





PT MERDEKA COPPER GOLD TBK

WATER MANAGEMENT POLICY

MCG-SUS-POL-005

Rev.	Prepared By: Environmental Manager	Reviewed and Approved By: Sustainability	Approved By: Vice President Director	Approved By: President Director
1.0	Radjali Amin	Ali Sahami	Jason Greive	Albert Saputro
	Sign: 	Sign: 	Sign: 	Sign: 

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II. PURPOSE

PT Merdeka Copper Gold Tbk recognizes that water is a shared and finite resource essential to people's well-being and livelihood and important in sustaining our operations. This policy reflects Merdeka's commitment to using water responsibly and implementing effective water management governance in collaboration with applicable stakeholders.

III. SCOPE

This policy is applicable to PT Merdeka Copper Gold Tbk and subsidiaries under its operational control (hereinafter shall be referred to as "MCG") 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.

IV. OUR COMMITMENT

We are committed to:

1. Complying with all prevailing Indonesian laws and regulatory requirements and implementing Best Industry Practice in water management.
2. Conducting risk assessments that include aspects such as water scarcity, balance, and quality.
3. Using water responsibly through effective water management practices in our operations.
4. Managing, and where possible, reducing wastewater (effluent) discharges from our operations.
5. Promoting a life cycle perspective for our supply chain management to reduce water usage and wastewater generation.
6. Collaborating with relevant stakeholders to identify water users and other stakeholders potentially affected by our operations to achieve responsible and sustainable water use.
7. Adopting a mitigation hierarchy that includes anticipating and avoiding impacts of our water use and wastewater generation on workers, affected communities, and the environment, or where avoidance is not possible, minimizing the impacts and compensating or offsetting the residual impacts.

V. RESPONSIBILITY AND OVERSIGHT

The MCG Sustainability Committee, chaired by the Vice President Director, is responsible for formulating strategy and overseeing the performance of the Water Management Policy implementation.

MCG Sustainability Committee regularly reports on the implementation of the Water Management Policy to the Board of Directors.

The Head of Technical Mining (KTT) or General Manager of Operations is responsible for communicating and monitoring the implementation of MCG's Water Management Policy.

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VI. REVIEW

The policy will be reviewed regularly or when significant changes occur that affect water management at MCG.

VII. REFERENCES

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

1. MCG-SUS-POL-002 - Environmental Policy, PT Merdeka Copper Gold Tbk.
2. MCG-SUS-POL-003 - Sustainability Policy, PT Merdeka Copper Gold Tbk.
3. ICMM Mining Principles.
4. IFC's Performance Standards - Environmental and Social Sustainability.
5. Global Reporting Initiative (GRI) Standards.
6. ISO 14001:2015 - Environmental Management System.
7. IRMA Standard for Responsible Mining.
8. MSCI ESG Ratings.
9. Sustainalytics ESG Risk Ratings.

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REVISION HISTORY

Revision	Date	Description
1.0	29/11/2023	First Issue for Implementation