



## Planta Recuperadora de Metales ("PRM")

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### **Policy for a Global and Responsible Supply Chain of Minerals from Conflict-Affected and High Risk Areas**

Planta Recuperadora de Metales SpA manifests the commitment to maintain a global and responsible supply chain for gold, recognizing that the risks of generating significant negative impacts may be related to the extraction, marketing, handling and export of minerals, from conflict and high risk areas, and accepts the responsibility to respect human rights and to not contribute to the conflicts nor to financial irregularities, as defined by Annex II of the Due Diligence Guidance of the Organization for Economic Cooperation and Development (OCDE) for responsible supply chains of mineral from conflict-affected and high risk areas in its third edition (OCDE Guidance).

In this sense, PRM SpA, undertakes to adopt, disseminate and incorporate into the contracts and / or agreements with suppliers, this policy of responsible supply of minerals from areas affected by the conflict and high risk; which represents a common reference point for supply practices sensitive to conflict and risk.

Our commitment is to refrain from any action that contributes to the financing of conflicts, and we commit ourselves to comply with the relevant United Nations sanctioning resolutions, or failing that, with national laws that implement such resolutions.

In this regard, with respect to the serious abuses related to the extraction, transport or trade of gold ores, PRM SpA undertakes that in the course of supply activities or when operating in areas of conflict or high risk, will not tolerate, nor for any reason will obtain benefits, nor act to contribute, help or facilitate that any actor commits:

- i. Any form of torture or cruel, inhumane, o degrading treatment.
- ii. Any form of forced labor, defined as any labor or service that is demanded of an individual under threat of receiving punishment and for which said individual has not offered voluntarily.
- iii. The worse forms of child labor.
- iv. Other severe violations to human rights and abuses, such as generalized sexual violence.
- v. War crimes or other severe violations to international humanitarian rights, crimes against humanity, or genocide.

*With respect to the management of the risk of severe abuses*, PRM SpA, will immediately suspend or cease interactions with the upstream supplier, when a reasonable risk has been detected that gold will be supplied associated with actors that commit the severe abuses defined in the previous paragraph.

*With respect to the direct or indirect support of non-state armed forces*, PRM SpA will not tolerate any direct or indirect support to non-state armed forces, by means of extraction, transport, marketing, manipulation, or exportation of minerals. Direct or indirect support of non-state armed forces, includes, but is not limited to, obtaining gold ore, making payments, or providing any other class of assistance in logistics or of equipment to the non-state armed forces groups or their affiliates that:

- i. Illegally control mining sites, or by any other form, control the transportation routes, trading points, and upstream actors of the supply chain; and/or
- ii. Illegally collect taxes or extort in exchange for money or minerals at the access points mining sites along the transportation routes or at the points in which the minerals are traded; y/o
- iii. Illegally collect taxes or extort the intermediaries, companies, exporters, or international traders.

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*With respect to the public and private security force:*

.- PRM SpA will eliminate direct or indirect support of the public or private security forces illegally control mining sites, transportation routes, trading points, and upstream actors of the supply chain; that illegally collect taxes or extort in exchange for money or minerals at the access points mining sites along the transportation routes or at the points in which the minerals are traded; or illegally collect taxes or extort the intermediaries, companies, exporters, or international traders.

.- PRM SpA recognizes that the role of public and private security forces, at mining sites and/or the surroundings and /or along the transportation routes, should only be limited to maintaining the rule of law, including protecting human rights, providing security to mining workers, their equipment and facilities, as well as protecting mining sites or transportation routes from interference that affect legitimate extraction and trade activities.

.- When PRM SpA or any other company is involved on the supply chain of gold, hires the services of security forces, we undertake to requiring that the interaction with such security forces be in accordance with the Voluntary Principles of Security and Human Rights. In particular, we will support or take measures to adopt inspection policies, in order to guarantee that the individuals or units of security forces that are known to be responsible for severe human rights violations will not be hired.

.- PRM SpA will support all efforts, or take measures, in order to interact with local or central authorities, international organizations, or civil society, to contribute in finding viable solutions on how to improve transparency, proportionality, and accountability, in payments made to public security forces to provide security.

.- PRM SpA will support all efforts, or take measures, in order to interact with local or central authorities, international organizations, or civil society, to avoid or minimize the exposure of vulnerable groups, in particular, artisanal miners, when minerals of the supply chain are extracted by means of small scale or artisanal mining activity, to adverse impacts associated with public and private security on mining sites.

*With respect to the management of risks of public and private security forces and according to the specific position of the company in the supply chain, PRM SpA will immediately proceed to design, adopt, and implement a risk management plan with the upstream supplier and other actors, to prevent or mitigate the risks of direct or indirect support to public or private security forces, when a reasonable risk is identified. In such cases, PRM SpA will suspend or terminate interactions with upstream suppliers, after failed attempts to mitigate, within six months of adopting the risk management plan. When a reasonable risk of actions occurring that are not consistent with the previous paragraphs is identified, PRM SpA will act accordingly.*

*With respect to bribery and fraudulent declarations of the origins of minerals, PRM SpA will not offer, promise, give, or demand any bribes, and will resist any requests for bribery that seek to hide or falsify the origin of minerals, to fraudulently declare taxes, amounts, and royalties paid to governments, according to the purposes of the extraction, trade, handling, transportation, and exportation of minerals.*

*With respect to money laundering, PRM SpA will support all efforts with the purpose of contributing to the effective elimination of Money laundering will support efforts to contribute to the effective elimination of money laundering, when it identifies a reasonable risk of money laundering as a result (or connected) with the extraction, marketing, handling, transportation or export of minerals derived from illegal collection of taxes or extortion of minerals at access points to mining sites, along transport routes, or at points where minerals are marketed by the upstream supplier.*

With respect to the payment of taxes, sums and royalties to governments, PRM SpA will guarantee that all taxes, sums and royalties related to the extraction, trade and export of minerals from conflict and high risk areas are paid to governments and, according to the company's position in the supply chain, PRM SpA is committed to disseminating information on such payments according to the principles established by the Extractive Industries Transparency Initiative.

*With respect to the risk management of bribes and the fraudulent declaration of the origin of minerals, money laundering and payment of taxes, sums and royalties to governments, and in accordance with the company's specific position in the chain of supply, PRM SpA is committed to interacting with suppliers, central or local government, international organizations, civil society, and affected third parties, as appropriate, to improve and monitor, in order to prevent or mitigate risks of adverse impacts, using quantifiable measures taken within reasonable timeframes. PRM SpA will suspend or terminate interactions with the upstream provider after failed mitigation attempts.*

In support of the above, the CEO of PRM SpA, appointed the Production Manager, as the Due Diligence Manager, who is responsible for complying with and enforcing the Due Diligence Management System and, consequently, everything described above. In addition, he/she must ensure that:

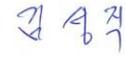
- PRM SpA acts with transparency in the implementation of this policy making available reports on our progress towards our clients, relevant stakeholders and the public (as necessary).
- PRM SpA provides and requires its main supplier Codelco to provide Due Diligence information to confirm that PRM SpA gold does not promote conflict.
- PRM SpA supervises and trains all relevant personnel on the procedures and this Policy, of the Due Diligence System for minerals in conflict.
- PRM SpA annually publishes the Due Diligence Step 5 report..
- PRM SpA performs a yearly evaluation according to the Gold refiner Standard.

PRM SpA, declares that the only source of gold comes from anodic slime resulting from the copper refining of our partner company (Codelco). However, in accordance with the OECD Guide and the RMAP requirements, PRM SpA also considers implementing processes, in case new sources or suppliers of gold material are introduced, which modify the supply chain, which include:

- Incorporation and communication of the Global and Responsible Supply Chain of Minerals Policy from Conflict-Affected and High Risk Areas, in contracts and agreements with suppliers.
- Commit to the exercise of due diligence with the new suppliers, applying the KYC evaluation pillar.
- Establish whether the origin of primary materials with gold content comes from a Conflict Affected and High Risk Area (CAHRA), related to the extraction, transport or marketing of gold ores.
- Assess whether there are other possible risks associated with the new gold supply chains.

Any complaint or concern about our Due Diligence Policy or system should be reported to the Responsible Minerals Initiative through its claims mechanism, which you can access here:

<http://www.responsiblemineralsinitiative.org/minerals-due-diligence/risk-management/grievance-mechanism/>



Martin Kim  
CEO, PRM

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Policy established on August 1, 2017 and amended on June 10, 2019 in accordance with the Due Diligence Guide for Responsible Supply Chains for Minerals from Regions Affected by Conflict and High Risk, according to the OECD guide.

<https://prm.cl/#POLITICAS>