

Staying the Path:

# BUILDING A STRONGER SUSTAINABILITY FOUNDATION





# REPORT THEME

## STAYING THE PATH: BUILDING A STRONGER SUSTAINABILITY FOUNDATION

The 2024 Sustainability Report of MMS Group Indonesia (hereinafter referred to as “MMSGI” or “the Company”) carries the theme “Staying the Path: Building a Stronger Sustainability Foundation”. This theme reflects MMSGI’s journey and unwavering commitment to consistently applying sustainability principles, with a focus on continuous improvement to strengthen its strategic foundation across all aspects of Environmental, Social, and Governance (ESG). Amid global challenges such as the energy transition, geopolitical and economic uncertainty, and the climate crisis, MMSGI has not only remained resilient but has also continued to integrate ESG principles into every aspect of its business operations. This commitment is demonstrated through various initiatives, including resource efficiency improvements, biodiversity conservation efforts, community empowerment programs, employee capacity building and well-being, and governance practices that deliver tangible and lasting impact. With a stronger sustainability foundation, MMSGI continues to reinforce its role as an adaptive, responsible partner that actively contributes to sustainable national economic development.



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# OUR SUSTAINABILITY ACHIEVEMENTS

## ENVIRONMENTAL PERFORMANCE



### ENERGY INTENSITY (COAL AND OVERBURDEN)

**7.27%**



Decreased from previous year

**0.0153**

GJ/Ton

2024

**0.0165**

GJ/Ton

2023

**0.0148**

GJ/Ton

2022



### WATER CONSUMPTION

**63.56%**



Decreased from previous year

**17,648.18**

m<sup>3</sup>

2024

**48,424.72**

m<sup>3</sup>

2023

**502,489.40**

m<sup>3</sup>

2022



### THE PRESENCE OF BIODIVERSITY

**20.23%**



Increased from previous year

**731**

Flora and Fauna

2024

**608**

Flora and Fauna

2023

**592**

Flora and Fauna

2022





#### TOTAL GHG EMISSION\*

**41.34%**

↓ Decreased from previous year

**275,065.53**

Ton CO<sub>2</sub>eq

2024

**468,928.20**

Ton CO<sub>2</sub>eq

2023

**515,057.75**

Ton CO<sub>2</sub>eq

2022

\*) Scope 1 and 2 Emissions



#### EMISSION INTENSITY (COAL AND OVERBURDEN)

**1.84%**

↓ Decreased from previous year

**0.00121**

Ton CO<sub>2</sub>eq

2024

**0.00123**

Ton CO<sub>2</sub>eq

2023

**0.00122**

Ton CO<sub>2</sub>eq

2022



#### CARBON SEQUESTRATION

**273,419** Ton CO<sub>2</sub>eq

Carbon sequestration from revegetation, reclamation, and watershed rehabilitation activities

**2.33%**

↑ Increased from the previous year



#### CARBON REDUCTION

**82,334** Ton CO<sub>2</sub>eq

Carbon reductions from reduced energy consumption through 2024

**703.18%**

↑ Increased from the previous year

# OUR SUSTAINABILITY ACHIEVEMENTS

## SOCIAL PERFORMANCE



### NUMBER OF EMPLOYEES

**55.88%**

↑ Increased from the previous year due to mass recruitment for nickel smelter

**1,300**  
people

2024

**834**  
people

2023

**1,138**  
people

2022

### NUMBER OF NEW HIRES

**183%**

↑ Increased from previous year

**667**  
people

2024

**236**  
people

2023

**350**  
people

2022



### NUMBER OF TRAINING HOURS

**175%**

↑ Increased from previous year

**21,128**  
hours

2024

**7,697**  
hours

2023

**18,909**  
hours

2022





#### TOTAL CASES OF WORK-RELATED ACCIDENT

**33.33%**

↓ Decreased from previous year

26

2024

39

2023

46

2022

**0**

Number of workdays lost due to injuries in 2024

**58,760** hours

OHS training and education has been conducted with contractors during 2024

Average Ratio of Lowest Wage to Regional Minimum Wage

**102%**

In compliance with national standards applicable in Indonesia



## OUR SUSTAINABILITY ACHIEVEMENTS



### CORPORATE SOCIAL RESPONSIBILITY (CSR)

**16.87%**

↑ Increased from previous year

**160**  
Programs

2024

**133**  
Programs

2023



### SOCIAL RETURN OF INVESTMENT (SROI)



**6.20**

Goat Program in Tudungan Hamlet



**3.59**

Equivalency Education Program (Kejar Paket C)





## GOVERNANCE PERFORMANCE



### SUSTAINABILITY COMMITTEE



Oversees overall sustainability aspects, with the primary functions in governance, sustainability reporting, and research & development (R&D).

### INTERNAL AUDIT & RISK MANAGEMENT



Serves independently to manage risk and corporate governance effectively.

### CORRUPTION CASES



No (zero) corruption cases that occurred in the MMSGI throughout 2024.

### NON-COMPLIANCE CASES



No (zero) cases of non-compliance with laws and regulations that resulted in fines or non-monetary sanctions during 2024.



# SIGNIFICANT EVENTS



February 24, 2024

## MMS Land Unveils Modern Residential Cluster in the Nusantara Capital City (IKN) Buffer Zone

MMS Land held groundbreaking for Bukit Andara's second phase, Ametis Barat Cluster in Bukit Andara, Kutai Kartanegara, as part of its strategic residential development near the Nusantara Capital City (IKN). The event also marked the inauguration of the first convenience store, Indomaret, in the area. Handover of housing units were held through open houses and mortgage financing collaborations, which further strengthened MMS Land's commitment in presenting integrated and modern housing.



March 7, 2024

## MMSGI, Harvard University, and the Ministry of Education, Culture, Research, and Technology Collaborate to Enhance Teacher Competency

MMSGI participated in the 2024 Microcredential CS50X Indonesia-Harvard University program organized by the Ministry of Education, Culture, Research, and Technology to enhance teachers' digital competencies in the era of artificial intelligence (AI).



March 19, 2024

## MHU Establishes Strategic Partnership with Shaanxi Shaanmei Supply Chain Management Co., Ltd. (SHAANMEI)

PT Multi Harapan Utama (MHU), a subsidiary of MMSGI, has signed a Memorandum of Understanding (MoU) for a coal sales agreement with Shaanxi Shaanmei Supply Chain Management Co., Ltd. (SHAANMEI). MHU will supply 1.5 million metric tons of coal throughout 2024 to SHAANMEI, one of the largest coal importers in China. This partnership strengthens Indonesia-China trade relations and opens broader export opportunities.



May 3, 2024

## Collaboration of Mitra Murni Perkasa and PT PP Marks Completion of Nickel Smelter Port

PT Mitra Murni Perkasa (MMP), a subsidiary of MMSGI, officially marked the handover of its nickel smelter port in Kariangau, West Balikpapan. The port, developed in collaboration with PT Pembangunan Perumahan (PT PP), was completed in just 15 months. With a capacity of up to 7.5 million tons per year, the facility was built to high safety standards and is equipped with modern infrastructure.





### MHU Receives Gold Category Award and Excellent Recognition at the 2024 CSR and Sustainable Village Development Awards by the Ministry of Villages

PT Multi Harapan Utama (MHU), a subsidiary of MMS Group Indonesia (MMSGI), received the Gold Category Award and an Excellent recognition at the 2024 CSR and Sustainable Village Development (PDB) Awards, organized by the Ministry of Villages, Development of Disadvantaged Regions, and Transmigration (Kemendesa PDTT) in collaboration with the Indonesian Social Sustainability Forum (ISSF). This achievement reflects MHU's strong commitment to supporting sustainable village development and highlights its continued synergy with MMSGI in creating positive impacts for local communities.



### MMSGI Receives Two Excellence Awards at the 2024 TOP CSR Awards

MMS Group Indonesia (MMSGI) received the 5-Star category award and the 2024 TOP Leader on CSR Commitment was awarded to President Director Sendy Greti for his commitment to CSR programs based on ISO 26000 and ESG principle. These programs encompass environmental initiatives, education, community development, and MSME support, aimed at promoting self-reliance and a just energy transition.



### MMSGI Brings a Mission to Advance Green Energy Development

MMSGI participated to boost the green energy ecosystem, particularly through support for nickel smelters used in battery material production. This commitment is also reflected in various investments and community initiatives, such as the establishment of Rumah Cokelat Lung Anai. These efforts highlight MMSGI's dedication to advancing a just and sustainable energy transition through cross-sector collaboration.



### MHU Earns 2024 PROPERDA Award for Consistent Environmental Protection

MHU was awarded the Gold rating in the 2023–2024 PROPERDA for its commitment to environmental management in East Kalimantan. This award reflects MHU's success in implementing sustainable practices, including waste management, energy efficiency, water conservation, and ecosystem rehabilitation, all of which contributed positively to the environment and surrounding communities.

## SIGNIFICANT EVENTS



July 25, 2024

### MHU-MMSGI Hydram Pump Project Named Finalist in 2024 SDGI Awards

MHU has been selected among the grand finalists in the 2024 SDG Innovation Accelerator for Young Professionals with its hydram pump project titled "Reviving Hope: From Mining Void to Clean Water." This initiative has provided direct benefits to over 2,000 residents across three villages and supports the achievement of the Sustainable Development Goals.



September 23, 2024

### Acting Governor of East Kalimantan Praises MHU's Post-Mining Sustainability Program

MHU, a subsidiary of MMSGI, received recognition from the Acting Governor of East Kalimantan for its sustainable utilization of post-mining land through the development of agriculture, livestock, and education. The initiative included the inauguration of the Mineral and Coal Community Development Forum (Forum PPM Minerba) and the distribution of equivalency program diplomas, reaffirming MHU's commitment to food security, community empowerment, and sustainable development.



September 24, 2024

### Collaboration Between 1000 Days Fund, Yayasan LINE, and Manggarai Barat Health Office to Commit to Reducing Stunting Rates

Yayasan Life After Mine (LINE), together with the 1000 Days Fund and the Manggarai Barat Health Office, launched a training program for midwives to handle cases of pregnant women at risk of Low Birth Weight (LBW) and children at risk of stunting. The midwives are trained to carry out early interventions and to train Posyandu cadres in their respective areas. This program targets more than 3,000 pregnant women and toddlers and aims to strengthen stunting prevention through cross-sector collaboration.



September 25, 2024

### Commitment to SDGs Earns MHU Four Awards at the 2024 Good Mining Practices (GMP) Awards

MHU received four major honors at the 2024 GMP Awards for its excellence in environmental management and sustainable mining practices. The recognition includes the successful transformation of post-mining land into a productive Agro-Edu-Tourism area, involving local communities and institutions in line with ESG principles.





October 24, 2024

### Boosting Village-Owned Enterprise Revenue to Rp27 Billion, MMSGI Wins Most Impactful Program Prosperity Award

MMSGI received the 2024 “Most Impactful Program Prosperity” award for its CSR initiatives that improve community welfare and support environmental conservation. Through its subsidiary MHU, MMSGI has developed the Village-Owned Enterprise (BUMDes) Payang Sejahtera and various sustainable initiatives in education, local entrepreneurship, and livestock farming, aligned with ESG principles and in support of the Sustainable Development Goals.



October 25, 2024

### MMP Enhances Local Workforce Capacity Through Green Operator Training

PT Mitra Murni Perkasa (MMP), a subsidiary of MMSGI, conducted an intensive “Green Operator” training program for 250 local workers to support the operation of the nickel matte smelter in Balikpapan. The five-month program covers the Operation and Maintenance divisions, focusing on technical skills, workplace safety, and the use of environmentally friendly technology such as coal gasification. Participants are trained by professional instructors to meet global industry standards.



November 26, 2024

### Promoting Economic Independence, MHU Wins 2024 Tamasya Award

MHU received the 2024 Tamasya Award for its successful community development and empowerment programs around its mining areas, particularly through MSMEs and Village-Owned Enterprises (BUMDes), which have demonstrated high Social Return on Investment (SROI). This award reaffirms MHU’s commitment to sustainability, economic independence, and sustainable development in East Kalimantan.



December 7, 2024

### Minister Yandri Praises MHU’s Collaboration in Boosting the Economy of Two Villages in East Kalimantan

Minister of Villages, Development of Disadvantaged Regions, and Transmigration, Yandri Susanto, visited Lung Anai and Sungai Payang villages in Kutai Kartanegara to support efforts to accelerate rural economic growth. In Lung Anai, he observed the development of a cocoa initiative in collaboration with MHU, which empowers local farmers through the production of halal-certified chocolate. The visit continued to Sungai Payang, where he inaugurated the new village office and commended the success of the Village-Owned Enterprise in driving the local economy through various empowerment programs.

# AWARDS



7 | May 2024

## CSR and PDB Award

- Awarded the Gold Predicate in the Economic Category through the Empowerment Program for BUMDes Payang Sejahtera.
- Received an Excellent Predicate in the Written Work Category for the Sustainable CSR Program in Bumi Mahakam.



29 | May 2024

## TOP CSR Award

- TOP CSR 2024 in the 5-Star Excellence Category
- TOP Leader on CSR Commitment 2024



12 | June 2024

## Corporate Performance Rating Program in Environmental Management (PROPER) of East Kalimantan Province

- MHU-Gold Rating for the 2023–2024 Period



25 | September 2024

## Good Mining Practice (GMP) Award

- Award categories received by MHU:
- Environmental Management
  - Conservation Implementation
  - Standardization and Mining Services
  - Technical Management



24 | October 2024

## CSR Awards 2024: Impact Symphony

Most Impactful Program Prosperity



26 | November 2024

## 2024 Minerba Expo

Tamasya Award (Mining for Community Welfare Award)



**CERTIFICATE OF REGISTRATION**

This is to certify that:

**PT Mutiara Harapan Utama**

2 Fira Sudarya RT 07 Dusun IV, Desa Loka Kula Kidul, Kec. Loka Kulik, Kab. Sukoharjo, Jawa Tengah 57131 INDONESIYA

**SAI GLOBAL**

<b>Certificate Number:</b>	INDONESIA-001
<b>Version:</b>	Control System
<b>Issue Date:</b>	10 June 2022
<b>Current Validity Period:</b>	10 June 2023
<b>Scope:</b>	OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM
<b>Remarks:</b>	which complies with the requirements of <b>ISO 45001:2018 Occupational health and safety management systems - Requirements with guidance for use for the following scope</b>

Signature of Gert Haring

**SAI GLOBAL**

SAI Global Indonesia  
Pusat, Jalan Jember Raya

SAI Global Certification Center, 05  
Jember, East Java 66132  
Indonesia

[illegible][illegible][illegible]

## Advanced Occupational Health and Safety Management System

# MMSGI SUSTAINABILITY STRATEGY AND COMMITMENT TO THE SUSTAINABLE DEVELOPMENT GOALS

[2-22]

MMSGI implements a sustainability strategy focused on three key dimensions, namely environmental, social, and governance (ESG). This strategy aligns with MMSGI's vision and goal to become a growing and resilient company that delivers innovative solutions for society.

These three sustainability dimensions are formulated into a strategic framework that also reflects the company's contribution to the achievement of the Sustainable Development Goals (SDGs). The strategic framework is illustrated in the following diagram:





## COMMITMENT ON ENVIRONMENTAL EXCELLENCE



### Low-Emission

A proactive approach to monitoring the carbon footprint to support sustainable office operations.

### Energy Efficiency

Adoption of biofuel use and improved efficiency in fuel and electricity consumption to support more environmentally friendly operations.

### Clean Water Access

Dedicated to providing clean, safe, and sustainable water access for communities.

### Biodiversity

Commitment to preserving the environment through biodiversity conservation as an essential part of ecological sustainability.

## CREATING SHARED VALUE WITH EMPLOYEES AND COMMUNITIES



### Employee Well-being

Fostering a safe and comfortable work environment at MMSGI, with close attention to employees' physical and mental well-being.

### Employee Health and Safety

Placing safety as a top priority by achieving zero lost-time incidents due to injury.

### Local Communities

Committed to promoting capacity building and empowerment of local communities surrounding MMSGI's operational areas to create sustainable social impact.

## SOUND BUSINESS PRACTICES



### Governance

Ensuring transparent and effective governance through a systematic and accountable decision-making structure.

### Market Presence

Ensuring coal supply for both domestic and global energy needs, strengthening national energy security and partnerships in international markets.

### Indirect Economic Impact

Through its business activities, MMSGI contributes to generating economic added value for communities as a tangible demonstration of the Company's commitment to national development.

### Business Diversification

MMSGI continues to diversify its business as a strategic move to maintain corporate stability and resilience.

## SUSTAINABILITY STRATEGY AND MMSGI'S COMMITMENT TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

In the environmental aspect, MMSGI places emphasis on its sustainability strategy by monitoring its emission footprint and implementing reduction efforts, starting from improving fuel and electricity efficiency to carrying out watershed revitalization, tree planting, and other initiatives as part of emission offset measures. The Company is also committed to preserving the environment and using natural resources efficiently.

These initiatives are part of the Company's commitment to preserving ecosystems and supporting Indonesia's target of achieving Net Zero Emission by 2060. Key efforts include energy conservation, biodiversity preservation, implementation of the 3R (reduce, reuse, recycle) principles in waste management, and efficient water use for both domestic and operational activities.

In the social aspect, the Company places employee well-being, health, safety, and competency development as top priorities. This commitment also extends to communities surrounding its operational areas through empowerment programs, capacity building, and the development of supporting infrastructure to foster healthy, safe, and sustainable communities.

Meanwhile, in the area of governance, the Company continues to strengthen its good governance system by prioritizing responsible business practices. This commitment is reflected in the voluntary publication of sustainability report and the achievement of an ESG rating, demonstrating transparency and accountability in its environmental, social, and governance performance.







# PRESIDENT DIRECTOR'S MESSAGE [2-22, 2-23]

**SENDY GRETI**  
President Director





## Dear respected stakeholders,

The year 2024 marks a strategic milestone for MMS Group Indonesia (MMSGI), highlighted by concrete steps taken towards becoming a more sustainable business. Our 2024 theme, "Staying the Path: Building a Stronger Sustainability Foundation," corresponds to MMSGI's business diversification efforts and achievements in strengthening the foundation of environmental, social, and governance (ESG) aspects. Geopolitical and economic uncertainty, energy transition, and climate change have presented real challenges, especially to the energy and coal sectors. Amid these dynamics, MMSGI believes that sustainability is not only a moral obligation but also serves as a core strategy to ensure long-term business continuity.

With sincere gratitude, we present the 2024 Sustainability Report as a testament to our continuous commitment for our nation and next generation a better future. The Report serves as a reflection of the Company's commitment to managing the economic, social, and environmental impacts of its operations in a

measurable, responsible, and transparent manner. This report also highlights MMSGI's initiatives and performance in implementing ESG principles.

### Embedding ESG as a Pillar of Growth

MMSGI recognizes that sustainability is a fundamental foundation for building an adaptive and resilient business. The Company integrates ESG into its operations, as we believe that business, society, and the environment can go hand in hand.

MMSGI believes ESG principles implementation provides mutual benefit to society through employee and community empowerment and to environment through emission reduction, resource conservation, and biodiversity preservation. The Company also believes that the implementation of Good Corporate Governance (GCG) is another essential element in business continuity and lasting positive impact.

"AT MMSGI, WE BELIEVE THAT IMPLEMENTING ESG PRINCIPLES AND GOOD CORPORATE GOVERNANCE CREATES MUTUAL BENEFITS FOR SOCIETY, THE ENVIRONMENT, AND LONG-TERM BUSINESS CONTINUITY."

### Transition Toward Sustainable Business and Inclusive Growth

As part of business diversification and transition toward sustainable businesses, MMSGI is developing a nickel matte smelter through its subsidiary, Mitra Murni Perkasa (MMP), which is scheduled to commence operations in the second half of 2025. Funded entirely by Indonesian capital and financing, the smelter empowers the local workforce in East Kalimantan and engineering capabilities, showcasing Indonesia's technical expertise and project execution strength.

The Company also continues to develop innovative and responsible energy solutions to significantly reduce environmental impact. Through these initiatives, MMSGI reinforces its role as an adaptive and visionary partner, consistently driving long-term value for stakeholders and the national economy.

### Sustainability Achievements

As part of its commitment to resource conservation, MMSGI's subsidiary, PT Multi Harapan Utama (MHU), obtained ISO 50001:2018 certification for energy management system. This certification stands as a proof of the Company's robust energy management system. Additionally, water use, energy intensity, and emission intensity were reduced by 64.6%, 7.3%, and 1.8% year-on-year respectively. In addition, MMSGI successfully increased the carbon sequestration by a total of 273,419 tons of CO<sub>2</sub>e through various initiatives, including revegetation, land reclamation, and watershed rehabilitation efforts. In carbon reduction program, the Company successfully reduced 82,334 tons of CO<sub>2</sub>e through energy efficiency program and implementation of B35 fuel.

MMSGI also implements a flora and fauna conservation program in East Kalimantan, focusing on species listed on the IUCN Red List, which increased biodiversity presence by 20.3% year-on-year. This commitment has been recognized by the Ministry of Environment and Forestry through the

achievement of the Green PROPER rating for the 2023–2024 period.

In the social aspect, MMSGI continued to demonstrate a strong commitment to occupational health and safety (OHS) and employee well-being. During the reporting period, the Company recorded zero lost workday accidents, reflecting robust safety standards and culture. MMSGI also actively fosters meaningful relationships with surrounding communities through impactful community development programs. One notable achievement was the Gold Award for the empowerment program of the Village-Owned Enterprise (BUMDes) Payang Sejahtera from the Ministry of Villages, Development of Disadvantaged Regions, and Transmigration (Kemendes), the award is delivered personally by the Vice President. In the education sector, MMSGI's Kejar Paket A, B, and C program reached 817 participants as of 2024, with several graduates securing decent employment, demonstrating that education can serve as a bridge to social mobility. Other initiatives, such as the "Lestari" Goat Farming Group and "Koetai Harapan Utama" Joint Business Group, have generated measurable socio-economic impacts through a Social Return on Investment (SROI) assessment, with SROI values ranging from 5.2x to 6.2x, indicating huge social value creation.

In addition, MMSGI manages post-mining land productively, generating direct added value for communities. Various programs such as the energy-efficient clean water reservoirs, agro industry and sustainable livestock programs, have created new economic opportunities aimed at minimizing economic displacement.

MMSGI consistently strengthens the implementation of GCG principles through internal control improvements and voluntary participation in publishing sustainability report and ESG rating. MMSGI believes that strong governance, grounded in data and innovation, plays a vital role in enhancing accountability and maintaining competitiveness in a rapidly changing global environment. In this reporting year, MMSGI recorded no incidents of corruption or legal violations.



## Contributing to the Sustainable Development Goals

Throughout the reporting year, the Company implemented various programs that support the Sustainable Development Goals (SDGs). These efforts include contributions to poverty (SDG 1) and hunger alleviation (SDG 2), improved access to quality healthcare (SDG 3) and education (SDG 4), and the empowerment of women as part of the Company's commitment to gender equality (SDG 5). The Company also improves the availability of clean water and proper sanitation for communities (SDG 6).

In the economic aspect, MMSGI contributes to the creation of decent jobs, inclusive economic growth (SDG 8), and the reduction of social inequality (SDG 10). Through infrastructure development, innovation, and support for MSMEs, the Company fosters the growth of competitive Village-Owned Enterprises (BUMDes) (SDG 8).

On the environmental aspect, MMSGI carries out various initiatives to address climate change (SDG 13) and protect land (SDG 15) through environmental

rehabilitation and biodiversity conservation. All these efforts are carried out by upholding the principles of good governance and fostering strategic partnerships with various stakeholders, as part of a shared commitment to achieving inclusive and transformative sustainable development.

## Closing

All of these achievements are the result of the hard work and collaboration of all elements within the Company and its stakeholders. MMSGI extends its deepest appreciation to the management team, Board of Commissioners, shareholders, employees, business partners, government, customers, and communities for their support, trust, and contributions throughout 2024.

The Company recognizes that the path toward a sustainable future is not without challenges. Amid complex global challenges and transitions, MMSGI chooses to go further by building a Company that not only endures but also leads in innovation, sustainability, and long-term impact for Indonesia.

Jakarta, July 2025  
On behalf of the Board of Directors  
MMS Group Indonesia



**SENDY GRETI**  
President Director



A misty forest landscape with a large pine tree in the foreground and rolling hills in the background. The scene is hazy, with soft light filtering through the trees. The pine tree's branches and needles are detailed in the foreground, while the background shows a dense forest covering a hillside under a pale sky.

# 01

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COMPANY  
PROFILE







# COMPANY IDENTITY

## ► Organization Name [2-1]

MMS Group Indonesia

## ► Activities, Brands, Products, and Services [2-6]

Engaged in the energy, hospitality, and property sectors through three main business lines, namely MMS Resources, MMS Land, and MMS Solution

## ► Legal Entity and Company Status [2-1]

Limited Liability Company

## ► Number of Employees

1,300 people

## ► Number and Names of Countries of Operation [2-1]

1 (one), Indonesia

## ► Operational Areas [2-1]

MMSGI operates in several regions, including Jakarta, East Kalimantan, Bali, South Sumatra, North Maluku, South Sulawesi, and East Nusa Tenggara.

## ► Head Office Location [2-1]

CFX TOWER, 9th Floor  
Jl. Gatot Subroto No. Kav. 35–36, RT 6/RW 3,  
Kuningan, Kuningan Timur, Setiabudi District,  
South Jakarta City, Special Capital Region of  
Jakarta 12950, Indonesia

## ► Telephone and Facsimile

Tel. : (+6221) 295 29 473  
Fax. : (+6221) 295 29 478

## ► Website

[www.mmsgroup.co.id](http://www.mmsgroup.co.id)





# ABOUT MMSGI

MMS Group Indonesia (“MMSGI” or “the Company”) is a diversified business group with 100% domestic investment, built on a strong foundation in the coal and hospitality sectors, and strategically expanding into the nickel industry and digital ecosystem.

Driven by deep industry expertise, MMSGI is committed to delivering meaningful impact through collaboration and innovation. Sustainability is at the heart of the Company’s business strategy, underpinned by strong adherence to Environmental, Social, and Governance (ESG) principles to ensure long-term resilience and sustainable growth.



## Driving Indonesia’s Energy Transformation

MMSGI operates through three core business pillars, namely **MMS Resources**, **MMS Land**, and **MMS Solution** with operations across various regions in Indonesia with two decades of experience. MMSGI envisions continuously supporting Indonesia’s strategic goals toward a sustainable future, positioning itself as a trusted business actor and a committed contributor to the **Indonesia Net Zero 2060** agenda.

MMSGI began its business activities in coal trading and mining management, guided by a long-term vision to transition towards sustainable business. As part of this transformation, the Company expanded its business portfolio with the establishment of MMS Land in 2015 and MMS Solution in 2020. These two entities mark important milestones in the Company’s strategic shift toward business practices that support the energy transition and green economic growth.

MMS Land focuses on the development and management of residential and commercial properties, including housing, luxury hotels, office towers, and data centers. On the other hand, MMS Solution is the lever of the company’s transformation into sustainable businesses such as nickel matte for battery material and corn estate farm. [\[2-1\]](#)

Through its three business lines, MMSGI remains committed to creating long-term value for stakeholders and contributing to the achievement of Indonesia’s low-carbon development goals.



# MILESTONES



## 2005

### STARTING THE JOURNEY

Started its journey as a coal trading company serving the domestic market.

## 2012

### EXPANDING TO EXPORT MARKETS

Expanded its business to international markets and established MMS Resources.

## 2014

### COAL MINING EXPANSION

Acquired PT Duta Dharma Utama (DDU), marking the initial step into coal mining operations.

## 2015

### DIVERSIFICATION INTO THE HOSPITALITY BUSINESS

Acquired a hotel in Legian, Bali operated by Pullman through Mitra Asian Property (MAP).

## 2017

### ACQUISITION OF MHU COAL MINE

The acquisition of Multi Harapan Utama (MHU) positioned MMSGI as one of the key players in Indonesia's coal mining industry.





## 2018

### EXPANDING ASSET-BASED BUSINESS

Established MMS Land to manage the expansion of hospitality and property ventures.

## 2019

### TECHNOLOGY INNOVATION

Affiliated with Bitera, a data center service provider located in the city center.

## 2020

### INVESTING FOR THE FUTURE

Established MMS Solution to support sustainable business initiatives, including the development of a nickel matte smelter by PT Mitra Murni Perkasa (MMP).

## 2022

### SUPPORTING GREEN ENERGY

Began utilizing electricity from solar power plants for MHU's operations.

## 2024

### STRENGTHENING FUTURE BUSINESS

Exploring nickel mining development to reinforce MMSGI's position within the green energy ecosystem.

# VISION, MISSION, AND CORPORATE VALUES <sup>[2-23]</sup>



## VISION

To be a growing and resilient company that provides innovative solutions.



## MISSION

- Bring positive impact to community and environment
- Bring a fun workplace to work and to strive
- Bring value add to business partner through a win-win solution



# C O R P O R A T E V A L U E S

## M O D E R N

To achieve the vision and mission, MMSGI is always getting better.

—  
*Forward Looking,  
Digital Savvy, Fun*



## M E A N I N G F U L

Everything that is initiated, implemented and produced yields positive impact.

—  
*Impact, Sense  
of Ownership*



## S Y N E R G Y

Collaborate and interact to produce better results.

—  
*Teamwork,  
Engaged*



## I N T E G R I T Y

Consistency and conformity in words or actions with principles/ values/ rules/facts

—  
*Integrity*



## G O A L O R I E N T E D

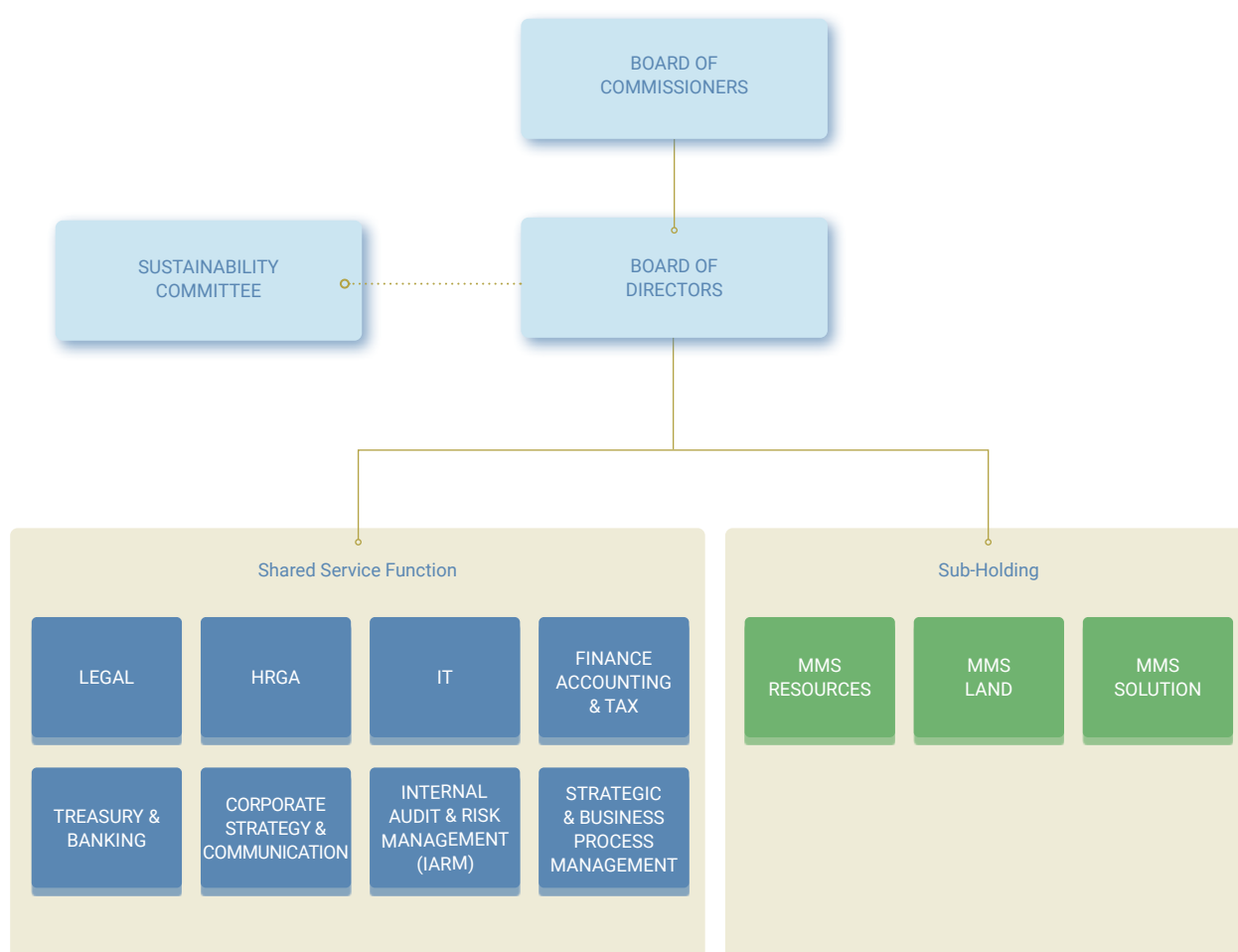
Focus on achieving goals by prioritizing good corporate governance.

—  
*Prudent, Responsible*



# CORPORATE ORGANIZATIONAL STRUCTURE

MMSGI continues to strengthen its organizational structure to ensure the achievement of strategic objectives and to support sustainable business growth. The structure also reflects the relationship between MMSGI and its three subsidiary entities (subholdings), namely MMS Resources, MMS Land, and MMS Solution.



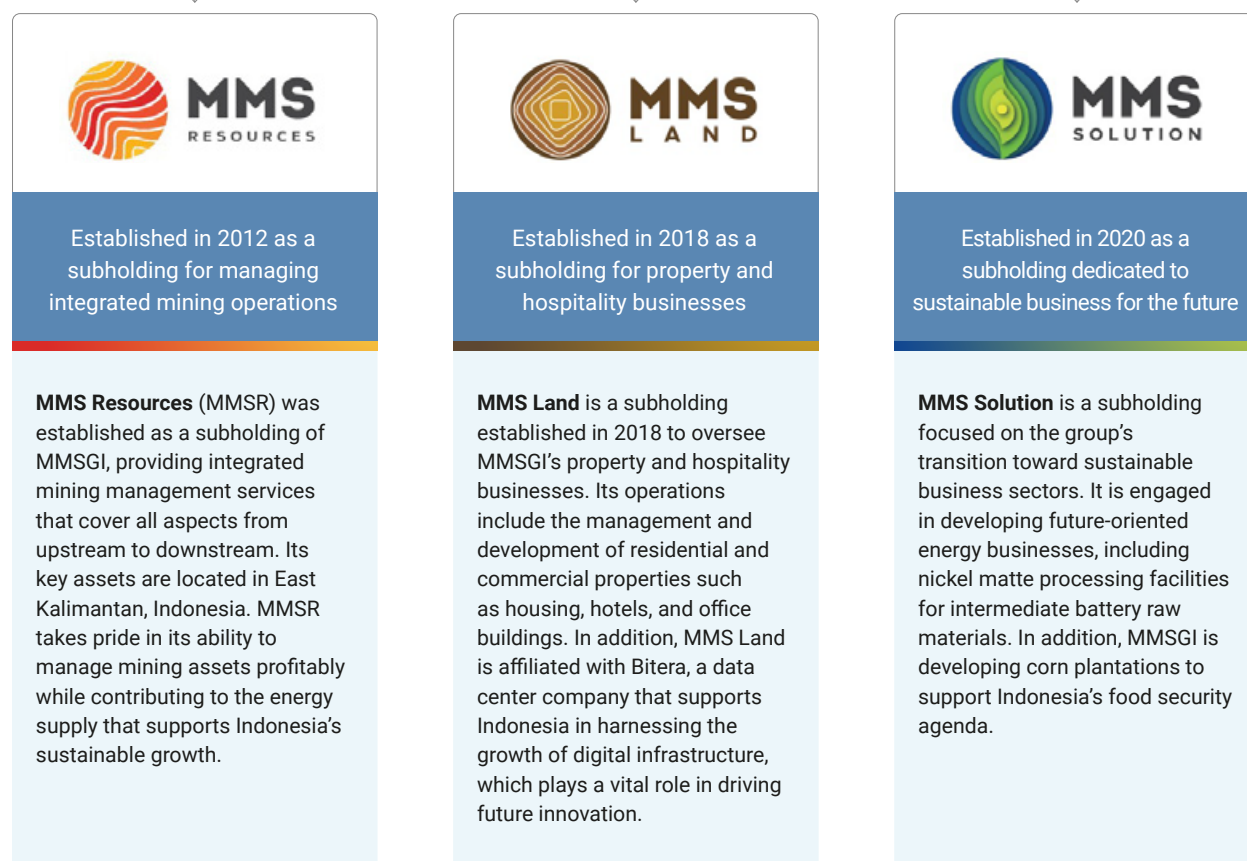


# BUSINESS ACTIVITIES AND PRODUCTS [2-6]

MMSGI conducts its business activities through three main business lines, namely MMS Resources, MMS Land, and MMS Solution. Throughout the reporting year, the Company's organizational structure and business units remained consistent, with no significant changes. [2-1][2-6]



Established in 2005 as a mining trading company, MMSGI has grown into a holding company with three main business lines.





MMS Resources:  
Integrated Mining Management



PT Multi Harapan Utama (MHU) is one of the mining operations located across most of Kutai Kartanegara Regency and the City of Samarinda in East Kalimantan Province. MHU holds a Special Mining Business License (IUPK), which is an extension of its former Coal Contract of Work (PKP2B) license granted in 2022.

This advancement reflects MMSGI's strong competence in managing coal mining operations. The Company's rapid growth has been driven by effective implementation, the trust of stakeholders, and extensive experience in the coal sector.



### Coal Specifications

► Gross Calorific Value

4,600–6,200

► Total Sulphur

0.5%–0.8%

► Total Moisture

14%–29%

► Ash Content

6%–8%



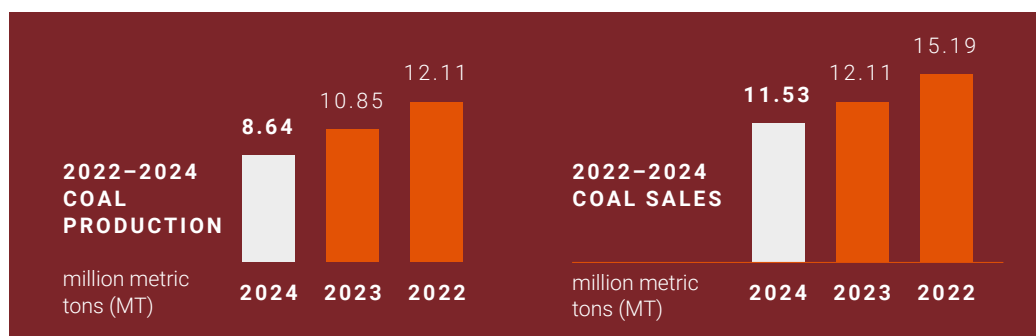
### Coal Production and Trading

#### RELIABLE PRODUCTION PERFORMANCE AS TRUSTED TRADING PARTNER

The establishment of MMS Resources marked a strategic move by the Company to expand its business portfolio and enhance its operational capabilities as a provider of integrated coal mining solutions. For over a decade, the Company has successfully penetrated export markets in 11 countries, including China, Malaysia, Japan, and the Philippines. Its operational expertise, supported by the trust of its partners, has laid a strong foundation for exploring new market opportunities and driving sustainable business growth.

In 2024, coal sales volume reached 11.53 million metric tons (MT), representing a 4.79% decrease compared to the previous year. This decline was a result of coal production adjustments.





### Distribution Countries

MMSGI's coal sales cover both domestic and international markets. MMSR serves Indonesia to support domestic energy security. Coal exports are directed to several countries across Asia, including Malaysia, the Philippines, Bangladesh, India, China, Vietnam, Japan, Thailand, South Korea, and Cambodia.

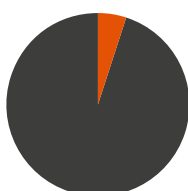


MMSGI serves several key buyers from various countries across Asia who have entrusted the Company with their coal supply needs. The main customers are as follows.



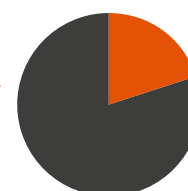
### BUYER PROFILE

- 95% end-user
- 5% traders



### SALES DISTRIBUTION (FY 2024)

- 20% general industries
- 80% power plant





MMS Land:  
Property and Hospitality



### Office Building and Data Center

MMS Land manages CFX Tower, an office building located in the Gatot Subroto area of Jakarta, through PT Mitra Griya Realtindo. Additionally, MMS Land is affiliated with Bitera, a data center located in Kuningan, strategically positioned near the main internet exchange hub.



### Hotels



MMS Land owns two hotel properties in Bali, namely Pullman Legian Hotel and Rumah Luwih. Both are five-star hotels offering facilities that meet international standards.

In addition, MMS Land is currently developing Crowne Plaza Labuan Bajo, a five-star business hotel designed to strengthen the international-standard MICE (Meeting, Incentive, Conference, and Exhibition) tourism ecosystem in Labuan Bajo, East Nusa Tenggara.



### Property Development

MMS Land is developing residential projects in Kutai Kartanegara, East Kalimantan, namely Bukit Andara Housing and Kota Harapan Sukses. The project are designed to support the development of Indonesia's new capital city (IKN) Nusantara.

Bukit Andara Housing, developed by PT Mitra Pesona Harmoni, adopts a modern green living concept and is strategically located near the IKN area.











MMS Solution:  
Sustainable Business



### Sustainable Business Solutions

MMS Solution is a subholding focused on the Group's transition toward sustainable business sectors. Sustainability principles serve as the core philosophy in the development of MMS Solution's business pillars.

MMS Solution is developing future energy businesses, including the construction of

high-grade nickel matte smelting facilities for battery raw materials.

In addition, MMS Solution is currently piloting an integrated corn farming project as part of its contribution to Indonesia's national food security agenda.



### 2 x 48 MVA Reduction-Kiln Electric Furnace (RKEF) Green Nickel Smelter



MMP, operating under MMS Solution, is currently developing a nickel smelter facility in Balikpapan, East Kalimantan, as part of its contribution to strengthening the national green energy ecosystem. The smelter is

planned to have an annual production capacity of 28,000 MT of nickel matte. A 2 x 48 MVA RKEF (Reduction-Kiln Electric Furnace) production line will be constructed to achieve the targeted nickel production capacity.





### Supporting Food Security

Mitra Tanam Sejahtera (MTS) focuses on the development of modern agribusiness to support the national agenda. By integrating advanced technology, this initiative makes a significant impact in ensuring food security and promoting sustainable innovation in agricultural practices.

#### ► Semi-Mechanized Plantation Operations

MTS applies integrated agricultural technology and equipment to develop large-scale modern farming. This approach combines technology with human expertise to significantly optimize crop yields.

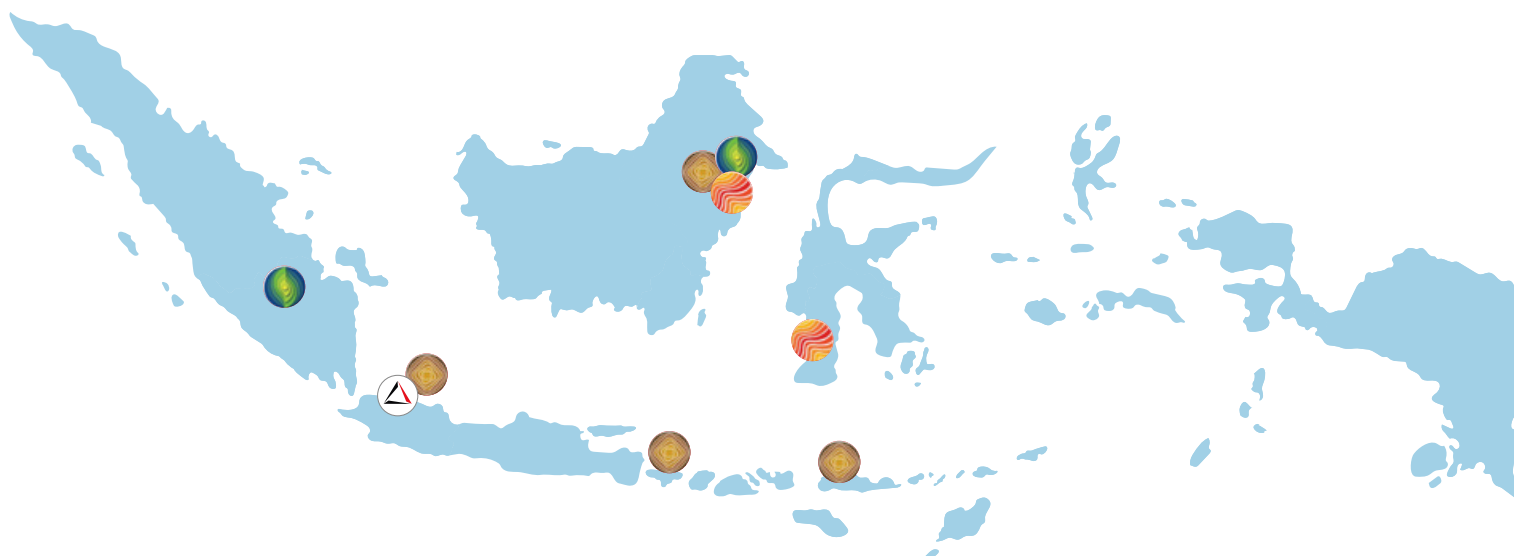
#### ► Education on Good Agricultural Practices

MTS provides education to local farmers on business supply chains and good agricultural practices. The training focuses not only on maximizing profits but also on emphasizing the importance of building sustainable farming enterprises.



# MMSGI OPERATIONAL AREAS <sup>[2-1]</sup>

MMSGI's operations cover several regions across Indonesia, including:



## HEAD OFFICE MMSGI

CFX Tower 9<sup>th</sup> Floor  
Jl. Gatot Subroto  
No.Kav. 35-36, RT 6/RW 3,  
Kuningan, Kuningan Timur,  
Setiabudi District  
South Jakarta City,  
Special Capital Region of  
Jakarta 12950



## MMS RESOURCES

The main business operations in coal mining and trading are located in Kutai Kartanegara, East Kalimantan and is currently exploring the development of nickel mining in East Luwu, South Sulawesi.



## MMS LAND

The main property business operations are divided into:

- CFX Tower office building located in Jakarta;
- Hotels in Bali (Pullman Legian and Rumah Luwih) and Labuan Bajo (Crowne Plaza), East Nusa Tenggara; and
- Residential areas in Kutai Kartanegara, East Kalimantan, namely Bukit Andara and Kota Harapan Sukses.



## MMS SOLUTION

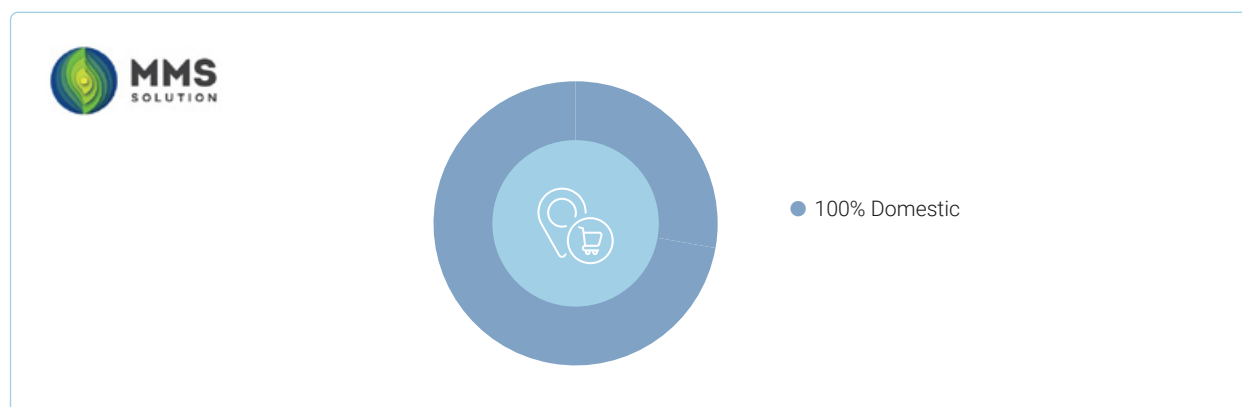
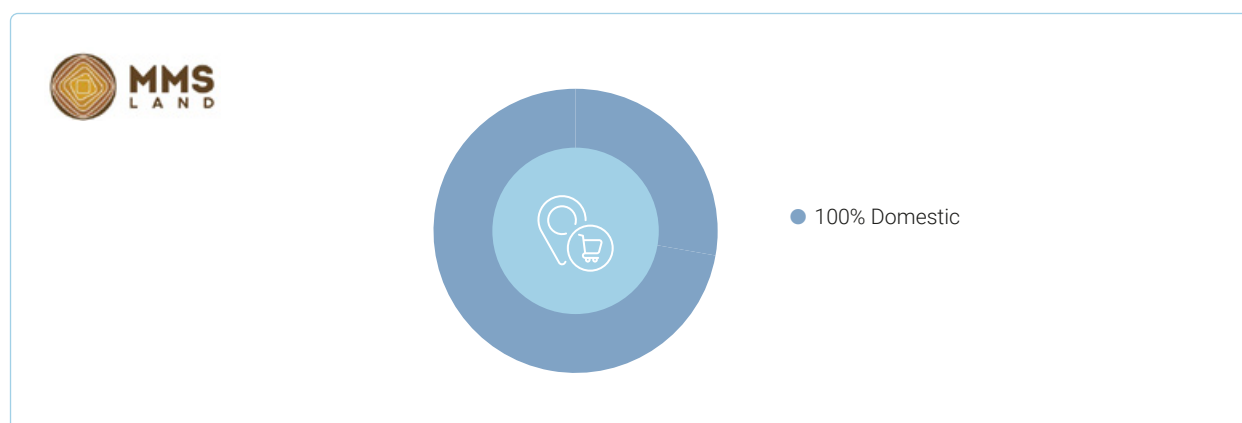
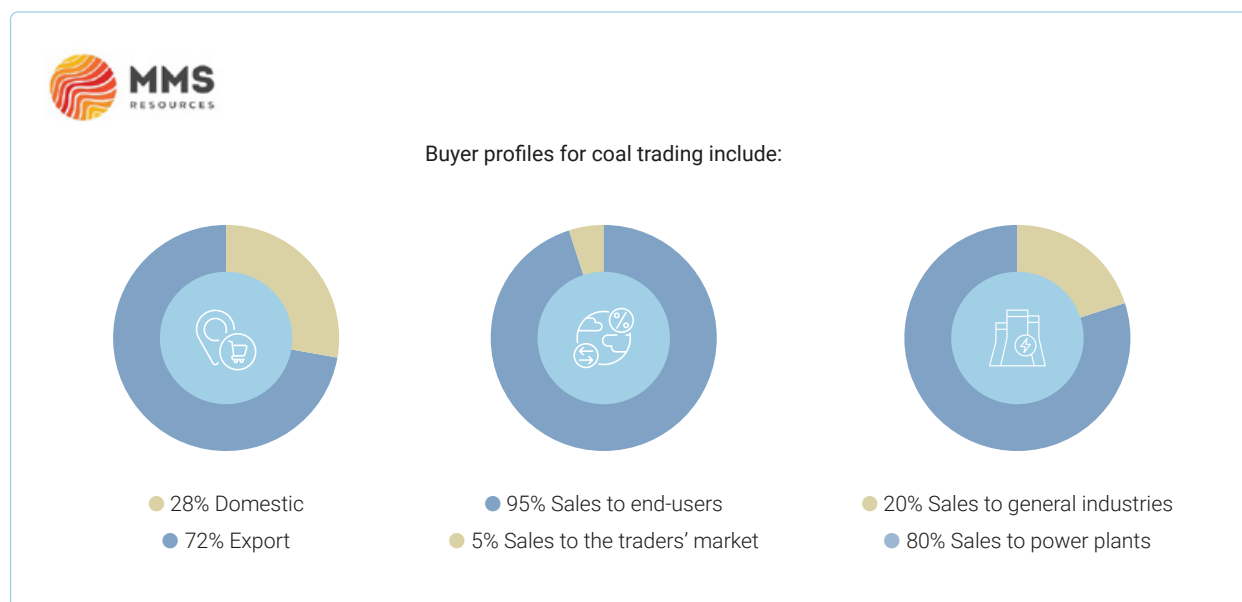
MMS Solution's business operations are located in East Kalimantan, South Sumatra, and South Sulawesi.

- Nickel Smelter: Balikpapan, East Kalimantan
- Corn Plantation: Baturaja, South Sumatera Selatan



# MARKET SERVED <sup>[2-6]</sup>

The market segments served by MMSGI include:



# EMPLOYEES <sup>[2-7]</sup>

Total active employees **1,300**  
people



**285** female employees  
people

**52.0%**

are permanent employees,  
with the remainder are  
contract employees



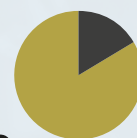
**21.5%**

of employees hold  
managerial and general  
managerial positions



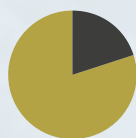
**16.5%**

of female employees hold  
managerial and general  
managerial level (46 out of 279  
employees at managerial and  
general managerial level)



**20.0%**

Women occupy 20.00% of  
Board of Directors positions  
(4 out of 20 Board members)



**69.2%**

of employees hold  
a bachelor's degree (S-1)



**4.3%**

of employees hold  
a master's degree (S-2)



**74.0%**






of employees are between  
18 and 40 years old





# MEMBERSHIP IN ASSOCIATIONS [2-28]

As part of its commitment to fostering strategic collaboration in the mining sector, the Company actively engages in partnerships with various industry associations, including:

No	Association Name	Role in the Association
1	 Indonesian Coal Mining Association (APBI-ICMA) - PT Multi Harapan Utama	Member
2	 Indonesian Mining Association (IMA) - PT Multi Harapan Utama	Member
3	 Association of Real Estate Indonesia (REI) - PT Mitra Pesona Harmoni	Member
4	 United Nations Global Compact	Participant
5	 KADIN - PT MMS Group Indonesia	Vice Chair of the Standing Committee on Minerals



# 02



## IMPACTFUL ECONOMIC CONTRIBUTION









## ECONOMIC GROWTH IN 2024

The global economic recovery continued throughout 2024, amid persistent inflationary pressures, elevated global interest rates, and ongoing geopolitical tensions. While no major shocks occurred, the slowdown in international trade flows and high financing costs remained key challenges for many countries. Global commodity prices, including coal, experienced a downward trend, adding further pressure on resource-exporting economies. According to the World Economic Outlook report (April 2025) by the International Monetary Fund, global economic growth in 2024 reached 3.3%, a slight increase from 3.2% in 2023, yet still below the historical average. This figure reflects a stable but fragile global environment, characterized by weak external demand and limited cross-regional investment expansion.

Amid global economic uncertainties, Indonesia's economy grew by 5.03% in 2024, slightly lower than the 5.05% growth recorded in the previous year. One of the main factors behind this deceleration was the decline in net export contribution to economic growth. Exports grew by 6.51%, contributing 22.18% to GDP, while imports rose at a higher rate of 7.95%, accounting for 20.95% of GDP. This imbalance resulted in a negative contribution of net exports to economic growth, amounting to -0.21%.

Despite the slowdown, macroeconomic stability remained intact, providing a solid foundation for sustained business activities. MMSGI successfully maintained its competitiveness through adaptive and efficient resource management strategies, while expanding its business portfolio in response to evolving market dynamics. The Company also proactively managed global economic risks that could impact its supply chain and long-term investments.







## SUPPORTING EMPLOYEE WELFARE

MMSGI is committed to creating shared value, with a strong emphasis on sustainable and inclusive economic growth and fair distribution to all stakeholders, particularly as a key pillar of operations. MMSGI consistently complies with all applicable laws in Indonesia, including labor regulations related to minimum wage, as stipulated in Law No. 13 of 2003 on Manpower. [3-3]

The Company places employee welfare as a top priority by ensuring a fair share of the economic value generated is allocated to its workforce. The Company's wage policy is designed to ensure the fulfillment of decent living standards, taking into account fluctuations in the cost of basic necessities, inflation, and prevailing

living standards, along with other relevant factors. The Company also consistently ensures compliance with regional minimum wage regulations across all operational areas. Merit-based compensation forms an integral part of the business sustainability strategy. [3-3]

The Company employs a total of 1,300 employees across various operational areas. The Company upholds the principle of equality, without discrimination based on gender or nationality, as part of its commitment to reducing wage disparities. The ratio of the standard wage for entry level employees, both male and female, to the regional minimum wage in 2024 is presented as follows: [202-1]

## RATIO OF STANDARD WAGES FOR ENTRY LEVEL EMPLOYEES TO REGIONAL MINIMUM WAGE

Operational Area	Regional Minimum Wage (Rp)	Base Salary for New Employees in the Lowest Grade (Rp)	Ratio of Base Salary for New Employees to Regional Minimum Wage
Jakarta	5,067,381	5,067,381	100%
East Kalimantan	3,360,858	3,536,506	105%
Bali	2,813,672	2,813,672	100%
South Sumatra	3,456,874	3,677,591	106%
South Sulawesi	3,434,298	3,434,298	100%
East Nusa Tenggara	2,186,826	2,186,826	100%
Average Ratio of Base Salary for New Employees Compared to Regional Minimum Wage			102%

Based on the table, all operational areas have implemented wages in compliance with the applicable regional minimum wage, with the average ratio of base salary to regional minimum wage reaching 102%. This achievement underscores the Company's commitment to providing a fair and competitive wage system, while fostering an inclusive work environment that supports employees' economic well-being, in line with the principles of sustainable development. [202-1]

MMSGI is committed to fostering local inclusion by providing employment opportunities for communities surrounding its operational areas. This initiative reflects the Company's social responsibility toward employee welfare, particularly through the empowerment of local communities and the development of human resource capacity. All efforts are carried out in compliance with prevailing employment regulations in Indonesia.

In 2024, MMSGI recruited 559 male employees and 108 female employees through its local recruitment program. [202-2]



# ECONOMIC CONTRIBUTION TO LOCAL COMMUNITIES

MMSGI continues to creating positive social and environmental impacts in its operational areas. All CSR and community development activities are carried out in accordance with the Company's CSR Policy. MMSGI's corporate responsibility extends beyond economic achievement to include sustainable social development. Through the implementation of various corporate social responsibility (CSR) programs, MMSGI strives to enhance community well-being and promote self-reliance through an integrated approach aligned with the Sustainable Development Goals (SDGs). [3-3, 203-2]

## INFRASTRUCTURE INVESTMENT TO IMPROVE QUALITY OF LIFE [203-1]

MMSGI views infrastructure development as a strategic means to enhance the well-being of surrounding communities. Adequate infrastructure is required to accelerate local economic growth and improve inter-regional connectivity. Accordingly, MMSGI allocates investments to support facilities such as road access, clean water, public amenities, and infrastructure for the agriculture and livestock sectors. This program serves as both a strategic contribution and a reflection of the Company's social commitment.

In 2024, MMSGI allocated investments for the construction of road access, the provision of clean water for three villages, and the development of public facilities in its operational areas. These initiatives form part of the Company's social commitment in support of SDG 6 (Clean Water and Sanitation), and SDG 9 (Industry, Innovation, and Infrastructure).

## IMPLEMENTATION OF CSR PROGRAMS IN 2024

The implementation of CSR programs was carried out collaboratively with the company's subsidiaries, particularly MHU, to strengthen the Company's engagement in improving community well-being. These programs were designed to support local economic development and enhance the quality of life of communities surrounding the operational areas. [203-2, 413-1, 413-2]



A background image showing several people in business suits with their hands clasped together on a table, suggesting a collaborative meeting or agreement. The image is slightly blurred, focusing attention on the text overlay.

# 03

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## STRENGTHENING SUSTAINABILITY GOVERNANCE





# IMPLEMENTATION OF SUSTAINABILITY GOVERNANCE PRINCIPLES [2-23]

MMSGI's governance practices are based on a commitment to balancing economic, environmental, and social aspects through the application of good corporate governance (GCG) principles, namely transparency, accountability, responsibility, independence, and

fairness. These principles are also outlined in the Company Governance Policy No. 20-10/HO-BOD/MMSGI/001. In addition, the Company has established eight core principles as key drivers for long-term value creation. These principles include:

PRINCIPLE	1	<b>Role and Responsibilities of the Board of Directors and Board of Commissioners</b> The Board of Directors and the Board of Commissioners carry out their roles and responsibilities independently to create sustainable value in the interests of the Company and its shareholders, while also taking into account the interests of stakeholders.
PRINCIPLE	2	<b>Composition of the Board of Directors and Board of Commissioners</b> Members of the Board of Directors and the Board of Commissioners are appointed in a manner that ensures a diverse composition of the Board of Directors as the management body and the Board of Commissioners as the supervisory body. Each governing body is composed of Directors and Commissioners who possess the necessary commitment, knowledge, capabilities, experience, and expertise to effectively fulfill the management role of the Board of Directors and the oversight role of the Board of Commissioners.
PRINCIPLE	3	<b>Working Relationship between the Board of Directors and the Board of Commissioners</b> The Board of Directors and the Board of Commissioners maintain a close, open, constructive, professional, and trust-based working relationship in the best interest of the Company.
PRINCIPLE	4	<b>Ethical Conduct</b> The Company is committed to acting ethically and responsibly in upholding its organizational values and culture.
PRINCIPLE	5	<b>Risk Management, Internal Control, and Compliance</b> The Company implements corporate governance practices that are integrated with effective internal control systems, risk management, and compliance management systems to support the achievement of its corporate objectives, vision, mission, and performance targets, while conducting business with integrity.
PRINCIPLE	6	<b>Disclosure and Transparency</b> The Company ensures accurate and timely disclosure of matters related to its operations.
PRINCIPLE	7	<b>Shareholders' Rights</b> The Company safeguards and facilitates the fulfillment of shareholders' rights and ensures fair treatment of all shareholders, including minority shareholders. All shareholders are provided with equal opportunities.
PRINCIPLE	8	<b>Stakeholders' Rights</b> The Company recognizes the rights of stakeholders as stipulated in applicable laws and regulations or in mutually agreed employment agreements. In addition, the Company actively promotes collaboration with stakeholders to generate value, create employment opportunities, and ensure financially sound business sustainability.



The consistent application of sustainability governance principles encourages all individuals within the Company to act in compliance with applicable laws and regulations. The commitment to GCG also plays a key role in preventing anti-competitive behavior, anti-trust

practices, and monopolistic actions that could harm the Company. Throughout the reporting period, MMSGI did not encounter any legal issues related to these matters, nor were there any significant violations resulting in fines or other non-monetary sanctions. [2-27, 3-3, 206-1]

## GOVERNANCE STRUCTURE [2-9, 2-10, 2-11]

MMSGI's governance structure is established based on the principles of GCG, with clearly defined roles and functions to ensure the effectiveness of internal controls and operational risk management. The structured division of responsibilities also supports the establishment of an effective check-and-balance control mechanism.

In accordance with prevailing laws and the Articles of Association, the Company's highest governance structure consists of the GMS, the Board of Directors, and the Board of Commissioners. The Company adopts a two-tier governance system, in which the supervisory function is carried out by the Board of Commissioners as the Supervisory Board, while the management function is exercised separately by the Board of Directors as the Management Board. In addition, the Company has implemented a clear separation of roles between the President Director (Chief Executive Officer) and the President Commissioner (Chairperson) to ensure a distinct division of responsibilities between management and oversight functions. The Chairperson is non-executive.

- General Meeting of Shareholders (GMS)**  
 MMSGI's GMS consists of the Annual GMS and the Extraordinary GMS. The Annual GMS is held once a year to approve the annual financial statements, annual report, and other relevant agendas. Meanwhile, the Extraordinary GMS may be convened at any time as needed in accordance with the Company's interests.
- Board of Commissioners**  
 Board of Commissioners is a corporate organ responsible for general and/or specific oversight in accordance with the provisions of the Company's Articles of Association, as well as for providing advice to the Board of Directors.
- Board of Directors**  
 Board of Directors is a corporate organ with full authority and responsibility for managing the Company and ensuring that operational activities are carried out in alignment with the established objectives and goals.

### DIVERSITY IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

In line with sustainability governance principles, the nomination and appointment process for members of the Board of Directors and Board of Commissioners considers diversity, including gender, race, and nationality, while prioritizing merit to ensure effective management and oversight.

The merit system also considers competencies in economic, environmental, and social aspects to support

the implementation of sustainable business. Each member possesses the commitment, expertise, and relevant experience required to effectively carry out their respective roles. [2-9]

As part of its commitment to the principles of transparency and accountability, the Company ensures that all members of the governance bodies carry out their roles and responsibilities independently. The Company

has established a statement of independence as part of the Board Charter (Policy No. MMSGI-MNS-02), which outlines the criteria and provisions for the independence of members of the Board of Commissioners and the Board of Directors. This statement is designed to prevent conflicts of interest and to maintain objectivity in strategic decision-making processes.

In carrying out their duties, members of the Board of Commissioners and the Board of Directors have an average tenure of 4.71 years, due to the recent appointment cycle. The composition of the Company's Board of Commissioners and Board of Directors is as follows:

#### COMPOSITION OF THE BOARD OF COMMISSIONERS [2-9]

Position	Name	Terms of Office*	Tenure**	Basis of Appointment	Position History
President Commissioner	Budi Simin	March 13, 2024 - March 12, 2029	0.8 Year	Deed No. 226 – 13 March 2024, Notification Letter from the Ministry of Law and Human Rights AHU-AH.01.09-0143571 – 5 April 2024	Director (January 20, 2014) until appointment as President Commissioner (March 13, 2024)
Commissioner	Yoga Susilo	January 20, 2014 - March 12, 2029	10.96 Years	Deed No. 57 – 20 January 2014, Ministry of Law and Human Rights Decree AHU-04168.AH.01.01 – 30 January 2014	President Commissioner (January 20, 2014) until appointment as Commissioner (September 25, 2019), President Commissioner (July 7, 2020), Commissioner (March 13, 2024)

Note:

\*including from the initial appointment until the latest deed amendment

\*\*calculated from the initial appointment until December 31, 2024

#### COMPOSITION OF THE BOARD OF DIRECTORS [2-9]

Position	Name	Terms of Office*	Tenure**	Basis of Appointment	Position History
President Director	Sendy Greti	September 25, 2019 - March 12, 2029	5.27 Years	Deed No. 144 – 25 September 2019, Ministry of Law and Human Rights Decree AHU-0079977.AH.01.02 – 8 October 2019, and Notification Letter AHU-AH.01.03-0342822 dated 8 October 2019	President Director (September 25, 2019) until appointment on March 13, 2024
Director	Tedy Harjanto	March 15, 2023 - March 12, 2029	1.8 Years	Deed No. 13 – 15 March 2023, Notification Letter from the Ministry of Law and Human Rights AHU-AH.01.09-0103257 – 23 March 2023	Director (March 15, 2023) until appointment on March 13, 2024

Note:

\*including from the initial appointment until the latest deed amendment

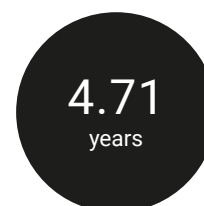
\*\*calculated from the initial appointment until December 31, 2024



Average tenure of Board of Commissioners



Average tenure of the Board of Directors



Average tenure of the Board of Commissioners and Board of Directors



The Company also recognizes the contributions of its governance bodies in managing both business and ESG aspects in alignment with sustainability values. This

recognition is reflected in a fair remuneration program that complies with applicable laws and regulations. [2-19]



## SHARE OWNERSHIP

The Company does not have a policy or practice in place regarding share ownership by executive management.

All shares in the Company are owned by individuals without any involvement of government entities.

# SUSTAINABILITY GOVERNANCE

ESG principles serve as a guiding framework in formulating long-term plans and ensuring that the Company's growth aligns with sustainability values.

As part of this commitment, the Company's ESG achievements are documented in a sustainability report that is prepared periodically and reviewed and approved

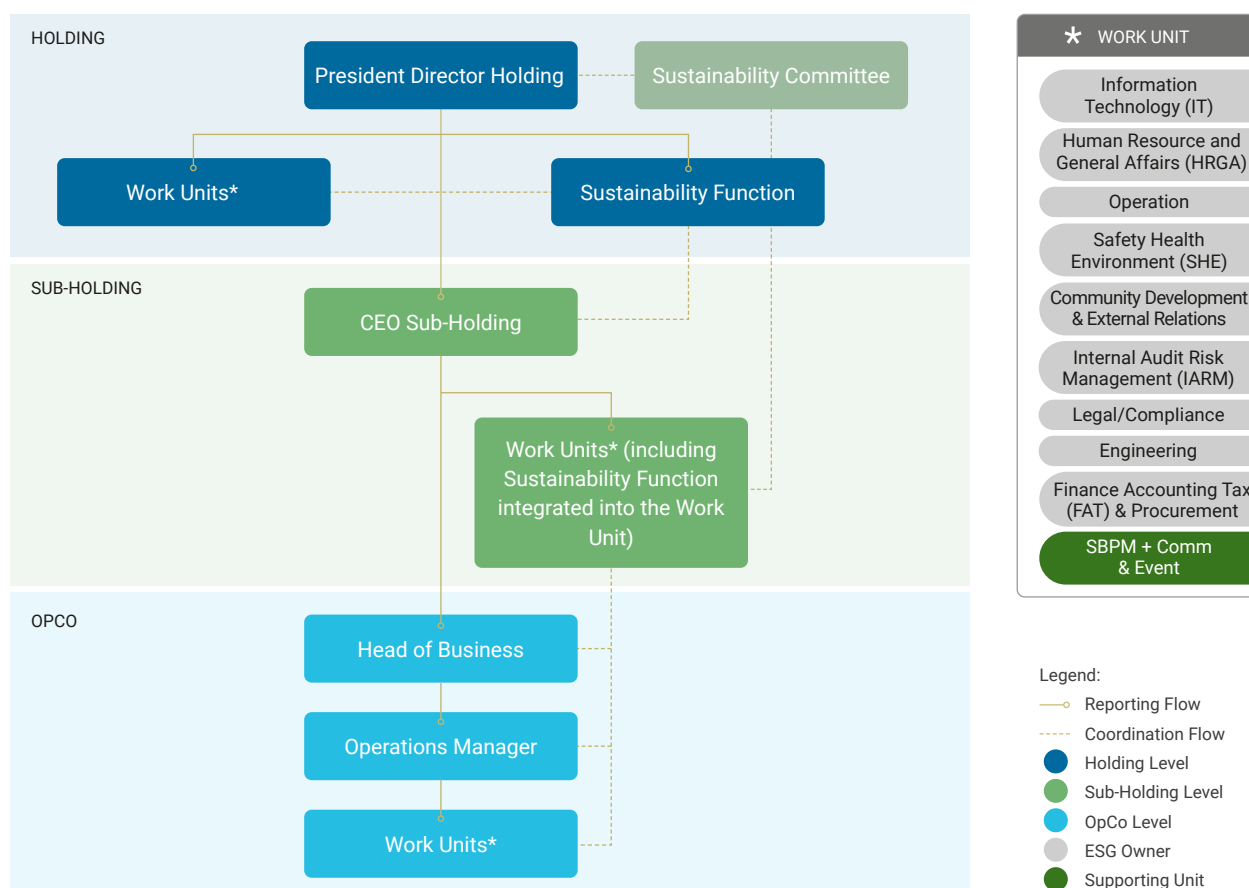
by the Board of Directors to ensure its adequacy and credibility. The Company has a Sustainability Committee to ensure that sustainability principles are embedded in day-to-day operations. The Sustainability Committee is a holding-level committee that reports directly to the President Director and plays a key role in guiding and overseeing the implementation of sustainability



initiatives across all group entities. In carrying out its functions, the Sustainability Committee closely coordinates with the Sustainability Function and relevant work units, including ESG Owners and supporting units, to ensure the integration of sustainability principles into the Company's business processes and operations.

At the sub-holding level, the Sustainability Function coordinates with the President Director of the sub-holding and relevant work units. Subsequently, at the operating company level, the implementation of sustainability programs is carried out by work units under the coordination of the sub-holding. [2-14]

#### GENERAL STRUCTURE OF THE SUSTAINABILITY FUNCTION



To enhance the competencies of the company's governance bodies in managing sustainability aspects, the Company organizes knowledge refreshment sessions

for its members. This initiative aims to ensure that they possess a deep understanding of current issues and best practices in sustainability management. [2-17]

### INTERNALIZATION OF SUSTAINABILITY GOVERNANCE [2-23] [2-24]

The active role of all internal elements of the Company is essential in supporting the implementation of sustainable governance. Internalization is carried out through the dissemination of ESG aspects to all business units, making ESG-related indicators part

of the Key Performance Indicators (KPIs), and the regular monitoring and evaluation of the company's sustainability initiatives as a basis for continuous improvement to enhance effectiveness and efficiency in operational activities. [2-23, 2-24, 2-27]

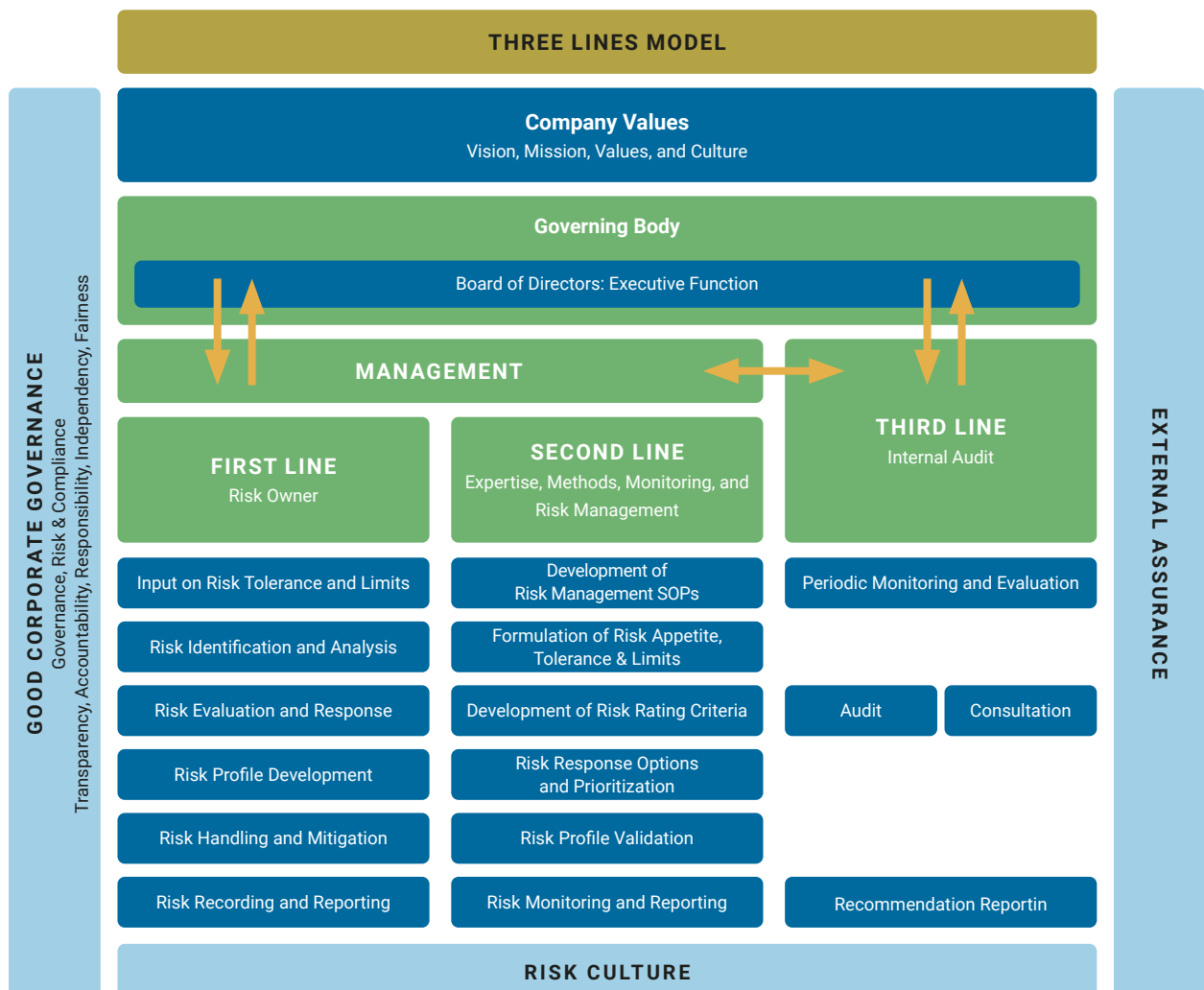


# RISK MANAGEMENT [2-12, 2-13, 2-16]

## RISK MANAGEMENT GOVERNANCE

MMSGI recognizes that each line of business carries distinct risk characteristics and levels of uncertainty, depending on social, economic, political, and environmental dynamics. Therefore, the Company views risk management as an integral part of responsible and sustainable corporate governance.

The Company's risk management governance encompasses adequate risk management policies and procedures, clear accountability for implementation, sufficient resource allocation, and effective communication and reporting mechanisms. These are guided by the Three Lines Model, which clearly defines the division of roles and responsibilities among the leadership bodies, management, and internal audit function.



## Governing Body

In a limited liability company governance system, the governing body includes the Board of Directors and other oversight function holders who are collectively responsible for overseeing the organization. Its primary roles include:

1. Exercising accountability to stakeholders for the oversight of the organization;
2. Engaging with stakeholders and transparently communicating the achievement of organizational objectives;
3. Fostering an ethical and accountable culture;
4. Establishing governance structures and processes, including forming supporting committees as needed;
5. Delegating responsibilities and providing resources to management;
6. Determining the organization's risk appetite and overseeing risk management, including the internal control system;
7. Monitoring compliance with laws, regulations, and ethical standards;

8. Establishing and ensuring the effective functioning of an independent, objective, and competent internal audit unit.

In carrying out its oversight function, the Board of Directors is supported by the IARM Division, which serves as the highest authority specifically responsible for risk management at the operational level. IARM Division plays a role in directing, overseeing, and evaluating comprehensive risk and opportunity management across all Company entities.

The Company currently adopts the Risk Management Framework as the primary guideline for implementing risk management across the organization. This framework aligns with international standards such as ISO 31000:2018 and ISO/TS 31050:2023, as well as internal company policies. IARM Division reports and presents the results of its evaluations directly to the Board of Directors on a regular basis.

## Management (First Line & Second Line)

Management holds two key roles in the Three Lines Model, namely as the direct executor of risk management (First Line) and as the facilitator and controller of risk (Second Line).

### a. Business/Operational Units (First Line)

- Serve as the primary risk owners responsible for identifying and managing risks within their respective business processes;
- Direct actions, resources, and decision-making to support the achievement of organizational objectives;
- Maintain active communication with the governing body and report on plans, implementation, and risk-related outcomes;
- Develop adequate internal control structures and processes;
- Ensure compliance with applicable laws and regulations as well as ethical standards.

### b. Risk Management Department (Second Line)

The Second Line focuses on risk oversight and compliance functions, carried out by the Risk Management Department (RMD) as an independent unit responsible for:

- Measuring, monitoring, and controlling risks on an aggregate basis;
- Developing corporate risk management policies and methodologies;
- Providing technical support, monitoring, and challenge to the risk management practices implemented by business units;
- Continuously developing and enhancing internal control practices, information security, compliance, sustainability, and quality assurance;
- Delivering analysis and reports on the effectiveness of the risk management system and internal controls.

## Internal Audit Department (Third Line)

As the third line, the Internal Audit Department (IAD) provides independent assurance on the effectiveness of the Company's governance, risk management, and internal control systems. Its roles include:

- Providing independent and objective assurance and advisory services to management and the governing bodies;

- Conducting periodic evaluations of the effectiveness of internal control and risk management systems, including through a Risk-Based Audit approach carried out at least once a year;
- Ensuring that risk governance is adequately implemented and contributes to the achievement of the organization's strategic objectives;



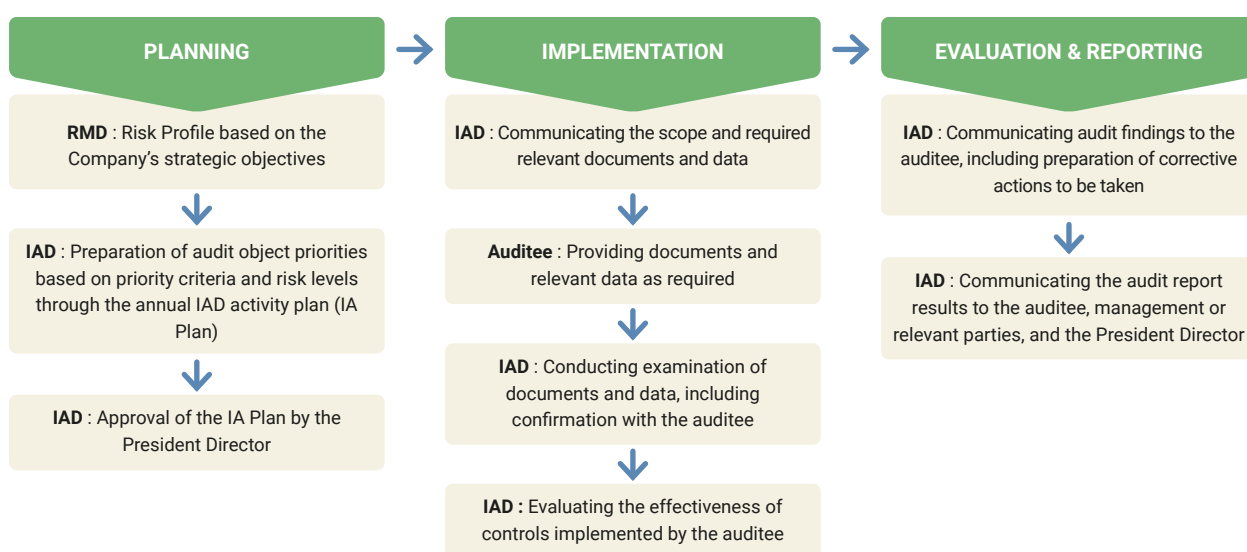
- Maintaining independence and objectivity, and openly reporting any impairments to these principles;
- Collaborating closely with the RMD to support continuous improvement in the implementation of the Three Lines Model.

The Internal Audit & Risk Management Division (IARM) also plays a key oversight role in monitoring and auditing the performance of risk management, covering economic, social, and environmental aspects. IARM Division regularly reports its monitoring and evaluation results to the Board of Directors to ensure

the effectiveness of risk management implementation across all Company entities. Periodically, the Board of Directors, through IARM Division, conducts reviews and evaluations of the effectiveness of risk management with the aim of significantly reducing risk levels.

During the reporting period, MMSGI conducted periodic audits of its risk management processes to ensure their effectiveness, relevance, and alignment with the Company's strategic objectives. These audits covered the areas of operational audit, IT audit, and compliance.

#### PROCESS FLOW OF RISK-BASED AUDIT



## RISK MANAGEMENT PROCESS

MMSGI implements an adaptive risk management system based on ISO 31000:2018, by developing a risk topology tailored to the characteristics of each core business. As the primary guideline for risk management, MMSGI has established a Risk Management Framework document designed to support the integration of risk management into all significant company activities and functions. The Company's Risk Management Framework adopts an Enterprise Risk Management (ERM) approach that is aligned with the Company's strategy and takes into account the performance of each business unit/subsidiary.

The Company's Risk Management Framework is built upon 5 (five) interrelated and mutually reinforcing principles:

1. Governance and culture;
2. Strategy and objective setting;
3. Company performance;
4. Review and revision of the Risk Management Framework; and
5. Risk information, communication, and reporting.

In its implementation, each Risk Owner is responsible for managing risks within their respective units, with support from the Risk Officer and oversight by the IARM Division. The four eyes principle is also applied as part of internal control measures to ensure that every decision-making process thoroughly considers risk aspects.

The Company also ensures that the processes of risk identification, measurement, monitoring, and control are carried out optimally. As a result, residual risks that

cannot be avoided can be managed effectively and maintained within the Company's defined risk appetite.

To strengthen risk culture at all levels of the organization, the Company conducts ongoing training sessions and capacity-building programs in risk management.

The risk management process is conducted on a quarterly basis and covers the entire risk management cycle from initial assessment to re-evaluation. The stages of the process include:



## Risk Identification

Management identifies risks that may potentially impact the achievement of the Company's business objectives. Each Risk Owner is responsible for identifying key risks within their respective areas in relation to existing activities, systems, and procedures. In this context, Risk

Owners are also expected to identify risks categorized as emerging risks, climate risks, and biodiversity risks.

The risk categories are defined as shown in the following table:

Risk Category	Description
Social Risk	Risks that may cause and/or impact social relations with the community, such as local opposition to production activities, including risks related to human rights.
Regulatory Risk	Risks that may cause and/or result in administrative or criminal sanctions, such as license revocation, fines, or legal actions, related to permitting, regulatory compliance, or coordination with government agencies.
Occupational Health and Safety (OHS) Risk	Risks that may cause and/or impact occupational health and safety, such as an increase in workplace accidents due to low awareness of safety procedures.
Environmental Risk	Risks that may cause and/or have a negative impact on the environment, such as pollution incidents or environmental accidents resulting from the company's operational activities.
Financial Risk	Risks that may cause and/or impact the Company's financial performance or condition, such as a decline in profits, increased production costs, credit risk, liquidity risk, foreign exchange risk, and interest rate risk; including emerging risks.
Reputational Risk	Risks that may damage the Company's reputation and credibility, such as the emergence of negative issues that attract media attention and affect public perception as well as business continuity.

Risk Category	Description
Production Risk	Risks that may disrupt the continuity of production operations, such as reduced output due to suboptimal contractor performance.
Emerging Risk	Risks that are newly emerging or developing, difficult to measure, yet potentially capable of having a significant impact.
Climate Risk	Risks arising from climate change that affect humans, ecosystems, and economic systems. These risks may result in financial, social, or environmental losses.
Biodiversity Risk	Risks arising from the decline of biodiversity, including plant and animal species in natural ecosystems, may pose serious impacts on the company's long-term performance.

## Risk Analysis and Risk Evaluation

Risk analysis and evaluation are conducted based on two key aspects: determining the likelihood and the impact (consequences) of a risk event. Risk evaluation

is performed by combining the estimated likelihood and impact, taking into account the effectiveness of the existing control measures in place.

## Risk Prioritization

Based on the assessment results, risks are prioritized to determine the most appropriate treatment or response strategy. Subsequently, all risk assessment outcomes

are mapped onto a risk matrix to ensure that risk treatment is accurate, measurable, and aligned with the level of urgency.

IMPACT	Very High	5	Medium-5	High-10	Critical-15	Critical-20	Critical-25
	High	4	Medium-4	High-8	High-12	Critical-16	Critical-20
	Moderate	3	Low-3	Medium-6	High-9	High-12	Critical-15
	Minor	2	Low-2	Medium-4	Medium-6	High-8	High-10
	Insignificant	1	Low-1	Low-2	Low-3	Medium-4	Medium-5
		1	2	3	4	5	
		Rare	Unlikely	Possible	Likely	Almost Certain	
LIKELIHOOD							



## Risk Treatment / Risk Mitigation

Risk treatment involves selecting an appropriate strategy, such as accepting, avoiding, reducing, or transferring the risk based on the risk level and the Company's risk appetite. The Risk Owner is responsible for determining and implementing suitable risk responses, including, when necessary, developing a mitigation plan.

Risk levels are categorized as low, medium, high, and critical, based on the results of the risk matrix mapping. If existing controls are deemed ineffective, the Risk Owner is required to prepare a mitigation action plan, which must be properly documented along with designated responsibilities and a clear implementation schedule.

## Risk Monitoring and Review

The Risk Owner is required to periodically review the risk profile according to the schedule set by the IARM Division and ensure that risk assessments, existing controls, and mitigation plans are continuously updated and effective. The review also includes the identification of new risks and may be conducted jointly with the Risk Agent when

necessary. Following the review, the Risk Owner signs a declaration letter and submits it to the IARM Division. The IARM Division then prepares a report on changes to the risk profile and mitigation measures to be submitted to the President Director.

## Communication and Consultation

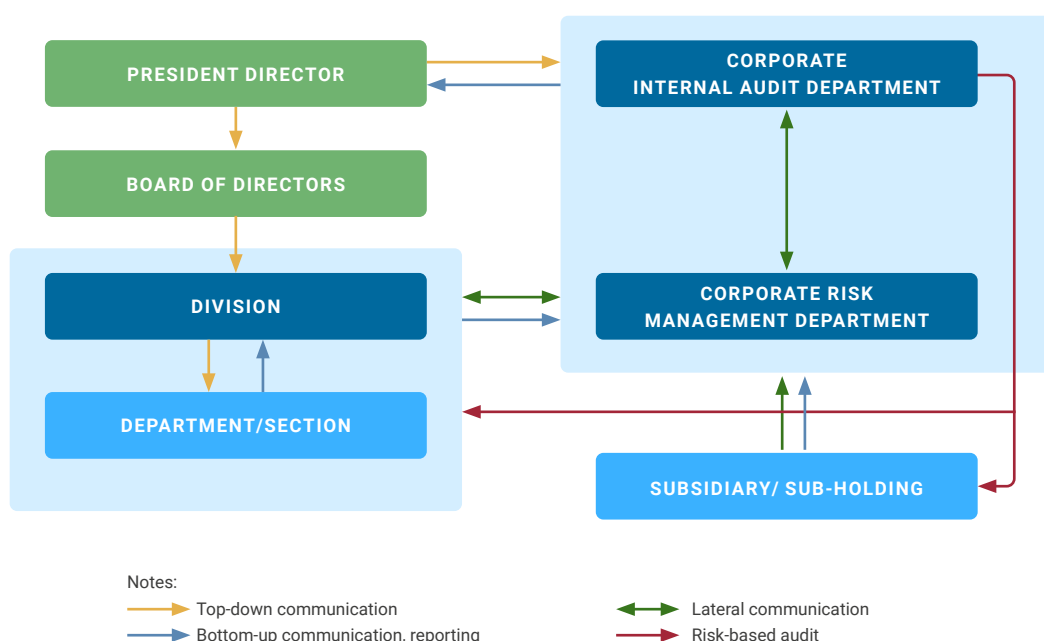
Communication and consultation are essential elements in every stage of the risk management process. The Company ensures that communication and consultation with both internal and external stakeholders are conducted consistently and in a coordinated manner to support the effectiveness of risk identification, analysis,

evaluation, and treatment. When necessary, the IARM Division serves as a facilitator and coordinator to ensure the process runs smoothly and involves all relevant parties. This approach also aligns with the Company's efforts to strengthen an effective risk management culture.

## Recording and Reporting

Risk management documentation takes into account its intended purpose, the sensitivity of the information, and other relevant factors. The structure for communication,

consultation, and reporting related to risk management is illustrated in the following diagram.



To support the effective implementation of risk management, MMSGI is committed to operating its risk management system based on a set of policies that serve as the fundamental principles of corporate risk management, namely:

1. Complying with all applicable laws and regulations and adhering to the principles of GCG, including transparency, accountability, responsibility, independence, and fairness, as the foundation for sound risk management practices.
2. Recognizing and understanding that every business process and decision-making activity involves risks that must be carefully managed to achieve the company's objectives.
3. Integrating risk management systems and practices comprehensively and applying the four eyes principle

in every business activity or process to ensure accurate and controlled decision-making.

4. Managing all risks in an integrated and optimal manner by utilizing the Company's resources efficiently, ensuring that risk levels remain within the defined risk appetite and do not exceed the established risk tolerance limits.
5. Building and continuously improving an effective and sustainable risk management system that adapts to current conditions to foster a risk-aware culture and preserve the Company's long-term value and stakeholder trust.
6. Communicating and consulting risks with stakeholders appropriately, in accordance with each party's authority, duties, and responsibilities.

## RISK REVIEW

The Company reviews its risk exposure on a quarterly basis as part of its ongoing risk management process. Risks related to business processes are evaluated based on their likelihood and impact, and are then prioritized

to determine the most appropriate treatment. Based on the results of this prioritization, the following are several examples of risks along with their corresponding mitigation strategies that have been established:

No	Risk Name and Description	Risk Category	Risk Appetite	Mitigation Actions
1	Operational shutdown due to community reports	Social	Low	Conduct intensive coordination with community stakeholders in handling public complaints, and respond promptly and appropriately to reports from surrounding communities in each village regarding potential grievances.
2	Failure to meet PROPERNAS & PROPERDA targets, resulting in sanctions and/or suspension of environmental permits	Environmental	Low	<ul style="list-style-type: none"> <li>• Enhance cross-departmental collaboration that contributes to PROPERNAS activities;</li> <li>• Appoint a professional consultant as an expert for the Life Cycle Assessment study and the preparation of PROPERNAS Green Document.</li> </ul>
3	Failure to achieve reclamation in accordance with the Reclamation Plan	Environmental	Low	Mine planning through to long-term reclamation, in accordance with government regulations.

## EMERGING RISKS

As part of its commitment to proactive risk management, MMSGI has incorporated emerging risk into the risk management framework. No emerging risks have been

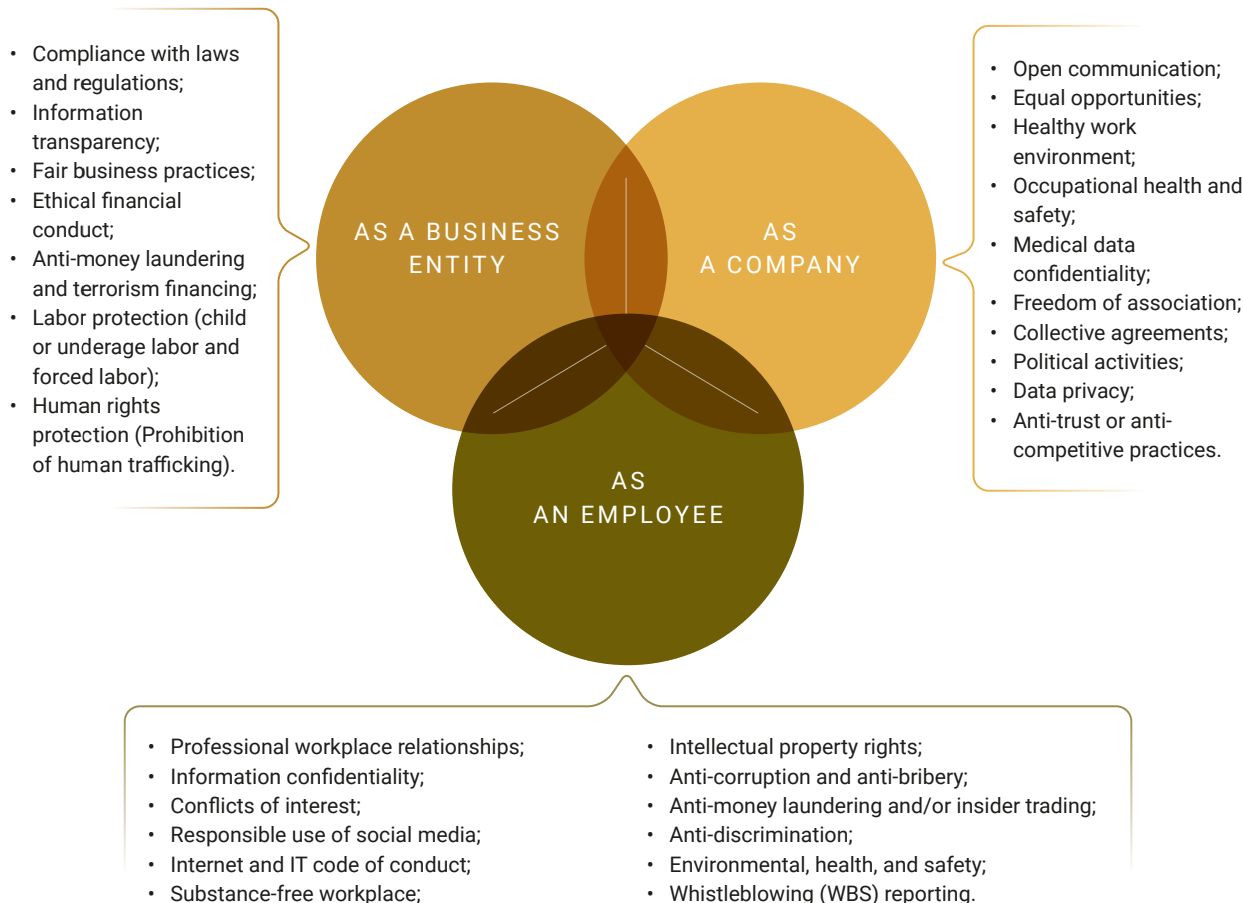
identified as having a significant impact on business continuity.

# CODE OF CONDUCT [2-23] [2-24]

As a member of the United Nations Global Compact (UNGC), the Company is committed to aligning its strategies and policies with the ten principles of the UNGC. MMSGI has established the MMSGI Code of Conduct (CoC) as a behavioral guideline for all personnel in carrying out actions to achieve the Company's goals, vision, and mission. In this context, MMSGI's business principles are consistently applied in every business transaction and are reflected in the conduct of all employees.

The CoC governs the ethical relationships among elements within the Company, including the Board of Commissioners, the Board of Directors, employees, subsidiaries, and affiliates, in conducting business activities responsibly in collaboration with stakeholders.

The elements of MMSGI's CoC include:





## CODE OF CONDUCT IMPLEMENTATION SYSTEM AND PROCEDURES

The Company has a structured and system for implementing the CoC across all work units, both at the group level and within its subsidiaries. MMSGI CoC serves as a binding regulation for all employees, whether at the group level or in subsidiaries.

The enforcement of the CoC within MMSGI is carried out in accordance with the provisions of the Company Regulations (PP) and CoC, which have been communicated to all employees by the Human Resources and General Affairs (HRGA) Division. Employees are required to acknowledge their agreement and confirm that they have read and understood the contents of the Company Regulations. Oversight of the CoC implementation is conducted by the Board of Directors through regular monitoring of reports from the HRGA Division, covering compliance, violations, and the overall effectiveness of the Code's implementation across all group entities, including subsidiaries and affiliates.

As part of its oversight mechanism, the Company provides a reporting channel through the whistleblowing

system (WBS) to receive and manage reports of alleged violations of the CoC. Reports can be submitted via email to: [whistleblowing@mmsgroup.co.id](mailto:whistleblowing@mmsgroup.co.id). The system is managed by the WBS Handling Committee in a confidential, anonymous, and independent manner to ensure the protection of whistleblowers, safeguard the confidentiality of the information submitted, and uphold a strict non-retaliation policy. In addition to the WBS, reports may also be submitted directly to the HRGA Division for follow-up in accordance with applicable regulations.

MMSGI CoC is an integral part of the performance appraisal system. Sanctions are imposed in accordance with the relevant provisions, which may include written warnings, demotion, or termination of employment. During the reporting period, MMSGI confirmed that no violations of the CoC were committed by its personnel. As part of its efforts to strengthen and ensure the effectiveness of CoC implementation, the Company conducts regular audits of its enforcement through the internal audit team.



# ANTI-CORRUPTION AND ANTI-BRIBERY [205-1, 205-2, 205-3]

MMSGI is committed to conducting clean business processes and avoiding all forms of corruption, in line with Law No. 20 of 2001 concerning Amendments to Law No. 31 of 1999 on the Eradication of Corruption. MMSGI consistently promotes the implementation of good corporate governance. The Company reaffirms its commitment to upholding clean and corruption-free business practices. Corruption and bribery are defined as unlawful acts involving the abuse of authority or position to gain personal or group benefits through illegitimate or unfair means. [3-3]

This commitment is clearly stated in the MMSGI Anti-Corruption and Anti-Bribery Policy No. MMSGI-KBJ-ESG 01.03, which is endorsed and signed by the President Director and serves as the main reference for preventing and addressing potential corruption and bribery risks across all Company business activities. [3-3]

The Company opposes all forms of corruption and bribery and is committed to conducting its business activities with honesty, fairness, transparency, and integrity in accordance with the implementation of the MMSGI CoC. The Company's anti-corruption and anti-bribery policy applies at both the group and subsidiary level, including suppliers, business partners, and service providers, covering the prohibition of all forms of bribery (including kickbacks), direct or indirect political contributions, as well as charitable donations and sponsorships that do not comply with applicable laws and regulations.

HRGA Division collaborates with the IARM Division to monitor the implementation of anti-corruption and anti-bribery policies at both the group and subsidiary levels. The monitoring covers prevention, detection, investigation, reporting, sanctions, as well as evaluation and follow-up actions. Both divisions are responsible for overseeing all company operations on an ongoing basis.

The Company has taken strategic steps in preventing corruption by conducting awareness sessions on clean business practices and the elimination of corrupt practices for all employees. Each year, the Company conducts refreshment sessions and disseminates the CoC, which includes anti-corruption and anti-bribery policies. In addition, the Company encourages all employees to actively participate in preventing involvement in any form of corruption or gratification. [205-1, 205-2]

The Company also does not tolerate money laundering activities. The Company also does not engage in partnerships with entities that tolerate the diversion of resources through money laundering. The CoC clearly states the Company's commitment not to permit, facilitate, or support money laundering in the conduct of its business operations. The Company does not condone any MMSGI employee, agent, or representative making, offering, promising, or authorizing any payment or gift:

- To obtain business advantages through unethical means;
- To influence government policy; and
- To cause actions or outcomes deemed inappropriate.

The giving or receiving of gifts and/or entertainment is permitted only within reasonable value limits and must not be intended to obtain any improper advantage. The Company also prohibits employees from giving anything of value to political parties for public purposes on behalf of the Company without prior written approval from Company Management. [3-3, 415-1]

In line with the Company's efforts, there were no cases or indications of corruption reported in 2024 or over the past three years within the Company's operations. The absence of such cases reflects MMSGI's success in preventing incidents of corruption, bribery, and gratuities within the organization. Furthermore, the Company does not engage in lobbying, interest representation, or political activities, and therefore incurred no expenses related to such activities. [205-3]

## CONFLICT OF INTEREST [2-15]

To maintain a conducive work environment, MMSGI ensures that every individual demonstrates integrity to avoid potential conflicts of interest that may harm the Company. Provisions regarding conflicts of interest for the Board of Commissioners, Board of Directors, and

employees are outlined in the Company's governance policy and the Board Charter. Throughout the reporting year, there were no violations resulting in conflicts of interest with stakeholders involving any MMSGI personnel.

## WHISTLEBLOWING SYSTEM [2-25, 2-26]

MMSGI fully values all efforts that support the implementation of the Company's CoC and is committed to fostering a transparent, honest, fair, and professional work environment. As part of this commitment, the Company has established a policy regarding the provision of a whistleblowing system (WBS). The WBS is designed to facilitate the reporting or disclosure of indications and/or actions that violate laws, regulations, and ethical standards, based on accountable evidence and submitted in good faith in alignment with the Company's interests.

The WBS applies to all relevant stakeholders related to operations across all of the Company's operational areas. The Company allows whistleblowers to submit reports anonymously and guarantees the confidentiality of the reporter's identity as well as the content of the report. In addition, the Company upholds the principle of no retaliation against whistleblowers.

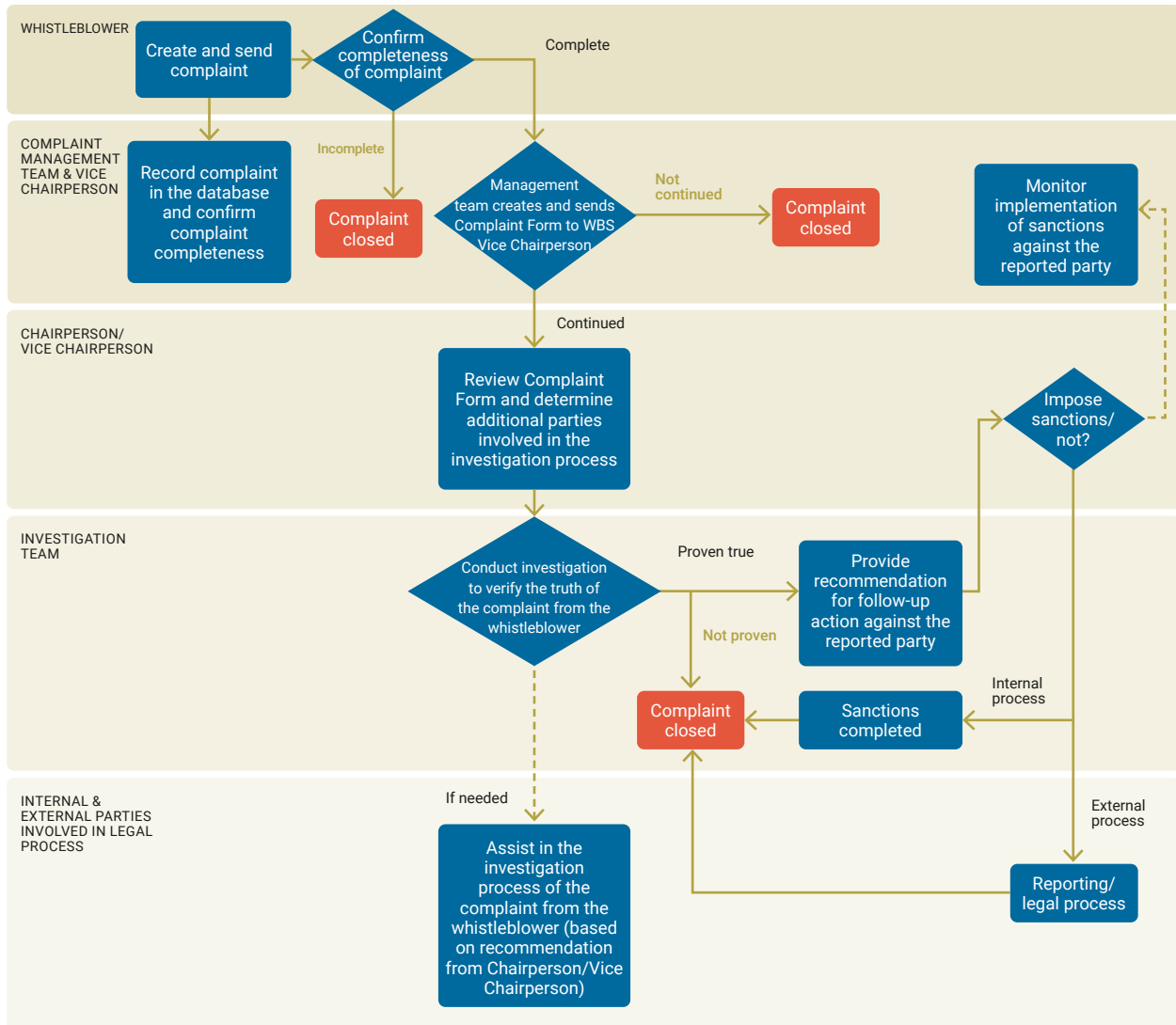
The Company receives reports that reflect ambiguous situations or dilemmas faced by whistleblowers through the WBS, including all aspects governed by the Company's CoC.

The Company has established a Management Team under the coordination of the WBS Handling Committee, which is responsible for receiving and recording all reports from whistleblowers, implementing and documenting all applicable WBS mechanisms, and overseeing the handling of complaints. In addition, the Company has also appointed an independent Investigation Team to carry out the investigation process for reports received. This team is tasked with verifying the validity of the information, collecting supporting evidence, and preparing follow-up recommendations to be submitted to the Management Team.

The Company actively promotes awareness of the WBS to all employees and strives to follow up on all types of reports covered under the system through fair and transparent procedures. In addition, the Company ensures transparency in disclosing the investigation process of reported violations, from the verification and investigation stages to the follow-up actions in accordance with applicable regulations.



## WBS PROCESS FLOWCHART



Throughout 2024, the Company did not receive any reports through the WBS, nor were there any reports processed or followed up by the WBS Handling Committee.

## REPORTING OF BREACH

The following outlines the breaches reported to the Company throughout the 2024 fiscal year, categorized by type of breach:

Types of Breach	2024
Corruption or Bribery	0
Discrimination or Harassment	0
Customer Data Privacy	0
Conflict of Interest	0
Money Laundering or Insider Trading	0

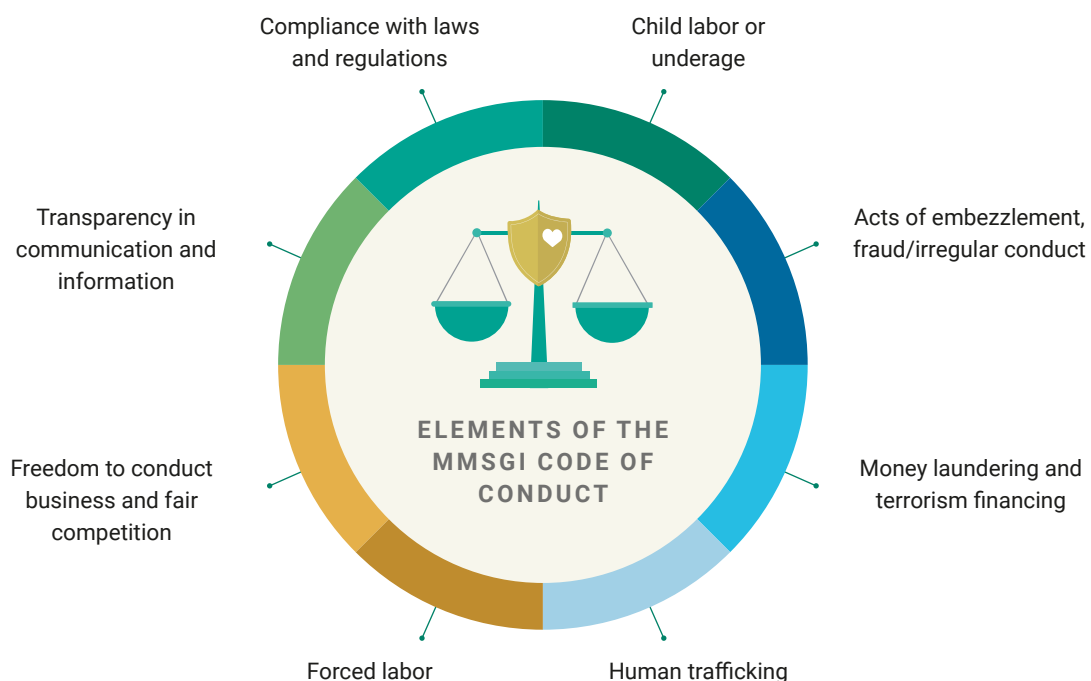
# SUPPLY CHAIN MANAGEMENT [2-6]

The Company is committed to implementing sustainable procurement practices that not only consider quality, cost, and timeliness, but also integrate ESG aspects throughout the entire procurement process for goods and services. [3-3]

As part of this commitment, the Company has established a Procurement Policy and a SOP for the Selection and Evaluation Process of Vendors, Contractors, and Suppliers as the main reference to ensure that all business partners involved in the supply chain meet stringent criteria, including regulatory compliance, business integrity, and the implementation of sustainability principles. To ensure effectiveness and accountability, the procurement process is carried

out systematically through two main stages, namely vendor selection and vendor evaluation. Both stages are conducted in accordance with the principles of good corporate governance.

The entire selection and evaluation process is conducted in accordance with the MMSGI CoC, covering standards for sustainability and compliance across various areas, including responsible environmental practices (including emission and energy, pollution and waste management and resource efficiency), fair treatment of workers, respect for human rights, and compliance with applicable occupational health and safety standards in Indonesia.



## SUPPLIER SELECTION AND EVALUATION PROCESS

The Company conducts a supplier selection (screening) process by considering various aspects to ensure alignment with sustainability principles and business strategy. The assessed aspects include environmental, social, and governance (ESG) criteria, as well as business relevance and risks to the Company's operations and the supplier's experience.

As part of the screening methodology, the Company also takes into account various specific risks, including ESG aspects. This approach is intended to proactively identify potential impacts and vulnerabilities within the supply chain, and to promote risk-based and sustainability-driven decision-making.

MMSGI implements a checklist to classify significant and non-significant suppliers based on the following criteria:

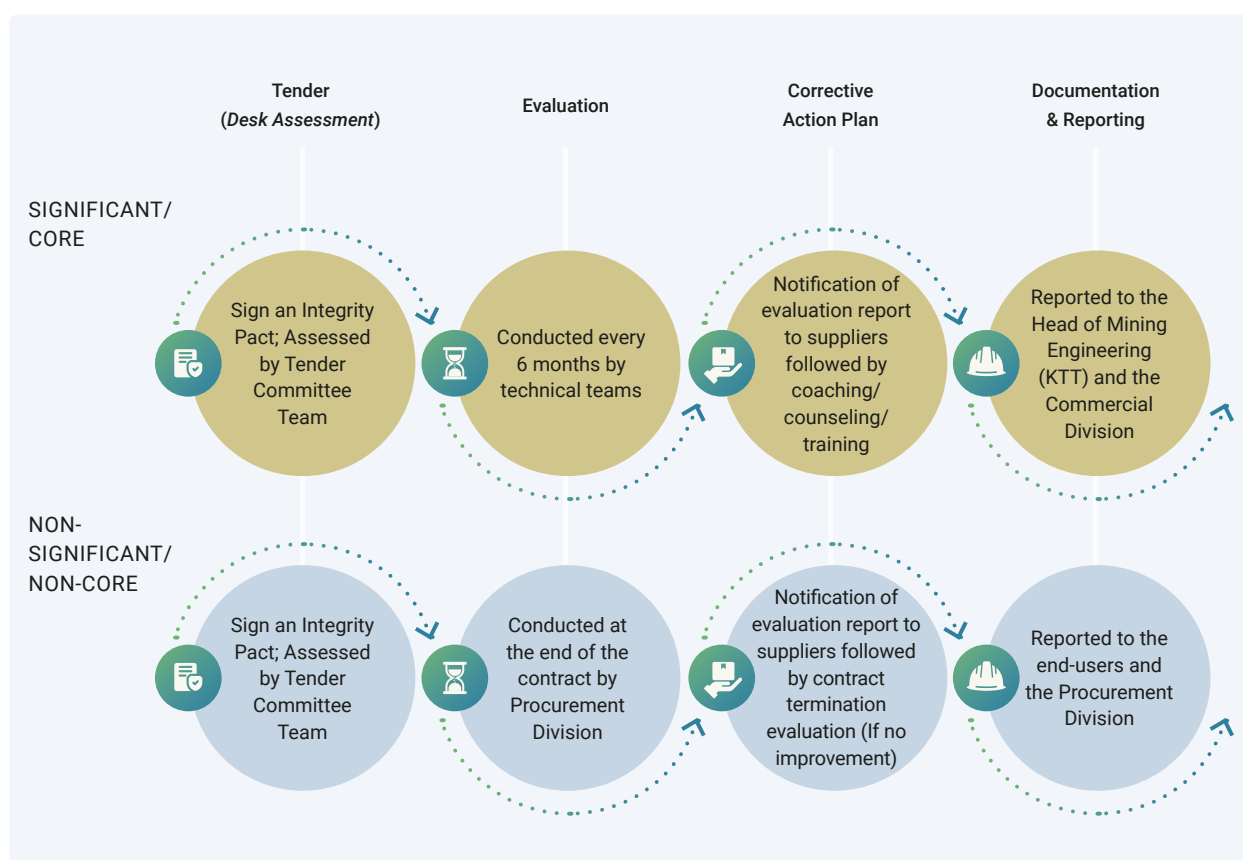


TABLE OF TOTAL COMPANY SUPPLIERS

Description	2024
Total number of Tier-1 suppliers	47
Total number of significant Tier-1 suppliers	5 (contractor)
Total number of significant non-Tier-1 suppliers	0
Total number of significant suppliers (Tier-1 and non-Tier-1)	5

Notes:

- Tier-1 Suppliers: Suppliers that directly provide goods, materials, or services.
- Non-Tier-1 Suppliers: Suppliers that deliver their products and services to the Company through Tier-1 suppliers.
- Suppliers that collaborate with the Company are domestic or based in Indonesia.



The following are the results of supplier assessments during the reporting period:

Description	2024 Realization
<b>Supplier Assessment</b>	
Total number of suppliers assessed via desk assessments/on-site assessments	71
% of unique significant suppliers assessed	100%
Number of suppliers assessed with substantial actual/potential negative impacts	5
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	100%
Number of suppliers with substantial actual/potential negative impacts that were terminated	0
<b>Corrective Action Plan Support</b>	
Total number of suppliers supported in corrective action plan implementation	5
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	100%

Improvement support provided to core contractors includes the enrichment and updating of information related to mining technical aspects, OHS, and/or environmental considerations. All registered suppliers have not shown any significant actual or potential

negative environmental and social impacts; therefore, there have been no significant changes in terms of supplier location, structure, or relationship with the Company. [\[308-1, 308-2, 414-1, 414-2\]](#)

## ESG PROGRAM FOR SUPPLIERS [\[308-1\]](#) [\[414-1\]](#)

The Company has established a clear oversight structure for the implementation of its ESG program for suppliers. The highest level of oversight lies with the President Director of MMSGI, who ensures that the policies and implementation of the program are aligned with the Company's sustainability commitments. [\[3-3\]](#)

As part of ESG integration within the supply chain, procurement practices are regularly reviewed to ensure alignment with the MMSGI CoC and to avoid potential conflicts with sustainability principles. Suppliers that fail to meet the minimum ESG requirements within a specified

timeframe may be excluded from the contracting process. Conversely, suppliers demonstrating superior ESG performance are prioritized during selection and contract awarding processes.

The Company also conducts training and socialization on the Procurement of Goods and Services process for employees directly involved in procurement activities. These trainings are aimed at enhancing employees' understanding of their role in supporting the success of supplier ESG programs.

## SUPPLIER ENGAGEMENT

As part of its commitment to responsible supply chain management, the Company actively builds strategic partnerships with vendors and contractors through outreach, training, and technical support related to the implemented ESG programs. The Company provides

vendors with information and training on applicable ESG policies, processes, and requirements to ensure a shared understanding of the established sustainability standards.

In 2024, the Company conducted training and development programs for five suppliers. These programs included, but were not limited to, the following:

#### Environmental Topics

1. Water Pollution Control
2. Operation of Air Pollution Control Installations
3. Pollution Potential and Characteristics of Hazardous Waste
4. Air Pollution Control
5. Hazardous Waste Storage Management

#### OHS Topics

1. Hazard Identification and Risk Assessment
2. Job Safety and Environment Analysis (JSEA)
3. Emergency Response Team Training
4. Working at heights
5. Fundamentals of safe behavior

In the implementation of improvement or corrective action plans, the Company provides direct support, both virtually and through on-site visits. Improvement programs may be carried out in-house or with the support of third-party services to assist vendors in effectively implementing the agreed corrective actions.

Description	2024 Realization
<b>Capacity Building Program</b>	
Total number of suppliers participating in the capacity building program	5
Percentage of significant suppliers involved	100%

## INFORMATION AND CYBER SECURITY

### INFORMATION TECHNOLOGY GOVERNANCE

MMSGI implements a structured and integrated information technology (IT) governance framework to support operational effectiveness, data-driven decision-making, and the protection of information assets. Oversight responsibility for information security issues lies with the Chief of HRGA-IT, who monitors policies and strategic directions related to the Company's technology and information security management. At the executive

level, the information security function is carried out by the Corporate IT Division, which is directly responsible for managing IT systems and cybersecurity controls.

The Company's IT governance is structured into two main entities, namely the Corporate IT Division and the Information Technology Work Units (IT Pillars).

### INFORMATION SECURITY POLICY

The Company has established an Information Technology Governance Policy under document number KBJ/TID/2021/002 concerning the Information Technology and Data/Information Security Policy of MMS Group Indonesia, which outlines its commitment

to continuously enhancing its information security systems in response to evolving cyber risks. This policy emphasizes the importance of maintaining the integrity and protection of corporate data, as well as ensuring the presence of monitoring systems and response

mechanisms for potential information security threats. It also includes a commitment to ongoing improvements in information security systems, implemented through regular evaluation and reporting of Service Level Agreement (SLA) achievements, along with the execution of continuous corrective actions to maintain and enhance SLA performance.

The Company assigns individual responsibility for information security to all employees as part of the implementation of its CoC. Every employee is required to safeguard the confidentiality, integrity, and availability of information in the performance of their duties, in accordance with the provisions outlined in internal policies and codes of conduct. This commitment is regularly communicated to ensure that all employees

understand their respective roles in protecting information security and preventing data misuse.

The Company has established mandatory information security requirements for third parties, including suppliers, business partners, and service providers. These requirements are outlined in partnership agreements and the Integrity Pact, covering commitments to data protection, system access management, and compliance with the Company's information security policies. Every third party working with the Company is required to ensure that their systems, processes, and personnel align with the defined information security standards to prevent potential risks of data leakage or misuse. Compliance is evaluated periodically through audits or designated monitoring mechanisms.

## INFORMATION SECURITY MANAGEMENT PROGRAM

### Information Security Awareness and Education

The Company regularly conducts information security awareness training for all employees. This training is part of the effort to foster a cybersecurity culture in the

workplace. The training materials cover topics such as staying safe on public Wi-Fi, email quarantine, phishing, and the importance of locking laptop screens.





## Vulnerability Analysis and Information Security Audit

As part of efforts to strengthen information security systems, the Company conducted vulnerability assessments on both public-facing and private systems. This activity aimed to identify potential security vulnerability within the information systems. All findings were addressed through system improvements, enhanced security controls, and continuous monitoring to ensure similar risks do not recur in the future.

In addition to conducting vulnerability testing, the Company also carried out internal audits of its information technology infrastructure and information security management systems. These audits were conducted by the IARM Team to ensure the adequacy and effectiveness of the implemented internal controls.

## Business Continuity Plan for Information Security

The Company has established a business continuity strategy that incorporates information security aspects through the development and implementation of Information Security-Related Business Continuity Plans, managed by the Disaster Recovery Planning (DRP) Team. This team is responsible for identifying potential disruption scenarios, such as IT infrastructure failures (e.g., server, network, or data center breakdowns), cyberattacks, natural disasters that directly impact IT systems, and failures caused by human error.

As part of the sustainability plan, the DRP Team conducted a business impact analysis on critical functions and formulated measurable recovery methods. The minimum recovery time was determined based on parameters such as Maximum Tolerable Downtime (MTD), Recovery Time Objective (RTO), and Recovery Point Objective (RPO). In addition, the Company designates responsible personnel with the authority to activate the continuity plan in emergency situations to ensure operational continuity and the protection of information assets.

## IT Incident Escalation Mechanism

The Company has established a clear reporting and escalation mechanism for employees to report information security incidents, system vulnerabilities, or other suspicious activities. The IT incident management procedure at the corporate level of MMS Group Indonesia covers all stages, from ticket creation to feedback survey. This procedure encompasses the handling of various IT service issues, including email disruptions, laptop problems, internet service issues, and others.

IT incident handling is classified into three levels. Level 1 includes incidents that can be resolved directly by the first-level support team without requiring elevated access or major configuration changes. Level 2 addresses more complex incidents or requests that require advanced technical analysis through investigation or troubleshooting processes. Meanwhile, Level 3 represents the highest level of escalation, involving intervention from external vendors or development teams due to technical complexity or system access limitations that cannot be addressed by the internal team.

During the reporting period, one information security incident was recorded. In response, the Company promptly activated an emergency ticket with severity level 1 (critical) and conducted a root cause analysis to ensure appropriate handling of the incident. As a corrective action, the Company strengthened its Intrusion Protection System (IPS). In addition, preventive measures were implemented to avoid similar incidents in the future, including periodic reviews of accounts and VPN access, particularly those granted to external parties such as vendors and guests and the regular review of patch management for each common vulnerability and exposure (CVE) affecting MMSGI systems, with a focus on medium to critical risk levels.

All incidents were properly managed, and no breaches of information security or data leaks occurred during the reporting period.

# TAX STRATEGY AND GOVERNANCE

MMSGI Tax Compliance Governance is documented under MMSGI-KBJ-PSL-02, which applies to the Company's internal operations, its subsidiaries, and business partners as part of its commitment to implementing GCG principles and responsible business practices. This policy is approved and signed by the President Director of the Company.

In pursuit of its vision and mission, MMSGI engages all leaders, employees, subsidiaries, business units, partners, and third parties to commit and actively participate in ensuring compliance with all applicable laws and regulations, particularly in the field of taxation, while contributing to state revenue.

To fulfill this commitment, MMSGI has established the following tax measures and strategies:

- **Tax Compliance**
  - The Company is committed to complying with tax policies in accordance with applicable laws and regulations in its operating jurisdictions.
  - The Company upholds the principle of prudence in fulfilling its tax obligations.
  - All tax obligations are carried out in accordance with prevailing laws, including tax calculation, reporting, and payment in all jurisdictions where the Company operates.
- **Commitment to the Principles of Responsible Tax Governance**
  - The Company aims to optimize value creation

in each jurisdiction in which it operates for the benefit of tax revenue.

- All tax structures and transactions must reflect legitimate commercial substance and shall not involve jurisdictions known for secrecy to avoid tax obligations.
- All intercompany transactions must follow the arm's length principle, supported by complete and regularly maintained documentation to ensure compliance with tax regulations.

- **Tax Avoidance**

The Company does not tolerate any form of tax avoidance, whether direct or indirect.

- **Monitoring Process and Reporting Frequency**

Oversight of the implementation of this policy is conducted by the Finance Director and reported periodically to the Board of Directors at least once a year or as needed.

- **Relationship with Tax Authorities**

MMSGI respects the authority of tax regulators and maintains a transparent, professional, and cooperative relationship during all audit and consultation processes.

- **Competence and Resources**

All tax-related activities are handled by professionals who possess the necessary expertise and competencies in accordance with the Company's operational standards.







04

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MANAGING THE  
ENVIRONMENT  
RESPONSIBLY







# ENVIRONMENTAL POLICY

MMSGI is committed to implementing good mining practice (GMP). MMSGI has a formal Environmental policy, endorsed by the President Director, which commit to compliance with applicable laws and continuous improvement in environmental performance. This commitment is demonstrated through sustainable environmental management, rehabilitation, and monitoring, as well as the implementation of various social programs that provide added value to local communities. All these activities are carried out in accordance with standards that go beyond the requirements of prevailing laws and regulations, reaffirming that responsibility toward the environment

and society is an integral principle embedded in every stage of MMSGI's operations and post-mining activities. In addition, the Company has established measurable environmental targets as part of its strategy to reduce the environmental impact of all operational activities. Progress against these targets is regularly monitored and reviewed to ensure achievements and drive performance improvements. To support the implementation of its environmental policy, the Company also conducts action programs, awareness campaigns, and training sessions on a regular basis for both employees and business partners, aimed at enhancing awareness, understanding, concern, and competence among all internal stakeholders.

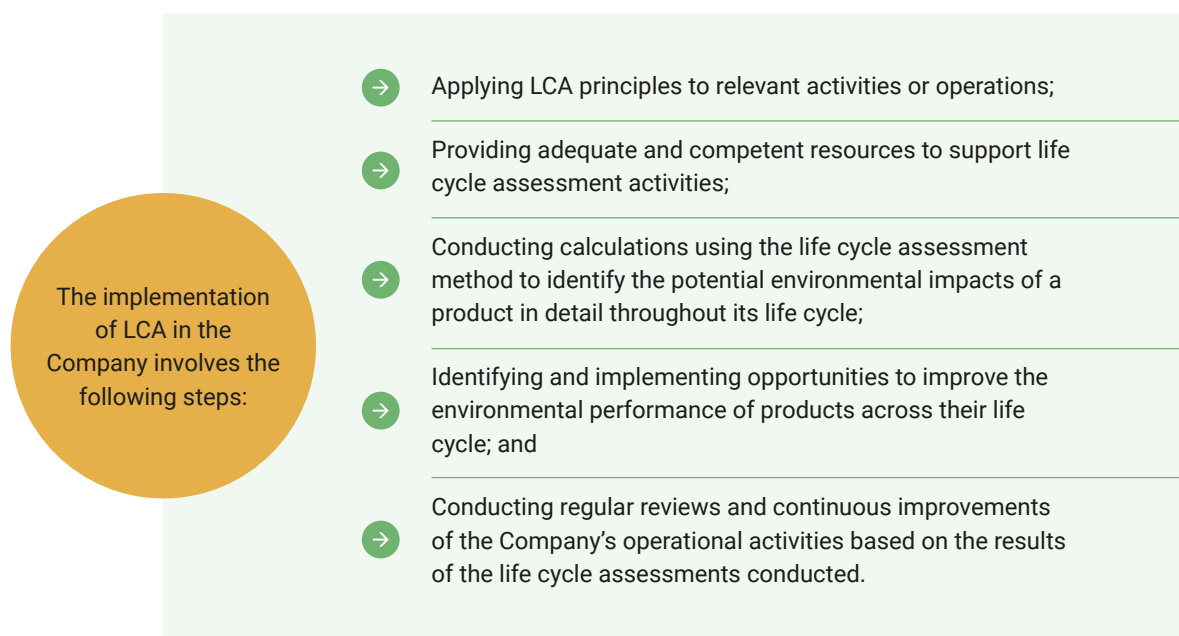


MMSGI adopts a proactive approach in responding to changes and rising international benchmarks, such as ISO 14001, ISO 50001, dan IUCN to achieve optimal performance. Environmental management is coordinated by the Environmental and Mine Closure (EMC) Department, guided by the Quality, Safety, Environmental, and Community Policy (K3LHKK) approved by the President Director. This policy applies to all parties involved in the Company's operational activities, including employees, management, contractors, business partners, and labor unions.

As part of its ongoing commitment to responsible environmental management, MMSGI adopts the life cycle assessment (LCA) method as a strategic approach

to enhance overall environmental performance. LCA is used to identify and measure the potential environmental impacts of each stage of operational activities, from exploration to coal processing. This assessment is conducted using a Cradle-to-Gate scope, tailored to MMSGI's business processes in the mining sector.

Through this approach, MMSGI obtains data and information that serve as the foundation for more targeted, efficient, and evidence-based strategic planning and decision-making. In addition, the application of LCA enables the Company to manage environmental risks proactively while also identifying opportunities for continuous improvement across the entire operational chain.



As part of the Company's accountability, MMSGI actively conducts monitoring, reporting, and consultation with stakeholders regarding environmental performance and related issues. The Company has also established a Specific Environmental Protection Policy that refers to various national and regional regulations, such as:

- Law No. 32 of 2009 concerning Environmental Protection and Management;
- Law No. 30 of 2007 concerning Energy;
- Regulation of the Minister of Energy and Mineral Resources No. 26 of 2018 concerning the Implementation of Good Mining Practices and Supervision of Mineral and Coal Mining;

- Decree of the Minister of Energy and Mineral Resources No. 1827 of 2018 concerning Guidelines for the Implementation of Good Mining Technical Practices;
- Various regulations issued by the Ministry of Environment and Forestry and the Regional Government of East Kalimantan

Through this policy, MMSGI is committed to continuously improving its environmental performance in a sustainable manner through strategic programs that are measurable and generate positive impacts on both the ecosystem and surrounding communities.



# ENVIRONMENTAL MANAGEMENT SYSTEM

MMSGI has developed and implemented a standardized and integrated Environmental Management System (EMS) across all operational lines. This system has been certified under ISO 14001:2015 by an independent certification body for MHU, a subsidiary of MMSGI, reflecting the Company's alignment with international standards in identifying, controlling, and continuously improving environmental performance.

The implementation of the EMS goes beyond regulatory compliance and includes the development of various initiatives aimed at improving resource efficiency and

environmental conservation. These initiatives include energy efficiency and reduction of greenhouse gas (GHG) emissions, the use of renewable energy, reduction and utilization of hazardous waste (B3), application of the 3R principles (Reduce, Reuse, Recycle) for non-hazardous waste, efficient water use and reduction of water pollution load, as well as biodiversity protection.

The EMS is coordinated by the Environmental Management System Team, which consists of cross-functional members and is led by the Environmental Management System Coordinator. The team composition is as follows:



The roles and responsibilities of each team member are as follows:

1. Head of Mining Engineering:
  - Ensure that the EMS policy is effectively communicated and implemented;
  - Ensure all EMS Team members carry out their duties in accordance with their responsibilities;
  - Conduct periodic evaluations of EMS performance.
2. Environment & Mine Closure Manager:
  - Provide adequate resources (personnel and budget);
  - Present EMS performance reports in Management Review Meetings.
3. Environmental Management System Coordinator:
  - Develop the EMS in accordance with applicable standards;
  - Ensure the EMS is implemented across all operational activities.
4. Performance & Risk Management:
  - Conduct operational risk analysis and report to management;
  - Analyze and report the performance of all departments and divisions.

5. System Management Assurance:
  - Develop and distribute operational control systems;
  - Coordinate audits to ensure system effectiveness.
6. Administrator & Reporting:
  - Systematically control EMS documentation;
  - Prepare and submit environmental reports in accordance with applicable regulations.

In 2024, PT MHU, a subsidiary of MMSGI, conducted an internal audit to assess the effectiveness of EMS implementation. This audit aimed not only to ensure the system's compliance with ISO 14001:2015 standards but also to identify opportunities for improvement, particularly in the environmental and energy management systems implemented by contractors. Based on the audit findings, the Company developed a follow-up action plan focused on strengthening environmental controls across the entire operational chain. MHU's success in maintaining ISO 14001:2015 certification for 100% of its coal mining operational areas further reinforces the Company's commitment to continuous improvement and the implementation of responsible environmental governance.

# GOOD MINING PRACTICES

MHU implements Good Mining Practices (GMP) to ensure that all mining activities, from planning to post-mining, are carried out responsibly and efficiently. This implementation includes full compliance with applicable technical standards and regulations, with a strong focus on environmental protection, occupational safety, sustainability, and stakeholder engagement. MHU also consistently conducts environmental monitoring and land rehabilitation programs to minimize negative impacts on the environment and surrounding communities.

As part of its efforts to prevent environmental violations, MHU implements a regular and comprehensive

environmental compliance monitoring system. This system is designed as an early warning system and ensure that corrective actions can be taken promptly and effectively. In the event of an unavoidable environmental incident, the company has strict emergency response protocols in place.

The commitment to responsible environmental governance has led MHU to receive various awards in the fields of mining and environmental management. These recognitions reflect public and regulatory trust in the company's consistent efforts to implement mining practices that are legally compliant, ethical, and sustainable.



# ENERGY EFFICIENCY

[3-3, 302-1, 302-2, 302-3, 302-4, 302-5]

MMSGI continuously strives to enhance operational efficiency while encouraging business partners to adopt effective energy management practices across the value chain. To support this goal, the Company implements a structured Energy Management System (EnMS) with an annual energy efficiency target of 0.8%. This initiative aims to optimize energy consumption, conserve resources, and reduce GHG emission. [3-3]

Energy management within MMSGI is the responsibility of the Energy Efficiency Team, led by the Energy Efficiency Coordinator/Energy Manager, and guided by the established Energy Efficiency Policy. The team comprises competent and certified personnel with expertise in energy management. This management system includes continuous monitoring, evaluation, and implementation of energy-saving initiatives across all operational units, including business partners, to ensure optimal energy performance and support the Company's sustainability targets.



As a recognition of its energy management system implementation, MMSGI successfully obtained the ISO 50001:2018 certification, covering >90% of the Company's operational activities. This achievement

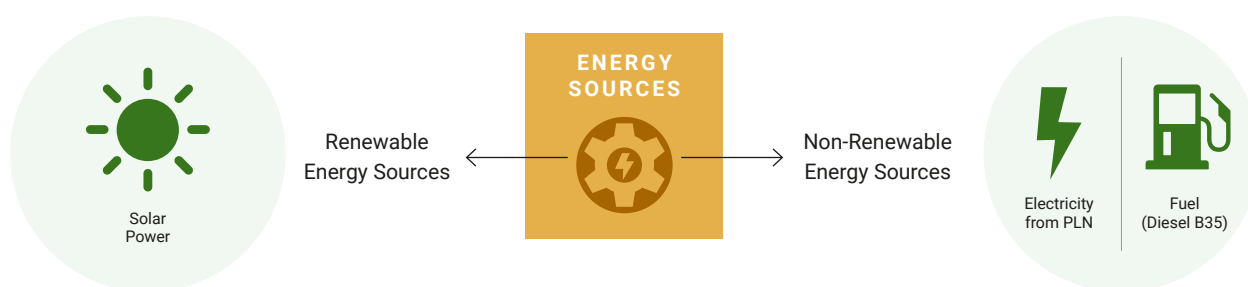
reinforces MMSGI's commitment to efficient energy management while supporting the transition towards a cleaner and more sustainable energy system.

## ENERGY CONSUMPTION

The company continues to take gradual steps toward a cleaner and more sustainable energy transition. One tangible effort undertaken is the use of biofuel, namely Biodiesel B35, along with the implementation of energy efficiency programs at both mining sites and the head office.

In 2024, total energy consumption decreased by 2,608,752.56 GJ or 41.34% compared to 2023. This change was driven by energy efficiency actions and a decline in coal production.





MMSGI, through MHU, conducts efforts to minimize the environmental impact of energy consumption while promoting the use of more environmentally friendly energy sources. As a form of transparency and accountability, MHU's energy consumption data has also been verified by an independent third party through an

external energy audit conducted in accordance with ISO 50001 standards by a nationally recognized and credible institution. This audit not only assesses the company's energy performance but also identifies opportunities for improvement and enhancement of the company's energy management system.

TABLE OF ENERGY CONSUMPTION

Source	Unit	2024	2023	2022
<b>Renewable Energy</b>				
Solar Power	kWh	24,452.60	189,610.72	436,686.68
Total Renewable Energy Consumption	GJ	88.03	682.60	1,572.07
<b>Non-Renewable Energy</b>				
Fuel (Biodiesel B35)	Liter	107,767,286.85	183,646,710.08	182,523,147.10
	GJ	3,696,271.34	6,299,514.99	6,261,867.79
Electricity from PLN	kWh	1,579,274.40	2,944,368.60	1,494,706.09
	GJ	5,685.39	10,599.73	5,380.94
Total Non-Renewable Energy Consumption	GJ	3,701,956.73	6,310,114.72	6,267,248.73
Total Energy Consumption	GJ	3,702,044.76	6,310,797.32	6,268,820.80

Notes:

- The energy consumption data was obtained from the subsidiary (MHU).
- Conversion factors used to calculate energy consumption:
  - Solar energy: calculated based on the power rating of solar-powered electrical equipment (kW) multiplied by the operating hours, then converted to GJ
  - Electricity from PLN: calculated based on PLN billing (kWh); kWh data is converted to GJ using the factor 1 kWh = 0.0036 GJ
  - Fuel: 1 liter of fuel = 0.0343 GJ

In the reporting year, renewable energy consumption declined due to the ongoing recovery of the Solar PV system at the MHU office area. Additionally, the

completion of certain operational activities by several contractors also contributed to the decrease in renewable energy use.

## ENERGY INTENSITY [302-3]

MMSGI continuously monitors energy intensity as a key indicator in its energy efficiency and decarbonization strategy. The company is committed to reducing energy consumption and emissions per unit of production through various conservation initiatives and the adoption of environmentally friendly technologies. One initiative involves optimizing the refueling method and utilizing the Daily Consumption Monitoring system

for Hauler 777D and 777E units, which have high fuel consumption. Additionally, the implementation of the MANTULS Controller on Grader GD825 and other support equipment helps reduce idle time and prevent loss of operational control, especially in large mining areas, contributing to overall improvements in energy efficiency.

Description	Unit	2024	2023	2022
Total Energy Consumption	GJ	3,701,956.73	6,310,114.72	6,267,248.73
Total Coal Production	Ton	8,643,169	10,849,999	12,109,024*
Total Overburden Production	BCM	96,932,914	154,447,508	171,391,628
Total Overburden Production	Ton	232,638,994	370,674,019	411,339,907
Energy Intensity (Coal)	GJ/Ton	0.4283	0.5816	0.5175*
Energy Intensity (Overburden)	GJ/Ton	0.0159	0.0170	0.0152
Energy Intensity (Coal and Overburden)	GJ/Ton	0.0153	0.0165	0.0148*

\*Data restated

Note: Based on data from the subsidiary (MHU)

## ENERGY CONSUMPTION REDUCTION TARGET [302-4, 302-5]

As part of the Company's commitment to energy efficiency, MMSGI has set a target to reduce energy intensity by 0.8% annually, using 2021 as the baseline year. This target forms part of the Company's long-term strategy to support operational efficiency and decarbonization efforts.

As a strategic measure, in 2024 the Company, through the issuance of an official decree on the establishment of the Energy Baseline (EnB) and Energy Target, set an energy intensity target of 0.0150 GJ/ton by 2031. This

policy reflects MMSGI's commitment to sustainability through improved and responsible energy management.

In 2024, energy intensity was recorded at 0.0153 GJ/ton, representing a 6% reduction compared to the baseline year. This decrease was driven by various efficiency initiatives, including the optimization of production processes, the use of energy-saving technologies, and increased energy awareness across all operational levels.

Target	Baseline Year	Target Year	Baseline Value (GJ/Ton)	2024 Actual (GJ/Ton)	% Increase / Decrease	KPI in Target Year (GJ/Ton)
Energy Intensity	2021	2031	0.0163	0.0153	6%	0.0150

## ENERGY EFFICIENCY INITIATIVES <sup>[302-4]</sup>

MMSGI consistently implements various energy efficiency initiatives across all work units as part of its commitment to sustainable energy management and the reduction of greenhouse gas (GHG) emissions, based on energy performance evaluations. In addition, MMSGI remains committed to continuous innovation and the implementation of energy efficiency initiatives.

Some key initiatives that have been implemented include:

### 1. Energy Optimization

- Applying automated lighting systems by installing motion sensors in areas that are infrequently used by employees.
- Implementing smart positioning sensors in the water truck filling system to reduce filling duration and prevent unnecessary operation when not in use.
- Implementing a Vehicle Health Monitoring System (VHMS) on HD 785 units to monitor fuel consumption in real time. This feature enables direct tracking of energy usage parameters, allowing for efficient monitoring of fuel consumption in overburden hauling units 777D/E.
- Improving work efficiency of small excavator units by reducing non-operational hours, aimed at lowering fuel consumption.

### 2. Renewable Energy

- Implementing the Mining City Green Energy concept by using renewable energy through solar panels for road lighting in coal mining areas.

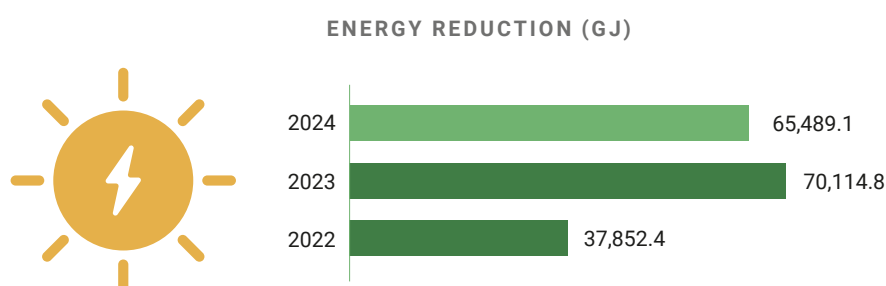
### 3. Energy Governance

- Conducting energy performance monitoring and evaluation through the Energy Performance Indicator (EnPI).
- Complying with applicable laws and regulations related to energy management at MHU.
- Supporting the procurement of products, equipment, and services that can enhance energy efficiency.
- Evaluating energy efficiency programs and/or activities periodically through energy audits, and initiating continuous improvement to improve energy efficiency performance.

### 4. Training and Awareness Program

- Conducting training and awareness programs for employees and key partners to strengthen understanding and engagement in energy efficiency efforts.

Through these various initiatives, MMSGI successfully recorded a reduction in energy consumption across multiple operational areas. This achievement is reflected in the following energy efficiency data:





# EMISSIONS MANAGEMENT [305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7]

## GREENHOUSE GAS EMISSIONS

The Company has a dedicated policy outlining the principles, responsibilities, and mitigation measures related to GHG emissions in its Emission Reduction Policy. This policy serves not only as an internal guideline but has also been actively communicated to all employees, business partners, customers, suppliers, visitors, and other stakeholders.

As part of the implementation of this policy, the Company systematically conducts the measurement, and reporting of GHG emissions resulting from all operational activities. These measurements cover both direct emissions (Scope 1) and indirect emissions (Scope 2), in accordance with the defined reporting boundaries, including those of its subsidiary entities. [3-3]

Scope 1 emissions refer to direct emissions arising from operational activities owned or controlled by the Company. These include activities such as mining operations, energy consumption, waste management, and chemical processes in daily operations. Meanwhile, Scope 2 emissions cover indirect emissions resulting from the use of purchased electricity supplied by an external provider, namely PLN.

MMSGI adopts the operational control approach in calculating emissions and refers to ISO 14064-1 for the calculation of Scope 1 and Scope 2 emissions, as well as the IPCC Guidelines for National Greenhouse Gas Inventories (2006) as the reference for applying emission factors based on the type of emission source. MMSGI conducts internal GHG emissions calculations based on the guidelines of ISO 14064-1.

Although the results have not yet been independently verified by a third party, the Company ensures that both the data and calculation methods used are in accordance with internationally recognized standards. In addition, MMSGI has reported its GHG emissions to the Ministry of Environment and Forestry through the environmental performance evaluation under the PROPER program, particularly in the aspect of Air Pollution Control.

As a demonstration of its commitment to responsible environmental management, MMSGI reports the following GHG emissions data:

Scope	Activity	Unit	2024	2023	2022
Scope 1	Mining	Ton CO <sub>2</sub> e	273,893.71	466,743.48	513,948.68
Scope 2	Port and Office	Ton CO <sub>2</sub> e	1,171.82	2,184.72	1,109.07
Total Emissions		Ton CO <sub>2</sub> e	275,065.53	468,928.20	515,057.75

Note:

Scope 1 and 2 data are sourced from the subsidiary (MHU).

Throughout 2024, total Scope 1 and Scope 2 emissions decreased by 193,862.67 tons of CO<sub>2</sub>e, or 41.34% compared to 2023 emissions. This reduction is directly related to energy efficiency actions and a decline in coal production.

As part of its long-term commitment, the Company continues efforts to reduce GHG emissions by

strengthening energy efficiency initiatives and adopting environmentally friendly technologies. Although the Company has not yet calculated Scope 3 emissions, it has taken initial steps to identify and reduce these emissions. This approach reflects the Company's commitment to contributing to national GHG reduction targets and supporting the achievement of the Sustainable Development Goals (SDGs).



## GHG EMISSION INTENSITY <sup>[305-4]</sup>

Emission calculations focus on key activities that significantly contribute to emissions, namely coal production and overburden removal, with the calculation

boundary limited to coal mining activities at PT MHU. The GHG emission intensity values are presented in the following table:

Description	Unit	2024	2023	2022
Total Scope 1 and Scope 2 Emissions	Ton CO <sub>2</sub> eq	291,090.99	468,928.20	515,057.75
Total Coal Production	Ton	8,643,169	10,849,999	12,109,024*
Total Overburden Production	BCM	96,932,914	154,447,508	171,391,628
Total Overburden Production	Ton	232,638,993.60	370,674,019.20	411,339,907.20*
Emission Intensity (Coal)	Ton CO <sub>2</sub> eq/ Ton	0.03368	0.04322*	0.04254*
Emission Intensity (Overburden)	Ton CO <sub>2</sub> eq/ Ton	0.00125	0.00127*	0.00125*
Emission Intensity (Coal and Overburden)	Ton CO <sub>2</sub> eq/ Ton	0.00121	0.00123*	0.00122*

\*Data restated

Note: BCM = 2,4 ton

## GHG EMISSION REDUCTION TARGET <sup>[305-5]</sup>

As part of its commitment to sustainability and climate change mitigation, MHU has established a short-term target to reduce GHG emissions with a set of metrics that are consistently applied in internal reporting and evaluation.

MHU has set 2021 as the baseline year and aims to achieve its targets by 2030. The Company targets an absolute emissions reduction of 8% for both Scope 1 and Scope 2 emissions compared to the baseline year. This target includes emissions from coal mining activities.

In addition, the Company emphasizes improving operational efficiency by reducing emission intensity, defined as emissions per unit of product. The emission intensity reduction targets are set at 8% for Scope 1 and 7.69% for Scope 2, compared to the same baseline year.

As part of its regular monitoring, the Company has recorded progress toward its emission reduction targets up to the year 2024. The details of the targets and achievements for this period are presented in the following table:

Target	2021 Baseline Year (Ton CO <sub>2</sub> eq)	2030		2024		Indicator
		Target (Ton CO <sub>2</sub> eq)	% Reduction / Increase from Baseline Year	Actual (Ton CO <sub>2</sub> eq)	% Reduction / Increase from Baseline Year	
Scope 1	463,360.44	426,291.60	8.00%	273,893.71	40.89%	●
Scope 2	1,376.34	1,266.23	8.00%	1,171.82	14.86%	●
Scope 1 Emission Intensity	0.0012954	0.0012014	8.00%	0.0011352	12.34%	●
Scope 2 Emission Intensity	0.0000038	0.0000036	7.69%	0.0000049	-27.85%	●

Remarks:

- Target achieved
- Target not achieved

## GHG REDUCTION INITIATIVES <sup>[305-5]</sup>

The Company focuses its emission management efforts on the first two stages of the mitigation hierarchy, namely mitigation and reduction, to support Indonesia in achieving net zero emissions by 2060.

The mitigation strategy is implemented through the adoption of energy efficiency policies, enhancement of human resource competencies through energy management training, and the launch of innovation programs that encourage employee creativity in improving work efficiency and productivity. Meanwhile, the reduction efforts are carried out through collaboration

with key partners in energy efficiency programs, internal awareness campaigns promoting energy-saving practices, and full support for the use of B35 fuel across all operational areas.

In addition, MMSGI has carried out reclamation activities that have made a significant contribution to improve carbon management, including 273,419 tons of CO<sub>2</sub>e from carbon sequestration efforts through revegetation, land reclamation, and watershed rehabilitation activities, as well as 82,334 tons of CO<sub>2</sub>e from various emission reductions programs.



MHU has also implemented various energy efficiency programs as part of its commitment to responsible environmental management. Through these initiatives, the Company has successfully reduced energy consumption, which directly contributes to the reduction

of greenhouse gas emissions and supports ongoing efforts to mitigate climate change.

The following are emission reduction activities carried out by the Company:

Activity Description	Unit	2024	2023	2022
<b>Carbon Sequestration</b>				
Revegetation, Reclamation, and Watershed Rehabilitation	Ton CO <sub>2</sub> eq	273,419	267,183	267,132
<b>Carbon Reduction</b>				
Emissions Reduced Through Program Implementation	Ton CO <sub>2</sub> eq	82,334	10,251*	2,430.1*
<b>Other</b>				
Carbon Credits	Ton CO <sub>2</sub> eq	0.00	1,250.00	0.00
<b>Total</b>	<b>Ton CO<sub>2</sub>eq</b>	<b>355,753</b>	<b>278,684*</b>	<b>269,562*</b>

\*Data restated

## AMBIENT AIR POLLUTION [305-6, 305-7]

MHU strives to comply with applicable regulations but also proactively manages and reduces ambient air pollution. By periodically conducting evaluations and improvements of its air quality management system to ensure minimal environmental impact. [3-3]

The Company refers to the Government Regulation 22 of 2021 on the Implementation of Environmental Protection and Management and Ministerial Decree No. 48 on Noise Level Standards to ensure that air quality remains in compliance with the established standards.

MHU appoints Ministry of Environmental and Forestry (MoEF) accredited and registered laboratory to measure air quality. Air quality is routinely monitored with a focus on key parameters such as sulfur dioxide (SO<sub>2</sub>), nitrogen dioxide (NO<sub>2</sub>), carbon monoxide (CO), dust (total suspended particulates or TSP), lead (Pb), and noise levels.

Based on routine monitoring results, the levels of air pollution and noise remained below the established quality standards, with the following details:

No	Parameter	Unit	Quality Standard	2024	2023	2022
1	Dust/TSP	µg/m <sup>3</sup>	230	152.03	127.26	113.29
2	SO <sub>2</sub>	µg/m <sup>3</sup>	150	30.36	32.15	24.60
3	NO <sub>2</sub>	µg/m <sup>3</sup>	200	10.71	13.39	23.79
4	CO	µg/m <sup>3</sup>	10,000	1,073.42	879.78	714.41
5	Pb	µg/m <sup>3</sup>	2	0.30	0.34	0.09
6	Industrial Noise	db	70	48.96	45.05	43.44
7	Residential Noise	db	55	43.83	43.94	43.05

In 2024, CO and TSP emissions increased compared to 2023, primarily due to the implementation of a new measurement and recording method by the company. As of the reporting year, the Company has not yet conducted

calculations of emissions from ozone-depleting substances (ODS). As a follow-up, the Company is currently developing an ODS emission inventory system in accordance with the ISO 14064 standard.

## AMBIENT AIR POLLUTION REDUCTION INITIATIVES

As part of its efforts to support the achievement of established air quality standards, MHU has implemented various environmental management initiatives, including:

- Regular road watering.
- Tree planting along roadsides.
- Regulating the speed of operational vehicles.
- Installation of dust nets and additional coal guards.

MHU remains committed to continuing these efforts to manage environmental impacts and ensure a positive contribution to both the ecosystem and local communities.

# CLIMATE CHANGE MANAGEMENT

[305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7]

## GHG RISK MANAGEMENT

MMSGI considers an active role in climate change mitigation efforts. The Company is committed to being part of the solution through various initiatives focused on reducing emissions, enhancing energy efficiency, and accelerating the transition to clean energy.

On top of energy efficiency measures mentioned in energy management section, MMSGI is having strategic collaboration with PT PLN (Persero) through the Renewable Energy Certificate (REC) program. This

partnership ensures that electricity consumption in some of the operation areas is sourced from clean and verified energy. This initiative supports the national agenda for a sustainable energy transition.

Through these various efforts, MMSGI reaffirms its commitment to addressing the challenges of climate change with seriousness while promoting an inclusive, responsible, and sustainable energy transition.

## CLIMATE STRATEGY

As part of its commitment to the transition toward low-carbon development and in support of Indonesia's Net Zero Emissions target by 2060, MMSGI views climate change not only as an environmental challenge but also as a strategic risk that can impact all aspects of its business. Within this framework, climate change is regarded not only as a potential threat to operations and infrastructure but also as a strategic opportunity to enhance the Company's competitiveness through innovation and efficiency.

Currently, the Company is continuously building internal knowledge and understanding related to climate strategies, while also in the process of designing the most relevant and appropriate climate strategy for MMSGI's business context. This effort is expected to serve as a solid foundation for formulating policies and implementing gradual and sustainable climate change mitigation and adaptation measures.







# WATER EFFICIENCY AND EFFLUENT CONTROL

[303-1, 303-2, 303-3, 303-4, 303-5]

## WATER EFFICIENCY

The Company adopts a proactive and systematic approach to identify, manage, and mitigate water-related risks. As a mitigation measure, the Company ensures that all operational activities comply with applicable laws, regulations, and water resource management policies. In addition, the Company has implemented a water management system, focusing on efficient water use, waste reduction, and regular monitoring of wastewater treatment facilities (WWTP) to ensure that discharged effluents meet environmental quality standards.

Water Efficiency Policy is actively communicated to all stakeholders, including employees, business partners, customers, suppliers, and visitors. This socialization

aims to build collective awareness of the importance of responsible and efficient water management, ensuring that the policy is applied comprehensively and consistently across all operational lines.

Water management is coordinated by the Water Efficiency and Water Pollution Load (BPA) Team, led by the Water Efficiency Coordinator. This team is responsible for implementing water conservation initiatives including water recycling, enhancing operational efficiency, and conducting regular evaluations of the water management system. No water-related incident occurred in the reporting period. The team structure and the responsibilities of each member are as follows:



Roles and Responsibilities of the Water Efficiency and BPA Team are as follows:

1. Head of Mining Engineering
  - a. Ensure that the Water Efficiency Policy is communicated to and implemented by all employees;
  - b. Ensure that all Water Efficiency Officers carry out their duties and responsibilities; and
  - c. Evaluate the performance of the Water Efficiency Officers.
2. Environment & Mine Closure Manager
  - a. Review all activities related to water efficiency;
  - b. Ensure the Water Efficiency Coordinator develops a work program;
  - c. Monitor the implementation of the water efficiency work program;
3. Water Efficiency Coordinator
  - a. Establish the framework for water efficiency implementation;
  - b. Develop plans for the execution and fulfillment of water efficiency initiatives, including defining objectives and scope, conducting inventory analysis, impact assessment, and interpretation;
  - c. Monitor the implementation of water efficiency programs;
  - d. Evaluate and formulate corrective actions related to water efficiency programs; and
4. Water Efficiency Team
  - a. Ensure that all phases of water efficiency development are carried out according to the established plans; and
  - b. Determine priority areas for improvement based on water efficiency assessments.

- e. Coordinate with relevant internal and external parties regarding the implementation of water efficiency efforts.
- 4. Water Pollution Control Management Specialist
  - a. Ensure the effective and efficient implementation of the water efficiency work program;
  - b. Coordinate with relevant departments;
  - c. Conduct evaluations and determine necessary corrective actions; and
  - d. Develop innovations to enhance water efficiency.
- 5. Waste Water Control Operator
  - a. Collect and validate data to be used in water efficiency impact assessments;
  - b. Collaborate with relevant parties in the implementation of wastewater management; and
  - c. Implement, monitor, and evaluate wastewater management activities.
- 6. Mine Dewatering Specialist
  - a. Develop mine dewatering plans in accordance with the mining stage plan;
  - b. Ensure that mine dewatering is managed properly and effectively; and

- c. Evaluate mine dewatering activities and implement necessary corrective actions.

The Company routinely conducts monitoring and evaluation of water efficiency performance and efforts to reduce water pollution load. This includes minimizing water consumption and mitigating negative environmental impacts. Continuous monitoring also enables the identification of improvement opportunities and the alignment of strategic actions with long-term sustainability goals.

During the reporting period, there were no water-related incidents or events that resulted in financial loss, such as major leaks, contamination, or excessive water use requiring corrective actions or incurring additional costs. The absence of such incidents reflects the effectiveness of the Company's water management strategy and its commitment to environmentally responsible operations, aimed at creating a cleaner and more sustainable environment for future generations. [2-27]

## Water Consumption

To support its operational activities, MMSGI utilizes surface water sources, primarily drawn from rivers. This water is mainly used for road watering (hauling roads) as a dust control measure and to maintain road conditions and quality to ensure continued usability. [3-3, 303-1]

The Company only uses surface water sourced from rivers within its operational areas and does not withdraw water from other sources, including regions with high water stress levels. All water withdrawal and usage activities are carried out responsibly in accordance with the Water Efficiency Policy, ensuring compliance with applicable environmental regulations and avoiding

pollution or significant negative impacts on surrounding ecosystems. [303-1]

MMSGI routinely monitors and supervises both the quality and volume of water used and discharged. In addition, MMSGI regularly reports its surface water usage to the Kalimantan River Basin Agency under the Directorate General of Water Resources as a form of transparency and regulatory compliance. [303-2]

The following is the data on water withdrawal and consumption by MMSGI: [303-3, 303-5]

Water Source	Unit	2024	2023	2022
Surface Water	m <sup>3</sup>	17,648.18	48,424.72	502,489.40
Total Water Withdrawal	m <sup>3</sup>	17,648.18	48,424.72	502,489.40
Total Water Consumption	m <sup>3</sup>	15,109.12	43,872.80	495,096.95

Note:

Since 2023, changes in regulations from the Ministry of Public Works and Housing and permits for water utilization locations have imposed limits on the maximum monthly withdrawal of surface water. As a result, there has been a significant decrease in water usage.

## Water Intensity

In an effort to support sustainability and minimize environmental impact, MMSGI is committed to continuously improving the efficiency of natural resource

use, particularly water. MMSGI's water efficiency performance is presented in the following table:

Description	Unit	2024	2023*	2022
Total Water Consumption	m <sup>3</sup>	15,109.12	43,872.80	495,096.95
Total Production (Coal and Overburden)	Ton	241,282,163	381,524,018	423,448,931
Water Intensity	m <sup>3</sup> /Ton	0.000063	0.000115*	0.001169*

\*Data restated

In 2024, MMSGI achieved a significant reduction in water intensity, recording a 45.54% decrease or 0.000052 m<sup>3</sup>/ton compared to the previous year. This reduction reflects the effectiveness of various initiatives implemented,

including the promotion of a water-saving culture, the adoption of efficient technologies, and improvements to more environmentally friendly production processes.

## Water Efficiency Initiatives

Various initiatives have been implement and evaluate water conservation and efficiency program, as follows:

- Optimize the use of rainwater as an alternative source to improve clean water efficiency. In 2024, rainwater utilization reached 2,836 m<sup>3</sup>;
- Redesign automatic valves in office and workshop areas;
- Modify WTP pipelines to enhance water distribution effectiveness;

- Wastewater usage;
- Continuously implement, monitor, and evaluate water conservation and efficiency programs based on the principles of Reduce, Reuse, and Recycle (3R); and
- Organize training and awareness programs for employees to enhance understanding and engagement in water efficiency efforts.

## Effluent Control [303-2, 303-4]

MMSGI carries out wastewater treatment in a systematic manner and in accordance with applicable laws and regulations. All wastewater generated from operational activities is treated to meet the quality standards specified in the wastewater discharge permit before being released into receiving water bodies. MMSGI separately records water discharge from two

main sources, namely domestic wastewater and water from settling ponds. Treatment in the settling ponds is conducted to ensure water quality meets the required standards prior to discharge. Meanwhile, water used for road spraying is absorbed directly into the soil and does not enter the water system, thereby not contributing to water pollution loads. [3-3]





## WASTEWATER DISCHARGE

MMSGI monitors the quality of wastewater generated from all operational activities regularly to ensure that discharged wastewater complies with quality standards set by government regulations.

Wastewater from settling pond discharge points is evaluated based on Regional Regulation of East Kalimantan Province No. 02 of 2011, using parameters such as acidity level (pH), TSS, Fe, and Mn.

TABLE OF SETTLING POND TEST RESULTS

No	Parameter	Unit	Quality Standard	2024	2023	2022
1	pH	-	6.5 - 8.5	7.13	7.38	7.10
2	Total Suspended Solid (TSS)	mg/L	300	18.42	15.33	17.57
3	Fe	mg/L	7	0.06	0.14	0.10
4	Mn	mg/L	4	0.15	0.12	0.27

The results of wastewater quality testing throughout 2024 show that all parameters remained within the regulatory quality standards.

MMSGI's commitment to preserving environmental integrity and supporting responsible and sustainable business practices.

TABLE OF WASTEWATER DISCHARGE VOLUME TO THE ENVIRONMENT BY DESTINATION

Destination	Unit	2024	2023	2022
Surface Water	m <sup>3</sup>	2,539.06	4,551.92	7,392.45

## WASTEWATER REUSE INITIATIVES

As part of its commitment to responsible environmental management, the Company implements measures to reduce the discharge of wastewater into surface water bodies. One of the key efforts involves the reuse of wastewater from unit washing activities (wash pad) and treated water from the wastewater treatment facility.

The treated water is used for road spraying within the mining area to control dust emissions. This approach not only reduces dust but also prevents the generation of additional waste, as the water is reabsorbed into the soil. This practice reflects the principles of circularity and efficiency in water resource management.

Description	Unit	2024	2023	2022
Reused	m <sup>3</sup>	1,073,379.82	899,866.09*	604,853.16*

\*Data restated

In certain conditions, if the wastewater quality does not meet the required standards, MMSGI promptly takes corrective actions as a form of compliance with environmental regulations.

This approach is part of the Company's environmental management system, which aims to ensure that all water management activities are carried out responsibly and sustainably, in accordance with applicable regulations.

# WASTE MANAGEMENT [306-1, 306-2, 306-3, 306-4, 306-5]

The Company consistently supports efforts to reduce hazardous waste through the application of the Reduce, Reuse, Recycle (3R) principles, as outlined in its 3R Policy for Hazardous and Non-hazardous Waste. MMSGI aims to reuse more than 50% of its hazardous waste, while maintaining strict compliance with applicable regulations. In addition, MMSGI is committed to reusing over 45% of its non-hazardous waste through various flagship initiatives developed on an ongoing basis. This approach reflects the company's determination to create added value from waste while minimizing the environmental impact of its operations. [3-3]

To ensure optimal implementation of the policy, MMSGI has carried out comprehensive socialization efforts involving all employees, business partners, customers, suppliers, and other stakeholders. In addition, the Company regularly monitors and evaluates the performance of both hazardous and non-hazardous waste management to ensure effective execution and promote continuous improvement across all operational areas. [3-3]

## WASTE GENERATED

The types of waste produced include both hazardous and non-hazardous waste. Hazardous waste primarily originates from heavy equipment maintenance activities in workshops, while non-hazardous waste is generated from activities in workshops, offices, and domestic areas. For non-hazardous waste, MMSGI continues to promote maximum reuse, including the processing of organic waste into compost. Waste that cannot be reused is first treated to ensure it is safe before being released into the environment.

For the management of hazardous waste, the Company collaborates with third parties that meet all legal and technical requirements. Hazardous waste is collected from temporary storage facilities, sorted according to its characteristics, and then delivered to licensed waste management providers authorized by the Ministry of

Environment and Forestry. When selecting third-party service providers, MMSGI applies the following criteria:

- Holds environmental approval from the relevant government authorities;
- Has a valid transportation recommendation from the Ministry of Transportation and uses registered vehicles;
- Has an active partnership agreement with a licensed downstream hazardous waste management provider;
- Uses the electronic manifest system (Festronik);
- Has no record of involvement in environmental pollution cases; and
- Demonstrates a commitment to complying with the company's procedures on occupational health, safety, and environmental (HSE).

Description	Source	Treatment Method	Unit	2024	2023	2022
<b>Hazardous Waste</b>						
Used oil *	Workshop	Transported by Third Party	Ton	224.58	1,545.48	1,702.77
Used oil **	On Site Emulsion Plant (OSEP)	Reused	Ton	911.44	1,309.73	611.23



Description	Source	Treatment Method	Unit	2024	2023	2022
Used filters	Workshop	Transported by Third Party	Ton	190.14	200.89	138.65
Used rags	Workshop		Ton	70.70	76.30	50.99
Used hoses	Workshop		Ton	16.15	16.60	18.38
Used batteries/ accumulators	Workshop		Ton	50.99	49.88	32.27
Contaminated waste	Workshop		Ton	73.93	100.93	69.24
Used grease	Workshop		Ton	16.38	35.45	32.25
Used diesel	Workshop		Ton	0.001	0.00	0.00
Containers of hazardous materials	Workshop		Ton	0.005	0.54	0.00
Total Hazardous Waste			Ton	1,554.32	3,335.79	2,655.76
Non-Hazardous Waste						
Organic Waste	Office	Composted	Ton	0.099	0.29	4.63
Plastic	Office	Reused	Ton	0.42	0.00	0.00
Paper	Office	Reused	Ton	0.62	0.69	0.12
Tires	Workshop	Reused	Ton	3.99	23.80	153.17
Steel	Workshop	Reused	Ton	13.76	0.13	17.39
Residual waste not reused	Domestic	Disposed	Ton	62.86	138.66	29.57
Total Non-Hazardous Waste			Ton	81.75	163.56	204.88
Total Waste			Ton	1,636.07	3,499.35	2,860.64

## Notes:

\*) A regulatory change increased the allowable usage period of oil by 10–15%, depending on the type. This change reduced the frequency of oil replacement, resulting in a decrease in the volume of used oil transported.

\*\*) MHU obtained a permit to process waste into ANFO raw material in mid-2022, enabling full utilization of used oil to begin in 2023. As a result, the volume of reused used oil doubled.



## WASTE MANAGEMENT INITIATIVES

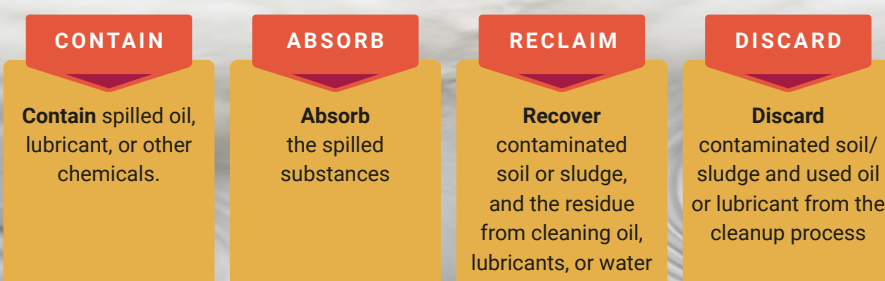
The following are the key actions implemented by MMSGI in the management of both hazardous and non-hazardous waste:

- Manage hazardous and non-hazardous waste by prioritizing the principles of Reduce, Reuse, and Recycle (3R);
- Conduct environmental remediation in the event of hazardous waste contamination;
- Reduce the use of plastic packaging and paper by maximizing the use of electronic files;
- Recycle organic waste through composting and reuse inorganic waste; and
- Conduct training and awareness programs for employees to strengthen understanding and engagement in reducing hazardous and non-hazardous waste.

MMSGI has obtained a permit to reuse hazardous waste, specifically used oil, starting in 2022. This used oil is utilized in accordance with the Indonesian National Standard (SNI) 7642:2010 as a substitute material in the production of ammonium nitrate fuel oil (ANFO) and emulsions for blasting activities in mining areas. The reuse process includes sorting engine oil, filtering to separate oil that is still usable, and conducting laboratory tests to ensure compliance with applicable standards. Used oil that cannot be reused is stored in a temporary storage facility and further managed by a third party in accordance with prevailing regulations.

## WASTE SPILL MANAGEMENT

Although oil spill incidents are more common in the oil and gas sector, the Company continues to prioritize preparedness in handling liquid hazardous waste spills. MMSGI has established effective guidelines to monitor and manage leaks or spills of hazardous waste and materials, with a focus on mitigating potential risks that could harm humans, animals, and the environment. These guidelines ensure that every necessary step is taken to protect safety and environmental sustainability. The following outlines the mechanism used to manage liquid hazardous waste spills:



During the reporting year, the Company did not receive any complaints related to environmental management and recorded no incidents of liquid waste spills in MMSGI's operational activities. In addition, the Company faced no

complaints regarding violations of environmental laws and regulations that resulted in fines or significant non-monetary sanctions. [3-3, 307-1]

## WASTE ROCK MANAGEMENT

The Company is strongly committed to responsible and sustainable mining practices. MMSGI recognizes that active managing waste rock overburden is not only part of its environmental responsibility but also a key strategy to enhance operational efficiency.

In coal mining areas, waste rock is overburden, which refers to the material removed from above the coal seams. In the reporting year, total overburden production reached 232,638,993.6 tons. This material is not immediately discarded but is initially dumped at temporary sites and later reused as backfill during the

mine closure process. MMSGI also reuses overburden as part of its sustainable waste management efforts.

In general, the Company does not produce tailings, which are mixtures of fine rock and water typically found in metal mining operations. Therefore, mineral waste reporting for coal mining operations does not include tailings as a primary category.

MMSGI has also reported mineral waste data accurately and transparently each year as part of its environmental responsibility. The mineral waste data is presented as follows:

Waste Rock	Unit	2024	2023	2022
Waste rock generated – waste rock (A)	Ton	232,638,993.6	370,674,019.2	411,339,907.2
Mineral waste generated – tailings (B)	Ton	0.0	0.0	0.0
Waste rock reused/recovered (C)	Ton	232,638,993.6	370,674,019.2	411,339,907.2
Total Waste rock disposed of (A + B – C)	Ton	0.0	0.0	0.0

## ACID ROCK DRAINAGE MANAGEMENT

MMSGI actively manages environmental risks associated with acid rock drainage (ARD), which occurs when acidic water is generated through the oxidation of sulfide minerals in rocks exposed to air and water. ARD potential is one of the primary environmental challenges in mining activities, including coal mining. Sources of acid water are not limited to coal but also include overburden layers.

As part of its environmental responsibility, MMSGI ensures that every stage of the mine life cycle, from exploration and operation to closure thoroughly considers and manages the potential for ARD.

The assessment of ARD potential is conducted from the exploration stage through geochemical characterization. This process aims to identify rock

types that have the potential to generate acid (Potential Acid Forming/PAF) as well as those that are neutral or possess acid-neutralizing properties (Non-Acid Forming and Acid Neutralizing Capacity). The results of this characterization serve as the basis for developing environmental management strategies in subsequent project phases.

During the feasibility phase, PT MHU, a subsidiary of MMSGI, conducts geochemical analysis in each mining pit. Based on the results of the study, it was found that an average of 39% of the rock is classified as PAF, indicating a significant potential to generate acidic water or mobilize heavy metals.

In response to these findings, the Company developed a comprehensive ARD Management Plan as part of its



sustainable mine operation planning. This plan includes the identification and classification of ARD sources based on geochemical reactivity and material volume, estimation of water flow and pollutant-free discharge, design of water control and treatment facilities, long-term waste management strategies, and integration into the mine closure plan from the outset. Mining activities may only proceed if the feasibility study confirms that ARD potential can be managed both technically and economically.

During the operational phase, MMSGI conducts regular water quality monitoring across all mining areas, especially at all compliance points at the outlet of the settling pond and domestic WWTP. This monitoring is carried out to ensure compliance with environmental quality standards as stipulated in applicable laws and regulations.

Various treatment methods are applied to neutralize the impacts of ARD, including the use of chemicals such as coagulants and pH-neutralizing agents, surface water runoff control systems, and progressive closure of mined-out areas using natural neutralizing materials.

As part of its commitment to sustainability, MMSGI ensures that post-mining areas are utilized in a positive and environmentally safe manner for both nature and surrounding communities. One example of successful reclamation is the E-West Void in MHU's operational area, which is now used as a clean water source for 582 households in Sungai Payang Village.

Water quality testing conducted by an independent third party confirmed that the water in the void meets the quality standards set by the East Kalimantan Regional Regulation No. 02 Year 2011 on Water Quality Management and Water Pollution Control and applicable Wastewater Discharge Technical Approval.

MMSGI regularly reports on the potential and management of ARD at each mining site. This information is presented in environmental documents and is partially made available in the Company's sustainability reports and official website to ensure public accessibility.

MMSGI continues to strengthen its internal capacity, establish partnerships with academics and environmental experts, and develop monitoring systems to ensure that all ARD management efforts align with long-term sustainability principles.







## BIODIVERSITY CONSERVATION

[304-1, 304-2, 304-3, 304-4]

As part of its commitment to environmental sustainability, MMSGI explicitly affirms its concern and responsibility in protecting biodiversity. This commitment is outlined in the Biodiversity Protection Policy, which covers and has been communicated to all employees, business partners, customers, suppliers, and other stakeholders. The policy serves not only as an internal guideline but also as a reflection of the company's values in maintaining ecosystem balance and promoting environmentally responsible behavior. This commitment is fully supported, endorsed, and signed by the Board of Directors as a demonstration of the company's seriousness in its implementation. [3-3]

As part of the policy implementation, the Company has established a set of core principles for the sustainable management of biodiversity, including the application of the mitigation hierarchy: prevention, reduction/avoidance, and compensation. Prevention is carried out by avoiding activities in areas of high conservation value to prevent impacts on critical ecosystems. If impacts cannot be entirely avoided, the company applies reduction or avoidance measures, such as adjusting project designs to avoid disturbing sensitive habitats.

If residual impacts remain, compensation measures are undertaken through habitat rehabilitation or restoration activities at alternative locations to offset unavoidable biodiversity loss.

MMSGI is committed to minimizing operational activities in areas with critical biodiversity, while adhering to applicable regulations and conservation standards.

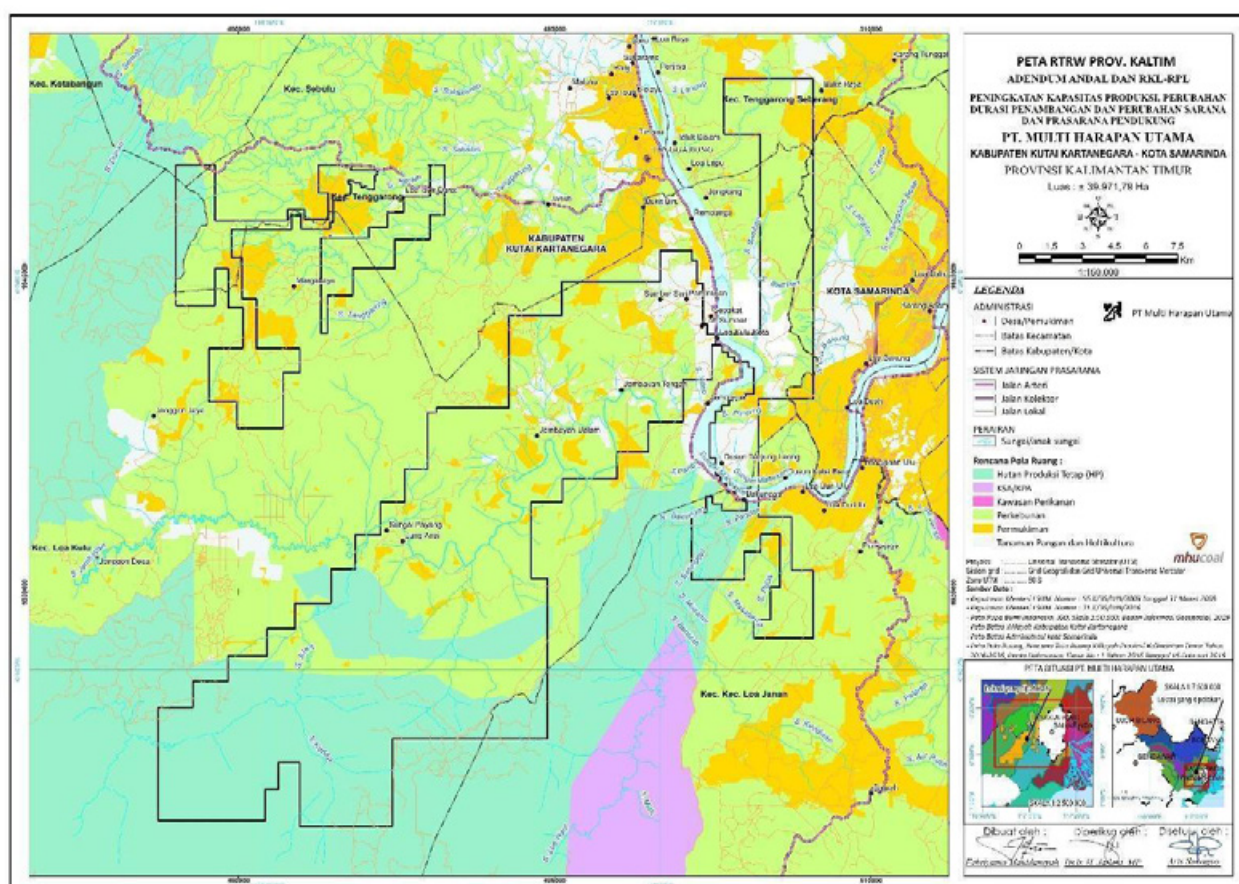
As part of its post-operational environmental recovery strategy, MMSGI, through PT MHU, has set a target of achieving a cumulative reclamation-to-land-disturbance ratio of at least 40%.

The Company carries out planning, implementation, monitoring, and evaluation of its biodiversity programs through the EMC Team, with regular reporting to the Board of Directors and Government institutions in accordance with applicable laws and regulations. This process includes risk assessment and the application of mitigation principles based on the mitigation hierarchy, which includes avoidance, reduction, and compensation if necessary. These efforts are further supported by the management of a conservation area that serves educational, research, and local species preservation purposes.

MMSGI also believes that successful conservation can only be achieved through collaboration and active stakeholder engagement. Therefore, MMSGI establishes partnerships with various parties to promote participatory and sustainable biodiversity conservation.

As a reflection of the precautionary and preventive principles, MMSGI strictly avoids operational activities in areas with high biodiversity value or zones with special protection status. Preliminary site assessments are conducted to ensure that planned activities do not directly intersect with critical habitats, conservation areas, or regions of high ecological value. As part of this process, the company has conducted a Biodiversity Impact Assessment for all operational areas of MHU.





Based on the results of the assessment, no MHU operational sites located near or directly intersecting with critical biodiversity areas.

Aspect	Number of Locations	Area Size (Ha)
a. Overall Total number and total area of the Company's operational sites	2	585.26
b. Assessment Assessment of biodiversity impacts conducted across all operational sites	2	585.26
c. Exposure Operational sites that have significant impacts on or are located near areas of critical biodiversity	0	0.00
d. Management Plan Total number and total area of sites with a biodiversity management plan	2	585.26

In addition, for areas located near zones of high conservation value, the company implements preventive measures based on Work Instruction WI MHU-OHSE-EMC-313. This instruction outlines technical procedures for the protection of protected flora and fauna, including the following: [3-3]

- In the event that protected flora or fauna is discovered, it is strictly prohibited to harm or kill the species.
- Any protected flora or fauna found in the field must be immediately reported to the EMC Team.
- If a rare plant species is found, it must be marked with a distinctive sign such as a ribbon or other indicator.



The EMC Team will then take conservation action by removing the plant along with its roots or, if possible, propagating it through cuttings for cultivation in the MHU nursery.

- If a protected animal is found, conservation efforts and documentation must be carried out. If it is possible to capture the animal safely, the EMC Team and designated personnel will proceed with the capture and report the case to the local conservation agency for further rehabilitation or captive breeding.

Biodiversity is addressed comprehensively from the pre-mining to post-mining phases through impact identification, risk management, and the systematic implementation of mitigation and rehabilitation measures. As a concrete step, the Company has designated the Busang Arboretum and the Deer Breeding Area as conservation priority zones through a Board of Directors' Decree on the Designation of the Busang Arboretum and Deer Breeding Area for the Protection and Preservation of Nature and Protected Flora and Fauna Species. These areas have been developed as safe habitats for protected species and serve as sustainable conservation centers.<sup>[304-1]</sup>

### Arboretum Busang

MHU manages a 16 ha arboretum located within its coal mining concession in Kutai Kartanegara Regency, East Kalimantan. This area serves as a biodiversity conservation center encompassing the preservation of local genetic resources, an educational and research forest, wildlife corridors, an ecotourism forest, and a seed source for endemic plant species.

Periodic biodiversity monitoring revealed a high level of biodiversity within the arboretum, including various species of mammals, avifauna, amphibians, butterflies, dragonflies, and others. This area plays a vital role not only in maintaining the balance of the local ecosystem but also in supporting educational and scientific functions for both the community and academia. Through sustainable management, the arboretum forms part of the Company's strategy to preserve natural heritage and strengthen its contribution to environmental conservation.

TABLE OF FLORA AND FAUNA LISTINGS AND CONSERVATION STATUS <sup>[304-3, 304-4]</sup>

No	Species Name	Local Name	IUCN Red List Conservation Status
TREES			
1	<i>Acacia mangium</i>	Akasia	LC
2	<i>Actinodaphne glabra</i>	Medang	LC
3	<i>Alstonia scholaris</i>	Pulai	LC
4	<i>Artocarpus elasticus</i>	Terap	LC
5	<i>Bridelia glauca</i>	Merentanak	LC
6	<i>Cassia siamea</i>	Johar	LC
7	<i>Croton argyratus</i>	Kijahe	LC
8	<i>Dillenia excelsa</i>	Simpur	LC
9	<i>Enterolobium cyclocarpum</i>	Sengon buto	LC
10	<i>Falcataria moluccana</i>	Sengon laut	LC
11	<i>Ficus dubia</i>	Ara	NT
12	<i>Ficus obscura</i>	Ara	LC
13	<i>Ficus sp.</i>	Ara	LC
14	<i>Gliricidia maculata</i>	Gamal	LC
15	<i>Gmelina arborea</i>	Jati putih	LC
16	<i>Homalanthus populneus</i>	Buta-buta lalat	LC
17	<i>Macaranga gigantea</i>	Mahang	LC
18	<i>Macaranga lowii</i>	Mahang	LC
19	<i>Macaranga sp.</i>	Mahang	LC

No	Species Name	Local Name	IUCN Red List Conservation Status
20	<i>Macaranga tanarius</i>	Mahang	LC
21	<i>Mangifera indica</i>	Mangga	DD
22	<i>Muntingia calabura</i>	Kersen	LC
23	<i>Nauclea subdita</i>	Bangkal	LC
24	<i>Nephelium lappaceum</i>	Rambutan	LC
25	<i>Pentace triptera</i>	Pohon pinang	LC
26	<i>Peronema canescens</i>	Sungkai	LC
27	<i>Psidium guajava</i>	Jambu	LC
28	<i>Pterospermum diversifolium</i>	Bayur laki	LC
29	<i>Pterospermum javanicum</i>	Bayur besar	LC
30	<i>Samanea saman</i>	Trembesi	LC
31	<i>Sesbania grandiflora</i>	Turi	DD
32	<i>Shorea sp.</i>	Meranti	EN
33	<i>Swietenia macrophylla</i>	Mahoni	EN
34	<i>Swietenia mahagoni</i>	Mahoni	NT
35	<i>Syzygium sp.</i>	Jambu-jambu	LC
36	<i>Terminalia catappa</i>	Ketapang	LC
37	<i>Trema orientalis</i>	Anggrungan	LC
38	<i>Trema tomentosa</i>	Anggrungan	LC
39	<i>Vitex pinnata</i>	Laban	LC

#### UNDERSTORY PLANTS

1	<i>Arenga pinnata</i>	Aren	LC
2	<i>Cassia alata</i>	Gerenggang	LC
3	<i>Cyperus rotundus</i>	Teki ladang	LC
4	<i>Echinochloa colonum</i>	Rumput bebek	LC
5	<i>Etlingera sp.</i>	Kencong	EN
6	<i>Leea indica</i>	Mali-mali	LC
7	<i>Lygodium microphyllum</i>	Hata	LC
8	<i>Manihot esculenta</i>	Singkong	DD
9	<i>Mimosa pigra</i>	Baret	LC
10	<i>Mimosa pudica</i>	Putri malu	LC
11	<i>Musa abaca</i>	Pisang	NT
12	<i>Panicum sp.</i>	Rumput bebek	LC
13	<i>Physalis angulata</i>	Sirih hutan	LC
14	<i>Piper aduncum</i>	Sirih hutan	LC
15	<i>Sesbania sesban</i>	Jayanti	LC
16	<i>Solanum sp.</i>	Terong	LC
17	<i>Stachytarpheta jamaicensis</i>	Pecut kuda	LC

#### BIRDS

1	<i>Gerygone sulphurea</i>	Remetuk laut	LC
2	<i>Haliastur indus</i>	Elang bondol	LC
3	<i>Ictinaetus malayensis</i>	Elang hitam	LC
4	<i>Nisaetus cirrhatus</i>	Elang brontok	LC
5	<i>Aegithina tiphia</i>	Cipoh kacat	LC

No	Species Name	Local Name	IUCN Red List Conservation Status
6	<i>Alcedo meninting</i>	Raja-udang meninting	LC
7	<i>Ceyx erithaca</i>	Udang api	LC
8	<i>Pelargopsis capensis</i>	Pekaka emas	LC
9	<i>Dendrocygna arcuata</i>	Belibis kembang	LC
10	<i>Anhinga melanogaster</i>	Pecuk-ular asia	NT
11	<i>Collocalia esculenta</i>	Walet sapi	LC
12	<i>Ardea alba</i>	Kuntul besar	LC
13	<i>Ardeola speciosa</i>	Blekok sawah	LC
14	<i>Bubulcus ibis</i>	Kuntul kerbau	LC
15	<i>Egretta garzetta</i>	Kuntul kecil	VU
16	<i>Egretta intermedia</i>	Kuntul perak	LC
17	<i>Artamus leucorhynchus</i>	Kekep babi	LC
18	<i>Hemipus hirundinaceus</i>	Jingjing batu	LC
19	<i>Pericrocotus igneus</i>	Sepah tulin	NT
20	<i>Caprimulgus affinis</i>	Cabak kota	LC
21	<i>Prinia flaviventris</i>	Parenjak rawa	LC
22	<i>Chalcophaps indica</i>	Delimukan zamrud	LC
23	<i>Ducula aenea</i>	Pergam hijau	NT
24	<i>Geopelia striata</i>	Perkutut jawa	LC
25	<i>Streptopelia chinensis</i>	Tekukur biasa	LC
26	<i>Treron vernans</i>	Punai gading	LC
27	<i>Corvus enca</i>	Gagak hutan	LC
28	<i>Cacomantis merulinus</i>	Wiwik kelabu	LC
29	<i>Cacomantis sepulcralis</i>	Wiwik uncuang	LC
30	<i>Cacomantis sonneratii</i>	Wiwik lurik	LC
31	<i>Centropus bengalensis</i>	Bubut alang-alang	LC
32	<i>Centropus sinensis</i>	Bubut besar	LC
33	<i>Phaenicophaeus curvirostris</i>	Kedalan birah	NT
34	<i>Surniculus lugubris</i>	Kedasi hitam	LC
35	<i>Rhinortha chlorophaea</i>	Kedalan selaya	LC
36	<i>Dicaeum cruentatum nigrimentum</i>	Cabai merah	LC
37	<i>Dicaeum trigonostigma</i>	Cabai bunga-api	LC
38	<i>Prionochilus thoracicus</i>	Pentis kumbang	NT
39	<i>Lonchura atricapilla</i>	Bondol cokelat	LC
40	<i>Lonchura fuscans</i>	Bondol kalimantan	LC
41	<i>Lonchura malacca</i>	Bondol jawa	LC
42	<i>Cymbirhynchus macrorhynchos</i>	Sempur-hujan sungai	LC
43	<i>Hirundo rustica</i>	Layang-layang api	LC
44	<i>Hirundo tahitica</i>	Layang-layang batu	LC
45	<i>Lanius schach</i>	Bantet kelabu	LC
46	<i>Megalaima rafflesii</i>	Takur tutut	NT
47	<i>Merops viridis</i>	Kirik-kirik biru	LC
48	<i>Hypothymis azurea</i>	Kehicap ranting	LC
49	<i>Muscicapa dauurica</i>	Sikatan bubuk	LC
50	<i>Cyornis turcosus</i>	Sikatan melayu	LC
51	<i>Aethopyga siparaja</i>	Burung-madu sepah-raja	LC
52	<i>Anthreptes singalensis</i>	Burung-madu belukar	LC



No	Species Name	Local Name	IUCN Red List Conservation Status
53	<i>Arachnothera longirostra</i>	Pijantung kecil	LC
54	<i>Anthreptes malacensis</i>	Burung-madu kelapa	LC
55	<i>Oriolus xanthonotus</i>	Kepodang hutan	LC
56	<i>Passer montanus</i>	Burung-madu eurasia	LC
57	<i>Dendrocopos moluccensis</i>	Caladi tilik	LC
58	<i>Sasia abnormis</i>	Tukik tikus	LC
59	<i>Micropternus brachyurus</i>	Pelatuk kijang	LC
60	<i>Pycnonotus aurigaster</i>	Cucak ketilang	LC
61	<i>Pycnonotus goiavier</i>	Merbah cerucuk	LC
62	<i>Amauornis phoenicurus</i>	Kareo padi	LC
63	<i>Rhipidura javanica</i>	Kipasan belang	LC
64	<i>Acridotheres javanicus</i>	Kerak kerbau	VU
65	<i>Aplonis panayensis</i>	Perling kumbang	LC
66	<i>Gracula religiosa</i>	Tiong emas	LC
67	<i>Orthotomus ruficeps</i>	Cinene kelabu	LC
68	<i>Orthotomus sericeus</i>	Cinene merah	LC
69	<i>Macronous gularis borneensis</i>	Ciung-air borneo	LC
70	<i>Macronous gularis</i>	Ciung-air coreng	LC
71	<i>Malacocincla sepiaria</i>	Pelanduk semak	LC

#### MAMMALS

1	<i>Macaca fascicularis</i>	Monyet ekor-panjang	EN
2	<i>Macaca nemestrina</i>	Monyet beruk	EN
3	<i>Muntiacus muntjak</i>	Kijang muncak	LC
4	<i>Hylobates muelleri</i>	Owa kalawat	EN
5	<i>Hystrix brachyura</i>	Landak raya	LC
6	<i>Nycticebus menagensis</i>	Kukang	VU
7	<i>Maxomys surifer</i>	Tikus duri-merah	LC
8	<i>Rattus tiomanicus</i>	Tikus belukar	LC
9	<i>Niviventer cremoriventer</i>	Tikus pohon	LC
10	<i>Callosciurus notatus</i>	Bajing kelapa	LC
11	<i>Sus barbatus</i>	Babi berjenggot	VU
12	<i>Tragulus napu</i>	Pelanduk napu	LC
13	<i>Tupaia belangeri</i>	Tupai indochina	LC
14	<i>Tupaia picta</i>	Tupai tercat	LC
15	<i>Helarctos malayanus</i>	Beruang madu	VU
16	<i>Paguma larvata</i>	Musang galing	LC
17	<i>Paradoxurus hermaphroditus</i>	Musang luwak	LC
18	<i>Viverra zangalla</i>	Tenggalung malaya	LC

#### AMPHIBIANS AND REPTILES

1	<i>Duttaphrynus melanostictus</i>	Kodok-puru asia	LC
2	<i>Fejervarya limnocharis</i>	Katak tegelan	LC
3	<i>Fejervarya cancrivora</i>	Kodok sawah	LC
4	<i>Amnirana nicobariensis</i>	Kongkang jangkrik	LC
5	<i>Hylarana erythraea</i>	Kongkang gading	LC
6	<i>Pulchrana baramica</i>	Kongkang baram	LC
7	<i>Kurixalus chaseni</i>	Katak pohon berjumbai	LC

No	Species Name	Local Name	IUCN Red List Conservation Status
8	<i>Polypedates leucomystax</i>	Katak-pohon bergaris	LC
9	<i>Rhacophorus pardalis</i>	Katak-pohon kalimantan	LC
10	<i>Bronchocela cristatella</i>	Bunglon jambul hijau	LC
11	<i>Draco cornutus</i>	Kadal terbang	LC
12	<i>Dendrelaphis pictus</i>	Ular tambang	LC
13	<i>Dendrelaphis caudolineatus</i>	Ular tambang	LC
14	<i>Enhydris plumbea</i>	Ular-air kelabu	LC
15	<i>Naja sumatrana</i>	Kobra sumatera	LC
16	<i>Hemidactylus frenatus</i>	Cicak kayu	LC
17	<i>Gekko monarchus</i>	Cicak hutan	LC
18	<i>Pareas carinatus</i>	Ular siput	LC
19	<i>Apterygodon vittatum</i>	Kadal pohon borneo	LC
20	<i>Eutropis rudis</i>	Kadal-serasah coklat	LC
21	<i>Varanus salvator</i>	Biawak	LC
DRAGONFLIES			
1	<i>Agricnemis femina</i>	-	LC
2	<i>Ceriagrion cerinorubellum</i>	-	LC
3	<i>Pseudagrion microcephalum</i>	-	LC
4	<i>Ictinogomphus decoratus</i>	-	LC
5	<i>Agrionoptera insignis</i>	-	LC
6	<i>Brachydiplax chalybea</i>	-	LC
7	<i>Camacinia gigantea</i>	-	LC
8	<i>Cratilla lineata</i>	-	LC
9	<i>Diplacodes trivialis</i>	-	LC
10	<i>Macrodiplax cora</i>	-	LC
11	<i>Nannophya pygmaea</i>	-	LC
12	<i>Neurothemis fluctuans</i>	-	LC
13	<i>Neurothemis ramburii</i>	-	LC
14	<i>Neurothemis terminata</i>	-	LC
15	<i>Orthetrum chrysis</i>	-	LC
16	<i>Orthetrum glaucum</i>	-	LC
17	<i>Orthetrum sabina</i>	-	LC
18	<i>Orthetrum testaceum</i>	-	LC
19	<i>Pantala flavescens</i>	-	LC
20	<i>Potamarcha congener</i>	-	LC
21	<i>Rhodothemis rufa</i>	-	LC
22	<i>Rhyothemis phyllis</i>	-	LC
23	<i>Trithemis aurora</i>	-	LC
BUTTERFLIES			
1	<i>Ideopsis vulgaris</i>	-	LC
2	<i>Junonia orithya</i>	-	LC
NEKTON			
1	<i>Channa striata</i>	Gabus/Haruan	LC
2	<i>Oreochromis niloticus</i>	Nila	LC
3	<i>Clarias gariepinus</i>	Lele	LC
4	<i>Barbodes strigatus</i>	Wader	NE

No	Species Name	Local Name	IUCN Red List Conservation Status
5	<i>Cyprinus carpio</i>	Mas	VU
6	<i>Osteochillus vittatus</i>	Nilem	NE
7	<i>Rasbora argyrotænia</i>	Seluang	NE
8	<i>Oxyeleotris marmorata</i>	Betutu/Blosoh	LC
9	<i>Parathelphusa convexa</i>	Yuyu	DD
10	<i>Pandalus sp.</i>	Udang api	NE
11	<i>Pristolepis grooti</i>	Tempa	LC

IUCN Red List Status Description:

NE: Not Evaluated

DD: Data Deficient

LC: Least Concern

NT: Near Threatened

VU: Vulnerable

EN: Endangered

## Deer Breeding Area

As part of its commitment to biodiversity conservation, the Company initiated a deer breeding program within a reclamation area that had previously not been optimally utilized. This program focuses on the preservation and population enhancement of two rare and protected deer species, namely sambar deer (*Cervus unicolor*) and timor deer, within an area of 2.02 ha. In addition to supporting wildlife conservation, the initiative contributes to the productive and ecologically valuable use of post-mining land.

In 2024, the company set a biodiversity target of producing one female filial 0 (F0) deer and two filial 1 (F1) deer, consisting of one male and one female. This breeding program reflects the Company's ecological responsibility and serves as an essential part of its sustainable reclamation and environmental restoration strategy. The program's is monitored as presented in the following table:



Type / Generation	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
F0	0	1	1*	2	2	2
F1	1	1	2	1**	2	0

\*) One male F0 deer was born, but only one survived in 2023

\*\*) One female deer was born



## BIODIVERSITY PROTECTION INITIATIVES

As part of its environmental responsibility and commitment to sustainable development, the Company consistently implements various initiatives to protect biodiversity across its operational areas. This commitment is realized through protection and conservation programs that not only comply with prevailing laws and regulations but also adopt best practices in environmental management.

All programs are carried out based on the mitigation hierarchy, which includes mitigation, reduction, and compensation. The key programs implemented include the following:

### 1. Mitigation

- **Biodiversity Monitoring and Evaluation**  
The Company conducts regular monitoring and evaluation of biodiversity conditions to ensure the preservation of flora and fauna species within its operational areas.
- **Arboretum Management**  
The Company manages an arboretum as a biodiversity conservation area, which also functions as a center for environmental research and education.
- **Protected Wildlife Conservation**  
Conservation efforts for protected wildlife include species identification, habitat protection, and collaboration with relevant parties for rehabilitation and captive breeding activities.
- **Academic Partnership for Monitoring and Education**  
The Company collaborates with PT Ecositrop, an academic-based institution, to conduct annual biodiversity monitoring in natural forest areas and post-mining reclamation land. In addition, the Company's arboretum serves as a field practice and research site for students from Mulawarman University, thereby contributing to scientific development and capacity building for the

younger generation in the field of conservation.

- **Monitoring and Supervision by Government Authorities**

As part of its regulatory compliance, the company collaborates with the Natural Resources Conservation Agency (BKSDA). BKSDA provides supervision over the captive breeding activities and receives regular reports on the development of the deer population, including data on population increases and decreases, as part of wildlife conservation management in accordance with government regulations.

### 2. Reduction

- **Food for Greening**  
One of the Company's flagship programs is the greening of 9.9 Ha of non-productive land, located across Bukit Rahmat, Dusun Patak (6.3 Ha), AM Parikesit Regional Hospital (1.6 Ha), and Sungai Payang Village (2 Ha). This program aims to improve the local climate, reduce carbon emissions, and sustainably produce economically valuable fruit and timber. The planted species include petai, dwarf coconut, musang king durian, bawor durian, binjai rambutan, rapih rambutan, as well as East Kalimantan endemic species such as lai mahakam, lai kayan, wanyi, ihau, and keledang. In addition to being part of the reduction hierarchy, this program is also included in the compensation hierarchy.

### 3. Compensation

- **Captive Wildlife Health Services**  
To ensure the well-being of animals in the conservation area, the company collaborates with local veterinarians to conduct monthly routine check-ups, particularly for the sambar and timor deer populations. Medical care also includes post-partum monitoring to support the survival and health of the population.

## NO DEFORESTATION COMMITMENT

The potential impacts on land cover and biodiversity are given serious attention at every stage of operations. MMSGI is committed to minimizing deforestation impacts and maintaining a balance between operational needs and environmental preservation through the implementation of responsible mining practices.

This commitment is realized through data-driven and responsible land-use planning, the implementation of preliminary ecological studies, and the identification and protection of areas with High Conservation Value (HCV). As part of its ecosystem restoration strategy, the Company also carries out land rehabilitation gradually and continuously, both during operational

phases and after mining activities have concluded. All efforts are implemented in accordance with applicable environmental regulations and are grounded in internationally recognized sustainability principles.

This commitment is further reflected in the Biodiversity Protection Policy, which serves as a guideline for the Company's environmental responsibilities. The policy applies to all employees, business partners, customers, suppliers, and other relevant stakeholders involved in the Company's value chain. The policy is formally endorsed and signed by the President Director, demonstrating the Company's highest level of commitment to biodiversity protection.

## MINE CLOSURE AND REHABILITATION

The Company is dedicated to planning and managing mine closure and reclamation activities, starting from the exploration phase through to post-mining, in accordance with applicable laws and regulations. A successful mine closure is now recognized as an essential component of the feasibility stage in new mining projects, ensuring that the entire life cycle of the mine is designed with sustainability principles from the beginning.

Through its operating entity, PT Multi Harapan Utama (MHU), which holds an IUPK (formerly PKP2B) in East Kalimantan, MMSGI has developed a five-year Mine Closure Plan (RPT) and Reclamation Plan (RR). This preparation complies with the provisions of Ministry of Energy and Mineral Resources Regulation No. 18 of 2008 on Reclamation and Mine Closure, as well as Ministerial Decree No. 1827K/30/MEM/2018. The Reclamation Plan document for the 2023–2027 period has been revised to ensure optimal restoration of land functions and to maintain post-mining ecosystem balance. This revision has been approved by the Ministry of Energy and Mineral Resources.

The mine closure process also involves regular reviews with stakeholders whenever there are changes in

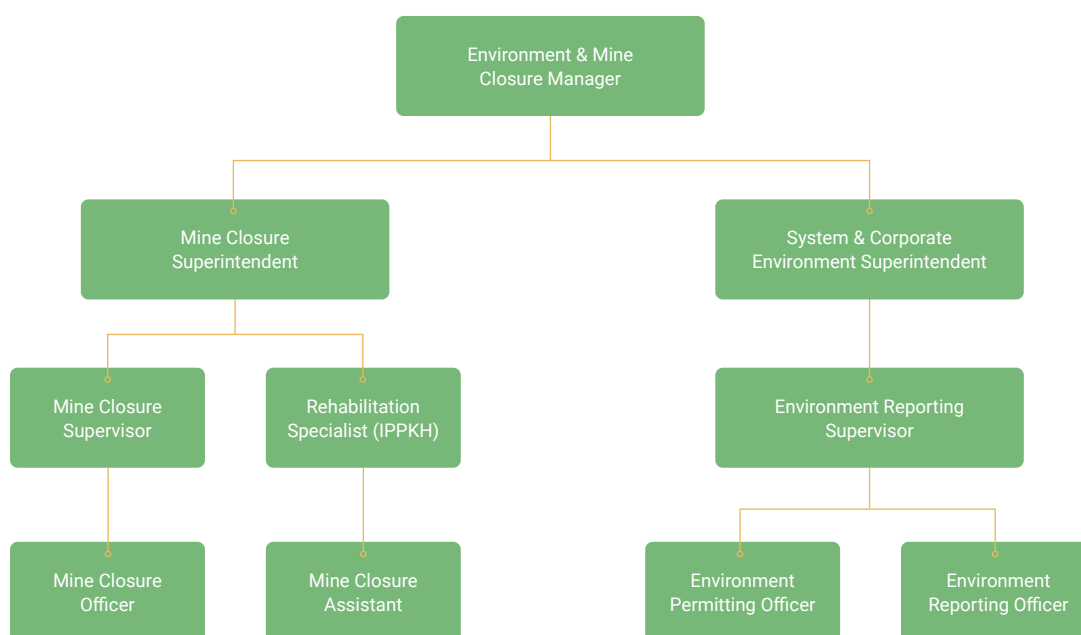
permits, mine expansions, or revisions to the AMDAL. These routine reviews are intended to ensure that the closure plan remains relevant to the evolving operational context and applicable regulations. Reviews are conducted both internally and externally to ensure that the scope of work and cost estimates for mine closure are comprehensive, up to date, and incorporate the latest available technologies.

The prepared RPT and RR include measurable performance targets that have been developed and agreed upon in collaboration with stakeholders. These targets cover various sustainability aspects, including mine engineering design, socio-economic development, environmental rehabilitation, post-mining landscape, land use, and biodiversity conservation. Both documents have received official approval from the Ministry of Energy and Mineral Resources.

The implementation of reclamation is an integral part of the environmental management system applied throughout MHU's mining operations. These activities cover land clearing, revegetation, and the maintenance of reclaimed areas, all carried out in accordance with the Addendum to the Environmental Impact Assessment

(AMDAL) approved by the government in 2021. As a form of long-term environmental responsibility, reclamation and mine closure obligations are reviewed annually to ensure compliance with applicable regulations and the readiness for technical execution in the field.

All reclamation and mine closure activities are managed by the Environment & Mine Closure Department. This department is responsible for ensuring that all post-mining processes are carried out safely for workers, communities, and the environment, and in compliance with applicable laws and regulations.



## RECLAMATION AND POST-MINING ACTIVITIES

The Company continues to carry out post-mining and reclamation activities systematically and sustainably during the production operation phase, reclamation and post-mining plans are also included in the feasibility study stage of mine opening. Reclamation and post-mining plans are also incorporated during the feasibility study stage prior to mine development. All implementations have been documented in the 2024 Post-Mining Implementation Report (Q4) and the 2024 Reclamation Implementation Report for the Production Operation Phase.

These post-mining and reclamation activities are conducted in accordance with the approved RPT and RR issued by the Ministry of Energy and Mineral Resources. The main focus of these activities includes land rehabilitation, restoration of ecosystem functions, post-

mining site management, and community empowerment. The following is a summary of the key activities carried out throughout 2024:

- **Land reclamation and revegetation**

In 2024, the Company carried out land reclamation on an area of 52.78 Ha. The reclamation activities covered former mining areas (in-pit and out-pit) and included land contouring, topsoil spreading, erosion control, and vegetation planting.

The plant seedlings used are sourced from the Company's internal nursery, with a focus on fast-growing species and native plants. This approach aims to accelerate vegetation recovery and restore the ecological functions of the area.





### ● Environmental maintenance and protection

As part of efforts to ensure safety and preserve post-mining areas, the Company carries out various maintenance and protective measures:

- a. Bamboo nursing was carried out across 39.92 hectares around 12 post-mining voids. The bamboo functions to stabilize slopes, prevent erosion, absorb water, and restrict public access to hazardous areas.
- b. A 1,230-meter-long safety embankment was constructed across five voids.
- c. Safety fence was installed along 6,455 meters across 16 voids to prevent unauthorized access and enhance safety.
- d. A total of 38 warning signs were installed to prohibit activities.
- e. Routine security patrols are conducted by the security team four times a day to prevent hazardous activities by the community around the voids.

### ● Environmental monitoring

The Company conducts regular environmental monitoring to ensure that post-mining activities do not cause adverse impacts on the environment.

- a. Water quality monitoring was carried out in 19 post-mining voids, with all parameters, such as pH, TSS, Fe, and Mn remaining within quality standards.
- b. Utilization of void water for community clean water needs. All microbiological, physical, and chemical parameters of the void water met the standards of Ministry of Health Regulation No. 2 of 2023.
- c. River water quality monitoring was conducted at 11 river outlet points. Results showed that all parameters (DO, pH, heavy metals, COD, BOD) were within safe limits.
- d. Slope stability is monitored technically through the installation of survey benchmarks. Displacement data confirmed that all slopes remain stable and safe.

### ● Community social and economic empowerment

The Company continues to implement social responsibility programs around its operational areas, including:

- a. Community health  
In August 2024, the Company contributed to a stunting prevalence reduction program in Loa

Kulu and Loa Janan Districts, in collaboration with the Kutai Kartanegara Regency Government. The contribution included financial assistance, support for healthcare facilities, and nutrition education.

b. Education

The Company continued its equivalency education program (Packages A, B, and C) for the communities of Sungai Payang and Lung Anai Villages. A total of 103 individuals received equivalency certificates, which were presented in person together with the Regent of Kutai Kartanegara and the Head of Mining Engineering at MHU.

c. Economic and MSME development

- Cocoa cultivation in Lung Anai Village, supported through training and provision of production facilities, in collaboration with the Faculty of Agriculture at Kutai Kartanegara University and the Kukar Plantation Agency.
- The opening of a mini mart and entrepreneurship education program in Loa Kulu serves as a business learning platform for university students, as well as a retail outlet for products from MHU-fostered MSMEs.

d. Social infrastructure

As a tangible form of synergy between the

village government and the private sector in sustainable development, in December 2024, the Company inaugurated the Sungai Payang Village Office together with the Minister of Villages, Development of Disadvantaged Regions, and Transmigration.

● **Development of agroforestry areas**

The Company has utilized post-mining land in Jonggon Jaya Village for the development of an agroforestry system in collaboration with the village government and the Village-Owned Enterprise. This system integrates agriculture, forestry, and community-based tourism. The cultivated plants include productive crops, endemic forest species, and local fruits.

● **Wildlife conservation**

As part of its biodiversity conservation efforts, the Company runs a breeding program for sambar deer and timor deer. This initiative is carried out in collaboration with the Natural Resources Conservation Agency (BKSDA) and veterinarians, and includes animal health checks, the provision of natural feed such as elephant grass, leucaena, and local fruits, as well as outreach to surrounding communities on animal care practices.

## COMMUNITY ENGAGEMENT IN THE MINE CLOSURE PLAN

As part of its commitment to environmental and social sustainability, and in support of a just energy transition, MMSGI considers community engagement in mine closure planning a vital strategic step. This approach is not only aimed at restoring post-operational environmental conditions but also at ensuring the long-term economic and social sustainability of communities surrounding the Company's operational areas.

This engagement is carried out through consultative methods such as focus group discussions (FGDs) and the distribution of questionnaires, which serve as key platforms for gathering community aspirations, needs, and feedback on the mine closure plan and post-mining land use. The dialogue is conducted in a participatory manner, including the development of land use scenarios for former mining areas, covering options such as agriculture, plantations, forestry, aquaculture, and the use of existing infrastructure for community benefit.

In addition to the participatory approach, the Company also implements various community development programs, focusing on strengthening local capacity and promoting the sustainable use of resources. The OHSE team actively communicates and aligns post-mining plans with local village governments to ensure they are in line with regional development priorities and community needs.

The following initiatives are part of the mine closure plan:

● **Development of environmentally friendly cocoa farming in Lung Anai Village**

Lung Anai Village in Kutai Kartanegara Regency, where the majority of residents are from the Dayak Kenyah ethnic group, holds significant potential for developing organic cocoa cultivation free from synthetic pesticides. MHU, in collaboration with the Kutai Kartanegara Regency Government and Kutai Kartanegara University (Unikarta), is implementing

an integrated program to strengthen this sector through the following initiatives:

- a. Provision of high-quality cocoa seedlings, environmentally friendly fertilizers, and natural pesticides;
- b. Plans to establish cocoa processing and fermentation facilities to enhance the added value and competitiveness of local products;
- c. Strengthening collaboration among the Lung Anai Farmers' Enterprise (BUMP), academia, and the company to build a sustainable agricultural ecosystem.

This initiative positions Lung Anai Village as a center for organic cocoa that not only preserves the environment but also strengthens the local economy and sustains the community's cultural identity.

#### ● Utilization of former mining land for integrated livestock farming

To address post-operational challenges such as land degradation and the potential for long-term social impacts, the Company has adopted an innovative approach by integrating land reclamation with the development of integrated livestock farming. This strategic initiative includes:

- a. Utilizing reclaimed land for livestock farming and forage crop cultivation;
- b. Providing livestock farming skills training for local communities;
- c. Enhancing food security and diversifying livelihoods in the post-mining phase.

Through this approach, post-mining land is transformed into a productive resource that supports sustainable socio-ecological development.

#### ● Village government engagement and collaboration

At each stage of the post-mining planning process, the Company actively involves village authorities and local stakeholders. The technical team of MHU presents plans for the future use of former mining facilities, including post-mining voids, haul roads, and other reclaimed infrastructure, to ensure they can be utilized for the benefit of the public.

The results of the FGD and questionnaires indicate that the majority of the community (84%) prefers post-mining land to be utilized for productive activities such as agriculture and plantations, as well as the use of former post-mining void for irrigation and freshwater fish farming. In addition, the community proposed that former mining facilities, such as offices and dormitories, be handed over for use as public amenities. These inputs serve as the foundation for developing a mine closure plan that is not only environmentally friendly but also supports the continuity of the local economy.

Active community involvement in this process is essential, as the CSR and reclamation programs implemented are aimed at fostering social, economic, and environmental sustainability for the communities surrounding the mining area.

This approach reinforces the principles of transparency and collaboration, ensuring that the mine closure plan takes into account the long-term interests of the community, including safety, environmental, and economic considerations.

## POST-MINING COSTS

As part of its long-term commitment to responsible and sustainable mining practices, the Company has obtained government approval for its Post-Mining Plan, as stated in the letter issued by the Directorate General of Mineral and Coal, Ministry of Energy and Mineral Resources (ESDM) Number 036/30/DJB, dated January 7, 2016. This approval includes the determination of

post-mining costs, hereinafter referred to as the post-mining guarantee.

By providing this guarantee, the Company ensures that all post-mining activities can be carried out in a timely, effective manner and in compliance with environmental standards and government regulations.



# TRAINING, SOCIALIZATION, AND COMMUNICATION RELATED TO ENVIRONMENTAL ASPECTS

The Company actively strives to raise environmental awareness among internal and external stakeholders. This commitment is demonstrated through various training and socialization initiatives aimed at strengthening understanding and engagement in environmental conservation efforts. In 2024, MMSGI

conducted a series of environment-related training sessions covering a range of topics and skills to enhance awareness and capabilities in environmental management. The following is a list of the training programs conducted in 2024: [\[404-2\]](#)

Types of Training	Number of Trainings	Participant	
		Male	Female
Emissions	5	5	-
Water	4	3	1
Waste	2	3	1
Biodiversity	3	10	-

Types of Training	Number of Trainings	Participant			
		Department Head	Section Head	Supervisor	Staff
Emissions	5	-	-	4	1
Water	4	-	1	2	1
Waste	2	-	-	2	2
Biodiversity	3	-	1	7	2

In addition, to support these efforts, MMSGI also conducts various environmental campaigns to raise awareness among stakeholders. These campaigns include email blasts, banner installations, sticker

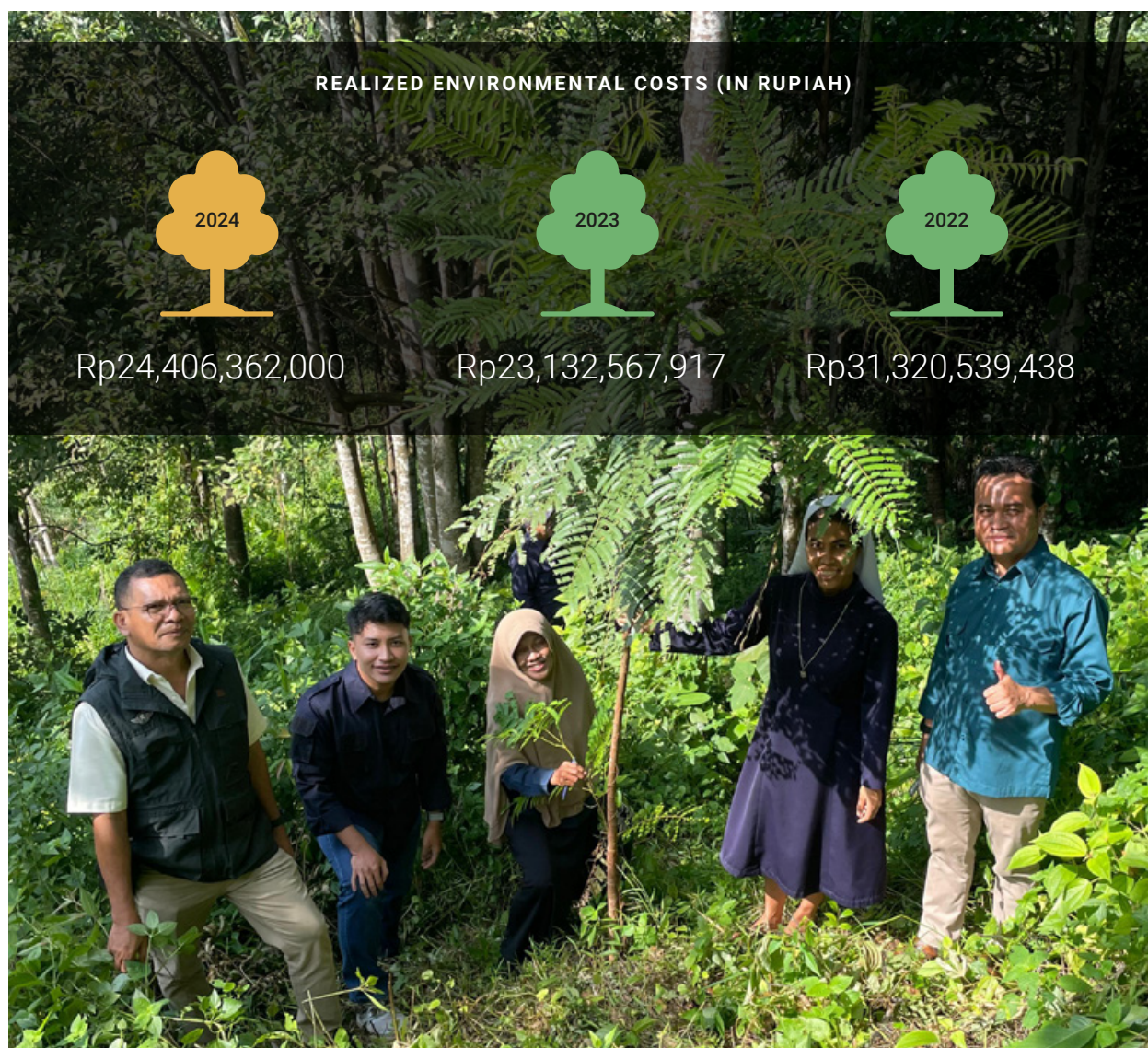
distribution, OHSE talks, flyers, and other materials aimed at spreading important messages about environmental responsibility throughout the organization and surrounding communities.

# ENVIRONMENTAL COSTS

MMSGI consistently allocates costs for various environmental management programs to support environmental conservation and sustainable business practices. The Company believes that well-targeted and measurable environmental investments can yield dual benefits, such as reducing ecological impact

while enhancing operational efficiency and business resilience.

Over the past three years, MMSGI has allocated a dedicated budget for environmental programs with the following breakdown:



This budget is used to support various environmental management programs at operational units, including energy efficiency initiatives, waste management, water

conservation, and the development of technology-based emission monitoring systems.





# 05

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CREATING A SAFE  
AND HEALTHY WORK  
ENVIRONMENT





# OHS GOVERNANCE [403-4]

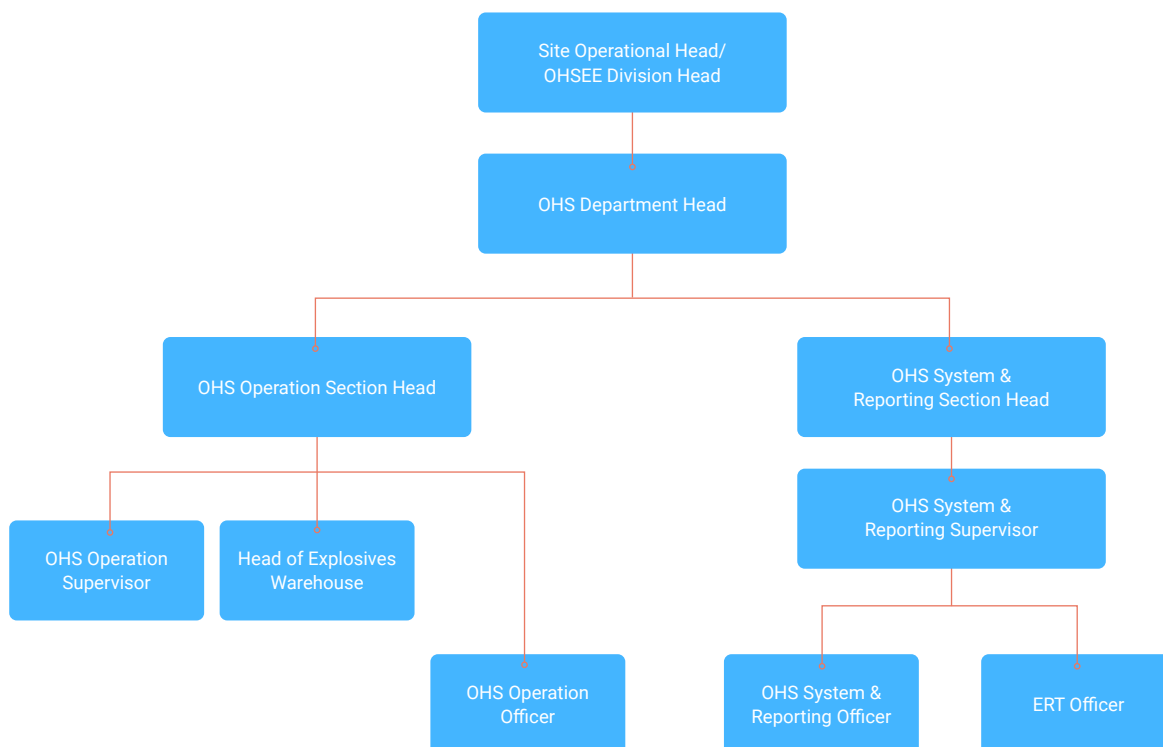
The Company has established an OHS Department for coordination among departments and partner leadership. Meetings are held regularly, once a month, to address various aspects of OHS implementation in the field, with the outcomes reported to the Head of Mining Engineering (KTT). The KTT is also responsible for monitoring the achievement of OHS targets and the implementation of OHS policies through annual management reviews.

The Company OHS Policy serves as a guideline for all operational activities and is designed to ensure that all parties involved understand and apply OHS principles. The Company's OHS Policy applies to all employees, business partners, and contractors under the Company's

supervision and is integrated into all operational activities, including the supply chain. The OHS Policy has been approved by the Board of Directors and is fully supported as an effective, comprehensive, and sustainable management system.

In addition, the Occupational Health & Safety (OHS) Department plays a strategic role in overseeing, evaluating, and developing the implementation of all OHS aspects. This serves as a liaison between management and workers through active consultation and participation, carried out in accordance with the SOP on Communication, Consultation, and Participation in Mining Safety and Environmental.

OHS IMPLEMENTATION ORGANIZATIONAL STRUCTURE AT MHU





The roles and responsibilities of each team member are as follows:

1. Site Operational Head/QHSEE Division Head

- Review the budget and program plans, and ensure the alignment;
- Review systems, policies, procedures, work instructions, and forms developed by each section;
- Ensure the implementation of the MHU Safety Management System; and
- Conduct and ensure the execution of inspections, accident investigations, evaluations, and mining safety performance audits.

2. OHS Department Head

- Ensure the alignment between the budget plan and its realization, as well as the departmental program plan for OHS;
- Review systems, policies, procedures, work instructions, and applicable forms, and provide development recommendations to support the optimization of functions within the OHS scope;
- Ensure the implementation of the MHU Safety Management System is in accordance with established policies and procedures;

- Identify risks and potential hazards and develop sustainable plans to minimize work-related risks; and

- Conduct and ensure the evaluation and audit activities of mining safety performance.

3. OHS Operation Section Head

- Review systems, policies, procedures, work instructions, and applicable forms, and provide development recommendations to support the optimization of functions within the scope of the OHS Operation;
- Develop, evaluate, and implement company OHS policies, procedures, and guidelines to ensure alignment with applicable regulations and safety standards;
- Review Job Safety Analysis within the scope of OHS Operations;
- Monitor OHS performance and ensure compliance with established policies and procedures;
- Coordinate regular field inspections and compliance audits;
- Review and update SOPs, work instructions, forms, IBPR, and JSA; and
- Conduct regular technical supervision and oversee OHS audit and inspection processes across all work lines.





#### 4. OHS System & Reporting Section Head

- Review systems, policies, procedures, work instructions, and applicable forms, and provide development recommendations to support the optimization of functions within the scope of the OHS System & Reporting;
- Conduct a review of the MTMS (MHU Total Management System) and provide recommendations for OHS improvement efforts across all areas and business partners;
- Supervise OHS audit and inspection processes across all work lines;
- Periodically evaluate the management of licensing and reporting documents, as well as systems and standard operating procedures; and
- Manage OHS training programs.

#### 5. OHS Operation Supervisor

- Evaluate the implementation of MTMS procedures, work instructions, and forms;
- Review and update SOPs, work instructions, forms, IBPR, and JSA;
- Conduct regular field inspections and compliance audits;
- Supervise the OHS audit and inspection processes; and
- Evaluate incidents, accidents, or OHS-related deviations.

#### 6. Head of Explosives Warehouse

- Supervise the security and inventory of explosive warehouses across all blocks;
- Calculate and record the stock and usage of explosives;
- Inspect the safety and security equipment of the explosives warehouse (Handak Warehouse); and
- Escort explosives from the Handak Warehouse to the blasting site.

#### 7. OHS System & Reporting Supervisor

- Supervise OHS audit and inspection processes across all work lines;
- Conduct regular supervision of the standardization of work activities and facilities, management of licensing documents, internal and external reporting, and OHS training programs; and
- Review mining safety reports accurately and in a timely manner.

#### 8. OHS Operation Officer

- Implement and regularly check the application of OHS policies and procedures across all company operational areas;
- Conduct routine monitoring of workplace safety performance; including site inspections and reporting of potentially unsafe conditions;
- Coordinate investigations of accidents or safety incidents;
- Identify potential occupational safety risks, evaluate impacts, and develop mitigation strategies;
- Conduct dissemination of procedures, work instructions, and MTMS forms within scope of OHS - Hauling & Port; and
- Prepare data and information required for report preparation within the scope of OHS Operation.

#### 9. OHS System & Reporting Officer

- Prepare documents and recommendations resulting from internal and external audits or inspections;
- Provide field assistance related to safety monitoring, environmental factor measurements, and biomonitoring;
- Conduct inventory of safety equipment; and
- Carry out the recording, collection, and reporting of documents, databases, and information within the scope of OHS System & Reporting.

#### 10. ERT Officer

- Actively monitor and mitigate emergency situations, evaluate the development of the situation, and taking necessary actions to respond to changing conditions or needs;
- Conduct regular education and training for emergency response team members to ensure readiness in handling various emergency scenarios, such as fires, accidents, or natural disasters; and
- Report all emergency response activities, including actions taken, decision made, and evaluation results, as well as create accurate documentation for future reference and learning.

# MINING SAFETY MANAGEMENT SYSTEM

[3-3, 403-1, 403-7, 403-8]



Commitment towards Occupational Health and Safety is realized through the implementation of the K3LHKK Policy (Occupational Health and Safety, Environment, Security, and Community Affairs), approved and supported by the Company's management.

In addition, Company commitment is demonstrated through the Mining Safety Management System (SMKP), integrating operational activities with best OHS practices. This serves to ensure compliance with relevant regulations and standards at international and national levels, including:

1. ISO 31000:2018 – International Risk Management Standard.
2. ISO 45001:2018 – International Occupational Health and Safety Management System.
3. Company Policy.
4. Law No. 1 of 1970 on Work Safety.
5. Government Regulation No. 50 of 2012 on the Implementation of Occupational Health and Safety Management Systems.
6. Law No. 3 of 2020 on Mineral and Coal Mining.
7. Minister of Energy and Mineral Resources Regulation No. 26 of 2018 on the Implementation of Good Mining Practices.
8. Ministerial Decree of the Ministry of Energy and Mineral Resources No. 1827 K/30/MEM/2018 on Guidelines for Good Mining Practices.
9. Director General of Mineral and Coal Decree No. 185.K/37.04/DJB/2019 on Technical Guidelines for the Implementation of Mining Safety and the Implementation, Evaluation, and Reporting of the Mineral and Coal Mining Safety Management System.
10. Decree of the Director General of Mineral and Coal No. 10.K/MB.01.DJB.T/2023 on Technical Guidelines for the Assessment of Mining Safety Performance Achievement Levels.

To ensure effective OHS implementation, the Company has established stringent measures, which include: [3-3]

1. Complying with all laws and regulations in the mining

sector and other applicable regulations in Indonesia related to business activities, mining operations, and aspects of safety and the environment (HSE) within MHU's IUPK area.

2. Creating a safe, efficient, and productive work environment and fostering a safety culture among employees to prevent the risk of injury, occupational diseases (OD), work-related illnesses (WRI), and hazardous incidents.
3. Conducting regular audits to monitor, evaluate, and continuously improve HSE performance, as well as evaluating the implementation of the MHU Total Management System (MTMS) based on compliance with applicable laws and standards as part of ongoing development efforts.
4. Implementing good mining practices to control risks and prevent accidents, human injury, pollution, and environmental damage—including minimizing deforestation and equipment damage.
5. Ensuring that the OHS Policy is well understood and properly implemented by all MHU employees, business partners, and contractors involved in all stages of MHU's mining activities.
6. Developing effective HSE work programs by considering and referring to risk assessments based

on mining laws and other applicable regulations, including the optimal application of impact mitigation principles (mitigate, reduce, compensate).

7. Implementing good and sustainable mining engineering practices in the conduct of mining business and operational activities within MHU's IUPK area to achieve HSE commitments, goals, and targets.
8. Providing and preparing appropriate personal protective equipment (PPE), safety equipment, and emergency response equipment according to risk type standards to prevent, reduce, and manage potential risks, injuries, accidents, occupational diseases, and environmental incidents.
9. Carrying out the development, maintenance, and regular servicing of mining equipment and support facilities.
10. Instilling a culture of clean and healthy living behavior (PHBS) among employees to create a healthy and productive work environment.
11. Providing healthcare facilities and medical personnel for all employees to enable consultations, examinations, and treatments related to health as part of efforts to improve employee well-being.





## IMPLEMENTATION OF THE OHS MANAGEMENT SYSTEM

MHU ensures that all employees, contractors, activities, and operational areas are covered under the OHS management system (OHSMS) to minimize hazards, risks, and significant impacts on occupational health and safety directly related to operations, products, or services within the Company and its partners.

As part of the OHS management system implementation, MHU has integrated OHS criteria into its procurement

processes and contractual requirements. Every contractor operating within MHU's areas must comply with the provisions of the OHS management system as stated in the work contract and adhere to CoC, which outlines the obligation to meet OHS standards.

To ensure contractor compliance, MHU regularly reviews the implementation of OHSMS by its partners, along with the OHS programs they apply. [403-1, 403-7, 403-8]

Description	2024		2023		2022	
	Total	%	Total	%	Total	%
MHU Employees	215	4.04%	285	4.11%	290	3.37%
Contractor Employees	5,101	95.96%	6,634	95.88%	8,608	96.63%
<b>Total</b>	<b>5,316</b>	<b>100.00%</b>	<b>6,919</b>	<b>100.00%</b>	<b>8,898</b>	<b>100.00%</b>

MHU audits the OHS management system to ensure compliance with applicable OHS standards and regulations at both national and international levels. These audits are carried out regularly, both by independent external parties or internally, to maintain MHU's OHS compliance and performance. To ensure the credibility of audit results, MHU ensures that

internal auditors have the relevant competencies and certifications in accordance with applicable regulations.

In 2024, MHU and five contractors were certified with ISO 45001:2018 and conducted audits on several OHS aspects, including:

Audit Name	Audit Scope	Company Coverage	Audit Date
ISO 45001 Occupational Health and Safety Management System	Coal Mining Operations	PT Multi Harapan Utama	11 July 2024 (valid until 16 June 2027)
Occupational Health and Safety Management System (OHSMS)	Coal Mining Operations	PT Multi Harapan Utama	9 June 2023 (valid until 9 June 2026)
Internal Audit of the Mining Safety Management System (SMKP)	Coal Mining Operations	PT Multi Harapan Utama	25 November 2024-01 December 2024
Internal Audit of Systems and Procedures (Sisdur)	Coal Mining Operations	PT Multi Harapan Utama	24 September 2024



# HAZARD IDENTIFICATION AND RISK ASSESSMENT [403-2]

In efforts to create a safe and healthy work environment, the Company develops OHS-related priority scales and action plans, beginning with hazard identification and risk assessment as a crucial step. This identifies potential hazards and risks associated with operational activities, whether routine, non-routine, emergency situations, short-term or long-term activities, including the identification of new hazards not previously covered in job safety analysis (JSA).

As explained, hazards and risks vary in type and level and may arise from various sources, such as infrastructure, equipment, materials, and physical conditions in the work environment. [403-2]

Once potential hazards are identified, the Company conducts a thorough risk assessment. The results serve as the basis for implementing a structured and effective strategy using a hazard control hierarchy approach. This process begins with efforts to eliminate the source of the hazard directly, if the individual concerned has the capability and authority to do so. If elimination is not feasible, the Company substitutes high-risk materials or equipment with safer alternatives.

Additionally, the Company reduces risk levels through the implementation of appropriate technical and administrative controls. As the final layer of protection, all workers are required to use personal protective equipment (PPE) to ensure workplace safety, creating a safe and healthy workplace for all employees. [403-2, 403-9, 403-10]

To ensure that hazard and risk controls are implemented comprehensively, the Company conducts regular monitoring in the work environment. The Company also carries out routine internal audits and inspections in accordance with established SOPs, including tracking progress through Key Performance Indicators (KPIs). Action plans are integrated into the overall management system with targets then used to evaluate the effectiveness of hazard and risk management.

The Company actively encourages employee participation in creating a safe work environment by reporting potential hazards or risky situations in the workplace, providing hazard reporting forms in operational areas. Through the implementation of OHS SOPs, every report received is promptly followed up and handled effectively. Furthermore, the Company guarantees protection for every whistleblower against any form of retaliation, enabling employees to feel safe and secure when contributing to workplace safety. [403-2]

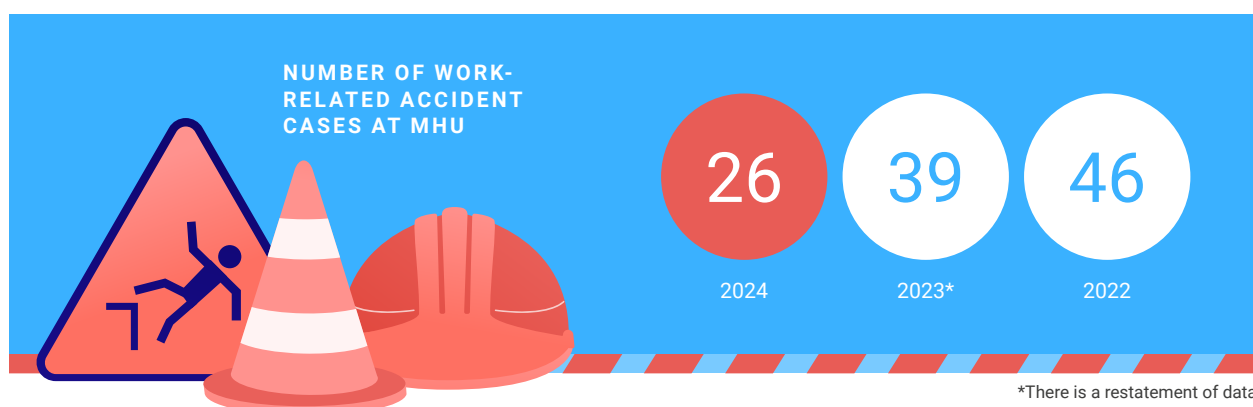
To enhance OHS culture, the Company grants workers the right to avoid work situations they believe may cause workplace accidents or occupational illnesses, provided such conditions are reported to a supervisor or the OHS Department. In the event of a report or a workplace accident, the Company immediately conducts a comprehensive investigation guided by specific SOPs related to the investigation of injuries, health problems, illnesses, and work-related incidents. Investigations aim to identify the root cause of incidents and establish corrective actions to prevent any future recurrences. [403-2]



# OHS PERFORMANCE

Through continuous improvement and development of OHS practices, the Company aims to effectively reduce the hazards and risks associated with workplace incidents, recording OHS performance statistics and

evaluating them on a regular basis. The statistical calculations refer to the Decree of the Director General of Mineral and Coal No. 185 of 2019. [403-9, 403-10]



## MHU OHS PERFORMANCE STATISTICS [403-9]

Description	2024	2023	2022
Lost Time Due to Injury	0	0*	0
Medical Treatment for Injury	2	2	1
First Aid for Injury	3	4	7
Major Property Damage (>USD10,000)	3	2	5
Minor Property Damage (<USD10,000)	18	31	33
<b>Total Cases**</b>	<b>26</b>	<b>39</b>	<b>46</b>

Notes: \* There is a restatement of data

\*\* The total number of cases listed refers to incidents that did not result in lost workdays.

## WORKPLACE ACCIDENTS RESULTING IN LOST WORK HOURS AT MHU [403-9]

Description	2024	2023	2022
Work Accident Victims	0	1	0
Accidents Resulting in Lost Workdays	0	1	0
Cumulative Incident-Free Work Hours	27,853,489	8,543,676*	113,847,048
Total Lost Workdays	0	5,908**	0

Notes: \* Cumulative incident-free work hours from September to December 2023

\*\* Data from September to December 2023.

## WORK ACCIDENT STATISTICS OF MHU AND CONTRACTORS

Description	Unit	2024	2023	2022
<b>Total Recordable Injury Frequency Rate (TIFR) per 1 million work hours</b>				
MHU	Rate	0.00	0.00	0.00
Contractor	Rate	0.26	0.24	0.29
<b>Fatality</b>				
MHU	Total	0	0	0
Contractor	Total	0	1	0
<b>Lost-time Injury Frequency Rate (LTIFR) per 1 million work hours</b>				
MHU	Rate	0.00	0.00	0.00
Contractor	Rate	0.00	0.03	0.00
<b>Lost Work Day Rate or Restricted or Transferred Day Rate</b>				
MHU	Rate	0	0	0
	Day	0	0	0
Contractor	Rate	0	204	0
	Day	0	5,908*	0

Note: \* Data from September to December 2023

In 2024, the Company successfully reduced the number of work-related accidents to 26 cases, a significant decrease compared to the previous year's total of 40 cases and reflecting improving workplace safety through the implementation of a more effective OHS management system, regular training, and strict supervision across operational areas.

The Company also identifies hazards and risks related to occupational diseases (OD) within its operational areas. The Company has identified several OD-related hazards, including dust and noise exposure, ergonomic risks,

biological hazards, and chemical hazards. Based on risk assessments, dust and noise exposure, as well as biological hazards, have been categorized as significant risks. [\[403-10\]](#)

To address OD hazards, the Company implements various mitigation measures in accordance with established SOPs. These include installing dust nets, conducting regular area spraying, and performing routine noise level testing. In parallel, the Company conducts drinking water quality testing and biomonitoring to mitigate biological hazards.

## OCCUPATIONAL DISEASE (OD) STATISTICS

Description	2024	2023	2022
Number and Fatality Rate Due to Occupational Diseases	0	0	0
Number and Rate of Occupational Diseases Resulting in Lost Workdays	0	0	0
Number and Rate of Occupational Diseases Not Resulting in Lost Workdays	0	0	0
Total Lost Workdays Due to Occupational Diseases	0	0	0

During the reporting period, all data related to OHS performance was verified by the Ministry of Energy and Mineral Resources of the Republic of Indonesia through the Integrated Guidance and Supervision agenda of

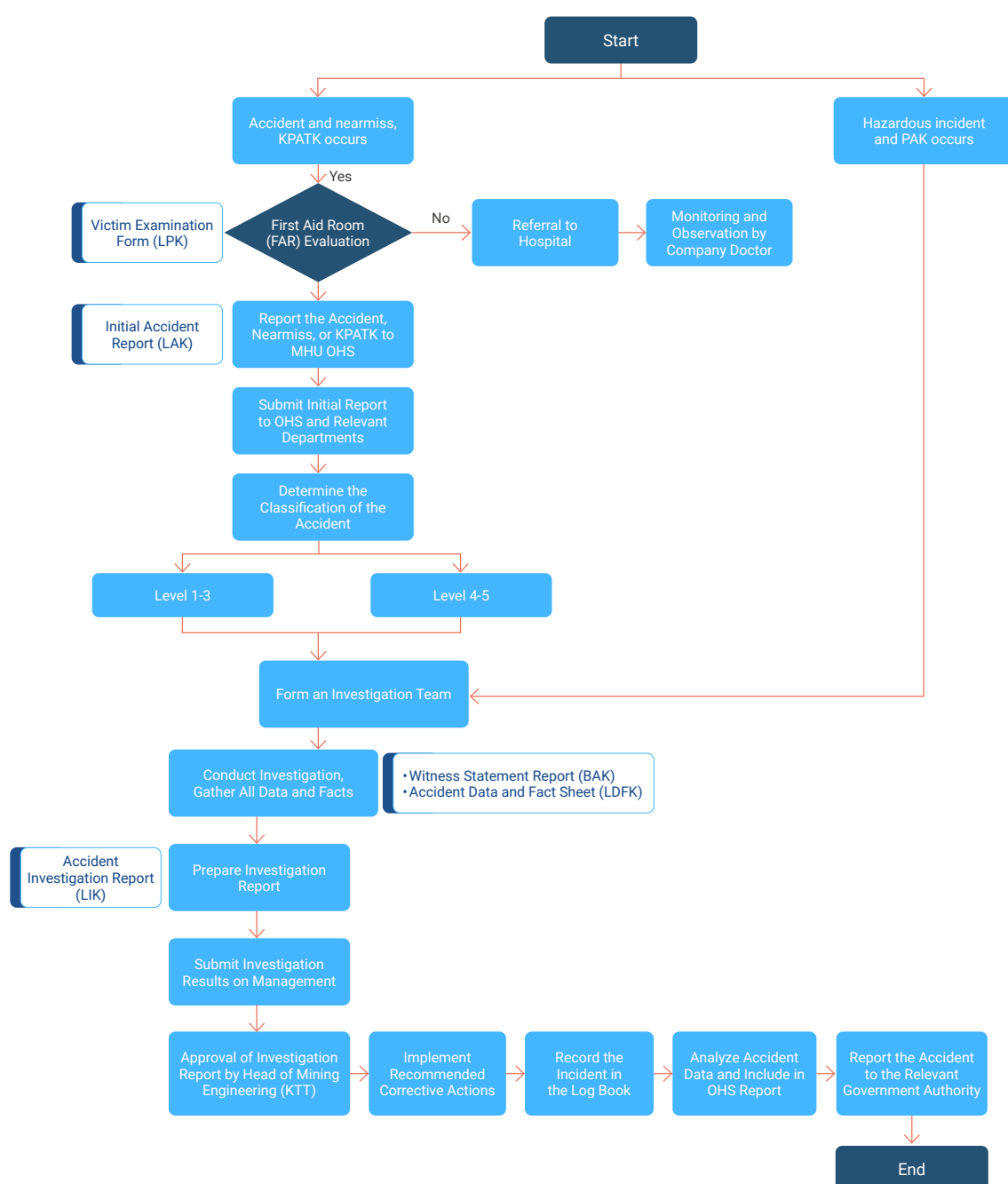
the Directorate of Engineering and Environment to ensure data reliability and compliance with applicable standards.

# OHS PROGRAMS

To establish a safe working environment, MMSGI has established SOP No. MHU-OHSE-OHSE 211 regarding the Reporting and Investigation of Accidents, Occupational Illness Incidents (KPATK), and Occupational Diseases

(PAK). This procedure applies across all mining sites of the Company, including those involving contractors under the Company's supervision.

**FLOWCHART OF REPORTING AND INVESTIGATION OF ACCIDENTS, OCCUPATIONAL ILLNESS INCIDENTS (KPATK), AND OCCUPATIONAL DISEASES (PAK)**





MMSGI promotes the achievement of occupational health and safety (OHS) management objectives and targets by conducting evaluations of safety and environmental performance across all of the Company's mining sites. These evaluation activities also apply to contractors operating under the Company's supervision. The performance evaluations cover, but are not limited to: the rate of workplace accidents and occupational diseases, the number of violations of mining safety and

environmental regulations, follow-up actions on reported non-conformities, safety and environmental activities in mining operations, and other reports related to safety and environmental performance.

In 2024, the Company implemented OHS programs covering the stages of planning, implementation, and evaluation, as follows:

Planning	Implementation	Evaluation
<p>Management of the mine worker health program includes:</p> <ul style="list-style-type: none"> <li>• <b>Promotive:</b> Health campaigns through socialization, bulletins, workplace nutrition consultations, and training tailored to disease trends.</li> <li>• <b>Preventive:</b> Biomonitoring, assessments of nutrition and drinking water quality, food safety checks, measurement of physical and ergonomic factors, periodic and special health examinations, exit tests, fitness exercises, hygiene and sanitation inspections, and provision of PPE.</li> <li>• <b>Curative:</b> Provision of healthcare services, follow-up examinations, and health insurance for all employees.</li> <li>• <b>Rehabilitative:</b> Included as part of the health service program.</li> </ul>	<p>Monitoring of biomonitoring, nutritional assessments, and drinking water quality; occupational health socialization, campaigns, and training; monitoring of ergonomic conditions and ergonomics-related illnesses; measurement of physical factors such as noise, vibration, and lighting; as well as medical examinations (initial, periodic, special, and final) and the implementation of group exercise programs.</p>	<p>Conducting analysis and follow-up on the results of periodic, initial, special, and final medical examinations; biomonitoring test results and PPE usage evaluations; and the results and monitoring of occupational disease (OD) examinations by the Company's physician.</p>
<p>Hygiene and sanitation management includes mess and canteen inspections, monitoring of food hygiene and drinking water quality, office sanitation, and personal hygiene.</p>	<p>Canteen inspection, office sanitation inspection, employee mess inspection, personal hygiene inspection, and pest control.</p>	<p>Conducting analysis and follow-up on the results of canteen inspections, employee mess inspections, personal hygiene inspections, and/or office inspections.</p>
<p>Ergonomics management includes the measurement and monitoring of workplace ergonomics, provision of assistive equipment, ergonomics training, and awareness campaigns on ergonomic hazards through posters and Health Talks. Monitoring activities are carried out both internally and by qualified external experts.</p>	<p>Ergonomic assessments for operators and office workers, training on manual handling and low back pain prevention, campaigns on low back pain prevention through Health Talks and posters, and examinations by the Company's physician for indications of low back pain among operators and office workers.</p>	<p>Conducting analysis and follow-up on the results of ergonomic assessments/monitoring carried out by third parties, as well as analyzing the results of ergonomic evaluations conducted by the Company doctor.</p>
<p>Management of food and beverage consumption for mine workers is carried out through a catering vendor, whose quality is monitored through regular inspections. Food hygiene and food safety are monitored through laboratory testing for physical, chemical, and biological contaminants. Meanwhile, nutritional quality assessments for workers are conducted through menu and food consumption analysis, tested by a third-party laboratory as part of a specialized testing program developed by MHU.</p>	<p>Nutritional quality assessments for workers are conducted with the involvement of third-party nutritionists and occupational health specialists. For food and beverage quality, PT MHU collaborates with a third-party laboratory to carry out quality testing of meals and drinks.</p>	<p>Conducting evaluations of food and beverage service contractors, and performing analysis and follow-up on the results of workers' nutritional assessments as well as food and beverage testing results.</p>

Planning	Implementation	Evaluation
Management of occupational disease diagnosis and examination is carried out through biomonitoring of workers with high exposure potential to physical, chemical, and ergonomic hazards. Initial, periodic, special, and final medical examinations are conducted to monitor changes in health conditions based on analysis by the Company doctor.	Initial, periodic, special, and final medical examinations; biomonitoring assessments; and medical evaluations by the Company's physician for indications of LBP (Low Back Pain) and CTS (Carpal Tunnel Syndrome).	Conducting analysis of the recapitulated medical examination results and evaluating the occupational disease diagnosis program.

In addition, the commitment to OHS is reinforced through the implementation of the following initiatives: [3-3]

1



**Implementation of the MSI (MHU Safety Indicator) program**, an annual OHS initiative.

2



**Capacity-building programs**, including:

- Driver Teladan – a development program for dump truck (DT) drivers. This program aims to minimize incidents in the coal hauling DT area. Drivers participating in this program will receive education and training to become role models for all coal hauling DT drivers.
- Halmat (Hauling Selamat) – a joint inspection program covering drug and substance testing (narcotics, psychotropics, and addictive substances), unit safety standards, fatigue testing, and driver license checks on hauling roads.
- Pengawas Pelopor – a capacity development program for supervisors. This program provides education and training for under performing or less competent supervisors, with the aim of developing them in line with their duties and responsibilities—enabling them to become competent supervisors, more attentive to OHS, and role models for other supervisors.
- Mekanik Andalan – a capacity development program for mechanics. This program aims to minimize the number of injury incidents in the workshop area. Participants will receive education and training to enhance the awareness of OHS, enabling to become more competent mechanics and serve as role models for other mechanics.
- Best MCU is a program that rewards employees who fall into the fit category based on annual MCU results. The assessment is conducted by the Company Doctor using several health parameters.
- SSB (Semangat Sehat Bahagia) – a program for the prevention of high-risk diseases.
- MHU Rescue Challenge – training and drills for the Emergency Response Team (ERT) in handling emergency situations.
- Rescue Mitigation – assessment and mitigation efforts by the ERT in accident-prone or emergency-prone areas.

3



**Safety innovations**, including:

- Installation of dashcams (driver and unit monitoring cameras) in hauling and employee transport units.
- Installation of speed limiters (speed control and monitoring devices) on hauling units.
- Installation of Gtrack/Go Lacak (location, position, and speed tracking devices) on hauling units.
- Installation of fatigue alarms (driver fatigue monitoring devices) on hauling units.

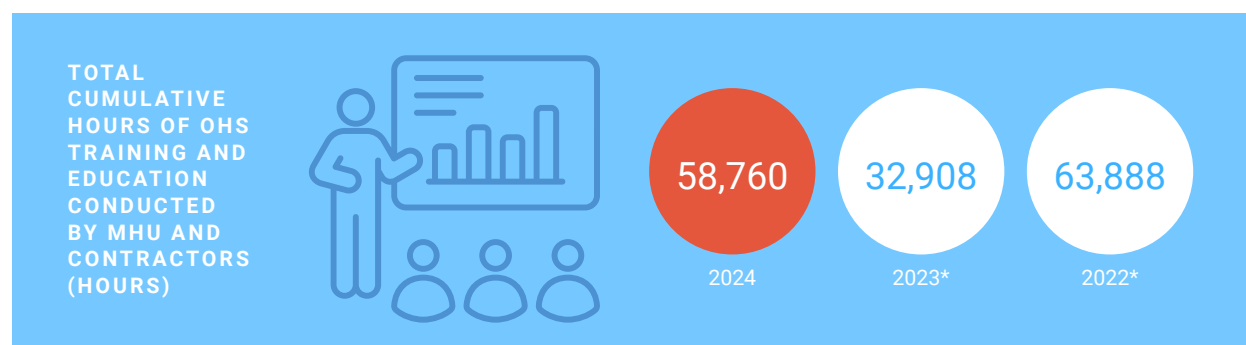
Through strategic measures and the implementation of OHS programs, the Company routinely evaluates the effectiveness of these initiatives in achieving progress toward reducing and minimizing OHS hazards and risks in the workplace—both within the Company and among

its business partners. The evaluation results are also used to assess progress toward established targets and serve as a general performance review for partners and suppliers.

## OHS TRAINING

In addition to implementing OHS programs, the Company consistently conducts training and education related to OHS aspects, which are integrated into the implementation of the Mining Safety Management System (SMKP) within the Company. By enhancing the knowledge, skills, and compliance of employees and contractors with safety standards, the Company aims to minimize the risks of accidents and occupational diseases while fostering a strong safety culture.

To support this effort, the OHS Department has established a Competency Training SOP as a guideline for conducting training and education, including a training needs analysis (TNA) developed and determined by the HRGA Division. Throughout 2024, the Company has conducted various OHS-related training and education programs. In addition, the increase in OHS training hours is in line with the Company's focus on enhancing operational excellence. [403-5]



\*There is a restatement of the data due to a change in the calculation method.

### NUMBER OF TRAINING PARTICIPANTS BY TRAINING AND EDUCATION TOPIC

No.	Training and Education Topics	Number of Trainees (FTE)*
<b>OHS Training</b>		
1.	Hazard Identification and Risk Assessment (HIRA/IBPR)	182
2.	Job Safety Environmental Analysis	228
3.	Lock Out Tag Out (LOTO)	500
4.	Working at Heights	217
5.	Confined Space Work	77
6.	Workshop Safety	284
7.	Inspection Planning	178
8.	Roles and Accountability	158
9.	Behavior-Based Safety (BBS)	249
10.	Work Accident Investigation	133
11.	Defensive Driving	2,962
12.	Mine Blasting and Explosives Permit	32



No.	Training and Education Topics	Number of Trainees (FTE)*
<b>Emergency Response Team Training</b>		
1.	Vehicle Accident Rescue	150
2.	Water Rescue	62
3.	Confined Space Rescue	116
4.	High-Angle Rescue	122
5.	Forest Rescue	12
6.	Mass Casualty Rescue	116
7.	First Aid for Accidents (P3K)	828
8.	Fire Rescue	742
9.	Hydrocarbon Spill Response	457
<b>Health Training</b>		
1.	Personal Protective Equipment (PPE)	731
2.	Industrial Hygiene	673
3.	Dust and Respiratory Health	742
4.	Low Back Pain	719
5.	HIV/AIDS	756
6.	Narcotics, Psychotropics, and Addictive Substances (NAPZA)	659
<b>Total</b>		<b>12,085</b>

\*Non-unique participant

#### NUMBER OF OHS TRAINING AND EDUCATION PARTICIPANTS BY GENDER AT MHU

Description	Unit	2024	2023	2022
Number of Training Types	Total	51	3	4
<b>Number of Participants*</b>				
Male	Individual	128	150	140
Female	Individual	9	15	15
<b>Number of Training Hours</b>				
Male	Hours	1,810	1,894	3,006
Female	Hours	220	166	492

\*Unique participants

#### NUMBER OF OHS TRAINING AND EDUCATION PARTICIPANTS BY POSITION LEVEL AT MHU

Position Level	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Division Head	0	0	0	0	2	0
Deputy Division Head	0	0	0	0	0	0
Department Head	6	0	10	0	13	0
Section Head	24	1	44	7	35	6
Supervisor	65	8	68	1	65	2
Staff	13	0	19	7	23	7
Non-staff	20	0	9	0	2	0
<b>Subtotal</b>	<b>128</b>	<b>9</b>	<b>150</b>	<b>15</b>	<b>140</b>	<b>15</b>
<b>Total</b>	<b>137</b>		<b>165</b>		<b>155</b>	

## HEALTH FACILITIES AND PROMOTION [403-3, 403-6]

The Company has established a Standard Operating Procedure (SOP) for Occupational Health Examinations and Services as a guideline for employees and business partners.

The Company provides first aid room (FAR) facilities in collaboration with healthcare professionals, such as doctors and paramedics (the FAR also serves as a location for routine health checks for employees working in high-risk roles and for follow-up examinations to identify and eliminate hazards and minimize occupational risks). Additionally, the Company offers general health services, including weight loss programs, the Hauling Selamat (Halmat) program, and other thematic health initiatives.

The Company also provides health insurance facilities for employees and their families, which can be used to access general medical care. [403-3, 403-6]

The Company conducts health campaigns on various topics, delivered online and through posters displayed in operational areas. A dedicated health hotline is also available, allowing employees to consult with healthcare personnel. To maintain the quality of these services, the Company conducts regular inspections of healthcare personnel qualifications and competencies in accordance with applicable regulations and standards. [403-3]

# EMERGENCY RESPONSE PLAN

Along with the comprehensive implementation of the OHS Management System (OHSMS), the Company maintains high standards in responding to emergencies within its operational areas, developing a Standard Operating Procedure (SOP) for Emergency Preparedness and Response, which serves as a guideline for the execution of the Emergency Response Plan (ERP). Through the ERP, the Company integrates actions to prepare for and respond to emergency situations in order to protect every individual within operational areas from various potential hazards and risks. Under the ERP, the Company has implemented several programs, including:

## 1. Loss Prevention Program

- a. Inspections.
- b. Commissioning tests for facilities, infrastructure, installations, and equipment.
- c. Monitoring.

## 2. Human Resource Development Program

- a. Internal and external training.
- a. Competency certification.

## 3. Preparedness Program

- a. Emergency drills.
- a. Provision of emergency equipment.

Steps of the Emergency Response Plan (ERP) include:

## 1. Identification and Assessment of Potential Emergency Situations

Each identified potential emergency is assessed based on:

- a. Severity level.
- b. Potential losses

- c. Impact on operations
- d. Resource involvement
- e. Impact on corporate image

## 2. Emergency Prevention

Efforts to eliminate or reduce the likelihood of emergency situations, such as developing emergency prevention policies, conducting inspections, and performing maintenance.

## 3. Emergency Preparedness

Preparedness efforts include:

- a. Providing an early warning system
- b. Establishing an emergency communication system
- c. Providing resources, infrastructure, procedures, and technically competent mining personnel for emergency response
- d. Developing and formalizing emergency plans
- e. Conducting emergency response training
- f. Conducting emergency simulations (emergency drills)

## 4. Emergency Response

Providing a fast and effective response to emergency situations to prevent escalation and minimize harm to people and equipment.

## 5. Emergency Recovery

Recovery efforts include:

- a. Forming a recovery team
- b. Site cleanup and recovery operations
- c. Emergency investigation
- d. Loss estimation
- e. Post-emergency recovery reporting

## ERP GOVERNANCE

Referring to the SOP on Emergency Preparedness and Response, the Company has established an Emergency Response Team (ERT). The ERT is responsible for managing risks and hazards arising from emergency situations and conditions that threaten safety and

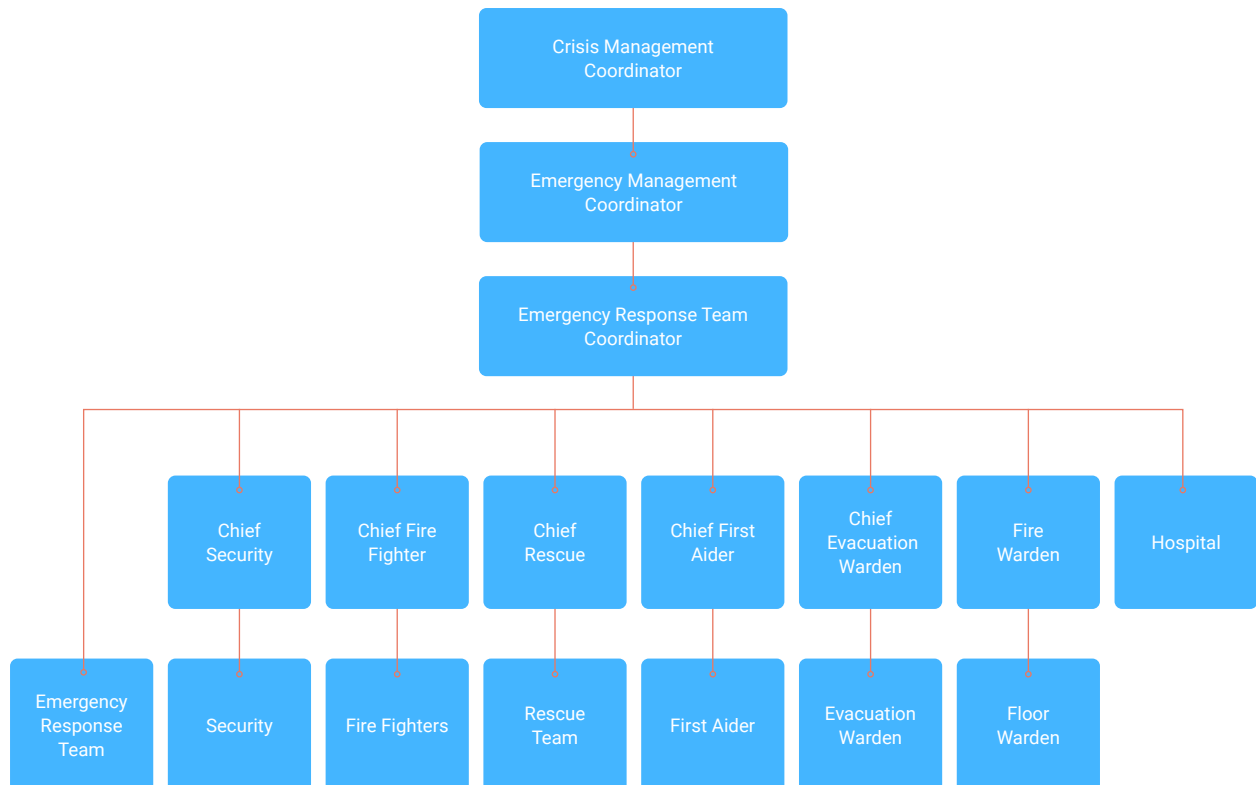
health within operational areas. To enhance the team's capabilities, specialized training to ERT members is provided to ensure they are competent in emergency response. This training includes evacuation procedures, first aid, and effective communication.



In addition, the Company provides an emergency communication channel connects to the ERT Station, which is tasked with handling workplace accidents and is equipped with comprehensive facilities and equipment. The formation of the ERT reflects a strong

commitment to emergency preparedness and response across operations. One of MMSGI's business units, MHU, has a dedicated ERT structure that involves both management and business partners operating within MHU's work areas.

#### MHU ERT ORGANIZATIONAL STRUCTURE



The ERT not only plays a role within the internal scope of the Company but also actively supports government programs in responding to both natural and non-natural disasters by regularly compiling disaster response reports. These include the outcomes of disaster prevention programs carried out by the Company's ERT, such as assessments of physical, social, and environmental vulnerabilities. The reports also outline the planning stages and recovery efforts for communities affected by disasters.

The Company also fosters proactive communication with stakeholders involved in emergency response programs, both internal and external. One such initiative includes providing safety induction to every individual before entering the worksite, along with the availability of an accessible emergency channel for reporting hazardous situations or emergency conditions. These efforts reinforce commitment to protecting employees, business partners, and other related parties from potential hazards and risks, while also fostering a safe and responsive work environment.

The background of the entire page is a soft-focus photograph of two hands reaching upwards. The hands are positioned on the right side of the frame, with fingers slightly spread. The background is a lush green with many out-of-focus light spots, creating a bokeh effect. The overall tone is positive and aspirational.

# 06

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**ENHANCING POSITIVE  
IMPACT FOR  
EMPLOYEES AND  
COMMUNITIES**







# HUMAN RIGHTS COMMITMENT



MMSGI respects the human rights of every individual, promoting fairness in the workplace to foster harmonious relationships with all employees. The Company is committed to upholding universal human rights principles ensuring that every individual is treated fairly and given equal opportunities, free from discrimination, across all operational activities, including those involving suppliers and business partners, in accordance with the Company's Human Rights Protection Policy No. MMSGI-KBJ-PSL-03, signed by the Board of Directors. Moreover, the Company complies with regulations related to industrial relations, both in its internal operations and business interactions with partners and suppliers.

The Company has established corporate governance policies and a CoC that reflect MMSGI's commitment to various aspects of human rights, including human

trafficking, forced labor, child labor, freedom of association, collective bargaining agreements, fair remuneration and working hours, anti-discrimination, anti-harassment, and fair competition. The Company also respects the rights of vulnerable groups, including religious and ethnic minorities, children, and persons with disabilities.

This commitment is implemented not only internally but also extends to requiring business partners and suppliers to adhere to human rights principles that align with the Company's values. To ensure these practices are effectively carried out, MMSGI's senior management holds collective responsibility for overseeing and evaluating the fulfilment of human rights across all operational activities.

## HUMAN RIGHTS POLICY

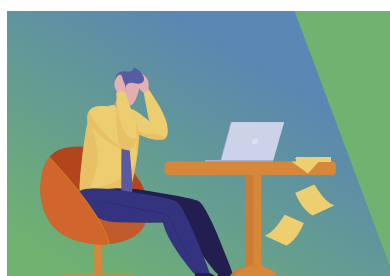
The Company's policies and practices are aligned with international human rights standards, such as the United Nations Universal Declaration of Human Rights, the International Labor Organization (ILO) 1998 Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and

the OECD Guidelines for Multinational Enterprises. The operational enforcement of human rights is specifically regulated in MMSGI's CoC, reflecting MMSGI's deeper commitment to upholding and applying the Company's CoC.

## FORCED LABOR AND CHILD LABOR [408-1, 409-1]

The Company has set the minimum working age at 18 years, in accordance with its Recruitment Policy. This policy refers to ILO Convention No. 138 of 1973 concerning the Minimum Age for Admission to Employment. In addition, the Company's recruitment, promotion, and employee rotation processes are based on written agreements between both parties to ensure

that no coercion occurs in employment relationships. These principles are also applied to business partners, particularly within the supply chain, by ensuring their compliance with fair workplace practices and confirming that they do not engage in child or forced labor through initial supplier assessments. [3-3]



No potential cases or indications of child or forced labor were found within the Company's operations in 2024.

To ensure the fulfillment of its commitment to human rights, the Company also takes responsive measures

to implement improvements and prevent future human rights violations.

## HUMAN RIGHTS PROGRAMS AND INITIATIVES

Although a comprehensive human rights compliance review has not yet been conducted, the Company ensures that human rights principles are accommodated through its CoC and specific provisions designed to protect human rights. The Company regularly conducts socialization of its CoC and relevant human rights policies, both internally and with business partners, and provides human rights training for employees. [3-3]

MMSGI has developed a whistleblowing system (WBS) as a channel for employees and other relevant parties

to raise concerns and seek resolution regarding human rights violations or complaints. This channel represents one of the Company's efforts in developing a mitigation plan to address potential human rights violations across its operations. In addition, the Company has established a remediation procedure for victims of human rights violations, ensuring that affected individuals have the right to fair access to resolution.

Throughout the reporting period, no reports of human rights violations or related risks occurred within the Company. [408-1, 409-1]



## EMPLOYMENT RELATIONS

The Company fosters business relationships in compliance with industrial relations regulations, facilitating open and effective two-way communication at all operational levels through initiatives such as town hall meetings, employee gatherings, and both formal and informal discussions. These efforts represent the Company's proactive approach to ensuring open dialogue for problem-solving, idea exchange, and the creation of an inclusive work environment.

MMSGI supports employees to join independent labor unions and engage in collective bargaining. The majority of union members are employees of MHU, a subsidiary of MMSGI engaged in coal mining operations. For employees who are not union members, the Company ensures that their rights and responsibilities are upheld through agreements established directly between the Company and the employees. [2-30, 3-3]

A Collective Labor Agreement (CLA) has been established that constructively governs employment relations and guarantees freedom of association for all employees. The CLA also includes a provision requiring the Company to notify employees of any operational changes no later than 30 days prior to implementation. During the reporting period, there were no reported risks or incidents involving violations of freedom of association or the right to collective bargaining. [402-1, 407-1]

In addition, the Company provides a grievance mechanism through which employees can safely voice complaints or concerns with the Company maintaining the confidentiality of the complainant's identity. Complaints can be submitted via the Whistleblowing System (WBS), and any reports found to be valid are followed up in accordance with applicable policies or laws. Throughout 2024, no complaints resulted in labor disputes. [2-15]





# EMPLOYMENT MANAGEMENT



MMSGI is committed to implementing responsible employment practices through policies that ensure the fulfillment of employees' fundamental rights, the protection of decent working conditions.

MMSGI's employment policy covers key aspects such as the provision of a living wage, reasonable working hours, and efforts to prevent excessive overtime. The Company sets a maximum working hour limit in accordance with applicable regulations, ensures equal pay for male and female employees in equivalent positions and responsibilities, and guarantees wage payment during

annual leave. In addition, the Company establishes a minimum notice or communication period prior to any significant operational changes or termination of employment. Regular evaluations of pay equity are conducted to ensure there are no gender-based remuneration gaps.

This policy applies across all MMSGI's internal operations and is encouraged to be adopted by business partners, including contractors and vendors, to ensure a supply chain that respects employee rights and aligns with applicable labor regulations.

## HUMAN RESOURCE PLANNING

Human resource planning is one of the strategic priorities for MMSGI in ensuring the organization's readiness to face business dynamics and long-term transformation. Through the strategic workforce planning (SWP) approach, the Company proactively designs workforce needs, not only based on current conditions, but also in line with the company's future development direction. Under the supervision of the Chief HRGAI of MMS

Group Indonesia, the HRGA Division is responsible for implementing the SWP, including job placement planning and increasing human resource diversity.

Through SWP, the Company regularly reviews key positions that affect the pace of business, standardizes performance to improve HR productivity.

## HIRING AND EMPLOYEE TURNOVER

MMSGI is committed to conducting a fair, transparent, and non-discriminatory hiring process. The Company ensures that every individual, regardless of background, has equal access to employment opportunities and career development. Managerial positions are also opened competitively to both internal and external candidates, with a hiring process that upholds the principles of meritocracy. [3-3]

MMSGI utilizes digital platforms such as online job portals and conducts initial technical interviews virtually. This approach not only expands the talent search reach but also helps reduce the average hiring cost per

employee. MMSGI also tracks the average hiring cost per full-time employee. In 2024, the average hiring cost per employee at MMSGI reached Rp4,123,980, covering all stages from initial selection to onboarding.

During the reporting period, the Company recruited a total of 667 employees through external hiring. This increase in recruitment was driven by the construction of the nickel matte smelter plant, which significantly boosted workforce demand. The hiring process was carried out in parallel with efforts to strengthen the organizational structure and meet competency needs across various work units.

### COMPOSITION OF NEW HIRES (EXTERNAL HIRES) BY AGE [401-1]

Age	2024	2023	2022
18-30 Years	391	88	152
31-40 Years	146	91	115
41-50 Years	72	35	56
>50 Years	58	22	24
<b>Total</b>	<b>667</b>	<b>236</b>	<b>347</b>

### COMPOSITION OF NEW HIRES (EXTERNAL HIRES) BY GENDER AND POSITION LEVEL [401-1]

Position Level	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Division Head	13	2	8	1	5	0
Department Head	27	7	23	4	15	9
Section Head	36	6	44	15	22	5
Supervisor	106	17	57	15	82	30
Staff	100	50	35	29	55	48
Non-staff	277	26	4	1	72	4
<b>Total</b>	<b>559</b>	<b>108</b>	<b>171</b>	<b>65</b>	<b>251</b>	<b>96</b>
<b>Grand Total</b>	<b>667</b>		<b>236</b>		<b>347</b>	

**COMPOSITION OF INTERNAL HIRES  
BY GENDER AND POSITION LEVEL [401-1]**

Position Level	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Division Head	0	0	0	0	2	0
Department Head	0	0	0	0	1	0
Section Head	0	0	0	0	3	1
Supervisor	0	0	0	0	1	2
Staff	0	0	0	0	0	0
Non-staff	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>3</b>
<b>Grand Total</b>	<b>0</b>		<b>0</b>		<b>10</b>	

MMSGI is committed to creating a work environment that supports the physical and mental well-being of employees, including through the fulfillment of basic rights and the implementation of sustainable development programs. Employee turnover is an integral part of organizational dynamics. The reasons behind this turnover vary, ranging from retirement and contract completion to personal circumstances.

MMSGI actively monitors and manages employee turnover rates to maintain organizational stability and

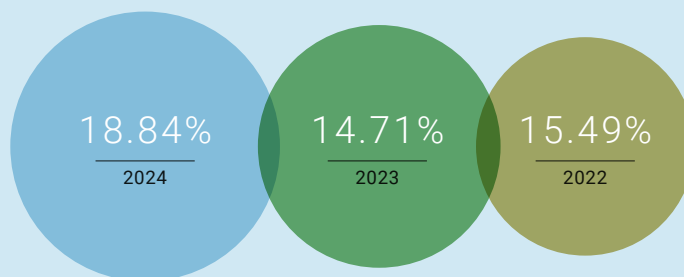
retain competent talent. Employee turnovers, both voluntary (resign) and involuntary (termination), are evaluated periodically to identify the main causes and trends that occur. This evaluation covers internal factors such as job satisfaction, career development opportunities, and workload, as well as external factors like labor market conditions. The results serve as a foundation for developing more targeted retention policies, including strengthening career development programs, enhancing employee engagement, and fostering an inclusive and productive work environment

**NUMBER OF NEW HIRES AND EMPLOYEE TURNOVER BY GENDER (FTE) [401-1]**

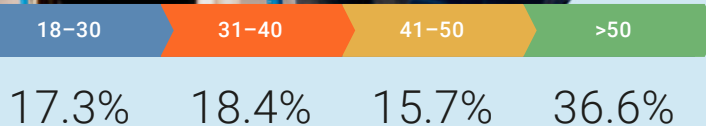
Gender	2024			2023			2022		
	New Hires	Employee Turnover	Total Employees	New Hires	Employee Turnover	Total Employees	New Hires	Employee Turnover	Total Employees
Male	559	149	1,015	171	111	605	251	136	860
Female	108	52	285	65	34	229	99	26	278
<b>Total</b>	<b>667</b>	<b>201</b>	<b>1,300</b>	<b>236</b>	<b>145</b>	<b>834*</b>	<b>350</b>	<b>162</b>	<b>1,138</b>

\*) There were employee transfers to business affiliates within the MMSGI ecosystem.



TOTAL EMPLOYEE  
TURNOVER RATE\*

\*The total employee turnover rate reflects voluntary resignations.

2024 VOLUNTARY  
EMPLOYEE  
TURNOVER RATE  
BY GENDERVOLUNTARY EMPLOYEE  
TURNOVER RATE BY  
AGE GROUP IN 2024

Company ensures that the processes of voluntary resignation, employment termination, and retirement are carried out in accordance with applicable regulations, including the provision of fair and proportionate compensation and employee entitlements as stipulated by law.

Employees who resign are required to submit a letter of resignation to their employer no later than 30 days before the effective date of their resignation, as stipulated in labor regulations. [\[401-1\]](#)

# EMPLOYMENT MANAGEMENT PROGRAM

## DIVERSITY AND EQUAL OPPORTUNITY

MMSGI believes that diversity and equal opportunity are not merely supporting elements but fundamental pillars in creating a dynamic and sustainable work environment. Differences in background, perspectives, and individual experiences are seen as strengths that enrich the organizational culture and drive innovation.

As part of this commitment, the Company guarantees that every individual is treated fairly without discrimination of gender, age, ethnicity, religion, race, disability status, or political views. This principle of non-discrimination is implemented consistently, starting from the recruitment process to career development.

To encourage broader representation within the organization, MMSGI is actively expanding its

recruitment scope and recruiting talent from diverse backgrounds. The selection process is carried out transparently, competency-based, and considers the long-term potential of each candidate.

In the reporting period, the number of permanent employees of MMSGI was recorded at 1,300 people, all of whom worked on a full-time basis. This figure does not include outsourced workers or project-based personnel hired through third parties. Nevertheless, the Company remains committed to ensuring that all individuals involved in its operations receive their rights fairly. [2-8]

The diversity of employees at MMSGI can be seen in the following table: [2-7, 3-3, 405-1]

### EMPLOYEE COMPOSITION BY GENDER

Male

1,015

Female

285

2024

TOTAL: 1,300

2023

TOTAL: 834

2022

TOTAL: 1,138

605

229

860

278

## COMPOSITION OF EMPLOYEES BY AGE GROUP

Description	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
18–30	390	154	121	98	211	148
31–40	321	97	245	97	344	95
41–50	209	33	172	33	217	30
>50	95	1	67	1	88	5
<b>Total</b>	<b>1,015</b>	<b>285</b>	<b>605</b>	<b>229</b>	<b>860</b>	<b>278</b>
<b>Grand Total</b>	<b>1,300</b>		<b>834</b>		<b>1,138</b>	

## COMPOSITION OF EMPLOYEES BY POSITION LEVEL









Description	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Commissioner	2	0	2	0	2	0
Management	16	4	24	5	25	6
General Manager / Regional Manager	29	4	25	2	21	2
Manager	204	42	65	19	72	18
Staff	439	205	428	198	505	243
Non Staff	325	30	61	5	235	9
<b>Total</b>	<b>1,015</b>	<b>285</b>	<b>605</b>	<b>229</b>	<b>860</b>	<b>278</b>
<b>Grand Total</b>	<b>1,300</b>		<b>834</b>		<b>1,138</b>	

## COMPOSITION OF EMPLOYEES BY EDUCATION LEVEL

Description	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Master's Degree	37	19	28	26	33	29
Bachelor's Degree	674	225	381	172	432	204
Diploma IV	5	1	2	3	2	1
Diploma III	17	4	52	14	63	26
Diploma II	2	0	0	1	0	2
Diploma I	2	0	2	1	3	1
Senior High School / Vocational High School	277	31	130	12	194	5
Junior High School	2	1	7	0	115	9
Elementary School	3	0	3	0	18	1
<b>Total</b>	<b>1,015</b>	<b>285</b>	<b>605</b>	<b>229</b>	<b>860</b>	<b>278</b>
<b>Grand Total</b>	<b>1,300</b>		<b>834</b>		<b>1,138</b>	



### COMPOSITION OF EMPLOYEES BY NATIONALITY

Citizenship	2024	
Indonesia	1,292	
Argentina	1	
Canada	1	
China	1	
United States	1	
India	2	
Ireland	1	
Singapore	1	
<b>Grand Total</b>	<b>1,300</b>	

### COMPOSITION OF EMPLOYEES BY EMPLOYMENT STATUS

Description	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Permanent Employees	478	198	453	189	712	240
Contract Employees	537	87	152	40	148	38
<b>Total</b>	<b>1,015</b>	<b>285</b>	<b>605</b>	<b>229</b>	<b>860</b>	<b>278</b>
<b>Grand Total</b>	<b>1,300</b>		<b>834</b>		<b>1,138</b>	

### COMPOSITION OF EMPLOYEES BY WORK AREA

Description	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Jakarta	309	215	295	192	342	219
East Kalimantan	659	66	300	34	499	57
Bali	4	2	4	2	2	2
South Sumatra	3	0	2	0	7	0
East Nusa Tenggara	5	1	2	1	0	0
North Maluku	0	0	1	0	4	0
South Sulawesi	35	1	1	1	6	0
<b>Total</b>	<b>1,015</b>	<b>285</b>	<b>605</b>	<b>229</b>	<b>860</b>	<b>278</b>
<b>Grand Total</b>	<b>1,300</b>		<b>834</b>		<b>1,138</b>	

## COMPOSITION OF EMPLOYEES BY WORK AREA

Description	2024		2023		2022	
	Permanent Employees	Contract Employees	Permanent Employees	Contract Employees	Permanent Employees	Contract Employees
Jakarta	408	116	381	106	462	99
East Kalimantan	246	479	257	77	474	82
Bali	1	5	1	5	0	4
South Sumatra	1	2	2	0	6	1
North Maluku	0	0	0	1	4	0
South Sulawesi	20	16	1	0	6	0
East Nusa Tenggara	0	6	0	3	0	0
<b>Total</b>	<b>676</b>	<b>624</b>	<b>642</b>	<b>192</b>	<b>952</b>	<b>186</b>
<b>Grand Total</b>	<b>1,300</b>		<b>834</b>		<b>1,138</b>	

MMSGI shows its commitment to creating an inclusive work environment by paying special attention to the role of female employees. The Company consistently ensures equal access for women to career development opportunities and competency improvement. More than

that, the active participation of female employees in various operational lines and strategic decision-making continues to be encouraged. In 2024, the percentage of female employees in income-generating units and STEM positions increased.

	2024	2023	2022
Percentage of female employees of total employees	22.1%	27.2%	24.4%
Percentage of female employees at the top management level	0.54%	12.3%	17.8%
The percentage of employees in managerial positions (junior, middle, and top management) of all managerial positions	12.43%	18.4%	12.3%
Percentage of female employees at junior managerial level	19.56%	22.6%	19.4%
Percentage of female employees in income-generating unit positions	4.53%	3.1%	2.5%
Percentage of female employees in science, technology, engineering, and mathematics (STEM) positions	3.94%	1.3%	0.9%

## PREVENTION OF DISCRIMINATION AND HARASSMENT IN THE WORKPLACE

The Company upholds the principle of a safe, inclusive, and free work environment from all forms of harassment and discrimination. The Company strictly prohibits both sexual and non-sexual harassment at all levels of the organization. In addition, the Company enforces a zero-tolerance policy against any form of discrimination, whether based on gender, age, race, religion, ethnic background, sexual orientation, disability status, or political views. This commitment aligns with internationally recognized standards, including ILO Convention No. 100 on Equal Remuneration for Men and Women for Work of Equal Value and ILO Convention No. 111 on Discrimination in Employment and Occupation. [3-3, 406-1]

As a preventive measure, the Company organizes periodic training for all employees on the prevention of discrimination and harassment in the workplace. This training is included in a CoC refreshment session which contains provisions prohibiting discriminatory acts and harassment that are carried out at least once a year.

In line with its commitment to diversity and equality, the Company confirms that there were no reported cases of discrimination, whether based on gender, age, social status, or religion, and no incidents of harassment involving any employees throughout 2024.

## EMPLOYEE WELL-BEING [2-19] [2-20]

MMSGI ensures the fulfillment of basic employee rights through structured and measurable employment management. The Company provides benefits and remuneration in a fair and competitive manner, in accordance with the status of employees as stipulated in Decree No. KB/HRGAI/2020/001 which applies to all Company's operational locations. The remuneration program is implemented based on the merit system and follows regulations related to remuneration and compensation standards, ensuring the Company's compliance with applicable regulations in HR management. [3-3, 2-20]

The Company ensures the provision of decent wages, by aligning basic salaries with the regional minimum wage (UMR) regulations in each operational area, as well as monitoring working hours, including transparent overtime management and the provision of appropriate compensation for overtime work. [3-3, 405-2]

Employee benefits are provided based on each individual's employment status, as outlined below: [3-3, 201-3, 401-2]

### BENEFITS PROVIDED TO EMPLOYEES [401-2]

Types of Benefits	Permanent Employees	Contract Employees	Trainees
Basic Salary	✓	✓	-
Allowance	-	-	✓
BP Jamsostek (Employment Social Security)	✓	✓	✓
BPJS Kesehatan	✓	✓	✓
Medical Allowance	✓	-	-
Overtime Pay	✓	✓	-
Religious Holiday Allowance (THR)	✓	✓	-
Bonus	✓	-	-



Types of Benefits	Permanent Employees	Contract Employees	Trainees
Long Service Award	✓	-	-
End-of-Contract Compensation	-	✓	-
Year-End Allowance (TAT)	✓	-	-
Leave	✓	✓	-
Company Vehicle	✓	-	-
Business Travel	✓	✓	-

The Company ensures that the determination of basic wages is in accordance with the provisions of the UMR in each operational area. This policy is implemented with no discrimination between gender and nationality. The provision of wages and remuneration is carried out fairly and equally, taking into account the level of

position and performance of each employee. As a form of commitment to the principle of equality, the Company also implements a basic salary ratio of 1:1 between male and female employees at the same position level.

[2-19, 405-2]

#### AVERAGE EMPLOYEE SALARY BY GENDER (IN RUPIAH)

Position Level	Description	2024		2023		2022	
		Male	Female	Male	Female	Male	Female
Executive	Basic Salary	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
	Basic Salary + Incentives	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
Management	Basic Salary	28,875,000	28,875,000	27,500,000	27,500,000	25,000,000	25,000,000
	Basic Salary + Incentives	34,650,000	34,650,000	33,000,000	33,000,000	30,000,000	30,000,000
Non-management	Basic Salary	9,240,000	9,240,000	8,800,000	8,800,000	8,800,000	8,800,000

MMSGI conducts regular monitoring of gender-based pay gaps and is committed equal remuneration for men

and women with equivalent job responsibilities and qualifications.

## LEAVE ENTITLEMENT

The Company guarantees employee leave rights in accordance with applicable provisions, including paid annual leave that is encouraged to be used optimally to maintain a balance between work and personal life. The Company provides annual leave rights to all employees with a basic amount of 12 working days per year. This number can increase gradually as the working period and the class of employees increase.

In addition, employees also have access to various other types of leave, such as:

- Bereavement leave
- Circumcision / baptism leave for employee's child
- Marriage leave for employee's child
- Long leave
- Maternity leave
- Sick leave
- Miscarriage leave
- Hajj pilgrimage leave
- Unpaid leave

Maternity leave entitlements at the Company are based on the provisions of the Labor Law and further regulated in the Collective Labor Agreement (CLA). Female employees are entitled to three months of leave,

consisting of 1.5 months before and 1.5 months after childbirth. Meanwhile, male employees are granted two working days of leave to support the childbirth process.

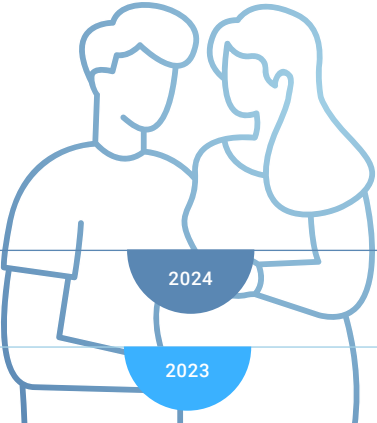
[3-3]

As part of its commitment to the long-term well-being of employees, the Company extends social protection beyond the public programs provided by the government and ensures that every employee fully benefits from their annual leave entitlement. This commitment is also reflected in the provision of a comprehensive health insurance program, including maternity coverage for permanent employees. Through this program, employees are relieved of the financial burden of medical expenses from pregnancy through childbirth.

The Company also places strong emphasis on work-life balance, particularly for female employees, by providing the necessary physical and mental support. This commitment is implemented through paid parental leave policies and the provision of mother-and-child-friendly facilities, such as nursery rooms within office areas. [3-3]

The following is a recapitulation of employees who have taken maternity leave: [401-3]

Gender		2024	2023
Number of Employees Entitled to Maternity Leave	Male	735	606
	Female	105	228
Number of Employees Who Took Maternity Leave	Male	0	18
	Female	1	6

Return-to-Work Rate After Maternity Leave (%)			Employee Retention Rate after Maternity Leave (%)	
Male	Female		Male	Female
N/A	100%		N/A	100%
100%	100%	2023	100%	100%

Note:

N/A: There were no male employees who took paternity leave in 2024.

## LONG-TERM INCENTIVES FOR EMPLOYEES

As part of its key talent retention and development strategy, MMSGI provides a long-term incentive scheme for selected employees deemed to have a strategic contribution to the achievement of the company's medium- and long-term goals. This program aims to foster sustained employee engagement with the Company's performance while strengthening loyalty and motivation.

Based on the Decree of the Board of Directors of MMS Group Indonesia No. KBJ/HRGAI/2020/007, Company grants a service award to employees for every five-year milestone of employment. The award is given in the form of a certificate, a watch or gold jewelry, along with a base

salary bonus adjusted according to the length of service (5, 10, 15, 20, and 25 years).

As a form of long-term incentive, the Company establishes a long-term leave policy as a form of appreciation for employees who have completed five consecutive years of service and multiples thereof. This long-term leave lasts 14 calendar days, retains the right to annual leave, and can be taken within a period of two years from the time the right is obtained. As financial support, the Company also provides incentives in the form of long-term leave allowances of 50% of the applicable basic wage.

## EMPLOYEE COMPETENCY DEVELOPMENT

Through various training and education programs, the Company is committed to employee development through a structured and continuous approach. This includes training in technical skills (hard skills), leadership, and the strengthening of non-technical skills (soft skills) relevant to the needs of each function. In addition to improving performance, this initiative also aims to support leadership regeneration and produce future talent that is in line with the Company's vision and mission.

As part of its holistic approach, the Company provides a variety of learning methods, both internal and external. The methods offered include coaching and mentorship to support the growth of individuals directly. The development programs are also designed to address the specific needs of employees, such as leadership development programs, cross-cultural education and

digital transition training to support readiness for technological change.

The HRGA Division prepares and implements training programs based on the Annual Training Plan that is tailored to the results of employee competency evaluation. This evaluation aims to identify skills gaps and ensure that the training provided is aligned with the actual needs of each work unit. [3-3]

The company also guarantees equal access to development for all employees, including contract and part-time employees, regardless of employment status or gender. Every employee is given equal opportunity to participate in training programs. In addition, the Company conducts quantitative evaluations of program impact on performance to ensure contributions toward overall improvements in productivity and business effectiveness.





#### RECAPITULATION OF TRAINING PROGRAM IMPLEMENTATION [404-1, 404-2]

Description	Unit	2024	2023*	2022*
Number of Training	Training	153	116	117
Total Training Hours	Hour	21,128	7,697	18,909
Total Trainees*	FTE	957	328	625
Total Cost	Rupiah	4,464,410,636	3,917,812,635	7,699,154,387

\*) data were restated due to changes in the recording method and the use of a new recording platform.

#### RECAPITULATION OF TRAINING PROGRAM TYPES

Description	Unit	2024	2023*	2022*
Technical Skills	Training	107	96	106
Non-Technical Skills	Training	46	20	11
Total	Training	153	116	117

\*) data were restated due to changes in the recording method and the use of a new recording platform.

The Company implements employee development programs through coaching and mentoring approaches, as well as knowledge enhancement initiatives such as the SERU (Socialization and Education for Knowledge

Enrichment) program. The programs provided to employees include the Leadership Development Program, Digital Transition Program, and Cultural Education.

#### RECAPITULATION OF TOTAL TRAINING PARTICIPANTS BY GENDER

Gender	2024	2023*	2022*
Male	691	246	455
Female	266	82	170
<b>Total Participants</b>	<b>957</b>	<b>328</b>	<b>625</b>

\*) data were restated due to changes in the recording method and the use of a new recording platform.

#### RECAPITULATION OF TOTAL TRAINING PARTICIPANTS BY POSITION LEVEL

Position Level	2024	2023*	2022*
Division Head/Head of	59	6	11
Department Head	87	29	93
Section Head/Superintendent	106	63	60
Supervisor	254	127	270
Staff	450	82	151
Non-staff	1	21	40
<b>Total Participants</b>	<b>957</b>	<b>328</b>	<b>625</b>

\*) data were restated due to changes in the recording method and the use of a new recording platform.

## EMPLOYEE PERFORMANCE EVALUATION

MMSGI implements a performance appraisal system that combines individual and team-based assessments, designed to capture employees' contributions both individually and collectively. This evaluation includes indicators such as quality and quantity of work, discipline, initiative, leadership, and teamwork ability.

To ensure accuracy and fairness in performance assessment, MMSGI adopts a multidimensional performance appraisal approach that evaluates employees based on the application of corporate values and individual KPIs. In addition, MMSGI also applies a management by objectives approach and team-based performance appraisal.

Employee performance evaluations are conducted regularly twice a year. This evaluation process applies to all permanent employees across all job levels who have completed more than three months of service. Contract employees and/or those who have resigned are not included in the annual performance evaluation process. For contract employees, performance evaluations are conducted separately at the end of their contract period.

The entire evaluation process is carried out objectively, transparently, and accountably. The results serve as the basis for decision-making regarding promotions, job rotations, and further career development. [\[404-3\]](#)

### NUMBER OF EMPLOYEES WHO RECEIVED PERFORMANCE EVALUATIONS

Position Level	2024	2023	2022
General Manager/Regional Manager	33	27	23
Manager	72	68	90
Staff	529	487	748
Non-staff	50	58	244
Total Employees Who Received Performance Evaluations	684	640	1,105
Total Employees*	1,300	834	1,138
Percentage	53%	77%*	97%

\*) The 2023 data were restated due to a change in the recording method, where performance evaluations only included permanent employees (non-chief level) who had completed their probation period. Evaluations for contract employees were recorded separately, based on the varying end dates of their contracts. The same recording method is also applied for 2024.



# EMPLOYEE SUPPORT PROGRAM

The Company implements a variety of employee support programs designed to foster a healthy, inclusive, and work-life-balanced environment.

The program covers physical, mental, social, and family aspects, including:



## Health and Sport Initiatives

MMSGI encourages an active lifestyle through regular fitness activities, provision of sports facilities, and periodic health check-ups as part of preventive efforts.



## Daycare Facilities and Lactation Room

As a form of support for employees who have children, MMSGI provides RUSA (Children's Sayang Room) facilities, a full day childcare center with a capacity of up to 10 children. This facility is designed to help employees balance their professional responsibilities with their role as parents. In addition, RUSA is equipped with a comfortable lactation room for breastfeeding mothers.



### Support for Employees' Families

To help employees carry out their role as family members, the Company has a supportive leave policy. Paid parental leave is given to the primary caregiver for 12 weeks. In addition, the Company provides family and caregiving leave to support employees in caring for children, spouses, parents, or other dependents experiencing physical or mental health conditions.

## HUMAN CAPITAL RETURN ON INVESTMENT

The Company measures the effectiveness of these investments through the Human Capital Return on Investment (HC ROI) indicator, which reflects the direct

contribution of employees to the creation of business value.

### HUMAN CAPITAL RETURN ON INVESTMENT

Description	Unit	2024	2023	2022*
Total employee-related costs (wages and incentives)	Billion Rupiah	485,95	488,26	551,52
Human capital return on investment	#	1.02	1.48	9.82

\*data restated

# EMPLOYEE ENGAGEMENT

The Company periodically conducts engagement surveys and follows up on the results through development programs, performance recognition, and work culture strengthening.

Management conducts an employee wellbeing survey

every year in the fourth quarter. The survey was designed to obtain employee perceptions of various dimensions relevant to the work environment and organizational culture, with a participation rate of 47% of the total employees. The results of the employee wellbeing survey can be seen in the following table:



Description	2024
Employee engagement percentage	75%
Say (Speak positively about the company)	85%
Stay (Intention to remain employed at the company)	77%
Strive (Give more effort to the company)	87%
Satisfaction level with the company	3.24 or equivalent to 81%
Level of commitment to the company	3.32 or equivalent to 83%

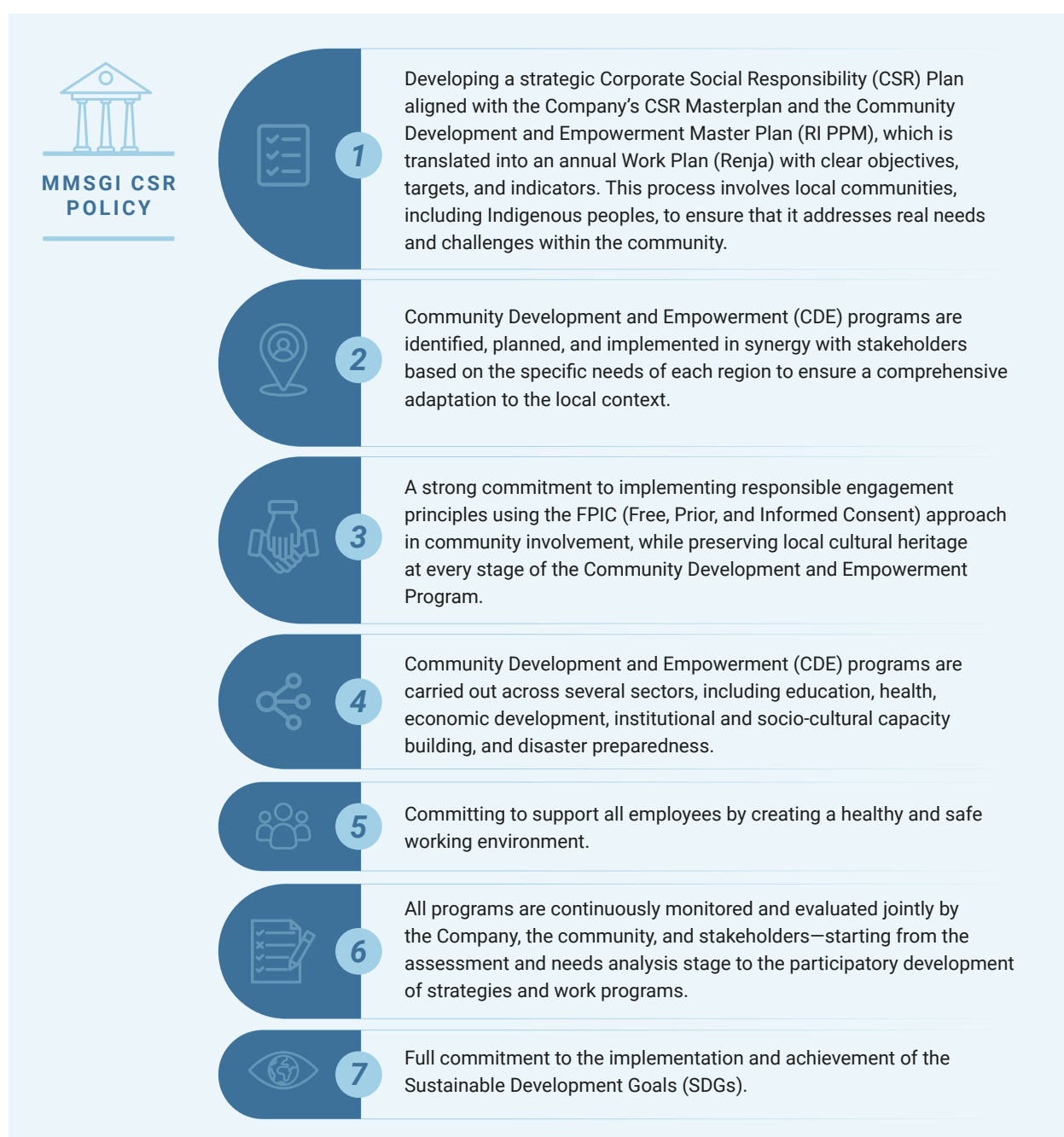


# COMMUNITY ENGAGEMENT

MMSGI understands that success is closely linked to the well-being of surrounding communities. Therefore, the Company is committed to fostering and maintaining harmonious relationships within the physical and socio-economic landscapes around operational areas, collaborating with stakeholders to deliver positive contributions through Corporate Social Responsibility

(CSR) programs. These programs aim to improve quality of life in alignment with Sustainable Development Goals (SDGs).

To reinforce this commitment, the Company has enacted a CSR Policy that includes:



In 2024, the Company implemented a range of environmental and empowerment initiatives aimed at harnessing local potential, alongside contributing to education, health, and infrastructure in supporting the continuity of daily community activities and preparing them for economic transition in future post mining period.

The MHU subsidiary operates in close proximity to local communities, initiating several environmental and community empowerment efforts, including:

1. Providing opportunities for local communities to be

involved in the sustainable environment management in the surrounding mining area.

2. Establishing community-based institutions and preparing them for economic transition in future post mining period to support the independence and sustainability of Community Development and Empowerment (CDE) programs.
3. Developing facilities and infrastructure to support the implementation of CDE initiatives.

MHU allocated a budget for the implementation of CSR programs with the following breakdown:

#### NUMBER OF CSR PROGRAMS BY MHU

Description	2024	2023
Community Development and Empowerment (CDE)	50	32
Infrastructure	31	29
Philanthropy	79	72
<b>Total</b>	<b>160</b>	<b>133</b>

#### CSR PROGRAM BUDGET ALLOCATION BY MHU

Description	2024		2023	
	Budget (Rp)	%	Budget (Rp)	%
Community Development and Empowerment (CDE)	3,114,408,605	36.25%	5,389,184,000	49.45%
Infrastructure	2,680,590,950	30.34%	1,906,613,837	17.50%
Philanthropy	3,040,048,244	34.41%	3,602,141,100	33.05%
<b>Total</b>	<b>8,835,047,800</b>	<b>100.00%</b>	<b>10,897,938,937</b>	<b>100.00%</b>

In 2024, the Company experienced a decrease in the CSR program budget allocation and number of beneficiaries due to the Company's focus on developing

local community infrastructure, with the infrastructure budget allocation increasing by 41% compared to the previous year.

## A COMPREHENSIVE APPROACH TO COMMUNITY ENGAGEMENT

MMSGI adopts a comprehensive approach to engaging with communities and other affected stakeholders, identifying communities impacted by its operations, including Indigenous peoples, vulnerable groups, and local residents, through mapping and consultation processes.

To ensure structured engagement, the Company operates a Stakeholder Engagement Plan (SEP) conducting community consultations in operational areas and development projects to ensure that communities have full access to essential project-related information, including social and environmental impacts, mitigation efforts, and their rights.



Currently, MMSGI operates three main assets/businesses with active production, with all having undergone community consultation processes. In addition, MMSGI is developing two new projects—one in Balikpapan City (nickel matte smelter) and another in Labuan Bajo (hotel) which have also conducted engagement and consultation. All consultations are carried out in phases and follow the principle of Free, Prior, and Informed Consent (FPIC).

The Company ensures that communities have opportunities to express their views and concerns regarding operational risks, cultural heritage

preservation, and potential environmental and social impacts, with feedback collected and considered during project and operational decision-making processes.

To maintain the Company's transparency and accountability, MMSGI provides an accessible, secure, and responsive Whistleblowing System (WBS) channel. Reports received through this channel will be followed up by the Company. This approach is intended to strengthen the relationship between the Company and community, as well as ensure that the Company's operations are carried out in an inclusive and sustainable manner.



## LOCAL WORKFORCE EMPOWERMENT

MMSGI not only engages local communities through CSR programs but also by providing broad access for local residents to the recruitment process, both for full-time and part-time positions.

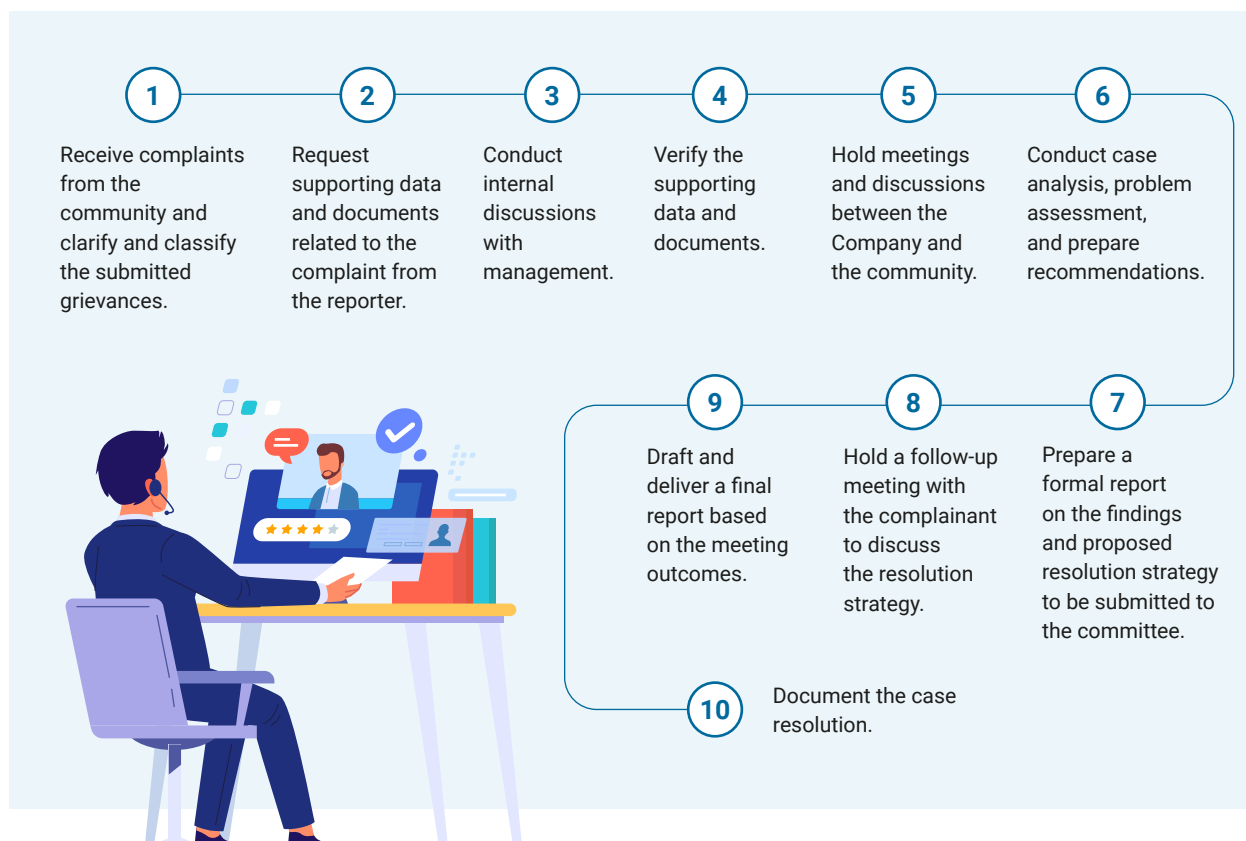
In 2024, the Company drew a local workforce proportion of 298 employees, representing 22.63% of the total workforce and reflecting ongoing efforts to empower local communities and support economic growth in areas surrounding operations.

The Company also organizes various training programs for local residents, particularly those who are unemployed. These are led by experts in their respective fields and aim to equip participants with both technical and non-technical skills relevant to the Company's operational needs. Through these initiatives, the Company promotes community empowerment providing real opportunities and capacity-building support to enhance competitiveness in the job market.

## COMMUNITY GRIEVANCE MECHANISM

The community grievance mechanism accommodates concerns from local communities and fosters open dialogue to promote transparency. Grievances may cover a range of topics, including environmental, social, and other sustainability-related issues.

To ensure accessibility for local residents, complaints can be submitted directly to the External Relations and Community Development (ERCD) Division using a grievance submission form. All complaints follow the MHU-SOP-PHE 03 Community Grievance Handling Procedure, which outlines the following resolution process:



# INDIGENOUS PEOPLES

MMSGI's business operations are located alongside Indigenous communities. MMSGI is committed to understanding the context of Indigenous peoples—including their customs, way of life, cultural heritage, and other relevant factors. With this understanding, the Company applies inclusive engagement practices that uphold Indigenous rights, ensuring that all interactions are respectful of local values and promote joint decision-making that reflects the aspirations and interests of the community as a whole.

MMSGI has identified potentially affected Indigenous communities. This process involves identifying community groups and collecting data from various sources—both primary and secondary—which is then used to analyze social, economic, and cultural aspects. The methods used for social mapping include Participatory Rural Appraisal (PRA), Focus Group Discussions (FGDs), Stakeholder Analysis, and Beneficiary Assessments. [3-3]

MMSGI's commitment to Indigenous communities is further reflected in a range of CSR programs that support empowerment and cultural preservation, such as financial and technical support, infrastructure development, and regular cultural events. The Company is also committed to protecting cultural heritage from the potential negative impacts of operational activities through the identification of cultural sites, community involvement, and appropriate mitigation measures. At present, no protected or sacred cultural sites have been identified in operational areas. Nevertheless, the Company continues to conduct regular monitoring and consultations with Indigenous communities to anticipate any cultural heritage that may be identified in the future.

[411-1]

The Company also actively involves Indigenous communities in every stage of program planning and implementation, ensuring that all measures taken are aligned with their needs and aspirations.

## FREE, PRIOR, AND INFORMED CONSENT (FPIC)

As outlined in the Company's CSR Policy, the principle of Free, Prior, and Informed Consent (FPIC) is applied to ensure the protection of the rights and autonomy of

affected communities. For any concerns related to FPIC, the Company facilitates access for stakeholders to submit grievances and complaints.

# COMMUNITY RELATIONS

MMSGI maintains harmonious formal and informal relationships with stakeholders through various communications and consultations, routinely holding regular meetings with local governments, community organizations, local leaders, and the broader community to gain insights into local developments and issues related to the economy, society, and the environment. The External Relations and Community Development (ERCD) Division is responsible for managing community relations and is directly overseen by the Company's Board of Directors to ensure alignment with the overarching objectives. [3-3]

Public consultations are conducted during the preparation of its Community Development and Empowerment Master Plan (RI PPM) to gather input and suggestions from multiple stakeholders. These inputs are then reviewed and aligned with MMSGI's eight core CDE programs. The Company refers to Document MHU-SOP-PHE 04 as a guideline for conducting consultations, discussions, and determining priority scales for CDE programs, as detailed below: [3-3]



MMSGI ensures that active consultation with communities has been carried out during the planning and implementation of CSR programs, reflecting a commitment to creating programs that are relevant, impactful, and sustainable in supporting the well-being of communities surrounding its operations.

To ensure that its programs align with the needs of local communities and the surrounding environment, a series of strategies such as social mapping, perception

surveys, and the application of the Sustainable Livelihood Approach (SLA) are used.

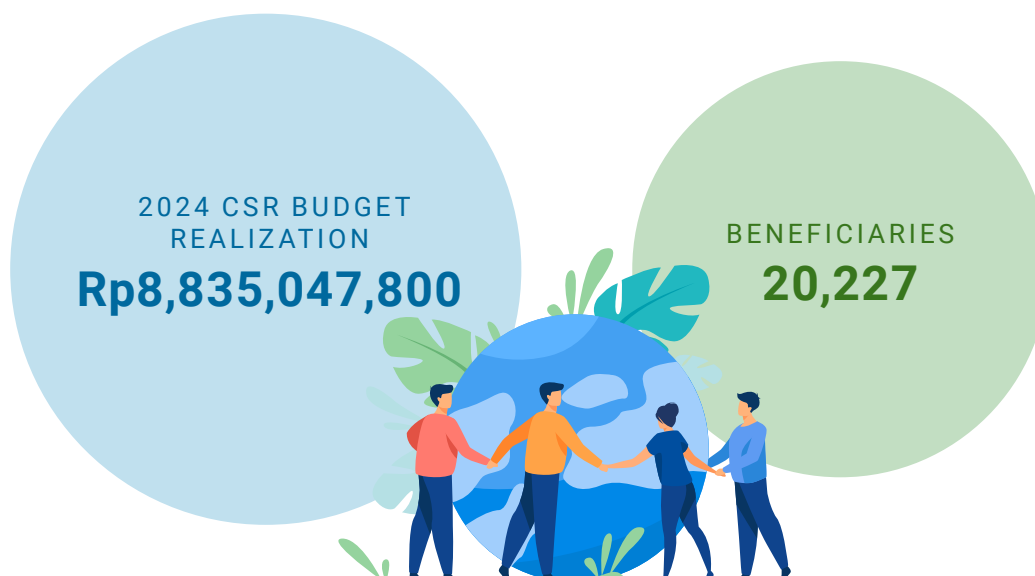
Through social mapping, social dynamics and community structures around operational areas are better understood, perception surveys gather community views, needs, and expectations regarding planned programs, and the SLA is applied to design sustainable initiatives that generate long-term positive impacts on the livelihoods and well-being of local communities.



## IMPLEMENTATION OF CSR PROGRAMS IN 2024

The Company prioritizes the implementation of CSR programs in collaboration with its subsidiaries, particularly PT Multi Harapan Utama (MHU), as a tangible demonstration of its commitment to local

communities. Through these initiatives, the Company aims to stimulate regional economic growth and contribute meaningfully to improving the quality of life for surrounding communities. [203-1, 413-1, 413-2]



### Collaborative Program for Stunting Reduction Efforts



Program Type	Health
Program Investment	Rp120,000,000
Beneficiaries	67 Children

Since 2021, the Kutai Kartanegara Regency Government has adopted a focused approach to reducing stunting through a comprehensive and structured convergence strategy. Various innovations, such as the Bakti Pantas Program which involves community participation through a foster parent role for stunted children, and the Raga Pantas Movement, educates families to actively prevent stunting at the household level. These programs leverage digital technology, particularly the Elsimil application, to directly monitor children's conditions and accelerate necessary interventions.

In support of the government's program, MHU has played an active role through the Foster Parent Movement to Prevent Stunting (GENTING) Program and by strengthening public healthcare services around the Company's operational areas. MHU's active participation and support in addressing stunting have been recognized by the East Kalimantan Provincial BKKBN and the Kutai Kartanegara Health Office, reflecting a strategic partnership between the private sector and the government in building a strong and sustainable foundation for public health.

#### IMPACT

Through the success of the program, the stunting prevalence rate in Kutai Kartanegara decreased in 2024 to 17.6%, down from the previous rate of 27%. With this positive achievement, Kutai Kartanegara has become a model of success in addressing child nutrition issues in East Kalimantan.

## Provision of Clean Water Facilities for Rural Communities



Since 2008, MHU has played an active role in improving community access to basic services, including a clean water facility provision program in areas lacking adequate infrastructure. The Company utilizes groundwater as a water source, which is then treated to eliminate bacteria at water treatment plant (WTP) facilities.

In addition, the Company reuses former mining voids as clean water reservoirs, supported by the use of hydraulic ram pumps that require neither electricity nor fuel, thus promoting energy efficiency and environmental friendliness. The treated water is distributed through a pipeline network that channels it to distribution posts and eventually to residential areas.

Throughout the implementation of this program, MHU has collaborated with various external stakeholders, including the military (TNI), the Public Works and Public Housing Agency (PUPR), PAMSIMAS, Village-Owned Enterprises (BUMDes), and local communities to support the expansion of clean water access. This synergy forms a vital foundation for creating developmental impacts focused on public health.



#### Program Type

Infrastructure

#### Program Investment

Rp473,250,000

#### Beneficiaries

294 Households  
and 983 Individuals

#### IMPACT

The clean water facility provision program has had a significant impact on public health and sanitation. With improved access to clean water, the program has reached up to more than 2,000 residents across eight development points.

## Equivalency Education Kejar Paket ABC Program



### Program Type

Education

### Program Investment

Rp175,000,000

### Beneficiaries

103 Students

Equal access to education is a vital foundation for building an empowered society. However, in practice, many children are still unable to complete formal education due to economic and other social constraints. Recognizing the critical role of education, MHU launched the Equivalency Education Program (Kejar Paket A, B, and C), to provide educational opportunities for children living around operational areas and promote an improved quality of life through knowledge-based empowerment.

From 2020 to 2024, the program reached a total of 817 learners. Among the three levels offered, Paket C consistently recorded the highest number of participants each year. This achievement reflects a strong enthusiasm among learners to obtain a high school-equivalent diploma as a means to improve their living standards.

### IMPACT

The impact of this program goes beyond the development of individual skills, it also directly contributes to reducing poverty and narrowing social gaps in the surrounding communities.



## MHU Scholarship Program



MHU believes that education is one of the key pillars for advancing communities and creating a better future. Despite the strong enthusiasm among young people living near to operational areas to pursue higher education, challenges remain in terms of affordability and access. To address this need, MHU has introduced the bachelor's degree (S-1) Scholarship Program to support high-achieving young individuals in obtaining further education free from financial barriers.

The Company has established a strategic partnership with Kutai Kartanegara University (Unikarta) and involved seven surrounding villages: Lung Anai, Sungai Payang, Jembayan Dalam, Jembayan Tengah, Loh Sumber, Loa Kulu Kota, and Jembayan. The scholarship selection process is conducted transparently and accountably, taking into consideration academic performance, potential, commitment of the candidates, and their economic background. Scholarship recipients are directed to study in the Faculty of Mining Engineering and the Faculty of Agriculture—two fields of study aligned with the local area's development needs and potential.

In addition, the Company supports the success of the Kutai Kartanegara Regency's Medium-Term Development Plan, particularly the program to "Enhance

the Development of Noble, Excellent, and Cultured Human Resources."

Scholarships are also provided to vocational school students (SMK) to continue their education at SMK Wikrama Bogor and SMK Wikrama Garut.



### Program Type

Education

### Program Investment

Rp885,000,000

### Beneficiaries

20 University Students and 3 Students

## IMPACT

The MHU Scholarship Program has had a significant positive impact in encouraging young people to pursue higher education. Through this initiative, 10 female and 10 male students have successfully received bachelor's degree (S-1) scholarships at Unikarta, while one student from Tenggarong District and two students from Sungai Payang Village, Loa Kulu District, were awarded scholarships for vocational high school (SMK) education. This program not only expands access to education but also serves as a source of motivation for surrounding communities to continue supporting education as a means of building a better future.

## Community-Based Downstream Cocoa Commodity Program in Lung Anai Village



### Program Type

Economic Self-Sufficiency

### Program Investment

Rp154,600,000

### Beneficiaries

15 People  
(Operators of LA Chocolate Production House)

With the majority of the local community working as cocoa farmers, MHU quickly recognized the significant potential of Lung Anai Village in developing cocoa as a key commodity. To maintain economic stability amid changing times, the Company collaborated with the Peduli Desa Nusantara Foundation to design a Community-Based Downstream Cocoa Commodity Program in Lung Anai Village. The program also involved the Kutai Kartanegara Regency Plantation Agency to ensure alignment with local government policies and initiatives.

As part of the program planning, the Company organized training and mentoring sessions featuring experts from the Indonesian Coffee and Cocoa Research Center (Puslitkoka) in Jember, the Kutai Kartanegara Plantation Agency, and the East Kalimantan Provincial Plantation Agency. In February 2024, the Regent of Kutai Kartanegara officially inaugurated the Lung Anai Chocolate Production House located in Lung Anai Village. Today, the chocolate products manufactured there have become a signature product of the Kutai Kartanegara Regency.



The Lung Anai Chocolate Production House is currently managed by a team of 15 members, the majority of whom are women. Twelve women are responsible for various operational activities, while three men operate the production tools and machinery.

## IMPACT

The program has generated broad positive impacts for the community, successfully creating new job opportunities for 15 individuals and increasing income by five times. Additionally, the Chocolate Production House purchases cocoa at prices above the market rate to improve the welfare of local cocoa farmers. At present, it produces chocolate bars in four flavor variants: Dark Choco, Milk Choco, Cheese, and Cashew Nut, with a retail price of Rp40,000 per package.

## AgroEdu Camping Area Development



### Program Type

Economic Self-Reliance



### Program Investment

Rp289,528,600



### Beneficiaries

30 Members  
from the Kutai  
Kartanegara University  
Team as Operators,  
Involving Students



MHU has collaborated with Kutai Kartanegara University in a program to transform former coal mining land into a sustainable education and tourism center. The program, named AgroEdu Camping, combines three key concepts, agriculture, education, and camping, with the following mission:

- 1. Rehabilitate the land:** transform former mining sites into productive and sustainable ecosystems using modern land rehabilitation techniques.
- 2. Provide educational spaces:** offer various educational programs such as agricultural research and nature conservation.
- 3. Facilitate eco-tourism:** offer nature-based activities such as camping and gardening experiences.
- 4. Empower the community:** create employment opportunities and improve the living standards of surrounding communities.



Through the development of this area, the Company has identified several competitive advantages, including a unique concept that integrates education, agriculture, and tourism in one location; a strategic position near the National Capital (IKN); positive environmental

contributions; and strong ecological potential. The Company aims for this site to attract a diverse range of visitors, including students, families, environmental enthusiasts, and tourists.

### IMPACT

The AgroEdu Camping Area Development Program reflects the joint commitment of PT MHU and Unikarta to post-mining environmental recovery, educational advancement, and community empowerment. This area stands as a tangible example of how collaboration between the private sector and academia can produce innovative, impactful, and sustainable solutions for both current and future generations.



## Food-for-Greening Program



In accordance with East Kalimantan Governor Regulation No. 27 of 2021 concerning the Implementation of Priority Programs for Social and Environmental Responsibility as well as the Partnership and Community Development Program, MHU has implemented the Food-for-Greening Program in several locations, including Hidayatullah Islamic Boarding School in Loh Sumber Village, the BEE Edu Park Biodiversity Garden, the Mini Ranch Jayatama Area, and the AgroEdu Camping Area.

In 2024, the Company carried out planting activities across 12.25 hectares of land, using a total of 1,660 seedlings. These included high-value fruit varieties such as Musang King durian, Bawaon durian, Super Tembaga durian, Entok coconut, premium avocado, honey jackfruit, Jember Super longan, Lai Mahakam, wanyi, mundu, kledang, ramania, lhau, matoa, pineapple, and California papaya. The program aims to support food security and improve the local economy, particularly through the cultivation of high-value fruit species.



### Program Type

Economic  
Self-Reliance

### Program Investment

Rp363,700,000

### Beneficiaries

3 Locations Managing the Food-for-Greening Program (Loh Sumber Village, Bangun Rejo Village, and Jonggon Jaya Village)

### IMPACT

Through this program, the Company contributes to environmental conservation and biodiversity enhancement in the selected locations. Beyond ecological benefits, the initiative positively impacts the community by creating income-generating opportunities through harvest yields, agrotourism development, and community involvement in sustainable agricultural practices. As a result, the program not only strengthens local food resilience but also promotes long-term economic self-reliance for surrounding communities.

The following is a breakdown of the CSR programs implemented by MMSGI in 2024 as a demonstration of its commitment to making a positive contribution to surrounding communities and the environment.



## EDUCATION

Budget  
Realization

Rp1,360,814,000

Beneficiaries

1,564 Individuals

### Implemented Activities

- Bachelor's Degree Scholarship Program for residents of MHU's ring-1 area to study at Kutai Kartanegara University (second year of implementation);
- Funding for recipients of the "Kukar Idaman" Education Scholarship at SMK Wikrama 1 Garut and Bogor for the 2024/2025 academic year;
- Independent scholarship support for the Village Head of Jonggon Jaya to pursue a master's degree at Muhammadiyah University of East Kalimantan (UMKT);
- Industrial field study visits to UPN Veteran Yogyakarta, Mulawarman University, and Kutai Kartanegara University;
- Site visit by the Faculty of Engineering, Kutai Kartanegara University, for Mining Business Process Study;
- Student mentoring under the OJK Program from January to December 2024;
- 2nd International Student Exchange of the Faculty of Forestry, Mulawarman University in 2024 to PT MHU and PT MHU-supported Lamin 1001 Mandau;
- Support for the 9th "Geography Science Olympic" in 2024 held by the Geography Education Program, Faculty of Teacher Training and Education, Mulawarman University;
- "Teaching & Travelling 1000 Teachers Samarinda" activity with students of SDN 014 Filial, Lung Anai Village;
- Provision of facilities and infrastructure for Madrasah Ibtidaiyah Al-Huda Bendang, Lok Bahu, Sungai Kunjang, Samarinda;
- Support for extracurricular jersey procurement at SMK Negeri 6 Samarinda;
- Education development for students of SMA Negeri 3 Loa Kulu, Sungai Payang Village, through the Provision of Reading Books and Independent Curriculum Textbooks Program;
- Support for the education program at SMPN 25 Samarinda, Bendang Lok Bahu;
- Unikarta Mart facility as a display space for student entrepreneurship and MSME products;
- "Mining Science Week 5.0" organized by the Student Association of Mining Engineering, Mulawarman University;
- "Chemist Fun Day XVI 2024" organized by the Student Association of Chemistry Education, Mulawarman University;
- Educational Program Synergy between MHU and Mulawarman University through a Working Visit to Universiti Teknikal MARA Sdn Bhd and Universiti Tuanku Abdul Rahman in Malaysia;
- Launch of certificate distribution for Paket A, B, and C by the Regent of Kutai Kartanegara;
- Lorong Bazaar activity at Kutai Kartanegara University.



## HEALTH

Budget  
Realization

Rp436,520,000

Beneficiaries

1,157 Individuals

### Implemented Activities

- Blood donation event during the Opening of OHS (K3) Month in collaboration with the Indonesian Red Cross (PMI) of Kutai Kartanegara Regency
- Tenggara City Run 2024 event
- Blood donation campaign at PT MHU and partner workplaces to commemorate World Blood Donor Day 2024
- Support for government programs promoting clean and healthy living behaviors to prevent rising stunting rates in Loa Village
- Support for free medical check-ups and treatment for communities in Kuntap Hamlet, Sungai Payang Village, and Loa Kulu District
- Joint program for stunting prevention efforts in Loa Kulu District
- Joint program for stunting prevention efforts in Loa Janan District
- Visit by the Faculty of Mining Engineering, Kutai Kartanegara University, for an Industrial Field Study on the Mining Business Process at PT MHU
- Free mass circumcision program under the theme "Khitan Berkah Nusantara" in Jembayan Tengah
- Provision of clean water facilities in Data Rawa, RT 23, Loa Gagak Hamlet, Loa Kulu Kota Village
- Fulfillment of healthcare facility needs at Jonggon Health Center
- Shorinji Kempo Championship event in Loa Kulu Kota Village
- "Loa Kulu Kota Village Head Cup" Open Volleyball Tournament in Loa Kulu District
- Provision of healthcare facilities at Loa Gagak Polindes and Mawar Posyandu in Loa Gagak Hamlet, Loa Kulu Kota Village



## REAL INCOME OR EMPLOYMENT LEVEL

Budget  
Realization

Rp2,433,116,200

Beneficiaries

375 Individuals

### Implemented Activities

- Livestock management and agro-edutourism development at Mini Ranch Jayatama
- Fisheries activity by the Fish Farmers Group (Pokdakan) "Panjok Bersama" in RT 16, Berhala Hamlet, Loa Kulu Kota Village
- Feed provision, technical assistance, and supporting facilities for the KUB Chicken Farming Program in Batu Hitam Hamlet, Loa Duri Seberang Village
- Cultivation of citronella (*Cymbopogon nardus*) on 1 hectare of post-mining land in Jayatama
- Initial feasibility study assistance for essential oil production development in Jayatama
- Establishment of the AgroEdu Camping area within Mini Ranch Jayatama in collaboration with Kutai Kartanegara University
- Visit by BSIP TROA Bogor for citronella development planning in Jayatama
- Support for the KTNA (Farmers and Fishermen Group) representatives of Kutai Kartanegara Regency to participate in the 2024 KTNA National Rembug Utama and Expo in Bali



- Pilot project for the planting of Super Jember longan in the former mining area of Mini Ranch Jayatama – Phase 1
- Continued planting of Super Jember longan in the former mining area of Mini Ranch Jayatama – Phase 2
- Development of goat farming (including silage-making equipment) in Sungai Pimping, Loa Duri Village
- Development of pig farming in Kutai Baru, Loa Duri Seberang Village
- Lomba Asah Terampil (Skills Challenge) for farmer groups and joint rice harvest in RT 012, Jembayan Village, Loa Kulu District
- Support for two local deer caretakers (Wakar Rusa) as part of workforce strengthening from communities surrounding the mining area based on their competencies



## ECONOMIC SELF-RELIANCE

Budget  
Realization

Rp600,815,000

Beneficiaries

638 Individuals

### Implemented Activities

- Entrepreneurship training for MSMEs, including hydram pump operation and fisheries training for residents of Sungai Payang Village
- Economic condition mapping support for mosque caretakers (marbot) in PT MHU's Ring-1 villages
- Assistance with halal certification for Lung Anai Chocolate products
- Support for carpentry business development under the Joint Business Group (KUB) Koetai Harapan Utama in RT 017 LKCT, Loa Kulu Kota Village
- Operational funding for Bumdesa Lung Anai to participate in packaging design review for the IKN region, featuring Lung Anai Chocolate products
- Technical and mentoring assistance for the program's participation in the 2024 Regional Autonomy Application Expo at JCC Senayan, Jakarta
- Batik training for female inmates at Class IIA Prison, Tenggarong
- Support for Pusma Fest 2024 at Kutai Kartanegara University
- Support for tempeh product diversification in Loh Sumber Village
- Tempeh processing training for the women's group (PKK) in Loh Sumber Village
- Capacity development program for a chicken feed factory managed by Bumdesa Loa Duri Ilir
- Economic self-reliance program for mosque caretakers in PT MHU's mining ring area
- Packaging development for Loa Kulu Tempe Chips produced by the PKK of Loh Sumber Village
- Business development support for KUB Koetai Harapan Utama in RT 17 LKCT, Loa Kulu Kota Village, through provision of multifunctional planers and wood lathes
- Development and empowerment of MSME Zyusna Cake Variety in Loa Kulu Kota Village
- Market expansion for MSMEs by promoting fostered products as souvenirs for PT MHU stakeholders and guests
- Repair of chocolate production machinery and cocoa butter subsidies for Lung Anai Chocolate House
- Production of a profile video for PT MHU's CDE/CSR Program (Lung Anai Chocolate) and advertorial collaboration via GO CSR Kaltim
- MSME development of Suharti Snack Variety in RT 04, Loa Kulu Kota Village

- Development of Amplang Balet MSME product (made from swiftlet nest)
- Inauguration of the Free-Range Chicken Breeding Program by Balitbangtan in Batu Hitam Hamlet, Loa Duri Ulu Seberang Village
- Support for the stingless bee (kelulut) honey farming program based on coffee plants in Jonggon Jaya Village
- Support for the inauguration of Lung Anai Chocolate Production House by the Regent of Kutai Kartanegara
- Stage III chocolate product processing training/technical guidance in Lung Anai Village, Loa Kulu District
- Economic empowerment of the RT 28 Pesona Mahakam Women's Group through skills training and business capital assistance
- Participation of MSMEs from three fostered villages in the 2024 Village-Owned Enterprise (Bumdes) Expo in Samarinda
- Participation in the Minerba CDE Blueprint Expo in Balikpapan
- Souvenirs for the visit of the Inspectorate General of the Ministry of Energy and Mineral Resources (KESDM) to PT MHU Site
- Participation of PT MHU in the 2024 Minerba Expo at Balai Kartini, Jakarta



## SOCIAL AND CULTURAL

Budget  
Realization

Rp1,038,800,000

Beneficiaries

7,206 Individuals

### Implemented Activities

- Pujawali Celebration at Pura Payogan Agung Kutai 2024 in Tenggarong, Kutai Kartanegara Regency
- Commemoration of Isra Miraj of Prophet Muhammad SAW 1445 H in PT MHU's Ring-1 Mining Area Villages
- Support for funeral tent and chair provision in Sepakat Village, Loa Kulu District
- Assistance for the construction of Adkhuliy Jannati Mosque in Data Rawa, RT 23, Loa Kulu Kota Village
- Participation in the 2024 Ramadan Safari of the Regent of Kutai Kartanegara through distribution of food packages for underprivileged residents
- Easter Celebration 2024 in PT MHU's Ring-1 Mining Area Villages
- Revitalization of musical instruments for Majelis Syabaabul Munawwar Habsyi group
- Renovation support for the church and pastor's house of GPdI Church in Jembayan Dalam Village
- Support for the 11th Sub-District MTQ of Tenggarong held in Jahab Sub-district
- Support for the 45th Sub-District MTQ of Loa Janan in 2024
- Provision of sacrificial animals to Ring-1 villages and PT MHU stakeholders for Eid al-Adha 1445 H
- Assistance for fencing construction of Adkhuliy Jannati Mosque in Data Rawa, RT 23, Loa Kulu Kota Village
- Support for community participation in the 6th Sub-District MTQ of Loa Kulu in Jembayan Dalam Village
- Support for STQ in Sungai Payang Village and Sub-District MTQ of Loa Kulu 2024
- Commemoration of the Prophet Muhammad SAW's Birthday 2024 in PT MHU's Ring-1 Mining Area Villages
- Christmas Celebration 2024 in PT MHU's Ring-1 Mining Area Villages

- Support for the Inauguration of the Acting Village Head (PJ) of Loa Duri Seberang
- 2024 Rice Harvest and Nutuq Baham Festival in Putak Hamlet
- Support for the Latsitarda program in Kutai Kartanegara Regency
- 4th Kampong Seraong Festival in Jembayan Tengah Village
- "Village Head Cup" Open Volleyball Tournament in Loh Sumber Village, Loa Kulu District
- Local cultural event "Uman Ubek" Harvest Festival in the Cultural Village of Lung Anai
- 18th Anniversary of Jembayan Dalam Village, Loa Kulu District
- General Assembly and Pekenog Tawai of the Dayak Kenyah Lepoq Jalan Community
- Hamlet Clean-up/Earth Almsgiving event in Marangan Hamlet, Loh Sumber Village
- "Desa Bersatu" activity celebrating the 10th Anniversary of the Village Law in Loa Duri Ulu
- 79th Indonesian Independence Day Celebration in the Ring-1 area around the mine
- Thanksgiving event for the 53rd Anniversary of Sungai Payang Village, Loa Kulu District
- Ketinting Boat Race Competition in Loa Kulu Kota Village
- 42nd Anniversary Celebration of Purwajaya Village, Loa Janan District



## PROVIDING OPPORTUNITIES FOR LOCAL COMMUNITIES TO PARTICIPATE IN ENVIRONMENTAL MANAGEMENT

Budget  
Realization

**Rp243,150,000**

Beneficiaries

**2,775** Individuals

### Implemented Activities

- Provision of greening seedlings for the Great Mosque of Tenggarong
- Food-for-Greening (PUP) Program covering 2.5 hectares at the Kelulut Education Park in Tenggarong Seberang and Sungai Payang
- Waste management activities across five villages in Loa Kulu District through joint collaboration between PT ABP, PT MPP, and PT MHU from January to June 2024
- Food-for-Greening (PUP) Program at Hidayatullah Islamic Boarding School, Loh Sumber Village
- Support for the Climate Village Program (ProKlim) in Panji Sub-district, Tenggarong District
- Greening program through durian seedling planting in collaboration with Military Command 0906/KKR in Margahayu Village, Loa Kulu District
- Electric motorcycle conversion program in collaboration with the Ministry of Energy and Mineral Resources (ESDM) and other mining companies
- Working visit by the Acting Governor of East Kalimantan to the Jayatama Area, Jonggon Jaya Village, regarding PT MHU's post-mining land management





## COMMUNITY INSTITUTION BUILDING TO SUPPORT CDE SELF-RELIANCE

Budget  
Realization

**Rp417,320,000**

Beneficiaries

**646** Individuals

### Implemented Activities

- Visit by the jury panel of the 2024 CSR & PDB Award to PT MHU and its supported communities
- Social mapping activities in villages of West Kutai and Mahakam Ulu Regencies within the working area of PT Pari Coal
- Funding support for the 2024 CSR & PDB (Sustainable Village Development) Award ceremony
- Support for DPMPTSP FC in the inter-club/agency mini soccer tournament in Kutai Kartanegara Regency
- Co-funding for the 2024 Top CSR Award
- Creation of entrepreneurship opportunities for the "Tiga Tawai" Youth Organization (Karang Taruna) in Lung Anai Village, Loa Kulu District
- Support for the 52nd PKK Movement Unity Day at the Kutai Kartanegara Regency level for the Loa Kulu Subdistrict PKK
- Assistance for the benchmarking visit of Posyandu cadres, Village Government, and PKK of Jembayan Village to Bantul Regency, Yogyakarta
- Retreat event for Sunday School children of the Synod of United Pentecostal Church of Indonesia (GPSI) across East Kalimantan
- Support for the Gema Muharram 1446 H event in Loa Kulu Kota Village
- Social service activities by the "IDAMAN" Youth Organization of Kutai Kartanegara Regency
- Support for the 3rd IPSI Cup Subdistrict-Level Pencak Silat Championship in Loa Janan
- Participation in the Kaltim Expo at the East Borneo Internal Folklore Festival (EBIFF) 2024, in collaboration with PT MHU and the East Kalimantan Environmental Agency (DLH)
- Institutional strengthening program for Sabillal Rasyad Islamic Boarding School in Bendang
- Working visit by the Minister of Villages, Development of Disadvantaged Regions, and Transmigration (PDTT) to Lung Anai and Sungai Payang Villages



## DEVELOPMENT OF INFRASTRUCTURE THAT SUPPORT PPM

Budget  
Realization

**Rp2,304,512,600**

Beneficiaries

**5,884** Individuals

### Implemented Activities

- Assistance for relocating the E-West Hydram Pump in Sungai Payang Village, Loa Kulu District
- Bore well construction and pipeline network installation in Bukit Rahmat, Putak Hamlet, Loa Duri Ilir Village
- Installation of a canopy at the Chocolate Production House in Lung Anai Village
- Renovation of the Cocoa Drying House in the Cultural Village of Lung Anai
- Construction of a clean water storage station in Tudungan Hamlet 2, Jembayan Tengah Village
- Installation of window grilles for the Loa Duri Seberang (Sungai Pimping) Preparatory Village Office

- Road elevation support for the connecting road in Tundungan Hamlet, Jembayan Tengah Village
- Construction of lodging huts and fencing for cattle security at Mini Ranch Jayatama
- Repair of the dock/boat mooring in Selingsing Hamlet, Jembayan Tengah Village
- Provision of supporting facilities for the Great Mosque of Sultan Aji Muhammad Sulaiman, Tenggara
- Equipment support for PT MHU's river crossing boat serving Loa Kulu Kota Village
- Construction of toilet and ablution facilities at Nur Hikmah Prayer House, Rempanga Hamlet, Sungai Payang Village
- Development of Muslim cemetery facilities in RT 10, Loa Buah Sub-district, Sungai Kunjang District
- Provision of infrastructure and facilities within the Agro Edu Camping Area (Mini Ranch Jayatama), Jonggon Jaya Village
- Construction of a water reservoir tank within the Agro Edu Camping Area (Mini Ranch Jayatama), Jonggon Jaya Village
- Installation of solar-powered street lights and replacement of household LED lights in Loa Village
- Provision of community sports facilities at the Loa Kulu Kota Literacy Park, Loa Kulu District
- Provision of support facilities for the Sungai Payang Ilir Village Office, Loa Kulu District
- Additional electricity supply (PLN) for the Kemah Injil Indonesia Church in the Cultural Village of Lung Anai
- Construction of the Sungai Payang Village Office
- Installation of clean water distribution network in RT 23, Datarawa Hamlet, Loa Kulu Kota Village, Loa Kulu District
- Provision of table tennis facilities at the Loa Kulu Sub-District Office
- Connection of clean water pipelines/household taps and water treatment at the WTP Lebaho Lais in Lebaho Lais Hamlet, Jembayan Dalam Village
- Upgrading of facilities to support MSME development around the Great Mosque of SAMS Tenggara

## PROGRAM MANAGEMENT AND COMMUNITY RELATIONS EVALUATION

The Company manages all complaints, reports, and feedback from the community in accordance with established procedures, emphasizing deliberation principles and compliance with applicable laws. During the reporting period, the Company received complaints from local communities regarding social and environmental impacts across MMSGI's operational areas. All complaints were addressed thoroughly and responsively by MMSGI's External Team. Moving forward, the Company will continue to improve its grievance handling mechanism to ensure a sustainable and harmonious relationship with the community.

To ensure the CSR programs are implemented effectively and provide optimal benefits, MMSGI conducts assessments using the Social Return on Investment (SROI) approach. This method allows the Company to measure the economic value generated by each CSR program, particularly for communities and beneficiaries. Beyond measuring impact, SROI also enables the Company to identify areas for improvement to make programs more targeted, sustainable, and capable of delivering greater added value to society.

SROI  
CALCULATIONS  
CONDUCTED  
THROUGHOUT  
2024



Goat Program in  
Tudungan Hamlet

6.20



Equivalency  
Education Kejar Paket  
ABC Program

3.59

## SOCIAL COMMITMENT IN MINE CLOSURE PLANNING

The Company acknowledges that mining activities have a finite operational cycle, making it essential to anticipate potential social impacts that may arise during mine closure. Therefore, the Company proactively designs its mine closure programs by considering social aspects from the early stages of operations. This process begins with conducting a social baseline study to understand the characteristics, needs, and potential of communities surrounding the mining area.

The Company has developed its closure plan even before mining operations commenced, ensuring that social considerations are embedded as an integral part of its long-term strategy. In addition, the Company collaborates with various external stakeholders, such as the PEDE Nusantara Foundation, Kutai Kartanegara University, Jember Institute, and Village-Owned Enterprises (BUMDes), to implement economic diversification programs that help communities remain resilient after mining activities have ended.

### CSR PROGRAMS DESIGNED AS PART OF MINE CLOSURE PREPARATION



Collaboration  
between MHU  
and PEDE  
Nusantara  
Foundation

Free-Range Chicken Farming Program  
(Balitbangtan Superior Breed)

Cocoa Plantation Downstreaming Program  
through the Development of Lung Anai  
Chocolate Products

Citronella Plant Research on Post-Mining  
Land (Mini Ranch Jayatama Area)

Goat Farming Downstreaming Program in  
Jembayan Tengah Village (currently in the  
planning stage)



Collaboration  
between MHU and  
Kutai Kartanegara  
University

Development of an AgroEdu  
Camping Area Concept on MHU's  
Former Mining Site





Collaboration  
between MHU  
and Jember  
Institute

Planting of Super Jember Longan  
in the Jayatama Area



Collaboration  
between MHU  
and BUMDes  
Sungai Payang

Clean Water Facility Management  
Program in Sungai Payang Village  
Using Water Sourced from the  
Former E-West Mining Void



Collaboration  
between MHU  
and BUMDes  
Margahayu

Clean Water Facility Management  
Program in Margahayu Village Using  
Water Sourced from the Former  
Mining Void

The Company conducts comprehensive social impact assessments to identify potential socio-economic risks and challenges to community well-being. In addition, a social mitigation plan is prepared to minimize the negative impacts of mine closures, such as job losses and a decline in economic activity.

The Company is committed to actively and continuously involving stakeholders at every stage of the mine closure process, from initial planning to the future implementation of closure programs. Through this participatory approach, voices, aspirations, and concerns of the community and relevant stakeholders are accommodated in a transparent and constructive manner.

# SECURITY PRACTICES



MMSGI's comprehensive approach to security practices includes early detection, prevention, and response to potential threats to both operational activities and surrounding environments. The Company places strong emphasis on respecting individual rights, ensuring that all security activities are conducted ethically, transparently, and in compliance with applicable regulations and standards. [GRI 3-3]

The Company routinely evaluates its security personnel in accordance with MMSGI's Human Rights Policy No. MMSGI-KBJ-PSL-03, a strategic effort to maintain operational stability and the safety of stakeholders. Evaluations include thorough assessments of potential threats and the classification and severity of potential impacts with results serving as the basis for designing effective and efficient security responses tailored to specific risks.

The Company partners with trained and certified private security providers to safeguard its operations. Security personnel receive regular training and awareness sessions aligned with applicable laws and regulations to ensure they act within legal boundaries and in accordance with human rights principles. Security staff are equipped with tools appropriate to their assigned duties, ensuring

that human rights are not compromised. Additionally, the Company maintains transparent communication and collaboration with private and public security authorities to ensure safety.

The Company also conducts regular audits and assessments of its security service providers to ensure they not only comply with operational standards and legal requirements but also apply responsible and ethical security practices. As the audits cover aspects of the Coal Mining Safety Management System, the Company is promoting the development of a professional, reliable, and human rights-aligned security system.

The Company provides an accessible and transparent grievance mechanism for reporting alleged misconduct involving security personnel, whether internal or from third parties. This mechanism is available to employees, local communities, and other stakeholders through the whistleblowing system (WBS) via the email: [whistleblower@mmsgroup.co.id](mailto:whistleblower@mmsgroup.co.id). Each report received is followed up by the relevant unit through verification, investigation, and resolution processes conducted objectively and in accordance with applicable procedures.





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ABOUT  
THE REPORT





## REPORTING PERIOD AND CYCLE

[2-3] [2-4]



MMSGI publishes the 2024 Sustainability Report as a continuation of the previous report released in August 2024. This report presents information on the Company's sustainability activities and performance for the period from January 1 to December 31, 2024. It also includes historical data from the past three years, covering January 1, 2022 to December 31, 2024, to provide context for the changes and trends that have occurred. This report is published annually and includes restated data from the previous year. Any restatements from the prior report are clearly indicated alongside the respective data or information.

## REPORT SCOPE AND BOUNDARIES

[2-2]



This report presents consolidated information from MMS Group Indonesia as the holding company, as well as from one of its key subsidiaries, PT Multi Harapan Utama (PT MHU), which contributes more than 95% of the Group's current total revenue. Environmental topics and two social sub-topics—Community Development and Occupational Health & Safety (OHS)—are developed based on the activities and initiatives carried out by PT MHU as it covers majority activities. Meanwhile, disclosures on Governance topics and the Social sub-topic related to Employment are based on aggregated data from several subsidiaries under MMS Group Indonesia, reflecting the Group-wide governance and employment practices.

## REPORTING STANDARDS



MMSGI has reported in accordance with the Global Reporting Initiative (GRI) Standards 2021. In addition, this report also refers to other international standards and initiatives, such as the Sustainable Development Goals (SDGs). To assist readers, GRI disclosure references are provided at the end of relevant sentences or paragraphs.

## REVIEW AND EXTERNAL ASSURANCE

[2-5] [2-14]



During this reporting period, the Company has not conducted external assurance for the Sustainability Report. However, the entire content of the report has undergone a verification and review process by the Sustainability Committee to ensure the accuracy, transparency, and accountability of the information presented. Additionally, the preparation of this report falls under the responsibility of the President Director.



## FEEDBACK



In the previous reporting period, the Company did not receive any feedback from readers; therefore, no specific follow-up actions were taken. Nevertheless, the Company remains committed to continuously improving the quality of information disclosure in this report. MMSGI welcomes comments, suggestions, and ideas from readers as valuable input for future reporting improvements. Feedback can be submitted using the provided form and sent to: [info@mmsgroup.co.id](mailto:info@mmsgroup.co.id).

## ACCESS TO SUSTAINABILITY REPORT INFORMATION



This report is intended for all stakeholders as a reference to assess MMSGI's performance in environmental, economic, and social aspects. The report is available in both Indonesian and English and can be accessed and downloaded from the Company's official website at [www.mmsgroup.co.id](http://www.mmsgroup.co.id).

For further information, stakeholders, investors, and other interested parties may contact the designated contact point provided.

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## MATERIALITY ASSESSMENT



Materiality assessment serves as a foundation for advancing sustainability efforts, as it enables the Company to identify and prioritize issues most relevant to both the business and its stakeholders. The Company reviews materiality analysis results annually and conducts a comprehensive update at least every two years, or sooner if significant changes occur in business activities. The materiality assessment is conducted in accordance with the Materiality Analysis Policy Number MMSGI-KBJ-PSL-01.



## DOUBLE MATERIALITY ASSESSMENT PROCESS



During the reporting period, MMSGI applied a double materiality assessment in determining material topics, taking into account two key dimensions: the impact of sustainability issues on society and the environment (impact materiality), and their effect on the Company's value and performance (financial materiality).

Through this approach, MMSGI evaluates material topics based on the following dimensions:

- **Financial materiality**, which refers to how sustainability issues may affect the Company's financial performance; and
- **Impact materiality**, which considers how MMSGI's activities impact the environment and society, either directly or indirectly.

Identification of Sustainability Issues	Identification of Actual and Potential Impacts, as well as Risks and Opportunities	Double Materiality Assessment	Review of Material Topics
This stage involves comprehensive information gathering and analysis to identify the most relevant and significant social, environmental, and economic issues for the Company.	Identifying matters related to sustainability and ESG issues, including impacts, risks, and opportunities across the Company's activities and value chain. This stage resulted in the identification of 14 material topics.	<ul style="list-style-type: none"> <li>• Conducting an Impact Materiality assessment, which evaluates sustainability issues that affect surrounding communities and the environment.</li> <li>• Conducting a Financial Materiality assessment, which evaluates sustainability issues that affect the Company's financial performance.</li> <li>• Establishing material issue priorities based on the results of the double materiality assessment.</li> </ul> <p>The assessment of sustainability issues is carried out through a materiality survey distributed to both internal and external stakeholders.</p>	The results of the materiality assessment are reported to the Sustainability Committee and approved by the Board of Directors. These material topics then serve as the basis for setting the Company's strategies and targets.

## MATERIALITY ASSESSMENT RESULTS

[3-1] [3-2] [3-3]



During the reporting period, there were changes in material topics compared to the previous year due to evolving external dynamics, increased focus on climate change, and the adoption of enhanced disclosure approaches for sustainability issues and related risks. Each material topic is presented with clearly defined reporting boundaries, addressing both the impacts on the Company and on stakeholders, to ensure the relevance and accuracy of the information disclosed. The results of the materiality assessment are also integrated into the Company's strategy, risk management, and sustainability reporting.

Topic	Boundaries Topic		Reporting Index
	Within MMSGI	Outside MMSGI	
Economic	●	●	GRI 202, 203
Emissions	●	●	GRI 305
Energy	●	●	GRI 302
Biodiversity	●	●	GRI 304
Waste Management	●	●	GRI 306
Water and Effluents	●	●	GRI 303
Community and Stakeholder Engagement	●	●	GRI 413
Occupational Health and Safety	●	●	GRI 403
Fair Employment and Human Capital Development	●	●	GRI 401, 402, 404, 405, 406
Governance	●	●	GRI 2-27, 308, 414
Business Ethics	●	●	GRI 205, 206, 415
Climate Adaptation, Resilience, and Transition	●	●	GRI 305
Closure and Rehabilitation	●	●	GRI 304
Human Rights	●	●	GRI 407, 408, 409, 411,

**Note:**

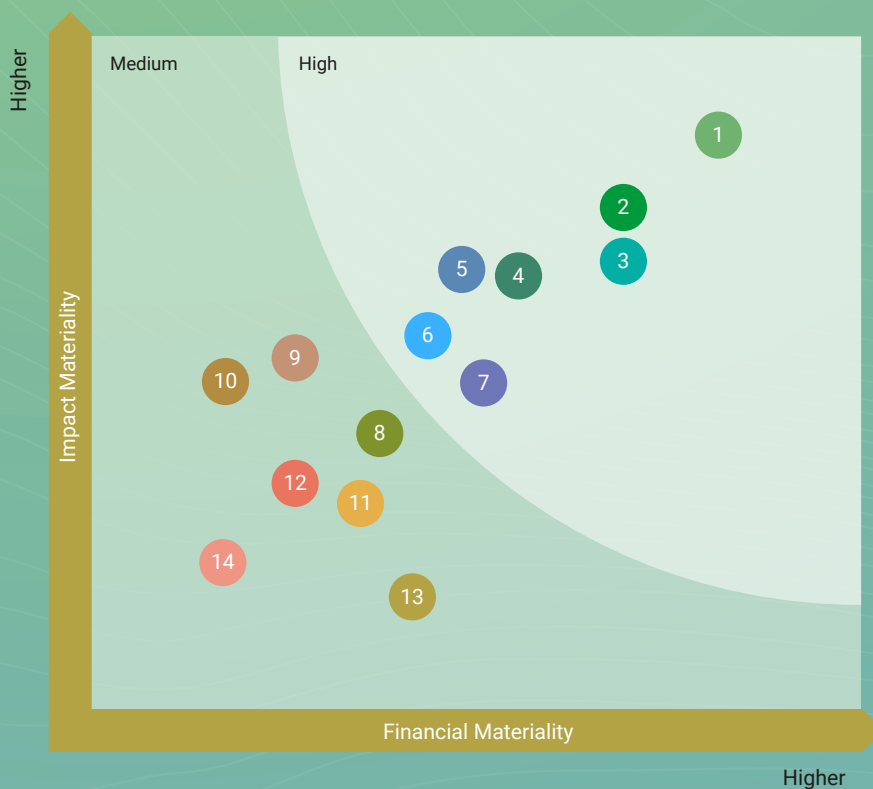
Reporting boundaries for material topics are defined as follows:

1. Within MMSGI, including the sustainability performance of MMSGI subsidiaries covered in this report, such as MHU; and
2. Outside MMSGI, including surrounding communities.

## MATERIALITY MATRIX



Based on the results of the materiality assessment, the prioritization of material topics is presented in the following materiality matrix:



### Material Topics:

- |   |  |
|---|--|
| 1. Economic                             | 8. Water and Effluents                             |
| 2. Waste Management                     | 9. Human Rights                                    |
| 3. Community and Stakeholder Engagement | 10. Fair Employment and Human Capital Development  |
| 4. Occupational Health and Safety       | 11. Business Ethics                                |
| 5. Closure and Rehabilitation           | 12. Emissions                                      |
| 6. Energy                               | 13. Governance                                     |
| 7. Biodiversity                         | 14. Climate Adaptation, Resilience, and Transition |

The 2024 materiality assessment results indicate that economic performance ranks as a highly significant topic within the materiality matrix, both in terms of impact and financial materiality. This reflects the growing concern of both internal and external stakeholders regarding economic sustainability, in response to ongoing global uncertainty and instability.

Conversely, the emissions topic, which was positioned in the upper-right quadrant of the matrix in 2023, shifted out of that quadrant in 2024. Nevertheless, emissions remain highly material in terms of impact, reflecting the Company's continued commitment to environmental management and climate change mitigation.



This shift in position reflects adjustments made in response to evolving external dynamics and broader stakeholder expectations. Nevertheless, the Company remains consistent in its responsible emissions management, focusing on enhancing capabilities in monitoring, reporting, and implementing mitigation initiatives aligned with international standards.

This approach reflects the Company's commitment to continuously balancing short-term economic priorities with long-term environmental sustainability in an integrated manner.

## MANAGEMENT OF MATERIAL ISSUES IMPACTING THE COMPANY AND STAKEHOLDERS



MMSGI has identified three key material topics and manages them strategically as part of its efforts to drive long-term value creation for the Company and its stakeholders.

Topic	Materiality Consideration (Business Case)	Impact on Business	Business Strategy	Targets Linked to the Material Topic	Target Year	Progress	Executive Compensation
Fair Employment and Human Capital Development	The absence of the centralized digital learning platform, low participation in conventional training sessions, and limited knowledge & limited knowledge-sharing platform among teams.	Cost:  Rationale: The lack of a centralized digital learning system leads to higher expenses for formal training sessions and limits participation, resulting in inefficient use of training budgets.	Develop and implement an efficient, centralized, and engaging online learning platform with broad employee participation, called Sharing and Education to Raise Understanding (SERU).	Conduct 16 learning sessions with an overall satisfaction score ranging from 3.5 to 4.0.	2025	By the end of the reporting period, six SERU sessions had been conducted at the holding company level, engaging 420 participants over a span of four months and achieving an average satisfaction score of 3.65. Pilot implementation at subsidiary companies is planned for the next phase.	N/A

Topic	Materiality Consideration (Business Case)	Impact on Business	Business Strategy	Targets Linked to the Material Topic	Target Year	Progress	Executive Compensation
Energy, Water and Effluents	Manual operations resulted in extended fulfilling times. Increase downtime. And unnecessary energy consumption due to equipment being left running continuously.	Cost:  Rationale: Excessive energy use caused by prolonged manual operations and unattended equipment increase operational costs.	Install proximity sensors on water trucks and transition from diesel engines to induction motors to improve energy use efficiency and water use efficiency.	Reduce energy consumption from 80.54 GJ per month to 20.59 GJ per month and improve water use efficiency by up to 68%.	2025	Monitor the implementation of the ongoing system to track energy and water efficiency performance.	N/A

In addition, the following material topics are also considered important to external stakeholders and are therefore managed specifically to address their expectations and needs.

Topic	Cause of Impact	External Stakeholders/ Evaluated Impact Areas	Topic Relevance to External Stakeholders	Output Metrics	Impact Valuation	Impact Metrics
Community and Stakeholder Engagement  (LA Chocolate House Program)	Operations	Communities	This topic is considered material for the Company as it has a direct impact on operational activities and an indirect influence on relationships with surrounding communities. If not managed properly, it may pose risks that could disrupt business continuity and diminish stakeholder trust.	Community perspective	SROI is still under evaluation	Community Perspective
Community and Stakeholder Engagement  (Empowerment of BUMDes Sungai Payang)	Operations	Communities	This topic is considered material not only because it affects the Company's operational activities but also due to its broader impact on relationships with local communities. The Company addresses this through community development initiatives designed to prepare local communities for the post-mining period. The goal is to foster self-reliant and prosperous communities capable of sustaining their livelihoods independently of mining activities.	Community perspective	SROI: 4,27	Community Perspective





## STAKEHOLDER ENGAGEMENT



The Company recognizes that stakeholder engagement plays a vital role in supporting business sustainability and informed decision-making. Stakeholders are defined as individuals or entities affected by the Company's activities and those who have influence over its strategy and goal achievement. In line with this, the Company actively and continuously collaborates with both internal and external stakeholders, taking into account shared interests and fostering mutually supportive relationships.

## STAKEHOLDER GROUP IDENTIFICATION METHOD



As part of its sustainability commitment, the Company consistently engages stakeholders through mechanisms designed in accordance with the principles outlined in ISO 26000.

This approach encompasses:

- **Inclusivity** – Ensuring the active participation of all stakeholders in supporting a strategic and accountable response to sustainability issues, while demonstrating how the Company addresses their expectations.
- **Materiality** – Assessing issues that are relevant and significant to both the Company and its stakeholders, and that may influence decisions, actions, and performance.
- **Responsiveness** – Demonstrating the Company's response to issues affecting sustainability performance through transparent decision-making, actions, and communication.

The results of issue identification serve as the foundation for stakeholder engagement, prioritization of key issues, and the formulation of programs aligned with their needs and expectations. The following outlines the stakeholder identification methods applied:

- **Dependency (D)**  
Groups or individuals who are directly or indirectly dependent on the company's activities, products, services, or performance—or vice versa.
- **Responsibility (R)**  
Groups or individuals who currently have, or may have in the future, legal, commercial, operational, or ethical/moral responsibilities; or vice versa.
- **Tension (T)**  
Groups or individuals requiring immediate attention from the organization regarding broader financial, economic, social, or environmental issues.
- **Influence (I)**  
Groups or individuals capable of impacting the Company or its strategic or operational decision-making.
- **Diverse Perspective (DP)**  
Groups or individuals with differing views, providing the Company with new understandings of situations and identifying opportunities for action that might not otherwise occur.
- **Proximity (P)**  
Groups or individuals geographically close to the Company's operational areas.

**TABLE OF STAKEHOLDER ENGAGEMENT [2-29] [2-30]**

Stakeholder	Basis of Identification	Engagement Method	Frequency	Key Topics and Issues Addressed	Expectations of Stakeholders
Shareholders	D, R, I, P	<ul style="list-style-type: none"> <li>GMS</li> <li>EGMS</li> </ul>	Annually	Dividends / business development / governance / management	<ul style="list-style-type: none"> <li>The Company operates productively with improved performance.</li> <li>The Company ensures protection and well-being for its workforce.</li> </ul>
Customers	D, R, I, P	Communication and marketing activities	At any time	Commercial relationships / customer retention / service quality	<ul style="list-style-type: none"> <li>Receiving satisfactory service and service quality.</li> <li>Providing protection to customers, the public, and local communities.</li> </ul>
Employees	D, R, T, I, P	<ul style="list-style-type: none"> <li>Town hall meetings</li> <li>Feedback forms</li> </ul>	<ul style="list-style-type: none"> <li>Two to three times a year</li> <li>Twice a year</li> </ul>	Employment/ employee welfare	<ul style="list-style-type: none"> <li>A comfortable and supportive work environment.</li> <li>Access to training, fair compensation, and opportunities for growth.</li> </ul>
Business Partners and Suppliers	D, R, T, P	<ul style="list-style-type: none"> <li>Investment partner contracts</li> <li>Operational coordination</li> </ul>	As needed	Commercial relationships	<ul style="list-style-type: none"> <li>An objective procurement process.</li> <li>Mutually beneficial partnerships.</li> </ul>
Mass Media	T, I, DP	<ul style="list-style-type: none"> <li>Press releases</li> <li>Media visits</li> <li>Press conferences</li> </ul>	As needed	Program implementation	<ul style="list-style-type: none"> <li>Reliable news sources.</li> <li>Accurate reporting.</li> </ul>
People and Local Communities	D, R, T, I, DP, P	<ul style="list-style-type: none"> <li>Meetings with local communities</li> <li>Aid distribution events</li> </ul>	Regularly conducted meetings	Planning and realization of the Company's CSR activities	<ul style="list-style-type: none"> <li>Implementation of CSR programs.</li> <li>Employment opportunities.</li> </ul>

# GRI CROSS-REFERENCE INDEX TO THE SUSTAINABLE DEVELOPMENT GOALS



SDGs	Business Theme	GRI Standard	GRI Index	Topics	Page
	Economic development	GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	49-50
		GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	51
		GRI 413: Local Communities 2016	413-2	Operations with significant actual and potential negative impacts on local communities	51, 169
	Local communities	GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	167
		GRI 413: Local Communities 2016	413-2	Operations with significant actual and potential negative impacts on local communities	51, 169
	Access to medicine	GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	51
	Air quality	GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	88
			305-2	Energy indirect (Scope 2) GHG emissions	88
			305-6	Emissions of ozone-depleting substances (ODS)	91
			305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	91
	Waste management	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	99-103
			306-2	Management of significant waste-related impacts	99-103
			306-3	Waste generated	99-103
			306-4	Waste directed from disposal	99-103
			306-5	Waste directed to disposal	99-103
	Health benefits	GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	153-154
	Occupational health and safety	GRI 403: Occupational Health and Safety 2018	403-6	Promotion of worker health	137
			403-9	Work-related injuries	128-131
			403-10	Work-related ill health	128-131



SDGs	Business Theme	GRI Standard	GRI Index	Topics	Page
	Training and education	GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	157-158
	Local communities	GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	51, 169-184
	Equality of men and women	GRI 2: General Disclosures 2021	2-9	Governance structure and composition	55-56
			2-10	Nomination and selection of the highest governance body	55-56
		GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	49-50
		GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	51, 169-182
		GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	153-154
			401-3	Parental leave	154
		GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	157-158
			404-3	Percentage of employees receiving regular performance and career development reviews	159
		GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	149-152
			405-2	Ratio of basic salary and remuneration of women to men	153-154
		GRI 406: Non Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	153
	Protection of children and women	GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	143
		GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	143
		GRI 414: Supplier Social Assessment 2016	414-1	New supplier that were screened using social criteria	73
			414-2	Negative social impacts in the supply chain and actions taken	74

## GRI CROSS-REFERENCE INDEX TO THE SUSTAINABLE DEVELOPMENT GOALS

SDGs	Business Theme	GRI Standard	GRI Index	Topics	Page
 <b>6</b> CLEAN WATER AND SANITATION	Water and effluents management	GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	94-95
			303-2	Management of water discharge-related impacts	94-96
			303-3	Water withdrawal	94-96
			303-4	Water discharged	94, 96
			303-5	Water consumption	94-96
	Water-related ecosystem	GRI 304: Biodiversity 2016	304-3	Habitats protected or restored	104-113
			304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	104-113
	Waste management	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	99-103
			306-2	Management of significant waste-related impacts	99-103
			306-3	Waste generated	99-103
			306-5	Waste directed to disposal	99-103
	Access to clean water	GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	51, 169-184
 <b>7</b> AFFORDABLE AND CLEAN ENERGY	Energy efficiency and renewable energy	GRI 302: Energy 2016	302-1	Energy consumption within the organization	84-85
			302-2	Energy consumption outside of the organization	84-85
			302-3	Energy intensity	84, 86
			302-4	Reduction of energy consumption	84, 86-87
			302-5	Reductions in energy requirements of products and services	84, 86
 <b>8</b> DECENT WORK AND ECONOMIC GROWTH	Productive employment and decent work	GRI 2: General Disclosures 2021	2-7	Employees	44, 149-152
			2-8	Workers who are not employees	149
			2-30	Collective bargaining agreements	144, 197
		GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	49-50
		GRI 401: Employment 2016	401-1	New employee hires and employee turnover	146-148
			401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	153-154
			401-3	Parental leave	154

SDGs	Business Theme	GRI Standard	GRI Index	Topics	Page
		GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	144
		GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	157-158
			404-2	Programs for upgrading employee skills and transition assistance programs	118, 157-158
			404-3	Percentage of employees receiving regular performance and career development reviews	159
		GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	149-152
			405-2	Ratio of basic salary and remuneration of women to men	153-154
		GRI 406: Non Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	153
		GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	144
		GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	51
	Resource efficiency in consumption and production	GRI 302: Energy 2016	302-1	Energy consumption within the organization	84-85
			302-2	Energy consumption outside of the organization	84-85
			302-3	Energy intensity	84, 86
			302-4	Reduction of energy consumption	84, 86-87
	Health and Safety Work Environment	GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	125-127
			403-2	Hazard identification, risk assessment, and incident investigation	129
			403-3	Occupational health services	137
			403-4	Worker participation, consultation, and communication on occupational health and safety	122-124
			403-5	Worker training on occupational health and safety	135
			403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	125, 127



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SDGs	Business Theme	GRI Standard	GRI Index	Topics	Page
			403-8	Workers covered by an occupational health and safety	125, 127
			403-9	Work-related injuries	128-131
			403-10	Work-related ill health	128-131
		GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	143
		GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	143
		GRI 414: Supplier Social Assessment 2016	414-1	New supplier that were screened using social criteria	73
			414-2	Negative social impacts in the supply chain and actions taken	74
	Equitable infrastructure development	GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	49-50
		GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	51, 169-182
			203-2	Significant indirect economic impacts	51
	Equal employment opportunity	GRI 2: General Disclosures 2021	2-7	Employees	44, 149-152
		GRI 401: Employment 2016	401-1	New employee hires and employee turnover	146-148
		GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	157-158
			404-2	Programs for upgrading employee skills and transition assistance programs	118, 157-158
			404-3	Percentage of employees receiving regular performance and career development reviews	159
	Local communities	GRI 405: Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	153-154
	Infrastructure investment	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	51, 169-182
	Waste management	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	99-103
			306-2	Management of significant waste-related impacts	99-103

SDGs	Business Theme	GRI Standard	GRI Index	Topics	Page
	Efficient use of natural resources	GRI 302: Energy 2016	306-3	Waste generated	99-103
			306-4	Waste directed from disposal	99-103
			302-1	Energy consumption within the organization	84-85
			302-2	Energy consumption outside of the organization	84-85
			302-3	Energy intensity	84, 86
			302-4	Reduction of energy consumption	84, 86-87
			302-5	Reductions in energy requirements of products and services	84, 86
	Reduce release to air, water and soil	GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	94-95
			GRI 305: Emissions 2016		
			305-1	Direct (Scope 1) GHG emissions	88
			305-2	Energy indirect (Scope 2) GHG emissions	88
			305-3	Other indirect (Scope 3) GHG emissions	88
			305-6	Emissions of ozone-depleting substances (ODS)	91
			305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	91
	Waste Management	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	99-103
			306-2	Management of significant waste-related impacts	99-103
			306-3	Waste generated	99-103
			306-4	Waste directed from disposal	99-103
			306-5	Waste directed to disposal	99-103
	Resilience to climate-related hazards and natural disasters	GRI 302: Energy 2016	302-1	Energy consumption within the organization	84-85
			302-2	Energy consumption outside of the organization	84-85
			302-3	Energy intensity	84, 86
			302-4	Reduction of energy consumption	84, 86-87
			302-5	Reductions in energy requirements of products and services	84, 86
		GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	88
			305-2	Energy indirect (Scope 2) GHG emissions	88
			305-3	Other indirect (Scope 3) GHG emissions	88

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SDGs	Business Theme	GRI Standard	GRI Index	Topics	Page
	Address the impacts of ocean acidification	GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	88
			305-2	Energy indirect (Scope 2) GHG emissions	88
			305-3	Other indirect (Scope 3) GHG emissions	88
			305-4	GHG emissions intensity	88-89
			305-5	Reduction of GHG emissions	88, 90-91
			305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	91
	Protect areas of high biodiversity value	GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	104-113
			304-2	Significant impacts of activities, products, and services on biodiversity	104-113
			304-3	Habitats protected or restored	104-113
			304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	104-113
	sustainable use and management of terrestrial ecosystem	GRI 306: Waste 2020	306-3	Waste generated	99-103
			306-5	Waste directed to disposal	99-103
		GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	88
			305-2	Energy indirect (Scope 2) GHG emissions	88
			305-3	Other indirect (Scope 3) GHG emissions	88
			305-4	GHG emissions intensity	88-89
			305-5	Reduction of GHG emissions	88, 90-91
	Good Corporate Governance Practices	GRI 2: General Disclosures 2021	2-9	Governance structure and composition	55-56
			2-10	Nomination and selection of the highest governance body	55-56
			2-11	Chair of the highest governance body	55-56
			2-12	Role of the highest governance body in overseeing the management of impacts	59-65
			2-15	Conflict of interest	69, 144
			2-23	Policy commitments	22-25, 32-33, 54-55, 58, 66
			2-26	Mechanisms for seeking advice and raising concerns	69-70



SDGs	Business Theme	GRI Standard	GRI Index	Topics	Page
		GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	68
			205-2	Communication and training about anti-corruption policies and procedures	68
			205-3	Confirmed incidents of corruption and actions taken	68
		GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	55
		GRI 415: Public Policy 2016	415-1	Political Contributions	68
	Health and Safety Work Environment	GRI 403: Occupational Health and Safety 2018	403-3	Occupational health services	137
			403-4	Worker participation, consultation, and communication on occupational health and safety	122-124
			403-9	Work-related injuries	128-131
			403-10	Work-related ill health	128-131
		GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	143
		GRI 414: Supplier Social Assessment 2016	414-1	New supplier that were screened using social criteria	73
			414-2	Negative social impacts in the supply chain and actions taken	74
	Collective bargaining	GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	197
		GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	144
	External initiatives	GRI 2: General Disclosures 2021	2-28	Membership associations	45
			2-30	Collective bargaining agreements	144, 197
	Local communities	GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	51, 169-184

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**Statement of Use** : MMS Group Indonesia has reported the information cited in this GRI content index for the period 1 January until 31 December 2024 in accordance to the GRI Standards.

**GRI 1 Used** : GRI 1: Foundation 2021

Material Aspects and General Disclosures	GRI Standard	Disclosure	Page	Omission		
				Requirement Omitted	Reason	Explanation
The Organization and Its Reporting Practices	GRI 2: General Disclosures 2021	2-1	Organizational details	28 - 29, 35, 42		
		2-2	Entities included in the organization's sustainability reporting	188		
		2-3	Reporting period, frequency and contact point	188		
		2-4	Restatement of information	188		
		2-5	External assurance	188		
Activity and Workers	GRI 2: General Disclosures 2021	2-6	Activities, value chain, and other business relationship	28, 35-41, 43, 72-75		
		2-7	Employees	44, 149-152		
		2-8	Workers who are not employees	149		
Governance	GRI 2: General Disclosures 2021	2-9	Governance structure and composition	55-56		
		2-10	Nomination and selection of the highest governance body	55-56		
		2-11	Chair of the highest governance body	55-56		
		2-12	Role of the highest governance body in overseeing the management of impacts	59-65		
		2-13	Delegation of responsibility for managing impacts	59-65		
		2-14	Role of the highest governance body in sustainability reporting	58, 188		

Material Aspects and General Disclosures	GRI Standard	Disclosure	Page	Omission		
				Requirement Omitted	Reason	Explanation
		2-15	Conflict of interest	69, 144		
		2-16	Communication of critical concerns	59-65		
		2-17	Collective knowledge of the highest governance body	58		
		2-18	Evaluation of the performance of the highest governance body	-	Evaluation of the performance of the highest governance body	Confidentiality constraint Constains confidential information that is not meant to be disclosed to the public
		2-19	Remuneration policies	57, 153-154		
		2-20	Process to determine remuneration	153-154		
		2-21	Annual total compensation ratio	-	Annual total compensation, ratio of the percentage increase in annual total compensation	Confidentiality constraint Constains confidential information that is not meant to be disclosed to the public
		2-22	Statement on sustainable development strategy	18-21, 22-25		
		2-23	Policy commitments	22-25, 32-33, 54-55, 58, 66		
		2-24	Embedding policy commitments	58, 66		
Strategy, Policies, and Practices	GRI 2: General Disclosures 2021	2-25	Process to remediate negative impacts	69-70		
		2-26	Mechanisms for seeking advice and raising concerns	69-70		
		2-27	Compliance with laws and regulations	55, 58, 95		
		2-28	Membership associations	45		
		2-29	Approach to stakeholder engagement	197		
		2-30	Collective bargaining agreements	144, 197		



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					Requirement Omitted	Reason Explanation
MATERIAL TOPICS						
Material Topics	GRI 3: Material Topics 2021	3-1	Process to determine material topics	191		
		3-2	List of material topics	191		
ECONOMIC TOPICS						
Market Presence	GRI 3: Material Topics 2021	3-3	Management of material topics	49		
	GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	49-50		
		202-2	Proportion of senior management hired from the local community	50		
Indirect Economic Impacts	GRI 3: Material Topics 2021	3-3	Management of material topics	51, 166		
	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	51, 169-182		
		203-2	Significant indirect economic impacts	51		
GOVERNANCE TOPICS						
Anti-corruption	GRI 3: Material Topics 2021	3-3	Management of material topics	68		
	GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	68		
		205-2	Communication and training about anti-corruption policies and procedures	68		
		205-3	Confirmed incidents of corruption and actions taken	68		
Anti-competitive Behavior	GRI 3: Material Topics 2021	3-3	Management of material topics	55		
	GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	55		
ENVIRONMENTAL TOPICS						
Energy	GRI 3: Material Topics 2021	3-3	Management of material topics	84		
	GRI 302: Energy 2016	302-1	Energy consumption within the organization	84-85		

Material Aspects and General Disclosures	GRI Standard		Disclosure	Page	Omission	
					Requirement Omitted	Reason
		302-2	Energy consumption outside of the organization	84-85		
		302-3	Energy intensity	84, 86		
		302-4	Reduction of energy consumption	84, 86-87		
		302-5	Reductions in energy requirements of products and services	84, 86		
Water and Effluents	GRI 3: Material Topics 2021	3-3	Management of material topics	95		
	GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	94-95		
		303-2	Management of water discharge-related impacts	94-96		
		303-3	Water withdrawal	94-96		
		303-4	Water discharged	94, 96		
		303-5	Water consumption	94-96		
Biodiversity	GRI 3: Material Topics 2021	3-3	Management of material topics	104-105		
	GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	104-113		
		304-2	Significant impacts of activities, products, and services on biodiversity	104-113		
		304-3	Habitats protected or restored	104-113		
		304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	104-113		
Emissions	GRI 3: Material Topics 2021	3-3	Direct (Scope 1) GHG emissions	88, 91		
	GRI 305: Emissions 2016	305-1	Energy indirect (Scope 2) GHG emissions	88		

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		305-3	Other indirect (Scope 3) GHG emissions	88		
		305-4	GHG emissions intensity	88-89		
		305-5	Reduction of GHG emissions	88, 90-91		
		305-6	Emissions of ozone-depleting substances (ODS)	91		
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	91		
Waste	GRI 3: Material Topics 2021	3-3	Management of material topics	99		
	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	99-103		
		306-2	Management of significant waste-related impacts	99-103		
		306-3	Waste generated	99-103		
		306-4	Waste directed from disposal	99-103		
		306-5	Waste directed to disposal	99-103		
Environmental Compliance	GRI 3: Material Topics 2021	3-3	Management of material topics	102		
	GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	102		
Supplier Environmental Assessment	GRI 3: Material Topics 2021	3-3	Management of material topics	73		
	GRI 308: Supplier Environmental Assessment 2016	308-1	New supplier that were screened using environmental criteria	73		
		308-2	Negative environmental impacts in the supply chain and actions taken	73		



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					Requirement Omitted	Reason Explanation
SOCIAL TOPICS						
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	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	146-148		
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# FEEDBACK SHEET

## YOUR PROFILE

Name : \_\_\_\_\_

Institution/Company : \_\_\_\_\_

Email : \_\_\_\_\_

Phone/Mobile : \_\_\_\_\_

## STAKEHOLDER CATEGORY

- |   |  |
|---|--|
| <input type="checkbox"/> Customers                    | <input type="checkbox"/> Partners, Suppliers           |
| <input type="checkbox"/> Shareholders                 | <input type="checkbox"/> Mass Media                    |
| <input type="checkbox"/> Employees                    | <input type="checkbox"/> Community, Local Community    |
| <input type="checkbox"/> Government and Policy Makers | <input type="checkbox"/> Others, please specify: _____ |

Please select the most appropriate answer by placing a mark (✓) in the answer box.

Does this report describe the performance of MMSGI in contributing to sustainable development?

- ☐ Agree      ☐ Disagree      ☐ Do Not Know

Is this report useful to you?

- ☐ Agree      ☐ Disagree      ☐ Do Not Know

Is this report easy to understand?

- ☐ Agree      ☐ Disagree      ☐ Do Not Know

Is this report interesting?

- ☐ Agree      ☐ Disagree      ☐ Do Not Know

Please write the answer based on your opinion.

Which piece of information is the most useful and interesting?

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Which part of the information is less useful and needs to be improved?

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Is the data presented transparent, reliable, and balanced?

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Suggestions/recommendations/comments for future report improvement:

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We really appreciate your feedback. For that, please send this feedback sheet to:

[info@mmsgroup.co.id](mailto:info@mmsgroup.co.id)

Thank you for taking the time to read the Sustainability Report of MMS Group Indonesia for the Fiscal Year 2024. We are committed to continuously improving sustainability performance and delivering the best for all stakeholders involved. We welcome your suggestions, criticisms, and feedback, which will assist us in enhancing the quality of reporting in the future.





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