EMTEK Advocates for Circular Economy, Climate Risk Mitigation and Anti Bribery/ Anti Corruption/ Anti Fraud Compliance

Jakarta, 12 November 2024 – PT Elang Mahkota Teknologi Tbk (IDX Ticker: EMTK, **"EMTEK"**) underscored its unwavering commitment to achieving the net zero emission target through the successful hosting of the EMTEK Executive Forum, themed **"Shaping a Sustainable Future: Mitigating Climate Risk & Upholding Compliance."** This distinguished forum featured two expert speakers: Riki Frindos, Executive Director and Chair of the Executive Board of KEHATI Foundation, and Stevanus Alexander Sianturi, Forensics and Integrity Services Partner at Ernst & Young Indonesia. The event, which garnered significant attention, brought together EMTEK's Board of Directors and Board of Commissioners and subsidiaries Board of Directors and Board of Commissionersalong with the leadership teams of all EMTEK subsidiaries across various sectors. Together, they engaged in a collaborative dialogue to explore strategic actions in addressing the pressing challenges of climate change and reinforcing the company's commitment to sustainability principles, with a clear focus on advancing towards a more sustainable and greener future.

The first segment commenced with an in-depth exploration of sustainability and the challenges posed by climate change from both economic and business perspective. As widely acknowledged, the integration of sustainability values is a complex undertaking, with significant hurdles such as environmental degradation, biodiversity loss, waste management, pollution, and the overarching threat of climate change continuing to pose serious challenges. A key driver of climate change is the Greenhouse Effect, which can be likened to a blanket enveloping the Earth, trapping solar heat within the atmosphere and causing global temperatures to rise. Addressing this issue requires a unified global commitment, as outlined in the roadmap for the world's energy transition to net zero by 2050. As part of the recovery process and to foster sustainable growth, this effort is steering industries towards the principles of a circular economy. A **circular economy** emphasizes the reduction, reuse, and recycling of resources, focusing not only on waste management but also on extending the lifecycle of materials through effective recycling. Furthermore, another critical solution to mitigating climate change is the adoption of a low-carbon economy, which is underpinned by three key pillars of energy transition: energy conservation, the use of renewable energy, and electrification—all aimed at significantly reducing carbon emissions.

The next topic presented was **Managing Anti-Bribery/Anti-Corruption Compliance for Sustainable Business**, which began with a comprehensive explanation of the distinctions between bribery, gratuities, kickbacks, and facilitation payments. Bribery, it was emphasized, can take both active and passive forms and involves a range of stakeholders, from government officials and vendors to internal employees within the company. The discussion then shifted to corporate criminal liability, highlighting how companies can be held accountable and subject to criminal sanctions if found to meet any of the following three criteria: obtaining profits or benefits from criminal acts, permitting criminal acts to occur, or failing to take appropriate preventive measures to stop criminal behavior.

Corporate criminal liability encompasses three key elements: the responsible parties, the sanctions imposed, and the redemption efforts. It is crucial to note that in corporate criminal cases, responsibility extends from the company's management to the beneficiary owner. As such, companies must implement a comprehensive anti-fraud strategy in alignment with the requirements outlined in Financial Services Authority Regulation Number 12 of 2024. This strategy should include the development of robust anti-fraud policies, the implementation of appropriate procedures, a thorough fraud risk assessment, and the establishment of effective reporting and monitoring systems. Additionally, raising awareness through targeted training,

along with regular evaluations, is essential to ensure continuous improvement and uphold the sustainability of a safer, more transparent business environment.

To effectively manage and navigate anti-fraud policies, companies must integrate four essential elements into their business operations. First, in terms of governance, it is crucial for companies to establish a management integrity framework that involves the board of directors, line management, and corporate functions, all of which must work in concert, supported by clear policies that guide their activities. To instill integrity, the company must implement robust controls through the adoption of integrated anti-fraud procedures across all business functions, ensuring the prevention and detection of any legal violations or breaches of company policy. Additionally, it is vital for the company to cultivate a strong sense of commitment from both management and employees, fostering decision-making based on trust, transparency, and ethical conduct. The final, equally important element is the deepening of data-driven insights into potential risks and the company's integrity performance. This will not only enable the company to enhance employee productivity and operational effectiveness but also ensure that all business activities are aligned with established standards, thereby creating a healthy, sustainable, and ethically sound business environment.

As a media and technology company with a diverse range of investment portfolios, EMTEK recognizes the imperative of implementing effective anti-fraud policies to foster a safe and conducive work environment. **Titi Maria Rusli**, EMTEK's Legal & Corporate Secretary Director, emphasized, "The commitment of management to uphold compliance throughout the organization is essential, and to this end, it is crucial for all employees to actively participate in anti-fraud education and training. Through this awareness, we ensure greater convenience and security for all stakeholders. In parallel, EMTEK remains focused on sustainable investment strategies by considering Environmental, Social and Governance (**"ESG"**) factors in each of its investment decisions. This approach not only contributes positively to environmental sustainability, but also offers the potential for attractive financial returns, further reinforcing EMTEK's commitment to sustainability within its investment portfolio."

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