

Modern Slavery Statement 2025

**PT Indonesia Asahan Aluminium
(Persero)**



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Introduction

PT Indonesia Asahan Aluminium (Persero) ("INALUM") is committed to upholding and respecting Human Rights across all business operations and throughout its value chain. Grounded in the principles of Good Corporate Governance (GCG), INALUM actively ensures that all strategic and operational policies are implemented with a primary focus on equality, fairness, and the protection of workers' rights.

This Modern Slavery Statement reinforces INALUM's establishment of policies, procedures, and actions to mitigate modern slavery risks, including human trafficking, forced labor, child labor, and all other forms of labor exploitation. Furthermore, this statement outlines INALUM's strategic framework for identifying, assessing, and managing risks related to labor management and human rights across the Company's business ecosystem. This aligns with the Aluminium Stewardship Initiative (ASI) Performance Standards, which mandate public disclosure of actions taken to address and manage modern slavery risks.

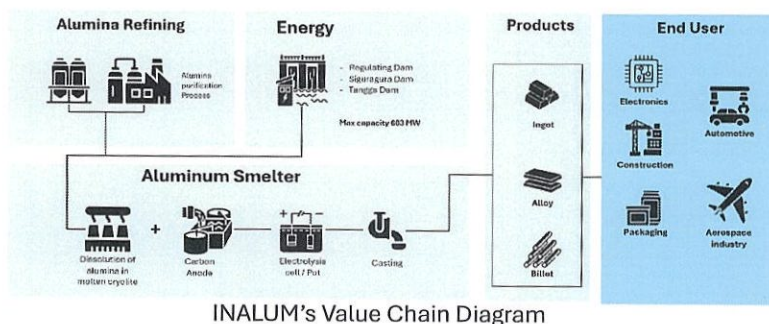
INALUM enforces a strict zero-tolerance approach toward all forms of modern slavery and is dedicated to conducting business ethically, responsibly, and with utmost respect for Human Rights. This commitment is deeply aligned with the core values of State-Owned Enterprises (BUMN), GCG principles, and the expectations of our Shareholders. This dedication is further formalized through a Circular Letter issued and signed by the President Director, Circular Letter No. SE-003/DIR/2025 concerning the Corporate Policy on Sustainable Business Implementation.

The information contained within this statement reflects data gathered across all INALUM operational locations. It illustrates INALUM's ongoing efforts to assess and mitigate modern slavery risks across both its operations and supply chain for the reporting period spanning from 1 January 2025 to 31 December 2025.

INALUM's Business, Operations, and Supply Chain

As mandated by the Company's Articles of Association, INALUM's primary business activities involve the development and operation of aluminium production and processing, including its derivative products, as well as the optimization of Corporate resources to generate high-quality, highly competitive goods and services. The Company aims to maximize value while strictly adhering to the principles of a Limited Liability Company. Currently, INALUM stands as Indonesia's pioneer primary aluminium producer and operates as an integral part of Mining Industry Indonesia (MIND ID), Indonesia's State-Owned Mining Industry Holding.

INALUM operates across the aluminium value chain, from alumina refining to smelting and casting. Alumina refining is carried out through its subsidiary, PT Borneo Alumina Indonesia (PT BAI), located in Mempawah, West Kalimantan. PT BAI's operations are not included in this statement and referenced solely to illustrate the broader context of INALUM's aluminium value chain.



INALUM's Value Chain Diagram

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INALUM's Operations

INALUM's headquarters and primary operational facilities are located in Kuala Tanjung, North Sumatra Province, Indonesia. This operational site comprises a Reduction Plant (Smelter), Carbon Plant, Casting Plant, and Power Substation, alongside comprehensive supporting infrastructure such as an integrated gas cleaning system, water treatment facilities, and a Dedicated Terminal Port (TUKS). The smelting plant is powered by clean energy generated from INALUM's proprietary Hydroelectric Power Plant (HEPP), which harnesses the water flow of the Asahan River.



INALUM Hydroelectric Power Plant Dam and Smelting Facility

INALUM's operational activities are supported by a diverse workforce representing various backgrounds, ethnicities, beliefs, and genders. This includes both direct (organic) employees and indirect/contracted (non-organic) personnel who support operations across the Aluminium Smelter, Hydroelectric Power Plant (HEPP), as well as the Representative Office and Liaison Office located in Jakarta and Medan, respectively.

INALUM's Supply Chain

To support the sustainability of its operations and business activities, INALUM collaborates with goods and services providers at local, national, and international scales. INALUM is fully committed to ensuring that all partners throughout its supply chain adhere to high ethical standards, respect for Human Rights, and fair labor practices. Our supply chain encompasses vendors and service providers, including:

- **Raw Materials and Equipment** – includes primary and secondary raw materials, mechanical and electrical equipment, spare parts, workwear, and Personal Protective Equipment (PPE).
- **Construction and Technical Services** – includes civil and structural construction, infrastructure maintenance, and specialized technical services supporting operations.
- **Logistics and Facility Support Services** – includes logistics and transportation, manpower supply services, security services, janitorial and facility management, as well as catering and accommodation services.
- **Consulting Services** – includes financial advisory, auditing, legal, information technology (IT), and other professional consultancy services.

INALUM's Customer Base

INALUM serves a diverse global customer base comprising over 80 customers across the Indonesian domestic market and more than 16 countries spanning Asia, Europe, and the Americas. The Company's primary aluminium products, including Ingot and Billet, are widely utilized across various strategic industrial sectors, such as construction, automotive, manufacturing, electronics, packaging, and other downstream product applications.

Modern Slavery Risks in Operations and Supply Chain

INALUM consistently applies Good Corporate Governance (GCG) and Risk Management principles in alignment with general State-Owned Enterprise (SOE) governance standards, as stipulated under the Regulation of the Minister of SOEs No. PER-2/MBU/03/2023.

The Company comprehensively identifies and analyzes risks across its business processes and supply chain including potential modern slavery risks and formulates targeted mitigation measures to safeguard operational integrity and long-term sustainability. Furthermore, INALUM conducts continuous monitoring and evaluation to proactively anticipate and manage emerging risks throughout its operational ecosystem.

Policies and Governance

INALUM firmly believes that strong management commitment and the consistent execution of governance policies serve as fundamental pillars of corporate sustainability. INALUM's approach to managing modern slavery risks is guided by a comprehensive corporate policy and governance framework, which encompasses:

- Good Corporate Governance Code, reflects INALUM's commitment to conducting business in full alignment with the principles of Good Corporate Governance (GCG).
- Code of Conduct, reflects the commitment of all INALUM personnel (Insan INALUM) to demonstrating work ethics and behaviors aligned with the Company's Core Values.
- Responsible Supply Chain Policy, reflects INALUM's commitment to managing its supply chain processes in accordance with fair business practices and GCG principles.
- Human Rights Due Diligence (HRDD), reflects INALUM's commitment to identifying and mitigating modern slavery risks by conducting Human Rights Due Diligence through an independent third party, covering assessments on labor standards, working conditions, employee welfare and facilities, corporate partners and suppliers, as well as surrounding communities.

INALUM's approach to managing modern slavery risks is guided by a comprehensive corporate policy and governance framework, which encompasses: the Corporate Code of Conduct, Responsible Supply Chain Policy, Human Rights Policy, Whistleblowing Policy, Anti-Bribery Management System Guidelines, Recruitment Procedures and Guidelines, Quality, Occupational Health, Safety, and Security Policy, Contractor Safety Management System (CSMS) Procedures, Integrity Pacts, as well as grievance resolution mechanisms designed to address acts of discrimination, intimidation, violence, and harassment.

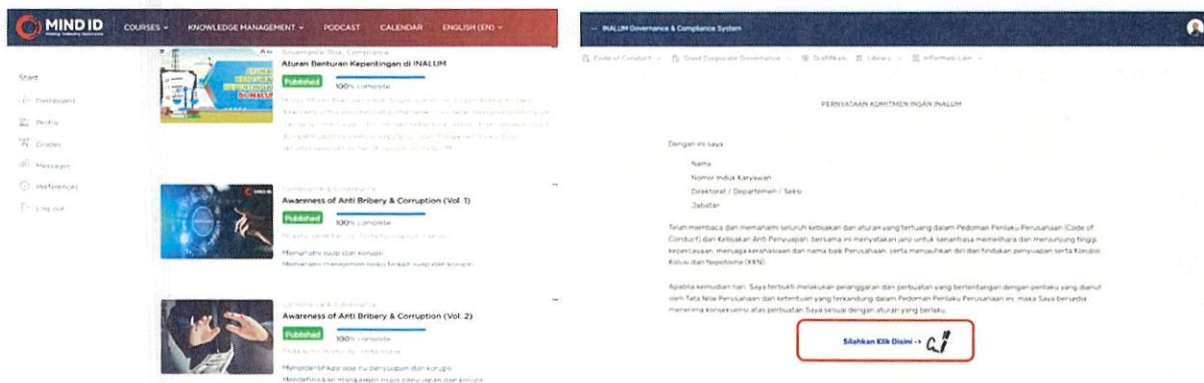
Training and Capacity Building

As part of its commitment to upholding Human Rights and fostering an ethical work environment, INALUM continuously conducts digital-based educational and training programs through the MIND ID Academy Learning Management System (LMS). The training curriculum covers crucial topics including a safe working environment, respectful workplace policy, disrespectful workplace awareness, as well as Environmental, Social, and Governance (ESG) awareness. Specifically within the Code of Conduct (CoC) training, employees are provided with an understanding of Human Rights, the prevention of ethical violations, and the provision of fair employment opportunities free from discrimination.

In 2025, INALUM demonstrated strong employee engagement across these mandatory learning modules, achieving an overall average completion rate of 91.5%:

- Module RWP 1 - Respectful Workplace Policy: 93.4%
- Module RWP 2 - Disrespectful Workplace Policy: 90.6%
- Module RWP 3 - Implementation of RWP: 90.9%
- Module RWP 4 - The Role of MIND ID Personnel in Reporting and Handling Grievances: 90.2%
- Module RWP 5 - Understanding Behaviors Supporting RWP: 90.1%
- Module Compliance INALUM (Code of Conduct): 92.0%

As part of the continuous implementation of Good Corporate Governance (GCG), all INALUM employees are required to support the realization of an ethical corporate culture and compliance by digitally signing the Code of Conduct commitment through the INALUM Governance and Compliance System (IGCS).



MIND ID Academy Learning Management System (LMS) and INALUM Governance and Compliance System (IGCS)

Assessing the Effectiveness of INALUM's Actions

INALUM focuses its efforts on establishing a foundational framework and conducting initial mapping to identify, prevent, and mitigate modern slavery risks across its workplace environment and supply chain. The Company assesses the effectiveness of this ongoing approach through several key mechanisms, including:

- **Internal Compliance and Education Review** – Monitoring employee completion rates for mandatory training modules, specifically the Code of Conduct (CoC) and Respectful Workplace Policy (RWP) from the LMS platform.
- **Reporting and Grievance Channel Monitoring** – Actively managing operational and labor-related feedback through established Whistleblowing and Grievance Handling Channels. To ensure continuous oversight and concrete resolution, all grievances received in 2025 were formally processed, investigated, and fully resolved through proper follow-up and corrective measures, reinforcing a zero-tolerance culture toward misconduct and labor exploitation.
- **Business Partner Evaluation and Oversight** – Monitoring contract execution through Contractor Management Procedures, evaluating vendor performance, and verifying compliance with mandatory Integrity Pacts signed by suppliers.

Internal Consultation

In preparing this Statement, INALUM implemented a structured consultation process involving key internal functions across the Company, including Human Capital, Procurement and Supply Chain Excellence, Legal, Compliance, Risk Management, and other supporting operational units. All findings and review outcomes were consolidated and evaluated prior to being submitted to the Board of Directors for formal approval.

Future Commitments

To maintain continuous improvement in mitigating modern slavery risks while upholding Human Rights and labor rights, INALUM will drive future enhancements including:

- **Optimizing Human Rights Due Diligence (HRDD):** Optimizing the periodic execution of Human Rights Due Diligence (HRDD) to reinforce labor governance and human rights protection across the Company's operational environment.
- **Elevating Human Rights Training and Awareness:** Maintaining and enhancing completion rates for the Code of Conduct (CoC), Respectful Workplace Policy (RWP), and other supporting educational modules.
- **Strengthening Remediation Frameworks:** Continuously aligning existing grievance handling procedures to ensure clear follow-up mechanisms for risks and potential findings related to modern slavery.

Leadership Accountability

In driving corporate sustainability, the Board of Directors (BOD) oversees Environmental, Social, and Governance (ESG) matters, encompassing the identification, assessment, and management of environmental and social impacts, including the execution of Corporate Social and Environmental Responsibility (TJSL) programs.

President Director Oversees overall corporate operations, GCG compliance, Aluminium Stewardship Initiative (ASI) standards implementation, Human Rights Due Diligence (HRDD) execution, internal audits, and legal dispute resolutions.

Director of Operations Responsible for ensuring all field operations adhere to Health, Safety, and Environmental (HSE) standards, fostering a safe and equitable workplace, and maintaining operational oversight of production plants and supporting infrastructure to ensure they remain free from forced labor and labor exploitation.

Director of Human Resources and Corporate Transformation Responsible for managing human capital strategy, recruitment policies, compensation and benefit structures, working hours, industrial and labor relations, as well as driving Corporate Social and Environmental Responsibility (TJSL) programs.

Director of Corporate Strategy, Business Development, and Commercial Responsible for communicating INALUM's Human Rights Policy to prospective and registered suppliers, while overseeing the execution of supply chain Human Rights Due Diligence.

Director of Finance Responsible for governing the Code of Conduct, monitoring regulatory compliance, and integrating the enterprise risk management framework across all operational lines of the Company and its subsidiaries.

PT INDONESIA ASAHAN ALUMINIUM (Persero)



[Signature]
MELATI SARNITA
PRESIDENT DIRECTOR