

OPEN SUPPLY HUB, INC.

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

DECEMBER 31, 2024 AND 2023

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CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

To the Board of Directors
Open Supply Hub, Inc.
Hudson, NY

Opinion

We have audited the accompanying financial statements of Open Supply Hub, Inc. (a non-profit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Open Supply Hub, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Open Supply Hub, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Open Supply Hub, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Open Supply Hub, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Open Supply Hub, Inc.'s ability to continue as a going concern for a reasonable period of time.

Independent Auditor's Report
Open Supply Hub, Inc.
Page Three

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in cursive script, appearing to read "Jm & M".

Columbia, MD
March 27, 2025

OPEN SUPPLY HUB, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 1,316,652	\$ 1,048,139
Grants receivable	376,454	413,824
Prepaid expenses	<u>128,447</u>	<u>34,743</u>
Total Current Assets	1,821,553	1,496,706
OTHER ASSETS		
Property and equipment, net	1,663,983	1,445,238
Security deposit	<u>14,792</u>	<u>-</u>
Total Other Assets	<u>1,678,775</u>	<u>1,445,238</u>
TOTAL ASSETS	<u><u>\$ 3,500,328</u></u>	<u><u>\$ 2,941,944</u></u>
 <u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 129,996	\$ 98,283
Deferred revenue	<u>124,366</u>	<u>74,033</u>
Total Liabilities	254,362	172,316
NET ASSETS		
Without donor restrictions	1,720,219	1,961,177
With donor restrictions	<u>1,525,747</u>	<u>808,451</u>
Total Net Assets	<u>3,245,966</u>	<u>2,769,628</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 3,500,328</u></u>	<u><u>\$ 2,941,944</u></u>

The accompanying notes are an integrated part of these financial statements.

OPEN SUPPLY HUB, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 244,885	\$ 2,208,738	\$ 2,453,623
Other services, net of discounts	578,320	-	578,320
In-kind contributions	619,323	-	619,323
Contract revenue	137,003	-	137,003
Tech steering committee revenue	58,333	-	58,333
Net assets released from restrictions	1,491,442	(1,491,442)	-
Total Revenue and Support	3,129,306	717,296	3,846,602
EXPENSES			
Program Services:			
Open data stewardship for global supply chains	2,829,710	-	2,829,710
Support Services:			
Management and general	465,251	-	465,251
Fundraising	56,390	-	56,390
Total Support Services	521,641	-	521,641
Total Expenses	3,351,351	-	3,351,351
CHANGE IN NET ASSETS FROM OPERATIONS	(222,045)	717,296	495,251
OTHER CHANGES			
Loss on foreign currency translation	(18,913)	-	(18,913)
Total Other Changes	(18,913)	-	(18,913)
CHANGE IN NET ASSETS	(240,958)	717,296	476,338
NET ASSETS , beginning of year	1,961,177	808,451	2,769,628
NET ASSETS , end of year	\$ 1,720,219	\$ 1,525,747	\$ 3,245,966

The accompanying notes are an integrated part of these financial statements.

OPEN SUPPLY HUB, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 569,885	\$ 1,611,122	\$ 2,181,007
In-kind contributions	757,502	-	757,502
Contract revenue	141,300	-	141,300
Net assets released from restrictions	1,845,495	(1,845,495)	-
Total Revenue and Support	<u>3,314,182</u>	<u>(234,373)</u>	<u>3,079,809</u>
EXPENSES			
Program Services:			
Open data stewardship for global supply chains	2,573,050	-	2,573,050
Support Services:			
Management and general	368,490	-	368,490
Fundraising	71,037	-	71,037
Total Support Services	<u>439,527</u>	<u>-</u>	<u>439,527</u>
Total Expenses	<u>3,012,577</u>	<u>-</u>	<u>3,012,577</u>
CHANGE IN NET ASSETS FROM OPERATIONS	301,605	(234,373)	67,232
OTHER CHANGES			
Gain on foreign currency translation	11,183	-	11,183
Total Other Changes	<u>11,183</u>	<u>-</u>	<u>11,183</u>
CHANGE IN NET ASSETS	312,788	(234,373)	78,415
NET ASSETS , beginning of year	<u>1,648,389</u>	<u>1,042,824</u>	<u>2,691,213</u>
NET ASSETS , end of year	<u>\$ 1,961,177</u>	<u>\$ 808,451</u>	<u>\$ 2,769,628</u>

The accompanying notes are an integrated part of these financial statements.

OPEN SUPPLY HUB, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Services	Support Services			
	Open Data Stewardship for Global Supply Chains	Management and General	Fundraising	Total Support Services	Total Expenses
Personnel Costs:					
Salaries	\$ 833,587	\$ 212,792	\$ 42,670	\$ 255,462	\$ 1,089,049
Employee benefits	107,922	30,004	4,926	34,930	142,852
Payroll taxes	55,992	16,461	2,950	19,411	75,403
Payroll processing fees	21,865	5,564	-	5,564	27,429
Staff development	1,019	-	-	-	1,019
Subtotal Personnel Costs	1,020,385	264,821	50,546	315,367	1,335,752
Accounting and auditing	-	31,542	-	31,542	31,542
Bank fees	1,260	1,251	-	1,251	2,511
Contractual services	392,634	97,553	-	97,553	490,187
Depreciation and amortization	551,469	1,580	267	1,847	553,316
Insurance	-	6,964	-	6,964	6,964
Hosting fees	106,214	168	-	168	106,382
Legal services (donated)	423,672	33,535	-	33,535	457,207
Licenses and registrations	-	1,051	-	1,051	1,051
Occupancy	1,592	-	-	-	1,592
Office expenses	2,615	-	50	50	2,665
Office supplies	1,005	3,194	-	3,194	4,199
Technical maintenance	161,308	-	-	-	161,308
Professional services (donated)	37,116	-	-	-	37,116
Promotion and outreach	17,746	1,332	-	1,332	19,078
Small equipment	7,257	4,644	-	4,644	11,901
Software	19,684	13,561	76	13,637	33,321
Travel	85,753	4,055	5,451	9,506	95,259
Total Expenses	<u>\$ 2,829,710</u>	<u>\$ 465,251</u>	<u>\$ 56,390</u>	<u>\$ 521,641</u>	<u>\$ 3,351,351</u>

The accompanying notes are an integrated part of these financial statements.

OPEN SUPPLY HUB, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services	Support Services			
	Open Data Stewardship for Global Supply Chains	Management and General	Fundraising	Total Support Services	Total Expenses
Personnel Costs:					
Salaries	\$ 726,622	\$ 66,166	\$ 49,262	\$ 115,428	\$ 842,050
Employee benefits	71,966	4,201	2,006	6,207	78,173
Payroll taxes	31,150	5,531	2,405	7,936	39,086
Payroll processing fees	35,307	8,233	-	8,233	43,540
Staff development	400	942	-	942	1,342
Subtotal Personnel Costs	865,445	85,073	53,673	138,746	1,004,191
Accounting and auditing	-	74,020	-	74,020	74,020
Bank fees	-	2,762	-	2,762	2,762
Contractual services	284,568	149,985	15,896	165,881	450,449
Depreciation and amortization	440,952	650	459	1,109	442,061
Insurance	43	5,304	-	5,304	5,347
Hosting fees	45,301	238	-	238	45,539
Legal services (donated)	606,268	20,000	-	20,000	626,268
Licenses and registrations	-	4,531	-	4,531	4,531
Occupancy	7,594	803	-	803	8,397
Office expenses	2,332	865	-	865	3,197
Office supplies	380	1,153	-	1,153	1,533
Technical maintenance	98,253	-	-	-	98,253
Professional services (donated)	130,483	751	-	751	131,234
Promotion and outreach	13,813	1,669	-	1,669	15,482
Small equipment	4,041	-	-	-	4,041
Software	5,322	6,528	-	6,528	11,850
Travel	68,255	14,158	1,009	15,167	83,422
Total Expenses	<u>\$ 2,573,050</u>	<u>\$ 368,490</u>	<u>\$ 71,037</u>	<u>\$ 439,527</u>	<u>\$ 3,012,577</u>

The accompanying notes are an integrated part of these financial statements.

OPEN SUPPLY HUB, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 476,338	\$ 78,415
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	553,316	442,061
Increase in assets:		
Grants receivable	37,370	606,239
Prepaid expenses	(93,704)	7,075
Security deposit	(14,792)	-
Decrease in liabilities:		
Accounts payable and accrued expenses	31,713	10,154
Deferred revenue	50,333	(21,870)
Net Cash Provided by Operating Activities	<u>1,040,574</u>	<u>1,122,074</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	<u>(772,061)</u>	<u>(366,852)</u>
Net Cash Used for Investing Activities	<u>(772,061)</u>	<u>(366,852)</u>
NET CHANGE IN CASH	268,513	755,222
CASH , beginning of year	<u>1,048,139</u>	<u>292,917</u>
CASH , end of year	<u><u>\$ 1,316,652</u></u>	<u><u>\$ 1,048,139</u></u>

The accompanying notes are an integrated part of these financial statements.

OPEN SUPPLY HUB, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE A – NATURE OF ORGANIZATION AND PROGRAM DESCRIPTION

Open Supply Hub, Inc. ("OS Hub") is a non-profit platform powering the transition to safe and sustainable production, with the world's most complete, open and accessible global supply chain map. With our users, we have mapped over a million production locations around the world, showing where global production is happening and who is connected to each location.

OS Hub is used by some of the world's best known brands, as well as human rights, labor and environmental groups. Individually or together, those organizations can contribute, download, and search the data to spot opportunities, build partnerships, and drive investment and impact. By making collectively built supply chain data easy for anyone to work with, OS Hub's model is opening doors to new solutions, targeted investment, and more effective collaborations.

OS Hub's vision is to map all of the world's production locations, transforming supply chain ecosystems for the 450+ million people working in them. We envision a world where supply chain data is open, trusted and harnessed to benefit people and planet.

OS Hub was formed in December 2019. OS Hub is incorporated as a non-profit organization in the State of Delaware, and received its federal tax-exempt status in June 2022.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

OS Hub prepares its financial statements using the accrual basis of accounting. Therefore, revenue and related assets are recognized when earned; and expenses and related liabilities are recognized as the obligations are incurred.

Financial Statement Presentation

Financial statement presentation follows the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 958, *Not-for-Profit-Entities*. In accordance with Topic 958, net assets, revenue, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of OS Hub and changes therein, are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed restrictions that will be met by either action of OS Hub and/or the passage of time, or that must be maintained in perpetuity by OS Hub. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

OPEN SUPPLY HUB, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Cash

Cash held in a non-interest bearing bank account and is insured by the Federal Deposit Insurance Corporation for up to \$250,000 per institution. At times, the account may exceed this limit; however, OS Hub believes it is not exposed to any significant credit risk on cash.

Grants Receivable

Grants receivable are stated at the amount management expects to collect from balances outstanding at year end. Annually, management determines if an allowance for doubtful accounts is necessary based upon an ongoing review of outstanding receivables, historical collections, and existing economic conditions. Receivables deemed uncollectible are charged off based on specific circumstances of the parties involved. Management believes all receivables are collectible. Therefore, no allowance for doubtful accounts was established as of December 31, 2024 and 2023.

Property and Equipment

Property and equipment are stated at cost or, if donated, at fair value as of the date of the donation. The cost of property and equipment is depreciated and amortized using the straight-line method over the estimated useful lives of the assets; ranging from three to seven years. Expenditures greater than \$2,500 that extend the useful life of the asset are capitalized; while the cost of maintenance, repairs, and minor replacements are charged to expense as incurred.

Revenue Recognition

Grants and Contributions

OS Hub recognizes grants and contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Contributions received with donor stipulations are recorded as contributions with donor restrictions based on the donor's intent. Unless otherwise stated by the donor, individual donations are recorded as contributions without donor restrictions.

For the year ended December 31, 2024, OS Hub had conditional promises to give in the amount of \$1,134,227, that are expected to be fulfilled by the year ending December 31, 2026.

OPEN SUPPLY HUB, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Revenue Recognition (continued)

Contract Revenue

OS Hub offers Application Programming Interfaces ("API"), a feature that enables users to programmatically query and exchange data with OS Hub. By using OS Hub as the central source of truth for facility location data, OS Hub can match facilities easily and quickly with any external dataset and return OS IDs to its users. Revenue is recognized over a period of time in which services are rendered to the user.

OS Hub also offers Embedded Map Services, a feature that enables organizations to upload their data to the OS Hub, and automatically pull their own organization's data into a supplier map on their website. Embedded Map users can include additional data points not hosted by OS Hub, such as gender breakdowns of workers at facilities; organization-specific programs; and more. Revenue is recognized over a period of time in which services are rendered to the user.

The services provided to customers other than API or Embedded Map Services that could also be performed on a contractual basis, are recognized as revenue over a period of time in which services are rendered to the user.

Payments received for API, Embedded Map Services, or other services, which relate to subsequent years, are reflected as deferred revenue. Deferred revenue totaled \$95,903 as of January 1, 2023, and represents amounts that were recognized as contract revenue on the statement of activities during the year ended December 31, 2023.

Other Services Revenue

Other services revenue is comprised of sales related to establishing a collaborative enterprise environment for membership organizations to manage supplier data. These services are recognized as revenue when earned.

In-Kind Contributions

In-kind contributions are recorded at the fair value of the services or items received. OS Hub recognizes in-kind contributions that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Currency Transactions

OS Hub records transactions denominated in a foreign currency at the United States dollar equivalent as of the date of the transaction.

OPEN SUPPLY HUB, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Currency Transactions (continued)

Assets and liabilities denominated in a foreign currency are revalued by OS Hub in United States dollars at the currency exchange rate as of the financial statement position date. Foreign currency translation adjustments resulted in a loss of \$18,913 for the year ended December 31, 2024, and a gain of \$11,183 for the year ended December 31, 2023, which has been reported separately as other changes in the statements of activities.

Methods Used for Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or support function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include contractual services, depreciation and amortization, and any other applicable expenditures, which are allocated on the basis of salaries and related costs, determined by estimates of time and effort expended.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities; and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification

For comparative purposes, the presentation of certain amounts of expenses have been reclassified on the statement of functional expenses for the year ended December 31, 2023. A total of \$43,540, originally recorded in professional fees, was reclassified to payroll processing fees for consistency and to conform with the current year presentation. The reclassification had no effect on the previously reported net assets or change in net assets.

NOTE C – INCOME TAXES

OS Hub is a 501(c)(3) organization that is exempt from federal income tax under Section 501(a) of the Internal Revenue Code except on business income unrelated to OS Hub's exempt purpose.

OS Hub believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements or that would have an effect on its tax-exempt status. There were no unrecognized tax benefits or liabilities that needed to be recorded.

OPEN SUPPLY HUB, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023
(continued)

NOTE C – INCOME TAXES - continued

OS Hub’s information returns are subject to examination by the Internal Revenue Services after a period of three years from the date they were filed, except under certain circumstances. OS Hub’s information returns for the years ended December 31, 2021 through 2023, are open for examination by the Internal Revenue Service, although no request has been made as of the date of these financial statements.

NOTE D – AVAILABLE RESOURCES AND LIQUIDITY

OS Hub’s management regularly monitors liquidity requirements to ensure that ongoing operating needs and other contractual commitments are met. Timing of revenue receipts also ensures the availability of necessary operational funds to cover expenses. Sources of liquidity available to OS Hub include financial assets consisting of cash and grants receivable. In addition, OS Hub anticipates receiving additional grants and contributions that will sufficiently cover its operating expenses over a 12-month period.

In determining the adequacy of liquidity sources to cover general operating expenditures over a 12-month period, OS Hub considers all expenditures related to its program services, management and general, and fundraising activities, to be general operating expenditures.

The following reflects OS Hub’s financial assets as of December 31:

	2024	2023
Cash	\$ 1,316,652	\$ 1,048,139
Grants receivable	376,454	413,824
Total Financial Assets	1,693,106	1,461,963
Less: net assets with donor restrictions	(1,525,747)	(808,451)
Total Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	<u>\$ 167,359</u>	<u>\$ 653,512</u>

NOTE E – PROPERTY AND EQUIPMENT

As of December 31, 2024 and 2023, property and equipment consisted of the following:

	2024	2023
Software	\$ 3,163,709	\$ 2,391,648
Website	41,049	41,049
	3,204,758	2,432,697
Less: accumulated depreciation	(1,540,775)	(987,459)
Property and Equipment, Net	<u>\$ 1,663,983</u>	<u>\$ 1,445,238</u>

OPEN SUPPLY HUB, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023
(continued)

NOTE E – PROPERTY AND EQUIPMENT - continued

For the years ended December 31, 2024 and 2023, depreciation and amortization expense totaled \$553,316 and \$442,061, respectively.

NOTE F – NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2024 and 2023, net assets with donor restrictions totaled \$1,525,747 and \$808,451, respectively, which was restricted for the following purposes:

	<u>2024</u>	<u>2023</u>
Restricted for Purpose:		
Advancing a Just Transition with Open		
Supply Chain Data	\$ 691,979	\$ -
Development of Program Initiatives	405,417	227,787
Open Supply Chain Data to Support		
Human Rights Due Diligence	82,566	-
Gender Equity and Social Inclusion	32,430	-
Internal IT Support	21,744	-
Strategic Plan	1,611	18,683
Open Data Standard and Ecosystem		
for Supply Chain Due Diligence	-	415,555
Open Data and Stakeholder Engagement		
in Agricultural Supply Chains	-	146,426
Subtotal - Net Assets Restricted for Purpose	<u>1,235,747</u>	<u>808,451</u>
Restricted for Passage of Time	290,000	-
Total Net Assets with Donor Restrictions	<u><u>\$ 1,525,747</u></u>	<u><u>\$ 808,451</u></u>

NOTE G – IN-KIND CONTRIBUTIONS

During the year 2024, OS Hub received donated legal services and professional services from several law firms and organizations, respectively. The donated services were valued based on the number of hours served at the donor's hourly rate. For the years ended December 31, 2024 and 2023, donated legal services totaled \$457,207 and \$626,268, respectively; and professional services totaled \$37,116 and \$131,234, respectively. Furthermore, the donated services were allocated between program and support services on the statements of functional expenses. There were no donor imposed restrictions on these donated services.

OPEN SUPPLY HUB, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023
(continued)

NOTE G – IN-KIND CONTRIBUTIONS - continued

In 2024, OS Hub received contributions of nonfinancial assets comprising of credits received from a vendor to be used to offset future expenses incurred, which was valued at \$125,000; and is based on the amount that OS Hub otherwise would have to spend if not provided by donation, and is included in the statements of activities and correspondingly, recorded under prepaid expenses, reflected on the statement of financial position as of December 31, 2024.

During the year ended December 31, 2024, OS Hub utilized \$8,265 of these credits, and as a result, as of December 31, 2024, donated vendor credits totaling \$116,735 remains to be utilized.

NOTE H – RETIREMENT PLAN

On November 1, 2024, Open Supply Hub, Inc. has adopted the Justworks Retirement Savings Plan (the “Plan”) to help its employees save for retirement. The Justworks Retirement Savings Plan is a special type of Plan referred to as a “Multiple Employer Plan.” As a Multiple Employer Plan, a single Plan is used to cover Employees of unrelated employers who adopt the Plan. This allows the different employers to save costs and to simplify administration through the use of a single Plan document. Employees of OS Hub eligible to participate in the Plan can defer up to the legal limits allowed by the Internal Revenue Code.

Both employer contributions and matching contributions are discretionary, and are subject to a 6-year graded vesting schedule. After two years of eligible service have been completed, both employer contributions and matching contributions will be vested at 20%, whereby each subsequent year results in 20% vesting, until the sixth year is reached, in which the Plan participant will be 100% vested.

OS Hub makes discretionary employer and matching contributions on behalf of eligible employees at a uniform rate of their compensation under the Plan. Given the adoption of the Plan occurring near the end of the year, no retirement expenses had been incurred in connection to the Plan for the year ended December 31, 2024. Management anticipates making employer contributions during the year ended December 31, 2025.

NOTE I – OFFICE SPACE AGREEMENT

During the year ended December 31, 2024, OS Hub entered into multiple subscription agreements for various office spaces on a month-to-month basis. Occupancy expense totaled \$1,592 and \$8,397, for the years ended December 31, 2024 and 2023, respectively.

OPEN SUPPLY HUB, INC.
NOTES TO THE FINANCIAL STATEMENTS
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(continued)

NOTE J – LINE OF CREDIT

On September 11, 2024, OS Hub signed an agreement to open a line of credit with a bank that provides a credit limit of up to \$250,000. The interest rate on the line of credit is the prime rate plus 0.96%. As of December 31, 2024, there was no amount outstanding on the line of credit. Moreover, there were no draws on the line of credit during the year ended December, 31, 2024.

NOTE K – SUBSEQUENT EVENTS

In preparing these financial statements, OS Hub has evaluated events and transactions for potential recognition or disclosure through March 27, 2025, the date the financial statements were available to be issued. There were no events or transactions that were discovered during the evaluation that required further recognition or disclosure.