

Strong Growth Anchored by A Commitment to Sustainability

Pertumbuhan yang Kuat Berlandaskan pada
Komitmen terhadap Keberlanjutan

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▲ Pekerja di tambang BSI
Employee at BSI mine

Sambutan Presiden Direktur

President Director's Message

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Albert Saputro
Presiden Direktur
President Director

Keberlanjutan adalah dasar utama operasi kami. Merdeka percaya bahwa kesinambungan bisnis ditentukan oleh bagaimana kami melestarikan lingkungan, memberdayakan karyawan, melibatkan masyarakat, dan mengadopsi standar tertinggi tata kelola yang baik. Sejalan dengan keyakinan perusahaan, para pemangku kepentingan kami semakin mengharapakan untuk meningkatkan pengelolaan isu-isu Lingkungan, Sosial, dan Tata Kelola (ESG) dalam setiap aspek operasi kami.

Pada tahun 2023, kami terus mengintegrasikan komitmen keberlanjutan di seluruh bisnis perusahaan dan memperkuat kinerja ESG kami, seperti dibuktikan oleh peningkatan peringkat ESG MSCI Merdeka menjadi "A".

Sustainability serves as the foundation of our operations. We firmly believe that the longevity of our business depends on how we preserve the environment, empower our people, engage with our communities and adopt the highest standards of good governance. Aligned with our beliefs, our stakeholders increasingly expecting that we enhance the management of Environment, Social, and Governance (ESG) issues in every aspect of our operations.

In 2023, we continued to integrate our sustainability commitment throughout our business and strengthen our ESG performance, as demonstrated by Merdeka's MSCI ESG rating upgrade to an "A".

The upgrade of Merdeka's MSCI ESG rating to A serves as a driving force for the company to continuously improve its sustainability performance and resilience in facing future sustainability challenges.

Peningkatan peringkat ESG MSCI Merdeka menjadi A merupakan pendorong bagi Perusahaan untuk terus meningkatkan kinerja keberlanjutan Perusahaan dalam menghadapi tantangan keberlanjutan di masa depan.

Tata Kelola Keberlanjutan

Pada tahun 2023, untuk mendukung pencapaian Enam Pilar Strategi Keberlanjutan Merdeka, yaitu Memelihara Lingkungan, Memastikan "Semua Orang Selamat, Selalu", Memberdayakan Pekerja Kami, Memperhatikan Masyarakat, Menghormati Hak Asasi Manusia, dan Mengadopsi Tata Kelola Perusahaan yang Baik dan sejalan dengan Tujuan Pembangunan Berkelanjutan (SDGs), Merdeka menerbitkan Kebijakan Pengelolaan Air, Kebijakan Kualitas Udara, Kebijakan Keanekaragaman Hayati dan Kebijakan Pengelolaan Tailing. Selain itu, Merdeka juga melakukan pembaruan pada beberapa kebijakan terkait dengan sumber daya manusia. Pembaruan tersebut mencakup komitmen Merdeka untuk mematuhi Deklarasi International Labour Organization (ILO) tentang Prinsip-Prinsip Dasar dan Hak-Hak di Tempat Kerja, serta Konvensi Kerja Internasional Inti yang diawasi oleh Direksi.

Perubahan Iklim

Pada tahun 2023, kami memperkuat komitmen nol bersih dengan menyusun Kebijakan Iklim Merdeka yang antara lain menekankan komitmen Merdeka untuk melakukan implementasi substitusi dan efisiensi energi, menyusun tata kelola, pelibatan, dan pengungkapan untuk memastikan risiko dan peluang perubahan iklim dipertimbangkan dalam pengambilan keputusan bisnis, penilaian dan pengelolaan risiko dan peluang perubahan iklim.

Sejalan dengan Kebijakan Iklim tersebut, pada Laporan Keberlanjutan 2023, Merdeka mengungkapkan risiko dan peluang yang terkait dengan perubahan iklim menggunakan panduan Task Force on Climate-related Financial Disclosures (TCFD) yang akan membantu investor, kreditor, serta pemangku kepentingan lainnya dalam memahami risiko iklim yang dihadapi oleh perusahaan dan tata cara perusahaan pengelolaannya. Selain itu, Merdeka juga mengungkapkan informasi tentang strategi bisnis, manajemen risiko, serta dampak langsung dan tidak langsung dari perubahan iklim terhadap kegiatan perusahaan.

Kesehatan dan Keselamatan Kerja

Merdeka berkomitmen untuk menciptakan lingkungan kerja yang aman dan sehat untuk mencegah kecelakaan kerja, penyakit, atau kejadian berbahaya, dan untuk mempromosikan tanggung jawab semua orang atas kesehatan dan keselamatan kerja untuk mencapai tujuan kami: Setiap orang Aman, Selalu.

Sustainability Governance

In 2023, to support the achievement of Merdeka's Six Pillars of Sustainability Strategy, including Preserving the Environment, Ensuring "Everyone Safe, Always", Empowering Our People, Caring for Communities, Respecting Human Rights, and Adopting Good Corporate Governance and alignment with Sustainable Development Goals (SDGs), Merdeka issued Water Management Policy, Air Quality Policy, Biodiversity Policy, and Tailings Management Policy. Additionally, Merdeka also updated several policies related to human resources, including a commitment to comply with the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and Core International Labour Conventions overseen by the Board of Directors.

Climate Change

In 2023, we reinforced Merdeka's net-zero commitment by formulating the Merdeka Climate Policy, which emphasizes Merdeka's commitment to implementing energy substitution and efficiency, establishing governance, engagement, and disclosure to ensure climate change risks and opportunities are considered in business decision-making, and assessing and managing climate change risks and opportunities.

In line with the Merdeka Climate Policy, in the 2023 Sustainability Report, Merdeka disclosed climate change-related risks and opportunities using the Task Force on Climate-related Financial Disclosures (TCFD) guidelines, which will help investors, creditors, and other stakeholders to understand the climate risks faced by the company and how the company manages them. Additionally, Merdeka disclosed information about business strategies, risk management, and the direct and indirect impacts of climate change on company activities.

Health and Safety

Merdeka is committed to create a safe and healthy work environment to prevent workplace accidents, illnesses, or hazardous incidents and to promote everyone's responsibility for health and safety to achieve our goal: Everyone Safe, Always.

Pada tahun 2023, Merdeka berhasil mencapai target perusahaan dengan tidak adanya korban jiwa akibat kerja. Memberikan pelatihan Kesehatan dan Keselamatan Kerja kepada 3.744 karyawan dengan total 123.496 jam pelatihan dan pelatihan K3 kepada 5.815 karyawan kontraktor dengan total 19.389 jam merupakan strategi Merdeka untuk meningkatkan budaya Kesehatan dan Keselamatan Kerja.

Ketenagakerjaan

Pengembangan karyawan yang berkelanjutan, penilaian kinerja dan kompensasi yang kompetitif merupakan tantangan bagi Merdeka sebagai perusahaan yang sedang melakukan berbagai ekspansi bisnis. Dipimpin oleh Direktorat Sumber Daya Manusia, Merdeka telah melaksanakan program-program dan inisiatif untuk menjawab tantangan tersebut di tahun 2023.

Untuk meningkatkan kompetensi karyawan, Merdeka telah melaksanakan pelatihan dan pengembangan karyawan secara berkesinambungan mulai dari pelaksanaan Merdeka Young Talent Program (MYTP) untuk awal karir sampai dengan program Leader Education and Development (LEAD) untuk karier selanjutnya. Selain itu, Merdeka juga terus melanjutkan program-program pelatihan dan pengembangan berbasis matriks kompetensi untuk seluruh karyawan.

Penyelarasan skema kompensasi dan benefit menggunakan sistem penilaian dan pemberian kompensasi karyawan yang dilakukan sesuai posisi dengan pencapaian kinerja, melakukan peninjauan kebijakan kompensasi dan benefit secara berkala untuk menjaga agar selalu mengikuti perkembangan pasar serta memastikan sistem penilaian berjalan dengan efisien dan efektif merupakan strategi penilaian dan pemberian kompensasi yang telah dilaksanakan di Merdeka.

Untuk menjaga harmonisasi dan integrasi antara pekerjaan dan kehidupan pribadi karyawan yang akan memperkuat kesejahteraan fisik dan mental karyawan, Merdeka secara konsisten melakukan pengembangan dan melaksanakan pelibatan karyawan melalui program-program "Merdeka Rumah Bahagia".

Pada tahun 2023, Merdeka dianugerahi Employer of Choice Award dari SWA Magazine dan Stellar Workplace Award dari Harian KONTAN. Penghargaan tersebut merupakan pengakuan atas pencapaian perusahaan dalam pengembangan dan pelibatan karyawan, dengan tujuan meningkatkan kepuasan karyawan.

In 2023, Merdeka achieved our corporate target with no work-related fatalities. Providing Health and Safety training to 3,744 employees totaling 123,496 training hours and occupational health and safety training to 5,815 contractor employees totaling 19,389 hours is our strategy to enhance the Health and Safety culture.

Employment

Continuous employee development, performance assessment, and competitive compensation present challenges for Merdeka as a company undergoing various business expansions. Led by the Human Resources Directorate, Merdeka has implemented programs and initiatives to address these challenges in 2023.

To enhance employee competencies, Merdeka has continuously conducted employee training and development, starting from the implementation of the Merdeka Young Talent Program (MYTP) for early-career individuals to the Leader Education and Development (LEAD) program for further career advancement. Additionally, Merdeka has also continued competency matrix-based training and development programs for all employees.

Aligning compensation and benefit schemes using a position-based employee compensation and performance assessment system, conducting periodic compensation and benefit policy reviews to ensure they consistently align with market trends, and ensuring the efficiency and effectiveness of the performance assessment system are strategies for performance evaluation and compensation provision that have been implemented at Merdeka.

To maintain harmony and integration between work and personal life of employees, which will strengthen the physical and mental well-being of employees, Merdeka consistently develops and implements employee engagement programs through the "Merdeka Happy Home" programs.

In 2023, Merdeka was awarded the Employer of Choice Award from SWA Magazine and the Stellar Workplace Award from Harian KONTAN. These awards recognize the company's achievements in employee development and engagement with the aim of improving employee satisfaction.

Dalam proses penilaian yang dilakukan oleh Harian KONTAN, Merdeka berhasil menunjukkan hasil yang memuaskan, dengan nilai survei pelibatan yang lebih tinggi daripada perusahaan-perusahaan dalam industri sejenis bahkan perusahaan-perusahaan berkinerja tinggi di industri lain.

Penghormatan Hak Asasi Manusia

Sebagai penandatanganan UN Global Compact sejak tahun 2022, Merdeka telah menyusun dan menyampaikan Communication on Progress (CoP) di tahun 2023 kepada UN Global Compact. CoP Merdeka tahun 2023 menyajikan upaya-upaya Merdeka terkait dengan kepatuhan terhadap Sepuluh Prinsip UN Global Compact dan Tujuan Pembangunan Berkelanjutan. Bagi Merdeka, penyusunan dan penyampaian CoP bukan hanya kewajiban pelaporan, tetapi juga sebagai perwujudan dari komitmen perusahaan terhadap transparansi, akuntabilitas, dan implementasi praktik-praktik berkelanjutan.

Pada tahun 2023, entitas bisnis Merdeka yaitu Sulawesi Cahaya Mineral (SCM) melakukan tindak lanjut atas hasil penilaian dampak terhadap hak asasi manusia (HRIA) yang dilakukan pada tahun sebelumnya. Tindak lanjut HRIA tersebut antara lain mencakup mencakup pelaksanaan pelatihan hak asasi manusia bagi petugas keamanan yang mencakup 50% dari petugas keamanan SCM. Selain itu, SCM menyediakan pelatihan vokasional bagi pemuda lokal untuk membantu mereka mendapatkan pekerjaan. Setelah menjalani pelatihan, para pemuda lokal kini bekerja untuk perusahaan mitra SCM yang beroperasi di area konsesi pertambangan SCM. Selain itu, kelompok perempuan Tolaki diberikan kesempatan untuk menjadi penyedia layanan catering bagi karyawan di kantor hubungan masyarakat SCM.

Rantai Pasokan yang Bertanggungjawab

Merdeka menempatkan pemasok sebagai mitra kerja untuk tumbuh bersama. Menjalin kemitraan dan turut mengembangkan kompetensi pemasok lokal merupakan program kerja keberlanjutan Merdeka. Hal ini bertujuan untuk meningkatkan pendapatan riil dan menciptakan lapangan pekerjaan bagi masyarakat sekitar merupakan komitmen sekaligus tantangan bagi kami.

In the assessment process conducted by Harian KONTAN, Merdeka showed excellent results, with higher engagement survey scores than companies in similar industries and even high-performing companies in other industries.

Respect for Human Rights

As a signatory to the UN Global Compact since 2022, Merdeka has developed and submitted the Communication on Progress (CoP) in 2023 to the UN Global Compact. The 2023 Merdeka CoP presents Merdeka's efforts related to compliance with the Ten Principles of the UN Global Compact and Sustainable Development Goals. For Merdeka, the preparation and submission of the CoP are not only reporting obligations but also a demonstration of the company's commitment to transparency, accountability, and the implementation of sustainable practices.

In 2023, Merdeka's business entity, Sulawesi Cahaya Mineral (SCM), followed up on the Human Rights Impact Assessment (HRIA) results conducted in the previous year. The follow-up to the HRIA includes the implementation of human rights training for security personnel, covering 50% of SCM security personnel. Additionally, SCM provided vocational training for local youth to enable them to obtain jobs. After undergoing training, the local youth are now working for SCM partner companies operating within SCM mining concession areas. Additionally, Tolaki women's groups were given the opportunity to become catering providers for employees at SCM's community relations office.

Responsible Supply Chain

Merdeka regards suppliers as working partners for mutual growth. Establishing partnerships and developing the competencies of local suppliers is Merdeka's sustainable work program. This is in order to increase real income and create job opportunities for the surrounding communities, which is both a commitment and a challenge for us.

“Merdeka's solid sustainability foundation and unwavering support from our shareholders and stakeholders have firmly placed Merdeka on course to achieve its goal of becoming a leader in sustainability in the mining and metals industry.”

Dasar keberlanjutan yang kokoh dan dukungan teguh dari pemegang saham dan pemangku kepentingan telah dengan tegas menempatkan Merdeka di jalur untuk mencapai tujuannya menjadi pemimpin dalam keberlanjutan di industri pertambangan dan logam.

Merdeka memiliki Sistem Manajemen Kontraktor yang bertujuan untuk memberikan pendekatan sistematis dalam melakukan evaluasi, pelibatan dan manajemen kontraktor dan subkontraktor sesuai dengan persyaratan Sistem Manajemen Kesehatan dan Keselamatan Kerja (K3), Kebijakan Kesehatan dan Keselamatan, Kebijakan Lingkungan dan Kode Etik Keberlanjutan Supplier.

Pada tahun 2023, sosialisasi Sistem Manajemen Kontraktor dilakukan di PT Bumi Suksesindo, PT Batutua Tembaga Raya - PT Batutua Kharisma Permai, Proyek Emas Pani, PT Sulawesi Cahaya Mineral, dan PT Merdeka Tsingshan Indonesia. Peserta sosialiasi terdiri dari *site risk champions*, manajer K3, *contract owner*, penanggung jawab operasional (PJO) kontraktor, perwakilan kontraktor, dan perwakilan departemen pengadaan.

Pengakuan atas Komitmen Keberlanjutan

Pada tahun 2023, Merdeka berhasil mendapatkan peningkatan peringkat ESG MSCI (Morgan Stanley Capital International) menjadi peringkat "A" dari peringkat "BBB" pada tahun sebelumnya. Dengan peningkatan ini, Merdeka menjadi satu-satunya perusahaan pertambangan Indonesia yang mendapatkan peringkat "A" pada industri Logam dan Pertambangan di dalam sub-industri Logam dan Pertambangan terdiversifikasi.

Selain itu, Merdeka juga mempertahankan posisinya sebagai pemimpin dalam peringkat risiko ESG Sustainalytics di antara perusahaan-perusahaan pertambangan yang terdiversifikasi di Indonesia dalam kategori penilaian komprehensif dan meningkatkan posisi globalnya dari persentil ke-18 menjadi persentil ke-16 sub-industri logam dan tambang.

Merdeka juga berhasil meraih penghargaan "*Gold Rank*" atas Laporan Keberlanjutan Merdeka Tahun 2022 pada keikutsertaan Merdeka pertama sekali di ajang Asia Sustainability Reporting Rating (ASRRAT) Tahun 2023.

Selain itu, anak perusahaan Merdeka yaitu PT Merdeka Battery Materials Tbk mendapatkan penghargaan ESG TrenAsia 2023 untuk Kategori Aksi Nikel.

Pencapaian-pencapaian tersebut merupakan pengakuan atas komitmen dan kinerja seluruh insan Merdeka dalam penerapan dan peningkatan kinerja praktik-praktik keberlanjutan serta transparansi dan kualitas pelaporan aspek lingkungan, sosial, dan tata kelola.

Merdeka has a Contractor Management System aimed at providing a systematic approach to evaluating, engaging, and managing contractors and subcontractors in accordance with the requirements of Merdeka's Occupational Health and Safety (OHS) Management System, Health and Safety Policy, Environmental Policy, and Supplier Sustainability Code of Conduct.

In 2023, socialization of the Contractor Management System was conducted at PT Bumi Suksesindo, PT Batutua Tembaga Raya-PT Batutua Kharisma Permai, Pani Gold Project, PT Sulawesi Cahaya Mineral, and PT Merdeka Tsingshan Indonesia. The participants of the socialization included site risk champions, OHS managers, contract owners, contractors operational responsibility representatives, contractors representatives, and procurement department representatives.

Recognition of Sustainability Commitment

In 2023, Merdeka achieved an upgraded ESG rating from MSCI (Morgan Stanley Capital International) to an "A" from a previous "BBB" rating. With this upgrade, Merdeka became the only Indonesian mining company to receive an "A" rating in the Metals and Mining industry within the diversified Metals and Mining sub-industry.

Furthermore, Merdeka maintained its position as a leader in the ESG risk rating by Sustainalytics among diversified mining companies in Indonesia in the comprehensive assessment category and improved its global position from the 18th percentile to the 16th percentile in the metal and mining sub-industry.

Merdeka also received a "*Gold Rank*" award for the Merdeka 2022 Sustainability Report in its first participation in the Asia Sustainability Reporting Rating (ASRRAT) in 2023.

Furthermore, Merdeka's subsidiary, PT Merdeka Battery Materials Tbk, received the 2023 TrenAsia ESG Award for Action Nickel Category.

These achievements are recognition of the commitment and performance of all Merdeka personnel in the implementation and improvement of sustainable practices and the transparency and quality of reporting on environmental, social, and governance aspects.

Melangkah ke Depan

Pencapaian-pencapaian kami pada tahun 2023 tentu bukan akhir tetapi merupakan tonggak perjalanan keberlanjutan Merdeka. Beberapa tahun ke depan proses pembangunan beberapa proyek berskala besar, seperti Tujuh Bukit Copper, Pani Gold Project, dan pembangunan beberapa pabrik High Pressure Acid Leach (HPAL) akan dimulai dan akan mentransformasi Merdeka menjadi perusahaan yang memiliki aset besar dengan deposit kelas dunia serta umur tambang yang multi-dekade. Merdeka harus mempersiapkan diri dalam menghadapi berbagai tantangan keberlanjutan yang timbul dari proses pembangunan tersebut.

Dengan dukungan penuh dan terus-menerus dari pemegang saham dan para pemangku kepentingan, kami yakin Merdeka akan dapat menghadapi tantangan keberlanjutan di masa depan dan akan terus meningkatkan kinerja keberlanjutan untuk mencapai tujuan perusahaan menjadi pemimpin keberlanjutan di industri pertambangan dan logam.

Akhir kata, atas nama Direksi, saya mengucapkan terima kasih dan mengapresiasi semua pemegang saham dan seluruh pemangku kepentingan atas dukungan dan kepercayaan yang diberikan kepada kami dalam upaya untuk meningkatkan keberlanjutan Merdeka.

Moving Forward

Our achievements in 2023 are certainly not the conclusion but rather a milestone in Merdeka's sustainability journey. In the coming years, the development processes of several large-scale projects, such as Tujuh Bukit Copper, Pani Gold Project, and the construction of several High-Pressure Acid Leach (HPAL) plants, will commence and will transform Merdeka into a company with large-scale assets boasting world-class deposits and multi-decade mine lives. Merdeka must continue to prepare itself to face various sustainability challenges arising from these development processes.

With full and continuous support from shareholders and stakeholders, we are confident that Merdeka will be able to address future sustainability challenges and further enhance its sustainability performance to achieve its goal of becoming a leader in sustainability in the mining and metals industry.

In conclusion, on behalf of the Board of Directors, I express my gratitude and appreciation to all shareholders and stakeholders for the support and trust given to us in our efforts to advance the sustainability of Merdeka.

April 29, 2024



Albert Saputro
Presiden Direktur
President Director

1

Ikhtisar Kinerja Keberlanjutan

Sustainability
Performance Highlights

Ikhtisar Kinerja Keberlanjutan

Sustainability Performance Highlights

ECONOMIC

Revenue			
Million USD			
1,706.78	2022: 869.88	2021: 380.96	
Net Profit			
Million USD			
5.66	2022: 64.84	2021: 33.39	
Gold Production			
Ounces			
138,666	2022: 125,133	2021: 124,730	
Copper Production			
Tonnes			
12,706	2022: 19,551	2021: 19,045	
Nickel Pig Iron (NPI) Production			
Tonnes			
65,117	2022: 38,786		
Nickel Matte Production			
Tonnes			
30,333			

ENVIRONMENTAL

Energy Consumption			
Gigajoule (GJ)			
29,675,654	2022: 8,705,659	2021: 1,614,746	
Energy Intensity by Revenue			
GJ/ million USD			
17,386.9	2022: 10,007.9	2021: 4,238.7	
GHG Emission Scope 1 and 2			
Ton CO ₂ (e)			
3,924,874	2022: 770,900	2021: 138,418	
Emission Intensity by Revenue			
Ton CO ₂ (e)/ million USD			
2,299.6	2022: 886.2	2021: 363.3	
Emission Intensity - Gold			
Ton CO ₂ (e)/oz Au			
0.29	2022: 0.69	2021: 0.58	
Emission Intensity - Copper			
Ton CO ₂ (e)/ton Cu			
4.86	2022: 5.34	2021: 3.47	

ENVIRONMENTAL

Emission Intensity - NPI			
Ton CO ₂ (e)/ton Ni			
56.86	2022: 15.24*		
Emission Intensity - Nickel Matte**			
Ton CO ₂ (e)/ton Ni			
1.99			
Water Withdrawal			
Megaliters			
6,865	2022: 621	2021: 1,439	
Water Consumption			
Megaliters			
6,736			
Land Rehabilitation			
Ha			
16.17	2022: 7.3	2021: 10.13	

SOCIAL

Zero fatalities	for all Merdeka's employees and contractors' employees. (2023, 2022 and 2021)
Lost Time Injury Frequency Rate (LTIFR)	
0.09	2022: 0.11 2021: 0.08
Community Development and Empowerment Fund	
million USD	
3.07	2022: 3.4 2021: 3.6
Female operators at BKP-BTR, BSI, and MTI	represent 32.13%, 3.09%, and 14.89% of the total operators, respectively.
193,862 training hours	for employees (17.67 training hours per employees).
Human rights training for 50% security personnel	at SCM and 48% at MTI.

GOVERNANCE

BoD's oversight	of sustainability commitment implementation.
BoD and BoC's pay	is linked to sustainability.
Code of Conduct training	was provided to 41% of Merdeka's employees and 434 representatives of suppliers and security providers.
Anti-corruption and anti-bribery training	for managers, general managers, executives and directors.
Sixty-nine percent (69%)	of major contractors were screened using Contractor Management System (CMS) indicators.
Continuous risk assessment	at business units, departments, and individuals level.

* RKEFs, which produced NPI, were acquired in mid-2022. The GHG intensity was calculated based on partial data.

** GHG intensity for the conversion of low-grade nickel matte to high-grade nickel matte.

▲ Pabrik acid di MTI
Acid plant at MTI

2

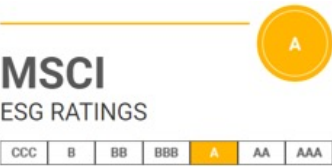
Sekilas Tentang Merdeka

Merdeka at a Glance

▲ Pantai Pulau Merah di Banyuwangi
Pulau Merah beach in Banyuwangi

Rating ESG 2023

ESG Rating in 2023



MSCI ESG Ratings

Pada bulan Oktober 2023, Peringkat MSCI ESG Merdeka meningkat menjadi peringkat ‘A’. Pencapaian ini menempatkan Merdeka sebagai satu-satunya perusahaan pertambangan Indonesia yang mendapatkan peringkat “A” pada industri Logam dan Pertambangan di dalam sub-industri Logam dan Pertambangan terdiversifikasi.

Peningkatan ini mencerminkan komitmen Merdeka dalam melaksanakan kegiatan secara berkelanjutan dan bertanggung jawab, menciptakan nilai bagi pemangku kepentingan, serta memberikan dampak positif pada ekonomi, lingkungan, karyawan, dan masyarakat lokal.

In October 2023, Merdeka MSCI ESG Rating upgraded to ‘A’. This achievement places Merdeka as the only Indonesian mining company to receive an “A” rating in the Metals and Mining industry, within the diversified Metals and Mining sub-industry.

This upgrade demonstrates Merdeka’s commitment to operating sustainably and responsibly, creating value for stakeholders and positively impacting the economy, environment, people, and local communities.



Sustainalytics ESG Risk Rating

Merdeka mempertahankan posisinya sebagai pemimpin dalam peringkat risiko ESG Sustainalytics di antara perusahaan-perusahaan pertambangan yang terdiversifikasi Indonesia dalam kategori penilaian komprehensif dan meningkatkan posisi globalnya dari persentil ke-18 menjadi persentil ke-16 sub-industri logam dan tambang.

Merdeka maintained its position as a leader in the ESG risk rating by Sustainalytics among diversified mining companies in Indonesia in the comprehensive assessment category and improved its global position from the 18th percentile to the 16th percentile in the metal and mining sub-industry.



MSCI Indonesia ESG Leaders Index

Termasuk dalam MSCI Indonesia *ESG Leaders Index* yang terdiri dari perusahaan besar dan menengah dengan kinerja ESG yang tinggi relatif terhadap sektor sejenis.

Included in MSCI Indonesia ESG Leaders Index that consists of large and mid-cap companies with high ESG performance relative to their sector peers.

Profil Merdeka Copper Gold

Merdeka Copper Gold Profile [2-1][2-3][C.2]

Nama Perusahaan Company Name	PT Merdeka Copper Gold Tbk
Tanggal Pendirian Date of Establishment	5 September 2012
Bidang Usaha Line of Business	Perusahaan <i>holding</i> bidang pertambangan dan jasa konsultasi manajemen lainnya. Holding company in the field of mining and other management consultancy services.
Kantor Pusat Head Office	Treasury Tower 67-68 th Floor District 8 SCBD Lot. 28 Jalan Jenderal Sudirman Kav. 52–53 South Jakarta 12910, Indonesia Telephone : +62 21 39525580 Faksimile : +62 21 39525589 corporate.secretary@merdekacoppergold.com www.merdekacoppergold.com

PT Merdeka Copper Gold Tbk menghasilkan logam dan mineral yang esensial bagi kemajuan hidup manusia. Sebagai perusahaan induk pertambangan logam dan mineral Indonesia yang berkantor pusat di Jakarta, Merdeka mengeksplorasi, mengekstraksi, dan memproduksi emas, perak, tembaga, nikel dan mineral lain melalui anak-anak perusahaan yang tersebar di beberapa pulau di Indonesia. Merdeka juga memiliki anak perusahaan di bidang jasa konstruksi pertambangan.

PT Merdeka Copper Gold Tbk produces metals and minerals that are essential for the advancement of human life. As an Indonesian metal and mineral mining holding company headquartered in Jakarta, Merdeka explores, extracts, and produces gold, silver, copper, nickel and other minerals through subsidiaries spread across several islands in Indonesia. Merdeka also has a subsidiary in the field of mining construction services.

Tiga operasi tambang yang dikelola Merdeka saat ini adalah Tambang Emas Tujuh Bukit di Banyuwangi, Jawa Timur; Tambang Tembaga Wetar di Pulau Wetar, Maluku Barat Daya dan Tambang Nikel Konawe di Rounta, Sulawesi Tenggara.

The three mining operations currently managed by Merdeka are the Tujuh Bukit Gold Mine in Banyuwangi, East Java; the Wetar Copper Mine on Wetar Island, Southwest Maluku; and the Konawe Nickel Mine in Rounta, Southeast Sulawesi.

Merdeka sedang mengembangkan sejumlah proyek, Proyek Tembaga Tujuh Bukit, penambangan tembaga bawah tanah di Banyuwangi, yang merupakan salah satu cadangan tembaga terbesar di dunia yang belum dikembangkan; dan Proyek Emas Pani di Gorontalo, Sulawesi, yang akan menjadi salah satu tambang emas utama besar di Indonesia.

Merdeka is developing several projects, the Tujuh Bukit Copper Project, an underground copper mine in Banyuwangi, which is one of the largest undeveloped copper deposits in the world; and the Pani Gold Project in Gorontalo, Sulawesi, which will become one of the major primary gold mines in Indonesia.

Terus berinovasi, Merdeka mengembangkan PT Merdeka Battery Materials Tbk (MBM), yang mengelola operasi tambang dan *smelter* nikel yang terintegrasi dengan pengembangan kawasan industri nikel di Sulawesi. MBM akan menjadi salah satu pemasok utama bahan baku produksi kendaraan listrik dunia.

Continuing to innovate, Merdeka developed Merdeka Battery Materials (MBM), operated the nickel mine and smelters, and integrated with nickel industrial area development in Sulawesi. MBM will become one of the main suppliers of raw materials for global Electric Vehicle (EV) production.

Skala Perusahaan

Corporate Scale

[C.3][C.4][2.6]

Sumber Daya Manusia

Human Resources

10,970

Karyawan

Employees

Posisi Keuangan

Financial Position

Juta USD/million USD

4,964.25

Total Aset

Total Assets

2,200.20

Total Kewajiban

Total Liabilities

2,764.05

Total Ekuitas

Total Equity

Kinerja Keuangan

Financial Performance

5.66

Laba bersih dalam juta USD

Net profit in million USD

39%

Dalam negeri

Domestic

129,867

Penjualan emas (Ons)

Gold sales (Ounces)

13,217

Penjualan tembaga (Ton)

Copper sales (Tonnes)

64,526

Penjualan nickel pig iron (NPI) dalam ton

Nickel pig iron (NPI) sales in tonnes

28,129

Penjualan nickel matte dalam ton

Nickel matte sales in tonnes

1,706.78

Pendapatan usaha dalam juta USD

Revenue in million USD

61%

Ekspor

Export

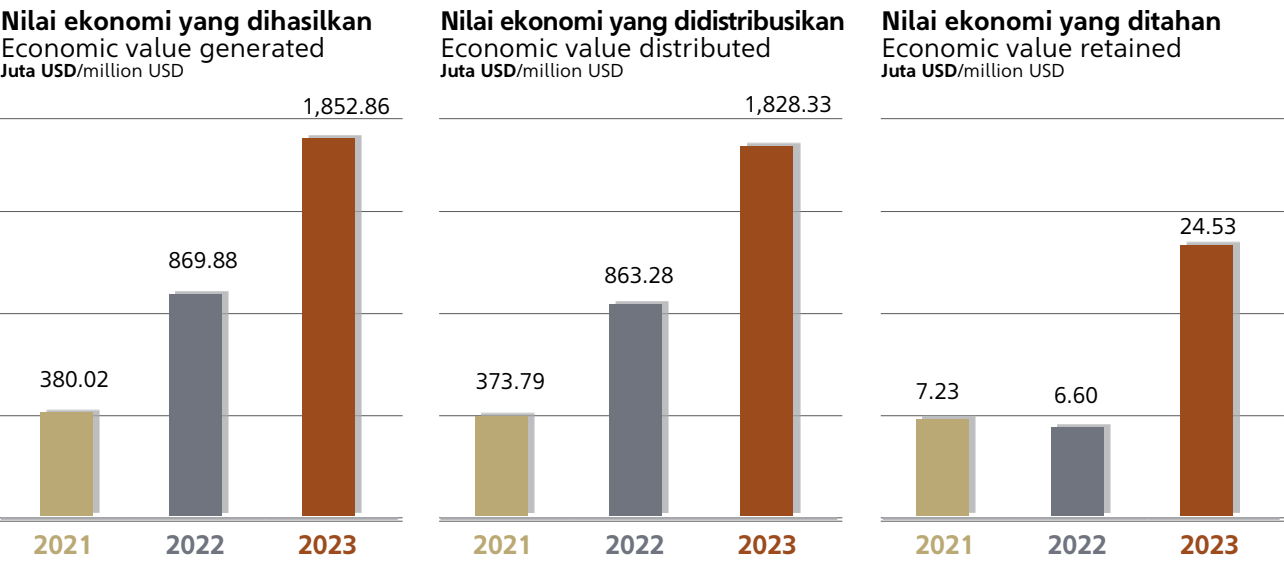


▲ Proses heap leach di Tambang Emas Tujuh Bukit
The heap leach process at Tujuh Bukit Gold Mine

Nilai Ekonomi Langsung yang Dihasilkan dan Didistribusikan

Direct Economic Value Generated and Distributed

[201-1]



Informasi nilai ekonomi dihasilkan dan didistribusikan tahun 2023 disajikan berbasis kas berdasarkan Laporan Keuangan yang telah diaudit. Informasi tersebut sesuai dengan pengungkapan Standar GRI. Pada tahun 2023, tidak ada produk yang ditarik kembali dan tidak ada bantuan finansial yang diterima dari pemerintah. [201-4] [F.29]
The economic value generated and distributed in 2023 information is presented on a cash basis based on the audited Financial Statements. The information follows the GRI Standards disclosure. In 2023, no products have been recalled and no financial assistance has been received from the government.

Aktivitas dan Lokasi Operasi Merdeka

Merdeka's Operations and Activities [C.3][C.4][2-2][2-6]



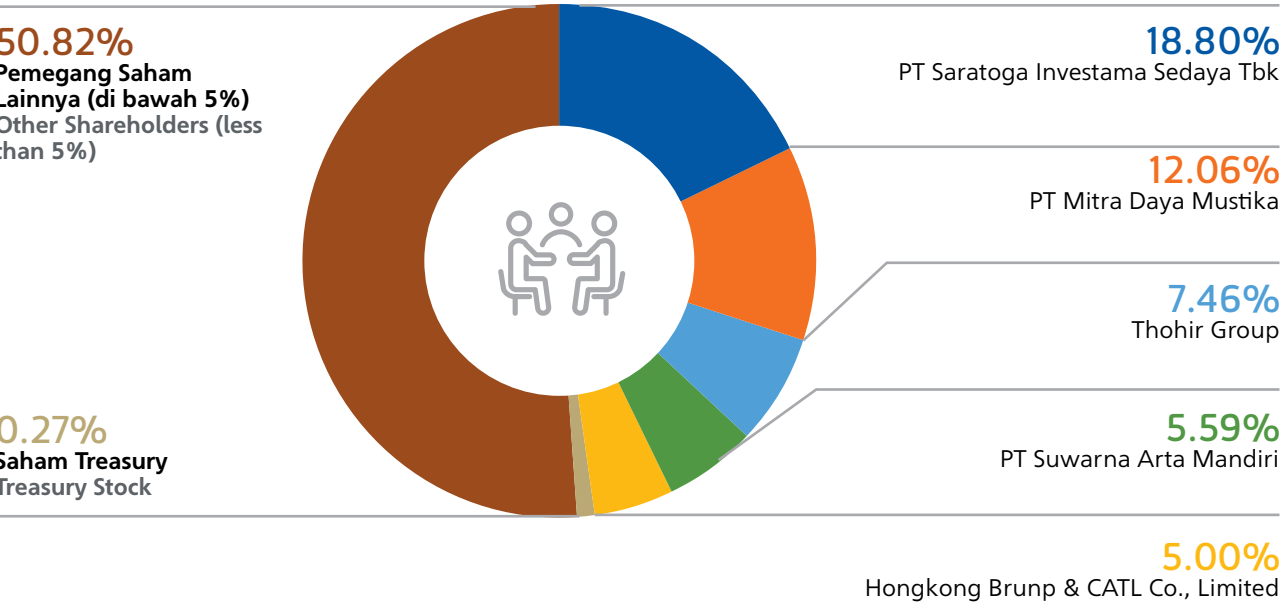
Struktur Pemegang Saham Perusahaan

[C.3][C.6][2-1]

Merdeka dimiliki oleh pemegang saham terkemuka Indonesia di antaranya PT Saratoga Investama Sedaya Tbk, PT Provident Capital Indonesia (melalui PT Mitra Daya Mustika dan PT Suwarna Arta Mandiri), dan Garibaldi Thohir. Tiga pemegang saham utama Merdeka tersebut memiliki rekam jejak yang sangat baik terkait keberhasilannya dalam mengidentifikasi, membangun dan menjalankan beberapa perusahaan publik di Indonesia.

Sepanjang tahun 2023, terdapat perubahan dalam struktur kepemilikan perusahaan dibanding tahun sebelumnya. Susunan pemegang saham perusahaan per tanggal 31 Desember 2023 adalah sebagai berikut:

Pemegang Saham Shareholders	Jumlah Saham Number of Shares	%
Pemegang Saham Utama Major Shareholders		
1 PT Saratoga Investama Sedaya Tbk	4,532,412,297	18.80
2 PT Mitra Daya Mustika	2,907,302,421	12.06
3 Thohir Group	1,798,499,014	7.46
4 PT Suwarna Arta Mandiri	1,347,254,738	5.59
5 Hongkong Brunp & CATL Co., Limited	1,205,542,539	5.00
Saham Treasury Treasury Stock	66,194,700	0.27
Pemegang Saham Lainnya (di bawah 5%) Other Shareholders (less than 5%)	12,253,645,062	50.82
Total saham yang diterbitkan Total issued shares	24,110,850,771	100.00



Shareholder Structure

Merdeka is owned by prominent Indonesian shareholders including PT Saratoga Investama Sedaya Tbk, PT Provident Capital Indonesia (PT Mitra Daya Mustika and PT Suwarna Arta Mandiri) and Garibaldi Thohir. Merdeka's three major shareholders have exceptional track records in successfully identifying, building, and operating multiple publicly listed companies in Indonesia.

Throughout 2023, there have been changes in the company's ownership structure compared to the previous year. The composition of the company's shareholders as of December 31, 2023 is as follows:

Visi dan Misi

Vision and Mission [C.1]



VISI VISION

Menjadi pemimpin global di industri pertambangan dan logam Indonesia

The global leader in the Indonesian mining and metals industry



MISI MISSION

- Menjadi mitra pengembang pilihan dalam sektor industri pertambangan dan logam Indonesia

Menjadi pemimpin dalam keselamatan, pembangunan berkelanjutan, konservasi lingkungan, dan tanggung jawab sosial perusahaan

Menciptakan nilai serta imbal hasil investor yang unggul melalui investasi yang bijaksana dan pengembangan proyek yang efektif

Menjadi pemimpin dalam inovasi dan efisiensi
- To be the development partner of choice in the Indonesian mining and metals industry

To be a leader in safety, sustainable development, environmental protection and corporate social responsibility

To generate superior value and investor returns through prudent investment and effective project development

To be a leader in innovation and efficiency

Nilai-Nilai Perusahaan

Corporate Values [C.1]

Merdeka tumbuh dan berkembang berbasis nilai dan budaya perusahaan yang disingkat dengan GReAtnESS.

Pertumbuhan dapat diraih jika kita saling menghormati, bekerja secara akuntabel dan kolaboratif untuk menghasilkan kinerja yang unggul dan senantiasa mengutamakan keselamatan kerja dan keberlanjutan.

Merdeka grows and develops based on corporate values and culture shortened as GReAtnESS.

Growth can be achieved if we respect each other, work accountably and collaboratively to achieve excellence, and put safety and sustainability as our top priority.

GReAtnESS

Growth, Respect, Accountability, Collaboration, Excellence, Safety & Sustainability

GROWTH Pertumbuhan

- Kami secara aktif mendorong pertumbuhan karyawan, organisasi, dan pemangku kepentingan.
- Kami tetap berpikiran terbuka dan terus mencari cara baru untuk berkembang.
- We actively promote the growth of our people, organization, and stakeholders.
- We remain open-minded and constantly seek new ways to improve.

RESPECT Rasa Hormat

- Kami menghormati satu sama lain, pemangku kepentingan kami, dan lingkungan.
- Kami mendengarkan kolega kami dan mempertimbangkan perspektif orang lain.
- We respect each other, our stakeholders, and the environment.
- We listen to our colleagues and consider the perspective of others.

ACCOUNTABILITY Akuntabilitas

- Kami bertanggung jawab atas pencapaian dan memenuhi komitmen.
- Kami proaktif dan berfokus pada solusi.
- We take accountability for outcomes and deliver on commitments.
- We are proactive and solution-focused.

COLLABORATION Kolaborasi

- Kami menciptakan lingkungan kerja yang inklusif dan menghargai kontribusi orang lain.
- Kami memahami hasil terbaik adalah hasil dari kerja sama tim.
- We create an inclusive work environment and value the contributions of others.
- We understand the best outcomes are the product of a team approach.

EXCELLENCE Keunggulan

- Kami berusaha untuk melakukan perbaikan dan inovasi berkelanjutan.
- Kami berusaha untuk mencapai lebih dari ekspektasi.
- We strive for continuous improvement and innovation.
- We endeavor to exceed expectations.

SAFETY Keselamatan

- Kami berkomitmen terhadap keselamatan seluruh karyawan dan pemangku kepentingan.
- Keselamatan dan manajemen risiko merupakan bagian integral dari seluruh yang kami lakukan.
- We are committed to the safety of all employees and stakeholders.
- Safety and risk management is integral to everything we do.

SUSTAINABILITY Keberlanjutan

- Kami berusaha untuk bekerja dengan cara yang paling berkelanjutan.
- Kami mengupayakan kesejahteraan jangka panjang bagi seluruh pemangku kepentingan.
- We strive to work in the most sustainable way possible.
- We strive for the long-term prosperity of all stakeholders.

Penghargaan dan Sertifikasi di Tahun 2023

Awards and Certifications in 2023



Merdeka menerima penghargaan "Peringkat Emas" untuk Laporan Keberlanjutan 2022 di Asia Sustainability Reporting Rating (ASRRAT) pada bulan November 2023.

Merdeka received the "Gold Rank" award for its 2022 Sustainability Report at the Asia Sustainability Reporting Rating (ASRRAT) in November 2023.



Penghargaan ESG TrenAsia 2023 untuk Kategori Aksi Nikel diraih oleh PT Merdeka Battery Materials Tbk.

The 2023 TrenAsia ESG Award for Action Nickel Category received by PT Merdeka Battery Materials Tbk.



Merdeka menerima Stellar Workplace Award 2023 atas komitmen karyawan dan kepuasan karyawan.

Merdeka received Stellar Workplace Award 2023 in employee commitment and employee satisfaction.



Merdeka menerima peringkat pertama pada Employer of Choice 2023, di antara perusahaan-perusahaan dengan lebih dari 1.000 karyawan, sebuah inisiatif oleh Korn Ferry dan majalah SWA.

Merdeka received first rank at the 2023 Employer of Choice, among companies with over 1,000 employees, in an initiative by Korn Ferry and SWA magazine.



Penghargaan Tambang Menyejahterakan Masyarakat (Tamasya) Award 2023 dari Kementerian Energi dan Sumber Daya Mineral (ESDM) kepada BSI atas komitmen dalam menerapkan program Pengembangan dan Pemberdayaan Masyarakat (PPM).

The Tamasya Award 2023 from the Ministry of Energy and Mineral Resources (ESDM) for BSI for its commitment to implementing the Community Development and Empowerment Program (PPM).



BSI mendapatkan penghargaan Pelaku Investasi Inovatif Banyuwangi Kategori Penggerak Ekonomi Berkelanjutan 2023 oleh TIMES Indonesia.

BSI received the Banyuwangi Innovative Investment Provider Award Banyuwangi for Sustainable Economic Driver 2023 category by TIMES Indonesia.



BSI menerima Pusaka Lingkungan Terbina Utama dari Dinas Lingkungan Hidup (DLH) Provinsi Jawa Timur atas kontribusi dan komitmen pengelolaan lingkungan.

BSI received Pusaka Lingkungan Terbina Utama from the East Java Provincial Environmental Agency for contributions and commitments to environmental management.



BSI meraih penghargaan Anugerah Program Bisnis Terpuji pada kategori Katalisator Pembangunan Berkelanjutan pada DetikJatim Awards 2023.

BSI received the Excellent Business Program award in the Sustainable Development Catalyst category at the DetikJatim Awards 2023.



ISO 14001: 2015 dan ISO 45001: 2018 untuk Merdeka, MBM, MMS, BSI, BKP-BTR, SCM, BSID, CSID, ZHN, HNMI.

ISO 14001: 2015 and ISO 45001: 2018 for Merdeka, MBM, MMS, BSI, BKP-BTR, SCM, BSID, CSID, ZHN, HNMI.

Keanggotaan dalam Asosiasi

Membership in Association [C.5][2-28]



United Nations
Global Compact

Merdeka adalah anggota *Indonesia Mining Association* (IMA), *Indonesia Corporate Secretary Association* (ICSA), Asosiasi Emiten Indonesia dan UN Global Compact.

Merdeka is a member of the Indonesia Mining Association (IMA), the Indonesia Corporate Secretary Association (ICSA), the Indonesian Public Listed Companies Association and UN Global Compact.

Tentang Laporan Keberlanjutan 2023

About 2023 Sustainability Report

Laporan Keberlanjutan Perusahaan tahun 2023 mengangkat tema 'Pertumbuhan yang Kuat Berlandaskan pada Komitmen terhadap Keberlanjutan.' Melalui laporan ini, kami ingin mengomunikasikan kepada para pemangku kepentingan tentang tantangan, peluang dan strategi keberlanjutan perusahaan, serta target dan kinerja ekonomi, lingkungan, sosial dan tata kelola keberlanjutan.

Dalam menyusun Laporan Keberlanjutan ini, kami melibatkan pemangku kepentingan pada pengambilan keputusan termasuk dalam penentuan topik material terkait keberlanjutan. Kami berharap ekspektasi para pemangku kepentingan yang diungkapkan pada Laporan Keberlanjutan tahun ini mampu meningkatkan transparansi dan akuntabilitas perusahaan terutama terkait aspek keberlanjutan.

Laporan keberlanjutan Merdeka diterbitkan setiap tahun. Laporan keberlanjutan tahun 2023 ini memuat informasi kinerja keberlanjutan pada kurun waktu 1 Januari – 31 Desember 2023. Pada laporan ini, tidak terdapat data yang disajikan kembali. [2-3][2-4]

Kami menyusun Laporan Keberlanjutan ini sesuai dengan Standar GRI 2021, *GRI Mining and Metal Sector Disclosures* dan peraturan nasional yaitu Peraturan Otoritas Jasa Keuangan (POJK) No. 51/POJK.03/2017 tentang Keuangan Berkelanjutan dan Surat Edaran Otoritas Jasa Keuangan (SEOJK) No. 16/SEOJK.04/2021.

The company's Sustainability Report for 2023 is themed 'Strong Growth Anchored by A Commitment to Sustainability.' Through this report, our goal is to communicate our sustainability strategies, challenges, opportunities, targets, and performance to stakeholders, with an emphasis on the economic, environmental, social, and governance aspects.

In producing this report, we have involved stakeholders in the decision-making process, including in determining material topics related to sustainability. We hope that the expectations of stakeholders expressed in this year's Sustainability Report will increase corporate transparency and accountability, particularly regarding sustainability aspects.

Merdeka's sustainability report is published annually. This 2023 sustainability report contains information on sustainability performance for the period January 1 – December 31, 2023. In this report, there is no restatement of data.

We have developed this Sustainability Report in accordance with GRI Standards 2021, GRI Mining and Metal Sector Disclosures and national regulations, namely Financial Services Authority (OJK) Regulation No. 51/POJK.03/2017 regarding Sustainable Finance and OJK's circular letter No. 16/SEOJK.04/2021.

Untuk memudahkan pembaca, kami menggunakan istilah "Merdeka", "Perusahaan", dan "Kami" untuk merujuk pada PT Merdeka Copper Gold Tbk. Kami menggunakan istilah "site" dan "entitas bisnis" untuk merujuk pada wilayah operasional Perusahaan. Selain itu, kami menggunakan istilah "BSI" dan "Tambang Emas Tujuh Bukit" untuk merujuk pada PT Bumi Suksesindo, "BKP-BTR" dan "Tambang Tembaga Wetar" untuk PT Batutua Kharisma Permai dan PT Batutua Tembaga Raya, "MTI" untuk PT Merdeka Tsingshan Indonesia, "Pani" dan "Proyek Emas Pani" untuk PT Puncak Emas Tani Sejahtera dan PT Gorontalo Sejahtera Mining, "MBM" untuk PT Merdeka Battery Materials Tbk, "SCM" dan "Tambang Nikel Konawe" untuk PT Sulawesi Cahaya Mineral, "BSID" untuk PT Bukit Smelter Indonesia "CSID" untuk PT Cahaya Smelter Indonesia, "ZHN" untuk PT Zhao Hui Nickel, serta "HNMI" untuk PT Huaneng Metal Industry.

Terdapat penambahan cakupan perusahaan dalam Laporan Keberlanjutan 2023 yaitu PT Zhao Hui Nickel dan PT Huaneng Metal Industry.

PT Zhao Hui Nickel adalah smelter ketiga yang telah beroperasi pada pertengahan kedua tahun 2023, dengan kapasitas terpasang sebesar 50.000 ton nikel dalam nikel pig iron per tahun.

Pada 2023, Merdeka melalui anak usahanya yaitu MBM juga telah menyelesaikan akuisisi 60% kepemilikan saham di PT Huaneng Metal Industry (HNMI), fasilitas konversi nikel matte kadar tinggi (HGNM). HNMI mengkonversi nikel matte kadar rendah menjadi nikel matte kadar tinggi.[C.6]

Nikel matte adalah produk antara yang digunakan untuk menghasilkan nikel sulfat, komponen integral dalam rantai nilai bahan baku baterai.

Assurance Laporan Keberlanjutan

Bagi Merdeka, assurance merupakan proses penting untuk memastikan bahwa informasi yang disampaikan dalam Laporan Keberlanjutan bebas dari kesalahan yang material sekaligus meningkatkan kredibilitas laporan. Merdeka telah menggunakan jasa assesor independen untuk memastikan kualitas Laporan Keberlanjutan. Untuk laporan tahun ini, kami menggunakan penyedia jasa assurance independen yaitu TUV Rheinland Indonesia yang tidak terafiliasi dengan perusahaan. Proses penetapan lembaga assurance tersebut dilakukan melalui persetujuan Direksi. Pertimbangan dalam menetapkan assesor antara lain pengalaman kerja dan kapabilitas lembaga tersebut. Pernyataan assurance independen dapat ditemukan pada lampiran laporan ini. [2-5][G.1]

For ease of reading, PT Merdeka Copper Gold Tbk has used the terms "Merdeka", "Company," and "We" to refer to ourselves in this document. Meanwhile, we use the term "site" and "business entities" to refer to our operational areas. In addition, our subsidiaries are referred to as "BSI" and "Tujuh Bukit Gold Mine" for PT Bumi Suksesindo, "BKP-BTR" and "Wetar Copper Mine" for PT Batutua Kharisma Permai and PT Batutua Tembaga Raya, "MTI" for PT Merdeka Tsingshan Indonesia, "Pani" and "Pani Gold Project" for PT Puncak Emas Tani Sejahtera and PT Gorontalo Sejahtera Mining, "MBM" for PT Merdeka Battery Materials Tbk, "SCM" and Konawe Nickel Mine for PT Sulawesi Cahaya Mineral, "BSID" for PT Bukit Smelter Indonesia, "CSID" for PT Cahaya Smelter Indonesia, "ZHN" for PT Zhao Hui Nickel, and "HNMI" for PT Huaneng Metal Industry.

This year's Sustainability Report includes two new companies, PT Zhao Hui Nickel and PT Huaneng Metal Industry.

PT Zhao Hui Nickel is the third smelter which has been operating from the second half of 2023, with a nameplate capacity of 50,000 tonnes of nickel in nickel pig iron per annum.

In 2023, Merdeka through its subsidiary, MBM, also completed the acquisition of 60% interest in PT Huaneng Metal Industry (HNMI), a high-grade nickel matte (HGNM) conversion facility. HNMI converts low-grade nickel matte to high-grade nickel matte.

Nickel matte is an intermediate product that is used to produce nickel sulfate, an integral component of the battery materials value chain.

Sustainability Report Assurance

Assurance is an important process for Merdeka to ensure the accuracy and credibility of the information presented in the Sustainability Report. We have engaged an independent assessor to assure and validate our Sustainability Report. This year, we engaged TUV Rheinland Indonesia, a reputable assurance agency, which is not affiliated with the company, to provide an independent assurance of our report. The selection of the assurance provider was approved by the Board of Directors, with considerations given to the provider's experience and capabilities. The independent assurance statement can be found in the annexes section of this report.

3

Keberlanjutan di Merdeka

Sustainability at Merdeka

▲ Foto udara pantai Pulau Merah, Banyuwangi
Aerial view of Pulau Merah beach, Banyuwangi

Komitmen dan Kebijakan-Kebijakan Kami

Our Commitment and Policies ^[2-23]

Komitmen dan Kebijakan-Kebijakan Kami

Merdeka berkomitmen untuk melaksanakan seluruh kegiatan bisnis secara berkelanjutan dan bertanggung jawab, dengan tujuan menciptakan nilai bagi pemangku kepentingan dan memberikan dampak positif pada perekonomian, lingkungan, karyawan dan masyarakat di sekitar wilayah operasi. Komitmen terhadap keberlanjutan ini tercermin dalam Kebijakan Keberlanjutan yang telah disetujui oleh Presiden Direktur dan disosialisasikan kepada seluruh karyawan.

Kebijakan Keberlanjutan Merdeka mencakup berbagai komitmen, termasuk pemeliharaan lingkungan hidup, kesehatan dan keselamatan kerja, ketaatan terhadap standar ketenagakerjaan, penghormatan hak asasi manusia, pelibatan dan pengembangan masyarakat, rantai pasokan yang bertanggung jawab, dan pelaksanaan tata kelola perusahaan yang baik.

Kami menyadari bahwa kegiatan operasional kami berpotensi menimbulkan dampak pada lingkungan sekitar, untuk itu kami berkomitmen melaksanakan kegiatan operasional dengan standar etika dan lingkungan tertinggi. Kebijakan Keberlanjutan kami bertujuan sebagai prinsip panduan untuk seluruh aktivitas bisnis, dan terus berupaya meningkatkan kinerja keberlanjutan perusahaan.

Kebijakan Keberlanjutan Merdeka disusun dengan mengacu pada instrumen otoritatif seperti United Nations Guiding Principles on Business and Human Rights (UNGPs), Deklarasi ILO tentang Prinsip-Prinsip dan Hak-Hak Mendasar di Tempat Kerja, Pedoman Uji Tuntas OECD untuk Bisnis yang Bertanggung Jawab, dan Peraturan Otoritas Jasa Keuangan (OJK) No. 51/POJK.03/2017 tentang Penerapan Keuangan Berkelanjutan bagi Lembaga Jasa Keuangan, Emiten, dan Perusahaan Publik.

Komitmen kami terhadap penghormatan hak asasi manusia mencakup seluruh wilayah operasi dan rantai pasokan. Komitmen penghormatan hak asasi manusia Merdeka mencakup hak asasi manusia yang diakui secara internasional, sebagaimana tercantum dalam Kebijakan Hak Asasi Manusia Merdeka.

Kebijakan Hak Asasi Manusia Merdeka menyatakan komitmen kami untuk menegakkan hak individu termasuk masyarakat di wilayah operasional kami, pekerja kami, dan pihak lain yang terdampak oleh kegiatan operasional kami. Kebijakan Hak Asasi Manusia Merdeka menyatakan komitmen untuk menghormati hak-hak ketenagakerjaan pekerja dan pekerja pemasok, termasuk hak atas

Our Commitment and Policies

Merdeka is committed to conducting all business activities sustainably and responsibly, with the aim of creating value for stakeholders and providing positive impacts on the economy, environment, employee and surrounding communities within the operational area. This commitment to sustainability is reflected in Merdeka's Sustainability Policy approved by the President Director and socialized to all employees.

Merdeka's Sustainability Policy encompasses various commitments, including environmental preservation, occupational health and safety, compliance with labor standards, respect for human rights, community engagement and development, responsible supply chain management, and the implementation of good corporate governance.

We acknowledge that our operations have the potential to impact the surrounding environment, and we are committed to conducting our activities with the highest ethical and environmental standards. Our Sustainability Policy serves as the guiding principle for all business activities, and we continuously strive to improve our sustainability performance.

Merdeka's Sustainability Policy is formulated with reference to authoritative instruments such as the United Nations Guiding Principles on Business and Human Rights (UNGPs), the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the OECD Due Diligence Guidance for Responsible Business Conduct, and the Financial Services Authority (OJK) Regulation No. 51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Institutions, Issuers, and Public Companies.

Our commitment to respecting human rights covers all operational areas and supply chains. This commitment encompasses internationally recognized human rights, as outlined in Merdeka's Human Rights Policy.

Merdeka's Human Rights Policy states our commitment to upholding the rights of individuals, including communities in our operational areas, our employees, and other parties affected by our operational activities. Merdeka's Human Rights Policy declares our commitment to respecting the labor rights of our employees and the workers of our suppliers, including the right to a safe and healthy work

lingkungan kerja yang aman dan sehat, kebebasan untuk berserikat dan perlindungan berorganisasi, dan perundingan bersama, menghindari segala bentuk kerja paksa, pekerja anak, dan perdagangan manusia di seluruh operasi dan rantai pasokan serta menciptakan lingkungan kerja yang beragam dan inklusif, bebas dari praktik diskriminasi.

Komitmen kami terhadap hak asasi manusia telah diintegrasikan antara lain ke dalam Kode Etik Perusahaan, Kode Etik Keberlanjutan Pemasok, Kebijakan Lingkungan, Kebijakan Kesehatan dan Keselamatan, kebijakan ketenagakerjaan, dan Kebijakan Komunitas.

Seluruh karyawan di entitas bisnis diwajibkan mengikuti pelatihan **Kode Etik** sebagai bagian dari orientasi perusahaan bagi karyawan baru. Sebagai hasilnya, karyawan Merdeka telah memahami tanggung jawab mereka untuk menghormati hak asasi setiap individu selama bekerja di perusahaan, sesuai dengan Kebijakan Hak Asasi Manusia. Selain itu, untuk memastikan bahwa setiap mitra bisnis juga menghormati hak asasi manusia sesuai dengan Kebijakan Hak Asasi Manusia Merdeka, kami telah menyertakan persyaratan penghormatan hak asasi manusia dalam Kode Etik Keberlanjutan Pemasok.

Sebagai tindak lanjut dari komitmen Merdeka terhadap hak asasi manusia, kami telah menjadi penandatangan UN Global Compact. Sebagai penandatangan UN Global Compact, Merdeka telah menyampaikan *Communication on Progress (CoP)* kepada Global Compact di tahun 2023. CoP menjadi simbol dari komitmen perusahaan terhadap transparansi, akuntabilitas, dan implementasi praktik-praktik berkelanjutan. CoP juga menjadi mekanisme utama bagi Merdeka untuk memperlihatkan kemajuan yang telah dicapai terhadap Sepuluh Prinsip Global Compact Perserikatan Bangsa-Bangsa dan Tujuan Pembangunan Berkelanjutan (*Sustainable Development Goals/SDGs*).

Untuk memastikan komitmen keberlanjutan Merdeka diimplementasikan di seluruh rantai pasok, kami telah menyusun **Kode Etik Keberlanjutan Pemasok**. Kode Etik Keberlanjutan Pemasok berlaku untuk semua pemasok, termasuk badan usaha, organisasi, atau individu yang menyediakan barang atau jasa kepada Merdeka. Kami berkomitmen untuk menjalankan bisnis hanya dengan pemasok yang dapat menunjukkan kepatuhan terhadap persyaratan yang tercantum dalam Kode Etik Keberlanjutan Pemasok Merdeka. ^[2-24]

Keberlanjutan Pemasok mencakup aspek etika bisnis dan integritas, manajemen lingkungan, kesehatan dan keselamatan kerja, kepatuhan terhadap standar ketenagakerjaan, penghormatan terhadap hak asasi manusia, dan pelibatan masyarakat sekitar.

Komitmen dan Kebijakan-Kebijakan Merdeka, dapat diakses di <https://merdekacoppergold.com/dokumen/>.

environment, freedom of association and organizational protection, and collective bargaining, avoiding all forms of forced labor, child labor, and human trafficking throughout our operations and supply chains, and creating a diverse and inclusive work environment, free from discriminatory practices.

Our commitment to human rights has been integrated, among other things, into the Company Code of Ethics, Supplier Sustainability Code of Conduct, Environmental Policy, Health and Safety Policy, labor policies, and Community Policy.

All employees in the business entities are required to attend a **Code of Conduct** training as part of the Company orientation for new employees. As a result, Merdeka's employees understand their responsibility to respect the human rights of every individual while working in the company, in accordance with Merdeka's Human Rights Policy. Furthermore, to ensure that every business partner also respects human rights in accordance with Merdeka's Human Rights Policy, we have included human rights respect requirements in the Supplier Sustainability Code of Conduct.

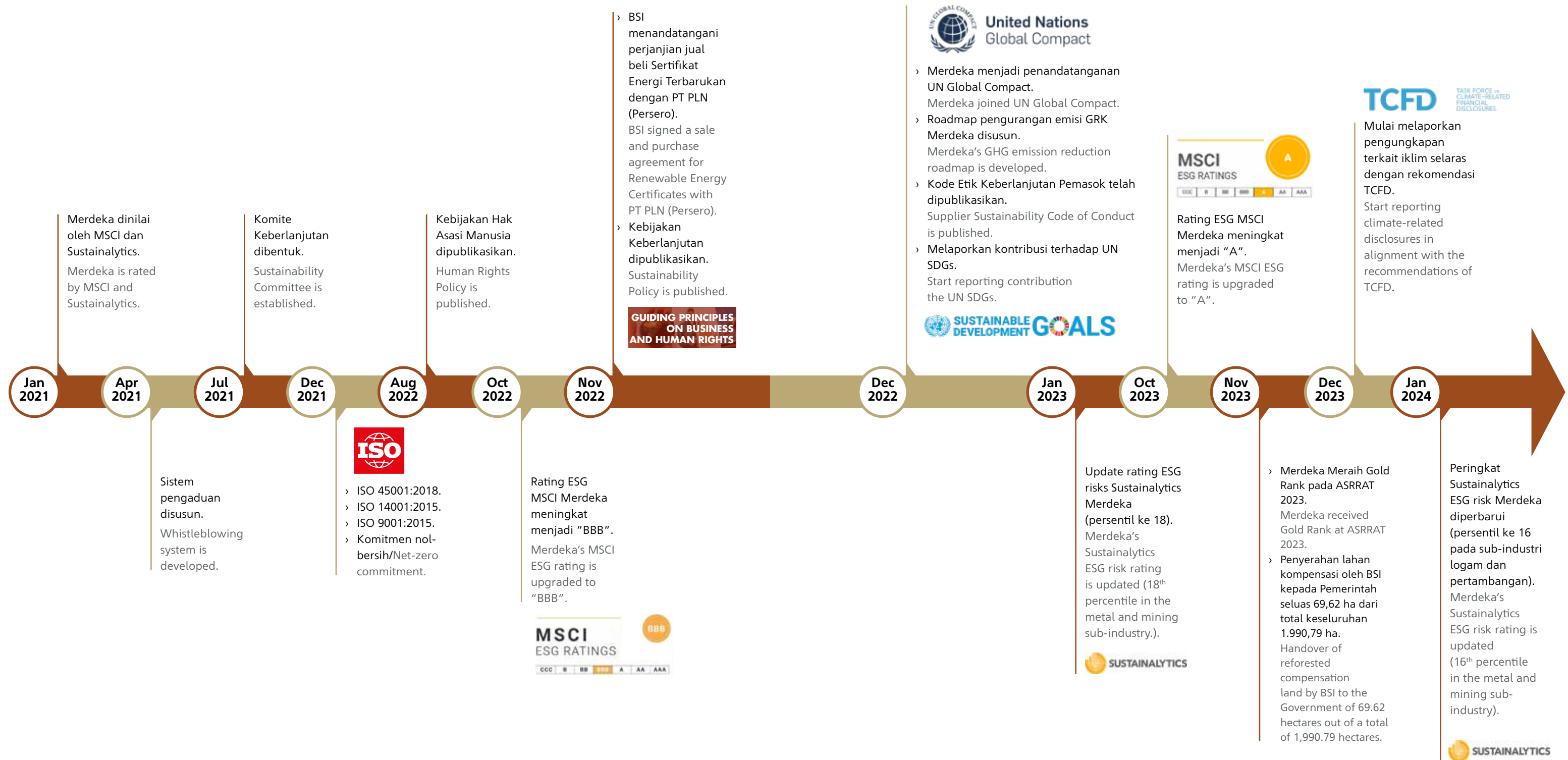
As a follow-up to our commitment to human rights, Merdeka has become a signatory to the UN Global Compact. As a signatory to the UN Global Compact, Merdeka has submitted a Communication on Progress (CoP) to the Global Compact in 2023. The CoP serves as a symbol of the company's commitment to transparency, accountability, and the implementation of sustainable practices. It is also the primary mechanism used by Merdeka to demonstrate progress made towards the Ten Principles of the United Nations Global Compact and the Sustainable Development Goals (SDGs).

To ensure the implementation of Merdeka's sustainability commitments across the supply chain, we have developed a **Supplier Sustainability Code of Conduct**. Supplier Sustainability Code of Conduct applies to all suppliers, including businesses, organizations, or individuals who provide goods or services to Merdeka. We are committed to conducting business only with suppliers who can demonstrate compliance with the requirements outlined in Merdeka's Supplier Sustainability Code of Conduct.

Sustainability Code of Conduct encompasses aspects of business ethics and integrity, environmental management, health and safety at work, compliance with labor standards, respect for human rights, and community engagement.

Merdeka's commitment and policies can be accessed at <https://merdekacoppergold.com/en/document/>.

Perjalanan Keberlanjutan Merdeka Merdeka Sustainability Journey



Kerangka Kerja Keberlanjutan Merdeka

Merdeka Sustainability Framework

VISI | VISION

Menjadi pemimpin global di industri pertambangan dan logam Indonesia.
The Global Leader in the Indonesian Mining and Metals Industry

MISI | MISSION

- Menjadi mitra pengembang pilihan dalam sektor industri pertambangan dan logam Indonesia;
- Menjadi pemimpin dalam keselamatan, pembangunan berkelanjutan, konservasi lingkungan, dan tanggung jawab sosial perusahaan;
- Menciptakan nilai serta imbal hasil investor yang unggul melalui investasi yang bijaksana dan pengembangan proyek yang efektif; dan
- Menjadi pemimpin dalam inovasi dan efisiensi.

- To be the development partner of choice in the Indonesian mining & metals industry;
- To be a leader in safety, environmental protection & corporate social responsibility;
- To generate superior value & investor returns through prudent investment and effective project development; and
- To be a leader in innovation and efficiency.

NILAI-NILAI | VALUES

GReAtnESS

Growth, Respect, Accountability, Collaboration, Excellence, Safety & Sustainability

SUSTAINABILITY POLICY

Our commitment to operate in a sustainable and responsible manner, create values for stakeholders, and generate positive impacts on the economy, environment, people, and communities.

MERDEKA'S SUSTAINABILITY STRATEGY



Alignment with SDGs



Pendekatan keberlanjutan yang telah disusun didasarkan pada visi Merdeka untuk menjadi pemimpin global dalam industri pertambangan dan logam, serta misi perusahaan untuk memimpin dalam keselamatan, perlindungan lingkungan, dan tanggung jawab sosial. Nilai-nilai kami memberikan panduan yang lebih lanjut tentang bagaimana kami menjalankan bisnis untuk mencapai visi dan misi tersebut.

Sejalan dengan visi, misi, dan nilai-nilai Merdeka, Kebijakan Keberlanjutan menyatakan komitmen untuk menjalankan operasional secara berkelanjutan dan bertanggung jawab, menciptakan nilai bagi pemangku kepentingan, serta menghasilkan dampak positif terhadap ekonomi, lingkungan, karyawan, dan masyarakat sekitar.

Untuk mewujudkan komitmen dalam Kebijakan Keberlanjutan, Merdeka merumuskan Enam Pilar Strategi Keberlanjutan yang mencakup daftar area yang menjadi fokus perusahaan. Enam Pilar Strategi Keberlanjutan Merdeka dirancang sejalan dengan Tujuan Pembangunan Berkelanjutan (SDGs) dan targetnya, yang lebih lanjut mendukung visi, misi, dan nilai-nilai kami. Enam Pilar Strategi Keberlanjutan Merdeka dirancang dengan tujuan memberikan kontribusi maksimal bagi pencapaian Tujuan Pembangunan Berkelanjutan.

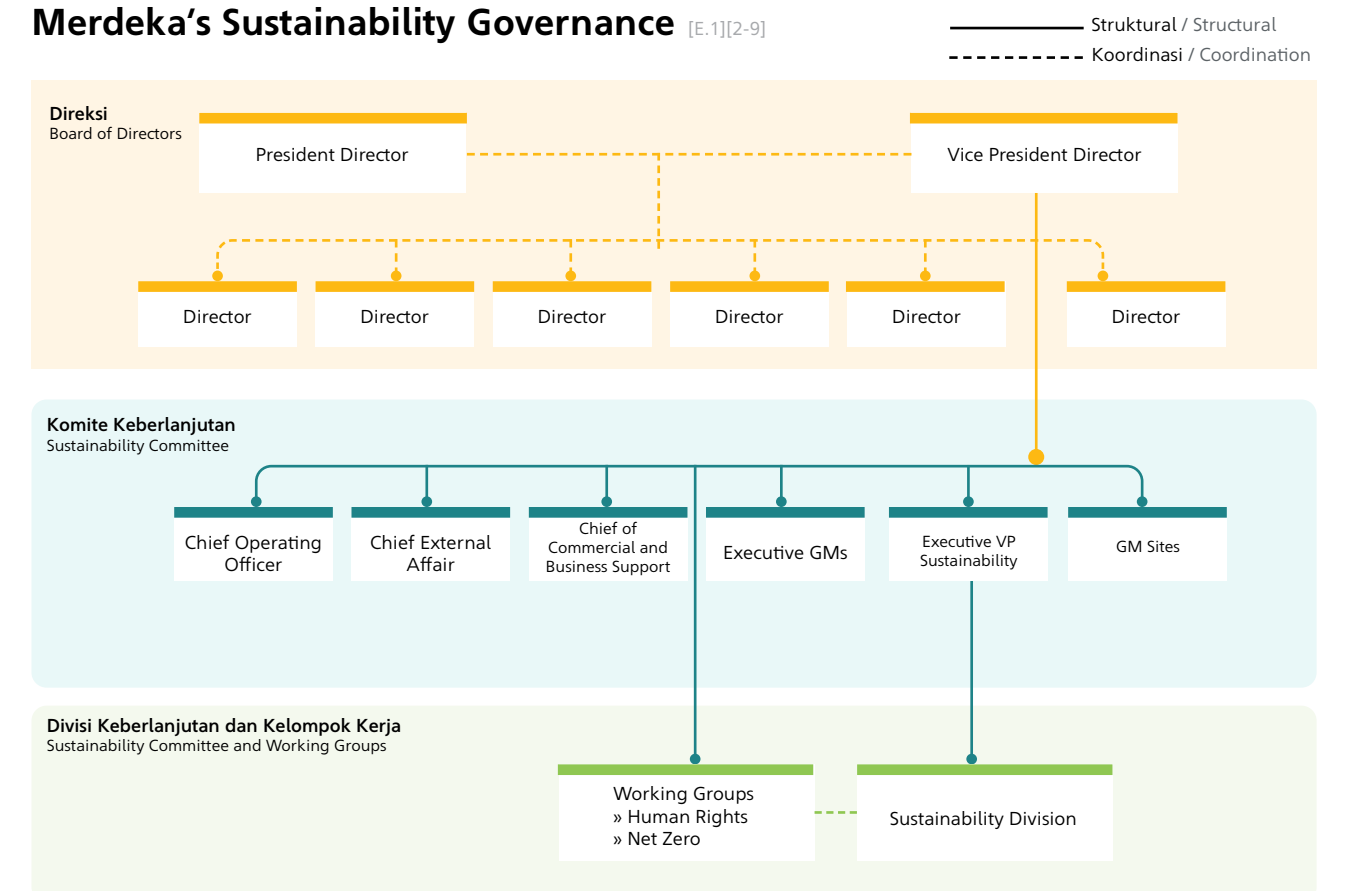
The established sustainability approach is based on Merdeka's vision to become a global leader in the mining and metals industry, as well as our mission to lead in safety, environmental protection, and corporate social responsibility. Our values provide further guidance on how we conduct business to achieve these vision and mission.

In line with our vision, mission, and values, Merdeka's Sustainability Policy states a commitment to conducting operations sustainably and responsibly, creating value for stakeholders, and generating positive impacts on the economy, environment, people, and surrounding communities.

To realize the commitments in the Sustainability Policy, Merdeka has formulated Six Sustainability Strategy Pillars that encompass a list of areas that are the company's focus. Merdeka's Six Sustainability Strategy Pillars are designed in alignment with the Sustainable Development Goals (SDGs) and their targets, further supporting our vision, mission, and values. The Six Sustainability Strategy Pillars are crafted with the aim of delivering maximum contributions to the achievement of the Sustainable Development Goals.

Tata Kelola Keberlanjutan Merdeka

Merdeka's Sustainability Governance [E.1][2-9]



Pengawasan Direksi dan Komite Keberlanjutan

Direksi bertanggung jawab penuh atas pelaksanaan keberlanjutan di Merdeka. Direksi menyetujui strategi keberlanjutan, target, dan kebijakan untuk memastikan tercapainya komitmen keberlanjutan Merdeka. [2-12]

Direksi Merdeka membentuk Komite Keberlanjutan dan ditetapkan melalui Piagam Komite Keberlanjutan yang bertugas untuk mendukung Direksi dalam mengambil keputusan dan mengawasi pelaksanaan keberlanjutan. Dipimpin oleh Wakil Presiden Direktur, anggota komite termasuk Presiden Direktur, Manajemen Eksekutif, *General Manager* di site, Kepala Teknik Tambang (KTT), *General Manager* di kantor pusat, dan manajer dari Departemen Keberlanjutan. [2-13]

Tugas dan tanggung jawab Komite mencakup hal-hal berikut: [2-12]

1. Menelaah Kebijakan Keberlanjutan, strategi, target, dan pedoman keberlanjutan Merdeka.
2. Memantau perkembangan hukum dan peraturan keberlanjutan nasional dan *global*, standar keberlanjutan, dan tren relevan, serta memberikan rekomendasi untuk memperbarui strategi, kebijakan, target, dan pedoman keberlanjutan Merdeka sesuai dengan peraturan dan standar nasional dan internasional, serta praktik terbaik.
3. Menelaah kinerja keberlanjutan Merdeka secara berkala, mencakup aspek perlindungan lingkungan, kesehatan dan keselamatan kerja, ketenagakerjaan, hak asasi manusia, pelibatan dan pengembangan masyarakat, tanggung jawab pemasok, kontraktor, dan mitra bisnis, serta tata kelola perusahaan.
4. Menelaah uji tuntas Merdeka dan proses identifikasi serta pengelolaan dampak operasional terhadap ekonomi, lingkungan, dan manusia.
5. Memantau kasus-kasus kontroversial terkait dengan aspek Kebijakan Keberlanjutan dan memberikan rekomendasi untuk penanganannya.
6. Menelaah metode komunikasi strategi, kebijakan, target, dan kinerja keberlanjutan Merdeka kepada pihak internal dan eksternal.

Berdasarkan strategi dan target yang telah ditinjau dan disetujui oleh Komite Keberlanjutan, seluruh divisi terkait di kantor pusat dan entitas bisnis menyusun serta melaksanakan program keberlanjutan untuk mencapai target yang ditetapkan.

Komite keberlanjutan mengadakan rapat setidaknya empat kali setahun. Hasil rapat dilaporkan oleh Ketua Komite kepada Direksi pada rapat Direksi.

Board's Oversight and Sustainability Committee

Our Board of Directors has the ultimate accountability of sustainability implementation at Merdeka. Our Board approves sustainability strategy, targets, and policies to ensure the realization of Merdeka's sustainability commitments.

Our Board of Directors established the Sustainability Committee through the Sustainability Committee Charter, which is tasked with supporting the Board in decision-making and overseeing the sustainability implementation. Chaired by the Vice President Director, the committee's members include the President Director, Executive Management, site General Managers, The Mining Technical Manager (KTT), General Managers at the head office, and the managers of the Sustainability department.

The tasks and responsibilities of the Sustainability Committee include the following:

1. Reviewing Merdeka's Sustainability Policy, strategies, targets, and guidelines.
2. Monitoring developments in national and global sustainability laws and regulations, sustainability standards, and relevant trends, and providing recommendations to update Merdeka's sustainability strategies, policies, targets, and guidelines in accordance with national and international regulations and standards, as well as best practices.
3. Periodically reviewing Merdeka's sustainability performance, including aspects of environmental protection, health and safety at work, labor practices, human rights, community engagement and development, supplier, contractor, and business partner responsibilities, as well as corporate governance.
4. Reviewing Merdeka's due diligence and processes for identifying and managing operational impacts on the economy, environment, and people.
5. Monitoring controversial cases related to aspects of the Sustainability Policy and providing recommendations for their handling.
6. Reviewing methods for communicating Merdeka's sustainability strategies, policies, targets, and performance to internal and external stakeholders.

Based on the strategies and targets that have been reviewed and approved by the Sustainability Committee, all relevant divisions at the head office and business entities develop and implement sustainability programs to achieve the set targets.

The Sustainability Committee holds meetings at least four times a year. The outcomes of the meetings are reported by the Committee Chair to the Board of Directors at Board meetings.

Dalam penyusunan Laporan Keberlanjutan tahun 2023, Direksi menelaah dan menyetujui topik material keberlanjutan untuk diungkapkan dalam laporan. [2-14]

Ketua dan anggota Komite Keberlanjutan secara berkelanjutan terus mengembangkan pengetahuan mereka terkait aspek-aspek yang menjadi komitmen dalam Kebijakan Keberlanjutan melalui partisipasi dalam pelatihan internal dan eksternal perusahaan.

Pada tahun 2023, anggota Komite Keberlanjutan mengikuti berbagai pelatihan pengembangan kompetensi keberlanjutan, termasuk penyempurnaan strategi dan kebijakan keberlanjutan, pelatihan anti-korupsi dan anti-penyuapan, dan pelatihan *unconscious bias training* sebagai bagian dari program *diversity, equity and inclusion* (DEI). [F.1]

Divisi Keberlanjutan dan Kelompok Kerja Keberlanjutan

Koordinasi pelaksanaan program, pencapaian target dan penyusunan pedoman dilakukan oleh Divisi Keberlanjutan Merdeka. Divisi Keberlanjutan Merdeka dipimpin oleh *Executive VP Sustainability* yang bertanggung jawab langsung kepada Wakil Presiden Direktur Perusahaan.

Komite Keberlanjutan akan didukung oleh kelompok kerja untuk pilar lintas-fungsional antara lain Kelompok Kerja Hak Asasi Manusia dan Kelompok Kerja *Net Zero*. Kelompok kerja ini akan membantu mendorong pelaksanaan pilar-pilar strategis melalui upaya kolaboratif lintas-fungsional dalam upaya mengintegrasikan keberlanjutan di seluruh perusahaan dan memastikan dukungan lintas-fungsional.

In the preparation of the 2023 Sustainability Report, the Board reviews and approves the material sustainability topics to be disclosed in the report.

The Chair and members of the Sustainability Committee continuously develop their knowledge regarding the aspects outlined in the Sustainability Policy through participation in internal and external company training sessions.

In 2023, members of the Sustainability Committee participated in various sustainability competency development training, including sustainability strategies and policies revision, anti-corruption and anti-bribery training, and unconscious bias training as part of the diversity, equity, and inclusion (DEI) program.

Sustainability Division and Working Groups

The coordination of program implementation, achievement of targets, and development of guidelines is carried out by Merdeka's Sustainability Division. The Sustainability Division is led by the Executive VP Sustainability, who reports directly to the Vice President Director of the Company.

The Sustainability Committee will be supported by working groups for cross-functional pillars, including the Human Rights Working Group and the Net Zero Working Group. These working groups will help drive the implementation of strategic pillars through collaborative cross-functional efforts to integrate sustainability across the company and ensure cross-functional support.



▲ Karyawan di Proyek Emas Pani
Employees at Pani Gold Project

Kontribusi Kami Terhadap Tujuan Pembangunan Berkelanjutan

Our Contribution to the Sustainable Development Goals (SDGs)

Upaya kami untuk turut berkontribusi terhadap Tujuan Pembangunan Berkelanjutan didukung oleh Enam Pilar Strategi Keberlanjutan Merdeka. Terdapat 10 tujuan SDGs yang menjadi prioritas Merdeka yaitu SDG 1, 3, 5, 6, 8, 12, 13, 15, 16, dan 17.

Pengentasan segala bentuk kemiskinan di semua tempat End poverty in all its forms everywhere



- Pengembangan dan pelatihan karyawan
Employee development and training (p.128)
- Pelatihan kepemimpinan
Leadership training (p.129)
- Karyawan lokal
Local employees (p.126)
- Pemberdayaan pemasok lokal
Local supplier empowerment (p.153)
- Pengembangan dan pemberdayaan masyarakat
Community development and empowerment (p.144)

Menggalakkan hidup sehat dan mendukung kesejahteraan untuk semua usia Ensure healthy lives and promote well-being for all at all ages



- Identifikasi bahaya, penilaian risiko, dan manajemen insiden / Hazard identification, risk assessment, and incident management (p.102)
- Manajemen tanggap darurat
Emergency response management (p.111)
- Pengelolaan risiko kritis
Critical risk management (p.104)
- Kesehatan karyawan
Employees wellness (p.106)
- Pengembangan dan pemberdayaan masyarakat
Community development and empowerment (p.144)

Mencapai kesetaraan gender dan memberdayakan semua perempuan Achieve gender equality and empower all women and girls



- Anti-diskriminasi dan kesetaraan gender
Anti-discrimination and gender equality (p.117)
- Keberagaman, kesetaraan, dan inklusivitas
Diversity, equity and inclusion (DEI) (p.123)

Menjamin akses atas air dan sanitasi untuk semua Ensure availability and sustainable management of water and sanitation for all



- Tata kelola air dan air limbah
Water stewardship (p.50)

Mempromosikan pertumbuhan ekonomi berkelanjutan dan inklusif, lapangan pekerjaan dan pekerjaan yang layak untuk semua Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



- Pelibatan Karyawan
Employee engagement (p.129)
- Hak asasi manusia dan keamanan
Security and human rights (p. 160)
- Pengembangan dan pelatihan karyawan
Employee development and training (p.128)
- Kesehatan karyawan
Employees wellness (p.106)
- Pelatihan kepemimpinan
Leadership training (p.129)
- Pengelolaan risiko kritis
Critical risk management (p.104)
- Keberagaman, kesetaraan, dan inklusivitas
Diversity, equity and inclusion (DEI) (p.123)
- Mekanisme pengaduan yang efektif
Effective grievance mechanism (p. 119, 162)
- Uji tuntas hak asasi manusia
Continuous human rights due diligence (p.158)
- Manajemen tanggap darurat
Emergency response management (p.111)
- Identifikasi bahaya, penilaian risiko, dan manajemen insiden
Hazard identification, risk assessment, and incident management (p.102)



Our efforts to contribute to the Sustainable Development Goals (SDGs) are supported by our Six Sustainability Strategy Pillars. We have prioritized ten SDGs goals: SDG 1, 3, 5, 6, 8, 12, 13, 15, 16, and 17.

Memastikan pola konsumsi dan produksi yang berkelanjutan Ensure sustainable consumption and production patterns



- Rantai pasokan yang bertanggungjawab
Responsible supply chain (p.178)
- Pengelolaan limbah
Waste management (p.55)

Mengambil langkah penting untuk melawan perubahan iklim dan dampaknya Take urgent action to combat climate change and its impacts



- Emisi gas rumah kaca (GRK)
Greenhouse gas emission (p.77)

Mengelola hutan secara berkelanjutan, melawan perubahan lahan menjadi gurun, menghentikan dan merehabilitasi kerusakan lahan, menghentikan kepunahan keanekaragaman hayati Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



- Pengelolaan pascatambang dan keanekaragaman hayati
Post-mining and biodiversity management (p.88)

Mendorong masyarakat adil, damai, dan inklusif Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



- Menerapkan Kode Etik, Kebijakan Anti Korupsi dan Kebijakan Anti Penyuapan
Implementing Code of Conduct, Anti-Corruption Policy and Anti-Bribery Policy (p.172, 174)

Menghidupkan kembali kemitraan global demi pembangunan berkelanjutan Strengthen the means of implementation and revitalize the global partnership for sustainable development



- Berpartisipasi pada inisiatif-inisiatif global (Menjadi anggota UN Global Compact)
Global initiatives participation (Joined UN Global Compact) (p.38)

Merdeka dan UN Global Compact

Merdeka and the UN Global Compact



United Nations
Global Compact

Sebagai penandatanganan UN Global Compact, Merdeka berkomitmen mematuhi 10 prinsip UNGC terkait tanggung jawab mendasar di bidang hak asasi manusia, ketenagakerjaan, lingkungan hidup, dan anti korupsi.

As a signatory of the UN Global Compact, Merdeka is committed to the ten principles of UNGC, which highlight fundamental responsibilities in the areas of human rights, labor, environment, and anti-corruption.



Hak Asasi Manusia Human Rights

PRINSIP 1
PRINCIPLE 1 Mendukung dan menghormati hak asasi manusia
Support and respect human rights

PRINSIP 2
PRINCIPLE 2 Tidak terlibat dalam pelanggaran hak asasi manusia
No human rights abuses

Our works:

Menghormati Hak Asasi Manusia | Respecting Human Rights

Pg. 154

- » Menghormati dan mematuhi hukum nasional terkait dengan hak asasi manusia dan konvensi internasional tentang hak asasi manusia
Respect and comply with local laws and international principles regarding to human rights
- » Hak asasi manusia pada Kode Etik Keberlanjutan Pemasok
Respect human rights in our Supplier Sustainability Code of Conduct
- » Pelatihan penghormatan hak asasi manusia kepada personil keamanan
Human rights respect training for security personnel
- » Menindak lanjuti hasil Human Rights Impact Assessment
Following up on the results of Human Rights Impact Assessment (HRIA)
- » Menyusun mekanisme penyampaian keluhan tingkat operasional
Developed an operational-level grievance mechanism



Ketenagakerjaan Labor

PRINSIP 3
PRINCIPLE 3 Kebebasan berserikat
Freedom of association

PRINSIP 4
PRINCIPLE 4 Penghapusan kerja paksa
Elimination of forced labor

PRINSIP 5
PRINCIPLE 5 Penghapusan pekerja anak
Abolition of child labor

Our works:

Memberdayakan Pekerja Kami | Empowering Our People

Pg. 114

- » Melindungi hak-hak karyawan
Protect the rights of employees
- » Memberikan kesempatan karyawan untuk bergabung dalam serikat pekerja
Grant employees the right to join labor union
- » Keberagaman tenaga kerja
Workforce diversity
- » Melaksanakan rekrutmen yang adil dan berkualitas
Conduct fair and quality recruitment



Lingkungan Environment

PRINSIP 7
PRINCIPLE 7 Pencegahan terhadap permasalahan lingkungan
Precautionary approach to environmental challenges

PRINSIP 8
PRINCIPLE 8 Tanggungjawab terhadap lingkungan
Environmental responsibility

PRINSIP 9
PRINCIPLE 9 Teknologi ramah lingkungan
Environmentally friendly technologies

Our works:

Memelihara Lingkungan | Preserving the Environment

Pg. 46

- » Kepatuhan terhadap peraturan lingkungan yang berlaku
Compliance with applicable environmental regulations
- » Pemantauan terhadap risiko lingkungan untuk mencegah dampak negatif
Monitoring environmental risks to prevent negative impact
- » Penggunaan sumber daya secara efisien untuk melestarikan sumber daya alam
Efficiently use of resources to preserve natural resources
- » Menggunakan energi yang berasal dari sumber energi baru terbarukan
Using energy from new renewable energy sources
- » Identifikasi risiko pada keanekaragaman hayati dan menghindari beroperasi di area dengan nilai keanekaragaman hayati tinggi atau spesies terancam
Identify risks to biodiversity and avoid operating in areas with diversity values



Anti Korupsi Anti-Corruption

PRINSIP 10
PRINCIPLE 10 Melawan segala bentuk korupsi
Work against corruption

Our works:

Mengadopsi Tata Kelola Perusahaan yang Baik
Adopting Good Corporate Governance

Pg. 164

- » Sosialisasi Kebijakan Anti Korupsi
Dissemination of Anti-Corruption Policy
- » Penilaian potensi tindakan korupsi
Assessment of potential corrupt acts

Pelibatan Pemangku Kepentingan

Stakeholder Engagement

[E.4] [2-29]

Kami menyadari bahwa pemangku kepentingan merupakan pihak yang mempunyai peran penting dalam mewujudkan keberlanjutan perusahaan. Untuk itu, dalam semua proses pengambilan keputusan, Merdeka selalu melibatkan pemangku kepentingan yang terkait. Pelibatan kepentingan tersebut digunakan sebagai sarana untuk mendapatkan pemahaman dan harapan dari para pemangku kepentingan terkait dengan dampak ekonomi, lingkungan, dan sosial.

Sejalan dengan Standar AA1000 *Stakeholder Engagement Standard* 2015, kami melakukan pemantauan berkelanjutan terhadap perkembangan pasar dan interaksi eksternal untuk mengidentifikasi pemangku kepentingan. Kami mengidentifikasi individu atau kelompok dengan atribut yaitu *dependency, responsibility, tension, influence, diverse perspective dan proximity*. Setelah pemangku kepentingan diidentifikasi, kami melakukan pemetaan atas pemangku kepentingan untuk menetapkan metode dan frekuensi pelibatan pemangku kepentingan serta topik material yang dianggap penting dan sejalan dengan strategi Perusahaan.

Kriteria yang digunakan Merdeka dalam melakukan pemetaan pemangku kepentingan adalah sebagai berikut:

Expertise		Value		
				
Contribution	Legitimacy	Willingness to engage	Influence	Necessity of involvement
Apakah pemangku kepentingan memiliki informasi, masukan, atau keahlian tentang isu/ masalah yang dapat bermanfaat bagi perusahaan?	Seberapa besar pengaruh/ legitimasi para pemangku kepentingan dalam proses pelibatan?	Seberapa bersedia pemangku kepentingan untuk terlibat?	Seberapa besar pengaruh pemangku kepentingan?	Apakah pemangku kepentingan dapat mempengaruhi proses pelibatan jika mereka tidak termasuk dalam proses?
Do stakeholders have information, input or expertise on issues/ problems that can provide benefit to the company?	Legitimacy: How much influence/ legitimacy do the stakeholders have in the engagement process?	How willing are stakeholders to engage?	How much influence do stakeholders have?	Can stakeholders influence the engagement process if they are not included in the process?

Berdasarkan hasil pemetaan prioritas pemangku kepentingan kami melakukan pelibatan pemangku kepentingan pada tahun 2023 dengan berbagai metode sebagai berikut:

We recognize that stakeholders play a vital role in ensuring the sustainability of our company. Therefore, we always involve relevant stakeholders in all our decision-making processes. This engagement is used to gain an understanding of stakeholders' expectations and concerns regarding economic, environmental, and social impacts.

In accordance with the AA1000 Stakeholder Engagement Standard 2015, we continuously monitor market developments and external interactions to identify our stakeholders. We identify individuals or groups with the following attributes: dependency, responsibility, tension, influence, diverse perspective, and proximity. Once our stakeholders are identified, we conduct stakeholder mapping to determine the appropriate method and frequency of engagement, as well as the material topics that are important and align with our company's strategy.

The criteria we use for stakeholder mapping are as follows:

Based on the results of stakeholder priority mapping, we engage stakeholders in 2023 using various methods as follows:

Pemangku kepentingan Stakeholders	Topik material Material topics	Respon perusahaan atas topik material dan frekuensi pelibatan Company's responses to the material topics and engagement frequency
 Masyarakat sekitar termasuk kaum rentan Community including vulnerable groups	- Pengembangan dan pemberdayaan masyarakat - Kesehatan dan keselamatan kerja - Kinerja keuangan dan kontribusi ekonomi - Hak asasi manusia - Pengadaan lokal - Community development and empowerment - Occupational health and safety - Financial performance and economic contribution - Human rights - Local procurement	- Sosialisasi dampak lingkungan kepada masyarakat - Koordinasi dan dialog sosial dengan masyarakat - Menerima masukan/ keluhan masyarakat - Implementasi program pengembangan dan pemberdayaan masyarakat Frekuensi: minimal sekali setahun - Dissemination of environmental impacts to communities - Coordination and social dialog with communities - Receiving community input / grievances - Implementation of the community development and empowerment programs Frequency: minimum once a year
 Karyawan, anak usaha dan serikat pekerja Employee, business units and labour union	- Kesehatan dan keselamatan kerja - Kinerja keuangan dan kontribusi ekonomi - Keberagaman, kesetaraan dan inklusi - Pengembangan dan pelatihan karyawan - Occupational health and safety - Financial performance and economic contribution - Diversity, equity and inclusion - Employee training and development	- Sistem pelaporan pelanggaran - Konsultasi dan negosiasi Peraturan Perusahaan (PP) dan/atau Perjanjian Kerja Bersama (PKB) - Bipartit meeting antara perusahaan dengan serikat pekerja - Survei keterikatan karyawan Frekuensi: minimal dua kali setahun - Whistleblowing system - Consultation and negotiation of company regulations and/or collective labor agreement - Bipartit meeting between companies and labor unions - Employee engagement survey Frequency: minimum twice a year
 Pemegang saham/ pemberi modal Shareholders/investor	- Kinerja keuangan dan kontribusi ekonomi - Kesehatan dan keselamatan kerja - Memelihara lingkungan hidup - Etika bisnis dan integritas - Tata kelola perusahaan - Pengelolaan risiko dan peluang - Financial performance and economic contribution - Occupational health and safety - Preserving the environment - Business ethics and integrity - Corporate governance - Risk and opportunity management	- Publikasi laporan tahunan, laporan keuangan dan Laporan Keberlanjutan - Rapat Umum Pemegang Saham (RUPS) Frekuensi: minimal sekali setahun - Publication of annual report, financial report and Sustainability Report - Annual General Meeting Shareholders (AGMS) Frequency: minimum once a year
 Pemerintah Government	- Kinerja keuangan dan kontribusi ekonomi - Memelihara lingkungan hidup - Pengadaan lokal - Etika bisnis dan integritas - Tata kelola perusahaan - Financial performance and economic contribution - Preserving the environment - Local procurement - Business ethics and integrity - Corporate governance	- Paparan publik - Pelaporan rutin kepada kementerian dan dinas terkait dan otoritas jasa keuangan Frekuensi: minimal sekali setahun - Public expose - Regular reporting to related ministries and agencies and the financial services authority Frequency: minimum once a year
 Rantai Pasokan Supply Chain	- Rantai pasokan yang bertanggung jawab - Etika bisnis dan integritas - Responsible supply chain - Business ethics and integrity	- Pemberian informasi penyelenggaraan tender secara terbuka dan transparan - Sosialisasi Contractor Management System (CMS) - Koordinasi rutin dengan pemasok Frekuensi: minimal sekali setahun - Provision of information related to the tenders in an open and transparent manner - Contractor Management System (CMS) socialization - Regular coordination with contractors Frequency: minimum once a year

Pemangku kepentingan Stakeholders	Topik material Material topics	Respon perusahaan atas topik material dan frekuensi pelibatan Company's responses to the material topics and engagement frequency
 Masyarakat Sipil/NGO Civil Society/ NGOs	- Pemberdayaan dan pengembangan masyarakat - Hak asasi manusia - Memelihara lingkungan hidup - Community development and empowerment - Human rights - Preserving the environment	- Sosialisasi dampak sosial, lingkungan dan hak asasi manusia - Kerja sama Pengembangan dan Pemberdayaan Masyarakat (PPM) - Frekuensi: minimal sekali setahun - Dissemination of social, environment and human rights impact - Collaboration on the community empowerment and development - Frequency: minimum once a year
 Media	- Kinerja keuangan dan kontribusi ekonomi - Pemberdayaan dan pengembangan masyarakat - Memelihara lingkungan hidup - Financial performance and economic contribution - Community development and empowerment - Preserving the environment	- Rilis media dan konferensi pers - Kunjungan media - Media <i>monitoring</i> - Frekuensi: minimal sekali setahun - Media release and press conference - Media visit - Media monitoring - Frequency: minimum once a year

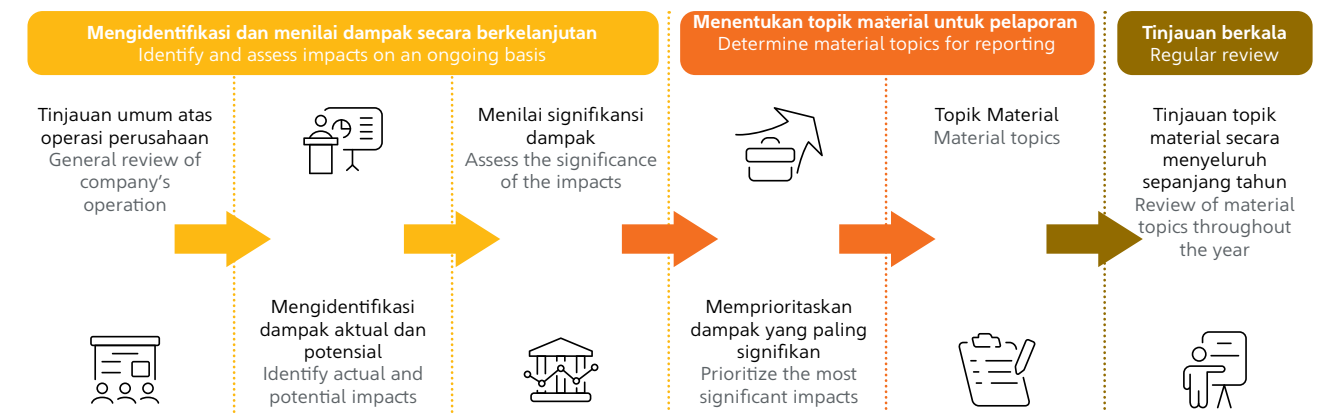


▲ Pelibatan pemangku kepentingan oleh bisnis unit Merdeka
Stakeholder engagement by Merdeka's business units

Proses Penentuan Topik Material Material Topic Determination Process [3-1]

Kami menyusun Laporan Keberlanjutan ini berdasarkan topik material atas pelaksanaan *materiality assessment* yang melibatkan para pemangku kepentingan. Topik material adalah topik-topik yang mencerminkan dampak penting perusahaan atas ekonomi, lingkungan, dan sosial termasuk hak asasi manusia. Secara keseluruhan, proses penentuan topik-topik material yang dilaporkan pada Laporan Keberlanjutan Merdeka adalah sebagai berikut:

We have structured this Sustainability Report around material topics identified through a materiality assessment that involved stakeholders. Material topics are those that reflect the significant impacts of the company on the economy, environment, and social, including human rights. We determine the material topics that are reported in Merdeka's Sustainability Report through the following process:



1. Peninjauan Umum Operasi Perusahaan

Langkah awal penentuan topik material dimulai dengan peninjauan umum operasi perusahaan yang mencakup keseluruhan kegiatan perusahaan, hubungan bisnis, pemangku kepentingan dan sektor bisnis perusahaan. Peninjauan umum ini memberikan informasi awal dampak aktual dan potensial Perusahaan atas ekonomi, lingkungan, dan sosial termasuk hak asasi manusia.

1. Overview of Company Operations

To identify material topics, we start by conducting a comprehensive review of our company's operations. This review covers a wide range of areas, including our overall activities, business relationships, stakeholders, and business sectors. By analyzing this information, we gain valuable insights into our company's actual and potential economic, environmental, social, and human rights impacts.

2. Identifikasi Dampak Potensial dan Aktual

Tahap selanjutnya adalah mengidentifikasi dampak potensial dan aktual Perusahaan atas ekonomi, lingkungan, dan sosial termasuk hak asasi manusia perusahaan berdasarkan hasil Analisis Dampak Mengenai Lingkungan Hidup (AMDAL), penilaian dampak lingkungan dan sosial oleh pihak independen, penilaian dampak atas hak asasi manusia (HRIA), *risk register*, audit sertifikasi ISO 14001:2015 dan ISO 45001:2018, laporan pengaduan masyarakat.

2. Identification of Potential and Actual Impacts

The next stage involves identifying both the potential and actual economic, environment, social, including human rights impacts of our company. To do this, we rely on a range of sources, including the results of our Environmental Impact Assessment (AMDAL), independent environmental and social reviews, human rights impacts assessment (HRIA) our risk register, and our ISO 14001:2015 and ISO 45001:2018 certification audits and community grievance reports.

3. Penilaian Dampak yang Signifikan

Tim Keberlanjutan Merdeka kemudian mengukur signifikansi dampak ekonomi, lingkungan, dan sosial termasuk hak asasi manusia perusahaan dengan pertimbangan tingkat keparahan dampak yang diukur berdasarkan skala, ruang lingkup dan kesulitan pemulihan dampak dan kemungkinan terjadinya dampak. Selanjutnya, Tim Keberlanjutan Merdeka melakukan wawancara dengan pimpinan unit usaha dan penanggungjawab bidang lingkungan, sosial dan hak asasi manusia serta karyawan, mitra bisnis dan masyarakat sekitar operasi perusahaan untuk memastikan signifikansi daftar dampak Perusahaan atas ekonomi, lingkungan dan sosial yang telah disusun.

4. Penentuan Topik Material

Tahapan terakhir, kami menyusun topik material berdasarkan prioritas dampak signifikan ekonomi, lingkungan, dan sosial termasuk hak asasi manusia yang akan dilaporkan pada Laporan Keberlanjutan tahun 2023. Proses penentuan prioritas dilakukan berdasarkan masukan dari pemangku kepentingan internal dan eksternal perusahaan, serta standar global dan nasional seperti GRI Standards 2021, United Nations Guiding Principles on Business and Human Rights (UNGPs), sepuluh prinsip UN Global Compact, SDGs dan POJK 51/2017. Selain itu proses prioritas juga mempertimbangkan laporan dari penyedia rating ESG perusahaan yaitu MSCI dan *Sustainalytics* serta *benchmarking* topik material yang dilaporkan perusahaan lokal dan global di industri pertambangan.

Daftar topik material yang telah disusun kemudian disampaikan kepada Direksi dan Komite Keberlanjutan untuk mendapatkan persetujuan. Direksi dan Komite Keberlanjutan kemudian memutuskan topik-topik material untuk dilaporkan pada Laporan Keberlanjutan tahun 2023.

5. Tinjauan Berkala

Untuk memastikan relevansi dan keakuratan topik material kami, kami akan meninjau topik material kami secara berkala, langkah 1-3, dan menginformasikan setiap usulan pembaruan atau perubahan kepada Komite Keberlanjutan untuk mendapatkan masukan dan persetujuan.

3. Assess the Significance of Impacts

After identifying these impacts, Merdeka's Sustainability Team evaluates their significance. This assessment considers both the severity of the impact, measured based on the scale, scope, and difficulty of impact recovery, as well as the likelihood of the impact occurring. Subsequently, the Sustainability Team conducted interviews with business unit leaders, environmental, social, and human rights managers, as well as employees, business partners, and communities surrounding the company's operations to ensure the significance of the company's list of economic, environmental, and social impacts.

4. Determine Material Topics

The final stage of our materiality assessment process involves the development of material topics based on prioritized significant economic, environment, social, including human rights impacts, which will be disclosed in our 2023 Sustainability Report. To determine which impacts to prioritize, we gather input from internal and external stakeholders, as well as global and national standards such as the GRI Standards 2021, the United Nations Guiding Principles on Business and Human Rights (UNGPs), the UN Global Compact ten principles, SDGs, and POJK 51/2017. In addition, we also consider the reports of our ESG rating providers, MSCI and *Sustainalytics* and benchmark our material topics against those reported by other local and global companies in the mining industry.

The compiled list of material topics was then submitted to the Board of Directors and Sustainability Committee for approval. The Board of Directors and Sustainability Committee then approved the material topics to be reported in the 2023 Sustainability Report.

5. Regular Review

To maintain the relevance and accuracy of our material topics, we will review our material topics, steps 1-3, on a regular basis, informing any proposed updates or changes to our Sustainability Committee for feedback and approval.

Berdasarkan proses penentuan topik material seperti di atas, berikut daftar topik material keberlanjutan Merdeka: [3-2]

Based on the process of determining material topics as above, the following is a list of the Merdeka's material sustainability topics:

Topik Material Material Topics

 Environment Lingkungan		 Social Sosial		 Governance Tata Kelola	
1	Pengelolaan energi Energy management	8	Kesehatan dan keselamatan kerja (K3) Occupational health and safety (OHS)	15	Etika bisnis dan integritas Business ethics and integrity
2	Perubahan iklim Climate change	9	Pengembangan dan pelatihan karyawan Employee training and development	16	Rantai pasokan yang bertanggung jawab Responsible supply chain
3	Air dan air limbah Water and wastewater	10	Keberagaman, kesetaraan dan inklusi Diversity, equity and inclusion (DEI)	17	Tata kelola perusahaan Corporate governance
4	Pengelolaan limbah Waste management	11	Pengadaan lokal Local procurement	18	Pengelolaan risiko dan peluang Risk and opportunity management
5	Reklamasi lahan dan penutupan tambang Land reclamation and site closure	12	Kinerja keuangan dan kontribusi ekonomi Financial performance and economic contribution		
6	Pelestarian keanekaragaman hayati Biodiversity preservation	13	Pengembangan dan pemberdayaan masyarakat Community development and empowerment		
7	Emisi udara Toxic emissions	14	Hak asasi manusia Human rights		

Pada tahun 2023, terdapat perbedaan topik material yang dilaporkan dibanding tahun sebelumnya. Beberapa topik material diubah penyebutannya untuk mencakup isu-isu yang lebih besar dalam topik tersebut, sementara emisi udara dan manajemen risiko dan peluang ditambah sebagai topik material baru.

The 2023 Sustainability Report features some changes to the material topics compared to the previous year. Some material topics are reworded to encompass larger issues within the topics, while toxic emissions and risk and opportunity management are added as new material topics.

4.1

Memelihara Lingkungan

Preserving the Environment

▲ Persemaian milik BSI
BSI's nursery

Memelihara Lingkungan Preserving the Environment

Pendekatan Manajemen

Pengelolaan lingkungan yang baik merupakan syarat untuk memperoleh izin sosial dalam beroperasi. Merdeka mengidentifikasi risiko untuk mencegah dampak lingkungan dengan mengacu pada persyaratan peraturan pemerintah yang berlaku dan standar internasional.

Merdeka melakukan pengelolaan lingkungan menggunakan prinsip perbaikan yang berkelanjutan berdasarkan regulasi lingkungan yang berlaku di Indonesia dan Standar Sistem Manajemen Lingkungan sesuai dengan ISO 14001:2015. Pada tahun 2023, 89% entitas bisnis Merdeka yaitu, Tambang Tembaga Wetar, Tambang Emas Tujuh Bukit, Tambang Nikel Konawe, Bukit Smelter Indonesia, Cahaya Smelter Indonesia, Merdeka Mining Servis, dan Proyek Emas Pani telah memperoleh sertifikat ISO 14001:2015.

Seperti yang diatur dalam persyaratan ISO 14001:2015, Merdeka memiliki Kebijakan Lingkungan yang merupakan komitmen dari pimpinan tertinggi perusahaan untuk memelihara lingkungan. Kebijakan Lingkungan Merdeka berlaku untuk seluruh entitas bisnis yang berada di bawah kendali Merdeka dan mitra bisnis. Untuk melakukan monitoring kinerja pengelolaan lingkungan, Merdeka secara berkala melakukan audit internal dan eksternal untuk selanjutnya akan dijadikan bahan pembahasan dalam tinjauan pengelolaan lingkungan. Berdasarkan tinjauan manajemen di tahun 2023, Merdeka telah memperbarui Kebijakan Lingkungan.

“In 2023, Merdeka updated the Environmental Management System Manual based on ISO 14001:2015 to enhance environmental management performance across all business entities.
Pada tahun 2023, Merdeka memperbarui Manual Sistem Manajemen Lingkungan berbasis ISO 14001:2015 untuk meningkatkan kinerja pengelolaan lingkungan di seluruh entitas bisnis.

Kebijakan Lingkungan Merdeka mencakup komitmen terhadap solusi perubahan iklim dan emisi gas rumah kaca, konservasi air, pengelolaan limbah, pengelolaan tailing, pengelolaan limbah bahan beracun dan berbahaya, dan pengelolaan penutupan lahan, reklamasi dan keanekaragaman hayati.

Management Approach

Effective environmental management is a requirement for obtaining social license to operate. Merdeka identifies risks to prevent environmental impacts by adhering to the requirements of applicable government regulations and international standards.

Merdeka implements environmental management based on the principles of continual improvement, in accordance with the prevailing environmental regulations in Indonesia and the Environmental Management System Standard in line with ISO 14001:2015. In 2023, 89% of Merdeka's business entities, including Wetar Copper Mine, Tujuh Bukit Gold Mine, Konawe Nickel Mine, Bukit Smelter Indonesia, Cahaya Smelter Indonesia, Merdeka Mining Servis, and Pani Gold Project, have obtained ISO 14001:2015 certification.

As stipulated in the ISO 14001:2015 requirements, Merdeka has an Environmental Policy that expresses the commitment of the company's top management to preserve the environment. The Merdeka Environmental Policy applies to all business entities under Merdeka's control and business partners. To monitor environmental management performance, Merdeka regularly conducts internal and external audits, which are subsequently used for environmental management reviews. Based on the management review in 2023, Merdeka updated its Environmental Policy.

Merdeka Environmental Policy includes commitments to climate change and greenhouse gas emissions solutions, water conservation, waste management, tailing management, hazardous waste management, and management of land closure, reclamation and biodiversity.

Merdeka menugaskan Executive VP Sustainability di kantor pusat dan Kepala Teknik Tambang (KTT) atau General Manager entitas bisnis untuk memastikan efektivitas pelaksanaan kebijakan, tujuan, target dan program lingkungan.

Secara periodik, Executive VP Sustainability dan KTT atau General Manager entitas bisnis melaporkan hasil pelaksanaan kebijakan lingkungan, tujuan, target dan program lingkungan kepada Direksi yang selanjutnya akan menjadi bahan untuk melakukan evaluasi dan penyusunan strategi lingkungan.

Merdeka melakukan identifikasi dampak lingkungan berdasarkan Analisis Mengenai Dampak Lingkungan (AMDAL) untuk memastikan respon yang tepat dan efektif terhadap risiko dan dampak lingkungan aktual dan potensial, sesuai dengan regulasi yang berlaku di Indonesia dan standar Internasional.

Merdeka assigns Executive VP Sustainability at the headquarters and the Mine Technical Manager (KTT) or General Manager for each business entity to ensure the effective implementation of environmental policies, objectives, targets, and programs.

Periodically, the Executive VP Sustainability and the KTT or General Manager report the results of implementing environmental policies, objectives, targets, and programs to the Board of Directors. These reports serve as the foundation for evaluation and the development of environmental strategies.

Merdeka conducts the identification of environmental impacts based on Environmental Impact Assessment (AMDAL) to ensure an appropriate and effective response to actual and potential environmental risks and impacts, in accordance with the relevant regulations in Indonesia and international standards.

2023 Performance

Management system

Eighty-nine percent (89%) of Merdeka's business units have obtained ISO 14001:2015 certificates.

Water, wastewater and waste

- › Water Management Policy, Waste Management Policy, and Tailing Policy are developed.
- › 52% reduction in groundwater at BSI.
- › 1,233 and 21.9 megaliters of water are recycled at BSI and SCM, respectively and 9,790.3 megaliters of water are reused at BSI.
- › Hazardous and domestic waste reduction at BSI

Climate change

- › Climate Change Policy developed
- › 100% of the electricity used at BSI is purchased from PLN sourced from renewable energy
- › Inaugural climate-related disclosures align with TCFD recommendations

Biodiversity

- › Biodiversity Management Policy is developed
- › Biodiversity Management Plan developed for SCM
- › 16.17 ha land reclaimed
- › 9,873 tree seedlings planted

Toxic Emission

Toxic Emission Policy is developed

Tailing

- › Tailing Review Committee is established
- › Tailing Policy is developed

2024 Target

Management system

100% of Merdeka's business units are ISO 14001:2015 certified

Water, wastewater and waste

- › Water Management Standard, Waste Management Standard, Tailing Standard are developed.
- › Reuse 8,700 megalitres of process water for ore irrigation in heap leach pad and use 59 megalitres of rainwater for domestic needs at BSI
- › 30% utilization (110 tonnes) of generated waste oil for ANFO mine blasting by BSI
- › 100% utilization (66 tonnes) of food waste for BSF maggot production by local community at BSI
- › Hazardous and domestic waste reduction at BSI

Climate change

- › 100% consumption of electricity from PLN's renewable energy sources at BSI
- › Reduce 53,000 liters of B35 fuel consumption through carpooling for BSI

Biodiversity

6.36 ha and 23.97 ha of land reclamation at BSI and SCM, respectively.

Toxic Emission

Adhering to air emission quality standards in accordance with relevant regulations.



Tata Kelola Air dan Air Limbah [303-1][F.14]

Merdeka mengakui air sebagai sumber daya bersama yang terbatas, yang sangat penting bagi kesejahteraan dan mata pencaharian masyarakat, serta memiliki peran penting dalam mendukung operasional perusahaan. Di Merdeka, air digunakan untuk melakukan eksplorasi, penyiraman debu, penggunaan domestik di mess dan kantor, pencucian kendaraan dan infrastruktur, serta pengolahan di area operasional.

Merdeka berkomitmen untuk menggunakan sumber daya air secara bertanggung jawab melalui praktik pengelolaan air yang efektif dan berusaha untuk mengurangi pembuangan air limbah (efluen). Merdeka juga mendorong implementasi *life cycle perspective* kepada pemasok untuk mengurangi penggunaan air dan timbulan air limbah. Merdeka melakukan kerja sama dengan pemangku kepentingan terkait untuk mengidentifikasi pengguna air dan pihak lain yang mungkin terpengaruh oleh operasi perusahaan, dengan tujuan untuk mencapai penggunaan air yang bertanggung jawab dan berkelanjutan. Merdeka juga mengadopsi hierarki mitigasi yang mencakup pencegahan dan meminimalisasi dampak dari penggunaan air dan *wastewater generation* terhadap pekerja, masyarakat yang terkena dampak, dan lingkungan sekitar. Jika pencegahan tidak memungkinkan dilakukan, Merdeka akan meminimalkan dampak dan memberikan kompensasi. [3-3]

Pemantauan efektivitas target dan program pengelolaan air dilakukan oleh KTT atau General Manager di setiap entitas bisnis Merdeka. Pencapaian target dan program dilaporkan kepada Komite Keberlanjutan yang akan digunakan sebagai dasar dalam penyusunan strategi dan pengawasan pelaksanaan Kebijakan Pengelolaan Air.

Water and Wastewater Governance

Merdeka recognizes water as a shared and limited resource crucial for the well-being and livelihoods of communities, as well as playing a vital role in supporting company operations. Within Merdeka, water is utilized for exploration, dust suppression, domestic use in accommodation and offices, vehicle and infrastructure cleaning, and processing in operational areas.

Merdeka is committed to using water resources responsibly through effective water management practices and strives to reduce wastewater discharge. Merdeka also promotes the implementation of a life cycle perspective to its suppliers to minimize water usage and wastewater generation. Merdeka collaborates with relevant stakeholders to identify water users and other parties potentially affected by company operations, with the aim of achieving responsible and sustainable water use. The company adopts a mitigation hierarchy that includes preventing and minimizing the impacts of water use and wastewater generation on employees, affected communities, and the surrounding environment. If prevention is not feasible, Merdeka will minimize impacts and provide compensation.

The Mine General Manager (KTT) or General Manager at each Merdeka business entity monitors the effectiveness of water management targets and programs. The achievement of targets and programs is reported to the Sustainability Committee, serving as the basis for formulating strategies and overseeing the implementation of the Water Management Policy.

Kinerja Pengelolaan Air [303-1]

Untuk memenuhi kebutuhan operasional, Merdeka menggunakan sumber air yang berasal dari air hujan, air sungai, air tanah, dan air daur ulang limbah. Tambang Emas Tujuh Bukit menerapkan sistem air rangkaian tertutup, sehingga tidak ada penggunaan air dari sungai atau badan air. Tambang Wetar menggunakan air yang dipompa dari Sungai Lurang.

Untuk kebutuhan domestik, Tambang Emas Tujuh Bukit memanfaatkan air hujan dan air tanah dari sumur bor yang telah memiliki Surat Izin Pengambilan Air Tanah (SIPA). Selama tahun 2023 berdasarkan pencatatan flowmeter, pengambilan air oleh Tambang Emas Tujuh Bukit sebanyak 2.153,94 megaliter air hujan dan 17,61 megaliter air tanah [303-3].

Sepanjang tahun 2023, Tambang Emas Tujuh Bukit berhasil mendaur ulang air masing-masing dari proses detoksifikasi sebanyak 1.176,21 megaliter dan dari instalasi pengolahan air limbah sebanyak 57.47 megaliter atau 9% dibanding total air yang digunakan BSI. Selain itu, Tambang Emas Tujuh Bukit juga telah melakukan penggunaan kembali air proses dari fasilitas Adsorption, Desorption and Recovery (ADR) ke heap leach pad untuk pelindian bijih mineral sejumlah 9.790,3 megaliter atau 74% dibandingkan dengan total air yang digunakan BSI.

Pada Tambang Nikel Konawe, SCM berhasil mendaur ulang air dari penggunaan instalasi pengolahan air limbah sebanyak 21,9 megaliter atau setara dengan 15% dari total air yang digunakan SCM.

Performance of Water Management

To meet operational needs, Merdeka utilizes water from various sources, including rainwater, river water, groundwater, and recycled wastewater. The Tujuh Bukit Gold Mine implements a closed-loop water system, eliminating the need for water from rivers or other bodies of water. The Wetar Copper Mine pumps water from the Lurang River.

For domestic purposes, the Tujuh Bukit Gold Mine utilizes rainwater and groundwater from bore wells with Water Extraction Permits (SIPA). In 2023 based on the flowmeter, water withdrawal by the Tujuh Bukit Gold Mine amounted to 2,153.94 megaliters of rainwater and 17.61 megaliters of groundwater.

Throughout 2023, the Tujuh Bukit Gold Mine recycled 1,176.21 megaliters of water from the detoxification process and 57.47 megaliters from the wastewater treatment plant, or 9% of the total water used by BSI. Additionally, BSI reused process water from the Adsorption, Desorption, and Recovery (ADR) facilities for heap leaching, totaling 9,790.3 megaliters or 74% compared to the total water used by BSI.

At the Konawe Nickel Mine, SCM recycled water from the wastewater treatment plant, totaling 21.9 megaliters or 15% of the total water used by SCM.



▲ Pepohonan di tambang Konawe
Trees at Konawe Mine

Sementara itu, Tambang Tembaga Wetar juga menerapkan sistem air rangkaian tertutup pada proses pemurnian logamnya. Sebelum dilepas ke badan air, air akan diolah di fasilitas penetral air hingga memenuhi baku mutu yang ditentukan oleh pemerintah. Sepanjang tahun 2023, pengambilan air yang dilakukan Tambang Tembaga Wetar adalah sebanyak 610,7 megaliter. [303-3]

Merdeka menaati Peraturan Menteri Lingkungan Hidup dan Kehutanan Nomor 202 Tahun 2004 tentang Baku Mutu Air Limbah bagi Usaha dan/atau Kegiatan Pertambangan Bijih Emas dan atau Tembaga dalam mengelola kualitas air limbah atau buangan kegiatan penambangan. Setiap operasi penambangan memiliki titik penataan di mana kualitas air buangan diukur secara teratur sesuai dengan dokumen AMDAL dari masing-masing operasi dengan mempertimbangkan konservasi sumber daya air agar tidak berdampak pada sumber air yang digunakan bersama masyarakat. [303-2]

Lokasi Tambang Emas Tujuh Bukit merupakan daerah dengan curah hujan yang tinggi mencapai rata-rata 2.500 mm per tahun. Tambang Emas Tujuh Bukit membangun 6 dam untuk menampung air hujan dan mencegah risiko kelangkaan air pada musim kemarau. Dam 6 berfungsi menampung air baku untuk memenuhi kebutuhan air rumah tangga. Dam 5 digunakan untuk mengendapkan sedimen yang terkandung di air hujan. Dam 4 atau disebut juga Storm Water Pond (SWP) berfungsi untuk menampung air hujan yang mengalir dari area *heap leach*. Sementara itu, dam 3, 2 dan 1 berfungsi sebagai dam pengendalian lingkungan.

Untuk menjaga keselamatan operasi bendungan atau Dam agar tidak terjadi luapan air melewati tanggulnya saat musim penghujan, maka air di Dam pengendali lingkungan yang telah memenuhi baku mutu akan dialirkan ke Sungai Katak melalui titik penataan 1 (CP-1), sedangkan air di kolam-kolam pengendapan yang telah memenuhi baku mutu akan dialirkan ke Sungai Pasir Pendek melalui titik penataan 2 (CP-2), dan ke Sungai Dadapan melalui titik penataan 3 (CP-3), sehingga mencegah potensi luapan air yang tidak memenuhi baku mutu dan menjaga kapasitas kolam guna efektifitas pengendapan sedimen.

Pada CP-1 yang merupakan titik pelepasan utama di Tambang Emas Tujuh Bukit, terpasang sebuah alat pantau air *real-time* dan terhubung langsung dengan Sistem Pemantauan Kualitas Air Limbah Secara Terus Menerus dan Dalam Jaringan (SPARING) Kementerian Lingkungan Hidup dan Kehutanan. Alat yang diaktifkan pada awal 2023 ini digunakan untuk mengukur dan melaporkan volume dan kualitas air yang dilepaskan. Sepanjang tahun 2023, Tambang Emas Tujuh Bukit melakukan pelepasan air sebanyak 4.381,2 megaliter. [303-2][303-4]

Meanwhile, The Wetar Copper Mine employs a closed circuit water system in its metal refining process. Before being discharged into bodies of water, the water undergoes treatment at a water neutralization facility to meet the quality standards set by the government. Throughout 2023, the water withdrawn by the Wetar Copper Mine amounted to 610.7 megaliters.

Merdeka adheres to Ministry of Environment and Forestry Regulation No. 202 of 2004 concerning the Quality Standards for Wastewater in Gold and Copper Ore Mining Businesses. This adherence guides the management of wastewater or effluent quality resulting from mining activities. Each mining operation establishes compliance points where wastewater quality is systematically measured, in accordance with the AMDAL document for each operation. This approach considers water resource conservation to prevent adverse effects on shared water sources with the local community.

The Tujuh Bukit Gold Mine, situated in an area with high annual rainfall averaging 2,500 mm, has constructed six dams to manage water resources effectively and prevent water scarcity during the dry season. Dam 6 functions as a reservoir for household water needs, while Dam 5 is dedicated to settling sediments present in rainwater. Dam 4, also known as the stormwater pond (SWP), is designed to collect rainwater runoff from the heap leach area. Dams 3, 2, and 1 serve as environmental control dams.

To maintain the safety of the dam operations and prevent water overflow during the rainy season, environmentally controlled dam water that meets quality standards will be discharged into Katak River through control point 1 (CP-1). Similarly, water from settling ponds that meets quality standards will be discharged into Pasir Pendek River through control point 2 (CP-2) and into Dadapan River through control point 3 (CP-3). This action aims to prevent the potential overflow of water that does not meet quality standards and to maintain the capacity of the ponds for effective sediment deposition.

At CP-1, the primary discharge point at the Tujuh Bukit Gold Mine, a real-time water monitoring device has been installed, directly linked to the Ministry of Environment and Forestry's continuous and online wastewater quality monitoring system (SPARING). Activated in early 2023, this device continuously measures and reports the volume and quality of the released water. Throughout 2023, the Tujuh Bukit Gold Mine discharged 4,381.2 megaliters of water.



▲ Dam 5 dan 6 BSI untuk menampung air baku dan mengendapkan sedimen dalam air hujan
BSI's dam 5 and 6 to collect raw water and precipitate sediment in rainwater



▲ Dam 4 BSI untuk menampung air hujan dari area heapleach
BSI's dam 4 to collect rainwater from heapleach area



▲ Dam 1, 2 dan 3 BSI sebagai dam pengendalian lingkungan
BSI's dam 1, 2 and 3 as environmental control dams

Di Tambang Nikel Konawe, upaya pengelolaan kualitas air limbah tambang dan domestik dilakukan secara aktif dan rutin. Sepanjang tahun 2023, Tambang Nikel Konawe berhasil mengelola debit air sejumlah 50,78 megaliter yang dilepaskan menuju Sungai Bahoruru, dengan memperhatikan konservasi sumber daya air agar tidak berdampak pada sumber air yang digunakan bersama masyarakat. Sepanjang tahun 2023, tidak terdapat insiden terkait tumpahan efluen signifikan yang terjadi di wilayah operasional Merdeka yang mengganggu lingkungan dan masyarakat sekitar [F.15]

Total pelepasan air Merdeka pada tahun 2023 sejumlah 129,68 megaliter. [303-4]

At the Konawe Nickel Mine, efforts to manage the quality of mine and domestic wastewater are actively and regularly carried out. Throughout 2023, the Konawe Nickel Mine successfully managed a water discharge of 50.78 megaliters released into the Bahoruru River, taking into account water resource conservation to avoid impacting the water source shared with the community. Throughout 2023, there were no incidents related to significant wastewater spills in the operational area of Merdeka that would disturb the environment and the surrounding community.

The total water discharge from the Merdeka operations in 2023 amounted to 129.68 megaliters.

Jumlah Pengambilan Air pada Masing-Masing Unit Usaha (dalam Megaliter)
Total Water Withdrawal in each Business Unit (in megaliters) [F.8][303-3]

Sumber Pengambilan Air Source of Water Withdrawal	2021	2022	2023
Tambang Emas Tujuh Bukit (BSI) Tujuh Bukit Gold Mine			
Air hujan Rainwater	1,317.6	102.6	2,153.94
Air tanah Groundwater	29.6	36.4	17.61
Tambang Tembaga Wetar (BKP-BTR) Wetar Copper Mine			
Air sungai River water	146.52	262.52	610.76
Proyek Emas Pani Pani Gold Project			
Air hujan Rainwater	-	7.23	-
Air sungai River water	-	13.1	-
Air permukaan Surface water	-	-	27.51
Air tanah Groundwater	-	-	13.06
Air dari pihak ketiga Water from third party	-	-	13.56
Tambang Nikel Konawe (SCM) SCM Nickel Mine			
Air permukaan Surface water	-	59.07	122.17
Air hujan Rainwater	-	9.8	-
Air yang diproduksi Produced water	-	-	21.9
Proyek AIM (MTI) AIM Project			
Air tanah Groundwater	-	27.6	142.14
Pihak ketiga (Pembelian dari IMIP) Third party (purchase from IMIP)	0.2	102.2	182.28
Bukit Smelter Indonesia (BSID)			
Pihak ketiga (Pembelian dari IMIP) Third party (purchase from IMIP)	-	0.32	872.53
Cahaya Smelter Indonesia (CSID)			
Pihak ketiga (Pembelian dari IMIP) Third party (purchase from IMIP)	-	0.36	901.48
Zhao Hui Nickel (ZHN)			
Pihak ketiga (Pembelian dari IMIP) Third party (purchase from IMIP)	-	-	1,372.76
Huaneng Metal Industry (HNMI)			
Pihak ketiga (Pembelian dari IMIP) Third party (purchase from IMIP)	-	-	414.11
Total Pengambilan Air Total Water Withdrawal	1,439.9	621.2	6,865.81



▲ Pemantauan kualitas air di BSI
Water quality monitoring at BSI

Jumlah Konsumsi Air pada Masing-Masing Unit Usaha (dalam Megaliter)
Total Water Consumption in each Business Unit (in megaliters) [303-4][303-5][F.8][F.13]

Keterangan Description	BSI	BKP-BTR	Pani	SCM	MTI	BSID	CSID	ZHN	HNMI	Total
Total pengambilan air Total water withdrawal	2,171.55	610.76	54.13	144.07	324.42	872.53	901.48	1,372.76	414.11	6,865.81
Total pembuangan/ pelepasan air Total water discharged	-*	-**	12.56	50.78	66.34	-**	-**	-**	-**	129.68
Total konsumsi air Total water consumption	2,171.55	610.76	41.57	93.29	258.08	872.53	901.48	1,372.76	414.11	6,736.13

*Tidak terdapat pelepasan air dari kegiatan pengambilan air. | There is no water discharge from water withdrawal.
**Data tidak tersedia | The data is not available

Total konsumsi air Merdeka pada tahun 2023 adalah sebesar 6.736,13 megaliter, sedangkan total intensitas konsumsi air adalah sebesar 3.94 megaliter/ juta USD.

The total water consumption of Merdeka in 2023 is 6,736.13 megaliters, while the water consumption intensity is 3.94 megaliters/ million USD.

Pengelolaan Limbah [3-3][306-2]

Sebagai perusahaan pertambangan dan pengolahan hasil tambang, Merdeka menghasilkan limbah Bahan Berbahaya dan Beracun (B3) serta limbah non-B3 yang berpotensi menjadi salah satu faktor penyebab terjadinya degradasi lingkungan dan berbahaya bagi kesehatan pada manusia. [306-1]

Waste Management

As a mining and mineral processing company, Merdeka generates hazardous waste as well as non-hazardous waste, both of which have the potential to contribute to environmental degradation and pose risks to human health.

Merdeka berkomitmen untuk mematuhi regulasi yang berlaku di Indonesia serta menerapkan praktik terbaik dalam implementasi pengelolaan limbah sebagaimana dinyatakan pada Kebijakan Pengelolaan Limbah Merdeka. Merdeka secara konsisten mendokumentasikan dan mengimplementasikan pengangkutan, penanganan, penyimpanan, dan pembuangan limbah sesuai dengan prosedur yang ditetapkan.

Merdeka is committed to adhering to the applicable regulations in Indonesia and the implementation of best practices in waste management as expressed in Merdeka's Waste Management Policy. Consistently, Merdeka documents and implements the transportation, handling, storage, and disposal of waste in accordance with established procedures.

Merdeka mengadopsi hierarki mitigasi yang mencakup pencegahan dan minimalisasi dampak yang berasal dari limbah beracun dan berbahaya, limbah tidak berbahaya, dan limbah domestik terhadap pekerja, masyarakat sekitar yang terdampak, dan lingkungan sekitar.

The company adopts a mitigation hierarchy, including the prevention and minimization of impacts from hazardous and toxic waste, non-hazardous waste, and domestic waste on employees, affected communities, and the surrounding environment.

Jika langkah pencegahan tidak mungkin dilakukan, Merdeka berkomitmen untuk meminimalkan dampak dan memberikan kompensasi.

In cases where preventive measures are not feasible, Merdeka is committed to minimizing impacts and providing compensation.

Merdeka menggunakan jasa pihak ketiga yang memiliki perizinan dari pihak yang berwenang untuk melaksanakan pekerjaan pengumpulan, pengangkutan, pengolahan, pemanfaatan, dan/atau pembuangan limbah berbahaya. Merdeka mendorong penerapan *life cycle perspective* bagi seluruh rantai pasokan dengan tujuan untuk mengurangi volume limbah.

Merdeka ensures the uses of third-party services licensed by competent authorities for the collection, transportation, processing, utilization, and/or disposal of hazardous waste. The company encourages the implementation of a life cycle perspective throughout the supply chain to reduce waste volume.

Komite Keberlanjutan Merdeka, yang diketuai oleh Wakil Presiden Direktur, bertanggung jawab dalam mengawasi pelaksanaan Kebijakan Pengelolaan Limbah. Komite Keberlanjutan Merdeka secara berkala melaporkan pelaksanaan Kebijakan Pengelolaan Limbah kepada Direksi. Kepala Teknik Pertambangan (KTT) atau General Manager entitas bisnis bertanggung jawab untuk mengomunikasikan dan melakukan pemantauan pelaksanaan Kebijakan Pengelolaan Limbah Merdeka.

Mekanisme Pengelolaan Limbah [3-3][F.14][306-2]

Limbah Bahan Beracun Berbahaya
Sebagai bentuk kepatuhan terhadap Peraturan Menteri Lingkungan Hidup dan Kehutanan No. 6 Tahun 2021 tentang Pengelolaan Limbah Bahan Beracun dan Berbahaya (LB3), Merdeka memiliki Prosedur Pengelolaan LB3. Prosedur tersebut memuat aturan tentang pemilahan, pengemasan, simbol-label, dan penyimpanan LB3, pengiriman LB3 internal dan pemeriksaan LB3, penerimaan, pencatatan, pengembalian LB3 ke penghasil, inspeksi, pembersihan dan pemeliharaan satelit LB3 dan atau Tempat Penyimpanan Sementara LB3, pengiriman LB3 ke pihak ketiga, pengolahan LB3 dengan metode insinerasi, pelaporan LB3 ke pemerintah, prosedur penanganan dan pelaporan tumpahan LB3 dan prosedur tanggap darurat. Sepanjang tahun 2023, pengelolaan LB3 di Merdeka dilakukan secara internal dan bekerjasama dengan layanan pihak ketiga yang memiliki izin dari Kementerian Lingkungan Hidup dan Kehutanan (KLHK) yang memiliki fasilitas pengangkutan dan penyimpanan yang aman.

Merdeka memiliki mekanisme pengaduan, prosedur, dan infrastruktur yang telah ditetapkan untuk menangani kebocoran LB3 dan Tim Tanggap Darurat (ERT) yang bertugas untuk melakukan mitigasi dalam apabila terjadi insiden tumpahan LB3. Sepanjang tahun 2023, tidak terdapat insiden terkait tumpahan LB3 dengan skala besar yang terjadi di wilayah operasional Merdeka yang menyebabkan gangguan pada lingkungan dan masyarakat sekitar. [F.15]



The Sustainability Committee of Merdeka, chaired by the Vice President Director, is responsible for overseeing Waste Management Policy implementation. The Sustainability Committee periodically reports on the implementation of the Waste Management Policy to the Board of Directors. The KTT or the General Manager of the business entity is responsible for communicating and monitoring the implementation of Merdeka's Waste Management Policy.

Waste Management Mechanism

Hazardous and Toxic Waste
In adherence to Minister of Environment and Forestry Regulation No. 6 of 2021 regarding the Management of Hazardous and Toxic Waste, Merdeka has established a Hazardous Waste Management Procedure. This procedure encompasses guidelines for sorting, packaging, symbol-labeling, and storing hazardous waste. It also covers internal hazardous waste shipment and inspection, receipt, recording, returning hazardous to the generator, inspection, cleaning, and maintenance of hazardous satellites and/or hazardous storage facilities, hazardous waste shipment to third parties, incineration-based hazardous waste processing, reporting hazardous to the government, hazardous spill handling and reporting procedures, as well as emergency response procedures. Throughout 2023, Merdeka manages hazardous waste internally and collaborates with third-party services licensed by the Ministry of Environment and Forestry (KLHK), utilizing secure transportation and storage facilities.

Merdeka has established a complaint mechanism, procedures, and infrastructure to address hazardous waste leaks, along with an Emergency Response Team (ERT) tasked with mitigating incidents of hazardous spillage. No major incidents of large-scale hazardous spills occurred in Merdeka's operational areas throughout 2023, which can disrupt the environment and surrounding communities.



Volume Limbah Bahan Beracun Berbahaya
Hazardous Waste Volume [F.13][MM3]

No.	Jenis Limbah Beracun Berbahaya Hazardous and Toxic Waste	Masuk (Ton) In		Keluar (Ton) out		Sisa remainder (Ton)
		Saldo Awal Beginning balance	LB3 yang dihasilkan Toxic waste generated [306-3]	Didaur ulang oleh prosesor berizin Recycled by licensed processor [306-4]	Pengiriman ke pihak ketiga Delivered to third parties [306-5]	
1	Majun Beroli Contaminated clothes	10.29	99.60	-	99.38	10.51
2	Filter Beroli Used Filter	12.82	157.69	-	155.03	15.48
3	Bahan Terkontaminasi Contaminated Goods	14.05	128.36	-	127.54	14.88
4	Pelumas Bekas Used Lubricants	124.57	917.82	-	974.70	67.69
5	Sludge IPAL Filter Cake	31.70	114.66	-	145.70	0.66
6	Sludge Tembaga Copper Sludge	9.90	27.90	-	37.80	-
7	Lainnya Others	41.69	435.65	-	401.33	76.01
Total LB3		245.02	1,881.68	-	1,884.25	185.23

Limbah Non-B3
Sebagai bentuk dari kepatuhan terhadap Undang-Undang Republik Indonesia No. 18 tahun 2008 tentang Pengelolaan Sampah, Merdeka memiliki Prosedur Pengelolaan Sampah non-B3 meliputi pengelolaan sampah domestik, pengumpulan sampah domestik, pengiriman dan pengangkutan sampah domestik, pengelolaan sampah di Tempat Penyimpanan Sementara limbah domestik, pemanfaatan sampah oleh pihak ketiga. Untuk pengelolaan sampah anorganik yang tidak dapat terurai, Merdeka menerapkan prinsip *Reduce, Reuse, Recycle (3R)*, sementara sampah organik digunakan untuk pengomposan, pemanfaatan proses daur ulang dan daur pakai.

Merdeka bekerjasama dengan masyarakat lokal untuk melakukan daur ulang limbah anorganik yang memiliki nilai ekonomis. Di Tambang Emas Tujuh Bukit, masyarakat sekitar memanfaatkan limbah sisa makanan sebagai pakan ternak dan budidaya maggot oleh Kelompok Masyarakat Binaan (PEGA). Di MTI, limbah sisa makanan dimanfaatkan sebagai pakan ternak lele di Desa Makarti.

Sesuai dengan prosedur, limbah non-B3 yang tidak dapat digunakan kembali akan dikumpulkan di Tempat Penampungan Sementara.

Selama tahun 2023, Smelter *Rotary Kiln Electric Furnace (RKEF)* menghasilkan limbah slag nikel sebanyak 5,8 juta ton. Menurut Peraturan Pemerintah No. 22 Tahun 2021, slag nikel tidak lagi dimasukkan dalam kategori limbah B3.

Non-Hazardous Waste
In compliance with the Republic of Indonesia Law No. 18 of 2008 on Waste Management, Merdeka has a Non-Hazardous Waste Management Procedure that covers domestic waste management, domestic waste collection, domestic waste shipment and transportation, domestic waste management at temporary storage facilities, and third-party utilization of domestic waste. For inorganic waste that cannot decompose, Merdeka applies the principles of reduce, reuse, recycle (3R), while organic waste is used for composting, recycling processes, and reuse.

Merdeka collaborates with the local community to recycle inorganic waste with economic value. In the Tujuh Bukit Gold Mine, the local community utilizes food waste as livestock feed and engages in maggot cultivation through the Community Development Group. In MTI, food waste is used as feed for catfish at Makarti Village.

According to the procedure, non hazardous waste that cannot be reused will be collected in temporary storage facilities.

In 2023, the Rotary Kiln Electric Furnace (RKEF) Smelter produced nickel slag waste totaling 5.8 million tonnes. Under Government Regulation No. 22 of 2021, nickel slag is now excluded from the classification of hazardous waste.

Volume Limbah Non-B3 Terdaftar yang Dihasilkan dan Dimanfaatkan Kembali
Registered Volume of Non-Hazardous Waste Generated and Reused [F.13]

No.	Jenis Sampah Umum General Waste	Limbah umum yang dihasilkan General Waste generated (Ton) [306-3]	Limbah umum yang dimanfaatkan atau diolah kembali General waste reused or reprocessed [306-4]		Limbah umum yang dibuang ke tempat pembuangan General Waste disposed (Ton) [306-5]
			Ton	Metode Pengolahan Processing Method	
1	Kardus bekas Cardboards waste	12.07	9.47	Di kelola oleh koperasi di sekitar tambang BSI dan dimanfaatkan sebagai biomulch untuk mendukung upaya revegetasi di Wetar. Managed by cooperatives around BSI mines and utilized as biomulch to support revegetation efforts in Wetar.	2.60
2	Sampah Dapur (sisa makanan) Kitchen waste	473,403.06	75.32	Dimanfaatkan sebagai pakan ternak dan untuk budidaya maggot oleh Kelompok Masyarakat binaan BSI, serta sebagai pakan lele di Desa Makarti (MTI). Utilized as livestock feed and for Magot cultivation by Community Groups under BSI's supervision, and as catfish feed in Makarti Village (MTI).	473,327.74
3	Kemasan makan Food packaging	118,626.56	12.23	Dikelola oleh koperasi untuk diproses menjadi pellet plastik di BSI. Managed by cooperatives to be processed into plastic pellets at BSI.	118,614.33
4	Limbah kayu Wood waste	925	40	Produksi kompos untuk kegiatan pembibitan dan reklamasi lahan tambang di BSI. Production of compost for seedling activities and mine land rehabilitation at BSI.	885
5	Minyak Goreng Bekas (liter) Used cooking oil	296,691	12,258	Uji coba produksi B100 di PANI dan dikirim ke pihak ketiga untuk diproses menjadi biodiesel di MTI. B100 production trial at PANI and sent to third parties for processing into biodiesel at MTI.	284,433
6	Ban Bekas (pcs) Used tyre	1,551	936	Pemanfaatan limbah ban bekas ke SDN Makarti Jaya sebagai pot tanaman di MTI. Utilization of used tire waste to SDN Makarti Jaya as plant pots in MTI.	615
7	Scrap metal	3,351.56	3,351.56	Proses peleburan di MTI. Melting process at MTI.	-
8	Limbah Campuran Mixed waste	281.97	-	-	281.97

Tailing

Meskipun tidak memiliki fasilitas penampungan tailing pada tahun 2023, Merdeka telah menetapkan pengelolaan tailing untuk memastikan timbulan, pengelolaan, dan pembuangan tailing secara aman dan bertanggung jawab untuk fasilitas penampungan tailing di masa depan. Hal ini tercermin dalam komitmen Kebijakan Tailing Merdeka, yang mencakup pengembangan dan implementasi praktik terbaik, dengan fokus utama pada upaya untuk meminimalkan dampak buruk terhadap pekerja, masyarakat, dan lingkungan sepanjang proses pengelolaan tailing. [MM3]

Pendekatan kami mencakup desain, konstruksi, pengelolaan, dan pemantauan fasilitas penampungan tailing, dengan menekankan identifikasi dan pengurangan risiko, pengurangan dampak jangka panjang potensial terhadap manusia dan lingkungan, serta pertimbangan terhadap implikasi perubahan iklim. Kami akan secara

Tailing

Although Merdeka does not have tailing facilities in 2023, Merdeka has established tailings management that ensures the safe and responsible generation, management, and disposal of tailings for our future tailing facilities. This is reflected in Merdeka Tailings Policy, which includes developing and implementing best practices, with a primary focus on minimizing adverse effects on workers, communities, and the environment throughout the tailings management process.

Our approach encompasses the design, construction, management, and monitoring of tailings facilities, emphasizing the identification and minimization of risks, reduction of potential long-term impacts on people and the environment, and consideration of climate change implications. We will actively engage stakeholders

aktif melibatkan para pemangku kepentingan sepanjang siklus hidup tailing, mempromosikan komunikasi, berbagi pengetahuan, dan inisiatif edukasi tentang pengelolaan tailing yang efektif. Aspek penting dari komitmen kami akan melibatkan tinjauan independen yang dilakukan pada berbagai tahap, termasuk desain, konstruksi, operasi, dan penutupan fasilitas pengelolaan tailing. Hal ini untuk memastikan Merdeka melakukan penilaian yang ketat dan tidak memihak terhadap praktik pengelolaan tailing untuk menjaga standar tertinggi.

Untuk memperkuat tata cara kami dalam pengelolaan tailing, mengakui pentingnya pengelolaan tailing dalam pertambangan dan pengolahan mineral yang membutuhkan strategi komprehensif, untuk itu Merdeka membentuk Komite Tinjauan Tailing. Komite ini dipimpin oleh Chief Operating Officer dengan anggota yang mewakili tailing, operasi, risiko, keberlanjutan, dan konstruksi. Komite ini bertanggungjawab untuk melaksanakan rekomendasi dari Dewan Peninjauan Tailing Independen, memberikan pembaruan secara berkala, dan mengawasi evaluasi kinerja sepanjang tahap pengembangan, operasi, dan penutupan fasilitas tailing. Chief Operating Officer, yang ditunjuk sebagai ketua komite, mengadakan pertemuan tinjauan limbah internal rutin dan secara langsung melaporkan kepada Wakil Presiden Direktur. Tugas-tugas Tailings Principal, Engineer of Record, dan Manajer Konstruksi Fasilitas Tailing telah dibentuk untuk memastikan pendekatan yang terstruktur dan bertanggung jawab.

Energi

Di Merdeka, energi merupakan salah aspek penting untuk mendukung operasi mulai dari proses penambangan sampai dengan pengolahan logam dan mineral.

Energi Terbarukan

Tambang Emas Tujuh Bukit telah menggunakan tenaga listrik dari PT Perusahaan Listrik Negara (PLN) yang berasal dari pembangkit listrik tenaga panas bumi (PLTP) untuk mendukung kegiatan operasionalnya. Sementara Tambang Tembaga Wetar telah menggunakan 600 modul surya sebagai bagian dari proyek awal pembangkit listrik energi hijau untuk mengurangi ketergantungan terhadap pembangkit listrik berbahan bakar fosil. Selain itu, sesuai dengan Keputusan Direktur Jenderal Energi Baru, Terbarukan dan Konservasi Energi Kementerian Energi dan Sumber Daya Mineral No 207.K/EK.05/DJE/2022, sejak Februari 2023, seluruh area operasi Merdeka telah menggunakan bahan bakar Biodesel B35, campuran biofuel 35%, sebagai sumber energi untuk kendaraan operasional dan alat berat. [3-3][F.5][F.7][F.26]

throughout the tailings lifecycle, fostering communication, knowledge sharing, and educational initiatives on effective tailings management. A crucial aspect of our commitment will involve independent reviews conducted at various stages, including design, construction, operation, and closure of our tailings management facilities. This ensures a rigorous and impartial assessment of our practices to uphold the highest standards in tailings management.

To strengthen our approach to tailings management, recognizing its importance in mining and mineral processing thus necessitating a comprehensive strategy, we have instituted the Tailings Review Committee. This committee is headed by the Chief Operating Officer with members representing tailings, operations, risk, sustainability and construction. The committee is entrusted with executing recommendations from the Independent Tailings Review Board (ITRB), delivering regular updates, and overseeing performance evaluations throughout the stages of tailings facility development, operation, and closure. The Chief Operating Officer, serving as the committee chair, conducts routine internal tailings review meetings and directly reports to the Vice President Director. The roles of Tailings Principal, Engineer of Record, and Tailings Facility Construction Manager have been established to ensure a structured and accountable approach.

Energy

In Merdeka, energy plays a pivotal role in supporting operations, starting from the mining process to the processing of metals and minerals.

Renewable Energy

Tujuh Bukit Gold Mine has been sourcing electricity from PT Perusahaan Listrik Negara (PLN), generated by a geothermal power plant (PLTP), to support its operational activities. Concurrently, the Wetar Copper Mine has embraced a green energy initiative by incorporating 600 solar modules in an early project, aiming to reduce reliance on fossil fuel-based power plants. Moreover, in line with the decision of the Director General of New, Renewable Energy, and Energy Conservation of the Ministry of Energy and Mineral Resources (Decision No. 207.K/EK.05/DJE/2022), since February 2023, all operational areas of Merdeka has used B35 Biodiesel, a 35% biofuel blend, as an energy source for their operational vehicles and heavy machinery.

Efisiensi Energi

Pengurangan penggunaan energi sangat penting bagi Merdeka untuk mengurangi biaya operasional, meningkatkan efisiensi, serta meminimalkan dampak lingkungan.Seluruh inisiatif pengembangan Energi Baru dan Terbarukan (EBT) bertujuan untuk meningkatkan rasio efisiensi energi, dengan harapan dapat mengurangi intensitas penggunaan energi perusahaan. Merdeka juga melibatkan konsultan eksternal yang memiliki pengalaman dalam menilai risiko, mengidentifikasi peluang, dan mengevaluasi program efisiensi energi.

Merdeka saat ini tengah memasang modul surya pada beberapa peralatan pendukung operasional perusahaan. Ini termasuk peralatan pemantauan kualitas air permukaan, lampu penerangan di Pelabuhan, peralatan pemantauan kestabilan lereng, dan lampu penerangan di lokasi tambang.

Total Konsumsi Energi dan Intensitas Energi berdasarkan Entitas Bisnis [302-1][302-2][302-3][F.6]

Pada tahun 2023, total konsumsi energi Merdeka sebesar 29,675,654 gigajoule (GJ). Dari total konsumsi energi tersebut, 3,691,563 GJ (12%) yang berasal dari sumber energi terbarukan, dan 25,984,091 GJ (88%) dari sumber energi tidak terbarukan. Intensitas energi yang tercatat sebesar 17,386.9 GJ per juta USD.

Seluruh konsumsi energi digunakan di wilayah operasional pertambangan dan pengolahan hasil tambang di seluruh area entitas bisnis Merdeka. Tidak terdapat konsumsi energi yang digunakan di luar area operasional pertambangan dan pengolahan hasil tambang.

Energy Efficiency

Efforts to reduce energy consumption are crucial for Merdeka to reduce operational costs, enhance efficiency, and minimize environmental impacts. Initiatives associated with the development of renewable energy are geared towards improving the energy efficiency ratio, with the goal of reducing the company's energy usage intensity. Merdeka also engages external consultants with expertise in risk assessment, identifying opportunities, and evaluating energy efficiency programs.

Merdeka has installed solar modules on various operational support equipment. This encompasses surface water quality monitoring equipment, slope stability monitoring equipment, lighting fixtures at the port and at the mining site.

Total Energy Consumption and Energy Intensity by Business Entities

In 2023, Merdeka's total energy consumption reached 29,675,654 gigajoules (GJ). Of the total energy consumption, 3,691,563 GJ (12%), sourced from renewable energy, and 25,984,091 GJ (88%) from non-renewable energy sources. The energy intensity recorded is 17,386.9 GJ per million USD.

All energy consumption is for mining and mineral processing operational areas across all business entities within Merdeka. There is no energy consumption outside the mining and mineral processing operational areas.

Tambang Emas Tujuh Bukit
Tujuh Bukit Gold Mine

Bahan Bakar dan Energi Fuel and Energy	Satuan Unit	2021	2022	2023
Listrik dari PLTU* Electricity from coal-fired power plant	kWh	37,576,800	38,655,800	-
	Gigajoule	135,276	139,161	-
Listrik dari PLTP** Electricity from geothermal power plant	kWh	-	8,298,900	49,755,000
	Gigajoule	-	29,876	179,118
Bensin* Gasoline	liter	45,853	16,697	-
	Gigajoule	1,513	551	-
Biodiesel B35**	liter	15,366,085	18,715,982	22,433,036
	Gigajoule	568,545	692,491	830,022
Panel Surya** Solar Panel	kWh	-	2,657	1,270
	Gigajoule	-	9.5	4.5
Total Konsumsi Energi Total Energy Consumption	Gigajoule	705,334	862,089	1,009,145
Volume produksi emas Gold production volume	Oz	124,730	125,133	138,666
Intensitas energi (emas) Energy intensity (gold)	GJ/ oz	5.5	6.89	7.27

Tambang Tembaga Wetar
Wetar Copper Mine

Bahan Bakar dan Energi Fuel and Energy	Satuan Unit	2021	2022	2023
Bensin* Gasoline	liter	20,875	25,268	37,426
	Gigajoule	688	834	1,247
Biodiesel B30** (termasuk untuk menghasilkan daya listrik) (Including for generating electricity)	liter	24,096,592	38,055,281	33,661,500
	Gigajoule	891,574	1,408,045	1,244,129
Total Konsumsi Energi Total Energy Consumption	Gigajoule	892,262	1,408,879	1,245,376
Volume produksi tembaga Copper production volume	Ton	19,045	19,551	12,706
Intensitas energi (tembaga) Energy intensity (copper)	GJ/ Ton	46.8	72	98

Tambang Nikel Konawe
Konawe Nickel Mine

Bahan Bakar dan Energi Fuel and Energy	Satuan Unit	2022	2023
Listrik* Electricity	kWh	37,783	81,283
	Gigajoule	136	292
Bensin* Gasoline	liter	4,770	6,101
	Gigajoule	157	181
Biodiesel B35**	liter	8,586,176	27,777,043
	Gigajoule	317,688	1,029,059
Total Konsumsi Energi Total Energy Consumption	Gigajoule	317,981	1,029,532

“Tujuh Bukit Gold Mine has been sourcing electricity from PT Perusahaan Listrik Negara (PLN), generated by a geothermal power plant (PLTP), to support its operational activities.

Tambang Emas Tujuh Bukit telah menggunakan tenaga listrik dari PT Perusahaan Listrik Negara (PLN) yang berasal dari pembangkit listrik tenaga panas bumi (PLTP) untuk mendukung kegiatan operasionalnya.

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Proyek Emas Pani | Pani Gold Project

Bahan Bakar dan Energi Fuel and Energy	Satuan Unit	2022	2023
Listrik/ Electricity*	kWh	369,522.4	1,387,102
	Gigajoule	1,330.3	4,993
Biodiesel B35**	liter	1,402,050	2,725,259
	Gigajoule	51,875.8	101,385
Total Konsumsi Energi Total Energy Consumption	Gigajoule	53,206.1	106,378

Proyek Acid, Iron, Metal (AIM) | Acid, Iron, Metal (AIM) Project

Bahan Bakar dan Energi Fuel and Energy	Satuan Unit	2021	2022	2023
Listrik/ Electricity*	kWh	21,856	372,849	1,510,895
	Gigajoule	78	1,342	5,439
Biodiesel B30**	liter	461,400	5,364,337	16,183
	Gigajoule	17,072	198,480	598
Biodiesel B35**	liter	-	-	1,436,565
	Gigajoule	-	-	53,443
Total Konsumsi Energi Total Energy Consumption	Gigajoule	17,150	199,822	59,480

Bukit Smelter Indonesia (BSID)

Bahan Bakar dan Energi Fuel and Energy	Satuan Unit	2022	2023
Listrik* Electricity	kWh	746,793,293	726,951,766
	Gigajoule	2,688,455	2,617,026
Biodiesel B35**	liter	6,347,650	1,446,977
	Gigajoule	234,863	48,040
Batubara* Mixed coal	ton	-***	290,266
	Gigajoule	-	5,427,965
Total Konsumsi Energi Total Energy Consumption	Gigajoule	2,923,318	8,093,031

Cahaya Smelter Indonesia (CSID)

Bahan Bakar dan Energi Fuel and Energy	Satuan Unit	2022	2023
Listrik* Electricity	kWh	745,065,495	753,683,896
	Gigajoule	2,682,235	2,713,262
Biodiesel B35**	liter	6,976,413	1,530,184
	Gigajoule	258,127	50,802
Batubara* Mixed coal	ton	-***	236,369
	Gigajoule	-	4,420,092
Total Konsumsi Energi Total Energy Consumption	Gigajoule	2,940,362	7,184,156

Zhao Hui Nickel (ZHN)

Bahan Bakar dan Energi Fuel and Energy	Satuan Unit	2023
Listrik* Electricity	kWh	983,842,293
	Gigajoule	3,541,832
Biodiesel B35**	liter	2,238,493
	Gigajoule	74,318
Batubara* Mixed coal	ton	298,808
	Gigajoule	4,422,367
Batubara bituminous* Bituminous coal	ton	29,500
	Gigajoule	710,950
Batubara blue coke* Blue coke coal	ton	73,875
	Gigajoule	1,872,740
Total Konsumsi Energi Total Energy Consumption	Gigajoule	10,622,207

Total konsumsi energi RKEF (BSID, CSID dan ZHN) Total RKEF's energy consumption (BSID, CSID and ZHN)	Gigajoule	25,899,394
Produksi nikel dalam NPI (BSID, CSID dan ZHN) Nickel production in NPI	Ton Ni	65,117
Intensitas energi (BSID, CSID dan ZHN) Energy intensity	GJ/ Ton Ni	397.73

Huaneng Metal Industry (HNMI)

Bahan Bakar dan Energi Fuel and Energy	Satuan Unit	2023
Listrik* Electricity	kWh	68,251,580
	Gigajoule	245,705
Biodiesel B35**	liter	2,429,043
	Gigajoule	80,644
Total Konsumsi Energi Total Energy Consumption	Gigajoule	326,349
Produksi nikel dalam Nikel Matte Nickel production in Nickel Matte	Ton Ni	30,333
Intensitas energi Energy intensity	GJ/ Ton Ni	10.75

* Bahan Bakar tidak terbarukan/non-renewable fuels.
** Bahan Bakar (energi) terbarukan/renewable fuels (energy)
*** Data belum tersedia / data not available
Faktor konversi menggunakan | Conversion factor used:
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories;
- Pusat Data dan Teknologi Informasi Energi dan Sumber Daya Mineral, Kementerian Energi dan Sumber Daya Mineral "Inventarisasi Emisi GRK Bidang Energi", Desember 2020.
1 kWh = 0.0036 GJ (Gigajoule)
1 Liter Pertamina = 0.02965 GJ (Gigajoule)
1 Liter Peralite = 0.03332367 GJ (Gigajoule)
1 Liter Biodiesel B-30 = 0.037 GJ (Gigajoule)
1 Liter Biodiesel B-35 = 0.037 GJ (Gigajoule)

Kegiatan Hari Lingkungan Hidup di Merdeka

Environmental Day Activities in Merdeka

Pelepasan Tukik, Transplantasi Terumbu Karang, Penanaman Mangrove dan Pendidikan Lingkungan Kepada Sekolah Lingkar Tambang

BSI melepaskan 500 ekor tukik di Pantai Muara Mbaduk, Sarongan, Pesanggaran. Kegiatan dalam rangka peringatan Hari Konservasi Alam Nasional (HKAN) dan Hari Lingkungan Hidup (HLH) Sedunia 2023 ini menggandeng Balai Taman Nasional Meru Betiri dan kelompok masyarakat Pantai Muara Mbaduk. Hadir juga Forpimka Pesanggaran, pelajar, dan masyarakat sekitar.

Kegiatan yang bertujuan sebagai konservasi alam ini juga dibarengi dengan penanaman pohon cemara dan bersih pantai yang juga dilakukan di Pantai Parang Semar dimana BSI menggandeng Kelompok Wisata Parang Semar, pemerintah kabupaten Banyuwangi, Forpimka Siliragung, dan masyarakat sekitar. BSI menilai bahwa menjaga populasi penyu berperan besar dalam menjaga ekosistem laut yang sehat. Hal ini berkaitan erat dengan komitmen BSI untuk menjalankan prinsip-prinsip environment, social, and governance (ESG) sebagai penerapan kaidah teknik pertambangan yang baik (good mining practices) di operasi Tujuh Bukit.

Release of Turtle Hatchlings, Coral Reef Transplant, Mangrove Planting and Environmental Education for Circular Mining Schools

BSI released 500 hatchlings at Muara Mbaduk Beach, Sarongan, Pesanggaran. This activity in commemoration of National Nature Conservation Day and World Environment Day 2023 is in collaboration with the Meru Betiri National Park Office and Muara Mbaduk Beach community group. Also present were Forpimka Pesanggaran, students, and the surrounding community.

The activity aimed at nature conservation is also accompanied by the planting of pine trees and beach cleaning, which are also carried out at Parang Semar Beach where BSI collaborates with the Parang Semar Tourism Group, the Banyuwangi district government, Forpimka Siliragung, and the local community. BSI considers that maintaining turtle populations plays a major role in maintaining a healthy marine ecosystem. This is closely related to BSI's commitment to carry out environmental, social, and governance (ESG) principles as the application of good mining practices in Tujuh Bukit operations.

Sebanyak 21 rak terumbu karang jenis Acropora, Montipora, dan Auphyllia paradviva ditanamkan di dasar laut.

Proyek Emas Pani melakukan penanaman bibit mangrove di kawasan pesisir Cagar Alam Panua yang diikuti oleh sekitar 100 orang. Kegiatan penanaman mangrove ini menjadi salah satu media yang baik bagi karyawan dan masyarakat untuk turut berkontribusi dalam upaya perlindungan daerah pesisir dari bencana abrasi yang kerap terjadi di daerah ini. Adapun, jenis tanaman mangrove yang ditanam berasal dari jenis Rhizophora Apiculata, yang memiliki akar kuat sehingga baik untuk mencegah abrasi pantai. Sebanyak kurang lebih 500 pohon telah ditanam di sekitar kawasan pesisir Kecamatan Marisa.

A total of 21 coral racks of Acropora, Montipora, and Auphyllia paradviva species were planted on the seafloor.

Pani Gold Project conducted mangrove planting in the coastal area of Panua Nature Reserve, involving approximately 100 people. This mangrove planting activity serves as a good platform for employees and the community to contribute to protecting coastal areas from frequent abrasion disasters in this region. The type of mangrove planted is the Rhizophora Apiculata species, which has strong roots that are effective in preventing coastal erosion. Around 500 trees have been planted in the coastal area of Marisa District.



Selain itu, Proyek Emas Pani melakukan kegiatan pengenalan pemahaman lingkungan hidup ke sekolah lingkar tambang agar mendorong terciptanya pengetahuan dan kesadaran masyarakat dan anak sekolah dalam upaya pelestarian lingkungan hidup. Pendidikan Lingkungan Hidup (PLH) merupakan upaya untuk mengubah perilaku dan sikap yang dilakukan oleh berbagai pihak atau elemen masyarakat yang bertujuan meningkatkan pengetahuan, keterampilan, dan kesadaran masyarakat tentang nilai-nilai lingkungan dan isu-isu lingkungan.

Furthermore, the Gold Project of Pani conducted environmental education activities at local mining circle schools to promote knowledge and awareness among the community and school children about environmental conservation efforts. Environmental education is an effort to change behavior and attitudes aimed at increasing the knowledge, skills, and awareness of the community regarding environmental values and issues.

Program ini terlaksana dalam rangka hari lingkungan hidup dengan membawa tema "Solusi untuk Polusi Plastik" kepada anak-anak sekolah dasar dengan niat untuk mengajarkan pemahaman terkait sampah plastik dalam kehidupan sehari-hari.

This program was implemented in conjunction with World Environment Day under the theme "Solution for Plastic Pollution" to teach elementary school children about understanding plastic waste in daily life.

Sementara itu MTI menanam 300 bibit tanaman di kamp Makarti, tempat tinggal karyawan selama bekerja di Proyek AIM (Acid, Iron, Metal). Tanaman-tanaman tersebut terdiri atas tiga jenis bibit: Pucuk Merah (Syzygium paniculatum), penghasil antioksidan; Palem Kuning (Areca palm), peredam getaran dan pereduksi gas polutan; dan Bunga Puring (Codiaeum variegatum) yang bermanfaat sebagai obat.

Meanwhile, MTI planted 300 seedlings in Kamp Makarti, where employees reside while working on the AIM Project (Acid, Iron, Metal). These plants consist of three types of seedlings: Red Shoots (Syzygium paniculatum), which produce antioxidants; Yellow Palms (Areca palm), which dampen vibrations and reduce pollutant gases; and Croton (Codiaeum variegatum), which is beneficial as a medicinal plant.



BSI bekerja sama dengan Kelompok Wisata Pesona Bahari mengadakan kegiatan transplantasi terumbu karang di perairan Grand Watudodol Bangsring, Wongsorejo, Banyuwangi. Kegiatan ini merupakan penutup rangkaian kegiatan peringatan Hari Lingkungan Hidup Sedunia 2023.

BSI collaborated with the Pesona Bahari Tourism Group to organize coral transplantation activities in the waters of Grand Watudodol Bangsring, Wongsorejo, Banyuwangi. This activity marked the conclusion of a series of events commemorating World Environment Day 2023.

Perubahan Iklim

Merdeka menyadari bahwa perubahan iklim tidak hanya merupakan isu global, tetapi juga menjadi faktor penting yang mempengaruhi operasional perusahaan. Risiko cuaca ekstrem, seperti badai tropis, banjir, dan kekeringan, menjadi ancaman yang dapat mengganggu kegiatan pertambangan dan menantang keberlanjutan operasional.

Dalam menghadapi ketidakpastian cuaca, perusahaan ini terus mengembangkan strategi efisien dan ramah lingkungan. Selain dampak langsung pada operasional, perubahan iklim juga memengaruhi reputasi perusahaan bagi para pemangku kepentingan. Transparansi dan ketegasan dalam menghadapi tantangan lingkungan menjadi kunci untuk menjaga kredibilitas di masyarakat dan industri.

Merdeka berkomitmen untuk melaksanakan solusi berkelanjutan dan menjaga hubungan positif dengan masyarakat dan pemangku kepentingan, memandang perubahan iklim sebagai peluang untuk memimpin dalam praktik-praktik yang mendukung keberlanjutan industri pertambangan.

Seperti dinyatakan pada Kebijakan Iklim Merdeka, Merdeka berkomitmen untuk mematuhi seluruh undang-undang dan persyaratan peraturan yang berlaku di Indonesia serta menyelaraskan dengan instrumen internasional terkait dengan perubahan iklim. Selain itu, Merdeka mendukung tujuan Perjanjian Paris untuk membatasi kenaikan suhu global di bawah 2°C. Implementasi inisiatif Gas Rumah Kaca (GRK) termasuk penelitian dan implementasi inovasi energi dan efisiensi, serta berpartisipasi dalam program-program *carbon offsetting* yang dipilih juga menjadi bagian dari komitmen perusahaan. Merdeka mengimplementasikan praktik tata kelola, pelibatan, dan pengungkapan untuk memastikan risiko dan peluang perubahan iklim menjadi pertimbangan dalam pengambilan keputusan bisnis. Evaluasi pengelolaan risiko dan peluang, termasuk risiko transisi dan risiko fisik terkait dengan perubahan iklim, juga menjadi fokus bisnis Merdeka. Selain itu, Merdeka mendorong *life cycle perspective* bagi pemasok guna mengurangi jejak karbon di seluruh rantai pasokan.

Merdeka secara aktif mendukung tujuan Perjanjian Iklim Paris dan turut serta berkontribusi dalam upaya mengurangi emisi GRK. Hal ini diwujudkan dalam pelaksanaan penilaian dampak perubahan iklim dan penyusunan Komitmen Nol-Bersih untuk mengurangi emisi GRK. Untuk memandu proses tata kelola, strategi, dan pelaporan perubahan iklim, Merdeka menggunakan panduan Task Force on Climate-related Financial Disclosures (TCFD). [3-3]

Climate Change

Merdeka acknowledges that climate change is not only a global concern but also a critical factor affecting the company's operations. Risks associated with extreme weather events, including tropical storms, floods, and droughts, present threats that can disrupt mining activities and pose challenges to continual operational.

Confronting weather uncertainties, the company is consistently developing efficient and eco-friendly strategies. Beyond the direct impacts on operations, climate change influences the company's reputation among stakeholders. Transparency and assertiveness in addressing environmental challenges are crucial for maintaining credibility in both society and the industry.

Merdeka is dedicated to implementing sustainable solutions and cultivating positive relationships with communities and stakeholders, viewing climate change as an opportunity to lead in sustainable mining industry practices.

As stated in Merdeka's Climate Policy, Merdeka is committed to complying with all applicable laws and regulations in Indonesia and aligning with international instruments related to climate change. Additionally, Merdeka supports the goals of the Paris Agreement to limit the global temperature increase to well below 2°C. The implementation of Greenhouse Gas (GHG) initiatives, including research and the adoption of energy innovations and efficiency, as well as participation in selected carbon offsetting programs, is integral to our commitment. Merdeka employs governance processes, engagement, and disclosure to ensure that climate change risks and opportunities are considered in business decision-making. The evaluation and management of risks and opportunities, including transition risks and physical risks related to climate change, are also focal points of Merdeka's business. Furthermore, Merdeka advocates for a life cycle perspective for suppliers to reduce carbon footprints throughout the supply chain.

Merdeka actively supports the goals of the Paris Climate Agreement and contributes to efforts to reduce GHG emissions. This commitment is evident in the implementation of climate change impact assessments and the development of Net-Zero Commitments to reduce GHG emissions. To guide climate change governance processes, strategies, and reporting, Merdeka adheres to the Task Force on Climate-related Financial Disclosures (TCFD) guidelines.

Rekomendasi TCFD memberikan pendekatan holistik untuk mengatasi perubahan iklim, mencakup elemen-elemen kunci seperti tata kelola perusahaan, strategi, manajemen risiko, metrik, dan target. Komponen-komponen penting dari rekomendasi TCFD tersebut diuraikan di bawah ini:

Elemen Utama TCFD TCFD Main Element	Pengungkapan yang Direkomendasikan	Recommended Disclosures
Tata Kelola Governance	Menjelaskan pengawasan Direksi terhadap risiko dan peluang terkait iklim.	Describe the board's oversight of climate-related risks and opportunities.
	Menjelaskan peran Direksi dalam menilai dan mengelola risiko dan peluang terkait iklim.	Describe management's role in assessing and managing climate-related risks and opportunities.
Strategi Strategy	Menjelaskan risiko dan peluang terkait iklim yang telah diidentifikasi organisasi dalam jangka pendek, menengah, dan panjang.	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.
	Menjelaskan dampak risiko dan peluang terkait iklim pada bisnis, strategi, dan perencanaan keuangan organisasi.	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.
	Menjelaskan ketahanan strategi organisasi, dengan mempertimbangkan berbagai skenario terkait iklim, termasuk skenario 2°C atau lebih rendah.	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario
Manajemen Risiko Risk Management	Menjelaskan proses organisasi untuk mengidentifikasi dan menilai risiko terkait iklim.	Describe the organization's processes for identifying and assessing climate-related risks.
	Menjelaskan proses organisasi untuk mengelola risiko terkait iklim.	Describe the organization's processes for managing climate-related risks.
	Menjelaskan bagaimana proses untuk mengidentifikasi, menilai, dan mengelola risiko terkait iklim diintegrasikan ke dalam manajemen risiko organisasi secara keseluruhan.	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.
Metrik dan Target Metrics and Targets	Mengungkapkan metrik yang digunakan oleh organisasi untuk menilai risiko dan peluang terkait iklim sejalan dengan strategi dan proses manajemen risikonya.	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
	Mengungkapkan Cakupan 1 dan Cakupan 2 emisi gas rumah kaca (GRK) serta risiko terkait.	Disclose Scope 1 and Scope 2 greenhouse gas (GHG) emissions, and the related risks.
	Menjelaskan target yang digunakan oleh organisasi untuk mengelola risiko dan peluang terkait iklim serta kinerja terhadap target.	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Tata Kelola Risiko dan Peluang terkait Iklim

Merdeka menyadari bahwa manajemen perubahan iklim yang efektif memerlukan komitmen yang kuat, arahan yang jelas, dan dapat dikomunikasikan serta dimengerti oleh semua karyawan. Direksi Merdeka menjadi penanggung jawab utama untuk memastikan tujuan dan strategi perubahan iklim sesuai dengan peta jalan yang telah ditetapkan.

Dalam melakukan pengawasan terkait perubahan iklim, Direksi dibantu oleh Komite Keberlanjutan yang bertugas untuk merumuskan strategi dan mengawasi kinerja dalam menghadapi berbagai tantangan perubahan iklim. Komite Keberlanjutan, dalam menjalankan tugasnya, berkewajiban

Climate-Related Risk and Opportunity Governance

Merdeka acknowledges that effective management of climate change needs a strong commitment, clear direction, and communication that is accessible and understood by all employees. The Board of Directors at Merdeka bears the primary responsibility for ensuring alignment between the company's climate change goals and strategies with the established roadmap.

In overseeing climate-related matters, the Board is supported by the Sustainability Committee, tasked with formulating strategies and monitoring performance in addressing various challenges arising from climate change. The Sustainability Committee, in carrying out its duties, is mandated to supervise

melakukan pengawasan terhadap perubahan iklim dan emisi GRK, serta melakukan pemantauan kemajuan pada peta jalan nol-bersih Merdeka. Hasil pemantauan ini menjadi bahan pembahasan dalam pertemuan periodik Komite Keberlanjutan yang dipimpin oleh Presiden Direktur dan dihadiri oleh Komite Eksekutif, Manajer Umum Operasional, Manajer Umum Fungsi Pendukung, dan Manajer Keberlanjutan sebagai anggota.

Wakil Presiden Direktur dan Executive VP Sustainability bekerja sama untuk melakukan pengelolaan risiko terkait iklim dan mengimplementasikan strategi iklim Merdeka. Wakil Presiden Direktur bertanggung jawab terhadap pengelolaan risiko, melaporkannya kepada Presiden Direktur, dan memperbarui kemajuan tujuan dan target strategis. Sejalan dengan itu, Executive VP Sustainability, sebagai bagian dari tim pimpinan eksekutif, melakukan pengawasan kinerja perubahan iklim, upaya pengurangan emisi GRK, dan perkembangan hasil penilaian risiko sesuai dengan strategi iklim Merdeka.

Dalam menjalankan tugas dan tanggung jawabnya, Executive VP Sustainability melakukan pengawasan terhadap kebijakan, tata kelola, strategi, metrik kinerja, dan mitigasi risiko. Selain itu, Executive VP Sustainability juga memberikan panduan tingkat eksekutif kepada manajer keberlanjutan dan lingkungan, memastikan bahwa masalah terkait iklim dikelola dengan tepat dan sesuai dengan kebijakan perusahaan.

General Manager Manajemen Risiko dan Keselamatan Kerja bertanggung jawab melaporkan kepada Executive VP Sustainability, memimpin proses pelaksanaan penilaian risiko, mengidentifikasi dan mengkategorikan risiko terkait iklim. Risiko-risiko ini dipantau dan dievaluasi melalui proses Manajemen Risiko Perusahaan. Dalam melaksanakan tugasnya, General Manager Risiko dan Keselamatan bekerja sama dengan tim lintas divisi untuk memastikan metode yang digunakan sesuai dengan kerangka manajemen Merdeka.

Identifikasi Risiko Transisi dan Risiko Fisik

Merdeka melakukan penilaian risiko iklim, termasuk risiko transisi dan fisik, sebagaimana yang didefinisikan oleh Task Force on Climate-Related Financial Disclosures (TCFD).

Risiko transisi adalah risiko yang terkait dengan transisi ke ekonomi karbon yang lebih rendah. Hal ini dapat mempengaruhi reputasi perusahaan yang memerlukan kebijakan, perubahan hukum, teknologi, atau pasar untuk mengatasi kebutuhan mitigasi dan adaptasi yang terkait dengan perubahan iklim.

Risiko transisi untuk Merdeka dinilai dengan mengacu pada pertimbangan penting, yaitu emisi saat ini dan proyeksi untuk Merdeka serta kemunculan kebijakan

climate change and Greenhouse Gas (GHG) emissions, as well as monitor progress on Merdeka's net-zero roadmap. The outcomes of this monitoring serve as discussion material in periodic meetings of the Sustainability Committee led by the President Director and attended by the Executive Committee, Operational General Manager, Support Function General Manager, and the Sustainability Manager as members of the committee.

The Vice President Director and Executive VP Sustainability collaborate to manage climate-related risks and implement Merdeka's climate strategy. The Vice President Director is responsible for risk management, reporting to the President Director, and updating progress on strategic goals and targets. Concurrently, the Executive VP Sustainability, as part of the executive leadership team, oversees climate change performance, efforts to reduce greenhouse gas emissions, and the development of risk assessment outcomes aligned with Merdeka's climate strategy.

In executing their tasks and responsibilities, the Executive VP Sustainability monitors policies, governance, strategies, performance metrics, and risk mitigation. Additionally, the Executive VP Sustainability provides executive-level guidance to sustainability and environmental managers, ensuring that climate-related issues are appropriately managed and aligned with company policies.

The General Manager of Risk Management and Safety is responsible for reporting to the Executive VP Sustainability, leading Merdeka's risk management process, and identifying and categorizing climate-related risks. These risks are monitored and evaluated through the Corporate Risk Management process. In fulfilling their duties, the General Manager of Risk Management and Safety collaborates with cross-divisional teams to ensure that the methods used align with Merdeka's management framework.

Identification of Transition Risks and Physical Risks

Merdeka assessed climate risks, including transitional and physical risks, as defined by the Task Force on Climate-Related Financial Disclosures (TCFD).

Transitional risks are risks associated with the transition to a lower carbon economy. These may affect the company's reputation requiring policy, legal, technology, or market changes to address mitigation and adaptation requirements related to climate change.

The transitional risks for Merdeka were assessed with reference to important considerations, i.e. current and projected emissions for Merdeka and the anticipated



▲ Genset dan solar panel di BKP-BTR
Genset and solar panel at BKP-BTR



perubahan iklim baru di Indonesia selama masa operasi entitas bisnis Merdeka.

Merdeka melakukan penilaian risiko fisik dengan merujuk pada versi terbaru skenario iklim global yang dikembangkan oleh Intergovernmental Panel on Climate Change (IPCC). Risiko fisik yang terkait dengan perubahan iklim yang diakibatkan oleh perubahan jangka panjang dalam pola iklim dapat berupa peristiwa akut atau kronis. Kedua peristiwa tersebut berpotensi menyebabkan kerusakan pada aset atau gangguan pada operasi perusahaan.

Risiko fisik yang dinilai dikelompokkan ke dalam empat kategori:

- Perubahan pola curah hujan, termasuk peningkatan magnitudo peristiwa curah hujan, yang berpotensi menyebabkan banjir dan tanah longsor, serta kekeringan selama musim kemarau.
- Peningkatan frekuensi dan keparahan badai, yang dapat mengakibatkan dampak terkait dengan angin kencang, risiko yang terkait dengan curah hujan lebat seperti yang disebutkan di atas, serta risiko terkait dengan gelombang tinggi dan total tinggi air yang ekstrem.
- Kenaikan permukaan laut, yang dapat memperburuk dampak yang terkait dengan gelombang tinggi dan total tinggi air yang ekstrem di fasilitas pantai, termasuk dermaga dan operasi pemuatan/pembongkaran.
- Peningkatan suhu udara, yang dapat menyebabkan risiko terkait dengan keselamatan pekerja.

Risiko transisi dan fisik yang diidentifikasi, dampak keuangan, dan strategi mitigasi disajikan dalam tabel-tabel berikut:

emergence of new climate change policies in Indonesia during the life of Merdeka's business entity operations.

Merdeka assesses physical risks by referring to the latest version of global climate scenarios developed by the Intergovernmental Panel on Climate Change (IPCC). Physical risks associated with climate change resulting from long-term shifts in climate patterns can be acute or chronic events. Both events have the potential to cause damage to assets or disruption to the company's operations.

Physical risks assessed were grouped into four categories:

- Changes in precipitation patterns, including increasing magnitude of precipitation events, potentially leading to flooding and landslides, as well as drought during the dry season
- Increasing frequency and severity of storms, which may result in impacts associated with high winds, the risks associated with heavy precipitation noted above, as well as risks associated with high waves and extreme total water level
- Sea level rise, which could exacerbate the impacts associated with high waves and extreme total water levels at coastal facilities, including the docks and loading/unloading operations
- Increasing air temperature, which may lead to risks related to worker safety

The transitional and physical risks identified, the financial impact, and the mitigation strategies are presented in the following tables:

Identifikasi Risiko Transisi
Transition Risks Identification

Pemicu Risiko Risks Trigger	Matrik risiko Risks Matrix	Risiko terkait dengan perubahan iklim Risks related to climate change	Dampak Finansial Financial Impact	Strategi Mitigasi Mitigation Strategy
Kebijakan Policy	Menengah Medium	Penerapan pajak karbon Carbon tax implementation	Pajak karbon belum diterapkan saat ini, namun pajak karbon sebesar Rp30.000/ tCO ₂ e (sekitar USD2,10) rencananya akan diterapkan oleh pemerintah Indonesia pada tahun 2025 sehingga akan menyebabkan tambahan biaya operasional (OPEX) dan mengurangi margin laba operasional. The carbon tax is not currently in effect, but a carbon tax of IDR30,000/ tCO ₂ e (approximately USD2.10) is planned to be implemented by the Indonesian government in 2025. This is expected to result in additional operational costs (OPEX) and reduce operational profit margins.	• Pengurangan emisi cakupan 1 dan cakupan 2 sebesar 29% sampai dengan tahun 2030 dan net zero tahun 2050. • Transisi ke Energi Baru Terbarukan (EBT) yang lebih rendah karbon mencakup pembelian Renewable Energy Certificate (REC), B35 & panel surya. • Mengganti mesin lama yang masih menggunakan fosil fuel dengan mesin baru yang lebih irit bahan bakar. • Reduction of Scope 1 and Scope 2 emissions by 29% until 2030 and achieving net zero by 2050. • Transition to Lower Carbon Renewable Energy with Renewable Energy Certificate (REC) purchase, B35 and solar panels. • Replacing old engines that still use fosil fuels with new, more fuel-efficient engines.
Pasar Market	Menengah Medium	Meningkatnya harga bahan baku dari supplier atau harga pekerjaan kontraktor. Increasing raw material prices from suppliers or contractor job prices.	Kenaikan harga pekerjaan kontraktor atau harga bahan baku dari supplier yang disebabkan pajak karbon atau investasi teknologi yang dibebankan pada biaya operasional akan meningkatkan biaya operasional (OPEX) dan mengurangi margin laba operasional. The increase in contractor job prices or raw material prices from suppliers, caused by carbon taxes or technology investments charged to operational costs, will raise operational expenses (OPEX) and reduce operational profit margins.	Mendorong kontraktor untuk melakukan cara-cara mitigasi dampak perubahan yang efektif, misalnya menggunakan energi terbarukan (rendah karbon). Encouraging contractors to implement effective mitigation measures for climate impact, such as using renewable (low-carbon) energy.
Teknologi Technology	Tinggi High	Transisi ke teknologi yang lebih rendah karbon. Transition to lower carbon technology	Investasi teknologi rendah karbon akan meningkatkan biaya operasional (OPEX) dan mengurangi margin laba operasional dalam jangka pendek. Investments in low-carbon technology will increase operational costs (OPEX) and reduce operational profit margins in the short term.	Meningkatkan kapasitas listrik dengan penggunaan panel surya untuk menggantikan energi yang bersumber dari bahan bakar fosil. Increasing electrical capacity through the use of solar panels to replace energy sourced from fossil fuels.
Reputasi Reputation	Menengah Medium	Reputasi yang baik menjadi tantangan bagi Merdeka untuk menerapkan standar perubahan iklim yang tinggi. A good reputation poses a challenge for Merdeka in adopting high climate change standards.	Peningkatan indikator standar yang menuntut perusahaan untuk memperbaiki penanganan perubahan iklim dan lebih transparan berpotensi meningkatkan biaya operasional (OPEX) dan mengurangi margin laba operasi. The increase in standard indicators demanding improved climate change management and greater transparency has the potential to raise operational costs (OPEX) and reduce operating profit margins.	• Pemetaan dan update secara periodik sistem atau standar perubahan iklim. • Aktif berkontribusi dalam meningkatkan kesadaran pemangku kepentingan terhadap perubahan iklim. • Periodic mapping and updates of climate change systems or standards. • Actively contributing to raising stakeholder awareness of climate change.

Identifikasi Risiko Fisik
Physical Risks Identification

Jenis Bahaya Alam Natural Disaster Types	Matrik Risiko Risk Matrix	Implikasi Utama Main Implications	Dampak Finansial Financial Impact	Strategi Penanganan Potensial yang Diidentifikasi Identified Potential Handling Strategies
Risiko Akut Acute Risks				
Banjir air pasang Tidal flood	Tinggi High	• Hambatan pengiriman peralatan pertambangan dapat menyebabkan target produksi tidak tercapai. • Merusak infrastruktur penambangan, seperti pelabuhan, dan alat berat. • Pengiriman hasil produksi pertambangan terhambat, sehingga menyebabkan biaya penalti/denda dari pembeli. • Constraints in the delivery of mining equipment can lead to unmet production targets. • Damage mining infrastructure, such as ports and heavy machinery. • Hindered delivery of mining products can result in penalties or fines from buyers.	• Penurunan pendapatan perusahaan. • Peningkatan biaya untuk penggantian atau perbaikan asset yang rusak. • Pembayaran denda/ pinalti menyebabkan penurunan pendapatan. • Decrease in company revenue • Increase in costs for replacing or repairing damaged assets • Payment of fines/ penalties result in a reduction in income.	• Melakukan penilaian risiko banjir air pasang guna mengidentifikasi daerah rawan banjir untuk semua aset utama. • Menyertakan bahaya banjir dalam rencana tanggap darurat. • Mengembangkan sistem Emergency Response Plan (ERP), yang mencakup kesiapsiagaan, respons, mitigasi, dan pemulihan. • Menyiapkan tim tanggap darurat, program latihan darurat berkala, koordinasi dengan pihak eksternal, serta pemeliharaan peralatan dan perlengkapan darurat. • Asuransi aset. • Penanaman pohon mangrove untuk mencegah abrasi. • Conducting a risk assessment of tidal floods to identify flood-prone areas for all major assets. • Including flood hazards in the emergency response plan. • Developing an Emergency Response System, covering preparedness, response, mitigation, and recovery. • Establishing an emergency response team, conducting regular emergency training programs, coordinating with external parties, and maintaining emergency equipment and supplies. • Asset insurance. • Planting mangrove trees to prevent erosion.
Banjir daratan Inland flood	Rendah Low	• Kerusakan infrastruktur pertambangan seperti jalan, jembatan, dan stockpile. • Target produksi tidak tercapai akibat dari kerusakan infrastruktur pertambangan. • Pengiriman hasil produksi pertambangan terhambat, sehingga menyebabkan biaya penalti/ denda dari pembeli. • Damage to mining infrastructure such as roads, bridges, and stockpiles. • Production targets are not met due to mining infrastructure damage. • Delivery of mining production is delayed, leading to penalty/fine costs from buyers.	• Meningkatnya biaya perbaikan infrastruktur. • Penurunan pendapatan akibat penurunan volume penjualan. • Pembayaran denda/ pinalti menyebabkan penurunan pendapatan. • Increasing infrastructure repair costs. • Decreased revenue due to a decline in sales volume. • Payment of fines/ penalties leads to a reduction in income.	• Desain pertambangan yang memasukkan risiko banjir. • Identifikasi secara berkala stabilitas lereng di lokasi-lokasi kritis. • Pemeliharaan secara berkala jalan operasional dan sistem pengelolaan air untuk memastikan drainase telah memadai. • Pengembangan Rencana Tanggap Darurat untuk memastikan keselamatan pekerja, dan review dan pembaruan berkelanjutan terhadap Rencana Pengelolaan Air (minimal setiap tahun) • Mining design that incorporates flood risks. • Periodic identification of slope stability in critical locations. • Regular maintenance of operational roads and water management systems to ensure adequate drainage. • Development of an Emergency Response Plan to promote worker safety, and continuous review and updates to the Water Management Plan (at least annually).

Jenis Bahaya Alam Natural Disaster Types	Matrik Risiko Risk Matrix	Implikasi Utama Main Implications	Dampak Finansial Financial Impact	Strategi Penanganan Potensial yang Diidentifikasi Identified Potential Handling Strategies
Siklon tropis Tropical cyclone	Rendah Low	- Kerusakan infrastruktur pertambangan seperti jalan, jembatan, dan <i>stockpile</i> - Target produksi tidak tercapai akibat dari kerusakan infrastruktur pertambangan. - Pengiriman hasil produksi pertambangan terhambat, sehingga menyebabkan biaya penalti/denda dari pembeli. - Damage to mining infrastructure such as roads, bridges, and stockpiles. - Failure to achieve production targets due to mining infrastructure damage. - Delivery of mining production is hindered, leading to penalty/fine costs from buyers.	- Meningkatnya biaya perbaikan infrastruktur. - Penurunan pendapatan akibat penurunan volume penjualan. - Pembayaran denda/pinalti menyebabkan perunan pendapatan. - Increasing infrastructure repair costs. - Decreased revenue due to a decline in sales volume. - Payment of fines/penalties resulting in a decrease in income.	- Memasukkan risiko siklon tropis menjadi salah satu pertimbangan risiko dalam penyusunan rencana target produksi. - Meningkatkan daya tahan infrastruktur untuk menahan angin kencang dan hujan lebat. - Incorporating the risk of tropical cyclones into the considerations for production target planning. - Enhancing the resilience of infrastructure to withstand strong winds and heavy rainfall.
Risiko Kronis Chronic Risks				
Panas ekstrem Extreme heat	Rendah Low	- Suhu yang sangat tinggi dapat mengakibatkan kerusakan peralatan pertambangan seperti truk tambang, alat berat, dan peralatan lainnya overheating. - Meningkatnya intensitas konsumsi bahan bakar truk yang digunakan untuk penyiraman jalan tambang dikarenakan debu. - Produktivitas karyawan menurun. - High temperatures can result in damage to mining equipment such as dump trucks, heavy machinery, and other equipment overheating. - The increased fuel consumption intensity of trucks used for watering mining roads is due to dust. - Decreased employee productivity.	- Meningkatnya biaya perbaikan peralatan pertambangan. - Meningkatnya biaya bahan bakar untuk truk air. - Meningkatnya biaya untuk pembelian APD - Increased costs for mining equipment repairs. - Rising costs for fueling water trucks. - Escalating expenses for the purchase of Personal Protective Equipment (PPE).	- Melakukan evaluasi rentang suhu operasional alat dan peralatan yang ada terhadap suhu ekstrem yang diproyeksikan. - Melakukan penyiraman pada waktu yang tepat, yaitu ketika debu sudah mulai terbang. - Menyediakan APD tambahan untuk melindungi pekerja dari paparan panas yang berlebihan. - Conducting an evaluation of the operational temperature range of existing equipment and tools against the projected extreme temperatures. - Watering should be performed at the appropriate time, specifically when dust start to become airborne. - Providing additional Personal Protective Equipment (PPE) to protect workers from excessive heat exposure.

Jenis Bahaya Alam Natural Disaster Types	Matrik Risiko Risk Matrix	Implikasi Utama Main Implications	Dampak Finansial Financial Impact	Strategi Penanganan Potensial yang Diidentifikasi Identified Potential Handling Strategies
Kelangkaan air Water scarcity	Rendah Low	- Jumlah sumber air menurun - Ketersediaan air yang tidak mencukupi untuk proses pengolahan. - Konflik dengan masyarakat lokal yang menyebabkan terhentinya operasional. - Declining water sources - Insufficient water availability for processing operations. - Conflicts with the local community leading to operational disruptions.	- Peningkatan biaya operasional penggunaan teknologi dan fasilitas untuk mengurangi intensitas pemakaian air. - Pendapatan menurun akibat dari terhambatnya proses pengolahan. - Penurunan Pendapatan akibat penurunan produksi. - Increased operational costs of using technology and facilities to reduce water usage intensity. - Decreased revenue due to hindered processing operations. - Revenue decline due to reduced production.	- Melakukan daur ulang air untuk mengurangi konsumsi air. - Menggunakan air hujan untuk mengurangi konsumsi air tanah. - Recycling water to reduce water consumption. - Utilizing rainwater to decrease groundwater consumption.

Identifikasi Peluang Perubahan Iklim bagi Merdeka
Identification of Climate Change Opportunities for Merdeka

Jenis peluang Opportunities type	Peluang terkait dengan perubahan iklim Opportunities related to climate change	Dampak Finansial [201-2] Financial Impact
Efisiensi Sumber Daya Resources Efficiency	- Melakukan daur ulang limbah. - Mengurangi konsumsi air. - Recycling waste. - Reducing water consumption.	- Daur ulang limbah membantu mengurangi biaya pengangkutan limbah dan pembelian bahan baku. - Pengurangan pengambilan air membantu mengurangi biaya kontribusi untuk pembelian air. - Recycling waste reduces the cost of waste transportation and the purchase of raw materials. - Reducing water intake decreases the cost contribution for purchasing water.
Sumber Energi Energy Sources	- Penggunaan sumber energi rendah emisi. - Penggunaan teknologi baru. - Usage of low-emission energy sources. - Adoption of new technologies.	- Penggantian genset menghemat penggunaan bahan bakar yang pada akhirnya mengurangi biaya operasional (OPEX). - Replacing generators saves fuel consumption, ultimately reducing operational costs (OPEX).
Produk Product	- Meningkatnya penjualan tembaga yang digunakan dalam infrastruktur energi terbarukan, seperti kabel, turbin angin dan panel surya. - Meningkatnya penjualan nikel yang digunakan sebagai bahan baku baterai pada mobil listrik. - Increasing sales of copper used in renewable energy infrastructure, such as cables, wind turbines, and solar panels. - Growing sales of nickel used as a raw material for electric vehicle batteries.	- Peningkatan permintaan tembaga dan nikel berkontribusi untuk meningkatkan keuntungan. - The increased demand for copper and nickel contributes to enhanced profits.

Rencana Aksi Mengatasi Perubahan Iklim melalui Komitmen Nol-Bersih [F.12][2-25]

Perubahan iklim menimbulkan tantangan dan peluang finansial yang signifikan, baik pada masa kini maupun di masa depan. Sebagai perwujudan komitmen terhadap perubahan iklim, Merdeka telah menerbitkan pernyataan Nol Bersih pada tahun 2021.

Sebagai tindak lanjut komitmen nol-bersih Merdeka, kami telah menyusun GHG Emissions Reduction Roadmap sebagai berikut:

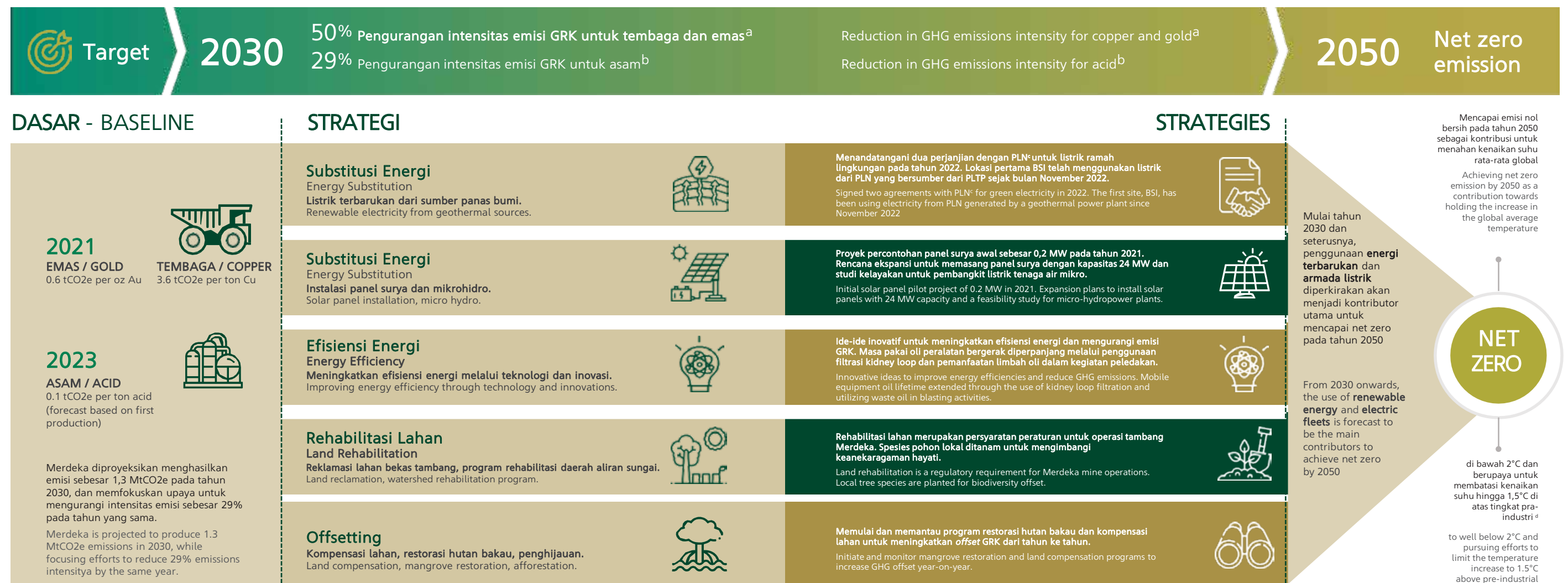
Climate Change Action Plan through Net-Zero Commitment

Climate change poses significant financial challenges and opportunities for Merdeka, both in the present and the future. As a commitment to addressing climate change, Merdeka issued a Net Zero statement in 2021.

As a follow-up to this net zero commitment, we have formulated the GHG Emissions Reduction Roadmap as follows:

PETA JALAN MERDEKA MENUJU NOL BERSIH

MERDEKA'S NET ZERO ROADMAP



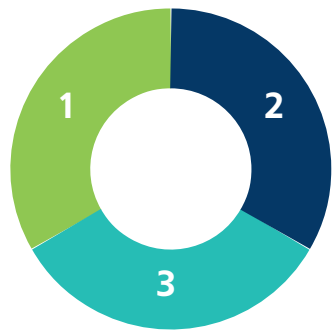
^aThe copper & gold GHG emission intensity has been revised to a stretch target of 50% from the original 2021 statement of 29% (Scope 1 and Scope 2).

^bAcid emission intensity target of 29% by 2030 remains the same.

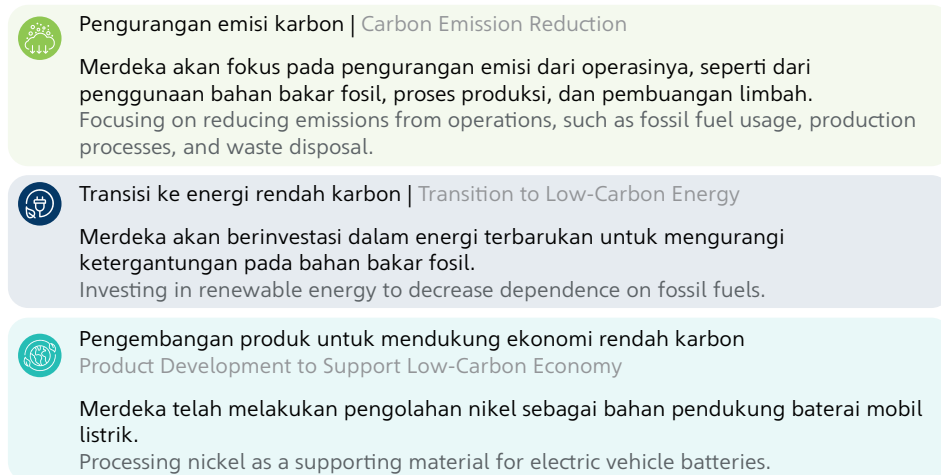
^cPLN = Perusahaan Listrik Negara (National Electric Company)

Kinerja terhadap target akan ditinjau setiap tahun dan memasukkan peluang pengurangan GRK lebih lanjut. Performance against targets to be reviewed annually and to include further GHG reduction opportunities.

^dArticle 2(a), Paris Agreement, 2015



Rencana aksi Merdeka dalam mengurangi emisi karbon melibatkan langkah-langkah berikut:
Merdeka's action plan to reduce carbon emissions involves the following steps:



Manajemen Risiko dan Peluang terkait Iklim

Perubahan iklim dan transisi ke ekonomi rendah karbon akan berdampak pada bisnis perusahaan. Departemen Keberlanjutan bertanggung jawab dalam melakukan penilaian dan pengelolaan risiko dan peluang terkait perubahan iklim di Merdeka.

Merdeka menggunakan hasil penilaian tersebut sebagai pertimbangan dalam menyusun rencana investasi dan pengembangan bisnis, dengan tujuan merealisasikan komitmennya untuk memerangi perubahan iklim. Penilaian risiko dan peluang mencakup semua aset yang dimiliki saat ini, aset yang masih dalam tahap pengembangan, akuisisi aset baru, dan rantai pasokan.

Merdeka menyadari bahwa potensi perubahan risiko akan selalu ada dari waktu ke waktu. Oleh karena itu, secara periodik, Merdeka melakukan penilaian risiko perubahan iklim untuk memberikan gambaran yang akurat. Dalam melakukan penilaian risiko, Merdeka mengikuti prinsip-prinsip berikut:

1. Merdeka menggunakan Pedoman Manajemen Risiko ISO 31000:2018 sebagai dasar untuk proses manajemen risiko perubahan iklimnya.
2. Secara periodik, Merdeka melakukan peninjauan proses manajemen risiko perubahan iklim untuk memastikan bahwa penilaian risikonya tetap akurat dan relevan.
3. Merdeka senantiasa bekerja sama dengan pemangku kepentingan internal dan eksternal untuk mengidentifikasi peluang untuk meningkatkan proses manajemen risiko perubahan iklimnya.

Merdeka menggunakan analisis skenario risiko untuk mendukung pengungkapan terkait iklim sesuai dengan rekomendasi Taskforce on Climate-related Financial Disclosure (TCFD). Tujuan Merdeka melakukan penilaian risiko tersebut adalah untuk mengevaluasi eksposur tingkat kerentanan operasionalnya terhadap risiko perubahan iklim.

Climate Risk and Opportunity Management

Climate change and the transition to a low-carbon economy will impact the company's business. The Sustainability Department at Merdeka is responsible for assessing and managing climate-related risks and opportunities.

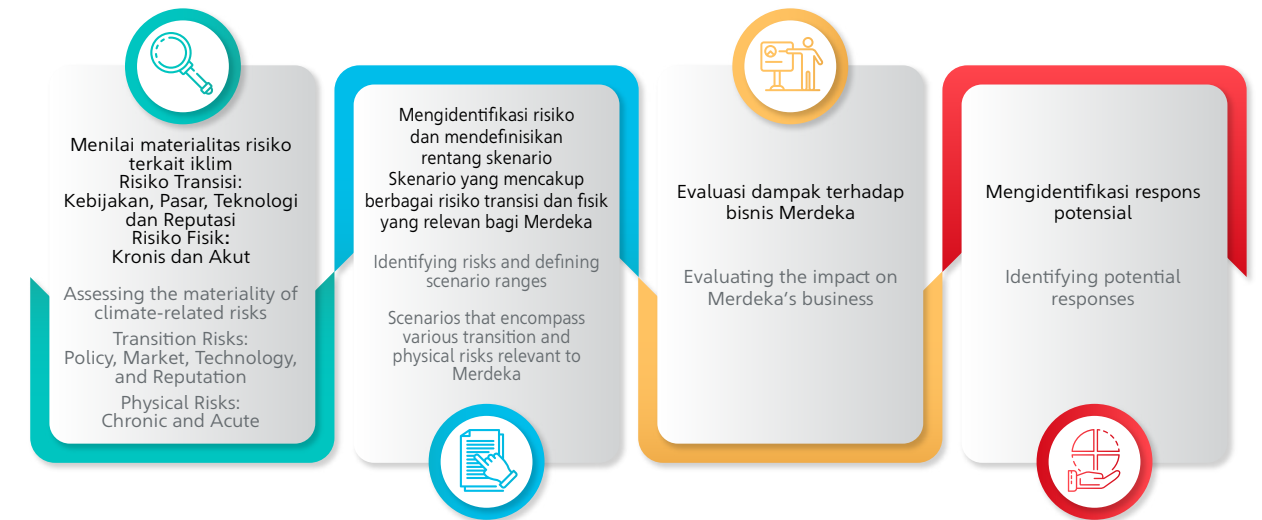
Merdeka utilizes the results of the assessment as considerations in establishing investment and business development plans to fulfill its commitment to combating climate change. The risk and opportunity assessment covers all current assets, assets in development, new asset acquisitions, and the supply chain.

Recognizing the potential for changing risks over time, Merdeka periodically assesses climate change risks to provide an accurate picture. In conducting risk assessments, Merdeka follows these principles:

1. ISO 31000:2018 Risk Management Guidelines: Using this as the basis for its climate change risk management process.
2. Periodic Reviews: Conducting regular reviews of the climate change risk management process to ensure accuracy and relevance.
3. Stakeholder Collaboration: Working collaboratively with internal and external stakeholders to identify opportunities for improving the climate change risk management process.

Merdeka uses risk scenario analysis to support climate-related financial disclosure in line with Task Force on Climate-related Financial Disclosure (TCFD) recommendations. This aims to assessment the operational vulnerability of Merdeka to climate change risks.

Alur Proses Penilaian Risiko Risk Assessment Process Flow



Emisi Gas Rumah Kaca

Pemantauan emisi sangat penting bagi Merdeka untuk mengidentifikasi dan mengurangi dampak lingkungan, mematuhi regulasi emisi yang berlaku, serta meningkatkan reputasi perusahaan dalam praktik pertambangan berkelanjutan. Merdeka secara berkelanjutan melakukan perbaikan dalam pengembangan sistem perhitungan dan pelaporan emisi Gas Rumah Kaca (GRK).

Pada tahun 2023, Merdeka menggunakan Platform penghitungan emisi TruCount untuk mengukur, memantau, mengelola, dan melaporkan emisi GRK. Platform TruCount dibangun berdasarkan dua standar yang diakui secara global, yaitu Greenhouse Gas Protocol dan ISO 14064-1:2018. Hal ini memastikan akurasi penghitungan GHG Merdeka dan kepatuhan terhadap standar internasional. [3-3]

Selain itu, metode perhitungan yang digunakan juga mengacu pada pedoman perhitungan emisi GRK sesuai dengan Pedoman Penyelenggaraan Inventarisasi Gas Rumah Kaca Nasional, Buku II Volume yang diterbitkan oleh Kementerian Lingkungan Hidup pada tahun 2012.

Hingga tahun 2023, Merdeka telah melakukan perhitungan emisi GRK untuk cakupan 1 dan cakupan 2. Perhitungan GRK cakupan 1 berasal dari penggunaan bahan bakar B35 untuk operasional kendaraan dan peralatan tambang di seluruh entitas bisnis serta penggunaan genset sebagai pembangkit listrik di Tambang Tembaga Wetar, Tambang Nikel Konawe, dan Proyek Emas Pani, karena tidak tersedianya jaringan listrik PLN di area tersebut.

Greenhouse Gas Emission

Emission monitoring is crucial for Merdeka to identify and reduce environmental impacts, comply with applicable emission regulations, and enhance the company's reputation in sustainable mining practices. Merdeka consistently improves the development of its greenhouse gas (GHG) emission calculation and reporting system.

In 2023, Merdeka adopted the TruCount emission calculation platform to measure, monitor, manage, and report GHG emissions. The TruCount platform is built on two globally recognized standards, namely the Greenhouse Gas Protocol and ISO 14064-1:2018. This ensures the accuracy of Merdeka's GHG calculations and compliance with international standards.

Moreover, the calculation methods used also refer to the GHG emission calculation guidelines according to the National Greenhouse Gas Inventory Management Guidelines, Book II Volume published by the Ministry of Environment in 2012.

As of 2023, Merdeka has conducted GHG emission calculations for Scope 1 and Scope 2. Scope 1 GHG emissions originate from the use of B35 fuel for the operational vehicles and mining equipment across all business entities and the use of gensets for power generation in the Wetar Copper Mine, Konawe Nickel Mine, and Pani Gold Project, due to the unavailability of PLN electricity networks in those areas.

Sementara itu, perhitungan emisi GRK cakupan 2 berasal dari penggunaan energi listrik dari PLN. Untuk entitas bisnis yang beroperasi di Kawasan Industri Indonesia Morowali Industrial Park (IMIP), energi listrik disuplai oleh Pembangkit Listrik Tenaga Uap (PLTU) yang dikelola oleh IMIP.

Pada tahun 2023, total emisi GRK yang dihasilkan oleh Merdeka mengalami peningkatan seiring dengan pengembangan Proyek Tembaga Tujuh Bukit, Proyek AIM, dan Proyek Emas Pani serta akuisisi satu smelter RKEF dan satu fasilitas konversi nikel matte kadar tinggi.

Meanwhile, Scope 2 GHG emissions calculations come from the use of electricity from PLN. For business entities operating in the Indonesia Morowali Industrial Park (IMIP), electricity is supplied by a coal-fired power plant (PLTU) managed by IMIP.

In 2023, the total GHG emissions produced by Merdeka increased with the development of the Tujuh Bukit Copper Project, AIM Project, and Pani Gold Project, as well as the acquisition of one RKEF smelter and one high-grade nickel matte conversion facility.

“ In 2023, Merdeka's total greenhouse gas emissions are 3,924,875 tonnes CO₂ (e) with 1,899,585 tonnes CO₂ (e) from scope 1 and 2,025,289 tonnes CO₂ (e) from scope 2, resulting in an emission intensity of 2,299 tonnes CO₂ (e) per million USD.

Pada tahun 2023, total emisi gas rumah kaca Merdeka mencapai 3.924.875 ton CO₂ (e), dengan 1.899.585 ton CO₂(e) berasal dari cakupan 1 dan 2.025.289 ton CO₂ (e) berasal dari cakupan 2. Intensitas emisi tercatat sebesar 2.299 ton CO₂ (e)/ juta USD”

Total Emisi GRK dan Intensitas Emisi berdasarkan Entitas Bisnis
Total GHG Emissions and Emission Intensity based on Business Entities [F.11][305-1][305-2][305-4]

Tambang Emas Tujuh Bukit
Tujuh Bukit Gold Mine

Jenis Bahan Bakar/Energi Type of Fuel/Energy	Satuan Unit	2021	2022	2023
GHG Scope 1				
Gasoline*	Gigajoule	1,513	551	-
	Ton CO ₂ (e)	105	38	-
Biodiesel B35**	Gigajoule	568,545	692,491	834,440
	Ton CO ₂ (e)	42,129	51,314	38,613
Total GHG Scope 1	Ton CO ₂ (e)	42,234	51,352	38,613
GHG Scope 2				
Listrik/Electricity* Bersumber dari PLTU/ Coal-fired power plant	MWh	37,577	38,656	-
	Ton CO ₂ (e)	30,061	30,925	-
Listrik/Electricity** Bersumber dari PLTP/ Geothermal power plant	GJ	-	29,876	179,118
	Ton CO ₂ (e)	-	3,764	1,968
Total GHG Scope 2	Ton CO ₂ (e)	30,061	34,689	1,968
Total GHG Scope 1 and 2	Ton CO ₂ (e)	72,295	86,041	40,581
Produksi emas/ Gold Production	oz	124,730	125,133	138,666
Intensitas emisi emas/ Gold emission intensity	Ton CO ₂ (e)/oz	0.58	0.69	0.29

Tambang Tembaga Wetar
Wetar Copper Mine

Jenis Bahan Bakar/Energi Type of Fuel/Energy	Satuan Unit	2021	2022	2023
GHG Scope 1				
Gasoline*	Gigajoule	689	834	1,247
	Ton CO ₂ (e)	48	58	86
Biodiesel B30**	Gigajoule	891,574	1,408,045	1,244,129
	Ton CO ₂ (e)	66,066	104,336	61,659
Total GHG Scope 1	Ton CO ₂ (e)	66,114	104,394	61,745
Produksi Tembaga/ Copper Production	Ton	19,045	19,551	12,706
Emission Intensity (Copper)	Ton CO ₂ (e)/ Ton	3.47	5.34	4.86

Tambang Nikel Konawe
Konawe Nickel Mine

Jenis Bahan Bakar/Energi Type of Fuel/Energy	Satuan Unit	2022	2023
GHG Scope 1			
Gasoline*	Gigajoule	157	181
	Ton CO ₂ (e)	11	13
Biodiesel B35**	Gigajoule	317,688	1,029,059
	Ton CO ₂ (e)	23,541	49,683
Total GHG Scope 1	Ton CO ₂ (e)	23,552	49,696
GHG Scope 2			
Listrik/Electricity*	MWh	38	81
Total GHG Scope 2	Ton CO ₂ (e)	23	83

Proyek Emas Pani
Pani Gold Project

Jenis Bahan Bakar/ Energi	Satuan/ Unit	2022	2023
GHG Scope 1			
Biodiesel B35**	Gigajoule	51,875.8	101,385
Total GHG Scope 1	Ton CO ₂ (e)	3,844	4,665
GHG Scope 2			
Listrik/Electricity* Bersumber dari PLTU/ Coal-fired power plant	MWh	369.5	1,387.1
Total GHG Scope 2	Ton CO ₂ (e)	248	1,081
Total GHG Scope 1 and 2	Ton CO ₂ (e)	4,092	5,746



▲ Pabrik pengolahan bijih di BSI
Ore Processing Plant at BSI

Proyek Acid, Iron, Metal (AIM)
Acid, Iron, Metal (AIM) Project

Jenis Bahan Bakar/Energi Type of Fuel/Energy	Satuan Unit	2021	2022	2023
GHG Scope 1				
Biodiesel B30**	Gigajoule	17,072	198,480	598
	Ton CO ₂ (e)	1,265	14,707	29
Biodiesel B35**	Gigajoule			53,443
	Ton CO ₂ (e)			2,459
Total GHG Scope 1	Ton CO ₂ (e)	1,265	14,707	2,488
GHG Scope 2				
Listrik/Electricity* PLTU IMIP	Gigajoule	78	1,342	5,439
Total GHG Scope 2	Ton CO ₂ (e)	8	129	1,375
Total GHG Scope 1 and 2	Ton CO ₂ (e)	1,273	14,836	3,863

Bukit Smelter Indonesia (BSID)

Jenis Bahan Bakar/Energi Type of Fuel/Energy	Satuan Unit	2022	2023
GHG Scope 1			
Biodiesel B35**	Gigajoule	234,863	48,040
	Ton CO ₂ (e)	17,403	3,522
Batubara (Sub-bituminous) Mixed coal (Sub-bituminous)	Gigajoule	-***	5,427,965
	Ton CO ₂ (e)	-	548,302
Total GHG Scope 1	Ton CO ₂ (e)	17,403	551,824
GHG Scope 2			
Listrik/Electricity* PLTU IMIP	kWh	746,793,293	726,951,766
Total GHG Scope 2	Ton CO ₂ (e)	258,360	580,011
Total GHG Scope 1 and 2	Ton CO ₂ (e)	275,763	1,131,835

Cahaya Smelter Indonesia (CSID)

Jenis Bahan Bakar/Energi Type of Fuel/Energy	Satuan Unit	2022	2023
GHG Scope 1			
Biodiesel B35**	Gigajoule	258,127	50,802
	Ton CO ₂ (e)	19,127	3,725
Batubara (Sub-bituminous) Mixed coal (Sub-bituminous)	Gigajoule	-***	4,420,092
	Ton CO ₂ (e)	-	446,492
Total GHG Scope 1	Ton CO ₂ (e)	19,127	450,217
GHG Scope 2			
Listrik/Electricity* PLTU IMIP	kWh	745,065,495	753,683,896
Total GHG Scope 2	Ton CO ₂ (e)	257,763	601,340
Total GHG Scope 1 and 2	Ton CO ₂ (e)	276,890	1,051,557

Zhao Hui Nickel (ZHN)

Jenis Bahan Bakar/Energi Type of Fuel/Energy	Satuan Unit	2023
GHG Scope 1		
Biodiesel B35**	Gigajoule	74,318
	Ton CO ₂ (e)	5,449
Batubara (Lignite) Mixed coal (Lignite)	Gigajoule	4,422,367
	Ton CO ₂ (e)	472,818
Batubara bituminous* Bituminous coal	Gigajoule	710,950
	Ton CO ₂ (e)	67,649
Batubara blue coke* Blue coke coal	Gigajoule	1,872,740
	Ton CO ₂ (e)	188,508
Total GHG Scope 1	Ton CO ₂ (e)	734,424
GHG Scope 2		
Listrik/Electricity* PLTU IMIP	kWh	983,842,293
Total GHG Scope 2	Ton CO ₂ (e)	784,976
Total GHG Scope 1 and 2	Ton CO ₂ (e)	1,519,400
Total GHG Scope 1 and 2 (BSID, CSID dan ZHN)	Ton CO ₂ (e)	3,702,792
Produksi nikel dalam NPI (BSID, CSID dan ZHN) Nickel production in NPI	Ton Ni	65,117
Intensitas emisi (BSID, CSID dan ZHN) Emission intensity	Ton CO ₂ (e)/ Ton Ni	56.86

Huaneng Metal Industry (HNMI)

Jenis Bahan Bakar/Energi Type of Fuel/Energy	Satuan Unit	2023
GHG Scope 1		
Biodiesel B35**	Gigajoule	80,644
Total GHG Scope 1	Ton CO ₂ (e)	5,913
GHG Scope 2		
Listrik/Electricity* PLTU IMIP	kWh	68,251,580
Total GHG Scope 2	Ton CO ₂ (e)	54,455
Total GHG Scope 1 and 2	Ton CO ₂ (e)	60,369
Produksi nikel dalam nikel matte Nickel matte production in nickel matte	Ton Ni	30,333
Intensitas emisi Emission intensity	Ton CO ₂ (e)/ Ton Ni	1.99
* Bahan Bakar tidak terbarukan/fuels from non-renewable sources		
** Bahan Bakar terbarukan/fuels from renewable sources		
***Data belum tersedia / data not available		
Faktor Emisi Pertalite = 0,00215 Ton CO2 (e)/litre. Source : EF BBM Pertamina		
Faktor Emisi Pertamax =0,00231 Ton CO2 (e)/litre. Source : EF BBM Pertamina		
Faktor Emisi B-30 = 0,0018 Ton CO2 (e)/litre. Source : B-30		
Faktor Emisi B-35 (Non-biogenic per liter) = 0,0017 Ton CO2 (e)/litre. Source: B-35		
Faktor Emisi Listrik PLTP (REC) = 0,00003956 Ton CO2 (e)/MWh. Source: EF PLTP Kamojang		
Faktor Emisi Power Plant for AIM Project =0,91 Ton CO2 (e)/MWh. Source: EF IMIP Project		
Faktor Emisi Listrik Grid Jamali = 0,87 Ton CO2 (e)/MWh (OM for Ex-Post). Source: EF Ketenagalistrikan 2021		
Faktor Emisi Listrik Grid Sulutgo = 0,78 Ton CO2 (e)/MWh (OM for Ex-Post). Source: EF Ketenagalistrikan 2021		
Faktor Emisi Batubara Bituminous = 94,715 kg/TJ. Source: Puslitbang Tekmira KESDM, 2016		
Faktor Emisi Batubara Sub-bituminous = 100,575 kg/TJ. Source: Puslitbang Tekmira KESDM, 2016		
Faktor Emisi Batubara Lignite = 106,476 kg/TJ. Source: Puslitbang Tekmira KESDM, 2016		
Faktor Emisi Batubara Blue coke = 100,200 kg/TJ. Source: Juhrich K., 2016		

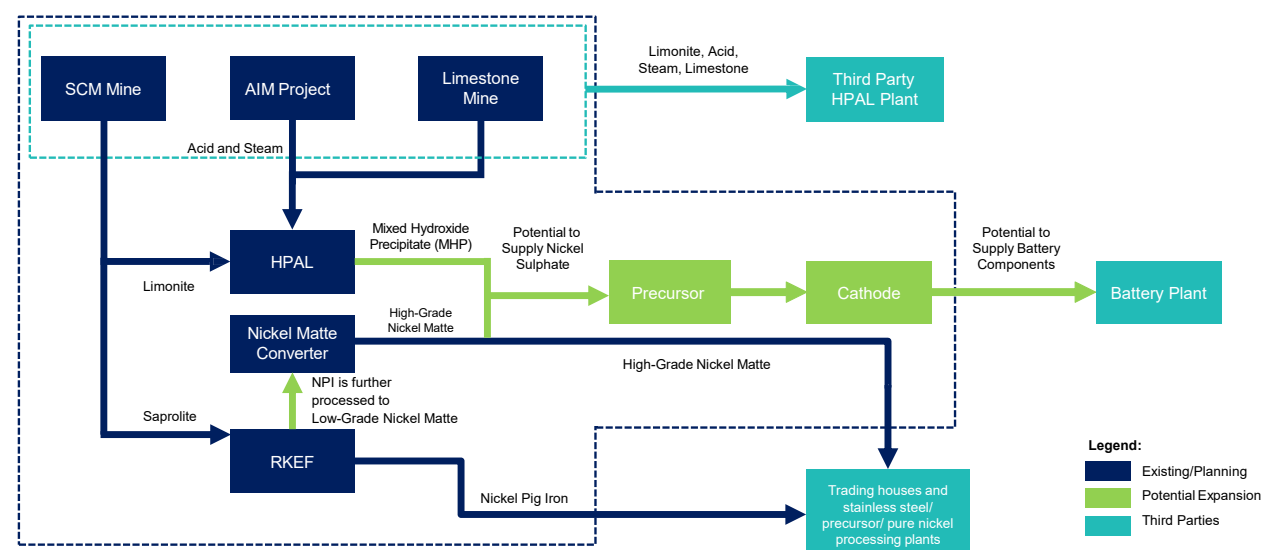
Pengurangan Emisi [305-5][B.2][F.12]

Merdeka berupaya untuk mengurangi emisi GRK yang dihasilkan dari kegiatan operasinya. Beberapa upaya yang kami lakukan dalam mengurangi emisi GRK mencakup penggantian energi ke energi ramah lingkungan, penghematan bahan bakar dan penanaman pohon dan mangrove.

Pada tahun 2023, inisiatif dekarbonisasi yang dilakukan melalui penggantian bahan bakar Biodiesel B30 ke B35, campuran biofuel 35% yang lebih ramah lingkungan mampu menurunkan emisi sebesar 249,22 ton CO₂(e).

Mendukung Pencapaian Target Net Zero Dunia [F.28][2-6][MM11]

Industri logam dan pertambangan memainkan peran penting dalam pencapaian target emisi nol-bersih dunia. Hal tersebut merupakan inisiatif untuk mendukung dekarbonisasi transportasi melalui penggunaan Electric Vehicles (EVs) yang bersumber dari energi terbarukan. Nikel merupakan salah satu logam hasil pertambangan yang menjadi komponen penting untuk memproduksi baterai yang dibutuhkan oleh EVs. Akuisisi aset pertambangan dan pengolahan nikel yang telah dilakukan oleh perusahaan menjadi bukti nyata bahwa Merdeka merupakan salah satu pemain global yang terintegrasi secara vertikal di dalam rantai pasokan mineral strategis dan baterai kendaraan listrik. Merdeka memiliki posisi yang baik untuk menangkap sebagian besar rantai nilai nikel seperti yang ditunjukkan pada diagram berikut:



Emission Reduction

Merdeka continues its efforts to reduce GHG emissions generated from its operational activities. Some measures that we have undertaken to decrease carbon emissions include transition to environmentally friendly energy, fuel efficiency improvements, and afforestation, including the planting of trees and mangroves.

In 2023, the decarbonization initiative, undertaken by switching from Biodiesel B30 to B35, a 35% biofuel blend, were successful in reducing emissions by 249.22 ton of CO₂(e).

Supporting the Achievement of Global Net Zero Targets

The metal and mining industry plays a crucial role in achieving the global net-zero emission targets. This involves initiatives to support the decarbonization of transportation through the use of Electric Vehicles (EVs) powered by renewable energy. Nickel is a vital mined metal used as a significant component in the production of batteries required for EVs. The company's acquisitions of mining and nickel processing assets are concrete evidence that Merdeka is a globally integrated player in the strategic mineral supply chain and electric vehicle battery sector. Merdeka holds a strong position in capturing a substantial part of the nickel value chain, as illustrated in the following diagram:



▲ Bijih nikel di Tambang Konawe
Nickel ore at Konawe Mine

Tambang Nikel Konawe

Melalui anak perusahaan Merdeka yaitu Merdeka Battery Materials (MBM), Merdeka memiliki Tambang Nikel Konawe yang merupakan salah satu sumber daya nikel terbesar di dunia dengan kandungan sekitar 13,8 juta ton nikel (kadar Ni 1,22%) dan 1,0 juta ton kobalt (kadar Co 0,08%). Tambang Nikel Konawe merupakan tambang terbuka yang besar, dekat dengan permukaan, dan berbiaya rendah dalam konsesi seluas 21.100 hektar. Tambang Nikel Konawe memiliki sumber daya limonit nikel yang kaya, dengan campuran antara limonit nikel (77%) dan saprolit nikel (23%).

Bijih limonit nikel adalah bahan baku yang digunakan dalam produksi Mixed Hydroxide Precipitate ("MHP") melalui teknologi pemrosesan High-Pressure Acid Leach ("HPAL") yang kemudian dapat diubah menjadi nikel sulfat untuk digunakan dalam produksi baterai kendaraan bermotor listrik.

Smelter Rotary Kiln-Electric Furnace (RKEF)

MBM memiliki tiga smelter nikel RKEF yaitu PT Cahaya Smelter Indonesia (CSID), PT Bukit Smelter Indonesia (BSID) dan PT Zhao Hui Nickel (ZHN) yang telah beroperasi memproduksi Nickel Pig Iron (NPI). CSID dan BSID masing-masing memiliki kapasitas produksi 19.000 ton nikel dalam bentuk NPI per tahun. ZHN memiliki kapasitas terpasang sebesar 50.000 ton nikel per tahun.

Konawe Nickel Mine

Through Merdeka's subsidiary, namely Merdeka Battery Materials (MBM), Merdeka owns the Konawe Nickel Mine, one of the world's largest nickel resources, with approximately 13.8 million tonnes of nickel content (Ni grade 1.22%) and 1.0 million tonnes of cobalt content (Co grade 0.08%). The Konawe Nickel Mine is a large, near-surface, and low-cost open-pit mine within a concession area of 21,100 hectares. The Konawe Nickel Mine features rich nickel limonite resources, with a mix of 77% nickel limonite and 23% nickel saprolite.

Nickel limonite ore serves as a raw material for the production of Mixed Hydroxide Precipitate (MHP) through the High-Pressure Acid Leach (HPAL) processing technology, which can be further converted into nickel sulfate for use in the production of electric vehicle batteries.

Rotary Kiln-Electric Furnace (RKEF) Smelters

Merdeka owns three RKEF nickel smelters, namely PT Cahaya Smelter Indonesia (CSID), PT Bukit Smelter Indonesia (BSID), and PT Zhao Hui Nickel (ZHN), which are currently in operation and producing Nickel Pig Iron (NPI). BSID and CSID has a production capacity of 19,000 tonnes of nickel in the form of NPI per year. ZHN has an installed capacity of 50,000 tonnes of nickel per year.

Fasilitas konversi nikel matte bergrade tinggi

Pada 31 Mei 2023, melalui anak perusahaan Merdeka, MBM, Merdeka telah menyelesaikan akuisisi 60% kepemilikan saham di PT Huaneng Metal Industry (HNMI), fasilitas konversi nikel matte kadar tinggi (HGNM). HNMI memproses nikel matte kadar rendah dengan mengurangi kandungan besi untuk menghasilkan produk HGNM yang mengandung lebih dari 70% nikel. Nikel matte adalah produk antara yang digunakan untuk menghasilkan nikel sulfat, komponen integral dalam rantai nilai bahan baku baterai.

Proyek Acid Iron Metal (AIM)

Rantai nilai EV Merdeka didukung oleh pabrik pengolahan modern yang akan memproses bahan baku pirit kadar tinggi dari Tambang Tembaga Wetar untuk menghasilkan asam dan uap yang digunakan di pabrik HPAL, selain memproduksi logam lain seperti tembaga, emas, dan besi. Proyek AIM dimiliki oleh PT Merdeka Tsingshan Indonesia, perusahaan patungan yang dimiliki 80% oleh MBM dan 20% oleh Tsingshan.

Pabrik HPAL

Merdeka berencana untuk memperluas rantai nilai mineral strategis dan produksi baterai kendaraan listrik dengan mengembangkan dua pabrik HPAL di IKIP. IKIP adalah usaha patungan antara MBM (32%) dan Tsingshan (68%) yang bertujuan untuk mengembangkan kawasan industri nikel seluas sekitar 3.500 hektar.



▲ Pabrik acid di MTI
Acid plant at MTI

High-grade nickel matte conversion facility

On 31 May 2023, through Merdeka's subsidiary, MBM, Merdeka completed the acquisition of 60% interest in PT Huaneng Metal Industry (HNMI), a high-grade nickel matte (HGNM) conversion facility. HNMI processes low-grade nickel matte through reducing the iron content, resulting in a HGNM product containing more than 70% nickel. Nickel matte is an intermediate product that is used to produce nickel sulphate, an integral component of the battery materials value chain.

Acid Iron Metal (AIM) Project

Merdeka's EV value chain is complemented by a state-of-the-art processing plant that will process high-grade pyrite from the Wetar Copper Mine owned by Merdeka to produce acid and steam for use in the HPAL plant, as well as other metals such as copper, gold, and iron. The AIM project is owned by PT Merdeka Tsingshan Indonesia, a joint venture owned 80% by MBM and 20% by Tsingshan.

HPAL Plant

Merdeka plans to further expand its strategic mineral value chain and electric vehicle battery production by developing two HPAL plants at IKIP. IKIP is a joint venture between MBM (32%) and Tsingshan (68%) aimed at developing a nickel industrial area of approximately 3,500 hectares.



▲ Smelter RKEF ZHN di IMIP
ZHN RKEF smelter at IMIP

Pabrik HPAL diharapkan dapat mengolah bijih limonit dari tambang SCM dengan kapasitas yang direncanakan masing-masing 120 ktpa Ni dalam bentuk Mixed Hydroxide Precipitate ("MHP").

Merdeka akan mendapatkan manfaat yang signifikan dari kerja sama dengan CATL sebagai pemegang saham strategis dengan kepemilikan 5%. CATL memiliki hubungan yang kuat dengan Original Equipment Manufacturer (OEM) global seperti Tesla, Toyota, Hyundai, dan BMW. [2-6]

Kualitas Udara

Pengelolaan emisi udara menjadi penting bagi perusahaan pertambangan logam dan mineral termasuk Merdeka karena emisi udara dapat mempengaruhi tidak hanya lingkungan sekitar, tetapi juga kesehatan karyawan dan masyarakat lokal serta menimbulkan tekanan dari peraturan lingkungan yang semakin ketat. Penanganan dan mitigasi emisi udara menjadi aspek penting dalam memastikan keberlanjutan operasi perusahaan dan mendukung citra positif di mata pemangku kepentingan.

Merdeka memiliki Kebijakan Emisi Udara yang memuat komitmen tentang upaya perusahaan untuk melindungi kesehatan manusia dan lingkungan dari efek merugikan emisi udara berdasarkan regulasi yang berlaku. Emisi udara mencakup, tetapi tidak terbatas pada, PM2.5, PM10, TSP, SOx, NOx, CO, Hg, dan emisi terbang zat-zat yang Merusak Lapisan Ozon (ODS).

The HPAL plants are expected to process limonite ore from the SCM mine and have a planned capacity of producing 120 ktpa of Ni in the form of Mixed Hydroxide Precipitate ("MHP") each.

Merdeka will benefit significantly from its cooperation with CATL, a strategic stakeholder with a 5% ownership stake. CATL has a strong relationship with global OEMs such as Tesla, Toyota, Hyundai, and BMW.

Air Quality

Management of toxic emissions is crucial for metal and mineral mining companies including Merdeka as toxic emissions can impact not only the surrounding environment but also the health of the employee and local community, creating pressure from increasingly stringent environmental regulations. Handling and mitigating toxic emissions are critical aspects in maintaining the company's operational sustainability and supporting a positive image among stakeholders.

Merdeka has a Toxic Emissions Policy that outlines the company's commitment to efforts in protecting human health and the environment from harmful effects of toxic emissions based on applicable regulations. Toxic emissions include, but are not limited to, PM2.5, PM10, TSP, SOx, NOx, CO, Hg, and emissions of Ozone-Depleting Substances (ODS).

Merdeka mematuhi hukum dan regulasi pemerintah Indonesia yang berkaitan dengan emisi udara dan standar kualitas udara. Merdeka secara periodik melakukan pemantauan, pengelolaan, dan pelaporan emisi udara kepada instransi pemerintah yang berwenang dan mengadopsi teknologi dan menerapkan langkah-langkah pencegahan untuk meminimalisasi dampak yang berasal dari emisi udara.

Merdeka berkomitmen untuk melakukan penilaian potensi dampak emisi udara terhadap kesehatan manusia, keselamatan, dan lingkungan serta berkelanjutan melakukan tindakan perbaikan. Sejalan dengan komitmen tersebut, Merdeka mempromosikan perspektif siklus hidup kepada para pemasoknya melalui pelatihan untuk mendorong rantai pasokan agar mengurangi timbulnya emisi udara.

Komite Keberlanjutan Merdeka, yang diketuai oleh Wakil Presiden Direktur, bertanggung jawab untuk formulasi strategi dan pengawasan pelaksanaan Kebijakan Emisi Udara. Komite Keberlanjutan Merdeka secara berkala melaporkan pelaksanaan Kebijakan emisi udara kepada Direksi. Kepala Teknik Pertambangan (KTT) atau General Manager entitas bisnis bertanggung jawab untuk mengomunikasikan dan melakukan pemantauan pelaksanaan Kebijakan Emisi Udara Merdeka.

Hasil Pengukuran beban emisi udara di wilayah operasi Merdeka adalah sebagai berikut: [305-7]

Jenis Emisi Emission Type	Beban Emisi tahun 2023* Emission in 2023 (ton)
SO ₂	1.56
NO ₂	24.77
PM	4.9
CO	14.79

* Total beban emisi untuk BSI, BKP-BTR, Pani, SCM dan MTI
Total emission for BSI, BKP-BTR, Pani, SCM and MTI

Emisi Zat Perusak Ozon

Sepanjang tahun 2023, Merdeka tidak menggunakan pendingin udara yang mengandung chlorofluorocarbon (CFC) yang dapat berpotensi merusak lapisan ozon. Pemakaian alat pendingin di lingkungan Merdeka menggunakan alat pendingin yang ramah lingkungan. Pendekatan ini mencerminkan komitmen Merdeka untuk mengadopsi solusi berkelanjutan dan bertanggung jawab terhadap lingkungan. [305-6]

Merdeka complies with Indonesian laws and regulations related to toxic emissions and air quality standards. Merdeka periodically monitors, manages, and reports toxic emissions to relevant government authorities, adopting technologies and implementing preventive measures to minimize the impacts originating from toxic emissions.

Merdeka is committed to assessing the potential impacts of toxic emissions on human health, safety, and the environment and continuously takes corrective actions. In line with this commitment, Merdeka promotes a life cycle perspective to its suppliers through training to encourage the supply chain to reduce the generation of toxic emissions.

The Sustainability Committee of Merdeka, chaired by the Vice President Director, is responsible for formulating strategies and overseeing the implementation of the Toxic Emissions Policy. The Sustainability Committee periodically reports the implementation of the Toxic Emissions Policy to the Board of Directors. The Mining Technical Manager (KTT) or General Manager of business entities is responsible for communicating and monitoring the implementation of Merdeka's Toxic Emissions Policy.

Total toxic emissions in Merdeka is as follows:

Ozone-Depleting Substances Emissions

Throughout 2023, Merdeka did not use air conditioners containing chlorofluorocarbon (CFCs) that could potentially harm the ozone layer. The cooling equipment used within the Merdeka operations employs environmentally friendly cooling agents. This approach reflects Merdeka's commitment to adopting sustainable and environmentally responsible solutions.

Penyerahan Lahan Kompensasi

Tambang Emas Tujuh Bukit menyerahkan bagian terakhir reboisasi lahan kompensasi di Sukabumi, Jawa Barat, seluas 69,62 hektar kepada pemerintah pada November 2023. Dengan penyerahan ini, BSI telah menyelesaikan kewajiban lahan kompensasi dengan luas total 1.990,79 hektar, melebihi kewajiban seluas 1.985,72 hektar. Hal ini menjadikan lahan kompensasi yang diserahkan BSI menjadi yang terbesar yang diserahkan oleh lembaga swasta kepada pemerintah.

Dalam mengelola lahan kompensasi tersebut, Tambang Emas Tujuh Bukit melibatkan masyarakat lokal sebagai pekerja dalam menanam dan merawat tanaman reboisasi. Sepanjang pengelolaan tanah ganti rugi, BSI juga memberikan kontribusi kepada masyarakat sekitar melalui bantuan makanan pokok, hewan kurban, pembangunan fasilitas umum dan sumur bor, serta tanggapan darurat bencana.

Handover of Reforested Land Compensation

Tujuh Bukit Gold Mine handed over the final portion of reforested compensation land in Sukabumi, West Java, spanning 69.62 hectares to the government in November 2023. This handover completes BSI's compensation land obligation with a total area of 1,990.79 hectares, surpassing the obligation of 1,985.72 hectares. This makes it the largest compensation land handed over by a private institution to the government.

In managing the compensation land, Tujuh Bukit Gold Mine involved the local community as workers in planting and maintaining reforestation plants. Throughout the management of the compensation land, BSI also contributed to the surrounding community through basic food assistance, sacrificial animals, the construction of public facilities and drilled wells, and emergency disaster response.



Pengelolaan Pascatambang dan Keanekaragaman Hayati
Post-Mining Management and Biodiversity Conservation

Reklamasi dan Revegetasi

Sebagai perusahaan pertambangan dan pengolahan hasil tambang, kegiatan operasional Merdeka meliputi eksplorasi, produksi, pengolahan, dan distribusi yang berlokasi di kawasan hutan. Untuk mencegah dampak degradasi lahan dan keanekaragaman hayati akibat operasional pertambangan, Merdeka menjalankan program reklamasi dan revegetasi. Program ini bertujuan mengembalikan fungsi lahan sesuai dengan rencana pengelolaan lahan terganggu dan reklamasi, sebagaimana diatur dalam pedoman Analisis Mengenai Dampak Lingkungan (AMDAL), Rencana Reklamasi (RR), Rencana Penutupan Tambang (RPT), dan Keputusan Menteri ESDM No. 1827 Tahun 2018 tentang Pedoman Pelaksanaan Kaidah Teknik Pertambangan yang Baik. Reklamasi dan revegetasi yang dilakukan Merdeka juga akan meningkatkan produktivitas area pascatambang guna memberikan manfaat yang berkelanjutan bagi kesejahteraan masyarakat di sekitar. [3-3][304-2]

Pada tahun 2023, Tambang Emas Tujuh Bukit mereklamasi lahan seluas 4 hektar, dengan total lahan yang telah direklamasi mencapai 71,54 hektar hingga akhir tahun 2023. Di sisi lain, Tambang Tembaga Wetar mereklamasi lahan seluas 10,68 hektar, dengan total kumulatif lahan yang telah direklamasi mencapai 16,86 hektar. Untuk pelaksanaan revegetasi, pada tahun 2023, Tambang Emas Tujuh Bukit menanam sebanyak 4.544 bibit pohon. Sementara itu, BKP-BTR, SCM, dan MTI menanam bibit pohon sebanyak masing-masing 3.605, 1.424, dan 300 bibit pohon. [F.10][304-3][MM1][MM2][MM10].

Tahun ini, terdapat peningkatan pembukaan lahan yang dilakukan Merdeka mengingat dimulainya operasi di Tambang Nikel Konawe dan peningkatan aktivitas pada Proyek Emas Pani.

Reklamasi dan Revegetasi Lahan Merdeka
Merdeka's Land Reclamation and Revegetation

Kegiatan Activity	Satuan Unit	2021	2022	2023
Lahan terganggu Land disturbed	Ha	41.07	71.13	370.75
Lahan yang direhabilitasi Land rehabilitation	Ha	10.13	7.3	16.17
Penanaman bibit pohon Seeds Planted	Pohon	11,697	10,177	9,873

Reclamation and Revegetation

As a mining and ore processing company, Merdeka's operational activities encompass exploration, production, processing, and distribution located in forested areas. To prevent the impact of land degradation and biodiversity due to mining operations, Merdeka implements reclamation and revegetation programs. This program aims to restore land functions in accordance with disturbed land management and reclamation plans, as stipulated in the Environmental Impact Analysis (AMDAL) guidelines, Reclamation Plans, Mine Closure Plans, and Ministerial Decree No. 1827 of 2018 regarding Guidelines for Implementing Good Mining Principles. Merdeka's reclamation and revegetation goals will also enhance post-mining area productivity that will provide sustainable benefits to the surrounding communities.

In 2023, the Tujuh Bukit Gold Mine reclaimed an area of 4 hectares, with a total reclaimed land reaching 71.54 hectares by the end of 2023. On the other hand, the Wetar Copper Mine reclaimed an area of 10.68 hectares, with a cumulative total reclaimed land reaching 16.86 hectares. For the revegetation implementation, in 2023, the Tujuh Bukit Gold Mine planted 4,544 tree seedlings. Meanwhile, BKP-BTR, SCM, and MTI planted tree seedlings totaling 3,605, 1,424, and 300, respectively.

This year, there was an increase in land openings carried out by Merdeka due to the commencement of operations at the Konawe Nickel Mine and increasing activities at the Pani Gold Project.



▲ Persemaian di site Merdeka
Nurseries at Merdeka's sites



▲ Pemantauan keanekaragaman hayati di Tambang Emas Tujuh Bukit
Biodiversity monitoring at Tujuh Bukit Gold Mine

Pengelolaan Keanekaragaman Hayati [304-2][F.9]

Merdeka berkomitmen menerapkan pendekatan komprehensif dalam pengelolaan keanekaragaman hayati. Merdeka berkomitmen untuk mematuhi seluruh hukum dan regulasi yang berlaku di Indonesia, serta memastikan pengelolaan keanekaragaman hayati Merdeka telah selaras dengan standar internasional. Praktik pengelolaan keanekaragaman hayati di Merdeka mencakup penilaian menyeluruh terhadap keanekaragaman hayati, termasuk identifikasi spesies yang dilindungi dan habitat kritis. Merdeka berkomitmen untuk melindungi dan melestarikan keanekaragaman hayati, menjaga ekosistem, dan mendukung pengelolaan sumber daya alam secara berkelanjutan. [3-3]

Selama pengembangan dan implementasi rencana pengelolaan keanekaragaman hayati, Merdeka melakukan dialog dengan masyarakat lokal, ahli keanekaragaman hayati, dan pihak eksternal terkait, terutama di lokasi yang merupakan habitat alami. Merdeka berkomitmen untuk mengadopsi hierarki mitigasi yang melibatkan langkah-langkah antisipatif dan penghindaran dampak. Jika penghindaran tidak dapat dilakukan, Merdeka berkomitmen untuk meminimalkan dampak dan mengganti atau mengkompensasi dampak residu pada semua tahap operasional perusahaan. Sebagian wilayah operasional pertambangan Merdeka berdekatan dengan kawasan yang dilindungi. Tambang Emas Tujuh Bukit, berlokasi di area Izin Pinjam Pakai Kawasan Hutan (IPPKH) pada kawasan Hutan Produksi Tetap (HP) seluas 9,92 km². Wilayah ini berjarak kurang lebih 8,8 km dari Kawasan Suaka Alam/ Pelestarian Alam. Sementara Tambang Tembaga Wetar beroperasi pada area seluas 27,33 km² yang berjarak sekitar 3,5 km dengan kawasan hutan lindung. [304-1]

Pada pelaksanaannya, entitas bisnis pertambangan Merdeka melakukan identifikasi keberadaan spesies endemik maupun spesies dilindungi sebelum kegiatan operasi dilaksanakan. Selanjutnya, entitas bisnis akan membuat sistem perlindungan dan pemantauan terhadap spesies yang berada di wilayah tersebut agar tidak terganggu oleh pihak-pihak yang tidak bertanggung jawab.

Merdeka memastikan bahwa seluruh tahapan kegiatan pengelolaan keanekaragaman hayati dijalankan melibatkan pihak-pihak berwenang, yaitu Balai Konservasi dan Sumber Daya Alam (BKSDA) maupun Dinas Lingkungan Hidup.

Merdeka telah menyusun Rencana Pengelolaan Keanekaragaman Hayati (BMP) untuk Tambang Nikel Konawe. BMP mencakup langkah-langkah mitigasi yang akan dilaksanakan untuk menghindari, meminimalkan, dan mengembalikan dampak selama fase konstruksi dan operasi, serta menetapkan struktur tata kelola untuk implementasi BMP. BMP tersebut disusun mengacu

Biodiversity Management

Merdeka is committed to implementing a comprehensive approach to biodiversity management. The company is dedicated to complying with all applicable laws and regulations in Indonesia, ensuring that Merdeka's biodiversity management aligns with international standards. Biodiversity management practices at Merdeka involve a thorough assessment of biodiversity, including the identification of protected species and critical habitats. Merdeka is committed to protecting and preserving biodiversity, maintaining ecosystems, and supporting the sustainable management of natural resources.

Throughout the development and implementation of biodiversity management plans, Merdeka engages in dialogue with local communities, biodiversity experts, and relevant external parties, especially in locations that are natural habitats. Merdeka is committed to adopting a mitigation hierarchy involving anticipatory measures and impact avoidance. If avoidance is not feasible, we are committed to minimizing impacts and compensating for residual impacts at all stages of the company's operations. Some of Merdeka's mining operational areas are adjacent to protected areas. The Tujuh Bukit Gold Mine is located in the Permit for Borrowing Forest Area (IPPKH) within the Permanent Production Forest (HP) covering an area of 9.92 km². This area is approximately 8.8 km away from the Nature Reserve/Conservation Area. Meanwhile, the Wetar Copper Mine operates in an area of 27.33 km², about 3.5 km away from the protected forest area.

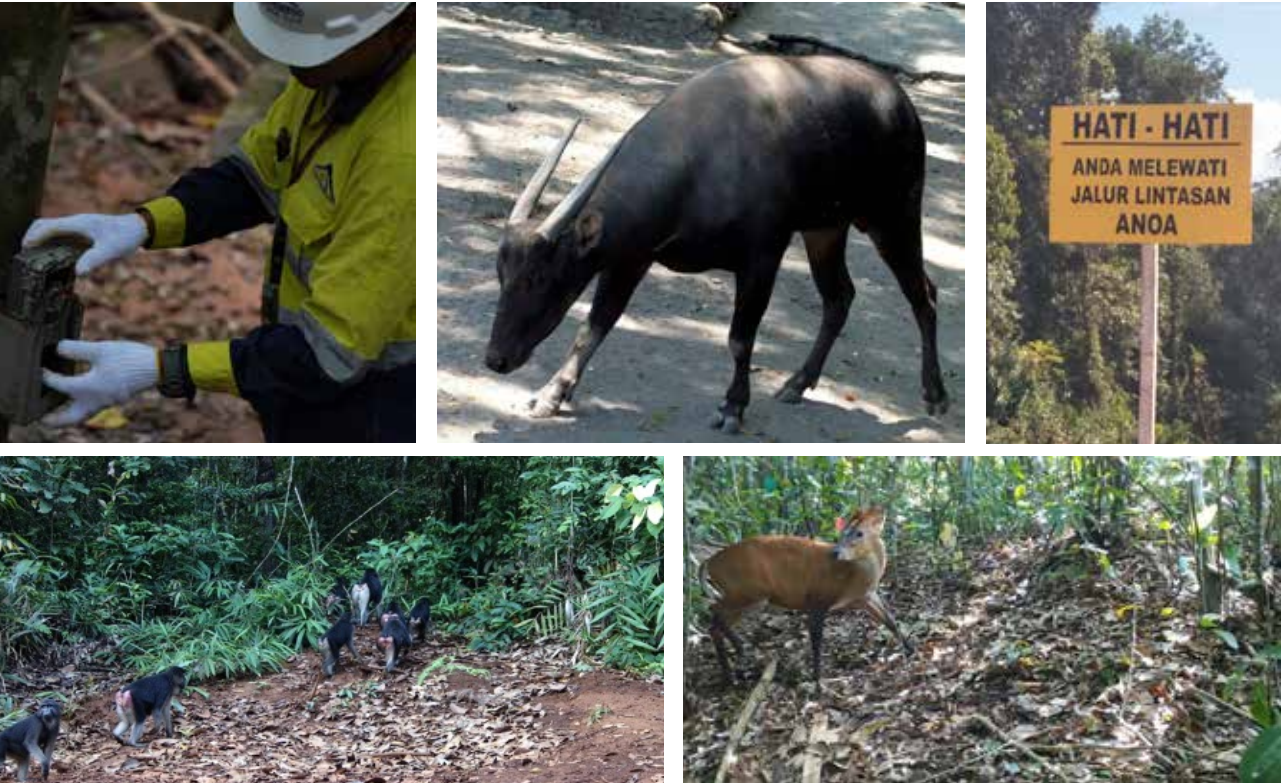
In practice, our mining business entities identify the presence of endemic species and protected species before operational activities commence. Subsequently, these entities establish protection and monitoring systems for species in the area to prevent disturbance by irresponsible parties.

Merdeka ensures that all stages of biodiversity management activities involve relevant authorities, namely the Conservation and Natural Resources Agency (BKSDA) and the Environmental Agency.

Merdeka has developed a Biodiversity Management Plan (BMP) for the Konawe Nickel Mine. The BMP includes mitigation measures to be implemented to avoid, minimize, and restore impacts during the construction and operation phases, as well as establishing a governance structure for BMP implementation. The development of the BMP was informed by national and international

kepada peraturan nasional dan internasional, termasuk Standar Kinerja (PS) 6 IFC , Prinsip 7 Dewan Internasional Pertambangan dan Logam (ICMM) tentang Konservasi Keanekaragaman Hayati, persyaratan tanggung jawab lingkungan dari Initiative for Responsible Mining Assurance (IRMA), dan daftar merah International Union for Conservation of Nature and Natural Resources (IUCN).

Sebagai tindak lanjut BMP tersebut, Tambang Nikel Konawe telah mulai melaksanakan program konservasi Anoa (Bubalus spp.), yang melibatkan identifikasi dan pemasangan papan petunjuk di lokasi penyeberangan Anoa di jalan akses. Selain itu, program ini mencakup pemasangan perangkat kamera untuk spesies prioritas, pengkayaan sumber makanan Anoa di area dengan aktivitas manusia berintensitas rendah, dan meminimalkan konflik satwa liar. [F.10]



▲ Pemasangan camera trap dan beberapa satwa tertangkap oleh camera trap di BSI dan SCM
The installation of camera traps and several animals captured by camera traps at BSI and SCM

Di Tambang Nikel Konawe, ditemukan spesies seperti Anoa (Bubalus sp.), sementara di Tambang Emas Tujuh Bukit ditemukan spesies seperti Lutung Jawa (Trachypithecus auratus) dan Burung Rangkong (Bucerotidae). Sedangkan di Proyek Pani ditemukan spesies seperti Monyet Yaki (Macaca nigra) dan Julang Sulawesi (Rhyticetos cassidix).

Dari total flora dan fauna yang terpantau, terdapat beberapa spesies yang masuk kategori International Union for Conservation of Nature (IUCN) Red List sebagai berikut:

regulations, including the IFC Performance Standard (PS) 6, the International Council on Mining and Metals (ICMM) Principle 7 on Conservation of Biodiversity, the environmental responsibility requirements of the Initiative for Responsible Mining Assurance (IRMA), and the International Union for Conservation of Nature and Natural Resources (IUCN) Red List.

As a follow-up to the BMP, The Konawe Nickel Mine has initiated a conservation program for the Anoa (Bubalus spp.), involving identification and installation of signs at Anoa crossing locations on access roads. Additionally, the program includes setting up camera traps for priority species, enriching Anoa's food sources in areas with low-intensity human activities, and minimizing wildlife conflicts.

In the Konawe Nickel Mine, species such as Anoa (Bubalus sp.) were identified, while at the Tujuh Bukit Gold Mine, species like Javan Langur (Trachypithecus auratus) and Hornbill (Bucerotidae) were discovered. Meanwhile, at the Pani Project, species such as Celebes Crested Macaque (Macaca nigra) and Sulawesi Hornbill (Rhyticetos cassidix) were found.

From the total monitored flora and fauna, there are several species that fall under the International Union for Conservation of Nature (IUCN) Red List category as follows:

Kategori spesies daftar merah IUCN [304-4] IUCN Red List Category	BSI	BKP-BTR	SCM	PANI
Critically Endangered	2	-	-	-
Endangered	7	1	6	-
Vulnerable	7	-	2	104
Near Threatened	14	8	-	5
Least Concerned	347	56	-	803
Total	377	65	8	912

Birdwatching di Tambang Emas Tujuh Bukit

BSI terus memperkenalkan keanekaragaman fauna Tujuh Bukit melalui kegiatan Birdwatching. Kegiatan yang diikuti oleh sejumlah peserta dari pelajar, mahasiswa, komunitas, hingga masyarakat umum ini dilaksanakan dengan menyusuri area hutan di kawasan IPPKH BSI.

Peserta mengamati kehidupan satwa liar dengan berbekal binocular yang disediakan panitia. Elang brontok, cekakak jawa, monyet ekor panjang, lutung jawa, adalah beberapa satwa yang tertangkap lensa selama kegiatan birdwatching ini.

Selain pengamatan, BSI juga memberikan edukasi kepada peserta mengenai keanekaragaman satwa dan berbagai upaya konservasi yang telah dilakukan BSI. Berbagai satwa yang dijumpai ini menandakan bahwa BSI terus berkomitmen untuk melestarikan flora dan fauna di Tujuh Bukit Operations yang merupakan tanggung jawab perusahaan kepada lingkungan.

Birdwatching at Tujuh Bukit Gold Mine

BSI continues to introduce the diversity of Tujuh Bukit fauna through Birdwatching activities. The activity, which was attended by a number of participants from students, students, communities, to the general public, was carried out by exploring the forest area in the IPPKH BSI area.

Participants observed wildlife armed with binoculars provided by the committee. Brontok eagles, Javan kingfishers, long-tailed monkeys, Javan langurs, are some of the animals caught by the lens during this birdwatching activity.

In addition to observations, BSI also provided education to participants about animal diversity and various conservation efforts that BSI has carried out. The variety of animals encountered indicates that BSI continues to be committed to preserving flora and fauna in Tujuh Bukit Operations which is the company's responsibility to the environment.



Penggunaan Material yang Aman untuk Lingkungan

Merdeka menerapkan konsep meminimalisasi dampak negatif terhadap lingkungan dalam kegiatan penambangannya. Isu utama yang dihadapi perusahaan adalah penggunaan material pendukung berbahaya yang dapat menyebabkan degradasi lingkungan dan membahayakan kesehatan masyarakat di sekitarnya. Oleh karena itu, Merdeka berkomitmen untuk menggunakan material pendukung yang ramah lingkungan.

Dalam menentukan bahan yang akan digunakan, Merdeka melakukan identifikasi dan penilaian dampak penggunaan material terhadap lingkungan. Proses ini dilakukan secara transparan dengan melibatkan pemangku kepentingan terkait untuk mendapatkan masukan dan memahami kekhawatiran terkait material yang akan digunakan serta dampaknya terhadap lingkungan. [3-3]

Hingga tahun 2023, Merdeka belum menggunakan material pendukung dari hasil daur ulang, namun perusahaan telah menggunakan material yang aman dan tidak merusak lingkungan termasuk penggunaan material terbarukan yaitu activated carbon pada tambang emas BSI dalam proses adsorpsi emas. Beberapa penggunaan material di operasi Merdeka, digunakan sebagai bahan peledak, pengolahan mineral, pengelolaan air asam tambang dan air proses. [301-1][301-2]

Sebagai perusahaan pertambangan dan pengolahan hasil tambang, hingga saat ini, Merdeka belum menjual produk yang dapat digunakan kembali atau didaur ulang. [301-3]

Jenis Material Material Type	Satuan Unit	Penggunaan Usage	2021	2022	2023
Tambang Emas Tujuh Bukit Tujuh Bukit Gold Mine					
Amonium Nitrat	Ton	Bahan peledak Explosive material	3,282.1	4,592.5	2,415
Natrium Sianida (Sodium Cynide)	Ton	Pengolahan mineral Mineral processing	2,554.6	2,600	3,207.59
Cement	Ton	Pemrosesan bijih/ aglomerasi	-	-	40,418
Emulsion	Ton	Bahan peledak Explosive material	-	-	6,956
H2O2, Fe2(SO4)3, H2SO4 60%, Flocculant, TMT 15®, Diatomaceous Earth, CuSO4	Ton	Detoksifikasi air proses Processed water detoxification	-	-	288.6
Limestone	Ton	Pengolahan air asam tambang Acid mine drainage treatment	-	-	20
Lime	Ton	Proses ekstraksi emas dari bijih emas dan detoksifikasi Gold extraction process from gold ore and detoxification	-	-	460
Activated Carbon*	Ton	Proses adsorpsi emas Gold adsorption process	-	-	24.5
Other Supporting Materials	Ton	Others	-	-	1,208.4

*Material terbarukan
Renewable material

Environmentally Safe Materials

Merdeka implements the concept of minimizing negative environmental impacts in its mining activities. The primary issue faced by the company is the use of hazardous supporting materials that can cause environmental damage and pose risks to the health of the surrounding communities. Therefore, Merdeka is committed to using environmentally friendly supporting materials.

In determining the materials to be used, Merdeka identifies and assesses the environmental impacts of material usage. This process is conducted transparently, involving relevant stakeholders to gather input and understand concerns related to the materials to be used and their environmental impacts.

As of 2023, Merdeka has not yet used recycled supporting materials, but the company already employs safe and environmentally non-destructive materials, including the use of renewable materials such as activated carbon at BSI for gold adsorption processes. Various materials are used in Merdeka's operations, including explosives, mineral processing, mine acid water management, and process water.

As a mining and mineral processing company, Merdeka has not, to date, sold products that are reusable or recyclable.

Jenis Material Material Type	Satuan Unit	Penggunaan Usage	2021	2022	2023
Tambang Tembaga Wetar Wetar Copper Mine					
Emulsion	Ton	Bahan peledak Explosive material	883.1	2,089	568
Reagen Pengolah Process Reagents	Ton	Pengolahan mineral Mineral processing	4,746	5,796	5,983
Limestone and Soda Ash	Ton	Pengelolaan air asam tambang dan Air Proses Treatment of acid mine drainage and process water	58,622	68,955.5	63,567
Proyek AIM (MTI) AIM Project (MTI)					
Pyrite Ore	Ton	Demineralization Water Plant	-	-	4,163
Quicklime	Ton	Lime Batching Plant	-	-	5
Potassium Amyl Xanthate (PAX)	Ton	Flotation	-	-	3.4
Copper Sulphate	Ton	Flotation	-	-	2.5
Other Supporting Materials	Ton	Others	-	-	5.15
Proyek Emas Pani Pani Gold Project					
AMC Liquid Rod Grease, AMC Extra Tucky, AMC EZZE PAC R, AMC CR650, AMC AUS GEL		Materials Supporting Drilling Activities			10.89
Chlorine		Clean Water Management			0.02

Pelatihan dan Sosialisasi Lingkungan

Merdeka melakukan sosialisasi Kebijakan Lingkungan melalui berbagai langkah yaitu program *induction training* bagi karyawan baru dan tamu yang berkunjung ke areal operasional perusahaan, menempatkan Kebijakan Lingkungan di website perusahaan dan di lokasi kantor yang strategis serta mudah dilihat dan sosialisasi kepada mitra bisnis melalui Kode Etik Keberlanjutan Pemasok. Sosialisasi Kebijakan Lingkungan merupakan upaya Merdeka untuk menanamkan budaya keberlanjutan dan meningkatkan kesadaran terhadap pelestarian lingkungan. [3-3][F.1][2-24]

Merdeka melakukan komunikasi internal dan eksternal tentang isu-isu pengelolaan lingkungan melalui rapat divisi lingkungan, intranet, email, mekanisme penyampaian keluhan, media sosial dan laporan keberlanjutan.

Biaya Lingkungan

Biaya Cost	2021 (USD)	2022 (USD)	2023 (USD)
Biaya Pengelolaan Lingkungan Environmental Management Costs	6,033,157	5,243,609	5,515,929
Biaya Pemantauan Lingkungan Environmental Monitoring Costs	1,047,385	1,144,113	2,351,520
Total	7,080,541	6,387,722	7,867,449

Dedikasi terhadap tanggung jawab lingkungan dapat diidentifikasi melalui besarnya alokasi dana yang diperuntukkan oleh perusahaan untuk pengelolaan lingkungan. Upaya yang dilakukan oleh Merdeka dalam

Training and Environmental Awareness

Merdeka conducts environmental policy awareness through various measures, including an induction training program for new employees and guests visiting the company's operational areas, placing the Environmental Policy on the company's website, in strategic and easily visible office locations, and disseminating it to business partners through the Supplier Sustainability Code of Conduct. The Environmental Policy socialization is Merdeka's effort to instill a culture of sustainability and raise awareness of environmental conservation.

Merdeka communicates its environmental management issues to internal and external stakeholders through numerous channels that include environmental division meetings, intranet, email, grievance mechanisms, social media, and sustainability reports.

Environmental Costs

The commitment to environmental responsibility can be identified through the amount of funds allocated by the company for environmental management. Merdeka's efforts to uphold environmental sustainability are closely

menjaga keberlanjutan lingkungan sangat terkait dengan peningkatan dana yang disediakan oleh perusahaan pada tahun 2023. Dana tersebut digunakan untuk mendukung penelitian dan berbagai kolaborasi di sektor lingkungan, kegiatan pemantauan lingkungan, serta berbagai inisiatif lain yang terkait. [F.4]

Mekanisme Pengaduan Lingkungan

Merdeka telah menyosialisasikan mekanisme pengaduan terkait lingkungan kepada masyarakat yang terdampak. Masyarakat dapat menyampaikan keluhan mereka melalui Divisi Community. Divisi Community berkoordinasi dengan Divisi lingkungan untuk menindaklanjuti keluhan sesuai dengan mekanisme yang telah ditetapkan. Pada tahun 2023, sebanyak dua pengaduan lingkungan terkait banjir dan pengelolaan sampah telah ditindaklanjuti dan diselesaikan oleh entitas bisnis terkait. [F.16]

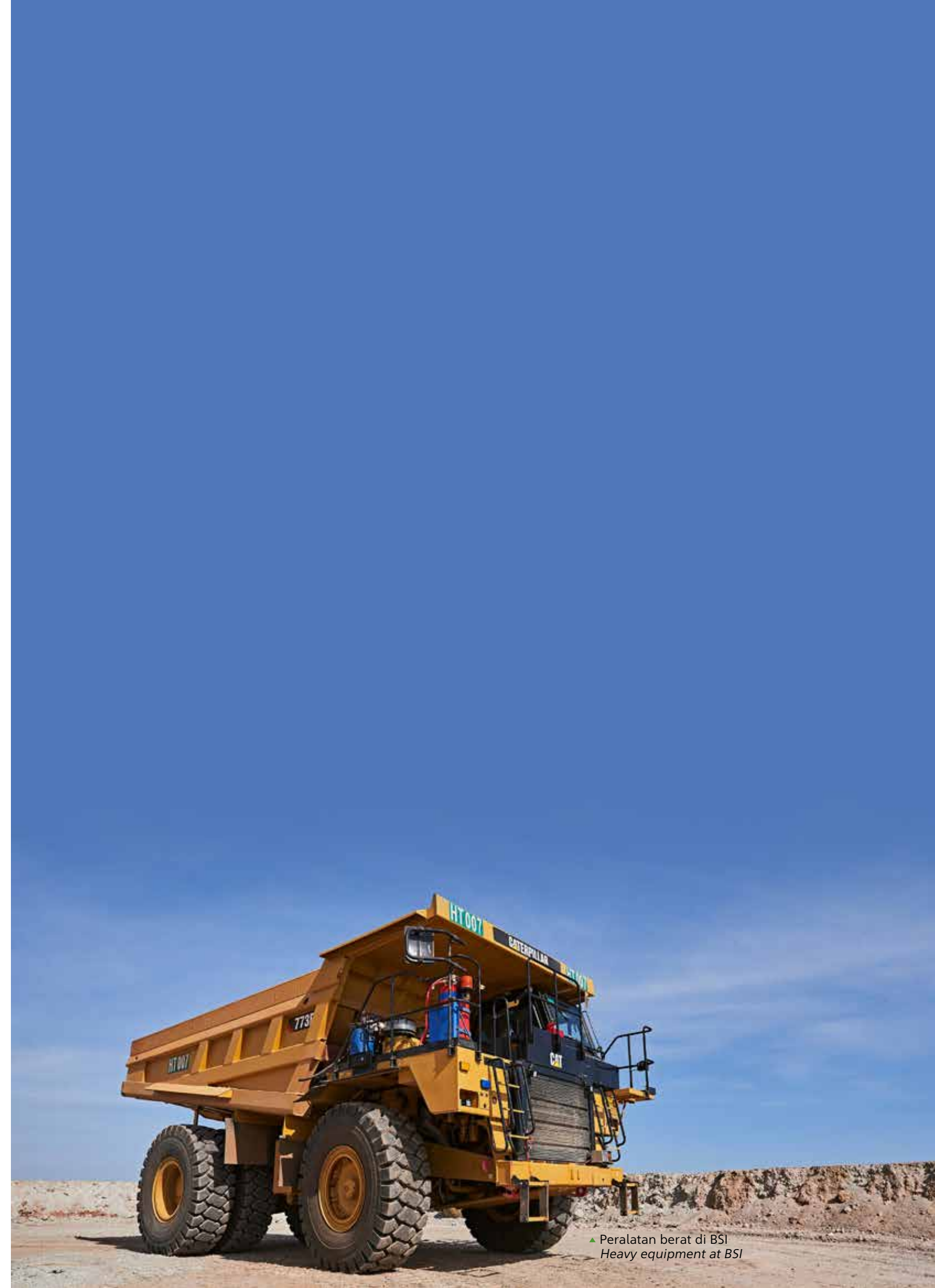
linked to the increased funding provided by the company in 2023. These funds are utilized to support research and various collaborations in the environmental sector, environmental monitoring activities, and various other related initiatives.

Environmental Complaint Mechanism

Merdeka has socialize the environmental grievance mechanism to the affected communities. The community can submit their complaints through the Community Division. The Community Division coordinates with the Environmental Division to address the complaints following the established mechanisms. In 2023, two environmental complaints related to flood and waste management were addressed by related business entities.



▲ Flora dan fauna di site Merdeka
Flora and fauna at the Merdeka sites



▲ Peralatan berat di BSI
Heavy equipment at BSI

4.2

Memastikan "Setiap Orang Selamat, Selalu"

Ensuring "Everyone Safe,
Always"

TUJUH BUKIT OPERATION
Be Safe **No** Incident

Memastikan “Setiap Orang Selamat, Selalu”

Ensuring “Everyone Safe, Always”

Menjaga Lingkungan Kerja yang Aman serta Mempromosikan Kesehatan dan Kesejahteraan

Dengan keselamatan sebagai salah satu nilai Merdeka, Merdeka berkomitmen terhadap keselamatan semua karyawan dan pemangku kepentingannya. Entitas bisnis kami secara aktif mengelola Kesehatan dan Keselamatan Kerja (K3) melalui Sistem Manajemen Kesehatan dan Keselamatan yang bersertifikasi ISO 45001:2018. Selain itu, sebagai pemangku kepentingan penting, keselamatan masyarakat di sekitar kami juga sangat penting, dengan program pemantauan udara dan air yang telah diatur dan program kesehatan yang diintegrasikan ke dalam inisiatif Tanggung Jawab Sosial Perusahaan (CSR) Merdeka.

Pendekatan Manajemen

Merdeka melaksanakan pengelolaan Kesehatan dan Keselamatan Kerja (K3) berdasarkan regulasi yang berlaku, yaitu Sistem Manajemen Keselamatan Pertambangan Mineral (SMKP Minerba) sesuai Keputusan Menteri ESDM Nomor 1827/K/30/MEM/2018 tentang Pedoman Pelaksanaan Kaidah Teknik Pertambangan yang Baik, Peraturan Pemerintah (PP) No. 50 Tahun 2012 tentang Sistem Manajemen Kesehatan dan Keselamatan Kerja (SMK3), dan standar internasional ISO 45001:2018 tentang Sistem Manajemen Kesehatan dan Keselamatan Kerja yang berbasis pada *Plan, Do, Check, Act*. [3-3][403-1]

Merdeka telah menyusun Kebijakan K3 yang menjadi panduan bagi Merdeka dan entitas anak dalam menciptakan lingkungan kerja yang aman dan sehat untuk mencegah kecelakaan kerja, penyakit, atau kejadian berbahaya, serta untuk mendorong tanggung jawab semua pihak terhadap kesehatan dan keselamatan kerja guna mencapai tujuan kami: *Everyone Safe, Always*.

Komitmen K3 di Merdeka melibatkan upaya penyediaan lingkungan kerja yang aman dan sehat untuk mencegah kecelakaan dan penyakit. Perusahaan berkomitmen untuk mematuhi regulasi pemerintah dan standar industri, serta mengembangkan rencana berdasarkan penilaian risiko dan tinjauan sistem manajemen. Merdeka juga menerapkan program manajemen risiko dan peluang yang kuat untuk mengevaluasi dan mengatasi risiko secara efektif. Sistem manajemen yang komprehensif mencakup seluruh aktivitas operasional, mulai dari pengadaan hingga tanggap darurat, dengan fokus pada produktivitas yang aman dan efisien.

Komitmen Merdeka juga terlihat dalam penyediaan pelatihan dan sumber daya yang diperlukan, serta dalam usahanya terus-menerus meningkatkan standar K3 melalui tindakan proaktif seperti inspeksi dan audit.

Maintaining a Safe Working Environment and Promoting Health and Well-Being

With safety being one of Merdeka's values, Merdeka is committed to the safety of all employees and its stakeholders. Our business entities actively manage Occupational Health and Safety (OHS) through an ISO 45001:2018 certified health and safety management system. In addition, as an important stakeholder, the safety of our surrounding community is also paramount, with regulatory air and water monitoring programs established and health programs incorporated into Merdeka's Corporate Social Responsibility (CSR) initiatives.

Management Approach

Merdeka implements Occupational Health and Safety (OHS) management based on applicable regulations, such as the Mineral Mining Safety Management System (SMKP Minerba) according to Ministerial Decree No. 1827/K/30/MEM/2018 Regarding Guidelines for the Implementation of Good Mining Engineering Principles, Government Regulation (PP) No. 50 of 2012 on Occupational Health and Safety Management System (SMK3), and the international standard ISO 45001:2018 on Occupational Health and Safety Management Systems based on the Plan, Do, Check, and Act approach.

Merdeka has established OHS Policy that serves as a guide for Merdeka and its subsidiaries in creating a safe and healthy work environment to prevent workplace accidents, illnesses, or hazardous incidents, and to promote the responsibility of all parties towards health and safety at work to achieve our goal: *Everyone Safe, Always*.

Merdeka's OHS commitment involves efforts to provide a safe and healthy work environment to prevent accidents and illnesses. The company is committed to complying with government regulations and industry standards, as well as developing plans based on risk assessments and management system reviews. Merdeka also implements a strong risk and opportunity management program to evaluate and address risks effectively. The comprehensive management system covers all operational activities, from procurement to emergency response, with a focus on safe and efficient productivity.

Merdeka's commitment is also evident in the provision of necessary training and resources, as well as in its continuous efforts to improve OHS standards through proactive actions such as inspections and audits.

Perusahaan mendorong komunikasi terbuka dan partisipasi diantara karyawan, kontraktor, dan pemangku kepentingan. Inisiatif yang mempromosikan gaya hidup sehat dan program *fit-for-work* menegaskan komitmen untuk menjaga kesehatan fisik dan mental tenaga kerja. Sebagai langkah tambahan, Merdeka memastikan pelaporan cepat dan penyelidikan insiden signifikan, dengan implementasi tindakan korektif guna mencegah terulangnya kejadian, yang semuanya memperkuat komitmen terhadap sistem manajemen K3 yang komprehensif dan proaktif.

Merdeka memiliki Manual Sistem Manajemen K3L sebagai panduan pelaksanaan Kebijakan K3 yang disusun dengan melibatkan penanggung jawab pada tiap entitas bisnis untuk memastikan implementasi yang tepat. Manual Sistem Manajemen K3L merupakan panduan implementasi K3L yang harus diterapkan oleh seluruh (100%) entitas bisnis, karyawan, mitra bisnis, kontraktor, pengunjung, dan pemangku kepentingan lainnya. [F.21][F.27][403-7][403-8]

The company encourages open communication and participation among employees, contractors, and stakeholders. Initiatives promoting healthy lifestyles and fit-for-work programs underscore the commitment to maintaining the physical and mental health of the workforce. Furthermore, Merdeka ensures rapid reporting and investigation of significant incidents, with the implementation of corrective actions to prevent recurrence, all of which reinforce the commitment to a comprehensive and proactive OHS management system.

Merdeka has developed a Health, Safety, and Environment Management System Manual as a guide for implementing the OHS Policy. The manual was developed through engagement with responsible parties in each business entity to ensure proper implementation. The Health, Safety, and Environment Management System Manual serves as a guide for the implementation of OHS that must be applied by all (100%) business entities, employees, business partners, contractors, visitors, and other stakeholders.

2023 Performance

Incident prevention and fatality elimination

- › Achieved zero fatalities
- › TRIFR: 0.65 LTIFR: 0.09
- › Implemented fatigue detection camera to detect fatigue in heavy truck operator
- › All managers and superintendents conducted CRM verification at minimum twice a month
- › Developed four Critical Risk Standards (CRS) and conducted audits on the implementation of CRS

Employee wellness

- › Provided medical check-ups for 3,587 Merdeka employees and 3,714 contractor employees.
- › Conducted wellness programs, industrial hygiene, and Medical Emergency Response Plan and Preparedness (MERP).
- › Performed medical check-up audits, MERP audits, and food safety audits.

OHS training

Conduct OHS training to 3,744 employees with a total of 123,496 training hours, and OHS training to 5,815 contractor employees with a total of 19,389 training hours.

OHS Management Systems

- › 89% of Merdeka's sites have obtained ISO 45001:2018 certificates
- › Conducted Mining Safety Management System (SMKP) audits for all sites, and achieved a minimum score of 65%.
- › The development of OHS scorecard

2024 Target

Incident prevention and fatality elimination

- › Zero Fatalities, Zero LTIs
- › TRIFR lower than previous year
- › Safety Management System Scorecard improvement on the score from the previous year

Employee Wellness

Conduct medical check-ups to all Merdeka employees

OHS training

Delivery of OHS training according to the 2024 training schedule

OHS Management Systems

- › Undergo SMKP audits that meet national average scoring
- › 100% of Merdeka's business units are ISO 45001:2018 certified
- › Maintain the ISO 45001:2018 certificate for Jakarta Head Office, Tujuh Bukit Gold Mine, Wetar Copper Mine, Pani Project, MMS, BSID, CSID, ZHN, HNMI and PT SCM and obtain the ISO 45001:2018 for MTI.



*) The 2023 performance and 2024 target encompass Merdeka's employees and contractors

Kepala Teknik Tambang (KTT) atau General Manager bertanggung jawab untuk melaksanakan program-program K3 dan melaporkan kinerja K3 kepada Komite K3 yang beranggotakan Direksi. Wakil Presiden Direktur sebagai Ketua Komite K3 menetapkan strategi dan melakukan pengawasan kinerja K3.

Identifikasi Bahaya, Penilaian Risiko, dan Manajemen Insiden

Di Merdeka, manajemen Risiko merupakan proses interaksi untuk mengidentifikasi, mengevaluasi, dan menanggulangi bahaya di tempat kerja guna menghilangkan atau mengurangi risiko bahaya sampai pada level terendah yang bisa diterima dan diterapkan.

Merdeka telah mengembangkan Standar Manajemen Risiko dan Peluang untuk memandu penilaian risiko dan peluang di dalam perusahaan. Proses penilaian risiko dan peluang dilakukan secara rutin untuk mengidentifikasi dampak potensial pada tujuan bisnis atau kerja, menilai bahaya dan pengendalian, menetapkan langkah-langkah pengurangan risiko atau mitigasi, dan mengidentifikasi peluang perbaikan.

Penilaian risiko dan peluang didukung oleh akuntabilitas dan kepemimpinan yang jelas, serta sumber daya yang memadai untuk mengelola risiko dan peluang. [3-3][403-7]

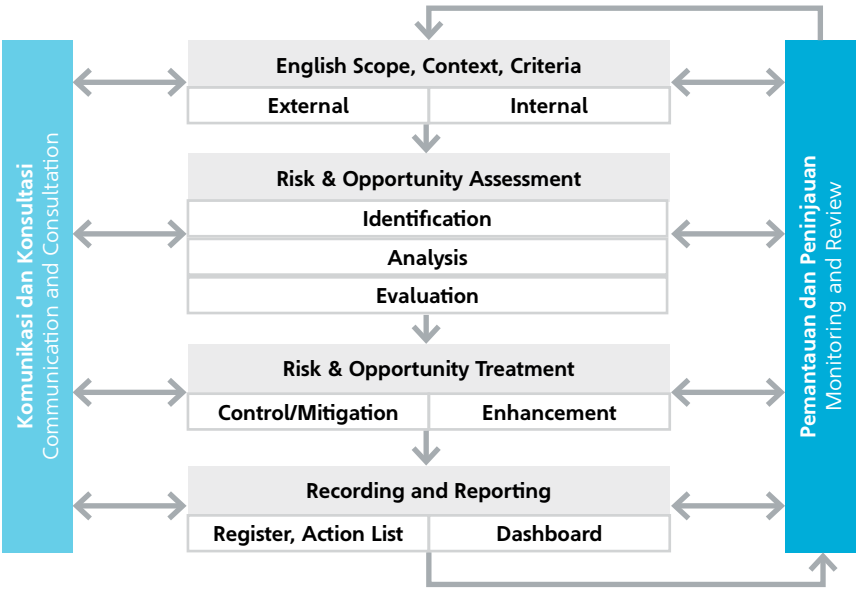
The Mining Technical Manager (KTT) or General Manager is responsible for implementing the OHS Programs and reporting on OHS performance to the Merdeka Group OHS Committee, which includes members from the Board of Directors. The Vice President Director, acting as the Chair of the OHS Committee, sets the strategy and oversees the OHS performance.

Hazard Identification, Risk Assessment, and Incident Management

At Merdeka, risk management is a process of interaction to identify, assess, and mitigate hazards in the workplace to eliminate or reduce risks to the lowest acceptable level.

Merdeka has developed a Risk and Opportunity Management Standard to guide the risk and opportunity assessments within the company. The risk and opportunity assessment process is conducted regularly to identify the potential impacts on business or work objectives, assess hazards and controls, establish risk reduction or mitigation measures, and identify improvement opportunities.

Risk and opportunity assessments are supported by clear accountabilities and leadership, as well as adequate resources for managing risks and opportunities.



Proses Manajemen Risiko dan Peluang

Menurut Manual K3L, setiap entitas bisnis di Merdeka memiliki kewajiban untuk melakukan penilaian risiko awal, yang terdiri dari kumpulan identifikasi dan penilaian risiko departemen.

Risk and Opportunity Management Process

According to the HSE Manual, every business entity within Merdeka is required to conduct an initial risk assessment, consisting of a collection of departmental hazard identifications and risk assessments.



Kegiatan kesehatan dan keselamatan kerja di BSI
Health and safety activity at BSI

General Manager entitas bisnis bertanggung jawab untuk menunjuk tim *Hazard Identification, Risk Assessment and Determination Controls* (HIRADC) yang setara dengan jabatan manajer dan memiliki kompetensi untuk melakukan identifikasi dan penilaian risiko. Tim HIRADC melakukan identifikasi dan penilaian risiko terkait permasalahan internal dan eksternal yang berpotensi menimbulkan risiko bisnis. Sesuai prosedur, identifikasi dan penilaian ini dilakukan sebelum pelaksanaan tahap operasional.

The General Manager of each business entity is responsible for appointing a Hazard Identification, Risk Assessment, and Determination Controls (HIRADC) team, which aligns with managerial positions and possesses the competence to conduct hazard identification and risk assessment. The HIRADC team performs the identification and assessment of risks related to internal and external issues that potentially pose business risks. According to procedures, this identification and assessment are carried out before the operational phase is implemented.

Selama tahun 2023, seluruh entitas bisnis di Merdeka telah melakukan identifikasi dan penilaian terhadap risiko K3 atas seluruh kegiatan perusahaan. Beberapa jenis identifikasi bahaya yang dilakukan adalah sebagai berikut: [403-2]

Throughout 2023, all business entities within Merdeka have conducted identification and assessment of HSE risks across all company activities. Some types of hazard identifications conducted include:

Type	Description	Frequency	Responsibility
Merdeka Risk Assessment	Review of extreme & high risks within the Merdeka Group.	At least 6 monthly.	CEO, COO, Health and Safety General Manager
Major Projects Risk Assessment	Major projects under the Projects Division.	At least 3 monthly.	Project Manager
Site Baseline Risk Assessment	HIRADC on Site activities. This may be compiled from Departmental RA.	Upon serious incident. Changes in activities. At least annually.	KTT or General Manager
Departmental Baseline Risk and Opportunity Assessment (BROA)	Hazard Identification, Risk Assessment, Determine Controls (HIRADC) on Departmental activities.	Upon a serious incident. Changes in activities. At least every 2 years.	Departmental Manager

Type	Description	Frequency	Responsibility
Pre-Job Assessment (e.g. AMANKAH, TAKON7)	A checklist is used by the workforce to identify hazards associated with their upcoming tasks.	Before the commencement of any operational or maintenance-related task, or any other task that is considered hazardous.	Supervisor and workforce (individual or team)
Job Safety & Environment Analysis (JSEA)	A step-by-step work instruction for a specific job which includes hazards and controls for each step.	Where tasks are not covered by a procedure or work instruction.	A supervisor

Manajemen Risiko Kritis [403-7]

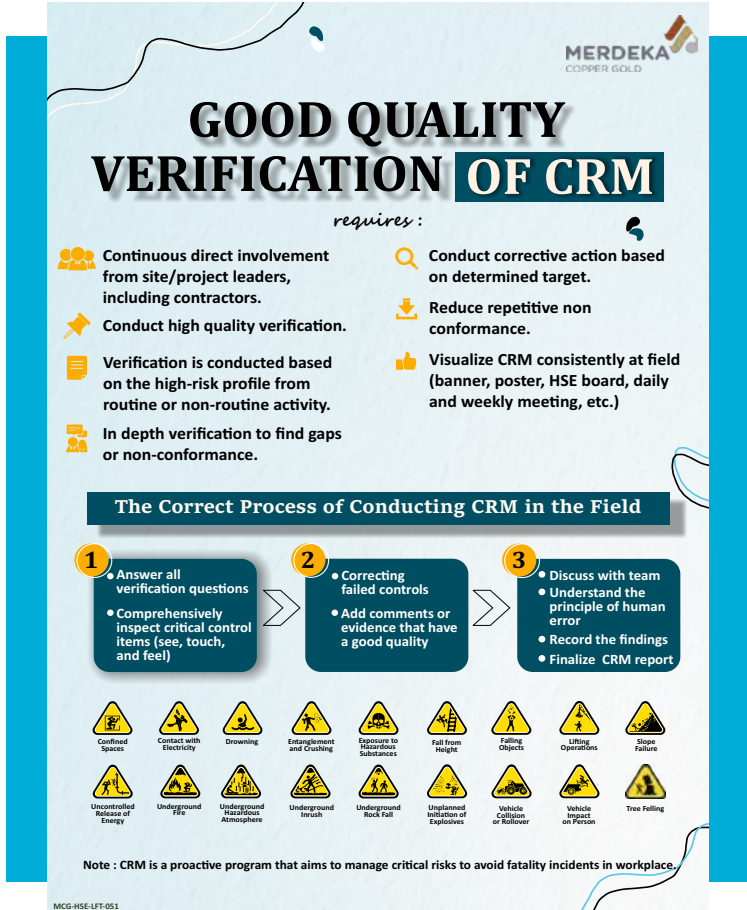
Sistem Manajemen Risiko Kritis (CRM) adalah alat keselamatan yang dirancang untuk mencegah cedera atau penyakit fatal dan permanen melalui pendekatan yang konsisten dalam pemilihan, definisi, implementasi, verifikasi, dan evaluasi pengendalian kritis.

Merdeka melakukan identifikasi dan pengendalian risiko melalui Program CRM untuk meminimalisasi paparan risiko kesehatan dan keselamatan kerja. Program ini menganalisis kegiatan dengan potensi risiko tinggi berdasarkan tinjauan statistik industri, data historis risiko, dan hasil audit sistem manajemen keselamatan kerja.

Critical Risk Management

The Critical Risk Management (CRM) system is a safety tool designed to prevent fatal and permanently damaging injuries or illnesses through a consistent approach to the selection, definition, implementation, verification, and evaluation of critical controls.

Merdeka conducts risk identification and control through the CRM program to minimize exposure to health and safety risks. This program analyzes activities with high-risk potential based on industry statistical reviews, historical risk data, and the results of occupational health and safety management system audits.



Pada tahun 2023, Merdeka telah menyusun empat *Critical Risk Standard* (CRS) yang terdiri dari *Confined Space*, *Electrical Safety*, *Hazardous Chemical*, dan *Geotechnical*. Selain itu, selama tahun 2023 Merdeka juga telah melakukan audit pelaksanaan CRS terkait *Tyre Standard* di BSI, Pani dan Wetar. Di Proyek AIM (MTI), Merdeka melakukan audit CRS terkait *Work at Height* dan *Electrical Safety*. Sementara itu, audit CRS terkait *Geoscience Manual* dilakukan di Pani dan BSI.

TAHAN (Tidak Aman, Hentikan, Laporkan, Amankan)

Program TAHAN di Merdeka mendorong pekerja untuk menghentikan pekerjaan dan saling mengingatkan jika terdapat perilaku yang tidak aman. Program ini juga bertujuan meningkatkan komunikasi positif antar pekerja, mendorong tindakan keselamatan, dan memberikan penghargaan kepada individu yang berkontribusi pada keselamatan kerja.

In 2023, Merdeka developed four Critical Risk Standards (CRS), namely Confined Space, Electrical Safety, Hazardous Chemical, and Geotechnical. Additionally, during 2023, Merdeka also conducted audits on the implementation of CRS related to the Tyre Standard in BSI, Pani, and Wetar. In the AIM Project (MTI), Merdeka conducted audits on CRS related to Work at Height and Electrical Safety. Meanwhile, audits on CRS related to the Geoscience Manual were conducted in Pani and BSI.

TAHAN (Unsafe, Stop, Report, Keep Safe)

The TAHAN program aims to encourage workers to proactively stop work and alert each other if they observe unsafe behavior. This program also aims to enhance positive communication among workers, promote safety actions, and provide recognition to individuals contributing to workplace safety.



Manajemen Insiden

Merdeka memiliki Standar Manajemen Insiden yang merupakan panduan bagi entitas bisnis untuk mendefinisikan, mengomunikasikan dan mengelola insiden. Standar Manajemen Insiden Merdeka menjelaskan persyaratan untuk respon awal, penanggung jawab dan tingkat keparahan, pemberitahuan insiden, dan investigasi insiden.

Untuk mencegah terulangnya insiden yang berpotensi serius (SPI), Merdeka menyusun laporan *M-Share SPI lesson learned* yang menjelaskan rincian insiden, langkah koreksi dan tindakan pencegahan. Laporan *lesson learned* ini kemudian dikirimkan ke seluruh penanggung jawab K3 di seluruh entitas bisnis perusahaan. Pelatihan dan evaluasi terkait insiden yang berpotensi serius selalu dilakukan evaluasi secara periodik untuk melihat efektifitas tindakan koreksi yang telah dilakukan. [403-5]

Layanan Kesehatan Karyawan

Untuk menjaga kesehatan karyawan, Merdeka memastikan pelaksanaan pemeriksaan kesehatan awal, berkala, dan khusus sesuai dengan risiko kerja bagi seluruh karyawan. Dalam upaya mengidentifikasi dan mencegah potensi penyakit akibat kerja, Merdeka memberikan fasilitas *Medical Check-up* yang dilakukan secara berkala. Seluruh karyawan menjalani *Medical Check-up* setiap tahun. Merdeka memastikan bahwa informasi tentang kesehatan yang merupakan hak bagi setiap karyawan dijaga kerahasiaannya. [403-3][403-6]

Incident Management

Merdeka has Incident Management Standards that serve as guidelines for business entities to define, communicate, and manage incidents. Merdeka's Incident Management Standards outline requirements for initial response, responsibilities and severity levels, incident notification, and incident investigation.

To prevent the recurrence of Serious Potential Incidents (SPI), Merdeka compiles M-Share SPI lesson learned reports that detail incident specifics, corrective actions, and preventive measures. These lesson learned reports are then distributed to all health and safety responsible parties across the company's business entities. Training and evaluations related to SPI are periodically conducted to assess the effectiveness of corrective actions implemented.

Employee Health Service

To ensure employee health, Merdeka ensures the implementation of initial, periodic, and specific health examinations according to job risks for all employees. In an effort to identify and prevent potential occupational diseases, Merdeka provides its employees with periodically conducted medical check-ups. All employees undergo a medical check-up every year. Merdeka ensures that health information, which is the right of every employee, is kept confidential.

Pada tahun 2023, Merdeka telah melaksanakan *Medical Check-up* kepada 3.587 karyawan Merdeka dan 3.714 karyawan kontraktor. Berdasarkan hasil *Medical Check-up* tidak ditemukan kasus penyakit akibat kerja. [403-10]

Merdeka telah memiliki *Medical Emergency Response Plan* (MERP) dan telah menandatangani kontrak dengan PT Kartika Bina Medikatama untuk menyediakan evakuasi medis dan manajemen kesiapsiagaan darurat medis di seluruh sites Merdeka.

Disamping itu, Merdeka menyediakan asuransi kesehatan yang diberikan kepada karyawan yang bekerja di kantor pusat dan karyawan unit usaha yang sedang cuti. [403-6]

Tenaga dan Fasilitas Kesehatan

Sampai tahun 2023, Kantor Pusat dan di seluruh entitas bisnis Merdeka telah dilengkapi dengan fasilitas klinik yang dilengkapi dengan tim dokter dan tenaga paramedis yang profesional, serta fasilitas seperti laboratorium dan apotik yang memadai. [F.21][403-3]

In 2023, Merdeka conducted medical check-ups for 3,587 Merdeka employees and 3,714 contractor employees. Based on the medical check-up results, no cases of occupational diseases were found.

Merdeka has established a Medical Emergency Response Plan (MERP) and has contracted with PT Kartika Bina Medikatama to provide medical evacuation and medical emergency readiness management across all Merdeka sites.

In addition, Merdeka provides health insurance to employees working at the headquarters and to employees of business units who are on leave.

Health Staff and Facilities

Until 2023, both at the Head Office and across all Merdeka business entities, were equipped with clinic facilities staffed with professional doctor teams and paramedics, as well as facilities such as laboratories and adequate pharmacies.



Pemeriksaan kesehatan karyawan di klinik BKP-BTR dan SCM.
Employee health examinations at BKP-BTR and SCM clinics.



Jumlah klinik dan layanan kesehatan di entitas bisnis Merdeka adalah sebagai berikut:

The number of clinics and health services in Merdeka business entities are as follows:

Keterangan Description	BSI	BKP/BTR	PANI	SCM	MTI
Jumlah klinik kesehatan Number of health clinics	2	2	3	5	2
Jumlah tenaga kesehatan Number of health workers	11	18	8	24	11



Poster promosi webinar kesehatan untuk karyawan
Health promotion webinar posters for employees

Pencegahan dan Penanggulangan HIV/AIDS di Tempat Kerja

BKP-BTR terus melaksanakan upaya pencegahan dan penanggulangan HIV/AIDS di tempat kerja pada tahun 2023. Upaya pencegahan dan penanggulangan HIV/AIDS di BKP-BTR, tidak hanya sebatas pada pengembangan kebijakan dan prosedur, namun juga meliputi berbagai kegiatan seperti memberikan pelatihan kepada karyawan tentang HIV/AIDS, termasuk cara penularannya, tanda dan gejala, serta langkah-langkah pencegahannya.

Selain itu, tim BKP-BTR juga secara aktif mengkampanyekan kesadaran HIV/AIDS untuk mengurangi stigma dan diskriminasi yang terkait dengan HIV/AIDS. Perlindungan privasi, pemeriksaan kesehatan dan dukungan kepada karyawan, serta penyediaan fasilitas pencegahan juga menjadi fokus utama. Tidak hanya itu, tim BKP-BTR juga menjalankan program pemantauan dan evaluasi secara berkala serta menjalin kerja sama yang erat dengan lembaga kesehatan dan pihak ketiga untuk memastikan keberhasilan dari program-program yang dijalankan.

Atas upaya-upaya tersebut, BKP-BTR mendapatkan penghargaan dari Gubernur Provinsi Maluku pada kategori Gold untuk Pencegahan dan Penanggulangan HIV/AIDS di Tempat Kerja.

HIV/AIDS Prevention and Control in the Workplace

BKP-BTR continues to implement HIV/AIDS prevention and control efforts in the workplace in 2023. Prevention and control efforts at BKP-BTR not only involve the development of policies and procedures but also encompass various activities such as providing training to employees on HIV/AIDS, including its transmission, signs and symptoms, and preventive measures.

In addition, the BKP-BTR team actively campaigns for HIV/AIDS awareness to reduce the stigma and discrimination associated with HIV/AIDS. Ensuring privacy protection, health checks, and support for employees, as well as providing prevention facilities, are also key focuses. Moreover, the BKP-BTR team conducts regular monitoring and evaluation programs and closely collaborates with health institutions and third parties to ensure the success of the programs implemented.

For these efforts, BKP-BTR received an award from the Governor of Maluku Province in the Gold category for HIV/AIDS Prevention and Control in the Workplace.



BTR/BKP menerima penghargaan Emas atas pengendalian penyakit HIV AIDS di tempat kerja.
BTR/BKP received Gold award for controlling HIV AIDS disease at the workplace.

Meningkatkan Budaya K3

Konsultasi dan Partisipasi

Komunikasi yang efektif merupakan bagian yang sangat penting dari program K3 di Merdeka. Di Merdeka, General Manager dari setiap entitas bisnis memiliki tanggung jawab untuk memastikan keterlibatan seluruh karyawan dan kontraktor dalam komunikasi serta partisipasi yang berkaitan dengan K3.

Merdeka mendorong setiap karyawan untuk secara aktif melaporkan pekerjaan dan lingkungan kerja yang dianggap berbahaya. Karyawan dapat melaporkan potensi pekerjaan yang berbahaya kepada atasan langsung atau kepada Komite K3 yang telah dibentuk oleh Merdeka di setiap entitas bisnis dan kantor pusat di Jakarta. Komite ini terdiri dari Panitia Pembina Kesehatan dan Keselamatan Kerja (P2K3) dan Komite Keselamatan Pertambangan (KKP). Anggota komite berasal dari berbagai departemen dalam perusahaan, dengan Kepala Teknik Tambang sebagai ketua. KKP bertanggung jawab untuk memastikan pelaksanaan K3 sesuai dengan peraturan yang berlaku, termasuk menerima dan menindaklanjuti laporan dari karyawan terkait dengan potensi pekerjaan atau kondisi yang berbahaya.

Merdeka memiliki komitmen untuk memberikan perlindungan kepada karyawan yang melaporkan potensi pekerjaan atau lingkungan kerja yang dianggap berbahaya dan memastikan bahwa karyawan tidak akan mendapatkan sanksi atau tindakan pembalasan dari pihak yang dilaporkan. [403-4]

Pelatihan K3

Untuk memastikan karyawan dapat menjalankan pekerjaan dengan aman, Merdeka melakukan Pelatihan K3 kepada karyawan dan kontraktor secara berkelanjutan. Pada tahun 2023, Merdeka memastikan bahwa seluruh entitas bisnis telah menyelenggarakan program penyegaran dan kesadaran terkait K3 kepada seluruh karyawan, mitra kerja, dan kontraktor. Tujuan dari program ini adalah untuk mengomunikasikan informasi mengenai kecelakaan serius beserta pembelajaran yang dapat diambil dari kejadian tersebut, menyegarkan materi induksi atau prosedur K3 yang berlaku, serta mengomunikasikan risiko, pengendalian, atau program K3 yang baru. [403-5]

Improving OHS Culture

Consultation and Participation

Effective communication is a crucial part of the occupational health and safety (OHS) program at Merdeka. In Merdeka, the General Manager of each business entity is responsible for ensuring the involvement of all employees and contractors in communication and participation related to OHS.

Merdeka encourages every employee to actively report any work and workplace deemed hazardous. Employees can report potential hazardous work to their immediate supervisors or to the OHS Committees established by Merdeka in each business entity and the head office in Jakarta. These committees consist of the Occupational Health and Safety Committee (P2K3) and the Mining Safety Committee (KKP). Committee members come from various departments within the company, with the Mining Technical Manager serving as the chairperson. The KKP is responsible for ensuring the implementation of OHS in accordance with applicable regulations, including receiving and following up on reports from employees regarding potential hazardous work or conditions.

Merdeka is committed to providing protection to employees who report potential hazardous work or workplace conditions and ensuring that employees will not face sanctions or retaliatory actions from the reported parties.

OHS Training

To ensure that employees can perform their jobs safely, Merdeka conducts ongoing Occupational Health and Safety (OHS) Training for employees and contractors. In 2023, Merdeka ensured that all business entities organized refresher and awareness programs related to OHS for all employees, business partners, and contractors. The aim of this program is to communicate information about serious accidents along with lessons learned from such incidents, refresh induction materials or existing OHS /procedures, and communicate new OHS risks, controls, or programs.

“We have provided OHS training to 3,744 employees totaling 123,496 training hours, and OHS training to 5,815 contractor employees totaling 19,389 training hours.

Kami telah memberikan pelatihan K3 kepada 3.744 karyawan dengan total 123.496 jam pelatihan dan pelatihan K3 kepada 5.815 karyawan kontraktor dengan total 19.389 jam pelatihan.”

Materi pelatihan yang diberikan kepada karyawan dan kontraktor meliputi Pelatihan *Safety leadership*, *Radioactive Awareness*, Petugas Proteksi Radiasi Industri Tingkat 1 Bapeten, Pengawas Operasional Pratama (PP\ OP), Pengawas Operasional Madya (POM), Penanggung Jawab Pengendalian Pencemaran Air, Manajer Energi, *Lead Icam Investigation*, *Defensive Drive Training*, *Critical Risk Management*, dan Ahli K3 Umum.

The training courses provided to employees and contractors include Safety Leadership Training, Radioactive Awareness, Level 1 Industrial Radiation Protection Officer (Bapeten), Pratama Operational Supervisor (POP), Middle Operational Supervisor (POM), Water Pollution Control Supervisor, Energy Manager, Lead ICAM Investigation, Defensive Driving Training, Critical Risk Management, and General Occupational Health and Safety Expertise.



▲ Pelatihan K3 di site Merdeka
OHS training at Merdeka sites

Kinerja K3 Merdeka [403-9]

Merdeka's OHS Performance

Keterangan Description	2021	2022	2023
Jumlah Kematian Fatality	0	0	0
Jumlah Jam Kerja Working Hours	12,039,478	27,852,914	43,092,263
TRIFR	0.66	0.97	0.65
LTIFR	0.08	0.11	0.09

Kinerja keselamatan dipantau melalui penghitungan statistik Severity Rate (SR) dan Frequency Rate (FR), yang dilakukan dengan pendekatan per 1.000.000 jam kerja orang. Safety performance is monitored through the calculation of Severity Rate (SR) and Frequency Rate (FR), which is done on a per 1,000,000 person-hours worked basis.

Seleksi dan Evaluasi K3 Kontraktor

Merdeka senantiasa memonitor komitmen dan praktik K3 kontraktor seperti yang diatur dalam Standar *Contractor Management System* (CMS) Merdeka. Untuk memastikan komitmen K3 dilaksanakan oleh kontraktor, divisi Supply Chain Management Merdeka telah melaksanakan seleksi sistem manajemen K3 kontraktor pada saat proses pemilihan kontraktor. Selain itu, divisi pengadaan Merdeka juga melakukan evaluasi kinerja K3 pada saat kontraktor melaksanakan pekerjaan.

Indikator evaluasi kinerja K3 kontraktor mencakup pernyataan kebijakan kesehatan dan keselamatan kerja, sistem manajemen K3 yang terdokumentasi, rencana pengelolaan K3, rencana pengelolaan K3 sub-kontraktor, pemeriksaan kesehatan (MCU), alat pelindung diri (APD), prosedur tanggap darurat, asuransi kesehatan, laporan audit K3, statistik kinerja K3, prosedur investigasi insiden dan daftar dan rekaman komisioning peralatan, perkakas, perangkat yang akan digunakan. Kinerja kontraktor dievaluasi minimal sekali dalam setahun.

Contractor K3 Selection and Evaluation

Merdeka continually monitors the commitment and practices of contractors' OHS as stated in the Merdeka Contractor Management System (CMS) standard. To ensure that Merdeka's contractors adhere to Merdeka's OHS commitment, Merdeka assesses contractors' OHS management systems during the selection process. Additionally, Merdeka evaluates contractors' OHS performance during contract implementation.

The indicators for evaluating contractor OHS performance include occupational health and safety policy statements, documented OHS management systems, OHS management plans, subcontractor OHS management plans, medical check-ups (MCU), personal protective equipment (PPE), emergency response procedures, health insurance, ohs audit reports, OHS performance statistics, incident investigation procedures, and a list and records of commissioning of equipment, tools, and devices to be used. Contractor performance is evaluated at least once a year.

Pada tahun 2023, Merdeka menyeleksi 69% dari kontraktor utama menggunakan kriteria K3 pada proses seleksi dan menilai kinerja K3 dari 63% kontraktor utama pada saat pelaksanaan kontrak. [414-1]

Audit K3 di Entitas Bisnis dan Kontraktor

Praktik kesehatan dan keselamatan Merdeka diaudit secara rutin baik secara internal maupun eksternal sebagai bagian dari evaluasi dan peningkatan berkesinambungan sistem manajemen K3. Pada tahun 2023 telah dilakukan surveillance audit sertifikasi ISO 45001:2015 Sistem Manajemen K3 oleh auditor independen di Tambang Emas Tujuh Bukit, Tambang Tembaga Wetar, Proyek Emas Pani, MMS, Merdeka Copper Gold, Proyek MTI, serta BSID, CSID dan audit di Tambang Nikel Konawe.

Selain itu, audit atas pelaksanaan SMKP sebagai wujud dari kepatuhan terhadap peraturan pemerintah juga dilakukan di entitas bisnis Merdeka. Pada tahun 2023 Merdeka telah melakukan audit diseluruh wilayah di bawah pengawasan Kementerian Energi dan Sumber Daya Mineral (ESDM) di Tambang Emas Tujuh Bukit, Tambang Tembaga Wetar, Tambang Nikel Konawe dan Proyek Pani.



▲ Audit internal dan eksternal K3
Internal and external OHS audit

Manajemen Tanggap Darurat

Merdeka telah menyusun Rencana Tanggap Krisis dan Darurat yang mendefinisikan peran dan tanggung jawab Tim Manajemen Krisis (CMT) untuk memastikan bahwa CMT dapat merespons dan mengelola situasi yang dapat berdampak buruk pada karyawan, aset dan operasi Merdeka, klien, lingkungan, reputasi, dan tujuan bisnis. Situasi tersebut antara lain mencakup bencana alam, kebakaran, tumpahan bahan kimia, kecelakaan pesawat dan ferry, dan penyakit.

Rencana Tanggap Krisis dan Darurat, antara lain, menjelaskan struktur CMT dan prosedur untuk aktivasi CMT. Untuk terus meningkatkan kompetensi personil terkait tanggap darurat, Merdeka melaksanakan pelatihan tanggap darurat secara berkala.

In 2023, Merdeka screened 69% of major contractors using OHS criteria during the selection process and assessed the OHS performance of 63% of major contractors during contract implementation.

OHS Audit in Business Entities and Contractors

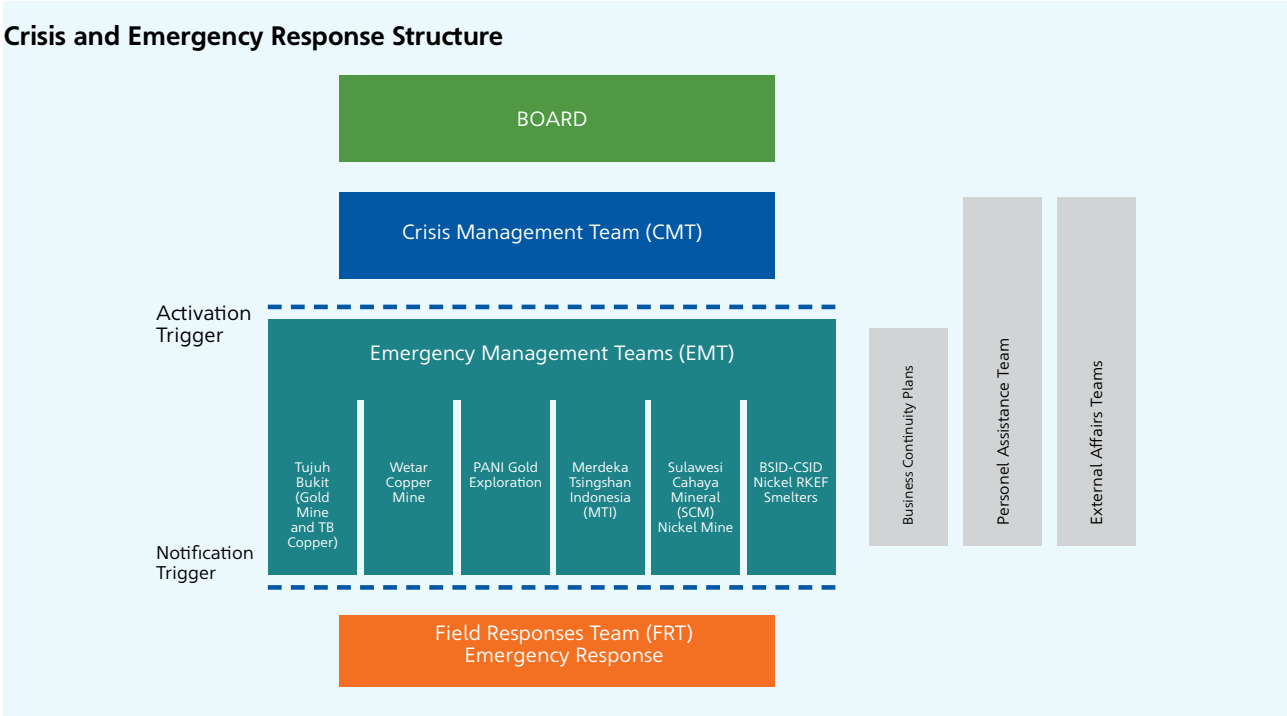
Merdeka's health and safety practices are routinely audited both internally and externally as part of the evaluation and continuous improvement of the OHS management system. In 2023, surveillance audits for ISO 45001:2015 OHS Management System certification were conducted by independent auditors at the Tujuh Bukit Gold Mine, Wetar Copper Mine, Pani Gold Project, MMS, Merdeka Copper Gold, MTI Project, as well as BSID, CSID and audits at the Konawe Nickel Mine.

Additionally, audits on the implementation of the Mineral Mining Safety Management System (SMKP) as a manifestation of compliance with government regulations were also conducted at Merdeka's business entities. In 2023, Merdeka conducted audits across all regions under the supervision of the Ministry of Energy and Mineral Resources (ESDM) at the Tujuh Bukit Gold Mine, Wetar Copper Mine, Konawe Nickel Mine, and Pani Project.

Emergency Response Management

Merdeka has established a Crisis and Emergency Response Plan that defines the roles and responsibilities of the Crisis Management Team (CMT) to ensure that it can effectively respond to and manage situations that could adversely impact Merdeka's people, assets and operations, clients, the environment, reputation, and business objectives. The situations include natural disasters, fires, chemical spills, aircraft and ferry accidents, and diseases.

The Crisis and Emergency Response Plan, among others, describes the structure of the CMT and the procedures for the CMT activation. To continue improving personnel competency related to emergency response, Merdeka conducts periodic emergency response training.



CMT terdiri dari tim pusat yang terdiri dari Presiden Direktur, Wakil Presiden Direktur, Chief Operating Officer, dan Koordinator CMT, bersama dengan anggota yang mencakup General Manager dari berbagai departemen, termasuk HRD, Urusan Eksternal, Keselamatan dan Kesehatan Kerja (K3), Hukum, dan Keuangan.

Tim Manajemen Darurat (EMT) didukung oleh Tim Respons Lapangan (FRT) dan Tim Manajemen Krisis (CMT).

Tim Manajemen Darurat (EMT) adalah tim di lokasi yang berkumpul untuk memberikan respons operasional dan mendukung Tim Respons Lapangan (FRT) sesuai kebutuhan. Fokus utama EMT adalah keselamatan dan kesejahteraan karyawan serta masalah operasional.

FRT bertanggung jawab untuk respons awal terhadap insiden di lokasi, mengambil tindakan untuk menyelamatkan nyawa, melindungi properti, dan lingkungan.

The CMT comprises a central team consisting of the President Director, Vice President Director, Chief Operating Officer, and CMT Coordinator, along with members that include General Managers from various departments, including HRD, External Affairs, Health Safety and Environment (HSE), Legal, and Financial.

The Emergency Management Team (EMT) is supported by the Field Response Team (FRT) and the Crisis Management Team (CMT).

The Emergency Management Team (EMT) is the site team that comes together to provide the operational response and support the Field Response Team (FRT) as required. The primary focus of the EMT is the safety and welfare of employees and operational issues.

The FRT is responsible for the initial response to an incident at the site, taking actions to save lives, and protect property, and the environment.



▲ Klinik dan ambulans di SCM
Clinic and ambulance at SCM

4.3

Memberdayakan Pekerja Kami

Empowering Our People



▲ Operator perempuan di BSI
Female operators at BSI

Memberdayakan Pekerja Kami

Empowering Our People

Pendekatan Manajemen

Kesejahteraan karyawan memegang peran kunci dalam menjaga kelangsungan bisnis Merdeka. Fokus pengelolaan ketenagakerjaan di Merdeka adalah menciptakan karyawan yang profesional dan memiliki kompetensi sesuai dengan kebutuhan perusahaan.

Merdeka secara komprehensif telah mengimplementasikan berbagai kebijakan ketenagakerjaan yang mencakup aspek-aspek penting. Kebijakan ketenagakerjaan tersebut mencakup Kebijakan Keberagaman, Kesetaraan, dan Inklusivitas yang menekankan nilai-nilai inklusivitas di lingkungan kerja dan Kebijakan Anti-Korupsi yang menegakkan prinsip-prinsip integritas dan transparansi.

Selain itu, Merdeka juga memiliki kebijakan terkait Perlindungan Pekerja Anak, Penghapusan Kerja Paksa, dan Kebebasan Berserikat serta Perlindungan Berorganisasi untuk memastikan hak dan kesejahteraan pekerja dijaga dengan sungguh-sungguh.

Merdeka juga telah menyusun kebijakan terkait aspek ketenagakerjaan lainnya yang meliputi Kebijakan Anti-Diskriminasi dan Kesetaraan Gender, Kebijakan Anti-Korupsi dan Penyuaian, Kebijakan Anti Pencucian Uang, serta Kebijakan Lingkungan Kerja yang Kondusif dan Positif. Selain itu, Dengan adanya Kebijakan *Speaking Up* dan Anti Pembalasan, Merdeka juga memberikan wadah untuk berbicara secara terbuka dan melindungi mereka yang melaporkan pelanggaran atau permasalahan di lingkungan kerja.

Semua kebijakan ketenagakerjaan Merdeka disusun berdasarkan Prinsip-Prinsip *International Labour Organisation* (ILO) *Core Convention*. Kami mengomunikasikan kebijakan ini melalui *website* perusahaan dan melalui email berkala kepada seluruh karyawan.

Departemen Sumber Daya Manusia di Merdeka memiliki tanggung jawab utama dalam melaksanakan program-program ketenagakerjaan dan berada di bawah pengawasan langsung dari Direktur Sumber Daya Manusia dan Presiden Direktur. [3-3]

Management Approach

Employee welfare plays a key role in maintaining the continuity of Merdeka's business. The focus of employment management at Merdeka is to create professional employees with competencies aligned with the company's needs.

Merdeka has comprehensively implemented various employment policies covering essential aspects. These employment policies include the Diversity, Equality, and Inclusivity Policy emphasizing inclusivity values in the workplace and the Anti-Corruption Policy upholding principles of integrity and transparency.

Additionally, Merdeka also has policies regarding Child Labor Protection, Elimination of Forced Labor, Freedom of Association, and Organizational Protection to ensure that the rights and welfare of workers are earnestly upheld.

Merdeka has also formulated policies concerning other aspects of employment, including the Anti-Discrimination and Gender Equality Policy, Anti-corruption and Bribery Policy, Anti-Money Laundering Policy, as well as the Conducive and Positive Work Environment Policy. Additionally, with the Speaking Up and Anti-Retaliation Policy, Merdeka provides a platform for open communication and protects those who report violations or issues in the workplace.

All of Merdeka's employment policies are based on the International Labour Organization (ILO) Core Convention Principles. We communicate these policies through the company's website and sending regular emails to all employees.

The Human Resources Department at Merdeka has the primary responsibility for implementing employment programs and operates under the direct supervision of the Director of Human Resources and the President Director.

2023 Performance

Skill improvement and leadership development

- › Provided skill improvement training for a total of 139,191 hours.
- › USD 1,336,902 million invested in training and development.

Diversity, Equity, and Inclusion (DEI)

Female equipment operators at BKP-BTR, BSI, and MTI represent 32.13%, 3.09%, and 14.89% of the total operators, respectively.

Employee Engagement

- › Conducted Employee Engagement Surveys.
- › Conducted Merdeka Innovation Award.
- › Conducted lunch with the Board of Directors (BOD) sessions.
- › Received workplace award and employer of choice award.



2024 Target

Training to employees and leadership development

Provide training according to the training needs analysis.

Diversity, Equity, and Inclusion (DEI)

- › Increase the percentage of female equipment operators.
- › Increase the number of female employees.

Employee Engagement

- › Increase employee engagement.
- › Conduct Employee Engagement Surveys.
- › Conduct Merdeka Innovation Award.
- › Conduct lunch with Board of Directors (BoD) sessions.

Anti-Diskriminasi dan Kesetaraan Gender

Kebijakan Anti-Diskriminasi dan Kesetaraan Gender di Merdeka mencerminkan komitmen perusahaan terhadap proses perekrutan, penempatan, promosi, kompensasi, dan retensi karyawan yang didasarkan pada kualifikasi, termasuk pengalaman, prestasi, dan kriteria lainnya, tanpa adanya diskriminasi berdasarkan gender, identitas, atau orientasi seksual. Merdeka telah memiliki seorang perwakilan perempuan di tingkat direksi atau setara dengan 12,5% dari jumlah direksi pada tahun 2023.

Untuk meningkatkan kesadaran karyawan, Merdeka melakukan sosialisasi Kebijakan Anti-Diskriminasi dan Kesetaraan Gender melalui *email* secara berkala kepada semua karyawan dan pelatihan Kode Etik.

Sepanjang Tahun 2023, tidak terdapat laporan pengaduan terkait dengan tindakan diskriminasi yang terjadi di Merdeka maupun entitas bisnis. [3-3][406-1]

Anti-Discrimination and Gender Equality

The Anti-discrimination and Gender Equality Policy at Merdeka reflects the company's commitment to recruitment, placement, promotion, compensation, and retention processes based on qualifications, including experience, performance, and other criteria, without discrimination based on gender, identity, or sexual orientation. Merdeka had a female representative at the director level or equivalent to 12.5% of the total directors in 2023.

To raise employee awareness, Merdeka socializes the Anti-discrimination and Gender Equality Policy through regular emails to all employees and Code of Conduct training.

Throughout the year 2023, there were no reports of complaints related to discriminatory actions occurring at Merdeka or its business entities.

Program Female Green Operator

Merdeka terus melanjutkan program *Female Green Operator* sebagai komitmen untuk meningkatkan keragaman karyawan dan kesetaraan gender. Program ini diimplementasikan dengan merekrut karyawan perempuan dari masyarakat lokal, khususnya untuk posisi operator alat berat di Tambang Emas Tujuh Bukit dan Tambang Tembaga Wetar.



Female Green Operator Program

Merdeka continues its Female Green Operator program as a commitment to enhancing employee diversity and gender equality. This program is implemented by recruiting female employees from the local community, particularly for heavy equipment operator positions at the Tujuh Bukit Gold Mine and the Wetar Copper Mine.



Tambang Tembaga Wetar secara proaktif melakukan pencarian calon operator alat berat perempuan, bahkan hingga ke pulau terdekat dari lokasi perusahaan. Para calon operator kemudian menjalani pelatihan intensif selama 3,5 bulan, diikuti oleh ujian untuk menentukan kelulusan sebagai operator di lokasi operasi perusahaan. Tambang Emas Tujuh Bukit memulai program serupa dengan memberikan pembekalan awal kepada perempuan lingkaran tambang yang berhasil lolos seleksi.

The Wetar Copper Mine proactively searches for female candidates for heavy equipment operator positions, even reaching out to nearby islands from the company's location. The candidates then undergo an intensive training for 3.5 months, followed by an exam to determine their qualification as operators at the company's operational sites. The Tujuh Bukit Gold Mine initiates a similar program by providing initial training to women from the mining community who successfully pass the selection process.

Pelatihan mencakup kompetensi umum yang bersifat wajib dan Kesehatan dan Keselamatan Kerja. Peserta program kemudian menjalani pelatihan bina mental dan fisik di Pusat Latihan Tempur Marinir (Puslatpurmar) 7 Lampon, Pesanggaran, Banyuwangi. Materi pelatihan melibatkan teori kelas, simulator, latihan praktik dasar mengemudi di sirkuit, praktik lapangan, dan evaluasi akhir.

Hingga akhir tahun 2023 sebanyak 134 operator (32% dari jumlah keseluruhan operator) di Tambang Tembaga Wetar adalah perempuan yang berasal dari masyarakat lokal. Sementara di Tambang Emas Tujuh Bukit, terdapat 15 operator perempuan (3% dari total operator) yang berasal dari masyarakat lingkaran tambang. [F.18]

The training includes mandatory general competencies and health and safety training. Participants in the program then undergo mental and physical training at the Marine Corps Training Center 7 Lampon, Pesanggaran, Banyuwangi. Training materials include classroom theory, simulators, basic driving circuit practice, field practices, and final evaluations.

By the end of 2023, a total of 134 operators (32% of the overall operator) at the Wetar Copper Mine were local women. Meanwhile, at the Tujuh Bukit Gold Mine, a total of 15 operators (3% of the overall operator) were women from the mining community.

Kebijakan Pekerja Anak

Kebijakan Pekerja Anak di Merdeka menegaskan komitmen perusahaan untuk mencegah pekerja anak di seluruh entitas bisnisnya.

Merdeka secara tegas mematuhi Undang-Undang Ketenagakerjaan No. 13 Tahun 2003 Pasal 68 terkait usia minimum calon karyawan dan penghapusan pekerja anak, yang menjadi dasar dalam proses rekrutmen karyawan. Departemen Sumber Daya Manusia Merdeka dan entitas bisnisnya melaksanakan prosedur verifikasi dokumen persyaratan calon pekerja, termasuk Surat Keterangan Catatan Kepolisian (SKCK), untuk memastikan bahwa usia pekerja sesuai ketentuan.

Berdasarkan prosedur tersebut, mekanisme pengaduan dan proses pemantauan, tidak ditemukan adanya karyawan yang berusia di bawah 18 tahun di Merdeka dan entitas bisnisnya. [3-3][F.19][408-1]

Mekanisme Pengaduan

Kebijakan "*Speaking Up* dan Anti-Pembalasan" Merdeka dirancang sebagai pedoman bagi Direksi dan karyawan untuk menyampaikan pertanyaan atau melaporkan pelanggaran dengan itikad baik sesuai prosedur yang telah ditetapkan. Kebijakan ini menjamin bahwa pelapor tidak akan mengalami pembalasan atas laporan yang disampaikan, menciptakan budaya keterbukaan, akuntabilitas, dan integritas di perusahaan.

Merdeka mendorong karyawan untuk menyampaikan pengaduan atau pertanyaan melalui Sistem Pelaporan Pelanggaran (WBS) melalui <https://mcg.whispli.com/SpeakUp> atau WhatsApp: +6281250001018, yang dikelola oleh konsultan independen. Proses pelaporan dimulai dengan pelapor menyampaikan laporan pengaduan melalui saluran tersebut, kemudian konsultan akan melakukan konfirmasi dan berkomunikasi dengan pelapor terkait dengan materi pengaduan.

Child Labor Policy

Merdeka's Child Labor Policy underscores the company's commitment to preventing child labor across all its business entities.

Merdeka strictly adheres to Manpower Law No. 13 of 2003 Article 68 regarding the minimum age of prospective employees and the elimination of child labor, which serves as the basis for the employee recruitment process. Merdeka's Human Resources Department and its business entities implement procedures for verifying the document requirements of prospective employees, including the police record certificate, to ensure that employees' ages comply with regulations.

Based on those procedures, the complaint mechanism and the monitoring process, no employees under the age of 18 were found in Merdeka and its business entities.

Grievance Mechanism

The "*Speaking Up* and Anti-Retaliation" policy of Merdeka is designed as a guideline for the Board of Directors and employees to raise questions or report violations in good faith according to established procedures. This policy ensures that reporters will not experience retaliation for the reported incidents, fostering a culture of openness, accountability, and integrity within the company.

Merdeka encourages employees to submit complaints or inquiries through the Whistleblowing System (WBS) through <https://mcg.whispli.com/SpeakUp> or WhatsApp: +6281250001018, managed by an independent consultant. The reporting process begins with the reporter submitting a complaint through these channels, after which consultant will confirm and communicate with the reporter regarding the complaint details.



Poster terkait dengan komunikasi WBS dan Kebijakan Speak Up
Posters related to communication of the WBS and Speak Up Policy

Setelah itu, konsultan independen merangkum laporan pengaduan dan mengirimkannya kepada Kepala Internal Audit dan Kepala Hubungan Industrial dengan pengecualian sebagai berikut:

- » jika pihak yang diadukan adalah Kepala Internal Audit dan Kepala Hubungan Industrial, laporan pengaduan disampaikan kepada Direktur SDM
- » jika yang dilaporkan adalah Direktur SDM, laporan disampaikan kepada Presiden Direktur
- » jika yang diadukan adalah Presiden Direktur, laporan disampaikan kepada Komite Audit.

Penerima laporan kemudian menindaklanjuti laporan tersebut dengan berkoordinasi dengan divisi terkait.

Laporan pengaduan dianggap selesai ketika:

1. Proses tindak lanjut telah diselesaikan oleh pihak yang bertanggung-jawab dan tindak lanjut memenuhi harapan pelapor.
2. Tidak terdapat bukti atau informasi yang mencukupi untuk menindaklanjuti pengaduan.
3. Tidak terdapat respon dari pengadu atas permintaan tambahan informasi atau bukti oleh konsultan independen dalam 15 hari kerja sejak permintaan disampaikan.

Merdeka menyosialisasikan WBS secara periodik melalui email dan pelatihan Kode Etik kepada seluruh karyawan.

Program Bakat Muda Merdeka (MYTP)

Tahun 2023, Merdeka kembali memberikan kesempatan kepada anak muda berbakat untuk menjadi pemimpin



After that, the independent consultant summarizes the complaint report and sends it to the Head of Internal Audit and the Head of Industrial Relations, with the following exceptions:

- » If the accused party is the Head of Internal Audit and the Head of Industrial Relations, the complaint report is submitted to the HR Director.
- » If the reported party is the HR Director, the report is submitted to the President Director.
- » If the reported party is the President Director, the report is submitted to the Audit Committee.

Upon receiving the report, the person who received the report follows up on the report by coordinating with the relevant divisions.

The complaint report is considered resolved when:

1. The follow-up process has been completed by the responsible party, and the follow-up meets the reporter's expectations.
2. There is insufficient evidence or information to follow up on the complaint.
3. There is no response from the whistleblower regarding additional information or evidence requested by the independent consultant within 15 working days since the request was made.

Merdeka periodically disseminates the WBS through email and Code of Conduct training to all employees.

Merdeka Young Talent Program (MYTP)

In 2023, Merdeka provided talented youth with the opportunity to become future leaders through the

masa depan melalui Merdeka Young Talent Program (MYTP). Dalam program pengembangan karyawan muda terstruktur selama dua tahun ini, peserta terpilih akan bekerja sambil menjalani pelatihan intensif untuk memahami proses bisnis perusahaan.

Peserta MYTP akan belajar berinteraksi dan beradaptasi dalam tim yang dinamis, dipandu oleh mentor terbaik di industri, sehingga dapat berkembang menjadi profesional yang mampu merancang dan menerapkan konsep secara strategis dan efektif.

Sejak dimulai pada tahun 2021, jumlah peserta MYTP terus meningkat setiap tahunnya, dari 10 orang pada 2021, menjadi 28 dan 31 orang pada 2022 dan 2023. MYTP terbuka untuk peserta dari berbagai program studi terkait pertambangan. Merdeka memberikan prioritas kepada peserta yang menunjukkan potensi untuk menjadi pemimpin masa depan.



Foto Peserta MYTP 2023
Photo of 2023 MYTP participants



Merdeka Young Talent Program (MYTP). In this two-year structured development program, selected participants will work while undergoing intensive training to understand the company's business process.

MYTP's participants will learn to interact and adapt within dynamic teams, guided by industry-leading mentors, in order to develop into professionals capable of designing and implementing concepts strategically and effectively.

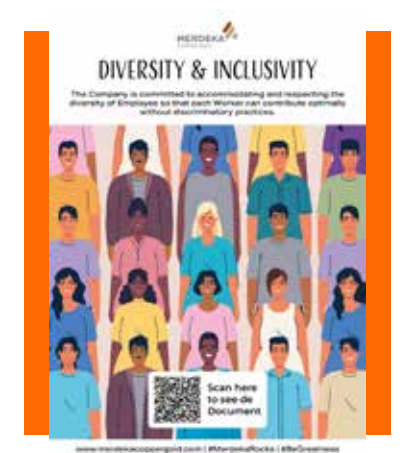
Since its inception in 2021, the number of MYTP participants has continued to increase every year, from 10 individuals in 2021 to 28 and 31 individuals in 2022 and 2023, respectively. MYTP is open to participants from various mining-related study programs. Merdeka prioritizes applicants who demonstrate potential to become future leaders.

Keberagaman, Kesenjangan, dan Inklusivitas

Merdeka berkomitmen pada keberagaman, kesetaraan, dan inklusivitas seperti dinyatakan pada Kebijakan Keberagaman, Kesenjangan, dan Inklusivitas Merdeka. Dalam perekrutan karyawan, kebijakan tersebut menegaskan bahwa perekrutan karyawan dilakukan berdasarkan kebutuhan perusahaan, dengan prinsip utama yang dikedepankan adalah keberagaman. Selanjutnya, penempatan karyawan dalam pengembangan karier dan promosi didasarkan pada prestasi dan kualifikasi yang dibutuhkan, menjadikan proses ini adil dan setara. [3-3]

Diversity, Equity, and Inclusion

Merdeka is committed to implementing diversity, equity, and inclusion as expressed in Merdeka's Diversity, Equality, and Inclusivity Policy. On employee recruitment, this policy emphasizes that employee recruitment is based on the company's needs, with the primary principle being diversity. Furthermore, employee placement in career development and promotion is based on performance and required qualifications, making this process fair and equal.



Poster terkait dengan komunikasi Kebijakan Keberagaman, Kesenjangan, dan Inklusivitas
Posters related to communication of the Diversity, Equality, and Inclusion Policy

Dalam aspek pengelolaan tim, kebijakan ini mendorong keterlibatan karyawan dalam pekerjaan sesuai dengan tugas dan tanggung jawab mereka dengan memprioritaskan prinsip inklusivitas. Kesetaraan diwujudkan dengan memberikan hak kepada setiap karyawan untuk mengutarakan ide, gagasan, atau usulan mereka tanpa hambatan. Selain itu, pembinaan dan dorongan diberikan kepada tim kerja agar menghargai dan mengedepankan keberagaman sebagai nilai yang memperkaya kolaborasi.

Kebijakan ini juga bersifat non-diskriminatif, menerapkan prinsip kesempatan yang sama bagi semua karyawan tanpa adanya diskriminasi dalam segala bentuk. Dengan demikian, Kebijakan Keberagaman, Kesetaraan, dan Inklusivitas ini menjadi landasan untuk menciptakan lingkungan kerja yang inklusif, adil, dan menghargai kontribusi setiap individu.

Dalam upaya meningkatkan kesadaran karyawan terhadap prinsip-prinsip Kebijakan Keberagaman, Kesetaraan, dan Inklusivitas, Merdeka telah melaksanakan sosialisasi yang dilakukan secara efektif. Sosialisasi ini dilakukan dengan mengirimkan informasi mengenai kebijakan tersebut melalui *email* kepada seluruh karyawan perusahaan dan melalui pelatihan Kode Etik.

Pekerja Difable

Merdeka telah merekrut karyawan dengan kemampuan yang berbeda (*difable*) untuk mengisi posisi di beberapa departemen di kantor pusatnya di Jakarta sebagai bagian dari komitmen Merdeka terhadap inklusi. Merdeka secara aktif membagikan informasi dan panduan kepada semua karyawan tentang individu yang berbeda kemampuannya (*diffable*) dan bagaimana berinteraksi serta berkolaborasi dengan mereka di tempat kerja.

In terms of team management, this policy encourages employee engagement in their work according to their tasks and responsibilities by prioritizing the principle of inclusivity. Equality is achieved by giving every employee the right to express their ideas, thoughts, or proposals without hindrance. Additionally, coaching and encouragement are provided to work teams to appreciate and prioritize diversity as a value that enriches collaboration.

This policy is also non-discriminatory, applying the principle of equal opportunity for all employees without discrimination in any form. Thus, this Diversity, Equality, and Inclusivity Policy serves as the foundation for creating an inclusive, fair, and appreciative work environment that values the contributions of every individual.

To raise employee awareness of the principles of Diversity, Equality, and Inclusion Policy, Merdeka has conducted socialization of the policy. This socialization is carried out by disseminating information about the policy through email to all company employees and through Code of Conduct training.

Difable employees

Merdeka has recruited employees with different abilities (*difable*) to fill positions in several departments at its head office in Jakarta as part of its commitment to inclusion. Merdeka actively shares information and guidance to all employees on *diffable* individuals and how to interact and collaborate with them in the workplace.

Program Keberagaman, Kesetaraan, dan Inklusivitas

Merdeka secara berkelanjutan melaksanakan program yang mendukung DEI. Female Forum terus dilaksanakan bagi seluruh entitas bisnis Merdeka sebagai inisiatif untuk memberikan wadah bagi seluruh karyawan perempuan Merdeka dalam rangka memfasilitasi berbagi kisah sukses dan pengalaman dalam mengatasi tantangan yang dihadapi oleh karyawan perempuan di tempat kerja.

Melalui Female Forum, para peserta memiliki kesempatan untuk mengalami perubahan cara pandang dan pola pikir terhadap peran perempuan di lingkungan kerja dan keluarga, serta menjadi agen perubahan di masyarakat.

Diversity, Equity & Inclusion (DEI) Program

Merdeka consistently implements programs supporting DEI. The Female Forum continues to be implemented for all Merdeka business entities to provide a platform for all female employees of Merdeka to facilitate sharing success stories and experiences in overcoming challenges faced by women in the workplace.

Through the Female Forum, participants have the opportunity to transform their perspectives and mindset concerning the roles of women in the workplace and family, and to become agents of change in society.

Hari Perempuan Sedunia

Dalam rangka memperingati Hari Perempuan Sedunia pada 16 Maret 2023, Merdeka bersama Women in Mining & Energy (WiME) mengadakan Diskusi *Inclusive Mindsets and Challenging Stereotypes* di Hard Rock Café Jakarta.

Acara tersebut dibuka oleh Direktur Departemen Sumber Daya Manusia Merdeka, Titien Supeno, yang menegaskan komitmen perusahaan dalam mendukung pemberdayaan perempuan dan menyampaikan jumlah karyawan perempuan di Merdeka terus meningkat. Selain menyediakan berbagai kebijakan dan fasilitas pendukung perempuan, Merdeka juga memiliki sistem pengaduan pelanggaran yang menindaklanjuti laporan terkait pelecehan dan kekerasan seksual.

International Women's Day

In commemoration of International Women's Day on March 16, 2023, Merdeka, in collaboration with Women in Mining & Energy (WiME), held a Discussion on *Inclusive Mindsets and Challenging Stereotypes* at Hard Rock Café Jakarta.

The event was opened by Merdeka's Human Resources Department Director, Titien Supeno, who reaffirmed the company's commitment to supporting women's empowerment and highlighted the increasing number of female employees at Merdeka. In addition to providing various policies and facilities to support women, Merdeka also has a system for reporting violations that follows up on reports related to harassment and sexual violence.



Pada tahun 2023, Merdeka tidak melakukan pengurangan karyawan dalam skala besar. Hingga akhir tahun 2023, total karyawan di Merdeka berjumlah 10.970 orang. Dari jumlah karyawan tersebut, 1.090 orang atau 10% adalah perempuan, bertambah 406 orang perempuan atau meningkat 59% dibanding tahun 2022. Selain itu, hingga akhir tahun 2023 total persentase karyawan kontraktor dibanding dengan total karyawan perusahaan adalah sebesar 53% naik dibanding tahun 2022 sebesar 44% yang disebabkan oleh peningkatan aktivitas penambangan.

Demografi karyawan selama tiga tahun terakhir dengan metode *headcount* dapat dilihat sebagai berikut: [2-7] [2-8] [C.3]

Tabel Total Karyawan dan Karyawan Kontraktor
Total Company's Employees and Contractor's employee

	2021	%	2022	%	2023	%
Total Karyawan Total Employee	3,497	66%	8,262	56%	10,970	47%
Total Kontraktor Total Contractor	1,814	34%	6,407	44%	12,533	53%
Total	5,311	100%	14,669	100%	23,503	100%

Tabel Karyawan Berdasarkan Jenis Kelamin dan Status Kepegawaian
Employees Based on Gender and Employment Status

Jenis Kelamin Gender	2021			2022			2023		
	Karyawan Tetap Permanent Employees*	Karyawan Kontrak Contract Employees**	Total	Karyawan Tetap Permanent Employee	Karyawan Kontrak Contract Employees	Total	Karyawan Tetap Permanent Employee	Karyawan Kontrak Contract Employees	Total
Laki-laki Male	2,099	1,093	3,192	3,640	3,938	7,578	5,740	4,140	9,880
Perempuan Female	223	82	305	444	240	684	788	302	1,090
Total	2,322	1,175	3,497	4,084	4,178	8,262	6,528	4,442	10,970

Tabel Karyawan Berdasarkan Lokasi Kerja dan Status Kepegawaian
Employee Based on Work Location and Employment Status

Lokasi Kerja Job Location	2021			2022			2023		
	Karyawan Tetap Permanent Employees	Karyawan Kontrak Contract Employees	Total	Karyawan Tetap Permanent Employee	Karyawan Kontrak Contract Employees	Total	Karyawan Tetap Permanent Employee	Karyawan Kontrak Contract Employees	Total
Wetar	745	616	1,361	926	935	1,861	1,175	549	1,724
Bali	-	-	-	4	18	22	11	18	29
Banyuwangi	1,322	231	1,553	1,388	242	1,630	1,448	214	1,662
Marisa	20	26	46	74	468	542	143	508	651
Jakarta	187	66	253	307	110	417	385	84	469
Konawe	-	-	-	121	717	838	234	796	1,030
Morowali	36	235	271	1,248	1,688	2,936	3,111	2,254	5,365
Surabaya	11	1	12	16	-	16	16	-	16
Lainnya	1	-	1	-	-	-	5	19	24
Total	2,322	1,175	3,497	4,084	4,178	8,262	6,528	4,442	10,970

*Permanent Employees: Employees with indefinite time employment agreement (Perjanjian Kerja Waktu Tidak Tertentu/ PKWTT)

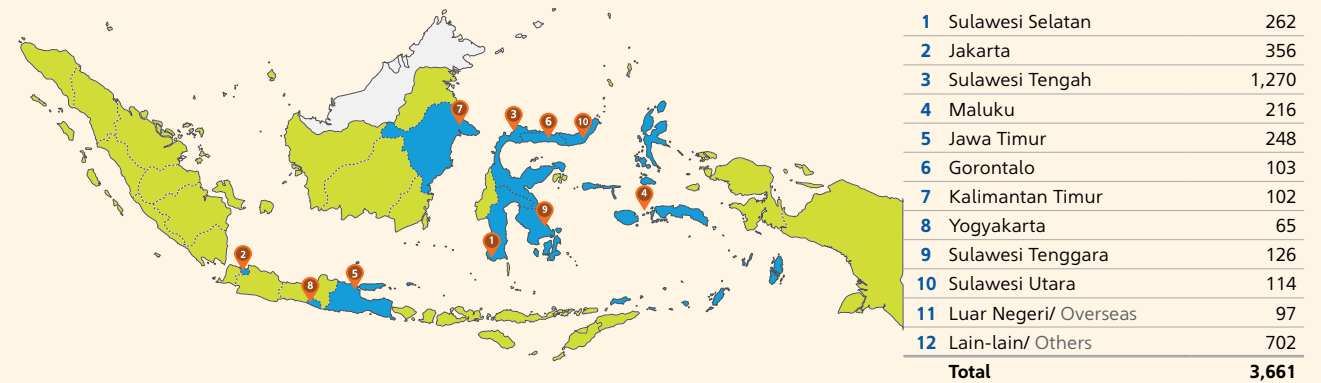
**Contract Employees: Employees with fixed-term employment agreement (Perjanjian Kerja Waktu Tertentu/ PKWT)

In 2023, there was no significant employee layoffs in Merdeka. By the end of 2023, the total number of employees at Merdeka are 10,970. Of the total number of employees, 1,090, or 10%, were women, increasing by 406 female employees or 59% compared to 2022. Additionally, by the end of 2023, the total percentage of contractor employees compared to the total company workforce was 53% increased from 44% compared to 2022 due to increased mining activities.

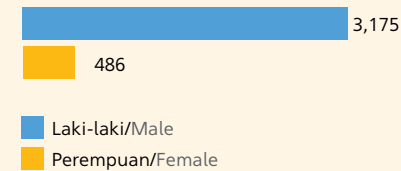
Employee demographics for the last three years with headcount method are as follows:

Rekrutmen Karyawan Berdasarkan Wilayah, Jenis Kelamin dan Kelompok Usia Employee Recruitment Based on Region, Gender, and Age Group [401-1]

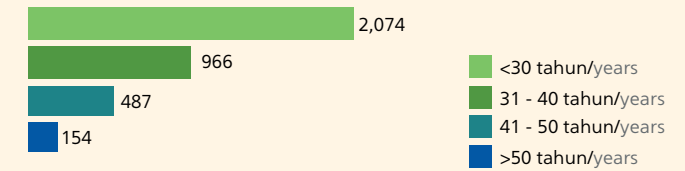
Rekrutmen berdasarkan Wilayah Point of Hire



Jenis Kelamin Gender



Kelompok Usia Age Group

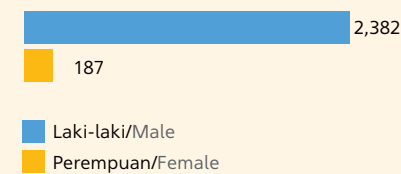


Turnover Karyawan Berdasarkan Wilayah, Jenis Kelamin, dan Kelompok Usia Employee Turnover Based on Region, Gender, and Age Group

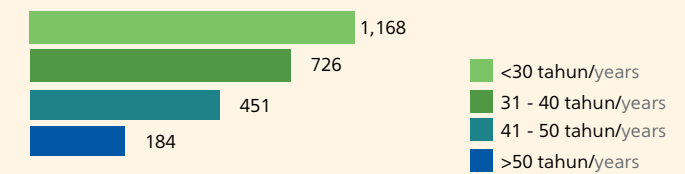
Turnover berdasarkan Wilayah Region



Jenis Kelamin Gender



Kelompok Usia Age Group



Alasan karyawan berhenti bekerja dari perusahaan disebabkan oleh berbagai faktor, termasuk pensiun, berakhirnya kontrak, meninggal dunia, pengunduran diri, dan faktor lainnya yang ditunjukkan pada tabel di bawah ini:

Reasons for employees leaving the company include various factors such as retirement, contract expiration, death, resignation, and other factors as indicated in the table below:

Alasan/ Reasons	2023
Karir/ Career	126
Kompensasi dan Benefit/ Compensation and Benefit	119
Keluarga/ Family	380
Kondisi Kesehatan/ Health Condition	162
Alasan Pribadi/ Personal Reason	1,392
Karakteristik Pekerjaan/ Work Nature	175
Lainnya/ Others	175
Total	2,529

Karyawan Lokal

Merdeka meneguhkan komitmennya untuk berperan serta dalam memberdayakan dan mengembangkan sumber daya manusia yang potensial di daerah, khususnya di wilayah entitas bisnisnya. Perusahaan membuka peluang bagi masyarakat lokal untuk bergabung dengan Merdeka sesuai dengan tingkat pendidikan dan kompetensinya.

[3-3]

Dalam upaya meningkatkan profesionalisme dan kompetensi karyawan lokal, Merdeka memberikan peluang kepada mahasiswa dari berbagai jurusan untuk melakukan praktik kerja lapangan, penyelesaian tugas akhir, dan mengikuti program magang sesuai dengan kebutuhan dan persyaratan yang telah ditetapkan. [F.18]

Hingga akhir tahun 2023, sebanyak 24 orang karyawan lokal telah mencapai level manajemen senior. Sebaran manajemen senior ini mencakup karyawan pada posisi manajer hingga satu level dibawah Direksi dan mencerminkan lokasi operasi Merdeka, yang meliputi Jawa Timur, Gorontalo, Maluku Barat Daya, Sulawesi Tenggara, dan Sulawesi Tengah. [202-2]

Local Employees

Merdeka reaffirms its commitment to actively participate in empowering and developing potential human resources in regions, especially within its business entity's areas. The company opens opportunities for local communities to join Merdeka according to their level of education and competence.

To enhance the professionalism and competence of local employees, Merdeka provides opportunities for students from various fields to engage in fieldwork internships, complete final assignments, and participate in internship programs according to the needs and requirements set forth.

By the end of 2023, 24 local employees have reached the senior management level. The distribution of senior management includes employees in positions ranging from managerial roles to one level below the Board of Directors and reflects Merdeka's operational locations, which include East Java, Gorontalo, Southwest Maluku, Southeast Sulawesi, and Central Sulawesi.

Level Jabatan Positions	Jumlah Karyawan Number of Employees	Jumlah Karyawan lokal (yang berasal dari provinsi yang sama dengan lokasi site) Number of local employees (from the same province as the site location)	%
General Manager	46	5	11%
Senior Manager	41	3	7%
Manager	137	16	12%



▲ Kegiatan Merdeka runners
Merdeka runners' activity

Lingkungan Kerja yang Kondusif dan Positif

Perusahaan berkomitmen untuk menciptakan lingkungan kerja yang kondusif dan positif, dengan tujuan menciptakan lingkungan kerja yang mendukung keseimbangan antara pekerjaan dan kehidupan pribadi karyawan, meningkatkan kesejahteraan dan kesehatan mereka, memberikan peluang pengembangan profesional dan pelatihan, mengakui kontribusi unik setiap karyawan, serta secara rutin memberikan apresiasi dan pengakuan atas prestasi mereka. Selain itu, perusahaan berkomitmen mempromosikan keterbukaan dan komunikasi dua arah.

Merdeka telah melaksanakan berbagai program untuk mendukung keseimbangan antara pekerjaan dan kehidupan keluarga. Perusahaan memberikan pengaturan jam kerja dan kemudahan cuti bagi karyawan yang ingin melaksanakan ibadah keagamaan sesuai dengan peraturan yang berlaku. Selain itu, Merdeka memberikan fasilitas cuti bagi pekerja laki-laki selama 2 hari ketika istri melahirkan, serta cuti melahirkan selama 1,5 bulan sebelum dan 1,5 bulan setelah melahirkan bagi pekerja perempuan.

Program rotasi dan mutasi karyawan dilakukan secara khusus bagi karyawan perempuan yang sedang hamil, dengan tujuan menjaga kesehatan dan keselamatan mereka. Sebagai contoh, karyawan perempuan yang sedang hamil dapat melakukan rotasi ke posisi yang tidak memerlukan turun ke lapangan selama masa kehamilan mereka.

Pada tahun 2023, sejumlah 31 karyawan perempuan telah memanfaatkan hak cuti melahirkan. Dari total 31 karyawan tersebut, sebanyak 21 karyawan (68%) telah kembali bekerja pada posisi semula setelah berakhirnya cuti melahirkan, sementara sisanya masih menjalani masa cuti melahirkan. Data cuti istri melahirkan untuk karyawan laki-laki belum tersedia. [401-3]

Conducive and Positive Work Environment

The company is committed to creating a conducive and positive work environment, with the aim of fostering a workplace that supports the balance between employees' work and personal lives, enhancing their well-being and health, providing opportunities for professional development and training, recognizing each employee's unique contributions, and regularly showing appreciation and recognition for their achievements. Additionally, the company is committed to promoting openness and two-way communication.

Merdeka has implemented various programs to support the balance between work and family life. The company provides flexible working hours and facilitates leave for employees who wish to perform religious practices in accordance with applicable regulations. Additionally, Merdeka provides paternity leave for male workers for 2 days when their wives give birth, as well as maternity leave for 1.5 months before and after childbirth for female workers.

Employee rotation and transfer programs are specifically conducted for pregnant female employees, with the aim of safeguarding their health and safety. For example, pregnant female employees may be rotated to positions that do not require fieldwork during their pregnancy.

In 2023, a total of 31 female employees have used maternity leave rights. Out of the total 31 employees, 21 employees (68%) have returned to their original positions after the end of maternity leave, while the rest are still on maternity leave. Meanwhile, the paternity leave data for male employees are not yet available.

Karyawan yang Kembali Bekerja dan Tingkat Retensi Setelah Cuti Melahirkan ^[401-3]
Return to Work and Retention Rates After Maternity Leave

Description	2022	2023
Jumlah karyawan yang mengambil cuti melahirkan Number of employees taking maternity leave	18	31
Jumlah karyawan yang bekerja kembali setelah cuti melahirkan Number of employees returning to work after maternity leave	18	21
Jumlah karyawan yang masih menjalani cuti melahirkan Number of employees who are still on maternity leave		10
Jumlah karyawan yang masih bekerja selama satu tahun (dari tahun sebelumnya) setelah bekerja kembali dari cuti melahirkan Number of employees who are still working for one year after returning to work from maternity leave		15
Persentase karyawan yang kembali bekerja setelah cuti melahirkan Percentage of employees who returned to work after maternity leave		68%
Tingkat retensi Retention rate		83%

Pengembangan dan Pelatihan Karyawan

Merdeka secara berkelanjutan menerapkan pengembangan kompetensi karyawan, mencakup karyawan permanen maupun kontrak, dengan fokus pada peningkatan *soft skill* dan *technical skill*. Program sertifikasi juga telah diimplementasikan untuk meningkatkan kompetensi karyawan tetap dan kontrak. Pada tahun 2023, Merdeka mengeluarkan dana sebesar USD 1,350,227. untuk program pengembangan dan pelatihan karyawan. Total durasi pelatihan mencapai sebanyak 193.862 jam, dengan rata-rata 17,67 jam pelatihan per karyawan per tahun. ^[3-3]

Rata-Rata Jam Pelatihan Per Pekerja Berdasarkan Gender dan Level ^{[F.22][404-1][404-2]}
Average Training Hours per Worker by Gender and Level

Gender	Jam pelatihan bagi karyawan Training hours for employees	Jumlah pekerja Total employees	Rerata jam pelatihan per pekerja Average training hours employee
Laki-laki Male	173,189	9,880	17.52
Perempuan Female	20,672	1,090	18.96
Total	193,862	10,970	17.67

Level	Jam pelatihan bagi karyawan Training hours for employees	Jumlah pekerja Total employees	Rerata jam pelatihan per pekerja Average training hours employee
Manajemen Senior	2,616	114	22.95
Manajer dan Supervisor	46,988	1,372	34.25
Staff & Non-Staff	144,258	9,484	15.21
Total	193,862	10,970	17.67

Employee Development and Training

Merdeka consistently implements employee competency development, covering both permanent and contract employees, with a focus on enhancing soft skills and technical skills. Certification programs have also been implemented to enhance the competencies of permanent and contract employees. In 2023, Merdeka spent USD 1,350,227 for employee development and training programs. The total training duration reached 193,862 hours, with an average of 17.67 hours of training per employee per year.

Pelatihan Kepemimpinan ^[404-2]

Di tahun 2023, Merdeka menyelenggarakan pelatihan kepemimpinan di kantor pusat dan site, dengan jumlah 2.326 peserta dan 21.281 jam pelatihan. Peserta pelatihan kepemimpinan mencakup pekerja tetap dan kontrak.

Penilaian Kinerja Karyawan

Program penilaian kinerja dilaksanakan secara tahunan di akhir tahun. Hasil dari penilaian tersebut menjadi dasar penting dalam penyusunan program pelatihan, penyesuaian remunerasi, dan pertimbangan untuk promosi jabatan karyawan.

Karyawan yang Menerima Penilaian Kinerja Berdasarkan Jenis Kelamin dan Level
Employees Receiving Performance Appraisals by Gender and Level ^[404-3]

Level	Laki-Laki Male			Perempuan Female		
	Jumlah karyawan Number of employees ^[405-1]	Karyawan yang menerima penilaian kinerja Employees who received performance appraisals	%	Jumlah karyawan Number of employees ^[405-1]	Karyawan yang menerima penilaian kinerja Employees who received performance appraisals	%
Board of Directors	22	17	77%	1	1	100%
General Manager	50	43	86%	2	2	100%
Senior Manager	35	35	100%	4	4	100%
Manager	138	118	86%	27	26	96%
Superintendent	271	244	90%	24	21	88%
Supervisor	816	756	93%	96	88	92%
Staff	1,719	1,535	89%	375	334	89%
Non-Staff	6,829	5,024	74%	561	381	68%
Total	9,880	7,772	79%	1,090	857	79%

Pelibatan Karyawan

Merdeka telah melaksanakan serangkaian program pelibatan karyawan. Salah satu inisiatifnya adalah *Employee Effectiveness Survey (EES)*, yang mencakup karyawan tetap dan kontrak dengan masa kerja minimal 6 bulan atau lebih.

Untuk meningkatkan kesehatan fisik dan mental karyawan, Merdeka melaksanakan program olahraga, seperti bola basket, futsal, tenis meja, badminton, dan lari. Di setiap entitas bisnisnya, Merdeka juga menyediakan berbagai fasilitas bagi karyawan Merdeka dan karyawan mitra bisnis. Fasilitas tersebut meliputi fasilitas olahraga, klinik kesehatan, dan tempat ibadah. Merdeka terus memfasilitasi peningkatan literasi

Leadership Training

In 2023, Merdeka conducted leadership training at head office and sites, with a total of 2,326 participants and 21,281 training hours. The participants for the leadership training includes permanent and temporary (contract) workers.

Employee Performance Evaluation

The performance evaluation program is conducted annually at the end of the year. The results of the evaluation serve as a crucial basis for the development of training programs, adjustment of remuneration, and consideration for employee promotion positions.

Employee Engagement

Merdeka has implemented a series of employee engagement programs. One of its initiatives is the Employee Effectiveness Survey (EES), which includes both permanent and contract employees with a minimum tenure of 6 months or more.

To improve the physical and mental health of employees, Merdeka has implemented sports programs such as basketball, futsal, table tennis, badminton, and running. At each of its business entities, Merdeka also provides various facilities for Merdeka and business partners' employees. These facilities include sports facilities, health clinics, and places of worship.

keuangan bagi karyawan pada tahun 2023. Program ini mencerminkan komitmen perusahaan untuk mendukung pengembangan karyawan dalam berbagai aspek, tidak hanya sebatas pekerjaan tetapi juga kesejahteraan fisik dan mental, serta pengetahuan keuangan pribadi.

Selain itu, Merdeka melaksanakan program *Merdeka Innovation Award* yang bertujuan untuk mendorong jiwa kreatif dan inovatif karyawan di kantor pusat dan di seluruh entitas bisnis Merdeka.



Pelibatan karyawan pada perayaan Hari Kemerdekaan Indonesia
Employee engagement on Indonesia Independence Day celebration

Merdeka continues to facilitate the improvement of financial literacy among employees in 2023. This program reflects the company's commitment to supporting the development of employees in various aspects, not only limited to their jobs but also their physical and mental well-being, as well as personal financial knowledge.

Furthermore, Merdeka conducts the Merdeka Innovation Award program aimed at fostering the creative and innovative spirit of employees at the headquarters and across all Merdeka business entities.



Employee Effectiveness Survey

Merdeka telah melaksanakan *Employee Effectiveness Survey* dibantu oleh konsultan independen kepada seluruh karyawan tetap dan kontrak yang telah bekerja selama 6 bulan atau lebih. Dari seluruh karyawan di Merdeka, 92% berpartisipasi dalam survei tersebut.

Survei ini berfokus pada *engagement* dan *enablement*. *Engagement* mengacu pada komitmen karyawan terhadap organisasi dan kesediaan mereka untuk melakukan upaya ekstra untuk keuntungannya. *Enablement*, di sisi lain, mengukur apakah keterampilan dan kemampuan karyawan digunakan sepenuhnya dalam peran mereka dan apakah lingkungan organisasi mendukung produktivitas mereka.

Hasil survei menunjukkan bahwa Merdeka mendapat skor 89% dalam *engagement*, yang termasuk dalam kategori *high level of engagement*. Mayoritas responden (95%) menyatakan bangga bekerja di Merdeka, dan 89% dari mereka akan merekomendasikan Merdeka sebagai tempat kerja yang bagus. Motivasi karyawan juga dinilai tinggi, dengan lebih dari 90% responden setuju bahwa mereka merasa termotivasi untuk melakukan pekerjaan melebihi yang diminta. Selain itu, 79% responden menyatakan niat mereka untuk tetap bersama perusahaan setidaknya selama 5 tahun.

Selain itu, survei menunjukkan skor *enablement* 90%, menandakan bahwa karyawan merasa keterampilan dan kemampuan mereka digunakan sepenuhnya dalam pekerjaan mereka. Mereka menganggap pekerjaan mereka saat ini menantang, dan kondisi pekerjaan cukup mendukung produktivitas mereka.

Employee Effectiveness Survey Merdeka

With the assistance of an independent consultant, Merdeka conducted an Employee Effectiveness Survey for all permanent and contract employees who had been working for six months or more. Of all the employees at Merdeka, 92% participated in the survey.

The survey focused on engagement and enablement. Engagement refers to employees' commitment to the organization and their willingness to go the extra mile for its benefit. Enablement, on the other hand, measures whether employees' skills and abilities are fully utilized in their roles and whether the organizational environment supports their productivity.

The survey results showed that Merdeka scored 89% in engagement, which falls into the category of high level of engagement. The majority of respondents (95%) stated that they were proud to work at Merdeka, and 89% of them would recommend Merdeka as a great place to work. Employee motivation was also rated high, with over 90% of respondents agreeing that they feel motivated to go beyond what is required. Additionally, 79% of respondents expressed their intention to stay with the company for at least 5 years.

Furthermore, the survey indicated an enablement score of 90%, indicating that employees feel their skills and abilities are fully utilized in their work. They perceive their current jobs as challenging, and the working conditions adequately support their productivity.



Pelibatan karyawan pada perayaan Hari Batik Nasional
Employee engagement on National Batik Day celebration

Makan Siang Bersama Direksi

Sesi makan siang bersama Direksi menjadi acara non-formal yang memberikan kesempatan kepada karyawan untuk berbagi ide, memberikan masukan, dan bertanya tentang berbagai hal terkait grup Merdeka atau topik yang tidak terkait pekerjaan.

Dalam suasana santai ini, karyawan Merdeka dapat berinteraksi secara langsung dengan jajaran Direksi. Karyawan dapat memahami lebih banyak tentang kinerja operasional dan strategi bisnis perusahaan, sekaligus belajar dari pengalaman para Direksi melalui *success stories* mereka dalam membangun karier profesional sesuai dengan keahlian yang dimiliki.



Masukan dari pekerja yang didapat dari makan siang bersama Direksi yang dilakukan selama tahun 2023 telah ditindak lanjuti oleh Perusahaan yang mencakup tambahan medical benefit untuk karyawan perempuan di head office, pelaksanaan program pelatihan dan pengembangan kepemimpinan, perbaikan kualitas intranet yang menjadi sarana efektif komunikasi dengan seluruh karyawan tentang perkembangan operasional terkini di Merdeka.

Lunch with Board of Directors

Lunch with the Board of Directors serves as informal events that provide employees with the opportunity to share ideas, provide feedback, and ask questions about various aspects of the Merdeka group or unrelated topics.

In this relaxed atmosphere, Merdeka employees can interact directly with the Board of Directors. Employees can gain a deeper understanding of the company's operational performance and business strategy while also learning from the directors' experiences through their success stories in building their professional careers according to their expertise.

Feedback from employees gathered during the lunch sessions with the Board of Directors conducted throughout 2023 has been followed up by the Company, including additional medical benefits for female employees at the head office, implementation of leadership training and development programs, and improvement of the quality of the intranet as an effective communication tool with all employees regarding the latest operational developments at Merdeka.



Serikat Pekerja

Sesuai dengan Kebijakan Hak Asasi Manusia yang diterapkan Merdeka, perusahaan memberikan kesempatan kepada para karyawan untuk menjadi anggota Serikat Pekerja. Melalui organisasi tersebut, para karyawan dapat menyampaikan aspirasi dan mengajukan usulan perbaikan atau program kepada manajemen. Serikat Pekerja dibentuk dari, oleh, dan untuk karyawan dengan prinsip yang bersifat bebas, terbuka, mandiri, demokratis, dan bertanggung jawab. Organisasi ini bertujuan untuk memperjuangkan, membela, dan melindungi hak serta kepentingan karyawan, sekaligus meningkatkan kesejahteraan mereka. [3-3][407-1]

Perjanjian Kerja Bersama [2-30]

Merdeka menjunjung tinggi kewajiban untuk menjaga hubungan industrial yang harmonis dan bertanggung jawab. Perjanjian Kerja Bersama (PKB) menjadi manifestasi hasil perundingan antara serikat pekerja dan perusahaan, didasarkan pada itikad yang luhur dan saling menghargai. Melalui PKB, Merdeka dan karyawan memiliki keterikatan kekeluargaan yang disusun dan disepakati bersama. Dokumen tersebut memuat syarat-syarat kerja, hak, dan kewajiban untuk kedua belah pihak. Melalui pendekatan tersebut, tidak terdapat mogok kerja atau *lockout* yang melibatkan karyawan yang menyebabkan penutupan operasi perusahaan secara signifikan pada tahun 2023.

[MM4]

Hingga akhir tahun 2023, di Tambang Emas Tujuh Bukit, jumlah karyawan yang menjadi anggota Serikat Pekerja (SP) mencapai 1.250 karyawan atau 85% dari total karyawan Tambang Emas Tujuh Bukit. Sementara di Tambang Tembaga Wetar, jumlah karyawan anggota Serikat Pekerja mencapai 907 karyawan atau 57% dari total karyawan. Proyek Emas Pani, Proyek MTI, dan Tambang Nikel Konawe belum membentuk Serikat Pekerja. Di kantor pusat, Lembaga Kerja Sama Bipartit sudah terbentuk. [407-1]

Perjanjian Kerja Bersama di Tambang Tembaga Wetar berlaku sejak tanggal 5 November 2022 sampai dengan 4 November 2023. Manajemen BKP-BTR dan SP BKP-BTR akan melakukan perundingan pembaharuan PKB untuk periode selanjutnya di tahun 2024. Dalam rangka persiapan perundingan PKB baru, perusahaan berinisiatif memberikan pelatihan bagi anggota serikat yang akan melaksanakan perundingan PKB dengan manajemen BKP-BTR. Sebagai hasil pelatihan tersebut, kesetaraan dalam perundingan diharapkan akan tercapai karena anggota serikat memiliki pengetahuan yang seimbang dengan manajemen perusahaan tentang tata cara dan isi perundingan.

Labor Union

In accordance with the Human Rights Policy implemented by Merdeka, the company provides opportunities for employees to become members of the Labor Union. Through this organization, employees can voice their aspirations and propose improvements or programs to management. The Labor Union is formed by, for, and of the employees with principles that are free, open, independent, democratic, and accountable. The organization aims to advocate for, defend, and protect the rights and interests of employees, while also enhancing their welfare.

Collective Labor Agreement

Merdeka upholds the obligation to maintain harmonious and responsible industrial relations. The Collective Labor Agreement (CLA) is a manifestation of the results of negotiations between the labor union and the company, based on noble intentions and mutual respect. Through the CLA, Merdeka and employees have a familial bond that is arranged and agreed upon together. The document contains the terms of employment, rights, and obligations for both parties. Through this approach, in 2023, there were no strikes or lockouts involving employees that resulted in the significant closure of company operations.

By the end of 2023, at Tujuh Bukit Gold Mine, the number of employees who are members of the labor union reached 1,250 employees or 85% of the total employees at Tujuh Bukit Gold Mine. Meanwhile, at Wetar Copper Mine, the number of labor union members reached 907 employees or 57% of the total employees. The Pani Gold Project, MTI Project, and Konawe Nickel Mine have not formed a Labor Union. At the headquarters, the Bipartite Cooperation Institution has been formed.

The Collective Labor Agreement at Wetar Copper Mine is effective from November 5, 2022, until November 4, 2023. BKP-BTR management and BKP-BTR SP will conduct negotiations to renew the CLA for the subsequent period in 2024. In preparation for the new CLA negotiations, the company has initiated training for union members who will participate in the CLA negotiations with BKP-BTR management. As a result of this training, equality in negotiations is expected to be achieved because union members will have balanced knowledge with the company's management regarding negotiation procedures and content.

Sementara itu, perpanjangan PKB BSI disepakati di tahun 2023. PKB BSI berlaku dari tanggal 1 Juni 2023 sampai dengan tanggal 31 Mei 2025. Selain itu, BSI juga telah memberikan pembekalan bagi pengurus serikat yang baru.

PKB BSI juga mengatur Pemutusan Hubungan Kerja (PHK) pada bab XII yang menyatakan karyawan akan diinformasikan secara tertulis paling lama 14 hari kerja sebelum tanggal PHK. Selain itu, di kantor pusat, Merdeka mengatur bila ada restrukturisasi dan reorganisasi ataupun perubahan lain yang mengakibatkan adanya PHK, maka karyawan akan diberitahukan selambat-lambatnya 14 hari sebelumnya dan pesangon yang diberikan sesuai dengan peraturan yang berlaku. [402-1]

Pada tahun 2023, seluruh (100%) karyawan Merdeka, baik karyawan tetap, karyawan kontrak, karyawan yang tergabung maupun tidak tergabung dalam serikat pekerja dilindungi oleh Perjanjian Kerja Bersama.

Merdeka telah menyusun Peraturan Perusahaan yang telah disetujui oleh Menteri Ketenagakerjaan yang mengatur ketentuan ketenagakerjaan untuk pekerja di kantor pusat Merdeka. Peraturan Perusahaan tersebut memuat antara lain ketentuan tentang hari kerja, jam kerja (40 jam kerja per minggu) dan jam istirahat setiap hari, dan batas maksimum jam lembur.

Pelatihan Pengurus Serikat Kerja

Komitmen Merdeka untuk memberikan hak kepada setiap pekerja guna membentuk, mengembangkan, dan menjadi anggota serikat pekerja dengan bebas, terbuka, mandiri, demokratis dan bertanggung jawab tertuang dalam Kebijakan Kebebasan dan Perlindungan Berorganisasi. Sebagai bentuk dukungan kami bagi serikat pekerja, pada tahun 2023 Merdeka melakukan serangkaian pelatihan yang diikuti oleh pengurus serikat pekerja, perwakilan dari manajemen unit usaha dan tim industrial relation dari Merdeka.

Meanwhile, the extension of the CLA at BSI was agreed upon in 2023. The BSI CLA is effective from June 1, 2023 until May 31, 2025. Additionally, BSI has also provided training for new union officials.

The collective labor agreement of BSI also regulates Termination of Employment (PHK) in chapter XII, stating that employees will be informed in writing at least 14 working days before the date of termination. Additionally, at the head office, Merdeka regulates that in the event of restructuring, reorganization, or other changes resulting in layoffs, employees will be notified at least 14 days in advance, and severance pay will be provided according to applicable regulations.

In 2023, all of Merdeka employees (100%), whether permanent employees, contract employees, those who are members of labor unions or not, are protected by the Collective Labor Agreement.

Merdeka has formulated Company Regulations that have been approved by the Minister of Manpower, governing employment provisions for workers at Merdeka's headquarters. These Company Regulations include provisions regarding workdays, working hours (40-hour work week), break times each day, and the maximum limit of overtime hours.

Training for Labor Union Officials

Merdeka's commitment to granting every worker the right to form, develop, and become a member of a labor union freely, openly, independently, democratically, and responsibly is reflected in its Policy of Freedom and Protection of organization. As a form of support for labor unions, in 2023, Merdeka conducted a series of training sessions attended by union officials, representatives from business unit management, and industrial relations teams from Merdeka.



Dengan pelatihan serikat pekerja tersebut, Merdeka ingin membangun hubungan saling menguntungkan dan harmonis antara serikat pekerja dan perusahaan. Untuk ke depan, Merdeka akan berupaya agar serikat pekerja dapat menjadi mitra yang dapat memberikan kontribusi bagi kemajuan perusahaan dan pekerja. Dukungan kami terhadap serikat pekerja merupakan upaya Merdeka untuk menghilangkan stigma negatif dalam hubungan industrial antara pekerja dengan perusahaan dan antara pekerja dengan pekerja. Merdeka berharap pelatihan tersebut menjadi perwujudan dari asas kesetaraan dalam perundingan, karena anggota serikat akan memiliki pengetahuan yang seimbang dengan manajemen perusahaan tentang tata cara dan isi perundingan. Selain itu, pelatihan tersebut juga diharapkan dapat menjadi media pembekalan bagi calon pengurus serikat yang baru.

Through these labor union training sessions, Merdeka aims to build mutually beneficial and harmonious relationships between labor unions and the company. Moving forward, Merdeka seeks for labor unions to become partners that can contribute to the progress of both the company and its workers. Our support for labor unions is an effort to eliminate negative stigma in industrial relations between workers and the company, as well as between workers themselves. Merdeka hopes that these training sessions will embody the principle of equality in negotiations, as union members will possess balanced knowledge with the company's management regarding negotiation procedures and content. Additionally, the training is also expected to serve as preparatory groundwork for new union officials.

Remunerasi

Merdeka berkomitmen untuk memberikan remunerasi yang menjadi hak karyawan secara tepat waktu, sesuai dengan kinerja mereka dan peraturan pemerintah yang berlaku. Remunerasi dan tunjangan yang diberikan mencakup gaji, bonus berdasarkan kinerja untuk karyawan tetap dan temporer, cuti, uang makan, uang transport, tunjangan hari raya keagamaan, asuransi kesehatan, akomodasi, perumahan, jaminan hari tua, dan berbagai tunjangan lainnya sesuai dengan Perjanjian Kerja Bersama dan Peraturan Perusahaan. [3-3]

Remunerasi dan tunjangan karyawan yang diberikan oleh Merdeka ditinjau setiap tahunnya berdasarkan kinerja karyawan, kinerja perusahaan dan survei penggajian. Selain itu, penggajian di Merdeka juga mengacu pada standar upah minimum yang berlaku di wilayah kantor pusat Jakarta dan entitas bisnis.

Remuneration

Merdeka is committed to providing timely remuneration that is the right of employees, in accordance with their performance and applicable government regulations. The remuneration and allowances provided include salary, performance-based bonuses for permanent and temporary (contract) employees, leave, meal allowances, transportation allowances, religious holiday allowances, health insurance, accommodation, housing, old-age benefits, and various other allowances according to the Collective Labor Agreement and Company Regulations.

Employee remuneration and allowances provided by Merdeka are reviewed annually based on employee performance, company performance, and salary surveys. Additionally, Merdeka's compensation also adheres to the minimum wage standards applicable in the Jakarta headquarters area and business units.

Perbandingan Upah Karyawan Entry-Level dengan Upah Minimum Comparison of Entry-Level Employee Wages with Minimum Wages

Provinsi/ kabupaten/ kota Province/ district/ city	Upah minimum provinsi/ kabupaten/ kota tahun 2023 Provincial/ district/ city minimum wage in 2023 (Idr)	Gaji pokok karyawan terendah Basic salary of the company's lowest employee		Rasio terhadap upah minimum Ratio to minimum wage		Rasio upah pokok berdasarkan gender Basic wage ratio by gender
		Laki-laki Male (Idr)	Perempuan Female (Idr)	Laki-laki Male	Perempuan Female	
Jakarta	4,901,798	4,910,000	4,910,000	100%	100%	100%
Banyuwangi	2,040,244	2,530,000	2,530,000	124%	124%	100%
Maluku	2,812,827	2,886,778	2,886,778	103%	103%	100%
Morowali	2,599,546	3,236,848	2,715,000	125%	104%	84%
Gorontalo	2,989,350	2,989,350	3,289,638	100%	110%	110%
Konawe	2,758,948	2,761,000	2,798,096	100%	101%	101%

Merdeka berupaya untuk menjaga kesetaraan rasio upah dan remunerasi yang sehat tanpa membedakan jenis kelamin pekerja. Pada tahun 2023, Merdeka menghitung besaran remunerasi pekerja berdasarkan jenis kelamin yang menunjukkan adanya perbedaan remunerasi yang diterima pekerja karena perbedaan posisi dan lokasi kerja.

Fasilitas untuk Karyawan

Merdeka berkeyakinan bahwa salah satu kunci untuk meningkatkan produktivitas adalah memastikan tempat kerja yang nyaman. Secara periodik Merdeka melakukan penilaian fasilitas pendukung bagi karyawan. Selain itu, Merdeka juga membuka kesempatan bagi karyawan untuk memberikan berbagai masukan untuk meningkatkan produktivitas. Hasil penilaian dan masukan dari karyawan digunakan sebagai acuan bagi Merdeka dalam membangun fasilitas berupa akomodasi, sarana olahraga, sarana rekreasi, dan bus antar jemput bagi karyawan.

Selain menerima gaji, karyawan tetap dan karyawan kontrak mendapatkan manfaat lain, yaitu Tunjangan Hari Raya (THR), BPJS kesehatan, BPJS ketenagakerjaan, cuti melahirkan, cuti tahunan, cuti dengan upah, tunjangan transportasi, bantuan pendidikan, santunan kematian, bantuan melahirkan, bantuan kacamata, cuti haid, tunjangan *shift* malam, uang saku *field break*, alat pelindung diri dan bonus produksi. Selain itu, karyawan tetap mendapatkan manfaat penghargaan masa kerja dan fasilitas telekomunikasi dan alat komunikasi. [401-2]

Merdeka strives to maintain equitable wage and remuneration ratios without discriminating based on employees' gender. In 2023, Merdeka calculated the amount of workers' remuneration based on gender, indicating differences in remuneration received by workers due to differences in positions and work locations.

Facilities for Employees

Merdeka believes that one key to improving productivity is ensuring a comfortable workplace. Periodically, Merdeka assesses the facilities for employees. Additionally, Merdeka also opens opportunities for employees to provide various inputs to enhance productivity. The results of assessments and inputs from employees are used as references by Merdeka in building facilities such as accommodation, sports facilities, recreational facilities, and shuttle buses for employees.

In addition to receiving salaries, permanent and contract employees also receive other benefits, namely religious holiday allowance, health insurance (BPJS Kesehatan), employment insurance (BPJS Ketenagakerjaan), maternity leave, annual leave, paid leave, transportation allowance, education assistance, death benefits, maternity assistance, vision benefits, menstrual leave, night shift allowance, field break pocket money, personal protective equipment, and production bonuses. Additionally, permanent employees receive benefits such as tenure awards and telecommunication and communication tool facilities.



▲ Fasilitas olahraga di BKP-BTR
Sport facility at BKP-BTR

4.4

Memperhatikan Masyarakat

Caring for Communities



Memperhatikan Masyarakat

Caring for Communities

Pendekatan Manajemen

Izin sosial merupakan kunci penting dalam mewujudkan keberlanjutan bisnis Merdeka. Merdeka melibatkan masyarakat sejak tahap awal operasi sesuai dengan regulasi pemerintah yang berlaku dan komitmen Merdeka untuk memperoleh persetujuan atas dasar informasi di awal tanpa paksaan (FPIC). [413-1]

Pertambangan dan pengolahan mineral memiliki potensi dampak sosial terhadap masyarakat lokal. Memperhatikan masyarakat lokal merupakan prioritas bagi Merdeka dalam upayanya untuk menjaga hubungan baik, memenuhi tanggung jawab sosial perusahaan, mendukung keberlanjutan bisnis, memperoleh izin operasional, dan mengelola risiko sosial. Program Pengembangan dan Pemberdayaan Masyarakat (PPM) merupakan aspek penting pada pilar pengembangan sumber daya mineral yang bertanggung jawab dalam strategi keberlanjutan Merdeka.

Kebijakan Masyarakat merupakan panduan bagi Merdeka, entitas bisnis dan kontraktor dalam melaksanakan kinerja sosial. Merdeka berkomitmen untuk mematuhi hukum dan peraturan yang berlaku, mengakui serta menghormati warisan budaya, keyakinan, dan nilai-nilai masyarakat adat dan lokal di sekitar wilayah operasional. Merdeka mengakui kelompok rentan yang berpotensi terdampak, termasuk perempuan, anak-anak, kelompok agama dan etnis minoritas, serta penyandang disabilitas di wilayah operasional entitas bisnis. Merdeka melakukan implementasi mekanisme konsultasi dan keterlibatan kelompok rentan untuk menindaklanjuti hak, kepentingan, dan keluhan.

Merdeka mendorong transparansi dan keterbukaan dalam berkomunikasi dan berinteraksi dengan pemerintah daerah, masyarakat, dan para pemangku kepentingan lainnya untuk mengatasi isu-isu sosial dan mencapai hasil yang saling menguntungkan. Selain itu, Merdeka berkomitmen untuk melaksanakan program PPM dengan tetap menghargai budaya masyarakat setempat dan mengutamakan prinsip keadilan yang memberikan manfaat sosial-ekonomi yang positif bagi masyarakat lokal. Merdeka berkomitmen untuk mendorong entitas bisnis untuk mengembangkan perekonomian lokal melalui pengadaan lokal dan memberikan prioritas kesempatan kerja bagi masyarakat lokal. Dalam menghormati hak asasi manusia masyarakat, Merdeka secara periodik mengevaluasi dampak potensial dan aktual terhadap hak asasi manusia dari kegiatan entitas bisnis terhadap masyarakat lokal. Merdeka mengintegrasikan

Management Approach

The social license is a key element in ensuring Merdeka's business sustainability. Merdeka engages with the community from the early stages of operations in accordance with applicable government regulations and Merdeka's commitment to obtaining the Free, Prior, and Informed Consent (FPIC) from the community.

Mining and mineral processing have the potential for social impacts on local communities. Prioritizing the local community is a priority for Merdeka in its efforts to maintain good relations, fulfill corporate social responsibilities, support business sustainability, obtain operational permits, and manage social risks. Community development and empowerment is an important aspect of responsible mineral resource development pillar in Merdeka's sustainability strategy.

The Community Policy serves as a guide for Merdeka, business entities, and contractors in carrying out social performance. Merdeka is committed to complying with applicable laws and regulations, recognizing and respecting the cultural heritage, beliefs, and values of indigenous and local communities around the operational areas. Merdeka acknowledges vulnerable groups potentially impacted, including women, children, religious, ethnic minority groups, and persons with disabilities in the business entity's operational areas. Merdeka implements consultation mechanisms and engages vulnerable groups to address rights, interests, and grievances.

Merdeka encourages transparency and openness in communicating and interacting with local governments, communities, and other stakeholders to address social issues and achieve mutually beneficial outcomes. Additionally, Merdeka is committed to implementing community development and empowerment programs while respecting the local community's culture and prioritizing the principle of justice that provides positive socio-economic benefits to the local community. Merdeka is committed to encouraging business entities to develop the local economy through local procurement and prioritizing job opportunities for the local community. In respecting the human rights of the community, Merdeka periodically evaluates the potential and actual impacts on human rights of business entity activities on the local community. Merdeka integrates measures to reduce social

langkah-langkah untuk mengurangi dampak-dampak sosial dan menangani dampak-dampak aktual yang terjadi. Merdeka berkomitmen untuk menyediakan mekanisme penyampaian keluhan yang efektif bagi masyarakat yang berpotensi terdampak akibat kegiatan operasional entitas bisnis.

Merdeka berkomitmen untuk mendorong kontraktor untuk menjalin hubungan yang harmonis dengan masyarakat lokal dan berupaya untuk menghindari penggunaan kekerasan dan konflik di wilayah operasional entitas bisnis.

Kepala Teknik Tambang (KTT) atau General Manager bertanggung jawab untuk melaksanakan implementasi program sosial dan melaporkan kinerja sosial kepada Direksi. Wakil Presiden Direktur sebagai Ketua Komite Keberlanjutan menetapkan strategi dan melakukan pengawasan kinerja sosial. [3-3]

Merdeka memiliki satu entitas bisnis yaitu Tambang Nikel Konawe yang wilayah operasionalnya berdekatan dengan masyarakat lokal dan merupakan penduduk asli. Sesuai dengan Kebijakan Masyarakat dan Kebijakan Hak Asasi Manusia Merdeka, kami memastikan dialog terbuka dan transparan dengan masyarakat sekitar wilayah operasi kami untuk mengatasi masalah sosial dan kami menghindari konflik dan kekerasan dengan masyarakat di semua wilayah operasi kami. Tidak terdapat pemindahan akibat operasi kami dan tidak terdapat sengketa lahan pada tahun 2023. [411-1][MM5][MM6][MM9]

impacts and address actual impacts that occur. Merdeka is committed to providing an effective grievance mechanism for communities potentially affected by the operational activities of business entities.

Merdeka is committed to encouraging contractors to establish harmonious relationships with the local community and strives to avoid the use of violence and conflicts in the business entity's operational areas.

The Mining Technical Manager (KTT) or General Manager is responsible for implementing social programs and reporting social performance to the Board of Directors. The Vice President Director, as Chairman of the Sustainability Committee, establishes strategies and oversees social performance.

Merdeka has one business entity, namely the Konawe Nickel Mine, situated adjacent to the local community and native inhabitants. In line with our Community Policy and Human Rights Policy, we ensure transparent and open dialogue with the communities surrounding our operations to address social issues and we avoid conflict and violence with communities in all our operations. There were no relocations resulting from mining operations and no issues related to land disputes in 2023.

2023 Performance

Increase local suppliers

Increased the percentage of local suppliers to 49.8%

Community Development and Empowerment Programs

- › Conducted identification and assessment of social impacts annually.
- › Disbursed USD 3.07 million for community development and empowerment programs

Community Engagement

- › Conducted monthly meetings with the the community at BSI, BKP-BTR, SCM, and MTI
- › Resolved all of the significant grievances from the communities

2024 Target

Increase local suppliers

Increase the proportion of local suppliers at all Merdeka's sites

Community Development and Empowerment Programs

Continue engaging with the communities where we operate to identify community investment and development opportunities

Community Engagement

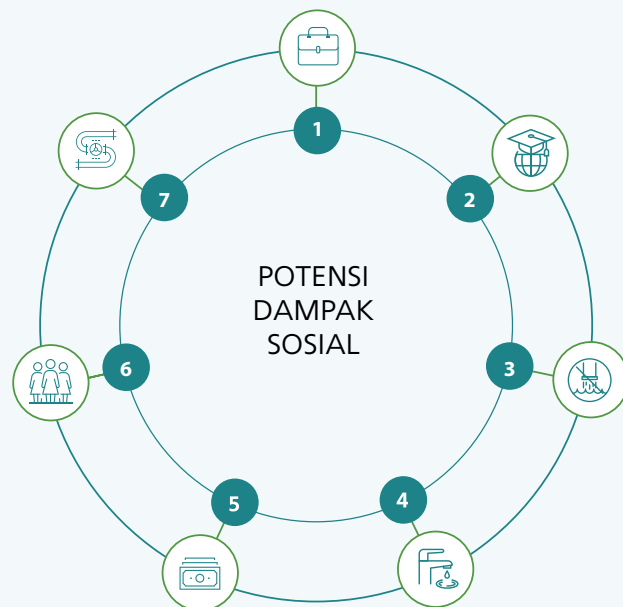
Address all grievances from communities



Identifikasi dan Penilaian Dampak

Sesuai dengan Standar Penilaian Rona Awal dan Dampak Sosial, entitas bisnis Merdeka secara periodik melakukan identifikasi dan penilaian dampak operasional perusahaan terhadap masyarakat sekitar untuk dilaporkan dalam Laporan Tahunan Program Pengembangan dan Pemberdayaan Masyarakat (PPM). Tim Divisi Community entitas bisnis bertugas untuk melakukan identifikasi dan penilaian serta melaporkan hasil dampak sosial tersebut kepada KTT atau General Manager. Pada pelaksanaan penilaian dampak sosial, Tim Divisi Community melakukan kunjungan lapangan terkait dengan potensi dampak sosial yang mungkin akan terjadi. Dalam proses tersebut, Tim Divisi Community melibatkan masyarakat yang terdampak, termasuk kaum rentan, untuk mendiskusikan hasil penilaian dan mencari solusi penyelesaian yang efektif. Selain melakukan penilaian dampak menggunakan Standar Penilaian Rona Awal dan Dampak Sosial, Merdeka juga melakukan evaluasi Analisis Mengenai Dampak Lingkungan (AMDAL) yang menyertakan analisis dampak sosial diseluruh (100%) entitas bisnis. [2-6][413-1]

Pada tahun 2023, ditemukan beberapa potensi dampak sosial di entitas bisnis Merdeka, seperti disajikan berikut:
[F.23][413-2]



Impact Identification and Assessment

In accordance with the Initial Assessment and Social Impact Standards, Merdeka business entities periodically conduct the identification and assessment of the company's operational impacts on the surrounding community to be reported in the Annual Community Development and Empowerment Program Report. The Community Division team of the business entity is responsible for conducting the identification, assessment and reporting the results of social impacts to the KTT or General Manager. In conducting the social impacts assessment, the Community Division team conducts field visits related to potential social impacts that may occur. The Community Division team involves affected communities, including vulnerable groups, to discuss the results of the assessment and seek effective solutions. In addition to conducting impact assessments using the Initial Return on Impact and Social Impact Standards, Merdeka also carries out Environmental Impact Assessment (AMDAL) evaluations that include social impact analyses across all (100%) business entities.

In 2023, several potential social impacts were identified in Merdeka business entities, as follows:

- 1 Keterbatasan kesempatan kerja bagi masyarakat sekitar
Limited job opportunities for the surrounding communities
- 2 Pendidikan
Education
- 3 Saluran sanitasi yang kurang baik
Inadequate sanitation facilities
- 4 Kualitas air dan udara yang buruk
Poor water and air quality
- 5 Kesenjangan pendapatan
Income inequality
- 6 Diskriminasi
Discrimination
- 7 Kerusakan jalan
Road damage

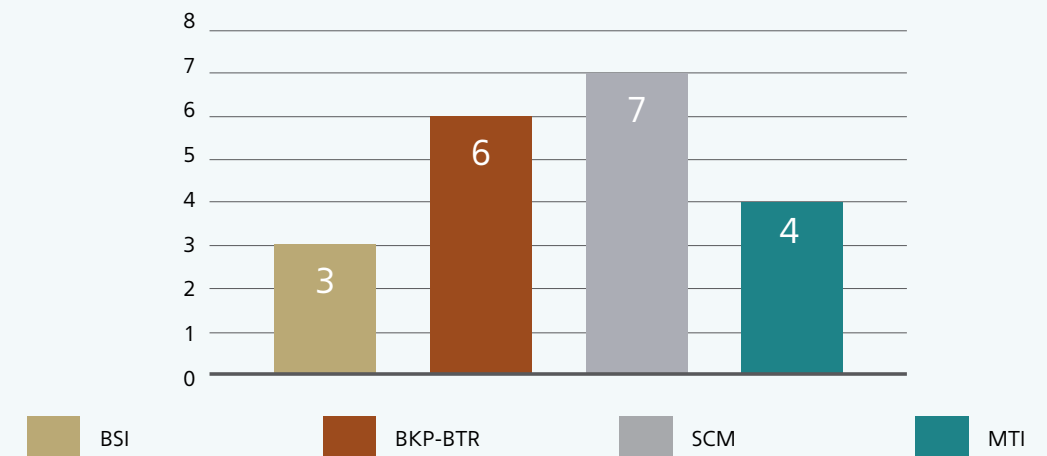
Mekanisme Pengaduan Masyarakat

Merdeka menerapkan Sistem Pelaporan Pelanggaran (WBS) sebagai sarana penerimaan dan pengelolaan pengaduan dari masyarakat terkait dampak kegiatan perusahaan, serta masukan dan harapan dari masyarakat terhadap perusahaan. WBS dikelola oleh konsultan independen dan dapat diakses melalui <https://mcg.whispli.com/SpeakUp> atau melalui telepon dan WhatsApp di 0812 5000 1018.

Mechanism for Community Complaints

Merdeka implements the Whistleblowing System (WBS) as a means of receiving and managing complaints from the public regarding the company's activities, as well as input and expectations from the community regarding the company. WBS is managed independently by an independent consultant and can be accessed through <https://mcg.whispli.com/SpeakUp> or via phone and WhatsApp at 0812 5000 1018.

Pengaduan Masyarakat Community Complaints



Selain itu, dengan mempertimbangkan budaya masing-masing wilayah operasional entitas bisnis pengaduan masyarakat, keluhan juga dapat disampaikan melalui mekanisme yang ditetapkan oleh masing-masing entitas bisnis Merdeka.

Tambang Tujuh Bukit menerima 3 keluhan terkait dengan pemberdayaan pemasok lokal, sementara Tambang Tembaga Wetar menerima 6 keluhan terkait dengan kesempatan kerja bagi masyarakat lokal, status kepemilikan lahan, dan penyediaan sarana air bersih untuk masyarakat. Tambang Nikel Konawe menerima 7 keluhan terkait dengan ganti rugi tanaman masyarakat, kesempatan kerja bagi masyarakat lokal, pemberdayaan pemasok lokal, sementara MTI menerima 4 keluhan terkait dengan kesempatan kerja bagi masyarakat lokal, pemberdayaan pemasok lokal, banjir dan pengelolaan sampah. Sampai dengan akhir tahun 2023, seluruh keluhan telah ditindaklanjuti dan mendapatkan solusi yang telah disepakati oleh pemangku kepentingan terkait.

[F.16][F.24][2-16][2-25][MM7]

In addition, taking into account the culture of each operational region of the business entity, complaints can also be submitted through mechanisms established by each Merdeka's business entity.

Tujuh Bukit Gold Mine received 3 complaints related to empowering local suppliers, while the Wetar Copper Mine received 6 complaints regarding job opportunities for the local community, land ownership status, and the provision of clean water facilities for the community. The Konawe Nickel Mine received 7 complaints related to compensation for community plants, job opportunities for the local community, and empowering local suppliers, while MTI received 4 complaints related to job opportunities for the local community, empowering local suppliers, flood and waste management. By the end of 2023, all complaints have been followed up and resolved through solutions agreed upon by the relevant stakeholders.



Program Pengembangan dan Pemberdayaan Masyarakat

Program Pengembangan dan Pemberdayaan Masyarakat (PPM) Merdeka disusun berdasarkan hasil identifikasi dan penilaian dampak aktual dan potensial, keluhan dari masyarakat, hasil Musyawarah Perencanaan dan Pembangunan Daerah (Musrenbang) yang merupakan forum formal antara pemerintah daerah dan pemangku kepentingan dalam menyusun rencana pembangunan daerah dan Keputusan Menteri Energi dan Sumber Daya Mineral No. 1824 K/30/MEM/2018 tentang Pedoman Pelaksanaan Pengembangan dan Pemberdayaan Masyarakat. [F.23][F.25][413-1]

Community Development and Empowerment Program

The Merdeka Community Development and Empowerment (CDE) Program is developed based on the results of actual and potential impact identification and assessment, community complaints, the outcomes of the Regional Development Planning and Consultation Meeting (Musrenbang), which is a formal forum between local governments and stakeholders in developing regional development plans, and Minister of Energy and Mineral Resources Decree No. 1824 K/30/MEM/2018 on Guidelines for Implementing Community Development and Empowerment.

Pendidikan - Education

Tambang Emas Tujuh Bukit telah melaksanakan program beasiswa untuk 96 orang santri dan 60 mahasiswa perguruan tinggi, menyelenggarakan pelatihan keterampilan melalui kursus komputer bagi 67 pelajar, serta memberikan bantuan sarana dan prasarana pendidikan dengan menyediakan taman belajar masyarakat, perpustakaan keliling, bus sekolah gratis untuk 1.612 siswa, dan melakukan renovasi 10 sekolah.

Tujuh Bukit Gold Mine has implemented a scholarship program for 96 Islamic boarding school students and 60 university students, conducted skills training through computer courses for 67 students, and provided educational facilities by establishing community learning parks, mobile libraries, free school buses for 1,612 students, and renovating for 10 schools.

Tambang Tembaga Wetar telah melaksanakan program beasiswa penuh yang mencakup biaya studi dan biaya hidup setiap bulan bagi mahasiswa yang berasal dari Desa sekitar tambang, memberikan beasiswa kepada siswa Sekolah Menengah Pertama dan Sekolah Menengah Atas, menyelenggarakan pelatihan peningkatan kapasitas dan kecakapan guru, mendukung kegiatan lomba yang diadakan untuk memperingati Hari Sumpah Pemuda, memfasilitasi pengiriman sarana prasarana sekolah, dan memberikan dukungan kepada para pendidik di Desa sekitar tambang dengan membangun teras asrama guru.

Wetar Copper Mine has implemented a full scholarship program covering study fees and monthly living expenses for students from villages around the mine. It has also provided scholarships to junior high and high school students, conducted capacity-building and skills training for teachers, supported competition events held to commemorate Youth Pledge Day, facilitated the delivery of school facilities, and supported educators in surrounding villages by constructing teacher dormitories.



▲ Program beasiswa di BKP-BTR
Scholarship program at BKP-BTR

Tambang Nikel Konawe telah melaksanakan program bantuan untuk 9 orang tenaga guru honorer, menyediakan sarana prasarana untuk Sekolah Dasar, serta memberikan dukungan dalam asesmen 4 sekolah Lalomerui.

Konawe Nickel Mine has implemented assistance programs for 9 non-permanent teachers, provided facilities for elementary schools, and supported 4 school assessments at Lalomerui.

Proyek MTI telah merealisasikan program bantuan sarana pendukung pendidikan, seperti pemberian laptop untuk Sekolah Menengah Kejuruan, memberikan dana untuk mendukung kegiatan Jambore di Sekolah Dasar dan Sekolah Menengah Pertama di sekitar wilayah operasional.

The MTI project has implemented support programs for educational facilities, such as providing laptops for vocational high schools and funds to support Jamboree activities in elementary and junior high schools around the operational area.



▲ Bantuan laptop untuk Sekolah Menengah Kejuruan di Morowali oleh MTI
Laptop Assistance for Vocational High Schools in Morowali by MTI



▲ Bantuan insentif tenaga guru honorer untuk Sekolah Dasar di Konawe
Assistance of incentives for non-permanent teachers at Elementary Schools in Konawe

Kesehatan - Health

Tambang Emas Tujuh Bukit telah melaksanakan program pemberian makanan tambahan pemulihan bagi 188 balita kurang gizi dan ibu hamil yang mengalami kekurangan energi kronis, melakukan promosi kesehatan, dan menyediakan layanan dokter mandiri bagi masyarakat sekitar tambang. Selain itu, perusahaan juga memberikan bantuan sarana dan prasarana kesehatan seperti renovasi puskesmas, bantuan mobil jenazah, dan revitalisasi rumah sehat.

Tujuh Bukit Gold Mine has implemented a supplementary feeding program for 188 malnourished toddlers and pregnant women experiencing chronic energy deficiency, conducted health promotion activities, and provided self-sufficient doctor services for the community around the mine. Additionally, the company has provided assistance in health facilities and infrastructure such as renovating health centers, providing mortuary vehicles, and revitalizing healthy homes.

Tambang Tembaga Wetar telah melaksanakan program penyediaan layanan kesehatan dan pengobatan bagi masyarakat di klinik perusahaan, pengadaan obat-obatan untuk pos obat desa, dan melakukan kampanye promosi perilaku hidup bersih dan sehat di sekolah-sekolah.

Wetar Copper Mine has implemented a healthcare and treatment program for the community at the company clinic, provided medicines for village health posts, and conducted campaigns promoting clean and healthy living behaviors in schools.



Tambang Nikel Konawe telah melaksanakan program sosialisasi pencegahan stunting untuk 30 orang, memberikan bantuan 4 tenaga honorer tenaga kesehatan, pemberian vitamin untuk ibu hamil dan menyusui, serta pemberian vitamin dan makanan tambahan untuk anak-anak di 4 desa sekitar tambang. Proyek MTI memberikan bantuan makanan untuk kepada balita stunting di Posyandu Makarti.

Konawe Nickel Mine has implemented a stunting prevention socialization program for 30 persons, provided assistance to non-permanent healthcare workers, distributed vitamins for pregnant and lactating women, as well as providing vitamins and supplementary foods for 4 children around mine area. MTI project provides food assistance to stunted toddlers at Posyandu Makarti.



▲ Bantuan vitamin untuk ibu hamil dan menyusui, pemberian vitamin dan makanan tambahan untuk anak-anak di Morowali dan Konawe oleh MTI dan SCM.
Provision of vitamins for pregnant and lactating mothers, as well as the distribution of vitamins and supplementary food for children in Morowali and Konawe by MTI and SCM.



▲ Menyediakan layanan kesehatan dan pengobatan bagi masyarakat di Wetar.
Providing healthcare services and medical treatment for the community in Wetar.

Tingkat Pendapatan Riil atau Pekerjaan Real Income Level or Employment



Tambang Emas Tujuh Bukit merealisasikan program pengembangan masyarakat setempat yang mencakup budidaya kambing untuk 17 orang, budidaya ayam untuk 16 orang, budidaya sapi untuk 7 orang, budidaya udang untuk 5 orang, budidaya lebah madu untuk 7 orang, produksi kerupuk untuk 4 orang, produksi batako untuk 10 orang, pemberdayaan 90 orang kaum perempuan desa untuk usaha katering, serta memberikan prioritas kepada masyarakat lokal dalam perekrutan sebagai fasilitator desa dan pelatihan keterampilan 370 tenaga kerja lokal untuk mendukung kegiatan operasional perusahaan.

Tujuh Bukit Gold Mine has implemented a local community development program that includes goat farming for 17 persons, chicken farming for 16 persons, cattle farming for 7 persons, shrimp farming for 5 persons, honey bee farming for 7 persons, crackers production for 4 persons, brick production, empowering for 90 rural women for catering businesses, and prioritizing local recruitment as village facilitators and providing for 370 local workforce skills training to support company operational activities.

Tambang Tembaga Wetar merealisasikan program pendampingan dan pembelian hasil budidaya pertanian, peternakan, dan perikanan, serta menyewa perahu milik masyarakat lokal untuk pengangkutan logistik perusahaan.

Wetar Copper Mine has implemented mentoring and purchasing programs for agricultural, livestock, and fisheries cultivation, as well as renting boats owned by local communities for company logistics transportation.

Tambang Nikel Konawe merealisasikan program pelatihan dasar untuk 14 operator dump truck, penyuluhan, bantuan bibit pupuk, dan pestisida kepada 350 petani, serta memberikan kesempatan kerja bagi 253 masyarakat lokal sesuai dengan kompetensinya.

Konawe Nickel Mine has implemented basic training programs for 14 dump truck operators, counseling, assistance in seedlings, fertilizers, and pesticides for 350 farmers, as well as providing job opportunities for 253 local communities according to their competencies.

Proyek MTI merealisasikan program penyediaan kesempatan kerja bagi 150 karyawan lokal atau sekitar 32% dari total karyawan MTI.

The MTI project has implemented job opportunities for 150 local employees, which is about 32% of the total MTI workforce.



▲ Program pelatihan dasar untuk operator dump truck, penyuluhan, bantuan bibit pupuk, dan pestisida kepada petani di Konawe oleh SCM.
Basic training programs for dump truck operators, counseling, assistance in seedlings, fertilizers, and pesticides for farmers at Konawe by SCM



Kemandirian Ekonomi - *Economic Independence*



Tambang Emas Tujuh Bukit merealisasikan program pengembangan Usaha Mikro Kecil Menengah (UMKM) dengan menyediakan fasilitas untuk pusat UMKM dan meningkatkan kapasitas UMKM melalui pelatihan sertifikasi produk makanan serta menyediakan program pembuatan pupuk organik padat bagi kelompok Rawajaya yang beranggotakan 30 orang.

Tambang Tembaga Wetar merealisasikan program pendampingan pengembangan usaha madu hutan dan jambu mete, serta pengembangan sistem pertanian terpadu dan menyediakan satu kontainer kargo untuk melayani pengangkutan barang masyarakat dari Kupang ke Wetar.

Tambang Nikel Konawe merealisasikan program bantuan teknis berupa pelatihan, pemberian modal usaha, dan pendampingan masyarakat menjadi pemasok lokal untuk kantin dan vendor perusahaan.

Proyek MTI merealisasikan program pemanfaatan sisa limbah makanan dari mess untuk makanan ternak, serta membantu menyediakan mesin pencacah limbah organik menjadi pakan hewan bagi peternak ikan lele. [203-2]

Tujuh Bukit Gold Mine has implemented a small-medium enterprise (SME) development program by providing facilities for SME centers and enhancing SME capacity through certification training for food products. Furthermore, this program provides the production of solid organic fertilizer for Rawajaya groups consisting of 30 members.

Wetar Copper Mine has implemented a mentoring program for the development of forest honey and cashew businesses, as well as the development of integrated agricultural systems and providing one cargo container to serve the transportation of goods from Kupang to Wetar.

Konawe Nickel Mine has implemented a technical assistance program including training, provision of capital, and mentoring for food providers and grocery stores.

The MTI project has implemented a program to utilize food waste from camps for animal feed and has helped provide machines to shred organic waste into animal feed for catfish farmers.



▲ Kontainer kargo untuk melayani pengangkutan barang masyarakat dari Kupang ke Wetar
Cargo containers to serve the transportation of goods from Kupang to Wetar for the community



▲ Pemberian modal usaha untuk masyarakat sekitar tambang SCM
Providing business capital support for communities surrounding SCM mines

Sosial Budaya dan Agama - *Socio Cultural and Religion*



▲ Berpartisipasi dalam Perayaan Natal di Wetar
Participating in Christmas celebrations in Wetar



▲ Bantuan untuk perayaan Hari Raya Idul Adha di Konawe
Assistance for the celebration of Eid al-Adha in Konawe



▲ Bantuan karpet untuk masjid di Morowali
Carpets assistance for mosques in Morowali



▲ Perayaan HUT RI Ke-78 di Kecamatan Rوتا
The 78th Indonesia Independence celebration in Rوتا District

Tambang Emas Tujuh Bukit merealisasikan program bantuan pembangunan dan renovasi tempat ibadah, bantuan bencana alam dengan memberikan paket sembako untuk korban banjir di Banyuwangi untuk 200 orang, dan dukungan pada berbagai kegiatan yang berkaitan dengan kebudayaan dan kearifan daerah.

Tambang Tembaga Wetar merealisasikan program dukungan untuk perayaan hari raya keagamaan seperti Ramadhan dan Natal, bantuan sosial dan kompensasi untuk kaum rentan seperti lansia, serta mendukung kampanye tentang bahaya miras dan judi.

Tambang Nikel Konawe merealisasikan program bantuan untuk perayaan Hari Raya Idul Adha, pemberian honor untuk 4 imam masjid dan guru mengaji, dukungan kegiatan olahraga di 8 desa, dan bantuan dalam perayaan Hari Ulang Tahun Kemerdekaan Republik Indonesia Ke-78.

Proyek MTI merealisasikan program dengan membantu pengadaan karpet untuk masjid di Morowali.

Tujuh Bukit Gold Mine implements assistance programs for the renovation of places of worship, natural disaster relief by providing basic food packages for flood victims in Banyuwangi for 200 persons, and support for various activities related to local culture and wisdom.

The Wetar Copper Mine implements support programs for the celebration of religious holidays such as Ramadan and Christmas, social assistance and compensation for vulnerable groups such as the elderly, as well as supporting campaigns on the dangers of alcohol and gambling

The Konawe Nickel Mine implements assistance programs for the celebration of Eid al-Adha, providing honorariums for 4 mosque imams and Quran teachers, supporting sports activities 8 villages, and providing assistance for the 78th anniversary of the Independence Day of the Republic of Indonesia.

MTI project implements a program by assisting in the procurement of carpets for mosques in Morowali.

Partisipasi Masyarakat dalam Pengelolaan Lingkungan *Community Participation in Environmental Management*



Tambang Emas Tujuh Bukit merealisasikan program kebersihan tempat wisata di sekitar wilayah operasional, pencegahan debu dengan penyiraman jalan, pengolahan sampah organik untuk 11 orang, dan dukungan bagi festival mangrove.

Tambang Tembaga Wetar melaksanakan program sosialisasi penyadaran dan kepedulian masyarakat terhadap lingkungan, pengembangan desain program intervensi pengelolaan lingkungan, dan penyelenggaraan lomba lingkungan sehat.

Tambang Nikel Konawe melaksanakan program sosialisasi sanitasi kepada murid-murid Sekolah Dasar mengenai tata cara pemilahan sampah, pemberian bantuan tempat sampah pemilahan organik dan non-organik di Sekolah Dasar, penyiraman jalan untuk mengurangi debu, dan rehabilitasi jaringan air bersih di Desa sekitar tambang.

Proyek MTI merealisasikan program bantuan sarana pengelolaan sampah di Sekolah Dasar di sekitar wilayah operasional dan menyediakan ban bekas untuk digunakan kembali sebagai pot untuk menanam tanaman hias.

Tujuh Bukit Gold Mine implements a cleanliness program for tourist areas around the operational area, dust prevention through road watering, organic waste management for 11 persons, and support for mangrove festivals.

The Wetar Copper Mine implements a socialization program to raise awareness and community concern for the environment, developing intervention program designs for environmental management, and organizing healthy environment competitions.

The Konawe Nickel Mine implements sanitation socialization programs for elementary school students regarding waste sorting procedures, providing separate bins for organic and non-organic waste in elementary schools, road watering to reduce dust, and rehabilitation of clean water networks in villages around the mine.

The MTI Project implements assistance programs for waste management facilities in elementary schools around the operational area and provides used tires to be reused as pots for planting ornamental plants.



▲ Sosialisasi lingkungan kepada masyarakat di Wetar
Environmental awareness campaign for the community in Wetar



▲ Sosialisasi sanitasi kepada Sekolah Dasar di Lalomerui
Sanitation awareness campaign for Elementary Schools in Lalomerui



▲ Menyediakan ban bekas untuk digunakan kembali sebagai pot tanaman hias
Providing used tires to be reused as decorative plant pots

Kelembagaan Komunitas Masyarakat dalam Menunjang Kemandirian PPM *Community Institutions in Supporting the Independence of Community Development and Empowerment*



Tambang Emas Tujuh Bukit merealisasikan program peningkatan kapasitas Badan Usaha Milik Desa (BUMDes) dan bantuan sarana prasarana pendukung kegiatan Bumdes, termasuk Pembangunan Balai Ekonomi Desa (Balkondes) dan pertemuan rutin Kepala Desa (Kades) di sekitar wilayah operasional.

Tambang Tembaga Wetar merealisasikan program bantuan pemberian honor kepada pengurus yayasan sosial di sekitar

Tujuh Bukit Gold Mine implements capacity-building programs for Village-Owned Enterprises (BUMDes) and provides support for infrastructure facilities supporting BUMDes activities, including the construction of Village Economic Centers and regular meetings of Village Heads around the operational area.

The Wetar Copper Mine implements a program to provide honorariums to social foundation executives around the

tambang, pendampingan penguatan kelembagaan dan pengurus yayasan sosial, serta pendampingan penguatan kelembagaan dan aparat pemerintah desa. Perusahaan juga memberikan bantuan honorarium kepada pemerintah desa untuk rapat koordinasi bulanan dan dukungan pembiayaan untuk pembangunan di desa sekitar tambang.

Tambang Nikel Konawe merealisasikan program bantuan untuk Himpunan Pemuda Pelajar Mahasiswa Rوتا (HIPPMAR) dan Ikatan Pelajar dan Mahasiswa Rوتا (IPMR) dalam bentuk sewa mess tempat tinggal, pemberian insentif kepada Komite Desa, serta membantu dalam sosialisasi pelibatan pemangku kepentingan, mekanisme pengaduan, dan pendidikan tentang keanekaragaman hayati.

Proyek MTI merealisasikan program bantuan untuk meningkatkan modal BUMDes di desa-desa sekitar wilayah operasional.

mine, mentoring for strengthening institutional capacity and social foundation executives, as well as mentoring for strengthening institutional capacity and village government apparatus. The company also provides honorariums to village governments for monthly coordination meetings and supports financing for development in villages around the mine.

The Konawe Nickel Mine implements assistance programs for Association of Rوتا Youth and Students and Association of Rوتا Students in the form of renting accommodation, providing incentives to Village Committees, and assisting in the socialization of stakeholder engagement, grievance mechanisms, and education about biodiversity.

The MTI Project implements assistance programs to increase capital for village-owned enterprises in villages around the operational area.



▲ Pendampingan penguatan lembaga dan aparat pemerintah desa di Wetar
Assistance in strengthening institutional capacity and government apparatus in Wetar



▲ Pelibatan pemangku kepentingan dan sosialisasi mekanisme pengaduan di Lalomerui
Stakeholder engagement and dissemination of grievance mechanisms in Lalomerui

Pembangunan Infrastruktur - *Infrastructure Development*



Tambang Emas Tujuh Bukit merealisasikan program penataan kampung nelayan, perbaikan jembatan, pembangunan jalan, pengadaan lampu penerangan, dan pembuatan saluran irigasi di perkebunan masyarakat.

Tambang Tembaga Wetar merealisasikan program pengadaan bahan bakar minyak dan pemeliharaan generator listrik untuk desa sekitar tambang, serta memberikan bantuan honorarium untuk penjaga genset, pemeliharaan genset, renovasi gereja, pemeliharaan sistem perpipaan air bersih, dan bantuan untuk renovasi dan instalasi fasilitas sekolah dasar di sekitar tambang.

Tujuh Bukit Gold Mine implements programs for organizing fisherman villages, repairing bridges, constructing roads, providing street lighting, and building irrigation channels in community plantations.

The Wetar Copper Mine implements programs for procuring fuel and maintaining power generators for villages around the mine. Additionally, it provides honorarium assistance for generator attendants, maintenance of generators, church renovations, maintenance of clean water pipeline systems, and assistance for renovating and installing facilities in elementary schools around the mine.

Tambang Nikel Konawe merealisasikan program bantuan perawatan jalan di desa sekitar tambang, pembangunan tempat ibadah, pembangunan pipa saluran air dan penampungan air bersih, perawatan fasilitas kesehatan, pembangunan ruang kelas Sekolah Dasar, dan pemasangan meteran listrik.

Proyek MTI merealisasikan program pembuatan dan perawatan saluran air sebagai jalur drainase, serta menyediakan pompa air untuk menanggulangi banjir. [203-1]



▲ Pemeliharaan generator listrik untuk desa sekitar tambang di Wetar
Maintenance of electricity generators for villages around Wetar mine

The Konawe Nickel Mine implements programs for road maintenance in villages around the mine, constructing places of worship, construction of water pipeline and clean water storage, maintaining health facilities, building elementary school classrooms, and installing electricity meters.

The MTI Project implements programs for constructing and maintaining water channels as drainage routes, as well as providing water pumps to mitigate floods.



▲ Bantuan pembangunan Masjid di Konawe
Assistance for the construction of a mosque in Konawe

Realisasi Dana Program PPM Merdeka tahun 2023
Funds Disbursed for Merdeka CDE Programs in 2023

No.	Pilar/Pillar	Dana Disalurkan/Funds Disbursed (USD)
1	Pendidikan/ Education	443,979
2	Kesehatan/ Health	166,659
3	Tingkat Pendapatan Riil atau Pekerjaan/ Real Income Level or Employment	656,369
4	Kemandirian Ekonomi/ Economic Independence	85,269
5	Sosial dan Budaya/ Social and Cultural	296,554
6	Lingkungan/ Environment	53,761
7	Peningkatan Kapasitas Masyarakat/ Community Capacity	437,108
8	Pembangunan Infrastruktur/ Infrastructure Development	935,799
TOTAL		3,075,498

Pemberdayaan Pemasok Lokal

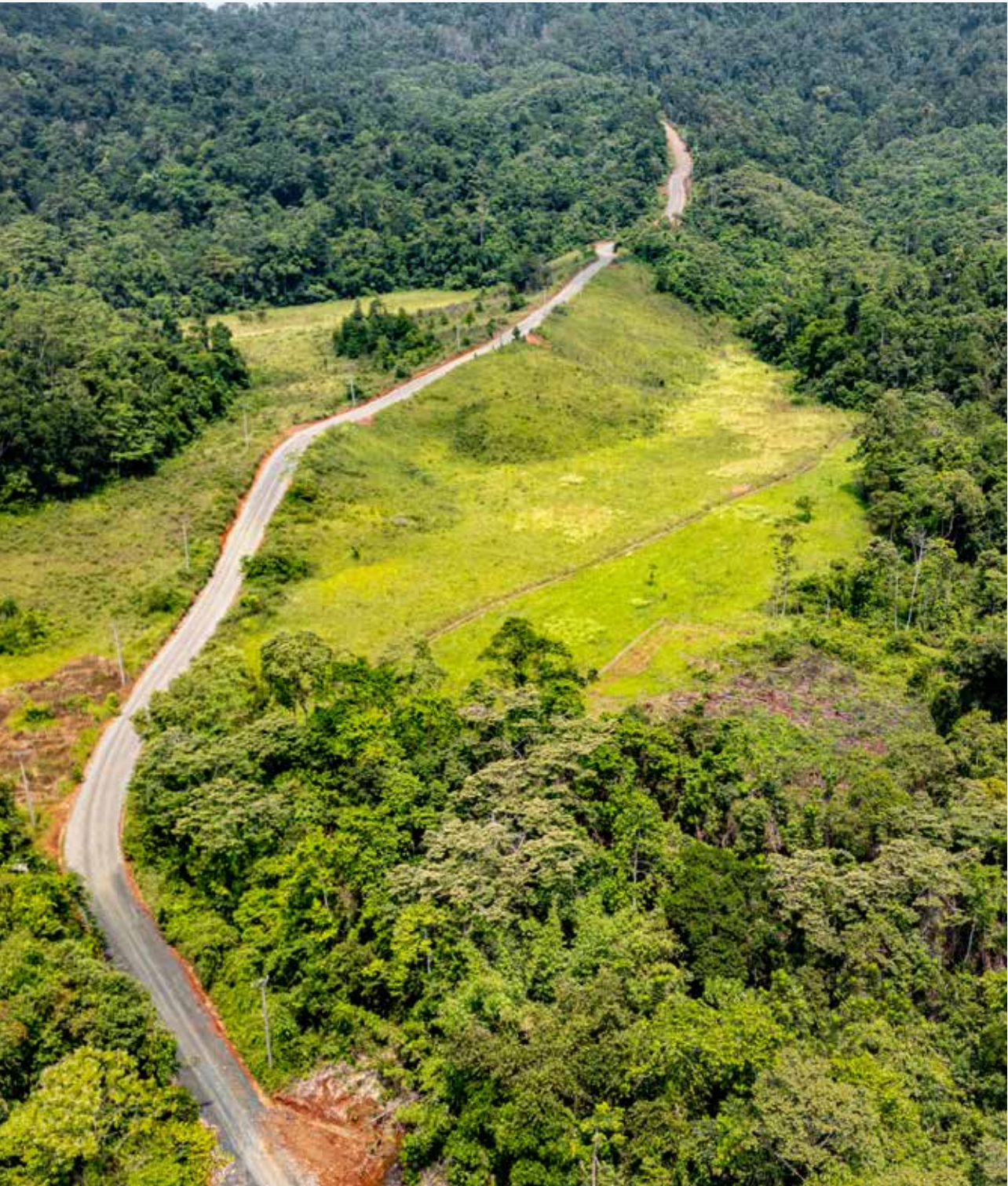
Sesuai dengan Peraturan Kementerian Energi dan Sumber Daya Mineral (ESDM) No. 28 tahun 2009, Merdeka mengutamakan pemasok lokal untuk berkontribusi pada peningkatan pendapatan masyarakat dan pemerintah daerah. Meskipun menghadapi berbagai tantangan, seperti kurangnya kompetensi dan tata kelola pemasok, Merdeka terus berupaya meningkatkan kerja sama dengan pemasok lokal dan nasional. Melalui kerja sama antara Divisi Pengadaan dan Divisi Community, Merdeka berupaya untuk mendorong dan mengembangkan kompetensi pemasok lokal.

Empowerment of Local Suppliers

In accordance with Ministry of Energy and Mineral Resources Regulation No. 28 of 2009, Merdeka prioritizes local suppliers to contribute to the increase in community and regional government revenue. Despite facing various challenges, such as a lack of competence and supplier governance, Merdeka continues to strive to enhance cooperation with local and national suppliers. Through collaboration between the Procurement Division and Community Division, Merdeka endeavors to promote and develop the competence of local suppliers.

Pada tahun 2023, jumlah pengeluaran Merdeka untuk pemasok lokal dan internasional memiliki porsi yang hampir sama. Hal ini disebabkan oleh pembelian barang dan jasa dengan teknologi tinggi yang tidak tersedia di dalam negeri. Persentase total kontrak dari pemasok lokal dan internasional masing-masing adalah sebesar 49,84% dan 50,16%. Pemasok lokal merupakan pemasok yang berada di wilayah Indonesia. [3-3][204-1][B.1][E.5]

In 2023, Merdeka's expenditure for local and international suppliers had nearly equal proportions. This was due to the purchase of goods and services with high-end technology that are not available domestically. The total contract percentage from local and international suppliers respectively is 49.84% and 50.16%. Local suppliers represent suppliers domiciled within the territory of Indonesia.

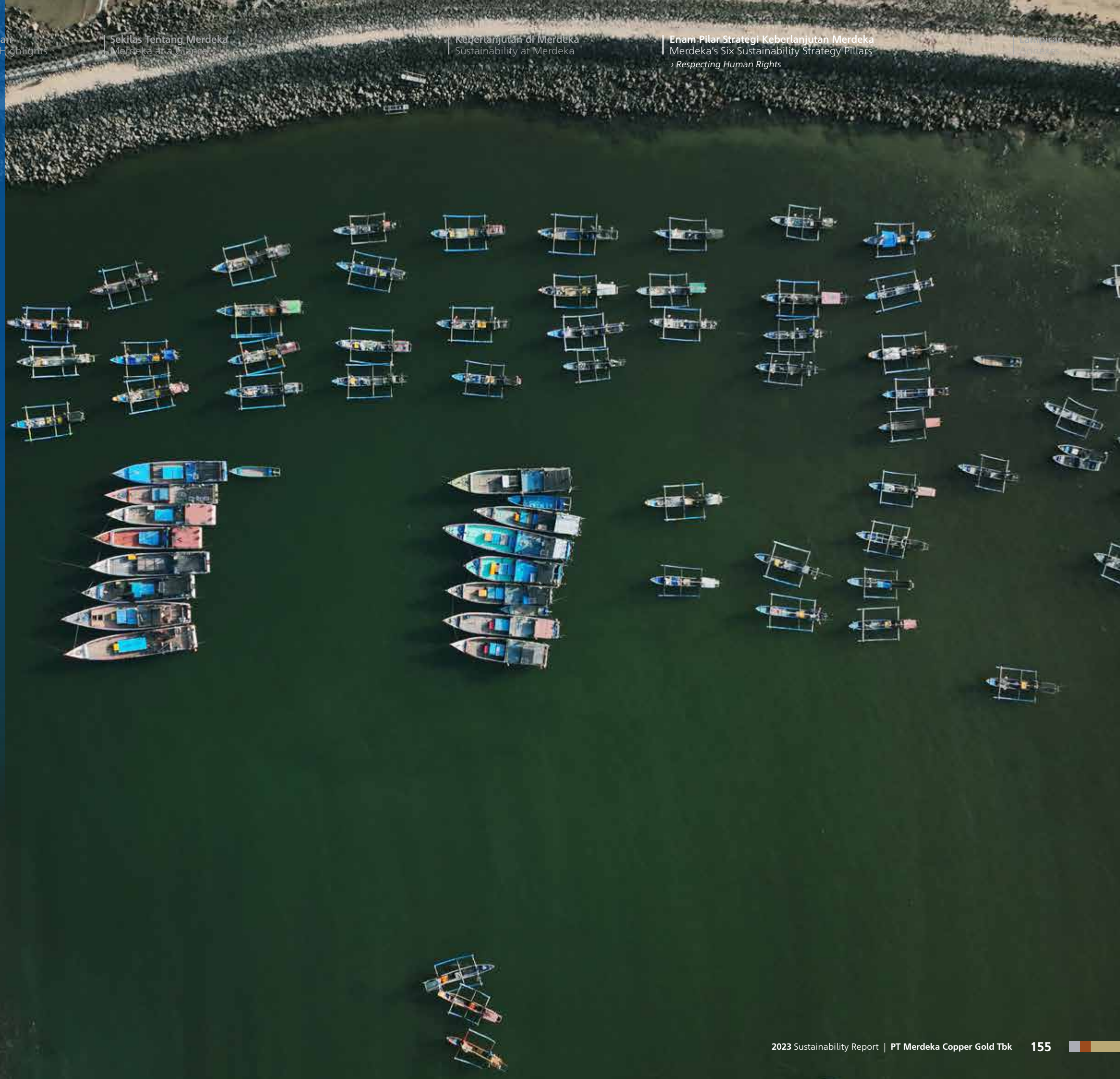


▲ Jalan yang telah diperbaiki untuk akses masyarakat desa lalomerui
The repaired road for the community in Lalomerui

4.5

Menghormati Hak Asasi Manusia

Respecting Human Rights



Menghormati Hak Asasi Manusia

Respecting Human Rights

Pendekatan Manajemen

Merdeka menempatkan penghormatan hak asasi manusia sebagai fondasi dalam pelaksanaan kegiatan bisnis. Merdeka berkomitmen menghormati hak asasi manusia semua individu, termasuk karyawan Merdeka, masyarakat di wilayah operasional Merdeka, dan pihak lain yang terdampak oleh kegiatan operasional Merdeka.

Komitmen Merdeka untuk menghormati hak asasi manusia dan pendekatan dalam mewujudkan komitmen tersebut dinyatakan dalam Kebijakan Hak Asasi Manusia (HAM) Merdeka. Kebijakan hak asasi manusia Merdeka disusun berdasarkan Prinsip-Prinsip Panduan PBB tentang Bisnis dan Hak Asasi Manusia (United Nations Guiding Principles on Business and Human Rights).

Penghormatan hak asasi manusia oleh Merdeka mencakup hak asasi manusia yang diakui secara internasional, termasuk hak-hak yang diuraikan dalam hukum hak asasi manusia internasional yang terdiri dari Deklarasi Universal Hak Asasi Manusia, Kovenan Internasional tentang Hak-Hak Sipil dan Politik, serta Konvenan Internasional tentang Hak Ekonomi, Sosial, dan Budaya dan prinsip-prinsip mengenai hak-hak mendasar dalam Deklarasi ILO mengenai Hak-Hak dan Prinsip-Prinsip Mendasar di Tempat Kerja.

Merdeka mengakui dan menghormati hak-hak semua individu yang termasuk dalam kelompok atau populasi yang berpotensi rentan terhadap dampak buruk, termasuk masyarakat adat, perempuan, agama dan etnis minoritas, anak-anak, dan penyandang disabilitas serta menerapkan prinsip kesempatan yang sama dan non-diskriminasi dalam setiap interaksi dengan kelompok-kelompok ini dan pemangku kepentingan lainnya.

Merdeka menghormati hak-hak pekerja kami dan pekerja pemasok kami, termasuk namun tidak terbatas pada lingkungan kerja yang aman dan sehat, kebebasan untuk berserikat dan perlindungan berorganisasi, dan perundingan bersama. Merdeka melarang segala bentuk kerja paksa, pekerja anak, dan perdagangan manusia di seluruh operasi dan rantai pasokan kami, menciptakan lingkungan kerja yang beragam dan inklusif, bebas dari praktik diskriminasi.

Kebijakan Hak Asasi Manusia Merdeka menyatakan bahwa Merdeka selalu berupaya menghindari konflik

Management Approach

Merdeka places respect for Human Rights as the foundation for carrying out its business activities. Merdeka is committed to respecting the human rights of all individuals, including Merdeka employees, communities in Merdeka's operational areas, and other parties affected by Merdeka's operational activities.

Merdeka's commitment to respect human rights and its approach to realizing this commitment is stated in the Merdeka Human Rights Policy. The Merdeka Human Rights Policy is developed based on the United Nations Guiding Principles on Business and Human Rights.

Merdeka's respect for human rights includes internationally recognized human rights, including rights outlined in international Human Rights law consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social, and Cultural Rights, and principles regarding fundamental rights in the ILO Declaration on Fundamental Principles and Rights at Work.

Merdeka acknowledges and respects the rights of all individuals who are part of or potentially vulnerable populations to adverse impacts, including indigenous peoples, women, religious and ethnic minorities, children, and persons with disabilities, and applies the principles of equal opportunities and non-discrimination in every interaction with these groups and other stakeholders.

Merdeka respects the rights of our workers and the workers of our suppliers, including but not limited to safe and healthy working environments, freedom to unionize and organize, and collective bargaining. Merdeka prohibits any form of forced labor, child labor, and human trafficking across our operations and supply chains, creating a diverse and inclusive working environment free from discriminatory practices.

Merdeka Human Rights Policy states that Merdeka always endeavors to avoid conflicts and acts of violence against

dan melakukan tindakan kekerasan terhadap masyarakat dan pemangku kepentingan lainnya di semua kegiatan operasional kami. Selain itu, kami memastikan bahwa rantai pasokan kami tidak terlibat konflik dan tidak berkontribusi terhadap kekerasan atau pelanggaran hak asasi manusia.

Kami juga menghormati hak-hak masyarakat yang terdampak oleh kegiatan operasional kami, termasuk akses masyarakat untuk mendapatkan sumber air dan hak atas lingkungan yang sehat.

Komite Keberlanjutan memantau program dan kinerja hak asasi manusia secara berkala, dan secara rutin melaporkan serta meminta persetujuan dari Direksi, yang memiliki pengawasan tertinggi terhadap hak asasi manusia di Merdeka.

Departemen Keberlanjutan bertanggung jawab untuk mengoordinasikan pelaksanaan Kebijakan Hak Asasi Manusia dan program-program terkait hak asasi manusia dengan berkolaborasi departemen-departemen terkait, sites, dan kelompok pemangku kepentingan yang relevan. Kinerja pelaksanaan Kebijakan dan program-program HAM diawasi oleh Wakil Presiden Direktur dan Executive VP Sustainability. [3-3]

communities and other stakeholders in all our operational activities. Additionally, we ensure that our supply chains are not involved in conflicts and do not contribute to violence or human rights violations.

We also respect the rights of communities affected by our operational activities, including community access to water sources and the right to a healthy environment.

The Sustainability Committee monitors human rights programs and performance regularly, and routinely reports and seeks approval from the Board of Directors, which has the highest oversight over human rights at Merdeka.

The Sustainability Department is responsible for coordinating the implementation of Human Rights Policy and human rights related programs by collaborating with relevant departments, sites, and relevant stakeholder groups. The performance of Human Rights Policy implementation and programs is monitored by the Vice President Director and the Executive VP Sustainability.

2023 Performance

Human Rights Due Diligence
Followed up on the results of the human rights impact assessment at SCM.

Global initiatives participations
Submitted the 2023 Communication on Progress (CoP) to the UN Global Compact.

Security and Human Rights
Provided Human rights training to 50% security officers at SCM and 48% at MTI.

Effective Grievances Mechanism
› Disseminated Merdeka's whistleblowing system to employees and contractors.
› Disseminated Merdeka's speaking-up and anti-retaliation policy to employees and contractors.
› Addressed all grievances received through WBS.

Human Rights Training
Provided human rights training to employees and suppliers as part of code of conduct training.

Human Rights Monitoring
Screened 69% of major contractors using human rights indicators.

2024 Target

Global initiatives participations
Submit Communication on Progress (CoP) in 2024 to the UN Global Compact.

Security and Human Rights
Provide human rights training for security officers at all sites.

Effective Grievances Mechanism
› Disseminate Merdeka's whistleblowing system (WBS) to employees and contractors.
› Disseminate Merdeka's speaking-up and anti-retaliation policy to employees and contractors.
› Address all grievances received through WBS.

Human Rights Training
Provide human rights training to employees and business partners.

Human Rights Monitoring
Increase percentage of major contractors screened using human rights indicators.



Mengintegrasikan Komitmen Penghormatan Hak Asasi Manusia

Untuk memastikan integrasi komitmen Merdeka terhadap hak asasi manusia di seluruh Merdeka, komitmen terhadap hak asasi manusia juga tercermin dalam Kode Etik Merdeka, Kebijakan Sumber Daya Manusia, Kebijakan Komunitas, dan Kode Etik Keberlanjutan Pemasok Merdeka.

Code of Conduct, Policies, Guidelines and Standards

Code of Conduct, Health and Safety Policy and Human Resources Policies (Diversity, Equality, and Inclusivity Policy, Anti-Discrimination and Gender Equality Policy, Anti Child Labor and Forced Labor Policy, Freedom of Association and Protection of Organization Policy, Conducive and Positive Work Environment Policy, Speaking Up and Anti-Retaliation Policy)
Community Policy
Supplier Sustainability Code of Conduct
Environmental Policy

Embedding Commitments to Respect Human Rights

To ensure the integration of Merdeka's commitment to human rights throughout Merdeka, the commitment to human rights has also been reflected in Merdeka's Code of Conduct, Human Resources Policies, Community Policy, and Supplier Sustainability Code of Conduct.

Relevant Stakeholders/ Areas of Human Rights Risks

Employees and suppliers • Right to life • Right to an adequate standard of living • Right to just and favorable conditions of work • Right to equality and non-discrimination • Rights not to be subjected to child labor and forced labor • Rights to freedom of association and collective bargaining • Right to a safe and healthy working environment
Communities Including access to water, land rights, a clean and healthy environment and the rights of communities near our operations such as local communities, indigenous people, and other vulnerable groups
Suppliers • Right to adequate standard of living • Right to just and favourable conditions of work • Right to equality and non-discrimination • Rights not to be subjected to child labor and forced labor • Rights to freedom of association and collective bargaining • Right to safe and healthy working environment • Right to life
Environment Risks of environmental degradation on natural resource availability, human health, land and resource rights.

Human Rights Due Diligence

Salah satu upaya Merdeka untuk memastikan pelaksanaan komitmen HAM Merdeka adalah dengan melakukan uji tuntas HAM sesuai dengan Prinsip Panduan PBB tentang Bisnis dan Hak Asasi Manusia (UNGPs). Proses uji tuntas HAM mencakup proses identifikasi dan penilaian risiko, dan dampak kegiatan perusahaan terhadap hak asasi manusia. Hasil identifikasi dan penilaian diintegrasikan ke dalam fungsi dan proses internal yang relevan, diikuti oleh pengambilan tindakan yang sesuai. Kemudian, kami melakukan pelacakan efektivitas langkah-langkah penyelesaian dan mengomunikasikan langkah-langkah yang kami lakukan dalam penanganan dampak tersebut.

Human Rights Due Diligence

To ensure the implementation of Merdeka's human rights commitments, Merdeka has conducted human rights due diligence in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs). The human rights due diligence process includes the identification and assessment of risks and impacts of the company's activities on human rights. The results of the identification and assessment are integrated into relevant internal functions and processes, followed by appropriate action. Subsequently, we track the effectiveness of remediation measures and communicate the steps we take to address these impacts.

Dalam pelaksanaan Uji tuntas HAM, kami melaksanakan pelibatan pemangku kepentingan yang terdampak dan berpotensi terdampak kegiatan usaha kami. Kami berupaya memastikan keterlibatan pemangku kepentingan yang paling rentan, terutama jika mereka menghadapi kesulitan dalam mengemukakan pendapat mereka atau mendapatkan informasi terkait tindak lanjut atas pendapat mereka, dan untuk mengidentifikasi tindak lanjut tambahan untuk menghindari, mencegah, atau memitigasi dampak terhadap mereka.

Pada tahun 2023, SCM melakukan tindak lanjut atas penilaian dampak terhadap hak asasi manusia (HRIA) yang dilakukan pada tahun sebelumnya. Tindak lanjut antara lain mencakup pelaksanaan pelatihan hak asasi manusia kepada petugas keamanan di SCM. Selain itu, SCM menyediakan pelatihan vokasional bagi pemuda lokal untuk membantu mereka mendapatkan pekerjaan. Setelah menjalani pelatihan, para pemuda lokal kini bekerja untuk perusahaan mitra SCM yang beroperasi di area konsesi pertambangan SCM. Selain itu, kelompok perempuan Tolaki penduduk asli di sekitar wilayah operasional SCM diberikan kesempatan untuk menjadi penyedia layanan katering bagi karyawan di kantor hubungan masyarakat SCM.

Selain itu, SCM juga menindaklanjuti pengaduan yang disampaikan oleh para pemangku kepentingan termasuk masyarakat lokal.

In conducting Human Rights Due Diligence, we engage stakeholders who are affected and potentially affected by our business activities. We strive to ensure the involvement of the most vulnerable stakeholders, especially if they face difficulties in expressing their opinions or obtaining information related to the follow-up of their opinions, and to identify additional follow-up actions to avoid, prevent, or mitigate impacts on them.

In 2023, SCM followed up on the Human Rights Impact Assessment (HRIA) conducted in the previous year. Follow-up actions included providing human rights training to security officers at SCM. Additionally, SCM provided vocational training for local youth to enable them to obtain jobs. After undergoing training, the local youth are now working for SCM partner companies operating within SCM mining concession areas. Additionally, Tolaki women's groups, local inhabitants, were given the opportunity to become catering providers for employees at SCM's community relations office.

Additionally, SCM also followed up on complaints raised by stakeholders, including the local community.



▲Kelompok perempuan Tolaki di SCM
Tolaki women group in SCM

Pelatihan Hak Asasi Manusia untuk Petugas Keamanan

Pada tahun 2023, Merdeka menyelenggarakan pelatihan HAM di proyek MTI dan Tambang Nikel Konawe dengan tema "Implementasi Penghormatan Hak Asasi Manusia (HAM) dalam Pelaksanaan Tugas Pengamanan". Pelatihan HAM tersebut bertujuan untuk meningkatkan pemahaman personel keamanan tentang cara pelaksanaan kegiatan pengamanan yang sesuai dengan prinsip penghormatan terhadap hak asasi manusia, serta risiko dan dampak terhadap HAM terkait dengan praktik pengamanan.

Sebanyak 46 petugas pengamanan MTI (48%) dan sebanyak 71 petugas pengamanan SCM (50%) telah mengikuti pelatihan HAM. *Trainer* pelatihan tersebut merupakan tim Keberlanjutan Merdeka dari kantor pusat yang memiliki kompetensi dan pengalaman dalam melakukan pelatihan HAM.



Human Rights Training for Security Officers

In 2023, Merdeka conducted a human rights training at the MTI and the Konawe Nickel Mine with the theme "Implementation of Human Rights Respect in Security Duties". The human rights training aimed to enhance security personnel's understanding of conducting security activities in accordance with the principles of respecting human rights, as well as the risks and impacts related to human rights concerning security practices.

A total of 46 MTI security personnel (48%) and a total of 71 SCM security personnel (50%) participated in the human rights training. The training was conducted by Merdeka's Sustainability team from the headquarters, who have expertise and experience in conducting human rights training.



Pelatihan mencakup definisi HAM, instrumen peraturan nasional dan internasional terkait HAM, isu-isu HAM pada sektor pertambangan dan pengolahan hasil tambang, contoh-contoh tindakan pelanggaran HAM, faktor-faktor penyebab pelanggaran HAM, dan kerugian perusahaan akibat pelanggaran HAM.

Setelah para peserta mendapatkan pemahaman tentang HAM, para peserta mengikuti sesi studi kasus dalam kelompok. Pada sesi diskusi tersebut, peserta pelatihan mempraktikkan cara mengidentifikasi dampak potensial dan aktual pelanggaran HAM dan menyusun langkah-langkah pencegahan serta mitigasinya. [410-1]



The training covered the definition of human rights, national and international regulatory instruments related to human rights, human rights issues in the mining and mineral processing sector, examples of human rights violations, factors causing human rights violations, and the company's losses due to human rights violations.

After participants gained an understanding of human rights, they participated in case study sessions in groups. During these sessions, participants practiced identifying the potential and actual impacts of human rights violations and developing prevention and mitigation measures.

HAM dan Keamanan

Kami menerapkan sistem pengamanan yang sesuai untuk melindungi pekerja, fasilitas, dan aset kami. Pelaksanaan sistem pengamanan fasilitas dan personel perusahaan seringkali menempatkan petugas keamanan dalam situasi yang sulit. Untuk itu, Merdeka menerapkan pelaksanaan sistem pengamanan yang menggunakan pendekatan hak asasi manusia dan menghindari penggunaan kekerasan dan konflik dengan masyarakat. [3-3]

HAM dan Pemasok

Kami mensyaratkan pemasok kami mengikuti komitmen kami untuk menghormati hak asasi manusia, termasuk hak-hak karyawan dan masyarakat di wilayah kami beroperasi.

Merdeka berkomitmen bekerja hanya dengan mitra bisnis dan kontraktor yang menghormati HAM. Penghormatan HAM oleh mitra bisnis dan pemasok dinyatakan dalam Kode Etik Keberlanjutan Pemasok dan dijadikan sebagai salah satu aspek penilaian dalam proses seleksi dan evaluasi mitra bisnis serta pemasok.

Divisi Pengadaan telah melaksanakan evaluasi kepatuhan pemasok terhadap aspek penghormatan HAM pada saat proses seleksi. Pada tahun 2023, sebanyak 69% pemasok telah diseleksi dengan menggunakan indikator CMS yang mencakup aspek HAM. [414-1]

Human Rights and Security

We implement appropriate security systems to protect our employees, facilities, and assets. The implementation of facility and personnel security systems often places security personnel in challenging situations. Therefore, Merdeka implements a security system that uses a human rights-based approach and avoids the use of violence and conflict with communities.

Human Rights and Suppliers

We require our suppliers to follow our commitment to respect human rights, including the rights of employees and communities in our operational areas.

Merdeka is committed to working only with business partners and suppliers who respect human rights. Respect for human rights by business partners and contractors is stated in the Supplier Sustainability Code of Conduct and is considered as one aspect of the assessment process and evaluation of business partners and suppliers.

The procurement division has conducted an evaluation of supplier compliance with human rights aspects during the selection process. In 2023, 69% of major contractors were screened using CMS indicators that include human rights aspects.

Mekanisme Pengaduan

Kami berkomitmen untuk melaksanakan dan bekerja sama dalam pemulihan dampak-dampak hak asasi manusia yang mungkin terjadi akibat atau kontribusi dari kegiatan operasional kami. Untuk memastikan pemulihan atas dampak hak asasi manusia yang mungkin terjadi, kami telah menyusun mekanisme penyampaian keluhan, termasuk keluhan atas pelanggaran HAM, yaitu Sistem Pelaporan Pelanggaran (WBS) yang dapat digunakan oleh pekerja kami, pekerja mitra Perusahaan, dan masyarakat.

Sistem WBS Merdeka disusun berdasarkan prinsip transparansi, akuntabilitas, dan keterlibatan pihak-pihak terkait dalam menanggapi serta menyelesaikan keluhan terkait dampak hak asasi manusia yang mungkin timbul dari kegiatan operasional perusahaan. Selain itu, Mekanisme pengaduan WBS Merdeka menerapkan prinsip-prinsip perlindungan terhadap identitas pelapor (anonimitas), perlindungan isi pelaporan (kerahasiaan), dan perlindungan terhadap pihak pelapor dari ancaman atau tindakan sebagai dampak dari laporan yang disampaikan (proteksi).

Pelapor dapat melaporkan pelanggaran melalui sarana pelaporan yang dikelola oleh konsultan independen yang ditunjuk oleh Perusahaan melalui situs Speak Up perusahaan yaitu <https://mcg.whispli.com/SpeakUp>.

Grievance Mechanism

We are committed to implementing and collaborating in the recovery of human rights impacts that may occur as a result of or contribution from our operational activities. To ensure the recovery of potential human rights impacts, we have established a grievance mechanism, including complaints regarding human rights violations, namely the Whistleblowing System (WBS) that can be used by our employees, the employees of our partner companies, and the community.

The Merdeka WBS system is designed based on the principles of transparency, accountability, and the involvement of relevant parties in responding to and resolving grievances related to human rights impacts that may arise from the company's operational activities. Additionally, the Merdeka WBS complaint mechanism applies principles of protecting the identity of the reporter (anonymity), protecting the content of the report (confidentiality), and protecting the reporter from threats or actions as a result of the reported grievances (protection).

Reporters can report violations through a reporting channel managed by an independent consultant appointed by the Company through the company's Speak Up site, namely <https://mcg.whispli.com/SpeakUp>.

Selain WBS, entitas bisnis Merdeka juga menyediakan mekanisme penyampaian keluhan bagi masyarakat termasuk keluhan atas pelanggaran HAM. Masyarakat dapat melaporkan keluhannya kepada Divisi Community di setiap entitas bisnis dengan mengisi formulir pengaduan, berdiskusi, menghubungi lewat telepon atau email. Keluhan akan diterima oleh staff Divisi Community yang selanjutnya, pelaksana di Divisi Community akan mencatat keluhan dan memberikan nomor referensi untuk memudahkan identifikasi. Pelaksana akan menganalisis keluhan melalui wawancara dengan pengadu dan observasi untuk menentukan keabsahan pengaduan. Jika keluhan dianggap tidak valid, pelaksana dapat menghentikan proses. Namun, jika keluhan dianggap valid, pelaksana akan melibatkan departemen yang terkait untuk memetakan permasalahan dan mencari solusi.

Untuk selanjutnya, tindak lanjut dilakukan melalui proses investigasi, observasi, dan konsultasi dengan pihak ahli atau saksi untuk mendapatkan berbagai pandangan dan melaporkan kepada pimpinan Divisi Community. Departemen hubungan masyarakat akan melakukan tindak lanjut melalui investigasi, observasi, dan berkonsultasi dengan pihak ahli atau saksi untuk mendapatkan berbagai pandangan. Setelah tindak lanjut selesai dilakukan, pelaksana humas akan menyusun laporan hasil tindak lanjut dan mengkomunikasikannya kepada masyarakat yang terdampak. Masyarakat terdampak akan melakukan verifikasi terhadap hasil penyelesaian keluhan yang mencakup pemulihan dampak yang mungkin terjadi. Jika hasil penyelesaian keluhan diterima, maka kesepakatan penyelesaian antara kedua belah pihak akan didokumentasikan. Namun, jika hasil penyelesaian keluhan masih belum dapat diterima, masyarakat dapat mengajukan banding untuk diteruskan ke manajemen eksekutif. [2-25]

In addition to the WBS, Merdeka business entities also establish a formal grievance reporting mechanism for the community, including grievances about human rights violations. The community can report their complaints to the Community Division in each business entity by filling out a complaint form, engaging in discussions, contacting via phone, or email. Complaints will be received by the Community Division staff, who will then record the complaints and provide a reference number for easy identification. The staff will analyze the complaints through interviews with the complainant and observations to determine the validity of the complaint. If the complaint is deemed invalid, the staff may terminate the process. However, if the complaint is considered valid, the staff will involve the relevant departments to map out the issues and seek solutions.

Subsequently, it will be followed up through the investigation process, observations, and consultation with experts or witnesses to obtain various perspectives and report to the Community Division leaders. The Community Division will follow up through investigation, observation, and consultation with experts or witnesses to obtain various perspectives. After the follow-up is completed, the Community Division staff will compile a follow-up report and communicate it to the affected community. The affected community will verify the results of the complaint resolution, which includes recovery of potential impacts. If the complaint resolution results are accepted, the settlement agreement between both parties will be documented. However, if the complaint resolution results are still unacceptable, the community can appeal to be forwarded to the executive management.



*Mekanisme penyampaian keluhan masyarakat
Community grievance reporting mechanism

Keanggotaan di UN Global Compact

Sebagai penandatanganan UN Global Compact sejak tahun 2022, Merdeka telah menyusun dan menyampaikan *Communication on Progress (CoP)* di tahun 2023 kepada UN Global Compact.

Bagi Merdeka, penyusunan dan penyampaian CoP bukan hanya kewajiban pelaporan, melainkan juga menjadi simbol dari komitmen perusahaan terhadap transparansi, akuntabilitas, dan implementasi praktik-praktik berkelanjutan.

CoP Merdeka tahun 2023 menyajikan upaya-upaya yang dilaksanakan Merdeka terkait dengan kepatuhan terhadap Sepuluh Prinsip UN Global Compact dan Tujuan Pembangunan Berkelanjutan (SDGs).

Membership in the UN Global Compact

As a signatory to the UN Global Compact since 2022, Merdeka has drafted and submitted its *Communication on Progress (CoP)* in 2023 to the UN Global Compact.

For Merdeka, the submission of CoP is not only a reporting obligation but also a demonstration of the company's commitment to transparency, accountability, and the implementation of sustainable practices.

Merdeka's CoP for the year 2023 presents the efforts undertaken by Merdeka related to compliance with the Ten Principles of the UN Global Compact and the Sustainable Development Goals (SDGs).

4.6

Mengadopsi Tata Kelola Perusahaan yang Baik

Adopting Good
Corporate Governance



Pendekatan Manajemen

Dalam menjalankan semua kegiatan bisnis perusahaan, Merdeka berkomitmen untuk menerapkan prinsip-prinsip Tata Kelola Perusahaan yang Baik. Merdeka mengakui pentingnya Tata Kelola Perusahaan yang Baik dalam mempromosikan praktik bisnis yang berkelanjutan, bertanggung jawab, dan etis. Selain itu, pelaksanaan Tata Kelola Perusahaan yang Baik membangun struktur dan sistem yang memastikan bahwa Merdeka dikelola dengan baik dan melindungi kepentingan perusahaan, para investor, dan pemangku kepentingan lainnya.

Implementasi Tata Kelola Perusahaan yang Baik di Merdeka dipandu oleh pedoman Tata Kelola Perusahaan yang Baik, Kode Etik, piagam, kebijakan, dan Prosedur Operasi Standar. Pedoman Tata Kelola Perusahaan yang Baik kami memberikan panduan komprehensif kepada Dewan Komisaris, Direksi, dan karyawan Perusahaan Merdeka untuk menerapkan prinsip-prinsip Tata Kelola Perusahaan yang Baik dalam setiap pengambilan keputusan dan aktivitas bisnis. Kode Etik Merdeka dibentuk untuk memandu karyawan Merdeka dalam menerapkan perilaku bisnis yang etis pada semua kegiatan bisnis.

Management Approach

In conducting all business activities of the company, Merdeka commits to implementing the principles of Good Corporate Governance (GCG). Merdeka acknowledges the significance of GCG in fostering sustainable, responsible and ethical business practices. In addition, implementing GCG places structures and systems in place that ensure that Merdeka is well-managed and protects the interests of the company, our investors and other stakeholders.

The GCG implementation at Merdeka is guided by the GCG guidelines, a Code of Conduct, charters, policies, and Standard Operating Procedures. Our GCG guidelines provide a comprehensive guide to our Board of Commissioners, Board of Directors, and employees of the Company to apply GCG principles in every decision-making and business activity. Merdeka's Code of Conduct is established to guide Merdeka employees to implement ethical business conduct in all business activities.

2023 Performance

Board leadership, oversight and diversity
BoD's oversight of Sustainability commitment implementation

Code of Conduct

- Code of Conduct training to 41% of Merdeka's employees and 434 representatives of suppliers and security providers.
- Anti-corruption and anti-bribery training for managers, general managers, executives and directors

Responsible supply chain

- Contractor Management System (CMS) socialization at five business units attended by 249 persons.
- Screened 69% of major contractors using CMS indicators.

Risk Management

- Risk and opportunity management committee regular meeting on extreme and high risks.
- Continuous risk assessment at business units, departments, and individuals level.

2024 Target

Board leadership, oversight and diversity
Continuous learning on sustainability and oversight of sustainability at Merdeka

Code of Conduct

- Code of Conduct training for Merdeka's employees, suppliers, and security providers.
- Anti-corruption and anti-bribery training for employees at all levels

Responsible supply chain

Increase the number of contractors that undergo CMS screening.

Risk Management

- Risk and opportunity management committee regular meeting on extreme and high risks.
- Continuous risk assessment at business units, departments, and individuals level.

Tata Kelola Perusahaan

Sebagai perusahaan Indonesia, tata kelola Merdeka terstruktur ke dalam tiga organ sesuai dengan Undang-Undang Republik Indonesia Nomor 40 Tahun 2007 tentang Perseroan Terbatas, sebagaimana telah diubah dari waktu ke waktu: [2-9]

Rapat Umum Pemegang Saham (RUPS): RUPS adalah badan pengambil keputusan yang memiliki wewenang yang tidak dimiliki oleh Dewan Komisaris atau Direksi.

Dewan Komisaris: Dewan Komisaris bertanggung jawab atas pengawasan dan memberikan saran kepada Direksi, yang membuat keputusan strategis untuk pengelolaan perusahaan sesuai dengan kepentingannya.
Direksi: Direksi bertanggung jawab atas pengelolaan perusahaan untuk kepentingan perusahaan.

Untuk mematuhi undang-undang dan peraturan yang relevan, Dewan Komisaris Perusahaan telah mencakup Komisaris Independen. Komite Audit dan Komite Nominasi dan Remunerasi telah dibentuk untuk mendukung Dewan Komisaris dalam memenuhi tanggung jawabnya.

Sementara itu, Direksi dibantu oleh Sekretaris Perusahaan dan Unit Audit Internal. Struktur tata kelola perusahaan terperinci Merdeka disajikan dalam Laporan Tahunan Merdeka 2023.

Selain itu, untuk membantu Direksi dalam memantau dan mengawasi implementasi komitmen keberlanjutan dan penciptaan nilai bersama jangka panjang untuk pemangku kepentingan, Merdeka telah membentuk Komite Keberlanjutan, Komite Manajemen Risiko, Komite Kesehatan dan Keselamatan Kerja (K3) dan Komite Tinjauan Tailing.

Komite Keberlanjutan

Direksi kami membentuk Komite Keberlanjutan untuk mendukung mereka dalam pengambilan keputusan dan mengawasi pengelolaan dampak perusahaan terhadap ekonomi, lingkungan, dan masyarakat. Selain itu, Komite Keberlanjutan bertanggung jawab untuk membantu Dewan dalam mengawasi implementasi komitmen dan kinerja keberlanjutan Merdeka.

Dipimpin oleh Wakil Presiden Direktur, anggota Komite Keberlanjutan termasuk Direktur Utama, Manajemen Eksekutif, General Manager sites, Kepala Teknik Pertambangan (KTT), General Manager di kantor pusat, dan manajer Departemen Keberlanjutan.

Corporate Governance

As an Indonesian company, Merdeka's governance is structured into three organs in accordance with Indonesian Law No. 40/2007 on Limited Liability Companies, as amended from time to time:

General Shareholders Meeting: The general shareholder meeting is the decision-making body and holds authority that is not possessed by the Board of Commissioners or Board of Directors.

Board of Commissioners: The Board of Commissioners is responsible for supervising and advising the Board of Directors, which makes strategic decisions for the management of the company in line with its interests.
Board of Directors: The Board of Directors is responsible for managing the company for the benefit of the company.

To comply with relevant laws and regulations, the Board of Commissioners of the Company has included Independent Commissioners. The Audit Committee and the Nomination and Remuneration Committee have been established to support the Board of Commissioners in fulfilling its responsibilities.

The Board of Directors, on the other hand, is assisted by the Corporate Secretary and the Internal Audit Unit. Merdeka's detailed corporate governance structure is presented in Merdeka's 2023 Annual Report.

In addition, to assist the Board of Directors in monitoring and overseeing the implementation of sustainability commitments and the creation of long-term shared value for stakeholders, Merdeka has established the Sustainability Committee, the Risk Management Committee, the Occupational Health and Safety (OHS) Committee and Tailing Review Committee.

Sustainability Committee

Our Board of Directors established the Sustainability Committee to support them in making decisions and overseeing the management of the company's impacts on the economy, environment, and people. Additionally, the committee is responsible for assisting the Board in overseeing the implementation of Merdeka's sustainability commitment and performance.

Chaired by the Vice President Director, the Sustainability Committee's members include the President Director, Executive Management, site General Managers, The Mining Technical Manager (KTT), General Managers at the head office, and the managers of the Sustainability department.



Komite Manajemen Risiko

Komite Manajemen Risiko dibentuk untuk membantu Direksi dalam mengawasi dan memantau manajemen risiko dan peluang di Merdeka. Tanggung jawab Komite Manajemen Risiko meliputi secara berkala meninjau kebijakan, strategi, target, dan panduan manajemen risiko Merdeka. Komite juga meninjau risiko sosial, lingkungan (termasuk risiko perubahan iklim dan kelangkaan air), kesehatan dan keselamatan, dan risiko operasional Merdeka. Selain itu, komite meninjau dan menyetujui tindakan mitigasi dan pengendalian untuk risiko ekstrem dan tinggi serta menilai hasil dari tindakan tersebut.

Komite Manajemen Risiko dipimpin oleh Wakil Presiden Direktur, dengan anggota terdiri dari Tim Eksekutif, General Manager Operasional, Direktur Proyek, dan Manajer Risiko Merdeka.

Komite Kesehatan dan Keselamatan Kerja

Komite Kesehatan dan Keselamatan Kerja (K3) dibentuk oleh Direksi untuk membantu dalam melaksanakan tanggung jawab pengawasan terkait implementasi dan realisasi komitmen kesehatan dan keselamatan kerja Merdeka. Tanggung jawab komite termasuk secara berkala meninjau kebijakan, strategi, target, dan panduan Merdeka. Komite juga memantau kinerja kesehatan dan keselamatan kerja melalui forum dan laporan, menunjuk anggota kunci untuk menduduki posisi dalam Tim Manajemen Krisis Merdeka, dan memastikan informasi terkait fungsi dan peran komite diformulasikan, ditinjau, dan disebarkan kepada semua karyawan di Merdeka.

Komite ini dipimpin oleh Wakil Presiden Direktur, dengan anggota terdiri dari tim eksekutif, General Manager Operasional, dan Manajer K3 Merdeka.

Risk Management Committee

The Risk Management Committee is established to assist the Board of Directors in overseeing and monitoring the risk and opportunity management at Merdeka. The responsibilities of the Risk Management Committee include regularly reviewing Merdeka's risk and opportunity management policy, strategy, targets, and guidelines. The committee also reviews Merdeka's social, environmental (including climate change and water scarcity risks), health and safety, and operational risks. Moreover, it reviews and approves mitigation actions and controls for extreme and high risks and assesses the results of these actions.

The committee is chaired by the Vice President Director, with members consisting of the Executive Team, Operational General Managers, Project Directors, and Merdeka Risk Managers.

Occupational Health and Safety (OHS) Committee

The OHS Committee is established by the Board of Directors to assist in carrying out oversight responsibilities regarding the implementation and realization of Merdeka's health and safety commitment. The committee's responsibilities include regularly reviewing Merdeka's policy, strategy, targets, and guidelines. It also monitors health and safety performance through forums and reports, appoints key members to hold positions in the Crisis Management Team of Merdeka, and ensures information related to the committee's functions and roles is formulated, reviewed, and disseminated to all employees at Merdeka.

The committee is chaired by the Vice President Director, with members consisting of the Executive team, Operational General Managers, and OHS Managers of Merdeka.

Komite Tinjauan Tailing

Komite Tinjauan Tailing dibentuk untuk membantu Direksi dalam mengawasi manajemen tailing di Merdeka. Komite bertanggung jawab untuk menyampaikan informasi kepada Wakil Presiden Direktur tentang Risiko Tata Kelola yang terkait dengan fasilitas tailing dan kesesuaian dan efektivitas rencana tindakan yang dimaksudkan untuk mitigasi risiko yang diidentifikasi. Komite mengawasi implementasi tindakan terkait manajemen risiko tata kelola dan perbaikan berkelanjutan dari pengelolaan fasilitas.

Komite memastikan bahwa Panel Penilaian Independen Tailing menyelesaikan tinjauan tahunan tentang desain, konstruksi, operasi, dan penutupan Fasilitas Merdeka, memberikan dukungan manajemen eksekutif dan sumber daya terkait untuk tindakan yang diidentifikasi dari hasil tinjauan Independent Tailings Review Board (ITRB), dan memperbarui daftar risiko yang relevan untuk setiap unit bisnis secara tahunan.

Chief Operating Officer bertindak sebagai Ketua Komite dengan anggota terdiri dari Chief Operating Officer, Site General Manager of Operations, EVP Sustainability, General Manager Risk and Compliance, Principle Tailings, TSF Construction Manager, Processing Manager, dan Mining Manager.

Nominasi dan Seleksi Dewan Komisaris dan Direksi

Dewan Komisaris dan Direksi diangkat dan diberhentikan oleh Rapat Umum Pemegang Saham. Para kandidat untuk Dewan Komisaris dan Direksi dipilih dan diajukan kepada Rapat Umum Pemegang Saham oleh Komite Nominasi dan Remunerasi berdasarkan rekomendasi dari Dewan Komisaris, sesuai dengan hukum dan peraturan yang berlaku.

Komite Nominasi dan Remunerasi bertanggung jawab untuk merumuskan rekomendasi dan proposal untuk anggota Dewan Komisaris dan Direksi. Komite mempertimbangkan berbagai kriteria seperti pendidikan, pengalaman kerja, independensi, dan keberagaman gender. Selain itu, pengalaman dan pengetahuan kandidat mengenai isu ekonomi, lingkungan, sosial, dan tata kelola juga dipertimbangkan. [2-10]

Untuk memastikan independensi dan objektivitas proses penominsian dan seleksi Dewan Komisaris dan Direksi, komite ini dipimpin oleh seorang komisaris independen.

Tailing Review Committee

The Tailing Review Committee is formulated to assist the Board of Directors in overseeing tailing management at Merdeka. The Committee is responsible for informing the Vice President Director about Governance Risks associated with the tailing facilities and the appropriateness and effectiveness of action plans intended to mitigate the identified risks. The committee oversees the implementation of actions related to governance risk management and continuous improvement of the facility management.

It ensures that the Tailing Independent Review Panel (TIRP) completes annual reviews of the design, construction, operation, and closure of Merdeka's Facilities, provides executive management support and associated resources for identified actions arising from Independent Tailings Review Board (ITRB) review results, and updates the relevant risk registers for each business unit annually.

The Chief Operating Officer acts as the Chairman of the Committee with members consisting of the Chief Operating Officer, Site General Manager of Operations, EVP Sustainability, General Manager Risk and Compliance, Principle Tailings, TSF Construction Manager, Processing Manager and Mining Manager.

Nomination and Selection of Board of Commissioners and Board of Directors

The Board of Commissioners and Board of Directors are appointed and dismissed by the General Shareholders Meetings. The candidates for the Board of Commissioners and Board of Directors are selected and proposed to the General Shareholders Meetings by the Nomination and Remuneration Committee based on the recommendation from the Board of Commissioners, in accordance with the applicable laws and regulations.

The Nomination and Remuneration Committee is responsible for formulating recommendations and proposals for members of the Board of Commissioners and Board of Directors. The committee takes into account various criteria such as education, work experience, independence, and gender diversity. Additionally, candidates' experience and knowledge of economic, environmental, social, and governance issues are also considered.

To ensure the independence and objectivity of the nomination and selection process of the Board of Commissioners and Board of Directors, the committee is chaired by an independent commissioner.



Pengolahan tembaga di BKP-BTR
Copper processing at BKP-BTR

Ketua Dewan Tata Kelola Tertinggi dan Penghindaran Benturan Kepentingan

Struktur tata kelola Perusahaan terdiri dari tiga organ, yaitu Rapat Umum Pemegang Saham, Dewan Komisaris, dan Direksi. Dewan Komisaris tidak memegang posisi eksekutif dalam Perusahaan, sedangkan Direktur Utama memegang posisi eksekutif.

Seperti yang tercantum dalam Pedoman Tata Kelola Perusahaan yang Baik kami, Dewan Komisaris bertanggung jawab secara kolektif mengawasi manajemen operasional perusahaan dan memberikan saran kepada Direksi secara independen, tanpa berpartisipasi dalam pengambilan keputusan operasional. Oleh karena itu, tidak terdapat konflik kepentingan dalam pelaksanaan tugas pengawasan Dewan Komisaris. Rincian lebih lanjut mengenai komposisi Dewan Komisaris dan Direksi disajikan dalam Laporan Tahunan Perusahaan tahun 2023. [2-11][2-16]

Pelatihan Keberlanjutan Dewan Tata Kelola Tertinggi

Merdeka secara konsisten menyelenggarakan program dan pelatihan untuk meningkatkan pengetahuan Direksi tentang isu-isu keberlanjutan agar dapat memberikan arahan dan memimpin implementasi komitmen keberlanjutan Perusahaan. Peningkatan pengetahuan keberlanjutan Direksi meliputi partisipasi dalam pertemuan dan diskusi komite keberlanjutan setiap kuartal sepanjang tahun 2023. Topik-topik yang dibahas dalam pertemuan ini meliputi peningkatan strategi dan kebijakan keberlanjutan, serta implementasi program dan inisiatif keberlanjutan strategis.

Pertemuan tersebut diawali dengan penjelasan mengenai topik-topik terkait dengan aspek-aspek ESG. Pengetahuan tersebut digunakan sebagai tambahan wawasan bagi Direksi dalam melaksanakan tugas dan tanggungjawabnya untuk menyusun strategi dan kebijakan keberlanjutan, serta implementasi program dan inisiatif keberlanjutan strategis. [E.2][2-17]

Evaluasi Kinerja Dewan Komisaris dan Direksi

Kinerja Dewan Komisaris dan Direksi dinilai setiap tahun menggunakan metode penilaian *self-assessment*. Setiap anggota dewan mengevaluasi kinerjanya berdasarkan pencapaian target Indikator Kinerja Utama (KPI) yang telah ditetapkan dan disepakati bersama pada awal tahun. Evaluasi Kinerja Dewan Komisaris dan Direksi disajikan dalam Laporan Tahunan Perusahaan tahun 2023.

The Chair of the Highest Governance Body and Avoidance of Conflicts of Interest

The Company's governance structure comprises three organs, namely General Shareholders Meetings, the Board of Commissioners, and the Board of Directors. The Board of Commissioners does not hold an executive position within the Company, whereas the President Director holds an executive position.

As stated in our Good Corporate Governance Guidelines, the Board of Commissioners is responsible for collectively supervising the company's operational management and providing advice to the Board of Directors independently, without participating in making operational decisions. Therefore, there is no conflict of interest in the implementation of the Board of Commissioners' supervisory duties. Further details on the composition of the Board of Commissioners and Board of Directors are presented in the Company's 2023 Annual Report.

Highest Governance Board Sustainability Training

Merdeka consistently conducts programs and training to enhance the Board of Directors' knowledge of sustainability issues to be able to provide direction and lead the implementation of the Company's sustainability commitment. The enhancement of the Board of Directors sustainability knowledge includes participation in quarterly sustainability committee meetings and discussions throughout 2023. The topics covered in these meetings include improving sustainability strategy and policies, as well as implementing strategic sustainability programs and initiatives.

The meeting began with an explanation of topics related to ESG aspects. This knowledge was used to enhance the Board of Directors' insights in carrying out their duties and responsibilities in formulating sustainability strategies and policies, as well as implementing strategic sustainability programs and initiatives.

Performance Evaluation of Board of Commissioners and Board of Director

The Board of Commissioners and Board of Directors' performance is assessed annually using the self-assessment method. Each member of the board evaluates their performance based on the achievement of Key Performance Indicator (KPI) targets that were set and mutually agreed upon at the beginning of the year. The performance evaluation of the Board of Commissioners and the Board of Directors is presented in the Company's Annual Report 2023.

Kriteria evaluasi yang digunakan untuk menilai kinerja Dewan Komisaris dan Direksi meliputi: [2-18]

- a. Implementasi tugas dan tanggung jawab masing-masing organ sesuai dengan Anggaran Dasar dan Anggaran Rumah Tangga Perusahaan.
- b. Pencapaian target KPI, termasuk target keberlanjutan.
- c. Realisasi rencana kerja dan anggaran tahunan Perusahaan.

Kebijakan Penetapan Remunerasi

Penetapan remunerasi anggota Dewan Komisaris dan Direksi dimulai dari usulan yang diajukan oleh Komite Nominasi dan Remunerasi (KNR) kepada Dewan Komisaris.

Anggota Dewan Komisaris menerima honorarium bulanan yang bersifat tetap, sedangkan anggota Direksi menerima kompensasi yang terdiri dari gaji, tunjangan, dan fasilitas lainnya yang detail rasionya tidak dapat diungkapkan dalam laporan ini karena bersifat *confidential*.

Struktur dan jumlah remunerasi Dewan Komisaris dan Direksi ditentukan berdasarkan kriteria-kriteria berikut ini:

The evaluation criteria used for assessing the performance of the Board of Commissioners and Directors include:

- a. Implementation of the duties and responsibilities of each organ in accordance with the Company's Charter and Articles of Association.
- b. Achievement of KPI targets, including sustainability targets.
- c. Realization of the Company's work plan and annual budget.

Remuneration Determination Policy

The process of determining the remuneration for the Board of Commissioners and Board of Directors starts with a remuneration proposal submitted by the Nomination and Remuneration Committee to the Board of Commissioners.

Members of the Board of Commissioners receive a fixed monthly honorarium, while Board of Directors receive compensation consisting of salaries, other benefits and facilities, the detailed ratio of which cannot be disclosed in this report due to confidentiality.

The structure and amount of the remuneration for the Board of Commissioners and Board of Directors are determined based on the following criteria:

Kriteria Penentuan Remunerasi Dewan Komisaris dan Direksi [2-19][2-20]

Criteria for Determining the Remuneration of Board of Commissioners and Board of Directors



Sebagaimana ditunjukkan pada bagan tersebut, kinerja Lingkungan, Sosial dan Tata Kelola (ESG) digunakan sebagai salah satu kriteria penentuan remunerasi Dewan Komisaris dan Direksi. Kriteria kinerja ESG mencakup kinerja K3, lingkungan dan aspek lain sesuai dengan Kebijakan Keberlanjutan Merdeka.

Merdeka telah memberlakukan Kebijakan Pengembalian dan Penalti (clawback and malus) atas remunerasi Dewan Komisaris dan Direksi. Detail lebih lanjut mengenai Kebijakan Remunerasi disajikan dalam Laporan Tahunan Perusahaan tahun 2023.

As shown in the chart, ESG performance is one of the criteria used to determine the pay of the Board of Commissioners and Board of Directors. The ESG performance criteria include health and safety, environmental preservation, and other aspects that align with Merdeka's Sustainability Policy.

Merdeka has developed and implemented a clawback and malus policy for the remuneration of the Board of Commissioners and Directors. Further details regarding the Remuneration Policy are presented in the Company's Annual Report 2023.

Etika Bisnis dan Integritas

Merdeka berkomitmen teguh pada etika bisnis dan transparansi yang kuat. Komitmen ini untuk menjaga prinsip-prinsip tata kelola yang baik menjadi pilar fundamental dalam mempertahankan kepercayaan mitra kami saat ini dan di masa depan dalam pengembangan bisnis kami. Dengan beroperasi dengan integritas tertinggi, kami secara konsisten menjunjung tinggi perilaku etis dalam setiap aspek, dengan demikian membina kepercayaan di antara para pemangku kepentingan dan memupuk hubungan yang berkelanjutan. Pendekatan ini berkontribusi pada pembentukan lingkungan kerja yang berkelanjutan dan etis. Kami berkomitmen menjalankan bisnis secara bertanggung jawab, sejalan dengan prinsip-prinsip Tata Kelola Perusahaan yang Baik, nilai-nilai perusahaan kami, dan praktik terbaik etika bisnis.

Melalui komitmen ini, ditambah dengan sistem dan pendekatan kami, kami membentuk mekanisme yang diperlukan untuk mendorong orang-orang kami untuk mematuhi praktik-praktik kami. Selain itu, kami membina lingkungan di mana individu merasa diberdayakan untuk bersuara ketika nilai dan standar perilaku kami tidak diikuti.

Kode Etik

Sejalan dengan pendekatan kami terhadap etika bisnis dan operasi yang bertanggung jawab, Kode Etik kami berfungsi sebagai dokumen panduan bagi karyawan di seluruh Merdeka, menunjukkan perilaku dan tindakan yang diharapkan dalam melaksanakan tugas dan tanggung jawab mereka.

Business Ethics and Integrity

Merdeka is committed to a firm dedication to business ethics and transparency. This commitment to upholding the principles of good governance serves as a fundamental pillar for maintaining trust with our current and future partners in the expansion of our business. Operating with the utmost integrity, we consistently uphold ethical conduct in every aspect, thereby cultivating trust among stakeholders and nurturing enduring relationships. This approach contributes to the establishment of a sustainable and ethical working environment. We are dedicated to conducting business responsibly, in alignment with GCG principles, our corporate values, and the best practices of business ethics.

Through these commitments, coupled with our systems and approach, we establish the mechanisms necessary to encourage our people to adhere to our practices. Additionally, we foster an environment where individuals feel empowered to speak up when our values and standards of conduct are not being followed.

Code of Conduct

In line with our approach to business ethics and responsible operations, our Code of Conduct serves as the guiding document for employees across Merdeka, demonstrating the expected behavior and conduct in carrying out their duties and responsibilities.



▲ Karyawan di BSI
Employees at BSI



Poster terkait komunikasi Kode Etik dan Kebijakan Anti Korupsi kepada karyawan.

Posters related to communication of Merdeka's Code of Conduct and Anti-Corruption Policy to employees.

Kode Etik menunjukkan komitmen Merdeka untuk menerapkan standar etis tertinggi, memberikan panduan kepada seluruh personel Merdeka saat berinteraksi dengan semua pihak yang harus dipatuhi, dan berfungsi sebagai dasar pengambilan keputusan serta memberikan alat untuk menciptakan dan memelihara kondisi kerja yang kondusif dan positif yang mendukung perilaku etis bagi semua karyawan Merdeka.

Kode Etik mencakup panduan tentang masalah yang terkait dengan berbagai pemangku kepentingan kami sebagai berikut:

Karyawan – Tanggung jawab dalam menjaga kesehatan dan keselamatan kerja; menciptakan lingkungan kerja yang kondusif dan positif, dan menerapkan kesetaraan, keanekaragaman, dan keberagaman serta anti-diskriminasi.
Masyarakat dan Lingkungan – Menghormati hak asasi manusia di seluruh operasi Merdeka, melaksanakan pengembangan masyarakat, dan memastikan perlindungan lingkungan.
Hubungan dengan Pihak Lain – menjaga etika dan integritas saat mengembangkan hubungan dengan pemerintah, mitra grup Merdeka, menyediakan manfaat jangka panjang untuk grup Merdeka, pemegang saham, pemangku kepentingan, dan karyawan.

Untuk implementasi Kode Etik, kami memastikan bahwa semua karyawan baru dan yang sudah ada memahami harapan dalam Kode Etik, cara melaporkan dugaan pelanggaran, dan tindakan-tindakan yang harus diambil setelah ada pelanggaran yang dilaporkan. Merdeka

The Code of Conduct demonstrates Merdeka's commitment to implementing the highest ethical standards, provides guidance to all Merdeka personnel when interacting with all parties that must be adhered to and serves as a basis for decision-making and provide a tool to create and maintain conducive, positive working conditions that support ethical conduct for all Merdeka employees.

The Code of Conduct covers guidance on issues related with our various stakeholders as follows:

Employees – Responsibilities in maintaining occupational health and safety; creating a conducive and positive work environment, and implementing equality, diversity and inclusion and anti-discrimination.
Community and the Environment - Respecting human rights throughout Merdeka's operation, implementing community development and charity donation and ensuring environmental protection.
Relationship with Other Parties – Maintaining ethics and integrity when developing relationship with government, Merdeka group partners, providing long-term benefit for Merdeka group, shareholders, stakeholders and employees.

For the implementation of the Code of Conduct, we ensure that all new and existing employees understand the expectations within the Code of Conduct, how to report alleged violations, and the following actions once a violation is raised. Merdeka requires all of our directors,

mengharuskan semua direktur, karyawan tetap dan kontrak, serta kontraktor untuk menyelesaikan pelatihan periodik Kode Etik. Selain itu, kami secara teratur mengkomunikasikan Kode Etik kepada karyawan kami melalui komunikasi email.

Pada tahun 2023, kami memberikan pelatihan Kode Etik kepada total 4.935 individu, yang mencakup karyawan tetap dan kontrak (41% dari jumlah karyawan) serta perwakilan pemasok, termasuk penyedia jasa keamanan. Merdeka juga telah memperkuat komitmen karyawan kami untuk mematuhi Kode Etik dengan mengharuskan mereka untuk menandatangani "Formulir Pernyataan Kepatuhan" sebagai bukti kepatuhan mereka. Sejak tahun 2023, kami juga telah mengharuskan kontraktor kami (termasuk penyedia jasa keamanan) untuk menandatangani komitmen untuk mematuhi Kode Etik kami. [205-2]

Materi pelatihan Kode Etik meliputi sosialisasi nilai-nilai GReAtnESs kami, Kebijakan Keanekaragaman dan Inklusivitas, Kebijakan Anti-Korupsi dan Anti-Pemberian Suap, Kebijakan Anti-Pencucian Uang dan Konflik Kepentingan, Kebijakan Anti-Diskriminasi dan Kesetaraan Gender, serta Kebijakan Hak Asasi Manusia.

Anti-Korupsi dan Penyuapan

Merdeka berkomitmen untuk melakukan semua kegiatan bisnis dengan cara yang profesional, adil, dan sangat bermartabat. Korupsi dan suap meningkatkan biaya melakukan bisnis dan dapat merusak reputasi perusahaan. Merdeka menyadari bahwa praktik korupsi berpotensi terjadi diseluruh area operasional bisnis perusahaan. Merdeka memiliki kebijakan tanpa toleransi terhadap segala bentuk korupsi, termasuk penyuapan, dan pelanggaran apa pun akan dikenakan sanksi yang ketat. Komitmen perusahaan terhadap anti-korupsi dan suap diuraikan dalam Kode Etik, Kebijakan Anti-Korupsi, dan Kebijakan Anti-Penyuapan. [3-3]

Untuk mengintegrasikan komitmen Merdeka terhadap anti-korupsi dan penyuapan, perusahaan secara rutin mengkomunikasikan kebijakan anti-korupsi dan penyuapan kepada semua karyawan melalui komunikasi email. Selain itu, Merdeka memberikan pelatihan tentang anti-korupsi dan penyuapan kepada karyawan dan kontraktor sebagai bagian dari pelatihan Kode Etik. Departemen Sumber Daya Manusia bertanggung jawab untuk melaksanakan kebijakan dan program anti-korupsi dan suap. Implementasi kebijakan dan program anti-korupsi dan suap dipantau oleh Direktur Utama dan Direktur Sumber Daya Manusia. Direksi mengawasi implementasi Kebijakan, yang mencakup evaluasi laporan kinerja tentang implementasi Kebijakan yang diterima dari Direktur Utama dan Direktur Sumber Daya Manusia secara berkala. [205-1]

permanent and temporary employees and contractors to complete periodic Code of Conduct training. Furthermore, we regularly communicate the Code of Conduct to our employees through email communication.

In 2023, we provided Code of Conduct training to a total of 4,935 individuals, including permanent and temporary employees (41% of total employees), supplier representatives, and security services providers. Merdeka has also strengthened its employees' commitment to adhering to the Code of Conduct by requiring them to sign an "Adherence Statement Form" as evidence of their compliance. From 2023, we have also required our contractors (including security providers) to sign a commitment to comply with our Code of Conduct.

The Code of Conduct training materials include socialization of our GReAtnESs values, Diversity and Inclusivity Policy, Anti-Corruption and Anti-Bribery Policy, Anti-Money Laundering and Conflict of Interest Policy, Anti-Discrimination and Gender Equality Policy, and Human Rights Policy.

Anti-Corruption and Bribery

Merdeka is committed to conducting all business activities in a professional, fair, and highly-integrity manner. Corruption and bribery increase the cost of doing business and can damage the company's reputation. Merdeka acknowledges that the potential for corrupt practices exists across all areas of the company's business operations. Merdeka has a zero-tolerance policy towards any form of corruption, including bribery, and any violations will be subject to strict sanctions. The company's commitment to anti-corruption and bribery is outlined in the Code of Conduct, Anti-Corruption Policy, and Anti-Bribery Policy.

To integrate Merdeka's commitment to anti-corruption and bribery, the company regularly communicates its anti-corruption and bribery policy to all employees through email communications. In addition, Merdeka provides training on anti-corruption and bribery to employees and contractors as part of the Code of Conduct training. The Human Resources Department (HR Department) is responsible for implementing the anti-corruption and bribery policy and program. The implementation of the anti-corruption and bribery policy and program is monitored by the President Director and the Human Resources Director (HR Director). The Board of Directors oversees the implementation of the Policy, which includes evaluating performance reports on the implementation of the Policy received from the President Director and HR Director periodically.

Pelatihan Anti-Korupsi untuk Manajer, General Manager, Eksekutif, dan Direktur [205-2]

Sebagai wujud dari komitmen Merdeka untuk menerapkan Kebijakan Anti-Korupsi Merdeka, Merdeka menyelenggarakan sesi pelatihan anti-korupsi bagi 83 peserta di level manajer, general manager, eksekutif, dan direktur pada tanggal 22 Agustus 2023. Pelatihan, yang berjudul "Memperkuat Pentingnya Memahami Anti-Korupsi untuk Proses Bisnis yang Berkelanjutan", dipimpin oleh seorang pakar terkemuka dari Komisi Pemberantasan Korupsi (KPK).

Pelatihan tersebut mencakup eksplorasi menyeluruh tentang strategi, kerangka kerja, dan praktik terbaik yang mendasari upaya anti-korupsi yang berhasil. Melalui diskusi interaktif dan studi kasus dunia nyata, peserta pelatihan memperoleh wawasan tentang cara mengidentifikasi, mencegah, dan mengatasi risiko korupsi dengan efektif sambil memupuk budaya transparansi dan integritas dalam Perusahaan dan mendorong pertumbuhan yang berkelanjutan.

Anti-Corruption Training for Managers, General Managers, Executives and Directors

As a demonstration of Merdeka's commitment to implementing its Anti-Corruption Policy, Merdeka conducted an anti-corruption training session for 83 participants at managers, general managers, executives and directors level on August 22, 2023. The training, titled "Strengthening the Importance of Understanding Anti-Corruption for Sustainable Business Process", was led by a distinguished expert from the Indonesia Corruption Eradication Commission (KPK).

The training offered a holistic exploration of the strategies, frameworks, and best practices that underpin successful anti-corruption efforts. Through interactive discussions and real-world case studies, the training participants gained insights into effectively identifying, preventing, and addressing corruption risks while fostering a culture of transparency and integrity within the Company and driving sustainable growth.



Pencegahan Pencucian Uang

Merdeka berkomitmen untuk mencegah pencucian uang dalam semua interaksi bisnisnya. Perusahaan telah menetapkan prosedur untuk memastikan bahwa keuangan Perusahaan hanya digunakan untuk tujuan yang dimaksudkan dan tidak dialihkan untuk penggunaan yang melanggar hukum seperti pembiayaan pencucian uang, kegiatan teroris, atau kegiatan kriminal lainnya. Komitmen Merdeka terhadap pencegahan pencucian uang diungkapkan dalam Kode Etik dan Kebijakan Anti-Pencucian Uang.

Anti-Money Laundering

Merdeka is committed to preventing money laundering in all its business interactions. The company has established procedures to ensure that its finances are only used for their intended purposes and are not diverted for unlawful uses such as financing money laundering, terrorist activities, or other criminal activities. Merdeka's commitment to anti-money laundering is expressed in the Code of Conduct and Anti-Money Laundering Policy.



Poster terkait komunikasi Kebijakan Anti Pencucian Uang dan Kebijakan Benturan Kepentingan kepada karyawan.
Posters related to communication of Anti Money Laundering and Conflict of Interest Policy to employees.

Konflik Kepentingan

Semua karyawan Merdeka diharuskan untuk menghindari konflik kepentingan antara kepentingan pribadi mereka dan kepentingan perusahaan. Persyaratan ini diuraikan dalam Kebijakan Konflik Kepentingan Perusahaan, yang disampaikan kepada semua karyawan selama proses induksi dan secara berkala melalui komunikasi email.

Conflict of Interest

All Merdeka employees are required to avoid conflicts of interest between their personal interests and the company's interests. This requirement is outlined in the Company's Conflict of Interest Policy, which is communicated to all employees during the induction process and regularly through email communication.

Merdeka telah memberikan salinan Kebijakan Anti-Korupsi dan Penyuapan, Kebijakan Anti-Pencucian Uang, dan Kebijakan Konflik Kepentingan kepada karyawan selama proses induksi. Selain itu, perusahaan secara rutin mengkomunikasikan kebijakan-kebijakan ini melalui email untuk memastikan bahwa semua karyawan terinformasi dengan baik. Direksi melakukan monitoring konflik kepentingan melalui Sistem Pelaporan Pelanggaran (WBS). Pada tahun 2023, tidak terjadi konflik kepentingan di seluruh wilayah operasional Merdeka. [2-15]

Merdeka has provided its employees with copies of the Anticorruption and Bribery Policy, Anti-Money Laundering Policy, and Conflict of Interest Policy during the induction process. Moreover, the company regularly communicates these policies via email blasts to ensure that all employees are well-informed. The board conducts conflict of interest monitoring through Whistleblowing Sytem (WBS). In 2023, there were no conflicts of interest across Merdeka's operational areas.

Mekanisme Penyampaian Keluhan

Untuk memastikan komunikasi yang efektif terkait masalah dan keluhan mengenai dampak negatif operasi kami terhadap pemangku kepentingan, kami telah

Mechanism for Submitting Concerns and Complaints

To ensure effective communication of concerns and complaints regarding any negative impact of our operations on stakeholders, we have developed a WBS.

mengembangkan WBS. Sistem WBS berfungsi sebagai platform bagi pemangku kepentingan internal dan eksternal untuk melaporkan dan sebagai alat untuk mendeteksi pelanggaran hukum dan prosedur internal perusahaan, termasuk kode etik perusahaan, Kebijakan Anti-Korupsi dan Suap, Kebijakan Anti-Pencucian Uang, Kebijakan Kesehatan dan Keselamatan Kerja, Kebijakan Hak Asasi Manusia, dan peraturan lainnya.

The WBS system serves as a platform for both internal and external stakeholders to report and to detect any violations of laws and the company's internal procedures, including the company's code of ethics, Anti-Corruption and Bribery Policies, Anti-Money Laundering Policies, Occupational Health and Safety Policies, Human Rights Policy, and other relevant regulations.

Selain itu, WBS berfungsi sebagai mekanisme resmi bagi karyawan untuk memberikan umpan balik dan memberikan pertanyaan kepada manajemen perusahaan. Sistem WBS kami dirancang dengan ketat sesuai dengan prinsip anonimitas untuk melindungi identitas pelapor, kerahasiaan untuk menjaga isi laporan, dan perlindungan terhadap pemberi laporan dari ancaman atau tindakan apa pun sebagai hasil dari laporan yang disampaikan.

In addition, the WBS serves as a formal mechanism for employees to provide feedback and ask questions to the company management. Our WBS system is designed with strict adherence to the principles of anonymity to protect the whistleblower's identity, confidentiality to safeguard the contents of the report, and protection of whistleblowers from any threats or actions as a result of the submitted reports.

Para pemberi laporan dapat melaporkan pelanggaran melalui situs web Speak Up, <https://mcg.whispli.com/SpeakUp>, yang dikelola oleh konsultan independen yang ditunjuk oleh perusahaan. Selain itu, pelapor dapat mengirim keluhan melalui telepon atau WhatsApp di 0812 5000 1018. [2-26]

Whistleblowers can report violations through the Speak Up website, <https://mcg.whispli.com/SpeakUp>, which is managed by an independent consultant appointed by the company. Additionally, whistleblowers can submit complaints via telephone or WhatsApp at 0812 5000 1018.

Laporan yang diterima melalui sistem WBS Merdeka dan ditindaklanjuti pada tahun 2023 adalah sebagai berikut:
The reports received through the Merdeka WBS system and followed up in 2023 are as follows: [205-3]

Pengaduan Complaints	Jumlah Kasus Number of Case	Status Pengaduan Complaints status
Konflik Kepentingan Conflict of Interest	3	Semua kasus telah diselesaikan. All cases have been resolved.
Perilaku tidak etis Unethical Behaviours	6	Semua kasus telah diselesaikan. All cases have been resolved.
Pelanggaran Peraturan Hukum Violations of Laws or Regulations	10	Semua kasus telah diselesaikan. All cases have been resolved.
Kasus lainnya (K3, Lingkungan, dll) Other Cases (Health, Safety, Environment, and others)	7	Semua kasus telah diselesaikan. All cases have been resolved.
Kasus korupsi yang menyebabkan pemutusan hubungan kerja karyawan Corruption case leading to the termination of employment for employees	4	Semua kasus telah diselesaikan. All cases have been resolved.
Kasus korupsi yang menyebabkan pemutusan hubungan kontraktor Corruption case leading to the termination of employment for contractors.	-	Semua kasus telah diselesaikan. All cases have been resolved.

Konsultan independen yang mengelola sistem Merdeka Speak Up akan mengonfirmasi penerimaan laporan, melakukan penilaian awal, dan mengirimkannya kepada salah satu anggota Direksi. Direktur yang menerima laporan akan melakukan tindak lanjut terhadap keluhan tersebut.

The independent consultant managing the Merdeka Speak Up system will confirm receipt of the report, conduct an initial assessment, and submit it to a member of the Board of Directors. The Director who receives the report will then follow up on the complaint.

Kami berkomitmen untuk mematuhi semua hukum dan peraturan yang berlaku dalam menjalankan bisnis kami. Selama tahun 2023, tidak terdapat kasus ketidakpatuhan terhadap peraturan perundang-undangan yang mengakibatkan denda atau sanksi non moneter lainnya. [2-27]

We are committed to complying with all applicable laws and regulations in conducting our business. During 2023, we did not receive any fines or non-monetary sanctions for noncompliance with applicable laws and regulations.

Rantai Pasokan yang Bertanggung Jawab

Untuk memastikan bahwa prinsip-prinsip Tata Kelola Perusahaan yg Baik diterapkan di seluruh rantai pasokan Merdeka, Merdeka telah mengembangkan Kode Etik Keberlanjutan Pemasok, yang mengatur prinsip-prinsip, nilai, dan standar perilaku, prosedur pengambilan keputusan, dan sistem operasional yang harus diikuti oleh pemasok kami. [3-3]

Kode Etik Pemasok berlaku untuk semua pemasok kami, yaitu entitas bisnis, organisasi, atau individu yang menyediakan barang atau jasa kepada Merdeka, termasuk penyedia keamanan kontrak. Kode Etik Pemasok ini mencakup aspek aspek keberlanjutan termasuk persyaratan bagi pemasok untuk menjalankan prinsip-prinsip etika dan integritas bisnis sebagai berikut:

- Tidak terlibat dalam penyuapan, korupsi, pemberian facilitation payment, dan praktik-praktik bisnis terlarang lainnya
- Mematuhi undang-undang dan peraturan anti korupsi dan anti pencucian uang
- Menghindari melakukan tindakan apapun yang dapat menyebabkan konflik kepentingan
- Menjaga kerahasiaan semua informasi tentang Merdeka yang tidak tersedia bagi publik
- Mematuhi undang-undang dan peraturan privasi dan perlindungan data pribadi yang berlaku

Selain itu, Kode Etik Keberlanjutan Pemasok juga menyatakan persyaratan yang harus dipatuhi oleh pemasok terkait praktik kesehatan dan keselamatan kerja, pengelolaan lingkungan, kepatuhan terhadap standar ketenagakerjaan (yang mencakup penerapan syarat-syarat ketenagakerjaan yang adil, upah minimum, jam kerja maksimum, periode istirahat, dan cuti berbayar), penghormatan terhadap hak asasi manusia, dan pelibatan masyarakat.

Kode Etik Keberlanjutan Pemasok telah diintegrasikan ke dalam Sistem Manajemen Kontraktor (CMS) Merdeka, pendekatan sistematis dalam pemilihan, evaluasi, keterlibatan, dan manajemen kontraktor Merdeka. Klausul kontrak dengan kontraktor mencakup persyaratan bagi kontraktor untuk mematuhi Kode Etik Keberlanjutan Pemasok.

Pemilihan dan Pemantauan Kontraktor

Merdeka menerapkan aspek komersial dan aspek teknis dalam pemilihan kontraktor. Aspek teknis meliputi indikator CMS yang mencakup sistem manajemen kesehatan, keselamatan, dan lingkungan (K3), rencana manajemen K3, rencana manajemen sumber daya manusia, dokumentasi ESG yang mencakup Kode Etik Keberlanjutan Pemasok, pemeriksaan kesehatan,

Responsible Supply Chain

To ensure that the principles of GCG are implemented throughout Merdeka's supply chain, Merdeka has developed a Supplier Sustainability Code of Conduct, which regulates the principles, values, and standards of behavior, decision-making procedures, and operational systems that our suppliers must follow.

The Supplier Code of Conduct applies to all of our suppliers: business entities, organizations, or individuals that provide goods or services to Merdeka, including contract security providers. This code covers various sustainability aspects, including ethical conduct principles and business integrity. Our suppliers are required to adhere to the following guidelines:

- Not be involved in bribery, corruption, facilitation payments, and other prohibited business practices
- Comply with anti-corruption and anti-money laundering laws and regulations
- Avoid any action that may cause a conflict of interest
- Maintain the confidentiality of all non-public information about Merdeka
- Comply with applicable privacy and personal data protection laws and regulations

In addition, the Supplier Sustainability Code of Conduct also outlines requirements for suppliers to follow regarding occupational health and safety practices, environmental management, adherence to labor standards (that include implementing fair terms of conditions of employment, minimum wage, maximum working hours, rest period, and paid leave), respect for human rights, and community engagement.

The Supplier Sustainability Code of Conduct has been integrated into Merdeka's Contractor Management System (CMS), a systematic approach to the selection, evaluation, engagement and management of Merdeka's contractors. The contract clauses with contractors include requirements for the contractors to adhere to the Supplier Sustainability Code of Conduct.

Contractors' Selection and Monitoring

Merdeka applies commercial aspects and technical aspects in selecting contractors. The technical aspects include CMS indicators that include the contractor's health, safety and environmental (HSE) management system, HSE management plan, human resources management plan, ESG documentations that address the Supplier Sustainability Code of Conduct, medical check-up, medical

asuransi kesehatan, prosedur tanggap darurat, prosedur penyelidikan insiden, dan daftar persyaratan hukum dan lainnya.

Setelah kontraktor dipilih, kepatuhan kontraktor terhadap indikator CMS terus dipantau oleh tim CMS Merdeka. Pada tahun 2023, pada proses pemilihan kontraktor, Merdeka menyeleksi calon pemasok menggunakan indikator lingkungan, kesehatan kerja, dan keselamatan (K3), serta indikator sosial lainnya.

Selain itu, 89 dari 140 kontraktor (63%) yang terlibat dalam aktivitas fisik penuh waktu dan/atau berisiko di lokasi Merdeka (kontraktor utama) dievaluasi terkait pemenuhan indikator CMS (termasuk K3, lingkungan, manajemen sumber daya manusia, kegiatan sosial, dan anti-korupsi dan anti-suap) selama pelaksanaan kontrak kontraktor.

Selanjutnya, kontraktor diwajibkan untuk menindaklanjuti kesenjangan yang ditemukan dari hasil evaluasi CMS kontraktor tersebut, dan kegagalan dalam melakukan tindak lanjut terhadap kesenjangan tersebut dapat menyebabkan pemutusan kontrak. Berdasarkan evaluasi tersebut, tidak ditemukan dampak lingkungan dan sosial yang signifikan pada kinerja kontraktor. [308-1][308-2][414-1][414-2]

insurance, emergency response procedures, incident investigation procedures, and list of legal and other requirements.

After the contractors have been selected, the contractors' adherence to the CMS indicators is continuously monitored by Merdeka's CMS team. In 2023, during the selection process of contractors, Merdeka screened candidate suppliers using environmental, occupational health, and safety (OHS), as well as other social indicators.

Additionally, 89 out of 140 contractors (63%) who engage in full-time and/or risky physical activities at Merdeka's sites (major contractors) were screened using CMS indicators (including OHS, environmental, human resource management, social activities, and anti-corruption and anti-bribery) during the contractors' contract implementation.

Subsequently, the contractors are required to address any gaps based on the CMS screening, and the lack of follow-up on these gaps could result in contract termination. Based on the evaluation, no significant environmental and social impacts were found in the contractor's performance.



Pada tahun 2023, sosialisasi CMS dilakukan di BSI, PT BTR-BKP, Proyek Emas Pani, SCM, dan MTI dengan jumlah peserta sebanyak 249 orang. Peserta terdiri dari risk champions sites, manajer K3 sites, Pemilik Kontrak, Penanggung Jawab Operasional Kontraktor, perwakilan K3 Kontraktor, dan personel supply chain sites.

Manajemen Risiko dan Peluang

Sifat bisnis kami memerlukan pendekatan yang waspada dalam manajemen risiko dan peluang. Kami mengidentifikasi risiko dan peluang potensial, bukan hanya untuk melindungi operasi kami, tetapi juga untuk menangkap peluang yang muncul – membangun ketahanan dan penciptaan nilai jangka panjang kami dalam dunia dinamis bisnis nikel terintegrasi. Saat kami memperluas bisnis kami menuju rantai nilai yang terintegrasi, setiap sites dan tahap dalam rantai nilai datang dengan serangkaian risiko yang harus dipantau, dan kami memberikan kepastian dan keyakinan dalam operasi bisnis kami serta kontinuitas bisnis, dan membuat rencana mitigasi untuk mengurangi risiko dan meningkatkan peluang. [E.3]

Untuk mengurangi risiko ini dan melindungi pencapaian tujuan strategis Perusahaan, reputasinya, dan keberlanjutan bisnisnya, Perusahaan telah menetapkan Kebijakan Manajemen Risiko dan Peluang dan Standar Manajemen Risiko dan Peluang yang Proses Manajemen Risiko diterapkan melalui berbagai tingkatan di dalam Perusahaan.

Merdeka menerapkan pendekatan Manajemen Risiko bertingkat dengan proses penilaian risiko yang relevan diterapkan pada berbagai tingkatan (tingkat tinggi, tingkat menengah, dan tingkat rendah) di dalam Perusahaan.

Penilaian risiko tingkat tinggi mencakup risiko-risiko untuk perusahaan, unit bisnis, dan sites yang dilakukan oleh Komite Manajemen Risiko dan tim manajemen sites atau proyek. Komite Manajemen Risiko dan Peluang, yang anggotanya termasuk direktur Perusahaan, direktur proyek, tim eksekutif, manajer umum sites dan proyek, manajer risiko dan kepatuhan Merdeka, dan manajer risiko, bertemu setiap bulannya untuk mendiskusikan pembaruan profil risiko ekstrim dan tinggi dari semua proyek dan sites perusahaan. Diskusi meliputi pembaruan kontrol mitigasi yang dilakukan untuk risiko-risiko ekstrim dan tinggi yang ada dari setiap proyek dan sites serta risiko grup Merdeka.

Sites dan proyek-proyek besar bertanggung jawab penuh untuk memperbarui status risiko ekstrem dan tinggi termasuk pengendalian mitigasi untuk mengatasi risiko-risiko tersebut setiap minggunya. Selain itu, sites

In 2023, CMS socialization was conducted at BSI, PT BTR-BKP, Pani Gold Project, SCM and MTI with total participants of 249 persons. The participants consist of site risk champions, site OHS manager, Contract Owner, PJO Contractor (Site/Project Manager), Contractors' OHS representatives and Site Supply Chain personnel.

Risk and Opportunity Management

The nature of our business requires a vigilant approach to risk and opportunity management. We identify potential risks and opportunities, not only to safeguard our operations, but also to seize emerging prospects – building our resilience and long-term value creation in the dynamic world of integrated nickel business. As we expand our business towards an integrated value chain, each site and stage of the value chain comes with its set of risks to be monitored, and we provide certainty and confidence in our business operations and business continuity, and establish mitigation plans to mitigate risks and enhance opportunities.

To mitigate these risks and safeguard the achievement of the Company's strategic goals, its reputation, and the sustainability of the business, the Company has established a Risk and Opportunity Management Policy Risk and Opportunity Management Standard that Risk Management processes to be applied through different levels within the Company.

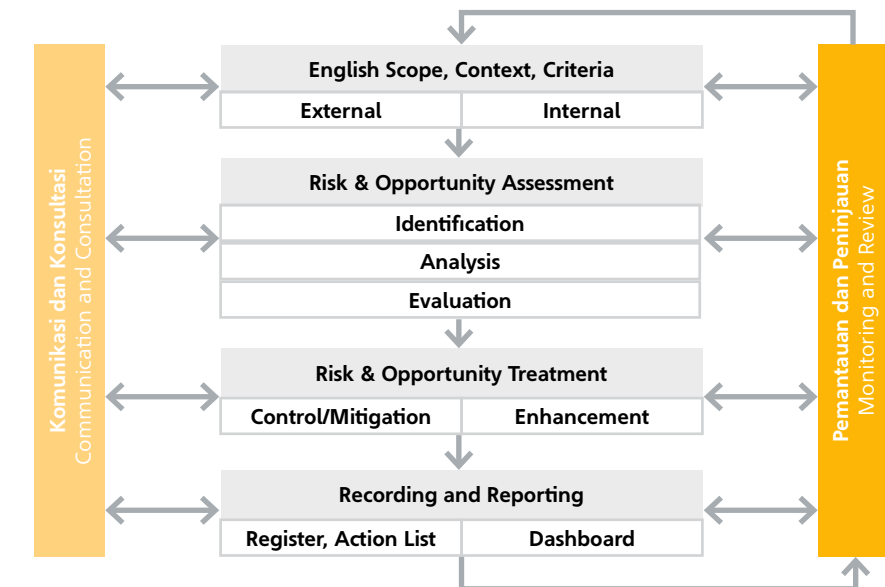
Merdeka applies a tiered Risk Management approach with relevant risk assessment processes applied at various levels (high level, medium level, and low level) within the Company.

High-level risk assessments cover the risks for the enterprise, business units and site which are conducted by the Risk Management Committee and Site/ Project management team. The Risk and Opportunity Management Committee, whose members include Company directors, project directors, executive team, sites and projects general managers and Merdeka's general managers of risk and compliance and risk managers, meets monthly to discuss the update of extreme and high-risk profiles of all the company's projects and sites. The discussion includes the updates of mitigation controls undertaken for the existing extreme and high risks of each project and site and Merdeka group risks.

Sites and major projects are fully responsible for updating the status of extreme and high risks including the mitigation control to address these risks weekly. In addition, sites and major projects are required to conduct

dan proyek-proyek besar diwajibkan untuk melakukan identifikasi risiko dan mitigasi yang berkelanjutan serta melaporkan status semua risiko termasuk risiko rendah dan menengah ke kantor pusat setiap bulannya.

continuous risk identification and mitigation and report the status of all risks including low and medium risks to the head office monthly.



Jenis risiko dan peluang yang dinilai oleh sites dan Komite Manajemen Risiko mencakup risiko geoteknik, kesehatan dan keselamatan, lingkungan, kerusakan properti, kerusakan sosial, regulasi, gangguan bisnis, penundaan, melebihi anggaran biaya, desain proyek, operasional, pengembangan sumber daya, metalurgi, eksekutif, reputasi, keuangan, ekonomi, perubahan iklim, dan risiko kelangkaan air.

Penilaian risiko tingkat menengah mencakup risiko-risiko untuk departemen unit bisnis dan proyek ad-hoc, termasuk Penilaian Risiko dan Peluang Dasar (BROA), Identifikasi Bahaya, Penilaian Risiko, dan Penentuan Pengendalian (HIRADC), Penilaian Aspek dan Dampak Lingkungan, Hazard Operability (HAZOP), dan Manajemen Perubahan (MoC).

Penilaian risiko tingkat rendah adalah penilaian risiko yang dilakukan oleh kelompok kerja kecil dan individu. Ini termasuk Analisis Keselamatan Kerja Lingkungan, penilaian sebelum pelaksanaan pekerjaan, dan observasi manajemen risiko kritis.

Pendekatan Manajemen Risiko dan Peluang Grup Merdeka selaras dengan - Prinsip dan Pedoman ISO 31000:2018 Manajemen Risiko, Sistem Manajemen Kesehatan dan Keselamatan Kerja ISO 45001:2018, dan Sistem Manajemen Lingkungan ISO 14001:2015.

The types of risks and opportunities assessed by sites and the Risk Management Committee include geotechnical, health and safety, environmental, property damage, social unrest, regulatory, business interruption, delay, cost overrun, project design, operational, resource development, metallurgy, executive, reputational, financial, economic, climate change, and water scarcity risks.

Medium-level risk assessments cover risks for business unit departments and ad-hoc projects, including Baseline Risk and Opportunity Assessment (BROA), Hazard Identification, Risk Assessment and Determination of Control (HIRADC), Environmental Aspect and Impact Assessment, Hazard Operability (HAZOP) and Management of Change (MoC).

Low-level risk assessments are the risk assessments conducted by small working groups and individuals. These include job safety environmental analysis, pre-job assessment and critical risks management observations.

The Merdeka Group's Risk and Opportunity Management approach is aligned with ISO 31000:2018 Risk Management – Principles and Guidelines, ISO 45001:2018 Occupational Health and Safety Management System, ISO 14001:2015 Environmental Management System.

Tanggung Jawab dan Pengawasan

Direksi bertanggung jawab mengawasi pelaksanaan Manajemen Risiko dan Peluang di Merdeka, yang meliputi melalui laporan berkala dari Komite Manajemen Risiko dan Peluang.

Komite Manajemen Risiko dan Peluang telah dibentuk yang dipimpin oleh Wakil Presiden Direktur dengan anggota yang terdiri dari eksekutif, manajer umum, dan Manajer Risiko, bertanggung jawab atas tinjauan berkala terhadap kebijakan, strategi, target, dan pedoman manajemen risiko dan peluang Merdeka. Komite secara berkala meninjau risiko-risiko terkait ESG yang diidentifikasi dalam bidang-bidang risiko sosial, lingkungan, kesehatan dan keselamatan, operasional, dan perubahan iklim yang dapat mempengaruhi bisnis Merdeka serta meninjau dan menyetujui tindakan mitigasi untuk mengurangi risiko-risiko ekstrem dan tinggi.

Dalam melaksanakan tanggung jawabnya, Komite Manajemen Risiko dan Peluang bekerja sama dengan departemen audit internal, Komite Audit, dan auditor eksternal Perusahaan untuk mengidentifikasi, mengevaluasi, dan mengurangi risiko dengan meninjau parameter risiko di berbagai area, terutama sistem-sistem penting, area yang mempengaruhi biaya dan profitabilitas, penipuan, dan penyalahgunaan wewenang.

Meningkatkan Budaya Risiko melalui Pelatihan

Untuk memupuk budaya manajemen risiko yang kuat, kami melakukan sosialisasi standar risiko melalui sesi pelatihan bekerja sama dengan Tim Pelatihan Kesehatan dan Keselamatan Kerja (K3). Upaya ini membantu dalam menilai risiko di berbagai sites, mempromosikan manajemen risiko dan peluang di seluruh organisasi, memfasilitasi penilaian risiko di departemen lain baik operasional maupun fungsional, serta berkontribusi pada koordinasi dan pelaporan risiko dalam struktur tata kelola kami.

Pada tahun 2023, pelatihan manajemen risiko dilakukan dengan total peserta sebanyak 457 dari BSI, BKP-BTR, PANI, SCM, dan MTI.

Responsibility and Oversight

The Board of Directors oversees the implementation of Risk and Opportunity Management within Merdeka, which include through regular reports from the Risk and Opportunities Management Committee.

A Risk and Opportunity Management Committee has been established which is chaired by the Vice President Director with members consisting of Executives, general managers, and Risk Manager, is responsible for the regular review of Merdeka's risk and opportunity management policy, strategy, targets and guidelines. The committee regularly reviews ESG-related risks identified within the areas of social, environmental, health and safety, operational and climate change risks that may impact Merdeka's business as well as reviews and approves mitigation actions to mitigate extreme and high risks.

In carrying out its responsibilities, the Risk and Opportunity Management Committee collaborates closely with the internal audit department, the Audit Committee and the Company's external auditors to identify, evaluate, and mitigate risks by reviewing risk parameters in various areas, particularly critical systems, areas affecting costing and/or profitability, fraud, and abuse of authority.

Enhancing our Risk Culture with Training

Fostering a robust risk management culture, we conducted the socialization of risk standards through training sessions in collaboration with the OHS Operation Training Team. This effort aids in assessing risks across sites, promoting risk and opportunity management across the organization, facilitating risk assessments in other departments (operational and functional), and contributing to the coordination and reporting of risk within our governance structure.

In 2023, risk management training was conducted with a total participants of 457 from BSI, BKP-BTR, PANI, SCM and MTI.

Kebijakan-Kebijakan Merdeka Terkait Tata Kelola Perusahaan yang Baik Merdeka's Good Corporate Governance-Related Policies

» **Pedoman Tata Kelola Perusahaan Yang Baik**
Guidelines for Good Corporate Governance

» **Kode Etik**
Code of Conduct

» **Kode Etik Keberlanjutan Pemasok**
Supplier Sustainability Code of Conduct

» **Piagam Komite Audit**
Audit Committee Charter

» **Piagam Unit Audit Internal**
Internal Audit Unit Charter

» **Piagam Komite Nominasi dan Remunerasi**
Nomination and Remuneration Committee Charter

» **Piagam Komite Keberlanjutan**
Sustainability Committee Charter

» **Kebijakan Anti Korupsi**
Anti-Corruption Policy

» **Kebijakan Anti Pencucian Uang**
Anti-Money Laundering Policy

» **Kebijakan Anti Penyuapan**
Anti-Bribery Policy

» **Kebijakan Benturan Kepentingan**
Conflict of Interest Policy

» **Kebijakan Speaking Up dan Anti Pembalasan**
Speaking Up and Anti-Retaliation Policy



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Lampiran Annexes



Pernyataan Asurans Independen

Independent Assurance Statement [2-5] [G.1]



INDEPENDENT ASSURANCE OPINION STATEMENT

The 2023 Sustainability Report of PT Merdeka Copper Gold Tbk.

Statement No: 382/TRID-S03/IV/24

Type: 2

Level: Moderate

PT. TUV Rheinland Indonesia is an independent entity commissioned by PT Merdeka Copper Gold Tbk ("Merdeka") to provide assurance on Merdeka's Sustainability Report for the period from 1 January to 31 December 2023 ("Sustainability Report 2023"). This independent assurance opinion statement is intended for use by the stakeholders and management of Merdeka only. In providing this independent assurance opinion statement, PT TUV Rheinland Indonesia does not accept or assume responsibility, legal or otherwise, nor accept liability for any other purpose for which it may be used, or for any person who may read the independent assurance opinion statement.

The Scope of the Assurance

The scope of assurance engagement agreed upon with Merdeka includes the following:

1. Assessment of Merdeka's Sustainability Report 2023 against the reporting criteria namely the Global Reporting Initiatives Standards 2021 ("GRI Standards"), GRI Mining and Metal Sector Disclosures, and Financial Services Authority (OJK) Regulation No. 51/POJK.03/2017 regarding Sustainable Finance Implementation, with a focus on eighteen material topics identified and reported by Merdeka. These material topics are energy management, climate change, water and effluents, waste management, land reclamation and site closure, biodiversity preservation, toxic emissions, occupational health and safety (OHS), employee training and development, diversity, equity and inclusion (DEI), local procurement, financial performance and economic contribution, community development and empowerment, human rights, business ethics and integrity, responsible supply chain, corporate governance, and risk and opportunity management.
2. A Type 2 Moderate Level of Assurance is used to evaluate the nature and extent of Merdeka adherence to all four AA1000 Accountability Principles (2018), namely Inclusivity, Materiality, Responsiveness, and Impact, using AA1000 Assurance Standard V3 (2020)

Opinion Statement

This report is assured by the sustainability report assurers' team in accordance with AA1000AS V3 (2020) Principles, AA1000AP (2018) Principles, and GRI Standards. Based on the information and explanations provided, we have received sufficient evidence to conclude that Merdeka's Sustainability Report 2023 has been prepared in accordance with the GRI Standards and fairly represents Merdeka's sustainability performance in 2023. Based on the outcome of the assessment conducted by our team according to our procedures, we conclude that the 2023 data presented by Merdeka for all the performance indicators related to the material topics are reasonably represented, and nothing has come to our attention that would cause us to believe that Merdeka has not presented accurate and reliable data.



Methodology

We conducted the assurance in accordance with the following assurance procedures and activities:

- A top-level review of issues raised by external parties that could be relevant to Merdeka policies to check the appropriateness of statements made in the report.
- Discussion with Merdeka's appointed representative on Merdeka's approach to stakeholder engagement.
- Interviews with staff involved in sustainability management, report preparation, and provision of report information.
- Review of key organizational developments.
- Review of supporting evidence for assertions made in the reports.
- Evaluate the adherence of report content, disclosure and presentation against the standard principles, and indicators of AA1000AS V3 (2020), AA1000AP (2018), GRI Standards, GRI Mining and Metal Sector Disclosures, and POJK51/2017.

Findings and Conclusions

The detailed review against AA1000AP (2018) for Inclusivity, Materiality, Responsiveness, and Impact and the GRI Standards is presented below:

Inclusivity

This report has reflected Merdeka's continued commitment to its stakeholders, as engagement and participation of stakeholders have been conducted, and an accountable and strategic response to sustainability has been achieved. This report covers stakeholder issues together with fair reporting and disclosures of material topics and information. In our professional opinion, the report covers Merdeka's application of inclusivity principles.

Materiality

Merdeka presents sustainability information that describes the sustainability context as a Mining company. These data enable Merdeka's stakeholders to make informed judgments about the company's management and performance. In our professional opinion, the report covers the organization's material issues by using Merdeka's materiality matrix and boundary mapping.

Responsiveness

Merdeka has implemented management practices to respond to the expectations and concerns of its stakeholders. It includes communication on stakeholder expectations and different feedback mechanisms to external and internal stakeholders. In our professional opinion, the report covers Merdeka's responsiveness to issues. Our inputs for the improvement of the report were adopted by Merdeka before the issue of this opinion statement.



Impacts

Merdeka has made steps to identify, measure, monitor, control, and be accountable for how their actions affect their broader ecosystems including environmental, economic, and social aspects. In our professional opinion, the report covers Merdeka's impacts on the broader ecosystems. Our improvement report inputs have been adopted by Merdeka before the issue of this opinion statement.

In Accordance with GRI Standards

The Report has been prepared in accordance with the GRI Standards. The management approach disclosure for each material topic is fairly disclosed.

GRI Standards Principles

The Management has applied the Principles for Defining Report Content (stakeholder inclusiveness, sustainability context, materiality, and completeness) and the Principles for Defining Report Quality (balance, comparability, accuracy, timeliness, clarity, and reliability). Supporting documents were adequately presented during the assurance work.

GHG Emission Assessment

Merdeka calculated the GHG emissions based on a GHG emissions calculation platform, which is built on two globally recognized standards, namely the Greenhouse Gas Protocol and ISO 14064-1. In our professional opinion, the GHG emissions for Scope 1 and 2, totaling 3,924,874 tonCO₂ (e), are fairly presented in this report.

Land Reclamation and Biodiversity Preservation

Merdeka has provided a fair disclosure of the land reclamation and biodiversity preservation activities carried out by its business units. In 2023, BSI completed land reclamation on 71.54 hectares and handed over 69.6 hectares of reforested compensation land to the government. On the other hand, BTR-BKP completed land reclamation on 10.68 hectares.

In addition, Merdeka has developed a Biodiversity Management Plan (BMP) for the Konawe Nickel Mine, which includes mitigation measures to be implemented to avoid, minimize, and restore the impacts of our operations. It also details the governance structure for BMP implementation. The development of the BMP was informed by national and international regulations, including the IFC Performance Standard (PS) 6, the International Council on Mining and Metals (ICMM) Principle 7 on Conservation of Biodiversity, the environmental responsibility requirements of the Initiative for Responsible Mining Assurance (IRMA), and the International Union for Conservation of Nature and Natural Resources (IUCN) Red List.

Statement of Responsibility of the Management of Merdeka

The Management of Merdeka has sole responsibility for preparing and presenting the Subject Matter (material topics) in accordance with GRI Standards and preparing the Report in adherence to the AA1000AP (2018) Principles. Merdeka's responsibilities also include maintaining effective internal controls over the information and data, resulting in the preparation of the Subject Matter in a way that is free from material misstatements.

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Statement of Responsibility, Competency, Independency, and Impartiality of Assurer

Our responsibility is to plan and perform our work to obtain an assurance statement over whether the Subject Matter has been prepared in accordance with the GRI Standard and reporting to Merdeka in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

PT. TUV Rheinland Indonesia is an independent professional services company that specializes in quality, environmental, health, safety, and social accountability with over 26 years of history. As part of the Assurer Team, the experts must understand the principles and standards of AA1000 Accountability, and also have experience in writing and reviewing sustainability reports and integrated reports.

PT. TUV Rheinland Indonesia operates a certified Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PT. TUV Rheinland Indonesia has implemented a Code of Ethics which meets the requirements of the International Federation of Inspections Agencies (IFIA) across its business which ensures that all our staff maintains integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.

Our assurer team does not have any involvement in projects with Merdeka outside those of an independent assurance scope, and we do not consider there to be a conflict between the other services provided by PT. TUV Rheinland Indonesia and that of our assurer team.

For and on behalf of PT. TUV Rheinland Indonesia

Jakarta, 19 April 2024



Nyoman Susanto
President Director

INDEKS ISI GRI STANDARDS 2021

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Task Force on Climate-related Financial Disclosures (TCFD)

Elemen Utama TCFD <i>TCFD Main Element</i>	Pengungkapan yang Direkomendasikan	<i>Recommended Disclosures</i>	Halaman Page
Tata Kelola <i>Governance</i>			
A	Menjelaskan pengawasan Komite Keberlanjutan terhadap risiko dan peluang terkait iklim.	<i>Describe the board's oversight of climate-related risks and opportunities.</i>	67-68
B	Menjelaskan peran Direksi dalam menilai dan mengelola risiko dan peluang terkait iklim.	<i>Describe management's role in assessing and managing climate-related risks and opportunities.</i>	67-68
Strategi <i>Strategy</i>			
A	Menjelaskan risiko dan peluang terkait iklim yang telah diidentifikasi organisasi dalam jangka pendek, menengah, dan panjang	<i>Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</i>	69-73
B	Menjelaskan dampak risiko dan peluang terkait iklim pada bisnis, strategi, dan perencanaan keuangan organisasi.	<i>Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</i>	69-73
C	Menjelaskan ketahanan strategi organisasi, dengan mempertimbangkan berbagai skenario terkait iklim, termasuk skenario 2°C atau lebih rendah.	<i>Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</i>	69-73
Manajemen Risiko <i>Risk Management</i>			
A	Menjelaskan proses organisasi untuk mengidentifikasi dan menilai risiko terkait iklim.	<i>Describe the organization's processes for identifying and assessing climate-related risks.</i>	76-77
B	Menjelaskan proses organisasi untuk mengelola risiko terkait iklim.	<i>Describe the organization's processes for managing climate-related risks.</i>	76-77
C	Menjelaskan bagaimana proses untuk mengidentifikasi, menilai, dan mengelola risiko terkait iklim diintegrasikan ke dalam manajemen risiko organisasi secara keseluruhan	<i>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management</i>	76-77
Metrik dan Target <i>Metrics and Targets</i>			
A	Mengungkapkan metrik yang digunakan oleh organisasi untuk menilai risiko dan peluang terkait iklim sejalan dengan strategi dan proses manajemen risikonya.	<i>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</i>	78-81
B	Mengungkapkan Cakupan 1, Cakupan 2 dan, jika sesuai, emisi gas rumah kaca (GRK) Cakupan 3 serta risiko terkait.	<i>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</i>	78-81
C	Menjelaskan target yang digunakan oleh organisasi untuk mengelola risiko dan peluang terkait iklim serta kinerja terhadap target.	<i>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</i>	74-75

Formulir Tanggapan
Feedback Form [G.2]

Nama/Name : _____

Institusi/Institution : _____

Saya berasal dari kelompok Pemangku Kepentingan:
I'm representing:

☐ Pemegang Saham (shareholder)	☐ Pemasok/Kontraktor (supplier/contractor)
☐ Karyawan (employee)	☐ Jurnalis/Media (journalist/media)
☐ Pelanggan (customer)	☐ Akademisi (academic)
☐ Pemerintah/regulator (government/regulatory body)	☐ LSM (NGO)
☐ Masyarakat Sekitar (local community)	☐ Lainnya (mohon sebutkan) (Other, please specify)

Bagaimana menurut Anda Laporan Keberlanjutan Merdeka tahun 2023:
How do you rate our Sustainability Report:

	Buruk Poor	Rata rata Average	Baik Good	Sangat Baik Excellent
Apakah informasi dalam laporan ini memenuhi harapan dan kebutuhan Anda? Does the report meet your information requirements?				
Apakah laporan ini mudah dipahami? Do you find the report easy to understand?				
Apakah informasi yang dicantumkan dalam laporan ini bermanfaat? Does the report have useful information?				
Menurut Anda, bagaimana kinerja kami di bidang lingkungan? How would you rate our environmental performance?				
Menurut Anda, bagaimana kinerja kami di bidang ekonomi dan keuangan? / How would you rate our economic and financial performance?				
Menurut Anda, bagaimana hubungan kami dengan pekerja dan komunitas masyarakat? How would you rate our employee engagement and community involvement?				

Informasi yang Anda ingin kami cantumkan dalam laporan berikutnya:
Information that you would like us to discuss further in the next report are:

Terima kasih atas partisipasi Anda | Thank you for your participation.

Pada Laporan Keberlanjutan tahun 2023, Merdeka telah menyertakan umpan balik dari investor, OJK, dan pemberi pinjaman terkait pengungkapan risiko iklim, emisi udara, dan pengurangan emisi.
In the 2023 Sustainability Report, Merdeka has included feedback from investors, OJK, and lenders regarding disclosure on climate risks, air emissions, and emission reduction. [G.3]



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