

# **Purpose**

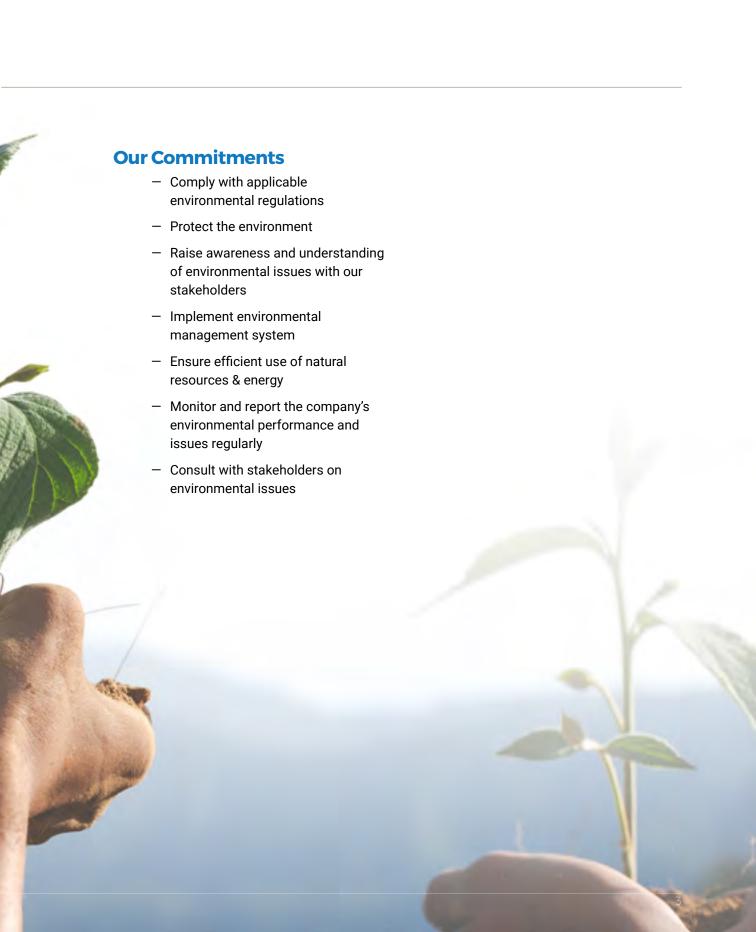
As a leading player in the Indonesian energy sector, we have a responsibility to forge a path that diverges from business-asusual and toward a sustainable future. We recognize that our operational activities may have significant impacts to the environment and thus, acknowledge the role we must play in minimizing these impacts. We are fully committed to conducting our business with care and respect for the environment, and systematically managing risks to drive sustainable business growth.

The Environmental Policy articulates the key elements of our approach and commitments in minimizing negative impacts towards the environment and promoting environmentally responsible practices across our business.

# Scope

The Environmental Policy is relevant to all employees of Indika Energy, Directors and management, as well as third parties including suppliers, vendors, and subcontractors under Indika Energy's direct supervision, or indirectly by Indika Energy. influence over joint





## **Details**

## GHG Emissions & Energy

We aim to reduce emissions from the use of fossil fuels by investing in renewable energy, low-carbon technologies, and decarbonization efforts. In doing so, we will continue to implement innovative strategies to decarbonize our operations. As a holding company, we also continuously assess our business portfolio and make efforts to diversify into low-carbon businesses with strong growth opportunities. We are also committed to working with our contractors and our entire supply chain to improve energy efficiency and accelerate the decarbonization process.

# Waste Management

Waste generation is an inevitable part of the mining process and power generation. However, we ensure that we are constantly seeking ways to reduce our waste footprint. Firstly, careful project planning will be done to minimize the amount of waste generated. Waste that is generated will be collected and separated by type. Waste streams will then be assessed for potential reuse or recycling. Waste will only be sent for disposal to landfill once other options have been exhausted.

We will dispose of waste in a way that causes the least harm to the environment. We maintain, assess, and audit our waste-disposal facilities according to national regulations and internationally accepted guidelines. We also consistently compile and analyze waste data to monitor potential environmental impacts, and most importantly, to enable improvement of waste avoidance, reduction, and management.

### - Biodiversity & Land Use

We understand that keeping Indonesia's forests standing protects endangered species, mitigates flood risk, and helps fight climate change. This is why we will continue to conduct biodiversity monitoring and impact mitigation measures, from pre-mining to the operational stage to post-mining and reclamation.

We are committed to rehabilitating land to minimize negative impacts and maximize benefits. That includes proactively planning and setting aside sufficient funds for closure and rehabilitation. With regards to biodiversity, our ambition is to achieve no net loss or even have a net positive impact. Therefore, we will continue to avoid operating in areas with high biodiversity value and collaborate with organizations to conserve the habitat of endangered species.

#### Water & Effluents

We are conscious of the increasing concerns of our local stakeholders and other local water users regarding ongoing availability and quality of water, security of access and the potential for impacts on water supply. Access to clean water and sanitation is a basic human right, so we aim to minimize our water-related impacts and protect the water sources in the areas where we operate.

In this journey, we strive to keep improving our processes to reduce water withdrawal and consumption, and discover innovative ways to solve water issues. We ensure that the water that we release as effluent falls well below regulatory thresholds for trace elements, turbidity, and acidity. In addition to that, we are also committed to improve and enhance reporting of water use and performance data to our stakeholders.

#### Air Emissions

Our operations produce various types of air emissions such as sulfur dioxide (SO<sub>2</sub>), nitrogen oxide (NOx) and dust. We constantly monitor our air quality at our operational sites and nearby communities, ensuring we have kept air quality and noise levels well within standards of national and global regulations and permit discharge limits. We also

seek innovative ways to reduce these air emissions.

### Risk Management

We identify, assess, and record environment-related risks and activities with actual and foreseeable environmental impacts, including the regulatory, reputational, and market risks related to climate change. To ensure continued management of these risks within our appetite, we implement monitoring and review practices.

### Monitoring & Reporting

As a part of our efforts to improve our ESG practices, we established a mechanism to monitor and discuss environmental performance and issues with the Sustainability Committee on a quarterly basis. In addition to that, we report our performance to our stakeholders through our annually published Sustainability Report. which follows internationally recognized standards, including Reporting Initiative (GRI) standards. We aim to continuously enhance our transparency by implementing effective governance and robust environmental performance reporting.

