



# PT HALMAHERA JAYA FERONIKEL

## Responsible Sourcing Public Due Diligence Report PT. Halmahera Jaya Feronikel

Reporting Period: Jan 1<sup>st</sup> 2025 – Dec 31<sup>st</sup> 2025

### **Company Information**

PT. Halmahera Jaya Feronikel (“The Company” or “PT HJF”) is a nickel processing company operating in Kawasi Village, Obi Island, South Halmahera, North Maluku, which started operation in 2022 PT HJF processes high-grade nickel ore (Sapolite) as an input to produce Ferronickel/NPI.

### **RMAP Assessment**

PT HJF intends to participate in an RMAP assessment in 2026. This assessment will be conducted according to the RMI's "Global Responsible Sourcing Due Diligence Standard for Mineral Supply Chains All Minerals" (All Minerals Standard).

### **Company Supply Chain Policy**

PT HJF has fully adopted the Responsible Sourcing Policy (“The Policy”) from its parent company, PT. Trimegah Bangun Persada Tbk. (“PT TBP”). PT HJF conducts its activities within the mining concession of PT TBP, so that the Company is obliged to comply with the applicable policies, procedures and regulations set by the concession holder. The Policy is fully aligned with the third edition of the OECD *Due Diligence Guidelines* for Mineral Supply Chains from Conflict-Affected and High-Risk Areas (OECD Guidelines). According to the Policy, The Company avoids sourcing minerals from the Conflict-Affected and High-Risk Areas (“CAHRA”). Such areas are where there is identified armed conflict, widespread violence, including violence caused by criminal networks, or other risks that cause serious and widespread harm to society. The [Responsible Sourcing Policy](#) is communicated to all relevant stakeholders and is also reviewed periodically.

### **Company Management Systems**

PT HJF commits to implement responsible sourcing practices. Therefore, The Company has developed a Due Diligence Management System. The Due Diligence Management System is designed to identify and minimize supply chain risks at PT HJF. PT HJF provides sufficient resources so that the Due Diligence Management System can be implemented properly. This includes appointment of a Senior Manager to oversee the implementation of The Company’s Due Diligence Management System. The Purchasing and other relevant departments support the implementation of the Management System.

The Company carries out due diligence training at least once a year or whenever there is a change and/or update on the standard and/or management system to all relevant departments. Moreover, The Company has communicated the Responsible Supply Chain Policy to all primary raw material suppliers in 2025. The company has incorporated due diligence requirements into legally binding agreements with those suppliers.

### **Internal Control Systems**

The Company implements a control system to ensure the information of raw material traceability is maintained and available. The control system is integrated into the operational policies and procedures that apply to all operational areas of The Company, especially the production and procurement areas of mineral raw materials. The control system is fully aligned with the OECD Guidelines, Global Responsible



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Sourcing Due Diligence Standard for Mineral Supply Chains (All Minerals), Supply Chain Due Diligence Plus (SCDDP) and the ISO 31000:2018 risk management framework.

PT HJF is committed to conduct capacity building related to the internal control system including supply chain risks listed in the Annex 2 of the OECD Guidelines and Annex X of the European Union Battery Regulation (EU Battery Regulation) for all relevant staff and the suppliers as well.

PT HJF has a complaint handling system ([HJF Complaint Handling](#)) in the form of a whistleblowing and grievance system that can be accessed by stakeholders to report violations or concerns related to the Company's supply chain process.

The Company requires that all records and documents related to the Due Diligence Management System be kept for a minimum of 10 (ten) years and stored in The Company's database.

## **Risk Management**

According to the Responsible Sourcing Policy, The Company seeks to prevent or reduce all risks identified in Annex II of the OECD Guidelines and Annex X of the EU Battery Regulation, including but not limited to:

- Any forms of torture, cruel, inhuman and degrading treatment;
- Any form of forced or compulsory labor;
- The worst forms of child labor according to ILO Convention No. 182;
- Other serious human rights violations such as sexual violence;
- War crimes or other serious violations of international humanitarian law, crimes against humanity, or genocide;
- Direct and indirect support for non-state armed groups and their affiliates and public or private armed forces;
- Bribery and fraudulent misrepresentation of the origin of minerals;
- Money laundering;
- Non-payment of taxes, royalties and other mandatory fees to the Government;
- Inadequate occupational health and safety conditions to maintain the physical and mental health of mine workers, both directly and indirectly;
- Environment, climate and human health, taking into account direct, consequential, indirect and cumulative impacts.

In addition, the Company also extends its due diligence scope into Environmental, Social, Governance, and Occupational Health and Safety (ESG) aspects. The goals of this Due Diligence are to obtain information on the region, production process, supply chain, legal status and identity of suppliers, including but not limited to the potential risks mentioned above.

The Company has implemented procedures to identify CAHRAs and to identify red flags in the supply chain. These procedures apply to all primary raw material suppliers. The procedures require review of credible sources and include criteria to determine CAHRAs. The procedures are reviewed at least annually. The following credible sources are used to determine CAHRAs:

- Heidelberg Conflict Barometer
- Global Peace Index
- World Governance Indicator



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- Rule of Law Index
- UNDP Human Development Index
- European Union CAHRA List
- Section 1502 of the Dodd Frank Act

PT HJF creates a CAHRA List, which consists a list of countries (along with its provinces) that categorized as CAHRA based on EU CAHRA List (<https://www.cahraslist.net/cahras>) and Section 1502 of the Dodd Frank Act. The CAHRA List will be updated at least once every 3 (three) months or after a significant change in circumstances. The CAHRA list then will be communicated to personnel involved in the due diligence process. Moreover, as a part of its KYS process, the Company verifies whether its potential suppliers are on sanctions lists. The credible sources used in this check include the European Union Sanction Tracker, the UN Security Council Consolidated List, and the Indonesian sanctions list (Daftar Terduga Terroris dan Organisasi Teroris, DTTOT).

If any supply chain risks are identified, PT HJF will determine the risk mitigation plan and monitor its implementation periodically. Relevant stakeholders (including suppliers) are invited to participate in the risk mitigation process.

## **Due Diligence Results**

During the 2025 period, PT HJF did not source mineral raw materials originating from or passing through CAHRAs or any other high-risk areas. All mineral raw materials obtained by PT HJF are minerals originating from non-conflict areas. PT HJF will continue to monitor and improve the due diligence process and conduct periodic evaluation and re-assessment of suppliers to ensure that all suppliers meet the relevant standards.

## **Support for Transparency**

PT HJF is committed to continue strengthening governance practices according to global standards for transparency. The company complies with applicable regulations and reports relevant information regarding its operations to Indonesian government institutions.