



Assessment Summary Report

Participant Information

Name of the Site	Henderson
Unique identifier provided by the Copper Mark	P0060
Address	1746 County Rd. 202 Empire, CO 80438
Country of Operation	United States of America
Principle covered products produced on site (e.g., concentrate, anodes, cathodes, sulphuric acid, slag, etc.)	Molybdenum concentrate
Metals produced on site (e.g., copper, gold, nickel, silver, molybdenum)	Molybdenum
Metals included in scope of Criterion 31 (this must be all, or a sub-set of the metals produced on site)	Molybdenum
Metals covered by other independent assessments for Criterion 31 (e.g., RMAP, LBMA, RJC, etc.)	NA
Types of operations included in scope	
Mining	<input checked="" type="checkbox"/>
Concentrate blending	<input type="checkbox"/>
Solvent extraction and electrowinning	<input type="checkbox"/>
Smelting	<input type="checkbox"/>
Refining	<input type="checkbox"/>
Fabrication	<input type="checkbox"/>
Other (<i>please explain</i>)	concentrating
Infrastructure owned or controlled by the site and included in scope	
Roads	<input type="checkbox"/>

Rails	<input type="checkbox"/>
Ports	<input type="checkbox"/>
Other (<i>please explain</i>)	

Equivalent Systems

<p>The following equivalent systems were applied:</p> <p><i>Equivalent systems are determined by the Copper Mark to have standards and assurance requirements that are materially comparable in scope and intent to those of the Copper Mark, in accordance with the <u>Copper Mark Recognition Process</u>.</i></p>		
Equivalent System <i>(Name, date of assurance / certification)</i>	Review Process	Criteria Covered by Equivalency
<p>ICMM Performance Expectations 8-9 November 2021, Week of 28 February 2022, September 2022</p>	<p>The assurance / certification was confirmed to be:</p> <ul style="list-style-type: none"> Valid at the time of the review No more than 24 months old and / or plans for reassessment are underway In effect for an additional 12 months and / or plans for reassessment are underway Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials Accompanied by improvement plans where applicable 	<p>All applicable criteria.</p> <p>This is inclusive of a "top-up assessment" to review the criteria that are identified as gaps between the ICMM PE and the RRA for criteria 2. Business Integrity, 10. Working Hours, and 11. Remuneration.</p>
<p>ISO 14001:2019 23 May 2020</p>	<p>The assurance / certification was confirmed to be:</p> <ul style="list-style-type: none"> Valid at the time of the review No more than 24 months old and / or plans for 	<ul style="list-style-type: none"> 14. Environmental Risk Management 18. Waste Management 20. Pollution

	<p>reassessment are underway</p> <ul style="list-style-type: none"> • In effect for an additional 12 months and / or plans for reassessment are underway • Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials <p>Accompanied by improvement plans where applicable</p>	
<p>ISO 45001:2019 13 September 2021</p>	<p>The assurance / certification was confirmed to be:</p> <ul style="list-style-type: none"> • Valid at the time of the review • No more than 24 months old and / or plans for reassessment are underway • In effect for an additional 12 months and / or plans for reassessment are underway • Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials <p>Accompanied by improvement plans where applicable</p>	<p>12. Occupational Health and Safety</p>

Independent Site Assessment Information

Name of the Lead Assessor	David Shirley
Name of the Assessment Firm (if applicable)	Corporate Integrity, Ltd.

<p>Date(s) of Assessment Activities (dd/mm/yyyy – dd/mm/yyyy)</p>	<p>Preliminary document review and site visit planning: October 2021</p> <p>Site visit: 10-12 November 2021</p> <p>In-person stakeholder interviews: Week of 28 February 2022</p> <p>Remote follow up management interviews: September 2022</p>
<p>Assessment Period</p>	<p>1 January 2021 – 31 December 2021</p>
<p>Summary of the Assessment Methodology</p>	<p>The work was carried out in accordance with Corporate Integrity Ltd.'s assurance procedures, following the International Standard on Assurance ISEA3000 (revised) – Assurance Engagements other than Audits & Reviews of Historical Financial Information. Assurance activities were risk based with focus on material issues and included the review of:</p> <ol style="list-style-type: none"> 1. processes in place to identify and prioritise risks and opportunities during the reporting period; 2. the policies, systems and approaches that Freeport-McMoRan is using to manage these risks and opportunities; 3. the collection and assimilation of GRI reported performance information; and 4. For the ICMM Performance Expectations and Copper Mark validation, specific evidence to support self-assessment claims. In some cases, the assessors were able to rely on other third-party audits such as ISO14001, OSHAS18001 and financial audits, to avoid duplication of assurance effort. However, for all areas of validation, the assessors looked at 2020-2021 performance metrics and reviewed and challenged the risk identification and evaluation to assure that material risks are being captured and managed. The assessors also looked at action and monitoring programs related to these risks and to corporate and site level initiatives aimed at improving systems and performance. <p>Subsequent to the site review the assessors undertook in-person external stakeholder interviews to corroborate the assertions made.</p> <p>There were also follow up interviews with management in the process of finalizing the determinations.</p> <p>Permanent workers: 368</p> <p>Contract workers: 35</p>
<p>Summary of the Assessment Activities</p>	<p>Site visit:</p> <p>Day 1:</p> <ul style="list-style-type: none"> • Opening meeting • Review of risk register

	<ul style="list-style-type: none"> • Review of evidence related to health and safety, training, compliance • Review of evidence related to emergency response, security • Mine tour and contractor interviews • Review of evidence related to climate, energy • Review of evidence related to water impacted, water supply, closure, waste, biodiversity, , public health <p>Day 2:</p> <ul style="list-style-type: none"> • Tailings • Mill and Tailings tour • Review of evidence related to global supply chain, responsible sourcing • Review of evidence related to community, social, cultural heritage, public health, human rights • Review of evidence related to human resources, compliance, business integrity, human rights • Close out meeting <p>Stakeholder interviews:</p> <ul style="list-style-type: none"> • External parties interviewed represented groups with interests in; community development and investment, water quality and public health, public service. • Interviews with a selection of internal stakeholders (workers and supervisors, administrative personnel, contractor representatives). <p>Follow up meetings with management for further clarification where there were gaps in the information received.</p>
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Summary of Findings

Criterion	Rating	Comments
1. Legal Compliance	Fully meets	The Henderson operations are highly regulated. Oversight on legal compliance is provided by the corporate legal affairs team. Performance data and third-party audits confirm a high level of compliance. The corporate team works closely with various functions at site level

		<p>This was confirmed through a review of documents including ISO 14001 and ISO 45001 reports, internal audits, compliance reports, and GRI reporting.</p>
2. Business Integrity	Fully meets	<p>There are group-wide policies and compliance systems in place. Principles of Business Conduct (PBC) training and certification is provided. Interviews with workers confirm awareness of PBC and ongoing compliance training. Facilitation payments are explicitly prohibited, and none were reported in 2020 to 2021 at Henderson.</p> <p>This is confirmed through interviews with management, interviews with workers, and a review of documents including PBC training and certification, training records, anti-bribery and corruption training records, and grievance reports.</p>
3. Stakeholder Engagement	Fully meets	<p>Freeport-McMoRan stakeholder engagement tool is used at Henderson as part of the community stakeholder engagement program. This is also supported by a Community Partnership Panel, a grievance mechanism, and informal channels of communication.</p> <p>Interviewed stakeholders indicated that Henderson is seen as transparent, providing access to people and information.</p> <p>This was confirmed by interviews with management, interview with a stakeholder, and a review of documents including the stakeholder map and engagement plan, social performance plan, and the grievance mechanism and records.</p> <p>More information is available here.</p>
4. Business Relationships	Fully meets	<p>Suppliers are required through contract to comply with Freeport environmental, social, and governance-related policies. Personnel at Henderson are aware of risks associated with suppliers, reflected in the risk-register. Site management teams manage</p>

		<p>supplier onboarding, training, auditing, regular meetings, and performance reporting. Audits cover the elements in the Business Partner Code of Conduct. The Global Supply Chain team implements supplier due diligence and regular review through a new platform.</p> <p>This is confirmed through interviews with management and a review of documents including the Business Partner Code of Conduct, supplier due diligence process, contractor onboarding, service agreement template, and samples of purchase orders.</p>
5. Child Labor	Fully meets	<p>Henderson is subject to the corporate policies in place covering the range of worker rights issues including child labor as seen in the Human Rights Policy, Principles of Business Conduct, and Business Partner Code of Conduct. This includes a preclusion of anyone under 18 from working on the operation. Age verification is done through a checking of national identity documentation.</p> <p>This was confirmed through interviews with management, interviews with workers, and a review of documents including the Human Rights Policy and procedure, the PBC, onboarding process, the grievance process and reports, and training materials and records.</p>
6. Forced Labor	Fully meets	<p>Henderson is subject to the corporate policies in place covering the range of worker rights issues including forced labour as seen in the Human Rights Policy, Principles of Business Conduct, and Business Partner Code of Conduct.</p> <p>This includes no tolerance for human trafficking and forced labour. To complement the policies, corporate is planning to develop specific additional awareness training to assist personnel in detecting warning signs.</p>

		<p>This was confirmed through interviews with management, interviews with workers, and a review of documents including the Human Rights Policy and procedure, the PBC, onboarding process, the grievance process and reports, and training materials and records.</p>
<p>7. Freedom of Association and Collective Bargaining</p>	<p>Fully meets</p>	<p>Henderson is subject to the corporate policies in place covering the range of worker rights issues as seen in the Human Rights Policy, Principles of Business Conduct, and Business Partner Code of Conduct.</p> <p>This includes the right to freedom of association and collective bargaining as required under USA law. Employee interviews sited chain of command type reporting with good quality and positive relationships with supervisors and management.</p> <p>This was confirmed through interviews with management, interviews with workers, and a review of documents including the Human Rights Policy and procedure, the PBC, onboarding process, the grievance process and reports, and training materials and records.</p>
<p>8. Discrimination</p>	<p>Fully meets</p>	<p>Henderson is subject to the corporate policies in place covering the range of worker rights issues including discrimination as seen in the Human Rights Policy, Principles of Business Conduct, and Business Partner Code of Conduct.</p> <p>This includes policies against discrimination. During interviews, workers did not raise issues of discrimination and there were no related grievances reported.</p> <p>This was confirmed through interviews with management, interviews with workers, and a review of documents including the Human Rights Policy and procedure, the PBC, onboarding process, the grievance process and</p>

		reports, and training materials and records.
9. Gender Equality	Fully meets	<p>Corporate level policies and procedures such as the PBC, Human Rights Policy, and Inclusion and Diversity Policy cover women’s rights and diversity. This has been rolled out to the sites since 2021.</p> <p>There is an annual review of breakdown of women and minority groups. There are no specific targets set but there is a public corporate gender diversity target.</p> <p>This is confirmed through interviews with management, interviews with workers, and a review of documents including site-based training on the topic, affirmative action report, implementation of anti-discrimination processes and Human Rights Policy training and awareness records, and grievance procedure and records.</p>
10. Working Hours	Fully meets	<p>At Henderson, the standard working week for salaried employees is 40hrs and any additional work time above this is voluntary. There are different shift schedules depending on departments that average 40-45 hours per week over a 4- week period and provide for adequate rest days. At times due to special circumstances (planned maintenance events, unscheduled down) overtime may be required.</p> <p>Freeport has in place a Working Hours and Fatigue Management Policy that was rolled out to the site in Q3 2022, and the corporate team has developed a group-wide guidance on working hours.</p> <p>This was confirmed by interviews with management, interviews with workers, and a review of documents including Henderson hours worked information, the Working Hours and Fatigue Management Policy and reports, human resources policies and staff manuals.</p>

11. Remuneration	Fully meets	<p>The corporate approach to compensation and benefits is market-based and competitive and informed by annual benchmarking and analysis. The corporate team has undertaken a Living Wage assessment for all their sites using guidance from the Business for Social Responsibility. This shows that all members of the work force are paid above the living wage.</p> <p>This was confirmed by interviews with management, interviews with workers, and a review of documents including company-wide market analysis for wages, human resources policies, and staff manuals.</p>
12. Occupational Health and Safety	Fully meets	<p>The assessment confirmed that the site meets the requirement as validated through ISO 45001 certification.</p>
13. Grievance Mechanism	Fully meets	<p>There are established grievance processes in place which cover both employees and contractors and are aligned with the UNGP effectiveness criteria.</p> <p>Workers interviewed were aware of the grievance process available to them.</p> <p>This was confirmed through interviews with management, interviews with workers, and a review of documents including the Human Rights Policy and procedure, onboarding process, the grievance process and reports, and training materials and records.</p>
14. Environmental Risk Management	Fully meets	<p>The assessment confirmed that the site meets the requirement as validated through ISO 14001 certification.</p>
15. Greenhouse Gas (GHG) Emissions	Fully meets	<p>Henderson reports on emissions as part of Global Reporting Initiative (GRI) reporting. In 2021, Freeport established an absolute GHG reduction target for their primary molybdenum sites committing to reduce their Scope 1 and 2 GHG emissions by 35% by 2030, from a 2018 baseline.</p> <p>Carbon reduction programs at Henderson will be aligned with this</p>

		<p>commitment. It is noted Xcel Energy, the electricity provider for the site has committed to supply 80% renewables in the energy mix by 2030 across Colorado.</p> <p>Scope 1 and Scope 2 emissions for Henderson are reported in the Annual Report on Sustainability and site-level energy data were published with the FCX Climate Report in September 2021.</p> <p>This is confirmed through interviews with management and a review of documents including GRI reporting of GHG emissions - tracking of energy usage, targets and objectives, and examples of specific energy efficiency programs.</p>
16. Energy Consumption	Fully meets	<p><u>Henderson reports on energy consumption</u> as part of GRI reporting. There is a dedicated person for energy management. Internal meetings take place to identify energy reduction opportunities. There is evidence of numerous energy reduction and efficiency programs in place although no specific targets have been set.</p> <p>This was confirmed by interviews with management and a review of documents including GRI reporting of GHG emissions - tracking of energy usage and examples of specific energy efficiency programs.</p>
17. Freshwater Management and Conservation	Fully meets	<p>There are multiple and mature programs in place for water stewardship which includes ongoing evaluation and monitoring, as well as coordination with the corporate water strategy team.</p> <p>Water related risks are well understood and include potential long-term risk relating to downstream water user demands. Mitigation and monitoring programs indicate that these risks are under control. Henderson has a water conservation plan. Dialogue over molybdenum in water quality standards</p>

		<p>and manganese in groundwater is ongoing with stakeholders and government.</p> <p>This was confirmed through interviews with management, interviews with government officials, and a review of documents including water use and compliance with water rights monitoring & reporting results, water conservation plan, and ground water modeling.</p>
18. Waste Management	Fully meets	The assessment confirmed that the site meets the requirement as validated through ISO 14001 certification.
19. Tailings Management	Partially meets	<p>Henderson implements a comprehensive tailings management program.</p> <p>The Freeport-McMoRan global tailings program is under ongoing review by the corporate tailings team in response to changing international expectations and requirements, in particular the Global Industry Standard on Tailings Management (GISTM).</p> <p>This criterion remains as “partially meets” until the GISTM is fully implemented.</p>
20. Pollution	Fully meets	The assessment confirmed that the site meets the requirement as validated through ISO 14001 certification.
21. Biodiversity and Protected Areas	Fully meets	<p>Biodiversity risks are regularly evaluated as part of the risk register process. Regulatory processes include identifying, assessing, and mitigating potential adverse impacts to biodiversity and ecosystem services in line with the mitigation hierarchy. There is evidence of ongoing programs for protection of both fauna and flora and of engagement with interested stakeholders.</p> <p>This was confirmed through interviews with management and a review of documents including the wildlife protection plan, the Henderson aquatic biological monitoring report, and the stakeholder mapping and engagement.</p>

<p>22. Mine Closure and Reclamation</p>	<p>Fully meets</p>	<p>Henderson has a plan for closure including social, regulatory, reclamation, and financial requirements.</p> <p>Social aspects are addressed in the Social Performance Policy and input from communities is part of ongoing engagement with the community.</p> <p>Henderson closure and the need to build for post closure resilience in the community was a key area raised by external stakeholders.</p> <p>This was confirmed through interviews with management, interviews with stakeholders, and a review of documents including the closure plan and social performance plan.</p>
<p>23. Community Health and Safety</p>	<p>Fully meets</p>	<p>Community health and safety is managed through the risk register process and underlying functional risk evaluations action and monitoring plans as well as the stakeholder engagement program.</p> <p>The Risk Register is updated regularly and involves cross-functional team engagement.</p> <p>This was confirmed through interviews with management, interviews with the community, and a review of documents including the risk register, notes from the Community Partnership Panel meetings, and the stakeholder engagement plan.</p>
<p>24. Community Development</p>	<p>Fully meets</p>	<p>There are ongoing stakeholder engagement programmes in place and addressing key issues. Stakeholders can share opinions through the Community Partnership Panel and stakeholder surveys.</p> <p>A main area of concern expressed by external interviewees was the local housing situation and they suggested this should be an area of particular focus for Freeport.</p> <p>Stakeholders reported that Henderson leads the way in terms of local support</p>

		<p>and investment when compared with other businesses in the area.</p> <p>There are initiatives in place to encourage local and regional sourcing as part of the ongoing engagement process.</p> <p>This was confirmed through interviews with management, interviews with representatives from the community, and a review of documents including community development programmes and expenditure, notes from Community Partnership Panel meetings, and the local vendor engagement programmes and initiatives.</p>
25. Artisanal and Small-Scale Mining	Not applicable	The assessment confirms there is no ASM activity in the region surrounding Henderson operations.
26. Human Rights	Fully meets	<p>Henderson adopts all the Freeport-McMoRan policies, processes and compliance requirements relating to human rights, which are aligned with the UN Guiding Principles for Business and Human Rights. This includes risk evaluation and stakeholder mapping and engagement.</p> <p>A formal human rights impact assessment is scheduled for 2023. On an ongoing basis, Henderson has identified and addressed human rights risks through the regular risk register and associated processes.</p> <p>There is a grievance mechanism in place that did not raise any grievances during the assessment period related to human rights.</p> <p>This was confirmed through interviews with management,</p>
27. Security and Human Rights	Fully meets	At the corporate level, Freeport is a signatory to the Voluntary Principles for Security and Human Rights and produces an annual report to the VPSHR plenary. The North American sites are not featured in the corporate report because it is considered low risk.

		Security personnel at Henderson are all company employees and subject to the on-boarding training. Based on the risk register, security and human rights is not identified as a risk.
28. Indigenous Peoples' Rights	Not applicable	The site assessment confirmed that there are no indigenous peoples living near or are materially affected by the Henderson operations.
29. Land Acquisition and Resettlement	Fully meets	There are no issues relating to resettlement at any of the Henderson operations. There are no current or planned involuntary physical or economic displacement of local communities but should something arise in the future it would be managed following existing processes of Freeport-McMoRan.
30. Cultural Heritage	Fully meets	<p>Cultural heritage is monitored through the risk register, community, and environmental evaluations. No specific cultural heritage aspects have been identified at the site; however, it is recognised that the cultural history of the area is of interest to the local community, particularly around mining history.</p> <p>This was confirmed through interviews with management and a review of documents including the cultural heritage report, Community Partnership Panel meeting notes, the risk register, and the stakeholder mapping and engagement programme.</p>
31. Due Diligence in Mineral Supply Chains	Fully meets	<p>Freeport-McMoRan has comprehensive and established policies, processes, and management frameworks in place, which fully align with the OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals for Conflict Affected and High-Risk Areas and the Copper Mark Joint Due Diligence Standard. The Henderson operations are fully covered by these systems.</p> <p>Henderson does not receive any external input.</p>

			This was confirmed through interviews with management and a review of documents including the Responsible Sourcing Policy and SOP, the responsible sourcing of minerals training modules, and the responsible sourcing of minerals site designation memo.
	31.a. Management System	Fully meets	There is a corporate-level management system with specific governance and dedicated resources for responsible sourcing that is carried out at Henderson. Given the lack of upstream supply chain at Henderson, the system is proportionate to the size and complexity of the operations.
	31.b. Red Flag Identification Process	Fully meets	Freeport-McMoRan's systems include due diligence of all suppliers including minerals suppliers and these systems include a process for identifying CAHRAs. According to that process, the USA is not considered a CAHRA.
	31.c. Risk Assessment Process	Not applicable	No red flags were identified.
	31.d. Risk Management Process	Not applicable	No red flags were identified.
	31.e. Public Reporting	Fully meets	Information about molybdenum operations is included in the corporate Step 5 report available here . There is an opportunity to further break down the report into site-specific data for the molybdenum operations.
	32. Transparency and Disclosure	Fully meets	Consolidated information about Henderson is reported annually in the Freeport-McMoRan Annual Report on Sustainability, which is in accordance with the GRI standard. USA is not a member of EITI. However, Freeport have a corporate and global programme of commitment and application of EITI for their operations in member countries. More information is available here .

Conclusions

Statement of conformance	
The site is found to fully meet all applicable criteria of the Risk Readiness Assessment and, for Criterion 31, all applicable conformance criteria of the Joint Due Diligence Standard.	<input type="checkbox"/>
The site is found to fully meet or partially meet all applicable criteria of the Risk Readiness Assessment and, for Criterion 31, all applicable conformance criteria of the Joint Due Diligence Standard. The site has committed to continuous improvement to fully meet all applicable Copper Mark Criteria by 14 December 2024.	<input checked="" type="checkbox"/>
The site is found to miss some or all of the applicable criteria of the Risk Readiness Assessment and / or for Criterion 31, some, or all of the applicable conformance criteria of the Joint Due Diligence Standard. The site has committed to continuous improvement to fully meet all applicable Copper Mark Criteria by 14 December 2024.	<input type="checkbox"/>
The site misses some or all of the applicable requirements of the Risk Readiness Assessment and / or for Criterion 31, the applicable criteria of the Joint Due Diligence Standard. The Site has not committed to continuous improvement.	<input type="checkbox"/>
Limitations:	
Additional comments:	

Award

The Copper Mark	<input type="checkbox"/>
The Molybdenum Mark	<input checked="" type="checkbox"/>
The Nickel Mark	<input type="checkbox"/>
The Zinc Mark	<input type="checkbox"/>

This Summary Report is prepared using data from the independent review report and the independent assessment report. The Copper Mark confirms the assessors' conclusion and awards the relevant Mark as follows

Date the Molybdenum Mark is awarded (dd/mm/yyyy)	10 February 2023
Expiry Date of the Molybdenum Mark (dd/mm/yyyy)	09 February 2026