

BERMITRA UNTUK MEMBANGUN KESEJAHTERAAN MASYARAKAT

Partnering to Establish Community Welfare

PROGRAM PENGEMBANGAN MASYARAKAT

Program Pengembangan Masyarakat (*Community Development*, comdev) mencakup penguatan kapasitas kelembagaan masyarakat dan pemerintah lokal, peningkatan kualitas dan layanan pendidikan masyarakat, dukungan peningkatan akses dan layanan kesehatan, dukungan peningkatan pendapatan masyarakat lokal, dan peningkatan kualitas lingkungan hidup melalui konservasi dan rehabilitasi keanekaragaman hayati. Penjabaran program secara detil yang dilakukan di masing-masing daerah operasi ANTAM, disesuaikan dengan kondisi lingkungan dan masyarakat setempat.

Penyusunan program pengembangan masyarakat, yang menganut konsep Trimitra, melibatkan para pemangku kepentingan, yakni penerima manfaat, pemerintah daerah, tokoh masyarakat dan LSM dalam satu forum musyawarah rencana pembangunan. Hal ini untuk memastikan bahwa program yang dilaksanakan merupakan cerminan dari potensi dan kebutuhan masyarakat, dan tidak akan bersifat pengulangan dari apa yang sudah dilaksanakan oleh pihak lain.

Selain itu program pengembangan masyarakat juga didasarkan pada hasil pemetaan pemangku kepentingan dan penilaian kebutuhan dan potensi masyarakat.

Pemangku kepentingan yang menjadi sasaran utama dari program pengembangan masyarakat terutama adalah kelompok masyarakat rentan, namun tidak menutup kemungkinan bahwa anggota masyarakat lainnya juga bisa menikmati manfaat dari program tersebut. Berbagai infrastruktur yang dibangun, terutama bidang pendidikan dan kesehatan, bisa dimanfaatkan oleh masyarakat umum. Untuk tahun 2014, total dana realisasi program ini mencapai Rp62,78 miliar.

COMMUNITY DEVELOPMENT PROGRAM

The Community Development (Comdev) Program encompasses strengthening the institutional capacities of communities and the local government, improving education quality and service, supporting improved healthcare access and services, supporting increased revenue in local communities and improving environmental quality through biodiversity conservation and rehabilitation. The programs conducted in each of ANTAM's operational areas are elaborated in detail according to local environmental and social conditions.

Community development programs are prepared based on the Trimitra concept and involve the stakeholders, namely recipients, local government, community figures and NGOs, in a community development discussion forum. This ensures that the programs implemented reflect community potential and needs and are not repeating what has already been implemented by other parties.

In addition, the community development programs also rely on the result of stakeholder mapping and assessment of community needs and potential.

The main target group of these community development programs is vulnerable groups in society, while not ruling out the possibility that other members of society may benefit from these programs. A range of infrastructure has been built, especially related to education and health, benefiting the whole community. In 2014, total funding realized for these programs amounted to Rp62.78 billion, with a breakdown by region as follows.



FASILITAS E-LIBRARY, UNIVERSITAS KHAIRUN

e-library facilities, Khairun University

PERPUSTAKAAN ELEKTRONIK (E-LIBRARY) UNIVERSITAS KHAIRUN, TERNATE

*Electronic Library (E-Library) Khairun University,
Ternate*

Di tahun 2014, ANTAM membantu penyediaan infrastruktur interior yang mendukung *software* sistem aplikasi *e-library* yang telah ada di Universitas Khairun, Ternate, dan menjadikannya terintegrasi. Fasilitas ini diberikan karena kebutuhan pustaka untuk pengembangan ilmu pengetahuan yang semakin meningkat sehingga penting untuk dibangunnya perpustakaan yang modern.

Fasilitas *e-library* dapat dimanfaatkan sebagai sarana pusat informasi, pengetahuan dan penelitian bagi seluruh *cititas academica* Universitas Khairun Ternate pada khususnya, dan masyarakat di Maluku Utara pada umumnya. Keberadaan *e-library* tersebut juga akan memberikan kemudahan dalam pengelolaan buku dan informasi yang dikemas secara digital, sehingga dapat menghemat biaya yang dibutuhkan untuk pengelolaan ruangan dan pembelian buku. Dengan demikian, diharapkan fasilitas *e-library* tersebut dapat mendukung kemajuan dan percepatan pendidikan bagi masyarakat di Maluku Utara.

In 2014, ANTAM developed e-library facility in Universitas Khairun, Ternate, which is able to provide an infrastructure that supports the current e-library application software in an integrated system. This facility was established to support the increasing demand to increase knowledge and the urgent need to build a modern library.

The e-library facilities can be used as a center for information, knowledge and research by the entire Khairun University Ternate academic community in particular and the North Maluku community in general. The existence of the e-library also facilitates the management of books and information in digital format, thus saving the cost of providing space and purchasing books. Thus, the e-library is expected to support progress and accelerate education for North Maluku society.

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PELATIHAN SULAM DAN BORDIR KALIMANTAN BARAT

West Kalimantan embroidery training

SULAM BORNEO Borneo Embroidery

ANTAM bekerja sama dengan Yayasan Sulam Indonesia dalam kegiatan Pelatihan Artisan Sulam dan Bordir. Pelatihan diberikan kepada 40 artisan sulam yang berasal dari wilayah Kalimantan Barat yang telah diseleksi dan mendapat persetujuan dari ANTAM, Pemprov Kalimantan Barat dan sesuai dengan kriteria Yayasan Sulam Indonesia. Pelatihan dilaksanakan selama sepuluh bulan. Program ini merupakan salah satu bentuk pengembangan ekonomi masyarakat dan pelestarian budaya, khususnya di Kalimantan Barat yang merupakan salah satu wilayah operasi ANTAM.

Sebagai tindak lanjut dari kegiatan pelatihan ini, ANTAM akan berpartisipasi mengikuti kegiatan *Indonesia Fashion Week 2015*. Kegiatan ini akan menjadi puncak kegiatan yang diharapkan mampu menjembatani antara perajin dan pasar di industri fesyen.

ANTAM works with Yayasan Sulam Indonesia to provide Embroidery Training for Artisans. Training was provided to 40 embroiderers from West Kalimantan, selected and approved by ANTAM, the West Kalimantan government and who met the approval criteria of Yayasan Sulam Indonesia. The training program took place for 10 months and was implemented to develop the community's economy and for cultural preservation, specifically in West Kalimantan, one of ANTAM's operational areas.

In follow up to this training, ANTAM will take part in *Indonesia Fashion Week 2015*, which will be the peak of this training and which is hoped will provide a bridge between the artisans and the fashion industry market.

HUBUNGAN DENGAN MASYARAKAT ADAT [MM5][MM6][MM7]

Masyarakat adat memperoleh perhatian yang sangat khusus dalam hubungannya dengan pertambangan. ANTAM menyadari hal ini dan terus mengikuti perkembangan mutakhir di dunia internasional. Selain mengadopsi *IFC Performance Standards*, khususnya *Performance Standard 7* dalam Master Plan CSR 2015-2019, ANTAM juga mengetahui bahwa pada tahun 2013 *International Council on Mining and Metals* telah melakukan revisi atas posisinya terhadap masyarakat adat, yang semakin melindungi dan menghormati kepentingan mereka. Demikian pula, perkembangan mutakhir dalam regulasi nasional semakin mengokohkan posisi masyarakat adat. ANTAM sangat mendukung perlindungan dan penghormatan tersebut, dan berusaha keras untuk membangun hubungan yang konstruktif dengan mereka, sama dengan sikap terhadap seluruh pemangku kepentingannya.

Dalam proses AMDAL, ANTAM selalu bekerja sama dengan konsultan yang memiliki kualifikasi yang tinggi, baik dalam bidang pengelolaan lingkungan maupun sosial. Salah satu manfaatnya adalah ANTAM dapat mengetahui apakah di wilayah operasinya terdapat kelompok-kelompok masyarakat adat, atau bahkan wilayah operasinya sendiri merupakan wilayah adat yang sah. Bila diperoleh fakta bahwa wilayah konsesi ANTAM adalah berada di wilayah adat, maka hal yang dilakukan oleh ANTAM adalah menghindari pemanfaatannya untuk kegiatan pertambangan. Hal ini dengan mempertimbangkan bahwa wilayah adat merupakan wilayah yang sangat spesifik terkait dengan kehidupan masyarakatnya.

RELATIONS WITH INDIGENOUS COMMUNITIES [MM5][MM6][MM7]

Indigenous communities receive very special attention in their relationships with the mining world. ANTAM realizes this and keeps abreast of the latest international developments. In addition to adopting the *IFC Performance Standards*, in particular *Performance Standard 7*, in the 2015-2019 CSR Master Plan, ANTAM also is aware that in 2013, the *International Council on Mining and Metals* revised its position on indigenous communities, providing their interests with greater protection and support. Similarly, recent national regulatory developments have strengthened the position of indigenous peoples. ANTAM is very supportive of this protection and respect, and strives to build a constructive relationship with them, as with all stakeholders.

In the Environmental Impact Analysis process, ANTAM always works with highly qualified consultants for both environmental and social management. One benefit of this is that ANTAM knows whether there are indigenous communities in its operating areas, and even whether an operational area is a legitimate indigenous territory. If ANTAM learns that its concession area in fact within an indigenous territory, it avoids using the land for mining. This is based on the consideration that indigenous territories have very specific ties to community life.

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ANTAM belum melakukan deliniasi formal maupun perjanjian formal dengan kelompok-kelompok masyarakat adat yang ada, karena memang tidak ada kepentingan untuk memanfaatkannya, seperti di UBPN Malut di Buli, Maluku Utara, di mana terdapat kelompok masyarakat adat Buli Maba. Karena perlindungan dan penghormatan itu, maka sepanjang tahun 2014 tidak ada perselisihan antara ANTAM dengan komunitas adat yang ada di dalam dan dekat wilayah konsesi.

Lebih daripada sekadar tidak mengganggu wilayah adat, ANTAM berkomitmen untuk membantu kelompok-kelompok adat untuk melestarikan nilai-nilai budayanya yang positif. Salah satu kegiatan yang dilaksanakan oleh ANTAM pada tahun 2014 adalah revitalisasi budaya Buli Maba, yang penerima manfaatnya adalah masyarakat dari 16 desa (2 kecamatan) yang berada di sekitar wilayah operasi ANTAM di Buli. Hasilnya, kesenian adat tersebut kemudian menjadi dikenali lagi oleh generasi yang lebih muda, setelah sejumlah aktivitas dilakukan secara teratur. Hal ini bukan saja mendapatkan pernyataan positif dari pimpinan adat, namun juga mendapat pengakuan di tingkat nasional. Untuk kegiatan tersebut, ANTAM mendapatkan penghargaan bidang Hak Asasi Manusia, terutama terkait anti-diskriminasi dan perlindungan terhadap kelompok rentan dalam *The Indonesia CSR Awards 2014*.

ANTAM has not yet made a formal delineation or contract with indigenous communities it is involved with because there has been no interest in using one. This was true at UBPN Malut in Buli, North Maluku, where the Buli Maba indigenous people live. Due to this protection and respect, during 2014, there have been no disputes between ANTAM and indigenous communities in or near its concession areas.

ANTAM is committed to more than not disturbing indigenous territory, also supporting indigenous groups to preserve the positive values of their cultures. One activity undertaken by ANTAM in 2014 was the revitalization of the Buli Maba culture, with communities in 16 villages (2 districts) in the vicinity of ANTAM's Buli operations benefiting. As a result, their traditional arts were reintroduced to the younger generation through a number of organized activities. This not only received a positive response from the tribal leader but also national-level recognition. For this activity, ANTAM received a Human Rights award related to anti-discrimination and protection of vulnerable groups in *The Indonesia CSR Awards 2014*.

Di masa mendatang, dengan landasan kebijakan dan strategi yang telah dirumuskan dalam Master Plan CSR 2015-2019, ANTAM akan meningkatkan pembinaan hubungannya dengan kelompok-kelompok masyarakat adat. ANTAM akan tetap mengidentifikasi masyarakat adat dalam kegiatan AMDAL-nya, berupaya sekuat mungkin untuk tidak memanfaatkan wilayah adat, meningkatkan kinerjanya dengan memanfaatkan beragam praktik terbaik internasional seperti prosedur *free, prior and informed consent* (FPIC), mekanisme penyelesaian keluhan (*grievance mechanism*) masyarakat adat yang formal dan berlaku seragam di seluruh unit bisnis, serta terus membuat program pengembangan masyarakat khusus bagi masyarakat adat.

INDEKS KEPUASAN KOMUNITAS

Pada tahun 2014, kembali ANTAM melakukan survei kepuasan komunitas untuk mengetahui keefektifan pelaksanaan program CSR. Hasil survei juga digunakan untuk menyempurnakan program CSR di tahun yang akan datang. Dari survei tersebut terungkap bahwa tingkat kepuasan komunitas (CSI) atas program CSR ANTAM mencapai indeks 79,34. Tingkat kepuasan tahun 2014 meningkat dari tahun sebelumnya yang berada pada indeks 78,9. Indikator tersebut menunjukkan adanya peningkatan kepuasan masyarakat atas kualitas pengelolaan program CSR yang dilakukan oleh Perseroan.

In the future, with policies and strategies based on the 2015-2019 CSR Master Plan foundation, ANTAM will improve relationships with indigenous communities. ANTAM will continue to identify indigenous communities during its Environmental Impact Analysis stage, and strive to not make use of indigenous territories and to improve its performance through the utilization of various best international practices, such as procedures for free, prior and informed consent (FPIC), formal grievance mechanisms for indigenous communities applicable equally across all business units, as well as continuing to create specific community development programs for indigenous communities.

COMMUNITY SATISFACTION INDEX

In 2014, ANTAM once again conducted a community satisfaction survey to uncover the effectiveness of its CSR programs. The results of the survey will be used to refine CSR programs in the coming years. The survey disclosed that the level of community satisfaction (CSI) for ANTAM's CSR programs was 79.34. The 2014 result was higher than the 78.9 achieved in 2013. This indicator demonstrates increased community satisfaction with the quality of the CSR programs implemented by the Company.



ASSURANCE STATEMENT

SGS INDONESIA'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE SUSTAINABILITY REPORT OF THE 2014 PT. ANTAM (Persero) Tbk.

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

PT. SGS Indonesia was commissioned by PT. ANTAM (Persero) Tbk. to conduct an independent assurance of the Sustainability Report 2014. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text and data in accompanying tables, contained in this report.

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process. Financial data for the 2014 financial year had not been verified at the time of publication; this has also been specifically excluded from this assurance process.

The information in the Sustainability Report of PT. ANTAM (Persero) Tbk. and its presentation are the responsibility of the directors of governing body and the management of PT. ANTAM (Persero) Tbk. PT. SGS Indonesia has not been involved in the preparation of any of the material included in the Sustainability Report 2014.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all PT. ANTAM (Persero) Tbk's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2013) for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured at a moderate level of scrutiny using our protocols for:

- evaluation of content veracity;
- AA1000 Assurance Standard (2008) Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008);
- evaluation of the report against the Global Reporting Initiative Sustainability Reporting Guidelines (G4 2013).

The assurance comprised a combination of pre-assurance research, interviews with relevant employees and verification document and record at Head Office of PT. ANTAM (Persero) Tbk. at Jakarta. Meanwhile operational site at Unit Bisnis Pengolahan dan Pemurnian (UBPP) Logam Mulia Pulegading, Jakarta; Unit Bisnis Pertambangan Nikel (UBPN) Pomala, Kotaka, Sulawesi Tenggara; Unit Bisnis Pertambangan Nikel (UBPN) Bulu, Halmahera Timur, Maluku Utara; and Unit Bisnis Pertambangan Emas (UBPE) Pangkor, (Bogor were not visited).

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification, quality, environmental, social and ethical auditing and training, environmental, social and sustainability report assurance. PT. SGS Indonesia affirm our independence from PT. ANTAM (Persero) Tbk, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with International Register of Certificated Auditors (IRCA), Environmental Management System (EMS) Lead Auditor, Quality Management System (QMS) Lead Auditor, Occupational Health and Safety Assessment Series (OHSAS) Lead Auditor, Team Leader of the assurance team have completed the IRCA Corporate Responsibility Training Programme and have experience of auditing in Mining and Manufacturing industries.

ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within the Sustainability Report 2014, verified is accurate, reliable and provides a fair and balanced representation of PT. ANTAM (Persero) Tbk sustainability activities in 2014.

The following statements and data within the scope were not assured due to lack of accessible records during the timescale allowed for assurance:

- Data related to economic performance indicator such as revenue, profit/loss, tax, operating cost.
- Data related to society and community development expenses, for examples: CSR programs

The assurance team is of the opinion that the Sustainability Report of Antam (Persero) Tbk can be used by the Reporting Organization's Stakeholders. We believe that the organization has chosen an appropriate level of assurance for this stage in their reporting.

AA1999 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity

PT Antam (Persero) Tbk has made a commitment to be accountable to those on whom it has an impact or who have an impact on it as stated in some Policies such as Environment Policies, Safety and Health Policy, and Code of Conduct. Inclusivity is the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability. The company has relationship with all stakeholders (Government, Suppliers, Communities, NGO) and has a process to involve them in sustainability development example : the implementation of annual development planning forum (Musrenbang), in cooperation local governments, NGO, and local communities representative to discuss CSR program.

Materiality

PT Antam (Persero) Tbk has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to those stakeholders. In order to establish Key Material issues PT ANTAM conducted Materiality Assessment and Brainstorming workshop on 3-4 December 2014. The result of workshop was verified by Top Management and to be presented in the Sustainability Report 2014.

Responsiveness

PT Antam (Persero) Tbk has responded to stakeholders' issues that impact upon its sustainability performance and is addressed through decisions, actions and performance, as well as communication with stakeholders. It is recommended that PT Antam (Persero) Tbk also response negative trend of performance or unachieved targeted, for example injury rate and severity performance in 2014 compared with in 2013.

GLOBAL REPORTING INITIATIVE REPORTING GUIDELINES (G4) 2013 CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

In our opinion the PT Aneka Tambang Tbk's Sustainability Report 2014 is presented in accordance with the core option for GRI G4 and Mining and Metal Sector Supplement version. A3 and fulfills all the required content and quality criteria.

Principles: In our opinion the content of the report adheres to the four GRI Report Content Principles of Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness, and the six GRI Report Quality Principles of Balance, Comparability, Accuracy, Timeliness, Clarity and Reliability.

General Standard Disclosures: All the standard disclosures required for reporting at this application were included (or referenced) in the report.

Disclosure Management Approach (DMA): Disclosure Management Approach (DMA) for each materiality aspect did not always cover DMA 1 and DMA 2, e.g. setting of targets and goals for each material aspect, evaluation the performance against the target and necessary adjustment of management approach.

Further opportunities were identified during the assurance for consideration to ensure continual improvement including the following:

- Performance of PT ANTAM (Persero) Tbk. to be benchmarked against with similar industry in its sector.
- Level of materiality aspect was explained with High, Medium and Low; however it should be clearly reported which twelve (12) issues/topics are prioritization of issues.
- To explain the omission from un-complete reported indicator in the GRI index.
- To enhance reliability data provided by each business unit by verifying them too.
- It is recommended to perform internal verification process prior to external verification.

Signee
For and on behalf of SGS Indonesia

Shushilashanti Jopani
Business Manager
Jakarta, Indonesia
March 2015

WWW.SGS.COM



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