



Advancing Well-Being at Every Stage of Life

2022 SUSTAINABILITY REPORT

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Introduction



About This Report

PT Lippo Karawaci Tbk (LPKR, Lippo Karawaci or “the Group”) is pleased to issue its 2022 Sustainability Report (“this Report”), which provides disclosures on the Group’s consolidated Environmental, Social and Governance (ESG) performance.¹ This Report communicates our commitment and approach to integrating sustainability into our business strategy, policies, and operations, as well as showcases the value that we have created for our stakeholders in 2022. This Report should be read in conjunction with our Annual Report, which focuses on our financial, operational, and governance disclosures. This Report is only available in a digital version – current and previous editions are available at www.lippokarawaci.co.id

REPORTING SCOPE AND PERIOD

The scope of this Report mirrors our Annual Report, covering all business units across our Real Estate, Healthcare, and Lifestyle segments. The scope includes publicly listed entities under the Group’s management, such as PT Lippo Cikarang Tbk (LPCK), PT Gowa Makassar Tourism Development (GMTD), PT Siloam International Hospitals Tbk (Siloam), and Lippo Malls Indonesia Retail Trust (LMIR Trust),² as well as wholly-owned subsidiaries such as PT Lippo Malls Indonesia (Lippo Malls) and PT Aryaduta International Management (Aryaduta).

In line with reporting best practice, we have specified the boundaries for any disclosure that does not apply to all business units, such as our environmental data which only reflect assets and operations under the Group’s operational control.

The reporting period spans 1 January to 31 December 2022, which aligns with our financial year. Where relevant and available, this Report provides comparative historical data to provide more context. We publish our Sustainability Reports on an annual basis.

2021 Sustainability Report



2022 Sustainability Report

¹The disclosures in this Report are presented for informational purposes only. To the extent that this Report may contain forward-looking statements, such statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other factors – many of which are beyond the control of the business portfolio – and may cause actual results to differ materially from those expressed in the statements contained in this Report. We have based these forward-looking statements on current expectations and assumptions about future events, taking into account all information currently known by our Management.

²As publicly listed entities, LPCK, GMTD, Siloam, and LMIR Trust separately publish their own Sustainability Reports on an annual basis.

REPORTING STANDARDS AND FRAMEWORKS

This year's Report builds on the disclosures from our inaugural Report published in 2021. We have provided more information in line with the reporting standards and frameworks used by industry leaders, which reflects the progress we have made in improving the comprehensiveness and transparency of our ESG performance. The "Content Index" for these reporting standards and frameworks is available at the end of this Report on pages 102 to 115.

Global Reporting Initiative (GRI)

This Report has been prepared in accordance with the GRI Standards 2021. The GRI Standards are a globally recognized set of sustainability standards that provide organizations with a comprehensive framework to disclose their material ESG topics.

United Nations Global Compact (UNGC) and Sustainable Development Goals (UN SDGs)

As a UNGC signatory, we are committed to upholding the Ten Principles of the UNGC and advancing the UN SDGs that are more relevant to our business. This Report showcases how we are contributing towards the global sustainability agenda under the UNGC and UN SDGs, and forms the basis for our annual disclosures under the UNGC's "Communication on Progress" requirements.

Task Force on Climate-Related Financial Disclosures (TCFD)

To enhance our climate reporting, we have prepared our climate-related disclosures in accordance with the TCFD recommendations, which are structured around the four thematic areas of Governance, Strategy, Risk Management, and Metrics and Targets. Our inaugural TCFD Report is enclosed under "Climate Resilience" on pages 43 to 48. We are committed to working towards fully aligning with the TCFD recommendations and enhancing our disclosures in line with best practice.

Sustainability Accounting Standards Board (SASB)

We are disclosing additional information in line with the SASB Standards for Real Estate, which provide sector-specific guidance on sustainability indicators based on financial materiality. This is the first time we have provided SASB disclosures.

World Economic Forum (WEF)

As a long-standing partner of WEF, we are amongst the first corporations in Southeast Asia to pledge our support for the WEF Stakeholder Capitalism Metrics. Our Sustainability Framework and disclosures are organized according to the four thematic areas of Prosperity, Planet, People, and Principles of Governance, which demonstrates our commitment to long-term value creation for all our stakeholders across both financial and non-financial dimensions.

Financial Services Authority of Indonesia (OJK)

As a public company listed on the Indonesia Stock Exchange, we have disclosed information in line with the sustainability reporting requirements of OJK Regulation No.51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Services Companies, Issuers, and Public Companies and in reference to OJK Circular Letter No.16/SEOJK.04/2021 for Form and Contents of the Issuer's or Public Company's Annual Report.

EXTERNAL ASSURANCE

We have not sought external assurance for this Report. However, we will continue to improve our data collection and validation processes in preparation for external assurance in the future.



FEEDBACK

We welcome feedback on this Report, as this helps us to improve our sustainability performance and reporting. Please reach out to us with any comments or questions at sustainability@lippokarawaci.co.id

Our Company

Listed on the Indonesia Stock Exchange, Lippo Karawaci is Indonesia's leading real estate and healthcare platform based on total revenue, with a presence in 26 provinces and 56 cities across Indonesia. The Group has a strong track record of developing and managing a diversified asset base that includes landed and high-rise residences, hospitals, lifestyle malls, hotels, commercial and industrial estates, office buildings, as well as townships and integrated developments.

Through our innovative use of land and integrated value chain, we create value across every segment of the urban ecosystem. We serve Indonesia's emerging consumer by not only building homes and townships, but also providing healthcare, retail and hospitality services. Our diversified assets and operations span the archipelago, from Aceh to the eastern reaches of Papua. As champions of sustainability, we are committed to creating a more liveable world for all our stakeholders, and for the generations to come.

Vision

To be a leading real estate and healthcare company in Asia, advancing the well-being of those we serve.

Mission

- 1** To win the hearts and minds of our customers through quality homes, healthcare and lifestyle offerings, as well as people-centric services.
- 2** To build a talent-driven organization that prides itself on operational excellence and bringing out the best in our people.
- 3** To embrace innovation and technology in the constant pursuit of developing better products and processes.
- 4** To inspire our customers, communities, and partners towards a more sustainable future.

Values



CUSTOMER FOCUS

- Put the customer first in every aspect of our business.
- Go the extra mile to earn customer trust and loyalty.



EXCELLENCE

- Strive to be the best and uphold the highest standards of quality without compromise.
- Unleash the full potential of our talent to deliver outstanding performance.



AGILITY

- Thrive in dynamic environments and anticipate change.
- Innovate and capitalize on new opportunities.



STEWARDSHIP

- Be responsible for our resources, environment and communities.
- Create lasting, positive impact for all stakeholders in our ecosystem.

BUSINESS ECOSYSTEM

REAL ESTATE



Real Estate Development



Township
Management



Water Treatment & Other Supporting Services

Key Business Units

PT Lippo Karawaci Tbk

Township: Lippo Village
Superblocks: Kemang Village, St
Moritz Puri, Holland Village Jakarta
Landbank: 331 ha

PT Lippo Cikarang Tbk

Township: Lippo Cikarang
Industrial Estate: Delta Silicon
Landbank: 514 ha

**PT Gowa Makassar Tourism
Development Tbk**

Township: Tanjung Bunga
Landbank: 346 ha

PT Siloam International Hospitals Tbk

Hospitals: 41
Clinics: 66
GPs, Specialists, Dentists: 3,659

PT Lippo Malls Indonesia

Malls: 59
Gross Floor Area: 3.5M m²
Net Lettable Area: 1.4M m²

PT Aryaduta International
Management

Hotels: 10
Leisure Properties: 3



Note: PT Lippo Karawaci Tbk serves as the operating company for part of its real estate operations, as well as the parent company for a number of publicly listed and wholly owned subsidiaries.

HEALTHCARE



Hospitals



Clinics



Digital Healthcare, Homecare & Other Supporting Services

LIFESTYLE



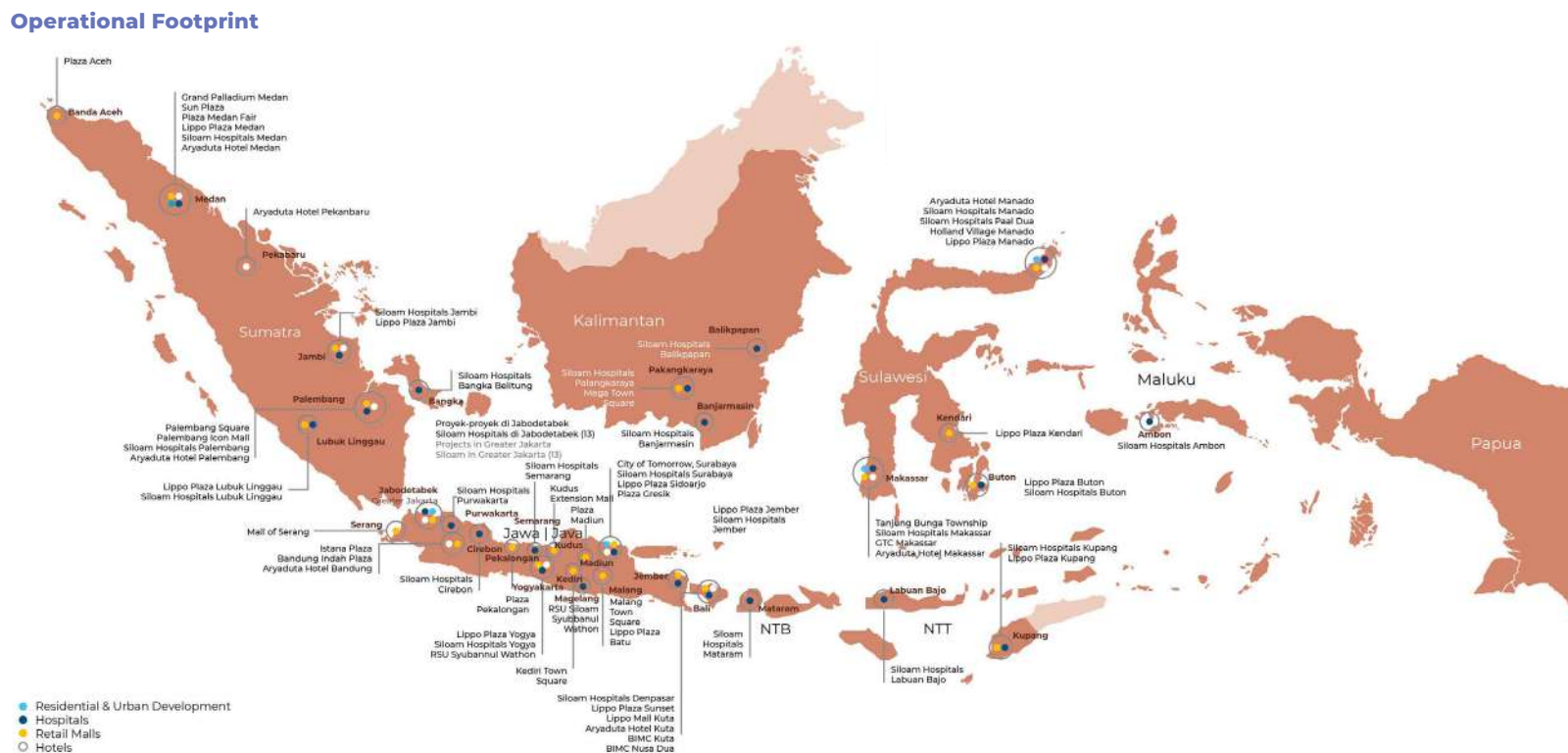
Malls



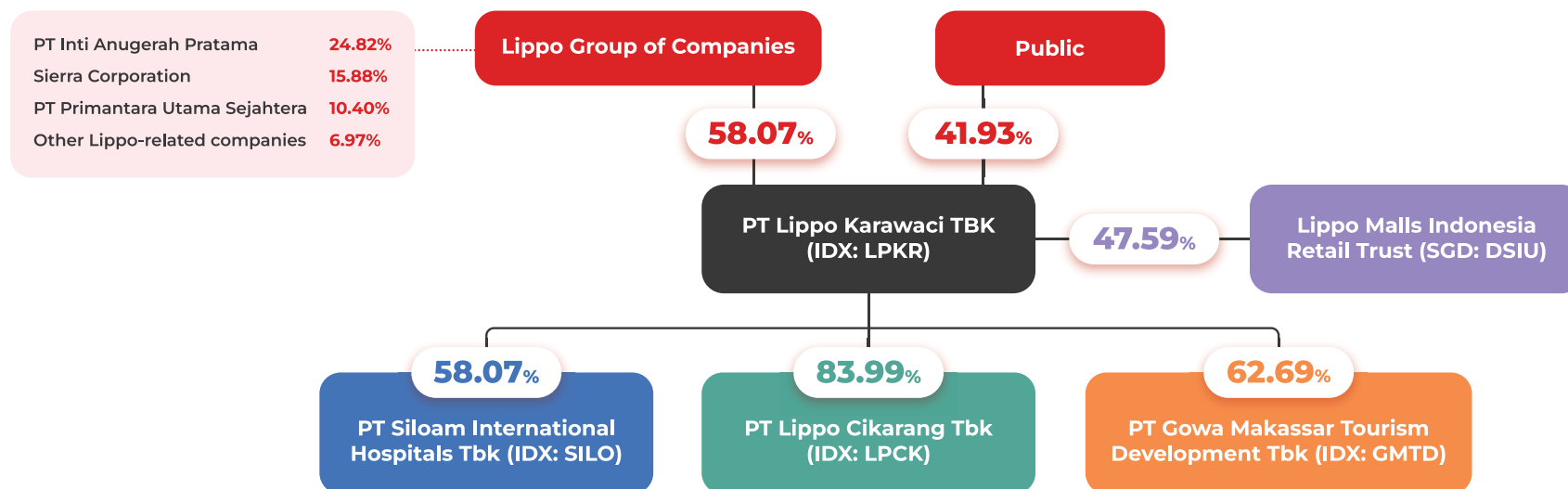
Hospitality



**Food Catering,
Parking & Other
Ancillary Businesses**



SHAREHOLDER STRUCTURE



Note: Shareholdings in publicly listed entities as of 31 December 2022.

MEMBERSHIP ASSOCIATIONS

Lippo Karawaci

- Indonesian Chamber of Commerce and Industry (KADIN)
- Real Estate Indonesia (REI)
- Indonesian Issuers Association (AEI)
- World Economic Forum (WEF)
- Jakarta Property Institute (JPI)

Subsidiaries

- Indonesian Employers' Association (APINDO)
- Indonesian Industrial Estate Association (HKI)
- Indonesian Private Hospitals Association (ARSSI)
- Indonesia Shopping Center Management Association (APPBI)
- Indonesian Hotel and Restaurant Association (PHRI)

CONTACT INFORMATION

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Group CEO's Message

Dear Valued Stakeholders,

2022 will certainly be remembered as yet another year of transition. As the global economy emerges from the COVID-19 pandemic, we have been confronted by an increasingly complex macro environment fraught with geopolitical tensions and financial shocks. Businesses and communities around the world have had to contend with rising costs, supply chain disruptions, and other socioeconomic pressures which have been exacerbated by the climate crisis. Against this backdrop, we are reminded that businesses which prioritize sustainable value creation are best placed to tide through such periods of instability and uncertainty.

At Lippo Karawaci, we view sustainability as core to our mission and value proposition. It is a critical aspect in our transformation journey as we strive to enhance business resilience and seize new opportunities. I am delighted to present this year's Sustainability Report, which takes stock of our ongoing progress to address the Environmental, Social and Governance (ESG) issues that are material to our business and stakeholders, including the various initiatives that we have undertaken to future-proof our business and pursue long-term sustainable growth.

ACCOUNTABILITY AND AMBITION

Given the rapidly evolving global ESG landscape, it is imperative that we stay on top of industry best practices to raise the bar for our ESG performance and disclosures. This year's Report builds on the disclosures from our inaugural Report published in 2021, whereby we have expanded our scope of reporting, as well as enhanced our disclosures and methodologies in line with additional reporting standards.

In formulating our approach to climate resilience, we have adopted the recommendations of the Task Force on Climate-Financial Disclosures (TCFD) by integrating climate risks and opportunities into our enterprise risk management system and business strategies. In 2022, we conducted our first bottom-up climate risk assessment across different asset classes and time horizons, which has enabled us to prepare better mitigation plans in response to the financial, operational and transitional impacts of climate change. Going forward, we strive to improve our climate disclosures and risk management practices to align more closely with the TCFD recommendations.

“
Our Management is committed to accelerating the integration of sustainability into our organization through greater accountability and ambition.
”



Concurrently, we have made significant strides in building up a robust sustainability governance structure that reinforces our ESG priorities at all levels of the organization. We adopted an ESG Committee Charter to formalize the roles and responsibilities of the ESG Committee. In addition, we established the ESG Steering Group and the Group Sustainability Function to anchor the communication of the Group's sustainability direction and improve coordination of ESG workstreams across the organization. Today, ESG has emerged as an increasingly essential aspect of our Management's meeting agendas, with regular discussions at the Board-level on material ESG topics. We will continue to embed ESG in our organization, through ESG-specific capacity building and Group-wide engagement efforts to build up a corporate culture that is rooted in our ESG values.

2030 SUSTAINABILITY AGENDA

In 2022, we became a signatory to the United Nations Global Compact (UNGC), the world largest corporate sustainability initiative. This formalizes our commitment to uphold the UNGC's Ten Principles on human rights, labour, environment, and anti-corruption. We will support the UNGC's agenda by promoting these responsible business practices and advancing the UN Sustainable Development Goals throughout our ecosystem.

In line with Indonesia's 2030 Agenda for Sustainable Development, I am proud to announce the launch of our own "2030 Sustainability Agenda", which articulates our ESG ambitions through concrete outcomes that deliver meaningful impact for our stakeholders. This agenda aligns our corporate policies and business growth plans

with our sustainability objectives and strategy, and ensures that we take a longer-term view on ESG as we transition towards a more sustainable future.

In heeding the call for urgent climate action, we have set ambitious environmental targets on operational emissions reduction, water circularity, and waste diversion. To achieve our target of reducing 35% of our building emissions intensity by 2035, we are accelerating our decarbonization efforts through the implementation of a Group-wide decarbonization roadmap that cascades down to business unit targets and asset-specific initiatives. Our decarbonization plans are supported by regular energy audits, the systematic roll-out of energy-efficiency initiatives and asset enhancements, and new opportunities associated with green buildings and renewable energy.

Another key priority for us is community support and engagement. In 2022, we launched a Group-wide framework for social impact called "PASTI" (an acronym for Pintar, Asri, Sejahtera, Tangguh, Independen). This framework serves to align each business unit's CSR efforts with the Group's priorities and targets, and rally our stakeholders around a common cause. We believe that we can amplify our collective impact by focusing on specific priorities, such as empowering 30,000 MSMEs by 2030 through various platforms that enable local businesses to promote their products at our malls, hotels, and townships.

This is the first time that we have publicly committed to quantitative ESG targets, and marks a new chapter in our sustainability journey. I invite you to learn more about our "2030 Sustainability Agenda", which covers a total of 16 targets across all four pillars of our Sustainability Framework, including other priorities such as health and safety as well as training and development.

MOVING FORWARD

Although we are still in the early stages of our sustainability journey, we have already begun to see our ESG efforts bear fruit across various facets of our operations, from improved resource efficiency to greater customer engagement and satisfaction. This affirms our sustainability agenda and motivates us to be bolder in our transformation initiatives. 2023 will be an important year for us as we take our first big step towards achieving our "2030 Sustainability Agenda" and focus on preparing for audit and assurance, among other priorities.

As we look around our ecosystem, I am heartened to see that we are surrounded by so many like-minded partners who are supportive of our sustainability agenda. We will continue to engage with our key stakeholders along the value chain to secure their buy-in, find new opportunities to collaborate with other change-makers in Indonesia, and last but not least, inspire our people to champion ESG causes. We are excited to work together to advance the well-being of Indonesians at every stage of life.



Highlights



Sustainability Performance

Enhancing Quality of Life



>170M
Indonesians served



Rp 14,809B
Revenue



97%
Sold homes priced under
Rp 2 billion



19
Hospitals located
outside Java



Rp 228B
Spending on public
infrastructure and services



Rp 634B
Taxes paid

Lippo Untuk Indonesia



Launched Social Engagement Framework to amplify impact



432
Community activities



~Rp 40B
CSR spending



~3,000
MSMEs supported



>1.5M
COVID-19 vaccinations
administered (since 2021)



7,500
Healthcare professionals trained
at Siloam Training Center



319
Nurses graduated under Siloam
scholarship program

Caring for Our Environment



Conducted first bottom-up
**Climate Risk
Assessment**



Developed Group-wide
**Decarbonization
Strategy**



Energy Consumption
1.21M GJ
(11% increase from 2021 and 15%
decrease from pre-COVID levels)



Building Energy Intensity
0.511 GJ/m²
(11% increase from 2021 and 15%
decrease from pre-COVID levels)



GHG Emissions (Scope 1&2)
269 ktCO₂e
(10% increase from 2021 and 16%
decrease from pre-COVID levels)



Building GHG Intensity (Scope 1&2)
0.114 tCO₂e/m²
(4% increase from 2021 and 30%
decrease from pre-COVID levels)



GHG Emissions (Scope 3)
166 ktCO₂e



Tenant electricity consumption,
business travel, purchased
goods & services (construction materials)



Water Consumption
4.12M m³
(38% increase from 2021 and 9%
increase from pre-COVID levels)



Building Water Intensity
1.64 m³/m²
(26% increase from 2021 and 12%
decrease from pre-COVID levels)

Sustainable Water Sources



~620,000 m³
Treated water (19% increase from
pre-COVID levels)



15%
of water consumption
(6% of pre-COVID levels)



~1,400 tons
Waste diverted from landfill



168,108
Trees planted across three largest
townships (cumulative)

Sustainability Performance

Investing in Our People



16,249
Employees



36 %
Male



64 %
Female



40 %
Female senior executives and managers



38.8
Average training hours per employee



>Rp10B
Total training expenditure



800
ESG training hours



0
Fatality (Employees)



1
Fatality (Contractors)



TRIFR:
0.09
(Employees)



TRIFR:
0.64
(Contractors)

Geographical Footprint

26 Provinces & 56 Cities



3 Townships
9 High-Rise Residences



41 Hospitals
66 Clinics



59 Malls



10 Hotels



Championing Best Practices



Announced **ESG Targets**
under **2030 Sustainability Agenda**



Became **UNGC Member** and incorporated UNGC's 10 Principles in ESG policies and disclosures



Alignment of ESG strategy and ERM with **TCFD Recommendations**



Formalized **ESG Governance Structure**
through ESG Committee, ESG Steering Group and Group Sustainability Function



Zero
Cases of non-compliance with laws and regulations resulting in fines and/or sanctions



Zero
Legal cases of corruption, fraud and bribery



Zero
Complaints due to customer privacy and data leaks



Zero
Incidents of discrimination, child labor, or forced labor



Launched **Vendor Integrity Pledge**
to promote responsible value chain



>95 %
Procurement budget on Indonesian suppliers and vendors



99% completion rate
Refresher training on Code of Conduct and anti-corruption policies

SUPPORTING GLOBAL AND NATIONAL PRIORITIES



We sponsored the B20 Summit to support Indonesia's Chairmanship. Our Group Head of Sustainability was also appointed a founding member of the ESG Taskforce under the Indonesian Chamber of Commerce and Industry (KADIN), which was launched on the sidelines of the B20 Summit.



We sponsored Indonesia Night at the 2022 World Economic Forum to promote Indonesia as an investment and tourism destination. Our Group CEO was also invited to moderate a high-level panel session on the future of ASEAN's digital economy, involving senior Ministers and business leaders.



We partnered with the Indonesian Government to develop Indonesia's medical tourism industry, and to provide medical support for international conferences. Our Bali hospitals were officially designated as referral hospitals for the G20 and B20 Summits. We also launched Siloam Labuan Bajo International Medical Center to cater to the needs of tourists.



We committed financial aid and scholarships at the International Conference on Afghan Women's Education, to improve access to education for Afghan women.



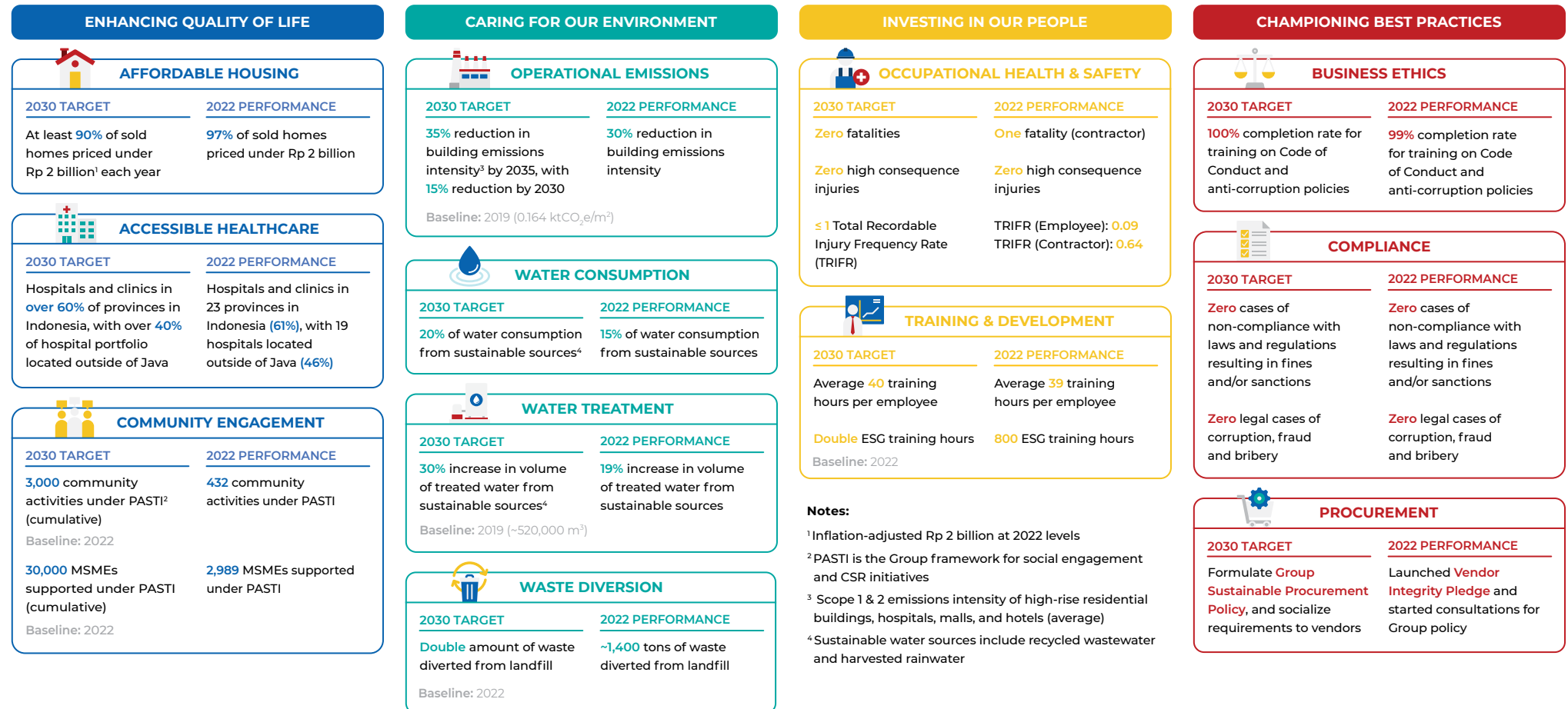
We provided humanitarian assistance to support the people who have been impacted by the war in Ukraine.



We sponsored the PEMSEA Network of Local Governments (PNLG) Forum 2022, which provided a collaborative platform for East Asian countries to develop solutions for coastal area development.

2030 Sustainability Agenda

As a forward-looking company, we are committed to pursuing sustainable growth and delivering large-scale positive impact to Indonesians throughout the archipelago, including future generations. Our 2030 Sustainability Agenda articulates our ESG ambitions through concrete outcomes that will benefit our stakeholders and improve accountability. We are fully committed to supporting and accelerating Indonesia's 2030 Agenda for Sustainable Development, and aspire to be an ESG leader in Indonesia.





Our Sustainability Approach

In line with Lippo Group's overarching vision of "Growing in Stewardship, Transforming Lives", we place sustainability at the heart of everything we do. We are committed to being responsible stewards of the resources, environment, and communities placed under our care. As a forward-looking company, we strive to pursue sustainable growth and deliver transformative impact to the millions we serve throughout the archipelago, as well as the future generations to come. We recognize that we cannot do this alone, which is why we work together with the myriad business partners and stakeholders across our value chain to adopt ESG best practices and leverage our respective strengths. Together, we stand united for a better Indonesia.

Sustainability Framework

At Lippo Karawaci, we aspire to advance the well-being of Indonesians at every stage of life. Our Sustainability Framework articulates our approach to sustainable value creation for our stakeholders across four key pillars³:

- 1 Enhancing Quality of Life
- 2 Caring for Our Environment
- 3 Investing in Our People
- 4 Championing Best Practices.

Supported by a robust sustainability governance structure, this Framework guides the integration of sustainability into our business strategy, policies, and operations.

³These pillars correspond with the four overarching themes of the WEF Stakeholder Capitalism Metrics – Prosperity, People, Planet, and Principles of Governance.



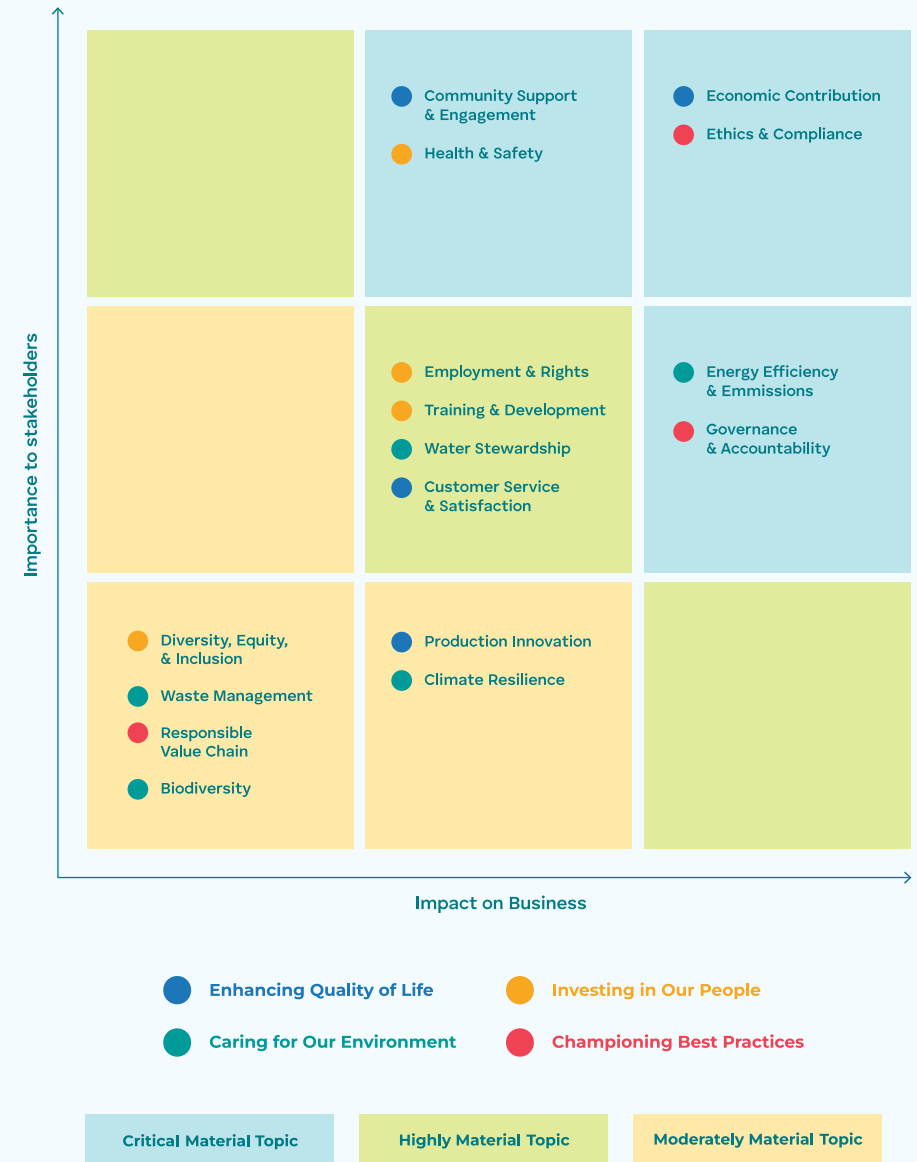
Material ESG Topics

Every year, we perform a materiality assessment to review the ESG topics that have a material impact on our business and our stakeholders. The materiality assessment takes into account input provided by key internal and external stakeholders, including management, employees, shareholders, suppliers, customers, local communities, government partners, and regulators. We also gather insights from a landscape scan on global and local sustainability trends, as well as a detailed study of industry best practices and peer disclosures. The final set of ESG topics and materiality matrix are approved by the ESG Committee, and then validated by the Board of Directors (BoD) and Board of Commissioners (BoC).

In 2022, we added two new material topics – “Climate Resilience” and “Governance and Accountability”. The former recognizes the importance of managing the impact of climate change on our business operations and financial performance in line with TCFD recommendations, while the latter highlights our commitment towards enhancing our governance structures and the transparency of disclosures.

We also reprioritized and renamed several material topics to reflect our latest management approach and priorities in our sustainability journey. For example, “Energy Efficiency and Emissions” emerged as a Critical Material Topic given the increasing expectations for companies to accelerate their decarbonization efforts, and renamed “Job Opportunities and Employment” to “Employment and Rights” to better reflect our focus on human and labor rights.

As our business landscape continues to evolve, we will regularly review the relevance of these material topics to our business and update their prioritization where necessary.



Sustainability Governance

At Lippo Karawaci, we are committed to integrating sustainability into our business strategy and operations. This can only be achieved through the establishment of a robust sustainability governance structure that involves key decision-makers throughout the organization – vertically from the Board level down to the operational level, as well as horizontally across the various business units and corporate functions that drive different aspects of ESG.

Our sustainability governance is spearheaded by the ESG Committee, anchored by the ESG Steering Group, and supported by the Group Sustainability Function. Together, they are responsible for formulating the Group's sustainability strategy and driving initiatives to achieve the Group's ESG targets and commitments. This structure provides multiple channels through which we can escalate ESG risks and issues of concern, remediate negative impacts, and undertake policy reviews where necessary. Bottom-up input from the business units and corporate functions is frequently tabled to the ESG Committee for consideration and follow-up.

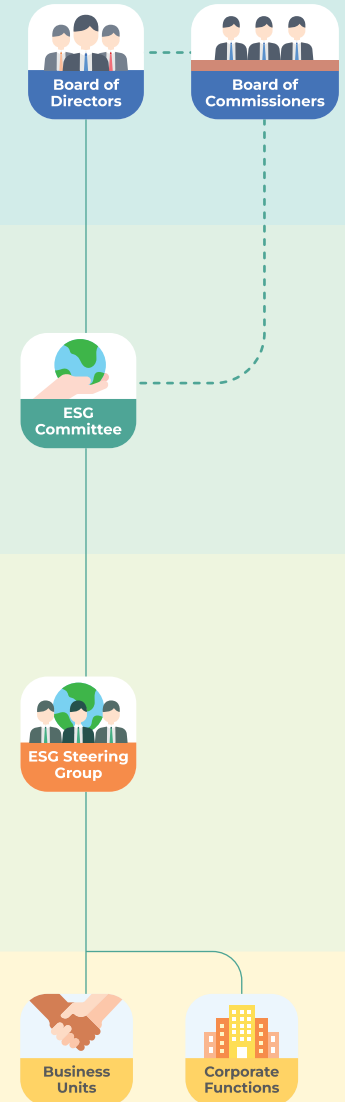
In 2022, we formalized our sustainability governance structure to provide greater clarity on the roles, responsibilities and reporting lines – further details can be found under “Governance and Accountability” on pages 84 to 86. Going forward, we are committed to enhancing our sustainability governance in line with best practice, and improving accountability to both internal and external stakeholders through regular monitoring and reporting.

As the lead governing bodies of Lippo Karawaci, the BoD and BoC provide strategic direction for the Group, ensuring that its approach to material ESG issues aligns with the interests of the business and stakeholders. The BoD bears ultimate responsibility for the Group's ESG performance, while the BoC serves as a supervisory and advisory body to the BoD. Both Boards review the Group's sustainability targets and performance, as well as approve relevant disclosures such as the Sustainability Report.

The ESG Committee is appointed by the BoD to set the direction for the Group's ESG strategy, policies, and initiatives, as well as exercise oversight over the Group's ESG performance. Chaired by the Group CEO, the ESG Committee consists of BoD Members and Senior Executives who hold positions of responsibility and/or possess expertise which are relevant to the Group's ESG strategy and policies. The ESG Committee periodically reports to the BoD and BoC to seek guidance on ESG priorities and workplans, and to provide updates on the Group's ESG performance. The ESG Committee meets at least four times a year.

The ESG Steering Group is the platform through which the Group's ESG strategy is operationalized. Led by the Group Head of Sustainability, it comprises key representatives from our business units and relevant corporate functions, who are responsible for executing workplans approved by the ESG Committee and monitoring ESG performance in their respective areas of operation. These corporate functions include Sustainability, Risk Control and Assurance, Corporate Secretary, Human Resources, Investor Relations, and Corporate Communications. When necessary, the ESG Steering Group convenes working groups to socialize workplans, create alignment, and drive progress in specific ESG workstreams.

Our business units, with support from the relevant corporate functions, are held accountable for their ESG performance through regular reporting to the ESG Committee via the ESG Steering Group.



Stakeholder Engagement

Our business impacts a wide range of stakeholders, who in turn, have an influence on how we operate our business. Hence, it is important that we understand the key concerns and interests of our stakeholders, to ensure that we take their priorities into consideration when reviewing our ESG strategy and operational performance. The results of our stakeholder engagement also inform our materiality assessment. Throughout the year, we engage our stakeholders via regular touchpoints and various feedback channels such as surveys and focus group discussions. Details on how we engage our stakeholders and respond to their needs are outlined below.

	Employees	Investors & Rating Agencies	Government & Industry Associations	Customers & Tenants	Communities	Vendors & Suppliers
TOP MATERIAL TOPICS	<ul style="list-style-type: none"> • Employment and rights • Ethics and compliance • Training and development • Health and safety • Diversity, equity and inclusion 	<ul style="list-style-type: none"> • Economic contribution • Governance and accountability • Climate resilience 	<ul style="list-style-type: none"> • Ethics and compliance • Employment and rights • Health and safety • Governance and accountability 	<ul style="list-style-type: none"> • Economic contribution • Customer service and satisfaction • Product innovation • Health and safety • Energy efficiency and emissions • Water stewardship • Waste management 	<ul style="list-style-type: none"> • Community support and engagement • Economic contribution • Biodiversity 	<ul style="list-style-type: none"> • Responsible value chain • Ethics and compliance • Health and Safety • Energy efficiency and emissions • Water stewardship • Waste management
HOW WE ENGAGE	<ul style="list-style-type: none"> • Employee benefits and assistance • Training programs (internal/external) • Employee engagement activities • Career and talent development programs • Company policies • Volunteerism 	<ul style="list-style-type: none"> • Investor meetings • Investor releases and presentations • Quarterly earnings calls • Investor conferences and roadshows • Annual and Sustainability Reports 	<ul style="list-style-type: none"> • Regular interaction with national/local government agencies • Permits and licensing approvals • Events organized by government and industry associations 	<ul style="list-style-type: none"> • Product launches and customer events • Tenant agreements • Digital applications and services • Customer service and guest relations • Surveys, feedback platforms, and market research • Social media channels 	<ul style="list-style-type: none"> • Public spaces and programs • Social engagement and CSR activities • Online and offline media engagement 	<ul style="list-style-type: none"> • Tenders • Vendor/supplier policies • Regular engagement • Collaboration with local vendors
OUR CHALLENGES	<ul style="list-style-type: none"> • Internal ESG alignment and buy-in within the company • Impact of COVID-19 on working arrangements 	<ul style="list-style-type: none"> • Price volatility and inflationary pressures • Stock performance • Global uncertainties from geopolitical conditions and macroeconomic factors 	<ul style="list-style-type: none"> • Evolving regulatory frameworks • Advocacy for ESG priorities 	<ul style="list-style-type: none"> • Quality of feedback • Complaints that are difficult to resolve immediately 	<ul style="list-style-type: none"> • Measurement of social impact • Approach to CSR limited to philanthropic activities • Effectiveness of communication channels 	<ul style="list-style-type: none"> • Nascent awareness of ESG best practices and sustainable supply chain
HOW WE RESPOND	<ul style="list-style-type: none"> • Weekly updates on company news and activities • Increase employee training hours and leadership development programs • Update Code of Conduct to promote business and ethics • Promote greater diversity, equity, and inclusion at the workplace • Campaigns on health and wellness, environmental awareness, and community engagement 	<ul style="list-style-type: none"> • Provide timely updates to bond and equity investors through conference calls and investor release • Improve transparency in disclosures (e.g. enhancing ESG disclosures – TCFD, SASB) • Regular meetings to understand and address external stakeholders' concerns • Engage rating agencies to understand ESG rating criteria • Discussions on ESG best practices and other topics such as sustainable financing 	<ul style="list-style-type: none"> • Maintain engagement with agencies and institutions to ensure compliance • Support KADIN initiatives through B20 participation and ESG task forces • Become a UNGC member • Conduct CSR activities in partnership with local government agencies • Participate in surveys by OJK and IDX 	<ul style="list-style-type: none"> • Improve products and services through soliciting regular feedback • Enhance customer and tenant experiences through innovation • Increase engagement via digital platforms (e.g. MySiloam app) • Speed up complaint resolution processes 	<ul style="list-style-type: none"> • Implement Group social engagement framework (PASTI) • Newsletters and social media engagement • Increase community engagement and volunteering 	<ul style="list-style-type: none"> • Promote business ethics through Vendor Integrity Pledge and Sustainable Procurement Policy • Recognize achievements of good performers • Prioritize local vendors and small businesses

Supporting UN SDGs & UNGC Principles



The UN SDGs rally governments and corporations to advance the well-being of people, societies, and the planet by providing a blueprint to address the world's most pressing sustainability development challenges. We are committed to aligning our ESG strategy to meet the underlying actions and priorities of the UN SDGs, as well as Indonesia's 2030 Agenda for Sustainable Development. We have mapped our sustainability framework and material ESG topics to 13 UN SDGs which we believe are relevant to our business operations and where we can create the most significant impact.

In 2022, we became a signatory to the United Nations Global Compact (UNGC). By joining the world's largest corporate sustainability initiative, we are pledging our commitment to support the UNGC's Ten Principles on human rights, labour, environment, and anti-corruption, as well as to take strategic actions to advance the UN SDGs. This Report contains our first-time disclosures based on the UNGC's Ten Principles – please refer to “Content Index” on page 108.



Supporting UN SDGs	Our Contributions	Material ESG Topics
 <p>GOAL 3 Good Health and Well-being</p> <p>TARGET 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality, and affordable essential medicines and vaccines for all.</p> <p>TARGET 3.C Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States.</p>	<ul style="list-style-type: none"> ● Provide quality and accessible healthcare throughout Indonesia, including remote areas. ● Promote health and wellness through public campaigns. ● Create safe and healthy living and working environment for customers, visitors and employees. 	<ul style="list-style-type: none"> ● Economic Contribution ● Community Support and Engagement ● Health and Safety ● Customer Service and Satisfaction
 <p>GOAL 4 Quality Education</p> <p>TARGET 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.</p>	<ul style="list-style-type: none"> ● Provide training and development to upskill employees and fulfil their career aspirations. ● Provide access to quality education and vocational training throughout Indonesia. 	<ul style="list-style-type: none"> ● Training and Development ● Community Support and Engagement
 <p>GOAL 5 Gender Equality</p> <p>TARGET 5.1 End all forms of discrimination against all women and girls everywhere.</p> <p>TARGET 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic, and public life.</p>	<ul style="list-style-type: none"> ● Promote gender equality and empower women at the workplace. ● Eliminate all forms of workplace discrimination and provide adequate channels for grievances. 	<ul style="list-style-type: none"> ● Employment and Rights ● Diversity, Equity and Inclusion
 <p>GOAL 6 Clean Water and Sanitation</p> <p>TARGET 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally.</p> <p>TARGET 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.</p>	<ul style="list-style-type: none"> ● Provide clean water at all our managed properties and townships ● Manage water resources efficiently by optimizing water usage and switching to sustainable water sources such as recycled wastewater and harvested rainwater ● Discharge wastewater responsibly 	<ul style="list-style-type: none"> ● Water Stewardship ● Waste Management
 <p>GOAL 7 Affordable and Clean Energy</p> <p>TARGET 7.3 By 2030, double the global rate of improvement in energy efficiency.</p>	<ul style="list-style-type: none"> ● Improve energy efficiency to reduce carbon emissions and operating expenses 	<ul style="list-style-type: none"> ● Energy Efficiency and Emissions

Supporting UN SDGs	Our Contributions	Material ESG Topics
 <p>GOAL 8 Decent Work and Economic Growth</p> <p>TARGET 8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7% gross domestic product growth per annum in the least developed countries.</p> <p>TARGET 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.</p>	<ul style="list-style-type: none"> ● Support the local economy and MSMEs through job creation and business partnerships ● Protect and promote human rights and labor rights at the workplace 	<ul style="list-style-type: none"> ● Economic Contribution ● Community Support and Engagement ● Employment and Rights
 <p>GOAL 9 Industry, Innovation, and Infrastructure</p> <p>TARGET 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.</p>	<ul style="list-style-type: none"> ● Continuously innovate to deliver products and services that address infrastructural and social needs 	<ul style="list-style-type: none"> ● Product Innovation
 <p>GOAL 10 Reduced Inequalities</p> <p>TARGET 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p> <p>TARGET 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies, and action in this regard.</p>	<ul style="list-style-type: none"> ● Promote fair employment practices and DEI principles at the workplace ● Reinforce zero tolerance policy for discrimination 	<ul style="list-style-type: none"> ● Employment and Rights ● Diversity, Equity and Inclusion
 <p>GOAL 11 Sustainable Cities and Communities</p> <p>TARGET 11.1 By 2030, ensure access for all to adequate, safe, and affordable housing and basic services and upgrade slums.</p> <p>TARGET 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.</p>	<ul style="list-style-type: none"> ● Provide affordable housing options that cater to different market segments in Indonesia, especially first-home owners. ● Give back to local communities and foster an inclusive and vibrant society. ● Mitigate any negative impacts on the environment, especially through environmental impact assessment and responsible waste management. 	<ul style="list-style-type: none"> ● Economic Contribution ● Community Support and Engagement ● Product Innovation ● Biodiversity ● Waste Management

Supporting UN SDGs	Our Contributions	Material ESG Topics
 <p>GOAL 12 Responsible Consumption and Production</p> <p>TARGET 12.2 By 2030, achieve the sustainable management and efficient use of natural resources.</p> <p>TARGET 12.6 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p>	<ul style="list-style-type: none"> ● Minimize consumption of natural resources and enhance resource efficiency throughout operations and value chain ● Reduce waste generation and increase waste diversion at all managed assets and townships ● Raise environmental awareness among stakeholders 	<ul style="list-style-type: none"> ● Energy Efficiency and Emissions ● Water Stewardship ● Waste Management ● Responsible Value Chain
 <p>GOAL 13 Climate Action</p> <p>TARGET 13.2 Integrate climate change measures into national policies, strategies, and planning.</p> <p>TARGET 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.</p>	<ul style="list-style-type: none"> ● Integrate climate-related risks and opportunities in strategy and risk management ● Conduct capacity-building on climate change mitigation and adaptation ● Align ESG priorities with global and national sustainability agendas 	<ul style="list-style-type: none"> ● Climate Resilience ● Energy Efficiency and Emissions
 <p>GOAL 15 Life on Land</p> <p>TARGET 6.3 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.</p>	<ul style="list-style-type: none"> ● Minimize the impact of our operations on biodiversity ● Actively conserve and rejuvenate natural environments in urban areas 	<ul style="list-style-type: none"> ● Biodiversity
 <p>GOAL 16 Peace, Justice and Strong Institutions</p> <p>TARGET 16.5 Substantially reduce corruption and bribery in all their forms.</p> <p>TARGET 16.6 Develop effective, accountable and transparent institutions at all levels.</p>	<ul style="list-style-type: none"> ● Uphold the highest standard of corporate governance and conduct our business with integrity ● Improve accountability and transparency in ESG disclosures 	<ul style="list-style-type: none"> ● Ethics and compliance ● Responsible Value Chain ● Governance and Accountability



Enhancing Quality of Life

At Lippo Karawaci, we are in the business of creating urban ecosystems for quality living. We are committed to driving sustainable economic growth and job creation through our business operations, as well as uplifting the local businesses and communities whom we partner with. We constantly innovate to improve our offerings, and strive to build trust through customer service and satisfaction.



Economic Contribution

As Indonesia's largest real estate and healthcare operator by geographic footprint, we are privileged to be able to serve over 170 million people in 26 provinces and 56 cities. Through our business operations, we create direct economic value and jobs for the Indonesian economy, while generating indirect socioeconomic impact that benefits various stakeholders within our ecosystem.

Number of People Served

Real Estate
157,000

Healthcare
3,451,000

Lifestyle
166,720,000

Note: Figures have been rounded off to the nearest 1,000. The number of people served includes the residents served by our Township Management Division's services in our townships and integrated developments (Real Estate), the inpatients and outpatients at our hospitals (Healthcare), and the visitors to our malls and hotels (Lifestyle).

DIRECT ECONOMIC CONTRIBUTION

Lippo Karawaci recorded total revenues of Rp14.8 trillion in 2022, which reflects stable performance following a record year of Rp16.5 trillion in revenues for 2021. Although our Real Estate segment has been impacted by the challenging macroeconomic environment, our Healthcare segment continues to maintain its strong growth trajectory coming out of the COVID-19 pandemic, while our Lifestyle segment has sustained its recovery towards pre-pandemic levels with the resumption of business activity.

Financial Highlights (Rp billion)	2019	2020	2021	2022
Revenue	12,320	11,966	16,530	14,809
Operating expenses	2,520	2,722	2,768	2,843
Employee wages and benefits	1,483	1,347	1,451	1,459
Payments to providers of capital	1,137	1,953	2,603	1,981
Payments to government	544	467	960	634
Assets	55,080	51,865	52,081	49,871
Liabilities	20,703	28,292	29,595	30,731
Equity	34,376	23,574	22,486	19,140

Note: Operating expenses exclude employee wages and benefits.

For a detailed breakdown of our financial performance, please refer to the following sections of our 2022 Annual Report:

- Financial Highlights
- Management Report
- Management Discussion and Analysis
- Consolidated Financial Statements



Tax Contribution

We view tax as a strategic tool that can positively impact our financial performance, reputation, and economic contributions. We prioritize tax compliance and the efficiency of tax payments in line with prevailing laws and regulations, as well as our corporate finance policies and governance principles. Our tax department falls under the direct supervision of the Chief Financial Officer and Group Financial Controller, with our Head of Tax setting tax strategies for the Group and respective business units. Each business unit consults the tax planning and strategy division to seek guidance before executing a transaction, such as an asset sale or an inter-company transaction. For instance, we conduct transfer pricing studies for transactions within the Group, in line with the arm's length principle. In addition, each business unit engages the relevant stakeholders involved in the transaction and applies the appropriate tax strategies on a case-by-case basis to ensure regulatory compliance. Thereafter, the monitoring team within the tax department ensures that transactions are carried out as per the agreed strategies. On an annual basis, appointed external auditors review our tax payments and strategies to ensure accuracy and transparency.

Tax Performance (Rp billion)	2022
Total Tax Paid	634
Corporate Income Tax Paid on a Cash Basis	602
Corporate Income Tax Accrued on Profit/Loss	568
Tax Incentives	147



INDIRECT ECONOMIC CONTRIBUTION

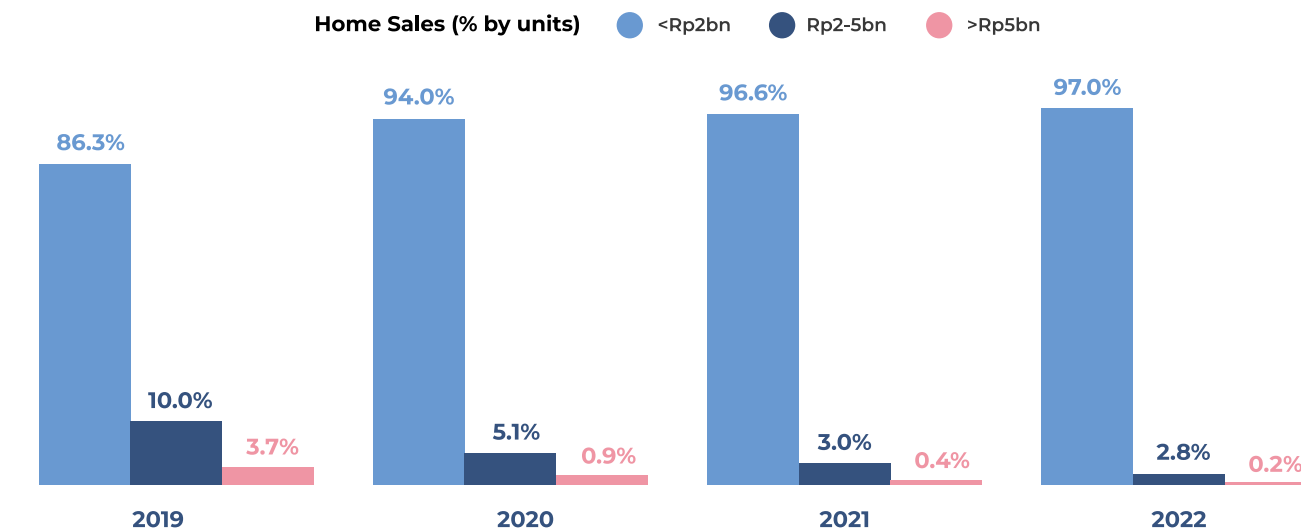
We believe that we have a responsibility to deliver positive socioeconomic impact to our customers, as well as our business partners and the local communities in our areas of operation.

Affordability and Accessibility

Housing and healthcare are two of the most fundamental human needs, but there remains a great unmet need for affordable housing and quality healthcare throughout Indonesia. This is why we prioritize affordability and accessibility in our real estate and healthcare offerings.

Since 2020, we have made the strategic decision to focus on developing housing products which cater to the needs of first-home owners, especially millennials. This includes pricing our housing products affordably, at a price point of under Rp2 billion. In 2022, homes sold at this price point made up 97% of all residential sales (in units), of which 62% were priced below Rp1 billion. In total, we have sold over 8,500 homes priced under Rp2 billion in the last 3 years, primarily driven by the high demand for our Cendana Homes series. Going forward, we are committed to maintaining our track record of at least 90% of home sales priced under Rp2 billion every year.⁴

On the healthcare front, we believe in the mission of providing healthcare services in areas of Indonesia where quality healthcare may not be easily accessible. This is why we are committed to building and managing a healthcare network that spans over 60% of provinces in Indonesia,



with over 40% of our hospital portfolio located outside of Java. To date, Siloam's portfolio includes hospitals and clinics in 23 out of 38 (61%) provinces in Indonesia, with 19 out of 41 hospitals (46%) located outside of Java.

We also serve the Indonesian public through Badan Penyelenggara Jaminan Sosial (BPJS) Kesehatan, the Indonesian government's health insurance scheme. Siloam has been expanding its network of BPJS-licensed hospitals to make its services available to more patients who are unable to fully pay out of pocket or are not covered by private insurance. As of 2022, a total of 30 hospitals are licensed to serve BPJS patients, up from 26 hospitals in 2021. During the year, Siloam served over 1 million BPJS patients, contributing to 17.5% of our total hospital revenue.

In addition, we place a strong emphasis on meeting the healthcare needs of local communities, especially in rural and remote areas. To that end, Siloam operates 30 community clinics across the country, all of which are either licensed to serve BPJS patients or provide free healthcare. In addition, Siloam has established "Centers of Excellence" which cater to specific health issues and medical conditions prevalent in certain regions in Indonesia, such as those relating to cardiology, urology, and fertility. More details on Siloam's community healthcare programs and "Centers of Excellence" can be found on pages 32 and 37 respectively.

⁴Inflation-adjusted Rp2 billion at 2022 levels.

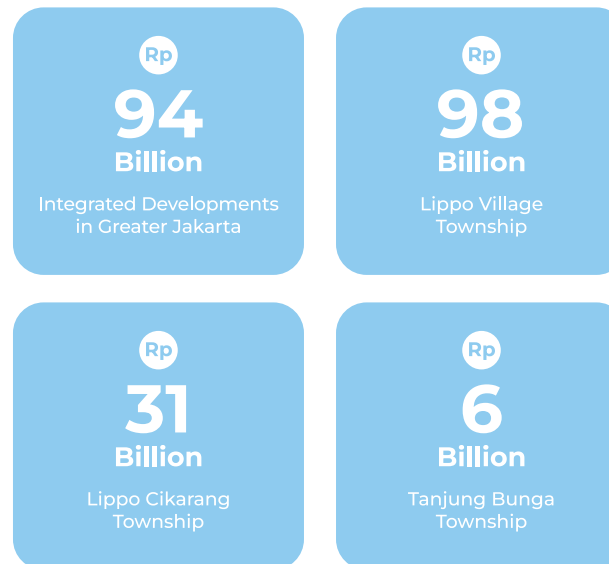
Public Infrastructure and Services

As a real estate developer and township operator, we strive to provide high-quality public infrastructure and services that serve the broader communities beyond our immediate customers. To improve the quality of life for those who live and work at our townships and developments, we regularly maintain and enhance public infrastructure such as drains, roads, pavements and open green spaces. We also provide a full range of services including security, cleaning, landscaping, and waste management. In 2022, we spent over Rp220 billion on public infrastructure and services to provide a beautiful, well-maintained and safe living environment for all.

Beyond our real estate businesses, we also collaborate with the Indonesian government to enhance public infrastructure and services. For instance, we supported the infrastructural improvements of the Krukut River to alleviate flooding in Kemang and financed the development of Kampung Akuarium in North Jakarta to provide housing for vulnerable groups. To date, we have contributed over Rp70 billion towards these infrastructure projects.



Spending on Public Infrastructure and Services

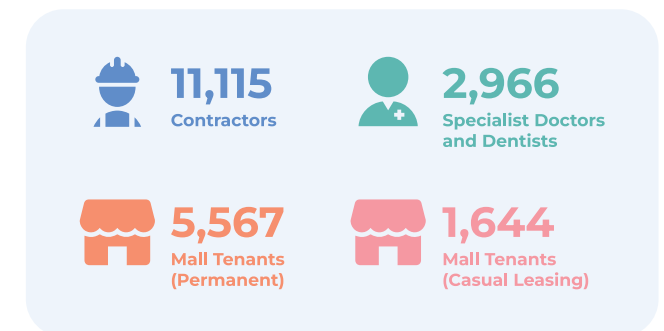


Tenant Rent Relief

The COVID-19 pandemic has had an unprecedented impact on the business activities of our malls and tenants, particularly Micro, Small, and Medium Enterprises (MSMEs). As these businesses are still recovering from the impact of the pandemic, we have continued to support our tenants by providing financial relief through rental and service charge discounts at our malls, totaling Rp45 billion in 2022.⁵

Indirect Job Creation

Our economic contribution also extends to the jobs created through our larger ecosystem of business partners, including contractors, suppliers, vendors, and tenants. In the course of our business operations, we strive to contribute to the local economy by working with people and partners based in our areas of operation as far as possible.



⁵At the height of the COVID-19 pandemic, we provided as much as Rp665 billion in tenant rent relief in 2021, to support tenants who were impacted by the reduced visitor footfall due to the mandated shorter operating hours and travel restrictions. In 2022, we reduced the rent relief with the easing of COVID-19 restrictions and the resumption of business activity at our malls.

For example, under our Real Estate segment, we have been working with vendors and outsourcing companies to actively hire from within our townships to support our Town Management Division (TMD) operations. In 2022, we created over 700 jobs for locals in Lippo Village and Lippo Cikarang.

For our Healthcare segment, Siloam works closely with specialist doctors and dentists throughout the country to provide quality healthcare services at our hospitals. These doctors and dentists are not directly employed by us, but practice at our hospitals on a full-time or part-time basis, supported by our medical facilities, equipment and nursing staff. In 2022, we partnered with 2,966 specialist doctors and dentists.

Through our Lifestyle segment, we support thousands of tenants who, in turn, employ manifold more people in their operations. In addition to engaging casual leasing tenants, many of whom are MSMEs, we actively support local businesses by providing them with retail spaces and curated events where they can sell their goods and services. In 2022, Lippo Malls supported around 3,000 MSMEs through their flagship program “Festival UMKM Untuk Indonesia”. More details on our MSME initiatives can be found under “Empowering MSMEs” on page 34.



Community Support and Engagement

We strive to create positive and meaningful social impact in the areas where we operate. For us, community support is more than just giving back to the community; it is an avenue through which we can foster long-term partnerships with our stakeholders. We actively encourage our employees to volunteer their time in support of meaningful causes and to find new ways to engage our communities through our various touchpoints.

PASTI FRAMEWORK

In 2022, we launched a Group-wide framework for community support and engagement, dubbed “Lippo Untuk Indonesia PASTI” (PASTI). Through PASTI, we strive to amplify our impact by aligning each business unit’s CSR efforts with the Group’s priorities and targets, and rallying our communities around common causes. Our initiatives under PASTI support Indonesia’s sustainability agenda and the UN SDGs, as well as the needs of the local communities we serve. Where possible, we carry out our activities in partnership with local government agencies and non-profit organizations to support their ongoing efforts as well.

In 2022, we conducted 432 community engagement programs and CSR activities across our business operations under PASTI. Through these efforts, we have been able to support around 25,000 direct beneficiaries and 3,000 MSMEs, another 380,000 through our vaccination drives, and many more by extension. In total, we spent over Rp40 billion to fund these activities.⁶

⁶This budget does not include our expenditure on the Siloam Training Center, nursing scholarships and free community clinics, which are budgeted separately.



Lippo untuk Indonesia PASTI (Pintar, Asri, Sejahtera, Tangguh, Independen) embodies the firm and bold spirit that drives our holistic advancement of Indonesia’s sustainability agenda. We are committed to enhancing our quality of life for all stakeholders in our ecosystem, to secure a brighter outlook for future generations.



PINTAR

Scholarships
Vocational Training & Skills Development
Educational Support



Provide access to quality education



ASRI

Nature Conservation
Waste and Water Management
Environmental Awareness



Reduce ecological footprint and raise environmental awareness



SEJAHTERA

Philanthropy
Community Welfare & Engagement
Humanitarian Aid



Support philanthropic causes and community events



TANGGUH

Community Health Services
Health Awareness
Vaccination & Blood Drives



Improve community health and well-being



INDEPENDEN

MSME Empowerment
Local Economic Development
Entrepreneurship



Empower MSMEs and local economies

PINTAR

Siloam Training Center

We established the Siloam Training Center (STC) in 2019 to provide quality medical training programs for Indonesian healthcare professionals across various fields, from critical care nursing to COVID-19 education. Accredited by the Indonesian Board for Development and Empowerment of Human Resources in Public Health, STC conducts both internal and external training programs for all healthcare professionals, including those outside of our workforce. In 2022, we conducted 146 training programs for 7,500 healthcare professionals, representing a 31.5% and 70.3% increase from 2021, respectively. To leverage best practices in the industry, we engaged subject matter experts and third-party training providers to conduct over half of these trainings.

Siloam Training Center	2020	2021	2022
Training programs	64	111	146
Participants	2,502	4,403	7,500

Nursing Scholarship

To address the shortage of qualified healthcare workers in Indonesia, we provide nursing scholarships at the University Pelita Harapan (UPH). Over the past decade, our Faculty of Nursing at UPH has awarded over 3,300 scholarships. Our scholarship program aims to promote diversity by targeting beneficiaries from outside of Java, including North Sumatra, East and West Nusa Tenggara, Maluku, South, and North Sulawesi, among other regions. In 2022, 319 nurses graduated from our scholarship program with a Diploma of Nursing.

Support for Local Schools

We also provide educational assistance to underprivileged school students in and around our townships. In Lippo Village, we conducted charity events to subsidize school fees for students, while in Tanjung Bunga, we supported the renovation of two elementary schools. We were also active in the Cikarang area by sponsoring various school events, webinars, and competitions, such as “Lomba Dokter Kecil” in collaboration with the Cibatu community health center.



ASRI

Environmental Awareness

Throughout the year, our business units conduct a series of online and offline campaigns to raise awareness for environmental causes and climate action. Aside from leveraging our social media channels and electronic bulletin boards, we also curate various themed events such as “Ecoprint Fashion Week” to educate the public on environmental sustainability and the circular economy. During Earth Hour each year, our malls and hotels also turn off all non-essential lights as a display of support.

Tenant Engagement

In our townships, we continue to engage our tenants and residents on environmental best practices through public engagements and regular circulars. For example, we co-organized a seminar with the Ministry of Industry on the topic of “Eco-Industrial Park” to introduce eco-friendly best practices to over 100 tenants from our industrial park in Lippo Cikarang. In Lippo Village, we collaborated with the local government to establish a centralized waste sorting center and to distribute over 1,000 waste bins to residents to improve waste segregation and recycling. Please refer to “Waste Management” on pages 61 to 64 for further details on our waste initiatives.



SEJAHTERA

Serving the Vulnerable

Our business units regularly provide both monetary and in-kind assistance to vulnerable groups, non-profit organizations, and government agencies to support those in need, especially when it comes to disaster relief efforts. In 2022, we provided essential supplies and financial assistance to communities affected by the eruption of Mount Semeru and the earthquake in Cianjur, among others.

Community Welfare

In line with our commitment to build vibrant and inclusive communities, we frequently organize and sponsor community events and festivities that bring people together and foster social interaction. During national holidays and religious events such as Hari Raya and Christmas, our employees will distribute donations to local organizations and underserved communities, and invite them to partake in the festivities. We also frequently host community activities at our malls and townships, such as cultural exhibitions, carnivals and fun runs.



TANGGUH

Vaccination and Blood Drives

We continue to actively contribute in the fight against COVID-19 by accelerating national vaccination programs, distributing medical supplies, and promoting good hygiene and COVID-19 safety measures. Since 2021, we have supported the administration of over 1.5 million vaccine doses through vaccination drives held at our malls, townships, and healthcare facilities. In 2022, 43 of our malls served as vaccination centers, facilitating the administration of 311,448 vaccinations. We also coordinated with the Indonesian Red Cross to conduct over 40 blood drives to replenish blood banks in various locations across Indonesia.

Community Clinics

To date, Siloam operates 30 community clinics throughout Indonesia, of which 8 are free community clinics that provide healthcare services to patients who would otherwise be unable to receive appropriate medical treatment. These clinics are equipped to administer basic medical services such as polio vaccinations, blood pressure check-ups, first aid services, and referral services. In 2022, we opened our 7th clinic in Saman, Papua, thereby extending healthcare services to more rural and remote areas in the eastern region of Indonesia. With Siloam's full financial and operational support, our Papua clinics serve over 1,700 patients each month.



INDEPENDEN

Empowering MSMEs

We are committed to providing our spaces and platforms to promote local businesses and their products. As part of its flagship program "Festival UMKM Untuk Indonesia", Lippo Malls curated 137 events showcasing local products made by MSMEs, such as batik clothing, crafts, and snacks. Through this events, Lippo Malls supported around 3,000 MSMEs in 25 cities in 2022.

Similarly, we provide opportunities for MSMEs in and around our townships to sell their products for free or at highly subsidized rental rates at our events and commercial spaces. We have also facilitated capacity-building for these MSMEs, for instance by providing education on financial literacy and onboarding them to digital banking services and payment platforms.

Inspiring Youths

In 2022, we focused our engagement efforts on youths through "URBN-X", our new community building platform which seeks to inspire Gen-Z and millennials to pursue their aspirations in the domains of new economy, technology and creativity. As part of our "X-Tract" educational series, we invited prominent speakers and young business leaders to share their insights on various topics of interest among youths, such as "Transforming Digital Art into NFTs", "Advancing Towards a Cashless Society", and "The Social Impact of Technopreneurs".



Product Innovation

In today's rapidly changing business environment, innovation is key to delivering quality products and services that can meet our customer's evolving needs and enhance our market position in the long run. Our product innovation strategy includes research and development to analyse and capitalize on the latest market trends, deepening our areas of specialty, as well as leveraging digital channels and new partnerships to enhance our offerings.

CAPTURING NEW DEMAND

While our real estate development business has seen significant success with the Cendana Homes series, we have introduced several new housing products at diversified price points to cater to the different needs and lifestyles of the next generation of young urban dwellers. These products have been developed based on extensive market studies and ethnographic research to better understand the various profiles of Indonesian millennials, including their living preferences and broader life aspirations. Our overall approach to project development has evolved in recent years, as we move away from designing individual home units to creating vibrant living environments centred around community building.

Under our Healthcare and Lifestyle segments, we continue to innovate by developing new facilities and experiences to cater to different market segments. Our R&D efforts help us to identify emerging needs so that we are well-positioned to provide the most relevant offerings.

At the same time, we are also constantly innovating to improve customer service and satisfaction – these initiatives are separately outlined on pages 38 to 41.

URBN-X

Mid-rise apartment comprising loft units, co-working spaces and community facilities.



Hive

One-stop shop based on “Triple Key” concept, whereby the home, office and shophouse are co-located within the same building on separate floors.



Newville

Low-rise apartments situated in entertainment, wellness, and business hubs.



Siloam Agora

We launched Siloam Agora, our first hospital under the managed service model. This hospital was built by an external investor, but now operates under the umbrella of Siloam. Under this business model, we are able to expand our hospital network and generate new revenue streams with minimal investment risk.



NEST at Siloam TB Simatupang

We launched NEST as a comprehensive maternity care program that accompanies parents at every step of the journey, from pregnancy to delivery and post-delivery. To provide a holistic and comfortable delivery experience, the NEST program is supported by a multidisciplinary team of doctors such as obstetrics specialists, gynaecologists, paediatrics, and anaesthesiologists.



Siloam Labuan Bajo International Medical Centre

Our new medical centre in Labuan Bajo caters to foreign tourists, with facilities such as a hyperbaric oxygen therapy room that can treat scuba divers with decompression sickness.



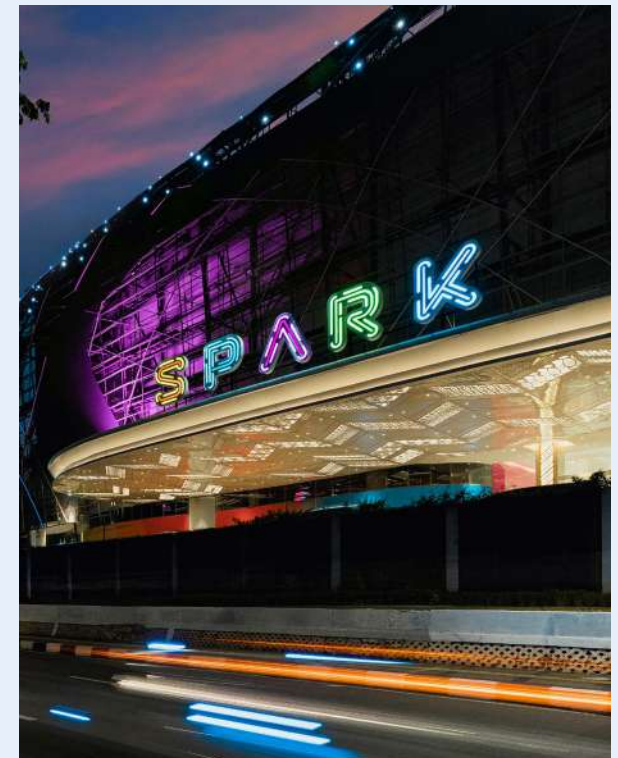
Breast Cancer Care Alliance at Siloam MRCCC Semanggi

Our breast cancer clinic provides consultation, early detection, and comprehensive treatments supported by professional medical experts and first-class medical equipment. This further strengthens our oncology program at MRCCC as a one-stop solution for cancer treatments.



Senayan Park

Senayan Park (SPARK), the newest mall in our portfolio, is designed to be a lifestyle destination for millennials, families as well as pet-owners. Unlike other urban malls, over half of the mall is situated outdoors. SPARK offers unique features such as the Dome, a semi-outdoor event space, an outdoor function area called Pulau Satu, the Promenade which serves as an outdoor recreational space, and the Skywalk Rooftop, where visitors can enjoy scenic views of downtown Jakarta from the rooftop.



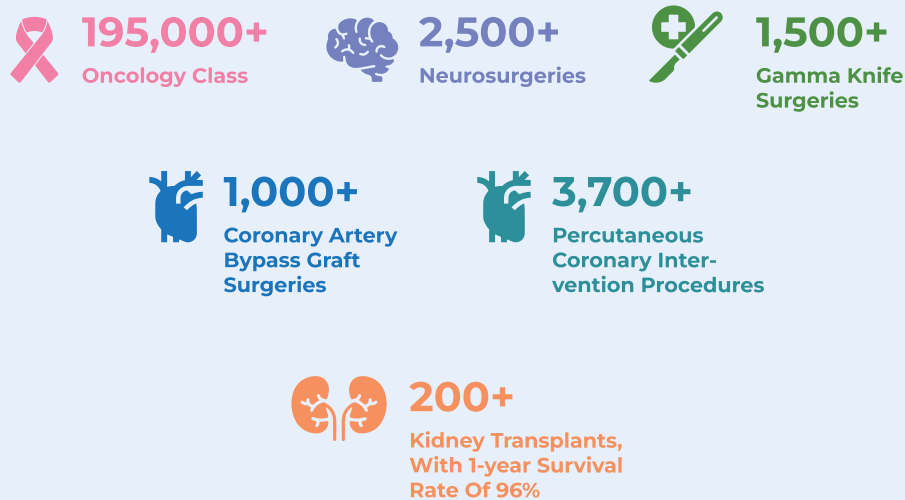
DEEPENING OUR SPECIALITIES

We have doubled down on our areas of specialization in order to advance our competitive advantage and market leadership. At Siloam, we are focused on strengthening our key medical specialties to attract both patients and talented doctors from all over the country.

Siloam's Centers of Excellence

Siloam has established 5 Centers of Excellence (CoEs) which provide top-class medical treatment supported by high-end facilities and equipment in the following healthcare specialties: Cardiology, Urology, Neurology, Nephrology, and Oncology. In 2022, we invested Rp118 billion on developing our CoEs to enhance these clinical programs and improve the patient's experience.

Significant milestones:



GROWING THROUGH PARTNERSHIPS

We work with credible partners to expand our service offerings and leverage the expertise of others. We believe in developing mutually beneficial partnerships that not only enhance the quality of our products and services, but also broaden our customer reach.

Healthcare Partnerships

Siloam has signed an MOU with the National Cancer Centre Singapore (NCCS) Singhealth to establish a strategic partnership in the field of oncology. The partnership encompasses three segments: training and education, patient co-management, and research. Medical personnel from both hospitals will engage in mutual learning by exchanging knowledge and experience in the training and education segment, as well as conduct joint research to advance cancer treatment. Furthermore, patients with severe and complex medical conditions can also receive joint treatment from both hospitals.

In addition, Siloam has become the first Indonesian healthcare provider to partner with Japan's National Center for Global Health and Medicine, a world-class medical research center that includes research institutes, hospitals, and special nursing study programs. The partnership aims to enhance research and innovation potential and improve the quality of human resources.



Customer Service and Satisfaction

We are committed to consistently delivering excellent products and services to our customers. We have accelerated our customer experience transformation plans by ramping up customer engagement through more effective feedback channels, systematically addressing recurring pain points, and improving service standards at key touch points throughout the customer journey. We have also initiated reviews of our customer health and safety protocols to ensure that our customers have a safe and positive experience with us at all times. We aspire to foster a culture of customer-centricity, and will continue to raise the bar to deliver the best possible customer experience.

CUSTOMER FEEDBACK & COMPLAINT RESOLUTION

We value customer feedback as this is an important gauge for customer satisfaction, and helps us to understand how we can improve our products and services. We are constantly enhancing our feedback channels and complaint management systems, to ensure that all issues are resolved quickly and effectively to the satisfaction of our customers.



TMD's Customer Experience Division

Our Real Estate segment has made it a priority to measure customer perception and improve satisfaction at key stages of the customer journey, especially during launch events, handovers, and after-sales services. In 2022, we established a centralized Customer Experience Division to enhance the experience of our residents across our townships through better onboarding and service recovery. We have digitized our customer relationship management (CRM) system to streamline our customer feedback and complaint management processes across various communication channels, and to update customers on their ticket status via email. Customers will receive an email notification after their complaint has been addressed, and they have the option to either close the complaint or escalate the issue for further follow-up.

Under our new customer experience framework, we have developed guidelines on how to handle customer feedback and complaints, including by equipping customer-facing officers with product knowledge and answers to frequently asked questions, and standardized our customer satisfaction score (CSAT) methodology to improve performance assessment across our township services. Over the last three years, we are proud that TMD has successfully maintained a complaint resolution rate of over 99.5%, which demonstrates our consistency in addressing the needs of our residents.



Patient Feedback System

Siloam has transitioned to an online feedback aggregator system, which allows Siloam's Head Office to improve feedback tracking and response time across all hospitals. Siloam has also been enhancing its feedback channels through digital platforms that give patients direct access to the patient relations unit, as well as in-depth focus group discussions to better understand patient pain points. Siloam's Net Promoter Scores (NPS) have increased to 77.3% in 2022, up from 75% and 67.9% in 2021 and 2020 respectively, indicating the effectiveness of its patient-centric initiatives.



Visitor Touchpoints

Similarly, our lifestyle businesses have also enhanced their feedback systems so that customers can provide feedback at more touchpoints. Mall visitors can provide feedback instantaneously by scanning QR codes located at key mall facilities including toilets, nursing rooms, prayer rooms, elevators, and customer service desks. This allows our operations teams to gather feedback on specific mall facilities or aspects of the visitor experience. Meanwhile, Aryaduta uses a variety of tools to solicit feedback and measure guest satisfaction, such as RepUp, which generates satisfaction scores based on reviews from multiple online and offline sources. Aryaduta has launched a WhatsApp chatbot system to improve response time and provide more targeted support for common questions or complaints from guests. In 2022, Aryaduta was recognized on Asia Business Outlook's list of "Top 10 Hotel Brands from Asia", and the only Indonesian hotel brand on the list. This is a testament to our commitment to providing top-grade hospitality services and amenities in Asia.

PRODUCT QUALITY AND SAFETY

Each business unit is responsible for monitoring product quality and safety against a set of performance indicators to ensure compliance with the specified standards. We are also committed to providing our customers with accurate information regarding product quality and safety, as this cements customer trust and loyalty. In 2022, we did not receive any sanctions for non-compliance with customer health and safety regulations, product and service information, labelling, or marketing communications.



LEVERAGING DIGITAL APPLICATIONS

In recent years, we have made an accelerated push towards digital applications to enhance customer engagement and service delivery. These digital applications have enabled us to provide our customers with greater convenience, expanded offerings and even rewards, which is key to building brand loyalty and growing our customer base.

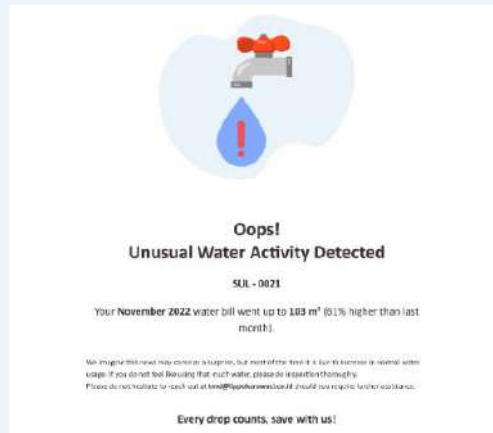
Siloam Accreditation

To ensure that we continue to provide our customers with the highest quality of healthcare services, Siloam participated in the National Accreditation process for 32 hospitals in 2022, with 31 hospitals achieving the highest accreditation status (Paripurna). In addition, Siloam Lippo Village and Siloam Denpasar are currently undergoing checks for the extension of their Joint Commission International (JCI) accreditation status. In 2022, Siloam introduced several initiatives to promote service excellence, such as the “5S/5R” competition, the Siloam Quality Award, and on-site workshops to improve service quality among frontline staff.

Health and Safety Protocols

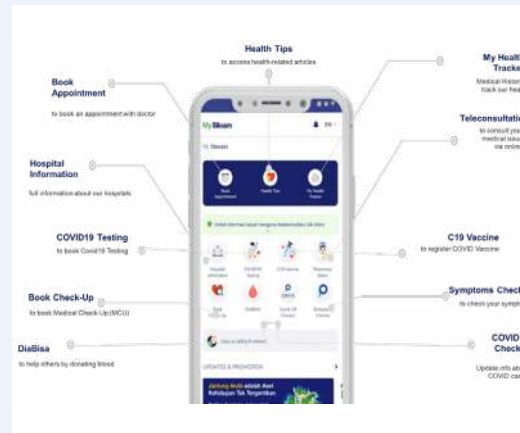
At Lippo Malls, we regularly review our health and safety protocols to ensure the well-being of our shoppers and tenants. In 2022, we reviewed our safety protocols and checklist, which covers all locations in our malls, including points of entry, escalators, restrooms, retail shops, dining areas, and carparks. Given the physical risks associated with climate change, we have placed greater emphasis on conducting checks and pre-emptive maintenance on our building structures and facades, especially after extreme weather events such as prolonged rain and flooding, so that we can spot wear and tear early to prevent any safety incidents.





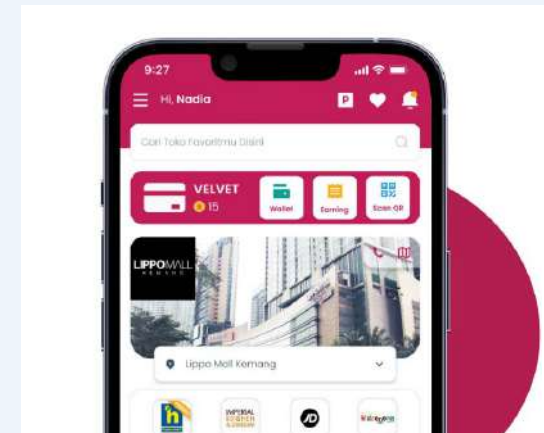
TMD's Digital Features

TMD continues to introduce various digital features to improve the customer experience. For example, it has launched a digital notification system for “Unusual Water Activity”. This feature alerts customers if there are any sudden increases in their monthly water usage, which helps customers to review their water activity and detect any potential issues such as leaks. TMD has also worked with new business partners to expand the range of payment options, customer rewards, and services available to residents. For example, TMD now accepts monthly fee payments via e-wallets such as ShopeePay and Tokopedia, as well as offers cashback on OVO points to incentivize full-year payments.



MySiloam App

Siloam continues to invest heavily in its digital patient platforms as take-up rates have grown at a significant pace. In 2022, Siloam's digital channels contributed around 21% of total outpatient visits. Notably, MySiloam App had over 110,000 active monthly users, and more than 1.1 million downloads as of 2022. Through MySiloam app, patients are able to book doctor appointments, medical procedures and homecare services, access personal medical records, and consult doctors via telemedicine services (over 19,000 sessions in 2022).



STYLES App

STYLES is a loyalty application launched by Lippo Malls Indonesia for visitors across 50 malls in its portfolio. In its latest version, the STYLES app features more a personalized reward system based on user transactions, interests, and location. One of the key features of the app is the Daily Missions, which encourages users to check-in daily for points. The app also sends regular notifications to users regarding promotions and vouchers tailored to their interests. As of the end of 2022, Styles had 120,000 users, with a growth rate of 4,000 new users each month. Lippo Malls is committed to enhancing the user experience and access to benefits on the STYLES app.



Caring for Our Environment

Against the backdrop of climate change, we are committed to accelerating climate action by reducing our carbon and water footprint, improving our resource efficiency, developing greener products and processes, and safeguarding the natural environment.



Climate Resilience

The climate crisis has emerged as one the most significant risks to business continuity.⁷ Today, businesses around the world already keenly feel the impact of climate change, and Lippo Karawaci is no exception. As such, there is an urgent need for us to accelerate our efforts to mitigate and adapt to climate change as we transition to a more sustainable, low-carbon economy.

In formulating our approach to climate resilience, we have adopted the recommendations of the Task Force on Climate-Financial Disclosures (TCFD), which provides guidance to companies on how to manage climate-related risks and opportunities in relation to their financial performance. As we begin our climate-related financial disclosure journey, we have prepared this Report in line with the TCFD Framework across the four pillars of Governance, Strategy, Risk Management, and Metrics and Targets. We are committed to working towards fully aligning with the TCFD recommendations and enhancing our disclosures in line with best practice.

GOVERNANCE

Since 2021, we have established a sustainability governance structure that provides oversight and accountability for our climate agenda.

At the Board level, our Board of Directors (BoD) bears ultimate responsibility for the Group's ESG performance, while our Board of Commissioners (BoC) serves as a supervisory and advisory body to the BoD. Together, they review our sustainability performance and targets on an annual basis, prior to the issuance of the Sustainability Report. Our BoD is also responsible for approving our enterprise risk management (ERM) framework, which includes climate risks. Any significant risks that are flagged by the Audit Committee are also escalated to the BoD and BoC for discussion.

At the Management level, the ESG Committee is appointed by the BoD to set the direction for the Group's ESG strategy, policies, and initiatives, as well as exercise oversight over the Group's ESG performance. Under the guidance of the ESG Committee, the lens of climate governance is applied

to various internal processes, including risk management, business plans, annual budgets and strategy. The ESG Committee meets at least four times a year and reports periodically to the BoD and BoC on its activities and recommendations, including with regard to climate-related risks and opportunities.

At the operational level, the ESG Committee is supported by the ESG Steering Group and the Group Sustainability Function. The ESG Steering Group consists of key representatives from each business unit and relevant corporate functions, who are responsible for executing work plans approved by the ESG Committee and monitoring ESG performance in their respective areas of operation. The Sustainability Function oversees Group-wide ESG reporting and data collection, assessment of sustainability trends, risks and opportunities, capacity-building, and stakeholder engagement.

Please refer to "Sustainability Governance" on page 19 and "Governance and Accountability" on pages 84 to 86 for further details.

⁷The WEF Global Risks Report 2023 ranked the top three long-term threats of this decade to be the failure to mitigate climate change, failure of climate change adaptation, as well as natural disasters and extreme weather events.

STRATEGY

In 2022, we conducted our first bottom-up climate risk assessment to evaluate the climate-related risks and opportunities affecting our business across different asset classes and time horizons. The results of this assessment have been integrated into our risk management procedures, enabling us to make better-informed decisions in terms of strategic planning. Our climate risk assessment comprised the following stages:

- Analysis of current and upcoming trends specific to our real estate, healthcare, and lifestyle assets, as well as policies and regulations specific to Indonesia.
- Internal stakeholder assessment involving key representatives of each business unit to gain insights and perspectives on climate-related risks and opportunities.
- Assessment of the impact of climate-related risks identified across different time horizons, considering their magnitude and probability of occurrence.
- Evaluation of viable control measures to either mitigate or adapt to the climate-related risk identified based on available resources and capabilities.

We define our time horizons as follows: short-term (1-2 years), medium-term (3-5 years) and long-term (>5 years). A detailed description of our climate-related risks and opportunities can be found in the following tables.

Climate Related Risks						
	Risks	Description and Potential Impact	Time Horizon	Impact		
				Real Estate	Healthcare	Lifestyle
PHYSICAL	Floods	Our properties may face increased occurrences of flooding due to high rainfall events experienced in Indonesia. As a result, this could cause business interruptions and infrastructure damage, leading to higher financial costs. Flooding could also potentially endanger the safety of our stakeholders at our properties.	Short-medium term			
	Droughts	Prolonged periods of abnormally low rainfall may lead to droughts and a shortage of water. This poses significant social impacts on our stakeholders as disruptions in water supplies can impact their health and safety.	Short-medium term			
	Heavy precipitation (storms)	Changes in precipitation patterns, including prolonged rainy seasons and the presence of tornadoes or typhoons, can lead to damage to property and infrastructure, disruption of supply chains, and business interruption. This results in higher costs incurred, as well as posing health and safety risks to our stakeholders.	Short-medium term			
	Higher temperatures	Higher temperatures will lead to an increase in operating costs due to increased cooling demands. We may also face reduced revenue and productivity from our workforce due to higher absenteeism rates.	Medium-long term			
	Landslides	Landslides due to heavy torrential rain or earthquakes may lead to decreased property values and result in costly repairs from damage to property and infrastructure.	Short-medium term			
	Extreme waves & coastal abrasion (rising sea levels)	Rising sea levels can lead to the erosion of our land bank and damage/devaluation of properties near coastal areas, and increased costs from investment in coastal infrastructure adaptation measures.	Medium-long term	Only high impact for GMTD's coastal areas		

Legend: ● High Impact ● Moderate Impact ● Low Impact



Climate Related Risks						
Risks		Description and Potential Impact	Time Horizon	Impact		
				Real Estate	Healthcare	Lifestyle
TRANSITION	Greater expectations and demand from customers and investors for more sustainable products and services	There may be a shift in stakeholders' preferences towards more sustainable products and the inclusion of ESG considerations in our decision-making processes. Failure to meet industry standards and the expectation of stakeholders could result in weaker demand as well as loss of reputation and investor confidence.	Short-medium term			
	Disruption of new (low emission) technology	Our current technology may become obsolete, which may lead to additional costs to adopt and deploy alternative low-emission technology.	Medium term			
	More stringent building regulations	We may face stricter regulations on urban planning and construction, including mandatory building codes. This may lead to an increase in costs due to mandatory investments required for asset enhancement and retrofitting to comply with regulations.	Medium term			
	Increase in energy cost	As the Indonesian energy system progressively transitions away from fossil fuels, we may experience higher fossil fuel prices and greater price fluctuations.	Medium term			
	More stringent carbon tax	The Indonesian government has plans to implement a carbon tax on carbon-intensive industries in the near future. This may result in increased operational costs for properties with high emissions.	Medium term			
	Increase in cost of materials and equipment	Disruption in the supply chain from climate-related physical risks will increase operational costs and affect commodity prices, leading to price volatility. We may also incur additional costs from switching to low-carbon materials and more energy-efficient equipment.	Medium term			

Legend: ● High Impact ● Moderate Impact ● Low Impact

Climate Related Opportunities		
Opportunities	Description and Potential Impact	Strategies
Development of new sustainable products or services through R&D and innovation	Creating greener products and services to tap into new groups of customers who place a high focus on sustainability.	We continue to strive for green building certification for our existing properties and new products. We will also step up our engagements with key stakeholders and partners to better capitalize on demand for more sustainable products and services.
Shift towards renewable energy sources	Using renewable energy sources such as solar power instead of conventional fossil fuel can result in cost saving.	We have completed a feasibility study for solar photovoltaic installation at our properties, and plan to start rolling out solar panels in 2023. We will also implement bio-based fuel in compliance with the Indonesian government's regulations.
Adoption of green technology	Upgrading to more efficient equipment enables us to reduce operating costs in the long run by reducing energy consumption and improving our water and waste management.	We continue to conduct energy audits and explore asset enhancement initiatives that enable us to leverage the benefits of green technology.
Sustainable finance	Tapping on sustainable finance will improve our access to financing, lower our cost of capital and increase collaborations with banks and financial institutions.	We will explore sustainable finance opportunities based on our ESG targets.

We understand the importance of identifying climate-related risks under different climate scenarios and timeframes to ensure adequate mitigation and adaptation measures are in place to address these risks. To that end, we are in the early stages of conducting a climate scenario analysis across our business units by first identifying the plausible climate scenarios and key parameters to quantify the impact of climate-related risks and opportunities. In addition, we are commencing a more detailed study on our physical risk exposure at the asset level, with a specific focus on assessing the vulnerability of properties located in 100-year flood zones in view of the significant impact of flood risks on our businesses. This analysis will also be integrated with our business continuity planning to assess the disruption and financial impact of these risks on our business operations.



RISK MANAGEMENT

Climate risks are integrated in our ERM framework, which consists of comprehensive risk management policies, risk management processes, risk monitoring and risk control processes, as well as clear roles and responsibilities for those involved in the identification and monitoring of risks.

We have a well-established process to identify, manage, and monitor risks. The Board oversees the implementation of sound risk management, and holds six regularly scheduled meetings per year to engage with senior leaders and review the business strategy. Risk owners are responsible for identifying risks, with guidance from the Risk Management functions. Subsequently, the Risk Manager presents the results of risk identification, assessment, and risk treatment to the respective Directors and Management for approval.

All climate-related risks identified are included in our risk register and we use an impact-likelihood rating as our primary metric for prioritizing risks. A risk owner will be allocated to each risk identified, followed by an evaluation of plausible mitigation plans.

	Climate Related Risks	Management Approach
PHYSICAL	Floods	<ul style="list-style-type: none"> ● Dredge lakes to restore maximum capacity ● Install dams to regulate rainwater flow and maximise the cross-section of water channels ● Install pump units and create spillway to accelerate drainage and water flow ● Install alarms to indicate high water flow and automatic sluice gate ● Clean channels and drains to ensure they remain unclogged ● Implement a crisis response Standard Operating Procedure (SOP) to handle heavy rainfall. Includes ensuring personnel are prepared, the presence of standby pumps, and coordinating with relevant agencies ● Coordinate with the security team to monitor the water level
	Droughts	<ul style="list-style-type: none"> ● Expand wastewater recycling operations ● Build more retention ponds to harvest rainwater and runoff water ● Implement water saving initiatives to reduce water consumption ● Explore options for alternative water source such as rain water or water recycling
	Heavy precipitation (storms)	<ul style="list-style-type: none"> ● Regular building inspection and maintenance ● Cover potholes with Asphalt Treated Base
	Higher temperatures	<ul style="list-style-type: none"> ● Ensure workers are trained on preventing heat-related illnesses such as heat exhaustion
	Landslides	<ul style="list-style-type: none"> ● Consult external experts to identify and evaluate landslide-prone risk areas
	Extreme waves & coastal abrasion (rising sea levels)	<ul style="list-style-type: none"> ● Bi-monthly monitoring of coastal abrasion ● Evaluation of impact and cost of abrasion and adaptation measures
TRANSITIONAL	Greater expectations and demand from customers and investors for more sustainable products and services	<ul style="list-style-type: none"> ● Build internal capacity and conduct training sessions relating to sustainability and green buildings ● Engage frequently with stakeholders to address their concerns and expectations relating to green and sustainable products
	Disruption of new (low emission) technology	<ul style="list-style-type: none"> ● Review current equipment and technology and identify equipment which are energy-intensive and require replacement ● Explore the adoption of lower and more energy efficient technology
	More stringent building regulations	<ul style="list-style-type: none"> ● Keep abreast of emerging and future regulations to ensure regulatory compliance
	Increase in energy cost	<ul style="list-style-type: none"> ● Explore potential renewable energy usage such as solar energy ● Assess adoption of green technology implementation ● Implement energy-efficient measures to reduce energy costs
	More stringent carbon tax	<ul style="list-style-type: none"> ● Implement environmental initiatives to reduce emissions ● Develop a decarbonization plan and start tracking Scope 3 emissions
	Increase in cost of materials and equipment	<ul style="list-style-type: none"> ● Perform routine maintenance, comparative study and regular research for best-available materials and equipment ● Adopt circular economy practices to reduce the dependency on raw materials

METRICS AND TARGETS

We disclose a wide range of environmental metrics to give our stakeholders a better understanding of our efforts and progress in managing our key climate-related risks and opportunities. This Report provides information on the following climate-related metrics:

- **Energy consumption**, page 50
- **GHG emissions (Scope 1, 2 and 3)**, pages 51 to 53
- **Water consumption and treatment**, pages 56 to 60
- **Wastewater discharge and diversion**, page 60
- **Waste disposal and diversion**, page 61 to 63
- **Trees planted**, page 66

For the full breakdown of our environmental metrics, please refer to “Appendix – Environmental Data” on pages 96 to 98.

To drive climate ambition, we have set environmental targets under our 2030 Sustainability Agenda on GHG emissions reduction, sustainable water consumption and treatment, as well as waste diversion. We also monitor specific climate-related metrics to track our progress against our targets, and report on our performance annually.



OPERATIONAL EMISSIONS

2030 TARGET

35% reduction in building emissions intensity by 2035, with **15%** reduction by 2030

Baseline: 2019 (0.164 ktCO₂e/m²)

2022 PERFORMANCE

30% reduction in building emissions intensity



WATER CONSUMPTION

2030 TARGET

20% of water consumption from sustainable sources

2022 PERFORMANCE

15% of water consumption from sustainable sources



WATER TREATMENT

2030 TARGET

30% increase in volume of treated water from sustainable sources

Baseline: 2019 (~520,000 m³)

2022 PERFORMANCE

19% increase in volume of treated water from sustainable sources



WASTE DIVERSION

2030 TARGET

Double amount of waste diverted from landfill

Baseline: 2022

2022 PERFORMANCE

~1,400 tons of waste diverted from landfill

NEXT STEPS

The TCFD disclosures in this Report outline the early stages of our journey to integrate climate risks and opportunities in our business strategy and decision-making processes. Going forward, we strive to enhance our climate disclosures and risk management practices to align more closely with the TCFD recommendations. This means building better capabilities to assess climate risks and opportunities, including through quantitative modelling and financial impact analysis, as well as discussing our climate agenda more comprehensively at various governance platforms and at the business unit level too. We will continue to build on our climate resilience efforts, as we position ourselves to capitalize on the global transition towards a low-carbon economy.



Energy Efficiency and Emissions

As a real estate developer and operator, we have a responsibility to reduce and conserve as much energy as possible in our operations and at the properties we manage, to support the global transition towards a low-carbon built environment. There is also a strong business imperative for us to improve the energy efficiency of our assets and operations, as this helps us to reap energy savings that can bring down operating costs. Looking beyond our operational emissions, we also recognize the need to holistically reduce our carbon footprint throughout the lifecycle of our developments.

EXPANSION OF REPORTING SCOPE

In 2022, we expanded our reporting scope for energy consumption and greenhouse gas (GHG) emissions, in line with the operational control approach based on GHG Protocol. We have included the full breadth of our township management operations (e.g. San Diego Hills Memorial Park, Holland Village Manado), our various corporate offices, our portfolio of malls that are wholly owned/leased by Lippo Karawaci and our subsidiaries (e.g. MaxxBox Lippo Village, Cikarang CityWalk), as well as leisure properties (e.g. Aryaduta Country Club, Imperial Klub Golf). We have excluded managed properties for which we do not have operational control, such as franchise operations and strata-titled assets for which we do not have a controlling stake.

In order to improve the transparency and comprehensiveness of our energy disclosures, we have also expanded the range of emissions sources and improved the data quality for refrigerants, stationary

combustion sources like diesel fuel and fuel gas, and by using reasonable proxies in cases where data is lacking. In addition, we have re-stated our historical data from 2019 to 2021 to account for re-calculations of operational boundaries and gross floor area (GFA), and to ensure consistency across our business units by applying the same emission factors, as per adjustments described in “Appendix – Reporting Methodology” on pages 94 to 95.

Our report indicates that, despite an expansion in scope and a rebound in business operations, emissions in 2022 remained comparable to pre-COVID levels in 2019. This trend implies that progress has been made in enhancing energy efficiency at specific assets and operations, which is an encouraging development and a recognition of our continuous efforts to improve the sustainability performance of our operations despite the challenges brought about by the pandemic. Details of our efforts are outlined under “Energy Initiatives” on pages 53 to 55.



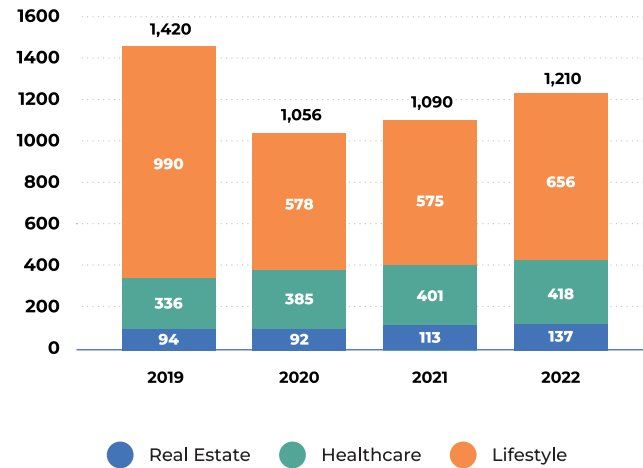
⁸In 2022, we added 11 malls that are wholly owned/leased by Lippo Karawaci and our subsidiaries as part of our reporting scope going forward. Prior to 2022, our reporting scope for malls only included malls owned by Lippo Malls Indonesia Retail (LMIR) Trust. As we have established 2019 as our baseline year, we have also retrospectively included Lippo Mall Puri, which was acquired by LMIR Trust in 2021, in our reporting scope for 2019 and 2020 for re-baselining purposes. This is in line with best practice under the GHG Protocol (see “Appendix – Reporting Methodology” for a detailed explanation).

ENERGY CONSUMPTION

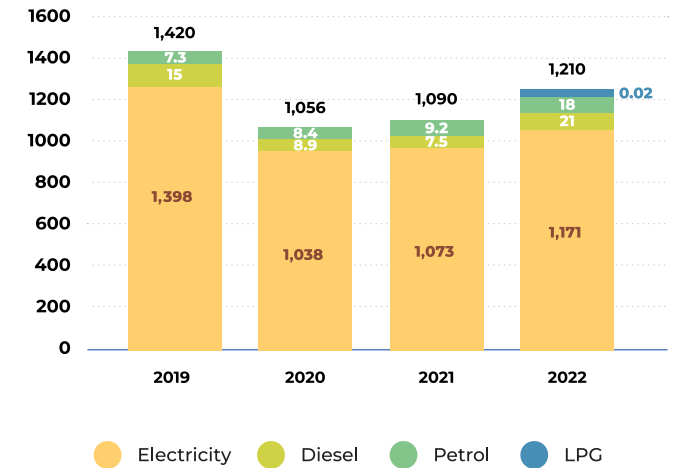
Electricity remains our primary energy source for operations, while we also rely on diesel, petrol and LPG for daily activities. In 2022, Lippo Karawaci consumed a total of 1.21 million GJ. Our Lifestyle and Healthcare segments contributed to 54% and 35% of the total energy consumption respectively, which can be attributed to the scale of their operations and the energy-intensive nature of these businesses. Total energy consumption increased by 11% in 2022 compared to the previous year, in large part due to the gradual lifting of COVID-19 restrictions and the resumption of business activities in Indonesia. The inclusion of additional properties and operations in the reporting scope also contributed to an increase in energy consumption. However, our average energy intensity only increased slightly by 5% in 2022 compared to the previous year, from 0.487 GJ/m² to 0.511 GJ/m², and reflected a decrease of 30% from pre-COVID levels.



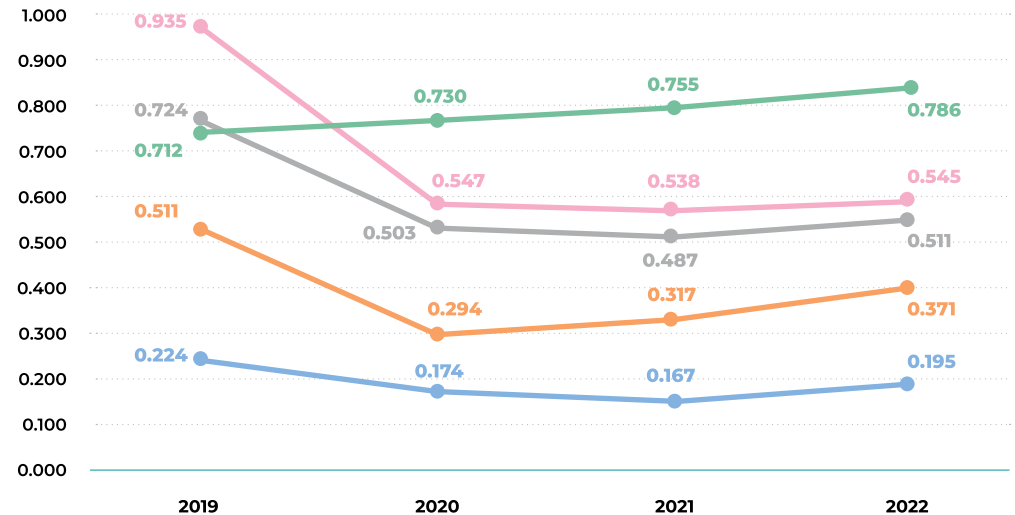
Energy Consumption by Business Segment (10³ GJ)



Energy Consumption by Fuel Type (10³ GJ)



Energy Intensity by Building Type (GJ/m²)



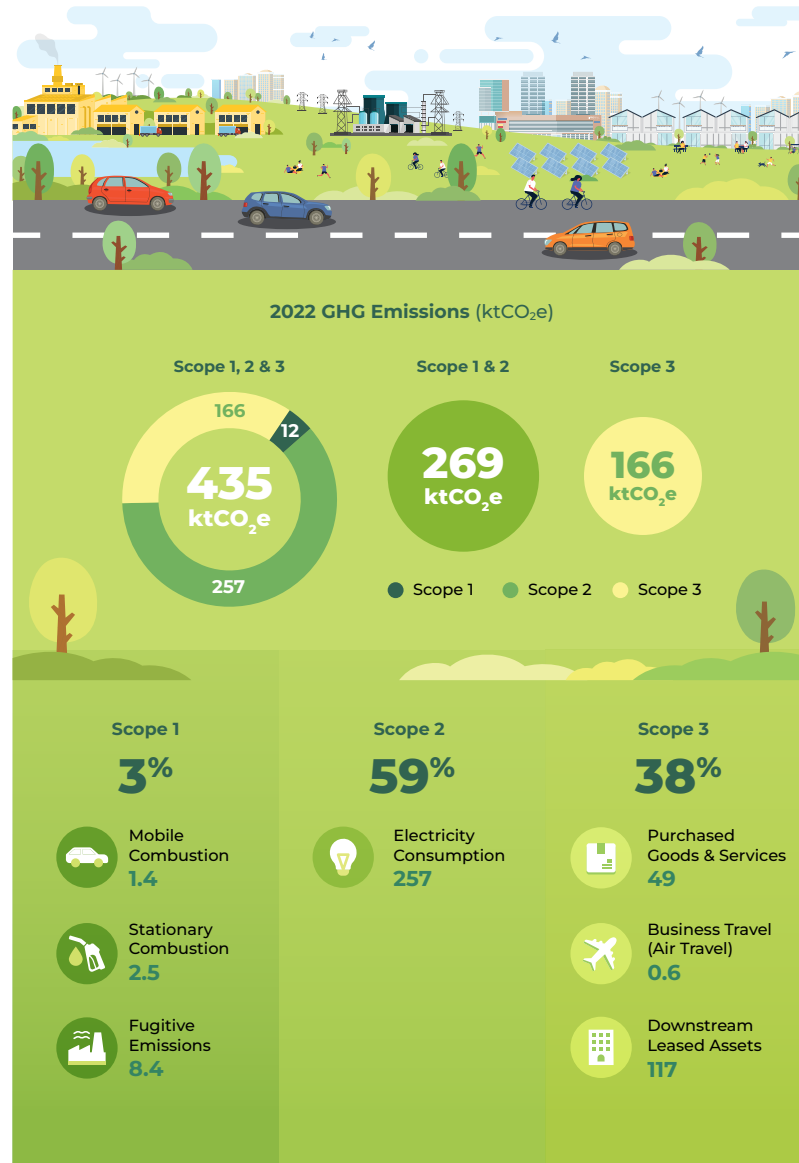
GHG EMISSIONS

In the course of our business activities, GHG emissions are released into the atmosphere. We strive to understand the full extent of our Scope 1, Scope 2, and Scope 3 emissions, as this informs our approach to reducing emissions across our operations.

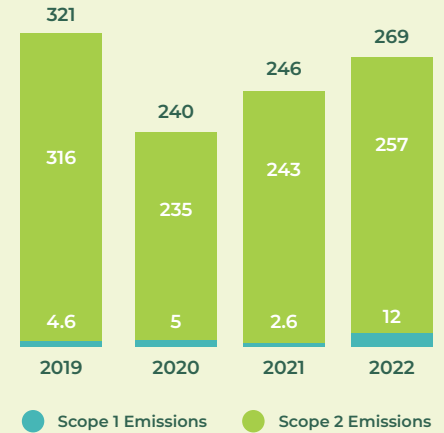
Our Scope 1 emissions are generated from refrigerant leakage in our air-conditioning systems, mobile combustion from our operational vehicles, and stationary combustion primarily from on-site generators. We rely on emission factors derived from DEFRA environmental reporting guidelines to calculate these direct emissions. Our Scope 2 emissions are solely attributed to purchased electricity, and we measure this using market-based methods and emission factors derived from the Ministry of Energy and Mineral Resources of Indonesia (MEMR).

In this year's report, we expanded the scope of GHG emissions reporting to include our material Scope 3 emissions. These emissions come from our tenants' electricity consumption, business travel, and the construction materials used in our real estate development projects. We recognize that this is just the beginning of our journey towards becoming a more sustainable business, and we are committed to continuously improving our emissions reporting and reduction efforts.

In 2022, we produced 435 ktCO₂e of emissions across Scope 1, 2 and 3, of which Scope 2 emissions made up 59% of total emissions.

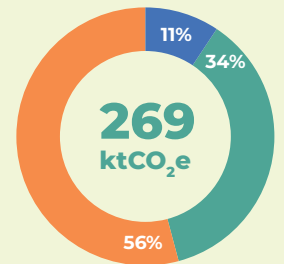


GHG Emissions Scopes 1 & 2 (ktCO₂e)



2022 GHG Emissions Scopes 1 & 2 (ktCO₂e)

- Real Estate
- Healthcare
- Lifestyle



2022 GHG Emissions Scopes 1 & 2 (ktCO₂e)

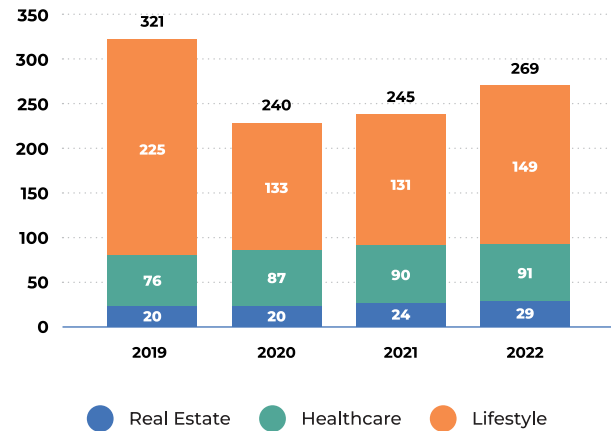
Real Estate	29
Healthcare	91
Lifestyle	149
Total	269

Scope 1 & 2

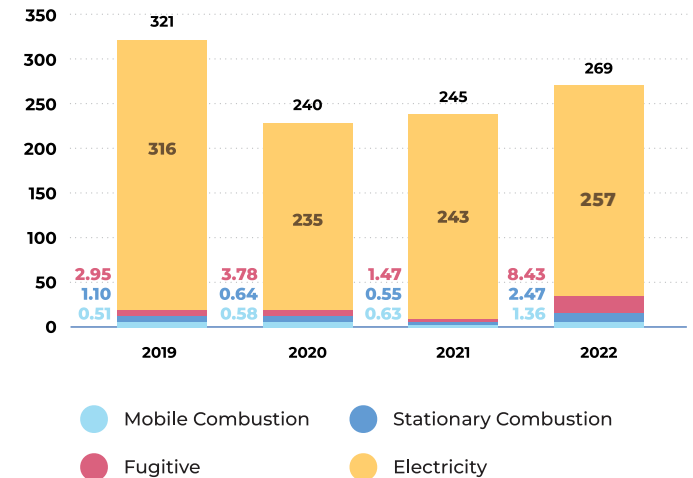
In 2022, our Scope 1 and Scope 2 emissions amounted to 269 ktCO₂e in total, of which a significant 95% was attributed to Scope 2 emissions, which are associated with the Group's electricity consumption. Since 2020, we have observed a notable increase in our Scope 1 and 2 emissions, of which the Lifestyle segment has contributed the most significant share of this increase. This is due to the business recovery from the COVID-19 pandemic (whereby 2020 and 2021 were severely impacted by temporary closures and restrictions in operating hours), as well as the increase in the scope of assets covered in 2021 and 2022. The increase in Scope 1 emissions in 2022 compared to 2021 can also be attributed to the expansion of emission drivers for which data was collected and the inclusion of additional assets within the scope.

Despite this, we have managed to keep our overall emissions below pre-COVID levels. This is due to a slower business recovery in our malls, which account for more than two-thirds of emissions in the Lifestyle segment. In addition, we continue to implement a variety of energy efficiency measures that have contributed to the reduction in the emissions intensity of our malls in 2022 when compared to pre-pandemic levels.

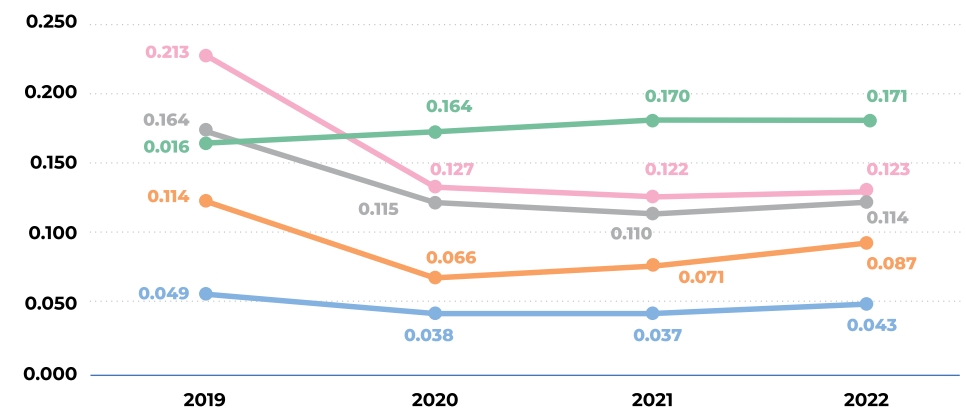
Scope 1 & 2 Emissions
by Business Segment (ktCO₂e)



Scope 1 & 2 Emissions
by Source (ktCO₂e)



Scope 1 & 2 Emissions Intensity
by Building Type (tCO₂e/m²)



Scope 3

We took a significant step in 2022 towards carbon inventory management by reporting on Scope 3 emissions⁹, which are generated by our indirect operations and value chain. We started by disclosing substantial emission sources that are currently tracked within our internal reporting systems, which includes tenant electricity consumption in high-rise residential buildings and malls, employee business travel (air flights), and embodied carbon in main construction materials (steel, concrete, timber, glass) used in real estate development projects. For instance, through sub-metering, our tenants recorded energy consumption of 425,000 GJ in our malls and 99,000 GJ in our high-rise residential properties in 2022.

By identifying and reporting on these sources of emissions, we are able to take further steps to reduce our carbon footprint, and improve our sustainability efforts by engaging our various stakeholders such as our employees, suppliers and tenants. We will continue to enhance our reporting of Scope 3 emissions to accelerate our contribution to decarbonization of our value chain.

2022 Scope 3 Emissions (ktCO₂e)



Purchased Goods & Services
49



Business Travel (Air Travel)
0.6

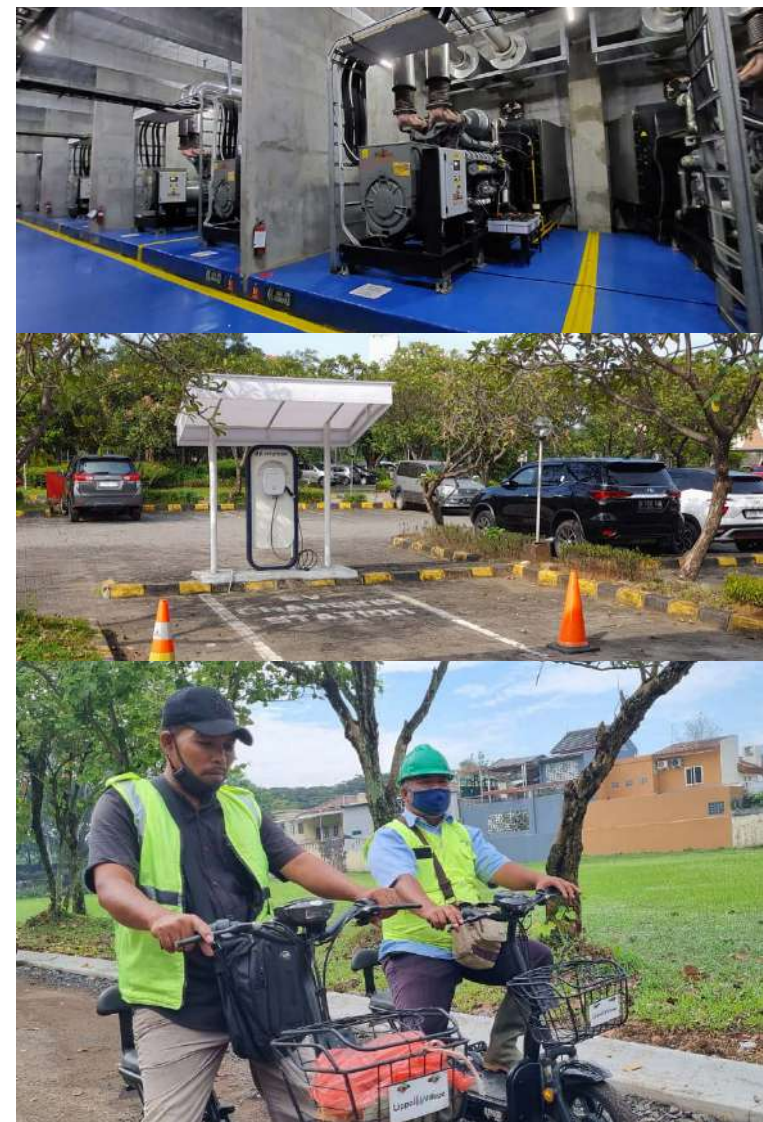


Downstream Leased Assets
117

ENERGY INITIATIVES

Throughout the year, we take active steps to enhance our energy efficiency and increase energy savings across our properties through asset enhancements and sustainable practices. We have implemented a variety of energy initiatives that have helped us to reduce our overall GHG emissions and reap energy cost savings at the same time. We continue to test new initiatives and solutions through pilot programs, and when proven successful, to scale these across our portfolio of assets. This approach also allows us to remain flexible to changes in operational conditions and technological advances.

We also are going one step further to pursue green building certification for new or retrofitted assets that have incorporated highly energy-efficient technologies and practices¹⁰. Through the greening of our buildings, we aim to holistically transform the management of our assets to improve not just their energy use but also water and waste management.



⁹Emissions factors sources: ICE (for purchased goods and services), DEFRA (for business travels), and MEMR (for downstream leased assets).

¹⁰In 2022, we commenced auditing for select assets to pursue green certification. At the time of publication of this report, Lippo Mall Puri and Sun Plaza have been awarded the Excellence in Design for Greater Efficiencies (EDGE) green building certification in February 2023.

Asset Enhancements

We encourage our business units to optimize the energy performance of their operations through asset enhancements and replacement of old building systems, such as lighting, chillers, and water heaters. As a result, we have managed to reduce electricity consumption for lighting by as much as 60%, and over 30% for chiller optimisation initiatives due to improved energy performance.



Initiative	Description
Lighting	<ul style="list-style-type: none"> ● Procurement policy for LED lighting replacements only, to systematically phase out any remaining non-LED lights ● Installation of motion sensors/automatic lighting in toilets and common areas with low footfall, as well as lighting dimming during night time
Cooling	<ul style="list-style-type: none"> ● Chiller and Heating, Ventilation, and Air Conditioning system optimization by changing or upgrading equipment, such as the installation of Variable Speed Drives ● Centrally controlled cooling systems are scheduled to switch on or off based on peak and operating hours ● Installation of Variable Refrigerant Flow systems in hospitals without chillers ● Retrofitting of old AC split units with more energy-efficient units ● Installation of high efficiency fans to improve ventilation
Low GWP Refrigerants	<ul style="list-style-type: none"> ● Replacement of high-GWP refrigerants with low-GWP refrigerant, which lowers electricity usage as well as fugitive emissions
Water Heater	<ul style="list-style-type: none"> ● Installation of high efficiency electric heat pumps to replace gas boilers in hospitals
System control	<ul style="list-style-type: none"> ● Installation of motion and occupancy sensors in escalators to reduce speed when inactive
Building Management Systems	<ul style="list-style-type: none"> ● Pilot Building Management Systems to improve monitoring and control of energy usage
Fleet electrification	<ul style="list-style-type: none"> ● Deployment of e-bikes for TMD operational vehicles
Solar PV	<ul style="list-style-type: none"> ● Installation of solar-powered lighting, weather stations, and water level meters for township operations and parking areas ● Group-wide feasibility studies to identify and assess properties suitable for installing large-scale solar PV systems, including onsite technical visits. We plan on commencing installation of solar panels in 2023

Sustainable Practices

While our asset enhancement initiatives have played a significant role in achieving energy savings, we have also implemented a range of sustainable practices to promote energy conservation at our properties. Our building management and operational teams closely monitor the energy settings and performance of their operational systems, including by regularly analysing utility usage to ensure that it remains within the desired parameters. Beyond our direct operational control, we also encourage our tenants and visitors to adopt sustainable practices.

Initiative	Description
Settings	<ul style="list-style-type: none"> Manually adjusting settings for cooling and lighting systems to conserve electricity
Maintenance	<ul style="list-style-type: none"> Preventive and regular equipment maintenance to maintain performance and increase life cycle
Fuel Reduction	<ul style="list-style-type: none"> Optimizing usage of operational vehicles through active carpooling among employees Installation of electric vehicle (EV) charging stations at more locations to promote EV adoption (13 malls as of 2022)
Waste Heat Recovery	<ul style="list-style-type: none"> Pilot for capturing outdoor AC split exhaust to heat water in hospitals rooms

Initiative	Description
Water Distribution Optimization	<ul style="list-style-type: none"> Minimizing pump usage and maximizing gravitational forces in water distribution
Campaign	<ul style="list-style-type: none"> Active engagement of employees and tenants to conserve electricity through training and socialization Digital and offline campaigns to encourage people to take action towards reducing their carbon footprint and preserving the planet for future generations (e.g. turning off lights during Earth Hour)

DECARBONIZATION STRATEGY

After two years of reporting on our carbon and energy performance, we have embarked on a new chapter of our sustainability journey in 2022. We are accelerating our decarbonisation efforts as we aim to establish ourselves as a sustainability leader in Indonesia's built environment landscape.

Through a collaborative effort between the Group Sustainability Function and business units, and supported by an external consultancy, we have identified the Scope 1 and 2 emissions reduction opportunities available to each business unit. Key levers include: energy audits at flagship and energy-intensive assets to identify technology and operational improvement initiatives; the installation of

onsite solar panels to greenify our electricity consumption; and the development of guidelines to incorporate carbon and other environmentally-friendly criteria into investment decisions and procurement processes.

This exercise has helped us define a Group-wide decarbonisation ambition that will serve as the north star of our carbon strategy, backed up by action plans for each business unit and the implementation of key enablers to establish accountability and ensure successful execution. We aim to reduce 35% of our building emissions intensity (Scope 1 & 2) by 2035 from our 2019 baseline.¹¹

In addition, we have set a milestone target of 15% reduction in our building emissions intensity by 2030. By setting this target, we are signalling our commitment to support the global emissions reduction efforts and the transition towards a more sustainable future.



¹¹Building emissions intensity is based on the operational GFA of our managed buildings. The scope of our target applies to high-rise residential buildings, hospitals, malls, hotels, but excludes other operations such as township management whereby operational GFA is more challenging to measure and risks distorting numbers. The excluded operations only account for less than 5% of our total emissions. 2019 was chosen as our baseline year as it most accurately reflects our business-as-usual emissions prior to the business disruption caused by the COVID-19 pandemic.

Water Stewardship

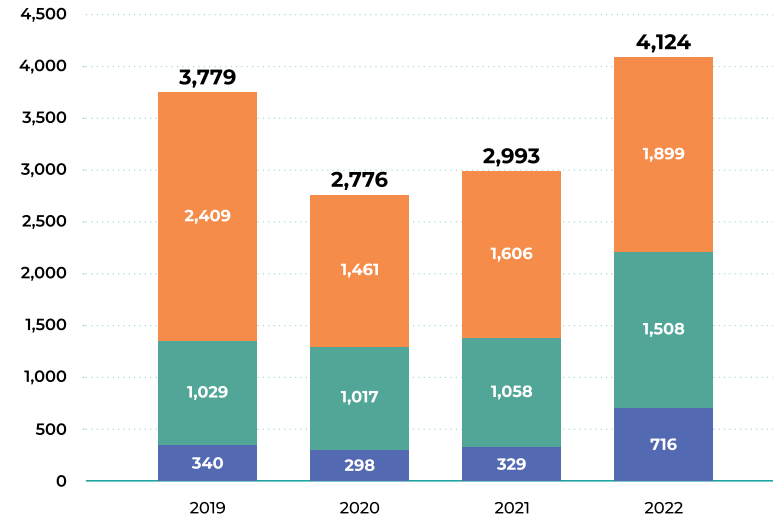
We recognize the crucial role that water stewardship plays in safeguarding the health and well-being of all stakeholders in our ecosystem. We strive to use water in a way that is socially equitable, environmentally sustainable, and economically beneficial. We adopt a holistic approach towards sourcing, distributing, and consuming water, to ensure that we are always able to access and provide a reliable supply of high-quality water. We are committed to sustainable water management practices that focus on optimizing our water usage and tapping on renewable water sources.

WATER CONSUMPTION

Our main source of water is purchased water from municipal sources.¹² In 2022, we consumed a total of 4.12 million m³ of water, an increase of 38% as compared to 2021. This is due to the inclusion of more assets/operations in our reporting scope (refer to “Expansion of Reporting Scope” on page 49, as well as the business growth of our hospitals and general resumption of activities coming out of the pandemic. The latter is reflected in the increase in water consumption intensity across all building types.

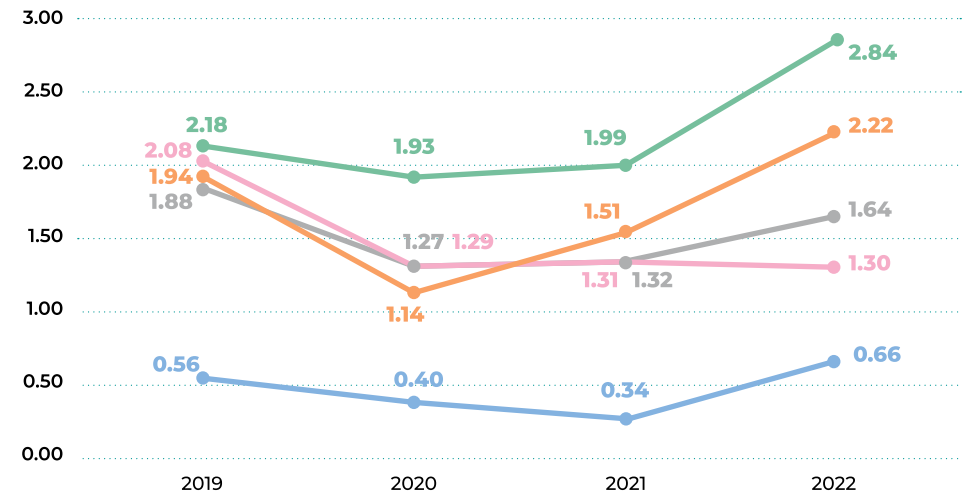
Water Consumption by Business Segment (10³ m³)

- Real Estate
- Healthcare
- Lifestyle



Water Consumption Intensity by Building Type (m³/m²)

- High-rise Residential
- Hospitals
- Malls
- Hotels
- Average



¹² Our business units purchase water from three different municipal sources – 1) treated water from Perusahaan Daerah Air Minum (PDAM) or our own WTD; 2) river water; and 3) groundwater.

Starting from 2022, we have drawn a distinction between the water consumption by our business units, and the water withdrawal by our Water Treatment Division (WTD), which is a subset of our TMD services. This is due to the significant difference in the nature of the business, whereby our WTD withdraws water based on customer demand for treated water in our townships, and not only for the operational needs of our businesses.¹³ For transparency, we have separately reported on water withdrawals by our WTD under “Water Treatment” on page 58. We have also restated our historical numbers for the Real Estate segment to reflect these new boundaries.¹⁴

Optimizing Water Usage

We are committed to implementing prudent water management practices. We recognise the importance of reducing our water consumption and improving the efficiency of water usage, given that we operate in Indonesia which experiences “high” to “extremely high” water stress according to the World Resources Institute’s Aqueduct Water Risk Atlas.

Our township and property managers are responsible for monitoring water usage and conserving water wherever possible. In particular, our hospitals and hotels have put in place strict water management policies, whereby any significant deviations in consumption levels are escalated to the respective head offices and subsequently investigated through a water audit if deemed necessary.

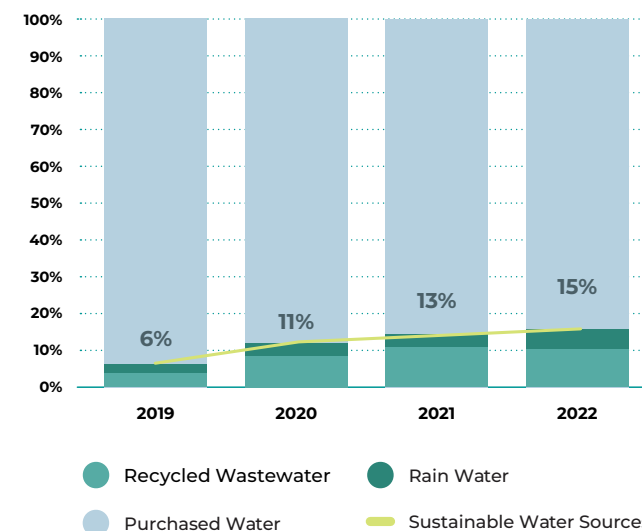
Our properties undergo periodic maintenance of water systems and regular physical checks, which allows us to identify and fix leakages early. These checks are performed in-house by each business unit’s respective facilities managers and resolved by our engineers in the first instance. We are also constantly adopting new methods, equipment, and technology to improve our water efficiency and achieve water savings, for example by installing water-efficient taps and adjusting flushing capacity in bathrooms.

Sustainable Water Consumption

Over the years, we have invested significantly in enhancing our capabilities to tap on sustainable water sources. Where possible, we have built water retention systems to collect rainwater and runoff water, which are subsequently treated for water use. In addition, we treat our wastewater to be reused as non-potable water in our operations, such as for irrigation, drainage cleaning, cooling tower, and toilet flushing. For example, at Lippo Village, all operational needs such as irrigation and drainage cleaning are met by using treated wastewater. Beyond our real estate operations, our malls, hospitals and hotels are also exploring ways to improve water recycling at their respective premises.

In 2022, 15% of our water consumption came from sustainable water sources such as wastewater recycling and rainwater harvesting. This represented an absolute increase of 400,000 m³ in water consumption from sustainable water sources in 2022 compared to 2019, when sustainable water sources only made up 6% of our water consumption. We have set a target for 20% of our total water consumption to come from sustainable water sources by 2030.

Water Consumption by Source (%)



¹³ The majority of our assets do not consume water processed directly by our WTD. Our WTD only directly supplies water to assets that operate in Lippo Village, Lippo Cikarang, Tanjung Bunga and Kemang Village.

¹⁴ Water consumption under the Real Estate segment covers water used by TMD in our township operations (e.g. irrigation), including common area usage in our high-rise residential buildings, but excludes water used by our WTD as part of their water production and distribution operations (e.g. backwash).

WATER TREATMENT

In addition to on-site water management as part of our operations, our WTD is directly involved in the treatment and distribution of water in our key townships: Lippo Village, Lippo Cikarang, Tanjung Bunga, and Kemang Village.¹⁵ This is part of our holistic water resilience strategy to manage our water supply responsibly, and to mitigate any potential disruptions.

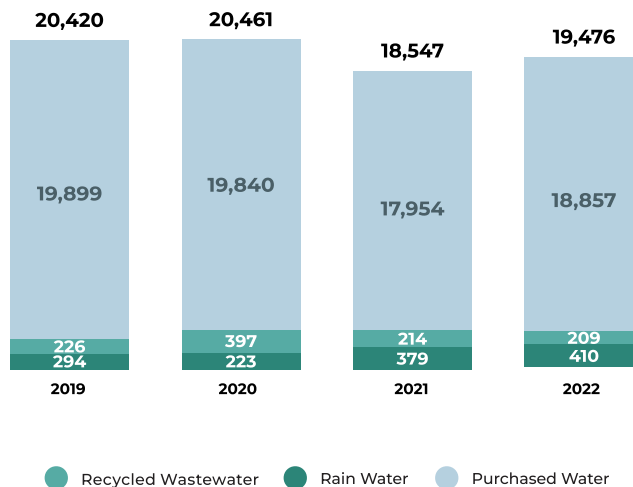
In 2022, our WTD collectively withdrew a total of 19.48 million m³ of water for treatment, most of which came from purchased municipal water sources.¹⁶

Sustainable Water Treatment

To reduce freshwater withdrawal, our WTD has been developing its capabilities to tap on sustainable water sources such as harvested rainwater and recycled wastewater. For rainwater harvesting, we have invested in the collection and storage of runoff water through retention ponds, which also helps to reduce flooding in urban areas. For wastewater recycling, we have equipped some of our wastewater treatment plants with the systems to carry out additional treatment processes to ensure that

the quality of the treated wastewater is suitable for reuse. In 2022, 619,000 m³ of treated water came from sustainable water sources, which represented a 19% increase from 2019 levels. We have set a 2030 target of increasing the volume of treated water from sustainable water sources by 30% from our 2019 baseline of around 520,000 m³. This requires significant forward-planning and investment in order to build up the necessary systems to harvest rainwater and recycle wastewater at scale.

Water Withdrawal by Source (10³ m³)



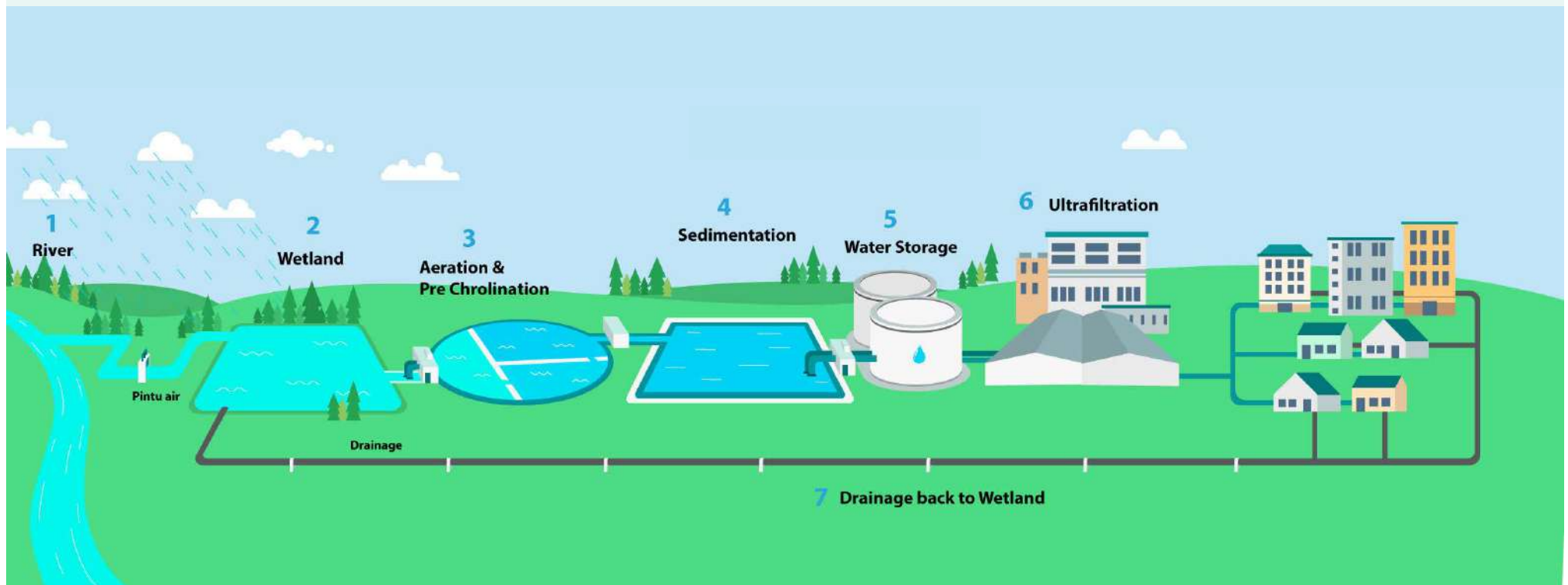
¹⁵ Other integrated developments such as St. Moritz also have water treatment facilities, but these are managed by third parties. We currently do not include 3rd party water treatment data in our disclosures.

¹⁶ Our WTD purchases water from different sources – 1) treated water from Perusahaan Daerah Air Minum (PDAM); 2) river water; 3) groundwater; and 4) other emergency water sources (e.g. water supply from water tank trucks).

GMTD Water Treatment Division

In the past, GMTD relied on clean water from water tanks that could only supply a limited amount of water for a few hours each day. As such, there was an urgent need for a more reliable water supply that could provide high-quality water throughout the day. In 2021, GMTD developed a water treatment system based on the principle of water circularity, whereby water is withdrawn from surface water sources such as rivers, as well as sustainable sources such as rainwater and discharged residential wastewater.

GMTD utilizes its surrounding wetlands and retention ponds to treat the water using natural aeration before it is processed by its water treatment plant. This natural method also helps to reduce salinity and improves water quality. In 2022, GMTD installed ultrafiltration capabilities in its water treatment plant, which has significantly increased its treatment capacity from 5 liters per second to 15 liters per second. GMTD has plans to increase its retention pond capacity in order to process a higher volume of water in the coming years.



Water Loss Avoidance

The avoidance of water loss is a priority for our WTD, given that water is a vital resource that is becoming increasingly scarce in many regions in Indonesia. By ramping up our efforts to reduce water loss in our production and distribution processes, we ensure efficient usage of water while reducing costs associated with water loss. Water loss avoidance can also help mitigate the impacts of drought and water scarcity on local communities. Hence, we have adopted the following measures to minimize the amount of water loss in our water production and distribution:

- Replacing old and damaged pipes with high-density polyethylene pipes
- Checking performance efficiency of filter backwash system at water treatment plants
- Digital monitoring for backwash system to ensure efficient backwash timing
- Monitoring and repairing network leaks
- Replacing water meters on a regular basis in both distribution and production areas

To reduce water loss, our WTD employs various measures such as the recalibration of water meters, the replacement of pressure gauges to control distribution pipe pressure, and the replacement of inverters pump systems for constant pressure control. These measures not only serve to conserve water but also improve the efficiency of the water distribution system, reducing costs associated with water wastage. In 2022, Lippo Cikarang managed to reduce water loss by 7.6%, compared to the previous year, which translates to approximately 1.1 million m³ of water loss avoided, equivalent to around Rp 3.9 billion in cost savings.

WASTEWATER

At Lippo Karawaci, we process our wastewater responsibly in line with regulatory requirements on wastewater discharge and diversion, ensuring that our wastewater does not have an adverse impact on the environment or other stakeholders such as our local communities. All wastewater generated at our managed properties is treated at certified wastewater treatment plants, the majority of which are located on-site, before being discharged or diverted.¹⁷ Our townships also operate centralized wastewater treatment plants that serve multiple assets and areas connected by a common sewage network.¹⁸

In 2022, our business units generated a total of 3.33 million m³ of wastewater¹⁹, of which around 24% was recycled or reused for subsequent use, while the remaining was discharged externally. Notably, our Lifestyle segment has managed to achieve a wastewater diversion rate of 34% in 2022.

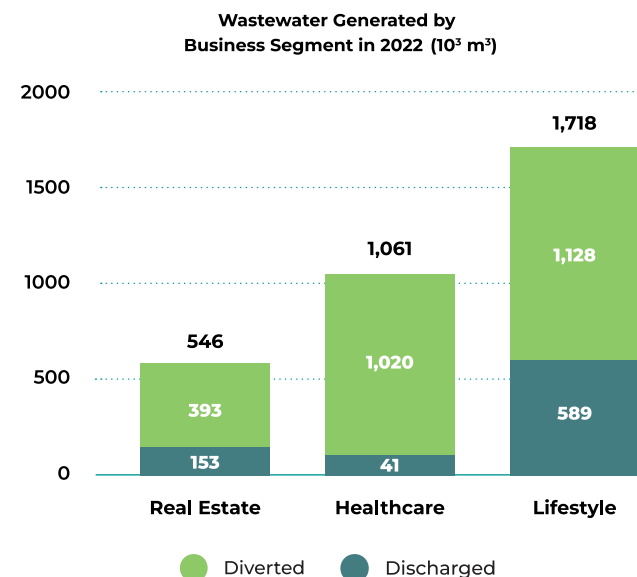
Our WTD treats wastewater which not only includes wastewater discharged by our business units, but also wastewater generated by residential, commercial, and industrial tenants. Around 25% of all processed wastewater is diverted for reuse after treatment.²⁰ We continue to explore various ways to improve our wastewater diversion rates, as this directly supports our sustainable water consumption/treatment objectives as well.

¹⁷ Wastewater that is not recycled on-site is discharged externally to surface water bodies or other external sewage systems, in compliance with the applicable regulations in the area of operation.

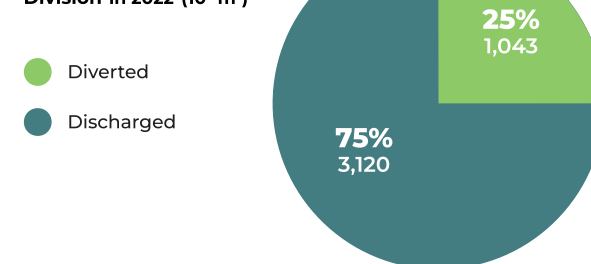
¹⁸ In some residential and commercial areas, wastewater is treated at on-site septic tanks before discharge. Hence, not all discharged wastewater is tracked by our WTD.

¹⁹ For assets that do not have meters to track water discharge, the business units apply a formula to estimate water discharge based on their water consumption behavior.

²⁰ For diverted wastewater, some is recycled and sold as non-potable water, while the rest is directly re-used by TMD for various purposes including irrigation and landscaping.



Wastewater Treatment by Water Treatment Division in 2022 (10³ m³)



Waste Management

We are committed to providing a clean and sustainable living environment for all stakeholders. Waste management is particularly important because of the sheer amount of waste generated in the course of our business operations and the activities of our customers and tenants. Our approach to waste management involves maximizing resource efficiency, reducing waste generation, and improving recycling rates in support of the circular economy.

Waste in 2022 (Tons)	Non-hazardous		Hazardous		Total
	Disposed	Diverted	Disposed	Diverted	
Real Estate	36,240	21	516	-	36,778
Healthcare	2,615	51	1,347	11	4,024
Lifestyle ²¹	11,865	1,352	1	-	13,218
Total	50,720	1,424	1,864	11	54,020

MANAGING WASTE RESPONSIBLY

Given the diverse scope of our operations, we manage various types of waste including domestic waste from commercial and residential areas, medical waste from our hospitals, landscape waste from township management, and construction waste from project development. Our robust waste management policies and SOPs provide guidance on the appropriate collection and disposal methods for each type of waste, in compliance with local laws and regulations. We engage municipal waste services and third-party vendors to regularly collect and dispose of the waste generated in our areas of operation.

In 2022, our managed assets and townships generated around 54 kilotons of waste in total, comprising 52 kilotons of non-hazardous waste and 2 kilotons of hazardous waste. The majority of this waste was generated by our tenants and contractors. We are currently working closely with our vendors to improve the waste reporting processes and data quality²², which will enable us to systematically track our waste and identify areas for improvement.



²¹ Under the Lifestyle segment, we currently only collect hazardous waste data from hotels. We will disclose hazardous waste data from our malls in future reports.

²² Waste tonnage reported is based on information provided by engaged vendors. Should information be unavailable, the waste tonnage is estimated based on the number of truckloads each month (applying volume-to-weight conversion factors), or as advised by the waste collector.

NON-HAZARDOUS VS HAZARDOUS WASTE

Non-hazardous waste is typically collected and sorted onsite by our asset managers and TMD services, before it is picked up by a vendor and transferred to a local temporary waste collection site (TPS). To reduce our environmental footprint, we engage with the local communities to improve waste management practices at the TPS, including by providing funding and infrastructural support when needed. For example, we invested around Rp100 million in 2022 to clean up and improve the management of the local TPS that collects waste from our Tanjung Bunga township in Makassar.

Hazardous waste is also a by-product of our business operations, with our healthcare business generating 72.3% of it in 2022. We have implemented strict protocols and guidelines to ensure the safe and proper management of hazardous waste, as the improper handling of hazardous waste has an adverse impact on health and safety as well as the environment. We partner with licensed vendors who are responsible for the transportation, treatment, and disposal of our hazardous waste. Our vendors are carefully selected based on their track record, expertise, and adherence to the regulations governing hazardous waste management. Some of our commercial and industrial tenants may also separately engage their own vendors to directly collect and dispose of any hazardous waste generated in the course of their respective operations.



At Siloam, all medical waste and any other waste that is deemed hazardous and/or potentially infectious is handled with care, such as that generated from treating COVID-19 patients. Any hazardous waste that cannot be recycled is subsequently collected by third-party vendors to be incinerated accordingly. At Lippo Cikarang, the wastewater treatment plant processes liquid waste from industrial tenants prior to discharge to prevent environmental contamination. The sewage sludge, a by-product of the wastewater treatment process, is then collected by a hazardous waste vendor for further treatment and disposal. When it comes to construction waste, our project development team partners with our contractors to ensure that hazardous waste is also handled in responsible manner. We arrange for the hazardous waste to be collected directly from project sites by licensed vendors to minimize the environmental impact of our construction activities.

REDUCE, REUSE, RECYCLE

We are committed to minimizing the amount of waste disposed by stepping up our efforts to reduce, reuse and recycle (3Rs). This involves the active engagement of the various stakeholders in our ecosystem, such as our staff, visitors, tenants, and residents. Throughout the year, we conduct waste campaigns by putting up posters, hosting events, and producing social media content. By providing education and raising awareness, we aim to inspire the public to play their part in the 3Rs.

Reducing Waste Generation

We place a strong emphasis on waste prevention and reduction throughout our operations. This includes supporting and enforcing regulations that prohibit the use of single-use plastic bags in provinces such as Jakarta and Bali, in collaboration with our tenants and visitors. We recognize the importance of reducing our reliance on single-use plastics and have made significant strides to minimize its usage in our operations. As of 2022, all Aryaduta properties have switched from single-use plastic containers used for soaps, shampoos, and conditioners to a refillable system. This initiative alone has resulted in a reduction of an estimated 256kg in single-use plastics in 2022. Aryaduta Lippo Village and Aryaduta Semanggi also participated in a program called Kraft Heinz JerryGreen to recycle jerry cans for Heinz products procured by our hotels, in partnership with Waste4Change.

Accelerating Waste Diversion

In parallel, we are accelerating our waste recycling efforts by working collaboratively with like-minded partners to conduct recycling programs and campaigns, with the goal of diverting as much waste from landfills as possible. In 2022, we were able to divert 1,435 tons of waste across our business units. Siloam, in particular, has been expanding its recycling efforts as more hospitals ramp up their operations – from 6 hospitals in 2021 to 19 hospitals in 2022. While we believe this is a good start, we are aware that there is much more work to be done. Therefore, we are committed to doubling the total amount of diverted waste to 2,800 tons by 2030. To achieve this, we are developing plans for more systematic engagement with the various stakeholders across our value chains.

Recycling Initiatives

Inorganic Waste

- We collect recyclable domestic waste at most of our managed properties, such as plastics, paper, cardboard, aluminium, and glass bottles.
- We have commenced a study to measure used cooking oil (UCO) waste, and to explore UCO recycling with several key anchor tenants.

Organic Waste

- Our townships conduct composting for landscape waste to produce fertilizers that can be used in the plant nurseries and other landscaping activities.
- We have begun to pilot small-scale composting initiatives to process food waste onsite. We are also looking into composting other organic waste using black soldier flies.

Medical Waste

- Siloam recycles medical waste such as syringes, chemical bottles, and infusion bags. All recycled medical waste is first sterilized in line with regulatory standards.
- Siloam returns expired medication to pharmaceutical vendors.

Recycling Pilot in Lippo Village

TMD Lippo Village collaborated with Rekosistem, a waste management start-up, to conduct a pilot project for inorganic waste sorting and recycling in Q4/2021. This pilot gave us a clearer view of the types of inorganic waste generated in our township, and allowed us to improve recycling rates at key commercial properties and schools. By the end of 2022, there were 13 participating locations in the project, up from only 4 locations in 2021. Through this initiative, a total of 9,455 kg of inorganic waste was recycled in 2022, achieving a 92% conversion rate for segregated waste such as paper, cardboard, glass, plastic, steel, and e-waste. We aim to improve the absolute amount of waste recycled and the conversion rate through better engagement with the participating property managers. Currently, TMD is working with Rekosistem to roll-out this program to other townships and integrated developments, and to expand the types of waste that are recycled in Lippo Village.



1,116
Paper (kg)



5,045
Cardboard Box (kg)



249
Glass (kg)



282
Steel (kg)



2,751
Plastic (kg)



13
E-waste (kg)



Total Waste Recycled

9,455kg

MATERIAL USAGE

Aside from operational waste, we also recognize that the use of construction materials contributes to our embodied carbon footprint. As such, we are committed to being more efficient in our use of materials and sourcing for more environmentally friendly materials where possible. In our Real Estate segment alone, we used around 200 kilotons of construction materials such as concrete, steel, glass, and timber for project development, which amounts to around 49 ktCO₂e in Scope 3 emissions.

To reduce the amount of building materials used as well as construction waste, we are exploring various initiatives such as prefabrication and recycling leftover or scrap materials, as well as actively encouraging residents to renovate their homes instead of tearing down and re-building new houses. We are also looking into sustainable design to improve the efficiency of material usage in our project development, with a view towards obtaining green certification for new build projects in the near future.

Construction Materials in 2022 (Tons)	LPKR	LPCK	GMTD	Total
Concrete	121,177	45,300	12,949	179,426
Steel	6,518	2,090	840	9,448
Glass	997	311	39	1,347
Timber	7,691	2,300	100	10,091
Total	136,383	50,001	13,928	200,312



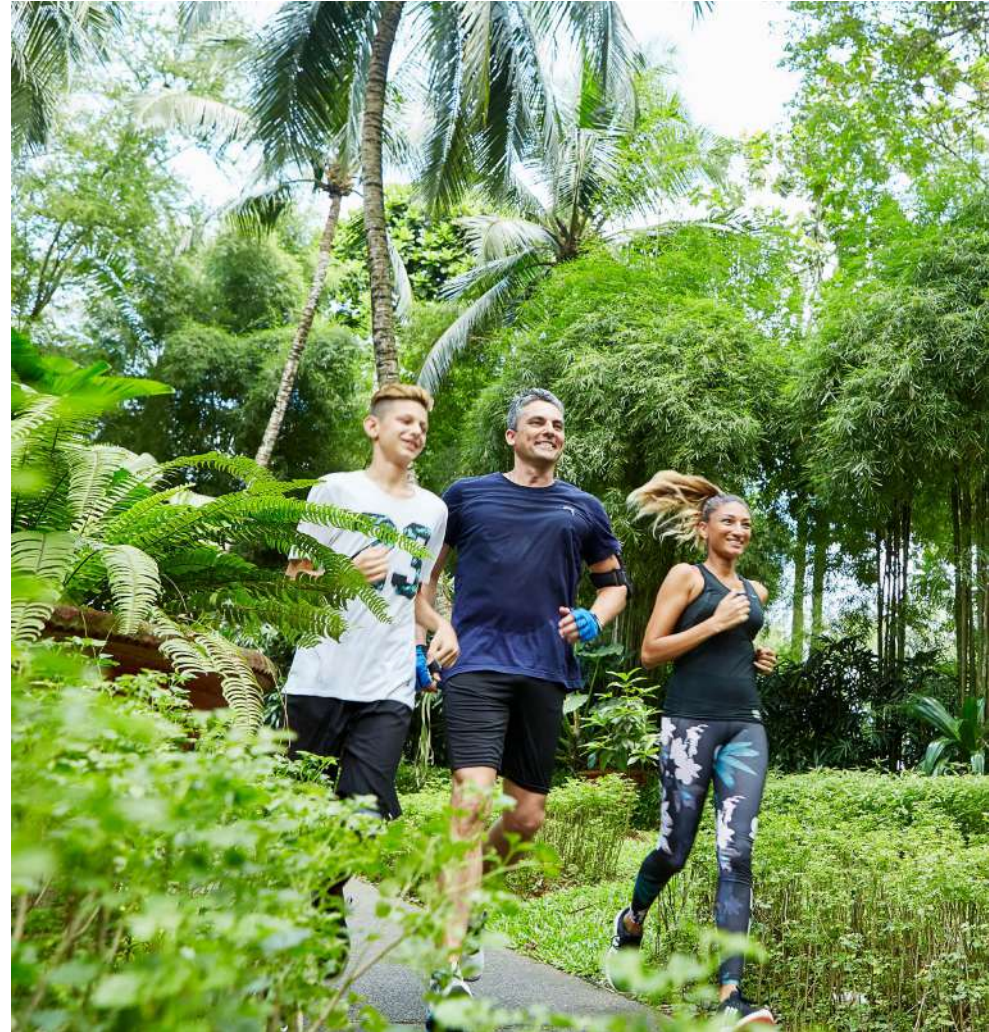
Biodiversity

As a real estate developer and township operator, we understand the critical role we play in incorporating sustainability into our development plans and managing the ecological impact of our business operations. By preserving the biodiversity of our natural ecosystems, we can create beautiful and liveable spaces for the benefit of our customers, local communities, and the flora and fauna in our urban environment.

SUSTAINABLE URBAN DEVELOPMENT

Before embarking on any development works, our Planning & Development team performs a thorough environmental risk assessment to ensure that our operations do not adversely impact biodiversity. To date, none of our operating sites are located in or near any protected areas or areas that poses high natural biodiversity value. In addition, none of our operations in 2022 have resulted in a conversion or loss of natural ecosystem areas or posed a threat to endangered plant and animal species. We are committed to adhering to all laws and regulations regarding the protection of biodiversity.

When developing our site plans, we take great care to minimize any disturbances to the existing ecosystem and natural landscape, and to ensure that sufficient green open spaces are allocated in accordance with local regulations. In 2022, we initiated a Tree Relocation Program to temporarily relocate existing trees in areas under development to our plant nurseries, where we continue to tend to the trees before replanting them back after development works are completed. We have relocated around 200 trees in the pilot phase of this program, and will continue to relocate trees only when absolutely necessary.



REJUVENATION OF GREEN SPACES

We promote biodiversity by integrating the concept of “eco-living” into our townships. We strive to create a harmonious balance between green open spaces and lush natural landscapes, allowing residents and members of the public to enjoy a beautiful and healthy living environment.

One key area of focus is the revitalization of green spaces. Our efforts include transforming empty plots of land into public parks as well as routine maintenance and landscaping. These efforts serve to enhance the beauty of the surrounding areas, reduce the urban heat effect and improve air quality. Over the years, we have planted over 160,000 trees across our three largest townships - Lippo Village, Lippo Cikarang, and Tanjung Bunga – many of which were planted by local residents and community groups. By planting trees, we are not only beautifying the urban environment, but also helping to combat climate change as these trees also act as a carbon sink to offset emissions.

In 2022, we activated over 12,400 m² of new green spaces and developed 39 parks. The plant nursery in Lippo Village alone is home to around 20,000 plants of 101 different plant species, which are utilized in the landscaping of our premises. We spent a total of Rp17 billion on landscaping activities in 2022 to maintain the greenery across our townships. These efforts demonstrate our commitment to preserving biodiversity and maintaining the natural ecosystems.

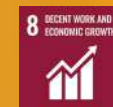
**Trees Planted
as of 2022
(Cumulative)**





Investing in Our People

As an employer of over 16,000 staff and manifold more across our value chain, our people are our most valuable resource and the driving force behind our business success. We are committed to being a workplace of choice for our employees by upholding fair employment practices, prioritizing their health, safety, and well-being, supporting their development and aspirations, and empowering them to be a force for good.



Employment and Rights

At Lippo Karawaci, we strive to attract and cultivate a diverse and devoted talent pool that creates value and drives growth within our organization. A stable workforce minimizes turnover costs and business disruptions, preserves business continuity, and helps to foster a consistent and collaborative work environment that is built on long-term relationships. This allows us to focus on improving productivity, operational excellence, as well as employee satisfaction and well-being.

OUR EMPLOYEES

As of 31 December 2022, we have a total of 16,249 employees, all of whom work on a full-time basis.²³ The Healthcare segment makes up 82% of our employees, followed by the Lifestyle segment (11%) and Real Estate segment (6%) respectively.

The majority of our employees are permanent staff (92%), with the exception of the Lifestyle segment, which hires 23% more contract workers than permanent staff due to the nature and seasonality of work in the hospitality industry.

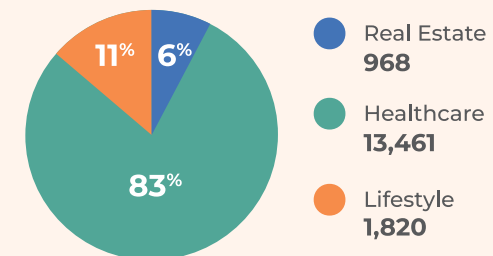
In addition to our employees, we manage a total of 11,115 contractors across our business units. Combined, our total workforce is equivalent to 27,364 workers, comprising 59% employees and 41% contractors.²⁴ For the full demographic breakdown of our workforce, please refer to "Appendix – Workforce Data" on pages 99 to 101.



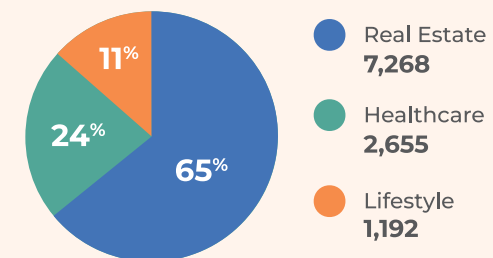
²³ Our employee data reflects our actual headcount at the end of the reporting period on 31 December 2022. We do not have a practice of employing part-time workers.

²⁴ The type of contracted/outsourced work for all business segments includes administration, building maintenance, cleaning and janitorial service, security, housekeeping, customer service, gardening, parking attendants, and call center operators. Segment-specific workers include construction and landscaping workers (Real Estate); ambulance drivers, laboratory technicians, pharmacist assistants, mortuary staff, ward clerks, and caregivers (Healthcare); as well as F&B staff and golf course operators (Lifestyle).

Number of Employees

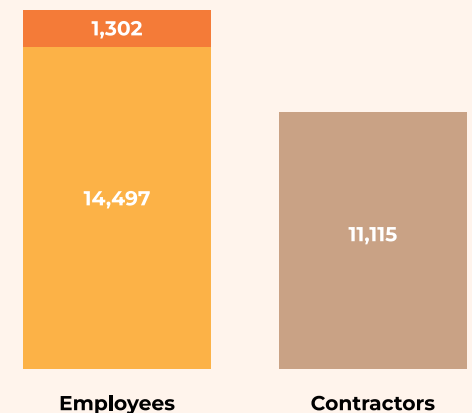


Number of Contractors



Employment by Status

- Permanent Employees
- Contract Employees
- Contractors



EMPLOYEE BENEFITS AND ENGAGEMENT

We believe that a positive and nurturing work environment is essential to attract, motivate and retain talent. We provide all permanent and contract employees with similar benefits, which include annual leave, special leave, private medical insurance coverage, as well as special discounts on Group-linked products and services. Some of our business units provide additional benefits depending on the nature of their work and the job scope involved. For example, our hotels provide duty meals for property-based employees, while our hospitals provide regular medical check-ups and day care services.

Aside from benefits, we also seek to actively engage our employees to improve their well-being at work and strengthen our corporate culture. Throughout the year, we conduct a variety of commemorative events as well as friendly sports tournaments to encourage bonding within and among our business units. Our monthly newsletter Infinity also keeps our employees updated on key highlights with regard to company activities and business performance. In 2022, we initiated quarterly town hall meetings during which the Group CEO anchored interactive Q&A sessions to address employee feedback as well as recognize employee contributions. We capped off the year with our first fully in-person gathering since the COVID-19 pandemic, where a number of employees received long service awards for 5 to 20 years of service. For more information on activities that serve to improve employee well-being, please refer to "Health and Safety" on pages 74-77.

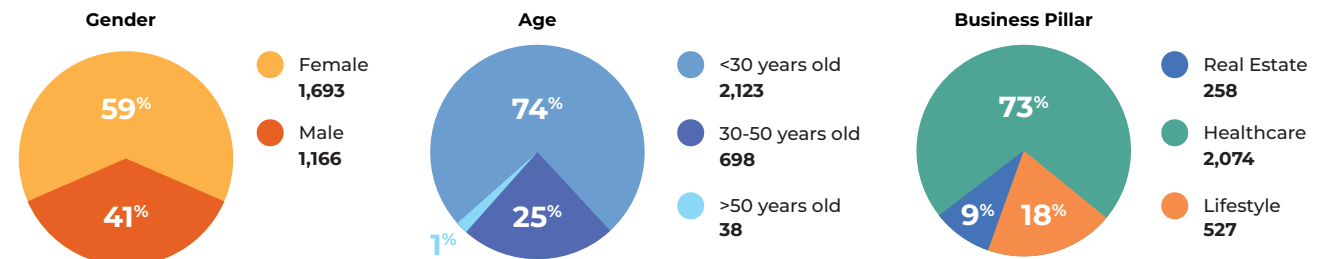
NEW HIRES AND EMPLOYEE RETENTION

We place an emphasis on attracting and retaining the best talent. In 2022, we hired a total of 2,859 new employees, which reflects a hiring rate of 18%. The majority of our new hires were female (59%), and aged 30 and below (74%).

Our Healthcare segment accounted for most of these new hires (73%), followed by our Lifestyle segment (18%) and Real Estate segment (9%). On the other hand, 2,150 of our employees left the organization, resulting in a turnover rate of 13%.

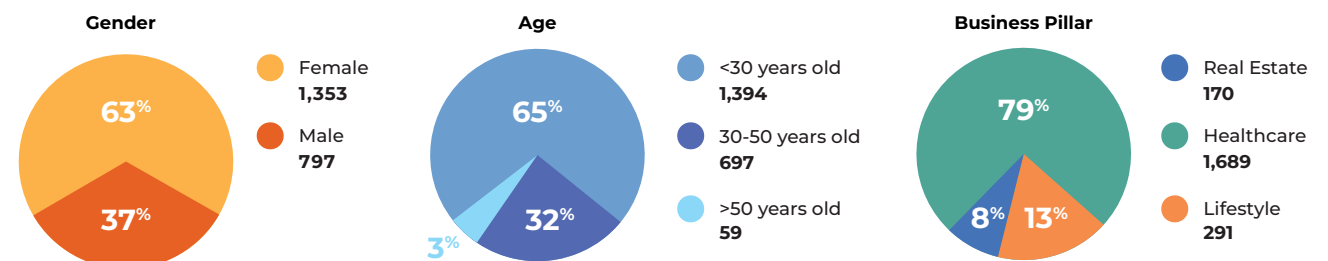
New Employees 2,859

NEW HIRES IN 2022



Employee Turnover 2,150

EMPLOYEE TURNOVER IN 2022



COMPLIANCE

At Lippo Karawaci, we uphold strict adherence to the prevailing labour laws and regulations in Indonesia, as part of our responsibility to support and respect human rights in general. We are committed to fulfilling our employment obligations and providing fair employment terms and working conditions, including employment status, wages, working hours, conditions and benefits.

As regulated by Indonesian law, we make monthly contributions for BPJS Kesehatan (health insurance) and BPJS Ketenagakerjaan (social security) towards our staff accounts based on the prescribed contribution rates. In addition, we provide post-employment benefits in accordance with prevailing regulations. Our post-employment benefit liabilities stand at Rp298 billion as of 31 December 2022, based on calculations by an independent actuary. In addition, all employees are entitled to parental leave. 496 of our employees took parental leave in 2022, with 95% returning to work after their leave.

As a signatory of the UN Global Compact, we respect the fundamental human rights principles outlined in the Universal Declaration of Human Rights (UDHR). We also support the core conventions of the International Labour Organization (ILO) as ratified by Indonesia. We adopt a zero-tolerance stance towards child, forced, and

compulsory labor, which is highlighted in our HR policy and Code of Conduct. We ensure that all employees understand these human rights principles through annual mandatory refreshment courses of our Code of Conduct.

Additionally, we make sure that we are not complicit in any human or labor rights abuses. We have a grievance mechanism as part of our HR policy as well as a publicly available whistleblowing channel, which allow anyone to flag concerns relating to discrimination, harassment, and non-compliance against anyone in our workforce. In 2022, there were no reported incidents relating to discrimination, child labor, forced labor, or any major employment case.

The rights and obligations of our employees are regulated in the Company Regulations. To minimize business disruption, we maintain two-way communication channels between the organization and employees, and any significant operational changes within our business which has the potential to affect our employees are communicated beforehand. We respect workers' rights to exercise freedom of association or collective bargaining. As of 2022, none of our employees are covered under collective bargaining agreements.²⁵



²⁵ In 2021, 31 employees were covered under collective bargaining agreements, under which there was a prescribed notice period and/or provision for consultation and negotiation. As of 2022, they are no longer covered under collective bargaining agreements as we have resolved all outstanding issues raised in the collective bargaining process.

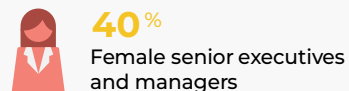
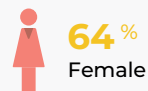
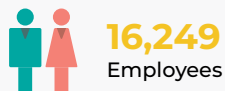
Diversity, Equity, and Inclusion

Diversity, equity and inclusion (DEI) form an integral part of our culture and identity. Our diverse workforce consists of more than 16,000 employees who bring different perspectives to the table. Our people across business units work together to leverage their complementary skill sets, backgrounds, and experiences, creating exponential growth in our organizational synergy.

WORKFORCE DIVERSITY

We strive to provide a work environment that celebrates diversity and inclusivity, particularly with regard to gender, age, and education levels. We also seek to foster a workplace culture that supports equal employment opportunities for all, and prohibits any form of discrimination, including discrimination in hiring or promoting employees. In 2022, there were no reported incidents of discrimination (e.g. race, skin color, sex, religion, political opinion, national extraction, or social origin) across our business operations.

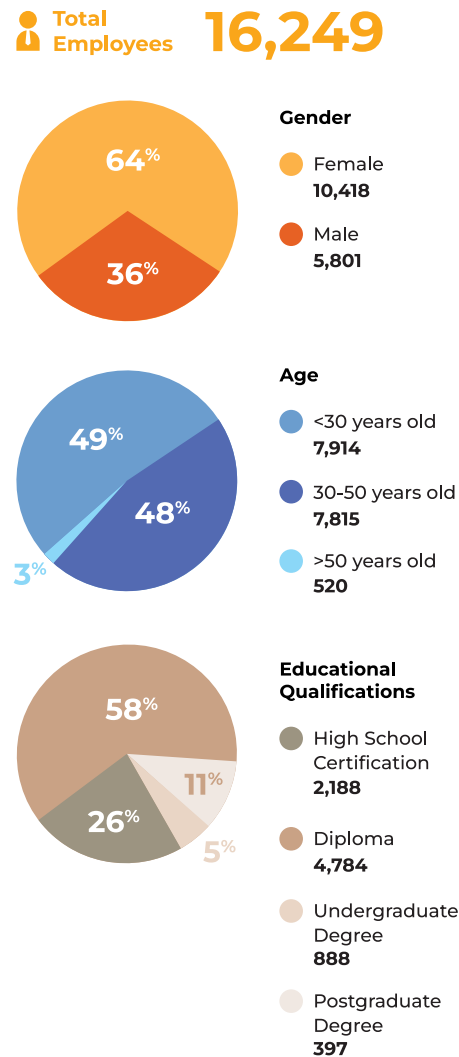
Our female employees make up 64% of our total workforce. While female employees are the majority in our Healthcare segment (69%), there are more male employees compared to female employees in our Real Estate and Lifestyle segments. We deliberately strive to maintain gender diversity to the best extent possible, taking into account these industry-specific gender distributions. Our hiring policy ensures that we maintain a gender balance, even in our shortlisting of job candidates.



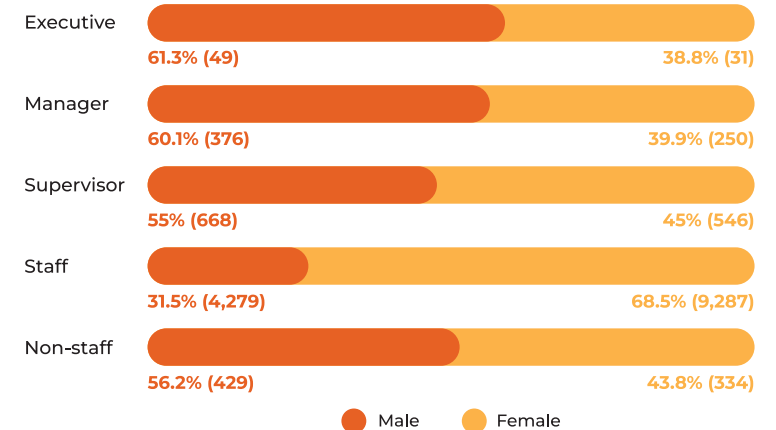
Notably, within our leadership ranks, 40% of our employees who hold managerial positions and above are female. For our highest governance bodies, 1 out of 6 of our Board of Commissioners (17%) and 1 out of 8 of our Board of Directors (13%) are female.²⁶ While we promote employees strictly based on performance, leadership ability, and experience for comparable roles across the organisation's hierarchy, we are committed to gender diversity and will strive for gender balance within our senior and middle management, especially in our succession planning.

In addition to gender diversity, we also value age diversity within our organization. We employ professionals based on their qualifications, ranging from fresh graduates to industry veterans. Our employees under the age of 30 make up a significantly larger portion of our workforce in the Healthcare segment (52%) compared to other business segments, which is a reflection of the demographic of the nursing pool in Indonesia.

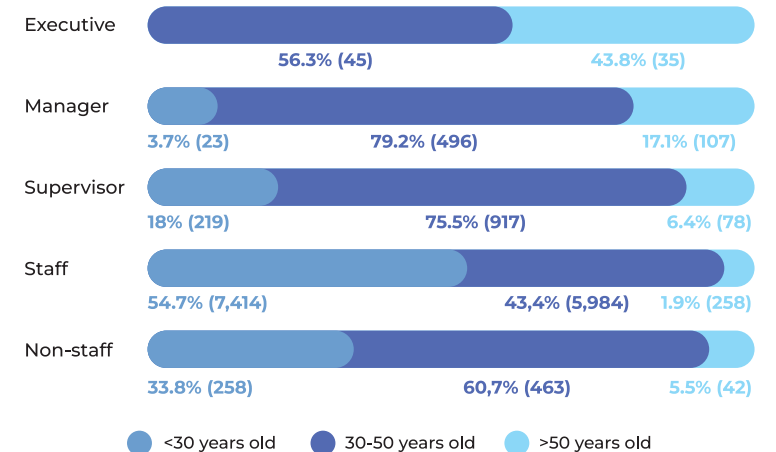
In line with our talent development strategies, we are making a deliberate effort to provide younger employees who have demonstrated a high level of leadership and competence with opportunities to undertake supervisory and managerial roles. This allows us to refresh our management with young talents, and expose these individuals to more responsibility and leadership opportunities earlier in their career.



Employee's Position by Gender



Employee's Position by Age Group



²⁶ The Nomination and Remuneration Committee is responsible for reviewing candidates for positions on our Board of Commissioners and Board of Directors. Our Board members are appointed based on their qualifications and experience, and final approval is given by the General Meeting of Shareholders.

Furthermore, we take pride in the fact that 87% of our employees hold tertiary qualifications and above. To maintain our competitive edge, we actively recruit fresh graduates and professionals from diverse educational backgrounds and areas of expertise. We recognize the importance of a strong educational background for skilled professionals, such as healthcare workers, in delivering quality service. For instance, many of the healthcare professionals at Siloam earned their Nursing diplomas from the Faculty of Nursing at Universitas Pelita Harapan. However, we also strive to provide opportunities for individuals with limited access to higher education to add value to our workforce, particularly for positions that do not require formal tertiary education.

We also believe that investing in local talent can help to build a strong pipeline of skilful and capable workforce in Indonesia. In 2022, 99.9% of our employees are Indonesian citizens, while 89% of our Senior Management (Director-level and above) are Indonesian citizens. Where possible, we prioritize the hiring and placement of employees in their region of origin, to ensure that our teams on the ground have a good grasp of the local socio-political and cultural sensitivities to operate effectively as well to support the local area empowerment. The commitment to local empowerment extends to our preferential engagement of local vendors and contractors.

REMUNERATION

At Lippo Karawaci, we make sure that our employees are compensated fairly, taking into account employment status, job scope, and qualifications, among other relevant factors. As a matter of policy, there is no difference in the salary range between male and female employees across all employee categories and levels. Any differences in compensation are strictly due to the individual's qualifications and are irrespective of gender.

In 2022, the ratio of average basic salary of female to male employees was 94%. We strive to narrow any compensation gap between our female and male employees. In addition, our entry-level wages are always equal to or above local minimum wages throughout our locations of operation across Indonesia, demonstrating our commitment to fair compensation for our people.



Health and Safety

We are committed to providing a safe and conducive environment for all our stakeholders to thrive. We understand that a healthy workforce is essential for business continuity, and have put in place robust health and safety protocols in line with best practices and guidelines. We aim to create a workplace culture in which our workforce internalizes the importance of occupational health and safety (OHS), which is why Management has made it a top priority to raise the level of OHS awareness among our staff and contractors through structured training curriculums and regular engagements.

STAFF WELL-BEING

We take a holistic approach towards caring for the well-being of our staff, as this leads to better health outcomes and a more satisfied workforce. In addition to the government-stipulated health and insurance benefits (BPJS Kesehatan and BPJS Ketenagakerjaan), we provide our employees with additional third-party health benefits through private health insurance providers. Our employees have access to quality healthcare and receive financial assistance on a wide range of health services including inpatient and outpatient care, dental, and medical check-ups. We also continue to facilitate vaccinations drives for our employees and their families in a timely manner.

In addition, we seek to support our employees in leading active and healthy lifestyles. We launched “Lippo Fun Club” to encourage regular physical exercise and bonding, whereby employees gather at Aryaduta Country Club on a weekly basis to utilize its sports facilities and compete in friendly tournaments. We also promote the importance of health and well-being through our internal communications channel “Ayo Hidup Sehat”, which circulates health and hygiene advice to our employees via email reminders and webinars.



OHS REPORTING

At Lippo Karawaci, we understand the importance of implementing robust health and safety procedures and policies to protect our workforce from any safety hazards and to minimize accidents. We seek to create a safe and productive work culture through consistent education and enforcement of all relevant OHS standard operating procedures (SOPs).

All business units are required to implement an OHS system in compliance with government regulations. We ensure that our entire workforce, including employees and contractors, are covered under these OHS systems. Each business unit has designated officers and/or committees to oversee the implementation of OHS policies at their respective workplaces. These OHS officers are responsible for hazard identification, risk assessment, safety checks, and incident reporting. Any incidents that occur must be immediately escalated to the respective head offices for reporting and investigation and, in the event of an injury or accident, corrective action will be taken to prevent a repeat occurrence.

In 2022, we introduced a Group-wide OHS reporting framework to improve incident reporting and the granularity of our disclosures in line with best practice. For example, we streamlined the OHS disclosures,

injury classification and calculations across our business units.²⁷ We also provided clarity in terms of the information that needs to be reported to the head offices via a standardized OHS reporting template.

We are committed to maintaining zero fatalities and high-consequence injuries at the workplace. Unfortunately, in 2022, we experienced one fatality when a contractor drowned while attempting to rescue a colleague who had slipped into a lake at Imperial Klub Golf, which is under the management of Aryaduta. Despite our on-site staff's prompt response and immediate provision of CPR, the victim could not be saved. The incident was handled in accordance with the correct emergency response procedures, but we acknowledge that we must do more to prevent such an incident from occurring again. To mitigate the risk of future incidents, we have increased the frequency of our OHS briefings and the socialization of workplace guidelines to all contractors at our places of operation.

In total, we experienced 23 recordable injuries in 2022, with 3 cases involving our employees and 20 cases involving contractors. The majority of these injuries were caused by sharp objects and falling objects during construction or retrofitting works, while one particular case involved

electrocution from operating medical equipment. We take these incidents seriously and will continue to review and improve our safety protocols and emergency response procedures in order to prevent the recurrence of similar incidents at the workplace. We are committed to maintaining a Total Recordable Injury Frequency Rate (TRIFR) of less than 1, which we achieved for both employees and contractors in 2022.



²⁷ In our 2021 Sustainability Report, we included first-aid injuries in the reported work-related injuries. In this Report, we have excluded first-aid cases from the reported work-related injuries in line with GRI reporting practices. First-aid injuries are work-related injuries which require one-time treatment and subsequent observation of minor scratches, cuts, burns, splinters or similar minor injuries that do not normally require medical care.



FATALITIES

FY2022

Number
of Fatal
Accidents

0
Employees

1
Contractors

Total
Fatality
Rate

0.00
Employees

0.03
Contractors

RECORDABLE INJURIES

FY2022

Number of
Recordable
Injuries

3
Employees

20
Contractors

Total Recordable
Injury Frequency
Rate (TRIFR)

0.09
Employees

0.64
Contractors

HIGH CONSEQUENCE INJURIES

FY2022

Number of High
Consequence
Injuries

0
Employees

0
Contractors

Total High
Consequence
Injury Frequency
Rate

0.00
Employees

0.00
Contractors

HOURS WORKED

FY2022

Number of
Hours Worked

Employees
34,628,528

Contractors
31,291,568

Notes:

1. All fatality and injury rates are calculated per 1,000,000 hours worked.
2. **High consequence injuries** are work-related injuries that result in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months. The reported number and rate of high consequence injuries excludes fatalities.
3. **Recordable injuries** are work-related injuries that include Medical Treatment Injuries and Lost Time Injuries:
 - **Medical treatment injury** - work-related injury which requires the treatment beyond first-aid by, or under the specific order of, a medical practitioner, but which does not result in lost days (i.e. the injured person receives medical treatment and is able to return to his or her normal duties within 2x24 hours).
 - **Lost time injury** - work-related injury which results in an employee being away from work for more than 2x24 hours after the day on which the injury occurred. Days lost are the calendar days between the time of the injury and the worker being cleared to return to full normal duties, and includes leave, holidays, weekends and other rostered days off.

OHS TRAINING AND ENGAGEMENT

In 2022, we made a significant effort to equip our workforce with the necessary knowledge and capacity to uphold higher OHS standards through a comprehensive range of training programs. These included general refreshers on first aid, fire safety, and emergency responses, as well as job/equipment-specific training such as OHS management for electrical and scaffolding work.

One area that we focused on was improving OHS awareness and emergency preparedness among staff in our corporate offices. To achieve this, we implemented a range of measures, such as circulating SOPs for handling emergency situations, conducting routine equipment checks and testing, and designating floor wardens who were trained to act as first responders in case of emergency. We also socialized our HR business partners to the Group's OHS incident reporting framework and worked with them to review each business unit's OHS training curriculum. We will continue to prioritize the health and safety of our people by ensuring that our OHS training remains current, relevant, and effective.

We are fully committed to ensuring that our workforce is safe and supported at work. This requires us to enhance our socialization efforts and accountability measures, to ensure that OHS awareness and regular incident reporting are ingrained within our organizational culture. This will enable us to identify potential hazards and take proactive steps to prevent accidents from occurring. In 2023, we will continue to review and refresh our SOPs and internal processes to ensure that we can provide a safe and healthy working environment.

Project Development Division

In 2022, our Project Development Division undertook a comprehensive review of all OHS-related policies, procedures and practices at our project sites. We updated the OHS SOP handbook, revamped our Health, Safety and Environment (HSE) training curriculum, and conducted emergency simulation drills to test our response protocols. We also designated PICs for each project who are accountable for leading OHS reporting, briefings and knowledge sharing.

Key highlights:

- Enforced regular inspections across key project sites based on OHS checklist, including hazard identification, risk assessment, and control measures.
- Launched “Zero Accident Challenge” initiative to encourage project managers to promote a safe working environment by setting and achieving OHS-related goals.
- Arranged free onsite medical check-ups for construction workers to promote good health and well-being.
- Conducted monthly engagements on OHS for our contractors, which include training sessions, safety briefings, and open forums for discussing safety concerns and issues.

Township Management Division

In 2022, TMD Lippo Village demonstrated its commitment to employee safety by achieving ISO 45001 certification, following rigorous assessments of our operations and SOPs by consultants and external auditors. Notably, we extended the scope of OHS training to include personnel working at our water and wastewater treatment plants. In addition, our OHS-certified TMD staff conducted knowledge sharing sessions on essential topics, such as



First Aid



Incident Reporting



Firefighting Basics



Maintenance of Electrical Transformers



Basic Life Support

Training and Development

We strive to be a talent-driven organization that supports our employees' personal growth and equips them with the necessary skills and knowledge to succeed in their respective roles. Continuous training and development are critical in building up a high-performing and productive workforce.

STAFF TRAINING

We take a holistic view of staff training by providing courses on key technical and soft skills required for each position, as well as refresher sessions on internal policies and procedures.

Throughout the year, we offer training and capacity-building programs to improve the functional and technical capabilities of our staff. Training is conducted both internally and through third-party training providers to give employees broader exposure to market practices. In addition, we offer digital learning platforms to support self-paced learning. We also encourage our employees to sign up for external training and conferences on their own, and even provide educational assistance and sponsorship for those who seek to further their studies.

In general, we have two types of training programs: Core Training is designed for all employees, while Functional Training is tailored to specific roles. Training may be mandatory or voluntary, depending on the employee's position, job nature, and business unit. For example, certain core training modules are mandatory to ensure that our employees have a baseline understanding of our company's policies and values, and to build core competencies such as critical thinking, communication, and presentation skills.

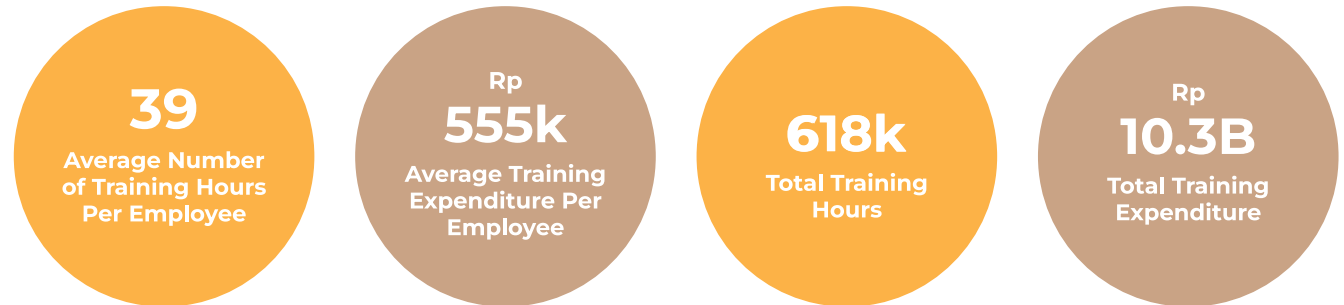
CORE TRAINING	
Training Categories	Examples
Good Corporate Governance	Company Regulations, Standard Operational Procedures & Business Processes, Code of Conduct, Whistleblowing Policy
Foundation Skills	Orientation Program, Product Knowledge, Basic Health & Safety

FUNCTIONAL TRAINING		
	Training Categories	Examples
Real Estate	Technical Skills	AutoCad Civil 3D, Environmental Management System
	Project Management	Scrum Master
Healthcare	Patient Care	Effective Communication, Serving with Empathy, Nurse as Educator
	Clinical Expertise	Clinical Leadership, Infection Prevention & Control Nurse
Lifestyle	Service Excellence	Fundamentals of Guest Experience, Banqueting Management, Housekeeping Principles
	Property Operations	Building Management Best Practices, Fundamentals Food Safety & Hygiene

As Indonesia's leading healthcare provider, we believe it is our responsibility to build a strong pipeline of healthcare professionals by providing access to quality medical training. We have established the Siloam Training Center (STC) and provide nursing scholarships to not only support our internal workforce but also external healthcare professionals. Through these programs, we equip our people with the necessary skills and capabilities to grow and deliver high-quality services. Further details about the STC and nursing scholarship can be found on page 32.

In 2022, our employees participated in a total of 618,000 training hours, averaging 39 hours of training per employee across business segments. Our healthcare personnel received an average of 44 hours, which is comparatively higher than the number of training hours received by employees in the Real Estate and Lifestyle segments. This is due to the nature of healthcare work, where frontline workers require comprehensive training in not just medical procedures but also service excellence and OHS protocols. To underscore our commitment to investing in our employees' professional development, we spent over Rp10 billion on training and development programs in 2022, or approximately Rp555,000 per employee.²⁸ Going forward, we are committed to providing a minimum average of 40 training hours per employee each year.

²⁸ This figure excludes expenses on postgraduate and nursing scholarships, Siloam Training Centre, and other educational assistance initiatives.



ESG TRAINING

In 2022, we rolled out a Group-wide sustainability training curriculum to generate greater awareness of sustainability and to equip our people with the essential knowledge to actively contribute towards the Group's ESG journey. Our ESG training curriculum covers a wide range of ESG courses, for instance, Introduction to Sustainability, Decarbonization and Emissions Accounting, ESG Reporting, and UN SDGs.

We also conduct specific training to strengthen the in-house capabilities of all personnel within our Group's Sustainability Function and ESG Steering Group, to support them in executing work plans and monitoring ESG performance in their respective areas of operation. These include internal sharing of ESG best practices and trends, socialization of the Group's priorities and standards, and other external conferences and webinars conducted by IDX, financial institutions, and accounting firms - with topics ranging from sustainable finance to ESG risk ratings. In 2022, our employees attended 44 ESG training courses and engagements, with more than half of these conducted by the Group's Sustainability Function and attended by participants at the Senior Executive and Manager levels. In total, our employees received around 800 training hours on various ESG topics.

We are committed to doubling our total ESG training hours to 1,600 hours by 2030, as we believe that such training is critical in achieving our 2030 Sustainability Agenda. Our focus in 2023 is to roll out ESG training sessions to all business units, by equipping them with the capabilities to conduct these and customize the contents accordingly for their respective staff.



LEADERSHIP TRAINING

We strongly believe that excellent leadership is a vital element of any successful organization. To equip our leaders with the necessary skills to lead their respective units, we conduct training and development programs specifically tailored for our organization's leadership needs. In February and August 2022, we organized two Group-wide management retreats that brought together over 60 key decision-makers across all business units. We placed an emphasis on instilling a growth mindset and unlocking new opportunities for development. These retreats not only created strategic alignment and fostered bonding but also improved our people's leadership capabilities through practical workshops and knowledge sharing with third-party consultants and business practitioners on various topics (e.g. building growth engines, cost leadership initiatives, macroeconomic trends, and organization design).



At the business unit level, we provide additional training for employees assuming leadership roles to sharpen their managerial skills and promote productivity. Examples include:

- **Leaders Empowerment and Advance Development (LEAD)**

Lippo Malls conducts a 1.5-year program to equip commercial and operational managers with the knowledge and skills necessary to become high-performing leaders, as well as to develop greater agility and resilience in overcoming market and global challenges.

- **Lean Six Sigma Certification**

Siloam arranges for Lean Six Sigma training (Yellow Belt & Green Belt) to equip Department Heads with the skills to drive process improvements and collaboration within the organization.



Throughout the year, our business units regularly conduct their own leadership gatherings and trainings, such as the Siloam Executive Leadership Forum and the Lippo Malls Director Gathering. These are valuable platforms to bring together Department Heads and Asset Directors to facilitate knowledge sharing, culture building, and strategic discussions on new opportunities.



TALENT DEVELOPMENT

At Lippo Karawaci, we aim to cultivate a robust talent pool by nurturing high-performing individuals within our organization and preparing them for each stage of their career progression. Our talent development objectives include establishing a strong leadership base, enhancing the abilities and capabilities of our employees, and consistently increasing the depth of talent within the

organization. Our priority is to develop and strengthen our succession pipeline for C-level positions and other key managerial roles. Additionally, to support our employees' professional growth, we have established Individual Development Plans (IDPs) that outline their career paths and are regularly evaluated by their supervisors and adjusted to meet their specific needs and aspirations.



EMPLOYEE PERFORMANCE

In 2022, all of our employees received their annual performance ratings and feedback from their supervisors, as part of our performance management process. This process starts with setting organizational goals at the start of the year, which cascades down to specific performance targets for each department and employee. Throughout the year, supervisors provide continuous assessment and feedback to their subordinates to ensure that their teams are making progress towards achieving the set targets. Performance appraisals are conducted at the end of the performance year via the Group's HR information system. This performance appraisal process begins with self-assessment, followed by an evaluation by the immediate supervisor and validation by a higher-level supervisor.

We regularly review our performance management process to ensure that it remains fair and effective for both management and our staff. In 2022, we implemented a new approach to improve the objectivity of our assessments. Rather than using a grading system, we measured performance against specific quantitative targets, which needs to be substantiated with concrete deliverables.



Championing Best Practices

We constantly strive to uphold the highest standards of corporate governance and accountability, ensure strict compliance with regulations and company policies, as well as promote sustainable practices across our value chain.

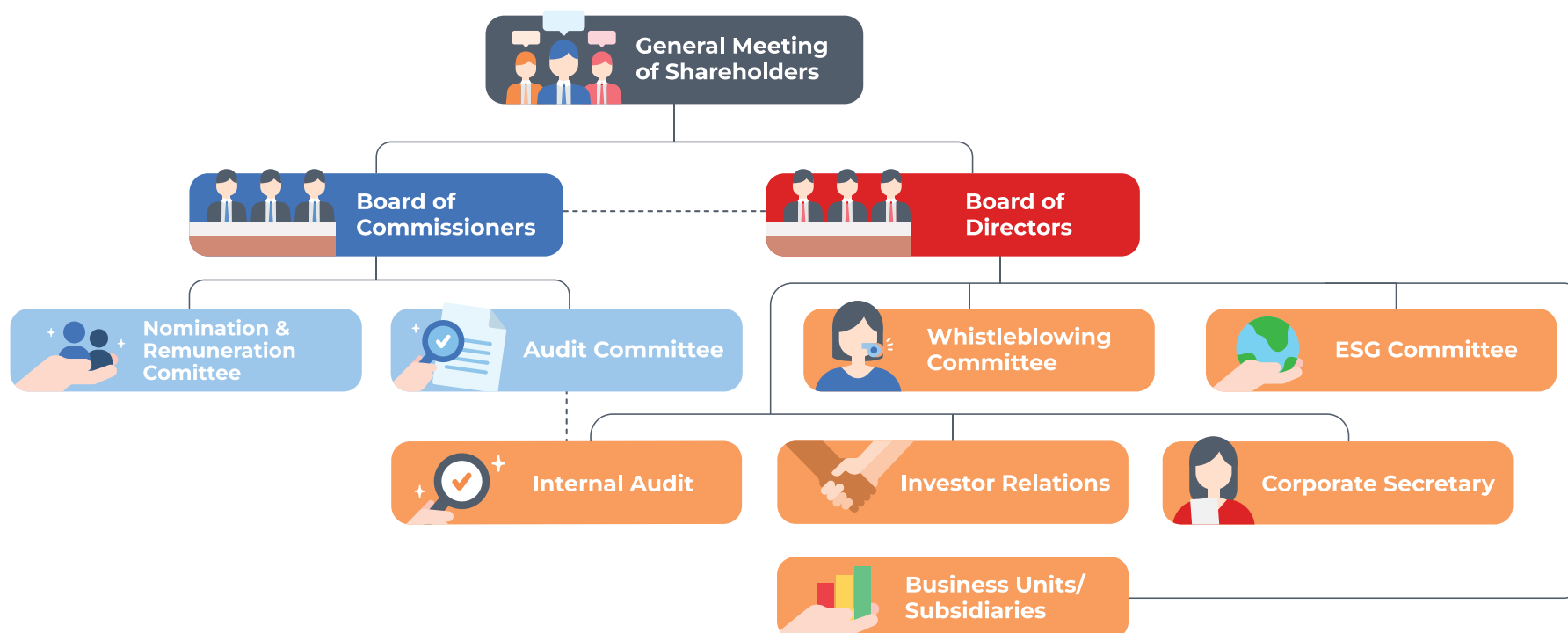


Governance and Accountability

At Lippo Karawaci, we believe that Good Corporate Governance (GCG) is the convergence of three essential elements: Corporate Governance, Risk Governance, and Sustainability Governance. Effective oversight and management of these three aspects of governance are critical to achieving stable and sustainable growth. In addition, being more accountable and transparent about our actions and their impacts enables us to build trust and confidence among our stakeholders. We are committed to implementing GCG practices in a systematic manner across the Group. This involves establishing clear governance structures and ensuring that policies are consistently applied across all business units and levels of the organization.

CORPORATE GOVERNANCE

Our corporate governance structure consists of the General Meeting of Shareholders (GMS), the Board of Commissioners (BoC), the Board of Directors (BoD), and their respective standing committees, namely the Audit Committee and the Nomination & Remuneration Committee. This structure serves to promote responsible business practices and accountability in decision-making while safeguarding the interests of shareholders and other stakeholders. Detailed information on our corporate governance structure, roles and responsibilities, policies, and key appointment holders, can be found in our 2022 Annual Report under “Corporate Governance”.



Audit Committee and Internal Audit Unit

The Audit Committee (AC) assists the BoC to oversee our financial reporting, monitor and evaluate audit plans and implementation, assess the effectiveness of our risk management and internal control systems, and supervise our compliance with prevailing regulations and accounting standards, among other duties. Meanwhile, the Internal Audit Unit (IAU) supports the AC by monitoring, evaluating, and improving the implementation of internal control, risk management, and corporate governance processes in line with company policies. The IAU provides objective assurance and independent advice that aims to improve the operational activities of Lippo Karawaci. The IAU reports directly to the President Director, as well as to the BoC, through the AC. The AC and IAU carry out their duties and responsibilities according to their respective charters.

In 2022, we updated the AC Charter and IAU Charter to include the following enhancements:

- 1 Clarification on AC's duties and responsibilities in specific areas related to ensuring accuracy and completeness of financial information, improving risk management and internal controls through coordination with the IAU, working with external auditors, among others.
- 2 Updated IAU structure to improve effectiveness in supporting the AC.
- 3 Additional instructions on the IAU's duties with regard to inspections of internal controls, data processing activities, and reviews of corrective actions on issues flagged for follow-up

RISK GOVERNANCE

Risk management is a crucial aspect of our governance framework because it helps us identify, assess, and mitigate risks that could negatively impact our operations, reputation, or financial performance. The BoC and BoD are ultimately responsible for risk governance to ensure that our businesses protect the interests of our stakeholders, comply with laws and regulations, and make informed decisions that position us for sustainable growth. Our AC and Internal Risk Function also play a vital role in the risk management process by identifying and escalating material risks to the attention of the BoD and BoC for further action.

Our approach to risk management is anchored by our enterprise risk management (ERM) framework, which takes into consideration a broad range of internal and external risks, including ESG-related risks such as climate risks. In 2022, we identified our top climate risks and put in place measures to mitigate their impact on our operations, as outlined under "Climate Resilience" on pages 43 to 48. Further information about our ERM framework can be found in our 2022 Annual Report under "Risk Management System".

SUSTAINABILITY GOVERNANCE

Integrating sustainability within our governance structure has become a key milestone in our Group's sustainability journey. We believe that establishing a robust sustainability governance structure that reinforces our ESG priorities at all levels of the organization enables us to pursue meaningful value creation and ultimately serve our stakeholders more responsibly. This means involving our highest governance bodies – the BoD and BoC – in setting the sustainability direction, and cascading our strategy down to our business units and employees. For an overview of our sustainability governance structure, please refer to page 19.

One of our top ESG priorities in 2022 was to formalize the roles, responsibilities, and reporting lines within our sustainability governance structure. We adopted an ESG Committee Charter to provide clear terms of reference for the ESG Committee. In addition, we established the ESG Steering Group and the Group Sustainability Function to anchor the communication of the Group's sustainability direction and improve coordination of ESG workstreams across the organization. The key differences between the roles and responsibilities of the ESG Committee, ESG Steering Group and the Group Sustainability Function are outlined on the following page.

	ESG Committee	ESG Steering Group	Group Sustainability Function
Purpose	The ESG Committee is appointed by the BoD to assist the BoD in setting the direction for the Group's ESG strategy, policies, and initiatives, and to exercise oversight over the Group's performance in relation to material ESG issues and targets.	The ESG Steering Group supports the ESG Committee at the operational level by driving the implementation of the ESG strategy, and ensuring alignment across the Group.	The Group Sustainability Function acts as a "Centre of Excellence" to support the ESG Committee, ESG Steering Group, and each business unit in their respective ESG journeys.
Representation	Chaired by the Group CEO, the ESG Committee comprises BoD members and senior executives who hold positions of responsibilities which are relevant to the Group's ESG strategy and policies.	Chaired by the Group Head of Sustainability, the ESG Steering Group comprises key representatives from our three business segments and relevant corporate functions, who are responsible for executing workplans approved by the ESG Committee.	The Group Sustainability Function is part of the Group CEO's Office, and is led by the Group Head of Sustainability who reports directly to the Group CEO.
Responsibilities	<ul style="list-style-type: none"> Formulate and implement ESG strategy. Identify and assess ESG risks and opportunities Set ESG targets and commitments, and monitor performance indicators Spearhead new ESG initiatives and drive improvements in internal processes. Review and improve ESG disclosures in line with best practices. Engage internal and external stakeholders on sustainability agenda. Undertake any other ESG -related tasks as assigned by the BoD. 	<ul style="list-style-type: none"> Develop workplans based on ESG strategy and targets set by ESG Committee. Convene working groups to socialize workplans, create alignment, and drive progress in ESG workstreams. Monitor ESG performance in respective areas of operation. Provide bottom-up input and operational feedback to the ESG Committee through engagements with internal stakeholders. 	<ul style="list-style-type: none"> Supervise ESG reporting and consolidation of ESG data Provide guidance to ESG Committee and ESG Steering Group based on sustainability best practice and ongoing trends Identify new opportunities and develop synergies across the Group and with external partners Act as a "shared service" by managing external consultants, providing capacity building, and sourcing ESG talent

Key ESG Priorities

Enhancements to our sustainability governance structure have improved our decision-making and accountability, thereby enabling us to make significant progress on our ESG priorities in 2022.

Sustainability Governance

- Define the scope of work and delineate roles and responsibilities within sustainability governance structure.

ESG Disclosures and Data Quality

- Review GHG inventory in line with operational control approach.
- Expand the scope of disclosures and improve data quality for environmental and social metrics.
- Establish Group-wide standards for ESG data metrics and reporting SOPs.

Target-setting

- Engage business units to establish baseline performance and level of ambition for ESG target-setting.

Climate Risks and Opportunities

- Conduct top-down and bottom-up assessment of climate risks and opportunities
- Align ERM and ESG strategy with TCFD recommendations

Capacity Building

- Run engagements with senior management and internal trainings to generate greater ESG awareness and buy-in across the organization.

Sustainability Reporting

- Conduct gap analysis and peer benchmarking to enhance disclosures in preparation for 2022 Sustainability Report.

Ethics and Compliance

We believe that GCG underpins business success, and is key to building long-term trust among our stakeholders. To cultivate a culture of responsible and ethical behavior within our organization, we have put in place robust internal policies to govern our business conduct, such as our Code of Conduct, whistle-blowing, anti-corruption, as well as privacy and security policies. We regularly communicate these policies to our employees and stakeholders, and undertake policy reviews from time to time to ensure that they are updated in line with best practices and continue to be relevant to our current operations and processes.

ANTI-CORRUPTION

We are committed to conducting business with integrity. We adopt a zero-tolerance stance against any form of corruption or unethical behaviour, and demand the same commitment from all who work for or with us. We are guided by our policy relating to anti-corruption, anti-bribery, and anti-fraud. The policy is communicated to all employees via internal communication channels, such as email blasts, and it is also available on our website and intranet. All new hires are briefed on the policy during their orientation. To ensure the guidelines in the policy are adhered to, employees must undergo re-certification training annually. In 2022, 100% of our employees received training on anti-corruption, anti-bribery, and anti-fraud policies, with a 99% completion rate.

In 2022, there were zero legal cases brought against the Company or our employees for corruption. In addition, there were zero confirmed incidents in which contracts with business partners were terminated or not renewed due to violations related to corruption. Our Risk and Internal Control Team regularly assesses 100% of our operations for corruption risk, and no significant risks related to corruption were flagged in 2022. If there are any reports of corruption, we will investigate the report immediately and take appropriate disciplinary action, which could include termination of employees or business partners involved.



CODE OF CONDUCT

Our Code of Conduct outlines the fundamental principles of business ethics and compliance, and provides clarity on what is acceptable conduct for all employees and members of our Boards and Committees. Approved by the BoD, the Code of Conduct covers responsible employment and workplace practices, business ethics, and relations with external stakeholders such as the media, customers, suppliers/vendors, competitors, regulators, and the general public. All employees are required to review and acknowledge that they have understood the guidelines in the Code of Conduct during their onboarding process as well as on an annual basis thereafter. Employees are encouraged to contact their HR Business Partner to seek clarification on any aspect of the Code of Conduct.

In 2022, we published an updated Code of Conduct that incorporates GCG best practices in line with the UN Global Compact and ASEAN Corporate Governance Scorecard. This follows the comprehensive review of the Code of Conduct conducted by our Corporate Secretary and Human Resources Division in the preceding year. 100% of our employees received communications and trainings on the updated Code of Conduct, with a training completion rate of 99%. Going forward, we aim to achieve a 100% completion rate for training on Code of Conduct and anti-corruption policies every year.

Key Principles



Conflicts of Interest

The Group requires employees to avoid decision-making in situations where a conflict of interest may arise. This includes situations in which there might be a potential conflict of interest between personal/family/group interest and corporate interest.



Prohibition of Harassment and Intimidation

The Group opposes all forms of harassment and intimidation, and provides channels for employees to report discriminative, harassing, and intimidate actions to their supervisors or HR Business Partner.



Human and Labor Rights

The Group supports and respects the protection of internationally-recognized human rights (Universal Declaration of Human Rights and UNGC) and labor rights (ILO as ratified by Indonesia) and commits to making sure that the Group is not complicit in any human rights abuses.



Information Confidentiality

The Group takes information confidentiality seriously and has implemented various measures to ensure the protection of both inside and proprietary information.



Prohibition of Bribery

The Group opposes all forms of bribery. All employees are prohibited from offering and/or receiving any form of payment or benefit which is unofficial and/or not in accordance with formal procedures involving authorized parties.



Insider Trading

The Group strictly prohibits any employees and Board/Committee members to involve in insider trading, meaning using insider information which is non-public information and may impact the share price of the Company/or the subsidiaries.



Environmental Responsibility

The Group takes a precautionary approach to addressing environmental challenges and preventing, reducing or mitigating any negative impacts to the environment as well as to promoting greater environmental responsibility and awareness across value chain and among stakeholders.

WHISTLE-BLOWING

In line with our commitment to building a corporate culture that uphold high moral standards and business ethics, we implement a whistleblowing policy that serves as a formal channel and standard process dedicated to receiving and investigating any whistle-blower report. Our whistleblowing policy provides an established channel for reporting, assessment, and follow-up of cases by the Whistleblowing Committee, which comprises Members of the Board of Directors and the Corporate Secretary. If necessary, the Whistleblowing Committee may appoint the relevant departments such as the Internal Audit Unit, HR Division, Legal Division, and even external independent parties, to carry out investigations into reports. We always encourage our employees, external stakeholders, and the public to make reports in confidence and without fear of retaliation. The whistleblowing channels are outlined and publicly available on our webpage. Every year, we reassess our whistleblowing policy to align with the industry best practices and global standards. In 2022, there were no reports that warranted follow-up via the whistleblowing mechanism.

PRIVACY & SECURITY

We take data privacy very seriously, especially as we continue to scale up our digital systems and process more customer data. Our commitment to protecting customer privacy is reflected in our Code of Conduct, which mandates that all employees respect and safeguard customer data privacy. We have strict protocols in place in each business unit for the handling of customer data, including limitations on data access and distribution to third parties without prior consent. We are also constantly reviewing our IT protocols and infrastructure to ensure that we have adequate cybersecurity safeguards and data governance policies in place, especially in light

of the recent Law No. 27 of 2022 concerning Personal Data Protection. On the IT security front, we continue to conduct IT General Controls (ITGC) audits and penetration testing to ensure that our IT systems are secure, as well as regular socialization to increase our employees' IT security awareness and vigilance. In 2022, we did not receive any complaints related to breaches of customer privacy, nor were there any reported incidents of data leaks. Going forward, we will continue to prioritize the protection of customer privacy by implementing best practices for data governance and cybersecurity, in line with the latest data privacy regulations.



Data Governance

In 2022, the Real Estate segment began a consultation process to develop a common data governance framework on internal data usage across business units. This framework is intended to provide guidance on access rights and best practices in data management, in order to strengthen data privacy, enable better decision-making, and reduce operational friction.



Map data sources and users for various stages in the real estate value chain.



Develop common dashboard to streamline data management within daily workflows.



Create clear guidelines on data ownership between functions.



Improve data collection and visualization for user-specific requirements.

REGULATORY COMPLIANCE

Our Corporate Secretary and Legal teams are responsible for managing and ensuring compliance with all laws and regulations at the local, regional, and national levels. In 2022, we were not involved in any cases of non-compliance with any environmental, social, and economic laws and regulations that resulted in monetary fines or non-monetary sanctions. Similarly, there were zero incidents of non-compliance with regulations or voluntary codes concerning our products and services in relation to health and safety, information and labelling, and marketing communications (advertising, promotion, sponsorship). Furthermore, we have not engaged in any activities that violate regulations governing anti-bribery, anti-competitive behaviour, anti-trust, or monopoly practices throughout our business operations. We remain committed to upholding ethical business practices and will continue to prioritize compliance in all areas of our business operations. This is why we have set a target to maintain zero public legal cases of corruption, fraud and bribery, as well as zero cases of non-compliance with laws and regulations resulting in fines and/or sanctions.



Responsible Value Chain

At Lippo Karawaci, we believe that we have an important role to play in shaping the sustainability landscape in Indonesia, given that we work closely with a myriad of suppliers, vendors, contractors, and service providers on a daily basis. Our approach to responsible procurement includes ensuring that our business partners understand and adhere to our ESG standards, procuring goods and services locally where feasible, increasing transparency and accountability in our procurement processes, and reducing our carbon footprint throughout the value chain. We strive to use our position of influence to bring our value chain along with us on our sustainability journey.

PROMOTING ESG BEST PRACTICES

We are committed to ethical sourcing and applying responsible procurement practices in all aspects of our operations. Since embarking on our ESG journey, we have made significant strides to implement and promote ESG best practices within our business ecosystem.

In 2022, we ramped up engagements with our business partners to reinforce our commitment to ethics and compliance. Our Real Estate segment launched the Vendor Integrity Pledge, which highlights our zero-tolerance towards facilitation payments, bribery, and/or corruption and requires vendors to commit to upholding good business ethics and professionalism. Our vendors sign the Vendor Integrity Pledge annually, and it complements the business ethics clauses in the terms and conditions of our agreements with them. In addition, Siloam continues to socialize its vendors to its Sustainable Procurement Policy,

which outlines Siloam's standards in the areas of business integrity, wages and benefits, safe working conditions, anti-child labor, and environmental sustainability.

To further enhance our procurement practices and integrate sustainability across our value chain, we are working on formulating and implementing a Group-wide sustainable procurement policy that will ensure that all business partners and suppliers are aligned with our values and standards, with regard to business integrity, human and labor rights, OHS requirements, as well as environmental practices. We plan to formulate this Group policy through extensive consultation, and socialize its requirements to all vendors by 2030. We believe this is key to strengthening stakeholder trust and confidence in our business, especially among regulators, business partners, and customers.



Vendor Engagement

In our real estate businesses, we work closely with key vendors to ensure adherence to good labor practices and working conditions, particularly in the area of OHS. In 2022, our Project Development and TMD teams socialized our latest OHS guidelines to all vendors carrying out construction and operational work in our township areas. To monitor implementation, our procurement teams also visited work sites and vendors' premises to inspect work processes.

LOCAL PROCUREMENT

Local sourcing allows us to directly contribute towards the national economy and job market. This also allows us to reduce the amount of Scope 3 emissions generated from the transportation of these supplies. Each year, we spend over 95% of our procurement budget on Indonesian suppliers and vendors. Where possible, we collaborate with local MSMEs within our areas of operation to meet our business needs. For example, TMD procures goods and services from MSMEs within our townships, such as plants, event decorations, equipment rental, catering, painting, plumbing, and vehicle repairs. Aryaduta also actively supports local brands and products at each of its hotel locations, by sourcing F&B and co-op products from traditional markets, as well as daily cleaning supplies such as chemicals and tissue. We engage foreign vendors only when it involves the procurement of high-end equipment and systems or specific consulting expertise.

ENHANCING PROCUREMENT PROCESSES

We continuously strive to improve our procurement processes to ensure that we are fair and transparent in our selection of vendors, and to strengthen our working relationships with existing business partners, as these relationships are critical for our long-term sustainability and success.

In 2022, we undertook several initiatives to improve our procurement processes for greater transparency, accountability and efficiency. For example, we enhanced our contractor selection process by introducing a new

internal scorecard system that profiles and selects contractors based on objective scoring criteria. We continue to invest in digital solutions, especially in terms of utilizing digital channels to process purchase requests and orders, as well as developing a centralized procurement portal where procurement information such as our material catalogue and vendor contracts can be easily accessed by relevant parties.

Furthermore, we recognize the importance of ensuring that our supply chain is flexible and robust enough to withstand disruptions caused by unforeseen events. One of our top priorities is to strengthen supply chain resilience, especially for critical and time-sensitive supplies. This requires better demand planning, diversifying our pool of suppliers, leveraging technology to improve visibility and coordination across supply chains, and maintaining strong relationships with key suppliers.

Moving forward, we will continue to streamline and enhance our procurement process, policies and systems to always be updated with the best practices. We strive to encourage our business partners to deepen professional relationships and to better communicate expectations, particularly expectation concerning ESG values.

Inventory Planning

Siloam established a new inventory planning system to enhance the demand planning and redistribution of drugs, consumables, and medical supplies across its network of hospitals. This system serves to plan, control, and monitor inventory to meet the needs of each individual hospital. Siloam has also enhanced its inventory management system to reduce inventory days and inventory working capital, which helps to improve overall inventory efficiency and eliminate stock-outs. The system is supported by just-in-time ordering and regular reviews of inventory levels. In addition, Siloam provides centralized guidelines, standards, policies, and procedures for demand planning and inventory management. These documents provide clear guidance on best practices, roles and responsibilities, and the steps that need to be taken in the event of inventory shortage or surplus. These initiatives have increased efficiency, reduced costs, and improved patient care, by ensuring that essential drugs, consumables, and medical supplies are always available.





Appendix



Reporting Methodology

GHG EMISSIONS

Lippo Karawaci's GHG inventory adheres to the World Resources Institute (WRI) and World Business Council for Sustainable Development's (WBCSD) Greenhouse Gas Protocol Initiative (GHG Protocol) for corporate GHG accounting and reporting. Our reporting boundaries are based on the operational control approach, which includes assets that are wholly owned or leased by Lippo Karawaci and our subsidiaries, as well as operations for which we have the full authority to introduce and implement our operating policies.

Given that we have set emissions reduction targets, we have established accounting rules to account for changes in emissions to ensure that our emissions disclosures remain consistent even as our portfolio changes over time. In line with the GHG Protocol, a recalculation shall be performed if any significant qualitative or quantitative change is made to the data, inventory boundary and/or methods. We have adopted the definition of "significant" as a structural change such as a merger, acquisition, or data restatements exceeding 5% of base year Scope 1 and 2, in alignment with common references (WRI/WBCSD 2004).

Based on the definition, we have included Lippo Mall Puri's emissions into our 2019 baseline Scope 1 and 2 emissions, given that Lippo Mall Puri is a significant GHG-emitting asset (representing close to 10% of Scope 1 and 2 emissions in 2022).

Additional Notes

- Our reporting scope comprises high-rise residences, hospitals, malls, hotels, and other real estate operations, including water treatment plants and managed residential/commercial/industrial areas within our townships. We have excluded tenanted areas and managed properties for which we do not have operational control, such as franchise operations and strata-titled assets for which we do not have a controlling stake.
- Energy intensity is calculated by dividing the total consumption of fuel and electricity by the operational GFA for the following building types: high-rise residences, hospitals, malls, and hotels.
- GHG emissions intensity is calculated by dividing the total Scope 1 and 2 footprints by the operational GFA for each building type.
- Operational GFA may change from year to year due to the development of new properties, expansion of operations within a built area, and transfer of ownership and/or operational control. Notable exclusions:
 - The tenanted areas in our high-rise residential buildings and malls are excluded from our operational GFA, as the emissions from these areas are classified under Scope 3.
 - The operational GFA of our hotel portfolio excludes leisure properties such as Aryaduta Country Club and Imperial Klub Golf, which have a significantly different profiles in terms of energy consumption and operational GFA compared to hotels.
 - With the exception of high-rise residential buildings, we do not calculate the operational GFA for our other real estate operations because these operations are not confined within built up areas and the intensity data cannot be accurately derived based on land area.
- Base year emissions and any historic data are not recalculated for organic growth or decline. Organic growth/decline refers to increases or decreases in production output, changes in product mix, and closures and openings of assets that are owned or controlled by the company.
- 2022 conversion factors for calculating emissions and energy are from DEFRA (The UK Department for Environment Food and Rural Affairs); the global warming potential (GWP) used for calculating emissions from refrigerants are from GHG Protocol and IPCC Assessment Report, 2014 (AR5); and province-specific grid emission factors as published by the Ministry of Energy and Mineral Resources of Indonesia (MEMR). For Scope 2 emissions, a market-based method is adopted to highlight supply choices and future renewable energy procurement.
- We have re-stated our 2019-2021 emissions figures due to changes in the conversion factors used for emissions calculations. While we previously used emission factors from the International Energy Agency (IEA), we have revised our past emissions calculations using a grid average from the Institute for Global Environmental Strategies (IGES), which is aligned with data from MEMR, to ensure consistency across all business units and with the methodology used for 2022.

WATER & WASTEWATER

Water Consumption

Our water consumption data is consistent with the way our inventory for energy and GHG emissions is compiled: the operational control approach. Given the same boundaries, we have excluded water consumption by residents/ tenants.

Water Withdrawal

In addition to the water consumption by our business units, we report on water withdrawal by our WTD, which supports some of our township management operations. As water withdrawal is tied to the demand for treated water, which includes residents, tenants and other businesses located in our townships (i.e. not only the water consumption for our own business operations), we have clearly separated this water withdrawal data from our water consumption data on page 98. Data collected consists of recorded water withdrawal and production data at the water treatment plant level.

Wastewater Discharge

Our wastewater discharge data is inclusive of both our internal and tenants' discharge, as we do not currently sub-meter our tenants' wastewater discharge. This method of reporting is aligned with reporting standards and peers. Some assets report data on actual wastewater discharge as recorded by their meters. For those which are unable to, we take the approach of estimating wastewater discharge as 80% of water consumption.

WASTE

Non-Hazardous Waste

Our non-hazardous waste data reflects waste collected from both our business operations and residents/ tenants. We collate the data from the third-party vendors whom we engage to collect and manage non-hazardous waste at our assets and townships.

Hazardous Waste

Our hazardous waste data only reflects waste collected from our business operations. We collate the data from the third-party vendors whom we engage to collect and manage hazardous waste at our assets and townships. Tenants that produce hazardous waste (e.g. industrial tenants at Delta Silicon Industrial Park) separately arrange for hazardous waste collection by their own vendors.

Environmental Data

ENERGY CONSUMPTION

Energy Consumption (10 ³ GJ)	2019	2020	2021	2022
Diesel	15	8.9	7.5	21
Real Estate	1.9	2.7	2.6	10
Healthcare	-	-	-	6.2
Lifestyle	13	6.2	4.9	4.4
Electricity	1,398	1,038	1,073	1,171
Real Estate	88	84	104	125
Healthcare	334	383	399	399
Lifestyle	976	571	569	647
LPG	-	-	-	0.02
Real Estate	-	-	-	0.0004
Healthcare	-	-	-	0.004
Lifestyle	-	-	-	0.01
Petrol	7.3	8.4	9.2	18
Real Estate	4.5	5.2	5.9	7.2
Healthcare	2.0	2.4	2.2	8.6
Lifestyle	0.9	0.8	1.1	2.5

ENERGY INTENSITY BY BUILDING TYPE

Building GHG Intensity (GJ/m ²)	2019	2020	2021	2022
High-rise residential	0.224	0.174	0.167	0.195
Hospitals	0.712	0.73	0.755	0.786
Malls	0.935	0.547	0.538	0.545
Hotels	0.511	0.294	0.317	0.371
Average	0.724	0.503	0.487	0.511

GHG EMISSIONS

GHG Emissions (ktCO ₂ e)	2019	2020	2021	2022
Scope 1	4.56	5.00	2.65	12.27
Mobile Combustion	0.51	0.58	0.63	1.36
Real Estate	0.30	0.356	0.402	0.60
Healthcare	0.13	0.16	0.14	0.59
Lifestyle	0.08	0.07	0.08	0.17
Stationary Combustion	1.10	0.64	0.55	2.47
Real Estate	0.14	0.18	0.19	0.21
Healthcare	-	-	-	0.99
Lifestyle	0.96	0.46	0.36	1.27
Fugitive	2.95	3.78	1.47	8.43
Real Estate	-	-	-	0.27
Healthcare	-	-	-	1.15
Lifestyle	2.95	3.78	1.47	7.01
Scope 2	316	235	243	243
Electricity	316	235	243	243
Real Estate	20	19	24	28
Healthcare	75	87	90	88
Lifestyle	221	129	129	141

GHG Emissions (ktCO ₂ e)	2019	2020	2021	2022
Scope 3	-	-	-	167
Purchased Goods & Services - Construction Materials Used	-	-	-	49
Business Travel - Air Travel	-	-	-	0.6
Downstream Leased Assets - Tenant Electricity Consumption	-	-	-	117

GHG EMISSIONS INTENSITY BY BUILDING TYPE

Building GHG Intensity (tCO ₂ e/m ²)	2019	2020	2021	2022
High-rise residential	0.049	0.038	0.037	0.043
Hospitals	0.160	0.164	0.170	0.171
Malls	0.213	0.127	0.122	0.123
Hotels	0.114	0.066	0.071	0.087
Average	0.164	0.115	0.110	0.114

WATER CONSUMPTION BY BUSINESS SEGMENT

Water Consumption (10 ³ m ³)	2019	2020	2021	2022
Purchased Water	3,546	2,464	2,605	3,491
Real Estate	271	238	256	532
Healthcare	1,029	1,017	1,058	1,508
Lifestyle	2,246	1,209	1,291	1,450
Rain Water	14	11	22	157
Real Estate	14	11	22	76
Healthcare	-	-	-	-
Lifestyle	-	-	-	81
Recycled Wastewater	219	301	366	476
Real Estate	55	49	51	108
Healthcare	-	-	-	-
Lifestyle	164	252	315	369

WASTEWATER GENERATED BY BUSINESS SEGMENT

Wastewater (10 ³ m ³)	Diverted	Discharged	Total
Real Estate	153	393	546
Healthcare	41	1,020	1,061
Lifestyle	589	1,128	1,718

WATER WITHDRAWAL BY WATER TREATMENT DIVISION

Water Withdrawal (10 ³ m ³)	2019	2020	2021	2022
Purchased Water	19,899	19,840	17,954	18,857
Tanjung Bunga	-	-	-	410
Kemang Village	207	11	7	74
Lippo Village	4,132	4,025	3,657	3,745
Lippo Cikarang	15,560	15,804	14,291	14,629
Rain Water	294	223	379	410
Tanjung Bunga	-	-	-	53
Kemang Village	294	223	379	357
Lippo Village	-	-	-	-
Lippo Cikarang	-	-	-	-
Recycled Wastewater	226	397	214	209
Tanjung Bunga	-	-	-	24
Kemang Village	226	397	214	185
Lippo Village	-	-	-	-
Lippo Cikarang	-	-	-	-

WASTEWATER TREATED BY WATER TREATMENT DIVISION

Wastewater (10 ³ m ³)	Diverted	Discharged	Total
Tanjung Bunga	24	2	26
Kemang Village	185	3	187
Lippo Village	835	1,882	2,718
Lippo Cikarang	-	1,233	1,233

Workforce Data

WORKFORCE

	Real Estate	Healthcare	Lifestyle	Total
Employees	968	13,461	1,820	16,249
Contractors	7,268	2,655	1,192	11,115
Total Workforce	8,236	16,116	3,012	27,364

NEW HIRES BY GENDER

	Real Estate	Healthcare	Lifestyle	Total
Female	81	1,395	217	1,693
Male	177	679	310	1,166
Total	258	2,074	527	2,859

NEW HIRES BY AGE GROUP

	Real Estate	Healthcare	Lifestyle	Total
< 30 years old	111	1,722	290	2,123
30-50 years old	138	332	228	698
> 50 years old	9	20	9	38
Total	258	2,074	527	2,859

EMPLOYEES BY EMPLOYMENT STATUS

	Real Estate	Healthcare	Lifestyle	Total
Permanent Employee	856	13,274	817	14,947
Contract Employee	112	187	1,003	1,302
Total Employees	968	13,461	1,820	16,249

EMPLOYEE TURNOVER BY GENDER

	Real Estate	Healthcare	Lifestyle	Total
Female	63	1,149	141	1,353
Male	107	540	150	797
Total	170	1,689	291	2,150

EMPLOYEE TURNOVER BY AGE GROUP

	Real Estate	Healthcare	Lifestyle	Total
< 30 years old	86	1,167	141	1,394
30-50 years old	67	491	139	697
> 50 years old	17	31	11	59
Total	170	1,689	291	2,150

EMPLOYEES BY GENDER

	Real Estate	Healthcare	Lifestyle	Total
Female	594	4,129	1,078	5,801
Male	374	9,332	742	10,448
Total	968	13,461	1,820	16,249

EMPLOYEES BY AGE GROUP

	Real Estate	Healthcare	Lifestyle	Total
< 30 years old	274	7,025	615	7,914
30-50 years old	596	6,091	1,128	7,815
> 50 years old	98	345	77	520
Total	968	13,461	1,820	16,249

EMPLOYEES BY EDUCATIONAL QUALIFICATIONS

	Real Estate	Healthcare	Lifestyle	Total
High School Certification	50	1,589	549	2,188
Diploma	75	4,439	270	4,784
Undergraduate Degree	744	7,186	950	888
Postgraduate Degree	99	247	51	397
Total	968	13,461	1,820	16,249

EMPLOYEES BY EMPLOYMENT CATEGORY AND BY GENDER

Category	Gender	Real Estate	Healthcare	Lifestyle	Total
Executive	Male	16	30	3	49
	Female	2	29	-	31
Manager	Male	135	100	141	376
	Female	57	105	88	250
Supervisor	Male	208	265	195	668
	Female	116	329	101	546
Staff	Male	224	3,384	671	4,279
	Female	199	8,554	534	9,287
Non-staff	Male	11	350	68	429
	Female	-	315	19	334

EMPLOYEES BY EMPLOYMENT CATEGORY AND BY AGE GROUP

Category	Age	Real Estate	Healthcare	Lifestyle	Total
Executive	<30 yo	-	-	-	-
	30-50 yo	5	40	-	45
	>50 yo	13	19	3	35
Manager	<30 yo	4	12	7	23
	30-50 yo	146	167	183	496
	>50 yo	42	26	39	107
Supervisor	<30 yo	72	112	35	219
	30-50 yo	232	442	243	917
	>50 yo	20	40	18	78
Staff	<30 yo	195	6,679	540	7,414
	30-50 yo	209	5,037	648	5,894
	>50 yo	19	222	17	258
Non-staff	<30 yo	3	222	33	258
	30-50 yo	4	405	54	463
	>50 yo	4	38	-	42

Content Index

GLOBAL REPORTING INITIATIVE (GRI)

Statement of Use: Lippo Karawaci has reported in accordance with the GRI Standards for the period 1 January to 31 December 2022.

GRI 1 Used: GRI 1: Foundation 2021

Applicable GRI Sector Standard(s): We will apply the latest GRI Sector Standard for our industry when the standard is made available.

GRI Standards	Disclosure Number	Disclosure Title	Page Reference / Remarks
		GENERAL DISCLOSURES	
GRI 2 (2021): General Disclosures	2-1	Organisational details	6-8
	2-2	Entities included in the organisation's sustainability reporting	4-8
	2-3	Reporting period, frequency, and contact point	4-5
	2-4	Restatements of information	49, 57, 94-95
	2-5	External assurance	We have not sought external assurance for this Report
	2-6	Activities, value chain and other business relationships	7-8
	2-7	Employees	68-70, 99-101
	2-8	Workers who are not employees	68
	2-9	Governance structure and composition	19, 84-86
	2-10	Nomination and selection of the highest governance body	84-86
	2-11	Chair of the highest governance body	19, 84
	2-12	Role of the highest governance body in overseeing the management of impacts	19, 84-86
	2-13	Delegation of responsibility for managing impacts	19, 84-86
	2-14	Role of the highest governance body in sustainability reporting	19
	2-15	Conflicts of interest	88
	2-16	Communication of critical concerns	84-86, 89
	2-17	Collective knowledge of the highest governance body	19, 84-86
	2-18	Evaluation of the performance of the highest governance body	84-86
	2-19	Remuneration policies	73
	2-20	Process to determine remuneration	73
	2-21	Annual total compensation ratio	73
	2-22	Statement on sustainable development strategy	9-10, 17, 44-46, 55
	2-23	Policy commitments	87-90
	2-24	Embedding policy commitments	87-90
	2-25	Processes to remediate negative impacts	19, 84-86

GRI Standards	Disclosure Number	Disclosure Title	Page Reference / Remarks
GENERAL DISCLOSURES			
GRI 2 (2021): General Disclosures	2-26	Mechanisms for seeking advice and raising concerns	5, 19, 38-39, 84-86, 89
	2-27	Compliance with laws and regulations	90
	2-28	Membership associations	8
	2-29	Approach to stakeholder engagement	20
	2-30	Collective bargaining agreements	70
MATERIAL TOPICS			
GRI 3 (2021): Material Topics	3-1	Process to determine material topics	18
	3-2	List of material topics	18
ENHANCING QUALITY OF LIFE			
MATERIAL TOPIC: ECONOMIC CONTRIBUTION			
GRI 3 (2021): Material Topics GRI 201 (2016): Economic Performance GRI 203 (2016): Indirect Economic Performance GRI 207 (2016): Tax	3-3	Management of material topics	26-30
	201-1	Direct economic value generated and distributed	26
	201-4	Financial assistance received from government	29
	203-1	Infrastructure investments and services supported	29
	203-2	Significant indirect economic impacts	28-30
	207-1	Approach to tax	27
	207-2	Tax governance, control, and risk management	27
	207-3	Stakeholder engagement and management of concerns related to tax	27
	207-4	Country-by-country reporting	We only operate in Indonesia
MATERIAL TOPIC: COMMUNITY SUPPORT AND ENGAGEMENT			
GRI 3 (2021): Material Topics GRI 413 (2016): Local Communities	3-3	Management of material topics	31-34
	413-1	Operations with local community engagement, impact assessments, and development programs	32-34
	413-2	Operations with significant actual and potential negative impacts on local communities	32-34
MATERIAL TOPIC: PRODUCT INNOVATION			
GRI 3 (2021): Material Topics	3-3	Management of material topics	35-37

GRI Standards	Disclosure Number	Disclosure Title	Page Reference / Remarks	
ENHANCING QUALITY OF LIFE				
MATERIAL TOPIC: CUSTOMER SERVICE AND SATISFACTION				
GRI 3 (2021): Material Topics GRI 416 (2016): Customer Health and Safety	3-3	Management of material topics	38-41	
	416-1	Assessment of the health and safety impacts of product and service categories	40	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	40	
CARING FOR OUR ENVIRONMENT				
MATERIAL TOPIC: CLIMATE RESILIENCE				
GRI 3 (2021): Material Topics GRI 201 (2016): Economic Performance	3-3	Management of material topics	43-48	
	201-2	Financial implications and other risks and opportunities due to climate change	44-46	
MATERIAL TOPIC: ENERGY EFFICIENCY AND EMISSIONS				
GRI 3 (2021): Material Topics GRI 302 (2016): Energy GRI 305 (2016): Emissions	3-3	Management of material topics	49-55	
	302-1	Energy consumption within the organisation	50, 96	
	302-2	Energy consumption outside of the organization	53, 94, 97	
	302-3	Energy intensity	50, 96	
	302-4	Reduction of energy consumption	53-55	
	302-5	Reduction in energy requirements of products and services	49-50, 53-55	
	305-1	Direct (Scope 1) GHG emissions	52, 94, 97	
	305-2	Energy indirect (Scope 2) GHG emissions	52, 94, 97	
	305-3	Other indirect (Scope 3) GHG emissions	53, 94, 97	
	305-4	GHG emissions intensity	52, 94, 97	
	305-5	Reduction of GHG emissions	52-53, 94, 97	
	305-6	Emissions of ozone-depleting substances (ODS)	We do not currently report this but will consider doing so in the future	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		
	MATERIAL TOPIC: WATER STEWARDSHIP			
	GRI 3 (2021): Material Topics	3-3	Management of material topics	56-60
GRI 303 (2018): Water and Effluents	303-1	Interactions with water as a shared resource	56-60, 95	
	303-2	Management of water discharge-related impacts	60, 95	
	303-3	Water withdrawal	56-59, 95, 98	
	303-4	Water discharge	60, 95, 98	
	303-5	Water consumption	56-57, 95, 98	

GRI Standards	Disclosure Number	Disclosure Title	Page Reference / Remarks
CARING FOR OUR ENVIRONMENT			
MATERIAL TOPIC: WASTE MANAGEMENT			
GRI 3 (2021): Material Topics	3-3	Management of material topics	61-64
GRI 306 (2020): Waste	306-1	Waste generation and significant waste-related impacts	61-63
	306-2	Management of waste-related impacts	61-64
	306-3	Waste generated	61, 64
	306-4	Waste diverted from disposal	61-63
	306-5	Waste diverted to disposal	61-63
MATERIAL TOPIC: BIODIVERSITY			
GRI 3 (2021): Material Topics	3-3	Management of material topics	65-66
GRI 304 (2016): Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	65-66
	304-2	Significant impacts of activities, products and services on biodiversity	65-66
	304-3	Habitat protected or restored	65-66
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not relevant
INVESTING IN OUR PEOPLE			
MATERIAL TOPIC: EMPLOYMENT AND RIGHTS			
GRI 305 (2016): Emissions	3-3	Management of material topics	68-70
GRI 201 (2016): Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	69
GRI 401 (2016): Employment	401-1	New employee hires and employee turnover	69, 99
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	69
	401-3	Parental leave	70
GRI 402 (2016): Labour/Management Relations	402-1	Minimum notice periods regarding operational changes	70
GRI 407 (2016): Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	70
GRI 408 (2016): Child Labour	408-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	70, 91
GRI 409 (2016): Forced or Compulsory Labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	70, 91

GRI Standards	Disclosure Number	Disclosure Title	Page Reference / Remarks
INVESTING IN OUR PEOPLE			
MATERIAL TOPIC: DIVERSITY, EQUITY AND INCLUSION			
GRI 3 (2021): Material Topics	3-3	Management of material topics	71-73
GRI 202 (2016): Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	73
	202-2	Proportion of senior management hired from the local community	71-72
GRI 405 (2016): Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	72, 99
	405-2	Ratio of basic salary and remuneration of women to men	73
GRI 406 (2016): Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	71
MATERIAL TOPIC: HEALTH AND SAFETY			
GRI 3 (2021): Material Topics	3-3	Management of material topics	74-77
GRI 403 (2018): Occupational Health and Safety	403-1	Occupational health and safety management system	74-75
	403-2	Hazard identification, risk assessment, and incident investigation	75
	403-3	Occupational health services	75, 77
	403-4	Worker participation, consultation, and communication on occupational health and safety	75, 77
	403-5	Worker training on occupational health and safety	77
	403-6	Promotion of worker health	74, 77
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	75, 77
	403-8	Workers covered by an occupational health and safety management system	74-75
	403-9	Work-related injuries	76
	403-10	Work-related ill health	76
MATERIAL TOPIC: TRAINING AND DEVELOPMENT			
GRI 3 (2021): Material Topics	3-3	Management of material topics	79-82
	404-1	Average hours of training per year per employee	79
GRI 404 (2016): Training and Education	404-2	Programmes for upgrading employee skills and transition assistance programmes	79-82
	404-3	Percentage of employees receiving regular performance and career development reviews	82

GRI Standards	Disclosure Number	Disclosure Title	Page Reference / Remarks
CHAMPIONING BEST PRACTICES			
MATERIAL TOPIC: GOVERNANCE AND ACCOUNTABILITY			
GRI 3 (2021): Material Topics	3-3	Management of material topics	84-87
MATERIAL TOPIC: ETHICS AND COMPLIANCE			
GRI 3 (2021): Material Topics	3-3	Management of material topics	87-90
GRI 205 (2016): Anti-corruption	205-1	Operations assessed for risks related to corruption	87
	205-2	Communication and training about anti-corruption policies and procedures	87
	205-3	Confirmed incidents of corruption and actions taken	87
GRI 206 (2016): Anti-competitive Behaviour	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	90
GRI 307 (2016): Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	90
GRI 417 (2016): Marketing and Labelling	417-1	Requirements for product and service information and labeling	90
	417-2	Incidents of non-compliance concerning product and service information and labeling	90
	417-3	Incidents of non-compliance concerning marketing communications	90
GRI 418 (2016): Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	89-90
GRI 419 (2016): Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	90
MATERIAL TOPIC: RESPONSIBLE VALUE CHAIN			
GRI 3 (2021): Material Topics	3-3	Management of material topics	91-92
GRI 204 (2016): Procurement Practices	204-1	Proportion of spending on local suppliers	92

UNITED NATIONS GLOBAL COMPACT (UNGC)

Principles		Page Reference /Remarks
HUMAN RIGHTS		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	70, 88
Principle 2	Make sure that they are not complicit in human rights abuses	88
LABOUR		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	70
Principle 4	Elimination of all forms of forced and compulsory labour	70, 88, 91
Principle 5	Effective abolition of child labour	70, 88, 91
Principle 6	Elimination of discrimination in respect of employment and occupation	70-71, 88
ENVIRONMENT		
Principle 7	Businesses should support a precautionary approach to environmental challenges	47t
Principle 8	Undertake initiatives to promote greater environmental responsibility	46, 53-55, 58-59, 63, 66
Principle 9	Encourage the development and diffusion of environmentally friendly technologies	46-47, 53, 55, 57
ANTI-CORRUPTION		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	87-88, 90-91

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Thematic Areas	Recommended Disclosures	Page Reference / Remarks
GOVERNANCE		
Disclose the organization's governance around climate-related risks and opportunities	● Describe the board's oversight of climate-related risks and opportunities	43
	● Describe management's role in assessing and managing climate-related risks and opportunities	43
STRATEGY		
Disclose the organization's governance around climate-related risks and opportunities	● Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	44-46
	● Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	44-46
	● Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	44-46
RISK MANAGEMENT		
Disclose how the organization identifies, assesses, and manages climate-related risks	● Describe the organization's processes for identifying and assessing climate-related risks	47
	● Describe the organization's processes for managing climate-related risks	47
	● Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	47
METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	● Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	48
	● Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	48
	● Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	48

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) – REAL ESTATE SECTOR DISCLOSURE

SASB Sustainability Disclosure	SASB Code	Accounting Metric	Property Subsector	2022
Energy Management	IF-RE-130a 1	Energy consumption data coverage as a percentage of floor area, by property subsector (%)	Real Estate Healthcare Lifestyle	100% 100% 100%
	IF-RE-130a 2	Total energy consumed by portfolio area with data coverage, by property subsector (GJ)	Real Estate Healthcare Lifestyle	137 x 10 ³ GJ 418 x 10 ³ GJ 656 x 10 ³ GJ
		Total energy consumed by percentage grid electricity, by property subsector (%)	Real Estate Healthcare Lifestyle	91% 95% 99%
		Total energy consumed by percentage renewable, by property subsector (%)	Real Estate Healthcare Lifestyle	0% 0% 0%
	IF-RE-130a 3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector (%)	Real Estate Healthcare Lifestyle	+43% +3% +14%
	IF-RE-130a 4	Percentage of eligible portfolio that has an energy rating, by property subsector (%)	N/A in Indonesia	
		Percentage of eligible portfolio that is certified to ENERGY STAR®, by property subsector (%)	N/A in Indonesia	
	IF-RE-130a 5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	"Energy Initiatives" – Page 53	
	IF-RE-140a.1	Water withdrawal data coverage as a percentage of total floor area, by property subsector (%)	Real Estate Healthcare Lifestyle	100% 100% 100%
		Water withdrawal data coverage as a percentage of total floor area, in regions with High or Extremely High Baseline Water Stress ²⁹ , by property subsector (%)	Real Estate Healthcare Lifestyle	100%

²⁹ We operate in regions within Indonesia which are generally assessed to experience "high" to "extremely high" water stress according to the World Resources Institute's Aqueduct Water Risk Atlas.

SASB Sustainability Disclosure	SASB Code	Accounting Metric	Property Subsector	Page Reference / Remarks
Water Management	IF-RE-140a.1	Total water withdrawn by portfolio area with data coverage, by property subsector (m ³)	Real Estate Healthcare Lifestyle	716,353 m ³ 1,508,242 m ³ 1,899,276 m ³
	IF-RE-140a.2	Total water withdrawn by percentage in regions with High or Extremely High Baseline Water Stress ²⁹ , by property subsector (%)	Real Estate Healthcare Lifestyle	100%
	IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector (%)	Real Estate Healthcare Lifestyle	+118% +43% +20%
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	"Optimizing Water Usage" – Page 57	
Management of Tenant Sustainability Impacts	IF-RE-410a.1	Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvement, by property subsector (%)	Real Estate Healthcare Lifestyle	0% N/A 0%
		Associated leased floor area, of new leases that contain a cost recovery clause for resource efficiency related capital improvements, by property subsector (sq. ft)	Real Estate Healthcare Lifestyle	0 N/A 0
	IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for grid electricity consumption by property subsector (%)	Real Estate Healthcare Lifestyle	100% N/A 100%
		Percentage of tenants that are separately metered or sub-metered for water withdrawals, by property subsector (%)	Real Estate Healthcare Lifestyle	100% N/A 100%
	IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	"Scope 3" and "Energy Initiatives" – Page 53	
Climate Change and Adaptation	IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	"Strategy" – Page 46	
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	"Climate Resilience" – Pages 43 to 48	

²⁹ We operate in regions within Indonesia which are generally assessed to experience "high" to "extremely high" water stress according to the World Resources Institute's Aqueduct Water Risk Atlas.

SASB - REAL ESTATE SECTOR DISCLOSURE (ACTIVITY METRICS)

SASB Code	Activity Metric	Property Subsector	2022
IF-RE-000.A	Number of assets, by property subsector	Real Estate ³⁰	28
		Healthcare	40
		Lifestyle	43
IF-RE-000.B	Leasable floor area, by property subsector (sq. ft)	Real Estate ³¹	10,818,407 sq. ft
		Healthcare	N/A
		Lifestyle ³²	10,058,035 sq. ft
IF-RE-000.C	Percentage of indirectly managed assets, by property subsector (%)	Real Estate	N/A
		Healthcare	N/A
		Lifestyle	N/A
IF-RE-000.D	Average occupancy rate, by property subsector (%)	Real Estate	Undisclosed
		Healthcare	Undisclosed
		Lifestyle	Undisclosed

³⁰ The Real Estate segment comprises high-rise residential buildings, townships, water treatment plants, and corporate offices. Unlike in the Healthcare and Lifestyle segments where each managed "asset" is a distinct property, our Real Estate segment manages multiple assets and public/residential/commercial areas within each township. As such, for ease of reporting, we have consolidated multiple assets/areas within each township and classified them as a single "asset".

³¹ Based on residential area within the high-rise residential buildings under our scope of reporting.

³² Based on net leasable area within the malls under our scope of reporting.

WORLD ECONOMIC FORUM (WEF) STAKEHOLDER CAPITALISM METRICS

Theme	Core Metrics and Disclosures	Page Reference / Remarks
PRINCIPLE OF GOVERNANCE		
Governing purpose	Setting purpose	6
Quality of governing body	Governance body composition	19, 84
Stakeholder engagement	Material issues impacting stakeholders	18, 20
Ethical behaviour	Anti-corruption	87
	Protected ethics advice and reporting mechanisms	89
Risk and opportunity oversight	Integrating risk and opportunity into business process	44-47
PROSPERITY		
Employment and wealth generation	Absolute number and rate of employment	68-69
	Economic contribution	26-30
	Financial investment contribution	28-30
Innovation of better products and services	Total R&D expenses	35-41
Community and social vitality	Total tax paid	27
PEOPLE		
Dignity and equality	Diversity and inclusion	71-73
	Pay equality	73
	Wage level	73
	Risk for incidents of child, forced or compulsory labour	70, 87, 91
Health and well-being	Health and safety	74-77
Skills for the future	Training provided	32, 77-82
PLANET		
Climate change	Greenhouse gas emissions	51, 94, 97
	TCFD implementation	43-48
Nature loss	Land use and ecological sensitivity	65-66
Freshwater availability	Water consumption and withdrawal in water-stressed areas	56-60, 95, 98

FINANCIAL SERVICES AUTHORITY OF INDONESIA (OJK) REQUIREMENTS - POJK NO. 51/POJK.03/2017

Code/Indicator	Accounting Metric	Page Reference / Remarks
1. Sustainability Strategy		9-10, 17, 44, 55
2. Summary of Sustainability Performance		
2.a Economic aspect	1) Quantity of production or service sold; 2) Income or sales; 3) Net profit or loss; 4) Environmentally sound products; 5) Engagement of local stakeholders concerning the Sustainable Finance business process	7 12, 26 26 54-55 20
2.b Environmental aspect	1) Energy use (including electricity and water) 2) Reduction of emission produced (for FSI, Issuers, and Public Companies whose business processes directly relate to the Environment); 3) Reduction of waste and effluent (waste that has entered the environment) produced (for FSI, Issuers and Public Companies whose business processes directly relate to the Environment); or 4) Conservation of biodiversity (for FSI, Issuers and Public Companies whose business processes are directly related to the Environment)	12, 50, 56-57 12, 53-55 58-60, 61-64 65-66
2.c Social aspect	Description of the positive and negative impacts of implementing Sustainable Finance for the community and environment (including people, regions and funds)	31-34
3. Brief Company Profile		
3.a	Vision, mission and value of sustainability	6
3.b	Name, address, telephone number, facsimile number, e-mail address and website, as well as branch offices and/or representative offices	8
3.c Business scale in brief including:	1) Total assets or asset capitalization, and total liabilities (in million rupiah); 2) Number of employees by gender, position, age, education and employment status; 3) Shareholding percentage (public and government); and 4) Operational area	26 68-69, 71-73 8 7
3.d	Brief description of the products, services and business activities carried out	7
3.e	Memberships of relevant associations	8
3.f	Significant changes, among others, of those related to closing or opening of a branch and ownership structure	There are no significant changes
4. Director's Message		
4.a Policies to respond to challenges in fulfilling the sustainability strategy, at least including:	1) Explanation of the Company's sustainability value 2) Explanation of the Company's responses to issues related to implementation of Sustainable Finance; 3) Explanation of the Company leader's commitment to achieving the implementation of Sustainable Finance; 4) Performance achievement of Sustainable Finance application; and 5) Challenges in achieving the performance when implementing Sustainable Finance	9-10 9-10 9-10 9-10 9-10

Code/Indicator	Accounting Metric	Page Reference / Remarks
4. Director's Message		
4.b Implementation of sustainable finance:	1) Achievement of Sustainable Finance application (economic, social and environmental aspects) against targets; and 2) Elaboration of achievements and challenges including notable events during the reporting period (FSI is required to make Action Plan for Sustainable Finance)	9-10 9-10
4.c Strategies for target achievements:	1) Risk management due to the application of Sustainable Finance related to economic, social and environmental aspects 2) Utilisation of business opportunities and prospects 3) Description on economic, social and environmental external situations that have the potential to affect the Company's sustainability	9-10, 47 9-10, 15 9-10, 15
5. Sustainable governance that includes:		
5.a	Description of tasks of the Board of Directors and Board of Commissioners, employees, officials, and/or work units who are responsible for implementing Sustainable Finance	19, 86
5.b	Elaboration on competency development of the Board of Directors, members of the Board of Commissioners, employees, officials, and/or work units who are responsible for implementing Sustainable Finance	80-81
5.c	Explanation of Company procedures, in identifying, measuring, monitoring, and controlling risks for the application of Sustainable Finance related to economic, social, and environmental aspects, including the roles of the Board of Directors and Board of Commissioners in managing, conducting periodic reviews, and evaluating the effectiveness of the Company's risk management process.	19, 85
5.d	1) Stakeholder involvement based on management assessment results 2) The approach used by the Company in involving stakeholders in the application of Sustainable Finance	20 20
5.e	Problems faced, development, and influence on the implementation of Sustainable Finance	19
6. Sustainability Performance		
6.a	Explanation on activities to build sustainable culture in the Company	31-34, 74-77, 87-90
6.b Description of economic performance in the last 3 (three) years:	1) Comparison of target and production performance, portfolio, financing target, or investment, income and profit 2) Comparison of target to portfolio performance, financing target, or investment in financial instruments or projects in line with the implementation of Sustainable Finance	Economic performance against targets is disclosed in 2022 Annual Report
6.c Description of social performance in the last 3 (three) years	1) FSI, Issuer or Publicly Listed Company commitment to providing services for the equal product and/or services to consumers. 2) Employment that includes the following details: a) Statement on the equality of employment or whether or not forced and child labor is employed; b) Percentage of permanent employee remuneration at the lowest level against regional minimum wage; c) A decent and safe work environment; and d) Training and development/ capacity building of employees' capabilities 3) Community, that at the minimum should include: a) information on activities or operational areas that produce positive and negative impacts on the community, including financial literacy and inclusion; b) public complaints mechanism and the number of public complaints received and followed-up; and c) CSER relatable to supports sustainable development objectives including community empowerment programs activity achievements.	87-90 70, 73-82 31-34, 38-41, 89

Code/Indicator	Accounting Metric	Page Reference / Remarks
6. Sustainability Performance		
6.d Environmental Performance	1) Environmental costs incurred; 2) A description of the use of environmentally friendly materials, for example the use of recycled material types; and 3) Description of energy use, at least contains: a) the amount and intensity of energy used; and b) the efforts and achievements of energy efficiency carried out including the use of renewable energy sources	29, 65-66 64 49-55
6.e Environmental performance for companies whose business processes are directly related the environment	1) The performance under point d above 2) Information on activities or operational areas that produce positive and negative impacts on the surrounding environment, especially efforts to increase supporting capacity to the ecosystems; 3) Biodiversity: a) the impact of operational areas that are near or in a conservation area or have biodiversity; and b) biodiversity conservation efforts carried out, including protection of flora or fauna species; 4) Emissions: a) the amount and intensity of emissions produced based on types; b) efforts and achievement of emissions reductions carried out; 5) Waste and effluent: a) the amount of waste and effluent produced based on types; b) mechanism for waste and effluent management; and c) spillovers that occur (if any); and 6) The number and material of environmental complaints received and resolved	50-53, 61-64, 66 65-66 65-66 49-55 60-64 89
6.e Sustainable finance product and/or service development responsibility that must include at least the following:	1) Sustainable finance product and/ or service innovation and development 2) Number and percentage of product and service having undergone safety test for consumers 3) Positive and negative impacts caused by Sustainable Finance Product and/ or Service and the process of distribution and mitigation taken to address negative impacts; 4) Number of product recalled and the reason; or 5) Survey of consumer satisfaction on sustainable finance product and/ or service	35-37 40 91-92 40 38-41
7. Independent verification		
7.a	Written verification from an independent party, if any	We have not sought external assurance for this Report



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