

GLENCORE



**QUEENSLAND
METALS**

**2022 COPPER REFINERY PUBLIC DUE
DILIGENCE REPORT**

TABLE OF CONTENTS

1. Company Information	3
2. Responsible Sourcing Policy	3
3. Management System	5
3.1. Management Structure	5
3.2. Internal Systems of Control	5
3.3. Record Keeping System	7
4. Risk Identification	7
4.1. Glencore Approach	7
4.2. Risk Identification of Metals and Minerals Processed by CRL	8
4.3. Risk Identification Results	9
5. Risk Mitigation	9
6. Extractive Industry Transparency Initiative.....	9

1. COMPANY INFORMATION

Company Name	Copper Refinery Pty Ltd (CRL)
Ultimate parent company name/Group	Glencore plc Glencore plc is the holding company of the group of companies which collectively comprise the Glencore group and are the companies in which Glencore plc directly and indirectly has a controlling interest (“Glencore”, “Glencore group” or “Group”)
Company location	Townsville, Queensland, Australia
Description of industrial asset	Copper Refinery Pty Ltd , which is part of Glencore’s Queensland Metals industrial asset, is an electrolytic copper refinery in Townsville, North Queensland. Electrolytic refining involves submerging copper anodes in an acidic copper sulphate solution, between stainless steel mother plates in the refinery tankhouse. Using Glencore’s proprietary IsaKIDD process, the refinery produces up to 300,000 tonnes a year of 99.995% pure copper cathode—the primary raw material used to produce copper wire, cabling and many other products we use every day. Copper Refinery Pty Ltd (glencore.com.au)
Metal/mineral material processed	Copper Anode and Scrap
Type of operation – e.g., integrated mine and refiner, smelter etc.	Electrolytic copper refinery
Ownership structure, including any subsidiaries (if applicable)	CRL is indirectly wholly owned by Glencore plc
Assessment period	1 January 2022 – 31 December 2022

2. RESPONSIBLE SOURCING POLICY

Glencore recognises the imperative of responsible sourcing and supplying metals and minerals that advance everyday life. Responsible sourcing is our commitment to take into account social, ethical and environmental considerations with regards to our products and supply chains and when managing our relationships with our suppliers.

As a Glencore company, [Copper Refinery Limited \(CRL\)](#) adopted and implemented Glencore’s Purpose to responsibly source and supply the commodities that advance everyday life. CRL do not source metals and minerals directly, all sourcing is

completed through the Glencore Copper Marketing Team, including teams in Glencore’s offices in Brisbane, Australia and Baar, Switzerland, who complete the supply chain due diligence (SSCD) and Know Your Counterparty (KYC) assessments on behalf of CRL.

To this end Glencore rolled out a standalone [Responsible Sourcing Policy](#) in June 2022, which is progressively being implemented across the Group. The Responsible Sourcing Policy is a public facing document which sets out Glencore’s commitments to responsible sourcing, whether it is goods, services, metals, or minerals. It applies to all employees, directors, and officers, as well as contractors under Glencore’s direct supervision, working for a Glencore office or industrial asset directly or indirectly controlled and operated by Glencore plc worldwide. The policy sets out the specific requirements we apply to suppliers of metals and minerals and how Glencore is implementing the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, 3rd edition (OECD Guidance).

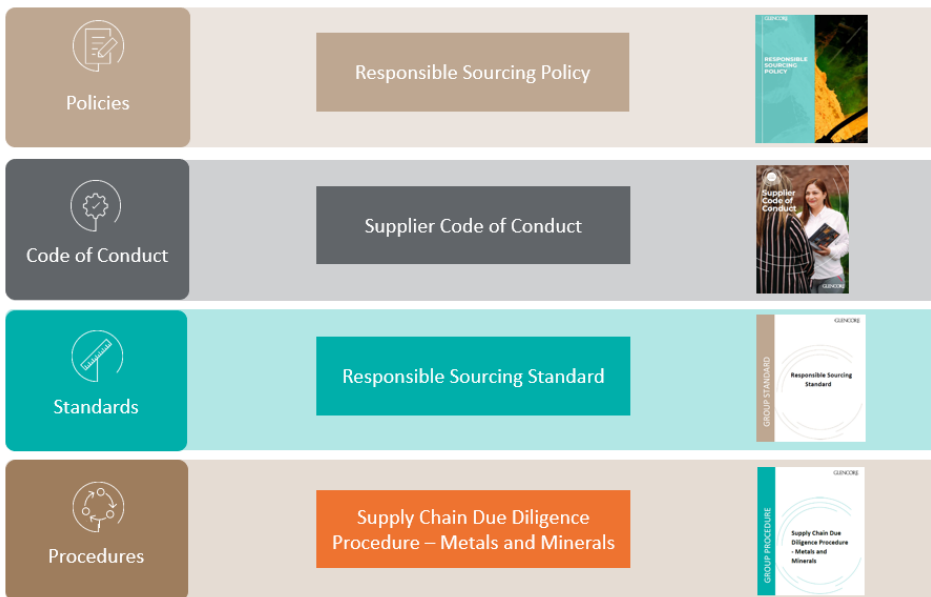
In 2021, Glencore also reviewed, revised and rebranded its Supplier Standards, which was launched as the [Supplier Code of Conduct](#) (Supplier Code) and which defines our requirements and expectations of our suppliers. The Supplier Code is consistent with the standards set out in Annex II of the OECD Guidance. The launch of the Supplier Code was communicated via email to all employees and published on Glencore’s website in June 2022. The Supplier code is widely disseminated to relevant stakeholders (suppliers, customers, employees, etc) and remains publicly available on the Glencore website.

Both the Supplier Code and Responsible Sourcing Policy are implemented at Glencore through the Responsible Sourcing Standard (Standard) and the Supply Chain Due Diligence Procedure – Metals and Minerals (Procedure).

Glencore’s **Standard** is an inward facing document, which defines mandatory minimum requirements for all Glencore commodity departments to identify, assess and manage the key responsible sourcing risks associated with our suppliers of goods, services, metals and minerals. The Standard is aligned with the requirements of Glencore’s Responsible Sourcing Policy and -for metals and minerals- with the requirements of the OECD Guidance.

Glencore’s **Procedure** further supports the requirements of the Standard and sets out -for metals and minerals- the due diligence steps including data collection, risk assessment, risk mitigation and the data retention process across Glencore.

Glencore’s Standard and Procedure apply to all employees, directors and officers, as well as contractors under Glencore's direct supervision, working for a Glencore office or industrial asset directly or indirectly controlled or operated by Glencore plc worldwide. An overview of Glencore’s responsible sourcing architecture is given below.



This Sustainability and Ethics & Compliance frameworks sit within Glencore [Group policy](#) frameworks which encompasses the Groups’ Values, Code of Conduct and a suite of policies, standards, procedures and guidelines on various key matters and risks to Glencore. This framework reflects Glencore’s and as a Glencore company, CRL is committed to uphold responsible and ethical business practices.

CRL are continuously developing, reviewing, and updating our suite of documentation on a variety of topics relevant to Responsible Sourcing, Compliance, Finance, Health Safety Environment and Communities (HSEC) and Human Rights, and Risk Management.

This report gives an overview of Glencore's policies relevant to responsible supply chain management on [Human Rights](#), [Anti-Corruption and Bribery](#), [Anti-Money Laundering](#), [Sanctions](#), and [Whistleblowing](#).

3. MANAGEMENT SYSTEM

3.1. MANAGEMENT STRUCTURE

Glencore's expectations and requirements of suppliers are supported by senior management who oversee the Responsible Sourcing program and are committed to its implementation.

Glencore's Board HSEC Committee has oversight and ultimate responsibility for our Group Sustainability Strategy and Framework. It receives regular updates and has oversight of how our business is performing across all our internally defined, sustainability related material risk areas. Oversight and responsibility for our Group Sustainability Strategy and Framework and its implementation across the Group, rests with our senior management team, including the CEO and heads of our Commodity departments. They take a hands-on approach to monitoring and managing sustainability activities around the Group.

Glencore's Group Sustainable Development function (Group SD) has a dedicated Responsible Sourcing Team who is responsible for the SCDD program across the Commodity departments for metals and minerals and who supports Glencore industrial assets with the implementation of the program.

Glencore has a Group Corporate Compliance team responsible for designing, monitoring, and continuously improving our Ethics and Compliance Programme, which includes KYC assessment of suppliers of metals and minerals. All Glencore employees, directors, officers, and suppliers must comply with our relevant compliance policies, procedures, and guidelines in addition to complying with applicable laws and regulations in the country of operation.

The CRL Manager is accountable for ensuring CRL operates within the requirements of Glencore's Responsible Sourcing Framework and coordinates the actual implementation of the due diligence program for CRL. CRL do not source metals and minerals directly, all sourcing is completed through the Copper Marketing Team. The due diligence is undertaken by the Group SD Responsible Sourcing Team in Baar and the KYC is handled via the Australian and/or Baar KYC teams on behalf of CRL. The CRL manager coordinates with the Copper Marketing Team and Group SD's Responsible Sourcing Team, ensuring that suppliers of third-party feed have gone through the KYC and SCDD assessments and ensuring all relevant employees have received relevant training.

3.2. INTERNAL SYSTEMS OF CONTROL

Training

Glencore employees receive induction and annual training on a wide range of policies and standards, including Glencore's Code of Conduct, Responsible Sourcing Policy and compliance policies. The latter includes global anti-corruption, and bribery policies which includes guidance on important topics such as raising concerns, facilitation payments, the giving and receiving of gifts and entertainment and dealings with public officials. Training materials are tailored to make them relevant by including practical questions and hypothetical scenarios illustrating how responsible sourcing and ethics and compliance dilemmas might manifest themselves in employee's daily work. Responsible sourcing training covering the policy, Supplier Code, the Standard and the Procedure has been provided to relevant employees including the Copper Marketing Team across Glencore in 2022 by Group SD's Responsible Sourcing Team.

Employees required to process and receive third-party feed metals/minerals or otherwise as part of their role are trained in the Standard, which outlines the mandatory minimum requirements for all Glencore commodity departments and industrial assets to identify, assess and manage key responsible sourcing risks associated with third party suppliers.

Online Compliance training is managed through e-learning, users are assigned risk rating based on their roles and the training curriculum is applied based on the risk rating. An Annual Compliance Training (ACT) campaign is run in October each year to ensure employees are aware and assessed on their knowledge of compliance.

In support of the Glencore Code of Conduct, CRL personnel receive annual training to ensure they conduct activities in a manner that meets behaviour standards Glencore expect from all employees. CRL reinforce this message by displaying visual material around offices and, ensuring new starter employees' induction programme includes training on Glencore's e-learning which is applicable to all employees and reinforcing our zero tolerance for breaches of our Code of Conduct, Responsible Sourcing Policy and Supplier Code through the Raising Concerns Programme.

Contracts

Glencore requires its expectations and requirements of suppliers to be included in its supplier contracts. Suppliers identified with 'red flags' are required to have additional high-risk contract clauses and corrective action plans (CAPs), which will be included as applicable upon completion of enhanced due diligence managed by the Responsible Sourcing Team.

Our Supplier Code is widely disseminated to relevant stakeholders (suppliers, customers, employees, etc.) and is available publicly on the Glencore website. The Supplier Code requires all suppliers, when working with us, to act in a manner consistent with our Supplier Code. Additionally, in respect of certain high-risk areas, including modern slavery and child labour, the Supplier Code requires suppliers to cascade our requirements down to their suppliers and work to eliminate modern slavery and child labour in their supply chains. In respect of all other areas, the Supplier Code also encourages suppliers to set expectations similar to those in our Supplier Code.

Chain of custody controls

CRL has controls in place for receiving materials including but not limited to checking Certificates of Origin, Bills of Lading, packing lists, certificates of analysis and weight certificates for each delivery. These are checked at every point in the third-party feed supply chain and a final monthly reconciliation is done by CRL. The movement of material at CRL is tracked throughout using sampling and measurement systems for mass and metal content. The data is inputted to metals accounting which produces an on-going metal/commodity balance for the operation.

Applicable supply chain due diligence for third party metals and mineral supplied to CRL is conducted by Group SD's Responsible Sourcing Team in Baar, Switzerland, results of which are communicated to CRL and provides evidence/confirmation to CRL that the respective supply chain due diligence has been carried out. Further internal audit processes are applied by the Quality Assurance and Quality Control team based in Brisbane.

Raising Concerns Programme

Glencore is committed to creating a culture where everyone can feel free to speak about concerns securely and confidentially. That includes employees, contractors, directors, and officers working in Glencore offices and industrial assets, as well as third parties such as customers, suppliers, or other stakeholders. Other stakeholders may include communities, shareholders, or other business partners. Anyone may raise any situation in which the Glencore Code of Conduct, Responsible Sourcing Policy or Supplier Code, their underlying policies or the law appears to have been breached to local Whistleblowing Contacts or through the 'Raising Concerns Programme' (available via the [Raising Concerns Platform](#)), Glencore's corporate whistleblowing programme managed in Baar, Switzerland. The Raising Concerns Investigations Committee (RCIC) comprises Glencore's CEO, CFO, General Counsel, Head of Industrial Assets and Head of Human Resources. The RCIC oversees the operation of the Raising Concerns Programme and the conduct of investigations, ensuring recommendations and sanctions are applied consistently across the Group. If a concern is related to mineral extraction, trade, handling, and export, it would be communicated to and investigated by the Group Responsible Sourcing Team together with Group Legal.

CRL supports and communicates the Raising Concerns Programme at a local level. The Raising Concerns Programme can be accessed through Copper Refinery Ltd (glencore.com.au). The Glencore Raising Concerns Procedure sets out the process for the classification, tracking, and reporting of concerns received into the Raising Concerns Programme in a manner consistent with Glencore's Whistleblowing Policy - this intake process is critical and conducted in Baar. The classification process

determines how the concern will be managed and investigated, including whether it is handled by Glencore's corporate functions or the relevant Glencore commodity department. If a concern is assessed to be capable of being handled by the commodity department, the details of the concern will be assigned to an appropriate investigator to conduct the investigation of the concern overseen by an appropriate case owner within the commodity department and/or at site level.

3.3. RECORD KEEPING SYSTEM

Glencore has a Group level [Information Governance Policy](#) which outlines our public commitment and handling of the various types of information and its appropriate protection during its life cycle.

At headquarters in Baar, Switzerland there is a Retention and Destruction Procedure and a live document Retention Schedule which outlines minimum length of retention basis the types of records.

CRL stores and archives all records are per our Governance Documents G-NQ-HSEC-GOV-Archiving and G-NQ-HSEC-GOV-Records Management. These documents ensure that all records relating to responsible sourcing are maintained as required under local law in accordance with best document retention practice. Documents are maintained for a minimum of 7 years; documents are properly used and are safely stored in a combination of physical and electronic records.

4. RISK IDENTIFICATION

4.1. GLENCORE APPROACH

As outlined in the Group Responsible Sourcing Policy, we have a comprehensive framework for identifying and managing key risks in our metals and minerals supply chains, from supplier due diligence, selection, onboarding and monitoring, through to disengagement. We allocate appropriate resources and assign clear roles, responsibilities, and accountabilities within Glencore to implement this framework. We assess suppliers based on their risk and direct them to the most appropriate management process for their risk level. For suppliers of metals and minerals, we conduct due diligence in accordance with the 5-Step due diligence framework defined in Annex I of the OECD Guidance.

Glencore's risk assessment process for the procurement of metals and minerals is outlined in the Supply Chain Due Diligence Procedure-Metals and Minerals. As part of the risk identification process, we identify whether our third-party suppliers of metals and minerals are located in, sourcing from or transporting minerals through Conflict Affected or High-Risk Areas (CAHRAs) and, if so, have the potential to be associated with human rights abuses. CAHRAs are typically regions or countries with socio-economic and political crises, institutional weakness and weak rule of law, widespread violence including armed conflicts. Such countries are susceptible to widespread human rights abuses - torture, cruel, inhuman and degrading treatment, child, forced or compulsory labour and sexual violence. The procedure outlines the list of CAHRAs as well as other OECD 'red flags', such as supplier red flags. Where we identify a potential 'red-flag' material origin or supplier, as defined in the OECD Guidance, we undertake further assessment. Tools used in our risk assessments include, checking databases, open-source desk top research, sending out supply chain due diligence questionnaires and on-the-ground assessments.

Glencore's CAHRA list is developed based on reports from governments, international organisations, including the World Bank, UN reports and UN Security Council sanctions, think-tanks, NGOs; industry literature relating to mineral extraction, media, as well as internationally recognised indices on conflict, democracy and rule of law, and human rights. The Glencore CAHRA list also considers the US Dodd Frank Act, the EU indicative and non-exhaustive CAHRA list for Tin, Tantalum, Tungsten and Gold, which is updated on a quarterly basis.

Glencore's CAHRA list is generally updated at least annually by Group SD with consultation from an independent external party and published on Glencore's intranet "The Core". In 2022 Group SD used the following relevant indices to obtain the list of CAHRAs (countries and regions):

Child labour

- US Department of Labour List of Goods Produced by Child Labour or Forced Labour (updated 23 June 2021)

Modern slavery, forced labour and human trafficking

- US Department of Labour List of Goods Produced by Child Labour or Forced Labour (updated 23 June 2021)

Gross Violations of Human Rights

- Fragile States Index (updated 20 May 2021)
- World Governance Indicators – Political Stability and Absence of Violence/Terrorism (updated 30 September 2021)

Conflict

- Fragile States Index (updated 20 May 2021)
- Global Peace Index (updated 4 June 2021)

Corruption (including illegal taxation or extortion)

- World Governance Indicators – Control of Corruption (updated 30 September 2021)
- Corruption Perceptions Index (updated 25 January 2022)

4.2. RISK IDENTIFICATION OF METALS AND MINERALS PROCESSED BY CRL

Supply Chain Due Diligence

For the third-party feed procured by the Copper Marketing Team, the due diligence was conducted by the Group SD's Responsible Sourcing Team, in line with the Procedure. The Responsible Sourcing Team assesses and prioritises supplier transactions on a risk-based approach and gathers and records data on Glencore's due diligence management system. The Responsible Sourcing Team collects supplier data required to identify and mitigate red flags in the supply chains of metals and minerals. CRL is informed of the outcome of the supply chain due diligence.

CRL adheres to the red flag triggers outlined in the Procedure to identify risks and evaluate concerns raised through the responses of supplier questionnaire or the screening described above to ensure that risks listed in the OECD Guidance Annex II are identified and where appropriate mitigated in our third-party feed supply chains.

- Suppliers that are identified as having OECD aligned 'red flags' by Copper Marketing Teams as part of the responsible sourcing process are required to complete a Supply Chain Due Diligence Questionnaire. This is outlined in the Procedure which requires information regarding the origin of the material supplied, human rights practices (including where risks are identified as per Annex II of the OECD Guidance). Any concern identified through the questionnaire, or the screening are escalated for review to the Group's Responsible Sourcing Team in Glencore head office in Baar, Switzerland.

Know Your Counterparty

- As part of KYC procedures, for marketing and industrial assets, Glencore undertakes the following measures:
 - Identification of the ownership (including beneficial ownership) and corporate structure;
 - Identification of the related businesses, subsidiaries, parents, affiliates; and
 - Verification of the identity of the companies.

The extent to which are carried out is determined on a risk sensitive basis.

- World-Check One screening (supported by additional open-source research) are also independently undertaken by the relevant Australian Regional Compliance Team or the Group Compliance Team depending on the Copper Marketing Team's location. Suppliers are screened against Sanctions, Law Enforcements, Regulatory Enforcements and Politically Exposed Person (PEP) watch lists for compliance with Anti-Money Laundering (AML), Know Your Counterparty (KYC), Counter Terrorist Financing (CFT) and PEP regulations. Annex II risks identified as part of the screening process get reported to Group SD's Responsible Sourcing Team and contributes towards risk identification process for responsible sourcing.

4.3. RISK IDENTIFICATION RESULTS

CRL is made aware of the risks related to third-party feed received and/or processed by the refinery during the assessment period. This information may include the number of red flags identified in the supply chain (OECD Guidance 'red flags' and / or adverse news), whether subsequent supplier outreach is required in order to determine CAPs and or the need for on-the ground assessments.

During the assessment period (2022) CRL processed third-party feed material from a supplier that is located in an area that is known to transit materials from a nearby CAHRA. Enhanced due diligence was conducted and further supplier engagement is required, the outcome of which will determine the need for an on the ground assessment and/or CAPs. CRL management was informed of the SCDD results.

5. RISK MITIGATION

We are committed to addressing any Annex II risks identified through our supply chain due diligence programme.

Where the Responsible Sourcing Team identifies high risk supplier's basis OECD Guidance red flags, suppliers are engaged, and bespoke CAPs are designed basis the size and complexity of the supplier company. Specific timeframes for measuring objective improvements are detailed in the plan. The CAPs form part of the business relationship/contractual obligations.

Glencore follows the OECD Guidance while sourcing from, or operating in, CAHRAs including the suspension and termination guidance on risks outlined in Annex II of the OECD Guidance which is reiterated in Glencore's Responsible Sourcing Policy.

Where further engagement with a supplier is required, the outcome of this engagement will determine the need for appropriate risk mitigation measures such as on the ground assessments and/or CAPs.

6. EXTRACTIVE INDUSTRY TRANSPARENCY INITIATIVE

Glencore has been an active supporter of the Extractive Industry Transparency Initiative (EITI) since 2011 and engages with the EITI at both local and international levels. Glencore is supportive of the EITI and the objective of the EITI Association to make the EITI Principles and the EITI Standard the internationally accepted standard for transparency in the oil, gas, and mining sectors.

Where we operate in EITI member countries, we provide local EITI disclosures, participate in local multi-stakeholder groups and engage in policy consultation processes as appropriate. Glencore promotes commodity-trading transparency by disclosing the payments Glencore makes to state-owned enterprises in EITI member countries for the purchases of crude oil, minerals and metals. Glencore includes these EITI commodity-trading disclosures in its annual [Payments to Government report](#), which also includes a voluntary additional report of payments by 'regions and commodity'.