ^{[207-1][207-4][CSS-12.21.4][CSS-12.21.7]}

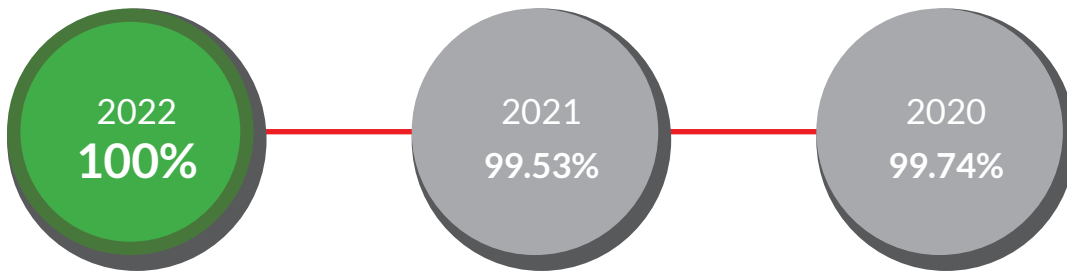
Operation Area	Unit	2022	2021	2020
Tax		6,084	3,389.1	1,699.8
Non-Tax State Revenue (PNBP)	IDR Billion	7,198	4,074.1	2,300.9
Total		13,282	7,463.2	4,000.8

Maintaining Customer Satisfaction

The Company conducts periodical customer satisfaction surveys with assessment indicators, including strategic relationships, future growth, volume contribution,

profitability, longevity, loyalty, and business flexibility. In 2022, there were no data leaks and no complaints from both customers and other external parties. [418-1]

Customer Satisfaction Index



Coal Quality Feedback System

KIDECO's quality control team manages and provides customers with a Coal Quality Feedback System mechanism. The mechanism ensures and maintains the quality of coal

products according to customer specifications. KIDECO had comprehensively evaluated its coal products. In 2022, there were 3 feedbacks and all of them had been followed up.

Implementation of KIDECO's 2022 Coal Product Quality Feedback System

Feedback Provided	Amount	Follow-Up Action
Differences in analysis results	3	Improve field supervision, continuing to carry out FIFO stockpile management, making SOPs for quality control for shipping coal samples so that no damage to sample packaging occurs when received at the destination, and there are no differences beyond the standard tolerance limits set from the results of sample analysis that has been sent with the results of a Certificate of Analysis (CoA) issued by an independent surveyor.
Self combustion	0	Mixing fresh coal, improving coal FIFO management in the SMCP and TMCT Stockpile and ensuring that coal sent or loaded onto barges/ships is in a safe condition.
Discovery of foreign material	0	Conducting investigations tracing the loading process from input, stockpile to loading onto barges/ships and periodically inspecting operational barges for the potential for foreign materials to enter coal cargo.
Coal dust	0	Doing coal sprinkling on the conveyor using a chemical mixture Envacol 206C TM at the time of loading onto the barge with a certain ratio for minimize coal dust.
Total	3	

Independent Assurance Statement

The 2022 Sustainability Report of PT Kideco Jaya Agung

Number	: 05/000-174/III/2023/SR-Asia/Indonesia
Assurance Type	: Type 1
Assurance Level	: Moderate
Reporting Standards	: GRI Universal Standard 2021 Consolidated, GRI 12 Coal Sector Standard (CSS), and TCFD
Reporting Regulation	: Sustainable Finance Regulation POJK No.51/2017 (Indonesia)

Dear stakeholders,

PT Kideco Jaya Agung (“the Company” or the “Reporting Organization”) is a limited liability company operating in coal mining and manages its coal mining activities in Kalimantan, Indonesia. The Company has assigned **Social Responsibility Asia (“SR Asia”)** to assess its **2022 Sustainability Report (“the Report”)** for the reporting period of **January 1st to December 31st, 2022**. This is the Independent Assurance Statement (“the Statement”) that presents SR Asia’s conclusions and recommendations resulting from the assessment.

Intended User and Purpose

In this Statement, we disclose our opinions against the AA1000AS v3 standard, findings, and recommendations to the stakeholders regarding the Report content, especially the Company’s sustainability commitments, governance, strategies, and achievements during the reporting period. SR Asia carried out the assurance work following particular scope, mechanism, and procedures as agreed by the Management. Due to some limitations, except for the areas covered in the scope of assurance work, this Statement or the Report is not intended to be used exclusively as a basis for interpreting the sustainability or the whole performance of the Company.

Responsibilities

Our responsibilities to the Management are to evaluate the Report content, come up with findings and recommendations, and issue the Statement. We are also responsible for coming up with conclusions and recommendations based on the agreed standards, methods, and approaches. Hence, SR Asia is only evaluated for the latest received editorial and data on the final draft as of March 7th, 2023. SR Asia is only responsible to deliver assurance work, NOT an audit. The Management has its sole responsibility for the presentation of data, information, and disclosures in the Report content. Therefore, any parties who depend on the Report and this Statement shall bear and manage their risks.

Independence, Impartiality, and Competency

SR Asia has particular mechanisms and procedures to ensure that assurance work is taken professionally. We confirm there are NO relationships between the assurator team and the Company that can influence our independence and impartiality to conduct the assessment and generate the Statements. The assurator

SR Asia Independent Assurance Statement, version 2023, page 1 of 4

team must follow the assurance protocol and the ethical code of conduct to ensure their objectivity and integrity during the assurance work. We also carried out a pre-engagement assessment to verify the risks of engagement as well as the independence and impartiality of the team in conducting the assurance work. The assurator team members are experts with experience in assessing sustainability reports based on various reporting standards and principles.

Type and Level of Assurance Service

1. **Type 1 assurance** on the Report content.
2. **A moderate level of assurance** procedure on the Report content and evidence, where the risks of information and conclusions of the Report being error is reduced, but not to very low, but not zero.

Scope and Limitation of Assurance Service

1. Data and information in the Report for the period of **January 1st to December 31st, 2022**.
2. Topics in the Report content that have been identified as “Material” by the Company: **Occupational Health and Safety, Energy and Emissions, Local Community Engagement, Land Reclamation, Waste, Biodiversity, Water and Effluent, Business Ethics, Technology and Innovation, and Gender Equality**.
3. Financial data, information, and figures in the Report content are NOT included in the scope of assurance. SR Asia assumes the Company, independent parties, or other parties associated with the Company, have verified and/or audited any data and information related to financial statements.
4. Evaluation of publicly disclosed information, system, and process of the Company to ensure adherence of the Report content to the reporting principles.
5. Adherence to the following reporting principles, standards, and regulations:
 - a) Financial Services Authority Regulation No.51/POJK.03/2017 concerning Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies and refers to Financial Services Authority Circular Letter (SEOJK) 2022 No. 16/SEOJK.04/2022.
 - b) The Consolidated set of GRI Sustainability Reporting Standards 2021 (GRI Universal Standards) issued by the Global Reporting Initiative and GRI 12 Coal Sector Standard (GRI-12 CSS) issued by the Global Reporting Initiative.
 - c) Task Force on Climate-Related Financial Disclosure (TCFD).

Exclusion

1. The expression of opinion, belief, expectation, advertisement, and also forward-looking statements, including future planning of the Company as specified in the Report content.
2. Analysis or assessment against regulations, principles, standards, guidelines, and indicators other than those indicated in the Statement.
3. Topics, data, and information outside the reporting period, or in the public domain not covered in the reporting period.
4. Financial performance data and information as presented in the Company’s financial statements and documents, other than those mentioned in the Report.

Methodology

1. Form an assurator team whose members are capable in sustainability report development and assurance.
2. Perform the pre-engagement phase to ensure the independence and impartiality of the assurator team.
3. Perform a kick-off meeting and initial analysis of the Report draft based on the SR Asia Protocol on Assurance Analysis refers to the standards, principles, and indicators of AA1000AS v3, AA1000APS (2018), and standards/regulations used in the Report.
4. Discuss online the results of the analysis with the Management and data contributors.
5. Verify evidence and trace data and information as covered in the Report.
6. The Company incorporated our recommendations in the draft Report and release the final Report content.
7. Prepare the Statement and send it to SR Asia International Director for review to get approval before submitting it to the Company.
8. Prepare a Management Letter detailing all aspects seen, recorded, and observed during the assurance work to the Management of the Company for further improvement of sustainability processes.

Adherence to AA1000AP (2018) and GRI Universal Standards

Inclusivity – In general, the presentation of key stakeholder groups in the Report content is sufficiently inclusive. The company has engaged with stakeholders to grow together in sustainable development. The Company supports stakeholder activities by managing the key topics and needs of different stakeholders. In addition, we suggest the Company to conduct stakeholder engagement strategically, including developing the stakeholder engagement report annually in accordance with the AA1000 Stakeholder Engagement Standard (AA1000SES 2015).

Materiality – Overall, the ten material topics presented in the Report can describe the context of corporate sustainability. The Company has adequately identified and disclosed the material topics. We also appreciate the Company has engaged independent party in the process of defining material topics through FGD (Forum Group Discussion). However, in the future we expect the Company to conduct materiality testing as a basis and evidence to determine future sustainability content report by following globally accepted standards and practices.

Responsiveness – The Company has sufficient methods and ways to engage with each stakeholder. The Company holds regular communication and consultation with stakeholders. To accommodate stakeholder opinions, the Company already has a whistleblowing system.

Impact – The Company has sufficient decisions and activities on the economy, social, and environment to minimize the impact of the operations. Quantitative data can also be displayed by the company. However, we suggest The Company hold a social impact assessment with the third party.

Statement of Use: “In Accordance with the GRI Standards” – Our assurator team has assessed the Report content against the GRI requirements for reporting to the GRI Standards. We concluded that the Report has met the nine requirements; Apply the reporting principles; Report the disclosures in GRI 2: General Disclosures 2021; Determine material topics; Report the disclosures in GRI 3: Material Topics 2021;

SR Asia Independent Assurance Statement, version 2023, page 3 of 4

Report disclosures from the GRI Topic Standards for each material topic; Provide reasons for omission for disclosures and requirements that the organization cannot comply with; Publish a GRI content index; Provide a statement of use; and Notify GRI.

GRI Standards Principles – The Company has applied the Principles for Defining Report Content (stakeholder inclusiveness, sustainability context, materiality, and completeness) as well as the Principles for Defining Report Quality (balance, comparability, accuracy, timeliness, clarity, and reliability). The Company has also provided sufficient evidence documents as required during the assurance process.

Recommendation

1. To establish a Climate Risk Management Framework.
2. To actively implement measures to reduce GHG emissions by monitoring progress in achieving GHG emission reduction targets through implementing consistent tracking and reporting mechanisms.
3. To invest in environmentally friendly technology by adopting the latest technology in its operations, such as a more effective and efficient waste treatment technology, or a technology that can reduce greenhouse gas emissions from the coal mining process.

The assurance provider,

Jakarta, March 10th 2023



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Financial Services Authority Regulation Index (POJK) Number 51/POJK.03/2017 – (Financial Services Authority Circular Letter (SEOJK) Number 16/SEOJK.04/2021)

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GRI Content Index

Statement of Use	PT Kideco Jaya Agung has reported in accordance with the GRI standards for the period 1 January-31 December 2022.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI 12: Coal Sector 2022

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement (s) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-1 Organizational details	11,13				
	2-2 Entities included in the organization's sustainability reportingn	19				
	2-3 Reporting period, frequency and contact point	19,24				
	2-4 Restatements of information	4, 14, 19, 30, 32, 57				
	2-5 External assurance	22				
	2-6 Activities, value chain and other business relationships	13,14,16,17				
	2-7 Employees	56				
	2-8 Workers who are not employees	56				
	2-9 Governance structure and composition	69,71				
	2-10 Nomination and selection of the highest governance body	69				
	2-11 Chair of the highest governance body	69				
	2-12 Role of the highest governance body in overseeing the management of impacts	61,71				
	2-13 Delegation of responsibility for managing impacts	71				
	2-14 Role of the highest governance body in sustainability reporting	19-20				
	2-15 Conflicts of interest	72				
	2-16 Communication of critical concerns	68,72				
	2-17 Collective knowledge of the highest governance body	60				
	2-18 Evaluation of the performance of the highest governance body	72				
	2-19 Remuneration policies	73				
	2-20 Process to determine remuneration	73				
	2-21 Annual total compensation ratio	73			Have not disclosed because it is confidential	

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement (s) Omitted	Reason	Explanation	
	2-22 Statement on sustainable development strategy	18				
	2-23 Policy commitments	10				
	2-24 Embedding policy commitments	55,69				
	2-25 Processes to remediate negative impacts	68				
	2-26 Mechanisms for seeking advice and raising concerns	68,72				
	2-27 Compliance with laws and regulations	55				
	2-28 Membership associations	16				
	2-29 Approach to stakeholder engagement	22				
	2-30 Collective bargaining agreements	57				
Disclosure of Material Topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	20				
	3-2 List of material topics	20				
Topik Material: Bussiness Ethics						
GRI 3: Material Topics 2021	3-3 Management of material topics	67				12.20.1
GRI 205: Anticorruption	205-1 Operations assessed for risks related to corruption	69				12.20.2
	205-2 Communication and training about anti-corruption policies and procedures	69				12.20.3
	205-3 Confirmed incidents of corruption and actions taken	69				12.20.4
Topik Material: Energy and Emission						
GRI 3: material Topics 2021	3-3 Management of material topics	26				12.1.1 12.4.1
GRI 302: Energy 2016	302-1 Energy consumption within the organization	27				12.1.2
	302-2 Energy consumption outside of the organization	27				12.1.3
	302-3 Energy intensity	27				12.1.4
	302-4 Reduction of energy consumption	28				
	302-5 Reductions in energy requirements of products and services	28				

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement (s) Omitted	Reason	Explanation	
GRI 305: Emission 2016	305-1 Direct (Scope 1) GHG emissions	30				12.1.5
	305-2 Energy indirect (Scope 2) GHG emissions	30				12.1.6
	305-3 Other indirect (Scope 3) GHG emissions	29		Haven't done the calculation yet because it's still in the process of reviewing		12.1.7
	305-4 GHG emissions intensity	30				12.1.8
	305-5 Reduction of GHG emissions	32				12.2.3
	305-6 Emissions of ozone-depleting substances (ODS)	33				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant	30,33				12.4.2
Material Topics: Water and Effluent						
GRI 3: Material Topics 2021	3-3 Management of material topics	26				12.7.1
GRI 303: Water and Effluent 2018	303-1 Interaction with water as a shared resources	41				12.7.2
	303-2 Management of water discharge-related impacts	41				12.7.3
	303-3 Water withdrawal	41,42				12.7.4
	303-4 Water discharge	42-44				12.7.5
	303-5 Water consumption	41-42				12.7.6
Material Topics: Biodiversity, Land Reclamation						
GRI 3: Material Topics 2021	3-3 Management of material topics	26				12.5.1
GRI 304: Biodiversity 20166	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	39-40				12.5.2
	304-2 Significant impacts of activities, products and services on biodiversity	40				12.5.3
	304-3 Habitats protected or restored	34-35,41				12.5.4
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	40-41				12.5.5
Additional Sector	Report significant impacts on biodiversity with reference to affected habitats and ecosystems.	40				12.5.3
Material Topics: Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	26				12.6.1

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement (s) Omitted	Reason	Explanation	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	35				12.6.2
	306-2 Waste generation and significant waste-related impacts	35-36				12.6.3
	306-3 Waste generated	37-38				12.6.4 12.13.2
	306-4 Waste diverted from disposal	36,38				12.6.5
	306-5 Waste directed to disposal	36				12.6.6
Material Topics: Occupational Health and Safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	26				12.14.1
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	47-48, 51,54				12.14.2
	403-2 Hazard identification, risk assessment and incident investigation	49,53				12.14.3
	403-3 Occupational health services	51				12.14.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	48-49				12.14.5
	403-5 Worker training on occupational health and safety	51-53				12.14.6
	403-6 Promotion on worker health	51				12.14.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	49,51				12.14.8
	403-8 Workers covered by an occupational health and safety management system	48				12.14.9
	403-9 Work-related injuries	49-50				12.14.10
	403-10 Work-related ill health	51,54				12.14.11
Material Topics: Gender Equality						
GRI 3: Material Topics 2021	3-3 Management of material topics	46				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	55,56,70				12.19.6
	405-2 Ratio of basic salary and remuneration of women to men	55				12.19.7
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	55				12.19.8

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement (s) Omitted	Reason	Explanation	
Material Topics: Local Communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	46				12.9.1
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	61				12.9.2
	413-2 Operations with significant actual and potential negative impacts on local communities	61				12.9.3
Additional sector disclosures	Report the number and type of grievances from local communities identified	44				12.9.4
	List the locations of operations that caused or contributed to involuntary resettlement or where such resettlement is ongoing. For each location, describe how peoples' livelihoods and human rights were affected and restored.	62				12.10.2
Material Topics: Technology and Innovation						
GRI 3: Material Topics 2021	3-3 Management of material topics	67				

Topics in the applicable GRI Sector Standards determined as not material

Topic	Disclosure	Location	GRI Sector Standard Ref. No.
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	78	12.8.2 12.21.2
	201-2 Financial implications and other risks and opportunities due to climate change	78	12.2.2
	201-3 Defined benefit plan obligations and other retirement plans	58	12.21.3
	201-4 Financial assistance received from government	78	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	58	12.19.2
	202-2 Proportion of senior management hired from the local community	56	12.8.3 12.19.3
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	65	12.8.4
	203-2 Significant indirect economic impacts	62	12.8.5
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	17-18	12.8.6
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	69	

Topic	Disclosure	Location	GRI Sector Standar Ref. No.
GRI 207: Tax 2019	207-1 Approach to tax	78	12.21.4
	207-2 Tax governance, control, and risk management	78	12.21.5
	207-3 Stakeholder engagement and management of concerns related	78	12.21.6
	207-4 Country-by-country reporting	78	12.21.7
GRI 301: Material 2016	301-1 Materials used by weight or volume	75	
	301-2 Recycled input materials used	75	
	301-3 Reclaimed products and their packaging materials	76	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	16	
	308-2 Negative environmental impacts in the supply chain and actions taken	16	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	57	12.15.2
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	51,58	12.15.3
	401-3 Parental leave	58	12.15.4 12.19.4
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	34	12.3.2 12.15.5
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	59-60	12.15.6 12.19.5
	404-2 Programs for upgrading employee skills and transition assistance programs	59	12.3.3 12.15.7
	404-3 Percentage of employees receiving regular performance and career development reviews	60	
Additional sector disclosures	List the operational sites that have closure and rehabilitation plans in place; have been closed; are undergoing closure activities.	34	12.3.4
	Describe non-financial provisions made by the organization to manage the local community's socioeconomic transition to a sustainable post-mining economy, including collaborative efforts, projects, and programs.	34	12.3.6
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	12.18.2
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child Labor	53,55	12.16.2
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	53,55	12.17.1
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	55	12.12.2
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	55,62	12.11.2

Topic	Disclosure	Location	GRI Sector Standar Ref. No.
Additional sector disclosures	List the locations of operations where indigenous peoples are present or affected by activities of the organization.	61	12.11.3
	Report if the organization has been involved in a process of seeking free, prior, and informed consent from indigenous peoples for any of the organization's activities, including, in each case.	62	12.11.4
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	16	12.15.8 12.16.3 12.17.3
	414-2 Negative social impacts in the supply chain and actions taken	16	12.15.9
GRI 415: Public Policy 2016	415-1 Political contributions	69	12.22.2
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	76	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	76	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	76	
	417-2 Incidents of non-compliance concerning product and service information and labeling	76	
	417-3 Incidents of non-compliance concerning marketing communications	76	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	79	

Feedback Form

PT Kideco Jaya Agung 2022 Sustainability Report is a report that provides an overview of financial and sustainability performance. KIDECO expects input and suggestions from Mr/Mrs/Ms.

1. This report is easy to understand.

Disagree

Neutral

Agree

2. This report has described information on the material aspects of the Company, both from the positive and negative sides.

Disagree

Neutral

Agree

3. What material aspect are most important to you (score 1=most important to 6=least important)

- Occupational Health and Safety ()
- Energy and Emission ()
- Local Community ()
- Land Reclamation ()
- Waste ()
- Biodiversity ()
- Water & Effluent ()
- Business Ethics ()
- Technology & Innovation ()
- Gender Equality ()

Please provide your opinion and suggestions about this report

.....

Your Profile

Full Name:

.....

Profession:

.....

Institution/Company:

.....

Stakeholder Group

Government/Regulator

Corporate

NGO

Public

Industry

Others, please mention.....

Please send this feedback form to:

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