



# Excellence for Value Creation

Annual Report  
Laporan Tahunan

**2021**





Primary crusher located in the processing plant. In 2021, the milling rate increased to 755 tonnes per hour (tph), with 6.2 million tonnes of ore milled. Primary crusher yang berada di pabrik pengolahan. Pada tahun 2021, tingkat penggilingan meningkat menjadi 755 ton per jam (tph) dengan jumlah ore yang digiling mencapai 6,2 juta ton.



# Note to The Readers of The Report

## Catatan untuk Pembaca Laporan

This Annual Report contains statements of the Company's financial condition, operating results, plans and strategies and objectives by applicable laws and regulations, except for historical information. These statements are subject to risks and uncertainties that could cause actual results to differ from those stated or reported.

The data and statements in this report are based on various assumptions concerning current conditions, future developments and the business environment in which the Company operates. The information contained in this report does not constitute a guarantee of the Company's future performance.

This Annual Report is presented in two languages: Bahasa Indonesia and English, utilises a readable font type and size and as high-quality printing. The Report is available on the Company's website at <https://www.agincourtresources.com/en/annual-reports/>.

"PTAR" and "Company" define PT Agincourt Resources. In this Report, all tables and graphs use numerical data in standard English. Numerical values are presented in English and Indonesian.

Laporan Tahunan ini membahas mengenai kondisi keuangan Perusahaan, hasil operasional, rencana, dan strategi serta tujuan Perusahaan berdasarkan peraturan perundang-undangan yang berlaku. Kecuali perihal informasi historis, pernyataan ini merujuk pada risiko dan ketidakpastian yang dapat menyebabkan hasil aktual berbeda dari yang dinyatakan atau dilaporkan.

Data dan pernyataan dalam laporan ini berdasarkan pada berbagai asumsi mengenai kondisi saat ini, perkembangan masa depan, dan lingkungan bisnis tempat Perusahaan beroperasi. Informasi yang dimuat dalam laporan ini bukan merupakan jaminan atas kinerja Perusahaan di masa depan.

Laporan Tahunan ini disajikan dalam dua bahasa: Bahasa Indonesia dan Bahasa Inggris, menggunakan jenis serta ukuran leter yang mudah dibaca dan dicetak dengan kualitas yang baik. Laporan tersedia di situs resmi Perusahaan <https://www.agincourtresources.com/laporan-tahunan/>.

Kata "PTAR" dan "Perusahaan" mendefinisikan PT Agincourt Resources. Tabel dan grafik pada laporan ini menggunakan data numerik dengan standar Bahasa Inggris. Pemaparan numerik dalam teks menggunakan standar Bahasa Inggris dan Indonesia, sesuai konteksnya.



# Continuity of the Theme

## Kesinambungan Tema

2019



### Building Together to Empower Performance

Membangun Bersama untuk Memperkokoh Kinerja

Increased production and reduced unit costs over the years are the results of the Company's continuous improvement process launched in 2013, called the Martabe Improvement Program (MIP). Since 2013, we have increased our mill production from 3.6 million tonnes per year (281k ounces of gold) to 6 million tonnes per year in 2019 (391k ounces of gold).

The MIP program has been successful in reducing costs and optimising our assets in the mining activities and also in the processing plant. Having improved asset performance, further work has progressed in optimising mine scheduling and pit design and this 'whole of business' approach to performance improvement has resulted in very strong production and financial outcomes. We have achieved these results without compromising other important operational outcomes such as safety and the protection of the environment. We are now well-positioned to exploit new opportunities for future growth as a result of a more efficient operating platform. Our growth will come via exploration and also by project development.

The exploration program continues to be a strong and successful investment in discovering more gold. In parallel, we are progressing with some of the studies which will examine options for investment in additional capacity in the plant and infrastructure. If successful, these programs will increase the life of the mine, which in turn will provide benefits to all of our stakeholders including economic outcomes for employees, suppliers, the state and the investors. In particular, we will build upon this year's achievements which indicate the direction taken by the Company. They illustrate how all at PT Agincourt Resources are building together to empower performance.

Peningkatan produksi dan penurunan biaya unit berhasil dicapai oleh Perusahaan sejak tahun 2013 berkat penerapan strategi peningkatan berkesinambungan, yakni Martabe Improvement Program (MIP). Sejak tahun 2013, Perusahaan mampu meningkatkan produksi penggilingan dari 3,6 juta ton per tahun (281.000 ounce emas) menjadi 6 juta ton per tahun di tahun 2019 (391.000 ounce emas).

Program MIP berhasil menurunkan biaya dan mampu mengoptimalkan aset-aset dalam kegiatan tambang dan pabrik pengolahan. Peningkatan kinerja atau aset tersebut mampu mengoptimalkan jadwal penambangan dan desain pit, dan pendekatan strategi usaha Perusahaan secara menyeluruh untuk meningkatkan kinerja tersebut telah meningkatkan hasil produksi dan kinerja keuangan secara memuaskan. Kami berhasil meraih capaian tersebut tanpa mengabaikan operasional penting lainnya, yakni faktor keselamatan kerja dan perlindungan terhadap lingkungan. Kami sekarang berada dalam posisi yang baik untuk memanfaatkan peluang baru dan pertumbuhan di masa depan sebagai hasil dari rencana kerja operasi yang lebih efisien. Kami percaya bahwa pertumbuhan usaha Perusahaan dapat dicapai melalui kegiatan eksplorasi dan juga pengembangan proyek.

Kegiatan eksplorasi tetap menjadi investasi yang solid dan sukses dalam menemukan lebih banyak emas. Secara bersamaan, kami melanjutkan pelaksanaan studi terhadap berbagai opsi investasi dalam menambah kapasitas pabrik dan infrastruktur. Jika kegiatan ini berhasil, usia tambang dapat berlangsung lebih panjang, sehingga mampu menciptakan keuntungan lebih bagi para pemangku kepentingan, termasuk keuntungan ekonomi bagi karyawan, pemasok, negara, dan investor. Secara khusus, kami akan terus menjaga dan meningkatkan capaian-capaian kinerja pada tahun 2020 yang memperlihatkan strategi yang telah dilaksanakan Perusahaan. Seluruh capaian yang kami peroleh menunjukkan bahwa PT Agincourt Resources senantiasa membangun bersama untuk memperkokoh kinerja.



2020



### Agility and Adaptability

Kelincahan dan Mampu Beradaptasi

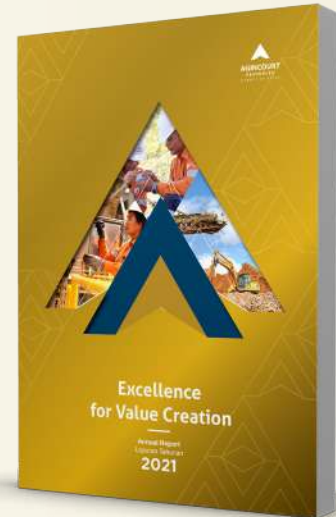
Agility and Adaptability reflects the Company's response to the difficult situation of the COVID-19 pandemic. While the two objectives for 2020 became a) keeping our people safe and healthy and b) maintaining the operation for the benefit of all stakeholders.

The agility and adaptability demonstrated by PT Agincourt Resources ("PTAR") would not have been possible without the strong unity and collaboration among all the stakeholders. Seeing the benefits of diverse management and workforce in the pandemic, PTAR has continued to strive for inclusiveness and diversity to broaden its stakeholder base.

Kelincahan dan mampu beradaptasi mencerminkan tanggapan Perusahaan terhadap situasi sulit dari pandemi COVID-19. Selama tahun 2020, Perusahaan memiliki dua tujuan yang perlu dicapai yaitu a) menjaga setiap karyawan dengan aman dan sehat, serta b) memantau operasi untuk kepentingan semua pemangku kepentingan.

Namun demikian, kelincahan dan mampu beradaptasi yang ditunjukkan oleh PT Agincourt Resources ("PTAR") tidak akan mungkin terjadi tanpa persatuan dan kolaborasi antar pemangku kepentingan. Adanya kerjasama dari berbagai manajemen dan tenaga kerja selama masa pandemi, PTAR terus berupaya untuk inklusifitas dan hal ini akan berdampak pada perluasan pemangku kepentingan.

2021



### Excellence for Value Creation Keunggulan untuk Mencipta Nilai

The Company maintained its excellent performance in 2021 after successfully overcoming various challenges in 2020. This outstanding performance was achieved through adaptation and change management strategies. While the Company remains in an uncertain situation, it has continued to increase production targets and strengthen implementation of the Martabe Improvement Program (MIP). The Company was able to achieve efficient, effective and innovative product results through this program.

On the other hand, health issues that have gained increased attention in the aftermath of the COVID-19 pandemic have increased awareness among all PTAR residents about the importance of maintaining a healthy and safe environment and taking care of one another's health in the community. This is because our economic performance serves as the foundation for creating value for all stakeholders, including the health, safety and welfare of all living things in our environment.

Perusahaan meneruskan kinerja yang unggul di tahun 2021 setelah berhasil melampaui berbagai tantangan di sepanjang tahun 2020. Kinerja unggul ini dicapai melalui adaptasi dan strategi menghadapi perubahan. Walaupun masih dalam situasi yang penuh ketidakpastian, namun Perusahaan terus meningkatkan target produksi dan memperkuat implementasi Martabe Improvement Program (MIP). Melalui program ini, Perusahaan mampu mencapai hasil produk yang efisien, efektif, dan inovatif.

Di sisi lain, isu kesehatan yang semakin banyak mengundang perhatian sejak terjadinya pandemi COVID-19, menjadikan seluruh insan PTAR semakin sadar untuk menjaga lingkungan yang sehat dan aman. Tidak hanya kesehatan di lingkungan kerja internal saja, namun juga saling menjaga kesehatan bersama masyarakat. Hal ini kami lakukan karena kinerja ekonomi yang kami capai merupakan dasar bagi penciptaan nilai untuk semua pemangku kepentingan, baik pada aspek kesehatan, keamanan, maupun kesejahteraan bagi semua makhluk hidup di sekitar kita.



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Lamtiur Pasaribu, Electrical & Instrumentation Trainee checks the electrical panel on the Ball Mill gearbox, at the processing plant.  
Lamtiur Pasaribu, Trainee Electrical & Instrumentation mengecek panel listrik pada gearbox Ball Mill, di pabrik pengolahan.





**Performance Highlights**  
Ikhtisar Kinerja

# 01

## PERFORMANCE HIGHLIGHTS

### IKHTISAR KINERJA

## 2021

**PTAR continues to increase production targets and strengthen the Martabe Improvement Program (MIP) implementation as it enables the Company to produce efficient, effective, and innovative products.**

**PTAR terus meningkatkan target produksi dan memperkuat implementasi Martabe Improvement Program (MIP) karena melalui program ini, Perusahaan mampu mencapai hasil produk yang efisien, efektif, dan inovatif.**





PT Agincourt Resources (PTAR) gold and silver processing plant at night. By 2021, the PTAR processing plant has exceeded throughput in 2020, from 6.1 million tons to 6.2 million tons. The milling rate also increased to 755 tonnes per hour (tph) from 733 tph in 2020.

Pabrik pengolahan emas dan perak PT Agincourt Resources (PTAR) pada malam hari. Selama tahun 2021 pabrik pengolahan PTAR telah melebihi *throughput* pada tahun 2020 yakni dari 6,1 juta ton menjadi 6,2 juta ton. Laju penggilingan juga meningkat menjadi 755 ton per jam (tph) dari 733 tph.



## Performance Highlights

Ikhtisar Kinerja

# Financial Highlights

## Kinerja Keuangan

### Statement of Profit or Loss and Other Comprehensive Income

Laporan Laba Rugi dan Penghasilan Komprehensif Lain

US\$ '000 Unless Otherwise Stated

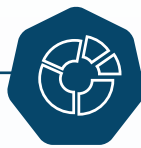
US\$ '000 Kecuali Dinyatakan Lain



**580,603**

**Sales**  
Penjualan

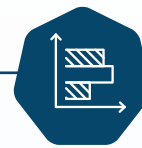
2020 >> 481,420



**(224,404)**

**Cost of Goods Sold**  
Beban Pokok penjualan

2020 >> (199,940)



**356,198**

**Gross Profit**  
Laba Kotor

2020 >> 281,480



**317,300**

**Income Before Tax**  
Laba sebelum Pajak  
Penghasilan

2020 >> 233,120



**242,648**

**Net Income for the Year**  
Laba Bersih setelah Pajak

2020 >> 187,246



**2.85**

**Earnings per Share (US\$)**  
Laba Bersih per Saham (US\$)

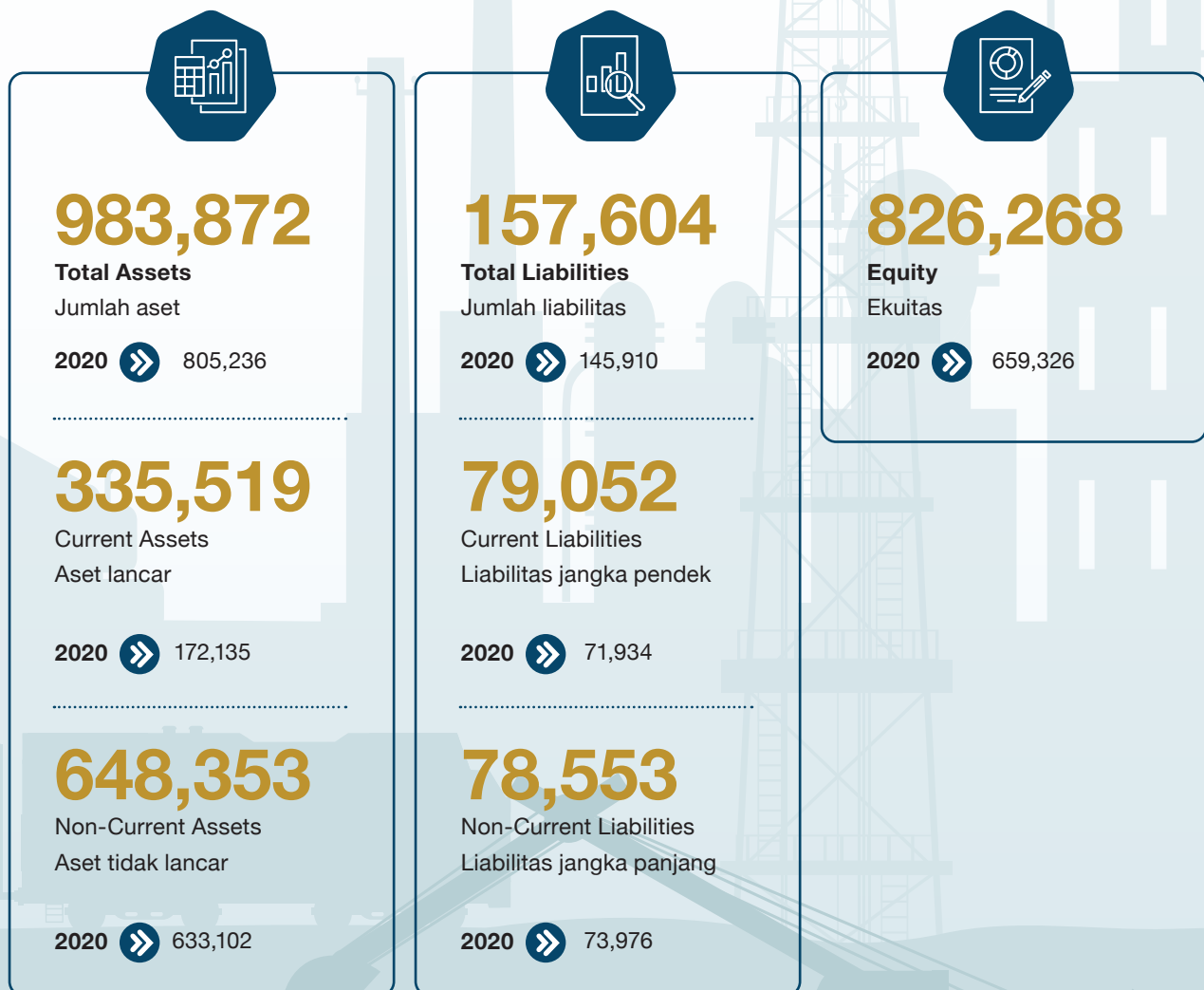
2020 >> 2.20

## Financial Statement

### Laporan Posisi Keuangan

US\$ '000 Unless Otherwise Stated

US\$ '000 Kecuali Dinyatakan Lain



**Capital Stock**  
Modal Saham

**85,000,000**

Authorised Capital (Shares)

Modal dasar (saham)

2020 >> 85,000,000

**85,000,000**

Issued and Fully Paid Capital (Shares)

Modal ditempatkan dan disetor penuh (saham)

2020 >> 85,000,000



## Performance Highlights

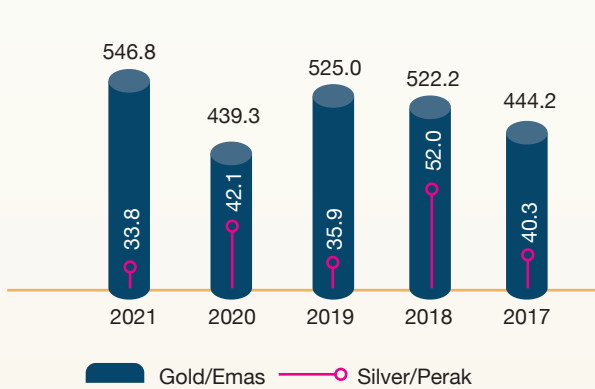
Ikhtisar Kinerja

## Statement of Profit or Loss and Other Comprehensive Income

Laporan Laba Rugi dan Penghasilan Komprehensif Lain

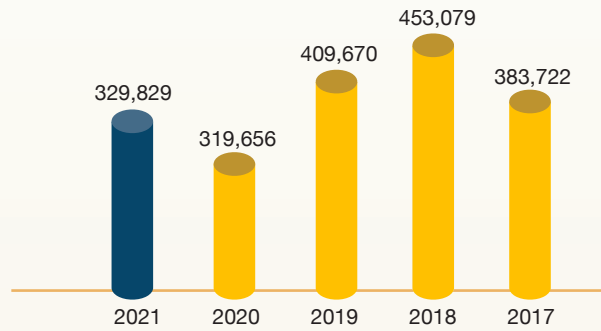
### Gold & Silver Revenue (in US\$ million)

Pendapatan Emas dan Perak (dalam juta US\$)



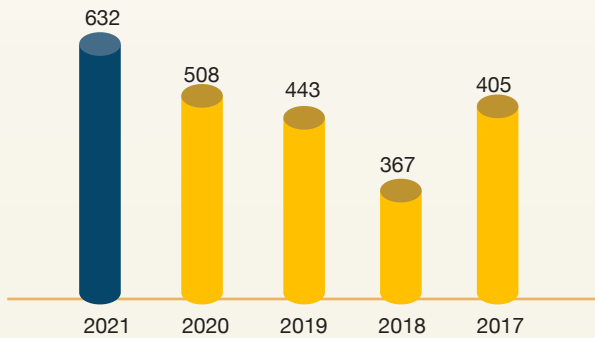
### Gold Sold Equivalent (In Ounces)

Emas Terjual Setara (Ounce)



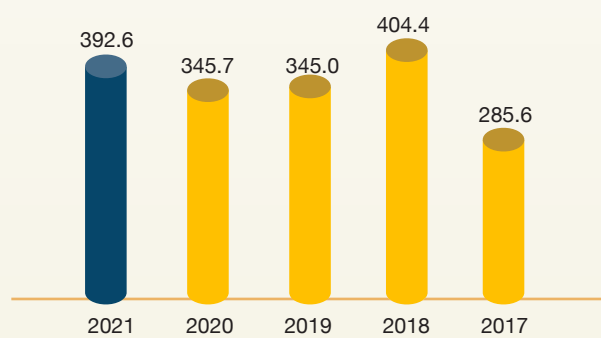
### All In Sustaining Cost\* (in US\$/ounce)

All In Sustaining Cost\* (dalam US\$/ounce)



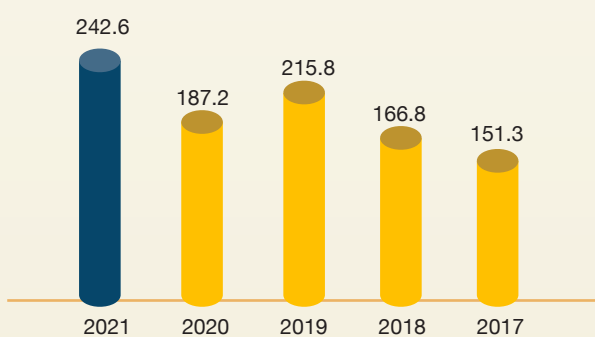
### Cash Generated from Operations (in US\$ million)

Arus Kas Hasil Operasi (dalam juta US\$)



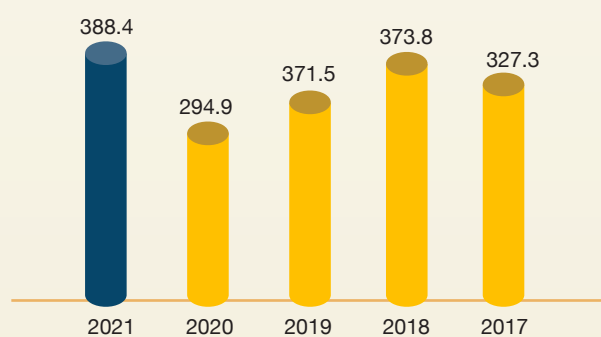
### Net Profit After Tax (in US\$ million)

Laba Bersih Setelah Pajak (dalam juta US\$)



### EBITDA\*\* (in US\$ million)

EBITDA\*\* (dalam juta US\$)



\* All in sustaining cost (AISC) is a non-GAAP (generally accepted accounting principles) financial performance measure for gold producers. It does not have a standardised definition under the Indonesian Financial Accounting Standard (PSAK) and so is provided in this report as additional information only.

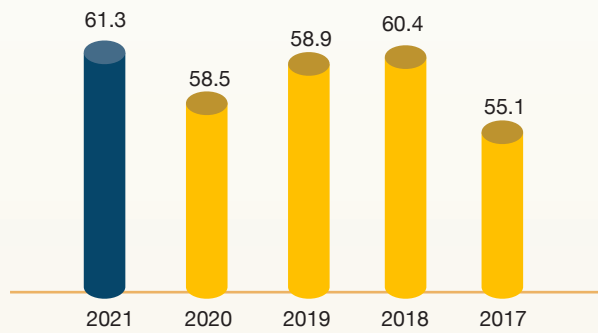
AISC merupakan ukuran kinerja keuangan di luar GAAP (prinsip akuntansi yang berlaku umum) untuk produsen emas. Ukuran ini tidak memiliki definisi standar menurut PSAK, dan hanya disajikan dalam laporan ini sebagai informasi tambahan semata-mata.

\*\* Earnings before interest, tax, depreciation and amortisation.

Pendapatan sebelum bunga, pajak, depresiasi, dan amortisasi.

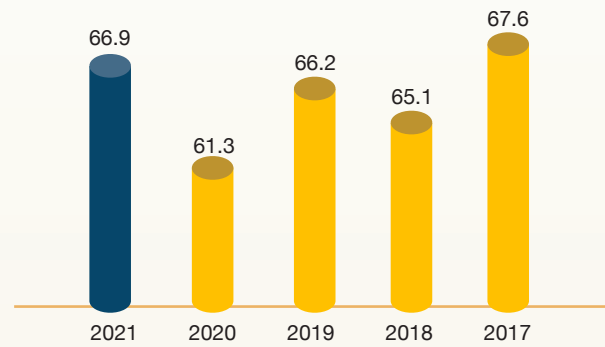
### Gross Profit Margin (%)

Margin Laba Kotor (%)



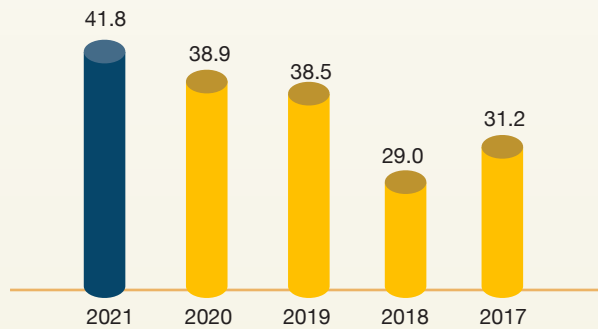
### EBITDA Margin (%)

Margin EBITDA (%)



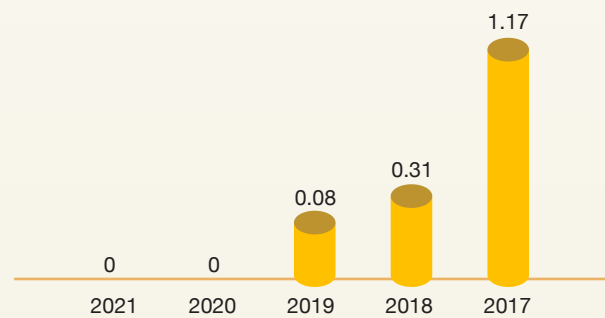
### Profit After Tax (PAT) Margin (%)

Margin Laba Setelah Pajak (%)



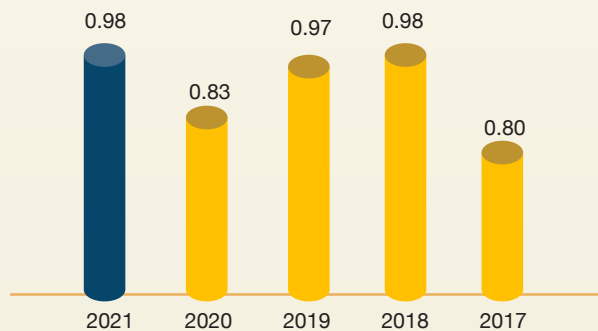
### Net Debt to EBITDA

Utang Bersih terhadap EBITDA



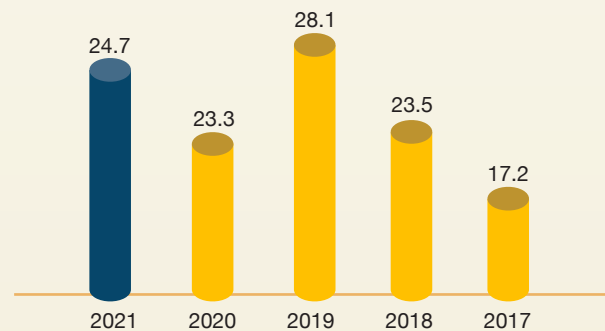
### Fixed Assets Turnover

Rasio Perputaran Aktiva Tetap



### Return on Assets (%)

Tingkat Pengembalian Aset (%)





## Performance Highlights

Ikhtisar Kinerja

## Awards

### Penghargaan



1 February 2021  
Februari 2021

#### TAX COMPLIANCE AWARD

Penghargaan Kepatuhan Pajak

Directorate General of Taxation  
Direktorat Jenderal Pajak



12 March 2021  
Maret 2021

#### BLUE PROPER AWARD

Environmental Management Year 2019-2020

PENGHARGAAN PROPER BIRU  
Pengelolaan Lingkungan tahun 2019- 2020

The Ministry of Environment and Forestry  
Kementerian Lingkungan Hidup dan  
Kehutanan



31 March 2021  
Maret 2021

#### SILVER WINNER

Public Relations Indonesia Awards  
(PRIA) 2021 Sub-Category Annual  
Report

PENGHARGAAN PERINGKAT PERAK  
Public Relations Indonesia Awards (PRIA)  
2021 Sub-Kategori Laporan Tahunan

PR INDONESIA



29 July 2021  
Juli 2021

#### BEST OF THE BEST

CSR Indonesia Awards 2021

TERBAIK DARI YANG TERBAIK  
Penghargaan CSR Indonesia 2021

CSR Indonesia



29 July 2021  
Juli 2021

#### BRONZE AWARD

Cipta Karsa Mandiri in the field of  
Micro, Small and Medium Enterprises

PENGHARGAAN PERunggu  
Kategori Cipta Karsa Mandiri (bidang  
Usaha Mikro, Kecil, dan Menengah  
(UMKM))

CSR Indonesia



29 July 2021  
Juli 2021

#### SILVER AWARD

Social Initiative in the Social Sector  
for the Agricultural Access and  
Facilities Development program

PENGHARGAAN PERINGKAT PERAK  
Inisiatif Bidang Sosial untuk Fasilitas  
Pertanian program dan Program  
Pengembangan Fasilitas

CSR Indonesia



29 July 2021  
Juli 2021

**GOLD AWARD**

**Build Social Initiatives for Disaster Risk Reduction program through Capacity Building**

PENGHARGAAN PERINGKAT EMAS  
Inisiatif Pembangunan Sosial untuk Program Pengurangan Resiko Bencana melalui program Peningkatan Kapasitas Personil

CSR Indonesia



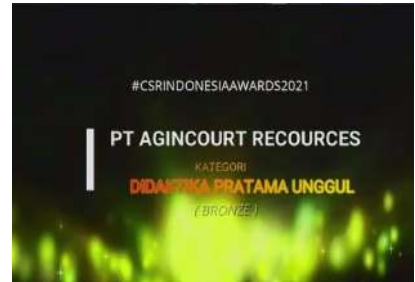
29 July 2021  
Juli 2021

**GOLD AWARD**

**Didaktika Prarama Unggul Education Programme**

PENGHARGAAN PERINGKAT EMAS  
Didakta Pratama Unggul Bidang Pendidikan melalui *E-Coaching* Jam Martabe

CSR Indonesia



29 July 2021  
Juli 2021

**BRONZE AWARD**

**Didaktika Pratama Unggul Education Martabe Prestasi Scholarship program**

PENGHARGAAN PERUNGGU  
Didakta Pratama Unggul Bidang Pendidikan melalui Program Beasiswa Martabe Prestasi.

CSR Indonesia



29 July 2021  
Juli 2021

**GOLD AWARD**

**Primal Cultural Initiative in the field of culture through the Art and Culture Preservation program**

PENGHARGAAN PERINGKAT EMAS  
Inisiatif Bidang Budaya melalui Program Pelestarian Seni dan Budaya

CSR Indonesia



29 July 2021  
Juli 2021

**SILVER AWARD**

**Cipta Guna Sehati in the Health Sector**

PENGHARGAAN PERINGKAT PERAK  
Kategori Cipta Guna Sehati di bidang kesehatan

CSR Indonesia



20 August 2021  
Agustus 2021

**SILVER AWARD**

**Australasian Reporting Awards (ARA) 2021**

PENGHARGAAN PERINGKAT PERAK  
Australasian Reporting Awards (ARA) 2021

Australasian Reporting Awards



Performance Highlights

Ikhtisar Kinerja



22 September 2021  
September 2021

**GOLD AWARD**  
**COVID-19 Prevention and Control in the Workplace**

PENGHARGAAN PERINGKAT EMAS untuk Pencegahan dan Penanggulangan COVID-19 di Tempat Bekerja

Governor of North Sumatra  
Pemerintahan Provinsi Sumatra Utara



28 September 2021  
September 2021

**SOEBROTO AWARD**  
**Non-Tax State Revenue in the Mandatory Payer category with the highest level of payment compliance in the sub-category of Contract of Work (COW) holders from Ministry of Energy and Mineral Resources**

PENGHARGAAN SOEBROTO Bidang PNB (Penerimaan Negara Bukan Pajak) Mineral dan Batubara kategori Wajib Bayar dengan tingkat kepatuhan pembayaran tertinggi di sub-kategori perusahaan Pemegang Kontrak Karya (KK)

Ministry of Energy and Mineral Resources  
Kementerian Energi dan Sumber Daya Mineral



29 September 2021  
September 2021

**GOOD MINING PRACTICES AWARD**  
**Main Award in the environmental management aspect of mineral and coal mining**

PENGHARGAAN PENERAPAN PERTAMBANGAN BAIK Kategori Utama aspek pengelolaan lingkungan pada praktik pertambangan mineral dan batubara

Ministry of Energy and Mineral Resources  
Kementerian Energi dan Sumber Daya Mineral



17 November 2021  
November 2021

**GOLD RANK**  
**The 17th Asia Sustainability Reporting Rating (ASRRAT) 2021**

PERINGKAT EMAS Asia Sustainability Reporting Rating (ASRRAT) ke 17 tahun 2021

National Center for Sustainability Reporting



7 December 2021  
Desember 2021

**THE BEST COMMUNICATION PROGRAM** Astra Heavy Equipment, Mining, Construction and Energy (AHEMCE) and the Foundation PROGRAM KOMUNIKASI TERBAIK dari Astra Alat Berat, Pertambangan, Konstruksi, dan Energi (AHEMCE) serta Yayasan

The Astra Group



31 December 2021  
Desember 2021

**THE BEST LOYALTY CUSTOMER**  
**PELANGGAN LOYALITAS TERBAIK**

PLN (State Electricity Company) Regional Main Unit (UIW) North Sumatra PLN (Perusahaan Listrik Negara) Unit Induk Regional (UIW) Sumatra Utara

# Certifications

## Sertifikasi



### Australian National Committee on Large Dams (ANCOLD) and International Committee on Large Dams (ICOLD) guidelines (various)

#### Pedoman Komite Nasional Bendungan Besar Australia (ANCOLD) dan Komite Internasional Bendungan Besar (ICOLD) (beragam)

Applicable ICOLD and ANCOLD dam safety guidelines are referenced as minimum requirements by PTAR Code of Practice *Safe Tailings Disposal* and also design reports produced by the TSF design consultancy engaged by PTAR. Panduan keamanan bendungan ICOLD dan ANCOLD yang berlaku dirujuk sebagai persyaratan minimum oleh Kode Praktik Pembuangan Tailing Aman PTAR dan juga laporan desain yang dihasilkan oleh konsultan desain Tailing Storage Facilities (TSF) yang melibatkan oleh PTAR.

### Business and Biodiversity Offsets Program (BBOP) Standard on Biodiversity Offsets (2012)

#### Program Keseimbangan Standar Bisnis dan Keanekaragaman Hayati (BBOP) tentang Keseimbangan Keanekaragaman Hayati (2012)

The BBOP Standard was referenced in biodiversity offset studies implemented by PTAR. Standar BBOP dirujuk dalam studi penggantian kerugian keanekaragaman hayati yang dilaksanakan oleh PTAR.

### Equator Principles (2013)

Implementation of the Equator Principles at the Martabe Gold Mine has been audited several times as a due diligence measure for the benefit of third parties. Tambang Emas Martabe telah diaudit beberapa kali sebagai langkah uji tuntas untuk kepentingan pihak ketiga.

### ICMM 10 Principles for sustainable development (2003) 10 Prinsip ICMM untuk pembangunan berkelanjutan (2003)

The ICMM 10 Principles for sustainable development were referenced in the development of the PTAR Sustainability Policy. 10 Prinsip ICMM untuk pembangunan berkelanjutan direferensikan dalam pengembangan Kebijakan Keberlanjutan PTAR.

### Global Reporting Initiative (GRI) Standards (2017) Standar Global Reporting Initiative (GRI) (2017)

The GRI Standards and the preceding GRI-G4 Reporting Guidelines have been applied in the Company's sustainability reports. Standar GRI dan Pedoman Pelaporan GRI-G4 telah diterapkan dalam Laporan Keberlanjutan Perusahaan.

### United Nations Sustainable Development Goals (2015) and ICMM Community Development Toolkit (2015)

#### Tujuan Pembangunan Berkelanjutan Perserikatan Bangsa-Bangsa (2015) dan Perangkat Pengembangan Komunitas ICMM (2015)

These sources and others were referenced in the development of the current PTAR Community Development Plan. Sumber-sumber ini dan lainnya menjadi acuan dalam pengembangan Rencana Pengembangan Masyarakat PTAR saat ini.

### ISO 14001 (2004) and ISO 18001 (2007) ISO 14001 (2004) dan ISO 18001 (2007)

The PTAR HSE Management System was developed with reference to these international standards for environmental and safety management systems. Sistem Manajemen Health, Safety and Environment (HSE) PTAR dikembangkan dengan mengacu pada standar internasional untuk sistem manajemen lingkungan dan keselamatan.

### ICMM Position Statement on Preventing Catastrophic Failure of Tailings Storage Facilities (2016) Pernyataan Posisi International Council on Mining and Metals (ICMM) dalam Mencegah Kegagalan Bencana Fasilitas Penyimpanan Tailing (2016)

The critical controls documented in this position paper were referenced in a revision of the PTAR Code of Practice *Safe Tailings Disposal*. Kontrol kritis yang didokumentasikan dalam makalah posisi ini direferensikan dalam revisi Pedoman Praktik Pembuangan *Tailing Aman* PTAR.

### International Financial Corporation (IFC) IFC Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources (2012)

International Financial Corporation (IFC) Standar Kinerja IFC 6: Konservasi Keanekaragaman Hayati dan Pengelolaan Sumber Daya Alam Hayati yang Berkelanjutan (2012) IFC Performance Standard No 6 was referenced in the development of PTAR Code of Practice Biodiversity Protection and environmental risk assessments. Standar Kinerja IFC No 6 dirujuk dalam pengembangan Kode Praktik Perlindungan Keanekaragaman Hayati PTAR dan penilaian risiko lingkungan.

## Performance Highlights

Ikhtisar Kinerja

# 2021 Kaleidoscope

## Peristiwa Penting 2021



**1** February 2021  
Februari 2021

PTAR handed over the Viewing Tower of Sapirok Botanical Garden.

PTAR menyerahkan Menara Pandang Kebun Raya Sapirok.



**8** February 2021  
Februari 2021

The Mulia Bakti Farmers Group, assisted by PTAR, carried out the initial planting of captive corn seeds in Sumuran Village.

Kelompok Tani Mulia Bakti, dibantu oleh PTAR, melakukan penanaman awal benih jagung hasil penangkaran di Desa Sumuran.



**21** April 2021  
April 2021

The South Tapanuli Regent Dolly Putra Parlindungan Pasaribu oversees the routine processed water sampling by the Processed Water Quality Monitoring Integrated Team.

Bupati Tapanuli Selatan, Dolly Putra Parlindungan Pasaribu mengawasi pengambilan sampel air olahan secara rutin oleh Tim Terpadu Pemantau Kualitas Air Sisa Proses.



**21, 26 & 28** April 2021  
April 2021

PTAR celebrated Kartini Day by holding Inspiration Talks on the theme The Future Has No Gender and held leadership and team-building webinar with the title Better in Communication, Cooperation and Collaboration, in collaboration with Prasetiya Mulya.

PTAR merayakan Hari Kartini dengan mengadakan *Inspiration Talks* bertema *The Future Has No Gender* serta mengadakan webinar kepemimpinan dan *team-building* dengan judul *Better in Communication, Cooperation and Collaboration* bekerja sama dengan Prasetiya Mulya.





**25** April 2021  
April 2021

PTAR has assisted in the renovation of the Batuhula Village Suspension Bridge which started on March 2021.

PTAR telah membantu renovasi jembatan gantung Desa Batuhula yang dimulai sejak bulan Maret 2021.



**4** May 2021  
Mei 2021

PTAR held a discussion with local mass media with a resource person Prof. Ing. Ternala Alexander Barus, Professor of Limnology at the Biology Department, University of North Sumatra and Head of the Centre for Environment and Population also USU Research Institute.

PTAR mengadakan diskusi dengan media massa lokal dengan narasumber Prof. Ing. Ternala Alexander Barus, Guru Besar Limnologi Departemen Biologi Universitas Sumatra Utara (USU) dan Kepala Pusat Lingkungan dan Kependudukan, serta Lembaga Penelitian USU.



**18** May 2021  
Mei 2021

PTAR as part of Astra Heavy Equipment, Mining, Construction and Energy (AHMCE) participates in the first phase of the COVID-19 vaccination process.

PTAR sebagai bagian dari Astra Heavy Equipment, Mining, Construction and Energy (AHMCE) berpartisipasi dalam tahap pertama proses vaksinasi COVID-19.



**24 - 29** May 2021  
Mei 2021

PTAR supported the advanced basic training for the fire fighting personnel in South Tapanuli. The training was held at Sopo Daganak for 42 fire fighter from Batangtoru, Sipirok and Batang Angkola.

PTAR mendukung pelatihan dasar lanjutan bagi personel pemadam kebakaran di Tapanuli Selatan. Pelatihan dilaksanakan di Sopo Daganak untuk 42 unit pemadam kebakaran dari Batangtoru, Sipirok, dan Batang Angkola.

## Performance Highlights

### Ikhtisar Kinerja



**2** June 2021  
Juni 2021

PTAR held a Virtual Health Talk (VHT) which was in the series of the Environment Day, with the theme “Let’s Be Sustainably Healthy with Less Waste”.

PTAR menyelenggarakan kegiatan *Virtual Health Talk* (VHT) yang merupakan rangkaian dari Hari Lingkungan Hidup dengan tema “Mari Sehat Berkelanjutan dengan Mengurangi Sampah”.



**5** June 2021  
Juni 2021

In commemoration of Environment Day 2021 PTAR planted 300 trees seedling of at Sabar Dump.

Dalam rangka memperingati Hari Lingkungan Hidup 2021 PTAR melakukan penanaman 300 bibit pohon di Sabar Dump.



**17-18** June 2021  
Juni 2021

PTAR held discussions with biodiversity scientists Onrizal, Ph.D., Dr. Puji Rianti, Dr. Rondang SE Siregar and Dr. S. Suci Utami Atmoko. This discussion enriched management’s understanding as a provision for the formulation of policies, strategies and actions to strengthen biodiversity management.

PTAR menyelenggarakan diskusi dengan para ilmuwan biodiversitas yaitu Onrizal, Ph.D., Dr. Puji Rianti, Dr. Rondang SE Siregar, dan Dr. S. Suci Utami Atmoko. Melalui diskusi ini dapat memperkaya pemahaman manajemen sebagai bekal perumusan kebijakan, strategi, dan tindakan untuk memperkuat pengelolaan keanekaragaman hayati.



**18** June 2021  
Juni 2021

PTAR held first vaccination at Martabe Gold Mine Site for employees and contractors.

PTAR mengadakan vaksinasi pertama di Lokasi Tambang Emas Martabe untuk karyawan dan kontraktor.





24 June 2021  
Juni 2021

PTAR held a seminar on the theme “Sustainable Biodiversity is The Key”. The seminar presented Jajat Sudrajat, ST. M.Sc from Ministry of Energy and Mineral Resources and dr. Tengku Amri Fasi, M.Kes the Head of Environmental Agency of North Sumatra.

PTAR mengadakan seminar bertema “Sustainable Biodiversity is The Key”. Seminar menghadirkan Jajat Sudrajat, ST. M.Sc dari Kementerian Energi, Sumber Daya, dan Mineral (ESDM) serta dr. Tengku Amri Fasi, M.Kes Kepala Badan Lingkungan Hidup Sumatra Utara.



25 July 2021  
Juli 2021

PTAR has again distributed the Martabe Prestasi Scholarship for the 2021/2022 academic year worth a total of IDR1.51 billion to a total of 246 outstanding students.

Agincourt Resources kembali menyalurkan Beasiswa Martabe Prestasi Tahun Pelajaran 2021/2022 senilai total Rp1,51 miliar kepada total 246 pelajar dan mahasiswa berprestasi.



3 September 2021  
September 2021

Agincourt Resources organized the dissemination of laboratory test results for the processed water from the Martabe Gold Mine which was distributed to the Batangtoru River for Q4/2020 and Q1 and Q2/2021.

PTAR menyelenggarakan sosialisasi hasil uji laboratorium untuk air olahan dari Tambang Emas Martabe yang disalurkan ke Sungai Batangtoru untuk Q4/2020 dan Q1 dan Q2/2021.



11 September 2021  
September 2021

PTAR handed over assistance for the construction of two units of standardized classrooms and furniture for Public Elementary School No. 100702 Batangtoru.

PTAR menyerahkan bantuan pembangunan dua unit ruang kelas dan mebel berstandar untuk Sekolah Dasar Negeri (SDN) No. 100702 Batangtoru.



## Performance Highlights

### Ikhtisar Kinerja



17 September 2021  
September 2021

PTAR continued its partnership with the Persamuan Bodhicitta Mandala Medan Foundation (YPBMM) for the Sumatran Tiger conservation program, in the form of donating one unit of a Toyota Hilux Single Cabin animal rescue car, 2400 cc 4x4 produced in 2021 to Barumun Nagari Wildlife Sanctuary (BNWS), along with animal cages and rescue equipment according to the specifications of the Regulation of the Director-General of Resources Conservation.

PTAR melanjutkan kerja sama dengan Yayasan Persamuan Bodhicitta Mandala Medan (YPBMM) untuk program konservasi Harimau Sumatra, dalam bentuk donasi satu unit mobil penyelamat hewan Toyota Hilux Single Cabin, 2400 cc 4x4 produksi tahun 2021 ke Suaka Margasatwa Barumun Nagari (BNWS), beserta kandang satwa dan peralatan penyelamatan sesuai spesifikasi Peraturan Direktur Jenderal Konservasi Sumber Daya.



18 September 2021  
September 2021

Vice President Director of Agincourt Resources Hendra Hutahean and Director & Chief Financial Officer Noviandri Hakim visited the Martabe Gold Mine site to give awards to employees with 5, 10 and 15 years of service at the 2021 Employee Service Recognition Awards (ESRA) event.

Wakil Presiden Direktur PTAR Hendra Hutahean dan Director & Chief Financial Officer Noviandri Hakim mengunjungi lokasi Tambang Emas Martabe untuk memberikan penghargaan kepada karyawan dengan masa kerja 5, 10, dan 15 tahun pada acara Employee Service Recognition Awards (ESRA) 2021.



5 October 2021  
Oktober 2021

PTAR continues to be committed to improving the quality of agriculture while supporting local economic development in South Tapanuli.

PTAR terus berkomitmen untuk meningkatkan kualitas pertanian serta mendukung pengembangan ekonomi lokal di Tapanuli Selatan.



28 October 2021  
Oktober 2021

In commemoration of Youth Pledge Day, Agincourt Resources held the Virtual Inspiration Talk Agincourt Resources Mining (VITAMIN) with the theme “The Young, the Achievers”. Dalam rangka memperingati Hari Sumpah Pemuda, PTAR menyelenggarakan *Virtual Inspiration Talk Agincourt Resources Mining (VITAMIN)* dengan tema *The Young, the Achievers*.



28 October 2021  
Oktober 2021

PTAR held the Inauguration and Coaching of Healthy Youth Counselors for the period 2021 – 2022. PTAR menyelenggarakan Pelantikan dan Pembinaan Konselor Remaja Sehat Periode 2021 – 2022.



28 October 2021  
Oktober 2021

PTAR collaboration with the Communication Forum of the South Tapanuli Traditional Institute held a collaborative performance of Traditional Music, Dance and Traditional Simulation. This activity for Commemorating the Youth Pledge Day. PTAR bekerja sama dengan Forum Komunikasi Lembaga Adat Tapanuli Selatan untuk mengadakan pertunjukan musik tradisional, tari, dan simulasi tradisional. Kegiatan ini dilaksanakan dalam rangka Memperingati Hari Sumpah Pemuda.



11 November 2021  
November 2021

PTAR in collaboration with Lembaga Pers Dr. Soetomo (LPDS) held a Media Capacity Building with the theme Environmental Journalism According to Press Law, Code of Ethics and Electronic Information and Transactions Law. PTAR bekerja sama dengan Lembaga Pers Dr. Soetomo (LPDS) menyelenggarakan kegiatan *Media Capacity Building* bertema *Jurnalisme Lingkungan Menurut UU Pers, Kode Etik, dan Undang-Undang Informasi dan Transaksi Elektronik (UU ITE)*.



## Performance Highlights

### Ikhtisar Kinerja



2-28 November 2021  
November 2021

PTAR is working with Green Planet Indonesia to monitor biodiversity in several locations.

PTAR bekerja sama dengan Green Planet Indonesia untuk memantau keanekaragaman hayati di beberapa lokasi.



23 November 2021  
November 2021

PTAR initiated a comparative study of Village Self-Reliance which was attended by representative officers of Telo, Batuhula dan Muara Hutaraja to several village locations assisted by Yogyakarta.

PTAR melaksanakan studi banding Kemandirian Desa yang dihadiri oleh aparat Desa Napa, Telo, Batuhula dan Muara Hutaraja ke beberapa lokasi desa binaan di Yogyakarta.



23 November 2021  
November 2021

PTAR donated medical equipment to the Regional Government of South Tapanuli Regency.

PTAR memberikan bantuan alat kesehatan kepada Pemerintah Daerah Kabupaten Tapanuli Selatan.



28 November 2021  
November 2021

PTAR has planted more than 8,000 tree seedlings this year. A total of 5,000 tree seedlings were planted at several points inside and outside the Martabe Gold Mine area.

PTAR telah menanam lebih dari 8.000 bibit pohon tahun ini. Sebanyak 5.000 bibit pohon ditanam di beberapa titik di dalam dan di luar kawasan Tambang Emas Martabe.





30 November 2021  
November 2021

PTAR dispatched the Integrated Animal Husbandry (Padu) Team of Aek Pining, Batangtoru, South Tapanuli to Langkat and Taro Regencies, North Sumatra.

PTAR memberangkatkan Tim Terpadu Peternakan (Padu) ke wilayah Aek Pining, Batangtoru, Tapanuli Selatan hingga Kabupaten Langkat dan Taro, Provinsi Sumatra Utara.



1 December 2021  
Desember 2021

The Clean Water Pipeline, Aek Pahu, Environment II was officially handed over to the Perkebunan Sub-district, Batangtoru District, South Tapanuli Regency.

Pipa Air Bersih Aek Pahu di Lingkungan II, secara resmi diserahkan kepada Kecamatan Perkebunan, Kecamatan Batangtoru, Kabupaten Tapanuli Selatan.



4 December 2021  
Desember 2021

PTAR assign an Emergency Response Team (ERT) to Mount Semeru eruption disaster, Lumajang, East Java for 10 days.

PTAR menugaskan Emergency Response Team (ERT) ke bencana erupsi Gunung Semeru, Lumajang, Jawa Timur selama 10 hari.



7 December 2021  
Desember 2021

PTAR in collaboration with the Dr. Soetomo Press Institute (LPDS) held another Media Capacity Building at the Pia Hotel Pandan, Central Tapanuli, North Sumatra.

PTAR bekerja sama dengan Lembaga Pers Dr. Soetomo (LPDS) kembali menggelar Penguatan Kompetensi Jurnalis di Pia Hotel Pandan, Tapanuli Tengah, Sumatra Utara.

## Performance Highlights

Ikhtisar Kinerja



8 December 2021  
Desember 2021

PTAR held a gathering with Non-Governmental Organizations (NGOs) who are members of the Batangtoru Conservation Activists in Medan.

PTAR mengadakan pertemuan dengan Lembaga Swadaya Masyarakat (LSM) yang menjadi anggota Aktivis Konservasi Batangtoru di Medan.



8 December 2021  
Desember 2021

PTAR extended cooperation agreement for the Safeguarding of National Vital Objects (Pamobvitnas) and Cooperation Guidelines Technical (PKT) with the Regional Police of North Sumatra.

PTAR memperpanjang perjanjian kerja sama untuk Pengamanan Objek Vital Nasional (obvitnas) dan Pedoman Teknis (PKT) dengan Kepolisian Daerah (Polda) Sumatra Utara.



13 December 2021  
Desember 2021

Seven apprentices of Mechanical Fitting and Electrical and Instrumentation at the Shipbuilding Institute of Polytechnic Surabaya (Politeknik Perkapalan Negeri Surabaya or "PPNS") have been declared graduated.

Terdapat tujuh orang *Apprentice* yang sudah lulus dari jurusan Pemasangan Mekanik dan Elektrikal dan Instrumentasi di Institut Perkapalan Politeknik Surabaya (Politeknik Perkapalan Negeri Surabaya atau "PPNS")



15 December 2021  
Desember 2021

The assistance program of PTAR to SDN 100711 Batuhula, Batuhula Village, Batangtoru, South Tapanuli.

PTAR memberikan program pendampingan kepada SDN 100711 Batuhula, Desa Batuhula, Batangtoru, Tapanuli Selatan.





**16** December 2021  
Desember 2021

PTAR held a Pre-Land Clearing Fauna Inspection training with trainers Onrizal, S. Hut, M.Si, Ph.D.  
PTAR mengadakan pelatihan Pra-Land Pelatihan Pemeriksaan Fauna Sebelum Pembukaan Lahan bersama dengan pelatih Onrizal, S.Hut, M.Si, Ph.D.



**21** December 2021  
Desember 2021

The PUK FSP KEP SPSI Secretariat Office located in Laydown was inaugurated by General Manager Operations, Rahmat Lubis.  
Kantor Sekretariat PUK FSP KEP SPSI berlokasi di Laydown diresmikan oleh Manajer Umum Operasi, Rahmat Lubis.



**21** December 2021  
Desember 2021

PTAR inaugurated the Technical Development workshop building to improve the quality of apprentice program training, specifically for the specializations of Mechanical Fitting, Electrical & Instrumentation and Welding & Fabrication.  
PTAR meresmikan gedung bengkel Technical Development untuk meningkatkan kualitas pelatihan program Apprentice, khusus untuk spesialisasi Mechanical Fitting, Electrical & Instrumentation dan Welding & Fabrication.



**22** December 2021  
Desember 2021

PTAR gave social aid to the community affected by the flood which hit a number of locations in South Tapanuli.  
PTAR memberikan bantuan sosial kepada masyarakat yang terkena dampak banjir yang melanda sejumlah lokasi di Tapanuli Selatan.



## Performance Highlights

Ikhtisar Kinerja



**22** December 2021  
Desember 2021

The Smart Friend Association (Perkumpulan Sahabat Cerdas or “Persada”) together with Sanggar Seni Sopo Daganak held an art show and various competitions at the amphitheatre hall of Sopo Daganak, Batangtoru, South Tapanuli.

Perhimpunan Sahabat Cerdas (Persada) bersama Sanggar Seni Sopo Daganak menggelar pentas seni dan berbagai lomba di aula ampiteater Sopo Daganak, Batangtoru, Tapanuli Selatan.



**28** December 2021  
Desember 2021

PTAR held E-Coaching Jam (ECJ), a webinar to share various knowledge with college students of Universitas Muhammadiyah Tapsel (UMTS), the theme of “Be Adaptive and Think Creative”.

PTAR mengadakan E-Coaching Jam (ECJ) dan webinar untuk berbagi ilmu dengan mahasiswa Universitas Muhammadiyah Tapsel (UMTS) bertema “Be Adaptive and Think Creative” .





Heni Maulidina, Senior Grade Technician of the Mine Geology Department took a sample of the Reverse Circular Grade Control (RCGC) drill to check the gold content and estimate the mining model block.

Heni Maulidina, Senior Grade Technician Departemen Mine Geology mengambil sampel bor *Reverse Circular Grade Control* (RCGC) untuk mengecek kadar emas yang terkandung dan membuat estimasi blok model penambangan.



# 02

## MANAGEMENT REPORT

### LAPORAN MANAJEMEN

The Board of Commissioners and Board of Directors would like to express their highest appreciation to all employees of the Company, all shareholders and other stakeholders for their trust and support in us as we carry out our duties and responsibilities.

Dewan Komisaris dan Dewan Direksi menyampaikan penghargaan yang setinggi-tingginya kepada seluruh karyawan Perusahaan, seluruh pemegang saham dan pemangku kepentingan lainnya atas kepercayaan dan dukungannya kepada Kami dalam menjalankan tugas dan tanggung jawab.







Martabe Gold Mine gold and silver pouring process. By 2021, the total gold poured reached 321,431 ounces with a recovery rate of 83%.

Proses penuangan emas dan perak Tambang Emas Martabe. Selama tahun 2021, total emas yang dituangkan mencapai 321.431 ounces dengan tingkat recovery mencapai 83%.

## Report from the President Commissioner

### Laporan Presiden Komisaris



Financially, PTAR generated sales of US\$580.6 million and a net profit after tax (NPAT) of US\$242.6 million. This demonstrates the Company's ability to effectively manage its financial aspects, one of which is supported by significant operational activities.

Dari aspek keuangan, PTAR berhasil membukukan Penjualan sebesar US\$580,6 dan Laba Bersih Setelah Pajak (NPAT) sebesar US\$242,6. Hal ini membuktikan bahwa Perusahaan dapat mempertahankan aspek keuangan dengan baik didukung oleh kegiatan operasional yang signifikan.

### Franciscus Xaverius Laksana Kesuma

President Commissioner

Presiden Komisaris

**Dear distinguished Shareholders and Stakeholders,**

Para Pemegang Saham dan Pemangku Kepentingan yang terhormat,

The difficulties presented by the past year have been widely regarded as unique, momentous and unprecedented. However, when we reflect on the journey we've taken so far, I am very proud. Despite the difficulties involved in addressing the pandemic and other concerns, we have remained strong. We are immensely proud of how our personnel and stakeholders have responded to these tough times, emerging stronger as a result in 2021. We would like to also offer our condolences to those who have lost their dear friends and loved ones as a result of the COVID-19 pandemic.

With that said, I am pleased to report on the Company's accomplishments this year on behalf of the Board of Commissioners. This report details the Company's journey and accomplishments in 2021, as well as our responsibility as a Board of Commissioners in monitoring the Company's progress.

**Evaluation Performance of Board of Directors**

The Board of Commissioners is extremely appreciative of the Company's overall performance in 2021. In general, we strongly feel that PTAR was well-managed throughout 2021, resulting in success in a number of areas: 1) Continued Corporate Social Responsibility (CSR) Program; 2) continued exploration program; 3) Cyanide Recovery (ReCYN) and vertimill project completed; 4) 6.17 million record tonnes milled; 5) robust financial result. As a result, we can confirm that the Board of Directors adhered to the 2021 work program that has been planned and agreed upon.

Our CSR activities continue to deliver positive impacts to the community. We continue to provide aid and relief packages in response to the COVID-19 pandemic, including mass vaccinations.

Kesulitan yang dialami pada tahun lalu dianggap sebagai kejadian langka, penting, dan belum pernah terjadi sebelumnya. Namun, ketika Perusahaan kilas balik perjalanan yang telah dilalui sejauh ini, saya sangat bangga. Terlepas dari adanya kesulitan selama masa pandemi dan masalah lainnya, Perusahaan tetap kuat. Kami sangat bangga dengan upaya setiap personil dan pemangku kepentingan dalam menanggapi masa-masa sulit ini selama tahun 2021. Kami juga ingin menyampaikan belasungkawa kami kepada mereka yang telah kehilangan teman-teman dan orang-orang terkasih akibat COVID -19.

Oleh karena itu, atas nama Dewan Komisaris dengan senang hati saya melaporkan pencapaian Perusahaan tahun ini. Laporan ini merinci perjalanan dan pencapaian Perusahaan di tahun 2021, serta tanggung jawab kami sebagai Dewan Komisaris dalam memantau kemajuan Perusahaan.

**Evaluasi Kinerja Dewan Direksi**

Dewan Komisaris sangat mengapresiasi kinerja Perusahaan secara keseluruhan pada tahun 2021. Secara umum, kami merasa bahwa PTAR telah dikelola dengan baik sepanjang tahun 2021, yang menghasilkan keberhasilan di beberapa bidang: 1) Program Corporate Social Responsibility (CSR) Berkelanjutan; 2) melanjutkan program eksplorasi; 3) proyek *Cyanide Recovery* (ReCYN) dan proyek mesin penggiling selesai; 4) 6,17 juta ton rekor digiling; 5) hasil keuangan yang kuat. Dengan demikian, kami dapat memastikan bahwa Dewan Direksi telah mematuhi program kerja tahun 2021 yang telah direncanakan dan disepakati.

Kegiatan CSR Perusahaan terus memberikan dampak positif bagi masyarakat. Kami terus memberikan bantuan dan paket bantuan dalam menanggapi pandemi COVID-19, termasuk kegiatan vaksinasi massal.



The implementation of the continued exploration program has resulted in the addition of gold mineral reserves at Martabe. As of June 2021, PTAR had total resources of 7.5 million ounces of gold and 72 million ounces of silver and ore reserves of 4.5 million ounces of gold and 39 million ounces of silver.

In terms of business growth and sustainability, the construction of ReCYN & vertimill facility, which one of the main operational strategic projects in 2021 has been completed, operated and contribute to the operational.

Our operations achieved favourable results in 2021 by increasing the tonnes milled record to 6.17 million. Financially, the Company earned US\$242.6 million in Net Profit after Tax (NPAT) in 2021. This accomplishment is significant in light of the continued uncertainties posed by the COVID-19 epidemic on PTAR's activities this year. PTAR's robust operational & financial performance is inseparable from the success of the Martabe Improvement Program (MIP), which has been running continuously since 2013.

The Board of Commissioners would like to commend the Board of Directors for their resilience, sacrifice and hard work in ensuring the company's well-being. The Board of Commissioners is appreciative of the decisiveness and prudence demonstrated by the Board of Directors during the COVID-19 pandemic. The Board of Directors are continuing to evaluate and adjust for potential risks and effects of the pandemic on the Company's activities.

Pelaksanaan program eksplorasi lanjutan telah menghasilkan penambahan cadangan mineral emas di Martabe. Per Juni 2021, PTAR memiliki total sumber daya 7,5 juta *ounce* emas dan 72 juta *ounce* perak serta cadangan bijih 4,5 juta *ounce* emas dan 39 juta *ounce* perak.

Dari sisi pertumbuhan dan keberlanjutan bisnis, pembangunan fasilitas ReCYN & fasilitas mesin penggiling yang merupakan salah satu proyek strategis operasional utama pada tahun 2021 telah selesai dan sudah dapat dioperasikan serta dapat berkontribusi terhadap kegiatan operasional.

Kegiatan operasional kami mencapai hasil yang baik pada tahun 2021 dengan meningkatkan rekor giling ton menjadi 6,17 juta. Secara finansial, Perusahaan memperoleh Laba Bersih Setelah Pajak (NPAT) sebesar US\$242,6 juta pada tahun 2021. Pencapaian ini signifikan mengingat berlanjutnya ketidakpastian yang ditimbulkan selama masa pandemi COVID-19 pada kegiatan PTAR tahun ini. Kinerja operasional & keuangan PTAR yang kuat tidak terlepas dari keberhasilan Martabe Improvement Program (MIP) yang telah berjalan secara berkesinambungan sejak tahun 2013.

Dewan Komisaris memberikan apresiasi kepada Dewan Direksi atas ketangguhan, pengorbanan, dan kerja kerasnya dalam memastikan kesejahteraan Perusahaan. Dewan Komisaris mengapresiasi ketekunan dan kehati-hatian yang ditunjukkan Dewan Direksi selama masa pandemi COVID-19. Dewan Direksi terus mengevaluasi dan menyesuaikan potensi risiko dan dampak pandemi terhadap kegiatan Perusahaan.

### Implementation Of Good Corporate Governance (GCG)

One of the main duties of the Board of Commissioners is to carry out supervision and monitoring of each policy to achieve the expected results through the implementation of good corporate governance (GCG). The Board of Commissioners together with the Board of Directors ensure that GCG implementation is carried out properly by all organs and in all activities of the Company. The Company always complies with all applicable laws and regulations to increase shareholder and stakeholder trust. The Board of Commissioners is responsible for ensuring that every policy is in line with GCG principles and does not violate existing regulations.

Throughout 2021, the Board of Commissioners did not hold any physical meeting due to COVID-19. However, the Board of Commissioners resolved 2 Circular Resolutions that approve the Distribution of the Interim Dividend of 2021 and the Company's Annual Work & Budget Plan of 2022.

The Board of Commissioners wishes to express its heartfelt appreciation to all of the Company's employees. We also thank all our shareholders and stakeholders for their trust and support for the Board of Commissioners in carrying out our duties and responsibilities. We believe that our established cooperation can be enhanced even further in the future. We look forward to the years ahead, which will be brimming with opportunities.

### Penerapan Tata Kelola Perusahaan yang Baik (GCG)

Salah satu tugas utama Dewan Komisaris adalah melakukan pengawasan dan pemantauan terhadap setiap kebijakan untuk mencapai hasil yang diharapkan melalui penerapan tata kelola perusahaan yang baik. Dewan Komisaris bersama Dewan Direksi memastikan bahwa penerapan GCG dilaksanakan dengan baik oleh seluruh jajaran dan seluruh kegiatan Perusahaan. Perusahaan selalu mematuhi seluruh peraturan perundang-undangan yang berlaku untuk meningkatkan kepercayaan pemegang saham dan pemangku kepentingan. Dewan Komisaris bertanggung jawab untuk memastikan bahwa setiap kebijakan sejalan dengan prinsip-prinsip GCG dan tidak melanggar peraturan yang ada.

Sepanjang tahun 2021, selama masa pandemi COVID-19 Dewan Komisaris tidak mengadakan rapat fisik. Namun Dewan Komisaris memutuskan 2 Keputusan Sirkular yang menyetujui Pembagian Dividen Interim Tahun 2021 dan Rencana Kerja & Anggaran Tahunan Perseroan tahun 2022.

Dewan Komisaris ingin menyampaikan penghargaan yang setinggi-tingginya kepada seluruh karyawan Perusahaan. Kami juga berterima kasih kepada seluruh pemegang saham dan pemangku kepentingan lainnya atas kepercayaan dan dukungannya kepada Dewan Komisaris dalam menjalankan tugas dan tanggung jawab kami. Kami percaya bahwa kerja sama yang telah terjalin dapat ditingkatkan lebih jauh lagi di masa mendatang. Kami menantikan tahun-tahun mendatang, yang akan penuh dengan peluang.

Jakarta, March 2022

Jakarta, Maret 2022



**FRANCISCUS XAVERIUS LAKSANA KESUMA**

**President Commissioner**

Presiden Komisaris

## Report from the President Director

### Laporan Presiden Direktur



In 2021, The Company has made payments to the Government totalling US\$103.3 million and distributed dividends totalling US\$85.5 million to shareholders.

Pada tahun 2021, Perusahaan telah melakukan pembayaran kepada Pemerintah sebesar US\$103,3 juta dan membayarkan dividen sebesar US\$85,5 juta kepada para pemegang saham.

### MULIADY SUTIO

President Director

Presiden Direktur



**Dear distinguished Shareholders and Stakeholders,**

Para Pemegang Saham dan Pemangku Kepentingan yang terhormat,

I am pleased to present the PT Agincourt Resources 2021 Annual Report on behalf of the Board of Directors. We believe that the results achieved in 2021 have succeeded in meeting some of the goals that have been set. Our team's agility and awareness in response to the pandemic resulted in sound decision-making that enables us to fully support our workforce, prioritise their health and safety and maintain operations at Martabe Gold Mine for the benefit of all stakeholders. Despite the dramatic improvements in the world and Indonesia since 2020, we have remained vigilant and adapted our strategy as necessary in light of the COVID-19 pandemic's uncertainties and its new variants.

Below is a summary of the Company's operational and financial performance in 2021, as well as an explanation of key corporate governance issues and our environmental efforts. Additionally, we invite you to read the Company's 2021 Sustainability Report, which contains a more detailed explanation of our ongoing efforts to protect the environment, improve social performance and governance.

**Dynamics of Global Gold Industry**

As the pandemic begins to be controlled through a combination of vaccination programs and restrictions on public activities, the global economy begins to recover in 2021. The IMF (International Monetary Fund) in their outlook report for January 2022, estimates that the world's economic growth in 2021 will be around 5.9% from -3.1% in 2020. Economic recovery has resulted in an increase in the prices of most commodities due to increased demand. Based on World Bank Data, compared to 2020, iron ore prices are up 48%, copper up to 51% and nickel up to 34%.

Mewakili Dewan Direksi, dengan senang hati saya menyampaikan Laporan Tahunan PT Agincourt Resources 2021. Kami yakin bahwa hasil yang dicapai pada tahun 2021 telah berhasil memenuhi beberapa tujuan yang telah ditetapkan. Kecepatan dan kesadaran kami dalam menanggapi pandemi menghasilkan pengambilan keputusan yang baik yang memungkinkan kami sepenuhnya dapat mendukung seluruh karyawan, memprioritaskan kesehatan dan keselamatan, dan mempertahankan operasional di Tambang Emas Martabe agar memberikan manfaat bagi semua pemangku kepentingan. Terlepas adanya peningkatan yang signifikan baik di dunia maupun di Indonesia sejak tahun 2020, kami tetap waspada dan menyesuaikan strategi seperlunya mengingat ketidakpastian selama pandemi COVID-19 beserta varian baru lainnya.

Berikut ringkasan kinerja operasional dan keuangan Perusahaan pada tahun 2021, serta penjelasan tentang masalah utama tata kelola perusahaan dan upaya lingkungan kami. Selain itu, kami mengajak Anda untuk membaca Laporan Keberlanjutan Perusahaan tahun 2021, yang berisi penjelasan lebih rinci tentang upaya berkelanjutan Perusahaan untuk melindungi lingkungan, meningkatkan kinerja sosial, dan tata kelola.

**Dinamika Industri Emas Global**

Saat pandemi mulai membaik melalui program vaksinasi dan pembatasan aktivitas publik, ekonomi global mulai pulih pada tahun 2021. Menurut laporan *International Monetary Fund* (IMF) periode Januari 2022, memperkirakan pertumbuhan ekonomi dunia pada 2021 menjadi sekitar 5,9% dari -3,1% pada tahun 2020. Melalui pemulihan ekonomi telah membuat sebagian besar harga komoditas naik karena adanya peningkatan permintaan. Berdasarkan Data Bank Dunia dibandingkan tahun 2020, harga bijih besi naik 48%, harga tembaga naik hingga 51%, dan harga nikel naik hingga 34%.

Nonetheless, increasing-price of the main base metal commodity such as stated was not applicable by the gold price. In 2021, based on World Council data as of 30 December 2021 gold price declined by around 4%. Nevertheless, the average price for the year of US\$1,799/ounce was around 2% higher than 2020, as the price was relatively steady. The price of gold is not only influenced by the supply and demand mechanism, it is also greatly affected by the condition of the global financial or investment market. When the market is seen as quite stable and other investment instruments offer higher returns, it will encourage investors to switch from gold to those investment instruments and cause gold prices to decline. On the other hand, if the market is deemed unstable or too risky, investors will choose to invest in gold which is seen as a haven asset and the price of gold will be pushed up.

The Full-year 2021 gold demand (excluding Over The Counter (OTC)) increased to 4,021 tonnes, propelled by Q4 demand jumped almost 50% to a 10-quarter high. Demand recouped much of the COVID-19 related losses sustained during 2020. Demand for gold in the consumer-driven jewellery and technology sectors recovered throughout the year in line with economic growth and sentiment, while central bank buying also far outpaced that of 2020. Investment demand was mixed in an environment of opposing forces: high inflation competed with rising yields for investors' attention.

For total gold supply eased marginally in 2021 down 1% at 4,666 tonnes, its lowest level since 2017. Mine production recovered 2% over the year, but this growth was counteracted by an 11% drop in recycling.

Namun demikian, kenaikan harga komoditas logam dasar utama seperti yang disebutkan tidak berlaku bagi harga emas. Pada tahun 2021, berdasarkan data *World Council* per 30 Desember 2021 harga emas turun sekitar 4%. Harga rata-rata untuk tahun 2021 sebesar US\$1.799/ounce atau sekitar 2% lebih tinggi dari tahun 2020 dikarenakan harganya relatif stabil. Harga emas tidak hanya dipengaruhi oleh mekanisme penawaran dan permintaan, tetapi juga sangat dipengaruhi oleh kondisi pasar keuangan atau investasi global. Ketika pasar terlihat stabil dan instrumen investasi lain menawarkan imbal hasil yang lebih tinggi, maka akan mendorong investor untuk beralih dari emas ke instrumen investasi tersebut dan menyebabkan harga emas turun. Lebih lanjut jika pasar dianggap tidak stabil atau terlalu berisiko, investor akan memilih untuk berinvestasi pada emas yang dipandang sebagai aset terbaik dan harga emas akan semakin tinggi di masa depan.

Permintaan emas tahun 2021 penuh (tidak termasuk transaksi di luar bursa (OTC)) meningkat menjadi 4.021 ton, didorong oleh permintaan Q4 yang melonjak hampir 50% ke level tertinggi 10 kuartal. Permintaan memulihkan sebagian besar kerugian terkait COVID-19 yang berkelanjutan selama tahun 2020. Permintaan emas di sektor perhiasan dan teknologi yang digerakkan oleh konsumen berangsur membaik sepanjang tahun sejalan dengan pertumbuhan dan sentimen ekonomi, sementara pembelian oleh bank sentral juga jauh melampaui permintaan investasi tahun 2020. Namun demikian, adanya perlawanan yaitu inflasi yang tinggi bersaing dengan hasil yang meningkat agar dapat menarik perhatian investor.

Untuk total pasokan emas sedikit berkurang pada tahun 2021 turun 1% pada 4.666 ton, level terendah sejak 2017. Produksi tambang mulai berangsur membaik 2% sepanjang tahun, tetapi pertumbuhan ini diimbangi dengan penurunan tajam 11% dalam daur ulang.

### Strategic Growth

Despite the continued uncertainties and challenges faced as a result of the COVID-19 pandemic, which has affected the gold global market and our operations, we remain steadfast and resilient in our mining plans through quick response and collaboration from all employees allowing us to continue our mining operations in the Ramba Joring, Purnama and Barani pits.

PTAR believes in operational excellence in carrying out its operations will be a key success in responding to uncertainties condition and PTAR will always continue to look for opportunities to increase the capacity & productivity of mining output and processing plants.

### Financial Highlights

Despite dealing with the prolonged challenge of COVID-19 crisis, the company booked an exceptional financial result for the year 2021. While a gold price and sales volume will be regarded as a key driver of our superior financial performance, the Company's ability to maintain operational activity throughout the year was the main driver of our achievement.

PTAR's gold and silver metal production and sales were in line with the plan approved by PTAR's parent company. The average gold price after hedging in 2021 was recorded at US\$ 1,762.30 per ounce, an increase from 2020 of US\$ 1,742.00 per ounce and silver was recorded at US\$ 25.15 per ounce in 2021 from US\$ 19.59 in 2020. Compare with 2020 when the gold sales were heavily hedged at 91% of the volume, during 2021 the company has only hedged 28% of the gold sales volume thus the benefit of higher price can be received.

In 2021, The total ounces sold of 329,8 million were higher than the 319,7 million ounces sold in 2020, owing to higher production. As increasing in Average Selling Price and a higher volume of sales, PTAR recorded the

### Pertumbuhan Strategis

Terlepas adanya ketidakpastian dan tantangan yang terus dihadapi selama masa pandemi COVID-19 yang telah mempengaruhi pasar emas global dan operasional, kami tetap tekun dan tangguh dalam rencana penambangan kami melalui respons cepat dan kolaborasi dari semua karyawan yang memungkinkan kami untuk melanjutkan operasi penambangan di *pit* Ramba Joring, *pit* Purnama dan *pit* Barani.

PTAR meyakini keunggulan operasional dalam menjalankan operasinya akan menjadi kunci sukses untuk menjawab kondisi ketidakpastian dan PTAR akan selalu terus mencari peluang untuk meningkatkan kapasitas & produktivitas hasil penambangan dan pabrik pengolahan.

### Sorotan Keuangan

Meskipun menghadapi tantangan selama pandemi COVID-19 yang berkepanjangan, Perusahaan membukukan hasil keuangan yang baik untuk tahun 2021. Sementara harga emas dan volume penjualan akan dianggap sebagai pendorong utama kinerja keuangan kami yang unggul, dan kunci utama pencapaian kami yaitu kemampuan perusahaan untuk mempertahankan aktivitas operasional sepanjang tahun 2021.

Produksi dan penjualan logam emas dan perak telah sesuai dengan rencana yang telah disetujui oleh induk perusahaan PTAR. Rata-rata harga emas setelah *hedging* pada 2021 tercatat US\$1.762,30 per *ounce*, meningkat dari 2020 sebesar US\$1.742,00 per *ounce* dan perak tercatat US\$25,15 per *ounce* pada 2021 dari US\$19,59 pada 2020. Jika dibandingkan dengan 2020, ketika penjualan emas dilakukan lindung nilai sebesar 91% dari volume, selama tahun 2021 perusahaan hanya melakukan lindung nilai 28% dari volume penjualan emas sehingga manfaat dari harga yang lebih tinggi dapat diterima.

Pada tahun 2021, total *ounce* yang terjual sebesar 329,8 juta lebih tinggi dari 319,7 juta *ounce* yang terjual pada tahun 2020, karena produksi yang lebih tinggi. Seiring dengan peningkatan harga jual rata-rata dan





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highest sales revenue since operated, totalling US\$ 580.6 million, an increase of US\$ 99.1 million from 2020.

In line with sales revenue, Net Profit after Tax (NPAT) was US\$ 242.6 million, a new record as the highest that the company has ever reached. NPAT Margin was 41.8%, exceeding the record NPAT Margin of 38.9% reported in 2020. PTAR distributed US\$ 85.4 million in dividends to shareholders in 2021 as a result of its strong financial performance.

PTAR is committed to adhering to all state revenue and tax laws and regulations. In 2021, the total tax payment amounted to US\$103.34 million.

### Operational Highlights

Martabe Gold Mine's operational performance in 2021 remained robust despite external situations and challenges that were out of our control. PTAR's success was contingent upon the implementation of Martabe Gold Mine's operational excellence. The construction of ReCYN and vertimill facility or Martabe Mill Capacity Expansion, as key operational strategic projects in 2021 has been completed, operated and contribute to the operational.

### Mining & Processing

In 2021, our mining operations continued according to plan, adhering to strict health protocols to ensure the health and safety of our workers. In 2021, 12.65 million tonnes of material were mined, 19.7% more than the 10.57 million tonnes mined in 2020. In 2021, 6.29 million tonnes of ore were mined (up from 6.12 million tonnes in 2020), with 6.35 million tonnes of waste rock. In 2021, a total of 6.1 million tonnes of tailings was placed in the Tailing Storage Facility (TSF) without any incidents and by the Code of Practice Safe Tailings Placement.

volume penjualan yang lebih tinggi, PTAR mencatatkan pendapatan penjualan tertinggi sejak beroperasi, sebesar US\$580,6 juta atau meningkat sebesar US\$99,1 juta dari tahun 2020.

Sejalan dengan pendapatan penjualan, Laba Bersih Setelah Pajak (NPAT) sebesar US\$242,6 juta, rekor baru sebagai yang tertinggi yang pernah dicapai perusahaan. Margin NPAT sebesar 41,8%, melebihi rekor NPAT Margin sebesar 38,9% yang dilaporkan pada tahun 2020. PTAR membagikan US\$85,4 juta dividen kepada pemegang saham pada tahun 2021 sebagai hasil dari kinerja keuangan yang kuat.

PTAR berkomitmen untuk mematuhi semua peraturan perundang-undangan penerimaan negara dan perpajakan. Pada tahun 2021, total pembayaran pajak sebesar US\$103,34 juta.

### Sorotan Operasional

Kinerja operasional Tambang Emas Martabe pada tahun 2021 tetap kuat meskipun situasi dan tantangan eksternal berada di luar kendali kami. Implementasi keunggulan operasional Tambang Emas Martabe menjadi kunci bagi PTAR untuk mengatasi semua tantangan tersebut. Pembangunan fasilitas ReCYN dan mesin penggiling atau Martabe Mill Capacity Expansion (Peningkatan Kapasitas Martabe Mill), sebagai proyek strategis operasional utama pada tahun 2021 telah selesai, sudah dapat dioperasikan dan dapat berkontribusi pada kegiatan operasional.

### Penambangan & Pemrosesan

Pada tahun 2021, kegiatan operasional penambangan kami tetap berjalan sesuai rencana, dengan mengikuti protokol kesehatan yang ketat untuk memastikan kesehatan dan keselamatan karyawan kami. Pada tahun 2021, sebanyak 12,65 juta ton material ditambang, mengalami peningkatan 19,7% atau 10,57 juta ton ditambang pada tahun 2020. Pada tahun 2021, 6,29 juta ton bijih ditambang (mengalami peningkatan 6,12 juta ton pada tahun 2020), dengan 6,35 juta ton batuan sisa. Pada tahun 2021, sebanyak 6,1 juta ton *tailing* ditempatkan di *Tailing Storage Facility* (TSF) tanpa insiden dan sesuai dengan Kode Praktik Penempatan *Tailing* yang Aman.

Processing plant performance in 2021 exceeded the previous year's record milling performance, with over 6.17 million tonnes milled. The milling rate improved to 755 tph in 2021 from 733 tph in 2020. Vertimill implementation contributed to the increased tonnage in 2021 even though there was a delay due to COVID-19. Metal production totalled 321.43 ounces of gold and 1.4 million ounces of silver.

### Exploration

As one of our business sustainability and growth strategy, we commit to continuing our investments in the Exploration Program, with the primary objective of identifying additional resources and reserves. By 2021, PTAR spent US\$ 24.9 million and drilled 117.1 metres.

Focus exploration in 2021 was adding resources and reserves in the Purnama, Ramba Joring and Tor Uluala 'high sulphidation style' deposits and Horas prospect. Exploration activities in regional areas such as soil sampling, mapping and 3 Dimensions (3D) Induced Polarization geophysical surveys were also conducted.

As of 30 June 2021, our mineral resources were 7.5 million ounces of gold and 72 million ounces of silver, this being a decrease in gold resources of 0.16 million ounces and an increase of 5.8 million ounces of the silver year on year. Meanwhile, ore reserves increased by 7.9 million tonnes in 2021 to 98 million tonnes, with 4.5 million ounces containing gold and 39 million ounces silver.

### Human Resources

PTAR's ongoing priority is human resource development, particularly the creation of a lean and an agile organisation capable of navigating the COVID-19 pandemic and other future challenges. Wherever possible, we have maintained our work-from-home (WFH) programme and our employees have gradually returned to the office. The Company continued to provide all necessary compensation and benefits to employees throughout the year.

Kinerja pabrik pengolahan pada tahun 2021 melampaui rekor kinerja penggilingan tahun sebelumnya, dengan lebih dari 6,17 juta ton penggilingan. Hal ini terjadi karena kecepatan penggilingan meningkat menjadi 755 tph pada tahun 2021 dari 733 tph pada tahun 2020. Implementasi mesin penggiling berkontribusi pada peningkatan tonase pada tahun 2021 meskipun ada penundaan karena COVID-19. Total produksi logam 321.43 *ounce* emas dan 1,4 juta *ounce* perak.

### Eksplorasi

Sebagai salah satu strategi keberlanjutan dan pertumbuhan bisnis, kami berkomitmen untuk melanjutkan investasi kami dalam Program Eksplorasi, dengan tujuan utama mengidentifikasi sumber daya dan cadangan tambahan. Pada tahun 2021, PTAR mengeluarkan biaya sebesar US\$24,9 juta dan mengebor 117,1 meter.

Fokus eksplorasi pada tahun 2021 adalah menambah sumber daya dan cadangan di Purnama, Ramba Joring dan Tor Uluala *deposits* yang memiliki tipe sulfidasi tinggi dan Prospek Horas. Kegiatan eksplorasi di wilayah regional seperti pengambilan sampel tanah, pemetaan, dan survei geofisika Induksi Polarisasi (IP) 3 Dimensi (3D) juga dilakukan.

Per 30 Juni 2021, sumber daya mineral kami adalah 7,5 juta *ounce* emas dan 72 juta *ounce* perak, yang mengalami penurunan sumber daya emas sebesar 0,16 juta *ounce* dan peningkatan 5,8 juta *ounce* perak tahun ke tahun. Sementara itu, cadangan bijih meningkat sebesar 7,9 juta ton pada tahun 2021 menjadi 98 juta ton, dengan 4,5 juta *ounce* mengandung emas dan 39 juta *ounce* perak.

### Sumber Daya Manusia

Prioritas berkelanjutan PTAR adalah pengembangan sumber daya manusia yang gesit serta mampu bertahan di pandemi COVID-19 dan tantangan masa depan lainnya. Kami terus berupaya untuk tetap menjalankan program bekerja dari rumah dan secara bertahap melaksanakan bekerja kembali ke kantor. Perusahaan terus memberikan semua kompensasi dan tunjangan yang diperlukan kepada karyawan sepanjang tahun.



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One of the keys to operational excellence and business growth is continuous employee development. PTAR's Employee Development Program was maintained and emphasised the development of soft skills, technical skills and certification preparation (SNI/Indonesian National Standard). The training was conducted in-house, but due to the pandemic, it was also conducted externally via online training modules. An online training management system is used to monitor and improve employee competency.

One of PTAR's primary strategies is to hire locally to ensure that local communities directly benefit from the Martabe Gold Mine operation. At the end of 2021, almost 73.92% of the Martabe Gold Mine employees were local people. One of PTAR strategies to increase local worker absorption and enhance their career opportunities are Marsipature Program. The Marsipature program consists of Professional Development and Technical Development (Non-Trades Training, Soft Skill Training and Trades/Apprentice). For the Apprentice program, PTAR continues to collaborate with Surabaya State Polytechnic for Shipbuilding (PPNS). At the end of 2021, we have 18 apprentices.

The gender Diversity Program was also continued. By the end of 2021, 718 women, or 20.88% of the total workforce had been employed by PTAR and Contractors. In PTAR, a total of 24 women, or 28%, of female employees, occupied management positions (managerial roles). At the top management level, 2 women were appointed as Commissioner and Director.

**Occupational Health and Safety**

A workplace that is safe, comfortable and accident-free is paramount to PTAR. Due in part to COVID-19, we further solidified our work plans for our employees, which included personal cleanliness and safety, social distancing, testing and medical guidance. Parallel to this, other Occupational Health and Safety (OHS) policies such as the monthly Health, Safety and

Salah satu kunci keunggulan operasional dan pertumbuhan bisnis adalah pengembangan karyawan yang berkelanjutan. Program Pengembangan Karyawan PTAR tetap dipertahankan dan menekankan pada pengembangan *soft skill*, *technical skill* dan persiapan sertifikasi (Standar Nasional Indonesia/SNI). Pelatihan dilakukan secara internal, namun karena adanya pandemi, pelatihan juga dilakukan secara eksternal melalui modul pelatihan daring. Sistem manajemen pelatihan daring digunakan untuk memantau dan meningkatkan kompetensi karyawan.

Salah satu strategi utama PTAR adalah mempekerjakan karyawan lokal untuk memastikan bahwa masyarakat setempat mendapat manfaat langsung dari operasi Tambang Emas Martabe. Pada akhir tahun 2021, hampir 73,92% karyawan Tambang Emas Martabe adalah masyarakat lokal. Salah satu strategi PTAR untuk meningkatkan penyerapan tenaga kerja lokal dan meningkatkan peluang karir mereka adalah Program Marsipature. Program Marsipature terdiri dari *Professional Development* dan *Technical Development (Non-Trades Training, Soft Skill Training and Trades/ Apprentice)*. Untuk program *Apprentice*, PTAR terus menjalin kerja sama dengan Politeknik Perkapalan Negeri Surabaya (PPNS). Pada akhir tahun 2021, kami memiliki 18 karyawan *Apprentice*.

Program Keberagaman Gender juga tetap dilaksanakan. Hingga akhir tahun 2021, 718 perempuan atau 20,88% dari total tenaga kerja telah dipekerjakan oleh PTAR dan Kontraktor. Di PTAR, sebanyak 24 perempuan, atau 28%, dari karyawan perempuan, menduduki posisi manajemen (peran manajerial). Di tingkat manajemen puncak, dua perempuan diangkat sebagai Komisaris dan Direktur.

**Keselamatan dan Kesehatan Kerja**

Tempat kerja yang aman, nyaman, dan bebas kecelakaan merupakan hal terpenting bagi PTAR. Selama masa pandemi COVID-19, kami semakin memperkuat rencana kerja untuk seluruh karyawan yang mencakup kebersihan dan keselamatan pribadi, menjaga jarak, pengujian, dan bimbingan medis. Sejalan dengan ini, kebijakan Keselamatan dan Kesehatan Kerja (K3)



Environment (HSE) Forum, Active Safety Agreements (ASA), an online incident reporting system and frequent audits and inspections were maintained.

One of the most significant OHS developments in 2021 was the increased emphasis on safety in response to the COVID-19 pandemic. Enhancing the Industrial Hygiene Program, building a COVID-19 Program and implementing temporary work from home (WFH) rules all contributed to the maintenance of a healthy workforce. In terms of identifying, addressing and preventing accidents, we launched additional programs and methods such as (1) Conduct Departmental Risk Assessments with a new approach which includes and assessment on psychological factors, (2) Development of application based for Critical Control Program and (3) Re-structure OHS Management System to Comply with International Standards Organization (ISO) 45001, Mining Safety Management System (SMKP) and Occupational Health and Safety Management System (SMK3).

In 2021, the Martabe Gold Mine recorded 1 Lost Time Injury (LTI) and 0.12 Loss of Working Time (LTIFR), but the performance indicator (KPIs) related to the accident rates and safety management performance scored 97% in 2021, demonstrating the Company's efforts to reduce safety risks and adapt to new challenges in an agile, conducive manner. PTAR is committed to always improving safety performance every year and these would not be possible without the strong commitment of all employees and all contractors to create healthily and safe work environments.

### Corporate Governance

The Company always promotes the important role of effective corporate governance at all levels, from the Board of Commissioners to the Board of Directors, from management to all employees. The coordinated efforts of the entire management team enabled PTAR to successfully handle the COVID-19 epidemic. The Crisis Management Team (CMT) which was formed in

lainnya seperti Forum Kesehatan, Keselamatan dan Lingkungan (HSE) bulanan, Perjanjian Keselamatan Aktif (ASA), sistem pelaporan insiden *online* dan audit, dan inspeksi yang sering dipertahankan.

Salah satu perkembangan K3 yang paling signifikan di tahun 2021 adalah peningkatan pada keselamatan dalam menanggapi pandemi COVID-19. Meningkatkan Program Higiene Industri, membangun Program COVID-19, dan menerapkan aturan sementara bekerja dari rumah (WFH) agar menjaga kondisi kesehatan setiap karyawan tetap sehat. Dalam hal mengidentifikasi, menangani, dan mencegah kecelakaan, kami meluncurkan program dan metode tambahan seperti (1) Melakukan Penilaian Risiko Departemen dengan pendekatan baru yang mencakup penilaian faktor psikologis, (2) Pengembangan aplikasi berbasis Program Pengendalian Kritis dan (3) Restrukturisasi Sistem Manajemen K3 agar sesuai dengan Organisasi Internasional untuk Standardisasi (ISO) 45001, Sistem Manajemen Keselamatan Pertambangan (SMKP) dan Sistem Manajemen Keselamatan dan Kesehatan Kerja (SMK3).

Pada tahun 2021, Tambang Emas Martabe mencatatkan 1 *Lost Time Injury* (LTI) dan 0,12 *Loss of Working Time* (LTIFR), tapi indikator kinerja (KPI) terkait tingkat kecelakaan dan kinerja manajemen keselamatan mencatat 97% pada tahun 2021. Hal ini menunjukkan upaya Perusahaan untuk mengurangi risiko keselamatan dan beradaptasi dengan tantangan baru secara gesit dan kondusif. PTAR berkomitmen untuk selalu meningkatkan kinerja keselamatan di setiap tahun dan ini tidak akan mungkin terjadi tanpa komitmen yang kuat dari semua karyawan dan semua kontraktor untuk menciptakan lingkungan kerja yang sehat dan aman.

### Tata kelola perusahaan

Perusahaan senantiasa mengedepankan peran penting tata kelola perusahaan yang efektif di semua tingkatan, mulai dari Dewan Komisaris hingga Dewan Direksi, dari manajemen hingga seluruh karyawan. Melalui upaya koordinasi dengan seluruh tim manajemen, memungkinkan PTAR berhasil menangani pandemi COVID-19. PTAR telah membentuk *Crisis Management*



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2020 keep working to oversee the Company’s response to the ever-changing COVID-19 pandemic conditions. Due to the positive relationship between management and personnel, there have been no recorded incidents between the union and the Company, as well as no conflict of interest or violation reported to management.

Regarding the Audit Committee, Remuneration Committee and Resources & Reserves Governance Committee, the Board of Commissioners has assessed that the committee has carried out its role and function properly and effectively to support the Company’s business growth sustainably throughout 2021. The Board of Commissioners expresses its appreciation to these committees’ members who have in all earnestness contributed their mind, energy and commitment to jointly foster a synergy to ensure the Company’s ongoing business development.

In 2021, a change was made in the composition of the Board of Directors with Hendra Hutahean joining the Board of Directors as Vice President Director, replacing Tim Duffy. We are grateful for Tim Duffy’s contributions to the company.

**Sustainability**

The Company’s sustainability strategy is outlined in its Sustainability Policy. In summary, sustainable development is a basic tenet of PTAR’s business practices. PTAR believes that mines should be created, operated and decommissioned responsibly from a social and environmental perspective. This must take into account a variety of tasks related to project approval, environmental protection and social welfare. By pursuing these goals consistently, we hope to create and maintain a reputation as valued and trustworthy members of the communities in which we work and live.

*Team* (CMT) yang didirikan sejak tahun 2020 untuk mengawal respons Perusahaan terhadap kondisi pandemi COVID-19 yang selalu berubah. Adanya hubungan kerja sama yang baik antara manajemen dan personel, tidak ada insiden yang tercatat antara serikat pekerja dan Perusahaan, serta tidak ada konflik kepentingan atau pelanggaran yang dilaporkan kepada manajemen.

Terhadap Komite Audit, Komite Remunerasi dan Komite Tata Kelola Sumber Daya & Cadangan, Dewan Komisaris menilai komite tersebut telah menjalankan peran dan fungsinya dengan baik dan efektif untuk mendukung pertumbuhan usaha Perusahaan secara berkelanjutan sepanjang tahun 2021. Dewan Komisaris menyampaikan apresiasi kepada para anggota komite-komite tersebut yang dengan sungguh-sungguh menyumbangkan pikiran, tenaga dan komitmennya untuk bersama-sama membina sinergi guna memastikan perkembangan bisnis Perusahaan yang berkelanjutan.

Pada tahun 2021, terdapat perubahan susunan Dewan Direksi dengan Hendra Hutahean bergabung menjadi Direksi sebagai Wakil Presiden Direktur menggantikan Tim Duffy. Kami berterima kasih atas kontribusi Tim Duffy kepada perusahaan.

**Keberlanjutan**

Strategi keberlanjutan Perusahaan dituangkan dalam Kebijakan Keberlanjutan. Singkatnya, pembangunan berkelanjutan adalah prinsip dasar praktik bisnis PTAR. PTAR percaya bahwa tambang harus dibuat, dioperasikan, dan dinonaktifkan secara bertanggung jawab dari perspektif sosial dan lingkungan. Ini harus mempertimbangkan berbagai tugas yang terkait dengan persetujuan proyek, perlindungan lingkungan dan kesejahteraan sosial. Dengan mengejar tujuan ini secara konsisten, kami berharap dapat menciptakan dan mempertahankan reputasi sebagai anggota masyarakat yang berharga dan dapat dipercaya di tempat kami bekerja dan tinggal.

## Environment

The Company aims to adhere to industry best practices in the sustainability management of its mining operations. PTAR continues to analyse and report on the Company's greenhouse gas (GHG) emissions linked with its operations in its sustainability reports. To further improve our efforts, the Company build a partnership with external consultants to analyse and refine the techniques utilised to estimate emissions data in accordance with international standards. The following is a summary of our environmental efforts:

## Lingkungan

Perusahaan bertujuan untuk mematuhi praktik terbaik industri dalam pengelolaan keberlanjutan operasi penambangannya. Melalui Laporan Keberlanjutan, PTAR terus menganalisis dan melaporkan emisi gas rumah kaca (GRK) yang dihasilkan dari kegiatan operasional. Untuk lebih meningkatkan upaya kami, Perusahaan merekrut konsultan ahli untuk meninjau metodologi yang digunakan agar sesuai dengan standar internasional. Berikut ini adalah ringkasan dari upaya lingkungan kami:



In 2021, the water discharge remained fully compliant with permit and regulation requirements. The Independent monitoring team appointed by the Governor of North Sumatra verified this result. Additionally, the University of North Sumatra maintained a River Health Monitoring Program since 2012 to monitor the condition of waterways surrounding the site.

Pada tahun 2021, air sisa proses yang dialirkan tetap sepenuhnya memenuhi persyaratan izin dan regulasi. Tim pemantau Independen yang ditunjuk Gubernur Sumatra Utara telah melakukan verifikasi mengenai hasil ini. Selain itu, Universitas Sumatera Utara (USU) mengadakan Program Pemantauan Kesehatan Sungai sejak tahun 2012 untuk memantau kondisi saluran air di sekitar lokasi.



The tailings from the Martabe Gold Mine are disposed of in a Tailings Storage Facility (TSF). The safety of tailings disposal is the Company's top priority and a comprehensive set of measures has been put in place to ensure that the risk associated with the Martabe Gold Mine TSF is minimised through industry-leading practices.

*Tailing* dari Tambang Emas Martabe dibuang di *Tailings Storage Facility* (TSF). Keselamatan pembuangan *tailing* adalah prioritas utama Perusahaan dan serangkaian tindakan komprehensif telah dilakukan untuk memastikan bahwa risiko yang terkait dengan TSF Tambang Emas Martabe diminimalkan melalui praktik-praktik terkemuka di industri.



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### Waste Management Penanganan Batu Buangan

Waste rock management is one of the main environmental concerns at the Martabe Gold Mine. The placement of waste rock is carried out by using the encapsulant method, namely using non-acidic rocks to cover acidic rocks to prevent acid-forming materials.

Pengelolaan batuan buangan merupakan salah satu masalah lingkungan utama di Tambang Emas Martabe. Penempatan batu buangan dilakukan dengan menggunakan metode enkapsulan yaitu menggunakan batuan non asam untuk menutupi batuan asam agar tidak terjadi bahan pembentuk asam.

### Disposal of Hazardous Industrial Waste

All industrial waste produced at the Martabe Gold Mine, classified under regulation as hazardous and toxic (B3) waste is disposed of by delivery to a licenced waste processing facility. In 2021, 568 tonnes of waste were managed in this manner in full compliance with permit and regulatory requirements and without incident.

### Pembuangan Limbah Industri Berbahaya

Semua limbah industri yang dihasilkan di Tambang Emas Martabe, yang diklasifikasikan menurut peraturan sebagai limbah berbahaya dan beracun (B3), dibuang melalui pengiriman ke fasilitas pemrosesan limbah yang memiliki izin. Pada tahun 2021, sebanyak 568 ton limbah dikelola dengan cara ini sepenuhnya sesuai dengan persyaratan izin dan peraturan dan tanpa insiden.

### Biodiversity Management

In 2021, PTAR was recognised by the Ministry of Environment and Forestry, via the Directorate General of Natural Resources and Ecosystem Conservation, for its contributions in relocating the Sumatran tiger Sri Nabila to the Kappi Forest in Gunung Leuser National Park (TNGL). The Company also developed the Biodiversity develop Management Code of Practice which establishes mandatory operational biodiversity protection requirements, such as minimising unnecessary clearing and re-establishing forest habitat during mine closure. Other significant activities related to biodiversity are additional flora enrichment with planting local seeds in the area surrounding the Martabe Gold Mine project and implementation of fauna monitoring using a camera trap. The total area rehabilitated at the site was brought to 24.32 hectares of the disturbed area that was rehabilitated with additional 3.88 Ha reclamation. PTAR has planted over 41,000 tree seedlings with the potential to produce approximately 18 million kilogrammes of oxygen per year and sequester approximately 1 million tonnes of carbon dioxide per year. The PTAR Nursery facility has

### Manajemen Keanekaragaman Hayati

Pada tahun 2021, PTAR mendapatkan penghargaan dari Kementerian Lingkungan Hidup dan Kehutanan, melalui Direktorat Jenderal Konservasi Sumber Daya Alam dan Ekosistem atas kontribusi terhadap pelepasliaran harimau Sumatra Sri Nabila ke Hutan Kappi, Taman Nasional Gunung Leuser (TNGL). Lebih lanjut, Perusahaan mengembangkan Kode Praktik Pengelolaan Keanekaragaman Hayati yang menetapkan persyaratan perlindungan keanekaragaman hayati operasional wajib, seperti meminimalkan pembukaan lahan yang tidak perlu dan membangun kembali habitat hutan selama penutupan tambang. Kegiatan penting lainnya yang terkait dengan keanekaragaman hayati adalah pengayaan flora tambahan dengan penanaman benih lokal di sekitar proyek Tambang Emas Martabe dan pelaksanaan pemantauan fauna menggunakan kamera perangkap. Total area yang direhabilitasi di lokasi menjadi 24,32 hektare area terganggu yang direhabilitasi dengan tambahan 3,88 Ha reklamasi. PTAR telah menanam lebih dari 41.000 bibit pohon dengan potensi produksi oksigen sekitar 18 juta kg per tahun dan penyerapan gas karbon sekitar 1 juta ton per

prepared 5,711 local plant seeds. The total reclamation area is 9.02 hectares, which has been revegetated with cover crops and has been planted with 10,332 seedlings/trees.

### Responding to Climate Change

In 2021, the Company hired external consultants to help it implement significant improvements to its greenhouse gas (GHG) accounting and reporting practices to fully comply with the Greenhouse Gas Protocol (GHGP) and Global Reporting Initiative (GRI) Standards. This is intended to aid in identifying potential emission reduction measures, such as improved energy efficiency and a better understanding of the Company's greenhouse gas emissions (GHG) footprint.

### Community Development

The Company has addressed the economic and social implications of its operations in its Community Management Plan (CMP). Numerous Corporate Social Responsibility (CSR) projects have been developed by the Company, with a focus on five core areas and directed towards the 15 Directly Affected Villages (DAVs) surrounding the mining operations: 1) health; 2) education; 3) economic development in local communities; 4) public infrastructure; and 5) community relations.

Despite the constraints imposed by the strict health protocols associated with COVID-19, PTAR was still able to allocate a portion of its CSR funding towards COVID-19 relief initiatives. Medical goods and equipment were procured in collaboration with the municipal and regional governments and doctors were deployed to help local medical centres beyond the scope of standard programmes. Furthermore, the company initiated vaccination drives in its surrounding operational sites.

In 2021, we conducted 132 CSR activities with a total of 20,826 beneficiaries. In 2021, PTAR spent US\$997,186 to support the implementation of community development and empowerment activities.

tahun. Jumlah bibit tanaman lokal yang telah disiapkan di fasilitas Nursery PTAR mencapai 5.711. Total area reklamasi mencapai 9,02 hektare, direvegetasi dengan tanaman penutup dan telah ditanami 10.332 bibit tanaman/pohon.

### Menanggapi Perubahan Iklim

Pada tahun 2021, Perusahaan mempekerjakan konsultan eksternal untuk membantu menerapkan peningkatan signifikan pada praktik akuntansi dan pelaporan gas rumah kaca (GRK) agar sepenuhnya mematuhi Standar Protokol Gas Rumah Kaca (GRK) dan Inisiatif Pelaporan Global (GRI). Ini dimaksudkan untuk membantu mengidentifikasi langkah-langkah pengurangan emisi potensial, seperti peningkatan efisiensi energi dan pemahaman yang lebih baik tentang jejak emisi gas rumah kaca (GRK) Perusahaan.

### Pengembangan Masyarakat

Perusahaan telah membahas dampak ekonomi dan sosial dari kegiatan operasional di dalam *Community Management Plan* (CMP). Berbagai proyek tanggung jawab sosial perusahaan telah dikembangkan oleh Perusahaan dengan fokus pada lima area inti dan diarahkan ke 15 Desa lingkaran tambang (DAV) di sekitar operasi penambangan: 1) kesehatan; 2) pendidikan; 3) pembangunan ekonomi masyarakat lokal; 4) infrastruktur publik; dan 5) hubungan masyarakat.

Meskipun adanya keterbatasan karena protokol kesehatan yang ketat selama pandemic COVID-19, PTAR masih dapat mengalokasikan sebagian dana CSR-nya untuk inisiatif bantuan COVID-19. Barang dan peralatan medis diperoleh melalui kerja sama dengan pemerintah kota dan daerah, dan dokter dikerahkan untuk membantu pusat kesehatan setempat, bahkan di luar program biasanya. Selanjutnya, Perusahaan juga mengadakan program vaksinasi massal di sekitar lokasi operasional.

Pada tahun 2021, kami melakukan 132 kegiatan CSR dengan total penerima manfaat sebanyak 20.826 orang. Pada tahun 2021, PTAR mengeluarkan dana sebesar US\$997.186 untuk mendukung pelaksanaan kegiatan pengembangan dan pemberdayaan masyarakat.



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In 2022, PTAR will continue to collaborate with the national, regional and local government for the implementation of community development and empowerment programme. PTAR also will focus on community development and empowerment programmes that alleviate the impact of the COVID-19 pandemic, such as endorsing COVID-19 awareness to the community, supporting vaccination programs and assisting the community, government and all stakeholders in various COVID-19 mitigation efforts.

**Looking Ahead**

COVID-19 likely will still occur in 2022. Therefore, PTAR still focuses to mitigate and ensure all employees can work safely and healthily. The Company will use 3P (Portfolio, People & Public Contribution) Strategy as a blueprint to achieve sustainable business and growth in 2022.

In Portfolio Strategy, PTAR will focus on maintaining and enhancing operational excellence and cost-efficiency. Our key initiatives in 2022 to increase the Company's efficiency and productivity, which will ultimately increase the Company's value to the shareholders:

- Increase the productivity level of mining contractors and continue to achieve the best standards.
- Increase in gold mining capacity through the continuous exploration as well as increasing gold recovery processing through maximum utilization of vertimill, reCYN & oxygen shear reactor, construction of a new tailings management facility (TMF) and conducting the FS Sulphide Project for the future of the Martabe Gold Mine.
- Rejuvenation of management systems at the Martabe Gold Mine to enhance our Martabe Operation Excellence.

Pada tahun 2022, PTAR akan terus bekerja sama dengan pemerintah pusat, daerah dan daerah untuk pelaksanaan program pengembangan dan pemberdayaan masyarakat. PTAR juga akan fokus pada program-program pengembangan dan pemberdayaan masyarakat yang meringankan dampak pandemi COVID-19, seperti mensosialisasikan kesadaran COVID-19 kepada masyarakat, mendukung program vaksinasi dan membantu masyarakat, pemerintah, dan seluruh pemangku kepentingan dalam berbagai upaya mitigasi COVID-19.

**Melihat Ke Depan**

Kemungkinan besar COVID-19 masih akan terjadi di tahun 2022. Oleh karena itu, PTAR tetap fokus melakukan mitigasi dan memastikan seluruh karyawan dapat bekerja dengan aman dan sehat. Perusahaan akan menggunakan Strategi 3P (*Portfolio, People & Public Contribution*) sebagai cetak biru untuk mencapai bisnis dan pertumbuhan yang berkelanjutan di tahun 2022.

Dalam Strategi Portofolio, PTAR akan fokus pada pemeliharaan dan peningkatan keunggulan operasional dan efisiensi biaya. Inisiatif utama kami di tahun 2022 untuk meningkatkan efisiensi dan produktivitas Perusahaan, yang pada akhirnya akan meningkatkan nilai Perusahaan bagi para pemegang saham:

- Meningkatkan tingkat produktivitas kontraktor pertambangan dan terus mencapai standar terbaik.
- Peningkatan kapasitas penambangan emas melalui eksplorasi berkelanjutan serta peningkatan proses recovery emas melalui pemanfaatan maksimal reaktor mesin penggiling, ReCYN & oxygen shear, pembangunan fasilitas pengelolaan *tailing* baru (TMF) dan pelaksanaan Proyek FS Sulfida untuk masa depan Tambang Emas Martabe.
- Peremajaan sistem manajemen di Tambang Emas Martabe untuk meningkatkan Keunggulan Operasi Martabe.



For People Strategy, PTAR will continue to maintain an efficient and conducive working environment that focuses on employee development, gender diversity and industrial peace practices.

In Public Contribution Strategy, PTAR will continue to deliver a positive impact to the community with our community development and empowerment programs. The company will always maintain Good Corporate Governance practices and always ensure proper environmental management. The implementation of Environmental, Social and Corporate Governance (ESG) in the company will be further strengthened, to support the government's efforts and commitment to net-zero emissions. Great outcomes can be expected for 2022 through a multi-stakeholder and holistically integrated approach.

### Appreciation

With all of the accomplishments in 2021, the Board of Directors wish to express their appreciation to the Board of Commissioners for their strategic partnership in overseeing the management of the Company's operations and business. Additionally, the Board of Directors wish to express gratitude to shareholders and all investors, as well as regulators, customers, suppliers, the local community and business partners, for their cooperation in enabling us to thrive. To all of the PTAR team members and partners. We appreciate the opportunity to work with you during these extraordinary times. We are proud of what we have accomplished together over the last year and are eager to accomplish more in 2022. Keep yourself safe, healthy and strong.

Dalam strategi sumber daya manusia, PTAR akan terus menjaga lingkungan kerja yang efisien dan kondusif yang berfokus pada pengembangan karyawan, keberagaman gender, dan praktik perdamaian industri.

Dalam Strategi Kontribusi Publik, PTAR akan terus memberikan dampak positif kepada masyarakat dengan program pengembangan dan pemberdayaan masyarakat. Perusahaan akan selalu menjaga praktik Tata Kelola Perusahaan yang Baik dan selalu memastikan pengelolaan lingkungan yang baik. Penerapan lingkungan, sosial, dan tata kelola (LST) di perusahaan akan semakin diperkuat, untuk mendukung upaya dan komitmen pemerintah terhadap emisi *net-zero*. Hasil yang luar biasa dapat diharapkan untuk tahun 2022 melalui pendekatan ke seluruh pemangku kepentingan dan terintegrasi secara holistik.

### Apresiasi

Dengan segala pencapaian di tahun 2021, Dewan Direksi menyampaikan apresiasi kepada Dewan Komisaris atas kemitraan strategis dalam mengawasi pengelolaan operasional dan bisnis Perusahaan. Selain itu, Dewan Direksi juga mengucapkan terima kasih kepada pemegang saham dan semua investor, serta regulator, pelanggan, pemasok, masyarakat setempat, dan mitra bisnis, atas kerja samanya sehingga kami dapat berkembang. Terakhir, kepada semua karyawan PTAR, dan mitra lainnya. Kami menghargai kesempatan untuk bekerja sama dengan Anda selama masa-masa yang luar biasa ini. Kami bangga dengan apa yang telah kita capai bersama selama setahun terakhir dan ingin mencapai lebih banyak lagi di tahun 2022. Jaga diri Anda agar tetap aman, sehat, dan kuat.

Jakarta, March 2022

Jakarta, Maret 2022



**MULIADY SUTIO**

President Director

Presiden Direktur

# 03

## COMPANY PROFILE

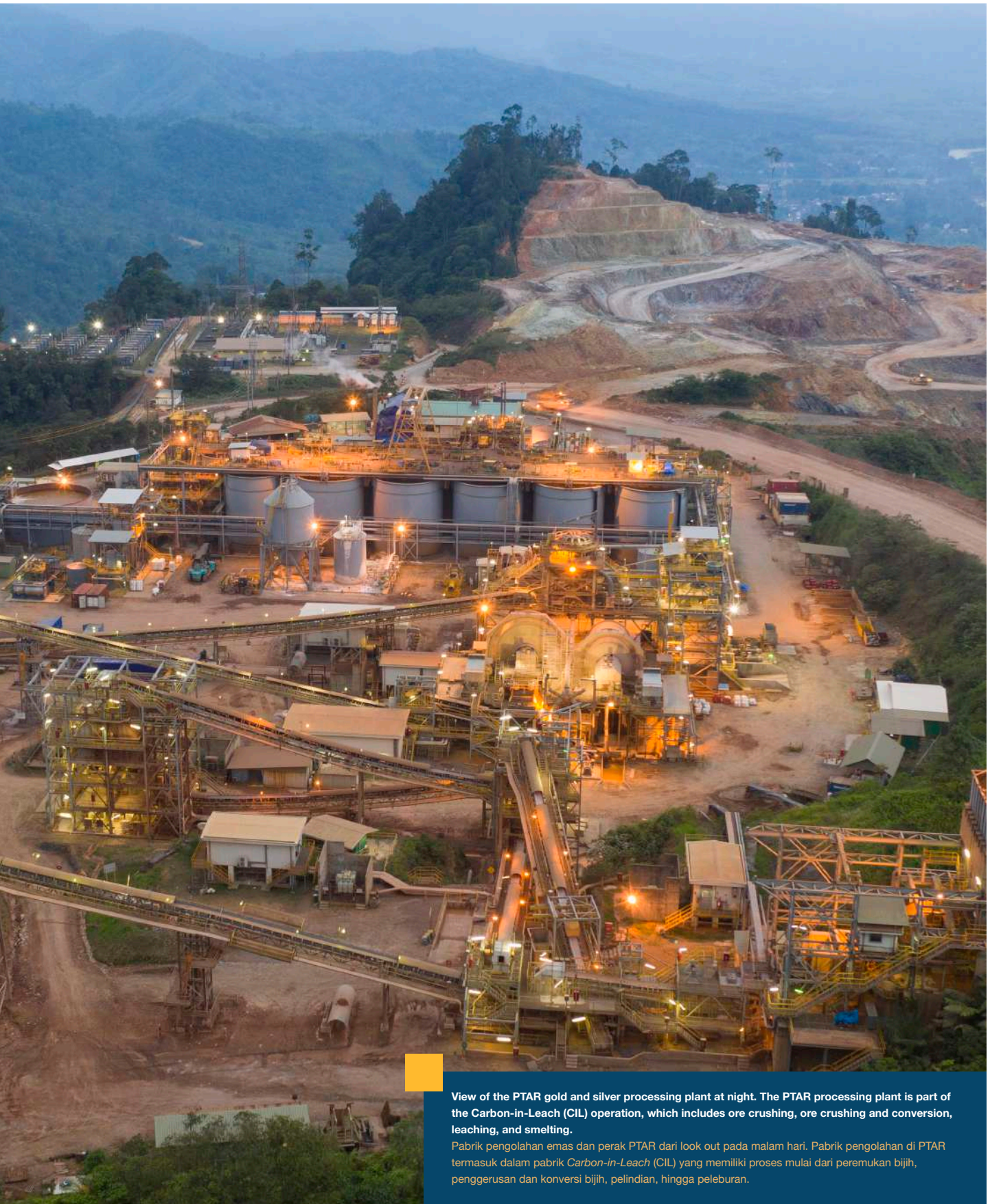
### PROFIL PERUSAHAAN

PTAR has an operational area consisting of three open pit mines, namely the Ramba Joring Pit, the Barani Pit, and the Purnama Pit, as well as a conventional carbon-in-leach (CIL) gold ore processing plant.

PTAR memiliki area operasional yang terdiri dari tiga tambang terbuka yaitu *Pit* Ramba Joring, *Pit* Barani, dan *Pit* Purnama serta memiliki pabrik pengolahan bijih emas *carbon-in-leach* (CIL) konvensional.







View of the PTAR gold and silver processing plant at night. The PTAR processing plant is part of the Carbon-in-Leach (CIL) operation, which includes ore crushing, ore crushing and conversion, leaching, and smelting.

Pabrik pengolahan emas dan perak PTAR dari look out pada malam hari. Pabrik pengolahan di PTAR termasuk dalam pabrik *Carbon-in-Leach* (CIL) yang memiliki proses mulai dari peremukan bijih, penggerusan dan konversi bijih, pelindian, hingga peleburan.



## Corporate Identity

### Identitas Perusahaan



#### Company Name

Nama Perusahaan

**PT Agincourt Resources**



#### Address and Contact Details

Alamat dan Detail Kontak

##### Corporate Office

Kantor Pusat

Pondok Indah Office Tower 2, Suite 1201

Jl. Sultan Iskandar Muda Kav. V-TA Pondok Indah,

Jakarta 12310 Indonesia.

(t) 6221 – 80672000

(f) 6221 – 7592 2818

(e) Martabe.CorporateCommunications@agincourtresources.com



#### Website

[www.agincourtresources.com](http://www.agincourtresources.com)



#### Date of Incorporation

Tanggal Pendirian

14

April 1997

April 1997



#### Mining Location

Lokasi Tambang

##### Martabe Gold Mine

Tambang Emas Martabe

Jl. Merdeka Barat km 2,5

Desa Aek Pining, Kecamatan Batangturu, Kabupaten Tapanuli

Selatan, Sumatra Utara 22738 Indonesia



#### Legal Basis of Incorporation

Dasar Hukum Pendirian

Deed No. 281 dated 14 April 1997, made before Notary H.M Afdal Gazali, SH. This Deed has been amended several times, the last being Deed No. 192, dated 30 November 2019, made before Jose Dima Satria S.H, M.Kn., The notary at Jakarta.

Akta Pendirian No. 281 tanggal 14 April 1997, dibuat di hadapan Notaris H.M. Afdal Gazali, SH. Akta ini telah mengalami beberapa kali perubahan, dan yang terakhir diubah dengan Akta No 192, tertanggal 30 November 2018, dibuat dihadapan Jose Dima Satria S.H, M.Kn., Notaris di Jakarta.



### Company Status

Status Perusahaan

Domestic Investment  
PMDN (Penanaman Modal Dalam Negeri)

### Shareholders

Pemegang Saham

**95%**

PT Danusa  
Tambang  
Nusantara



**5%**

PT Artha  
Nugraha  
Agung



### Authorised Capital

Modal Dasar

US\$85,000,000 or equal to IDR  
692,115,000,000, consisting of 5,000,000  
A Series shares and 80,000,000 B Series  
shares.

US\$85.000.000 atau setara dengan Rp  
692.115.000.000, terdiri dari 5.000.000  
saham seri A dan 80.000.000 saham seri B.



### Line of Business and Product

Kegiatan Usaha dan Produk yang  
Dihasilkan

Mining, Gold and Silver  
Pertambangan Emas dan Perak



### Number of Employees

Jumlah Karyawan

925 permanent and contract employees  
as of 31 December 2021

925 karyawan tetap dan tidak tetap per  
tanggal 31 Desember 2021

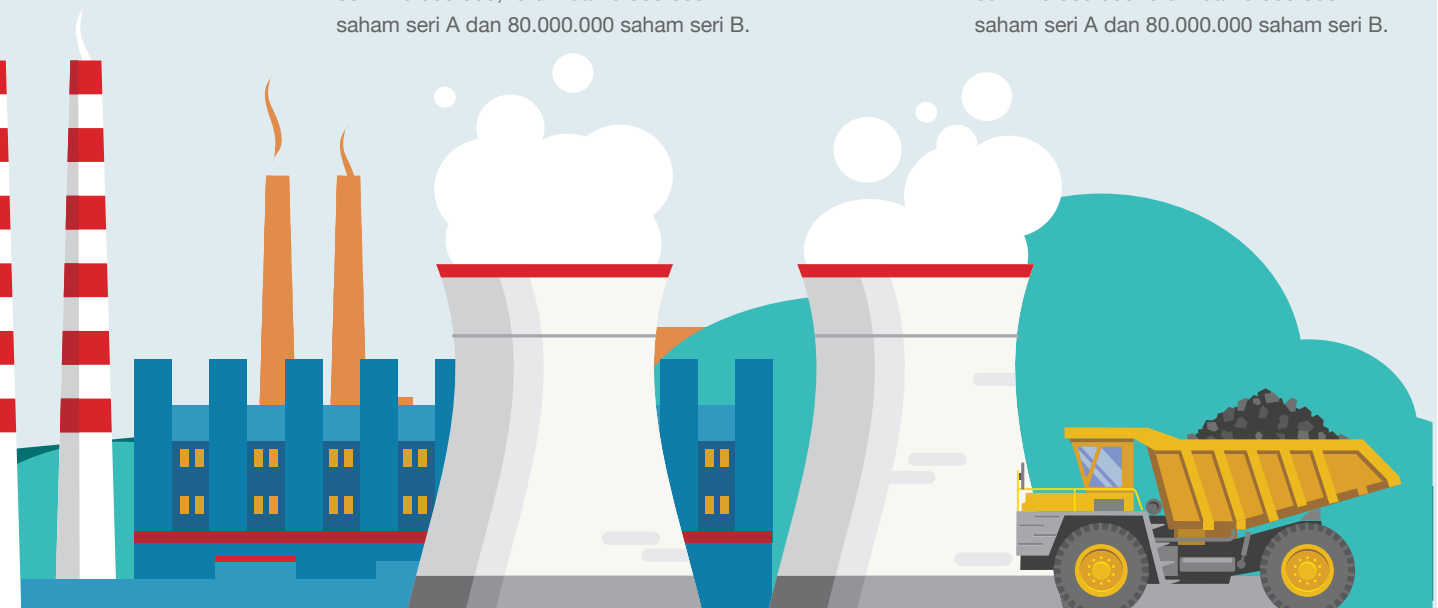


### Issued and fully paid capital (shares)

Modal Ditempatkan dan Disetor Penuh

\$85,000,000 or equal to IDR  
692,115,000,000, consisting of 5,000,000  
A Series shares and 80,000,000 B Series  
shares.

\$85.000.000 atau setara dengan Rp  
692.115.000.000 terdiri dari 5.000.000  
saham seri A dan 80.000.000 saham seri B.





## About PT Agincourt Resources

### Tentang PT Agincourt Resources

PT Agincourt Resources (PTAR) is an Indonesian mining company engaged in gold and silver exploration, mining and processing. The Martabe Gold Mine in North Sumatra is the company's sole operating location. The company's operations are managed from Jakarta.

The area of the Martabe Gold Mine is determined by a sixth-generation 30-year Contract of Work with the Government of Indonesia and the total area was 6,560 km<sup>2</sup> at the start of the Contract of Work in 1997. However, following several renunciations, the Company's "Contract of Work" (coW) area is now 130,252 hectares (1,303 km<sup>2</sup>) in size. South Tapanuli, Central Tapanuli, North Tapanuli and Mandailing Natal Regencies encompass the Company's operational areas. Martabe Gold Mine is located in South Tapanuli Regency covers an area of 479 hectares.

Mineral Resources as of June 2021, reached 7.5 million ounces of gold and 72 million ounces of silver. Production began at Martabe on 24 July 2012, with the operating capacity of the Martabe Gold Mine exceeding 6 million tonnes of ore per year to produce more than 274,000 ounces of gold and 1.35 million ounces of silver per year.

PTAR employs over 3,000 employees and contractors, with over 99 per cent of employees and contractors being Indonesian nationals and more than 70 per cent recruited from local residents. PTAR is committed to create safe and efficient operations, minimising environmental impact and ensuring our existence provides long-term benefits to all local stakeholders.

PT Agincourt Resources (PTAR) adalah perusahaan pertambangan Indonesia yang bergerak di bidang eksplorasi, penambangan, serta pengolahan emas, dan perak. Lokasi operasional Perusahaan di Tambang Emas Martabe Sumatra Utara. Fungsi-fungsi Perusahaan dikelola dari Jakarta.

Area Tambang Emas Martabe berdasarkan Kontrak Karya berlaku generasi ke 6 selama 30 tahun dengan Pemerintah Indonesia dan total area sebesar 6.560 km<sup>2</sup> pada awal Kontrak Karya (KK) tahun 1997. Namun demikian, setelah beberapa kali melakukan pelepasan luas area KK, saat ini Perusahaan memiliki area penambangan sebesar 130.252 hektare (1.303 km<sup>2</sup>). Wilayah operasional Perusahaan meliputi Kabupaten Tapanuli Selatan, Tapanuli Tengah, Tapanuli Utara, dan Mandailing Natal. Tambang Emas Martabe yang terletak di Kabupaten Tapanuli Selatan memiliki luas sebesar 479 hektare.

Sumber Daya Mineral pada Juni 2021, tercapai 7,5 juta *ounce* emas dan 72 juta *ounce* perak. Produksi dimulai di Martabe pada tanggal 24 Juli 2012, dengan kapasitas operasi Tambang Emas Martabe melebihi 6 juta ton bijih per tahun agar menghasilkan lebih dari 274.000 *ounce* emas dan 1,35 juta *ounce* perak per tahun

PTAR mempekerjakan lebih dari 3.000 karyawan dan kontraktor, dengan lebih dari 99 persen karyawan dan kontraktor adalah warga negara Indonesia dan lebih dari 70 persen direkrut dari penduduk lokal. PTAR berkomitmen untuk menciptakan operasi yang aman dan efisien, meminimalkan dampak lingkungan, dan memastikan keberadaan kami memberikan manfaat jangka panjang bagi semua pemangku kepentingan lokal.



## The Martabe Gold Mine

### Tambang Emas Martabe



Location of the Crushing Circuit at the Processing Plant. The stone crusher processes rock from three open-pit mines, namely the Purnama Pit, Ramba Joring Pit, and Barani Pit.

Lokasi penghancur batuan di Pabrik Pengolahan. Batuan yang dihancurkan oleh mesin penghancur batu berasal dari tiga lokasi penambangan terbuka yakni *Pit Purnama*, *Pit Ramba Joring*, dan *Pit Barani*.

Martabe Gold Mine is located in North Sumatra, consists of multiple open-cut pits and a conventional gold and silver bullion processing plant. The company began operations in 2012 and has since established a reputation for being an industry leader in terms of safety, sustainability and production processes.

#### Overview

Three open-cut mines and a conventional carbon-in-leach (CIL) gold ore processing plants comprise the operational area. The infrastructure consists of haul roads, a Tailings Storage Facility (TSF), raw water storage tanks, sediment control dams, a water polishing plant, a switchyard, explosive magazines, a fuel depot and several workshops and warehouses. Moreover, there are support facilities such as administration buildings, an analytical laboratory, a housing camp, an oval sports field and a medical clinic.

Tambang Emas Martabe terletak di Sumatra Utara, terdiri dari beberapa pit terbuka dan pabrik pengolahan emas dan perak batangan konvensional. Perusahaan mulai beroperasi pada tahun 2012 dan memiliki reputasi yang baik sebagai pemimpin industri dalam hal keselamatan, keberlanjutan, dan proses produksi.

#### Gambaran Umum

Area operasional terdiri dari tiga tambang terbuka dan pabrik pengolahan bijih emas *carbon-in-leach* (CIL) konvensional. Infrastruktur terdiri dari jalan angkut, fasilitas penyimpanan material sisa pengolahan *Tailings Storage Facility* (TSF), tangki penyimpanan air baku, bendungan pengendali sedimen, instalasi pengolahan air, gardu induk tegangan tinggi, gudang bahan peledak, stasiun pengisian bahan bakar, dan gudang. Selain itu, terdapat fasilitas penunjang seperti gedung administrasi, laboratorium analisis, fasilitas tempat tinggal (camp), lapangan olahraga, dan klinik kesehatan.

### Company Profile

Profil Perusahaan

Mining operations are concentrated in a hilly area adjacent to the Batangtoru Forest. The majority of the mine's support facilities are located in a lowland area close to the trans-Sumatra highway. The immediate vicinity is covered in natural forests, rubber and oil palm plantations, rice paddies with rural villages and townships.

### Resources and Reserves

The Martabe Gold Mine deposits are classified as high-sulfidation epithermal. In June 2021, the Martabe Gold Mine's Mineral Resources totalled 7.5 million ounces of gold and 72 million ounces of silver. Due to the deposit's location within a large mineralised district, the Ore Reserves are estimated to contain 4.3 million ounces of gold and 33 million ounces of silver. This means that PTAR has a 20-year remaining Life-of-Mine (LOM).

Operasi penambangan berada di daerah perbukitan yang berdekatan dengan Hutan Batangtoru. Sebagian besar fasilitas pendukung tambang berada di daerah dataran rendah yang dekat dengan jalan raya trans-Sumatra. Daerah sekitarnya mencakup hutan alam, perkebunan karet dan kelapa sawit, serta sawah dengan desa dan kota kecil di sekitarnya.

### Sumber Daya dan Cadangan

Endapan Tambang Emas Martabe tergolong sebagai epitermal sulfidasi tinggi. Pada Juni 2021, Sumber Daya Mineral Tambang Emas Martabe berjumlah 7,5 juta *ounce* emas dan 72 juta *ounce* perak. Karena endapan tersebut merupakan bagian dari distrik termineralisasi berskala besar, Cadangan Bijih diperkirakan mengandung 4,3 juta *ounce* emas dan 33 juta *ounce* perak. Artinya PTAR hanya memiliki sisa *Life-of-Mine* (LOM) selama 20 tahun.



#### Mineral Resources and Ore Reserves Sumber Daya Mineral dan Cadangan Bijih Emas

PTAR discloses the dimensions of its deposits in accordance with the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code'):

- A Mineral Resource is the quantity of gold or silver contained in defined deposits that has a reasonable prospect of economic extraction in the future.
- An Ore Reserve is the economically mineable portion of a Mineral Resource. This estimate is derived from a resource by factoring in a variety of modifying variables such as a cut-off grade, pit slopes, metallurgical variables and economic variables. The Ore Reserve, in conjunction with the production rate, determines the mine's life.

PTAR mengungkapkan ukuran depositnya sesuai dengan Kode *Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves* ('the JORC Code'):

- Sumber daya Mineral adalah jumlah emas atau perak yang terkandung pada deposit tertentu yang memiliki prospek yang wajar untuk pengambilan ekstraksi secara ekonomis.
- Cadangan Bijih adalah bagian dari Sumber Daya Mineral yang dapat ditambang secara ekonomis. Estimasi ini berasal dari sumber daya dengan menerapkan beberapa faktor pengubah seperti *cut-off grade*, kemiringan *pit*, faktor metalurgi, dan ekonomi. Cadangan Bijih dapat menentukan tingkat produksi dan umur tambang.

## Business Process

### Proses Bisnis

#### Exploration

In 2021, we continued our investments in the Exploration Programme, with the primary objective of identifying additional resources and reserves. PTAR spent US\$24.9 million and drilled 117,050 metres using an average of 15 diamond drill rigs. The main focus of drilling was in the Martabe District over the Purnama, Tor Uluala, Tor Uluala West, Horas and Uluala Hulu deposits.

Ore Reserves increased by 9% from 91 million tonnes in 2020 to 98 million tonnes in 2021, while Gold resources decreased from 7.6 to 7.5 million ounces and silver increased from 66 to 72 million ounces.

In addition to near mine activities, access to regional areas in the contract of work enabled exploration programmes to be conducted on the Goting and Kapur prospects located approximately 30 km southeast of Martabe and drill targets have been identified and partially tested.

A resource delineation drilling programme over the Kapur prospect commenced in Quarter 4 (Q4) and is currently ongoing. This is the first resource drill out of a prospect outside of the Martabe district proving that there is potential for further discoveries in the region.

#### Eksplorasi

Pada tahun 2021, Perusahaan melanjutkan investasi dalam Program Eksplorasi, dengan tujuan utama mengidentifikasi sumber daya dan cadangan tambahan. PTAR menghabiskan US\$24,9 juta dan melakukan pengeboran 117.050 meter dengan rata-rata 15 *diamond drill rigs*. Fokus utama pengeboran berada di Distrik Martabe di atas endapan Purnama, Tor Uluala, Tor Uluala Barat, Horas, dan deposit Uluala Hulu.

Cadangan Bijih meningkat sebesar 9% dari 91 juta ton pada tahun 2020 menjadi 98 juta ton pada tahun 2021, sementara sumber daya emas menurun dari 7,6 menjadi 7,5 juta *ounce* sedangkan sumber data perak meningkat dari 66 menjadi 72 juta *ounce*.

Selain aktivitas di dekat tambang, akses ke wilayah area dalam Kontrak Karya (KK) memungkinkan program eksplorasi akan dilakukan di prospek Goting dan Kapur yang terletak sekitar 30 km di Tenggara Martabe dan target pengeboran telah diidentifikasi dan sebagian telah diuji.

Program pengeboran delineasi sumber daya di atas prospek Kapur dimulai pada Kuartal 4 hingga saat ini. Program ini merupakan latihan sumber daya pertama dari area di luar area Martabe yang membuktikan bahwa ada potensi penemuan lebih lanjut di wilayah tersebut.



**Mining**

The shallow pits of the Martabe Gold Mine extract ore from mineral-rich hills. Mining encompasses surveying, planning, geotechnical analysis, blasting, waste rock and ore transportation and stockpiling. Unlike most mines, the TSF embankment receives waste rock directly from the pits. Purnama Pit was the first to open in 2011, followed by Barani (2016) and Ramba Joring Pits (2017). Tor Ulu Ala mining was approved in 2018. Unlike the majority of other mines, the waste rock from the pits is stored in the embankment of the Tailings Storage Facility (TSF).

**Penambangan**

Lubang dangkal Tambang Emas Martabe mengekstraksi bijih dari perbukitan yang memiliki kandungan mineral. Kegiatan penambangan meliputi survei, perencanaan, analisis geoteknik, peledakan, pengangkutan batuan sisa dan bijih, dan penimbunan. Tidak seperti kegiatan penambangan lainnya, tanggul TSF menerima batuan sisa langsung dari *pit*. *Pit* Purnama merupakan *pit* pertama yang dibuka pada tahun 2011, diikuti oleh *Pit* Barani (2016) dan *Pit* Ramba Joring (2017). Kegiatan penambangan Tor Ulu Ala telah disetujui pada tahun 2018. Berbeda dengan sebagian besar tambang lainnya, batuan sisa dari *pit* tersebut disimpan di tanggul *Tailings Storage Facility* (TSF).

**Processing**

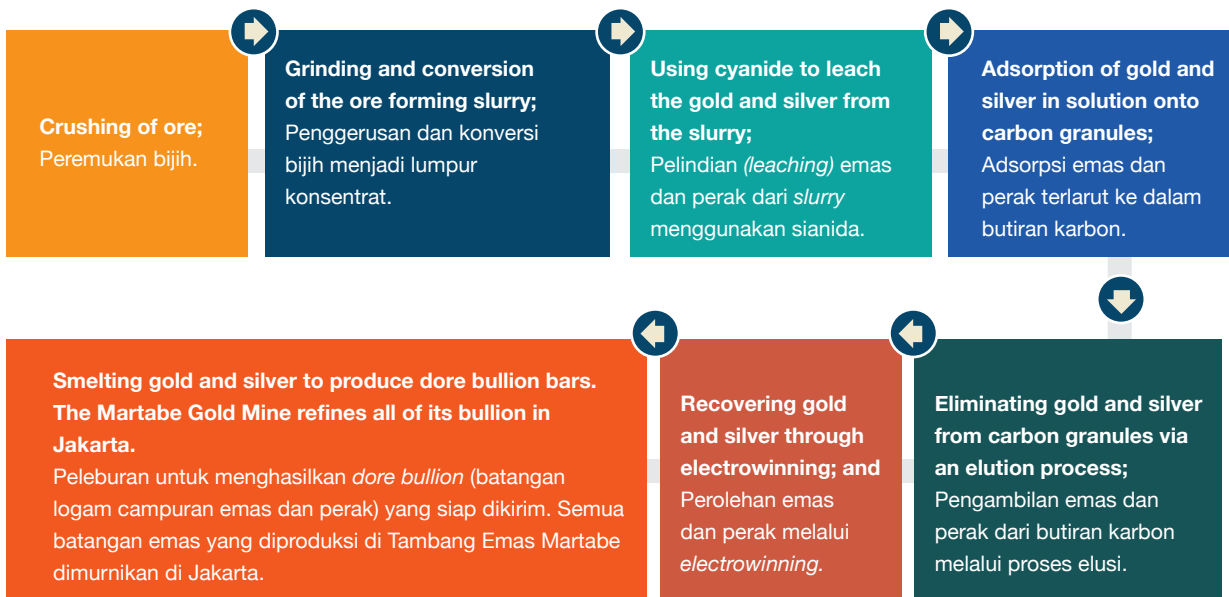
The Martabe Gold Mine’s process plant is a conventional Carbon-In-Leach (CIL) plant with a capacity of more than 6 million tonnes of ore per year. The process plant is continuously operated except for scheduled maintenance shutdowns.

**Pengolahan**

Pabrik pengolahan Tambang Emas Martabe adalah pabrik *Carbon-In-Leach* (CIL) konvensional dengan kapasitas lebih dari 6 juta ton bijih per tahun. Pabrik pengolahan terus dioperasikan kecuali pada saat pemeliharaan (*shutdown*).

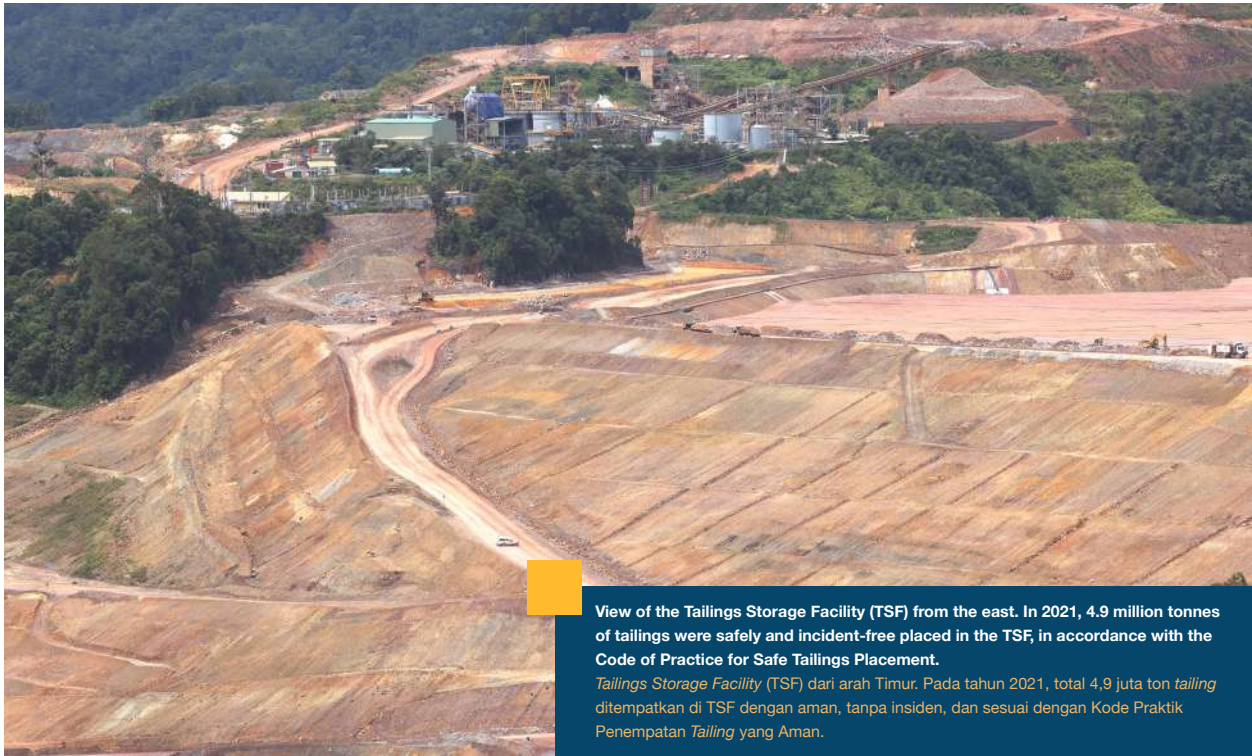
The extraction of gold and silver from the ore is relatively straight forward; the essential steps are as follows:

Proses ekstraksi emas dan perak dari bijih relatif sederhana; berikut langkah-langkah penting yang dilakukan sebagai berikut:



After the gold and silver are extracted from the slurry, the remaining material called tailings, is subjected to a cyanide detoxification process that reduces the cyanide concentration to safe levels. The tailings are then pumped to the Tailings Storage Facility for permanent disposal.

Setelah emas dan perak diekstraksi dari *slurry*, bahan yang tersisa yang disebut *tailings* lalu menjalani proses detoksifikasi yang mengurangi konsentrasi sianida ke tingkat yang rendah. *Tailings* kemudian dipompa ke *Tailings Storage Facility* (TSF) untuk ditempatkan secara permanen.



View of the Tailings Storage Facility (TSF) from the east. In 2021, 4.9 million tonnes of tailings were safely and incident-free placed in the TSF, in accordance with the Code of Practice for Safe Tailings Placement.

*Tailings Storage Facility* (TSF) dari arah Timur. Pada tahun 2021, total 4,9 juta ton *tailing* ditempatkan di TSF dengan aman, tanpa insiden, dan sesuai dengan Kode Praktik Penempatan *Tailing* yang Aman.

### Supply Chain

The operations of the Martabe Gold Mine are supported by a large number of contractors and suppliers. All mining at the site and associated civil works, including the current construction of the TSF, are carried out by a mining services contractor. All logistics to and from the site are handled by a logistics contractor, with PTAR in charge of onsite warehousing and stock control. Other significant contracts include the acquisition of reagents, fuel and spare parts. Purchases of goods and services from local and domestic vendors and contractors, promote PTAR's policy of supporting local businesses.

### Rantai Pasokan

Kegiatan operasional Tambang Emas Martabe didukung oleh sejumlah kontraktor dan pemasok. Semua penambangan di lokasi dan pekerjaan sipil, termasuk konstruksi TSF dilakukan oleh kontraktor jasa penambangan. Semua logistik dari dan ke *site* ditangani oleh kontraktor logistik dan PTAR bertanggung jawab atas pergudangan dan pengendalian stok di *site*. Kontrak penting lainnya termasuk pembelian reagen, bahan bakar, dan suku cadang. Pembelian barang dan jasa mengutamakan berasal dari pemasok dan kontraktor lokal dalam negeri yang merupakan kebijakan PTAR untuk mendukung bisnis lokal.

## Milestones

### Jejak Langkah

1997

A Contract of Work (CoW) is granted to PT Danau Toba Mining, the majority-owned by Normandy Mining, for mineral exploration and gold mining. The CoW area overlaps the Districts of North Tapanuli, Central Tapanuli, South Tapanuli and Mandailing Natal and the city of Padangsidimpuan.

Kontrak Karya diberikan kepada PT Danau Toba Mining, yang sebagian besar dimiliki oleh Normandy Mining, dengan tujuan eksplorasi mineral dan pertambangan emas. Area Kontrak Karya meliputi Kabupaten Tapanuli Utara, Tapanuli Tengah, Tapanuli Selatan, dan Mandailing Natal, serta Kota Padangsidimpuan.

2001

The Company's name PT Danau Toba Mining is changed to PT Horas Nauli.

Nama Perusahaan PT Danau Toba Mining diubah menjadi PT Horas Nauli.

2003

PT Newmont Horas Nauli has changed its name to PT Horas Nauli is the holder of the Martabe CoW, majority-owned by Newmont East Asia. PT Newmont Horas Nauli berubah menjadi PT Horas Nauli sebagai pengelola Kontrak Karya Martabe, yang sebagian besar dimiliki oleh Newmont East Asia.

2006

PT Agincourt Resources has changed its name to PT Newmont Horas Nauli to continue the development of the Martabe Project, still majority-owned by Newmont East Asia.

PT Agincourt Resources berubah menjadi PT Newmont Horas Nauli untuk melanjutkan pengembangan Proyek Martabe, yang sebagian besar masih dimiliki oleh Newmont East Asia.

2009

G-Resources, a Hong Kong publicly listed company, takes over ownership and development of the Martabe Gold Mine Project in July 2009.

G-Resources, sebuah perusahaan terbuka yang terdaftar di Bursa Efek Hong Kong, mengambil alih kepemilikan dan pengembangan Proyek Tambang Emas Martabe pada Juli 2009.

2008

Twenty-five environmental studies completed for the project. Key documents and government approvals are obtained, including a Feasibility Study, Environmental Impact Assessment and a construction permit. Construction activities commence, including road access, laydown and camp areas and preparation for the plant site construction.

Dua puluh lima studi lingkungan dilakukan untuk proyek. Dokumen-dokumen utama dan persetujuan pemerintah diperoleh, termasuk Studi Kelayakan, Analisis Mengenai Dampak Lingkungan (AMDAL), dan izin konstruksi. Kegiatan konstruksi dimulai, termasuk untuk akses jalan, area *laydown* dan *camp* serta persiapan untuk pembangunan *plant site* (pabrik).

2007

Oxiana becomes the beneficial owner of the Martabe Project through the acquisition of PT Agincourt Resources. Following a review of a Definitive Feasibility Study, the Board of Oxiana approves development of the Martabe Gold and Silver Mine Project in December 2007.

Oxiana menjadi pemilik manfaat Proyek Martabe melalui akuisisi PT Agincourt Resources. Setelah tinjauan Studi Kelayakan Definitif, Dewan Komisaris Oxiana menyetujui pengembangan Proyek Tambang Emas dan Perak Martabe pada Desember 2007.





2011

Construction activity reaches a peak with more than 4,000 workers at the site, 40% of whom were recruited locally. Construction of the Tailings Storage Facility is approved.

Kegiatan konstruksi mencapai puncaknya dengan lebih dari 4.000 karyawan di site, 40% karyawan yang direkrut berasal dari masyarakat lokal. Pembangunan Fasilitas Penyimpanan Tailings disetujui.

2012

Completion of project construction is followed by plant commissioning and commencement of operations. Commissioning approval for mine discharge is received from the Tapanuli Regency. The first gold is poured on 24 July 2012.

A 5% share transfer agreement between PT Agincourt Resources and the Governments of South Tapanuli Regency and North Sumatra Province is signed on 24 July 2012.

Penyelesaian konstruksi proyek diikuti dengan *commissioning* (uji laik operasi) dan dimulainya operasi pabrik. Persetujuan *commissioning* untuk pembuangan air olahan tambang diperoleh dari Kabupaten Tapanuli. Emas pertama dituang pada tanggal 24 Juli 2012.

Kesepakatan pengalihan 5% saham antara PT Agincourt Resources dan Pemerintah Kabupaten Tapanuli Selatan dan Provinsi Sumatra Utara ditandatangani pada tanggal 24 Juli 2012.

2016

Following successful completion and submission of appropriate documentation, approval for mining at Barani and Ramba Joring pits are issued by the Indonesian Government in March 2016. Mining at the Barani pit commences.

G-Resources as the main shareholder of PT Agincourt Resources is replaced by a consortium comprising EMR Capital, a specialist mining private equity fund, Farallon Capital, a global financial investor and Robert Hartono & Michael Bambang Hartono.

Setelah keberhasilan penyelesaian dan penyerahan dokumentasi persetujuan, PTAR menerima persetujuan untuk menambang di *Pit* Barani dan Ramba Joring dari Pemerintah Indonesia pada Maret 2016. Selanjutnya, penambangan di *Pit* Barani dimulai.

G-Resources sebagai pemegang saham utama PT Agincourt Resources digantikan oleh konsorsium yang terdiri dari EMR Kapital, perusahaan dana ekuitas swasta dengan spesialisasi pertambangan Farallon Capital, perusahaan investor keuangan global, dan Robert Hartono & Michael Bambang Hartono.

2017

Mining commences at the Ramba Joring Pit. The end of 2017 sees the most successful production and exploration results in PTAR's history. The operation milled a record 5.35 million tonnes to produce 355,000 ounces of gold. The exploration and resource development programme included 120k metres drilled by up to 15 rigs with Mineral Resources increasing to 8.9 million ounces gold and Ore Reserves increased to 4.8 million ounces of gold.

Strong operating cash flows, increased reserves and a longer mine life enabled the Company to refinance its US\$425 million senior debt with a longer tenor, lower interest rates and more favourable terms and conditions.

Penambangan dimulai di Pit Ramba Joring. Pada tahun ini, PTAR menghasilkan produksi dan eksplorasi sepanjang sejarah Perusahaan. Operasi berhasil meraih rekor penggilingan sebanyak 5,35 juta ton dengan penuangan 355.000 *ounce* emas. Program eksplorasi dan pengembangan sumber daya meliputi 120 meter yang dibor oleh 15 rig, kegiatan ini menghasilkan peningkatan sumber daya emas hingga 8,9 juta *ounce* dan peningkatan cadangan bijih emas hingga 4,8 juta *ounce*.

Arus kas operasi yang kuat, cadangan yang meningkat, dan umur tambang yang lebih panjang memungkinkan PTAR untuk membiayai kembali utang seniornya sebesar US\$425 juta dengan jangka waktu lebih panjang, suku bunga yang lebih rendah, serta persyaratan dan ketentuan yang lebih menguntungkan.

2018

Production results again exceed key records set in preceding years. A record 5.57 million tonnes of ore is processed to produce 410,387 ounces of gold, a 15% increase from 2017. An All In Sustaining Cost (AISC) of US\$367 per ounce supports a Net Profit after Tax of US\$167 million. Strategic growth is supported by a successful exploration programme, government approval to mine the Tor Uluala deposit and ongoing development of sulphide processing projects.

In December 2018, there was a smooth transition in majority ownership of the Company with the acquisition of 95% of shares by PT Danusa Tambang Nusantara, owned by PT United Tractors Tbk (60%) and PT Pamapersada Nusantara (40%).

Hasil produksi pada tahun 2018 melebihi rekor tahun-tahun sebelumnya. PTAR berhasil mengolah 5,57 juta ton bijih mineral untuk menghasilkan 410.387 *ounce* emas, hasil ini meningkat 15,5% dari tahun 2017. Pencapaian *All In Sustaining Cost* (AISC) produksi terendah sampai saat ini, yakni sebesar US\$367,3 per *ounce*, berkontribusi terhadap catatan Laba Setelah Pajak sebesar US\$167 juta. Pertumbuhan strategis perusahaan turut didukung oleh keberhasilan dalam program eksplorasi, persetujuan pemerintah untuk penambangan deposit Tor Uluala, dan pengembangan proyek pengolahan sulfide yang sedang berlangsung.

Tahun 2018 juga menjadi saksi atas lancarnya masa transisi kepemilikan saham mayoritas Perusahaan. Kini, 95% saham Perusahaan dimiliki oleh PT Danusa Tambang Nusantara, yakni sebuah perusahaan yang dimiliki oleh PT United Tractors Tbk (60%) dan PT Pamapersada Nusantara (40%).

2019

Another record-breaking year for ore processing, PTAR milled 6.0 million tonnes of ore to produce 391,031 ounces of gold, while maintaining low All In Sustaining Cost US\$443/ounce.

We have achieved these results without compromising other important operational outcomes such as safety and the protection of the environment. Sustainability has remained our major focus.

PTAR berhasil mencapai rekor pengolahan bijih, yakni sebanyak 6,0 juta ton bijih diolah untuk menghasilkan 391.031 *ounce* emas, di saat bersamaan tetap mampu mempertahankan All In Sustaining Cost yakni US\$443/ounce.

Kami berhasil mencapai rekor ini tanpa mengabaikan hasil kinerja di bidang kesehatan dan keselamatan kerja serta perlindungan lingkungan. Kami senantiasa memperhatikan aspek keberlanjutan.

A successful year during the COVID-19 Pandemic, achieving the dual objectives of (a) maintaining the health and safety of our personnel and (b) to continue operating for the benefit of all our stakeholders.

Achieved record for tonnes milled of 6.1 million tonnes slightly higher than in 2019. No lost-time injuries at Martabe for 3 years.

Selama masa pandemi COVID-19, kami telah berhasil mencapai dua tujuan yaitu (a) menjaga kesehatan dan keselamatan setiap karyawan, dan (b) terus melakukan operasi demi semua pemangku kepentingan kami.

Mencapai rekor penggilingan sebanyak 6,1 juta ton sedikit lebih tinggi dari tahun 2019. Selama 3 tahun terakhir, tidak terdapat adanya kecelakaan kerja di Martabe.

2021

Despite the ongoing COVID-19 pandemic, PTAR was able to maintain its performance and even increased its ore milling record to 6,168 million-tonnes from 6,109 million-tonnes in 2020. PTAR also managed to make a record total revenue of US\$580.6 million and a net profit of US\$242.65 million, the highest during PTAR's operation, thanks to improved operational performance and a relatively high gold price.

The ReCYN & Vertimill project, as a strategic company project, was also completed successfully at the end of 2021. ReCYN is expected to reduce cyanide costs, while vertimill will expand its existing milling capacity.

Di tengah pandemi COVID-19 yang masih berlangsung, PTAR tetap mampu menjaga performa perusahaan bahkan mempertajam rekor penggilingan bijih menjadi 6.168 juta-ton dari 6.109 juta-ton di tahun 2020. Peningkatan performa operasional dan ditunjang harga emas yang cukup tinggi membuat PTAR juga berhasil menorehkan rekor total pendapatan sebesar US\$580,6 serta laba bersih sebesar US\$242,65, yang merupakan tertinggi selama PTAR beroperasi.

Di penghujung tahun 2021, proyek ReCYN & mesin penggiling sebagai proyek strategis perusahaan juga berhasil dirampungkan. ReCYN diharapkan dapat mengurangi biaya sianida, sedangkan mesin penggiling diharapkan dapat meningkatkan lagi kapasitas penggilingan yang ada saat ini.

2020





Company Profile  
Profil Perusahaan

## Vision, Mission and Core Values

Visi, Misi, dan Nilai-Nilai Inti Perusahaan

### Vision Visi



**To achieve world-class sustainable operations with top performance in the gold mining industry.**

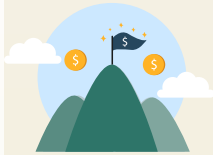
Mewujudkan operasi berkelanjutan kelas dunia dengan kinerja papan atas dalam industri pertambangan emas.

### Mission Misi



**To develop a long-term sustainable business, generating positive outcomes for all stakeholders.**

Mengembangkan bisnis berkelanjutan jangka panjang yang memberikan hasil positif bagi seluruh pemangku kepentingan.



## Core Values Nilai-Nilai Inti Perusahaan

Success at PT Agincourt Resources is driven by our people who embody our GREAT values:  
Kesuksesan PTAR digerakkan oleh individu Perusahaan yang menjunjung nilai-nilai GREAT:

# G R E A T



**Growth** and added value - for all our stakeholders.

Pertumbuhan dan nilai tambah bagi semua pemangku kepentingan melalui nilai-nilai inti kami.



**Transparency** - via openness, listening skills, engagement and honesty.

Transparansi - keterbukaan, kemampuan mendengarkan, keterikatan, dan kejujuran.



**Action** - via performance and delivery of our commitments.

Aksi Nyata - kinerja dan wujud komitmen kami.



**Respect** - to every individual, culture and the environment.

Penghargaan - kepada setiap individu, budaya, dan pemangku kepentingan.



**Excellence** - via effort, enthusiasm and commitment.

Keunggulan - melalui energi, antusiasme, dan komitmen.

## Organisational Structure of the Company

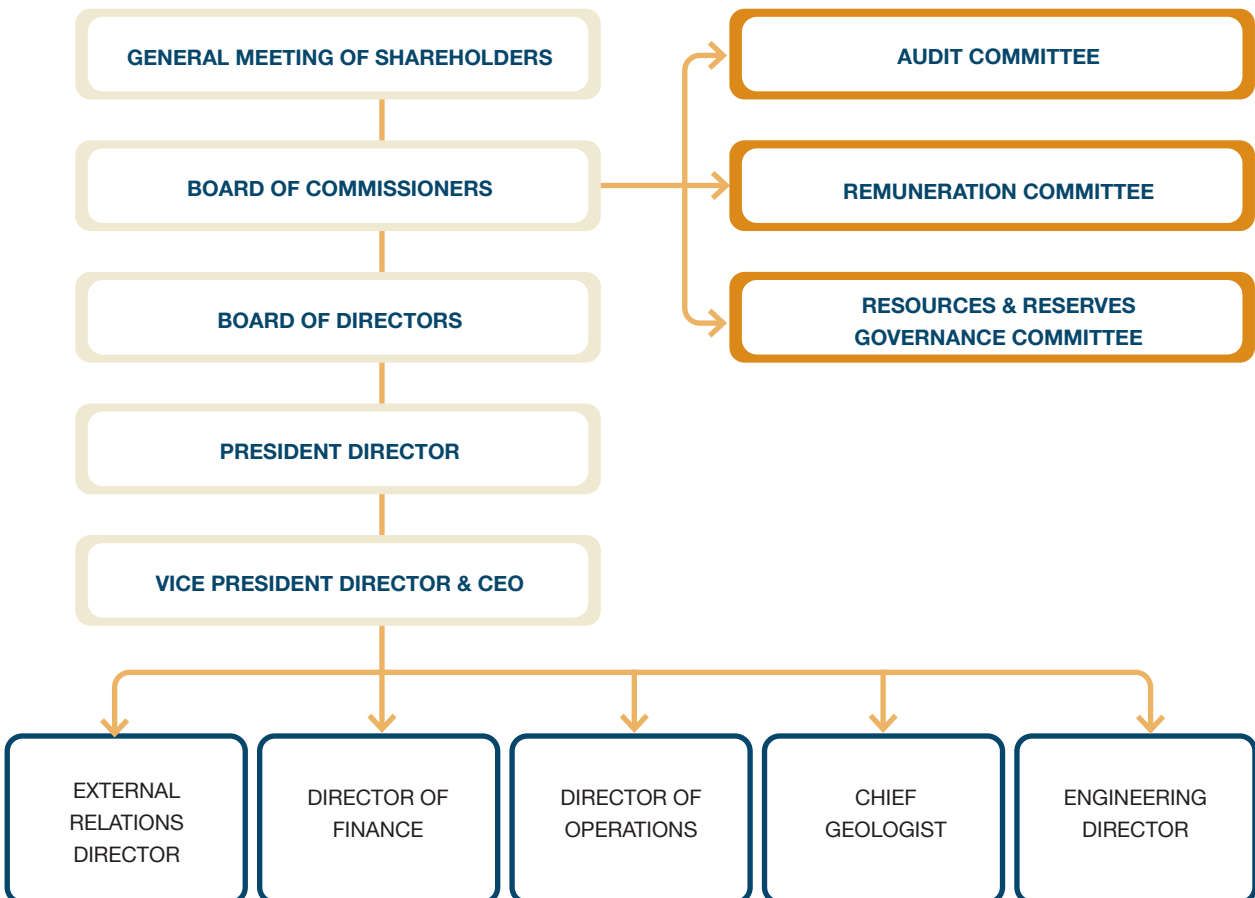
### Struktur Organisasi Perusahaan

The organizational structure of PTAR is divided between the Executive branch and the Supervisory branch. The Executive branch is led by the President Director and Vice President Director, Chief Executive Officer (CEO) who manages the other directors in charge of vital operational aspects of the company: 1) External Relations; 2) Finance; 3) Operations; 4) Exploration; and 5) Engineering.

The Board of Commissioners coordinates the supervisory tasks and also supervises the following Committees: 1) Audit Committee; 2) Remuneration Committee; and 3) Resources and Reserves Governance Committee.

Struktur organisasi PTAR terbagi antara Badan Eksekutif dan Badan Pengawas. Badan Eksekutif dipimpin oleh Presiden Direktur dan Wakil Presiden Direktur, Chief Executive Officer (CEO) yang mengelola Dewan Direksi dan bertanggung jawab atas aspek operasional penting Perusahaan: 1) Hubungan Eksternal; 2) Keuangan; 3) Operasi; 4) Eksplorasi; dan 5) Rekayasa.

Dewan Komisaris mengkoordinasikan tugas pengawasan dan juga membawahi Komite-Komite sebagai berikut: 1) Komite Audit; 2) Komite Remunerasi; dan 3) Komite Tata Kelola Sumber Daya dan Cadangan.





Suci Lestari, Operator of the Processing Department is checking the acidity level of the clarifier tank at the Water Polishing Plant (WPP) which functions to separate water from sediment through a chemical process. This monitoring is important to ensure that the acidity level of the water is following the quality standard, namely pH 7.5-8.5.

Suci Lestari, Operator Departemen Processing sedang mengecek tingkat keasaman tangki *clarifier* di *Water Polishing Plant* (WPP) yang berfungsi untuk memisahkan air dengan endapan melalui proses kimia. Pemantauan ini penting untuk memastikan tingkat keasaman air sudah sesuai dengan standar baku mutu yakni pH 7,5-8,5.



## Board of Commissioners Profile

### Profil Dewan Komisaris



#### **Franciscus Xaverius Laksana Kesuma**

**President Commissioner**

Presiden Komisaris

Since December 2018, Franciscus Kesuma has served as President Commissioner of PT Agincourt Resources. In 1988, he graduated from Parahyangan Catholic University in Bandung with a bachelor's degree in civil engineering. In 1991, he earned a Master's degree in Highway Engineering and Development from Bandung Institute of Technology. Franciscus joined Astra in 1992, where he joined the Engineering Division of PT Pamapersada Nusantara (PAMA). Between 1998 and 1999, he served as Project Manager for ISO 9001 and from 1999 to 2000, he served as Chief Engineering & Manager Representative for ISO 9001.

Franciscus was later appointed as PAMA's Operations Manager between 2000 and 2003 and as the Division Head of Operations from 2005 to 2012. In addition, he became PAMA's Operations Director in 2007 and President Director in 2013, a position he still holds. He also serves as President Commissioner, Vice President Commissioner and Commissioner for a number of PAMA subsidiaries. Since April 2019, he has also served as the President Director of United Tractors and the President Director of Indonesian Mining Services Association (Aspindo).

Sejak Desember 2018, Franciscus Kesuma menjabat sebagai Presiden Komisaris PT Agincourt Resources. Pada tahun 1988, beliau lulus dari Universitas Katolik Parahyangan di Bandung dengan gelar Sarjana Teknik Sipil. Pada tahun 1991, beliau memperoleh gelar Magister Teknik dan Pengembangan Jalan Raya dari Institut Teknologi Bandung. Franciscus bergabung dengan Astra pada tahun 1992 dan bergabung dengan Divisi Teknik PT Pamapersada Nusantara (PAMA). Pada tahun 1998-1999, beliau menjabat sebagai Project Manager ISO 9001 dan dari tahun 1999 hingga 2000, beliau menjabat sebagai Chief Engineering & Manager Representative ISO 9001.

Franciscus kemudian diangkat sebagai Operations Manager PAMA di tahun 2000-2003 dan selanjutnya menjabat sebagai Operation Division Head dari tahun 2005-2012. Selain itu, beliau juga menjabat sebagai Direktur Operasional PAMA pada tahun 2007 dan Direktur Utama pada tahun 2013 hingga saat ini. Beliau juga menjabat sebagai Presiden Komisaris, Wakil Presiden Komisaris, dan Komisaris di beberapa anak perusahaan PAMA. Sejak April 2019, beliau juga menjabat sebagai ketua Asosiasi Jasa Pertambangan Indonesia (Aspindo).



## Anwar Nasution

**Commissioner**

Komisaris

Since October 2011, Prof. Dr. Anwar Nasution has served as the Commissioner of PT Agincourt Resources. He is an Economics Professor at the University of Indonesia, where he focuses on applied Macroeconomic Theory, Monetary Economics and International Economics. He worked at the Ministry of Finance from 1968 to 1975 and from 1985 to 1994, he was the Economic Advisor to Indonesia's Minister of Cooperatives. He worked as an Economic Consultant for Bank Indonesia, Indonesia's Central Bank, between 1982 and 1983 and was appointed Senior Deputy Governor of the Central Bank in 1999, a position he held until 2004. He was appointed Chairman of the Audit Board of the Republic of Indonesia in October 2004.

He has served as a consultant to United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), United Nations Economic Commission for Latin America and The Caribbean (UN ECLAC), The United States Agency for International Development (USAID), the World Bank, The International Monetary Fund (IMF) and The Ministry of International Trade and Industry of Japan. Prof. Dr. Anwar is a member of the International Advisory Group of Finance Forum of the Pacific Economic Cooperation Council (PECC), the Asian Economic Panel and the Center for Pacific Basin Monetary and Economic Studies of San Francisco. He is an International Associate Member of the Ministry of Finance of Japan, the American Economic Association and American Committee on Asian Economic Studies (ACAES) and Vice Chairman of the Indonesian Economists Association and Country Director of East Asia Economic Association.

Sejak Oktober 2011, Prof. Dr. Anwar Nasution menjabat sebagai Komisaris PT Agincourt Resources. Beliau adalah Guru Besar Ekonomi di Universitas Indonesia dengan fokus pada Teori Ekonomi Makro terapan, Ekonomi Moneter dan Ekonomi Internasional. Beliau bekerja di Departemen Keuangan dari tahun 1968-1975 dan tahun 1985-1994 beliau menjadi sebagai Penasihat Ekonomi Menteri Koperasi Indonesia. Beliau bekerja sebagai Konsultan Ekonomi Bank Indonesia, Bank Sentral Indonesia pada tahun 1982-1983 dan diangkat sebagai Wakil Gubernur Senior Bank Indonesia tahun 1999-2004. Selanjutnya, beliau diangkat sebagai Ketua Badan Pemeriksa Keuangan Republik Indonesia pada bulan Oktober 2004.

Beliau pernah menjabat sebagai konsultan untuk United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), United Nations Economic Commission for Latin America and The Caribbean (UN ECLAC), The United States Agency for International Development (USAID), the World Bank, The International Monetary Fund (IMF), dan The Ministry of International Trade and Industry of Japan. Prof. Dr. Anwar adalah anggota aktif pada International Advisory Group of Finance Forum of the Pacific Economic Cooperation Council (PECC), Asian Economic Panel, dan Center for Pacific Basin Monetary and Economic Studies of San Francisco. Beliau adalah Anggota Asosiasi Internasional Kementerian Keuangan Jepang, American Economic Association dan American Committee on Asian Economic Studies (ACAES), dan Wakil Indonesian Economists Association dan Country Director untuk East Asia Economic Association.



### Company Profile

Profil Perusahaan



### Iwan Hadiangoro

**Commissioner**

Komisaris

Since December 2018, Iwan Hadiangoro has served as a Commissioner for PT Agincourt Resources. He has a Bachelor of Economics with a specialisation in Financial Management from the University of Indonesia. He began his career as a Chief Accountant at PT Shell Indonesia, where he worked between 1990 and 1998. From 2006 to 2008, he was the Finance Director of PT Astra Sedaya Finance and from 2008 to 2010, he was the Director and Chief Financial Officer of PT GE Finance Indonesia. He began his career at PT Astra International Tbk in 2010 as Group Chief of Treasury & Investor Relations, a position he held until 2015. He was then appointed Finance Director of PT United Tractors Tbk, a position he held until the present and he also served as Commissioner in some of the company's subsidiaries and PT Pamapersada Nusantara.

Sejak Desember 2018, Iwan Hadiangoro menjabat sebagai Komisaris PT Agincourt Resources. Beliau memiliki gelar Sarjana Ekonomi dengan fokus pada Manajemen Keuangan dari Universitas Indonesia. Beliau memulai karirnya sebagai Chief Accountant di PT Shell Indonesia pada tahun 1990-1998. Pada tahun 2006-2008 beliau menjabat sebagai Direktur Keuangan PT Astra Sedaya Finance dan tahun 2008-2010 beliau menjabat sebagai Direktur dan Chief Financial Officer PT GE Finance Indonesia. Memulai karir di PT Astra International Tbk pada tahun 2010-2015, beliau menjabat sebagai Group Chief of Treasury & Investor Relations. Kemudian diangkat sebagai Direktur Keuangan PT United Tractors Tbk hingga saat ini dan juga menjabat sebagai Komisaris di beberapa anak perusahaan dan PT Pamapersada Nusantara.



## Ari Sutrisno

Commissioner

Komisaris

Ari Sutrisno was appointed as one of PT Agincourt Resources' Commissioners in December 2018. In 1995, he received his bachelor's degree in chemistry from Bandung Institute of Technology. He began his career with Astra International Tbk in 1995 as a Management Trainee and has since progressed to Managerial positions. In 2007, he was appointed Corporate Planning & Management Head, a position he held until 2017. Between 2010-2013, he was the Division Head of Safety, Health and Environment at PT Pamapersada Nusantara (PAMA). Between 2013-2014, he was appointed Operations & Marketing Director at PT Prima Multi Mineral; between 2014-2017, he was President Director at PT Kadya Caraka Mulia; between 2015-2017, he was Vice President Director at PT Prima Multi Mineral; Marketing & HCGS Director at PT Tuah Turangga Agung; and between 2015 and 2017, he was President Director at PT Duta Nurcahya & PT Duta Sejahtera. Ari has been the HCGS & SHE Director of PT Pamapersada Nusantara since 2017. He has also served on the Board of Directors of Aspindo (The Indonesian Mining Services Association) and as a Commissioner at PT Tuah Turangga Agung, PT Suprabari Mapanindo Mineral and PT Kalimantan Prima Persada in 2019.

Ari Sutrisno diangkat sebagai salah satu Komisaris PT Agincourt Resources pada Desember 2018. Pada tahun 1995, beliau memperoleh gelar Sarjana Kimia dari Institut Teknologi Bandung. Beliau memulai karirnya di Astra International Tbk pada tahun 1995 sebagai Management Trainee dan sejak itu berkembang menjadi posisi Manajerial. Pada tahun 2007 hingga tahun 2017, beliau menjabat sebagai Corporate Planning & Management Head. Beliau juga menjabat sebagai Safety Health & Environment Division Head pada PAMA dari tahun 2010 hingga 2013. Karier beliau berlanjut dengan menjabat sebagai Direktur Operasional & Pemasaran pada PT Prima Multi Mineral tahun 2013-2014, Presiden Direktur PT Kadya Caraka tahun 2014-2017, Wakil Presiden Direktur PT Prima Multi Mineral, Marketing & HCGS Director PT Tuah Turangga Agung, Presiden Direktur PT Duta Nurcahya, dan Presiden Direktur PAMA pada tahun 2015-2017. Selain itu, sejak tahun 2017 hingga saat ini, Ari juga menjabat sebagai HCGS & SHE Director di PAMA. Beliau juga menjabat sebagai Wakil Ketua Asosiasi Jasa Pertambangan Indonesia (Aspindo) dan per 2019 menjabat sebagai Komisaris di PT Tuah Turangga Agung, PT Suprabari Mapanindo Mineral, dan PT Kalimantan Prima Persada.

### Company Profile

Profil Perusahaan



### Bambang Susigit

**Commissioner**

Komisaris

Bambang Susigit was appointed as a Commissioner of PT Agincourt Resources in February 2019. He completed his undergraduate degree at Sriwijaya University, Palembang, where he studied Mining Engineering. He then obtained a Postgraduate Degree in Geological Engineering from Padjajaran University. Bambang joined the Ministry of Energy and Mineral Resources (MEMR) as a Mining Inspection Officer in 1992. During his career at MEMR, he also served as The Director of Engineering and Environment at the Directorate General of Mineral and Coal between 2014 and 2015. Bambang served as the Head of the Center for Geological Education and Training in MEMR's Education and Training Agency during 2015 and 2016 and subsequently held the position of Head of The Mineral and Coal Education and Training Center at the MEMR Education and Training Agency. From 2016 to 2017, he served as Head Of the Center for Geological, Mineral and Coal Human Resource Development in the MEMR. As his final position in MEMR, from 2017 to 2018, he served as the Director Of Mineral Business Development in the Directorate General of Mineral and Coal.

Bambang Susigit diangkat sebagai Komisaris PT Agincourt Resources pada Februari 2019. Beliau menyelesaikan pendidikan S1 di Universitas Sriwijaya, Palembang jurusan Teknik Pertambangan. Beliau juga memperoleh gelar Pasca Sarjana jurusan Teknik Geologi dari Universitas Padjajaran. Bambang bergabung dengan Kementerian Energi dan Sumber Daya Mineral (ESDM) sebagai Petugas Inspeksi Pertambangan pada tahun 1992. Selama berkarir di Kementerian ESDM, beliau juga menjabat sebagai Direktur Teknik dan Lingkungan Ditjen Mineral dan Batubara antara tahun 2014 hingga 2015. Bambang menjabat sebagai Kepala Pusdiklat Geologi di Badan Diklat ESDM selama tahun 2015 dan 2016 dan selanjutnya menjabat sebagai Kepala Pusdiklat Mineral dan Batubara di Badan Diklat ESDM. Dari 2016-2017, beliau menjabat sebagai Kepala Pusat Pengembangan Sumber Daya Manusia Geologi Mineral dan Batubara di Kementerian ESDM. Pada masa akhir jabatannya, beliau menjabat sebagai Direktur Pembinaan Pengusahaan Mineral, Direktorat Jenderal Mineral dan Batubara dari tahun 2017 sampai tahun 2018.





## Linda Helena Darmalina

Commissioner

Komisaris

Linda Helena Darmalina joined PT Agincourt Resources in July 2007, was promoted to Director of External Relations in December 2018 and was appointed Commissioner in February 2020. Linda previously served as Director of Government Relations in March 2011 and then as Vice President Director from May 2015 to November 2018. She began her career with Mobil Oil Indonesia. Linda then worked in the External Relations Department of PT Newmont Nusa Tenggara from 1997 to 2007. Linda has a bachelor's degree in accounting from the University of North Sumatra and a diploma in communication from the Ketchum Institute of Public Relations in Fairfax, Virginia.

Linda Helena Darmalina bergabung dengan PT Agincourt Resources pada Juli 2007, dipromosikan menjadi Direktur Hubungan Eksternal pada Desember 2018 dan diangkat menjadi Komisaris pada Februari 2020. Linda sebelumnya menjabat sebagai Direktur Hubungan Pemerintah pada Maret 2011 dan kemudian sebagai Wakil Presiden Direktur sejak Mei 2015 hingga November 2018. Beliau memulai karirnya di Mobil Oil Indonesia. Linda pernah bekerja di Departemen Hubungan Eksternal PT Newmont Nusa Tenggara dari tahun 1997-2007. Linda memiliki gelar sarjana akuntansi dari Universitas Sumatra Utara dan diploma bidang Komunikasi di Ketchum Institute of Public Relations di Fairfax, Amerika Serikat.

## Company Profile

Profil Perusahaan



### Putut Eko Bayu Seno

**Commissioner**

Komisaris

Since February 2020, Pol. Drs. Putut Eko Bayu Seno, S.H. has served as the Commissioner of PT Agincourt Resources. He is a retired high-ranking police officer who served as the National Police Inspector General Supervision most recently. In 1984, Komjen Pol Putut began his police training at the Indonesian Military Academy, followed by Police College (STIK), Police Staff and Leadership School (Sespimpo), National Resilience Institution (Lemhanas) and Short Class Education Program (PPSA) XVIII. He began his career in policing as the Head of the Situbondo Police at the Besuki Regional Police for East Java. Komjen Pol Putut served as Irwasum Polri from 2017 to April 2019. Previously, he held the role of Head of the Police Headquarters, West Java Police Chief and Banten Police Chief.

Sejak Februari 2020, Pol. Drs. Putut Eko Bayu Seno, SH menjabat sebagai Komisaris PT Agincourt Resources. Ia adalah seorang pensiunan perwira tinggi Polri yang menjabat sebagai Inspektur Jenderal Pengawasan Polri terakhir. Pada tahun 1984, Komjen Pol Putut memulai pelatihan kepolisian di Akademi Militer Indonesia, diikuti oleh Sekolah Tinggi Ilmu Kepolisian (STIK), Sekolah Staf dan Pimpinan Kepolisian (Sespimpol), Lembaga Ketahanan Nasional (Lemhanas), dan Program Pendidikan Singkat Angkatan (PPSA) XVIII. Mengawali karir di kepolisian sebagai Kepala Kepolisian Resor (Kapolres) Situbondo di Kepolisian Daerah (Polda) Besuki Jawa Timur, beliau menjabat sebagai Inspektorat Pengawasan Umum (Irwasum) Kepolisian Negara Republik Indonesia (Polri) dari 2017 hingga April 2019. Sebelumnya, beliau memegang peran sebagai Kapolda Metro Jaya, Kapolda Jawa Barat, dan Kapolda Banten.

## Board of Directors Profile

### Profil Dewan Direksi



#### Muliady Sutio

President Director

Presiden Direktur

Muliady Sutio has been the President Director of PT Agincourt Resources since December 2018. He graduated from Trisakti University in 1994 with a bachelor's degree in Industrial Engineering. He began his career at PT Astra International Tbk in 1994 as an Efficiency Division Analyst and later became a Certified Astra Leadership Performance Coach. He was promoted to co-Project Manager in the Efficiency Division in 1997. Muliady was hired as the Team Leader for PT Pamapersada Nusantara's business process in 2000. In 2004, he was appointed Head of Corporate Planning and System Development Head and in 2007, he was appointed Head of Supply Management. He has been the Plant & Corporate Information System Director of PT Pamapersada Nusantara since 2013. (PAMA). In 2014, he was appointed President Director of PT Energia Prima Nusantara, a company that develops power plants, as well as Director of PT Pama Indo Mining. In 2015, he was also appointed as acting President Director of PT Unitra Persada Energia, a position he still holds to this day.

Muliady Sutio menjabat sebagai Presiden Direktur PT Agincourt Resources sejak Desember 2018. Beliau lulus dari Universitas Trisakti pada tahun 1994 dengan gelar Sarjana Teknik Industri. Memulai karir di PT Astra International Tbk pada tahun 1994 sebagai Analis Divisi Efisiensi dan kemudian menjadi Certified Astra Leadership Performance Coach. Kemudian beliau mendapatkan promosi menjadi co-Project Manager di Divisi Efficiency pada tahun 1997. Muliady diangkat sebagai Team Leader untuk proses bisnis PT Pamapersada Nusantara pada tahun 2000. Pada tahun 2004, beliau diangkat sebagai Corporate Planning and System Development Head dan pada tahun 2007, beliau diangkat sebagai Head of Supply Management. Sejak tahun 2013, beliau menjabat sebagai Plant & Corporate Information System Director PT Pamapersada Nusantara. Pada tahun 2014, beliau diangkat sebagai Presiden Direktur PT Energia Prima Nusantara, perusahaan yang mengembangkan pembangkit listrik, sekaligus Direktur PT Pama Indo Mining. Pada tahun 2015 sampai dengan saat ini, beliau juga diangkat sebagai Presiden Direktur PT Unitra Persada Energia.



### Company Profile

Profil Perusahaan



### Hendra Hutahean

**Vice President Director**

Wakil Presiden Direktur

In 1996, Hendra Hutahean earned a Bachelor of Engineering degree in Civil Engineering from Bandung Institute of Technology. He joined the company in 2021 and currently serves as Vice President Director. Since April 2020, he has been trusted as the Engineering & Information System Director of PT Pamapersada Nusantara ("PAMA"). He is also the Chief of PAMA's Engineering Division and the Director of PT Pama Indo Mining. He has been with PAMA since 1996 and has held a number of senior positions, including Project Manager for Project Freeport from 2004 to 2006, Kaltim Prima Coal Sangatta (KPCS) District from 2008 to 2012, INDO District from 2012 to 2016 and Operation Deputy Division Head of PAMA from 2016 to 2017. From 2019 to 2020, he also served as Director at PT Tuah Turangga Agung, PT Suprabari Mapanindo Mineral and PT Telen Orbit Prima.

Hendra Hutahean memperoleh gelar Sarjana Teknik Teknik Sipil dari Institut Teknologi Bandung pada tahun 1996. Hendra Hutahean bergabung dengan perusahaan pada tahun 2021 dan saat ini menjabat sebagai Wakil Presiden Direktur. Sejak April 2020, beliau dipercaya sebagai Direktur Teknik & Sistem Informasi PT Pamapersada Nusantara ("PAMA"). Beliau juga menjabat sebagai Kepala Divisi Teknik PAMA dan Direktur PT Pama Indo Mining. Bergabung dengan PAMA sejak tahun 1996 dan menduduki beberapa posisi senior, antara lain Manajer Proyek untuk Proyek Freeport dari tahun 2004-2006, Kaltim Prima Coal Sangatta (KPCS) Kabupaten dari 2008 hingga 2012, INDO Distrik dari 2012-2016 dan Wakil Kepala Divisi Operasi PAMA dari 2016-2017. Pada tahun 2019 hingga 2020, beliau juga menjabat sebagai Direktur di PT Tuah Turangga Agung, PT Suprabari Mapanindo Mineral, dan PT Telen Orbit Prima.



## Noviandri Hakim

**Director & Chief Financial Officer**

Direktur & Chief Financial Officer

Noviandri Hakim has been Director and Chief Financial Officer of PT Agincourt Resources since December 2018. In 2009, he graduated with a Master's In Management from the Prasetya Mulya Business School and also holds a Bachelor's Degree in Economics from Padjadjaran University. Before joining the company, Noviandri started his career at PT United Tractors Tbk in 2005 and was entrusted several positions in the finance and accounting area, before being appointed as Corporate Finance and Accounting Division Head at PT United Tractors Tbk in 2015. He worked for the company until 2018.

Noviandri Hakim menjabat sebagai Direktur dan Chief Financial Officer di PT Agincourt Resources sejak Desember 2018. Pada tahun 2009, ia lulus dengan gelar Magister Manajemen dari Prasetya Mulya Business School dan juga meraih gelar Sarjana Ekonomi dari Universitas Padjadjaran. Sebelum bergabung dengan perusahaan, Noviandri memulai karirnya di PT United Tractors Tbk pada tahun 2005, dan mempercayakan beberapa posisi di bidang keuangan dan akuntansi, sebelum akhirnya diangkat sebagai Kepala Divisi Korporat Keuangan dan Akuntansi di PT United Tractors Tbk pada tahun 2015. Dia bekerja untuk perusahaan tersebut hingga 2018.

### Company Profile

Profil Perusahaan



### Darryn Michael McClelland

**Director & Chief Operating Officer**

Direktur & Chief Operating Officer

Darryn McClelland has been responsible as Chief Operating Officer (COO) since 2021. From 2016 to 2019, he was Deputy Director of Operations and from 2019 to 2021, he was General Manager Operations. Darryn graduated from the University of Queensland with a Bachelor of Engineering Honours (Minerals Process), a Masters of Business Administration from the University of Southern Queensland, a Graduate Diploma in Mining Engineering from Curtin University/ Western Australian School of Mines (WASM) and a Graduate Diploma in Occupational Health and Safety from Edith Cowan University. Darryn has 23 years of work experience, including seven years in Australian operations before beginning work for Oxiana/OZ Minerals at the Sepon Project in Laos. Darryn has worked for a number of mining companies since leaving OZ Minerals, including Nui Phao Mining Company in Vietnam, Perseus Mining in Ghana, Bisha Mining Share Company in Eritrea and before joining PT Agincourt Resources, he was the Processing Manager at the Phu Kham Copper/Gold Mine in the Democratic Republic of Laos.

Darryn McClelland bertanggung jawab sebagai Chief Operating Officer (COO) sejak tahun 2021. Dari tahun 2016 hingga 2019, beliau menjabat sebagai Deputy Director of Operations dan dari tahun 2019 hingga 2021 beliau menjabat sebagai General Manager Operations. Darryn lulus dari University of Queensland dengan gelar Bachelor of Engineering Honours (Minerals Process), Master of Business Administration dari University of Southern Queensland, Graduate Diploma in Mining Engineering dari Curtin University/ Western Australian School of Mines (WASM), dan Graduate Diploma in Occupational Health and Safety dari Universitas Edith Cowan. Darryn memiliki 23 tahun pengalaman kerja, termasuk tujuh tahun di operasi Australia sebelum mulai bekerja untuk Oxiana/OZ Minerals di Proyek Sepon di Laos. Darryn telah bekerja di sejumlah perusahaan pertambangan sejak meninggalkan OZ Minerals, antara lain Nui Phao Mining Company di Vietnam, dan Perseus Mining di Ghana, Bisha Mining Share Company - Eritrea, dan sebelum bergabung dengan PT Agincourt Resources menjabat Processing Manager di Phu Kham Copper/Gold Mine - Laos.



## Ruli Tanio

Engineering Director

Direktur Engineering

Ruli Tanio was appointed as the Director of PT Agincourt Resources in February 2019. He has over a decade of experience in mining-related businesses, with direct exposure to engineering, operations and finance system. Ruli has academic degrees in Industrial Engineering, Finance and Economics. He worked at PT Pamapersada Nusantara (PAMA) for several years before being appointed Operations and Engineering Director at PT Bukit Enim Energy, a joint venture between PAMA and PT Adaro Indonesia Tbk, in 2012. Ruli was appointed Engineering and Operations Director in PAMA's PT Energia Prima Nusantara in 2014, following Astra's acquisitions in the energy sector. In 2016, he was also named Director of Bhumi Jepara Services. This partnership between PT United Tractors Tbk, Sumitomo Corporation and Kansai Electric Power Co. provides operational and maintenance services to Units 5 and 6 of the 2,000-megawatt Tanjung Jati power station in Central Java.

Ruli Tanio diangkat sebagai Direktur PT Agincourt Resources pada Februari 2019. Dia memiliki pengalaman lebih dari satu dekade dalam bisnis pertambangan dengan pengarahan langsung dalam strategi teknik, operasional, keuangan. Ruli memiliki gelar akademik di bidang Teknik Industri, serta Keuangan dan Ekonomi. Beliau bekerja di PT Pamapersada Nusantara (PAMA) selama beberapa tahun sebelum diangkat sebagai Direktur Operasi dan Teknik di PT Bukit Enim Energy yang merupakan perusahaan patungan antara PAMA dan PT Adaro Indonesia Tbk (2012). Setelah akuisisi Astra pada bisnis listrik, Ruli ditunjuk sebagai Direktur Teknik dan Operasi di PT Energia Prima Nusantara (2014 hingga sekarang). Pada tahun 2016, beliau juga menjabat sebagai Direktur Bhumi Jepara Services, sebuah perusahaan patungan antara PT United Tractors Tbk, Sumitomo Corporation, dan Kansai Electric Power Co yang menyediakan layanan operasi dan pemeliharaan untuk 2.000 MW Tanjung Jati Unit 5 dan 6 di Jawa Tengah.



### Company Profile

Profil Perusahaan



### Sanny Tjan

#### External Relations Director

Direktur External Relations

Sanny Tjan joined PT Agincourt Resources as a Senior Manager of External Relations in 2017 and was promoted to Director of External Relations in February 2020. Sanny began her career in 1990 and she has worked in a variety of institutions and corporations, including the Egyptian Embassy in Jakarta. She began her career in communications in 1994, when she joined PT Coca-Cola Indonesia. Sanny then joined PT Multi Bintang Indonesia in 2008 as a Senior Manager of Corporate Affairs & Communication, where he was in charge of corporate communications, media relations, government relations and CSR. Sanny joined PT Cargill Indonesia as Government Relations Manager in 2012 before moving on to PT Agincourt Resources. Sanny holds a Post Graduate degree in Public Relations, a Group Diploma in Public Relations and an Advanced Diploma in Mass Communications from the London School of Public Relations – Jakarta. She is also a Bachelor of Economics graduate of UniSadhuGuna Business School.

Sanny Tjan bergabung dengan PT Agincourt Resources sebagai Senior Manager Hubungan Eksternal pada tahun 2017 dan dipromosikan menjadi Direktur Hubungan Eksternal pada Februari 2020. Sanny memulai karirnya pada tahun 1990 dan telah bekerja di berbagai institusi dan perusahaan, termasuk Kedutaan Besar Mesir di Jakarta. Beliau memulai karirnya di bidang komunikasi pada tahun 1994, saat bergabung dengan PT Coca-Cola Indonesia. Sanny kemudian bergabung dengan PT Multi Bintang Indonesia pada tahun 2008 sebagai Senior Manager Corporate Affairs & Communication yang bertanggung jawab atas komunikasi perusahaan, hubungan media, hubungan pemerintah, dan CSR. Sanny bergabung dengan PT Cargill Indonesia sebagai Government Relations Manager pada tahun 2012 sebelum pindah ke PT Agincourt Resources. Sanny memiliki latar belakang pendidikan komunikasi dan merupakan lulusan Post Graduate Diploma in Public Relations, Group Diploma in Public Relations, dan Advance Diploma in Mass Communications dari the London School of Public Relations - Jakarta, dan gelar Sarjana Ekonomi dari UniSadhuGuna Business School.

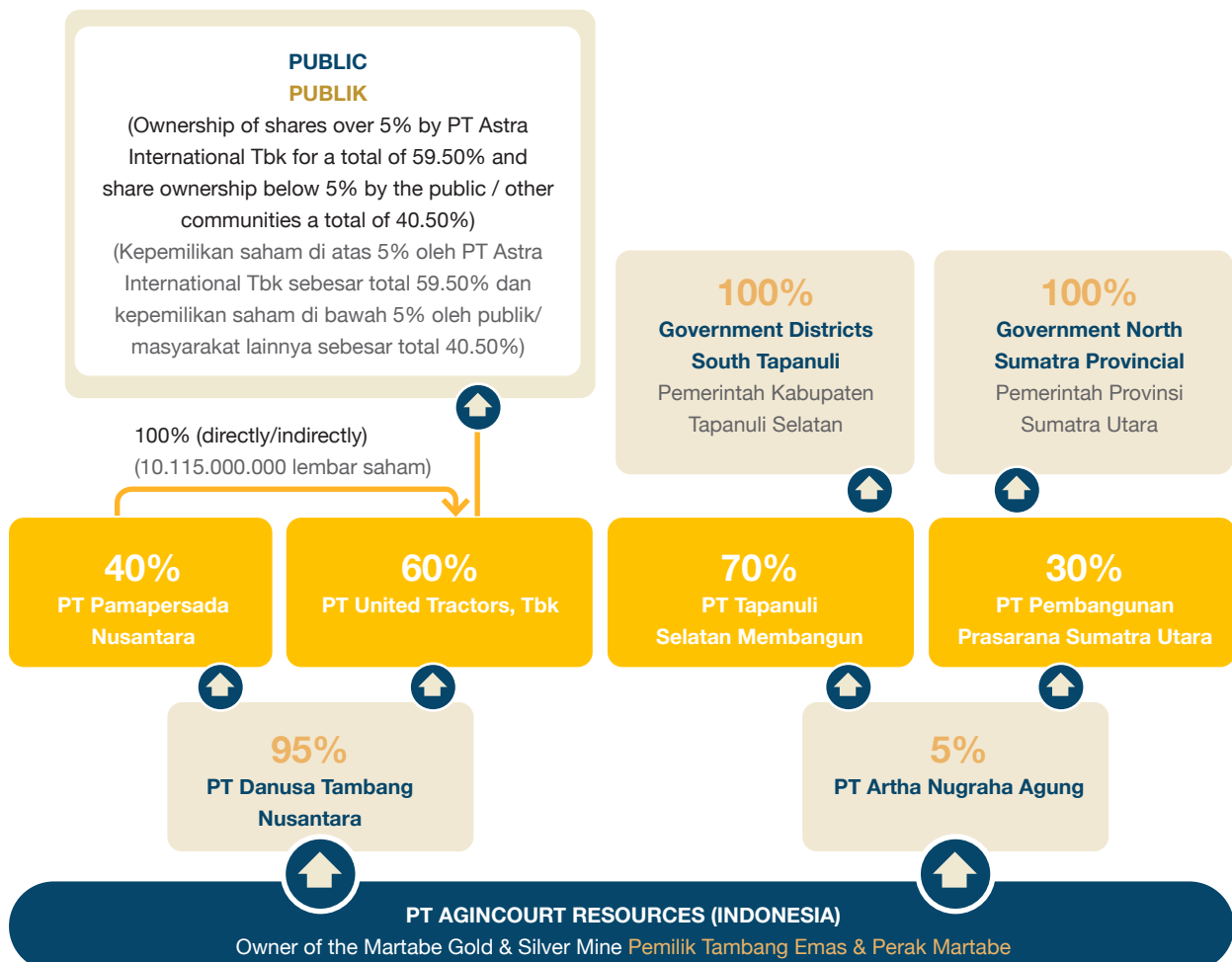
## Shareholders Pemegang Saham

PTAR's majority shareholder is PT Danusa Tambang Nusantara, which is owned by PT United Tractors, Tbk (60%) and PT Pamapersada Nusantara (40%) for a combined stake of 95%. PT United Tractors Tbk is a public company with shares traded on the Indonesian Stock Exchange. It is also a subsidiary of PT Astra International Tbk. PT Astra International Tbk owns 59.50% of PT United Tractors, Tbk, while the public owns 40.50%. PT Pamapersada Nusantara is 99.9% owned by PT United Tractors, Tbk.

PT Artha Nugraha Agung owns 5% of the Company's shares, which is jointly owned by PT Pembangunan Prasarana Sumatra Utara (30%) and PT Tapanuli Selatan Membangun (70%).

Pemegang saham mayoritas PTAR adalah PT Danusa Tambang Nusantara yang dimiliki oleh PT United Tractors, Tbk (60%) dan PT Pamapersada Nusantara (40%) dengan kepemilikan saham sebesar 95%. PT United Tractors Tbk merupakan perusahaan publik dengan saham yang diperdagangkan di Bursa Efek Indonesia dan merupakan anak perusahaan dari PT Astra International Tbk. PT Astra International Tbk memiliki 59,50% saham PT United Tractors, Tbk, sedangkan publik memiliki 40,50%. PT Pamapersada Nusantara 99,9% dimiliki oleh PT United Tractors, Tbk.

PT Artha Nugraha Agung memiliki 5% saham, yang dimiliki bersama oleh PT Pembangunan Prasarana Sumatra Utara (30%) dan PT Tapanuli Selatan Membangun (70%).



# 04

## MANAGEMENT DISCUSSION AND ANALYSIS

### PEMBAHASAN DAN ANALISIS MANAJEMEN

Our operations remain robust as we continue to hedge and mitigate the impacts of the COVID-19 pandemic. The Indonesian economy improved significantly in 2021 and our analysis indicates that this positive trend will continue despite the return of outbreaks and the introduction of new variants.

Kegiatan operasional Perusahaan tetap berjalan, karena terus melakukan pencegahan dan mengurangi dampak pandemi COVID-19. Perekonomian Indonesia meningkat secara signifikan pada tahun 2021, dan analisis kami menunjukkan bahwa tren positif ini akan terus berlanjut sampai dengan adanya varian terbaru.







The Gold Room Team, the PTAR Processing Department, ensures the daily process of gold casting, cleaning and storage of bullion before it is sent to PT Logam Mulia to be purified and separated between gold and silver.

Tim Gold Room, Departemen Processing PTAR yang sehari-hari memastikan proses penuangan emas dan pembersihan serta penyimpanan bullion sebelum dikirimkan ke PT Logam Mulia untuk dimurnikan dan dipisahkan antara emas dan perak.



## Industry Overview

### Tinjauan Industri



Apriarni Indarti and Extivonus Fransiskus, Project Geologists of the Exploration Department, discussed geological models. The purpose of geological modelling is to calculate mineral resources. As of June 30, 2021, the mineral resources of the Martabe Gold Mine are 7.5 million ounces of gold and 72 million ounces of silver.

Apriarni Indarti dan Extivonus Fransiskus, Project Geologist Departemen Eksplorasi berdiskusi terkait model geologi. Tujuan pemodelan geologi adalah untuk menghitung sumberdaya mineral. Hingga 30 Juni 2021, sumberdaya mineral Tambang Emas Martabe yakni emas 7,5 juta ounce dan perak 72 juta ounce.

The global economy is experiencing a strong but uneven recovery. Growth is concentrated in a few major economies, with most emerging market and developing economies trailing. Most countries in the region are expected to remain below pre-pandemic levels, inhibiting potential growth in areas that have suffered the most from extended COVID-19 outbreaks and global tourism and trade collapse. The possibility of repeated and large COVID-19 outbreaks due to delay vaccinations; heightened financial stress exacerbated by elevated debt levels and the possibility of more severe and long-lasting effects from the pandemic, such as subdued investment and eroded human capital, are all downside risks to the forecast.

Perekonomian global sedang mengalami pemulihan yang baik meskipun belum secara merata. Pertumbuhan hanya terdapat di beberapa aspek ekonomi utama, dengan sebagian besar di negara berkembang dan ekonomi berkembang tertinggal. Sebagian besar negara di kawasan tersebut diperkirakan akan tetap berada di bawah tingkat pra-pandemi, menghambat potensi pertumbuhan di daerah-daerah yang paling menderita akibat wabah COVID-19 yang berkepanjangan serta penurunan pariwisata dan perdagangan global. Kemungkinan selama pandemi COVID-19 yang berulang dan besar karena vaksinasi yang tertunda; tekanan keuangan yang meningkat diperburuk oleh tingkat utang yang meningkat; dan kemungkinan efek yang lebih parah dan tahan lama dari pandemi, seperti investasi yang lemah dan modal manusia yang terkikis, semuanya merupakan risiko penurunan dari perkiraan.

The precious metals market in 2021 was somewhat volatile in the first half of the year and stabilised in the second half. Gold prices started the year at US\$1,940/ounces and quickly decreased to \$1,740/ounces by the end of February. However, the price subsequently has oscillated around a central tendency price of \$1,800/ounces which is where it ended the year. Silver prices started the year higher at between \$26-\$28/ounces and drifted lower over the year to finish at \$22-\$23/ounces by December. Gold demand rebounded strongly in 2021 with an overall increase of 10% across the full year with the strongest demand in Quarter 4.

Whilst prices are down over the year both gold and silver remains relatively strong in terms of pricing and are holding up against a backdrop of increasing inflation across many key economies. With increasing inflation brings the potential for an increase in interest rates which could be seen as something limiting positive price increases in precious metals moving forward in 2022.

The gold mining industry, like many other industries is seeing increases in raw materials to its business. The much-discussed supply chain issues that have arisen in 2021 have increased the costs for many goods and commodities that form inputs to mining operations. PTAR was not immune to this issue with challenges faced on the delivery of some consumables and particularly capital equipment for projects. Acknowledging that this issue will persist into 2022, the Company has been planning accordingly, primarily by stockpiling consumer goods in operational locations.

Harga logam mulia di pasaran pada tahun 2021 sedikit meningkat di kuartal pertama dan mulai stabil di kuartal kedua. Harga emas pada tahun ini dimulai dari US\$1,940/*ounce* dan seketika mengalami penurunan menjadi US\$1,740/*ounce* pada akhir Februari. Namun harga tersebut mengalami perubahan di sekitar harga tendensi sentral \$1.800/*ounce* pada akhir tahun. Harga perak pada tahun ini dimulai lebih tinggi di antara \$26-\$28/*ounce* dan turun lebih rendah sepanjang tahun hingga berakhir di \$22-\$23/*ounce* pada bulan Desember. Permintaan emas *rebound* yang kuat pada tahun 2021 dibuktikan peningkatan keseluruhan 10% sepanjang tahun penuh dengan permintaan terkuat di Kuartal 4.

Sementara itu harga turun sepanjang tahun, namun emas dan perak tetap relatif kuat dalam hal harga dan bertahan dengan adanya peningkatan inflasi di perekonomian. Dengan meningkatnya inflasi membawa potensi kenaikan suku bunga yang dapat dilihat sebagai sesuatu yang membatasi kenaikan harga positif logam mulia bergerak maju pada tahun 2022.

Pada industri pertambangan emas, seperti industri lainnya juga mengalami peningkatan bahan baku untuk bisnisnya. Masalah rantai pasokan yang banyak dibahas pada tahun 2021 telah meningkatkan biaya untuk barang dan komoditas yang menjadi input untuk kegiatan operasional penambangan. PTAR tetap bertahan terhadap masalah ini dengan tantangan yang dihadapi pada pengiriman beberapa bahan yang habis pakai, terutama peralatan modal untuk proyek. Memahami bahwa isu ini akan bertahan selama beberapa waktu di tahun 2022, perusahaan telah melakukan perencanaan, utamanya dengan mempunyai tingkat persediaan barang konsumsi yang lebih tinggi dilokasi operasional.

## Operational Review

### Tinjauan Operasional

#### Overview

The Martabe Gold Mine remained fully operational throughout 2021 as the Company adapted and complied with changing health protocols. The most disruptive period to the company and site operations occurred during Quarter 3 when the Delta COVID-19 variant outbreak occurred in Indonesia. This period put significant pressure on the operations with the availability of personnel and significant disruptions to travel. However, from a positive perspective at the beginning of Quarter 3, PTAR also commenced its COVID-19 vaccination program for all employees and contractors. This progressed very well from July through to November with over 98% of all personnel fully vaccinated by the end of 2021. PTAR and Martabe Gold Mine's COVID-19 response through testing antigen or swab *Polymerase Reaction Chain (PCR)*, quarantine, treatment and vaccination.

Despite the obvious challenges brought on by the ongoing COVID-19 pandemic, our operations in 2021 exceeded plan in several areas, namely delivering record annual tonnes milled whilst gold and silver production exceeded annual budget targets. 2021 also saw the implementation of long-term development projects for the Martabe Operation. Construction and commissioning of a major expansion project within the processing plant was completed resulting in a capacity increase of circa 10%. Commencement of work on the Martabe operations second tailings management facility also commenced during 2021, which underpins the life of mine production schedule.

#### Gambaran Umum

Tambang Emas Martabe tetap beroperasi penuh sepanjang tahun 2021 seiring dengan penyesuaian dan kepatuhan Perusahaan terhadap protokol kesehatan yang terus berubah. Periode yang paling menjadi tantangan bagi kegiatan operasional Perusahaan terjadi di Kuartal 3, ketika adanya virus COVID-19 varian Delta terjadi di Indonesia. Periode ini memberikan tekanan signifikan pada operasional dengan ketersediaan karyawan dan gangguan signifikan lainnya. Namun demikian, jika dilihat dari sisi positifnya di awal Kuartal 3, PTAR juga telah memulai program vaksinasi COVID-19 untuk seluruh karyawan dan kontraktor. Melalui program ini telah berjalan dengan baik dari bulan Juli hingga November dengan lebih dari 98% dari semua karyawan telah divaksinasi penuh pada akhir tahun 2021. Tanggapan Perusahaan dalam memutus rantai penyebaran virus COVID-19 yaitu dengan melakukan uji antigen/swab *Polymerase Reaction Chain (PCR)*, karantina, pengobatan, dan melakukan vaksinasi.

Terlepas adanya tantangan selama masa pandemi COVID-19 yang sedang berlangsung, kegiatan operasional kami pada tahun 2021 melampaui target yang telah ditentukan untuk beberapa bidang, yaitu menghasilkan rekor ton tahunan yang digiling, sementara produksi emas dan perak melebihi target anggaran tahunan dan melakukan implementasi proyek pengembangan jangka panjang untuk Operasi Martabe. Konstruksi dan *commissioning* proyek ekspansi di dalam pabrik pengolahan berhasil diselesaikan sehingga menghasilkan peningkatan kapasitas sekitar 10%. Selain itu juga telah dimulainya pekerjaan fasilitas pengelolaan *tailing* kedua operasi Martabe yang dapat mendukung umur produksi tambang menjadi lebih lama.

### Mining

The Martabe Gold Mine utilises the ‘open pit’ method of gold and silver mining, where the pits are kept shallow due to the hilly topography. Three pits are currently operational: the Ramba Joring Pit, the Barani Pit and the Purnama Pit, which began operations in 2018, 2016 and 2011 respectively.

In 2021, the Company mined 12.64 million tonnes of material, 19% more than the 10.57 million tonnes mined in 2020, as it continues to navigate the uncertainties created by the COVID-19 pandemic. Mined ore totalled 6.29 million tonnes in 2021, a 3% increase over the 6.12 million tonnes mined in 2020. Waste mining was impacted directly by the pandemic at all three pits, with 6.35 million tonnes of waste mined in 2021.

### Penambangan

Tambang Emas Martabe menggunakan metode penambangan emas dan perak dengan cara tambang terbuka, dimana pit dibuat dangkal karena topografinya yang berbukit. Tiga *pit* yang beroperasi saat ini: *Pit* Ramba Joring, *Pit* Barani, dan *Pit* Purnama, yang masing-masing mulai beroperasi pada tahun 2018, 2016, dan 2011.

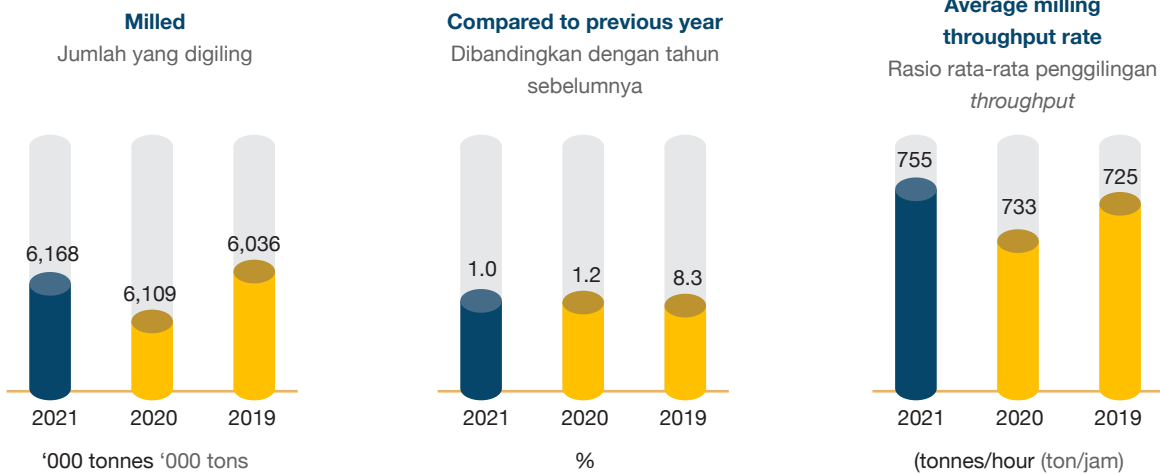
Pada tahun 2021, Perusahaan menambang 12,64 juta ton material, lebih tinggi 19% dari 10,57 juta ton yang ditambang pada tahun 2020. Hal ini terjadi karena Perusahaan terus menavigasi ketidakpastian yang ada selama pandemi COVID-19. Biji yang ditambang berjumlah 6,29 juta ton pada tahun 2021, meningkat 3% dari 6,12 juta ton yang ditambang pada tahun 2020. Penambangan limbah terkena dampak langsung oleh pandemi di ketiga *pit*, dengan 6,35 juta ton limbah ditambang pada tahun 2021.

TOTAL MINED (THOUSANDS OF TONNES)  
JUMLAH YANG DITAMBANG (000 TONS)





**ORE PROCESSING**  
**PENGOLAHAN BIJIH**



**Ramba Joring Pit**

Due to its hilly topography and mineral resources, the Ramba Joring pit is divided into the Northern and Southern areas. The areas are in various states of operation, with the northern part being completely operational and wide open. In contrast, the southern part is still in the process of widening and, due to the restricted operating width; part of this area can only be mined during the day and the others have also been mined in the night shift.

In 2021, 4.51 million tonnes were mined from the Ramba Joring Pit, a 294 % increase over 2020 production. This pit is now into full production and from 2022 onwards becomes a significant part of the mining operation. There remain early development works required to expand the pit in 2022 which will be relatively slow and inefficient however, the bulk of the mining comes from open areas which are more operationally efficient than in previous years. 2022 sees total material mined from Ramba Joring increased to 6.2 million tonnes.

**Pit Ramba Joring**

*Pit* Ramba Joring terbagi menjadi wilayah utara dan selatan, hal ini terjadi karena topografinya yang berbukit dan sumber daya mineral yang bercabang. Area tersebut berada dalam berbagai tahapan operasi yang berbeda, bagian utara beroperasi penuh dan terbuka lebar. Sebaliknya, bagian selatan masih dalam proses pelebaran dan kegiatan operasional masih dibatasi; sebagian dari area ini hanya dapat ditambang pada siang hari dan sebagian lainnya juga telah ditambang pada malam hari.

Pada tahun 2021, 4,51 juta ton ditambang dari *pit* Ramba Joring atau meningkat 294% dibandingkan produksi tahun 2020. *Pit* Ramba Joring saat ini sudah berproduksi penuh dan mulai tahun 2022 menjadi bagian penting dari operasi penambangan. Masih ada pekerjaan pengembangan awal yang diperlukan untuk memperluas *pit* pada tahun 2022 yang akan relatif lambat dan tidak efisien. Namun, sebagian besar penambangan berasal dari area terbuka yang secara operasional lebih efisien daripada tahun-tahun sebelumnya. Pada tahun 2022, Perusahaan berhasil mendapatkan total material yang ditambang dari *pit* Ramba Joring meningkat menjadi 6,2 juta ton.

### Barani Pit

Mining activity is concentrated in the northern portion of the Barani Pit, which is part of the TSF construction plan. This area was fully mined by September and backfilled by the end of 2021.

In 2021, Barani Pit production fell short of the mine plan primarily due to a requirement to focus on mining the northern area of the pit which provided limited ore but increased waste. Total material mined in Barani reached 2.52 million tonnes at a strip rate of 1.68 which was significantly higher than the plan of 1.0.

### Purnama Pit

Purnama is the mine's longest-running pit, producing 5.62 million tonnes of material in 2021 at a strip ratio 0.72. Ore production for the year was 3.27 million tonnes and waste rock production was 2.34 million tonnes.

Increase waste production and decrease ore production during 2021 from the previous year 2020 due to required developing Purnama Pit to the south utilising an updated pit design from the 2021 reserves update. This development was required to commence in 2021 to expose more ore to mine in following years as per the Life of Mine schedule. Reduce ore delivery from Purnama was made up for by a large increase in ore from Ramba Joring.

### Pit Barani

Kegiatan penambangan terkonsentrasi di bagian utara *Pit* Barani, yang merupakan bagian dari rencana pembangunan TSF. Area ini sepenuhnya ditambang pada bulan September dan ditimbun kembali pada akhir tahun 2021.

Pada tahun 2021, produksi *Pit* Barani kurang dari rencana tambang karena persyaratan agar fokus pada penambangan area utara *pit* yang menyediakan bijih terbatas namun jumlah limbah meningkat. Total material yang ditambang di Barani mencapai 2,52 juta ton dengan nisbah kupasa 1,68 yang secara signifikan lebih tinggi dari rencana 1.0.

### Pit Purnama

*Pit* Purnama adalah area tambang yang paling lama beroperasi, berproduksi 5,62 juta ton material pada tahun 2021 dengan nisbah kupas 0.72. Produksi bijih untuk tahun ini sebesar 3,27 juta ton dan produksi batuan sisa 2,34 juta ton.

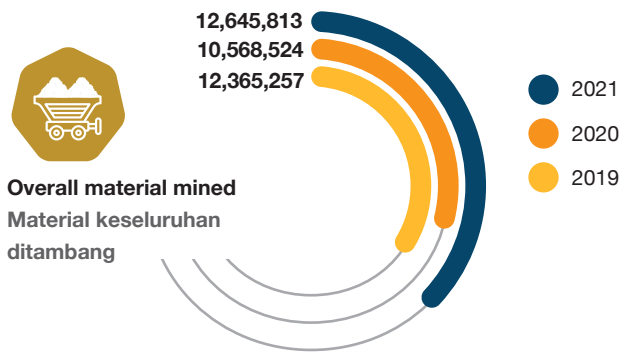
Perusahaan terus meningkatkan produksi limbah dan mengurangi bijih produksi selama tahun 2021 dibandingkan tahun 2020 karena diperlukan pengembangan *Pit* Purnama ke arah selatan dengan memanfaatkan desain *pit* yang diperbarui dari pembaruan cadangan 2021. Pembangunan ini akan dimulai pada tahun 2021 untuk mengekspos lebih banyak bijih ke tambang di tahun-tahun berikutnya sesuai *jadwal Life of Mine*. Adanya pengurangan pengiriman bijih dari *pit* Purnama digantikan oleh peningkatan besar bijih dari *pit* Ramba Joring.

Description Keterangan	Unit Satuan	2021	2020	2019
<b>Ore mined</b>				
Bijih yang ditambang				
Ramba Joring Pit <i>Pit</i> Ramba Joring		2,076,499	319,251	151,743
Barani Pit <i>Pit</i> Barani	Tonnes Ton	941,553	606,066	839,248
Purnama Pit <i>Pit</i> Purnama		3,272,318	5,204,593	4,926,246
<b>Total ore mined</b> Total biji yang ditambang		<b>6,290,370</b>	<b>6,129,910</b>	<b>5,917,236</b>

## Management Discussion and Analysis

Analisis & Bisnis Manajemen

Description Keterangan	Unit Satuan	2021	2020	2019
<b>Waste rock produced</b> Batuan Sisa diproduksi				
Ramba Joring Pit Pit Ramba Joring		2,434,092	826,162	944,199
Barani Pit Pit Barani		1,577,511	1,861,758	3,454,603
Purnama Pit Pit Purnama	Tonnes Ton	2,343,840	1,756,694	2,049,219
<b>Total waste rock produced</b> Total batuan sisa yang diproduksi		<b>6,355,443</b>	<b>4,444,614</b>	<b>6,448,021</b>



### STRIP RATIO NISBAH KUPASAN

Description Keterangan	2021	2020	2019
Ramba Joring Pit Pit Ramba Joring	1.17	2.59	6.22
Barani Pit Pit Barani	1.68	3.10	4.12
Purnama Pit Pit Purnama	0.72	0.34	0.42

## Processing

In our processing plans in 2021, the tonnes milled target was 6,170 million tonnes and the actual tonnage was slightly below the target of 6,168 million tonnes. The main reason for this was the delay to the Vertimill project due to the COVID-19 constrain during the construction. Despite a delay of 3.5 months, the processing plant effectively met its budget target.

## Pengolahan

Rencana pengolahan Perusahaan pada tahun 2021 yaitu target giling sebesar 6.170 juta ton dan tonase aktual sedikit di bawah target 6.168 juta ton. Hal ini terjadi karena penundaan Proyek Mesin Penggiling serta adanya kendala konstruksi selama masa pandemi COVID-19. Meskipun tertunda 3,5 bulan, pabrik pengolahan secara efektif telah memenuhi target anggarannya.

### PROCESSING PERFORMANCE KINERJA PENGOLAHAN

Description Keterangan	Unit Satuan	2021	2020	2019
Ore milled Jumlah yang Digiling	(tonnes) (ton)	6,168,400	6,109,364	6,036,044
Run Time Run Time		93.3	94.9	95.0
Availability Ketersediaan		94.4	95.45	95.5
Gold recovery Perolehan Emas	%	83.3	80.4	85.4
Silver recovery Perolehan Perak		61.4	66.0	68.8
Milling rate Tingkat penggilingan	(tonnes/hour) (ton/jam)	755	733	725
Processed grade- gold Proses menjadi Emas	(grams/tonne) (gram/ton)	1.95	1.93	2.35
Processed grade- silver Proses menjadi Perak		11.56	18.17	17.50
Gold poured Emas yang Dituangkan		321,431	306,594	391,031
Silver poured Perak yang Dituangkan	(ounce)	1,399,440	2,360,694	2,340,707

The processing plant exceeded its mill throughput from 6.10 million tonnes in 2020 to 6.17 million tonnes in 2021. Milling rate improve to 755 tph in 2021 from 733 tph in 2020. The Mill Capacity Expansion (MCE) project, including the installation of the Metso Vertimill, was commissioned in the second week of December. Within 2 weeks the Martabe milling circuit was ramped

Pabrik pengolahan telah melebihi kapasitasnya dari 6,17 juta ton pada tahun 2020 menjadi 6,16 juta ton pada tahun 2021. Tingkat penggilingan meningkat menjadi 755 tph pada tahun 2021 dari 733 tph pada tahun 2020. Proyek *Mill Capacity Expansion* (MCE) termasuk pemasangan Metso Vertimill dilaksanakan pada minggu kedua bulan Desember 2021. Dalam



**Management Discussion and Analysis**  
Analisis & Bisnis Manajemen

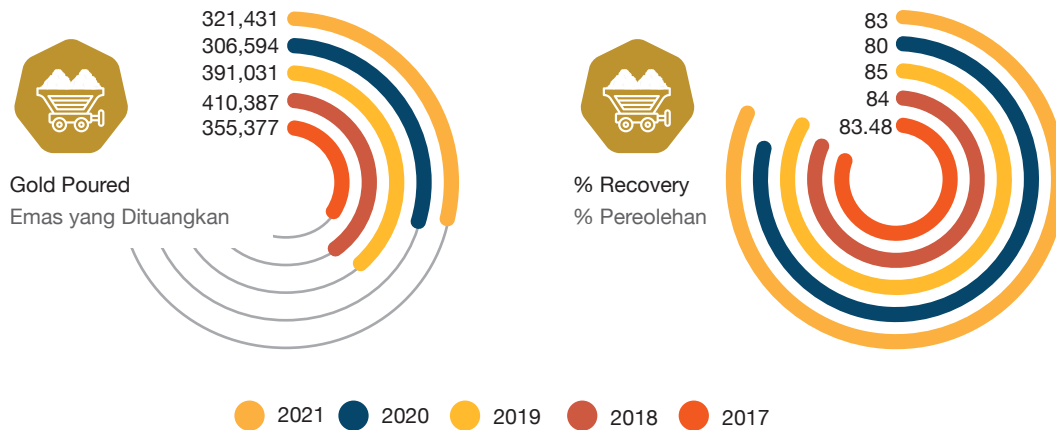
up to the new circuit nominal design throughput of 825 dry tonnes per hour. As expected from the annual plan, ore supplied from mining also was relatively softer compared to the previous year, 2020 leading to the attainment of the budget mill throughput effectively without the mill expansion project.

waktu 2 minggu, sirkuit penggilingan Martabe akan ditingkatkan hingga *throughput* desain nominal sirkuit baru sebesar 825 ton kering per jam. Hal ini sesuai dengan yang diharapkan dari rencana tahunan, di mana pasokan bijih dari pertambangan juga relatif lebih lembut dibandingkan tahun sebelumnya yang mengarah pada pencapaian *throughput* pabrik anggaran secara efektif tanpa proyek perluasan pabrik.

**MILLED AND MILLING RATE OF TON/HOUR**  
**JUMLAH YANG DIGILING DAN TINGKAT PENGGILINGAN**

Description Uraian	2021	2020	2019	2018	2017
Tonnes Milled	6,168	6,109	6,036	5,572	5,353
Throughput	755	733	725	698	665

**GOLD Poured AND % RECOVERY**  
**EMAS YANG DITUANGKAN DAN % PEROLEHAN**



The precious metal recovery rate increased from 80.4% in 2020 to 83.3% in 2021 and silver recovery reduced from 66.0% in 2020 to 61.4% in 2021.

The most significant project relating to metal recovery commissioned in 2021 was the Oxygen Shear Reactor (OSR). This installation was completed by end of Q1 and delivers vastly improved oxygen efficiency to the leaching process.

Another key project completed in 2021 was the installation of online carbon concentration monitoring instruments in the Carbon-in-Leach (CIL) tanks. These units measure the carbon concentration continuously allowing for optimised carbon management in the circuit, leading to benefits in metal recovery.

However, silver recovery was lower than 2020 contributed by several factors through the year such as lower head grade processed. In addition, there was a condition of running with lower cyanide concentration as well in the tanks due to lack of cyanide stock onsite driven by logistic constraints. This impacted silver recovery quite dramatically for 2 months towards the end of the year. Further investigation is needed into improving silver recovery.

## Refining

PT ANTAM (Persero) Tbk is Indonesia's only London Bullion Market Association (LBMA) certified refinery, refining all dore produced at the Company's Logam Mulia refinery in Jakarta. The finished gold and silver granules are then exported and sold to banks in Singapore. 310,260 ounces of refined gold and 1,345.35 million ounces of refined silver were sold by the company in 2021. It is an increase compared to the previous year's total of 290,586 ounces of gold and a decrease of 2,149.27 million ounces of silver. The sales are aligning with the production.

Tingkat pemulihan logam mulia meningkat dari 80,4% pada tahun 2020 menjadi 83,3% pada tahun 2021 dan pemulihan perak berkurang dari 66,0% pada tahun 2020 menjadi 61,4% pada tahun 2021.

Proyek paling signifikan terkait pemulihan logam yang dilaksanakan pada tahun 2021 adalah *Oxygen Shear Reactor* (OSR). Instalasi ini selesai pada akhir Q1 dan memberikan efisiensi oksigen yang jauh lebih baik untuk proses pelindian.

Proyek penting lainnya yang diselesaikan pada tahun 2021 yaitu pemasangan instrumen pemantauan konsentrasi karbon online di tangki *Carbon-in-Leach* (CIL). Unit-unit ini mengukur konsentrasi karbon secara terus-menerus yang memungkinkan pengelolaan karbon yang dioptimalkan di sirkuit, yang menghasilkan manfaat dalam pemulihan logam.

Namun demikian, pemulihan perak lebih rendah dari tahun 2020 yang dikontribusikan oleh beberapa faktor sepanjang tahun seperti pemrosesan *head grade* yang lebih rendah. Selain itu, ada kondisi dengan konsentrasi sianida yang lebih rendah di tangki karena kurangnya stok sianida di lokasi yang didorong oleh kendala kegiatan logistik. Hal ini berdampak pada pemulihan perak yang cukup dramatis selama periode 2 bulan menjelang akhir tahun. Penelitian selanjutnya diperlukan untuk meningkatkan pemulihan perak.

## Pemurnian

PT ANTAM (Persero) Tbk adalah satu-satunya fasilitas pemurnian bersertifikat London Bullion Market Association (LBMA) di Indonesia, pemurnian seluruh hasil produksi perusahaan yang dilakukan di fasilitas pemurnian Logam Mulia di Jakarta. Butiran emas dan perak yang sudah jadi kemudian diekspor dan dijual ke bank-bank di Singapura. Pada tahun 2021, Perusahaan menjual 310.260 *ounce* butiran emas dan 1.245,35 juta *ounce* perak murni. Angka ini lebih tinggi dari tahun sebelumnya sebesar 290.586 *ounce* emas dan lebih rendah sebesar 2.149,27 juta *ounce* perak. Hasil penjualan telah sesuai dengan hasil produksi.

## Business Review and Results

### Tinjauan dan Hasil Bisnis

The Company has been able to maintain its robust financial performance in 2021, yielding a revenue of US\$ 580.6 and gross profit of US\$ 356.2, equal to 61.3% gross profit margin. This is higher compared to the 58.5% gross profit margin last year.

Despite dealing with the prolonged challenge of COVID-19 crisis, the company booked an exceptional financial result for the year 2021. While a gold price and sales volume will be regarded as a key driver of our superior financial performance, the company's ability to maintain operational activity throughout the year was the main driver of our achievement. A net profit after tax (NPAT) was setting a new record as the highest that the company has ever reached US\$242.6 million. This represents a 41.8% margin of the company compared to the last year of net profit at US\$187.2 million with 38.9% net profit margin.

Compare with the previous year which the gold sales was heavily hedged at 91% of the volume, during 2021 the company has only hedged 28% of the gold sales volume thus the benefit of higher price can be received. The hedge was set from the previous year's contract at US\$1,325 to US\$1,505 ceiling price for the January and February 2021. The opportunity loss from these contracts booked in 2021 is US\$11,5 million. For March up to December, the ceiling price was set at US\$3,200 and US\$3,250. No realized cost was booked for these contracts. For all contracts, the floor price was remaining stagnant at US\$1,300 throughout the year.

Perusahaan telah mampu mempertahankan kinerja keuangan yang baik pada tahun 2021, dengan pendapatan sebesar US\$580,6 dan laba kotor sebesar US\$356,2, setara dengan margin laba kotor 61,3%. Angka ini lebih tinggi dibandingkan margin laba kotor tahun lalu sebesar 58,5%.

Meskipun Perusahaan menghadapi tantangan COVID-19 yang berkepanjangan, namun Perusahaan berhasil membukukan keuangan yang baik pada tahun 2021. Meskipun harga emas dan volume penjualan dianggap sebagai pendorong utama kinerja keuangan agar dapat mempertahankan aktivitas operasional sepanjang tahun yang dijadikan sebagai faktor utama pencapaian kami. Perusahaan berhasil mencatat Laba bersih setelah pajak (NPAT) dengan rekor baru yang tertinggi sebesar US\$242,6 juta. Hal ini mewakili 41,8% margin perusahaan dibandingkan dengan tahun lalu dari laba bersih sebesar US\$187,2 juta dengan 38,9% margin laba bersih.

Jika dibandingkan dengan tahun sebelumnya penjualan emas dilakukan lindung nilai sebesar 91% dari volume, sedangkan selama tahun 2021 Perusahaan hanya melakukan *hedging* 28% dari volume penjualan emas sehingga dapat menerima keuntungan dari harga yang lebih tinggi. Harga yang ditentukan sebagai batas atas dari kontrak tahun sebelumnya adalah sebesar US\$1,325 sampai US\$ 1,505 dan berlaku untuk bulan January dan February 2021. Maka dari itu Perusahaan mendapatkan kerugian dari ini yang dibukukan pada tahun 2021 sebesar US\$11,5 juta. Pada bulan Maret hingga Desember, harga pagu ditetapkan sebesar US\$3.200 dan US\$3.250. Tidak ada biaya realisasi yang untuk kontrak ini. Seluruh kontrak, menggunakan harga dasar yang tetap sebesar US\$1.300 di sepanjang tahun.

The benefits of higher price were partially offset by the higher cost associated with production, increased income tax expense as a result of the Company's improved profitability in the current period, the unfavourable impact on operating costs including additional costs associated with COVID-19 measures and higher price-linked costs such as royalties.

Manfaat dari harga yang lebih tinggi sebagian diimbangi oleh biaya yang lebih tinggi pada proses produksi, peningkatan beban pajak penghasilan sebagai akibat dari peningkatan profitabilitas Perusahaan pada periode berjalan, dampak yang tidak menguntungkan pada biaya operasional termasuk biaya tambahan yang terkait dengan tindakan COVID-19, dan harga yang lebih tinggi seperti royalti.

## Martabe Improvement Programme (MIP)

### Martabe Improvement Programme (MIP)

Martabe Improvement Programme (MIP) embodies the Company's culture of continuous improvement. The programme demonstrates a commitment to continuous improvement across all business functions. Additionally, the Company believes that vital risks associated with gold price volatility can be mitigated by optimising asset productivity and reducing our cost structure and increasing reserves and resources and extending mine life.

Martabe Improvement Program (MIP) merupakan perwujudan budaya Perusahaan untuk terus melakukan perbaikan. Program ini menunjukkan komitmen untuk perbaikan berkelanjutan di semua fungsi bisnis. Selain itu, Perusahaan percaya bahwa risiko penting yang terkait dengan volatilitas harga emas dapat dikurangi dengan mengoptimalkan produktivitas aset dan mengurangi struktur biaya dan meningkatkan cadangan dan sumber daya serta memperpanjang umur tambang.

Since its inception in 2013, the MIP has increased asset optimisation and reduced costs. In 2021 the key areas of improvement have largely focused on processing plant operations. Several major improvement projects have been completed and commissioned in 2021 include the Oxygen Shear Reactor for improved metal recovery, ReCYN cyanide and copper recovery plant for reducing cyanide consumption and the Mill Capacity Expansion involving the installation of a new Metso Vertimill unit to deliver increased mill throughput capacity. Within mining operations two major improvement initiatives were realized in 2021, namely the expansion of the mining fleet to include 60 tonne class articulated haul trucks and the deployment of differential energy blasting product for improved blasting efficiency leading to reduced costs.

Sejak dimulai pada tahun 2013, MIP telah meningkatkan optimalisasi aset dan mampu mengurangi biaya. Pada tahun 2021, bidang utama peningkatan sebagian besar difokuskan pada operasi pabrik pengolahan. Beberapa proyek peningkatan telah diselesaikan dan dikerjakan pada tahun 2021 termasuk *Oxygen Shear Reactor* untuk pemulihan logam yang lebih baik, pabrik pemulihan sianida dan tembaga ReCYN untuk mengurangi konsumsi sianida serta perluasan Kapasitas Pabrik yang melibatkan pemasangan unit Metso Vertimill yang baru agar menghasilkan kapasitas produksi yang meningkat. Dalam operasi penambangan, dua inisiatif peningkatan telah direalisasikan pada tahun 2021, yaitu perluasan armada penambangan untuk memasukkan truk angkut artikulasi kelas 60 ton dan penerapan produk peledakan energi diferensial untuk meningkatkan efisiensi peledakan yang mengarah pada pengurangan biaya.



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Towards the end of 2021 PTAR review the MIP program and its application and have decided to invest resources to update and improve this system to better align with PAMA, United Tractor and Astra Group innovation practices. From 2022 the improvement initiative at PTAR will be referred to as the Agincourt Resources Innovation Program (ARIP). This change is to reflect a move to innovation rather than just improvement and that all Agincourt Resources employees can participate in innovation, not focusing just on Martabe. Enhancing the company’s already strong continuous improvement mindset with new management systems and tools to managing innovation will be a key outcome of 2022.

Menjelang akhir tahun 2021, PTAR meninjau penerapan program MIP dan telah memutuskan untuk melakukan investasi sumber daya agar memperbarui dan meningkatkan sistem yang sama dengan praktik inovasi PAMA, United Tractors dan Grup Astra. Mulai tahun 2022 inisiatif peningkatan di PTAR akan disebut sebagai Program Inovasi Sumber Daya Agincourt (ARIP). Perubahan ini mencerminkan gerakan menuju inovasi bukan hanya peningkatan serta semua karyawan PTAR dapat berpartisipasi dalam inovasi, tidak hanya berfokus pada Martabe. Melalui peningkatan pola pikir yang berkelanjutan dengan sistem dan alat manajemen baru sesuai dengan pengelolaan inovasi akan menjadi hasil utama tahun 2022.



Fitria Ciptaningsih, Supervisor Safety, OHS Department, inspects the work area or Workplace Inspection Condition (WCI), to ensure the application of the LOTO (Logout Takeout) procedure is carried out during equipment repairs.

Fitria Ciptaningsih, Supervisor Safety, Departemen OHS, melakukan inspeksi kondisi area kerja atau Workplace Inspection Condition (WCI), untuk memastikan aplikasi prosedur LOTO (Logout Takeout) dilakukan saat perbaikan peralatan.

## All In Sustaining Cost (AISC)

### All In Sustaining Cost (AISC)

The Company compares its performance to industry benchmarks using All In Sustaining Cost (AISC) as its key performance metric. AISC in 2021 was US\$632 per ounce, a 24% increase over the 2020 figure of US\$508 per ounce, which was impacted mainly by a lower silver credit due to lower silver volume sold and higher capital project to ensure the sustainability of the mine. Compensation is partly provided by a lower cost per ounce at mining and processing due to efficiency of the process.

Perusahaan membandingkan kinerjanya dengan industri menggunakan *All In Sustaining Cost* (AISC) sebagai metrik kinerja utamanya. AISC pada tahun 2021 sebesar US\$632 per ounce atau meningkat 24% dari tahun 2020 sebesar US\$508 per ounce. Hal ini terjadi adanya pengaruh oleh kredit perak yang lebih rendah karena volume penjualan perak yang lebih rendah pula dan proyek modal yang lebih tinggi untuk memastikan keberlanjutan tambang. Kompensasi sebagian disediakan oleh biaya per ounce yang lebih rendah di penambangan dan pemrosesan karena adanya efisiensi proses.

#### REVIEW OF FINANCIAL PERFORMANCE TELAAH POSISI KEUANGAN

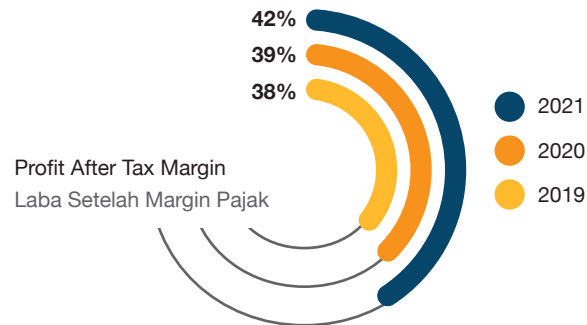
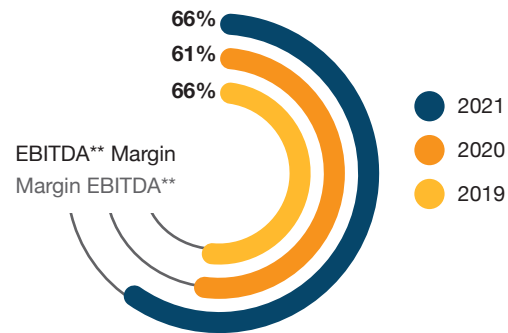
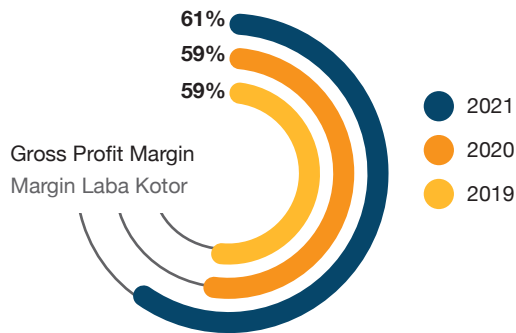
In US\$'000, unless stated otherwise dalam US\$'000, kecuali dinyatakan lain	2021	2020	2019
Sales Penjualan	580,603	481,420	560,887
Cost of Goods Sold Harga Pokok Penjualan	(224,404)	(199,940)	(230,496)
Gross Profit Laba Kotor	356,198	281,480	330,391
EBITDA* EBITDA*	388,354	294,870	371,464
Net Profit Before Tax (NPBT) Laba Sebelum Pajak	317,300	233,120	295,099
Income Tax Pajak Penghasilan	74,652	45,874	79,307
Net Profit After Tax (NPAT) Laba Setelah Pajak	242,648	187,246	215,792
All in Sustaining Cost AISC (US\$/ounces) <i>All in Sustaining Cost AISC (US\$/ounce)</i>	632	508	443
Gold Sold (ounces) Emas Terjual ( <i>ounce</i> )	310,260	290,586	383,493
Silver Sold (ounces) Perak Terjual ( <i>ounce</i> )	1,345,346	2,149,274	2,238,107

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In US\$'000, unless stated otherwise dalam US\$'000, kecuali dinyatakan lain	2021	2020	2019
Gold Average Selling Price after hedges (US\$/ounces) Harga Jual Rata-rata Emas sesudah <i>hedges</i> (US\$/ounce)	1,762	1,465	1,369
Gold Average selling Price before hedges (US\$/ounces) Harga Jual Rata-rata Emas sebelum <i>hedges</i> (US\$/ounce)	1,800	1,742	1,397
Silver Average Selling Price (US\$/ounces) Harga Jual Rata-rata Perak (US\$/ounce)	25	20	16

\* Earnings before interest, taxes, depreciation and amortisation

\* Pendapatan sebelum bunga, pajak, depresiasi, dan amortisasi



A volume-driven sales record of US\$581 million represented a 20.6% increase from US\$481 Million of last year's sales. Total gold sold was 310,260 ounces, 6,77% above 290,586 ounces in 2010. The average realized sale price after hedging for gold was US\$1,762 per ounce, higher than US\$1,742 per ounce reported in 2020. 6.19% of the revenue is generated from the silver credit. Though the silver sold was 37% lower to match the budget of silver quantity approved by the Indonesian government, the company benefited from a higher price for silver in 2021 of US\$25.15 per ounce, compared to US\$19,59 realized silver price in 2020.

Sebuah rekor penjualan yang didorong oleh volume sebesar US\$581 juta mewakili peningkatan 20,6% dari US\$481 juta dari penjualan tahun lalu. Total emas yang terjual adalah 310.260 *ounce*, meningkat sebesar 6,77% atau 290.586 *ounce* pada tahun 2010. Harga jual realisasi rata-rata setelah *hedging* untuk emas adalah US\$1.762 per *ounce*, lebih tinggi dari US\$1.742 per *ounce* yang dilaporkan pada tahun 2020. Sebesar 6,19% dari pendapatan dihasilkan dari kredit perak. Meskipun perak yang terjual 37% lebih rendah agar sesuai dengan anggaran kuantitas perak yang disetujui oleh Pemerintah Indonesia, Perusahaan mendapat manfaat dari harga perak yang lebih tinggi pada tahun 2021 sebesar US\$25,15 per *ounce*, dibandingkan dengan harga perak realisasi pada tahun 2020.

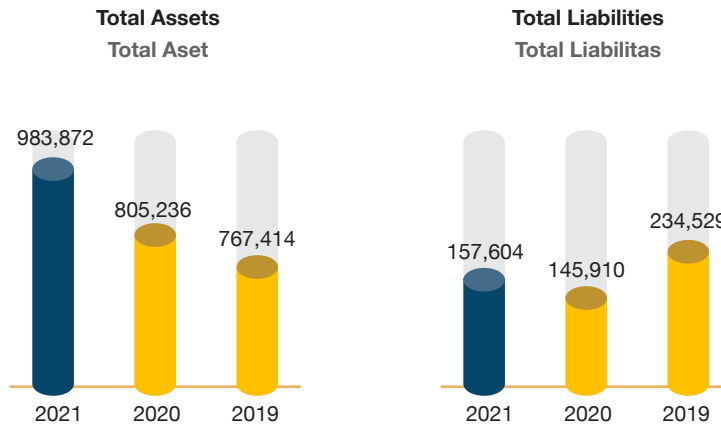
REVIEW OF FINANCIAL POSITION  
TELAAH POSISI KEUANGAN

In US\$'000, unless stated otherwise dalam US\$'000, kecuali dinyatakan lain	2021	2020	2019
Current Assets Aset Lancar	335,519	172,135	115,836
Non-Current Assets Aset Tidak Lancar	648,353	633,102	651,578
<b>Total Assets</b> <b>Total Aset</b>	<b>983,872</b>	<b>805,236</b>	<b>767,414</b>
Current Liabilities Liabilitas Jangka Pendek	79,052	71,934	157,626
Non-current Liabilities Liabilitas Jangka Panjang	78,553	73,976	76,902
<b>Total Liabilities</b> <b>Total Liabilitas</b>	<b>157,604</b>	<b>145,910</b>	<b>234,529</b>
Equity Modal	826,268	659,326	532,886
Net Liability to EBITDA (Rate)* Utang Bersih terhadap EBITDA (Rasio)	0.00	0.00	0.08
Fixed Asset Turnover (rate) Perputaran Aktiva Tetap (Rasio)	0.99	0.83	0.97
Return on Total Assets Tingkat Pengembalian Total Aset (Rasio)	24.7	23.3	28.1

\*in 2020 company has no outstanding loan liabilities with net cash position of US\$106.2 million.

\* pada tahun 2020 perusahaan tidak memiliki utang pinjaman dengan posisi kas bersih sebesar US\$106,2 juta.





Despite the ongoing COVID-19 pandemic and the numerous uncertainties it poses, the Company’s balance sheet has remained stable in 2021. These outcomes are twofold namely Indonesia’s steady economic recovery in 2021 combined with disciplined capital and operating expenditure management by the Board.

Net assets increased by US\$826.2 million or an increase 25.3% from US\$659.3 million in 2020, while total assets also increased from US\$805.2 million in 2020 to US\$983.8 million in 2021.

Fixed asset turnover is an important indicator of asset utilisation and performance. The Company’s fixed asset turnover in 2021 was 0.99, demonstrating how efficiently the Company uses its fixed assets.

The Company’s net debt ratio is very strong, with no debt on its balance sheet at the end of 2021. Group loan facility is available in case of emergency and remains undisbursed. At the end of 2021, the net cash position for cash and cash equivalents is positive US\$262 million.

Terlepas dari pandemi COVID-19 dan berbagai ketidakpastian yang ada, neraca Perusahaan tetap dalam keadaan stabil pada tahun 2021. Hal ini terjadi karena terdapat dua faktor yaitu adanya pemulihan ekonomi Indonesia yang mulai stabil pada tahun 2021 dikombinasikan dengan manajemen modal dan pengeluaran operasional yang disiplin oleh Dewan Direksi.

Aset bersih meningkat sebesar US\$826,2 juta atau mengalami kenaikan sebesar 25,3% dari US\$659,3 juta pada tahun 2020, sementara total aset juga meningkat dari US\$805,2 juta pada tahun 2020 menjadi US\$983,8 juta pada tahun 2021.

Perputaran aset tetap merupakan indikator penting dari pemanfaatan dan kinerja aset. Perputaran aset tetap Perusahaan pada tahun 2021 adalah 0,99, menunjukkan seberapa efisien Perusahaan menggunakan aset tetapnya.

Rasio utang bersih Perusahaan sangat kuat, tanpa utang di neraca pada akhir tahun 2021. Fasilitas pinjaman grup tersedia dalam keadaan darurat dan tetap tidak dicairkan. Pada akhir tahun 2021, posisi kas bersih untuk kas dan setara kas adalah positif US\$262 juta.

## Cash Flow and Liquidity

### Likuiditas dan Arus Kas

The significant improvement of the economy compared to last year has allowed the Company to keep its balance sheet stable during 2021 due to disciplined management and prudent operating expenditure. The COVID-19 pandemic has caused some delays in the capital spending to 11% from the budgeted amount cause the cash position is relatively high.

Net assets increased by US\$166.9 million or 25.3 % from US\$659.3 million in 2020 to US\$826.2 million in 2021, while total assets also increased from US\$805.2 million in 2020 to US\$983.8 million in 2021.

Perbaikan ekonomi yang signifikan dibandingkan tahun lalu telah membuat Perusahaan dapat menjaga neraca stabil selama tahun 2021 karena manajemen yang disiplin dan pengeluaran operasional yang diperhatikan. Meskipun selama pandemi COVID-19 berdampak pada beberapa keterlambatan belanja modal menjadi 11% dari jumlah yang dianggarkan dan menyebabkan posisi kas relatif tinggi.

Jumlah Aset bersih meningkat sebesar US\$826,2 juta atau 25,3% dari US\$659,3 juta pada tahun 2020, sedangkan total aset juga meningkat dari US\$805,2 juta pada tahun 2020 menjadi US\$983,8 juta pada tahun 2021.

In US\$'000, unless stated otherwise dalam US\$'000, kecuali dinyatakan lain	2021	2020	2019
Income Before Tax Laba sebelum pajak penghasilan	317,300	233,120	295,099
Operating Cash Flows Before Changes in Working Capital Arus kas operasi sebelum perubahan modal kerja	411,842	345,019	332,742
Net Cash Flows Provided From Operating Activities Kas bersih dari Kegiatan Operasional	332,321	291,445	245,951
Net Cash Used In Investing Activities Kas bersih untuk kegiatan investasi	(86,413)	(72,522)	(70,289)
Net Cash Used in Financing Kas bersih untuk kegiatan pendanaan	(85,453)	(155,080)	(165,960)
Net Change in Cash and Cash Equivalents Kenaikan/(penurunan) kas dan setara kas	155,970	63,842	9,702
Cash And Cash Equivalents – Start Year Kas dan setara kas pada awal tahun	106,222	42,380	32,678
Cash And Cash Equivalents – End Year Kas dan setara kas pada akhir tahun	262,192	106,222	42,380

In 2021 cash flow remained strong as a result of lowing from the exceptional operating performance in 2021. Operating cash flow before changes in working capital was US\$412 million, significantly above US\$345 million in 2020. Cash generated from operations reach US\$332,14% above US\$291 million as reported in 2020.

Pada tahun 2021 arus kas tetap kuat dikarenakan adanya penurunan kinerja operasi pada tahun 2021. Arus kas operasi sebelum perubahan modal kerja sebesar US\$412 juta, jauh di atas US\$345 juta pada tahun 2020. Kas yang dihasilkan dari operasi mencapai US\$332,14% di atas \$291 juta pada tahun 2020.

## Management Discussion and Analysis

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### Dividends

Given the favourable financial performance despite the COVID-19 pandemic, PTAR distributing dividends to shareholders totalling US\$85.4 million in 2021, a slight increase from 2020 of US\$82.9 million.

### Dividen

Mengingat kinerja keuangan yang kondusif di tengah pandemi COVID-19, PTAR membagikan dividen kepada pemegang saham sebesar US\$85,4 juta pada tahun 2021, meningkat dari tahun 2020 sebesar US\$82,9 juta.



**Ardiansyah Marbun, Geologist checking rock samples using a loupe, and Rida Pasaribu Clerk Corshed Admin Exploration Department checking clay using Analytical Spectral Devices (ASD) Halo.**

Ardiansyah Marbun, Geologist sedang mengecek sampel batuan menggunakan lup, dan Rida Pasaribu Clerk Corshed Admin Departemen Exploration mengecek clay menggunakan Analitical Spectral Devices (ASD) Halo.

### Taxes and State Revenue

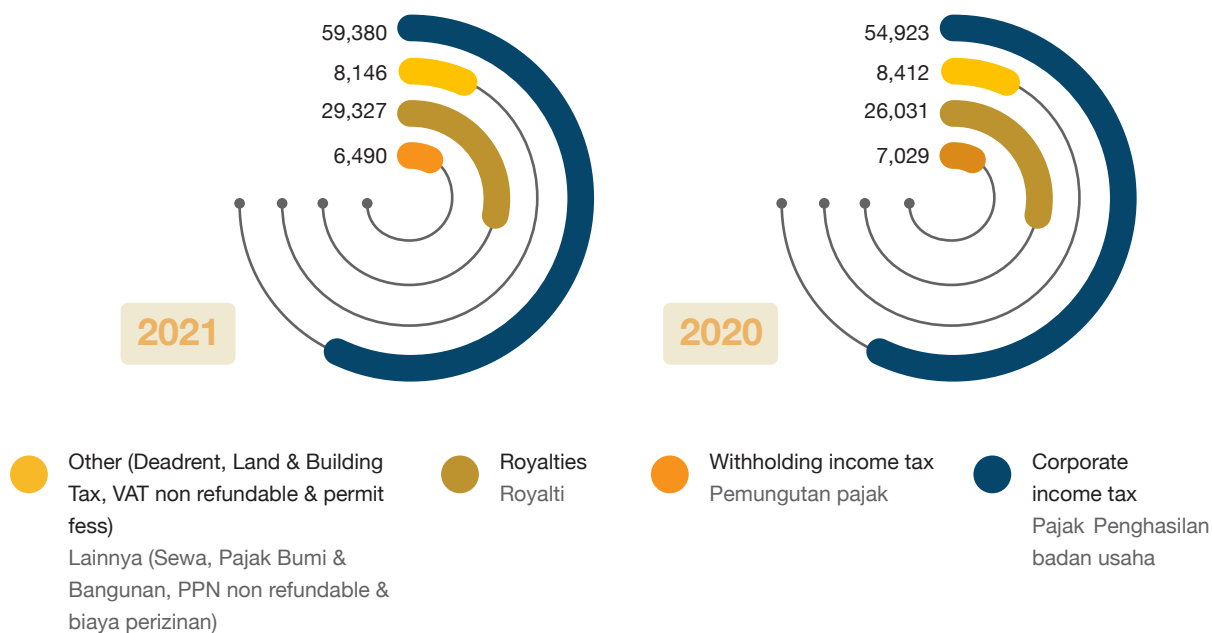
Since its incorporation, the Company has made numerous contributions to Indonesia's development, one of which is paying its tax obligations. The Company complies fully with all applicable laws and regulations governing state revenue and taxes.

### Pajak & Pendapatan Negara

Sejak didirikan, Perusahaan telah memberikan banyak kontribusi bagi pembangunan Indonesia, salah satunya adalah membayar kewajiban perpajakannya. Perusahaan sepenuhnya mematuhi semua peraturan perundang-undangan yang berlaku yang mengatur tentang penerimaan negara dan pajak.

TAXES & STATE REVENUE YEAR OF 2017-2021  
PAJAK & PENDAPATAN NEGARA TAHUN 2017-2021 (US\$ '000)

	2021	2020	2019	2018	2017
Corporate income tax Pajak Penghasilan badan usaha	59,380	54,923	81,481	93,602	54,583
Withholding income tax Pemungutan pajak	6,490	7,029	30,926	15,050	18,155
Royalties Royalti	29,327	26,031	21,356	21,300	2,698
Other (Deadrent, Land & Building Tax, VAT non refundable & permit fess) Lainnya (Sewa, Pajak Bumi & Bangunan, PPN non refundable & biaya perizinan)	8,146	8,412	8,215	3,057	2,665
<b>Total</b>	<b>103,342</b>	<b>96,395</b>	<b>141,978</b>	<b>133,009</b>	<b>78,101</b>





**Management Discussion and Analysis**  
Analisis & Bisnis Manajemen

While most state revenue and taxes flow to the central government in the form of Corporate Income Tax, other taxes, such as dead-rent and royalties, are payable to regional and local government offices in which the business operates, as provided for in Law No. 33 of 2004.

Sementara sebagian besar penerimaan negara dan pajak mengalir ke pemerintah pusat dalam bentuk Pajak Penghasilan Badan, pajak-pajak lainnya, seperti *dead-rent* dan royalti, terutang kepada kantor-kantor pemerintah daerah dan daerah di mana perusahaan beroperasi, sebagaimana diatur dalam Undang-Undang No. 33 tahun 2004.

**TOTAL PAYMENT TO GOVERNMENT 2017-2021**  
**TOTAL PEMBAYARAN KEPADA PEMERINTAH 2017-2021 (US\$ '000)**

Description Uraian	Central Government Pemerintah Pusat	North Sumatra Province Provinsi Sumatera Utara	South Tapanuli Regency Kabupaten Tapanuli Selatan	Other Regency in North Sumatra Kabupaten lainnya di Sumatera Utara	Total Jumlah
Corporate income tax Pajak penghasilan badan usaha	343,968	-	-	-	343,968
Withholding income tax Pemungutan pajak	74,028	1,448	2,173	-	77,649
Royalties Royalti	20,143	16,114	32,228	32,228	100,713
Deadrent Sewa	531	425	1,700	-	2,656
Land & Building tax Pajak Bumi & Bangunan	1,9721	3,194	14,553	-	19,719
VAT (Non Refundable) VAT (Non Refundable)	1,886	-	-	-	1,886
Nontax revenue including permit fees Pendapatan non-pajak termasuk biaya izin	12	1,240	4,981	2	6,235
	442,540	22,422	55,634	32,230	552,825

All royalties are remitted to the Ministry of Energy and Mineral Resources. The government then redistributes the funds by the law, with 20% going to the central government, 16% going to the Province of North Sumatra government and the remaining 64% going to the South Tapanuli Regency (where the company operates) and the other local regencies within North Sumatra Province.

In 2021, royalties were paid off in the amount of US\$29.327 million consists of US\$28.187 million of royalty from gold sales and US\$1.140 million of royalty from silver sales.

Seluruh royalti disetorkan ke Kementerian Energi dan Sumber Daya Mineral. Pemerintah kemudian mendistribusikan kembali dana tersebut berdasarkan undang-undang, dengan 20% untuk pemerintah pusat, 16% untuk pemerintah Provinsi Sumatra Utara dan sisanya 64% untuk Kabupaten Tapanuli Selatan (tempat perusahaan beroperasi) dan daerah kabupaten lainnya di Provinsi Sumatra Utara.

Pada tahun 2021, royalti yang dibayarkan sebesar US\$29,327 juta terdiri dari US\$28,187 juta royalti dari penjualan emas dan US\$1.140 juta royalti dari penjualan perak.

#### GOVERNMENT ROYALTY ENTITLEMENT (US\$ '000)

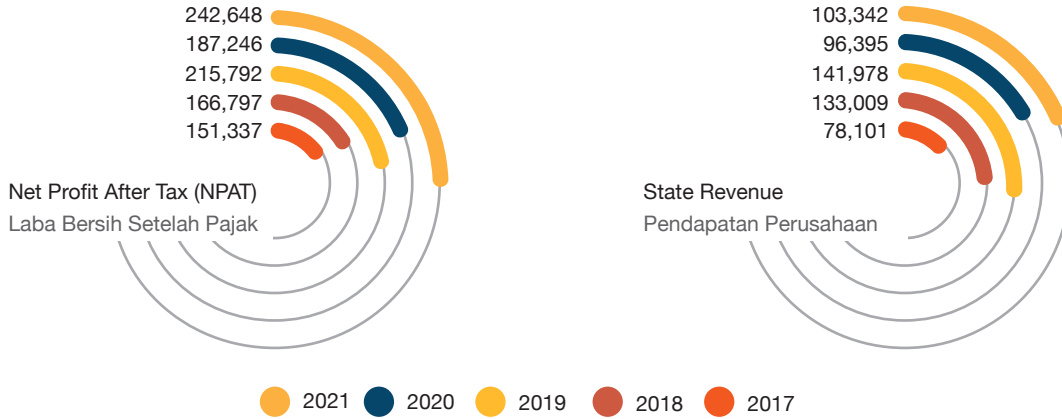
##### HAK ROYALTI PEMERINTAH

Description Uraian	2021	2020	2019	2018	2017
Central Government Pemerintah Pusat	5,865	5,206	4,271	4,260	540
North Sumatra Province Provinsi Sumatra Utara	4,692	4,165	3,417	3,408	432
South Tapanuli Regency Kabupaten Tapanuli Selatan	9,385	8,330	6,834	6,816	863
Other Regency in North Sumatra Kabupaten lainnya di Sumatra Utara	9,385	8,330	6,834	6,816	863

**The Company's contribution to state revenue is significant and equal to 43% of Net Profit After Tax (NPAT) in 2021 and 51% of NPAT in 2020.**

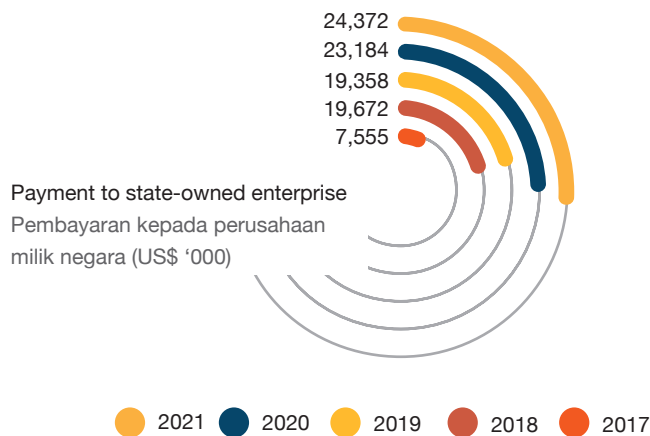
**Kontribusi Perusahaan terhadap penerimaan negara cukup signifikan dan setara dengan 43% dari Laba Bersih Setelah Pajak (NPAT) tahun 2021 dan 51% dari NPAT tahun 2020.**

**NET PROFIT AFTER TAX VS STATE REVENUE (US\$ '000)**  
**LABA BERSIH SETELAH PAJAK VS PENDAPATAN PERUSAHAAN**



In addition to relationships and transactions with various tax authorities, the Company has positive commercial relationships with a number of state-owned enterprises, including PT Pertamina (Persero) (fuel supply), PT Perusahaan Listrik Negara (electricity supply) and Logam Mulia, a division of PT Aneka Tambang and Indonesia's only LBMA-certified refinery. Furthermore, the Company has strategic alliances with PT Garuda Indonesia, PT Sucofindo, PT Garam Persero and several other state-owned enterprises. In 2021, commercial payments to state-owned enterprises amounted to US\$24,372 Million.

Selain hubungan dan transaksi dengan berbagai kantor pajak, Perusahaan memiliki hubungan komersial yang baik dengan beberapa Badan Usaha Milik Negara, antara lain PT Pertamina (Persero) (pemasok bahan bakar), PT Perusahaan Listrik Negara (pemasok listrik) dan Logam Mulia, divisi PT Aneka Tambang dan satu-satunya kilang bersertifikat LBMA di Indonesia. Selain itu, Perusahaan memiliki aliansi strategis dengan PT Garuda Indonesia, PT Sucofindo, PT Garam Persero dan beberapa Badan Usaha Milik Negara lainnya. Pada tahun 2021, Perusahaan melakukan pembayaran komersial kepada BUMN sebesar US\$24.372 juta.



## Exploration

### Eksplorasi

A fundamental pillar of PTAR's business strategy is our continuous effort to identify opportunities to expand our reserves and resources and extend the life of the mine.

In 2021, PTAR spent US\$24.9 million on Exploration, with near mine and in-pit exploration drilling programmes focused on adding resources and reserves in the *pit* Purnama, *pit* Ramba Joring and *pit* Tor Uluala 'high sulphidation style' deposits and Horas prospect.

The drilling programmes at Purnama and Tor Uluala were also designed to delineate the proposed underground resources for the Martabe Sulphide Project. Results to date have been encouraging and detailed metallurgical studies are ongoing to evaluate the most suitable processing system to maximum metal recovery.

In the regional areas within the Contract of Work, soil sampling, mapping and 3D IP geophysical surveys were also conducted over a number of prospects. The 3D IP survey continues to provide the third dimension of data identifying potential greenfield drill targets in conjunction with geology and geochemistry. The low cost per meter drilled in 2021 was a significant achievement considering the disruptions caused by the COVID-19 pandemic.

Pilar fundamental dari strategi bisnis PTAR adalah upaya berkelanjutan untuk mengidentifikasi peluang untuk memperluas cadangan dan sumber daya serta memperpanjang umur tambang.

Pada tahun 2021, PTAR mengeluarkan biaya US\$24,9 juta untuk kegiatan Eksplorasi dengan program pemboran eksplorasi dekat tambang dan *in-pit* yang berfokus pada penambahan sumber daya dan cadangan di deposit 'tipe sulfidasi tinggi' *pit* Purnama, *pit* Ramba Joring, *deposit* Tor Uluala dan prospek Horas.

Program pengeboran di Purnama dan Tor Uluala juga dirancang untuk menggambarkan sumber daya bawah tanah yang diusulkan untuk Proyek Sulfida Martabe. Hasil sampai saat ini telah mendorong dan studi metalurgi rinci sedang berlangsung untuk mengevaluasi sistem pengolahan yang paling cocok untuk pemulihan logam maksimum.

Di wilayah Kontrak Karya, Perusahaan melakukan pengambilan sampel tanah dan melakukan pemetaan serta survei geofisika IP 3D di beberapa area potensial. Survei IP 3D terus memberikan data dimensi ketiga yang mengidentifikasi target bor lapangan hijau potensial dalam hubungannya dengan geologi dan geokimia. Rendahnya biaya per meter yang dibor pada tahun 2021 merupakan pencapaian yang cukup signifikan mengingat adanya gangguan akibat pandemi COVID-19.

#### EXPLORATION OF OPERATIONAL PERFORMANCE AND SPENDING EFFICIENCY KINERJA OPERASIONAL EKSPLORASI DAN EFISIENSI PENGELUARAN

Description Uraian	Unit Satuan	2021	2020	2019	2018	2017
Drill core meterage	'000 meters drilled	117.1	84.9	89.7	85.8	74.7
Cost per meter	\$ cost per meter	213	231	242	273	320



## Resources and Reserves\*

### Sumber Daya dan Cadangan\*

The Mineral Resources of the Martabe Gold Mine are 7.5 million ounces gold and 72 million ounces silver. Ore Reserve is 4.5 million ounces gold and 39 million ounces silver, equivalent to 13 years of the remaining mining operations.

Sumber daya Mineral Tambang Emas Martabe adalah emas 7,5 juta *ounce* dan perak 72 juta *ounce*. Cadangan Bijih adalah 4,5 juta *ounce* emas dan 39 juta *ounce* perak, setara dengan 13 tahun sisa operasi penambangan.

#### STATEMENT AS OF 30 JUNE 2021 PERNYATAAN PER JUNI 2021

	Unit Satuan	Ore Reserves Cadangan Bijih	Mineral Resources Sumber Daya Mineral
Tonnes Jumlah Cadangan	Million Tonnes Juta Ton	98	216
Gold Contained Emas Terkandung	Million Ounce Juta <i>Ounce</i>	4.5	7.5
Silver Contained Perak terkandung		39	72
Gold Grade Kandungan Emas	Grams/Tonnes Gram/Ton	1.4	1.1
Silver Grade Kandungan Perak		12	10.3

\* Reserve and Resources are estimated and reported as at the 30th of June each year  
\* Cadangan dan Sumber Daya setiap tahunnya diperkirakan dan dilaporkan pada tanggal 30 Juni

Ore reserves increased by 7.9 million tonnes in 2021 to 98 million tonnes, with 4.5 million ounces containing gold and 39 million ounces.

Cadangan bijih meningkat sebesar 7,9 juta ton pada tahun 2021 menjadi 98 juta ton, dengan 4,5 juta *ounce* mengandung emas dan 39 juta *ounce* perak.

#### RESERVES & RESOURCES - CONTAINED OUNCES AU TABLE RESERVES & RESOURCES - BERISI OUNCES AU TABEL SATUAN

	Unit Satuan	2021	2020	2019	2018	2017
Ore Reserves	Million Ounce Au	7.5	7.6	7.8	8.1	8.8
Mineral Resources		4.5	4.3	4.5	4.5	4.7

## Martabe Project Development (MPD)

### Pengembangan Proyek Martabe (MPD)

The Martabe Project Development (MPD), which was established in 2019, is primarily focused on addressing the Martabe Gold Mine operation's key near-term and long-term challenges, including declining gold grades, changing ore treatment characteristics (i.e. increasing sulphides) and the need for additional tailings and waste management facilities.

MPD is led by a small team of internal technical experts who external consultants supplement with specific specialised expertise as needed on a project-by-project basis. The team conducts detailed studies to find practical and cost-effective solutions to the aforementioned challenges, while also ensuring that those solutions meet social, environmental and regulatory requirements. Before committing to and converting these studies to projects for execution, they are carefully and rigorously evaluated. Key activities in 2021 included:

Pengembangan Proyek Martabe (MPD) yang didirikan pada tahun 2019 fokus untuk mengatasi tantangan utama jangka pendek dan jangka panjang operasi Tambang Emas Martabe, termasuk penurunan kadar emas, perubahan karakteristik pengolahan bijih (yaitu peningkatan sulfida) dan kebutuhan akan penambahan fasilitas pengolahan *tailing* dan limbah.

MPD dipimpin oleh tim kecil yang terdiri dari ahli teknis internal berdasarkan proyek, konsultan eksternal dengan keahlian khusus yang spesifik. Tim melakukan studi terperinci untuk menemukan solusi praktis dan ekonomi menjalankan tantangan yang disebutkan di atas, sekaligus memastikan bahwa solusi tersebut memenuhi persyaratan sosial, lingkungan, dan peraturan. Sebelum berkomitmen dan mengubah studi ini menjadi proyek untuk dieksekusi, studi tersebut dievaluasi dengan hari-hati dan ketat. Kegiatan utama pada tahun 2021 meliputi:

In 2021, we continued our investments in the Exploration Programme, with the primary objective of identifying additional resources and reserves. PTAR spent US\$24.9 million and drilled 117,050 metres using an average of 15 diamond drill rigs. The main focus of drilling was in the Martabe District over the Purnama, Tor Uluala, Tor Uluala West, Horas and Uluala Hulu deposits.

Pada tahun 2021, PTAR melanjutkan investasi pada Program Eksplorasi, dengan tujuan utama mengidentifikasi sumber daya dan cadangan tambahan. PTAR menghabiskan US\$24,9 juta dan mengebor 117.050 meter menggunakan rata-rata 15 rig pengeboran berlian. Fokus utama pemboran berada di Distrik Martabe di atas endapan Purnama, Tor Uluala, Tor Uluala Barat, Horas dan Uluala Hulu deposit.

Ore Reserves increased by 9% from 91 million tonnes in 2020 to 98 million tonnes in 2021, while Gold resources decreased from 7.6 to 7.5 million ounces and silver increased from 66 to 72 million ounces.

Cadangan Bijih meningkat sebesar 9% dari 91 juta ton pada tahun 2020 menjadi 98 juta ounce dan perak meningkat dari 66 menjadi 72 juta ounce.

In addition to near mine activities, access to regional areas in the contract of work enabled exploration programmes to be conducted on the Goting and Kapur prospects located approximately 30km southeast of Martabe where drill targets have been identified and partially tested.

Selain aktivitas di dekat tambang, akses ke wilayah regional dalam kontrak karya memungkinkan program eksplorasi dilakukan di prospek Goting dan Kapur yang terletak sekitar 30 km tenggara Martabe dan dijadikan sebagai target pengeboran apabila telah diidentifikasi dan sebagian telah teruji.

# 05

## GOOD CORPORATE GOVERNANCE

TATA KELOLA

PERUSAHAAN YANG BAIK

PTAR is a strong advocate in the importance of good corporate governance to its overall success. It enables the Company to utilise a systemic and structured approach when confronted with business challenges, particularly as it continues to deal with the effects brought on by the COVID-19 pandemic.

Melalui dukungan yang kuat dari aspek tata kelola Perusahaan menjadi salah satu faktor keberhasilan PTAR secara keseluruhan. Hal ini memungkinkan bahwa Perusahaan menggunakan pendekatan yang sistematis dan terstruktur dalam menghadapi tantangan bisnis, terutama dalam menghadapi dampak yang ada selama masa pandemi COVID-19.







The Mine Geology Department holds daily meetings to discuss daily field operations, ore production targets and safety issues. Daily preparatory meetings and daily targets are needed to ensure all departments run according to plan and achieve the Company's annual targets. Departemen Mine Geology melakukan rapat harian untuk membahas operasional lapangan harian, target produksi ore, dan isu keselamatan. Rapat harian persiapan dan target harian diperlukan untuk memastikan seluruh departemen berjalan sesuai dengan rencana dan mencapai target tahunan Perusahaan.





**Good Corporate Governance**  
Tata Kelola Perusahaan

## Introduction

### Pendahuluan

Good corporate governance (GCG) is regarded as one of the key indicators for assessing a company's performance and demonstrating that it has been adequately controlled and managed. GCG is a set of rules, procedures and processes that govern a company's operations. PTAR has incorporated GCG into its management to meet the interests of its shareholders and other important stakeholders such as the government, employees, local communities and other business partners.

This chapter outlines the corporate governance framework of PTAR, including its control systems and highlights relevant accomplishments in 2021.

Tata kelola perusahaan yang baik atau *good corporate governance* (GCG) dianggap sebagai salah satu indikator utama untuk menilai kinerja Perusahaan dan menunjukkan bahwa telah dikendalikan dan dikelola dengan baik. GCG dijadikan sebagai suatu sistem aturan, prosedur dan proses yang menjalankan aktivitas Perusahaan. PTAR telah memasukan GCG ke dalam pengelolaannya untuk memenuhi kepentingan para pemegang saham dan pemangku kepentingan penting lainnya seperti pemerintah, karyawan, masyarakat sekitar, dan mitra bisnis lainnya.

Bab ini menguraikan kerangka tata kelola perusahaan PTAR, termasuk sistem kontrolnya dan menyoroti pencapaian yang relevan pada tahun 2021.

## Objectives of Corporate Governance Implementation

### Tujuan Penerapan Tata Kelola Perusahaan

The Company strives to adhere to the highest standards of corporate governance, drawing on best practices from the international business sector and to comply with local and national regulations, such as the PTAR Contract of Work, Indonesian Law number 40/2007 on Limited Liability Companies, Law number 4/2009 on Mineral and Coal Mining as amended by Law number 3/2020, the Ministry of Energy and Mineral Resources' implementing regulations and the regulations of the Indonesian Financial Services Authority.

Perusahaan berusaha untuk mematuhi standar untuk kerangka tata kelola perusahaan, yang mengacu pada praktik terbaik dari sektor bisnis internasional serta untuk mematuhi peraturan lokal dan nasional, seperti Kontrak Karya PTAR, Undang-Undang Indonesia nomor 40/2007 tentang Perseroan Terbatas, Undang-Undang Nomor 4 Tahun 2009 tentang Pertambangan Mineral dan Batubara sebagaimana telah diubah dengan Undang-Undang Nomor 3 Tahun 2020, Peraturan Pelaksanaan Kementerian Energi dan Sumber Daya Mineral, dan Peraturan Otoritas Jasa Keuangan Indonesia.

Besides meeting regulatory requirements, the Company tries to align its business activities with its core values: Growth, Respect, Excellence, Action and Transparency.

Selain itu, PTAR juga melaksanakan kegiatan usahanya dengan mengacu pada nilai-nilai utama Perusahaan, yaitu *Growth* (Pertumbuhan), *Respect* (Penghargaan), *Excellence* (Keunggulan), *Action* (Aksi Nyata), dan *Transparency* (Transparansi).

The following outlines the GCG aspects of these core values:

Nilai-nilai tersebut diwujudkan melalui penerapan prinsip-prinsip tata kelola perusahaan yang baik sebagai berikut:



We are committed to maintain the highest standards of corporate governance to serve the best interests of its owners and other stakeholders.

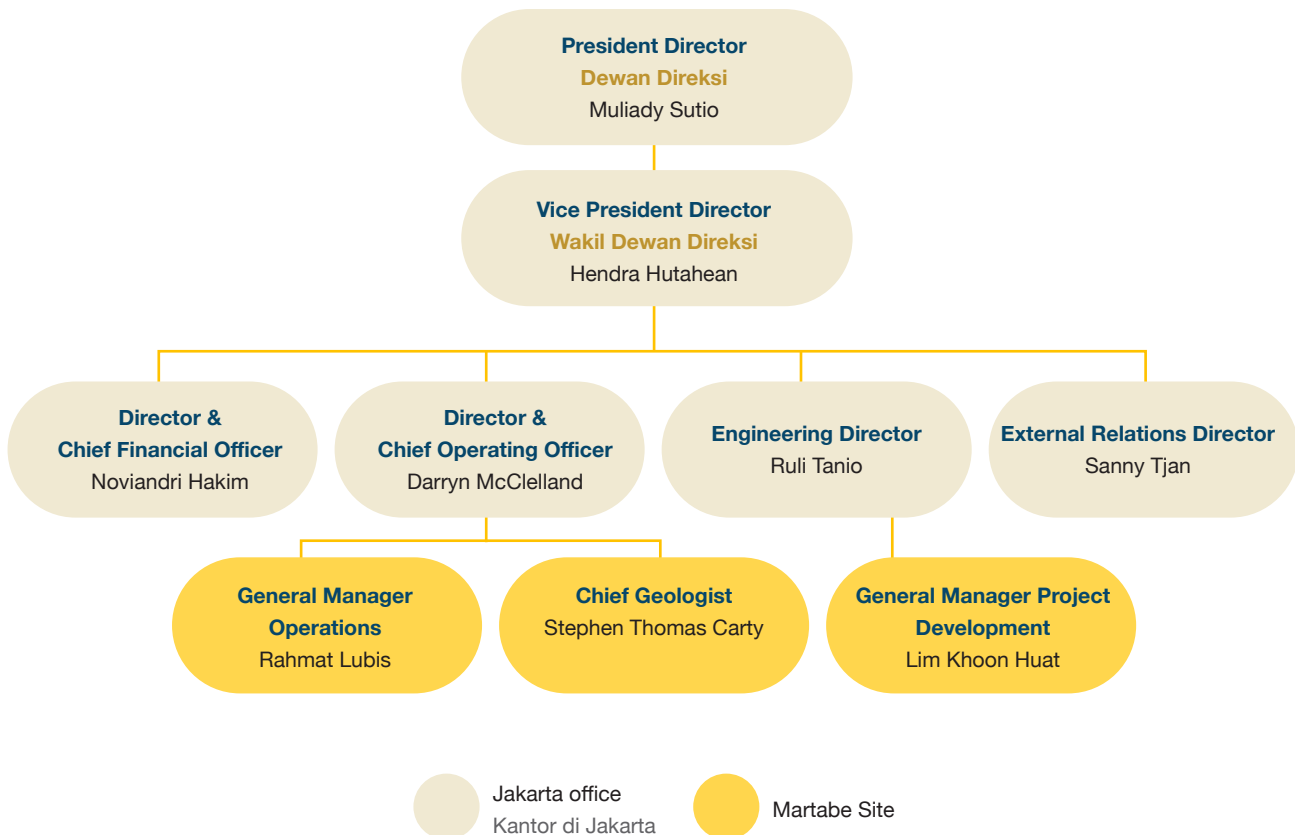
PTAR berkomitmen untuk dapat mempertahankan standar tertinggi tata kelola perusahaan agar dapat melayani kepentingan terbaik bagi para pemegang saham dan pemangku kepentingan lainnya.

## Composition of PTAR Board and Executive Committees in 2021

### Susunan Pengurus dan Komite Eksekutif PTAR pada tahun 2021

PTAR's corporate governance framework is comprised of a hierarchical structure of governance entities with well-defined functions and accountability. The General Meeting of Shareholders (GMS) retains the Company's highest level of control. The Board of Directors has operational control and the Board of Commissioners oversees operations. The Legal Department of PTAR performs the functions of PTAR's Corporate Secretary. The President Director leads the Company's management team, which includes divisional heads in charge of different aspects of the business and managers in order of operations in each department.

Kerangka kerja tata kelola perusahaan PTAR terdiri dari struktur hierarki entitas tata kelola dengan fungsi dan akuntabilitas yang terdefinisi dengan baik. Rapat Umum Pemegang Saham (RUPS) memegang kendali tertinggi di Perusahaan. Dewan Direksi memiliki pengendalian operasional dan Dewan Komisaris mengawasi aspek operasional. Departemen Legal PTAR menjalankan sebagai Fungsi Sekretaris Perusahaan. Presiden Direktur memimpin tim manajemen Perusahaan, yang mencakup kepala divisi yang bertanggung jawab atas berbagai aspek bisnis dan manajer dalam urutan operasi di setiap departemen.



COMPOSITION OF PTAR'S BOARDS AND EXECUTIVE COMMITTEES 2021  
KOMPOSISI KOMITE EKSEKUTIF PTAR 2021

<b>Board of Commissioners</b> Dewan Komisaris	<b>Board of Directors</b> Dewan Direksi	<b>Executive Committee</b> Komite Eksekutif	<b>Resources &amp; Reserves Governance Committee</b> Komite Tata Kelola Sumber Daya & Cadangan	<b>Remuneration Committee</b> Komite Remunerasi
<ul style="list-style-type: none"> <li>• Mr Franciscus Kesuma</li> <li>• Mr Anwar Nasution</li> <li>• Mr Iwan Hadianoro</li> <li>• Mr Ari Sutrisno</li> <li>• Mr Bambang Susigit</li> <li>• Ms Linda Helena Darmalina</li> <li>• Mr Putut Eko Bayuseno</li> </ul>	<ul style="list-style-type: none"> <li>• Mr Muliady Sutio</li> <li>• Mr Hendra Hutahean</li> <li>• Mr Noviandri</li> <li>• Mr Darryn Michael McClelland</li> <li>• Mr Ruli Tanio</li> <li>• Ms Sanny Tjan</li> </ul>	<ul style="list-style-type: none"> <li>• Mr Muliady Sutio</li> <li>• Mr Hendra Hutahean</li> <li>• Mr Noviandry Hakim</li> <li>• Mr Ruli Tanio</li> <li>• Mr Darryn Michael McClelland</li> </ul>	<ul style="list-style-type: none"> <li>• Mr Franciscus Kesuma</li> <li>• Mr Muliady Sutio</li> <li>• Mr Hendra Hutahean</li> <li>• Mr Darryn Michael McClelland</li> <li>• Mr Ruli Tanio</li> <li>• Mr Steve Carty</li> </ul>	<ul style="list-style-type: none"> <li>• Mr Franciscus Kesuma</li> <li>• Mr Muliady Sutio</li> <li>• Mr Hendra Hutahean</li> <li>• Mr Ruli Tanio</li> <li>• Mr Darryn Michael McClelland</li> </ul>

The governance bodies aim to achieve the following key outcomes:

1. Maximising corporate values and the return to the shareholders;
2. Protecting the Company's assets;
3. Maximising opportunities to grow the business;
4. Managing business risks;
5. Improving operational performance;
6. Compliance with legal requirements;
7. Aligning with industry standards and codes;
8. Achieving economic, social and environmental performance by following the principles of sustainable development;
9. Protecting employees' safety and welfare;
10. Maintaining positive and open relationships with important stakeholders especially the local communities.

Badan tata kelola bertujuan untuk mencapai hasil utama berikut:

1. Memaksimalkan nilai-nilai Perusahaan dan pengembalian kepada pemegang saham;
2. Melindungi aset Perusahaan;
3. Memaksimalkan peluang untuk mengembangkan bisnis;
4. Mengelola risiko bisnis;
5. Meningkatkan kinerja operasional;
6. Kepatuhan dengan persyaratan hukum;
7. Menyelaraskan dengan standar dan kode industri;
8. Mencapai kinerja ekonomi, sosial, dan lingkungan dengan mengikuti prinsip-prinsip pembangunan berkelanjutan;
9. Melindungi keselamatan dan kesejahteraan karyawan;
10. Menjaga hubungan positif dan terbuka dengan pemangku kepentingan penting terutama masyarakat lokal.



## General Meeting of Shareholders (GMS)

### Rapat Umum Pemegang Saham (RUPS)



**PTAR Martabe Project Development Team led by Senior Manager Henny Purnamasari, together with partners, monitored the progress of the Tailings Management Facility (TMF) construction. TMF is one of the tailings storage facilities prepared by PTAR using dewatering and filtration technology.**  
Tim Martabe Project Development PTAR yang dipimpin oleh Senior Manager Henny Purnamasari, bersama mitra kerja, memantau progres pembangunan *Tailing Management Facility* (TMF). TMF merupakan salah satu fasilitas penyimpanan *tailing* yang disiapkan PTAR menggunakan teknologi pengeringan (dewatering) dan filtrasi.

The highest level of power lies with the General Meeting of Shareholders (GMS). It has the authority to appoint and dismiss board members, declare dividends and amend the Company’s Articles of Association. The General Meeting of Shareholders must be convened at least once a year. An Extraordinary GMS can be held whenever the Board of Directors deems it necessary, as long as the prevailing laws and regulations and the Articles of Association, are followed. GMS can only be held if attended by shareholders or their proxies who represent more than 51% of the total issued capital of the Company.

Tingkat kekuasaan tertinggi ada pada Rapat Umum Pemegang Saham (RUPS) yang memiliki wewenang untuk mengangkat dan memberhentikan anggota dewan, mengumumkan dividen dan mengubah Anggaran Dasar Perusahaan. RUPS wajib diselenggarakan sekurang-kurangnya sekali dalam setahun. RUPS Luar Biasa dapat diadakan apabila dipandang perlu oleh Dewan Direksi berdasarkan kebutuhan, dengan memperhatikan peraturan perundang-undangan yang berlaku dan Anggaran Dasar. RUPS hanya dapat dilangsungkan apabila dihadiri oleh pemegang saham atau kuasanya yang mewakili lebih dari 51% dari seluruh modal Perusahaan yang ditempatkan.

In 2021, there was one Annual GMS. The Company did not hold an Extraordinary GMS. Due to the pandemic of COVID-19, the Annual GMS of PTAR made in the form of Circular Resolution of the Shareholders of the Company instead of the Annual GMS and approve the among other the following:

Pada tahun 2021 telah diselenggarakan satu kali RUPS Tahunan. Perusahaan tidak menyelenggarakan RUPS Luar Biasa dikarenakan adanya pandemi COVID-19, maka RUPS Tahunan PTAR dibuat dalam bentuk Keputusan Sirkuler Pemegang Saham Perusahaan Pengganti RUPS Tahunan dan menyetujui beberapa hal, antara lain sebagai berikut:



The Company's Annual Report for Fiscal Year 2020, including ratifying the Supervisory Report of the Company's Board of Commissioners and ratifying the Company's Financial Statements for Fiscal Year 2020;

Laporan Tahunan Perusahaan Tahun Buku 2020, termasuk mengesahkan Laporan Pengawasan Dewan Komisaris Perusahaan dan mengesahkan Laporan Keuangan Perusahaan Tahun Buku 2020;



Provide release and discharge to all members of the Company's Board of Directors for the management actions they have taken and to all members of the Company's Board of Commissioners for their supervisory actions during the Financial Year ending 31 December 2020;

Memberikan pembebasan dan pelunasan kepada seluruh anggota Dewan Direksi Perusahaan atas tindakan pengurusan yang telah dilakukannya serta kepada seluruh anggota Dewan Komisaris Perusahaan atas tindakan pengawasannya selama Tahun Buku yang berakhir pada tanggal 31 Desember 2020;



Distribution of Company's dividend that equivalent to 50% of net income;

Pembagian dividen Perusahaan yang setara dengan 50% dari laba bersih;



Resignation of Timothy John Vincent Duffy as the Vice President Director and appointment of Hendra Hutahean as the Vice President Director;

Pengunduran diri Timothy John Vincent Duffy sebagai Wakil Presiden Direktur dan pengangkatan Hendra Hutahean sebagai Wakil Presiden Direktur;



Appointment of a public accounting firm in Indonesia affiliated with 1 (one) of the 4 (four) major international public accounting firms registered with the Financial Services Authority (formerly BAPEPAM-LK) which has an international reputation to audit the Company's books for the Fiscal Year ended December 31, 2021.

Penunjukan Kantor Akuntan Publik di Indonesia yang terafiliasi dengan 1 (satu) dari 4 (empat) kantor akuntan publik internasional besar yang terdaftar di Otoritas Jasa Keuangan (dahulu Badan Pengawas Pasar Modal dan Lembaga Keuangan (Bapepam-LK) yang memiliki reputasi internasional untuk mengaudit pembukuan Perusahaan untuk Tahun Anggaran yang berakhir 31 Desember 2021.

## Board of Commissioners

### Dewan Komisaris

The General Meeting of Shareholders (GMS) appoints members of the Board of Commissioners to their terms of office. The Board of Commissioners' responsibilities include monitoring and advising the Board of Directors; approving certain actions; and approving the annual business and budget plan. The Board of Commissioners are informed regularly by the Board of Directors on the Company's activities.

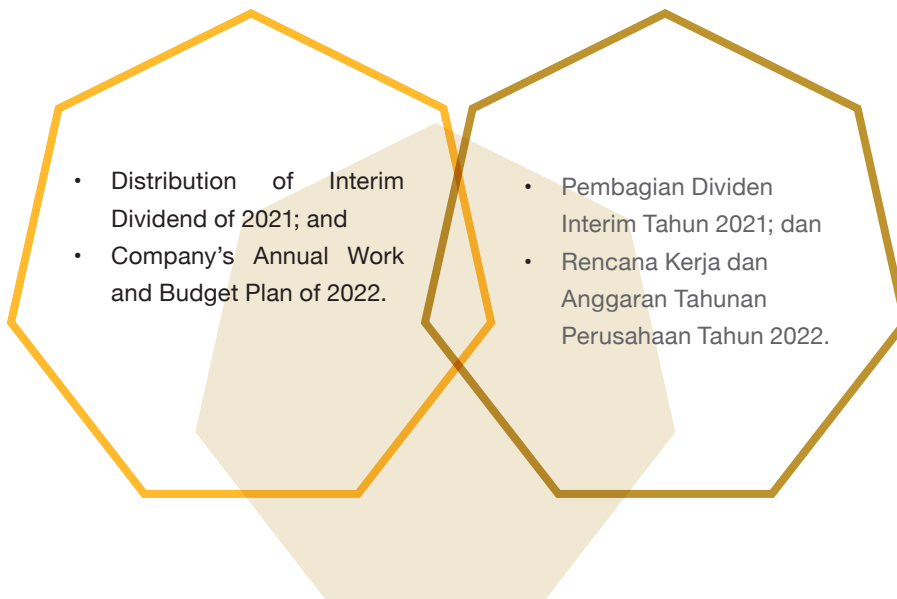
The composition of the Board of Commissioners is manifested in the Company Law and the PTAR's Articles of Association. In 2020, the Board of Commissioners participated in the Annual General Meeting of Shareholders. The GMS decides on the total remuneration for all Board of Commissioners members.

Due to the pandemic of COVID-19, the Board of Commissioners did not hold any physical meetings. However, the Board of Commissioners resolved 2 Circular Resolutions that approve the following:

Rapat Umum Pemegang Saham (RUPS) mengangkat anggota Dewan Komisaris sesuai masa jabatannya. Tanggung jawab Dewan Komisaris meliputi pengawasan dan pemberian nasihat kepada Dewan Direksi; menyetujui tindakan tertentu; dan menyetujui rencana bisnis dan anggaran tahunan. Dewan Komisaris diinformasikan secara berkala oleh Dewan Direksi tentang kegiatan Perusahaan.

Komposisi anggota Dewan Komisaris telah sesuai dengan ketentuan yang ada dalam Undang-Undang Perseroan Terbatas dan Anggaran Dasar PTAR. Selama tahun 2020, Dewan Komisaris berpartisipasi dalam Rapat Umum Pemegang Saham Tahunan. Selain itu, RUPS juga menetapkan jumlah remunerasi untuk seluruh anggota Dewan Komisaris.

Selama masa pandemi COVID-19, Dewan Komisaris tidak mengadakan rapat secara langsung. Namun demikian, Dewan Komisaris telah memutuskan dua Keputusan Sirkular yang menyetujui sebagai berikut:

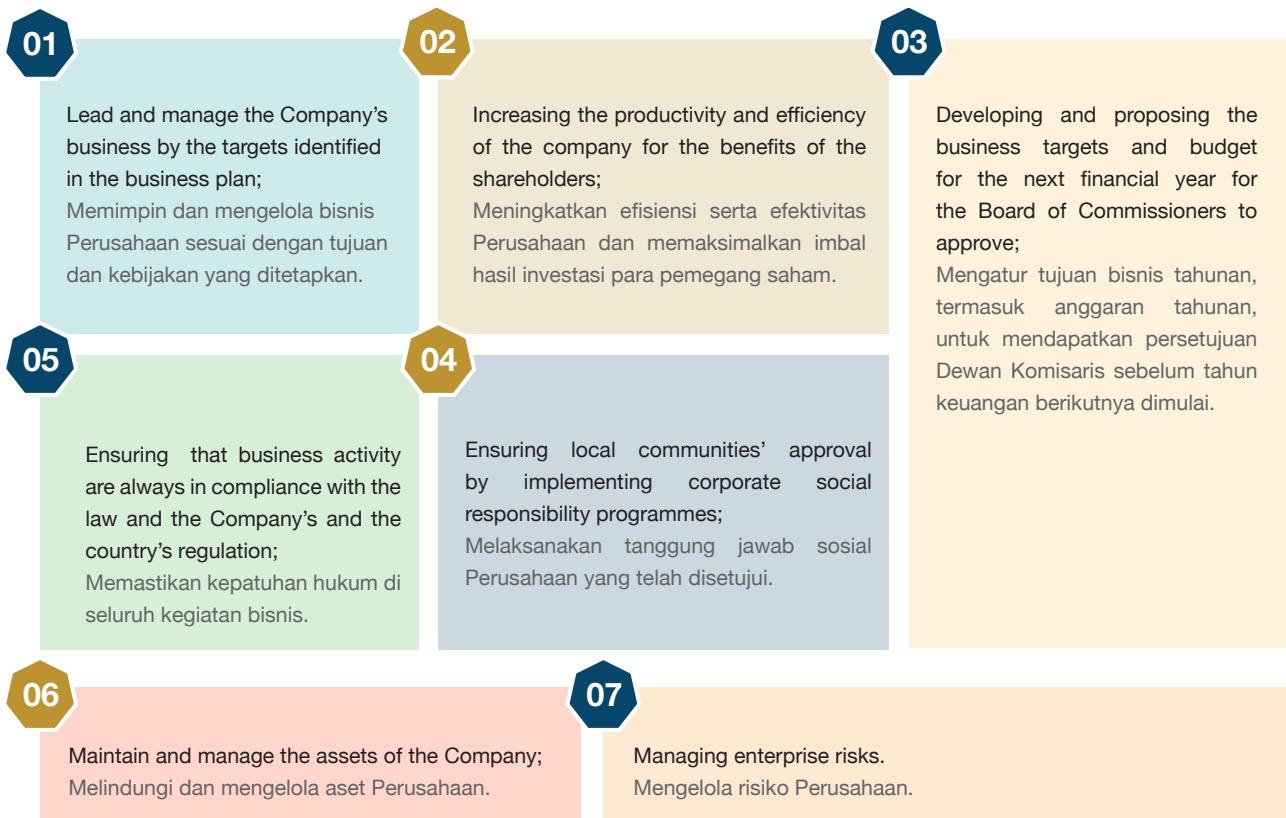


## Board of Directors

### Dewan Direksi

The General Meeting of Shareholders appoints members of the Board of Directors for a term of office. The Board of Directors' core duties are:

Anggota Dewan Direksi diangkat oleh RUPS untuk satu periode masa jabatan. Peran dan tanggung jawab utama anggota Dewan Direksi meliputi:



The composition of the Board of Directors is guided by the Company's Law and Articles of Association. The Annual GMS decides on the remuneration of the members of the Board of Directors. In 2020, the remuneration for the Board of Directors has been set and approved by the Remuneration Committee. In 2021, the Board of Directors participated in the Annual GMS.

Komposisi anggota Dewan Direksi PTAR telah sesuai dengan ketentuan yang ada dalam Anggaran Dasar Perusahaan dan peraturan perundang-undangan yang berlaku. Total remunerasi bagi anggota Dewan Direksi telah diatur dan disetujui oleh Komite Remunerasi. Pada tahun 2021, anggota Dewan Direksi juga turut menghadiri RUPS.





## Remuneration Committee

### Komite Remunerasi

The Remuneration Committee's role is to approve the remunerations discussed in the Annual GMS, as well as the President Director's direct reports. It also reviews and finalises the Company's annual remuneration review recommendations. The Remuneration Committee held two meetings in 2021.

Peran Komite Remunerasi adalah untuk menyetujui remunerasi yang dibahas dalam RUPS Tahunan, serta laporan langsung Direktur Utama. Tugas lain Komite Remunerasi yaitu juga meninjau dan menyelesaikan rekomendasi tinjauan remunerasi tahunan Perusahaan. Komite Remunerasi telah mengadakan dua kali pertemuan pada tahun 2021.

## Internal Audit Function

### Fungsi Internal Audit

The Internal Audit Function is responsible for coordinating the Company's internal audit programmes. The Head of the Internal Audit Function is responsible for implementing the Committee's risk-based annual internal audit plan. The internal audit plan's scope encompasses the Company's business processes, enterprise risk management and corporate governance implementation.

Fungsi Audit Internal bertanggung jawab untuk mengkoordinasikan program audit internal Perusahaan. Kepala Fungsi Audit Internal bertanggung jawab untuk melaksanakan rencana audit internal tahunan berbasis risiko yang disetujui oleh Komite Audit. Ruang lingkup rencana audit internal meliputi proses bisnis Perusahaan, manajemen risiko perusahaan, dan penerapan tata kelola perusahaan.

In 2021, the Internal Audit and Risk Assurance Function completed/issued 5 project reports, including 4 assurance service reports and 1 advisory service reports. The status of implementing due audit recommendations implemented by management until the end of the year is 94%.

Pada tahun 2021, Fungsi Audit Internal dan Risk Assurance telah menyelesaikan/mengeluarkan lima laporan proyek, termasuk 4 laporan jasa *assurance* dan 1 laporan jasa *advisory*. Status penerapan rekomendasi audit yang telah jatuh tempo oleh Manajemen sampai dengan akhir tahun 2021 adalah sebesar 94%.

## Resources and Reserves Governance Committee Komite Tata Kelola Sumber Daya dan Cadangan

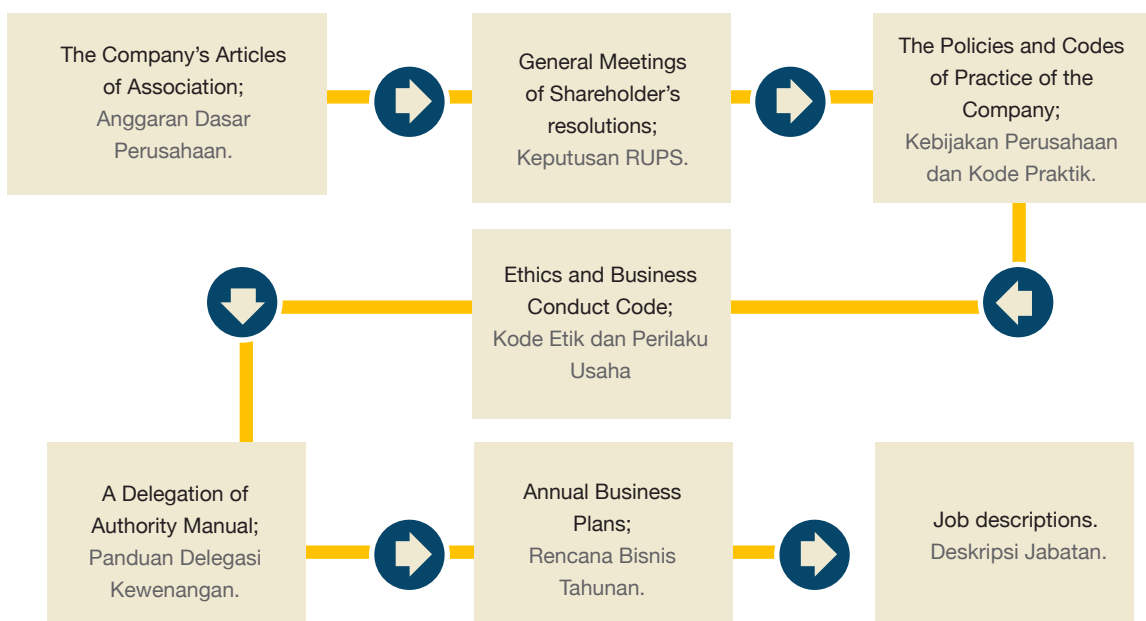
The Resources and Reserves Governance Committee ensure that the Company's Resources and Reserves are developed in accordance with Joint Ore Reserve Committee (JORC) Code and Company's Resources and Reserves Policy. As such, this committee ensures that all Resources and Reserves activities are carried out thoroughly and by the highest technical standards. In 2021, the Resources and Reserves operational steering committee held 5 meetings and the Resources and Reserves governance committee held 1 meeting to approve the Resources and Reserves for the year.

Komite Tata Kelola Sumber Daya dan Cadangan memastikan bahwa Sumber Daya dan Cadangan Perusahaan dikembangkan sesuai dengan Kode Joint Ore Reserve Committee (JORC) dan Kebijakan Sumber Daya dan Cadangan Perusahaan. Dengan demikian, komite ini memastikan bahwa semua kegiatan Sumber Daya dan Cadangan dilakukan secara menyeluruh dan dengan standar teknis tertinggi. Pada tahun 2021, komite pengarah operasional Sumber Daya & Cadangan diadakan 5 rapat dan 1 rapat diadakan Komite Tata Kelola Sumber Daya & Cadangan untuk menyetujui Sumber Daya dan Cadangan 2021.

## Operational Controls for Good Corporate Governance Kontrol Operasional untuk Tata Kelola Perusahaan Yang Baik

In addition to having various oversight Committees, the Company's business decisions and activities are also governed by a series of internal policies and tools that establish a complete operational control system. Some of the important items of the operational control system are described below:

Selain memiliki berbagai Komite pengawasan, keputusan dan aktivitas bisnis Perusahaan juga diatur oleh serangkaian kebijakan dan perangkat internal yang membentuk sistem pengendalian operasional yang lengkap. Beberapa item penting dari sistem pengendalian operasional dijelaskan di bawah ini:





## Other Corporate Governance Aspects

### Aspek Tata Kelola Perusahaan Lainnya

#### Public External Accountant

##### Akuntan Publik

The accounting firm Tanudiredja, Wibisana, Rintis & Rekan (in association with Pricewaterhouse Coopers) audited the Company's financial statements for the year ended 31 December 2021. The fee for the audit this year was US\$106,000 excluding tax and expenses.

Kantor akuntan Tanudiredja, Wibisana, Rintis & Rekan (bekerja sama dengan Pricewaterhouse Coopers) melaksanakan audit laporan keuangan Perusahaan untuk tahun yang berakhir pada tanggal 31 Desember 2021. Biaya untuk audit tahun ini US\$106.000 tidak termasuk pajak dan biaya.

## Enterprise Risk Management

### Manajemen Risiko Perusahaan

Since 2014, PTAR has had a risk management programme in place. Internal audit supports the enterprise risk assessment process, monitoring risk and control implementation and assessing department risk. Annual enterprise risk assessment workshops are held to identify and assess enterprise risks critical to meeting business objectives. Risks are evaluated in terms of their implications in areas such as safety, the environment, community, government, reputation, financial viability and compliance.

Sejak tahun 2014, PTAR telah memiliki program manajemen risiko. Audit internal mendukung proses penilaian risiko perusahaan, memantau risiko dan implementasi pengendalian, serta menilai risiko departemen. Lokakarya penilaian risiko perusahaan tahunan diadakan untuk mengidentifikasi dan menilai risiko perusahaan yang penting untuk memenuhi tujuan bisnis. Risiko dievaluasi dalam kaitannya dengan implikasinya di bidang-bidang seperti keselamatan, lingkungan, masyarakat, pemerintah, reputasi, kelayakan finansial, dan kepatuhan.

Management regularly evaluates the identified risk and mitigation strategy to ensure that the mitigation strategy's activities are carried out effectively. Department risk assessments are conducted before the annual enterprise risk assessment to assist management in determining the Company's top risks.

PTAR identified several significant risks in 2021 and established and implemented risk mitigation plans for each identified risk to keep them within acceptable limits.

Manajemen secara berkala mengevaluasi risiko dan strategi mitigasi yang teridentifikasi untuk memastikan bahwa kegiatan strategi mitigasi dilakukan secara efektif. Penilaian risiko departemen dilakukan sebelum penilaian risiko perusahaan tahunan untuk membantu manajemen dalam menentukan risiko utama Perusahaan.

PTAR mengidentifikasi beberapa risiko signifikan pada tahun 2021 dan menetapkan serta menerapkan rencana mitigasi risiko untuk setiap risiko yang teridentifikasi agar tetap dalam batas yang dapat diterima.

## External Communications

### Komunikasi Eksternal

Information and data about the company are available through our website: [www.agincourtresources.com](http://www.agincourtresources.com) (in Indonesian and English). Additional information and analysis provided to the public via mass media, e-mail, bulletins and meetings. Further information regarding the Company is accessible at:

Informasi dan data tentang perusahaan tersedia melalui website kami: [www.agincourtresources.com](http://www.agincourtresources.com) (tersedia dalam bahasa Indonesia dan Inggris). Informasi dan analisis tambahan diberikan kepada publik melalui media massa, email, buletin, dan rapat. Informasi lebih lanjut mengenai Perusahaan dapat diakses di:



PT Agincourt Resources  
Pondok Indah Office Tower 2 Suite 1201  
Jl. Sultan Iskandar Muda  
Kav V-TA Pondok Indah  
Jakarta 12310, Indonesia  
Phone: +62 21 80672000  
[Martabe.CorporateCommunications@agincourtresources.com](mailto:Martabe.CorporateCommunications@agincourtresources.com)



## 06

**BIODIVERSITY AND ENVIRONMENTAL MANAGEMENT**

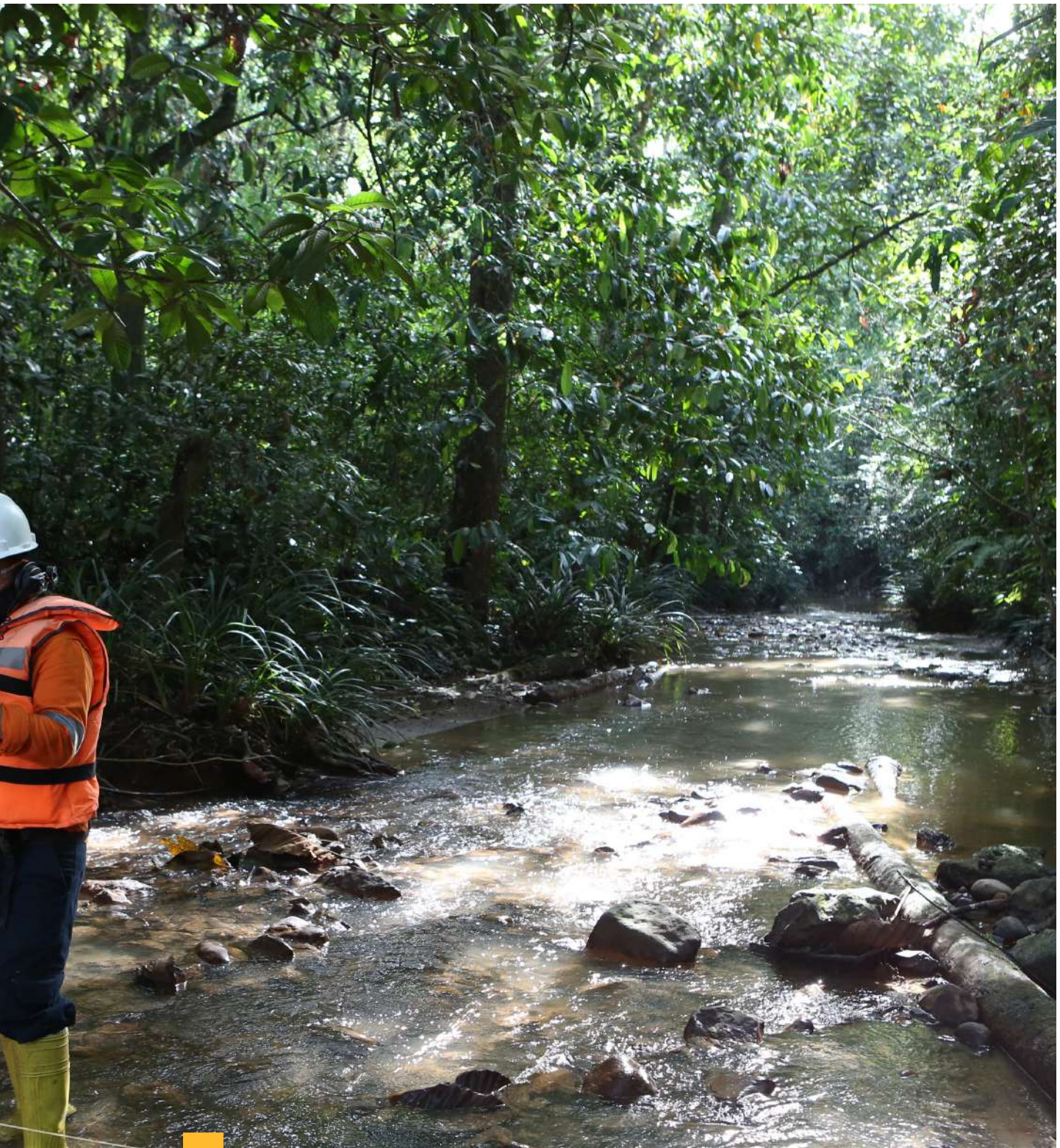
## PENGELOLAAN LINGKUNGAN DAN KEANEKARAGAMAN HAYATI

**PTAR, as manager of the Martabe Gold Mine, is committed to environmental management within the mining operational area and its surroundings.**

**PTAR sebagai pengelola Tambang Emas Martabe berkomitmen kuat terhadap pengelolaan lingkungan di area operasional penambangan dan sekitarnya.**







Candra Sakti Siregar and Yoramo Gulo, Senior Field Assistant, Monitoring, Environment measured the water discharge in the Aek Pahu River. PTAR consistently continues to monitor the quality and quantity of water around the mining operational area as a form of responsibility, also the best and sustainable environmental management.

Candra Sakti Siregar dan Yoramo Gulo, Senior Field Assistant, Monitoring, Environment melakukan pengukuran debit air di Sungai Aek Pahu. PTAR secara konsisten terus mengawasi kualitas dan kuantitas air di sekitar wilayah operasional tambang sebagai bentuk tanggung jawab dan pengelolaan lingkungan yang baik dan berkelanjutan.





## Komitmen PTAR Terhadap Pengelolaan Keanekaragaman Hayati

### PTAR's Commitment Towards Biodiversity Management

PTAR seeks to restore forest functions through revegetation and reclamation. As a result, PTAR has planted over 41,000 tree seedlings since 2012, with the potential to produce approximately 18 million kg of oxygen and sequester approximately 1 million tonnes of carbon per year.

Throughout 2021, the PTAR Nursery facility prepared 5,711 local plant seeds. 9.02 hectares of land were reclaimed, revegetated with cover crops, and 10,332 seedlings/trees were planted.

The reclamation stage begins with landscaping, particularly by adjusting the slope and making the drainage, followed by spreading the topsoil layer, determining the soil's acidity, stabilising the soil through the planting of fast-growing cover crops, and finally planting standing trees (local plants).

Local plants play a critical role and have even become the primary criterion for ex-mining land reclamation success. Local plants are indigenous or exotic plant species that are well-liked by the community and provide benefits such as wood, fruit, and sap, as well as products with a high economic value. This is also consistent with Minister of Energy and Mineral Resources Decree No. 1827 K/30/MEM/2018 on the Application of Good Mining Engineering Principles. PT Agincourt Resources (PTAR) is committed to reclamation using indigenous plants grown in the Ministry of Environment's Nursery facility.

Melalui revegetasi dan reklamasi, PTAR berupaya untuk mengembalikan fungsi hutan. Maka dari itu sejak tahun 2012, PTAR telah menanam lebih dari 41.000 bibit pohon dengan potensi produksi oksigen sekitar 18 juta kg per tahun dan penyerapan gas karbon sekitar 1 juta ton per tahun.

Sepanjang 2021, jumlah bibit tanaman lokal yang telah disiapkan di fasilitas Nursery PTAR mencapai 5.711. Total area reklamasi mencapai 9,02 hektare, direvegetasi dengan tanaman penutup dan telah ditanami 10.332 bibit tanaman/pohon.

Tahapan reklamasi diawali dengan penataan lahan yakni dengan pengaturan kemiringan, termasuk pembuatan drainase, kemudian menyebarkan lapisan tanah pucuk, mengukur tingkat keasaman tanah, kemudian stabilisasi melalui penanaman tanaman tutupan yang cepat tumbuh, dan terakhir menanam pohon tegakan (tanaman lokal).

Tanaman lokal memiliki peran yang sangat penting bahkan menjadi kriteria utama keberhasilan reklamasi lahan bekas tambang. Tanaman lokal merupakan jenis-jenis tanaman asli atau eksotik, yang disukai masyarakat dan mempunyai keunggulan tertentu seperti produk kayu, buah dan getah serta produknya mempunyai nilai ekonomi yang tinggi. Hal ini juga sesuai dengan Keputusan Menteri ESDM No. 1827 K/30/MEM/2018 tentang Kaidah Teknik Pertambangan yang Baik. PT Agincourt Resources (PTAR) berkomitmen kuat untuk melakukan reklamasi menggunakan tanaman lokal yang dibudidayakan di fasilitas Nursery oleh Departemen Lingkungan.

PTAR prepared a variety of indigenous plants, including durian, mangosteen, cempedak air, mahogany, hapinis, baja wood, laban wood, banyan (baringin), simarbaliding, aren, and tambiski, as well as several species of the *Moraceae*, *Euphorbiaceae*, *Myrtaceae*, and *Phaeaceae* families. PTAR will continue to innovate to develop superior indigenous plant species capable of being planted in the reclamation area. The use of indigenous plants is thought to accelerate the return of natural flora and fauna to revegetation and reclamation areas.

PTAR is committed to implementing environmentally sustainable management practices. The Martabe Gold Mine's operational areas all have a mine closure plan. Additionally, the process of land rehabilitation is conducted in accordance with the rules and procedures established by the Ministry of Energy and Mineral Resources (ESDM). Each year, a team from the Ministry of Energy and Mineral Resources evaluates the success rate of reclamation plant growth and the area's overall condition.

Not only is PTAR committed to revegetation and reclamation in the former operational area of the Martabe Gold Mine, but also to environmental management with the community, one of which is by planting 3,000 plant/tree seeds in several locations around the Batangtoru River, namely Saba Lombang, Saba Sipatang, dissipator area (Telo Village), Taman Sari Hapesong Baru Hamlet, Pulo Godang, and Mabang Pasir (Bantaran Muara Hutaraja River) on the commemoration of Indonesian Tree Planting Day on November 28, 2021. (Bantaran Muara Hutaraja River).

PTAR believes that this tree planting activity will have a direct impact on agricultural land along riverbanks, thereby reducing the risk of flooding, and will help mitigate disaster risk in flood-prone villages. In the long term, PTAR hopes to increase public awareness of the importance of maintaining the balance of nature and biodiversity, as well as community resilience and adaptability to climate change. The Company's 2021 Sustainability Report contains a more comprehensive information regarding its biodiversity management.

Beberapa jenis tanaman lokal yang disiapkan oleh PTAR, antara lain Durian, Manggis, Cempedak Air, Mahoni, Hapinis, Kayu Baja, Kayu Laban, Banyan (Baringin), Simarbaliding, Aren, Tambiski, dan beberapa jenis dari famili *Moraceae*, *Euphorbiaceae*, *Myrtaceae*, *Fagaceae*. Secara terus menerus PTAR akan selalu berinovasi untuk mengembangkan jenis tanaman lokal unggul yang potensial untuk ditanam di area reklamasi. Penggunaan tanaman lokal diyakini dapat mempercepat kembalinya flora dan fauna alami untuk hidup dan tumbuh di area revegetasi dan reklamasi.

PTAR memegang teguh komitmen penerapan praktik pengelolaan lingkungan berkelanjutan. Seluruh area operasional di Tambang Emas Martabe telah memiliki rencana penutupan tambang. Proses rehabilitasi lahan pun dilakukan sesuai dengan aturan dan prosedur yang sudah disetujui oleh Kementerian Energi dan Sumber Daya Mineral (ESDM). Setiap tahun, tim dari Kementerian ESDM meninjau tingkat keberhasilan pertumbuhan tanaman reklamasi dan kondisi kawasan secara keseluruhan.

Tak hanya melakukan revegetasi dan reklamasi di bekas area operasional Tambang Emas Martabe, PTAR juga berkomitmen turut berkontribusi terhadap pengelolaan lingkungan bersama masyarakat, salah satunya melalui kegiatan penanaman 3.000 bibit tanaman/pohon pada peringatan Hari Menanam Pohon Indonesia yang jatuh pada 28 November 2021 di beberapa lokasi di sekitar aliran Sungai Batangtoru yakni Saba Lombang, Saba Sipatang, area disipater (Desa Telo), Dusun Taman Sari Hapesong Baru, Pulo Godang, dan Mabang Pasir (Bantaran Sungai Muara Hutaraja).

PTAR meyakini kegiatan penanaman pohon ini akan berdampak secara langsung terhadap lahan pertanian di daerah pinggiran sungai agar terhindar dari bahaya banjir, dan dapat menurunkan risiko bencana di desa-desa rawan banjir. Secara jangka panjang, PTAR berharap kesadaran masyarakat untuk menjaga keseimbangan alam dan keanekaragaman hayati akan lebih baik, serta ketahanan dan daya adaptasi masyarakat terhadap perubahan iklim meningkat. Informasi lebih lengkap mengenai keanekaragaman hayati terdapat di Laporan Keberlanjutan 2021.





Gadis, one of the Sumatran tigers in conflict and rescued by the Barumon Tiger Sanctuary which is managed by the Persamuhan Bodhicitta Mandala Medan Foundation (YPBMM). The trend of conflict between the Sumatran tiger and the community that continues to increase makes its conservation and preservation needs to be continuously encouraged.

Gadis, salah satu harimau Sumatra korban konflik (terkena jerat) dan diselamatkan oleh Sanctuary Harimau Barumon yang dikelola oleh Yayasan Persamuhan Bodhicitta Mandala Medan (YPBMM). Tren konflik antara harimau Sumatra dan masyarakat yang terus meningkat menjadikan konservasi dan pelestariannya perlu terus dipacu.

## Kerja Sama dengan Lembaga Swadaya Masyarakat (LSM)

### Collaboration with Non-Governmental Organizations (NGOs)

Along with revegetation and reclamation of ex-mining land, PTAR supports two non-governmental organisations (NGOs) in South Tapanuli, namely the Sumatra Barumon Tiger Sanctuary, which is managed by the Persamuhan Bodhicitta Mandala Medan Foundation (YPBMM), and the SCORPION Indonesia Foundation.

Selain melakukan revegetasi dan reklamasi lahan bekas tambang, PTAR juga memberikan dukungan kepada dua LSM yakni Sanctuary Harimau Sumatra Barumon yang dikelola oleh Yayasan Persamuhan Bodhicitta Mandala Medan (YPBMM) dan Yayasan SCORPION Indonesia untuk mendukung pelestarian keanekaragaman hayati di Tapanuli Selatan.

In 2021, PTAR provided additional support to YPBMM in the form of high-quality equipment and equipment to assist the Barumon Sumatran Tiger Sanctuary's operations in caring for Sumatran tigers involved in community conflicts. PTAR previously donated a car unit and an animal rescue cage, as well as contributed to Sri Nabila's release into the Kappi Forest, Gunung Leuser National Park (TNGL). The Company was recognised for its efforts and support by the Ministry of Environment and Forestry, via the Directorate General of Natural Resources and Ecosystem Conservation.

Meanwhile, the SCORPION Indonesia Foundation is making a significant difference in South Tapanuli's animal protection and conservation efforts. In 2021, PTAR assisted the SCORPION Indonesia Foundation in constructing an Animal Rescue Center in Hapesong Baru Village, Batangtoru District. Furthermore, the Company's support has enabled the SCORPION Indonesia Foundation to consistently deliver superior programmes such as wildlife patrols, public education about wildlife protection, and early warnings about endangered species sightings.

In addition, support for other non-governmental organisations continue. PTAR, for example, held a meeting last year with NGOs concerned with biodiversity conservation and members of the Batangtoru Conservation Activists to solicit input on PTAR's environmental management efforts. Batangtoru Conservation Activists is comprised of 23 local non-governmental organisations.

Pada tahun 2021, PTAR kembali memberikan dukungan kepada YPBMM dalam bentuk perlengkapan dan peralatan berkualitas tinggi untuk mendukung operasional Sanctuary Harimau Sumatra Barumon dalam merawat harimau Sumatra yang terlibat konflik dengan masyarakat. PTAR sebelumnya telah menyumbangkan unit mobil dan kandang penyelamat satwa dan berkontribusi terhadap pelepasliaran harimau Sumatra Sri Nabila ke Hutan Kappi, Taman Nasional Gunung Leuser (TNGL). Atas upaya dan dukungan ini, Perusahaan mendapatkan penghargaan dari Kementerian Lingkungan Hidup dan Kehutanan, melalui Direktorat Jenderal Konservasi Sumber Daya Alam dan Ekosistem.

Sementara itu, Yayasan SCORPION Indonesia, memiliki kontribusi yang signifikan terhadap perlindungan satwa dan konservasi di Tapanuli Selatan. Pada tahun 2021, PTAR mendukung Yayasan SCORPION Indonesia dalam pembangunan Animal Rescue Centre di Desa Hapesong Baru, Kecamatan Batangtoru. Tak hanya itu, dukungan Perusahaan juga memungkinkan Yayasan SCORPION Indonesia untuk secara konsisten melakukan berbagai program unggulan mereka seperti patroli satwa liar, edukasi masyarakat untuk perlindungan satwa liar, dan peringatan dini untuk penampakan spesies yang terancam punah.

Dukungan terhadap LSM lainnya pun terus dilakukan. Salah satunya, pada tahun lalu, PTAR melakukan pertemuan dengan LSM yang peduli terhadap pelestarian keanekaragaman hayati yang tergabung dalam Penggiat Konservasi Batangtoru untuk menerima berbagai masukan terkait upaya-upaya pengelolaan lingkungan PTAR. Total terdapat 23 LSM lokal anggota Penggiat Konservasi Batangtoru.



**Biodiversity and Environmental Management**  
Pengelolaan Lingkungan dan Keanekaragaman Hayati

## Kerja Sama dengan Peneliti dan Institusi Pendidikan

### Collaboration with Researchers and Educational Institutions

PTAR also collaborates with a number of leading universities in the fields of education, science, research, and biodiversity conservation. These collaborations include the Bogor Agricultural Institute (IPB), the National University (Unas), the University of North Sumatera (USU), the Muhammadiyah University of South Tapanuli (UMTS), and Afa Royhan University (UNAR) in Padangsidempuan. Several activities have been conducted, including a survey of the composition and diversity of flora and fauna near the proposed Martabe Gold Mine development site and a training session on Pre-Land Clearing Fauna inspection with forestry experts from the University of North Sumatera's (USU) Faculty of Forestry. To formulate the Company's policy on biodiversity, PTAR has partnered with several leading researchers.

PTAR juga melakukan kerja sama dengan beberapa Perguruan Tinggi terkemuka di bidang pendidikan, sains, penelitian, dan konservasi keanekaragaman hayati. Kerja sama tersebut di antaranya dengan Institut Pertanian Bogor (IPB), Universitas Nasional (Unas), Universitas Sumatera Utara (USU), Universitas Muhammadiyah Tapanuli Selatan (UMTS), dan Universitas Afa Royhan (UNAR) di Padangsidempuan. Beberapa kegiatan yang telah dilakukan di antaranya survei komposisi dan keanekaragaman flora dan fauna di lokasi rencana pengembangan Tambang Emas Martabe. Selain itu, dilaksanakan pula pelatihan Pre-Land Clearing Fauna Inspection bersama tenaga ahli kehutanan dari Fakultas Kehutanan, Universitas Sumatera Utara (USU). Untuk merumuskan kebijakan Perusahaan terkait keanekaragaman hayati, PTAR menjalin kemitraan dengan beberapa peneliti terkemuka.

## Responding to Climate Change

### Menanggapi Perubahan Iklim

PTAR recognises the enormous risks and consequences that climate change poses to the global community. In 2021, the Company hired external consultants to help it implement significant improvements to its greenhouse gas (GHG) accounting and reporting practices in order to fully comply with the Greenhouse Gas Protocol (GHGP) and Global Reporting Initiative (GRI) Standards. This is intended to aid in identifying potential emission reduction measures, such as improved energy efficiency and a better understanding of the Company's greenhouse gas emissions (GHG) footprint.

PTAR menyadari risiko dan konsekuensi besar yang ditimbulkan oleh perubahan iklim terhadap komunitas global. Pada tahun 2021, Perusahaan melibatkan konsultan eksternal untuk membantu dalam menerapkan peningkatan signifikan pada praktik akuntansi dan pelaporan gas rumah kaca (GRK) agar mematuhi Standar Protokol Gas Rumah Kaca (GRK) dan standar Global Reporting Initiative (GRI). Hal ini dapat membantu mengidentifikasi langkah-langkah pengurangan emisi potensial, seperti peningkatan efisiensi energi dan pemahaman yang lebih baik tentang jejak emisi gas rumah kaca (GRK) Perusahaan.

Meanwhile, the following initiatives are planned for 2022 in support of continuous improvement of environmental management at the Martabe Gold Mine:

- Implementation of Environmental Management System ISO 14001
- Implementation of solar panel installation to reduce electricity consumption from a non-renewable source.
- Hazardous waste utilization to reduce fuel consumption in blasting activities.
- Increasing recycling of domestic waste by installation of waste sortation facilities.
- Construction of Tailing Management Facilities (TMF) for filtered tailing placement to cover the production of tailing in the mine life.

Sementara itu, inisiatif berikut direncanakan untuk tahun 2022 dalam mendukung perbaikan berkelanjutan pengelolaan lingkungan di Tambang Emas Martabe:

- Implementasi ISO 14001: Sistem Manajemen Lingkungan
- Implementasi pemasangan panel surya untuk mengurangi konsumsi listrik dari sumber daya yang tidak terbarukan.
- Pemanfaatan limbah Bahan Berbahaya dan Beracun (B3) untuk mengurangi konsumsi bahan bakar dalam kegiatan peledakan.
- Meningkatkan daur ulang sampah domestik dengan pemasangan fasilitas pemilahan sampah.
- Pembangunan *Tailing Management Facilities* (TMF) untuk penempatan *tailing* dan menutupi produksi *tailing* pada kegiatan operasional tambang.

## Protection of Downstream Waters

### Perlindungan Perairan Hilir

Surface water management is an essential factor of the Martabe Gold Mine. Rainfall is abundant compared to most mining operations, in this year at Martabe rainfall intensity averaged 4,553 millimetres. As a result, the site has a net positive water balance and excess water must be continuously discharged into the nearby Batangtoru River. This water is treated in a Water Polishing Plant (WPP) before discharge to remove all potential contaminants. This activity is entirely permissible under Indonesian law and is strictly regulated to ensure no adverse effect on downstream water quality.

In 2021, the discharge remained fully compliant with permit requirements, continuing an unbroken record of permit compliance dating back to the start of operations. For the ninth consecutive year, an independent monitoring team appointed by the Governor of North Sumatra verified this result. Additionally, the University of North Sumatra maintained a River Health Monitoring Programme established in 2014 to monitor the condition of waterways surrounding the site. The results indicated that mine discharge had had no discernible environmental impact on the river.

Pengelolaan air permukaan merupakan kegiatan penting di Tambang Emas Martabe. Curah hujan yang tinggi dibandingkan sebagian besar operasi penambangan dengan rata-rata 4.553 milimeter. Akibatnya, lokasi tersebut memiliki neraca air bersih positif dan kelebihan air harus terus menerus dibuang ke Sungai Batangtoru di dekatnya. Sebelum dibuang dari lokasi, air ini diolah di Instalasi Pengolahan Air untuk menghilangkan semua potensi kontaminan. Kegiatan ini sepenuhnya diperbolehkan menurut hukum Indonesia dan diatur secara ketat untuk memastikan tidak ada dampak buruk pada kualitas air hilir.

Pada tahun 2021, air sisa proses sepenuhnya telah sesuai dengan standar baku mutu dan melanjutkan catatan kepatuhan izin yang sudah ada sejak awal beroperasi. Selama sembilan tahun berturut-turut, tim pemantau independen yang ditunjuk Gubernur Sumatra Utara memberikan verifikasi atas hasil ini. Selain itu, Universitas Sumatera Utara (USU) mempertahankan Program Pemantauan Kesehatan Sungai yang didirikan pada tahun 2014 untuk memantau kondisi saluran air di sekitar lokasi. Hasil penelitian menunjukkan bahwa air sisa proses dari tambang tidak memiliki dampak lingkungan yang signifikan di sekitar sungai.





## Disposal of Tailings

### Pembuangan *Tailing*

The tailings from the Martabe Gold Mine are disposed of in a Tailings Storage Facility (TSF). The safety of tailings disposal is the Company's top priority and a comprehensive set of measures has been put in place to ensure that the risk associated with the Martabe TSF is minimised through industry-leading practices. These measures are summarised below:

- The TSF was designed by an internationally recognised and highly experienced geotechnical engineering consultancy firm.
  - The embankment comprises carefully designed zones of compacted rock, clay and sand, constructed by the "downstream lifting" method.
  - The design complies with safety criteria specified by the International Committee on Large Dams (ICOLD) and has been reviewed and approved by the Indonesian Dam Safety Committee.
  - Construction of the embankment is verified through ongoing Quality Assurance (QA) and Quality Control (QC) programme.
  - Excess water in the TSF from rainfall is quickly removed by pumping excess water to the WPP.
  - Tailings are discharged in a manner that maximises tailings beach consolidation and strength.
  - An extensive Condition Monitoring Program is in place with monitoring results reviewed on an ongoing basis by the design consultant.
  - A TSF Safety Steering Committee regularly reviews the TSF safety status.
  - An annual independent review of the facility is conducted by highly experienced TSF independent experts.
- Tailings* dari Tambang Emas Martabe dibuang di *Tailings Storage Facility* (TSF). Keamanan pembuangan *tailings* adalah prioritas utama Perusahaan dan serangkaian tindakan komprehensif telah dilakukan untuk memastikan bahwa risiko yang terkait dengan TSF Martabe dapat diminimalkan melalui praktik-praktik industri terkemuka. Langkah-langkah ini diringkas antara lain sebagai berikut:
- TSF dirancang oleh sebuah perusahaan konsultan teknik geoteknik yang diakui secara internasional dan sangat berpengalaman.
  - Membangun tanggul yang terdiri dari zona batuan padat, tanah liat dan pasir serta dirancang dengan hati-hati dan dibangun menggunakan metode "pengangkatan ke hilir".
  - Desain memenuhi kriteria keamanan yang ditentukan oleh International Committee on Large Dams (ICOLD) serta telah ditinjau dan disetujui oleh Komite Keamanan Bendungan Indonesia.
  - Pembangunan tanggul diverifikasi melalui program jaminan kualitas dan kendali mutu (QA/QC) yang berkelanjutan.
  - Kelebihan air di TSF dari curah hujan dengan cepat dihilangkan dengan memompa kelebihan air ke WPP.
  - Pembuangan *tailings* dilakukan dengan cara yang memaksimalkan konsolidasi dan kekuatan pantai *tailings*.
  - Program Pemantauan Kondisi ekstensif tersedia dengan hasil pemantauan ditinjau secara berkelanjutan oleh konsultan desain.
  - Komite Pengarah Keamanan TSF secara teratur meninjau status keamanan TSF.
  - Tinjauan independen tahunan atas fasilitas tersebut dilakukan oleh para ahli independen TSF yang sangat berpengalaman.

**MARTABE GOLD MINE TSF**  
**TSF TAMBANG EMAS MARTABE**

Downstream lifting using engineered compacted zones of rock, clay and sand  
Downstream lifting menggunakan rekayasa batu, tanah liat dan pasir yang dipadatkan

In 2021, a total of 4.9 million tonnes of tailings was placed in the TSF without any incidents and by the Code of Practice Safe Tailings Placement. The embankment crest was raised four meters to meet design specifications for additional capacity. The number of discharge points was increased to ensure more even distribution of tailings along the embankment and additional instrumentation was installed to aid in condition monitoring. Water was kept to a minimum in TSF and this, combined with meticulous deposition practices, resulted in a well-consolidated tailings beach with water kept away from the embankment.

Tailings placement planning continued in 2021 with the completion of detailed design studies for a second tailings facility. This facility will assist in meeting the mine's life of mine tailings disposal requirements based on current Ore Reserves, utilizing dewatered tailings placement and compaction, a relatively new technique that offers significant risk reduction and final closure benefits.

Pada tahun 2021, total 4,9 juta ton *tailing* ditempatkan di TSF tanpa insiden dan sesuai dengan Kode Praktik Penempatan Tailing yang Aman. Jumlah titik pembuangan ditingkatkan untuk memastikan distribusi tailing yang lebih merata di sepanjang tanggul, dan instrumentasi tambahan dipasang untuk membantu pemantauan kondisi. Air dijaga seminimal mungkin di TSF dengan dikombinasikan dengan praktik pengendapan yang baik, menghasilkan pantai *tailing* yang terkonsolidasi dengan baik dengan air yang dijauhkan dari tanggul.

Perencanaan penempatan tailing dilanjutkan pada tahun 2021 dengan selesainya studi desain rinci untuk fasilitas tailing kedua. Fasilitas ini akan membantu memenuhi persyaratan pembuangan tailing tambang berdasarkan Cadangan Bijih saat ini, memanfaatkan penempatan dan pemadatan tailing yang dikeringkan, teknik yang relatif baru yang menawarkan pengurangan risiko yang signifikan dan manfaat penutupan akhir.

## Safe Disposal of Waste Rock

### Penempatan Batu Buangan Secara Alami

Construction of the TSF embankment and the planned second tailings facility at the Martabe Gold Mine will use almost all of the waste rock produced over the mine's life. As a result, unlike most mines, there will be no need to dispose of waste rock in large waste rock dumps on an ongoing basis.

As is customary in metalliferous mines, some of the waste rock generated by mining at Martabe contains sulphide minerals that produce acid when exposed to air. If left unchecked, this could result in acidic leachate containing metals following rainfall, a condition that is known as Acid Mine Drainage (AMD). At the Martabe Gold Mine, AMD risk is successfully managed by enclosing potentially acid-forming materials within the TSF embankment with compacted layers of rock to prevent oxygen entry. This method of controlling AMD reflects industry-leading practice and measurement of conditions within the embankment in 2021 has continued to verify its ongoing effectiveness.

Pembangunan tanggul TSF dan fasilitas *tailing* kedua yang direncanakan di Tambang Emas Martabe menggunakan hampir semua batuan sisa yang dihasilkan selama umur tambang. Akibatnya, tidak seperti kebanyakan wilayah operasi tambang, Perusahaan tidak perlu menempatkan batu buangan di tempat penimbunan batu buangan yang besar.

Seperti tipikal tambang logam, beberapa batuan sisa yang dihasilkan oleh penambangan di Martabe mengandung mineral sulfida yang menghasilkan asam jika terpapar ke atmosfer. Jika dibiarkan, hal ini dapat mengakibatkan lindi asam yang mengandung logam setelah hujan, kondisi ini dikenal sebagai Drainase Asam Tambang (DAL). Di Tambang Emas Martabe, risiko DAL berhasil dikelola dengan pencegahan bahan yang berpotensi membentuk asam di dalam tanggul TSF melalui lapisan batuan yang dipadatkan untuk mencegah masuknya oksigen. Metode pengendalian DAL dapat mencerminkan praktik kerja unggulan Perusahaan. Pengukuran yang dilakukan Perusahaan pada tahun 2021 memverifikasi keefektifan metode ini.

## Disposal of Hazardous Industrial Wastes

### Pengelolaan Limbah Industri Berbahaya

All industrial waste produced at the Martabe Gold Mine, classified under regulation as hazardous and toxic (B3) waste is disposed of by delivery to a licenced waste processing facility. In 2021, 568 tonnes of waste were managed in this manner in full compliance with permit and regulatory requirements and without incident.

Semua limbah industri yang dihasilkan di Tambang Emas Martabe yang diklasifikasikan berdasarkan peraturan sebagai limbah berbahaya dan beracun (B3), dibuang dengan cara melakukan pengiriman ke fasilitas pengolahan limbah yang memiliki izin. Pada tahun 2021, 568 ton limbah dikelola dengan cara ini sepenuhnya sesuai dengan persyaratan izin dan peraturan dan tanpa insiden.





**Iswandi, Senior Field Assistant Rehabilitation from the Environment Department, installs and controls camera traps to monitor the presence of animals in the operational area of the Martabe Gold Mine. PTAR is strongly committed to taking part in maintaining the existing biodiversity.**

Iswandi, Senior Field Assistant Rehabilitation dari Departemen Environment memasang dan mengontrol kamera perangkap untuk memantau keberadaan satwa di kawasan operasional Tambang Emas Martabe. PTAR berkomitmen kuat untuk turut menjaga keanekaragaman hayati yang ada.



## 07

## HUMAN RESOURCES

### SUMBER DAYA MANUSIA

PTAR values human resources as an important asset in our success. Through their actions, we move forward. We strive to ensure that all employees are in a proper and conducive work environment where different backgrounds, gender and cultures.

PTAR menghargai sumber daya manusia sebagai aset penting dalam kesuksesan Perusahaan. Melalui kemampuan setiap karyawan, Perusahaan selalu bergerak ke arah yang lebih baik. Perusahaan berupaya untuk memastikan bahwa semua karyawan berada dalam lingkungan kerja yang layak dan kondusif tanpa melihat adanya perbedaan latar belakang, gender, dan budaya.





Melati Asmarita, Boilermaker/Welder Trainee and Trimo Ratmono, Mechanical Trade Trainee installed the CR-001 jaw crusher jack shaft bearing. Both are part of the Apprentice Program which provides capacity building opportunities for local employees.

Melati Asmarita, Trainee Boilermaker/Welder dan Trimo Ratmono, Trainee Mechanical Trade memasang bearing jack shaft jaw crusher CR-001. Keduanya merupakan bagian dari Program Apprentice yang memberikan kesempatan pengembangan kapasitas bagi para karyawan lokal.



## Introduction

### Pendahuluan

PTAR's accomplishments each year are inextricably linked to the presence of a highly skilled workforce. The Human Resources (HR) Division is always committed to carrying out its functions and roles to recruit, develop and retain a workforce with the competencies necessary to achieve the Company's goals, including knowledge, skills and positive behaviour, responsibility and integrity. HR's functions and roles begin with the selection and recruitment of prospective employees, followed by the implementation of an appropriate compensation and benefits system, the provision of training and development to support the improvement of each employee's expertise, including opportunities for employee career advancement and the creation and maintenance of harmonious relations between employees with the Company.

PTAR's employees work in a variety of disciplines and functional areas, including engineering, metallurgy, mining, processing, geology, surveying, mine planning, maintenance and processing, information technology, human resources, public relations, corporate communications, government relations, accounting, taxation, law, finance, logistics, training and development, occupational health and safety and the environment.

PTAR is dedicated to the growth and well-being of its employees. The company is committed to continuous improvement and to managing its workforce effectively to achieve the following key outcomes:

- Complete compliance with applicable laws and regulations, especially those issued by the Ministry of Manpower and other applicable laws.
- Workers who possess the knowledge, abilities and moral character necessary to perform their duties, responsibilities and roles.

Pencapaian PTAR setiap tahunnya tidak terlepas dari keberadaan karyawan yang memiliki keahlian tinggi. Divisi Sumber Daya Manusia (SDM) senantiasa berkomitmen dalam menjalankan fungsi dan perannya untuk menerima, mengembangkan dan mempertahankan tenaga kerja yang memiliki kompetensi meliputi pengetahuan, keahlian, dan perilaku yang baik, bertanggung jawab, dan integritas yang sangat menunjang pencapaian tujuan Perusahaan. Fungsi dan peran SDM dimulai dari proses seleksi dan penerimaan calon karyawan, dilanjutkan dengan penerapan sistem kompensasi dan *benefit* yang sesuai, pemberian pelatihan dan pengembangan untuk mendukung peningkatan keahlian setiap karyawan, termasuk memberikan peluang peningkatan karier karyawan, dan terpeliharanya hubungan yang harmonis antara karyawan dengan Perusahaan.

Karyawan PTAR bekerja di berbagai disiplin ilmu dan bidang fungsional, termasuk teknik, metalurgi, pertambangan, pengolahan, geologi, survei, perencanaan tambang, pemeliharaan dan pengolahan, teknologi informasi, sumber daya manusia, hubungan masyarakat, komunikasi perusahaan, hubungan pemerintah, akuntansi, perpajakan, hukum, keuangan, logistik, pelatihan dan pengembangan, kesehatan dan keselamatan kerja, serta lingkungan.

PTAR berupaya untuk terus meningkatkan kualitas dan dan kesejahteraan karyawan. Perusahaan berkomitmen mengelola tenaga kerja secara efektif agar mencapai hasil utama sebagai berikut:

- Kepatuhan penuh terhadap peraturan dan perundang-undangan terutama dari Kementerian Ketenagakerjaan dan undang-undang terkait lainnya.
- Tenaga kerja yang memiliki kemampuan pengetahuan, keahlian, dan perilaku yang baik untuk menjalankan tugas, tanggung jawab, dan perannya.

- The institutionalisation of human resources across the organisation to ensure that roles and responsibilities meet the needs of the business.

Several human resource functions and roles are necessary to accomplish these goals outlined in this section. For more information, please see PTAR's 2021 Sustainability Report.

- Pelembagaan sumber daya manusia di seluruh organisasi melalui Departemen SDM untuk memastikan peran dan tanggung jawab dapat memenuhi kebutuhan bisnis.

Beberapa fungsi dan peran sumber daya manusia diperlukan untuk mencapai tujuan yang diuraikan dalam bagian ini. Informasi lebih lanjut terkait dijelaskan pada Laporan Keberlanjutan 2021 PTAR.

## Overview of Our Human Resources

### Gambaran Umum Karyawan Kami

In 2021, PTAR employed 3,439 people, consisting of 925 PTAR employees and 2,514 contractor employees. Of the overall workforce, 73.92% of the people were recruited locally and 0.49% were foreigners. Company employees account for a total of 858 permanent employees and 67 fixed-term employees.

A total of 889 Company employees were based at the Martabe Gold Mine; while 36 were based in Jakarta. Contractor companies' employees play a huge role in PTAR's operations.

Pada tahun 2021, PTAR mempekerjakan 3.439 karyawan, terdiri dari 925 karyawan PTAR dan 2.514 karyawan kontraktor. Dari keseluruhan karyawan, sebesar 73,92% merupakan karyawan yang berasal dari masyarakat setempat dan hanya 0,49% yang merupakan karyawan asing. Karyawan Perusahaan berjumlah total 858 karyawan tetap dan 67 karyawan tetap.

Sebanyak 889 karyawan Perusahaan berlokasi kerja di Tambang Emas Martabe; sedangkan 36 orang karyawan bekerja di Jakarta. Karyawan perusahaan kontraktor memiliki peran besar dalam kegiatan operasional PTAR.

#### PTAR EMPLOYEES SOURCE ASAL KARYAWAN PTAR

PTAR Employees Source	2021	%	2020	%	2019	%
Expatriate	17	0.49%	18	0.6%	46	1.4%
National Nasional	880	25.59%	763	26.2%	817	25.0%
DAV	1,907	55.45%	1,724	59.1%	1,757	47.4%
Local Lokal	635	18.46%	466	14.1%	686	21.0%
Total Jumlah	<b>3,439</b>	100%	<b>2,971</b>	100%	<b>3,306</b>	100%

Note | Keterangan:

\*) Includes contractor employees

\*) Termasuk karyawan kontraktor





## Recruitment and Promotion

### Rekrutmen dan Promosi

Employees are hired based on their suitability for the role, merit and potential for advancement. The recruitment process prioritises the needs of each department; employees are promoted based on their performance and accomplishments, taking into account job competencies and potential for further development. Notably, job openings are initially advertised internally, then locally and, based on the requirements, the position also might be advertised nationally.

The Company offers development opportunities to all employees regardless of their background, as evidenced by the composition of national employees at the managerial and higher levels. This is demonstrated by the presence of 925 national employees, 553 of whom are local and 365 of whom are non-local at the managerial level or higher. Only 7 expatriates at the specialist, manager level or higher worked for the Company.

One of PTAR's primary strategies is to hire locally to ensure that local communities directly benefit from the Martabe Gold Mine operation. At the end of 2021, almost **73.92%** of the Martabe Gold Mine employees were local people, exceeding the target of 70% set in the Environmental Impact Assessment.

Karyawan direkrut berdasarkan kesesuaian tanggung jawab pekerjaan, prestasi, dan potensi untuk kemajuan Perusahaan. Proses seleksi karyawan mengutamakan kebutuhan masing-masing departemen; karyawan dipromosikan berdasarkan kinerja dan prestasi dengan mempertimbangkan kompetensi pekerjaan dan potensi untuk pengembangan lebih lanjut. Pemberitahuan lowongan pekerjaan dilakukan secara berjenjang dengan prioritas utama adalah secara internal, kemudian secara lokal, dan tergantung pada posisinya, serta berdasar kriteria lowongan pekerjaan tersebut diiklankan secara nasional.

Perusahaan memberikan kesempatan pengembangan kepada semua karyawan di setiap level tanpa memandang latar belakang, hal ini dapat terlihat dalam komposisi karyawan nasional pada level manajerial dan yang lebih tinggi. Hal ini ditunjukkan dengan adanya 925 karyawan nasional, 553 karyawan karyawan lokal dan 365 karyawan non-lokal pada level manajerial atau lebih tinggi. Hanya terdapat tujuh karyawan ekspatriat di tingkat spesialis, manajer atau lebih tinggi yang bekerja di Perusahaan.

Salah satu strategi utama PTAR adalah mempekerjakan karyawan lokal untuk memastikan bahwa masyarakat setempat mendapat manfaat langsung dari operasi Tambang Emas Martabe. Pada akhir tahun 2021, hampir **73,92%** karyawan Tambang Emas Martabe adalah masyarakat lokal, melebihi target 70% yang ditetapkan dalam Analisis Mengenai Dampak Lingkungan (AMDAL).

## Code of Ethics and Business Conduct ('KEPU')

### Kode Etik dan Perilaku Usaha ('KEPU')

The Code of Ethics and Business Conduct ('KEPU') of PTAR and its subsidiaries emphasizes the high standards of business conduct expected of all employees, officers and directors. KEPU was developed as part of the Company's ongoing efforts to ensure compliance with Company policies and regulations, as well as applicable laws and regulations and to act responsibly and with integrity in all aspects of working at Martabe Gold Mine, both internally and externally, including with suppliers and the broader community.

KEPU outlines the Company's operating principles and how employees, officers and directors are expected to act and behave. It is determined by the Company's underlying core values of growth, respect, excellence, action and transparency. KEPU embodies the Company's core values in practice and serves as an integrity pact, requiring all PTAR employees to continue growing by demonstrating high integrity in the performance of their job duties and responsibilities.

All employees, officers and directors of PTAR receive induction on KEPU and are required to sign a written agreement pledging compliance with the Company's Code of Ethics before beginning employment with the Company. The document is legally binding and employees may be disciplined if evidence of a breach is discovered. Additionally, the Company provides a Conflict of Interest form for management submission. If an employee is suspected of violating the code, a report can be made to the director.

Kode Etik dan Perilaku Usaha ('KEPU') PTAR menekankan standar tinggi perilaku bisnis yang diharapkan dari semua karyawan, pejabat, dan direktur. KEPU dikembangkan sebagai bagian dari upaya berkelanjutan Perusahaan untuk memastikan kepatuhan terhadap kebijakan dan peraturan Perusahaan, serta hukum dan undang-undang yang berlaku, untuk bertindak secara bertanggung jawab dan berintegritas dalam bekerja di lingkungan Tambang Emas Martabe demi kepentingan Perusahaan baik dengan pihak internal maupun eksternal, seperti kepada pemasok dan masyarakat luas.

KEPU mengatur prinsip-prinsip operasi Perusahaan dan cara karyawan, pejabat, dan direktur untuk bertindak dan berperilaku. Hal ini ditentukan oleh nilai-nilai inti Perusahaan yang mendasari pertumbuhan, penghargaan, keunggulan, aksi nyata, dan transparansi. KEPU mengandung penerapan praktis nilai-nilai inti Perusahaan dan merupakan suatu pakta integritas agar semua karyawan PTAR diharapkan dapat terus bertumbuh dengan mengubah perilaku yang berintegritas tinggi dalam menjalankan tugas dan tanggung jawab pekerjaannya.

Semua karyawan, pejabat, dan direktur PTAR menerima induksi tentang KEPU dan wajib menandatangani perjanjian tertulis yang menyatakan kepatuhan terhadap Kode Etik Perusahaan sebelum mulai bekerja di Perusahaan. Dokumen tersebut mengikat secara hukum, dan karyawan dapat dikenakan sanksi disipliner jika bukti pelanggaran ditemukan. Selain itu, Perusahaan menyediakan formulir Benturan Kepentingan untuk diserahkan kepada manajemen. Jika ada karyawan yang diduga melanggar kode etik, dapat dilaporkan kepada direktur.

## Whistleblowing System (WBS)

### *Whistleblowing System (WBS)*

To order to support the implementation of good corporate governance principles and the implementation of the Company's Values, Code of Ethics and Business Conduct ("KEPU"), an appropriate system/mechanism involving all employees are needed to maintain and oversee the implementation of good corporate governance. Execution of Company's activities to comply with the KEPU and/or the Company's regulations as well as the prevailing laws and regulations.

The Whistleblowing System (WBS) is a mechanism for the Company to respond to the alleged violations or fraud report that may harm the Company or other matters related to the violations of the KEPU, Company's policies, tailings facility integrity and/or applicable laws and regulations.

This WBS is expected to improve a conducive work environment and facilitate stakeholders and employees to report harmful activities for the Company's financial or non-financial aspect which may impact the Company's reputation and business continuity based on valid information evidence.

The scope of this WBS policy is a reporting mechanism for Alleged Violation from the Employees, Contractors, or other parties outside the Company to the Company related to all activities that may be harmful to the Company and/or violation of KEPU, degradation of tailings facility integrity, non-compliance with Company's policies and/or prevailing laws and regulations and a follow-up mechanism conducted by the Company.

Untuk mendukung penerapan prinsip-prinsip tata kelola perusahaan yang baik dan penerapan Nilai-Nilai Inti Perusahaan, Kode Etik dan Perilaku Bisnis ("KEPU"), maka diperlukan sistem/mekanisme tepat yang melibatkan seluruh karyawan untuk menjaga dan mengawasi pelaksanaan tata kelola perusahaan yang baik. Tata kelola dan pelaksanaan kegiatan Perusahaan dilakukan untuk mematuhi KEPU dan/atau peraturan Perusahaan serta peraturan perundang-undangan yang berlaku.

*Whistleblowing System (WBS)* adalah mekanisme bagi Perusahaan untuk menanggapi laporan dugaan pelanggaran atau kecurangan yang dapat merugikan Perusahaan atau hal-hal lain yang terkait dengan pelanggaran KEPU, kebijakan Perusahaan, integritas fasilitas tailing dan/atau peraturan perundang-undangan yang berlaku.

WBS ini diharapkan dapat meningkatkan lingkungan kerja yang kondusif serta memudahkan pemangku kepentingan dan karyawan untuk melaporkan kegiatan yang merugikan bagi aspek keuangan maupun non keuangan Perusahaan di mana dapat berdampak pada reputasi dan kelangsungan usaha Perusahaan berdasarkan bukti informasi yang valid.

Ruang lingkup kebijakan WBS ini adalah mekanisme pelaporan Dugaan Pelanggaran dari Karyawan, Kontraktor, atau pihak lain di luar Perusahaan kepada Perusahaan terkait dengan segala kegiatan yang dapat merugikan Perusahaan dan/atau pelanggaran KEPU, penurunan integritas fasilitas *tailing*, ketidakpatuhan terhadap kebijakan Perusahaan dan/atau peraturan perundang-undangan yang berlaku serta mekanisme tindak lanjut yang dilakukan oleh Perusahaan.

Alleged Violation Reports/Indications of Violation that can be reported through this WBS are all actions that may be harmful to the Company violate the KEPU or in compliance with Company's policies and laws and regulation conducted by employees, contractors or sub-contractors who work for or act on behalf of the company, including but not limited to:

- Abuse of power
- Disclosure of Company's confidential information
- Requesting, receiving and/or granting prohibited gratification from and/or to the employee, supplier, contractor and/or government official (including the candidates)
- Embezzlement/misappropriation of Company's money
- Embezzlement/misappropriation of Company's asset
- Extortion
- Deception
- Document forgery
- Conflict of interest
- Corruption
- Theft
- Racism act and/or sexual harassment
- Company's ethic violation
- Threat to safety and security
- Misappropriation of narcotics and psychotropic
- Cyber security threat
- Violation of Collaborative Labor Agreement (CLA)
- Threat to tailings facility integrity
- Environmental pollution
- Violation of Company's policy/SOP and/or
- Violation of prevailing laws and regulations.

Every incoming report will be evaluated by the Violation Report Special Team (TKPP) to determine the next action to be taken. PTAR is committed to promote the Company's business management by applying the principles of Good Corporate Governance, which includes accountability, responsibility, independence, fairness and reasonableness.

Dugaan Pelaporan Pelanggaran/Indikasi Pelanggaran dapat dilaporkan melalui WBS dengan segala tindakan yang dapat merugikan Perusahaan, melanggar KEPU atau ketidakpatuhan terhadap kebijakan dan peraturan perundang-undangan Perusahaan yang dilakukan oleh karyawan, kontraktor atau subkontraktor yang bekerja untuk atau bertindak atas nama Perusahaan, seperti :

- Penyalahgunaan kekuasaan
- Pengungkapan informasi rahasia Perusahaan
- Meminta, menerima, dan/atau memberikan gratifikasi yang dilarang dari dan/atau kepada karyawan, pemasok, kontraktor, dan/atau pejabat pemerintah (termasuk calon)
- Penggelapan/penyelewengan uang Perusahaan
- Penggelapan/penyalahgunaan aset Perusahaan
- Pemasaran
- Penipuan
- Pemalsuan dokumen
- Konflik kepentingan
- Korupsi
- Pencurian
- Tindakan rasisme dan/atau pelecehan seksual
- Pelanggaran etika perusahaan
- Ancaman terhadap keselamatan dan keamanan
- Penyalahgunaan narkoba dan psikotropika
- Ancaman keamanan siber
- Pelanggaran Perjanjian Kerja Bersama (PKB)
- Ancaman terhadap integritas fasilitas *tailing*
- Pencemaran lingkungan
- Pelanggaran terhadap kebijakan/SOP Perusahaan, dan/atau
- Pelanggaran terhadap peraturan perundang-undangan yang berlaku

Setiap laporan yang masuk akan dievaluasi oleh Tim Khusus Pelaporan Pelanggaran (TKPP) untuk menentukan tindakan selanjutnya. PTAR berkomitmen untuk memajukan pengelolaan bisnis Perusahaan dengan menerapkan prinsip-prinsip Tata Kelola Perusahaan yang baik, meliputi akuntabilitas, tanggung jawab, independensi, keadilan, dan kewajaran.



## Employee Remuneration and Benefits

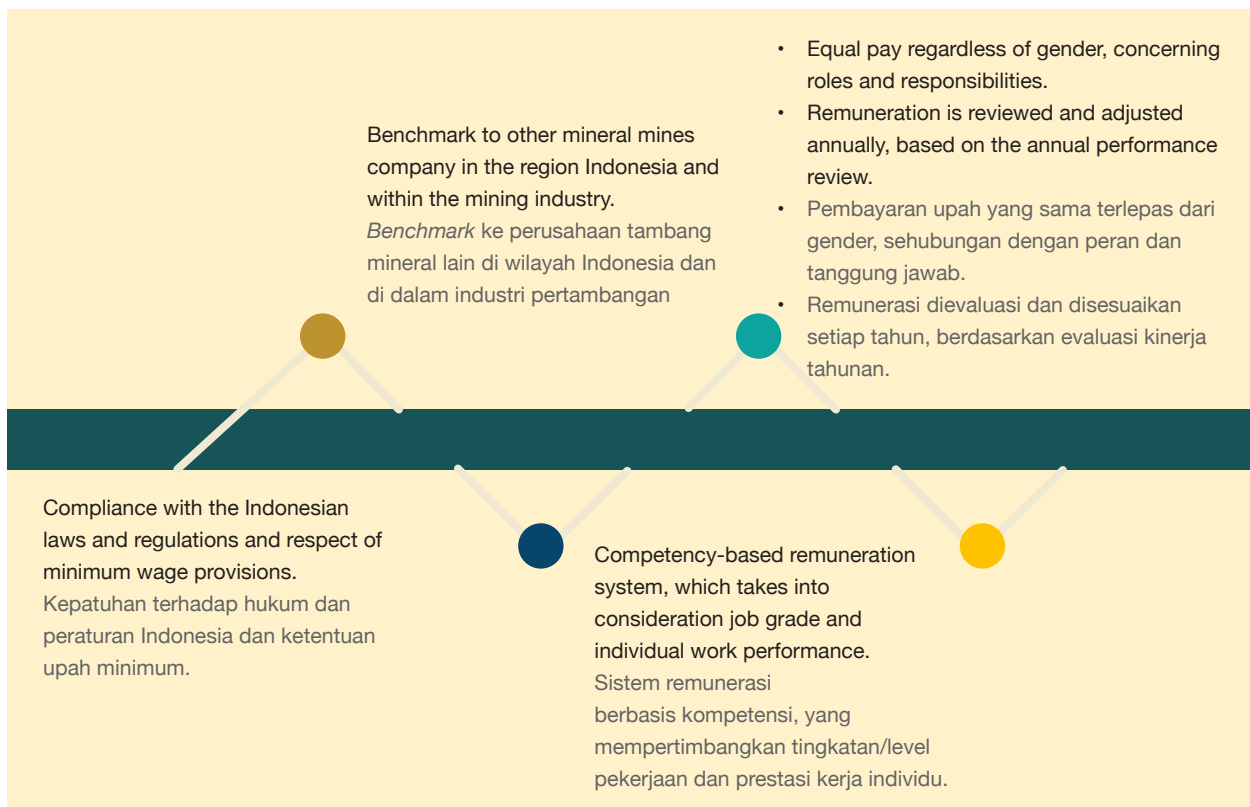
### Remunerasi dan Tunjangan Karyawan

The Company's employee remuneration comprises of salaries and bonuses, as well as non-cash benefits or employee benefits. Benefits include health insurance, educational assistance for employees' children, payment of premiums under the Workers' Social Security Programme (BPJS Ketenagakerjaan) and bereavement allowances.

The Company uses the following principles to determine employee remuneration.

Remunerasi karyawan Perusahaan terdiri dari gaji dan bonus, serta imbalan nontunai atau tunjangan karyawan. Tunjangan meliputi asuransi kesehatan, bantuan pendidikan untuk anak karyawan, pembayaran premi dalam Program Jaminan Sosial BPJS Ketenagakerjaan dan santunan duka cita.

Perusahaan menggunakan prinsip-prinsip berikut untuk menentukan remunerasi karyawan:



Remuneration is reviewed and adjusted annually based on the annual performance review.

Remunerasi ditinjau dan disesuaikan setiap tahun berdasarkan tinjauan kinerja tahunan.

## Our Performance

### Kinerja Kami

The Annual Performance Review is at the heart of performance management at PTAR; it is where employees' performance is compared to their job descriptions and targets and where personal goals for the coming year are agreed upon. Additionally, rewards are given for exceptional performance to motivate employees to excel in their roles. The company is always proactive in approaching and coaching employees whose performance falls short of the standards, both technically and behaviorally. This is done to aid employees in developing their skills to be competent in their fields. In 2021, all employees (100%) underwent a performance review.

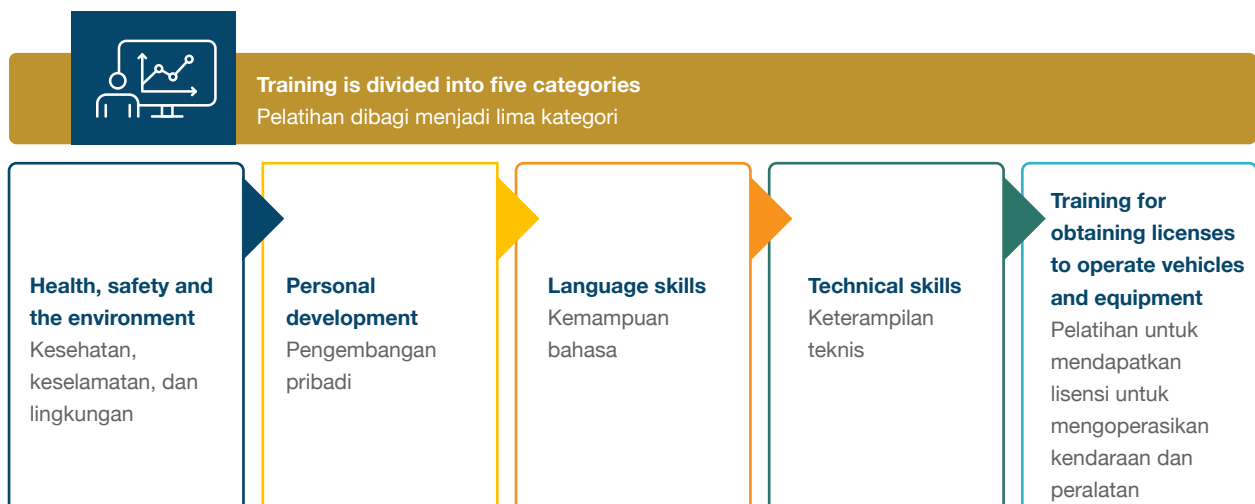
Tinjauan Kinerja Tahunan merupakan inti dari manajemen kinerja di PTAR; kinerja karyawan diukur dengan deskripsi pekerjaan dan target yang sudah ditentukan serta target pribadi yang disusun dan disepakati untuk tahun mendatang. Selain itu, Perusahaan memberikan penghargaan atas kinerja yang baik agar memotivasi karyawan berprestasi dalam perannya. Perusahaan senantiasa melakukan pendekatan dan coaching untuk kinerja yang tidak memenuhi standar baik secara teknis maupun perilaku, hal ini dilakukan sebagai suatu pembelajaran dan pengembangan karyawan dalam meningkatkan keahliannya agar kompeten di bidangnya. Pada tahun 2021, seluruh karyawan (100%) menjalani penilaian kinerja.

## Human Capital Development

### Pengembangan Sumber Daya Manusia

One of the keys to the Company's success is continuous employee human capital development. The Training and Development Department creates comprehensive broad-scale on-site training, while the relevant department develops and implements work-specific training. An online training management system is used to monitor and improve employee competency.

Salah satu kunci keberhasilan Perusahaan adalah mengembangkan sumber daya manusia karyawan secara kontinu. Departemen Pelatihan dan Pengembangan menciptakan pelatihan di tempat yang komprehensif dan berskala luas, sementara pelatihan khusus pekerjaan dikembangkan dan dilaksanakan oleh departemen terkait. Sistem manajemen pelatihan secara daring digunakan untuk memantau dan meningkatkan kompetensi karyawan.





**Human Resources**

Sumber Daya Manusia

PTAR continued its employee development efforts in 2021, completing 159 training sessions. The total number of employees who took part in the training was 2,688, with an average time of 21 hours per employee; contractor employees received 31,764 hours of training, while PTAR employees received 24,129 hours per year.

PTAR melanjutkan upaya pengembangan karyawan pada tahun 2021 dengan menyelesaikan 159 sesi pelatihan. Total karyawan yang mengikuti pelatihan sebanyak 2.688 orang dengan rata-rata waktu 21 jam per karyawan; karyawan kontraktor menerima pelatihan 31.764 jam, sedangkan karyawan PTAR menerima 24.129 jam per tahun.

**EMPLOYEE TRAINING IN 2021**

**TRAINING KARYAWAN DI TAHUN 2021**



In 2021, employee training was focused on the compliance of ESDM Regulatory Compliance Training for First Operational Supervisor (POP), Operations Supervisor Intermediate (POM) and Main Operations Supervisor (POU). Other Ministry of Energy and Mineral Resources (ESDM) Regulatory compliance training conducted in 2021 are SMKP Implementation Training and Mining Safety Management System (SMKP) Internal Auditor Training.

Pada tahun 2021, pelatihan karyawan difokuskan pada kepatuhan Pelatihan Kepatuhan Regulasi Kementerian Energi Sumber Daya Mineral (ESDM) bagi Pengawas Operasional Pertama (POP), Pengawas Operasional Menengah (POM), dan Pengawas Operasional Utama (POU). Pelatihan kepatuhan Regulasi ESDM lainnya yang dilakukan pada tahun 2021 adalah Pelatihan Implementasi Sistem Manajemen Keselamatan Pertambangan (SMKP) dan Pelatihan Auditor Internal SMKP.

A team of operators from the Processing Department are kept daily to ensure the factory operations run well and smoothly. By 2021, the PTAR processing plant has exceeded throughput in 2020, from 6.1 million tons to 6.16 million tons. The milling rate also increased to 755 tonnes per hour (tph) from 733 tph in 2020.

Tim operator dari Departemen Processing yang sehari-harinya bertugas untuk memastikan operasional pabrik pengolahan berjalan dengan baik dan lancar. Selama tahun 2021, pabrik pengolahan PTAR telah melebihi throughput pada 2020 yakni dari 6,1 juta ton menjadi 6,16 juta ton. Laju penggilingan juga meningkat menjadi 755 ton per jam (tph) dari 733 tph pada tahun 2020.



## Industrial Relations

### Hubungan Industrial

PTAR conducts its labour policies transparently and by Indonesian laws and regulations. The Company maintains cordial relations with the Ministry of Manpower and works cooperatively and respectfully with labour unions. PTAR ensures that its labour policies are consistently transparent to its workforce. In 2021 there were zero reported incidents reported incidents that occurred between employers and employees.

PTAR menjalankan kebijakan ketenagakerjaannya secara transparan dan sesuai dengan hukum dan peraturan perundang-undangan Republik Indonesia. Perusahaan menjaga hubungan baik dengan Kementerian Tenaga Kerja, Dinas Tenaga Kerja daerah dan provinsi, serta institusi lainnya seperti Kantor Imigrasi dan bekerja sama serta saling menghormati dengan serikat pekerja. PTAR memastikan bahwa kebijakan ketenagakerjaan secara konsisten transparan kepada seluruh karyawan. Pada tahun 2021 tidak ada laporan insiden antara pemberi kerja dan karyawan yang terjadi pada tahun 2021.



## Industrial Relations Settlement Mechanisms

### Mekanisme Penyelesaian Hubungan Industrial

Any employee grievance or complaint will be resolved fairly and respectfully through the following process:

Setiap keluhan atau pengaduan karyawan akan diselesaikan secara adil dan saling menghormati melalui proses berikut:



Grievance or complaint received is discussed with the Direct Supervisor with an aim of resolution. If the issue cannot be resolved at this level, it will be elevated to the next higher supervisory level.

Keluhan atau pengaduan yang diterima didiskusikan dengan Atasan Langsung dengan tujuan untuk diselesaikan. Jika masalah tidak dapat diselesaikan pada tingkat ini, maka akan diangkat ke tingkat pengawasan yang lebih tinggi berikutnya.

If the problem requires further resolution, it will be forwarded to the Company's HR Department, which will resolve it with bipartite handling.

Apabila permasalahan tersebut memerlukan penyelesaian lebih lanjut, maka akan diteruskan ke Departemen SDM Perusahaan, yang akan menyelesaikannya dengan penanganan bipartit.

Overall, PTAR strives to resolve conflicts, grievances and complaints internally and plans to expand its internal mediation capability in the coming years.

Secara keseluruhan, PTAR berusaha untuk menyelesaikan konflik, keluhan dan pengaduan secara internal dan berencana untuk memperluas kemampuan mediasi internalnya di tahun-tahun mendatang.

## Strategic Focus for PTAR

### Fokus Strategis untuk PTAR

#### Marsipature Programme

##### Program Marsipature

The Marsipature Programme was launched in 2017 to increase local worker absorption and career opportunities. The name is derived from the Batak language means "Let's Build." Martabe's naming process was an important part of the design "Marsipature Huta Nabe."

Program Marsipature dibentuk pada tahun 2017 dengan tujuan untuk meningkatkan penyerapan tenaga kerja lokal dan peluang karir. Nama ini berasal dari bahasa Batak dan berarti "Mari Membangun". Proses penamaan Martabe adalah bagian penting dari desain "Marsipature Huta Nabe."

The Marsipature programme is specifically designed to provide capacity building, training and development for the workforce. The focus is on trade and non-trade positions that are anticipated to enhance career opportunities for local employees. The Marsipature programme consists of:

1. Professional Development
2. Technical Development:
  - Non-Trades Training
  - Soft Skill Training
  - Trades (Apprentice)

In January 2019, our Apprenticeship Programme with PPNS (Surabaya State Polytechnic of Shipbuilding) continues to thrive, building upon our foundational cooperation established in 2019. The Program's training material consists of 25% theory and 75% practice. This Apprenticeship Programme is three years in length and covers mechanical, electrical & instrumentation and welding systems. At the end of 2021, the apprenticeship students consist of mechanical (7 people), electrical & instrumentation (7 people) and boilermaker (4 people).

Program Marsipature secara khusus dirancang untuk memberikan peningkatan kapasitas, pelatihan dan pengembangan bagi tenaga kerja. Fokusnya adalah pada posisi *trades* dan non-*trades* yang diharapkan dapat meningkatkan peluang karir bagi karyawan lokal. Program Marsipature terdiri dari:

1. Pengembangan profesional
2. Pengembangan Teknis:
  - Pelatihan Non-*trades*
  - Pelatihan *soft skill*
  - *Trades (Apprentice)*

Pada Januari 2019, PTAR bekerja sama dengan Politeknik Negeri Surabaya Perkapalan (PPNS) untuk mendukung Program *Apprentice*. Materi pelatihan Program *Apprentice* terdiri dari 25% teori dan 75% praktek. Program *Apprentice* ini berlangsung selama tiga tahun dan mencakup sistem mekanis, kelistrikan & instrumentasi, serta sistem pengelasan. Pada akhir tahun 2021, terdapat karyawan *Apprentice* sebagai mekanik (7 orang), elektrik dan instrumentasi (7 orang), dan mengelas (4 orang).

**The Company hopes to continue growing in the coming years through the Apprentice Program, particularly by expanding the number of trades expertise areas.**

**Perusahaan berharap melalui Program *Apprentice* dapat terus berkembang pada tahun-tahun mendatang, khususnya dalam peningkatan jumlah bidang keahlian *trades*.**

### Gender Diversity

The Company recognises the value of diversity in enabling it to develop agile and innovative responses to its challenges. To ensure workforce diversity, PTAR has incorporated gender policies into its recruitment and human resource systems through the 'Gender Diversity Policy.'

### Keberagaman Gender

Perusahaan menyadari nilai keberagaman dapat mengembangkan respons yang cepat dan inovatif terhadap tantangan Perusahaan. Untuk memastikan keberagaman karyawan, PTAR telah memasukan kebijakan gender ke dalam sistem rekrutmen dan sumber daya manusia melalui 'Kebijakan Keberagaman Gender.'



## Human Resources

Sumber Daya Manusia

The Gender Diversity Policy's primary objective is to advance gender diversity and equality in all aspects of the Company's operations. Regular training is conducted and a thematic Focused-Group Discussion is held at least once a year (FGD). Additionally, the policy has triggered the implementation of several additional human resources policies and codes of conduct:

- Anti-Harassment Policy
- Code of Practice on Managing Pregnancy-Related Work Restrictions
- Lactation Policy
- Maternity and Paternity Leave Policy
- Gender Diversity Policy

The Anti-Harassment Policy is an effort to eliminate workplace discrimination, intimidation, threats and harassment. Throughout the year, the Company conducts gender training and at least one focus group discussion on gender diversity. Additionally, on Kartini Day, we host a special event (a celebration of women's empowerment). In 2021, the Company got an invitation from the Indonesian Sustainable Development Goals Award (ISDA) as a speaker to share the implementation of Gender Diversity practice in PTAR. This is a national level recognition that PTAR is known to have the best practice for gender diversity in the mining industry.

The PTAR Code of Practice for Managing Pregnancy-Related Work Restrictions protects pregnant employees from workplace hazards while allowing them to continue working until their due date approaches. Pregnant employees can remain in the workforce longer, which benefits the company by retaining valuable employees.

Furthermore, the Company has a Lactation Policy, which means it provides support for breastfeeding employees. The Company also provides four months of paid maternity leave and two weeks of paternity leave.

Tujuan utama Kebijakan Keberagaman Gender adalah untuk mendorong keberagaman dan kesetaraan gender dalam seluruh aspek kegiatan perusahaan. Pelatihan rutin dilakukan dan *Focused-Group Discussion* tematik yang diadakan minimal setahun sekali. Selain itu, kebijakan tersebut beberapa kebijakan dan kode etik sumber daya manusia telah diterapkan:

- Kebijakan Anti-Pelecehan
- Kode Praktik tentang Mengelola Pembatasan Kerja Terkait Kehamilan
- Kebijakan Laktasi
- Kebijakan Cuti Hamil dan Cuti Ayah
- Kebijakan Keberagaman Gender

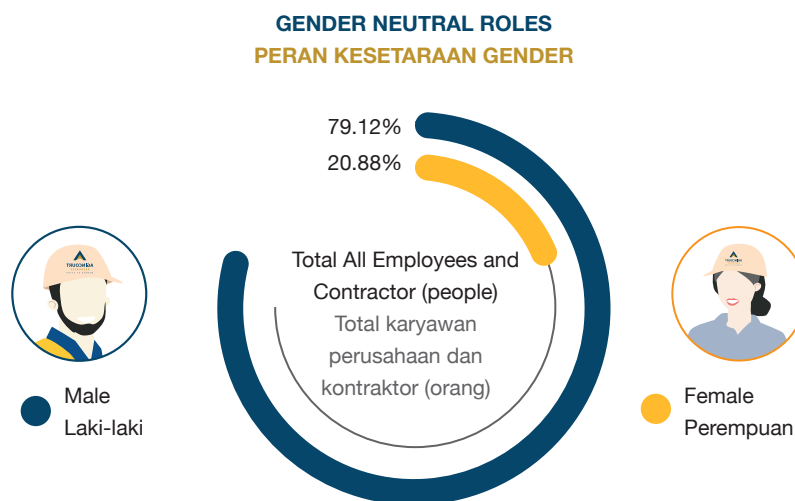
Kebijakan Anti-Pelecehan adalah upaya untuk menghapus diskriminasi, intimidasi, ancaman, dan pelecehan di tempat kerja. Sepanjang tahun, Perusahaan mengadakan pelatihan keberagaman gender dan setidaknya satu diskusi kelompok membahas mengenai keberagaman gender. Selain itu, pada Hari Kartini, kami mengadakan acara khusus (perayaan pemberdayaan perempuan). Pada tahun 2021, Perusahaan mendapat undangan dari Indonesian Sustainable Development Goals Award (ISDA) sebagai pembicara untuk berbagi informasi mengenai implementasi praktik keberagaman gender di PTAR. Hal ini merupakan pengakuan tingkat nasional bahwa PTAR telah memiliki praktik terbaik untuk keberagaman gender di industri pertambangan.

Kode Etik PTAR untuk Mengelola Pembatasan Kerja Terkait Kehamilan melindungi karyawan yang hamil dari bahaya di tempat kerja dan tetap mengizinkan mereka bekerja hingga mendekati masa persalinan. Karyawan yang hamil dapat tetap bekerja lebih lama dan Perusahaan akan tetap mempertahankan mereka selama masih ingin bekerja.

Selanjutnya, Perusahaan memiliki Kebijakan Laktasi, yang berarti memberikan dukungan bagi karyawan menyusui. Perusahaan juga memberikan empat bulan cuti melahirkan dengan upah penuh dan dua minggu cuti bagi karyawan laki-laki.

The various Gender Diversity Policy initiatives show that by the end of 2021, 718 women, or 20.88% of the total workforce had been employed by PTAR and Contractors. A total of 24 women, or 28%, of female employees, occupied management positions (managerial roles). At the top management level, 2 women were appointed as Commissioners—and Director.

Berbagai inisiatif Kebijakan Keberagaman Gender menunjukkan bahwa hingga akhir tahun 2021 terdapat 718 perempuan, atau 20,88% dari total tenaga kerja telah bekerja di PTAR dan Kontraktor. Sebanyak 24 perempuan, atau 28%, dari karyawan perempuan, menduduki posisi manajemen (peran Pengawas dan Manajerial). Di tingkat manajemen puncak, 2 orang perempuan diangkat sebagai Komisaris dan Direktur.



During 2021, PTAR has several strategies in implementing the Gender Diversity policy:

- Diversity in all levels – Achieve participation level in all organizations
- Remove obstacles limiting the diversity
- Engagement and Workforce Alignment - Develop inclusive culture
- Policy and Training - Ensure our framework supports Gender Diversity
- Leadership - Accountability to support Gender Diversity

Selama tahun 2021, PTAR memiliki beberapa strategi dalam penerapan kebijakan Keberagaman Gender, yaitu :

- Keberagaman di semua tingkatan – Mencapai tingkat partisipasi di semua organisasi
- Menghapus berbagai tantangan yang dapat membatasi keberagaman
- Keterlibatan dan Keselarasan Tenaga Kerja - Kembangkan budaya inklusif
- Kebijakan dan Pelatihan – Memastikan kerangka kerja Perusahaan dapat mendukung Keberagaman Gender
- Kepemimpinan - Akuntabilitas untuk mendukung Keberagaman Gender

**PTAR will make strengthen its efforts to expand employment and career opportunities for female employees, while increasing the number of female employees occupying managerial positions.**

**PTAR akan berupaya kuat untuk meningkatkan kesempatan kerja dan berkarier bagi para karyawan perempuan, sekaligus meningkatkan jumlah karyawan perempuan yang menduduki posisi manajerial.**



# 08

## OCCUPATIONAL HEALTH AND SAFETY (OHS)

### KESELAMATAN DAN KESEHATAN KERJA (K3)

The health and safety of our employees and contractors are of our utmost priority. PTAR strive to create a work environment that is free of injuries, fatalities, or occupational diseases through a proactive and prevention-based approach.

Kesehatan dan keselamatan karyawan dan kontraktor menjadi prioritas utama bagi Perusahaan. PTAR berusaha untuk menciptakan lingkungan kerja yang bebas dari cedera, kematian, atau penyakit akibat kerja melalui pendekatan proaktif dan berbasis pencegahan.





PTAR Emergency Response Team (ERT) fire fighting personnel, which is always ready to handle various emergency conditions, is not only operational at the Martabe Gold Mine, but also contributes to the community.

Tim pemadam kebakaran Emergency Response Team (ERT) PTAR yang selalu siap sedia menangani berbagai kondisi darurat tak hanya di operasional Tambang Emas Martabe, tapi juga memberikan kontribusi kepada masyarakat.



# Introduction

## Pendahuluan

The Company strives to provide a safe workplace, as this is a fundamental aspect of PTAR Mining operations, which, present numerous inherent potential hazards. The COVID-19 pandemic has added another potential hazard to the list of potential hazards that need to be addressed since its onset in March 2020. Therefore, PTAR has embraced a continuous adaptive and disciplined approach to occupational health and safety across its business units.

Perusahaan berupaya untuk menyediakan tempat kerja yang aman, karena ini adalah aspek mendasar dari kegiatan operasional Pertambangan PTAR yang memiliki banyak potensi bahaya bawaan. Pandemi COVID-19 menambahkan potensi bahaya lain ke dalam daftar potensi yang perlu ditangani sejak awal Maret 2020. Oleh karena itu, PTAR menerapkan pendekatan adaptif dan disiplin yang berkelanjutan terhadap keselamatan dan kesehatan kerja di seluruh unit bisnisnya.

After following a briefing regarding security and safety, the G4S security contractor personnel carried out briefings regarding safety and security conditions in the operation of the Martabe Gold Mine. The Martabe Gold Mine is a National Vital Object.  
Personil kontraktor keamanan G4S usai mengikuti pengarah singkat terkait situasi keamanan dan keselamatan selalu dilakukan untuk menjaga situasi dan kondisi di dalam operasional Tambang Emas Martabe. Tambang Emas Martabe merupakan Objek Vital Nasional.



# Occupational Health and Safety Management of Employee

## Manajemen Kesehatan dan Keselamatan Kerja Karyawan

PTAR maintains a world-class occupational health and safety (OHS) management system that adheres to MEMR regulation No. 26 of 2018 and in accordance with the International Best Practice. PTAR's objective is to enhance the effectiveness of planned and measured mining safety that is structured and integrated to create a safe, healthy, comfortable and productive workplace. These systems have been developed with the knowledge that hazards can be caused by three distinct factors: 1) Worker behaviour 2) Worker competence and 3) Workplace. This system is based on the following elements:

- Audits and inspections
- Industrial hygiene monitoring
- Safe work methods
- OHS policy
- OHS key performance indicators (KPIs) and targets
- Codes of practice
- Standard operating procedures
- Departmental and senior management safety committees
- A monthly health, safety and environment (HSE) forum involving both PTAR and all site contractors
- Managing incidents using an online system which undertakes investigations and facilitates corrective action
- Training programmes on risk-based safety (discussed under Human Resources)
- Involving both PTAR and all site contractors in a monthly Health, Safety and Environment (HSE) Forum.
- Key Occupational health & Safety programmes

PTAR mempertahankan sistem manajemen keselamatan dan kesehatan kerja (K3) kelas dunia yang mengacu pada Peraturan Menteri Energi Sumber Daya Mineral No. 26 tahun 2018 dan praktik internasional terbaik. Sasaran PTAR adalah meningkatkan efektivitas keselamatan pertambangan yang terencana terukur, terstruktur, dan terintegrasi untuk menciptakan tempat kerja yang aman, sehat, nyaman, dan produktif. Sistem ini telah dikembangkan dengan pengetahuan bahwa bahaya dapat disebabkan oleh tiga faktor berbeda: 1) Perilaku pekerja; 2) Kompetensi pekerja; dan 3) Tempat kerja. Sistem ini didasarkan pada elemen-elemen berikut:

- Audit dan inspeksi
- Pemantauan kebersihan industri
- Metode kerja yang aman
- Kebijakan K3
- Indikator dan target kinerja utama (KPI) K3
- Kode praktik
- Prosedur operasi standar
- Komite keselamatan manajemen departemen dan senior
- Forum Keselamatan Kesehatan Kerja dan Lingkungan bulanan yang melibatkan PTAR dan semua kontraktor site
- Mengelola insiden dengan menggunakan sistem daring untuk melakukan investigasi dan mengambil tindakan perbaikan
- Program pelatihan tentang keselamatan kerja berbasis risiko (dibahas lebih lanjut di bahasan Sumber Daya Manusia)
- Melibatkan PTAR dan semua kontraktor site dalam Forum Kesehatan, Keselamatan dan Lingkungan yang diadakan setiap bulan.
- Program-program Utama Keselamatan dan Kesehatan Kerja



## Key Mechanisms to Integrate OHS into PTAR's Operations

### Mekanisme Utama untuk Mengintegrasikan K3 ke dalam Operasi PTAR

The Martabe Gold Mine's Safe Work Methods are designed to address the known mechanisms of accident causation and all significant safety hazards on the site systematically. Among the most crucial of these are the following:

#### Golden Rules

The Golden Rules are mandatory safety policies designed to protect workers from the most common hazards and serious accidents in the mining industry. All individuals working at the Martabe Gold Mine must understand the Golden Rules. Therefore, new employees are given training on the Golden Rules before their employment commences with the Company.

#### Active Safety Agreement (ASA)

The Active Safety Agreement (ASA) programme provides an opportunity for superintendents and managers to conduct observation and have active conversations with their employees about OHS to encourage and motivate employees to prioritise workplace safety. A manager is assigned the role of auditor after making observation, he or she will engage employees in an open discussion about safety risks and potential control systems.

#### OHS rules under CLA

PTAR has a Collective Labour Agreement (CLA) with its All Indonesian Workers Union (SPSI) that covers 100% of the articles of Occupational Health and Safety (OHS). These articles are mandatory and are designed to protect employees in the mining industry from incidents and accidents. The Company will take disciplinary action against employees who willfully violate OHS rules and place themselves or others in danger.

Metode Kerja Aman di Tambang Emas Martabe dirancang untuk mencegah penyebab terjadinya kecelakaan dan semua bahaya utama keselamatan kerja di lapangan secara sistematis. Beberapa metode tersebut di antaranya:

#### Golden Rules

Golden Rules adalah aturan utama keselamatan kerja yang dirancang untuk melindungi karyawan dari bahaya risiko tinggi yang berpotensi menyebabkan kecelakaan serius secara umum di Industri pertambangan. Semua karyawan yang bekerja di Tambang Emas Martabe harus memahami Golden Rules. Maka dari itu karyawan baru diberikan pelatihan tentang Golden Rules sebelum bekerja di Perusahaan.

#### Program Perjanjian Keamanan Aktif (ASA)

Program Kesepakatan Perilaku Keselamatan Kerja Aktif (Active Safety Agreement atau "ASA") memberikan kesempatan bagi superintendent & manajer melakukan observasi kerja kepada bawahan dan berdialog secara aktif terkait K3 guna mendorong dan memotivasi karyawan untuk memprioritaskan keselamatan dan kesehatan kerja setiap saat.

#### Peraturan K3 dalam PKB

PTAR memiliki satu Perjanjian Kerja Bersama (PKB) dengan Serikat Pekerja Seluruh Indonesia (SPSI) yang mencakup 100% dari pasal-pasal Kesehatan dan Keselamatan Kerja (K3). Pasal-pasal ini bersifat wajib dan dirancang untuk melindungi karyawan di industri pertambangan dari insiden dan kecelakaan. Perusahaan akan mengambil tindakan disipliner terhadap karyawan yang dengan sengaja melanggar peraturan K3 dan membahayakan diri sendiri atau orang lain.

The OHS basic rules referred to in the CLA are the Golden Rules, Take 5, Job Safety Environment Analysis (JSEA) and Permit to Work System. The Company communicates these rules to employees through socialisation, training and campaigns to ensure that they understand their rights and responsibilities and the consequences of violating these rules. The Chief of Operating Officer closely monitors OHS performance under the supervision of the on-site General Manager.

#### **Workplace Inspection**

**Workplace Inspection is a team-based inspection programme that uses a checklist to evaluate workplace conditions and ensure an overall safe work environment in each department.**

#### **Frontline Safety Leadership**

**Frontline Safety Leadership is mandatory OHS training for all Field Supervisors.**

#### **Take 5**

**Take 5 is an everyday-safety working tool that assesses each worker with a checklist before starting every shift.**

**HSE Communications are coordinating meetings with contractors to ensure they comply with setting up a Safety Steering Committee, an HSE Forum, a Safety Dept. Committee. They hold regular Safety Coordination Meetings.**

#### **Safety Campaigns**

**Health and safety alerts are issued if otherwise fatal injuries occur and safety posters are produced to make workers and staff are aware of the hazards.**

#### **Safety Reward**

**An annual Hazard Report winner is chosen and their award is given at the yearly award ceremony of PTAR at the Martabe Gold Mine.**

Aturan dasar K3 yang dimaksud dalam PKB adalah Golden Rules, Take 5, Job Safety Environment Analysis (JSEA) dan Sistem Permit to Work. Perusahaan mengkomunikasikan aturan-aturan ini kepada karyawan melalui sosialisasi, pelatihan, dan kampanye untuk memastikan bahwa setiap karyawan memahami hak, kewajiban, dan konsekuensi jika melanggar dari aturan. Direktur Operasional secara ketat selalu memantau kinerja K3 di bawah pengawasan General Manager Operations (Kepala Teknik Tambang).

#### **Inspeksi Tempat Kerja**

Program Inspeksi tempat kerja adalah program inspeksi berbasis tim yang menggunakan daftar periksa untuk mengevaluasi kondisi tempat kerja dan memastikan lingkungan kerja yang aman secara keseluruhan di setiap departemen.

#### **Kepemimpinan Keselamatan Garis Depan**

Kepemimpinan Keselamatan Garis Depan merupakan pelatihan K3 wajib bagi semua Pengawas Lapangan.

#### **Take 5**

*Take 5* adalah alat kerja keselamatan sehari-hari yang menilai setiap pekerja dengan daftar periksa sebelum memulai setiap shift.

#### **Komunikasi HSE**

Kegiatan mengoordinasikan pertemuan dengan kontraktor guna memastikan mereka mematuhi pengaturan Safety Steering Committee, Forum HSE, dan Safety Dept. Committee. Mereka mengadakan Rapat Koordinasi Keselamatan Kerja secara berkala.

#### **Kampanye Keselamatan Kerja**

Informasi mengenai peringatan kesehatan dan keselamatan kerja diterbitkan jika cedera fatal terjadi dan poster keselamatan kerja dibuat agar setiap karyawan dan staf selalu sadar akan adanya bahaya

#### **Penghargaan Keselamatan Kerja**

Pemenang Laporan Bahaya tahunan dipilih dan penghargaan mereka diberikan pada saat kegiatan upacara penghargaan tahunan PTAR di Tambang Emas Martabe.



**Occupational Health and Safety**  
Keselamatan dan Kesehatan Kerja

**Emergency Response**

Emergency management programme to prevent the escalation in case of a severe event.

**The Food Traffic Light Management System**

The program was first conducted in 2016 by the Forum of HSE. This programme focuses on the nutritional balance of the workers with a daily food menu for the workers, nutritional balance information and voluntary nutrition reporting measures.

**Fit for Life**

is a programme to maintain the physical fitness of employees. Certified instructors provide the option for physical weekly exercise for free.

**Industrial Hygiene Monitoring**

This activity audits and monitors the work environment conditions to support safe, healthy and comfortable workplace for employees. Every year the Company submits two reports to the Ministry of Energy and Mineral Resources (ESDM): Occupational Health Management Report and Work Environment Management Report.

**Martabe Critical Control Programme**

Martabe Critical Control Programme is intended to prevent serious/fatal accidents. Starting in 2020, it focuses on a monthly report made by the Supervisors on 19 critical categories.

**Off the Job Safety**

Program which is targeted at the broader mining communities and families to make them aware and sensitive to health and safety issues.

**HSE KPI Dashboard**

A competitive performance monitoring programme that outlines lagging and leading sections of Martabe Gold Mine in regards to OHS compliance, to identify and improve necessary areas.

**Tanggap Darurat**

Program manajemen keadaan darurat untuk mencegah eskalasi jika terjadi peristiwa yang parah.

**Food Traffic Light Management System**

pertama kali diterapkan pada tahun 2016 oleh Forum HSE. Program ini berfokus pada keseimbangan gizi karyawan dengan menu makanan sehari-hari untuk karyawan, informasi keseimbangan gizi, dan tindakan pelaporan gizi sukarela.

**Fit for Life**

merupakan program untuk menjaga kebugaran jasmani karyawan. Instruktur bersertifikat memberikan opsi untuk latihan fisik mingguan secara gratis.

**Pemantauan Industrial Hygiene**

Kegiatan ini mengaudit dan memantau kondisi lingkungan kerja untuk mendukung tempat kerja yang aman, sehat dan nyaman bagi karyawan. Setiap tahun Perusahaan menyampaikan dua laporan kepada Kementerian Energi dan Sumber Daya Mineral (ESDM) yaitu Laporan Manajemen Kesehatan Kerja dan Laporan Manajemen Lingkungan Kerja.

**Program Kontrol Kritis Martabe**

Program Kontrol Kritis Martabe ditujukan untuk mencegah terjadinya kecelakaan yang serius/fatal. Dimulai pada tahun 2020, program ini berfokus pada laporan bulanan oleh Supervisor pada 19 kategori penting.

**Off the Job Safety**

Program yang ditargetkan pada masyarakat dan keluarga pertambangan yang lebih luas untuk menciptakan kesadaran dan kepedulian terhadap masalah keselamatan dan kesehatan kerja.

**HSE KPI Dashboard**

Merupakan program pemantauan kinerja kompetitif yang menguraikan hal-hal yang sudah tercapai dan masih belum tercapai di Tambang Emas Martabe sehubungan dengan kepatuhan K3, guna mengidentifikasi dan memperbaiki area yang diperlukan.

## Safety Management Improvements in 2021

### Peningkatan Manajemen Keselamatan Kerja Tahun 2020

Significant workplace safety management initiatives were implemented in 2021, including the restructure of our OHS Management System to comply with ISO 45001, Mineral and Coal Mining Safety Management and OHSMS requirements. This restructure included an update to our OHS Policy, OHS Manual, 13 System Standard & Procedures documents and 19 Operational Control Standard & Procedures documents.

Inisiatif pengelolaan keselamatan kerja yang signifikan telah diterapkan di tahun 2021, termasuk restrukturisasi Sistem Manajemen K3 untuk mematuhi ISO 45001, Manajemen Keselamatan Pertambangan Mineral dan Batubara, dan persyaratan K3. Restrukturisasi ini mencakup pembaruan terhadap Kebijakan K3, Manual K3, 13 dokumen Standar & Prosedur Sistem, dan 19 dokumen Standar & Prosedur Pengendalian Operasional.

#### TOTAL LOST TIME INJURY (LTI) & LOST WORKING TIME (LTIFR) IN 2021 TOTAL KEHILANGAN WAKTU KERJA (LTI) & KEKERAPAN KEHILANGAN WAKTU KERJA (LTIFR)

Description Uraian	2021	2020	2019	2018	2017
Total lost time injury (LTI) Total Kehilangan Waktu Kerja (LTI)	1	0	0	0	1
Loss of working time (LTIFR) Kekerapan Kehilangan Waktu Kerja (LTIFR)	0.12	0	0	0	0.15

In addition to the LTI rate, PTAR has developed 13 Key Performance Indicators (KPIs) to measure accident rates and safety management performance at the Martabe Gold Mine. In 2021, we achieved a site aggregated KPI score of 97%.

Selain tingkat LTI, PTAR telah mengembangkan 13 indikator kinerja utama (KPI) untuk mengukur tingkat kecelakaan dan kinerja manajemen keselamatan di Tambang Emas Martabe. Pada tahun 2021, kami mencapai skor KPI gabungan sebesar 97%.

#### KEY PERFORMANCE INDICATORS FOR THE LAST THREE YEARS KEY PERFORMANCE INDICATOR (KPI) TIGA TAHUN TERAKHIR

#	KPI	Measure Ukuran	Target	2021	2020	2019
<b>KPI scores to measure accidents and safety management performance scores</b> <b>Skor KPI untuk mengukur skor kinerja manajemen kecelakaan dan keselamatan</b>				<b>97%</b>	<b>96%</b>	<b>97%</b>
1	LTIs	# of LTIs	Average Performance of Depts Kinerja Rata-Rata Departemen	99%	100%	100%
2	MTIs	# of MTIs	Recorded Tercatat	13	10	18
3	FAIs	# of FAIs	Recorded Tercatat	9	14	32



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## Occupational Health and Safety

Keselamatan dan Kesehatan Kerja

#	KPI	Measure Ukuran	Target	2021	2020	2019
4	High Risk Incidents Insiden Berisiko Tinggi	# of High Risk Safety Incidents Jumlah Insiden Berisiko Tinggi	Recorded Tercatat	14	16	23
5	Hazards Reported Bahaya yang Dapat Dilaporkan	# Hazards Reported Laporan Bahaya	Recorded Tercatat	58	53	130
6	Incident Investigations Investigasi Insiden	# Overdue Safety Incident Investigations (Average Performance of Departments for the Month) Investigasi Insiden Keselamatan yang Terlambat (Kinerja Rata-Rata Departemen pada Bulan Ini)	Average Performance of Depts Kinerja Rata-Rata Departemen	99%	93%	98%
7	Corrective Actions Tindakan Perbaikan	# All Overdue Corrective Actions from Incident - Safety, Incident - Environment, Hazard/Non-conformance & HSE WCI Events (Average Performance of Departments for the Month) Semua Tindakan Perbaikan yang Terlambat Akibat Insiden Keselamatan, Insiden- Lingkungan, Bahaya/ Ketidaksiesuaian & Kejadian WCI HSE (Kinerja Rata-Rata Departemen Pada Bulan Ini)	Average Performance of Depts Kinerja Rata-Rata Departemen	99%	99%	97%
8	Departmental HSE Committee meetings Rapat Departemen Komite HSE	# of Department HSE Committee Meetings Held Jumlah Rapat Departemen Komite HSE yang Diselenggarakan	Target, 12 = 100%	100%	100%	100%
9	Workplace Inspections Inspeksi Tempat Kerja	Quarterly Workplace Inspection Score (Site average Workplace Inspection Score) Skor Inspeksi Tempat Kerja secara Kuartal (Skor Inspeksi Tempat Kerja Rata-Rata Di Lokasi)	Target 90%	93%	93%	93%
10	Industrial Waste Inspection Inspeksi Limbah Industri	# of Industrial Waste Inspection Findings Jumlah Temuan Inspeksi Limbah Industri	Target 100%	96%	96%	Recorded Tercatat
11	Safety Training Pelatihan Keselamatan	% Mandatory Safety Competencies completed % Kompetensi Keselamatan Wajib Telah Selesai	Target 90%	98%	96%	96%

#	KPI	Measure Ukuran	Target	2021	2020	2019
12	ASAs	% Total ASAs conducted against target (YTD completed) % Total ASA yang Dilakukan Terhadap Target (YTD selesai)	Target 100%	100%	99%	100%
13	CCCLs	% Total CCCLs completed against target (YTD completed) % Total CCLs yang Dilakukan Terhadap Target (YTD selesai)	Target 100%	100%	91%	96%

This achievement demonstrates a high level of compliance as well as the effectiveness of the developed monitoring and control system in reducing incidents. The control system's key activities are as follows:

- Mandatory safety training
- Reporting unsafe actions and conditions
- Inspections at worksites
- Instant incident investigations and prevent these actions recurring
- Participation of site management in the Active Safety Agreement (ASA) Programme
- Participation from on-site Operations Supervisors
- in the Critical Control Programme

Despite this year's positive results and performance, we remain vigilant and continue advancing our efforts to reduce safety risks at the Martabe Gold Mine in 2021. The 2021 PT Agincourt Sustainability Report contains more detailed information on the Martabe Gold Mine's occupational and safety measures.

In 2021, PTAR launched several additional programmes and methods to identify, address and prevent accidents through:

- Conduct Departmental Risk Assessments with a new approach which includes assessment on psychological factor.
- Development of application based for Critical Control Programme.

Pencapaian ini menunjukkan tingkat kepatuhan yang tinggi serta efektivitas sistem pemantauan dan pengendalian yang dikembangkan dalam mengurangi insiden. Kegiatan utama sistem kontrol tersebut adalah sebagai berikut:

- Pelatihan keselamatan wajib
- Melaporkan tindakan dan kondisi yang tidak aman
- Inspeksi di tempat kerja
- Investigasi insiden segera untuk mencegah kejadian berulang
- Partisipasi manajemen site dalam Program
- Kesepakatan Perilaku Keselamatan Kerja Aktif (ASA)
- Partisipasi Pengawas Operasi di tempat dalam
- Program Kontrol Kritis

Terlepas dari hasil dan kinerja positif tahun ini, PTAR tetap waspada dan terus meningkatkan upaya untuk mengurangi risiko keselamatan di Tambang Emas Martabe pada tahun 2022. Laporan Keberlanjutan PT Agincourt Resources 2021 memuat informasi yang lebih terperinci tentang penerapan keselamatan dan kesehatan kerja di Tambang Emas Martabe.

Pada tahun 2021, PTAR meluncurkan beberapa program dan metode tambahan untuk mengidentifikasi, mengatasi, dan mencegah kecelakaan melalui:

- Melakukan Penilaian Risiko Departemen dengan pendekatan baru yang meliputi penilaian faktor psikologis.
- Pengembangan aplikasi berbasis Critical Control Program.

## 09

**CORPORATE  
SOCIAL  
RESPONSIBILITY****TANGGUNG JAWAB  
SOSIAL**

In line with our goal of becoming a leader in sustainable business practices, PTAR is committed to improving and safeguarding the communities and environments in which we operate in through our Corporate Social and Environmental Responsibility programmes and initiatives.

Sejalan dengan tujuan Perusahaan ingin menjadi pemimpin dalam praktik bisnis yang berkelanjutan, PTAR berkomitmen untuk meningkatkan dan menjaga masyarakat sekitar tempat Perusahaan beroperasi melalui program dan inisiatif Tanggung Jawab Sosial dan Lingkungan Perusahaan.







Shanty Budi Lestari, showed one of the batik fabrics produced by the South Tapanuli Batik Joint Business Group (KUBE) to Nurlailah, Supervisor Business Development & Analyst and Meriah Tinambunan, Senior Supervisor SME Development, Community Development Department PTAR assists the business group from production to marketing.

Shanty Budi Lestari, menunjukkan salah satu kain batik hasil produksi Kelompok Usaha Bersama (KUBE) Batik Tapanuli Selatan kepada Nurlailah, Supervisor Business Development & Analyst dan Meriah Tinambunan, Senior Supervisor SME Development, Departemen Community Development PTAR memberikan pendampingan mulai dari produksi hingga pemasaran.



## Introduction

### Pendahuluan

PTAR is committed to supporting the communities in which it operates. Our long-term success is contingent upon the support and trust of our surrounding communities and concurrently, protecting the environment from the effects of the Martabe Gold Mine's operation is a top priority. Engaging incorporate social environmental responsibility (CSER) activities are one way to ensure social support for our operations and to safeguard the environment.

On July 31, 2019, the Director of Mineral Business Development of the Energy and Mineral Resources Ministry approved the PTAR Community Development and Empowerment Master Plan 2018-2031. Meanwhile, the Indonesian Ministry of Environment recognised our environmental stewardship efforts by awarding the Company a BLUE rating under the Public Disclosure Program for Environmental Compliance (PROPER) environmental management system, which demonstrated that Martabe Gold Mine's environmental performance in 2021 remained consistent with the high standards established in previous years.

This section summarises our activities in adjusting and implementing the Master Plan in 2021, all of which are supported by careful planning to continuously ensure improvement in social and environmental management performance. The Company's 2021 Sustainability Report provides more comprehensive information on its corporate social responsibility and sustainable development efforts.

PTAR berkomitmen untuk memberikan manfaat bagi masyarakat di sekitar wilayah operasional. Keberhasilan jangka panjang Perusahaan bergantung pada dukungan dan kepercayaan dari masyarakat sekitar dan secara bersamaan dapat melindungi lingkungan dari dampak operasional Tambang Emas Martabe. Melalui kegiatan tanggung jawab sosial lingkungan (TJSL) yang dilaksanakan oleh Perusahaan merupakan salah satu cara untuk memastikan dukungan sosial atas keberadaan operasional kami dan sebagai upaya Perusahaan untuk menjaga lingkungan.

Pada 31 Juli 2019, Direktur Pembinaan Pengusahaan Mineral, Kementerian Energi dan Sumber Daya Mineral menyetujui Rencana Induk Pengembangan dan Pemberdayaan Masyarakat PTAR periode tahun 2018-2031. Sementara itu, Kementerian Lingkungan Hidup dan Kehutanan mengakui upaya pelestarian lingkungan kami dengan memberikan peringkat BIRU berdasar Program Penilaian Peringkat Kinerja Perusahaan dalam Pengelolaan Lingkungan Hidup (PROPER). Artinya Perusahaan dapat menunjukkan bahwa kinerja lingkungan Tambang Emas Martabe pada tahun 2021 tetap konsisten dengan standar tinggi yang ditetapkan pada tahun-tahun sebelumnya.

Bagian ini merangkum kegiatan Perusahaan dalam menyesuaikan dan mengimplementasikan Rencana Induk pada tahun 2021 dan didukung oleh perencanaan yang matang untuk memastikan peningkatan berkelanjutan dalam kinerja pengelolaan sosial dan lingkungan. Laporan Keberlanjutan Perusahaan tahun 2021 memberikan informasi yang lebih komprehensif tentang tanggung jawab sosial perusahaan dan upaya pembangunan berkelanjutan.

## Community Development Pemberdayaan Masyarakat



Nuryakin Galingging and Adam Panggabean, Officers of Village Based Development, Community Development Department in the middle of rice fields in Pulogodang Village, Batangtoru District. These rice fields get their water from a solar-powered irrigation facility supported by PT Agincourt Resources (PTAR).

Nuryakin Galingging dan Adam Panggabean, Officer Village Based Development, Departemen Community Development di tengah-tengah persawahan di Desa Pulogodang, Kecamatan Batangtoru. Persawahan ini mendapatkan pengairan dari fasilitas irigasi bertenaga surya yang didukung oleh PT Agincourt Resources (PTAR) .

The community empowerment programme aims to enhance the community's welfare and quality of life. We conduct various short- and long-term programmes to promote community independence. The Company continuously implements an active empowerment programme that helps the community and shares the benefits of mining operations.

Our programme is focused on 15 local villages that have been identified as Directly Affected Villages (DAV). Nonetheless, it does not preclude the possibility of implementing additional programmes that provide broader benefits to locations other than the 15 DAV.

Program pemberdayaan masyarakat bertujuan untuk meningkatkan kesejahteraan dan kualitas hidup masyarakat sekitar. Berbagai program jangka pendek dan jangka panjang kami lakukan untuk mendorong kemandirian masyarakat. Perusahaan secara berkesinambungan melaksanakan program pemberdayaan secara aktif, yang berkontribusi terhadap kebutuhan masyarakat dan berbagai manfaat dari operasional pertambangan.

Program kami difokuskan pada 15 desa setempat yang telah diidentifikasi sebagai kategori Desa yang terkena dampak langsung. Meskipun demikian, tidak menutup kemungkinan untuk melaksanakan program tambahan yang memberikan manfaat lebih luas ke desa selain 15 desa terdampak.

## Community Development and Empowerment Master Plan

### Rencana Induk Pengembangan dan Pemberdayaan Masyarakat

All of our programmes are planned and implemented by the 2018-2031 PPM Master Plan, which complies with all applicable regulations under the Minister of Energy and Mineral Resources Decree No. 1824 K 30 MEM 2018 on Community Development and Empowerment Guidelines. The Master Plan will guide for the foreseeable future and will identify the relevant annual programmes. Despite the ongoing pandemic, the PPM Master Plan has remained relevant in serving our communities. In 2021, PTAR conducted 132 CSR activities with a total of 20,826 beneficiaries.

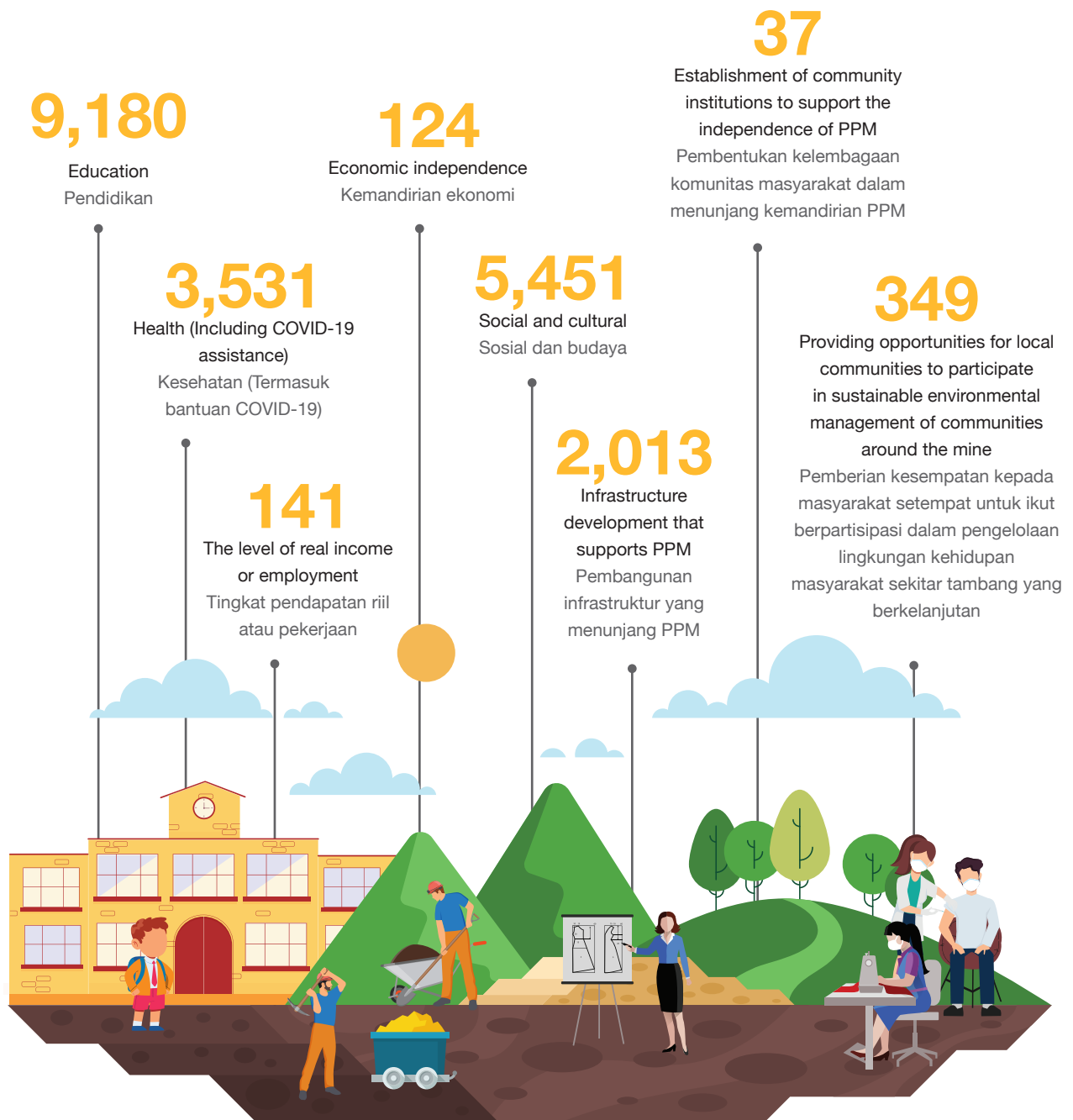
Semua program Perusahaan direncanakan dan dilaksanakan berdasarkan Rencana Induk PPM 2018-2031 yang sudah sesuai dengan semua peraturan berlaku serta berdasarkan Keputusan Menteri Energi dan Sumber Daya Mineral No. 1824 K 30 MEM 2018 tentang Pedoman Pengembangan dan Pemberdayaan Masyarakat. Rencana Induk akan dijadikan sebagai panduan Perusahaan dalam mengidentifikasi program tahunan di masa depan. Meskipun pandemi sedang berlangsung, Rencana Induk PPM masih relevan dalam melayani masyarakat sekitar. Pada tahun 2021, PTAR melakukan 132 kegiatan CSR dengan total 20.826 penerima manfaat.



**Meriah Tinambunan, Senior Supervisor of SME Development, Community Development Department and Meta Sagala, a member of Torop Jaya's Women Farmers Group (KWT) in Sumuran Village is discussing marketing various processed rhizome root products.**

Meriah Tinambunan, Senior Supervisor SME Development, Departemen Community Development dan Meta Sagala, salah satu anggota Kelompok Wanita Tani (KWT) Torop Jaya di Desa Sumuran tengah berdiskusi hangat mengenai pemasaran berbagai produk olahan akar rimpang.

**BENEFICIARIES**  
**JUMLAH PENERIMA MANFAAT (ORANG)**





In 2021, PTAR spent US\$997,186 to support the implementation of PPM activities. The budget has been listed by the annual planning and works budget.

Pada tahun 2021, PTAR mengeluarkan dana sebesar US\$997.186 untuk mendukung pelaksanaan kegiatan PPM. Anggaran tersebut telah dicantumkan dalam rencana tahunan dan anggaran kerja.

Description Keterangan	Unit Satuan	2021	2020	2019
Community Empowerment Costs Biaya Pemberdayaan Masyarakat		1,0	1.9	1.1
The value of local goods and services purchased by the Company Nilai barang dan jasa lokal yang dibeli Perusahaan	Million dollars Juta dolar	5.7	4.0	4.7
<b>Total Jumlah</b>		<b>6.7</b>	<b>5.9</b>	<b>5.8</b>

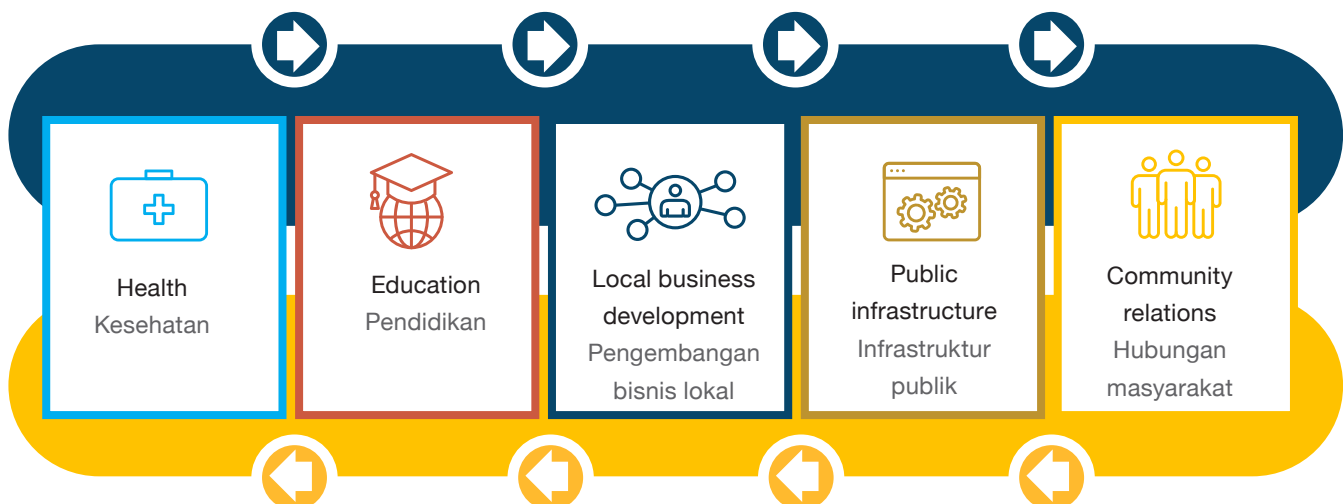
Note Keterangan :

\*Due to the pandemic, the total budget decreased in comparison to 2020, preventing several programmes, particularly infrastructure, from being realised, with the unrealised budget being added to the 2022 budget.

\*Total anggaran menurun dibandingkan tahun 2020 akibat adanya pandemi, sehingga beberapa program khususnya infrastruktur tidak dapat terealisasi, di mana anggaran yang tidak dapat direalisasikan ditambahkan ke anggaran tahun 2022.

To ensure that PTAR's presence benefits the local communities socially, economically and environmentally, the PPM programme focuses on five key areas of engagement:

Untuk memastikan bahwa kehadiran PTAR bermanfaat bagi masyarakat lokal secara sosial, ekonomi dan lingkungan, program PPM berfokus pada lima bidang keterlibatan utama:



## 2021 Programme Outcomes

### Hasil Pelaksanaan Program Tahun 2021

#### Health

##### Kesehatan

PTAR's health programmes in 2021 continued to focus on revitalisasi dan akselerasi mutu dan layanan kesehatan masyarakat melalui supporting for pilot projects of sustainable housing, improving the quality of health for the elderly, healthy teenagers, pregnant women, children and the general public, supporting Sanitasi Total Berbasis Masyarakat (STBM), program for ODF (Open Defecation Free) Villages and its supporting facilities, general health promotion activities and donated medical equipment to improve the service of public health facilities. The 2021 Sustainability Report contains detailed information about the health programmes implemented by PTAR in 2021.

Program kesehatan PTAR pada tahun 2021 tetap fokus pada revitalisasi dan akselerasi mutu dan layanan kesehatan masyarakat melalui dukurangan proyek percontohan perumahan berkelanjutan, peningkatan kualitas kesehatan bagi lansia, remaja sehat, ibu hamil, anak-anak, dan masyarakat umum, mendukung program Sanitasi Total Berbasis Masyarakat (STBM) dengan fokus pada stop Buang Air Besar Sembarangan (BABS) dan pendukungnya fasilitas, kegiatan promosi kesehatan, dan donasi alat kesehatan untuk meningkatkan pelayanan fasilitas kesehatan masyarakat. Detail informasi mengenai program kesehatan yang telah dilaksanakan oleh PTAR selama tahun 2021 terdapat di Laporan Keberlanjutan 2021.



## Education

### Pendidikan



The students of SDN No. 100702 in Batuhula Village, Batangtoru line up before entering the classroom. In 2021, PTAR will assist in the construction of two classrooms and their furniture as well as the renovation of four classrooms and a 100-meter-long sewer to support the acceleration of quality and education services.

Para siswa-siswi SDN No.100702 di Desa Batuhula, Batangtoru berbaris sebelum memasuki ruangan kelas. Pada tahun 2021, PTAR memberikan bantuan pembangunan dua unit ruangan kelas beserta furniturnya serta renovasi empat ruang kelas dan saluran pembuangan air sepanjang 100 meter, untuk mendukung akselerasi mutu dan layanan pendidikan.

In 2021, the Education Program aimed to accelerate the delivery of quality education services through a variety of programs, including the Martabe Prestasi scholarship, capacity building for the management and operations of Reading Garden and Sopo Daganak facilities and organizing regular children's art performances. The 2021 Sustainability Report contains detailed information regarding the educational programmes implemented by PTAR in 2021.

Program Pendidikan di tahun 2021 ditargetkan untuk meningkatkan akselerasi mutu dan layanan pendidikan melalui beberapa program, seperti beasiswa Martabe Prestasi, peningkatan kapasitas pengelolaan Taman Baca dan Sopo Daganak serta operasional fasilitasnya, penyelenggaraan acara pentas seni anak secara berkala dan lain sebagainya. Detail informasi mengenai program pendidikan yang telah dilaksanakan oleh PTAR selama tahun 2021 terdapat di Laporan Keberlanjutan 2021.



## Local Business Development

### Pengembangan Usaha Lokal



Nurlailah, Supervisor of Business Development & Analyst of the Community Development Department, accompanied the sewing group members. At the end of 2021, PTAR held advanced sewing training for small and medium enterprises (SMEs) in villages surrounding the mine. PTAR cooperates with the Manpower Office of South Tapanuli Regency through the Job Training Center (BLK) to carry out this training.

Nurlailah, Supervisor Business Development & Analyst Departemen Community Development mendampingi para anggota kelompok menjahit. Pada akhir 2021, PTAR menyelenggarakan pelatihan menjahit tingkat lanjut yang ditujukan untuk usaha kecil menengah (UKM) di desa lingkaran tambang. PTAR bekerja sama dengan Dinas Ketenagakerjaan Kabupaten Tapanuli Selatan melalui Balai Latihan Kerja (BLK) untuk melaksanakan pelatihan ini.

PTAR focuses on developing local businesses by promoting income diversification to increase real income and economic independence. Three areas in particular are supported: 1) Increasing agricultural diversification and productivity; 2) Guiding to promote the quality of goods and services procured by local suppliers for PTAR for it to continue to improve and become more competitive and 3) Support for PTAR-assisted cooperatives and business groups through capacity building and initiating the development of new business units based on local potential. The 2021 Sustainability Report contains detailed information regarding the sustainable business development programmes implemented by PTAR in 2021.

Dalam rangka meningkatkan pendapatan riil dan kemandirian ekonomi, PTAR berfokus untuk mengembangkan usaha lokal dengan mendukung diversifikasi pendapatan. Secara khusus, tiga bidang yang didukung: 1) Peningkatan diversifikasi dan produktivitas pertanian; 2) Pembinaan untuk mendorong kualitas pengadaan barang dan jasa oleh pemasok lokal untuk PTAR agar dapat terus ditingkatkan dan lebih kompetitif; 3) Pendampingan terhadap koperasi dan kelompok usaha dampingan PTAR guna peningkatan kapasitas mereka serta serta menginisiasi pengembangan unit usaha baru yang berbasis potensi lokal. Detail informasi mengenai program pengembangan usaha lokal yang telah dilaksanakan oleh PTAR selama tahun 2021 terdapat di Laporan Keberlanjutan 2021.



## Economic Independence

### Kemandirian Ekonomi

PTAR sought to improve economic independence in 2021 through a variety of programmes. PTAR hopes that by implementing these programmes, local business units will become more developed and the capacity of local suppliers will increase, thereby improving the surrounding community's economy. The 2021 Sustainability Report contains detailed information regarding PTAR's economic independence programmes.

Selama tahun 2021, PTAR berupaya untuk mengembangkan kemandirian ekonomi melalui berbagai program. Melalui program-program ini PTAR berharap kedepannya unit bisnis lokal akan lebih berkembang dan kapasitas pemasok lokal semakin meningkat yang nantinya akan berdampak pada peningkatan ekonomi bagi masyarakat sekitar. Detail informasi mengenai program program kemandirian ekonomi yang telah dilaksanakan oleh PTAR selama tahun 2021 terdapat di Laporan Keberlanjutan 2021.

## Public Infrastructure

### Infrastruktur Umum



Nuryakin Galinggng, Dayat Hutasuhut, Rusli Sasution and Adam Panggabean, Village Based Development Officers, Community Development Department ensured that the solar-powered irrigation facility in Pulogodang Village, Batangtoru District, supported by PTAR, worked well for the community's rice fields.

Nuryakin Galinggng, Dayat Hutasuhut, Rusli Sasution, dan Adam Panggabean, Officer Village Based Development, Departemen Community Development memastikan fasilitas pengaliran (irigasi) bertenaga surya di Desa Pulogodang, Kecamatan Batangtoru dukungan dari PTAR, bekerja dengan baik untuk persawahan masyarakat.

PTAR remained committed to infrastructure development in 2021 to support community empowerment programs such as village infrastructure, public infrastructure, agriculture and clean water sources. The 2021 Sustainability Report contains detailed information about the public infrastructure programmes implemented by PTAR in 2021.

Pada Tahun 2021, PTAR masih berfokus pada Pembangunan infrastruktur yang menunjang program PPM seperti pembangunan fasilitas desa, fasilitas umum, pertanian, dan sumber air bersih. Detail informasi mengenai program infrastruktur umum yang telah dilaksanakan oleh PTAR selama tahun 2021 terdapat di Laporan Keberlanjutan 2021.

## Community Relations

### Hubungan Masyarakat

PTAR's primary objective community relations is to foster trust and respect between stakeholders and PTAR. As a result, PTAR concentrates its efforts on three primary areas of activity: 1) Raising public awareness of PTAR's operations; 2) Appropriately managing stakeholders' concerns and grievances about PTAR's operations; and 3) Respect, appreciation and preservation of local wisdom. The 2021 Sustainability Report contains detailed information regarding the community relations programmes implemented by PTAR in 2021.

Tujuan utama hubungan masyarakat PTAR adalah untuk menumbuhkan kepercayaan dan rasa hormat antara pemangku kepentingan dan PTAR. PTAR memusatkan upayanya pada tiga bidang kegiatan utama: 1) Meningkatkan kesadaran publik akan operasi PTAR; 2) Secara tepat mengelola kepentingan dan keluhan pemangku kepentingan tentang operasi PTAR; dan 3) Menghormati, menghargai, dan melestarikan kearifan lokal. Detail informasi mengenai program hubungan masyarakat yang telah dilaksanakan oleh PTAR selama tahun 2021 terdapat di Laporan Keberlanjutan 2021.



**Dastri Sejoli, one of the officers from Napa Village is serving the administration of a community member, Parlindungan Sihombing. Napa Village Napa Village is one of the pilot villages for the PTAR assisted Village Digitization program.**

Dastri Sejoli, salah satu petugas Desa Napa tengah melayani administrasi salah satu masyarakat, Parlindungan Sihombing. Desa Napa Desa Napa menjadi salah satu desa percontohan untuk program Digitalisasi Desa binaan PTAR.

## Programme Evaluation

### Evaluasi Program

The majority of Community Development and Community Relations programs are being implemented as planned and some community empowerment programs are continuing existing programs while also developing new ones focused on community economic development. Throughout the COVID-19 pandemic, community empowerment programs were implemented both online and offline using stringent health protocols. The company continues to maintain positive relationships with the surrounding community, as evidenced by the absence of significant complaints and the ability to resolve each complaint properly.

Program Community Development dan Community Relations sebagian besar dilaksanakan sesuai rencana dan sebagian program PPM masih melanjutkan program-program sebelumnya, serta juga membuat program-program baru yang berfokus pada kegiatan pengembangan ekonomi masyarakat. Pada masa pandemi COVID-19 ini, program PPM dilaksanakan secara daring dan luring dengan menerapkan protokol kesehatan yang ketat. Perusahaan tetap menjaga hubungan baik dengan masyarakat sekitar yang dapat dibuktikan dengan tidak adanya keluhan signifikan dan setiap keluhan masyarakat dapat diselesaikan dengan baik.

## New fast relief initiatives to combat the COVID-19 pandemic

### Inisiatif baru selama masa pandemi COVID-19

PTAR launched several new initiatives in 2021 to continue mitigating the impact of the COVID-19 pandemic in communities and focusing on community development. The Company planned for this year's program's implementation by implementing strict health protocols and adjusting to new normal conditions to minimize the risk of COVID-10 spreading. Additionally, PTAR supports the government's vaccination program and conducts health promotion programs aimed at increasing COVID-19 awareness and mitigating its effects, as well as making donations to the Sipirok Hospital. This year, the total costs incurred by PTAR for handling the COVID-19 pandemic reached US\$5,562,224.

Pada tahun 2021, PTAR membuat beberapa inisiatif baru yang terus memitigasi dampak pandemi COVID-19 terhadap masyarakat dan memperhatikan terhadap aspek pengembangan masyarakat. Perusahaan berupaya untuk merencanakan pelaksanaan program tahun ini dengan penerapan protokol kesehatan yang ketat dan menyesuaikan kondisi *new normal* guna mengurangi resiko penyebaran COVID-10. Selain itu, PTAR turut mendukung program vaksinasi yang dilaksanakan pemerintah dan melaksanakan program promosi kesehatan kesadaran COVID-19 dan mitigasinya, serta memberikan donasi ke RSUD Sipirok. Di tahun ini, jumlah biaya yang sudah dikeluarkan oleh PTAR untuk penanganan pandemi COVID-19 mencapai US\$5.562.224.



## Our Plans for 2022

### Rencana Perusahaan pada Tahun 2022



**Our strategic plans for PPM programs in 2022 will focus on:**

Rencana strategis kami untuk program PPM pada tahun 2022 akan fokus pada:

Implementation of programs that contribute to the achievement of the Community Empower Program's master plan objectives.

Pelaksanaan program yang mengarah pada pencapaian sesuai target yang ditetapkan pada Rencana Induk PPM.

Creating hybrid programs that incorporate the New Normal scheme, the use of virtual/online technology in conjunction with face-to-face/offline interaction and the application of strict health protocols.

Merancang program dengan skema Kenormalan Baru dalam bentuk hybrid, penggunaan teknologi virtual/daring dikombinasikan dengan tatap muka/luring dengan penerapan protokol kesehatan.

Collaboration with program partners at the national, regional and local levels, including strengthening synergies with the government.

Kerjasama dengan mitra program, baik skala nasional, regional, lokal, termasuk mempererat sinergi dengan pemerintah.

Encouraging the improvement of the educational, health, sociocultural and village government systems, as well as basic community infrastructure.

Mendorong peningkatan kualitas dan layanan mutu pendidikan, kesehatan, sosial budaya, pemerintahan desa, dan infrastruktur dasar bagi masyarakat.

Strengthening programs that promote increased community income, both agricultural and non-agricultural and that foster creativity and job creation.

Meningkatkan program yang mendorong peningkatan pendapatan bagi masyarakat, baik berbasis pertanian maupun non-pertanian yang mendorong kreativitas dan penciptaan lapangan pekerjaan.

Implementing biodiversity programs to raise community awareness of the critical nature of maintaining a healthy ecosystem and mitigating disaster risk.

Melaksanakan program keanekaragaman hayati untuk mendorong kesadaran pada pentingnya menjaga keseimbangan ekosistem dan mitigasi resiko bencana di masyarakat.

System and organizational improvement through internal capacity development, procedures and the establishment of measurable targets, as well as qualitative and quantitative reporting, monitoring and evaluation functions, such as through the Social Return on Investment (SROI) approach.

Perbaiki sistem dan organisasi melalui pengembangan kapasitas internal, prosedur, menetapkan target yang terukur, serta fungsi reporting, monitoring dan evaluasi baik yang dilakukan secara kualitatif maupun kuantitatif seperti melalui metode pendekatan Social Return On Investment (SROI).

**In 2022, PTAR will continue to focus on PPM programmes that alleviate the impact of the COVID-19 pandemic, such as enforcing strict health protocols in all PPM programs, support vaccination programs and assist the community, government and all stakeholders in various COVID-19 mitigation efforts.**

**Pada tahun 2022, PTAR akan tetap fokus pada program-program PPM yang dapat mengurangi dampak pandemi COVID-19, seperti menerapkan protokol kesehatan yang ketat dalam semua program, mendukung program vaksinasi, dan membantu masyarakat, pemerintah, dan seluruh pemangku kepentingan dalam berbagai upaya mitigasi COVID-19.**

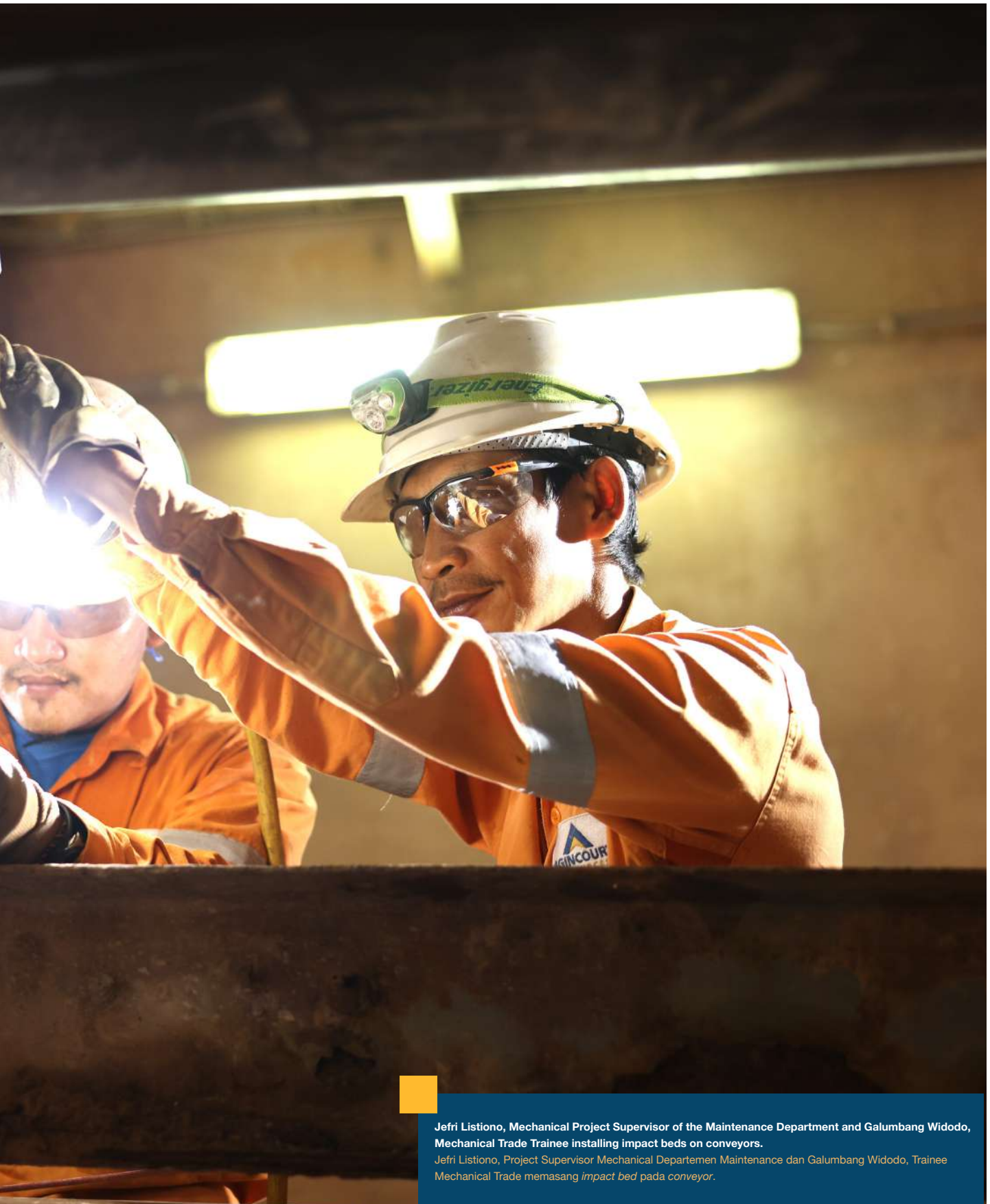


# 10

## FINANCIAL REPORT

### LAPORAN KEUANGAN





**Jefri Listiono, Mechanical Project Supervisor of the Maintenance Department and Galumbang Widodo, Mechanical Trade Trainee installing impact beds on conveyors.**

Jefri Listiono, Project Supervisor Mechanical Departemen Maintenance dan Galumbang Widodo, Trainee Mechanical Trade memasang *impact bed* pada *conveyor*.

## Statement of Responsibility of the Board of Commissioners for the 2021 Annual Report of PT Agincourt Resources

### Pernyataan Tanggung Jawab Dewan Komisaris Atas Laporan Tahunan 2021 PT Agincourt Resources

I, the undersigned, hereby declare that all information in the 2021 Annual Report of PT Agincourt Resources has been presented in its entirety and that I am fully accountable for the accuracy of the contents of this report. This statement is duly made in all integrity.

Saya yang bertandatangan di bawah ini, dengan ini menyatakan bahwa semua informasi dalam Laporan Tahunan 2021 PT Agincourt Resources telah disajikan secara menyeluruh dan saya bertanggung jawab sepenuhnya atas keakuratan isi laporan ini. Demikian pernyataan ini dibuat dengan sebenar-benarnya.

Jakarta, March 2022

Jakarta, Maret 2022



**FRANCISCUS XAVERIUS LAKSANA KESUMA**  
**President Commissioner**  
Presiden Komisaris

## Statement of Responsibility of the Board of Directors for the 2021 Annual Report of PT Agincourt Resources

### Pernyataan Tanggung Jawab Direksi Atas Laporan Tahunan 2021 PT Agincourt Resources

I, the undersigned, hereby declare that all information in the 2021 Annual Report of PT Agincourt Resources has been presented in its entirety and that I am fully accountable for the accuracy of the contents of this report. This statement is duly made in all integrity.

Saya yang bertandatangan di bawah ini, dengan ini menyatakan bahwa semua informasi dalam Laporan Tahunan 2021 PT Agincourt Resources telah disajikan secara menyeluruh dan saya bertanggung jawab sepenuhnya atas keakuratan isi laporan ini. Demikian pernyataan ini dibuat dengan sebenar-benarnya.

Jakarta, March 2022

Jakarta, Maret 2022



**MULIADY SUTIO**  
**President Director**  
Presiden Direktur



# **FINANCIAL STATEMENTS**

LAPORAN KEUANGAN

**PT AGINCOURT RESOURCES**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2021**

**BOARD OF DIRECTORS' STATEMENT LETTER  
REGARDING THE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2021**

**PT AGINCOURT RESOURCES**

We, the undersigned:

- |                |   |  |
|----------------|---|--|
| 1. Name        | : | Muliady Sutio  |
| Office address | : | Level 12 Suite 1201, Wisma Pondok Indah 2,<br>Jl. Sultan Iskandar Muda Kav. V-TA,<br>Pondok Indah, Jakarta Selatan 12310 |
| Phone Number   | : | 021-80672000   |
| Position       | : | President Director   |
| 2. Name        | : | Noviandri  |
| Office address | : | Level 12 Suite 1201, Wisma Pondok Indah 2,<br>Jl. Sultan Iskandar Muda Kav. V-TA,<br>Pondok Indah, Jakarta Selatan 12310 |
| Phone Number   | : | 021-80672000   |
| Position       | : | Director   |

Declare that:

1. The Board of Directors is responsible for the preparation and presentation of PT Agincourt Resources (the "Company") financial statements;
2. The Company's financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards.
3.
  - a. All information in the Company's financial statements have been presented in a complete and truthful manner;
  - b. The Company's financial statements do not contain any incorrect information or material facts, nor do they omit information and material facts; and
4. We are responsible for the Company's internal control system

This statement letter is made truthfully.  
For and on behalf of the Board of Directors

Jakarta, 14 February 2022

Muliady Sutio  
President Director



Noviandri  
Director



**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF  
PT AGINCOURT RESOURCES**

We have audited the accompanying financial statements of PT Agincourt Resources, which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT Agincourt Resources as at 31 December 2021, and its financial performance and its cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

JAKARTA,  
14 February 2022

**Daniel Kohar, S.E., CPA**  
License of Public Accountant No. AP.1130

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*Kantor Akuntan Publik Tanudiredja, Wibisana, Rintis & Rekan*  
WTC 3, Jl. Jend. Sudirman Kav. 29-31, Jakarta 12920 – Indonesia  
T: +62 21 50992901 / 31192901, F: +62 21 52905555 / 52905050, [www.pwc.com/id](http://www.pwc.com/id)



**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

(Expressed in US Dollars, unless otherwise stated)

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4a	262,191,604	106,221,760
Inventories	5	54,890,284	47,698,340
Other receivables - third parties		2,411,060	2,052,977
Prepayments		2,972,529	3,984,719
Claims for tax refund - current portion	8a	12,992,708	11,990,033
Derivative assets - current portion	11	<u>61,218</u>	<u>186,746</u>
<b>Total Current Assets</b>		<b><u>335,519,403</u></b>	<b><u>172,134,575</u></b>
<b>NON-CURRENT ASSETS</b>			
Restricted time deposits	4b	24,001,139	23,796,138
Inventories - non-current portion	5	14,440,696	13,804,622
Property, plant and equipment	6	187,838,870	164,069,448
Mining properties	7	316,430,530	333,627,323
Development properties	7	59,674,357	50,848,186
Exploration and evaluation assets	7	29,757,127	32,462,450
Claims for tax refund - non-current portion	8a	15,546,658	13,536,157
Derivative assets - non-current portion	11	33,139	309,967
Other assets		<u>630,438</u>	<u>647,217</u>
<b>Total Non-current Assets</b>		<b><u>648,352,954</u></b>	<b><u>633,101,508</u></b>
<b>TOTAL ASSETS</b>		<b><u>983,872,357</u></b>	<b><u>805,236,083</u></b>

*The accompanying notes form an integral part of the financial statements.*

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

(Expressed in US Dollars, unless otherwise stated)

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade payables - third parties	9	4,741,205	5,324,349
Other payables - third parties		64,322	8,735,134
Accrued expenses	10	47,457,919	31,419,715
Short-term employee benefit liabilities	10	3,198,881	3,176,564
Taxes payable:			
- Corporate income tax payable	8b	23,039,569	7,627,006
- Other taxes payable	8b	549,891	380,366
Derivative liabilities - current portion	11	-	15,271,117
<b>Total Current Liabilities</b>		<b><u>79,051,787</u></b>	<b><u>71,934,251</u></b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefit liabilities	12	12,520,608	10,299,101
Provision for mine rehabilitation and closure	13	29,179,424	28,638,584
Deferred tax liabilities	8d	36,852,518	34,845,050
Derivative liabilities - non-current portion	11	-	193,046
<b>Total Non-current Liabilities</b>		<b><u>78,552,550</u></b>	<b><u>73,975,781</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>157,604,337</u></b>	<b><u>145,910,032</u></b>
<b>EQUITY</b>			
Share capital - authorised capital 85,000,000 shares, issued and fully paid 85,000,000 shares with par value US\$1 per share	14a	85,000,000	85,000,000
Other reserves	14c	(28,255,120)	(38,002,349)
Retained earnings		769,523,140	612,328,400
<b>TOTAL EQUITY</b>		<b><u>826,268,020</u></b>	<b><u>659,326,051</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b><u>983,872,357</u></b>	<b><u>805,236,083</u></b>

*The accompanying notes form an integral part of the financial statements.*

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

(Expressed in US Dollars, unless otherwise stated)

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
<b>SALES</b>	15	580,602,793	481,419,810
<b>COST OF GOODS SOLD</b>	16	<u>(224,404,484)</u>	<u>(199,939,806)</u>
<b>GROSS PROFIT</b>		<b><u>356,198,309</u></b>	<b><u>281,480,004</u></b>
General and administrative expenses	17	(30,147,558)	(25,041,172)
Finance costs	18	(748,253)	(4,361,412)
Finance income	18	1,151,950	2,232,997
Other expenses - net	19	<u>(9,154,204)</u>	<u>(21,190,251)</u>
<b>INCOME BEFORE TAX</b>		<b>317,300,244</b>	<b>233,120,166</b>
<b>INCOME TAX EXPENSE</b>	8c	<u>(74,651,922)</u>	<u>(45,873,937)</u>
<b>NET INCOME FOR THE YEAR</b>		<b><u>242,648,322</u></b>	<b><u>187,246,229</u></b>
<b>OTHER COMPREHENSIVE (LOSS)/INCOME - NET OF TAX</b>			
Items that will not be subsequently reclassified to profit or loss:			
Actuarial (loss)/gain on employee benefit liabilities	12	(375,062)	32,968
Related income tax	8d	82,088	(7,253)
Items that will be subsequently reclassified to profit or loss:			
Fair value gain on hedging instruments designated in cash flow hedges	11	12,872,054	29,925,092
Related income tax	8d	(2,831,851)	(6,583,521)
Adjustment related to change in income tax rate	8d	<u>-</u>	<u>(1,281,084)</u>
Total other comprehensive income, net of tax		<u>9,747,229</u>	<u>22,086,202</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>252,395,551</u></b>	<b><u>209,332,431</u></b>

*The accompanying notes form an integral part of the financial statements.*

## PT AGINCOURT RESOURCES

## Schedule 3

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021

(Expressed in US Dollars, unless otherwise stated)

	Notes	Share capital	Other reserves			Retained earnings	Total
			Shareholder costs	Actuarial (loss)/gain	Cash flow hedges		
<b>Balance as of 1 January 2020</b>		<u>85,000,000</u>	<u>(28,050,828)</u>	<u>(10,629)</u>	<u>(32,027,094)</u>	<u>507,974,347</u>	<u>532,885,796</u>
Dividends	20d	-	-	-	-	(82,892,176)	(82,892,176)
Income for the year		-	-	-	-	187,246,229	187,246,229
Remeasurement of post-employment benefit liabilities, net of tax		-	-	25,715	-	-	25,715
Fair value gain on hedging instruments designated in cash flow hedges, net of tax		-	-	-	22,060,487	-	22,060,487
<b>Balance as of 31 December 2020</b>		<u>85,000,000</u>	<u>(28,050,828)</u>	<u>15,086</u>	<u>(9,966,607)</u>	<u>612,328,400</u>	<u>659,326,051</u>
Dividends	20d	-	-	-	-	(85,453,582)	(85,453,582)
Income for the year		-	-	-	-	242,648,322	242,648,322
Remeasurement of post-employment benefit liabilities, net of tax		-	-	(292,974)	-	-	(292,974)
Fair value gain on hedging instruments designated in cash flow hedges, net of tax		-	-	-	10,040,203	-	10,040,203
<b>Balance as of 31 December 2021</b>		<u>85,000,000</u>	<u>(28,050,828)</u>	<u>(277,888)</u>	<u>73,596</u>	<u>769,523,140</u>	<u>826,268,020</u>

The accompanying notes form an integral part of the financial statements.



**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

(Expressed in US Dollars, unless otherwise stated)

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before tax	317,300,244	233,120,166
Adjustments to reconcile income before tax to net cash provided from operating activities:		
Amortisation of mining properties	52,824,234	43,855,650
Depreciation of property, plant and equipment	17,330,300	15,831,111
Amortisation of put options	207,413	2,298,456
Fair value changes of derivative instruments	12,872,054	32,322,257
Unwinding of discount	540,840	912,000
Provision for employee benefit liabilities	2,160,220	2,023,913
Write-off of certain exploration and evaluation assets and development properties	8,079,097	7,069,962
Provision for obsolescence and slow-moving warehouse inventories	200,000	6,434,600
Loss on disposal of plant and equipment	327,304	-
Interest expense on loans	-	1,150,956
	<u>411,841,706</u>	<u>345,019,071</u>
Operating cash flows before changes in working capital		
Changes in working capital:		
Inventories	(8,028,018)	(16,538,941)
Other receivables	(358,083)	(237,713)
Prepayments	1,012,190	(208,541)
Claims for tax refund	(3,013,176)	42,030,442
Restricted time deposits and other assets	(188,222)	635,688
Derivative assets	194,943	(2,628,698)
Trade payables - third parties	(583,144)	2,519,450
Other payables - third parties	(8,670,812)	6,722,376
Accrued expenses and short-term employee benefit liabilities	11,219,362	(6,764,136)
Derivative liabilities	(15,464,163)	(27,296,396)
Other taxes payable	169,525	(614,801)
Provision for mine rehabilitation and closure	-	1,922,831
	<u>388,132,108</u>	<u>344,560,632</u>
Cash generated from operations		
Payment of income tax	(59,981,654)	(53,923,378)
Payment of post-employment benefits	(313,775)	(295,364)
	<u>327,836,679</u>	<u>290,341,890</u>
<b>Net cash flows provided from operating activities</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(55,926,020)	(44,082,748)
Additions to exploration and evaluation assets	(9,398,600)	(9,194,368)
Additions to mining properties	(5,899,546)	(7,982,904)
Additions to development properties	(15,189,087)	(10,159,118)
	<u>(86,413,253)</u>	<u>(71,419,138)</u>
<b>Net cash flows used in investing activities</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of dividends	(85,453,582)	(82,892,176)
Payment of interest on loans	-	(1,358,142)
Payment of loan from related parties	-	(70,830,505)
	<u>(85,453,582)</u>	<u>(155,080,823)</u>
<b>Net cash flows used in financing activities</b>		
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>155,969,844</b>	<b>63,841,929</b>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>106,221,760</u>	<u>42,379,831</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>262,191,604</u></b>	<b><u>106,221,760</u></b>

*The accompanying notes form an integral part of the financial statements.*

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2021**

(Expressed in US Dollars, unless otherwise stated)

**1. GENERAL**

PT Agincourt Resources (the “Company”), formerly PT Danau Toba Mining, was established under the laws of the Republic of Indonesia, by Notarial Deed No. 281 dated 14 April 1997, of Notary Haji Muhammad Afdal Gazali, S.H., Jakarta. The deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia in the Decree No. C2-3010.HT.01.01.TH.1997 dated 24 April 1997 and published in Supplement No. 3232, State Gazette of the Republic of Indonesia No. 63 dated 8 August 1997. The Company’s Articles of Association have been amended several times, most recently by Notarial Deed No. 19 dated 30 March 2021 of Notary Moeliana Santoso, S.H., M.Kn., Tangerang. The amendment has been approved by the Minister of Law and Human Rights of the Republic of Indonesia in the Decree Number AHU-0058924.AH.01.11.TAHUN 2021 dated 30 March 2021 and also notified to the Minister of Law and Human Rights of the Republic of Indonesia as stated in the Receipt of Notification Number AHU-AH.01.03-0203895 dated 30 March 2021.

**Contract of Work**

On 28 April 1997, the Company entered into a Contract of Work (“CoW”) with the Government of the Republic of Indonesia (the “Government”) to explore, develop and mine gold and silver, with the exception of hydrocarbon compounds, coal and radioactive minerals, in areas within Sibolga, North Sumatera, subject to certain requirements including Government approvals and payment of royalties to the Government. Under the terms of the CoW, the Company acts as a contractor to the Government. The Company commenced its 30-year operating period in 2012 with minerals produced in the CoW area.

On 14 March 2018, the Company and the Government reached agreement to amend the CoW (“Amendment”). Notwithstanding the Amendment, the CoW is still valid until 2042. After this period, the operations under the CoW can be extended in the form of a special mining business license (IUPK) in accordance with prevailing laws and regulations which currently allow for an extension of 10 years which can be extended further by another 10 years. The key changes incorporated in the Amendment include reduction in CoW area from 163,927 hectares to 130,252 hectares, adoption of prevailing rates for taxes and royalties and obligation to increase ownership of Indonesian participants in the Company to at least 51% by 24 April 2022.

The Company’s head office is located at Level 12, Suite 1201, Pondok Indah Office Tower 2, Jl. Sultan Iskandar Muda Kav. V-TA, Pondok Indah, Jakarta Selatan 12310. The project office of the Company’s mine is located at Jl. Merdeka Barat KM 2, Desa Aek Pining, Kecamatan Batangtoru, Tapanuli Selatan, North Sumatera 22738. The Company had 829 and 802 employees (unaudited) as of 31 December 2021 and 2020, respectively.

On 4 December 2018, PT Danusa Tambang Nusantara (“DTN”), a subsidiary of PT United Tractors Tbk (“UT Group”), entered into a Share Sale Agreement (“SSA”) with Agincourt Resources (Singapore) Pte. Ltd. (“ARS”) to acquire 95% ownership of the Company. The conditions precedent in the SSA were fulfilled on 4 December 2018. DTN appointed new Boards of Directors and Commissioners on 4 December 2018, and as such, DTN has effectively had control over the Company as the majority shareholder since that date.

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(Expressed in US Dollars, unless otherwise stated)

**1. GENERAL** (continued)

The composition of the Company's Board of Commissioners and Board of Directors as at 31 December 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
President Commissioner	Franciscus X L Kesuma	Franciscus X L Kesuma
Commissioners	Anwar Nasution Iwan Hadianoro Ari Sutrisno Bambang Susigit Linda Helena Darmalina Putut Eko Bayuseno	Anwar Nasution Iwan Hadianoro Ari Sutrisno Bambang Susigit Linda Helena Darmalina Putut Eko Bayuseno
President Director	Muliady Sutio	Muliady Sutio
Vice President Director	Hendra Hutahean	Timothy John Vincent Duffy
Directors	Noviandri Darryn Michael McClelland Ruli Tanio Sanny Tjan	Noviandri Darryn Michael McClelland Ruli Tanio Sanny Tjan

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Company's financial statements were prepared and finalised by the Board of Directors and authorised for issuance on 14 February 2022.

Presented below are the significant accounting policies adopted in preparing the financial statements of the Company, which are in conformity with Indonesian Financial Accounting Standards. These policies have been consistently applied in all periods presented, unless otherwise stated.

**a. Basis of preparation of the financial statements**

The financial statements have been prepared on the basis of historical costs, except for financial assets and financial liabilities, which are measured at fair value through profit or loss, and using the accrual basis except for the statement of cash flows.

The statement of cash flows is prepared based on the indirect method by classifying cash flows on the basis of operating, investing and financing activities.

The financial statements are presented in US Dollars ("US\$"), which is the Company's functional and presentation currency.

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

**NOTES TO THE FINANCIAL STATEMENTS**  
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(Expressed in US Dollars, unless otherwise stated)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**a. Basis of preparation of the financial statements** (continued)**Changes to Statements of Financial Accounting Standards (“SFAS”) and Interpretations of Statements of Financial Accounting Standards (“IFAS”)**

The adoption of the following new interpretations, amendments and annual improvements to accounting standards which are effective from 1 January 2021 did not result in substantial changes to the Company’s accounting policies and had no material effect on the amounts reported in the financial statements for the current period:

- SFAS No. 112, “Accounting for Endowments”
- Amendment to SFAS No. 22, “Business Combinations”
- Amendment to SFAS No. 71, “Financial Instruments”, Amendment to SFAS No. 55, “Financial Instruments: Recognition and Measurement”, Amendment to SFAS No. 60, “Financial Instruments: Disclosures” on Interest Rate Reference Reforms - Relating to Interbank Offered Rate Reform, Amendment to SFAS No. 62, “Insurance Contracts” and Amendment to SFAS No. 73 regarding Interest Rate Benchmark Reform 2
- Annual improvement to SFAS No. 110, “Sukuk Accounting”
- Annual improvement to SFAS No. 111, “Wa’d Accounting”
- Amendment to SFAS No. 73, “COVID-19 related Rent Concessions”
- 2021 annual improvements to SFAS No. 1, “Presentation of Financial Statements”, SFAS No. 13, “Investment Property”, SFAS No. 48, “Impairment of Assets”, SFAS No. 66, “Joint Arrangements”, IFAS No. 16, “Service Concession Arrangements”

New standards, amendments and annual improvements issued but not yet effective for the financial year beginning 1 January 2021 are as follows:

- SFAS No. 74, “Insurance Contracts”
- Amendment to SFAS No. 1, “Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current”
- Amendment to SFAS No. 1, “Presentation of Financial Statements - Disclosure of Accounting Policies”
- Amendment to SFAS No. 16, “Property, Plant and Equipment - Proceeds before Intended Use”
- Amendment to SFAS No. 22, “Business Combinations - Reference to Conceptual Framework for Financial Reporting”
- Amendment to SFAS No. 25, “Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates”
- Amendment to SFAS No. 57, “Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract”
- Annual improvement to SFAS No. 69, “Agriculture”
- Annual improvement to SFAS No. 71, “Financial Instruments”
- Annual improvement to SFAS No. 73, “Leases”

The above new standards, amendments and annual improvements are effective beginning 1 January 2022, except for Amendments to SFAS No. 1, Amendment to SFAS No. 16 and Amendment to SFAS No. 25, which are effective beginning 1 January 2023 and SFAS No. 74, which is effective beginning 1 January 2025, but early adoption is permitted.

As at the issuance date of these financial statements, the Company is evaluating the potential impact of these new standard and amendments on the Company’s financial statements.



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(Expressed in US Dollars, unless otherwise stated)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**b. Foreign currency translation****(i) Functional and presentation currency**

Items presented in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency).

**(ii) Transactions and balances**

Foreign currency transactions are translated into US Dollars at the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the transactions and from the translation at year-end exchange rates of monetary assets and liabilities in currencies other than US Dollars are recognised in profit or loss.

**c. Related party transactions**

Related party terms used are in accordance with SFAS No. 7 (Revised 2015) "Related Party Disclosures".

All significant transactions and balances with related parties are disclosed in the notes to the financial statements.

**d. Cash and cash equivalents**

Cash and cash equivalents are cash on hand, cash in banks and time deposits with maturity periods of three months or less from the date of placement and which are not used as collateral or otherwise restricted.

**e. Trade and other receivables**

Trade receivables are amounts due from customers for gold and silver sold in the ordinary course of business. Other receivables are amounts due from third or related parties for transactions outside the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**f. Financial assets****(i) Classifications, recognition and measurement**

The Company has classified its financial assets into the following categories:

- (i) financial assets measured at amortised cost; and
- (ii) financial assets measured at fair value either through profit or loss ("FVTPL") or through other comprehensive income ("FVOCI").

The classification depends on the Company's business model and the contractual terms of the cash flows when determining whether their cash flows are solely payment of principal and interest.

**(i) Financial assets measured at amortised cost**

This classification applies to debt instruments which are held under a hold to collect business model and which have cash flows that meet the "solely payments of principal and interest" ("SPPI") criteria.

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(Expressed in US Dollars, unless otherwise stated)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**f. Financial assets** (continued)

## (i) Classifications, recognition and measurement (continued)

## (i) Financial assets measured at amortised cost (continued)

At initial recognition, trade receivables that do not have a significant financing component, are recognised at their transaction price. Other financial assets are initially recognised at fair value plus related transaction costs. They are subsequently measured at amortised cost using the effective interest method. Any gains or losses on derecognition or modification of a financial asset held at amortised cost are recognised in profit or loss.

## (ii) Financial assets measured at fair value through profit or loss.

The classification applies to the following financial assets. In all cases, transaction costs are immediately expensed to profit or loss.

- Debt instruments that do not meet the criteria of amortised cost or fair value through other comprehensive income. Subsequent fair value gains or losses are taken to profit or loss.
- Equity investments which are held for trading or where the fair value through other comprehensive income election has not been applied. All fair value gains or losses and related dividend income are recognised in profit or loss.
- Derivatives which are not designated as a hedging instrument. All subsequent fair value gains or losses are recognised in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

## (iii) Financial assets measured at fair value through other comprehensive income.

This classification applies to the following financial assets.

- Debt instruments that are held under a business model where they are held for collection of contractual cash flows and also for sale ("collect and sell") and which have cash flows that meet the "solely payments of principal and interest" criteria.

All movements in the fair value of these financial assets are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue (including transaction costs by applying the effective interest method), gains or losses arising on derecognition and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative fair value of gains or losses previously recognised in other comprehensive income is reclassified to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS**  
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(Expressed in US Dollars, unless otherwise stated)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**f. Financial assets** (continued)

## (i) Classifications, recognition and measurement (continued)

(iii) Financial assets measured at fair value through other comprehensive income.  
(continued)

- Equity investments where the Company has irrevocably elected to present fair value gains and losses on revaluation in other comprehensive income

The election can be made for each individual investment; however, it is not applicable to equity investments held for trading. Fair value gains or losses on revaluation of such equity investments, including any foreign exchange component, are recognised in other comprehensive income. When the equity investment is derecognised, there is no reclassification of fair value gains or losses previously recognised in other comprehensive income to profit or loss. Dividends are recognised in profit or loss when the right to receive payment is established.

Refer to Note 2g for details of the Company's accounting policy on derivative financial instruments.

## (ii) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all of the risks and rewards of ownership.

## (iii) Impairment of financial assets

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions, that is indicative of significant increases in credit risk since initial recognition.

The Company applies the "simplified approach" to measuring expected credit losses ("ECL") which uses a lifetime expected loss allowance for all trade receivables, other receivables and contract assets without significant financing components and the "general approach" for all other financial assets. The general approach incorporates a review for any significant increase in counterparty credit risk since inception. The expected credit loss reviews include assumptions about the risk of default and expected loss rates. For trade receivables, the assessment considers the use of credit enhancements. To measure the expected credit losses, trade receivables have been grouped based on similar credit risk characteristics and the days past due.

## (iv) Offsetting financial instruments

Financial assets and liabilities are offset and their net amounts are reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**g. Derivative financial instruments and hedging activities**

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair values. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, on the nature of the item being hedged. The Company designates certain derivatives as either (a) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (b) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

At the inception of the transaction, the Company documents the relationship between hedging instruments and hedging items, as well as its risk management objectives and the strategy for undertaking hedging transactions. The Company also documents its assessment, both at the hedge inception and on an ongoing basis, of whether the derivatives used in hedging transactions are highly effective in offsetting changes in the fair value of or the cash flow from hedged items.

The full value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months from the reporting date.

**(i) Fair value hedge**

Changes in the fair values of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of such a fair value hedge is recognised in profit or loss in the same line as the changes in fair value of the hedged item to which it relates. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

**(ii) Cash flow hedge**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in other comprehensive income within equity are reclassified to profit or loss in the period when the hedged item affects profit or loss. The gain or loss relating to the realised portion of the cash flow hedge is recognised in profit or loss in the same line as the hedged item to which it relates. However, when the forecast transaction that is being hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in the cost of revenue in the case of inventory or in depreciation expense in the case of fixed assets.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to profit or loss.

Changes in the fair value of any derivative instruments that are not designated as, or do not qualify for, hedge accounting are recognised immediately in profit or loss.

As at 31 December 2021, the Company has hedging instruments designated as cash flow hedges.



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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**h. Inventories**

Inventories comprise raw materials, work-in-progress and finished goods. Work-in-progress inventories mainly comprise ore stockpiles and other partly processed materials.

Inventories are stated at the lower of cost and net realisable value, primarily on a moving average cost basis.

Cost of inventories comprises labour costs, material costs and contractor expenses which are directly attributable to the extraction and processing of ore; and a systematic allocation of the amortisation and depreciation of mining properties and of property, plant and equipment used in the extraction and processing of ore; and production overheads. Cost for purchased materials is determined after deducting discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Stockpiles represent ore that has been extracted and is awaiting further processing. If there is significant uncertainty as to when the stockpiled ore will be processed it is expensed as incurred. Where the future processing of this ore can be predicted with reasonable certainty, it is valued at the lower of cost and net realisable value.

Warehouse inventories are valued at the lower of average cost or net realisable value. Cost includes applicable taxes. A provision for obsolete and slow-moving materials and supplies is determined on the basis of estimated future usage or sale proceeds of individual inventory items.

The current portion of stockpiles and inventories is determined based on the expected amounts to be processed within the next 12 months. Stockpiles and inventories not expected to be processed within the next 12 months are classified as long-term.

**i. Property, plant and equipment**

Property, plant and equipment held for use in the production of goods or for administrative purposes, are stated at cost, less accumulated depreciation and any accumulated impairment losses.

Except for the majority of plant equipment assets which are depreciated using the units-of-production method, depreciation is computed using the straight-line method based on the lesser of the estimated useful lives of the assets, the life-of-mine or term of the CoW. The estimated useful lives of the fixed assets are as follows:

	Years
Buildings	10
Plant equipment	5 - 8
Motor vehicles	4
Office equipment	4 - 5
Information technology	4

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimates accounted for on a prospective basis.

Land is stated at cost and is not depreciated.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**i. Property, plant and equipment** (continued)

The cost of maintenance and repairs is charged to operations as incurred. Other costs incurred subsequently to add to, replace part of, or service an item of property, plant and equipment, are recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

When assets are retired or otherwise disposed of, their carrying amount is removed from the accounts and any resulting gain or loss is reflected in profit or loss.

Construction in-progress is stated at cost which includes borrowing costs during construction on debts incurred to finance the construction. Construction in-progress is transferred to the respective property, plant and equipment account when completed and ready for use.

Insurance spares are major items and parts kept on hand to ensure the uninterrupted operation of production equipment if there is an unexpected breakdown or equipment failure. They do not include items that are generally consumed or replaced during the regular maintenance cycle. Insurance spares are normally used only because of a breakdown, and are not generally expected to be used. Insurance spares are capitalised within property, plant and equipment and depreciated over the same period as the component they are associated with. This reflects the fact that they are 'available for use' immediately.

Property, plant and equipment are tested for impairment in accordance with the policy in Note 2n.

**j. Exploration and evaluation assets**

Exploration and evaluation activities involve the search for mineral resources, determination of the technical feasibility and assessment of the commercial viability of the mineral resource.

Exploration and evaluation assets comprise costs that are directly attributable to:

- acquisition of rights to explore;
- topographical, geological, geochemical and geophysical studies;
- exploratory drilling;
- trenching and sampling; and
- activities involved in evaluating the technical feasibility and commercial viability of extracting mineral resources.

Exploration and evaluation expenditure is written off as incurred, unless they are capitalised and carried forward, on an area of interest basis, provided one of the following conditions is met:

- (i) the costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- (ii) exploration activities in the area of interest have not yet reached the stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in or in relation to the area of interest are continuing.

Capitalised costs include costs directly related to exploration and evaluation activities in the relevant area of interest. General and administrative costs are allocated to an exploration or evaluation asset only to the extent that those costs can be related directly to operational activities in the relevant area of interest.

Exploration and evaluation assets are recorded at cost less impairment charges. As the asset is not available for use, it is not depreciated.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**j. Exploration and evaluation assets** (continued)

Exploration and evaluation assets are assessed for impairment if facts and circumstances indicate that impairment may exist. Exploration and evaluation assets are also tested for impairment once commercial reserves are found, before the assets are transferred to development properties.

Exploration and evaluation assets are tested for impairment in accordance with the policy in Note 2n.

**k. Development properties**

Development expenditure incurred by the Company is accumulated separately for each area of interest in which economically recoverable resources have been identified. Such expenditure comprises costs directly attributable to the construction of a mine and the related infrastructure.

The development phase begins after the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Once a development decision has been taken, the carrying amount of the exploration and evaluation assets relating to the area of interest is aggregated with the development expenditure and classified under non-current assets as "development properties".

A development property is reclassified as a "mining property" at the end of the commissioning phase, when the mine is capable of operating in the manner intended by management.

No depreciation or amortisation is recognised for development properties until they are reclassified as "mining properties".

Development properties are tested for impairment in accordance with the policy in Note 2n.

**l. Mining properties**

When further development expenditure is incurred on a mining property after the commencement of production, the expenditure is carried forward as part of the mining properties when it is probable that additional future economic benefits associated with the expenditure will flow to the Company. Otherwise this expenditure is classified as a cost of production.

Mining properties (including reclassified exploration, evaluation and development expenditure, and payments to acquire mineral rights and leases) are amortised using the units-of-production method, with separate calculations being made for each area of interest. The units-of-production basis results in an amortisation charge proportional to the depletion of the proved and probable reserves.

Mining properties are tested for impairment in accordance with the policy described in Note 2n.

**m. Stripping activity assets**

In open pit mining operations, overburden and other waste materials must be removed to access ore from which minerals can be extracted economically. The process of removing overburden and waste materials is referred to as stripping.

During the development of a mine (or pit), before production commences, stripping costs are capitalised as part of the cost of construction of the mine (or pit) and are subsequently amortised over the life of the mine (or pit) on a units-of-production basis.

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(Expressed in US Dollars, unless otherwise stated)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**m. Stripping activity assets** (continued)

During the production phase the following three criteria must be met in order for stripping costs to qualify for capitalisation as a stripping activity asset:

- it must be probable that there will be an economic benefit in a future accounting period because the stripping activity has improved access to the ore body;
- it must be possible to identify the “component” of the ore body for which access has been improved; and
- it must be possible to reliably measure the costs that relate to the stripping activity.

A “component” is a specific section of the ore body that is made more accessible by the stripping activity. It will typically be a subset of the larger ore body that is distinguished by a separate useful economic life.

Production phase stripping can give rise to two benefits: the extraction of ore in the current period and improved access to ore which will be extracted in future periods. When the cost of stripping which has a future benefit is not distinguishable from the cost of producing current inventories, the stripping cost is allocated to each of these activities based on a relevant production measure using a life of component strip ratio. The ratio divides the tonnage of waste mined for the component for the period either by the quantity of ore mined for the component or by the quantity of minerals contained in the ore mined for the component. In some operations, the quantity of ore is a more appropriate basis for allocating costs, particularly where there are significant by-products. Stripping costs for the component are deferred to the extent that the current period ratio exceeds the life of component ratio. The stripping activity asset is depreciated on a “units-of-production” basis based on the expected production of either ore or contained minerals over the life of the component unless another method is more appropriate.

The life of component ratios are based on the ore reserves of the mine (and for some mines, other mineral resources) and the annual mine plan; they are a function of the mine design and therefore changes to that design will generally result in changes to the ratios. Changes in other technical or economic parameters that impact the ore reserves (and for some mines, other mineral resources) may also have an impact on the life of component ratios even if they do not affect the mine design. Changes to the ratios are accounted for prospectively.

Stripping activity assets are included in “mining properties”. Amortisation of deferred stripping costs is included in “amortisation” within “cost of goods sold”.

**n. Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amount of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Estimated recoverable amount is the higher of fair value less costs to sell and value in use, and if the recoverable amount of the non-financial asset (cash generating unit) is less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount and an impairment loss is recognised immediately against earnings.



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(Expressed in US Dollars, unless otherwise stated)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**o. Employee benefits**Post-employment benefits

In accordance with Labour Law No. 13/2003 and Job Creation Law No. 11/2020 (together "labour regulations"), the Company is required to provide a minimum amount of pension benefits as stipulated in the labour regulations, which represents a defined benefit pension plan. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. No funding of benefits has been made to date.

The liability recognised in the statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates at the reporting date of government bonds (considering that currently there is no deep market for high quality corporate bonds) that are denominated in the currency, in which the benefits will be paid and that have terms to maturity similar to the related pension obligation.

Past service costs are recognised immediately in profit or loss.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Other long-term employee benefits

The Company provides other long-term benefit programs in the form of compensation for long service leave and awards. The benefit program is not funded. The benefit is granted based on the Company's policy and calculated using the projected unit credit method and discounted to present value.

The entitlement to these benefits is usually based on the employee remaining in service up to retirement age or the completion of a qualifying service period. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that used for the defined benefit pension plan.

**p. Trade and other payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables are amounts due to third or related parties for transactions outside the ordinary course of business. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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(Expressed in US Dollars, unless otherwise stated)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**q. Provision for mine closure**

Provision for mine closure provides for the legal obligations associated with the retirement of property, plant and equipment and other long-lived assets that result from the acquisition, construction or development and/or the normal operation of such assets. The retirement of an asset is its other-than-temporary removal from service including its sale, abandonment, recycling or disposal in some other manner.

These obligations are recognised as liabilities when a legal or constructive obligation with respect to the retirement of an asset is incurred, with the initial measurement of the obligation at present value.

An asset retirement cost equivalent to these liabilities is capitalised as part of the related asset's carrying value and is subsequently depreciated or depleted over the asset's useful life. These obligations are measured at the present value of the expenditure expected to be required to settle the obligation using a long-term, pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in these obligations due to the passage of time is recognised as a finance cost.

The changes in the measurement of these obligations that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate will be added to or deducted from, the cost of the related asset in the current period. The amount deducted from the cost of the asset should not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in profit or loss. If the adjustment results in an addition to the cost of an asset, the Company will consider whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the Company estimates its recoverable amount, and will account for any impairment loss incurred.

The costs for decommissioning and site rehabilitation, which arise during production, are provided at their net present values and charged as operating costs as extraction progresses when the obligation has arisen from activities which have already been performed. Changes in the measurement of a liability which arise during production are charged against operating profit.

Provision for environmental issues that may not involve the retirement of an asset, where the Company is a responsible party are recognised when:

- The Company has a present legal or constructive obligation as a result of past events;
- It is probable that an outflow of resources will be required to settle the obligation; and
- The amount can be reliably estimated.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**r. Revenue and expense recognition**Revenue from contracts with customers

Revenue recognition has to fulfill five steps of assessment:

1. Identify contract(s) with a customer.
2. Identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer goods or services that are distinct.
3. Determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer less the estimated amount of service level guarantee which will be paid during the contract period.
4. Allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract. Where these are not directly observable, the relative standalone selling prices are estimated based on expected cost plus margin.
5. Recognise revenue when the performance obligation is satisfied by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service).

Revenue from sales of goods is recognised when control transfers to the customer. There may be circumstances when judgement is required based on the five indicators of control below:

1. The customer has the significant risks and rewards of ownership and has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the goods.
2. The customer has a present obligation to pay in accordance with the terms of the sales contract.
3. The customer has accepted the goods. Sales revenue may be subject to adjustment based on the inspection of shipments by the customer. In these cases, sales are recognised based on the Company's best estimate of the grade and/or quantity at the time of shipment, and any subsequent adjustments are recorded against revenue. Historically, the differences between estimated and actual grade and/or quantity are not significant.
4. The customer has legal title to the goods.
5. The customer has physical possession of the goods.

A performance obligation may be satisfied at the following:

- a. Point in time (typically for promises to transfer goods to a customer); or
- b. Over time (typically for promises to transfer services to a customer). For a performance obligation satisfied over time, the Company selects an appropriate measure of progress to determine the amount of revenue that should be recognised as the performance obligation is satisfied.

The Company transfers control of a good or service over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs it;
- The Company's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company, and the Company has an enforceable right to payment for performance completed to date;

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**r. Revenue and expense recognition** (continued)

For each performance obligation satisfied over time, the Company recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

The Company applies the output method for measuring progress. The Company excludes from the measure of progress any goods or services for which the Company does not transfer control to a customer.

The Company recognises revenue for a performance obligation satisfied overtime only if the Company can reasonably measure its progress towards complete satisfaction of the performance obligation. In some circumstances, the Company may not be able to reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

**Expenses**

Expenses are recognised as incurred on an accrual basis.

**s. Current and deferred income tax**

The tax expense comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted at the reporting date and in accordance with the CoW. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Company establishes a provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill and deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantially enacted as at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.



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**3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company has identified the following matters under which significant judgments, estimates and assumptions are made and where actual results may differ and may materially affect the financial results or the financial position of the Company reported in future years.

Reserve estimates

Mineral reserves are estimates of the amounts of minerals that can be economically and legally extracted from the Company's properties. The Company determines and reports its gold and silver reserves under the principles incorporated in the Joint Ore Reserves Committee for the Reporting of Mineral Resources and Ore Reserves (the "JORC"). In order to estimate the reserves, assumptions are required about a range of geological, technical and economic factors, including quantities, production techniques, stripping ratios, production costs, transport costs, commodity demand, commodity prices, future capital expenditure, mine closure obligations and exchange rates.

Estimating the quantity and/or grade of the reserves requires the size, shape and depth of the body of the reserve or fields to be determined by analysing geological data such as drilling samples. This process may require complex and difficult geological judgments to interpret the data.

Because the economic assumptions used to estimate reserves change from year to year and because additional geological data is generated during the course of operations, estimates of reserves may change from year to year. Changes in reported reserves may affect the Company's financial results and financial position in a number of ways, including the following:

- Asset carrying values may be affected due to changes in the estimated future cash flows;
- Depreciation, depletion and amortisation charged to profit or loss may change where such charges are determined based on a unit-of-production method or where the economic useful lives of assets change;
- Provision for mine closure may change where changes in estimated reserves affect expectations about the timing or cost of these activities; and
- The carrying value of deferred tax assets/liabilities may change due to changes in estimates of the likelihood of the recoverability of the tax benefits.

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**3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES** (continued)Estimated useful lives of property, plant and equipment

The useful life of each of the items of the Company's property, plant and equipment are estimated based on the period over which the asset is expected to be available for use, limited by the life-of-mine or the CoW term. Such estimation is based on internal technical evaluation and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset. It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above.

A change in the estimated useful life of any item of property, plant and equipment would affect the recorded depreciation expense and change in the carrying values of property, plant and equipment.

The aggregate carrying value of property, plant and equipment is disclosed in Note 6 to the financial statements.

Amortisation of mining properties

The amounts recorded for amortisation as well as the recovery of the carrying value of mining properties depends on the estimates of ore reserves and the economic lives of future cash flows from related assets. The primary factors affecting these estimates are technical assessments of quantities of ore reserves in places which are probable of production and economic constraints such as the assumptions related to anticipated commodity prices and the costs of development and production of the reserves. The carrying amount of mining properties is disclosed in Note 7 to the financial statements.

Capitalisation of exploration and evaluation assets

The Company's accounting policy for exploration and evaluation assets results in certain items of expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not yet reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgment is made that recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to profit or loss.

Provision for mine rehabilitation and closure

The Company's accounting policy for the recognition of closure, rehabilitation and decommissioning provisions requires significant estimates and assumptions such as: requirements of the relevant legal and regulatory framework; the magnitude of possible land disturbance and the timing, extent and costs of required closure and rehabilitation activity. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time.

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**3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES** (continued)Impairment of non-financial assets

In accordance with the Company's accounting policy, each asset or cash generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of the recoverable amount is performed and an impairment loss is recognised to the extent that the carrying amount exceeds the recoverable amount.

The recoverable amount of an asset or a cash generating group of assets is measured at the higher of its fair value less costs to sell and value in use. Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

The determination of fair value and value in use requires management to make estimates and assumptions about expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), reserves (see 'Reserve estimates' above), operating costs, closure and rehabilitation costs and future capital expenditure. These estimates and assumptions are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may affect the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reduced with the impact recorded in profit or loss.

Income taxes

Judgments and assumptions are required to determine the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes for the Company. In particular, the calculation of the Company's income tax expense involves the interpretation of applicable tax laws and regulations, and the CoW.

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The resolution of tax positions taken by the Company can take several years to complete and in some cases it is difficult to predict the ultimate outcome. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will have an impact on the income tax and deferred income tax provision in the period in which this determination is made.

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**4. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND RESTRICTED TIME DEPOSITS**

**a. Cash and cash equivalents**

	<u>2021</u>	<u>2020</u>
Cash on hand	19,682	19,933
Cash in banks		
US Dollars	173,235,028	35,859,317
Rupiah	32,341,718	4,535,705
Australian Dollars	1,689,436	806,805
Time deposits		
US Dollars	50,000,000	65,000,000
Rupiah	<u>4,905,740</u>	<u>-</u>
<b>Total</b>	<b><u>262,191,604</u></b>	<b><u>106,221,760</u></b>

The above time deposits earned interest at average annual rates as follows:

	<u>2021</u>	<u>2020</u>
US Dollars	0.15% - 0.4%	0.4% - 1.5%
Rupiah	2.7%	-

**b. Restricted time deposits**

	<u>2021</u>	<u>2020</u>
Restricted time deposits in relation to mine closure	23,456,541	23,456,541
Restricted time deposits in relation to reclamation guarantee	<u>544,598</u>	<u>339,597</u>
<b>Total</b>	<b><u>24,001,139</u></b>	<b><u>23,796,138</u></b>

As at 31 December 2021 and 2020, the Company placed time deposits to the Directorate General of Minerals and Coal ("DGMC") amounting to US\$23,456,541 for mine closure guarantees.

The placement of time deposits for mine closure is required under DGMC letter No. 2111/30/DJB/2014 dated 1 December 2014. The time deposits for mine closure shall not be withdrawn until a written notification is received from DGMC.



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**5. INVENTORIES**

	<u>2021</u>	<u>2020</u>
<b>Current:</b>		
Warehouse inventories	24,353,069	25,071,216
Gold in-transit	27,441,089	23,973,076
Gold in-safe	4,435,893	3,358,757
Gold in-circuit	3,105,292	2,622,785
Ore inventories	613,981	787,106
Provision for obsolescence and slow-moving warehouse inventories	<u>(5,059,040)</u>	<u>(8,114,600)</u>
Total current inventories	<u>54,890,284</u>	<u>47,698,340</u>
<b>Non-current:</b>		
Ore inventories	<u>14,440,696</u>	<u>13,804,622</u>

Warehouse inventories comprise spare parts, chemicals, oil and lubricants.

As of 31 December 2021 and 2020, inventories of gold, silver, spare parts and supplies were covered by insurance against material damage and business interruption risks (refer to Note 6). Management believes the insurance coverage is adequate to cover possible losses arising from such risks.

The following is movements in the provision for obsolescence and slow-moving warehouse inventories:

	<u>2021</u>	<u>2020</u>
Beginning balance	8,114,600	1,680,000
Addition	200,000	6,434,600
Reclassification (Note 6)	<u>(3,255,560)</u>	<u>-</u>
<b>Ending balance</b>	<u><b>5,059,040</b></u>	<u><b>8,114,600</b></u>

Management believes that the provision for warehouse inventories is adequate to cover losses from obsolescence and slow-moving in warehouse inventories.

**6. PROPERTY, PLANT AND EQUIPMENT**

	<u>1 January 2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclassifications</u>	<u>Transferred to mining properties (Note 7)</u>	<u>31 December 2021</u>
<b>Cost</b>						
Land	285,489	-	-	-	-	285,489
Buildings	24,616,725	18,002	-	362,439	-	24,997,166
Plant equipment	298,813,322	1,073,962	(353,800)	4,858,078 <sup>(*)</sup>	-	304,391,562
Motor vehicles	1,101,776	72,284	-	136,110	-	1,310,170
Office equipment	1,544,070	-	-	-	-	1,544,070
Information technology	10,301,406	33,370	(2,835)	618,467	-	10,950,408
Construction in-progress	<u>43,934,982</u>	<u>59,213,858</u>	<u>-</u>	<u>(2,719,534)</u>	<u>(18,984,450)</u>	<u>81,444,856</u>
Total	<u>380,597,770</u>	<u>60,411,476</u>	<u>(356,635)</u>	<u>3,255,560</u>	<u>(18,984,450)</u>	<u>424,923,721</u>
<b>Accumulated depreciation</b>						
Buildings	(17,428,573)	(1,988,391)	-	-	-	(19,416,964)
Plant equipment	(187,872,522)	(14,723,996)	29,312	(3,255,560) <sup>(*)</sup>	-	(205,822,766)
Motor vehicles	(759,383)	(145,259)	-	-	-	(904,642)
Office equipment	(1,440,828)	(42,123)	-	-	-	(1,482,951)
Information technology	<u>(9,027,016)</u>	<u>(430,531)</u>	<u>19</u>	<u>-</u>	<u>-</u>	<u>(9,457,528)</u>
Total	<u>(216,528,322)</u>	<u>(17,330,300)</u>	<u>29,331</u>	<u>(3,255,560)</u>	<u>-</u>	<u>(237,084,851)</u>
<b>Net book value</b>	<u><b>164,069,448</b></u>					<u><b>187,838,870</b></u>

(\*) Includes an adjustment related to a reclassification from warehouse inventories to plant equipment amounting to US\$3,255,560 in 2021. This reclassification is based on management's assessment that these items are in the nature of insurance spares, rather than inventories.

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**6. PROPERTY, PLANT AND EQUIPMENT (continued)**

	1 January 2020	Additions	Disposals	Reclassifications	Transferred to mining properties (Note 7)	31 December 2020
Cost						
Land	285,489	-	-	-	-	285,489
Buildings	21,734,085	-	-	2,882,640	-	24,616,725
Plant equipment	288,799,914	4,255,703	-	5,757,705	-	298,813,322
Motor vehicles	974,325	65,944	-	61,507	-	1,101,776
Office equipment	1,472,205	-	-	71,865	-	1,544,070
Information technology	9,416,546	-	-	884,860	-	10,301,406
Construction in-progress	25,615,445	40,641,296	-	(9,658,577)	(12,663,182)	43,934,982
Total	<u>348,298,009</u>	<u>44,962,943</u>	<u>-</u>	<u>-</u>	<u>(12,663,182)</u>	<u>380,597,770</u>
Accumulated depreciation						
Buildings	(15,248,911)	(2,179,662)	-	-	-	(17,428,573)
Plant equipment	(174,622,948)	(13,249,574)	-	-	-	(187,872,522)
Motor vehicles	(632,970)	(126,413)	-	-	-	(759,383)
Office equipment	(1,396,939)	(43,889)	-	-	-	(1,440,828)
Information technology	(8,795,443)	(231,573)	-	-	-	(9,027,016)
Total	<u>(200,697,211)</u>	<u>(15,831,111)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(216,528,322)</u>
<b>Net book value</b>	<b><u>147,600,798</u></b>					<b><u>164,069,448</u></b>

The Company owns a parcel of land measuring 41,445 square metres with *Hak Guna Bangunan* ("Building Right Title") for a period of 30 years. Management believes that there will be no difficulty in the extension of the land rights as they were legally acquired and are supported by proper evidence of ownership.

Property, plant and equipment, inventories, mining properties, development properties and exploration and evaluation assets were insured against material damage and business interruption risks for a value of US\$862,645,130 and US\$920,359,493 as at 31 December 2021 and 2020, respectively. Management believes that the insurance coverage is adequate to cover possible losses on the assets insured.

Depreciation of property, plant and equipment for the years ended 31 December 2021 and 2020, were allocated as follows:

	<u>2021</u>	<u>2020</u>
Cost of goods sold (Note 16)	16,342,856	15,053,288
General and administrative expenses (Note 17)	987,444	777,823
<b>Total</b>	<b><u>17,330,300</u></b>	<b><u>15,831,111</u></b>

The management is of the opinion that there are no facts or circumstances during the year that indicate the property, plant and equipment may be impaired. As such, there has been no impairment charge recognised against the carrying amounts of property, plant and equipment.

During 2021, the Company disposed of several plant and equipment with net book value of US\$327,304 without consideration with the loss presented as part of "other expenses - net" in profit or loss.

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**7. MINING PROPERTIES, DEVELOPMENT PROPERTIES, AND EXPLORATION AND EVALUATION ASSETS**

	1 January 2021	Additions	Deduction	Reclassifications	Transferred from property, plant and equipment (Note 6)	31 December 2021
Mining properties						
Cost	861,435,139	5,899,546	-	10,743,445	18,984,450	897,062,580
Accumulated amortisation	<u>(527,807,816)</u>	<u>(52,824,234)</u>	-	-	-	<u>(580,632,050)</u>
<b>Net book value</b>	<b><u>333,627,323</u></b>					<b><u>316,430,530</u></b>
Development properties	<u>50,848,186</u>	<u>15,189,087</u>	<u>(676,784)</u>	<u>(5,686,132)</u>	-	<u>59,674,357</u>
Exploration and evaluation assets	<u>32,462,450</u>	<u>9,754,303</u>	<u>(7,402,313)</u>	<u>(5,057,313)</u>	-	<u>29,757,127</u>
	1 January 2020	Additions	Deduction	Reclassifications	Transferred from property, plant and equipment (Note 6)	31 December 2020
Mining properties						
Cost	816,138,640	7,982,904	-	24,650,413	12,663,182	861,435,139
Accumulated amortisation	<u>(483,952,166)</u>	<u>(43,855,650)</u>	-	-	-	<u>(527,807,816)</u>
<b>Net book value</b>	<b><u>332,186,474</u></b>					<b><u>333,627,323</u></b>
Development properties	<u>1,873,069</u>	<u>10,159,118</u>	<u>(754,277)</u>	<u>39,570,276</u>	-	<u>50,848,186</u>
Exploration and evaluation assets	<u>93,581,996</u>	<u>9,416,828</u>	<u>(6,315,685)</u>	<u>(64,220,689)</u>	-	<u>32,462,450</u>

Amortisation of mining properties for the years ended 31 December 2021 and 2020 were allocated as follows:

	<u>2021</u>	<u>2020</u>
Cost of goods sold (Note 16)	50,963,111	41,974,827
General and administrative expenses (Note 17)	<u>1,861,123</u>	<u>1,880,823</u>
<b>Total</b>	<b><u>52,824,234</u></b>	<b><u>43,855,650</u></b>

During 2021, the Company has decided to discontinue certain exploration and evaluation and development activities. As such, the Company has written-off those exploration and evaluation assets and development properties amounting to US\$7,402,313 and US\$676,784 respectively.

As at 31 December 2021, management is of the opinion that there is no impairment in the carrying amounts of mining properties, development properties and exploration and evaluation assets.

As at 31 December 2021, mining properties, development properties and exploration and evaluation assets were covered by insurance against material damage and business interruption risks (Note 6).

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**8. TAXATION**

**a. Claims for tax refund**

	<u>2021</u>	<u>2020</u>
Value added tax ("VAT")		
- 2021	15,546,658	-
- 2020	12,992,708	13,536,157
- 2019	-	11,990,033
	<u>28,539,366</u>	<u>25,526,190</u>
<b>Total</b>	<b><u>28,539,366</u></b>	<b><u>25,526,190</u></b>
Current portion	<u>(12,992,708)</u>	<u>(11,990,033)</u>
<b>Claims for tax refund - net of current portion</b>	<b><u>15,546,658</u></b>	<b><u>13,536,157</u></b>

Claims for tax refund represents VAT receivable from the Government of Indonesia. Amounts are refundable in Indonesian Rupiah ("Rp") and hence are subject to movements in exchange rates.

In March 2021, the Company submitted claim for VAT refund for the year 2020 with a total amount of Rp189.3 billion (equivalent to US\$13.0 million) to the Tax Office.

In 2021, the Company received VAT refund for period March - December 2019 with a total amount of Rp168.1 billion (equivalent to US\$11.7 million) from the Tax Office.

In 2022, the Company is expecting to receive the refund for 2020 VAT claims.

**b. Taxes payable**

	<u>2021</u>	<u>2020</u>
Corporate income tax payable		
- 2021	23,039,569	-
- 2020	-	7,627,006
	<u>23,039,569</u>	<u>7,627,006</u>
Other taxes payable		
- Article 21	232,030	45,522
- Article 15	2,793	2,951
- Article 23	188,810	201,275
- Article 26	24,183	3,254
- Article 4(2)	30,364	55,238
VAT	<u>71,711</u>	<u>72,126</u>
	<u>549,891</u>	<u>380,366</u>
<b>Total</b>	<b><u>23,589,460</u></b>	<b><u>8,007,372</u></b>

Corporate income tax payable for 2021 is based on preliminary calculations, as the Company's income tax return has not yet been submitted to the Tax Office.



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**8. TAXATION** (continued)

**c. Income tax expense**

	<u>2021</u>	<u>2020</u>
Current	75,394,217	57,998,498
Deferred	<u>(742,295)</u>	<u>(12,124,561)</u>
<b>Total</b>	<b><u>74,651,922</u></b>	<b><u>45,873,937</u></b>

The reconciliation between income before tax for the Company and current income tax expense is as follows:

	<u>2021</u>	<u>2020</u>
Income before tax	317,300,244	233,120,166
Fiscal adjustments:		
- Differences in depreciation and amortisation between commercial and tax	13,600,016	10,783,940
- Employee benefit liabilities, mine closure and other provisions	2,389,219	2,640,552
- (Realised)/unrealised loss from fair value of derivative instruments	(2,397,165)	2,397,165
- Non-deductible expenses	<u>11,808,671</u>	<u>14,687,714</u>
<b>Taxable income</b>	<b><u>342,700,985</u></b>	<b><u>263,629,537</u></b>
Current income tax expense calculated at 22%	75,394,217	57,998,498
Less prepaid taxes:		
- Article 25	(52,183,298)	(50,234,766)
- Article 23	(3,327)	(2,326)
- Article 22	<u>(168,023)</u>	<u>(134,400)</u>
<b>Corporate income tax payable</b>	<b><u>23,039,569</u></b>	<b><u>7,627,006</u></b>

The reconciliation between income tax expense and the theoretical tax amount on the Company's profit before income tax calculated at 22% is as follows:

	<u>2021</u>	<u>2020</u>
Income before tax	<u>317,300,244</u>	<u>233,120,166</u>
Tax expense calculated at 22%	69,806,054	51,286,437
Tax expense effect of:		
- Non-deductible expenses	2,597,908	3,231,297
- Adjustment related to changes in income tax rate	2,670,983	(8,643,797)
- Other adjustments	<u>(423,023)</u>	<u>-</u>
<b>Income tax expense</b>	<b><u>74,651,922</u></b>	<b><u>45,873,937</u></b>

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**8. TAXATION (continued)****d. Deferred tax liabilities**

	<u>1 January 2021</u>	<u>Adjustment related to changes in income tax rate</u>	<u>Credited/ (charged) to income for the year</u>	<u>Credited to other comprehensive (loss)/income for the year</u>	<u>31 December 2021</u>
Differences in depreciation and amortisation between commercial and tax	(41,166,348)	(2,670,983)	2,992,004	-	(40,845,327)
Employee benefit liabilities, mine closure and other provisions	2,982,829	-	948,650	82,088	4,013,567
Unrealised loss/(gain) from fair value of derivative instruments	<u>3,338,469</u>	<u>-</u>	<u>(527,376)</u>	<u>(2,831,851)</u>	<u>(20,758)</u>
<b>Total</b>	<b><u>(34,845,050)</u></b>	<b><u>(2,670,983)</u></b>	<b><u>3,413,278</u></b>	<b><u>(2,749,763)</u></b>	<b><u>(36,852,518)</u></b>

	<u>1 January 2020</u>	<u>Adjustment related to changes in income tax rate</u>	<u>Credited to income for the year</u>	<u>Credited to other comprehensive (loss)/income for the year</u>	<u>31 December 2020</u>
Differences in depreciation and amortisation between commercial and tax	(52,511,134)	8,972,319	2,372,467	-	(41,166,348)
Employee benefit liabilities, mine closure and other provisions	2,737,683	(328,522)	580,921	(7,253)	2,982,829
Unrealised loss/(gain) from fair value of derivative instruments	<u>10,675,698</u>	<u>-</u>	<u>527,376</u>	<u>(7,864,605)<sup>(*)</sup></u>	<u>3,338,469</u>
<b>Total</b>	<b><u>(39,097,753)</u></b>	<b><u>8,643,797</u></b>	<b><u>3,480,764</u></b>	<b><u>(7,871,858)</u></b>	<b><u>(34,845,050)</u></b>

Legend:

(\*) Includes adjustment related to change in income tax rate credited to other comprehensive income amounting to US\$1,281,084 in 2020.

**e. Tax assessment letters**
**Regional tax assessment letter on the Company's activity for the extraction of non-metal minerals and rocks for the purpose of building the tailing storage facility**

On 31 August 2018, the South Tapanuli District Government issued a regional tax assessment letter stating that the Company had to pay the 2016 regional tax amounting to Rp16.5 billion (equivalent to US\$1.2 million) (the "underpayment 2016 regional tax assessment letter"). The regional tax assessment letter relates to the Company's activities for the extraction of non-metal minerals and rocks for the purpose of building the tailing storage facility. The Company has paid the amount and submitted a lawsuit to the Tax Court on 19 July 2019.

In February 2020, the Tax Court issued its decision letter stating that the Tax Court has accepted the Company's lawsuit and cancelled the underpayment 2016 regional tax assessment letter due to incorrect format of the assessment letter. In July 2020, the South Tapanuli District Government submitted a judicial review to the Supreme Court related to the Tax Court's decision letter. In August 2020, the Company submitted a contra judicial review to the Supreme Court to defend the decision letter from the Tax Court.

As at the date of these financial statements, the Company is waiting for the verdict from the Supreme Court.

The financial statements as at 31 December 2021 do not include any adjustments that might ultimately result from the settlement or resolution of this matter.

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**8. TAXATION** (continued)

**f. Administration**

Under the taxation laws of Indonesia, the Company calculates, submits and pays tax returns on the basis of self-assessment. The Directorate General of Taxation may assess or amend taxes within five years of the time the tax becomes due.

On 29 October 2021, Law No. 7 Year 2021 on Harmonisation of Tax Regulations (the "HPP Law") was issued. The HPP Law, among other things, stipulates an increase in the VAT rate to 11% effective from 1 April 2022 and to 12% at the latest by 1 January 2025, and that the corporate income tax rate for Corporate Tax Payers and Permanent Establishments from fiscal year 2022 remains at 22% (rather than the 20% that was previously regulated to commence from 2022), and introduces a Taxpayer Voluntary Disclosure Program which starts from 1 January to 30 June 2022.

**9. TRADE PAYABLES - THIRD PARTIES**

Details of trade payables based on currency are as follows:

	<u>2021</u>	<u>2020</u>
- Indonesian Rupiah	4,081,474	2,985,315
- US Dollars	577,004	2,239,031
- Others	<u>82,727</u>	<u>100,003</u>
<b>Total</b>	<b><u>4,741,205</u></b>	<b><u>5,324,349</u></b>

The trade payables arose from the purchase of goods and services.

**10. ACCRUED EXPENSES AND SHORT-TERM EMPLOYEE BENEFIT LIABILITIES**

	<u>2021</u>	<u>2020</u>
<b>Accrued expenses</b>		
Consultants and contractors	30,484,792	19,303,274
Others	<u>16,973,127</u>	<u>12,116,441</u>
	47,457,919	31,419,715
Short-term employee benefit liabilities	<u>3,198,881</u>	<u>3,176,564</u>
<b>Total</b>	<b><u>50,656,800</u></b>	<b><u>34,596,279</u></b>

Accrued expenses mainly represent accruals of contractor costs, repairs and maintenance activities, construction project and other costs related to activities in the mine site.

Short-term employee benefit liabilities represent accruals for short-term employee benefits, such as bonuses, annual leave payments, etc.

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**11. DERIVATIVE ASSETS AND LIABILITIES**

	<u>2021</u>	<u>2020</u>
<b><u>Derivative assets</u></b>		
Designated as hedge accounting:		
- Gold collars	48,600	-
- Gold put options	<u>45,757</u>	<u>496,713</u>
	<u>94,357</u>	<u>496,713</u>
<b>Total current portion</b>	<b><u>(61,218)</u></b>	<b><u>(186,746)</u></b>
<b>Total non-current portion</b>	<b><u>33,139</u></b>	<b><u>309,967</u></b>
<b><u>Derivative liabilities</u></b>		
Designated as hedge accounting:		
- Gold forwards	-	10,189,886
- Gold collars	<u>-</u>	<u>5,274,277</u>
	<u>-</u>	<u>15,464,163</u>
<b>Total current portion</b>	<b><u>-</u></b>	<b><u>(15,271,117)</u></b>
<b>Total non-current portion</b>	<b><u>-</u></b>	<b><u>193,046</u></b>

The Company entered into gold put options, gold forwards and gold collars to hedge the volatility of cash flows from sales of gold arising from its highly probable forecast sales. The derivatives are designated to qualify for hedge accounting. The balances represent the fair value of the instruments at 31 December 2021. During 2021, total realised loss, net on the hedges is amounting to US\$11,554,909 (2020: US\$80,172,788) and presented as part of "sales" amounting to US\$11,554,909 (2020: US\$67,029,974) and "other (expense)/income" amounting to US\$nil (2020: US\$13,142,814). The "other (expense)/income" amounting to US\$13,142,814 in 2020 is related to a portion of hedged items (30,000 ounces on collar agreements) for August up to December 2020, which was no longer expected to occur, therefore, hedge accounting for these hedged items must be discontinued and the cumulative other comprehensive loss must be immediately transferred to profit or loss (refer to Note 19).

**a. Gold put options**

The Company's gold put options as at 31 December 2021 were as follows:

<u>Counterparties</u>	<u>Contract date</u>	<u>Period start*</u>	<u>Period end*</u>	<u>Strike price per ounce (US Dollars)</u>	<u>Quantity (ounces)</u>
Morgan Stanley	20 February 2019	1 March 2019	29 January 2021	1,300	34,500
The Hongkong and Shanghai Banking Corporation Limited ("HSBC")	20 February 2019	1 March 2019	29 January 2021	1,300	34,500
Goldman Sachs	20 February 2019	1 March 2019	29 January 2021	1,300	34,500
Macquarie Bank Limited	20 February 2019	1 March 2019	29 January 2021	1,300	34,500
HSBC	13 November 2020	1 March 2021	28 February 2023	1,300	30,000
CITIBANK N.A.	14 December 2020	1 March 2021	28 February 2023	1,300	24,050

(\*) Represents range of hedging periods from the earliest to the latest hedging dates as the gold put option agreements have various hedging periods.

In 2021, (loss)/gain from changes in fair value of gold put options (unrealised portion) amounting to (US\$193,678) (2020: US\$2,628,698) was charged to other comprehensive (loss)/income, respectively.



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**11. DERIVATIVE ASSETS AND LIABILITIES (continued)**

**b. Gold forwards**

The Company has no gold forwards as at 31 December 2021. The Company's gold forwards as at 31 December 2020 were as follows:

<u>Counterparties</u>	<u>Contract date</u>	<u>Period start*</u>	<u>Period end*</u>	<u>Strike price per ounce (US Dollars)</u>	<u>Quantity (ounces)</u>
HSBC	11 January 2019	1 February 2019	29 January 2021	1,325	92,000
HSBC	11 January 2019	1 February 2019	29 January 2021	1,325	46,000
Morgan Stanley	11 January 2019	1 February 2019	29 January 2021	1,325	144,000
HSBC	13 April 2020	1 February 2021	26 February 2021	1,325	4,000
HSBC	13 April 2020	1 February 2021	26 February 2021	1,325	2,000

(\*) Represents range of hedging periods from the earliest to the latest hedging dates as the gold forward agreements have various hedging periods.

In 2021, gain from changes in fair value of gold forwards (unrealised portion) amounting to US\$8,509,938 (2020: US\$25,470,423) was charged to other comprehensive income.

**c. Collar options**

The Company's collar options as at 31 December 2021 were as follows:

<u>Counterparties</u>	<u>Contract date</u>	<u>Period start*</u>	<u>Period end*</u>	<u>Strike price per ounce (US Dollars)</u>	<u>Quantity (ounces)</u>
Macquarie Bank Limited	6 June 2019	1 July 2019	29 January 2021	1,330 – 1,443	18,000
Macquarie Bank Limited	18 June 2019	1 July 2019	29 January 2021	1,300 – 1,480	14,000
HSBC	6 June 2019	1 July 2019	29 January 2021	1,300 – 1,445	18,000
HSBC	6 June 2019	1 July 2019	29 January 2021	1,300 – 1,443	18,000
HSBC	20 June 2019	1 July 2019	29 January 2021	1,325 – 1,505	14,000
Morgan Stanley	18 June 2019	3 August 2020	29 January 2021	1,300 – 1,480	6,000
Macquarie Bank Limited	1 April 2020	1 February 2021	26 February 2021	1,300 – 1,470	2,000
HSBC	8 April 2020	1 February 2021	26 February 2021	1,300 – 1,471	1,000
HSBC	8 April 2020	1 February 2021	26 February 2021	1,300 – 1,471	1,000
HSBC	8 April 2020	1 February 2021	26 February 2021	1,300 – 1,471	1,000
Morgan Stanley	8 April 2020	1 February 2021	26 February 2021	1,300 – 1,470	1,000
HSBC	13 October 2020	1 March 2021	28 February 2023	1,300 – 3,250	30,000
Morgan Stanley	13 November 2020	1 March 2021	28 February 2023	1,300 – 3,250	30,000

(\*) Represents range of hedging periods from the earliest to the latest hedging dates as the collar option agreements have various hedging periods.

In 2021, gain from changes in fair value of gold collar options (unrealised portion) amounting to US\$4,555,794 (2020: US\$1,825,971) was charged to other comprehensive income.

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**12. EMPLOYEE BENEFIT LIABILITIES**

The Company provides employee benefits for its qualifying employees in accordance with Labour Law No. 13/2003, Job Creation Law No. 11/2020, Government Regulation ("GR") No. 35/2021 and the Company's collective labour agreement. The numbers of employees entitled to the benefits as at 31 December 2021 and 2020 were 829 and 802, respectively (unaudited). The employee benefit program is unfunded.

	<u>2021</u>	<u>2020</u>
Post-employment benefits	10,618,324	8,675,667
Long service leave and awards	<u>1,902,284</u>	<u>1,623,434</u>
<b>Total</b>	<b><u>12,520,608</u></b>	<b><u>10,299,101</u></b>

The amounts recognised in the statements of profit or loss and other comprehensive income with respect to these post-employment benefits are as follows:

	<u>2021</u>	<u>2020</u>
Current service cost	1,358,514	1,190,298
Interest cost	617,561	547,406
Gain on foreign exchange	<u>(94,705)</u>	<u>(61,501)</u>
<b>Total charged to profit or loss</b>	<b><u>1,881,370</u></b>	<b><u>1,676,203</u></b>

	<u>2021</u>	<u>2020</u>
Remeasurement losses/(gains):		
- Actuarial losses/(gains) arising from changes in financial assumptions	428,990	(27,543)
- Actuarial gains arising from changes in experience adjustments	(53,928)	(4,997)
- Actuarial gains arising from changes in demographic assumptions	<u>-</u>	<u>(428)</u>
<b>Total charged to other comprehensive income</b>	<b><u>375,062</u></b>	<b><u>(32,968)</u></b>

The amounts recognised in the statement of financial position arising from the Company's obligations with respect to these post-employment benefits and their movements are as follows:

	<u>2021</u>	<u>2020</u>
Opening balance of present value of unfunded obligations	8,675,667	7,327,796
Current service cost	1,358,514	1,190,298
Interest cost	617,561	547,406
Remeasurement losses/(gains):		
- Actuarial losses/(gains) arising from changes in financial assumptions	428,990	(27,543)
- Actuarial gains arising from changes in experience adjustments	(53,928)	(4,997)
- Actuarial gains arising from changes in demographic assumptions	<u>-</u>	<u>(428)</u>
Benefits paid	(313,775)	(295,364)
Gain on foreign exchange	<u>(94,705)</u>	<u>(61,501)</u>
<b>Closing balance of present value of unfunded obligations</b>	<b><u>10,618,324</u></b>	<b><u>8,675,667</u></b>

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**12. EMPLOYEE BENEFIT LIABILITIES** (continued)

The cost of providing employee benefit liabilities was calculated by PT Milliman Indonesia, an independent actuary, on 17 January 2022, using the projected unit credit method. The actuarial valuation was carried out using the following key assumptions:

	<u>2021</u>	<u>2020</u>
Discount rate	7.0% per annum	7.5% per annum
Future salary increment rate	6.5% per annum	6.5% per annum
Mortality rate	100% (TMI4)	100% (TMI3)
Disability rate	5% (TMI4)	5% (TMI3)
Resignation rate	2% for employees below the age of 25 and will linearly decrease until 0.5% at the age of 45	2% for employees below the age of 25 and will linearly decrease until 0.5% at the age of 45
Proportion of normal retirement	100% per annum	100% per annum
Normal retirement age	57	57

The significant actuarial assumptions for the determination of post-employment benefits are the discount rate and expected salary increase rate. The sensitivity analysis below has been determined based on reasonably possible changes in the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate was 1% higher, the post-employment benefits would decrease by US\$970,376, while a decrease of 1% in the discount rate would increase the post-employment benefits by US\$1,058,141.
- If the expected salary increment rate was 1% higher, the post-employment benefits would increase by US\$1,161,863, while a decrease of 1% in the salary increment rate would decrease the post-employment benefits by US\$1,072,868.

The sensitivity analysis presented above may not be representative of the actual change in the post-employment benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the post-employment benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method applied in calculating the post-employment benefit obligation liability recognised in the statement of financial position.

The average duration of the benefit obligation at 31 December 2021 and 2020 is 13.65 years and 13.72 years, respectively.

The expected maturity analysis of undiscounted post-employment benefits is as follows:

	<u>Less than a year</u>	<u>Between 1-5 years</u>	<u>Between 5-10 years</u>	<u>Over 10 years</u>
Post-employment benefits obligation	555,773	3,467,265	8,414,875	60,939,830

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**13. PROVISION FOR MINE REHABILITATION AND CLOSURE**

The Company's mining and exploration activities are subject to various Indonesian laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company conducts its operations so as to protect the public health and environment and believes its operations are in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditure to comply with such laws and regulations, but cannot predict the amount of such future expenditure. Estimated future reclamation costs are based principally on legal and regulatory requirements.

The following is a reconciliation of the reclamation and closure liabilities:

	<u>2021</u>	<u>2020</u>
Beginning balance	28,638,584	25,803,753
Addition	-	1,922,831
Unwinding of discount (Note 18)	<u>540,840</u>	<u>912,000</u>
<b>Ending balance</b>	<b><u>29,179,424</u></b>	<b><u>28,638,584</u></b>

**14. SHARE CAPITAL AND RESERVES**

**a. Share capital**

The composition of the Company's shareholders as at 31 December 2021 and 2020 was as follows:

<u>Shareholders</u>	<u>31 December 2021 and 2020</u>		
	<u>Number of Shares</u>	<u>Percentage of Ownership</u>	<u>Total Paid-up Capital</u>
DTN	80,750,000	95%	80,750,000
PT Artha Nugraha Agung ("ANA")	<u>4,250,000</u>	<u>5%</u>	<u>4,250,000</u>
<b>Total</b>	<b><u>85,000,000</u></b>	<b><u>100%</u></b>	<b><u>85,000,000</u></b>

**b. General reserve**

The Limited Liability Company Law of the Republic of Indonesia No. 1/1995 introduced in March 1995, and amended by Law No. 40/2007, issued in August 2007, requires the establishment of a general reserve from net income amounting to at least 20% of a company's issued and paid-up-capital. As of the date of these financial statements, the Company has not yet established the reserve. There is no time limit on the establishment of the reserve.

**c. Other reserves**

	<u>2021</u>	<u>2020</u>
Derivative costs and interest expenses incurred by shareholder	(28,050,828)	(28,050,828)
Fair value gain/(loss) on hedging instruments designated in cash flow hedges	73,596	(9,966,607)
Actuarial (loss)/gain on employee benefit liabilities	<u>(277,888)</u>	<u>15,086</u>
<b>Total</b>	<b><u>(28,255,120)</u></b>	<b><u>(38,002,349)</u></b>



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**15. SALES**

	<u>2021</u>	<u>2020</u>
Gold	546,771,065	439,306,814
Silver	<u>33,831,728</u>	<u>42,112,996</u>
<b>Total</b>	<b><u>580,602,793</u></b>	<b><u>481,419,810</u></b>

**16. COST OF GOODS SOLD**

	<u>2021</u>	<u>2020</u>
Spare parts and consumables	55,167,338	58,310,492
Amortisation (Note 7)	50,963,111	41,974,827
Contractors	32,346,284	29,354,473
Royalty	29,398,285	26,230,539
Salaries and wages	16,677,779	15,701,608
Depreciation (Note 6)	16,342,856	15,053,288
Transportation	8,251,979	7,562,344
Drilling and assays	4,851,577	5,113,382
Travel	3,641,810	2,433,416
Housing allowance	3,571,762	3,667,433
Refining charges	2,100,011	2,616,223
Rental	1,191,487	1,723,880
Consultants	967,105	779,902
Others	<u>4,423,705</u>	<u>4,656,437</u>
<b>Total production costs</b>	<b><u>229,895,089</u></b>	<b><u>215,178,244</u></b>
Inventory at beginning of the year	44,546,346	29,307,908
Less: inventories at end of the year (Note 5)		
Gold in-transit	(27,441,089)	(23,973,076)
Ore inventories	(15,054,677)	(14,591,728)
Gold in-safe	(4,435,893)	(3,358,757)
Gold in-circuit	<u>(3,105,292)</u>	<u>(2,622,785)</u>
<b>Cost of goods sold</b>	<b><u>224,404,484</u></b>	<b><u>199,939,806</u></b>

**17. GENERAL AND ADMINISTRATIVE EXPENSES**

	<u>2021</u>	<u>2020</u>
Land and building tax	8,315,027	6,684,775
Salaries and wages	4,781,048	4,162,135
Management fee	2,609,266	1,846,225
Insurance cost	2,541,175	2,068,286
Amortisation (Note 7)	1,861,123	1,880,823
Depreciation (Note 6)	987,444	777,823
Professional fees	624,105	465,504
Travel	308,835	278,492
Others	<u>8,119,535</u>	<u>6,877,109</u>
<b>Total</b>	<b><u>30,147,558</u></b>	<b><u>25,041,172</u></b>

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**18. FINANCE COSTS AND INCOME**

	<u>2021</u>	<u>2020</u>
<b>Finance costs</b>		
Unwinding of discount (Note 13)	540,840	912,000
Interest expense on loans	-	1,150,956
Other expenses	<u>207,413</u>	<u>2,298,456</u>
<b>Total finance costs</b>	<u><b>748,253</b></u>	<u><b>4,361,412</b></u>
<b>Finance income</b>		
Interest income	<u>1,151,950</u>	<u>2,232,997</u>
<b>Total finance income</b>	<u><b>1,151,950</b></u>	<u><b>2,232,997</b></u>

**19. OTHER EXPENSES - NET**

	<u>2021</u>	<u>2020</u>
Write-off certain exploration and evaluation assets and development properties (Note 7)	8,079,097	7,069,962
Realised loss on derivative instruments (Note 11)	-	13,142,814
Others, net	<u>1,075,107</u>	<u>977,475</u>
<b>Total other expenses - net</b>	<u><b>9,154,204</b></u>	<u><b>21,190,251</b></u>

**20. RELATED PARTY INFORMATION**

**a. Nature of relationships**

The nature of relationships with related parties as at 31 December 2021 and 2020 was as follows:

<u>Related parties</u>	<u>Nature of relationships</u>	<u>Nature of transactions</u>
DTN	Parent entity	Share capital
PT Pamapersada Nusantara ("Pama")	Intermediate holding company	Management fee
PT United Tractors Tbk	Intermediate holding company	Management fee
Commissioners and Directors	Key management personnel	Remuneration

**b. Transactions with related parties**

	<u>2021</u>	<u>2020</u>
<b>Management fee</b>		
Pama	2,444,573	1,672,358
PT United Tractors Tbk	<u>164,693</u>	<u>173,867</u>
<b>Total</b>	<u><b>2,609,266</b></u>	<u><b>1,846,225</b></u>

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**20. RELATED PARTY INFORMATION** (continued)

**c. Key management compensation**

Key management personnel includes the Board of Commissioners and Board of Directors. Total remuneration and benefits provided by the Company to the key management personnel was as follows:

	<u>2021</u>	<u>2020</u>
Salaries and other benefits	1,339,269	1,479,361
Discretionary bonus	<u>110,786</u>	<u>455,810</u>
<b>Total</b>	<b><u>1,450,055</u></b>	<b><u>1,935,171</u></b>

**d. Dividends**

2019 Final Dividends

Based on the Annual General Meeting of Shareholders held on 26 March 2020, the Company declared a final dividend for financial year 2019 in the amount of US\$33,834,176 in March 2020, which was paid in April 2020.

2020 Interim Dividends

Based on a Circular Resolution of the Board of Directors and Board of Commissioners, the Company declared and paid an interim dividend in the amount of US\$49,058,000 in September and October 2020, respectively.

2020 Final Dividends

Based on the Annual General Meeting of Shareholders held on 30 March 2021, the Company declared a final dividend for financial year 2020 in the amount of US\$44,565,115 in March 2021, which was paid in April 2021.

2021 Interim Dividends

Based on a Circular Resolution of the Board of Directors and Board of Commissioners, the Company declared and paid an interim dividend in the amount of US\$40,888,467 in September and October 2021, respectively.

Similar to third parties, the Company's pricing policies in relation to transactions with related parties are determined based on negotiation.

**21. SIGNIFICANT AGREEMENTS AND COMMITMENTS**

**a. Sales contracts**

In April 2015, the Company entered into a sale and purchase agreement for gold and silver with ICBC Standard Bank PLC for a 12 month period which will automatically be extended for successive 12 month periods unless one of the parties terminates the agreement. As of the date of these financial statements, there has been no notice of termination from either party.

In December 2019, the Company entered into a sale and purchase agreement for gold and silver with JP Morgan Chase Bank, N.A for a 12 month period which will automatically be extended for successive 12 month periods unless one of the parties terminates the agreement. As of the date of these financial statements, there has been no notice of termination from either party.

In April 2021, the Company entered into a sale and purchase agreement for gold and silver with Standard Chartered Bank for a 12 month period which will automatically be extended for successive 12 month periods unless one of the parties terminates the agreement. As of the date of these financial statements, there has been no notice of termination from either party.

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**21. SIGNIFICANT AGREEMENTS AND COMMITMENTS (continued)****b. Mining Law**

On 16 December 2008, the Indonesian Parliament passed a new Law on Mineral and Coal Mining (the "Law"), which received the assent of the President on 12 January 2009, becoming Law No. 4/2009.

In February 2010, the Government released two implementing regulations for the Law No. 4/2009, i.e. GR No. 22/2010 and GR No. 23/2010. GR No. 22/2010 deals with the establishment of the mining areas under the new IUP. GR No. 23/2010 provides clarifications surrounding the procedures to obtain the new IUP.

The Government further amended GR No. 23/2010 by issuing, among others, GR No. 24/2012 on 21 February 2012 and later by issuing GR No. 1/2014 on 11 January 2014, Government Regulation No. 77/2014 on 14 October 2014 and GR No. 1/2017 on 11 January 2017 which regulates the mechanism of extension of IUPs, transfer of IUPs, divestments and mining areas.

On 10 June 2020, Law No. 3 of 2020 on Amendment to Law No. 4 of 2009 on Mineral and Coal Mining ("Law No. 3/2020") has been promulgated. On 2 November 2020, Law No. 11/2020 on Job Creation was promulgated, which amended several provisions of Law No. 3/2020.

As of the date of these financial statements, the Company is closely monitoring the progress of the implementing regulations for Law No. 3 of 2020. The Company will consider the impact on its operations, if any, as the regulations are issued.

**c. Reclamation and post-mining guarantees**

On 20 December 2010, the Indonesian government issued GR No. 78/2010 that deals with the obligations to provide a reclamation plan, post-mining plan and reclamation and post-mine guarantees, for IUP-Exploration, IUP-Production Operation, and CoW holders (as relevant).

With respect to GR No. 78/2010, the Ministry of Energy and Mineral Resources ("MoEMR") issued regulation No. 7/2014 outlining the implementation of reclamation and mine closure requirements for mineral and coal business activity on 28 February 2014. This regulation provides specific guidance on preparation of reclamation and mine closure, evaluation and approval, guarantees required, execution and reporting of reclamation and mine closure activities.

On 3 May 2018, the MoEMR issued Ministerial Regulation No. 26/2018 regarding proper mining principles and supervision in mineral and coal mining activities, and on 7 May 2018, the MoEMR issued Ministerial Decree No. 1827 K/30/MEM/2018 regarding guidelines for proper mining techniques and principles. As of the effective date of these regulations, Ministerial Regulation No. 07/2014 regarding mine reclamation and post-mining activities in mineral and coal mining activities was revoked and is no longer valid.

Under Ministerial Decree No. 1827 K/30/MEM/2018, the Company is required to provide mine reclamation guarantees in the form of either a joint account in a government bank with the relevant government authority, a time deposit and/or a bank guarantee with a duration corresponding to the reclamation schedule.

On 1 December 2014, the DGMC approved the Company's post-mining plan document with mine closure costs amounting to US\$23,456,541. The Company is required to place this amount in the form of a time deposit to be funded over the period 2015 to 2018. As at 31 December 2021, the Company has placed US\$23,456,541 in time deposits (refer to Note 4b).

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**21. SIGNIFICANT AGREEMENTS AND COMMITMENTS (continued)****d. Benchmark price and royalty**

In September 2010, the MoEMR issued Ministerial Regulation No. 17/2010 on the Procedures for the Setting of Benchmark Prices for Mineral and Coal Sales, which regulates that the sale of coal shall be conducted with reference to the benchmark price issued by the Government. As of the date of these financial statements, the benchmark price for minerals which is applicable to the Company has not been issued by the MoEMR.

On 6 January 2012, the Indonesian government issued GR No. 9/2012 regarding Type and Tariff for Non-Tax State Revenue applicable to MoEMR which amended GR No. 45/2003. The Company's CoW fixes the applicable royalty rates for the duration of the CoW.

In early May 2018, the MoEMR issued Ministerial Regulation No. 25/2018 ("MoEMR No. 25/2018"), which provides guidelines for upstream and downstream mineral and coal-mining business activities. The implementation of MoEMR No. 25/2018 outlines several key elements e.g. tariff for Non-Tax State Revenue, royalty and dead rent payment terms.

On 20 November 2019, the Indonesian government issued GR No. 81/2019 regarding Type and Tariff for Non-Tax State Revenue applicable to MoEMR which amended GR No. 9/2019. The Company's CoW fixes the applicable royalty rates for the duration of the CoW.

Management believes that the Company has complied with the relevant requirements of the regulations mentioned above.

**e. Loans from related parties**

On 3 August 2020, the Company entered into a revolving loan agreement with Pama, under which Pama agreed to provide a loan with a maximum facility amounting to US\$70,000,000 for a period of 5 years. This loan bears annual interest at LIBOR plus 2% margin. During 2021 and 2020, no draw-down had been made by the Company.

**f. Other legal proceedings**

From time to time, the Company is involved in other legal proceedings as a normal incident to its business. The Company is of the opinion that adverse decisions in any pending or threatened proceedings or any amounts that it may be required to pay by reason thereof will not have a material adverse effect on its financial condition or the results of its operations.



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**21. SIGNIFICANT AGREEMENTS AND COMMITMENTS (continued)**

**g. Other significant agreements**

No.	Contractor/Supplier	Project Period		Description
		Start of project	End of Project	
1	PT PLN (Persero)	31-Oct-17	30-Oct-26	Electricity supply. Charged based on electricity consumption.
2	PT Promincon Indonesia	1-Nov-21	31-Oct-24	Exploration diamond drilling services. Charged mainly based on metres drilled.
3	PT Trans Continent	15-Dec-16	14-Dec-22	Transportation and logistics services. Total contract value is Rp92.7 billion.
4	PT Sodexo Indonesia	1-Aug-18	31-Jul-22	Camp services. Total contract value is Rp202.5 billion.
5	PT Macmahon Mining Services (JV with PT Nusa Konstruksi Enjiniring)	1-Jan-16	31-Mar-23	Extraction of ore and other mining services. Charged mainly based on tonnes mined.
6	PT Indodrill Indonesia	1-Nov-21	31-Oct-24	Drilling services. Charged mainly based on metres drilled.
7	Knight Piesold Pty Ltd	1-Jun-13	30-Jun-22	Tailing storage facility design, construction supervision and technical review. Total contract value is Australian Dollar 12.2 million.
8	PT Aneka Tambang (Persero) Tbk	1-Jul-16	31-Oct-24	Refine dore bullion. Charged based on gold and silver refined.
9	Orica Singapore Pte Ltd	1-Oct-11	30-Nov-24	Supply of sodium cyanide. Charged based on quarterly rates per tonne.
10	BRINK's SI International Logistics (Australia) Pty Ltd	27-Jul-19	26-Jul-22	Handling and transportation of dore and bullion. Total contract value is US\$12.3 million.

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**22. FINANCIAL ASSETS AND LIABILITIES**

	<b>Derivative financial instruments - cash flow hedges</b>	<b>Assets at amortised cost</b>	<b>Liabilities at amortised cost</b>	<b>Total</b>
<b>31 December 2021</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	262,191,604	-	262,191,604
Other receivables - third parties	-	2,411,060	-	2,411,060
Restricted time deposits	-	24,001,139	-	24,001,139
Other assets	-	630,438	-	630,438
Derivative assets	94,357	-	-	94,357
<b>Total financial assets</b>	<b>94,357</b>	<b>289,234,241</b>	<b>-</b>	<b>289,328,598</b>
<b>Financial liabilities</b>				
Trade payables - third parties	-	-	4,741,205	4,741,205
Other payables - third parties	-	-	64,322	64,322
Accrued expenses	-	-	47,457,919	47,457,919
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>52,263,446</b>	<b>52,263,446</b>
	<b>Derivative financial instruments - cash flow hedges</b>	<b>Assets at amortised cost</b>	<b>Liabilities at amortised cost</b>	<b>Total</b>
<b>31 December 2020</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	106,221,760	-	106,221,760
Other receivables - third parties	-	2,052,977	-	2,052,977
Restricted time deposits	-	23,796,138	-	23,796,138
Other assets	-	647,217	-	647,217
Derivative assets	496,713	-	-	496,713
<b>Total financial assets</b>	<b>496,713</b>	<b>132,718,092</b>	<b>-</b>	<b>133,214,805</b>
<b>Financial liabilities</b>				
Trade payables - third parties	-	-	5,324,349	5,324,349
Other payables - third parties	-	-	8,735,134	8,735,134
Accrued expenses	-	-	31,419,715	31,419,715
Derivative liabilities	15,464,163	-	-	15,464,163
<b>Total financial liabilities</b>	<b>15,464,163</b>	<b>-</b>	<b>45,479,198</b>	<b>60,943,361</b>

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**23. FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risks: market risk (including the effects of foreign currency exchange rates risk, commodity price risk and interest rates risk), credit risk and liquidity risk. The objectives of the Company's risk management are to identify, measure, monitor and manage basic risks in order to safeguard the Company's long-term business continuity and to minimise potential adverse effects on the financial performance of the Company.

**a. Market risk****(i) Foreign exchange risk**

The Company's financing and the majority of its revenue and operating expenditure is denominated in US Dollars, which indirectly represents a natural hedge on exposure to fluctuations in foreign exchange rates. However, the Company is exposed to foreign exchange risk arising from other expenditure payments, primarily in Rupiah. Management regularly monitors the exchange risk against the Company's functional currency.

**(ii) Price risk**

The Company faces commodity price risk because gold and silver are commodity products traded in the international gold and silver markets. Prices for gold and silver are generally based on international gold and silver indices as benchmarks, which tend to be cyclical and subject to fluctuations. As a commodity product, global gold and silver prices are principally dependent on the supply and demand dynamics of gold and silver in the international market. To manage the price risk exposure on the fluctuations of gold and silver prices in the international market, the Company reviews the fluctuations in gold and silver prices to enable management to take appropriate measure, such as entering into financial derivatives to help manage the exposures as discussed above, as necessary. Management also regularly monitors the gold and silver price trends and fluctuation.

**(iii) Interest rate risk**

The interest rate risk exposure relates to the amount of assets or liabilities which are subject to a risk that a movement in the interest rate will adversely affect the Company's income. To manage the interest rate exposure on its borrowings, the Company reviews the interest rate movements to enable management to take appropriate measures such as maintaining a reasonable mix of fixed and variable rate borrowings, and where necessary, the Company would enter into financial derivatives to help manage the exposures. The Company does not have any borrowings outstanding as at 31 December 2021.

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**23. FINANCIAL RISK MANAGEMENT** (continued)

**b. Credit risk**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company.

As at 31 December 2021, total maximum exposure from credit risk is US\$289,308,916. Credit risk arises from cash in banks, time deposits, other receivables, restricted time deposits, other assets and derivative assets.

Management is confident in its ability to continue to control and maintain minimum exposure to credit risk, since the Company has clear policies on the selection of customers, legally binding agreements in place for gold and silver sales transactions and historically low levels of bad debts. The Company's general policies for gold and silver sales and rendering services to new and existing customers are as follows:

- Selecting customers with a strong financial condition and good reputation.
- Acceptance of new customers and sales of gold and silver are approved in line with the Company's delegation of authority policy.

**c. Liquidity risk**

Liquidity risk is defined as the risk that arises in situations where the cash inflow from short-term revenue is not enough to cover the cash outflow for short-term expenditure. To manage its liquidity risk, the Company monitors its level of cash and cash equivalents and maintains these at a level deemed adequate to finance the Company's operational activities and to mitigate the effect of fluctuations in cash flow. The Company's management also regularly monitors forecast and actual cash flows and matches the maturity profiles of financial assets and liabilities.

The table below describes the Company's financial liabilities based on their maturities. The amounts disclosed in the table are the contractual undiscounted cash flows:

	<u>Less than 1 year</u>
<b>31 December 2021</b>	
Trade payables - third parties	4,741,205
Other payables - third parties	64,322
Accrued expenses	<u>47,457,919</u>
<b>Total</b>	<u><u>52,263,446</u></u>

**d. Fair value**

Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

SFAS No. 68, "Fair Value Measurement", requires the disclosure of fair value measurement by level based on the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The carrying amounts of the financial assets and liabilities approximate their fair values.

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**23. FINANCIAL RISK MANAGEMENT** (continued)**e. Capital risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

**24. NON-CASH TRANSACTIONS**

The below table shows the Company's non-cash transactions during the year as follows:

	<u>2021</u>	<u>2020</u>
Additions to property, plant and equipment through accrued expenses	5,890,444	1,404,988
Additions to exploration and evaluation assets through accrued expenses	<u>2,175,128</u>	<u>1,819,425</u>
<b>Total</b>	<b><u>8,065,572</u></b>	<b><u>3,224,413</u></b>

**25. OTHER INFORMATION**

Since early 2020, there has been an outbreak of the COVID-19 virus around the world, which the World Health Organization ("WHO") has declared a pandemic. The pandemic may severely effect, among others, global demand for products and services and supply chains.

In this challenging time, the Company continues to strive to maintain its operational activities and continues to focus on staying efficient and protecting the health and safety of its employees. The health, safety, and environment teams in our site and in Jakarta have implemented preventive measures and health procedures that every employee must comply with, including improvement of the hygienic behavior, the prohibition of non-essential travel, implementation of physical distancing in the workplace, identification of high risk groups in the Company, and wherever possible to work from home for employees who are not directly involved in production activities. Each business unit has prepared a crisis management plan and prepared the necessary preventive measures.

The Company's first priority continues to be the health, safety and well-being of our employees, customers, and suppliers. Some of the key activities within our pandemic response plans include:

- a. Conducting promotional, preventive, curative, and rehabilitative programs, to ensure the health of our employees.
- b. Providing guidance and support to employees.
- c. Closely monitoring infrastructure capacity and the security of our operational activities.
- d. Following guidance from the Government and health organisations.
- e. Keep serving and engaging with customers and vendors.
- f. Evolving our plans as necessary.

The Company has assessed the effects of the event to the Company's operations and business plan. Based on the assessment, the management does not foresee any material uncertainty that may have a significant adverse impact on the Company's business and operations. Management will continue to closely monitor the development of the COVID-19 pandemic and take the necessary actions to mitigate its impact on the business, the financial position and operating results of the Company.





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