BRIEFING

October 2026

environmental investigation agency

FORESTS

FORESTS, METALS AND MARKETS

The London Metal Exchange's role in the destruction of Indonesia's rainforests and how it can help to stop it.

fgmc
FOREST GOVERNANCE, MARKETS & CLIMATE

UK International Development
Partnership | Progress | Prosperity

This material has been funded by UK International Development from the UK government; however, the views expressed do not necessarily reflect the UK government's official policies.

©Clement Philippe / Alamy

INTRODUCTION

London is home to the world's largest market for the trade in metals. Each year the London Metal Exchange (LME) facilitates more than £10 trillion in trading contracts for nickel, copper, aluminium and other metals.

The LME has put in place rules on responsible sourcing of minerals, through which it aims "to make metals the cornerstone of a sustainable future."[1]

But an investigation by the Environmental Investigation Agency UK (EIA) has found that ***metals traded on the LME could be connected to the destruction of 7,270 hectares of climate critical rainforests in Indonesia – an area more than 25 times the size of the City of London's financial district, known as the Square Mile.*** Our findings point to clear gaps in the scope of the 'responsible sourcing' rules the LME places on metal brands trading on the exchange.

Two companies with facilities in Indonesia's sprawling Morowali and Weda Bay nickel smelting complexes have been approved to trade nickel cathodes on the LME. The Morowali and Weda Bay industrial parks and the nickel smelters that use them have generated controversy in recent years due to extensive reports of environmental pollution and dangerous working conditions.

Meanwhile, the nickel mines that feed the industrial smelters of Morowali and Weda Bay have driven swathes of deforestation across the Indonesian islands of Sulawesi and North Maluku.

The geographical isolation of these forested islands has allowed species to evolve independently over millions of years, resulting in staggering biodiversity with unusually high numbers of unique endemic species found nowhere else in the world. By one estimate, Indonesia's burgeoning nickel industry has already caused more than 75,000 hectares of deforestation on these islands, with a further half a million hectares of forest at risk.[2]

EIA has taken a closer look at the supply chains and corporate ownership links of two LME-approved nickel refining companies based in Indonesia – PT Eternal Nickel Industry and PT CNGR Ding Xing – to see if their sourcing of nickel ore could be contributing to the destruction of Indonesia's forests.

These refineries do not publish data about the mines where their nickel is ultimately sourced. However, both are owned by Chinese conglomerates who have also invested in Indonesian nickel mines explicitly in order to secure supplies for their nickel processing facilities.

We found several of these nickel mines are directly responsible for large scale deforestation and apparent failures to respect the land rights of Indigenous forest-dependent communities. This indicates there is a high probability that LME-approved nickel brands are trading in metals originating in mines connected with the destruction of some of South-East Asia's most important rainforests.

Above: A Sulawesi bear cuscus, one of the many endemic species found in Sulawesi's rainforests.

Front cover: Nickel ore mining in the forests of Halmahera, Indonesia. **©Kaoem Telapak / EIA**

RECOMMENDATIONS TO LME

1. **Expand the scope of responsible sourcing requirements:** The LME should launch a review of how its responsible sourcing requirements can be strengthened to address a broader range of environmental and social risks associated with mining operations. As well as loss of primary forest, this could include air and water pollution, tailings management, water depletion and biodiversity as well as social risks related to land, relocation of communities and FPIC.

2. **Develop a 'zero deforestation' standard for LMEpassport:** The LME should consult with mining industry bodies[3] and other stakeholders, including civil society organisations, to develop a new zero deforestation[4] standard to which metal brands could opt to adhere as part of their LMEpassport. This should be integrated into the LME's sustainability taxonomy and would assure metal buyers that a given metal brand is deforestation-free. Given that neither the existing LME sustainability taxonomy nor any existing voluntary mining standards can credibly guarantee that a given metal is deforestation-free, the LME should bring stakeholders together to fill this gap via a new standard. The standard should be aligned with credible zero deforestation standards in other sectors – such as the High Carbon Stock Approach[5] or the Accountability Framework Initiative[6] – and should include a clear deforestation cut-off date which mirrors the IRMA 2.0 + standard.[7] The standard should go beyond assessing company policies and on-paper commitments and instead be based on traceability of minerals to source and on evaluation of deforestation at mine sites.

3. **Integrate deforestation into the proposed LME Sustainable Metals Premium:** Deforestation risk should be integrated into new LME proposals for a Sustainable Metals Premium. While the Sustainable Metals Premium is planned to initially cover carbon emissions, the LME has signalled that in the longer term it might be expanded to include different sustainability criteria. Deforestation should be integrated into this list, through a new zero deforestation standard (as described in recommendation 2).

©Steve Vidler / Alamy

HOW THE LME WORKS

The LME is a global hub for trading metals such as nickel, copper and aluminium. It is best known for the trade in futures contracts – used for 'hedging' – rather than physically traded metal.

As such it performs a crucial role, establishing the daily benchmark prices used across the metals industry globally. Every day, thousands of buyers and sellers exchange contracts linked to future deliveries of metal. The prices agreed in these trades become the benchmark prices used by mining companies, traders and manufacturers around the world.

Metal refiners must prove the quality and grade of their product when listing on the LME, as well as meeting the LME's responsible sourcing requirements.

Having a metal brand approved for listing on the LME is advantageous because it shows the metal meets internationally recognised specifications for quality and purity. As a result, LME listing makes a producer's metal easier to trade, increases the number of potential buyers and gives customers confidence that the brand meets internationally recognised standards.

Above: The London Metal Exchange.

THE LME AND 'RESPONSIBLE SOURCING'

LME approval also purports to reassure buyers that the metal in question has been "responsibly sourced" and meets certain internationally recognised due diligence standards.

Growing concern over conflict minerals, human rights abuses and corruption in mineral supply chains prompted the LME to introduce mandatory responsible sourcing requirements for listed metal brands in 2019.[8]

First and foremost, the responsible sourcing requirements specify that metal brands must comply with the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.[9]

This guidance was originally developed to curb the trade in minerals linked to armed groups, particularly in the Democratic Republic of Congo. It requires producers to carry out due diligence, identify and mitigate risks such as conflict financing, forced labour, child labour, bribery and other serious human rights abuses and to have their due diligence systems audited.

Such due diligence systems are limited in scope, requiring metal producers to check where their minerals are sourced from and mitigate some of the very worst human rights issues, particularly those that are more common in the artisanal and small-scale mining sector.

The LME also requires that producers undertake ISO 14001 certification, demonstrating they have some sort of environmental management system in place. However, none of these requirements constitute a comprehensive assessment of the sustainability of mining operations. As such they do not fully address issues such as biodiversity loss, pollution, tailings management, greenhouse gas emissions, labour conditions or community impacts. Whether a metal producer's ore suppliers are contributing to deforestation is not a question covered in any meaningful way by the LME's responsible sourcing requirements.

More recently, the LME has proposed a "Sustainable Metals Premium." If introduced, this would allow the market to establish a price premium for lower-carbon metal, most obviously for metal from smelters which do not rely heavily on fossil fuels or other high carbon technology.[10] It is anticipated that the demand for metals with a lower carbon footprint is likely to grow as the energy transition moves forward.

The LME has also suggested that in time the Sustainable Metals Premium could go beyond carbon to include broader sustainability issues (e.g. community or labour-related criteria or broader environmental criteria such as biodiversity), as reflected in certification schemes such as Nickel Mark. Not all LME metal brands will have to adhere to these requirements, only those that want to trade at a higher price on the basis that they are more sustainably produced.

THE LONDON METAL EXCHANGE'S RESPONSE TO EIA

Prior to publication, we wrote to the London Metal Exchange about our findings. It told us it was "unable to comment directly on the brands that are listed on the LME". However, regarding its own sustainability policies and guidelines, it said:

"The LME introduced the Responsible Sourcing Policy to reflect the expectations of the market in light of the global view on certain issues in the supply chain, i.e. those risks that are identified in the OECD Guidance [on Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas]. The LME's [responsible sourcing] requirements had a phased implementation, but as of 1 January 2024, all metal brands listed on the LME have been obliged to comply with the Responsible Sourcing Policy requirements. If a brand fails to comply with the Responsible Sourcing Policy, it may be delisted or suspended.

Prior to the introduction of the LME Responsible Sourcing Policy, the LME ran a two-year consultation process that included a range of stakeholders. We were also clear that our role was to reflect the views of the market, and that any requirements that we introduced had to be both practical and drive progress against the aims of the OECD guidance.

We have also enabled brands to make wider voluntary disclosures under a broad range of categories on LMEpassport, some of which include information on how a producer's production process may manage risks in relation to biodiversity and natural resources.

We do not currently have any industry standards on LMEpassport specifically for deforestation but are always willing to consider additional categories for which brands may make voluntary disclosures."

©Matjaz Corel / Alamy

Nickel mining on the island of Sulawesi.

THE LME'S INDONESIAN NICKEL BRANDS

EIA wrote to all the companies named in this report prior to publication, but only two responded. Eramet's response is outlined in the section on PT Eternal Nickel Industry. The London Metal Exchange's response is included on page 5 of this report.

PT CNGR DING XING – LME-LISTED IN 2024

In May 2024, PT CNGR Ding Xing became the first Indonesian brand approved to trade nickel on the LME.[11]

The Chinese-owned firm operates a refining facility in the Indonesia Morowali Industrial Park (IMIP) on the island of Sulawesi, producing electrolyte nickel cathodes.

As part of its LMEpassport,[12] CNGR Ding Xing is not required to publish data on the specific mines supplying its refinery. However, by analysing corporate documents, EIA has identified specific mining companies which are partly owned by CNGR and which appear likely to be directly or indirectly supplying ore to its LME-approved nickel refinery. Based on CNGR's own stock exchange disclosures, it appears that its nickel smelters in Morowali and Weda Bay source and process nickel ore at least in part from mines that CNGR controls. These smelters in turn supply nickel matte to the CNGR Ding Xing refinery as part of a vertically integrated business model.[13]

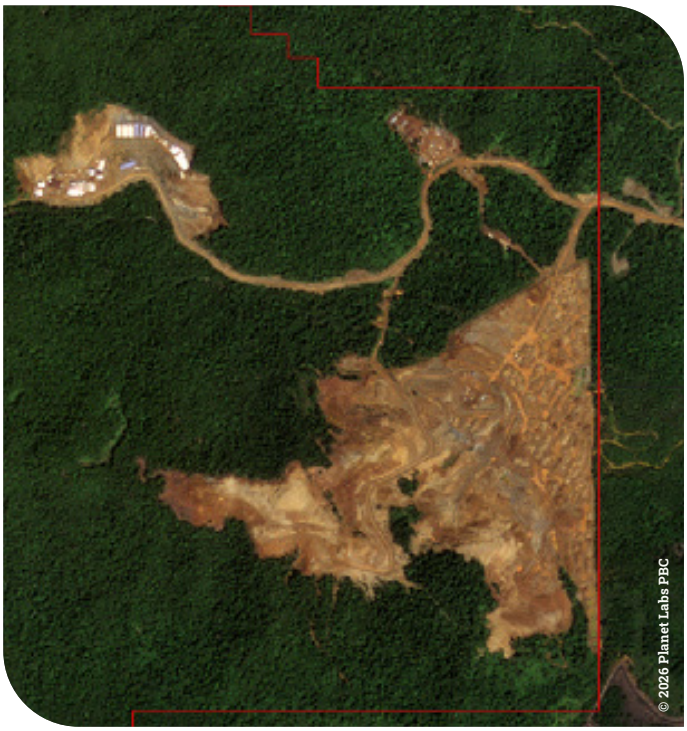
CNGR has shares in several mines relatively close to Morowali. One such mining company is PT Karyatama Konawe Utara (KKU), in which it bought a stake in April 2025. Satellite analysis shows that since first receiving a permit in 2009, 621 hectares (roughly 900 football pitches) of primary tropical forest within PT KKU's concession have been destroyed.[14] Satellite images suggest this deforestation occurred to make way for an open pit mine.

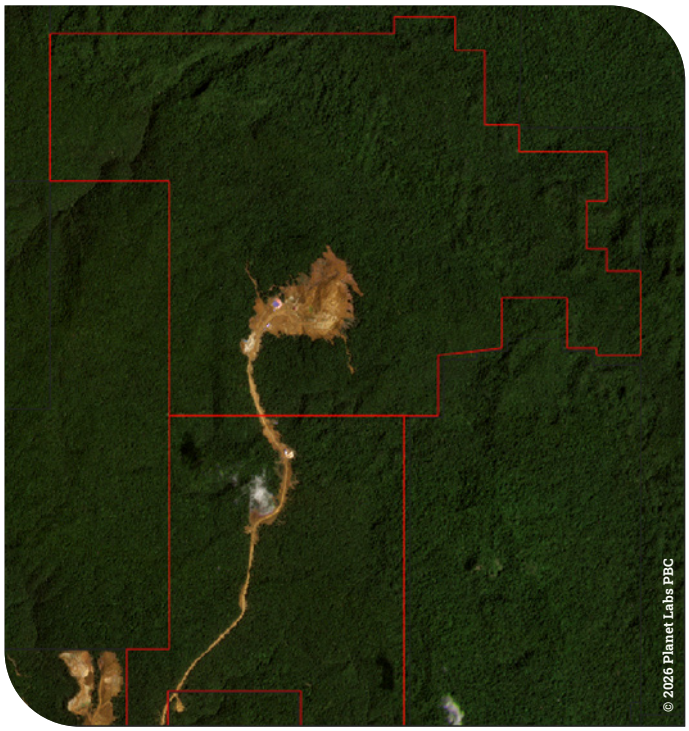
According to Indonesian media reports, PT KKU has recently had some of its operations sealed off by local authorities for apparent breaches of forest laws.

Indonesia's Forest Area Regulation Task Force, tasked with clamping down on illegal mining and plantations in forest areas, reportedly suspended operations in a 215-hectare area of PT KKU's mining concession in September 2025.[15] Local community NGOs based close to the mine have accused PT KKU of illegally mining in forest areas without an appropriate permit.[16] Even if they hold an official mining concession, companies in Indonesia are required to get a specific permit from the Ministry of Forestry before operating in areas that are legally designated as forest.

Another mining company to which CNGR is closely connected is PT Sultra Sarana Bumi. A 2022 Chinese stock exchange document[17] states CNGR has signed a contract with PT Sultra Sarana Bumi for it to supply two million tonnes of nickel ore to CNGR annually. A more recent CNGR stock exchange disclosure states that CNGR bought 126 million Yuan (just over £13 million) of goods and services – presumably minerals – from PT Sultra Sarana Bumi.[18]

A satellite image of PT KKU's nickel mine extending into the forest.



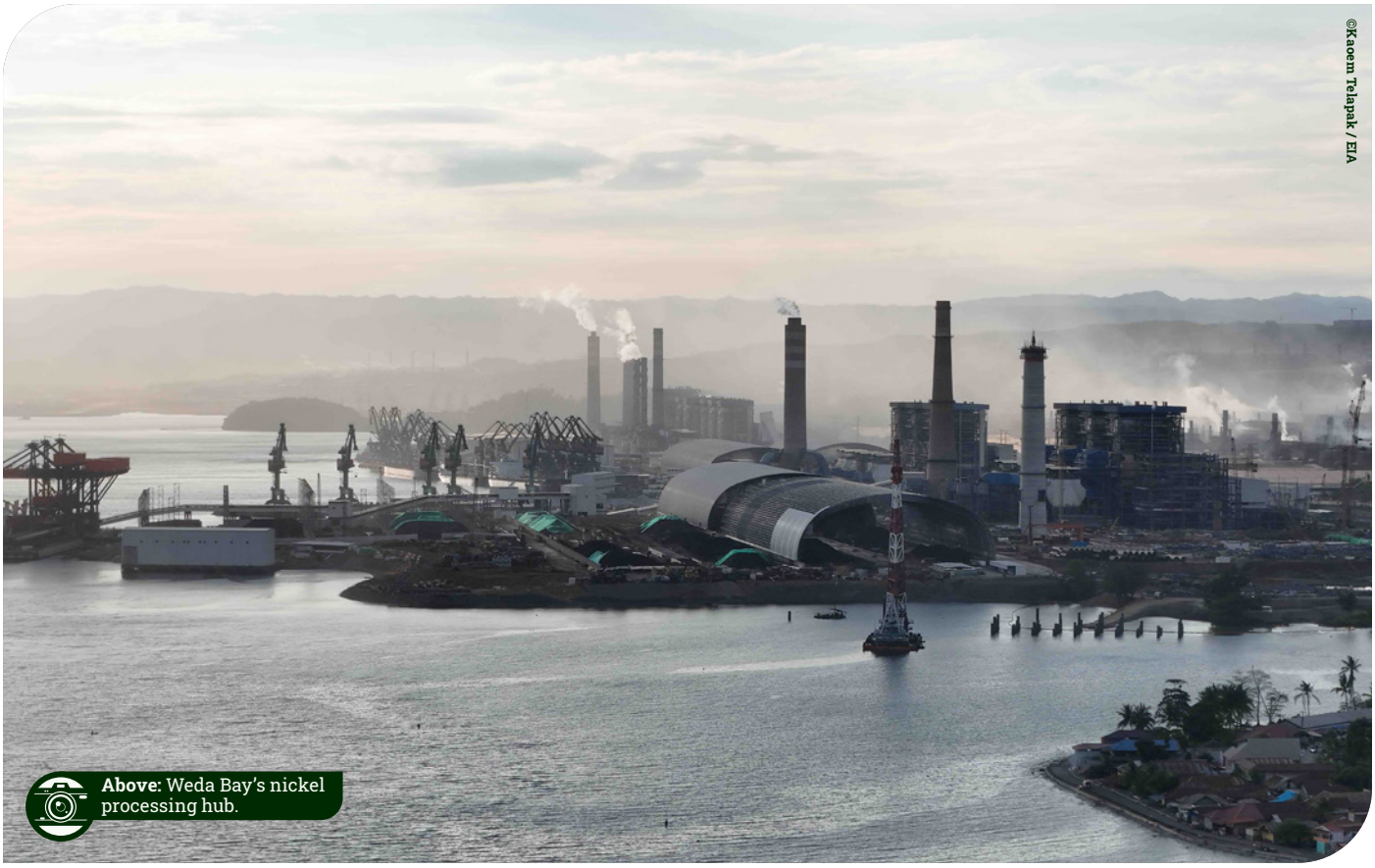


Since 2014, when PT Sultra Sarana Bumi's current mining permit in south-east Sulawesi was awarded, 286 hectares of tropical forest (approximately 400 football pitches) have been lost, with satellite imagery indicating that a mining pit and mining infrastructure are the principal cause of deforestation.

CNGR also has a contract in place to source two million tonnes of nickel ore each year from PT Harum Sukses Mining, a subsidiary of CNGR[19] which holds two nickel mining concessions in Halmahera. PT Harum Sukses Mining has constructed a mine and access road which has led to the loss of 72 hectares of forest. This concession is almost entirely within the customary territory of the Hongana Manyawa, an Indigenous group, many of whom live in voluntary isolation in the forests of Central Halmahera. Indigenous rights NGOs argue that uncontacted groups such as the Hongana Manyawa cannot give Free, Prior Informed Consent (FPIC) and therefore their lands should be treated as a no-go area by companies.[20]

Above, left: The impact of PT Sultra Sarana Bumi's activities on the forest is clearly visible from space.

Above: PT Harum Sukses Mining has opened up new tracts of forest on Halmahera for a mine and access roads.



Above: Weda Bay's nickel processing hub.

PT ETERNAL NICKEL INDUSTRY (ENI) – LME-LISTED IN 2025

In December 2025, the LME approved a second Indonesian nickel brand, owned by PT Eternal Nickel Industry (ENI).[21] Corporate documents suggest ENI is effectively a joint venture between two Chinese conglomerates, Huayou Cobalt and the steel giant Tsingshan.[22]

ENI's refinery likely relies on a feedstock of "nickel intermediates" such as nickel matte and/or mixed hydroxide precipitate (MHP). Scant information is publicly available about ENI's suppliers. However, given ENI's shareholders - Huayou Cobalt and Tsingshan - own smelters in IWIP[23] that produce the nickel intermediates ENI likely requires, it would appear a strong possibility that these smelters supply at least part of ENI's feedstock.[24]

Evidence indicates that these smelters source nickel ore from mines that are also owned by Huayou and/or Tsingshan. One such mine is the vast PT Weda Bay Nickel project. Weda Bay Nickel is currently the world's largest nickel mine, located next to the IWIP industrial park where ENI's refinery is based. Tsingshan and Huayou Cobalt, as well as jointly owning the ENI nickel refinery, both own significant stakes in the Weda Bay Nickel mining project.

The French mining company Eramet also holds a minority stake in Weda Bay Nickel.[25] When approached for comment prior to publication, Eramet told EIA "PT Weda Bay Nickel has not held and does not hold any direct commercial relationship with the company identified in your report [ENI]."

However, this does not rule out the strong possibility that Weda Bay Nickel has supplied raw materials *indirectly* to ENI, by supplying ore to Huayou and Tsingshan-owned smelters that could in turn be supplying nickel intermediates to ENI.

Eramet has stated publicly that the consumers of Weda Bay Nickel's ore include Huayou Cobalt and Tsingshan, the joint owners of numerous smelters in IWIP that produce nickel intermediates, as well as being joint owners of ENI.[26] The ENI shareholder Huayou Cobalt has also stated that the nickel ore to feed Huayou's smelters in IWIP "mainly comes from the mine of Weda Bay Nickel."[27] In its 2023 annual report Huayou was explicit that it had "indirectly invested in Weda Bay Nickel … laying a solid foundation for raw material supply" for the IWIP smelters that it jointly controls with Tsingshan."[28]

These statements confirm that nickel ore from Weda Bay Nickel has been supplied to smelters that appear to produce the types of feedstock that the ENI refinery relies on. These smelters have the same shareholders as ENI. It therefore seems that there is a strong possibility that Weda Bay Nickel has indirectly supplied ENI with minerals. It is also worth noting that Huayou Cobalt is on record that it has sold over $200 million worth of "raw materials" to ENI.[29]

The Weda Bay Nickel mining concession has seen huge levels of deforestation. Since 2006, more than 5,700 hectares of forest have been lost[30] – equivalent to 20 times the area of London's Square Mile. According to the NGO Mighty Earth, 86 per cent of the forest in Weda Bay Nickel's concession can be classed as "High Carbon Stock"[31] – particularly valuable in terms of climate and biodiversity.

Viral video of uncontacted Hongana Manyawa people entering WBN's nickel concession.

In 2025, the Norwegian State Pension fund divested from Eramet because of its stake in Weda Bay Nickel. In its decision, it noted that "*the [Weda Bay Nickel] concession area is part of a biodiversity hotspot and overlaps with both a Key Biodiversity Area and an Endemic Bird Area. [Weda Bay Nickel's] own surveys have identified the entire concession area as a critical habitat, in other words, an area of high conservation value and importance for biodiversity, with many endemic species.*"[32]

In 2024 a video taken in Weda Bay Nickel's concession went viral. It showed "uncontacted" members of the Hongana Manyawa Indigenous tribe entering one of the company's mining sites, apparently to beg for food, due to the destruction of the forests where they hunt and gather. According to the NGO Survival International, "there is overwhelming evidence for the existence of uncontacted Hongana Manyawa people in and around the Weda Bay Nickel concession."[33]

When EIA contacted it for comment Eramet said it holds an indirect minority stake in PT Weda Bay Nickel and exercises its role as a responsible minority shareholder through ongoing engagement, ESG oversight and the promotion of international standards, notably IRMA. It said 3,623 hectares of the concession area has been mined and that PT Weda Bay Nickel applies an environmental strategy based on avoidance, reduction, rehabilitation and compensation of impacts seeking to achieve no net loss of biodiversity. It also said that studies have found no evidence that any O'Hongana Manyawa living in the concession are in voluntary isolation, but that should the presence of voluntarily isolated groups be demonstrated, Eramet would request that PT Weda Bay Nickel refrain from making contact or engaging with them in accordance with international standards.

Another likely source of nickel ore for ENI's refinery is PT Wana Kencana Mineral, the second largest nickel concession on the island of Halmahera. PT Wana Kencana appears to supply ore to facilities owned by Huayou Cobalt and it is therefore a strong possibility that this ore eventually finds its way into the feedstock of ENI.

In its most recent annual report Huayou Cobalt – a major shareholder in ENI – is explicit that "nickel ore supplies are secured through equity stakes in mines,"[34] and one such mine in which it has acquired an equity stake is PT Wana Kencana Mineral.[35] A 2025 report by the Rosa Luxembourg Stiftung and the Indonesian NGO Aksi Ekologi dan Emansipasi Rakyat (AEER) also claims that "nickel processing facilities belonging to Huayou Cobalt in [IWIP] source nickel from Wana Kencana Mineral."[36]

According to Mighty Earth, PT Wana Kencana Mineral is one of Indonesia's top 15 nickel deforesters, having cleared 693 hectares since its current mining permit was granted.[37] Like Weda Bay Nickel, PT Wana Kencana Mineral's concession is located in forest that is home to Indigenous Hongana Manyawa communities, which are reportedly struggling to meet their food needs due the encroachment of nickel mines into their forests.[38] It is unclear whether these mining companies have made efforts to seek FPIC from Hongana Manyawa communities. In any case, companies are generally advised against making efforts to dialogue with Indigenous people living in voluntary isolation, either to seek FPIC or for any other purposes.[39]

CONCLUSION

The LME appears to be facilitating the trade of nickel cathodes made, at least in part, with ore from mines which have destroyed large tracts of climate-critical and biodiversity-rich rainforest, some of which are home to Indigenous forest communities.

By helping companies to market these metals, the LME is helping drive an industry which is having a devastating impact on fragile and precious ecosystems.

The LME's responsible sourcing guidelines are laudable in their efforts to encourage companies to map the sources of their minerals and to address conflict financing and other serious human rights issues in their upstream supply chains. However, they are not broad enough in scope to meaningfully address the plethora of environmental and social issues occurring in mining operations. As well as deforestation, these include water depletion, pollution, exploitation of workers and removal of communities from their land, often without FPIC.

With the demand for minerals and metals only set to increase – driven by the energy transition, the growth of data centres and increased defence spending – the LME must take steps to broaden and strengthen its responsible sourcing policies if it is genuinely committed to making its metals "the cornerstone of a sustainable future."

References

1. London Metals Exchange, https://www.lme.com/
2. Mighty Earth, From Forests to Electric Vehicles, 2024 https://mightyearth.org/wp-content/uploads/2024/05/FromForeststoEVs.pdf
3. e.g. the Initiative for Responsible Mining Assurance (IRMA), Copper Mark, Consolidated Mining Standard Initiative (CMSI) and the Chinese Chamber of Commerce of Metals, Minerals and Chemicals (CCCMC) Sustainable Mining Code.
4. "Zero deforestation" and "deforestation free" should be understood as not involving the conversion of primary natural forests.
5. https://highcarbonstock.org/
6. https://accountability-framework.org/
7. IRMA 2.0 Plus includes an optional deforestation commitment that companies can work, namely that "Mining-related activities do not take place in, or adversely affect, Primary Forests and Natural Regenerating Forests after 31 December 2020." The cut-off date of 31 December 2020 has been selected to align with the EU Deforestation Regulation on forest-risk agricultural commodities.
8. London Metal Exchange, Policy on Responsible Sourcing of LME-Listed Brands, https://www.lme.com/-/media/files/about/responsibility/responsible-sourcing/policy-documents/lme-policy-on-responsible-sourcing-of-lme-listed-brands--2023.pdf
9. OECD, Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, https://www.oecd.org/en/publications/2016/04/oecd-due-diligence-guidance-for-responsible-supply-chains-of-minerals-from-conflict-affected-and-high-risk-areas_g1g65996.html
10. London Metal Exchange, LME Roadmap: Sustainable Metals Premia, https://www.lme.com/-/media/files/physical-services/initiatives/lme-roadmap-sustainable-metals-premia.pdf
11. Reuters, LME brand approval cements Indonesian nickel ascendancy, https://www.reuters.com/markets/commodities/lme-brand-approval-cements-indonesian-nickel-ascendancy-2024-05-29/
12. The LMEpassport is the London Metal Exchange's digital platform for recording and sharing information about the physical metal that enters the LME system. It was launched in 2021 as both a digital register for Certificates of Analysis and a repository for sustainability information. More information can be found at: https://www.lme.com/trading/initiatives/lmepassport
13. CNGR Advanced Materials describes its business as "an integrated operation spanning from upstream new energy metals mining, smelting and refining to new energy materials production, and to recycling. Our integrated supply chain enables us to sell new energy metal products, which mainly include nickel intermediates and electrolytic nickel." This strongly suggests that mines in which it has shares, supply its smelters, which in turn supply its refinery (CNGR Ding Xing), which produced electrolytic nickel. The same document says that the CNGR Ding Xing refinery purchased "new energy metal products, mainly including self-produced high grade nickel matte" from other CNGR subsidiaries, presumably from CNGR-controlled Indonesian smelters. Source: CNGR Advanced Material Co., Ltd, Global Offering, 2025 https://manager.wisdomir.com/files/778/2025/1107/20251107063001_01623526_en.pdf
14. Figures from Nusantara Atlas, https://map.nusantara-atlas.org/
15. For examples of media reporting (in Bahasa) on PT KKU's apparent suspension, see: Sultrasatu, 11 September 2025: https://sultrasatu.com/diduga-melanggar-aturan-pt-karyatama-konawe-utara-dilarang-beraktivitas-di-areal-tambang-oleh-tim-bentukan-presiden-ri/ and Telusur Sultra, 25 September 2025, https://telusursultra.com/2025/09/forpesbang-konut-desak-satgas-pkh-tindak-tegas-pelaku-perambahan-hutan-jangan-hanya-gertak-sambal/
16. Sultranesia, 28 November 2025, (in Bahasa) https://sultranesia.com/pd3-konut-sebut-pt-kku-masih-beroperasi-di-lahan-yang-disegel-satgas-pkh/
17. CNGR Advanced Materials Co., Ltd.'s Response to the Inquiry Letter Regarding its Application for Issuance of Shares to Specific Targets (in Chinese) https://static.cninfo.com.cn/finalpage/2022-07-27/1214145702.PDF
18. CNGR Advanced Materials, Initial Public Offering, Appendix 1. https://manager.wisdomir.com/files/778/2025/1107/20251107063001_01623526_en.pdf

19. CNGR Advanced Materials, Initial Public Offering, Appendix 1. https://manager.wisdomir.com/files/778/2025/1107/20251107063001_01623526_en.pdf

20. Forest Peoples Programme et al, Request for consideration of the Situation of the O'Hongana Manyawa Indigenous Peoples in Voluntary Isolation in North Maluku, Indonesia under the United Nations Committee of the Elimination of Racial Discrimination's Urgent Action and Early Warning Procedure, August 2025, https://www.forestpeoples.org/fileadmin/uploads/fpp/Photos/News_Articles/News_PDFs/CERD_EWUA_OHM_2025.05.19_FINAL.pdf

21. ENI's nickel brand is sometimes referred to as PTENICO. https://www.lme.com/api/sitecore/MemberNoticesSearchApi/Download?id=7355914d-c5d4-41c7-9929-db71cf217911

22. According to documents from the Indonesian company registry the largest shareholders of ENI are Huajun International Investment (a subsidiary of Huayou Cobalt) and Gundrak International Pte. Company registration documents from Singapore show that Gundrak International Pte is owned by a company called Perlux Limited, based in the Cayman Islands, which shares a PO Box number with other Tsingshan entities. It is also of note that Tsingshan holds its interest in IWIP and IMIP via a Hong Kong company called "Perlux Technology Co. Ltd"). Media reports also state that Eternal Nickel Industry is a joint venture between Tsingshan and Huayou. See for example: Mysteel, 22 April 2026, https://www.mysteel.net/analysis/5120905-shfe-approves-two-indonesias-nickel-brands-but-potential-delivery-bottlenecks-cap-front-month-contracts

23. For example, Huayou Cobalt and Tsingshan jointly own the IWIP smelters Huake and Huafei.

24. For example, the smelter PT Huake Nickel Indonesia in IWIP is jointly owned by Huayou and Tsingshan. It produces nickel matte, an essential feedstock for a refinery such as ENI's. Huayou states explicitly that it invests in Indonesian mining projects in order to secure ore supplies for smelters such as Huake. See Huayou Cobalt Annual Report 2023, where it states "[Huayou] has indirectly invested in Weda Bay Nickel … laying a solid foundation for raw material supply for the Huayue, Huafei and Huake projects of the Company [Huayou] and ensuring the nickel material supply for the Company's transformation and upgrading towards new energy lithium-ion battery materials." https://www.huayou.com/Public/Uploads/uploadfile2/files/20240423/2023AnnualReportofHuayouCobalt1.pdf

25. Huayou Cobalt's 2025 Annual Report describes PT Weda Bay Nickel Indonesia as an affiliate, meaning that it holds a minority stake in the company. https://www.huayou.com/Public/Uploads/uploadfile2/files/20260407/2025AnnualReportofHuayouCobalt.pdf

26. Eramet, Group Presentation, May 2026. https://www.eramet.com/wp-content/uploads/2026/05/2026-05-07-Eramet-Group-Presentation-May-2026.pdf page 22

27. Letter from Huayou Cobalt to Climate Rights International. https://cri.org/wp-content/uploads/2024/01/The-response-of-Huayou-Cobalt.pdf page 5

28. Huayou states that Huayou Cobalt, *Annual Report 2023*, https://www.huayou.com/Public/Uploads/uploadfile2/files/20240423/2023AnnualReportofHuayouCobalt1.pdf page 21. Huayou states it "has indirectly invested in Weda Bay Nickel … laying a solid foundation for raw material supply for the Huayue, Huafei and Huake projects of the Company." Huafei and Huake make nickel matte and MHP respectively and are both jointly owned by Huayou and Tsingshan.

29. Huayou Cobalt, *Annual Report 2025*, "In this period, the company sold raw materials to …. Eternal Nickel Industry of RMB 1,523,710,261.54" page 274.

30. Figures from Nusantara Atlas https://map.nusantara-atlas.org/

31. Mighty Earth, From Forests to Electric Vehicles, 2024. https://www.huayou.com/Public/Uploads/uploadfile2/files/20260407/2025AnnualReportofHuayouCobalt.pdf page 44

32. Council of Ethics - Norwegian State Pension Fund, Recommendation to exclude Eramet SA from investment by the Norwegian Government Pension Fund Global (GPFG), https://files.nettsteder.regjeringen.no/wpuploads01/sites/275/2025/09/Eramet-ENG.pdf

33. https://assets.survivalinternational.org/documents/2684/original-3c8dda9a3227299a6d33458706fe76e6.pdf

34. Huayou Cobalt, *Annual Report 2025*, https://www.huayou.com/Public/Uploads/uploadfile2/files/20260407/2025AnnualReportofHuayouCobalt.pdf page 14.

35. Huayou Cobalt, *Annual Report 2025*, https://www.huayou.com/Public/Uploads/uploadfile2/files/20260407/2025AnnualReportofHuayouCobalt.pdf page 195.

36. https://www.rosalux.de/fileadmin/rls_uploads/pdfs/Studien/Onl-Studie_X-25_Lieferkette_Nickel.pdf page 19.

37. Mighty Earth, From Forests to Electric Vehicles, https://mightyearth.org/wp-content/uploads/2024/05/FromForeststoEVs.pdf

38. Mongabay, Penjaga Hutan Halmahera Tersingkir Industri Nikel, September 2025, https://mongabay.co.id/2025/09/10/penjaga-hutan-halmahera-tersingkir-industri-nikel/ (in Bahasa)

39. For example Forestry Stewardship Council guidance states that in the case of indigenous people in voluntary isolation the principle of FPIC "cannot be applied … due to their right and decision to remain uncontacted". https://fsc.org/en/newscentre/integrity-and-disputes/fscs-commitment-to-protect-the-rights-of-indigenous-peoples-in?page=6

environmental investigation agency

EIA UK
62-63 Upper Street, London, N1 0NY, UK
eia-international.org
+44 (0)20 7354 7960