



**PT MERDEKA COPPER GOLD, Tbk.**

**STANDARD OPERATING PROCEDURE**  
**SUBMISSION AND SETTLEMENT OF EMPLOYEE**  
**GRIEVANCES**  
**MCG-SOP-IR-01-01**

| PREPARED            | CHECKED                  | APPROVED             |               |                    |
|---------------------|--------------------------|----------------------|---------------|--------------------|
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| 01 June 2023        | 01 June 2023             | 01 June 2023         | 01 June 2023  | 01 June 2023       |

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| PT MERDEKA COPPER GOLD, Tbk.  |   | Document number | MCG-SOP-IR-01-01 |
|  | <b>SUBMISSION AND SETTLEMENT OF EMPLOYEE GRIEVANCES</b> | Effective date  | 01 June 2023     |
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## DOCUMENT CHANGE STATUS

| No. Revision | Division/Department       | Reason For Change   | Revision By   | Revision Date |
|--------------|---------------------------|---|---------------|---------------|
| 01           | HR – Industrial Relations | <p>1. Addition and revision to number 1. General to: Suppose in the implementation, some facilities are not covered in this document and are considered important for one reason or another. In that case, the facility will be further reviewed, and if it continues to be applied, it will be used as an addendum to this procedure. And suppose there is a difference in interpretation between this procedure's Indonesian and English versions. In that case, the Indonesian version is the prevailing version. It will be used, and in the event of a request for Discretion on implementing this procedure, it must obtain prior approval from the President Director.</p> | HR Compliance | 01 June 2023  |
| 01           | HR – Industrial Relations | <p>Revise and remove the term in point 5.1 Definition, as follows:</p> <ol style="list-style-type: none"> <li>1. Trade/Labor Union is a Trade/Labor Union established by the Employee at PT Merdeka Copper Gold, Tbk. or its subsidiaries by the applicable laws and regulations.</li> <li>2. Member of a Trade/Labor Union is an Employee who declares themselves in writing to be a member of a Trade/Labor Union.</li> <li>3. Management of Trade/Labor Union is Trade/Labor Union</li> </ol>  | HR Compliance | 01 June 2023  |

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|    |                           |   |               |              |
|----|---------------------------|---|---------------|--------------|
|    |                           | <p>Members who are elected or appointed by Trade/Labor Union Members to run or manage the organizational wheels of a Trade/Labor Union.</p> <p>4. Industrial Relations Dispute is a difference of opinion that results in conflict between Employer or a combination of Employer and Employee or Trade/Labor Union due to disputes over rights, disputes over interests, and disputes over termination of employment as well as disputes between Trade/Labor Union only in one company.</p> |               |              |
| 01 | HR – Industrial Relations | <p>Revisions and additions to point 5.2 of the General Standard, as follows:<br/>The Company is committed, responsible, and fair in submitting and resolving Employee's grievances protected by applicable laws and regulations and international labor standards, specifically The International Labor Organization Declaration on Fundamental Principles and Rights at Work and The Core International Labor Conventions.</p>   | HR Compliance | 01 June 2023 |
| 01 | HR – Industrial Relations | <p>Revise and delete point 5.3 Assistance in Submitting and Resolving Employee Grievances number 3 regarding:<br/>3. If the Employee is a Member of a Trade/Labor Union in the Company, the Employee may be accompanied by the Management of the Trade/Labor Union in charge of the Employee's grievance or welfare.</p>  | HR Compliance | 01 June 2023 |

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## 1. GENERAL

Procedure regarding Submission and Settlement of Employee Grievances is developed, implemented, and managed for the benefit of PT Merdeka Copper Gold, Tbk. and its subsidiaries to regulate the process for submitting and resolving each Employee's grievance.

Suppose in the implementation, some facilities are not covered in this document and are considered important for one reason or another. In that case, the facility will be further reviewed, and if it continues to be applied, it will be used as an addendum to this procedure.

And suppose there is a difference in interpretation between this procedure's Indonesian and English versions. In that case, the Indonesian version is the prevailing version. It will be used, and in the event of a request for Discretion on implementing this procedure, it must obtain prior approval from the President Director.

## 2. PURPOSE

The purpose of this Procedure is as an implementation guideline regarding the procedures for submitting and resolving each Employee's grievance as well as to regulate that every grievance submitted by the Employee, whether concerning himself or another Employee, can be resolved as well as possible on the basis of deliberation for consensus and amicably, and in accordance with predetermined procedures so as to minimize industrial relations disputes.

## 3. SCOPE

This procedure applies to all Employee at PT Merdeka Copper Gold, Tbk. and its subsidiaries.


## 4. RESPONSIBILITY

### 4.1 Top Management

Top Management must approve and sign all documents including Company Policies, Procedures, Work Instructions, Forms, and other documents.

### 4.2 Management Representative

HR Department must cooperate with other departments to prepare and revise all documents including Company Policies, Procedures, Work Instructions, Forms, and other documents.

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#### **4.3 Department Head or Department Manager**

The Department Head or Department Manager must review the relevant documents, and ensure that their subordinate staff are aware of any changes or updates to these documents.

## **5. PROCEDURE**


### **5.1 Definition**

1. The Company is PT Merdeka Copper Gold, Tbk. or its subsidiaries.
2. Employee is a person who works at PT Merdeka Copper Gold, Tbk. or its subsidiaries.
3. Company Policy is any policy or rule decided by Management. Management has the right to change its policies from time to time.
4. Direct Supervisors are those who because of their position are appointed by the entrepreneur or the head of the company, among others to lead and supervise several Employee who are their responsibility.
5. The head of the Department is the person who leads the department and is responsible for managing, supervising, motivating, and directing Employee to achieve the Company's goals.
6. Management are people who have the duty to lead and manage the running of the Company or who are authorized to take action on behalf of the Company.
7. Employee Grievances are grievances or feelings of dissatisfaction or unfairness of a person or several Employee or Employee's Trade/Labor Union regarding problems that arise in the work relationship process or deviations from working conditions and Company Regulations/Policy.
8. Grievance Handling Form is a form used by Employee to submit their grievances.
9. Industrial Relations Dispute is a difference of opinion that results in a conflict between an entrepreneur or a combination of employers and Employee or a Trade/Labor Union due to a dispute over rights, a dispute over interests, and a dispute over termination of employment as well as a dispute between Trade/Labor Union in only 1 (one) Company.

### **5.2 General Standard**

The Company is committed, responsible, and fair in submitting and resolving Employee's grievances protected by applicable laws and regulations and international labor standards, specifically The International Labor Organization Declaration on Fundamental Principles and Rights at Work and The Core International Labor Conventions.



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### **5.3 Levels of the Process for Submission and Settlement of Employee Grievances**

#### **1. First Level**

- a. Employee who will file grievances related to their employee fill out a Grievance Handling Form including the identity of the Employee, grievance, problem-solving proposal, and sign it and then submit the form to the Direct Supervisor.
- b. The Direct Supervisor provides a response to the Employee's grievance no later than 7 (seven) working days by filling out the Grievance Handling Form including the follow-up to the Employee's grievance and signing it for later discussion with the Employee.
- c. If the Employee receives a response from the Direct Supervisor as a follow-up to his grievance, the Employee signs the Grievance Handling Form by stating that the grievance has been completed and then submits the form to the HR Department.
- d. If the Employee refuses the response of the Direct Supervisor as a follow-up to his grievance, then the Employee signs the Grievance Handling Form by stating that the grievance is not completed and will proceed to the second-level grievance submission and settlement process to then submit the form to the Head of the Department.

#### **2. Second Level**

- a. Grievances that are not completed in the process of submitting and resolving grievances at the first level, the Employee will forward the grievance by submitting the Grievance Handling Form to the Head of the Department.
- b. The Head of Department responds to the Employee's grievance no later than 7 (seven) working days by filling out the Grievance Handling Form including the follow-up to the Employee's grievance and signing it for later discussion with the Employee.
- c. If the Employee receives the Head of Department's response as a follow-up to their grievance, the Employee signs the Grievance Handling Form by stating that the grievance has been completed and then submits the form to the HR Department.
- d. If the Employee refuses the Head of Department's response as a follow-up to their grievance, then the Employee signs the Grievance Handling Form by stating the grievance is not completed and will proceed to the third-level grievance submission and settlement process to then submit the form to the HR Department.


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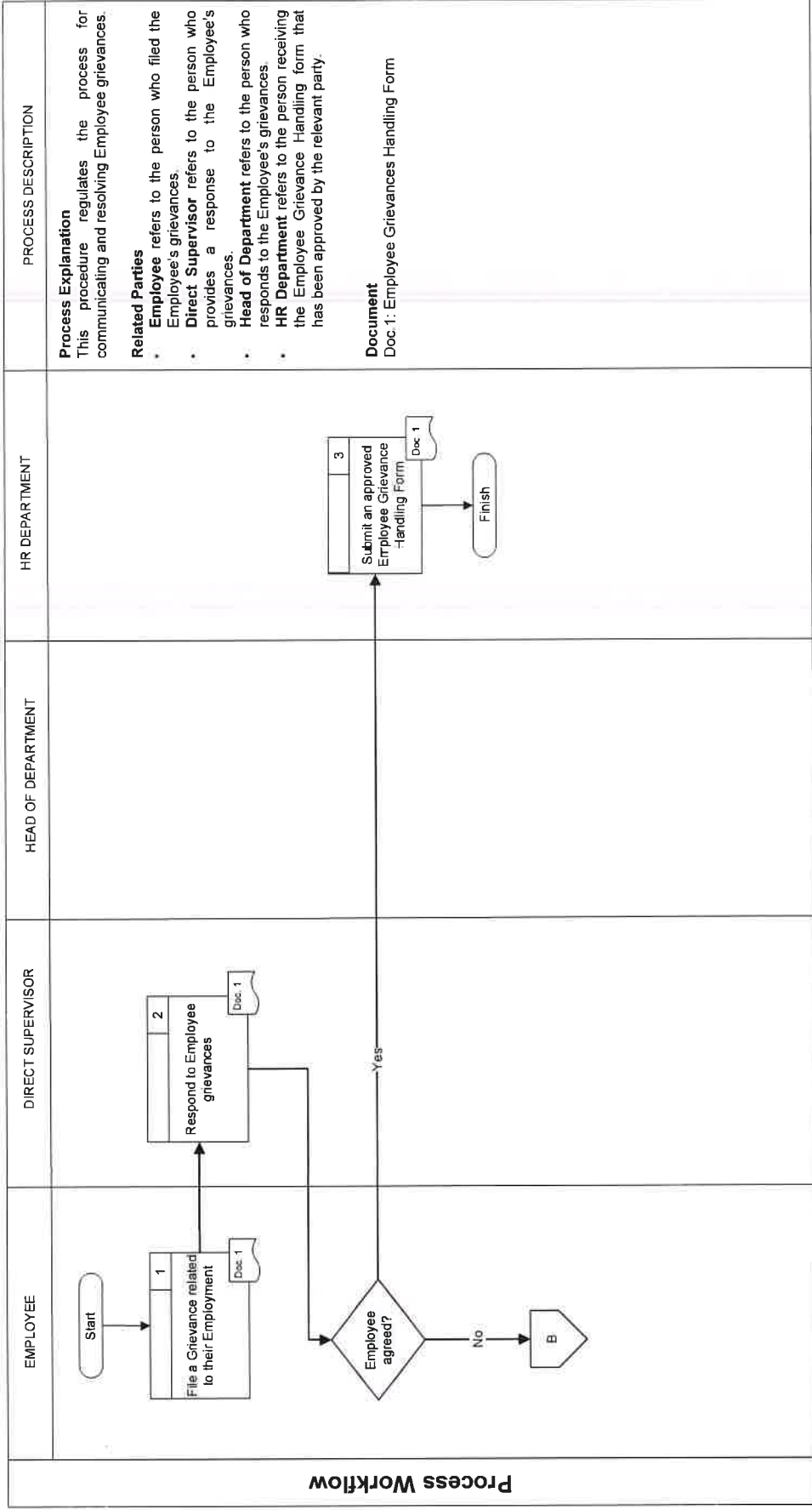
### 3. Third Level

- a. Grievances that are not completed in the process of submitting and resolving grievances at the second level, then the Employee will forward the grievance by submitting the Grievance Handling Form to the HR Department.
- b. The HR Department responds to Employee's grievances no later than 7 (seven) working days by filling out the Grievance Handling Form including the follow-up to the Employee's grievance and signing it for later discussion with the Employee.
- c. If the Employee receives the HR Department's response as a follow-up to his grievance, the Employee signs the Grievance Handling Form by stating that the grievance has been completed and then submits the form back to the HR Department.
- d. If the Employee rejects the HR Department's response as a follow-up to his grievance, then the Employee can forward the grievance as an industrial relations dispute.
- e. Settlement of industrial relations disputes is carried out by deliberation to reach a consensus in accordance with the prevailing Laws and Regulations.

### 5.4 Assistance in Submission and Settlement of Employee Grievances

1. Submission and settlement of Employee grievances cannot be represented by Employee or other parties but can be done with or without assistance from Employee or other parties.
2. The Employee's Supervisor can accompany the Employee when resolving grievances at the second and third levels.

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**PROCESS DESCRIPTION**

**Process Explanation**  
This procedure regulates the process for communicating and resolving Employee grievances.


**Related Parties**

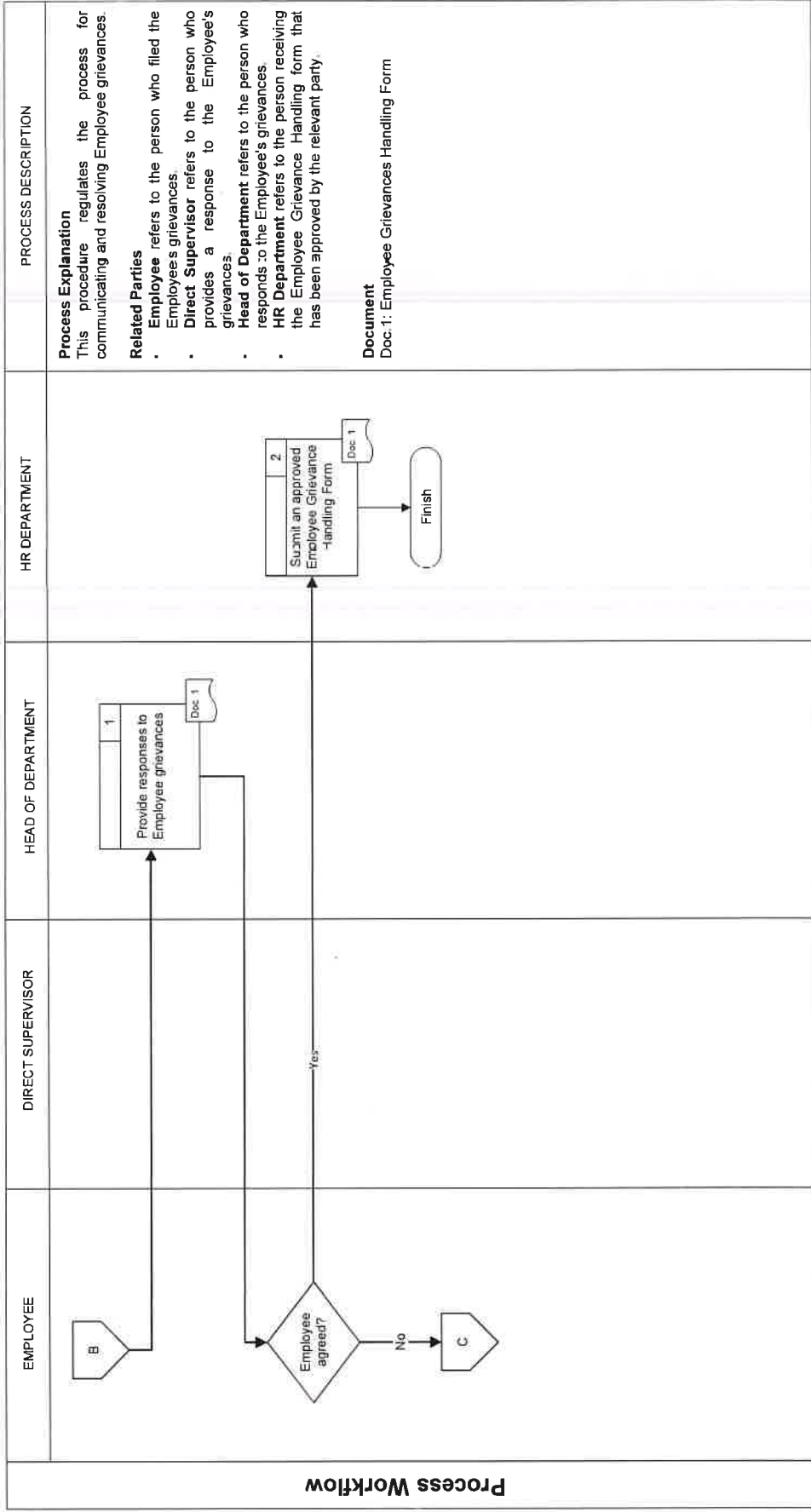
- **Employee** refers to the person who filed the Employee's grievances.
- **Direct Supervisor** refers to the person who provides a response to the Employee's grievances.
- **Head of Department** refers to the person who responds to the Employee's grievances.
- **HR Department** refers to the person receiving the Employee Grievance Handling form that has been approved by the relevant party.

**Document**  
Doc 1: Employee Grievances Handling Form

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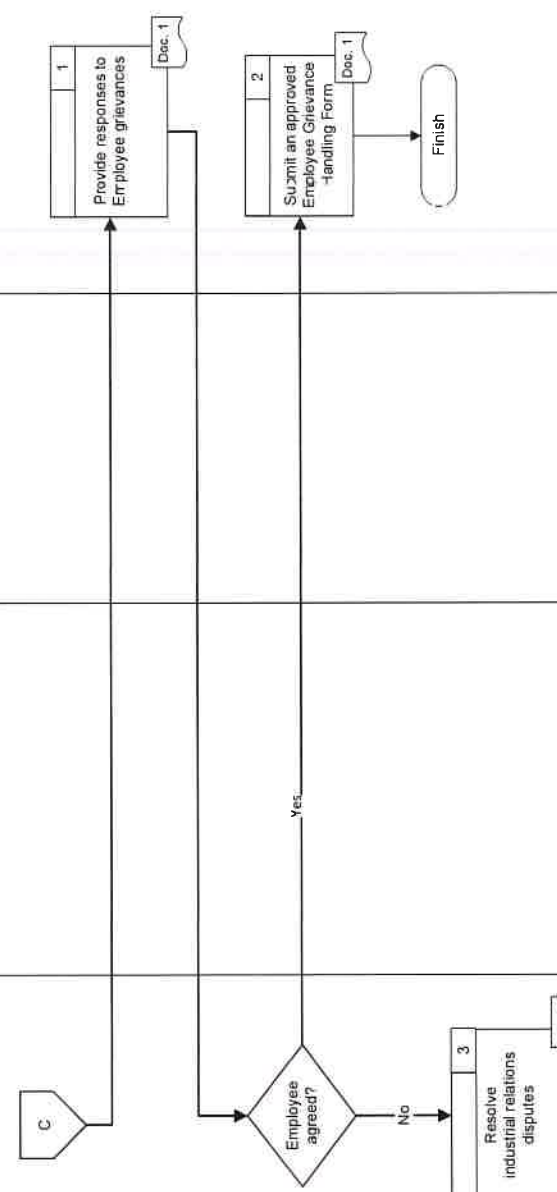


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| EMPLOYEE  | DIRECT SUPERVISOR | HEAD OF DEPARTMENT | HR DEPARTMENT | PROCESS DESCRIPTION |
|---|-------------------|--------------------|---------------|---------------------|
| <b>Process Workflow</b>   |                   |                    |               |                     |
|  <pre> graph TD     C[Employee C] --&gt; HR[Provide responses to Employee grievances Doc. 1]     HR --&gt; DS[Submit an approved Employee Grievance Handling Form Doc. 1]     DS --&gt; D{Employee agreed?}     D -- No --&gt; R[Resolve industrial relations disputes Doc. 2]     D -- Yes --&gt; F([Finish])   </pre>  |                   |                    |               |                     |
| <p><b>Process Explanation</b><br/>This procedure regulates the process for communicating and resolving Employee grievances.</p> <p><b>Related Parties</b></p> <ul style="list-style-type: none"> <li>Employee refers to the person who filed the Employee's grievances.</li> <li>Direct Supervisor refers to the person who provides a response to the Employee's grievances.</li> <li>Head of Department refers to the person who responds to the Employee's grievances.</li> <li>HR Department refers to the person receiving the Employee Grievance Handling form that has been approved by the relevant party.</li> </ul> <p><b>Document</b><br/>Doc.1: Employee Grievances Handling Form<br/>Doc.2: Industrial Relation Dispute Settlement Procedure</p> |                   |                    |               |                     |

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**6. ANNEX**

1. Employee Grievance Handling Form

|   |   |                 |                  |
|---|---|-----------------|------------------|
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**Annex 1: Employee Grievances Handling Form**

|   |                                    |                 |                  |
|---|------------------------------------|-----------------|------------------|
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Employee Name : .....

Employee ID : .....

Position : .....

Division/Department : .....

|  |
|--|
| <b>GRIEVANCES:</b><br>.....<br>.....<br>.....<br><b>PROPOSED PROBLEM-SOLVING:</b><br>.....<br>.....<br>.....<br>Proposed Date: .....<br><br>(.....)<br>Employee Name |
|--|

**PHASE 1 – received date** :

|                                      |   |
|--------------------------------------|---|
| <b>FOLLOW-UP:</b>                    |   |
| Date communicated to Employee: ..... | Employee responses: <input type="checkbox"/> Finsih<br><input type="checkbox"/> PHASE 1 |
| (.....)<br>Direct Supervisor         | (.....)<br>Employee Name  |

**PHASE 2 – received date** :

|                                      |   |
|--------------------------------------|---|
| <b>FOLLOW-UP:</b>                    |   |
| Date communicated to Employee: ..... | Employee responses: <input type="checkbox"/> Finsih<br><input type="checkbox"/> PHASE 2 |
| (.....)<br>Direct Supervisor         | (.....)<br>Employee Name  |

**PHASE 3 – received date** :

|                                      |   |
|--------------------------------------|---|
| <b>FOLLOW-UP:</b>                    |   |
| Date communicated to Employee: ..... | Employee responses: <input type="checkbox"/> Finsih<br><input type="checkbox"/> PHASE 3 |
| (.....)<br>Direct Supervisor         | (.....)<br>Employee Name  |

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