

ANALYSIS OF THE COLLECTIVE BARGAINING AGREEMENT (CBA) AT PT DEXIN STEEL INDONESIA

PT Dexin Steel Indonesia is a joint venture between Singapore Delong Steel Project Co., Ltd., Shanghai Dingxin Investment (Group) Co., Ltd., and PT Indonesia Morowali Industrial Park. It has a project located in Qingshan Industrial Park, Morowali Regency, Central Sulawesi, Indonesia.

This company is also a large-scale steel joint venture that integrates coking, sintering, iron making, steel making, and steel rolling with the main products being bars, wire rods, slabs and several steel billets.

PT. Dexin Steel Indonesia is a company domiciled in the Administrative City of South Jakarta, established based on Notarial Deed No. 30, dated August 31, 2017 Notary MIna Ng. SH., MKn., in Jakarta. Letter of Approval AHU-0038169.AH.01.01.Year 2017, stipulated in Jakarta on August 31, 2017.

Analysis of CBA PT Dexin Steel Indonesia

1. FREEDOM OF ASSOCIATION

Best Practice

Chapter III. Recognition, Protection, and Facilities for Trade Unions

Article 9. Recognition

(1) The Company acknowledges that the Trade Union is a legitimate workers' organization and is entitled to represent its members in accordance with the functions, roles, and duties of the Trade Union as carried out in compliance with applicable regulations.

(2) The Trade Union and the Company shall respect each other and refrain from interfering in each party's internal affairs.

Similarly, Article 10 concerning Protection and Article 10 concerning Facilities

Note: This represents an acknowledgment of the existence of an independent Workers' Organization.

2. WAGES

Best Practice

Article 49. Concerning Wages

(1) The Company shall pay wages to employees at the end of each month or no later than the third day of the following month. Any changes will be communicated through a notification letter.

(2) Wage Benefits include:

- a. Basic Salary
- b. Fixed Allowances, which include:
 - i. Attendance Allowance
 - ii. Night Shift Allowance
 - iii. Service Tenure Allowance

Note: Fixed Allowances include location allowance, housing allowance, and family allowance. Additionally, Paragraph 4 addresses the implementation of a wage structure and scale as established by the company. This represents a best practice, as the components of fixed allowances comprehensively address the employees' family needs.

3. SOCIAL SECURITY

Best Practice

Article 50. Non-Wage Income and Benefits

(1) Non-wage income provided to certain employees includes:

- a. Performance Bonus based on position
- b. Performance Bonus based on work performance
- c. Production Bonus

(2) The Company provides Holiday Attendance Allowance, Assurance of Coverage under BPJS Health and Employment, and Family Visit Leave.

Note:

Point 2: The provision of BPJS Health and Employment is normative; however, the inclusion of performance bonuses represents a form of recognition for performance, incorporating elements of reward and punishment.

4. GENDER

Best Practice

Article 32. Prevention of Violence and Sexual Harassment in the Workplace

- (1) The Company provides a grievance mechanism for sexual violence, which is facilitated by the Company.
- (2) The Company ensures the confidentiality of victims, complainants, and witnesses.
- (3) The Company guarantees zero tolerance for acts of harassment and sexual violence in the workplace.

Note:

Through the grievance mechanism, maintaining confidentiality, and ensuring zero tolerance for harassment and sexual violence in the workplace, Article 33 addresses the handling of such issues.

Bad Practice

The Collective Bargaining Agreement (CBA) does not yet address gender equality issues, which are essential for ensuring recognition of equality between men and women.

5. OCCUPATIONAL HEALTH AND SAFETY (OHS), INCLUDING CLIMATE CHANGE AND JUST TRANSITION ELEMENTS

Best Practice

Article 23. Personal Protective Equipment (PPE)

- (1) The Company is required to provide Personal Protective Equipment (PPE), which is company inventory, to employees in accordance with the type of work and potential hazards present at each workplace.
- (2) Employees are required to use the Personal Protective Equipment (PPE) provided in accordance with the regulations regarding PPE issued by the company, while continuing to consider the type of work and potential hazards at each workplace.
- (3) Employees are not permitted to alter, modify, and/or deface the PPE.

Note:

The Company is obligated to provide PPE, which is part of the company's inventory, to employees. The Company must establish and document Safety and Health regulations (OHS) in the company environment in accordance with applicable legal provisions.

Bad Practice

The Collective Bargaining Agreement (CBA) does not address issues related to Climate Change and Just Transition.

6. MISCELLANEOUS

Best Practice

Article 36. Special Achievements

- (1) Special achievements are granted by the company to employees for achieves or contributions demonstrated during their employment.
- (2) Special achievements may be given to employees throughout their employment.
- (3) Performance achievements for groups may be given to work teams (groups), workshops (divisions), departments, or functional groups established for a specific program.
- (4) Special achievements received by employees may be considered as a factor in determining wage increases and/or promotions.

Note:

Special achievements are granted by the company to employees for their achieves or contributions demonstrated during their employment.

Article 41. Annual Best Employee Award

- (1) The Company organizes an annual selection for the Best Employee.
- (2) Any employee is eligible to be nominated as the Annual Best Employee, provided they meet the criteria established by the Company.
- (3) The employee who receives the Best Employee Award will be given a certificate of achievement.
- (4) The Best Employee will also receive a monetary award in a specified amount determined by the Company's Management.

Note:

The Company's organization of the Annual Best Employee selection is aimed at maintaining and enhancing work productivity.

Article 55. Family Visit Leave

- (1) Employees are entitled to Family Visit Leave after a specified period of employment and will receive accommodation assistance for the leave as regulated by the implementation guidelines.
- (2) Employees will continue to receive full wages during their Family Visit Leave.
- (3) Employees who terminate their employment with the Company are not entitled to compensation for any unused Family Visit Leave.
- (4) To ensure the smooth operation of the Company and proper handover of work, employees who submit their resignation within 30 days cannot take Family Visit Leave during the notice period.

Note:

This leave is granted to employees after a specified period of employment and includes accommodation assistance regulated by separate implementation guidelines. However, there is no further information provided about these implementation guidelines.