



PT Vale Indonesia and Huayou Sign Nickel Agreement with Ford Motor Co. Supporting Growth of the Global Sustainable EV Industry

Jakarta – March 30, 2023 – PT Vale Indonesia Tbk and China’s Zhejiang Huayou Cobalt Co. today announced an agreement with global automaker Ford Motor Co., creating a three-party collaboration to advance more sustainable nickel production in Indonesia and help make electric vehicle batteries more affordable.

All three companies are making equity investments in the Pomalaa Block High-Pressure Acid Leaching (HPAL) Project through a definitive agreement celebrated today at a ceremony featuring Indonesia President Joko Widodo.

The Pomalaa Block HPAL Project will process ore provided by PT Vale Indonesia from its Pomalaa Block mine to produce MHP. This HPAL plant will operate under PT Kolaka Nickel Indonesia in the Pomalaa Block, Kolaka, Southwest Sulawesi, Indonesia. Subject to regulatory approval, the project could produce up to 120 kilotons per year of contained nickel in the form of mixed hydroxide precipitate (MHP), a lower-cost nickel product used in EV batteries with nickel-rich cathodes.

Pomalaa Block HPAL Project early site preparations have already started, and full construction is expected to start this year, with commercial operations beginning in 2026. The collaboration will deliver materials essential for the auto industry’s shift to EVs, enhance Indonesia’s EV manufacturing industry and support Ford’s plan to deliver a 2 million EV production run rate by the end of 2026 and further scale over time.

The three-way nickel processing project – together with a separate supply agreement under development with Ford and Huayou for a precursor cathode active material critical to manufacturing lithium-ion batteries – collectively will combine with Ford’s other sourced nickel, significantly contributing to support its EV production targets by the end of 2026.

“This framework gives Ford direct control to source the nickel we need – in one of the industry’s lowest-cost ways – and allows us to ensure the nickel is mined in line with our company’s sustainability targets, setting the right ESG standards as we scale,” said Lisa Drake, vice president for Ford Model e EV industrialization. “Working this way puts Ford in a position to help make EVs more accessible for millions *and* to do it in a way that helps better protect people and the planet.”

“This agreement shows it’s not just about what we mine – but how we do it,” said Febriany Eddy, PT Vale Indonesia CEO. “We embed our environmental, social and governance standards into everything we do, and the result is a unique collaboration with global automaker Ford and leading global mineral processor Huayou to jointly invest in this project. This global co-operation is in line with Indonesia’s vision to build a domestic EV ecosystem and makes PT Vale an important contributor toward addressing the world’s decarbonization challenge, with an investment that will generate local economic benefits and ensure the optimal utilization of Indonesia’s nickel resources.”

This agreement is the continuation of PT Vale Indonesia’s Pomalaa Block ground-breaking last November. This block is a National Strategic Project with an investment of up to Indonesian rupiah 67.5 trillion and is expected to generate 12,000 construction jobs.

Chen Xuehua, Chairman of Huayou, participated in the signing ceremony today, along with leaders from PT Vale Indonesia and Ford.

“Huayou is a technology-driven enterprise, and a leading manufacturer of green, low carbon, high ESG standard new energy battery materials. This strategic cooperation is one of the flagship projects under the BRI-GMF synergy, also links Indonesia nickel and cobalt resources to EV makers via Huayou’s advanced capability and HPAL technology, is a great business model of EV value chain and will make a splendid contribution to the EV industry ecology development of Indonesia,” Dr. George Fang, Senior Vice President of Huayou, said “The joint efforts of three parties aims to create a very positive influence on the economy and social development of Indonesia as well as the global EV industry and its supply chain.”

The project was inaugurated by the Coordinating Minister of Maritime Affairs and Investment, Luhut Binsar Pandjaitan. During his speech, Minister Luhut said Pomalaa Block is the stepping stone for Indonesia to be recognized as a high-quality mineral producer for the global EV ecosystem.

“This partnership affirms PT Vale Indonesia as the premiere supplier and champion of sustainable and low-carbon nickel, building on our 55-year history as a key partner with a commitment to drive lasting socioeconomic benefits for Indonesia on its path to becoming a critical hub for the global EV value chain,” said Deshnee Naidoo, PT Vale President Commissioner and Executive Vice-President of Vale Energy Transition Metals.

Morgan Stanley & Co. LLC is serving as Ford’s financial advisor in connection with this transaction, while Standard Chartered is providing the similar services for Huayou.

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About Ford Motor Company

Ford Motor Company (NYSE: F) is a global company based in Dearborn, Michigan, committed to helping build a better world, where every person is free to move and pursue their dreams. The company’s Ford+ plan for growth and value creation combines existing strengths, new capabilities and always-on relationships with customers to enrich experiences for customers and deepen their loyalty. Ford develops and delivers innovative, must-have Ford trucks, sport utility vehicles, commercial vans and cars and Lincoln luxury vehicles, along with connected services. The company does that through three customer-centered business segments: Ford Blue, engineering iconic gas-powered and hybrid vehicles; Ford Model e, inventing breakthrough EVs along with embedded software that defines exceptional digital experiences for all customers; and Ford Pro, helping commercial customers transform and expand their businesses with vehicles and services tailored to their needs. Additionally, Ford is pursuing mobility solutions through Ford Next, and provides financial services through Ford Motor Credit Company. Ford employs about 173,000 people worldwide. More information about the company and its products and services is available at corporate.ford.com.

About PT Vale Indonesia Tbk

Established on July 25, 1968, over half a century of operations in Indonesia, PT Vale Indonesia Tbk (IDX: INCO) grew to become one of the leading mineral mining companies, with a 55-year track record of positively contributing to Indonesia’s sustainable development. PT Vale produces nickel with a focus on downstream processing, underpinned by renewable and low-carbon energy and a belief that mining is essential to the world’s development. Visit and get to know us more at vale.com/indonesia

About Zhejiang Huayou Cobalt Co.

Founded in 2002, Huayou is headquartered in Tongxiang, PRC., and listed on the Shanghai Stock Exchange with a market capitalization of around US\$14 billion. Huayou is a leading manufacturer of new energy battery materials in China, with four major business segments, including development and refining of battery metal resources (nickel, cobalt, lithium), production of precursors, ternary cathode materials, and recycling of battery materials, hereby possessing a complete industrial chain from the development of battery metal resources to R&D and production of battery materials. Currently, Huayou is the global tier-one manufacturer in terms of refined cobalt product, ternary precursor and ternary cathode. Huayou has forged strategic collaborations with Vale, LG Chem, POSCO, CATL, Tesla, BYD, Ford, Volkswagen, BMW etc. More information about the company and its products and services is available at www.huayou.com

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