

**PIOMBINO STEEL LIMITED**  
**RISK MANAGEMENT POLICY**

## Preface

<b>Policy Title</b>	<b>Risk Management</b>
<b>Version Number</b>	<b>1.00</b>
<b>Effective Date</b>	<b>December 01, 2021</b>
<b>Authorised by</b>	<b>Board of Directors</b>
<b>Number of Revisions</b>	<b>N.A.</b>
<b>Last Revised Date</b>	<b>N.A.</b>

### **RISK MANAGEMENT POLICY**

**a) Company profile:**

Piombino Steel Limited is engaged in the business of buying, selling and otherwise trading or dealing in steel and its allied products, iron ore, coal, coke, brick-earth, res, minerals and mineral substance, alloys and metal scraps of all kinds. It is the subsidiary company of JSW Steel Limited. It is the Promoter company of the Bhushan Power & Steel Limited (BPSL). It owns the entire shareholding of BPSL.

**b) Objective:**

The policy aims to ensure resilience for sustainable growth and sound corporate governance by having an identified process of risk identification and management in compliance with the provisions of the Companies Act, 2013.

**c) Applicability and effective date:**

The policy applies to all functions of the company.

The policy documents the practises followed for risk management.

**d) Risk Management Policy:**

The Board of Directors (the Board) drives developing, implementing and monitoring the risk management plan of the Company.

**e) Risks, Impact and response strategies:**

Type of Risk	Impact	Risk response strategies
Macro economic factors, competitive dynamics & business cycles affect volume & margins	Supply of coils will depend upon availability & order from customers to JSW Steel which in turn will depend upon dynamics of steel industry.	Interactions with Group helps to track & respond.
Environment Health and Safety	The following can affect the life, property, operations, environment and regulatory compliances for the same: i) excess emissions ii) discharge of pollutants, waste iii) natural calamity iv) occupational disease v) accidents vi) fire / leakages vii) security	Company follows group policies & practises of JSW Steel Ltd. as are applicable to it.
Technology and operational disruptions	The following can have impact on competitive edge and operations 1) Timely decision/ action on technology upgradation, innovation, to meet unarticulated product needs of consumers 2) Non availability of spares for obsolete technology and sub optimal performance of outdated or unproven technology 3) Inadequacy of vendor support, automation systems, redundancies, operational training and maintenance which can disrupt operations	Company de-risks by 1) Understanding customer needs & better servicing through customer service department. 2) Effective management of vendors, automation systems, operating procedures, maintenance scheduling, spares maintenance management, operator training, equipment life cycle tracking and condition monitoring.
Reputation	Ineffective governance, systems, controls & reporting can affect Company's reputation & performance.	Group services ensure – <ul style="list-style-type: none"> <li>• Corporate governance,</li> <li>• Compliance,</li> <li>• Stakeholder management,</li> <li>• Systems &amp;</li> <li>• Controls</li> </ul>