






PT MERDEKA BATTERY MATERIALS TBK

COMMUNITY POLICY

MBM-SUS-POL-015

Rev.	Prepared By: Corporate Social Responsibility Sr. Manager	Reviewed and Approved By: Sustainability	Approved By: Vice President Director	Approved By: President Director
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	Sign: 	Sign: 	Sign: 	Sign: 

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I. PURPOSE

The purpose of this policy is to serve as a guideline for PT Merdeka Battery Materials Tbk (MBM), its subsidiaries, and contractors in engaging with communities and contributing to the economic and social development and empowerment of the local communities surrounding our operations.

II. SCOPE

This policy is applicable to PT Merdeka Battery Materials Tbk and Subsidiaries under its operational control (hereinafter referred to as “MBM”) and its business partners. We will work together and encourage our joint ventures and business partners, that are not within our operational control, to align their practices with this policy.


III. OUR COMMITMENT

We are committed to:

1. Complying with applicable laws and regulations in the operational area of MBM.
2. Recognizing and respecting the cultural heritage, beliefs, and values of indigenous peoples and local communities around the regions where MBM operates.
3. Obtaining and upholding the free, prior, and informed consent (FPIC) of indigenous peoples at the inception of new projects or when significant changes occur.
4. Recognizing vulnerable groups who are potentially susceptible to adverse impacts, such as women, children, religious and ethnic minority groups, and people with disabilities near our operations, and implementing consultation and engagement programs to address their rights, interests, and concerns.
5. Ensuring a transparent and open dialogue with the communities surrounding our operations, local governments, and other stakeholders to address social issues and achieve mutually beneficial results.
6. Conducting Community Development and Empowerment (CDE) programs while respecting the culture of local communities and prioritizing the principles of justice that will provide positive socio-economic benefits for local communities.
7. Fostering local economic development through support for local procurement and prioritizing employment opportunities for local communities.
8. Respecting the human rights of the communities by assessing the potential and actual human rights impacts of our activities on these communities, integrating measures to mitigate these impacts, and addressing any actual impacts that arise.
9. Providing an effective grievance mechanism for communities that may be affected by our operations.
10. Requiring contractors to establish harmonious relations with local communities and to strive to avoid violence and conflict in MBM's operational areas.

IV. RESPONSIBILITY AND OVERSIGHT

The Compliance Department is responsible for implementing the Community Policy ("Policy") programs. The implementation of the Policy is monitored by the President Director.

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V. TRAINING AND REPORTING


MBM will communicate this Policy and its requirements to internal and external stakeholders, enhancing understanding and providing specialized training on local community-related issues as necessary.

We regularly report the implementation of this policy to stakeholders through various reporting channels, including within MBM's Sustainability Report.

VI. REFERENCES

The development of this policy is guided by the following documents:

1. United Nations Declaration - Rights of Indigenous Peoples (UNDRIP).
2. The International Labor Organization (ILO) Convention No. 169 - Indigenous and Tribal Peoples.
3. International Council - Mining and Metals (ICMM) Mining Principles 9.
4. IRMA Standard for Responsible Mining IRMA-STD-001.
5. IFC Performance Standards - Environmental and Social Sustainability.
6. MBM-SUS-POL-003 - Sustainability Policy, PT Merdeka Battery Materials Tbk.
7. MBM-SUS-POL-014 - Human Rights Policy, PT Merdeka Battery Materials Tbk.
8. MBM-SCM-COC-001 - Supplier Sustainability Code of Conduct, PT Merdeka Battery Materials Tbk.

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REVISION HISTORY

Revision	Date	Description
1.0	18/12/2023	First Issue for Implementation