

G R O W T H

SUSTAINABLE | IMPACTFUL | RELIABLE

Sustainability Report 2024



Statements and Limitations

The 2024 Fiscal Year Sustainability Report of PT AKR Corporindo Tbk presents the Company's economic, social, environmental, and governance performance. Published alongside the Annual Report, this report includes forward-looking statements related to the Company's financial, operational, policy, and projection aspects in accordance with applicable regulations, except for historical matters.

Forward-looking statements are made based on assumptions about business conditions and management policies but may be affected by risks and uncertainties that cause actual results to differ from expectations. The Company is not obliged to update these statements if conditions change.

In this report, "Company" and "AKR" refer to PT AKR Corporindo Tbk and its subsidiaries engaged in trading, distribution, logistics, manufacturing, and industrial estates.



Theme Explanation

G R O W T H

S U S T A I N A B L E | I M P A C T F U L | R E L I A B L E

The year 2024 marks a significant milestone in the sustainability journey of PT AKR Corporindo Tbk (AKR). Through the theme “Beyond Growth”, we affirm that growth is no longer the sole measure of success. Amidst a rapidly evolving global landscape shaped by geopolitical tensions, climate challenges, and technological disruption, we believe that true success lies in the ability to grow inclusively, responsibly, and sustainably.

Beyond Growth reflects AKR’s vision to create long-term positive impact for all stakeholders: our employees, customers, communities, and the environment. We recognize that sustainability can only be achieved through responsible business practices, investments in a green and inclusive future, and strong corporate governance.

- Sustainable Growth: Expanding our business while considering social and environmental impact, energy efficiency, and a responsible supply chain.
- Impactful Growth: Focusing on growth that delivers tangible benefits for communities and surrounding ecosystems.
- Reliable Growth: Driving sustainability through transparency, compliance, and high standards of integrity in governance.

Through this year’s theme, AKR seeks to demonstrate that our presence in Indonesia goes beyond business. We strive to bring meaning, impact, and long-term value in every step we take for the people and the planet.





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Our Conduct: Governance, Ethics, and Compliance

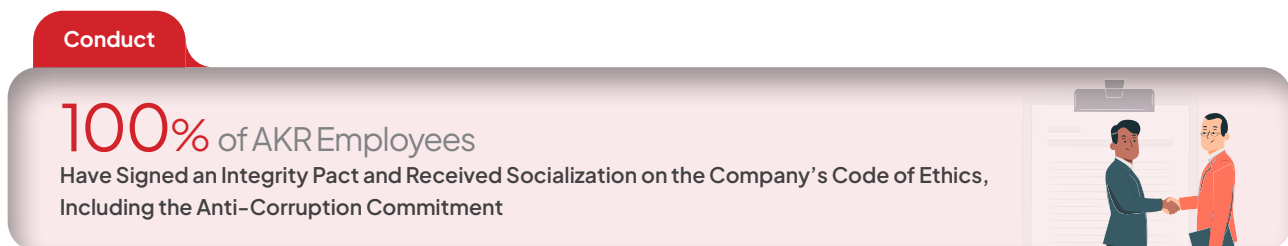
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2024 Sustainability Performance Highlights

[SEOJK.B.1][SEOJK.B.2][SEOJK.B.3][SEOJK.F.4]





PEOPLE

Indicator	2024	2023	2022
Number of Employees (People)	2,452	2,813	2,645
Recruitment (People)	602	485	439
Average Training Hours per Employee	10.58	18.21	9.29
Men (Hours)	10.86	16.86	9.26
Women (Hours)	8.57	25.91	10.2
Number of Fatalites (Unit)	0	0	0



PORTFOLIO

Indicator	2024	2023	2022
Energy Consumption (Gigajoule)	729,290	567,058	433,461
Emissions			
Scope 1 (Ton CO ₂ e)	38,133	26,887	20,552
Scope 2 (Ton CO ₂ e)	15,463	10,784	12,431
Scope 3 (Ton CO ₂ e)	91,637	54,575	51,912
Emission Intensity within the Organization (Ton CO ₂ e/Rp Million)	0.015	0.08	0.008
Total Water Withdrawal (m ³)	639,542	491,814	636,472
Hazardous Waste (Tons)	1,063.7	733.1	1,318.2
Non-Hazardous Waste (Tons)	3,075.5	1,816.9	3,412.5



COMMUNITY

Indicator	2024	2023	2022
Company CSR Fund (Rp)	10,308,383,881	24,197,277,383	22,852,287,343



01

About
this Report

AKR is committed to conducting its business activities in a sustainable manner. By upholding the principles of transparency, accountability, and responsibility, the Company strives to create positive value for stakeholders while simultaneously driving progress in Indonesia.

AKR's commitment to implementing economic, social, and environmental sustainability principles is reflected in the 2024 Sustainability Report, the Company's primary communication tool with all stakeholders. Through this report, AKR provides comprehensive information and an overview of the sustainability programs, policies, and initiatives that align with Sustainable Development Goals (SDGs).

This Sustainability Report presents AKR's performance from January 1, 2024, to December 31, 2024. All information disclosed covers the scope of PT AKR Corporindo Tbk as the parent company, along with subsidiaries. The terms "AKR," "the Company," or "We" are used to represent PT AKR Corporindo

Tbk, and all financial information and numerical data are presented in Indonesian Rupiah (Rp). Numerical notations follow the English language format. [GRI 2-2] [GRI 2-3]

The AKR Sustainability Report adheres to Financial Services Authority Regulation No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance and Circular Letter of the Financial Services Authority No. 16/SEOJK.04/2021 regarding the format and content of annual reports for issuers or public companies. Additionally, the Global Reporting Initiative (GRI) guidelines are adopted, with reference to the Sustainable Development Goals (SDGs) in the RPJMN 2020–2024 Roadmap and Presidential Regulation No. 59/2017 on the Achievement of Sustainable Development Goals (SDGs).

The scope of the AKR Sustainability Report is as follows:

Business Line	Company Name	Abbreviation	Operational Area / Location	% Share Ownership
Trade & Distribution and Storage	PT AKR Corporindo Tbk.	AKR	West Jakarta, DKI Jakarta	-
Trading (Lubricant Market)	PT Anugerah Lubrindo Raya	ALR	West Jakarta, DKI Jakarta	80 (through AKRIDA)
Transportation	PT AKR Transportasi Indonesia	ATI	West Jakarta, DKI Jakarta	99,99
Transportation	PT AKR Sea Transport	AST	West Jakarta, DKI Jakarta	99.99
Storage Terminal	PT Jakarta Tank Terminal	JTT	North Jakarta, DKI Jakarta	51.00
JIIPE Industrial Zone	PT Berkah Kawasan Manyar Sejahtera	(JIIPE-BKMS)	Gresik, East Java	60 (through UEPN)
JIIPE Industrial Port	PT Berlian Manyar Sejahtera	(JIIPE-BMS)	Surabaya, East Java	40 (through UEPN)
Other – Manufacturing	PT Arjuna Utama Kimia	ARUKI	Surabaya, East Java	99.96
Other – JV Trading Retail Petroleum	PT Aneka Petroindo Raya	APR	West Jakarta, DKI Jakarta	50.10 (through AKRIDA)
Other – JV Trading Aviation Fuel	PT Dirgantara Petroindo Raya	DPR	West Jakarta, DKI Jakarta	50.10 (through AKRIDA)

*Policies for entities other than those mentioned follow those applicable in PT AKR Corporindo Tbk. (AKR)

Revisions And Significant Changes [SEOJKC.6][GRI 2-4]

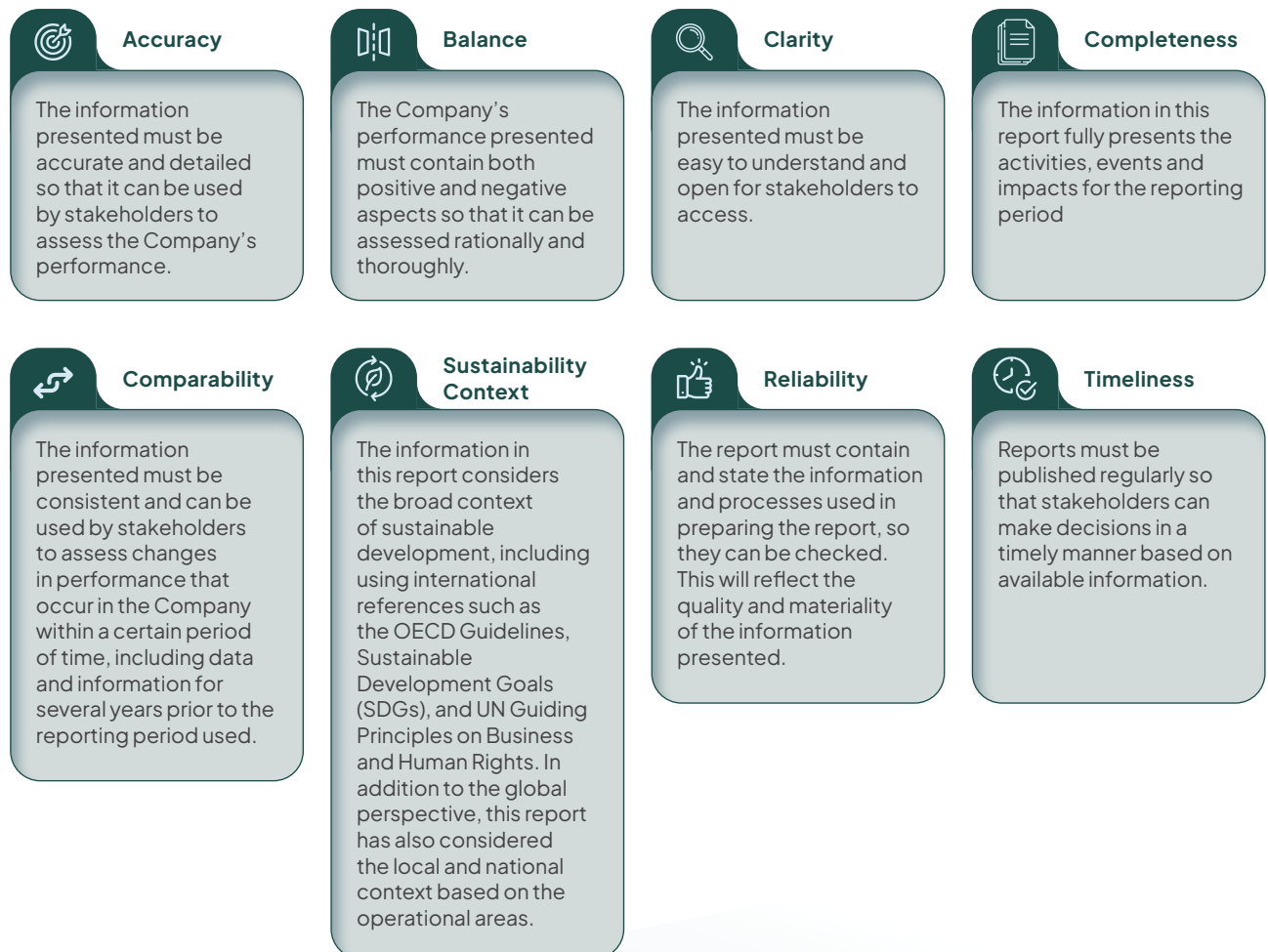
To enhance the quality of this report, AKR has refined information presentation, measurement methods, assumptions, and data collection. These efforts ensure greater accuracy and reliability, and any changes or impacts are explained in detail.

A restatement of data was conducted in 2024 regarding employee turnover, energy, water, and waste for 2022 and 2023 due to changes in the calculation methodology and the data collection process for sustainability performance.

Reporting Principles & Quality

AKR refers to the Global Reporting Initiatives (GRI) guidelines in the report's preparation, focusing on four key aspects: Impacts, Material Topics, Stakeholders, and Due Diligence.

To ensure the quality and reliability of the information presented, AKR adheres to the GRI Standards and considers eight key reporting principles. These principles include:



Determining Material Topics [GRI 3-1]

Material topics are determined based on the Global Reporting Initiatives (GRI) Standard 2021, known as the AKR Materiality Framework and is conducted through the following steps:

Industry Benchmarking

- 1 AKR conducts benchmarking with similar industries and companies in sectors such as logistics and distribution, storage and transportation, industrial estates, and other businesses. Material topics for each sector are mapped using the Sustainability Accounting Standards Board (SASB) standards aligned with the International Standard Industry Classification (ISIC).

In-Depth Discussions

- 2 The results from benchmarking and SASB-ISIC mapping are then thoroughly discussed in meetings involving the AKR ESG Task Force, which consists of representatives from all AKR subsidiaries.

Priority Setting

- 3 During these discussions, the ESG Task Force prioritizes topics impacting the Company's business sustainability, considering stakeholder expectations from both AKR's subsidiaries and the parent company.

Validation in the ESG Committee Forum

- 4 The identified material topics are validated in the ESG Committee forum, involving AKR's senior management. These topics are then aligned with the AKR Sustainability House, which serves as the strategic framework for all sustainability initiatives within AKR and its subsidiaries.

Final Approval

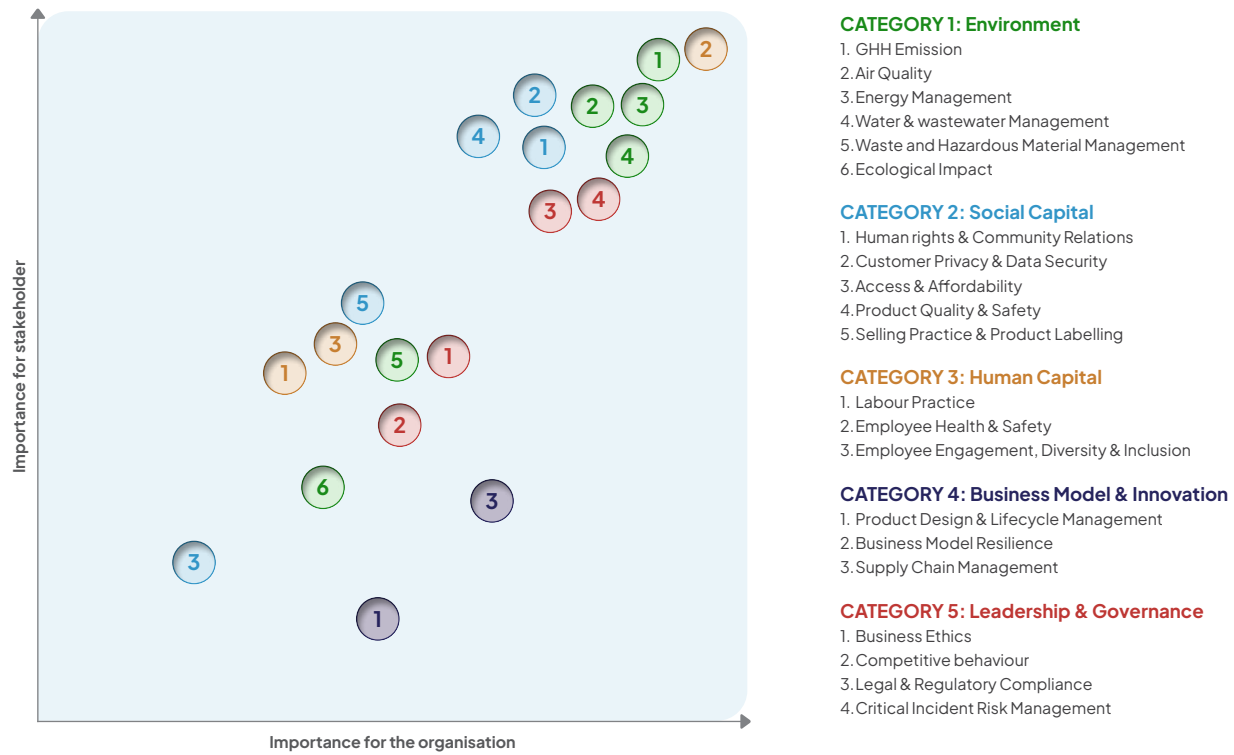
- 5 The final list of material topics for AKR's 2024 Sustainability Report is approved by the AKR Board of Directors.

Determining Material Topics [GRI 3-2] [GRI 3-3]

Material topics in AKR's Sustainability Report refer to key issues that have significant impacts, prioritized for operational sustainability, and considering the relevant issues in each industry sector in which the Company operates. AKR refers to the Sustainability Accounting Standards Board (SASB) to map these relevant issues, which are then integrated with stakeholder expectations. Subsequently, the identification process is carried out through engagement at AKR and each subsidiary.

Cat.	Issues	Trading & Distribution		Transportation & Storage			Integrated Industrial & Port Estate		Other Businesses		
		Chemicals	Biofuels	Storage	Road Transport	Marine Transport	Industrial	Port & Utilities	Adhesives Manufacturing	bp AKR Petrol Stations	Aviation Fuel
Environment	GHG Emissions										
	Air Quality										
	Energy Management										
	Water & Waste Management										
	Waste & Hazardous Material Management										
	Ecological Impacts										
Social Capital	Human Rights & Community Relations										
	Customer Privacy										
	Data Security										
	Access & Affordability										
	Product Quality & Safety										
	Customer Welfare										
	Selling Practice & Product Labelling										
Human Capital	Labor Practice										
	Employee Health & Safety										
	Employee Engagement, Diversity & Inclusion										
Business Model & Innovation	Product Design & Lifestyle Management										
	Business Model Resilience										
	Supply Chain Management										
	Materials Sourcing & Efficiency										
	Physical Impacts of Climate Chance										
Leadership & Governance	Business Ethics										
	Competitive Behaviour										
	Management of Legal & Regulatory Environment										
	Critical Incident Risk Management										
	Systemic Risk Management										

Using a sectoral approach based on ISIC and the SASB Materiality Map, the list of material topics and the materiality matrix established through the AKR Materiality Framework for the 2024 Sustainability Report are as follows:



Ensuring Report Credibility [GRI 2-5][SEOJK.G.1]

GRI and POJK recommend the use of external assurance conducted by an independent party. AKR recognizes the importance of this and are committed to the process for future Sustainability Reports.

All data and information presented in the AKR 2024 Sustainability Report have also undergone an internal verification process conducted by a team involving data contributors, division/department heads, and the corporate secretary, and received final approval from the Board of Directors. These processes and stages ensure this report is accurate, accountable, and compliant with applicable standards.

Response to Feedback on Previous Reports [SEOJK.G.3]

As a follow-up to feedback received from the Financial Services Authority (OJK), this Sustainability Report has been updated to meet disclosure requirements in accordance with the provisions of OJK Circular Letter Number 16/SEOJK.04/2021 concerning the Format and Content of Annual Reports for Issuers or Public Companies.

Accessibility and Feedback [GRI 2-3][SEOJK.G.2]

The Sustainability Report can be downloaded from the Company's official website at www.akr.co.id. Stakeholders are encouraged to provide feedback, questions, suggestions, ideas, criticism, or responses regarding this report through the feedback form available, or by contacting AKR through:

Corporate Secretary PT AKR Corporindo Tbk

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West Jakarta 11530, Indonesia
Tel : (021) 5311110
Fax : (021) 5311388, 5311185,
E-mail : corporate.secretary@akr.co.id





AP. 2300 K

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FILLING 1A

FILLING 2A

STASIUN PENG
FILLING STATION

FILLING 2B



ZONA
3



10^{KM}



UTAMAKAN KESELAMATAN KERJA
SAFETY FIRST

SIAN 1

ON 1

ASIUN PER
FILLING STA

FILLING 2C

8000L

TINGGI MAX 3.1M

8000L

SAFETY IS OUR WAY OF LIFE
KEMAMPUAN KEMAMPUAN
0811-811-87890
JALAN KEMAMPUAN KEMAMPUAN

02

Company
Profile

Company Profile

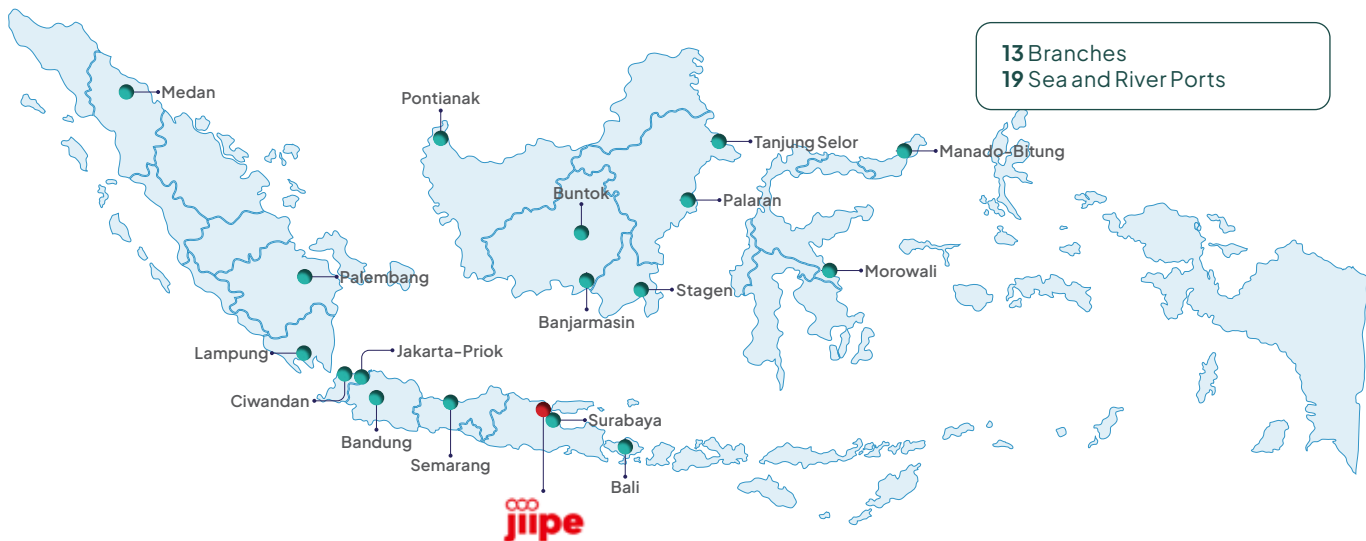
[GRI 2-1]

As a leading Indonesian company, AKR specializes in logistics and supply chain services, with a primary focus on the distribution of petroleum and basic chemicals. To support growth and enhance efficiency, the Company expands through the implementation of innovative IT platforms designed to optimize product movement monitoring, inventory management, and comprehensive end-to-end product planning.

In expanding, AKR has formed strategic partnerships with various stakeholders to expand market reach and serve a broader customer base, collaborating in industrial estate and integrated port developments, such as the Java Integrated Industrial and Ports Estate (JIPE SEZ Gresik), as well as strategic partnerships in the chemical sector, petroleum retail, and aviation fuel.

To date, AKR has built a robust logistics infrastructure network, comprising 19 seaports and river ports, along with 21 storage tank facilities located across various regions in Indonesia.

Operational Locations [SEOJK C.3] [GRI 2-1] [GRI 2-6]



13 Branches
19 Sea and River Ports

Tank Terminal Location

Sumatera 46.100 KL

- Medan Anggada
- Medan Gabion
- Palembang Andahanesa
- Lampung

Java-Bali 590.800 KL

- Banten Ciwandan
- Jakarta Tank Terminal (JTT)
- Tj Priok
- Bandung
- Semarang Tj Emas
- Surabaya Nilam Timur
- Surabaya Nilam Utara
- Manyar - SEZ JIPE
- Anugrah Kreasi Pratama Indonesia (AKPI)
- Terminal Nilam Utara (TNU)
- Bali

Kalimantan 154.600 KL

- Pontianak
- Buntok Muara Teweh
- Banjarmasin
- Stagen - Kalsel
- Palaran
- Tanjung Selor

Sulawesi 30.500 KL

- Morowali
- Bitung

Company Milestones

PT Aneka Kimia Raya, known as PT AKR Corporindo Tbk, was established in Surabaya on November 28, 1977, initially focusing on basic chemicals. During the 1970s, AKR experienced significant growth, expanding its storage tank facilities and warehouses in key ports across Indonesia, positioning itself as the country's largest chemical distributor.

During expansion in the 1980s, AKR relocated its headquarters to Jakarta, which was followed by its transformation into a publicly listed company on the Indonesia Stock Exchange (IDX) in 1994. The Company conducted its Initial Public Offering (IPO) on October 3, 1994, under the stock code AKRA.

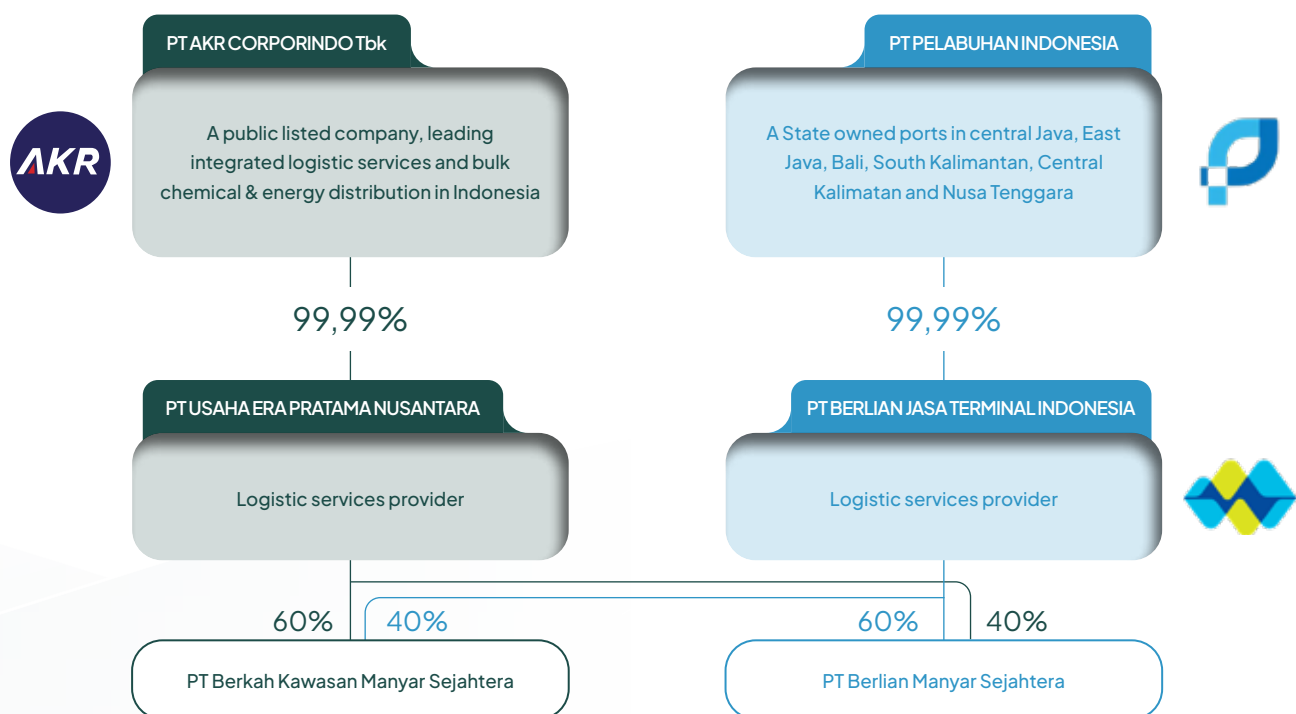
The Company rebranded as PT AKR Corporindo Tbk in 2004, encompassing the trade of chemicals, petroleum and gas, logistics services, transportation, warehouse and tank rentals, as well as expedition and packaging services. In addition, the Company offers workshops, construction, and services (excluding legal services), and partners with or acts as an agent for national and international companies.

In 2005, AKR became the first private national company to distribute non-subsidized petroleum, and the Downstream Oil and Gas Regulatory Agency (BPH Migas) authorized AKR in 2010 to distribute subsidized petroleum in designated regions across Indonesia.

With the implementation of an integrated and innovative technology system, trust in AKR for the Provision and Distribution of Certain Types of Petroleum (P3JBT) has continued to strengthen. The Company's fuel station network now spans Indonesia, including remote, frontier, and underdeveloped (3T) areas. Moving forward, the Company remains committed to expanding its market and customer base through collaboration with leading partners in the sector.

Further expanding its strategic initiatives, in 2013, AKR partnered with Pelindo to develop the Java Integrated Industrial and Ports Estate (JIPE) in Gresik, East Java. JIPE SEZ Gresik was designed as Indonesia's largest deep-sea port integrated industrial estate where the project is managed by PT Berkah Kawasan Manyar Sejahtera (BKMS) for industrial estate development, while PT Berlian Manyar Sejahtera (BMS) oversees port operations. AKR indirectly holds 60% of BKMS shares through UEPN, while Pelindo owns 40% through BJTI. The shareholding structure in BMS is the reverse.

On June 28, 2021, Government Regulation No. 71/2021, designating JIPE as a Special Economic Zone (SEZ) for Technology and Manufacturing was issued, enhancing JIPE SEZ Gresik's competitiveness and attracting key industry players in Java and Eastern Indonesia. The JIPE SEZ Gresik aims to develop technology and manufacturing sectors and plays a crucial role in National Strategic Projects. The estate is also home to the world's largest copper smelter, launched with a groundbreaking ceremony attended by the President of Indonesia in August 2021.



In 2017, AKR entered into a strategic partnership with bp to expand its retail petroleum and lubricant distribution market. As part of this initiative, AKR also began supplying aviation fuel (avtur) to various airports across Indonesia, strengthening its role in the petroleum distribution industry and allowing the launch of bp AKR fuel stations. As of 31 December 2024, a total of 61 bp AKR fuel station outlets were operational, serving retail customers in the Jabodetabek area, Malang, Surabaya, and Toll Road Rest Area. In 2020, AKR Corporindo Tbk and PETRONAS Chemicals Group Berhad established a joint chemical distribution venture for chemicals in Indonesia, and since 2021 it has been carried out through respective subsidiaries.

On August 4, 2021, AKR increased exposure in the clean energy sector by forming a joint venture with PT Bayu Buana Gemilang (BBG) for gas distribution with a subsidiary, PT Berkah Buana Energi (BBE), responsible for managing and distributing natural gas at JIIPE Gresik Special Economic Zone (SEZ) and its surrounding areas, while also exploring opportunities beyond the region. AKR holds a 65% majority stake, while BBG owns 35%. The Company also signed a Joint Development Agreement with BP GAS & POWER to develop an LNG project at JIIPE SEZ Gresik.



In early 2024, AKR established two new subsidiaries to enhance services within the JIIPE Gresik Special Economic Zone (SEZ). The first, PT Berkah Renewable Energi Nusantara (BREN), operates in power generation and energy supply-related activities in Gresik, East Java, while Terminal Energi Primer (TEPR), focuses on warehousing, storage, and other activities related to energy supply.

Note:
More detailed information regarding AKR's history can be found in the Annual Report.

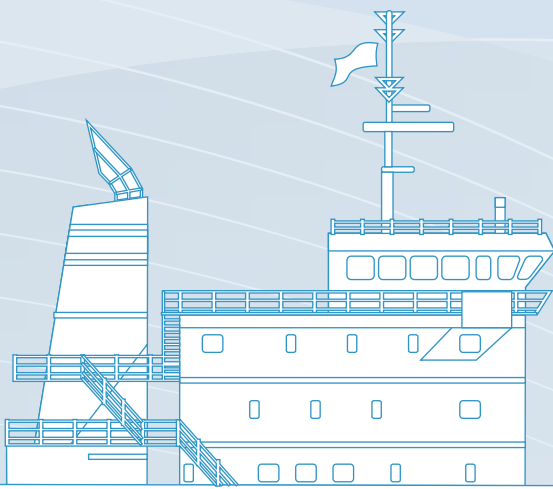


Vision, Mission, and Company Values

[SEOJK C.1]

Vision

To be the leading provider of logistics services and supply chain solutions for bulks chemical and energy distribution in Indonesia.



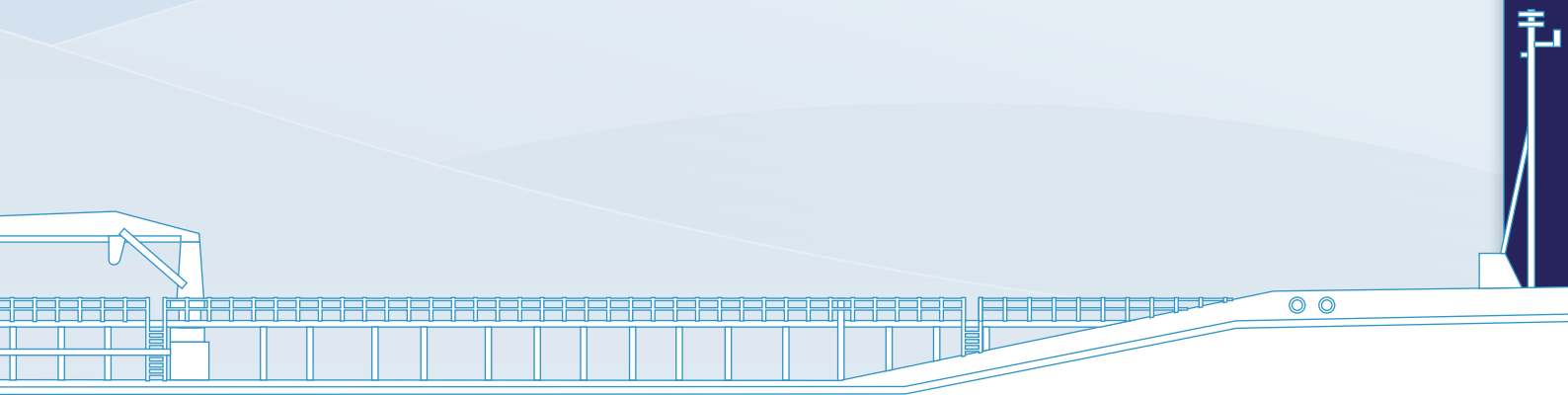
Company Logo



The company's logo reflects the vision to become a leading provider of logistics services and procurement solutions for chemicals and energy in Indonesia and serves as a guiding principle for achieving global performance excellence by effectively managing assets and resources, as well as through strategic business partnerships that support growth and broader expansion.

Mission —

Optimizing our potential to build stakeholders value.



1. The company logo is formed by placing the letters “AKR” from the company’s acronym at its center.
2. The acronym “AKR” is positioned within a blue circle to signify that AKR is a globally reputed business entity
3. The red color on the letter “A” in the acronym “AKR” symbolizes a light representing the sincerity and honesty of the company in conducting business through healthy and responsible business activities.
4. The white color on the acronym signifies a professional attitude and the Company’s commitment to comply with applicable business regulations, always prioritizing fair and equal business competition practices

Business Activities [SEOJK C.4] [GRI2-6]

AKR has expanded across multiple sectors, including trade, transportation, warehousing (including leasing and rental activities without purchase options), employment services, travel agency operations, and other business support services, and is actively involved in energy supply, including electricity, gas, steam, hot water, and cooling systems, as well as professional, scientific, and technical services, and construction services. These were formalized through an amendment to Article 3 of the Company's Articles of Association and approved at an Extraordinary General Meeting of Shareholders on April 28, 2022.

AKR manages core businesses and supporting businesses. Core businesses consist of four main segments: distribution and trade of petroleum (BBM) and basic chemicals, logistics infrastructure, manufacturing, and development of integrated industrial estates and ports. Supporting businesses include transportation and warehousing, construction, and energy supply, covering electricity, gas, steam, hot water, and cooling systems. These reflect AKR's commitment to a business portfolio development that expands operational reach and aligns with the goal of achieving sustainable growth and strengthening position across multiple sectors.

Trade and Distribution

Non-Subsidized Industrial Fuel

AKR has played a significant role supporting the non-subsidized industrial petroleum sector in Indonesia since 2005, expanding logistics across key industries such as mining, power generation, manufacturing, transportation, and bunker services to meet customer needs. The Company also operates tank terminals with a 822,000 KL capacity, strategically located in major ports for the efficient distribution of.

AKR distributes Biodiesel as part of the government's initiative to reduce greenhouse gas emissions, enhance national energy security, and achieve the target of a 23% renewable energy mix by 2025 was the next stage of the Company's commitment to clean energy which began in August 2018. Using its extensive industrial customer network, AKR is continuing the transition towards environmentally friendly energy across various sectors.

INDUSTRIAL PETROLEUM PRODUCTS

Biodiesel



Mining



Plantation



Power Plant



Bunker Service



Logistics

Marine Fuel Oil, IDO



Manufacturing



Bunker Service

Lubricant



Manufacturing



Bunker Service



Heavy Equipment

Non-Subsidized Retail Fuel

In April 2017, AKR formed a partnership with bp to strengthen its presence in Indonesia's retail petroleum sector through PT Aneka Petroindo Raya, known as "bp AKR Fuel Retail." bp AKR fuel stations offer Euro 4-standard premium fuel, complemented by additional services such as mini markets and food outlets.

As of 31 December 2024, bp AKR operates 61 bp-AKR fuel stations across the Jabodetabek area, Surabaya, Malang, and several strategic locations such as rest areas along the Cipularang Toll Road and Pasuruan-Probolinggo Toll Road, aiming to provide comfort and innovation for its customers.

RETAIL PETROLEUM PRODUCTS

Subsidized

Biodiesel (B35)



Trucks



Fishing Boats

Non-subsidized

High Octane Fuel, Diesel,
Active Technology



Vehicles

DPR

Aviation Fuel



Aircraft

Subsidized Retail Fuel

Having now transitioned into Biodiesel as a key part of this initiative, AKR has been entrusted by BPH Migas to distribute subsidized petroleum through its network of Vehicle Fuel Stations (SPBKB) and Fishermen Fuel Stations (SPBN) across Indonesia under the AKRA SOL brand since 2010.

Due to wide operational coverage, AKR is able to manage SPBKB and SPBN stations in various regions, including Sumatra, Java, Bali, and Kalimantan and receives regular mandates to distribute subsidized biodiesel supporting the One-Price Petroleum Program in remote, frontier, and underdeveloped (3T) areas, ensuring equal access across Indonesia.

Product Type	Product
Industrial Non-subsidized Petroleum	- Biodiesel (B35) - Industrial Diesel Oil (IDO) - Marine Fuel Oil (MFO)
Retail Non-subsidized Petroleum	- Gasoline RON 92 and RON 95 - High Quality Diesel
Subsidized Petroleum	Biodiesel (B35)

Basic Chemicals

AKR is the key distribution partner for PT Asahimas Chemical, supplying basic chemicals such as chlor-alkali, solvents, acids and other organic and inorganic compounds, as well as engaging in their trade and distribution as sourced from both domestic and international suppliers.

A significant milestone in supporting the country's industrial needs, AKR's commitment to logistics infrastructure development began in the 1970s with Indonesia's first storage tank terminal.

Basic Chemical Products	Customer
- Caustic Soda - Sodium Hypochlorite - Hydrogen Peroxide - PVC Resins - Soda Ash - Sulphuric Acid - Hydrochloric Acid - Sodium Sulphate - Methanol	- Home care and Personal Products - Textile - Glass - Pulp and Paper - Fertilizer - Chemical and Pharmacy - Plastic - Food Additive - Smelter

Lubricants

The lubricants business was expanded through subsidiary PT Anugerah Lubrindo Raya (ALR), officially established on February 7, 2019, as part of PT Anugerah Krida Retailindo. ALR focuses on the trade and distribution of Castrol-branded lubricants, serving various sectors including industrial, maritime, mining, and commercial vehicles.

Aviation Fuel

AKR began a partnership with Air bp to form a joint venture focused on aviation fuel distribution across various airports in Indonesia in November 2016, leading to the creation of PT Dirgantara Petroindo Raya (DPR).

In August 2019, DPR officially commenced operations at its first aviation fuel depot at the IMIP airport in Morowali, Central Sulawesi, Cibubur, making AKR the first private company in Indonesia to distribute aviation fuel.

Gas

On August 4, 2021, and in partnership with PT Bayu Buana Gemilang (BBG), AKR established a joint venture named PT Berkah Buana Energi (BBE) to manage the natural gas distribution network to customers. The joint venture has initially

focused on business development within JIPE SEZ Gresik to meet the energy needs of industries in the area. AKR holds a 65% majority stake, while BBG owns the remaining 35%.

Services

Through PT AKR Transportasi Indonesia, the Company provides land transportation services to support logistics and distribution activities and also operates large-capacity vessels for direct product deliveries, collaborating with third parties through PT AKR Sea Transport.

The subsidiary PT Jakarta Tank Terminal manages an independent tank terminal at Tanjung Priok Port with a total capacity of 350,000 cbm, confirming AKR's expansion of its infrastructure to ensure efficient reception, storage, and large-scale product transportation.

For key customers, AKR offers the Vendor Managed Inventory (VMI) system, where each customer is charged based on actual usage, while the Company is responsible for ensuring availability and efficient inventory management to meet customer needs.

Services
Bulk Cargo Handling Services
Container Handling Services
Land and Sea Transportation
Storage Tanks
Vendor Managed Inventory
Warehousing
Port services are provided through PT BMS, an AKR affiliate

Manufacturing

The Company's manufacturing segment produces high-quality wood adhesives through its subsidiary, PT Arjuna Utama Kimia (Aruki), located in Surabaya, East Java. Aruki focuses on supplying adhesives required by various companies in Indonesia's wood and paper industries.

Product Type	Brand	Final Product
Urea-Formaldehyde Resin	Uloid	Plywood & wood lamination
High Solid Urea- Formaldehyde Resin	Uloid	Particle Board and MDF
Melamine- Formaldehyde Resin	Uloid	Plywood & wood lamination
Planol- formaldehyde Resin	Uloid	Plywood & wood lamination
Two Component Vinyl Urethane Adhesive	Struct Bond	Wood working, Furniture, Flooring & FJLB
Polyacrylamide Monomer (PAM) Resin	HOFMANN	High performance dry strength enhancement resin for paper
Polyacrylamide Monomer (PAM) Resin	HOPELON	High performance dry strength enhancement resin for paper
Melamine Resin	URAMIN	Paper wet strength improvement resin
Poly Vinyl Acetate	PVAc	Multipurpose glue for wood and paper

Industrial Estate

AKR has collaborated with Pelindo to develop JIPE SEZ Gresik since 2013, to provide logistics and energy solutions for industrial sector customers. With a total area of 3,000 hectares, JIPE SEZ Gresik is designed to be Indonesia's largest integrated industrial estate with port facilities. Of the total area, 1,761 hectares are allocated for the industrial zone, 406 hectares for the seaport, and 800 hectares for residential and commercial development by an affiliated company. This initiative is part of AKR's long-term sustainable strategy.

Services	Detail
Industrial Estate	Industrial Land
Port and Port Services	Bulk Handling Services
Utilities & Infrastructures	• Power Plant • Water Treatment Plant • Waste Water Treatment Plant • Gas • Fiber Optic • Port Services

Market Coverage

With an extensive distribution network of storage tanks and terminals at 19 ports across Indonesia, equipped with a logistics fleet comprising petroleum and basic chemical transport vessels and trucks, the company serves thousands of clients across various industrial sectors nationwide, distributing a range of fuels, including biodiesel, fuel oil, and Euro 4 standard fuels, catering to industries such as commercial, mining, power generation, manufacturing, construction, fisheries, and bunker services.

Retail segment development includes the bp Global partnership to distribute non-subsidized fuel and aviation fuel, and bp-AKR fuel stations as well as the joint venture with

Air bp-AKR to manage two aviation fuel depots. The company distributes subsidized biodiesel and Gasoline RON 92 and RON 95 for motor vehicles and fishermen in Java, Sumatra, Kalimantan, and Sulawesi.

Green Energy Products [GRI2-1] [SEOJK F.5]

Expansion continues in the environmentally friendly energy sector, focusing on the development of green energy products, including:

- Supply of biodiesel and environmentally friendly EURO 4 standard gasoline.
- Operation of natural gas and solar-powered power plants, which have been implemented at JIPE SEZ Gresik.



General Information and Company Identity

[GRI 2-1][GRI 2-6]

Company Name
[GRI 2-1]

PT AKR Corporindo Tbk (AKR)

Stock Code

AKRA

Date of Establishment

28 November, 1977

Legal Status
[GRI 2-1]

Limited Liability Company (PT) / Public Company (Tbk)

Business Sector
[GRI 2-6]

- Trade and Distribution
- Logistics Services
- Manufacturing
- Industrial Estate

Number of Employees

2,452 Employees

Legal Basis of Establishment
[GRI 2-1]

Deed No. 46 dated November 28, 1977, drawn up before Sastra Kosasih, Notary in Surabaya, and legally recognized as a corporate entity under the Decree of the Minister of Justice of the Republic of Indonesia No. Y.A.5/151/7 dated June 14, 1978, published in the State Gazette of the Republic of Indonesia No. 101 dated December 19, 1978, Supplement No. 741/1978.

Authorized Capital (Before Stock Split)

Rp750,000,000,000

Divided into 37,500,000,000 shares, with each share having a nominal value of Rp20

Paid-up Capital (Before Stock Split)

Rp401.469.492.000

with a composition of 20,073,474,600 shares with a nominal value of Rp20 placed in the company.

Share Ownership

PT Arthakencana Rayatama

Management

Publik

Treasury Stock

63.6%

1.8%

33.0%

1.6%

Stock Exchange Listing

Indonesia Stock Exchange on October 3, 1994

Bond Code and Rating

Sustainable Bonds I AKR Corporindo Phase I 2017 with Fixed Interest Rate Series C, idAA (paid on 7th July 2024)



Head
Office

AKR Tower Floor 26

Jl. Panjang No.5 Kebon Jeruk
West Jakarta 11530, Indonesia

Contact
Details
[SEOJK C.2]

+62 21 5311110, +62 21 5311185
+62 21 5311185, +62 21 5311388, 5311185

corporate.secretary@akr.co.id

www.akr.co.id

Business Scale [OJK C.3]

(in billions of Rupiah, unless otherwise stated)

Description	Unit	2024	2023	2022
Total Employees	Individuals	2,452	2,813	2,645
Total Assets	Billion Rupiah	33,109	30,297	27,188
Total Sales and Revenue	Billion Rupiah	38,729	42,087	47,540
Total Net Profit for the Year	Billion Rupiah	2,399	3,078	2,479
Total Equity	Billion Rupiah	14,624	14,043	13,155
Total Liabilities	Billion Rupiah	18,485	16,254	14,033

Memberships and Associations [GRI 2-28]

AKR proactively joins relevant industry associations to strengthen its key player role and commitment to advancing the business sectors in which it operates, enabling the Company to participate in various forums, discussions, and initiatives alongside other stakeholders. Below are some of the industry associations and strategic partners collaborating with AKR.

Association Name	Position
Indonesian Employers Association (APINDO)	Member
Indonesian Chamber of Commerce and Industry (KADIN)	Member
Indonesian Issuers Association (AEI)	Member
Indonesia Corporate Secretary Association (ICSA)	Member

Awards and Certification

Awards

- 1 **TOP 3 Best Biodiversity Disclosure**
7th Global Conference ESG Management & Sustainability
- 2 **Outstanding Achievement in Sustainability & Governance**
SPEx2 Award 2024
- 3 **Best Environmental Management Practices**
Ministry of Transportation Directorate General of Sea Transportation
- 4 **Sustainable Business Integrity Index 2024**
Tempo Data Science and Transparency International Indonesia
- 5 **Zero Accident Award PT AKR Corporindo Tbk, Samarinda City, East Kalimantan Province**
Governor of East Kalimantan, Head of the Manpower and Transmigration Office of East Kalimantan Province



6 Outstanding Regulation Compliance SIER Green Industrial Award 2024 Category Best Compliance in Estate Regulation PT Arjuna Utama Kimia (ARUKI)
PT Surabaya Industrial Estate Rungkut

7 Zero Accident Award of PT Jakarta Tank Terminal
Minister of Manpower of the Republic of Indonesia

8 Oil and Gas Safety Award Patra Nirbaya Karya Madya – PT Jakarta Tank Terminal
Ministry of Energy and Mineral Resources

9 2024 Oil and Gas Safety Award Patra Nirbaya Karya Utama – PT Aneka Petroindo Raya
Directorate General of Oil and Gas



6



7



8



9

Certification



SO 9001:2015 for scope Industrial Petroleum Trading & Distribution (Branch: Medan, Pontianak, Jakarta, Lampung, Bandung)

Validity Period
9 July 2023 – 8 July 2026

Institution
LQRA



Safety Management System for Public Transport Companies

Validity Period
27 December 2024 – 27 December 2029

Institution
Ministry of Transportation,
Directorate General of Land Transportation



ISO 9001:2015 PT Arjuna Utama Kimia (ARUKI)

Validity Period
12 July 2022 – 30 August 2025

Institution
Bureau Veritas (BV)



ISO 14001:2015 PT Arjuna Utama Kimia (ARUKI)

Validity Period
4 December 2024 – 4 December 2027

Institution
SGS



ISO 9001:2015 PT Berkah Kawasan Manyar Sejahtera (BKMS) – The provision of utilities services for industrial estate

Validity Period
13 December 2022 – 13 December 2025

Institution
MSC Global



ISO 14001:2015 PT Berkah Kawasan Manyar Sejahtera (BKMS) – The provision of utilities services for industrial estate

Validity Period
13 December 2022 – 13 December 2025

Institution
MSC Global



ISO 45001:2015 PT Berkah Kawasan Manyar Sejahtera (BKMS) – The provision of utilities services for industrial estate

Validity Period
13 December 2022 – 13 December 2025

Institution
MSC Global



ISO 14001:2015 PT Berlian Manyar Sejahtera (BMS)

Validity Period
23 August 2023 – 23 August 2026

Institution
SAI GLOBAL

ESG Rating by International Institutions



ISO 14001:2015, ISO 9001:2025; ISO 45001:2018 PT Jakarta Tank Terminal (JTT) – Provision of oil storage terminal

Validity Period
19 March 2024 – 18 March 2027

Institution
LRQA



Occupational Health and Safety Management System Certification Award – PT Jakarta Tank Terminal

Validity Period
6 August 2024 – 6 August 2027

Institution
Minister of Manpower



Internasional Sustainability and Carbon (ISCC) Plus Certification for Jakarta Tank Terminal – Vopak

Validity Period
20 September 2024 – 19 September 2025

Institution
Control union

ESG Sustainability
20.3 Medium Risk

ESG Risk Rating **CORE** **?**
20.3 **Medium Risk**



MSCI SMALL CAPS INDEX



S&P Global CSA
Increased to 37, remaining above industry average

S&P Global

ISS ESG
Performance Score 33.59

ISS ESG

Important Events 2024

January 5, 2024



Establishment of PT Berkah Renewable Energi Nusantara

AKR and its subsidiary, PT Usaha Era Pratama, officially established a company engaged in the operation of power plants and other energy-related activities, namely PT Berkah Renewable Energi Nusantara, in Gresik on January 5, 2024.

March 14, 2024



Signing of Subsidized Energy Contract

The Company continued to distribute subsidized energy through the signing of the Fiscal Year 2024 contract with the Ministry of Finance. AKR is committed to maintaining the government's trust by ensuring strict oversight to guarantee accurate and targeted subsidy distribution in both volume and allocation.

April 29, 2024



Dividend Distribution for Fiscal Year 2023

The General Meeting of Shareholders (GMS) approved the dividend distribution for the Fiscal Year 2023 totaling Rp2.48 trillion, equivalent to Rp125 per share. This dividend represents 88.74% of the net profit and reflects AKR's commitment to delivering added value while demonstrating a strong financial performance and a healthy cash flow.

June 7, 2024



AKR Officially Designated an Authorized Economic Operator (AEO)

AKR obtained Authorized Economic Operator (AEO) status from the Directorate General of Customs and Excise of Indonesia. This recognition provides various customs facilities, including priority inspections and streamlined customs processes at 10 verified operational locations.

July 1, 2024



Operation of the World's Largest Single-Line Smelter

The growth of Indonesia's mineral downstream industry was marked by the inauguration of Freeport's copper smelter at JIPE SEZ Gresik. This smelter will process 1.7 million tons of copper concentrate per year, serving as a key material in the electric vehicle ecosystem. The presence of this smelter also strengthens the national industrial supply chain and enhances the added value of domestic mineral resources.

July 19, 2024



Best Industrial Special Economic Zone Award for JIPE

The Java Integrated Industrial and Port Estate Special Economic Zone (JIPE Gresik), a mega project resulting from the strategic partnership between AKR and PT Pelindo (Persero), was awarded Best Industrial Special Economic Zone by the Coordinating Ministry for Economic Affairs of the Republic of Indonesia.

August 1, 2024



Outstanding Achievement in Sustainability and Governance

The Company was recognized at the SPEX2 Award 2024, earning the titles of "Outstanding Achievement in Sustainability & Governance" and "The Best Execution Winner in the Distribution and Logistics Industry." These awards reaffirm AKR's commitment to sustainability, demonstrated through concrete actions and well-defined strategies.

October 7, 2024



Establishment of PT Terminal Energi Primer

AKR and its subsidiary, PT Usaha Era Pratama, signed the establishment of PT Terminal Energi Primer, a company engaged in warehousing, storage, and other activities related to energy provision. PT Terminal Energi Primer was established on October 7, 2024, and is based in Gresik.

Board of Directors' Report

[SEOJKD.1]



A portrait of Haryanto Adikoesoemo, President Director, standing with his arms crossed. He is wearing a light green batik shirt. The background is a dark teal gradient. To the left, there is a collage of images: a person in a hard hat working on solar panels, a person in a white shirt, and a silhouette of a person's head.

Haryanto Adikoesoemo

President Director



AKR continues to grow beyond conventional limits, driven by a commitment to sustainability. With consistent financial management, long-term value for everyone connected with the Company is being created, positive impacts made, and an assurance given that the business stays relevant, continues to build, and sees increasing trust from stakeholders.

Dear Shareholders and Stakeholders,

Welcome to the 2024 PT AKR Corporindo Tbk (AKR) Sustainability Report, a record of the various initiatives undertaken by the Company to achieve reliable, positive, and sustainable growth.

AKR is proud to expand beyond traditional boundaries of conventional growth, a testament to the ongoing efforts in maintaining consistent financial performance, creating value for stakeholders, and having a broader positive impact.

With this approach, the business remains relevant and continues to evolve, all while increasing stakeholder trust. Built on a strong and sustainable foundation, AKR remains committed to driving long-term growth through innovative and forward-looking strategies.

Navigating Economic, Geopolitical, and Global Megatrends

In recent years, the world has undergone significant changes driven by three major megatrends—geopolitics, artificial intelligence (AI), and sustainability. Geopolitical tensions, shifts in global supply chains, and evolving trade policies have brought challenges and opportunities for businesses.

Meanwhile, the rapid development of AI disrupts certain industries, creates new efficiencies, and requires businesses to quickly adapt to technological advancements.

With a transition to a low-carbon economy, net-zero policies, and growing consumer demand for responsible business practices, sustainability has become a key factor in global business strategies, pushing companies to integrate ESG principles into their operations.

Amid these global shifts, Indonesia has demonstrated its resilience. The government has taken proactive fiscal measures, invested in infrastructure, and introduced regulatory reforms to enhance national competitiveness. These strategic efforts have helped the country remain an attractive investment opportunity.

At AKR, global changes are viewed not only as challenges but also as opportunities. By developing adaptive strategies and investing in innovation and sustainability, the foundations are strengthened for reliable, impactful, and sustainable growth. Through resilience and innovation, the Company is positioned not only to navigate change but also to lead in shaping a better future.

Strengthening the Foundation of Sustainability

AKR is driven by a core purpose—to create the greatest possible value and benefits for all stakeholders. This mission defines our identity and serves as the guiding principle in building economic, social, and environmental performance to ensure long-term business sustainability.

This commitment has led to the creation of AKR Sustainability House, a framework that reflects a dedication to a sustainable future. With the tagline “Progressing with Purpose”, the framework is built on four key pillars: Our Business Portfolio, Our People, Our Communities, and Our Conduct.

Every strategy implemented is designed to create balance for all stakeholders. To maintain business resilience, AKR manages its operational risks with a sustainability strategy focusing on five key areas: Resilience through a Business Model & Supplier Partnerships, ESG Report Management for Investors & Government, Supply Chain Innovation & Optimization, Sustainable Products, and Sustainable Economic Development. These five focus areas serve as the foundation for aligning AKR’s resources and organizational capabilities to achieve the sustainability vision of “Progressing with Purpose.”

These five focus areas serve as the foundation for aligning AKR’s resources and organizational capabilities to achieve the sustainability vision of “Progressing with Purpose.”

Creating Sustainable Growth Throughout the Business Portfolio

Despite the geopolitical challenges and domestic economic pressures in 2024, AKR exceeded the average net profit over the past five years, a consistently solid financial position which reflects the resilience and strength of the business strategies implemented.

At the same time, AKR remains committed to operational efficiency by optimizing energy use and ensuring environmental sustainability in every business process. A strong track record in navigating various economic cycles has strengthened stakeholder confidence, allowing the Company to continue expanding. With the profits generated, AKR is dedicated to driving economic growth and long-term sustainability.

Net profit was Rp2,225 trillion, with a Compound Annual Growth Rate (CAGR) of 25% over the past five years. This growth was driven by expansion in the trading, distribution, and logistics segments, along with a significant improvement in the performance of the Industrial Estate segment.

AKR’s logistics and supply chain operations have long played a key role in supporting Indonesia’s economy. With a strong infrastructure network, the Company continues to provide high-quality petroleum and basic chemical distribution services for industrial customers across the country. By consistently delivering efficient logistics solutions, AKR is expanding its role in accelerating growth and strengthening competitiveness.

The Java Integrated Industrial and Port Estate (JIPE SEZ Gresik) achieved remarkable success in 2024. The JIPE Special Economic Zone (JIPE SEZ Gresik) in Gresik was recognized as the best Special Economic Zone by the Coordinating Ministry for Economic Affairs of Indonesia for its role in attracting investment, boosting regional economic growth, reducing logistics costs, and creating jobs. JIPE SEZ Gresik even surpassed its job creation target by over 100% and plays a strategic role in the global supply chain.

JIPE SEZ Gresik continues to grow as a top investment destination for both local and international companies. By the end of 2024, it had attracted investments totaling Rp27 trillion and created employment for 7,656 people across various companies. In the same year, the government inaugurated the world’s largest copper smelter in the world that is expected to drive downstream copper industry development in Gresik while providing significant benefits for small and medium enterprises (SMEs) across the country.

Through JIPE SEZ Gresik, AKR has launched new businesses to strengthen energy supply within the zone and enhance industrial competitiveness. The Company is exploring partnerships in gas distribution and solar panel development to support a more sustainable energy ecosystem.

Technology and innovation play a key role in efforts to manage the environment and transition toward a low-carbon economy. In 2024, AKR strengthened investments in sustainable sectors, including the development of gas distribution and renewable energy partnerships, for instance business opportunities in offshore solar farms. Advanced technologies and Artificial Intelligence (AI) were also adopted to optimize operations and logistics.

In 2024, the Company also maintained consistent biodiesel energy availability while expanding distribution to urban areas in collaboration with British Petroleum (bp), extending further into Eastern Indonesia and broadening retail distribution in frontier, outermost, and underdeveloped regions (3T).

As part of the commitment to energy transition and increasing renewable energy adoption, AKR actively supports the B35 biodiesel program initiated by the government. As a result, the proportion of renewable energy in 2024 reached 21% of the Company’s total energy consumption.

Building Reliable Growth Through AKR People

To support operational safety, AKR is leveraging technology to innovate. The Company’s logistics infrastructure is now equipped with an IT-based monitoring system designed to enhance workers safety. To further improve operational oversight, AKR has implemented a Control Tower as an integrated command center.

AKR believes that reliable growth must be grounded in a strong foundation. One that is built by developing a resilient workforce equipped to work safely and maintain good health. To support operational safety, AKR is leveraging technology to innovate. The Company’s logistics infrastructure is now equipped with an IT-based monitoring system designed to enhance worker safety. To further improve operational oversight, AKR has implemented a Control Tower as an integrated command center.

The Control Tower enables real-time monitoring of various operational activities, allowing for early risk identification and quick, effective mitigation measures. It also serves as a comprehensive data management system, supporting incident reporting and the evaluation of occupational health and safety performance across all operational units.

As a result, AKR successfully recorded zero fatalities and zero major safety incidents in 2024. The Company's land transport fleet also achieved a cumulative safe travel distance of more than 12.7 million kilometers.

At the same time, as part of our commitment to enhancing employee competencies and professional development, AKR invested more than Rp1.62 billion in training and development programs at the parent company in 2024. This investment covered a range of training initiatives, including technical, targeted, and mandatory programs, ensuring employees develop relevant and competitive skills. The Company's approach to human resource development aligns with our core values: entrepreneurship, collaboration, agility, recognition of high performance, team empowerment, and a commitment to integrity.

AKR is also committed to fostering an inclusive and equitable work environment, where all individuals have equal opportunities regardless of gender, ethnicity, race, or religion. The Company actively places women in leadership and managerial positions, reflected in 2024 in the increased representation of women on the Board of Directors, reaching 43%, and in middle to senior management positions, reaching 21%.

Creating Meaningful Growth for the Community

That life's journey is not only about how far we go but also about the impact we leave behind is a firm belief at AKR. Meaningful growth is about making a difference, having the courage to not only grow in size but also in purpose, offering hope to those in need. Over the past 64 years, AKR has remained committed to being a responsible partner to the communities around it through various initiatives and active engagement.

In implementing Corporate Social Responsibility (CSR) programs, AKR has adopted a two-way communication approach with communities to identify their needs and ensure their active participation at every stage of execution. In 2024, the commitment to CSR was reflected in the allocation of more than Rp10 billion for various community development programs.



The Company believes that sustainable growth can be achieved by growing alongside the community. In 2024, 64% employees in AKR at parent company level were local hires recruited from surrounding communities.

The Company is also determined to support the growth of local businesses. In 2024, the local content percentage (TKDN) of biodiesel exceeded 41.46%. At the same time, AKR ensured that local procurement for all projects met the minimum threshold of 30 percent, aligning with efforts to promote local products and uphold sustainability principles.

Optimizing Governance Through Sustainable Leadership

For AKR, implementing Good Corporate Governance (GCG) is the foundation for achieving sustainable, reliable, and impactful growth. GCG principles are not just a regulatory obligation but an integral part of the Company's culture of integrity.

The Company is proud to report that it has upheld the highest ethical standards, as reflected in the absence of corruption incidents, legal violations, or regulatory breaches in 2024. This commitment to transparency is also demonstrated through the publication of the annual Sustainability Report, prepared in accordance with POJK 51/2017, and the GRI 2021 Standards.

As part of efforts to optimise sustainable governance, AKR continued to refine various strategic policies, including through the revision of the Board Charter. In 2024, AKR took the initiative to incorporate Sustainable Leadership into the Company's Board Charter, providing the Board of Commissioners and the Board of Directors with guidance to realise sustainability performance at AKR through responsible and sustainable business growth across environmental, social, and governance aspects.

Moving Forward Towards Sustainability

In 2024, AKR consistently demonstrated its commitment to implementing the best ESG (Environmental, Social, and Governance) practices, resulting in an improved ESG rating from international rating agencies such as MSCI, Sustainalytics, and S&P Global. This achievement reflects the effectiveness of the sustainability strategy and the Company's commitment to creating long-term value for stakeholders.

Looking ahead, AKR remains committed to maintaining the highest operational standards and achieving its sustainability targets. Every strategic initiative undertaken is not only focused on profitability but also aims to expand the customer base and enhance operational efficiency. The Company is determined to have a meaningful, positive impact on industry growth, benefit businesses and the workforce, support local communities, and contribute to regional and national economic development.

Conclusion

In closing, the utmost appreciation is extended to the entire AKR family—employees, customers, partners, and shareholders with gratitude for the contributions made. The progress AKR continues to pursue, now and in the future, can only be realized through the support, spirit, and optimism of all stakeholders. The Company appreciates the trust and commitment that continues to drive growth.

Along with the stakeholders, the Company looks forward to moving ahead, creating added value that positively impacts the national business climate, and contributing to a better future.

Jakarta, 4 April 2025
On Behalf of the Board of Directors



Haryanto Adikoesoemo

President Director

Board of Commissioners



Fauzi Ichsan
Independent Commissioner

Soegiarto Adikoesoemo
President Commissioner

Sofyan A. Djalil
Commissioner

Board of Directors



Suresh Vembu
Director

Haryanto Adikoesoemo
President Director

Bambang Soetiono Soedijanto
Director

Termurti Tiban
Director



Nery Polim
Director

Jimmy Tandyo
Director

Mery Sofi
Director

Responsibility Statement of the Board of Commissioners for the Sustainability Report 2024 of PT AKR Corporindo Tbk

[SEOJKE.1][GRI 2-14]

We, the undersigned, certify that the Sustainability Report of PT AKR Corporindo Tbk for the 2024 financial year has been prepared with reference to the Indonesia Financial Services Authority Regulation number 51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies, and Circular Letter of the Indonesia Financial Services Authority number 16/SEOJK.04/2021 concerning the Form and contents of Annual Reports of Issuers or Public Companies.

All information in this Report has been prepared and presented in accordance to these regulations and we are fully responsible for the accuracy of the contents of the Company's Sustainability Report.

Jakarta, 4 April 2025

Board of Commissioners



Soegiarto Adikoesoemo
President Commissioner



Sofyan A. Djalil
Commissioner



Fauzi Ichsan
Independent Commissioner

Responsibility Statement of the Board of Directors for the Sustainability Report 2024 of PT AKR Corporindo Tbk

[SEOJKE.1][GRI 2-14]

We, the undersigned, certify that the Sustainability Report of PT AKR Corporindo Tbk for the 2024 financial year has been prepared with reference to the Indonesia Financial Services Authority Regulation number 51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies, and Circular Letter of the Indonesia Financial Services Authority number 16/SEOJK.04/2021 concerning the Form and contents of Annual Reports of Issuers or Public Companies.

All information in this Report has been prepared and presented in accordance to these regulations and we are fully responsible for the accuracy of the contents of the Company's Sustainability Report.

Jakarta, 4 April 2025

Board of Directors



Haryanto Adikoesoemo

President Director



Jimmy Tandyo

Director



Bambang Soetiono Soedijanto

Director



Mery Sofi

Director



Suresh Vembu

Director



Nery Polim

Director



Termurti Tiban

Director



Sustainable growth is the foundation for future generations, and by creating a positive impact on the environment, society, and governance, AKR aims to make a meaningful contribution. In the long term, the Company aspires to achieve sustainability by delivering tangible benefits to stakeholders while supporting national economic growth.

Sustainability Strategy

Sustainability Commitment [SEOJKA.1][SEOJKE.5][GRI 2-22]

AKR recognizes that every business decision must be guided by ethical responsibility, complying with applicable regulations and laws. By prioritizing sustainability, long-term growth is fostered through a balanced approach that aligns shareholder interests, community needs, and environmental preservation within operational areas.

To build sustainability, strong foundations are needed to develop a trusted company that upholds the highest ethical standards throughout its operations. Sustainability, then, is not only a responsibility but also an opportunity to create a significant positive impact for all stakeholders, particularly in driving Indonesia's economic growth.

As reflected in the Company's mission, AKR is dedicated to generating substantial value for stakeholders, serving as both the core spirit and identity in delivering economic, social, and environmental impacts in line with sustainability principles, which are an integral part of the business strategy.

For AKR, sustainability is an ambition realized through a measured and well-directed long-term strategy. In practice, all business activities generate positive impacts

for stakeholders and extends across all business segments, including logistics and distribution, industrial estate management, and the development of Special Economic Zones, presenting AKR with the challenge of setting clear goals, plans, and targets for each business line.

Addressing sustainability requires going beyond a business-as-usual approach and AKR strikes a balance between business growth, environmental preservation, and community empowerment. This aligns with the global objectives outlined in the Sustainable Development Goals (SDGs) and supports the government's Sustainable Development Vision. In implementation, we the SDG targets relevant to business activities have been identified.

AKR is realizing sustainability through concrete and consistent efforts where sustainability is not merely a concept but a commitment to be upheld. With optimism and a strong sense of responsibility, the Company is confident that the strategic steps taken today will shape a better future for generations to come.

Integrating Sustainability [GRI 2-23][GRI 2-24]

A governance structure has been established at AKR to oversee the formulation and implementation of economic, environmental, and social aspects, consisting of the ESG Committee and the AKR ESG Task Force.

Both bodies play vital roles in ensuring that sustainability policies and strategies are carefully crafted and implemented in accordance with industry standards and applicable regulations. The ESG Committee is responsible for strategic

oversight, while the AKR ESG Task Force focuses on the execution and operational management of sustainability across all business lines.

As a strategic guide, a sustainability framework known as the AKR Sustainability House: PROGRESSING WITH PURPOSE has been formulated, which includes four key pillars that serve as the foundation for sustainability implementation.

Umbrella Sustainability Commitment Statement And Elevator Pitch

PROGRESSING WITH PURPOSE

As a strategic holding company, AKR Corporindo aims to growing and progressing sustainably, our business portfolio spans from logistics and distribution, industrial estate, to the development and management of special economic zone. Through our business we touch millions of people and stakeholders. Therefore, we must do what we do in a sense that can benefit the economy, environment, people and society. This means we go beyond business-as-usual to balancing ambition with wisdom, and business success with environment consciousness, and social progress. For us, this is the meaning of sustainability – Progressing with Purpose.





AKR Horizon 2030

AKR Corporindo Sustainability Progress Tracker

Pillar	AKR Horizon 2030	2024 Achievement	Status
Our Business Portfolio	Focusing on investments and portfolios that support sustainability and the transition toward a low-carbon economy.	Investments are directed toward sustainability-related projects, including LNG, biofuels, rooftop solar panels, floating solar panels, and green industrial estates.	Achieved
	Adopting digital technology to enhance operational effectiveness, efficiency, and carbon emission reduction.	The adoption of a real-time digital control tower and Artificial Intelligence (AI) has been implemented to enhance operational planning and reduce carbon emissions in AKR's logistics operations.	Achieved
	Increasing the share of renewable energy used in AKR's operations to 30% by 2030.	21% renewable energy usage from total energy consumption.	On Track
	Ensuring no significant spills across all operations.	No significant spills across all operations.	Achieved
	Maintaining an emission intensity of 0.02 tons CO ₂ e per Rp1 million of Gross Profit. (Scope 1 and Scope 2)	Emission intensity of 0.015 tons CO ₂ e per Rp1 million of Gross Profit. (Scope 1 and Scope 2)	Achieved
Our People	Zero fatalities across all AKR operations.	Zero fatalities across all AKR operations.	Achieved
	Zero major safety incidents across all AKR operations.	Zero major safety incidents across all AKR operations.	Achieved
	Zero human rights incidents across all AKR operations.	- Publication and dissemination of the Human Rights Policy. - No human rights incidents in 2024	Achieved
	Creating an inclusive workplace with a target of 30% of middle and senior management positions filled by women.	21% of middle to senior management positions at AKR are held by women.	On Track
Our Communities	Providing employment opportunities for local communities.	64.4% of employees at AKR holding level are local hires. 7,656 new jobs were created by tenants in JIPE SEZ Gresik.	Achieved
	Creating a positive impact on the local economy through procurement practices.	41,46% Domestic Component Level (TKDN) in 2024.	Achieved
	Contributing to local socio-economic development through community programs and outreach across all AKR operations.	100% of AKR subsidiaries implemented community development programs, with total funding reaching Rp10.3 billion.	Achieved
Our Conduct	Maintaining zero corruption incidents.	Zero corruption incidents.	Achieved
	Communicating ESG progress transparently through the Sustainability Report and ensuring reporting practices align with national and international standards.	Publishing an annual sustainability report in accordance with POJK 51/2017, GRI Standards 2021, and SASB standards.	Achieved
	Ensuring compliance with laws and regulations.	No violations of laws and regulations in 2024.	Achieved

In line with the Company's business expansion, we will review our environmental performance targets to ensure their alignment with operational developments, sustainability principles, and realistic, relevant goals. This review aims to maintain a balance between business growth and the Company's commitment to sustainable environmental management.

Our Business Portfolio [GRI 3-2][GRI 3-3][GRI 2-25]

As a company operating in the logistics and supply chain industry, the trust and satisfaction of stakeholders, including customers, significantly impact business sustainability. Therefore, in addition to facilitating the trade of essential industrial products, AKR continuously strives to provide the best service, maintain open two-way communication, and foster harmonious relationships with all stakeholders. This commitment remains fundamental in building a strong and resilient business portfolio.

The necessity for change and adaptation amid increasingly complex challenges is well recognized to establish a solid financial foundation and a resilient business model. To ensure sustainable growth, several key initiatives have been undertaken, including:

- Building operational excellence through the utilization of technology.
- Adapting to and meeting the evolving needs of customers and stakeholders, not only by facilitating essential industrial products through logistics and supply chains but also by supporting manufacturing growth through the JIPE Special Economic Zone.

Additionally, AKR is committed to creating sustainable value for stakeholders by fulfilling industry needs, supporting suppliers, complying with regulations, and generating returns for shareholders and employees.

At the same time, the importance of environmental considerations in building a resilient business portfolio is fully understood. Efforts are made to ensure that operational activities do not negatively impact the surrounding community and environment. In practice, a transition toward clean and environmentally friendly energy has commenced, along with the creation of a pollution-free work environment—free from air and noise pollution as well as fire hazards—while contributing to climate change mitigation efforts.

Our People [GRI 3-2][GRI 3-3][GRI 2-25]

AKR recognizes that successful sustainability relies on the Company's most valuable asset—its employees. Corporate target and objective achievement is only possible with the support of a competent and high-quality workforce. Therefore, a commitment has been made to protect labor rights through supportive policies, including those against forced labor, ensuring freedom of association, and implementing principles of diversity, gender equality, and respect for human rights.

As part of efforts to create a safe and comfortable workplace, the highest standards in Occupational Health and Safety (OHS) are applied to foster a zero-accident work culture.

Concrete measures include the management of OHS systems, the provision of healthcare facilities, regular training sessions, and the achievement of zero fatalities across all subsidiaries. Ultimately, these efforts not only enhance workplace safety but also contribute to overall productivity and corporate performance.

The importance of human resource development is well recognized amid an increasingly dynamic business landscape and regular employee training and development programs are conducted. Equal access is provided to all individuals, ensuring an inclusive work environment that enables employees to reach their full potential.

Our Communities [GRI 3-2][GRI 3-3][GRI 2-25]

AKR considers local communities as strategic partners in achieving inclusive and sustainable growth, with the presence of the Company expected to provide tangible benefits particularly in improving their quality of life. A key contribution is the creation of employment opportunities that involve local residents, including managerial positions. Additionally, a priority is placed on local suppliers for the procurement of services and materials, supporting the increase of Domestic Component Level (TKDN) and strengthening the local economy.

In carrying out CSR, the focus extends beyond program implementation to ensuring that every initiative is designed based on community needs. Through open dialogue and two-way communication, priority areas requiring special attention are identified, helping to develop relevant and sustainable programs that have positive impacts.

Innovation in CSR program implementation ensures relevance and effectiveness and AKR aims for each program to not only provide short-term benefits but also long-term solutions for community well-being.

Our Conduct [GRI 3-2][GRI 3-3][GRI 2-25]

AKR began our sustainability journey by embedding GCG practices as the primary foundation, where principles such as transparency, accountability, responsibility, independence, and fairness support professional and reliable Company management. Openness is prioritized in every decision-making process, along with the delivery of relevant information to stakeholders.

In operations, ethical behavior and legal compliance are regarded as integral elements with every organizational function operating in accordance with applicable regulations and with clear roles and responsibilities defined at all levels.

The ESG Committee designs the Company's ESG strategy, provides recommendations, monitors implementation, and reports on the progress of initiatives comprehensively.

Beyond mere formality, AKR integrates business ethics and compliance into its daily work culture serving as a reference for all employees to consistently and sustainably uphold the Company's values.

Stakeholder Perspective [SEOJKE.4][GRI 2-29]

Stakeholders are crucial in supporting the achievement of sustainability goals, focusing on long-term value creation. The Company has identified its stakeholders and designed various engagement methods tailored to the unique characteristics of each group while considering local wisdom in every operational area to ensure that all involved parties contribute to achieving shared objectives.

A commitment has also been made to foster mutually supportive relationships with stakeholders through open two-way communication. The Company actively listens to the aspirations, needs, suggestions, and feedback from stakeholders to enhance sustainability performance.

Below is a list of stakeholders identified through the engagement process conducted by the Company:

No.	Principle of Inclusivity		Principle of Materiality	Principle of Responsiveness
	Stakeholder Group	Identification Basis	Topics of Engagement and Communication Results	Level, Methods, and Frequency of Engagement
1	Shareholders	D, R, I, P	Accountability for the Company's economic, environmental, and social performance	Information Disclosure and Engagement - Regular publications (annual reports, quarterly financial reports, quarterly exploration reports) and the website. - Multi-stakeholder forums and the General Meeting of Shareholders (GMS), held at least once a year.
2	Employees	D, R, T, I, P	1. OHS Performance 2. Employee Well-being	Information Disclosure, Consultation, Negotiation, and Engagement - Corporate bulletins, business unit bulletins, communication via email, intranet, website, social media, and instant messaging. - Employee engagement surveys covering culture, satisfaction, perception, understanding of the Collective Labor Agreement, and other aspects. - Formulation and implementation of the Collective Labor Agreement for a two-year period, along with its derivative regulations outlining the rights and obligations of the Company and all employees based on their respective employment relationships. - Bipartite Cooperation Institution (LKS Bipartit) and Quarterly Meetings between AKR and labor unions.

No.	Principle of Inclusivity		Principle of Materiality	Principle of Responsiveness
	Stakeholder Group	Identification Basis	Topics of Engagement and Communication Results	Level, Methods, and Frequency of Engagement
3	Government	D, R, T, I, DP, P	- Community empowerment through CSR programs - Tax payments and fulfillment of obligations to the State	Stakeholder Relationship Management - Providing input to the government on various policies and regulations. - Regular reporting (AMDAL, RKTTL, Post-Mining Plan, quarterly reports to OJK, etc.) and website updates. - Consultations with ministries, agencies, and local government offices, as well as public consultations. - Development Planning Deliberations (Musrenbang) with local governments; tax payments, non-tax state revenue (PNBP), and other obligations to the State.
4	Suppliers	D, R, T, P	- Transparency in the procurement of goods and services - Economic, social, and environmental performance	Information Disclosure and Collaboration Conducting regular contract bidding (tenders) in an open and transparent manner; contract documents that include compliance with laws, including aspects of human rights, occupational health and safety (OHS), and environmental regulations.
5	Consumers	D, R, I, P	Product and Service Quality	Information Disclosure and Consultation - Establishing commercial sales contracts that ensure product quality, supply continuity, and timely delivery, tailored to specific needs. - Conducting regular meetings with customers and customer satisfaction surveys at least once a year.
6	Community	D, R, T, I, DP, P	- Socialization and distribution of CSR/TJSL program funds - Community assistance and empowerment - Management of economic, social, and environmental impacts	Information Disclosure, Transactions, Consultation, Negotiation, Engagement, Collaboration, and Empowerment - Socialization of AMDAL; regular meetings with community members; reports; website updates; implementation of CSR/TJSL programs. - Receiving community input during the AMDAL process. - Community involvement in the planning, implementation, monitoring, and evaluation of CSR/TJSL and community development programs. - Collaboration on various multi-stakeholder initiatives with local communities, universities, regional governments, and partnerships with various institutions.

Description: The identification method is based on AA1000, 2018 Stakeholder Engagement Process:

- Dependency (D): AKR depends on a person or an organization, or vice versa.
- Responsibility (R): AKR has legal, commercial, or ethical responsibilities toward a person or an organization.
- Tension (T): A person or an organization has influence over AKR regarding specific economic, social, or environmental issues.
- Diverse Perspective (DP): A person or an organization has influence over AKR or the strategies or policies of other stakeholders.
- Proximity (P): A person or an organization has geographical and operational proximity to AKR.
- Influence (I): A person or an organization has influence over AKR or the strategies or policies of other stakeholders.



Strategic Sustainability Priorities and SDG Target Mapping

AKR has established various strategic targets based on four main pillars to support the achievement of the 17 Sustainable Development Goals (SDGs), aligning with all business activities of the Company through the ESG Committee and the AKR ESG Task Force. This SDG mapping ensures that every business activity not only contributes to economic growth but also creates a significant positive impact on society and the surrounding environment. Through this

approach, tangible benefits are expected to be delivered to stakeholders, including customers, business partners, and local communities.

Below is a detailed overview of the targets formulated within AKR's four main sustainability pillars and their alignment with SDG achievements. [\[GRI 2-22\]](#) [\[GRI 3-2\]](#) [\[GRI 3-3\]](#)

AKR's Sustainability Pillars	SDGs Goals
Our business portfolio   	- Engaging in climate change adaptation strategies through mandatory biodiesel as a transitional energy source and reducing industrial emissions within Special Economic Zones. - Promoting technological advancements to achieve operational excellence in biodiesel distribution. - Investing in infrastructure through various projects, including the Java Integrated Industrial and Port Estate (JIPE) Special Economic Zone (SEZ) project, to drive inclusive and sustainable industrialization, enhance job creation and gross domestic product, and support industrial growth. - Providing access to cleaner and/or renewable energy for industries through the JIPE SEZ Gresik. - Establishing partnerships to offer low-emission fuel access to communities through bp AKR.
Our people    	- Ensuring occupational health and safety while supporting employee well-being. - Providing employees with inclusive and high-quality training and education. - Promoting gender equality across the Company's work environment. - Supporting inclusive and sustainable economic growth in the workplace.
Our communities     	- Reducing poverty through various corporate social responsibility and community empowerment programs in operational areas. - Ensuring healthy lives and supporting the well-being of surrounding communities. - Providing access to inclusive and high-quality education for local communities. - Upholding gender equality principles. - Supporting inclusive and sustainable economic growth to foster community independence and well-being.
Our conduct  	- Supporting peaceful and inclusive societies for sustainable development. - Strengthening implementation measures and revitalizing global partnerships for sustainable development.



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/ JERIGEN



MATIKAN MESIN
KENDARAAN
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03

Our Business
Portfolio



AKR maintains a balanced business portfolio focused on innovation and sustainability as the key to long-term growth. The Company not only strives to achieve solid economic growth but also ensures the creation of added value for all stakeholders.

AKR believes that operational sustainability can be achieved through a solid and resilient business portfolio that not only delivers tangible benefits to stakeholders but also remains robust amid an increasingly competitive business landscape. Through various initiatives focused on reliable growth, the Company continues to develop sustainable businesses by maintaining a balanced portfolio in the logistics sector and serving as a procurement solution for chemicals and energy in Indonesia. Through this strategy, AKR aims to create an integrated positive impact across economic, social, and environmental aspects.

Resilient and Robust Business Portfolio

AKR's business portfolio is one of the key pillars that must be managed appropriately, measurably, and strategically to establish a sustainable business foundation. With this understanding, the Company consistently embraces adaptation and innovation to address dynamic and complex industry challenges through a resilient business approach. Strategic plans are always prioritized and implemented not only to support solid performance achievement but also to create sustainable added value that benefits all stakeholders.

AKR believes that through a resilient and diversified business portfolio, robust supply chain strength, business continuity planning, the use of modern technology, and a strong commitment to sustainability, the Company can build a solid foundation to achieve reliable, sustainable, and impactful business growth in the future.

AKR's Business Transformation

AKR began its journey in the 1960s in Surabaya as a basic chemical trader with a spirit of growth and innovation, and the Company has continued to expand its business portfolio from trading and distribution to services, strengthening its competitive advantage in the logistics supply chain for petroleum and basic chemicals, and further into the management of an integrated industrial estate that has now been designated as a Special Economic Zone (SEZ). Today, AKR is recognized as a leading logistics and supply chain service provider for fuel and basic chemicals, as well as the operator of the JIPE SEZ in Gresik, East Java.

AKR continuously adapts and transforms in response to market dynamics, aimed at enhancing competitiveness by leveraging its potential and competitive advantages, becoming the first national private entity to distribute non-subsidized petroleum in 2005 and subsidized petroleum in 2010, including obtaining permits to open and operate Motor Vehicle Fuel Filling Stations (SPBKB) and Fishermen Fuel Filling Stations (SPBN).

In 2013, AKR, in collaboration with Pelindo, launched the Java Integrated Industrial and Ports Estate (JIPE), an industrial area integrated with a deep-sea port in Gresik. JIPE has now been designated as one of the National Strategic Projects and was later inaugurated as a Special Economic Zone (SEZ) for the Technology and Manufacturing sectors.

In 2017, AKR entered into a business partnership with British Petroleum (bp) to form a joint venture in the fuel retail sector, aiming to meet the demand for premium quality fuel in Indonesia. This also reflects AKR's commitment to strengthening its business portfolio.

AKR has adjusted work processes, human resource management, and information technology development, to enhance operational efficiency. As part of its sustainable growth strategy, the Company also began focusing on domestic business development by divesting several port subsidiaries in China and reinvesting the proceeds to grow its business in Indonesia, yielding positive results as evidenced by the Company's earnings CAGR reaching 16%. This success has been supported by efforts in portfolio reconsolidation, expansion of logistics infrastructure, strategic partnership with bp, and the development of recurring revenue from JIPE SEZ Gresik. These strategies form a solid foundation for AKR to realize reliable, sustainable, and impactful business growth for stakeholders.

The Company has also begun exploring initiatives in the clean and renewable energy sector. In 2021, AKR, together with PT Bayu Buana Gemilang, established a joint venture named PT Berkah Buana Energi. This company aims to contribute to the distribution of natural gas to the JIPE SEZ Gresik and

surrounding areas, as part of AKR's commitment to supporting the transition to more environmentally friendly and sustainable energy sources.

In 2022, AKR also began supplementing energy reserves at JIPE SEZ Gresik by developing solar power, with capacity to be increased gradually. Furthermore, in 2023, the Company undertook various initiatives to enhance industrial facilities at JIPE SEZ Gresik. Among them, on 6 December 2023, AKR signed a Joint Development Agreement with BP Gas & Power Investments Limited to develop an LNG project, including regasification.

Previously, the Company had established two entities in Gresik: PT Anugerah Kreasi Pratama Indonesia (AKPI), focusing on warehousing and storage, and PT Berkah Bunker Service (BBS), which provides marine port services. In early 2024, AKR established PT Berkah Renewable Energi Nusantara (BREN), operating in the field of electricity generation in Gresik.

Going forward, AKR will continue to maintain a balanced synergy across its business lines, with a strong commitment to facilitating trade and commerce through the optimization of the supply chain. In addition, AKR is also committed to playing a role in driving competitive and resilient industrial growth in Indonesia, with the goal of creating sustainable value for all stakeholders.

AKR's Sustainable Transformation

AKR's business portfolio continues to evolve, grow, and transform in line with the dynamic needs of industry and energy for the community.



bp AKR Petrol Station

Offer high quality petroleum and non petroleum product service



Jakarta Tank terminal AKR-Vopak

Largest Private Tank Terminal in Tanjung Priok, Jakarta



AKRA Logistic Supply Chain Infrastructure



AKR Petrol Station

Selling subsidized petroleum including for fisherman



Air bp AKR Aviation

IMIP Airport & Cibubur Heliport

19

Seaports and River Ports

171 Fuel Stations

by AKR & bp AKR
*as of February 2025

822,000 KL

Tank Terminal Capacity

14 Units

Vessel/SPOB

50,000 Sq.M

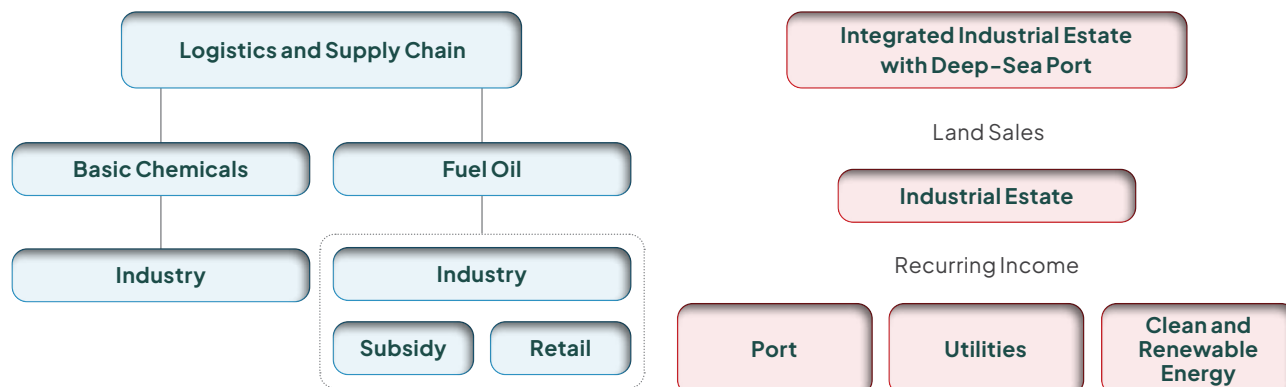
Warehouse Capacity

±250 Units

Petroleum & Chemical Tank Truck

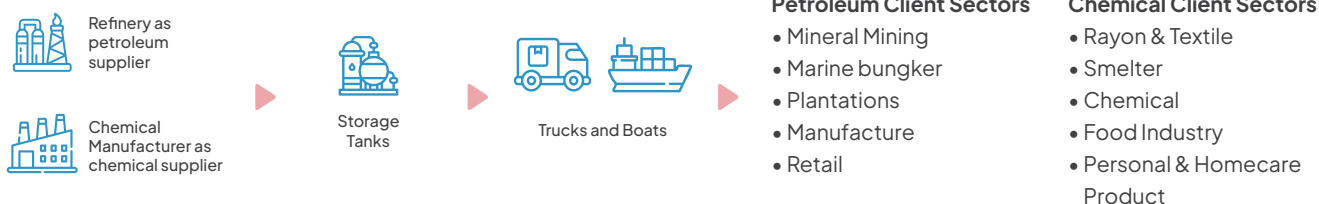
Business Model

Efficient Logistics Solutions to Support Industry in Indonesia



Economic Impact on AKR's Supply Chain

Contributes to Driving Various Industrial Sectors in Indonesia



Government Permit Secured - PT Berkah Renewable Energi Nusantara Set to Explore Green Energy from Offshore Solar Farm

PT Berkah Renewable Energi Nusantara (BREN), AKR's newest subsidiary, has officially obtained government approval to explore the development of an offshore solar farm in the Gresik Special Economic Zone (SEZ), representing a strategic step in addressing the growing demand for clean energy, particularly from industrial customers.

Established on 5 January 2024 in Gresik, East Java, BREN is a joint venture between AKR and its affiliate, PT Usaha Era Pratama and is specifically engaged in the operation of power plants and the provision of renewable energy.

Through BREN, AKR aims to develop efficient and environmentally friendly energy solutions, which are considered more optimal for utilizing water-based areas. In addition to supporting carbon emission reduction, this also represents AKR's contribution to Indonesia's energy transition efforts.

The development of renewable power plants in the Gresik SEZ is expected to attract further investment from companies with a strong commitment to environmental sustainability.



Through PT Berkah Buana Energi, AKR Strengthens Support for Energy Transition in Signing Gas Sales Agreement with Key Tenants at JIIPE SEZ Gresik

AKR, through its subsidiary PT Berkah Buana Energi (BBE), has commenced the distribution of gas to several key tenants in the Gresik SEZ, marking the opening of a new business line that will contribute to the overall growth of the Company's operations and reflecting a commitment to delivering more efficient and environmentally friendly energy solutions to the industrial sector in Indonesia.

BBE was established to ensure a reliable gas supply for investors operating in the Gresik SEZ. Together with BKSMS—AKR's entity managing the Gresik SEZ—BBE has developed and operates a dependable natural gas distribution infrastructure within the JIIPE SEZ Gresik area. The use of natural gas is expected to enhance energy efficiency and reduce reliance on higher-emission fossil fuel sources.

Natural gas currently serves as an appropriate transitional energy solution. In addition to offering energy cost efficiency for tenants, the use of natural gas also helps reduce the carbon footprint of their operations.

JIIPE SEZ Gresik requires a reliable and sustainable energy system to support tenant operations. With BBE's natural gas distribution infrastructure in place, JIIPE SEZ Gresik is increasingly positioned to become an internationally standardized industrial area that supports sustainable business practices.

The Company, through BBE, continues to strengthen its role in environmentally friendly energy infrastructure. Moving forward, BBE will also expand opportunities for broader collaboration to ensure that every tenant in JIIPE SEZ Gresik can operate efficiently, remain highly competitive, and contribute to the achievement of national energy transition targets.



Climate Transition and Adaptation Strategy

[SEOJKF.3] [GRI 201-2]

AKR recognizes that climate change is a global challenge requiring real action from all parties, including the business sector. If not properly managed, the impacts of climate change could affect all operational activities, including potential disruptions to the supply chain, increased operational costs, and risks from extreme weather events that may threaten business continuity.

In response, AKR is prioritizing a comprehensive approach within its sustainability strategy through the pillar Our Business Portfolio, aligning with support of the government's agenda to achieve a low-carbon economy and the implementation of sustainability-based initiatives across all aspects of operations.

Through the Our Business Portfolio pillar, the Company also focuses on exploring new business opportunities that support the clean energy transition, while continuously improving AKR's entire business portfolio with an environmentally conscious approach. These initiatives are guided by three core principles: sustainability, responsible operations, and environmental stewardship. With this approach, AKR is not only prepared to face current climate change challenges but also contributes to shaping a greener and more sustainable future.

In general, AKR's climate resilience approach can be described as follows:



Sustainable Development and Strengthening of Business Portfolio

This initiative includes continuous improvements across all business sectors, exploration of new opportunities, and diversification of AKR's business portfolio to support the global transition toward a low-carbon, climate-resilient economy, covering five strategic initiatives:

1. Strengthening competitive advantage and disciplined business models in logistics supply chains
2. Expanding logistics capacity to Eastern Indonesia
3. Development and marketing of the Green Industrial Estate at JIPE SEZ Gresik
4. Expanding the network of environmentally friendly, high-quality petroleum stations
5. Acting as a partner to the Indonesian government in the clean energy transition process, including new investments in renewable industries such as solar panels and Liquefied Natural Gas (LNG).



Exploration of Alternative Energy Sources to Drive Efficiency

AKR supports the government's energy transition program through active participation in the biodiesel program and careful analysis of adopting alternative energy sources such as gas and solar panels. To accelerate the shift toward cleaner energy, the Company is strengthening the distribution of biofuel as an accessible alternative energy source across the country.

In addition, AKR continues to monitor and analyze the development of the electric vehicle (EV) ecosystem and clean technology industries, both of which are considered to have strategic roles in supporting a future low-carbon economy.

The Company views environmentally friendly technologies as strategic alternatives to reduce emissions while lowering operational costs. AKR is committed to investing in the development of alternative energy based on thorough cost-benefit analysis. This approach ensures that every investment decision not only delivers a positive environmental impact but also supports efficient and competitive business performance.



Technology Utilization for Operational Optimization and Environmental Footprint Mitigation

Through the utilization of advanced technologies, including Artificial Intelligence (AI), AKR continues to enhance operational and logistics efficiency. This initiative is not only aimed at optimizing fuel usage but also at ensuring workplace safety and managing emission intensity. Operational optimization initiatives supported by IT monitoring are designed to ensure more timely deliveries while maintaining optimal emission intensity and energy use, thereby supporting the Company's efforts toward more environmentally friendly operations.



Infrastructure Resilience and Operational Robustness Against Climate Change Risks

The Company's logistics infrastructure has been designed to incorporate safety, environmental protection, and anticipation of climate change risks arising from extreme weather events, including flooding and natural disasters. Climate risk assessments are conducted from the infrastructure planning stage through to detection and anticipation of weather fluctuations that may affect delivery schedules, routes, and safety.

AKR has adopted a resilient infrastructure approach in the design of the JIPE SEZ Gresik, capable of withstanding tidal flooding and rising sea levels, along with reinforcement and elevation adjustments of port structures as needed. This proactive step not only reaffirms the Company's commitment to sustainability and operational resilience amid climate challenges but also strengthens its social responsibility by ensuring smooth and safe operations. Through this strategy, AKR aims to minimize the impacts of climate change and ensure adaptive and responsive business continuity aligned with future climate projections.



Water Management

Water is a vital element in maintaining climate resilience and robustness for AKR's business and operations, especially as climate change increasingly heightens the risks of drought and water scarcity. In response, AKR implements a comprehensive water resource management approach that ensures stable water availability. Practices such as rainwater harvesting and water recycling are part of this initiative, emphasizing reduced freshwater consumption and improved efficiency.

One example of AKR's commitment to water management is reflected in the zero water runoff design at the JIPE SEZ Gresik, where all rainwater and surface water falling within operational areas is captured and reused. This initiative not only secures water supply for operational needs but also demonstrates AKR's responsibility in sustainable water management, reducing the operational impact on local hydrological cycles and minimizing the risk of water-related conflicts within the communities where the Company operates.

JTT: Supporting Indonesia's and Global Energy Transition Landscape through ISCC PLUS Certification



PT Jakarta Tank Terminal (JTT), a joint venture between AKR and Royal Vopak located in Tanjung Priok, Jakarta, successfully obtained the International Sustainability and Carbon Certification (ISCC) PLUS. In September 2024, Vopak Terminal Jakarta and Vopak Terminal Merak officially joined the Vopak Global network certified under ISCC PLUS and ISCC EU (International Sustainability and Carbon Certification).

This significant milestone strengthens the position of JTT Vopak Jakarta as a leading independent tank terminal for managing sustainable energy products, particularly biofuels, for both domestic and international markets. It also affirms the Company's commitment to integrating sustainability into daily operations, enhancing the contribution of Indonesian terminals to the global supply chain, and increasing capabilities in handling sustainable feedstocks.

About ISCC PLUS Certification

ISCC PLUS is a voluntary certification system recognized internationally, aimed at ensuring that the entire biofuel supply chain meets stringent sustainability criteria. These requirements encompass environmental, social, and economic aspects and are designed to prevent the use of land with high biodiversity or high carbon stock for biofuel feedstock production. With this certification, JTT's biofuel products meet international standards and gain access to global markets, particularly in Europe.

Competitive Advantage for JTT Vopak Jakarta

JTT Vopak Jakarta now possesses competitive advantages in:

- Enhancing international competitiveness in biofuel management and distribution.
- Expanding storage services for sustainable energy products aligned with global standards.
- Supporting national and international biofuel policies, especially in meeting global biofuel blending requirements.

Commitment of JTT Vopak Jakarta to Sustainability

Strategically located in the main port of Tanjung Priok with a storage capacity of 351,425 cubic meters, the JTT Vopak Jakarta facility is equipped with high-standard infrastructure in Health, Safety, Security, and Environment (HSSE). The ISCC PLUS certification reflects JTT's commitment to supporting a more sustainable energy transition.

This achievement aligns with the Company's ambition to unlock new growth opportunities in the sustainable feedstock and energy transition-related commodity markets. Through this strategic step, JTT Vopak Jakarta reinforces its role as a key player in advancing a more environmentally friendly global energy transition while strengthening the AKR Group's position in the international biofuel market.



Implementing ESG Principles in the Development of East Java Industrial Estate JIPE SEZ Gresik

[SEOJKF.26]

Pioneering Environmental, Social, and Governance (ESG) standards, this initiative is reflected in JIPE SEZ Gresik's efforts to integrate environmentally friendly principles into its operations and infrastructure development. JIPE SEZ Gresik has been established not only as a modern and efficient industrial estate but also as a space that supports a sustainable, natural, and social ecosystem. This strategic step toward a green economy marks a new era in industry that prioritizes harmony between economic growth and environmental preservation.

The JIPE SEZ Gresik provides significant multiplier effects for both regional and national economies, particularly through direct and indirect job creation. The presence of anchor tenants fosters the growth of a downstream ecosystem and strengthens the industrial supply chain. Moreover, the existence of an integrated industrial zone combining industrial facilities and port infrastructure in a single location contributes to a substantial reduction in logistics costs and enhances operational efficiency. Overall, the JIPE SEZ Gresik plays a crucial role in improving the competitiveness of Indonesia's industry in the global market.



JIPE SEZ GRESIK Strengthens Investment In Infrastructure Development to Support a Low-Carbon Economy and Climate Resilience [SEOJKF.3]

PT Berkah Renewable Energi Nusantara (BREN), AKR's newest subsidiary, has obtained government approval to develop an offshore solar farm in Indonesia. This initiative marks a strategic step for AKR in meeting the clean energy needs of industrial customers.

To support the clean energy transition, AKR, through PT Berkah Buana Energi (BBE), signed a Gas Sales Agreement (GSA) with Husky CNOOC Madura Limited at the JIPE SEZ Gresik. In addition, BBE also distributes natural gas-based energy to Xinyi Glass.



Environment

High-Tech Waste Treatment System [GRI 306-2]

JIIPE SEZ Gresik's waste treatment system utilizes advanced technology, including a Wastewater Treatment Plant (WTP) with a capacity of 2,500 m³/day equipped with a Membrane Bio Reactor to ensure that liquid waste meets required standards. Waste is recycled through Ultra Filtration and Reverse Osmosis, producing clean water for tenants and reducing the use of natural water resources.

Zero Water Run Off and Water Treatment Plant [GRI 306-1]

Clean water at JIIPE SEZ Gresik is managed through a Water Treatment Plant utilizing Sea Water Reverse Osmosis with a capacity of 2,400 m³/day and a 42-hectare rainwater retention pond to meet industrial needs.

Gas-Fired Power Plant as the Primary Energy Source [GRI 305-5]

JIIPE SEZ Gresik holds a license to supply 515MW of electricity to industrial tenants, with a Gas-Fired Power Plant as the primary energy source and phased development of solar panels.

Ecological Aspects of the JIIPE Industrial Estate

The JIIPE SEZ Gresik, located near the Madura Strait, features a unique ecosystem that supports biodiversity. To preserve it, the area incorporates green infrastructure, such as green roofs and walls, as well as open green spaces.

Social

JIIPE SEZ Gresik in Community Economic and Social Development

JIIPE SEZ Gresik contributes to job creation and community empowerment through various sustainable programs. These initiatives aim to enhance the independence and competitiveness of the local community, in line with JIIPE SEZ Gresik's commitment to supporting economic growth and social development.

100%

The employment absorption target at the JIIPE SEZ Gresik was achieved in 2024.

Governance

JIIPE SEZ Gresik Awarded Best Special Economic Zone
By the Coordinating Ministry for Economic Affairs of the Republic of Indonesia

JIIPE SEZ Gresik contributes to the global supply chain
Through copper downstreaming with the operation of the largest Single-Line Copper Smelter in the world

Strong Financial Fundamentals

Financial Performance Summary

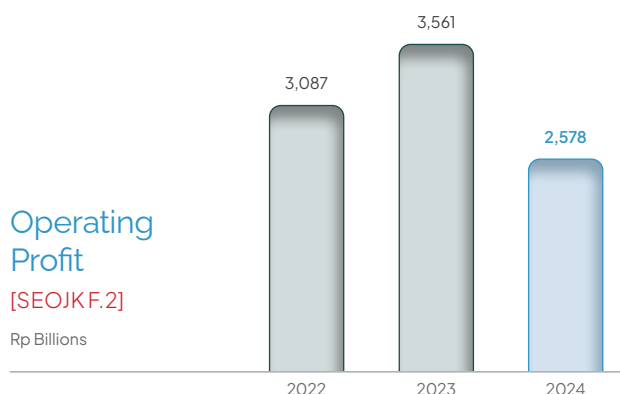
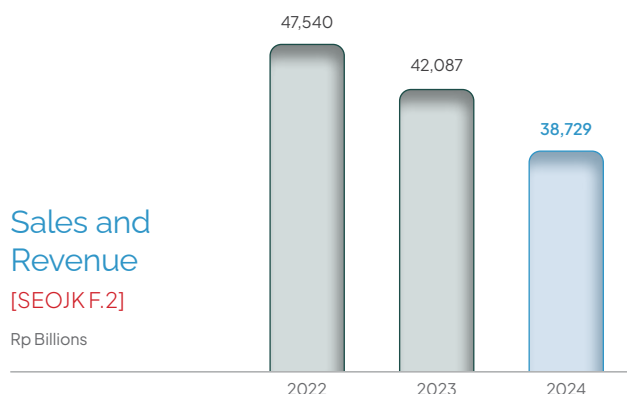
Amid various challenges and an increasingly complex and competitive industry landscape, the Company successfully maintained Net Profit in 2024 reaching Rp2,225 billion, demonstrating resilience in recording a five-year Compound Annual Growth Rate (CAGR) of 25%.

This growth was primarily driven by the solid performance of its core businesses—trading, distribution, and logistics—as well as an increasing contribution from the industrial estate segment. With an adaptive and sustainable business strategy, AKR continues to strengthen its position as a key player in Indonesia's logistics and energy distribution sector.

AKR recorded Revenue of Rp38,729 billion, a decrease of 8% compared to Rp42,087 billion in the previous year. Revenue from the Trading and Distribution segment amounted to Rp35,532 billion, down 7% from Rp38,213 billion in 2023, mainly due to the normalization of international petroleum and basic chemical prices. Despite these challenges, through intensive market monitoring and disciplined business model execution, the Company succeeded in increasing sales volume and maintaining the gross profit margin at 7.4%.

As a provider of logistics and supply chain services for petroleum and basic chemical products, AKR applies a formula-based business model that allows for price adjustments to customers and emphasizes the principle of net open position. With a comprehensive and robust business model combined with effective risk management, the Company consistently maintains performance and delivers sustainable growth.

At the AGMS held on 29 April 2024, shareholders approved and declared a dividend distribution of 88.74% of the profit attributable to owners of the parent entity, amounting to Rp2,780 billion. The dividend distribution for the 2023 fiscal year was agreed at Rp2,467 billion, with a dividend per share of Rp125, calculated based on 19,737,169,600 outstanding shares. The first interim dividend, set by the Board of Directors' resolution on 24 July 2023, was Rp50 per share, and the second interim dividend, based on the Board of Directors' resolution on 23 October 2023, was Rp25 per share.



Direct Economic Value Generated and Distributed (in thousand Rupiah) [GRI 201-1]

Economic Value for the Year	2024	2023	2022
Direct Economic Value Generated			
Sales and Revenue	38,729,493,298	42,086,952,436	47,539,986,604
Gain on Sale/Disposal of Fixed Assets – Net	3,733,007	14,657,761	7,058,827
Foreign Exchange Gain (Loss) – Net	13,689,654	6,248,958	-45,972,224
Other Operating Income	38,790,304	48,961,005	19,582,323
Finance Income	352,599,086	196,567,492	49,074,023
Share in Profit of Associates	46,467,083	34,534,891	16,632,809
Other Comprehensive Income for the Year After Tax	52,899,335	30,143,953	96,944,039
Total Economic Value Generated	39,237,671,767	42,357,778,590	47,683,306,401
Economic Value Distributed			
Operating Costs:			
Cost of Sales and Revenue	-35,220,457,367	-37,613,487,899	-43,287,573,122
Operating Expenses	-974,591,857	-974,870,563	-1,129,093,882
Other Operating Expenses	-12,191,957	-7,927,557	-17,206,993
Payments to Providers of Capital:			
Finance Costs	-84,909,111	-68,489,236	-57,212,531
Dividend Payments	-1,973,716,960	-2,467,146,200	-828,961,123
Payments to Government			
Final Tax on Finance Income	-53,714,989	-35,675,352	-9,359,048
Final Tax	-26,556,061	-19,813,545	-62,100,226
Net Income Tax	-412,883,578	-589,188,690	-544,757,403
Total Economic Value Distributed	-38,759,021,880	-41,776,599,042	-45,936,264,328
Economic Value Retained	478,649,887	581,179,548	1,747,042,073

Rp493.15 Billion

AKR's contribution to state revenue in 2024 consisted of Income Tax, Final Tax, and Final Tax on Finance Income.

Rp1,973.72 Billion

Dividend distribution to shareholders with a payout ratio of 88.7% for the total 2023 dividend, and a dividend payment frequency of twice in 2024 (final 2023 dividend and interim 2024 dividend).

25%

Compound Annual Growth Rate (CAGR) of net profit over the past five years.

Coverage, Service Quality, Safety, and Customer Responsibility [SEOJK F.27]

AKR's core competence lies in providing logistics services and procurement (supply chain) solutions for energy and chemicals in Indonesia. The Company's key strength is its integrated distribution network, spread across the country and supported by advanced technology, ensuring operational reliability and customer satisfaction.

To support operational sustainability, AKR is backed by an extensive logistics infrastructure and a reliable IT monitoring system, enabling the Company to manage and monitor distribution with high efficiency. Storage tanks and distribution terminals at numerous ports across Indonesia provide broad operational reach and flexibility.

AKR also operates a comprehensive logistics fleet, including vessels and trucks for petroleum and basic chemical deliveries, serving thousands of companies and industries throughout Indonesia. In 2024, the Company expanded its fleet of vessels and trucks to meet rising customer demand, especially in Eastern Indonesia.

Non-subsidized petroleum is provided to various industrial sectors, including commercial, smelters, power plants, manufacturing, plantations, fisheries, bunkering, and others, as well as to the retail sector through available outlets. For subsidized petroleum in the retail segment, the Company is also a key distribution partner for subsidized diesel and high-quality gasoline for motor vehicles and fishermen in Java, Sumatra, Kalimantan, and Sulawesi.

Furthermore, the Company continues to develop its non-subsidized retail petroleum and aviation fuel (avtur) business through strategic partnerships. AKR has a joint venture with BP Global for retail petroleum distribution and established Air bp-AKR joint venture for the avtur business. These initiatives support AKR's strategy to expand its business portfolio and meet diverse energy demands in the Indonesian market. [SEOJK F.26]

As part of its business sustainability efforts, the Company continues to expand its network coverage to reach broader areas in Indonesia with significant market potential, including remote regions accessible via river ports. This enhancement of connectivity serves not only as a business strategy but also as a contribution to regional economic growth around the Company's operational areas and is expected to improve community welfare, create new economic opportunities, and ultimately foster shared prosperity. [SEOJK F.27] [GRI 203-1]

Supply Chain [GRI 2-6]

The Company builds strategic partnerships with a wide range of suppliers, both large and small, including direct and indirect suppliers who play vital roles in the value chain, encompassing major corporations, agents, cooperatives, and small entrepreneurs. All contribute to supplying finished goods or raw materials for further processing by AKR and its subsidiaries.

In delivering maximum value to stakeholders within the Company's supply chain ecosystem, this includes suppliers and port authorities who benefit from sustainable income, as well as small business products required for office operations or emerging through the growth of the industrial ecosystem in the JIPE Gresik SEZ. This policy is expected to stimulate local economic growth by creating business opportunities and employment in the Company's operational areas.

In order to ensure good governance in the procurement process, AKR conducts selection and screening based on its sustainable procurement policy, established at the beginning of 2024, as a measure to uphold integrity and prevent unethical practices. Nevertheless, the Company acknowledges potential risks arising from both its and third-party operations which require regular monitoring and continuous awareness programs on environmental impacts that may occur in business activities. [SEOJK F.28]

To minimize potential negative impacts, AKR requires all suppliers to meet technical, financial, administrative, and legal criteria, including verifying that supply sources are not obtained illegally. In addition, suppliers must comply with environmental, health, and occupational safety standards and understand the Company's sustainability policy. Moving forward, AKR plans to conduct regular evaluations of registered suppliers in line with the sustainable procurement policy to ensure alignment with the Company's goal of building a Sustainable Supply Chain. [GRI 308-1]

AKR remains committed to supporting all suppliers, from large entities to MSMEs, who share the Company's vision of distributing energy through a sustainable supply chain. This includes collaboration with palm oil farmers in the development of B35 biodiesel in Indonesia. This partnership reflects AKR's commitment to supporting the government's program to adopt more environmentally friendly biofuels, in which 35% of the blend uses FAME sourced from palm oil products. [SEOJK F.5]

AKR: Obtaining Authorized Economic Operator (AEO) Certification

In 2024, AKR received the Authorized Economic Operator (AEO) certification, developed by the World Customs Organization (WCO), following an inspection by the Customs Technical Directorate, Directorate General of Customs and Excise, Ministry of Finance of the Republic of Indonesia.

AEO certification is vital to the enhancement, efficiency and security of export and import supply chains.

Several AKR branches that have been granted AEO status include AKR Head Office (HO), AKR Medan (Anggada and Gabion Tank Terminals), Lampung, Jakarta, Semarang, Surabaya, Pontianak, and Bitung.

The certification program was subsequently socialized to the team at Head Office on 29 January 2024, including a Q&A session for AKR employees.



Customer Satisfaction

[SEOJKF.30]

AKR's operational and business activities serve a wide range of customers across various industrial sectors with the supply of non-subsidized fuel to commercial entities, smelters, power plants, manufacturing facilities, plantations, fisheries, bunkering operations, and other essential sectors. AKR distributes fuel to the public through fuel stations under the AKR and bp AKR brands. The Company is able to meet the fuel needs of motor vehicles and fishermen in remote areas through its partnership with the government in distributing subsidized diesel fuel.

Customer satisfaction is a critical factor in the sustainability of the business. Therefore, the Company prioritizes a customer-focused approach in every operational activity, aiming to build cooperation and two-way communication with customers to understand their demands and feedback on the services provided by the Company. This feedback is used for continuous improvement, enabling our customers better to receive better service. In order to provide appropriate solutions and achieve service excellence, AKR leverages technology and offers after-sales support.

Throughout 2024, the Company reported zero product recalls related to petroleum and basic chemicals that could have significantly impacted customer satisfaction. [SEOJK F.29] [GRI 416-2]

JTT: Listening to Customers, Enhancing Services

JTT maintains communication and conducts regular meetings with customers to identify What Is Important To You (WITY), enabling accurate understanding to anticipate customer

needs and ensuring operations are carried out in accordance with agreed procedures and timelines.

Operational Review Meetings (ORM) are held with customers, with frequency based on the scale and complexity of operations, ranging from 2 to 12 times per year. Communication is conducted through various channels, including formal and informal in-person meetings, telephone, WhatsApp, email, and terminal visits, to ensure responsive and high-quality service.

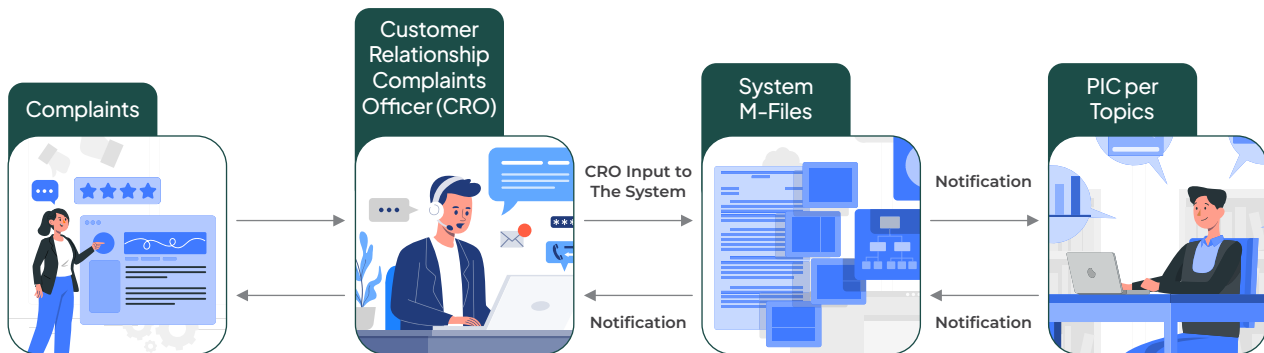
In 2024, the Customer Satisfaction Index reached a score of 83 out of 100, with 5 out of 6 customer complaints resolved.

83 Customer Satisfaction Index

Customer Complaint Handling [GRI 416-1]

AKR recognizes that every customer input is valuable for improving the quality of services and products. Accordingly, the Company provides an accessible and effective mechanism for customers to submit complaints, feedback, and suggestions.

In practice, the Company has developed a comprehensive online system—M-Files—to manage and resolve customer complaints. This system is designed with customer needs in mind, ensuring ease of use, simplicity, and clarity. The workflow of AKR's customer complaint handling system is as follows:



The Company ensures that every complaint submitted by customers—whether via email, telephone, or verbal (in-person)—is recorded by the Customer Relationship Officer (CRO) into the M-Files system, based on the branch where the complaint is received. The complaint is then followed up by the designated Person in Charge (PIC), who is responsible for taking appropriate actions and updating the status of the complaint handling process. Once the issue is resolved, a notification is sent to the CRO to confirm that the matter has been properly addressed.

Operational Excellence and Technology Utilization

Superior Operational Performance

As a company engaged in the energy, chemical, and integrated industrial estate development sectors, AKR is committed to achieving sustainable operational excellence. To this end, the Company has implemented various strategic initiatives to enhance operational efficiency, ensure safety, and support long-term sustainability.

AKR's efforts in pursuing operational excellence have delivered positive results, including the optimization of business activities across multiple sectors, cost reduction, and overall efficiency improvements. Through the integration of automation and digitalization, the adoption of lean management practices, and a strong focus on safety and customer satisfaction, AKR has built a solid reputation as a leader in operational excellence.

In the logistics supply chain, AKR's operational excellence initiatives in 2024 have included: [\[SEOJK F.26\]](#)



Petroleum Tank & Pump Maintenance

Tank inspections are conducted in accordance with API 653 standards to ensure operational safety and reliability. In addition, pump performance serves as a key factor in the efficiency of loading and unloading processes; therefore, regular monitoring is carried out to prevent unplanned failures. This ensures optimal flow rates, enabling timely deliveries and proportionate blending in accordance with established standards. In 2024, monitoring results indicated that pumps operated effectively, supporting smooth distribution and operational efficiency.



Control Tower: Monitoring Routes and Safety of Land Transport Fleet and Drivers

The Company has reduced land transport incidents through driver monitoring via a Control Tower system, which tracks driving behavior, unauthorized routes, travel distance, and trip duration. In addition, fleet utilization is optimized to enhance operational efficiency.

To promote safety and productivity, the Company implements the Driver of The Month (DoTM) Program, which provides monthly and annual awards to top-performing drivers at the Branch, Regional, and National levels. This program also aims to boost driver motivation and retention.

Driver health is maintained through regular Medical Check-Ups, while road safety is reinforced through Road Hazard Mapping, incident investigations, and monitoring of corrective actions. Drivers also participate in Defensive Driving Training to enhance safe driving techniques.

Fatigue management is enforced through a structured work roster and a mandatory 30-minute rest every four hours of driving. Furthermore, the Company operates a Fraud Elimination Program by installing external cabin cameras to ensure driver compliance and prevent misconduct.



AKR Uses AI to Prevent Leakage and Enhance Road Safety

The Company has adopted Artificial Intelligence (AI) technology to enhance the monitoring of logistics operations, highlighting driver fatigue, identifying potential accidents through front-facing cameras, and detecting leakage caused by theft or irregularities during transit.

This technology is integrated with GPS systems and vehicle sensors, enabling real-time monitoring and rapid response to on-field risks.



Efficient and Effective Sea Route Planning and Environmentally Friendly Vessel Operations

Operational excellence for AKR-AST in marine transportation is essential to ensure reliability, efficiency, and effectiveness. The Company implements standardized operating procedures in route planning, vessel management, cargo and stock handling, while utilizing technology and information systems for vessel tracking, safety management, and risk mitigation.

Safety remains a top priority, supported by crew training, routine vessel inspections, and compliance with safety standards. AKR-AST also manages operational costs, fuel

consumption, inventory, manpower, and vessel maintenance to enhance efficiency and productivity, while minimizing delivery disruptions.

Environmentally friendly operations are adopted by AKR-AST through emission reduction, energy efficiency improvements, and the use of Oil Water Separators, incinerators, and sewage tanks. The Company ensures compliance with national regulations and International Maritime Organization (IMO) standards, including the Ballast Water Management (BWM) Standard, to maintain marine ecosystem balance.

Continuous Improvement

In light of increasingly complex and competitive developments and challenges, AKR regards Continuous Improvement as a core strategy across the Company and all subsidiaries to enhance performance and ensure business sustainability. This commitment is reflected in ongoing enhancements across various aspects of business processes, systems, and corporate culture to improve overall efficiency, effectiveness, and quality.

In practice, AKR consistently evaluates and updates management systems and business processes by referring to industry best practices. The adoption of the latest technologies and innovations, along with the implementation of intensive training programs to enhance employee skills and knowledge, are also integral components of this strategy.

The PDCA (Plan-Do-Check-Act) approach is adopted as a framework for all Continuous Improvement initiatives.

Plan

The process begins with the planning stage (Plan), during which AKR identifies areas requiring improvement and develops action plans along with key performance indicators.

Do

Here, the plan is implemented.

Check

The Check stage focuses on evaluating and analyzing performance against the established indicators.

Act

Finally, in the Act stage, continuous improvement actions are taken and further steps are developed for the next iteration.

AKR and subsidiaries use the Continuous Improvement strategy to enhance product and service quality, reduce costs, and increase operational efficiency while also strengthening market position and create added value for customers and the broader community.

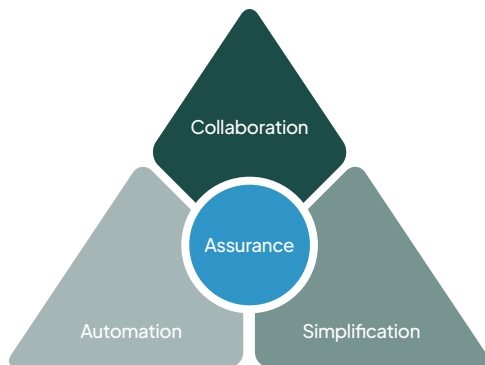


AKR has developed a regularly tested and updated Business Continuity Plan (BCP) to ensure the continuity of the Company's operations amid potential disruptions.

Adoption of IT & Latest Technology

Technology has been established as a fundamental pillar to strengthen operational excellence and support the commitment to sustainability. Through strategic investments in digitalization, AKR has achieved significant improvements in operational efficiency.

In its implementation, the development of IT systems at AKR is based on four value-driven principles:



Collaboration

Enhancing cross-business process productivity.

Automation

Streamlining workflows and shortening completion periods.

Simplification

Process simplification to eliminate non-value-added, unnecessary, or redundant tasks.

Assurance

Assurance of availability, traceability, security, and alignment with overall business and objectives.

A strategic program focused on Collaboration, Automation, Simplification, and Assurance & Governance, since 2022, AKR has developed an integrated information system to support improvements in operational efficiency. In 2024, the implementation of IT policies included several strategic initiatives, including:

System Integration	Network Infrastructure Enhancement	Information System Security
- IT integrated various applications and systems to create a connected and efficient end-to-end business process. - Systems such as CRM, ERP Displan, and SCADA are interconnected to accelerate workflows, reduce human error, and minimize fraud risk. - This initiative forms part of ongoing improvement efforts to enhance process efficiency and accuracy.	- To ensure reliable connectivity across all operational sites, IT integrated multiple network providers, including satellite technology. - This network enhancement supports seamless system performance in remote areas and transportation facilities with cost-efficient solutions.	- The Company strengthened digital security through system monitoring, implementation of multi-factor authentication, and data encryption. - In addition to technical safeguards, regular security education is provided to raise employee awareness of cyber risks.

This development is accompanied by competency enhancement through training and certification to ensure the optimal impact of IT development on the sustainability of business and operations.

AKR's IT Roadmap: Driving Digital Transformation

In 2024, AKR designed a strategic IT roadmap to optimize the use of technology and digitalization across all operational activities. The roadmap aims to enhance efficiency, security, and IT system integration, ensuring that technology becomes a primary driver in supporting business growth and competitiveness.

Short-Term Goals

Focus will be on building a strong digital foundation through IT system standardization and enhancements to applications and infrastructure. Key initiatives include the implementation of digital twin technology, data center and network upgrades, and strengthening cybersecurity with passwordless authentication, multi-factor authentication (MFA), and data backup solutions. The integration of generative AI and CoPilot for helpdesk support will further improve IT operational efficiency.

Medium-Term Goals

Strategy will shift toward developing a more comprehensive digital work environment, emphasizing automation, efficiency, and AI utilization in daily operations. Plans include the deployment of AI agents across business

functions such as sales and inventory management, updates to business applications, and adopting a mobile-first approach to enhance accessibility and flexibility.

Long-Term Goals

The focus will be on a full-scale digital transformation through initiatives like ONE Ops (One Operation), AI Ops (AI-based operations), and agentic AI. Integration of computer vision and Industrial IoT (IIoT) will help minimize human error and optimize end-to-end business processes. By consolidating business tools and leveraging AI to the fullest, the Company aims to create a fully digital and efficient operational ecosystem.

Managing Environmental Footprints

AKR strives to manage the environment responsibly, maintaining cleanliness from air, water, and noise pollution, as well as other environmental risks that may arise from operational activities. In addition, participation is strengthened in addressing climate change challenges by adopting environmentally friendly operational practices, implementing biodiversity conservation programs, energy efficiency and the use of renewable energy, carbon emission reduction, water conservation, and waste management.

12 BLUE PROPER RATINGS

In 2024, AKR received 12 Blue PROPER ratings across its operational sites

Bali, Ciwandan, Nilam Timur, Pontianak, Banjarmasin, Bitung, Gabion Medan, Jakarta Tank Terminal, Semarang, Nilam Utara, Stagen, Palaran, and Lampung.



AKR: Best Environmental Management Award from KSOP Utama Tanjung Perak



In 2024, as a testament to the Company's commitment to environmental sustainability, AKR Surabaya was awarded the Best Environmental Management Award in the "Other Business Entities" category by the Directorate General of Sea Transportation, Ministry of Transportation of the Republic of Indonesia. This achievement was made possible through the outstanding collaboration between the Surabaya Branch management team and the operations team, particularly at the Nilam Timur Tank Terminal site, with support from HOB, DHOB, and SHE Surabaya.

This award serves as motivation to further improve operational performance in the field of Occupational Health, Safety, and Environment (OHSE) in the coming years, with the expectation that AKR can be nominated in other categories. The recognition was presented by the Main Office of the Harbormaster and Port Authority (KSOP) Tanjung Perak at an event held at Hotel Bumi, Surabaya. AKR aims to continue enhancing this achievement in the future.

Energy Management

Amid growing global concern over climate change, responsible energy management has become a key commitment for AKR with efficient energy use through various strategic measures aimed at conserving energy in production processes. This approach not only supports environmental sustainability but also contributes to enhancing AKR's operational resilience and efficiency.

AKR's total energy consumption in 2024 amounted to 729,290 Gigajoules (GJ), reflecting an increase from the previous year, driven by the expansion of the Company's truck and vessel fleet, as well as the increased volume of products distributed to both industrial and retail customers. Additionally, a rise in the number of tenants at the JIPE SEZ was recorded.

The energy consumption intensity was recorded at 0.21 GJ per million Rp of Gross Profit, with an increase of 0.08 GJ per million Rp of Gross Profit due to business expansion and a decline in the Company's gross profit in 2024. The trend of renewable energy use at AKR also showed strong performance, with a proportion reaching 21% of the Company's total internal energy consumption in 2024. Continuous efforts are being made to further increase the share of renewable energy within AKR's and its subsidiaries' operations.

To calculate energy consumption, the Company applies a methodology that collects data related to petroleum purchases as well as electricity bills and metering used by AKR and its subsidiaries. The energy unit conversion factors used in the calculation are based on standards set by the IPCC Guidelines for National Greenhouse Gas Inventories (2006), as well as guidelines from the World Resources Institute and the World Business Council for Sustainable Development.

As part of AKR's commitment to energy efficiency, the Company consistently implements various programs and initiatives, including:

- 1. Use of LED Lighting**
Implementation of LED lighting in AKR offices, SEZ JIPE Gresik marketing office, bp-AKR stations, office buildings, and terminals.
- 2. Use of Solar Sensors**
Installation of solar sensors on lighting systems at the JTT site.
- 3. Use of Inverters**
Application of inverters for high-capacity production motors at ARUKI and other locations.
- 4. Use of Solar Panels**
Deployment of solar panels at various sites to increase the share of renewable energy in AKR's operations, including SEZ JIPE-BKMS and others.

Total Energy Consumption and Intensity [SEOJK.F.6][SEOJK.F.7][GRI 302-1][GRI 302-2][GRI 302-3]

Energy Consumption		2024	2023	2022
Non-Renewable Energy Consumption (GJ)				
Non-Renewable Energy Sources	Petroleum (BBM)	474,611	336,016	256,312*
	Gas	31,337	26,454	22,019
	Electricity	66,897	48,276	53,408
Total Non-Renewable Energy		572,852	410,746	331,739
Renewable Energy Consumption (GJ)				
Renewable Energy Sources	Biofuel	154,637	156,429	100,101
	Solar Panels	1,801	1,881	1,621
Total Renewable Energy		156,438	156,312	101,722*
Total Energy Consumption Within the Organization		729,290	567,058*	433,461
Gross Profit (Rp Million)		3,509,035.93	4,473,464.50	4,252,413
Energy Intensity (GJ/Rp Million)		0.21	0.13**	0.10**

Note: Petroleum consists of Industrial Diesel, MDO, MFO, Peralite, and operational diesel.

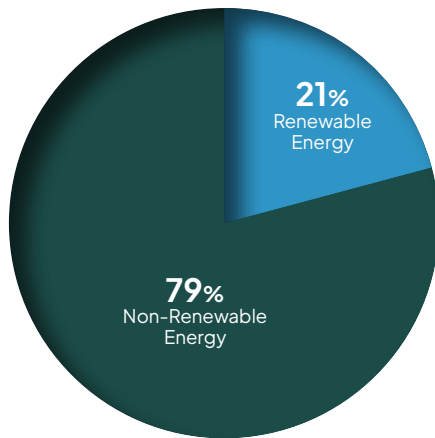
*Restatement of petroleum and biofuel data for 2023 due to a change in data collection methodology.

**Restatement of energy intensity values for 2023 and 2022 due to a change in calculation method.

In 2024, AKR's energy consumption increased across several subsidiaries. This rise was driven by the growing intensity and scale of operational activities across various business lines, as well as the Company's business expansion, in particular:

- The addition of new vessels in AST led to higher energy consumption, particularly due to increased maritime logistics activities.
- Operational expansion at JTT and the growing number of bp AKR retail branches also contributed to the overall increase in energy demand.
- An increase in energy consumption was also observed in the JIPE SEZ Gresik, where more tenants began operations, driving up energy needs to support their business activities.

Proportion of AKR Internal Energy Consumption in 2024 Based on Energy Source Type



Energy Consumption Outside the Organization (GJ) (External)	2024	2023	2022
Electricity	409,211	249,795*	233,605

Note: Electricity sold to JIPE tenants

*Restatement of external electricity consumption data for 2023

JTT: Promoting the Use of Clean Energy [GRI 302-4] [GRI 305-5]

In 2024, JTT participated in the Renewable Energy Certificate (REC) program by PLN with a total usage of 757 MWh. This initiative is part of JTT's commitment to supporting the transition to clean energy while ensuring that the Company's electricity consumption is sourced from renewable energy. Through participation in the REC program, JTT contributes to carbon emission reduction and promotes the adoption of more environmentally friendly energy in the industrial sector.



ARUKI: Petroleum Usage Efficiency [GRI 302-4] [GRI 305-5]

ARUKI successfully optimized energy efficiency by utilizing steam heat from the Formalin Plant off-gas to the Powder Plant since December 2023, enabling a significant reduction in diesel consumption, supporting more environmentally friendly and efficient operations.

In 2024, the Powder Plant produced 388 MT, achieving diesel savings of 90 kiloliters. Although production has not yet occurred routinely every month, this demonstrates strong potential for more sustainable energy efficiency.

In addition, diesel usage in the Boiler experienced a sharp decline from 150 KL to 53 KL due to the optimization of steam heat from the Formalin Plant. With the replacement of the evaporator and the installation of Formalin Plant 2, steam efficiency improved, further reducing diesel consumption in operational activities.

Emission Controls

AKR is committed to conducting sustainable business operations, particularly in environmental management, emphasizing the importance of controlling Greenhouse Gas (GHG) emissions through efficiency. The Company is continuing with efforts to establish emission baselines over the coming years to serve as the foundation for formulating the net-zero strategy.

The Company's GHG emissions are derived from the use of fossil petroleum and electricity. Petroleum consumption generates direct GHG emissions (Scope 1), while electricity usage results in indirect GHG emissions (Scope 2 and Scope 3).

Other air emission sources include the use of petroleum in operational vehicles, generators, and business transportation such as trucking and shipping. The emission calculation methods and emission factors used are based on the IPCC Guidelines for National Greenhouse Gas Inventories (2006), Biograce, JEC database, and Ecoinvent.

AKR supports the government's efforts in achieving

Net-Zero Emission by 2060



Total Emissions Generated [SEOJK F.11] [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-3] [GRI 305-4]

Subsidiaries	2024	2023	2022	Difference
Scope 1 (Ton CO₂e)				
AKR	238.43	615.95	728.00	-61%
ATI	8,313.71	7,751.06	4,857.81	7%
AST	27,169.58	16,031.85	12,582.21	69%
JTT	22.08	7.29	7.45	203%
JIIPE-BKMS	1,954.85	1,633.42	1,757.36	-9%
JIIPE-BMS	217.84	257.76	169.21	-28%
APR	4.54	1.42	7.84	220%
DPR	5.34	2.28	1.89	134%
ARUKI	206.64	586.36	440.97	-65%
Total Scope 1	38,133.01	26,887.40	20,552.74	40%

Subsidiaries	2024	2023	2022	Difference
Scope 2 (Ton CO₂e)				
AKR	6,892.16	6,231.87	5,614.45	11%
JTT	797.21	651.27	1,152.40*	22%
JIIPE-BMS	163.57	0	0	-
APR	4,120.13	865.88	2,170.23	376%
DPR	46.06	44.91	22.53	3%
ARUKI	3,443.42	2,990.14	3,471.43	15%
Total Scope 2	15,462.55	10,784.07	12,431.10	43%
Scope 3 (Ton CO₂e)				
JIIPE-BKMS	91,637.34	54,574.62	51,912.28	34%
Total Scope 3	91,637.34	54,574.62	51,912.28	34%
Total Emission	145,232.91	92,246.09*	84,896.09*	37%

Note: Emission factors are based on the 2021 ESDM standards, IPCC AR5, and GHG Emission Factor Values for the Power System in 2019.

*Restatement of Scope 1 and 2 emission figures for 2022 and 2023 due to changes in data collection methodology.

In 2024, total GHG emissions at AKR increased, driven by several key factors originating from the Company's subsidiaries compared to the previous period, namely:

- **Scope 1 emissions at AST**, which rose in line with the expansion of the operating vessel fleet.
- **Scope 1 and Scope 3 emissions at JTT and APR**, which increased significantly due to higher operational activities and an increase in the number of bp-AKR branches in 2024 compared to 2023.
- **Scope 3 emissions at BKMS**, which rose as a result of the growing number of tenants at JIPE commencing operations, thereby driving up overall energy consumption.
- **Scope 1 and Scope 2 emissions at AKR and APR** were driven by increased business activities in Eastern Indonesia.

Emission Intensity [SEOJK F.11] [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-3] [GRI 305-4]

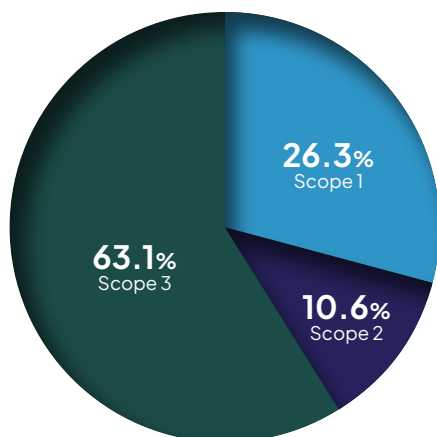
Type of Emission	2024	2023	2022
Scope 1 Emissions (Ton CO ₂ e)	38,133	26,887	20,566
Scope 2 Emissions (Ton CO ₂ e)	15,463	10,784	12,596
Total Scope 1 & 2 Emissions (Ton CO ₂ e)	53,596	37,671	32,997
Gross Profit (In Millions of Rupiah)	3,509,036	4,473,465	4,252,413
Emission Intensity (Ton CO ₂ e / Rp Million Gross Profit)	0.015	0.008	0.008

Note: Emission factors are based on the 2021 ESDM standards, IPCC AR5, and GHG Emission Factor Values for the Power System in 2019. Restatement of Scope 1 and 2 emission figures for 2023 due to changes in data collection methodology.

Type of Emission	2024	2023	2022
Scope 3 Emissions (Ton CO ₂ e)	91,637	54,575	51,912

Note: Scope 3 emissions are derived from electricity usage by tenants of SEZ-JIPE BKMS

Carbon Emission Proportion 2024



53,596
Ton CO₂e

Total Emissions within the Organization
(Scope 1 and 2 GHG)

0.015
Ton CO₂e / Rp Million Gross Profit

GHG Emission Intensity within the Organization

In 2024, AKR's emission intensity was recorded at 0.015 Ton CO₂e per Rp Million Gross Profit. The increase in emission intensity this year was attributed to heightened business activities, expansion of the fleet, an increase in the number of tenants at KEK JIPE, and a decline in the Company's gross profit. [SEOJK F.11]

BKMS: Renewable Energy Solutions for a Sustainable Industrial Estate

[SEOJK F.7] [SEOJK F.12]

JIIPE-BKMS is committed to the gradual development of a Solar Power Plant (PLTS) through 2032, with an initial capacity target of 33 MWp by 2025. The project will continue to expand, aiming to reach 150 MWp, supporting the transition to clean energy and reducing reliance on fossil fuel sources. This initiative is part of JIIPE-BKMS sustainability strategy to create a more environmentally friendly and energy-efficient industrial estate.

In addition, JIIPE-BKMS plans to install rooftop solar PV cells and develop a floating solar farm to optimize solar energy utilization. This initiative not only helps to reduce carbon emissions but also enhances energy efficiency within the industrial area. By adopting renewable energy technology, JIIPE-BKMS contributes to supporting green energy policies and fostering more sustainable industrial operations.

AKR's Approach to Achieving Optimal Emission Intensity in 2024 [SEOJK F.12]

Scope 1

Direct Emission

- The delivery fleet became a primary focus in emission control. Technology and Artificial Intelligence (AI) were applied in route and scheduling planning to ensure fuel efficiency.
- Commitment was also made to the use of biodiesel across the entire land transportation fleet, in accordance with government policy effective since 1 September 2018.
- Utilization of Biodiesel B35.

Scope 2

Indirect Emission

- Transition to energy-efficient LED lighting.
- Installation of solar panels at several AKR offices.
- JTT's participation in the Renewable Energy Certificate (REC) program by PLN.
- Internal electricity-saving initiatives are embedded in Company policy and applied to all employees and operational areas.

Scope 3

Indirect Emission

Implementation of Dual Fuel technology at the JIIPE Power Plant, combining the use of natural gas and MFO.

The Company recognizes that 59% of its total emissions originate from Scope 3 emissions, primarily associated with the electricity generated and sold to tenants at the JIIPE SEZ. AKR continues to invest in new and renewable energy initiatives and infrastructure within the area. These investments include the installation of rooftop solar panels, floating solar panels, and the development of an LNG project at the JIIPE SEZ. These initiatives represent the Company's commitment to supporting the Government of Indonesia in achieving its Nationally Determined Contribution (NDC) targets and Net Zero Emission goals. [SEOJK F.12]

JTT: Nitrogen Consumption Control

JTT implemented a nitrogen consumption reduction program at the Mogas Pit 2 Tank to enhance operational efficiency and minimize environmental impact. This initiative aims to optimize the use of nitrogen, which was previously used in large quantities to maintain tank stability and safety. By applying more precise control and monitoring methods, JTT has been able to reduce nitrogen consumption without compromising safety standards. N₂ consumption decreased by 0.3% from October 2021 to FY 2024, with the ratio per throughput volume declining by 3.13%.

Carbon Monoxide (CO) and Nitrogen Oxide (NOx) Emissions [GRI 305-7]

In its operations, AKR's transportation activities—including logistics, transport, and distribution—generate Carbon Monoxide (CO) and Nitrogen Oxide (NOx) emissions from various sources. These emissions result from fuel combustion in AKR's transportation fleet, such as tank trucks and other vehicles powered by internal combustion engines.

To mitigate and control air pollution from CO and NOx, AKR has implemented several measures, including a strict vehicle maintenance program to ensure optimal combustion efficiency, mandatory periodic emission testing for all land transportation fleets, and ensuring that all vehicles meet efficiency standards and remain below the established emission limits. These routine inspections enable AKR to proactively identify and address potential emission issues, directly supporting efforts to reduce air pollution.

Water Withdrawal and Conservation

AKR ensures that water and effluent management is one of the core pillars of the Company's sustainability strategy. A firm commitment is made to the responsible use of water resources and the effective management of effluent across Company operations.

Water usage is carefully monitored, with data collected from municipal water meters (PDAM), groundwater pump flow meters, and the volume of water transported via truck deliveries. The data is categorized by operational and office use. In 2024, AKR's total water withdrawal was recorded at 639 megaliters. The increase in water usage was attributed to business expansion, fleet additions, and a rise in the number

of tenants at the JIPE SEZ. As of the end of 2024, no water sources were significantly affected by the Company's water withdrawal or discharge activities.

As part of its water management efforts, AKR continuously explores innovations in water conservation technologies to enhance efficiency and reduce fresh water usage. Initiatives such as rainwater harvesting, water reuse, and the application of advanced technologies in wastewater treatment reflect the Company's commitment to sustainable water resource management. This commitment is also embodied in the zero water runoff design implemented at the JIPE SEZ.

Total Water Withdrawal [SEOJKF.8] [GRI 303-3]

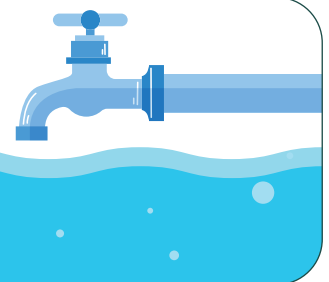
Water Withdrawal Sources (m ³)	2024	2023	2022
Groundwater	389	2,126	1,329
Surface Water	-	22,978	316,869
Produced Water	2,178	-	70,382
Third-Party Water	636,976	466,710	247,892
Total Water Withdrawal (m³)	639,542	491,814*	636,472

Note: 1 Megaliter = 1,000 m³

*Restatement of third-party water withdrawal data for 2022 and 2023 due to improvements in the data collection process for greater accuracy.

7,371 m³
Recycled Water

Reused by JTT and ARUKI throughout 2024
for their operations.



JTT: Rainwater Treatment for Operational Needs



JTT utilizes rainwater by processing it into clean water through a Rain Water Harvesting Facility located in the workshop area. This facility enables the collection, filtration, and storage of rainwater for reuse, thereby reducing reliance on conventional water sources. This initiative not only supports efficient water use but also contributes to more sustainable resource management and reduced environmental impact in operational areas.

JIIPE-BKMS: Optimizing Rainwater Management

As part of its water management strategy, JIIPE-BKMS constructed a 42-hectare rainwater retention pond to efficiently capture and manage rainwater. This facility is designed to prevent flooding by reducing excess runoff that could disrupt industrial estate operations. Additionally, the retention pond helps maintain water availability, enabling the reuse of rainwater for various industrial needs.



Wastewater Management [SEOJKF.13]

In wastewater (effluent) management, AKR complies with government regulations and relevant industry standards, with each facility equipped with a wastewater treatment system to minimize the impact on aquatic ecosystems in each operational area. Routine inspections of water pipelines are conducted across operational zones, and immediate repairs are made in the event of leaks or damage.

AKR also carries out regular water quality monitoring programs to ensure that effluent discharge does not exceed regulatory limits and contributes to the recovery of hydrological environments. This program includes monitoring chemical, biological, and physical components of water and effluent to ensure compliance with safe standards.

In practice, AKR's wastewater monitoring involves the collection, treatment, and assurance of wastewater quality standards before discharge into water bodies. Regular monitoring is conducted to ensure that the wastewater complies with environmental quality standards set by the government and aligned with the industrial sector in which the Company and its subsidiaries operate. [GRI 303-1] [303-2]

In the APR (bp-AKR Retail) area, wastewater is treated using a bio septic tank before being discharged into water bodies. Based on laboratory testing conducted every semester, all wastewater quality parameters have met the standards set under Minister of Environment and Forestry Regulation No. 68/2016 on wastewater quality standards. The volume of water is measured using a flowmeter installed on the bio tank outlet stream.

At ARUKI, wastewater is channeled to the Company's wastewater treatment plant (WWTP) and then forwarded to PT SIER's WWTP. Although the treated wastewater is not reused, its quality complies with SIER's wastewater standards. The wastewater volume is calculated based on pollutant load and monthly water usage.

In the JTT area, wastewater is discharged to an industrial WWTP (TPI). This wastewater is also not reused. The wastewater quality is ensured to meet the standards stated in the TPI discharge permit issued by the Ministry of Environment and Forestry. After being processed by the TPI and meeting the required quality standards, the effluent is discharged into the environment.

At JIPE-BKMS, wastewater is treated in the Company's WWTP before being forwarded to SIER's WWTP. The effluent quality complies with East Java Governor Regulation No. 27 of 2013. Although the wastewater is currently not reused, there are plans to recycle it using Brackish Reverse Osmosis (BWRO) technology.

If wastewater is not processed for reuse, treated wastewater that meets environmental quality standards is channeled to WWTPs or public water bodies. AKR ensures that all wastewater discharged into public water bodies from its operational units complies with environmental quality standards and is not reused by other organizations.

ARUKI: Enhancing Sludge Drying Process



ARUKI continues to improve efficiency in sludge drying by replacing the previous sun-drying method with a drying bed system. This new method enables more optimal water separation, resulting in faster drying that is no longer dependent on weather conditions.

With more effective drying, sludge dredging at the WWTP can be performed more frequently, improving circulation and oxygen levels in the control tank. This improvement is expected to enhance waste treatment quality, support more efficient WWTP operations, and contribute to environmental sustainability.

JIPE-BKMS: Implementing the Zero Liquid Waste Concept



JIPE-BKMS has adopted the zero liquid waste concept by ensuring that all liquid waste in the industrial estate is recycled into clean water. This process is carried out through an advanced wastewater treatment system that guarantees the recycled water meets quality standards for safe reuse. This approach reduces the discharge of liquid waste into the environment, minimizes pollution, and increases efficiency in water resource management.

In addition to reducing waste, the program also contributes to efficient water use within the industrial estate. Recycled water can be used for various purposes, such as production processes, cooling systems, and green space irrigation, thereby reducing reliance on conventional water sources. By implementing the zero liquid waste concept, JIPE-BKMS not only creates a cleaner and more sustainable industrial environment but also supports water management and environmental conservation sustainability goals.

Spill Response [SEOJK F.15]

AKR ensures that all operations and subsidiaries are equipped with standard operating procedures to prevent, mitigate, and respond to spills if they occur.

Effluent spill response at the JTT site is carried out in accordance with INA-VTJ-SHEP-019 Emergency Preparedness and Response Plan. Measures include routine inspections, equipment checks, and spill management systems.

At AST, spill prevention is handled through the implementation of SOPEP (Shipboard Oil Pollution Emergency Plan). Prior to any effluent reaching the sea, the Company monitors bunker operations and cargo loading activities to protect marine conservation areas by ensuring waste from vessels is not directly discharged into the sea.

At ARUKI, spill response is conducted promptly using absorbent media such as sand or sawdust. ARUKI also implements strict preventive measures including the application of comprehensive SOPs, infrastructure maintenance, and regular inspection of pipeline installations, among others. [SEOJK F.14] [SEOJK F.15]

As a result of these efforts, it can be reported that no significant spills occurred throughout 2024. [SEOJK F.15]

Solid Waste Management

For the management of both hazardous (B3) and non-hazardous (non-B3) solid waste, the Company applies the 3R principles (reduce, reuse, recycle) and complies with relevant regulations, including Government Regulation No. 101 of 2014 on the Management of Hazardous Waste (B3). The objective of this policy is to prevent environmental pollution and safeguard public health from the negative impacts of waste.

Waste generated from AKR activities includes domestic waste, rainwater runoff that passes through oil catchers at filling station bund walls and workshops, and operational waste categorized as either B3 or non-B3. AKR's awareness of the potential environmental impact of operational waste has driven the Company to implement responsible and effective waste management practices. [GRI 306-1]

In addressing domestic waste, particularly that arising from water use, AKR treats it in biotanks before discharging it into water bodies. For this waste management, the Company collaborates with third parties who regularly collect organic waste for processing in accordance with agreed contractual terms. [GRI 306-2]

Among the waste types produced by AKR, several are classified as hazardous, including used B3 packaging, used drums, used fluorescent lamps, used batteries/accumulators, used lubricating oil, cleaning rags, oily water, sludge oil, and used absorbents. AKR continues to cooperate with third-party waste handlers to manage these hazardous waste categories, with some being directed to Final Disposal Facilities (TPA).

The methodology used for data collection involves measuring waste stored at Temporary Storage Sites (TPS) for B3 waste and manifests issued by third-party handlers.

Throughout 2024, AKR and its subsidiaries generated 1,067.7 tons of hazardous waste (B3) and 2,994.48 tons of non-hazardous waste (non-B3). The increase in waste volume is attributed to business expansion, fleet growth, and an increase in the number of tenants at the JIPE SEZ.

Total Solid Waste Generated by Disposal Method [SEOJK.F.13] [GRI 306-3] [GRI 306-4] [GRI 306-5]

HAZARDOUS WASTE (B3) (Tons)	2024	2023	2022
Final Disposal Site	0.0	83.2	34.1
On-site Storage	137.5	0.0	2.0
Third-Party Hazardous Waste Disposal and Management	926.2	649.9	1,282.1
Total (Ton)	1,063.7	733.1*	1,318.2

Note: Restatement of hazardous waste disposal figures to third parties for 2023 due to improvements in the data collection process.

Disposal Method Non-Hazardous Waste Weight	2024	2023	2022
Reuse	0.0	1.0	0.9
Recycling	2.5	0.9	0.0
Composting	0.1	3.0	3.0
Final Disposal Site	3,072.9	1,536.3	3,194.7
On-site Storage	0.0	0.5	0.0
Others (please specify): Collected by PT SIER	0.0	275.3	213.9
Total	3,075.5	1,816.9	3,412.5

JTT: Partnering with Jakarta Environmental Agency for Employee E-Waste Management

JTT runs an E-Waste program in collaboration with the Jakarta Environmental Agency (DLH DKI Jakarta) to collect employees' electronic waste. This initiative aims to ensure responsible e-waste management, reduce environmental impact, and promote more sustainable recycling practices.



Biodiversity [SEOJK.F.9] [SEOJK.F.10] [GRI 304-1]

AKR is committed to comprehensive environmental management, including efforts to preserve biodiversity. The Company consistently strives to protect ecosystems and biodiversity across all operational areas.

As a tangible manifestation of this commitment, AKR has implemented tree planting programs at various operational sites, including JIPE, JTT, ARUKI, and bp-AKR stations. In addition to supporting carbon absorption, these programs aim to increase oxygen production, prevent erosion, maintain soil fertility, and reduce air pollutants.

In 2024, no Company operational sites were located near protected areas or regions with high biodiversity outside designated forest conservation areas.

Exploring the Potential of Nature-Based Solutions for Environmental and Business Sustainability

In addressing the challenges of climate change, nature-based solutions have emerged as one of the most relevant and impactful strategies, so maintaining a balance between business growth and environmental preservation is regarded not as an option, but as a necessity.

By utilizing natural ecosystems such as mangroves, the Company not only contributes to environmental protection but also establishes a strong foundation for sustainable business growth. This approach serves as a key pillar in AKR's decarbonization strategy. In addition to their vital ecological function, mangrove ecosystems offer opportunities for integration into blue carbon schemes, whereby carbon absorbed and stored by coastal ecosystems supports the Company's long-term emission reduction targets.

To this end, coastal greening programs are actively implemented across various operational areas and subsidiaries through mangrove planting and the cultivation of high carbon-absorbing vegetation species. These efforts support the Company's initiative to explore the potential of nature-based solutions in driving future business growth.

JIIPE-BKMS

Green Open Spaces and Coastal Ecosystem Enhancement

A concrete initiative was undertaken by JIIPE-BKMS, the industrial estate manager of JIIPE, which upholds a strong commitment to balancing industrial growth and environmental preservation. JIIPE-BKMS has allocated 30% of the total land area for open and green spaces to support ecosystems and mitigate environmental impact. In addition, each tenant is required to allocate 40% of their plot for open space, ensuring that the green zone principle is applied comprehensively.

As part of this initiative, JIIPE-BKMS planted trembesi trees along the estate's roads due to their high carbon absorption capacity and contribution to improved air quality. Along the coastline and riverbanks, mangrove planting was carried out, serving not only as a natural barrier against erosion but also supporting biodiversity by providing habitats for marine species and birds.

On 2 July 2024, JIIPE-BKMS and local stakeholders planted 1,500 mangrove trees and 500 indigovera seedlings in the coastal area of JIIPE. In commemoration of World Environment Day 2024, JIIPE-BKMS also took part in a 200,000 mangrove planting program initiated by the East Java High Prosecutor's Office by contributing 2,500 seedlings, demonstrating a concrete commitment to coastal environmental conservation.



AKR STAGEN

Coastal Resilience Collaboration with Stakeholders

In South Kalimantan, 1,000 mangrove trees were planted through a collaborative effort involving Pelindo, the Indonesian Navy (LANAL), the Environmental Agency, the Police, and local educational institutions. This initiative was carried out as part of the 2024 World Environment Day commemoration.

The program aimed to strengthen coastal resilience against erosion while preserving marine ecosystems surrounding the Company's operational areas. This aligns with the 2024 World Environment Day theme: "Land Restoration, Desertification, and Drought Resilience."

Additionally, to foster awareness among younger generations about climate resilience and coastal ecosystem preservation, an environmental innovation competition was held for senior high schools in North Pulau Laut District, Kotabaru Regency, South Kalimantan.



Environmental Compliance [SEOJK F.16] [GRI 2-27]

In all aspects of its operations, AKR remains committed to complying with all applicable environmental regulations and legal requirements, consistently prioritizing best practices. Through this commitment, AKR aims to deliver a positive impact to all stakeholders.

The Company actively monitors and adapts to any changes or updates in environmental regulations that may affect its business operations. Throughout 2024, AKR successfully conducted its operations without incurring any sanctions related to violations or failures in meeting environmental standards.

Environmental Management Fund [SEOJK F.4]

AKR's environmental management fund encompasses permit issuance, environmental monitoring, environmental campaigns, waste management, and employee training on environmental matters. All activities are designed to support AKR's operational functions. In 2024, AKR allocated and disbursed a total of Rp8.2 billion for environmental management initiatives.

Environmental Management Fund Categories	2024 (Rp)
Licensing	2,308,000,000
Monitoring	2,906,999,705
Environmental Campaigns	59,072,000
Waste Management	1,377,138,389
Training	157,293,000
Others	1,368,617,018
Total	8,177,120,112





04

Our
People

“ Human Resources (HR) ensure the quality of the Company's personnel and that they serve as a reliable driving force in supporting innovation, efficiency, and sustainable growth to deliver positive impacts for all stakeholders.

For AKR to endure and grow amidst dynamic global business competition, pursuing the vision of sustainability and consistent business growth places Human Resources at the core of every strategic step and innovation.

AKR recognizes that the quality, competence, and commitment of its employees form the foundation for achieving a superior and sustainable performance. Therefore, HR management and development are strategic steps that not only support business growth but also generate long-term positive effects and value for all stakeholders.

AKR provides the opportunity for every employee to grow, innovate, and contribute, managing its human resources effectively, through aspects such as employee welfare, competency development, and the creation of an inclusive and sustainable work environment. HR management has designed, applied, and enhanced quality improvement programs tailored to evolving needs. [\[GRI 3-3\]](#)

Employment Practices

2,452
Total AKR employees
in 2024

AKR recognizes that employee welfare and development are primary factors in driving long-term performance and loyalty, using transparent policies, fair recruitment systems, and continuous competency development programs, and ensuring that all employees receive equal rights and opportunities without discrimination, in accordance with applicable labor regulations.

To maintain harmonious industrial relations, AKR upholds transparency, two-way communication, and consistent respect for employee rights, as these are reflected in the creation of a fair and inclusive work culture that embraces values and practices related to diversity, gender equality, human rights, labor rights, and occupational health and safety.

As of December 31, 2024, the Company and subsidiaries employed 2,452 personnel, with 2,100 permanent employees and 352 temporary (non-permanent). To date, the Company has not implemented a part-time employment scheme, but

736 outsourced personnel are managed by a third party. Further details of AKR's employee composition by gender, education, age, and job position can be found in the Annual Report on page 146. [\[GRI 2-7\]](#) [\[GRI 2-8\]](#)

The proportion of outsourced workers at AKR in 2024 stood at 23% of the total workforce. This ratio remains within a reasonable and acceptable range, and continues to reflect a positive practice, considering that the majority of outsourced personnel are assigned to supporting functions and field operations that are neither strategic nor highly technical, especially for the operation of bp AKR gas stations. These roles are managed by professional third-party service providers, while all core and strategic functions remain under the responsibility of AKR's permanent employees. This approach allows the Company to maintain operational efficiency without compromising quality, integrity, or control over its key business processes, while also creating job opportunities.

Total AKR Employees by Employment Status and Gender [SEOJK C.3] [GRI 2-7]

Description	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Permanent	1,809	291	1,902	274	1,651	282
Temporary (non-permanent)	344	8	492	145	618	94
Total	2,153	299	2,394	419	2,269	376

Total Number of Employees by Type of Employment Contract (Permanent and Temporary), by Region [GRI 2-7]

Operational Regions of AKR and Subsidiaries	2024		2023		2022	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Java	1,381	152	1,355	625	1,342	547
Sumatra	157	4	161	3	158	3
Kalimantan	365	9	385	4	354	6
Bali	24	2	27	1	28	1
Sulawesi	169	3	77	2	49	5
Boat Crews	4	182	171	2	2	150
Total	2,100	352	2,176	637	1,933	712

Total Employees by Employment Level and Age in 2024

Age Range 2024	Entry-level		Mid-level		Senior-level		Executive-level		Total Employees	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
18-25	91	18	5	5	-	-	-	-	96	23
25-35	559	71	181	40	3	1	-	-	743	112
35-45	558	27	226	59	23	9	5	1	812	96
45-55	259	18	108	28	38	10	11	4	416	60
>55	31	1	31	4	11	1	13	2	86	8

Details:

- Executive-level: BoD (Board of Directors), Dir (Director)
- Senior-level: GM (General Manager), SM (Senior Manager)
- Mid-level: MA (Manager Assistant), AM (Assistant Manager), SPV (Supervisor)
- Entry-level: Staff, Operative

AKR provides equal opportunities for all employees to develop their careers in accordance with their potential and performance. This includes both promotion (advancement in job level) and rotation (for example, taking on greater responsibilities by moving from a smaller to a larger branch). In addition, a fit and proper test is conducted with senior management acting as assessors where selected candidates may present their understanding and work plans for the vacant positions.

The career development process is carried out transparently and objectively through the Performance Evaluation system, which focuses on achieving individual Key Performance Indicator (KPI) targets. With this system, AKR ensures that every employee has equal opportunities to grow and achieve higher positions based on their competencies and contributions.

Implementing Corporate Values

Implementing corporate values is fundamental for all employees in carrying out their duties and responsibilities, shaping work culture and driving success within the workplace. In 2024 and as part of the implementation of the Corporate Values Empower Your Team, employee development was a major focus across all levels. AKR's Board of Directors conducts intensive working visits to branches to provide guidance and direction to local Human Resources, particularly in operational roles such as Sales, Distribution, Transportation, Tank Terminal Operations, and Safety.

This program aims to implement the Company's values, including:

- Be Entrepreneurial: evaluating market potential and improving work processes for efficiency and safety.
- Collaboration: enhancing coordination between head office and branches.
- Be Agile: anticipating regulatory changes and the latest business strategies.

Anti-Forced Labor Policy [SEOJK.F.19][GRI 409-I]

AKR is committed to upholding the principles of Human Rights (HR) across all of its operations, including a firm stance against all forms of forced labor. In line with Law No. 13 of 2003 on Manpower and the ILO Convention of 1957 on the Abolition of Forced Labor, the Company upholds respect for human rights in the workplace and in the implementation of labor practices. AKR ensures that all employees work voluntarily, without coercion, threats, or any form of force.

The Company consistently fosters employment relationships based on mutual consent and free will. Every employee works voluntarily under a mutually agreed employment contract, which clearly outlines the rights and responsibilities of each parties from the outset.

Respect for Human Rights [SEOJK.F.18][GRI 406-I]

Since its establishment, AKR has placed great importance on respecting and upholding Human Rights (HR) in all business activities. All operations are conducted in compliance with legal requirements and human rights principles.

AKR's policies and practices are based on the following frameworks:

1. The Universal Declaration of Human Rights by the United Nations
2. Fundamental Principles and Rights at Work under the 8 Core Conventions of the International Labour Organization (ILO)
3. Law No. 39 of 1999 on Human Rights
4. The United Nations Guiding Principles on Business and Human Rights (UNGP) and the United Nations Global Compact (UNGC)

Furthermore, the policy is extended to all AKR suppliers and subsidiaries, requiring them to firmly implement the human rights principles consistently.

AKR strictly and consistently applies the principle of non-discrimination in human resource management. This principle is reflected through the following commitments:

1. Providing all employees the freedom to express opinions and suggestions, both individually and in groups.
2. Offering mechanisms for reporting complaints related to violations or incidents in the workplace.
3. Conducting business with respect for human rights and the dignity of all individuals in accordance with applicable legal requirements.
4. Ensuring fair treatment of all employees and equal opportunity for all, by applying non-discriminatory practices (based on gender, age, ethnicity, race, religion, social group, marital status, disability, position/class).
5. Prohibiting child labor, forced labor, human trafficking, and ensuring safe and healthy working conditions.
6. Prohibiting wage discrimination based on gender.
7. Providing all high-performing employees with the opportunity to be rotated into different work areas or promoted to higher positions.

8. Fostering a workplace free from harassment, intimidation, inhumane treatment, or other prohibited conduct under applicable laws.
9. Respecting and upholding the human rights of local communities potentially affected by the Company's business activities, including recognizing community identity, cultural diversity, social practices, and differing aspirations and customs.

All levels of management, local unit leaders, and employees share responsibility and accountability for addressing human rights issues. At the same time, the Company collaborates with all stakeholders to implement this policy across its operations and strives to advance meaningful standards to drive positive change in human rights practices at the operational level.

Ensuring Freedom of Association [GRI2-30]

AKR is committed to creating an inclusive, transparent, and fair work environment. To support employee well-being, the company implements Company Regulations (PP) that define employee rights and obligations per Indonesian law. These regulations serve as guidelines for labor protection, industrial relations, and a disciplined and harmonious work environment.

For example, one of AKR's subsidiaries, ARUKI, has a labor union that facilitates communication between employees and management to build a healthy and productive industrial relationship. This union actively promotes open dialogue

to ensure employee rights are protected and well-being is maintained. If a labor union has not been established, the Company provides various communication mechanisms allowing employees to express their opinions, aspirations, and feedback directly to management, following applicable laws and regulations.

In 2024, no reports or incidents related to freedom of association and expression within the Company were recorded.



Occupational Health and Safety

[SEOJK F.21]

Occupational Health and Safety (OHS) is crucial in supporting long-term sustainability. Based on this principle, AKR aims to ensure safety and security in the workplace, including the prevention of workplace accidents, occupational illnesses, and environmental pollution.

AKR fully complies with all applicable national and international OHS regulations and standards, with policies and procedures implemented in accordance with operational standards. The Company also ensures that all operational activities are conducted in line with established safety guidelines.

AKR supports the enhancement of Safety, Health, and Environment (SHE) standards across all operational activities to ensure that it remains a top priority.

Ongoing SHE improvements are pursued through the following efforts:

1. Complying with all relevant laws and regulations concerning Occupational Health and Safety, Operational Safety, and Environmental Management, and proactively taking measures to exceed minimum requirements.
2. Identifying, evaluating, and managing environmental risks associated with the Company's operations, and preparing comprehensive emergency response plans to control and prevent incidents involving hazardous materials.
3. Measuring performance, conducting regular reviews, and continuously improving Occupational Health and Safety, Operational Safety, and Environmental Management.
4. Prioritizing responsible and sustainable waste management in accordance with applicable regulations.
5. Continuing efforts to reduce greenhouse gas emissions and improve energy efficiency across all operational aspects.

6. Promoting innovation and research in the development of more environmentally friendly products, services, and processes.
7. Communicating and consulting openly and transparently about the Company's environmental policies with stakeholders, including regulators, employees, customers, business partners, and other relevant parties.

This policy applies to all AKR employees and subsidiaries and is the responsibility of all stakeholders. Its implementation is coordinated, monitored, and evaluated by the ESG Committee, and reported to the Board of Directors, the Board of Commissioners, and all stakeholders through AKR's Sustainability Report.

AKR implements the highest standards in Occupational Health and Safety (OHS), upheld with the ultimate goal of achieving zero fatalities. The Company aims to cultivate an OHS culture across all operational areas, which in turn contributes to enhanced productivity, performance, and overall success.

AKR aims to create an excellent work environment to support employees and the Company's partners in performing their duties with optimal safety and comfort. All AKR facilities—including tank terminals, ports, jetties, trucks, tankers, barges, and manufacturing facilities—comply with government safety standards and relevant environmental regulations. [GRI 3–3]

AKR's OHS programs and strategies are conducted in accordance with prevailing laws and regulations and are integrated into nationally and internationally recognized OHS management systems with the following regulations: [GRI 403–1]

1. Law No. 1 of 1970 on Occupational Safety
2. Law No. 23 of 1992 on Health
3. Law No. 13 of 2003 on Manpower

AKR: "Safety is Our Way of Life"

Occupational Health and Safety (OHS) is embedded in AKR's culture and is a shared responsibility for all parties.



AKR has established a dedicated department to oversee OHS matters—the SHE (Safety, Health, and Environment) Department—at each subsidiary and operational area. This department is responsible for the following:

1. Facilitating the implementation of the Company's safety procedures and standards to support elements of the OHS management system.
2. Monitoring and measuring organizational compliance with OHS regulations.
3. Providing recommendations and ensuring that all OHS-related regulations and requirements are effectively implemented.
4. Developing and maintaining management information systems to support both documentation systems and OHS needs.
5. Monitoring waste management across the Company's operational environment.
6. Advising Management on response measures during crisis or emergency situations.
7. Maintaining good relations with relevant government bodies and other regulatory authorities regarding OHS information.
8. Ensuring that fire safety, security, emergency, and environmental control equipment are available and functioning properly.

Occupational Health and Safety Management System [GRI 403-1]

AKR implements an integrated Occupational Health and Safety Management System (OHSMS) to ensure a safe, healthy, and accident-free working environment. This system is designed based on workplace risk identification and is reviewed and audited regularly to ensure compliance with both national and global standards and best practices. The Company's OHS management system consists of a hierarchy of policies, plans, Standard Operating Procedures (SOPs), and various programs, all of which are designed and implemented using the Hazard Identification, Risk Assessment, and Risk Control (HIRARC) method.

The Company's OHS management system is implemented in accordance with applicable laws and regulations, namely:

- Law No. 13 of 2003 on Manpower
- Government Regulation No. 50 of 2012 on Occupational Health and Safety Management Systems (SMK3)
- Standards and criteria from various environmental health and safety certification bodies, including ISO 14001 and ISO 45001

All AKR activities, both within and outside the Company's work areas—including transportation and travel—are covered by the OHS management system. The implementation of this system applies to all employees, including contractors performing work or present at AKR operational sites. Nonetheless, the Company remains responsible for contractor activities even outside its operational areas.

All AKR employees, including contract workers and contractors involved in the Company's management system, undergo internal OHS audits at headquarters and across all operational areas. OHS audits are conducted both internally and externally on contract workers and contractors who fall under the scope of the Company's OHS management system.

To measure and realize the success of AKR's OHS performance, the Company has established the "Six Zeroes" target policy in OHS implementation:

Zero Fatality

Preventing accidents that result in loss of life.

Zero Lost Time Injury

Preventing workplace accidents that result in lost time.

Zero Cross Over

Preventing incidents of mixed or swapped customer orders.

Zero Product Quality Problems

Preventing issues that lead to a decline in product quality.

Zero Spillage

Preventing product spillage during loading and unloading.

Zero Potential Fatality Accident

Preventing potential workplace accidents in the field.

Workplace Safety Transformation Through Technology and Innovation

In an ever-evolving industrial landscape, safety and operational efficiency are two fundamental pillars that cannot be overlooked. AKR continues to innovate in creating a safer and more productive work environment such as through the adoption of advanced technology in its OHS system, including the use of Control Towers and artificial intelligence (AI)-based cameras.

Control Tower: The Heart of Occupational Safety Management

As an integrated command centre, AKR operates a Control Tower which monitors operations to enable early identification of potential risks, and supports swift and accurate decision-making.

The Control plays a critical role in more comprehensive data management, including incident recording and evaluation of OHS performance across all work units. Through this system, AKR ensures that all safety procedures are implemented according to standards, enhances risk management efficiency, and strengthens a safety-conscious work culture.

In cases of declining performance—particularly among fleet drivers—AKR adopts a human-centered approach through Heart & Mind program. This initiative involves communicating with employees' families to provide support, which positively contributes to both productivity and employee well-being.

AI and Smart Cameras: Innovation Toward Zero Accidents

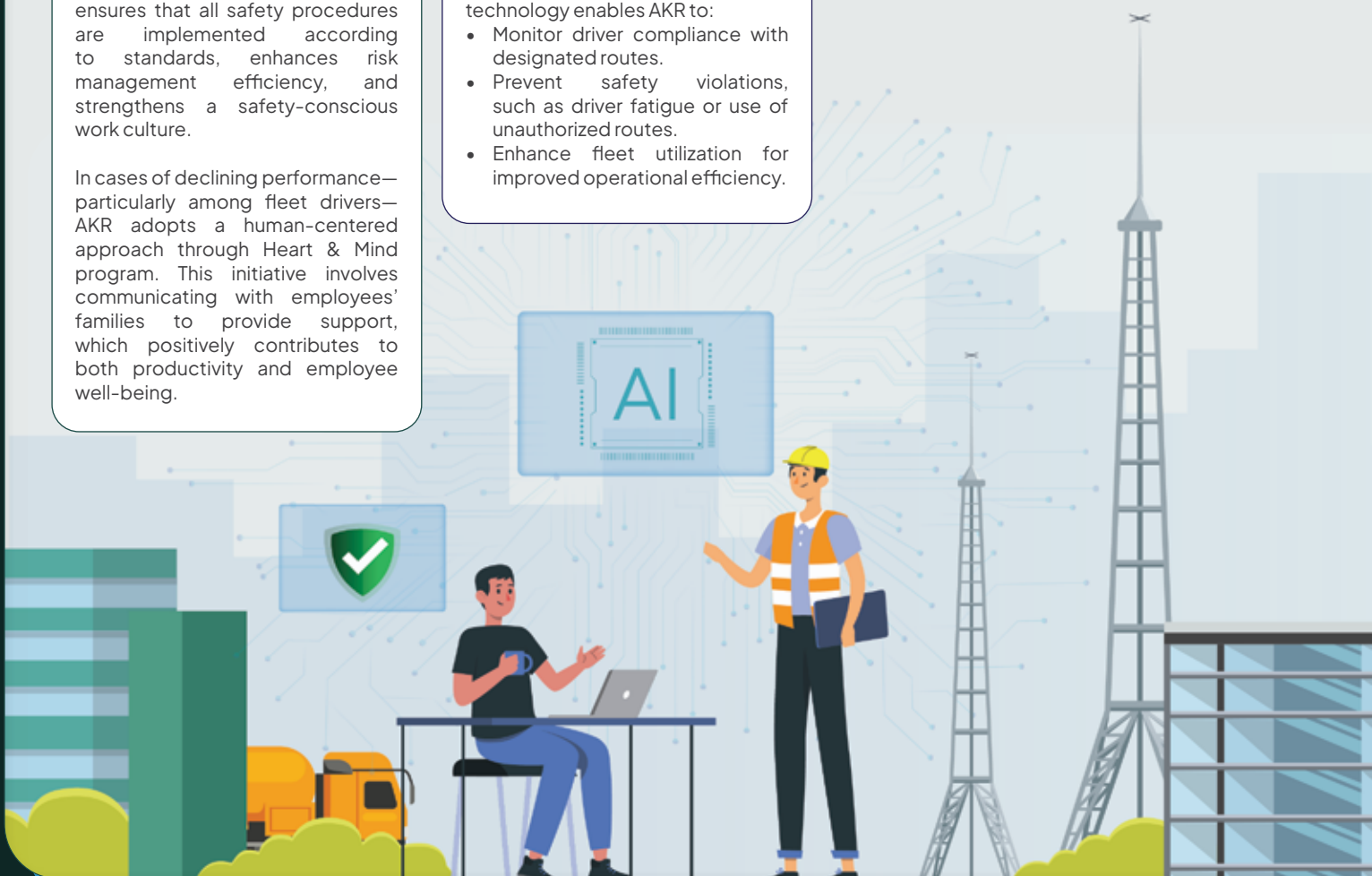
In 2024, AKR strengthened its occupational safety system by implementing artificial intelligence (AI)-based camera technology on all heavy transportation vehicles. These cameras are designed to automatically detect and analyze driver behavior, assisting the Company in identifying potential road risks and optimizing workplace safety.

The implementation of AI technology enables AKR to:

- Monitor driver compliance with designated routes.
- Prevent safety violations, such as driver fatigue or use of unauthorized routes.
- Enhance fleet utilization for improved operational efficiency.

Fleet Route and Safety Monitoring

AKR implements various programs to ensure the safety of its land transportation fleet and drivers. Monitoring covers aspects such as driver behavior, route accuracy, travel distance, as well as departure and return times. This program contributes to the reduction of land transportation incidents and enhances overall safety.



Dedication to Appreciating and Improving the Well-being of AKR Drivers

Driver Health and Safety Program

To ensure that drivers maintain optimal physical and mental condition, AKR implements a range of support programs, including:

- **Periodic Medical Check-Ups** to detect potential health issues early.
- **Road Safety & Accident Management**, including hazard mapping along each customer route.
- **Incident Investigation & Monitoring** to follow up on incidents and eliminate potential future risks.
- **Defensive Driving Training** to improve driving behavior and enhance skills for handling emergency situations.
- **Fatigue Management** with a work scheduling system that ensures drivers take rest breaks every four hours of travel

Appreciation for Outstanding Drivers

AKR initiated the Driver of The Month (DoTM) program to recognize drivers with outstanding performance. This program aims to:

- Increase driver awareness of occupational safety.
- Enhance productivity and motivation.
- Maintain driver retention through continuous appreciation.

Awards are given at various levels, from branch and regional to national. AKR also presents an annual award, Driver of The Year, to drivers who consistently demonstrate outstanding performance and successfully apply the Zero Tolerance principle.



AKR's Ongoing Commitment to Safety

Through the combination of advanced technology and a human-centered approach, AKR continues to build an Occupational Health and Safety (OHS) system to enhance workplace safety, drive company efficiency and productivity. Innovations such as the Control Tower, AI-enabled cameras, and various driver safety programs serve as proof of AKR's commitment to creating a safer, more efficient, and more sustainable work environment.

Looking ahead, AKR will continue to innovate and strengthen its safety systems to achieve the vision of zero accidents and to create a better workplace for all employees.



OHS Hazard Risk Assessment [GRI 403-2]

AKR conducts Occupational Health and Safety (OHS) hazard risk assessments in the workplace in accordance with health and safety Standard Operating Procedures (SOPs) based on ISO 45001 standards. These OHS SOPs form the foundation of safety implementation and are continuously evaluated to improve safety standards. Compliance with these OHS SOPs is the responsibility of all stakeholders.

The Company applies the Hazard Identification, Risk Assessment, and Risk Control (HIRARC) method and conducts Job Safety Analysis (JSA) as part of its risk assessment process. The steps taken in JSA include:

- Identifying activities and related risks
- Defining and categorizing hazards
- Assessing risks
- Developing risk controls
- Measuring risk levels after implementing controls

OHS risk assessments are conducted by supervisors in each respective work area, all of whom have undergone HIRARC training to ensure understanding of applicable standards. The assessment process is supported by the HSE Department, which has expertise in occupational health, safety, and risk management.

The results of AKR's OHS risk assessment (HIRARC) are reviewed and subsequently approved by senior management in each subsidiary or business unit. The HIRARC documents serve as the basis for identifying OHS control measures, developing work programs and standards, and are integrated into the Company's monitoring and performance evaluation efforts.

HIRARC documents are reviewed whenever there are organizational changes, incidents, or specific emergency conditions. Key hazards identified by the Company that became the focus of OHS programs in 2024 include:

1. Electric shock
2. Contact with machinery during maintenance
3. Falls from height or slipping
4. Chemical spills and splashes
5. Fire hazards
6. Accidents during material and product delivery
7. Cuts and lacerations
8. Heat stroke
9. Traffic accidents

AKR applies the principle of Zero Tolerance across all OHS aspects. Five core principles are instilled to establish a Zero Tolerance culture within AKR's work environment:

1. Enforcing discipline
2. Developing a personal improvement plan
3. Fully understanding SOPs
4. Consistently pursuing targets
5. Maintaining a willingness to learn

By enforcing the Zero Tolerance policy, AKR ensures that every individual in the workplace is accountable for following rules and contributing to collective safety.

Health Service Facilities [GRI 403-3]

AKR provides adequate health service facilities for all employees as part of the Company's commitment to employee well-being and occupational safety. Clinics have been established in every operational area, each equipped with qualified medical personnel. Regular health check-ups are conducted for all employees to ensure they remain fit and healthy. The availability of these health services supports efforts to prevent workplace accidents and Occupational Diseases (PAK).

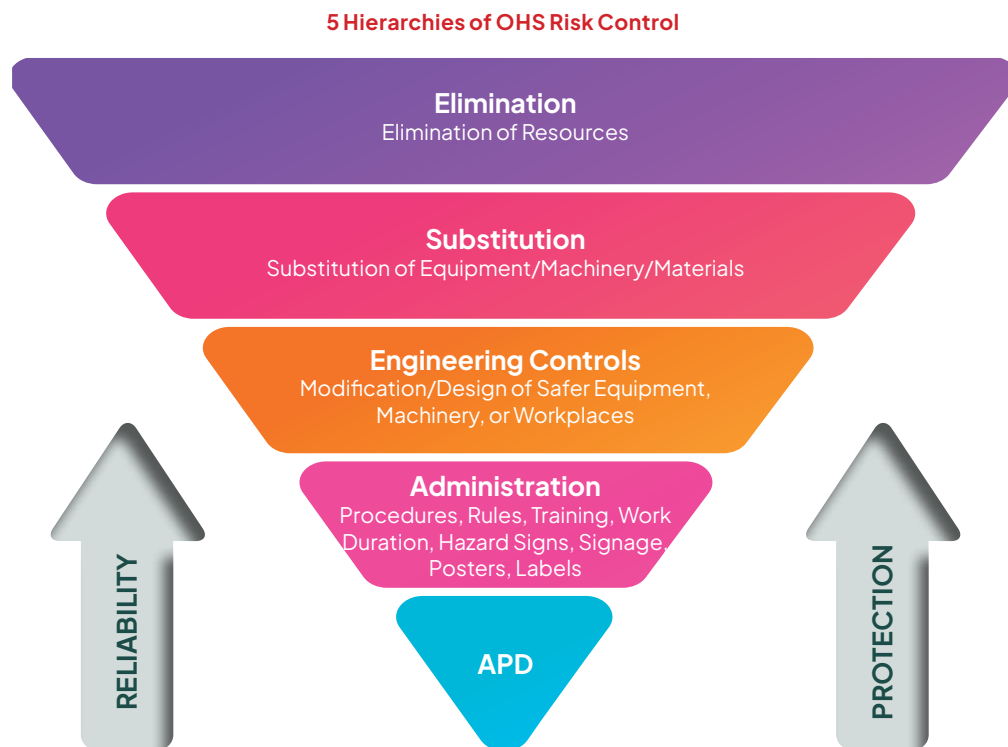
Person-In-Charge for OHS [GRI 403-4]

To ensure that all safety procedures are properly and adequately implemented, AKR appoints a dedicated department or person-in-charge (PIC) responsible for the application of Occupational Health and Safety (OHS) across every operational line of the Company.

At the JTT and ARUKI subsidiaries, the Company has established formal OHS Committees (P2K3 – Occupational Safety and Health Advisory Committees), in accordance with applicable laws and regulations. At other AKR subsidiaries, dedicated SHE (Safety, Health, and Environment) or OHS (Occupational Health & Safety) departments are in place to manage all OHS-related aspects. These PICs are tasked with ensuring that all employees and contractors working within operational areas are protected under the OHS management system.

All AKR personnel are expected to escalate any issues to their supervisors when encountering actions that could pose danger or risk.

Branch SHE teams must be capable of assessing risks that may arise from violations of SOPs and Work Instructions (WIs), and subsequently carry out mitigation measures in accordance with HIRADC. Risk control measures aimed at reducing risks to a safe level are implemented through the five levels of the risk control hierarchy as follows:



OHS Training [GRI 403-5]

1,346 People

Total OHS Training Participants

Through structured training programs, AKR ensures that every employee possesses the awareness, knowledge, and skills necessary to recognize potential hazards and apply appropriate preventive measures. The goal of these trainings is to support individual safety but also to maintain the continuity of the Company's operations in the long term.

AKR's OHS training is conducted and delivered by both internal experts and accredited external trainers. The training is categorized into general safety training, which is mandatory for all employees, and specialized safety training, provided only to employees whose roles involve specific hazards and risks. Certification training is conducted by accredited external trainers. A professional OHS training team continuously conducts audits and improvements to enhance work methods.

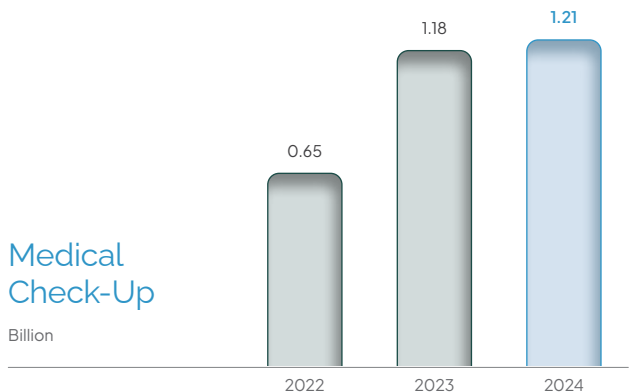
In 2024, AKR delivered various OHS training programs, including:

OHS Training Topics 2024	Number of Participants	OHS Training Topics 2024	Number of Participants
Product Handling (Hazardous Material Handling for Drivers)	375	General Safety	29
Safety Land Transport	220	Fire Fighting	27
Lock Out Tag Out (LOTO)	188	Product/Oil Spill Simulation Level 1 & 2	25
Safety Operational Tank Terminal & Warehouse	163	Incident Investigation	24
First Aid (Health briefings, First Aid certification)	72	PROPER Training	17
Permit To Work (PTW)	67	Emergency Drill (Fire & P3K)	10
Risk Assessment (HIRADC)	67	Loading Master	8
B3 Driver Certification	50	International Maritime Dangerous Good (IMDG) Code	4
		Total Participants	1,346

Promoting a Healthy Lifestyle [GRI 403-6]

AKR is committed to promoting a healthy lifestyle among employees to enhance health and work productivity through various programs and facilities.

- Activities conducted in 2024 included:
- Organizing periodic health screenings or medical check-ups (MCU)
 - Hosting Healthy Talk sessions



Rp1.21

Billion

The Company's investment in medical check-ups for employees.

DPR: Promoting a Healthy Lifestyle through the Utilization of Technology



Our Subsidiary, DPR integrated technology into the running activities conducted by the Company to promote a healthy and active lifestyle among employees. By utilizing the STRAVA application, employees were able to track their progress in real time, with a set target of 10 km every two weeks or 250 km per year. This technology enhances an individual's motivation, encouraging a more dynamic, health-oriented work environment.

Participation in this program showed a significant increase, with 100% of participants meeting the target in 2024 compared to 90% in 2023. For participants who had not yet achieved the target, the Company organized Sharing Session Events as a platform to remain active while encouraging their involvement in event committees. The running program not only improved physical fitness but also strengthened employee relationships within a healthy and collaborative work culture.

Prevention and Mitigation of OHS Impacts [GRI 403-7]

The Company is committed to the prevention and mitigation of OHS impacts through various well-planned strategic measures. Regular identification of potential hazards and risks in the workplace is conducted to reduce the likelihood of accidents or incidents that could harm employees and operations. Each subsidiary of the Company has consistently conducted OHS incident monitoring, including information on the occurrence, root causes, corrective actions, and follow-up on the implementation of those actions.

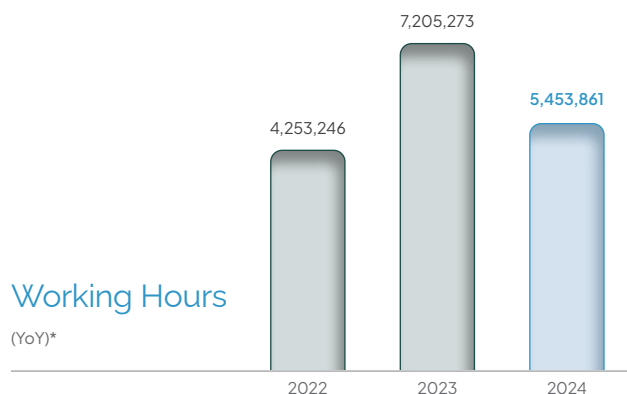
Workers Covered by the OHS Management System [GRI 403-8]

The OHS Management System implemented by the Company covers all personnel working within operational areas, including permanent employees, contract workers, and third parties involved in the Company's operations. As such, every individual working under the Company's scope receives equal protection concerning workplace safety and health. The contractors are also required to adopt safe work practices, comply with all OHS policies and procedures, and report any safety hazards or unsafe practices.



OHS Performance [GRI 403–9]

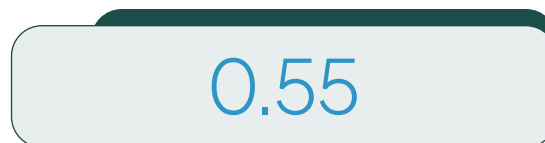
The effective implementation of the OHS management system resulted in strong performance in 2024. With a primary focus on the prevention of occupational accidents and work-related illnesses, the OHS performance statistics of the Company for 2024 are as follows:



*Excluding working hour data from JIPE-BMS



AKR Land Transportation
Safe Travel Distance (Cumulative)
*Cumulative data as of the end of 2024



TRIR 2024

Total Frequency and Categories of Workplace Accident Incidents

Type of Accident	2024	2023	2022
Fatal Accident	0	0	0
Major Accident	15	10	11
Moderate Accident	0	0	2
Minor Accident	45	22	43
Near Miss	38	93	21

Work-Related Illness [GRI 403–10]

AKR is committed to implementing comprehensive occupational health and safety standards to prevent work-related illnesses. In 2024, no cases of work-related illness were recorded.

The Company has identified the following key work-related illnesses (WRI) of concern:

- Cephalgia
- Hypertension
- Gastroenteritis
- Myalgia
- Vertigo
- Pneumonia
- Irritation
- Pulmonary disease
- Contact dermatitis
- Musculoskeletal disorders

AKR: Creating a Healthy and Productive Work Environment through MCU 2024



AKR is committed to ensuring employee health and well-being as fundamental elements in creating a productive and sustainable work environment. Through the 2024 Medical Check-Up (MCU) program, the company regularly monitors employee health conditions, identifies potential risks early, and provides recommendations for preventive or necessary treatments. Additionally, AKR oversees medical treatments,

especially for critical illnesses, to ensure optimal and sustainable healthcare management.

As part of this commitment, ARUKI also organized the 2024 MCU, held on December 16-17, 2024. This program aims to maintain employee health through regular monitoring, early risk detection, and recommendations for preventive actions or necessary treatments.

Diversity, Inclusion, and Employee Engagement

AKR upholds the value of diversity, where each employee is provided equal opportunity and the right to participate, express opinions, contribute, and innovate. The Company fosters a work culture that respects differences in gender, background, and perspectives, thereby optimizing the potential of both individuals and teams. AKR's inclusivity policy also promotes diversity within the composition of Company officials, including in terms of gender, educational background, and age groups. [SEOJKF.18]

Work-life Balance [SEOJKF.21]

AKR encourages the creation of a work culture and environment that supports work-life balance. By establishing a harmonious workplace, the Company aims to ensure employees can contribute optimally.

AKR provides various activities aimed at fostering solidarity, strengthening corporate culture, and creating a more inclusive and productive work environment, including:

- Religious celebrations, such as communal iftar and Christmas celebrations
- Activities in celebration of the Company's anniversary and the 17 August commemoration were also conducted.
- Sports activities, such as futsal, badminton, and cycling

AKR: Heart & Mind Program: AKR's Commitment to Supporting Employee Well-Being

AKR implements the Heart & Mind Program, aimed at creating a balance between work and the employees' family well-being.

A key initiative within this program is home visits, conducted as a gesture of the Company's care for its employees. In addition, the program serves as a platform to reinforce awareness of occupational health and safety (OHS).



Employee Recruitment and Turnover [GRI 401-1]

AKR ensures the availability of competent human resources aligned with business needs. To achieve this, AKR ensures that newly recruited talent meets the required qualifications and demonstrates alignment with the Company's culture and values.

Employees are also expected to embody and apply the Company's values in their daily work activities.

To meet workforce needs, AKR prioritises filling vacant positions with internal candidates through a rigorous selection process, including a Fit and Proper Test, to ensure the required qualification standards are met.

In 2024, more than 40% of vacant positions at the supervisor level and above were filled by internal talent. Should the internal evaluation not yield a candidate meeting the competency standards, external recruitment is conducted based on openness, transparency, and equal opportunity without discrimination based on gender, ethnicity, race, or religion.

In line with technological developments in the workplace, AKR has implemented a digital recruitment system since 2020. The process begins with candidate sourcing via various digital platforms (e-sourcing), including social media such as LinkedIn, Instagram, and the Company's official career portal. [SEOJK F.18]

As of December 31, 2024, the total of AKR employees was recorded at 2,452, including contract workers. This reflects a decrease of 361 employees compared to the previous year, primarily due to the transfer of bp AKR's fuel station operational management from an in-house system to outsourcing. Despite this, AKR remains active in recruitment to support business development across various regions.

In 2024, the company recruited a total of 602 new employees, consisting of 569 men and 33 women. The recruitment was focused on operational development in Sulawesi, the addition of crew members for vessels, and the central office.

New Employee Recruitment by Gender [GRI 401-1]

Description	2024	%	2023	%	2022	%
Male	569	95%	412	85%	371	84.5%
Female	33	5%	73	15%	68	15.5%
Total	602	100%	485	100%	439	100%

New Employee Recruitment by Age Group [GRI 401-1]

Description	2024	%	2023	%	2022	%
Under 30 years old	278	46%	249	51%	276	62.9%
30-50 years old	288	48%	212	44%	150	34.2%
Over 50 years old	36	6%	24	5%	13	3.0%
Total	602	100%	485	100%	439	100%

New Employee Recruitment by Region [GRI 401-1]

Company	Region	2024	%	2023	%	2022	%
AKR	Java	115	19.1%	53	10.9%	72	16.4%
	Sumatra	13	2.2%	18	3.7%	12	2.7%
	Bali	4	0.7%	0	0%	0	0%
	Kalimantan	85	14.1%	82	16.9%	47	10.7%
	Sulawesi	120	19.9%	29	6.0%	7	1.6%
	Boat Crews	180	29.9%	152	31.3%	115	26.2%
JTT	Java	8	1.3%	4	0.8%	4	0.9%
JIIPE - BKMS	Java	20	3.3%	22	4.5%	15	3.4%
JIIPE-BMS	Java	45	7.5%	7	1.4%	2	0.5%
APR	Java	5	0.8%	111	22.9%	156	35.5%
DPR	Java	0	0%	2	0.4%	3	0.7%
ARUKI	Java	7	1.2%	5	1.0%	6	1.4%
Total		602	100%	485	100%	439	100%

APR: Promoting Local Recruitment, Disability Empowerment, and Career Equality for Sustainable Growth



Through APR, the Company is committed to creating inclusive and sustainable employment opportunities by prioritizing the recruitment of local labor, the empowerment of persons with disabilities, and gender equality in career development.

As part of the Focus Local Recruitment initiative, the Company targets that 50% of the workforce at bp service stations be recruited from surrounding communities. This initiative opens economic opportunities for local communities and reduces environmental impacts associated with long-distance commuting.

Through the Empower Disability programme, AKR is increasing access and employment opportunities for people with disabilities. The Company proactively creates a work environment that supports their growth, skill development, and empowerment, allowing for meaningful contributions to be made across various operational functions.

In the area of Gender Equality and Career Development, AKR continues to promote equal participation in economic and inclusive, competency-based career advancement, free from gender-based barriers. This commitment aligns with the Sustainable Development Goals, focusing on fostering a fair, equitable, and supportive work environment for all employees.

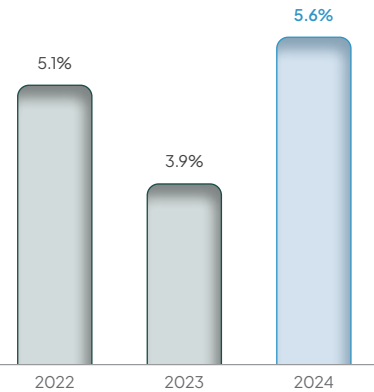
Turnover of Employees [GRI 401-1]

Description	2024	2023	2022
Voluntary Resignation	137	110	136
Turnover Rate	5.6%	3.9%	5.1%

Note: In 2024, AKR adjusted the method for calculating employee turnover. Turnover is defined as the process of employees leaving the Company due to voluntary resignation.

In 2024, AKR conducted recruitment processes to fill positions vacated due to employee turnover. The Company maintained the employee turnover ratio below 10% through various strategic initiatives, including employee engagement programs and human capital development carried out by the People Development Department of AKR.

Turnover Ratio [GRI 401-1]



Employee Benefits [SEOJF.18] [GRI 401-2]

The following are the benefit components offered to both permanent and non-permanent (contract) employees.

Benefit Provisions for Permanent and Non-Permanent Employees

No.	Benefit	Permanent Employees	Contract Employees
1.	Religious Holiday Allowance	✓	✓
2.	Health allowance, provided based on employee level and years of service	✓	✓
3.	Pension allowance, granted to employees with a minimum of 15 years of service who have reached the statutory retirement age of 56	✓	–
4.	Contract compensation in accordance with prevailing regulations	–	✓
5.	Official vehicles provided for sales roles requiring high mobility	✓ Provided through a vehicle ownership programme	✓ Provided in the form of operational vehicles
6.	Housing allowance, provided for employees assigned outside the city and for expatriates	✓ For employees assigned outside the hiring point and for expatriates	✓ For employees assigned outside the hiring point and for expatriates
7.	Meal and transportation allowances, provided up to the supervisor level	✓ For specific job titles	✓ For specific job titles
8.	Communication device and credit card allowances, for specific divisions	✓ For specific job titles	✓ For specific job titles

No.	Benefit	Permanent Employees	Contract Employees
9.	Leave entitlement of 12 working days (increases with length of service, up to a maximum of 20 working days) *Leave is not considered a benefit	✓ After 12 months of employment	✓ After 12 months of employment
10.	Three-month maternity leave for female employees *Leave is not considered a benefit	✓	✓
11.	Leave days for special events such as death, circumcision, baptism, graduation, childbirth, and right to perform Hajj.	✓	✓
12.	Membership in BPJS Employment (formerly Jamsostek)	✓	✓
13.	Health Insurance Program provided by BPJS Kesehatan (formerly Jamsostek)	✓	✓

Maternity/Paternity Leave [GRI401-3]

AKR ensures maternity leave rights for all employees through policies designed in accordance with the Manpower Law and adopted in the Company Regulations. The Company grants 3 (three) months of maternity leave for female employees and 2 (two) days of leave for male employees whose spouses give birth.

During 2024, a total of 7 female employees exercised their right to maternity leave. Of this number, all 7 employees, or 100%, returned to work and remained employed for at least 12 months following the end of their leave.

Meanwhile, 3 male employees, or 100% of those eligible, took paternity leave to accompany their spouses during childbirth. All of them returned to work and remained employed for at least 12 months after their leave ended.

Labor Management & Relations [GRI402-1]

As part of the commitment to fair and transparent labour relations, the Company maintains open communication with all employees throughout operations, underpinning the maintenance of harmonious industrial relations and the creation of a conducive and sustainable work environment.

In the event of significant operational changes, the Company provides at least one month's notice before the changes take effect. This provision is in accordance with applicable labour regulations and legislation and is stated in the Collective Labour Agreement (PKB) or Company Regulations.

Monthly Communication Media with the Theme of Company Values

AKR regularly publishes communication media and monthly newsletters highlighting the Company's values as part of efforts to strengthen employee work culture. These publications are developed by the Digital Business and Communication Department under the Human Resources Division to educate and inspire employees in implementing AKR's values in every aspect of their work.

The Human Resources Department disseminates information on Company values to employees through email, internet, meeting or discussion.

Non-Discrimination and Equal Opportunities

[SEOJK F.18]

AKR is committed to creating a fair and inclusive work environment by upholding the principle of non-discrimination and providing equal opportunities for all employees.

Minimum Employee Salary Ratio to Minimum Wage Standard [SEOJK F.20] [GRI 202-1]

Employee welfare is realized in part at AKR by maintaining a standard wage ratio for entry-level employees, regardless of gender, at 100% of the regional minimum wage. The Company ensures that all employees receive wages aligned with inflation rates, compliant with the regional minimum wage (UMR) standards in each operational area, and in accordance with applicable laws and regulations. Through this policy, AKR supports the establishment of a harmonious and sustainable employment relationship.

Equality of Opportunity and Access [SEOJK F.18] [GRI 405-1]

The equal opportunity principle and access for all employees is implemented at AKR regardless of ethnicity, religion, race, social class, gender, or physical condition. AKR ensures that every individual has equal access to career development opportunities, training, and recognition for performance. This approach aligns with the Company's efforts to create an inclusive and sustainability-oriented work environment.

In 2024, the gender composition at each management level was 88% male and 12% female. AKR's business in the logistics supply chain sector requires male personnel in operational roles such as tank terminal operators, vessel crew, truck drivers, and safety officers, resulting in a workforce composition that is predominantly male.

Nevertheless, AKR remains committed to promoting gender equality, including in key positions within the Company, as reflected in the following table: [GRI 202-2]

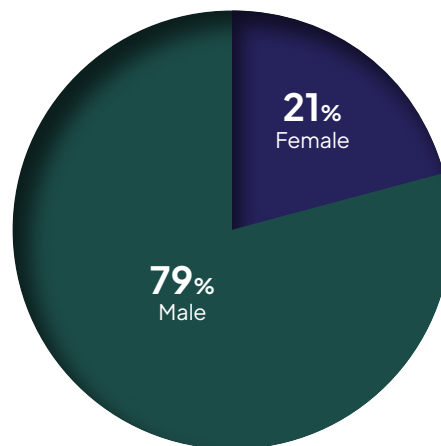
Gender Diversity by Job Level

Position	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Board of Commissioners	3	-	3	-	3	0
Board of Directors	4	3	4	3	4	3
Commissioner-Level Officials	5	-	7	-	8	0
Director-Level Officials	19	4	20	5	28	4
General Manager – Senior Manager	57	15	50	9	39	11
Manager	103	27	102	35	89	34
Assistant Manager	122	36	109	39	112	33
Supervisor – Staff	633	170	995	294	605	177
Operator	1,207	44	1,103	35	1,381	114

Age Group Diversity by Job Level

Position	2024			2023			2022		
	<30 yr	30–50 yr	>50 yr	<30 yr	30–50 yr	>50 yr	<30 yr	30–50 yr	>50 yr
Board of Commissioners	-	-	3	-	-	3	0	0	3
Board of Directors	-	-	7	-	-	7	0	0	7
Commissioner-Level Officials	-	1	3	-	3	4	0	3	5
Director-Level Officials	-	9	17	-	10	15	0	14	18
General Manager – Senior Manager	-	40	30	-	29	26	0	32	19
Manager	4	94	32	-	118	23	0	108	15
Assistant Manager	15	123	20	9	121	18	14	115	16
Supervisor – Staff	194	564	48	633	614	42	191	543	42
Operator	284	845	119	242	775	121	626	780	94

Percentage of Woman in Middle and Senior Position in 2024



APR: Promoting Gender Equality and Career Development



AKR through APR, continues to foster an inclusive work environment by providing equal opportunities for all employees, regardless of gender. This initiative includes sustainable career development and increased economic participation for women across various levels of the organization.

In 2024, the Company continued to strengthen its commitment to enhancing the role of women in leadership positions. As of March 2025, the program has appointed 5 women as Supervisors and 40 women as Shift Leaders.

Remuneration Ratio by Gender [GRI 405-2]

AKR and its subsidiaries do not differentiate between male and female employees in remuneration policies. All employees, regardless of gender, receive an equal and fair ratio of 1:1. The amount of remuneration is determined through a series of processes that consider competence, experience, performance achievements, and assigned responsibilities.

Discriminatory Incidents and Corrective Action Taken [GRI 406-1]

AKR supports the creation of an inclusive work environment free from all forms of discrimination, misconduct, and other unethical practices. The Whistleblowing System serves as a mechanism to report any irregularities. All reports are treated confidentially and followed up in accordance with Company regulations.

In 2024, no incidents of discrimination were recorded in the workplace. The Company remains committed to implementing the principles of fairness and inclusivity in the workplace.

JIIPE-BKMS: Promoting Diversity and Inclusion through a Workshop with Risnawati Utami

AKR through JIIPE-BKMS, organized a Diversity and Inclusion Workshop featuring Risnawati Utami, founder and Executive Director of OHANA Indonesia, as the keynote speaker.

Risnawati Utami, a disability rights advocate with over 23 years of experience, has played an active role in advancing diversity and inclusion issues in Indonesia. Through this workshop, employees gained valuable insights into the importance of diversity and inclusion in the workplace, in line with the Company's decade-long efforts to promote a work culture that values differences and empowers all individuals.



Employee Training and Development

[SEOJKF.22]

Through specially designed training programs, the Company ensures that employees possess competencies aligned with business needs and industry developments.

All employees at AKR have equal opportunities to participate in training and development initiatives, fostering a fair and inclusive work environment.

The Company's policy to promote human resource development includes the following:

1. Ensuring a balance between productivity and investment in human resource development.
2. Prioritizing opportunities for internal employees to grow and advance to higher positions, regardless of gender, background, race, ethnicity, or religion.
3. Complying with all labour-related regulations and legislation, including competency certification and mandatory training.
4. Preparing for succession to ensure business continuity.
5. Building a positive work environment.

ARUKI: Spirit of Togetherness through Outing and Employee Gathering

ARUKI organized a series of activities aimed at enhancing teamwork, collaborative spirit, and communication within the workplace.

From 13 – 16 June 2024, an Employee Outing was held in Pacitan, involving 51 participants ranging from the Board of Directors and Department Heads to staff.

ARUKI hosted an Employee & Family Gathering at Wisata Bahari Lamongan (WBL), East Java, in two sessions on 29 June and 6 July 2024. This event served as a social gathering that brought together all employees and their families, creating memorable moments of togetherness.

ARUKI emphasizes employee competency development through a training program titled "Building Work Ethic through Effective Communication", attended by 50 employees, to enhance communication skills and foster a more productive work culture.

The culmination of the series of activities was the celebration of ARUKI's 49th anniversary in December 2024, with the theme "Together Towards Greater ARUKI Success.". The event is designed to celebrate the Company's long journey, strengthen a sense of belonging, and inspire innovation and growth.



JIIPE-BKMS: 2024 Employee Gathering – Celebrating Togetherness and Diversity for Shared Growth

JIIPE-BKMS successfully held its Employee Gathering on 6–7 December 2024 under the theme Together in Unity and the tagline Building Bonds, Growing Stronger Together. The event was designed to support collaboration, enhance team spirit, and celebrate the diversity that serves as a source of strength for the Company.

A variety of engaging activities—including sports & games, relax & recharge, and fun connection—were part of the event. All activities aimed to strengthen employee relationships and create a positive work atmosphere. This initiative reflects AKR's decade-long journey in cultivating a dynamic and inclusive workplace that supports shared growth for a sustainable future.



Total Training Hours

Regular training provided by the Company is aimed not only at equipping employees with skills to advance their careers but also at enhancing motivation, loyalty, and performance over time. The total number of training hours in 2024 was 25,846 hours, with details as presented in the following table:

Total Training Hours by Gender [SEOJKF.22] [GRI 404-I]

Description	2024			2023			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of Training Hours	23,285	2,561	25,846	40,355.9	10,855.3	51,211.2	28,903.5	13,625.0	42,528.5

Average Training Hours by Gender

Description	2024	2023	2022
Male*	10.86	16.82	12.7
Female*	8.57	25.89	36.2

*) excluding the Board of Commissioners level and equivalent positions

Average Training Hours by Job Level

Description	Total Training Hours	Average Training Hours in 2024
President Director – Director	115	3.83
General Manager – Senior Manager	1,068	14.83
Manager	1,671	12.85
Asst Manager	2,814	17.81
Supervisor	5,040	13.51
Staff – Senior Staff	2,931	6.82
Operative	12,207	9.76
Total	25,846	10.58

Description: excluding the Board of Commissioners level and equivalent positions

In 2024, the Company continued to accelerate digitalization through communication, education, socialization, and the implementation of internal events.

AKR Training Programs [GRI 404–2]

The Company provides education and competency development programs aimed at shaping outstanding individuals who are aligned with business needs, possess high competence, and are capable of working effectively and efficiently to enhance productivity and organizational maturity.

AKR continued several foundational programs in Learning & Development in 2024 to support the development of competent human resources in carrying out their duties and functions within the Company.

The training programs within the Company are classified into the following categories:

**Onboarding Program**

This program serves as a preparatory initiative for employees newly joining the Company. The objective of this program is to provide comprehensive orientation and information regarding the AKR Company Profile, Vision and Mission, the 5K concept at AKR, Corporate Values, Human Resources Information System (HRIS) administration, Company Regulations, Whistle Blowing System (WBS), Basic Safety Training in the workplace, IT Security, and Risk Management implemented by the Company. This program is referred to as the New Employee Orientation Program (NEOP).

Within this Onboarding Program, new employees receive specific explanations regarding Key Performance Indicators (KPI), learning targets, and work targets to be achieved within the first three months of joining the Company.

Through this structured and well-directed guidance, new employees gain a clearer understanding of their duties and responsibilities, as well as the expectations set for their contribution and performance within the Company.

The learning targets included in the Onboarding Program consist of specific technical matters related to each employee's job description. Progress during the probation period is evaluated through monthly meetings involving the new employee, direct supervisor, and HR.

This is intended to ensure that learning takes place and to provide feedback for future learning focus and work targets.



Soft Skill Training Program

Soft skill training constitutes a program designed to support the fulfillment of basic competencies required by individuals in their work. This soft skill training can be divided into several categories as follows:

1. Managerial Training

This training program is intended for employees at the Middle Management and Entry Level Management. The purpose of this program is to support the individual development plan in relation to specific duties and responsibilities. Areas covered in this soft skill training include Leadership, Problem Solving & Decision Making, Business Presentation Skill, Time Management, Communication, and Building Effective Interpersonal Skills.

2. Business Skills Training

This training is designated for employees at the Middle Management level, aiming to equip participants with the knowledge and skills necessary to support their roles and functions in the workplace. The need for business skills training is determined in the People Development Committee meeting.

Specific training programs under this category include Business Acumen, Risk Management, Project Management, and Financial Modelling for Feasibility Study.



Technical Training Program

This training program is a mandatory technical training designated for employees working in operational functions. The list of training programs is outlined in the Training Matrix, which is the result of a Training Needs Analysis conducted for each job role within the Company.

The objective of this technical training is to equip participants with technical knowledge and skills in operational areas such as Tank Terminal, Warehouse, Land Transport, Retail Operations, Distribution Planning, and SHE (Safety, Health, and Environment). The technical training is delivered by internal instructors who are competent in their respective fields.



Mandatory Certification

This program consists of training and certification conducted by external institutions to meet national competency certification standards in specific fields.

In designing appropriate training programs, the Learning & Development Department collaborates with the relevant Heads of Division to determine training needs based on each employee's job function. This process is carried out by preparing a training matrix tailored to the roles and responsibilities of each individual. The training matrix includes mandatory training programs, both developed internally and conducted by third-party external providers in collaboration with AKR. Through this approach, AKR ensures that the training provided is relevant, effective, and delivers a positive impact for both employees and the Company.

Training conducted by internal AKR personnel enhances employee competencies in terms of skills and knowledge aligned with their duties and responsibilities. This training is updated every one to two years to remain aligned with ongoing changes in the business environment. AKR also ensures that employees receive the most up-to-date knowledge, both in terms of Standard Operating Procedures (SOP) and working instructions.

Meanwhile, training organized by third parties in cooperation with AKR is based on training needs aligned with government regulations related to AKR's core business. This training typically carries licenses issued by formal institutions such as the National Professional Certification Agency (BNSP) and the Ministry of Manpower, with a validity period of three to five years and requires renewal prior to expiration.

There are also training programs specifically arranged for employees based on particular needs to enhance their skills and knowledge. These programs are generally provided to selected employees based on individual requirements or as part of employee development initiatives. Such training is not scheduled regularly but is organized as needs arise.



The Company and its subsidiaries have established training policies for both management and employees. The training programs conducted may include the enhancement of both hard skills and soft skills. These programs are also tailored based on performance evaluations and the specific needs of the Company to improve employee competencies. Training at AKR and several subsidiaries can be conducted externally through training consultant vendors or through in-house training such as fire extinguishing, HSSE, site training, English language, MS Excel, and others.

JIIPE-BKMS: Enhancing Workforce Competence Through Certification

JIIPE-BKMS supports the competency certification program initiated by the National Professional Certification Agency (BNSP). In 2024, the program was attended by 200 participants from 10 tenants at JIIPE SEZ Gresik.

The program was supported by nine Professional Certification Institutions (LSP), including LSP Elektronika Nasional,

LSP Lingkungan Hidup Nasional, and LSP Manajemen SDM Profesional. This initiative reflects AKR's commitment to enhancing workforce competency and underscores the importance of creating an inclusive and diverse work environment. By ensuring workforce readiness in facing industry challenges, the program aligns with AKR's vision to support inclusive and sustainable economic growth.



JIIPE SEZ Gresik Holds Behaviour Competency Development Program



JIIPE SEZ Gresik remains committed to developing leadership within its organization through the Capacity Building for Leaders program, a training initiative designed for Managers and Senior Managers. This program equips participants with effective leadership skills through interactive workshops, training sessions, and real-world simulations. The training primarily focuses on enhancing communication, decision-making, and problem-solving abilities to cultivate confident and inspiring leaders.

The program covers a wide range of essential topics, including transformation and innovation, interpersonal skills, business ethics, visual communication, excellence in leadership, strategic management,

corporate transformation culture, critical thinking, and public speaking skills. Through a structured approach, participants gain comprehensive insights to strengthen their leadership effectiveness.

The training was successfully conducted on November 2, 9, and 16, 2024, at Ciputra World, Surabaya, with a total duration of three days. With its comprehensive content, participants gained in-depth knowledge of strategic and innovative leadership, enabling them to better drive sustainable growth within the JIIPE SEZ Gresik environment.

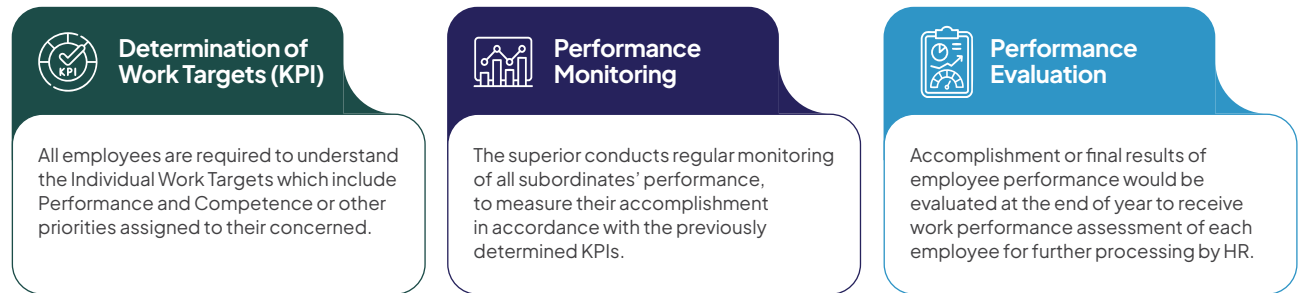
Employee Performance Evaluation [GRI 404-3]

Performance appraisals at AKR are transparent and objective to ensure that each individual can develop in alignment with their roles and responsibilities. Evaluations are conducted based on Key Performance Indicators (KPIs), followed by reward programs, development initiatives, as well as necessary training and retention efforts.

All employees of AKR and its subsidiaries undergo the performance evaluation process on a regular basis.

Performance evaluations are conducted through scheduled routine monitoring by supervisors on the achievement of predetermined work targets. In addition, employees under probation, contract, or temporary positions also undergo routine evaluations. At the directorate level, evaluations are carried out based on overall business performance in the respective divisions and departments.

The following is the Key Performance Indicator (KPI) process implemented within the Company:



Percentage of Employees Receiving Regular Performance and Career Development Reviews by Gender [GRI 404-3]

Description	2024	2023	2022
Male	100%	100%	100%
Female	100%	100%	100%

Percentage of Employees Receiving Regular Performance and Career Development Reviews by Job Level [GRI 404-3]

Description	2024	2023	2022
Director	100%	100%	100%
General Manager	100%	100%	100%
Senior Manager	100%	100%	100%
Manager	100%	100%	100%
Assistant Manager	100%	100%	100%
Supervisor	100%	100%	100%
Staff	100%	100%	100%
Operative	100%	100%	100%



PELINDO

What Next?

INNOVATION

WORLD

LAN 2 KOTABARU

ENVIRONMENTAL

INNOVATION

15 June 2024

PELINDO
2nd WINNER



PELINDO
1st WINNER



PT **AKR** Corporindo Tbk 



05

Our
Communities



AKR aims to realise sustainable growth by delivering broad positive impacts to surrounding communities. Through the implementation of appropriate strategies, the Company has succeeded in generating direct benefits for the community while establishing a solid foundation for inclusive and sustainable long-term growth.

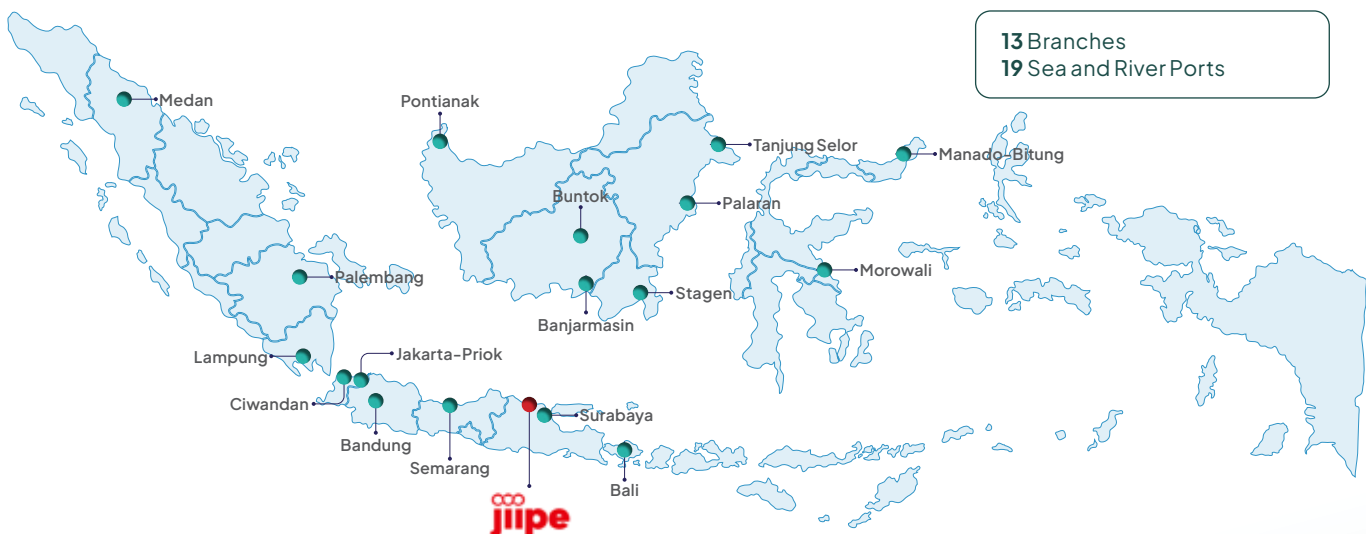
Social Responsibility & Sustainable Community Development

In line with the values of the Sustainable Development Goals (SDGs), AKR is committed to achieving sustainable growth with a focus on generating positive impacts for surrounding communities. Continuous efforts are made to drive robust growth while delivering benefits to all stakeholders, as success in business is aligned with the development of an independent and prosperous society.

In practice, the Company designs strategies to mitigate both potential and actual social impacts arising from its activities, with communities actively engaged in determining the Social Impact Assessment and in designing social programs aligned with their needs. [GRI 413-2]

The Company continues to empower communities around operational areas through various welfare improvement programs. The Company is also committed to building harmonious and sustainable relationships with local communities to establish strong connections between the Company and society. Through close synergy, it is believed that more effective, efficient, and sustainable programs can be delivered.

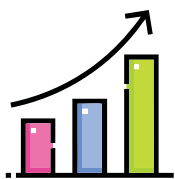
Proactive Concern in Supporting the Needs of Communities Around Operational Areas



Creating a Multiplier Effect Through Business Activities [GRI 203-2]

Continuous efforts are made to create a positive multiplier effect through operations and business activities that align with the programs and policies of the government. As a strategic partner, AKR supports various government initiatives and builds constructive synergy to provide long-term benefits for society and the national economy.

AKR's Multiplier Effect



Regional and national economic growth



Increase in both direct and indirect employment



Presence of anchor tenants contributes to the growth of downstream industry ecosystems



Integrated industrial estate (zone and port in one location) leads to significant reduction in logistics costs



Enhanced industrial competitiveness in the global arena

Multiplier Effect Achievements

Cumulative Achievements

Investment

Rp**98** Trillion

Labor

39,656 People

Achievement in 2024

Investment

Total investment achievement in 2024

Rp**27** Trillion

Labor

Total employment created in 2024 reached:

7,656 Jobs

Contribution to the economic growth of the Gresik Regency in 2024

4.79%

AKR: Continuing the “One Price Petroleum” Program, We Remains Committed to Supporting Equitable Energy Distribution

As a subsidized petroleum distributor partner since 2010, AKR remains committed to ensuring equitable and targeted energy distribution. In 2017, when the Government of the Republic of Indonesia initiated the “One Price Petroleum” program to ensure that communities in frontier, outermost, and underdeveloped (3T) regions could access petroleum at the same price as in other regions, AKR played a strategic role in distributing fuel to remote areas.

For AKR, the “One Price Petroleum” policy aims to create social equity, generate a multiplier effect in improving community welfare outside Java, and deliver indirect economic impacts. As a form of support for this initiative, the Company serves as an extension of the government in ensuring that subsidized energy supplies are distributed evenly and remain affordable for communities in need.

On 14 March 2024, AKR was once again entrusted as a partner in subsidized energy distribution for the 2024 fiscal year. Through this distribution, AKR and the government strive to maintain energy affordability, enhance accessibility, and ensure more equitable distribution across the entire territory of the Republic of Indonesia. As a result, public purchasing power is expected to be maintained while promoting more inclusive economic growth.

To support transparency and effective monitoring, AKR has developed an information technology system at Petroleum Filling Stations for Motor Vehicles (SPBKB) and Petroleum Filling Stations for Fishermen (SPBN). Through this system, all subsidized petroleum distribution transactions can be monitored in real-time by the government and AKR, allowing for more accurate and efficient distribution processes.



Investing in Industrial Development Facilities for Indonesia's Economic Advancement [GRI 203-1]

As part of a commitment to developing a competitive industrial sector, AKR has taken the initiative to establish an integrated industrial estate and port with the potential to generate large-scale employment. Through its subsidiary, PT Usaha Era Pratama Nusantara, AKR collaborates with PELINDO, via PT Berlian Jasa Terminal Indonesia, to develop the Java Integrated Industrial and Port Estate (JIPE) Special Economic Zone (SEZ) in Manyar District, Gresik, East Java. This strategic project aligns with the government's vision of realizing Advanced Indonesia by enhancing industrial competitiveness and reducing logistics costs.

Java Integrated Industrial and Port Estate (JIPE) Named Best Special Economic Zone of 2024



In 2024, the Java Integrated Industrial and Port Estate (JIPE) Industrial Estate was recognised as the Best Special Economic Zone (SEZ) for Industry by the Coordinating Ministry for Economic Affairs of the Republic of Indonesia. As one of the national strategic projects driving industrial growth in Indonesia, JIPE SEZ Gresik has successfully delivered a multiplier effect and continued to evolve into an investment destination for both foreign and domestic companies.

This growth is supported by the availability of world-class utility facilities required by industries, port and multimodal transportation infrastructure that helps reduce logistics costs, fiscal and non-fiscal incentives provided by the government, and a one-stop licensing service to promote industrial development and investment in the country.

JIPE Gresik SEZ is targeted to absorb 199,918 direct jobs by 2036. The JIPE Gresik SEZ project also provides tangible benefits to surrounding communities, including:

1. Job creation through local manpower service provider – PT UPERTAM III Manyar,
2. Employment opportunities for nearby fishermen or their families through the Fishermen's Association of Mengare Kramat Village,
3. Training for fishermen or their families and improvement of facilities, especially in the Fishermen's Association of Mengare Kramat Village,
4. Knowledge-sharing about industrial development with local communities through regular outreach programs, "Ngaji Melek Industri",
5. Development of nurseries and land conservation in collaboration with local communities.

President Joko Widodo Inaugurates Smelter Production of PT Freeport Indonesia at JIPE Gresik SEZ



On 23 September 2024, President Joko Widodo inaugurated the smelter production facility of PT Freeport Indonesia, held at the Java Integrated Industrial and Port Estate (JIPE) Special Economic Zone (SEZ) in Gresik Regency, East Java Province. The smelter, built with an investment value of Rp56 trillion, represents a major step by the government in advancing industrial downstreaming in Indonesia. The smelter project is expected to stimulate the growth of copper downstream industries in the Gresik region and generate a significant impact on the micro, small, and medium enterprises (MSME) sector nationwide.

As the majority shareholder of the JIPE SEZ Gresik industrial estate, AKR has also prepared several subsidiaries to enhance services at JIPE SEZ Gresik, including those related to electricity supply and energy storage, such as the establishment of PT Berkah Renewable Energi Nusantara and PT Terminal Energi Primer. An LNG project collaboration has also been initiated between AKR and bp to provide gas energy in the Gresik area by 2027.

Creating Employment Opportunities and Promoting Local Recruitment [GRI 202-2]

As a form of commitment to the principle of equality, AKR provides fair opportunities for all Indonesian citizens to become part of the Company. Every individual who meets the qualifications is given equal opportunity to pursue a career in various positions without discrimination.

Specifically, AKR gives priority to communities around operational areas (Ring-1) in the recruitment process. By prioritising the recruitment of a local workforce from

surrounding operational areas, the Company is able to strengthen relationships with local stakeholders, enhance cost efficiency, and promote diversity and inclusiveness.

As part of a long-term strategy, this initiative will generate positive impacts on regional development, community welfare, and the sustainability of the Company's business.

The added value obtained from recruiting local communities includes:



Understanding of Local Culture

Employees from local communities possess a deeper understanding of local culture, customs, and traditions. They can assist the Company in navigating the local business environment, building relationships with local stakeholders, and communicating effectively with local customers.



Cost Efficiency

Local recruitment offers greater cost efficiency compared to hiring from outside the community. Transportation and accommodation expenses during the recruitment process can be eliminated. As a result, recruitment and relocation costs can be significantly reduced.



Strong Retention

Employees from local communities are more likely to remain with the Company in the long term due to their strong ties to the community. Maintaining employee ties with local communities is expected to motivate long-term employment with the Company and reduce the risk of high employee turnover.



Enhanced Diversity and Inclusion

Local recruitment can help AKR build a more diverse and inclusive workforce, enabling the Company to gain perspectives and understanding of local wisdom, which may lead to increased innovation and creativity.



Positive Impact on the Local Economy

Local recruitment can have a positive impact on the local economy. It creates job opportunities for individuals within the community, which can help reduce unemployment rates and drive regional economic growth.

BP AKR Fuels Retail Continues to Create Employment Opportunities for Local Communities

Since 2015, AKR has established a partnership with British Petroleum (BP) through the formation of a joint venture subsidiary, PT Aneka Petroindo Raya or bp APR. This subsidiary focuses on developing fuel retail operations in Indonesia. In 2024, bp AKR expanded by 15 new outlets. As a result of this growth, 123 local employees were recruited to support operations at each location. In addition to contributing to the local economy through job creation, the recruitment of local talent provides operational advantages for bp AKR, particularly in terms of cultural understanding and workforce mobility efficiency.



Engaging Local Suppliers

[GRI 204-1]

Suppliers play a strategic role in business sustainability. Therefore, the Company partners exclusively with reputable suppliers who meet established standards. Through the biodiesel program, AKR is able to fulfil the Domestic Component Level (TKDN) in its main distributed products, thereby indirectly contributing to the economic growth of the involved palm oil farmers.

As part of its sustainability commitment, AKR continues to positively impact economics through domestic products and services and is determined to achieve a minimum of 30% TKDN for B35 products.

41.46%

The average TKDN value of B35 products in
2024 exceeded the target.

Operational Impact on Local Communities [SEOJK F.23][GRI 413-1][GRI 413-2]

AKR is committed to creating a safe, clean operational environment free from negative impacts on surrounding communities. The Company proactively seeks to prevent air and noise pollution, as well as minimize fire risks and other potential hazards arising from operational activities.

To ensure that the Company's presence does not negatively affect nearby communities, comprehensive impact analyses are routinely conducted to evaluate potential risks associated with business activities and to ensure that appropriate mitigation measures are implemented. In addition, each

AKR project and operational activity is supported by an Environmental and Social Impact Assessment (AMDAL) document, covering both environmental and social aspects.

To maintain harmonious relations with local communities, AKR provides a direct communication channel to receive reports, feedback, and complaints related to the Company's operations. Throughout 2024, AKR did not receive any complaints from surrounding communities related to operational activities, reflecting the effectiveness of the Company's approach to managing social and environmental impacts.

AKR: Celebrating World Environment Day, AKR Stagen Planted 1,000 Mangrove Trees



In commemoration of World Environment Day, AKR Stagen Branch demonstrated its commitment to environmental sustainability by planting 1,000 mangrove trees. To ensure that the Company's presence does not negatively affect nearby communities, comprehensive impact analyses are routinely conducted, intended to evaluate potential risks associated with business activities

and ensure the implementation of appropriate mitigation measures. Through this initiative, AKR aims to make a tangible contribution to climate change mitigation while encouraging broader participation in environmental preservation.

In addition to mangrove planting, AKR also participated in the Environmental Innovation Competition.

JIIPE-BKMS: Mangrove and Indigovera Planting

As a demonstration of commitment to environmental sustainability, in 2024, BKMS collaborated with local stakeholders in mangrove and indigovera planting activities at JIIPE SEZ Gresik. This initiative aims to support coastal ecosystem conservation and promote sustainable greening practices.

During the activity, a total of 1,500 mangrove trees and 500 indigovera seedlings were planted within the JIIPE SEZ Gresik area, with the expectation of delivering long-term ecological benefits.

To commemorate World Environment Day 2024, BKMS participated in a mangrove seedling planting program in collaboration with the East Java High Prosecutor's Office, planting 2,500 seedlings as a tangible demonstration of BKMS's support for coastal environmental conservation.



CSR Program Management [GRI 3–3]

Each year, AKR consistently implements various Corporate Social Responsibility (CSR) programs aimed at improving the welfare of communities surrounding its operational areas. These CSR activities are designed by involving communities from the planning stage through to implementation, ensuring that the programs are well-targeted and deliver tangible benefits.

To ensure that CSR programs align with community needs, AKR applies the Management by Walking Around strategy—a direct approach to more accurately identify the needs of

the community. Through this method, AKR works with the community to establish priority scales, ensuring that each implemented program addresses the most urgent needs.

Furthermore, to ensure measurable impact, AKR conducts periodic evaluations of all CSR activities. These evaluations cover the planning process, implementation, target achievement, and long-term impacts experienced by the community.

AKR CSR Pillars [SEOJKF.25]

AKR focuses its CSR programs on three main pillars:

1. Education
2. Health
3. Community Development

In addition to these three core pillars, AKR also carries out various other CSR initiatives, including social and religious activities, as well as the development of public facilities and infrastructure.

Education

Improving Access to and Quality of Education for the Younger Generation

Education serves as a primary driver in enhancing community welfare. However, not all regions have the same educational standards or sufficient access to quality education. Therefore, AKR is committed to supporting improvements in educational quality, particularly in operational areas located in remote regions.

As part of this support, AKR provides scholarship programs for high-achieving students from underprivileged families living near operational sites. AKR also collaborates with schools to select scholarship recipients, ensuring the aid reaches the right beneficiaries. In addition, for children of employees who achieve top academic rankings—specifically ranks 1 to 5—AKR offers one-year educational scholarships to encourage learning motivation.

Health

Building a Healthy and Productive Society

AKR supports improved access to and quality of healthcare services for surrounding communities. Through various ongoing health programs, basic healthcare services are provided, health education sessions conducted, and disease prevention initiatives implemented to raise public awareness of the importance of a healthy lifestyle.

In addition, the Company contributes to strengthening local health infrastructure through various projects aimed at reinforcing community healthcare systems. These initiatives are expected to create a lasting impact on community well-being and support more inclusive social development.

Community Development

Supporting the Improvement of Community Welfare

As part of its social responsibility, AKR remains dedicated to implementing sustainable community development and empowerment programs in the vicinity of its operations. Through various initiatives, AKR not only creates positive social impacts but also contributes to building a more resilient ecosystem, reflecting its active participation in supporting improved community welfare.

Implementation of Corporate Social Responsibility Programs [SEOJKF.25][GRI 413-2]

In implementing Social Responsibility programs, the Company innovates to deliver more effective and sustainable solutions. AKR's CSR activities aim to foster reciprocal relationships through beneficial initiatives between the Company and the community, particularly in the areas of education, health, environment, and social welfare.

Annually, AKR implements routine CSR programs, including:

1. Educational scholarships for employees' children
2. Distribution of sacrificial animals during Eid al-Adha religious celebrations
3. Collaboration with local governments in environmental conservation efforts

4. Funding support for community-based social activities
5. Provision of basic necessities for disaster-affected communities and low-income households
6. Support for the development of public facilities
7. Blood donation drives

Throughout 2024, AKR and its subsidiaries continued various CSR programs that have become ongoing and sustainable initiatives of the Company. In addition, several new programs were introduced, both planned and in response to urgent community needs.

The following is a snapshot of several CSR programs carried out in 2024:

EDUCATION

In 2024, AKR continued its scholarship program for high-achieving employees' children and organized the "Safety Goes to School" initiative by delivering "Defensive Driving" awareness sessions for students in Kotabaru. At JIPE-BKMS, educational CSR activities included supporting the SNB "Melek Industri" Team in preparing students from Islamic boarding schools (santri) for the industrial workforce.

AKR's Spirit for Developing the Potential of Indonesian Students

AKR: Supporting the Development of Talented Employees' Children Through Scholarship Program

Since 2007, AKR has implemented a scholarship program dedicated to high-achieving children of employees. Over the past 17 years, this program has supported their growth into talented individuals with remarkable potential.

In 2024, the Company once again opened registration for high-achieving children of employees to apply for scholarships. Additionally, AKR provided special assistance to children of deceased employees as a form of care and support for the AKR family.



AKR: Promoting Safety Goes to School Initiative

In 2024, AKR, in collaboration with Pelindo and the local Indonesian Navy (TNI AL), initiated a "Defensive Driving" awareness program at SMAN 2 Kotabaru as part of an educational effort to promote responsible driving practices.



JIIPE-BKMS: Supporting SNB "Melek Industri" Team in Preparing Santri Human Resources for the Industrial Sector

The "Melek Industri" team of Santri Nusantara Bersatu (SNB) is committed to empowering santri through training and human resource development to prepare them for contributing to the industrial sector, particularly within the Java Integrated Industrial and Port Estate (JIIPE) Special Economic Zone (SEZ) in Gresik.

As a form of support for this initiative, PT Berkah Kawasan Manyar Sejahtera (BKMS) participates in providing education and mentoring through the "Ngaji Industri" and Santri Workforce Preparation programs. These initiatives aim to enhance competencies, build professional character, and equip prospective santri workers with a deeper understanding of industrial dynamics.

In addition, the "Melek Industri" team facilitates access for the Gresik community to participate in certified job training, increasing their opportunities to gain employment within JIIPE SEZ Gresik. With a focus on strengthening attitude, skills, and knowledge, the program is expected to create a more prepared, competent, and responsive workforce while expanding employment access for surrounding communities.



HEALTH

In 2024, AKR continued its health-focused initiatives by organizing blood donation drives and sponsoring sports week activities. At JTT, CSR efforts were centered around support for community health posts (posyandu) for toddlers and the elderly. At BMS, the Company served as a sponsor for the 2024 Occupational Health and Safety Month (Bulan K3) organized by DK3P East Java.

AKR's Commitment to Building a Healthy Society

AKR: Participating in Blood Donation Program for Indonesian Red Cross

In 2024, AKR once again took part in the Blood Donation Program organized for the Indonesian Red Cross (PMI). Held at the Head Office in Jakarta and several AKR branches, this program reflects AKR's commitment to caring for others. The initiative was participated in by all employees, from staff to the board of directors.

At the Bitung Terminal, the blood donation activity was joined by the Head of Branch, operations team, security personnel, office staff, and the Land Transport team. Also in attendance was the Chairperson of PMI Bitung City and Chair of the Bitung City Family Welfare Movement (PKK), Rita Tangkudung.



AKR: Sponsoring Sports Week Event

AKR served as a sponsor for the Sports Week event in Lampung Province, which was graced by the presence of the Mayor of Lampung and other regional officials. This support reflects AKR's commitment to promoting sports development and public health.

The event featured a variety of sports competitions, including football, basketball, volleyball, badminton, athletics, and others. Through this initiative, AKR aims to strengthen community bonds and foster a spirit of sportsmanship in a positive and competitive environment.



JTT: Cares for the Health of Toddlers and the Elderly



February 2024
Elderly Posyandu
Blood measurement cartridge



March 2024
Elderly Posyandu
Blood measurement cartridge



April 2024
Toddler Posyandu PMT
Provision of Supplementary Nutrition

Elderly Posyandu: Blood Measurement Cartridge

In 2024, JTT initiated a Pos Pelayanan Terpadu (Integrated Service Post/Posyandu) program for the elderly by conducting Blood Measurement Cartridge activities. JTT's commitment to this initiative was demonstrated through the implementation of five sessions held throughout the year, from February to September 2024.

Toddler Posyandu: Supplementary Feeding Program (PMT)

In addition to services for the elderly, JTT also ran a Posyandu program for toddlers to support early childhood health. In 2024, this program was conducted three times, focusing on stunting prevention through health monitoring and proper nutritional intake. As part of the activity, JTT provided Supplementary Feeding (PMT) to help fulfill toddlers' nutritional needs. This program aims

to raise community awareness on the importance of balanced nutrition for child development.

As part of this initiative, JTT distributed Supplementary Feeding (PMT) to help meet the nutritional needs of toddlers. The program is expected to raise community awareness on the importance of balanced nutrition for child growth.

DPR: Strengthening Commitment to Public Health through Donation to Rumah Singgah Peduli

As a tangible expression of care for public health, PT Dirgantara Petroindo Raya (DPR) provided donations in support of Rumah Singgah Peduli, an initiative that offers free healthcare services to local residents in need. The shelter supports patients with various medical conditions, including heart disease, cancer, leukemia, and liver disorders, by providing free ambulance services, temporary housing for patients, and accommodation assistance.

With the spirit of We Care, We Do, We Share, Rumah Singgah Peduli can accommodate up to 20 patients at a time. The shelter has since expanded with several branches, including one in West Jakarta. In addition to supporting free healthcare services, DPR also contributed additional aid in the form of milk for children and the elderly, rice, and cooking oil, to further enhance community welfare.



COMMUNITY DEVELOPMENT

As part of the Company's commitment to supporting social and economic growth within communities, AKR actively implemented community empowerment programs in 2024. Through these initiatives, efforts are made to enhance the skills and capacity of local residents, enabling them to become more self-reliant and competitive. In addition, the Company initiates various responsive programs to address urgent community needs, particularly in the event of natural disasters.

AKR's Commitment to the Welfare of Surrounding Communities

AKR: Partner of Climate Village Program

In 2024, the Company was appointed a Corporate Partner in the Climate Village Program (Kampung Iklim), an initiative launched by the Banjarmasin City Government. Located in Taman Hijau Daun, RW 01, Belitung Utara Subdistrict, West Banjarmasin District, the Climate Village area has been recognised as a success by the Ministry of Environment and Forestry (KLHK) and the City Government, and was subsequently entered into the National Model Garden Competition.

Previously, as part of the Climate Village initiative, AKR also encouraged active community participation in plastic waste management and mangrove forest conservation. Through support for Adiwiyata schools, AKR helped promote environmental education.

This program has been adopted at AKR's Stagen and Banjarmasin sites, earning an award from the Governor of South Kalimantan for transforming riverside villages into greener and more sustainable areas.



AKR and JTT: Sacrificial Animal Donation

During the 2024 Eid al-Adha celebration, AKR and JTT once again distributed sacrificial animals as a form of care for surrounding communities. The livestock, including cattle and goats, were distributed to several areas surrounding the Company's branches for allocation to communities in need. This initiative reflects AKR's ongoing commitment to social responsibility and sharing benefits with the local community.



AKR: Distribution of Basic Necessities to Natural Disaster Victims

Several areas in Bitung City were affected by natural disasters in April 2024. A total of 2,889 households were impacted by flooding, landslides, and strong winds caused by heavy rainfall in the region. In an effort to support affected communities, AKR took the initiative to donate basic necessities to the Bitung City Government. The aid was received directly by the Regional Disaster Management Agency (BPBD) of Bitung City.



AKR: Donation for Orphaned Children and Iftar Together

AKR's SPBKB Widang and Babat branches held a joint iftar and donation event for orphaned children at the Muhammadiyah Babat Orphanage as a form of care and compassion.

In addition to sharing happiness, AKR also provided donations to support the needs of the children at the orphanage. This activity is hoped to bring benefits and strengthen social responsibility during the month of Ramadan.



AKR: Donation of Trash Bins



AKR's Pontianak branch supported the "Environmentally Friendly" program at SDN 7 Pontianak by donating organic and non-organic trash bins. The donation aims to simplify waste management at the school and create a cleaner learning environment.

Additionally, this contribution serves as an educational tool for students to learn waste segregation from an early age. Through this initiative, AKR hopes to instill environmental awareness among the younger generation.

AKR: Wajok Hilir Village Program

In 2024, AKR's Pontianak branch supported the Wajok Hilir Village Program through various activities in the Gubeng Subdistrict. In appreciation of the program, the village representatives expressed their gratitude for AKR's ongoing support, particularly the donation of basic necessities. This assistance has been highly beneficial to the residents, especially for low-income families.



JIIPE-BMS: Our Commitment to Empower Local Communities



Training for Fishermen's Association of Mengare Kramat Village

The Fishermen's Association of Mengare Kramat Village consists of approximately 190 fishermen. Various training programs and support were provided to help the fishermen and their families adapt to the new conditions.

The program includes skill training for the fishermen and their family members to enable them to transition to other sectors of employment, such as construction projects or working in companies. Additionally, the fishermen were equipped with entrepreneurial skills to create alternative sources of livelihood.

As further support, larger boats were provided to allow the fishermen to venture out into the estuary, enabling them to continue their profession with a broader range of reach.

JIIPE-BMS recognizes that the surrounding communities where the company operates must receive full attention and support. Fishermen in the JIIPE SEZ Gresik Port waters need training to empower them or be provided with larger fishing boats to venture further into the strait estuary. Additionally, financial assistance and training should be offered to local village communities to enable them to become self-sufficient by starting their own businesses.

Throughout 2024, JIIPE-BMS provided various forms of assistance to local fishermen and village communities, including business capital, rice and life jackets for fishermen, renovation funds for fishermen's halls, basic necessities, financial support for mosque renovations, and more.

Support for the Three Manyar Village Community

The development of the JIIPE SEZ Gresik Port has had both direct and indirect impacts on the communities in three villages: Manyarejo, Manyarsidomukti, and Manyarsidorukun, collectively known as the Three Manyar Village. In response to these changes, JIIPE-BMS has taken the initiative to provide various forms of support to improve the welfare of local residents.

This assistance program includes the improvement of water channels and village river irrigation systems to prevent flood risks, as well as the creation of job opportunities for the local community. Additionally, skill training is provided to enable residents to develop sustainable alternative businesses.

Public Facility Renovation Assistance

As part of the company's commitment to social development, JIIPE-BMS also provided financial support for the renovation of various public facilities. In 2024, several assistance programs were successfully implemented, including contributions to the CSR Collaboration Assistance Program for the renovation of Barunawati Mosque and support for the renovation of the Fishermen's Hall in Kramat Hamlet.

AKR: Promoting the Circular Economy through Plastic Shredding Training

As part of its commitment to sustainability, AKR, through JTT, in collaboration with T.CARE and FH, organized a Plastic Shredding Training under the WeConnect program at the RW 07 Secretariat Office in Koja, North Jakarta. The event involved members of the Karang Taruna RW 07 as participants, aiming to increase their understanding of the economic potential and opportunities in plastic shredding.



The training was designed to equip participants with a comprehensive understanding of plastic waste management based on the circular economy model. The materials covered included plastic shredding techniques, applicable business models, and optimal strategies for running a recycling business, enabling participants to actively contribute to creating sustainable solutions for the environment and the local economy.

JIPE-BKMS: Training on Making Bags from Batik and Weaving Fabric

As part of efforts to enhance the skills of bag artisans in Kandangan Village, Cerme, JIPE-BKMS, in collaboration with the Regional Craft Council (Dekranasda), organized a training program on making bags from batik and woven fabric.

This training was designed with a hands-on approach, where 80% of the activities focused on practical work, while the remaining 20% covered theory. Participants were guided through various production stages, starting from the lamination process of batik and woven

fabric as the primary material, glueing techniques, pattern-making (ngemal), cutting, applying leather combinations for straps and handles, and finally the stitching and finishing processes.

Through this training, it is expected that participants will be able to produce bags that are not only functional but also aesthetically appealing, with high market value.



JIPE-BKMS: Waste Utilization Pilot Program

As part of its community development program, BKMS initiated a waste management study at the "Makin Gemes" Reduce, Reuse, Recycle (TPS 3R) facility located in Manyarejo, Gresik Bantul. This initiative aims to understand and evaluate effective waste management practices so that they can be applied in other areas, leading to sustainable waste management practices.



AKR's Care for Cleaning Staff

In 2024, as a form of our care, AKR took the initiative to provide basic necessities for the cleaning staff at the Kotabaru Regency Environmental Agency. This assistance received appreciation and gratitude from the local community, as it was highly beneficial to the cleaning staff who are working hard to support their families.

Thank you to AKR for the much-needed assistance in the form of basic necessities. It has been very beneficial for our families.

Mr. Fakhrianoor
Resident of Baharu Village, Kotabaru

Thank you for the basic necessities provided by AKR. This assistance has been very beneficial, especially as it directly impacted our families, considering the timing just before Eid 2024.

Mr. Rudy Hartono
Resident of Dirgahayu Village, Kotabaru



Community Development Fund Realization

Rp**10.31** Billion

CSR Program Realisation for 2024

Through its CSR initiatives, AKR allocates resources for various programs that have a positive impact on the surrounding communities and the environment. With this strategy, AKR not only creates direct benefits for the community but also builds a strong foundation for inclusive and sustainable long-term growth.

Throughout 2024, AKR consistently implemented CSR programs that have become part of the Company's long-term commitment. In addition, AKR also designed and implemented various new initiatives tailored to the needs of the communities around its operational areas.

The total realization of AKR's CSR programs in 2024 amounted to Rp10.31 billion, allocated across various sectors, including education, health, local economic empowerment, and environmental initiatives. In its implementation, AKR strives to ensure that every fund allocated not only provides immediate benefits but also contributes to sustainable development and the well-being of the engaged communities.

In the reporting year, the parent company allocated Rp7.88 billion in CSR funds, representing 0.3% of the Company's gross profit. These funds were directed toward a range of corporate social responsibility programs focused on supporting community development across key areas.

Company's CSR Funds

2024	2023	2022
Rp10,308,383,881	Rp24,197,277,383	Rp22,852,287,343

CSR Funds of the AKR Holding Company

2024	2023	2022
Rp7,877,606,178	Rp11,337,010,470	Rp20,789,494,843





06

Our Conduct:
Governance, Ethics
& Compliance



Good Corporate Governance (GCG) is essential in ensuring the sustainability of AKR's business while creating long-term value for stakeholders. AKR is committed to integrating GCG principles into every aspect of its operations to achieve transparency, accountability, and integrity across all business units.

Structure and Composition of Governance

[GRI 2-9]

AKR recognizes that the implementation of sound and consistent governance will lead to sustainable progress and growth through accurate and measured decision-making processes. The operational activities of the Company will also become significantly more effective and efficient in efforts to optimize service quality to stakeholders, as well as to enhance the Company's performance. Ultimately, this may also strengthen Corporate Value.

In its implementation, AKR's governance practices are based on:

1. Law of the Republic of Indonesia No. 40 of 2007 concerning Limited Liability Companies;
2. Law of the Republic of Indonesia No. 8 of 1995 concerning the Capital Market;
3. Financial Services Authority (OJK) Regulation No. 21/POJK.04/2015 concerning the Implementation of Corporate Governance Guidelines for Public Companies;
4. OJK Regulation No. 32/POJK.04/2014 concerning the Planning and Convening of the General Meeting of Shareholders of Public Companies (POJK 32/2014);
5. OJK Regulation No. 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of Issuers and Public Companies;
6. General Guidelines for Indonesian Corporate Governance (PUGKI) 2021 issued by the National Committee on Governance Policy (KNKG);

7. ASEAN Corporate Governance Scorecard (ACGS) issued by the ASEAN Capital Market Forum (ACMF); and
8. Corporate Governance Roadmap issued by the Financial Services Authority.

These regulations serve as the reference for the implementation of Good Corporate Governance (GCG) principles. Based on these regulations, the governance structure of AKR consists of three main organs, namely the General Meeting of Shareholders (GMS), the Board of Commissioners, and the Board of Directors.

In pursuit of best governance practices, the Board of Commissioners and Board of Directors are also supported by auxiliary organs, each of which plays a significant role in the implementation of GCG. Each organ is responsible for carrying out its respective functions and duties for the benefit of the Company and stakeholders.

AKR's commitment in conducting operational activities is always grounded in the principles of ethical behaviour, accountability, transparency, and sustainability. Through such implementation, AKR is expected to continue to grow, maintain and enhance Company performance, and contribute to all stakeholders.

Further detailed information regarding AKR's governance structure and Company organs can be found in the 2024 Annual Report in the Corporate Governance chapter.

Selection and Nomination Process of Governance Bodies [GRI2-10]

AKR ensures that the entire selection and nomination process for each governance body organ begins with the fulfilment of various requirements. AKR prioritizes equality and fairness in the governance mechanism to ensure that each Company Organ acts in accordance with its respective function and role. In the selection and nomination process, the Shareholders hold full authority to appoint and dismiss the Board of Directors and Board of Commissioners through the General Meeting of Shareholders (GMS). Shareholders may propose candidates to be appointed as members of the Board of Commissioners and Board of Directors of the Company.

Subsequently, the Nomination and Remuneration Committee (NRC), under the Board of Commissioners, will conduct discussions on the candidates' profiles and qualifications

during the nomination meeting. Recommendations from the NRC will then be submitted to the Board of Commissioners for resolution at the GMS. Selected candidates will be appointed upon approval by the GMS. The Board of Commissioners and Board of Directors are appointed based on qualifications that meet the requirements as stipulated in OJK Regulation Number 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies.

As part of the implementation of good governance, AKR also enforces a strict mechanism to prevent conflicts of interest, including the prohibition of any affiliation among members of the Board of Directors, Board of Commissioners, and Controlling Shareholders.

Chair of the Governing Body [GRI2-11]

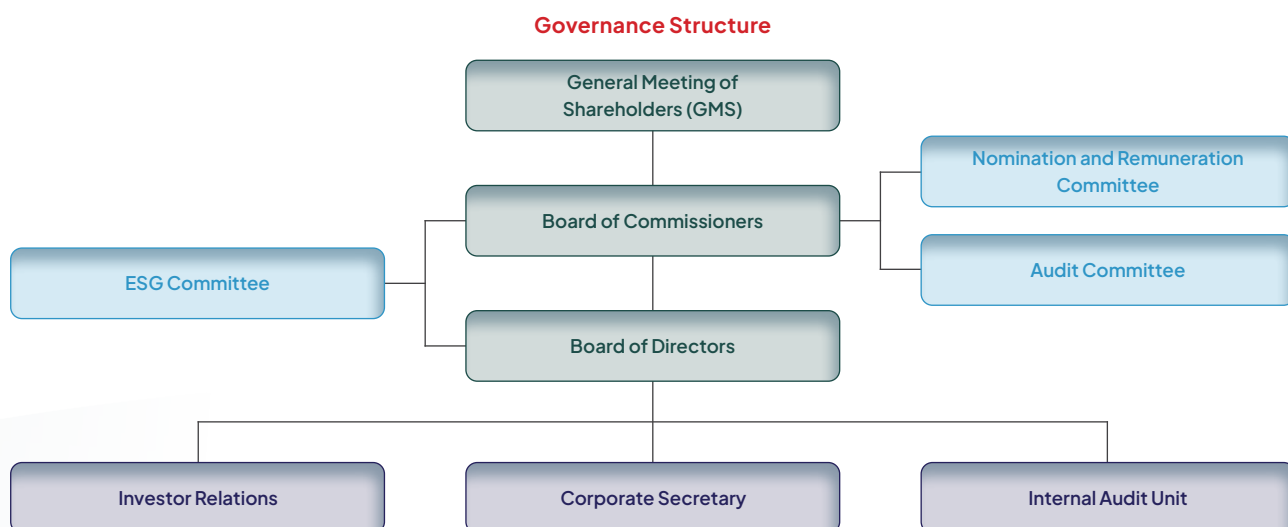
In the effort to realize Good Corporate Governance, AKR's governance structure refers to Law Number 40 of 2007 concerning Limited Liability Companies, which consists of:

- **General Meeting of Shareholders (GMS)**
The GMS serves as the highest governance organ. It holds the ultimate authority in decision-making, where Shareholders may exercise their rights and authority over the management of the Company.
- **Board of Commissioners**
The Board of Commissioners is responsible for supervising the Board of Directors in managing the Company. In performing its function, the Board of Commissioners is supported by two Committees, namely the Audit Committee and the Nomination and Remuneration Committee.

- **Board of Directors**

The Board of Directors is responsible for managing the Company. In carrying out its management functions, the Board of Directors is supported by the Internal Audit Unit, Corporate Secretary, and Investor Relations.

AKR implements a corporate governance structure comprising two main organs, namely the Board of Directors and the Board of Commissioners. The Board of Directors acts as the executive board, while the Board of Commissioners functions as the supervisory organ responsible for overseeing the performance of the Board of Directors. The chair of the Company's highest governance body is led by the President Commissioner, a non-executive position, and the President Director who performs an executive role.



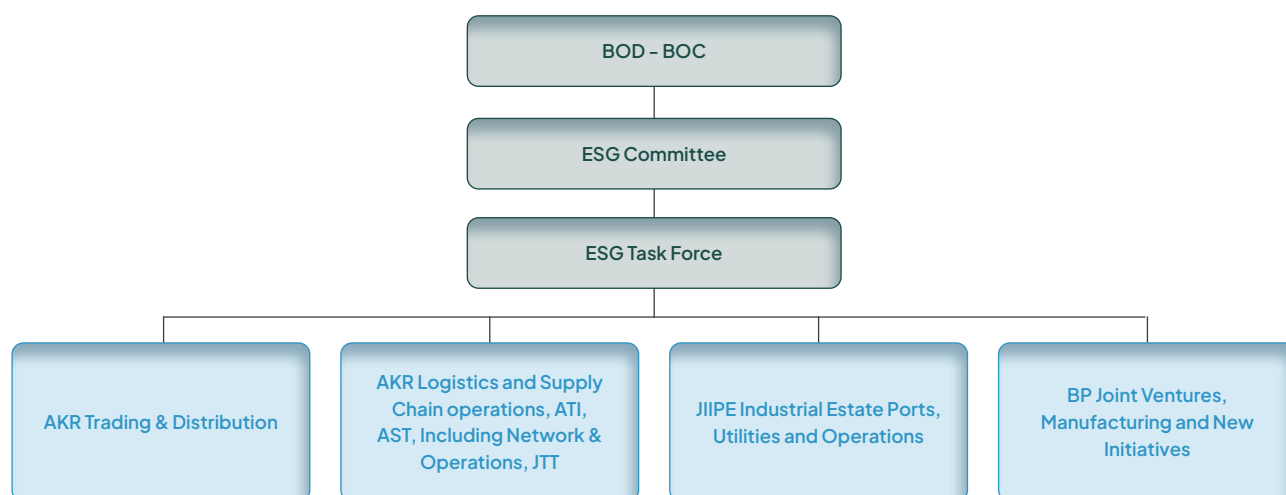
Sustainable Leadership in AKR Board Charter

the Board of Commissioners and the Board of Directors refer to the work guidelines and Code of Conduct stipulated in the Board Charter. The AKR Board Charter regulates various aspects, ranging from Legal Basis, Duties, Responsibilities and Authorities, to Reporting and Accountability. The Board Charter is periodically reviewed and updated in accordance with applicable laws and regulations.

In 2024, AKR reviewed the Board of Directors and Board of Commissioners Charter and planned to incorporate Sustainable Leadership into the Company's Board Charter. This initiative aims to enable the Board of Commissioners and the Board of Directors to play a more active role in realizing sustainability performance at AKR through sustainable and responsible business growth, encompassing social, governance, and environmental aspects.

AKR ESG Committee

Achieving sustainability is implemented through the establishment of the ESG (Environmental, Social, and Governance) Committee which is responsible for formulating strategy, providing recommendations, coordinating, reporting, and monitoring the Company's ESG initiatives. The ESG Committee is chaired by and reports directly to the President Director. [SEOJKE.1]



ESG Committee in Sustainability Management at AKR [GRI 2-12] [SEOJKE.1]

The AKR ESG Committee plays a role in implementing sustainability, includes economic, environmental, and social aspects. The Committee provides direction and oversight of sustainability efforts based on AKR's sustainability objectives, values, mission, policies, strategies, and targets.

Relevant divisions are responsible for executing the defined objectives, values, vision, mission, policies, strategies, and sustainability goals. Directors of each division lead and supervise the implementation of sustainability policies. The ESG Committee regularly holds meetings with the designated officers of each division to assess sustainability performance.

Delegation of Authority of the AKR ESG Committee [GRI 2-13]

The ESG Committee directly oversees the ESG Task Force, which consists of Senior Employees from each division. In carrying out its duties, the AKR ESG Committee has the following authorities:

1. Access data, documents, and other information regarding the Company's resources necessary for the implementation of the Sustainable Action Plan.
2. Communicate directly with employees including the Board of Directors and the ESG Task Force regarding their respective duties and responsibilities.

3. With approval from the Board of Commissioners, involve independent parties outside the ESG Committee members, if necessary, to assist in performing its duties.
4. Exercise other authorities granted by the Board of Commissioners.

The duties and responsibilities of the AKR ESG Committee in further detail are as follows:

1. Review business processes and identify and manage the impacts of AKR's operations on environmental, social, and governance aspects.
2. Observe and monitor developments in Indonesian and international sustainability regulations and standards, determine material topics relevant to AKR, and provide recommendations to the highest level of the ESG Task Force for the formulation of strategies, policies, targets, and sustainability guidelines suitable for AKR.
3. Periodically review AKR's sustainability strategies, policies, targets, and guidelines.
4. Periodically assess AKR's sustainability performance across all aspects of the Company's Sustainability Commitment.
5. Evaluate the effectiveness of communication in disseminating AKR's sustainability policies to both internal and external parties.
6. Participate in the development of public policies related to climate change and environmental impacts.

Corporate Secretary Remains Active in Ensuring Integration of Sustainability Principles within AKR and for the Board of Directors and Board of Commissioners
[GRI 2-13]

In relation to the implementation of sustainability principles at AKR, the Company's Corporate Secretary also plays an active and central role in ensuring that the AKR ESG Committee and ESG Task Force remain up to date with the latest ESG developments.

In 2024, in connection with the internalization of ESG and sustainability within AKR, the Corporate Secretary team initiated several key activities as follows:

- Reporting and coordination with regulators, including the Indonesia Stock Exchange (IDX), Financial Services Authority (OJK), and other relevant authorities.
- Providing updates on new ESG standards, including socializing the latest regulations to the Board of Directors, Board of Commissioners, and Committees under the Board of Commissioners.
- Assisting the Board of Directors and Board of Commissioners in establishing the ESG Committee, formulating the ESG roadmap and framework, and determining AKR's sustainability strategy and pillars.
- Organizing ESG and sustainability-related workshops.
- Conducting materiality assessments and prioritizing topics.
- Facilitating AKR initiatives in the field of renewable energy.
- Coordinating the implementation of CSR programs.
- Fostering relationships with all stakeholders, the Corporate Secretary community, and the capital market.
- Introducing and providing information on the Company's strategic investments to stakeholders through various events such as the GMS, investor roadshows, media engagements, Company website, and social media platforms.

Throughout 2024, the ESG Committee held one (1) meeting and carried out its duties and responsibilities, including:

- Formulating AKR Horizon 2030 as AKR's Sustainability Progress Tracker.
- Monitoring the implementation of the 2024 ESG program.
- Providing direction for necessary adjustments to ESG programs and targets.

Sustainability Competency Development [GRI 2-17][SEOJKE.2]

AKR routinely provides training materials and sustainability competency development programs to the Board of Directors and the Board of Commissioners. The training undertaken by the Company's representatives is aimed at strengthening understanding of sustainability aspects in business and corporate governance, and supporting strategic decision-making aligned with sustainability principles. Various training activities include short courses, workshops, seminars, and involvement in sustainability projects.

In 2024, seminars related to sustainability were attended by Company representatives to enhance environmental awareness and sustainable practices within AKR and to promote sustainability leadership at the senior management level. Workshop and training topics attended throughout 2024 included:

- "ESG Investing: What is it and why investors care about it?"
- Indonesia International Sustainability Forum 2024
- ESG Risk Ratings – Benefits of Navigating Material ESG Risks and Communicating Material ESG Risks with Stakeholders
- CDP's Webinar "Advancing Nature-based Finance in Asia"
- Responsible Supply Chain
- Value and Benefits of 2024 S&P Global Corporate Sustainability Assessment (CSA)
- Empowering Transformation: Shaping Sustainable Future Leaders
- Understanding Sustainability Assurance: "SR Assurance Based on AA1000 Standards & SR Assurance Based on ISAE 3000"
- Interdisciplinary Approaches to Developing Sustainable Leadership

Sustainability competency development specific to the Board of Directors conducted throughout 2024 is as follows:

No.	Training Title	Date	Venue	Organizer
Suresh Vembu				
1.	ESG Investing : What is it and why investors care about it?"	25 April 2024	Zoom	IDX
2.	Setting Your Sail on the Indonesia Carbon Trading Ecosystem	27 June 2024	Zoom	IDX
3.	Indonesia International Sustainability Forum 2024	5 September 2024	Jakarta	- Coordinating Ministry for Infrastructure and Regional Development - Chamber of Commerce and Industry (KADIN) - McKinsey
4.	ESG Risk Ratings - Benefits of Navigating Material ESG Risks and Communicating Material ESG Risks with Stakeholders	18 September 2024	Zoom	IDX
5.	CDP's Webinar "Advancing Nature-based Finance in Asia	22 October 2024	Zoom	CDPnature
6.	Responsible Supply Chain	3 December 2024	Zoom	IDX
Termurti Tiban				
1.	Permata Market Outlook : Anticipating the Return of twin deficit and the Fed's Long and Winding Road	1 April 2024	Jakarta	PERMATA
2.	Personal Data Protection (PDP) Socialization	16 October 2024	Jakarta	ADCO Law
3.	Economic Outlook Permata "Beyond Commodities : Unveiling Indonesia's Economic Potential"	3 December 2024	Jakarta	PERMATA

Governance Body Performance Evaluation [GRI 2-18]

To support the implementation of good governance, AKR has established a remuneration policy aimed at encouraging the performance of the Board of Commissioners and the Board of Directors, not only in terms of short-term financial outcomes but also based on long-term sustainable achievements. Through the Annual General Meeting of Shareholders (AGMS), AKR routinely evaluates performance based on the application of Good Corporate Governance (GCG) principles and the follow-up to previous evaluation recommendations.

In addition, the Board of Commissioners and the Board of Directors are accountable for achieving Key Performance Indicators (KPIs) that are specifically linked to the Company's strategy and implementation plans, including sustainability targets. Non-financial aspects such as operational performance, environmental, social, and governance compliance are integral in the determination of remuneration. This reflects the commitment to promoting social and environmental responsibility, as well as good corporate governance as essential pillars of the Company's long-term success.

The President Director evaluates the annual performance of Board of Directors members, while the Nomination and Remuneration Committee (NRC) is responsible for evaluating the annual performance of the President Director. The evaluation results focus not only on financial achievements but also consider performance in environmental, social, and governance aspects. These results serve as the basis for determining the remuneration of the Board of Directors and provide improvement direction based on self-assessment outcomes.

The performance evaluation of the Board of Commissioners and the Board of Directors is based on the achievement of financial, operational, environmental, social, and governance performance targets through the General Meeting of Shareholders (GMS) mechanism.

Transparency and Accountability

AKR believes that transparency and accountability are the main pillars in driving the progress and sustainability of the Company. AKR is committed to integrating these two principles throughout all business and operational activities, with the aim of establishing AKR as a trusted, sustainability-oriented energy company that creates a positive impact for all stakeholders.

AKR's commitment to transparency is manifested through openness in decision-making processes and the clear and accurate disclosure of relevant material information. Meanwhile, the commitment to accountability is realized

through clarifying the roles, execution, and responsibilities of each Company organ, thereby ensuring effective, efficient management in alignment with good governance principles.

In 2024, AKR's commitment to transparency and accountability—particularly in sustainability performance—was demonstrated through various achievements and recognitions from external parties. These acknowledgements serve as tangible proof of the Company's efforts in applying sustainability and good governance principles, while also providing added value to stakeholders. AKR's notable achievements include:

Role of Governance Bodies in Sustainability Report Preparation [GRI 2-14]

The Company's Governance Bodies play a vital role in the sustainability report preparation process. The Board of Directors is responsible for leading, managing, and directing all of the Company's operational activities. Under the leadership of the President Director, the entire Board of Directors seeks to ensure the implementation of the sustainability vision and mission, encompassing environmental, social, and economic aspects, along with the consistent application of good governance principles.

Meanwhile, the supervisory responsibility at AKR is carried out by the Board of Commissioners, supported by two Committees: the Audit Committee and the Nomination and Remuneration Committee, both chaired by the Company's Independent Commissioner. The Audit Committee was established to support the Board of Commissioners in promoting the implementation of good governance, establishing an adequate internal control structure, enhancing

transparency quality including in financial reporting, and assisting in the review of the independence and objectivity of public accountants. The Nomination and Remuneration Committee (NRC), chaired by the Independent Commissioner who has no affiliation with the Board of Commissioners, the Board of Directors, or the Company's major shareholders, also supports these oversight responsibilities.

The AKR ESG Committee, together with the Board of Directors, plays an active role in formulating the sustainability strategy referred to as the AKR Sustainability House, which is translated into several flagship programs across various pillars within business units, and in formulating AKR Horizon 2030 as the AKR Sustainability Progress Tracker. The ESG Committee also contributes to the Sustainability Report preparation process, from recommending workshops involving representatives of all business lines to approving the material topics to be included in this report.

Code of Conduct

The Code of Conduct serves as a guide for employees in carrying out their duties and responsibilities based on the values of integrity, professionalism, and compliance with regulations. Regular socialization sessions are conducted to emphasize the important role of all stakeholders in monitoring and reporting violations through the whistleblowing system. These sessions aim to raise awareness and understanding of the importance of honesty, integrity, and accountability of every member of the Company in conducting business.



Human Rights Policy and Environmental Policy

As part of efforts to enhance sustainable governance, AKR has established Human Rights and Environmental Policies in line with sustainability values since 2023. These policies represent the Company's commitment to respecting human rights and protecting the environment in the conduct of our business activities.

Human Rights Policy

<https://www.akr.co.id/esg/esg-overview/human-rights-policy>

Occupational Health, Safety, and Environment (HSE) Policy

<https://www.akr.co.id/esg/esg-overview/hsse-policy>

Remuneration Policy [GRI 2-19]

Under the remuneration policy, members of the Board of Commissioners are entitled to receive a monthly honorarium, while members of the Board of Directors receive compensation consisting of basic salary, performance bonuses, facilities, allowances, and management stock options. In addition, all Commissioners and Directors are also covered by insurance.

Remuneration Determination Process [GRI 2-20]

The determination of remuneration for the Board of Commissioners and the Board of Directors is conducted by the shareholders in the General Meeting of Shareholders (GMS) based on recommendations from the Nomination and Remuneration Committee (NRC). The NRC considers performance appraisal results in providing remuneration recommendations for the Board of Directors. In this process, the Company does not use the services of external consultants to determine remuneration for either the Board of Commissioners or the Board of Directors.

Annual Total Compensation Ratio [GRI 2-21]

Considering data confidentiality, AKR in this Sustainability Report is unable to disclose the detailed annual compensation ratio of the highest-paid individual compared to the average annual total compensation for all employees, as well as the percentage increase in the annual compensation ratio. Information on the total remuneration received by the Board of Directors and the Board of Commissioners of the Company for the year 2024 can be found in the Company's Annual Report in the Corporate Governance chapter.

Whistleblowing Mechanism [GRI 2-26][GRI 2-16]

AKR has provided a whistleblowing system reporting channel for reporting suspected violations of ethics, policies, or laws related to the Company's activities. Through this channel, every employee, third-party vendor, supplier, and other stakeholders may report violations committed by AKR personnel in a secure and confidential manner.

In practice, AKR will receive reports of suspected violations such as fraud, corrupt practices, breaches of the Code of Conduct, or legal violations. Reports are received directly by the President Director, after which a thorough and careful investigation is conducted by the Internal Audit Unit, referring to prevailing laws and Company regulations.

AKR also ensures that communication with the whistleblower will be conducted confidentially by the Whistleblower Protection Officer. This communication will be carried out if information or clarification is needed for further investigation.

In 2024, AKR carried out several initiatives to strengthen whistleblowing channels as follows:

- Regularly socialized the whistleblowing system facility, reintroduced during the launch of the new Code of Conduct
- Increased awareness of ethical behavior to prevent violations
- Detected potential violations early to minimize risks

As of 2024, the reporting channels provided by the Company include: **[GRI 2-26]**



A web-based/online form reporting system is available at:
<https://wbs.akr.co.id>



WhatsApp application at number:
+62 811-1321-911



Email addressed to:
lapor.haryanto.adikoesoemo@akr.co.id

Through this reporting channel, AKR seeks to optimize the reporting process of various critical matters within the Company, including those related to economic, social, and environmental aspects, so that they may receive proper attention and follow-up by the Company. In submitting a report, the whistleblower is required to provide accountable initial indication facts regarding the reported fraud or violation, accompanied by supporting data (if any), which includes:



Conversely, whistleblowers are also entitled to protection from the Company, which includes:

1. Assurance of the confidentiality of the whistleblower's identity and the contents of the report submitted, except upon request by law enforcement authorities,
2. Assurance of protection against any detrimental treatment towards the whistleblower, such as:
 - a. Unfair dismissal;
 - b. Demotion or reduction in rank;
 - c. Harassment or any form of discrimination;
3. Adverse records in the personal file record,
4. Assurance of protection from potential threats, intimidation, sanctions (criminal or civil), or other unpleasant actions from the reported party,

5. Protection for whistleblowers also applies to parties conducting investigations and those providing information related to the complaint,
6. In the event of retaliation in the form of pressure, threats, or other acts of reprisal, the whistleblower may report the matter to the President Director. If the reported matter cannot be resolved internally, the whistleblower is guaranteed the right to escalate the report to an independent institution outside the Company.

As of 31 December 2024, AKR received 4 (four) whistleblowing reports related to the WBS. All reports have been resolved and followed up by the Company in accordance with applicable regulations within the Company.

Risk Management

[SEOJKE.3][GRI 2-23]

To achieve effective corporate governance, AKR is committed to managing and addressing risks efficiently and effectively. The Company consistently prioritises prudence and risk management to anticipate various challenges that may arise, such as economic dynamics, business climate, and increasingly complex competition.

Risk management is an essential aspect of the Company's business plan, with specific financial resources allocated to support its implementation. In line with business growth and environmental dynamics, the Company continuously develops and updates a series of procedures and risk management methodologies to identify, analyse, evaluate, and mitigate risks, with the aim of providing assurance and confidence to stakeholders.

In accordance with the ASEAN Corporate Governance Scorecard (ACGS) framework, the Company continues to strengthen the integration of sustainability with corporate governance and strategic planning. The importance of promoting sustainable growth and long-term business

orientation is recognised. Long-term growth is believed to be based on responsible financial planning and risk management, focusing on efforts to reduce environmental impact, enhance social contribution, and comply with the highest governance standards.

Based on these principles, the Board of Directors conducts an annual review of the Company's capital and debt structure, closely examining its alignment with strategic objectives and risks, including those related to sustainability issues and climate change challenges.

This review process forms part of a broader and more comprehensive risk management framework, which not only focuses on financial soundness but also carefully considers environmental, social, and governance (ESG) aspects. Through this approach, the Company ensures that capital allocation strategies and debt management are designed not only to optimise financial performance and shareholder value but also to contribute positively to communities, the environment, and all stakeholders.

Risk Management and Internal Control System [GRI 2-24]

In risk management, AKR adopts both top-down and bottom-up approaches. In the top-down approach, the Board of Directors evaluates key risks on a Company-wide basis. In the bottom-up approach, Department/Branch/Subsidiary Heads assess more specific risks at each business unit or operational level.

Risk management is then carried out in a coordinated and collective manner with the Enterprise Risk Management (ERM) Department at the Head Office. The ERM Department plays a role in managing risks identified by all personnel within the Company. This approach is expected to strengthen accountability in risk management throughout the Company.

The roles and responsibilities of the Company's ERM Department are as follows: [GRI 2-24]

1. To develop and propose risk management concepts and frameworks, including risk appetite, risk philosophy, risk tolerance, policies and procedures, and risk management structures to be implemented under the President Director in alignment with the Company's vision and mission,
2. To implement and communicate risk management policies and procedures in a consistent and continuous manner,
3. To ensure that all key/significant risks of the Company have been accurately identified, measured, and mitigated,
4. To propose priority risks requiring immediate attention from Management based on the risk profile, by considering impact and likelihood after assessing the effectiveness of existing internal controls,

5. To continuously ensure and monitor the implementation of established risk mitigation plans according to set timelines,
6. To review and provide input to Branch/Division/Department/Subsidiary Heads on risk mitigation plans, including when new issues arise during implementation,
7. To conduct validation and verification (especially for key risks) of existing risk controls and the progress of mitigation/action plans through on-site visits to Branches/Divisions/Departments/Subsidiaries,
8. To conduct ongoing campaigns to foster a culture of risk awareness, ownership, and vigilance by emphasising that risk is the responsibility of every individual within the Company,
9. To compile and periodically report the Consolidated Risk Management Report to the President Director and relevant Directors.

Risks faced by the Company and the corresponding risk management measures include:

1. Country Risk

Macroeconomic conditions in Indonesia, political developments, and government regulations affect the Company and other businesses operating in Indonesia.

- a. Economic and Geopolitical Risk

Economic and geopolitical risks remained a key focus for the Company in 2024. Global conditions related to geopolitical events, such as rising tensions between countries and shifting economic dynamics, may impact the Company's economic conditions. Risk mitigation measures must be carefully implemented to anticipate potential effects. Domestic factors such as inflation rate, GDP growth, taxation, and other political and economic developments in Indonesia are also significant risk considerations.

b. Risk of Government Policy Changes

The Company is exposed to risks arising from changes in government policies that may hinder or create opportunities in the conduct of domestic business operations. Government policy changes in taxation, currency controls, interest rates, import-export restrictions, petroleum subsidy policies, employment, licensing, and investment may affect the Company's performance. Most of the petroleum products and some basic chemicals traded and distributed by the Company are imported. Changes in policy, import bans, import quota restrictions, tariff regulations, or increased import costs may affect Company performance. The awarding of subsidised petroleum distribution contracts in subsequent years depends not only on government tender processes and deregulation policy continuity but also on the Company's ability to meet various criteria.

2. Industry Risk

Supply and demand dynamics in the industries in which the Company operates affect AKR's performance. The trading and distribution segments are influenced by demand for basic chemicals and petroleum, which are dependent on Indonesia's national and regional economic conditions. The logistics services segment also faces demand risk. The Company provides logistics and distribution infrastructure services to third parties in Indonesia. An economic slowdown domestically or globally may impact international trade, which in turn reduces shipping activities and logistics service demand.

In addition to supply and demand risks, the Company also faces business competition risks from other companies in the same line of business. To mitigate these risks, the Company continues to improve logistics infrastructure for the distribution of energy and industrial raw materials, maintain strong relationships with suppliers, and enhance service quality to customers.

3. Operational Risk

Operational risks arise when the Company fails to adhere to standard operating procedures, experiences employee mismanagement, system disruptions, or external events such as weather changes, natural disasters, and supply chain disruptions. These risks are related to daily operations. To manage them, the Company establishes and continuously updates standard operating procedures to reduce risks and align operations with business and technological demands. Backup technologies and operating systems are in place should the main systems fail. A centralised IT system supports monitoring of

product storage and distribution. Employees responsible for these systems undergo regular training to enhance their expertise and vigilance in managing systems and other operational equipment. To ensure effective and continuous operational risk management, the Company implements the Three Lines of Defense: (a) business units managing daily operational risk as preventive control, (b) Risk Management as detective control, and (c) Quality Assurance as corrective control.

4. Safety, Health, and Environment (SHE) Risk

The Company is exposed to Safety, Health, and Environmental (SHE) risks due to its involvement in the basic chemicals, fuel, manufacturing, and logistics sectors. These risks include fire, product spills, improper waste handling, equipment failure, system breakdowns, and others. SHE risks affect not only the Company but also the communities surrounding its operations. To prevent these risks, the Company enforces strict and detailed workplace safety regulations and provides training for employees to handle emergency situations. SHE procedures are regularly updated in accordance with government and organisational regulations, including certifications specific to certain regions.

5. Financial Risk

Key financial risks faced by the Company include credit risk, market risk (including interest rate risk, foreign exchange risk, and commodity price risk), and liquidity risk. In relation to credit risk, the Company exercises stringent monitoring in granting credit to customers. To address commodity price and currency fluctuations, the Company applies a stable business model with price-based formulas and manages foreign exchange risk through hedging. Financial risk management is detailed in the consolidated financial statements audited by the Public Accounting Firm Purwantono, Sungkoro & Surja (a member firm of Ernst & Young).

6. Pandemic Risk

Pandemic risk (COVID-19) remained relevant through 2024 and continues to require management both globally and domestically. This risk also impacts the management of other risk categories (country, industry, operational, SHE, and financial risks). In response, the Company continues to implement mitigation strategies previously applied, adjusting them to the prevailing pandemic trends.

Risk management measures include the formation of a Company task force to monitor and regularly conduct awareness campaigns for employees on COVID-19 hazards and the implementation of 5M (wearing masks, washing hands, maintaining distance, reducing mobility, and maintaining immunity), booster vaccinations for employees, and regular antigen swab testing.

In addition, the Company has implemented an Internal Control System as part of Management's efforts to ensure that the Company's operations are conducted in accordance with the highest professional standards applicable in the industry.

The internal control process is designed, implemented, and overseen by the Board of Commissioners and the Board of Directors and involves the active participation of other members of Management and all employees.

The Company's Internal Control System refers to the internationally recognised framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). COSO defines internal control as a process involving the Board of Commissioners, the Board of Directors, and other personnel. This is aligned with the Internal Control System in the Company, which continues to build an organisational control structure involving all human resources.

The Company believes the internal control system is designed to provide reasonable assurance regarding the achievement of the following three objectives:

1. Effectiveness and efficiency of operations,
2. Reliability of financial reporting,
3. Compliance with applicable laws and regulations.

The Company views internal control as a series of actions encompassing the entire business process. Internal control is embedded in the core management cycle: planning, execution, and monitoring. The internal control system components in the Company include:

1. Control environment, covering integrity, ethical values, competence of individuals and entities, management philosophy and operating style, delegation of authority and responsibility, and organisation and development of business activities in line with management direction,
2. Risk assessment aimed at identifying, analysing, and managing risks related to various business activities,
3. Control activities performed in determining policies and procedures set by management to help ensure the achievement of business objectives,
4. Information and communication that enable individuals and entities to obtain and exchange information necessary to conduct, manage, and control the Company's operations,
5. Monitoring activities intended to assess the quality of the Company's performance through continuous monitoring, separate evaluations, or a combination of both.

Further information on AKR's Risk Management and Internal Control System can be found in the 2024 Annual Report under the Corporate Governance section.

Evaluation of Risk Management Implementation [GRI 2-26]

AKR continuously develops and enhances its integrated, comprehensive, and unified risk management framework and internal control structure. This framework aims to provide early warning information on potential risks that may affect the Company's outcomes. With such information, the Company is able to take appropriate measures to minimise risk exposure.

Risk management has made a positive contribution to planning processes, decision-making, and the strengthening of Good Corporate Governance (GCG) implementation at AKR. The risk management system implemented by the Company is capable of minimising and/or reducing the impact and likelihood of risks. This is reflected in the effectiveness of the quality, quantity, and timeliness of the execution of established risk mitigation plans.

With a structured risk management system, AKR is able to identify and manage risks more effectively. As a result, the Company is able to make accurate and well-informed strategic decisions concerning the operations of the Company and its subsidiaries.

As part of AKR's efforts to enhance risk awareness culture across all operational areas, a series of activities was conducted throughout 2024, including:

1. Internal Audit Unit performed audits using a risk-based approach, focusing on specific areas/processes/products,
2. Periodic follow-ups on recommendations and findings were carried out to ensure implementation by audited parties within the designated deadlines,
3. Coordination with Departments at the Head Office was conducted for recommendations requiring action from central functions.

Financial Implications and Other Risks Arising From Climate Change [GRI 201-2]

The Company recognises that climate change represents one of the greatest challenges with broad and significant implications. Therefore, the Company is committed to mitigating its impacts through sustainable strategies that ensure long-term resilience.

In line with this commitment, AKR and all its business units are conducting an inventory of risks and opportunities arising from climate change across their respective operational activities. This risk and opportunity mapping process will serve as a critical foundation for formulating strategic policies, including measures for future business portfolio expansion and diversification.

Over more than six decades of business operations, AKR's resilience has been consistently demonstrated. This is reflected in the evolution of its business lines, originating from logistics and supply chain services with core competencies in the distribution of chemicals and petroleum for both B2B

and retail segments. Over time, the Company has continued to evolve, now playing an active role in supporting Indonesia's manufacturing sector through the JIPE Special Economic Zone (KEK).

As part of its support for the government's climate change agenda, since 2022 the Company, through the ESG Committee, has established a commitment to support the achievement of the net zero emission (NZE) target by 2060. This includes maintaining operational efficiency, participating in the biodiesel energy transition program, and innovating in new energy sources. This long-term commitment is the primary focus of the AKR ESG Committee and will be developed through a roadmap with measurable targets. As part of the Action Areas within the AKR Sustainability House, this initiative encompasses a comprehensive evaluation of business and operational activities to monitor the Company's contribution to Indonesia's NZE goals.

AKR Participates in Sustainability Leadership Dialogue at the 2nd Asia Sustainability and ESG Summit 2024

AKR's active participation in various initiatives supporting sustainability and ESG issues continued in 2024, when the Company served as one of the speakers at the 2nd Asia Sustainability and ESG

Summit 2024 in Bali. This prestigious forum, organized by the Hang Seng University of Hong Kong and Universitas Airlangga, serves as a platform for discussion among business leaders, academics, and stakeholders from various countries on the implementation of sustainability and current ESG issues.

In the panel session themed "Interdisciplinary Approaches to Developing Sustainable Leadership: Insights from Marketing, Finance, and Governance," AKR shared its experience on implementing a multidisciplinary

ESG approach across the Company and its subsidiaries, covering marketing, finance, and governance. AKR also gathered insights and best ESG practices from other business players that can strengthen sustainable leadership and create long-term value for the Company.

Participation in this forum reflects AKR's ongoing journey towards responsible business transformation and global competitiveness by sharing insights, best practices, and innovative solutions for a sustainable, inclusive, and resilient future.



Business Ethics and Compliance

[GRI 2-27]

Business ethics and compliance serve as fundamental pillars in establishing sound corporate governance and ensuring long-term sustainability across all business activities of the Company. The implementation of these two principles is a key element in supporting corporate responsibility toward the environment, society, and all stakeholders. Business ethics and compliance are core values embedded throughout the Company's operations by all personnel.

Business ethics and compliance principles apply to all employees at every level of the organisation, beginning with the signing of the Code of Conduct upon joining the Company. This Code serves as a reference in all daily activities. The Company also regularly conducts various programs to strengthen employees' understanding and application of the Code of Ethics. Any violation of the Code is subject to strict action, ranging from formal warnings to termination of employment, in accordance with the severity of the violation.

AKR ensures that all actions remain compliant with prevailing laws and regulations. This compliance covers various aspects, including environmental protection, social and economic responsibility, product quality, customer protection, human rights, employment, anti-corruption and anti-gratification, tax compliance, and other related matters.

In addition, the Company periodically conducts Legal Due Diligence to ensure full compliance with applicable regulations, with adjustments made in line with the ASEAN Corporate Governance Scorecard (ACGS).

As of the end of the reporting year, there were no monetary or non-monetary sanctions related to the Company's non-compliance with applicable laws and regulations.

Sustainable Procurement Policy

Since 2023, the Company has implemented a Sustainable Procurement Policy designed to regulate the procurement process throughout the organisation. This policy integrates sustainability principles into all stages of procurement, including supplier selection, risk evaluation, and performance monitoring. Through this policy, the Company is committed to ensuring that every step in the supply chain considers environmental, social, and economic aspects while promoting responsible and sustainable business practices.

The policy is accessible on the Company's website:

<https://www.akr.co.id/esg/esg-overview/sustainable-procurement-policy>

Conflict of Interest [GRI 2-15]

Conflict of interest is one of the key challenges in implementing good corporate governance and is a critical element in ensuring the sustainability of business operations. The Company recognises the risks associated with conflicts of interest and is fully committed to complying with Financial Services Authority (OJK) Regulation No. POJK.04/2019 concerning Affiliated Transactions and Conflicts of Interest in Certain Transactions.

As a preventive measure against potential conflicts of interest and to protect the interests of the Company and Shareholders from any negative implications, the Company has established a set of principles specifically addressed to the Board of Directors, which include:

1. The Board of Directors must always avoid any conflict of interest in the execution of its duties. The Board of Directors shall not use its position for personal gain or for the benefit of any related person or party,
2. The Board of Directors must avoid any activities that may compromise its independence in overseeing the Company,
3. The Board of Directors is required to complete a Special Register disclosing its shareholding and/or that of its family in other companies,
4. In the event of a conflict of interest, it must be disclosed, and the concerned member of the Board of Directors shall abstain from participating in the Company's decision-making process,
5. The Board of Directors is required to declare any conflict of interest in matters stated in the Company's Work Plan and Budget.

Anti-Corruption Commitment [GRI 205-1][GRI 205-2][GRI 205-3]

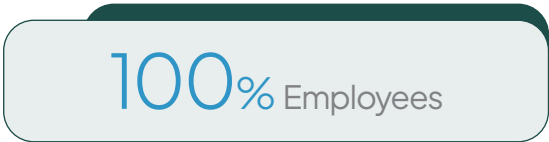
In conducting its business and operations activities, the Company is committed to preventing all forms of corruption, gratification, and fraud to ensure clean, transparent, and law-abiding corporate governance practices.

As part of the AKR Horizon 2030, the Company is committed to consistently implementing the Anti-Corruption Program to uphold integrity across all business activities and promote the Company's zero-tolerance value. The Company does not tolerate any form of corruption or violations of prevailing laws and regulations.

The Company has established a Whistleblowing System (WBS) as a safe and confidential reporting mechanism, enabling employees and stakeholders to report suspected acts of corruption without fear of retaliation. The Company also

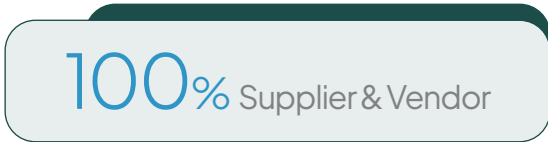
affirms its commitment to complying with all applicable anti-corruption regulations, in accordance with Law No. 20 of 2001 on the Amendment to Law No. 31 of 1999 on the Eradication of Criminal Acts of Corruption, to ensure transparency, accountability, and ethical business practices throughout its operations.

All personnel are required to sign an Integrity Pact as a commitment to avoid corrupt, collusive, and nepotistic practices. Integrity Pact mandates all procurement processes be conducted transparently and in accordance with the Code of Ethics. Suppliers are also required to sign the Integrity Pact to ensure that they act honestly and refrain from offering gifts or engaging in bribery, in order to prevent Corruption, Collusion, and Nepotism in procurement processes



100% Employees

AKR has signed the Integrity Pact and has been provided with socialisation of the Company's Code of Conduct, which includes the Anti-Corruption commitment.



100% Supplier & Vendor

AKR has signed the Integrity Pact and has been provided with socialisation related to the Anti-Corruption commitment.

AKR adopts a firm stance against all forms of violations within the Company. Employees proven to have violated the Integrity Pact are subject to various consequences, ranging from moral sanctions and administrative penalties to civil and/or criminal claims for damages in accordance with applicable legal provisions. In addition, such individuals are required to resign without receiving any compensation from the Company.

Suppliers and vendors found to have breached the Integrity Pact, particularly in connection with acts of corruption and gratification, will be subject to sanctions under applicable laws and regulations, including unilateral termination of contracts by the Company without any form of compensation or indemnification.

In 2024, there were no reported violations related to corruption or gratification received by the Company.

Participation In Public Policy Development

The Company actively participates and contributes in collaboration with various relevant stakeholders, including the government, in the development of public policy. Constructive input is consistently provided to support the creation of a conducive business ecosystem for optimal and sustainable economic growth.

This initiative aims to establish a strong foundation in achieving sustainability goals and creating long-term positive impact. The Company also leverages its membership in various business associations within its operating sectors as a platform to collectively express views and provide input.

Policy On Political Involvement

The Company maintains a neutral stance by refraining from aligning with or supporting any political party. This policy ensures that all business and operations activities are carried out transparently, independently, and free from political influence that could lead to conflicts of interest.

The Company is also committed to avoiding all forms of political contributions, including donations to specific political groups. Furthermore, the use of Company facilities for political activities is strictly prohibited. Employees running for political office are required to resign from their employment status with the Company. [\[GRI 415-1\]](#)

Data Privacy and Cyber Security

[\[GRI 418-1\]](#)

The Company recognises that rapid technological advancement brings not only convenience but also challenges, particularly in the areas of data protection and cyber security. Since 2021, the Company has strengthened the implementation of data protection and cyber security across all operational lines. This includes the enforcement of a comprehensive cyber security policy to manage risks related to the confidentiality, integrity, and availability of information within the corporate environment.

The Company has established policies, governance structures, and standard procedures concerning data privacy and cyber security, as outlined in the following documents:

- ITE-SCO-SCO-POL-001 – IT Security Policy
- ITE-SCO-SCO-PRO-001 – Cyber Security Incident Response

To safeguard the security and confidentiality of personal and customer data, various technologies have been adopted, including data encryption, multi-factor authentication (MFA), data masking, and tokenisation. These measures ensure that only authorised personnel have access to critical information and help minimise the risk of data breaches.

System security is reinforced through endpoint protection. Cybersecurity training and awareness programs are regularly provided to employees to ensure data security. AKR regularly conducts cybersecurity training and awareness programs to enhance data security. Additionally, the company continuously adopts cutting-edge technologies to drive operational digitalization.

The Company's Information Technology (IT) governance is implemented through a function-based organisational structure to ensure effective, efficient, and secure digital operations. Each function plays a strategic role, including data centre management, network operations, application development, technical support, and cyber security monitoring. Furthermore, IT services are provided at branch locations to ensure comprehensive support for all business operations. This approach reflects the Company's commitment to integrated and responsive IT governance aligned with dynamic business needs. For more detailed information details on IT governance, IT management, challenges and strategies, IT innovation and outreach, IT governance enhancement, and future IT development plans, please refer to page 239 of the Annual Report.

In 2024, the Company conducted privacy note socialisation as part of efforts to strengthen data protection. To support its implementation, a dedicated task force was also established, responsible for managing and monitoring data privacy-related issues. AKR has appointed the Legal and IT Division as the Task Force Team responsible for overseeing the dissemination of Personal Data Protection (PDP).

Throughout 2024, the Company recorded no incidents of personal customer data breaches. Continuous efforts are undertaken to protect the security and confidentiality of data through consistent implementation of systems, policies, and oversight to maintain the trust of all stakeholders.

AKR'S Commitment to Personal and Customer Data Protection and Cybercrime Prevention

In today's digital era, the security of personal and customer data has become a top priority. With the rise of cyberattacks and data misuse, the Company has implemented IT programs focused on data protection as a critical element in maintaining privacy and consumer trust. The following are key initiatives and programs developed to ensure data protection and support efforts in combating cybercrime:

1. Personal and Customer Data Protection

- Implementation of data encryption to safeguard the confidentiality, integrity, and privacy of information,
- Application of Multi-Factor Authentication (MFA) to ensure access is granted only to authorised parties,
- Deployment of data masking and tokenisation to protect data during processing.

2. Data Security and Protection

- Establishment of data security policies and internal compliance measures, including access control and increased security awareness,
- Implementation of endpoint protection such as antivirus, firewalls, and monitoring systems for network-connected devices,

3. Cybercrime Handling and Prevention

- Conducting cybersecurity training and education programs for all employees,
- Performing threat intelligence analysis to anticipate attacks and accelerate response efforts,

AKR Customer Relationship Management (CRM) System [SEOJKF.17]

To maintain harmonious relationships with customers, the Company utilizes a Customer Relationship Management (CRM) system that supports the commercial team in analyzing customer demand, purchase history, and future planning. CRM is integrated with the Distribution Planning System ensuring the timely delivery of petroleum and basic chemical products with consistent quality and efficient logistics.

CRM Services Provided

- Engaging New Customer
- Reminder and Appointment
- Integration with Absence Application
- AKR News
- Planning and Forecasting
- Customer Discount Simulation
- Customer Quotation

Digitalization, automation & Simplification

From:

- Paper Submission
- Approval by Email
- System Silo
- Not Integrated
- Manual Mapping
- Web-based

To:

- Paperless
- Approval by System
- All-in-One System
- Integrated System
- Geo-tagging Technology
- Mobile Apps & Web-based

In greater detail, the functions of this IT-based CRM system are as follows:

- **New Customer Display**
Sales personnel may input prospective customers into the system.
- **Planning and Forecasting**
Sales personnel may conduct monthly sales planning per customer.
- **Meeting Reminders**
Reminders are provided for all scheduled appointments.
- **Customer Discount Simulation**
Sales personnel may calculate margin contribution prior to submitting a price quotation to customers in PDF format.
- **Integration with Offsite Attendance Application**
Sales personnel may perform check-in and check-out at customer locations without returning to the office, supported by Geo-Tagging technology embedded in the system.
- **AKR News**
Sales personnel may receive product, pricing, and related updates from the AKR team.
- **Flexible Ordering System**
Sales personnel may create Sales Orders via mobile phones or laptops anytime and anywhere.
- **Reporting and Dashboard Features**



To enhance business and operational sustainability, the Company utilizes the latest information technology systems. Through this implementation, real-time monitoring of product status and fleet positioning is achieved, ensuring product quantity, quality, and service delivery meet customer expectations.

Additionally, customer feedback is regularly monitored and analyzed to identify areas for improvement. This feedback serves as the basis for implementing corrective actions and delivering solutions aimed at increasing customer satisfaction.

As a further measure, the Company provides comprehensive after-sales support. Branch representatives, the sales team, and Customer Relationship Officers (CROs) are readily available to address customer concerns and resolve potential issues. The M-Files system is employed to ensure complaints are resolved promptly and accurately.

Through the adoption of advanced systems, excellent service standards, and a commitment to continuous improvement, the Company is confident in its ability to deliver maximum customer satisfaction.





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[SEOJK G.4]

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Statement of use	PT AKR Corporindo Tbk (AKR) has reported the information cited in this GRI content index for the period 01 January – 31 December 2024 with reference to the GRI Standards.
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