



RESPONSIBLY PRODUCED MOLYBDENUM



RESPONSIBLY PRODUCED NICKEL



RESPONSIBLY PRODUCED ZINC

## **Assessment Summary Report**

# **Participant Information**

Name of the Site	Climax Molybdenum		
Ivalle of the one	Fort Madison		
Unique identifier provided by the Copper Mark	P0075		
Address	2598 Hwy 61 South		
Address	Fort Madison, Iowa 52627		
Country of Operation	United States of America		
Principle covered products produced on site.	lubricant grade molybdenum disulfide, sublimed pure molybdic oxide, calcined pure molybdic oxide, ammonium dimolybdate,		
(e.g., concentrate, anodes, cathodes, sulphuric acid, slag, etc.)	ammonium heptamolybdate, ammonium octamolybdate, and sodium molybdate		
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			
Concentrate blending			
Solvent extraction and electrowinning			
Smelting	□ Roasting		
Refining			
Fabrication			
Other (please explain)	Molybdenum roasting, refining, and conversion		



Infrastructure owned or controlled by the site and included in scope		
Roads		
Rails		
Ports		
Other (please explain)		

## **Equivalent Systems**

The following equivalent systems were applied:

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 Copper Mark Recognition Process.

Equivalent System	Review Process	Criteria Covered by Equivalency
	The assurance / certification was confirmed to be:	
	Valid at the time of the review	
ISO 14001:2015	No more than 24 months old and / or plans for reassessment are underway.	
ISO 14001:2015 1 January 2024 Plans for recertification are	In effect for an additional 12 months and / or plans for reassessment are underway	14. Environmental Risk Management
underway	Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials	
	Accompanied by improvement plans where applicable	
ISO 45001	The assurance / certification was confirmed to be:	
27 January 2024 Plans for recertification are	Valid at the time of the review	12. Occupational Health and Safety
underway	No more than 24 months old and / or plans for	



reassessment are underway.	
<ul> <li>In effect for an additional 12 months and / or plans for reassessment are underway</li> </ul>	
<ul> <li>Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials</li> </ul>	
<ul> <li>Accompanied by improvement plans where applicable</li> </ul>	

# **Independent Site Assessment Information**

Name of the Assessment Firm (if applicable)		EY
Date(s) of Assessment Activities (dd/mm/yyyy – dd/mm/yyyy)		Document review and prep: 15 March – 5 May 2023 Onsite: 8-9 May 2023
Assessment Period		1 January 2022 – 31 May 2023
Summary of the Assessment Methodology	The assessment was conducted using the AICPA and ISAE 3000 methodologies against the Copper Mark Criteria for Responsible Production and the ICMM Performance Expectations.	
	About the company: Fort Madison is part of Climax Molybdenum, which is a subsidiary of Freeport-McMoRan Inc.	
	Permanent workers:	125
	Contract workers: 5	
Summary of the Assessment Activities	The assessment consisted of document review and preparation. While on site, the following activities took place:	
	<u>Day 1</u>	
	Opening meeting	
	Site tour – process from the receipt of material through the point of exit	
	Review of information related to environmental criteria.	
	Internal and external interviews	
	<u>Day 2</u>	



•	Review of information related to health and safety.
•	Internal interviews
	Review of information related to community, security, and human rights.
	Review of information related to human resources and governance.
• 1	External interviews
•	Informal closing meeting

# **Summary of Findings**

Criterion	Rating	Comments
1. Legal Compliance	Fully meets	Climax Molybdenum Fort Madison (Fort Madison) has systems to maintain compliance with applicable law.
		Environmental laws are tracked and determined by the environmental management system, which is further subject to audits at scheduled intervals.
		Fort Madison maintains a weekly subscription to a comprehensive source of up-to-date regulatory compliance information in order to maintain compliance with other legal obligations and regulatory updates. The site also has access to the Iowa Department of Natural Resources echo newswire.
		This was confirmed through management interviews with site personnel to understand how legal compliance is tracked; and a review of documents including register of legislation, ISO certifications, compliance tracking system, legal subscriptions, and the management of change policy.
2. Business Integrity	Fully meets	Fort Madison implements a management system that prohibits and effectively prevents bribery (including facilitation payments), corruption and anti-competitive behavior.
		Policies are primarily driven by corporate's Principles of Business Conduct (PBC). Employees are



		trained on the principles of business conduct and anticorruption. No facilitations were applicable in the assessment period.
		This was confirmed through interviews with management and site personnel to understand what policies and practices are in place to prevent bribery and facilitation payments; and a review of documents including training records, the corporate compliance hotline, corporate compliance process, internal audit risk assessments, and accounting controls.
		Fort Madison has a process to carry out stakeholder mapping, and to implement an engagement plan, and to establish a grievance mechanism.
		Stakeholder mapping and engagement notes are documented in an online system.
3. Stakeholder Engagement	Fully meets	In addition to the formal grievance mechanism, relevant staff are available via phone and text, and have been confirmed responsive in quickly addressing raised issues. Avenues to raise a grievance is a standing topic at the biannual community partnership panels.
		The grievance mechanism is accessible at <a href="freeportinmycommunity.com">freeportinmycommunity.com</a> .
		This was confirmed through management interviews; interviews with stakeholders to obtain information on whether stakeholders are aware of the grievance mechanism; and a review of documents including the stakeholder mapping tool, the risk register, the social performance plan, and the community grievance SOP.
4. Business Relationships	Partially meets	Fort Madison has in place processes to promote responsible business practices with significant business partners, including suppliers. Fort Madison utilizes Ariba to share information on the Freeport supplier code of conduct, issue questionnaires,



		validate new suppliers, and monitor and assess business partners. The supplier code of conduct is embedded in contracts with suppliers.
		The following gaps were identified:
		The mechanism to demonstrate and evaluate the implementation of these policies with suppliers and contractors is not operating effectively, as suppliers are not aware of specific policies on supplier code of conduct or human rights.
		<ul> <li>Revised policies and / or code of conduct are only shared with new suppliers and not existing suppliers until contracts are renewed.</li> </ul>
		This was confirmed through interviews with management; interviews with a supplier; and a review of documents including the business partner code of conduct, sample communications with business partners, and a sample of supplier files.
5. Child Labor	Fully meets	Fort Madison implements a management system that prevents the employment of children under the age of 15, prevents the worst forms of child labor, and prevents the exposure of employees under the age of 18 to hazardous work. Policies are clear that no worker under the age of 18 shall be employed, and worker interviews confirmed no employee or contractor had experienced or witnessed an individual younger than the age of 18 working at the site. Age is verified before work begins.
		This was confirmed through interviews with management; interviews with workers; site observation; and a review of documents including the human resources handbook, human rights policy, and a sample grievance record.
6. Forced Labor	Fully meets	Fort Madison implements a management system that prevents the use of any forms of forced labor and



		participation in acts of human trafficking.
		This was confirmed through interviews with management; interviews with workers; site observations; and a review of documents including the human resources handbook, human rights policy, and a sample grievance record.
		Fort Madison has systems in place to respect employees' rights to freedom of association and to collective bargaining, participate in collective bargaining processes in good faith and not obstruct alternative means of association where there are legal restrictions.
7. Freedom of Association and Collective Bargaining	Fully meets	While there is no workers union, interviews with workers confirmed that employees were able to form a union if they so desired.
		This was confirmed through interviews with management; interviews with workers; and a review of documents including the employee guide to policies and procedures.
8. Discrimination	Fully meets	Fort Madison has systems in place to prevent and address all forms of harassment and discrimination. In addition to the policy in the human rights policy, workers are regularly trained on bullying and harassment.
		This was confirmed through interviews with management; interviews with workers; and a review of documents including the human resources manual, the human rights policy, and the discrimination and harassment policy.
9. Gender Equality	Fully meets	Fort Madison has a system to continually assess and monitor progress to ensure the implementation of a policy on gender equality in the workplace.
		There are many women in management, in the labs, and there is the first female operator on the floor.



		There is an equal opportunities policy and a corporate-level inclusion and diversity policy. It is complemented by a policy on discrimination, sexual harassment, and harassment, including resources for navigating these actions in the workplace.
		Human resources are responsible for code of conduct training including the need for respectful behavior and physical and psychological safety. Information is provided to new employees about how to report a complaint.
		At the corporate level, there is a gender pay gap analysis each year conducted across sites.
		This is confirmed through interviews with management; interviews with workers who confirmed they had not seen or experienced what they believed to be discrimination due to gender or sex; and a review of documents including the gender pay gap study, discrimination and sexual harassment policy, and grievance log.
		Fort Madison has a system to keep employees' total regular and overtime working hours to 60 hours per week unless defined otherwise by applicable law or a collective bargaining agreement; and to ensure overtime is voluntary, provide one rest day in seven; and, to provide annual leave.
10. Working Hours	Fully meets	Workers work in alternating shifts of 12.5 hours a day for 3-4 days per week. Overtime is voluntary, and workers are provided paid annual leave.
		At corporate level, there is a Working Hours & Fatigue Management Policy, which requires that working hours do not exceed 60 hours per work and the conditions for voluntary overtime. A working hours analysis demonstrates no workers work more than 60 hours per week in a one-month period. Communication records and interviews



		with workers demonstrate an understanding by the workforce.
		This was confirmed by interviews with management; interviews with workers; and a review of documents including the analysis, policy detailing the requirements and restrictions of working hours for employees in order to manage fatigue and provide a safe, healthy working environment, and samples of communication on the working hours requirements.
		Fort Madison pays wages that equal or exceed the national minimum wage, the appropriate industry wage (if higher), or a living wage.
11. Remuneration	Fully meets	At the corporate level, there is a living wage analysis for all sites on an annual basis. The analysis demonstrates the site pays workers above the living wage.
		This was confirmed through interviews with management interviews with workers; and a review of documents including the living wage analysis, online tools for Employees that provides transparency into their total compensation package, and management of paid sick leave.
12. Occupational Health and Safety	Fully meets	The assessment confirmed Fort Madison has a valid ISO 45001 certificate.
		Fort Madison has established and implements a grievance mechanism accessible to all employees and aligned with the UNGP effectiveness criteria. There is a grievance hotline which supports anonymous internal reporting.
13. Grievance Mechanism	Fully meets	A grievance was selected at random to test the system and ensure adherence with the process. Records indicate the grievance was handled quickly, confidentially, and to a thorough extent. Multiple witnesses were interviewed and/or signed statements, and the individual who lodged the grievance felt



		satisfied with the conclusion reach and the actions taken.
		This was confirmed through interviews with management; interviews with workers; and a review of documents including the grievance procedure, a sampled grievance, and the list of grievances over the assessment period.
14. Environmental Risk Management	Fully meets	The assessment confirmed Fort Madison has a valid ISO 14001 certificate.
15. Greenhouse Gas (GHG) Emissions	Fully meets	Fort Madison has processes in place to quantify, establish reduction targets for and disclose CO2 equivalent emissions in line with established international reporting protocols.
		The site monitors GHG emissions and corporate reports in accordance with the GHG protocol requirements, including information about Fort Madison. Reports have been historically assured using a third party.
		The absolute reduction target established at the corporate level for primary molybdenum sites, including Stowmarket, is 35% reduction in Scope 1 and 2 emissions by 2030, compared to the 2018 baseline.
		Metrics are tracked year over year.
		More information is available here.
		This was confirmed through interviews with management; and a review of documents including the corporate climate strategy, emissions reports, environmental metrics, and GHG collection forms.
16. Energy Consumption	Fully meets	Fort Madison implements and quantifies energy efficiency improvements and increased use of renewable energy to reduce total energy consumption and/or energy intensity.
		Fort Madison is engaged in initiatives to reduce energy consumption, including assessments on areas of improvement



		on energy efficiency, which are currently under consideration.
		Environmental metrics showing year over year change demonstrate that from 2018 to 2022, total energy consumption has decreased by over 25%
		This was confirmed through interviews with management; and a review of documents including the corporate climate strategy, meters and trending data, energy efficiency response forms, and log for the collection of data needed for GRI reporting.
		Fort Madison has a system to conduct a comprehensive assessment of water-use impacts and risks in collaboration with relevant stakeholders and to implement measures to ensure that water consumption does not restrict availability/access for other water users or reduce the range and populations of fauna and flora in the catchment area of the site / facility. It is primarily supported through a water accounting framework, which details the amount of water withdrawn and outflows by type, as well as the amount of water reused and recycled.
17. Freshwater Management and Conservation	Fully meets	Fort Madison operates in a low water risk area. While there are no issues related to access to water, at times there is flooding from the Mississippi river nearby. Additionally, issues related to high molybdenum levels discharged into the town sewage system are in resolution and an action plan including steps, responsible party, and deadlines are detailed.  This was confirmed through interviews
		with management; interviews with stakeholders in the local community; and a review of documents including the water accounting framework, action plan for identified risks, and environmental metrics including water.



18. Waste Management	Fully meets	Fort Madison implements a risk-based waste management system that includes a commitment to the 'waste hierarchy' and is applicable to all waste types (hazardous, non-hazardous, and inert).  Examples of how the mitigation hierarchy is implemented were demonstrated on site.  This was confirmed through facility walkthrough; interviews with management; and a review of
		documents including waste management procedures, monthly and annual reporting, flyers with guidance on recycling, communications on reduction, reuse, waste determination procedure, and management of transportation of hazardous waste procedure.
19. Tailings Management	Not applicable	This criterion is not applicable to non- mining operations.
		Fort Madison implements the mitigation hierarchy to avoid, minimize, reduce, and compensate for the adverse impacts of pollution on human health and the environment.
20. Pollution	rapacity of the current landfill of controls on the acid plant bypath acid storage infrastructure, and molybdenum contamination of groundwater, caused by stormed discharge, and discharge of satisfication.  There are active action plans we timelines, assigned personnel, steps in place to address the rist of the control o	groundwater, caused by stormwater discharge, and discharge of sanitary
		There are active action plans with timelines, assigned personnel, and steps in place to address the risks.
		This is confirmed through interviews with management; interviews with external stakeholders on their perspective on any historic or current pollution to which the site may have contributed; and a review of documents including the environmental procedures manual, waste minimization plan,



		permits, recycling programs, and training records.
21. Biodiversity and Protected Areas	Fully meets	Fort Madison implements the mitigation hierarchy to avoid, minimize, reduce, and compensate for adverse impacts on biodiversity; to avoid adverse impacts to Critical Habitats or Endangered Species; and to prevent operational activities in World Heritage sites or in designated protected areas unless specifically and legally permitted.
		72% of the land owned by Fort Madison is wildlife habitat (14% is the plant, 14% farmland). The site has been certified by the Wildlife Habitat Council - gold tier. There is an inventory list of plants and trees found on the property.
		As part of the management of change reviews, each new project is assessed for impacts on biodiversity, including if the change will cause a potential for increased risks and impacts, including a net loss to biodiversity. If any questions are answered "yes," more information is provided. The process is reviewed, approved, and subject to internal audit.
		After a need identified by employees for education and awareness raising, Fort Madison hosts an annual environmental summit related to the management activities being undertaken as part of the Landfill Prairie Management project.
		No World Heritage sites or designated protected areas are impacted by operations.
		This was confirmed through site observations; interviews with management; and a review of documents including environmental permits, risk register, biodiversity projects, and wildlife and avian protection plans.
22. Mine Closure and Reclamation	Not applicable	This criterion is not applicable to non-mining operations.



		Nonetheless, assessors were able to evaluate the Industrial Monofil Financial Assurance Report Form which was submitted to the Iowa Department of Natural Resources (DNR). Within this form it was noted the post closure financial obligation.  Additionally, on a quarterly and annual basis, certain closure, economical or operating events that could possibly impact the cash flow estimates and timing for asset retirement obligations (AROs) are identified. The financials are audited by an external verifier.
		Fort Madison implements a management system to monitor, avoid, minimize, reduce, and compensate for adverse impacts on community health and safety.
23. Community Health and Safety	Fully meets	Fort Madison performs a quarterly risk assessment which is documented within their risk register, of all potential risks that could occur and impact health, safety, environment, or the local community. Of note are risks related to water.
		In addition, Fort Madison has received RCMS (Responsible Care Management System) from the American Chemistry Council.
		Fort Madison further coordinates with the local fire department on the emergency response plan, yearly inspections, and hazmat team drills (suspended during Covid-19).
		This was confirmed through interviews with management; interviews with workers; interviews with external stakeholders to understand their perspective on any historic or current negative impacts to which the site may have contributed; and a review of documents including social spending reports, community health needs assessment, and the 5-year workplan for engagement with stakeholders.



		Fort Madison has a process to identify community needs in consultation with affected communities, develop a plan, and commit resources to support community development.
24. Community Development	Fully meets	Fort Madison is engaged in various outreach methods including biannual community partnership panels to discuss what is happening at the site level with the local community; riverfront restoration support; local economic development efforts; educational outreach and career development; and employee charitable contributions matched by the company.
		In addition, there is an emphasis to purchase locally and to use the community panels to highlight a need for goods or services.
		This was confirmed through interviews with management; interviews with external stakeholders; and a review of documents including the stakeholder overview, list of donations and charities, North America Local Procurement Strategy, community partnership panel meeting presentations and notes, and the social performance policy.
25. Artisanal and Small-Scale Mining	Not applicable	The assessment confirmed there is no ASM in the area of influence.
26. Human Rights	Fully meets	Fort Madison has a process to implement the UN Guiding Principles on Business and Human Rights including human rights due diligence. Policies are primarily driven by corporate policies and implemented at site through mechanisms to assess potential and actual human rights risks and impacts, in particular with suppliers and contractors.
		There is a grievance mechanism in place. No adverse human rights impacts were detected during the assessment.
		This was confirmed through interviews with management; interviews with stakeholders; interviews with workers; a



		desk-based review on whether human rights issues have been raised against the site or the region in which the site operates (no results were found); and a review of documents including the supplier code of conduct, policy for grievances, training records, the site risk register, and the human rights policy.
27. Security and Human Rights	Not applicable	This criterion is not applicable to non-mining operations. Nevertheless, because the assessment was conducted also against the ICMM Performance Expectations, it was determined that Fort Madison has a system to implement the Voluntary Principles on Security and Human Rights when engaging with private or public security forces.
28. Indigenous Peoples' Rights	Not applicable	The assessment confirmed there are no indigenous peoples in the area of influence.
29. Land Acquisition and Resettlement	Not applicable	During the assessment, it was confirmed that there were no plans to expand sites operations within the next three years.
		Fort Madison has a process to identify cultural heritage sites and to establish a process based on consultation with stakeholders to avoid, minimize, reduce, and compensate for adverse impacts on cultural heritage.
30. Cultural Heritage	Fully meets	Based on preparatory review and the assessment, the assessors confirm there are no cultural heritage sites nearby.
		This was confirmed through interviews with management; interviews with external stakeholders; and a review of documents including the risk register, social performance policy, and toolbox presentations about measuring potential environmental impacts.
31. Due Diligence in Mineral Supply Chains	Fully meets	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. Fort Madison is fully covered by these systems.
			Fort Madison has a simple supply chain with few suppliers.
			This was confirmed through interviews with management; and a review of documents including the Corporate/Sales & Marketing SOPs for implementation of the 5-step process for implementation of the OECD guidelines in mineral purchases, review of minerals supply chains and Freeport-McMoRan assessment of red flag issues and associated management actions at the site, and the process for assessing risk in purchases of goods and services.
			At corporate level, there is a publicly available Responsible Sourcing of Minerals Policy, supplier questionnaires, a CAHRA identification tool, and training to support implementation.
31.a. Manag System	31.a. Management System	Fully meets	The policy is overseen by the Sustainability Leadership Team at corporate level and implemented by the Responsible Production Frameworks and Sustainability Department. There is a procedure to control materials and equipment entering and exiting the facility.
	- 2 y 3.5		Authorities and accountabilities and resources are well allocated proportional to the size and complexity of the operations. Senior leadership is responsible for review and revision of the system.
			There are channels to address supply chain concerns early and remediate impacts, which are described in the Business Partner Code of Conduct, the Principles of Business Conduct, and at FCX.com



	31.b. Red Flag Identification Process	Fully meets	At the corporate level, there is a process to identify CAHRAs. Molybdenum concentrates are sourced from three countries, including mines from within the Freeport-McMoRan group.  The Freeport-McMoRan CAHRA assessment has determined that two of the countries are not a CAHRA. Peru is classified as "orange." In accordance with the company policy, a classification of orange requires awareness training and Annex II risk prevention. The assessment confirmed Annex II risk prevention, training, and awareness raising to suppliers of minerals and metals, employees, customers, and other interested stakeholders.
	31.c. Risk Assessment Process	Not applicable	Not applicable as no red flags were identified.
	31.d. Risk Management Process	Not applicable	Not applicable as no red flags were identified.
	31.e. Public Reporting Fully meets	Fully meets	The corporate Step 5 report covers the management system implementation at Fort Madison. It is available <u>here</u> .
32. Transparency and Disclosure		Fully meets	At the corporate level, there is an annual reporting process, which includes information about Fort Madison's environmental, social, and governance data. The report is in accordance with the GRI Standards: The report is independently assured.
			The corporate Annual Sustainability Report and other relevant reports are available <b>here</b> .
			At corporate level, there is a statement of support for EITI, available on the EITI website.

## 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.		
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 11 April 2025.		
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 11 April 2025.		
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.		
Limitations:		
Additional comments:		
Award		
The Copper Mark		
The Molybdenum Mark		
The Nickel Mark		
The Zinc Mark		
This Summary Report is prepared using data from the independent accountant's assurance report and the independent assessor report. The Copper Mark confirms the assessors' opinion and awards the relevant metal Mark(s) as follows.		
Date The Molybdenum Mark is awarded	2 October 2023	
Expiry Date of The Molybdenum Mark	1 October 2026	