

PRECIOUS MINERAL AND SMELTING LTD

RISK MITIGATION PLAN

SEMI URBAN INDUSTRIAL ESTATE, FREZERPUR, JAGDALPUR, DIST.-BASTAR, CG, 49400

Precious Minerals And Smelting Ltd.

A. Risk Identification and Assessment

- a. **Identify relevant risks:** Utilize the OECD Guidance's Annex II to identify potential risks associated with the company's activities and supply chains.
- b. **Conduct risk assessments:** Assess the likelihood and potential severity of identified risks based on specific factors like supplier location, governance practices, and environmental and social conditions.
- c. **Prioritize risks:** Identify high-risk suppliers and areas of the supply chain requiring more intensive due diligence efforts.

B. Risk Mitigation Strategies

- a. **Implement controls:** Implement procedures and measures to address and mitigate identified risks, such as contractual clauses, supplier monitoring programs, and capacity-building initiatives.
- b. **Engage with suppliers:** Collaborate with suppliers to improve their practices and address identified risks. This may involve sharing best practices, providing training, and supporting supplier implementation of risk management systems.
- c. **Seek external expertise:** When necessary, utilize expertise from independent third parties, such as auditors and consultants, to assess and address complex risks.
- d. **Develop contingency plans:** Establish plans to respond to potential adverse impacts, including emergency response procedures and communication strategies.

C. Monitoring and Evaluation

- a. **Regularly monitor:** Regularly monitor the effectiveness of implemented risk mitigation strategies and adapt them as needed based on changing circumstances.
- b. **Conduct audits:** Conduct internal and external audits to assess compliance with this policy and the OECD Guidance.
- c. **Report on progress:** Regularly report on progress made in implementing the OECD Guidance and mitigating identified risks.