	Title: <h1 style="text-align: center;">Supply Chain Policy</h1>		Number: SOP RPUR-002
Approved By: <p style="text-align: center;">GLA</p>	Date Issued: 08/16/2018	Revision: B Revised 09/14/2020	Page: <p style="text-align: center;">1 of 4</p>

I. PURPOSE

This procedure provides guidance for the control, approval, and review of Alexy Metals external providers of refining materials, refining services and processing of secondary materials.

II. APPLICABILITY


This procedure is applicable to all Alexy Metals Refining Operations.

III. RESPONSIBILITIES

- A. The President - Ensures that the requirements of this procedure are implemented and effective.
- B. The President or designee - Maintains awareness of customer and regulatory requirements.
- C. The President or designee - Approves all external providers, purchase orders, ensures external provider performance data is collected, analyzed and action taken when necessary.

IV. DEFINITIONS & ACRONYMS

- A. Approved Supplier List (ASL-Refining) **F-RPUR-003** – Listing of approved external providers of refining services and processing of secondary materials.
- B. Approved Customer List (ACL-Refining) **F-RPUR-006** – Listing of approved external providers of refining materials, refining services, and processing of secondary materials.
- C. External Provider – Outside the organizations scope of certification and / or organization that provides materials, product and / or services.
- D. Purchase Order (P.O) – Documented information whether hard copy or electronic that communicates requirements for material purchase, refining services, and/or processing of secondary materials.
- E. International Traffic in Arms Regulations (ITAR)
- F. Export Regulations Administration (EAR)
- G. OECD Guidance Annex 11 -
- H. CAHRA – Conflict Affected and High Risk Area’s
- I. KYS – Know Your Supplier

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V. PROCEDURE

Alexy Metals ensures that its supply chain and all customer purchased materials conforms to specified requirements and is in conformance to Dodd/Frank Patroit Act, and our Anti-Money Laundering (AML) Policy. Alexy Metals also ensures identification and mitigation of all conflict mineral(s), and supply chain risks. The type and extent of control we apply to the external provider and purchased materials is dependent upon the effect of the purchased product and on subsequent product realization and / or the final product. Alexy Metals ensures when required that both the organization and external provider use pre-approved sources.

A. Risk:

When “Risk” is identified, Alexy Metals manages that risk as deemed appropriate (e.g., selection of a new supplier, additional evaluations, etc.).


B. External Material Provider Criteria (Customer Scrap):

All external providers of material to be refined are evaluated against the following criteria:

1. Refining Form – Form # F-RPUR-004
2. Dodd/Frank Patroit AML Form – Form # F-RPUR-005
3. Supply Chain policy Statement – Form # F-RPUR-009
4. Known United States Industrial Customer

C. External Provider Approval and / or Disapproval:

1. When a new external material provider has material for refining of precious metals (Customer/Prospect has inquired about our services) and has met one of the above criteria defined in sub-section B and has been approved by the appropriate approval authority they will be added to the ACL – Refining Form # F-RPUR-006.
 - a. The external provider will be identified with one of the following: approved, denied, or conditional.
 - b. The scope of approval (what product and / or service are they providing) will be detailed on ACL-Refining List - F-RPUR-006
 - c. An existing external provider can be disapproved (unacceptable) due to failure to comply with our above criteria, or they submit suspect materials after the initial approval process. If determined they are not in compliance, they are removed from the ACL-Refining list. They can be re-evaluated in the future and approved if above criteria are met and adhered to.

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D. Verification of Purchased Product:

1. When material has been provided by an external customer the following will occur:
2. When material is received, it is verified that the material is what was represented such as; quantity, precious metal content, material origin, free from foreign debris, etc. and recorded on **F-RPUR-007**.
3. Material is inspected for counterfeit and / or suspect materials.
4. Received materials that are verified as acceptable are entered into inventory, segregated, and prepared for shipment to approved secondary refineries ASL-Refining F-RPUR-003.

E. External Refining Provider Approval Criteria (Secondary Processing):

All external refining providers of material to be refined are evaluated against the following criteria:

1. Completed and approved Supplier Survey : Form # - **F-RPUR-010**
2. Dodd/Frank Patriot Act – Anti money laundering (AML) Compliance
3. Supply Chain Policy Statement : Form # - **F-RPUR-009**
4. Known United States Industrial Smelter / Refiner

VI. ASSOCIATED DOCUMENTS

- A. **F-RPUR-001:** Purchase Order (Unique Numbering)
- B. **F-RPUR-003:** Approved Supplier List Refining (ASL-Refining)
- C. **F-RPUR-004:** Refining Form
- D. **F-RPUR-005:** United States Patriot Act / AML Compliance Form
- E. **F-RPUR-006:** Approved Customer List Refining (ACL-Refining)
- F. **F-RPUR-007:** Incoming Inspection Report
- G. **F-RPUR-008:** Purchase Order Terms and Conditions (T&Cs)
- H. **F-RPUR-009:** Supply Chain Policy Statement
- I. **F-RPUR-010:** Secondary processing / Refining provider Survey
- J. **F-RPUR-011:** Step 5 Report
- J. **F-RPUR-012:** CAHRA – Conflict Affected and High Risk Area’s Process
- K. OECD Guidance Annex II Model Policy



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VI. REVISION HISTORY

Effective Date	Issue Date	Revision Number	Section Number	Revision Description
08/16/2018	08/16/2018	A	N/A	Initial Release
09/14/2020	09/14/2020	B	N/A	Added Step-5 and CAHRA