



CID#: CID003500

## Step 5 Report

### 1. Company Information

The Company is called ALEXY METALS Ltd.

Alexy Metals was established in 2005. Alexy Metal's CID number is CID003500. Alexy Metals has 1 smelting/refining facility, located 4610 Hamann Parkway Willoughby, Ohio. The smelting/refining facility are refining and processing gold products. These products are sourced from the Aerospace, medical, Electronic, power generation, and HVAC industries.

### 2. RMAP Assessment Summary

Alexy Metals underwent a RMAP assessment on March 23<sup>rd</sup>-24<sup>th</sup>, 2021. The assessment will be conducted by a Responsible sourcing Audit Firm.

### 3. Company Supply Chain Policy

To avoid the use of conflict minerals, which directly or indirectly finance or benefit armed groups and/or involve other serious human right abuses in high-risk and conflict-affected regions, Alexy Metals has developed a supply chain policy (SOP RPUR-002 Rev. B). The supply chain policy is fully aligned with the third edition of the OECD Due Diligence Guidance for Responsible Supply chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance). It covers all of the risks identified in Annex II of the OECD Guidance and its geographic scope is global. Alexy Metals is committed to addressing any Annex II risks if identified. The policy was reviewed and approved by senior management, which committed to support its implementation. The policy has been widely disseminated to relevant stakeholders (suppliers, customers, employees, etc.) and is available on Alexy Metals website [www.alexymetals.org](http://www.alexymetals.org)

### 4. Company Management Systems

#### Management Structure

Alexy Metals is committed to its supply chain policy and has developed internal procedures for due diligence with the following aspects:

- Alexy Metals' President is responsible to oversee the due diligence program and risk management design and implementation.
- Alexy Metals has assigned a due diligence program manager to coordinate the work of the relevant departments (including the Purchasing Department, Quality Department, Production Department, and Warehouse Management Department) to ensure each department follows up on their roles and responsibilities to implement the due diligence program and report any red flags and potential risks identified.



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- Alexy Metals conducts due diligence management system training annually for key staff from all relevant departments required in the due diligence program. If there is an update to the program, Alexy Metals conducts additional training, as necessary.

### Internal Systems of Control

Alexy Metals has established/updated its due diligence management system to be aligned with the OECD Guidance and RMAP in August 2018. Alexy Metals communicated the updated supply chain policy and sourcing requirements to all identified upstream suppliers in September 2018. Alexy Metals has incorporated due diligence requirements into legally binding agreements with direct suppliers. Alexy Metals visits its largest direct suppliers on a regular basis and includes due diligence and sourcing requirements as part of the conversation.

Alexy Metals refers to RMI's grievance mechanism to collect information on grievances from interested parties.

### Record Keeping System

Alexy Metals requires that all records relating to the due diligence program are maintained at least for five years and that they be properly used and safely stored in our online company database.

## 5. Risk Identification

Alexy Metals has a process to identify risks in the supply chain and reviews and updates its ASL (Approved Supplier List) Form **F-RPUR-003**.

Alexy Metals established a procedure to identify CAHRA's (Conflict Affected and High-Risk Area's). The procedure includes the resources used, the criteria to define a "conflict-affected and high-risk" area. Alexy Metals reviews these procedures semi-annually.

Alexy Metals uses the following resources to determine CAHRAs:

- The Heidelberg Conflict Barometer provides conflict maps, representing an annual snapshot of the presence of armed conflict. (<https://hiik.de/conflict-barometer/current-version/?lang=en>)
- The INFORM Index of Risk Management provides country-level risk profiles relating to humanitarian crises. (<https://drmkc.jrc.ec.europa.eu/inform-index>)

Referring to its supply chain policy and external resources, Alexy Metals has defined criteria and benchmark indicators to determine CAHRAs.

Alexy Metals utilizes a Know Your Supplier (KYS) form **F-RPUR-010 Rev. A** to include information concerning supplier legal status, identity, qualifications, supplier mapping, and potential risks. The majority of our suppliers, representing 80 percent of our annual volume, have completed



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and returned a KYS form. Alexy Metal's due diligence program manager reviewed and provided information and the UN Sanction List with the Purchasing Team. Whenever inconsistencies errors or incomplete information were identified in the KYS form, Alexy Metals communicated the improvement areas to suppliers and requested and updated form. If red flags were identified, Alexy Metals would further engage with its suppliers to clarify and improve the documents as needed. Failure to provide all documentation results in the immediate suspension of all business activity and the return of goods until all documentation is properly completed, reviewed and accepted by Alexy Metals. **During this reporting period no red flags were identified related to submitted KYS forms.**

Alexy Metals will also request in addition to completion of our AML/Patriot Act Compliance Form **F-RPUR-005**. This includes, country of origin information for any material transaction that is potentially sourced outside of the United States or is a product of "unknown" origin.

Alexy Metals will ensure the traceability, material origin, transportation route, as well as direct suppliers' names and locations prior to material acceptance.

All information collected as reviewed by the company against CAHRAs, sanction lists, local laws, and internal sourcing requirements.

### Risk Assessment (High Risk Sourcing Only)

**Alexy Metals currently has no High-Risk sourcing, if a potential high-risk source was identified, these are the procedures we would follow:**

For material and supply chains determined to be "high-risk", Alexy Metals conducted enhanced due diligence. This includes:

- Assessing the context of CAHRAs;
- Clarifying the chain of custody;
- Assessing the activities and relationships of upstream suppliers;
- Identifying locations and qualitative conditions of the extraction, trade, handling, and export of minerals; and,
- Conducting on-the-ground assessments.

**There have been no high-risk transactions determined during this reporting period.**

### 6. Risk Mitigation (High Risk Sourcing Only)

Alexy Metals Supply Chain Policy (SOP RPUR-002 Rev. B) is in accordance with the OECD Guidance Annex II Model Policy. **There have been no high-risk transactions determined during this reporting period.**