

## Annual Reporting

<b>Company Name:</b>	<i>Ostbye &amp; Anderson Inc</i>
<b>Date:</b>	<i>01/26/2024</i>
<b>Reporting period:</b>	<i>Calendar Year 2023</i>
<b>OECD Due Diligence Guidance</b>	<b>Action taken</b>
<b>Step 1: Establish strong company management systems</b>	
<b>1.A</b> Adopt, and clearly communicate to suppliers and the public, a company policy for the supply chain of minerals originating from conflict-affected and high-risk areas.	<ul style="list-style-type: none"> <li>- <i>We have published our policies for easy access to our stakeholders</i></li> <li>- <i>OECD and Best Practice communication has been sent to all the active suppliers as part of our Supplier Agreement</i></li> <li>- <i>Detailed policy and procedure at entity level has been established based on risk of CAHRA's is done</i></li> </ul>
<b>1.B</b> Structure internal management systems to support supply chain due diligence.	<ul style="list-style-type: none"> <li>- <i>Additional responsibility has been assigned to Compliance Manager to look over compliance of supply chain policy</i></li> <li>- <i>All key employees involved in sourcing and procurement of precious metals and stones have been trained to adhere to the policy</i></li> <li>- <i>Ongoing monitoring of each supplier is carried out with the help of tools such as social media, web search, supply documents and market intelligence</i></li> </ul>
<b>1.C</b> Establish a system of controls and transparency over the minerals supply chain.	<ul style="list-style-type: none"> <li>- <i>Due diligence of our supply chain comprises mainly of the measures required by RJC guidance. Our internal management has implemented the Supplier Code of Agreement, Due diligence procedures.</i></li> <li>- <i>Supplier information collection process started to obtain CAHRA's information and determine ethical sourcing compliance at a supplier level. We continue to work on getting all supplier information and following up with any necessary questions.</i></li> </ul>
<b>1.D</b> Strengthen company engagement with suppliers.	<ul style="list-style-type: none"> <li>- <i>As mentioned above supplier questionnaires have been sent out and we are in the process of following up with them to obtain the completed forms</i></li> <li>- <i>We are in the process of compiling supplier questionnaire data and will be formulating practices based on risk reported at each supplier (if any)</i></li> </ul>
<b>1.E</b> Establish a company-level, or industry wide, grievance mechanism as an early warning risk-awareness system.	<ul style="list-style-type: none"> <li>- <i>We have established a grievance handling policy and procedure (which is publicly available on our website)</i></li> </ul>

**Step 2: Identify and assess risk in the supply chain**

Identify and assess risks in the supply chain and assess risks of adverse impacts.

- We have established a procedure to identify risk at an entity level
- We have an appointed compliance manager to oversee supply chain sourcing
- We are continuing to collect information from our suppliers and evaluating the risks and possible impacts
- We source our products from reputable suppliers, reducing potential risk of any kind including CAHRA.
- The KYC process and information obtained from suppliers is verified against watch/sanctioned list and verification of the location of the Business Counterparty and source location with the countries and Areas listed under CAHRA.

**Step 3: Design and implement a strategy to respond to identified risks (if applicable)**

Report findings of the supply chain risk assessment to the designated senior management of the company.

- Ongoing monitoring of each supplier is done by the compliance manager to confirm its free from conflict.
- Any findings would be discussed between senior management (none at this time)

Devise and adopt a risk management plan.

- Entity compliance manager carries out monitoring of each business transaction with red flag suppliers (none at this time)
- Steps implemented to respond to risks and its impacts.
- Identified the type of risk covered by Annex II of the OECD Guidelines
  - Assess the severity of the risk and its impacts.
  - Establish mitigation measures, weather the risk can be mitigated or minimized and/or communicated with suppliers.
  - Review and monitor risk.
  - If risk cannot be mitigated or minimized, discontinued relationships with supplier after 6 months

Implement the risk management plan and monitor performance of risk mitigation efforts.

- Results of risk management plan are shared with senior management

Internal training

- We communicated and trained all employees who are part of the supply chain.

Communications

- Policies have been made available internally and externally to stakeholders (website)
- Annual reporting is made available to stakeholders (upon request)