

2024



ANNUAL SUSTAINABILITY REPORT



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sinarmas





ESM Site

Note to Readers

This report captures our journey and milestones throughout 2024, reflecting our relentless pursuit of innovation, customer success and positive global impact. While we celebrate the past year's accomplishments, this report also outlines our vision and strategic roadmap for the future. It is important to note that these forward-looking ambitions are based on current expectations and are inherently subject to change due to evolving market dynamics, global climate challenges and unforeseen circumstances. Therefore, our actual future path may diverge from the expectations shared here.



SCDG Site



Attain **Global Leadership** in **Green and Sustainable Product**

At a Glance

As we present the 2024 Sustainability Report, we extend our deepest gratitude to our stakeholders for their pivotal role in our progress. This report not only details key achievements and developments but also sets the stage for our ambitious path forward. We invite you to engage with these findings and collaborate with us. Together, we can drive the meaningful change required to harmonize economic growth with profound environmental stewardship, social equity and long-term resilience.





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CEO's Statement

GRI 2-22



"As we present our 2024 Annual Sustainability Report, I am proud to reaffirm our commitment to sustainability not just as a corporate priority, but as a shared responsibility that defines who we are and how we operate. This year's theme, Sustainability as a Shared Responsibility: Building Resilience, Creating Impact, reflects our belief that sustainability is both a business imperative and a moral obligation. It is embedded in our strategy, our operations, and our values."



Kung Chee Wan

CEO at Sinarmas Cepssa Pte.Ltd Group



At Sinarmas CEPSSA, resilience has been a defining trait of our journey. In the face of global challenges from macroeconomic volatility and supply chain disruptions to heightened climate risks we have remained steadfast in our commitment to sustainable growth. Our teams have demonstrated agility and integrity, ensuring that our operations continue to deliver value while minimizing environmental impact and uplifting the communities we serve.

But we know that real impact requires collaboration. We are deeply grateful for the partnerships we've built with suppliers, customers, communities, and regulators. Together, we are shaping a greener and fairer future. Whether it's aligning on sustainability declarations, co-developing low-carbon solutions, or sharing best practices, we believe that collective action is the most powerful force for change.

We remain committed to embedding sustainability into every layer of our business from how we source and produce, to how we innovate and grow. This commitment continues to evolve as we respond to the changing needs of our planet and the expectations of our stakeholders. Sustainability is not a fixed goal, but an ongoing journey that calls for bold thinking, creative solutions, and care for the people and communities around us.

As we look ahead, our journey will be shaped by our ability to listen, learn, and lead with purpose. By staying true to our values and embracing new ideas, we aim to build a resilient and responsible business that leaves a lasting, positive impact. Thank you for walking this journey with us.

Your Sincerely,

Kung Chee Wan
Chief Executive Officer
Sinarmas CEPSSA Pte. Ltd.



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About this Report

GRI 2-2, 3-1, 3-3

At Sinarmas Cepsta, we firmly believe that sustainable practice is both a strategic imperative for business resilience and a fundamental commitment to our planet and its people. Despite an increasingly complex global landscape, marked by climate change, biodiversity loss and growing social challenges, our resolve to operate sustainably is stronger than ever.

Our structured approach to environmental stewardship is formalized in our comprehensive Sustainability Policy. This framework outlines targeted strategies in critical areas such as optimizing energy consumption, reducing our carbon footprint in line with the Paris Agreement and SBTi targets, advancing circular waste management, conserving water resources and implementing robust pollution prevention systems.

A testament to this commitment is our Dumai facility, which has successfully maintained ISO 14001:2015 certification since 2019. This internationally recognized standard underscores our ongoing, systematic management of environmental impacts and our dedication to continuous improvement in environmental performance. A pivotal element of our climate action strategy is responsible resource management. In 2024, we implemented a wide range of initiatives to reduce consumption and enhance efficiency throughout our operations. By adopting innovative, sustainable technologies and processes, we aim to significantly lower our ecological footprint while simultaneously improving economic performance. These efforts reflect our deep dedication to operational excellence and our pledge to safeguard the environment for future generations.

Our Operational Excellence and Sustainability (OES) Framework represents a holistic approach to embedding sustainable practices into daily business activities. We view sustainability not as a separate goal but as an ethos shaping every decision. This commitment is demonstrated through maximizing material efficiency, advancing circular economy solutions, reducing greenhouse gas emissions and fostering a safe and empowering workplace. Through these concerted actions, we strive to set new industry standards for responsible production while making a meaningful contribution to climate resilience and community well-being.



Company Profile

GRI 2-3

“

We are proud to present the SCPL Sustainability Report 2024, our seventh annual edition, prepared in accordance with the Global Reporting Initiative (GRI) 2021 Standards. This reinforces our commitment to transparency, accountability and alignment with internationally recognized frameworks.

”



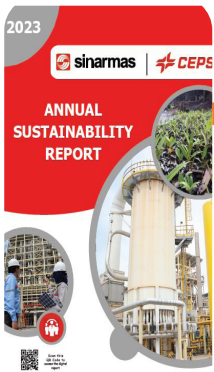
SCDG Site



ESM Site



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2023



2024



Sinarmas Cepsa Pte. Ltd at a Glance

GRI 2-1, 2-6



Group name



Sinarmas Cepsa Pte. Ltd



Product

Fatty Alcohols,
Fatty Alcohols Ethoxylates,
Anionic Surfactants,
Fatty Acids & Glycerine



Site 1

Oleochemical Manufacturing Site
PT Energi Sejahtera Mas



Site 2

Surfactant Manufacturing Site
SCDG GmbH



Head Office

Sinarmas Cepsa Pte. Ltd.
Golden Agri Plaza 108 Pasir Panjang Road,
#05-02 Singapore 118535



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Our Shareholders



Golden Agri-Resources (GAR)

Golden Agri-Resources Ltd. (GAR) is globally recognised as one of the leading integrated palm-based agribusinesses. Founded in 1996, GAR operates in 14 countries. With customers in over 110 countries, including major markets such as Indonesia, China, India, the USA, Latin America, and various locations in Europe and the Middle East, our footprint is global.

Our integrated operations focus on responsible, technology-driven production and distribution of a diverse range of palm-based products. We manage around 536,000 ha of oil palm plantations, including plasma smallholders throughout Indonesia. We actively engage with the communities around plantations through education, infrastructure, and financial security initiatives, knowing that when they thrive, we thrive.

Our downstream refining and speciality product facilities produce high-quality goods for global agronomy, food, oleochemical, and bioenergy markets. Our offerings include a wide array of value-added products such as cooking oil, margarine, shortening, biodiesel, and oleochemicals, enabling us to market palm products worldwide and serve a diverse customer base. We also own over 30 consumer brands.

GAR's extensive distribution network is driven by strong merchandising, branding, and destination marketing strategies. Our integrated approach includes destination refining and ex-tank operations, supported by a robust shipping and logistics network, with strategically located vessels, seaports, and storage facilities around the world. Moreover, our strategic ventures in soybean-based products in China and sunflower-based products in India, alongside our ventures in sugar, canola, sunflower oil and coconut oil, further enhance our reach and influence in the global agribusiness sector.

GAR is supported by a diverse team of over 100,000 employees committed to operational efficiency and sustainable practices. Our investments in research and development ensure we remain at the cutting edge of agronomy and technology, reinforcing our leadership in sustainable palm oil production.

Cepsa

Cepsa is an integrated energy company owned by Mubadala Investment Company and the Carlyle Group which is active in all stages of the oil and gas value chain: exploration and production, refining, transport and marketing of derivatives, biofuels, cogeneration, and marketing of electricity, with close to 10,000 professionals and a presence on five continents.

Cepsa has developed a global leading chemicals division through a diversified portfolio with production plants in Europe, Americas and Asia which are very closely integrated with the oil refining activities.

- World leaders in LAB and LABSA, raw materials for biodegradable detergents.
 - World leaders in the production of cumene
 - World's second largest producer of phenol and acetone
 - Leaders in solvents sector in Spain, UK and Italy
- Cepsa Chemicals produces high value-added products with no end of applications that improve people's lives: plastics, cosmetics, shampoos, bio-degradable detergents, paints, electronic components, pharmaceutical products and much more. In line with its commitment to innovation, product quality and value chain sustainability, Cepsa Chemicals has developed a Multigenerational Plan to also lead the transition for the industry towards more sustainable products and processes.



Vision, Mission and Values

Our Vision

To become a global leading player in the fatty alcohol surfactant market focused on creating value for our customers and stakeholders while being a responsible and sustainable corporate citizen in all the communities where we are present.



Attain **Global Leadership** in **Green and Sustainable Product**



Our Mission

- 1 Establish a global manufacturing and marketing footprint
- 2 Develop distinctive competitive advantages in technology and manufacturing capabilities
- 3 Achieve excellence in safety, operations and supply chain.
- 4 Provide innovative solutions, reliable quality and services for our customers
- 5 Attain global leadership in green and sustainable products

Our Values



Sustainability and Safety

Our commitment to the safety of people and facilities in daily operations, analysis of risks and the management of change process, the organization and products, as well as the involvement of all personnel in prevention activities. We take ownership with maximum respect to all stakeholders, community and environment for a sustainable future.

Continuous improvement

We are proud of our work and continue to improve our performance to achieve the desired results and take corrective actions for continuous improvement efforts

Innovation

We are constantly looking for better approaches and embracing change to adapt our business to the global market and customer demands

Solidarity

We work in unity amongst individual with common interest, positive attitude and mental support within a group

Integrity

We value professional honesty, trustworthiness and high ethical standards for our stakeholder



Location of Operation

GRI 2-3, 2-6



MANUFACTURING



MARKETING OFFICE

SCDG GmbH
Fritz-Henkel-straBe 8
Genthin, Germany



HQ, Pasir Panjang Rd
Golden Agri Plaza
Singapore



PT ESM
Lubuk Gaung, Dumai
Riau, Indonesia



Sinarmas Cepsa Pte Ltd (SCPL) operates two main manufacturing plants in Dumai, Indonesia, and Genthin, Germany, with its head office and commercial divisions based in Singapore. Throughout the 2024 reporting period, our operational and supply chain frameworks remained stable with no major alterations.

Our Dumai facility recorded significant output, producing 281,757 tons of products, consisting of 64 % fatty alcohol, 25 % fatty acids and 12% glycerin. Meanwhile, our Genthin facility manufactures surfactants, using part of the fatty alcohols from Dumai as feedstock. Our products reach customers in over five continents, reflecting our broad international presence and global impact.



ESM Site



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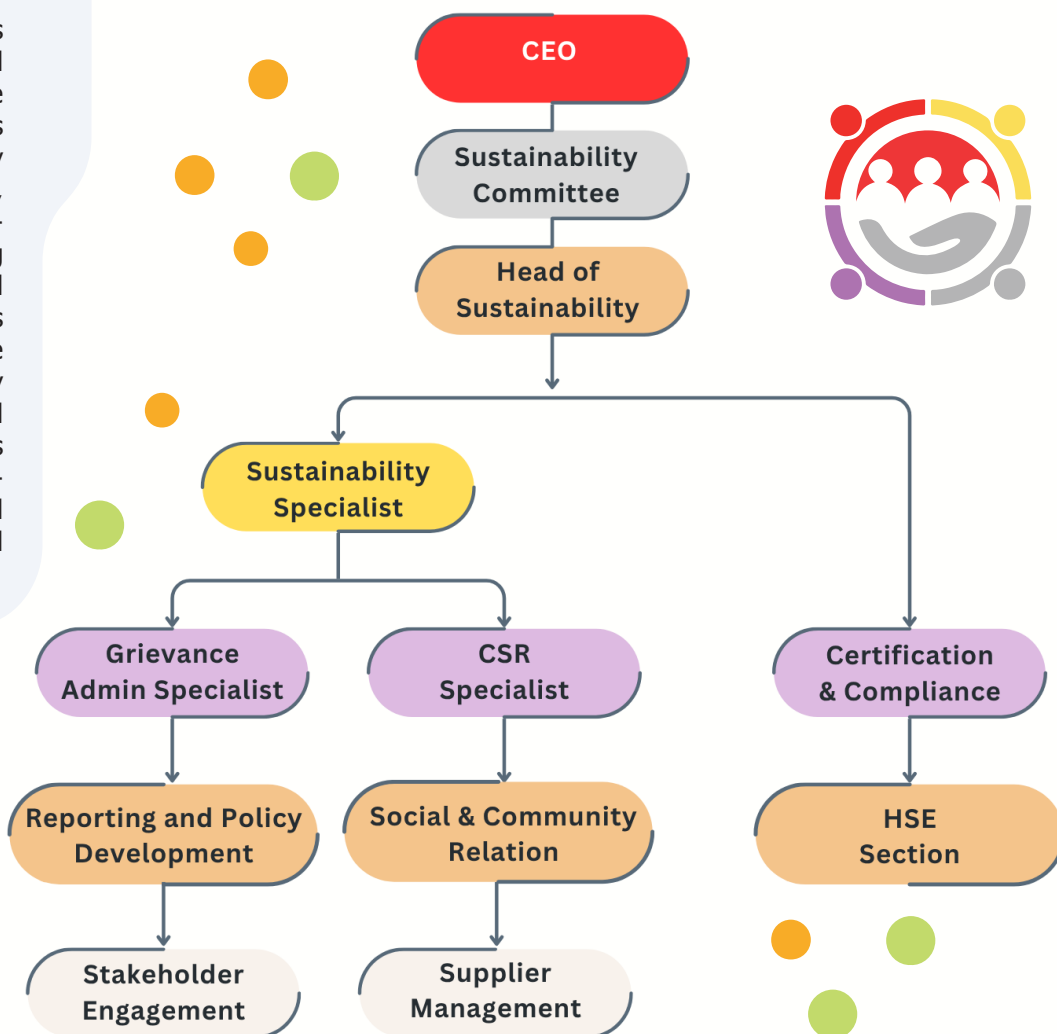
Governance Structure

GRI 2-9, 2-10, 2-12, 2-13, 2-14, 2-17, 2-18



At SCPL, sustainability is deeply embedded within our corporate governance structure, ensuring rigorous oversight, clear accountability and strategic integration at every level of the organization. Our sustainability agenda is overseen directly by the CEO, supported by a dedicated Sustainability Committee that conducts ongoing evaluations and progress reviews. This committee plays a central role in advancing environmental responsibility, social commitments and human rights protection across our operations and supply chain.

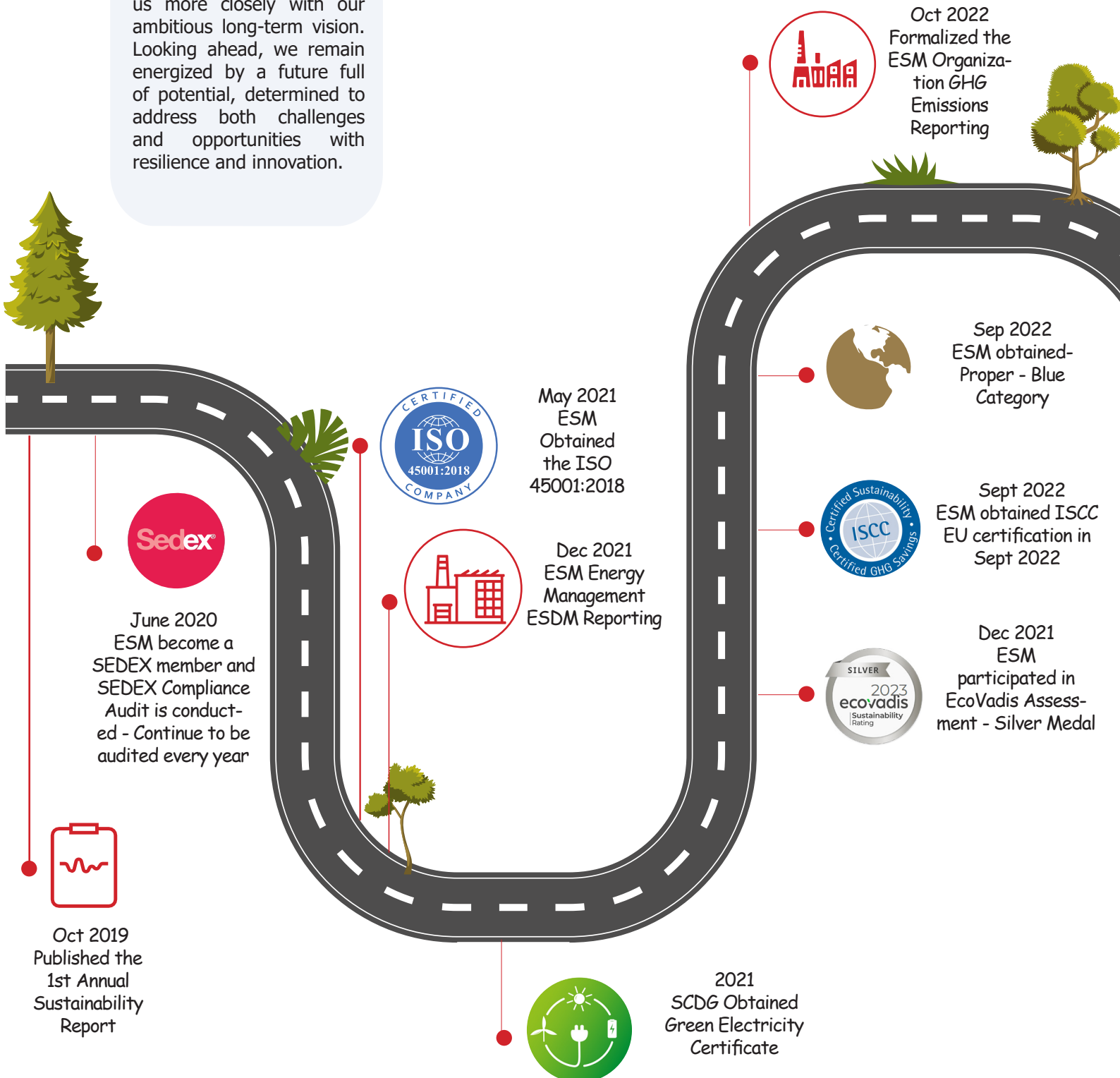
The guiding principles of our sustainability and governance efforts are anchored in the Company's Social and Sustainability Policy (SSP.01.2018.SUS), which provides a structured-frame work for managing environmental, social and governance domains. This framework ensures the integration of sustainability targets into all operational units, driving continuous improvements in environmental performance, social accountability and ethical business practices.



Our Milestone



This milestone is more than the passage of time it is a reflection of shared progress, innovation and collective growth. Each step forward strengthens our foundation and aligns us more closely with our ambitious long-term vision. Looking ahead, we remain energized by a future full of potential, determined to address both challenges and opportunities with resilience and innovation.



Attain **Global Leadership** in **Green and Sustainable Product**



2023
SCDG Obtained
ISO 14001:2015
Certification



2023
SCDG Parti-
cipated in CDP
Assessment



2024
PT ESM conducted
external verification of its
product carbon footprint,
covering Cradle-to-Gate
processes in accordance
with ISO 14067 standards.



2026
ESM will conduct an
energy audit for the
second time.



2025
PT ESM will undergo external
verification Low product
carbon footprint, covering
Cradle-to-Gate processes and
Biogenic carbon content.



2027
PT ESM and
SCD to
commercialize
the Low Carbon
Fatty Alcohols
and Low Carbon
SLES.





Our Sustainability Principles

GRI 2-23, 2-24

Principle 1: Environmental and Energy Management

1. Maximize energy performance, reduce operating expenses and increase shareholder value by actively and responsibly managing energy consumption.
2. Demonstrate commitment to our community and leadership in our industry, by reducing environmental impacts associated with energy use.
3. Report and reduce greenhouse gas emissions.
4. Improve Waste Management.

Principle 2 : Social and Community Engagement

1. Respecting the right of local communities to be informed and consulted about company's activities.
2. Responsible handling of concerns, complaints and grievances.
3. Responsible resolution of conflicts.
4. Open and constructive engagement with local, national, and international Stakeholders.
5. Positive economic, social and community development.
6. Empowering people through community development programs.
7. Respecting Human Rights.

Principle 3 : Work Environment and Industrial Relations

1. Recognizing, Respecting and Strengthening the rights of workers
 - a. Practice ethical recruitment.
 - b. Prohibit the use of child labour and take measures to prevent the use of such labour in connection with our activities.
 - c. Prohibit the use of forced or bonded labour and take measures to prevent the use of such labour in connection with our activities.
 - d. Provide employment contracts to all workers in a language they understand.
 - e. Ensure our wage administration including distribution, schedules and language used are direct, timely and clear.
 - f. Ensure all workers are paid a wage equal to or exceeding the legal minimum wage.
 - g. Production target is used to calculate premium on top of the minimum wage.
 - h. Ensure working hours meet legal requirements.
 - i. Ensure all overtime is voluntary and compensated at a premium rate consistent with national law or Collective Labor Agreement (CLA).
 - j. Respect workers' freedom of association and the right to collective bargaining.
 - k. Ensure diversity within our workforce.
 - l. Practice zero tolerance of sexual and all other forms of harassment and abuse.

Principle 4: Market Place and Supply Chain

1. Traceable and transparent Supply Chains.
2. Support to suppliers.
3. Due diligence approach.
4. Compliance with all relevant national laws and international certification principles and criteria.

Principle 5 : Innovation Through Technology & Development

1. We embrace technology innovation as part of our business process enhancement to meet customers' needs for on spec environmentally friendly products aligned to Quality Management System that we apply to all areas where SCPL operates. SCPL innovates to enhance its business process and deliver value to its customers.
2. Continuous Improvement and Innovation drives our team to review and find new ways to promote the efficiency and effectiveness of our business processes and products. We value new innovative ideas or initiatives from our internal stakeholders.



Attain Global Leadership in Green and Sustainable Product

Supply Chain

GRI 2-6



We recognize the significant role our business operations and supply chain play in advancing global sustainability goals. Therefore, we are dedicated to promoting responsible practices that reduce environmental impacts, safeguard human rights and guarantee ethical sourcing. Our sustainability approach spans the entire supply chain from supplier selection and partnership engagement to product design and distribution. Through collaboration with partners, NGOs and local communities, we aim to build a resilient, transparent and inclusive value chain that generates positive social and environmental outcomes. In 2024, SCPL maintained operational consistency and product stability compared to previous years. This stability allowed us to intensify efforts to refine and scale up sustainability initiatives within our existing framework.



1

ESM RECEIVES MATERIAL

Receipt of CPKO and other palm based raw materials from Suppliers.

2

ESM OLEOCHEMICAL MANUFACTURING

Oleochemical products are produced at our world class manufacturing site.

ESM PRODUCT MARKETING

ESM's products are exported globally including to the SCDG site.

3

SCDG MANUFACTURING PROCESS

A portfolio of surfactants are produced.

5

SCDG PRODUCT MARKETING

SCDG'S products are mainly for the European market.

6

4

SCDG RECEIVES MATERIAL

Receipt of Oleochemical products from ESM and another intermediate supplier.



External Initiatives

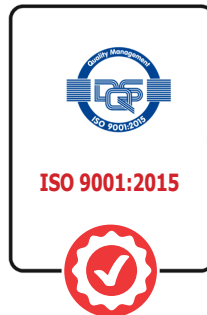
GRI 2-28, 416-1



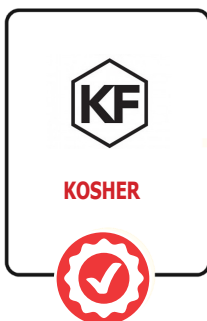
As a testament to our commitment, PT Energi Sejahtera Mas, SCDG, and our global headquarters successfully achieved and maintained a wide range of internationally recognized certifications. These achievements highlight our rigorous adherence to global benchmarks, excellence in environmental management and commitment to responsible sourcing, labor rights and ethical practices.



SDG Certification



Headquarters Certification



ESM Certification



Attain Global Leadership in Green and Sustainable Product

Our Commitment to Sustainability

GRI 2-3, 2-28, 3-1



Membership of Association



Paguyuban Sinar Mas

APOLIN



AOMG



Our dedication to sustainability is founded on the principle that the vitality of our planet is inextricably connected to the prosperity of our communities, economies, and societies. We understand that the decisions we make today profoundly influence the world we leave for future generations. Central to our sustainability approach is a resolve to minimize our environmental impact while simultaneously driving innovation and sustainable growth. We strive to embed sustainable practices into every facet of our operations from responsible material sourcing and energy management to the development of eco-conscious products and meaningful community engagement. Since 2017, SCPL has grown into a globally recognized leader in the oleochemical and surfactant industries. Our ongoing business success reflects our unwavering commitment to sustainability.

Through strong collaborations with stakeholders, including government bodies, non-governmental organizations, trade associations, suppliers, and customers. SCPL is uniquely positioned to contribute meaningfully to environmental management, innovation, optimization, product development) and enhancement in the regions where we operate. We place great emphasis on listening to and learning from the communities we serve. Their voices directly shape our initiatives, ensuring that what we build together is both relevant and resilient. Through inclusive dialogue and joint action, we aim not only to reduce our ecological footprint but also to expand access to education, economic mobility, and supporting local culture and religious activities.

SCPL's network of partnerships amplifies our ability to drive meaningful progress. Together, we are opening doors to greener technologies, fairer supply chains, and brighter futures proving that what is good for the planet is also good for business and society. We implement a systematic and in-depth approach to review and guide our actions, ensuring their outcomes are evaluated holistically. This process allows us to carefully examine the broad implications of our activities on local communities, workforce well-being and ecological systems.



PEOPLE

We are committed to creating a safe, inclusive workplace that supports employee growth and development. Through continuous training, fair labor practices and community engagement, we strive to enhance well-being and strengthen the foundation of our company's sustainability.



PROCESS

Continuous improvement

Integrating a mindset of innovation and continuous improvement into our DNA allows us to not only reach operational excellence but also actively contribute to societal well-being and the protection of our environment.



IMPACT

Our commitment is to ensure every activity at our production sites creates meaningful, long-term sustainable value that spans multiple dimensions. We define success broadly: not just by volume and profit, but by the positive impact we have on the environment, local economic development, and the health of our workforce and communities



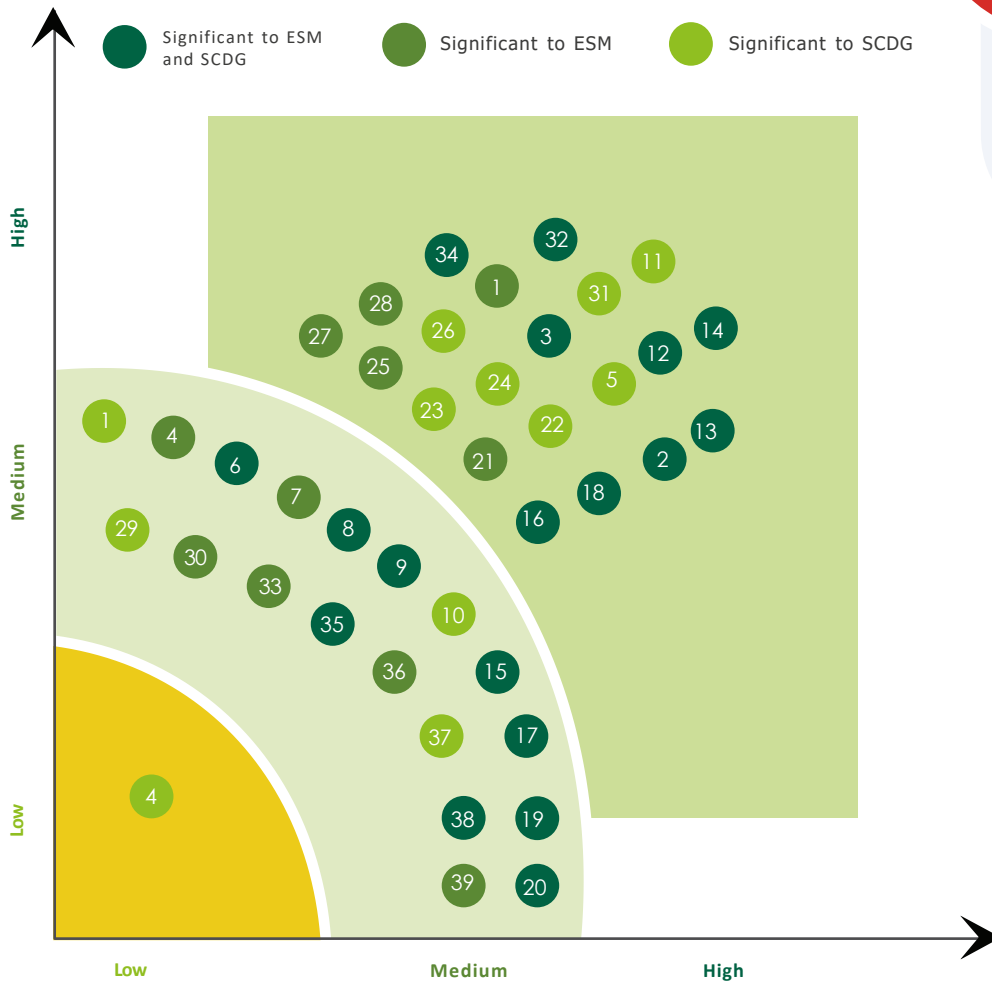
We grant our employees the autonomy and necessary support to innovatively address waste minimization, resource preservation, and the prevention of air and water pollution. Through awards and acknowledgment programs, we stimulate inventive thinking and nurture a workplace culture that prizes eco-conscious creativity. In parallel with these internal efforts, the endeavors featured in the "Our Milestones" segment illustrate our steadfast dedication to continuous advancement. We have allocated considerable financial and human capital toward the development and execution of multiple sustainability-focused operational projects.



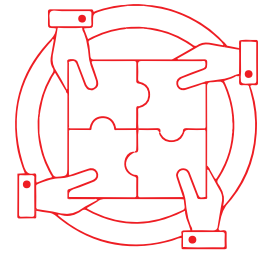
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Engaging Our Stakeholders

GRI 2-29, 2-30, 3-2



Engaging stakeholders is fundamental to establishing sustainable and accountable governance. A primary goal is to ensure the organization remains attentive to and aligned with stakeholder expectations. To facilitate this, we conduct focused group discussions to identify key concerns and priorities related to our manufacturing operations at PT Energi Sejahtera Mas in Dumai, Indonesia, and SCDG GmbH in Genthin, Germany. These dialogues enable us to integrate stakeholder insights meaningfully into our strategic planning and operational execution.



Key concern Employee

- 1 Career Growth
- 2 Health & Safety
- 3 Wages & Benefit
- 4 Ethics and culture
- 5 Job Security

Key concern Local Community

- 6 Local Economy Growth
- 7 Basic Village Infrastructure Development
- 8 Employment Opportunity
- 9 Air and water pollution
- 10 Demography/secure young generation
- 11 Impact on environment and regulatory compliance

Key concern Shareholders

- 12 Profitability
- 13 Business Continuity
- 14 Compliance to relevant law
- 15 Organization carbon footprint reduction

Key concern NGO

- 16 Environmental protection and social issues
- 17 Collaborative Project

Key concern Local Industry Group Association

- 18 Information Sharing
- 19 Strong voice to industrial benefit
- 20 Trainings

Key concern Customer

- 21 Product Safety
- 22 Low carbon product
- 23 Labor and human right issue
- 24 Sustainable Supply
- 25 Management system Certification
- 26 Ethic and good governance
- 27 Product Quality
- 28 Price
- 29 Compliance with contractual requirements and delivery deadlines

Key concern Supplier

- 30 Business opportunity
- 31 Payment
- 32 Local supplier priority
- 33 Ethic and good governance
- 34 Exclusiveness
- 35 Continual business engagement
- 36 Commitment annual minimum orders

Key concern Government and Regulatory Body

- 37 Compliance to the Regulation
- 38 Rehabilitation of Coastal Areas
- 39 License and authorization



Anti Corruption

GRI 205-1, 205-2, 205-3



We maintain a strict zero-tolerance policy against all forms of extortion, bribery, and corruption, whether through monetary means, gifts in kind, or any other form of undue advantage. Any abuse of power or position for personal or organizational gain is strictly prohibited. Our commitment to ethical conduct requires that all employees and partners adhere to the highest standards of integrity, transparency, and accountability in every interaction and transaction.



The acceptance or provision of any form of compensation whether monetary, in-kind, discounts, commissions, gifts, or other benefits is strictly prohibited. This policy applies to all employees, partners, and representatives acting on behalf of the organization. We are committed to maintaining the highest standards of integrity and ethical conduct in all business dealings, ensuring decisions are made impartially and free from undue influence. Any violation of this principle will result in serious consequences, in alignment with our zero tolerance approach to corruption and unethical practices.



All employees are expressly forbidden from misusing, misappropriating, or stealing any company assets, including but not limited to intellectual property, confidential proprietary data, and physical property. This policy extends to the deliberate provision of false, misleading, or deceptive information to any internal or external parties. Upholding integrity, transparency, and accountability in the use of company resources and communication is mandatory. Violations of these standards will result in strict disciplinary measures, in accordance with our commitment to ethical business practices and legal compliance.

At Sinarmas Cepssa, we are unwavering in our dedication to ethical behavior and integrity, enforcing a zero-tolerance stance against any form of corruption. Our organizational culture and governance framework are deeply rooted in our pledge to actively oppose corrupt practices. We strictly comply with all relevant anti-corruption legislation, such as the Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act, and our Code of Conduct explicitly forbids bribery, extortion, and other unethical behaviors. To reinforce this commitment, we have implemented comprehensive anti-corruption policies and procedures throughout our operations and supply chain. We ensure that every employee, partner, and supplier is aware of their obligations and is held responsible for adhering to these standards. Regular training sessions on anti-corruption measures are mandatory for our staff, and we perform extensive due diligence before establishing any business partnerships.

To enhance our internal oversight, we utilize a multi-level authorization framework for tendering and procurement activities. This structured approach substantially reduces the potential for fraudulent behavior by requiring approvals from various stakeholders at each stage, thereby promoting accountability and transparency. We demand integrity and openness in all interactions, whether with clients, suppliers, government entities, or other third parties. Every transaction is accurately documented and subject to rigorous auditing to eliminate the possibility of hidden arrangements. To tackle the critical concern of potential corruption, we provide a specialized and confidential whistleblower channel, allowing employees, vendors, and stakeholders to safely report any dubious behavior or corrupt practices without concern for reprisal.

We are pleased to note that in 2024, no complaints or accusations of corruption were raised. While this is an encouraging outcome, it does not mark the conclusion of our efforts. We persistently improve our internal protocols and governance structures to proactively prevent corruption, guided by our dedication to transparency, responsibility, and ethical operations.



All complainants may submit a report to :
E-mail: whistleblower@sinarmascepsa.com



Attain Global Leadership in Green and Sustainable Product

Grievance Handling

GRI 2-3, 2-26, 2-27



01



Receipt of Grievance Report

02



Verification

03



Grievance Ranking to Prioritize Action Plans

04



Preparation of Action Plan to Remediate the Grievance

05



Executing the Action Plan (Grievance Handling)

06



Monitoring and Evaluation

07



Closure of Grievance Case



All complainants may submit a report to :
E-mail: grievance@sinarmascepsa.com

Sinarmas Cepsa is dedicated to upholding an accessible and transparent grievance management system that encourages constructive dialogue with all stakeholders, including employees, customers, suppliers, and community members. We believe that addressing concerns effectively is essential to fulfilling our social responsibilities and reinforcing trust among those we engage with. Our grievance mechanism is designed to be fair, efficient, and confidential, allowing for timely investigation and resolution of raised issues.

We treat stakeholder feedback as a valuable resource for refining our policies and fostering a culture of accountability and mutual respect throughout our operations. To ensure inclusivity and meaningful engagement, we place special emphasis on addressing concerns voiced by local communities, non-governmental organizations, human rights advocates, and social activists. A formal complaint process is established to manage social and environmental impacts, with initial assessments handled at the site level. The Sustainability team lead oversees this process, contributing expertise to achieve thorough and sustainable resolutions while implementing preventive measures to avoid recurrence.

The company is committed to promptly responding to every issue that arises and ensuring that the same issue does not occur again in the future. Confidentiality is a cornerstone of our grievance system. The identity of complainants remains protected unless they consent to disclosure for further action, acknowledging the often-sensitive context of such reports. Sinarmas Cepsa applies the principles of Good Corporate Governance (GCG) in its daily operations to maximize company value, enhance performance and contribution, and ensure long-term sustainability.

Aligning team behaviour with company goals is crucial for the effective implementation of these principles. We expect unwavering honesty and ethical adherence in all business and operational activities. Every employee is required to adhere to the company's Code of Conduct, which sets expectations for ethical and professional behaviour within and outside the organization. To reinforce compliance, we follow protocols outlined in the Company Code of Conduct, Conflict of Interest Statement, and Integrity Pact. The Company Code of Conduct is communicated through various channels such as email, the corporate website, visual displays, forums, and digital platforms to ensure all staff informed. In 2024, no grievances were reported, reflecting our ongoing commitment to maintaining a respectful and compliant.

Ethics and Compliance

GRI 2-30, 205-2, 401-2, 406-1, 407-1, 408-1



In an increasingly complex and interdependent global landscape, trust is established through ethical conduct and strict adherence to laws and regulations. Our commitment to ethics and compliance is not just a policy but a fundamental value that guides all our decisions and actions. We believe that integrity is crucial for long-term success. This dedication motivates us to operate transparently, be accountable, and uphold honesty, creating a culture where ethical standards are ingrained in every aspect of our work. Sinarmas Cepsta commits to full compliance with all applicable laws and regulations in all our operations. We also adhere a zero-tolerance approach to any form of corruption and bribery. To ensure a safe and security of reporting any violations of our ethics policy and code of conduct, we have implemented a whistleblower procedure. This procedure is accessible to both employees and external stakeholders and utilizes the same communication channels as general complaints and grievances.



**Statement
of Vision
and Mission.**



**The Importance
of Company's
Code of
Conduct.**



**We act
responsibly,
guided by
our culture
and values**



**Company's
Ethics Policy
and Employee's
Ethics Policy.**



**Guidelines for
Implementing
the Company's
Code of
Conduct.**

Ethics and compliance are integral to our identity and operations. By integrating these values in all aspects of our business, we mitigate risks, protect our reputation, and foster a culture of trust. This empowers our employees, enhances teamwork, and promotes sustainable growth. We are committed to upholding the highest ethical and regulatory standards, understanding that earning and maintaining the trust of our stakeholders and communities is essential to our mission. We also respect to the human rights of the people we work and interact with as well as those impacted by our operations. This includes our employees, external stakeholders and indigenous and local communities where we operate.



Attain Global Leadership in Green and Sustainable Product



The ETI Base Code practice, which consists of nine elements cascaded into a policy that must be followed by all of our stakeholders, has also been adopted by us.

1. Employment is freely chosen

As stated in its official Code of Conduct (CoC) policy, SCPL has a formal ethics and compliance policy. Each and every employee is given a copy of the CoC, and it is their duty to read, comprehend, and adhere by its contents. Our personnel also receive pertinent training on topics related to ethics and compliance.

2. Freedom of association

SCPL and its business entities seriously uphold the prohibitions against forced labor and workplace discrimination. A candidate's qualifications, experience and competency are taken into account while hiring them. Our third-party employees are also subject to this policy, and our human resources department periodically audits them to make sure they are following it.

3. Working conditions are safe and hygienic

To ensure a safe and healthy working environment for our workers and contractors, SCPL and its business units adhere to the law and implement the ISO 45001 standards. Both employees and contractors receive training and have specific work safety protocols outlined. The business provides emergency facilities, safety tools and equipment and personal protection equipment to always ensure the safety and well-being of its employees in order to comply with statutory requirements for safe and hygienic working conditions.

4. Child labour shall not be used

When it comes to hiring employees, SCPL scrupulously abides by the ILO's standards as well as any applicable laws and rules, such as those governing minimum age requirements. In accordance with legal requirements, our Human Resources department also routinely submits employee related data (such as age) to the Local Labour Office.

5. Living wages are paid

The minimum wage requirements are strictly complied with by SCPL and the companies it owns. The Company offers qualifying employees benefits that are in addition to a monthly wage, including food allowances, shift allowances and subsidized loans for motorbikes and cars. To provide a smooth, fluid and transparent compensation system, our company in Dumai uses an integrated software system to connect its staff attendance records, overtime tracking and transparent remuneration system.

6. Working hours are not excessive

We make sure that all of our businesses located in various geographic locations adhere to local rules regarding working hours. Working overtime is optional, closely supervised and adequately compensated in accordance with the law.

7. No discrimination is practised

We support equal opportunity for all people and abhor any sort of prejudice, whether it be based on someone's color, caste, religion, nationality, age, physical or mental limitations, gender, marital status, sexual orientation, union membership or political affiliation. This holds true for all of our human resource procedures, including hiring, getting access to training, getting promoted, getting fired, or retiring.

8. Regular employment is provided

Work is performed at all of our locations in strict compliance with the local employment regulations. We constantly stay up to date on current employment rules and make sure we abide by them at all times.

9. No harsh or inhumane treatment is allowed

Sexual harassment, sexual assault, intimidation, or any other forms of abuse that violate our Code of Conduct about how we handle our Employees are not tolerated. In accordance with our company policy and any applicable laws controlling such activities, proven violators will be dealt with appropriately.

Social Performance

GRI 3-3



sinarmas



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At Sinarmas Cepsa, the safety of our people and the protection of our resources are our top priorities. The health, safety and well-being of our employees are essential to the success of our operations. Our leadership is fully committed to implementing initiatives that strengthen our safety culture with the goal of preventing workplace incidents. We enforce strict health and safety measures to minimize the risk of accidents and incidents. This dedication is reflected in our official Health, Safety, Environment and Quality (HSEQ) policy. We recognize that fostering a robust safety culture is essential for complying with occupational health and safety regulations. We have set clear, non-negotiable rules and practices to ensure the safety of all employees and contractors.

These standards are applied consistently across all operations, as outlined below:

Indonesian Regulation:

1. Indonesia Law no. 1 (1970) governs occupational safety and health, including rules, advice, supervision, work accidents, and an Occupational Health and Safety Steering Committee.
2. Regulation of the Minister of Manpower No. 11 of 2023
3. Indonesia Law No. 11 of 2020 on Job Creation replaces UU No. 13.
4. Local norms, legislation, and best OSH practices for all sites and offices.

Germany Regulation:

1. The ArbSchG (Occupational Safety and Health Act) is a German law that mandates regular security checks and four annual meetings with an Occupational Safety and Environment Committee to improve employee safety and health at work.
2. ArbZG "Working Hours Act" controls employees' minimum and maximum working hours.
3. "JArbSchG" (Youth Labor Protection)

Our steadfast commitment to these principles highlights our dedication to creating a safe, secure and legally compliant work environment. By prioritizing the well-being of our employees, we not only fulfil regulatory requirements but also nurture a culture of care, responsibility and operational excellence.



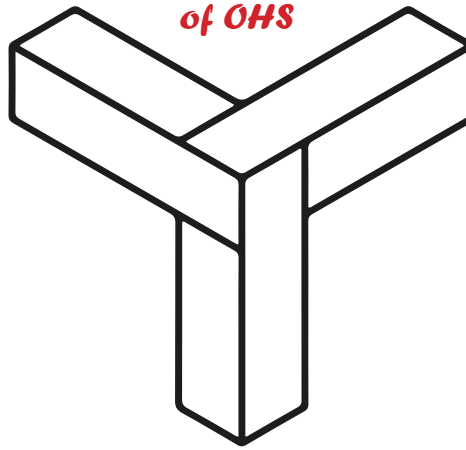


1. Mindset

A strong health and safety culture is always evolving and improving. We regularly review our safety practices, policies, and procedures to identify areas where we can do better, ensuring that our approach remains effective and relevant. At the core of our safety philosophy lies the fundamental belief that safety is not just a set of rules to follow, but a shared value to be embraced by every individual. We are dedicated to changing mindsets and increasing employee awareness about the crucial importance of maintaining both workplace and personal safety. This effort goes beyond mere compliance; it is about creating an environment where safety is acknowledged as a collective responsibility, essential to our daily actions and decisions.

We aim to cultivate a proactive culture where each employee feels personally responsible not only for their own well-being but also for that of their colleagues. This shift in perspective from safety being a regulatory requirement to safety being a fundamental personal and collective value empowers our teams to recognize hazards, voice concerns, and actively contribute to establishing a safe work environment. Through ongoing communication, training, and leadership support, we are fostering a unified community where safety is deeply embedded in our identity and operational practices.

Three Pillars of OHS



2. Knowledge

All employees must understand that safety, quality, and environmental responsibility are interconnected pillars within the Occupational Health and Safety (OHS) framework. This awareness is fundamental to our daily operations, where following standards not only guarantees safety but also enhances efficiency and sustainability. All employees receive thorough routine training on health and safety topic.

These ongoing training sessions give our team the knowledge and skills they need to handle potential risks confidently. By providing ongoing training and promoting consistent communication, we ensure that every team member has the required knowledge to incorporate these principles into all activities and choices. This strategy not only reinforces our safety culture but also fosters operational excellence and promotes long-term environmental stewardship.



3. Response Speed

Employees undergo rigorous training to respond swiftly and effectively to various emergency scenarios, such as fires, chemical spills, structural failures, and extreme weather events. This training ensures that each team member can act decisively under pressure, reducing risks to personnel, assets, and the environment. Regular drills and real-time simulations reinforce the protocols and technical skills necessary to manage crises with precision and coordination. Our objective is to still a state of constant preparedness, where rapid response becomes an instinctive reaction.



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Initiatives

We uphold a robust framework of Operational Excellence Standards, guided by our comprehensive Quality, Health, Safety and Environment (QHSE) management system. This system ensures consistent oversight of all critical activities across our operations. Every employee and contractor operating within our facilities is required to comply with these established procedures. The Operational Excellence Standards encompass the following key operational processes:

1. Permit to Work
2. Working at Heights
3. Transfer of Products
4. Management of Change
5. Lockout Tagout
6. Confined Space Entry
7. Motorized Vehicle

We consistently evaluate the relevance and effectiveness of our Occupational Health and Safety (OHS) practices across all operational sites. These assessments are conducted twice a year under the guidance of site senior management and key operational leaders. Performance indicators such as the Health, Safety and Environment (HSE) matrix, Permit to Work (PTW) compliance, incident frequency and case statistics are systematically reviewed and analyzed. The HSE Key Performance Indicator (KPI) matrix is regularly updated to ensure alignment with current operational realities. This ongoing evaluation enables us to measure the true performance and resilience of our site-specific HSE systems. By prioritizing proactive prevention over reactive measures, we continuously strengthen our commitment to a safe and sustainable workplace.

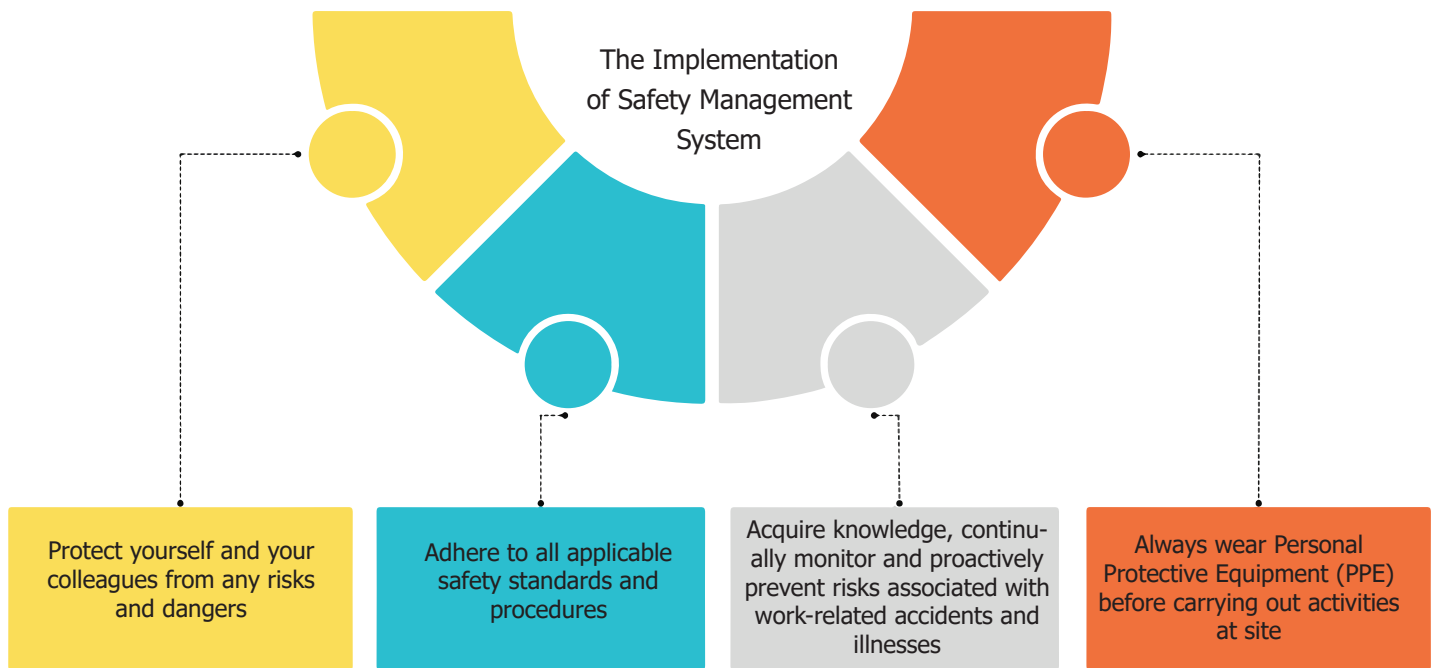
Our Commitment:

To achieve zero workplace accidents, prevent of occupational hazards and maintain a healthy work force

Realization:

- LTIR (Lost Time Injury Rate): 0.0
- Continued enhancement of the Safety Fundamentals program.
- Implemented the Pre-Startup Safety Review (PSSR) process

The Implementation of Safety Management System



At Sinarmas Cepsa, our Occupational Health and Safety (OHS) management system forms the foundation of our unwavering commitment to continuous improvement in workplace safety. These policies and procedures ensure that all SCPL operations remain in full compliance with local, national and international regulations, while proactively applying industry safety standards to prevent workplace accidents, process incidents and occupational illnesses.

To uphold our compliance with ISO 45001:2018, each facility conducts annual OHS compliance audits, complemented by management reviews of both internal and external audit results to identify opportunities for improvement. Through the P2K3 framework (Occupational Health and Safety Committee System) at PT ESM, employees are actively involved in the development, implementation and evaluation of safety initiatives, reinforcing a shared culture of accountability and care.

We also prioritize comprehensive OHS training for all employees and contractors, encompassing essential areas such as working at heights, Lockout/Tagout (LOTO), confined space entry, basic safety practices and hazardous material management. Advanced training modules further cover high-risk activity management, first aid, emergency response, firefighting and incident investigation procedures. Post-training evaluations are conducted to assess understanding and identify needs for further capacity building.

Through these structured programs, consistent audits and ongoing workforce engagement, we strive to cultivate a safe, healthy and resilient working environment, reflecting our steadfast dedication to protecting the well-being of every individual within our operations.



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SCPL places strong emphasis on emergency preparedness as a core component of its Health, Safety and Environment (HSE) framework. Regular emergency response drills are conducted across all manufacturing sites to ensure operational readiness and safeguard employees, contractors, and surrounding communities. In 2024, SCDG successfully conducted four emergency drills, while PT ESM carried out a total of twelve drills. These exercises were led by trained and certified emergency response personnel, ensuring professional execution and adherence to established safety protocols.

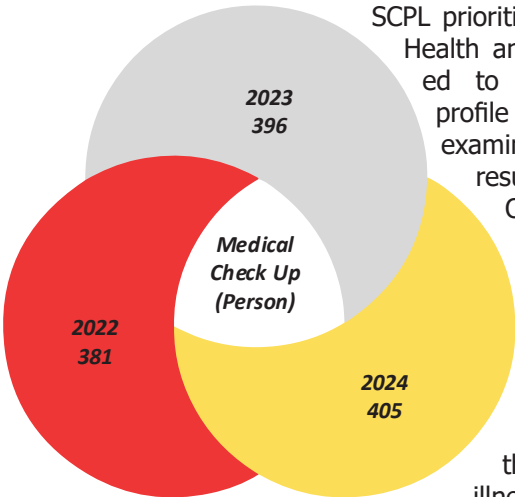
The drills encompassed a variety of emergency scenarios, including fire incidents, evacuation procedures, explosion simulations and chemical spill responses. Each exercise is designed to test coordination, communication and response time, while identifying areas for improvement in our emergency management plans. Through these regular and structured drills, SCPL reinforces its commitment to maintaining a state of continuous readiness and ensuring a safe and resilient workplace across all operations.

No	ESM's Drill Types	Date	Location
1	Spill Drill	29-Jan-24	Finish Good Warehouse
2	Fire & Explosion Drill	9-Feb-24	CFPP
3	Fire drill	7-Mar-24	Fatty Alcohol Plant
4	Fire & Explosion Drill	24-Apr-24	Maintenance Building
5	Evacuation & First Aid	29-Mei-24	Admin Building
6	Spill Drill	27-Juni-24	Utility Plant
7	WWTP Failure	21-Juli-24	Utility Plant
8	Spillage Drill	16-Aug-24	Technical Warehouse
9	Spillage Drill	30-Sept-24	HSE Building
10	Evacuation & First Aid	17-Oct-24	Shipping Building
11	Evacuation & First Aid	17-Nov-24	Laboratory
12	Join Drill	19-Dec-24	Fatty Alcohol Plant

No	SCDG's Drill Types	Date	Location
1	Fire drill	21-Mar-2024	Sulfation Plant
2	Fire drill	27-Jun-2024	Office
3	Fire drill	27-Sept-2024	Warehouse
4	Fire drill	30-Dec-2024	Sulfation Plant

Health Performance

GRI 403-3, 403-6, 403-8, 403-9, 403-10



SCPL prioritizes preventive health management as an integral part of its Occupational Health and Safety (OHS) strategy. Regular Medical Check-Ups (MCU) are conducted to safeguard employee well-being and to monitor the overall health profile of our growing workforce. All indirect employees undergo annual medical examinations facilitated by certified third-party healthcare providers, with results systematically analyzed to identify trends and potential health risks. Our on-site medical clinic, operating 24 hours a day, seven days a week, ensures immediate access to medical care for all personnel. To further promote holistic wellness, we organize monthly health and fitness programs, including group exercise sessions such as Zumba, designed to enhance both physical vitality and mental well-being. In collaboration with accredited medical institutions, PT ESM conducts annual occupational health assessments to detect and address job-related health concerns at an early stage. The 2024 medical evaluation confirmed that all employees were fit for duty, with no reported cases of occupational illness. Through these sustained efforts, SCPL continues to uphold its commitment to a safe, healthy, and supportive workplace environment for every employee.

Safety Performance

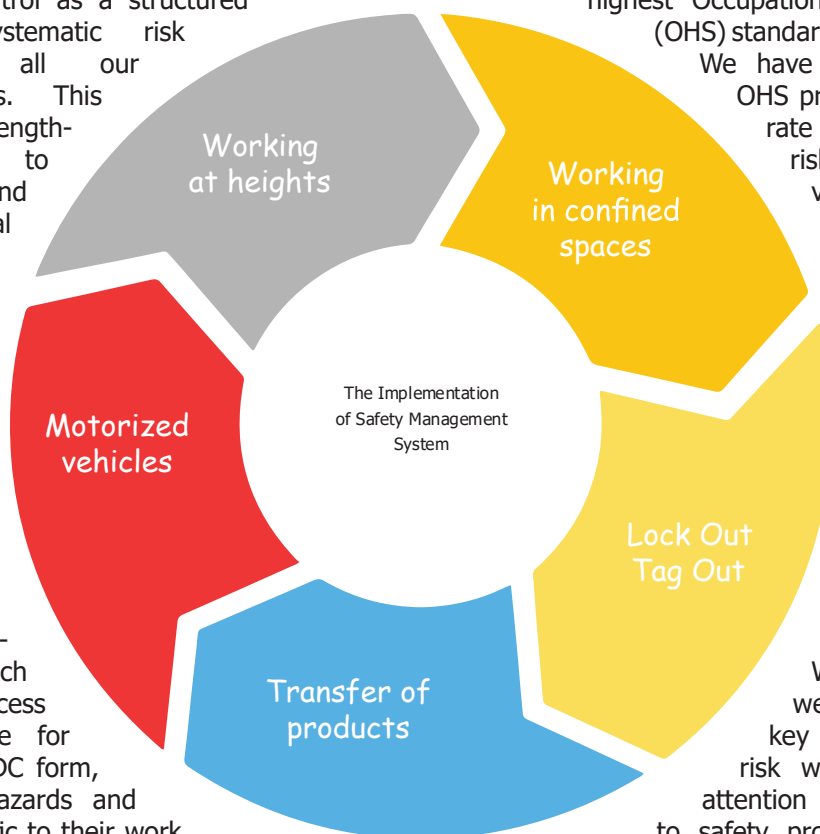
GRI 403-1, 403-2, 403-4, 403-7



No	ESM OHS Performance	2022	2023	2024
1	Safety Man Hours	1,820,183	1,819,214	1,990,400
2	First Aid	4	3	0
3	Industrial Incident	13	15	11
4	Safety Observation	2016	2617	2574
5	Fire Incident	2	4	5
6	LOPC	7	0	0

No	SCDG OHS Performance	2022	2023	2024
1	Safety Man Hours	52,137	53,489	49,780
2	First Aid	0	1	0
3	Industrial Incident	2	0	0
4	Safety Observation	0	0	0
5	Fire Incident	0	0	0
6	LOPC	1	0	2

At Sinarmas Cepsta, we implement the HIRADC methodology Hazard Identification, Risk Assessment, and Determining Control as a structured framework for systematic risk mapping across all our industrial operations. This proactive approach strengthens our capability to anticipate, prevent and manage occupational injuries and illnesses, ensuring safer workplaces at every level of our operations. HIRADC assessments are conducted annually or whenever process modifications occur, ensuring that evolving operational risks are effectively identified and managed. Each department's process owner is responsible for completing the HIRADC form, mapping potential hazards and associated risks specific to their work activities. Prior to final submission, all data undergoes review and approval by the respective department heads to ensure accuracy and accountability.



PT ESM's continued ISO 45001:2018 accreditation reflects our steadfast commitment to upholding the highest Occupational Health and Safety (OHS) standards across all operations.

We have embedded consistent OHS practices into our corporate culture, emphasizing risk awareness and prevention, particularly for employees engaged in high-risk tasks and environments. Our comprehensive safety training program ensures that all employees receive regular competency assessments to evaluate their understanding and performance in critical safety areas. Within our operations, we have identified five key categories of high-risk work requiring focused attention and strict adherence to safety protocols: (1) Working at heights, (2) Working in confined spaces, (3) Operation of motorized vehicles, (4) Product transfer activities, (5) Implementation of Lockout/Tagout (LOTO) procedures



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Employee Management and Engagement

GRI 2-7, 2-19, 2-20, 202-1, 401-1, 401-2, 401-3, 404-1, 404-2, 405-1



At Sinarmas Cepsa Pte Ltd, we are dedicated to achieving human capital excellence through the implementation of a fair, transparent and merit-based system for managing and developing our workforce. Our human resource practices are designed to nurture employee growth, enhance competencies, skills and knowledge, and foster a culture of continuous learning and improvement. We remain steadfast in upholding policies and regulations that ensure equitable compensation, fair treatment and compliance with all labor standards, reflecting our commitment to both employee welfare and organizational integrity.



Realization

- **Remuneration Practices:** Our compensation structure is purely performance based, not influenced by an employee's gender or any other non-merit factor.
- **Workplace Environment:** No incidents of discrimination or harassment were reported in 2024, reflecting our strong commitment to maintaining a respectful and inclusive workplace.

SCPL upholds an open, fair and transparent recruitment process designed to attract candidates with the highest qualifications and professional expertise. Our structured hiring procedure consists of five key stages:

- (1) Administrative Selection – Initial screening based on application forms and resumes.
- (2) Academic and General Ability Selection – Evaluation of educational background and overall aptitude.
- (3) Psychological Assessment – Analysis of personality traits and cognitive abilities to ensure job-role compatibility.
- (4) Health Screening – Verification that candidates meet the physical and medical requirements of the position.
- (5) Final Evaluation and Placement – Selection of candidates who best align with organizational values and goals. Throughout the recruitment process, equal opportunity is guaranteed for all applicants, regardless of gender, ethnicity, race, religion, or any other non-merit factors.



In 2024, PT ESM welcomed 22 new employees, each chosen for their distinct skills, professionalism, and potential to contribute to the company's continued success and growth.



General Provisions:

- Indonesia Law No. 13 (2003) : The Law on Manpower Affairs
- Indonesia Law (Cipta Kerja) No. 6 (2023)



At Sinarmas Cepsa, we view our employees as our most valuable assets the driving force behind our operational excellence. Their dedication, expertise and loyalty are essential to ensuring the seamless execution of our processes, the achievement of company objectives and the delivery of outstanding service to our customers. To enhance employee engagement and cultivate a positive workplace culture, we organize various competitions in celebration of Indonesia's Independence Day. These activities not only promote teamwork and collaboration but also encourage employees to strengthen their soft skills and creativity within their professional roles. Furthermore, we foster family inclusivity and reinforce a strong sense of community through family gatherings held in conjunction with the company's anniversary. These events provide meaningful opportunities for employees and their families to connect, celebrate and share in the company's collective achievements, embodying the spirit of unity, appreciation and shared values that define our organization.

1. Competition to commemorate Indonesian independence day

In August 2024, Sinarmas Cepsa celebrated Indonesia's Independence Day by channeling the festive spirit into activities that strengthened team unity and collaboration. A series of engaging competitions, including futsal, badminton and e-sports tournaments, brought together employees from various departments in a display of enthusiasm and camaraderie. These events not only celebrated the nation's independence but also fostered a spirit of sportsmanship and mutual respect, reinforcing SCPL's core values of teamwork, collaboration, and positive engagement. Through such initiatives, we continue to cultivate a vibrant, cohesive and motivated workforce that embodies the collective strength and unity of our organization.



2. Company Anniversary

Recognizing the vital role of family support in enhancing employee performance and well-being, Sinarmas Cepsa organizes an annual family gathering in conjunction with PT ESM's anniversary. Scheduled for 23 November 2024, this event serves to strengthen the bond between employees, their families and the company ensuring that families feel an integral part of the SCPL community. The celebration features door prize distributions and children's competitions, creating a warm and festive atmosphere filled with joy and togetherness. Beyond celebration, the event fosters a deeper sense of belonging, morale and appreciation, reinforcing our shared commitment to building a supportive and thriving future for all members of the SCPL family.





Maternity leave entitlements

In adherence to Indonesian labor regulations, PT ESM has established clear Maternity and Paternity Leave Entitlements as outlined in the ESM Site Employee Handbook. Female employees are entitled to 1.5 months of maternity leave, divided between the pre- and post-childbirth periods, while male employees are granted up to three days of paternity leave to support their families during this important time.

At our SCDG facility, we comply with the MuSchEltZV ordinance, which allows eligible parents to take up to three years of parental leave. Furthermore, upon disclosure of pregnancy, specific safety measures are immediately implemented to protect maternal health. These include prohibiting night shifts and ensuring that pregnant employees work only in secure laboratory environments, free from exposure to hazardous substances.

Through these policies, Sinarmas Cepsa reaffirms its commitment to employee welfare, family well-being, and workplace safety, creating a supportive environment that upholds both legal compliance and care for our people.

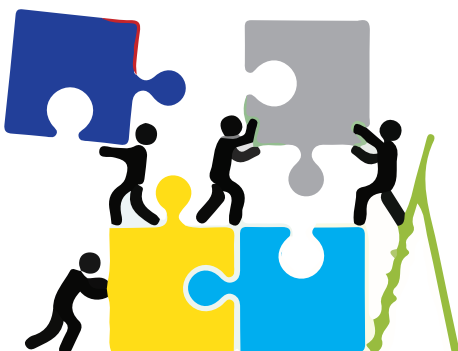


Employees' Remuneration, Health and Social security

At Sinarmas Cepsa Pte Ltd (SCPL), we deeply value our workforce and are committed to providing competitive remuneration and comprehensive benefits that reflect each employee's skills, performance and contributions. We maintain strict adherence to all regulatory requirements and conduct regular benchmarking against industry standards to ensure our compensation practices remain equitable and competitive. In line with our commitment to fairness, SCPL enforces a gender-neutral compensation policy across all roles and functions.

In Dumai, Indonesia, employees are covered under the SIMAS SEHAT Insurance Program provided by PT Asuransi Sinar Mas, offering cashless medical coverage in accordance with program terms and conditions. Additionally, we fully comply with BPJS Health and BPJS Employment regulations to ensure comprehensive social protection.

At our SCDG facility, employees enjoy a range of additional benefits, including paid leave for blood donations, childcare contributions, monthly wellness bonuses, and supplementary support for private long-term care insurance policies. Through these initiatives, SCPL reinforces its dedication to fostering employee well-being, financial security, and a balanced work environment.



Organization Scale

GRI 2-7, 405-1



At Sinarmas Cepsta, we believe that respecting and embracing diversity fosters creativity, strengthens collaboration and enables us to develop innovative solutions that drive both company growth and societal progress. Diversity and inclusion are core to our organizational values, enriching our workplace culture and empowering our people to reach their full potential. We take pride in being a company that upholds equality, fairness, and inclusivity, ensuring that every individual regardless of gender, background, or origin is given equal opportunities to learn, grow, and contribute. Our workforce represents a broad spectrum of experiences and perspectives, reflecting our belief that diversity is not only a strength but also a key driver of our collective success.

At Sinarmas Cepsta Pte Ltd (SCPL), we recognize that the diversity of perspectives, experiences, and cultures fuels creativity and drives innovation. This diversity creates a dynamic, collaborative work environment where fresh ideas flourish and collective success is achieved. Across all areas of our operations, we are committed to fostering a spirit of equality and mutual respect, ensuring that every employee feels heard, valued and empowered. Guided by our Inclusion and Diversity Policy, we aim not only to enhance performance but also to cultivate a harmonious and productive workplace where everyone has the opportunity to reach their full potential. We firmly believe that by respecting and embracing differences, we can continue to develop innovative solutions, advance our organization and make a meaningful contribution to society.

No	ESM's Employee Gender Distribution	2022	2023	2024	Units
1	Male	389	397	408	Person
2	Female	41	52	45	Person

No	ESM's Employee Local vs Non-Local	2022	2023	2024	Units
1	Local	181	191	193	Person
2	Non Local	249	258	260	Person

No	SCDG's Employee Gender Distribution	2022	2023	2024	Units
1	Male	24	24	24	Person
2	Female	11	11	10	Person

No	SCDG's Employee Local vs Non-Local	2022	2023	2024	Units
1	Local	35	35	34	Person
2	Non Local	0	0	0	Person

No	HQ's Employee Gender Distribution	2022	2023	2024	Units
1	Male	14	13	13	Person
2	Female	17	17	20	Person

No	HQ's Employee Local vs Non-Local	2022	2023	2024	Units
1	Local	25	23	25	Person
2	Non Local	6	7	8	Person

*Notes :

- ESM Local employees: Refers to employees who are residents of Dumai City.
- SCDG Local employees: Refers to employees who are German citizens.

- HQ Local employees: Refers to employees who are Singaporean citizens.



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Performance Assessment and Career Development

GRI 404-1, 404-2, 404-3

We are committed to fostering continuous employee growth through a structured performance evaluation and development framework. Managers conduct annual performance reviews, with all employees receiving evaluations at the end of each semester. These assessments are anchored in clearly defined goals and KPIs, measuring not only performance and technical proficiency but also professional behavior. The results serve as a strategic roadmap for career advancement, compensation adjustments and skill development.

In 2024, every SCPL employee, regardless of their role or level, participated in the performance evaluation process. At PT Energi Sejahtera Mas (ESM), this evaluation cycle resulted in the promotion of 94 employees, reflecting our commitment to recognizing merit and achievement.

To strengthen workforce capabilities, we continued the Skill Block Training (SKBT) program in 2024, focusing on the enhancement of technical competencies. Since its inception in 2019, the program has benefited 95 employees, in 2024 a total of 44 participants had completed this program. Complementing this, the Talent Management Program (TMP) was launched to nurture essential soft skills aligned with ESM's core competencies Managing People, Sustainability Literacy, Customer Orientation, Collaboration, Analytical Thinking and Innovation.

in 2024 a total of 26 participants had completed this TMP program. Both initiatives are regularly evaluated to ensure their effectiveness in accelerating employee competency development, reinforcing SCPL's commitment to cultivating a skilled, motivated, and future-ready workforce.



**Inhouse, External
and Internal
Training**

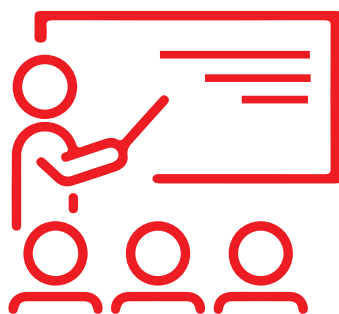


**Skill Block
Training**



**Talent Management
Program**





In 2024, Sinarmas Cepssa Pte Ltd (SCPL) continued to strengthen its commitment to employee development by enhancing the Learning

Management System (LMS) platform. This digital learning platform supports greater flexibility and accessibility, enabling employees to access training materials anytime and anywhere through their computers or smart-phones. By offering on-demand learning, the LMS fosters continuous growth and enhances overall productivity across the organization.

Each training module undergoes a rigorous quality review prior to publication to ensure accuracy and relevance. Every employee is provided with an individual account and is required to complete assigned trainings within a designated timeframe, ensuring consistent participation and accountability.

In 2024, a total of seven new training modules were made available through the LMS, covering a diverse range of topics such as Quality, Health & Safety, Ethics, Human Rights and soft skills development. This initiative underscores SCPL's commitment to leveraging digital learning tools to cultivate a knowledgeable, skilled and responsible workforce.



No	Total Training Hours based on Site	2022	2023	2024
1	PT Energi Sejahtera Mas	21,047	22,485	23,219
2	Sinarmas Cepssa Deutschland GmbH	564	619	575
3	Headquarters, SCPL	258	598	660

No	Average Hours of Employee for each Site	2022	2023	2024
1	PT Energi Sejahtera Mas	51.3	51.8	53.2
2	Sinarmas Cepssa Deutschland GmbH	15.6	18.2	16.9
3	Headquarters, SCPL	8	23	20



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Community Empowerment

GRI 413-1



At Sinarmas Cepsa Pte Ltd (SCPL), we are deeply committed to improving the quality of life within the communities where we operate. Our approach is grounded in active engagement and open dialogue with local residents to better understand their needs, challenges and aspirations. By fostering these connections, we are able to design and implement targeted community programs and initiatives that are both meaningful and sustainable. Each initiative is developed to align with community priorities while reflecting SCPL's dedication to creating long-term positive social impact.



1. Donation for the Construction of Mushalla Al Anshor

As part of its corporate social responsibility and commitment to supporting religious and community activities, PT Energi Sejahtera Mas contributed a donation of IDR 50,000,000 for the construction of Mushalla Al Anshor, located within the vicinity of the company's operations. This initiative reflects the company's dedication to enhancing the spiritual well-being of the surrounding community while fostering stronger relationships with local stakeholders. The contribution is expected to facilitate the smooth progress of the construction and deliver long-term benefits by providing a dedicated place of worship and religious activities for the community.



2. Drainage Cleaning Activity: Stage 1 (March 30-31, 2024) & Stage 2 (June 08-09, 2024)

As part of our commitment to environmental stewardship and community well-being, PT Energi Sejahtera Mas organized a two-stage drainage cleaning program in 2024. Stage 1 (March 30-31, 2024): The first stage focused on preventing flooding and maintaining environmental cleanliness through periodic cleaning of drainage systems, ditches and surrounding residential areas. An excavator was deployed to remove sediment, debris and accumulated waste, ensuring smooth water flow and minimizing blockages. This stage covered a total drainage length of 728 meters. Stage 2 (June 8-9, 2024): Building on the initial efforts, the second stage extended the program to an additional 853.6 meters of drainage channels.

This continued initiative further strengthened the preventive measures against flooding while supporting the upkeep of community infrastructure. In parallel with the cleaning operations, inspections and community advisories were conducted in collaboration with local neighbourhood leaders (RT). Residents were encouraged to regularly maintain the drainage channels in front of their homes. This joint initiative not only reduces flood risk during the rainy season but also fosters a culture of shared responsibility in creating a cleaner, healthier and more resilient living environment.

3. Qurban Animal Donation

As part of its participation in the Eid al-Adha celebrations, PT Energi Sejahtera Mas contributed to the Qurban animal donation program by providing one cow for distribution to eligible recipients within the surrounding community. The activity took place on 14 June 2024 at Masjid Al Iman, Lubuk Gaung.

This initiative reflects the company's ongoing commitment to social responsibility and support for community religious traditions. By contributing to the Qurban celebration, the company aims to deliver direct benefits to local residents while fostering stronger community relations and reinforcing a spirit of solidarity and shared values.





4. Provision of FABA for Land Filling at Mushalla Al Anshor

As part of its commitment to environmental stewardship and community support, PT Energi Sejahtera Mas provided Fly Ash and Bottom Ash (FABA) material for land filling at the yard of Mushalla Al Anshor. This initiative aimed to enhance the cleanliness and usability of the Mushalla area by preventing the yard from becoming muddy during the rainy season, thereby allowing the space to be utilized more effectively for worship and community activities. The use of FABA as filling material offers several key advantages: (1) High compaction strength, resulting in a more stable and durable surface. (2) Environmentally friendly, as it utilizes non-hazardous by-products (non-B3 waste) from coal combustion. (3) Efficient and economical, providing a cost-effective alternative to conventional filling materials. Through this program, the company not only supports the development of community religious facilities but also promotes the principles of a circular economy by repurposing industrial by-products for beneficial use within the community.



5. Business Development Seminar & Workshop

On 8 May 2024, PT Energi Sejahtera Mas organized a Business Development Seminar and Workshop as part of its efforts to strengthen the capacity of local Micro, Small and Medium Enterprises (UMKM). The event carried the theme "Effective Business Development and Revenue Growth: Digital Marketing Strategies on Shop/Tokopedia & TikTok Platforms" and was attended by participants from UMKM UP2K Cempaka Lubuk Gaung, Dumai, Indonesia.

The seminar and workshop provided practical insights, strategies and skills to help UMKM entrepreneurs enhance their business development and leverage digital platforms to improve sales and revenue. Topics covered included optimizing online marketing, developing effective content strategies and maximizing digital tools and features on Shop/Tokopedia and TikTok platforms.

This initiative is expected to support the growth of local UMKMs, expand their market reach and strengthen the long-term sustainability of their businesses through the adoption of modern digital marketing strategies.



6. Trash Bin Donation

In July 2024, as part of its commitment to environmental sustainability and public health, PT Energi Sejahtera Mas implemented a trash bin donation program to support cleanliness initiatives and encourage healthy living habits. The bins were distributed to schools located in the vicinity of the company's factory operations.

This initiative aims to raise awareness among students about the importance of maintaining a clean environment and adopting healthy lifestyle practices. With adequate trash bin facilities, schools are expected to maintain a cleaner, more organized and comfortable learning environment, thereby fostering a culture of discipline and responsibility in waste management.





7. Blood Donation Activity

On 31 May 2024, PT Energi Sejahtera Mas, in collaboration with the Indonesian Red Cross (Palang Merah Indonesia/PMI) Kota Dumai, organized a blood donation activity as part of its Corporate Social Responsibility program. The initiative was aimed at supporting the availability of blood supplies for medical needs in Dumai and surrounding areas. The activity was actively participated in by employees and third-party workers of ESM, reflecting a strong spirit of volunteerism and community care. A total of 58 participants contributed to the program, resulting in the successful collection of 42 blood bags.

This initiative not only supports PMI's humanitarian mission of ensuring a stable and reliable blood supply for hospitals and medical facilities but also fosters employee awareness of the importance of community health. Through such programs, the company reaffirms its commitment to social responsibility and to contributing positively to the well-being of the local community.



8. Beds Donation to An-Nur Orphanage and SMPN 6 Dumai

As part of its Corporate Social Responsibility commitment, PT Energi Sejahtera Mas donated beds to the An-Nur Orphanage in Dumai on 30 August 2024. This initiative was aimed at improving the welfare and daily living conditions of the children at the orphanage while reflecting the company's concern for community well-being. The contribution is expected to provide greater comfort for the children and strengthen harmonious relations between the company and the surrounding community.

On 8 October 2024, the company extended its support to the education sector by donating beds to the School Health Unit (UKS) room at SMPN 6 Dumai. The donation was intended to provide better resting facilities for students requiring care or temporary rest during school hours. This initiative is expected to enhance the comfort and quality of health services at the school, while fostering a healthier and safer learning environment for all students.



9. Cake-Making Training for MSMEs

On 18–19 December 2024, PT Energi Sejahtera Mas organized a cake-making training program for Micro, Small and Medium Enterprises (MSMEs) fostered by the company at UP2K Cempaka, Kelurahan Lubuk Gaung. The training was designed to support the growth and long-term sustainability of local MSMEs by equipping participants with both technical and managerial competencies. The program covered improved cake-making production techniques alongside essential aspects of business management, including financial management, marketing strategies and resource allocation. This initiative helps MSME participants expand their business scale, create employment opportunities and contribute to strengthening the local economy. By combining technical skills development with business management knowledge, the program provides lasting benefits that enhance both the sustainability and competitiveness of participants' enterprises.



10. Fogging Activity for Dengue Fever Prevention

On 21 November 2024, PT Energi Sejahtera Mas conducted a fogging activity in the residential areas surrounding its operations, carried out by professional pest control personnel. This initiative was undertaken as part of the company's efforts to prevent the breeding and spread of *Aedes aegypti* mosquitoes, particularly during the rainy season when mosquito populations tend to increase.

The program was aimed at safeguarding public health by reducing the risk of mosquito-borne diseases, especially dengue fever, within the local community. This activity reflects the company's commitment to maintaining a safe and healthy living environment for residents in the surrounding areas and reinforces its role as a responsible corporate citizen.



11. Leadership Seminar for Junior High School Principals in Dumai City

On 5 December 2024, PT Energi Sejahtera Mas organized a Leadership Seminar for all Junior High School (SMP) principals in Dumai City. The program was designed to strengthen the capacity of school leaders in creating innovative and effective learning environments, thereby enhancing the overall quality of education.

The training emphasized improving principals' ability to make strategic decisions that support both immediate educational goals and the long-term sustainability of their schools. Participants were provided with skills, insights and practical strategies to drive improvements in teaching quality, student outcomes and school performance. This initiative reflects the company's commitment to supporting the development of strong educational leadership and contributing to the advancement of the local education system in Dumai City.



12. Mangrove Planting Activity

On 21 November 2024, PT Energi Sejahtera Mas conducted a mangrove planting initiative at Sungai Nerbit Besar in collaboration with the Alam Wana Lestari Forest Farmers Group (NGO). The program was part of the company's environmental responsibility efforts to protect and restore coastal ecosystems. The activity aimed to prevent coastal erosion, preserve marine biodiversity and maintain the ecological balance of coastal and marine life. A total of 2,000 mangrove seedlings were planted along the shoreline, contributing to shoreline stabilization, improved habitat for marine organisms and enhanced ecosystem resilience.

Beyond environmental benefits, the initiative also served to empower local communities through active collaboration with farmer groups and environmental organizations, reinforcing the company's commitment to sustainability and community partnership.



13. Guest teacher program

As part of its commitment to education and community development, PT Energi Sejahtera Mas (ESM) organized a series of guest teacher programs throughout 2024, engaging students and teachers from various vocational schools in Dumai. These initiatives were designed to enhance knowledge, promote awareness of industry practices and prepare students for future career opportunities.

a. The Importance of Education

On 2 May 2024, in celebration of National Education Day, a guest teacher session was conducted at SMKN 4 Dumai under the theme "The Importance of Education." The session, delivered by ESM employees, aimed to raise awareness and motivate students regarding the role of education in shaping character, knowledge and future career readiness. The material emphasized valuing the learning process, maintaining discipline and cultivating a continuous desire for knowledge. This initiative is expected to inspire students to actively pursue their education and apply these values in their daily lives.

b. Presentation on Palm Oil Processing

At SMKN 5 Dumai, ESM facilitated a guest teacher session focusing on the palm oil processing chain, from upstream cultivation to downstream product development. The presentation provided teachers with a comprehensive understanding of how palm fruit is processed into CPO (Crude Palm Oil) and its derivatives. It also highlighted the utilization of by-products and the application of efficient and sustainable industrial practices. This program is expected to strengthen teachers' knowledge, enabling them to deliver more practical and industry-relevant learning experiences to their students.

c. Educational Activity for Teachers and Students of SMKN 6 Dumai: K3-Based Water Purification Process

On 17 September 2024, an educational activity was conducted for teachers and students of SMKN 6 Dumai on the industrial water purification process based on Occupational Health and Safety (OHS/ K3) principles. Participants learned the key stages of the purification process; from initial treatment to clean water readiness, while emphasizing safe work practices and an OHS-centered culture in the industrial environment. This activity is expected to enhance participants' technical understanding and better prepare students for future internships.

d. OHS, Link and Match Curriculum, and Internship Preparation

From 22–26 July 2024, guest teacher sessions were held at SMKN 5 Dumai and SMKN 4 Dumai, covering Occupational Health and Safety (OHS), alignment of the vocational curriculum with industry standards (Link and Match) and internship preparation. The program aimed to equip students with essential knowledge of workplace safety, industry ethics, discipline and relevant technical skills. By familiarizing students with the company's work culture and OHS practices, this initiative is expected to prepare interns for a smooth transition into the professional environment and enable them to contribute effectively during their internship period.



Continuing to Preserve the Environmental Ecosystem

GRI 3-3, 2-25, 304-1, 307-1



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Management Approach

Compliance with environmental management laws and regulations is a critical component of SCPL's sustainable operations. In Indonesian, we strictly adhere to the following Government Regulations:

1. Constitution Law No. 32, 2009
2. Government Regulation No. 22, 2021.

SCPL also ensures compliance with key German Government Regulations, including

1. GefStoffV – Hazardous Substance Ordination
2. BImSchG – Federal Emission Control Act
3. KrWG/ AbfG – Recycling and Waste Management Act
4. WHG – Water Resources Act
5. ChemG – Chemicals Act (Act related to Protection Against Hazardous Substances)

Realization:

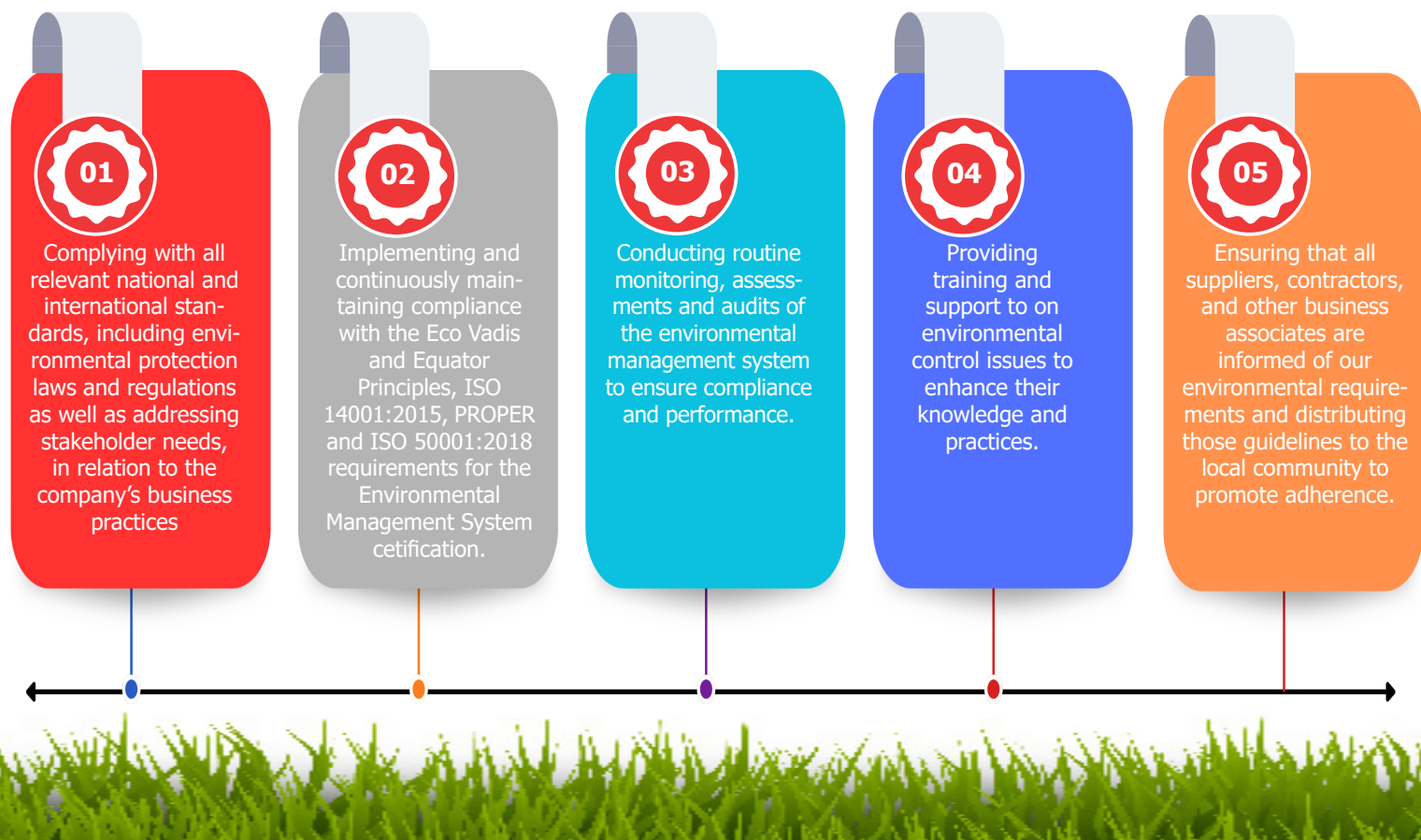
- Compliance with the PROPER Assessment
- Adhering to the EcoVadis Assessment
- Maintaining Certification and Implementing the Environmental Management System (EMS) in accordance with ISO 14001:2015 standards, including energy audit.
- Continued adherence to the Equator Principles
- Implementation of the Energy Management System (EMS) per ISO 50001:2018 Standards at the SCDG Site

Our Commitment:

We are fully dedicated to complying with all relevant laws, striving for zero adverse effect and avoiding any complaints from nearby communities or key stakeholders.

Evaluation:

PT ESM routinely submits its Environmental Monitoring Plan and Environmental Management Plan reports to the appropriate regulatory authorities to assess our environmental management programs and operations. As of the end of 2024, PT ESM has not received any sanctions, administrative or otherwise, related to violations or non-compliance with environmental laws.



At Sinarmas Cepsa Pte Ltd (SCPL), we are dedicated to continuously improving our environmental performance through the implementation of robust policies and systematic environmental management practices. These efforts are aimed at ensuring that all our operations fully comply with applicable environmental laws and regulations, while also promoting sustainable business growth. Our environmental initiatives are regularly reviewed, assessed and refined in line with established guidelines to drive ongoing improvement and accountability. As part of our Integrated Management System, SCPL has adopted a comprehensive Environmental Management System (EMS) aligned with ISO 14001:2015, EcoVadis, the Equator Principles, PROPER and ISO 50001:2018 standards. This structured approach reflects our unwavering commitment to environmental stewardship, operational excellence and sustainable development.



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Waste Water Monitoring

GRI 306-1



At PT Energi Sejahtera Mas (ESM), we prioritize the quality and quantity of treated wastewater before its discharge into the sea. Our Wastewater Treatment Plant (WWTP) processes effluent from both domestic and operational activities using neutralization, coagulation, flocculation, sedimentation and filtration methods. Since 2016, PT ESM has been authorized to discharge treated wastewater in compliance with Minister of Environment and Forestry Decree No. SK.442/MenLHK/Setjen/PKL.1/5/2016, reflecting our ongoing commitment to responsible waste management and environmental protection.

We consistently monitor the quantity and quality of wastewater across all compliance points to ensure alignment with applicable environmental standards. To date, we have not received any penalties or legal actions related to water contamination from treated effluent discharge. In maintaining compliance, we adhere to SNI 8990:2021 standards for liquid waste sampling and conduct regular quality assessments, with all samples analyzed by accredited third-party laboratories to ensure accuracy and transparency. These efforts reflect our strong commitment to protecting marine ecosystems and minimizing our environmental footprint.

Parameters	2022	2023	2024	Government Standard	Units
BOD	13.32	14.42	12.81	70	mg/L
COD	26.03	31.85	37.02	160	mg/L
TSS	24.46	20.83	14.87	100	mg/L
Oil and Fat	1.31	1.46	1.26	10	mg/L
Phospate	0.05	0.08	0.2	5	mg/L
Ammonia	0.2	0.19	0.72	10	mg/L

We ensure that all discharged wastewater fully complies with the required quality standards before being released into the sea. To enhance transparency and regulatory compliance, we have installed the SPARING system in accordance with the Ministry of Environment and Forestry Regulation No. 80 of 2019, which was successfully integrated with the KLHK monitoring platform on March 14, 2022. In line with our commitment to sustainable water management, we have also implemented a wastewater recycling program at our treatment facility (IPAL). The treated water is reused as raw feed for the Water Treatment Plant, reducing freshwater consumption and promoting resource efficiency.

This initiative has been formally acknowledged by the Ministry of Environment and Forestry through official correspondence (S.171/PPKPL/PSKPL/PKL.I/9/2022).



Solid Waste Monitoring

GRI 306-2, 306-4



We implement an integrated waste management system for both hazardous and non-hazardous waste in compliance with Government Regulation No. 22/2021, and Ministerial Regulations No. 6/2021 and No. 19/2021. Waste from production processes, utilities, laboratories, clinics, power plants, and wastewater facilities is managed under RINTEK documents approved by the Riau Provincial Environment Agency in October 2024. Hazardous waste is stored in a Temporary Storage Facility (TPS B3) equipped with impermeable floors, ventilation and safety systems. It is collected at the source, coordinated by HSE staff and sent to licensed third parties for recovery, recycling or final treatment, with all activities tracked through the SIRAJA KLHK electronic system.

Hazardous Material (B3) Waste Storage

The procedures and time frames for the storage of hazardous and toxic waste (B3) are followed in accordance with the laws and licenses that are unique to each location. Two facilities are managed by PT ESM for the temporary storage of B3 garbage.

Hazardous Material (B3) Transportation

Transportation of hazardous and toxic waste falls within the responsibility of the approved third-party carrier (B3). This transporter is authorized by the government to safely transport dangerous substances.

Hazardous Material (B3) Utilization

Hazardous and toxic waste (B3) utilization is controlled by an outside entity that possesses a B3 Waste Utilization Permit issued by the government.



Non-hazardous waste, such as fly ash and bottom ash, is stored in closed silos and utilized as materials for bricks, paving blocks, road compaction and cement raw materials, in collaboration with PT Semen Padang, Dumai City's Public Works Agency, and local MSMEs. This initiative not only supports environmental sustainability but also contributes to the development of local infrastructure and small businesses.

We follow the 5R principles: Reduce, Reuse, Recycle, Recovery and Disposal by optimizing production efficiency, training employees, and maintaining good housekeeping. Monitoring and reporting are carried out digitally and through quarterly reports to the local Environment Agency. This ensures safe, transparent, and sustainable waste management in all operations.

No	ESM Hazardous Material by Disposal Method	2022	2023	2024	Units
1	Reuse	74	113	0	Tonnes
2	Recovery	158	168	232	Tonnes
3	Incineration	739	933	1145	Tonnes

No	ESM Non Hazardous Material by Disposal Method	2022	2023	2024	Units
1	Reuse and recovery	4,216	18,496	13,595	Tonnes
2	Landfill	15,493	352	270	Tonnes

No	SCDG Waste by Source's Type	2022	2023	2024	Units
1	Total Hazardous Material	132.3	102.3	93.7	Tonnes
2	Total Non Hazardous Material	16.8	15.8	12.5	Tonnes



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Energy Management

GRI 2-4, 302-1, 302-4, 305-5



Energy plays a vital role in every aspect of our operations, making its efficient management one of our top priorities. At SCPL, we foster a culture of shared responsibility where all employees actively participate in energy efficiency programs designed to enhance overall energy performance. These initiatives not only help us meet customer expectations but also contribute to reducing manufacturing costs and minimizing emissions. Through our Operational Sustainability Program, we have fully integrated energy performance improvement efforts to ensure long-term operational excellence and environmental stewardship.

No	Energy Used by ESM	2022	2023	2024	Units
1	Natural Gas	1,280,475	1,320,627	1,103,322	GJ
2	Electricity	354,182	386,321	361,148	GJ
3	Coal	2,241,773	2,283,528	2,445,086	GJ
4	Diesel Oil	58,858	27,910	20,279	GJ

1. Natural Gas consumption

The use of natural gas has decreased due to the decreased production capacity.

2. Electricity consumption

Electricity usage decreased in line with production capacity

3. Coal consumption

Coal consumption in 2024 was higher than the previous year due to differences in coal quality.

4. Diesel Oil consumption

Diesel Oil consumption used as backup engine fuel decreased due to lower downtime levels in 2024 compared to the previous year.

No	Energy Used by SCDG	2022	2023	2024	Units
1	Natural Gas	32,717	24,203	23,427	GJ
2	Electricity	33,643	28,563	29,849	GJ

1. Natural Gas consumption

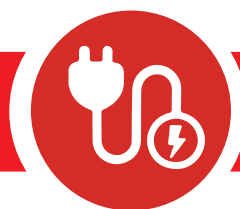
The use of natural gas has decreased due to the energy-saving waste heat projects

2. Electricity consumption

Electricity usage increased in line with production capacity

Energy Intensity

GRI 2-4, 302-3



The energy intensity ratio is a key indicator for assessing the energy efficiency of industrial processes. It is calculated by dividing the total energy consumed by the total number of units produced, providing a useful metric to determine the amount of energy used per unit of output.

In 2024, the energy intensity ratio at PT ESM was 13.97 GJ/ton, a slight decrease from 14.14 GJ/ton in 2023. Similarly, at our site in Germany, the 2024, energy intensity ratio was 1.66 GJ/ton, down from 1.94 GJ/ton in 2023. These reductions in energy consumption in 2024 were achieved through several energy-saving projects implemented throughout the year.

No	Energy Intensity by ESM	2022	2023	2024	Units
1	Total Production	263,134	284,141	281,757	Ton
2	Total Energy Used	3,935,288	4,018,387	3,929,836	GJ
3	Energy Intensity	14.95	14.14	13.9	GJ/Ton

No	Energy Intensity by SCDG	2022	2023	2024	Units
1	Total Production	30,869	27,261	32,810	Ton
2	Total Energy Used	66,360	52,766	53,302	GJ
3	Energy Intensity	2.15	1.94	1.66	GJ/Ton



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Emission Control

GRI 2-4, 305-5, 305-7



Managing and reducing emissions remains a key priority for SCPL as we continue to align with increasingly stringent emission regulations. We are deeply committed to mitigating our environmental impact through the implementation of comprehensive emission management and control strategies. These include continuous emission monitoring, the adoption of cleaner technologies, the use of input materials with low emission factors and regular compliance assessments in line with both local and international standards. Furthermore, SCPL continues to invest in advanced emission reduction technologies and process improvements, reinforcing our dedication to sustainable operations and environmental stewardship.

Our efforts to reduce emissions include upgrading equipment to enhance energy efficiency, utilizing alternative fuels and optimizing production processes to minimize waste generation. In addition, SCPL ensures that all relevant teams receive comprehensive training to effectively manage emission-related matters, strengthening our operational resilience and sustainability. By prioritizing emission management, we not only maintain full regulatory compliance but also reaffirm our commitment to environmental stewardship and to safeguarding the health and well-being of the communities where we operate.

No	Emission Control by ESM	2022	2023	2024	Units
1	SO _x	125.8	139.7	113.1	Tonnes
2	Particles	28.6	40.5	32.8	Tonnes
3	NO _x	31	4.2	56.9	Tonnes
4	CO ₂	287,526	275,167	243,372	Tonnes

1. SO_x Emission

Total SO_x emissions decreased in 2024 due to a reduction in coal usage.

2. Particles Content

Particulate generation has decreased compared to 2023, due to the reduction in coal usage.

3. NO_x Emission

Total NO_x generated in 2024 increased due to the differences in coal sources that affect the fixed carbon value.

4. CO₂e Emission

Total CO₂ emissions generated in 2024 has decreased due to several energy efficiency initiatives implemented in the Plant

No	Emission Control by SCDG	2022	2023	2024	Units
1	SO _x	0.30	0.59	< 0.8	Tonnes
2	VOC	0.33	0.67	< 0.8	Tonnes
3	CO ₂	1,878	1,426	1,427	Tonnes

Total Scope 1 and Scope 2 emissions in 2024 about the same level with 2023 indicating the energy consumption in the plant was stable.



Water Management

GRI 303-3, 303-4, 303-5



Water resource management is one of SCPL's top environmental priorities, given the essential role water plays in our operations. We are committed to using water responsibly and sustainably, ensuring its continued availability for both our facilities and the surrounding communities. Our comprehensive water stewardship strategy focuses on efficient usage, recycling and conservation across all operational sites. We continuously monitor water consumption, identify opportunities for improvement and invest in technologies that enhance water efficiency and reduce waste. All wastewater generated from our processes is treated and discharged in full compliance with applicable environmental regulations



No	Water Management by ESM	2022	2023	2024	Units
1	Water Withdrawal	29,625,411	30,384,695	33,403,234	m ³
2	Water Discharge	28,798,165	29,151,745	32,152,454	m ³
3	Water Consumption	928,152	910,382	840,997	m ³

1. Water Withdrawal

The water withdrawal increased in 2024 due to the poor quality of air supplied by the Regional Water Supply Company, requiring additional water for the backwash process.

2. Water Discharge

The increase in water discharge is in line with the increase in water withdrawal.

3. Water Consumption

The decrease in water consumption is in line with the production capacity



No	Water Management by SCDG	2022	2023	2024	Units
1	Water Withdrawal	71,998	67,082	63,327	m ³
2	Water Discharge	52,652	47,868	47,163	m ³
3	Water Consumption	19,346	19,214	16,165	m ³

The decrease in water consumption is due to reduction of steam consumption in the plant. Mainly the stripping process was improved.



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Procurement Practices

GRI 204-1



We recognize that an effective and responsible procurement process is essential to ensure our operations have consistent access to quality products and services. Our procurement system follows a structured, multi-level approval process, starting from end users and concluding with top management, ensuring accountability and transparency at every stage. Vendor selection is conducted based on strict social, legal, moral and ethical standards, reflecting our commitment to integrity and sustainability in the supply chain. Over time, our supplier base has grown in line with business expansion and our proactive supplier diversification strategy, strengthening resilience and ensuring competitiveness.

Through these measures, we continue to secure high-quality, cost-effective goods and services while promoting responsible procurement practices that align with our company's values and long-term sustainability goals. We also encourage suppliers to adopt sustainable practices, including ethical labor and environmental responsibility, building a transparent and resilient supply chain.

***Notes :**

- ESM Local suppliers are those who come from the Riau and North Sumatra provinces
- SCDG Local suppliers are those who come from Germany

No	ESM Supplier by Category	2022	2023	2024
1	Good Supplier	287	346	342
2	Service Supplier	179	210	206

No	Breakdown of ESM's Goods Supplier by Origin	2022	2023	2024
1	Local	83	95	100
2	Non Local	204	251	242

No	Breakdown of ESM's Services Supplier by Origin	2022	2023	2024
1	Local	66	76	82
2	Non Local	113	134	124

No	SCDG Supplier by Category	2022	2023	2024
1	Good Supplier	12	10	10
2	Service Supplier	194	235	205



ESM Site



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GRI Summary

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Environmental Management Compliance			
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	303-5	Water Consumption	53
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GRI 306: Effluent and Waste 2016	306-1	Water discharge by quality and destination	48
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GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	38
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Glossary of Acronyms

List of acronyms

1. GRI – Global Reporting Initiative
2. NG – Natural Gas
3. LOPC – Lost of Primary containment
4. CFPP - Coal Fire Power Plant
5. GJ - Giga joules
6. NOX – Oxides of Nitrogen
7. SOX – Oxides of Sulfur
8. WWTP – Wastewater treatment plant
9. WTP – Water treatment plant
10. TSS - Total Suspended Solids
11. COD – Chemical Oxygen Demand
12. BOD – Biological Oxygen demand
13. AOX - Adsorbable Organically bound halogens
14. PT ESM - PT Energi Sejahtera Mas
15. SCDG - Sinarmas Cepsa Deutschland Genthin