



PT. BANGKA PRIMA TIN

MINING - SMELTING - REFINERY - TRADING

STEP 5 DUE DILIGENCE REPORT

1. Company Information

PT Bangka Prima Tin was established in 2008. The company is located at Jl. Raya Pangkol, Central Bangka Regency, Province Bangka Belitung, Indonesia. The company processes tin products whose tin ore comes from its own mine. The last production of PT Bangka Prima Tin was carried out in 2018. In 2019-2021 there was no production activity and back to doing production in 2022. On June 13st, 2022, company management was changed and it causes document destruction as a request of the shareholder, so for document retention policy starts from production in 2022-2027.

In 2021, PT Bangka Prima Tin established a Conflict Free Minerals Policy that was audited and considered compliant to the Conflict-free Smelter Process Standard. PT Bangka Prima Tin now adheres to the revised version of this standard, the Responsible Minerals Initiative/Responsible Minerals Assurance Process. The company RMI ID number is CID002776.

This report covers our activities from August 31st, 2021 to September 2st, 2022.

2. Our Assesment Summary

PT Bangka Prima Tin has undergone a RMAP assessment with details :

Audit Name : PT Bangka Prima Tin

Smelter ID : CID002776

Audit Dates : 10/26/2016-10/26/2016

Audit Types : Re-audit

	G-RM-10000405	PT Bangka Prima Tin	PT Bangka Prima Tin	Indonesia	CID002776	Tin		Re-audit	10/26/2016	Options ▾
Assessment End Date 10/26/2016										
Assessment Period (From)										
Assessment Period (To)										
Final Determination Letter Released										
Status Migrated										
QC Status										
Result Conformant										
CAP Remaining Days										
Audit Report										



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3. Company Supply Chain Policy

Mining activities at PT Bangka Prima Tin have production operation mining business license (IUP OP) with a number 188.45/245.D/DPE/2013 at Kelambui Sea, South Bangka Regency, Indonesia and classified as conflict free. PT Bangka Prima Tin stated that the tin ores processed at the PT Bangka Prima Tin smelter are coming from the mine process carried out by the company itself. It's means that no sourcing origin of BPT comes from the countries listed in the EU CAHRA list and the countries listed in the Dodd Frank Act list. so that it can be ensured that the supply chain contained in BPT comes from safe area and free from conflict.

To state our commitment to avoid the use of conflict minerals, PT Bangka Prima Tin Conflict Mineral Policy. PT Bangka Prima Tin are committed to the responsible sourcing of "conflict minerals" throughout our supply chain and continuing to comply with the underlying SEC rules and regulations surrounding "conflict minerals". We will not trade in tin ingot which directly or indirectly finance or benefit armed groups in the Democratic Republic of Congo or adjoining countries.

4. Company Management System

Management system to support supply chain due diligence:

PT Bangka Prima Tin implements due diligence as a continual, on going process. To support supply chain due diligence, PT Bangka Prima Tin has implemented management system:

- The Company's Director is responsible to oversee the due diligence program and risk management design and implementation.
- The company has assigned a Due Diligence Program Manager to coordinate the work of the relevant departments to ensure each department fulfills their roles and responsibilities to implement the due diligence program and report any red flags and potential risks identified.
- The company conducts due diligence management system training and management review once a year for key staff from all relevant departments required in due diligence program. If there are any mid-year updates or changes to the program, the company conducts additional training as necessary.
- The company committed to implement an internal record system with document retention for 5 years.
- The company committed to implement the policies for cashless transactions.
- The company committed to implement the KYC Procedure if necessary.



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PT Bangka Prima Tin is a company that operates its own mine and smelting plant. The tin ores processed at the PT Bangka Prima Tin smelter are coming from the mine process carried out by the company itself. Mining activities at PT Bangka Prima Tin have production operation mining business license (IUP OP) with a number 188.45/245.D/DPE/2013 at Kelambui Sea, South Bangka Regency, Indonesia with 498,6 Ha.

PT Bangka Prima Tin fully controls mine production, shipments from mine to smelter, and all processes up to tin ingot production. The company is not compatible with other producers of tin sand, or tin sand from other countries.

PT Bangka Prima Tin uses smelter lot numbers to indicate where the tin ore comes from. If data discrepancies are found, it will be reviewed by the management team and followed up.

5. Internal Systems of Control

- PT Bangka Prima Tin has established its due diligence management system to be aligned with the OECD Guidance and RMAP in July 2021 and updated it in July 2022. The company has communicated the updated supply chain policy and sourcing requirements to all identified upstream suppliers, also provides grievance mechanism to collect information on grievances by phone, online messages or email from employees, suppliers, buyers and interested parties.
- All tin ore received will be weighed, tested to laboratory and identified with lot number. We also identified and monitor the process to ensure the traceability of our products. We conducted mass balance calculation at least annually to verify production loss.
- We monitor activity on our mines regularly to verify the source of our material.
- We conducted internal audit at least annually and also management review meeting at least annually to ensure the due diligence management system maintained and able to be improved. We have done management review meeting on July 4th, 2022.

6. Risk Identification

As part of the requirements of the Responsible Minerals Assurance Process (RMAP) and in-line with the OECD Due Diligence Guidance, PT Bangka Prima Tin stated that the tin ores processed at the PT Bangka Prima Tin smelter are coming from the mine process carried out by the company itself. Mining activities at PT Bangka Prima Tin have production operation mining business license (IUP OP) with a number 188.45/245.D/DPE/2013 at Kelambui Sea, South Bangka Regency, Indonesia with 498,6 Ha.

In accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, PT Bangka Prima Tin strongly condemns all activities, and will refuse any material, which we assessed benefitted or supported armed rebels/terrorist groups through illegal finance or other activities or involved serious human rights violations associated with the extraction, handling, transport or trade of minerals, including:



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- Serious abuses (i.e. torture, cruel, inhuman and degrading treatment; forced for compulsory labor; worst forms of child labor; human rights violations and abuses such as widespread sexual violence; war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide).
- Direct or indirect support to non-state armed groups.
- Direct or indirect support to public or private security forces.
- Bribery and fraudulent misrepresentation of the origin of minerals.
- Money laundering.
- Non-payment of taxes, fees and royalties to governments.

Procedure for identification of conflict-affected and high-risk areas (CAHRA):

PT Bangka Prima Tin implements due diligence as a continual, ongoing process. The process complies with the OECD Guidance for Identification and Assessment of Supply-Chain Risk(s). All purchases will be reviewed in accordance with this policy to assure compliance.

As part of the requirements of the Responsible Minerals Assurance Process (RMAP) and in-line with the OECD Due Diligence Guidance, PT Bangka Prima Tin has implemented a procedure for identification of CAHRA and risk mitigation for contributing to violent conflicts and serious human abuse. The PT Bangka Prima Tin's CAHRA Identification Procedure consist of two steps:

1) Identification of country of origin including the region and transit countries.

PT Bangka Prima Tin applies three internationally recognized resources to identify suspected CAHRA countries (recommended by RMAP) : Global peace index, fragile states index, and international human development indicators.

<http://www.responsiblemineralsinitiative.org/minerals-due-diligence/risk-management/conflict-affected-and-high-risk-areas/>

➤ Global Peace Index (identification based on conflict issues)

The Global Peace Index (GPI) measures more than just the presence or absence of war. It captures the absence of violence or the fear of violence across three domains: Safety and Security, Ongoing Conflict, and Militarisation. Both the Ongoing Conflict and Safety and Security domains recorded deteriorations, with only the Militarisation domain recording an improvement. GPI is a composite index measuring the peacefulness of countries made up of 23 quantitative and qualitative indicators each weighted on a scale of 1-5. The lower the score the more peaceful the country.



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THE STATE OF PEACE

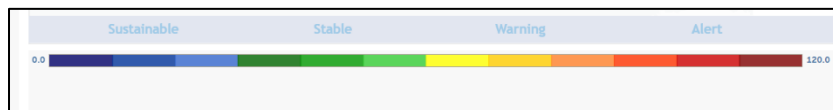


Source: <https://www.visionofhumanity.org/maps/#/>

PT Bangka Prima Tin determines that the country was stated as High Risk Area if the score above 3.

➤ Fragile States Index (identification based on governance issues)

The Fragile States Index (FSI) produced by The Fund for Peace (FFP), is a critical tool in highlighting not only the normal pressures that all states experience, but also in identifying when those pressures are outweighing a states' capacity to manage those pressures. By highlighting pertinent vulnerabilities which contribute to the risk of state fragility, the Index — and the social science framework and the data analysis tools upon which it is built — makes political risk assessment and early warning of conflict accessible to policy-makers and the public at large.

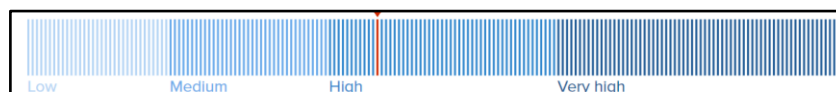


Source : <https://fragilestatesindex.org/>

PT Bangka Prima Tin determines that the country was stated as High Risk Area if the score above to 70.

➤ United Nations Developments Program – International Human Development Indicators (identification based on human rights issues)

Human Development Index (HDI) is a composite index measuring average achievement in three basic dimensions of human development – a long and healthy life, knowledge and decent standard of living. Based on Human Development Report 2020, there are 4 groups of Human Development: Very high human development, high human development, medium human development, and low human development.



Source: <https://hdr.undp.org/data-center/specific-country-data#/countries/IDN>

PT Bangka Prima Tin determines that the country was stated as High Risk Area if the value under 0,55.



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➤ Identifying Conflict-Affected and High-Risk areas for EU importers of minerals

The European Union (EU) is committed to ensuring that its imports of minerals and metals are sourced responsibly and align with European policies on conflict prevention and development. In light of this commitment, Regulation (EU) 2017/821 (“the Regulation”) requires EU importers of tin, tantalum, tungsten and gold (and the minerals containing them) to carry out supply chain due diligence based on the five-step approach established by the OECD. The list of EU CAHRAs as of 2021 are: Afghanistan, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Colombia, Democratic Republic of the Congo, Egypt, Eritrea, Ethiopia, India, Libya, Mali, Mexico, Mozambique, Myanmar, Niger, Nigeria, Pakistan, Philippines, Somalia, South Sudan, Sudan, Turkey, Ukraine, Venezuela, Yemen, Zimbabwe.

PT Bangka Prima Tin sourced from Indonesia. No sourcing origin of BPT comes from the countries listed in the EU CAHRA list.

➤ Dodd Frank Act

Section 1502 of U.S. Dodd Frank Act requires U.S. listed companies to disclose whether they use “conflict minerals” (tin, tungsten, tantalum and gold) and whether these minerals originate in the Democratic Republic of the Congo (DRC) or an adjoining country.

PT Bangka Prima Tin sourced from Indonesia. No sourcing origin of BPT comes from the countries listed in the Dodd Frank Act list.

PT Bangka Prima Tin stated that if only 1 out of 5 criteria was found to be “High-Risk Area”, then that status would be considered a High-Risk Area. The following procedure is used to review the new supply chain if the current supply chain alone is no longer sufficient.

2) Know Your Counterparty (KYC) Procedure

In addition to PT Bangka Prima Tin’s standard process for Supplier Selection and Qualification (evaluating/ selecting supplier), due to the additional risk related to responsible sourcing of tin ore further reviews and documentation are included in the selection of prospective new suppliers of tin ore. All supplier of tin ore are required to complete an extended supplier form as well as sign a supplier declaration stating that any material sold to PT Bangka Prima Tin is sourced according to PT Bangka Prima Tin Supplier Policy, and Code of Product, and Responsible Sourcing Policy and will cooperate with requests for additional information on the origin of the product sold to PT Bangka Prima Tin.



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Based on the information provided above, PT Bangka Prima Tin perform a check of all suppliers on national and international sanctioned parties and denied person lists through MODI (Minerba One Data Indonesia). These measures provide additional assurances the PT Bangka Prima Tin business partners are not affiliated with terrorists, narcotics traffickers or other illegal groups or persons of concern.

This Policy and Procedure is effective since September 5st, 2022 and will be reviewed annually.

Director



Budiarto