

Celebrating 25 Years of Responsible Investment:

## **Paving the Way to ESG Excellence**





## DISCLAIMER

The Sustainability Report of PT Saratoga Investama Sedaya Tbk., hereinafter referred to as “the Report”, contains material data and information for stakeholders. In general, the content of this report is derived from internal analyses as well as reliable documents and sources. The terms “Saratoga,” “Company,” or “We” in the Report refer to PT Saratoga Investama Sedaya Tbk.

Readers should be aware that the Report contains views and forward-looking statements. Saratoga recognizes that risks and uncertainties related to various factors could affect its operating performance and business conditions in the future. As such, we remind readers that Saratoga cannot guarantee the integrity and accuracy of data and information that qualify as forward-looking statements, nor can we be certain that these statements will reflect actual conditions in the future.

The tables and charts shown in the Report present numeric data using the standard English notation. The presentation of numerical values in the text also uses the standard English notation.

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## THEME DESCRIPTION

### *CELEBRATING 25 YEARS OF RESPONSIBLE INVESTMENT: PAVING THE WAY TO ESG EXCELLENCE*

Over the past 25 years, Saratoga has been a significant contributor to the development of Indonesia, and we are proud of the positive impact we have had on our community. However, we recognize that with great success comes great responsibility. As we continue to grow, we understand the importance of prioritizing environment, social, and governance (ESG) principles to positively impact society and the planet.

As a company, we have a responsibility to lead by example and create a sustainable future. That's why we are pleased to announce our commitment to incorporating ESG principles into our mission. We acknowledge that our decisions have far-reaching implications for the environment and society, and we aim to make informed decisions that align with our values and goals.

This year, we have made significant strides in our sustainability journey. We have developed a comprehensive ESG Roadmap that outlines our strategy and path toward achieving our sustainability goals. Our primary focus is on responsible investment, which we believe is important to support the necessary transformation toward mitigating the impacts of climate change.

We will implement renewable energy, energy-efficient technologies, and sustainable practices throughout our operations and investments to achieve our goals. We have set an ambitious target to reach carbon neutrality in our operations by 2027 and continue working towards achieving net-zero emissions.

At Saratoga, we firmly believe that sustainability is not just a goal but a fundamental principle that guides our operations. We are committed to building a sustainable future for all and positively impacting society and the planet. We are excited about our journey and look forward to continuing our efforts to become a more responsible and sustainable company.





## SARATOGA 25 YEARS OF GRATITUDE: *UNWAVERING COMMITMENT IN ESG*



Saratoga Group's contribution in the future, over the next 25 years, 50 years, or even the next 100 years will be even greater, and of course, the main objective is to help our fellow Indonesians to grow.

—  
Edwin Soeryadjaya  
FOUNDER

Twenty-five years ago, during the Asian financial crisis, Saratoga was founded by visionaries who saw a need to support their country through difficult times and an opportunity to invest in an economy bound to recover. This led to the establishment of Saratoga as a leading investment firm focused on Indonesia. Today, Saratoga has grown into one of the country's most prominent investment companies, with a commitment to Environmental, Social, and Governance (ESG) excellence.

At Saratoga, we understand the significance of being a responsible corporate entity and are taking action to align our operations with this principle. Our commitment to the environment is unwavering, and we strive to minimize our negative impacts on the planet. The well-being of our employees is a top priority, and we create a supportive and inclusive work atmosphere. We also uphold strong governance standards to ensure our ethical and transparent business practices. To further reinforce our ESG commitment, we have developed an ESG roadmap that outlines our goals and initiatives in these areas, supported by policies and practices that promote sustainability, employee satisfaction, and responsible governance.

Our focus on sustainability and determination to combat the effects of climate change is steadfast. We aim to reach carbon neutrality by 2027 for our operations and continue on a path towards net zero emissions. We have demonstrated this commitment by raising environmental protection awareness and implementing environmental policy in our internal operation. Furthermore, we are expanding our portfolio in sustainable investment, through investment in renewable energy and carbon project development, such as in PT Xurya Daya Indonesia and Forest Carbon. We believe financial success and environmental protection can coexist in Indonesia.

Local businesses can create jobs and drive sustainable growth by treasuring and optimizing the country's natural assets.

To align ourselves with this commitment, we have taken action to promote environmentally friendly practices within our portfolio companies. This includes encouraging our major investees to expand their businesses into renewable energy sectors. By supporting and promoting these initiatives, we are contributing to a greener future and positioning our portfolio companies for long-term success by staying ahead of the curve in a rapidly-evolving business landscape.

As we celebrate our 25<sup>th</sup> anniversary, we reflect on our business journey and express our gratitude by focusing on giving back to the community. We are proud to develop the Green Leaders training program in collaboration with Eco-Learning Camp. To date, the program has had over 600 participants, mostly teachers, local leaders, religious leaders, NGO representatives, environmental leaders, and other individuals from all over Indonesia.

In addition to that, we have also engaged with Habitat for Humanity's efforts in building houses for the community in Eastern Java, with a goal to provide safe and affordable housing for those in need. Our company is dedicated to not only providing financial returns to our investors but also making a positive impact on the communities in which we operate.

**With a history of supporting Indonesia through uncertain times, Saratoga remains at the forefront, seeking new opportunities to invest in the country's future and continue making a positive impact for years to come.**



## PERFORMANCE HIGHLIGHTS 2022

[POJK B.1] [POJK B.2] [POJK B.3]

ECONOMY

### NET ASSET VALUATION

**IDR60,931** billion

⬆️ (8.2% YoY)

### DIVIDEND INCOME

**IDR2,591** billion

⬆️ (57.2% YoY)

**IDR61,518** billion

⬆️ (3.1% YoY)

**IDR18,290** billion

⬆️ (1,288.8% YoY)

### INVESTMENT

### NEW AND ADDITIONAL INVESTMENT

2 NEW GREEN INVESTMENTS: AtriaDC & Forest Carbon



## ENVIRONMENT

- **Strengthening our Core to Environmental Protection**

**ENVIRONMENTAL POLICY**  
Refined



**5,570**  
Environmental training hours



- **Reducing our Ecological Footprint**

**14%\*** Reduction in  
Electricity usage



**63%\*** Reduction in  
Paper usage



\*Compared to 2019 baseline data

## GOVERNANCE

**Established an ESG ROADMAP**



**Signatory of UNGC** since 2022



**Strengthened the role of ESG TASK FORCE**



## SOCIAL

- **Supporting a Safe, Inclusive, and Supportive Workplace**

**SEXUAL HARASSMENT POLICY** New



**PEOPLE POLICY**  
Refined



**59** total employees:  
51% female 49% male



**508**  
Total employee training hours



- **Contributing to Local Communities**

**IDR979** million  
investment for the community



**10** scholarships  
for SMK ORA et LABORA students



Provided **7** housing units for  
**26** family members





## MESSAGE FROM PRESIDENT DIRECTOR

[GRI 2-22] [POJK A.1] [POJK D.1]  
[POJK E.5]



This year is an important milestone for our company as we celebrate our 25<sup>th</sup> anniversary. Through our businesses, we are committed to drive impactful growth and contribute to our society.

—  
Michael W. P. Soeryadjaya  
PRESIDENT DIRECTOR

### Dear Valued Stakeholders,

On behalf of the Saratoga management, I would like to take this opportunity to extend our heartfelt appreciation to all our stakeholders for their invaluable support and contributions to our company's success in 2022. It has been an extraordinary year, and we recognize that our achievement would not have been possible without the unwavering support of our stakeholders. From our shareholders, employees, investee companies, and business partners, we are truly grateful for your trust, dedication, and collaboration. We look forward to continuing our journey together and achieving even more significant milestones.

This year in particular is an important milestone for our company as we celebrate our 25<sup>th</sup> anniversary, marking a quarter of a century of our dedication to the nation. Through our businesses, we are committed to drive impactful growth and contribute to our society. Therefore, we would like to emphasize our commitment to sustainability as an essential reflection of our identity as a responsible corporate entity. To achieve this goal, we invested significant resources this year in developing a comprehensive ESG Roadmap. We aspire to incorporate our ESG Roadmap in every investment decision that we make.

Our dedication also extends to global sustainability goals. In the current year, we have contributed towards achieving 9 Sustainable Development Goals (SDGs), including those aimed at reducing poverty, improving the quality of education, supporting economic growth, and mitigating climate change. We also recognize the importance of the Paris Agreement's pledge to reduce global warming, which was reaffirmed at COP27 and the G20 Presidency of Indonesia. We have adopted sustainable investment practices and initiated programs to support the energy transition as part of our commitment to this pledge.

To enhance our ongoing commitment to sustainability principles, we became a signatory member of the United Nations Global Compact (UNGC) in 2022. We aim to ensure that our commitment and initiatives are consistently aligned with the 10 UNGC Principles, pertaining to human rights, labor, environment, and anti-corruption measures.

### Driving Economic Performance through Sustainable Investments

2022 was a year full of challenges for many businesses due to uncertainties resulting from global cataclysmic events such as COVID-19 recovery, rising interest rates, and recent conflict in Ukraine. Nevertheless, Saratoga remained persistent and recorded strong financial performance in 2022. Value appreciation and an increase in dividend distribution from several of our investee companies were the primary contributors to the notable growth of Saratoga's Net Asset Value (NAV) and recorded high dividend income this year.

We place great importance on prudence, discipline, and efficiency in our investment approach. Our strategy on portfolio diversification has been one of the key success factors in maintaining resilience despite the dynamic economic conditions.

Saratoga is committed to ensuring that our investments are carried out responsibly and sustainably. Our investment decisions consider not only the long-term financial returns but also the environmental and social impacts. ESG assessment is an integral part to our due diligence process for potential investee companies. In 2022, we improved our due diligence criteria to align with current issues and global standards.

We focus on investing in strategic sectors that positively impact the Indonesian economy while also seeking to expand our portfolio through investments that are

aligned with ESG principles. In the recent period, the company invested in two sustainability-focused companies, namely Forest Carbon, a developer of forest restoration projects, and Atria DC, a data center operating using eco-friendly energy alternatives. These recent investments have increased our exposure in two of our new sector focuses, which are technology and renewable energy. We believe that our investment decision can significantly contribute to our future aspirations as it may have a multiplier effect on our other investments and surroundings.

Despite the growing awareness of the significance of ESG factors, some investee companies may still lack knowledge or comprehension of ESG aspects. As an active investment management company, we take responsibility for encouraging our investee companies to expand their business while implementing ESG practices. As outlined in our ESG Roadmap, we plan to enhance the awareness of our investee companies regarding ESG and encourage the adoption of sustainable practices related to social and environmental impacts through various engagements.

### **Encouraging Awareness and Actions for Environmental Sustainability**

As a leading investment company in the country, we recognize our crucial role in supporting the national energy transition goals. We have an all-encompassing strategy for this transformation, starting from our operations, investees, and community.

We are dedicated to achieving carbon neutrality in our operations by 2027 and continuing to work towards net zero emissions. Our decision to take this step was made with great care. To accomplish this, we will commence the calculation of our greenhouse gas emissions starting next year. After understanding the extent of our greenhouse gas emissions, we will create a strategy to

decrease and offset them. This aligns with Indonesia's objective to reduce emissions by 2030. Furthermore, all our employees follow an internal energy-saving policy and initiatives we have established for years.

By investing in Forest Carbon and Atria DC, we aim to ensure that projects supporting energy transition and environmental protection can sustain in the long run and create value for all stakeholders. In addition, our primary investment portfolio is a significant fuel supplier for the national energy industry, and we can make an impact by advocating for change within the industry. We have encouraged our mining portfolio companies, Merdeka and Adaro, to make significant investments in renewable energy and electric vehicles, with a total pipeline of more than \$5 billion in the next two years. We take this decision seriously, as it will directly impact our financial resources and reputation. Nevertheless, we remain steadfast in our commitment to sustainability.

We are also active in promoting education related to the energy transition. Last year, we granted scholarships to 10 students pursuing power generation engineering, where their specialty includes renewable energy and electric vehicles. Furthermore, we have sponsored a program called "To be A New Green Leader," which welcomed 68 participants from across Indonesia to empower them to become green leaders and improve environmental awareness in their communities.

### **Creating Positive Impact through Community Empowerment**

Our company strives to remain a valuable asset to our community and country. We have established community involvement and development (CID) pillars which prioritize community empowerment, cultural and social development, and environmental preservation. I am pleased to update you on the latest advancements in our CID program for the current year.

In 2022, we assisted programs to address urgent needs in underprivileged communities. Our approach to community support goes beyond financial assistance; we actively engage with the community by providing hands-on assistance. Our founder, Mr. Edwin Soeryadjaya, traveled to East Java to work directly with the community and other leaders in the CEO Build 2022 events to construct houses for the community. We also went to provide support and celebrate Eid and Christmas with 146 children from 2 orphanages in Jakarta. Moreover, during the Ramadan month, we provided *sembako* (groceries aid) to 300 low-income families in East and North Jakarta. We sent aid to the victims of the Cianjur disaster in the hopes that our donations could help them recover.

At Saratoga, we also believe in the power of education to create opportunities and build a better future for the next generation. We are proud to have granted full scholarships to 10 students at SMK ORA et LABORA, an institution we have supported for a long time, helping develop its curriculum and keep it up-to-date with industry trends.

Furthermore, we support young entrepreneurs and aim to foster positive change in local communities. Through participating in the Entrepreneur Development for Youth (ENVOY) program, we helped five aspiring entrepreneurs grow their businesses and become catalysts for positive change in their community. We have contributed our expertise to the ENVOY program for the past 10 years and financial support since 2018. We are committed to continuing our support for this valuable initiative in the future.

### **Engaging Employees, Improving Productivity**

Our employees are at the heart of our success. We recognize that implementing good employment practices is essential for us to attract and retain top talent, build a positive company culture, improve productivity, and



achieve long-term success. These practices involve creating a safe, inclusive work environment that promotes fair treatment, equal opportunities, and employee engagement. In particular, I would like to highlight our efforts in 2022 to refine our human resources policy and introduce a new policy on sexual harassment. These efforts aim to enhance our employees' support and ensure alignment with global standards and industry-leading practices.

It is important for us to have a motivated and resourceful workforce that can adapt to the changing needs of the business. Thus, we continuously assist our employees through various training programs to enable them to consistently learn and improve. In 2022, Saratoga provided a total of 508 training hours. Furthermore, all of our employees underwent an annual performance review in 2022. This review can provide valuable guidance in determining each employee's training needs and career development plans.

We are committed to ensuring fair and equal employment opportunities for all employees without discrimination. I am pleased to report that there was no incident of discrimination in 2022. We strive to promote gender equality by maintaining a balanced representation of male and female employees. As of 2022, female employees comprise 51% of our workforce, with women representing 33% of the board of directors.

### **Leading with Integrity and Good Governance Practices**

I am proud to reaffirm our commitment to upholding the highest standards of corporate governance. We are fully aware of the significance of Good Corporate Governance (GCG), reflecting the importance of transparency, accountability, and fairness in ensuring sustainable growth. This year, we have made notable progress in enhancing our sustainability policy, and we also developed a governance document to reinforce the

contribution of our ESG Task Force. I am also happy to report that all of our board members are fully committed to sustainability and actively involved in implementing our sustainability policies and practices.

Our governance performance is reflected through the national and international recognition we received. We have consistently scored above average on the ASEAN Corporate Governance Scorecard for three consecutive years, scoring 89.83 in 2022, indicating good compliance. We are honored to receive two Corporate Governance Awards by IICD in 2022, one for equitable treatment of shareholders and another for being among the top 50 big cap emittents with best governance practices. Alpha Southeast Asia also recognized us with three awards for organized investor relations, adherence to corporate governance, and strategic CSR.

### **Appreciation to Our Stakeholders**

On behalf of the Board of Directors, I would like to express my sincere appreciation to all our stakeholders for their continued support for us. Our employees, partners, and investors have shown great dedication and put in tremendous efforts that have led to the progress and achievements that we are proud of today.

We would also like to extend our gratitude to our investee companies who have embraced sustainability and taken significant steps to improve their ESG practices. We recognize the challenges they face in implementing these practices and are committed to working closely with them to achieve our shared sustainability goals.

Our commitment to sustainability is unwavering; we understand it is an ongoing journey. We remain dedicated to continually enhancing our ESG practices and reporting to ensure transparency and accountability to all our stakeholders.

Once again, we are grateful for the support of our stakeholders as we continue to pursue our sustainability goals. We look forward to continuing our sustainability journey with our stakeholders and achieving even more significant milestones.



**Our commitment to sustainability is unwavering; we understand it is an ongoing journey. We remain dedicated to continually enhancing our ESG practices and reporting to ensure transparency and accountability to all our stakeholders.**

**Michael W. P. Soeryadjaya**

*President Director*



SARATOGA

About  
Saratoga

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## ABOUT SARATOGA

PT Saratoga Investama Sedaya Tbk. (IDX code: SRTG) is an investment company located in Jakarta, Indonesia. Established in 1997, PT Saratoga Investama Sedaya Tbk. has developed into a world-class active investment company in Indonesia with a unique track record of creating value for our stakeholders and our nation. <sup>[GRI 2-1]</sup>

Our investment is not only in key strategic sectors that are growing in Indonesia but also in blue chip companies from leading national sectors in Indonesia as well as promising early and developing stage companies. <sup>[POJK C.3]</sup>

### VISION <sup>[POJK C.1]</sup>

To be a world-class active investment company in Indonesia that promotes a strong corporate character to create value for stakeholders and the Indonesian people

### MISSION

To be the partner of choice for investors who wish to participate in Indonesia's growth dynamics

### CORE VALUES

Work Hard  
Work Smart  
Work Thoroughly  
Work Wholeheartedly

### COMPANY CHARACTER

Integrity  
Passion & Energy  
Competence & Capability

### Company Data

#### Company Name

PT SARATOGA INVESTAMA SEDAYA  
TBK. [SRTG]

<sup>[GRI 2-1]</sup>

#### Line of Business

As referred to in our Articles of Association, the main purposes and objectives of the Company are to carry on activities of holding company where the main activity is ownership and/or control of assets of a group of its subsidiaries and other management consulting activities.

#### Address <sup>[POJK C.2]</sup>

Menara Karya 15th Floor  
Jl. H.R. Rasuna Said Block X-5 Kav 1-2,  
South Jakarta 12950

#### Form of Legal Entity

Limited Liability Company

<sup>[GRI 2-1]</sup>

#### Domicile

South Jakarta, DKI Jakarta

#### Fax

+62 21 5794 4365

#### Phone

+62 21 5794 4355

#### Website

[www.saratoga-investama.com](http://www.saratoga-investama.com)

## OUR ACTIVE INVESTMENT METHODOLOGY

There are three basic concepts that guide us, namely platform, partnership and value creation.

### Platform

Every investment we make is a strategic foundation for organic development as well as a platform that promises high-value acquisition opportunities in a series of industries.

### Partnership

Saratoga works closely with entrepreneurs who are able to ensure sustainable performance and growth. Partnering with professional investors from overseas, our role is as a valued local partner, with in-depth knowledge of the domestic market and applicable laws and regulations.

### Value Creation

Saratoga provides capital support, operational input, and financial advice to its business partners. We also share industry expertise, including market knowledge and application of technology, to improve business performance.

## OUR INVESTMENT FRAMEWORK

Saratoga's investment strategy has been continuously refined with changing times, evolving from our initial focus on the natural resources, infrastructure and consumer products sectors to our involvement in various new growth sectors, including in digital technology which is now growing rapidly and is increasingly becoming an important element in sustainable national economic growth.

Our portfolio includes:

- Companies at an early development stage with significant growth potential;
- The company develops with a proven business model and has healthy financial performance; and
- Leading go-public companies that have mastered the market, so they are able to strive for long-term growth and capital accumulation.





DIGITAL TECHNOLOGY	<b>JULO</b> Financial Technology		<b>PROVIDENT GROWTH FUND</b> Technology Fund			
	<b>SIRCLO</b> e-Commerce Solution		<b>SC TECHNOLOGY INVESTMENT LP</b> Technology Fund			
	<b>FUSE</b> Insurance Technology					
GROWTH	<b>MITRA PINASTHIKA MUSTIKA</b> Automotive		<b>DELTOMED</b> Herbal Supplement		<b>NUSA RAYA CIPTA</b> Construction	
	<b>MULIA BOSCO LOGISTIK</b> Logistics		<b>XURYA</b> Solar Energy		<b>ATRIADC</b> Data Center	
	<b>PRIMAYA HOSPITAL</b> Healthcare		<b>CITY VISION</b> Digital Media Advertising		<b>FOREST CARBON</b> Carbon Offset	
	<b>SAMATOR INDO GAS</b> (PREVIOUSLY ANEKA GAS INDUSTRI) Consumer and Industrial Gas		<b>PROVIDENT INVESTASI BERSAMA</b> [PREVIOUSLY PROVIDENT AGRO] Investments			
BLUE CHIP	<b>MERDEKA COPPER GOLD</b> Precious Metals					
	<b>TOWER BERSAMA INFRASTRUCTURE</b> Technology and Digital Infrastructure					
	<b>ADARO ENERGY INDONESIA</b> Energy and Resources					

## BUSINESS LINES

[GRI 2-6] [POJK C.4]

As referred to in our Articles of Association, the main purposes and objectives of the Company are:

1. To carry on activities of a holding company where the main activity is ownership and/or control of assets of a group of its subsidiaries; and
2. To carry out other management consulting activities where the main activities (as relevant) are:
  - a. to provide assistance with advices, guidance and business operation and other organizational and managerial issues, such as strategic and organizational planning, decisions relating to finance, objectives and marketing policies, human resource planning, practices and policies, planning scheduling and production controlling; and
  - b. to provide assistance with advices, guidance and operation of various management functions, managerial consultancy, agronomists processing and agricultural economy in

agriculture sector and the like, design of accounting methods and procedures, cost accounting programs, budget supervision procedures, giving of advices and assistances to businesses and community services in planning, organizing, efficiency and supervision management information and others

To achieve the aforesaid main business activities, the Company may carry on the following supporting business activities:

1. To provide funding and/or financing as required by companies in which the Company is investing either directly or indirectly; and
2. To provide funding and/or financing as required by companies in the aforesaid company or a group of companies or in the framework of investment of other assets in the aforesaid company or a group of companies

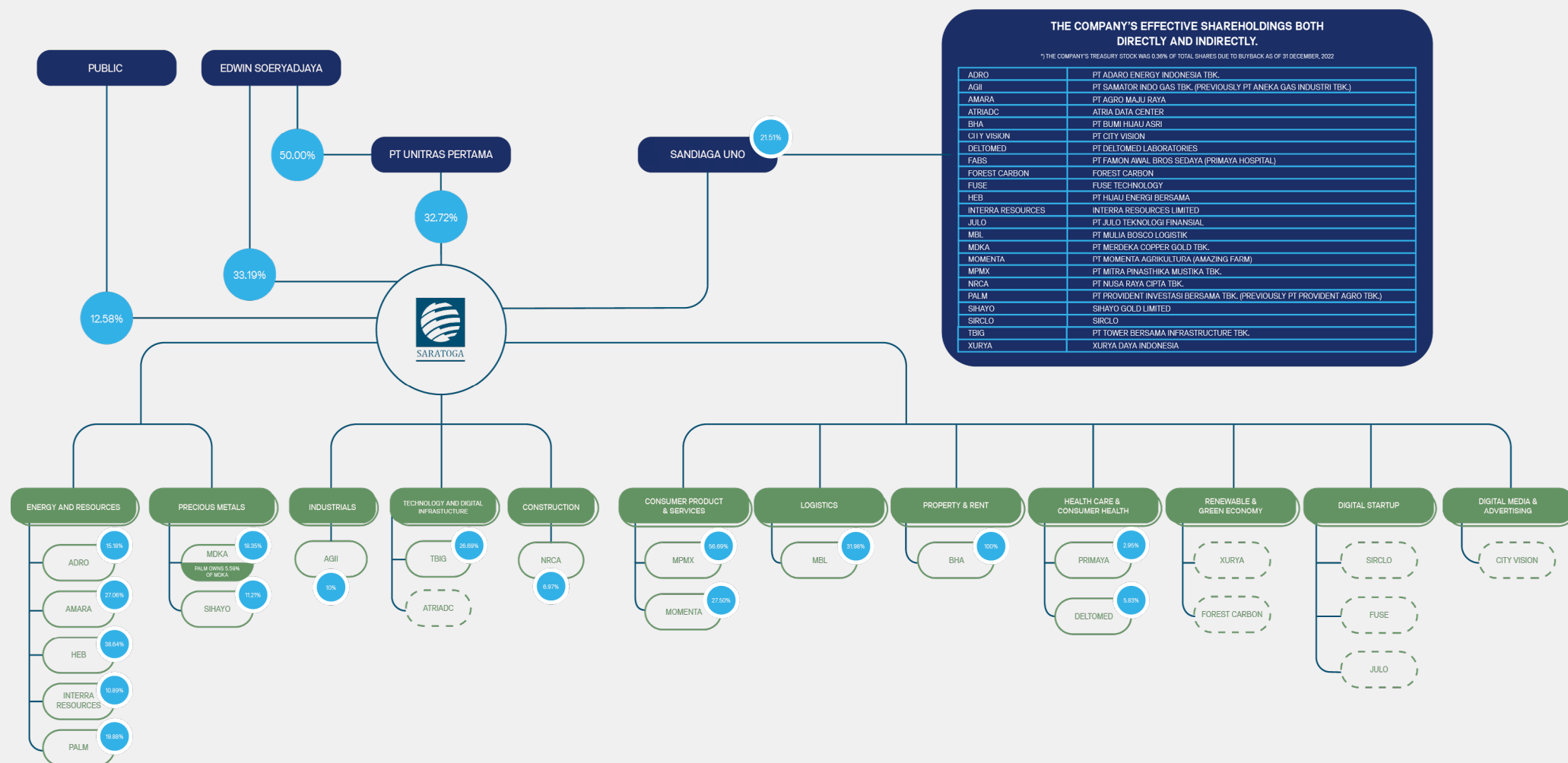




## NAMES AND ADDRESSES OF OUR SUBSIDIARIES [GRI 2-2]

Subsidiary Name	PT Bumi Hijau Asri	PT Nugraha Eka Kencana	PT Saratoga Sentra Business	PT Lintas Indonesia Sejahtera
Correspondence Address	Menara Karya 15 <sup>th</sup> Floor Jl. H.R Rasuna Said Block X-5 Kav. 1-2 South Jakarta 12950 Tel : +62 21 5794 4355 Fax : +62 21 5794 4365	Menara Karya 15 <sup>th</sup> Floor Jl. H.R Rasuna Said Block X-5 Kav. 1-2 South Jakarta 12950 Tel : +62 21 5794 4355 Fax : +62 21 5794 4365	Menara Karya 15 <sup>th</sup> Floor Jl. H.R Rasuna Said Block X-5 Kav. 1-2 South Jakarta 12950 Tel : +62 21 5794 4355 Fax : +62 21 5794 4365	Menara Karya 15 <sup>th</sup> Floor Jl. H.R Rasuna Said Block X-5 Kav. 1-2 South Jakarta 12950 Tel : +62 21 5794 4355 Fax : +62 21 5794 4365
Business Field	Investment	Investment	Investment	Investment
Year of Establishment	2007	2003	2005	2018
Year of Investment	2010	2003	2005	2018
Effective Ownership	99.99%	99.99%	99.99%	99.99%
Operation Status	Active	Active	Active	Active
Total Assets (in billion IDR)	144	1,483	1,146	24
Subsidiary Name	PT Surya Nuansa Ceria	PT Wahana Anugerah Sejahtera	PT Wana Bhakti Sukses Mineral	PT Trimitra Karya Jaya
Correspondence Address	Menara Karya 15 <sup>th</sup> Floor Jl. H.R Rasuna Said Block X-5 Kav. 1-2 South Jakarta 12950 Tel : +62 21 5794 4355 Fax : +62 21 5794 4365	Menara Karya 15 <sup>th</sup> Floor Jl. H.R Rasuna Said Block X-5 Kav. 1-2 South Jakarta 12950 Tel : +62 21 5794 4355 Fax : +62 21 5794 4365	Menara Karya 15 <sup>th</sup> Floor Jl. H.R Rasuna Said Block X-5 Kav. 1-2 South Jakarta 12950 Tel : +62 21 5794 4355 Fax : +62 21 5794 4365	Menara Karya 15 <sup>th</sup> Floor Jl. H.R Rasuna Said Block X-5 Kav. 1-2 South Jakarta 12950 Tel : +62 21 5794 4355 Fax : +62 21 5794 4365
Business Field	Investment	Investment	Investment	Investment
Year of Establishment	2015	2005	2007	2012
Year of Investment	2015	2009	2011	2014
Effective Ownership	99.99%	99.96%	73.68%	86.49%
Operation Status	Active	Active	Active	Active
Total Assets (in billion IDR)	326	16,614	16	1

## SHARE OWNERSHIP AND STRUCTURE OF SARATOGA [POJK C.3]





## ENTERPRISE SCALE [POJK C.3]

	2020	2021	2022
<b>Number of Employees</b>	57	61	59
<b>Total Revenue (IDR Billion)</b>	9,135	26,061	6,301
<b>Total Capitalization (IDR Billion)</b>	9,305	37,982	34,319
<b>Liabilities (IDR Billion)</b>	3,652	5,137	3,955
<b>Equity (IDR Billion)</b>	31,378	55,994	59,815
<b>Total Assets (IDR Billion)</b>	35,049	61,152	63,771
<b>Net Profit (IDR Billion)</b>	8,825	24,890	4,616

## MEMBERSHIP ASSOCIATION

[GRI 2-28] [POJK C.5]

Saratoga is an active member and signatory of numerous national and international associations, as seen on the table below:

### Saratoga Membership Associations

ASSOCIATION	YEAR OF MEMBERSHIP
Asosiasi Emiten Indonesia (AEI)	2013
Indonesia Corporate Secretary Association (ICSA)	2022
United Nation Global Compact (UNGC) - Signatory Member	2022



## AWARDS

### Bisnis Indonesia Award (BIA) 2022

15 August 2022

### Best Equitable Treatment of Shareholders

IICD – Corporate Governance Award 2022

### Top 50 Emitents Big Cap & Mid Cap

IICD – Corporate Governance Award 2022

### Best Listed Companies 2022

BeritaSatu Emiten Award 2022 - Holding & Investment Company Sector

### Big Cap Financial Sector

BeritaSatu Best Stock Award 2022

### ESG Excellent 2022

from TrenAsia - Action Category

### ESG Disclosure 2022

from BeritaSatu & Bumi Global Karbon Foundation

### Most Organized Investor Relations

Alpha Southeast Asia 12<sup>th</sup> Institutional Investor Corporate Awards 2022

### Strongest Adherence to Corporate Governance

Alpha Southeast Asia 12<sup>th</sup> Institutional Investor Corporate Awards 2022

### Best Strategic CSR

Alpha Southeast Asia 12<sup>th</sup> Institutional Investor Corporate Awards 2022

# Sound Management Towards ESG Excellence

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## SUSTAINABILITY APPROACH <sup>[POJK F.23]</sup>

As we continue to face global challenges such as climate change, the importance of sustainable management practices cannot be overstated. At Saratoga, we recognize our critical role in contributing to a more sustainable future. We are committed to implementing strategies that ensure the long-term viability of our business while minimizing our impact on the environment and society. This section will explore our approach to sustainability management and showcase our achievements in advancing sustainability over the past year.

Our company is committed to sustainability, environmental, social, and governance issues. We have integrated these principles into every aspect of our operations and decision-making processes. We identify


our actual and potential negative and positive impacts on the environment and society, and focus on determining the most material issues to be addressed. We have created a roadmap to develop strategies and programs based on our assessment, to reduce the negative impacts and enhance positive contributions to society and the environment. We have also refined our policy to incorporate sustainability principles, ensuring a strong governance framework on the matter. Our commitment aligns with global ESG standards such as Sustainability Accounting Standards Board (SASB) Asset Management and Custody Activities Metrics, IFC ESG Performance Standards for Capital Market, Sustainable Development Goals (SDGs), and ISO 26000.

As a result, we adhere to ISO 26000 and integrate ESG into our Corporate Social Responsibility (CSR) practices as part of a holistic approach. This approach enables us to promote sustainable growth and development for all stakeholders. Moreover, as part of our CSR initiatives,

we contribute to the social and economic development of the community as well as preserve our environment through our Community Involvement and Development (CID) programs. Details on our CID programs can be found on page 54 and page 69.

### Material Topics <sup>[GRI 3-3]</sup>

This year, we conducted a comprehensive impact-oriented materiality assessment, with details of the process and outcomes provided in the “About the Report” section of this document. In the process of identifying our material topics, we were assisted by an external consultant and engaged with internal and external stakeholders. We determined seven material topics, as presented below.

 <b>Sustainable Investment</b>	 <b>Corporate &amp; ESG Governance</b>	 <b>Community Empowerment</b>	 <b>Economic Performance</b>	 <b>Good Employment Practices</b>	 <b>Environmental Awareness</b>	 <b>GHG Emissions</b>
 <b>Why this Topic is Material</b> <p>We acknowledge our investment decision's impact on the country's long-term sustainability and believe responsible investment practices are crucial to promoting sustainable economic development.</p>	<p>To fulfil our commitment to ESG, we must uphold strong governance practices that keep us on the right track.</p>	<p>The Company's operations and decisions indirectly contribute to the local communities' economic development.</p>	<p>Economic performance affects our financial health and ability to operate sustainably over the long term. This can maintain and enhance our stakeholders' trust.</p>	<p>We consider our workforce as our most valuable investment, and as such, we prioritize implementing good employment practices that comply with labor regulations.</p>	<p>We have the capacity to initiate significant changes in environmental practices across our operations, investees, and the wider community.</p>	<p>The increasing concern surrounding climate change has led us to acknowledge our direct and indirect contribution to the emission of greenhouse gases and our role in mitigating this issue.</p>
 <b>Commitment &amp; Initiative</b> <ul style="list-style-type: none"> <li>• Incorporating ESG in investment due diligence and decision.</li> <li>• Investing in companies that prioritize local economic growth and environmental protection.</li> <li>• Working closely with our portfolio companies to ensure they adhere to ESG principles and regularly monitor their progress using our ESG checklist.</li> </ul>	<p>Maintaining good corporate governance by strengthening the role of our ESG Task Force and refining our policies on ESG and good governance practices.</p>	<p>Investing in community education and development programs and providing donations to disadvantaged communities.</p>	<p>Working on our investment approach with prudence, discipline, and efficiency. Implementing good financial management.</p>	<p>Adhering to employment regulations, conducting routine employee training and development activities, providing subsidies for health programs, and enhancing grievance mechanisms.</p>	<p>Enhancing environmental policy and investing in employees, investees, and community environmental awareness programs.</p>	<p>Conducting a comprehensive GHG inventory to identify our sources of emissions. Our ultimate goal is to achieve carbon neutrality in our operations by 2027 and thereafter move towards net-zero emissions.</p>

## Policy Commitment [GRI 2-23] [GRI 2-24]

Saratoga highly values national and international regulations as they provide a framework for ethical and responsible business practices. We recognize that compliance with these regulations is critical for upholding our stakeholders' trust, including our investors, customers, employees, and the broader community. As part of our commitment to compliance, we have implemented a robust regulatory monitoring system to ensure that our operations are always in line with legal requirements. We are proud to report that in 2022, we had zero cases of non-compliance. [GRI 2-27]

**In 2022, Saratoga recorded no instances of non-compliance with applicable laws.**

This year, we have developed and refined our ESG policy to demonstrate our commitment to sustainable business practices. Our updated policy ensures we align with the latest best practices and regulations related to ESG.



### ESG Policy

Saratoga's ESG Policy guarantees the company's dedication to incorporating ESG principles throughout all aspects of its corporate operations and investment decisions. The policy outlines Saratoga's specific initiatives related to its operations and investment decisions and how these initiatives are supervised, evaluated, managed, and disclosed.



### Environmental Policy

Saratoga's Environmental Policy ensures the company's commitment to recognizing and mitigating our impact on the environment. This includes identifying potential environmental risks, promoting environmental awareness among stakeholders, setting targets for reducing environmental impact, and transparently reporting on the company's environmental performance.



### People Policy

Saratoga's People Policy establishes a secure workplace conducive to all individuals' well-being and ensures that fundamental rights and opportunities are extended to each employee. Its purpose is to ensure that all employees are treated fairly and with respect and have access to the necessary resources and opportunities to excel and succeed in their roles. The policy is designed to provide a safe, supportive, and inclusive work environment that promotes equality, diversity, and inclusivity.



### Prevention of Sexual Harassment Policy

Saratoga's Prevention of Sexual Harassment Policy sets standards and procedures aimed at preventing and addressing incidents of sexual harassment within the workplace. Its purpose is to provide guidance on what constitutes sexual harassment, as well as how to report such conduct and what actions will be taken in response to reports.

## Sustainable Development Goals (SDGs)

Our company's activities and CID programs help accomplish 9 SDGs. Further details regarding this matter can be found on page 82.





## ESG Roadmap

This year, our company has taken a significant step towards our commitment to sustainability by developing a comprehensive ESG roadmap. This roadmap covers our commitments from 2023 to 2027 and has been reviewed and approved by the board of directors. One of our primary goals in this commitment is to achieve carbon neutrality in our operations by 2027. To achieve this goal, our ESG roadmap is divided into five phases.

The first phase, which began in 2023, is the **Initiating** phase, which involves pursuing a shared internal understanding of sustainability or ESG and carrying out comprehensive planning and developing relevant policies. The next phase is the **Performing** phase, which focuses on implementing and monitoring our ESG program. The **Excellence** phase follows, where the company will concentrate on measuring ESG performance, conducting impact evaluations, and reporting the results of the performance and evaluation. Moving forward, the **Inspiring** phase plays a significant role in communicating our activities' impact internally and externally. Finally, the **Sustaining** phase is the final phase of the ESG roadmap, and our company aims to become a National Leader in ESG. Through this extensive ESG Roadmap, we are committed to achieving our sustainability objectives.





## ESG GOVERNANCE

[GRI 2-12][GRI 2-13][GRI 2-17][POJK E.1]

Successful integration and effective management of ESG aspects require committed leadership, clear direction, and strategic influence. This requires a robust governance structure, which helps in implementing sustainability strategies, managing goal-setting and reporting processes, strengthening relations with external stakeholders, and ensuring overall accountability.

We recognize the importance of interdivisional involvement to embed ESG throughout our organizations and operations. Accordingly, Saratoga established the ESG Task Force in 2021, which comprises representatives from all divisions as members and is chaired by the Finance Director. The Board of Directors is responsible for supervising the ESG Task Force, while the Board of Commissioners is responsible for serving as an advisor. This task force was formed to ensure that ESG principles are integrated into our operations across all divisions. The task force's inclusion of all divisional heads enforces effective implementation at all levels of the Company.

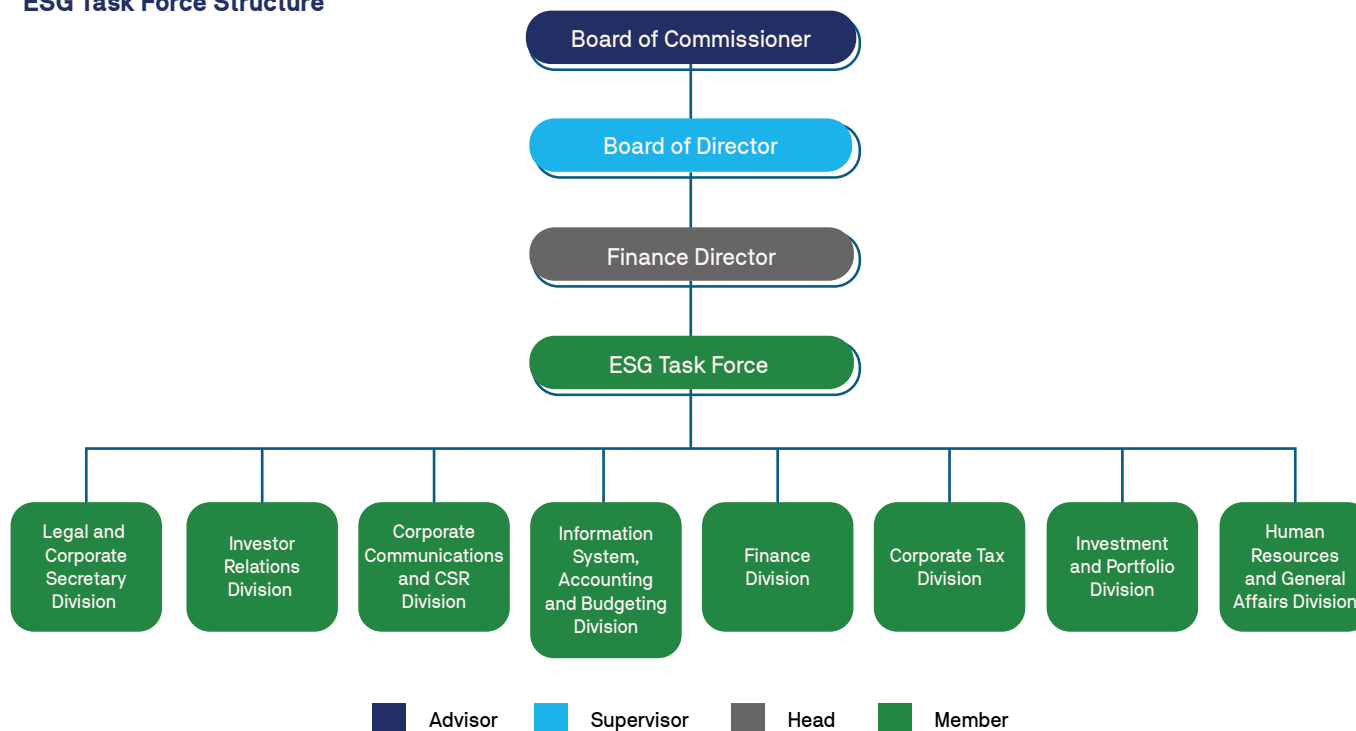
The ESG Task Force's primary objective is to identify areas for the improvement of our ESG practices and develop strategies to implement these improvements. One of their notable tasks in 2022 was the development

of an ESG Roadmap that encompasses Saratoga's ESG strategies and initiatives plans for the next five years. The ESG task force is responsible for executing and monitoring the ESG Roadmap implementation.

The ESG Task Force conducts bi-annual meetings during program planning and sustainability report preparation,

led by the Finance Director as the head of the task force. Non-routine meetings may be held to review and discuss ESG policies and programs. The Task Force head reports meeting outcomes to the Board of Directors as the supervisor and the Board of Commissioners as the task force advisor.

### ESG Task Force Structure



To better understand how we embed ESG throughout our organization, we present the roles and functions of divisions involved as members of ESG Task Force below.

We are aware that the execution of the ESG Roadmap is a challenging task. It requires all individuals involved in the

Company to have the same awareness, understanding, and knowledge about ESG, to work collectively as a team. Therefore, we conducted a series of sustainability and ESG training sessions with participants from our board of management, employees, and representatives from investee companies. A total of 134 training

hours were conducted in 2022. These trainings aimed to increase knowledge about the fundamentals of sustainability principles and build a solid foundation for the implementation of the Company's ESG Roadmap.

[GRI 2-17][POJK E.2][POJK F.1]

Legal and Corporate Secretary Division	Investor Relations Division	Corporate Communications and CSR Division	Information System, Accounting & Budgeting Division	Finance Division	Corporate Tax Division	Investment and Portfolio Division	Human Resources and General Affairs Division
Ensure compliance with all relevant laws and regulations.	Manage relationships with the Company's investors and financial stakeholders. Communicate the Company's financial and ESG strategy and performance.	Manage social and environmental risks and impacts through the implementation of CSR programs.	Managing and protecting the Company's data, financial resources, and budget.	Oversee, manage, and monitor the Company's financial performance.	Administer taxes and enforce compliance to tax laws and regulations.	Incorporate ESG in investment due diligence and decision; monitor and ensure the adherence of portfolio companies to ESG principles.	Address labor-related risks and issues; Develop training programs to increase employees' competence in ESG.
See Corporate Governance Chapter of Annual Report 2022 for details	See Corporate Governance Chapter of Annual Report 2022 for details	See page 54 and 69 for details	See Annual Report 2022 for details	See Annual Report 2022 for details	See Annual Report 2022 for details	See page 37 for details	See page 44 for details

## ESG Training Series



### Fundamentals of Sustainability and ESG

Participants:  
**Board of Commissioners, Board of Directors, Employees**



### ISO 26000 Training for Employees

Participants:  
**Employees**



### Strategic CSR based on ISO 26000

Participants:  
**Employees, Representatives of Investee Companies**

## STAKEHOLDER ENGAGEMENT

[GRI 2-29] [POJK E.4]

We believe that Stakeholders play an important role for the continuity of our business. Therefore, we strive to always involve stakeholders in our operational activities. We identify stakeholder involvement through the approach of proximity and the magnitude of interest (power) that can influence and be influenced by each other. Stakeholder engagement includes ESG information and economics on the implementation of sustainability.

Our focus is on the Company's relationship with stakeholders. We emphasize the importance of the sustainability program's impact on stakeholders directly affecting the company's implementation. Stakeholder engagement is carried out through a stakeholder engagement approach by gathering all necessary opinions and feedback to achieve corporate sustainability.

By getting to know the stakeholders, we understand their interests. We are committed to facilitating each stakeholder in expressing their opinions and thoughts effectively, transparently, and promptly, and considering stakeholder opinions in making decisions.

The following table represents our attempt at our approach with stakeholders.

Stakeholder	Engagement Method	Frequency	Proposed Main Topics	Stakeholder Expectations
Shareholders	<ul style="list-style-type: none"> <li>GMS</li> <li>Public Disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Annual GMS in one year. Extraordinary GMS when needed</li> <li>Once a year</li> </ul>	<ul style="list-style-type: none"> <li>Budget/report discussion</li> <li>Financial accountability, appointment and dismissal of Directors and Board of Commissioners</li> <li>Performance Updates</li> </ul>	The company has superior and sustainable performance so that it is able to make a positive contribution to all stakeholders
Employee	<ul style="list-style-type: none"> <li>Regular meeting</li> </ul>	When needed	Employment/welfare	<ul style="list-style-type: none"> <li>Get a comfortable work environment, adequate employee benefits and provide opportunities for development</li> </ul>
Government and Policy Makers	<ul style="list-style-type: none"> <li>Parliamentary (DPR) hearings</li> <li>Regular reporting to regulators and government</li> </ul>	When needed	<ul style="list-style-type: none"> <li>Contribution to the State</li> <li>Compliance with applicable laws</li> </ul>	<ul style="list-style-type: none"> <li>The company can achieve a predetermined work plan</li> </ul>
Work Partner	<ul style="list-style-type: none"> <li>Employment contract</li> <li>Investment Partner</li> <li>Banking</li> <li>Association</li> </ul>	When needed	Commercial relationship	<ul style="list-style-type: none"> <li>Objective procurement process</li> <li>Obtain mutually beneficial cooperation</li> </ul>
Media	<ul style="list-style-type: none"> <li>Press Release</li> <li>Media Visit</li> <li>Press Gathering</li> <li>Press conference</li> </ul>	When needed	Program Implementation	<ul style="list-style-type: none"> <li>Reliable news sources</li> <li>Accurate reporting</li> </ul>



## ESG RISK ASSESSMENT

[GRI 201-2] [GRI 205-1] [POJK E.3]

As a company, we understand the significance of integrating ESG considerations into our operations and decision-making processes. To effectively manage our ESG risks, we conducted a comprehensive ESG risk assessment regularly to identify potential risks and opportunities associated with our business activities. In addition, the risk assessment assists the company in recognizing possible adverse effects that may have occurred or may occur in the future, allowing us to take proactive steps to mitigate them. We have compiled our strategies to address these negative impacts in our ESG Roadmap. [GRI 2-25]

During the assessment, we recognized an opportunity to

enhance our risk assessment process and align it with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. We engaged a consultant to help us map our ESG risk and expand our scope to include climate-related risks to achieve this goal.

To conduct a thorough ESG risk assessment, we facilitated a focus group discussion and workshop to identify potential risk events that could impact our company's ESG performance, the underlying causes of these events, their effects, and the risk management strategies that could be implemented to avoid the risk. This analysis enabled us to identify three risk levels: high, medium, and low.

Based on the risk assessment process, we have identified 29 risks related to our company. Of these risks, 16 were classified as high urgency, nine as moderate

urgency, and four as low urgency. To address these risks, we have developed risk management strategies designed to target the root causes of the risks and minimize their potential impact on our business.

Our risk management strategies involved a combination of preventive measures and corrective actions, and we also created a comprehensive ESG Roadmap program to address these risks and integrating ESG considerations into our business strategy.

Through these initiatives, we aim to enhance our ESG risk management practices. We remain committed to integrating ESG considerations into our operations and decision-making processes to create long-term value for all our stakeholders.



A close-up photograph of two hands interacting with a document on a wooden desk. One hand holds a black pen, poised to sign a line on the document. The other hand points at the document. The document has a signature line and fields for 'Print Name' and 'Date'. A blue folder is visible in the background, and a warm light source is in the upper right.

## Leading with Integrity and Good Governance Practices

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## LEADING WITH INTEGRITY AND GOOD GOVERNANCE PRACTICES

Saratoga is committed to continuing to prioritize the principles of Good Corporate Governance (GCG), which are in line with the values upheld by the company in the implementation of all operational activities. We aim to ensure that the principles of GCG have been properly implemented in all business aspects and at all levels of the Company. The five GCG Principles which consist of Transparency, Accountability, Responsibility, Independence, Fairness, and Equality have an important role in realizing business sustainability by considering all stakeholder interests.

### GOOD CORPORATE GOVERNANCE PRINCIPLES AND PRACTICES

Our Corporate Governance framework reflects a system of 'checks and balances' between the authorities of shareholders, the Board of Commissioner and the Board of Directors, with the aim of protecting Saratoga's interests and those of shareholders as well as creating sustainable value.

At Saratoga, the implementation of GCG aims to:

- Enforcing Company policies starting from Management to all levels.
- Organize and control all Company activities by implementing a clearly defined set of formal rules and mechanisms.
- Constantly improve the accountability of the Company's management to stakeholders.

- Creating good communication between the Company and all stakeholders, and
- Ensuring the Company's compliance with applicable laws and regulations, including and especially those related to regulations and guidelines issued by the Indonesian Financial Services Authority (OJK), as well as the Indonesian Stock Exchange (IDX).

As a public company, we are recommended to implement 5 aspects, 8 principles, and 25 recommendations related to the implementation of aspects and principles of corporate governance as regulated by the OJK through Circular Letter No. 32/SEOJK.04/2015 regarding Guidelines for Public Company Governance dated 17 November 2015. Based on the principle of compliance or clarity, public companies are required to provide alternative explanations and implementation if the recommendations have not been implemented. <sup>[GRI 2-18]</sup>

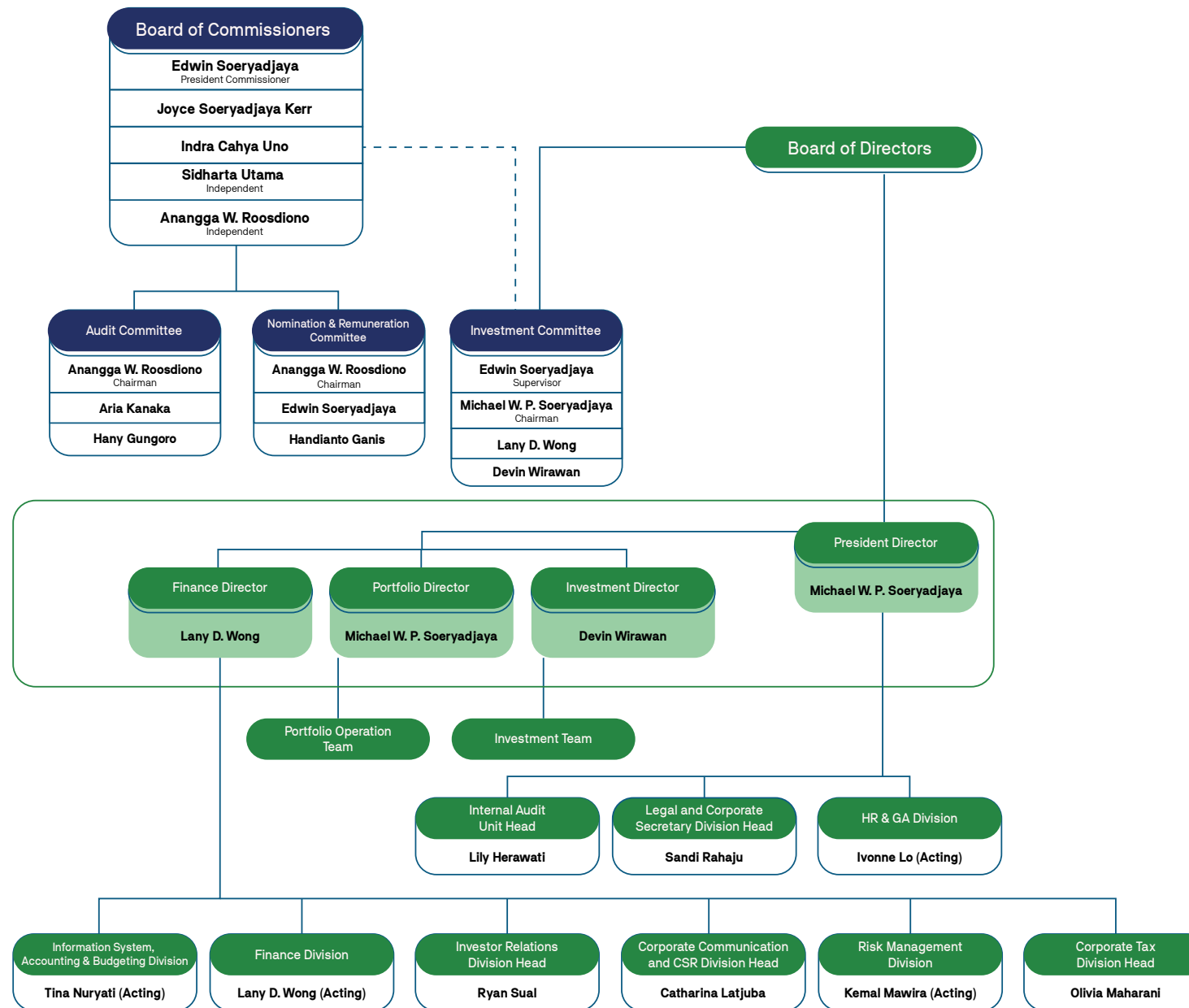
In order to strengthen the company's GCG principles, we take the initiative to build efforts to improve compliance performance in a measurable and planned manner. The Company deems it important to carry out regular assessments of its GCG practices based on international standards adopted from the principles of GCG issued by Organization for Economic Cooperation and Development (OECD) and ASEAN CG Scorecard.

<sup>[GRI 2-18]</sup>

Details on the implementation of corporate governance aspects and principles as well as GCG assessments according to ASEAN CG Scorecard can be found in the Corporate Governance Chapter of the 2022 Annual Report of PT Saratoga Investama Sedaya Tbk.



## Saratoga's Governance Structure 2022





### Leading the Pack: Award-winning Recognition for Corporate Governance Performance

Saratoga's corporate governance performance has earned numerous accolades and recognitions both nationally and internationally. The Company has consistently scored above average on the ASEAN CG Scorecard for three consecutive years, achieving a score of 89.83 in 2022, indicating good compliance.

In 2022, we received two awards from the 2022 IICD Corporate Governance Awards for equitable treatment of shareholders and being among the Top 50 Emitents Big Cap & Mid Cap with the Best Corporate Governance Implementation. Additionally, Alpha Southeast Asia presented us with three awards for our organized investor relations, adherence to corporate governance, and strategic CSR.

These awards reflect Saratoga's commitment to upholding high standards of corporate governance practices, ensuring equitable treatment of all stakeholders and fostering sustainable growth.

## Governance Structure

Saratoga's governance structure is in accordance with Law Number 40 of 2007 concerning Limited Liability Companies and consists of: [\[GRI 2-9\]](#)

- General Meeting of Shareholders (GMS), as the main organ;
- The Board of Commissioners is responsible for supervising the Board of Directors in managing the Company, and assisted by the Audit Committee, and the Nomination and Remuneration Committee. The Board of Commissioners is led by the President Commissioner;
- The Board of Directors is responsible for managing the Company and is assisted by the Investment Committee. The Board of Directors is led by the President Director, who also holds the position of Investment Committee Chairman. [\[GRI 2-11\]](#)

Those organs carry out their respective functions in accordance with prevailing regulations based on the principle that each organ is independent in performing its duties, functions and responsibilities in the Company's sole interest.

Each organ is regularly evaluated and examined to ensure its adequacy and effectiveness in line with Saratoga's business's growing scope and complexity. More information about the performance evaluation of the Board of Commissioners, Board of Directors, and supporting committees can be found in the Corporate Governance Chapter of the 2022 Annual Report of PT Saratoga Investama Sedaya Tbk. [\[GRI 2-18\]](#)

## General Meeting of Shareholders

The GMS is an organ with the highest level of authority in the Company, which accommodates the views and interests of shareholders in important decisions, approves the business direction taken by the Company for its best interests, with reference to the Company's Articles of Association and provisions of the relevant regulations.

As the highest decision maker in the Company, the GMS has authority not possessed by the Board of Commissioners or the Board of Directors, including the right to appoint and dismiss the Board of Commissioners and the Board of Directors and hold them accountable for the supervisory and management of the Company.

When it comes to the approval of the appointment or dismissal of members serving on the Board of Directors and Board of Commissioners by the GMS, the Nomination and Remuneration Committee provides recommendations for the replacement and/or dismissal of the members of Board of Directors and Board of Commissioners, taking into account the criteria and qualifications in accordance with the policies and principles set out in the Board of Directors and Commissioners Charter. [\[GRI 2-10\]](#)

In the reporting year, Saratoga held an Annual GMS (AGMS) and an Extraordinary GMS (EGMS) on 21 April 2022, in which all of the resolutions from each GMS have been fully realized.

## Board of Commissioners

The Board of Commissioners is responsible for supervising management policies, Saratoga's general management, and providing advice to the Board of Directors. The Board of Commissioners performs its duties and responsibilities as an advisor for Saratoga's interests.

The members of the Board of Commissioners are appointed by the GMS until the closing of the third GMS after their appointment. In carrying out its duties, authorities, and responsibilities, the Board of Commissioners of Saratoga refers to the charter which serves as a guideline that contains organization, term of office, operations, authority, meetings, reporting, and budget in general. In carrying out its duties and responsibilities, the Board of Commissioners is assisted by the Audit Committee and the Nomination and Remuneration Committee.

The membership of the Board of Commissioners as of 31 December 2022 was comprised of five members, with four men (80%) and one woman (20%). Among them, two people (50%) held positions as Independent Commissioners.

Disclosure of complete information about members of the Board of Commissioners; nomination and selection

process; prevention of conflict of interest; job description, responsibility and authority; are stated in the Corporate Governance Chapter of the 2022 Annual Report of PT Saratoga Investama Sedaya Tbk. [\[GRI 2-9\]](#) [\[GRI 2-10\]](#) [\[GRI 2-15\]](#)

## Board of Directors

The Board of Directors is in charge of managing and establishing the strategic direction of the Company, as well as managing, utilizing and safeguarding the Company's assets in a manner that is in accordance with the purposes and objectives of the Company, including to represent the Company, both inside and outside of the court in accordance with the Company's Articles of Association.

The Board of Directors is assisted by the Investment Committee, whose duty is to provide professional and independent recommendations while considering GCG principles, with respect to any investment and divestment activities undertaken by the Company.

As of 31 December 2022, the Board of Directors consisted of three members, one of whom is a woman (33%). All members of the Board of Directors are Indonesian citizens, with diverse backgrounds of age, education, areas of expertise, and competencies. Disclosure of

complete information about members of the Board of Directors; nomination and selection process; prevention of conflict of interest; job description, responsibility, and authority; are stated in the Corporate Governance Chapter of the 2022 Annual Report of PT Saratoga Investama Sedaya Tbk. [\[GRI 2-9\]](#) [\[GRI 2-10\]](#) [\[GRI 2-15\]](#)

The meetings of the Board of Directors, Board of Commissioners, and management is held regularly to review and update on business operations, financial performance, and potential business opportunities. This helps management adapt to changing environments, prioritize actions and plan for future growth. All significant matters pertaining to the Company's business operations are deliberated upon in the Board of Directors meeting, including potential and actual negative impacts on stakeholders, which are raised through a complaint mechanism or another process. Important issues may also include issues identified through other mechanisms regarding the Company's business conduct in its activities. [\[GRI 2-16\]](#)

The following is the short profile of Saratoga's Board of Commissioners and Board of Directors.

### Composition of the Board of Commissioners [\[GRI 405-1\]](#)

Name	Gender	Position	Term of Service
Edwin Soeryadjaya	Male	President Commissioner	2022 - 2025
Joyce Soerdjaya Kerr	Female	Commissioner	2022 - 2025
Indra Cahya Uno	Male	Commissioner	2022 - 2025
Sidharta Utama	Male	Independent Commissioner	2022 - 2025
Anangga W. Roosdiono	Male	Independent Commissioner	2022 - 2025

### Composition of the Board of Directors [\[GRI 2-9\]](#) [\[GRI 405-1\]](#)

Name	Gender	Position	Duties and responsibilities
Michael W.P. Soeryadjaya	Male	President Director	Responsible for all operational activities of the Company.
Lany D. Wong	Female	Finance Director	Responsible for the Company's financial activities and leading the Company's ESG Task Force.
Devin Wirawan	Male	Investment Director	Responsible for the Company's investment and divestment activities and oversight of the Company's investee companies.

## Audit Committee

The Audit Committee is a supporting organ established by the Board of Commissioners. Their job is to assist the Board of Commissioners and monitor the effectiveness of internal control mechanisms and risk management as well as compliance with applicable internal and external regulations.

Disclosure of complete information regarding the Audit Committee; job description, responsibility, and authority are stated in the Corporate Governance Chapter of the 2022 Annual Report of PT Saratoga Investama Sedaya Tbk. [\[GRI 2-9\]](#) [\[GRI 2-10\]](#) [\[GRI 2-15\]](#)

## Nomination and Remuneration Committee

The Nomination and Remuneration Committee is a supporting organ that oversees the nomination process and developing remuneration policies for members of the

Board of Commissioners, Board of Directors, and senior management which includes evaluation processes, succession planning, professional education programs, and reviewing the Company's human resource policies.

Disclosure of complete information about the Nomination and Remuneration Committee; job description, responsibility, and authority; can be found in the Corporate Governance Chapter of the 2022 Annual Report of PT Saratoga Investama Sedaya Tbk.

[\[GRI 2-9\]](#) [\[GRI 2-10\]](#) [\[GRI 2-15\]](#)

## Scope of Duties and Responsibilities of Nomination and Remuneration Committee

The Nomination and Remuneration Committee's duties and responsibilities are to assist the Board of Commissioners professionally and independently and provide recommendations based on GCG principles

related to:

- Succession program for members of the Board of Commissioners and Board of Directors and other strategic positions in the management of the Company.
- Identification and submission of candidates for members of the Board of Commissioners, Board of Directors and other strategic positions in the management of the Company.
- Determination of remuneration for members of the Board of Commissioners, Board of Directors and other strategic positions in the management of the Company.

Saratoga ensures that the Nomination and Remuneration Committee has carried out its duties and responsibilities professionally and independently, without any interference from any party that is not in accordance with applicable laws and regulations.

## Audit Committee Profile

Name	Gender	Term of Service	Role
Anangga W. Roosdiono	Male	2022-2025	Apart from serving as chairman of the Audit Committee, he also serves as Independent Commissioner of Saratoga.
Aria Kanaka	Male	2022-2025	Currently holds concurrent positions as a member of the Audit Committee in another public company.
Hany Gungoro	Female	2022-2025	Currently holds concurrent positions as a Partner in another company.

## Profile of The Nomination and Remuneration Committee

Name	Gender	Term of Service	Role
Anangga W. Roosdiono	Male	2022-2025	Apart from serving as chairman of the Nomination and Remuneration Committee, also serves as Independent Commissioner of Saratoga
Edwin Soeryadjaya	Male	2022-2025	Currently holds concurrent positions as President Commissioner of Saratoga
Handianto Ganis	Male	2022-2025	Currently holds concurrent positions as a Director in another company.



## Investment Committee

The Investment Committee is responsible for ensuring that every activity and investment and divestment decision made by the Company is in accordance with GCG values.

Disclosure of complete information about the Investment Committee; job description, responsibility and authority can be found in the Corporate Governance Chapter of the 2022 Annual Report of PT Saratoga Investama Sedaya Tbk. [\[GRI 2-9\]](#) [\[GRI 2-10\]](#) [\[GRI 2-15\]](#)

### Investment Committee Profile

Name	Gender	Term of Service	Role
Edwin Soeryadjaya	Male	2022-2025	In addition to serving as Supervisor of the Investment Committee, currently holds concurrent positions as President Commissioner of Saratoga
Michael W.P. Soeryadjaya	Male	2022-2025	In addition to serving as Chairman of the Investment Committee, currently holds concurrent positions as President Director of Saratoga
Lany D. Wong	Female	2022-2025	Currently holds concurrent positions as a Director of Saratoga
Devin Wirawan	Male	2022-2025	Currently holds concurrent positions as a Director of Saratoga



## Evaluating the Performance of Committees Accountable to the Board of Commissioners

In accordance with the results of the performance evaluation for the 2022 financial year, all committees under the Board of Commissioners consisting of the Audit Committee and the Nomination and Remuneration Committee have carried out their duties and responsibilities effectively. The assessment results revealed no significant findings in the Company's business processes. This also proves that the committees under the Board of Commissioners have worked according to their respective functions and carried out supervision of the implementation of corporate governance and ensured the Company's compliance with applicable laws and regulations. [\[GRI 2-18\]](#)

## CONDUCTING BUSINESS ETHICALLY

### Code of Conduct: Our Guidance for Ethical Business

Saratoga has a Code of Conduct that serves as a comprehensive set of guidelines for all employees, including the Board of Commissioners and Board of Directors. The Code of Conduct outlines how individuals should conduct themselves, interact with stakeholders, and relate to each other. The aim of this document is to formalize the Company's commitment to maintaining the highest ethical standards, encouraging appropriate personal ethics, and fostering a culture of ethics based on those standards. The Code of Conduct is developed to discourage misconduct and deviations from established codes and to provide guidance on identifying potential violations.

The Human Resources Division is responsible for managing the communication and internalization of the Code of Conduct at all levels of the organization through formal and informal media channels such as discussions, management briefings, email blasts, and other means.

### Whistleblowing System [GRI 2-26] [POJK F.24]

Saratoga has put in place a formal reporting mechanism for whistleblowers to report fraud, as stipulated in the Corporate Governance Code and Code of Conduct. This formal mechanism enables individuals to report suspected violations to the appropriate authorities. Through this system, anyone can report any cases of violations in the form of fraud or violations of the Corporate Governance Code, Code of Conduct, Company Articles of Association, applicable laws and regulations, confidential information, and other violations. This system is designed to avoid conflicts or disputes between related parties and to find the right solution to problems that arise.

The written report should clearly state the background and history of the matter, giving names, dates, and places wherever possible and the reasons for the concerns. The report shall be sent to an assigned email address or by mailing address as follows:

**Address: Attn: Internal Audit  
PT Saratoga Investama Sedaya Tbk.  
15<sup>th</sup> floor, Menara Karya  
Jl. H.R. Rasuna Said Block X-5, Kav. 1-2  
South Jakarta 12950, Indonesia  
Email: [whistleblowing.report@saratoga-investama.com](mailto:whistleblowing.report@saratoga-investama.com)**

The Internal Audit team will promptly review all matters reported within a reasonable timeframe, after which a decision shall be made whether to proceed with a detailed investigation. Unreasonable reports with no supporting documents will not be reviewed further. All reported incidents will be promptly investigated, and appropriate actions will be taken.

The confidentiality of any reported violation or suspected violation will be maintained to the extent feasible while ensuring an adequate investigation is conducted. Saratoga ensures the reporter's identity will not be disclosed and whistleblowers with good faith will be fully protected.

The Company strictly prohibits any retaliation or adverse actions against individuals who report or assist in resolving any issues with integrity. We ensure that any employee who honestly raised a concern or participated in an investigation cannot be subjected to any adverse employment actions, such as termination, demotion, suspension, loss of benefits, threats, harassment, or discrimination.

As of 2022, the Internal Audit Unit received no reports or queries on potential Code breaches through the whistle-blower channel.

[GRI 205-1][GRI 2-16]

## Insider Trading Prevention Policy

Neither members of the Board of Commissioners, Board of Directors, nor employees of Saratoga, including their affiliates, who can access the Company's confidential information, are not allowed to use or share that information for the purpose of trading securities or other purposes other than to support the implementation of the Company's activities. All information not disclosed to the public is classified as confidential. All Board of Commissioners, Board of Directors, and employees of Saratoga are required to report their share ownership to the Company at the beginning of the year.

In 2022, no insider trading action was carried out by Directors, Commissioners, or Saratoga employees.

## Anti-Corruption and Anti-Fraud Policy

As stated in the Company's Code of Conduct, the Anti-Corruption and Anti-Fraud policy covers the following:

[GRI 205-1]

### 1. Anti-Bribery, embezzlement of funds and payment of facilities.

All our employees, including their families, are not allowed to give or receive bribes, facilitation payments, embezzlement of funds, or other forms for any reason. Giving, requesting, and/or accepting bribes directly or indirectly in any form by our employees or their families is unacceptable.

### 2. Anti-Money Laundering

All of our employees, including their families, are prohibited from being involved in or assisting in money

laundering. Employees who are involved in these activities, even if unintentionally, may be subject to criminal and civil sanctions against themselves and the Company.

### 3. Gifts and entertainment

Gifts and entertainment can support goodwill in business relationships, but problems can arise if these are expected rewards in a negotiation. Hence, it can trigger a conflict of interest in the Company's business relationships. We set a limit on the value of gifts and entertainment that employees can receive, which is a maximum of USD 200 (Two Hundred US Dollars). Gifts and entertainment that exceed this value may not be accepted, except in circumstances where it is not possible for the employee to refuse the gift. If so, the employee may accept the gift and then hand it over to the Human Resources Division to be used for the needs of the Company.

The Anti-Corruption and Anti-Fraud Policy is communicated periodically to all employees from all levels including the governance body along with socialization and internalization of the Code of Conduct implemented by the Human Resources and General Affairs Division. In the reporting year, Saratoga has not held any specific anti-corruption training and this has become a key priority for us to develop future training programs. [GRI 205-2]

Additionally, we have included the assessment of corruption-related risks in our ESG risk assessment conducted in 2022. Details regarding the ESG risk assessment process can be found on page 26. [GRI 205-1]

We are pleased to report that in 2022, no incidents of corruption were reported through our Whistleblowing mechanism. [GRI 205-3]

## Anti-Money Laundering Policy

Saratoga ensures compliance with all relevant regulations related to the prevention of money laundering and the funding of criminal or terrorist activities. Money laundering involves concealing or disguising the source of illegally obtained funds to make them appear legitimate. The Company takes proactive measures to prevent any such activity that could facilitate or be involved in money laundering.

## Managing Conflict of Interest

Saratoga has a mechanism in place to prevent situations where individuals intentionally or unintentionally use their authority or position for personal, family, or group interests, resulting in a conflict of interest that could impede the proper completion of mandated tasks and potentially lead to losses.

The regulation of conflict of interest is outlined in the Corporate Governance Code, Code of Conduct, Board of Commissioners Charter, Board of Directors Charter, along with supporting policies and procedures such as the Anti-Corruption and Anti-Fraud Policy and the Whistleblowing Mechanism.

Disclosure regarding affiliated relations between members of the Board of Commissioners and Board of Directors and can be found in the Corporate Governance Chapter of the 2022 Annual Report of PT Saratoga Investama Sedaya Tbk. [GRI 2-15]

During the reporting period, there were no matters indicating a conflict of interest in any decisions made by Saratoga.

## PERFORMANCE EVALUATION AND REMUNERATION POLICY OF THE BOARD OF COMMISSIONERS AND DIRECTORS

[GRI 2-18][GRI 2-19][GRI 2-20][GRI 2-21]

At the start of every year, the Board of Directors is responsible for setting the Key Performance Indicators and presenting them to the Board of Commissioners for evaluation at the year-end. The performance of the Board of Directors, both as a team and as individuals, is assessed annually. Additionally, the Board of Directors will carry out a yearly self-assessment.

Remuneration for the Board of Directors is formulated by the Nomination and Remuneration Committee. The remuneration is determined based on the Company's achievements compared to the targets and budget that have been set. The Nomination and Remuneration Committee submits recommendations to the Board of Commissioners regarding structure, policies, and remuneration amounts for members of the Board of Directors and Board of Commissioners to be proposed at GMS. The Shareholders determine the remuneration amount at the GMS.

Remuneration for members of the Board of Commissioners is determined based on the performance of the Board of Commissioners as evaluated by the Nomination and Remuneration Committee. The remuneration is also determined by considering the amount prevailing in the industry. Remuneration for Independent Commissioners does not include bonuses to preserve their independent status.

The remuneration structure for the Board of Commissioners and Board of Directors consists of salaries for the Board of Directors, honorarium for members of the Board of Commissioners, and other benefits and allowances for the Board of Commissioners and Board of Directors.

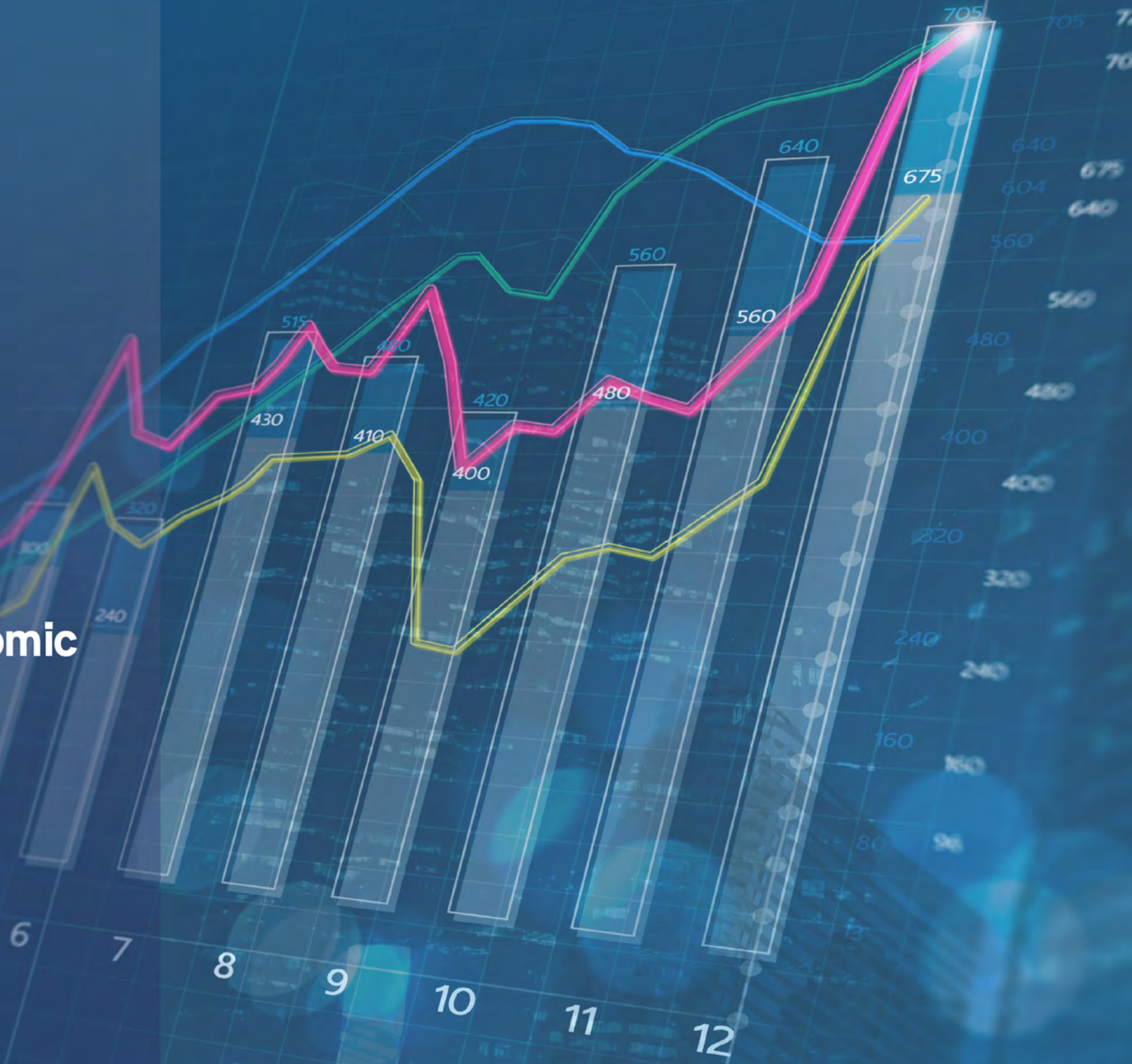
In 2022, the remuneration granted to members of the Board of Commissioners and the Board of Directors is as follows:

Type of Remuneration and Other Facilities	Total Amount Received by the Board of Commissioners and Board of Directors in 2022 (IDR)
Salary & Religious Holiday Allowance	17,494,369,000
Bonus	15,729,260,000
Allowance & Facilities	1,601,179,231
Long Term Incentive Program	1,461,000 (Shares)

More details on the remuneration policies and the evaluation of the performance of the Board of Commissioners and Board of Directors can be found in the Corporate Governance Chapter of the 2022 Annual Report of PT Saratoga Investama Sedaya Tbk.



# Driving Economic Performance Through Sustainable Investments



## DRIVING ECONOMIC PERFORMANCE THROUGH SUSTAINABLE INVESTMENTS

As an active investment company, Saratoga understands our important role as part of the global effort to shift to a sustainable economy. Our responsibility to our shareholders drives us to continuously strive to improve the Company's economic performance. On the other hand, we are aware of the impact of our operational activities and investment decisions on the environment and society. Therefore, Saratoga's success as an active investment company that has been operating for 25 years in Indonesia does not only depend on financial performance alone but also on our efforts in managing impacts and sustainability issues in ESG aspects both within the company as well as in our investment portfolio companies.

We view sustainability efforts as an integral part of the company's operations, including our investment process. In implementing the principles of sustainability, we integrate ESG criteria into our investment decisions. That means that we consider the environmental and social aspects of the investment as well as the potential long-term financial returns. We strive to ensure that the investments we make create a positive impact on our stakeholders. Investments that support the Sustainable Development Goals, including investments that promote climate change mitigation and adaptation as well as encourage economic development, have been our focus lately.

We are committed in encouraging the adoption of sustainability principles in our portfolio companies. Through our active involvement in investment portfolio companies, we encourage them to manage their potential operational impact on social and environmental aspects by carrying out various sustainability initiatives.

### A Bright Year for Saratoga

---

2022 was a year full of challenges for business players globally, where the COVID-19 pandemic was followed by a global economic turmoil. Geopolitical conditions and the ongoing armed conflict in Ukraine have increased the inflation rate in many countries, including Indonesia. On the other hand, the increase in interest rates due to inflation counter-measures also caused a slowdown in the world economy, including Indonesia.

Nevertheless, Saratoga managed to optimize its investment strategy, as reflected by its positive financial performance in 2022. We ended 2022 with a strong balance sheet as we reduced our net debt position by 80% from the previous year. We are very pleased with the growth and performance of our key investment portfolio companies, especially ADRO, MDKA, MPMX, and TBIG. The positive performance of portfolio companies has supported Indonesia's economic recovery, a reflection of their important role in Indonesia's economic growth.

At the end of 2022, Saratoga recorded a historically high dividend income, reaching IDR2,591 billion, up 57% compared to 2021 of IDR1,648 billion. The dividend income was mainly contributed from ADRO by IDR1,906 billion, MPMX by IDR455 billion and PALM by IDR137 billion. Meanwhile, the increase in the investment portfolio's value pushed Saratoga's net asset value (NAV) to a new record-high of IDR60,931 billion, growing 8% from IDR56,316 billion. Consistent NAV growth indicates the Company's success in carrying out its investment strategy amidst various situations.

Saratoga's net debt position has decreased significantly to IDR688 billion as of the end of the fiscal year 2022. This represents an impressive 80% decrease from the previous year's net debt position. This achievement is

the result of Saratoga's strategic efforts to reduce debt and strengthen its financial position.

Further explanations regarding financial performance can be referred in the 2022 Annual Report.

Saratoga did not receive financial assistance in any form from the government during the reporting period. <sup>[GRI 201-4]</sup>

### Strategic Steps for Financial Performance Optimization <sup>[POJK F.3]</sup>

Saratoga prioritizes the principles of prudence, discipline, measurability, and efficiency in determining investment decisions and financial management. Diversifying the investment portfolio is our main strategy to maintain Saratoga's business resilience in facing the dynamic

conditions of the Indonesian economy. The portfolio diversification strategy was tested in 2021 and Saratoga's financial performance showed good results despite the world's and Indonesia's economic conditions, which were still recovering due to the COVID-19 pandemic. This approach allows us not to depend on one particular sector.

We believe that the potential and opportunities for business growth in Saratoga's portfolio are still vast and would translate to an increase in the Company's portfolio value. Saratoga continues to invest in strategic sectors that have a broad impact on the Indonesian economy, along with the application of the principles of sustainable investment. Furthermore, we are committed to continue seeking for new sustainable investment opportunities going forward. The total investment in 2022 that we made was IDR 18,290 billion, all of which were in line with the implementation of sustainable finance (see page 41).

Saratoga's financial management strategy also includes operational cost efficiency and interest expense management. In managing operational costs, Saratoga maintains an efficient organizational structure to keep compensation and benefits costs at a reasonable level. In 2022, Saratoga recorded a total operational cost of IDR 232 billion, which is within the budget range for 2022.

### Generated and Distributed Economic Value <sup>[GRI 201-1]</sup>

The economic value generated and distributed refers to the total amount of financial benefits created by a company through its business activities and the distribution of these benefits among its stakeholders. Disclosure of this value provides an overview of the company's performance and ability to create value for stakeholders.

### Financial Performance Highlights <sup>[POJK F.2]</sup>

Performance Aspects	2020	2021	2022
	in IDR Billion		
Net Income	8,825	24,890	4,616
Net Asset Valuation	31,701	56,316	60,931
Dividend Income	750	1,648	2,591
Investment	34,405	59,695	61,518
New and Additional Investment	586	1,317	18,290
Operating Costs	182	153	232



Details of the direct economic value generated and distributed can be seen in the table below.

Description	2020	2021	2022
	in IDR Billion		
Directly Produced Economic Value			
Revenues*	775	1,665	2,618
Distributed Economic Value			
Operating Expenses			
- Operating Expenses	51	40	92
- Other Operating Expenses	20	20	24
Salaries, Wages, and Employee Welfare	131	114	141
Payments to Creditors			
- Cash Dividends Payment	149	296	810
- Payment of Interest Expense and Other Financing Expenses	221	192	185
Payments to the Government			
- Payment of Corporate Income Tax and Other Taxes	67	48	50
Investment on Community Development/ CID funding	10	1	1
Total Economic Value Distributed	649	711	1,303
Retained Economic Value	126	954	1,315

\*The revenue represent the dividend income, interest, investment income and other income



## TAKING OUR ROLE IN SUSTAINABLE INVESTING

Saratoga acknowledges our role as an active investment management company in contributing towards achieving the SDGs. We recognize the importance of investing sustainably, which involves carrying out our investments responsibly across economic, social, environmental, and governance aspects. By investing sustainably, we seek to support the government's efforts toward achieving the SDGs and safeguarding the environment for future generations. Responsible investment practices can promote economic growth while prioritizing environmental care and community empowerment. Saratoga aims to increase our portfolio with ESG-oriented investments to further this cause.

We understand the significance of identifying potential risks that could impede our sustainability as a business. Therefore, effective risk management is a crucial factor in their long-term growth and value creation for all stakeholders. ESG factors are considered part of our investment due diligence, and they are integrated into the decision-making process by identifying potential risks and benefits from an ESG perspective. It is important to understand such impacts to ensure investment

decisions that prioritize sustainability and long-term value creation.

Our investment team receives investment proposals from companies seeking funding and also actively conducts research to identify potential investment opportunities. These opportunities are equally available to all companies. We then evaluate the potential investee companies through a rigorous, diligent, and comprehensive process that adheres to the principles of prudence. <sup>[POJK F.17]</sup>

The evaluation of ESG aspects commences with our due diligence process on the potential investee company. The consideration of ESG aspects is an integral part of our due diligence process. ESG indicators are taken into account along with financial indicators when making investment decisions. The assessment of ESG aspects helps us identify the social and environmental impacts and risks associated with the investee company. In 2022, after conducting thorough due diligence, Saratoga made the decision to invest in two companies.

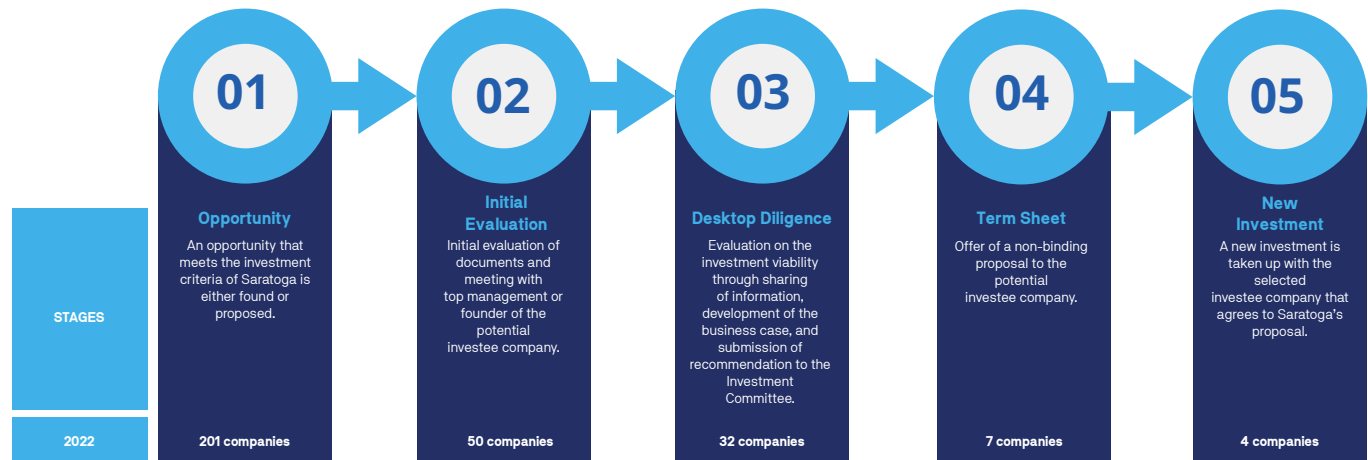


These days, digitalization, as well as renewable energy and ESG, have become hot topics. By venturing into these territories, Saratoga is doing the right thing and hopefully, it can also form a better world.

—  
Eka Himawan

CO-FOUNDER & CEO, XURYA DAYA INDONESIA

### The Stages of Investment Due Diligences



Saratoga recognizes the importance of aligning our due diligence process with current global issues and development. Therefore, in 2022 we have made efforts to refine our due diligence criteria for investment selection. We have aligned our due diligence process with several globally recognized frameworks and standards in the ESG aspects. We aim to apply these refined due diligence criteria to our investment decisions in 2023.

One of the challenges faced in implementing sustainable investments in general is the need to balance financial returns with ESG concerns. While there is a growing demand for investments that are aligned with sustainability goals, these types of investments

may not always generate the highest financial returns. Additionally, there is a lack of standardization and data -availability in ESG reporting, which makes it difficult to assess the ESG performance of investee companies. While our investee companies have been making changes towards implementing ESG, there is still variation in their understanding of ESG. As a result, some companies lack awareness regarding the transparency of their ESG practices and the importance of ESG policies. This underscores the need for greater education and engagement on ESG issues with investee companies to promote better understanding and integration of ESG factors into their business operations.<sup>[POJK E.5]</sup>



### Investing Sustainably <sup>[POJK F.26]</sup>

Saratoga made two new investments to expand our portfolio and realize our commitment to sustainable investing. The two new fundings are for Forest Carbon, a company developing premium carbon projects, and AtriaDC, a company providing environmentally friendly data center services.

**FOREST  
CARBON**

**ATRIA<sup>DC</sup>**

Forest Carbon is a premium carbon project developer that sells carbon credits to companies to offset their greenhouse gas emissions. Founded in 2012, Forest Carbon conserves forests and wetlands, protects biodiversity, and empowers local communities' livelihoods. Through investing in Forest Carbon, Saratoga is expanding its investment in sectors that contribute to climate change mitigation. See page 72 for further explanation regarding Forest Carbon sustainability initiatives.

In addition to Forest Carbon, Saratoga has also invested in AtriaDC. AtriaDC is an in-town data center that is scalable and environmentally conscious. With those features, AtriaDC provides world-class digital experiences to its partners, customers, and end users. Saratoga's investment in AtriaDC is proof of our consistency as an active investment company in taking initiatives to develop and realize progress in Indonesia's digital economy. See page 72 for more details regarding Atria DC's sustainability initiatives.

## STRENGTHENING AND DEVELOPING BUSINESS SUSTAINABLY

As an active investment management company, Saratoga places great importance on the development and growth of the companies in its investment portfolio. The strength of Saratoga's investment portfolio is a crucial factor in achieving sound financial performance. Saratoga is committed to ensuring that both its own business strategy and that of its investee companies are executed effectively.

2022 was still a period of economic recovery for Indonesia and was simultaneously the ideal time for our investees to take advantage of the existing business prospects. We continually urge our investee companies to take full advantage of these commercial prospects and to grow their operations sustainably.

We have featured some investees on their stand-out accomplishments for the year 2022, which can be seen below. Further details on the companies' achievements can be seen in Saratoga's 2022 Annual Report.

### Expansion of Products and Services

#### PT Famon Awal Bros Sedaya Tbk. - Primaya Hospital



Primaya Hospital opened a brand-new hospital branch in Depok, West Java, in 2022. This newly opened hospital

provides services such as maternity and childcare, trauma, geriatric, and health check-ups. Primaya Hospital Depok is also linked to all other Primaya hospitals to assist with diagnosis, action, therapy, and rehabilitation services.

#### PT Xurya Daya Indonesia



In 2022, solar energy firm Xurya won additional Series A funding from two new strategic partners, which would enable Xurya to expand solar power technology development across Indonesia. Xurya also opened three new branch offices in 2022—in Medan, Surabaya, and Semarang—and started operations on multiple new projects.

#### PT Adaro Energy Indonesia Tbk.



Adaro achieved multiple significant milestones in 2022. PT Adaro Minerals Indonesia Tbk., Adaro's Indonesian non-thermal coal business unit, was listed on the Indonesia Stock Exchange. PT Adaro Minerals Indonesia, which currently holds metallurgical coal operations and an aluminum smelter project, has also struck an agreement with Hyundai Motor Company to ensure a constant supply of aluminum.

### Asset Additions and/or Acquisitions

#### PT Merdeka Copper Gold Tbk.



Merdeka made a significant acquisition in 2022, obtaining a world-class nickel mine as well as nickel smelters. The nickel mine in question is the Sulawesi Cahaya Mineral Nickel Mine, considered one of the world's largest undeveloped nickel deposits. These assets are now consolidated into Merdeka Battery Materials (MBM).

### Capitalizing on New Opportunities

#### PT Mitra Pinasthika Mustika (MPMX) Tbk.



One of the highlights for MPMX in 2022 was the establishment of a strategic alliance with CARRO, the biggest used-car marketplace in Southeast Asia. CARRO acquired a 50% ownership in MPM Rent for IDR 784 billion and will provide technology and digital expertise, which would support the development of an integrated online and offline ecosystem in Indonesia.



A group of nine diverse employees, including men and women of various ethnicities, are standing in a modern office space. The office has a high ceiling with exposed concrete beams, pipes, and track lighting. A staircase with a glass railing is visible in the background. The entire image has a blue color tint. The text "Engaging Employees, Improving Productivity" is overlaid on the left side in white, with a short horizontal line underneath.

**Engaging  
Employees,  
Improving  
Productivity**

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## ENGAGING EMPLOYEES, IMPROVING PRODUCTIVITY

Competent Human Resource (HR) is very important for the Company to grow sustainably. We are committed to always support employees in creating, innovating, and developing themselves. Employees are a significant asset to us. Therefore, we consistently involve employees to play an active role in every business activity. Each employee requires individualized development as they have their strengths and weaknesses. Therefore, we encourage all employees to continuously develop their skills, abilities, and leadership.

To ensure the continuity of our business, we carry out employee development programs to maintain the Company's performance and enable its continued growth and progress. We ensure our employees work to their fullest potential by providing a healthy and safe

workplace. As employees are the most valuable asset in our company, we hope that our employees will continue to work at Saratoga while enhancing their skills.

One of our main commitments in HR management is ensuring fair remuneration for all employees. We guarantee that our employees' wages, even at the entry-level, exceed the Provincial Minimum Wage. The amount of an employee's salary is determined based on performance achievements without discriminating against gender, class, ethnicity, and race. The outcome of our commitment and efforts in employee management and development is evident through the number of employees who have stayed with us for over a decade and the consistently satisfactory employee satisfaction surveys results every year.

## SUSTAINABLE DEVELOPMENT GOALS CONTRIBUTION

Our commitment and efforts in managing and developing human resources contribute to the achievement of the Sustainable Development Goals (SDGs), specifically in areas such as (3) Good Health and Well-Being, (4) Quality Education, (5) Gender Equality, (8) Decent Work and Economic Growth, (10) Reduced Inequalities.



### Reinforcing Our Commitment to Our People

Our people are our greatest investment. We prioritize creating a comfortable and inclusive working environment for them. This year, we have enhanced our people policy to focus on equal opportunities for all, irrespective of ethnicity, gender, religious beliefs, age, or disability. We condemn all forms of discrimination and have strengthened our grievance channels. We have also developed a comprehensive policy to prevent sexual harassment, demonstrating our commitment to preventing such acts, and provided a mechanism

to resolve complaints and impose sanctions for policy violations. We understand that to encourage employees to report incidents of discrimination and harassment, they need to feel safe from retaliation. Our people policy emphasizes protecting our employees from any form of retaliation, be it subtle or overt, so they can report any such incidents without fear of reprisal. This approach reinforces our commitment to creating a safe and inclusive work environment where everyone is valued and respected.

# A GLIMPSE OF OUR IMPACT

## IN 2022 [GRI 404-3]



**51%**

of all employees are female



There were **NO** incidents  
of **discrimination**



There were **NO** reports of **sexual harassment** or  
**complaints** regarding working conditions



**508** total hours of training

**13.03** average hours of training  
per employee



**100%** of employees received  
performance evaluations and  
appraisals

Employees are **satisfied** with  
the management and facilities  
provided by Saratoga



## Employee Statistics

In 2022, our workforce comprised 59 employees, with a well-balanced composition of 49% (29 people) male and 51% (30 people) female employees. A total of 41% of our employees are at the staff and non-staff levels, while the remaining employees are from the director, manager, and supervisor levels. Amongst the staff and non-staff levels, 58% are female employees. At the Board of Directors level, there is one woman representing 33% of the total three board members. Most of our employees are at the productive age of 30-50 years old, and all of our employees (100%) are based in Jakarta, Indonesia. The details of Saratoga's employee data over the past three years can be seen on page 86 and 87. [\[GRI 405-1\]](#)

We have three security guards on duty at the Saratoga office who are employed by a third-party company that we work with. Although Saratoga does not directly employ them, we ensure that their employment rights are met. [\[GRI 2-8\]](#)

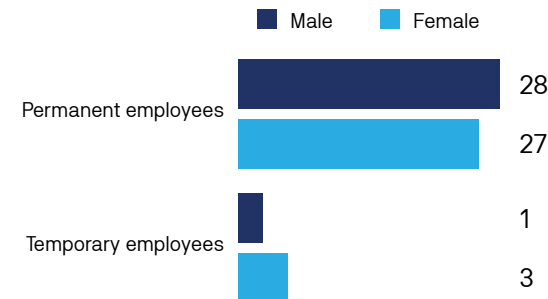
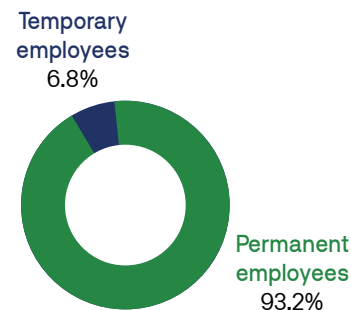


A lot of people probably think that Saratoga's greatest investments are Adaro, Tower Bersama, MPM, and others. But I think that Saratoga's greatest investment is its human capital"

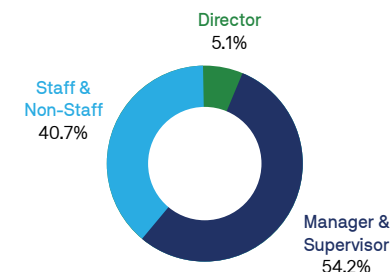
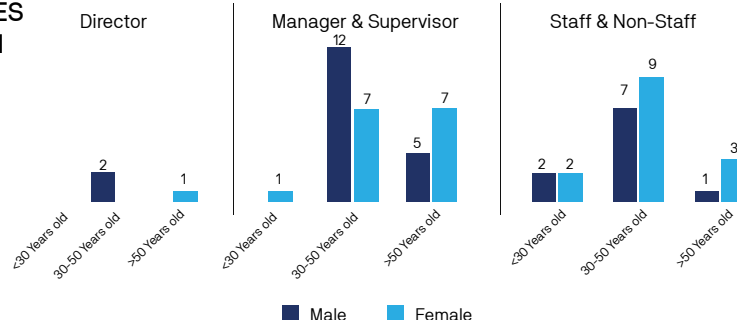
—  
Edwin Soeryadjaya  
FOUNDER

### Composition of Saratoga Employees [\[GRI 2-7\]](#)

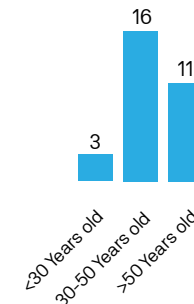
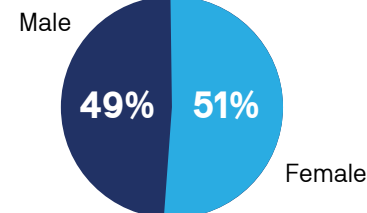
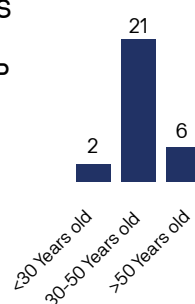
#### EMPLOYEES BASED ON EMPLOYMENT TYPE



#### EMPLOYEES BASED ON JOB TITLE



#### EMPLOYEES BASED ON AGE GROUP



## OUR PLEDGE TO FAIRNESS AND EQUALITY [POJK-F.18][POJK-F.19]

We respect every individual with dignity and respect; therefore we provide fair and equal employment opportunities for all employees in all aspects of the employment relationship, including in terms of recruitment, compensation, training opportunities, mentorship programs, work assignments, promotion or retirement without distinction of gender, class, ethnicity, and race. In addition, we are committed to ensure that there are no forced labor and child labor practices in both Saratoga and our investee companies. [GRI 3-3] [POJK F.18] [POJK F.19]

**In the reporting year, we had no incidents of discrimination, either internally or externally.**

[GRI 406-1]

Saratoga respects and guarantees freedom of association, assembly, and expression, which entails that every employee has the right to form or join a labor union. Currently, we do not have a labor union, but we ensure that the rights of all our employees are fulfilled through Company Regulations that the local Labor Department has approved. [GRI 2-30]

Our commitment to promote gender equality and fair employment opportunities is reflected in the percentage of female employees at 51% of total employees. Female representation in the Board of Directors and Board of Commissioners is 33% and 20%, respectively. [POJK F.18]

### Fair Recruitment

We ensure that all individuals are given an equal opportunity to be recruited without discrimination based on race, skin color, gender, religion, or political opinion. We ensure that the recruitment process for new employees is fair and transparent.

In 2022, we recruited two new employees, which is a decrease from the previous year, reflecting our current

workforce needs. In the same year, four individuals left Saratoga, with reasons being retirement and resignation due to personal reasons. The turnover rate for the reporting year is 6.78%, a decrease of 3% from the previous year (9.84%).

Every year, we cooperate with higher education institutions to offer internship opportunities at Saratoga for university students. [GRI 2-8]

Detailed data related to new hires, departing employees, and the employee turnover rate of Saratoga for the last three years can be seen on page 87.

### Saratoga New Employees & Employee Turnover 2022 [POJK C.3b] [GRI 401-1]

#### NEW EMPLOYEES



#### EMPLOYEE TURNOVER





## Employee Grievance

If an employee has any grievances related to their working conditions, they can submit a complaint to hr@saratoga-investama.com. We are committed to maintaining the confidentiality of the identity of employees who report through this channel. Alternatively, employees may also submit their complaints through their direct supervisor. All incoming complaints and grievances will be thoroughly investigated by the HR and GA Division, along with other relevant divisions.

## Pension

Saratoga fulfills its obligations by offering retirement benefits to all employees. All employees are enrolled in a pension program managed by BPJS Ketenagakerjaan. The Company pays 3.7% of the total contribution, while the remaining 2% is borne by the employees. In addition, the Company has prepared an employee pension fund as part of the Company's employee benefits liabilities, as stated in the Company's Consolidated Financial Statements. [GRI 201-3]

## Maternity Leave

Saratoga guarantees the right of female employees to take maternity leave and ensures that they can return to their previous position after the leave period. We offer a three month leave period to female employees who give birth. Not only female employees are entitled to leave, but we also provide three days off work for male employees whose spouses give birth. During the reporting year, one employee took maternity leave and returned to work after her leave was over. [GRI 401-3]

## Ensuring Fair Compensation and Benefits

We understand that providing the right rewards can increase employee motivation and engagement at Saratoga. Therefore, we have implemented a fair and appropriate remuneration policy to meet employees' basic expectations and needs, boost productivity and ensure employee welfare.

Since our establishment 25 years ago, Saratoga has been committed to providing remuneration in accordance with applicable regulations and above the provincial minimum wage. This commitment is reflected in the amount of remuneration for our lowest-rank permanent employees in 2022 is 10% higher (IDR5,051,000) than the DKI Jakarta Provincial Minimum Wage (IDR4,573,845). [POJK F.20]

We do not differentiate employee salaries based on gender. [GRI 405-2] Compensation provisions are based on several factors, such as achievement of work targets, length of service, benefits, and incentives. In addition to increasing productivity, our remuneration scheme will help everyone obtain equal rights in terms of compensation and remuneration. Determining remuneration and bonuses is based on the annual performance appraisal of each employee as well as a share ownership scheme for senior management.

In addition to offering a base salary, we provide rewards to permanent employees in various forms of benefits such as religious holiday allowances, leave benefits, transportation benefits, and others. A breakdown of the remuneration and benefits received by Saratoga employees is provided in the table below.

We provide Senior Management with a Long term Incentive Plan (LTIP) that aligns their interests with those of shareholders, and ensures their commitment to sustainable long-term growth.

## Saratoga Employee Remuneration 2022 [GRI 401-2]

EMPLOYEE COMPENSATION AND BENEFIT* [GRI 401-2]	PERMANENT EMPLOYEE	TEMPORARY EMPLOYEE
Basic Salary	✓	✓
Religious Holiday Allowance	✓	✓
Transportation Allowance*	✓	✗
Leave Allowance*	✓	✗
Overtime Allowance*	✓	✗
Marriage Allowance	✓	✓
Health Facilities*	✓	✓
BPJS Health Program	✓	✓
BPJS Employment program	✓	✓
Bereavement Money	✓	✓
Long Service Pay*	✓	✗
Vehicle Ownership Program	✓	✗
Annual Bonus	✓	✓
Meals Facilities	✓	✓

\*Benefits given vary based on work function/position/level/division/term of service in accordance with Company policy

## UNLOCKING POTENTIAL BY IGNITING GROWTH AND DEVELOPMENT OPPORTUNITIES

We encourage employees to develop in order to reach their highest potential continuously. Skilled and competent employees will positively impact the Company's performance. One way for employees to continue to grow is by participating in training. We are committed to providing equal opportunities for employees to attend training and career development based on their competence and performance.

### Employee Training

To help employees improve their skills, we encourage every employee at the managerial level to proactively seek and explore personal development by attending a minimum of two training sessions each year. We also

conduct annual evaluations of employee performance to identify formal and non-formal training and work experience that can be pursued in the future to enhance the self-development of each employee.

Saratoga provides equal opportunities for all employees to continue their education to a higher level with funding from the Company. We hope that the investment we provide in the form of educational programs can benefit our employees as well as Saratoga.

In 2022, 39 employees participated in the training program with an average of 13.03 hours of training per employee. Details of data related to training are provided below. [\[GRI 404-2\]](#) [\[POJK F.22\]](#)

### Saratoga's Employee Training 2022 [\[GRI 404-1\]](#)

Description	Number of workers receiving training	Training Hours	Average Hours of Training per Worker
<b>Total</b>	39	508	13.03
<b>Based on Gender</b>			
Male	19	205	10.79
Female	20	303	15.15
<b>Based on Job Title</b>			
Director and Senior Management	16	150	9.38
Manager and Supervisor	9	155	17.22
Staff and Non Staff	14	203	14.50

## Performance Review and Employee Development

[GRI 404-3]

Every year, Saratoga evaluates and assesses the performance of all employees. The performance appraisal results are used for consideration in determining compensation increases, promotions, or job rotations and mutations. In 2022, all employees (100%) went through the performance evaluation and appraisal process.

The assessment of all employees is based on the achievement of their Key Performance Indicator (KPI). For employees at staff level and above, we use the 360-degree feedback assessment method in addition to the KPI assessment. This method allows these employees to get assessments from all directions, starting with themselves, colleagues, superiors and subordinates.

100% of employees receive performance evaluations and appraisals in 2022

## Placement Program

Each year, we offer executives the opportunity to take on temporary assignments with our investee companies. This placement program is mutually beneficial for the investee company and us. In 2022, we assigned the following executives to positions in the investee company:



### Building Long Term Relationships with Our Employees

Every employee who has served at Saratoga for five years (or multiples thereof) will receive bonuses and additional annual leave as a form of appreciation. Furthermore, employees who have served for ten years (or multiples thereof) will receive additional appreciation in precious metals.

Name	Position	Assigned Investee Company
Arif Qasimi Al Bone	Chief Financial Officer	Mulia Bosco Logistik
Christopher Song Oey	Marketing Advisor	Primaya Hospital
	Marketing Advisor	Deltomed
Ellie Turjandi	Chief Financial Officer	Agro Maju Raya
Kemal Mawira	Commissioner	Mulia Bosco Logistik

## HEALTHY AND SAFE WORK ENVIRONMENT FOR EMPLOYEE PRODUCTIVITY AND CONVENIENCE

Saratoga recognizes that providing a safe and comfortable work environment is crucial to enhancing employee productivity. Therefore we always strive to do our best to create a safe and healthy workspace for our employees. This includes maintaining the cleanliness of toilets, providing dining rooms, smoke detectors and light fire extinguishers, places of worship, and so on.

[POJK F.21]

### Employee Health

Saratoga considers health as an important aspect for every individual and we are committed to ensuring that all employees have access to quality health services. To ensure our employees have access to comprehensive health coverage, we provide them with enrollment in the BPJS Health program, which guarantees access to health insurance for all employees. For certain levels of employees, we provide additional health insurance as an addition to BPJS Health Program. We also guarantee employees that rooms will always be available at our partner hospitals, such as Primaya Hospital, if an employee is exposed to COVID-19.

Saratoga regularly organizes fitness classes and provides subsidies to all employees for gym membership.

This is done by Saratoga to ensure employees have strong immune systems to reduce the risk of illness. We expect that our efforts in the health aspect will increase productivity in the office in the long run.

### Saratoga Togetherness

Saratoga highly values unity and kinship among our employees. We view every individual who works at Saratoga as equal, without discriminating based on background or position. One way we foster this sense of togetherness is through our tradition of having lunch together which we continue to practice today. This lunch session was attended by employees at all levels, from the Board of Directors level to the support team.

In addition, every year we organize out-of-town tourism activities called Saratoga Fun Day to strengthen the bonds within the Company. This event is a regular activity that involves all individuals working at Saratoga, regardless of division or position level. In 2022, we hold Saratoga Fun Day in Bali while celebrating Saratoga's 25<sup>th</sup> anniversary. All employees from different divisions met and honed their teamwork skills in this activity. We hope that this activity can further strengthen the unity of the Saratoga family at work.







## A Tight-Knit Work Environment That Fosters Unity



**Choirul Haq**

Saratoga's Information System Staff

*"Hello, I am Choirul Haq. I have been an Information Systems Staff in Saratoga for the past 11 years, meaning I have stayed with this company for almost half of its existence. There are various reasons to work with Saratoga. This company has demonstrated its commitment to employees' welfare and health by providing timely salaries, annual bonuses, and support for my family and my health. However, one of the main reasons why I feel comfortable working here is its tight-knit work environment, where everyone is respected and treated equally.*

*Our annual Saratoga Fun Day session shows a simple reflection of this relationship. I am grateful to have participated in this year's Saratoga Fun Day session in Bali. We had fun participating in water sports and going on adventures with VW and ATV. Every year I learn new things from the Fun Day Session, but what I found the most memorable of every Fun Day outing is that everyone from all divisions and levels goes hand-in-hand to work in a team. It brought everyone in Saratoga closer.*

*I am grateful to have become part of the Saratoga family and hope the company continues to be a blessing to its employees and the nation. As Saratoga celebrates its 25<sup>th</sup> anniversary, I look forward to seeing the company continue to grow and expand.*

*Happy 25<sup>th</sup> Anniversary, Saratoga!"*



## Shaping a Better Workplace by Considering Employee Feedback

Saratoga conducts an annual employee satisfaction survey to find out our employees' aspirations and to assess their level of satisfaction with our human resource management practices. The employee satisfaction survey measures 15 main indicators related to HR aspects such as work quality, respect and recognition, management performance, training, career development, and remuneration. As in previous years, the results of our 2022 employee satisfaction survey show the high level of satisfaction with the HR management practices and facilities provided by Saratoga.

A silhouette of a diverse group of approximately ten people of various ages and ethnicities standing on a dark, rounded hill. They are all holding hands, with some raising their arms in a gesture of triumph or unity. The background is a soft, warm gradient of orange and yellow, suggesting a sunset or sunrise. The overall mood is positive and hopeful.

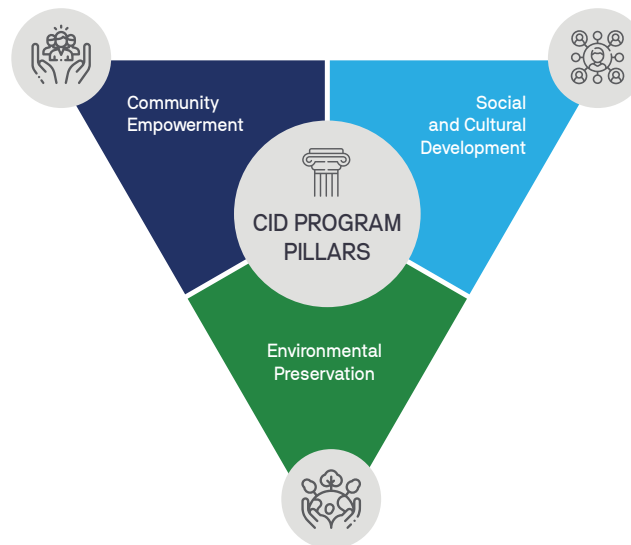
**Creating Positive  
Impact Through  
Community  
Empowerment**

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## CREATING POSITIVE IMPACT THROUGH COMMUNITY EMPOWERMENT

As we celebrate our 25<sup>th</sup> anniversary, Saratoga is proud to reaffirm our commitment to community involvement and development (CID). Our CID program has been an integral part of our operations since our inception, and we have strived to make a positive impact on the society and environment in which we operate.<sup>[GRI 413-1] [GRI 413-2]</sup>

Our CID program is centered on three pillars – Community Empowerment, Social and Cultural Development, and Environmental Preservation – and we take great pride in our accomplishments in each area.



Our **Community Empowerment** initiatives are designed to create opportunities for individuals and communities to grow and thrive. Over the years, we have supported various programs, including vocational school development and youth entrepreneurship training programs. Investing in communities can help create a better future for all.

We value **Social and Cultural Development** as it builds strong and resilient societies. Our commitment to this pillar ensures equal opportunities and access to basic needs. We empower and uplift communities through

various initiatives, including supporting housing for low-income families. We also provide aid to vulnerable groups such as orphans and disaster victims. Our support for disaster victims aims to ensure affected communities have access to basic needs and resources for recovery.

Finally, we are deeply committed to **Environmental Preservation**. We understand the urgency of tackling climate change and safeguarding our planet for future generations. To this end, we refined our environmental policy in 2022 to better assess our environmental risks, encourage environmental protection awareness, and incorporate environmental concerns into our business practices. We developed the Green Leader Program and collaborated with the Eco-Learning Camp that attracted green leaders from all across Indonesia. Our aim is to promote awareness, responsibility and sustainability, which we believe can contribute to a more livable world. More information about our initiatives in environmental preservation can be read on page 69.

“

I hope we will continue to be a channel of blessing and continue to be an asset to our people and hopefully to our country.

—  
Michael W. P. Soeryadjaya  
PRESIDENT DIRECTOR

In 2022, Saratoga made a significant impact on the community and the environment, with a total contribution of **IDR978,909,835**. The majority of the budget was allocated to Community Empowerment programs.

PILLAR	CONTRIBUTION (IDR)
	2022
Community Empowerment <sup>[GRI 203-1]</sup>	500,000,000
Social and Cultural Development <sup>[GRI 203-1]</sup>	328,909,835
Environmental Preservation* <sup>[GRI 203-1] [POJK F.4]</sup>	150,000,000
<b>TOTAL</b>	<b>978,909,835</b>

\*The funding for Environmental Preservation pillar was mainly allocated for the environmental leadership training program as explained on page 75

This section will further explain the Pillars of Community Empowerment and Social and Cultural Development. The Environmental Preservation Pillar will be elaborated on in the next chapter of this report.

## SUSTAINABLE DEVELOPMENT GOALS CONTRIBUTION

Our Community Empowerment and Social and Cultural Development programs are designed to contribute to the achievement of the global Sustainable Development Goals, including (1) reducing poverty, (4) enhancing the quality of education, (5) promoting gender equality, (7) fostering clean energy, (8) supporting economic growth, (11) building sustainable cities and communities, and (13) adapting to the challenges of climate change.





# A GLIMPSE OF OUR IMPACT IN 2022 [GRI 203-1] [GRI 203-2]



**IDR978,909,835**  
was distributed to society



**10** students were granted a full scholarship to pursue their education



In collaboration with our investee,  
a total of **26** family members  
from **7** families in East Java  
were provided suitable housing



**300** low-income families in East and North Jakarta were provided groceries aid



**5** young entrepreneurs have been supported to maintain and scale up their businesses and become agents of change in their communities through the **ENVOY** program



**146** children from **2** orphanages enjoyed a joyful celebration during Ramadan and Christmas

## COMMUNITY EMPOWERMENT

[GRI 203-1][POJK F.25]

### Transforming lives through education

Investment in education is of utmost importance to our organization. We believe that this is not only a moral obligation but also a business imperative. By investing in education, we are not only giving the future generation opportunities, but also ensuring that we have a pool of people with a lot of skills and knowledge. Education is the foundation of progress, and by investing in it, we are laying the groundwork for a bright and prosperous future for our company and the community as a whole.

Our commitment to education is unwavering. Since 2016, our company has formed a strong partnership with our portfolio company to help sustain and advance the ORA et LABORA Vocational High School (SMK OeL) in its efforts to provide exceptional education to students. As a vocational institution, SMK OeL strongly emphasizes hands-on learning, particularly in the field of power generation engineering. The school offers several specialized programs, including renewable energy, the industrial internet of things (IoT), building facilities maintenance, electric vehicles, and electric steam power plants.

These programs are particularly relevant in response to the nation's growing demand for professionals in the field of green energy solutions.

Our assistance has been significant, from providing necessary school facilities to placing Saratoga employees to serve on the Executive Committee as volunteers. The aim of this collaboration is to ensure that the curriculum is relevant to industry requirements, establish a connection between the school and the industrial sector, and secure adequate funding for its operations.

In 2022, we expanded our collaboration by providing scholarships to 10 students for a duration of 2 years. This scholarship covers various expenses, such as the admission fee, tuition fee, extracurricular activities, books, allowance, and training. This scholarship program is designed to support deserving students who have demonstrated academic excellence and a commitment to their future. We aim to provide financial assistance to those who need it and help them achieve their full potential.





## Enabling Education for a World of Endless Possibilities



**Kiara Margaretha Cesaria Purba**  
*Saratoga's 2022 Scholarship Recipient*

SMK ORA et LABORA - 10th Grade Student  
Power Generation Engineering Major -  
Specialization in Industrial Internet of Things

*"My name is Kiara, and I am grateful to be one of the recipients of Saratoga's scholarship in 2022. I have always aspired to study at SMK OeL, mainly because it is one of the few vocational schools to offer the power generation engineering major. My interest lies in this major not only because it is unique and the expertise is in high demand but also because I want to be one of the few girls to work in the male-dominated energy sector. Thanks to the full scholarship offered by Saratoga, I can now pursue my study in SMK OeL with a specialization in the Industrial Internet of Things.*

*The resources and support from Saratoga have encouraged me to study even with more determination as I strive to make the most out of this*

*opportunity. It also has made my learning experience in SMK OeL wonderful. I can explore my interest with ease along with the comprehensive facilities. With a close-knit learning environment, the school feels like a family. I am proud to say that my hard work and determination have led me to achieve the first rank in my class in 2022.*

*The Saratoga scholarship is beneficial for me and my future. I hope Saratoga continues to grow and profoundly impact the education in Indonesia so that we can have a better generation ahead. Happy 25<sup>th</sup> Anniversary, Saratoga!"*

## Nurturing The Future: The Entrepreneur Development for Youth program (ENVOY)

For the past 10 years, we have played an important role in supporting the growth and success of young entrepreneurs in Indonesia. Our commitment to entrepreneurship stems from its importance in driving economic growth, fostering development, and promoting innovation. The rise in the number of startups in recent years is a testament to the growing interest among young entrepreneurs, yet many still face challenges in keeping their businesses viable.

To help mitigate these difficulties, we have lent our resources and expertise to the Mien R. Uno Foundation since 2015 to conduct their Entrepreneur Development for Youth (ENVOY) program. Our goal is to empower young entrepreneurs and equip them with the skills and knowledge necessary to overcome obstacles and achieve success. By doing so, we aim to make them agents of change for their communities and contribute to the overall prosperity of society.

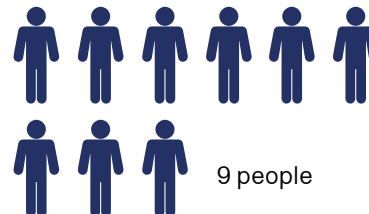
The ENVOY program is a comprehensive 12-month program designed to provide guidance and support to young Indonesian entrepreneurs, particularly university students. With 13 successful cycles completed in 2022, the program has a proven track record of assisting aspiring entrepreneurs. The recruitment process for the 13<sup>th</sup> batch of participants started in April 2021 and lasted for a thorough five months. The program selection process includes interviews, group discussions, psychological and competence tests, and reference checks. Out of numerous applicants, 19 talented students from 9 cities and 11 different universities were hand-picked to take part in this exciting program. Out of the 19 students, 17 are students from Indonesian public universities. Saratoga provided financial support for 5 students and 2 program trainers.

### ENVOY 13 Participants Distribution



### ENVOY 13 Participants Demographic

Male



9 people

Female



10 people

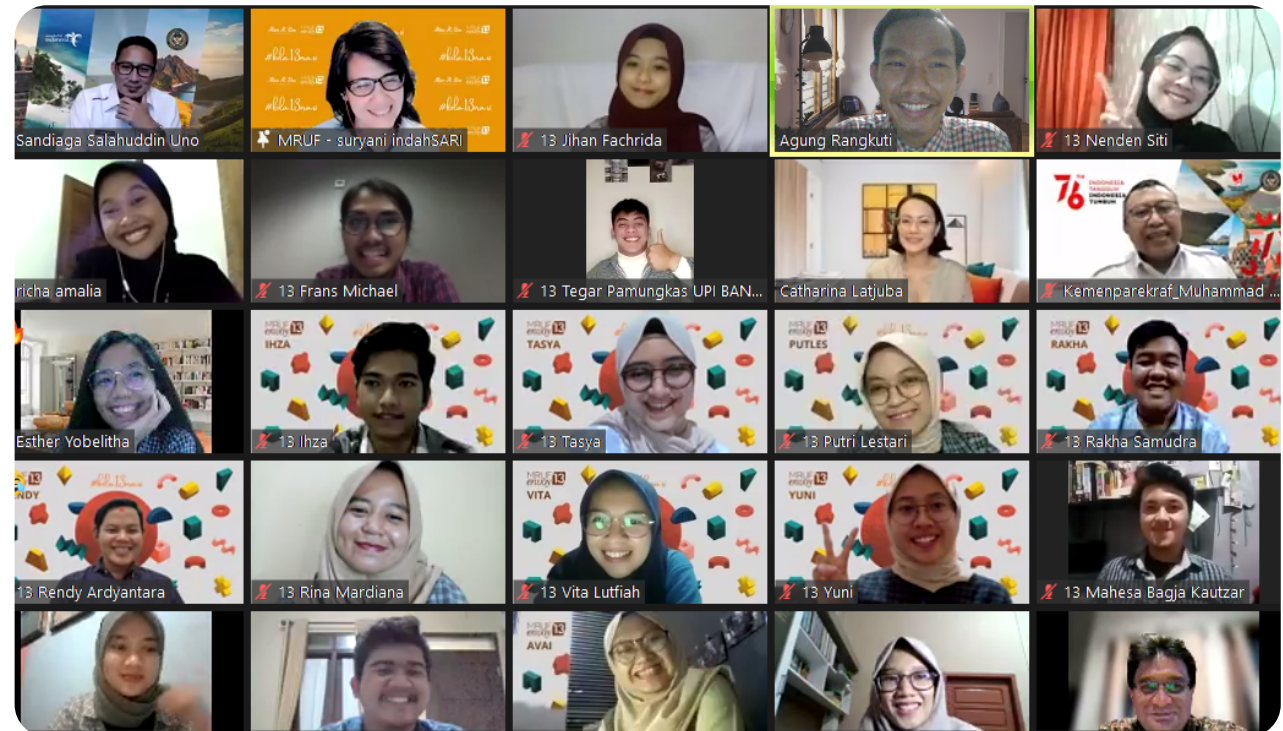


## ENVOY 13 Timeline



The ENVOY program is structured into two distinct phases, each lasting for 6 months. The first phase focuses on providing the young entrepreneurs with comprehensive entrepreneurship training, business coaching, and mentorship. This phase is designed to equip them with the necessary skills and knowledge to launch and run successful businesses. The second phase, which is the project monitoring stage, is dedicated to monitoring their progress and ensuring they have the support they need to sustain and grow their businesses. Throughout the 12-month program, the young entrepreneurs will have access to various resources and networks to help them achieve their business goals.

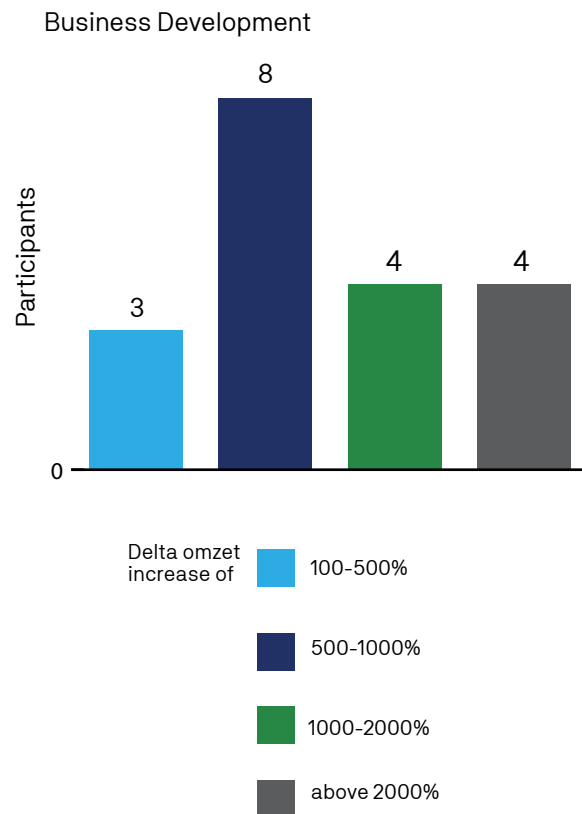
The ENVOY 13 program entered its second phase in 2022, focusing on dependent coaching and one-on-one sessions. In March of that year, participants participated in a series of digital training sessions and collaborated with Shopee Indonesia for additional training. Responding to the participants' expressed need for more discussion sessions to foster familiarity, the program established a bi-weekly check-in session moderated by an ENVOY program officer. These sessions provided a platform for sharing stories, connecting, and building stronger relationships. The check-in sessions ran from December 2021 to April 2022.



## ENVOY 13 Program Impact

### On the Participants

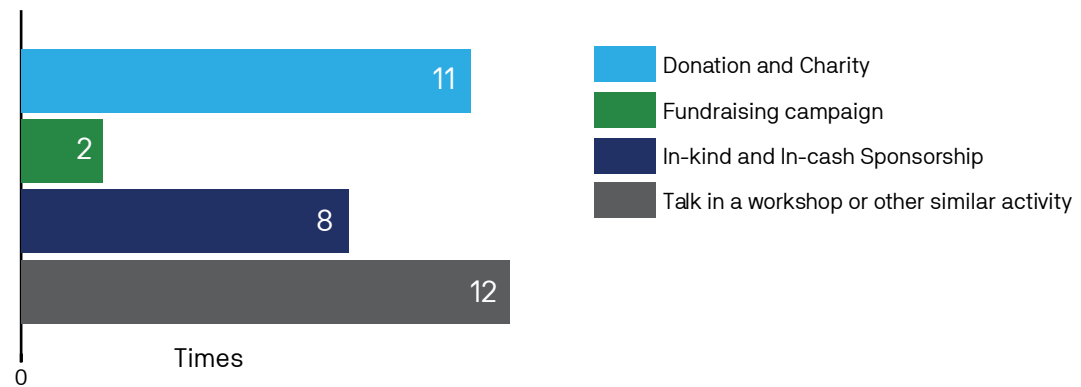
The participants' businesses experienced immense financial growth



### On the Society and the Environment

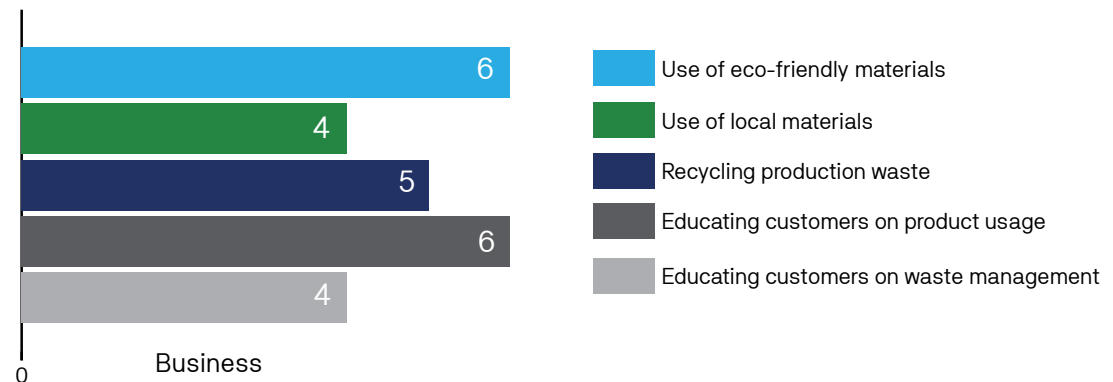
#### Social Activities

ENVOY 13 participants are involved in a variety of social movements aimed at improving society, such as regular donations and charity work, advocating for fundraising, providing in-kind and in-cash sponsorships, and serving as speakers in trainings and similar events.



#### Business Impact on the Environment

ENVOY 13 participants have engaged in activities aimed at promoting environmental sustainability in the course of conducting their businesses.





Handling the growth of a business can pose difficulties. The knowledge I received from ENVOY equipped me with the skills to manage my fashion enterprise, which have involved 20 distributors across Java and Sumatra.

**Vicky Yoga Ivansyah**

ENVOY 13 Participant  
Founder of Alumnea



Through ENVOY, I learned how to effectively employ digital marketing tactics to optimize sales, while also creating job opportunities for local artisans. ENVOY also taught me how to engage in sustainable business practices to safeguard the environment.

**Putri Ruswandini**

ENVOY 14 Participant  
Founder of Candyco



Entrepreneurship is a mindset of how one can become a better version of oneself every day.

—  
Indra C. Uno  
COMMISSIONER



## ENVOY 14

In 2022, we initiated the screening procedure for the ENVOY 14 program. A total of 18 undergraduates from 10 universities across Indonesia were chosen to participate in the program. Thus far, the participants have undergone various developmental activities such as training, coaching, and mentoring. The ENVOY 14 program is expected to conclude by mid-2023.

## SOCIAL AND CULTURAL DEVELOPMENT

[GRI 203-1][POJK F.25]

### Housing for Humanity

Habitat for Humanity Indonesia has been working tirelessly to eradicate poverty and provide decent and comfortable housing for those in need. The organization has been successful in providing homes to many families in need, but there is still much work to be done. To help in their efforts, Saratoga and a group of 62 CEOs have come together to take part in the Housing - CEO Build 2022 with Habitat for Humanity Indonesia, in Sumbermulyo Village, Banyuwangi, East Java.

The CEOs participating in this event come from various parts of Indonesia, including 40 from Jakarta, 21 from Surabaya, and 1 from Bali. They have come together to build 10 houses for those in need, with Saratoga funding two of these houses. In addition to Saratoga, our investee company, Adaro and MPM, has also contributed to the cause of housing for humanity by financing the construction of three and two houses consecutively. This event serves as a testament to the power of collaboration

and the positive impact that businesses can have when they work together towards a common goal. By participating in this event, Saratoga and the other CEOs are not only providing a better place to live for those in need, but also demonstrating their commitment to making a positive difference in the world. This event is in line with the theme of “Board Room Leaders, Community Builders”, as it showcases the leadership skills and community spirit of the participating CEOs. The CEOs are not only leaders in the boardroom, but they are also leaders in their communities, working together to make a positive impact on the lives of the underprivileged.

In conclusion, the Housing - CEO Build 2022 with Habitat for Humanity Indonesia, Banyuwangi, East Java is a truly remarkable event that serves as an example of the positive impact that businesses can have when they work together. The efforts of Saratoga and the other CEOs will make a lasting impact on the lives of those in need and will inspire others to take part in similar initiatives in the future.



*Edwin Soeryadjaya, the President Commissioner and Founder of Saratoga, traveled to Banyuwangi to assist in constructing the housing project during the CEO Build 2022 event.*





## Building Better Lives Together: A Story of Cooperation and Humanity



"As Habitat Indonesia's National Director since 2018, I've participated in CEO Build twice, first in Gresik in 2019 and again in Banyuwangi in 2022. My team organized CEO Build to assist low-income communities in Banyuwangi. This program allows Habitat to continue its mission of building decent housing in new areas while also inviting corporate leaders to see firsthand the living conditions of families living below the poverty line and Habitat's role in reducing housing poverty in Indonesia.

In the 2022 program, 13 new houses were successfully built in the village of Sumbermulyo, Banyuwangi. This success was certainly not possible without the cooperation of several participating companies and individuals, including Saratoga, which provided funding support to build two houses. We are very grateful for the collaboration in spreading this benefit, especially when Mr. Edwin, the President Commissioner and Founder of Saratoga, himself traveled to Banyuwangi to participate directly in assisting with the housing project during the CEO Build 2022 event.

With the success of the program, low-income families can now live in decent housing and improve their

well-being. The new homes have sanitation facilities and access to clean water, promoting responsible and sustainable waste disposal practices among homeowners. In addition, the Habitat housing program provides various significant benefits for the residents of Sumbermulyo village. Habitat provides training to local committees on the proper and safe ways to build livable and safe houses, as well as the use of materials that meet construction standards. The program also creates job opportunities for the local community and supports the economy by purchasing materials locally.

Saratoga's substantial participation in this program is an indication of their dedication to resolving critical social problems in the community. We genuinely hope for this collaboration to prosper in the coming years. Furthermore, it is my aspiration for the CEO Build program to become an annual event, thus raising awareness among more corporate leaders about the numerous families in Indonesia who still require decent housing. I also anticipate that this program will lead to a positive transformation for the beneficiary families."



**Susanto Samsudin**

National Director of Habitat for Humanity Indonesia



## Ramadan Kareem: Giving Back to the Community



*Ramadan Kareem: Spreading Love and Light in the Orphanage in North Jakarta*

Ramadan is a very important time for Muslims all over the world, as it is a month of fasting, reflection, and worship. During this sacred month, Muslims come together to celebrate their faith and to focus on their spiritual growth. It is a time for self-discipline, self-reflection, and a time for sharing and helping others.

As a socially responsible company, Saratoga also commemorates Ramadan by sharing and giving back to the community. Saratoga has extended its charitable efforts to Cilincing, North Jakarta, where the team visited orphanages and provided goodie bags and monetary gifts to 30 elementary school orphans. This initiative aims to spread joy and happiness and support those in need during this holy month.

Moreover, to help local communities, Saratoga provided basic necessities such to 300 families in the East and North Jakarta areas.

This provision aims to provide assistance that can help ease the daily struggles and hardships that people experience.

At Saratoga, the company believes that as a responsible corporate citizen, it is our duty to create value for stakeholders and give back to the community. Through our acts of sharing and giving during Ramadan, we sincerely hope to inspire others to do the same and make a positive impact.

Saratoga is demonstrating our commitment to making a positive impact in the world and helping those in need. This act of generosity during Ramadan is a testament to the company's values and its commitment to helping build a better future for all.



## A Season of Giving: Brings Cheer to Local Orphanage



*Saratoga Brought Cheer to Pelayanan Kasih Bhakti Mandiri Orphanage*

Our company is committed to making a positive impact in our community, and we are proud to have conducted a special program during the Christmas season to provide donations to Pelayanan Kasih Bhakti Mandiri Orphanage located in East Jakarta. We wanted to make a difference in the lives of the children and nuns who live in the orphanage, recognizing the challenges they face and their need for basic necessities and love.

Our program aimed to provide both material support and emotional upliftment. We distributed goodie bags and groceries to 116 children and 50 nuns and provided financial assistance to help cover the costs of the



orphanage's daily operations. We hoped that these donations would bring happiness and hope to the orphanage's residents, allowing them to enjoy the Christmas season.

Saratoga sees this program as part of our ongoing commitment to supporting our community. We understand that the needs of the orphanage are ongoing, and we remain committed to providing support in the long term. We believe that by taking action and helping those in need, we can create a more compassionate and caring society. Through programs like this, we hope to inspire others to join us in making a positive impact on our community.





## Saratoga's Donation for the Earthquake Victims in Cianjur



*Standing strong together - Our company's contribution brings hope and support to Cianjur in the aftermath of the disaster.*

On November 21, 2022, a 5.6 magnitude earthquake struck near Cianjur, West Java, Indonesia. The seismic activity caused a significant loss of life, resulting in an estimated 335 to 635 fatalities and 7,729 individuals injured. The effects of the disaster were also felt through extensive property damage, with over 62,628 homes damaged across 16 districts in Cianjur Regency and its surrounding areas. The disaster triggered widespread panic and fear among residents, leading many to evacuate their homes and seek safety elsewhere. Both emotionally and physically, the event was devastating, with physical destruction including collapsed buildings, broken roads, and damaged bridges.

One of the immediate needs for those affected by the earthquake was shelter. Many homes were severely damaged or destroyed, leaving families without a place to stay. In response, Saratoga provided tents to affected families to provide temporary shelter.

The earthquake also disrupted the availability of basic necessities such as food and clothing. To address this, Saratoga provided new clothing to those affected by the earthquake. Saratoga also recognized the need for communal spaces to provide food and basic supplies to those affected by the earthquake. To address this, Saratoga set up public kitchens in the affected areas, ensuring that those who were displaced or otherwise impacted by the disaster had access to hot meals and other basic necessities.

The provision of aid to disaster victims is a key part of Saratoga's commitment to social responsibility and corporate citizenship. By providing support to those in need, Saratoga demonstrates its dedication to creating a positive impact in the communities.





## Encouraging Awareness and Actions for Environmental Sustainability



## ENCOURAGING AWARENESS AND ACTIONS FOR ENVIRONMENTAL SUSTAINABILITY

The development of environmental issues has further increased Saratoga's awareness of the various risks resulting from the impact of the Company's business activities on the environment. Increasingly dire environmental problems such as climate change and pollution are now a global concern. We face not only the risk of economic loss but also the loss of livelihoods. Indonesia has prepared several plans to adapt and mitigate these issues. As Indonesian citizens, we also play an important role in overcoming these challenges. Furthermore, as a world-class active investment company, Saratoga plays a critical role in the country's transition towards a more sustainable future.

### SUSTAINABLE DEVELOPMENT GOALS CONTRIBUTION

Saratoga recognizes and places great importance on the Environment aspect. Thus, it is a pillar in the CID work that we aim to support. The pillar contributes to the achievement of the SDG goals: (7) Affordable and Clean Energy, (12) Responsible Consumption and Production, (13) Climate Action, and lastly (15) Life on Land.



Saratoga recognizes the urgency and importance of addressing environmental concerns and is committed to being a responsible corporate citizen in reducing our impact to the environment. To support the SDGs mentioned above, we have narrowed them down to seven key areas of environmental improvement. The seven aspects are Environmental Policy, Climate Change, Biodiversity, Renewable Energy, Disaster Preparedness, Waste Management, and Water Efficiency. The aspects mentioned are also covered in our ESG Roadmap, which includes targets and initiatives we plan to undertake for the next 5 years.

# A Glimpse of Our Environmental Performance in 2022



**Updated**  
environmental policy



Development of **ESG Roadmap**  
that has integrated environmental initiatives,  
including a pathway to carbon neutrality



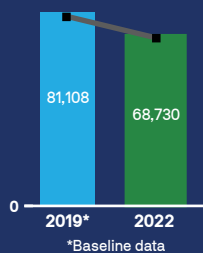
Two new green investments: **AtriaDC & Forest Carbon**



**14%** Reduction  
in electricity usage\*

\*Compared to 2019 baseline data

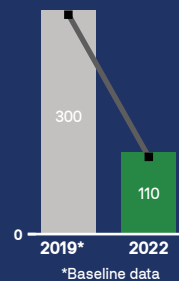
Electricity usage (kWh)



**63%** Reduction  
in paper usage\*

\*Compared to 2019 baseline data

Paper usage (Rim)



**5,570**

total training hours of  
environmental awareness  
training for management,  
employees, investee  
companies, and the  
community



## TACKLING THE CLIMATE CRISIS

One of the key areas of focus is Climate Change. Climate change has become an increasingly prominent threat, with worsening climate disasters and impacts on biodiversity and human health. This threat is all due to the accelerated growth of yearly greenhouse gas emissions. Hence, Saratoga has identified climate change as an important issue and has plans for its mitigation and adaptation.

Saratoga is committed to reducing our carbon footprint and contributing to a more sustainable future. We are committed to procuring a Greenhouse Gas inventory for 2023, consisting of Scope 1, 2, and 3 (categories Business Travel and Employee Commuting). We intend to find our emission sources and are also resolved to reduce these emissions over the next few years. The ultimate goal is to achieve carbon neutrality by 2027, in a pathway to reach net zero in the coming future. <sup>[POJK F.11]</sup> <sup>[POJK F.12]</sup>



## INVESTING IN A GREENER FUTURE

Aside from reducing our carbon footprint, Saratoga has already shifted our investment strategy to prioritize investments to support a sustainable future. The realized strategy can be seen through our investment in PT Xurya Daya Indonesia, a start-up company engaged in developing solar energy in Indonesia. Furthermore, some of our portfolio companies, namely PT Tower Bersama Infrastructure Tbk. & PT MGM Bosco Logistics have transitioned towards renewable energy as one of their energy sources. That was achieved by having installed solar panels in 2021. In 2022, we also invested in two companies that have green initiatives as part of their operations.

### Forest Carbon <sup>[POJK F.10]</sup>

The logo for Forest Carbon, featuring the words "FOREST" and "CARBON" stacked vertically in a bold, sans-serif font. The "F" in "FOREST" is green, while the rest of the letters are dark blue.

Saratoga has made new investments in Forest Carbon as part of its green investment portfolio in 2022. Forest Carbon is a premium forest restoration project developer in Southeast Asia. Established in 2012, Forest Carbon continues to deliver benefits for local communities, biodiversity, and investors through a proven business model. Forest Carbon now operates in Sumatra, Borneo, and Papua and is expanding to other Southeast Asia regions. Saratoga views Forest Carbon as an opportunity for local businesses to create jobs and promote sustainable economic growth by preserving Indonesia's natural resources. This investment aligns with the company's commitment to environmental sustainability, and reflects our belief in the importance of mitigating the effects of climate change.

The Sumatra Merang Peatland Project is one of Forest Carbon's most notable projects that offer a business model for peatland restoration. The program operates by trading carbon credits to premium global brands, increasing land cover by up to 23%. The project protects and restores 22,280 hectares of peatland forest, averaging 1,300,000 tons of CO<sub>2</sub>e reduced annually. It also protects 100+ endangered, threatened, or vulnerable species at the site, including the Sumatran Tiger, Sun Bear, and Rhinoceros Hornbill.

### AtriaDC

The logo for AtriaDC, featuring the word "ATRIA" in a bold, sans-serif font with a green leaf-like graphic to the left of the "A". The "DC" is in a smaller, blue font to the right of "ATRIA".

Another noteworthy investment in the year 2022 is the Company's investment in AtriaDC. The only scalable and environmentally friendly in-town data center in Indonesia is owned and run by AtriaDC. This company gives businesses the flexibility and scalability to collocate, link, and offer top-notch digital experiences to their partners, clients, and end users. AtriaDC's location is strategically chosen for its high network density and large end-user population. Additionally, the company has a land bank with the capacity to accommodate a maximum design capacity of 25MW. AtriaDC is also committed to using renewable energy in the future. As a step in that direction, AtriaDC currently uses the combined cycle source, a greener and less GHG emitting alternative to PLN's electricity sourced from non-renewable energy.



## THE URGENT NEED FOR ENVIRONMENTAL AWARENESS

To attain our objective of a sustainable future, raising environmental awareness became an important part of our mission. As an investment company, we are well aware that we play a significant role in shaping the future of our economy and environment. Over the years, people have been better equipped and informed to make better choices that can help reduce negative environmental impacts and advance sustainability. Hence, it is vital for us to engage with employees, investee companies, and the community to raise environmental awareness.

We recognize our daily impacts on the environment, especially regarding energy utilization, paper usage, and waste generation. In our daily operations, we remain committed to encouraging our personnel to be more environmentally conscious by fostering a culture of eco-friendliness. We implemented various initiatives to raise employee understanding of the importance of energy and water conservation, paper consumption reduction, and plastic waste minimization.

We teach our employees how to save energy and water by making it the norm for them to turn off lights and office equipment when they're not in use and use water in a responsible way.

We aim to continue reducing paper usage in our office operations by digitization efforts on our company systems, as implemented in electronic signatures. We encourage reusable drinking containers and prohibit single-use plastic bottles during work meetings to keep reducing plastic waste. <sup>[POJK F.1]</sup> <sup>[POJK F.7]</sup>

Saratoga has monitored electricity and paper consumption since 2019. We keep trying year after year to reduce how much electricity and paper we use. During the 2020 and 2021 pandemic, the use of electricity and paper decreased significantly due to restrictions on activities in the office. In 2022, we saw an increase in paper and electricity consumption due to the recovery of normal office activities and post-pandemic recovery. Compared to the baseline data from 2019 (representing normal conditions before the pandemic), we observed a reduction in electricity and paper usage due to our efforts in digitalization and increasing employee environmental awareness. We have not yet conducted detailed monitoring of water usage from the operations of our office located in the office building. This is our concern for the development of future environmental programs. Details of electricity and paper usage data can be seen on page 87.

**14%**

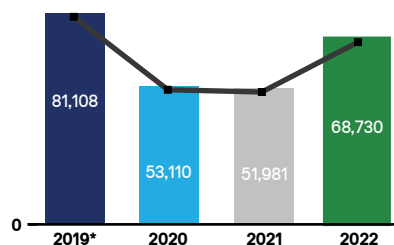
Reduction  
in electricity usage\*

**63%**

Reduction  
in paper usage\*

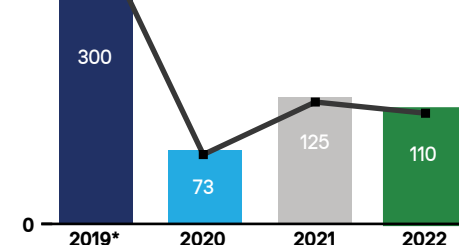
\*Compared to 2019 baseline data

Electricity usage (kWh)



\*Baseline data

Paper usage (Rim)



\*Baseline data



## A Better Road Ahead Guided by The ESG Roadmap

Saratoga's ESG Roadmap guides our ESG initiatives for the next five years. Accordingly, one of our primary objectives in the coming years for environmental aspects is to undertake our first inventory of GHG emissions, along with a thorough assessment and program development of our water usage and waste generation. <sup>[POJK F.8]</sup>

Moreover, we will develop waste reduction and recycling programs. These plans consist of processing and sorting waste from our operations with a third-party waste bank and recycling provider and the advocacy of the management of Saratoga's operational office building (Menara Karya) to implement a waste management program.

As for the water aspect, our programs relating to water-use efficiency, which we plan to accomplish, consist of developing policies and programs regarding water conservation, joining global initiatives in the water conservation sector, as well as encouraging the implementation of a water efficiency program at investee companies.

In line with our efforts to increase environmental awareness, in 2022, we held a series of training about Environmental, Social and Governance ESG topics attended by management, employees, and representatives of investee companies.

As stated in our ESG Roadmap, we intend to map training needs for each division and conduct more ESG-focused training to facilitate the application of ESG principles and promote sustainability in our operations. In addition, Saratoga actively strives to raise environmental awareness not only among its employees but also among its investee companies.

We encourage the adaptation and implementation of ESG practices to reduce their operations' impact on the environment. Per our ESG Roadmap plans, we aim to encourage investees to transition towards a sustainable business. This is accomplished by pushing investee companies to develop their ESG policies based on national and international standards, transition towards using renewable energy, and developing a GHG inventory of their own to take the steps needed to reduce their emissions.

## Trainings Related to ESG



4

Training sessions



60

Total participants from management, employees and representatives of investee companies



134

Total training hours

## ENVIRONMENTAL LEADERSHIP TRAINING: *TO BE A NEW GREEN LEADER*

To increase environmental awareness in the community, Saratoga has collaborated with the Eco-Learning Camp Foundation to organize a training program called “To Be A New Green Leader”. The camp has been held annually since 2015. This initiative aims to educate participants on the significance of environmental preservation and inspire them to act as agent for change in their communities. Participants are encouraged to become environmental leaders through actions aimed at conserving the environment and increasing environmental awareness.

After COVID-19 in the last few years had us holding events online, in 2022 we were back with our offline environmental leadership training. The event held in 2022 was divided into two batches. Each batch underwent ten days of training in November and December, followed by the implementation of the participants’ projects. The training was attended by 68 participants from all walks of life, including teachers and lecturers, religious leaders, environmental activists, entrepreneurs, researchers, civil servants, and others from 19 provinces throughout Indonesia.

Each year, Saratoga allocates a specific budget to fund this program as part of our commitment to the environment pillar mentioned in the previous chapter of this report. Saratoga’s expenditure on this program can be seen on page 56 [\[POJK F.8\]](#). To date, more than 536 individuals of various ethnicities, races, and religions have participated in the program. They have been transformed into advocates for the environment in their respective communities, sharing their knowledge, guidance, and directions on “green” living behavior with over 23,000 people across Indonesia that are useful for themselves, their families, and their immediate surroundings to maintain environmental sustainability.

After completing the Green Leader training, participants are tasked with implementing an environmental project in their respective areas. As of December 21, 2022, at least 27 ongoing environmental projects had impacted more than 6,000 individuals. The details of the categories are presented in the infographic below.





## Our Partner's Thoughts



### Yohana Rahayu Gagarini

Chief Executive  
Eco-Learning Camp Foundation

*"In the year 2022's event, I served as the Chief Executive of the Eco Camp in the Environmental Leadership Training. As a partner, we were given a place to do this training to help us reach our vision and mission of making responsible people who care about the environment and learn from it. Together with Saratoga, we made Green Leaders who do real things to help the environment around them.*

*We are proud and delighted that Saratoga's collaboration has given birth to individuals capable of rallying community groups to work for the betterment of the environment and, with the support of Saratoga, can*

*execute environmental projects in their respective regions. The emergence of "Green Leaders" also inspires the community to adopt a more environmentally conscious way of life.*

*We hope this program will continue to reach more people, get more and better participants, and keep the collaboration going. To ensure the sustainability of the program, we also hope that Saratoga will continue its support and monitor the progress of ongoing projects, which have already had a significant positive impact on the surrounding environment."*



A low-angle, upward-looking photograph of several modern skyscrapers. The buildings are constructed with glass and steel, featuring repetitive window patterns and architectural details like balconies and overhangs. The sky is a clear, vibrant blue with soft, wispy white clouds. The perspective creates a sense of height and scale, with the buildings converging towards the top of the frame.

## About This Report

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## ABOUT THIS REPORT

In furtherance of our commitment to support Saratoga's responsible and sustainable business development, we have published a Sustainability Report annually since 2020. This report aims to provide stakeholders with a comprehensive understanding of our performance in managing operational impacts across the economic, social, and environmental domains.

We have compiled this third Sustainability Report to demonstrate our commitment and responsibility to upholding transparency and accountability and strengthening our relationships with stakeholders.

We hope this report will give stakeholders information about how we did in terms of economic, environmental, and social sustainability in 2022, as well as a comparison to how we did in the previous year or two. We issue the Sustainability Report and the Annual Report annually, both of which can be accessed through the company's official web portal.

Saratoga has reported in accordance with the GRI Standards 2021 for the period January 1 – December 31, 2022. This report also refers to several indicators, requirements, and recommendations from the following framework, standards, and guidelines:

- Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies (POJK 51)
- Task Force on Climate-related Financial Disclosures (TCFD) Framework
- Sustainable Development Goals (SDGs)
- 10 Principles of the United Nations Global Compact (UNGC)

For the convenience of readers, we have presented the GRI, and POJK indicator numbers presented in a different color in the relevant narrative section and attached an Index List on page 90 and 95.

We have yet to carry out an external assurance process for this Report. To ensure the credibility and quality of the information presented, all content and data have undergone an internal verification process approved by the Board of Directors. <sup>[GRI 2-5][GRI 2-14] [POJK G.1]</sup>

## SCOPE, CONTENTS, AND BOUNDARIES OF REPORTING

<sup>[GRI 2-2]</sup>

Saratoga's 2022 Sustainability Report covers consolidated information and data of Saratoga and its subsidiaries as stated on page 15, consistent scope with that of our 2022 Annual Report. Some performance discussions also include the performance of investee companies. Financial data is sourced from audited financial reports.

No restatements are made to previous reports, and there are no significant changes from previous reports. In presenting the report, we use the terms "Saratoga", "Company", or "We" to represent PT Saratoga Investama Sedaya Tbk. <sup>[GRI 2-3][GRI 2-4]</sup>

The data and information presented may be qualitative, quantitative, or both and provide explanations of policies, efforts, and achievements. Numeric data is presented in Indonesian metrics unless otherwise indicated.

During the reporting period, there were no significant changes to the Company's business activities, ownership structure, organization, or supply chain. <sup>[POJK C.6]</sup>

We have adhered to the reporting principles of the GRI 2021 Standards used as a reference in compiling the Sustainability Report, including accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. Saratoga has also involved stakeholders in determining the report's content through the materiality assessment process.

External input on this report is essential for improving our Sustainability Reporting. We provide a Feedback Form at the end of this report. We hope that readers and users of this report can provide suggestions, feedback, opinions, and other valuable input to improve the quality of reporting in the future. <sup>[POJK G.3]</sup>

For questions, feedback, and comments on this report, please send them to:

**Corporate Secretary**  
**PT Saratoga Investama Sedaya Tbk.**  
Menara Karya 15<sup>th</sup> floor  
Jl. H.R. Rasuna Said Block X-5 Kav 1-2,  
South Jakarta 12950

Phone : +62 21 5794 4355  
Fax : +62 21 5794 4365  
Website: [www.saratoga-investama.com](http://www.saratoga-investama.com)  
Email : [corporate.secretary@saratoga-investama.com](mailto:corporate.secretary@saratoga-investama.com)

## MATERIALITY ASSESSMENT PROCESS WITH STAKEHOLDERS

Our approach to identifying material topics has undergone significant advancements since the last report. Previously, our attention was solely focused on topics considered to be of paramount significance by our stakeholders. However, this year, we have adopted a more all-encompassing method to examine our company's impact on the economy, environment, society, and human rights. In doing so, we have meticulously adhered to the principles and guidelines set forth by the Global

Reporting Initiative (GRI) in 2021. By implementing these measures, we aim to provide our stakeholders with a comprehensive understanding of our company's impact on the various aspects of society and to be transparent in our efforts to promote sustainable practices and values.

We have engaged the assistance of an external consultant to define our material topics through a systematic procedure with our stakeholders as follows <sup>[GRI 3-1]</sup>:

### 1 Identify Actual and Potential Impact

To evaluate our company's impact thoroughly, we take into consideration both the actual and potential effects on various aspects of society and the world around us. This includes positive and negative impacts that our company may have on the economy, environment, society, and human rights.

### 2 Assess the Significance of the Impact

In determining the material topics, it is crucial to assess the significance of each impact. This involves thoroughly evaluating the severity and likelihood of each impact, considering internal and external perspectives. We conducted focus group discussions (FGDs) and distributed questionnaires to gather these perspectives. The questionnaires received responses from 18 individuals representing a range of stakeholders, including Saratoga employees, NGOs, suppliers, media, and others.

### 3 Prioritize the Most Significant Impact

After assessing the impact severity and likelihood, we establish a threshold to determine which impacts are of utmost priority. These prioritized impacts will then be grouped into relevant topics, allowing us to focus our attention and efforts on the most significant issues.

### 4 Approval of Material Topics

This process is concluded with the approval from the Board of Directors, ensuring that our sustainability reporting is consistent with the expectations and concerns of both our stakeholders and our company. <sup>[GRI 2-14]</sup>

As mentioned, the Company has outlined several procedures to determine the material topics that significantly impact the economy, environment, society, and human rights. These material topics have been carefully evaluated and are presented below. <sup>[GRI 3-2]</sup>

Each of these topics represents key areas that require attention and action to ensure Saratoga's business operations' long-term sustainability and success. By focusing on these material topics, Saratoga can ensure that its future business strategies are aligned with its values, goals, and obligations to its stakeholders while also contributing to the wider sustainability goals of

society. Ultimately, the successful implementation of these material topics will ensure that Saratoga remains a responsible and profitable business well into the future.

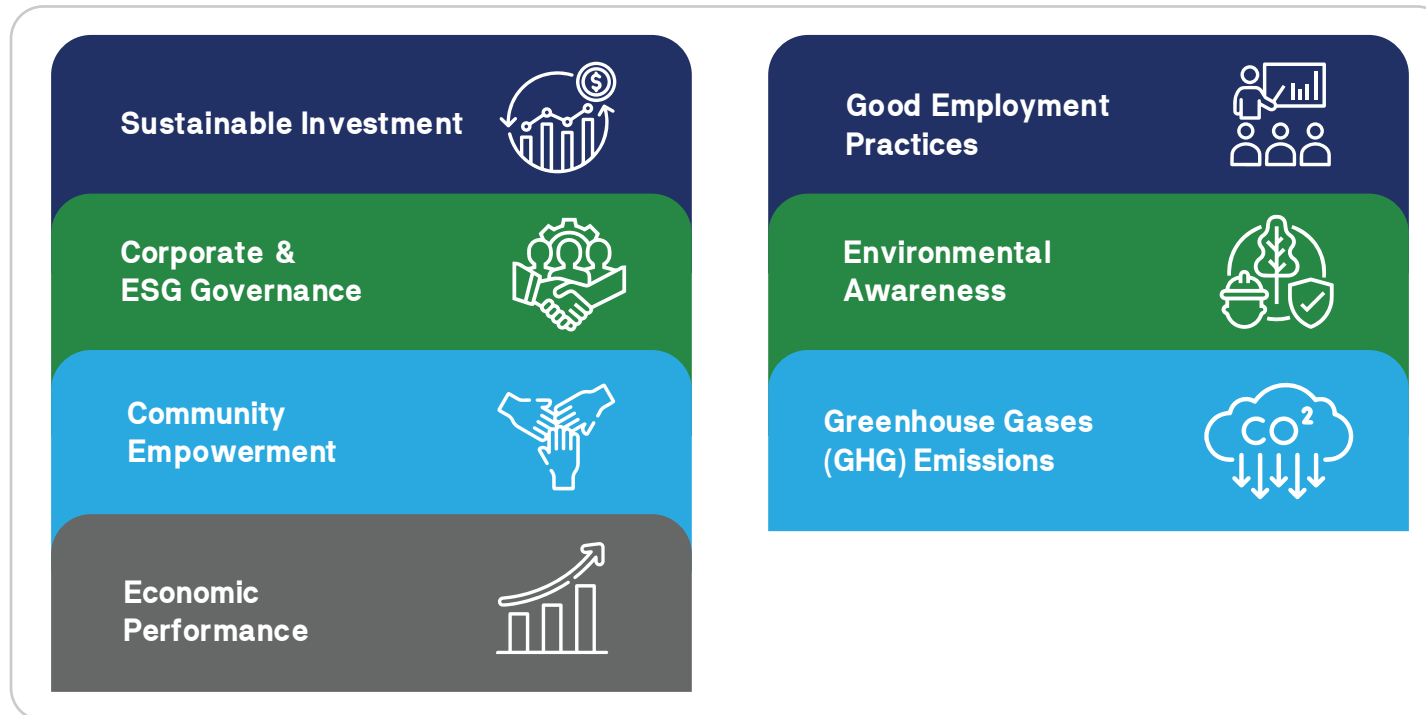
As part of our commitment to promoting carbon neutrality and reducing our environmental impact, we have taken a more thorough approach to evaluate our environmental footprint this year. In addition to the sustainability topics we addressed last year, we have added two new ones to our agenda, focusing on environmental awareness and GHG emissions. By emphasizing these critical areas, we are confident that we can make a meaningful impact on

reducing our environmental impact.

We mainly refer to specific indicators from the GRI Standards to guide us in disclosing the performance of our material topics. In addition, we also refer to Sustainability Accounting Standards Board (SASB) standards and requirements from POJK 51 to cover other topics that are not addressed by GRI. Particularly for the environmental awareness topic, we established our internal indicator to demonstrate the performance of our initiatives in that certain topic.

The linkage between material topics and their specific indicators for disclosure is provided on the next page.

## SARATOGA'S MATERIAL TOPICS





Material Topic	Description of Material Topic	Topic Specific Disclosure
Sustainable Investment	Consideration of Environmental, Social, and Governance (ESG) factors in our investment decisions in addition to financial returns.	Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory Topic as part of SASB Standard for Asset Management and Custody Activities Sector
Corporate & ESG Governance	Covers several aspects of corporate governance, including anti-corruption, good corporate governance, and governance to manage impacts related to ESG aspects.	<ul style="list-style-type: none"> <li>● GRI 2: General Disclosure</li> <li>● GRI 205: Anti-corruption 2016</li> </ul>
Community Empowerment	Highlights the importance of building positive relationships with the local community and contributing to community empowerment.	<ul style="list-style-type: none"> <li>● GRI 413: Local Communities 2016</li> <li>● GRI 203: Indirect Economic Impacts 2016</li> </ul>
Economic Performance	This topic covers Saratoga's financial performance that aims not only to generate profits but also to maintain a positive image of the company.	GRI 201: Economic Performance 2016
Good Employment Practices	Saratoga's efforts to ensure employment practices are implemented in accordance with relevant labor laws and regulations including the protection of labor rights. This topic also covers initiatives to improve employees' well-being and to create an inclusive, equitable, and respectful work environment.	<ul style="list-style-type: none"> <li>● GRI 401: Employment 2016</li> <li>● GRI 404: Training and Education 2016</li> <li>● GRI 405: Diversity and Equal Opportunity 2016</li> <li>● GRI 406: Non-discrimination 2016</li> </ul>
Environmental Awareness	The topic emphasizes promoting sustainable practices and building environmental awareness within Saratoga's internal and external stakeholders, including investee companies.	<ul style="list-style-type: none"> <li>● POJK 51 - F.1 indicator about activities to build a culture of sustainability</li> <li>● Total training hours to create environmental awareness for internal and external stakeholders including our investee companies</li> </ul>
Greenhouse Gases (GHG) Emissions	Talks about the greenhouse gas emissions and aims to minimize their impact on climate change and the surrounding area.	GRI 305: Emissions 2016







An aerial photograph of a large, long industrial building with a grey metal roof. The roof is covered with numerous rectangular solar panels arranged in a grid pattern, separated by yellow lines. The building is surrounded by greenery, including trees and a vineyard in the background. A road with some vehicles is visible in the foreground. The text "Our Contribution to Sustainable Development Goals" is overlaid on the left side of the image.






# **Our Contribution to Sustainable Development Goals**

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## OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals	Initiatives and Achievements in 2022	Pages
	<ul style="list-style-type: none"> <li>● Provided essential necessities to 300 underprivileged families in East and North Jakarta.</li> <li>● Provided aid to the Cianjur earthquake disaster victims.</li> </ul>	66; 68
	<ul style="list-style-type: none"> <li>● Actively involved in creating the educational curriculum for SMK ORA et LABORA to ensure a high standard of education for the past 6 years.</li> <li>● Awarded scholarships to ten high school students at SMK ORA et LABORA.</li> <li>● Provided employees with opportunities for training resulted in a total of 508 hours of employee training in 2022.</li> </ul>	58; 50
	<ul style="list-style-type: none"> <li>● The proportion of male and female staff in our company is equal, with 29 male and 30 female employees.</li> <li>● Women make up 33% of our Board of Directors.</li> <li>● Developed a policy for preventing sexual harassment in the workplace to ensure that all employees, especially women, can work in a safe and secure environment.</li> <li>● Provided financial support and assistance for ENVOY, in which there is an equal representation of male and female presentation.</li> </ul>	47; 31; 45; 60
	<ul style="list-style-type: none"> <li>● Invested in companies which supports energy transition such as Xurya (2021) and AtriaDC (2022).</li> <li>● Since 2016, the company has been providing professional expertise and material resources to SMK ORA et LABORA, a vocational school that specializes in power generation engineering with a focus on renewable energy.</li> </ul>	58; 59; 72

Sustainable Development Goals	Initiatives and Achievements in 2022	Pages
	<ul style="list-style-type: none"> <li>● Provided support for young entrepreneurs to develop and enhance their skills through ENVOY, which we have supported for the past 10 years.</li> </ul>	<p>60; 61; 62; 63</p>
	<ul style="list-style-type: none"> <li>● Supported adequate housing for 26 family members from 7 families in East Java in collaboration with our investee companies.</li> </ul>	<p>64; 65</p>
	<ul style="list-style-type: none"> <li>● Supported and sponsored the training program “To Be A New Green Leader”, an environmental education program in which 68 participants from 19 provinces in Indonesia run their own environmental programs (total of 5,440 training man-hours).</li> <li>● Encouraged the use of reusable drinking containers as well as prohibiting the use of single-use plastic bottles during work meetings to keep cutting down on plastic waste.</li> <li>● Implemented in electronic signatures to reduce paper consumption.</li> <li>● 63% reduction in paper usage*.</li> </ul> <p>*Compared to baseline data for 2019</p>	<p>73; 75; 76</p>
	<ul style="list-style-type: none"> <li>● Invested in Forest Carbon, a premium forest restoration developer that helps restore 22,000 hectares of forest in Sumatra as a carbon offset project.</li> <li>● Educated employees on energy and water conservation by promoting the practice of turning off lights and office equipment when they are not used.</li> <li>● 134 total training man hours related to environmental issues.</li> <li>● 14% reduction in electricity usage*.</li> </ul> <p>*Compared to baseline data for 2019</p>	<p>72; 73; 74</p>
	<ul style="list-style-type: none"> <li>● Invested in Forest Carbon, a premium forest restoration project developer that helps preserve Indonesia’s natural resources and simultaneously protect 100+ endangered, threatened, or vulnerable species at the site.</li> <li>● Implemented electronic signatures to reduce paper consumption.</li> <li>● 63% reduction in paper usage*.</li> </ul> <p>*Compared to baseline data for 2019</p>	<p>72; 73</p>



# Data Table

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## DATA TABLE

## EMPLOYEE STATISTICS [GRI2-7] [POJK C.3]

### EMPLOYEES BASED ON EMPLOYMENT TYPE

EMPLOYEE CATEGORY	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
Permanent employees	28	27	30	27	28	27
Temporary employees	1	3	1	3	1	3
<b>TOTAL</b>	<b>29</b>	<b>30</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>30</b>

### EMPLOYEES BASED ON JOB TITLE

EMPLOYEE CATEGORY	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
Director						
<30 Years old	0	0	0	0	0	0
30 - 50 Years old	2	0	2	0	2	0
>50 Years old	0	1	0	1	0	1
Manager and Supervisor						
<30 Years old	1	1	2	1	0	1
30 - 50 Years old	12	9	11	7	12	7
>50 Years old	5	6	5	6	5	7
Staff and Non-Staff						
<30 Years old	0	3	2	2	2	2
30 - 50 Years old	8	8	8	10	7	9
>50 Years old	1	2	1	3	1	3
<b>TOTAL</b>	<b>29</b>	<b>30</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>30</b>

## EMPLOYEES BASED ON AGE GROUP

AGE GROUP	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
<30 Years old	1	4	4	3	2	3
30 - 50 Years old	22	17	21	17	21	16
>50 Years old	6	9	6	10	6	11
<b>TOTAL</b>	<b>29</b>	<b>30</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>30</b>

## NEW EMPLOYEES [GRI 401-1]

AGE GROUP	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
<30 Years old	0	0	2	1	0	0
30 - 50 Years old	1	1	4	2	1	1
>50 Years old	0	0	0	0	0	0
<b>TOTAL</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>3</b>	<b>1</b>	<b>1</b>

## EMPLOYEE TURNOVER

AGE GROUP	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
<30 Years old	0	0	0	0	0	0
30 - 50 Years old	1	1	4	2	2	1
>50 Years old	0	0	0	0	1	0
<b>TOTAL</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>1</b>

## EMPLOYEES TURNOVER RATE

AGE GROUP	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
<30 Years old	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30 - 50 Years old	4.55%	5.88%	19.05%	11.76%	9.52%	6.25%
>50 Years old	0.00%	0.00%	0.00%	0.00%	16.67%	0.00%

## ELECTRICITY AND PAPER USAGE DATA

### ELECTRICITY AND PAPER USAGE

Data	Unit	2019*	2020	2021	2022
Electricity Usage <small>[POJK F.6]</small>	kWh	81,108	53,110	51,981	69,730
Paper Usage <small>[POJK F.5]</small>	Rim	300	73	125	110

\*baseline year





XURYA

Index

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## UNGC INDEX

UNGC PRINCIPLES		LOCATION
<b>Human Rights</b>		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	19 - 26; 44 - 53
Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	19 - 26; 44 - 53
<b>Labour</b>		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	48
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	48
Principle 5	Businesses should uphold the effective abolition of child labour.	48
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	9; 34; 45 - 46; 48
<b>Environment</b>		
Principle 7	Businesses should support a precautionary approach to environmental challenges.	19 - 26; 69 - 76
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	19 - 26; 69 - 76
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies	19 - 26; 69 - 76
<b>Anti-Corruption</b>		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	35

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			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
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	2-5 External assurance	78				
	2-6 Activities, value chain and other business relationships	14				
	2-7 Employees	47; 86				
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	2-9 Governance structure and composition	30 - 33				
	2-10 Nomination and selection of the highest governance body	30 - 33				
	2-11 Chair of the highest governance body	30				
	2-12 Role of the highest governance body in overseeing the management of impacts	23				
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	2-14 Role of the highest governance body in sustainability reporting	78; 79				
	2-15 Conflicts of interest	31 - 33; 35				
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GRI STANDARD	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
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	2-18 Evaluation of the performance of the highest governance body	28; 30; 33; 36				
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	201-3 Defined benefit plan obligations and other retirement plans	49				
	201-4 Financial assistance received from government	39				
<b>Indirect Economic Impacts</b>						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	20				
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	56 - 58; 64				
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<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	26; 34; 35				
	205-2 Communication and training about anti-corruption policies and procedures	35				
	205-3 Confirmed incidents of corruption and actions taken	35				
<b>Emission</b>						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	20				
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	-	Direct (Scope 1) GHG emissions	Information unavailable		



GRI STANDARD	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
	305-2 Energy indirect (Scope 2) GHG emissions	-	Energy indirect (Scope 2) GHG emissions	Information unavailable	Emission inventory will be our priority for 2023	
	305-3 Other indirect (Scope 3) GHG emissions	-	Other indirect (Scope 3) GHG emissions			
	305-4 GHG emissions intensity	-	GHG emissions intensity			
	305-5 Reduction of GHG emissions	-	Reduction of GHG emissions			
	305-6 Emissions of ozone-depleting substances (ODS)	-	Emissions of ozone-depleting substances (ODS)			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			
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GRI STANDARD	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
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## POJK INDEX<sup>[POJK G.4]</sup>

The POJK index in this report is compiled based on:

- Financial Services Authority Regulation (POJK) Number 51/POJK.03/2017
- Financial Services Authority Circular Letter (SEOJK) Number 16/SEOJK.04/2021

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		b. Reduction of Emission produced;	
		c. Reduction of waste and effluent; and	
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## FEEDBACK FORM

### [POJK G.2]

Thank you for taking the time to read the 2022 Sustainability Report of Saratoga. To improve the quality of our reporting and increase the transparency of our sustainability performance, we kindly request that you fill in the Feedback Form below and send it back to us. Your feedback will be valuable in helping us to better prepare our Sustainability Report for next year. Thank you again for your time and assistance.

#### Reader's Profile

Full Name:

Institution / Company:

Email:

Category:

- |                                     |  |
|-------------------------------------|--|
| <input type="checkbox"/> Government | <input type="checkbox"/> Media                   |
| <input type="checkbox"/> NGO        | <input type="checkbox"/> General Public          |
| <input type="checkbox"/> Industry   | <input type="checkbox"/> Others (please specify) |
| <input type="checkbox"/> Academic   | -----  |

1. This Sustainability Report provides valuable insights into Saratoga's economic, environmental, social, and governance performance.

☐ Agree ☐ Somewhat Agree ☐ Disagree

2. The data and information disclosed in this report are structured, systematic, and easily understandable.

☐ Agree ☐ Somewhat Agree ☐ Disagree

3. The data and information disclosed in this report are complete, transparent, and unbiased.

☐ Agree ☐ Somewhat Agree ☐ Disagree

4. The design, font type, size, color scheme, layout, and images in this report are attractive and easy to read.

☐ Agree ☐ Somewhat Agree ☐ Disagree

5. What is/are the information(s) in this report that you consider most useful?

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6. What is/are the information(s) in this report that can be improved?

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7. What information in this report do you think should be included in future reports?

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Thank you for taking the time to provide your feedback for this report. We value your input and encourage you to send your completed feedback form to:

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