

# Improving Value by Establishing Synergy for Sustainability





## Improving Value by Establishing Synergy for Sustainability

In line with one of KIDECO's missions to maximize value creation for stakeholders, KIDECO strives to provide positive impacts for the development of East Kalimantan through its Social and Environmental Responsibility programs. These programs have been aligned with KIDECO's missions to support the realization of Sustainable Development Goals (SDGs). Through these programs, KIDECO expects to establish excellent synergies with the community in order to maintain future sustainability.



#### **Disclaimer**

This Sustainability Report contains information on plans, projections, strategies, and objectives of PT Kideco Jaya Agung which is not historical fact and should be understood as statement regarding the future based on the applicable laws. There can be no assurance that the anticipated or indicated results from the Company's future statements will be achieved. The terms "the Company", "KIDECO, and "Us" refer to PT Kideco Jaya Agung.

The tables and charts in this Report present numerical data which follows Indonesian writing standards. The numerical text presentation uses either English and Indonesian writing standards based on the context.



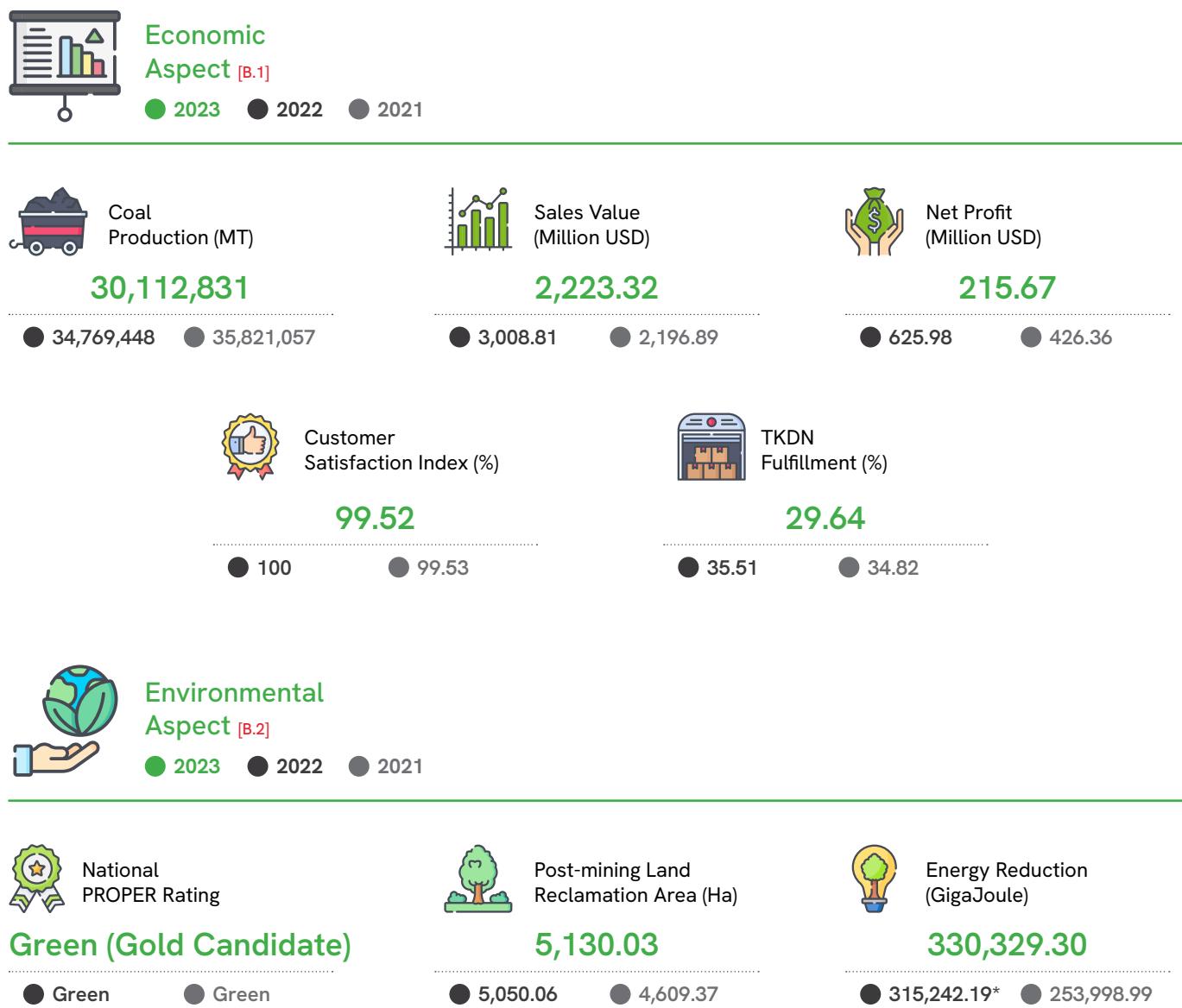
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# Sustainability Policies and Strategies [A.1]

KIDECO actively implements sustainability policies and strategies in order to realize mining operations that prioritize risk management in Environmental, Social and Governance (ESG) aspects. Together with 7 of its main mining partners, KIDECO prepares and implements the commitment to reduce GHG emissions that are recorded, monitored, and verified as well as validated according to the actual condition in the field. [2-22]

## Sustainability Performance Overview





Green House Gas (GHG)  
Emission Reduction  
(Ton CO<sub>2</sub>eq)

**108,771**

● 109,437

● 106,287



Total  
Water Usage (m<sup>3</sup>)

**3,893,551**

● 3,937,537

● 3,217,340



Fulfillment of  
Environmental Quality  
Standard Requirements

**Complied**

● Complied

● Complied



Hazardous and Toxic  
Waste Reduction (Ton)

**2,236.31**

● 5,030.96

● 2,002.63



Non-hazardous and Toxic  
Waste Reduction (Ha)

**13,438**

● 8,368.50\*

● 2,669.50\*



Reclamation  
Land Area (Ha)

**5,130.03**

● 5,050.06

● 4,609.37

Note:

\*Restatement of 2022 and 2021 data due to changes in by Indika Energy. [2-4]



Developing Employee  
Values [B.3]

● 2023

● 2022

● 2021



Fatal Occupational  
Accidents (Incident)

**Nil**

● Nil

● Nil



Safe Working Hours  
(Million Hours)

**2.10**

● 1.18

● 1.68



Total Employee  
Training Hours (Jam)

**4,439**

● 2,992

● 2,891



Average Training Hours/  
Employee (Jam)

**78.40**

● 44.86

● 47.41



Sharing Values with  
the Communities [B.3]

● 2023

● 2022

● 2021



Realization of CSR  
Funds (Rp Billion)

**48.1**

● 47.5

● 53.02

## President Director's Remarks [D.1] [2-22]



**As a Company that prioritizes sustainability aspect, it is essential to consistently and transparently reporting and informing the Company's performance to stakeholders. This report contains the Company's commitment and implementation of sustainability practices throughout 2023.**



**Dear Respected Stakeholders,**

Through this report, on behalf of KIDECO's Management, we would like to present our sustainability performance in the effort to support the Sustainable Development Goals (SDGs) that have been integrated to all of the Company's elements and other supporting elements outside the Company.

KIDECO's strategic initiatives in realizing sustainability is not only implemented its programs, but also from the involvement of all stakeholders, starting from the preparation of strategies and the planning of initiatives, implementation, evaluation, improvement and work methods until reporting.

### **Policy to Respond to Challenges in the Fulfillment of Sustainability Strategies**

Currently, the world's energy needs continue to increase. Indonesia, through the Ministry of Energy and Mineral Resources (ESDM) has set the domestic coal production target to 694.5 MT with realization of 775.2 MT or 111.62%. In addition, mining industry is currently facing various challenges, including the increasing demands transparency and accountability, environmental impacts and global warming, energy transition, fluctuations in commodity prices, as well as the increasingly limited resources.



The Company is aware that production and sales targets, social and environmental responsibilities, as well as corporate governance must be achieved simultaneously. Each of them is equally important to be implemented optimally amidst the existing challenges.

As a subsidiary of PT Indika Energy Tbk., KIDECO consistently and proactively supports the realization of Net Zero Emission through sustainability policies and strategies that are integrated comprehensively to the Environmental, Social and Governance (ESG) principles in each of the Company's line of business.

#### Strategy to Achieve Targets

The implementation of sustainability is inseparable from both internal and external challenges. To mitigate internal challenges, the Company strives to improve the awareness on sustainability of all Divisions in order to improve sustainability innovations. On the other hand, external challenges faced by the Company are inseparable from the increasingly tight regulations and standards that follows the development of global sustainability. Therefore, the Company regularly holds meetings with stakeholders to discuss urgent matters or stakeholders' concerns to be followed up immediately.

Going forward, the Company realizes that the potential of coal businesses is gradually shifting to energy transition. Therefore, the Company strives to manage risks and turn them into opportunities by providing coal as a more environmentally friendly source of energy.

#### Environmental Responsibility

KIDECO strictly and thoroughly manages the environmental impacts of its operational activities in accordance with the environmental regulations, and even better than the regulation compliance targets that have been set. The Company has issued several policies on the environmental impacts it caused, including air quality, soil, biodiversity, waste management, and the use of renewable energy.

As a responsibility to the Company's operational impacts, KIDECO conducts land reclamation in the Special Mining Business Area (WIUPK) Roto Samurangau and Susubang Uko. KIDECO also has new nursery facilities in the form of a tissue culture laboratory, expansion of the reclaimed plant nursery area and the addition of other supporting facilities.

In the environmental performance, total energy used by the Company throughout 2023 increased by 0.58% from 2022 of 12,881,893 GJ to 12,956,987 GJ, this increase was partly due to the mandatory conversion of B30 to B35 in accordance with government regulations. The energy intensity generated in 2023 increased from 0.37 GJ/ton in 2022 to 0.43 GJ/Ton. The increase in energy intensity was due to the increase in the stripping ratio from 5.06 to 5.57 and the increase in the overburden removal distance from 3.32 km to 3.97 km.

Throughout 2023, the Company generated Scope 1 emissions of 868,610 tons CO<sub>2</sub>eq, a decrease of 6.7% from 2022 and Scope 2 of 89 tons CO<sub>2</sub>eq. Until the end of the reporting period, the Company was not able to calculate Scope 3 emissions because it was still in the process of reviewing the appropriate calculation mechanism.



## Social Contribution

The Company implements various Community Empowerment and Development (PPM) programs in accordance with the road map that has been prepared, so that the achievements of the programs can be measured and sustainable. In 2023, KIDECO allocated Rp48.1 billion rupiah for PPM activities in 72 villages with 8 main pillars, including Education, Health, Real Income and Employment Levels, Economic, Social and Cultural Independence, Environmental Management, Community Institutions and Infrastructure.

## Corporate Governance

In realizing the Company's business growth, KIDECO consistently implements Good Corporate Governance practices. These practices are implemented to ensure that operational activities are transparent, credible and accountable to all stakeholders. KIDECO realizes that good and consistent implementation of governance will bring sustainable progress and growth to the company through a good decision-making process. In implementing Good Corporate Governance, KIDECO complies with the Law of the Republic of Indonesia Number 40 of 2007 concerning Limited Liability Companies and the Company's Articles of Association. KIDECO is guided by Company Management Policy, Audit, Risk & Compliance Committee (ARC Committee), Nomination and Remuneration Committee (NR Committee), Project and Investment Committee (PI Committee) and the Sustainability Committee. Furthermore, KIDECO also has a Code of Conduct. These guidelines function as a control instrument to segregate the roles, functions and responsibilities of each company organ.

## Development and Responsibilities Toward Employees

KIDECO consistently upholds the principle of equality by providing work opportunities regardless of tribe, religion, race, and other backgrounds as reflected from Kideco's value, namely SOLUSI or Unity in Diversity. Furthermore, KIDECO also implements the principle of transparency and ensures that there is no discrimination in the provision of work opportunities.

KIDECO prioritizes employees from local communities in East Kalimantan. Total employees from local communities reaches 60.43% of KIDECO's total employees. In 2023, KIDECO employs 743 employees, of which 115 are women. KIDECO is committed to continuing to improve the role of women.

In the effort to reduce occupational accidents, KIDECO sets lagging indicators target of 3Z50 (Zero Fatality, Zero Major, Zero KAPTK and lower total incidents by 50% from the previous year), in order to build a proper and safe working environment.

## Consistency to the Corporate Values

KIDECO will continue to adapt to all the increasingly rapid and dynamic changes. The implementation of sustainability values is reflected in Synergy, Ownership, Agility, Unity in Diversity, Social Responsibility and Integrity (SOLUSI) which has been proven to be a strong foundation for the Company to overcome current and future challenges. In 2023, KIDECO will make SOLUTION an aspect of employee performance assessment to ensure these values become the culture and shape the company's character.

## Let's Grow Together

KIDECO appreciates all stakeholders for their supports, dedications, prayers, and cooperation throughout 2023. We believe that our success is inseparable from the support of all parties. We are committed to report its sustainability performance regularly, so that we can annually review our sustainability performance. Let us build the nation together by conserving the environment and grow together as an independent and prosperous community.

Jakarta, March 2024  
On Behalf of the Board of Directors

**Mochamad Kurnia Ariawan**  
President Director



# Company Profile

## KIDECO in Brief [2-1]



**Company Name**  
PT Kideco Jaya Agung  
(KIDECO)



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 in 2022 compared to the previous period.



**Head Office** [C.2]

Graha Mitra Lantai 1  
Jl. Jenderal Gatot Subroto Kav. 21  
Karet Semanggi Sub-district,  
Setiabudi District, South Jakarta City  
Adm., DKI Jakarta Province  
Postal Code 12930  
Phone 021-5257626  
Fax. 021-5257662



**Operational Location**

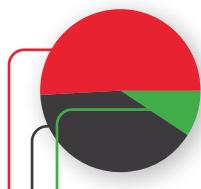
Batu Kajang Sub-district,  
Batu Sopang District, Paser Regency,  
East Kalimantan Province  
Postal Code 78252  
Phone 0543-22522  
Fax. 0543-22520



**Legal Form**  
Limited Liability Company



**Share Ownership**



- **PT Indika Inti Corpindo**  
51% (127,675 shares)
- **PT Indika Energy Tbk**  
40% (100,138 shares)
- **ST International Corporation**  
9% (22,531 shares)

## Vision, Mission, and Corporate Values [C.1] [F.1] [2-23]

The Company ensures the realization of its vision, mission, and corporate values through regular socialization. The socialization is given to all personnel within the Company in order to establish an environmentally friendly sustainability culture as well as to cultivate sustainability value based on the corporate values contained in "SOLUSI". The socialization is carried out during employee gatherings or in activities with themes in line with the vision and mission. In order to support comprehensive value internalization, KIDECO established People Transformation team with relevant programs, activities, measurement methods/parameters including with the changes (change management).



**Vision**

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



**Mission**

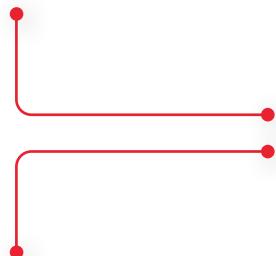
1. Maximizing value creation for our stakeholders
2. Being socially responsible for better Indonesian generation
3. Contributing to green living for harmonious environment
4. Continuously developing human capital for organization excellence

Alignment of goals and cooperations are based on understanding oneself and others in order to achieve a cohesive team.

Fulfillment of promises, delivery of results, work hard and smart to achieve excellent organizational performance.

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.

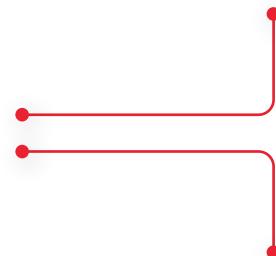
## Synergy



## Ownership



## Agility



## 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.

### Scale of Business [C.3] [2-6]

Description	Unit	2023	2022	2021
Total Employees		743	722	632
Total KIDECO's employees who are union members	People	400	396	374
Total coal sales	Million USD	2,223.32	3,008.81	2,196.89
Total operational area (head office & mining site)	Area	3	3	3
<b>Balance Sheet</b>				
Total assets		676.36	1,270.79	902.9
Total liabilities	Juta USD	349.51	759.60	517.7
Total equity		326.86	511.19	385.2
<b>Produksi dan cadangan batu bara</b>				
Proven and probable reserves*	Ton	369.07	396.3	430.3
Production	Ton	30,112,831	34,769,448	35,821,057

Note:

\*Reserve data are taken from Joint Ore Resources Committee (JORC) and Komite Cadangan Mineral Indonesia (KCMI) Documents.

# External Initiative, Certification, and Membership in Association [C.5] [2-6]

## External Initiative

External Initiative	Status
Corporate Forum for Community Development	Member
Forum CSR Pertambangan Provinsi Kalimantan Timur	Member
Forum CSR Kabupaten Paser	Chairman
Forum CSR Kementerian Sosial Provinsi Kalimantan Timur	Member
Forum HR KIDECO	Chairman
Forum HR Kabupaten Paser	Member

## Certification

Certification Title	Organizer	Validity Period
PAS 99:2012 Integrated Management System		2023-2026
ISO 9001:2015 Quality Management System		2023-2026
ISO 14001:2015 Environmental Management System	British Standard Institution (BSI) Indonesia	2023-2026
ISO 45001:2018 OHS Management System		2023-2026
ISO 50001:2018 Energy Management System		2022-2025
SMK3 PP 50 Tahun 2012 OHS Management System	PT Mutu Agung Lestari c/q Ministry of Manpower of the Republic of Indonesia	2023-2026
ISO 37001:2016 Anti Bribery Management System	British Standard Institution (BSI) Indonesia	2020-2023*

\*Certification process has been held on Q4 of 2023. Thus, KIDECO is still waiting for the extension of ISO 37001 certificate.

## 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, dan 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 HS 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

## Membership in Association [2-28]



Indonesia Mining Association



Indonesian Coal Mining Association



Indonesian Chamber of Commerce and Industry (KADIN)



Indonesian Employer's Association



FKTT Kaltim

## Awards in 2023

Award	Status	Awarding Institution
TOP CSR	5 Star	TOP Business
Indonesian CSR Awards	7 platinum, 2 Gold	CFCD
Indonesian SDGs Development Award	9 Platinum, 3 Grand Platinum	CFCD
Bapak Asuh Stunting	Piagam Bapak Asuh Stunting	DP2KBP3A
ASSRAT	Gold	ASSRAT
SUBROTO	Program PPM Terinovatif	ESDM
Accelerating the Reduction of Stunting	East Kalimantan Governor Award	East Kalimantan Governor
Security Management System	Gold Certificate	Indonesian Police Headquarter



## Sustainability Milestones [2-1]



1982

Establishment of PT Kideco Jaya Agung



1993

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



2017

PT Kideco Jaya Agung became part of PT Indika Energy Tbk



2014

The highest production achievement of 40.3 million tons.



2018



2019

Use of a new logo as KIDEKO's identity



2021

- KIDEKO 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
- Measurement of KIDEKO's Carbon Print starting from Scope 1 and 2 GHG Emissions carried out in collaboration with SouthPole consultant



2022

- Launching of Nembayu Application for safety administration
- Implementation of ESG integrity pact to all KIDEKO site contractor partners



2023

- KIDEKO has installed 1,200 solar panels, including in the basecamp of employee housing areas, mining areas and in 7 areas for the nearby communities.
- Implementation of Microhydro technology to generate electricity that can replace the function of tower lamp generator in settling pond area.

## Operational Area [C.4] [2-1] [2-6]

KIDEKO's Special Mining Business License Area (WIUPK) is located in Paser Regency, East Kalimantan, Indonesia. The current WIUPK area based on the Second Amendment of PKP2B Number 2444/30/DJB/2017 and the Decree of the Minister of Energy and Mineral Resources Number 250.K/30/DJB/2018 dated May 21st, 2018 is 47,500 Ha.

In 2022, KIDEKO's mining areas was changed again based on the Decree of the Minister of Investment/Head of Capital Investment Coordination Agency No. 14/1/IUP/PMA/2022 dated December 16, 2022, concerning the amendment of Coal Mining Concession Work Agreement (PKP2B) contract for a Business Entity to a Special Mining Business Permit (IUPK) with KIDEKO's IUPK area being 33,887 Ha.

### Special Mining Business Area (WIUPK)

Special Mining Business Area (WIUPK)	Area (Ha)
Roto Samurangau	27,337
Susubang Uko	6,550
Jumlah	33,887

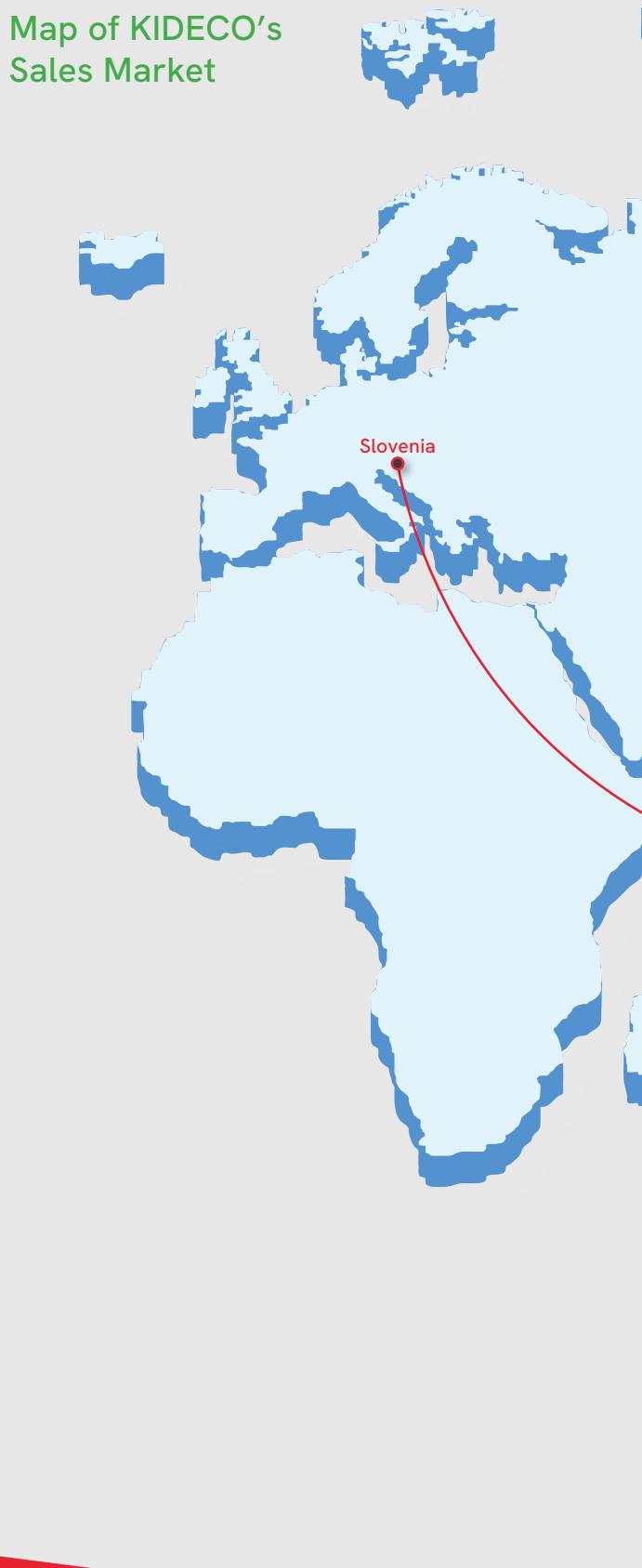
### Market Served [C.4] [2-1] [2-6]

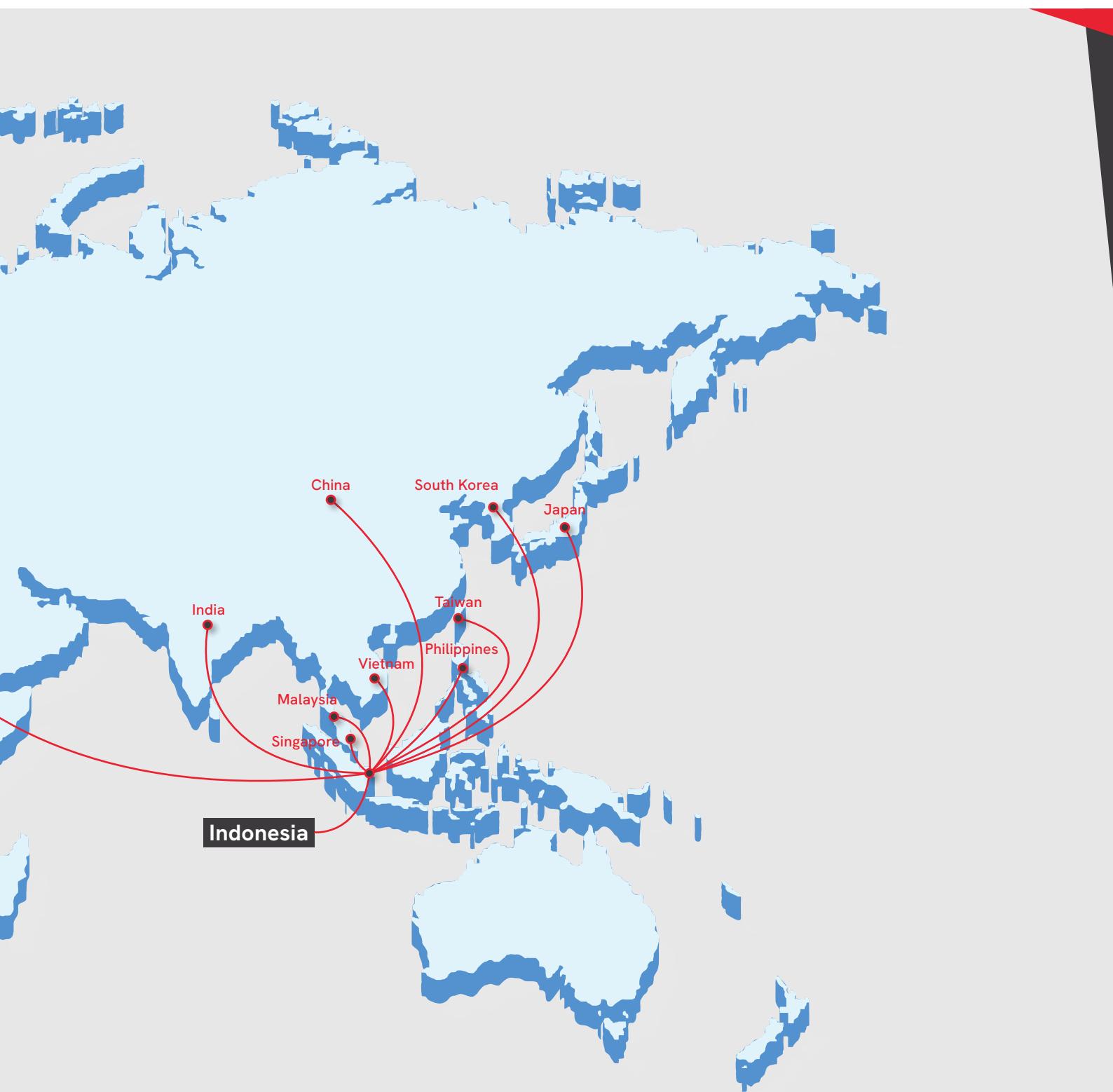
As of 2023, KIDEKO has 57 customers, consisting of 13 domestic customers and 44 foreign customers, as well as exporting to 10 countries.

### Sales in 2023

Destination	Volume (Million Ton)	%
Domestic, including Domestic Market Obligation (DMO)	9,1	30
Export to 10 countries	21,4	70
Total	30,5	100

## Map of KIDEKO's Sales Market





#### Building Synergy

KIDECO continues synergizing with the Holding Group, PT Indika Energy Tbk, along with both direct and indirect subsidiaries. This synergy aims to create an integrated business ecosystem at Indika Energy Group in order to keep growing sustainably as well as to optimize contribution to the national development.



# Sustainable Operations for Environmental Sustainability

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**KIDECO continues striving to comply with various applicable regulations by carrying out routine environmental audits as well as ensuring that there are no operational activities that are detrimental and harmful to the environment or biodiversity around the Company.**

///

## Environmental Management Policy

 <b>KIDECO's Commitment</b>	<ul style="list-style-type: none"><li>• Integrated Management Standards (Pas 99)</li><li>• Quality Management System (ISO 9001)</li><li>• Occupational Safety and Health System (ISO 45001, SMK3, and SMKP)</li><li>• Environmental Management System (ISO 14001)</li><li>• Energy Management System (ISO 50001)</li><li>• Good mining practices</li></ul>
 <b>KIDECO's Specific Goals</b>	<ul style="list-style-type: none"><li>• Quality/Operational</li><li>• Mine Safety and Operation Safety</li><li>• Working Environment Health</li></ul>
 <b>Specific Environmental Goals</b>	<ul style="list-style-type: none"><li>• Ensuring that all environmental impacts are considered in all aspects of the Company's operations</li><li>• Preventing pollution and reducing incidents that can degrade the environmental support system</li><li>• Carrying out reclamation in former mining areas to make them productive, stable, and safe for their intended use</li><li>• Creating and improving environmental awareness and urging all employees to have environmental responsibility</li><li>• Implementing the 4R (Reduce, Reuse, Recycle, Recovery) system in the management program of hazardous and non-hazardous waste</li><li>• Monitoring and preserving biodiversity</li><li>• Conducting water resource conservation and reducing the load of wastewater pollutants</li><li>• Reducing air pollution from conventional air pollutants &amp; greenhouse gasses</li></ul>

## Environmental Awards in 2023



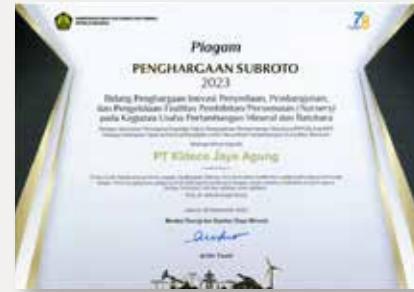
National PROPER Green Rating (Gold Candidate) - KLHK



Provincial Proper Gold Rating - Governor of East Kalimantan Province



GMP Award for Environmental Preservation Aspect Aditama Rating (Gold) & Trophy - KESDM



Subroto Award for the Innovation in Procurement, Construction, and Management of Nursery Facility in Mineral and Coal Mining Business Activities

### KIDEKO's Proper Rating

Award	2023	2022	2021
National Proper	Green (Gold Candidate)	Green	Green
PROPER East Kalimantan Region Environmental	Gold	Green	Gold
GMP in Preservation Aspect of the Ministry of Energy and Mineral Resources	Gold Aditama (gold) + Trophy	Aditama (Gold)	Aditama (Gold)

### Management of Material Topic [3-3][CSS.12.1.1] [CSS.12.3.1][CSS.12.5.1][CSS.12.6.1][CSS.12.7.1] EM-CO-160a.1.



Energy and Emissions



Land Reclamation, Waste



Biodiversity



Water and Effluent

KIDEKO is aware that its operational activities are directly related and impacting climate changes and environmental sustainability. Therefore, KIDEKO continuously striving to reduce the negative impacts it creates. In addition, KIDEKO has also implemented ISO 14001:2015 Environmental Management System, ISO 50001:2018 Energy Management System, Mining Safety Management System (SMKP), and began its transition to renewable energy. [203-1]

All of environmental management activities are under the responsibility of the Chief Mining Engineer (KTT) which performance is assessed by the Board of Directors through Key Performance Indicators (KPI). In 2023, KIDEKO's environmental management performance was awarded with Green PROPER (gold candidate) from the Ministry of Environment and Forestry in addition to successfully maintained Aditama Rating on GMP ESDM.

KIDECO ensures that its environmental management in mining sites are implemented in accordance with the applicable regulations and requirements, by minimizing negative impacts to surrounding environment. The following are some of the efforts carried out by KIDECO to mitigate environmental related risks: [F.1]

- Ensuring that all environmental impacts have been 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) system in the management program of hazardous and non-hazardous waste, Life Cycle Perspective, and Life Cycle Assessment (LCA) for measuring potential environmental impacts
- Monitoring and preserving biodiversity.
- Conducting water resource conservation and reducing the load of wastewater pollutants
- Reducing air pollution from conventional air pollutants & greenhouse gasses.
- Supporting the procurement of energy efficient products and services, and designs that can improve energy performance
- Ensuring the availability of information and resources that are required to achieve goals and energy targets.

KIDECO has designed procedures as guidelines for good environmental management, to be implemented based on the applicable requirements and regulations. Several procedures regarding environmental management in KIDECO are:

- SOP/ENV-009 Waste Management
- SOP/ENV-013 Handling of Hydrocarbon Spills in Waterways
- SOP/ENV-026 Water Quality Monitoring
- SOP/ENV-027 Wastewater Treatment
- SOP/ENV-028 Aquatic Biota Monitoring
- SOP/ENV-029 Measurement of Wastewater and River Water
- SOP/ENV-033 Utilization of Hazardous and Toxic Waste for ANFO Manufacturing Activities
- SOP/ENV-034 Utilization of Hazardous and Toxic Waste in Emulsion Plant 1
- SOP/ENV-035 Utilization of Hazardous and Toxic Waste in Emulsion Plant 2

- SOP/ENV-036 Emergency Response for the Utilization of Hazardous and Toxic Waste in Emulsion Plant 1
- SOP/ENV-037 Emergency Response for the Utilization of Hazardous and Toxic Waste in Emulsion Plant 2
- SOP/ENV-043 Top Soil & Sub Soil Management
- SOP/ENV-044 Nursery Management
- SOP/ENV-045 Reclamation and Revegetation
- SOP/ENV-046 Flora and Fauna Monitoring
- SOP/ENV-050 Emergency Response in Temporary Storage "TPS" of Toxic and Hazardous Waste
- SOP/ENV-051 Emergency Response in Settling Pond and Catchment Dam
- SOP/ENV-053 Environmental Management Document
- SOP/ENV-054 Toxic and Hazardous Waste Management
- SOP/ENV-055 Control of Potential Acid Mine Water
- SOP/ENV-056 Handling Polluted Lands
- SOP/ENV-057 Ambient Air Quality & Emissions Monitoring
- SOP/ENV-058 Emergency Response in Toxic and Hazardous Waste Processing Facility "Incinerator 01"
- SOP/ENV-059 Erosion and Sedimentation Control
- SOP/ENV-060 Procedures for Reusing Reclamation Land
- SOP/ENV-063 Emergency Response in Toxic and Hazardous Waste Processing Facility "Oil Mixing Plant"
- SOP/ENV-064 Emergency Response in Toxic and Hazardous Waste Processing Facility "Incinerator 02"
- SOP/ENV-065 Operational of Toxic and Hazardous Waste Temporary Storage
- SOP/ENV-066 Emergency Response in Air Pollution
- SP ENV-002 Toxic and Hazardous Waste Storage
- SP ENV-005 Transfer of Toxic and Hazardous Waste between Temporary Storage

The following are the regulations referred by KIDECO as the guidelines in the preparation of its policies and procedures:

- Law No 32 year 2009 concerning environmental protection and preservation.
- Law No 18 year 2008 concerning waste management.
- Government Regulation No. 22 year 2021 concerning environmental protection and preservation organizer.
- Minister of Environment and Forestry Regulation No 6 year 2021 concerning procedures and requirements in the management of toxic and hazardous waste.
- Minister of Environment and Forestry Regulation Number P.74/menlhk/setjen/kum.1/10/2019 Year 2019 concerning the urgency of toxic and hazardous waste management program.

- Minister of Environment and Forestry Regulation No P.12/MENLHK/SETJEN/PLB.3/5/2020 concerning the storage of toxic and hazardous waste.
- Minister of Environment and Forestry Regulation No P.4 /MENLHK/ No P.4/MENLHK/SETJEN/KUM.1/1/2020 concerning the Transportation of toxic and hazardous waste.
- The Republic of Indonesia Minister of Environment Regulation No 14 Year 2013 concerning the symbol and label of Toxic and Hazardous waste.



## Energy Efficiency and Management



In Roto Samurangau and Susubang Uko Mining Business Area (WUP), the energy used by KIDECO for transportation and power plant comes from B30 fuel. As for the source of energy for operational vehicles being used in Jakarta Head Office comes from PT PLN (Persero) and fuel.

Mining activities carried out by KIDECO require energy and fuel which influence the emission load released into the air. However, 94.3% of energy usage in KIDECO comes from the Company's business partner, which is contractor. Therefore, in order to support decarbonization effort, KIDECO cooperates with contractor to innovate in mining operational activities by utilizing renewable energy.



As a form of commitment towards renewable energy, KIDECO installed **999** solar panels in the employee's housing area, basecamp KIDECO and **104** solar panels in the mining area. Throughout 2023, the solar panel generated **62,379 Kwh** from the housing area, and **14,065.95 GJ** from the mining area. KIDECO did not only install solar panels in its operational area, but also installed **97** solar panels in **7** locations for the community, with total generated energy reaching **12,291.84 GJ**.

In addition, KIDECO also has Microhydro technology that can generate electricity to be distributed to replace tower lamp generator. In 2023, the development of microhydro was still under review in several settling pond areas. Total energy saving from the use of microhydro was **159.67 GJ**.



KIDECO's innovation throughout 2023 includes the creation of mining operations business process that uses digital technology and data. This innovation is in form of application to analyze geotechnical data, mining plan, blasting, and production. The application called One KIDECO is easily accessible by all employees through mobile phone.

#### Total Energy Consumption and Intensity [F.6] [302-1][302-2][302-3][CSS.12.1.2] [CSS.12.1.3][CSS.12.1.4]

Scope	Energy Source	Unit	2023	2022	2021
KIDECO	B30 & B35		736,500	796,665	623,531
Contractor	B30 & B35	GJ	12,220,486	12,085,228	12,971,851
Total Energy Usage (KIDECO + Contractor)			12,956,987	12,881,893	13,595,383
Energy Intensity	Total Production	Ton	30,112,831	34,769,448	35,821,057
	Energy Intensity Figure	GJ/ton	0.43	0.37	0.38

##### Note:

\* restatement from 2022 and 2021 data due to the change in standardization of new B30 and B35 formula, so that all subsidiaries of Indika Energy have readjusted the previously available data. [2-4]

Since March 2023, KIDECO has transitioned to use eco-friendly fuel, B35. Therefore, B30 fuel was only used until February 2023. This is a form of KIDECO's compliance towards Directorate General EBTKE's Circular Letter No. 10.E/EK.05/DJE/2022 concerning the Phased Implementation of the Utilization of Biofuel Type Biodiesel as Diesel Fuel Mixture within the Financing Framework by the Pal Oil Plantation Fund Management Agency.

Year	Volume (GJ)*	Cost (USD)
2023	12,956,987	148,129,331
2022	12,881,893	204,427,615
2021	13,595,383	181,213,075

#### Energy Audit

The last energy audit was carried out in collaboration with independent party in 2021. The next energy audit will be carried out in 2024. Based on the energy audit in 2021, the largest energy use was on the following three processes:



**67**

Material removal process or overburden removal process energy



**12%**

Coal hauling process



**10%**

Coal mining process



### Energy Efficiency [F.7]

Subsequent to the Life Cycle Analysis (LCA) review, KIDECO has utilized alternative energy in its mining process in order to support energy efficiency in its overburden removal process. In addition, KIDECO has also made innovation in hotspot area by using energy that comes from:

- Sound reduction system
- Auto economod system in HD unit
- Implementation of microhydro technology in settling pond area
- Utilization of bottom plug rods for blasting activities

Total energy usage for KIDECO's operational activities in 2023 reached 12,956,987 Gigajoule. With energy saving of 330,329.30 Gigajoule or equivalent to Rp111.91 billion saved. Meanwhile, KIDECO has set energy usage target for 2025 of 10,699,709 Gigajoule, or an increase of 21% from the energy usage from the baseline year of 2020 of 13,573,347 GJ. As of the end of 2023, KIDECO has managed to reduce energy usage by 616,360 GJ or equivalent to 4.54% of the 2025 target. [302-4][302-5]

Effort	Energy Saving Value (GJ)		
	2023	2022	2021
Utilization of solar cells in the KIDECO facility	14,763.94	17,057.83	16,979.96
Utilization of solar cells in the supported village	12,294.84	13,295.58	13,295.58
Utilization of used lubricating oil as a substitute for diesel fuel in blasting activities	19,916.54	11,308.10*	19,461.08*
Replacement of lighting system in overburden removal activities	33,264.84	26,594.82	27,377.02
Use of bottom plugs in blasting activities	56,262.41	74,522.71	67,514.82
Replacement of mud handling system with pump installation on excavator unit	118,171.40	138,216.06*	69,538.14
Installation of sound reduction equipment on HD 777D unit	4,820.96	2,567.94	2,568.01
Self-sufficient through RO technology-based refill drinking water business	176.14	190.52	190.52
Biodigester in IFS area	15,196.17	18,063.08	25,013.26
Installation of FECO (Auto Economod) on HD unit to reduce fuel consumption in OB Removal activities	25,035.82	13,263.78	11,974.25
Electric Busses for Employee Shuttle	140.66	139.06	-
Microhydro Energy to Lighting System (MINING)	159.67	172.71	86.35
Double Side Loading (DSL)	22,316.98	-	-
Automatic Retarder Control & Coasting Drive	7,811.94	-	-

\* Restatement of 2022 and 2021 data. [2-4]

## Green House Gas (GHG) Emission Control and Reduction



**KIDECO** has set the **GHG emissions reduction target of 40%** in 2025.

Calculation of GHG Emissions [F.11]

Emission reduction is calculated from the absolute emission baseline generated in 2020, with GHG scope 1 emissions of 1,003,820 Ton CO<sub>2</sub>eq. The generated GHG emissions target in 2025 for GHG scope 1 emission is 604,423 Ton CO<sub>2</sub>eq, without the generated Fugitive emissions.

KIDECO has implemented various strategies in order to achieve this target, which are:

- Implementing energy efficiency
- Improving emission reduction innovation
- Continuing revegetation in IFS area
- Utilizing new and renewable source of energy
- Utilizing eco-friendly fuel, B35.

In the implementation, KIDECO faces the following challenges to achieve the target:

1. Dynamic mine condition as seen from the age of PIT mining area.
2. Maintaining the design grade of hauling road in PIT area and Waste dump to < 8%
3. Maintaining the dumping distance of overburden material to < 5 Km

The calculation of GHG scope 1 emissions comes from the use of fuel in the operational processes, supporting activities as well as the calculation of Fugitive gas emissions generated from mining process through Open Mine Pit method and other Fugitive emissions. Meanwhile, scope 2 emissions are from the purchase of electricity from the State Electricity Company (PLN). KIDECO calculates and reports GHG emissions load based on the Minister of KLHK Regulation No 4 Year 2014 and 'The Greenhouse Gas Protocol: GHG Protocol: A corporate Accounting and Reporting Standard-Revised Edition'. However, as of the end of 2023, KIDECO has yet to calculate the scope 3 emissions since it is still under process to review the appropriate calculation mechanism. [305-3][CSS.12.1.7] [EM-CO-110a.1]

In 2023, the amount of GHG scope 1 emissions reached 864,610.40 Ton CO<sub>2</sub>eq, decreased by 6.93% compared to in 2022 of 933,367.01 Ton CO<sub>2</sub>eq. Meanwhile, the intensity of GHG emissions in 2023 was 0.028 Ton CO<sub>2</sub>eq/Ton coal, increased by 7.95% compared to in 2022 of 0.026 Ton CO<sub>2</sub>eq/Ton coal.

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

Description	Unit	2023	2022	2021
GHG Emissions KIDECO Activities		37,797.38	43,149.91	35,257.83
GHG Emissions from Contractors Activities with Energy Sources from KIDECO	Ton CO <sub>2</sub> eq	626,729.16	654,574.35	733,735.65
Fugitive Process Emissions		204,083.33	235,642.75	- (Fugitive emissions are not counted)
Total GHG Emissions		868,610.40	933,367.01	768,756.48
Total Coal Production	Ton	30,112,831	34,769,448**	35,821,057**
GHG Emissions Intensity	Ton CO <sub>2</sub> eq / Ton	0.028	0.026	0.021

\* Restatement of 2022 and 2021 data. [2-4]

\*\* No changes from the data presented in the 2022 report.

The calculation of GHG scope 2 emissions was carried out using the calculation and reporting method based on the 'The Greenhouse Gas Protocol: GHG Protocol: A Corporate Accounting and Reporting Standard-Revised Edition'. Throughout 2023, the amount of GHG scope 2 emissions reached 89 Ton CO<sub>2</sub>eq, or increased by 28% compared to in 2022 of 69 Ton CO<sub>2</sub>eq. [305-2][CSS.12.1.6]

#### GHG Scope 2 Emissions of KIDECO's activities (Ton CO<sub>2</sub>eq) [305-2][CSS.12.1.6]

	2023	2022	2021
	89	69	43.81

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

Periodically, KIDECO controlled emissions by monitoring and measuring ambient air quality in external laboratory based on:

- PP No. 22 Year 2022 (Attachment VII) concerning the Organization of Protection and Preservation of the Environment
- Permenaker No. 05 Year 2018 concerning Occupational Health and Safety.
- Kepmen LH No. 48/Menlh/11/1996 concerning the Noise Level Standard.

Based on the monitoring of ambient air quality and noise level in 2023, KIDECO is still within the set target.

#### Air Quality Monitoring

No	Parameter	Unit	Environmental Quality Standard*	Environmental Quality Standard**	Average Monitoring Results		
					2023	2022	2021
<b>WIUPK Roto Samurangau</b>							
1	CO		30,000	4,000	1,149.24	1,226.33	777.11
2	NO <sub>2</sub>	µg/Nm3	400	65	21.56	14.00	17.73
3	SO <sub>2</sub>		900	75	29.87	30.07	31.61
4	TSP						
	Settlement	µg/Nm3	230	230	60.71	55.43	57.36
	Work Area		230	230	71.55	60.92	58.40
<b>WIUPK Susubang Uko</b>							
1	CO		30,000	4,000	1,145.00	1,174.30	895.79
2	NO <sub>2</sub>	µg/Nm3	400	65	14.05	14.33	14.22
3	SO <sub>2</sub>		900	75	30.00	30.03	33.17
4	TSP						
	Settlement	µg/Nm3	230	230	57.90	46.80	34.88
	Work Area		230	230	66.30	61.27	51.24

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 Standard	Average Monitoring Results		
				2023	2022	2021
<b>WIUPK Roto Samurangau</b>						
1	Settlement	dB	55+3*	51.36	53.50	52.90
2	Work Area		85**	55.75	57.00	59.60
<b>WIUPK Susubang Uko</b>						
1	Settlement	dB	55+3*	50.97	50.59	48.08
2	Work Area		85**	52.80	49.31	52.19

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



#### GHG Emissions Reduction [F.12]

Since 2021, KIDECO has provided one unit of electric bus MD 12E NF for employee shuttle transportation. As of the end of reporting period, KIDECO owns 1 electric bus in operation for the shuttle transportation of **400** employees. From this program, KIDECO potentially reduce 7 Ton Co<sub>2</sub>eq or equivalent to **3,996 liter/year**.

In order to reduce the generated emissions, KIDECO also carried out revegetation in the integrated farming system areas to absorb CO<sub>2</sub>. Some of our efforts to reduce the generated emissions are: [305-5][CSS.12.2.3]

1. Carrying out revegetation of the Integrated Farming System (IFS) Area
2. Utilizing solar power plant and Microhydro
3. Utilizing electric vehicle (electric bus) for operations
4. Mini Tower LED program
5. Installing Sound Reduction in HD unit

6. Installing mud pump on excavator
7. Utilizing Non-Halon Fire Extinguishers
8. Developing biodigester in the Integrated Farming System Area
9. Refill Drinking Water Based on Reverse Osmosis Technology
10. Utilizing Water Gun
11. Utilizing lighting system in excavation activities
12. Installing Automatic Retard Speed Control (ARSC) & Coasting Drive

#### Benefit of Revegetation to Reduce CO<sub>2</sub> Emissions [305-5][CSS.12.2.3]

Description	Unit	2023	2022	2021
Revegetation in Integrated Farming System (IFS) Area				
Absorption of CO <sub>2</sub> Emissions	Ton CO <sub>2</sub> eq	39.15	39.15	39.15
Savings Value	Million Rp	1.17	1.17	1.17

#### Solar Panel Usage [305-5][CSS.12.2.3]

Absorption of CO <sub>2</sub> Emissions	Unit	2023	2022	2021
Solar panel Usage in Mine Area	Ton CO <sub>2</sub> eq	754.97	904.99	960.14
Solar Panel Usage for Community	Ton CO <sub>2</sub> eq	628.56	705.38	751.80

#### Utilization of Other Equipment [305-5][CSS.12.2.3]

Absorption of CO <sub>2</sub> Emissions	Unit	2023	2022	2021
Mini Tower LED Program	Ton CO <sub>2</sub> eq	69.98	52.36	26.18
Installation of Sound Reduction in HD unit	Ton CO <sub>2</sub> eq	246.51	136.24	145.21
Installation of Mud Pumps on Excavator	Ton CO <sub>2</sub> eq	6,042.86	7,332.92	3,932.06
Utilization of Non-Halon Fire Extinguishers	Ton CO <sub>2</sub> eq	98,847	98,847	98,847
Biodigester in IFS Area	Ton CO <sub>2</sub> eq	4.02	4.77	6.61
Refill Drinking Water Based on Reverse Osmosis Technology	Ton CO <sub>2</sub> eq	9.01	10.11	10.77
Water Gun Usage	Ton CO <sub>2</sub> eq	12.96	14.54	15.50
Lighting system for excavation	Ton CO <sub>2</sub> eq	1,701.04	1,410.96	1,548.04

Absorption of CO <sub>2</sub> Emissions	Unit	2023	2022	2021
Microhidro energy to lighting system	Ton CO <sub>2</sub> eq	8.28	9.29	4.95
Electric bus for employee shuttle	Ton CO <sub>2</sub> eq	7.19	8.07	-
Installation of automic retard speed control (ARSC) & coasting drive	Ton CO <sub>2</sub> eq	399.47	-	-

#### Total Conventional Emissions Load (Ton) [305-7][CSS.12.4.2]

Emission Type	2023	2022	2021
NOx	689.79	484.70	734.76
SOx	2.23	1.48	2.39
CO <sub>2</sub>	94.30	70.82	110.27
Particle	13	3.56	6.63

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

Replacing Chlorofluorocarbon (CFC) with non-CFC materials that are more environmentally friendly is one of KIDECO's initiatives to reduce emissions that contain Ozone Depleting Substance (ODS). However, until 2023, KIDECO has yet to calculate the volume of ODS emissions released.



## Site Reclamation and Rehabilitation



KIDECO carries out its mining operations openly and directly impacts the nearby environment. One of the impacts caused is the loss of trees which can influence the availability of oxygen and reduce the capacity of carbon absorption. Therefore, KIDECO continues to carry out reclamation and rehabilitation of post-mining lands in order to restore the carrying capacity of carbon absorption. Thus, KIDECO is able to restore land ecosystems, carry out conservation, and protect flora and fauna species. All of KIDECO's reclamation activities are monitored through a mechanism which is reported to the authorized party in accordance with the prevailing regulations. [CSS.12.5.3]

In 2023, "KIDECO CARE PROGRAM" implemented the "Biobank for reclamation and conservation of biodiversity" program. Biobank is a biodiversity bank or conservation effort for tree species in reclaimed forests and natural forests. This conservation is carried out using network culture methods based on community empowerment so that species remain available. This conservation effort is a brand new initiative in the mining sector, where the development of nurseries is integrated with tissue culture systems and genetic sources, germplasm and sources of superior seeds. [413-1]

KIDECO also maximizes functional activities in the nursery center in WIUPK to fulfill the needs for seedlings used in

reclamation activities. The nurseries take place in WIUPK Roto Samurangau with covering an area of 2 ha with capacity of 1,200,000 seedlings per year and WIUP Susubang Uko with a capacity of 2,000 seedlings per year.



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

Total Land Reclamation Area of **5,130.03 Ha**

KIDECO's land reclamation activities involve local communities, institutions, and local government. Until the end of 2023, the realization of land reclamation in WIUPK Roto Samurangau reached 71.26 ha making the total land reclamation area to 4,929.72 ha. On the other hand, the land reclamation in WIUPK Susubang Uko in 2023 reached 8.71 ha making the total land reclamation area to 200.31 ha.

The details regarding land reclamation and revegetation did not include the plan and target of mine closure, since KIDECO is still on the process of extending the mine business license that will influence the future plan of mine closure. However, if there is any plan of mine closure, KIDECO will first notify all workers within 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]

#### Realization of Reclamation (Ha) [304-3]

WIUPK	2023		2022		2021	
	Realization	Cumulative	Realization	Cumulative	Realization	Cumulative
Roto Samurangau	71.26	4,929.72	400.65	4,858.46	442.62	4,457.81
Susubang Uko	8.71	200.31	40.04	191.60	29.02	151.56
Jumlah Total	79.97	5,130.03	440.69	5,050.06	471.64	4,609.37

Note:

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

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

Description	Unit	2023	2022	2021
Land Openings and Mining Facilities	Ha	13,497.83	12,997.10	12,503.00
Reclamation Land		5,130.03	5,050.06	4,609.37
Percentage of Reclamation Land to Mining Land	%	38.01	38.86	36.87
Total Trees	Batang	4,687,172	4,610,652	4,299,386

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



The Cumulative Watershed Area (DAS) rehabilitation until 2023 was **13,438 Ha** (including the DAS rehabilitation since 2020 and has been handed over to stakeholders covering an area of **3,856 Ha** in 2023).

## Waste Management and Utilization



KIDECO realizes that its mining and operational activities generate waste that can impact the environment. To mitigate the negative impacts to the environment, KIDECO implements 4R system which is (Reduce, Reuse, Recycle & Recovery) on the management of hazardous (B3) and Non-hazardous (Non-B3) waste.

The type of waste generated from the operational activities include: [306-1][CSS.12.6.2] EM-CO-150a.8

- Hazardous waste
- Non-hazardous waste
- Top soil
- Overburden

#### Activities, Generated Waste and the Management

Activity	Type of Waste	Management
Mining pit opening	Overburden	<ul style="list-style-type: none"> <li>▪ Stored in and around mining area</li> <li>▪ Used as backfill material for the former mining area</li> </ul>
Operations of Heavy Machineries and Workshops	Toxic and Hazardous Waste (B3)	<ul style="list-style-type: none"> <li>▪ Temporarily stored in storage facilities (TPS)</li> <li>▪ Handed over to authorized third parties</li> <li>▪ Reused</li> <li>▪ Reduced</li> </ul>
Medical Center		
Office Area	Non Toxic and Hazardous Waste	<ul style="list-style-type: none"> <li>▪ Reuse</li> <li>▪ Recycle</li> <li>▪ Reduce</li> </ul>
Canteen		

### Management of Topsoil and Overburden (OB)

Solid waste generated from coal mining operations in form of overburden and top soil are managed by storing inside and outside mining area. The generated materials are reused as backfill material. This is one of KIDECO's strategies to reduce 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	2023	2022	2021
Roto Samurangau	BCM	15,809,907	12,918,766	12,686,413
Susubang Uko		876,130	280,507	476,030
Jumlah		16,686,037	13,199,273	13,162,443

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

Block	Unit	2023	2022	2021
Roto Samurangau	Million BCM	158.36	165.31	170.06
Susubang Uko		9.30	10.46	9.82
Jumlah		167.66	175.77	179.88

### Toxic and Hazardous Waste Management (B3) [306-2][306-4]

[306-5][CSS.12.6.5][CSS.12.6.6] EM-CO-150a.7

B3 waste generated by KIDECO comes from heavy equipment operations, which is managed by reusing, recycling, and handed over to a licensed third party. The B3 waste is

stored in a licensed Temporary Storage (TPS) which then is process based on its type. There are also some toxic and hazardous waste being incinerated in accordance with the permit. Throughout 2023, there were no significant incidents related to the management of toxic and hazardous waste.

#### Type of Toxic and Hazardous Waste (B3) and its Management [306-1, 306-2][CSS.12.6.3]

Type of Waste	Management Methods
Used lubricating oil, used batteries, used rags, Sludge from Oil Treatment or storage facilities, Fly Ash Incinerator, clinical waste, electronic lamps, used toner, waste from laboratories, used B3 packaging, used filters and Absorbents from used lubricating oil utilization activities and processing of incinerators, used refrigerants, used incinerator refractories, expired pharmaceutical products, laboratory equipment contaminated with B3, used pharmaceutical product packaging, and WWTP sludge.	<p><b>B3 Waste Storage Activities</b></p> <ul style="list-style-type: none"> <li>Stored in Temporary Storage facilities (TPS), totaling 27 units.</li> <li>Storage permit from Minister of Environment and Forestry Decree No SK.1163/MENLHK/SETJEN/PLA.4/11/2023 concerning Environmental Feasibility of Coal Mining Activities of Roto Samurangau WIUPK Specific Coal Hauling Road and Coal Port Samurangau Village, Batu Sopang District, Desa Biu, Muara Samu District, Lolo Village, Keluang Paser Jaya Village, Kuaro District and Janju Village, Tana Grogot District, Paser Regency, East Kalimantan Province by PT Kideco Jaya Agung.</li> <li>Handed over to a licensed third party for processing.</li> </ul>
Clinical waste, used oil filters, diesel filters from B3 waste utilization and B3 waste processing activities, as well as used rags and others	<p><b>B3 Waste Processing Activities</b></p> <ul style="list-style-type: none"> <li>Minister of Environment and Forestry Decree No. SK.473/Menlhk/ Setjen/PLB.3/7/2019, 22 July 2019 (Extension).</li> <li>Decree of the Head of BKPM No. SK.1/1/KLHK/2020, March 3 2020.</li> </ul>
Used lubricating oil	<p><b>B3 Waste Utilization Activities</b></p> <p>Utilized as a substitute for diesel fuel in blasting activities. In accordance with Minister of Environment and Forestry Decree No. S.351/PSLB3/PLB3/PLB.3/5/2023 concerning the Operational Feasibility Letter in the B3 Waste Management for the Utilization of B3 Waste by PT Kideco Jaya Agung dated June 6, 2023</p>

Toxic and Hazardous Waste (B3) Generated (Ton) [F.13] [306-3][CSS.12.6.4][CSS.13.2]

Type of B3 Waste	2023	2022	2021
Used Lubricating Oil	2,950.78	2,857.29	2,788.63
Used Batteries	70.60	64.44	60.04
Used Oil Filters	166.9	164.70	99.53
Rags	131.86	135.86	85.71
Hose	44.25	41.71	21.51
Grease	11.63	12.84	10.69
Clinical Waste	0.611	8.63	27.31
Fluorescent Lamps	0.11	0.26	0.03
Residue	13.98	31.17	14.28
Contaminated Soil	36.45	16.37	20.88
Electronic Waste	0.34	0.36	0.16
Laboratory Waste	0.28	1.67	0.3
B3 Packaging Waste	0.84	0.69	5.28
<b>Total</b>	<b>3,428.64</b>	<b>3,335.97</b>	<b>3,134.35</b>

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

In order to reduce the amount of used lubricating oil, KIDEKO made innovation by installing LEDs for heavy equipment during excavation activities. This innovation reduces the used lubricating oil generated from the use of tower light generators, which previously required two units for each excavator. In addition, KIDEKO also made the following innovations to reduce the amount of toxic and hazardous waste (B3) generation:

- Utilizing B3 waste in form of used lubricating oil for blasting activities;
- Flushing of differential oil, hydraulic & transmission;
- Replacing the mud handling system;

- Installing LED lamps in new buildings;
- Reducing the generation of used B3 packaging by using refillable packaging;
- Reducing the quantity of used lubricating oil by installing LEDs on excavation equipment;
- Installing Power Inverters as an alternative lighting source for exploration activities;
- Utilizing electric bus as an innovation to reduce fuel usage;
- Implementing Solar Power Plant to reduce B3 waste in the form of oil, building eco friendly residence



#### Reduction Volume and Percentage of Toxic and Hazardous Waste (B3) [F.13]

Reduction Program	Unit	2023	2022	2021
Flushing of differential oil, hydraulic & transmission oil	Ton	0	42.30	198.66
Replacement mud handling system by installing Edy pump		7.58	8.68	4.13
Replacement of lighting system with LED lamps in heavy machineries for excavation activities		9.94	8.32	3.78
Installation of Power Inverters for exploration activities		0.27	0.162	0
Utilization of electric bus to reduce used oil		0.324	0.324	0
Solar power plant implementation program to reduce oil usage in the eco friendly residence		0.54	0	0
Total reduction		18.65	59.79	206.57
Total generated B3 waste		3,428.64	3,335.97	3,134.35
The success in reducing B3 waste of used lubricating oil	%	0.54	1.79	15.17

#### Reduction Percentage of B3 Waste: Used Fluorescent Lamps and Used B3 Packaging [F.13]

Reduction Program	Type of Waste	Unit	2023	2022	2021
Installation of LED Lamps	Used Fluorescent Lamps	Ton	0.45	0.31	0.35
Utilization of tank packaging to replace oil packaging	Oil packaging		140.05	133.05	102.40
Total reduction	140.50		133.36	102.75	
Generation of non-dominant B3 waste			477.86	478.69	345.72
The success in reducing B3 waste of used fluorescent lamps and used B3 packaging waste	%		29.40	27.86	29.72

#### Management of Non-B3 Waste [F.14] [F.15]

KIDECO has a refill policy for large packaging waste in order to reduce the generation of packaging waste in form of drums, jerry cans and other small packages. Through this policy, KIDECO succeeded in reducing the generation of Non-B3 waste by 133.05 ton. In 2023, KIDECO did not have incidents of spills of either coal or waste materials that endanger the environment. [306-3] [12.13.2]

KIDECO strives to reduce oil consumption in maintenance activities through a number of efforts, including by replacing the use of diesel fueled generators into Solar Cell for power generation needs, used lubricating oil and air pollution generated from the activities can be minimized and even eliminated. This program provides positive impacts to the reduction of used oil generated from Maintenance or generator reparation processes by 0.54 Ton/Year.

Throughout 2023, KIDECO has also carried other environmentally friendly initiatives, such as reducing the volume of paper usage by 1.18 ton, and motivating the use of tumbler for employees. From this action, KIDECO was able to reduce plastic bottle waste by 13.81 ton. Not only internal programs, KIDECO also processed non-B3 waste by processing organic waste into fertilizer. This program has converted 8.53 ton of non-B3 waste into 1.69 ton fertilizer. The produced fertilizer will then be used to fertilize employee housing garden area and also in community activities. [306-3] [306-4]

Processing Methods and the Form of Non-B3 Waste Utilization [306-1][306-2] [306-4]

Type of Waste	The Form of Non-B3 Waste Utilization	Unit	2023	2022	2021
Organic	Utilization of livestock waste for compost	Kg	173,731	115,000	55,350
	Simple and active utilization of organic waste (PRAKTIS 24 JAM)		8,534	0	0
Recyclable	Utilization of used tires for road marking and erosion control		1,199,990	1,463,680	1,669,500
	Utilization of used belt conveyor		2,325	116.25	720
	Reduction of plastic bottle waste from the Provision of tumbler for employees		10,650	0	0
	Utilization of tires as community aid		2,169,100	272,160	277,060
	Reduction of waste generated from used tires through HD Tire Retreading Program		998,700	1,027,500	0
	Reduction of waste generated from used tires through HD Tire Regroove Program		184,500	2,152,500	0
	Reduction of paper waste from the utilization of email		147.85	0	0
	Reduction of paper waste from the use of Nembayu application		1,032.38	0	0
	Reducing plastic bottle waste by providing gallon drinking water		13,812.6	0	0
	Total Utilization		4,762,522	5,030,956	2,002,630
Generated Non-B3 Waste			6,602,049	6,234,750	3,372,817
Success of Utilization		%	54.87	80.69	59.38

Utilization of Used Oil Waste

KIDEKO utilizes used lubricating oil as a substitute for diesel fuel (AN-FO), by using them as blasting fuel based on the permit from the Ministry of Environment and Forestry (KLHK) No. SK.376/Menlhk/Setjen/PLB.3/8/2018 concerning Extension of Waste Management License. Until the end of the reporting period, 509.23 ton of used oil volume could be reused.

Volume and Percentage of B3 Waste Utilization: Used Oil [306-4][CSS.12.6.5] EM-CO-150a.6

Reduction Program	Unit	2023	2022	2021
Utilization of used lubricating oil in blasting activities	Ton	509.23	267.30	460.02
Utilization of used lubricating oil by licensed third parties		2,442.0	2,589.99	2,328.61
Total Reduction		2,951.2	2,857.29	2,788.63
Total generated B3 waste		3,428.64	3,335.97	3,134.35
The success in reducing B3 waste, used lubricating oil	%	86	86	89

Utilization Value of Lubricating Oil in Blasting Activities [306-4][CSS.12.6.5]

Description	Unit	2023	2022	2021
Utilized volume	Ton	509.23	267.30	460.02
Savings Value	Rp Million	6,008.91	3,623.99	3,265.12



# Biodiversity Preservation



## Biodiversity Management [F.9] [304-1][CSS.12.5.2]

KIDECO implements an open mining system in forestry cultivation areas (production forests and limited production forests) which is complemented with Other Use Areas (APL). KIDECO has a designated coal hauling and port activity that partially lies in Adang Bay Nature Reserve area.

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 PKS.140/K.18/TU/Teknis/08/2023 dan Nomor: 213/KJA/LGL/CON/VIII/2023 tanggal 8 Agustus 2023. 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]

WIUPK	Forest Area			Non-Forest Area	Jumlah
	Hutan Konservasi	Hutan Lindung	Hutan Produksi		
Roto Samurangau	-	-	11,974.78	15,485.22	27,460.00
Susubang Uko	-	59.00	1,897.00	4,947.00	6,903.00
Jumlah	-	59.00	13,872.66	20,431.34	34,363.00



The nature conservation complies with the Minister of Forestry Regulation No: P.85/Menhet-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/Menhet-II/2014.

Furthermore, KIDECO has determined a forest conservation area which functions as Multifunctional Conservation Zone (KKMF) for Tandaryan Arboretum which provides ecological, biological and educational values. The area is used as a source of food for wildlife, a wildlife nesting site and an arboretum.

In principle, KIDECO's coal mining activities have low potential in producing acid mine drainage which can impact the environment and the biodiversity around it. However, KIDECO continues striving to mitigate Potentially Acid Forming (PAF) material which will be covered with Non Acid Forming (NAF) material. This mitigation process uses encapsulation method which aims to prevent acid mine drainage and avoid contact of the water with the surrounding environment and biodiversity.

Roto Samurangau WIUPK is classified as having no potential for acid mine drainage, because it is known that 93.20% of the area is NAF, and 6.80% of the area is classified as PAF, with low capacity acid-forming material. Meanwhile, for the Susubang WIUPK, it is known that 85.71% of the area is NAF and 14.29% of the area is classified as PAF, with low capacity acid-forming material. In addition, reclamation also needs to be carried out to maintain the water stored in the area. Throughout 2023, KIDECO has succeeded in realizing 79.97 Ha or 101.23% of reclamation target of 79.00 Ha. [304-2][CSS.12.5.3] EM-CO-160a.2.



**Kholik Setiyawan, S.Pd,**  
Headmaster of  
SMPN 2 Batu Sopang

#### Collaboration Program with teachers to Enrich Green Generation Literation

Through this program, KIDECO has actively contributed to increasing awareness among teachers and students regarding the importance and essence of protecting our school environment. KIDECO distributes books about flora and fauna in the Arboretum to our children, so that now children are not only good at reading and writing, but they can also understand the importance of their role in nature conservation. Thank you to KIDECO for this inspiring Green literacy initiative.

#### Biodiversity Monitoring [F.10] EM-CO-160a.3.

The land reclamation efforts carried out by KIDECO aim to protect biodiversity, especially several species that are included in the IUCN red list as well as the national conservation list of critically endangered and endangered species. Apart from that, reclamation is also needed to maintain the water stored in the area. Throughout 2023, KIDECO has succeeded in realizing 79.97 Ha out of the reclamation target of 78.90 Ha. [304-2][CSS.12.5.3]

#### List of Protected Mammals on Reclamation Area [304-4][CSS.12.5.5]

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

In 2023, KIDECO has monitored aquatic biota at 41 points, including at Roto Samurangau area with 23 monitoring points, Susubang Uko with 10 monitoring points, and TMCT Harbor to Adang Bay with 8 monitoring points. Based on monitoring results, the average diversity index of aquatic biota is at a medium value ( $H'>1$ ). Meanwhile, the uniformity index throughout the location is in a stable state ( $E'>0.75$ ), meaning that the ecosystem is not dominated by certain types or species.





#### KIDECO Care Program [304-3] [CSS.12.5.4] [POJK51-6.e.3.b]

The Company also organizes KIDECO Care Program by involving local residents to preserve protected animals by building animal corridors and planting multifunctional plants. Through this program, KIDECO has succeeded in increasing the level of biodiversity.



The KIDECO Care program is an environmental program established by KIDECO by actively involving the community in its implementation. This program has several activities in it, including Greening Land, Cultivating Kelulut Honey Bees and Bio Bank (Biodiversity Bank). These activities are the main priority of KIDECO to become a circular economy and sustainable Shared Value for KIDECO and communities around the mine. Through the KIDECO Care program, there are additional types of fauna in the form of 3 types of avifauna, 1 type of herpetofauna and 17 types of insects. Therefore, as of 2023, KIDECO has cumulatively identified 49 types of Mammals, 141 types of Avifauna, 45 types of Herpetofauna, and 446 types of Insects.

Other than the three activities, KIDECO Care Program has other activities, such as:

- Greening land through community empowerment
- Establishment of the Mount Jondang Kars Conservation Area
- Establishment of Animal Corridor Areas
- Construction of the Tandarayan Arboretum Multi-Function Conservation Area (KKMF).
- Increasing Green literacy with Teachers
- Proboscis Monkey Animal Pouch

#### Protected or Restored Habitat [304-3]

The Company signed a partnership with a third party, namely PT Ecositrop to protect or restore habitat areas. This partnership aims specifically to carry out monitoring and evaluation activities every year. The methodology used is direct observation, installing camera traps, indirect observation & catching animals. In addition, KIDECO also collaborates with the East Kalimantan Natural Resources Conservation Agency (BKSDA) regarding Inevitable Strategic Development.



## Efficient Water Consumption



KIDECO is aware that its operational activities require water that comes 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 harvests rainwater 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. The use of rainwater as a source of clean water in the coagulant mixing process saved the use of raw water by **2,386.6 m<sup>3</sup>** or equivalent to **Rp3.1 million**.



KIDECO has installed a Big Gun Sprinkler with a nozzle system in the coal stockpile area, the system was able to save the use of raw water by **6,186 m<sup>3</sup>**.

In 2023, KIDECO uses Hydram Pump as an innovation to utilize waste water. This Hydram Pump functions as a substitute for clean water in treatment facilities in the coagulant mixing process. The hydram pump is used to replace the use of Water Trucks and develop the rainwater harvesting program, which has issues when there is no rain. When there is no rain, another source of clean water is needed, including the use of processed water from the Settling Pond in the coagulant mixing process at the Chemical Treatment Settling Pond facility. By the end of 2023, this initiative was able to save raw water usage by 14,672 m<sup>3</sup> or the equivalent of Rp18.9 million.

**Water Consumption** [303-1][303-2][303-3][303-5][CSS.12.7.2][CSS.12.7.3][CSS.12.7.4][CSS.12.7.6] EM-CO-140a.1 EM-CO-140a.2

KIDECO has a Water Extraction Permit (SIPA) and reuses water from sediment ponds. Throughout 2023, KIDECO has a total of 7 SIPAs and no water stress was found in the water sources. KIDECO only extracts river water so it does not withdraw groundwater. In 2023, the total volume of water withdrawn reached 1,967,271 m<sup>3</sup>, with an average discharge of 224.57 m<sup>3</sup>/hour. Meanwhile, the amount of clean water taken from fresh water reached 3,916,456 m<sup>3</sup>, with a percentage of water recycled of 49.77%.

The water extraction process is monitored using a flow meter to ensure there is no adverse impact on the quality and level of river water. Moreover, the implemented management practices are in accordance with waste water management, including East Kalimantan Regional Regulation No. 2 of 2011 concerning Water Quality Management and Water Pollution Control. Throughout 2023, KIDECO had no incidents of non-compliance related to water quality permits, standards and regulations, as well as violations of technology-based standards and exceedances of quantity and/or quality-based standards.

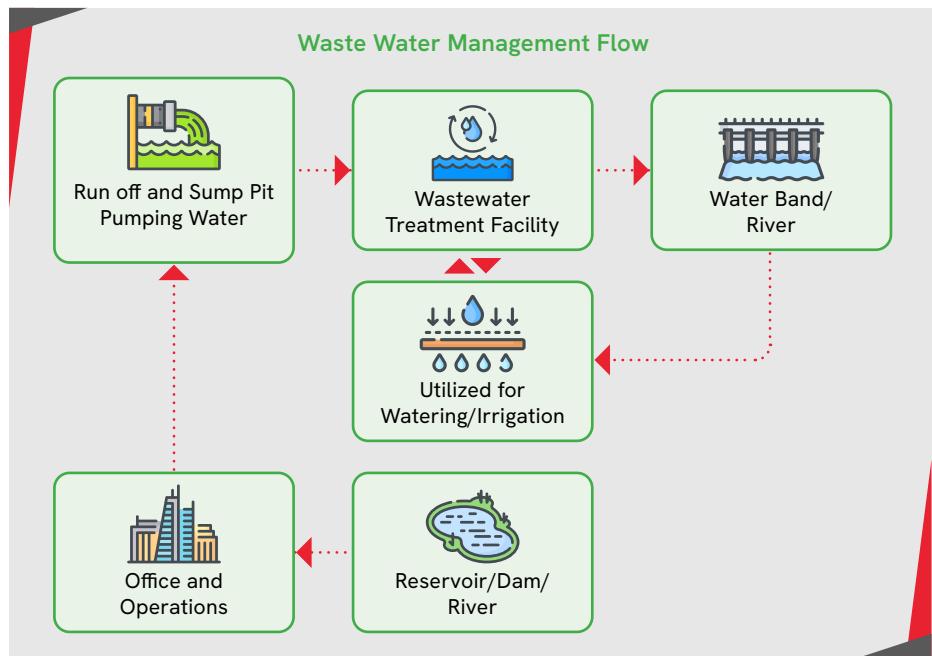
KIDECO's other source of water comes from sediment ponds. By the end of 2023, there were 29 sediment ponds with a capacity of 8,414,371 m<sup>3</sup>. The water in these sediment ponds is reused for the operational needs of the Company and its business partners. The total volume of reused water from the sediment ponds reached 1,926,280 m<sup>3</sup>.

### Water Usage by Source (m<sup>3</sup>) [F.8] [303-3][303-5] [CSS.12.7.4]

Source of Water	2023	2022	2021
Surface Water (Rainwater ponds and river water)	1,967,271	2,112,768	2,588,624
Surface Water (Sediment Ponds)	1,949,185	1,824,769	628,716
Total (m <sup>3</sup> )	3,916,457	3,937,537	3,217,340
Total (m <sup>3</sup> )	3,916.46	3,937.54	3,217.34

### Waste Water Management

By the end of the reporting period, the volume of wastewater was 212,462,662 m<sup>3</sup>. Not all of the water are directly discharged into the sea, but most of it are 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 4,058.16 ton. [303- 4][CSS.12.7.5]



### Monitoring of Waste Water Quality

Location	Parameter	Unit	Environmental Quality Standards	Average Measurement Results		
				2023	2022	2021
<b>WIUPK Roto Samurangau</b>						
▪ Kandilo River	Ph		6-9	7.80	7.86	7.72
▪ Samurangau River						
▪ Popor River	TSS		300	28	38	23
▪ Tandaryan Reservoir						
▪ Melas River	Fe	mg/l	7	0.42	0.64	0.47
▪ Kamarayun River						
▪ Biu River	Mn		4	0.09	0.09	0.08
▪ Kuaro River						
<b>WIUPK Susubang Uko</b>						
▪ Kandilo River	Ph		6-9	7.68	7.60	7.71
▪ Uko River	TSS		300	23	25	18
▪ Busi River	Fe	mg/l	7	0.47	0.51	0.35
▪ Suru River						
▪ Kenyan River	Mn		4	0.15	0.18	0.11

Note:

Environmental Quality Standard is based on the East Kalimantan Regional Regulation No. 02 of 2011, Annex I.27, regarding Water Quality Management and Air Pollution Control.

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

No	Parameter	Unit	Environmental Quality	Average Measurement Results		
				2023	2022	2021
WIUPK Susubang Uko						
1	Physic					
	Temperature	°C	Deviasi 3	24.96	22.01	25.00
	TDS	mg/l	≤1.000	582.37	951.29	374.00
	TSS		≤50	90.96	114.26	105.70
2	Inorganic Chemistry					
	pH		6-9	7.70	7.82	7.90
	BOD		≤3	1.54	1.35	1.40
	COD	mg/l	≤25	6.79	6.59	7.00
	DO		≥4	5.89	6.72	7.10
	Total Phosphate		≤0,2	0.06	0.05	0.10
WIUPK Susubang Uko						
1	Physic					
	Temperature	°C	Deviasi 3	23.88	22.00	25.00
	TDS	mg/l	≤1.000	122.50	109.60	107.00
	TSS		≤50	61.30	99.25	122.76
2	Inorganic Chemistry					
	pH		6-9	7.66	7.86	7.90
	BOD		≤3	1.48	1.34	1.40
	COD	mg/l	≤25	6.56	6.57	6.90
	DO		≥4	7.01	6.77	7.00
	Total Phosphate		≤0,2	0.04	0.036	0.06

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

made innovation to increase Waste Water Treatment Residence Time. The innovation uses a Floating Inlet installed in the compartment before the chemical process to reduce the pollution load of the TSS parameter. With this tool, the water that will be treated will be kept 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 the end of 2023, this innovation had reduced the pollution load of 1,504.67 ton.

Calculation of Pollution Load in Roto Samurangau and Susubang Uko Blocks

Parameter	Pollution Load (Ton/Year)		
	2023	2022	2021
	1	2	3
TSS	6,259.22	12,615.54	7,778.92
Iron (Fe)	353.18	199.24	158.47
Managense (Mn)	40.86	32.48	23.45

Water Waste Pollution Load Reduction Program [303-4]

No	Reduction Program	Unit	2023	2022	2021
1	Substitution of aluminum sulfate with megafloc		27.22	54.70	30.73
2	Sludge treatment with geotube	Ton TSS	0.00	0.00	0.00
3	Reusing water in the washing bay to reduce the parameter of Total Suspended Solid (TSS) contents		17.83	16.29	15.74
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	1.51
6	Treatment of wastewater using rollfloc as an alternative to aluminum sulfate	Ton TSS	0*	50.94	15.30
7	Production of soap from used cooking oil as raw material to reduce oil and fat parameter load	Ton Minyak & Lemak	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	Building control box from sump pit pumping activities to reduce TSS parameter pollution load	Ton TSS	979.02	1,348.92*	620.03*
10	Increase in wastewater treatment retention time using floating inlet to reduce TSS parameter pollution load		236.63	344.90	407.24

\*The innovation is discontinued in 2023.





**Our Employees  
and Community**

KIDECO continues striving to develop an inclusive and fair workplace so that every employee can pursue a successful long-term career. Through Human Resources (HR) policies that promote diversity among employees as well as employee training and capacity development, KIDECO ensures that all employees can meet future demands.

KIDECO also prioritizes employees from local communities in East Kalimantan. In 2023, the number of local employees from local residents of Paser reached 337 employees or 45.4% of the total KIDECO workforce, and 41 employees or 12.2% are senior management from local workforce. KIDECO also involves people with disability, there is 1 employee who works in the CSR Department.

#### Management Approach [3-3][CSS.12.14.1][CSS.12.19.1]

Equality and respect for Human Rights (HAM) are the foundation of KIDECO's operational activities. Human rights are applicable to all stakeholders, both internal and external, including contractors and the community. One important aspect in implementing human rights is OHS. The performance of OHS is the responsibility of the Head of Mining Engineering while the management of Community Social Responsibility is the responsibility of the Chief of Corporate Services Officer (CCSO). This performance is evaluated periodically and becomes part of the key performance indicators (KPI).

KIDECO implements equal respect for Human Rights (HAM) in its operational activities. Human Rights (HAM) are applicable for all stakeholders, both internal and external, including contractors and the community. One important aspect in the implementation of human rights is Occupational Health and Safety (OHS). The Head of Mining Engineering is responsible for OHS performance and is regularly evaluated

and becomes part of the Key Performance Indicators (KPI). In 2023, KIDECO succeeded in achieving zero fatal work accidents for its workers and recorded 2,103,680 safe working hours.

In the scope of Occupational Health and Safety, the Company follows the ever-increasing development of safety culture. The Company implements a program that can evaluate the implementation of activities in managing Occupational Health and Safety in the KIDECO mining sites. The evaluation is as follows:

1. Health Risk Assessment
2. Assessment of Mining Safety Performance Achievement Level
3. Evaluation of the Mining Safety program with Academics

In carrying out the evaluation, KIDECO has a set of recommendations as Opportunity for Improvement for a Sustainable business.



# Protection of Our Workers



Every year, KIDEKO strives to reduce accident rates, manage the feasibility of installation facilities and infrastructures as well as improve the health quality of all workers in its mining areas. In 2023, KIDEKO implements 3Z50 target, which is Zero Fatality, Zero Major Injury, and Zero Occupational Disease (KAPTK) with a target of reducing accident rate by 50% from the previous year. In order to maintain a productive operational continuity and the availability of adequate emergency response facilities that comply with the regulations, PT Kideco Jaya Agung has an Emergency Response Team (ERT) consisting of 31 personnel across Mine Station Area and Port Station Area, the ERT of PT Kideco Jaya Agung covers wide operational areas of the Company which includes Pit, Hauling, and Port areas. As in the name of its business unit, the duties and functions of the Emergency Response Team of PT Kideco Jaya Agung is to provide help and rescue in all emergency cases, whether caused by human error, production machine or by nature as well as to prevent injuries through education and awareness. In order to maintain the quality of technical readiness in the field, the Emergency Response Team of PT Kideco Jaya Agung is also actively involved in the emergency response drills (simulation) with business units in PT Kideco Jaya Agung. As part of the disaster response team under the supervision of the Ministry of Energy and Mineral Resources, the ERT of PT Kideco Jaya Agung is also experienced in handling disasters in Indonesia. Amole!! Amolongo!!.

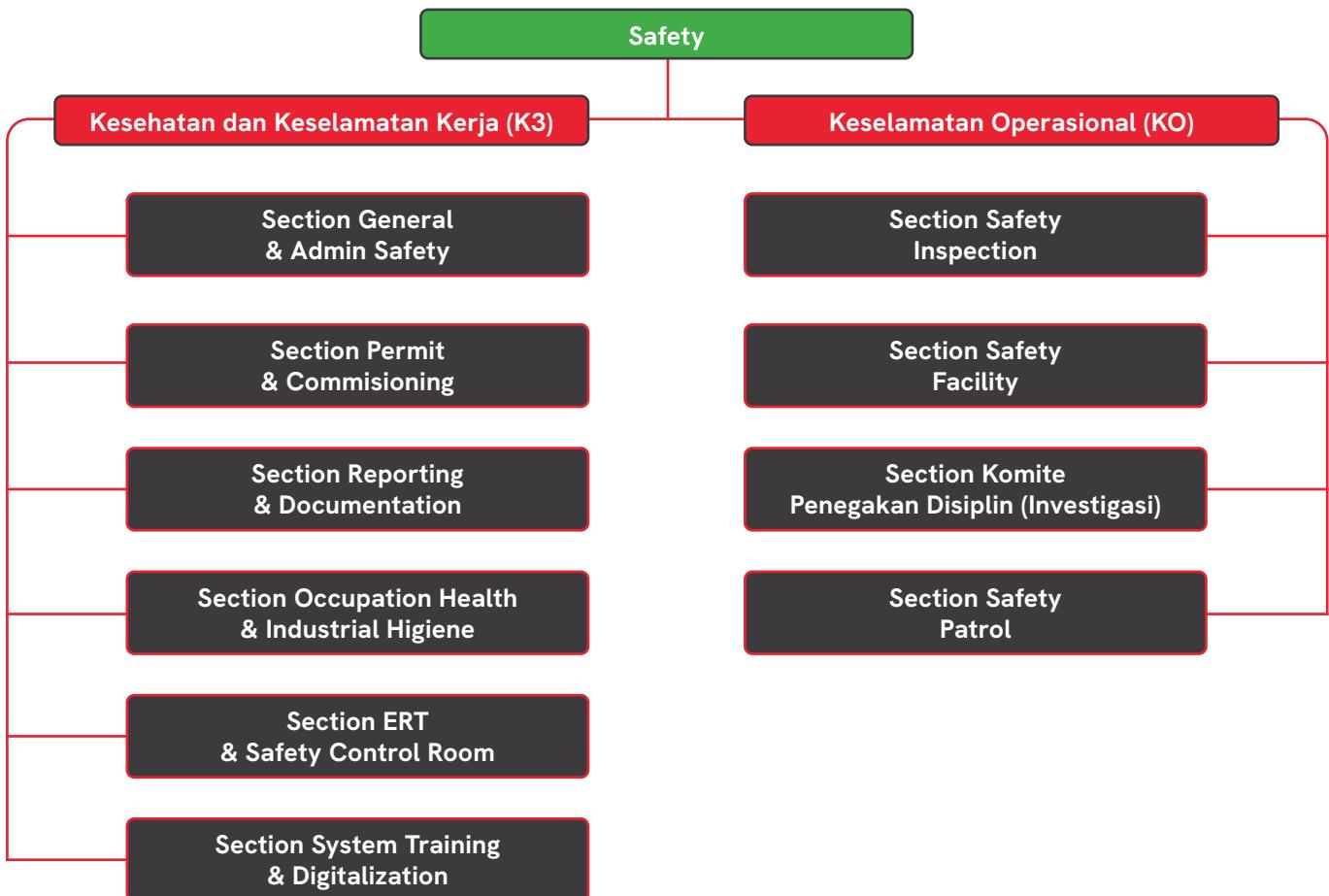
## OHS Certifications

Type of Certification	Basis of Regulation	Description	Achievement
ISO 45001 : 2019	International Standard	Safety Management	Certified
SMK3	Government Regulation No 50 Year 2023	Occupational Health and Safety Management System	Gold
SMKP	Directorate General of ESDM Decree No. 185.K Year 2019	Mining Safety Management System	Reported

## OHS Awards

Award Title	Year	Awarding Institution/Organization	Rating/Achievement
Zero Accident	2022 - 2023	Ministry of Manpower	Aditama
P2HIV/AIDS	2022 - 2023	Ministry of Manpower	Platinum

## Implementing Occupational Health and Safety Policy



### Misi MK3L

1. "Zero" fatal accident.
2. "Zero" lost day injury.
3. Occupational Diseases (PAK) "Nil".
4. Occurrence Due to Workforce Illness (KAPTK) "Nil".
5. Minimize loss of company assets and equipment.
6. Ensure all occupational Health hazards are effectively managed.
7. Ensure employee health is effectively managed.
8. Create and maintain a clean and healthy workplace.

In order to improve OHS performance, KIDECO implements digitalization for the supervision of the work process to be more effective and efficient, as well as ensuring OHS activities are in compliance with regulations, both national and international regulations. 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 Time Injury (LTI).
- Zero incidence of occupational diseases (KAPTK).
- Reduce accident rate by 50% from the previous year.
- Minimize equipment and property losses.
- Ensure due diligence, 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 OHSEMS Operational System and Policy [403-1][CSS.12.14.2]

Organization & OHSEMS	▪ OHSEMS team & committee ▪ ISO 45001:2018
Team & Committee System	▪ Occupational Safety and Health Management System (OHSMS) in accordance with Government Regulation No. 50, 2012 Mining Safety Management System (SMKP) in accordance with the Decree of the Directorate General of ESDM No. 185.K/37.04/DJB/2019
Operation & Execution	Education & training; OHSEMS Protocol Management.
Programs & Objectives	MK3L program; Support for HSE management for suppliers.

### OHSEMS Organization and System

All of KIDECO's employees and stakeholders are 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 the follow up methods. 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. OHS provisions 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 OHSEMS 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]

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.

### Member of OHS organizations and membership percentage in 2023

Type of Organization	2023		2022	
	Total Member	Percentage	Total Member	Percentage
Safety Committee	143	19%	46	6.4%
Safety Representative	106	14%	22	3.0%
P2K3	143	19%	68	9.4%
Komite Keselamatan Pertambangan	143	19%	722	100%

### OHS Advisory Committee (P2K3) Membership in 2023

Representative	2023		2022	
	Total Member	Percentage	Total Member	Percentage
Employee Representative	80	10.5%	46	6.4%
Management Representative	26	3.4%	22	3.0%
Total	143	19%	68	9.4%
Total Employees	760	100%	722	100%

Note: from total employees

## Work Culture



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



KIDECO has mapped the occupational hazards and accidents that have high consequences, including those related to blasting, heavy equipment operators, maintenance unit, mobilization, and high risk job. Therefore, KIDECO has implemented the following mitigation measures:

#### 1. Use of Explosives and Blasting

Efforts made regarding safe blasting maintain the stability of mine slope are:

- 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).

#### 2. 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 154 units;
- The number of steam and pressure vessel equipments tested and fit for operation is 45 units;
- The number of jack stands tested and feasible for operation is 61 units;
- The number of production aircraft that have been tested and is operationally feasible is 60 units.

#### 3. Mining Safety Costs

The realization of mining safety costs in 2023 reached Rp110,071.3 million, higher than the realization in 2022 of Rp90,999.39. This cost does not include the cost of OHS and safety operations carried out by the Company's partners.

### Occupational Risks and Mitigation Efforts

Type of Work	Mitigation
Blasting	Certification & competency (KIM, KPP Pratama, KPP Madya), working permit & entry permit
Heavy equipment drivers/operators	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 jobs (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

## Occupational Health Performance



In 2023, KIDECO has held medical check up for all employees (100%) and there were no occupational diseases. [403-10][CSS-12.14.11]

KIDECO is committed to provide a proper and safe working environment for all parties, including employees, partners and contractors. KIDECO recognizes the potential for occupational health issues, such as occupational diseases, drug abuse, and the spread of HIV/AIDS. In order to realize a healthy working environment, KIDECO implements the following initiatives: [F.21] [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;
- Providing support for health expenses and provision of health insurance, including Social Security Agency of Health (BPJS);
- Providing First Aid Center (P3K) facilities at mining operations and Tanah Merah Coal Terminal (TMCT);
- Conducting Prevention and Control (P2) of HIV/AIDS and drug abuse and COVID-19;
- Periodically organizing medical check up and collaborating with external health institutions (Pertamina Hospital Balikpapan). On each medical check up (MCU), there is a form to guarantee workers' medical confidentiality;
- Conducting Hygiene and Sanitation Inspection at KIDECO's 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);
- Conducting measurement and monitoring of hazards in work environment, by measuring the health risks of workers. This measurement is held twice a year;
- Organizing I Reborn program, which is a body weight / Body Mass Index (BMI) monitoring and challenge. This program aims to reduce the BMI of employees at risk (Overweight and Obesity);
- Organizing SEGARIN (Healthy Fit Active Energetic) KIDECO, which is a healthy exercise held twice a month;

- Organizing HARBUKI (KIDECO Fruit Day), which is a program where all departments consume fruits every month;
- Conducting Health Risk Assessment, which is a measurement of health risks in KIDECO's working area;
- Organizing Webinar on health issues;
- Regularly organizing Health meetings with doctor and paramedic team of KIDECO and its Business Partners.

Moreover, the Integrated Management System Policy reflects KIDECO's commitment in realizing the Integrated Management System standards. KIDECO has also set lagging indicators, namely 3Z50 to build a proper and safe working environment:

a. **3Z50**

The Top Management of KIDECO has set Lagging Indicators Target as the Company's benchmark. This target applies both for KIDECO's internal and all business partners within KIDECO's mining area. The set target includes Zero Fatality, Zero Major, Zero KAPTK and reducing accident rate by 50% from the previous year (3Z50). This target has been socialized to all leaders of the Company within KIDECO's mining area, and is a mutual commitment for the Occupational Health and Safety of all mine workers.

b. **ISO 45001**

International Safety Organization with series number 45001 is an internationally accepted standard related to OHS management used by the Company as a selling point to global consumers.

c. **Occupational Health and Safety Management System (OHSMS)**

In line with the Government Regulation of RI No. 50 Year 2012 concerning Occupational Health and Safety Management System (OHSMS), which regulates occupational health and safety for all workers and certification audit is conducted to obtain award from the Government on the implementation of occupational health and safety management system.

d. **Mining Safety Management System (SMKP)**

In line with the Directorate General of Energy and Mineral Resources Decree No. 185.K/37.04/DJB/2019 concerning technical guidelines of mining safety implementation, assessment and reporting of mineral and coal mining safety management system as a derivative regulation from Minister of Energy

and Mineral Resources Regulation No. 26 of 2018 and Minister of Energy and Mineral Resources Decree no. 1827/30/MEM/2018. Mining safety management at KIDEKO is divided into two parts, namely: Mining

Occupational Health and Safety; and Operational Safety. KIDEKO routinely conducts audits at least once a year, with the aim of assessing the implementation of elements related to mining safety.

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

Description	2023	2022	2021
Health Expenses	382,866	357,655	391,832
Health Insurance	1,219,350	1,005,905	955,609
Partnership with Referral Hospital	172,000	202,759	142,149

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

Program	2023	2022	2021
Counseling on HIV/AIDS, Hepatitis A&B, dengue fever, heartattack, stroke, diabetes and other non-communicable diseases	5,281	2,968	2,126
Counseling on the prevention of drug abuse and illicit trafficking, rest management, employee occupational health, first aid, health talk	7,656	7,611	1,384
COVID-19 prevention and vaccination counseling	-	204	1,577
Counseling on Monkeypox	-	53	-
Employee medical check up	663	514	475
OHS-conscious healthy exercise	2.850 (19 x Segarin KIDEKO @150 people)	2.400	600
Cholesterol, blood sugar, and uric acid examination	152 (P2 HIV)	127	93
Blood donor	478	Not held*	
I-Reborn (employee BMI monitoring)	544	493	442
Pengobatan			
Patient visits to the First Aid Center	434	304	660

Note:

\* Although blood donor were not held in 2021 and 2021 due to the pandemic, KIDEKO still directs permanent employees to donate their blood by coming to the Paser Regency Red Cross.

#### Employee Occupational Health Level [403-10]

Description	Frequency
Fatalities	0
Recordable Occupational Diseases	0

### OHS Training [F.22]

KIDECO held OHS training to improve knowledge and skills related to occupational health and safety. In 2022, 37 types of OHS training were held 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.

### Lists of OHS communication and coordination forum between the management, employees and contractors: [403-4]

Name of OHS Forum	OHS Aspect that Becomes Focus of Discussion	Organization Frequency per Year	Participant		
			Management	Employee	Contractor
Safety Representative	<ul style="list-style-type: none"> <li>▪ Incident Statistics</li> <li>▪ Working Area Safety Issue</li> </ul>	1 x / Month	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Call Center & Emergency Group	<ul style="list-style-type: none"> <li>▪ Incident Report</li> <li>▪ KTA and TTA Report</li> </ul>	Incidental	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
PJO & T/Mgr Group	<ul style="list-style-type: none"> <li>▪ Information on KAIT and KTT Circular Letters</li> </ul>	KAIT: 7 Letter KTT: 16 Letter	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Safety Committee	<ul style="list-style-type: none"> <li>▪ Incident Statistics</li> <li>▪ Working Area Safety Issue</li> <li>▪ KTA and TTA Report</li> <li>▪ Safety Innovative Program</li> </ul>	1 / Quarter	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
P2K3 Kideco	<ul style="list-style-type: none"> <li>▪ Incident Statistics</li> <li>▪ Working Area Safety Issue</li> <li>▪ KTA and TTA Report</li> <li>▪ Safety Innovative Program</li> </ul>	1 / Quarter	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mining Safety Committee	<ul style="list-style-type: none"> <li>▪ Incident Statistics</li> <li>▪ Working Area Safety Issue</li> <li>▪ KTA and TTA Report</li> <li>▪ Safety Innovative Program</li> </ul>	1 / Year	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Operational Safety Meeting	<ul style="list-style-type: none"> <li>▪ Working Area Safety Issue</li> <li>▪ KTA and TTA Report</li> </ul>	660	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

In 2023, the Company has held 46 trainings which were attended by 1,356 participants. The Company is also actively inviting 122 vendors to attend our OHS socializations. Furthermore, the Company also held several employee participation programs throughout 2023, including: [403-4]

1. Sedulur
2. Mari Ngopi
3. Opsusterol
4. IKABAR
5. Training and Certification on Mining Safety Competency
6. National OHS Month
7. Regular Inspection
8. Segarin
9. Active I-Reborn
10. SHE Talk
11. Hazard Report
12. Safety Komite

OHS Training [403-5]

Training Title	Total Participants		
	2023	2022	2021
First Operations Supervisor (POP)	173	101	67
Middle Operations Supervisor (POM)	23	0	23
Main Operations Supervisor (POU)	5	0	5
Contractor Safety Management System (CSMS)	0	16	46
Class C and D Firefighters	30	24	0
Investigation of incidents	15	22	0
SMKP Internal Audit Training	14	8	0
SMKP Implementation Training	30	20	0
Lock Out Tag Out (LOTO)	29	18	35
Behavior Based Safety	30	26	21
Job Safety Analysis	511	0	0
Electrical OHS Expert	8	0	0
Refresh Ahli K3 Listrik	0	4	0
Food Hygiene Sanitation & Monitoring	10	0	0
OHS Leadership Skill	30	41	30
Defensive Driving Training	18	0	0
Working At Height	2	0	0
Commissioning (Product Knowledge CAT 320GC)	11	0	0
General OHS Expert		0	16
Refresh Training on General OHS Expert	19	0	1
Drone Pilot Competency	1	0	0
Document Control	3	0	0
RKAB Preparation Training	5	6	0
Diving (Open water & Rescue Diver)	9	0	0
Class II Explosive Expert Competency	8	0	0
Rigger	13	0	29
Technical Guidance on Management and Licensing of Mineral and Coal Mining Services Businesses (UJP Technical Guidance)	80	0	0
Technical Aspect Guidance	0	40	0
Technical Guidance on Environmental Monitoring	0	42	0
Technical Guidance on Due Diligence of Mining Equipment	0	22	0
IT Project Management	1	0	0
SIO PAA Overhead Crane	23	0	1
SIO PAA Forklift	16	0	5

Training Title	Total Participants		
	2023	2022	2021
SIO PAA Truck Crane	0	0	1
SIO PAA Loader, Stacker, Reclaimer	0	0	3
Auditor HACCP	1	0	0
Awareness HACCP	0	1	
First Aid Training	30	0	30
H2S Mitigation Officer	15	15	0
Production Machine & Tool Operator License	15	30	0
Layer Protection of Analysis	2	0	0
Gas Detection OHS Technician	19	0	0
Workers at Height	14	0	0
Electricity OHS Technician	11	11	0
Electricity Protection and Grounding System Training	2	0	0
Confined Space OHS Training	15	15	0
Construction AK3	8	14	0
Extension of Construction OHS Expert Certification	0	3	0
Welder	10	22	32
Safety Inspector	15	16	0
IMO Level 1	20	0	0
Training of Trainer (TOT) Junior Instructor	14	15	20
Hazardous Material Handling	21	15	0
Refresh/Extension of Operations Supervisor (POP) Certification	24	0	0
Refresh/Extension of Operations Supervisor (POM) Certification	2	0	0
Welding Inspector	0	1	0
Extension of Class A Fire OHS Expert Certification	0	1	0
Hygiene Expert in Young Industry	0	1	0
Scaffolding Inspector	0	1	0
Workplace OHS Expert	0	1	0
HIV/AIDS Counselor	0	1	0
P2K3	0	13	21
Extension of Transport Aircraft License	0	0	41
Brigdal Karhutla	0	0	30
Helicopter Landing Officer	0	0	3
<b>Total Participants</b>	<b>1,356</b>	<b>566</b>	<b>460</b>
<b>Training Hours</b>	<b>1,860</b>	<b>1,119</b>	<b>1,048</b>

### OHS Training [403-5]

The Company also provides equal opportunity for female workers to improve their OHS competency.

OHS Training Topic	Training Duration (Hours)	Total Participants (People)	
		Male	Female
First Operations Supervisor	96	153	20
Middle Operations Supervisor	40	24	1
Main Operations Supervisor	40	5	0
Food Hygiene Sanitation & Monitoring	24	8	2
Incident Investigation	24	14	1
OHS Leadership Skill	16	27	3
Behaviour Based Safety	16	25	5
Defensive Driving Training	32	20	0
Working At Height	24	2	0
Commissioning (Product Knowledge CAT 320GC)	40	11	0
Drone Pilot Competency	48	1	0
RKAB Preparation Training	40	2	3
Diving (Open water & Rescue Diver)	64	9	0
Class II Explosive Expert Competency	48	8	0
Rigger	24	13	0
Technical Guidance on Management and Licensing of Mineral and Coal Mining Services Businesses (UJP Technical Guidance)	8	64	16
IT Project Management	32	1	0
SIO PAA Overhead Crane	24	23	0
SIO PAA Forklift	24	16	0
Auditor HACCP	32	1	0
Medical First Responder + P3K Kemnaker	48	24	6
SMKP Implementation Training	48	21	9
H2S Mitigation Officer	24	15	0
SMKP Internal Audit Training	120	9	5
Production Machine & Tool Operator (Lathe and Milling Machine) Class II	32	15	0
Layer Protection of Analysis	16	2	0
Gas Detection OHS Technician	16	19	0
Workers at Height	40	14	0
Electricity OHS Technician	56	11	0
Electricity OHS Expert	152	8	0
Electricity Protection and Grounding System Training	16	2	0

OHS Training Topic	Training Duration (Hours)	Total Participants (People)	
		Male	Female
Confined Space OHS Training	40	14	1
Class C and D Firefighters	80	30	0
Construction AK3	48	7	1
Class 1 Welder	64	10	0
Safety Inspector	32	12	3
IMO Level 1	32	20	0
Training of Trainer (TOT) Junior Instructor	32	13	1
Hazardous Material Handling	16	21	0
Refresh/Extension of Operations Supervisor (POP) Certification	16	24	0
Refresh/Extension of Operations Supervisor (POM) Certification	16	2	0
Refresh JSA	36	478	30
Document Control	48	3	0
Refresh on General OHS Expert	120	18	1
LOTO	16	29	0

#### OHS Program

No.	Program	Explanation
Internal		
1	OHSMS Internal Audit	The OHSMS internal audit is carried out in accordance with applicable laws and regulations by the OHSMS Implementation Team that has appropriate field certification
2	SMKP Internal Audit	The SMKP internal audit is carried out in accordance with applicable laws and regulations by the SMKP Implementation Team that has the appropriate field certification and is appointed directly by KTT
3	SMMK3LE Contractor	Carrying out assessment and evaluation of work partners within the scope of Quality, OHS, Environment and Energy
4	Emergency Drill	Implementation of internal emergency response team training in dealing with emergency readiness and response in mining work areas
5	Safety Maturity Level Assesment	Carrying out safety performance level assessment in accordance with statutory regulations to see the extent to which the Company has implemented OHS in the work area
External		
1	Operational Supervision and Guidance on Mining Area	Implementation of integrated supervision by the ESDM team to ensure that mining business processes comply with applicable regulations
2	ISO 45001 : 2019 Certification Audit	The ISO 450001:2019 certification audit is carried out by an independent 3rd party to determine the achievements of the system implementation
3	SMK3 Certification Audit	The implementation of the OHSMS certification audit is carried out by a third party independently in accordance with applicable laws and regulations in determining achievement score
4	Evaluation on the Safety Implementation Program	Evaluation of work programs for the management of occupational health and safety is carried out to find out whether the implemented programs are appropriate for the relevant work section

No.	Program	Explanation
5	Zero Accident Award - Kemenaker	The Company took part in the National assessment conducted by the Ministry of Manpower for the Zero Accident Award
6	P2HIV/AIDS - Kemenaker	The Company took part in the National assessment conducted by the Ministry of Manpower for the P2HIV/AIDS Award
7	Good Mining Practice - Safety Aspect	Implementation of Good Mining Practice (GMP) is carried out by ESDM to assess the Company's compliance with implementing GMP
8	Masyarakat Siaga Tanggap Darurat (MASGAPAR)	The target of the program is for communities around the mine area to have adaptive capabilities for emergency preparedness and response

#### OHS Performance

Recapitulation of Occupational Accidents [403-9][CSS.12.14.10] EM-CO-320a.1

Year	Status	Accident			Jumlah	Frequency Rate	Severity Rate
		Light	Heavy	Fatality			
2023	Employees	0	0	0	0	0	0
	Partners	0	2	2	4	0.09	277.45
	Total	0	2	2	4	0.09	277.45
2022	Employees	0	0	0	0	0	0
	Partners	1	3	1	5	0.12	149.70
	Jumlah	1	3	1	5	0.12	149.70
2021	Employees	0	0	0	0	0	0
	Partners	1	2	0	3	0.08	1.59
	Total	1	2	0	3	0.08	1.59

#### Employee Accident Rate

Description	Total Incidents (Frequency) [i]	Ratio (per 1.000.000 jam kerja) =MINERBA & ESDM= i/1.000.000
Fatalities	0	0
Recordable Incidents	0	0

#### Main types of occupational accidents that cause incidents, injuries, and fatalities of employee

Types of Accidents	Total Fatalities Caused	Total Heavy Injuries Caused	Recordable Injuries yang Disebabkan
0	0	0	0

#### Total Employee Training Hours

Total Employees	Total Working Hours Per Day	Total Working Days	Safe Working Hours (c)	Total Working Hours (d)	Safe Working Hours ratio (%) c/d*100
758	8	26	2,103,680	2,103,680	100

#### Occupational Accident Rate of Contractors (Non-Employee)

Description	Total Incidents (Frequency) [i]	Ratio (per 1,000,000 working hours) =MINERBA & ESDM= i/1.000.000
Fatalities	2	0.05
Recordable Incidents	2	0.05

Description	Rate
Frequency Rate (FR)	0.09
Severity Rate (SR)	277.45
Total Recordable Incident Rate (TRIR)	0.09

#### Main types of occupational accidents that cause incidents, injuries, and fatalities of non-employee

Types of Accidents	Total Fatalities Caused	Total Heavy Injuries Caused	Recordable Injuries yang Disebabkan
4	2	2	0

#### Total Working Hours of Contractors (Non-Employee)

Total Employees	Total Working Hours Per Day	Total Working Days	Safe Working Hours (c)	Total Working Hours (d)	Safe Working Hours ratio (%) c/d*100
15,079	8-12	26	3,627,555	41,825,741	8,67

KIDECO has implemented several programs as a strategy to manage risks of accidents in the mining areas. The programs are included in the RKAB and conveyed to the Government regarding the Preventive and Promotive actions of OHS management. The programs are: [EM-CO-320a.2](#)

- a. Occupational safety
  - Inspection and Observation
  - Safety Meeting
  - Campaign
  - Management of Signs, PPE & Safety Equipment
  - Safety Risk Management
  - OHS Training and Education / Competency of Technical Personnel
  - OHS reporting
  - Emergency Preparedness and Response
  - Accident Prevention and Investigation
  - Safety Patrol
- b. Occupational Health
  - Worker Inspection
  - Hygiene & Sanitation Management
  - Ergonomic Management
  - Food/Beverage Management and Worker Nutrition
  - Management of Occupational Diseases (PAK)
  - Provision of medicines
  - P2 HIV/AIDS

- c. Work environment
  - Dust Control
  - Noise Control
  - Vibration Control
  - Lighting Control
  - Working Air Quality
  - Radiation Control
  - Control of Chemical Factors
  - Control of Biological Factors
  - Cleanliness of the Work Environment
- d. Mining Safety Systems
  - Evaluation of Occupational Safety and Health Systems
  - Internal audit
  - External Audit
- e. Operational Safety
  - Facilities Management (Maintenance & Repair), Infrastructure, Mining Installations & Equipment
  - Management & Monitoring of Installation Security
  - Certification of Equipment Suitability for Use
  - Mining Technical Studies
- f. Digitalization of Safety System
- g. Safety Program Innovation
  - Sedulur
  - Mari Ngopi

- Tough Operator
- Opsusterol
- Safety Awareness Day
- Safety Stand Down

#### OHS Innovation

The management of Occupational Health and Safety is always being improved based on the results of evaluation and innovation of the Company's business processes. The innovation is implemented sustainably as a prove of the follow up in establishing a safe, healthy and safe as well as productive. Some of KIDECO's innovations in Occupational Health and Safety are as follows:

1. **SEDULUR** (Safe by Implementing Procedures) is a procedure simplification program made based on the key points of operational procedures in each of KIDECO's Department or Business Partner in form of Poster or Flyer.
2. **MARI NGOPI** (Lets Talk Procedure Today) is a program to ensure that the procedures are carried out in line with the field implementation by workers.
3. **OPSUSTEROL** (Special Safety Patrol Operation) is a sudden operation to examine each working area in order to ensure that there is no Unsafe Condition (KTA) and Unsafe Action (TTA) in the location. The aim of this program is to pressure the number of incident statistics that occurred.
4. **Operator Tangguh** is intended to enable workers to be responsible for themselves, to be independent in assisting supervisory duties and to have the ability to manage themselves and deal with challenges.

5. **Safety Awareness Day** is an effort to control and prevent the increase and frequency of accidents in KIDECO's Site. In addition, this initiative is also a platform to campaign the importance of occupational health and safety to all employees.

#### Effort to achieve Zero Fatality and Loss Time Injury (LTI)

KIDECO has implemented night patrol involving all managerial levels, from Assistant Managers to Directors. This night patrol aims to ensure that OHS implementation runs well and safely. KIDECO also has an OHS Discipline Enforcement Committee (KPD) which is responsible for ensuring that all employees at the supervisory level have competence as First Operational Supervisors (POP), Middle Supervisors (POM), and Main Operational Supervisors (POU).

KIDECO evaluates the implementation of OHSEMS to ensure that there are no practices that conflict with human rights (HAM), including no child labor and forced labor for partners/contractors. Therefore, KIDECO periodically conducts OHSEMS evaluations for contractor/partner companies.

[F.19] [403-2][408-1][409-1][CSS-12.16.2][CSS- 12.17.2]

KIDECO through the Dept. of Safety & Environment has prepared strategic Objectives, Targets and Programs (OTP) to create and improve a proper and safe performance environment in 2023. Some of these programs are as follows:



Organizational Aspect & Personnel

- Establishment of OHS Discipline Enforcement Committee
- Appointment of Safety Representatives in each Department
- Organizing training and competency for all employees
- Addition of Safety Personnel
- KIDECO Top Management meeting with Top Management of Work Partners regarding serious accidents



Infrastructure Aspect

- Development of a digitalization system (Hazard Report, Permit, Online Induction, Incident Management)
- Construction of forest and land fire monitoring towers
- Purchase of a new fire truck
- Procurement of Long Range Lighting Detection Systems and Mobile Lighting Protection Systems.



System Aspect

- *Measurement of Safety Culture Maturity Level*
- *Internal Audit of SMKP and SMT*
- *Fatigue Management program*
- *Review Procedures*
- *Development of the Ireborn program*



Supervision Aspect

- *Implementation of the Night Patrol Program*
- *Emergency Drill*
- *Certification of Facilities, Infrastructure, Installations and Equipment*
- *Evaluation of SMMK3LE*

#### Partner Companies Evaluation Results [403-5]

Description	2023	2022	2021
Contract Termination*	8	1	3
Contract Extension	43	43	39
New Partner Companies**	14	7	6
Total Partner Companies	57	51	45

Note:

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

\* PT Karet Mas Indonesia (KMI), PT Sumagud Supta Sinar, CV Andri Karya, PT Mitrabahera Segara Sejati (MBSS), PT Tanjung Paser Abadi, PT Adil Makmur Bersama, PT Astragraphia, PT Pusaka Lautan Berlian.

\*\* PT Kumala Drillindo Persada, PT Mitra Parama Gemilang (MPG), PT ISS Indonesia, CV Dapoeragiz, PT Epiroc Southern Asia, PT Cindara Permata Lines, PT Kamanjaya Teknik Indonesia, PT Citra Mulia Cemerlang, CV Trinity Onshore, PT Karunia Rental Indonesia, PT Hexindo Adi Perkasa Tbk, PT Majau Inti Jaya, PT Trimantara Unggul Perkasa and PT Tripatra Engineers & Constructors.

#### Hazardous Labor [403-2][CSS.12.14.3]

The Company permits all employees to leave their work when considered dangerous and can threaten their safety or cause occupational diseases. KIDEKO will not sanction anyone who leave their work for safety reasons or due to possible occupational diseases. The process for leaving work begins with completing the daily work preparation form which includes:

- Submitting hazard report
- P5M Program (safety talk)
- Supervisor inspection (daily work environment readiness form)
- Submitting information related to identification of hazard and risk activities.

#### Investigation of OHS Incident [403-2]

KIDEKO conducts investigation related to OHS incidents. Analysis of the investigation results is carried out by the OHS Disciplinary Enforcement Committee (KPD) Team. Then, the investigation continues 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.

## Managing Human Resources



KIDEKO upholds all policies that are in line with Human Rights (HAM) values for workers, stakeholders, and those related to local communities and indigenous communities. KIDEKO also socializes policies and provides human rights training to security officers (outsourced) and all workers without exception.

Throughout 2023, KIDEKO had no incidents of non-compliance and human rights violations, including no violations of the rights of indigenous peoples, and believes that there was 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 foundation in the Collective Labor Agreement

1. Regulation of working hours and the obligation to provide compensation for excess working hours to avoid forced labor. [409-1][CSS-12.17.2]
2. Freedom of association and opinion by forming trade unions and preparing CLA.
3. Diversity and equality, including providing compensation/remuneration without distinguishing between gender and background. [405-2][CSS-12.19.7]
4. Prevention of child labor with a minimum age of 18 years and prevention of young workers in dangerous work by applying competence in all areas of work. [408-1][CSS-12.16.2]

### Equal Opportunity

KIDECO implements the principle of equality and provide equal working opportunity so that there is no discrimination of workers regardless of 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. KIDECO always implements the principles transparency, fairness, equity, and there were no incidents of discrimination in all operational areas. As of the end of the reporting period, our employees totaled 743 people, consisting of 628 male and 115 female employees. KIDECO is aware that the composition male employees are more than female employees since the majority of people interested in working in the mining sector are men. [F.18] [2-27][405- 1][406-1] [CSS-12.19.6][CSS-12.19.8]

**Total Employees of KIDECO by Gender [2-7]**

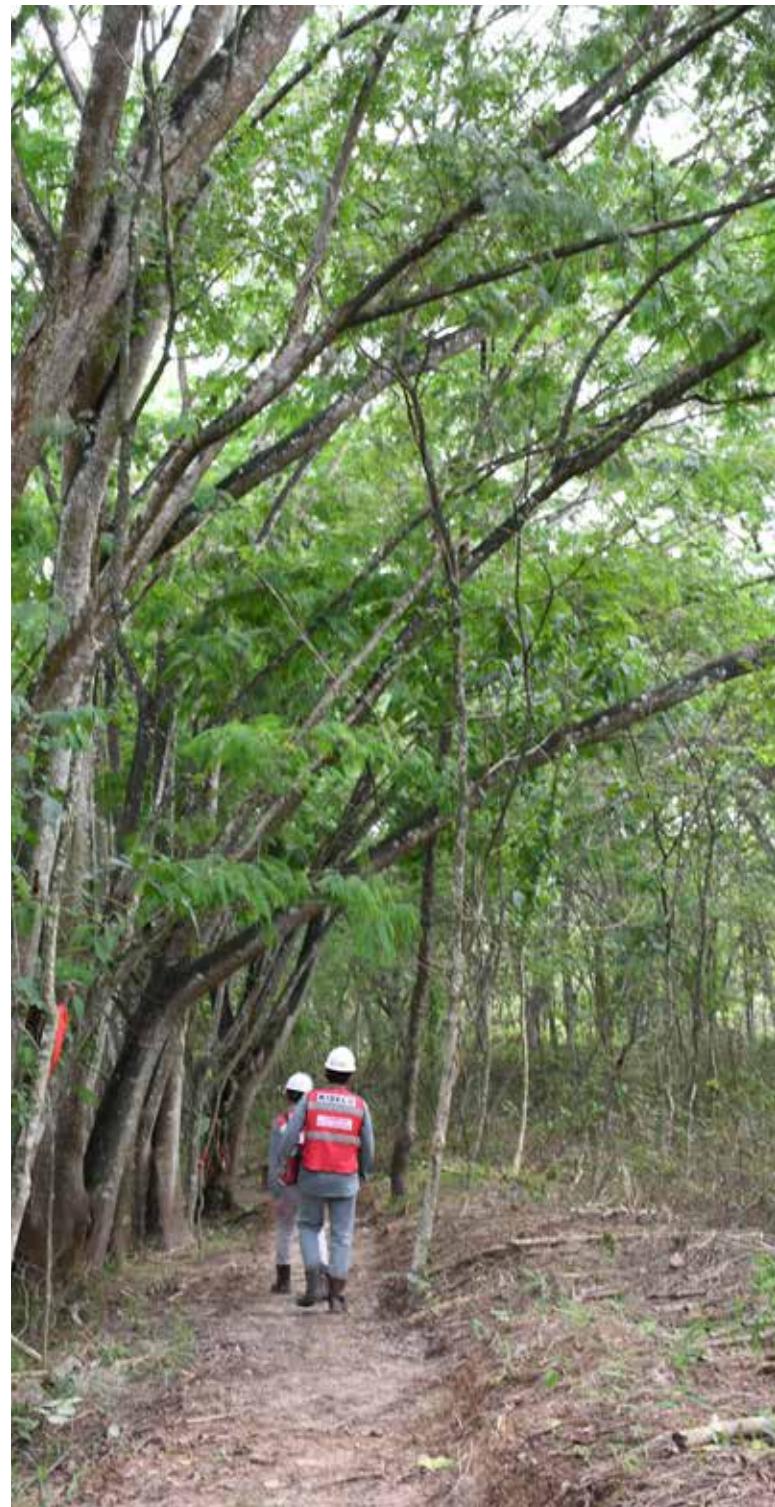
Description	2023	2022	2021
Male	628	613	563
Female	115	109	69
Total	743	722	632

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

Description	2023	2022	2021
KIDECO	743	722	632
Business Partners (Other Workers)	15,079	14,097	12,576
Total	15,822	14,819	13,208

**Total Employees of KIDECO by Employment Status [2-7]**

Description	2023	2022	2021
Permanent Employees	662	585	500
Contract Employees	81	137	132
Total	743	722	632



KIDECO prioritizes local residents from East Kalimantan in recruiting employees. As proven from 449 local residents becoming employees or 60.43% of KIDECO's total employees. In 2023, the Company recruited 71 new employees since there were 72 employees who left the company for various reasons, including retirement and resignation. [202-2][405-1][CSS-12.8.3][CSS-12.19.3]

#### Total Employees by Origin [2-7]

Description	2023	2022	2021
Paser Regency	337	344	328
Other Regencies in East Kalimantan Province	112	100	69
Other Regions in Indonesia	293	273	227
Foreign Nationals (Expatriates)	1	5	8
Total	743	722	632

#### New Employee Recruitment in 2023 [401-1][CSS-12.15.2]

Operational Area	Male	Female	Jumlah
Permanent Employees	14	8	22
Contract Employees	41	8	49
Total	55	16	71



Turnover Ratio (%)		
2023	2022	2021
3.28	3.71	2.24

#### Number and Reasons of Employees Leaving KIDECO in 2023

Background	Male	Female	Jumlah
Retire	31	0	31
Resigned and Change Job	16	8	24
Passed Away	2	0	2
Layoff - (Contract Ended)	13	2	15
Total	62	10	72

#### Collective Labor Agreement (CLA)

The Company believes that all (100%) of its employees are protected by the Collective Labor Agreement (CLA) and ensures that there is no prohibition for labor union or collective bargaining in the mining area. The CLA is prepared by the management along with the labor unions, including Serikat Pekerja Pertambangan Batubara - Serikat Pekerja Seluruh Indonesia (SPPB-FSPSI), Federasi Pertambangan

dan Energi - Konfederasi Serikat Buruh Sejahtera Indonesia (FPE-KSBSI), Serikat Pekerja Batubara (SPBARA), Serikat Independent - Serikat Pekerja Paser (SI-SPP). As many as 400 employees or 53.8% of the total employees are members of the labor union. Throughout 2023, there are no workers who go on strike beyond the one week time limit which has the potential to disrupt operations. [2-30][407-1][CSS-12.15.4][CSS-12.18.2] EM-CO-310a.2

#### Labor Union (LU) Membership

Description	2023	2022	2021
Total Employees of KIDECO	743	722	632
Number of KIDECO's Employees Joining the LU	400	396	374
Membership Percentage (%)	53.8	54.8	59.2

### Leave Entitlement for Employees

The Company provides maternity leave to female workers for 90 calendar days. Meanwhile, male workers are given 3 days of leave to accompany their wives in childbirth.

By the end of 2023, 6 female workers took maternity leave and 38 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]

Description	Total (People)		
	Male	Female	Total
a. Total employees entitled to take parental leave (Company Policy)	628	115	743
b. Total employees who <b>took</b> the parental leave (not including circumcision)	38	6	44
c. Total employees who returned to work in the reporting period after the parental leave ended	38	5	43
d. Total employees who returned to work after the parental leave ended and still works for 12 months after returning	38	5	43
e. Total employees who took parental leave and will return to work after the leave ended	38	5	43
f. Returned Employee Ratio	100%	100%	100%

### Remuneration and Facilities

The Company is committed to provide remuneration to all employees at least the same amount as the minimum wage provisions regulated by the decree of the regional government. The Company has also established relationships with workers in accordance with applicable regulations, namely Law Number 13 of 2003 concerning Employment as amended by Law Number 6 of 2023 concerning the Determination of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation into Law. [F.20]

The Company also provides health insurance, life insurance, pension insurance, and other benefit programs that support their welfare. The Company does not differentiate the provision of facilities for all workers, including for operational areas 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]

In implementing the remuneration policy, the Company refers to the applicable regulations and the provisions of Indika Energy as the Parent Company. Indika Energy as the controlling shareholder has a crucial role in determining the remuneration policy for the Board of Commissioners, Board of Directors, company officers, as well as all employees of KIDECO. However, this report has yet to include the

disclosure of remuneration and percentage of total annual remuneration increase of the Board of Commissioners and Board of Directors, as well as the comparison with the total annual remuneration increase of KIDECO's employees. [2-19] [2-20][2-21]

Furthermore, the Company also pays attention to employees by providing Old Age Insurance and Pension Insurance to its employees, in accordance with the applicable Laws in Indonesia. Old age insurance and pension insurance are pension funds that have been planned since employees joined the Company. All employees are registered in the Pension program managed by the Employment BPJS. The Company contributes to 3.7% of the monthly fees for old age insurance and 2% for pension insurance taken from the total remuneration of employees, as well as monthly DPLK fees of Rp200,000 per employee. [201-3]

### Percentage of Comparison between the Lowest Wage against the Regional Minimum Wage (%) [202-1][CSS-12.19.2]

Position	2023	2022	2021
Non Staff			
Female	122.64	114.29	114.75
Male			

### Some of the Facilities and Benefits for Employees [201-3]

Facilities and Benefits	Description	2023	Accumulation (2016-2023)
House Construction Loan	Financial loan of up to Rp250 million with 0% interest for housing construction	Rp3 billion (12 Employees)	Total 119 employees, with total budget of Rp28.1 billion
Bantuan pendidikan anak reguler	Funding for the education of employees' children from kindergarten to university	557 employees' children (semester 1, FY 2022/2023);	Total of 8,185 employees' children, with a total budget of Rp5.6 billion
		560 employees' children (semester 2, FY 2022/2023)	
Educational Assistance for Children Entering University	Funding for the education of employees' children to enter the university	31 employees' children, grant amount of Rp155 million	Total 247 employees' children, with total aid of Rp436 million
Educational Assistance for Children with Achievement	Funding for the education of the outstanding children of employees from elementary school to university	85 employees' children (semester 1, FY 2022/2023); 95 employees' children (semester 2, FY 2022/2023)	Total 1,196 employees' children, with total aid of Rp788 million
Employee Tenure Award	Appreciation and award of gold to employees who serve and contribute for 20 to 30 years	47 employees	370 Employees received Gold Coin with total aid of Rp 5 billion

### Rasio Kompensasi Tahunan

Total annual compensation for individual with the highest income	Total average annual compensation for all employees (excluding individual with the highest income)	Ratio
1,762,000,000	316,500,000	5 : 1

Percentage of total annual compensation increase for individual with the highest income	Percentage of average increase in total annual compensation for all employees (excluding individual with the highest income)	Ratio
5%	9%	1 : 1,8

### Employee Training and Competency Development [404-2]

[CSS.12.3.3][CSS-12.15.7]

Periodically, KIDECO provides various trainings for employees in order to improve their competency. In 2023, KIDECO has registered its employees in several competency tests to improve their performance, including:

- Drone Pilot Competency (DPC) Certification
- Hazard Analysis Critical Control Points (HACC)

- First Operations Supervisor (POP)
- Employee Training and Competency Development Test for Diesel Machine Operator PLTD 3
- Scaffolding Inspector

In addition, all employees are also provided with entrepreneurship trainings and other preparation programs for their provision in case the mining operations closed.

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

Year	Total Participants	Average Training Hours	Average Training Hours/Employee
2023	4,439	59,035 *	78.40
2022	2,992	32,795 *	44.86
2021	2,891	30,443 *	47.41

Note: \*Average training hours is calculated by registering the actual duration from the available online training materials. The focus in 2023 is to provide wider access for employees by increasing the number of training participants, especially through online trainings.

#### Total Employee Trainings by Training Type [404-1]

Training Type	2023	2022	2021
Inhouse & Public Managerial Training	1,418	1,449	1,262
Inhouse & Public Training Operational & Certification	3,021	1,543	1,629
Total	4,439	2,992	2,891

#### Training Hours by Position [404-1]

Position	2023	2022	2021
Manager and above	695	343	807
Assistant Manager	792	600	670
Supervisor	801	634	722
Staff/Foreman/Officer/Engineer	1,757	1,366	669
Non-Staff	394	49	23
Total	4,439	2,992	2,891

In 2023, the Company conducted performance evaluations and career development reviews for all (100%) employees. From the evaluation, 87 employees were promoted. [404-3]

#### Carreer Development for KIDECO's Permanent Employees

Promotion	Male	Female	Total
2023	75	12	87
2022	69	11	80
2021	59	3	62

#### Employee Evaluation Results

Final Results	2023	2022	2021
Mutation	30	27	4
Promotion	87	80	62
Gradual Salary Increase	663	597	447
Demotion	1	0	0

### Sustainability Related Competency [E.2] [2-17]

The Company registers all members of the Board of Directors, Board of Commissioners and other executive officers as well as employees in competency development programs or trainings related to sustainability. In 2023, there were sustainability implementation trainings have been attended with various themes.

#### Sustainability Training and Competency Development Materials for Employees

No.	Competency Development Material	Organizer	Female Participants	Male Participants
Environmental				
1	Air Audit for PROPER	Benefita	0	1
2	Environmental Audit of PP No. 22 year 2023	PSLH UGM	1	1
3	Awareness Energy Management System EnMS ISO 50001:2018	BSI Indonesia	2	2
4	Awareness Energy Management System EnMS ISO 50001:2018	BSI Indonesia	0	11
5	Awareness PROPER	Petro Training	0	1
6	Educational Training and Certification on Reclamation Implementation	PT. Solusi Inspirasi mandiri	0	1
7	Educational Training and Certification on Reclamation Planning	PT. Solusi Inspirasi mandiri	2	5
8	Educational Training on Post Mining Reclamation Insurance	Vyntech	0	2
9	Educational Training of Post-Mining Land Reclamation Technique	PT. Solusi Inspirasi mandiri	0	1
10	Irrigation and Water Structures	Duta Pro Training & Consulting	0	2
11	Water Polution Control Supervisor (PPPA)	LP2-SDA, PSLH UGM, Benefita	0	3
12	Air Polution Control Supervisor	Benefita	0	2
13	Toxic and Hazardous Waste Management	Benefita	0	1
14	BNSP Certification on Toxic and Hazardous Waste Management	Bisa Mandiri Investasi, PT	0	2
15	POPAL Competency Certification	Benefita	0	1
16	Certification for Monitoring and Analysis of Non-Toxic and Hazardous Waste / Solid Waste Management	Akualita	0	1

No.	Competency Development Material	Organizer	Female Participants	Male Participants
17	Certification on Toxic and Hazardous Waste Management	Benefita	0	2
18	Life Cycle Assessment Workshop & Certification	PT Proverindo Enviro Tech	8	18
19	Blue Proper and Simple Filling Workshop	Benefita	0	1
20	Workshop on Sustainable Development Goals (SDGs) for Green - Gold PROPER and Reporting in DRKPL [Workshop on Economic Empowerment and Community Capacity Building for Proper Social Innovation]	Benefita	0	1
Social				
1	Community Development & CSR	Shared Value Indonesia	1	1
2	CSR for Community Involvement & Development	CFCD	2	2
3	Cultivating Energy Program Batch 1	Kodam VI Mulawarman	0	30
4	Cultivating Energy Program Batch 2	Kodam VI Mulawarman	6	32
5	Basic Guidelines on CSR Implementation for Community Development	Ruang Kerja	0	3
6	ESG & ISO 2600 Sustainability Business Concept and Initiative (Basic)	CFCD Foundation	0	1
7	ERM Governance Training & CGRCP Certification	CRMS Indonesia	0	1
8	Pension Preparation Period	GOUKM	0	35
Governance				
1	Agile Leadership by Hasnul Suhaimi	Hasnul Suhaimi	13	100
2	Assertiveness Skills For Managers	Singapore of Institute Management	0	1
3	HCIS - How to Use Video	Ruang Kerja	21	76
4	Inspirational Sharing Session by Josef Bataona	Josef Bataona	5	31
5	KIDECO - New Hire Induction Program	Ruang Kerja	7	38
6	Leadership Skill For Supervisor	Dale Carnegie	0	2
7	Leading Transformational Change for Agility and Sustainability	NUS	0	1
8	Lean Six Sigma Green Belt	SSCX, PQM Consultant, SGS Academy	2	4



**Becoming a Good Neighbor  
For the Community**



KIDECO has carried out various empowerment and social assistance programs to help the community in improving their wellbeing. In the community engagement and development, KIDECO refers to ISO 26000 Guidance Standard on Social Responsibility. In 2023, KIDECO has provided **Rp48,1 billion** for PPM activities as a social investment effort.

## Vision, Mission, and Motto of PPM



### 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

KIDECO delegates the responsibility to facilitate CSR forum for the community to the CSR Committee led by the President Director with assistance from the Director of Finance, Director of Operations, and the Head of Mining Engineer.



### Motto

Think global, act national, based on local wisdom

Responsibility 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

## Financing of PPM and CSR Programs [413-1][413-2][CSS.12.9.2][CSS.12.9.3] [F.28]

The Company provides independent financial support for the Community Development and Empowerment Programs (PPM). The Company refers to the Minister of Energy and Mineral Resources Regulation No. 25 of 2018 concerning Mineral and Coal Mining Business, that unused funds from the realization will be added in the following year. On this basis, the accumulated PPM expenses in 2023 amounted to Rp48.1 billion. The PPM expenses plan in 2023 are Rp47.5 billion with a realization of Rp48.1 billion or 101.27%.

The Company has made various efforts to minimize the negative impacts resulting from its operations, such as reducing the potential of environmental damage, increasing environmental programs and improving the quality of life of the surrounding community. Apart from that, the Company also ensures community welfare by implementing Community Development and Empowerment (PPM) and CSR programs, as well as carrying out social mapping related to community problems, potential and needs. The CSR program carried out includes communities around the mine in WUP Roto Samurangau and Susubang Uko (mining areas already in production) which covers 72 locations in the Ring I to Ring V areas.

			
Economy & Social and Culture	Education	Health	Infrastructure Development
<ul style="list-style-type: none"> <li>Development of local economic potential through plantation, agriculture, livestock and fisheries program packages;</li> <li>Community Financial Institution Program;</li> <li>MSMEs development program</li> <li>Community assistance in form of gifts and sacrificial animals</li> <li>Support to Paser's traditional arts and cultures</li> <li>KIDECO Futsal CUP</li> <li>Self-Awareness Movement (GSM)</li> </ul>	<ul style="list-style-type: none"> <li>Trainings and development for teachers</li> <li>S1 &amp; S2 scholarship program</li> <li>Educational stimulation</li> <li>Mobile library</li> <li>KIDECO Bina Bersama Foundation</li> <li>DREAMS (KIDECO Cares for Diffable Communities)</li> <li>DELIGHT (KIDECO Enlightenment)</li> <li>Tourism Class</li> </ul>	<ul style="list-style-type: none"> <li>Clean water facility</li> <li>Stunting Prevention Program (CANTING)</li> <li>Improvement of quality for local health center (posyandu) cadres</li> <li>Health infrastructure aid</li> </ul>	Assistance in providing infrastructure to support the independency of PPM programs: community services, road and bridge access, clean water, education, health, religious facilities and others

KIDECO CSR Program Financing 2023 (in Rp billion)

No.	Main program	2023		2022		2021	
		Cost	%	Cost	%	Cost	%
1	Education	6.67	97.26	6.47	77.36	6.65	12.54
2	Health	4.78	108.61	4.38	101.81	2.41	4.55
3	Real Income & Employment Level	7.12	99.83	6.30	92.60	6.35	11.98
4	Economic Independence	2.23	86.94	1.01	97.86	0.81	1.53
5	Social and Culture	13.45	109.33	16.84	129.53	24.02	45.30
6	Environmental Management	2.40	112.66	2.48	108.41	0.8	1.51
7	Community Institutionalization	0.02	100.00	0.05	100.00	0.08	0.15
8	Infrastructure	11.41	94.55	10.25	91.74	11.95	22.54
Total		48.10	101.27	47.81	100.65	47.48	100



# Community Engagement [F.23]

All of the Company's PPM programs are carried out responsibly with regard to community involvement, including in the preparation, implementation and evaluation of program implementation. The Company actively involves the community through discussion forums, as well as trainings and guidances. Throughout 2023, the Company does not have operational areas that directly border indigenous communities or Remote Indigenous Communities (KAT). So, there are no land use disputes and violations of the rights of the KAT community.

The Company also did not relocate communities as a result of mining activities and there were no incidents of human rights violations involving local communities.

Furthermore, there were also no incidents of violations committed by the Company that involve the rights of indigenous communities regarding the protection of local culture and other aspects. Throughout 2023, the Company did not receive any complaints from the public regarding environmental issues, the PPM program, and so on. [F.24][411-1][413-1][CSS.12.10.2][CSS-12.11.2][CSS.12.11.3][CSS.12.11.4]

## Economic PPM Program [CSS.12.8.2] [F.25]



KIDECO engages the community to manage livestock waste to be used in agriculture as compost and biogas. In converting cattle waste into renewable energy in the form of biogas, KIDECO built a Biogester installation. The program successfully generated 15,196.17 GJ of renewable energy by utilizing animal waste from 23 cows, 6 sheep, and 26 goats, and contributed to reducing emissions by 4.02 tons CO<sub>2</sub>eq.

The 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 2023, there are 2 farmer groups with 30 members, earning an average of Rp2,500,000,- million/month per member, up from Rp2,250,000,- million in the previous year.



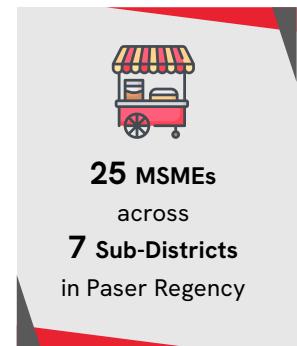
The Company believes that palm oil and rubber plantation sector is one of the potential sectors that can be developed for community empowerment. Therefore, the Company provides assistance by developing the capacity of farmers, strengthening institutions, land provision, land clearing, provision of superior seeds, maintenance, and construction of access roads to plantations. This initiative is embedded in the Integrated Farming System (IFS), which includes empowering demonstration plots for the cultivation of oil palm plantation.



### Honey Bee Cultivation

KIDECO together with the fostered group cultivated Mellifera Honey Bees. The cultivation of this honey bee is one of the activities carried out at IFS. This program has a benefit in producing honey and increase the income of farmer groups within IFS.





#### KIDEKO Fostered MSMEs Forum

In the previous year, the Company encouraged the increase of home industry which is part of the Women Farmers Group (KWT), by carrying out processing activities for various types of home industrial food, such as amplang, crackers and similar snacks. Seeing the increase in the quality of the products, KIDEKO made improvements to the Home Industry Development Program which previously only consisted of a few KWTs, to provide assistance for MSME players. KIDEKO provides assistance to MSMEs in Paser Regency, with the aim of preparing these MSMEs to be ready in becoming supply chain providers for companies. As a form of follow-up to this

program and to institutionalize the empowerment of MSMEs potential, KIDEKO's Fostered MSME Forum was established to oversee KIDEKO's fostered MSMEs. In 2023, the MSME Forum consists of 25 MSMEs across 7 sub-districts in Paser Regency. The assistance was carried out through this forum including mentoring, licensing, assistance with access to product certification, product packaging updates, as well as various training that supports development for MSMEs. In addition, KIDEKO officially uses MSME products as corporate merchandise.

#### MSMEs Development Program

Performance Indicator	Unit	2023	2022	2021
Number of Home Industry (IRT) Production Centers	Unit	25	20	15
Number of Product Types	Product/service	79	72	69
Total Members	People	198	176	87
Business Income per Year	Rp Thousand	380,000	75,000	5,000



**6 Fostered**  
Cooperatives with  
**91 members**

#### Community Financial Institutions (Cooperatives)

KIDEKO 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 2023, there were 6 cooperatives assisted by KIDEKO with a total of 91 members.

# Social and Cultural PPM Program

[F.25]



## Community Activities

To celebrate the Eid al-Fitr and Eid al-Adha in 2023, KIDECO's PPM provided 16,300 holiday gifts and 148 sacrificial cows to underprivileged residents in 89 fostered locations. KIDECO also actively participated in the organization of Semarak Pekan Ramadhan, Safari Dakwah, MTQ at the sub-district & district levels, and the construction of religious facilities.

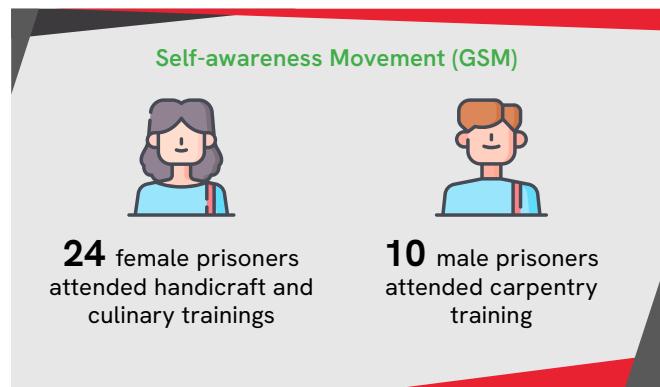
## Support for Paser Traditional Arts and Cultures

KIDECO provides sponsorship for every performance held by the Rebuntung Dance Studio as a form of support for Paser's traditional arts and culture events. KIDECO also provides assistance and empowerment to the studio by organizing collaborations in various events. In 2023, the beneficiaries of this program reached 211 people.

## KIDECO Futsal CUP

The Company plays an active role in sports and youth development, especially in futsal. KIDECO Futsal CUP is one of the routine programs held by KIDECO every year, with the aim of supporting and facilitating the nation's children in the field of futsal sports. KIDECO Futsal CUP, which was held on September 16 - 22, 2023 was attended by 57 teams participating in the student level futsal competition. KIDECO

hopes that the KIDECO Futsal CUP can increase student enthusiasm to continue to support the progress of futsal sports in Indonesia, especially in Kalimantan.



Coaching and training are 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 24 female prisoners attended handicraft and culinary training, and 10 male prisoners attended carpentry training.

# Educational PPM Program



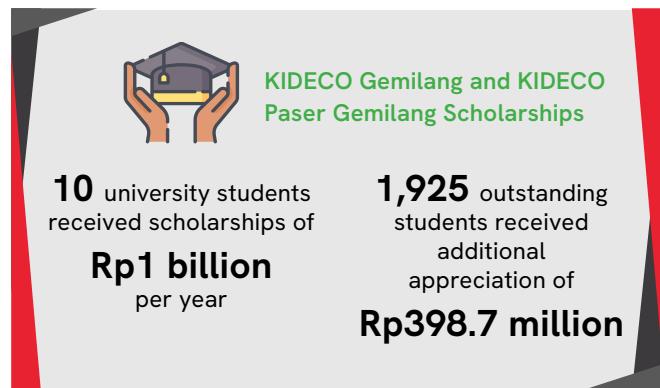
## Training and Skill Development for Teacher

To organize the Teachers Training and Skill Development Program, the Company collaborates with district teachers forum, with a realization of 425 teachers. with a realization of 425 teachers. The training was attended by teachers from Batu Sopang, Muara Samu, Kuaro, Muara Komam, Long Ikit, Long Kali, Tanah Grogot, Paser Belengkong, Batu Engau and Tanjung Harapan sub-districts. The training themes include learning by project, integrated literacy learning based for childredm, Digital Learning, Digital Literacy, and Minimum Competency Assessment for Kindergarten-PAUD, Elementary, Junior High, and High School Teachers. The training is held as needed, in coordination with the Education Office and the Teachers' Forum.



### 425 Teachers

were Involved in the Teachers Training and Development Program



KIDECO provides scholarships to outstanding students from low-income families so they can continue their education at tertiary level, both undergraduate and postgraduate. Until the end of 2023, there were 10 outstanding students who received scholarships consisting of 7 undergraduate students and 3 postgraduate students with total assistance reaching Rp1 billion per year.

In 2023, KIDECO gave appreciation to students at 24 schools in ring 1 of KIDECO's operational areas. As many as 1,925 students received additional appreciation totaling Rp398.7 million.

#### Education Stimulant

Educational stimulant is also provided to outstanding students from under privileged families at all levels of education, as well as to outstanding teachers. Throughout 2023, the recipients of the educational funding assistance reached 2,353 beneficiaries in 4 sub-districts.

#### Mobile Library

KIDECO also provides literacy support with a mobile library, covering 73 fostered schools in 6 sub-districts, and organizes literacy week in 3 sub-districts. The number of beneficiaries of this literacy program is 10,594 students.

For the mobile library program, there are three cars equipped with various facilities such as 13,055 book collections, 73 school visits, and 250 book borrowings, as well as multimedia equipment and storyteller staff.

#### 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 2023, there were 2,343 students participated in this program.



#### DREAMS (KIDECO Cares for Diffable Communities)

This program provides assistance, empowerment and increase in inclusion competency for teaching staff, parents, Children with Special Needs (ABK) which aims to build an inclusive community in Paser Regency. KIDECO wants to have a positive impact on the surrounding community, as well as fully support the development of crew potential through a good supporting ecosystem. In 2023 there were 506 beneficiaries of this program.

#### DELIGHT (KIDECO Enlightenment)

The KIDECO Enlightenment (DELIGHT) program is a teaching practitioner program, in this case employees and top management of KIDECO share their experience and knowledge to students in Paser Regency. The material presented consists of Good Mining Practice, Occupational Safety & Health (OHS), Biodiversity at KIDECO, Bisindo Sign Language, Leadership, Environmental Management, Quality Management & Integrated Agricultural Systems. In 2023, this program has 490 beneficiaries.

#### Tourism Class

This is an educational program to provide knowledge to the community around the operational area regarding English, sign language, & tourism knowledge. In 2023, there were 60 beneficiaries of this program.

## Health PPM Program [F.25]

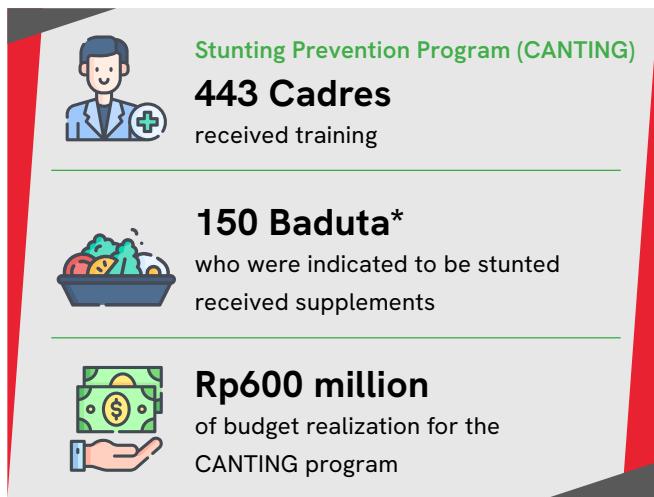


The Company has held several health programs, including:

- Provision of clean water facilities
- Stunting Prevention Program (CANTING)
- Other programs can be seen in the 2023 PPM Annual Report



The Company collaborates with village governments and local companies to build clean water facilities in land and coastal areas in five villages, as well as distributing clean water using two water tanks for Songka Village. In addition, KIDECO also installed 246 PDAM SR Meter connections in the Biu Village. The actual budget spent for this program was Rp1.48 billion.



In carrying out the CANTING program, KIDECO facilitates training for Posyandu cadres so that the capacity and services of basic Posyandu activities can be improved. This training includes improving the cadres' ability to carry out weighing and measurements to obtain a more valid data. Moreover, KIDECO also facilitates Infant & Child Feeding (IYCF) training

for cadres, and holds Healthy Mothers & Children with Families (SIAGA) classes for the community. This SIAGA class aims to increase mothers' knowledge and awareness regarding the importance of nutrition for children from the womb (the first 1,000 days of life), and the need for balanced nutrition for pregnant, breastfeeding mothers and toddlers. The Company also provides assistance to pregnant and postpartum mothers who are at high risk and provides food supplements for children aged 6-24 months who are indicated to be stunted for 6 months. The CANTING program has been held in 7 sub-districts and 14 villages, with 78 posyandu beneficiaries, cadre training for 443 people, counseling on balanced nutrition for 475 people, as well as assistance for high-risk pregnant and postpartum mothers for 30 people, and providing supplements to 150 Baduta are indicated to be stunted. The actual budget provided to support this program is Rp600 million.

\*Baduta are children aged under two years or aged 0-24 months, during which time the child experiences a golden growth period.

## Infrastructure Development PPM Program [203-1][CSS.12.8.4] [F.25]



The Company develops infrastructure and public facilities at pro-bono so that people can use public facilities more easily.

The realization of this infrastructure development includes:

- Posyandu building
- Wallet building
- Bridge
- Worship facilities
- Healthy canteen
- Connecting roads
- Shophouse
- Water Depot
- Clean Water Facilities and Infrastructure
- Public Facilities and Infrastructure

### Development Supporting Infrastructure in Coastal Areas [203-1]

Development Supporting Infrastructures are expected to create balance and fairness in economy development, social improvement and environmental preservation. Supporting infrastructures provided by KIDECO to fishermen in coastal areas by providing transportation equipment, and positive impacts by improving the quality of life of fishermen, lower fatalities and improving the wellbeing of the community. By the end of the reporting period, KIDECO has donated 105 units of engine across 5 villages. Meanwhile, other assistance included cooler fiber boxes (35 units) and electric sprayers (25 units), and 700 litre Water Tanks (11 units) in Pondong Baru Village.



## Implementing Responsible Business Practices



KIDECO implements sustainable governance in order to support the Good Corporate Governance (GCG) practices. KIDECO has established ESG Team Manager to ensure the implementation of sustainable governance.

## Management Approach [3-3]

Throughout 2023, there were no violations such as bribery and corruption conducted by KIDECO's management or workers

KIDECO establishes relations with all partners based on ethical business practices as a foundation of the relationship. This is intended so that business operations can run properly and in accordance with the applicable regulations. KIDECO does not tolerate any fraud, including corruption. Anti-corruption practices are implemented based on ISO 37001:2016 Anti-Bribery Management System (SMAP).

And to support operational fluidity and efficiency, KIDECO began to implement digitalization in each business process. The management of Business Ethics as well Technology and Innovation is under the responsibility of the Unit Business Ethics

and Integrity Unit and the Business Process Improvement & Technology Unit. Evaluation is carried out regularly every six months.

Moreover, KIDECO implements digitalization in each business process in order to support operational fluidity and efficiency. The management of Business Ethics as well Technology and Innovation is under the responsibility of the Unit Business Ethics and Integrity Unit and the Business Process Improvement & Technology Unit which performance is evaluated every six months by the Board of Directors and Top Management, so that digitalization can still run properly and upholds the Company's business ethics.



# Sustainability Governance Structure

In the implementation of GCG, the Company starts from the highest management from the Board of Directors and Board of Commissioners to all employees. The Company implements GCG in accordance with the applicable regulation, which is Law No. 40 year 2007 concerning Limited Liability Company. [2-24]

The highest governance structures in the Company are the General Meeting of Shareholders (GMS), followed by the Board of Commissioners and Board of Directors. The Board of Commissioners is responsible to supervise the management of the Company and the Board of Directors is focused on leading the management of the Company. The Board of Commissioners is assisted by specific committee to support its supervisory function, while the Board of Directors concurrently serves as Chief of Officer. The duties of the Board of Directors are: [2-9][2-11]

- To establish efficiency in business development and the implementation of strategies and its supervision.
- To be fully responsible on the management of the Company.

During the GMS, the Company determines the membership of the Board of Commissioners and Board of Directors who have no affiliated relationship with each other. Furthermore, the selection process is in accordance with GCG principles and adequacy of expertise and educational backgrounds. By the end of 2023, the composition of the Board of Commissioners consists of a President Commissioner, 6 Commissioners, and 9 Directors with diverse age groups, backgrounds, and expertise. The Board of Directors is also assisted by an Advisor and Head of Mining Engineer at Director level in carrying out its duties. [2-10][405-1][CSS-12.19.6]

Board of Commissioners Composition as of December 31, 2023

Name	Gender	Position	Expertise
Azis Armand	Male	President Commissioner	Economy
Mohammad Arsjad Rasjid Prabu Mangkuningrat	Male	Commissioner	Business Administration
Myung Chang Yong	Male	Commissioner	Foreign Studies
Komisaris Jenderal Polisi (Purn) Drs. Suhardi Alius, M.H.	Male	Commissioner	Police Science
Letnan Jenderal TNI (Purn) Dodik Wijanarko,S.H.,CFrA	Male	Commissioner	Indonesian National Army
Harry Ponto S.H., LL.M	Male	Commissioner	Law
Kamen Kamenov Palatov	Male	Commissioner	Finance-Accounting

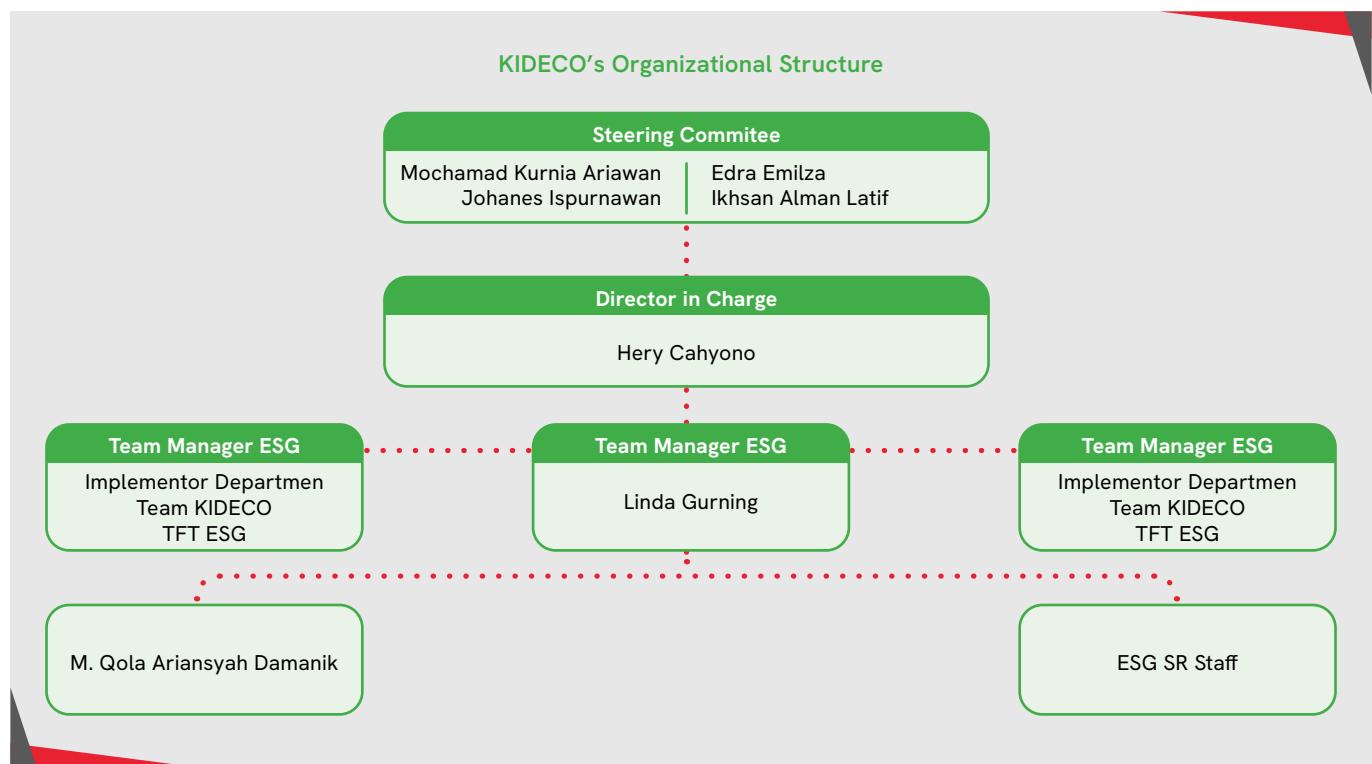
Board of Directors Composition as of December 31, 2023

Name	Gender	Position	Expertise
Mochamad Kurnia Ariawan	Male	President Director	Finance-Accounting
Johanes Ispurnawan	Male	Director	Economy and Human Resources
Togi Ottoman Bernard	Male	Director	Finance-Accounting
Anton Kristianto	Male	Director	Marketing Management
Edra Emilza	Male	Director	Mining Engineering
Kim Il Soo	Male	Director	Civil Engineering
Kang Seungmin	Male	Director	Mining Civil Engineering
Arif Kayanto	Male	Director	Law
Hengky Adikusuma Mahiso Putra	Male	Director	Human Resources

### ESG Task Force Team (TFT) [E.1]

The Board of Directors regularly held internal meetings and joint meetings with the Board of Commissioners to discuss sustainability management and the impacts to the Company. All responsibilities and decision makings are made collectively under the supervision from the Board of Commissioners and reported to Shareholders through GMS. The Board of Directors can also delegate its duties in the management of sustainability and its impacts in the Company to officers under them. And in carrying out its duties, the Board of Directors may directly or indirectly consult to stakeholders. This consultation aims to identify and manage various Environmental, Social, and Governance (ESG) issues. [2-12][2-13]

The Company has an Environment, Social and Governance ("ESG") Department which is responsible to develop strategies, achievement targets, reporting and capacity building related to ESG. The ESG Department is the responsibility of the ESG Team Manager. Apart from the ESG Department, the Company has established an Environment, Social, and Governance ("ESG") Task Force Team ("TFT"). The ESG TFT consists of several people across the Division and was established with the aim of aligning the programs run by the Division occupied by the ESG TFT to realize ESG strategies and achievement targets. The ESG TFT regularly coordinates and synergizes with the ESG Department to ensure the implementation of ESG aspects runs according to targets.



### Performance Assessment of the Board of Directors and Board of Commissioners [2-18]

Once a year, the Company conducts performance assessment to the Board of Directors and Board of Commissioners based on key performance indicators (KPIs) and report the results to shareholders. The performance assessment will also affect the determination of remuneration. Based on the assessment results, the Board of Commissioners has carried out its supervisory duties properly and the Board of Directors was also able to lead the Company's management properly.

# Building Responsible Business

As an effort of the Company in building a responsible business, KIDECO has ensured the implementation of the following:

2023	2022	2021
<b>The Board of Commissioners carries out supervisory duties in the Company</b>		
To supervise the Company effectively, the Board of Commissioners regularly held Joint Meetings with the Board of Directors of the Company		
Referring to the Circular Decree of the Board of Commissioners No. KJJ 236/LEG 030/IV dated March 18, 2023, the Board of Commissioners ratified the performance and term of office of the Audit Committee, Risk and Compliance Committee, Nomination and Remuneration Committee, Project and Investment Committee, and Company Sustainability Committee, based on the Circular Decision of the Board of Commissioners No. KJJ 216/LEG-022/IV dated April 1, 2021, for a term of office from March 29, 2022 until the closing of the Company's Annual General Meeting of Shareholders in 2023, which was held on March 17, 2023. Furthermore, based on Circular Decree of the Board of Commissioners No. KJJ 236/LEG 030/IV, the Board of Commissioners also appointed members of the Audit Committee, Risk and Compliance Committee, Nomination and Remuneration Committee, Project and Investment Committee, and the Company's Sustainability Committee who will help. The term of office of the Committee Members is valid from the date of the Circular Decree of the Board of Commissioners on March 18 2023 - until the end of the term of office of the Company's Board of Commissioners currently in office without prejudice to the right of the Company's Board of Commissioners to change the composition of the Company's committee members at any time.	Committee Members who were appointed in 2021 continues their functions and responsibilities to supervisory duties in 2022.	Establishment and Appointment of Committee members to assist the Board of Commissioners in performing supervisory actions over the Company, namely: 1. Risk and Compliance Audit Committee 2. Nomination and Remuneration Committee (previously named Human Capital Committee) 3. Project & Investment Committee 4. Sustainability Committee Based on the Circular Decision of the Board of Commissioners No. KJJ 216/LEG 022: KJJ 216/LEG 022/IV dated April 1 <sup>st</sup> , 2021 <small>*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.</small>
Implementation of good corporate governance, supervision of the Company to achieve effective performance for the benefit and continuity of the Company		
Pengangkatan dan Penugasan Dewan Etik untuk 1. Menjalankan Fungsi Kepatuhan Anti Penyuapan berdasarkan Keputusan Direksi No. KJJ 236/LEG 027/IV tertanggal 12 April 2023. 2. Pengangkatan dan Penugasan untuk Menjalankan Fungsi Etika dan Integritas Bisnis berdasarkan Keputusan Direksi No. KJJ 236/LEG 028/IV tertanggal 12 April 2023.	1. Appointment and Assignment of The Ethics Board for Performing Functions Anti-Bribery Compliance No. KJJ 226/LEG 040/IV dated 18 April 2022. 2. Appointment and Assignment to Carry out Ethical Functions and Business Integrity No. KJJ 226/LEG 041/IV dated 18 April 2022.	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 1 <sup>st</sup> , 2021. 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 1 <sup>st</sup> , 2021. 3. PT Kideco Jaya Agung established the Gifts and Hospitality Policy in December 2021.

2023	2022	2021
Ensure the Company's interests are protected, and vendor obligations are fulfilled		
<p>Policy Implementation:</p> <ol style="list-style-type: none"> <li>Establishment of Contract Principles to ensure that the standards of contract between KIDECO and its counterpart are well protected by the laws.</li> <li>Providing internal socialization regarding Standard Operating Procedure (SOP) in making Documents &amp; Agreements, to provide understanding on the implementation of jobs based on the agreement.</li> </ol>	<p>Policy Implementation:</p> <ol style="list-style-type: none"> <li>Establishment of Contract Principles to ensure that the standards of contract between KIDECO and its counterpart are well protected by the laws.</li> <li>Providing internal socialization regarding Standard Operating Procedure (SOP) in making Documents &amp; Agreements, to provide understanding on the implementation of jobs based on the agreement.</li> </ol>	<p>Policy Implementation:</p> <ol style="list-style-type: none"> <li>Establishment of Contract Principles to ensure that the standards of contract between KIDECO and its counterpart are well protected by the laws.</li> <li>Providing internal socialization regarding Standard Operating Procedure (SOP) in making Documents &amp; Agreements, to provide understanding on the implementation of jobs based on the agreement.</li> </ol>

## Ensuring Compliance and Transparency

### Code of Conduct Enforcement

KIDECO has a Code of Conduct and Business Ethics in accordance with the Decree of the Directors of PT Kideco Jaya Agung concerning the Appointment and Assignment of an Board of Ethics to Carry Out the Anti-Bribery Compliance Function and the Decree of the Directors of PT Kideco Jaya Agung concerning the Appointment and Assignment of Members to Carry Out the Business Ethics and Integrity Functions. The Code of Conduct and Business Ethics applies to all management and stakeholders. Within the internal scope, compliance with the code of conduct and business ethics is stated in the Compliance Statement.

The drafting of the Charter of the Committee is one of KIDECO commitments to implement good corporate governance (GCG) practices. This Charter includes the duties, responsibilities, and authority of the Committee in managing conflicts of interest.

### Implementation of Whistleblowing System (WBS) [2-16][2-25][2-26] [205-3]

KIDECO implements Whistleblowing System (WBS) Policy which contains the types of violations and its sanctions. Report on alleged violations can be submitted via online at <https://wbs.kideco.app/> or directly to members of the Anti-Bribery Compliance Function (FKAP) or Business

Ethic Integrity (BEI) which are responsible to manage WBS.

Members of the FKAP are:

- Mr. Togi O. Bernard (Chairman of FKAP)
- Mr. Anton Kristianto (Member of FKAP)
- Mr. Erlangga Gaffar (Member of FKAP)

Meanwhile, the BEI members consists of:

- Elman Prasetya (Chairman of BEI)
- Ardi Tussiam (Member of BEI)
- M Salman AF (Member of BEI)

Furthermore, we are committed to protect whistleblower who acts in good faith and complies with all the applicable laws, regulations and practices. All incoming reports will be followed up by the Board of Ethics. The Board of Ethics is responsible to receive, identify, follow up, and provide recommendations to the management regarding the non-compliance report. This is in accordance with the Decree of the Board of Directors of PT Kideco Jaya Agung conerning the Appointment and Assignment of the Board of Ethics to Carry out Anti Bribery Compliance Function No. KJJ 236/ LEG 027/IV dated April 12, 2023. As of the end of 2023, there were no reports submitted to the WBS so that KIDECO believes that there were no alleged violations that meet the criteria of corruption acts, whether involving employees or parties related to the Company.

Throughout 2023, KIDECO did not violate regulations related to environment, social, and governance. Therefore, there were no sanctions given for the violation of regulations. [2-27]



Periodically, KIDECO holds meetings with various stakeholders to discuss urgent matters and concerns from stakeholders so that they can be followed up immediately. Communication of critical matters such as violation reports can also be submitted via <https://wbs.kideco.app/> which can be accessed by all employees and stakeholders, or directly to FKAP/BEI members. [2-16][2-26]

### Anti-Corruption Support

KIDECO is committed to support anti-corruption in both internal and external of the Company. Therefore, KIDECO 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 order to analyze risks of bribery in each department, the Company took the Anti-Bribery Management System (ABMS) certification through Bribery Risk Register. The Company also analyze the risks from stakeholders who partner with each department. In addition, before the external audit on 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), the Company conducts socialization to all departments and stakeholders, as well as signing an Integrity Pact. [205-1][CSS-12.20.2]

Throughout 2023, the Company has socialized the anti-corruption policies and procedures to all members of the Board of Directors, Team manager, and Assistant Manager of each department as well as to business partners, both contractors and sub-contractors. A total of 100 members of

the governance body, 100% workers & business partners of KIDECO has attended the socialization on anti-corruption, as well as 100% of Senior Officers, TM/Manager has received Anti-Corruption and/or Anti-Fraud Trainings.

The Company also periodically conducts evaluation. The evaluation results show that KIDECO has no corruption incident and is not facing dispute of alleged corruption that involves its workers. KIDECO also has no legal disputes on anti-competitive behaviour, anti-trust and monopoly regulations, as well as not involved in all forms of political contributions. Throughout 2023, there were no incidents that were proven to cause the termination or non-renewal of contract with business partners due to corruption related violations, or legal cases related to corruption filed by the public to the organization or its employees. [205-2][205-3][206-1][415-1][CSS-12.20.3][CSS-12.20.4][CSS-12.22.2]

In 2023, the Company has conducted audits of operations that are considered to have risks related to corruption based on ISO SMAP 37001:2016. Based on the audit results on 11 departments, there are 5 departments that have high risk related to corruption or the equivalent of 45% of the total departments being assessed. [205-1]

### Employees who have attended socialization held by the organization regarding anti-corruption policies and procedures [205-2]

Employee Category	Percentage from total Employees
BoD	100%
Team Manager/Manager	100%
Asst Manager/Spv/Staff	100%

### Prevention of Conflict of Interest [2-15]

The Company can ensure that each member of the Board of Commissioners and Board of Directors has no certain affiliation that may cause conflict of interests. Therefore, all members of the Board of Commissioners and Board of

Directors have signed an Integrity Pact in order to ensure that there is no conflict of interest. As of 2023, all members of the Board of Commissioners and Board of Directors have signed the Integrity Pact and there is no conflict of interest between them.

## Implementation of Digitalization System



KIDEKO uses digital application “One KIDECO” which is easily accessible by all employees through mobile phone. This application is one of KIDEKO’s innovations in digitalization sector which aims to analyze geotechnical data, mining, blasting, and production planning. Furthermore, “One KIDECO” can also be used to improve awareness and performance of operational aspects in mining area.



Since 2022, KIDEKO has “Nembayu” application which can be accessed via website and mobile phone. The purpose of “Nembayu” application is to improve the implementation of OHS in the Company’s environment. “Nembayu” has succeeded in realizing time efficiency (98% faster), the reduction of emissions from this application reached **406,17 Ton Eq CO<sub>2</sub>**, and fuel efficiency of **144,25 L**, in 1 year.



The Company has developed **Moyo** and **DarwinBox** in order to support the optimization of employee attendance and improve the digital-based management system for managing employee performance and managing all aspects related to human resources based on Employee Self Service.



In 2023, KIDEKO also launched “Coal Chain” application which aims to provide accurate data on the journey of Coal production, starting from the Pit until the Port. “Coal Chain” provides real-time solution to Coal operational monitoring.



KIDEKO develops other land monitoring system called Nawasena, as one of the key solutions that help to facilitate the mapping process, monitoring land assets, as well as acquiring lands in order to optimize performance and decision making based on geospatial data quickly, precisely, accurately, accountably and properly documented for a sustainable business operational process.



In 2021, KIDEKO implements e-Procurement using Odoo to manage goods and services procurement processes digitally from end-to-end. Starting from the proposal of purchase requisition, management approval, supplier selection, price offering tender, offering evaluation, preparation and implementation of work contract, preparation of purchase order, including invoices that can be made online. With the implementation of eProcurement, data integration and automation processes can be easily done, improving efficiency and transparency, saving administration expenses, as well as better procurement data analysis.

# ESG Risks Mapping [E.3]

The Company has carried out ESG risks mapping which covers the OHS aspect, human capital, and environmental impacts from mining activities. The risk management is carried out by the Risk Management Team which reports its performance directly to the Board of Directors. Periodically, the risk management team held evaluation on risk management to find opportunity that can be developed.

## ESG Risks Management

The ESG risks that have been mapped consist of:

### 1. Environmental Risks

- a. Risks that come from emissions and energy consumption

By the end of 2023, KIDECO has disclosed scope 1 and 2 emissions. Scope 2 emissions come from purchasing electricity, while scope 1 emissions are generated directly from the operations of KIDECO and its contractors. Scope 1 emissions consist of four categories:

- Stationery Combustion, includes emissions from fuel and heating that produce Green House Gas (GHG) emissions, such as generators.
- Mobile Combustion, includes emissions from the exhaust of vehicles operating in mining areas.
- Fugitive Emissions, includes leaks of Green House Gas (GHG) emissions from exposure of coal that has been mined and is above ground, such as air conditioning or refrigerators.

KIDECO has set an ESG management targets which are stipulated in the New ESG Target KIDECO of 2023-2025 period. One of KIDECO's efforts in mitigating climate changes is by collaborating with 7 mining partners to reduce the generated GHG emissions.

\*Detailed information related to KIDECO's efforts in reducing emissions can be seen on page 27-28.

- b. Renewable energy mix

KIDECO is aware of the significant impact of switching energy to renewable energy. Therefore, KIDECO has gradually installed solar panels in several locations. Detailed information can be seen on the page 22, 27.

- c. Water extraction

KIDECO collaborates closely with its Partners to carry out several initiatives to reduce groundwater extraction and increase water recycling. Detailed information can be seen on the page 37-40.

- d. Waste management

KIDECO has carried out various efforts in waste management, such as reducing waste through extending product life, reusing and recycling waste. Complete information can be seen on the page 29-33.

- e. Land reclamation

KIDECO follows the Land Reclamation plan stated in the new Feasibility Study submitted in 2021. Complete information can be seen on the page 28-29.

## Risk Mitigation:

- A. Decarbonization initiative from mine technical design, fuel efficiency
- B. Reusing fuel to reduce the use of new fuel
- C. Use of renewable energy
- D. Use of low-emission vehicles

## KIDECO's initiatives to minimize environmental impacts:

- a. Digitalization of process to reduce the required mobilization and minimize fuel usage as well as the generated GHG.
- b. Installation of KIDECO Solar Panel phase 1 of 409 kwp and phase 2 of 1,006.64.
- c. Utilization of electric bus for employee shuttle, and electric car for security patrols.
- d. Optimally reduce groundwater extraction for watering either the roads or others and using SUMP water instead.
- e. Harvesting rain water to be used for domestic needs (office, dormitory, and workshop), and watering closed loop car wash and HD units.
- f. Utilization of grey water (domestic wastewater) for watering.
- g. Reducing used tires by extending tires life through tyre rethread or tyre regroove.
- h. Used tires are reused for various needs such as road borders and sidings in collaboration with BUMDES, or as raw material for other economic activities in collaboration with PT Indocement.

- i. Used tire can be recycled into economically valuable products such as rubber-based asphalt.
- 2. Social Risks
  - a. Occupational Health and Safety
 

KIDECO ensures the establishment of a decent and safe work environment without fatal work accidents. Complete information can be seen on the page 43-58.
  - b. Contribution and Impact on the Community
 

KIDECO hopes to make a positive contribution to the development of communities around its operational areas. KIDECO has made various efforts to improve community welfare through the PPM program run by KIDECO. Complete information can be seen on the page 69-73.
  - c. Diversity, Gender and Inclusiveness
 

KIDECO ensures that the implementation of governance practices is based on gender equality, diversity and inclusiveness, including providing access to work for workers with disabilities.
  - d. Local People
  - e. Understanding of Sustainability
 

An understanding of sustainability is needed for both internal and external employees of KIDECO, including work partners and communities around KIDECO's mining area.

KIDECO's initiatives to minimize social impacts:

- A. Implementing OHS properly.
- B. Collaborating with 7 business partners in implementing the PPM program.
- C. Gender Training for female employees and for Manager level and above at KIDECO.
- D. Supporting the empowerment of women's groups.
- E. Providing employment opportunities for disabled workers.
- F. Actively communicates with Stakeholders.
- G. Socializing sustainability to KIDECO's Internal Employees and Stakeholders outside KIDECO.

Risk Mitigation:

- A. Implementing OHS properly.
- B. Preparing a follow-up plan for the gender action plan.
- C. Increasing the number of female leaders (assistant managers and above).

- D. Developing sustainability modules for internal use in KIDECO.

- E. Socializing the sustainability pocket book on the topic of sustainability: green mining which can be used to disseminate knowledge about sustainability in mining.

### 3. Governance Risks

- a. Good Corporate Governance (GCG) Systems and Infrastructures
 

Risks related to Corporate Governance and its Infrastructures
- b. Risk Management Systems and Infrastructures
 

Risks related to Corporate Governance and its Infrastructures
- c. Compliance Systems and Infrastructures
 

Preventing incidents of non-compliance with licensing and Quality Standards, such as ISO
- d. Risk of Human Rights (HAM) Violation
 

Preventing violations of human rights, both to employees and the nearby societies.

KIDECO's initiatives to minimize social impacts:

- A. Organizing human rights training for KIDECO employees & security
- B. Ensuring the implementation of Compliance Management (ISO 37301), Anti-Bribery Management (ISO 37001), Information Security Management (ISO 27001), Business Continuity Management (ISO 22301), Energy Management (ISO 50001), Environmental Management (ISO 14001), Management Quality (ISO 9001).
- C. Implementing the GCG system in accordance with applicable regulations.

Risk Mitigation:

- a. Drafting KIDECO Human Rights Policy and Handbook.
- b. Aligning the Company's values with human rights.
- c. Conducting Risk and Compliance Committee Audit.



**Maintaining  
Sustainable Economy**



The Company continuously striving to maintain production levels and revenue generation so that operational activities can run optimally. Therefore, the Company implements efficiency and innovation that can support sustainability. Through the Minerva Project, the Company seeks to expand to new export destinations which will have an impact on strengthening market share.

Awards	Awarding Institution
1 <sup>st</sup> Price in the 2023 Tata Bandha Energi Award	Ministry of Energy and Mineral Resources
Top IV in The Best Investment Award	East Kalimantan Governor
Payment of 2022 SPPT on time	Regional Office of DJP East and North Kalimantan

## Economic Performance [F.2] [F.3]

As of December 2023, the Company has succeeded in providing better economic performance, although it is still under the production targets. The production volume was at 30,112,831 MT coal. This figure is lower by 13.39% from in 2022 which was 34,769,448 MT.

On the other hand, sales volume at the end of 2023 reached 30,507,893 MT coal or 98.41% of the target. Compared to in 2022, the volume has decreased by 12.22% or equivalent to 4,248,238 MT coal.

### Economic Performance

Description	Unit	2023	2022	2021
Sales	Million USD	2,223.32	3,008.81	2,196.8
Gross Profit		411.38	1,222.75	835.58
Operating Profit		332.75	1,126.95	773.8
Net Income		215.67	625.98	426.3
Harga Rata-rata Penjualan	USD/Ton	72.88	86.57	61.36
Gross Margin	%	18.50	40.64	38.03
Operating Margin		15.04	37.45	35.22
Net Margin		9.70	20.80	19.41
EBITDA Margin		14.09	37.96	35.4

### Production and Sales Performance

Description	Unit	2023	2022	2021
Overburden	mn bcm	167,664,861	175,774,427	179,875,758
Production Volume	MT	30,112,831	34,769,448	35,821,057
Sales Volume	MT	30,507,803	34,756,041	35,803,539
Stripping Ratio	X	5.57	5.06	5.02
Average Sales Price	USD/Ton	72.88	86.57	61.36

#### Destination Country and Percentage of KIDECO Coal Sales

Export Destination	Total Percentage of Buyer	Total Percentage of Purchase Quantity
Indonesia	23	30
China	33	38
Jepang	5	3
South Korea	5	4
Taiwan	2	5
Filipina	13	2
Malaysia	2	9
Vietnam	2	1
Singapore	2	1
India	11	6
Slovenia	2	1

#### Generated and Distributed Economic Value

Most of the Company's revenue comes from coal sales. In 2023, the Company managed to generate revenue of USD2,223.32, 26.11% lower compared to USD3,008.81 million in 2022. This was due to the declining demand & coal prices in the global market. As of the end of the reporting period, the Company did not receive government assistance or tax incentives. The Company did not experience any weather issues during the production process or product delivery. However, the Company continues to mitigate weather risks that could occur and impact operational activities. [201-1][201-2][201-4][CSS-12.2.2][CSS-12.8.2][CSS-12.21.2][CSS-12.21.3]

KIDECO pays its taxes once a year by involving stakeholders in the development of the taxation, legislation and administration systems which have the potential to affect its reputation and position of trust. [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]

State Revenues	2023	2022	2021
Tax	8,362	6,084	3,389
Non-Tax State Revenue (PNBP)	9,726	7,198	4,074
Total	18,088	13,282	7,463

#### Consolidated Report of Financial Position Highlights

Consolidated Balance Sheet	2023	2022	2021
Total Assets	676.36	1,270.79	902.9
Total Liabilities	349.51	759.60	517.7
Total Equity	326.86	511.19	385.2

#### Production and Sales Targets and Realization

During the reporting period, the Company faced physical climate change phenomena in the form of weather anomalies which affected mining operations. This had an impact on the Company's finances with the increased operational costs. However, the Company was able to optimize production results. [201-2i][F.2]

#### Production and Sales Performance

Description	Unit	2023	2022	2021	Δ%	
		1	2	3	1:2	2:3
Production Volume	MT	30,112,831	34,769,448	35,821,057	86.61	97.06
Production Volume Target	MT	31,000,000	35,000,000	35,700,000	88.57	98.04
Sales Volume	MT	30,507,803	34,756,041	35,803,539	87.78	97.07
Sales Volume Target	MT	31,000,000	35,000,000	35,700,000	88.57	98.04

The Company is currently unable to present portfolio targets and performance, financing targets, or investments in financial instruments or projects that are in line with the implementation of sustainability performance. The Company supports the implementation of sustainability performance by implementing an environmentally friendly sustainability culture, by using renewable energy sources. [F.3]

#### KIDEKO's Support for Local Suppliers

To support our operational activities, the Company collaborates with various business partners and provides open opportunities in the goods and services procurement processes, as long as they meet the specified requirements and criteria. Throughout 2023, there were no negative impacts arising from the Company's activities, either on workers, the community, or the environment. KIDEKO 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]

Furthermore, during the supplier selection process, the Company always prioritizes local companies and the use of domestic operating goods, capital goods, equipment, raw materials, and other supporting materials. The Company believes that the involvement of local suppliers and the use of local products have fulfilled the Domestic Component Level (TKDN), and KIDEKO was able to become the best mining company in achieving TKDN according to the Indonesia Mining Association (IMA). In 2023, the Company's TKDN declined from 35.51% in 2022 to 29.64% in 2023. This decline was due to several issues faced by the Company, including the suboptimal calculation of TKDN by business partner, and the limited number of companies that have obtained TKDN certificate.

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

Business Process	Supporting Activities and Facilities	Partner Companies
Mining	<ul style="list-style-type: none"> <li>Open pit mining</li> <li>264 units of excavators</li> <li>1,124 units of dump trucks 1,124 units</li> </ul> <p>Note: Population of all tools for main and supporting mining activities</p>	4*
Crushing	<ul style="list-style-type: none"> <li>There are 6 dedicated transportation roads to the crushing facility with a distance of 3.0 - 27.3 km.</li> </ul> <p>Note: Mine roads: Ijin, Suara, Popor, Paku, Susubang, Hauling</p> <ul style="list-style-type: none"> <li>5 units of Primary crusher (Feeder breaker) &amp; 4 units of Secondary crusher (Sizer) with the capacity of 37 million ton/year.</li> </ul>	0
Land Transportation	<ul style="list-style-type: none"> <li>35 km of dedicated road for transportation to the port</li> <li>More than 130 units of Hauler trucks with carrying capacity of 90,000 - 100,000 tons/day</li> </ul>	3**
Port and Loading	<ul style="list-style-type: none"> <li>Dedicated Terminal of PT Kideco Jaya Agung with International certification from ISPS Code</li> <li>Stockpile area capacity of 700,000 MT</li> <li>21 conveyors equipped with Magnetic Separator</li> <li>Conveyors are equipped with Metal Detector to prevent metal from mixing with the coal</li> </ul>	0
Shipments	<ol style="list-style-type: none"> <li>Offshore ALP (Area Loading Point) in adang bay equipped with: <ul style="list-style-type: none"> <li>5 Floating Crane &amp; Floating Loading Facility &amp; 1 Accommodation work barge</li> <li>1 Accommodation Work Barge</li> <li>2 LCTs (Landing Craft Tank)</li> <li>5 Speed Boats (to support operations)</li> </ul> </li> <li>ALP &amp; TMCT Port are equipped with 8 SBNP (Sailing Navigation Tool)</li> </ol>	2***

\* PT Pamapersada Nusantara, PT Sims Jaya Kaltim, PT Petrosea Tbk., PT Bima Nusa Internasional, PT Diesel Utama Mineral, PT Karya Kembar Bersama, PT Mandiri Herindo Adiperkasa, PT Karunia Wahana Nusa

\*\* PT Mandiri Herindo Adiperkasa, PT Samindo Utama Kaltim, PT Trasindo Murni Perkasa

\*\*\* PT Cotrans Asia, PT Pelayaran Kartikasamudra Adijaya

In addition, the Company's local suppliers must meet the following requirements:

- Being a legal entity
- Established based on the Laws of the Republic of Indonesia
- Domiciled in the country
- Have 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	2023	2022	2021
Locals of Paser Regency	10	1.60	11.52
Locals of other regions in East Kalimantan	31	4.19	32.92
National	58	94.02	55.56
Overseas	1	0.19	0
Total	100	100	100

The involvement of local suppliers supports the expenditures for domestic products, which are products produced and sold by local suppliers at the district, provincial and national levels.

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

Year	Domestic Products	Imported Products	Total	Percentage of domestic products against imported products
2023	322.31	1.14	324.65	99.3
2022	241.47	0.45	241.92	99.8
2021	146.20	0	146.20	100

## Maintaining Excess Products

During the reporting period, KIDEKO did not receive any claims regarding its products or recalled its products.

As an effort to maintain its products and business, the Company continues its exploration find the estimated coal resources that can be used during the operations. In 2023, the Company carried out its exploration with estimated coal resources reaching 1,460.25 million tons and total coal reserves of 369.07 million tons. Based on the exploration and production level, it is estimated that KIDEKO will run production for as long as 20 years.

#### Estimated Coal Resources of KIDEKO (Million Tons)

Operational Area	2023	2022	2021
Roto Samurangau	1,439.29	1,468.44	1,502.14
Susubang Uko	20.97	21.92	23.00
Samu Biu	*no longer included in KIDEKO's WIUPK concession	7.34	7.30
Total	1,460.25	1,503.12	1,532.44

### Estimated Coal Reserves of KIDECO (Million Tons)

Operational Area	2023	2022	2021
Roto Samurangau	363.9	389.2	422.1
Susubang Uko	5.17	6.2	7.30
Samu Biu	*no longer included in KIDECO's WIUPK concession	0.9	0.90
Total	369.07	396.3	430.3

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

Material	Unit	2023	2022	2021
Ammonium Nitrate	Ton	23,438	28,989	29,610
Dynamite	Kg	60,165	78,395	96,103
Detonator	Unit	462,083	580,057	592,107
Chalk		67,245	76,835	63,665
Alum		1,794,594	1,796,097	1,366,460
Other reagents	Kg	46,775	46,385	49,050
RollFloc		108,800	116,230	54,365
Greenhydro		8,150	0	0

### Environmentally friendly Products [F.5][2-6]

Bituminous coal is one of the environmentally friendly coal products which 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.

Bituminous coal is recognized globally as an environmentally friendly energy source due to its extremely low sulfur content of 0.1% and ash content of 2.5%. This coal is also indirectly impacting and influencing the safety and security of customers.

### Specification of KIDECO's Coal Products [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 Content (ADB)	2.00 - 5.00	2.60 - 5.50	2.70 - 6.00
Sulfur Content (ADB)	0.05 - 0.20	0.05 - 0.20	0.05 - 0.20
Particle Size < 50mm (%)	95	95	95

## Product Responsibility [F.27][416-1][416-2]

As of the end of 2023, KIDECO has yet to carry out innovation to its coal products. However, KIDECO continues to improve the efficiency of its coal production processes [F.26]

The Company 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. In addition,

the Company is also committed to providing our customers with equal services for the products we sell. This report does not disclose information on incidents of noncompliance with product marketing and labeling. [F.17][301-3][417-1][417-2][417-3]

## Quality Improvement Targets

Target	2023 Achievements
Quantity certainty	RS 6,591 Kton, Blend 1,662 Kton & SM 22,173 Kton
Accurate quality specifications	RS 4,833 kcal/kg, Blend 4,550 kcal/kg & SM 4,157 Kton

## Coal Quality Monitoring in KIDEKO

WIUPK	KIDEKO Coal Quality Parameters 2023			
	Caloric Value (Kkal/Kg)	Dust (%)	Sulphur Content (TS) (%)	Total Moisture (%)
<b>Roto Samurangau</b>				
Roto Utara	3,989 - 6,239	2 - 6	0.08 - 0.21	14 - 37
Roto Tengah	3,961 - 4,967	2 - 8	0.08 - 0.17	24 - 36
Roto Selatan	4,167 - 5,594	1 - 13	0.07 - 0.24	20 - 32
Samurangau	3,621 - 4,845	2 - 17	0.09 - 0.32	14 - 39
<b>Susubang Uko</b>				
Susubang	4,447 - 5,510	2 - 15	0.11 - 0.28	19 - 25

Since the beginning of its operational activities until now, KIDEKO only has a single mining system with effective operations with adequate infrastructure support. KIDEKO has a production capacity of 55 million tons per year using open-pit mining, trucks, and excavators. The overburden materials will also be transported according to their material type.

## Coal Transportation Operation Flow

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

As of the end of the reporting period, the Company did not have recalled products after being sold to customers. [F.29]

# Customer Satisfaction Survey [F.30]

As an effort to maintain customer satisfaction, KIDECO periodically conducts Customer Satisfaction Surveys using assessment indicators of strategic relationships, future growth, volume contribution, profitability, length of business, loyalty and business flexibility. In 2023, KIDECO did not experience any data leaks or complaints from customers or other external parties. [418-1]

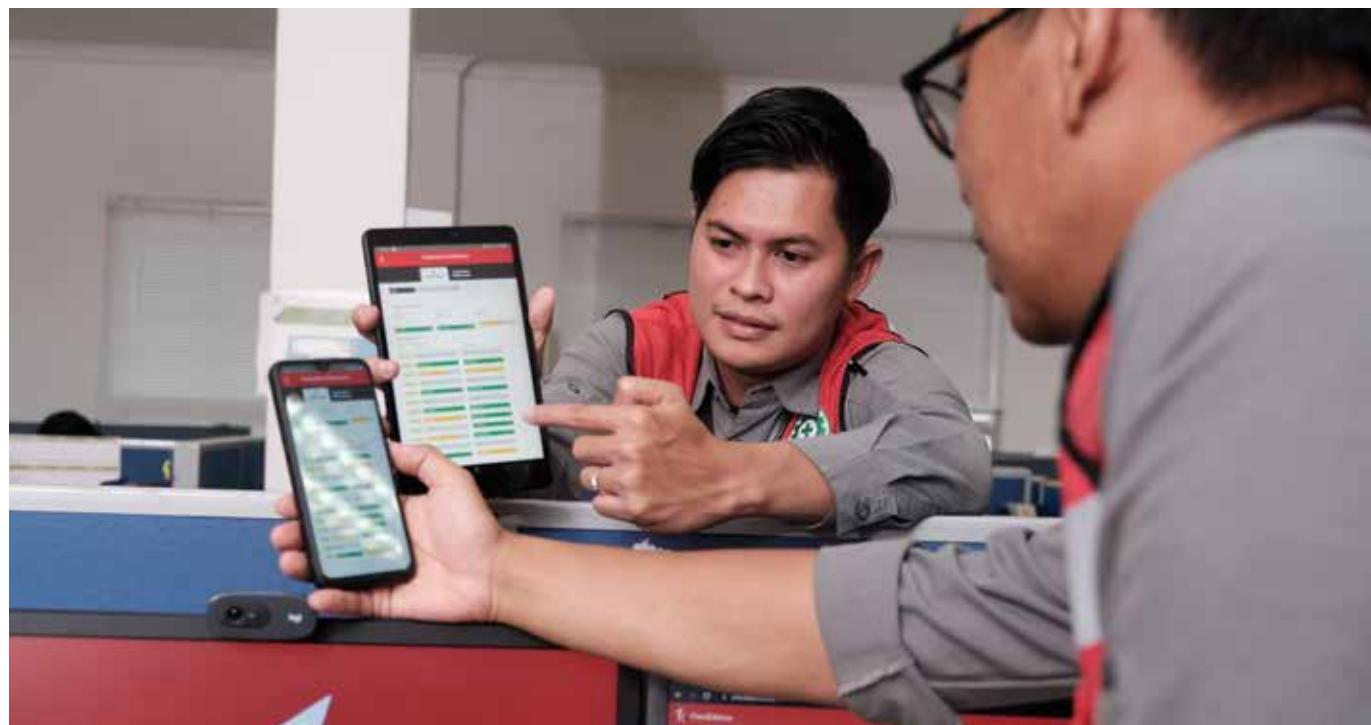
Customer Satisfaction Index (%)		
2023	2022	2021
<b>99.52</b>	100	99.53

## Feedback Follow Up

The Company has appointed the Quality Control Team to manage and follow up all incoming feedbacks. This is intended to ensure and maintain the quality of coal products in accordance with specifications set by customers. Throughout 2023, KIDECO received 12 feedbacks and all of them (100%) have been followed up well.

### Implementation of KIDECO's Coal Product Quality Feedback System in 2023

Feedback Provided	Total	Follow-Up Action
Differences in analysis results	0	Appoint a third-party Laboratory Judge to confirm the differences in analysis results
Self Combustion	0	
Discovery of foreign material	2	Carrying out investigations to trace the loading process from the mine to the barge/ship
Coal dust	10	Increase the concentration of anti-dust chemical mixtures to reduce the potential for coal dust at the unloading port
Total	12	RS 4.833 kcal/kg, Blend 4.550 kcal/kg & SM 4.157 Kton





# About This Report

[2-2] [2-3] [2-4] [2-5] [2-14]

KIDECO's Sustainability Report is published annually. The last report was published on March 10, 2023. The reporting period starts from January 1 until December 31, 2023 with the following references:

1. Financial Services Authority Regulation (POJK) No.51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies;
2. Financial Services Authority Circular Letter (SEOJK) Number 16/POJK.04/2021 section Technical Guidelines for Preparing Sustainability Reports for Issuers and Public Companies;
3. 2021 Global Reporting Initiative (GRI) Standards, in accordance with the GRI Standards;
4. Global Reporting Initiative (GRI) Standard 12: Coal Sector, with conformity based on material topics; and
5. Task Force on Climate-Related Financial Disclosures (TCFD).

There are some changes and restatements of energy and emissions data for 2022 and 2021. These changes were caused by the changes in the calculation method of GHG emissions conversion factor being used for B30 and B35 biodiesel fuel, as well as the addition of fugitive emissions in the Scope 1 GHG emissions set by Indika Energy to be implemented in all subsidiaries. Financial data are from the financial statements that have been audited by the Public Accounting Firm (KAP). This report does not include other entities since KIDECO has no subsidiary. All information disclosures in this report have been approved and verified by responsible internal parties, including the Company executives. [2-4]

External assurance for this report has been carried out by a third party, PT Decar Verite Asia (DVA). Verification using the AA1000 AS Type 1 Standard. The Company ensures that there is no business affiliation or conflict of interest with the third party. An independent statement regarding the assurance process for this report is provided at the end of the report. [G.1]



This report is also published online and can be accessed at  
<https://www.kideco.co.id/media/>

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

Since 2022, KIDECO has aligned its efforts to reduce carbon emissions using the Task Force on Climate-related Financial Disclosures (TCFD) framework as an effort to mitigate the negative impacts of climate change and extreme weather.



### Pillar Governance

In implementing good corporate governance, the Company ensures that its operational activities are in compliance with the applicable laws and regulations. The Company implements transparent, accountable, and responsible principles which are in line with the Company's Vision, to be The Most Reliable and Eco-friendly Indonesia Provider Energy for Sustainability.

In 2022, KIDECO through the Sustainability Committee has implemented strategic direction for our sustainability activities. KIDECO has set new ESG targets which were prepared in details by involving 7 Mine Partners to produce

positive impacts for the community. Each quarter, the Sustainability Committee receives the monitoring and evaluation reports on the implementation of the strategic sustainability programs.

KIDECO has also reviewed the ESG baseline along with consultant from Mc Kinsey. Based on the review, KIDECO has made some progress in reducing carbon emissions in our operations. In the implementation, KIDECO has made readjustment to include sustainability elements in the Integrated Management System (SMT) Policy which is in line with the ESG pillars, which are Green Living

for Harmonious Environment, Socially Responsible for Indonesia Generation dan Corporate Governance, Risk and Compliance. Furthermore, KIDECO is currently

finalizing the preparation of our Sustainability Policy, which is based on our commitment and statements stipulated in our SMT Policy.

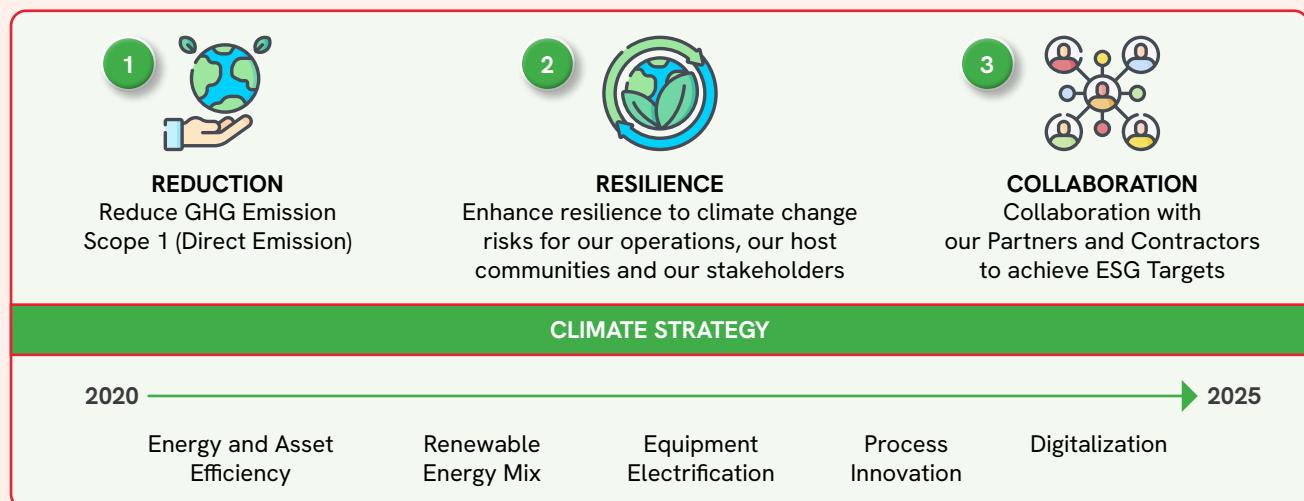
	Green living for harmonious Environment	Socially responsible for better Indonesian Generation	Corporate Governance, Risk and Compliance
ESG PILLARS			
	GHG Emission Reduction and Offset	Safety & Health: Zero Fatality	Governance System and Infrastructure
	Renewable Energy Mix	CSR Beneficiaries	Risk Management System and Infrastructure
	Water Stewardship	Diversity Inclusion	Compliance Management
	Waste Recycled	Indigenous People	Human Rights
	Land Reclamation	Sustainability Awareness	
Cross-Cutting Themes			
Governance, Compliance, Ethics   Risk Management   Resilience & Adaptation			

\*Detailed information regarding our sustainability governance can be seen on page 76-80.



### Pillar Strategy

Based on the identified ESG risks and potential climate risks, KIDECO has implemented several climate strategies. The Climate Strategy Pillars of the Company are as follows:



Other than climate strategy, to support the achievement of Net Zero Emission, KIDECO also implements Decarbonization Strategy. This strategy is carried out through the Company Decarbonization Journey program, which is currently focusing on Scope 1 and Scope 2 Green House Gas Emissions.



Specifically, KIDEKO has identified the climate risks, namely transition risks and physical risks.

**Transition risks** consist of:

- a. Indonesia's transition to a low carbon economy.
- b. Policy and regulatory risks such as: the increasing number of obligations and mandatory disclosures regarding Greenhouse Gas Emissions including scope 3
- c. Implementation of a carbon tax.
- d. Shifts in market demand caused by changes in consumer behavior; the majority of global consumers have changed the products and services they use due to concerns about climate change.

**Opportunities:**

- a. From the side of Technology: Replacement of products and technologies that tend to produce high carbon emissions with low-carbon products and services, such as electric vehicles and renewable energy.
- b. Opportunity to explore coal downstream commodities which are classified in the New Energy Product category.
- c. The opportunity to implement Carbon Offset is good for reducing emissions.

**Physical risks** consist of:

- a. Extreme heat, drought, and water availability. Due to extreme heat, employees and the community can be injured or fall ill. In addition, extreme heat will cause a lot of dust in the mine, and water sources will dry up, making it difficult for the Company to water and increasing the withdrawal of surface water.
- b. Intentional or unintentional forest fires.
- c. High rainfall causing flood in the mining area, making it impossible to carry out mining activities and hampering operations.

**Opportunities:**

- a. Improving the Company's operational resilience towards climate changes and high rainfall by utilizing AWS (Automatic Water Station). The use of AWS aims to make projections on rainfall and the raining hours to help the Company in estimating its operational activities.

- b. Improving the implementation of Recycled Water by harvesting rainwater to replace the extraction of surface water, especially for watering roads and for warehouse as well as workshop needs.
- c. Utilizing hot weather to help the Company in carrying out its production activities since there are no disruptions such as rain, as well as providing Solar Panel energy source.
- d. Improving the understanding of the community to prevent forest and land fire through Climate Village and Fire Alert Community Programs.

#### **RISK MITIGATION:**

In order to mitigate the risks above, KIDEKO has set the following stages:

1. Carrying out a materiality test, the Company can understand what topics are materially relevant and can affect KIDEKO's operations, supply chain and product life cycle.
2. Conduct scenario analysis by examining various hypothetical outcomes as a result from the transition to a low-carbon economy, and develop plans and strategies to address various possible future circumstances.
3. Identify opportunities by conducting studies on how KIDEKO's operations align with global decarbonization goals, consumer and investor preferences.
4. Set targets for reducing Greenhouse Gas Emissions and energy efficiency as well as 12 other targets according to the materiality test.
5. Disclosing and reporting of the Company's climate risk exposure and opportunities in ESG reports to increase transparency and reduce reputation risks.

Based on the baseline study prepared by McKinsey Consultants in 2021, KIDEKO has 14 material aspects, which are:

1. Reducing the Company's GHG emissions, especially Scope 1 and 2 emissions.
2. Increasing the renewable energy mix.
3. Saving surface water and increasing recycled water.
4. Increasing waste recycling.
5. Land reclamation.
6. Occupational health and safety: zero fatalities.

7. Increasing the number of women in the workforce at KIDECO.

8. Beneficiaries and company contributions to society.

9. Involvement of indigenous people.

10. Increasing understanding regarding sustainability at KIDECO.

11. Corporate governance systems and infrastructure.

12. Risk management systems and infrastructure.

13. Compliance management systems and infrastructure.

14. Human Rights.



## Pillar Matrix and Targets

### ESG MATRIX AND TARGETS

#### 1. Environmental Aspect

Metrics	Unit	Target	Actual
Scope 1 GHG emissions		688,285	868,610
▪ Mobile & Stationary Combustion	KtonCO <sub>2</sub> eq		664,527
▪ Fugitive Emission			204,083
Total Energy Consumption	GJ	12,176,597	12,956,987
Renewable Energy Mix	%	37.0%	39.9%
Water Extraction	m <sup>3</sup>	1,231,926	1,967,271
Recycled and Reused Waste	Ton	4,274.67	9,284
Land Reclamation	Ha	79	79.97

#### 2. Social Aspect

Metrics	Unit	Target	Actual
Safety & Health			
▪ Zero Fatality	People	0	0
▪ Digitalization (Nembayu)	%	100%	100%
Penerima manfaat CSR		322,120	333,131
▪ KIDECO		280,234	
▪ Mitra Kerja		41,886	
Gender Equality			
▪ Gender Action Plan	Document	1	0
▪ Female Leaders (Assistant Manager and above)	People	6	6
▪ Gender Training for Women Employees	People	150	150
▪ Training Gender for Manager and Above	%	60	0
▪ Women Group Empowerment	Group	1	2

#### 3. Governance Aspect

Achievements in the governance aspect were 100% of the targets set. Regarding achievements in the Human Rights aspect, KIDECO has a Human Rights policy that will be socialized to all its employees.

# Stakeholder Engagement [E.4] [2-29]

In order to maintain the Company's business continuity, KIDECO always involves all stakeholders as well as maintain communication in each of its activity. KIDECO identifies its stakeholders based on the interaction and the level influence to the Company.

Shareholders	
Key Topics and Stakeholders' Needs	<ul style="list-style-type: none"><li>▪ Financial Performance.</li><li>▪ Production and business growth.</li><li>▪ Good Corporate Governance (GCG) adjustments.</li></ul>
KIDECO's Response	Committed to building relationships with stakeholders through approaches and engagement according to their respective needs.
Engagement Method, Implementation and Frequency	<ul style="list-style-type: none"><li>▪ Periodic reports on the Company's performance, published as required.</li><li>▪ The Annual General Meeting of Shareholders is held once every year. The 2023 AGMS was held on March 17<sup>th</sup>, 2023.</li><li>▪ Establish a 5-year Strategic Business Plan (SBP).</li><li>▪ Establish an Annual Business Plan (ABP) at least once a year.</li></ul>
Customers	
Key Topics and Stakeholders' Needs	Coal quality, supply and price assurance as per contract.
KIDECO's Response	Implementation of Quality Management System (ISO 9001).
Engagement Method, Implementation and Frequency	<ul style="list-style-type: none"><li>▪ Communication and meetings with customers, at least once a year.</li><li>▪ Customer satisfaction survey. Customer Satisfaction Index 2023 reaches 99.52%.</li></ul>
Government	
Key Topics and Stakeholders' Needs	<ul style="list-style-type: none"><li>▪ Legal Compliance.</li><li>▪ Good environmental management performance, including aspects of energy, water, emissions, biodiversity, effluent &amp; waste.</li><li>▪ Occupational Health and Safety (OHS) implementation.</li><li>▪ Company business growth.</li><li>▪ Good relationship and positive impact on the community.</li></ul>
KIDECO's Response	<ul style="list-style-type: none"><li>▪ Fulfillment of obligations under the Coal Contract of Work (CCOW), including the Post-Mining Plan (RPT).</li><li>▪ Environmental management and mining safety in accordance with good mining practice regulations.</li><li>▪ Corporate social responsibility (CSR) activities.</li></ul>
Engagement Method, Implementation and Frequency	<ul style="list-style-type: none"><li>▪ Payment of taxes and other obligations in accordance with CCOW, including reclamation guarantees.</li><li>▪ Certification of environmental management and mining safety standards, along with periodic audits as required.</li><li>▪ Periodic performance reporting to the Government, conducted as required.</li><li>▪ Participation in PROPER assessment, conducted once every year. KIDECO successfully achieved PROPER.</li><li>▪ Community Development and Empowerment Program.</li></ul>

Employees	
Key Topics and Stakeholders' Needs	<ul style="list-style-type: none"> <li>Safe and healthy working environment.</li> <li>Improved welfare and benefits.</li> <li>Increased competence and career development.</li> <li>The Company has good environmental management policies and systems.</li> </ul>
KIDECO's Response	<ul style="list-style-type: none"> <li>Implementation of Occupational Safety &amp; Health Management System (OHSAS 18001 and SMK3 PP No.50 the Year 2012); and Mining Safety Management System (SMKP).</li> <li>Determination of remuneration and fulfillment of normative rights.</li> <li>Employee training and education.</li> <li>Implementation of the environmental management system.</li> <li>Improvement of employee competence in running a good environmental management system.</li> </ul>
Engagement Method, Implementation and Frequency	<ul style="list-style-type: none"> <li>Conduct daily safety induction and OHS socialization.</li> <li>Implementation of Company Regulations as a substitute for CLA.</li> <li>Implementation of training and KPI assessment once a year.</li> <li>Appointing an employee as an initiator and manager of the environmental management system.</li> </ul>

Local Community	
Key Topics and Stakeholders' Needs	<ul style="list-style-type: none"> <li>Increased welfare.</li> <li>Damage prevention.</li> <li>Environmental pollution.</li> </ul>
KIDECO's Response	<ul style="list-style-type: none"> <li>Community Development and Empowerment (PPM) CSR activities, improving the quality of education, health services and infrastructure development.</li> <li>Standardization of environmental management and mine safety.</li> </ul>
Engagement Method, Implementation and Frequency	<ul style="list-style-type: none"> <li>Periodic dialogue at least once every week or as needed.</li> <li>Conduct stakeholder forums at least once a month.</li> </ul>

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

# Determination of Material Topics

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]

Based on the results of the Kick off Meeting held by KIDECO Internal on December 11, 2023, it was decided that there were no changes to the material topics used from the previous year. These material topics had previously been selected through a review and approval process from the Board of Directors based on significant issues occurring in the mining operations area in Paser Regency and the Head Office in Jakarta, as well as their relation to supporting the achievement of the SDGs.

[2-14]

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

### 1. Understanding Business Context and Identification of Impacts

Identify topics that need to be managed by the Company because they have a significant impact on economic, environmental and social aspects (including human rights), and affect the assessment/decision of stakeholders and the Company.

### 2. Impact Assessment

Assess the significance of the mapped impact by considering the risks and opportunities.

### 3. Prioritization

Prioritize material topics with significant impact, based on stakeholder input and company management discussions.

Through the established material topics, KIDECO strives to align with the Sustainable Development Goals (SDGs) based on the SDG Compass and Metadata Bappenas. In the implementation, KIDECO involves various parties including the government, community institutions, private sectors, academics, and so on. [3-1] [3-2]

Material Topic	Achievements in 2023
Occupational Health and Safety 	<ul style="list-style-type: none"><li>Zero Fatality</li><li>Zero Major Incident</li><li>Zero Kejadian Akibat Penyakit Tenaga Kerja (KAPTK)</li></ul>
Energy and Emissions 	Reducing GHG emission and energy use, and working to increase the use of renewable energy
Local Community Engagement 	Improving the contribution of PPM by increasing the number of beneficiaries
Land Reclamation 	Increasing the number of reclaimed lands
Waste 	<ul style="list-style-type: none"><li>Reducing the volume of B3 waste.</li><li>Increasing the volume of B3 waste treated to reduce environmental pollutions.</li></ul>

Material Topic	Achievements in 2023
Biodiversity 	Conserving endangered species
Water and Effluent  	Increasing the volume of wastewater safely treated
Business Ethics  	<ul style="list-style-type: none"> <li>Zero business practice incidents which is not fair</li> <li>Prevent all forms acts of corruption</li> </ul>
Technology and Innovation  	Applying technology for business efficiency
Gender Equality 	Increasing the number of female employees serving the managerial officials

#### Response to the Feedback from the Previous Sustainability Report [G.3]

As of the end of 2023, KIDECO did not receive feedback from stakeholders on previously published sustainability report. In addition, KIDECO pays attention to feedback provided by assurors on the previous report. Therefore, in this sustainability report, KIDECO tries to convey sustainability information more comprehensively.

	<p>Name : M. Luqman Hakim            Position : Senior Manager            Address : PT Kideco Jaya Agung, Desa Batu Kajang, Kecamatan Batu Sopang, Kabupaten Paser, Kalimantan Timur, Indonesia 76252            Email : luqman.hakim@kideco.co.id            Tel/Fax : +62-543-22522 Ext 46003   fax. +62-543-22520</p>
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# Other Programs that Promote Sustainable Development Goals

## Emergency Ready Society



### Definition of the Program

The community empowerment program includes training and refreshment for disaster emergency response, preparedness in handling disaster (including fire, earthquake, and others). This program involves several parties, including KIDECO's Safety Dept., Local Government and relevant Institutions. This program has been running since 2022 until today and has been successfully implemented in 2 sub-districts.

### Objective

This program aims to educate and improve the capabilities of the community in adapting and mitigating disasters.



#### Stakeholders

- Civil Service Police
- Sub-district Fire Department
- Sub-district and Village Government
- Students



#### Beneficiaries

- Community (Government Officials, RT Representatives)
- Civil Service Police
- Students



#### Expenses

**Rp50 million**



## Definition of the Program

Assisting the community to manage household waste using the 3R principle. The implementation of this program is expected to increase community awareness and concern in reducing the potential burden of environmental pollution and the amount of waste disposal to landfills. This program has been running since 2021 until today.



## Objective

This program aims to reduce final waste and turn them into something productive and economically valuable to support zero waste 2045.



## Beneficiaries

- Solusi Bumi Lestari Waste Bank
- Mangku Awat Village Owner Enterprise
- Binsik Paser Waste Bank



## Stakeholders

- Environmental Department
- Village Government
- Sub-District Government



## Expenses

**Rp200 million**



### Definition of the Program

The PROKLIM assistance refers to the efforts to provide guidance, support, and technical assistance to individuals, groups, or organizations involved in the implementation of the Climate Change Program (PROKLIM). This assistance is provided to ensure that the implementation of the program is effective and efficient, as well as in accordance with the objectives and targets that have been set. This program has been running since 2021 until now and has been implemented in Muser Village, Sungai Terik Village, Songka Village and Janju Village.



### Objective

#### The purpose of Climate Change Mitigation:

- Reducing green house gas emissions: Through policies and programs that aim to increase energy efficiency, using renewable energy, reducing pollution, and reducing deforestation.
- Complying with international conventions: Fulfilling the nation's commitment in the global climate conventions, such as Kyoto Protocol or Paris Convention in reducing green house gas emissions.
- Driving transition to low-carbon economy: Facilitating economic transition to clean energy, sustainable industry, and a more environmentally friendly consumption pattern.

#### Adaptation to Climate Change:

- Improving community resilience: Strengthening infrastructures, early warning systems, and the adaptability of the community in dealing with risks such as floods, droughts, extreme weather, and rising temperatures.
- Adjusting key sectors: Developing adaptation strategies for key sectors such as agriculture, fisheries, forestry, healthcare, and critical infrastructures.

#### Sustainable Development:

- Ensuring sustainable development: Integrating environmental and social aspects in the national and local development policies.
- Improving the well-being of the people: Ensuring that the ProKlim policies and programs have contributed to improving the social, economic, and environmental well-being.



#### Stakeholders

- Environmental Department
- Village Government
- Sub-district Government



#### Beneficiaries

- 4 Village
- 13 School
- 5 Community



#### Expenses

**Rp200 million**

## Arboretum Tandarayan



#### Definition of the Program

This program is the Company's effort to recover and restore lands that have been degraded due to mining activities. This program has been running since the Company was established, as a form of our commitment to minimizing negative impacts on the environment and surrounding communities. By the end of 2023, 45 Ha of lands have been successfully restored by KIDECO.



#### Objective

This program is expected to create ecologically functioning lands that can provide long-term benefits to the environment and local communities.



#### Stakeholders

- Environmental Department
- Ministry of Energy and Mineral Resources
- Ministry of Environment and Forestry (KLHK)



#### Penerima Manfaat

- Community
- Relevant Department



#### Expenses

**Rp3 billion**

# KIDECO's Support Towards Sustainable Development Goals (SDGs)

Throughout 2023, the Company managed to carry out various PPM activities that are in line with the SDGs. The Company involves various stakeholders to realize the development goals and provide the most optimal benefits to the community and future generations.

1 NO POVERTY	Target 2024	Provided 10 Livable houses for the Community
	Strategy	Achievement in 2023
	Building livable houses for the community	Provided 16 liveable Houses for the community

2 ZERO HUNGER	Target 2024	Rp3,8 billion of budget realization for the CANTING program
	Strategy	Achievement in 2023
	<ul style="list-style-type: none"><li>Providing PMT Supplements for stunted children in order to reduce stunting cases</li><li>Socializing stunting prevention to pregnant moms.</li><li>Training medical personnel at the integrated healthcare center</li></ul>	<ul style="list-style-type: none"><li>443 cadres were trained</li><li>150 stunted children under two years old were given supplements</li><li>Rp600 million of budget realization for the CANTING program</li></ul>

3 GOOD HEALTH AND WELL-BEING	Target 2024	<ul style="list-style-type: none"><li>Mobil Sehat Goes to School</li><li>Increasing the capacity of the integrated healthcare center cadres</li></ul>
	Strategy	Achievement in 2023
	<ul style="list-style-type: none"><li>Providing training to medical personnel in the region</li><li>Providing donation of medical facilities and infrastructures</li></ul>	<ul style="list-style-type: none"><li>Mobil Sehat Goes to School with beneficiaries of 313 students in 2 schools</li><li>Provided donation to 4 (four) fostered integrated healthcare center</li><li>Increased the capacity of 309 cadres of the integrated healthcare center</li></ul>

4 QUALITY EDUCATION	Target 2024	<ul style="list-style-type: none"><li>Provide scholarships for 10 students worth Rp1 billion.</li><li>School mentoring and vocational upskill program</li></ul>
	Strategy	Achievement in 2023
	<ul style="list-style-type: none"><li>Training and competency development for teaching staff in the region</li><li>Providing scholarships for employees and local communities</li><li>Facilitating library facilities and infrastructure</li></ul>	<ul style="list-style-type: none"><li>Provided scholarships for 10 students worth Rp1 billion.</li><li>The beneficiaries of the KIDECO Paser Gemilang program were 1,925 students from 24 schools.</li><li>The beneficiaries of education stimulant assistance were 2,353 people from 4 sub-districts.</li></ul>



## Target 2024

Increase the volume of treated and safely processed wastewater

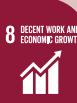
Strategy	Achievement in 2023
<ul style="list-style-type: none"> <li>Development of clean water infrastructure for the community</li> <li>Provision of clean water facilities based on BUMDes</li> <li>Reducing water consumption and wastewater discharge</li> <li>Comply with environmental quality standard requirements</li> </ul>	Installed 246 PDAM SR Meter connections in Biu Village, with a budget realization of Rp1.48 Billion



## Target 2024

- Reduce energy consumption intensity by 1% from the previous year
- Reduce Scope 1 and Scope 2 GHG emission levels and encourage the use of biodiesel-friendly fuels

Strategy	Achievement in 2023
<ul style="list-style-type: none"> <li>Using renewable energy and the application of Bio Diesel B35 and its derivations</li> <li>Promoting sustainable energy efficiency innovation and GHG emission reduction</li> </ul>	<ul style="list-style-type: none"> <li>Application of solar cells for KIDEKO housing</li> <li>Using electric buses and electric motorcycles for operations</li> </ul>



## Target 2024

- Assist 25 MSMEs in Paser District
- Increase the business income of MSME players
- Assist 6 cooperatives

Strategy	Achievement in 2023
<ul style="list-style-type: none"> <li>Facilitating community income sources</li> <li>Assisting the community income in tourism sector</li> </ul>	<ul style="list-style-type: none"> <li>Assisted 25 MSMEs across 7 sub-districts in Paser District</li> <li>Increased the business income of MSME players</li> <li>Assisted 6 cooperatives with 91 members</li> </ul>



## Target 2024

- Construction of Batu Sopang Health Center
- Construction of Batu Sopang WTP
- Construction of Pesisir Village Office
- Development of Samurangau Ecopark Area

Strategy	Achievement in 2023
<ul style="list-style-type: none"> <li>Development and construction of sustainable infrastructure for the company's business and society</li> <li>Technology development through research and innovation for sustainable business (either independently or in collaboration with universities/ICT institutions)</li> </ul>	<ul style="list-style-type: none"> <li>Rigid Samurangau Road - Biu</li> <li>Reparation of Legai Poros Road</li> <li>Construction of Healthy School Canteen</li> <li>Construction of Advent Batu Sopang Elementary School</li> <li>Improvement of clean water facilities</li> </ul>



## Target 2024

- Integrated Farming System 3.0

Strategy	Achievement in 2023
Establishing a plantation development program and assist the construction of access roads to plantation locations	<ul style="list-style-type: none"> <li>Integrated Farming System</li> <li>Repairing plantation roads in Samurangau and Biu</li> </ul>



## Target 2024

MASGAPAR (Emergency Ready Community) in 2 Sub-districts

Strategy	Achievement in 2023
<ul style="list-style-type: none"> <li>Emergency response to natural disasters based on Emergency Response Team (RTD)</li> <li>Emergency Response Training</li> </ul>	MASGAPAR (Emergency Ready Community) in 1 Sub-district



## Target 2024

- Decrease the volume of hazardous and non-hazardous waste generation
- Increase the volume of managed hazardous and non-hazardous waste to reduce the potential and burden of environmental pollution

Strategy	Achievement in 2023
<ul style="list-style-type: none"> <li>Hazardous &amp; non-hazardous waste management</li> <li>Waste management</li> <li>Innovations related to circular economy waste reduction</li> </ul>	<ul style="list-style-type: none"> <li>Assistance to Bumi Lestari Solusi Waste Bank</li> <li>Assistance to Mangku Awat Village Village</li> </ul>



## Target 2024

- Assistance to 2 PROKLIM Villages
- Green Innitiative Program, environmental education to Junior High Schools across Paser District

Strategy	Achievement in 2023
<ul style="list-style-type: none"> <li>Initiatives in climate change mitigation efforts (waste management, use of new energy, reforestation, prevention of forest and land fires) in order to reduce Greenhouse Gas Emissions</li> <li>Education on environmental and climate change prevention</li> </ul>	Assistance to 1 PROKLIM Village



## Target 2024

- Biuku Program (sea turtle conservation in Paser District)
- Assistance for fishermen livelihood tools (boat engine)

Strategy	Achievement in 2023
<ul style="list-style-type: none"> <li>Initiatives in coastal and marine conservation programs (reforestation in coastal and marine business sites)</li> <li>Facilitating the livelihood of people in the fisheries sector</li> </ul>	<ul style="list-style-type: none"> <li>Biuku Program (sea turtle conservation in Paser District)</li> <li>Assistance for fishermen livelihood tools (boat engine) 54 beneficiaries</li> </ul>



## Target 2024

- Tandarayan Arboretum (Conservation of Ex-mining land and areas around the mine)
- Lumbung Kehati, land creation or land restoration for Kehati protection
- Planting Mangroves for the Blue Carbon program

Strategy	Achievement in 2023
<ul style="list-style-type: none"> <li>Initiatives in land conservation programs (reforestation on critical land in the Company's area, in lieu of reforestation)</li> <li>Initiatives in endangered species protection programs (fauna species)</li> <li>Conducting biodiversity studies &amp; management</li> <li>Replanting ex-mining land</li> </ul>	<ul style="list-style-type: none"> <li>Tandarayan Arboretum (Conservation of Ex-mining land and areas around the mine)</li> <li>Lumbung Kehati, land creation or land restoration for Kehati protection</li> </ul>



## Independent Assurance Statement

No. DECAR-IAS/014/03/2024

Provided by **Decar Verite Asia**

On specified disclosures within the scope of work, included in PT Kideco Jaya Agung (KIDECO) 2023 Sustainability Report

### **To: PT Kideco Jaya Agung (KIDECO) Stakeholders**

As an independent licensed provider of sustainability assurance services, Decar Verite Asia has been engaged by PT Kideco Jaya Agung (KIDECO) to provide independent assurance on the information reported in Sustainability Report 2023 the period beginning on 1<sup>st</sup> January 2023 and ending on 31<sup>st</sup> December 2023.

#### **Objective**

The objective of this assurance is to provide an independent opinion on KIDECO qualitative and quantitative information within the scope of work, as well as their supporting management system, stated in the KIDECO's Sustainability Report.

This assurance statement is provided with the intention of informing all KIDECO's stakeholders to assure the overall credibility of the reported information within the scope.

#### **Scope**

The scope of KIDECO's 2023 Sustainability Report and this assurance includes all KIDECO's performance and activities. Decar Verite Asia performed a Type 2 assurance for all material topics reported in 2023 Sustainability Report. All data and information within the specified disclosures, including but not limited to, commitment, initiatives, and performance, were assured to a Moderate Level of Assurance. The procedures include evaluation of the specified disclosures and assessment of samples of evidence to verify the adherence, reliability, and quality of the information against criteria as stated below.

#### **Reference and Criteria**

Decar Verite Asia performed the assurance in accordance with AA1000 Assurance Standard v3 (2020) and ISAE 3000 (Revised). Specific performance data and information were assessed utilizing POJK 51/2017, as national regulation, and globally recognized standards which include GRI 12 Coal Sector 2022, and IFRS S-2.

#### **Responsibilities**

##### **KIDECO**

Preparing the data in accordance with generally accepted reporting practices. This responsibility also includes ensuring the accuracy and completeness of the information reported, implementing and maintaining internal controls relevant to the preparation of the report, ensuring the performance data are fairly stated in accordance with applicable standards, as well as ensuring the data and information are not edited or amended in any way after assurance.

#### **Decar Verite Asia**

Assess collected evidence on the agreed-upon subject matter and criteria according to terms of reference agreed with KIDECO. Decar Verite Asia confirms its independence and impartiality to KIDECO in conducting the assurance engagement.

#### **Methodology**

The assessor team undertook the following activities to render their opinion:

- Initial review of all the material topics of KIDECO's 2023 Sustainability Report to generate a list of evidence needed to ensure the accuracy and credibility;
- Evaluation of management systems to perform data collection, compilation, calculation, reporting, and validation;
- Review and assess performance data collected as regards with the references and criteria used;
- Report the assurance findings to provide opportunity for corrective action;
- Validation of the corrective action to ensure its accuracy;
- Preparation of the statement letter followed by approval as required by the Decar Verite Asia assurance protocols.

#### **Limitations**

Decar Verite Asia planned and performed the work to obtain all the information and explanations believed to be necessary to provide a basis to render a conclusion for a Moderate Level of Assurance. The assurers conducted reviewed governance documents and data, and performed limited recalculations on specific data through risk-based sampling. These processes enabled Decar Verite Asia to reduce the risk of error in our conclusions but does not reduce the risk to zero. Decar Verite Asia does not provide assurance on financial data and information as the KIDECO's has engaged with other parties to verify or audit the financial statements.





#### Statement of Competency and Independence

Decar Verite Asia is an independent licensed assurance services provider. Our team of experts has technical expertise, competency, and extensive experience in conducting assurance engagement over environmental, social, and various other topics in accordance with the AA1000 Assurance Standard. No member of the assurance team has a business relationship with KIDECO beyond the required assignment. Decar Verite Asia conducted this assurance independently and impartially with no conflict of interest.

#### Opinion and Findings

Upon finishing the assurance process, Decar Verite Asia is satisfied that all the specified disclosures within the scope of work are appropriate and reliable. There is no evidence that suggests KIDECO management systems, governance documents, data collection methods, and calculations have material errors. Decar Verite Asia confirms that the information and data within the assurance scope included in the KIDECO's 2023 Sustainability Report, provide material and complete representation of the KIDECO's sustainability performances.

#### Adherence to AA1000 Accountability Principles Standard (2018)

Based on the methodology and activities performed, Decar Verite Asia has found that specified disclosures as stated in the KIDECO's 2023 Sustainability Report within the scope of assurance are in adherence to AA1000 Accountability Principles Standard (2018).

#### Inclusivity

KIDECO has established and performed engagement to significant internal and external stakeholders. The engagement processes were consistently conducted to inform stakeholders of KIDECO performance and/or to identify their expectations. Therefore, Decar Verite Asia can confirm that KIDECO has applied the principle of inclusivity.

#### Materiality

KIDECO has determined the material topics to be disclosed in the sustainability report. KIDECO has demonstrated a schematic process for identifying and prioritizing material topics based on its significance through an impact assessment process. Stakeholders' preferences were also included in determining the material topics. Therefore,

Decar Verite Asia can confirm that KIDECO has applied the principles of materiality. However, KIDECO should have a record of the results during the process of determining materiality.

#### Responsiveness

In addition to its objectives, strategy, and development initiatives, KIDECO is responsive to issues raised by its stakeholders through its materiality assessment process. KIDECO has provided expected information on its material topics with clarity and in line with stakeholders' interest. In conclusion, Decar Verite Asia can confirm that KIDECO has applied the principle of responsiveness.

#### Impact

KIDECO has established the processes to identify, monitor, measure, evaluate, and manage its material impacts. For instance, on non-discrimination, KIDECO has a company policy and code of conduct to internalize the culture of non-discrimination and mitigate incidents, as well as a whistleblower system to manage incidents. Hence, Decar Verite Asia can confirm that KIDECO has applied the principle of impact.

#### Adherence to GRI Standards Principles

All disclosure of each material topic is presented in the report. The disclosures of management approach for each material topic in general are fairly disclosed. The principles to achieving quality sustainability reporting have been applied. Supporting documents were adequately presented during assurance program.

#### Adherence to POJK 51/2017 and IFRS S-2

The report has followed or complied to all POJK 51/2017 reporting requirements. In terms of the adherence to IFRS S-2, the disclosures have been provided in a fair view of all the KIDECO's initiatives and performances during 2023.

#### Conclusions

Based on the methodology and activities performed within the scope of this assessment, nothing has come to our attention that is materially misstated. Specified disclosures have been found to be accurate based on our assurance procedures which are in line with AA1000AS V3 (2020) and Accountability's Principles (2018). This conclusion reduces the risk of error but does not reduce the risk to zero.

Bogor, 18<sup>th</sup> March 2024  
Signed on behalf of Decar Verite Asia

  
Corey Pernieda  
Managing Director  
Decar Verite Asia

 AA1000  
Licensed Report  
000-667/V3-D1YU0



# Appendix

## Total Employees by Organizational Level [405-1]

Position	2023	2022	2021
Director	10	10	10
Vice-Director	6	5	3
GM & Expat	2	6	9
SM	11	6	5
Manager	81	66	49
Asst. Manager	136	127	114
Supervisor	160	159	181
Staff	317	319	252
Non Staff	30	33	19
<b>TOTAL</b>	<b>753</b>	<b>731</b>	<b>642</b>

## Total Employees by Age Range [405-1]

Age	2023	2022	2021
>50 th	143	137	128
41-50 th	178	183	204
31-40 th	205	191	166
21-30 th	227	220	144
<b>TOTAL</b>	<b>753</b>	<b>731</b>	<b>642</b>

Throughout 2023, KIDECO has held 37 competency tests which were attended by 37 employees, including:

- Work Environment OHS Young Expert
- Water Audit for PROPER
- Internal Auditor for Food Security (HACCP)
- Environmental Auditor PP No. 22 year 2023
- Certified Data Centre Professional
- Certified Event Organizer
- Certified Human Resources Professionals (CHRP)
- Certified Human Resources Staff
- Certified Human Resources Supervisor
- Certified International Specialist Data Visualization (CISDV)
- Certified International Specialist in Data Visualization (CISDV) PASAS using Tableau
- Certified Legal Mining Consultant
- Certified Management Accountant
- Certified Professional in Logistic Management
- Certified Strategy Execution
- Training & Certification in Reclamation Planning
- Blasting Training & Competency Test in Mineral and Coal Open Mines (Explosive Office II)
- Training and Certification in Reclamation Implementation
- Training and Certification in Post-Mining Planning
- Young Hygiene Industry (HIMU)
- Internal Auditor ISO 45001
- Internal Auditor ISO 9001
- Internal Auditor in Security Management System (SMP)
- Middle Operational Supervisors (POM)
- First Operational Supervisors (POP)
- Main Operational Supervisors (POU)
- BNSP Certified B3 Management System
- Remote Pilot Certification
- Electricity OHS Expert Certification
- Port Expert Certification
- Hydrology Project Management and River Operations Planning Expert Certification
- Construction OHS Young Expert Certification
- POPAL Competency Certification
- Certification for Monitoring and Analysis of Non-B3 Waste / Solid Waste Management
- Competency test - Education and Training of Forest Processing Technical Personnel (Ganis - PH)
- Welding Inspector BNSP Certification
- Life Cycle Assessment Workshop & Certification

# POJK No.51/POJK/03/2017 Reference

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# GRI Standards Content Index (2021)

Statement of Use	PT Kideco Jaya Agung has reported the information cited in this GRI content index for the period January 1 to December 31, 2023 in accordance to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

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Non-financial provisions made by the organization to manage transition for social and economy of local community, toward sustainable post-mining economy	28					12.3.6
Operational locations where indigenous community are present and influenced by the activity	69					12.11.3
Report if the organization is involved in the process of seeking free, prior, and informed consent from indigenous community in every organizational activity	69					12.11.4
Significant impact to biodiversity by referring to the affected habitats and ecosystems	28					12.5.3
Number and type of the identified complaints from local community	40					12.9.4
Operational locations that caused or contributed to involuntary resettlement is still ongoing. For each location, describe how the livelihood and human rights of the community are affected and restored	69					12.10.2

# Feedback Sheet [G.2]

Sustainability Report is a report that provides an overview of financial performance and sustainability. KIDECO expects input, criticism and suggestions from you regarding the submission of the 2023 Sustainability Report of PT Kideco Jaya Agung.

1. This report is easy to understand
  - a. Disagree
  - b. Neutral
  - c. Agree
2. This report has presented information on material aspects of the Company, both from positive and negative side.
  - a. Disagree
  - b. Neutral
  - c. Agree
3. What material aspects are most important for You: (score 1=most important – 5= less important).
  - Occupational Health and Safety ( )
  - Energy and Emissions ( )
  - Involvement of Local Communities ( )
  - Land Reclamation ( )
  - Waste ( )
  - Biodiversity ( )
  - Water and Effluent ( )
  - Business Ethics ( )
  - Technology and Innovation ( )
  - Gender Equality ( )
4. Please provide your opinion and suggestion about this report

.....  
.....  
.....

## Your Profile

Full Name:

.....

Job:

.....

Institution/Company Name:

Stakeholders Group:

- Government
- Company
- NGO
- Public
- Industry
- Others, please mention.....



Please send back this feedback sheet to:

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