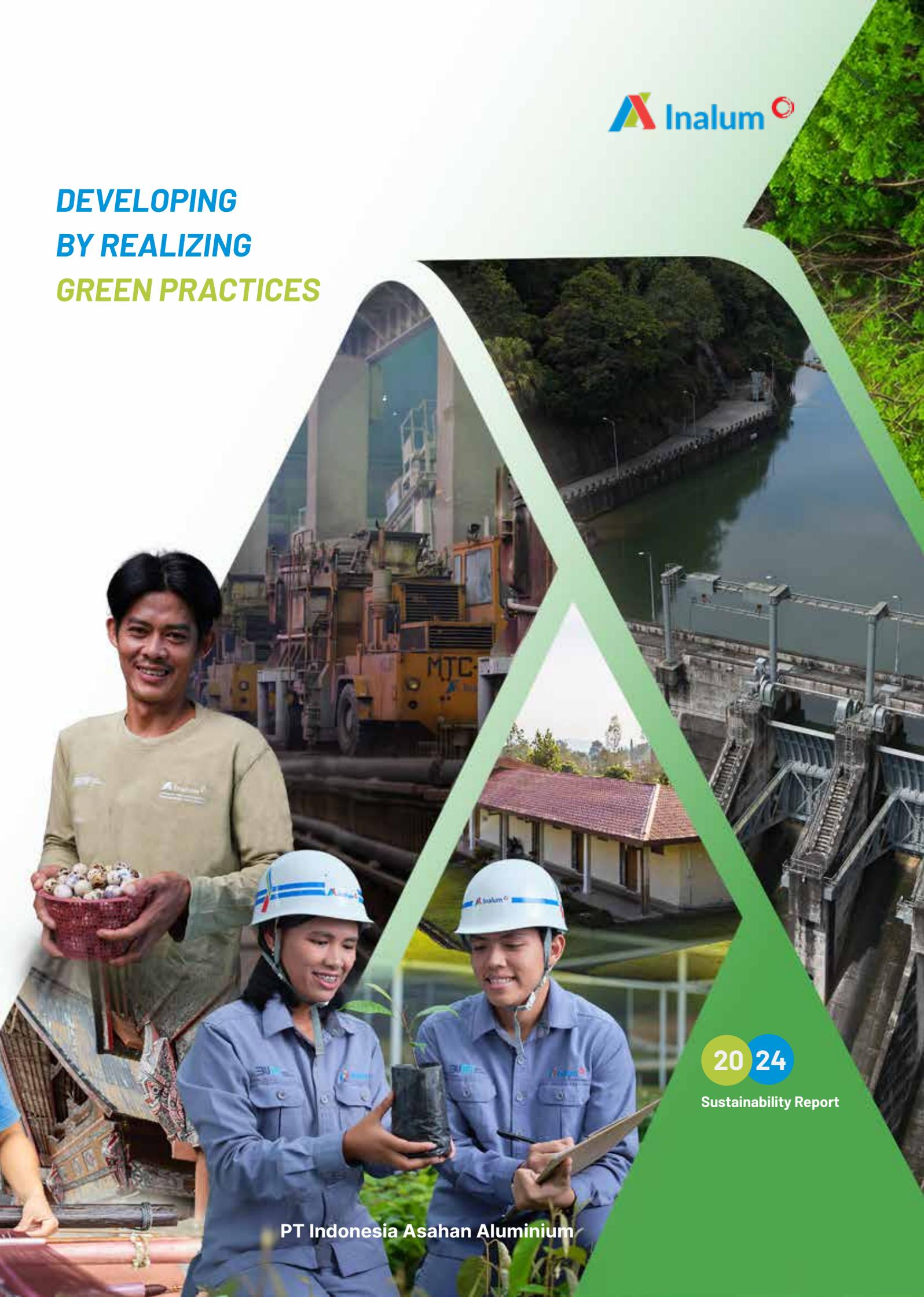


**DEVELOPING
BY REALIZING
GREEN PRACTICES**



20 24

Sustainability Report

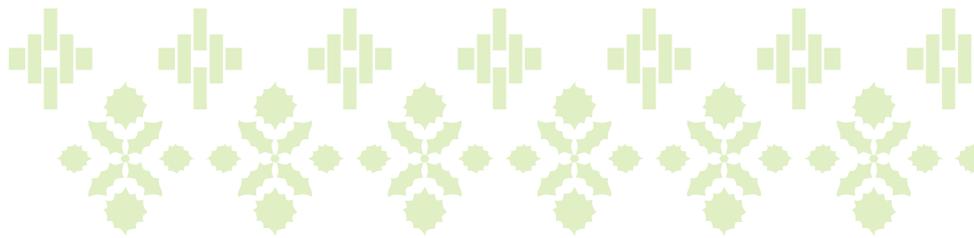


Theme Explanation

DEVELOPING BY REALIZING GREEN PRACTICES

PT Indonesia Asahan Aluminium is committed to continuing to grow sustainably by making environmental responsibility an integral part of its business strategy. As an aluminium producer that uses renewable energy from hydroelectric power plants, the Company continues to develop efficient and low-emission operations. Every development step is directed towards creating a positive impact, not only for the environment, but also for the communities around the work areas.

Through technological innovations, energy efficiencies, and responsible waste management, INALUM is strengthening its role in supporting the transition to a greener industry. The Company has also established strategic collaborations to expand its environmentally friendly operations, while maintaining competitiveness in the national aluminium supply chain. This approach confirms the Company's belief that industrial growth and environmental sustainability can go hand in hand towards a sustainable future.



▶ Disclaimer and Limitation of Liability

This Sustainability Report contains statements of the Company's financial condition, operational performance, projections, plans, strategies, policies, and objectives that can be considered as forward-looking statements related to applicable laws, excepting those related to historical matters. These statements have prospective risks, uncertainties, and may result in actual developments that differ materially from those reported.

The prospective statements in this sustainability report are made based on assumptions related to the current and future conditions of INALUM and the business environment in which it operates. The statements contained in this Sustainability Report are not a guarantee of future performance, as the actual future performance may differ from the statements in this Sustainability Report, as they may be influenced by several factors beyond the Company's control.

PT Indonesia Asahan Aluminium Sustainability Report 2024 is published based on Law No. 40 of 2007 concerning Limited Liability Companies, and the Minister of State-Owned Enterprises Regulation No. PER-2/MBU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities of SOEs. The reference reports used when preparing this report include Financial Services Authority Regulation No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies, and Financial Services Authority Circular Letter No. 16/SEOJK.04/2021 concerning the Form and Content of Annual Reports of Issuers or Public Companies. Although INALUM is not an issuer or public company, these regulations and circulars are used as references as they are the only guidelines issued by official institutions in Indonesia. The global guidelines used include the GRI Universal Standards 2021 published by the Global Reporting Initiative, Amsterdam, Netherlands.

INALUM prepares this report to increase information transparency to Shareholders and build understanding and trust of all stakeholders in the Company by providing accurate, balanced, and relevant information. The PT Indonesia Asahan Aluminium 2024 Sustainability Report contains the words "INALUM" and "Company" which are defined as PT Indonesia Asahan Aluminium who carries out business activities in the field of Aluminium Production and Processing. The currency units "Rupiah", "Rp" or "IDR" refers to the official currency of the Republic of Indonesia, while "US Dollar", "US\$" or "USD" refers to the official currency of the United States.

The Sustainability Report is presented in Indonesian and English using easy-to-read and sized fonts and printed in good quality. This Report's Policies can be viewed and downloaded from the Company's official website, www.inalum.id.



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01

About Reports





The publication of this report is an implementation of INALUM's commitment to implement responsible and sustainable business practices responsible and sustainable business practices, as well as being a strategic medium to increase competitiveness and gain market confidence improve competitiveness and gain market trust

▶▶ About This Sustainability Report

PT Indonesia Asahan Aluminium as a company engaged in the extractive industry, and its aluminium processing can have significant environmental and social impacts. Therefore, the publication of a Sustainability Report every year is important for the Company to ensure transparency in its operations. Through this report, INALUM discloses plans and implementations in managing environmental impacts, as well as its contribution to the social and economic development of the communities around the Company's operating areas.

In addition, the Sustainability Report also plays a role in increasing the Company's accountability to all internal and external stakeholders. Through this report, INALUM explains its commitment to responsible and sustainable business practices. The publication of the Sustainability Report is also a strategy for INALUM to increase its competitiveness, and has become an important means of gaining market trust. Moreover, the Sustainability Report also reflects INALUM's contribution to supporting the achievement of the Sustainable Development Goals (SDGs), especially in the environment and social development aspects. Thus, this report is not only a compliance document, but also a form of the Company's real commitment to business and environmental sustainability.

The 2024 Sustainability Report is its second report after INALUM officially split off/transformed from a Mining Industry Holding that is now called PT Mineral Industri Indonesia (Persero) or MIND ID. In previous years, INALUM published Sustainability Reports from 2019 until the 2022 fiscal year when INALUM became the Mining Industry Holding at the end of 2017 based on the 2017 PP No. 47 concerning the Addition of State Capital Participation by the Republic of Indonesia into the Share Capital of PT Indonesia Asahan Aluminium.

As part of the Mining Industry Holding MIND ID, INALUM's Sustainability Report contains information and data that has been adjusted to the writing structure of the Holding MIND ID Sustainability Report. Several substitute terms are used in this report to facilitate the process of compiling the report, such as the use of the terms "INALUM", "Company", and "We" which refer to PT Indonesia Asahan Aluminium to facilitate the process of presenting the report. For words that refer to business units, INALUM uses abbreviations in certain parts that are included in the scope of this Report.

REPORTING PRINCIPLES

In preparing the Sustainability Report, INALUM refers to the eight reporting principles as specified in GRI 1, Platform 2021 as follows:

1. Accuracy
The information presented is accurate and detailed so that it can be used as consideration for stakeholders in making decisions and assessing the impact of the Company.
2. Balance
The information presented describes the sustainability impact on the Company's activities so that a comprehensive assessment of company performance can be carried out.
3. Clarity
The information presented is understandable and accessible to stakeholders.
4. Comparability
The information presented is prepared consistently so that stakeholders can analyze changes in the Company's performance and the Company's impact over time or even with other companies.
5. Completeness
The information submitted is complete and sufficient to enable stakeholders to assess the impact of the Company.
6. Sustainability Context
The Company reports information about the Company's impact in the broader context of sustainable development.
7. Timeliness
Reports must be available regularly and in a timely manner for stakeholders to make informed decisions.
8. Verifiable
The Company collects, records, compiles and analyzes information so that it can be verified to ensure the quality of the report.

REPORTING SCOPE AND BOUNDARIES [GRI 2-2]

This Sustainability Report discloses INALUM's economic, social and environmental performance and the impact they caused in the reporting period January 1, 2024-December 31, 2024. The reporting structure refers to the 6 (six) pillars of the MIND ID Sustainability Pathway. Although the financial statements of the Company's subsidiaries are included in INALUM's Consolidated Financial Statements, this report does not cover the economic, social and environmental performance of INALUM's subsidiaries.



REPORTING PERIOD AND STATEMENT OF USAGE [GRI 2-3]

As an integral part of the Company's Annual Report, this report is published once a year. INALUM has reported the information cited in the GRI content index for the period from January 1, 2024-December 31, 2024 "In Accordance with GRI Standards."

REPORT REFERENCES

This Sustainability Report has been prepared in accordance with POJK No. 51/POJK.03/2017, SEOJK No. 16/SEOJK.04/2021, GRI Universal Standards 2021, Aluminium Stewardship Initiative (ASI), and Metals & Mining Sustainability Accounting Standards Board (SASB). To help users of the report find information that corresponds to the references, we have included special markers in the form of numbers and letters in accordance with the guidelines at the end of the relevant sentences or paragraphs. Complete data on the correspondence between the content of the report and these references is presented at the end of this report, starting on page 204.

In the context of sustainable development, this Sustainability Report is a medium for INALUM to present information related to its contribution to achieving the Sustainable Development Goals (SDGs). For that reason, we also link the materiality of this report with the SDGs, in accordance with the SDG Compass, The Guide for Business Action on the SDGs, compiled by GRI, the United Nations Global Compact, and the World Business Council for Sustainable Development (WBCSD), which can be found on page 218.

CHANGES IN THE REPORT [GRI 3-2]

The material topics in the 2024 sustainability report have not changed from the previous year. The determination of these material topics is carried out in accordance with the MIND ID Group Materiality Matrix Framework called the MIND ID Pathway where material topics are determined based on the Company's risk register and stakeholder expectations. In line with that, INALUM conducted a review of the 2023 material topics by involving internal and external stakeholders in accordance with the 2021 GRI Standards Universal guidelines in a face-to-face Focus Group Discussion on Monday, February 10, 2025 in Medan, North Sumatra. Through this review, in addition to identifying and assessing the impacts on an ongoing basis, the Company also ensured that the material topics in this report represented the most significant impacts during the reporting year. Furthermore, based on the internal and external review, stakeholders agreed not to make any changes to the material topics, especially since the topics are in accordance with the MIND ID Pathway.

RE-STATEMENT OF INFORMATION [GRI 2-4]

To support the validity of the report contents, if there is a restatement of information provided in the previous report, we mark it *restated. In this report, there are no restatements.

VERIFICATION BY INDEPENDENT PARTY [GRI 2-5]

GRI recommends the use of external assurance by an independent third party to ensure the quality and reliability of the information presented in this report. For this reason, INALUM conducts assurance for this report by cooperating with an independent third party, namely TUV Rheinland to verify in accordance with the AA1000 Accountability Principles 2018 standards. The Company has no other relationship with the assurer other than the assurance work for this report. In addition, the assurer is also not involved in the process of preparing the report so that there is no conflict of interest in the assurance process. The process of determining the assurer is carried out through the approval of the Board of Directors, represented by the Corporate Secretary.

ACCESS TO INFORMATION ON THE SUSTAINABILITY REPORT [GRI 2-3]

In addition to being verified by an independent third party, this report has been reviewed and approved by both the Board of Commissioners and the Board of Directors.

Inalum provides the widest possible access to information for all stakeholders, and investors as well as others regarding this sustainability report by contacting:

Corporate Secretary
PT Indonesia Asahan Aluminium
 Mahyaruddin AR
 Kuala Tanjung, Kecamatan Sei Suka, Kabupaten Batu Bara,
 Sumatera Utara 21657
 Telp : +62 622 31311
 Email : corsec@inalum.id
 Website : www.inalum.id
 Instagram : @inalum
 Facebook : PT Indonesia Asahan Aluminium
 X : @inalum_official
 LinkedIn : PT Indonesia Asahan Aluminium
 Youtube : Inalum Official

▶ Explanation of the Board of Directors [OJK D.1] [GRI 2-22]



Ilhamsyah Mahendra
President Director





Dear Respected Shareholders and Stakeholders

We give thanks to the presence of Almighty God who bestowed His blessing, so that PT Indonesia Asahan Aluminium can pass through a dynamic 2024 by posting good performance. During the reporting year, the Company recorded a solid financial performance, reflected in the increase in a number of indicators including production volume, revenue and net profit, all being above the targets set in the 2024 Company Work Plan and Budget (RKAP). This does not only reflect the effectiveness of the policies and strategic initiatives throughout the year, but is also proof of INALUM's commitment to maintaining a positive performance and providing added value to its stakeholders.

As well as internal factors, INALUM's achievements were also supported by improving external conditions, including increasing prices of aluminium commodities in the global market and the growth of the domestic economy that encouraged domestic industrial consumption. Also government pro-investment policies that supported mineral downstreaming provided additional impetus for INALUM to expand its market and increase the added value of its products. These more conducive market conditions were the key catalysts that strengthened the Company's performance and increased INALUM's growth opportunities throughout 2024.

Through this Sustainability Report, we would like to report on these achievements. In line with the principle of sustainability, in addition to reporting our economic performance, this report will also include the environmental, social and governance performance achievements.

INALUM POLICY IN RESPONSE TO THE SUSTAINABILITY STRATEGY CHALLENGES

To face the challenges of fulfilling the 2024 sustainability strategy, INALUM has strengthened its corporate governance policy by applying the Environmental, Social, and Governance (ESG) principles across all operational lines. The Company instigated this risk-based ESG to identify, mitigate, and manage environmental, social and governance risks that have the potential to affect our long-term performance. The steps taken included establishing a special unit for sustainability aspects, increasing internal capacity, and delivering more transparent and integrated sustainability reporting.

INALUM also instigated energy and resource efficiency policies to reduce carbon footprints in line with national and global targets towards a low-carbon economy. Strategic initiatives such as energy efficiency and diversification of energy sources and accelerating the transition to renewable energy, reducing greenhouse gas emissions, and increasing water and waste efficiency were implemented gradually. These policies not only aim to meet increasingly stringent environmental regulations, but also to strengthen INALUM's position as a future-oriented industrial company that is responsible for climate change.

In the social dimension, INALUM strengthened its Social and Environmental Responsibility (SER) program by focusing on empowering communities around the Company's operational areas, and also by developing collaborative programs to support local economic growth, education and environmental preservation so as to build a harmonious sustainable ecosystem between INALUM and the communities. Through this policy, the Company will not only look to fulfill its sustainability strategy, but also to create shared values that strengthen long-term business sustainability.

SUSTAINABILITY ACTIVITIES IN 2024

During 2024, INALUM's business operations were in accordance with the sustainability activity principles that aligned the economic, environmental, social and governance aspects with the following results:

1. Economic Aspect Performance

As of December 31, 2024, INALUM recorded the following performance improvements compared to the previous year, which also successfully realized the targets set in the 2024 RKAP. Total primary aluminium production realized 274,230 tons, or 100.03% of the target of 274,140 tons, 127.47% above the 215,130 tons in 2023. In terms of marketing, the Company recorded sales of 276,381 tons in 2024, or 100.82% of the target of 274,140 tons. The higher production and sales in 2024 were due to operational efficiency and adaptation of marketing strategies in facing market demand trends, especially in the domestic market.

While, in terms of revenue, the Company realized USD716.99 million in 2024, or 100.42% of the target of USD714.02 million, mainly due to the increase in LME Cash prices to USD2,419 per ton from the target of USD2,279 per ton. This revenue achievement increased by 31.59% compared to the previous year. In line with that, the Company also recorded a net profit of USD123.72 million in 2024, or 319.25% of the targeted USD38.75 million. However, the current year's profit decreased compared to the previous year with a profit of USD475.83 million. This decline was more due to the effect of the split-off in 2023.



2. Environmental Aspect Performance

During 2024, INALUM continued to strengthen its commitment to environmental protection through initiatives based on the sustainability principles. The Company endeavored to optimize the efficient use of energy and water, reduce greenhouse gas emissions, and manage production waste responsibly in accordance with national standards and international best practices. The Company also gradually adopted the use of new renewable energy in its operational lines, supported greening programs, and expanded collaboration with stakeholders to encourage biodiversity conservation around the operational areas. These steps were taken by INALUM to strengthen its determination to be an active part of the transition to a green economy and to realize a more environmentally friendly industry for future generations.

Other efficiency and environmental management efforts produced various positive results. By the end of 2024, 99.31% of the total energy used by INALUM came from renewable energy with the main source being two hydroelectric power units on the Asahan River. This energy is the operational backbone for the Kuala Tanjung Smelter Plant, and strengthens the Company's commitment to supporting sustainable energy transitions, while reducing greenhouse gas emissions. Compared to 2023, the use of renewable energy in 2024 increased from 12,778,887 Gigajoules (GJ) in 2023 to 16,339,725 GJ in 2024. This increase was mainly due to an increase in the amount of natural gas used.

For waste management, the Company reduced Spent Pot Lining (solid waste generated from the aluminium smelting process) from 14,118.48 tons in 2023 to 11,743.87 tons in 2024. While, the total waste from the final disposal points in 2024 for B3 solid waste increased, and non-B3 solid waste decreased compared to 2023. The increase occurred because anode production increased from 144,564.45 tons to 192,183.29 tons, while non-B3 waste decreased due to composter facility maintenance activities. INALUM's commitment to realizing a better environment was also realized by allocating environmental costs used for environmental needs. In 2024, the Company's environmental costs amounted to Rp43,028,552,557, an increase compared to Rp39,376,913,290 in 2023. These funds were used for waste management, environmental monitoring, tree planting, dredging of watersheds near dams and other areas.

3. Social Aspect Performance

INALUM realized its social aspect performance commitment by fulfilling the rights of internal stakeholders, namely employees and management across divisions, as well as external stakeholders such as consumers/customers and communities around the operational areas. Throughout the reporting year, the Company maintained harmonious industrial relations with all employees, without any complaints or labor disputes, and also there were no incidents of discrimination, child labor, or forced labor practices in the INALUM work environment.

Specifically, to improve employees' competencies as the frontline of service, the Company organized education and training programs for a total of 133,542 hours, up from 122,098 hours in 2023. In addition, INALUM also maximized its efforts to create a safe and healthy work environment, and in the reporting year, maintained the previous year's achievement of no fatalities or occupational diseases.

INALUM's responsibility to the community was also realized by organizing SER programs through the Micro and Small Business Funding Program (PUMK), and the Non-PUMK SER Program. The PUMK Program funds were distributed to the industrial, trade, agriculture, plantation, and service sectors in collaboration with Bank Rakyat Indonesia for a total of Rp944,000,000. The Non-PUMK SER funds totaled Rp42.39 billion, and were focused on improving the quality of life of the communities, and environmental conservation. These SER programs had a significant impact when calculated by the Social Return of Investment (SROI), and included the Edu Ekowisata Mangrove Pantai Sejarah program with an SROI value of 1:8,00; Eco-Cultural Tourism Desa Meat with an SROI value of 1:2,34; Karya Salemba Empat Joint Scholarship with an SROI value of 1:1,12; and BUMN House with an SROI value of 1:2,11.

For its customers, INALUM fulfilled its responsibilities by providing the best products and services, as well as by carrying out continuous innovations to optimally meet their expectations. Related to its efforts to maintain product quality, INALUM obtained the Aluminium Stewardship Initiative (ASI) Performance Standard Certificate for its aluminium smelter in Kuala Tanjung, North Sumatra, confirming that INALUM was running responsible and sustainable aluminium industry practices, covering environmental, social, and governance aspects. INALUM also obtained the ISO 9001:2015 quality management system certification, which ensures that its production processes and quality management meet international standards. The commitment to providing the best services resulted in increased customer satisfaction scores from 96.36% in 2023 to 98.97% in 2024.

INALUM's consistency in running its business by aligning the economic, social and environmental performance aspect achievements received awards as a sign of appreciation from its stakeholders. During 2024, the awards received by INALUM included the 2023 Gold Proper for IPP, and the 2023 Green Proper for ISP; the 2024 BUMN Entrepreneurial Marketing Award as The Most Promising Company in Tactical Marketing in the Silver category and the Dewi BUMN Award; the 2024 Indonesia Living Legend Companies Award, Gold Living Legend Company in Increasing Capacity Through National Aluminium Downstreaming Ecosystem Development; and the TOP CSR Awards with Top CSR Awards #Stars and Top Leader on CSR Commitment 2024.

4. Corporate Governance Performance

During 2024, INALUM continued to strengthen its good corporate governance (GCG) practices to create a foundation for building long-term business sustainability. This commitment was realized by strengthening the organizational structure, transparency of decision-making, and compliance with regulations and business ethics principles.

INALUM's governance structure has been formed to support the application of good corporate governance principles, so that it can run in a systematic and structured manner. The INALUM's governance supporting bodies have clear roles and responsibilities so that a control, checks, and balance mechanism has been created. The Board of Directors and the Board of Commissioners carry out the functions of management and supervision of management. Throughout 2024, the Board of Directors held 27 internal meetings, the Board of Commissioners held 15 internal meetings, there were 12 joint meetings of the Board of Directors and the Board of Commissioners, with an attendance rate of 100% by the Board of Directors and the Board of Commissioners.

As part of the application of the transparency principle, the Company regularly provides information needed by stakeholders regarding the Company's activities and performance, in compliance with information disclosure. INALUM uses the following facilities as channels for disclosing information:

- The General Meeting of Shareholders is a means of communication between INALUM and its shareholders to report information about the Company and allow Shareholders to participate in decision-making that requires shareholder approval. In 2024, the Company held 1 (one) GMS, namely the Annual GMS for the 2023 Fiscal Year on July 16, 2024.
- Meetings with Investors and Analysts, as a means of exchanging information on industry and Company developments to investors/analysts, especially regarding the Company's business and financial performance. These meetings can be held individually or in groups, either face to face, or by telephone or conference call.
- The financial report published by the Company is an annual financial report, and is part of the annual report published through the Company's website.
- The annual report is prepared as a form of accountability by the Board of Directors and Board of Commissioners in managing and supervising the Company within a period of 1 (one) fiscal year. The annual report is submitted to shareholders, regulators, and is published through the Company's website.

In addition, to achieve the Company's vision and mission, all INALUM business activities are based on ethical values that do not only prioritize economic goals. During 2024, INALUM:

- Instigated the Anti-Bribery Management System (SMAP) with ISO 37001:2016 standards. Evaluation of the SMAP was conducted through a surveillance audit 1 by an external auditor with the audit results showing no discrepancies. INALUM also instigated the Anti-Bribery Management System (SMAP) using the Corruption Prevention Guidelines ("Pancek") standards of KPK with assistance from Task Force (Satgas) 4 for KPK Business Entities.
- INALUM as a part of the MIND ID Group has a whistleblowing system ("WBS") integrated with the MIND ID Group (tone at the top), which is an effective, reliable and independent reporting system, with anonymous, independent and objective reporting options.
- Provisions on gratification control as outlined in the Board of Directors' Decree that includes regulations on gratification classification, reporting of gratification by employees and reporting of gratification to the Corruption Eradication Commission (KPK), where the Gratification Control Unit (UPG) carries out gratification control management.

INALUM will continue to strengthen its adaptive and accountable governance system to face the dynamics of risks and sustainability challenges in the future.

TARGET ACHIEVEMENT STRATEGY

INALUM's commitment and support for the sustainable activities can also be determined by the Company's success in achieving economic performance as planned in the 2024 Company Work and Budget Plan (RKAP). The annual RKAP includes strategic policies and initiatives, work programs, and targets and objectives to be achieved. For 2024, INALUM's business strategy was determined based on an analysis of the situation and conditions at the end of 2023, combined with optimistic projections for economic developments in 2024.



The INALUM strategic policies and initiatives for 2024 were as follows:

1. Increasing the Company's revenue and net profit, including by increasing production capacity to 274 kT through pot upgrading.
2. Complying with the government's mandate to increase the competitiveness of the national industry and to strengthen the sustainability-based aluminium industry ecosystem.
3. Increasing net profits from non-core businesses including asset management and subsidiaries to create a more resilient and adaptive business portfolio to market dynamics.
4. Improving systems and cost efficiencies in all business processes in the Company to increase productivity and reduce operational costs while still prioritizing occupational safety and strengthening good governance.
5. Supporting infrastructure improvements for operational activities to ensure smooth production and business expansion.

To ensure the economic performance remains on track, the Company regularly monitors the business strategies through Board of Directors and Board of Commissioners meetings. This monitoring is aimed not only to supervise the achievement of economic performance targets, but also to formulate solutions to obstacles or challenges that may disrupt their achievement.

PROSPECTS AND OPPORTUNITIES

Entering 2025, INALUM's business prospects look increasingly promising based on the projection by international institutions of stable global economic growth in the range of 3.2%. While, Indonesia's national economy is estimated to grow by around 5.1% driven by increased investment, strong domestic consumption, and ongoing industrial downstreaming programs. This positive macroeconomic condition opens up opportunities for INALUM to expand its domestic and international market base, and to strengthen its contribution to the national industrialization program through high-quality aluminium products.

Global aluminium prices are expected to remain solid throughout 2025 with a stable or moderate upward price trend in line with the growth of the public transportation sector – including electric vehicles (EVs), renewable energy development, and national infrastructure projects. The demand for aluminium as a primary material in these sectors provides a large market potential for INALUM, especially in meeting the raw material needs for national and global strategic industries. By strengthening its supply chain integration and optimizing production, the Company is in a strategic position to take advantage of this momentum to increase its sales volume and expand its market reach.

Based on these projections, the Company has set measurable targets in the 2025 RKAP, covering production, revenue, operating expenses, and net profit for the current year. These targets include total primary aluminium production of 275,150 tons, or 99.97% of the 2024 realization of 276,230 tons; primary aluminium sales of 273,150 tons in 2025, or 99.19% of the 2024 realization of 276,381 tons; revenue of USD927,737 thousand, or 129.39% of the 2024 realization of USD716,987 thousand; and net profit of USD103,471 thousand, or 83.60% of the 2024 realization of USD123,763 thousand.

To achieve these targets, the Company has also instigated strategic initiatives and policies and is committed to applying them as optimally as possible. With this commitment, INALUM is optimistic that it can achieve the RAKP 2025 target and realize a sustainable business.

APPRECIATION



INALUM's optimal achievement in 2024 proves that the Company is in a healthy and solid business condition. As well as being supported by external factors such as national economic growth, this success is also the result of the precise implementation of strategic initiatives and policies that have been designed and implemented collectively by all levels of management, employees, and governance bodies. For this achievement, we would like to express our appreciation to the Board of Commissioners for the supervision and direction provided so that the Board of Directors could carry out business operations well. We would also like to express our gratitude to the shareholders for the trust they have continuously given us in managing INALUM throughout the reporting year.

We would also like to show our highest appreciation to all employees, who are the key assets and the spearhead of INALUM's services, for their dedication, loyalty, and hard work. We also express our appreciation to all consumers/customers, business partners, government/regulators, and the wider community who always provide support for INALUM's existence and development. We hope that this support will continue to strengthen, so the Company will become stronger in meeting the expectations of all stakeholders and shareholders, while realizing the Company's vision of sustainability through independent community empowerment programs and harmonious relationships with stakeholders.

Jakarta, April 30, 2025
On Behalf of the Board of Directors
PT Indonesia Asahan Aluminium



Ilhamsyah Mahendra
President Director

Statement Letter of Member of the Board of Commissioners About Responsibility for the Sustainability Report Sustainability Report 2024 PT Indonesia Asahan Aluminium

We, the undersigned, declare that all information in the Sustainability Report of PT Indonesia Asahan Aluminium Year 2024 has been fully contained, has been reviewed, and take full responsibility for the accuracy of the contents. Aluminum year 2024 has been fully contained, has been reviewed, and is fully responsible for the correctness of the contents of the Sustainability Report.

Thus this statement is made with truth.

Jakarta, April 30, 2025

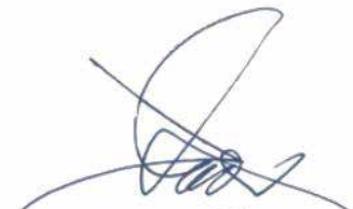
Board of Commissioners



Musa Bangun
President Commissioner/Independent



Ahmad Erani Yustika
Commissioner



Martuani Sormin
Independent Commissioner



Indra Simarta
Commissioner



Hari Soebagijo
Independent Commissioner

Letter of Statement of the Members of the Board of Directors Regarding Responsibility for Sustainability Report 2024 PT Indonesia Asahan Aluminium

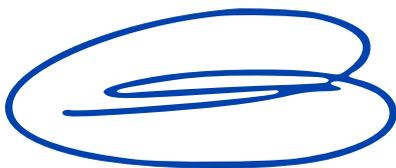
We, the undersigned, declare that all information in the Sustainability Report of PT Indonesia Asahan Aluminium Year 2024 has been fully contained, has been reviewed, and take full responsibility for the accuracy of the contents. Aluminum year 2024 has been fully contained, has been reviewed, and is fully responsible for the correctness of the contents of the Sustainability Report.

Thus this statement is made with truth

Direksi



Ilhamsyah Mahendra
President Director



Benny Alexander Wiwoho
Director of Strategic Support &
Human Capital concurrently Acting
Director of Finance



Ivan Ermisyam
Director of Operations



Melati Sarnita
Director of Business Development



02

Sustainability Performance Highlights





Sustainability Performance Highlights

SUSTAINABILITY PERFORMANCE HIGHLIGHTS

Description	Unit	2024	2023	2022
Economic Aspect [OJK B.1]				
Quantity of products/services sold	Product Category	1. Aluminium Products: <ul style="list-style-type: none"> Aluminium Ingot Aluminium Billet Aluminium Foundry Alloy 2. Services <ul style="list-style-type: none"> Co-working space ICO Space – INALUM Main Office Electricity 	1. Aluminium Products: <ul style="list-style-type: none"> Aluminium Ingot Aluminium Billet Aluminium Foundry Alloy 2. Services <ul style="list-style-type: none"> Co-working space ICO Space – INALUM Main Office Electricity 	1. Aluminium Products: <ul style="list-style-type: none"> Aluminium Ingot Aluminium Billet Aluminium Foundry Alloy 2. Electricity
Revenue	USD Thousands	716.987	544.848	570.524
Profit (Loss) for the Year	USD Thousands	123.717	475.830	1.512.693
Environmentally friendly products	Energy Source	PLTA	PLTA	PLTA
Involvement of local (domestic) parties	Company/ Partner	362	329	249
Environmental Aspect [OJK B.2]				
Amount of Energy Use	Gigajoule	16.452.879	12.985.357	13.855.972
Greenhouse Gas Emissions	Ton CO ₂ e	971.550,25	898.185,91	867.495,89
Absolute Results of Emission Reduction	Ton CO ₂ e	73.364,34	30.690,02	119.288,88
Water Withdrawal	Megaliter	1.628,96	1.580,80	1.650,00
Water Consumption	Megaliter	1.488.90	1.448,80	1.529,00
Addition (Reduction) of Wastewater	Megaliter	8,05	11,00	8,61



SUSTAINABILITY PERFORMANCE HIGHLIGHTS

Description	Unit	2024	2023	2022
Addition (Reduction) of Non-B3 Solid Waste	Ton	343,70	(15,55)	(401,90)
Addition (Reduction) of B3 Solid Waste	Ton	3.310,67	1.672,91	(4.983,51)
Biodiversity Conservation	Number of trees planted	200,000 trees, 49,000 mangroves	185,000 trees, 23,000 mangroves	130,000 trees, 51,000 mangroves
	Number of Endemic Trees Planted	130	1.080	1.075
	Number of animals bred	18 ekor	18 ekor	18 ekor
Environmental Costs	Million Rupiah	43.029	39.377	29.946
Social Aspect [OJK B.3]				
Number of employees	People	1.789	1.819	1.811
Number of female employees	People	124	126	144
Employee turnover	Percentage	1,1	0,71	0,66
Number of Fatalities	Cases	0	0	0
UMK Funding	Million Rupiah	77	1.150	30
SER Assistance Funds and/or Other Activities (Non-B3 PUMK)	Million Rupiah	42.385	33.420	32.815
Customer satisfaction	Percentage	98,97	96,36	97,67
Customer engagement	Percentage	97,31	97,36	99,49



03

Company Profile





Currently, INALUM contributes to the fulfillment of aluminum in Indonesia by 73% with the three largest users being the extrusion, automotive and cable manufacturing sectors cable manufacturing.

Identity Of The Company



Name [GRI 2-1]

PT Indonesia Asahan Aluminium



Short Name [GRI 2-1]

INALUM



Date of Establishment

January 6, 1976



Company Status [GRI 2-1]

Limited Liability Company



Legal Basis of Establishment

PT Indonesia Asahan Aluminium was established based on Deed No. 2 dated January 6, 1976, made before Julian Nimrod Siregar Gelar Mangaradja Namora, S.H., Notary in Jakarta. The Company's deed of establishment was approved by the Minister of Justice based on Decree No. Y.A.5/12/20 dated January 10, 1976 and was announced in the Supplement to State Gazette No. 4 on January 13, 1976.



Line of Business [GRI 2-6]

Aluminium Production and Processing



Authorized Capital

Rp21,724,959,915,000



Issued and Fully Paid Up Capital

Rp5,431,240,290,000



Share Ownership as at December 31, 2024 [GRI 2-1][OJK C.3]

- Dwiwarna Series A Shares Republic of Indonesia (0,000002%)
- Series B shares PT Mineral Industri Indonesia (Persero) or MIND ID (Mining Industry Indonesia) (99,999998%)



Head Office Address [GRI 2-1][OJK C.2]

Kuala Tanjung, Kecamatan Sei Suka, Kabupaten Batu Bara, Sumatera Utara 21657



Company Contact

Corporate Secretary
Kuala Tanjung, Kecamatan Sei Suka, Kabupaten Batu Bara, Sumatera Utara 21657
Telephone : +62 622 31311
E-mail : corsec@inalum.id



Office Network

- 1 Head Office Kuala Tanjung
- 1 PLTA Office Paritohan
- 1 Representative Office Jakarta
- 1 Liaison Office Medan



Total Employees [GRI 2-6]

1.789 people as at December 31, 2024



Akses ke Perusahaan



Social Media

YouTube



INALUM Official

Facebook



PT Indonesia Asahan Aluminium

Instagram



@inalum

X



@INALUM_Official

LinkedIn



PT Indonesia Asahan Aluminium

Website



<http://www.inalum.id>

▶ Inalum's Vision, Mission and Core Values [OJK C.1]



Vision

To become a Leading Global Company Based on Eco-Friendly Integrated Aluminium.

Mission

1 Running an integrated aluminium smelting operations that is profitable, safe and environmentally friendly to increase stakeholder value;

2 Contribute to regional and national economic growth through operational activities and sustainable business development;

3 Participate in empowering the surrounding community through Corporate Social Responsibility (CSR), and Partnership Program and Development Program (PCDP/"PKBL").

4 Improving HR competencies in a planned and sustainable manner for the smooth operation and development of the aluminium industry.



INALUM'S Core Values

Human Resources of State-Owned Enterprises – AKHLAK consists of:

Trustworthy

Competent

Harmonious

A

Definition: Upholding the trust that has been given.

Behavior guide:

1. Keeping promises and commitments;
2. Responsible for duties, decisions and actions undertaken;
3. Upholding moral and ethical values.

K

Definition: Continue to learn and develop capabilities.

Behavior guide:

1. Improve self competency to respond to changing challenges;
2. Helping others to learn;
3. Complete tasks with the best quality.

H

Definition: Caring for one another and respecting differences.

Behavior guide:

1. Appreciate everyone regardless of background;
2. Fond of helping others;
3. Building a conducive work environment.

Loyal

Adaptive

Collaborative

L

Definition: Dedicated and prioritizing the interests of the Nation and State.

Behavior guide:

1. Maintaining the good name of fellow employees, leaders, SOE and The State;
2. Willing to sacrifice to achieve greater goals;
3. Obeying the leader, as long as not in conflict with the law and ethics.

A

Definition: Continuously innovating and enthusiastic in driving or facing change.

Behavior guide:

1. Able to adapt quickly to be better;
2. Perform continuous improvements by following technology developments;
3. Proactive.

K

Definition: Building synergistic cooperation.

Behavior guide:

1. Provide opportunities for various parties to contribute;
2. Open for collaboration to generate added value;
3. Mobilizing the utilization of various resources for common goals.

Socialization and Internalization of Corporate Values

INALUM continues to internalize the Corporate Values in accordance with the Ministry of State-Owned Enterprises directive, which established AKHLAK as the core values, and also as the basis for the character-building throughout the SOEs.



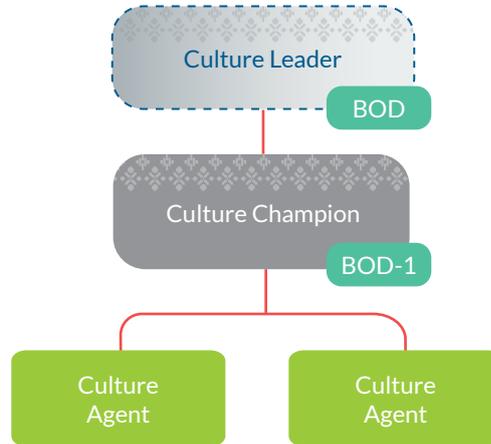
By integrating AKHLAK into the Corporate Values, it is hoped that all Company lines will be more optimal and have a clear direction in future development. To internalize the AKHLAK culture, INALUM has mapped the cultural programs into 3 types, namely:

1. Joint Program
2. Thematic Program dan
3. Specific Program

To ensure the program reaches the lowest level, the Company has established a cultural management structure where the Board of Directors act as Culture Leader, BOD-1 level officials as Culture Champion and Culture Agent in all functions in the company to carry out internalization of the pre-determined programs.



Cultural Management Structure



In 2024, AKHLAK culture internalization was carried out through the following program initiatives:

CULTURE LEARNING SERIES

Activities that aim to increase knowledge and understanding of MIND ID Group personnel, especially related to the Company culture.



INALUM CULTURE & LEARNING FEST

Year-end celebration activities for all employees through various types of programs learning and activation from the cultural side in welcoming future challenges

CULTURE AGENT SESSION

A sharing and learning platform for culture agents across the country MIND ID Group



CULTURE SURVEY

Implementation of a survey to all employees in MIND ID Group to measure employee satisfaction as well as the implementation of AKHLAK in the Company



MIND ID Xplorathon

An event that brought together representatives across the MIND ID Group in a sports and arts festival



INALUM Sport Festival

Year-end celebration activities for all employees through various types of programs learning and activation programs from the cultural side in welcoming future challenges.

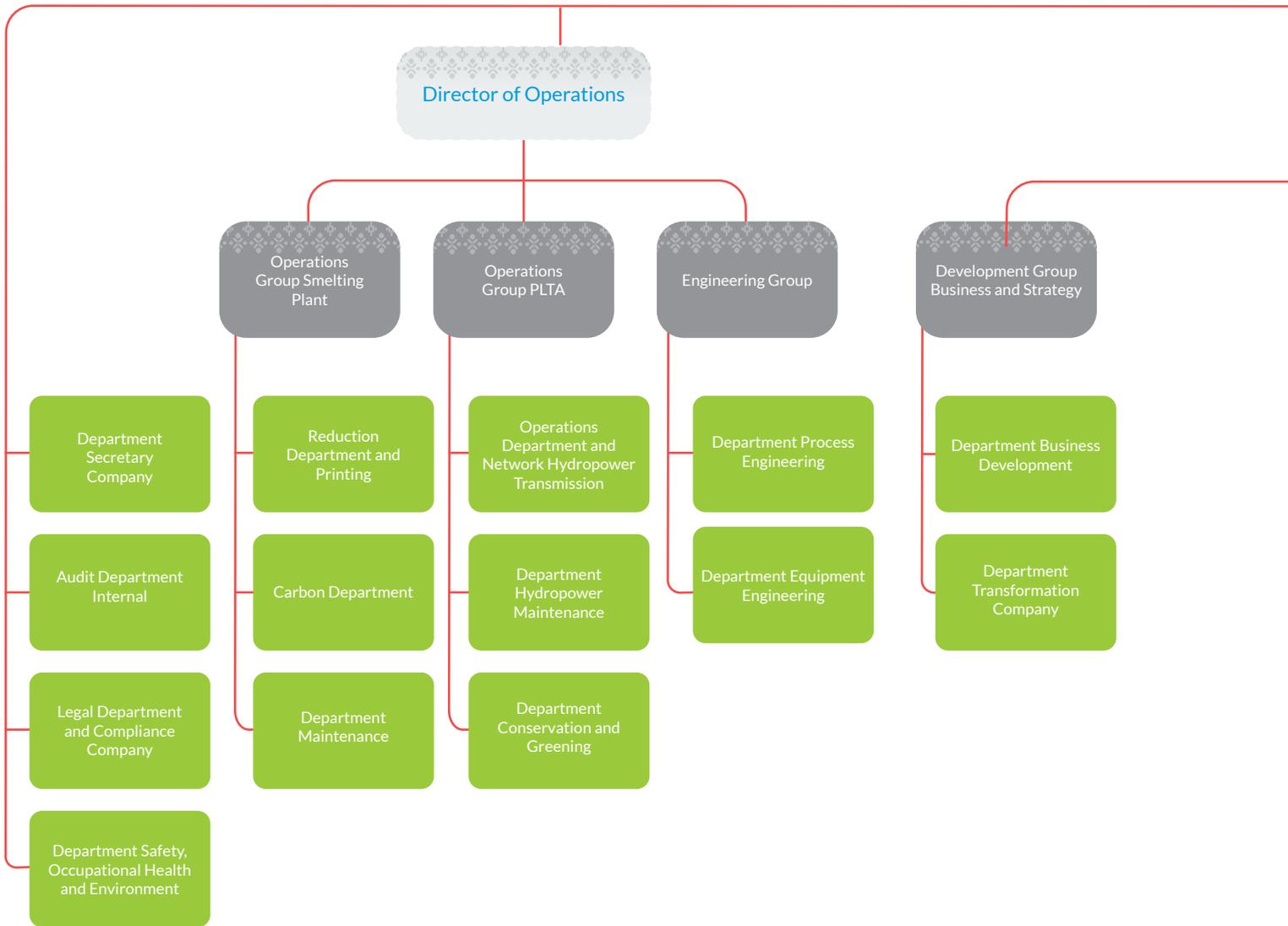
CULTURE SURVEY

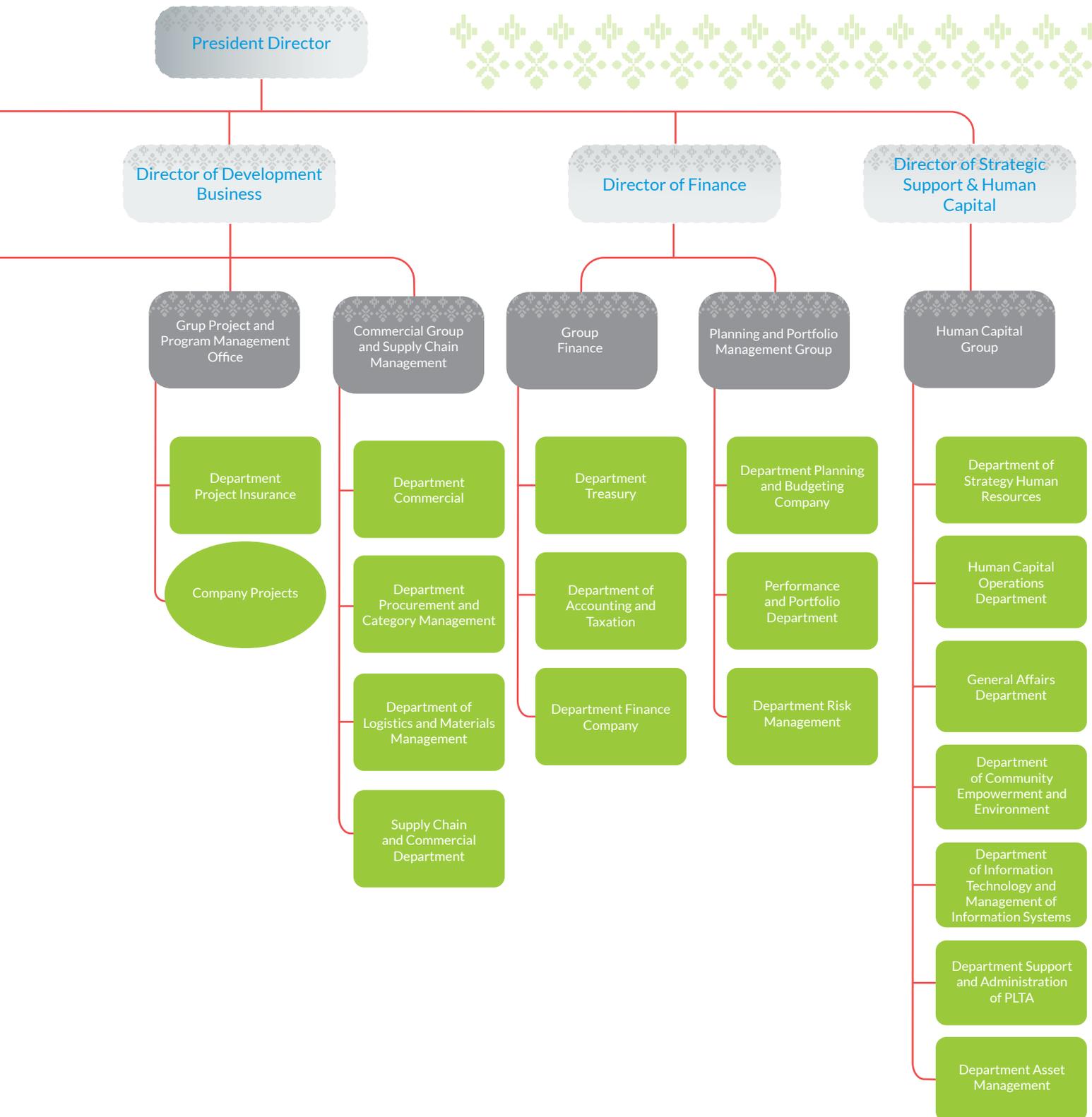
Implementation of a survey to all employees in MIND Group ID Group to measure employee satisfaction as well as the implementation of AKHLAK in the Company



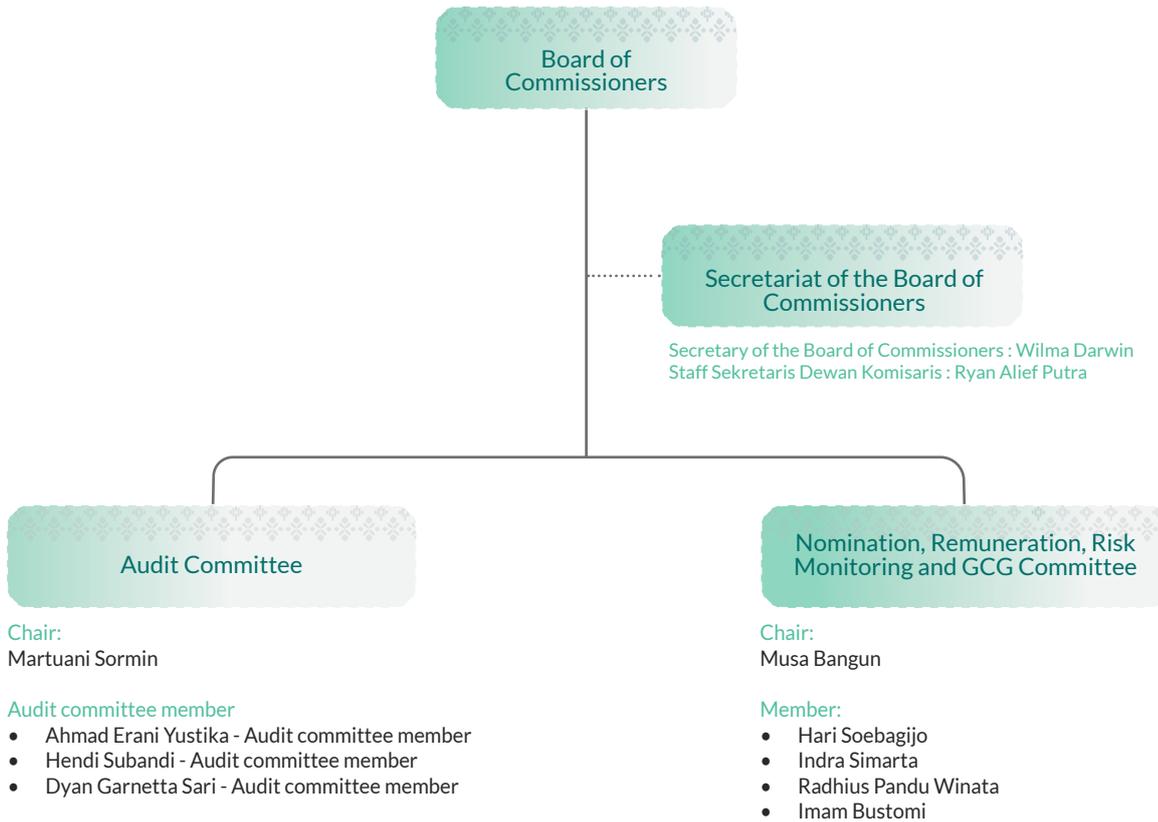


Organization Structure





Organization Structure below the Board of Commissioners



Corporate Group Structure



- Ultimate Owner Entity
- Parent Entity
- Subsidiaries
- Associated Entities



SHARE OWNERSHIP COMPOSITION

As of December 31, 2024, the composition of the Company's shareholders is as follows: [OJK C.3] [GRI 2-1]

Name of Shareholders	January 1, 2024		December 31, 2024	
	Number of shares	Percentage (%)	Number of shares	Percentage (%)
Republic of Indonesia				
Dwiwarna Series A Shares	1	0,00001%	1	0,000002%
PT Mineral Industri Indonesia (Persero) or MIND.ID				
Series B Shares	52.349.300	99,99999%	13.087.325	99,999998%
Total	52.349.301	100%	13.087.326	100%



Business Activities and Company Products and/or Services [OJK C.4] [GRI 2-6]

- **Business Activities Based on Articles of Association**

As stated in Article 3 of the Company's Articles of Association, which was last amended and ratified through Deed No. 138 dated March 21, 2023, made before Jose Dima Satria, S.H., M.Kn., Notary, in Jakarta, the Company's aims and objectives are to carry out business in the integrated aluminum, mining and industrial sectors, as well as the Company's resources optimization to manufacture high-quality and highly competitive goods and/or services to generate profits to increase the Company value by applying the Limited Liability Company principles. To achieve its aims and objectives, the Company can carry out the following main business activities:

1. Building and running a business in the field of Alumina production and processing, Coke Calcination Plant including its derivative products, Aluminium Smelting Plant and Secondary Aluminium Factory and including its derivative products;
 - a. Non-ferrous base metal manufacturing industry;
 - b. Non-ferrous metal grinding industry;
 - c. Non-ferrous metal and steel casting industry; and
 - d. Coal product industry.
2. Building and operating a business in the mineral mining sector including but not limited to copper, tin, iron, nickel, bauxite and gold, including general investigations, explorations, feasibility studies, construction, mining, processing, refining, transportation, sales and post-mining activities; including:
 - a. Bauxite ore mining;
 - b. Copper ore mining;
 - c. Nickel ore mining;
 - d. Other precious metal ore mining;
 - e. Tin ore mining;
 - f. Black tin ore mining;
 - g. Iron sand mining; and
 - h. Iron ore mining.
3. Coal mining;
4. Other mining and excavation support activities;

5. Wholesale trade of metals and metal ores;
6. Motorized transportation for public goods;
7. Operating a business in the service sector, including construction development services:
 - a. Industrial building construction;
 - b. Other civil building construction;
 - c. Residential building construction;
 - d. Office building construction;
 - e. Accommodation building construction; and
 - f. Entertainment and sports venue building construction.
 - g. Other management consulting activities; and
 - h. Electric power generation.

Apart from the main business activities referred to, the Company may carry out other business activities to optimize the use of the Company's resources for:

1. Carrying out business activities in the service sector, including consultancy services, engineering/design services and waste management engineering services; including:
 - a. Treatment and disposal of non-hazardous wastewater;
 - b. Treatment and disposal of hazardous wastewater; and
 - c. Technology and engineering research and development.
2. Industrial areas;
3. Carrying out activities for Trading house, real estate, warehousing, sports, hospitals, other health services, skills training/training/education related to mining; including:
 - a. Warehousing and other storage;
 - b. Owned or leased real estate; and
 - c. Private clinic activities.

- **Business Activities Carried Out by the Company during the Fiscal Year**

The business activities carried out by the Company during the fiscal year were the production and processing superior aluminium, to provide quality products to consumers while still paying attention to environmentally friendly business operations.

Products/Services Produced [GRI 2-6][OJK C.4]

1. Aluminium Products

INALUM is committed to producing aluminium products of the highest quality to meet customer expectations and satisfaction. The aluminium products produced by INALUM are as follows:

a. Aluminium Ingots

The first product variant produced by INALUM weighs 22.7 kg per bar with four levels of purity, namely 99.70%, 99.85%, 99.90%, and 99.92%. Aluminium ingots generally require a remelting process in order to be formed into various end products such as automotive components, building construction, and others. The quality of INALUM's aluminum ingots complies with JIS H2120 (Virgin Aluminum Ingot) and JIS H1305 (Optical Emission Spectrochemical Analysis Method for Aluminum and Aluminum Alloys).

INALUM	Grade JIS H2102:2009	Element Analyzed			Each of Ti & Mn	Sum of Elements	Aluminium Purity
		Si	Fe	Cu			
S1-A	-	0,04% Max	0,04% Max	0,01% Max	0,01% Max	0,08% Max	99,92%
S1-B	-	0,04% Max	0,06% Max	0,01% Max	0,01% Max	0,10% Max	99,90%
S2	-	0,08% Max	0,12% Max	0,01% Max	0,01% Max	0,15% Max	99,85%
G1	Class 1	0,15% Max	0,20% Max	0,01% Max	0,20% Max	0,30% Max	99,70%

b. Aluminium Billets

INALUM produces 6061, 6063, 6005, and 6463 series aluminum billets with diameters of 5, 7, and 8 inches. Billets are used as a material mixture for railroad cars, motor vehicle frames, and are widely used in roof and building construction.

Inalum Billet production with Inallet trading products uses fully automatic equipment with several advantages including:

- Electromagnetic stirrer from ABB that ensures a more homogeneous product;
- Vertical direct casting from Hycast with Gas Cushion from Hycast that is recognized for its superiority in the billet manufacturing industry thereby guaranteeing product quality and ensuring maximum separation of hydrogen content and other inclusion materials; and
- Batch homogenization from Herwitch- Austria that produces products requiring lower extrusion pressures, higher mechanical properties and easy final processing.

The Company continues to improve its product quality through unmatched advantages, with minimal surface segregation, thinner shell zones, finer grain structure, smoother surface appearance, less oxide generation, and lower surface porosity.

Product	Type	Si	Mg	Cu	Cr	Mn	Ti	Fe	Zn	Other Elements
6063	B1	0,38 – 0,46	0,50 – 0,58	0,10 max	0,10 max	0,10 max	0,01 – 0,02	0,25 max	0,10 max	0,05 max
6061	SC	0,70 – 0,75	1,00 – 1,10	0,17 – 0,27	0,05 – 0,10	0,05 – 0,10	0,02 – 0,03	0,15 – 0,25	0,02 max	0,05 max
6005	B2	0,62 – 0,70	0,49 – 0,59	0,10 max	0,03 – 0,10	0,04 – 0,10	0,02 – 0,04	0,10 – 0,25	0,10 max	0,05 max

Product	Type	Si	Mg	Cu	Cr	Mn	Ti	Fe	Zn	Other Elements
6463	B1	0,30 – 0,40	0,45 – 0,55	0,15 – 0,25	0,05 max	0,05 max	0,01 – 0,02	0,10 – 0,16	0,05 max	0,05 max
6060	-	0,38 – 0,45	0,40 – 0,53	0,02 max	0,02 max	0,02 – 0,05	0,20 max	0,15 – 0,24	0,02 max	0,02 max

c. Aluminium Foundry Alloy

INALUM produces Aluminium Foundry Alloy type A356.2 using a degassing process using nitrogen to remove hydrogen content and separate impurities so that the Aluminium Foundry Alloy products produced are of high quality. The products can be used to produce rims, vehicle engine blocks, vehicle frames and other automotive needs. The production process for Inalum’s main alloy, which has the Inalloy trademark, uses ODT technology from Australia using a Reverberatory Furnace with a Magnetic Stirrer that guarantees a homogeneous mixture. Ceramic Foam Filters are used to filter out inclusions to maintain alloy quality.

The Company always carries out statistical quality control for its main alloy products, with support from accredited INALUM laboratories. Quality control techniques based on statistics ensure that the alloy products are excellent and comply with the INALUM laboratory composition standards, as accredited by the National Accreditation Committee (KAN). Each shipment/ batch from the INALUM laboratory will be accompanied by a factory certificate.

Product	Grade	Si	Fe	Ti	Mn	Ni	Zn	Cu	Mg	Sr	Other Elements	Total Other Elements
A356.2	A-3	6,70 – 7,30	0,10 max	0,10 – 0,20	0,02 max	-	0,02 max	0,01 max	0,34 – 0,42	0,022 – 0,030	0,05 max	0,15 max
AC2B	-	5,7 – 6,4	0,19 max	0,028 max	0,027 max	0,3 max	0,3 max	1,8 – 2,2	0,19 – 0,27	-	-	-
A941	-	2,6 – 3,1	0,25 max	0,25 max	0,02 max	-	0,02 max	0,02 max	0,02 max	0,001 – 0,005	0,02 max	0,15 max

2. Non Aluminium Products

The Company has non-aluminium products in the form of services such as co-working space, ICO Space - INALUM main office, which is designed as a safe, comfortable and productive work environment. Through ICO Space - INALUM main office, the Company offers a unique and efficient work experience in leading industrial areas. ICO Space - INALUM main office is equipped with very complete facilities with super fast internet connection. In addition, INALUM is transitioning the sale and purchase of excess power with PT PLN (Persero).

Company's Operational Areas [OJK C.3] [GRI 2-1]

INALUM only operates in Indonesia with the following head office, smelting factories, connecting offices, representative offices and hydropower offices :



Smelting Plant Head Office, Kuala Tanjung
 Kuala Tanjung. Kecamatan Sei Suka 21257.
 Kabupaten Batu Bara Sumatera Utara,
 Indonesia
 P.O. BOX 1 Kuala Tanjung
 Telp : (+62622) 31311
 Fax : (+62622) 31001
 Email : corsec@inalum.id

Liaison Office, Medan
 Jl. R.A. Kartini No.21, Madras Hulu, Kec.
 Medan Polonia, Kota Medan, Sumatera
 Utara 20152, Indonesia
 Telp: (+621) 4556946

INALUM Representative Office, Jakarta
 Gedung Energy Lt. 16 SCBD Jl. Jenderal
 Sudirman Kav. 52-53 Jakarta 12190.
 P.O. BOX 6917 Jakarta Selatan, Indonesia
 Telp : (+6221) 27517566
 Email : corsec@inalum.id

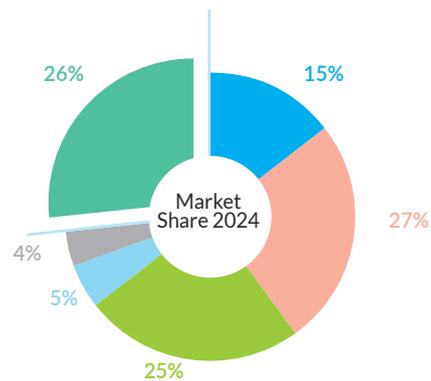
Hydroelectric power plant office, Paritohan
 Paritohan. Kecamatan Pintu Pohan
 Meranti 22388, Kabupaten Toba Samosir,
 Sumatera Utara, Indonesia
 P.O. BOX 1 Porsea
 Telp : (+62622) 31331
 Fax : (+62622)31332
 E-mail : corsec@inalum.id

Market Share [GRI 2-6]

INALUM focuses on meeting domestic aluminum demand, with 73% of its sales going to the domestic market as part of the Company's commitment to supporting the national aluminum industry. Domestic sales are absorbed by various industrial sectors, including extrusion (25%), cable manufacturing (26%), automotive (15%), aluminum sheet/plate/foil manufacturing (5%), and other industrial sectors including cathodic protection, household appliances, water treatment, galvalume manufacturing, and others (4%). Export sales account for 27% to maintain the brand's presence in the global market.

The following table shows the 2024 market share:

Segmentation	Ton	Market Share (%)
Automotive	40.646	15
Cable maker	70.545	26
Extrusion	67.915	25
Sheet/Plat/Foil	12.897	5
Others	10.459	4
Trader (ekspor)	74.100	27
Total	276.381	100



BUSINESS SCALE [OJK C.3]

Description	Unit	2024	2023	2022
Number of Employees	People	1.789	1.819	1.811
Total Number of Operations	Factory	1	1	1
Revenues	USD Thousands	716.987	544.848	570.524
Total Assets	USD Thousands	2.477.154	2.528.838	14.578.103
Total Liabilities	USD Thousands	490.565	510.352	7.569.872
Total Equity	USD Thousands	1.986.589	2.018.486	7.008.232
Profit (Loss) for the Year	USD Thousands	123.717	475.830	1.512.693

Supply Chain

Supply chain management and procurement of goods and services play a very important role in the aluminium production process at INALUM. As a company engaged in the production and processing of aluminium, INALUM is very dependent on the smooth supply of raw materials, namely alumina. Thus, an efficient supply chain ensures that raw materials arrive on time, and are of the appropriate quality so that the production process can run smoothly. If there is a disruption in the supply chain, such as late delivery or an increase in the price of raw materials, it will have a direct impact on the Company's operational efficiency and production costs.

In addition, optimal procurement of goods and services also supports the sustainability of production at INALUM. The equipment and technology used in aluminium smelting must always be in prime condition so that the production process runs efficiently and produces high-quality products. Therefore, the procurement of spare parts, equipment, and maintenance and repair services are crucial factors in the Company's operations. With a good procurement strategy, the Company can optimize operational costs, increase productivity, and ensure the sustainability of highly competitive aluminium production in both domestic and international markets.

As a Sub Holding of MIND ID, as well as a State-Owned Enterprise, procurement of goods and services at INALUM follows the regulations/provisions of the Ministry of State-Owned Enterprises, including the Republic of Indonesia Minister of State-Owned Enterprises Regulation Number PER-2/MBU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities of State-Owned Enterprises. In addition to this regulation, policies and guidelines for procurement of goods and services at INALUM are regulated through Regulation No. PER-013/DIRKU/2022 concerning Procurement of Goods and Services at PT Indonesia Asahan Aluminium, as well as Director of Business Development Regulation No. PER-002/DIRPU/2023 concerning the Authority of Authorized Officials for Procurement of Goods and Services at PT Indonesia Asahan Aluminium that was updated in December 2024 through Director of Business Development Regulation No. PER-001/DIRPU/2024 concerning Procurement of Goods and Services at PT Indonesia Asahan Aluminium, and the Board of Directors Regulation No. PER-009/DIR/2024 concerning the Authority of Authorized Officials for Procurement of Goods and Services at PT Indonesia Asahan Aluminium.

Furthermore, in the procurement of goods and services, the Company upholds the principles of efficiency, effectiveness, competitiveness, transparency, fairness and reasonableness, openness and accountability. The procurement of goods and services objectives at INALUM includes producing goods and services that are appropriate in quality, quantity, time, cost, location, and provider; supporting the creation of added value for BUMN; increasing efficiency; increasing the use of domestic production; increasing the role of national businesses including Micro and Small Businesses; and increasing synergy between BUMN, BUMN Subsidiaries, and/or BUMN Affiliated Companies.

The types of suppliers that work with INALUM include Manufacturers / Producers, Official Distributors, Contractors, Suppliers, Consultants, and MSMEs. While, the types of business relationships between suppliers and the Company involve short-term and long-term contracts for both routine and project-based work

In line with the commitment to strengthen local involvement, as well as to reduce carbon emissions, INALUM prioritizes cooperation with local suppliers, namely suppliers who run businesses and are domiciled in the same province as the Company's operations. If local suppliers cannot meet the goods and services required by the Company, INALUM will cooperate with national suppliers, namely suppliers who run businesses and are domiciled outside the province of the Company's operations, but are still in the territory of Indonesia (cross-province). Furthermore, if local and national suppliers cannot meet the goods and services or for other reasons, the Company will cooperate with international/foreign suppliers, namely suppliers who run businesses and are domiciled outside Indonesia. [\[GRI 204-1\]](#)

INALUM's commitment to involving local and national suppliers, is also a form of the Company's support for the Government's efforts to encourage the optimization of the Domestic Content Level (TKDN) in the procurement of goods and services. Based on these criteria and commitments, suppliers of goods and services and contract values in the INALUM supply chain are as follows:

Table of Goods and Services Suppliers and Contract Values for 2022-2024 [GRI 204-1]:

Description	Number of Suppliers of Goods and Services			Contract Value (Rp Million)		
	2024	2023	2022	2024	2023	2022
Local	362	329	249	931.266	811.497	815.472
National	532	432	261	1.460.576	1.311.847	1.596.377
International/Foreign	88	77	55	4.611.061	3.868.625	7.006.376
Total	982	838	565	7.002.904	5.991.970	9.418.226

As shown in the table above, the percentage of local suppliers of goods and services in the INALUM supply chain was 36.86% of the total suppliers in 2024, a decrease compared to 39.26% in 2023, but in terms of Contract Value it increased in 2024.

SIGNIFICANT CHANGES IN ORGANIZATION AND SUPPLY CHAIN [GRI 2-6][OJKC.6]

In 2024, there were significant changes in operations at INALUM, including the addition of special functions to assist the procurement operations, including functions to handle shipping (expediting), functions for the sourcing process and management of goods/services procurement strategies and procurement contract management, and excellent supply chain and commercial management functions. These special functions were formed to support optimization in the supply chain process.

Meanwhile, for the supply chain in 2024, as shown in the table above, there was an increase of 144 suppliers or 14.67% compared to the previous year. This change was followed by an increase in the value of the 2024 contracts compared to the previous year.

ASSOCIATION MEMBERSHIP [OJK C.5] [GRI 2-28]

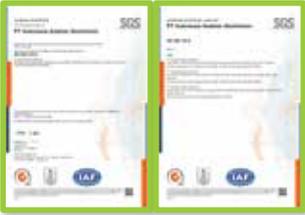
INALUM actively participates in external associations and institutions that are relevant to the Company’s business and service fields. By so doing, the Company can follow the development of the latest issues or topics, as well as have the opportunity to convey opinions related to these issues or topics for mutual progress. The associations/organizations that INALUM participated in in 2024 were as follows:

Name of Organization / Association	Scope	Position	Membership Due Date	Annual Fee
Asosiasi Gabungan Industri Aluminium Indonesia (GALUNESIA)	National	Founding Board and Chair of Internal and External Relations	January 2028	3million / 3 months
Aluminium Stewardship Initiative	International	Member	March 2025	\$ 13,650
United Nations Global Compact (UNGC)	Internasional	Member	July 8, 2025	Not yet determined

EXTERNAL INITIATIVES

INALUM always strives to deliver the best performance, while providing the highest level of satisfaction to customers. To that end, the Company adopts external standards that are relevant to its business activities, including national and international certifications. The Company’s consistency in applying these standards has received appreciation from other parties in the form of awards. The certifications/standards adopted and still valid in 2024 and the awards received by INALUM are presented in full in the following table:

Certification

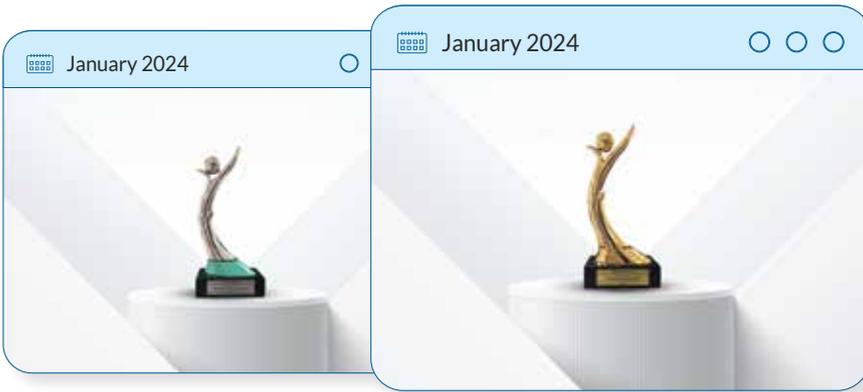
Name of Certificate	Scope of Certification	Validity Period	Certification Body
 <p>ISO 9001 : 2015 concerning Quality Management Systems</p>	<p>Aluminium Smelting and Casting into Ingots, Billets and Alloys as well as Hydroelectric Power including related activities</p>	<p>October 5, 2027</p>	<p>SGS United Kingdom Ltd</p>
 <p>ISO 50001 : 2018 Energy Management Systems</p>	<p>Aluminium Smelting and Casting into Ingots, Billets and Alloys as well as Hydroelectric Power including related activities</p>	<p>January 2, 2025</p>	<p>British Standards Institution (BSI)</p>
 <p>ISO 45001 : 2018 Occupational Health and Safety Management System</p>	<p>Aluminium Smelting and Casting into Ingots, Billets and Alloys as well as Hydroelectric Power including related activities</p>	<p>August 30, 2027</p>	<p>SGS United Kingdom Ltd</p>
 <p>Aluminium Stewardship Initiative Performance Standards</p>	<p>Smelter</p>	<p>January 4, 2026</p>	<p>Aluminium Stewardship Initiative Ltd</p>
 <p>ISO 14001 : 2015 Environmental Management System</p>	<p>Aluminium Smelting and Casting into Ingots, Billets and Alloys as well as Hydroelectric Power including related activities</p>	<p>August 29, 2027</p>	<p>SG United Kingdom Ltd</p>
 <p>Occupational Safety and Health Management System (PP No. 50 of 2012)</p>	<p>Aluminium Smelting and Molding</p>	<p>June 9, 2026</p>	<p>Republic of Indonesia Minister of Manpower</p>

Certification



Name of Certificate	Scope of Certification	Validity Period	Certification Body
 <p>Occupational Safety and Health Management System (PP No. 50 of 2012)</p>	<p>Hydroelectric Power Generation (PLTA)</p>	<p>June 9, 2026</p>	<p>Republic of Indonesia Minister of Manpower</p>
 <p>ISO 37001 : 2016 Anti-Bribery Management System</p>	<p>Aluminium smelter and hydroelectric power plant, include supporting units</p>	<p>August 11, 2026</p>	<p>Mutu International</p>
 <p>Security Management System based on PerKapolri no. 7 of 2019</p>	<p>Aluminium Melting and Casting</p>	<p>December 9, 2027</p>	<p>Indonesian National Police</p>
 <p>International & Port Facility Security (ISPS) Code</p>	<p>TUKS Kuala Tanjung Smelting Plant</p>	<p>April 6, 2027</p>	<p>Indonesian Director General of Maritime Transportation</p>
 <p>ISO 27001 : 2013 Information Security Management System</p>	<p>Kuala Tanjung Smelting Plant Data Center Operations</p>	<p>April 4, 2026</p>	<p>British Standards Institution (BSI)</p>

Awards



Proper



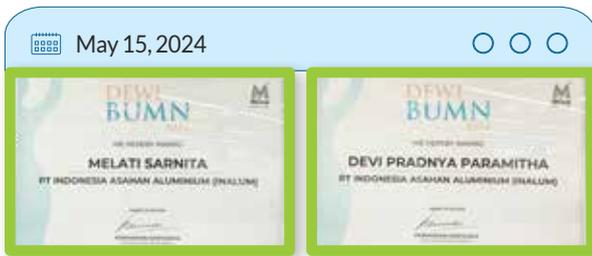
INALUM received Proper Gold 2023 for IPP and Proper Green 2023 for ISP



Indonesia Living Legend Companies Award 2024



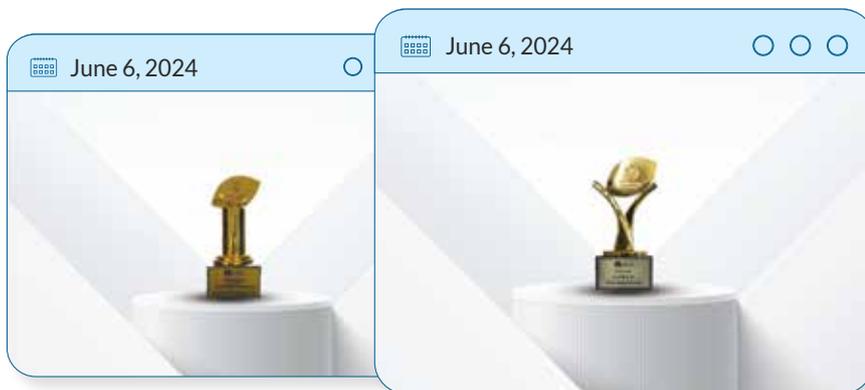
Gold Living Legend Company in Increasing Capacity Through National Aluminium Downstreaming Ecosystem Development



Entrepreneurial Marketing SOE Award 2024



- 1. The Most Promising Company in Tactical Marketing Silver category
- 2. Dewi BUMN Award



TOP CSR Awards



- 1. TOP CSRAWARDS #STAR5
- 2. TOP LEADER ON CSR COMMITMENT 2024

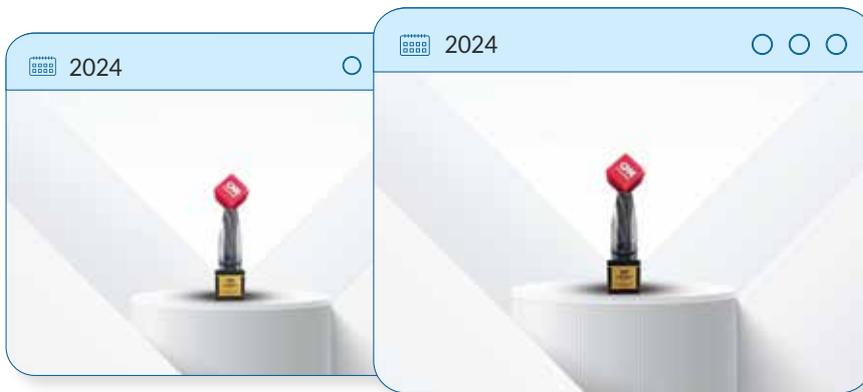




Zero Accident Award from the Republic of Indonesia Ministry of Manpower



Certificate REG. ZA. 2024. SK-282/ NORTH SUMATERA



CNN Indonesia Awards 2024



1. Outstanding Business Ethics Management of The Year
2. Outstanding Innovative & Smart Smelter Initiative



2024 Production



1. All-Time High Achievement Supply Chain
2. All-Time High Commercial Management 2024
3. Production Achievement of 274,230 Tons

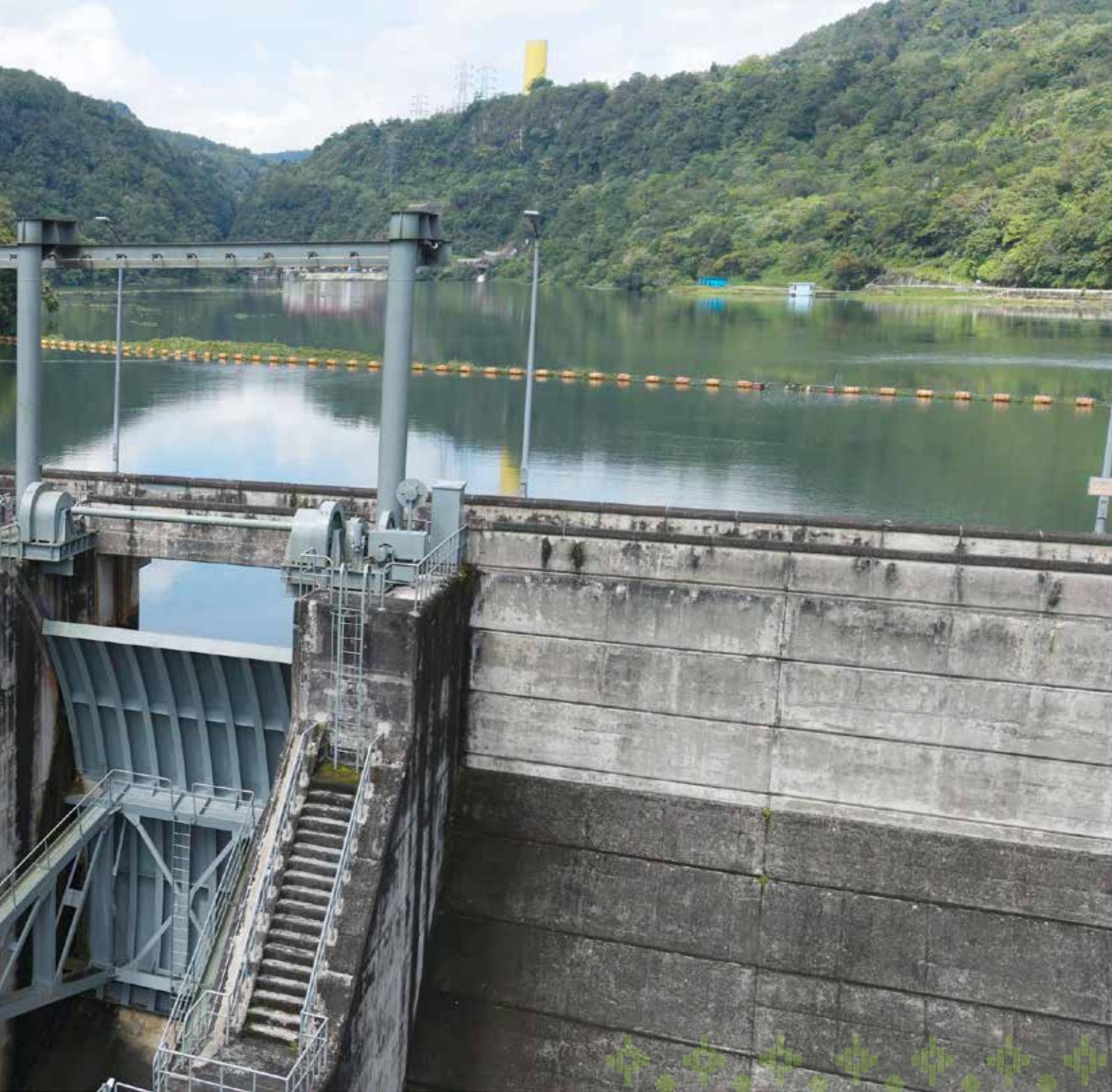




04

MIND ID Sustainability Pathway





The Sustainability Pathway is an ESG strategic framework developed by MIND ID and its members, including INALUM, to ensure the implementation of responsible and sustainable operational practices across the group.

▶ MIND ID Noble Purpose [OJK A.1] [GRI 2-24, 2-25]

In line with the MIND ID Group Noble Purpose, “We explore natural resources for civilization, prosperity and a brighter future”, INALUM provides added value to the communities through its positive contributions from the Company’s and its chains aluminium production operational activities, in an innovative and environmentally friendly manner. INALUM is committed to improving the quality of life and building the communities’ ability to grow prosperously together, while maintaining the carrying capacity of the environment for future generations. These efforts are carried out by upholding the Environmental, Social and Governance (ESG) principles.

INALUM has implemented a sustainability strategy, as outlined in the Company’s Long-Term Plan (RJPP). This strategy includes five key pillars that were communicated in the Board of Directors’ Leadership Meeting attended by the Board of Directors and officials at the same level as the Board of Directors. This strategy was also conveyed to all employees through a Townhall Meeting forum to ensure understanding and implementation was aligned across all Company lines.

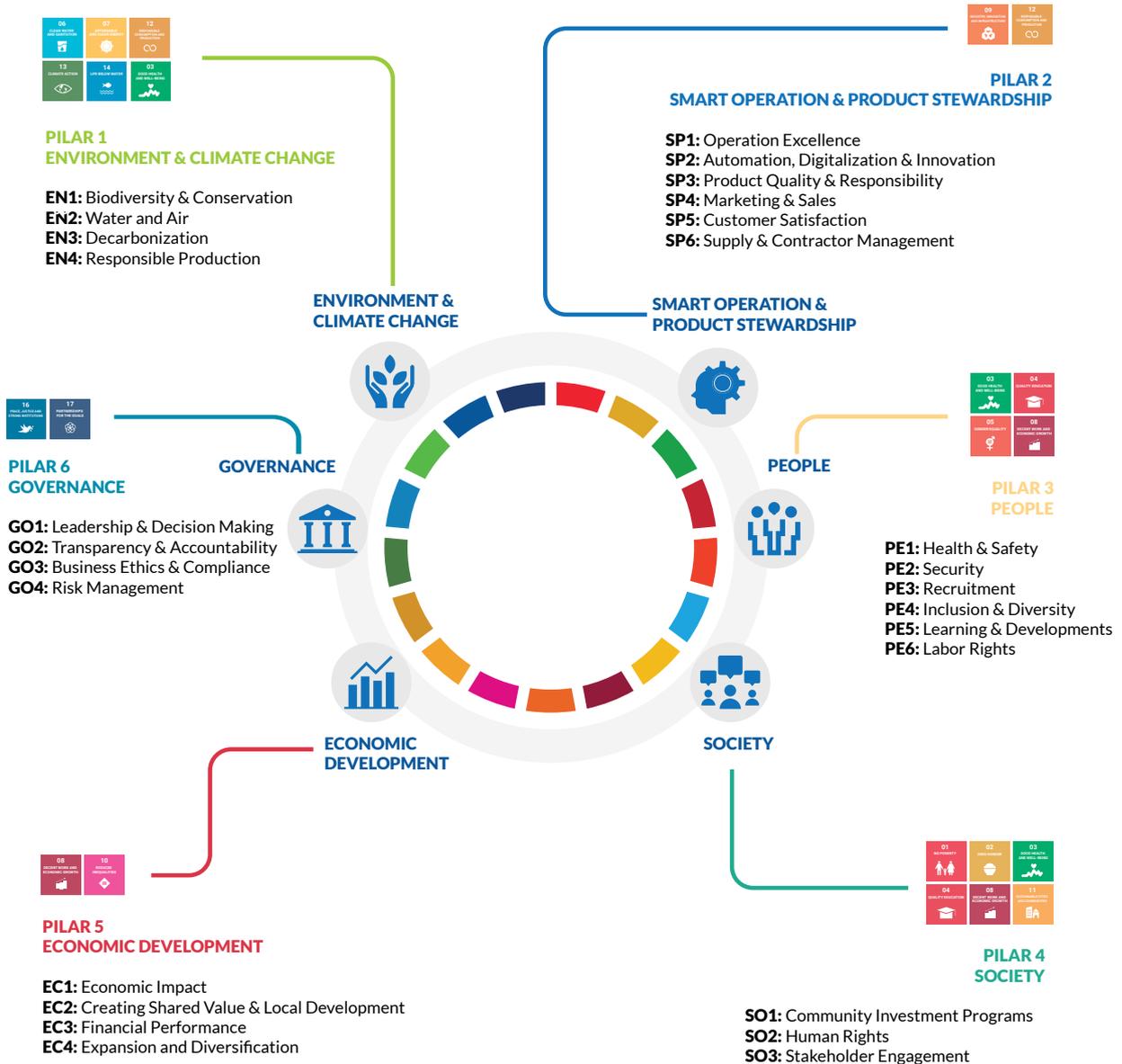
The ESG principles contained in the Noble Purpose MIND ID form the main foundation in INALUM’s operations. As part of the BUMN Mining holding, INALUM has adopted and integrated these principles into the six pillars of the Sustainability Pathway, which apply to all members of the MIND ID Holding, including INALUM.

The Sustainability Pathway is a strategic ESG framework developed by MIND ID and its members, including INALUM, to ensure the implementation of responsible and sustainable operational practices throughout the group. This initiative is a progressive step to encourage the MIND ID Group to support the achievement of the Sustainable Development Goals (SDGs), and the sustainable development agenda of the Indonesian Government. INALUM actively contributes to achieving the SDGs targets in line with Presidential Regulation No. 59 of 2017, which was updated by Presidential Regulation No. 111 of 2022 concerning the Achievement of Sustainable Development Goals.

By upholding the MIND ID Noble Purpose and Sustainability Pathway, INALUM strives to maintain a balance between environmental sustainability, inclusive economic growth, and social welfare. By so doing, INALUM believes that the ideals and hopes pursued together with the MIND Group and all stakeholders will be realized.

MIND ID Sustainability Pathway [OJK A.1]

[GRI 2-22, 2-24]



The chart above explains that the Sustainability Pathway is an elaboration of the MIND ID Group’s Noble Purpose that includes six pillars and 27 sustainability topics, and serves as a guide for INALUM when planning, implementing, and making decisions in its business activities to remain on the sustainability pathway.

As part of the MIND ID Group, INALUM is committed to implementing Noble Purpose and Sustainability Pathway through integration into the Company’s management system, which is strengthened by ESG best practices, including the application of sustainability principles when producing aluminium as stated in the Aluminium Stewardship Initiatives (ASI).



The MIND ID Sustainability Pathway strategic framework includes 6 (six) pillars and 27 sustainability topics that serve as a guide for INALUM in planning, implementing, and making decisions for its business activities in order to remain on the sustainability pathway.

For achieving long-term sustainability goals, INALUM places social and environmental responsibility and the development of a culture of sustainability as the main steps. By integrating the AKHLAK values as the Company's core values, and sustainability principles in every aspect of operations and management, INALUM not only contributes to environmental preservation, but also creates long-term value for stakeholders. In addition, a culture of sustainability improves operational efficiency and strengthens the Company's reputation as a responsible and future-oriented entity.

In 2024, the following programs were implemented by INALUM to build a culture of sustainability: [\[OJK F.1\]](#) [\[GRI 2-24\]](#)

1. INALUM Culture and Learning Festival 2024
2. INALUM Volunteer Program (I-Wan)
3. Environmental Care School
4. BUMN Bakti Volunteers
5. Come On Guys (Appreciation program for employees who routinely exercise and maintain their health)
6. INALUM 2024 Vendor Event (Collaboration Safety Integrity: Empowering Indonesia's Aluminium Future)
7. 2024 Customer Gathering (Galvanizing Growth: Global Vision, Indonesia Innovation)
8. INALUM Learning Series
9. INALUM 49th Anniversary Celebration "Tracing Achievements, Establishing Synergy, Achieving the Vision"

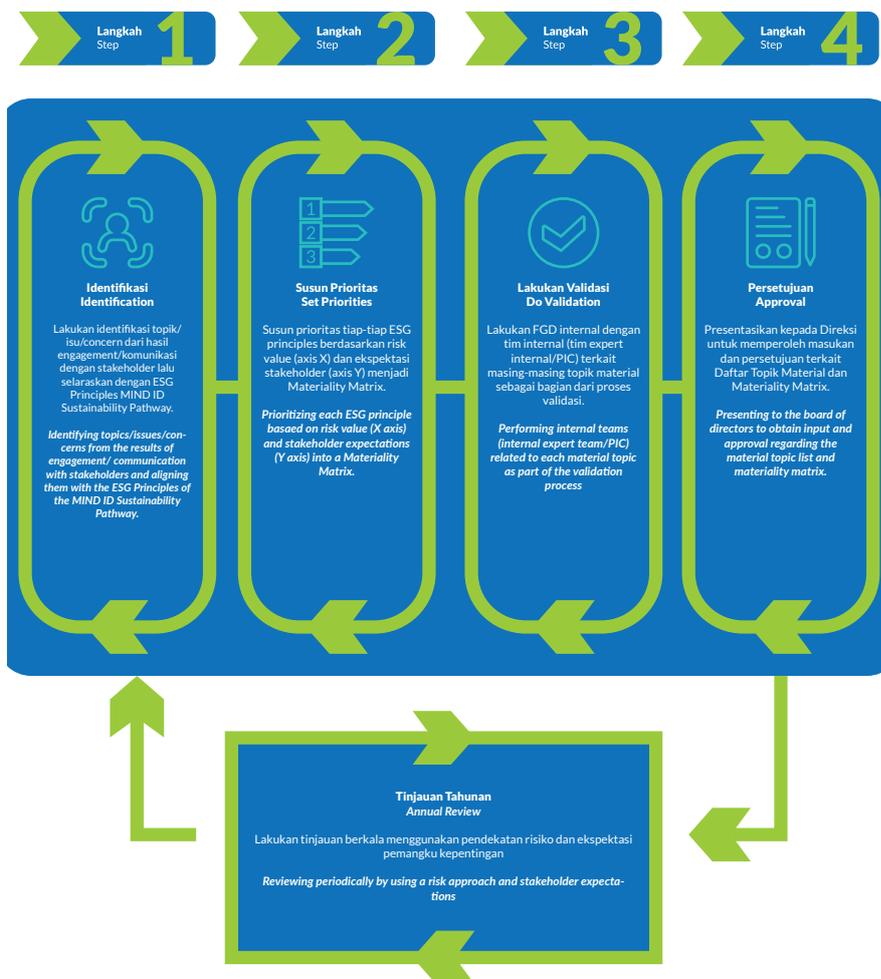
Materiality Framework & Assessment

[GRI 3-1, 3-2, 3-3]

Since 2022, MIND ID Group, including INALUM, has adopted a risk-based approach and stakeholder expectations when determining material topics. The risk-based approach is used to identify the most significant risks and opportunities in the Company's operations that can affect its success. In this case, INALUM takes a proactive approach to managing these risks and opportunities so that they can generate added value for the Company and stakeholders.

Consideration of stakeholder expectations in determining material topics is used to understand their expectations regarding a topic or issue. Both approaches are MIND ID Group's way of applying the double materiality concept when determining material topics. Through the double materiality concept, INALUM together with all members of the MIND ID holding considered the direct and indirect impacts of operational activities on the environment and society, as well as the impact of the Company's sustainability on long-term financial and operational performance when selecting material topics.

An overview of the process of determining material topics based on the MIND ID Group materiality framework is as follows:

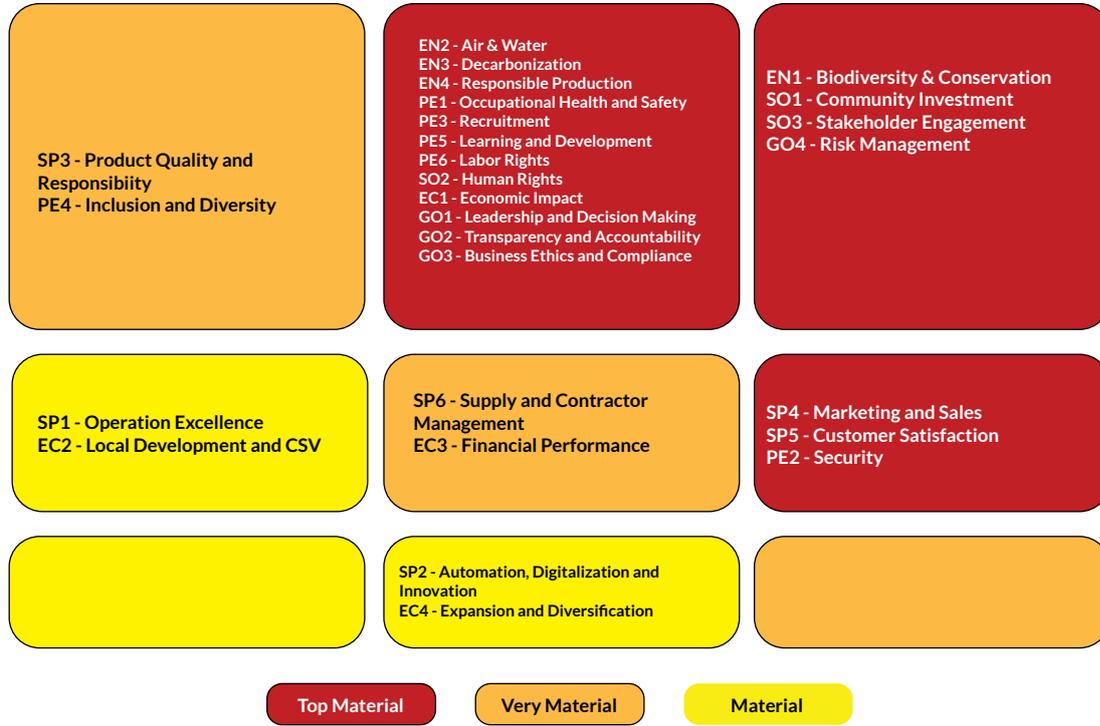


In accordance with these stages, as part of determining the material topics for the Sustainability Report, INALUM conducted an internal Focus Group Discussion (FGD) involving cross-Divisions related to sustainability topics. In the FGD held on February 10, 2025, a review of the material topics in the 2023 report was also carried out, which were then re-determined as they were considered still relevant to the conditions faced by INALUM in 2024. Thus, the material topics of the 2024 sustainability report are the same as in 2023. The priority scale for each topic has also not changed.



The value of stakeholder expectations was assessed against the number of national and international standards to examine each issue that arises, including POJK No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies, Global Reporting Initiatives (GRI), ISO 26000 Social Responsibility Guidelines, Sustainable Accounting Standard Board (SASB) Metrics for Mining & Metals, and Aluminium Stewardship Initiatives (ASI). [ASI 3.1]

As a result of this process, the following list of material topics for 2024 was determined:



Material Topics Arrangement by Priority Scale

Top Material (18)	Very Material (5)	Material (4)
<ul style="list-style-type: none"> • EN2 - Air & Water • EN3 - Decarbonization • EN4 - Responsible Production • PE1 - Occupational Health and Safety • PE3 - Recruitment • PE5 - Learning and Development • PE6 - Labor Rights • SO2 - Human Rights • EC1 - Economic Impact • GO1 - Leadership and Decision Making • GO2 - Transparency and Accountability • GO3 - Business Ethics and Compliance • EN1 - Biodiversity & Conservation • SO1 - Community Investment • SO3 - Stakeholder Engagement • GO4 - Risk Management • SP4 - Marketing and Sales • SP5 - Customer Satisfaction • PE2 - Security 	<ul style="list-style-type: none"> • SP6 - Supply and Contractor Management • EC3 - Financial Performance • SP3 - Product Quality and Responsibility • PE4 - Inclusion and Diversity 	<ul style="list-style-type: none"> • SP2 - Automation, Digitalization and Innovation • EC4 - Expansion and Diversification • SP1 - Operation Excellence • EC2 - Local Development and CSV



According to the table above, there are 27 material topics in accordance with the GRI Standard 2021, as follows:



Material Topics in 2024

Pillar 1 ENVIRONMENT & CLIMATE CHANGE	Disclosure
Biodiversity	
Operational Locations Close to Protected Areas and Areas with High Biodiversity Value	GRI 304-1
Significant impacts of activities, products and services on biodiversity	GRI 304-2
Habitats protected or restored	GRI 304-3
IUCN Red List species and national conservation list species with habitats in areas affected by operations	GRI 304-4
Water and Air	
Interactions with water as a shared resource	GRI 303-1
Management of water discharge related impacts Priority substances that deserve attention for disposal	GRI 303-2
Water withdrawal	GRI 303-3
Water discharge	GRI 303-4
Water consumption	GRI 303-5
Emissions of ozone-depleting substances (ODS)	GRI 303-6
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	GRI 303-7
Decarbonization	
Energy consumption in the organization	GRI 302-1
Energy consumption outside of the organization	GRI 302-2
Energy intensity	GRI 302-3
Reducing energy consumption	GRI 302-4
Direct (Scope 1) GHG emissions	GRI 305-1
Indirect (Scope 2) GHG energy emissions	GRI 305-2
Other indirect (Scope 3) GHG emissions	GRI 305-3
GHG emission intensity	GRI 305-4
GHG emission reduction	GRI 305-5
Responsible Production	
Waste generation and significant waste-related impacts	GRI 306-1
Management of significant waste-related impacts	GRI 306-2
Waste generated	GRI 306-3
Waste diverted to final disposal	GRI 306-4
Waste directed to final disposal	GRI 306-5



Material Topics in 2024

Pillar 2 SMART OPERATION & PRODUCT STEWARDSHIP		Disclosure
Operational Excellence		
Programs implemented by the company to increase cost efficiency and increase productivity in company operations.		GRI 2-5
Certification		
Awards		
Automation, Digitalization, & Innovation		
Substantiated complaints regarding violations of customer privacy and loss of customer data.		GRI 418-1
Realized automation and digitalization projects.		
Realized projects related to product innovation.		
Product Quality & Responsibility		
Number of Products recalled		OJK F.9
Assessment of the health and safety impacts of products and services		GRI 416-1
Incidents of non-compliance concerning the health and safety impacts products and services		GRI 416-2
Marketing & Sales		
Requirements for product and service information and labeling		GRI 417-1
Incidents of non-compliance concerning product and service information and labeling		GRI 417-2
Incidents of non-compliance related to marketing communications		GRI 417-3
Customer Satisfaction		
Customer satisfaction survey		OJK :F.30
Supply & Contractor Management		
New suppliers that were screened using environmental criteria		GRI 308-1
Negative environmental impacts in the supply chain and actions taken		GRI 308-2
New suppliers that were screened using social criteria		GRI 414-1
Negative social impacts in the supply chain and actions taken		GRI 414-2
Pillar 3 PEOPLE		Disclosure
Health & Safety		
Occupational Health and Safety Management System		GRI 403-1
Hazard identification, risk assessment, and incident investigation		GRI 403-2
Occupational health services		GRI 403-3
Worker Participation, Consultation and Communication on Occupational Health and Safety		GRI 403-4
Worker training on occupational health and safety		GRI 403-5
Improving the quality of workers' health		GRI 403-6
Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		GRI 403-7



Material Topics in 2024



Workers covered by a management system	GRI 403-8
Work accidents	GRI 403-9
Occupational illnesses	GRI 403-10
Security	
Security strategy and security performance related to OBVITNAS	GRI 12.12
Recruitment	
New employee recruitment and employee turnover	GRI 401-1
Allowances provided to full-time employees that are not provided to temporary or part-time employees	GRI 401-2
Maternity leave	GRI 401-3
Inclusion & Diversity	
Employee Information	GRI 2-7
Information on workers who are not employees	GRI 2-8
Ratio of standard entry-level employee wages by gender to regional minimum wages	GRI 202-1
Minimum notice period regarding operational changes	GRI 402-1
Diversity of governance bodies and employees	GRI 405-1
Ratio of basic salary and remuneration of female compared to male	GRI 405-2
Incidents of discrimination and corrective actions taken	GRI 406-1
Learning & Development	
Average hours of training per year per employee	GRI 404-1
Programs for upgrading employee skills and transition assistance programs	GRI 404-2
Percentage of employees who receive regular performance and career development reviews	GRI 404-3
Labor Rights	
Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	GRI 407-1
Operations and suppliers at significant risk for incidents of child labor	GRI 408-1
Operations and suppliers at significant risk for incidents of forced or compulsory labor	GRI 409-1
Joint work agreement	GRI 2-30
Pillar 4 SOCIETY	
Disclosure	
Community Investment Program	
Infrastructure Investment*	GRI 203-1
Significant indirect economic impact*	GRI 203-2
Operations with local community involvement, impact assessment, and program development	GRI 413-1
Actual and potential operations with significant negative impacts on local communities	GRI 413-2
* : for infrastructure investments related to local community activities	GRI 413-2



Material Topics in 2024

Human Rights	
Incidents of violations involving rights of indigenous peoples	GRI 411-1
Security officers trained in human rights policies or procedures	GRI 410-1
Stakeholder Engagement	
Approaches to stakeholder engagement	GRI 2-29
Land use problems	GRI 12.10
Pillar 5 ECONOMIC DEVELOPMENT	
Economic Impact	
Infrastructure investment and service support*	GRI 203-1
Approach to Taxes	GRI 207-1
Governance, Control and Tax Risk Management	GRI 207-2
Stakeholder Engagement and Management of Tax-Related Concerns	GRI 207-3
Country Reports	GRI 207-4
*: for infrastructure investment related to the company's operational activities	
Creating Shared Values & Local Development	
Proportion of senior management from local communities	GRI 202-2
Proportion of spending to local suppliers	GRI 204-1
Significant indirect economic impact	GRI 203-2
Financial Performance	
Financial Reports (Production Performance and Production Targets)	OJK F2
Direct economic value generated and distributed	GRI 201-1
Obligations of defined benefit pension plans and other pension plans	GRI 201-3
Financial assistance received from the government	GRI 201-4
Expansion and Diversification	
Reserves and Resources	M: EX
Investments related to business development and diversification.	OJK F3
Downstream Project	GRI 12.2



Material Topics in 2024



Pillar 6 GOVERNANCE	Disclosure
Leadership & Decision Making	
Governance structure and composition	GRI 2-9
Nomination and election of the highest governance body	Gri 2-10
Chair of the highest governance body	GRI 2-11
Role of the highest governance body	GRI 2-12
Delegation of responsibility for managing impacts	GRI 2-13
Collective knowledge of the highest governance body	GRI 2-17
Evaluation of the highest governance body performance	GRI 2-18
Transparency & Accountability	
Role of the highest governance body in sustainability reporting	GRI 2-14
Communication about critical issues	GRI 2-16
Remuneration policy	GRI 2-19
Process for determining remuneration	GRI 2-20
Annual total compensation ratio	GRI 2-21
Mechanisms for seeking advice and raising concerns	GRI 2-26
Business Ethics & Compliance	
Conflict of interest	GRI 2-15
Policy commitment	GRI 2-23
Embedding policy commitment	GRI 2-24
Process for reversing negative impacts	GRI 2-25
Compliance with laws and regulations	GRI 2-27
Association membership	GRI 2-28
Operations assessed as having risks related to corruption	GRI 205-1
Communication and training on anti-corruption policies and procedures	GRI 205-2
Proven corruption incidents and actions taken	GRI 205-3
Political contributions	GRI 415-1
Risk Management	
Financial implications and other risks and opportunities resulting from climate change	GRI 201-2

Implementation of MIND ID Sustainability Pathway in INALUM [GRI 2-23] [GRI 2-24]

As a good corporate citizen, INALUM upholds the sustainability values and implements good and responsible operating practices in its aluminium smelting activities. In 2021, INALUM together with other MIND ID members launched the MIND ID Sustainability Pathway as a joint commitment for strengthening the Company's sustainability measures and its contribution to achieving sustainable development goals in Indonesia.

When implementing the MIND ID Sustainability Pathway, INALUM consistently takes concrete steps that will further strengthen steps on the journey towards sustainability and continues to strive to provide positive benefits for all stakeholders. The concrete initiatives INALUM has carried out in 2024 included:

1. Biodiversity and Conservation

The Company carried out Conservation in the Toba Lake water catchment area (DTA) of 500 Ha in 2024 in an effort to reforest and preserve the environment to reduce critical land, increase biodiversity (endemic plants) and maintain environmental sustainability.

2. Stakeholder Engagement

Stakeholder Engagement (SO3): The Company identified and re-updated the stakeholder map, especially adjusting for changes in the Central Government, Regional Government, and Legislative Membership cabinet composition after the election of the 8th President of the Republic of Indonesia in 2024. In addition, the Company consistently held routine activities such as customer gatherings, vendor gatherings, and media gatherings, and continued to strengthen collaboration with the communities through empowerment programs that focused on the sustainable impact on the surrounding environment. These efforts were made to maintain and increase involvement and build a positive image of the Company in the eyes of stakeholders.

3. Marketing and Sales

The Company started following a market-driven approach as part of a strategic transformation to increase competitiveness and business relevance amidst the ever-evolving market dynamics. The Company recorded the highest sales achievement in its operational history. This was clear evidence that a strong market orientation contributes directly towards sustainable growth.

4. Occupational Health and Safety

The Company runs a Safety Observation Report (SOR) program to prevent Work Accidents, Occupational Diseases (PAK) and Occupational Disease Incidents (KAPTK). The SOR program involved all employees and identified potential hazards in the workplace to create an effective risk control.

The OHS campaign program was carried out to build an OHS culture in all employees through media such as brochures, banners, computer desktops, TV stands and other media.

5. Environmental Management

The Company improved its environmental management performance by instigating innovation programs for the Natural Resources (SDA) aspect, including energy efficiency, water efficiency, the 3R principle of B3 and non-B3 solid waste, emission reduction, biodiversity protection and community development, as well as carried out social innovations through community empowerment programs at the Company's fostered locations, so that in 2024 it succeeded in obtaining a GOLD PROPER environmental performance rating from the Ministry of Environment for the Kuala Tanjung Smelter Plant and GREEN PROPER for the Paritohan Hydroelectric Power Plant.



Pillar 1

Environment and Climate Change



Best Achievements In the Environmental Field

Environment and Climate Change is the main pillar in the MIND ID Group's Sustainability Pathway, and is also INALUM's reference in its biodiversity preservation, decarbonization, water and waste management, and responsible production efforts. Due to its initiatives and hard work in realizing its environmental sustainability commitment, INALUM received the following:

PROPER 2024 Achievements



Sustainable Efficiency 2024*)

Total Energy (Reduction)/Addition	Total Emissions (Reduction)/Addition	Total Water Consumption (Reduction)/Addition	Total B3 Waste (Reduction)/Addition	Total Non-B3 Waste (Reduction)/Addition	Total Waste Water (Reduction)/Addition
3.467.522 GJ	73.364,30 TCO ₂ eq	40,10 Mega Liter	3.310,67 Ton	343,70 Ton	8,05 Mega Liter

*)Data compared to previous year's achievements

The increase in energy consumption occurred due to the increase in production molten aluminium from 211,424 tons of in 2023 to 278,289 tons in 2024. Efficiency efforts were made so that energy intensity decreased from 61.42 GJ/ton of molten aluminium to 59.12 GJ/ton.

In conducting its business, INALUM prioritizes Eco Innovation projects, such as energy efficiency, emission control, water load efficiency and control, B3 waste reduction, and the application of the Reduce, Reuse, Recycle (3R) principle for solid and non-B3 waste. Also, INALUM runs a number of community investment programs with a focus on environmental initiatives.

In the Meat Village Eco-Cultural Tourism program, the activities include Meat Beach Coloring Contest, Installation of PLTS and Composter Machines and the Zero Carbon Village by utilizing non-B3 waste such as scrap iron, used pipes and used tires to support these activities, this has had a positive impact on the community where they receive raw materials for village development activities by utilizing non-B3 waste in the form of scrap iron weighing 1.519 tons, used pipes of 0.005 tons and used tires of 1.5 tons, equivalent to an impact on global warming potential (GWP) of 4,741.159 kg CO₂ eq.





ALUMINIUM STEWARDSHIP INITIATIVES CERTIFICATION



INALUM obtained the Aluminium Stewardship Initiative Performance Standard Certificate or ASI V3 (2022) for the Aluminium Smelter in Kuala Tanjung, Batu Bara Regency, North Sumatra Province, Indonesia.

ASI certification was developed through an extensive multi-stakeholder consultation process and is the only voluntary comprehensive sustainability standards initiative in the aluminium value chain. This was the first certification issued for the updated Performance Standard or ASI V3 (2022) that was launched in May 2022 after going through a revision process for several years.

ASI certification defines 11 principles and 62 criteria under three sustainability pillars, namely Environment, Social, and Governance, with the aim of addressing pressing sustainability issues in the aluminium value chain, such as biodiversity, indigenous peoples' rights, circularity, and greenhouse gas emissions, all of which have been met by INALUM through an independent audit process by a third party, TÜV Rheinland Cert GmbH.

INALUM 's Environmental Management Commitment And Policy [GRI 3-3]

As a good corporate citizen, INALUM has a strong commitment to carrying out good operational activities, by trying to reduce negative impacts on the environment, while protecting and preserving biodiversity around the Company's operational areas.

To show its commitment, INALUM as part of MIND ID, through the MIND ID Group's Sustainability Pathway, has prepared strategic plans and programs related to protecting biodiversity around the Company's operational areas. This commitment is stated in the environmental management policy regulated through Circular Letter No. SE-001/O/DIRUT/2024 concerning Quality Policy, Occupational Safety and Health, Security, Environment, Energy, Human Rights, Prevention and Control of Tuberculosis, HIV/AIDS and Prevention and Eradication of Drug Abuse, and Implementation of Golden Rules stipulated on September 30, 2024. In this policy, INALUM affirms its commitment to environmental management through the Environmental and Energy Management System.

Referring to the above policies, there are 13 INALUM commitments that serve as guidelines for implementing environmental management procedures, including:

1. Carrying out environmental protection and preventing environmental pollution.
2. Managing Hazardous and Toxic (B3) waste by prioritizing the "reduce, reuse, recycle and recovery (4R)" program
3. Managing non-B3 waste by prioritizing the "reduce, reuse, recycle and recovery (4R)" program
4. Carrying out mitigation efforts for environmental damage (water, air and land).
5. Carrying out mitigation efforts to reduce the value of the Biodiversity Index (KHB).
6. Participating in reducing the impact of conventional air emissions and Greenhouse Gases (GHG).
7. Carrying out water efficiencies, including efforts to reduce the burden of waste water pollution.
8. Making efforts to improve environmental performance in a sustainable manner based on life cycle assessment.
9. Carrying out environmental management efforts that contribute to sustainable development goals (SDGs).
10. Making energy efficiencies and optimizing the use of renewable energy sources and conservation of natural resources.
11. Making continuous improvements to improve the performance of the Environmental and Energy Management System.
12. Complying with applicable laws and regulations and other requirements, including stakeholder requirements.
13. Empowering the communities and environment around the Company through CSR





This Environmental and Energy Policies are determined, communicated and implemented to all INALUM stakeholders consistently, and are evaluated and continuously improved to ensure their effectiveness.

The environmental and energy policies are a form of INALUM's compliance with statutory and other regulations including:

1. Law Number 1 of 1970 concerning Work Safety;
2. Law Number 32 of 2009 concerning Environmental Protection and Management;
3. Law Number 30 of 2007 concerning Energy;
4. Law Number 39 of 1999 concerning Human Rights;
5. Republic of Indonesia Government Regulation Number 50 of 2012 concerning Implementation of the Occupational Safety and Health Management System dated April 12, 2012;
6. Republic of Indonesia Government Regulation Number 70 of 2009 concerning Energy Conservation dated November 16, 2009;
7. Republic of Indonesia Government Regulation Number 22 of 2021 concerning Environmental Protection and Management dated February 02, 2021;
8. ISO 9001:2015 Standard concerning Quality Management Systems
9. ISO 14001:2015 Standard concerning Environmental Management Systems
10. ISO 45001:2018 Standard concerning Occupational Safety and Health Management Systems
11. ISO 50001:2018 Standard on Energy Management Systems
12. Aluminium Stewardship Initiative (ASI) Performance Standard version 3 dated May 2022.

INALUM consistently complies with environmental regulations to ensure its business operations are carried out in accordance with the best standards. To that end, the Company has made major investments in environmental management, especially in developing low-emission production systems as an integral part of factory operations. As a form of its environmental responsibility, INALUM also continues to optimize environmental management to prevent any negative impacts from its smelting activities. This effort is in line with the Company's policy to support the achievement of the Sustainable Development Goals (SDGs), while ensuring sustainable and environmentally friendly operations. This commitment resulted in no environmental complaints in the reporting year. [OJK F.16]

Environmental Management System

ENVIRONMENTAL PERFORMANCE

INALUM's commitment to carrying out operational activities in compliance with environmental regulations has resulted in its best performance, including successfully achieving PROPER Gold for the Company's hydroelectric power plant, and PROPER Green for the Kuala Tanjung aluminium smelter, North Sumatra. The PROPER Gold and PROPER Green achievements reflects the Company's commitment to sustainable environmental management and social responsibility.

PROPER Gold as the highest award in the Company Performance Rating Assessment Program (PROPER) shows that INALUM has exceeded the standards set in terms of energy efficiency, emission reduction, and waste and natural resource management. This not only reflects a superior environmental performance but also social innovations that have had a positive impact on the surrounding communities. By achieving PROPER Gold, INALUM has strengthened its reputation as a responsible and sustainable company that contributes to the achievement of the Sustainable Development Goals (SDGs). In 2024, INALUM received PROPER Gold for the smelter and PROPER Green for the hydroelectric power plant. These PROPER achievements shows that the Company has complied with applicable environmental regulations and demonstrated a significant commitment in terms of energy efficiency and waste management.

INTERNAL AND EXTERNAL ENVIRONMENTAL AUDITS

To ensure the effectiveness of the ISO 14001:2015 Environmental Management System (EMS), the Company routinely conducts internal and external audits covering the aluminium smelting and molding activities of aluminium ingots, aluminium alloys and aluminium billets, and hydroelectric power plants (PLTA).

The Internal Audit was carried out from March to November 2024 by internal auditors, and the External Audit for Recertification was carried out in June 2024 by the PT SGS Indonesia Certification Body (an independent party).

CORRECTIVE ACTIONS FOR CONTINUOUS IMPROVEMENT

Based on the internal and external ISO 14001:2015 Environmental Management System audit results, several corrective actions for continuous improvement were needed as follows:

1. Consistently updating the identification of environmental aspects and impacts in accordance with current activity/activity conditions.
2. Completing all requirements needed for licensing and adding the risk of non-fulfillment of the permit in the risk register.

3. Installing a temperature measuring device to measure directly (real time) on the non-B3 waste incinerator.
4. Reviewing the design of monitoring wells to monitor leaks in fuel storage tanks and coordinating with related agencies.
5. Verifying and justifying expired chemicals and establishing work instructions related to verification of the use of expired chemicals
6. Revising work instructions related to innovations that includes managing change (MoC).

MONITORING AND MEASUREMENT

INALUM conducted environmental performance monitoring and measurement in 2024, covering of the internal and external water, emissions and ambient air aspects. When assessing the ESG performance ratings, INALUM follows ESG rating measurements of international institutions recognized by the Financial Services Authority (OJK).

ENVIRONMENTAL PROGRAMS

INALUM's environmental protection programs include the following activities:

1. Emission Control
 - Smelters are equipped with a gas cleaning system to control emissions caused by exhaust gases from the reduction and anode manufacturing processes, with control parameters including SO_x, NO_x, HF levels.
2. Reducing Greenhouse Gas Emissions
 - a. Applying cleaner production through pot optimization and upgrading pot technology to reduce greenhouse gases, especially Perfluorocarbon (PFC) originating from the anode effect
 - b. Conversion of fuel from B20 diesel and LPG to LNG in the anode roasting process and aluminium product molding, and
 - c. Other activities to reduce emissions.
3. Carrying out hazardous and toxic waste processing activities (B3) from production and supporting processes.
4. Saving water consumption by using a water recycling system in the gas cleaning reduction plant and rodding plant cooling system.
5. Conducting energy management activities covering technical areas consisting of optimizing operational processes, equipment modifications, optimizing lighting and room cooling as well as non-technical areas by socializing through stickers and energy saving campaigns.
6. Planting trees in the Lake Toba area in collaboration/synergy with BUMN or BUMN subsidiaries, NGOs, and community groups.



7. Resource conservation is carried out at all stages, including the provision, management, utilization and conservation of resources stages.
8. Planning and carrying out resource efficiency in the Company's operational activities in an economical, responsible and environmental manner, in accordance with the respective fields of duty and scope of responsibility.

APPOINTMENT OF DUTIES AND RESPONSIBILITIES

The Head of the Occupational Safety, Health and Environment Department is the person in charge of managing environmental aspects and applying the Environmental, Social & Governance (ESG) principles in the Company according to SK-002/DIR/2024 concerning PT Indonesia Asahan Aluminium Organizational Structure, Job Descriptions and Work Divisions.

IDENTIFICATION OF PRODUCTS, ACTIVITIES AND SERVICES THAT HAVE SIGNIFICANT IMPACTS

INALUM is committed to conducting a Life Cycle Assessment (LCA) at all stages in the product development and business processes. LCA is the tool used to identify, evaluate, and reduce the environmental impact of our products from raw material selection to final disposal. Life Cycle Assessments (LCA) have been conducted since 2021, where the LCA study follows a cradle to grave scope. In 2023, conducted an LCA study following a cradle to grave scope as well as an impact evaluation to see the success of the SDA program based on the reduction of LCA impacts.

The implemented programs, one being the Reduction of B3 Waste Pot Reconstruction Through Partial and Semi Partial Pot Reconstruction Applications to reduce C2H4 emissions so that it has the potential to reduce the impact of potential acid rain, potential eutrophication, photochemical oxidation, terrestrial ecotoxicity, freshwater ecotoxicity, marine ecotoxicity, carcinogenic, toxicity, water footprint, and cumulative energy demand (non-renewable). This is in line with the Life Cycle Assessment (LCA) purpose at INALUM, namely to conduct an environmental impact assessment (environmental footprint) to reduce any impact by creating a future improvement program.

EXTERNAL AND INTERNAL COMMUNICATIONS RELATED TO ENVIRONMENTAL ISSUES

INALUM conducts periodic environmental condition reporting to relevant Government Agencies in accordance with the provisions stipulated in the Environmental Approval document.

GOALS AND TARGETS

INALUM has set specific targets for its environmental management, including maintaining and improving environmental management performance beyond the requirements of laws and regulations, and the quality of its environmental management, and includes the best practices in the industrial sector, which helped INALUM obtain a GOLD PROPER rating, Greenhouse Gas Emission verification, and Aluminium Stewardship Initiative certification.

Biodiversity and Conservation

[OJK F.10] [EM-MM-160a.1] [ASI 8.2]

INALUM understands that maintaining biodiversity and environmental conservation is an important part of sustainable operations. As a company engaged in the aluminium smelting industry, INALUM is committed to minimizing any environmental impacts by applying responsible business practices. These efforts include protecting the ecosystem around the operational areas, managing energy, emissions and waste effectively. By maintaining biodiversity and environmental conservation, INALUM not only contributes to environmental sustainability, but also ensures the availability of natural resources for future generations. [GRI 3-3]

LOCATIONS OF OPERATIONS OWNED, LEASED, MANAGED, OR ADJACENT TO PROTECTED AREAS AND AREAS WITH HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS [OJK F.9] [GRI 304-1]

INALUM understands that the Company's operations are adjacent to natural conservation areas and therefore has a great responsibility in preserving the environment. This commitment is not only implemented during operational activities, but also includes efforts to preserve biodiversity around the Company's operational areas. To realize this commitment, INALUM has determined Environment, Biodiversity, and Conservation as INALUM's Environmental, Social, and Governance (ESG) topics. The Company has also prepared a Biodiversity Policy including the following strategic approaches for environmental management and biodiversity conservation:

1. Regular monitoring of the Biodiversity Index;
2. Carrying out vegetation in the Company's operational areas;
3. Conserving flora and fauna which are endemic species
4. Maintaining river basins around operational areas
5. Planting trees with various types of plants, such as MPTS (Multi Purpose Tress Species) and hardwood trees in the Lake Toba DTA.
6. Preventing abrasion and erosion in order to maintain the aquatic ecosystem and coastline
7. Collaborating with stakeholders, both local communities, local governments, third parties, and other parties to ensure cooperation in wildlife and protected animal conservation activities, including conducting socialization regarding the importance of protecting biodiversity.

Currently, INALUM has several operational areas adjacent to protected areas. Based on PPRI No. 76 of 2016, there are 350.86 hectares in Toba Regency; 207.05 hectares in Asahan Regency; and 20.86 hectares in the Simalungun Regency Area. Then, based on the Protected Forest Area Borrow-Use Permit No. 35/1/IPPKH/PMDH/2016, INALUM has a permit to run its operations in the Protected Forest Area in Toba Regency and Asahan Regency covering an area of 0.31 hectares, where the IPPKH area is used for the Microwave Tower and its Supporting Facilities.

SIGNIFICANT IMPACTS OF ACTIVITIES, PRODUCTS, AND SERVICES ON BIODIVERSITY [GRI 304-2]

INALUM only smelts aluminium so there is no significant negative impact on biodiversity around the Company's operational areas. In relation to environmental conservation, programs carried out by INALUM include planting trees in the Lake Toba Catchment Area as an initiative to maintain the stability of the water surface of Lake Toba.

While, the 271 towers with a 275 kV Extra High Voltage Air Line (SUTET) transmission line along 120 km from two power plants in Paritohan, Toba Samosir Regency, North Sumatra, to the smelter in Kuala Tanjung, North Sumatra, has no impact on biodiversity.

RISK AND IMPACT ASSESSMENT OF BIODIVERSITY AND ECOSYSTEMS

INALUM conducted a risk and impact assessment on biodiversity and ecosystems due to the operation of the aluminium smelter in Kuala Tanjung and the 271 SUTET towers along 120 km from Paritohan to Kuala Tanjung. The results of the risk assessment showed no significant impact on biodiversity.

ALIEN SPECIES

INALUM uses Kuala Tanjung Port, North Sumatra for receiving imported alumina raw materials, from Australia, China, India and Vietnam. At the same port, the Company ships products in the form of ingots, billets, and alloys. During the loading and unloading process, there is the potential for alien species or foreign species to be carried, either plants, animals, or other microorganisms, especially from other countries.

In some cases, alien species can be invasive, namely when they reproduce rapidly and disrupt the balance of the local ecosystem, for example by competing with native species for resources, preying on local species, or bringing new diseases.



As of December 31, 2024, the Company did not receive information about alien species from the authorities that check raw materials received at INALUM ports.

PROTECTED OR CONSERVED HABITATS [GRI 304-3] [OJK F.10]

To support biodiversity, INALUM has built a Biodiversity Park (Taman Kehati) in the PT INALUM Paritohan Housing Complex, Pintupohan Meranti District, Toba Regency covering an area of ± 4 hectares. In the park there are a number of conservation programs, such as cultivation of endemic Toba plants, cultivation of koi fish, mixing eco enzymes in ponds and others.

For other habitat preservation, in 2024, INALUM planted 200,000 trees in Humbang Hasundutan, Samosir and Toba Regencies. In addition, the Company bred 21 deer In 2023, and 32 in 2024. INALUM also continued its Migratory Waterbird Conservation program.

IUCN RED LIST SPECIES AND NATIONAL CONSERVATION LIST SPECIES WITH HABITATS IN AREAS AFFECTED BY OPERATIONS [GRI 304-4]

As part of its commitment to maintaining biodiversity, INALUM has mapped species included in the International Union for Conservation of Nature (IUCN) red list and species recorded in the national conservation list around the Company’s operational areas. This is aimed at identifying and protecting endangered species and ensuring the sustainability of the ecosystem in the surrounding areas.

As part of its conservation efforts, INALUM has implemented a species protection and rehabilitation program based on the IUCN list. This conservation is carried out in two coastal locations in Batu Bara Regency, namely the Historical Beach and Perjuangan Beach, as well as in villages around the two beaches. Through this initiative, INALUM contributes to maintaining the balance of the coastal ecosystem while supporting the sustainability of endangered species.

Species of Flora and Fauna Conserved by INALUM in 2024

Name of Species	IUCN Status
Sampinur (Dacrycarpus imbricatus)	Least Concern
Kemenyan (Styrax paralleloneurus)	Least Concern
Sentul (Sandoricum koetjape)	Least Concern
Andaliman (Zanthoxylum acanthopodium)	Least Concern
Anturmangan (Casuarina sumatrana)	Least Concern
Suren (Toona sureni)	Least Concern





INALUM'S LEADING BIODIVERSITY PROGRAMS IN 2024

Cultivation of Toba Endemic Plants in Paritohan Kehati Park



One of the programs in the PT INALUM Biodiversity Park (Taman Kehati) in the Paritohan Housing Complex is to cultivate Toba endemic plants from 2022 until now.

The types and number of endemic plants cultivated are as follows:

Type of Plant	2024	2023	2022
Kemenyan (<i>Styrax paralleloneurus</i>)	-	1.000 trees	1.000 trees
Sampinur (<i>Dacrycarpus imbricatus</i>)	30 trees	10 trees	5 trees
Sentul (<i>Sandoricum koetjape</i>)	-	10 trees	20 trees
Andaliman (<i>Zanthoxylum acanthopodium</i>)	40 trees	50 trees	50 trees
Anturmangan (<i>Casuarina sumatrana</i>)	30 stems	10 stems	
Suren (<i>Toona sureni</i>)	30 stems		



Water and Air

INTERACTION WITH WATER AS A SHARED RESOURCE

Water is an important component in INALUM's operations, both in the offices and at the factory sites. To ensure its sustainability, INALUM has implemented a water management policy that includes conservation procedures to protect water resources such as rivers, lakes, and other springs from potential pollution or disturbances that can damage their quality and the ecosystem. As part of its sustainability commitment, INALUM strives to reduce the withdrawal of new water from nature, improve the water recirculation system, and ensure that water that is returned to the environment meets applicable quality standards. [GRI 3-3]

The main source of water used by INALUM comes from surface water, namely the Asahan River, with its source in Lake Toba, for electricity generation. In addition, the Company also uses water from the Tanjung River and the Dalu-Dalu River for smelter operations. INALUM ensures that the water taken does not come from areas with water scarcity (water crisis) so as not to disrupt the balance of the local ecosystem. To ensure transparency and accuracy, the volume of water withdrawals from surface water is recorded using flow meters and documented in a daily logbook. [GRI 303-1] [EMMM-140a.1, EM-MM-140a.2] [ASI 6.2, 7.1, 7.2]

WATER ASSESSMENT AND DISCLOSURE

The Company actively monitors wastewater quality through an accredited independent third party, ensuring the physical, chemical and biological parameters are in accordance with applicable regulations. This assessment also includes identifying operational impacts on local ecosystems to mitigate potential environmental damage.

Furthermore, as a form of responsibility and transparency to stakeholders, the Company reports policies, strategies, and results of water quality monitoring periodically in sustainability documents. In addition, INALUM also implements water efficiency initiatives and reduces the burden of liquid waste pollutants in line with the Company's commitment to preserve water resources for future generations. By using this approach, the Company not only meets environmental regulations but also contributes to the preservation of aquatic habitats and biodiversity around its operational areas.

MANAGEMENT OF IMPACTS RELATED TO WATER DISCHARGE [GRI 303-2] [EMMM-140A.1, EM-MM-140A.2] [ASI 6.2, 7.1, 7.2]

To maintain environmental sustainability and minimize negative impacts from the Company's operational activities as wastewater management at INALUM is very important. By implementing strict policies and the latest treatment technology, INALUM ensures that all wastewater produced meets the established quality standards before being discharged into the environment. This effort not only protects the local ecosystem but also reflects the Company's social responsibility to maintaining the public and the surrounding environment health.

In wastewater management, INALUM has obtained Technical Approval for Wastewater Quality Standards No. 660/2740/Dis-LH-SU/X/2022, which regulates the Permit for Wastewater Discharge into the Sea on behalf of PT Indonesia Asahan Aluminium. To meet the wastewater qualifications in accordance with the permit, INALUM actively monitors and controls water quality parameters, including physical parameters (temperature, pH, and turbidity), chemical parameters (Biochemical Oxygen Demand/BOD, Chemical Oxygen Demand/COD, Total Suspended Solids/ TSS, heavy metals such as lead [Pb], mercury [Hg], and cadmium [Cd]), and biological parameters (pathogenic bacteria and other organisms that can harm humans). Wastewater quality monitoring is conducted periodically by an independent third party accredited by KAN and an environmental laboratory in accordance with applicable regulations and laws.

Wastewater treatment from gas cleaning systems using physical and chemical methods consists of several stages of treatment, namely the addition of chemicals, coagulation, sedimentation, and adjustment of the pH of the processed wastewater until it meets the quality standard criteria according to the applicable permit.

WATER WITHDRAWAL [GRI 303-3]

As of December 31, 2024, as shown in the table below, the volume of water withdrawal by Inalum from surface water, namely the Tanjung River and the Dalu-Dalu River, has increased compared to 2023. This increase is in line with the increase in aluminium production.

INALUM consults with the government to ensure its water extraction did not come from areas with water scarcity during the process of issuing SIPA (surface water extraction permit) for Sungai Tanjung No. PB-UMKU: 912010047205800030006 and Sungai Dalu Dalu No. PB-UMKU: 912010047205800030007



Total Water Withdrawal (Mega Liter) 2022-2024

Water sources	2024	2023	2022
Surface Water	1.628,96	1.580,80	1.650,00
Total	1.628,96.	1.580,80	1.650,00

The river water intake area is not in an area with water scarcity conditions, and TDS parameter measurements have been made on the river water, with measurement results showing they met the fresh water quality standards <1,000 mg/l.

WATER DISCHARGE [GRI 303-4]

After passing through the treatment process at the wastewater installations, based on the permits held, INALUM discharges the wastewater into the sea. As shown in the table below, the amount of water discharged into water bodies in 2024 increased compared to the previous year where 100% of the water was discharged into the sea. This increase was in line with the increase in aluminium production.

Total Water Discharged to Water Bodies (Mega Liters) [OJK F.13]

Receiving Water Bodies	2024	2023	2022
Sea	140,05	132,00	121,00
Total	140,05	132,00	121,00

WATER CONSUMPTION [GRI 303-5] [OJK F.8]

Based on the difference in water consumption and water discharge data, as presented in the table below, the volume of water consumption in 2024 increased compared to 2023. This increase was in line with the increase in aluminium production.

Total Water Consumption (Mega Liter)

Water Source	2024	2023	2022
Surface Water	1.488,90	1.448,80	1.529,00
Total	1.488,90	1.448,80	1.529,00

Strategic Plan 2020-2024 Water Efficiency Aspects

No	Name of Program	Target	Success Indicators	Implementation Schedule				
				2020	2021	2022	2023	2024
1	Recycling Main Fan cooling water in Gas Cleaning Unit	Implementing Water Efficiency in Production Facilities	Reducing Water Usage by 3,750,805 M3					
2	Replacing compressor cooling water circulation pipe in utility plant	Implementing Water Efficiency in Production Facilities	Reducing Water Usage by 806,635.8 M3					
3	Recycle WWTP outlet water to Baking Plant	Implementing Water Efficiency in Production Facilities	Reducing Water Usage by 28,571.2 M3					

Strategic Plan 2020-2024 Water Efficiency Aspects

No	Name of Program	Target	Success Indicators	Implementation Schedule				
				2020	2021	2022	2023	2024
4	Recycle pressing and heating equipment cooling water in rodding plant	Implementing Water Efficiency in Production Facilities	Reducing Water Usage by 400,815.2 M3					
5	Recycle compressor cooling water in Utility Plant	Implementing Water Efficiency in Production Facilities	Reducing Water Usage by 1,032,911.28 M3					
6	Restriction of water consumption to new building construction project	Implementing Water Efficiency in Supporting Facilities	Reducing Water Usage by 1,688.73 M3					
7	Restriction of water consumption for new building operation	Implementing Water Efficiency in Supporting Facilities	Reducing Water Usage by 972.96 M3					
Total			6,022,400.17 m3 or equivalent to IDR39,145,601,144					
Program implementation period								

OZONE-DEPLETING SUBSTANCES (ODS) EMISSIONS

Ozone-depleting substances (ODS) emissions are a major concern for INALUM given their significant impacts on the environment and human health. Substances such as hydro chlorofluorocarbons (HCFCs) and chlorofluorocarbons (CFCs) used in industrial processes, including as refrigerants, can damage the ozone layer in the stratosphere. This damage has the potential to increase ultraviolet (UV) radiation reaching the earth’s surface, which can cause health problems, including skin cancer and cataracts, as well as have negative impacts on marine and terrestrial ecosystems. Therefore, ODS emission management is crucial to maintain the integrity of the ozone layer and support global efforts to mitigate climate change. [GRI 3-3]

In relation to ozone-depleting substances emissions, when running the aluminium smelter operations, INALUM does not produce, import or export ODS. As for the use of refrigerants or cooling agents, such as in air conditioners and refrigerators, the Company uses environmentally friendly refrigerants, using R-32. [GRI 305-6]

NITROGEN OXIDES (NOX), SULFUR OXIDES (SOX), AND OTHER SIGNIFICANT AIR EMISSIONS [GRI 305-7] [ASI 6.1] [EM-MM-120A.1]

In the aluminium smelting production process, in addition to CO2, INALUM produces other air emissions, such as NOx, SOx, and other particulate matter. To calculate NOx and SOx emissions, the Company uses a flue gas analyzer 350 measuring instrument, while particulate matter is measured directly with a high volume air sampler. As shown in the table below, NOx and SOx emissions in 2024 increased compared to the previous year. This increase is in line with the increase in aluminium production.

Other Air Emissions

Air Emissions	Unit	Total		
		2024	2023	2022
NOx	Ton	100,62	96,94	68,26
SOx	Ton	2.569,48	2.489,03	2.460,82
Particulate Matter (PM)	Ton	288,80	236,08	230,82

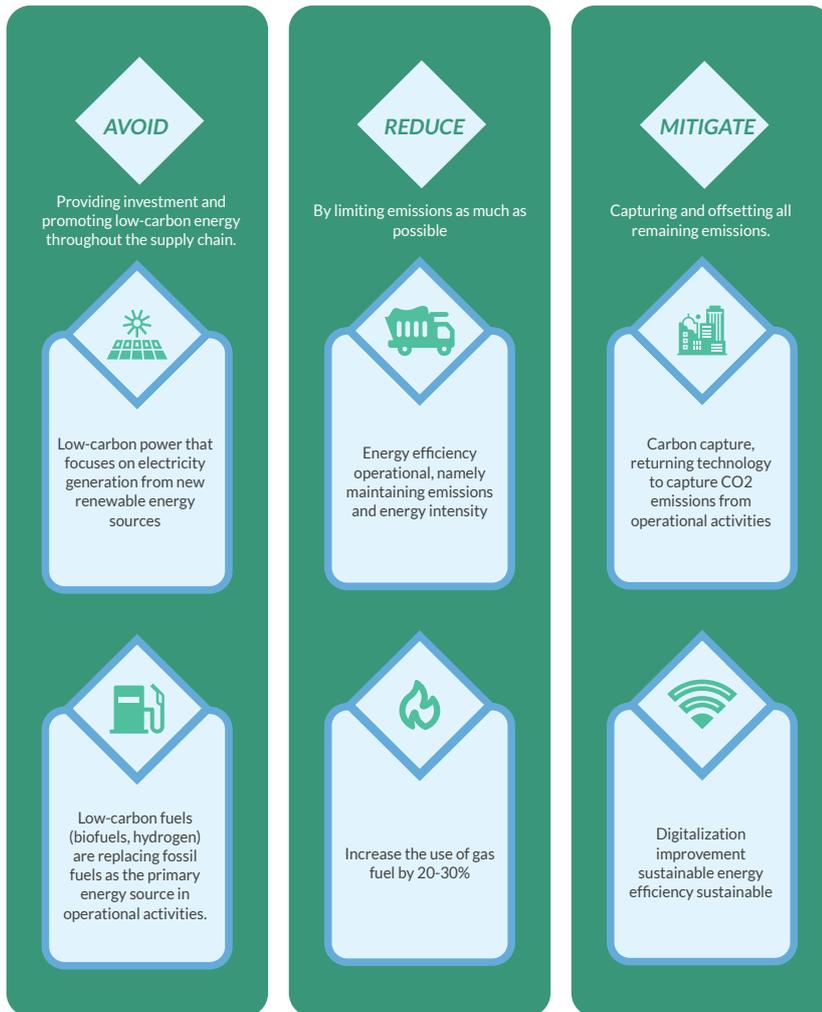
▶ NON-GHG AIR EMISSION PROGRAM

INALUM's aluminium smelter is equipped with a gas cleaning system to avoid pollution caused by exhaust gases, including fluoride and dust from the reduction plant and SOx and tar from the anode roasting plant. In addition, the smelter also has 27 (twenty-seven) dry scrubbing units connected to three pot lines. For gas emission processing, alumina is sprayed into a gas stream containing fluoride. Almost all fluoride in the gas reacts with the alumina and is absorbed. The fluoride-enriched alumina and other particulates are then returned to the smelting furnace, while the clean gas is discharged through the chimney.

Decarbonization [OJK F.3] [EM-MM-110a. 2]

As part of its responsibility as a good corporate citizen, INALUM is committed to implementing decarbonization as a real step to dealing with the climate change impacts. To that end, INALUM has initiated efforts to reduce greenhouse gas emissions with quite significant targets.

The Company's emission reduction targets from the energy sector and factory operational processes, includes reducing carbon footprints by 8% by 2030 from business-as-usual emissions in that year, and supporting the Indonesian Government's net zero emission aspirations by 2060. The following explains INALUM's decarbonization strategy:



INALUM's Long-Term Decarbonization Plan:

- Increasing the Use of Hydroelectric Power
- Conservation of Watersheds
- Tree Planting in Lake Toba Watershed

ENERGY CONSUMPTION IN THE ORGANIZATION [OJK F.6] [GRI 302-1] [EM-MM- 130A.1]

Since its establishment, INALUM’s founders designed an efficient, affordable, and environmentally friendly electricity supply system to support the aluminium smelter operations. One strategic steps taken was to build a Hydroelectric Power Plant (PLTA) by using the current in the Asahan River flowing from Lake Toba in North Sumatra. This project is known as the Asahan River Project 1. [GRI 3-3]

Currently, INALUM operates three dams and two PLTAs as part of the Asahan Project 2, namely the Pengatur Dam, Siguragura Dam, and Tangga Dam, as well as the Siguragura PLTA and Tangga PLTA, which use the potential of the Asahan River water as the Company’s main energy source.

The Siguragura PLTA has a maximum capacity of 286 MW, while the Tangga PLTA has 317 MW. The electricity generated from these two PLTAs is distributed through a 120 km transmission network, consisting of 271 towers, with a voltage of 275 kV to Kuala Tanjung. At the Kuala Tanjung Main Substation, the electricity is then distributed to three reduction furnace buildings and other supporting facilities through two silicon rectifier units with a DC voltage of 37 KA and 800 V.

In addition to electrical energy from the hydroelectric power plants, INALUM also uses fuel (BBM) and gas for the anode roasting process, aluminium molding, and smelter operations.

By the end of 2024, 99.31% of the total energy used by INALUM comes from renewable energy with the main source being two hydroelectric power plants near the Asahan River. This energy is the backbone of operations at the Kuala Tanjung Smelter Plant, strengthening the Company’s commitment to supporting the sustainable energy transition. Compared to 2023, the use of renewable energy in 2024 increased. This was due to the increase in the use of natural gas. [OJK F.5]

Energy Consumption and Intensity [OJK F.6] [GRI 302-1, 302-3] [ASI 5.1]

Energy Source	Unit	Energy Consumption		
		2024	2023	2022
Non-Renewable Energy	Gigajoule	113.154	206.471	346.152
Renewable energy	Gigajoule	16.339.725	12.778.887	13.509.821
Total	Gigajoule	16.452.879	12.985.357	13.855.972
Production molten aluminium Quantity	Ton	278.289	211.424	226.736
Energy Intensity	Gigajoule/Ton of Product	59,12	61,42	61,11

Note :

- INALUM’s energy calculations have taken into account the amount of renewable energy from electricity sold to PLN
- Conversion factors use IPCC (UNEP) 2006, GHG Protocol (WBCSD, WRI) standards. KESDM 2021, ISO 14064
- Energy Efficiency and Renewable Energy Use [OJK F.7] [GRI 302-4, 302-5]

ENERGY CONSUMPTION OUTSIDE THE ORGANIZATION [GRI 302-2]

Untuk konsumsi energi di luar organisasi, seperti penggunaan BBM oleh pemasok/mitra, INALUM tidak bisa melaporkan karena dalam perjanjian kerja sama dengan pemasok tidak terdapat klausul tentang pencatatan volume energi yang dikeluarkan oleh mitra. For energy consumption outside the organization, such as fuel used by suppliers/partners, INALUM cannot report as the cooperation agreement with suppliers does not contain a clause for recording the volume of energy released by partners. However, in accordance with the Corporate Value Chain Accounting and Reporting Standards (Scope 3) of the GHG Protocol, the Company identifies relevant energy consumption outside the organization, namely in the upstream category for business travel, specifically travel by airplane.

In this report, travel by airplane refers to travel by the Board of Commissioners and Board of Directors. The total energy or fuel consumed for business travel by airplane in 2023 was calculated using the ICAO (International Civil Aviation Organization) carbon emission calculator.

In 2024, the amount of energy consumption from business travel by plane was 221,567.72 GJ, an increase compared to 174,786.13 GJ in 2023. The increase was in line with the increasing business travel by plane by the Board of Commissioners and Board of Directors.

ENERGY INTENSITY [GRI 302-3]

As presented in the previous table, the energy intensity in 2024 was 59.12 GJ/Ton of aluminium, a decrease compared to 61.42 GJ/Ton of aluminium in 2023. The decrease in energy intensity was mainly due to a decrease in DC electricity consumption from the aluminium electrolysis process of 228.94 kWh/Ton of aluminium.

REDUCING ENERGY CONSUMPTION [GRI 302-4, 302-5]

As part of its decarbonization efforts, INALUM is committed to increasing energy efficiency and expanding the use of renewable energy. Energy efficiency is one of the main pillars in the Company's environmental management policy, which aims to optimize energy use efficiently and sustainably.

The strategic approach for energy management includes identifying, measuring, monitoring, and controlling energy consumption, as well as implementing corrective measures aimed at reducing unnecessary energy consumption and reducing environmental impacts.

As a commitment to energy efficiency, INALUM obtained ISO 50001:2018 Energy Management System certification, which supports the Company in the Energy Management System (EnMS) to improve energy efficiency systematically and sustainably. In addition, INALUM carries out other innovations to save energy, including in the use of LPG. One of the breakthroughs was the optimization of the aluminium printing process, which allows for reduced fuel consumption through the use of more efficient substitute gases.

Realization of Electricity Savings

Location	Unit	2024	2023	2022
Smelting Plant	Gigajoule	17.531,28	86.070,98	85.256,74
Carbon Factory	Gigajoule	5.989,41	49.689,97	48.240,05
Reduction Plant	Gigajoule	887,19	126,14	563,66
Casting Factory	Gigajoule	10.591,0	35.138,67	35.899,50
Storage Yard	Gigajoule	42,46	296,44	147,00

Tabel Upaya Mengendalikan Energi

No	Name of Program	Target	Success Indicators	Implementation Schedule				
				2020	2021	2022	2023	2024
1	Optimizing electric baking process in pot (from 72 hours to 48 hours)	Conducting Energy Savings in Production Facilities	Making Energy Savings of 4,665.6 GJ					
2	Optimizing billet & alloy molding process to save LPG usage	Conducting Energy Savings in Production Facilities	Making Energy Savings of 4,417.05 GJ					
3	High Speed Diesel (HSD) to Liquefied Natural Gas (LNG) Application Program in the Anode Baking Process	Conducting Energy Savings in Production Facilities	Making Energy Savings of 65,473.92 GJ					

Tabel Upaya Mengendalikan Energi

No	Name of Program	Target	Success Indicators	Implementation Schedule				
				2020	2021	2022	2023	2024
4	Installing Variable Speed Drive for Exhaust Fan 1F-301E	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 6,471.68 GJ					
5	Installing Variable Speed Drive for Crusher CR-201 (Coke Crushing System)	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 4,880.67 GJ					
6	Installing Variable Speed Drive for Table Feeder TF-201 (Coke Grinding System), Air Separator AS-201 (Coke Grinding System) and Crusher CR-202 (Butt & GS Receiving System)	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 4,617.41 GJ					
7	Installing Variable Speed Drive for Vacuum Pump SM- 201 (Block Forming System)	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 5,151.97 GJ					
8	Installing Variable Speed Drive for Anode Baking Crane ABC-301 & 303	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 1,207.16 GJ					
9	Replacing Lighting in Green Plant area	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 416.28 GJ					
10	Renewal of Spot Lighting (spotlights) in the factory fence area	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 339.41 GJ					
11	Replacing Road Lighting in the Main Office area	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 324.76 GJ					
12	Replacing Road Lighting in the Gas Cleaning area	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 186.69 GJ					
13	Replacing Lighting in Warehouse area	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 439.81 GJ					
14	Replacing Lighting in Auxiliary Rodding Plant area	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 2,206.89 GJ					
15	Replacing Fluorescent TL Lamps with LEDs in Gas Cleaning	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 1,347.11 GJ					



Tabel Upaya Mengendalikan Energi

No	Name of Program	Target	Success Indicators	Implementation Schedule				
				2020	2021	2022	2023	2024
16	Renewal of Lighting Fixture at Green and Carbon Office	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 163.36 GJ					
17	Replacing Substation Outdoor Lighting	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 315.36 GJ					
18	Replacing Lamp Fixture in Anode Rodding Plant	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 187.32 GJ					
19	Replacing Outdoor and Indoor Lamps in MTH Area	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 365.82 GJ					
20	Renewal of Lighting Fixture Green	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 666.36 GJ					
21	Replacing Street Lights in Baking Plant Area	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 52.03 GJ					
22	Replacing Mercury Outdoor Lights to LED in Reduction Area	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 252.29 GJ					
23	Replacing TL Lamps to LEDs at Alumina Handling	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 170.29 GJ					
24	Replacing Mercury lamps to energy-saving ones in the Reduction Building	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 756.45 GJ					
25	Application of Graphite Material without Shunt Resistor (Modification of Reduction Furnace Heating Media Using Graphite without Shunt Resistor)	Conducting Energy Savings in Supporting Facilities	Making Energy Savings of 408.10 GJ					
Total			105.483,77 GJ					
Year of program								

DIRECT GHG EMISSIONS (SCOPE 1)

INALUM has set emission management and control as one of the sustainability topics considering emissions from the combustion process have the potential to cause air pollution and affect the quality in the surrounding environment. Decreased air quality can have a negative impact on the ecosystem, including plants, animals, and human health. [GRI 3-3]

To address this, INALUM consistently implements emission control in the aluminium smelting process to ensure that the emissions produced do not exceed the Emission Quality Standards set by regulations. This step not only aims to maintain air quality around the Company's operations, but also contributes to Indonesia's Net Zero Emission (NZE) target for 2060.

As part of its commitment to environmental management, INALUM looks to reduce the impact of conventional air emissions and Greenhouse Gases (GHG). One of the mechanisms used is the Clean Development Mechanism (CDM), which allows companies in developing countries, such as Indonesia, to participate in emission reduction programs involving developed countries.

For its application of CDM, INALUM received an international award related to carbon credits from LRQA in 2012. In addition, based on the LME Passport - Sustainability Disclosures 2022, INALUM is categorized in range one (0-4 tons CO₂-e/MT of aluminium products), which reflects the low carbon emission performance in aluminium production.

Related to the management of greenhouse gas emissions, INALUM routinely conducts an inventory of Greenhouse Gases (GHG) in accordance with Presidential Regulation of the Republic of Indonesia No. 71 of 2011 concerning the National Greenhouse Gas Inventory. The main source of Scope 1 GHG emissions comes from fossil fuel-based energy consumption, as well as the use of renewable energy such as solar power. [GRI 305-1]

INDIRECT GHG EMISSIONS (SCOPE 2) [GRI 305-2]

INALUM calculates Scope 2 GHG from energy generated from electricity purchased or obtained from PLN or generated by INALUM's own power plants.

OTHER INDIRECT GHG EMISSIONS (SCOPE 3) [GRI 305-3]

For Scope 3, INALUM identifies relevant energy consumption outside the Company's direct operations, particularly from the upstream category, namely emissions resulting from business travel. In this report, the business travel refers to the use of aircraft by the Board of Commissioners and Board of Directors.

For calculating scope 3 greenhouse gas emissions from business travel by aircraft, the Company uses the carbon calculator from ICAO (International Civil Aviation Organization). In this report, scope 3 greenhouse gas emissions refer to business travel undertaken by the Board of Commissioners and Board of Directors.

In 2024, greenhouse gas emissions scope 3 reached 134 tonsCO₂eq, an increase compared to 46.28 tonsCO₂eq in 2023.

GHG EMISSION INTENSITY [GRI 305-4]

INALUM calculates emissions based on the amount of emissions produced divided by the amount of molten aluminium production. Based on this formula, as presented in the table below, the emission intensity in 2024 decreased compared to 2023. This was due to a decrease in PFC gas emissions from the aluminium smelting process.





Table of Scope 1, 2, and 3 Emissions and Resulting Emission Intensity [GRI 305-1, 305-2, 305-3, 305-4] [EM-MM-110a.1] [OJK F.11] [ASI 5.1]

Emission Sources	Unit	2024	2023	2022*
Scope 1	TCO ₂ eq	868.039,11	869.764,34	804.429,61
Scope 2	TCO ₂ eq	103.377,14	28.375,29	63.030,43
Scope 3	TCO ₂ eq	134,00	46,28	35,85
Total	TCO ₂ eq	971.550,25	898.185,91	867.495,89
Amount of molten aluminum produced	Ton	278.289	211.424	226.736
Total Revenue	Thousands of USD	716.940	544.848	570.524
GHG Emission Intensity	TCO ₂ eq/USD Thousands	3,49	4,20	3,82
Carbon Intensity	TCO ₂ eq/USD Thousands	1,36	1,65	1,52

Note:

- GHG emissions calculations in this report refer to the following references: GWP100 values and atmospheric lifetimes based on AR6 WGI (IPCC), 2019, which updates the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Greenhouse Gas Inventory Guidelines, Direct and Indirect Emissions from Refrigeration, Air Conditioning, Fire Protection, and Industrial Gases (United States Environmental Protection Agency Environmental Protection Agency, 2014), IPCC Guidelines for National Greenhouse Gas Inventories, 2006, Decision of the Director General of Oil and Gas No. 486 K.10/DJM.S/2017, Decision of the Director General of Oil and Gas No. 146 K.10/DJM/2020, GWP100-AR6 SM7, Emission Factors for CO₂: Director General of the Electricity System in 2019, EF Source: Ecometrica (2011). Specific Emission Factors for Grid Electricity, EPA, 2013, Default CoM Emission Factors for Member States of the European Union, 2017 Dataset Version, <https://www.icao.int/environmental-protection/Carbonoffset>.
- Scope 1 emissions consist of direct emissions from stationary combustion (use of B30 biodiesel, LPG, and natural gas), direct emissions from mobile combustion (use of biodiesel and pertalite for transportation), direct emissions and absorption from industrial processes (Prebake CO₂ from electrolysis and combustion furnace volatile oxidation, soda ash consumption, PFC emissions), direct emissions leaked from GHG emissions in anthropogenic systems (use of air conditioning and fire extinguishers).
- Scope 2 emissions consist of indirect emissions from imported electricity (electricity from hydroelectric power plants and PLN)
- Scope 3 emissions from business travel by BOD and BOC.
- No biogenic emission sources were identified in this calculation.
- The GHG emission calculation table above includes: CO₂, CH₄, and N₂O.

The calculation of GHG emissions in 2022 has been verified by a third party, TÜV Rheinland Indonesia, in accordance with the ISO 14064-1 standard. In 2024, there will be an 8.6% reduction in GHG emission intensity from the 2022 baseline (scope 1 and 2). The reduction in GHG emission intensity in 2030 is projected to be 29.17% from the 2022 baseline for Scopes 1 and 2.

GHG EMISSION MANAGEMENT AND REDUCTION [GRI 305-5]

For managing and reducing greenhouse gas emissions, the Company has established the following strategic plan:

Strategic Plan 2020-2024 Emission Efficiency Aspects

No	Name of Program	Target	Emission Reduction Target	Schedule				
				2020	2021	2022	2023	2024
1	Revamping Anode Baking Furnace	Reducing Emissions in Production Facilities	Making Emission Savings of 102,161.1 Ton CO ₂ eq					
2	Installing a blue box for process control in reduction furnace	Reducing Emissions in Production Facilities	Making Emission Savings of 0.21 Ton CO ₂ eq					
3	Application of Longitudinal Slotted Anode	Reducing Emissions in Production Facilities	Making Emission Savings of 1,921.92 Ton CO ₂ eq					

Strategic Plan 2020-2024 Emission Efficiency Aspects



No	Name of Program	Target	Emission Reduction Target	Schedule				
				2020	2021	2022	2023	2024
4	Modified busbar arrangement	Making Energy Savings in Production Facilities	Making Emission Savings of 544.19 Ton CO2eq					
5	Changing electric baking duration from 72 hours to 48 hours	Making Energy Savings in Production Facilities	Making Emission Savings of 0.72 Ton CO2eq					
6	Pilot project upgrading 3 pots to 1 potline	Making Energy Savings in Production Facilities	Making Emission Savings of 67.99 Ton CO2eq					
7	Increasing CE in transition pot	Making Energy Savings in Production Facilities	Making Emission Savings of 85.80 Ton CO2eq					
8	Warming the ladle in the pot	Making Energy Savings in Production Facilities	Making Emission Savings of 1,687.82 Ton CO2eq					
9	Using LNG as a substitute for LPG in INALUM's Business Process	Making Energy Savings in Production Facilities	Making Emission Savings of 6,258.36 Ton CO2eq					
10	Reducing the anode effect frequency with a combined method of using longitudinal slot anodes and slots in shutter gate feeding system	Making Energy Savings in Production Facilities	Making Emission Savings of 25,657.36 Ton CO2eq					
11	BUSBAR Effect (Modification of Aluminium Pot Reduction Furnace with Addition of Busbar to Prevent Anode Effect)	Making Emission Savings in Production Facilities	Making Emission Savings of 6,574.16 Ton CO2eq					
12	Replacing diesel-fueled motors with electric ones	Making Emission Savings in Support Facilities	Making Emission Savings of 21.02 Ton CO2eq					
13	Replacing lighting in the green plant area	Making Emission Savings in Support Facilities	Making Emission Savings of 6.73 Ton CO2eq					



Strategic Plan 2020-2024 Emission Efficiency Aspects

No	Name of Program	Target	Emission Reduction Target	Schedule				
				2020	2021	2022	2023	2024
14	Renewal Spot Lighting (spotlights) in the factory fence area	Making Emission Savings in Support Facilities	Making Emission Savings of 2.19 Ton CO ₂ eq					
15	Replacing road lighting in the main office area	Making Emission Savings in Support Facilities	Making Emission Savings of 2.02 Ton CO ₂ eq					
16	Replacing Road Lighting in Gas Cleaning area	Making Emission Savings in Support Facilities	Making Emission Savings of 2.17 Ton CO ₂ eq					
17	Replacing lighting in the Warehouse area (SWH)	Making Emission Savings in Support Facilities	Making Emission Savings of 2.64 Ton CO ₂ eq					
18	Auxiliary rodding building lights	Making Emission Savings in Support Facilities	Making Emission Savings of 14.66 Ton CO ₂ eq					
19	Cleaning gas building lights	Making Energy Savings in Support Facilities	Making Emission Savings of 8.83 Ton CO ₂ eq					
20	Replacing lights at the station	Making Energy Savings in Support Facilities	Making Emission Savings of 1.49 Ton CO ₂ eq					
Total			145.021,57 Ton CO ₂ eq					
Year of program								

As an effort to reduce GHG emissions, the Company reforested 500 hectares of Lake Toba catchment area (DTA) by involving the surrounding community. hectares by involving the surrounding community.

Responsible Production

ENVIRONMENTAL IMPACT ASSESSMENT [GRI 3-3]

INALUM demonstrated its strong commitment to environmental management by obtaining a Gold and Green Rating in the Company Performance Rating Assessment Program (PROPER) organized by the Republic of Indonesia Ministry of Environment and Forestry in 2024. This achievement is the 3rd consecutive year that INALUM has received GOLD and GREEN PROPER, while it also reflects INALUM's compliance with applicable environmental regulations and the application of environmentally friendly practices in its operations.

INALUM also received a Certificate of Emission Reduction from the United Nations Framework Convention on Climate Change (UNFCCC), confirming its success in reducing greenhouse gas emissions through a clean development mechanism. This recognition places INALUM as one of the aluminium companies in the world that has succeeded in achieving this certification, while also demonstrates its dedication to implementing an environmentally friendly and sustainable production process.

LIFE CYCLE ASSESSMENT [OJK F.5]

Aluminium is produced from alumina as the main raw material, which INALUM obtains from third-party partners, including MIND Trading (South 32, Glencore, Trafigura, Well Harvest Winning). INALUM is very aware of the limited natural resources, especially bauxite, so it is important to manage its use responsibly. Aluminium has very special properties that support the transition to a sustainable economy, including its light weight and excellent recyclability. However, aluminium production also has an environmental impact that needs to be managed and reduced, and for this reason, INALUM is committed to using electrical energy from Hydroelectric Power Plants (PLTA) to support more environmentally friendly production.

As part of its sustainability strategy, INALUM conducts a Life Cycle Assessment (LCA) to ensure that its products have a lower environmental footprint. With a production molten aluminium of 278,289 tons in 2024, INALUM processes alumina using a cradle to grave approach to produce different types of aluminium products, including ingots, alloys, and billets. These products are then distributed to customers, creating a more sustainable production cycle in the aluminium industry.

As part of INALUM's commitment to creating more environmentally friendly and globally competitive products, on September 22, 2023, the Company conducted a Life Cycle Assessment (LCA) assessment, namely a study of the environmental footprint impact arising from all operational activities, so that the results will serve as a guide to develop improvement programs and identify opportunities to improve environmental performance, so that it can consistently reduce any environmental impact.

This LCA study using a cradle to grave scope, covering the entire product life cycle, was prepared in accordance with the following standards:

- ISO SNI 14040:2016 and ISO SNI 14044:2017;
- PCR Basic Aluminium Products and Special Alloys, 08:2022 Version 1.0 UN CPC: 4153;
- LHK Ministerial Regulation No. 1 Year of 2021.

Based on the LCA study, it was concluded that the significant impacts that arose in the aluminium production process were as follows:

The cradle, gate, grave points are Global Warming Potential (GWP), potential for ozone depletion, potential for acid rain, potential for eutrophication, photochemical oxidation, abiotic degradation (fossil and non-fossil), biotic degradation, carcinogenic, toxicity, water footprint, land use change, and cumulative energy demand.

This LCA study can be used as the initial stage of the LCA study so that a more comprehensive LCA study can then be carried out in accordance with the provisions established for making Environmental Product Declarations-Share Environmental Metrics of Products to Customers. [ASI 4.1](#)

Summary of INALUM LCA Study Results

No	Impact Category	Unit	Method	Reduction Plant	Printing Plant	WWTP	B3 Waste Management	Non-B3 Waste Management
Primary Impact								
1.	Global warming potential	%	ReCiPe 2016 Midpoint(H) V1.03 and IPCC, 2019	0	0	0	91,98	8,02
2.	Potential for ozone depletion	%	ReCiPe 2016 Midpoint(H) V1.03	0	0	0	0	0
3.	Potential for acid rain	%	ReCiPe 2016 Midpoint(H) V1.03	98,16	0	0	0	0
4.	Potential for eutrophication	%	CML-IA Baseline V3.05	51,21	0	0	0	0
Secondary Impact								
5.	Photochemical oxidation	%	CML-IA Baseline V3.05 and IPCC, 2019	97,76	0	0	0	0
Potential for abiotic decline (fossils and non-fossils) consisting of:								
6.	• Abiotic depletion (fossil fuels)	%	CML-IA Baseline V3.05	0	0	0	0	0
	• Abiotic deletion	%	CML-IA Baseline V3.05	0	0	0	0	0
Potential for biotic decline consisting of:								
7.	• Terrestrial ecotoxicity	%	ReCiPe 2016 Midpoint(H) V1.03	96,30	0	0	0	0
	• Frashwater ecotoxicity	%	ReCiPe 2016 Midpoint(H) V1.03	96,30	0	0	0	0
	• Marine ecotoxicity	%	ReCiPe 2016 Midpoint(H) V1.03	96,30	0	0	0	0
8.	Carcinogenic	%	ReCiPe 2016 Midpoint(H) V1.03	96,30	0	0	0	0

Summary of INALUM LCA Study Results

No	Impact Category	Unit	Method	Reduction Plant	Printing Plant	WWTP	B3 Waste Management	Non-B3 Waste Management
9.	Toxicity	%	CML-IA Baseline V3.05	95,65	0	0	0	0
10.	Water Footprint	%	ReCiPe 2016 Midpoint(H) V1.03	0	0	0	0	0
11.	Land Use Change	%	ReCiPe 2016 Midpoint(H) V1.03	0	0	0	0	0
Impact of Energy Usage								
Cumulative Energy Demand, consisting of:								
12.	• Non Renewable	%	Cumulative Energy Demand	0	52,93	0	0	0
	• Renewable	%	Cumulative Energy Demand	98,33	0,54	0	0	0

The results of this study identified the critical points that cause environmental impacts, both from the production process and from the products produced, so that INALUM could take appropriate mitigation steps to reduce environmental impacts effectively.

WASTE GENERATION AND SIGNIFICANT IMPACTS RELATED TO WASTE [GRI 306-1]

INALUM has implemented optimal waste management so that waste generated from its operational activities does not cause significant impacts on the environment.

MANAGEMENT OF SIGNIFICANT IMPACTS RELATED TO WASTE [GRI 306-2] [EM-MM-150A.7, EM-MM-150A.8, EM-MM-150A.9, EM-MM-150A.10]

INALUM understands that responsible waste management is a crucial aspect in maintaining environmental sustainability and public health. Waste generated from the aluminium production process can potentially cause environmental and social impacts to water, soil, and air pollution, which can disrupt the ecosystem and human health. Therefore, INALUM is committed to managing waste effectively to minimize any negative impacts caused.

For its management, INALUM refers to the applicable laws and regulations, and ensures that all waste processing, storing, and disposing is carried out according to standards and supervised by the K3LH function and related agencies. Some of the waste is managed by third parties who have permits from the Ministry of Environment and Forestry (KLHK) based on agreed contracts. Until the end of 2024, there were no significant incidents related to the management of hazardous materials and waste, reflecting the effectiveness of the Company’s waste management system. [OJK F.15]



The following are waste management methods carried out by INALUM [OJK F.14]

Types of Waste	Management and Monitoring Program
Non Toxic and Hazardous B3 Solid Waste	<ul style="list-style-type: none"> • Manage the domestic waste generated. • Carry out the 3R (Reduce, Reuse, Recycle) program for domestic waste. • Carry out waste separation and sorting (organic-non-organic). • Collaborating and providing assistance to the Waste Bank with the community. • Reduce plastic use.
Toxic and Hazardous (B3) Waste	<ul style="list-style-type: none"> • Manage the hazardous waste generated. • Implement a hazardous waste reduction program. • Store hazardous waste at a licensed hazardous waste storage facility. • Transport and dispose of hazardous waste in cooperation with a third party licensed by the relevant agency. • Transport and dispose of hazardous waste in cooperation with third parties authorized by the relevant authorities: <ol style="list-style-type: none"> i. Incineration with energy recovery: Clinical waste, used medical gowns, and similar items. ii. Raw material substitution: dross, used batteries, sludge from wastewater treatment plants, dust and/or sludge from air pollution control facilities, Cathodes (Spent Pot Lining), used refractory materials from thermal facilities, anode scraps. iii. Fuel substitution: used lubricating oil.

WASTE GENERATION [GRI 306-3] [ASI 6.5] [OJK F.13]

As shown in the table below, the total waste generated in 2024 increased compared to 2023, due to the increase in production.

Types of Waste	Unit	Total Waste Generated		
		2024	2023	2022
Hazardous Solid Waste	Ton	25.467,41	22.156,74	20.483,83
Non Hazardous Solid Waste	Ton	2.646,50	2.302,80	2.318,35
Total		28.113,91	24.459,54	22.802,18

The increase in hazardous B3 waste generated comes from anode scrap waste and dust/sludge from air pollution control facilities, in 2023 it reached 3,996.38 tons while in 2024 it reached 9,686.35 tons.

SPENT POT LINING ASI 6.7

Spent Pot Lining (SPL) is the solid waste produced from the aluminium smelting process at INALUM, especially from the inner layer of the electrolysis pot that has reached its usage limit. SPL consists of two main layers, namely the first layer (first cut) containing carbon residue and the second layer (second cut) containing fire-resistant material. Due to its nature it contains hazardous substances such as fluoride and cyanide, SPL is categorized as hazardous and toxic waste (B3) so it requires proper management in accordance with regulations.

INALUM manages SPL by applying strict environmental standards, and referring to national regulations and industry best practices. This management includes safe collection, storage, and processing, including cooperation with third parties who have official permits from the Ministry of Environment and Forestry (KLHK). In addition,

INALUM continues to look for innovative solutions in the use of SPL, such as recycling for reuse as raw materials for the cement industry or construction materials, to reduce the environmental impacts and support the principles of a circular economy.

As part of its sustainability commitment, INALUM routinely monitors, measures, and reports SPL management to the authorities, ensuring that the entire process is carried out in accordance with safety and environmental standards. To date, there have been no significant incidents related to SPL management, reflecting the effectiveness of the Company's waste management strategy, so that INALUM not only complies with applicable regulations but also contributes to reducing the environmental footprint of the aluminium industry.

As of December 31, 2024, the volume of Spent Pot Lining was recorded at 11,743.87 tons, down from the previous year, which reached 14,118.48 tons.

DROSS ASI 6.8

Dross is waste or material dirt still mixed in with a small amount of aluminium. The largest dross content is Al, Al₂O₃, Na₃AlF₆ and a small amount of metal oxide. Dross is included in the B3 waste category with waste code B313-3. This waste still has economic value as it contains aluminium that can be extracted and recycled. Therefore, INALUM has an effective and sustainable dross management strategy to minimize environmental impacts and optimize resource utilization.

For its management, INALUM uses dross processing technology to recover the remaining aluminium content, which is carried out using mechanical and thermal separation methods, so that the aluminium recovered can be reused for production. In addition, the remaining residue from dross that cannot be further extracted is managed in accordance with applicable environmental regulations, both through safe storage and utilization as alternative raw materials in other industries, such as cement or construction.

As part of its sustainability commitment, INALUM routinely monitors and evaluates dross management, and collaborates with third parties that have official permits to ensure that the waste processing is carried out safely and responsibly. To date, the dross management strategy has helped reduce the amount of waste that ends up in landfills, while supporting the principle of a circular economy in the aluminium industry.

As of December 31, 2024, the total dross was 3,393.95 tons, an increase compared to the previous year's 3,222.07 tons. This increase was due to the increase in production.

SCRAP AND ALUMINIUM PROCESS ASI 4.3

Scrap is a leftover, or used material, that can be recycled for reuse in the production process at INALUM. The Company applies a sustainable scrap management strategy to increase production efficiency and reduce waste. The scrap used by INALUM consists of internal scrap remaining from the aluminium smelting and casting process, and external scrap, which is used aluminium collected from various sources such as the automotive, construction, and manufacturing industries. By utilizing scrap, INALUM can reduce its dependence on primary raw materials such as alumina and support the principle of a circular economy in the metal industry.

In the production process, INALUM uses electrolysis technology in reduction cells to convert alumina into liquid aluminium, which is then molded into various products such as ingots, billets, and alloys used in various industries. The use of scrap in this process helps reduce energy consumption and carbon emissions, as smelting scrap requires less energy compared to producing aluminium from primary raw materials. INALUM also ensures that the scrap used has passed through a sorting and refining process to ensure the quality of the products produced are in accordance with international standards.

As part of its sustainability commitment, INALUM has a monitoring and reporting system for the use of scrap in its operations. The Company follows applicable regulations, including Government Regulation No. 22 of 2021 concerning Environmental Protection and Management, and global industry standards such as the Aluminium Stewardship Initiative (ASI) and the International Aluminium Institute (IAI). With these strategies, INALUM not only increases production efficiency but also contributes to reducing greenhouse gas (GHG) emissions and more responsible resource management.

As of December 31, 2024, the total scrap used was 469.4 tons, compared to the previous year's 341.0 tons. This increase was due to the increase in production capacity.

WASTE DIVERTED FROM FINAL DISPOSAL [GRI 306-4] [QJK F.14]

Total waste diverted from final disposal in 2024 for B3 solid waste increased, while for non-B3 solid waste decreased compared to 2023. The increase occurred because anode production increased from 144,564.45 tons to 192,183.29 tons, while non-B3 waste decreased due to composter facility maintenance activities.



Types of Waste Treatment	Unit	2024		2023		2022	
		Hazardous Solid Waste	Non hazardous solid waste	Hazardous Solid Waste	Non hazardous solid waste	Hazardous Solid Waste	Non hazardous solid waste
Preparation for reuse	Ton	0,00	0,00	0,00	0,00	0,00	0,00
Recycling/ Kompos	Ton	0,00	75,13	0,00	105,33	0,00	92,23
Other Recovery Operation: Reuse of anode butts (butt to produce new anodes)	Ton	50.624,53	0,00	46.359,94	0,00	47.081,66	0,00
Off-site Recovery	Ton	24.571,10	0,00	21.922,72	0,0	19.909,91	0,00
TOTAL		75.195,63	75,13	68.282,66	105,33	66.991,57	92,23

WASTE SENT TO FINAL DISPOSAL [GRI 306-5] [OJK F.14]

Types of Waste Treatment	Unit	2024		2023		2022	
		Hazardous Solid Waste	Non hazardous solid waste	Hazardous Solid Waste	Non hazardous solid waste	Hazardous Solid Waste	Non hazardous solid waste
Incineration (with energy recovery)	Ton	0,00	0,00	0,00	0,00	0,00	0,00
Incineration (with energy recovery)	Ton	0,00	1.763,50	0,00	1.784,33	0,00	1.819,76
Landfilling	Ton	0,00	0,00	3,09	0,00	0,92	0,00
TOTAL		0,00	1.763,50	3,09	1.784,33	0,92	1.819,76

Description	2024		2023		2022	
	Hazardous Solid Waste	Non hazardous solid waste	Hazardous Solid Waste	Non hazardous solid waste	Hazardous Solid Waste	Non hazardous solid waste
Diversion Rate	98,82%	2,84%	99,66%	4,57%	99,15%	3,98%

MATERIAL SPILLS AND LEAKAGE CONTROL [OJK F.15] [EM-MM-150A.9] [ASI 6.3, 6.4]

The Company has a structure with a hazardous and toxic waste management emergency team to carry out efforts to control spills and leakage of materials and waste. Implementation procedures have been established in the Oil Spill Response Plan document and the Toxic Hazardous Material Management Emergency Document.

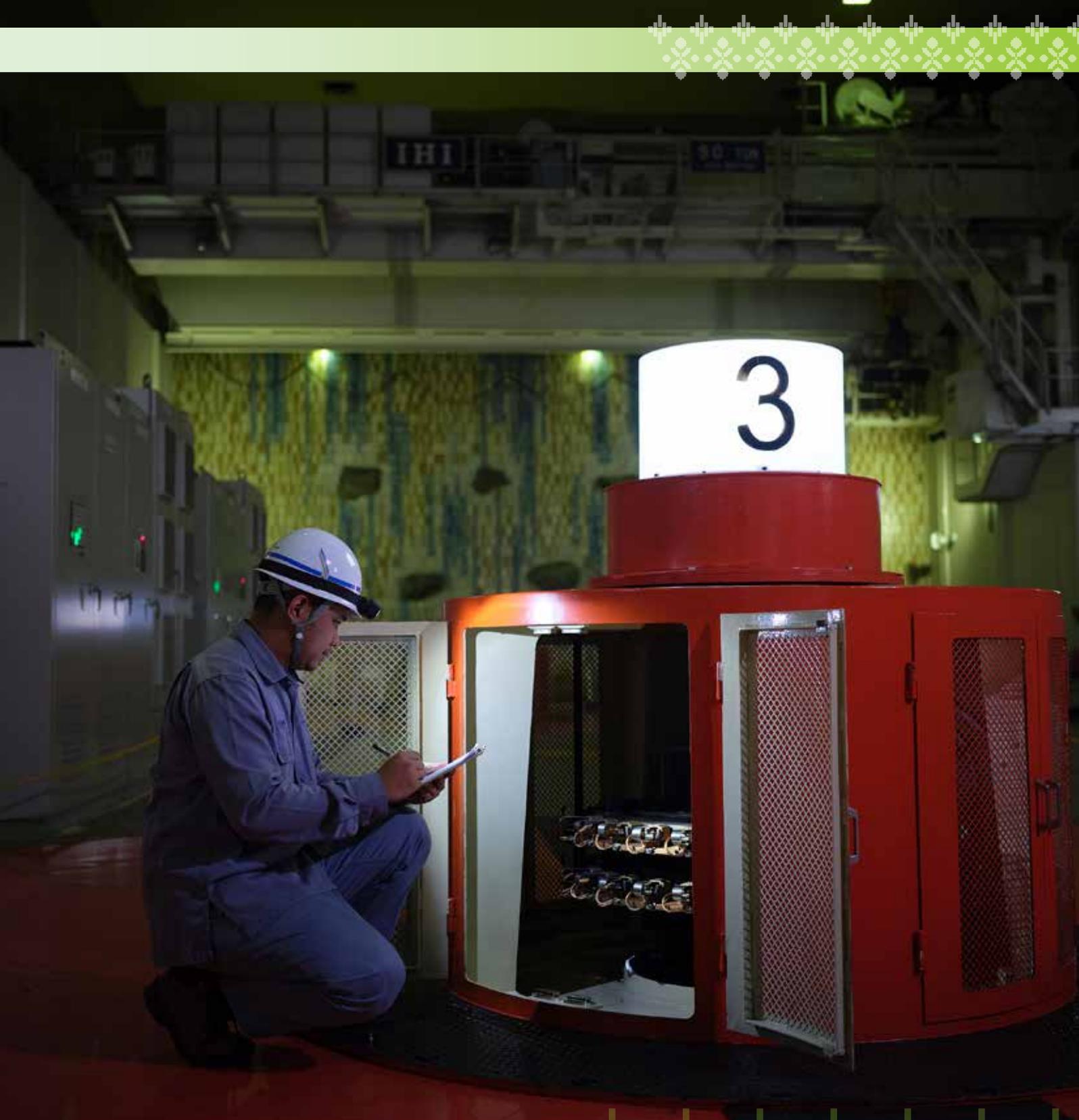
The material and waste spill and leakage control includes the process of identifying processes and locations that have the potential to cause spills, applying spill prevention methods in the process of moving and storing materials and waste, preparing equipment and spill handling resources consisting of internal company parties and third party partners according to the required scale (Tier 1, Tier 2, and Tier 3), and increasing competencies through regular simulations for the spill and material leakage control team. Due to responsible material and waste management efforts, there were no spills and leaks of hazardous materials and waste throughout 2024.

ENVIRONMENTAL COSTS



INALUM is committed to creating a better environment by allocating environmental costs for environmental-related purposes. In 2024, the Company environmental costs amounted to Rp43,028,552,557, an increase compared Rp39,376,913,290 in 2023. The environmental costs and utilization were as follows: [\[OJK F.4\]](#)

Type of Environmental Programs	Environmental Costs		
	Total Costs (Rp) 2024	Total Costs (Rp) 2023	Total Costs (Rp) 2022
Reclamation and Revegetation	-	-	-
Erosion and Sedimentation Control			
Waste Management	19.855.396.750	18.948.983.940	16.873.091.600
Research and Collaboration	458.314.560	-	497.086.200
Environmental Monitoring	824.251.000	835.948.000	834.386.000
Tree Planting	6.150.440.087	4.773.596.593	3.964.874.944
Mangrove Planting	135.000.000.	135.000.000	182.012.000
Dredging DAS towards Dam	11.475.033.306	11.526.058.204	4.064.086.000
Dredging Siguragura Dam	4.130.116.854	3.157.326.553	3.530.239.000
TOTAL	43.028.552.557	39.376.913.290	29.945.775.744



PILLAR 2

SMART OPERATIONS & PRODUCT STEWARDSHIP



Operational Excellence

INALUM is committed to realizing Operational Excellence (OE) with a focus on increasing efficiency, quality, and customer satisfaction, thereby creating added value for shareholders and other stakeholders. To achieve Operational Excellence, INALUM has instigated policy SE-001/DIROP/2022. This policy directs continuous improvement in aspects, including improving product quality, reducing waste, optimizing production efficiency through technology, meeting environmental and occupational safety standards, and collaborating with suppliers to ensure timely availability of quality raw materials.

In addition, this policy emphasizes the importance of training and certification for employees to improve competencies, and ensure compliance with operational standards. INALUM also conducts periodic monitoring and evaluation of the production process to identify opportunities for continuous improvement.

As part of the implementation of Operational Excellence, INALUM runs the Shop Floor Management program to strengthen operational control and achieve Key Performance Indicators (KPI) through the 5R method (Concise, Neat, Clean, Careful, Diligent) and three key pillars: Standardized Work, Point Management, and Ownership Maintenance. INALUM is also committed to implementing safe and secure operations by forming a Central Safety Committee (CSC) that functions as the main supervisor to ensuring compliance with the Occupational Safety and Health (OHS) program throughout the Company's operational lines.

PROGRAMS THAT HAVE BEEN IMPLEMENTED BY THE COMPANY TO IMPROVE COST EFFICIENCIES AND INCREASE PRODUCTIVITY IN COMPANY OPERATIONS

INALUM has implemented programs to improve cost efficiencies and productivity in the Company's operations, including the Upgrading Program 1 Potline with a current of 235 kA

In terms of efficiency, this program has resulted in a decrease in DC Power Consumption by 2.9%. By so doing, the program has increased production by 8%.

CERTIFICATION RELATED TO ESG MANAGEMENT

As a form of INALUM's commitment to encouraging superior operations, the Company's certifications include:

Name of Certificate	Scope of Certification	Validity Period	Certification Body
ISO 9001: 2015 Quality Management System	Aluminium Smelting and Molding, and Hydroelectric Power Plant (PLTA)	October 5, 2027	SGS United Kingdom Ltd
ISO 50001: 2018 Energy Management System	Aluminium Smelting and Molding, and Hydroelectric Power Plant (PLTA)	January 2, 2025	British Standards Institution
ISO 45001: 2018 Occupational Safety and Health Management System	Aluminium Smelting and Molding, and Hydroelectric Power Plant (PLTA)	November 21, 2025	SGS United Kingdom Ltd
Aluminium Stewardship Initiative Performance Standards	Smelter	January 4, 2026	Aluminium Stewardship Initiative Ltd



Name of Certificate	Scope of Certification	Validity Period	Certification Body
ISO 14001: 2015 Environmental Management System	Power Plants, Smelters, and Clinics	August 29, 2027	SGS United Kingdom Ltd
Occupational Health and Safety Management System (PP No. 50 of 2012)	Aluminium Smelting and Molding	June 9, 2026	Menteri Ketenagakerjaan Republik Indonesia
Occupational Health and Safety Management System (PP No. 50 of 2012)	Hydroelectric Power Plant (PLTA)	June 9, 2026	Menteri Ketenagakerjaan Republik Indonesia
ISO 37001: 2016 Anti-Bribery Management System	Aluminium smelter and hydroelectric power plant, include supporting units	August 11, 2026	Mutu International
International & Port Facility Security (ISPS) Code	TUKS Kuala Tanjung Smelting Plant	April 6, 2027	Direktur Jenderal Perhubungan Laut RI
ISO 27001: 2013 Information Security Management System	Kuala Tanjung Smelter Plant Data Center Operations	October 31, 2025	British Standards Institution

AWARDS IN 2024

INALUM received awards recognizing its achievements and contributions in various fields. These awards reflect the Company's dedication and commitment to achieving industrial excellence while providing a positive impact on society and the environment. The awards received by INALUM in 2024 included:

Awards

Name of Award	Year	Award Giver	Decree
Smelting Plant Proper Gold	2024	Republic of Indonesia Ministry of the Environment	Republic of Indonesia Minister of the Environment/Head of the Environmental Control Agency Decree No. 129 of 2025
Proper Hijau PLTA	2024	Republic of Indonesia Ministry of the Environment	Republic of Indonesia Minister of the Environment/Head of the Environmental Control Agency Decree No. 129 of 2025

Automation, Digitalization and Innovation

[OJK F.26]

SUBSTANTIATED COMPLAINTS REGARDING VIOLATIONS OF CUSTOMER PRIVACY AND LOSS OF CUSTOMER DATA

INALUM is committed to maintaining the privacy of customer data considering that customer trust is a valuable asset for the Company. With increasing awareness of personal data protection, the Company makes every effort to protect sensitive customer information from unauthorized access and misuse, including from potential cyber attacks. A strict privacy policy ensures that data collected by the Company from customers is only used for legitimate purposes and in accordance with applicable regulations.

Equally important, the commitment and seriousness in maintaining the privacy of customer data also helps INALUM in building positive long-term relationships with customers, improves the Company's reputation, and complies with good corporate governance standards. Thus, data protection is not only a legal obligation, but also an important strategy in maintaining customer trust and loyalty.

INALUM's commitment to securing customer data has brought positive results with no complaints received related to violations of customer privacy, leakage or loss of customer data. [\[GRI 418-1\]](#)

DIGITALIZATION

In addition to the automation programs and initiatives, INALUM also carried out the following digitalization initiatives:

Name of Digitalization Project	Brief Description	Goals and Targets
DMS (Document Management System) Development	DMS is software used to manage, store and track electronic documents equipped with digital asset management, document imaging, workflow systems and archive management systems.	To supports the document digitization process at INALUM
Upgrade Sistem ERP-SAP	SAP is an ERP (Enterprise Resource Planning) application that is an integration system aimed at supporting operational activities in business effectively to achieve the results targeted by the Company.	To upgrade to SAP S/4HANA to meet INALUM's future business development needs.
Revamping Dashboard System	The Dashboard System is an application system that displays vital data from various lines of the Company's business as supporting data for decision making.	To increase efficiency, visibility, and fast and accurate decision making. The Company can more easily adapt to rapidly changing business needs and developing strategies.

REALIZATION OF AUTOMATION AND DIGITALIZATION PROJECTS/INITIATIVES

Implementing Industry 4.0 and digitalization in operational activities is an important part of the business strategies to increase efficiency, productivity, and sustainability. Therefore, INALUM has integrated digital technology and automation in various operational and production lines, including:

1. Reduction Furnace Control System
Improving the furnace control system using a Programmable Logic Controller (PLC), changing manual control parameters to auto had a significant impact on maintaining furnace stability.
2. Super Dense Phase Control System (SDPCS)
Automation of alumina raw material distribution using SDPCS (Alumina Conveying System). Automatic delivery of alumina material from storage to the Reduction Pot that was previously done via ACC/PTM. SDPCS is one type of Pneumatic Conveying System.
3. Cavity Cleaner
Automation carried out to replace manual work for removing crust or solid and hot materials contained in the reduction pot.



Name of Digitalization Project	Brief Description	Goals and Targets
EProcureMIND Integration Implementation	A centralized procurement system involving MIND ID subsidiary entities.	To increase operational efficiency and reduce costs and provide significant added value to the Company for the performance of the procurement department.
HSE Digitalization	Information system and monitoring of employee HSE (Health, Safety and Environment) compliance	To increase employee safety and health, reduce risks, and provide significant added value to the Company.
Development of the Lake Toba DTA website	Website related to the preservation of the Lake Toba DTA area with tree planting activities around the Lake Toba DTA area	To support the Conservation of the Lake Toba Watershed Area
Asset Number Recording System	A system to assist in recording and monitoring Inalum assets	To support digitalization in the Finance Department, especially regarding Assets
Renewal of Medical Check Up System (Module report)	Development and update of Inalum Medical Check Up System	To support digitalization in the Inalum Hospital area
SGA Transport Service(Module Request Bus)	Request system for use of Inalum buses and operational vehicles	To support digitalization in the GA area
Tanjung Gading City News	Website/Portal for publishing information related to the Tanjung Gading housing area	To support digitalization in the GA area
Anode Tracking Sistem Fase 1	Production parameter recording system in carbon plant	To support digitalization in the Operations area, especially Plant Carbon

While the Human Capital Information System Development Project (HCIS) and the Document Management System Development Project (DMS) 2024 were completed according to target and were implemented in 2024.

CYBER SECURITY AND DATA PRIVACY

The development of the digital era and the adoption of technology makes daily operations easier. However, digitalization also brings with it cybersecurity risks, including theft, losses, manipulation, and misuse of data, as well as unauthorized disclosure of sensitive information and data destruction that can threaten the confidentiality, integrity, and availability of information.

To ensure the use of information technology (IT) is targeted, according to needs, and in line with the Company's vision, mission, values, and culture, the Company has implemented IT governance. This governance describes principles related to management and organization, data and information, applications, and technology management. In addition, IT governance regulates the role of Information and Communication Technology (ICT), the ICT organizational structure, and processes that ensure IT systems can support the achievement of the Company's goals.

In terms of cybersecurity, Cyber Security/ICT management is a shared responsibility of all parties within the Company, including internal and external parties who have access to the Company's devices, applications, data, and information. To manage cybersecurity risks, the Company instigated an ICT management policy that complies with security standards, and reports periodically to the Board of Directors through the Enterprise Risk Management monitoring system.

INALUM's cybersecurity management policies includes the following:

1. Implementation of ISO-20000-1 started in 2023, when a Gap Analysis report has been produced.
2. Implementing best practices related to cybersecurity in the development of application systems, such as security technology standards used, testing application security gaps through penetration testing, and implementing single sign on (SSO) to optimize protection of application access points.
3. Increasing the Company's HC awareness of the dangers of cybersecurity and important steps that can be taken to increase employee resilience from cybersecurity attacks through the Security Awareness Campaign program and training/webinars.

- Standardizing steps and protective application systems against cyber security attacks, both from the user, network, and server side, and carrying out continuous monitoring to identify attacks early. These standards have been finalized and stated in the SOP Procedure Manual and Working Instruction documents.

In an effort to overcome risks that will impact operations, the Company has a Business Continuity Management policy that was ratified through a Board of Directors Regulation. This takes the form of disaster recovery management to ensure that all of the Company's main risks have been identified, managed, and reported to the Board of Directors and Board of Commissioners.

IT SECURITY AUDIT

When implementing the information security management systems, INALUM carried out security audits or vulnerability assessments or penetration tests on the Company's systems, products and user data both internally and externally.

Item	Description
IT implementation strategy and planning	INALUM has a standardized IT implementation strategy and plan and has considered the costs, risks and quality of each process.
Implementation of IT operations	The IT implementation at INALUM has been adjusted to the planning Carried out. In its implementation, INALUM also has controls to maintain the continuity of IT operations.
Evaluation of IT implementation	INALUM has carried out regular monitoring and evaluation of the IT implementation. INALUM has also set and continuously evaluated the targets for achieving IT implementation in the Company.

As of December 31, 2024, INALUM has implemented three items in the 2023 development plan with the following results:

Item	Realization
The Company does not yet have an Enterprise Architecture	Inalum and all Mind ID holding members already have Enterprise Architecture that was implemented in May 2024.
Preparation of system development documents (FSD/ Functional Specification Document, TSD/Technical Specification Document, Go Live Checklist) is not yet consistent	When developing strategic application systems, Inalum has compiled and established system development documents (FSD, TSD, Go Live Checklist)
The company does not yet have a Configuration Management Database (CMDB)	As of June 10, 2024, Inalum had a Configuration Management Database (CMDB)

REALIZATION OF PROJECTS RELATED TO PRODUCT INNOVATION THAT SUPPORT SUSTAINABILITY

In September 2024, INALUM realized phase 1 of the product innovation project that supports sustainability through the Anode tracking program consisting of 3 phases, namely:

- Phase 1, building a Green plant, Baking plant and Transport data integration system
- Phase 2, building a phase 1 dashboard and connecting it to the baked anode quality laboratory
- Phase 3, building an Integration system with the rodding plant, Rod Repair Shop (RRS) and Reduction Plant

The significant achievements in phase 1 included Automation of the green plant quality data recording process, anode tracking and data integration (Green, Baking & Transport) with the hope that problems and obstacles can be identified earlier

▶ Quality and Responsible Products

POLICY COMMITMENT [GRI 2-23] ASI 2.1

INALUM has a strict quality control program to ensure the products produced meet the regulatory standards and customer requirements. One of the steps taken is by carrying out sampling tests and quality testing before the product is distributed to buyers, in accordance with international standards. This is to ensure that all INALUM products have been evaluated from the aspect of consumer safety and security and do not have a negative impact on customer health.

To strengthen its commitment to quality control, INALUM also issued SE-001/O/DIRUT/2024 concerning a Quality, Occupational Safety and Health, Security, Environment, Energy, Human Rights, Prevention and Control of Tuberculosis, HIV/AIDS and Prevention and Eradication of Drug Abuse Policy, and Implementation of Golden Rules on September 30, 2024, which was approved by the President Director and was submitted to all stakeholders. [GRI 3-3]

As proof of its commitment to quality, INALUM products have been certified with the ISO 9001:2015 quality management system, and its testing laboratory has obtained ISO 17025:2017 certification. All INALUM products have undergone a comprehensive assessment process to ensure their quality and compliance with applicable standards. [OJK F.27] [GRI 416-1]

When providing services, INALUM upholds the principle of equality to consumers/customers without distinguishing backgrounds such as ethnicity, religion, race, and other. [OJK F.17]

INSTILLING POLICY COMMITMENT [GRI 2-24]

INALUM instills a commitment to a quality product policy through the application of strict quality standards at every stage of production, from raw material selection, manufacturing processes, to distribution to customers. This commitment is realized by adopting a quality management system based on international standards, such as ISO 9001:2015, and implementing comprehensive quality testing and control to ensure that all products meet the technical specifications and safety requirements.

COMPLIANCE WITH LAWS AND REGULATIONS [GRI 2-27]

INALUM is committed to complying with all applicable laws and regulations related to product quality, at the national and international levels. This compliance is realized through the quality management system in accordance with the ISO 9001:2015 standards, and ISO 17025:2017 laboratory certification to ensure the accuracy of product testing. INALUM also routinely conducts internal and external audits to ensure that all product production, testing, and distribution processes meet industry regulations and customer requirements. Through these efforts, during the reporting year, INALUM received no sanctions or fines due to violations or non-compliance with laws and regulations related to product quality.

HEALTH AND SAFETY IMPACT ASSESSMENT OF VARIOUS PRODUCT AND SERVICE CATEGORIES [GRI 416-1] [OJK F.28]

INALUM products in the form of aluminium ingots, alloys, and billets do not have any negative impact on the health and safety of consumers.

INCIDENTS OF NON-COMPLIANCE RELATED TO HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES [GRI 416-2]

In accordance with the INALUM product specifications above, there were no incidents of non-compliance related to health and safety impacts of products and services.

Marketing and Sales

REQUIREMENTS FOR LABELING AND PRODUCT AND SERVICE INFORMATION [OJK F.28]

INALUM produces three main types of aluminium products, namely ingots, billets, and alloys. Each product marketed contains the INALUM brand logo in the form of a barcode label that contains the product identity including Bundle Number, Lot Number, and Production Time. Additional information, such as chemical composition and product weight, is included in the certificate that refers to the identity on the product label. In addition, INALUM Aluminium Ingot has been registered on the London Metal Exchange (LME) with the INALUM identity, confirming the quality and international standards applied. All INALUM products fully comply with applicable procedures and have the advantages of being environmentally friendly, recyclable, emission-free (green product), durable, and lightweight.

INCIDENTS OF NON-COMPLIANCE RELATED TO PRODUCT AND SERVICE LABELING AND INFORMATION [417-2]

In 2024, there were no incidents of non-compliance related to product and service labeling and information so INALUM did not receive any fines, penalties or warnings.

INCIDENTS OF NON-COMPLIANCE RELATED TO MARKETING COMMUNICATIONS

INALUM has instigated targeted marketing strategies and communications oriented towards customer needs, both in the domestic and international markets. When carrying out marketing, the Company always adheres to the applicable regulations both in Indonesia and in other targeted countries that makeup the market share. This is carried out by the Company to maintain existing market share and expand market reach.

As a Company that aspires to continue to be a major player in the aluminium production and processing industry in Indonesia, INALUM actively developed and implemented marketing strategies throughout 2024. One of the key strategic steps taken was changing the commercial approach from previously being product-driven to market-driven. This shift is aimed at better understanding customer needs and increasing the Company's competitiveness in the domestic and global aluminium markets.

To strengthen its presence in the global market, INALUM participates in international conferences to maintain its name in the world metal industry. In addition, the Company runs marketing campaigns through sponsorship of the customer's final product marketing activities as a form of after-sales service. This effort not only strengthens relationships with customers but also increases the visibility of the INALUM brand in various sectors, including the domestic property and automotive industries.

INALUM also continued to prioritize innovations in branding strategies by holding a "Green Aluminium" campaign at corporate events. This campaign is aimed at introducing the advantages of INALUM's environmentally friendly products compared to its competitors. In addition, the Company holds "Aluminium Talk" events as an interactive forum that brings customers together from various segments. This forum provides a discussion space regarding macroeconomic conditions, the growth of the aluminium industry, and opportunities for future business collaboration. This event is also a form of after-sales service that strengthens relationships with customers.

To increase customer loyalty, INALUM holds a "Loyalty Customer" program aimed at buyers who meet certain criteria, both in terms of purchasing commitment and sustainability of business cooperation. This program is expected to encourage other customers to increase their collaboration with INALUM. In addition, the Company also provides sales engineer services to provide technical support to customers who face obstacles in the production process or product quality, thus ensuring a more optimal customer experience.

INALUM also continues to innovate by developing new products through differentiation strategies to expand the domestic market share. Penetration into the global market is also one of the Company's main focuses to increase its existence in the international arena. With these strategies, INALUM is optimistic that it can capture wider business cooperation opportunities and strengthen its position as a leader in the Indonesian aluminium industry.

INALUM's seriousness in carrying out marketing communications by adhering to applicable regulations both in Indonesia and the destination country of export has resulted in no incidents of non-compliance related to marketing communications. Therefore, INALUM did not receive any fines, penalties or warnings related to violations of marketing communications. [GRI 417-3]

Customer Satisfaction

NUMBER OF RECALLED PRODUCTS [GRI 301-3] [OJK F.29]

INALUM strictly maintains compliance with standards and procedures to produce products in accordance with the qualifications set by the Company. By so doing, during 2024, there were no products recalled due to them not complying with specifications.

CUSTOMER SATISFACTION SURVEY FOR SUSTAINABLE FINANCIAL PRODUCTS AND/OR SERVICES [OJK F.30]

INALUM conducts regular customer satisfaction and engagement surveys to evaluate the quality of products and services provided. This survey not only measures the level of customer satisfaction with INALUM products, but also assesses their loyalty and engagement with the Company's brands and services. Through these surveys, INALUM can identify aspects that need to be improved, understand customer expectations, and design more effective strategies for building long-term relationships. The survey results form the basis for INALUM improving its product and service innovation to strengthen its competitiveness in the global market. The following shows the results of the 2024 customer satisfaction and engagement survey:

2024		2023		2022	
Satisfaction	Attachment	Satisfaction	Attachment	Satisfaction	Attachment
98,97%	97,31%	96,36%	97,36%	97,67%	99,49%

CERTIFICATION RELATED TO PRODUCT QUALITY

In 2024, PT Indonesia Asahan Aluminium (INALUM) obtained several important certifications that confirm its commitment to product quality and sustainability. One of the main achievements was the acquisition of the Aluminium Stewardship Initiative (ASI) Performance Standard Certificate for the aluminium smelter in Kuala Tanjung, North Sumatra. This ASI certification confirms that INALUM applies responsible and sustainable aluminium industry practices, covering the environmental, social, and governance aspects.

In addition, INALUM also obtained ISO 9001:2015 quality management system certification, which ensures that its production processes and quality management meet international standards. INALUM's testing laboratory also obtained ISO 17025:2017 accreditation, which confirms its competence in conducting reliable testing and calibration.

To develop its human capital competencies, INALUM collaborated with the Center for Standardization and Service of the Metal and Machine Industry (BBSPJILM) in organizing BNSP training and certification for Oxy-Acetylene welding. The program, implemented in August 2024, aim was to ensure that INALUM's workforce has skills that meet national industry standards.

Supply and Contractor Management

INALUM is aware that the procurement process is an area that is prone to the risk of fraud and corruption. To overcome this, INALUM has ratified the ISO 37001:2016 certification regarding the Anti-Bribery Management System, to prevent corruption, collusion, and nepotism practices, including in the goods and services procurement process. As part of its commitment, INALUM consistently implements the Supply Chain Management (SCM) to ensure transparent and accountable supply chain management. This system includes managing supply requests, procurement, delivery, and inventory management.

To increase transparency, INALUM requires suppliers register through the e-procurement system and sign an integrity pact as a form of commitment to anti-bribery practices and compliance with contractual agreements. In addition, INALUM establishes professional communication with suppliers through the e-SCM platform and communication forums involving business partners. The Company also routinely conducts supplier satisfaction surveys to identify their level of satisfaction, expectations, and complaints of suppliers, which form the basis for continuous improvement of the procurement system. [\[GRI 3-3\]](#)

The company has a consistent Supply Chain Management (SCM) system program in managing its supply chain. This system includes supply demand management, procurement, delivery, and inventory management. The company has established the following indicators of successful SCM implementation:

1. Procurement lead times achieved as targeted;
2. Increasingly competitive sourcing of goods and services;
3. More cost-effective inventory management.

In 2024, the Company identified suppliers that performed 1% of high-risk work and the rest performed medium- and low-risk work.

RESPONSIBLE SOURCING

As part of its commitment to the Aluminium Stewardship Initiative (ASI) sustainability standards, INALUM has established Responsible Sourcing guidelines and Supplier Registration and Evaluation Procedures to ensure that suppliers and business partners are aligned with the Company's values and principles. For responsible procurement practices, INALUM adopts the basic principles of the Organisation for Economic Co-operation and Development (OECD) concerning Responsible Supply Chains, and has committed to not procure from countries categorized as Conflict-Affected and High-Risk Areas (CAHRA). This commitment is stated in the Responsible Sourcing document and Integrity Pact, which must be signed by all suppliers as a form of compliance with corporate governance, environmental aspects, and social responsibility in their business operations.

SELECTION OF NEW SUPPLIERS USING ENVIRONMENTAL CRITERIA [\[GRI 308-1\]](#)

During the reporting year, INALUM did not select new suppliers using the environmental criteria. Selection using environmental criteria will be implemented gradually over the following years.

NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN [\[GRI 308-2\]](#)

Based on an evaluation conducted by the Company, there were no negative environmental impacts in the supply chain in the reporting year. Thus, no specific actions were taken by INALUM against suppliers related to environmental aspects.

SELECTION OF NEW SUPPLIERS USING SOCIAL CRITERIA [\[GRI 414-1\]](#)

In the reporting year, all new suppliers (100%) signed an integrity pact that included compliance with social aspects.

HIGH-RISK AND CONFLICT-AFFECTED AREAS

INALUM does not engage with suppliers from Conflict-Affected and High-Risk Areas (CAHRA) as these areas have high risks related to social, legal, and ethical issues that can negatively impact the supply chain and the Company's reputation. By complying with international regulations, this policy was taken so that INALUM could avoid involvement in human rights violations, funding of armed groups, sanctions and legal risks, in order to prevent a decline in reputation and public trust.

NEGATIVE SOCIAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN [\[GRI 414-2\]](#)

Based on the evaluation conducted by the Company, there were no negative social impacts in the supply chain during the reporting year. Therefore, no specific actions were taken by INALUM against suppliers related to the social aspect.



PILLAR 3 Human Capital





Human capital (HC) is the main asset for INALUM in achieving its vision and mission as a competitive company in the aluminium industry. The Company's operations sustainability and innovations are highly dependent on the competence, dedication, and welfare of its employees. Therefore, INALUM is committed to developing superior HC through training programs, career development, and welfare improvements. By creating a safe, inclusive, and conducive work environment, INALUM ensures that all employees can work optimally and provide the best contribution to the Company.

INALUM also places HC as the key to maintaining long-term business sustainability. With a qualified workforce, the Company can continue to improve operational efficiency, strengthen a productive work culture, and adapt to the latest technology in its business processes. Through a HC management program based on competency and meritocracy, INALUM strives to create a workforce that is not only technically reliable, but also has integrity and commitment to the principles of sustainability and good corporate governance.

[GRI 3-3]

Inalum's Best Achievement in the Field of OHS

Occupational Health and Safety (OHS) for employees, contractors, and all people in the work environment is INALUM's top priority, and is achieved through all work units and contractor partners proactively identifying potential hazards, and applying risk control measures based on the OHS risk control hierarchy to create a safe and healthy work environment.

As its commitment to occupational safety, INALUM has implemented an Occupational Health and Safety Management System (OHSMS) in accordance with the Republic of Indonesia Government Regulation No. 50 of 2012, and the international standard ISO 45001:2018. During 2024, the INALUM OHSMS showed significant achievements based on the OHS lagging indicator, with the following results:



Occupational Health and Safety [OJK F.21] [ASI 11.1]

Occupational Health and Safety (OHS) is a fundamental aspect in INALUM's operations. As a Company engaged in the aluminium smelting industry, INALUM faces work risks that have the potential to endanger employees, contractors, and other stakeholders. Therefore, the Company has an Occupational Safety and Health Management System (OHSMS) in accordance with Government Regulation No. 50 of 2012 and ISO 45001:2018. This system includes hazard identification, risk assessment, and mitigation measures to ensure that everyone in INALUM's work environment can carry out activities safely and comfortably.

INALUM actively builds an OHS culture by involving all employees, management, and work partners in training and socialization programs. All employees are given an understanding of work safety procedures, the use of personal protective equipment (PPE), and actions to be taken in emergency situations. INALUM also routinely conducts OHS audits and inspections to ensure all safety standards are adhered to and have been optimally applied in all operational lines. This effort aims to create a work environment free from accidents and occupational diseases, as well as to increase employee awareness of the importance of OHS in daily activities. [GRI 3-3]

To strengthen OHS, INALUM provides adequate safety facilities and infrastructure, including a risk monitoring system, emergency response facilities, and clear and structured evacuation procedures. The Company also applies a risk control hierarchy, starting from hazard elimination, substitution, application of engineering, administrative control, to the use of PPE. With these steps, INALUM is committed to achieving zero accidents, ensuring there are no fatal work accidents, and maintaining the welfare of all workers and work partners in the Company's operations.

OHS MANAGEMENT SYSTEM [GRI 403-1]

INALUM's Occupational Health and Safety Management System (OHSMS) aims to ensure safe and healthy working conditions for all employees, contractors, and other stakeholders. The OHS policy is regulated in the INALUM Board of Directors Circular Letter No. SE-001/O/DIRUT/2024 dated September 30, 2024 concerning Quality Policy, Occupational Health and Safety, Security, Environment, Energy, Human Rights, Prevention and Control of Tuberculosis, HIV/AIDS and Prevention and Eradication of Drug Abuse and Implementation of Golden Rules. This document is the main guideline for managing occupational safety aspects, while also reflects the company's commitment to creating a work environment that is free from the risk of accidents and occupational diseases. [ASI 2.1]

INALUM's OHSMS policy refers to ISO 45001:2018 (Occupational Health and Safety Assessment Series), and Government Regulation No. 50 of 2012. One important aspect in the regulation is emergency preparedness. To that end, INALUM has established an Emergency Response Teams, as stipulated in SK-018/DIRPEL/2021. Each team is responsible for preparing and implementing emergency preparedness and response programs to protect the safety of employees, contractors, guests, and the surrounding community, while preventing environmental pollution. The Company regularly holds emergency response training and simulations to improve the readiness of the teams in dealing with potential risks. [ASI 2.7]

To ensure the implementation of OHS in accordance with applicable provisions and requirements, top management establishes and communicates policies, provides resources, ensures compliance, and promotes a strong OHS culture so as to create a safe and healthy work environment. The responsibility for managing Occupational Safety and Health (OHS) which is one part of the implementation of Environmental, Social and Governance (ESG) principles and reporting to Top Management lies with the Head of the OHS and Environment Department in accordance with SK-002/DIR/2024 concerning the Organizational Structure, Job Description and Work Division of PT Indonesia Asahan Aluminium.

To ensure OHS standards were optimally followed, INALUM integrated operational systems with OHS principles. For all its operational activities, the Company is committed to complying with applicable regulations, identifying and managing potential hazards, increasing OHS awareness across all work lines, and continuing to evaluate and improve the system on an ongoing basis. To achieve this commitment, INALUM implemented the following principles:

1. Creating a safe, comfortable, healthy and efficient workplace and continuously improving the quality of occupational safety management by implementing an Occupational Health and Safety Management System to prevent work accidents, fires, dangerous incidents and occupational diseases.
2. Identifying, assessing, evaluating and controlling of OHS risks to eliminate or reduce the potential for work accidents.
3. Complying with applicable laws and regulations and other requirements including stakeholder requirements.
4. Making continuous improvements to improve the OHS Management System performance by involving workers in the consultation and worker participation process.
5. Everyone has the right to stop work if unsafe actions or conditions and violations or non-compliance with applicable OHS procedures are found.

Before working at INALUM, contractors must go through a qualification stage that includes a job risk assessment, initial evaluation of OHSE performance, and contractor selection based on compliance with work safety standards. Only contractors who have met the INALUM Contractor Management for Environmental Safety Health (ICMESH) requirements can work in INALUM areas, whether in low, medium, or high-risk work. ICMESH is designed as an assessment mechanism for prospective contractors who wish to work with INALUM to ensure compliance with Occupational Safety, Health, and Environment (OHSE) standards. Every contractor working in the INALUM area is required to meet OHSSE requirements according to the level of job risk as part of the auction process.

As well as the initial assessment, INALUM conducts ongoing evaluations of contractors during the projects. This process includes an initial inspection before work begins, monitoring during work, and final evaluation and corrective actions. Through this system, INALUM ensures that all contractors working in the Company carry out their operations safely and in accordance with the established OHSE standards.

The ICMESH program objectives include:

1. Facilitating access to initial contractors' OHSE performance assessment services for prospective contractors/existing contractors.
2. Facilitating access to job risk assessments, evaluations of contractors' OHSE performance while working and at the end of work for users and requesters.
3. Facilitating INALUM to verify job risk assessments from requesters, evaluate initial assessments of contractors' OHSE performance, and evaluate contractors' OHSE while working and at the end of work.
4. Facilitating INALUM in issuing certificates/awards or sanctions to contractors, both based on patrol findings and on the results of the final evaluation of contractors' OHSE performance.
5. Facilitating access to information for procurement, contractors and requesters regarding the contractors' OHSE performance evaluation results.

INALUM's ICMESH program also aims to improve the capabilities and competitiveness of local contractors in supporting industrial development in Kuala Tanjung. Through this system, contractors can not only meet occupational safety standards, but also gain added value through increased competence and professionalism in carrying out industrial projects. For ICMESH to run optimally, consistent supervision is key to ensuring that all contractors comply with the agreed provisions. INALUM is committed to maintaining transparency in this system by implementing a performance evaluation mechanism for work partners. As a form of appreciation and encouragement for continuous improvement, INALUM will provide awards to contractors who demonstrate superior performance, and impose sanctions on those who do not meet standards.

HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INVESTIGATION AND PROCEDURES [GRI 403-2]

INALUM fully understands that work in the aluminium smelting and molding factories has a high level of risk in terms of Occupational Health and Safety (OHS). Therefore, INALUM proactively and continuously identifies hazards and controls risks based on the risk control hierarchy. To ensure the effectiveness of OHS management, INALUM also assesses, measures, and records risk profiles for each potential hazard.



This risk profile includes information on how OHS potential hazards are identified and assessed by considering the severity level and incident frequency trends. This process is carried out using the Hazard Identification Risk Assessment Determining Controls (HIRADC) approach by OHS experts. As part of the evaluation and continuous improvement, the risk profile is updated every year based on previous experience and historical data. If the assessment results still show risks that are not yet in the very low category, INALUM will increase supervision and implement additional control strategies.

This commitment to risk identification and management is stated in the Company's OHS Policy, which must be complied with by all work units and INALUM partners before carrying out work. To increase participation in creating a safe work environment, anyone can report dangerous conditions or situations through the Safety Observation Report (SOR) online platform at <https://hse-inalum.id>. In addition, INALUM applies the "STOP WORK" principle, which gives everyone the right to stop work if an unsafe action or condition is found that has the potential to violate OHS procedures. This principle is part of the work safety culture at INALUM to ensure that all operations run safely and according to standards.

The following list the OHS-related risks identified by INALUM through risk assessments and mitigation approaches carried out during the reporting year:

Type of Risk	Mitigation Efforts
Risk of falling from height	Intrinsic supervision, work permit, work instructions and personal protective equipment (PPE)
Dehydration due to overexposure, burns due to contact with released materials	Modernized equipment, worker rotation arrangements SOP, close supervision and personal protective equipment (PPE)
Dehydration due to overexposure	Worker rotation arrangements, work instructions, close supervision and personal protective equipment (PPE)
Dehydration due to overexposure, material entrapment when replacing teeth	Worker rotation arrangements, work instructions, close supervision and PPE
Dehydration due to overexposure, burns due to contact with removed material	Modernized equipment, arrangement of worker rotation, work instructions, close supervision and personal protective equipment
Pinched by falling billet product	Modernized equipment, work instructions, intrinsic supervision and personal protective equipment (PPE)
Crashing into other operating materials/facilities	Intrinsic supervision and work instructions
Hit by material/operational facilities, being trapped by falling work objects	Intrinsic supervision and work instructions
Respiratory disorder due to excessive exposure	Work permit, worker rotation arrangements, work instructions, intrinsic supervision and personal protective equipment (PPE)
Sinking below the surface of the water	Work permit, work instructions, intrinsic supervision and personal protective equipment (PPE)

To improve K3 performance in the company environment, INALUM implements the "AGILE K3" program (K3 Appreciation, K3 Echo, Hazard Identification, K3 Locomotive, and K3 Education). This program aims to foster a culture of K3 by encouraging awareness and concern of all individuals in the INALUM environment for occupational safety and health.

INTERNAL OR EXTERNAL HEALTH AND SAFETY MANAGEMENT SYSTEM AUDITS ARE CONDUCTED AT LEAST EVERY THREE YEARS

To ensure the Occupational Safety and Health Management System (SMK3) effectiveness in accordance with the requirements stipulated in PP no. 50 of 2012 and ISO 45001:2018. The Company routinely conducts internal and external audits covering aluminium smelting and molding activities of aluminium ingots, aluminium alloys and aluminium billets and hydroelectric power plants (PLTA).



The Internal Audit was carried out from March to November 2024 by internal auditors, and the External Audit for ISO 45001:2018 Recertification was carried out in June 2024 by the PT SGS Indonesia Certification Body (independent party), while the external OHSMS audit based on PP No. 50 of 2012 was carried out every 3 (three) years, with the last one was carried out in 2022 by PT Sucofindo (independent party) with certification issued by the Republic of Indonesia Ministry of Manpower.

GUIDELINES OR OPERATIONAL PROCEDURES RELEVANT IN THE INDUSTRY

INALUM's guidelines and operational procedures are adjusted to aluminium industry standards to ensure efficiency, quality, and safety in all stages of production. These guidelines include Standard Operating Procedures (SOP) for the aluminium smelting, molding, and processing processes, which are in line with ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, and ISO 45001:2018 for occupational health and safety and ISO 50001:2018 for energy management. INALUM also adopts the Aluminium Stewardship Initiative (ASI) Performance Standard to ensure the Company's operations meet the sustainability and social responsibility principles. All workers and contractors are required to follow safety procedures, including hazard identification through the Hazard Identification Risk Assessment and Determining Control (HIRADC), and the reporting mechanism for unsafe conditions and actions through the Safety Observation Report (SOR). By instigating strict procedures, INALUM is consistent in maintaining the best operational standards, minimizing risks, and improving Company performance sustainably.

PERFORMANCE MONITORING AND MEASUREMENT

INALUM periodically monitors and measures the Occupational Safety and Health Management System (OSHMS) performance to ensure its effectiveness and continuous improvement. Monitoring and measurement is carried out internally and externally through equipment inspection tests and work environment measurements as well as medical check-ups (MCU) of workers.

OCCUPATIONAL HEALTH SERVICES [GRI 403-3]



INALUM has developed an occupational health service program aimed at maintaining the health and well-being of employees and contractors. The health services include periodic medical check-ups/MCU, medication, health counseling, occupational health and safety (OHS) training, and health programs such as diet, exercise, and provides fitness facilities in various areas of the Company. This program is designed to ensure that all workers remain in optimal health to support productivity and work safety.

As part of its commitment to occupational health, INALUM conducts medical check-ups (MCU) for all employees at least once a year with examination parameters tailored to the type and location of work as risk control in the workplace. The examinations conducted include physical examinations, laboratory tests (blood, urine, or stool samples for analysis) and supporting examinations such as radiology (X-rays). Employees classified as high-risk receive specialized monitoring and control measures based on their specific health conditions, while those in the medium and low-risk categories are directed to participate in the Come On Guys (COG) Sports Program, where they are encouraged to engage in physical activity for at least 150 minutes per week to maintain fitness.

The company also provides health services for employees and their families, including socialization and health lectures to increase awareness of the importance of health in supporting work productivity. To maintain physical fitness, INALUM provides sports facilities and a gym center in the smelting plant area so that employees have access to facilities that support a healthy and active lifestyle.

Types of Occupational Health Services	PKWT Employees	PKWTT Employees	Contractors
Annual MCU	√	√	√
BPJS Kesehatan	√	√	√
Employee and Family Health Treatment and Care Facilities	√	√	-

WORKER PARTICIPATION, CONSULTATION, AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY [GRI 403-4] [ASI 11.2]

Active participation and effective communication are key factors in the implementation of the Occupational Health and Safety (OHS) program at INALUM. To ensure the involvement of all employees and management in OHS efforts, INALUM takes various steps, including involving employees in decision-making related to OHS, socializing the OHS program through communication media, and providing ongoing training and development. These steps aim to build a strong safety culture throughout the organization.

As part of this effort, an OHS communication forum is held regularly through meetings of the Occupational Health and Safety Advisory Committee (OHSAC) or Central Safety Committee (CSC). This forum serves as a forum for discussion and coordination between employees and management to improve OHS in the work areas. INALUM ensures comprehensive employee participation through top-down and bottom-up approaches to create openness in sharing information and finding joint solutions related to OHS issues.

CSC is divided into 3 organizational levels, namely:

- CSC level 1 (Corporate Strategic) consists of the Head of Directorate to the Head of Department and holds routine meetings every 6 (six) months.
- CSC level 2 (Strategic and Tactical) consists of the Head of Directorate to the Head of Section who hold routine meetings every 3 (three) months
- CSC level 3 (Implementation) consists of the Head of Group or Head of Department to the Safety Promoter Manager who holds routine meetings every month.

In the communication forum, the occupational health and safety (OHS) aspects are discussed in depth, including the OHS strategies to achieve Zero Accidents and Zero Occupational Diseases, evaluation of the Company's OHS effectiveness, and safety improvement programs at the work sites. This forum involves active participation from all areas of the Company, including management, employees, and contractors, to ensure the creation of a safe, healthy work environment that meets the established standards.

OHS Forum Name	OHS Aspects that are the Focus of Discussion	Frequency per year	Participants			
			Management	Employees	Contractors	Subsidiaries
Occupational Safety and Health Development Committee (OHSAC) or Central Safety Committee (CSC) Level 1-3	Evaluation of OHS in the Company (results of patrols, accidents, near misses, IKA, audit results, 5R, etc.)	144 times/year	√	√		
Safety Promotor	OHS improvement program at the work site	12 times/year	√	√	√	
Subsidiaries and Contractors Development	OHS Evaluation	24 times/year			√	√

EMPLOYEE OHS TRAINING [GRI 403-5] [EM-MM-320A.1]

OHS training is main program organized by INALUM to ensure that employees have adequate understanding and skills in maintaining safety and health in the workplace.

INALUM provides the following OHS training:

1. Basic OHS Training: This training is given to all INALUM employees to provide a basic understanding of the importance of maintaining occupational safety and health.
2. Special OHS training: This training is given to employees who work in work environments that have higher risks or dangers.
3. Firefighting training: This training is given to employees who are responsible for extinguishing fires in the work areas.
4. Emergency Evacuation Training: This training is given to all employees to ensure they have sufficient knowledge and skills to evacuate in the event of an emergency in the work areas.
5. OHS competency certification: This certification is given to employees who are responsible for OHS.



During 2024, the OHS training attended by employees was as follows:



No.	Type of Training	Duration of Training (hours)	Number of Participants (people)	
			Male	Female
1	Basic Safety	8	1.192	80
2	Contractor Safety Management System	16	25	0
3	General OHS expert training and certification	96	27	1
4	Confined Space OHS technician training and certification	40	24	0
5	Training and certification of Confined Space Rescue OHS officers	32	15	0
6	General OHS Supervisors	16	165	3
7	Class D firefighter training and certification	24	60	0
8	Training and certification of workforce at level-1 level	40	34	0
9	Mobile crane training and certification	32	18	0
10	Class 2 forklift training and certification	32	88	0
11	Overhead crane training and certification - class 2	32	89	0
12	Oxy acetylene welding training and certification	24	31	0
13	Boom lift training and certification (HPOC)	24	26	0
14	Production power plant (furnace) operator training and certification	32	40	0
15	Training and certification of metal transport car (MTC) and Anode Transport Car (ATC) operators	32	30	0
16	ICLF 2024: Leading with Safety – Cultivating a Proactive Safety Culture in the Workplace	2	77	4
17	ICLF 2024: Non-communicable diseases causes, effects and myths surrounding them	2	36	2
18	IVLS: Safety Leadership – Commitment in Risk Control & Incident Prevention	2	110	6
19	Field Cleanliness and Safety Awareness (SOR & Incident)	4	125	0
20	Webinar Series: Grounding Safety Culture Together with Moral Values	3	156	23
21	First Aid Training (P3K)	4	46	0
22	The Role of Engineers in the Development of Sustainable Innovation, Technology, Safety and Environment	8	5	0

IMPROVING THE QUALITY OF EMPLOYEES’ HEALTH [GRI 403-6]

To improve the quality of employees’ health, INALUM carries out a series of health campaigns, socialization and counseling programs and activities, the following lists the health campaigns, socialization and counseling programs carried out in 2024:

No	Activities	Employee	Contractor
1	Socialization Fit to work	✓	✓
2.	Basic life support	✓	✓
3	Ideal diet	✓	✓
4	Kidney stone disease	✓	✓
5	Occupational diseases and their prevention	✓	✓
6	Know and understand medical check-ups	✓	✓



PREVENTION AND MITIGATION OF OCCUPATIONAL HEALTH AND SAFETY THAT HAVE A DIRECT IMPACT ON BUSINESS RELATIONS [GRI 403-7]

To ensure smooth and safe operations, the reliability of assets used in the production process are important aspects considered by the Company. Efforts made to maintain security at the work site include:

1. Installing CCTV to help monitor activities around the work site.
2. Installing Speed Alarms on official vehicles to monitor driving speeds in accordance with applicable regulations.
3. Implementing a Safe Work Permit System (SIKA) for high-risk jobs.
4. Implementing Safety Golden Rules to improve supervisors in efforts to prevent incidents.
5. Conducting OHS training for workers to increase awareness and compliance with OHS standards.
6. Preparing evacuation and emergency response plans: Evacuation and emergency response plans must be made and practiced regularly so that employees and workers can be well prepared to face emergency situations.

In critical incident management, INALUM has a special team trained in incident handling, with the latest equipment and technology to ensure a fast and targeted response, and there is a transparent and accountable critical incident reporting system in place, so that real time and continuous monitoring can be carried out in.

WORKERS COVERED BY OHSMS [GRI 403-8]

INALUM's OHSMS applies to all (100%) internal employees, contractors, suppliers, and work partners through the INALUM Contractor Management for Environmental Safety Health (ICMESH) system.

REPORTING ON HEALTH AND SAFETY PROGRAMS AND PERFORMANCE

The Company reports its Occupational Safety and Health Management to the Provincial Manpower Office every 3 (three) months in accordance with regulations and laws. The report includes statistics on work accidents, work-related diseases, medical checkup results, equipment data and equipment inspection results, OHS personnel data, workplace monitoring results, OHS awards, activities of the Occupational Safety and Health Supervisory Committee (OSHSC) and patrol activities.

TARGETS TO REDUCE HEALTH AND SAFETY INCIDENTS

INALUM is committed to reducing health and safety incidents through hazard identification and risk assessment and control carried out periodically through the "AGILE K3" program (OHS Appreciation, OHSEcho, Hazard Identification, OHS Locomotive, and OHS Education) and Golden Rules (Determination of performance standards and worker obligations for high-risk jobs).

Targets have been set to reduce employee health and safety incidents, the Company has set the following Leading and Lagging Indicators:

Indikator Leading	Unit	Target	Achievements		
			2024	2023	2022
Safety Observation Card (SOC)	SOC/employee/year	1	5,88	1,19	0,13
P2K3 Implementation	times/year	24	96	24	24
Contractor Safety Forum	times/year	2	13	13	2
Emergency Drill	times/year/unit	4	9	6	0
Health Risk Assesment (HRA)	report	17	17	6	0
Medically High Risk Employee Management	people	<316	292	316	316

WORK ACCIDENTS [GRI 403-9] [EM-MM-320A.1]

INALUM is committed to preventing work accidents and work-related diseases by taking proactive steps. Work accidents are unwanted events in the workplace that can cause injury, death, or damage to operational equipment and facilities. The following shows the work accidents throughout 2024 and their comparison with the previous two years, including incidents experienced by employees and contractors (non-employees):

Employee Work Accident Rate

Description	Unit	Total Work Accidents		
		2024	2023	2022
Number of Hours Worked	Million Hours	4,64	4,53	4,24
Fatalities	Times	0	0	0
Recordable Incidents	Times	3	2	2
Frequency Rate (FR)	Times/1 Million Work Hours	0,65	0,44	0,47

Employee Work Accident Rate

Description	Unit	Total Work Accidents		
		2024	2023	2022
Severity Rate (SR)/Lost Time Incident Rate (LTIR)	Days/1 Million Work Hours	40,5	0	2
TRIR – (Total Recordable Incident Rate)	Times/200 Thousand Work Hours	0,13	0,04	0,09

Description:

TRIR or Total Recordable Incident Rate is a metric used by OSHA (Occupational Safety and Health Administration) to measure the Company's safety performance.

Based on the above work accident rate data, it shows an increase in 2024, so corrective actions have been taken:

1. Install CCTV to help monitor activities around the work area.
2. Patrol inspections and safety observation reports (SOR) for each employee to reduce and eliminate unsafe actions and conditions.
3. Implemented Golden Rules to improve supervisors in preventing incidents for employees.
4. Implemented a consistent Safe Work Permit System (SIKA) to improve supervision for high-risk jobs.

Contractor Work Accident Rate

Description	Unit	Total Work Accidents		
		2024	2023	2022
Number of Hours Worked	Million Hours	5,68	6,79	3,75
Fatalitas	Times	0	0	1
Recordable Incidents	Times	5	1	5
Frequency Rate (FR)	Times/1 Million Work Hours	0,88	0,15	1,60
Severity Rate (SR)/Lost Time Incident Rate (LTIR)	Days/1 Million Work Hours	55	265	6
TRIR – (Total Recordable Incident Rate)	Times/200 Thousand Work Hours	0,18	0,09	0,32

Description:

TRIR or Total Recordable Incident Rate is a metric used by OSHA (Occupational Safety and Health Administration) to measure the Company's safety performance.

OCCUPATIONAL DISEASES [GRI 403-10]

Occupational Diseases (OCD) are diseases that arise as a direct result of activities or working conditions in the workplace. These diseases are caused by exposure to risk factors in the work environment, whether physical, chemical, biological, ergonomic, or psychosocial, which over a certain period of time can cause health problems in workers.

In Indonesia, OCD is regulated in the Minister of Manpower Regulation No. 5 of 2018 concerning Occupational Safety and Health in the Workplace, which includes a list of occupational diseases, including respiratory disorders due to toxic dust, hearing disorders due to noise, skin diseases due to exposure to chemicals, and musculoskeletal disorders due to poor work posture.

To reduce the risk of OCD, INALUM has a periodic health check-up (MCU) program, workplace risk control, and OHS education and training for all workers. Based on the results of the 2024 health check-up, no Occupational Diseases (OCD) were found in INALUM's workplaces, reflecting the effectiveness of the Company's prevention efforts.

EMERGENCY RESPONSE PLAN

INALUM has a comprehensive emergency response plan to deal with emergency conditions/circumstances, which is regulated in SK-018/DIRPEL/2021 concerning the Emergency Response Team. Emergency actions are taken immediately when a disaster or emergency occurs to minimize any adverse impacts, including rescues, evacuations, fulfillment of basic needs, and recovery.

INALUM conducts routine training for employees to improve their preparedness and response to emergencies. Emergency response training/simulations carried out in 2024 included;

1. Handling fires in the workplace
2. Handling power outages (black outs)
3. Handling disconnected SUTET electrical power supply
4. Handling B3 waste spills at B3 Waste TPS

To handle disasters that can threaten the Company's sustainability, INALUM applies Business Continuity Management (BCM) in accordance with SK-051/DIRPEL/2021 concerning the PT Indonesia Asahan Aluminium Business Continuity Management System Team, and PER-015/DIRPEL/2021 concerning the PT Indonesia Asahan Aluminium Business Continuity Management System Guidelines.

Security

SECURITY PERSONNEL TRAINED IN HUMAN RIGHTS MANAGEMENT POLICIES OR PROCEDURES [ASI 9.9]

Security practices at INALUM is one of the main pillars for realizing a safe and risk-free work environment. The Company applies strict security standards in all operations aspects, involving active employee participation, and ensuring operational locations have reliable security systems. 100% of INALUM's security personnel attended Gada Pratama training so they have the knowledge, skills, and discipline to carry out security duties. This training also includes an understanding of general law, Human Rights, the Criminal Code, the Criminal Procedure Code, and other relevant regulations to ensure that all security actions are carried out professionally and in accordance with the law. This training is also mandatory for third parties who provide security personnel for INALUM, so that high security standards can be applied consistently throughout the company's operational areas.

For securing assets, INALUM has instigated the following programs:

1. Cooperating and closely coordinating with TNI and Polri as the authorities to maintain regional security.
2. Cooperating with FORKOPIMDA (Regional Leadership Communication Forum) to secure the Extra High Voltage Air Line (SUTET) transmission line.
3. Installing CCTV to help monitor activities around the work sites.
4. Deploying security guards: Experienced security guards can help prevent and combat crimes such as theft, vandalism, and infiltration at the work sites.
5. Creating a strict security system: A strict security system includes securing doors and windows, as well as limiting entry for authorized persons only, to help control access to the work sites.
6. Security training: Conducting security and safety training for employees and workers to help improve awareness and compliance with security policies.

SECURITY STRATEGY AND SECURITY PERFORMANCE RELATED TO OBVITNAS

INALUM has implemented a strict security system to protect vital national objects that are part of its operations. By so doing, INALUM received a National Vital Object Security Management System (Obvitnas) Audit Certificate from the National Police, which confirms the successful implementation of reliable security standards in accordance with established regulations. This certification not only reflects INALUM's commitment to maintaining operational security and safety, but also increases public and investor confidence in the Company's management. Through training and collaboration with authorities, INALUM ensures that all security personnel are equipped with the knowledge and skills needed to deal with potential threats, to ensure smooth operations and protection of strategic assets that contribute to the national economy.

Recruitment

NEW EMPLOYEE RECRUITMENT AND EMPLOYEE REPLACEMENT

INALUM applies the principles of inclusivity and anti-discrimination in its recruitment process. All selection stages are based on the principle of equality and are open to all individuals, including local sons and daughters in the Company’s operational areas. INALUM provides opportunities for the nation’s best talents to join and develop their careers together.

Apart from recruitment, INALUM has also managed to maintain a low employee turnover rate. Employee turnover refers to the number of employees who leave the Company within a certain period and are replaced by new employees, and is an indicator of success in HC management. [\[GRI 3-3\]](#)

In 2024, INALUM maintained a low turnover rate of 1.1%, reflecting the effectiveness of the Company’s HC management strategy in creating a comfortable and safe workplace for employees. The following shows the employee recruitment and turnover during the reporting period:

The following is an overview of employee recruitment and turnover during the reporting year: [\[GRI 401-1\]](#)

Employee Recruitment Based on Gender and Age Range 2022-2024

Gender	2024					2023					2022				
	<30	30-40	40-50	50-56	>56	<30	30-40	40-50	50-56	>56	<30	30-40	40-50	50-56	>56
Male	11	3	0	2	0	10	4	1	1	2	9	0	6	4	0
Female	4	1	0	0	0	7	3	2	0	0	3	0	0	0	0
Total	15	4	0	2	0	17	7	3	1	2	12	0	6	4	0

Employees Leaving Based on Gender and Age Range 2022-2024

Age Range	2024					2023					2022				
	<30	30-40	40-50	50-56	>56	<30	30-40	40-50	50-56	>56	<30	30-40	40-50	50-56	>56
Male	7	7	1	2	0	5	0	6	2	0	6	2	1	1	0
Female	1	0	2	0	0	0	0	0	0	0	1	0	1	0	0
Total	8	7	3	2	0	5	0	6	2	0	7	2	2	1	0



Employee Recruitment Based on Gender and Work Area 2022-2024

Gender	2024		2023		2022	
	Head Office, Medan Liaison Office and Paritohan Hydroelectric Power Plant Office	Jakarta Representative Office	Head Office, Medan Liaison Office and Paritohan Hydroelectric Power Plant Office	Jakarta Representative Office	Head Office, Medan Liaison Office and Paritohan Hydroelectric Power Plant Office	Jakarta Representative Office
Male	15	1	13	6	19	2
Female	3	2	7	4	0	1
Total	18	3	20	10	19	3

Employees Leaving Based on Gender and Work Area 2022-2024

Gender	2024		2023		2022	
	Head Office, Medan Liaison Office and Paritohan Hydroelectric Power Plant Office	Jakarta Representative Office	Head Office, Medan Liaison Office and Paritohan Hydroelectric Power Plant Office	Jakarta Representative Office	Head Office, Medan Liaison Office and Paritohan Hydroelectric Power Plant Office	Jakarta Representative Office
Male	17	0	13	0	10	0
Female	2	1	0	0	2	0
Total	19	1	13	0	12	0

Employee Turnover Based on Position Level 2022-2024

Position	2024			2023			2022		
	Rotation	Promotion	Demotion	Rotation	Promotion	Demotion	Rotation	Promotion	Demotion
Managerial	20	24	0	111	38	0	9	58	0
Supervisor	19	93	0	72	15	0	22	77	0
Executor	70	247	0	83	7	0	30	511	0
Total	109	364	0	266	60	0	61	646	0

Inclusion and Diversity

INALUM is committed to the principles of inclusion and diversity in its human capital management. Although the metal industry is often associated with the dominance of male workers, INALUM provides equal opportunities for every individual to join, develop, and contribute regardless of gender, religion, race, ethnicity, or physical condition. The Company ensures equality in every aspect, from recruitment, performance evaluation, job promotion, to the remuneration system. [OJK F.18] [GRI 3-3]

EMPLOYEE INFORMATION [OJK C.3] [GRI 2-7] [EM-MM-000.B]

As of December 31, 2024, INALUM had 1,789 employees consisting of 1,746 permanent employees or employees with Indefinite Term Employment Agreements (PKWTT), and 43 non-permanent employees or employees with Certain Term Employment Agreements (PKWT). The number of employees in 2024 decreased compared to the previous year's 1,819 employees. The decline was due to optimization and efficiency in lines that support the Company's maximum productivity.

Employee Demographics Based on Gender (people)

Gender	2024	2023	2022
Male	1.665	1.693	1.697
Female	124	126	114
Total	1.789	1.819	1.811

Employee Demographics by Position and Age Range (people)

Jabatan	2024			2023			2022		
	< 30 Year	30 - 50 Year	> 50 Year	< 30 Year	30 - 50 Year	> 50 Year	< 30 Year	30 - 50 Year	> 50 Year
Commissioner	0	0	5	0	1	5	0	1	3
Director	0	1	3	0	3	2	0	3	2
Head of Directorate	0	0	0	0	0	0	0	1	3
Head of Group	0	3	5	0	2	5	0	0	0
Head of Department/ Equivalent	0	18	12	0	20	12	0	14	10
Head of Section/Equivalent	0	40	17	0	44	14	0	42	14
Head of Subsection/ Equivalent	0	77	3	0	83	4	1	67	3
Supervisor	70	249	21	82	229	24	92	210	27
Executor	440	785	49	571	676	53	701	565	61
Total (Employees + Management)	510	1.173	114	653	1.058	119	794	903	123

Employee Demographics Based on Educational Background

Jabatan	2024					2023					2022				
	S2	S1	D1-D3	SMA/SMK	SMP	S2	S1	D1-D3	SMA/SMK	SMP	S2	S1	D1-D3	SMA/SMK	SMP
Head of Directorate	0	0	0	0	0	0	0	0	0	0	1	3	0	0	0
Head of Group	4	4	0	0	0	2	5	0	0	0	0	0	0	0	0
Head of Department/Equivalent	14	16	0	0	0	17	15	0	0	0	11	12	1	0	0
Head of Subsection/Equivalent	17	24	16	0	0	18	24	16	0	0	20	22	14	0	0
Kepala Subseksi/ Setingkat	7	57	16	0	0	7	61	19	0	0	7	41	23	0	0
Supervisor	9	73	208	50	0	6	63	211	55	0	6	65	211	47	0
Executor	0	10	31	1.160	73	0	11	32	1.173	84	0	3	9	1.207	108
Total	51	184	271	1.210	73	50	179	278	1.228	84	45	146	258	1.254	108

Employee Demographics Based on Employee Status - Organic Employees

Status	2024				2023				2022			
	L	P	Total	Composition	L	P	Total	Composition	L	P	Total	Composition
Permanent employee	1.631	115	1.746	97,6%	1.663	114	1.777	97,7%	1.672	111	1.783	98,5%
Contract employees	34	9	43	2,4%	30	12	42	2,3%	25	3	28	1,5%
Total	1.665	124	1.789	100%	1.693	126	1.819	100%	1.697	114	1.811	100%

M = Male / F = Female

Employee Demographics Based on Nationality

Nationality	2024		2023		2022	
	Total	Composition	Total	Composition	Total	Composition
Indonesian	1.789	100%	1.819	100%	1.811	100%

Employee Demographics Based on Work Location

Area	Business Unit/Activity	2024		2023		2022	
		M	F	M	F	M	F
North Sumatra	Pabrik Peleburan Kuala Tanjung	1.475	95	1.486	97	1.504	97
	Paritohan Hydroelectric Power Plant	162	13	180	14	180	12
	Medan Liaison Office	4	1	5	2	6	2
Jakarta	INALUM Representative Office	24	15	22	13	7	3
Total		1.665	124	1.693	126	1.697	114

M = Male / F = Female

INFORMATION ON NON-EMPLOYEE WORKERS [GRI 2-8]

As well as the above categorization, INALUM has workers who are not direct employees, namely those who do work for INALUM but do not have a direct working relationship with INALUM as they are structurally under the management of a partner company. Workers who fall into this category include outsourced employees who work in the operational, security and general support sections.

Employee Demographics Based on Employee Status Inorganic/Outsourced Employees

2024			2023			2022		
M	F	Total	M	F	Total	M	F	Total
2.196	208	2.404	1.875	182	2.057	1.543	170	1.713

M = Male / F = Female

RATIO OF ENTRY-LEVEL EMPLOYEE WAGE STANDARDS BY GENDER TO REGIONAL MINIMUM WAGE [GRI 202-1] [OJK F.20]

Regional Minimum Wage (RMW) is the minimum wage that companies must pay to workers or employees every month in accordance with applicable regulations regarding regional minimum wages. Referring to the Minister of Manpower and Transmigration Decree No. 226 of 2000, the provision of wages at INALUM always takes into account the Regional Minimum Wage (previously referred to as RMW Level I) and the Regency/City Minimum Wage (previously referred to as RMW Level II). [GRI 3-3]

Based on these regulations, as well as in line with the commitment to provide welfare to employees, INALUM provides wages to the lowest level permanent employee in accordance with the prevailing wages in each work area. Because INALUM's operational offices are located in North Sumatra and DKI Jakarta, the wages of the lowest level permanent employee adjust to the minimum wage in the region. The ratio of the lowest level permanent employee wage to the minimum wage for each region is as follows: [GRI 202-1]

Province	District/City	Comparison Ratio
Sumatera Utara	Kabupaten Batu Bara	1 : 1
	Kabupaten Toba	1 : 1.3
	Kota Medan	1 : 1.2
DKI Jakarta	-	1 : 1.3

The provision of wages at INALUM does not differentiate based on male or female gender. The same provisions applies to non-permanent/PKWT employees.



PROPORTION OF EMPLOYEES FROM THE LOCAL COMMUNITY

The Company's commitment to providing contributions and benefits to the local community is in line with applicable regulations, one of which is Batu Bara Regency Regional No. Number 5 of 2017, INALUM currently employs 1,474 employees (82% of the total employees) from the North Sumatra area who are spread across its work units at all position levels in the organization.

INALUM also endeavors to improve employee competency in line with INALUM's vision and mission in an effort to increase the Company's contribution to regional and national growth and support the Company's sustainability efforts.

PROPORTION OF SENIOR MANAGEMENT FROM LOCAL COMMUNITIES [GRI 202-2]

As part of its involvement of local parties, INALUM opens up opportunities for local people to work in the Company, and provides equal opportunities to continue to develop their potential so they have the opportunity to occupy positions as decision makers, supervisors, and top management. As of December 31, 2024, 24 local people (North Sumatra Province) served as management and senior management at INALUM, up 4% compared to 23 people in 2023. The senior management composition, namely employees at the department head level and above, was as follows:

- 1 Director
- 5 Group Heads & Equivalent
- 18 Department Heads & Equivalent

MINIMUM NOTICE PERIOD FOR OPERATIONAL CHANGES [GRI 402-1]

INALUM has set a minimum notice period for operational changes, policies, or strategic decisions that impact employees in accordance with applicable laws and regulations and the collective labor agreements (CLA), which is a minimum of one month. With this provision, there is sufficient time for employees to adjust to the changes, including the possibility of losing their jobs. During this period, there is also an opportunity for effective consultation and communication between management and employees.

DIVERSITY OF GOVERNANCE BODY AND EMPLOYEES

INALUM upholds the diversity principle in the Governance Body and employees structure in an effort to create an inclusive, fair, and competitive workplace. This diversity includes differences in gender, age, educational background, experience, and culture that enrich perspectives in decision-making and innovations in the Company. In the leadership structure, INALUM ensures balanced and competency-based representation to improve the corporate governance effectiveness. While, at the employee level, INALUM encourages equal opportunities in career development, training, and promotions based on performance and competency. With this principle, INALUM is committed to continuing to strengthen a work culture that values diversity that supports sustainable business growth. [GRI 3-3, 405-1]

Diversity of the Company's Board of Commissioners and Board of Commissioners composition as of December 31, 2024.

Name	Position	Age	Gender	Education	Work Experience	Expertise
Board of Commissioners						
Musa Bangun	President Commissioner/ Independent Commissioner	67 years old	Male	<ul style="list-style-type: none"> SUSSARCAB - INF AKABRI DARAT SUS SAR PARA S U S J U R P A JUMPMASER SUSLAPA - I/Inf DIKLAPA - II/Inf FREE FALL KIBI SESKOAD SESKO TNI SUSPATIH RAIDER SUSDANREM LEMHANAS 	<ul style="list-style-type: none"> DANTON BAN YONIF L 305 DANTON SMS/BAN YONIF DANKI C YONIF 330 KOSTRAD DANKI B YONIF L 328 KOSTRAD WADANYON 712/WRB WADANYON LINUF 328 KOSTRAD DANYON LINUF 328 DIRLAT RINDAM IX/UDY WAASPOS KASDAM IX/UDY ASOPS KASDIVIF-2 KOSTRAD DANBRIGIF LINUD- 18/2 ASOPS KASDAM VI/TPR DANPUSLATPUR KODIKLATAD PABAN ORG SDIRDOK DANREM 091/ASN DAM VI/TPR PAMEN MABESAD IR KOSTRAD DIRDKOK KODIKLAT TNI AD DANREM 131/STG DAM VII/WRB KAPOK SAHLI KASAD BID. HUKUM KASAHLI KASAD 	
Martuani Sormin	Independent Commissioner	61 years old	Male	<ul style="list-style-type: none"> Master of Science from University of Indonesia, (1997) Alumnus of Police Academy, (1987) 	<ul style="list-style-type: none"> Coordinator of the Chief of Police's Expert Staff (2021) Chief of North Sumatra Police (2019-2021) Assistant to the Chief of Police for Operations (2019) Chief of Papua Police (2018-2019) Head of Propam Division, National Police Headquarters (2017-2018) Career in the Indonesian National Police since 1987, before finally serving as the Chief of West Papua Police (2016-2017) 	Science and Police
Ahmad Erani Yustika	Commissioner	51 years old	Male	<ul style="list-style-type: none"> Doctor of Philosophy specializing in Institutional Economics from the University of Göttingen, (2005) Master Post Graduate specializing in Institutional Economics from the University of Göttingen, (2001) Bachelor of Economics and Development Studies from Brawijaya University, (1996) 	<ul style="list-style-type: none"> Head of the Presidential Secretariat (2022-present) Commissioner of PT Waskita Karya (2021-2023) Deputy for Economic Development Policy Support and Competitiveness Enhancement of the Vice President's Secretariat (2021-2022) President Commissioner of PT Surabaya Industrial Estate Rungkut (2020-2021) Director General of Rural Area Development, Ministry of Villages, Development of Disadvantaged Regions and Transmigration (2018-2019) 	Economics



Diversity of the Company's Board of Commissioners and Board of Commissioners composition as of December 31, 2024.

Name	Position	Age	Gender	Education	Work Experience	Expertise
Indra Simarta	Commissioner	60 years old	Male	<ul style="list-style-type: none"> Bachelor of Architectural Science from the University of Technology Perth Western Australia (1990) Bachelor of Architecture from the University of Technology Perth Western Australia (1992) 	<ul style="list-style-type: none"> Commissioner of PT INALUM (2024-Present) Senior Adviser - Enerindo Group - PT Enerindo Nusantara (Coal) and Enerindo Investments (Singapore) Pte Ltd (2021-Sekarang) Advisor Committee - Indonesia Archery Association (2019) Special Staff - Coordinating Minister for Political, Legal & Security Affairs (2016-2019) Special Staff - Head of the National Intelligence Agency (2015-2016) Founder and Managing Director - Blue Antz Architects + Interiors (2008-Sekarang) Design Director - Joshua International-Sydney, Australia (1998-2004) Associates - The PTI Architects (1994-1998) Project Architect - Califa Pratama (1993) Architect - Shimizu Indonesia (1991-1992) Architect - Paul Jones & Assoc. Perth, Australia (1990) 	
Hari Soebagijo	Independent Commissioner	60 years old	Male	<ul style="list-style-type: none"> Bachelor of Political Science Master of Law - University Diponegoro (2010) 	<ul style="list-style-type: none"> Commissioner of PT INALUM (2024-Present) DANTON ZIPUR-10 KOSTRAD (1987) DANTON -2/A YONZIPUR-10 KOSTRAD (1989) DANTON-1/B YONZIPUR-10 KOSTRAD (1989) KASI-4/LOG YONZIPUR -10 KOSTRAD (1992) DANKI-C YONZIPUR-10 KOSTRAD (1992) PS.KASIBANGMIL ZIBANG-2/VIII/T (1997) KASIBANGBIL ZIBANG-2/VIII (1998) DANDENZIPUR-5 ZIDAM VIII/TKR (1998) PAMEN KODAM XVI (DIK SESKOAD) (2000) GUMIL GOL-V DEPMILUM PUSDIKZI (2001) DANYON ZIPUR-1 DAM I/BB (2002) PBDYA RENOPS SOPS DAM I/BB (2003) DANDIM 0211/TAPTENG REM 023 (2004) WAKASDAM IV/DIP (2006) KASDAM I/BB (2010) ASLOG KASDAM I/BB (2013) KABAG FASBANG & BMN ROUM SETJEN KEMNHAN (2017) KAPUSKON BARANAHAN KEMHAN RI (2019) PATI MABES TNI AD (DLM RKA PENSIUN) (2022) 	

Diversity of the Company's Board of Commissioners and Board of Commissioners composition as of December 31, 2024.

Name	Position	Age	Gender	Education	Work Experience	Expertise
Board of Director						
Ilhamsyah Mahendra	President Director	36 years old	Male	<ul style="list-style-type: none"> Magister Logistics, Materials, and Supply Chain Management dari Glasgow Caledonian University (2011-2012) Sarjana Teknik Industri dari Universitas Trisakti (2006-2010) 	<ul style="list-style-type: none"> President Director of PT Sinergi Mitra Lestari Indonesia (January-July 2024) Senior Vice President-Head of Program and Project Management (August-December 2023) Senior Vice President-Head of Commercial Strategy (October 2022-August 2023) Senior Vice President-Head of Commercial Strategy (October 2022-August 2023) Indonesia Logistics (December 2019-October 2022) General Manager Supply Chain and Logistics- PT Surabaya Industrial Estate Rungkut (SIER) (October 2017-November 2018) 	Supply Chain
Ivan Ermisyam	Director of Operations	52 years old	Male	<ul style="list-style-type: none"> Bachelor of Chemical Engineering from Universitas Sumatera Utara (1997) 	<ul style="list-style-type: none"> Head of Business Development Group & Strategy Group - INALUM (April 2023-June 2024) Head of Business Department Development Department - INALUM (December 2022-April 2023) Head of Strategic Performance Department INALUM (June 2019-November 2022) Head of Engineering Department (April 2014-June 2019) Head of Reduction & Pouring Department (February 2012-March 2014) 	Business Development
Benny Alexander FD. Wiwoho	Director of Strategic Support & Human Capital and Acting Director of Finance	53 years old	Male	<ul style="list-style-type: none"> Bachelor of Human Resources Management from Trisakti University, (1996) 	<ul style="list-style-type: none"> SEVP Sumber Daya Manusia – PT INALUM (Persero) (2021-2023) Head Corporate Human Capital & Operation – PT Toba Sejahtera (2012-2021) General Manager Human Resources & Facilities – PT Everbesindo Surya Jaya (2010-2011) Head of Human Resources – Global TV (MNC Group) (2010-2011) Vice President Human Resources & Admin – Astro Pay TV Plc (2005-2010) Director of Human Resources & Admin – MTV Asia Networks (2002-2005) 	Human Capital
Melati Sarnita	Director of Business Development	47 years old	Female	<ul style="list-style-type: none"> Master of Strategic Management from Gadjah Mada University, (2007) Bachelor of Metallurgical Engineering from the University of Indonesia, (1999) 	<ul style="list-style-type: none"> Commercial Director of PT Krakatau Steel (2020-2023) Commercial Director of PT Perusahaan Gas Negara LNG Indonesia (2017-2019) President Commissioner of PT Krakatau Bandar Samudra (2021) Commissioner of PT Krakatau Baja Industri (2021) President Commissioner of PT KHI Pipe Industries (2021) President Commissioner of PT Krakatau Nasional Resources (2021) President Commissioner of PT Krakatau Osaka Steel (2019) Acting President Commissioner of PT Krakatau Daya Listrik (2019) 	Management and Metallurgical Engineering

GENDER EQUALITY AND FEMALE EMPOWERMENT [ASI 9.2] [OJK F.18]

INALUM is committed to creating an inclusive work environment by upholding the principles of gender equality and female empowerment in all aspects of the Company's operations. Although the metal industry tends to be dominated by male workers, INALUM ensures that every individual, regardless of gender, has equal opportunities in the recruitment process, career development, promotion, and access to training and competency improvement.

To support this, the Company has instigated policies that support a balance between work and family life, especially for female employees, such as maternity leave and the provision of other support facilities. In 2024, INALUM continued to encourage increased



participation of females in strategic positions, as part of the Company’s efforts to implement globally recognized gender equality principles.

As a concrete form of female empowerment in the work environment, INALUM also formed the INALUM Female Employee Family Association (IKKI), an official organization/ community under the Company auspices that serves as a forum for communication, collaboration, and self-development for female employees. Through IKKI, the Company actively initiated competency improvement programs such as training, certification, seminars, webinars, and established collaborations with other parties, including Srikandi BUMN. This initiative aims to strengthen the role of females in supporting the Company’s progress and creating a more equal and empowered work environment.

EMPLOYEES WITH DISABILITIES

In compliance with Law No. 8 of 2016 concerning Persons with Disabilities, INALUM currently employs 20 employees with disabilities (1.1% of total employees) in work units in the organization. The types of disabilities include physical disabilities and sensory disabilities.

Group Assignment	Male	Female	Ratio of basic salary and remuneration Male : Female
Managerial	171	4	1 : 1
Supervisor	299	41	1 : 1
Executive	1.195	79	1 : 1
Total	1.665	124	1 : 1

The data above shows that INALUM upholds the principle of equality where every employee gets compensation in accordance with their position and level.

INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN

INALUM is committed to upholding the principle of non-discrimination in all aspects of its operations, both in the recruitment process, HC management, and daily employment relationships. The Company ensures that every employee is treated fairly regardless of ethnicity, religion, race, gender, age, disability, or other background. This commitment is in line with applicable regulations, including Law No. 13 of 2003 concerning Manpower, which prohibits all forms of discrimination in employment relationships, and Government Regulation No. 35 of 2021, which affirms the right of employees to equal treatment. [\[GRI 3-3\]](#)

While, in accordance with the Company’s commitment to applying the Human Rights principles in accordance with the President Director Circular Letter concerning Quality Policy, OHS, Security, Environment, Energy, Human Rights, Prevention of Tuberculosis, HIV/AIDS, P4GN and Golden Rules in the Company’s workplaces, INALUM manages the HC policies without discrimination and provides equal opportunities to all employees in every aspect of work.

RATIO OF BASIC SALARY AND REMUNERATION OF FEMALES COMPARED TO MALES [\[GRI 405-2\]](#)

INALUM applies the principle of equality in its remuneration policies, including the terms of the basic salary and remuneration ratio between female and male employees. The Company has a salary system based on performance, competence, and job responsibilities, without distinguishing between genders. This is in line with INALUM’s commitment to creating a fair and inclusive workplace. Until 2024, the basic salary and remuneration ratio of females compared to males at INALUM was 1:1, where each employee received compensation commensurate with their position and level.

This non-discrimination policy has brought positive results with no incidents of discrimination in 2024. Thus, INALUM did not have to take corrective actions related to regulations on relations between employees, between employees and management, or between employees, management and other stakeholders. [\[GRI 406-1\]](#)

DIVERSITY PROGRAM

INALUM strives to create an inclusive and diverse workplace through a workforce diversity program. The Company opens up opportunities for individuals from different backgrounds, including differences in gender, ethnicity, religion, and physical condition, to join and develop with INALUM. This program includes competency-based recruitment without discrimination, diversity training to improve intercultural understanding, and policies that support equality in promotion and career development. Through these efforts, INALUM ensures that all employees receive equal opportunities to contribute and develop in a harmonious and inclusive workplace.



Training and Development

AVERAGE TRAINING HOURS PER YEAR PER EMPLOYEE [GRI 404-1] [OJK F.22] [EM-MM-320A.1]

INALUM understands that quality human capital is a major factor in supporting the Company’s success. HC is viewed as a strategic partner in realizing high-quality products that meet international standards. Therefore, INALUM is committed to developing a workforce with integrity, global competence, productivity, and a strong orientation towards product quality.

As part of this commitment, INALUM organizes training and competency development programs in a planned and sustainable manner across all aspects of the Company’s operations. This is supported by the policies stated in the Board of Directors Decree No. SK-022/DIRPEL/2019 and other derivative regulations that ensure that HC management runs effectively and in line with business needs.

To facilitate the management and monitoring of HC development, INALUM applies a Human Capital management blueprint supported by a Human Capital Information System (HCIS). This system includes Employee Self Service (ESS) and HC Dashboard features that allow real-time monitoring of employee competency and performance. Through this approach, each employee’s professional and personal development can be managed more effectively, while ensuring their optimal contribution to achieving the Company’s targets. The following shows the average training hours per year per INALUM employee

Total training hours per year per employee

Description	Category	2024			2023			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Total hours of training provided to employees in 1 reporting year (Hours)	Executor	25.693	588	26.458	24.845	105	24.950	16.366	183	16.549
	Supervisor	35.913	2.688	38.761	31.768	2.976	34.743	21.096	1.988	23.084
	Managerial	63.867	4.359	68.323	57.521	4.885	62.406	63.575	183	69.414
	Total training hours	125.472	7.635	133.542	114.134	7.965	122.098	101.037	8.011	109.047

Average training hours per year per employee

Description	Category	2024			2023			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Total hours of training provided to employees in 1 reporting year (Hours)	Executor	159	196	160	143	52	55	112	91	112
	Supervisor	134	117	133	112	103	107	72	83	73
	Managerial	54	56	54	48	61	55	53	73	54
	Total training hours	78	73	78	69	72	69	62	76	62

In an effort to improve employee understanding of sustainability principles, particularly at the senior management level, INALUM has implemented a continuous training and development program. This program covers various strategic topics, such as:

1. ESG (Environmental, Social, and Governance) Management
2. ESG Risk Rating
3. ESG Implementation and Opportunities for ESG Implementation integrated with GRC



In addition to internal training, INALUM also encourages senior management to participate in external forums, seminars, and professional certifications related to sustainability to ensure that their knowledge and skills remain relevant to global developments. Through this approach, INALUM is committed to building a corporate culture that is adaptive, sustainability-minded, and oriented toward creating long-term value for all stakeholders.

Senior Management Sustainability Training in 2024

Position	Number of Participants	Type of Training	Training Purpose
Group Head and Head of Department	35	In-House Training	Increase understanding of the importance of Environmental, Social, and Governance aspects in sustainable business. This training educates participants to integrate ESG principles in business decisions, ensure compliance with regulations, and drive social and environmental responsibility to environment to create positive impact.
Section Head	53		
Head of Subsection	82		

PROGRAMS TO ENHANCE EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS [GRI 404-2]

As well as competency development for active employees, INALUM also organizes retirement preparation training for employees entering the retirement waiting period, namely those who will reach the age of 56 in the next five years. This program is designed to help employees prepare themselves mentally, plan post-retirement activities, and understand investment opportunities that can be carried out so that the pension funds obtained can be used optimally. In 2024, INALUM provided training on November 25-28, 2024 in Yogyakarta to 4 Managerial Personnel.

TRAINING PROGRAMS FOR EMPLOYEES

During 2024, INALUM organized 454 training programs for employees with superior programs as shown in the following table:

No.	Training Name	Training Time	Number of Participants	Organizer
1	Finance for Non Finance Executive	July - August	50	Experd Consultant
2	Financial Model and Financing	July	41	PPA FEB UI
3	Coaching for Performance	December	10	Indonesian Mentor House
4	Project Management Body of Knowledge (PMBOK) 7th Edition	June - July	88	PMIT
5	Customer Orientation Excellence	October	140	PQM Consultant
6	Defining RACI Matrix	July - December	400	DCO Learning, Proxis
7	Advanced Supervisory	June - September	298	Experd Consultant
8	Process Improvement Using PDCA (Plan-Do-Chech-Action) and 7 QC Tools	May - June	129	PQM Consultant
9	English Class: Conversation & English for Business	May - November	120	English First
10	Pengawas K3 Umum	August - November	168	Phitagoras
11	INALUM Culture and Learning Fest 2024	December	2.434	INALUM x Inspigo
12	INALUM Virtual Learning Series	February, October	1.179	Professional
13	OHS Seminar: Fit to Work	February	162	Professional
14	Mental Development and Implementation of Pancasila Values	February - March	82	Kopassus
15	Basic Safety	March - November	1.273	INALUM

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS [GRI 404-3]

INALUM Management has established an employee performance management system to create a mutual understanding between the Company and employees regarding the goals to be achieved, the methods of achieving them, and the optimization of available resources. This system not only functions as a performance assessment tool, but also aims to build a culture of learning and achievement, to encourage employees to continue to improve their competence and contribution to the Company. Performance measurement is carried out in a transparent, structured, and objective manner, allowing for fair and proportional compensation and rewards based on employee performance.

The employee performance management process includes the following:

1. Planning and preparation of individual performance targets
2. Individual performance monitoring
3. Individual performance assessment and feedback
4. Individual performance awards

The Company periodically conducts annual employee assessments through the Human Capital section to identify employee potential and talent, the results of which serve as the basis for planning development and filling organizational needs within the Company. This employee assessment process is regulated in the Board of Directors Decree No. SK-022/DIRPEL/2019 concerning the Human Capital Development System, which ensures a structured and sustainable approach for talent management.

The assessment aims to:

1. Improve employee performance in line with the Company's performance;
2. Become a parameter for measuring competency and a basis for planning employee and organizational development programs;
3. Become the basis for preparing a Talent Management System to map the Company's potential talent;
4. Increase employee retention; and
5. Strengthen aspects in preparing employee career planning.

Employee performance appraisals at INALUM are conducted systematically and continuously through the application of Key Performance Indicators (KPI) that are cascaded from the Company's targets, in line with the objectives of the work unit and individuals. The evaluation process is carried out in stages with a high regard for the principles of transparency and objectivity. As part of INALUM's commitment to encouraging excellent performance and sustainable talent management talent management, all 1,789 employees of the Company have received regular reviews of their performance and career development until the end of 2024.

To improve employee retention and development, INALUM also implements a force distribution system that ensures the distribution of responsibilities, development opportunities, and rewards is carried out in a balanced and fair manner. This system provides each individual with equal opportunities to develop and contribute maximally to the success of the Company.

Based on the 2024 assessment, the average employee KPI achievement reached 98.9%, reflecting employee motivation and dedication to achieving targets and developing competencies to support the Company's strategic plan. INALUM also emphasizes the importance of diversity in governance bodies and the work environment, including aspects of gender, religion, race, ethnicity, nationality, age, and physical condition. This diversity is a key factor in improving performance and strengthening the Company's sustainability.



Workers' Rights [ASI PRINSIP 10]

INALUM places respect for Human Rights (HAM) as one of its main commitments in carrying out its operations. This commitment is stated in the Human Rights Policy as stipulated in the Board of Directors Circular Letter No. SE-001/DIROP/2022 on August 9, 2022 concerning the Occupational Safety and Health, Environment, Energy, and the PT Indonesia Asahan Aluminium (Persero) Human Rights Policy. This policy has been widely disseminated, including through INALUM's official website which can be accessed at the following link: <https://www.inalum.id/id/esg/tata-kelola/kebijakan-perusahaan>

Through this policy, INALUM is committed to implementing ethical and responsible operational practices, ensuring respect for human rights throughout its business chain, and creating an inclusive and equitable work environment for all employees and partners. This human rights policy is the foundation for INALUM in carrying out operations ethically and responsibly. INALUM is committed to:

1. Respecting and protecting the human rights of workers, parties in the value chain, and the communities surrounding the Company.
2. Complying with applicable laws and regulations and other requirements including stakeholder requirements.
3. Respecting labor rights to freedom of association, not to engage in forced labor practices, and not to employ workers under the age of 18.
4. Providing equal opportunities without discrimination and respecting females' rights in all aspects of work and providing a conducive and safe working environment.
5. Ensuring wages paid to workers meet local industry minimum standards and comply with applicable laws and industry standards regarding working hours.

These commitments form the basis for establishing policies for implementing respect for Human Rights. Based on INALUM's on Respect for Human Rights Policy, the strategic approach to protecting human rights is:

1. To implement mechanisms to identify, assess, and control potential human rights risks and impacts, make improvements if human rights risks and impacts occurring, and prepare a facilities for submitting complaints.
2. To provide training on human rights policies as part of employee and contractor on-boarding programs.
3. To only employ individuals above the minimum legal working age as regulated by national regulations or in accordance with the International Labour Organization (ILO) Convention.

4. To promote diversity and inclusion.
5. To regularly monitor the performance of key suppliers and partners regarding human rights issues.
6. To report policies, approaches, and performance related to respect for human rights in the annual Sustainability Report.

One important aspect in the protection of Human Rights is labor rights. These rights include aspects of workers' welfare, such as the right to a decent wage, reasonable working hours, a safe and healthy working environment, freedom to join a trade union, equal employment opportunities based on qualifications, and protection from discrimination and harassment. In addition, employees also have the right to file complaints and receive legal protection.

ALLOWANCE PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES [GRI 401-2]

In addition to a salary, INALUM employees receive other remuneration components. The Company has a remuneration policy that is transparent, fair, and anti-discriminatory that includes basic salaries, allowances, and additional facilities. The basic salary is determined based on criteria such as work experience, level of education, and job responsibilities. [GRI 3-3]

Allowances cover location, position, family, religious holidays, and other allowances. Employees are also entitled to receive performance-based incentives that are adjusted to the achievement of the Company's targets.

In addition to remuneration and allowances, INALUM provides additional benefits for employees, such as insurance, participation in BPJS Ketenagakerjaan and BPJS Kesehatan, parental leave, and pension programs. However, several facilities such as the Financial Institution Pension Fund (DPLK), performance incentives, and Home Return Trip (HRT) are only provided to permanent employees.



Remuneration Components	Permanent employee	Non-Permanent Employees
Basic salary	√	√
Location allowance	√	√
Position allowance	√	√
Family allowance	√	√
Religious holiday allowance	√	√
Performance incentive	√	X

Facilities	Permanent Employees	Non-Permanent Employees
Housing and supporting facilities	√ (For employees who work in remote areas)	According to the Provisions (For Employees Whose Work Locations Are in Remote Areas)
Financial Institution Pension Fund (DPLK)	√	X
BPJS Employment, including Life Insurance	√	√
BPJS Health	√	√
Treatment and Care Facilities Employee and Family Health	√	√
Transportation Facilities*	√	√
Laptop or Computer Facilities	√	√ (According to Provisions)
Home Return Trip (HRT)	√ (According to Provisions)	X

*For operational facilities used for the purposes of going to and from work and Company Operations.

MATERNITY LEAVE [GRI 401-3]

Parental leave is regulated in Law No. 13 of 2023 concerning Manpower, as amended by Law No. 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law of the Republic of Indonesia No. 2 of 2022 concerning Job Creation. Parental leave is a right given to employees to provide care and attention for their newborn children. INALUM is committed to fulfilling employee rights, including parental leave, to support a balance between work and family life. The Company provides 3 (three) months leave for female employees and 2 to 4 days for male employees.

Employees who take parental leave and return to work reflects the Company's support for their role as parents. INALUM recorded a return-to-work rate of 100%, while the retention rate after parental leave was 100%. This demonstrates the Company's strong support for the role of employees as parents, reflecting a positive and inclusive work environment, where employees are satisfied with the policies and support provided, so they choose to return to work and stay with the Company. The Company's image as a family-friendly workplace is also strengthened, showing a high commitment from employees to the Company. The effectiveness of the INALUM parental leave program has proven successful in supporting and retaining employees, creating a good balance between work and family life.



Parental Leave 2023-2024

Total number of employees entitled to parental leave, by gender	Total (People)					
	2024			2023		
	M	F	Total	M	F	Total
a. Total number of employees entitled to take leave (Company Policy)	1.511	83	1.594	1.472	85	1.557
b. Total number of employees using parental leave rights (excluding circumcision)	192	5	197	166	18	184
c. Total number of employees who returned to work in the reporting year after the end of the parental leave period taken	192	5	197	166	18	184
d. Total number of employees who returned to work after parental leave ended and were still working 12 months after returning to work	166	18	184	166	18	184
e. The total number of employees who have taken parental leave and will return to work after the leave period ends	192	5	197	166	18	184
f. Total number of employees who returned to work after parental leave ended in the previous reporting year	166	18	184	166	18	184
g. Return to work rate c/e X 100%	100%	100%	100%	100%	100%	100%
h. Retention Rate d/f X 100%	100%	100%	100%	100%	100%	100%

OPERATIONS AND SUPPLIERS WHERE THE RIGHT TO FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING MAY BE AT RISK [GRI 407-1] [EM-MM-310A. 2] [EM-MM-310A.1]

Industrial relations are the relationship between entrepreneurs or companies and the employees or trade unions that represent them. In establishing good industrial relations, it is important for the Company and the unions to work together and find solutions to labor-related problems.

INALUM guarantees freedom of association for employees by supporting the existence of unions in the workplace as part of harmonious industrial relations. The trade unions at INALUM are organization formed by employees to fight for their rights and interests, including their welfare, safe and healthy working conditions, and social security. As a partner of the Company, the trade unions play a role in creating a productive and equitable working environment, and helps employees understand and exercise their rights and obligations in accordance with applicable regulations. [GRI 3-3]

The trade unions In INALUM are called SP LEM SPSI Smelting Office and SP LEM SPSI Paritohan Office, which were established in 1998 and were registered with the Ministry of Manpower and Transmigration based on the Minister of Manpower Decree No. 02/GSP/VIII/1998 dated August 26, 1998, and updated with No. 019/ADM/PUK-LEM/IX/2022 dated September 1, 2022, while SP KEP SPSI was established in 2024 and registered with the Batu Bara Regency, based on Manpower, Industry and Trade Office No. 568/1759/DKPP-BB/2024 dated July 12, 2024. INALUM supports

trade union activities by establishing constructive and mutually respectful relationships, as stated in the Collective Labor Agreement (PKB) which is periodically updated and signed by the Management and the INALUM Workers Union.

The INALUM trade unions carry out their duties and functions independently without intervention from political, religious, or particular group interests. INALUM also ensures that there are no significant risks related to freedom of association in its operational areas. To maintain good communication, INALUM and the Labor Union routinely hold meetings to socialize policies, discuss Management programs, and resolve labor issues. Up until the end of 2024, there were no labor problems that resulted in strikes or closures of the Company's operations. [GRI 407-1] [EMMM-310a. 2]

CHILD LABOR [OJK F.19]

INALUM is committed to not employing child labor in its operational activities, as stated in PT Indonesia Asahan Aluminium Circular Letter No. SE-001/DIROP/2022 dated August 9, 2022 concerning the Occupational Safety and Health, Environment, Energy, and Human Rights Policy. This policy serves as a guideline to creating an ethical, fair, and compliant work environment in accordance with applicable human rights standards and labor regulations. [GRI 3-3]



As a concrete step to eliminating child labor, the Company sets a minimum age limit for employees at 18 years. In addition to complying with labor laws, the employee age policy is in line with the Republic of Indonesia Law No. 20 of 1999 concerning Ratification of ILO Convention No. 138 Concerning Minimum Age for Admission to Employment, and of the Republic of Indonesia Law No. 1 of 2000 concerning Ratification of ILO Convention No. 182 Concerning The Prohibition And Immediate Action for The Elimination of The Worst Forms of Child Labour. [GRI 408-1]

OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK OF CHILD LABOR INCIDENTS [GRI 408-1]

As of December 31, 2024, there were no recorded INALUM operations or suppliers at significant risk of child labor incidents.

FORCED LABOR [OJK F.1P]

In line with the elimination of child labor, INALUM is also committed to upholding human rights in the workplace by ensuring that there are no forced labor practices in all of its operations. The Company strictly prohibits all forms of forced labor, including hidden forced labor such as withholding employee documents, forcing overtime without proper compensation, or restricting freedom of movement in the workplace. This policy is in line with the Manpower Law and ILO Convention No. 105 concerning the Elimination of Forced Labor, which has been ratified by Indonesia. INALUM also periodically evaluates the employment system and provides access for employees to report potential violations through a transparent and safe complaint mechanism. [GRI 3-3]

INALUM's commitment to the elimination of forced labor has yielded positive results with no incidents of forced labor during the reporting year. [GRI 409-1]

OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK OF FORCED OR COMPULSORY LABOR INCIDENTS [GRI 409-1]

As of December 31, 2024, there were no recorded operations of INALUM or suppliers at significant risk of forced or compulsory labor incidents.

FREEDOM OF ASSOCIATION AND COLLECTIVE LABOR AGREEMENT [GRI 2-30, 407-1] [EM-MM-310A.1]

The Collective Labor Agreement (CLA) is a written agreement between the Company and the trade unions that aims to regulate the rights and obligations of both parties in the employment relationship. The CLA covers the aspects of employment, including wages and benefits, working conditions, occupational safety and health (OHS), employee training and development, and mechanisms for resolving industrial relations disputes.

In terms of OHS, the CLA regulates provisions regarding work clothing and personal protective equipment, inspections against OHS standards, procedures for reporting work accidents, prohibitions on work for sick employees, obligations to report infectious diseases, and the provision of free food and special additional food. The contents of the CLA are prepared in accordance with the provisions of applicable laws and regulations, including Law Number 6 of 2023 concerning the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law.

In 2024, all INALUM employees were 100% protected and required to comply with the provisions set forth in the Collective Labor Agreement (CLA). The implementation of the CLA provides more optimal protection for employees and ensures that their aspirations can be effectively channeled through the Labor Union. This also contributes to creating harmonious industrial relations and supporting the Company's growth.

VIOLENCE AND HARASSMENT

INALUM is committed to creating a safe, inclusive, and workplace free from all forms of violence and harassment. The Company opposes any acts of physical, verbal, psychological, or sexual violence that can threaten the welfare of employees. As a concrete manifestation of this commitment, INALUM has instigated an anti-violence and anti-harassment policy as stated in the Company's Code of Ethics and internal regulations. This policy includes preventive measures such as socialization and training for all employees, as well as a strict monitoring system to prevent actions that conflict with the Company's values.

INALUM also provides a transparent and secure reporting mechanism for employees who experience or witness acts of violence or harassment in the workplace. Through a whistleblowing system designed to protect the anonymity of the reporter, every report will be followed up with an objective and independent investigation process. Reports of violations are addressed to the and submitted in writing through the following whistleblowing channels:





Website : OpenMind-wbs.com
 e-mail : OpenMIND@kpmg.co.id
 Whatsapp : 0811-1464-632 / 0811-646-343
 Post Mail : PT KPMG Siddharta Advisory

Attn : KPMG EthicsLine (MIND ID)
 Alamat : Menara Astra Lantai 21, Jl. Jend.
 Sudirman Kav. 5-6, Jakarta 10220

COMMUNICATION

The Company prioritizes open, transparent, and two-way communication in all aspects of its operations, both between management and employees and with stakeholders. The Company provides communication channels, such as regular meetings, dialogue forums, internal media, and complaint systems to ensure that all information can be conveyed clearly and effectively. In addition, INALUM utilizes digital technology and modern communication platforms to improve employee efficiency and involvement in conveying aspirations, input, and complaints. By having a good communication culture, INALUM strives to create a collaborative, harmonious workplace that supports optimal performance.

WORKING HOURS

INALUM ensures that employee working hours do not exceed the limits set by applicable laws and regulations and employment standards applied by the Company. This policy is aimed at maintaining employee welfare, increasing productivity, and complying with employment regulations governing working hours and overtime.

INFORMATION ON WORKERS' RIGHTS

The Company ensures that all employees receive clear and transparent information regarding their rights in the workplace, including the right to decent wages, reasonable working hours, benefits and facilities, occupational safety and health, freedom of association, and the right to protection from discrimination, harassment, and forced labor. These rights are socialized through communication channels, such as employee handbooks, internal Company portals, socialization sessions, and Collective Labor Agreements (CLA) prepared with the Trade Union. INALUM also provides a safe and confidential complaint mechanism to ensure that every worker can submit complaints or alleged violations of their rights without fear of repressive action.

INALUM also provides a safe and confidential complaint mechanism to ensure that every worker can submit complaints or alleged violations of their rights without fear of repressive action.

ADDRESSING ACCEPTABLE LIVING CONDITIONS

INALUM is committed to ensuring that every employee can work in decent and prosperous living conditions. The Company provides facilities to support employee welfare, such as competitive wages in accordance with statutory regulations, health benefits, pension programs, and access to occupational health and safety facilities. INALUM also provides accommodation for employees at certain operational locations, ensures safe workplaces, and facilitates a balance between work and personal life. These efforts are in line with the Company's commitment to creating workplaces that support productivity, welfare, and sustainability of the workforce.



PILLAR 4

Communities

▶ Inalum's Best Achievement **The Communities**

SROI Ratio

Name of Program	2024
Edu Ecotourism Historical Mangrove Beach	SROI 1:8,00
Eco cultural tourism Meat Village	SROI 1:2,34
Scholarships with Karya Salemba Empat (KSE)	SROI 1:1,12
BUMN House	SROI 1:2,11
Sawah Raja Tourism	SROI 1:1,97
Sari Larva Berdaya (Maggot Cultivation)	SROI 1:7,13
Lalang Village MSME	SROI 1:2,36

Public Satisfaction Index (IKM)

Name of Program	2024
Scholarships with Karya Salemba Empat (KSE)	IKM 89.53 (Very Good)
Sawah Raja Tourism	IKM 81.33 (Good)
Sari Larva Berdaya (Maggot Cultivation)	IKM 90.00 (Very Good)
Lalang Village MSME	IKM 77.00 (Good)

AWARDS

1

GOLD PROPER for KLHK Smelting Plant Area

2

GREEN PROPER for KLHK Hydroelectric Power Plant Area

3

TOP CSR AWARDS STAR 5 from TopBusiness

OTHERS

1

Coordinator of the SER Forum in North Sumatra Province

2

Coordinator of North Sumatra BUMN for Disaster Response

3

Coordinator of the SER Forum in Batu Bara Regency Companies

Social Investment

INFRASTRUCTURE INVESTMENT [GRI 203-1]

INALUM invests in infrastructure to support the Company's operations while providing benefits to the surrounding community. This investment includes the construction of facilities and infrastructure in the fields of education, places of worship, health, the environment and other physical facilities. All of these infrastructure investment programs are provided pro bono for the public interest.

SIGNIFICANT INDIRECT ECONOMIC IMPACTS [GRI 203-2]

As part of a State-Owned Enterprise (BUMN), INALUM is committed to growing sustainably with the community while respecting local culture and traditions. In the Social and Environmental Responsibility (SER) program, INALUM refers to applicable regulations and the best standards in corporate social responsibility. The main focus of this program is to encourage community independence through sustainable and positive impact initiatives.

INALUM's operational activities have contributed significantly to the social and economic aspects of the surrounding areas, such as in job creation, increasing community empowerment, and increasing local income. The Company also plays a role in developing infrastructure in its operational areas. However, on the other hand, the Company's activities also have the potential to cause negative impacts, such as environmental and social changes, including the potential for economic inequality between local communities and migrant workers. Therefore, INALUM is committed to managing these impacts responsibly by implementing appropriate and sustainable mitigation strategies.

To minimize any negative impacts while optimizing positive impacts, INALUM has developed and implemented a CSR program designed to contribute to regional development and improve the welfare of local communities. As part of this initiative, INALUM opens up opportunities for local talent to join the Company through a transparent selection process based on the principles of equality and anti-discrimination. In this way, local communities can play an active role in regional economic development and become part of a broader transformation. [GRI 413-2]

The efforts above are carried out by INALUM as part of the Company's efforts to support the achievement of the Sustainable Development Goals (SDGs) through programs that integrate aspects of economic welfare, social sustainability, and

environmental protection. In line with the Republic of Indonesia Presidential Regulation No. 111 of 2022 concerning SDG Achievement, INALUM has adopted a collaborative approach involving stakeholders to ensure the successful implementation of sustainable programs.

To realize this commitment, INALUM consistently optimizes its resources to run the SER programs that are in line with the Company's mission, namely to Become a Leading Global Company Based on Integrated Environmentally Friendly Aluminium. This program also refers to the Minister of SOEs Regulation PER-1/MBU/03/2023 concerning Special Assignments and Social and Environmental Responsibility Programs of State-Owned Enterprises (BUMN SER) to ensure the Company's contribution to inclusive and sustainable national development. [GRI 3-3]

The BUMN SER program adopted by INALUM aims to:

1. Provide benefits for economic development, social development, environmental development and legal development and governance for the Company;
2. Contribute to the creation of added value for the Company with integrated, targeted and measurable impact principles and accountability;
3. Foster micro and small businesses to be more resilient and independent as well as the community around the Company.

Furthermore, SER is carried out based on the main pillars, namely:

1. Social, to achieve the fulfillment of basic human rights of quality in a fair and equal manner to improve welfare for the entire community.
2. Environmental, for the sustainable management of natural resources and the environment as a support for all life.
3. Economy, to achieve quality economic growth through sustainable employment and business opportunities, innovation, industry, inclusive, adequate infrastructure, affordable clean energy and support from partnerships.
4. Law and Governance, to realize legal certainty and effective, transparent, accountable and participatory governance to create security stability and achieve a state based on law.

In its implementation, the 4 (four) main pillars have covered 17 Sustainable Development Goals, namely: (1) No Poverty; (2) Zero Hunger; (3) Good health and well-being; (4) Quality Education; (5) Gender Equality; (6) Clean Water and Sanitation; (7) Affordable and Clean Energy; (8) Decent Work and Economic Growth; (9) Industry, Innovation and Infrastructure; (10) Reduced



Inequalities; (11) Sustainable Cities and Communities; (12) Responsible Consumption and Production; (13) Climate Action; (14) Life Below Water; (15) Life On Land; (16) Peace, Justice and Strong Institutions; (17) Partnerships For the Goals.

BUMN SER Pillars

Sosial

- 1 NO POVERTY
- 2 ZERO HUNGER
- 3 GOOD HEALTH AND WELL-BEING
- 4 QUALITY EDUCATION
- 5 GENDER EQUALITY

Lingkungan

- 6 CLEAN WATER AND SANITATION
- 11 SUSTAINABLE CITIES AND COMMUNITIES
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION
- 14 LIFE BELOW WATER
- 15 LIFE ON LAND

Ekonomi

- 7 AFFORDABLE AND CLEAN ENERGY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 10 REDUCED INEQUALITIES
- 17 PARTNERSHIPS FOR THE GOALS

Hukum dan Tata Kelola

- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

THREE PRIORITY SER SECTORS

Based on the BUMN SER regulation, INALUM’s SER program is prioritized in 3 (three) areas, namely:

1. Education Sector
2. Environmental Sector
3. MSE Development Sector

SER PROGRAM PRINCIPLES

1. Integrated, namely based on risk analysis and business processes that are linked to stakeholders;
2. Directional, namely having a clear direction to achieve the Company’s goals;
3. Measurable impact, namely having a contribution and providing benefits that produce change or added value for stakeholders and the Company; and
4. Accountability, namely being accountable so as to avoid potential abuse and irregularities.

LEGAL BASIS OF INALUM’S SER ACTIVITIES

INALUM’s SER program refers to and is aligned with the Company’s Vision and Mission as well as the Environmental, Social, and Governance (ESG) aspects, and is guided by the following regulations

- Law Number 19 of 2003 concerning State-Owned Enterprises
- Law Number 40 of 2007 concerning Limited Liability Companies
- Law Number 13 of 2011 concerning Handling of the Poor

- Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation
- Government Regulation (PP) Number 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies
- Government Regulation of the Republic of Indonesia Number 96 of 2021 concerning Mineral and Coal Mining Business Activities
- Minister of SOEs Regulation PER-1/MBU/03/2023 concerning Special Assignments and Social and Environmental Responsibility Programs of State-Owned Enterprises (BUMN SER)
- Republic of Indonesia Minister of Energy and Mineral Resources Decree Number 1824 K/30/MEM/2018 concerning Guidelines for Implementing Community Development and Empowerment
- INALUM Board of Directors Regulation concerning SER.

SER VISION AND MISSION

Vision

Realizing company sustainability through community empowerment programs that create independence and establish harmonious relationships with stakeholders.

Mission

1. Implement SER programs for the sustainability of company operations and harmonious relations with the surrounding communities.
2. Create prosperity in the surrounding communities through programs that create independence and community clusters.
3. Support government programs to strengthen regions and villages within the framework of a unitary state.



INALUM SER STRATEGY

1. Social responsibility program for the Company’s sustainability by providing optimal benefits from the Company’s share of profits to preserve nature and community development as a form of social responsibility to the communities in accordance with the Company’s capabilities, and applicable laws and regulations.
2. Contributes and plays an active role in preserving nature and community development through:
 - a. Increasing efforts to preserve nature, especially Lake Toba, through the greening movement and awareness of the community and stakeholders.
 - b. Increasing the capacity of community small businesses so they become resilient and independent through the Partnership Program, and.
 - c. Empowering community social conditions through the Environmental Development Program.
3. Carrying out a process of increasing sustainable community development to improve the welfare and prosperity of the surrounding communities, which is integrated with the nature conservation of Lake Toba.

SER ACTIVITY STAGES

The SOE SER Program is carried out systematically and in an integrated manner to ensure the implementation, achievement of success and management of the impact of the INALUM SER Program is in accordance with the priorities and/or achievement of the INALUM SER Program objectives that are guided by the work plan.

The INALUM SER program is carried out through the following stages:

- **Planning:**
including Strategy, Alignment, Social Mapping, and Public Consultation and Multi-Stakeholder Partnerships.
- **Implementation:**
in accordance with the aspirations of Shareholders, focusing on Priority Areas and capacity building of SER management personnel.
- **Evaluation and Monitoring:**
impact measurements are carried out, including:
 - a. Carrying out Social Return of Investment SROI calculations
 - b. Outcome and impact (output) indicators to measure changes either quantitatively or qualitatively
 - c. Monitoring changes in public perception
 - d. Using participatory methods in the monitoring and evaluation process

Planning

Strategy	Alignment	Social Mapping	Public Consultation and Multi-party Partnership
<ul style="list-style-type: none"> • Review of risks and impacts of business operations • Prepare short and long term plans • Focus on priority areas and/or those that have significant impact • Provide resources • Coordinate with other functions e.g. Government Relations, K3LH, Local Procurement 	<ul style="list-style-type: none"> • <i>Alignment with Company Vision and Mission, Sustainability Pathway with Sustainable Development Goals</i> • <i>Alignment with program plans and National and Regional Development Strategic Plans</i> • <i>Alignment with program plans and the Provincial Government Blueprint and RI PPM (for subsidiaries that manage mining sites)</i> 	<ul style="list-style-type: none"> • Participating with the community to understand socio-economic conditions as well as social structures, culture, politics and customs • Position the Company as a partner of stakeholders in local development 	<ul style="list-style-type: none"> • Carry out deliberations to solicit the views of external parties (Government, community, academics, and others) in preparing programs • Position the Company as a partner of stakeholders in local development



Execution	Monitoring
<ul style="list-style-type: none"> Focusing on priority areas of Education, Environment and MSE Development Creating programs to reduce dependency and provide long-term benefits Implementing a viable exit strategy or handover strategy for sustainable programs Carrying out Capacity Building and local organizational development 	<ul style="list-style-type: none"> Carrying out SROI calculations Using outcome and impact (output) indicators to see quantitative or qualitative changes Monitoring changes in community satisfaction index Using participatory methods in the monitoring and evaluation process

As part of the participatory planning stages of SER activities, INALUM carried out social mapping and public consultation activities with the community and stakeholders.

IMPLEMENTATION OF SER PROGRAM [OJK F.23, F.25]

For its implementation, INALUM’s SER program is divided into two categories, namely the Micro and Small Enterprises Funding Program (PUMK) and the Non-PUMK SER Program. The PUMK program aims to improve the capacity of micro and small businesses to become more resilient and independent, to encourage sustainable economic growth. While, the Non-PUMK SER Program focuses on improving the quality of life of the communities and environmental preservation, in line with INALUM’s commitment to sustainable development. This program is designed to provide broad benefits, covering economic, social, environmental, as well as legal and governance aspects. The above categories are adaptations of the BUMN SER that provides guidance on how the BUMN SER Program can be carried out through financing for micro and small businesses; and/or providing assistance and/or other activities, including coaching.

INALUM’s TJSL program is in line with the Company’s vision, especially the third vision, namely “Participating in community empowerment and the surrounding environment programs through targeted CSR and PKBL programs.” With this approach, INALUM seeks to create a sustainable positive impact on the communities around its operational areas.

SER Program Implementation Form

SOEs SER Program Form	
Micro and Small Business Financing	Providing Assistance and/or Other Activities, including Coaching
Through the MSE Funding Program	<ul style="list-style-type: none"> Including coaching with the costs being part of the SER Program costs With a priority focus on education, the environment and MSE development

Through the two main SER programs, INALUM hopes to encourage the creation of synergy between the Company and the surrounding communities to indirectly foster a sense of trust and positive support from the communities towards INALUM’s business processed.

SER IMPLEMENTATION AREAS

INALUM implements the SER and PUMK programs in 2 (two) regions, namely, Kuala Tanjung, North Sumatra and Paritohan, North Sumatra. To optimize Community Empowerment programs around the Company, INALUM has determined focus areas in the following 10 (ten) Regencies/Cities:

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Toba Regency 2. Samosir Regency 3. Karo Regency | <ol style="list-style-type: none"> 4. Dairi Regency 5. Simalungun Regency 6. North Tapanuli Regency 7. Humbang Hasundutan Regency 8. Batu Bara Regency 9. Asahan Regency 10. Tanjung Balai City |
|--|--|



LEADING EDUCATIONAL PROGRAMS

- **Undergraduate Scholarships and INALUM Leadership Camp Increasing Access to Higher Education to Become an Agent of Change**

To support increase access to higher education and to encourage the independence of communities around its operational areas, INALUM is committed to implementing an undergraduate scholarship program. Since its launch in 2019, this program has become a real manifestation of INALUM's contribution to supporting the improvement of the quality of education, especially at the university level. INALUM believes education is a key element in the development of professional, productive, innovative, and competitive human resources. Therefore, improving the quality of education continues to be a top priority in the social pillar of the Social and Environmental Responsibility (SER) program, in line with government policies and regional and national development plans.

In 2024, 100 male and female students will received scholarships. They were for outstanding individuals coming from families with financial limitations, who were selected through INALUM's internal selection process. The scholarship recipients are now studying at Universitas Sumatera Utara, Universitas Negeri Medan, and Universitas Islam Negeri Sumatera Utara, and come from 10 cities/regencies that are included in INALUM's main SER work areas.

As well as financial support through regular scholarships, INALUM also organizes INALUM Leadership Camp, a tiered leadership training aimed at developing the soft skills of scholarship recipients. This training covers strategic themes, such as national insight, environmental and cultural preservation, tolerance, communication and leadership, to self-quality development and village development planning. Through this series of programs, INALUM hopes the scholarship recipients can develop into superior individuals and be ready to become agents of change in their respective regions.

This scholarship program is the result of synergy with strategic partners, including Yayasan Karya Salemba Empat (KSE), as well as the Paguyuban KSE from Universitas Sumatera Utara, Universitas Negeri Medan, and Universitas Negeri Medan, and Universitas Islam Negeri Sumatera Utara. INALUM is committed to continuing this program sustainably, as its positive impact on improving the quality of education ultimately contributes to the welfare of the communities over the long term.

Program Location

10 Cities/Regencies around the Smelting Plant, North Sumatra operation area.

Business Unit Location

Aluminium Smelter

Program Implementation Steps

- 2019: Initial selection of scholarship recipients and provision of training and holding of INALUM Leadership Camp I
- 2020: Extension and acceptance of phase II scholarships and holding of INALUM Leadership Camp II
- 2021: Extension and acceptance of phase III scholarships
- 2022: Renewal of the MoU between INALUM and KSE
- 2023: Distribution of scholarship funds for 100 people.
- 2024:
 - a. INALUM Scholarship Camp I Batch II activities.
 - b. Scholarship participants and Interviews for new prospective participants.
 - c. Alumni Gathering, community service, & UMKM workshops

Program Achievements

As of December 31, 2024, there has been 345 scholarship recipients of whom 103 are already working, and based on monitoring, 76% of INALUM Strata 1 scholarship recipients have increased their GPA. The realization of the SROI value achieved was 1:1,12.

Budget Realization

The realized funds for the SER Undergraduate Scholarship Program and INALUM Leadership Camp in 2024 were Rp1.073,978,512.

INATA PAUD

Improving the Quality of Early Childhood Education and Increasing Women's Participation in the Workforce

INALUM is committed to supporting Indonesia in building superior future generations from an early age. One concrete manifestation of this commitment is the INATA PAUD Program, a sustainability initiative implemented around the Company's operational areas to improve the quality of human resources, in line with the vision of the Golden Indonesia 2045. INATA PAUD plays a crucial role in supporting early childhood development, especially in the Golden Age range (0-6 years), which is an important period for the formation of character and cognitive abilities. Education at this stage has a significant impact on children's future development, so INALUM apart from focusing on higher education, also pays special attention to early childhood education.



The INATA PAUD program was initiated and has been developed since 2017 in collaboration with strategic partners, including Pengurus PAUD INATA and Bunda PAUD Batu Bara. Seeing the positive impact generated, INALUM is committed to continuing to run this program until INATA PAUD is able to operate independently. Through this effort, INALUM hopes to contribute to creating future generations that are smart, competitive, and ready to face global challenges.

Program Implementation Steps

- 2017: Initiation of the formation of assisted PAUD near the Indrapura market.
- 2018: Establishment of PAUD INATA and socialization of the importance of early childhood education.
- 2019: 100% of traders in the market no longer invite their toddlers to sell at dawn.
- 2020: INATA PAUD graduated 80 students.
- 2021: PAUD INATA began to be independent and is only supported by INALUM for part of its operational costs.
- 2022: INATA PAUD is included in the superior PAUD category in Batu Bara Regency
- 2023: Increase in the number of students enrolled in PAUD INATA.
- 2024: Sustainability and Independence of INATA PAUD Program

Program Achievements

By the end of 2024, 160 children receiving early childhood education at PAUD INATA, 90% of whom of them good at reading and arithmetic.

Budget Realization

The realized funds for the SER PAUD INATA Program in 2024 was Rp31,000,000, the same as the realized funds in 2022.

Other educational programs

Other education programs carried out by INALUM in 2024 included School Building Repairs, School Furniture (Chairs and Tables), Diploma 1 Scholarships for the Mining Industry Community Academy, Development of Educational Institutions for Children with Special Needs (ABK) Smart Kids, Inclusive Education Teacher Training and Community Skills/Competency Training.

Testimonial

1. "Thank you to PT INALUM for being a Donor in the Scholarship program held together with Karya Salemba Empat (KSE), thanks to this program I have now successfully completed my studies and have now become a Teacher who can pass on all the knowledge gained while participating in the scholarship program during college, including academic and non-academic knowledge" - Rama Fadli - Elementary School Teacher.
2. "The PAUD Program fostered by PT INALUM was very useful, especially for traders in the Delima Indrapura market who have toddlers, who previously had to take their children to sell due to financial constraints, can now entrust their children to study at PAUD INATA" - Sri Zukhairina - PAUD Teacher

INALUM'S Contribution To Social Pillar SDGs

- Increase the number of boys and girls who complete early childhood education equally and with quality.
- Increase the number of boys and girls who have access to quality early childhood development and care.
- Increase access for boys and girls to quality higher education.
- Reduce gender disparities in education and ensure equal access to all levels of education for local communities.
- Improve literacy and numeracy skills for teenage girls and boys.
- Build and improve educational facilities that are child and gender friendly.
- Increase the number of scholarship recipients.
- Increase quality teacher resources.

FEATURED PROGRAMS IN THE ENVIRONMENTAL FIELD

Foster Tree

Planting Mangroves to Sustain Coastal Ecosystems

INALUM initiated a maritime conservation program through mangrove planting in an effort to maintain coastal ecosystems and preserve existing environmental potential. One of the main initiatives in this program was Pohon Asuh, which focuses on the long term sustainability of mangrove growth so that its ecological benefits can be realized optimally. In the future, INALUM will continue to expand the scope of this program by involving more parties, not only companies but also individuals, to encourage a wider participation in coastal environmental conservation efforts through the adoption of mangrove trees.

In 2024, INALUM collaborated with coastal communities in Batu Bara Regency to plant 49,000 mangrove seedlings. In addition to playing a role in maintaining the balance of coastal ecosystems, this initiative also aims to increase public awareness of the importance of environmental conservation when dealing with the impact of climate change. Through this program, INALUM hopes to contribute to creating a more sustainable coastal environment and encourage active community involvement to protect the mangrove ecosystems.

Program Achievements

1. Involving 1 Agency and 3 mangrove groups in 4 villages, namely:
 - a. KTH Lestari Pesisir with 10,000 mangrove propagules on 2 Ha of land in Kuala Sipare Hamlet, Medang Village, empowering fishing communities and KTH groups with assistance funds of Rp15,000,000.
 - b. KTCM planted 8000 seedlings in hamlet 2 Perupuk Village, Lima Puluh Pesisir District. Batu Bara Regency, a location that has experienced damage/encroachment, with assistance funds of Rp35,000,000.

- c. Kodim 0208/Asahan planted mangroves in Dusun 1, Sarang Helang Village, Sei Kepayang Barat District, Asahan Regency. 30,000 seedlings were planted, empowering the local community of KTH Mangrove Sarang Helang, with aid funds of Rp80,000,000
 - d. KTH Padang Mangrove in Lalang Village, Muara Sungai Padang planting location, assisted with planting funds of Rp5,000,000, for 1,000 seedlings.
2. The 49,000 mangrove seedlings planted in the 4 locations were of the Rhizophora or mangrove type.

Program Location

Batu Bara Regency, North Sumatra

Business Unit Location

Aluminium Smelter

Budget Realization

The realized funds for the Foster Tree SER Program in 2024 was Rp135,000,000 compared to Rp192,012,500 in 2022.

- **Migratory Waterbird Conservation**
Migratory Bird Conservation Socialization

INALUM's commitment to preserving biodiversity is carried out through conservation programs implemented around the Company's operational areas. One of the main initiatives is the protection of migratory birds in several areas in Batu Bara Regency. This program aims to maintain the sustainability of bird species that migrate to the coast of Batu Bara Regency and ensure that its ecosystem remains sustainable.

This effort is also part of INALUM's support for government policies to conserve protected flora and fauna, in accordance with 1990 Law No. 5 concerning Conservation of Natural Resources and Ecosystems and Minister of Environment and Forestry Regulation P.106/MENLHK/ SETJEN/ KUM.1/12/2018 concerning Types of Protected Plants and Animals. As a concrete step, INALUM actively conducts socialization on the protection of endangered animals to coastal communities in Batu Bara Regency, which is part of the Company's operational area.

This migratory bird protection program began with concerns about increasing poaching activities around the Perjuangan Beach and several other areas in the Batu Bara Regency. This coastal area has been designated as a Key Biodiversity Area (KBA), which is an area with a population of unique, rare, or endangered species or ecosystems. Therefore, sustainable management and conservation efforts are a priority to maintain a holistic ecosystem balance. The coastal mudflats of Batu Bara Regency is an important stopping-off place for migratory water birds.

The Migratory Waterbird Conservation Program collaborates with the Living Heritage of Sumatra Indonesia (WHIS), the Love Mangrove Farmers Group (KTCM), and the Jono Beach Community (KMPJ). INALUM plays an active role in preventing poaching and protecting the habitat of animals that are categorized as protected and endangered, including various types of migratory birds.

INALUM will continue to develop this program to ensure that the migratory bird population is maintained, and will carry out socialization to various stakeholders, including the Batu Bara Regency Environmental Service and village governments along the coast of Batu Bara Regency, so that biodiversity protection can be carried out more effectively and sustainably.

The Migratory Waterbird Conservation Program activities in 2024 included the following:

- Creating Educational Material on Wetland Ecosystems and Migratory Waterbirds on the Historical Coast
- Making an inventory of Bird Species & Publishing Bird Books in the Tanjung Gading Housing Area and Surrounding Areas in collaboration with the WHIS Foundation
- Migratory Waterbird Conservation Workshop Activities

Program Achievements

- 2 Educational videos for learning about mangrove conservation & bird conservation.
- 2 Large Information Board designs
- 43 A3 educational poster designs
- 1 Migratory Bird Identification Book

Program Location

Batu Bara Regency, North Sumatra

Business Unit Location

Aluminium Smelter

Budget Realization

The realized 2024 SER Migratory Waterbird Conservation Program funds were Rp49,840,000, a decrease of 5.96% compared to Rp53,000,000 in 2023.

INCREASING THE USE OF RENEWABLE ENERGY

In addition to planting mangroves, INALUM has a program to increase the use of renewable energy in the form of PLTS in the "Kuta View" Rice Field Tourism Program in Kuala Tanjung, and the sustainability of the KUPS Silvofishery inland fisheries program in Perupuk Village. The program uses Solar Power Plants (PLTS) with a total capacity of .2750WP Watt used for the Kutaview rice field tourism children's swimming pool water pumps, lighting, and inland fisheries biofloc programs.





Contribution to Environmental SDGs

- Increase agricultural productivity and income of small-scale food producers, especially women and indigenous communities and farmers.
- Improve sustainable food production systems.
- Increase the use of renewable energy.
- Reduce the impact of climate change through carbon sequestration by planting trees.
- Manage and protect marine and coastal ecosystems in a sustainable manner.
- Education and implementation of more sustainable fishing.
- Increase economic benefits through sustainable management of fisheries, aquaculture and tourism.
- Improve conservation, restoration and sustainable use of terrestrial ecosystems.
- Maintain protected flora and fauna.
- Integrate ecosystem and biodiversity values into poverty reduction.
- Increase the capacity of local communities for sustainable livelihood opportunities.

MSE DEVELOPMENT PROGRAM

The MSME Funding Program (PUMK) is one of the SER initiatives that focuses on improving the quality of life of the surrounding communities through the development and fostering of micro and small businesses involved in active community participation. This program aims to provide easy access to capital for MSEs, while supporting their capacity development to become more resilient and independent in facing business competition.

The PUMK program is based on the Minister of State-Owned Enterprises Regulation Number PER-1/MBU/03/2023 of 2023 concerning Special Assignments and Social and Environmental Responsibility Programs of State-Owned Enterprises. INALUM understands that this program has a broad scope, and is not only limited to capital, but also includes mentoring, training, and strengthening market access for MSEs. Through this program, INALUM is optimistic that MSEs can be better prepared to face business challenges, increase competitiveness, and expand their market reach, so that they have the potential to move up a class and contribute more to the local economy.

In 2024, the distribution of the PUMK program can be classified based on business sectors and based on distribution areas.

The distribution of the PUMK Program and the Number of Fostered Partners Based on Business Sectors in 2024

No.	Business Sector	2024 RKA (Rp)	2024 Realization	
			Number of Foster Partners	Total (Rp)
1	Industry	20.000.000	1	15.000.000
2	Trading	120.000.000	6	120.000.000
3	Agriculture	300.000.000	14	270.000.000
4	Plantations	100.000.000	2	55.000.000
5	Services	30.000.000	1	30.000.000

The MSEs targeted by this program must meet the following criteria:

1. Owned by Indonesian citizens;
2. Have not met the criteria or have access to loans from funding institutions or banks;
3. Priority is given to micro and small businesses with types of business that are in line with the field and/or support SOE business;
4. Priority is given to micro businesses and small businesses located in SOE work areas;
5. Stand alone, not be a subsidiary or branch of a company that is owned, controlled or affiliated directly or indirectly with a medium or large business;
6. Formed as a business by an individual and/or a group of people, a business entity that is not a legal entity, or a business entity that is a legal entity; and has the potential and business prospects to be developed.

PUMK PROGRAM DISTRIBUTION

INALUM has allocated SER funds from its activity budget calculated in the 2024 budget year costs. The PUMK Program provides working capital loans with priority to MSEs that produce superior regional commodities that have export opportunities or are export-oriented, and MSEs absorb a lot of labor, and businesses that have a positive impact on the communities. To support the sustainability of this program, INALUM uses funding sources from:

1. Balance of Partnership Program funds allocated until the end of 2015; and/or
2. Margin loan/profit sharing administration services, deposit interest and/or current account services from partnership program funds.

The additional realized of PUMK program funds in 2024 in collaboration with Bank Rakyat Indonesia (BRI) was Rp77,500,000, or 155% of the 2024 Work Budget Plan of Rp50,000,000, so the total availability of INALUM PUMK funds at BRI in 2024 was Rp945,603,738.

The distribution of the PUMK Program and the Number of Fostered Partners Based on Business Sectors in 2024

No.	Business Sector	2024 RKA (Rp)	2024 Realization	
			Number of Foster Partners	Total (Rp)
6	Others	374.000.000	19	454.000.000
Total		944.000.000	43	944.000.000

Based on KBUMN recommendations PUMK funds are channeled through BRI to be managed managed by BRI and rolledback to MSEs.

PUMK Program Distribution and Number of Fostered Partners Based on Distribution Areas in 2024

No.	Region	2024 RKA (Rp)	2024 Realization	
			Number of Foster Partners	Total (Rp)
1	North Sumatra	40	43	944.000.000
Total		40.	43	944.000.000

Goal 8: Decent Work and Economic Growth

Metadata TPB Ministry of National Development Planning/Bappenas		Company Support	
Target	Indicators	Realization in 2024	2025 Target
8.3	<p>Promote development policies that support productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small, and medium enterprises, including through access to financial services.</p> <p>8.3.1.[a] Proportion of MSMEs that access credit from formal financial institutions</p>	<p>Establishment of a nature school at the Sejarah Mangrove Beach Ecotourism Site with complete supporting facilities such as modules, teaching aids, information boards, educational packages, and learning videos</p>	<ul style="list-style-type: none"> • Distribution of funding to MSMEs through BRI amounting to IDR 13,000,000 • Provision of business equipment assistance to 100 MSMEs in 10 districts/cities located in ring-1 of the Company • Provision of promotional assistance to 100 MSMEs in 10 districts/cities located in ring-1 of the Company • Provision of capacity development assistance to 100 SMEs in 10 districts/cities located in the Company's ring-1 area

PUMK PERFORMANCE

The calculation of the loan repayment collectibility category in the INALUM Micro and Small Business Funding Program (PUMK) refers to the provisions in the Minister of SOEs Decree No. Kep-100/MBU/2002 dated July 4, 2002. Based on this, INALUM classifies the loan quality of Fostered Partners receiving MSE funding into four categories, namely: current, substandard, doubtful, and non-performing.

The receivables collectibility level reflects the extent to which fostered MSEs fulfill their obligations in repaying loans. The higher the level of collectibility, the smoother the loan repayment, which ultimately supports the sustainability of the program. INALUM is committed to maintaining an optimal level of collectibility so that PUMK funds can continue to roll out and provide wider benefits to fostered MSEs. PUMK performance is measured based on the effectiveness of fund distribution and the collectibility level, which directly reflects the amount of funds that have been successfully distributed and returned by fostered MSEs to support increasing their productivity.

Description	2022	2023	2024
Distribution Effectiveness	3%	95%	100%
Collectability of Receivables	28%	100%	99%



FOSTER PROGRAM

INALUM continues its commitment to fostering partners consisting of micro and small business actors (MSEs) to improve their business governance towards better and more sustainable practices. Through continuous coaching, INALUM encourages fostered partners to increase their business capacity to provide broader economic benefits to the surrounding communities.

The foster program is designed based on the conditions and challenges faced by the fostered MSEs by applying learning principles that are oriented to their specific needs. This approach ensures that each foster initiative can provide optimal and targeted impacts.

INALUM also optimizes this foster program by providing guidance and assistance to weaker economic groups, which is directed to achieve sustainable development goals in an integrated, directed, and measurable manner. Through the training provided, INALUM hopes to help fostered partners develop and move up a class.

As an Agent of Change, INALUM strives to strengthen the MSEs ecosystem with various initiatives, both in the BUMN ecosystem through the MSME Digital Market (PaDi) program, and other wider ecosystems. In addition, INALUM actively encourages fostered partners to innovate and increase their capacity by providing access to training, as well as opportunities to participate in trade and industry exhibitions. INALUM also encourages synergy and collaboration with other parties to provide a greater positive impact on the development of fostered partners. The Foster Partner Development Fund is part of the SER fund distribution program directed at increasing the capacity and capability of foster partners, in line with the Minister of SOEs Regulation Per-1/MBU/03/2023 concerning Special Assignments and SOE Social and Environmental Responsibility Programs. The implementation of the INALUM foster partner development program in 2024 was as follows:

Implementation of the 2024 MSME Development Program

Time	Coaching and Training Title	Location	Number of Participants
July 31, 2024	NIB management training and halal certification.	MPH Inalum, Batu Bara and Toba BUMN House	35 people
August 21 and 22, 2024	PIRT Management Training.	RM Buffet Mangga, Kab. Batu Bara	50 people.
August 11, 2024	UMKM Go - Global Workshop with the Indonesian Consulate General in Johor Bahru and Inalum BUMN House	Central Hand Craft, Samosir,	7 people
August 27, 2024	Cooking Class Workshop for MSMEs Associated with Inalum BUMN Houses and Medan BUMN Houses	Medan BUMN House	53 people
September 3 - 4, 2024	Master trainer bootcamp BUMN Houses	Grand Mall Hotel Medan	158 Facilitator (3 RB Inalum Facilitators)
September 10-13, 2024	Comparative Study of MSMEs Cooperative Water hyacinth at Bengok Craft, Central Java	Tuntang, Semarang	1 person

GROWTH OF UPGRADED FOSTERED MSEs

In line with the direction of the Ministry of State-Owned Enterprises (BUMN) to encourage the empowerment of MSMEs to be able to move up a class, INALUM continues to strive to increase the capacity of fostered MSMEs through various coaching programs that are carried out sustainably. Through innovation and breakthroughs in the TJSL Program, INALUM actively contributes to helping MSMEs face various business challenges and strengthen their competitiveness in the market.

During the reporting period, INALUM successfully supported the upgrade in business classes for 15 fostered partners. This achievement refers to the definition of Upgrading Fostered MSEs as stated in Attachment II of the Minister of SOEs Letter Number S-348/MBU/DSI/11/2022 concerning the Preparation

of the 2021 SOE SER Program. MSEs that upgrade their class are those that experience an increase in business capacity, marked by improvements in economic conditions and independence, and meet at least two of the following criteria:

1. Increase in the number of employees;
2. Increase in loan value;
3. Increase in production capacity;
4. Increase in turnover;
5. Involvement of local communities to produce products;
6. Marketing products outside the city/country;
7. Obtained a national/international certificate



FOSTER MSE PARTNERS SUCCESS STORIES



Success Story: Previously he was a very vocal critic, and had a lot of time to demonstrate against PT Inalum, but he had welding expertise as he had previously worked as a welder. With a humanist approach from the SER team, and the supply and business assistance in the workshop and welding sector, the business is finally growing, and has now grown into a limited liability company that employs 25 people, and has become a welding service provider vendor for large companies in the Kuala Tanjung industrial area. The current annual turnover consistently exceeds Rp3 billion.



Mr. OK Irwansyah, commonly known as Bang Andung, has been a partner of INALUM since 2016. Bang Andung's business operates in the welding and workshop sector, located in Lalang Village, Medang Deras Subdistrict, Batu Bara Regency. Since receiving a business loan, he has grown from working alone to now employing many employees to assist with his welding and workshop business. In addition to his welding and workshop business, Bang Andung has also expanded into the livestock sector, raising shrimp and goats for sacrifice. With the businesses he has established, Bang Andung has become one of the successful young people in the area who provide employment opportunities for those in need.

Foster Partner Name : Ok Irwansyah (Bang Andung)
 Products/Services : Welding Workshop
 Loan Amount : Rp 75.000.000,-
 Year of Loan : 2017
 Business Address : Lalang Village, Batu Bara Regency

Success Story: As a local broom stick craftsman focused on producing broom sticks from coconut tree fronds. I participated in business assistance and motivation, and finally decided to scale up my business by increasing the production and marketing development outside North Sumatra. I am now starting to produce fiber brooms as a product development/diversification, with monthly turnover of Rp 100,000,000, and have increased the number of employees from 2 people to 10 people.

Testimonial: "I am very grateful I was able to gain access to capital and business assistance from the PT Inalum PUMK program, at that time my capital was restricted for my business operations, and my knowledge about the business world was still very limited. After joining as a fostered partner, I received routine assistance so that the obstacles that I faced could be resolved, so that now I have become very independent and can employ 25 employees. Thank you for being a BUMN that is concerned with small businesses"





I received a loan from the PUMK PT INALUM program when I really needed it, because at that time my business was facing obstacles in increasing production capacity, where demand for products was very high but we were unable to meet it. Alhamdulillah, after meeting with TJSL PT INALUM, I found a solution and now my business has grown to the point where I am marketing outside the province of North Sumatra.

Foster Partner Name : Subari
 Products/Services : Making Sapu Lidi
 Loan Amount : Rp 100.000.000,-
 Year of Loan : 2018
 Business Address : Bandar Masilam Village, Simalungun Regency

No.	Program	Program Location	Business Unit Location	Implementation Steps	Program Achievements	Description	Budget Realization	SROI Calculation
1.	Edu Ecotourism Historical Mangrove Beach	Perupuk Village	Smelter Plant Kuala Tanjung	<ul style="list-style-type: none"> Mangrove Conservation Mangrove Flower Batik Products Mangrove Park Edu Eco Tourism Biofloc Inland Fisheries. Waste Bank Nature School 	<ul style="list-style-type: none"> Economy: 44.7 percent of households are classified as poor Social: Social deviation (prostitution, drugs, alcohol, etc.) Environment: Recovery of mangrove forests and increase in land area on the Historic Coast Wellbeing: Increased knowledge and awareness to protect the environment is proven by: <ul style="list-style-type: none"> 25 people no longer hunt migratory birds 19 people no longer cut down mangroves 	The program supported the achievement of Green PROPER 2023, and Gold PROPER 2024....	Rp2.740.630.000,-	SROI 1:8,00



No.	Program	Program Location	Business Unit Location	Implementation Steps	Program Achievements	Description	Budget Realization	SROI Calculation
2.	Eco-Cultural Tourism Meat Village	Meat Village	Power Plant Paritohan	<ul style="list-style-type: none"> Development of Dance Studio Preparation of Culture tourism Preparation of Tourism Infrastructure Facilities Ecotourism of Meat Village Zero Carbon Village. 	<ul style="list-style-type: none"> Increase in income for vulnerable groups (2 Youth) by Rp 1,000,000 Increase in income for vulnerable groups (10 weavers) by Rp 2,900,000. Increase in income for vulnerable groups (10 Housewives, 1 Elderly, & 1 Honorary Teacher) by Rp 1,000,000 	The program supported the achievement of PROPER Gold 2023, and PROPER Green 2024	Rp1.499.889.500,-	SROI 1:2,34
3.	Scholarships with Karya Salemba Empat (KSE)	North Sumatra Province	Smelter Plant Kuala Tanjung dan Power Plant Paritohan	<ul style="list-style-type: none"> Initial selection of scholarship recipients and provision of training and INALUM Leadership Camp I Extension and acceptance of phase II scholarships and INALUM Leadership Camp II Extension and acceptance of phase III scholarships Renewal of MoU between INALUM and KSE Distribution of scholarship funds to 100 people. INALUM Scholarship Camp I Batch II activities. Interviews of new prospective participants. Alumni gathering, community service, & MSME workshop 	<ul style="list-style-type: none"> As of December 31, 2024, the total number of scholarship recipients was 345, with 103 of them already working. Based on monitoring conducted by the Company, 76% of INALUM Strata 1 scholarship recipients have increased their GPA. 	Still running until now with KSE	Rp1.073.978.512,-	SROI 1:1,12
4	BUMN House	Toba, Samosir, and Humbahas Districts	Power Plant Paritohan	<ul style="list-style-type: none"> Survey of BUMN House location BUMN House design BUMN House management recruitment MSE product curation BUMN House Operations: Product marketing and business training. 	<ul style="list-style-type: none"> There are 3 BUMN houses and 1 MSE Corner Gallery. 	The program continues to this day	Rp 860.785.434,-	SROI 1:2,11



No.	Program	Program Location	Business Unit Location	Implementation Steps	Program Achievements	Description	Budget Realization	SROI Calculation
5	Sawah Raja Tourism	Sei Raja Village	Smelter Plant Kuala Tanjung	<ul style="list-style-type: none"> Initial program landscaping Comparative study Construction of facilities and procurement of MSMEs Agricultural cooperatives Inclusive rice field tourism Establishment of village markets 	<ul style="list-style-type: none"> Chosen as a National Inclusive Village Champion of Hope 1 Tourism Village Batu Bara Regency Ranked 1 UP2K Model Village, and became the Hope 1 provincial ranking 	The program continues and reaches more and more beneficiaries	Rp 75.000.000,-	SROI 1:1,97
6	Sari Larva Berdaya (Maggot Cultivation)	Kuala Tanjung Village	Smelter Plant Kuala Tanjung	<ul style="list-style-type: none"> Utilization of canteen waste for poultry farming animal feed Empowerment of Karamg Taruna Desa Kuala Tanjung Formation of empowered larvae livestock groups Improvement of infrastructure and increasing business scale Integrated Maggot House Sustainable livestock 	<ul style="list-style-type: none"> Saving livestock feed and increasing group income Reducing pollution from burning waste Some of the remaining waste becomes fertilizer Fostering a sense of concern for environmental sustainability Increasing knowledge 	The program continues to grow and currently the establishment of Kuta Berseri Waste Bank and the swallow house	Rp 50.000.000,-	SROI 1:7,13
7	Lalang Village MSME	Lalang Village	Smelter Plant Kuala Tanjung	<ul style="list-style-type: none"> Soft business capital loans Grant assistance for business equipment Assistance for livestock cultivation breeding Pond rehabilitation Business training Product promotion 	<ul style="list-style-type: none"> Produced changes in increasing community income 	One of the MSEs is increasingly growing independently, even becoming a PT that supplies the needs of PT INALUM as a manifestation of CSV.	Rp 80.000.000,-	SROI 1:2,36



No.	Program	Program Location	Business Unit Location	Implementation Steps	Program Achievements	Description	Budget Realization	SROI Calculation
8	Lubuk Cuik Village Chili Barn Program	Lubuk Cuik Village	Smelter Plant Kuala Tanjung	<ul style="list-style-type: none"> Construction of two connecting irrigation lines, 350 meters and 200 meters long. Distribution of Partnership Funds for 3 years to strengthen capital Provision of Fertilizer Assistance and Agricultural Production Facilities Development of KWT and Business Groups for Processing Derivative Products (Dried Chili, Sauce, etc.) Empowerment of Youth Groups for Product Marketing and Promotion of Village Potential Development of Potential Village Tourism 	<ul style="list-style-type: none"> This irrigation network was able to overcome the problem of water overflow in irrigation channels and created an even distribution of irrigation in agricultural land, thereby increasing productivity by around 40%, or 34 ha of the total 85 ha of chili farming land. Derivative Product Development was able to absorb 500 kg of Fresh Chili when chili prices plummet, derivative products are durable and can be marketed widely 	Supported the acquisition of PROPER Gold in 2022 and has been included in the exit strategy plan.	Rp 442.500.000,-	SROI 1:40,17

OPERATIONS WITH LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENT AND DEVELOPMENT PROGRAMS [GRI 413-1]

When measuring the impact of implemented programs, INALUM adopted the Social Return on Investment (SROI) measurement method. This method is a technique used to measure the benefits of social investments made by the Company. The SROI approach focuses on stakeholders and aims to comprehensively assess the total impact and benefits of the Company’s social responsibility programs. Through this assessment, INALUM can identify and communicate the positive and negative social and environmental impacts generated, so that the effectiveness of the program can continue to be improved.

Ecotourism Historical Mangrove Beach

SROI Ratio Value 1:8,00

The utilization of mangrove ecotourism locations was driven by parties such as INALUM, Proper Consultants and the Kelompok Tani Cinta Mangrove itself with the aim of aligning Education, Tourism, and Technology for Environmental Conservation. This program aims to inspire environmental awareness, ecological knowledge, and sustainable educational tourism directly at the mangrove forest locations. The establishment of a nature school requires supporting facilities and infrastructure such as modules, teaching aids, information boards, educational packages, and learning videos that will be presented to nature school participants, and requires the formation of a driving team. This can also increase educational tourism visits to the Historical Beach Mangrove Ecotourism.

Goal 8: Decent Work and Economic Growth

Metadata TPB Ministry of National Development Planning/Bappenas		Company Support
Target	Indicators	Realization in 2024
8.9 By 2030, formulate and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products	8.9.1.[b] Number of tourist trips Nusantara.	Establishment of an outdoor school at Pantai Sejarah Mangrove Ecotourism Site with complete supporting facilities such as modules, teaching aids, information boards, educational packages, and learning videos



Eco-Cultural Tourism Meat Village

SROI Ratio Value: 1:2,34

Exploring the noble values of the customs and culture of the Batak people in the Meat tourism village located on the edge of Lake Toba to increase the attraction for local and foreign tourists to visit this village, thus increasing the income of the village community through the tourism sector while maintaining the sustainability of ancestral customs and culture.

Goal 12: Responsible Consumption and Production

Metadata TPB Ministry of National Development Planning/ Bappenas		Company Support	
Target	Indicators	Realization in 2024	2025 Target
12.b Develop and implement tools to monitor the impact of sustainable development on sustainable tourism that creates jobs and promotes local culture and products	2.b.1.(a) Number of locations implementing sustainable tourism development	Providing a central space for family-friendly tourist entertainment for the local community based on indigenous culture	Making Meat Village a Leading Tourist Destination in Toba Regency

Scholarships with Karya Salemba Empat (KSE)

SROI Ratio Value: 1:1,12

As an effort by PT INALUM to support improvements in the quality of education for students in 3 campuses in North Sumatra (USU, UNIMED, and UISU), considering there are still many students in Semester 3 from underprivileged families in North Sumatra whose GPA scores have decreased due to lack of focus on studying as they have to divide their time while working, This program is also an appreciation and motivation for students who have struggled so they get good achievements both academically and non-academically.

overcome the problem of water overflow along the irrigation lines and create an even distribution of irrigation in agricultural land, thereby increasing productivity by around 40%, or 34 ha of the total 85 ha of chili farming land. This village is one of the villages along the Company’s transmission line network (sutet tower), so optimal engagement is needed so the community has respect and a sense of belonging to the Company.

Goal 4: Quality Education

TPB Metadata Ministry of National Development Planning/ Bappenas		Support Company
Target	Indicators	Realization in 2024
4.3 By 2030, ensure equal access for all women and men to technical, vocational and higher education, including university, that is affordable and of high quality.	4.3.1.[a] Number Participation Rate (APK) Higher Education Institutions (PT)	Provision of scholarships for students at 3 campuses in North Sumatra (USU, UNIMED, and UISU)

Lubuk Cuik Village Chili Barn Program

SROI Ratio Value: 1:40,17

Starting with efforts to overcome farmers’ vulnerability to flooding, the Company was involved in providing assistance for the construction of two connecting irrigation lines, each 350 meters and 200 meters long. This irrigation network will

Goal 2: Zero Hunger

TPB Metadata Ministry of National Development Planning/ Bappenas		Support Company
Target	Indicators	Realization in 2024
2.4 By 2030, ensure sustainable food production systems and adopt resilient agricultural practices that increase production and productivity, help preserve ecosystems, strengthen adaptation capacity to climate change, extreme weather, drought, floods, and other disasters, as well as progressively improving soil and land quality.	2.4.1* Proportion of productive and sustainable agricultural	Assistance for the construction of two connecting irrigation channels with lengths of 350 meters and 200 meters, respectively. This irrigation network is able to overcome the problem of overflowing water in the irrigation channels and has resulted in equal distribution of irrigation in agricultural land, thereby increasing productivity by approximately 40% or 34 hectares out of the total 85 hectares of chili farming land.



Sari Larva Berdaya (Maggot Cultivation)

SROI Ratio Value: 1:7,13

Unused canteen waste from PT INALUM (Persero) is destroyed by burning that requires daily operating costs for the incinerator.

The Company looks to find solutions to optimize the use of canteen waste so that it has added value for the surrounding community while reducing the cost of burning canteen food waste. With the Community Group from the Karang Taruna of Kuala Tanjung Village, they finally succeeded in processing and utilizing the remaining waste from the INALUM canteen into a medium for breeding super fly larvae (maggots) that are then processed into highly nutritious pellets as animal feed (ducks, catfish, and chickens).

Goal 11: Sustainable Cities and Communities

TPB Metadata Ministry of National Development Planning/ Bappenas		Support Company
Target	Indicators	Realization in 2024
11.6 By 2030, reduce per capita harmful urban environmental impacts, including by giving special attention to air quality, including municipal waste management	11.6.1 Proportion of urban solid waste collected	The use of super maggots as decomposers of cafeteria waste, which is then processed into high-nutrient pellets as animal feed (ducks, catfish, and chickens).

ORGANIZATION AND AFFECTED POPULATIONS



INALUM ensures that all operational activities consider the impact on the organization and people living around the operational area. The Company is committed to minimizing negative impacts and optimizing benefits for affected communities through SER/CSR programs. The affected people includes communities around production facilities, including indigenous groups, micro and small businesses, and workers in related sectors. Through active engagement with stakeholders, INALUM continues to create a balance between business growth and the socio-economic sustainability of the surrounding community.

As a realization of the responsibility to the community, as well as to anticipate if there is any impact on the community, INALUM maintains harmonious relations with the surrounding community through effective complaint handling governance. The Company provides transparent and responsive communication channels for the community to submit complaints, suggestions, or requests for information related to the Company's operations. Every complaint received is handled professionally and in a timely manner, with the aim of achieving a solution that satisfies all parties. This proactive approach not only increases public trust in INALUM, but also ensures that the company's operations are in line with the interests and welfare of the local community.

OPERATIONS THAT HAVE ACTUAL OR POTENTIAL SIGNIFICANT NEGATIVE IMPACTS ON LOCAL COMMUNITIES [GRI 413-2]

The Company understands that its operational activities have the potential to cause impacts on local communities, both actual and potential. Negative impacts that may arise include changes in environmental quality, disruption to community socio-economic activities, and potential health and safety risks. Therefore, INALUM proactively implements risk mitigation policies through strict environmental management, social responsibility programs, and open dialogue with affected communities. The Company also conducts periodic monitoring and evaluation to ensure that negative impacts can be minimized, and is committed to handling any complaints that arise in a transparent and responsible manner.

No.	Potential actual and potential negative impacts	Impacted locations	Impact mitigation
1	The water level of Lake Toba is affected by the presence of the INALUM Hydroelectric Power Plant Dam.	Around Lake Toba	People's garden seedling program and tree planting on critical land around Lake Toba DTA
2	Villages close to the INALUM electricity tower transmission from the Hydroelectric Power Plant to the Smelter cannot plant oil palm/coconut/other tall trees that could interfere with the INALUM transmission line.	Along the PT INALUM transmission line/electricity tower	Farmer empowerment program in areas passed by transmission Development of Fostered Villages for Lubuk Cuik Village chili barn



No.	Potential actual and potential negative impacts	Impacted locations	Impact mitigation
3	The flow and discharge of water in the Asahan River is affected by the presence of the INALUM Hydroelectric Dam.	Villages through which the Asahan River passes	Development of Rafting tourism on the Asahan River and Asahan River Basin (DAS) Conservation Program
4	The presence of INALUM Port in the smelter plant area makes Fishermen's Access limited in certain zones so as not to disrupt the Company's operational activities.	Coastal villages around the PT INALUM Port	Installation of artificial coral reefs for traditional fishermen, fish ponds for buying and selling marine catches as well as supplying fish to INALUM canteens, and assistance with boats and fishing gear for traditional fishermen

PROGRAMS INVOLVING THE COMMUNITY

INALUM actively implements programs that involve the community as part of its commitment to sustainable development. These programs are designed to improve the social and economic welfare of the surrounding community through initiatives in education, health, environment, and economic empowerment. These include scholarship programs, skills training, support for micro and small enterprises (MSEs), and environmental rehabilitation such as mangrove planting and biodiversity conservation. By directly involving the community, INALUM ensures that every program implemented provides real and sustainable benefits, and is in line with the needs and aspirations of the local community.

Human Rights

INCIDENTS OF VIOLATIONS INVOLVING THE RIGHTS OF INDIGENOUS PEOPLES

INALUM is committed to respecting the rights of indigenous peoples, especially those living around the Company's operational areas. As a manifestation of this commitment, INALUM has adopted the Policy on Human Rights (HAM) that includes the protection of indigenous peoples' rights, preservation of local culture, and protection of customary rights. [\[GRI 3-3\]](#)

INALUM has also implemented the Policy on Community Development and Empowerment that specifically focuses on the development and involvement of indigenous communities in social and economic programs. This commitment has resulted in no incidents related to violations of indigenous peoples' rights in the reporting year. Furthermore, INALUM will continue to strengthen the complaint mechanism and increase internal awareness regarding respect for indigenous peoples' rights to ensure the sustainability of inclusive and responsible business. [\[GRI 411-1\]](#)

HUMAN RIGHTS IMPACT ASSESSMENT

INALUM is committed to respecting and protecting Human Rights (HAM) in every aspect of its operations. As part of this effort, the Company periodically conducts human rights impact assessments to identify, prevent, and mitigate risks that may arise for employees, local communities, and other stakeholders. This assessment covers employment, indigenous peoples' rights, access to a healthy environment, and responsible business practices. The assessment results are used as the basis for designing sustainability policies and programs that are more inclusive and oriented towards shared prosperity. INALUM continues to increase internal awareness and capacity regarding human rights so that the Company's operations are always in line with sustainability principles and international standards.

The results of the Human Rights (HAM) impact assessment in the reporting year showed that the Company has carried out its operations by paying attention to human rights principles and minimizing the risk of violations. This assessment covers aspects of employment, relations with local communities, and compliance with regulations related to human rights.



HUMAN RIGHTS DUE DILIGENCE

INALUM proactively carries out Human Rights (HAM) due diligence to ensure that all of its operational activities (100%) are carried out in accordance with internationally recognized human rights principles. This process includes identification, assessment, and mitigation of potential risks that may impact employees, surrounding communities, and other stakeholders. Due diligence is carried out through regular monitoring, dialogue with communities, and supply chain evaluations to ensure responsible business practices that are free from human rights violations. The due diligence results are used as the basis for formulating policies, improving processes, and strengthening the Company's commitment to creating a more inclusive, fair, and sustainable work and social environment.

As part of its commitment to human rights, INALUM has conducted due diligence by an independent third party at the end of 2022 to assess the Company's compliance with its responsibility to respect human rights in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs).

To ensure transparency and openness, INALUM provides a complaint channel for the public and other stakeholders related to human rights via email corsec@inalum.id. However, in the reporting year, there were no human rights-related complaints. [GRI 411-1, 2-23] [EM-MM-210b.1] [ASI 2.6]

MANAGEMENT OF PUBLIC COMPLAINTS HANDLING

INALUM has instigated transparent, responsive, and sustainable public complaint handling governance to ensure that every aspiration, complaint, and request for information from stakeholders can be followed up effectively. In addition to visiting the Company address directly, the complaint mechanism includes channels such as telephone, fax, email, website/site, Whistleblowing System, and social media (Instagram, Twitter, Facebook, and YouTube). Each complaint received is recorded, verified, and followed up in accordance with established procedures, with the aim of providing solutions that have a positive impact for all parties. INALUM also periodically evaluates the effectiveness of the complaint handling system to increase openness and build harmonious relationships with the community around the operational area.

LAND USE ISSUES

The company is committed to managing land use responsibly by considering legal aspects, environmental sustainability, and the welfare of the surrounding community. For every operational activity involving land use, INALUM ensures compliance with applicable regulations and consults with stakeholders to minimize potential conflicts. The Company also continues to prioritize the principles of transparency and prudence in land management, including the aspects of licensing, land use, and efforts to mitigate environmental and social impacts. If there are problems related to land use, INALUM seeks to resolve them through constructive dialogue with the community and working with authorities to achieve fair and sustainable solutions. This commitment has brought positive results with no land use problems involving INALUM in 2024.

▶ Stakeholder Relations [OJK E.4] [GRI 2-29]

APPROACH TO STAKEHOLDER ENGAGEMENT

When carrying out its operations, INALUM strives to provide a positive impact on the community and environment around its operational areas. The Company is committed to contributing to building a better social life and preserving the environment, in line with the principles of sustainability that is held in high esteem.

This commitment is realized through the Social and Environmental Responsibility (SER) or Corporate Social Responsibility (CSR) program, which are designed to optimize added value for stakeholders and minimize the negative impact of the Company's activities. In its implementation, INALUM's SER/CSR programs involve the active participation of local communities and other stakeholders to create a broader and more sustainable impact.

INALUM believes that harmonious relationships and real benefits for the community will contribute to shared prosperity, while strengthening the Company's positive image. With a spirit of sustainability, INALUM is committed to growing together with the surrounding communities, and participating in supporting government policies that are in line with the Sustainable Development Goals (SDGs). [OJK F.23]

Stakeholder List, Engagement Methods, Frequency, Topics Raised by Stakeholders

Stakeholders	Method of Engagement	Frequency	Key Topics Raised
Shareholders	Information and Engagement: <ul style="list-style-type: none"> Regular publications such as annual reports, quarterly financial reports, quarterly exploration reports, and websites. Multi-stakeholder forums. Holding GMS (General Meeting of Shareholders). 	At least once a year.	Accountability for the Company's economic, environmental and social performance.
Customers	Information and Consultation Provision: <ul style="list-style-type: none"> Preparation of commercial contracts for product sales with guarantees of product quality, continuity of supply, and delivery accuracy. Regular meetings with consumers and customer satisfaction surveys at least once a year. 	Anytime when needed.	Product/service quality Commercial relations/ customer retention
Employees & Trade Unions	Information Provision, Consultation, Negotiation, and Engagement: <ul style="list-style-type: none"> Corporate bulletins, business unit bulletins, communication via email, intranet, website, social media, instant messaging. Employee engagement surveys, including culture, satisfaction, perception, understanding of the Collective Labor Agreement, etc. Preparation and determination of the Collective Labor Agreement for a period of 2 (two) years and its derivative regulations that include provisions related to the rights and obligations of the Company and all employees in accordance with the relationship between employees. Bipartite LKS and Quarterly Meeting between management and labor unions. 	Every month and when needed.	OHS Performance Employee Welfare



Stakeholder List, Engagement Methods, Frequency, Topics Raised by Stakeholders

Stakeholders	Method of Engagement	Frequency	Key Topics Raised
Central and Regional Governments, and Legislative Members	<p>Stakeholder Relationship Development:</p> <ul style="list-style-type: none"> • Providing input to the government on policies and regulations. • Routine reporting such as AMDAL, RKTTL, Post-Mining Plan, quarterly reports to OJK, etc., and the website. • Consultation with Ministries/Institutions and agencies, public consultation. • Development Planning Deliberation (Musrenbang) with local governments; Payment of taxes, PNBP, and other obligations to the State. • Integration of Government representatives in the Company's Board of Commissioners. 	Every month and when needed.	<p>Community empowerment through SER/PPM programs</p> <p>Payment of taxes and obligations to the state</p>
Contractors & Other Partners	<p>Information and Collaboration:</p> <ul style="list-style-type: none"> • Organizing regular work contract tenders in an open and transparent manner; work contract documents that contain compliance with the law, including aspects of OHS, and the environment. • Implementation of joint projects: routine coordination with the Police and TNI regarding asset security and law enforcement. 	Anytime when needed.	<p>Transparency in procurement of goods and services</p> <p>Economic, social and environmental performance</p> <p>Asset security</p>
Mass Media	<p>Monitoring, Informing, Consulting, and Engagement:</p> <ul style="list-style-type: none"> • Daily media monitoring • Routine information delivery through media releases and press conferences as needed; providing interview opportunities • Company Website 	Anytime when needed.	<p>Socialization and distribution of SER Program funds</p> <p>Community assistance and empowerment</p> <p>Management of the economic, social, and environmental impacts of the mining industry</p> <p>Compliance with Regulations</p>
Community	<p>Information, Consultation, and Engagement:</p> <ul style="list-style-type: none"> • Engagement, Collaboration, and Empowerment • AMDAL socialization; regular meetings with community members; reports; • Receiving community input in the AMDAL process; Participation in Development Planning Deliberations (Musrenbang) with the community and local government • Information on local business and employment opportunities • Community involvement in planning, implementation, monitoring and evaluation of SER and community development • Cooperation in multi-stakeholder initiatives with the community • Integration of community representatives (Independent Commissioners) into the Board of Commissioners 	Anytime when needed.	<p>Socialization and implementation of SER programs.</p> <p>Community assistance and empowerment.</p> <p>Management of economic, social, and environmental impacts.</p>



Stakeholder List, Engagement Methods, Frequency, Topics Raised by Stakeholders

Stakeholders	Method of Engagement	Frequency	Key Topics Raised
Non-Governmental Organizations	Information Provision, Consultation, and Collaboration: <ul style="list-style-type: none"> • AMDAL socialization, reports, websites • Public consultation • Social research cooperation, mentoring cooperation, and community empowerment 	Anytime when needed.	Community assistance and empowerment. Management of economic, social, and environmental impacts of the mining industry.
Industry, Mining Businesses, & Business Associations	Advocacy, Information Provision, Consultation, and Collaboration: <ul style="list-style-type: none"> • Providing input to the government • Website, presentations at seminars and conferences • Public consultations • Joint project implementation, and capacity building, as needed 	Anytime when needed.	Implementation of Good Mining Practices Negative perception of the mining sector Mining regulations

COMPLAINTS AND REQUESTS FOR INFORMATION FROM STAKEHOLDERS

As a form of transparency and accountability when carrying out its operational activities, INALUM provides a clear and responsive mechanism to accommodate complaints and requests for information from stakeholders. Every complaint and request for information received, whether from the public, business partners, or other related parties, is recorded and followed up in accordance with applicable procedures. INALUM ensures that all input is handled professionally, objectively, and in a timely manner to maintain trust and improve the quality of services and programs run. In addition, the Company actively communicates sustainability policies, programs, and performance through information channels so that all stakeholders have adequate access to relevant information.

Complaints and requests for information from stakeholders can be submitted directly to the INALUM office or through channels provided by the Company, namely telephone, fax, email, website/site, Whistleblowing System, or social media (Instagram, Twitter, Facebook, and YouTube). As of December 31, 2024, INALUM received 6 (six) reports through the Whistleblowing System. Of that number, 3 (three) reports met the criteria and/or were followed up and 3 (three) were not followed up as the reports were outside the scope of the reporting category





Pillar 5

Economic Development

▶ Best Economic Achievements [OJK F.2] [EM-MM-000.A]

Description	Unit	2024		2023		2022	
		Target	Realization	Target	Realization	Target	Realization
Production	Ton	274.140	274.230	209.719	214.883	229.782	223.774
Revenue	USD Ribu	714.015	716.987	602.840	544.848	473.309	570.524
Net Profit	USD Ribu	38.752	123.717	-41.191	475.830	65.298	1.512.693
Investing in the communities	Rp Juta	43.589	42.462	37.287	34.570	37.742	32.845

Economic Impact

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED [GRI 201-1]

Description	In Thousand USD		
	2024	2023	2022
Economic Value Generated			
Net Revenue	716.987	544.848	570.524
Other Revenue	36.258	503.555	1.511.892
Total Economic Value Generated	753.245	1.048.403	2.082.402
Economic Value Distributed			
Operational Costs	480.320	453.349	471.825
Employee salaries and other benefits	76.091	68.632	53.945
Total payments to investors	-	-	-
Expenditures for government obligations (taxes, royalties, etc.)	60.614	41.426	40.407
Expenditures to the Community: for Community Development	4.342	4.495	2.784
Other Expenses	8.162	4.671	762
Total Economic Value Distributed	629.528	572.573	569.723
Economic Value Retained	123.717	475.830	1.512.693



As shown in the table above, the economic value generated in 2024 decreased by USD 295,157 thousand, or -28% compared to 2023. The economic value generated by the Company consists of Operating Revenue, Financial Revenue, Other Revenue, and the portion of Net Profits from Associated Entities. The resulting decline in economic value was influenced by one of the impacts of the reorganization between INALUM and MIND ID.

While, the economic value distributed increased by USD 56,956 thousand, or 10% compared to 2023. The increase was due to the Company's economic value distributed including operational costs such as salaries, wages, allowances; payments to shareholders in the form of dividends; interest payments to creditors; payments of taxes, levies, and royalties to the government; and financing of the Social and Environmental Responsibility (SER) program for community empowerment.

Based on the economic value generated and distributed, INALUM recorded an economic value retained of USD 123,717 thousand, a decrease of USD 352,113 thousand, or -74% compared to the 2023 acquisition. The economic value retained is the difference between the economic value generated minus the economic value distributed.

The implementation of sustainable programs has had a financial impact on the Company, based on the composition of Cash Cost (a measure of the Company's operating costs per unit of production) at the end of 2024, the Company is in Quadrant 1 based on the mapping of cash costs for the global aluminum smelter scale.

INALUM's economic value achievement in 2024 reflects the accuracy and implementation of strategic policies and initiatives stated in the 2024 Company Work and Budget Plan (RKAP). The strategic policies and initiatives are as follows:

1. Increasing the Company's revenue and net profit by increasing production capacity to 274 kt through the Pot Upgrading.
2. Implementing the government's mandate by increasing the competitiveness of the national industry and strengthening the sustainability-based aluminium industry ecosystem.
3. Increasing the net profit from non-core business including asset management and Subsidiaries to create a more resilient and adaptive business portfolio based on market dynamics.
4. Improving Systems and Cost Efficiency in all business processes of the Company to increase productivity and reduce operational costs while still prioritizing work safety and strengthening good governance.
5. Supporting infrastructure improvements for operational activities to ensure smooth production and business expansion.

In line with efforts to strengthen its best performance, INALUM continues to strengthen its commitment to maintaining product quality that meets international standards. The Company's main products are aluminium products that are sold on the domestic market and exported to the global market. To ensure product quality is maintained, the Company meets the requirements for quality standards, environmental management standards, work safety and energy management standards during the entire production processes. INALUM's seriousness in product quality is reflected in the achievement of the Aluminium Stewardship Initiative certification.

The productivity of the Company's products in 2024 is as follows: [\[OJK F.2\]](#)

Aluminium Product	Unit of Measurement	2024		2023		2022	
		Target	Realization	Target	Realization	Target	Realization
Primary							
Ingot	Ton	197.302	229.813	164.364	166.700	175.930	172.516
Alloy	Ton	39.420	21.672	24.713	23.322	24.410	22.806
Billet	Ton	29.237	21.589	20.642	24.861	29.441	28.452
Aluminum cair	Ton	8.181	1.156		0		
Sub Total	Ton	274.140	274.230	209.719	214.883	229.782	223.774
Secondary							
Billet Secondary	Ton	27.020	1.222	16.070	248	-	-



In addition to recording optimal economic performance achievements, as a Company that supports sustainability, INALUM carries out financing or investment programs on instruments or projects in line with the sustainable activities. The criteria for financing, investment or project programs in line with sustainable activities are as follows:

1. Prioritizing efforts for efficiency and effectiveness in the use of natural resources in a sustainable manner;
2. Preventing/limiting/reducing/repairing environmental damage, increased pollution, waste, ecosystem damage, and social injustices/inequalities; or
3. Providing solutions for communities facing the impact of climate change.

Based on the above criteria, INALUM financing or investment projects in accordance with the principles of sustainable are as follows: [OJK F.3]

Program	2024		2022		2023	
	Target	Realization	Target	Realization	Target	Realization
Social and Environmental Responsibility Program (SER)	43.589	42.462	37.742	32.845	37.287	34.570

In Thousand USD

INFRASTRUCTURE INVESTMENT AND SERVICE SUPPORT [GRI 203-1]

As part of its contribution to sustainable development, INALUM invests in infrastructure that supports the Company's operations while at the same time provides benefits to the surrounding communities. These investments include development and maintenance of infrastructure facilities/infrastructure such as roads, bridges, electricity networks, and clean water facilities around the Company's operational areas. INALUM also supports the construction of public facilities such as schools, health centers, and places of worship to improve the quality of life of the local communities. This investment is not only intended to support the smooth running of the Company's business activities, but also to provide a positive impact on social and economic welfare in its operational areas. The Company provides infrastructure investment programs free of charge (pro bono) so the public can use them as much as possible.

Infrastructure investments and service support carried out by INALUM in 2024 were as follows:

Infrastructure Facilities	Infrastructure Investment and Support Services for Communities
Education Facilities	<ol style="list-style-type: none"> 1. School Building Repairs, 2. School Furniture (Chairs and Tables), 3. Scholarships for High School Education, Diploma 1 Mining Community Academy, and Strata 1 in collaboration with Karya Salemba Empat, 4. PAUD Development on the edge of the INATA market: INALUM and Balita, and Smart Kids and Bintang Harapan educational facilities for Children with Special Needs, 5. Teacher Training in collaboration with the Education Office for Inclusive education, especially for ABK, 6. Training for the community (High OHS training for youth, Sewing training for PKK, Processing shells for calcium products)
Place of worship Facilities	Renovating Mosques and Churches around the smelters, hydroelectric power plants, and along the area around the INALUM electricity transmission line.
Infrastructure Facilities	<ol style="list-style-type: none"> 1. Developing the Kuala Tanjung Foster Village through the Kuala Tanjung Village Tourism Awareness Group (POKDARWIS) for the Construction of a Children's Swimming Pool and Supporting Facilities. 2. Developing the Sei Raja Foster Village in the Sei Raja Foster Village Market and Walkways 3. Constructing an Orphanage in Batu Bara Regency.. 4. Constructing a Bridge in Lalang Village 5. Constructing the Lumbang Cabe Village Gate in Lubuk Cuik Village

Infrastructure Facilities	Infrastructure Investment and Support Services for Communities
Health Facilities	<ol style="list-style-type: none"> 1. Supporting Posyandu facilities 2. Free Cataract Surgery for the Elderly 3. Preventing Stunting and Malnutrition in Toddlers 4. Assisting in Procurement of 3 (three) Electric Beds at Tanjung Balai City Hospital 5. Assisting with Ambulance for public services....
Other Facilities	Sports Facilities for the Communities
Environmental Facilities	<ol style="list-style-type: none"> 1. Developing Perupuk Fostered Village by Establishing an Integrated Digital Based Edu-Eco Tourism Nature School in Mangrove Pantai Sejarah 2. Assisting the Karo Regency City Government with 2 motorized vehicles for transporting garbage and 1 (one) garbage container bin 3. Assisting the Villages in Batu Bara Regency with Trash Bins 4. Waste Bank Program in Kuala Tanjung Village, Bogak Village, and Perupuk Village

In addition to infrastructure investment, INALUM also provides service support for the community, through social responsibility programs and collaboration with the government and institutions/ third parties. These programs include skills training for local communities, MSME-based economic empowerment programs, and free health services for the surrounding communities. Through these initiatives, INALUM seeks to create added value for stakeholders by encouraging inclusive and sustainable economic development.

To determine the infrastructure investment program impact and effectiveness and the service support provided, INALUM regularly conducts Social Return on Investment (ROI) surveys that includes analysis of the economic, social, and environmental benefits generated, both for the Company and the surrounding communities. The survey results are used as the basis for designing a more targeted program strategy, ensuring that every infrastructure and service developed provides long-term benefits and increases productivity, community welfare, and the sustainability of INALUM operations.

In 2024, the programs surveyed were as follows:

No.	Program Name	SROI Value
1.	Edu Historical Mangrove Beach Ecotourism	SROI 1:8.00
2.	Eco-Cultural Meat Village Tourism	SROI 1:2.34
3.	Scholarships with Karya Salemba Empat (KSE)	SROI 1:1.12
4.	BUMN House	SROI 1:2.11

For INALUM, the infrastructure investment and service support program creates a momentum for involving the communities and other stakeholders, including receiving complaints or grievances arising from the Company’s operations. As well as submitting them directly, public complaints can be submitted through the channels provided by the Company, namely telephone, fax, email, website/site, whistleblowing system, or social media (Instagram, Twitter, Facebook, and YouTube). By December 31, 2024, INALUM had received 6 (six) reports through the Whistleblowing System. Of that number, 3 (three) reports met the criteria and/or have been followed up, and 3 (three) were not followed up as the reports were outside the scope of the reporting category. [\[OJK F.24\]](#)

SIGNIFICANT INDIRECT ECONOMIC IMPACT [\[GRI 203-2\]](#)

INALUM’s presence has significant indirect economic impact on the surrounding communities through the providing employment, economic growth and infrastructure development. In addition to creating centers of economic growth in the surrounding areas, INALUM also provides employment and opens up opportunities for local entrepreneurs to become goods and services suppliers. Through the Social and Environmental Responsibility (SER)/ Corporate Social Responsibility (CSR) programs, the Company also contributes to the construction of public facilities such as roads, schools and places of worship, which all have a positive impact on the level of community welfare.



Furthermore, the infrastructure development carried out by INALUM has attracted the attention of local investors and entrepreneurs to open new businesses, thereby expanding business opportunities for the community. This not only improves individual welfare but also contributes to the overall economic growth in the region. In addition to optimizing aluminium production operations, INALUM also realizes its commitment so that its existence provides a broad positive impact on the surrounding communities through sustainable economic development.

INALUM's significant indirect economic impact existence is also felt by the community through community empowerment programs. These programs include providing scholarships, funding and development of MSEs, developing tourist villages, providing business capital loans, environmental conservation, and others. More complete information on the INALUM programs can be found in the Company's 2024 TJSJ Report, which is published separately.

APPROACH TO TAX [GRI 207-1]

INALUM applies a transparent and responsible tax approach as part of its good corporate governance commitment. To that end, the Company ensures that its tax strategy is in line with its business objectives and applicable regulations, at the national and international levels. The strategy is to build effective and harmonious communication with the Central Tax Authorities and Regional Government, build tax awareness for all Company personnel and collaborate with tax consultants or third parties to provide input on tax planning or tax opinions as well as digitalization of tax administration.

At INALUM, the governance body or executive-level position with the authority to review and approve tax strategies is the Audit Committee. The frequency of reviews is carried out every time there is a change in tax policy or regulations, at central and regional levels, as well as changes in strategies that will impact the handling of tax issues. To ensure compliance, INALUM has a list of tax regulations that are still effective or applicable together with Tax Standard Operating Procedures (SOP).

In addition, INALUM is committed to reporting tax information openly in its sustainability report and annual report so that stakeholders can understand its tax contribution for economic development. By using this approach, the Company demonstrates its commitment to transparent, integrity-based business practices and its contribution to sustainable economic growth.

TAX GOVERNANCE, CONTROL, AND RISK MANAGEMENT [GRI 207-2]

The Company's tax governance includes those responsible for taxation matters, and to ensure tax payments follow the applicable regulations, INALUM ensures all Company personnel attend tax education programs, socialization of applicable Tax Regulations, and has created a tax portal.

This approach is applied consistently to avoid tax risks such as late payment/tax reporting, imposition of tax fines/sanctions and tax crimes. Tax risks have to be avoided as they will have a negative impact on INALUM, including the revocation of its Taxpayer Compliant status, inefficient tax costs and disharmonious relations with central and regional tax authorities. To support tax compliance, INALUM's internal auditors can review the Company's tax reporting.

STAKEHOLDER ENGAGEMENT AND MANAGEMENT OF TAX-RELATED CONCERNS [GRI 207-3]

INALUM understands that transparent and accountable tax management needs stakeholder engagement. Therefore, the Company actively communicates with stakeholders, including the tax authorities, governments, investors, and the public, to ensure that its tax policies and practices are in line with applicable regulations and good governance principles. Through its full compliance with regulations and transparency in all aspects of tax reporting, the Company is committed to building a constructive relationship with the Directorate General of Taxes. Inalum also routinely provides information related to its tax contributions through its sustainability reports and annual reports, to ensure transparency to external stakeholders.

For managing any tax-related concerns, the Company has a complaint and dialogue system that allows stakeholders to submit questions or concerns concerning the Company's tax policies. In addition to having a tax complaint channel managed by a third party, INALUM also optimizes the Account Representative (AR) at the Tax Office.

INALUM continuously monitors the development of tax policies at the national and international levels to ensure that any regulatory changes can be immediately adopted in the Company's business strategies. In addition, the Company continues to improve its internal tax literacy by training employees in finance and tax so they can contribute to a more effective and transparent tax management. By using this approach, INALUM ensures that all taxation aspects not only support business sustainability, but also provides benefits for national economic development and community welfare.

COUNTRY-BY-COUNTRY REPORT [GRI 207-4]



INALUM has instigated a transparent and accountable tax policy to ensure all its tax obligations are fulfilled and reported openly. Therefore, in its tax report, the Company discloses information on revenue, profit before tax, the amount of tax owed and paid, and tax incentives received.

INALUM has also implemented a tax governance system that ensures tax reporting is carried out accurately and in accordance with regulations. The Company carries out regular internal tax audits to verify the accuracy of its financial and tax data, and coordinates with tax authorities to ensure optimal compliance. Transparency in the implementation of taxation is also part of INALUM's efforts to build trust with stakeholders, including the government, investors, and the communities.

For tax reporting, the Company only operates in Indonesia and does not have any operational offices abroad, therefore tax reporting only takes place in Indonesia.

PAYMENTS TO THE STATE [ASI 3.3]

MIND ID owns 99.99999% of PT Indonesia Asahan Aluminium shares while 0.000002% is owned by the State through Dwiwarna A Shares. Therefore, MIND ID is the sole shareholder of INALUM. Dividends paid represents INALUM's contribution to the state through MIND ID, whose shares are 100% owned by the State.

Other than dividends, INALUM's contribution to the state is in the form of tax, royalties and other payments. As of December 31, 2024, the Company made tax, royalties and other payments of USD70,908 thousand, an increase compared to USD58,795 thousand in 2023.

▶▶ Local Development and Creating Share Value (CSV)

Building and developing regions is a complex process that involves many stakeholders, including governments, communities, the private sector, and non-profit organizations. The main goal is to improve community welfare and strengthen the local economy so that the region can grow independently and sustainably. As a company that uses natural resources, INALUM has a responsibility to play an active role in supporting the development and progress in the regions around its operational areas. [GRI 3-3]

By creating a developed region, the communities will become more prosperous, independent and have the enthusiasm to make changes for the better. This of course is a big dream for all parties to become independent in a region. In this way, conducive working conditions will be created as the Company receives support from the communities.

The following shows some of the efforts made by INALUM to develop and advance the areas around the Company's work locations:

1. Infrastructure development: INALUM has built several infrastructures such as roads, bridges, places of worship, schools, educational facilities, village offices, and other public facilities.
2. Education: INALUM has a scholarship program aimed at children of farmers/fishermen who have the desire to continue their education.
3. Local industry: the Fostered MSEs is a form of developing local industry so that it can compete and produce products that have high selling value.
4. Tourism is also a source of income for regions that should be developed, as apart from being a source of income, it also opens up new job opportunities and improves the economy of local residents to sell in tourism locations.

ACTIVITIES, SUPPLY CHAIN, AND OTHER BUSINESS RELATIONSHIPS [GRI 2-6]

INALUM carries out operational activities that include the production and smelting of aluminium as part of the manufacturing industry supply chain in Indonesia. As a leading aluminium producer, the Company's supply chains include the procurement of raw materials, production processes, and product distribution to industrial sectors, such as automotive, construction, and electronics. In its operations, the Company establishes business relationships with local and international suppliers, as well as strategic partners to support its business efficiency and sustainability. The Company is also committed to promoting responsible business practices by ensuring that its supply chains meets environmental, social, and governance (ESG) standards, and support local economic growth through the empowerment of domestic suppliers.

The Company's suppliers as partners are divided into several categories such as Manufacturers/Producers, Authorized Distributors, Contractors, Suppliers, Consultants, and MSMEs. The types of business relationships with suppliers are divided based on the project time, namely long-term and short-term, project-based, contract-based or without a contract.

PROPORTION OF SPENDING FOR LOCAL SUPPLIERS [GRI 204-1]

Using local suppliers for goods and services procurement is a strategic step to strengthen local communities and support sustainable economic growth. INALUM applies this approach to encourage the competitiveness of local suppliers so they can compete with international suppliers. In addition, working with local suppliers provides carries other benefits, such as reducing risks in the supply chain, accelerating communication and coordination without distance barriers, and optimizing shipping costs and order times.

By the end of 2024, INALUM has collaborated with 982 suppliers. Of this total, 91.03% are national suppliers, with 36.86% being local suppliers (North Sumatra), while 8.97% are international suppliers. Local suppliers who collaborate with INALUM include companies domiciled and operating in Indonesia. Their involvement is in line with the Company's commitment to supporting domestic industry and encouraging national economic independence.

Financial Performance

FINANCIAL REPORT

Referring to the 2024 PT Indonesia Asahan Aluminium Code of Conduct, INALUM financial management personnel must implement financial accountability.

Guidelines :

1. Present accurate, relevant and timely financial reports in accordance with financial accounting standards and other generally applicable provisions in Indonesia.
2. Record all transactions accurately in the Company's books.
3. Prevent fraud in the financial reports.
4. Do not create duplicate financial reports for any purpose.

INVESTING IN BUSINESS DEVELOPMENT AND DIVERSIFICATION

In early 2024, INALUM planned to make business investments and developments to increase its production capacity and strengthen its position in the aluminium industry. The Company plans including making a Final Investment Decision (FID) on two major projects, namely the expansion of the aluminium smelter in Kuala Tanjung, North Sumatra, which is targeted to reach a capacity of 600 thousand tons, and the second phase of the Smelter Grade Alumina Refinery (SGAR) in Mempawah, West Kalimantan, which is an expansion of PT BAI's SGAR phase 1, which has been operating and will increase capacity from 1 million tons to 2 million tons per year. When implementing the SGAR phase 2 project plan, INALUM collaborated with ANTAM, a member of MIND ID who manages bauxite mines as raw materials for SGAR. At the end of 2024, INALUM and ANTAM signed a Joint Agreement for the procurement of Bankable Feasibility Study (BFS) Consultants, and for Smelter Expansion, carried out FID where the results of the study showed a negative NPV return and IRR that was still below WACC, so the Company decided to expand the scope by reviewing alternative technology options to compare with EGA (DX-ULTRA), and project location options in other areas that would provide significant benefits, which were then used for the preparation of a feasibility study.

OBLIGATION OF DEFINED BENEFIT PENSION PLAN AND OTHER PENSION PLANS [GRI 201-3]

INALUM has pension plans in accordance with applicable labor laws and regulations, namely the defined benefit and defined contribution plans. A defined benefit pension plan is a pension plan that determines the amount of pension benefits to be provided, usually based on one or more factors such as age, length of service or compensation. While, a defined contribution pension plan is a pension plan where the Company will pay fixed contributions to a separate entity and has no legal or constructive obligation to pay further contributions if the pension fund does not have sufficient assets to pay all employee benefits related to services rendered by employees in the current and prior periods.

The defined benefit pension plan obligation in the consolidated statement of financial position represents the present value of the defined benefit obligation at the consolidated statement of financial position date less the fair value of the plan assets.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rate of government bonds (considering there is currently no active market for high-quality corporate bonds) that are denominated in the same currency as the benefit to be paid and have terms to maturity approximately the same as the related obligation.

The pension fund management is carried out by an independent and professional third party, in accordance with the prudential principle and applicable regulations, to ensure the continuity of pension benefit payments in the future.

In relation to the employee pension program, the Company's monthly contribution is 21% of the employee's salary, while 3% of the employee's salary is deducted per month

FINANCIAL ASSISTANCE RECEIVED FROM THE GOVERNMENT [GRI 201-4]

During the reporting year, INALUM did not receive financial assistance from the Government in the form of tax exemptions or tax credits, subsidies, investment grants, grants for research and development, and other relevant types of funds, temporary royalty exemption facilities, or incentives and financial assistance.

▶ PROBLEMS WITH THE IMPLEMENTATION OF SUSTAINABLE ACTIVITIES [OJK E.5]

As its status as neither an issuer nor a public company, INALUM is not required to apply Financial Services Authority Regulation No 51/POJK.03/2017, concerning Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies. However, the Company has adopted the spirit of the regulation by implementing sustainable operations, such as company operational activities that are carried out by considering economic, environmental, and social aspects.

When implementing its sustainable activities in 2024, INALUM did not face any significant problems.

Business Expansion and Diversification

RESERVES AND RESOURCES

Currently INALUM does not have natural resource reserves as INALUM is not a mining company, but is a company that acts as a processor of mining products itself. INALUM in collaboration with ANTAM established the company PT Borneo Alumina Indonesia that is engaged in the processing of Bauxite into Alumina, known as the Smelter Grade Alumina Refinery (SGAR). In addition to being a downstream for mining products, the SGAR project plays an important role in ensuring the availability of Alumina for INALUM and also reduces the amount of Alumina raw material imports.

DOWNSTREAM PROJECT

INALUM is actively implementing downstream programs to increase the added value of the national aluminium products. One of the key initiatives is the construction of the Smelter Grade Alumina Refinery (SGAR) in Mempawah, West Kalimantan, which is targeted to be fully operational in 2025. This facility will produce 1 million tons of alumina per year, which will be the raw material for INALUM's aluminium smelter in Kuala Tanjung. In addition, INALUM plays a role as a pioneer in downstreaming in Indonesia and continues to encourage the acceleration of the downstreaming of the national aluminium industry through the development of a synergistic and integrated aluminium industry ecosystem from upstream to downstream.

SUSPENDED OPERATION

In the reporting year, there were no suspended operations at INALUM.

MERGER AND ACQUISITIONS

In 2024, INALUM did not conduct any mergers or acquisitions.

DISPLACEMENT

the reporting year, there was no population displacement due to INALUM operations.

CLOSURE, DECOMMISSIONING & DIVESTMENT

As of December 31, 2024, there were no corporate actions regarding closure, decommissioning, and divestment.

CLOSURE AND REHABILITATION

As of December 31, 2024, there were no closures and rehabilitations related to INALUM operations.



PILLAR 6

Corporate Governance





INALUM consistently implements good corporate governance (GCG) to ensure that the business continues to grow and develop. GCG implementation is also a means to maintain the trust of the public and other stakeholders that the Company operates its business in a transparent, accountable and ethical manner. Good governance also allows the Company to run its operations in line with public expectations, to create a positive image, and to build a solid reputation.

Moreover, good corporate governance implementation also contributes to INALUM's operational efficiency and improved financial performance, and encourages the implementation of a stricter internal monitoring system so that the allocation and use of the Company's resources become more effective. By following a transparent and structured decision-making process, INALUM can ensure that all decisions are based on thorough analysis to increase the Company's profitability.

No less important, GCG implementation also allows INALUM to fulfill its social and environmental responsibilities in a sustainable manner. It is undeniable that in addition to pursuing profits as a business entity, the Company is also required to contribute to supporting community welfare and preserving the environment. Through good corporate governance, INALUM ensures that all Company activities and policies consider social and environmental impacts, and support the realization of sustainable development.

To obtain the best results in the GCG implementation, the GCG principles developed and implemented by INALUM refer to the Law on Limited Liability Companies, the Republic of Indonesia Minister of State-Owned Enterprises Regulation No. PER-2/MBU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities of SOEs, and the General Guidelines for GCG in Indonesia issued by the National Committee for Governance Policy (KNKG), namely the General Guidelines for Indonesian Corporate Governance (PUG-KI).



GCG Principles

INALUM's ability to survive and progress reflects its consistency in applying GCG principles in all aspects, and at all levels of the Company. The GCG principles of Transparency, Accountability, Responsibility, Independence, and Justice and equality are needed to achieve business sustainability by considering stakeholders. INALUM's GCG principles are in line with the Republic of Indonesia Minister of SOEs Regulation No. PER-2/MBU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities of SOEs. In its application, the five principles are adjusted to match the unique character and values of INALUM.

INALUM also refers to the updates made by the National Committee for Governance Policy (KNKG) through the issuance of the General Guidelines for Indonesian Corporate Governance (PUG-KI) where the principles therein are inspired by the four pillars of corporate governance, namely: ethical behavior, accountability, transparency, and sustainability, which were first introduced in PUGKI 2021 and are in accordance with the latest developments in the basic values called TARIF (Transparency, Accountability, Responsibility, Independence, and Fairness) which were last used in PUGKI 2019. The four basic PUGKI 2021 principles are as follows:

- **Ethical Behavior**
When carrying out its activities, corporations always prioritize honesty, treat all parties with respect, fulfill commitments, build and maintain moral values and trust consistently. Corporations pay attention to the interests of shareholders and other stakeholders based on the principles of fairness and equality, which are managed independently so that one Company organ does not dominate another and cannot be intervened by other parties.
- **Accountability**
Corporations can be held accountable for their performance in a transparent and fair manner. Therefore, Corporations must be managed properly, measurably and in accordance with corporate interests while still taking into account the interests of shareholders and stakeholders. Accountability is a prerequisite for achieving sustainable performance.
- **Transparency**
To maintain objectivity in conducting business, corporations provide material and relevant information in a way that is easily accessible and understood by stakeholders. Corporations take the initiative to disclose not only issues required by laws and regulations, but also matters that are important for decision-making by shareholders, creditors and other stakeholders.
- **Sustainability**
Corporations comply with laws and regulations and are committed to carrying out its responsibilities towards the communities and the environment to contribute to sustainable development through cooperation with all relevant stakeholders to improve their lives in a manner in line with business interests and the sustainable development agenda.

Leadership and Decision Making

GOVERNANCE STRUCTURE AND COMPOSITION [GRI 2-9, 2-11] [ASI-1]

INALUM’s governance structure consists of the General Meeting of Shareholders (GMS), the Board of Commissioners and the Board of Directors, as stipulated in the Republic of Indonesia Law No. 40 of 2007 concerning Limited Liability Companies (UU PT). Also, in accordance with the Company’s Articles of Association, its management system adopts a two-tier system, namely the Board of Commissioners and the Board of Directors who have clear authorities and responsibilities based on their respective functions as mandated in the Articles of Association and laws and regulations.

To support the optimal implementation of its supervisory function, the Board of Commissioners is assisted by supporting organs including the Secretary to the Board of Commissioners, the Audit Committee, and the Nomination, Remuneration, Risk Monitoring and Good Corporate Governance (GCG) Committee. While, the Board of Directors is assisted by supporting organs including the Corporate Secretary and Internal Audit. [GRI 2-9]



When carrying out its management of economic, environmental and social impacts, the Board of Directors delegates its authority to functions related to sustainability topics in accordance with Board of Directors Decision Letter No. SK-002/DIR/2024 regarding the Organizational Structure, Job Descriptions, and Work Division of PT Indonesia Asahan Aluminium dated December 30, 2024. The parties in charge of the social responsibility aspect based on ISO 26000 within INALUM’s operational activities is as follows: [QJK E.1] [GRI 2-13]

	Corporate Social Responsibility Aspects	Person in Charge within INALUM
Sustainability Aspects in accordance with ISO 26000	Environment	Safety, Occupational Health and Environment Department
	Human rights	Human Capital Strategy Department and Corporate Legal & Compliance Department
	Fair Operating Practices	Operations Directorate
	Employment Practices, Occupational Health and Safety	Human Capital Operations Department and Safety, Occupational, Health and Environment Department
	Social and Community Development	Community and Environmental Empowerment Department
	Responsibility of Consumers and Products/Services and Work Partners	Commercial Department and Procurement & Category Management Department





NOMINATION AND SELECTION OF THE HIGHEST GOVERNANCE BODIES [GRI 2-10]

The selection and nomination process for members of INALUM's highest governance body is carried out by the Nomination, Remuneration, Risk Monitoring and GCG Committee with reference to the Minister of SOEs Regulation No. PER-3/MBU/03/2023 concerning SOE Organs and Human Resources.

The selection and nomination process is carried out by considering several factors, including expertise, experience, integrity, and the leadership needed to carry out the duties of the governance body, which also includes sustainability commitment and understanding. Also, the appointment of the President Director and the Board of Commissioners as the Chairpersons of the Supreme Governance Body is carried out in accordance with the Minister of SOEs Decree No. SK-56/MBU/03/2023, and MIND ID President Director Decree No. SK-02/DIRUT/III/2023 for the President Director, and the Minister of SOEs Decree No. SK-55/MBU/03/2023, and the MIND ID President Director Decree No. SK-01/DIRUT/III/2023 for the President Commissioner.

CHAIRPERSON OF THE HIGHEST GOVERNANCE BODY [GRI 2-11]

At INALUM, the President Director is the chair of the highest governance body, as well as part of the senior executive who is directly elected by the shareholders and bears responsibility for the overall running of the Company. In addition to the President Director, other members of the Board of Directors are senior executives in the Company. With the Board of Commissioners' supervision, the Board of Directors sets the direction of the Company through policies, strategies, and sustainability targets for social, economic, and environmental topics, which are then realized in INALUM's policies and strategies. The INALUM Board of Commissioners and Board of Directors of composition of December 31, 2024 was as follows:

Name	Position	Diversity	
		Age	Gender
Musa Bangun	President Commissioner/Independent	67	Male
Indra Simarta	Commissioner	60	Male
Ahmad Erani Yustika	Commissioner	51	Male
Martuani Sormin	Independent Commissioner	61	Male
Hari Soebagijo	Independent Commissioner	60	Male
Ilhamsyah Mahendra	President Director	36	Male
Ivan Ermisyam	Director of Operations	52	Male
Benny Alexander FD Wiwoho	Director of Strategic Support & Human Capital and Acting Director of Finance	53	Male
Melati Sarnita	Director of Business Development	47	Female

The Commissioners and Directors do not hold concurrent positions and jobs in other companies that are business partners of the Company [GRI 2-9]

The Board of Directors and Board of Commissioners complete profiles, as well as their supporting committees, can be found in the Good Corporate Governance Chapter in INALUM's 2024 Annual Report, which is an integral part of this Sustainability Report.

ROLE OF THE HIGHEST GOVERNANCE BODY IN MONITORING MANAGEMENT IMPACTS [GRI 2-12]

The Board of Governance plays a crucial role in managing the Company's environmental and community impacts. All sustainability policies, strategies and application are under the responsibility of this body. The Board of Directors is responsible for formulating policies, setting strategies, determining targets, and implementing sustainability initiatives, while the Board of Commissioners supervises sustainability performance and achievements to ensure alignment with the Company's vision. [GRI 2-9]



In carrying out its responsibilities, the Board of Directors establishes policies to address environmental and social impacts and provides strategic direction for decision-making. While the Board of Commissioners plays a role in supervising the implementation of sustainability policies to ensure effectiveness and compliance. These sustainability policies and strategies are discussed in meetings involving the Board of Directors, the Board of Commissioners, and managers. Shareholders and other stakeholders can provide input through communication channels, such as the General Meeting of Shareholders (GMS), company email, letters, and official reports. Evaluation of this input is carried out periodically as needed, with the results used as a basis for improving the Company's performance and strategic direction.

DELEGATION OF RESPONSIBILITY FOR MANAGING IMPACTS [GRI 2-13]

For carrying out the management of economic, environmental and social impacts, the Board of Directors delegates its authority to functions related to sustainability topics in accordance with the Board of Directors Decree No. SK-002/DIR/2024 dated December 30, 2024 concerning PT INALUM Organizational Structure, Job Descriptions and Work Divisions. These functions include the Corporate Social Responsibility ("CSR") Department, and the Health, Safety, and Environment ("HSE") Department. Procedurally, these functions report the results of their work related to the Company's economy, environment and society impact management to the highest management body every month at the Board of Commissioners and Board of Directors meetings. The topics discussed at the Board of Commissioners and Board of Directors Meeting included:

1. Environment and Climate Change
2. Operational Excellence and Product Governance
3. Human Resources
4. Community
5. Economic Development
6. Governance

COLLECTIVE KNOWLEDGE OF THE HIGHEST GOVERNANCE BODY [GRI 2-17] [OJK E.2]

The Company provides opportunities for the Board of Commissioners, Board of Directors and functions that carry out sustainability topics to participate in competency development activities/programs, including those related to sustainable activities. The competency development during 2024 was as follows:

Board of Commissioners				
Name and Position	Type of Education and Training	Education and Training Material	Place/Date	Organizer
Musa Bangun (President Commissioner and Independent Commissioner)	Certification	GRCE Profesional Advance-Level Executives	Jakarta, 15 November 2024	National Professional Certification Agency
	Training	MIND ID 8th GRC Series: Integrated Corporate Governance in Legal Aspect	Online, July 12, 2024	MIND ID
	Training	MIND ID 9th GRC Series: A Comprehensive Guide to Indonesia PDP (Personal Data Protection) Law Implementation for the Mining Industry	Online, August 09, 2024	MIND ID
	Training	Governance, Risk and Compliance for Executives (GRCE) for MIND ID Members	Online, October 04, 2024	MIND ID
	Training	MIND ID 10th GRC Series: Corruption Prevention in Relation to Governance Risk & Compliance	Online, October 10, 2024	MIND ID
	Training	MIND ID 10th GRC Series: Building a Risk-Awareness Culture in the Workplace	Online, December 05, 2024	MIND ID

Board of Commissioners

Name and Position	Type of Education and Training	Education and Training Material	Place/Date	Organizer
Ahmad Erani Yustika (Komisaris)	Certification	Risk Governance Supervision (QRGP)	Jakarta, October 30, 2024	Professional Certification Agency - Mitra kalyana Sejahtera
	Conference	World Aluminium Conference London	London, May 14, 2024	CRU Group
	Training	MIND ID 4th GRC Series: Ethical Foundations: Understanding the Significance of Whistleblowing with KPMG	Online, February 02, 2024	MIND ID
	Training	MIND ID 5th GRC Series: Fraud Management	Online, March 15, 2024	MIND ID
	Training	MIND ID 8th GRC Series: Integrated Corporate Governance in Legal Aspect	Online, July 12, 2024	MIND ID
	Training	MIND ID 9th GRC Series: A Comprehensive Guide to Indonesia PDP (Personal Data Protection) Law Implementation for the Mining Industry	Online, August 09, 2024	MIND ID
	Training	MIND ID 10th GRC Series: Corruption Prevention in Relation to Governance Risk & Compliance	Online, October 10, 2024	MIND ID
	Training	MIND ID 10th GRC Series: Building a Risk-Awareness Culture in the Workplace	Online, December 5, 2024	MIND ID
	Martuani Sormin (Independent Commissioner)	Certification	Indonesia Internal Auditor Practitioner Certification	Jakarta, October 27, 2023
Conference		World Aluminium Conference London	London, May 14, 2024	CRU Group
Training		MIND ID 4th GRC Series: Ethical Foundations: Understanding the Significance of Whistleblowing with KPMG	Online, February 02, 2024	MIND ID
Training		MIND ID 5th GRC Series: Fraud Management	Online, March 15, 2024	MIND ID
Training		MIND ID 8th GRC Series: Integrated Corporate Governance in Legal Aspect	Online, July 12, 2024	MIND ID
Training		MIND ID 9th GRC Series: A Comprehensive Guide to Indonesia PDP (Personal Data Protection) Law Implementation for the Mining Industry	Online, August 09, 2024	MIND ID
Training		MIND ID 10th GRC Series: Corruption Prevention in Relation to Governance Risk & Compliance	Online, October 10, 2024	MIND ID
Training		MIND ID 10th GRC Series: Building a Risk-Awareness Culture in the Workplace	Online, December 05, 2024	MIND ID



Board of Commissioners

Name and Position	Type of Education and Training	Education and Training Material	Place/Date	Organizer
Indra Simarta (Commissioner)	Certification	Risk Governance Supervision (QRGP)	Jakarta, November 15, 2024	National Professional Certification Agency
	Training	MIND ID 8th GRC Series: Integrated Corporate Governance in Legal Aspect	Online, July 12, 2024	MIND ID
	Training	MIND ID 9th GRC Series: A Comprehensive Guide to Indonesia PDP (Personal Data Protection) Law Implementation for the Mining Industry	Online, August 9, 2024	MIND ID
	Training	Governance, Risk and Compliance for Executives (GRCE) for MIND ID Members	Online, October 04, 2024	MIND ID
	Training	MIND ID 10th GRC Series: Corruption Prevention in Relation to Governance Risk & Compliance	Online, October 10, 2024	MIND ID
	Training	MIND ID 10th GRC Series: Building a Risk-Awareness Culture in the Workplace	Online, December 5, 2024	MIND ID
Hari Soebagijo (Independent Commissioner)	Certification	Risk Governance Supervision (QRGP)	Jakarta, November 15, 2024	National Professional Certification Agency
	Training	MIND ID 8th GRC Series: Integrated Corporate Governance in Legal Aspect	Online, July 12, 2024	MIND ID
	Training	MIND ID 9th GRC Series: A Comprehensive Guide to Indonesia PDP (Personal Data Protection) Law Implementation for the Mining Industry	Online, August 9, 2024	MIND ID
	Training	Governance, Risk and Compliance for Executives (GRCE) for MIND ID Members	Online, October 04, 2024	MIND ID
	Training	MIND ID 10th GRC Series: Corruption Prevention in Relation to Governance Risk & Compliance	Online, October 10, 2024	MIND ID
	Training	MIND ID 10th GRC Series: Building a Risk-Awareness Culture in the Workplace	Online, October 05, 2024	MIND ID

Board of Directors

Ilhamsyah Mahendra (President Director)

Education and Training Materials	Category	Place/date	Organizer
9th GRC Series: A Comprehensive Guide to Indonesia PDP ("Personal Data Protection") Law Implementation for the Mining Industry	Webinar	Online, August 11, 2024	MIND ID
The 7th Indonesia - China Energy Forum	Conference	Bali, September 3, 2024	KESDM RI
10th GRC Series - Prevention of Corruption related to Governance Risk & Compliance	Webinar	Online, October 10, 2024	MIND ID
Inalum Learning Series - Young Energy, Future Energy	Webinar	Online, October 28, 2024	INALUM



Board of Directors



Ilhamsyah Mahendra (President Director)

Education and Training Materials	Category	Place/date	Organizer
QRGP certification tutorial	Training	Jakarta, November 6, 2024	LSPMKS
QRGP certification	Certification	Jakarta, November 6, 2024	LSPMKS
11th GRC Series: Task Management vs Project Management: How to Do Things Effectively & Manage the Risk	Webinar	Online, November 11, 2024	MIND ID
12th GRC Series: Building a Risk-Awareness Culture at work	Webinar	Online, December 11, 2024	MIND ID
ICLF 2024 - Adaptive Leadership: Leading Through Change	Seminar	Kuala Tanjung, December 11, 2024	INALUM
ICLF 2024 - Closing Keynote Session - "Shaping INALUM's Future Together"	Seminar	Kuala Tanjung, December 13, 2024	INALUM

Benny Alexander FD. Wiwoho

Education and Training Materials	Category	Place/date	Organizer
4th GRC Series: Ethical Foundations: Understanding the Significance of Whistleblowing bersama KPMG	Webinar	Online, February 2, 2024	MIND ID and KPMG
5th GRC Series: Fraud Management	Webinar	Online, March 15, 2024	MIND ID and KROL
6th GRC Series: ICOFR with EY	Webinar	Online, April 30, 2024	MIND ID and EY
7th GRC Series: Risk Mitigation in Procurement	Webinar	Online, June 21, 2024	MIND ID
8th GRC Series: Integrated Corporate Governance in Legal Aspect	Webinar	Online, June 28, 2024	MIND ID
9th GRC Series: A Comprehensive Guide to Indonesia PDP ("Personal Data Protection") Law Implementation for the Mining Industry	Webinar	Online, August 11, 2024	MIND ID
Finance for Executive	Training	France, October 2-11, 2024	INSEAD
10th GRC Series - Prevention of Corruption related to Governance Risk & Compliance	Webinar	Online, October 10, 2024	MIND ID
11th GRC Series: Task Management vs Project Management: How to Do Things Effectively & Manage the Risk	Webinar	Online, November 11, 2024	MIND ID
Tutorial Sertifikasi QRGP	Training	Jakarta, November 20, 2024	LSPMKS
QRGP Certification	Certification	Jakarta, November 20, 2024	LSPMKS
ICLF 2024 - Creating the Future: Adapting, Innovating, and Collaborating for Sustainability	Seminar	Kuala Tanjung, December 9, 2024	INALUM
ICLF 2024 - IN DEEP, Topik "ADAPTIF"	Seminar	Kuala Tanjung, December 9, 2024	INALUM
12th GRC Series: Building a Risk-Awareness Culture at work	Webinar	Online, December 11, 2024	MIND ID



Education and Training Materials	Category	Place/date	Organizer
ICLF 2024 - Closing Keynote Session - "Shaping INALUM's Future Together"	Seminar	Kuala Tanjung, December 13, 2024	INALUM

Melati Sarnita

Education and Training Materials	Category	Place/date	Organizer
4th GRC Series: Ethical Foundations: Understanding the Significance of Whistleblowing bersama KPMG	Webinar	Online, February 2, 2024	MIND ID and KPMG
5th GRC Series: Fraud Management	Webinar	Online, March 15, 2024	MIND ID and KROL
6th GRC Series: ICOFR with EY	Webinar	Online, April 30, 2024	MIND ID and EY
The 14th Aluminium Raw Materials Summit	Conference	China, May 23-24, 2024	Asian Metal
7th GRC Series: Risk Mitigation in Procurement	Webinar	Online, June 21, 2024	MIND ID
8th GRC Series: Integrated Corporate Governance in Legal Aspect	Webinar	Online, June 28, 2024	MIND ID
9th GRC Series: A Comprehensive Guide to Indonesia PDP ("Personal Data Protection") Law Implementation for the Mining Industry	Webinar	Online, August 11, 2024	MIND ID
Mining Summit	Conference	London, September 26-27, 2024	Financial Times
LME Metals Seminar	Conference	London, September 30, 2024	London Metal Exchange (LME)
10th GRC Series - Prevention of Corruption related to Governance Risk & Compliance	Webinar	Online, October 10, 2024	MIND ID
The 2nd European Green Aluminium Summit 2024	Conference	Germany, November 20-21, 2024	ECV International
Tutorial Sertifikasi QRGP	Training	Jakarta, November 29, 2024	LSPMKS
QRGP Certification	Certification	Jakarta, November 29, 2024	LSPMKS
11th GRC Series: Task Management vs Project Management: How to Do Things Effectively & Manage the Risk	Webinar	Online, November 11, 2024	MIND ID
12th GRC Series: Membangun Budaya Risk-Awareness di Tempat Kerja	Webinar	Online, December 11, 2024	MIND ID
ICLF 2024 - Adaptive Leadership: Leading Through Change	Seminar	Kuala Tanjung, December 11, 2024	INALUM
ICLF 2024 - Ensuring Sustainability by Strengthening the Ecosystem	Seminar	Kuala Tanjung, December 11, 2024	INALUM
ICLF 2024 - Women's Role in SOE Transformation	Seminar	Kuala Tanjung, December 12, 2024	INALUM
ICLF 2024 - Closing Keynote Session - "Shaping INALUM's Future Together"	Seminar	Kuala Tanjung, December 13, 2024	INALUM

Ivan Ermisyam

Education and Training Materials	Category	Place/date	Organizer
4th GRC Series: Ethical Foundations: Understanding the Significance of Whistleblowing bersama KPMG	Webinar	Online, February 2, 2024	MIND ID and KPMG
5th GRC Series: Fraud Management	Webinar	Online, March 15, 2024	MIND ID and KROL
ESG Awareness	Webinar	Online, April 18, 2024	MIND ID
6th GRC Series: ICOFR with EY	Webinar	Online, April 30, 2024	MIND ID and EY
7th GRC Series: Risk Mitigation in Procurement	Webinar	Online, June 21, 2024	MIND ID
8th GRC Series: Integrated Corporate Governance in Legal Aspect	Webinar	Online, June 28, 2024	MIND ID
9th GRC Series: A Comprehensive Guide to Indonesia PDP ("Personal Data Protection") Law Implementation for the Mining Industry	Webinar	Online, August 11, 2024	MIND ID
FGD PENGEMBANGAN USAHA	FGD	Jakarta, August 30, 2024	MINISTRY COORDINATOR FIELD ECONOMY
10th GRC Series - Prevention of Corruption related to Governance Risk & Compliance	Webinar	Online, October 10, 2024	MIND ID
11th GRC Series: Task Management vs Project Management: How to Do Things Effectively & Manage the Risk	Webinar	Online, November 11, 2024	MIND ID
QRGP Certification Tutorial	Training	Jakarta, November 29, 2024	LSPMKS
QRGP Certification	Sertifikasi	Jakarta, November 29, 2024	
ICLF 2024 - Creating the Future: Adapting, Innovating, and Collaborating for Sustainability	Seminar	Kuala Tanjung, December 9, 2024	INALUM
ICLF 2024 - In Deep, Topic "Collaborative"	Seminar	Kuala Tanjung, December 10, 2024	INALUM
12th GRC Series: Membangun Budaya Risk-Awareness di Tempat Kerja	Webinar	Online, December 11, 2024	MIND ID
ICLF 2024 - Closing Keynote Session - "Shaping INALUM's Future Together"	Seminar	Kuala Tanjung, December 13, 2024	INALUM

Danny Praditya

Education and Training Materials	Category	Place/date	Organizer
Strategic Approach to Risk Management towards SOE's Business Sustainability	Workshop	Bali, January 19, 2024	Ministry of State-Owned Enterprises
4th GRC Series: Ethical Foundations: Understanding the Significance of Whistleblowing with KPMG	Webinar	Online, February 2, 2024	MIND ID and KPMG
Indonesia's Green Energy Leadership Forum	Webinar	Jakarta, March 7, 2024	CNN Indonesia



Education and Training Materials	Category	Place/date	Organizer
5th GRC Series: Fraud Management	Webinar	Online, March 15, 2024	MIND ID and KROL
6th GRC Series: ICOFR with EY	Webinar	Online, April 30, 2024	MIND ID and EY
MINDialogue Mining Outlook 2024 dengan tema "Critical Minerals in Geopolitical Perspective"	Seminar	Jakarta, June 20, 2024	CNBC
7th GRC Series: Risk Mitigation in Procurement	Webinar	Online, June 21, 2024	MIND ID
8th GRC Series: Integrated Corporate Governance in Legal Aspect	Webinar	Online, June 28, 2024	MIND ID

Devi Pradnya Paramita

Education and Training Materials	Category	Place/date	Organizer
4th GRC Series: Ethical Foundations: Understanding the Significance of Whistleblowing with KPMG	Webinar	Online, February 2, 2024	MIND ID and KPMG
5th GRC Series: Fraud Management	Webinar	Online, March 15, 2024	MIND ID and KROL
Transformational Leadership	Training	England, April 18 - 19, 2024	Cambridge Judge Business School
6th GRC Series: ICOFR with EY	Webinar	Online, April 30, 2024	MIND ID and EY
7th GRC Series: Risk Mitigation in Procurement	Webinar	Online, June 21, 2024	MIND ID
8th GRC Series: Integrated Corporate Governance in Legal Aspect	Webinar	Online, June 28, 2024	MIND ID
9th GRC Series: A Comprehensive Guide to Indonesia PDP ("Personal Data Protection") Law Implementation for the Mining Industry	Webinar	Online, August 11, 2024	MIND ID
Mining Summit	Conference	London, September 26-27, 2024	Financial Times
10th GRC Series - Prevention of Corruption related to Governance Risk & Compliance	Webinar	Online, October 10, 2024	MIND ID
QRGP Certification Tutorial	Training	Jakarta, October 24, 2024	LSPMKS
QRGP Certification	Certification	Jakarta, October 24, 2024	LSPMKS

Functions of sustainability topic implementers

Title of Training/Certification	Total Participants	Start Date	Date Completed	Place	Institution
Superapps-Sustainability Workshop and Group ESG Materiality Assessment	7	29/01/24	30/01/24	Jakarta	Mitra Integrasi Informatika (MIND ID)
MIND ID Academy: ESG Awareness	1.767	13/03/24	13/03/24	Online Training	MIND ID Academy
Urgency of ESG Implementation and Opportunities for ESG Implementation in Integrity with GRC	1	15/03/24	15/03/24	Online Training	Proxisis

Functions of sustainability topic implementers

Title of Training/Certification	Total Participants	Start Date	Date Completed	Place	Institution
MIND ID GRC Series #5 - Fraud Management: Mitigating Fraud Risk In Corporate Environment	23	15/03/24	15/03/24	Online Training	MIND ID
Webinar Series: Urgency Penerapan ESG dan Peluang Penerapan ESG yang Terintegritas dengan GRC	217	21/03/24	21/03/24	Online Training	Professional
Peran Insinyur dalam Pengembangan Inovasi, Teknologi, Keselamatan dan Lingkungan yang Berkelanjutan	5	03/05/24	03/05/24	Bandung	Persatuan Insinyur Indonesia
Uji Kompetensi Operator Pengelolaan Limbah B3 (Perpanjangan)	1	22/05/24	22/05/24	Online Training	HSP Academy
Uji Kompetensi Penanggung Jawab Pengelolaan Limbah B3 (Perpanjangan)	1	22/05/24	22/05/24	Online Training	HSP Academy
Sertifikasi Penanggung Jawab Pengendalian Pencemaran Udara (PPPU)	1	19/06/24	22/06/24	Jakarta	Benefita
Training ESG For Sustainable Business	1	27/06/24	28/06/24	Bandung	Shared Value Indonesia
Green Skilling: ESG Sebagai Tiga Konsep Utama Standar Perusahaan Dalam Bisnis Berkelanjutan	1	11/07/24	11/07/24	Online Training	Lindung Hutan
Pelatihan dan Sertifikasi Pengelolaan Limbah B3	1	08/07/24	11/07/24	Online Training	Benefita
Pelatihan dan Sertifikasi Pelaksanaan TPS Limbah B3	1	08/07/24	11/07/24	Online Training	Benefita
ESG Risk Rating	15	06/08/24	07/08/24	Guest House, T. Gading	MIND ID
MIND ID Academy: ICLF 2023 - Sustainability Through ESG	95	06/08/24	06/08/24	Online Training	MIND ID Academy
MIND ID Academy: Working In A Safe Environment	9	09/09/24	09/09/24	Online Training	MIND ID Academy
Webinar - Peran Kebijakan Pajak dan Akuntansi Dalam ESG Reporting: Implementasi IFRS 1 & IFRS 2 Dalam Mendukung Sustainability Policy	32	20/09/24	20/09/24	Online Training	Taxsam.Co
ESG & Sustainability - Risk Compliance	1	28/10/24	29/10/24	Online	Sinergy Solusi
Sertifikasi PPPU	1	30/09/24	02/10/24	Online Training	Benefita
Sharing Session Penanggulangan Sumber Listrik Mati, Udara Tekan Mati dan Air Industri Mati di Baking Plant	38	22/11/24	22/11/24	Baking Plant, K. Tanjung	Inalum
Refreshment Sertifikasi POPPU	1	06/11/24	07/11/24	Online Training	Benefita
Refreshment Sertifikasi PPPU	1	06/11/24	07/11/24	Online Training	Benefita
Pelatihan dan Sertifikasi HAZOPS	2	18/11/24	21/11/24	Jakarta	Phitagoras
Pengelolaan Limbah B3	1	25/11/24	27/11/24	Online Training	Benefita

▶ Transparency and Accountability

THE ROLE OF THE HIGHEST GOVERNANCE BODY IN SUSTAINABILITY REPORTING [GRI 2-14]

The role of the highest governance bodies in INALUM for the preparation and publication of the Sustainability Report is to:

1. Determine the objectives and targets related to environmental, social, and economic issues that are the focus of the sustainability report.
2. Prepare policies and procedures related to the preparation and publication of the sustainability report.
3. Monitor the sustainability programs and ensure that the targets set are achieved.
4. Identify material issues to be included in the Sustainability Report.
5. Communicate with stakeholders
6. Select an appropriate assurator to ensure the validity and reliability of the report.
7. Reviewing and approving the contents of sustainability reports.

COMMUNICATING CRITICAL ISSUES [GRI 2-16]

The Company provides a complaint facility for stakeholders to report any critical issues related to potential or actual negative impacts arising from INALUM's operational activities. Critical issues can be submitted via the MIND ID Group Integrated Whistleblowing System (WBS), which is designed to ensure transparency and accountability. Report handling is carried out by an Independent a Third Party who conducts an initial analysis of the fulfillment of the criteria or scope of reporting and submits it to the INALUM WBS Management Team consisting of the Legal, Governance, Human Capital, Risk Management, and Internal Audit functions, before being reported routinely every quarter to the President Director.

In 2024, 6 (six) reports were received through the reporting media and 3 (three) reports were followed up by the INALUM WBS Management Team as they met the reporting scope, but there were no critical issues faced by the Company and discussed in the highest governance body meeting.

The scope of reporting categories that are followed up include:

1. Corruption and bribery;
2. Fraud, including actions that have an financial loss to the Company, including but not limited to:
 - a. Falsification, manipulation, or destruction of documents/ financial or other reports;
 - b. Conflict of Interest, Gratification and all forms of bribery; and

- c. Other acts of fraud, including misuse of assets, theft of Company assets, and/or omission of a violation;
3. Other criminal offenses, including extortion, coercion with violence or threats to give something with the intent to benefit oneself or others, both from internal and others, both from internal and external parties that are not in accordance with the Law and not in accordance with the prevailing laws and regulations;
4. Violations in the work environment, including any actions that cause a non-conducive work situation, Sexual harassment, bullying and defamation including gender and SARA discrimination, and defamation including gender and SARA discrimination, and any unwelcome actions in the form of physical or non-physical actions, feelings of physical or non-physical actions, feelings of offense and dignity degraded;
5. Other violations, including but not limited to:
 - a. Violation of the Company's code of conduct, as contained in the provisions of the Company's Code of Conduct;
 - b. Violation of confidentiality (information leakage), except for for information that has become public domain (belonging to the public);
 - c. Partisanship to one party (unfair), and being unobjective in carrying out the Company's decisions; and decisions of the Company; and
 - d. Violation of pollution and/or destruction of environment that is carried out due to negligence that may result in loss of property and/or harm to human health or physique.

REMUNERATION POLICY [GRI 2-19]

The Board of Commissioners' remuneration is determined by the Minister of SOEs based on the Minister of SOEs Letter No. SR-167/MBU/03/2023 dated March 21, 2023 concerning the Determination of Remuneration for the Board of Directors and Board of Commissioners of PT Indonesia Asahan Aluminium in 2023, and No. SR-291/MBU/05/2023 dated May 26, 2023 concerning a Revision to the Letter for Determination of Remuneration for the Board of Directors and Board of Commissioners of PT Indonesia Asahan Aluminium in 2023, where the Determination of Remuneration became effective as of March 21, 2023.

The Board of Commissioners and Board of Directors remuneration components are prepared based on the Minister of SOEs Regulation No. PER-3/MBU/03/2023 concerning Organs and Human Resources of SOEs with the following details:



No.	Total Income/Facilities	Board of Directors	Board of Commissioners
1	Salary/Honorarium	The President Director's salary is the reference for the Board of Directors members' salaries with the provision that the members of the Board of Directors are 85% of the President Director.	The President Commissioner's Honorarium is set at 45% of the President Director's Salary, and the Honorarium for the Board of Commissioners members is set at 90% of the President Commissioner's Honorarium
	Religious Holiday Allowances	Given 1 (one) times salary	Given 1 (one) times honorarium
	Housing Allowances	In accordance with the Shareholders' decision	-
2	Transportation Allowances	-	Given 20% of the honorarium
	Post-Service Insurance	A maximum premium of 25% of salary for 1 (one) year	Awarded during tenure with an insurance premium of 25% of the honorarium for one year
	Medical Facilities	In the form of insurance or reimbursement of medical expenses (at cost)	
3	Legal Aid	Legal assistance facilities are provided to members of the Board of Commissioners and Board of Directors as needed	
	Official Vehicle	One unit with maintenance costs and operational costs, taking into account the Company's financial condition.	
4	Tantiem/Performance Incentive/Special Incentive	Provided in cash after considering improvements in the Company's performance and capabilities	

PROCESS FOR REMUNERATION DETERMINATION [GRI 2-20]

The PT INALUM Board of Directors and Board of Commissioners of remuneration determination is entirely under the authority of the Shareholders, as stipulated in the laws and regulations applicable to SOEs. The mechanism for remuneration determination is usually carried out through a General Meeting of Shareholders (GMS) by considering various strategic and operational factors.

Several key factors that form the basis for the Board of Directors and Board of Commissioners remuneration determination include:

1. Company Performance
 - Evaluation of the financial and operational targets achievement as set in the Company's Work Plan and Budget (RKAP).
 - Growth in revenue, net profit, cost efficiency, and contribution to the state and shareholder revenues.
2. Compliance with Regulations
 - Referring to the provisions as stipulated in the SOEs Law, Regulation of the Minister of State-Owned Enterprises, and regulations related to good corporate governance (GCG).

- Complying with the remuneration policies applicable in similar industries, especially remuneration determination in the mining sector and the downstream aluminium industry.
3. Job Competence and Responsibilities
 - The amount of remuneration also takes into account the complexity of the Board of Directors and Commissioners duties and responsibilities in managing and supervising the company.
 - Comparison with remuneration applicable in similar industries to maintain competitiveness in attracting and retaining the best talent at the top management level.
 4. Economic and Industrial Conditions
 - External factors such as global market dynamics, aluminium commodity prices, and national economic conditions that can affect remuneration policies.
 - In certain situations, for example when the economy is experiencing a slowdown, remuneration policies can be adjusted to remain in line with the Company's sustainability strategy.

Overall, INALUM's remuneration determination is oriented towards the principles of fairness, transparency, and accountability to ensure the compensation provided is in line with the performance and contribution of each individual to the growth of the Company.



ANNUAL TOTAL COMPENSATION RATIO [GRI 2-21]

The total remuneration received by the Board of Directors and Board of Commissioners in 2024 was Rp18.6 billion, while the total salary for INALUM employees in 2024 was Rp492 billion. Therefore, the ratio between the Board of Directors and Board of Commissioners remuneration compared to the total cost of employee salaries was 3.78%.

While, in 2023, the remuneration received by the Board of Directors and Board of Commissioners was Rp14.78 billion and the total cost of employee salaries in 2023 was Rp489 billion so the ratio between the Board of Directors and Board of Commissioners remuneration compared to the total cost of employee salaries was 3.02%. Thus, the increase in the ratio in 2024 compared to 2023 was 0.76%. This increase was due to organizational restructuring following the official separation of INALUM from MIND ID in March 2023.

MECHANISM FOR REQUESTING ADVICE AND RAISING CONCERNS [GRI 2-26]

To address the negative impacts that may arise from the Company's operational activities, INALUM has a Policy for Implementing Stakeholder Relations that includes a complaint handling system. This policy is designed to effectively and transparently respond to any complaints from the public. The Company is committed to implementing this complaint handling mechanism across its operational units by ensuring that all complaints are handled, responded to, and resolved in accordance with applicable regulations and business ethics standards. The Company also provides easy access for stakeholders to ensure that all relevant complaints receive the attention they deserve.

To facilitate the submission of complaints, INALUM provides communication channels, including social media, email, mailboxes, and a Whistleblowing System that can be accessed through the Company's official website. The following are the available complaint channels: [OJK F.24]

No.	Channel	Address	PIC
1	Post	PT KPMG Siddharta Advisory Attn. KPMG Ethics Line (MIND ID) Menara Astra Lt. 21, Jalan Jenderal Sudirman Kav. 5-6, Jakarta 10220	Tim KPMG
2	Website (Chatbot)	www.inalum.id	Humas/Corporate Secretary/IT
3	Whistleblowing System	OpenMIND-wbs.com	PT KPMG
4	Email	corsec@inalum.id	Humas/Corporate Secretary

In 2024, there were 6 (six) complaints received by the Company, 3 (three) reports that met the criteria and/or had been followed up and completed, and 3 (three) other reports were not followed up as the reports were outside the scope of the reporting category.

EVALUATION OF GOVERNANCE BODY PERFORMANCE [GRI 2-18]

Evaluation of governance body performance is very important as it ensures the body functions well and can fulfill its responsibilities to the organization or Company. This evaluation covers performance in supervising the management of the Company's impacts on the economy, environment, and society. Performance evaluation is carried out based on the duties and responsibilities listed in the Board Manual and measured by key performance indicators (KPIs) and the Board of Commissioners and Board of Directors Work Plan.

Related to sustainability issues, INALUM conducts sustainability evaluations using several mechanisms such as:

- Evaluation of Corporate and Board of Directors KPIs related to ESG.
- Evaluation of the fulfillment of Shareholder Aspirations related to ICMM.
- Reporting of MIND ID Member Monitoring and Evaluation covering Sustainability issues.
- Evaluation of sustainability performance achievements such as PROPER level achievement, Good Corporate Governance (GCG) score achievement, ESG Index achievement, etc.
- The evaluation is carried out routinely at least once a month, in the Board of Directors Meeting forum, Board of Commissioners Meeting, Board of Directors and Board of Commissioners Meeting, or discussion of sustainability performance in other meetings of the highest governance organs and also in periodic meetings with the Ministry of SOEs, Technical Ministries, other high state institutions, and in the Annual GMS.

Business Ethics and Compliance

CONFLICT OF INTEREST [GRI 2-15]

A Conflict of Interest is a difference between the Company's economic interests and the personal economic interests of members of the Board of Directors, members of the Board of Commissioners or shareholders that may be detrimental to the Company. In this regard, the Company is committed to avoiding all forms of conflict of interest by ensuring that the selection process for officials, from the Board of Directors, Board of Commissioners, Division Heads, to the managerial level, is based on considerations of professionalism and integrity. In addition, each member of the Board of Directors should have no affiliation with fellow members of the Board of Directors, members of the Board of Commissioners, or Controlling Shareholders, in order to maintain independence and good governance.

- Management of Board of Directors' Conflict of Interest
A Board of Directors conflict of interest is a certain condition related to the personal interests of the Board of Directors that has the potential to conflict with the interests of the Company to increase the value of the Company, achieve profit and achieve the Company's Vision and Mission as mandated by the Shareholders.

The management of Board of Directors conflicts of interest is a principle adopted by the Company to prevent conflicts of interest and the subsequent implications that often arise, including the following:

- Compliance with all applicable policies, regulations and procedures.
- Does not have shares in business entities that are business partners of the Company, either in their own name or nominee (using another person's name) or in the name of a family (up to the third degree, either in a straight line or sideways, including relationships arising from marriage).
- Does not hold concurrent positions and jobs in other companies that are business partners of the Company.
- Does not receive benefits in any form from prospective or business partners of the Company. This also applies to employee families.
- Management of Board of Commissioners Conflict of Interest
Control of potential Board of Commissioners conflicts of interest refers to the GCG Guidelines, the Code of Conduct and the Guidelines for the Governance of the Board of Commissioners & Board of Directors. The Board of Commissioners avoids conflicts of interest, by:
 - a. Avoiding conflicts of interest.
 - b. Avoiding any activity that may affect independence in carrying out their duties.
 - c. Completing a special list of share ownership.

- d. Not responding to requests from any party and for any reason, either directly or indirectly from any party, including those related to the procurement of goods and services in the Company as long as this can influence decision making.
- e. Not using their position for personal interests or other related people or parties that are contrary to the interests of the Company.
- f. Conducting disclosure in the event of a potential conflict of interest, and the relevant member of the Board of Commissioners/Board of Directors may not involve themselves in the Company's decision-making process related to the matter.

Further details on the conflict of interest management policy are disclosed in INALUM's 2024 Annual Report, namely:

- Chapter on Affiliated Relationships between Members of the Board of Directors, Board of Commissioners, and Controlling Shareholders
- Chapter on Management of Board of Directors Conflicts of Interest
- Chapter on Management of Board of Commissioners Conflicts of Interest

When managing conflicts of interest, INALUM identifies potential, reports, and handles conflicts of interest with full integrity. INALUM also encourages transparency and integrity in decision-making that considers the interests of all parties. In 2024, there were no material transactions containing conflicts of interest involving members of the Board of Commissioners, Board of Directors, suppliers, related parties, or other third parties.

POLICY COMMITMENT [GRI 2-23]

As part of its commitment to good corporate governance (GCG), INALUM ensures that policies related to conflicts of interest are implemented comprehensively at all levels of the organization. The Company has a clear mechanism to identify, prevent, and handle potential conflicts of interest that may affect the independence of decision-making. This policy includes reporting procedures for employees and management regarding situations that have the potential to cause conflicts of interest, as well as risk handling and mitigation mechanisms in accordance with applicable regulations.

To ensure the effectiveness of this policy, INALUM periodically conducts socialization and training to all levels of the Board of Directors, Board of Commissioners, and employees at other levels. In addition, a conflict of interest reporting system is provided through various channels, including an internal reporting system and a Whistleblowing System (WBS) to increase transparency and accountability. With this approach, INALUM



continues to maintain stakeholder trust and ensure that all business processes run professionally, with integrity, and are free from the influence of personal or group interests.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE POLICY

INALUM is committed to implementing environmental, social, and governance (ESG) policies in its operations. To that end, the Company has seven excellence commitment policies that include ESG-related policies. These policies include the Occupational Safety and Health Policy; Environmental and Energy Policy; Human Rights Policy; TB and HIV AIDS Prevention and Control Policy; P4GN Policy; Golden Rules Implementation Policy; and Environmental Social Responsibility Policy. These policies are designed to ensure that all aspects of INALUM's operations are in line with the principles of sustainability and social responsibility. More information about these policies can be accessed through the website at: https://www.inalum.id/id/esg/tata-kelola/kebijakan-perusahaan?utm_source=chatgpt.com

INSTILLING POLICY COMMITMENTS [GRI 2-24]

As part of its sustainability commitment, INALUM consistently instills environmental, social, and governance (ESG) policies in all aspects of the Company's operations. This commitment is realized by applying the policies that focus on regulatory compliance, environmental protection, respect for human rights, and improving community welfare. To ensure these policies are followed effectively, INALUM integrates sustainability principles into the business and operational strategies, including the supply chain and interactions with stakeholders.

INALUM also prioritizes a sustainability culture by conducting socialization and training for all employees and business partners. Through this approach, the company instills sustainability values as part of its work ethic, ensuring that all individuals in the organization have an understanding and responsibility for following these policies. In addition, periodic evaluation and monitoring are carried out to measure the effectiveness of the policies, to ensure that INALUM continues to contribute to achieving sustainable development goals and creating a positive impact on the environment and society.

ANTI-CORRUPTION AND ANTI-GRATIFICATION [GRI 205-1][EM-MM-510A.1]

INALUM is committed to implementing clean business practices, free from corruption and bribery, and actively supports efforts to prevent and eradicate corruption in the Company. This policy is stated in the Gratification Control Policy as stipulated in the Board of Directors' Decree No. SK-012/DIR/2019 and the Board of Directors' Decree No. SK-024/DIR/2020 concerning the Anti-Bribery Management System (SMAP) Guidelines. Both of these policies are prepared with reference to applicable laws and regulations to ensure compliance and transparency in the Company's operations.

The main objective of this anti-corruption policy is to prevent potential losses, both materially in the form of illegal commercial gain, or immaterially that can damage the Company's reputation. In addition, this policy is in line with efforts to increase compliance with regulations and support government programs for preventing corruption in Indonesia. To strengthen the anti-corruption control system, INALUM also applies ISO 37001 on the risk-based Anti-Bribery Management System (ABMS). Identification of risks related to bribery is carried out through risk management guidelines applied across all Company departments and work units.

As part of the governance category (code C2) that includes gratification, corruption, fraud, and conflicts of interest, INALUM is committed to not accepting or requesting gratification in any form. This commitment is strengthened through a Statement of Commitment to Implementing Gratification Control, which includes the basic principles of gratification control in the Company. This statement confirms that INALUM will implement a gratification control mechanism consistently, allocate a special budget for its implementation, provide human resources who are responsible for its implementation, and cooperate with the Corruption Eradication Commission (KPK) in maintaining the confidentiality of whistleblower's data.

Reporting and Sanctions

All INALUM personnel or other parties who are not directly involved but are aware of violations of gratification involving INALUM management and employees can report the receipt of gratification through the reporting media provided by the Company as follows:

1. Reporting the receipt or rejection of gratification can be submitted to UPG INALUM through the reporting form or Internal GCG System. Employees are required to submit their gratification reports to UPG INALUM no later than 7 (seven) working days after the gratification occurs. External stakeholders can report gratification events related to INALUM employees through the Whistleblowing System channel.
2. Violations of the Company's gratification control policy are subject to sanctions in accordance with applicable provisions, and negligence in submitting gratification reports is a consideration and evaluation of the level of employee compliance.

Reporting Mechanism

In accordance with the gratification control policy in the Board of Directors Decree No. SK-012/DIR/2019 concerning Gratification Control, all employees are required to submit their gratification reports to UPG INALUM, either for acceptance or rejection, no later than 7 (seven) working days after the gratification is received/rejected. Employees can report gratification through the reporting form or through the internal GCG system. Furthermore, UPG INALUM will determine the reports that will be forwarded to the KPK. For UPG INALUM, all gratification reports received are submitted routinely every 6 (six) months to the President Director.

CODE OF ETHICS

To realize a dignified Company that upholds values and creates INALUM People who are obedient and behave ethically, it requires the commitment of all employees and management as stated in the Company’s Code of Conduct. The guidelines are implemented in accordance with applicable laws and regulations and best practices through the application of GCG principles.

Code of Ethics Principles

Business Conduct covers the Company’s relationship with:

1. Employees
2. Customers
3. Suppliers
4. Creditors
5. Partners
6. Competitors
7. Regulators
8. Society
9. Communities and Professional Organizations
10. Media
11. MIND ID and MIND ID Group Members
12. Subsidiaries and Joint Ventures

Work Conduct covers:

1. Compliance with the law
2. Ethical Behavior towards fellow INALUM People
3. Conflicts of Interest
4. Giving and Receiving (Gratification)
5. Recognition and Respect for Human Rights
6. Intellectual Property Rights
7. Fair Employment Opportunity
8. Confidentiality of Data and Information
9. Supervision and Use of Assets
10. Financial Reports
11. Unreasonable Payments
12. Occupational Safety and Health and the Environment
13. Use of Social Media
14. Political Activities

The Code of Ethics is communicated to all employees through routine socialization programs and other internalization. In addition to employees, the Code of Ethics is also communicated to external stakeholders such as partners/providers. All employees at all levels of the Company are committed and responsible for implementing the Code of Ethics consistently. The Board of Directors and the Audit Committee have emphasized the importance of the Code of Ethics for the sustainability of the Company. More information about the latest Code of Ethics issued in 2024 can be accessed via the website at: <https://www.inalum.id/storage/media/2024/06/pedoman-perilaku-perusahaan-coc-eyro7b.pdf>

As of December 31, 2024, there were 16 (sixteen) violations of the Code of Ethics and the Company imposed sanctions in accordance with the following regulations:

Category of Violation	Type of Sanction	Number of Violations		
		2022	2023	2024
Light	Warning Letter	1 (one)	0 (nol/nihil)	5 (five)
Medium	Ordinary Warning Letter	5 (five)	9 (nine)	5 (five)
Heavy	Final Warning Letter	1 (one)	2 (two)	6 (six)

WHISTLEBLOWING SYSTEM PROGRAM

INALUM upholds its commitment to supporting the good corporate governance through its efforts to provide a system that regulates the procedures for reporting and disclosing violations through the Whistleblowing System (WBS). The scope of the violation categories followed up by the Company includes allegations of fraud, corruption, abuse of office authority, violations of the law, and other violations that are detrimental to the Company and stakeholders.

WBS Structure and Mechanism

The Whistleblowing System is managed by the Company’s internal team who manage, process, follow up on reporting or disclosure of violations including fraud, corruption, abuse of authority, unlawful behavior, unethical acts by prioritizing confidentiality and independence. This system also aims to optimize the role of INALUM personnel and the Company’s business partners in

disclosing violations within the Company, which is regulated in Company Regulation No. PER-001/DIRUT/2024 concerning the Whistleblowing System.

The Company has appointed a Whistleblowing Team to manage the handling of whistleblowing system reports, consisting of personnel from the Governance function, Human Capital function, Risk Management function, and Internal Audit function. The Whistleblowing Team is tasked with managing, analyzing, and evaluating incoming reports and providing proposals/recommendations for closing or following up cases.

When carrying out its duties, the Whistleblowing Team has the right to summon whistleblowers and related parties to request/examine documents required for the process of analyzing and evaluating incoming reports. Routinely, reports on handling violation reports are reported quarterly to the President Director.



WBS Socialization

In 2024, the Company conducted WBS socialization to all stakeholders and INALUM personnel through the following activities:

1. Company Website (www.inalum.id/id/whistle-blowing-system)
2. Banners
3. Electronic mail (Email) carried out when making an appeal to control gratification on religious holidays
4. Online socialization to INALUM providers or vendors on September 4, 2024.
5. Offline socialization to INALUM Partner Banks on August 16, 2024
6. Offline socialization to INALUM procurement, logistics and commercial function employees on October 22, 2024.
7. Socialization to employees through the MIND ID Academy LMS application (<https://academy.mind.id>) on December 10, 2024 - January 17, 2025.

In addition to providing an understanding of the WBS managed by INALUM, the socialization also aims to encourage all INALUM personnel to play an active role in reporting any attempts or suspected deviant actions.

Violation Report Submission Mechanism

1. Reports will be received through the integrated WBS channel, namely OpenMIND, which has been provided by MIND ID. The channels provided include:
 - a. Website : OpenMind-wbs.com
 - b. e-mail : OpenMIND@kpmg.co.id
 - c. Whatsapp : 0811-1464-632 / 0811-646-343
 - d. Post Mail : PT KPMG Siddharta Advisory, Attn: KPMG EthicsLine (MIND ID), Menara Astra Lantai 21, Jl. Jend. Sudirman Kav. 5-6, Jakarta 10220

which can only be accessed by Independent Third Parties. Information regarding the WBS channel must be provided and announced on the Company's Website.
2. A case reference number is given to the whistleblowers to be used as a reference so they can monitor the status of the report.
3. Taking into account independence and objectivity, in accordance with applicable policies, the report will be forwarded for follow-up to the authorized parties at PT INALUM, including the Ministry of SOEs (especially concerning members of the Board of Directors and Board of Commissioners).

Protection for Whistleblowers

The Company is required to keep the identity of whistleblowers and the contents of the report confidential. In addition, the Company also guarantees protection for the whistleblowers from all forms of threats, intimidation or unpleasant actions from any party as long as the whistleblowers maintain the confidentiality of the reported case. On the other hand, the Company can provide rewards to the whistleblowers for violations that can be proven and save the Company's assets and finances.

Complaint Handling

The Whistleblowing Management Team as the manager of the handling of whistleblowing system reports, is tasked with:

1. Receiving initial analysis reports and monthly summaries from Independent Third Parties, including deciding on follow-up actions on reports received with investigations (follow up) or closed;
2. Conducting additional confirmation to the whistleblowers through an Independent Third Party if necessary;
3. Maintaining confidentiality and providing protection for the whistleblowers including the identity of the whistleblowers (as long as it is relevant), and maintaining the confidentiality of information and the reporting process;
4. The INALUM WBS Team follows up on reports submitted by independent third parties, and in carrying out follow-up, the Whistleblowing Team has the right to:
 - a. summon related parties, both internal and external, to obtain documents/data needed to carry out follow-up;
 - b. conduct a review and make a report on the results of the follow-up including recommendations on the reports submitted;
 - c. report the results of the follow-up and recommendations to the President Director as the person responsible for the WBS.
5. The INALUM WBS Management Team submits periodic quarterly management reports to the President Director, and the MIND ID WBS Management Team;
6. Actively coordinate with Independent Third Parties to ensure the effectiveness of receiving and managing WBS reports; and
7. Monitor the effectiveness of the integrated WBS and make continuous improvements and organize periodic training and socialization of the implementation of WBS in the Company so they can collaborate with the relevant Department/ Section.
8. In order for the reporting of violations to be followed up, the whistleblowers:
 - a. Can provide information regarding personal data or without personal data (anonymous);
 - b. The report submitted by the whistleblowers includes information, evidence, or allegations that are clear, correct, honest and accountable;
 - c. The whistleblowers submits information that fulfills the elements of what, where, when, who and how ("4W + 1H") in the report of alleged violations as follows:

What	What were the alleged violations known to the whistleblower and if any, the amount of loss and evidence to support the allegations?
Where	Where was the location of the unit or Company where the alleged violations occurred?
When	When did the alleged violations occur and how often? Have the violations occurred before?
Who	Who was involved in the alleged violations, including those who were harmed and those who benefited, and who ordered the violations?
How	What was the chronology of the violations committed by the reported party?

- d. Whistleblowers can complete their report with data/ information/other supporting evidence (for example in the form of documents, photos, recordings and videos) to support the follow-up process for the report;
- e. The report will only be accepted or processed if it meets the 4W + 1H elements and/or if the information is deemed adequate;
- f. The whistleblower is advised to provide a contactable contact to facilitate the analysis process for the report received. However, the whistleblower can choose to report anonymously (without listing their identity, or their identity is kept confidential); and
- g. Company employees are required to submit reports of any alleged violations through the WBS media provided
- 9. An independent third party, as far as possible, verifies the basic principles of 4W + 1H for incoming reports and builds cooperation with the whistleblower to collect supporting evidence.
- 10. An independent third party makes an initial analysis report on the proposed follow-up to the report based on information received through the media or reporting channels and submits the initial analysis report along with a proposed follow-up to the INALUM WBS Management Team (with a copy to the MIND ID WBS Management Team).
- 11. The provisions in the case of the reported party are as follows:

No	Report Substance	Reporting
1	INALUM personnel and other external parties (other than the Board of Directors, Board of Commissioners and WBS Team)	<ol style="list-style-type: none"> 1. Chair and Members of the INALUM WBS Team; 2. WBS Supervisory Board with a copy to the INALUM President Director (if the report is categorized as out of scope, then the verbatim report will be forwarded to the Director in charge of compliance); and 3. Chair and Members of the MIND ID WBS Team.
2	INALUM Board of Directors (other than the President Director)	<ol style="list-style-type: none"> 1. President Director of INALUM 2. WBS Supervisory Board of INALUM. 3. Chair and Members of the MIND ID WBS Team.
3.	INALUM President Director	<ol style="list-style-type: none"> 1. WBS Supervisory Board of INALUM 2. President Director of MIND ID 3. Chair and Members of the MIND ID WBS Management Team
4.	Board of Commissioners, Audit Committee, and other Committees at INALUM	<ol style="list-style-type: none"> 1. President Director of INALUM 2. WBS Supervisory Board of INALUM. 3. Chair and Members of the MIND ID WBS Team.
5.	Chairman or Member of INALUM WBS Team	<ol style="list-style-type: none"> 1. President Director of INALUM 2. WBS Supervisory Board of INALUM. 3. Chair and Members of the MIND ID WBS Team.

Party Managing Complaints

The MIND ID Group including INALUM integrated Whistleblowing System is managed by an Independent Third Party. The Independent Third Party duties and responsibilities are as follows:

1. Receive reports received through the reporting system facilities/media/channels provided by the Company and provide additional information to the whistleblower if necessary;
2. Conduct an initial adequacy analysis and submit a report with the basic principles of 4W+1H along with other supporting documents (if any) based on the information provided by the whistleblower to the Independent Third Party;
3. Submit an initial analysis report, proposals or recommendations for follow-up reports and other supporting documents (if any) to the WBS Management Team handling the INALUM WBS report, the Independent Third Party will submit an initial analysis report to the INALUM WBS Management Team with a copy to the MIND ID WBS Management Team.



4. Report the number of reports, categories of reports and status of reports every month to the INALUM WBS Management Team. The MIND ID WBS Management Team will receive a summary report for all reports received by OpenMIND, including reports related to MIND ID Members. The MIND ID Member WBS Management Team will receive a summary of reports related to their respective entities;
5. Maintain confidentiality and provide protection for the whistleblower (including the identity of the whistleblower to the extent relevant), and maintain the confidentiality of information and the reporting process; and
6. Deliver the status of the report to the whistleblower, including developments/progress and closure of the report (including results of follow-up actions), by coordinating in advance with the INALUM Management Team.

Number of Complaints Received and Processed in 2024

Throughout 2024, the Company received six reports of alleged violations committed by employees. All complaints were followed up in accordance with Company regulations. Of the six complaints, three were outside the scope of the Company's regulations, so three complaints were processed further and have been declared closed.

Sanctions/Follow-up on Complaints that have been Completed in the Fiscal Year

Any reported party who is proven to have committed a violation will be given sanctions in accordance with the provisions set by the Company.

PROCESS TO RESTORE NEGATIVE IMPACTS [GRI 2-25]

As a form of responsibility for negative impacts that may arise from its operations, INALUM has established a structured and sustainable recovery mechanism. This recovery process includes identification, evaluation, and application of mitigation measures for environmental, social, and economic impacts that have the potential to affect stakeholders. In this case, INALUM is committed to collaborating with local communities and stakeholders in designing appropriate programs, for example related to responsible waste management. Through this approach, INALUM not only seeks to minimize negative impacts but also creates added value for the surrounding communities.

To ensure the effectiveness of the impact recovery process, INALUM involves various parties, including the government, local communities, and non-governmental organizations at every stage of implementation. The Company also has a complaint mechanism that allows the community to submit complaints related to the negative impacts they feel, which are then followed up with appropriate and solution-oriented responses. In addition, periodic monitoring and evaluation are carried out to measure the success of the recovery program and adjust strategies if necessary. With this approach, INALUM is committed to minimizing the negative impacts of its operational activities and creating sustainable value for the environment and surrounding communities.

Throughout 2024 there was no negative impact on INALUM's operations. Thus the company did not carry out specific impact recovery on the Company's operations.

COMPLIANCE WITH LAWS AND REGULATIONS [GRI 2-27] [ASI 3.2]

As part of a State-Owned Enterprise, INALUM is committed to complying with all applicable laws and regulations. To strengthen this compliance, the Company routinely conducts internal audits to evaluate compliance with external regulations and internal policies. In addition, INALUM provides training and education to employees regarding the latest laws and regulations relevant to the Company's operations. Company policies and procedures are also updated regularly to always be in line with changes in applicable regulations and laws, so that the Company's compliance is maintained optimally.

INALUM ensures compliance with applicable regulations and provisions, including in aspects of clean and transparent governance. Referring to Law Number 7 of 2017 concerning General Elections, which prohibits the provision of campaign funds or other forms of support to political parties by SOEs, INALUM confirms that during the reporting year, the Company did not provide financial or in-kind assistance to political parties. INALUM also did not provide any contribution in any form that could be categorized as political support, in line with the principles of good governance and corporate accountability.

During the reporting year, there were no violations of laws and regulations committed by INALUM personnel.

NON-COMPLIANCE AND OBLIGATIONS

INALUM is committed to running business operations that comply with all applicable rules and regulations, both at the national and international levels. To ensure this compliance, the Company implements a periodic internal audit and monitoring system to identify and address potential non-compliance early on. In addition, operational policies and procedures are continuously updated to align with regulatory changes that may impact business activities. If any indication of non-compliance is found, INALUM has a mitigation and corrective mechanism designed to minimize legal, financial, and reputational risks for the company.



In terms of legal and regulatory obligations, INALUM transparently reports the fulfillment of its responsibilities to the relevant authorities. The Company also ensures that every aspect of compliance, including environmental, employment, and governance aspects, is carried out responsibly in accordance with established standards. If there is a violation or non-compliance in operations, INALUM is committed to immediately taking corrective steps and coordinating with the authorities to resolve the problem completely. Through this approach, INALUM continues to strengthen good corporate governance and build stakeholder trust in transparent and accountable business sustainability.

OPERATIONS ASSESSED AS HAVING CORRUPTION RISKS [GRI 205-1]

In an effort to ensure clean and transparent corporate governance, INALUM routinely evaluates operations that have the potential to have corruption risks. In the reporting year, the Company conducted a corruption risk assessment in its operational units and supply chains. The identification process was carried out through a risk-based assessment that considered factors such as location of operations, type of transaction, and interaction with third parties. The results of this study became the basis for preparing mitigation steps to prevent potential corrupt practices that could harm the Company and stakeholders. In addition to implementing the Anti-Bribery Management System (SMAP) SNI ISO 37001:2016, the Company mitigates the risk of corruption by optimizing complaint channels including the Whistleblowing System (WBS), and gratification control managed by the Gratification Control Unit (UPG)

COMMUNICATION AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES [GRI 205-2]

In line with the anti-corruption and anti-gratification commitment, INALUM has instigated socialization efforts to communicate anti-corruption policies, both to the governance body (Board of Commissioners and Board of Directors), employees and partners/vendors). For the governance body and employees, socialization is carried out through the MIND ID Academy LMS application (<https://academy.mind.id>), MIND ID Group GRC Series Webinar, online socialization to employees in the procurement, logistics, and commercial functions and all policies related to anti-bribery and/or anti-corruption are published on the Company's website. Through this socialization, as of December 31, 2024, 100% of the Board of Commissioners, 100% of the Board of Directors, and 100% of employees received information related to anti-corruption policies and procedures.

Meanwhile, the Company socializes anti-corruption policies to partners/vendors and other stakeholders through online socialization and the creation of vendor integrity pacts. With this socialization, 100% of partners/vendors received information regarding the anti-corruption policies and procedures implemented at INALUM.

In addition to socialization, the anti-corruption commitment is also carried out by organizing or involving INALUM personnel in anti-corruption training programs. Through this policy, by the end of 2024, 100% of the Board of Directors participated in anti-corruption training, and 100% of the total BOD-1 and BOD-2 employees participated in similar programs.

Based on the socialization and anti-corruption training activities during 2024, the recapitulation of the Board of Commissioners and Board of Directors who participated in training on anti-corruption policies and procedures was 100% of the total members of the Board of Commissioners and Board of Directors. In addition, all Employees and Management participated in anti-corruption training/education throughout 2024, totaling 1,789 people or 100% of the total Employees and Management.

Anti-Corruption Training 2024

Name of Training	Time of Training	Organizer	Total Participants
MIND ID 5th GRC Series Fraud Management	March 15, 2024	MIND ID	Board of Directors, Board of Commissioners, Audit Committee, Integrated Risk & Governance Monitoring Committee, Risk Management Work Unit, Compliance, Internal Supervisor and BOD-1
Developing an Integrated Anti Fraud, Compliance and Ethic Programs	April 2 - 3, 2024	INALUM (Narasumber: GRC Specialist)	30 people
Corruption Prevention in Mining Governance	August 8, 2024	MIND ID (Source: Deputy Director of Corruption Crimes, Criminal Investigation Unit of the Indonesian National Police)	3 people from legal function
Socialization of Corruption Prevention Guidelines ("Pancek KPK")	August 26, 2024	MIND ID (Source: KPK)	12 people





Anti-Corruption Training 2024

Name of Training	Time of Training	Organizer	Total Participants
FGD Implementation of Good Corporate Governance as an Effort to Avoid the Snare of Corruption	July 19, 2024	INALUM (Source: North Sumatra High Prosecutor's Office and North Sumatra BPKP)	53 people
	October 18, 2024	(Source: Directorate of Strategic Development Security, Attorney General, Intelligence, Attorney General's Office and High Prosecutor's Office of North Sumatra)	59 people
MIND ID 10th GRC Series Corruption Prevention in Relation to Governance, Risk & Compliance	October 10, 2024	MIND ID	Board of Directors, Board of Commissioners, Audit Committee, Integrated Risk Monitoring & Governance Committee, Risk Management Work Unit, Compliance, Internal Supervisor and BOD-1 & BOD-2

PROVEN CORRUPTION INCIDENTS AND ACTIONS TAKEN [GRI 205-3]

The commitment and sincerity of INALUM personnel towards anti-corruption and anti-gratification brought positive results with no corruption incidents in the reporting year. Therefore, the Company did not have to take any specific actions for improvement, either internally or externally, and there were no specific actions against partners/vendors, such as termination of cooperation due to involvement in corruption.

POLITICAL CONTRIBUTIONS [GRI 415-1]

In accordance with the 2024 PT Indonesia Asahan Aluminium Corporate Code of Conduct, INALUM personnel must be neutral towards all Legislative Candidates proposed by political parties and the choice of President/Vice President Candidates and Candidates for Regional Heads Level I and II, as well as Candidates for People's Representatives of the Regional Representative Council.

Guidelines: [GRI 3-3]

- All INALUM Personnel must carry out their duties according to their responsibilities, act and behave professionally and neutrally.
- All INALUM Personnel are not permitted to use the Company's position, assets, and facilities to support the activities and interests of certain political groups/parties and executive and legislative candidates.
- All INALUM Personnel are prohibited from becoming administrators of political parties and/or executive candidates/legislative members and is not limited to Organizations affiliated with certain political parties, as well as volunteers supporting executive candidates.
- All INALUM Personnel and their immediate families are prohibited from bringing, using, displaying, installing and distributing symbols, images and ornaments of political parties and the choices of President/Vice President Candidates and Candidates for Regional Heads Level I and II, and Candidates for People's Representatives of the Regional Representative Council in the Company's asset environment.

LOBBYING AND POLITICAL SPENDING

Regarding lobbying and political spending, INALUM has regulated it in the 2024 PT Indonesia Asahan Aluminium Corporate Governance Guidelines in the discussion on Involvement in Political Activities with the following provisions:

- The Company recognizes the right of every Employee to channel their political aspirations.
- The Company does not force or limit the rights of individuals to channel their political aspirations to the extent permitted by applicable laws and regulations.
- It is the Company's policy that Employees who become Political Party Administrators and are not limited to Organizations affiliated with certain Political Parties and volunteers supporting executive candidates must choose to resign from the Company or relinquish their management as evidenced by a Statement Letter.
- The Company does not allow INALUM Personnel to coerce other INALUM Personnel, thereby limiting the rights of the individual concerned to channel their political aspirations.
- The Company prohibits the use of assets or providing donations in any form to Political Parties and is not limited to Organizations affiliated with certain Political Parties or other political activities and volunteers supporting executive candidates outside the provisions of applicable laws and regulations.

Risk Management [OJK E.3] [GRI 2-23, 2-25]

Risk management is a fundamental aspect for ensuring the Company’s sustainability and growth. In line with the regulations of the Financial Services Authority and the Global Reporting Initiative (GRI) standards, the Company has implemented a systematic approach to identify, assess, manage, and monitor risks that have the potential to affect performance and strategic objectives. Risk is a crucial factor that can have a lasting negative impact, and potentially disrupt the stability and smooth performance of the Company. Therefore, effective risk management is essential for business continuity. To do so, INALUM has instigated a risk management system by adopting the principles of Enterprise Risk Management and ISO 31000:2018, under the responsibility of the Risk Management Department that coordinates with all levels of the organization, so it is applied comprehensively and includes sustainability issues in its risk management process.

The Company is also committed to applying good governance principles in risk management by considering aspects of transparency, accountability, responsibility, independence, and fairness. This commitment is realized through:

- Preparation of risk policies and guidelines in accordance with national standards and in accordance with Shareholder Directives (MIND ID).
- Enforcement of a risk awareness culture at all levels of the organization.
- Involving the Compliance Department and Internal Audit in evaluating the effectiveness of risk management.

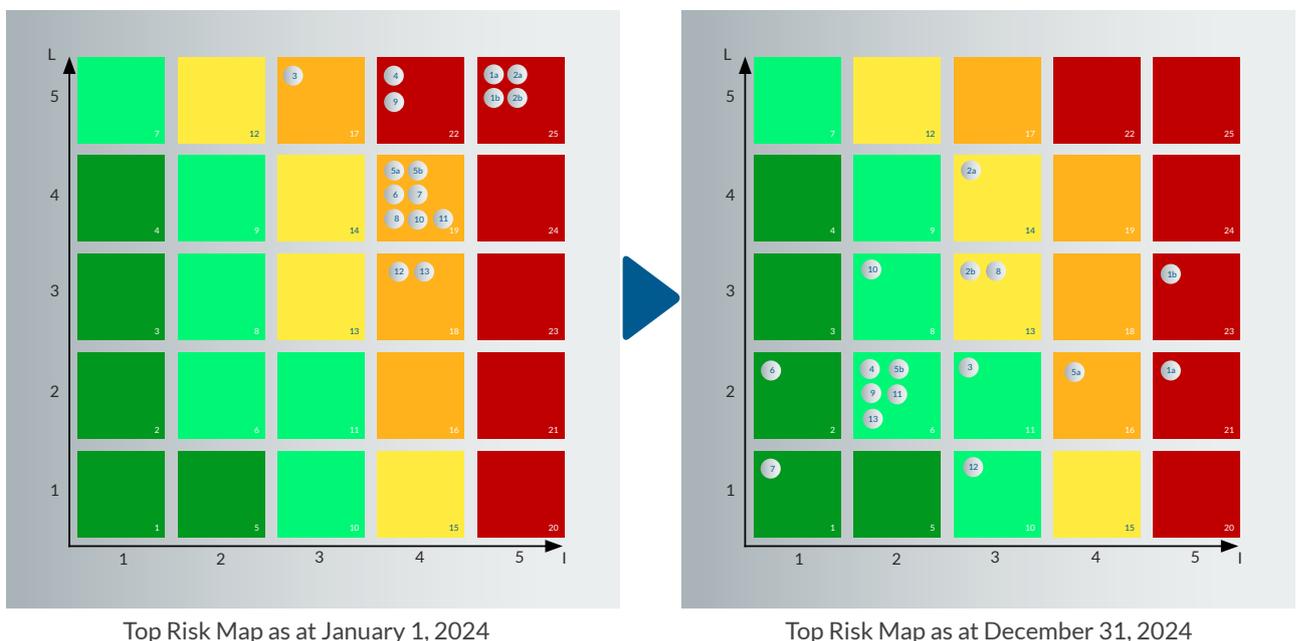
Through this approach, INALUM is able to identify, analyze, evaluate, and respond to risks optimally, while utilizing existing opportunities to achieve Company targets.

The Board of Directors also plays a very important role in managing the Company’s risks, by ensuring Risk Management runs effectively and all risks remain within acceptable tolerance limits. To support this, the Board of Directors has established guidelines and policies to govern risk management. In every strategic decision-making, the Board of Directors also considers input from the Board of Commissioners, the Risk Management, Legal, and Compliance Department. As a concrete step to mitigating risks and improving the achievement of Company goals, INALUM has established a Departmental Risk Management Team (TMRD). In addition, the Company has developed a digital SIMRI system (Risk Management Information System) to facilitate Risk Owners in managing and monitoring risks more efficiently.

In 2024, a Risk Maturity Index assessment was carried out for the 2023 fiscal year risk management practices by a consultant with the MIND ID Risk Management Holding with the result being 2.9 (Good Practice) out of 5.00 (Best Practice).

2024 Risk Profile and Mitigation

The following shows the Company’s risk profile and mitigation INALUM carried out throughout 2024.



Top Risk Map as at January 1, 2024

Top Risk Map as at December 31, 2024



No.	Type of Risk	Description	Mitigation Carried Out
1a	Strategic Risk	Investment in subsidiaries is not optimal (PT BAI)	<ol style="list-style-type: none"> 1. Submitting a capital deposit to Inalum. 2. Amending/restructuring PT BAI's SHL. 3. Completing the availability of tailing facilities. 4. Providing BAI funding from the issuance of Medium Term Notes (MTN). 5. Preparing operational readiness.
1b	Strategic Risk	Investment in subsidiaries is not optimal (PT IAA)	<ol style="list-style-type: none"> 1. Exploring raw material sources with a long-term contract scheme. 2. Procuring Casting Table for IAA Diversified Products. 3. Cooperating with Inalum regarding the Tolling fee scheme to increase production. 4. Conducting product awareness to consumers, especially new consumers. 5. Supervising, scheduling, payment of principal and interest on SHL obligations.
2a	Project Risk	Development Projects Stuck (Pot Upgrading)	<ol style="list-style-type: none"> 1. Fulfilling the performance parameters of the pot upgrading. 2. Completing the necessary documents in case of a dispute. 3. Preparing Operation Readiness.
2b	Project Risk	Development Projects Delayed (Smelter Expansion)	<ol style="list-style-type: none"> 1. Finalizing the 2nd Kuala Tanjung Aluminium Smelter Study. 2. Business cooperation agreement between smelter energy providers and smelter technology providers.
3	Legal, Reputation & Compliance Risk	TUN Dispute over INALUM Land	<ol style="list-style-type: none"> 1. Providing assistance through legal consultants. 2. Collaborating with land experts. 3. Receiving support from KBUMN and related ministries.
4	Operational Risk	Availability of key equipment is disrupted	<ol style="list-style-type: none"> 1. Carrying out timely procurement of spare parts. 2. Minimizing breakdown maintenance. 3. Maintaining the quality of spare parts.
5a	Operational Risk	Unavailability of key raw materials	<ol style="list-style-type: none"> 1. Conducting Long Term Contract (LTC). 2. Monitoring the supply chain of primary raw materials digitally. 3. Conducting rapid procurement of materials during emergencies with registered vendors. 4. Using the Min-Max (MRP) application in issuing PR for purchasing raw materials. 5. Using third parties in analyzing BBU samples.
5b	Market & Macroeconomic Risk	Increase in prices of key raw materials	<ol style="list-style-type: none"> 1. Conducting Long Term Contract (LTC). 2. Pricing strategy as natural hedging. 3. Monitoring Cost Control.
6	Operational Risk	Underachievement of production due to Performance of existing pot and Pot Upgrading	<ol style="list-style-type: none"> 1. Carrying out recycled material input. 2. Increasing the Number of HPM Pots. 3. Increasing the bath level in potline 2. 4. Carrying out carbon tapping and belly checking. 5. Optimizing the quality and availability of Anodes.
7	Operational Risk	Lack of electrical energy for aluminium production	<ol style="list-style-type: none"> 1. Performing PLN Interconnection (IBT).

No.	Type of Risk	Description	Mitigation Carried Out
8	Operational Risk	Occurrence of work accidents and incidents due to occupational diseases	<ol style="list-style-type: none"> 1. Increasing top management involvement in OHS activities. 2. Implementing Safety Golden Rules consistently. 3. Monitoring SOR achievements and resolve patrol findings. 4. Providing safe and standard operational facilities. 5. Conducting OHS Promotion. 6. Improving TAD and Subsidiary Competence. 7. Implementing ICMESH/CSMS. 8. Improving Discipline and Empathy Culture.
9	Financial Risk	Funding limitations in running the Company's projects	<ol style="list-style-type: none"> 1. Issuing medium term notes (MTN). 2. Conducting AR/APIC Split Off settlement. 3. Issuing other funding options besides MTN.
10	Market & Macroeconomic Risk:	INALUM's Declining Market Share and Competitiveness Due to New Competitors in the Domestic Aluminium Industry	<ol style="list-style-type: none"> 1. Expanding the export market in the medium and long term, both directly and through Mind ID Trading (MIT). 2. Utilizing INALUM's competitive advantage using environmentally friendly energy sources in the form of green aluminium/low carbon Aluminium certification. 3. Increasing customer loyalty and satisfaction by maintaining consistent product quality, conducting direct selling and Just in Time Delivery. 4. Providing competitive aluminium product prices through the implementation of price flexibility in the form of premium discounts to domestic buyers. 5. Conducting market intelligent research studies.
11	Market & Macroeconomic Risk	LME Price Drop	<ol style="list-style-type: none"> 1. Implementing sales strategy through new pricing strategy. 2. Monitoring Cost Control.
12	Information Technology & Cybersecurity Risk	Cyber attacks that cause the cessation of one or more vital business processes of the company	<ol style="list-style-type: none"> 1. Using a cyber protection system on the user side. 2. Using a cyber protection system at the network center. 3. Developing user knowledge regarding cyber risks through Security Awareness. 4. Performing Database Backup
13	Social & Environment Risk	Unattainability of Proper Gold ISP and IPP	<ol style="list-style-type: none"> 1. Ensuring innovation and program reports in all aspects of the Proper assessment are above the passing grade (green document/DRKPL). 2. Preparing materials for green leadership and social innovation presentations. 3. Increasing the benefits of social innovation. 4. Implementing Stakeholder Engagement. 5. Coordinating with SGC and JGR for routine correspondence with KLHK and DLH North Sumatra. 6. Maintaining good relations with the media and NGOs. 7. Reviewing the reliability of document submissions to be uploaded to SIMPEL. 8. Establishing the INALUM PROPER internal team and increasing its competence.

Review of the Evaluation and Effectiveness of Risk Management Implementation

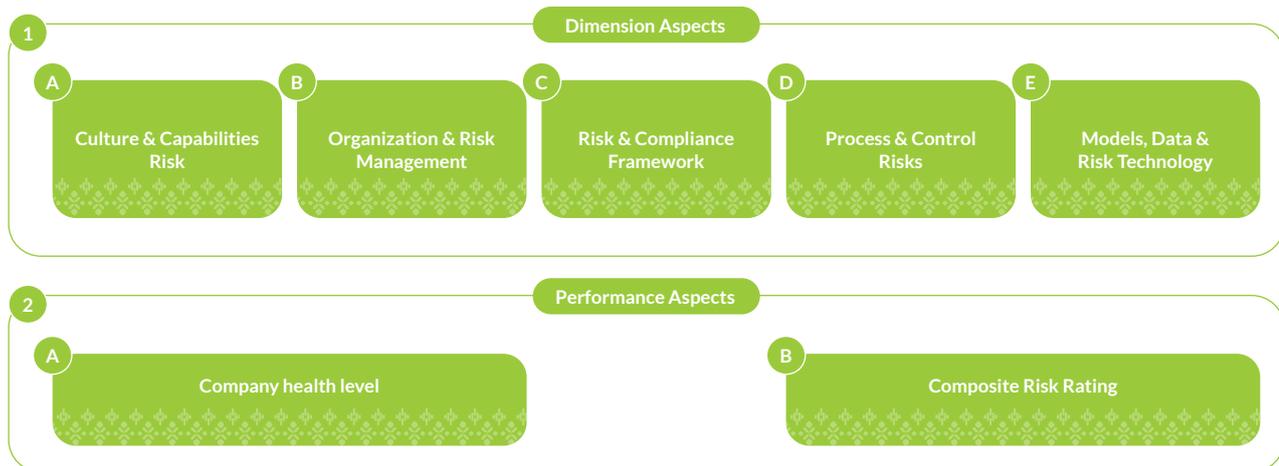
Based on PER-2/MBU/03/2023 KBUMN Article 74: "BUMN are required to assess the risk maturity index based on the dimensions and performance aspects by referring to the technical instructions SK-8/DKU.MBU/12/2023". PT INALUM regularly evaluates the effectiveness of the risk management system through the Risk Maturity Index (RMI). An independent party and the Internal Audit Department carry out this evaluation to ensure the objectivity and accuracy of the measurement results.



Risk maturity level assessment is carried out based on:

1. Five dimensional aspects, including governance, process, infrastructure, risk culture, and integration with strategic planning; and
2. Two performance aspects, which reflect the effectiveness of risk management in supporting the achievement of Company goals and real risk management.

Through this approach, PT INALUM is committed to continuously improving the maturity of its risk management, in order to support business resilience and the achievement of the Company's long-term goals sustainably.

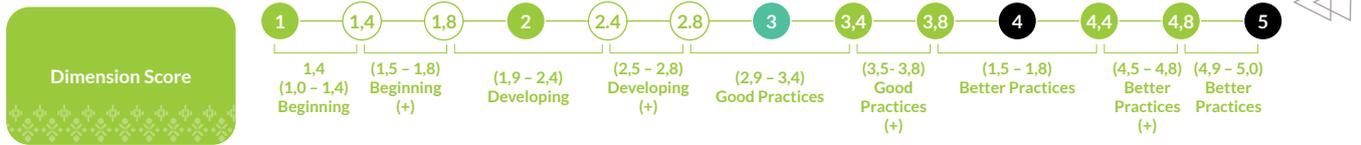


To strengthen the Company's resilience to strategic and operational risks, PT INALUM has instigated a structured, measurable, and sustainable risk management system, which includes five main components that are regularly evaluated to ensure their effectiveness:

1. Risk Culture and Capabilities
Describes the extent to which a risk-aware culture has been embedded at all levels of the organization. The Company actively develops ongoing training and socialization programs to improve the risk management capabilities of risk owners and all INALUM personnel.
2. Risk Organization and Governance
Assesses the organizational structure and risk governance, including clarity of roles and responsibilities of all departments in the risk management process. This also involves the Board of Directors, the Board of Commissioners, and the role of the Risk Management Department as the main coordinator.
3. Risk and Compliance Framework
Evaluates the availability and conformity of risk management policies, procedures, and guidelines with international standards (ISO 31000:2018) and national regulations (PER-2/MBU/03/2023 and SK-8/DKU.MBU/12/2023). The Company also ensures that this framework supports the integration of risk and compliance (governance, risk & compliance).
4. Risk Process and Control
Measures the effectiveness of the risk identification, assessment, mitigation, and monitoring process. This process is carried out systematically by involving all levels of the organization and is supported by the SIMRI digital system (INALUM Risk Management Information System).
5. Risk Models, Data, and Technology
Assesses the Company's ability to utilize data, information technology, and quantitative models as tools to support risk-based decision-making.

The effectiveness of PT INALUM's risk management has been evaluated by independent parties and Internal Audit through the Risk Maturity Index (RMI) according to the technical instructions SK-8/DKU.MBU/12/2023. Based on the assessment results for the 2023 fiscal year, INALUM scored 2.9 on a scale of 5.0, which is in the "Good Practice" category.

This result reflects the Company's commitment to building a strong foundation of risk governance, as well as encouraging the strengthening of a risk-aware culture across all lines of the Company's operations.



Risk Maturity Level Evaluation Results

- Based on the results of the Risk Maturity Index (RMI) evaluation, PT INALUM scored 2.9 on a scale of 5.0, indicating that the risk management system has been implemented consistently in various aspects of the organization.
 - This score reflects that the Company has moved beyond the “Developing” stage, indicating a significant improvement in risk management compared to the previous period.
 - INALUM is currently in the “Good Practice” stage, reflecting that risk management has a strong foundation and is starting to provide real added value to the sustainability of the Company’s operations.
 - Consistency of implementation across units also shows that risk management is no longer administrative, but rather has become part of the strategic decision-making process.
- To achieve the “Best Practice” stage, PT INALUM has determined three main strengthening areas as the focus for improving the risk management system in the future:
 - Integration with Business Strategy**
Strengthening the integration between business strategy and risk management so that every strategic decision taken by the Company is aligned with long-term goals and stakeholder values.
 - Strengthening Systems and Processes**
The Company continues to refine the methodology for risk identification, measurement, mitigation, and monitoring, to ensure effective control over key risks that may impact business continuity.
 - Developing a Risk Awareness Culture**
Education, socialization, and ongoing training for all levels of the organization is carried out to improve and strengthen a risk-awareness culture, and to improve compliance with the Company’s risk management policies.

Steps for Future Improvement

To achieve the “Better Practice” level (Score ≥ 3.5), PT INALUM has prepared a series of strategic steps that focus on systemic strengthening and digitalization of risk management processes. The steps that will be implemented include:

- Improve Digital Capabilities in Risk Management:**
The Company will develop and implement an IT-based digital system to improve the effectiveness of real-time risk monitoring, reporting, and analysis. This system is also expected to strengthen cross-functional data integration to support risk-based decision-making.
- Improve Policies and Procedures:**
Conduct comprehensive evaluations of risk management policies and procedures periodically to be more adaptive to changes in business dynamics, industry challenges, and developments in external regulations, both nationally and internationally.
- Improve Evaluation and Supervision:**
Strengthen the risk supervision function by increasing the involvement of senior management in the strategic and operational risk evaluation process. This approach aims to base all important decision making on comprehensive understanding and consideration of risk.
- Achieving a score of 2.9 reflects that the company has a solid foundation in the application of risk management. In the future, INALUM will continue to encourage continuous improvements and systemic innovations, so that risk management does not only function as a mitigation tool, but is also the main enabler to achieving sustainable and highly competitive business growth.

Financial Implications and Other Risks of Climate Change

Today, the world is facing major challenges that require cross-sectoral and state collaboration to overcome them. One of these challenges is climate change and global warming, the negative impacts of which are increasingly apparent, marked by the increase in extreme weather events, temperatures that continue to rise, heavy rain with uncertain patterns, and a longer dry season. In addition to disturbing environmental balance, climate change also threatens the sustainability of human life and ecosystems throughout the world. **[GRI 3-3]**

In the industrial context, including the aluminium smelting industry, climate change is a strategic challenge that must be anticipated with an adaptive and mitigative approach. INALUM realizes that phenomena such as changes in rainfall patterns, increased events of natural disasters can have an impact on:

1. Operational stability: Extreme weather such as floods or long droughts can disrupt the availability of water needed in the aluminium smelting process and increase the risk of operational disruptions due to natural disasters.
2. Energy costs: Rising global temperatures can increase the energy requirements for cooling and environmental control systems in production facilities, which will result in increased operational costs.
3. Raw material and logistics supply chain: Climate change can hamper the transportation of raw materials and finished products due to disruptions in infrastructure and accessibility, which has the potential to increase costs and disrupt smooth distribution.

To face these challenges, INALUM has established a climate change mitigation strategy integrated with the Company's sustainability and long-term strategy as follows:

1. Energy efficiency and diversification of energy sources and accelerating the transition to renewable energy to reduce greenhouse gas emissions.
2. Operational adaptation to climate risk by developing a weather monitoring system and mitigating the impact of disasters to maintain production and infrastructure stability.
3. Building a supply chain resilience strategy, including supplier diversification and optimization of distribution channels to reduce the risk of disruption due to climate change.

In addition to establishing the above mitigation measures, INALUM evaluates climate risk by implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as the key strategy in managing risks related to climate change. The TCFD recommendations aim is to improve reporting on risks and opportunities related to climate change related to operational and project activities by INALUM.

The TCFD framework maps climate change risks into two main categories: physical risks and transition risks. Physical risks include extreme weather events such as droughts or floods, and long-term impacts such as increases in global average temperatures. Transition risks include the global shift to a low-carbon economy, regulatory changes, and innovations in energy efficiency. In an effort to manage these risks, the Company routinely encourages the participation of all stakeholders to reduce the environmental impacts that may arise from business operations.

TCFD Framework



IDENTIFICATION OF CLIMATE CHANGE RISKS AND OPPORTUNITIES FOR INALUM [GRI 201-2]



Climate change has a significant impact on the industrial sector, including the aluminum smelting industry. PT INALUM actively identifies and assesses the physical risks that may arise as a consequence of the climate crisis, both directly to operations and indirectly to financial and supply chain aspects. The following are identification of the main physical risks and strategic steps that the company has prepared:

A. Physical Risk

Physical Risk	Risk Triggers	Possibility of Risk	Risk	Potential Financial Impact	Mitigation Measures / Strategies to Respond to Risk
Natural disasters (floods, earthquakes, fires)	Changes in extreme weather patterns and geological conditions	High	Facility damage & operational disruptions	Damage to infrastructure and operational disruption that impacts the cost of repairing facilities and loss of production	Implement disaster security and protection systems, insurance protection against strategic assets
Extreme weather	Changes in rainfall, temperature, and disaster frequency	Medium - High	Supply chain disruptions & production delays	Disruption of raw material distribution that can impact rising logistics and operational costs	Supplier diversification & increase in raw material stock
Major equipment failure	Extreme humidity, high temperatures, or power fluctuations	Medium	Production downtime & reduced efficiency	Loss of revenue due to decreased production	Preventive & predictive maintenance and real-time monitoring of equipment conditions
Workplace accidents	Extreme work environment and operational disorder	Medium	Worker injuries & equipment damage (Damage of Properties)	Worker medical costs, repairs to damaged equipment, and potential production disruption	Occupational safety training (OHS), Socialization of the use of Personal Protective Equipment and implementation of periodic OHS audits
Pollution & environmental contamination	Disorder in waste and emission treatment systems	Medium - High	Regulatory violations & environmental sanctions	Potential violations of regulations, environmental fines, and damage to the Company's reputation	Improvement of waste management systems, fulfillment of environmental regulations, and regular compliance audits

By following this approach, INALUM is committed to continuing to strengthen its early detection systems, disaster responses, and physical risk management that can interfere with business sustainability. The mitigation strategy will not only focus on reducing negative impacts, but will also be part of a proactive step to increase the Company's operational resistance to climate change risks.



In addition to physical risk, climate change also poses a risk to the transition process towards a low carbon economy. This transition involves changes in regulation, stakeholder expectations, technological innovations, and market dynamics that increasingly demand sustainable and environmentally responsible business practices.

PT INALUM has identified some of the main transition risks that could have an impact on the Company's operations, finance, and reputation, which are explained in the following table:

B. Transition Risk

Transition Risk	Risk Triggers	Possibility of Risk	Risk	Potential Financial Impact	Mitigation Measures / Strategies to Respond to Risk
Changes in environmental regulations	Adoption of new regulations on emissions, waste, and energy	High	Additional investment obligations for compliance	Additional investment obligations for modification of the production and waste management systems	Proactively following regulatory changes and conducting sustainability studies
Shift to renewable energy	Decreased support for fossil energy and urgency of clean energy use	Medium - High	High costs in the transition to environmentally friendly energy sources	Large investment in infrastructure and new renewable energy -based technology	Preparing energy transition roadmaps, collaborating with green energy providers, as well as optimizing renewable energy utilization in operations
Increase in raw material prices due to carbon regulations	Imposition of carbon prices or additional costs for carbon material traces	High	Production costs increase	Increased production costs, decreased profit margins	Energy efficiency & carbon emission reduction in production processes
Changes in carbon emission tax policy	Carbon tax imposition by national and regional governments	Medium - High	Additional charges for carbon tax	Increased operational costs due to tax obligations	Decarbonization strategies & optimization of energy use

INALUM realizes that the risk of transition is not only a challenge, but also opens up strategic opportunities in transformation towards more sustainable operations. Therefore, all mitigation policies are designed not only to avoid losses, but also to create long-term values through efficiency, innovation, and compliance with global environmental standards.

Climate change not only poses a risk, but also opens up strategic opportunities for companies that are able to adapt and innovate quickly. For INALUM, the global environmental challenges will become a trigger to transform towards a more sustainable, efficient, and tougher business model in the long run.

Some of the main opportunity drivers that can be utilized by INALUM in the context of climate change are as follows:

C, Opportunity Drivers

No.	Opportunity Drivers	Financial Potential	Opportunity Description
1	High demand for eco-friendly products	High	There will be an increase in global demand for products with low carbon emissions, including green aluminium. INALUM can expand into the green market by developing low emission aluminium products, strengthening sustainability certification (for example green aluminium), and establishing strategic partnerships with industrial customers who apply sustainable supply chains.
2	Government incentives for renewable energy	Medium - High	The government will provide fiscal incentives, tax relief, and subsidies for investment in net energy projects. INALUM can take advantage of this opportunity by developing new renewable energy generating projects (EBT), such as PLTA and PLTS, as well as exploring Green Financing and a Tax Holiday for low carbon investment.
3	Digitalization and automation of production processes	Medium	Digital and automation technology will provide opportunities for energy efficiency and reducing emissions through the optimization of the production process. INALUM can implement a smart energy system (smart grid), IoT for monitoring energy consumption, as well as predictive maintenance to increase productivity and reduce resource waste.
4	Strategic partnership with green technology companies	High	Collaboration with strategic partners that focus on environmentally friendly technology will accelerate the adoption of innovation and transition to low carbon operations. INALUM can establish R&D cooperation with technology institutions, universities, and providers of clean energy solutions to develop efficient smelting technology.
5	Expansion into export markets	Medium - High	International markets, especially in countries that apply carbon taxes, have high demand for sustainable products. INALUM can increase its revenue by expanding exports to markets that provide added value for green products, as well as adjust pricing and branding strategies to improve its competitive position globally

INALUM realizes that climate change is a real challenge as well as a call to act strategically and continuously. Through a proactive approach to identifying physical and transitional risks, as well as optimizing opportunities that arise, the Company can confirm its commitment to be part of a global solution to the climate crisis. Application of the Task Force on Climate-related Financial Disclosures (TCFD) framework, and disclosures based on GRI Standards 201-2 reflects INALUM's transparency and accountability in managing environmental impacts from its business activities. The mitigation and adaptation steps applied also show that climate risk management is no longer limited to compliance, but has become an integral part of the business strategy and the Company's competitive advantage. To that end, INALUM has integrated resources (budget, human resources, and equipment) into operational resource planning. Based on the Company's mapping in 2024, there has been no financial impact of climate change on INALUM's operations.

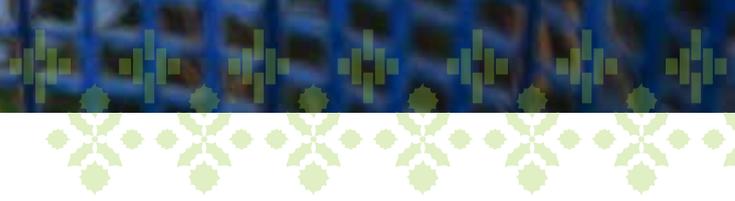
Moving forward, INALUM will continue to strengthen the integration of sustainability aspects in the strategic decision making process, encourage low -carbon technology innovation, and expand collaboration with other parties to support national energy transitions and the sustainability of the aluminium industry in Indonesia. By so doing, the Company will not only survive any changes, but will also grow resiliently, and be responsible for future generations.



05

Attachment





Written Verification from an Independent Party [OJK G.1]

This Sustainability Report has been verified in writing by an Assurance Services Provider for the period of assurance services for the financial year 2024, namely TÜV Rheinland, which is carried out in accordance with the AA1000 standard. The Assuror was not involved in the process of preparing the report and thus there is no conflict of interest.



INDEPENDENT ASSURANCE STATEMENT

The 2024 Sustainability Report of PT Indonesia Asahan Aluminium Statement No: 549/TRID/BS-A02/4/2025

PT TÜV Rheinland Indonesia (hereinafter "TÜV Rheinland" or "we") has been engaged by the management of PT Indonesia Asahan Aluminium (hereinafter "INALUM" or "the Reporting Company") to provide an independent assurance of the PT Indonesia Asahan Aluminium Sustainability Report 2024 (hereinafter, "the Report"). TÜV Rheinland, headquartered in Germany, is a global independent Environmental, Social, and Governance ("ESG") & Sustainability Assurance service provider with qualified ESG practitioners worldwide.

This assurance statement applies only to the relevant information included in the scope of the assurance. The entire content and information of the Report is in the responsibility of INALUM. The responsibility of the assurance team (the "Assurance Team" or the "Assurer") is to provide INALUM and its stakeholder with an independent assurance statement based on our expert opinions by applying the verification methodology for the specified assurance scope. The overall objective is to provide INALUM's stakeholders with assurance on the reliability and objectivity of the information contained in the Report. The intended users of this assurance statement are stakeholders who are interested in INALUM's overall sustainability performance and the impacts of its business activities.

SCOPE OF ASSURANCE AND SUBJECT MATTER

The scope of assurance engagement agreed upon with INALUM includes the following:

1. The reporting period: 1st January 2024 to 31st December 2024.
2. The assurance covers the Report against the reporting criteria including evaluation of quality, accuracy and reliability of performance information.
3. Material topics identified and reported by INALUM consist of 27 material topics (the "Subject Matter"). These material topics include the following:
 - Biodiversity and Conservation.
 - Water & Air.
 - Decarbonization.
 - Responsible Production.
 - Excellence Operational.
 - Automation, Digitalization and Innovation.
 - Quality & Responsibility Product.
 - Marketing & Sales.
 - Customer Satisfaction.
 - Supply & Contractor Management.
 - Healthy & Safety.
 - Security.
 - Recruitment.
 - Inclusion & Diversity.
 - Learning & Development.
 - Labor Rights.
 - Community Investment Programs.
 - Human Rights.
 - Stakeholder Engagement.



- Economic Impact.
- Creating Shared Values & Local Development.
- Financial Performance.
- Expansion & Diversification.
- Leadership & Decision Making.
- Transparency & Accountability.
- Business Ethics & Compliance.
- Risk Management.

REPORTING CRITERIA AND FRAMEWORK

- Reporting in accordance to the Global Reporting Initiative Standards 2021 ("GRI 2021").
- The Regulation of Financial Services Authority Number 51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies.
- The Circular Letter of The Financial Services Authority Number 16/SEOJK.04/2021 on the Form and Content of the Annual Report of Issuers or Public Companies.
- Sustainability Accounting Standard Board (Metals & Mining).
- Aluminium Stewardship Initiative Performance Standard.

ASSURANCE STANDARD AND LEVEL OF ASSURANCE

The independent assurance was conducted in accordance:

- AA1000AP (2018) Principles, covering the accountability principles of inclusivity, materiality, responsiveness, and impact (the "AA1000AP (2018) Principles").
- AA1000AS v3 with assurance engagement: **Type 2** and level of assurance: **Moderate**.

LIMITATIONS

The assurance was performed at a moderate assurance level in accordance with AA1000AS. The information and performance data subject to assurance is limited to the content of the Report and supporting data provided by the reporting organization. It implies that no significant errors were found during the assurance process and that there are limitations related to the unavoidable risks that may exist.

ASSURANCE METHODOLOGY

We have evaluated the overall sustainability strategy, targets and commitments disclosed in the Report. We have performed an objective review of the reported information and evidence gathered against the criteria defined in the assurance standards, i.e. the accountability principles of inclusivity, materiality, responsiveness and impact. The processes and system controls applied by the Reporting Company in the disclosure of quantitative and qualitative information on sustainability performance, from source to aggregation, were evaluated. Analytical procedures, interviews, and data testing were performed on a sample basis to test the generation and collection of data for defined sustainability key performance indicators in accordance with INALUM's corporate sustainability strategy, governance, and management systems as disclosed in the Report. Our work included interviews with INALUM representatives, including senior management at the executive and functional levels, as well as relevant employees responsible for collecting, aggregating and reporting the data. The assurance work was performed by our multidisciplinary team of experienced professionals in the areas of corporate sustainability, climate change, environmental, social, governance and stakeholder engagement. The opinion expressed is



based on a moderate level of assurance and at the level of materiality of the Assurer's professional judgment.

ADHERENCE TO THE AA1000AS v3

Inclusivity:

INALUM ensures inclusiveness by proactively identifying and engaging with diverse stakeholder groups, whose concerns are systematically addressed throughout the Report. Its approach to stakeholder engagement is supported by formal strategies designed to foster ongoing communication and collaboration. This commitment comes from the highest levels of leadership within the organization. Engagement activities include a variety of formats, including customer and employee surveys, meetings, and group discussions. Each interaction is carefully documented, and dedicated personnel are responsible for managing the feedback received. In addition, INALUM is transparent in communicating sustainability goals and commitments to stakeholders. This ensures that stakeholders are well-informed about initiatives and progress toward its sustainability goals.

Materiality:

INALUM has systematically conducted a materiality assessment of sustainability issues, taking into account the industry landscape, due diligence findings, risk assessments and stakeholder engagement. This assessment, which has become an annual practice, is a cornerstone of their commitment to sustainability. The Sustainability Steering Group reflecting the commitment of top management, carefully reviews and approves the list of material issues. The materiality assessment provides a comprehensive understanding of the relevant issues. These material issues are then methodically addressed in specific sections, each outlined by measurable metrics. INALUM's senior management and cross-functional teams are well versed in these processes, which are informed by extensive documentation and interviews.

Responsiveness:

INALUM is committed to addressing stakeholder concerns through a multi-faceted approach embedded in the sustainability strategy, policies, procedures, code of conduct and established sustainability goals. INALUM actively promotes stakeholder engagement through various channels, including multi-stakeholder platforms and customer interfaces. In particular, the dialog-driven approach is exemplified throughout the Report.

Impact:

INALUM adheres to the GRI 2021, which prioritize the assessment of internal and external impacts. INALUM has systematically identified the impacts associated with its operations and products. Their commitment to impact assessment is reflected in careful documentation and tracking of impacts through internal processes and systems. Impact analysis covering environmental, economic, social, people and its human rights. In addition, their commitment to identifying and mitigating negative impacts is evident in their annual risk and materiality assessment.

STATEMENT OF RESPONSIBILITY OF THE MANAGEMENT OF INALUM

The Management of INALUM has sole responsibility for preparing and presenting the Subject Matter (material topics) in accordance with GRI 2021 and preparing the Report in adherence to the AA1000AP (2018) Principles. INALUM's responsibilities also include maintaining effective internal controls over the information and data, resulting in the preparation of the Subject Matter in a way that is free from material misstatements.



STATEMENT OF RESPONSIBILITY, COMPETENCY, INDEPENDENCY AND IMPARTIALITY OF ASSURANCE PROVIDER

TÜV Rheinland ensures that appropriately qualified individuals are selected based on their qualifications, training and experience. We have maintained complete impartiality and independence throughout the assurance engagement and have not been involved in the preparation of the content of the Report or provided any related information. The assurance statement is only valid if it is published in its entirety with the Report. TÜV Rheinland does not accept any liability or responsibility to any third party for any perception or decision regarding INALUM based on this assurance statement.

CONCLUSION DAN OPINION

In conclusion, we can mention that no instances or information came to our attention that would be contrary to the statement made below:

- The Report 2024 **meets** the requirements of the AA1000AP Accountability Principles.
- The Report **meets** the requirements of **Type 2, Moderate Assurance Level** according to the AA1000AS v3 and follows the requirements of reporting in **accordance with GRI 2021**.
- The Report contains statements and claims that reflect INALUM’s sustainability achievements and challenges, supported by documentary evidence and internal records.
- The Assurer concludes that the Report for all the performance indicators related to the material topics are **reasonably represented**, and nothing has come to our attention that would cause us to believe that INALUM has not presented accurate and not reliable data.

For and on behalf of PT TUV Rheinland
Indonesia

Jakarta, 8 Mei 2025



Nyoman Susila
President Director



www.tuv.com

GRI Standards Content Index 2021

Statement of usage	PT Indonesia Asahan Aluminium reports the information cited in this GRI content index for the period January 1, 2024-December 31, 2024 in accordance with GRI Standards.
GRI 1	GRI 1: Landasan 2021
GRI Sector Standards	-

GRI Standards	DISCLOSURE	Page	Exceptions		
			Excluded Requirements	Reason	Explanation
GRI Pengungkapan Umum 2021	2-1	Organization details	26		
	2-2	Entities included in the 2-2 organization's sustainability reporting	10		
	2-3	Reporting period, frequency and contact points	11		
	2-4	Restatement of information	11		
	2-5	External assurance	11		
	2-6	Activities, value chains and other business relationships	26, 39,40, 43,45, 161		
	2-7	Employees	115		
	2-8	Workers who are not direct employees	117		
	2-9	Governance structure and composition	167		
	2-10	Nomination and selection of top governance officials	168		
	2-11	Chief governance officer	167, 168		
	2-12	The role of the highest governance official in monitoring management impact	168		
	2-13	Delegation of responsibility for managing impacts	167, 169		
	2-14	The role of the highest governance in sustainability reporting	177		
	2-15	Conflict of interest	180		
	2-16	Critical attention-related communication	177		
	2-17	Collective knowledge of the highest governance	169		



GRI Standards	DISCLOSURE	Page	Exceptions		
			Excluded Requirements	Reason	Explanation
2-18	Performance evaluation of the highest governance	179			
2-19	Remuneration policy	177			
2-20	Process to determine remuneration	178			
2-21	Annual total compensation ratio	178			
2-22	Statement on sustainable development strategy	12			
2-23	Policy commitment	62,98,180, 189			
2-24	Embedding policy commitment	54,62, 98, 181			
2-25	Process to remedy negative impacts	52,185, 189			
2-26	Advising mechanism and increasing attention	179			
2-27	Compliance with laws and regulations	98			
2-28	Membership association	45			
2-29	Approach to stakeholder engagement	151			
2-30	Collective bargaining agreement	129			

MATERIAL TOPIC	Disclosure	Page	Exceptions		
			Dikecualikan Excluded Requirements	Reason	Explanation
GRI 3: Material Topic 2021	3-1	Process for determining material topics	55		
	3-2	List of material topics	55		

SPECIAL STANDARD DISCLOSURES

ECONOMIC TOPIC

ECONOMIC PERFORMANCE

GRI 3: Material Topic 2021	3-3	Material topic management	55, 194		
GRI 201: Kinerja Ekonomi 2016	201-1	Direct economic value generated and distributed	155		
	201-2	Financial implications and other risks and opportunities resulting from climate change	195		



MATERIAL TOPIC	Disclosure	Page	Exceptions		
			Dikecualikan Excluded Requirements	Reason	Explanation
	201-3	Obligation of defined benefit pension plan and other pension plans			162
	201-4	Financial assistance received from the government			162
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GRI 3: Material Topic 2021	3-3	Management of material topics			55, 117
GRI 202: Market Presence 2016	202-1	Ratio of entry-level employee wage standard by gender to regional minimum wage			117
	202-2	Proportion of senior management from local communities			118
INDIRECT ECONOMIC IMPACT					
GRI 3: Material Topic 2021	3-3	Management of material topics			55, 133
GRI 203: Indirect Economic Impact	203-1	Infrastructure investment and service support			133
	203-2	Significant indirect economic impact			133
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GRI 3: Material Topic 2021	3-3	Management of material topics			55, 161
GRI 204: Procurement Practices 2016	204-1	Proporsi pengeluaran untuk pemasok lokal Proportion of spending on local suppliers			161
ANTI-CORRUPTION					
GRI 3: Material Topic 2021	3-3	Manajemen topik material Management of material topics			55
GRI 205: Anti-Corruption 2016	205-1	Operations assessed as having corruption-related risks			186
	205-2	Communication and training on anti-corruption policies and procedures			186
	205-3	Proven corruption incidents and actions taken			187
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GRI 3: Material Topic 2021	3-3	Management of material topics			55

MATERIAL TOPIC	Disclosure	Page	Exceptions		
			Dikecualikan Excluded Requirements	Reason	Explanation
GRI 207: Pajak 2019	207-1	Approach to tax			
	207-2	Tax governance, control and risk management			
	207-3	Stakeholder engagement and managing tax-related concerns			
	207-4	Country-by-country report			

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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 77		
GRI 302: Energy 2016	302-1	Energy consumption in the organization	77		
	302-2	Energy consumption outside the organization	77		
	302-3	Energy intensity	77, 78		
	302-4	Reduction of energy consumption	77, 78		
	302-5	Reduction in energy required for products and services	77, 78		

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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 73		
GRI 303: Water and Effluent 2018	303-1	Interaction with water as a shared resource	73		
	303-2	Management of impacts related to water discharge	73		
	303-3	Water intake	73		
	303-4	Water discharge	74		
	303-5	Water consumption	74		

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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 70		
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MATERIAL TOPIC	Disclosure	Page	Exceptions		
			Dikecualikan Excluded Requirements	Reason	Explanation
GRI 304: Keanekaragaman Hayati 2016	304-1	Operating sites owned, leased, managed by, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	70		
	304-2	Significant impacts of activities, products, and services on biodiversity.	70		
	304-3	Habitat protected or restored	71		
	304-4	IUCN (International Union for Conservation of Nature) Red List species and national conservation list species with habitats within the area affected by the operation.	71		

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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 75, 81		
GRI 305: Emission 2016	305-1	Direct GHG emissions (Scope 1)	81, 82		
	305-2	Indirect GHG energy emissions (Scope 2)	81, 82		
	305-3	Other indirect GHG emissions (Scope 3)	81, 82		
	305-4	GHG emission intensity	82		
	305-5	GHG emission reduction	82		
	305-6	Emissions of ozone-depleting substances (ODS)	75		
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	75		

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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 85		
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	87		
	306-2	Management of significant waste-related impacts	87		
	306-3	Waste generation	88		





MATERIAL TOPIC	Disclosure	Page	Exceptions		
			Dikecualikan Excluded Requirements	Reason	Explanation
	306-4	Waste diverted from final disposal	89		
	306-5	Waste sent to landfill	90		
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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 101		
GRI 308: Supplier Environmental Assessment 2016	308-1	Selection of new suppliers using environmental criteria	101		
	308-2	Negative environmental impacts in the supply chain and actions taken.	101		
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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 113, 126		
GRI 401: Employment 2016	401-1	New hires and employee turnover	113		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	126		
	401-3	Maternity leave	127		
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GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice period of operational changes	118		
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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 104		
GRI 403: Occupational Health and Safety 2018	403-1	Occupational Health and Safety Management System	104		
	403-2	Hazard identification, risk assessment and incident investigation	105		
	403-3	Occupational health services	107		



MATERIAL TOPIC	Disclosure	Page	Exceptions		
			Dikecualikan Excluded Requirements	Reason	Explanation
	403-4	Employee participation, consultation and communication on occupational health and safety	108		
	403-5	Training for workers on occupational safety and health	108		
	403-6	Improved employee health quality	109		
	403-7	Prevention and mitigation of occupational health and safety impacts directly related to business relationships	110		
	403-8	Employee covered by an occupational health and safety management system	110		
	403-9	Work Accidents	110		
	403-10	Occupational diseases	111		

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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 123		
	404-1	Average annual training hours per employee	123		
GRI 404: Pelatihan dan Pendidikan 2016	404-2	Programs to enhance employee skills and transitional assistance programs	124		
	404-3	Percentage of employees receiving regular performance and career development reviews	125		

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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 118		
	405-1	Governance board and employee diversity	118		
GRI 405: Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of female compared to male	122		

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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 122		
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MATERIAL TOPIC	Disclosure	Page	Exceptions		
			Dikecualikan Excluded Requirements	Reason	Explanation
GRI 406: Non Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	122		
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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 128		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	128		
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GRI 3: Material Topic 2021	3-3	Manajemen topik material Management of material topics	55, 128		
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk of child labor incidents	129		
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GRI 3: Material Topic 2021	3-3	Management of material topics	55, 129		
RI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk of forced or compulsory labor incidents	129		
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GRI 410: Security Practices 2016	410-1	Security guards trained on human rights policies or procedures	112		
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GRI 411: Indigenous Peoples' Rights 2016	411-1	Incidents of violations involving the rights of indigenous peoples	149		
LOCAL COMMUNITIES					
GRI 3: Material Topic 2021	3-3	Manajemen topik material Management of material topics	55, 133		





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			Dikecualikan Excluded Requirements	Reason	Explanation
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	413-2	Operations that actually and potentially have significant negative impacts on local communities	133, 148		

SUPPLIER SOCIAL ASSESSMENT

GRI 3: Material Topic 2021	3-3	Management of material topics	55, 101		
GRI 414: Penilaian Sosial Pemasok 2016 GRI 414: Supplier Social Assessment 2016	414-1	New supplier selection using social criteria	101		
	414-2	Negative social impacts in the supply chain and actions taken	101		

PUBLIC POLICY

GRI 3: Material Topic 2021	3-3	Management of material topics	55, 188		
GRI 415: Public Policy 2016	415-1	Political contribution	187		

CUSTOMER HEALTH AND SAFETY

GRI 3: Material Topic 2021	3-3	Management of material topics	55, 98		
GRI 416: Customer Health and Safety 2016	416-1	Health and safety impact assessment of different categories of products and services	98		
	416-2	Incidents of non-compliance in relation to health and safety impacts of products and services	98		

MATERIAL TOPIC	Disclosure	Page	Exceptions		
			Dikecualikan Excluded Requirements	Reason	Explanation
MARKETING AND LABELING					
GRI 3: Material Topic 2021	3-3	Management of material topics	55, 99		
	417-1	Requirements for product and service labeling and information	99		
GRI 417: Pemasaran dan Pelabelan 2016 GRI 417: Marketing and Labeling 2016	417-2	Incidents of non-compliance related to product and service information and labeling	99		
	417-3	Non-compliance incidents related to marketing communications	99		
CUSTOMER PRIVACY					
GRI 3: Material Topic 2021	3-3	Management of material topics	55, 95		
GRI 418: Customer Privacy 2016	418-1	Complaints based on violation of customer privacy and loss of customer data	95		



Aluminium Stewardship Initiative (ASI) Content Index

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Emergency Response Plan	2.7	the latest version of the emergency response plans.	104
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Water Management	7.2	Water management plan	73
Biodiversity Management	8.2	Biodiversity Action Plan and associated targets and share with Affected Populations and Organisations	70

List Of Disclosures According to POJK 51/ POJK.03/2017 [OJK G.4]

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GRI Standards Link to Sustainable Development Goals (SDGs)

PT Indonesia Asahan Aluminium is committed to contributing to achieving the Sustainable Development Goals (SDGs) in Indonesia. Our contributions are linked to programs/activities in the Company's Sustainability Report using the GRI Standards, with SDGs according to the SDG Compass guidelines issued by GRI, the United Nations Global Compact, and the World Business Council for Sustainable Development (WBCSD), as in the table below:

Logo	Purpose	Report Discussion	Conformity with GRI Standards	Disclosures	Page	
	End Poverty in All Its Forms Everywhere	Provision of employment, income, wages and benefits	GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	155	
				201-3 Obligation of defined benefit pension plan and other pension plans	162	
				202-1 Ratio of entry-level employee wage standard by gender to regional minimum wage	117	
		Development and empowerment of local communities	GRI 202: Market Presence	202-2 Proportion of senior management from local communities	118	
				GRI 401: Employment	401-1 New hires and employee turnover	113
					401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	126
GRI 203: Indirect Economic Impact	203-2 Significant indirect economic impact	133				
	End Hunger, Achieve Food Security and Improved Nutrition, and Promote Sustainable Agriculture	Provision of employment, income, wages and benefits	GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	155	
				201-3 Obligation of defined benefit pension plan and other pension plans	162	
				202-1 Ratio of entry-level employee wage standard by gender to regional minimum wage	117	
		Development and empowerment of local communities	GRI 202: Market Presence	202-2 Proportion of senior management from local communities	118	
				GRI 401: Employment	401-1 New hires and employee turnover	113
					401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	126



Logo	Purpose	Report Discussion	Conformity with GRI Standards	Disclosures	Page		
<p>3 GOOD HEALTH AND WELL-BEING</p>	Ensuring Healthy Lives and Promoting the Well-Being of All People of All Ages	Commitment to create a safe and healthy work environment in accordance with the principles of Occupational Health and Safety	GRI 403: Occupational Health and Safety	403-1 Occupational Health and Safety System	104		
				403-2 Hazard identification, risk assessment and incident investigation	105		
				403-3 Occupational health services	107		
				403-4 Employee participation, consultation and communication on occupational health and safety	108		
				403-5 Training for workers on occupational safety and health	108		
				403-6 Improved employee health quality	109		
				403-7 Prevention and mitigation of occupational health and safety impacts directly related to business relationships	110		
				403-8 Employee covered by an occupational health and safety management system	110		
				403-9 Work Accidents	110		
				403-10 Occupational diseases	111		
<p>4 QUALITY EDUCATION</p>	Ensure Inclusive and Equitable Quality Education and Promote Lifelong Learning Opportunities for All	Recruitment of local employees, local suppliers, financing/mentoring of MSMEs, other activity/assistance programs through the TJSL program	GRI 203: Indirect Economic Impact	203-2 Significant indirect economic 143, impact	113		
				Competency improvement without distinguishing gender and employee background	GRI 404: Training and Education	404-1 Average annual training hours per employee	123
						404-2 Programs to enhance employee skills and transitional assistance programs	124
			404-3 Percentage of employees receiving regular performance and career development reviews	125			



Logo	Purpose	Report Discussion	Conformity with GRI Standards	Disclosures	Page	
	Achieving Gender Equality and Empowering Women	Recruitment of local employees, local suppliers, financing/mentoring of MSMEs	GRI 203: Indirect Economic Impact	203-2 Significant indirect economic impact	133	
	Ensure Availability and Sustainable Management of Clean Water and Sanitation for All	River water treatment for clean water sources for factory operations and employee housing and management	GRI 203: Indirect Economic Impact	203-1 Infrastructure investment and service support	133	
	Ensuring Access to Affordable, Reliable, Sustainable and Modern Energy for All	Wise energy management, including efficiency carried out	Energy	302-1 Energy consumption inside the organization	77	
				302-4 Reduction in energy required for products and services	77, 78	
	Promote Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All	Coaching and increasing the capacity of MSMEs in North Sumatra	GRI 203: Indirect Economic Impact	203-2 Significant indirect economic impact	133	
				401-1 New hires and employee turnover	113	
		Provision of employment and normative rights for workers	GRI 401: Employment	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	126	
	Building Resilient Infrastructure, Promoting Inclusive and Sustainable Industry, and Encouraging Innovation	Development of educational facilities, places of worship, infrastructure facilities, health facilities through the TJSL Program	GRI 203: Indirect Economic Impact	203-1 Infrastructure investment and service support	133	
				GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	155
				201-3 Obligation of defined benefit pension plan and other pension plans	162	
	Reducing Intra and Inter-Country Disparities	Provision of employment, income, wages and benefits	GRI 202: Market Presence	202-1 Ratio of entry-level employee wage standard by gender to regional minimum wage	117	
				202-2 Proportion of senior management from local communities	118	
			GRI 401: Employment	401-1 New hires and employee turnover	113	
				401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	126	
	Making Cities and Settlements Inclusive, Safe, Resilient and Sustainable	Housing development for employees and management	GRI 203: Indirect Economic Impact	203-1 Infrastructure investment and service support	133	



Logo	Purpose	Report Discussion	Conformity with GRI Standards	Disclosures	Page
	Ensuring Sustainable Production and Consumption Patterns	Coaching and capacity building of MSMEs in North Sumatra	GRI 203: Indirect Economic Impact	203-2 Significant indirect economic impact	133
				305-1 Direct GHG emissions (Scope 1)	81, 82
	Taking Urgent Action to Address Climate Change and Its Impacts	Reducing emissions as a cause of global warming and climate change	GRI 305: Emissions	305-2 Indirect GHG energy emissions (Scope 2)	81,82
				305-3 Other indirect GHG emissions (Scope 3)	81,82
				305-4 GHG emission intensity	82
				305-5 GHG emission reduction	82
				305-6 Emissions of ozone-depleting substances (ODS)	75
				305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	75
				Ecosystem protection through tree planting in the Lake Toba Watershed Area	GRI 304: Biodiversity
	Conserving and Sustainably Utilizing Marine and Ocean Resources for Sustainable Development	Ecosystem protection through mangrove planting on the coast	GRI 304: Biodiversity	304-3 Habitat protected or restored	71





Logo	Purpose	Report Discussion	Conformity with GRI Standards	Disclosures	Page	
 <p>15 LIFE ON LAND</p>	<p>Protect, Restore and Promote Sustainable Use of Terrestrial Ecosystems, Sustainably Manage Forests, Halt Desertification, Reverse Land Degradation, and Halt Biodiversity Loss</p>	<p>Reducing emissions as a cause of global warming and climate change</p>	<p>GRI 305: Emissions</p>	305-1 Direct GHG emissions (Scope 1)	81, 82	
				305-2 Indirect GHG energy emissions (Scope 2)	81,82	
				305-3 Other indirect GHG emissions (Scope 3)	81,82	
				305-4 GHG emission intensity	82	
				305-5 GHG emission reduction	82	
				305-6 Emissions of ozone-depleting substances (ODS)	75	
				305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	75	
		<p>Waste management so as not to pollute the environment</p>	<p>GRI 306: Waste</p>	306-1 Waste generation and significant waste-related impacts	87	
				306-2 Management of significant waste-related impacts	87	
				306-3 Waste generation	88	
				306-4 Waste diverted from final disposal	89	
				306-5 Waste sent to landfill	90	
		<p>Mapping operational locations to avoid negative impacts on biodiversity. On the other hand, the Company carries out activities to protect flora and fauna near operational locations</p>	<p>GRI 304: Biodiversity</p>	<p>Operating sites owned, leased, managed by, or adjacent to, protected areas and areas of high biodiversity value outside protected areas</p>	304-1	70
					304-2 Significant impacts of activities, products, and services on biodiversity.	70
<p>Ecosystem protection through tree planting in the Lake Toba Watershed Area</p>	304-3 Habitat protected or restored			71		
	304-4 IUCN (International Union for Conservation of Nature) Red List species and national conservation list species with habitats within the area affected by the operation.			71		



Index Metals & Mining Sustainability Accounting Standards Board (SASB)

Table 1. Sustainability Disclosure Topics & Metrics

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	HALAMAN
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations Emisi Cakupan 1 global bruto, persentase yang tercakup dalam peraturan pembatasan emisi	Quantitative	Metric tons (t) CO ₂ -e, Percentage (%)	EM-MM-110a.1	81, 82
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	EM-MM-110a.2	76
Air Quality	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N2O), (3) SOx, (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	Quantitative	Metric tons (t)	EM-MM-120a.1	75
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	EM-MM-130a.1	77
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m ³), Percentage (%)	EM-MM-140a.1	73
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Quantitative	Number	EM-MM-140a.2	73
Waste & Hazardous Materials Management	Total weight of non-mineral waste generated	Quantitative	Metric tons (t)	EM-MM-150a.4	87
	Total weight of tailings produced	Quantitative	Metric tons (t)	EM-MM-150a.5	N/A
	Total weight of waste rock generated	Quantitative	Metric tons (t)	EM-MM-150a.6	N/A
	Total weight of hazardous waste generated	Quantitative	Metric tons (t)	EM-MM-150a.7	87
	Total weight of hazardous waste recycled	Quantitative	Metric tons (t)	EM-MM-150a.8	87
	Number of significant incidents associated with hazardous materials and waste management	Quantitative	Number	EM-MM-150a.9	87



Table 1. Sustainability Disclosure Topics & Metrics

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	HALAMAN
	Description of waste and hazardous materials management policies and procedures for active and inactive operations	Discussion and Analysis	n/a	EM-MM-150a.10	87
Biodiversity Impacts	Description of environmental management policies and practices for active sites	Discussion and Analysis	n/a	EM-MM-160a.1	70
	Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment or remediation	Quantitative	Percentage (%)	EM-MM-160a.2	N/A
	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Quantitative	Percentage (%)	EM-MM-160a.3	N/A
Security, Human Rights & Rights of Indigenous Peoples	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Quantitative	Percentage (%)	EM-MM-210a.1	N/A
	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Quantitative	Percentage (%)	EM-MM-210a.2	N/A
	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Discussion and Analysis	n/a	EM-MM-210a.3	N/A
Community Relations	Discussion of process to manage risks and opportunities associated with community rights and interests	Discussion and Analysis	n/a	EM-MM-210b.1	149
	Number and duration of non-technical delays	Quantitative	Number, Days	EM-MM-210b.2	N/A
Labour Relations	Percentage of active workforce covered under collective bargaining agreements, broken down by U. S. and foreign employees	Quantitative	Percentage (%)	EM-MM-310a.1	128, 129
	Number and duration of strikes and lockouts ¹	Quantitative	Number, Days	EM-MM-310a.2	128
Workforce Health & Safety	(1) MSHA all-incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR) and (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees	Quantitative	Rate	EM-MM-320a.1	110, 123





Table 1. Sustainability Disclosure Topics & Metrics

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	HALAMAN
Business Ethics & Transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion and Analysis	n/a	EM-MM-510a.1	181
	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Metric tons (t) saleable	EM-MM-510a.2	N/A
Tailings Storage Facilities Management	Tailings storage facility inventory table: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures, (12) site-specific EPRP	Quantitative	Various	EM-MM-540a.1	N/A
	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailings storage facilities	Discussion and Analysis	n/a	EM-MM-540a.2	N/A
	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	Discussion and Analysis	n/a	EM-MM-540a.3	N/A

Table 2. Activity Metrics

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	HALAMAN
Production of (1) metal ores and (2) finished metal products	Quantitative	Metric tons (t) saleable	EM-MM-000.A	155
Total number of employees, percentage contractors	Quantitative	Number, Percentage (%)	EM-MM-000.B	115

Feedback Form [OJK G.2]

Thanks to the ladies and gentlemen/siblings for reading the PT Indonesia Asahan Aluminium 2024 Sustainability Report. To improve the quality of the report in the following year, we would request that you fill out this feedback sheet.

YOUR PROFILE

Name : _____
 Institution/Company : _____
 Email : _____
 Telp/HP. : _____

Types of stakeholder:

- Customer
- Shareholder
- Central and regional governments, as well as legislative member
- Employee & Trade Union
- Other contractor & partner
- Mass media
- Society
- Non -government community organization
- Industry, Mining Business, & Business Association
- Others, please mention: _____

Please select the answer that most suitable by placing a √ sign in the box provided:

1. This report is useful for you:

Strongly disagree Don't agree Neutral Agree Strongly agree

2. This report illustrates the Company's performance for sustainability development:

Strongly disagree Don't agree Neutral Agree Strongly agree

3. This report is easy to understand:

Strongly disagree Don't agree Neutral Agree Strongly agree

4. This report is interesting:

Strongly disagree Don't agree Neutral Agree Strongly agree

5. This report increases my trust in the Company's sustainability:

Strongly disagree Don't agree Neutral Agree Strongly agree

Please complete:

1. Which report section was most useful for you:

2. Which report section was less useful for you:



3. Which report was most interesting for you:

4. Which report section was less interesting to you:

5. Please give us your suggestions/proposals/comments on this report:

Thank you for participating, ladies and gentlemen. Please return this feedback sheet to:

Corporate Secretary
PT Indonesia Asahan Aluminium
Kuala Tanjung, Sei Suka District, Batu Bara Regency,
North Sumatra 21657
E-mail: corsec@inalum.id
Website: www.inalum.id

▶▶ Response to the Previous Year's Report Feedback [OJK G.3]

During 2024, PT Indonesia Asahan Aluminium did not receive any responses from stakeholders regarding the 2024 Sustainability Report. Thus, in this report there was no specific information to report on the follow-up taken by the Company on responses from stakeholders.





Sustainability Report

DEVELOPING
BY REALIZING
GREEN PRACTICES



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