

Module: Introduction**Page: Introduction****CC0.1****Introduction**

Please give a general description and introduction to your organization.

Freeport-McMoRan (the Company) is a natural resources company with headquarters in Phoenix, Arizona. Freeport-McMoRan operates large, long-lived, geographically diverse assets with significant proven and probable reserves of copper, gold, molybdenum, cobalt, oil and natural gas. The Company has a dynamic portfolio of operating, expansion and growth projects in the copper industry. Freeport-McMoRan is also the world's largest producer of molybdenum and a significant gold, oil, and natural gas producer.

Freeport-McMoRan's portfolio of assets includes the Grasberg minerals district in Indonesia, one of the world's largest copper and gold deposits; significant mining operations in the Americas, including the large-scale Morenci minerals district in North America and the Cerro Verde operation in South America; the Tenke Fungurume minerals district in the Democratic Republic of Congo (DRC); and oil and natural gas assets in North America, including growth potential in the Deepwater Gulf of Mexico, established oil production facilities onshore and offshore California, large onshore natural gas resources in the Haynesville shale in Louisiana, natural gas production from the Madden area in Central Wyoming and an industry-leading position in the emerging Inboard Lower Tertiary/Cretaceous gas trend located in the shallow waters of the Gulf of Mexico and onshore in South Louisiana.

Our oil and gas subsidiary, FM O&G, is excluded from our response. While our oil and gas operations are excluded from the boundary of this report, FM O&G operates in accordance with all Freeport-McMoRan policies and governance structures. Operating in a highly-regulated industry in the U.S., FM O&G maintains audited safety and environmental management systems and emergency response procedures. During 2014, we completed sales of our 80 percent ownership interests in the Candelaria and Ojos del Salado copper mining operations which are also excluded from the report boundary.

Copper, molybdenum, and cobalt are part of a supply chain on which modern society depends. We are a significant supplier of critical metals to the world's economies. The generation and transmission of electricity, our means of communications and transportation, and the infrastructure that surrounds us all depend on the metals we produce. In 2014, copper accounted for approximately 60% of our revenues. As we look to the future, copper will continue to be essential in these basic uses as well as contribute significantly to new technologies for energy efficiencies, to advance communications and to enhance public health. Copper's end-use markets (and their estimated shares of total consumption) are construction 30%, consumer products 28%, electrical applications 19%, transportation 12% and industrial machinery 11%. Molybdenum is a key alloying element in steel and the raw material for several chemical-grade products used in catalysts, lubrication, smoke suppression, corrosion inhibition, and pigmentation. Molybdenum, as a high-purity metal, is also used in electronics such as flat-panel displays and in super alloys used in aerospace. Cobalt is widely used in industry, as an important metal in super alloys for jet engines, in healthcare, in batteries, and in alternative energy.

CC0.2**Reporting Year**

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

| Enter Periods that will be disclosed |
|--------------------------------------|
| Wed 01 Jan 2014 - Wed 31 Dec 2014 |

CC0.3**Country list configuration**

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

| Select country |
|-----------------------------------|
| United States of America |
| Chile |
| Peru |
| Congo, Democratic Republic of the |
| Indonesia |
| Spain |
| United Kingdom |
| Netherlands |
| Finland |

CC0.4**Currency selection**

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

Further Information

Our greenhouse gas emissions are directly correlated to changes in mining production, which is generally correlated to global economic activity; our indirect emissions are a direct function of the energy supply mix of the host countries where we operate. Our current business plans are expected to require increased haul truck fuel consumption caused by longer and steeper material haulage and higher mining rates. As a result, because material haulage is a significant component of our direct emissions profile, without a change in technology applicable to our mining operations, our business plans indicate increasing direct emissions (both absolute and intensity-based emissions) from these existing facilities. Moreover, through attractive ongoing brownfield expansion projects, including those at Cerro Verde and Morenci, we expect to increase our copper production volumes. The Company is evaluating other project opportunities to increase product volumes which could be pursued over the next decade. These brownfield expansion projects will also lead to an expected increase in total emissions. Nevertheless, Freeport-McMoRan is committed to developing greenhouse gas emission reduction strategies, a number of which are developed at Freeport-McMoRan research and development facilities. One of these strategies is to increase the use of purchased power that comes from renewable or low-carbon sources when feasible. For example, TFM has invested over \$215 million to renovate a hydro-electric power station in the DRC, including refurbishment of four turbines. The investment will promote more reliable renewable electricity for the region and for TFM operations. A second strategy is to implement energy efficient mineral processing technologies when we are expanding our production. The Morenci mill expansion in Arizona commenced operations in May 2014. As part of the expansion, high efficiency ball mills and a hydraulic roll crusher were installed, allowing for the processing of higher volumes of ore with up to 25% more energy efficiency than other crushing circuits in the industry. Even with the implementation of these strategies, our business plans anticipate increased total emissions as we respond to increasing demand for our products, principally copper.

CAUTIONARY STATEMENT

This report contains forward-looking statements in which we discuss factors we believe may affect our performance in the future. Forward-looking statements are all statements other than statements of historical facts, such as statements regarding projected production and sales volumes. We caution readers that our actual results may differ materially from those anticipated or projected in the forward-looking statements. Important factors that can cause our actual results to differ materially from those anticipated in the forward-looking statements are described in Freeport-McMoRan's Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission and available on our website at fcx.com.

Module: Management

Page: CC1. Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

The Freeport-McMoRan Board of Directors (board) as a whole is responsible for risk oversight, with reviews of certain areas being conducted by the relevant board committees that report to the full board. In its risk oversight role, the board reviews, evaluates and discusses with appropriate members of management whether the risk management processes designed and implemented by management are adequate in identifying, assessing, managing and mitigating material risks facing the Company. In addition, as reflected in our Principles of Business Conduct, the board seeks to establish a “tone at the top” communicating the board’s strong commitment to ethical behavior.

Board committees assist in fulfilling the board’s oversight responsibilities with respect to certain areas of risk. Each committee regularly reports on these matters to the full board. The Corporate Responsibility Committee of our board is responsible for overseeing our policies and programs related to management of risks associated with the Company’s safety and health policies and programs, environmental policy and implementation programs, human rights policy and practices, community health programs and related public health and medical matters, community policy and practices, governmental and stakeholder relations and social investment and sustainable development programs, charitable contributions, and political activity and spending practices. The committee examines key performance data and receives briefings concerning challenges and emerging issues in these areas.

The board believes that full and open communication between senior management and the board is essential to effective risk oversight. Our chairman and our vice chairmen regularly meet and discuss with senior management a variety of matters including business strategies, opportunities, key challenges and risks facing the Company, as well as management’s risk mitigation strategies. The board oversees the strategic direction of our Company, and in doing so considers the potential rewards and risks of our business opportunities and challenges, and monitors the development and management of risks that impact our strategic goals.

Our Energy and Water Task Force is co-led by our Vice President – Technology and our Vice President Operational Improvement. Our Vice President – Environmental Services and Sustainable Development provides advisory and management support. The Energy and Water Task Force addresses climate change topics, and evaluates associated potential business ramifications such as supply chain impacts, operational issues and opportunities (e.g., energy efficiency), and the effects of proposed legislation and new regulatory requirements. The Task Force meets regularly and provides updates of its work to senior management. In addition to the regular meetings, members of the Task Force coordinate on a variety of matters including, those related to climate change.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

No

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

| Frequency of monitoring | To whom are results reported? | Geographical areas considered | How far into the future are risks considered? | Comment |
|--------------------------------|--|--|--|---|
| Annually | Board or individual/sub-set of the Board or committee appointed by the Board | All active mining and mineral processing operations. | > 6 years | Please see below for commentary on our risk management processes. |

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

Freeport-McMoRan has instituted a Sustainable Development Risk Register (SDRR) process that is a formal management system for the identification and prioritization of sustainability issues across all operations. This tool allows us to identify key risks and opportunities across the safety, environmental, social, economic and value chain spectrum. To ensure the process is inclusive, we consider feedback from our stakeholder engagement processes, emerging regulations, industry best practice, and trends tracked by the media, nongovernmental organizations, and researchers. Each site (asset level) has a Sustainable Development Leader who facilitates an identification of risks and opportunities for that site. All the site-specific risks assessments are compiled into a company-wide SDRR. Our Project Development Sustainability Review process is used by our project teams to incorporate environmental, social and economic considerations into our development projects at the earliest stages (scoping or prefeasibility). Resulting sustainability focus areas identified through the SDRR process and project reviews are discussed annually by our Sustainable Development Leadership Team (corporate level) and communicated to the Chairman and Vice Chairman of the Corporate Responsibility Committee of the

board. In addition to the SDRR process, we have a multi-departmental Energy and Water Task Force that addresses climate change issues, energy utilization opportunities, and evaluates associated business ramifications. We are also a founding member of the International Council on Mining and Metals (ICMM), a CEO-led organization focused on improving contributions to sustainable development, including a position statement on climate change policy (updated in 2011). A key benefit of our ICMM membership is the ability to identify risks and opportunities at the industry-wide level.

CC2.1c

How do you prioritize the risks and opportunities identified?

The Freeport-McMoRan Sustainable Development Leadership Team provides strategic and operational guidance regarding our sustainability commitments. The team is sponsored by our Executive Vice President and Chief Administrative Officer, and is led by our Vice President of Environmental Services and Sustainable Development. The team includes business unit presidents and senior personnel from the safety, supply chain, human resources, sales, compliance, and land and water functions.

The Freeport-McMoRan Sustainable Development framework is designed for alignment with the ICMM Sustainable Development Framework and implemented based on site-specific factors and influences. Essential to our framework is the SDRR process, which prioritizes safety, environmental, social, economic and value chain challenges and opportunities based on our views of potential impacts to our business and the importance of these topics to stakeholders. As part of this process, local management teams utilize a matrix with eight consequence categories. Our Sustainable Development Department works with operational management teams to review processes to ensure prioritization of key business risks and associated action and monitoring plans.

Our Energy and Water Task Force is co-led by our Vice President – Technology and our Vice President Operational Improvement. Our Vice President – Environmental Services and Sustainable Development provides advisory and management support. The Energy and Water Task Force addresses climate change topics, and evaluates associated potential business ramifications such as supply chain impacts, operational issues and opportunities (e.g., energy efficiency), and the effects of proposed legislation and new regulatory requirements. The Task Force meets regularly and provides updates of its work to senior management. In addition to the regular meetings, members of the Task Force coordinate on a variety of matters including, those related to climate change.

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

The SDRR process, developed as part of Freeport-McMoRan's sustainability program, is a formal management system for the identification of sustainability issues across all operations. This SDRR allows us to identify key risks and opportunities across the safety, environmental (including climate change related), social, economic and value chain spectrum. As a result, the SDRR helps prioritize decisions related to energy efficiency and climate change.

The SDRR is core to how Freeport-McMoRan will fulfill its obligations to implement ICMM's Climate Change Policy (we have this obligation as an ICMM member). All ICMM members have committed to (1) developing greenhouse gas emission reduction strategies and implementing economic emission reduction opportunities; (2) ensuring efficient use of natural resources; (3) supporting research and development of low greenhouse gas emission technologies that are appropriate to the industry; and (4) measuring progress and reporting results.

Through development of the corporate SDRR and creation of the multi-departmental Energy and Water Task Force, Freeport-McMoRan has determined that the potential climate change related aspects that could affect our operations include increased energy costs and long-term sustainable water availability. In response, there is a corporate-level effort to evaluate energy efficiency opportunities associated with milling and solution extraction/electrowinning, which are the most significant power consuming processes at our facilities. Mining sites in arid regions maintain water balance models to better understand water uses and to identify system losses (such as entrapment within tailings storage facilities) within the operation. Although the potential physical impacts of climate change on our operations are highly uncertain, operations in arid regions also conduct annual scenario planning to evaluate the potential impacts of hypothetical reductions of total water availability (physical or otherwise caused) and hypothetical extreme precipitation events. This program aims to help us plan to adapt operations to water shortage or extreme surplus time periods. As described below, we recognize the critical link between increased energy consumption associated with the implementation of sustainable large-scale water supply projects.

Components of Freeport-McMoRan's long term strategy are to monitor international legislative and regulatory developments pertaining to greenhouse gas emissions, renewable energy standards, greenhouse gas reduction schedules, reporting obligations, and to examine opportunities to increase renewable energy consumption. Freeport-McMoRan evaluates the business ramifications of potential changes in energy costs. Furthermore, we continue to engage with energy management experts to discuss the potential for new overarching mining system practices that could be employed to considerably reduce the energy and greenhouse gas intensity of future projects. Subject to ore body characteristics, such step changes would also be predicated on technological innovation in material haulage and we are tracking this evolution closely. Freeport-McMoRan will champion site-specific projects, that are within our span of control, such as renewable energy proposals relevant to our operations and/or property holdings, energy efficiency opportunities, and mining equipment purchases or operational improvements (mine planning, fleet management, etc.) that reduce direct emissions. For example, we expect that milling technologies installed as we expand our facilities will deliver significant energy efficiency gains over older milling technology. Based on recent experience, Freeport-McMoRan achieves significant improvements in energy efficiency associated with new processing facilities (including milling technologies). However, these gains do not economically justify, even at a hypothetical \$50/ton carbon tax, the replacement of existing plants solely to improve energy efficiency.

Freeport-McMoRan is assessing the feasibility of constructing a desalination plant near the Pacific Ocean to treat saltwater for a potential expansion project at our El Abra facility located in the Atacama Desert, an arid region, as part of the process to ensure long-term water supply for that project. Our major brownfield expansion project at Cerro Verde near Arequipa, Peru is also located in an arid region. Water for our Cerro Verde mining operation in Peru comes from renewable sources through a series of storage reservoirs on the Rio Chili watershed that collect water primarily from seasonal precipitation. Its existing tailings storage facility also is among the world's best in terms of water recovery. The operation is constructing a wastewater treatment plant for the city of Arequipa, Peru as it progresses its large-scale expansion, and has obtained authorization to reuse an annual average of one cubic meter per second of the treated water. The plant is expected to improve regional water quality in the Rio Chili, reduce waterborne illnesses, and enhance the value of local agricultural products while providing water for an economically important operational expansion for the region.

CC2.2c

Does your company use an internal price of carbon?

No, and we currently don't anticipate doing so in the next 2 years

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

No

CC2.3i

Please explain why you do not engage with policy makers

Freeport-McMoRan recognizes that public policy decisions can significantly affect our operations, future business opportunities, employees, shareholders and the communities in which Freeport-McMoRan operates. For this reason, we exercise our right and responsibility to participate in public policy matters by following public matters that are important to us and interacting, where appropriate, with elected and appointed government officials, regulators and their staff.

Freeport-McMoRan is a member of various trade associations and other organizations that provide information and assistance with policy issues of concern to Freeport-McMoRan. When we fund a trade association, we do so because we believe the association generally represents our best interests, although we may not support an association's position on every issue.

CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

No opinion

CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

Further Information

Regarding CC2.4: As a global company in a regulated industry, we are subject to legislative, judicial and administrative regulations at all levels of government in all jurisdictions. Our policy is to abide by the laws of the countries in which we operate, as well as to conduct business according to our Principles of Business Conduct. Increased regulation of greenhouse gas emissions may increase our costs and may also affect the demand for our products. We cannot predict the magnitude of increased costs with any certainty given the wide scope of potential regulatory changes in the many countries where we operate.

CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

No

CC3.1e

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

The nature of our operations makes an emissions reduction target of the type requested by this questionnaire impractical, if not physically impossible. First, our direct and indirect emissions are directly related to changes in our mining production, which is correlated to global economic conditions. Consequently, changing market conditions, which are outside of our control, require adjustments to our mining rates. Through attractive brownfield expansion projects, including those at Cerro Verde and Morenci, we expect to increase our copper production volumes. The Company is evaluating other project opportunities to increase product volumes which could be pursued over the next decade. Consequently, we expect total emissions to increase over this time period (absent material changes to the energy mix associated with generation of purchased power supplies in the various countries where we operate which are outside of our control). As a result, we have been unable to formulate a realistic absolute or intensity target. We are, however, committed to continuous improvement in our carbon footprint and evaluating options as discussed below that could provide reductions in emissions in the face of increasing production or physical factors that would otherwise increase emissions.

A large proportion of our direct emissions are from the operation of haul trucks to move extracted ore to the processing facility. As an open pit matures, haul road length increases and haul trucks are required to move ore an additional distance to the processing facility. Additionally, when market conditions necessitate the mining and processing of lower grade ore, haul trucks must move more material. Our current business plans show increased fuel consumption caused by longer and steeper haulage. As such, without a change in applicable technology, which is unavailable at this time, at certain operations our plans indicate increasing direct emissions (both total and intensity-based emissions) even without increased copper production. Even though business plans estimate an increase in these direct emissions, we are exploring possibilities to mitigate increased emissions from haul truck operation.

We are evaluating energy efficiency opportunities associated with milling and solution extraction/electrowinning, which are the most significant power consuming processes at our facilities. Based on recent experience, Freeport-McMoRan achieves significant improvements in energy efficiency associated with new processing facilities (including milling technologies). However, these gains do not economically justify, even at a hypothetical \$50/ton carbon tax, the replacement of existing plants solely to improve energy efficiency. The breakeven point on this type of replacement would take multiple decades. Nevertheless, we do anticipate that our energy efficiency in our operations will lead to a reduction in direct and indirect greenhouse gas emissions compared with emissions had those steps not been taken, particularly with implementation of new processing technologies as our production output grows.

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

CC3.2a

Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

Freeport-McMoRan's products are used in technologies and infrastructure that may help alleviate climate change. Copper is a key component of renewable energy, transportation, power generation and telecommunications systems; it is used in plumbing, wiring, conductivity and connectivity. Molybdenum strengthens steel, resists heat and adds corrosion resistance to piping for water distribution systems and in solar cells. Cobalt is vital to alternative energy applications. These technologies include hybrid vehicles, wind turbines, high efficiency motors, and "green" buildings. The following examples illustrate the importance of our products to technologies that may alleviate climate change.

- Electric vehicles consume two to three times the amount of copper in terms of weight compared to vehicles of similar size with an internal combustion engine. Additionally, charging stations needed to fuel these vehicles will increase the size of the power grid.
- Wind turbines consume four to five times the amount of copper per megawatt compared to carbon based power generation. Wind turbines range from 500kW to 8MW in size.
- Solar power consumes incremental copper in terms of electrical grid extension and in small motors attached to each panel needed to follow the sun.
- High efficiency motors consume up to 75% more copper than a standard motor.
- Green buildings require additional meters and other electronics that are essential to optimizing energy use. Additionally, similar concepts will allow the national power grid to become "smart".
- Cobalt is used in Lithium ion batteries needed to power hybrid/electric vehicles and consumer electronics.

Freeport-McMoRan is a member of the International Copper Association, for more information on the societal benefits of copper, please visit their website at: <http://copperalliance.org/benefits-of-copper/>

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

| Stage of development | Number of projects | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---------------------------|--------------------|--|
| Under investigation | | |
| To be implemented* | 0 | 0 |
| Implementation commenced* | 0 | 0 |
| Implemented* | 8 | 60316 |
| Not to be implemented | 0 | 0 |

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

| Activity type | Description of activity | Estimated annual CO2e savings (metric tonnes CO2e) | Scope | Voluntary/ Mandatory | Annual monetary savings (unit currency - as specified in CC0.4) | Investment required (unit currency - as specified in CC0.4) | Payback period | Estimated lifetime of the initiative | Comment |
|------------------------------|---|--|---------|----------------------|---|---|----------------|--------------------------------------|--|
| Energy efficiency: Processes | Freeport-McMoRan's mine in Morenci, Arizona installed high efficiency ball mills and a hydraulic roll crusher to process ore. This resulted in a crushing circuit that is more energy efficient than others in the industry. This project constituted a voluntary reduction in scope 2 emissions. | 46700 | Scope 2 | Voluntary | | | | | |
| Energy efficiency: Processes | Freeport-McMoRan's Sierrita facility in Arizona installed a new energy efficient floatation circuit. This project | 10328 | Scope 2 | Voluntary | 1171431 | 47268455 | >25 years | Ongoing | There are other benefits associated with this project that are not captured in |

| Activity type | Description of activity | Estimated annual CO2e savings (metric tonnes CO2e) | Scope | Voluntary/ Mandatory | Annual monetary savings (unit currency - as specified in CC0.4) | Investment required (unit currency - as specified in CC0.4) | Payback period | Estimated lifetime of the initiative | Comment |
|--------------------------------------|--|--|---------|----------------------|---|---|----------------|--------------------------------------|---|
| | constituted a voluntary reduction in scope 2 emissions. | | | | | | | | the annual monetary savings column (e.g., infrastructure upgrade, efficient copper recovery). |
| Transportation: use | Freeport-McMoRan's Sierrita facility instituted a program to promote ridesharing and carpooling. This project constituted a voluntary reduction in scope 3 emissions. | 9.6 | Scope 3 | Voluntary | 138834 | 0 | <1 year | Ongoing | |
| Energy efficiency: Processes | Freeport-McMoRan's Sierrita facility in Arizona upgraded its overland conveyor system to improve the energy efficiency of the system. This project constituted a voluntary reduction in scope 2 emissions. | | Scope 2 | Voluntary | | | | | |
| Energy efficiency: Building services | Freeport-McMoRan's processing facility in Norwich, Connecticut implemented a program to systematically replace facility lighting with efficient LED lights. This project constituted a voluntary reduction in scope 2 emissions. | | Scope 2 | Voluntary | | | | | |
| Energy efficiency: Processes | Freeport-McMoRan's Miami smelter replaced the transformers in its smelting process with smaller, more efficient units and installed new instrumentation to | 1182 | Scope 2 | Voluntary | 133777 | 1643410 | 11-15 years | 21-30 years | |

| Activity type | Description of activity | Estimated annual CO2e savings (metric tonnes CO2e) | Scope | Voluntary/ Mandatory | Annual monetary savings (unit currency - as specified in CC0.4) | Investment required (unit currency - as specified in CC0.4) | Payback period | Estimated lifetime of the initiative | Comment |
|--------------------------------------|---|--|---------|----------------------|---|---|----------------|--------------------------------------|---------|
| | optimize power usage. This project constituted a voluntary reduction in scope 2 emissions | | | | | | | | |
| Energy efficiency: Building services | Freeport-McMoRan's Miami smelter replaced HVAC motors with either variable frequency drive motors or high efficiency motors to reduce energy usage. This project constituted a voluntary reduction in scope 2 emissions | 410 | Scope 2 | Voluntary | 23678 | 54169 | 1-3 years | 6-10 years | |
| Energy efficiency: Processes | Freeport-McMoRan's Miami smelter replaced two compressor motors at its oxygen plant with efficient variable frequency drive motors. This project constituted a voluntary reduction in scope 2 emissions | 1686 | Scope 2 | Voluntary | 186790 | 1000000 | 4-10 years | 21-30 years | |

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

| Method | Comment |
|-------------------------------------|---|
| Financial optimization calculations | Energy represented approximately 20 percent of our 2014 consolidated copper production costs. |

Page: CC4. Communication

CC4.1

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

| Publication | Status | Page/Section reference | Attach the document |
|--|---------------|-------------------------------|---|
| In voluntary communications | Complete | 10, 28-29 | https://www.cdp.net/sites/2015/28/23228/Climate Change 2015/Shared Documents/Attachments/CC4.1/WTSD_Bk_2014.pdf |
| In mainstream financial reports but have not used the CDSB Framework | Complete | 24, 57 | https://www.cdp.net/sites/2015/28/23228/Climate Change 2015/Shared Documents/Attachments/CC4.1/10_K2014.pdf |

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

| | |
|---|---|
| Risk driver | Air pollution limits |
| Description | The U.S. Environmental Protection Agency (EPA) has proposed regulations to control greenhouse gas emissions from new, modified, and existing fossil fuel-fired power plants. This suite of regulations could increase the cost of electricity production and the cost of purchased power. The magnitude of the impact is uncertain at this time. |
| Potential impact | Increased operational cost |
| Timeframe | 1 to 3 years |
| Direct/ Indirect | Indirect (Supply chain) |
| Likelihood | Very likely |
| Magnitude of impact | Unknown |
| Estimated financial implications | A number of governments have introduced or are contemplating regulatory initiatives designed to control and reduce greenhouse gas emissions. In the U.S., the EPA has proposed regulations governing greenhouse gas emissions from new, modified, and existing power plants. Increased regulation of greenhouse gas emissions may increase our costs. |
| Management method | We have modeled a hypothetical carbon tax of \$50 per metric ton on 2014 total GHG emissions (Scope I and II) associated with our global copper mines. The associated hypothetical increase in operating costs, approximately 5-10%, would not necessitate operating plan changes as the cost implications are similar to possible fluctuations in mined ore grades. Applying this carbon tax model to our forecasted emissions profile and five-year copper production plans does not alter our current operating plans. |
| Cost of management | Freeport-McMoRan's only direct cost is to monitor the regulatory process and its possible effects. |

| | |
|---|--|
| Risk driver | Emission reporting obligations |
| Description | The U.S. Environmental Protection Agency has promulgated regulations requiring facilities in certain source categories whose emissions exceed threshold levels to report their greenhouse gas emissions. Freeport-McMoRan has four facilities that are required to report emissions pursuant to this program (the smelting operation in Miami, Arizona; the refinery and rod mill in El Paso, Texas; and the mines in Morenci, Arizona and Chino, New Mexico). |
| Potential impact | Other: increased reporting cost |
| Timeframe | Up to 1 year |
| Direct/ Indirect | Direct |
| Likelihood | Virtually certain |
| Magnitude of impact | Low |
| Estimated financial implications | The EPA's mandatory reporting rule requires facilities to monitor and report greenhouse gas emissions. The primary financial implications have been the development of internal procedures to monitor, track, and calculate these emissions. |

| | |
|---------------------------|---|
| Risk driver | Emission reporting obligations |
| Management method | Freeport-McMoRan has developed procedures for the calculation and reporting of greenhouse gases that have been certified to meet the requirements of all applicable national and international protocols. |
| Cost of management | The only costs incurred by Freeport-McMoRan have been internal costs to develop a process to calculate these emissions and internally verify them. |

| | |
|---|--|
| Risk driver | Emission reporting obligations |
| Description | New Mexico has promulgated regulations requiring sources in certain categories to report their greenhouse gas emissions. As a result, Freeport-McMoRan's New Mexico operations are subject to these reporting requirements. |
| Potential impact | Increased operational cost |
| Timeframe | Up to 1 year |
| Direct/ Indirect | Direct |
| Likelihood | Virtually certain |
| Magnitude of impact | Low |
| Estimated financial implications | New Mexico requires greenhouse gas reporting for categories of sources. As a result, Freeport-McMoRan's New Mexico operations are subject to this requirement. The primary financial implications have been the development of internal procedures to monitor, track, and calculate these emissions. |
| Management method | Freeport-McMoRan has developed procedures for the calculation and reporting of greenhouse gases that have been certified to meet the requirements of all applicable national and international protocols. |
| Cost of management | The only costs incurred by Freeport-McMoRan have been internal costs to develop a process to calculate these emissions and internally verify them. |

| | |
|---|--|
| Risk driver | General environmental regulations, including planning |
| Description | The U.S. Environmental Protection Agency has begun promulgating regulations for certain source categories that emit greenhouse gases. As the U.S. EPA continues to regulate more sources of greenhouse gases, the price of raw materials and other inputs may increase. |
| Potential impact | Increased operational cost |
| Timeframe | Unknown |
| Direct/ Indirect | Indirect (Supply chain) |
| Likelihood | About as likely as not |
| Magnitude of impact | Unknown |
| Estimated financial implications | EPA has begun regulating new major sources of greenhouse gases and major modifications to major sources of greenhouse gases. It is unclear how these regulatory programs will affect the U.S. economy but they could result in an increase in the cost of certain domestic inputs to our operations. In addition, new permitting requirements for new major sources and major modifications to major sources of greenhouse gasses may increase costs, uncertainty, and timing associated with permitting at our major source facilities. |
| Management method | The components of Freeport-McMoRan's long term strategy are to monitor international legislative and regulatory developments pertaining to greenhouse gas emissions. |

| | |
|---------------------------|---|
| Risk driver | General environmental regulations, including planning |
| Cost of management | Costs are reflected in membership dues to these organizations and staff time to participate in the organizations' activities. |

| | |
|---|--|
| Risk driver | Cap and trade schemes |
| Description | Freeport-McMoRan's Atlantic Copper smelter in Spain is subject to the European Union Emissions Trading Scheme. |
| Potential impact | Other: please see estimated financial implications below |
| Timeframe | Up to 1 year |
| Direct/ Indirect | Direct |
| Likelihood | Virtually certain |
| Magnitude of impact | Low |
| Estimated financial implications | At this time, there is no cost to Atlantic Copper because its emissions do not exceed its allowance allocation. |
| Management method | Under the European Union Emissions Trading Scheme, Atlantic Copper obtains free allowances that cover its allowance obligations. |
| Cost of management | At this time, there is no cost to Atlantic Copper because its emissions do not exceed its allowance allocation. |

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Opportunities driven by changes in regulation
- Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

| | |
|---|--|
| Opportunity driver | Renewable energy regulation |
| Description | Several U.S. states have instituted short- and long-term goals for the use of renewable energy sources by power providers. Also, the U.S. Environmental Protection Agency has proposed regulations to control greenhouse gas emissions from new, modified, and existing fossil fuel-fired power plants. This suite of regulations could shutter some fossil fuel-fired generating facilities and increase the cost of electricity production at others. These policies may increase the value of electricity generated from solar operations. Freeport-McMoRan has been actively engaged in utilizing its substantial property holdings for solar electricity production facilities. |
| Potential impact | Premium price opportunities |
| Timeframe | 1 to 3 years |
| Direct/ Indirect | Indirect (Supply chain) |
| Likelihood | More likely than not |
| Magnitude of impact | Low |
| Estimated financial implications | We have two types of partnerships with solar companies and power providers for the installation of solar facilities. In transactions like those in Ajo, Arizona, we are only the land lessor. The power generated goes to the provider and the financial impact arises from the lease agreement. In transactions like those in Bagdad, Arizona, we are the lessor and have entered into an agreement to purchase the power generated at a fixed rate. Any savings depends upon the relative future electricity cost. |
| Management method | Freeport-McMoRan engages with solar energy developers to determine whether solar power projects may prove beneficial on any of Freeport-McMoRan's property. |
| Cost of management | As the lessor of land for these projects, Freeport-McMoRan does not incur any costs associated with their implementation. |

| | |
|---|---|
| Opportunity driver | Product efficiency regulations and standards |
| Description | Freeport-McMoRan's products are used in technologies and infrastructure that may help alleviate climate change. Copper is a key component of renewable energy, transportation, power generation and telecommunications systems; it is used in plumbing, wiring, conductivity and connectivity. Molybdenum strengthens steel, resists heat and adds corrosion resistance to piping for water distribution systems and in solar cells. Cobalt is vital to alternative energy applications. Thus, regulations requiring increased efficiency to slow or halt predicted climate change could potentially increase the demand for these products. These technologies include hybrid vehicles, wind turbines, high efficiency motors, and "green" buildings. The following examples illustrate the importance of our products to technologies that may alleviate climate change. • Electric vehicles consume two to three times the amount of copper in terms of weight compared to vehicles of similar size with an internal combustion engine. Additionally, charging stations needed to fuel these vehicles will increase the size of the power grid. • Wind turbines consume four to five times the amount of copper per megawatt compared to carbon based power generation. Wind turbines range from 500kW to 8MW in size. • Solar power consumes incremental copper in terms of electrical grid extension and in small motors attached to each panel needed to follow the sun. • High efficiency motors consume up to 75% more copper than a standard motor. • Green buildings require additional meters and other electronics that are essential to optimizing energy use. Additionally, similar concepts will allow the national power grid to become "smart". • Cobalt is used in Lithium ion batteries needed to power hybrid/electric vehicles and consumer electronics. |
| Potential impact | Increased demand for existing products/services |
| Timeframe | Unknown |
| Direct/ Indirect | Indirect (Client) |
| Likelihood Magnitude of impact | About as likely as not Unknown |
| Estimated financial implications | While copper and other metals produced by Freeport-McMoRan are an important component of technologies used to reduce or avoid climate change emissions (e.g., hybrid vehicles, wind turbines, high efficiency motors, and "green" buildings), it is impossible to quantify the financial implications for Freeport-McMoRan of the use of larger quantities of these materials. |
| Management method | We have a dynamic portfolio of long-lived mining assets and are positioned to respond to society's demand for copper – a fundamental material used in numerous products relied upon by consumers everywhere, including those around the globe looking to improve their standard of living. |
| Cost of management | There are no costs to Freeport-McMoRan for the increased use of technologies that reduce emissions of greenhouse gases and that also use high levels of copper or other Freeport-McMoRan products. |

Please describe the inherent opportunities that are driven by changes in other climate-related developments

| | |
|---|---|
| Opportunity driver | Changing consumer behaviour |
| Description | Freeport-McMoRan's products are used in technologies and infrastructure that may help alleviate climate change. Copper is a key component of renewable energy, transportation, power generation and telecommunications systems; it is used in plumbing, wiring, conductivity and connectivity. Molybdenum strengthens steel, resists heat and adds corrosion resistance to piping for water distribution systems and in solar cells. Cobalt is vital to alternative energy applications. Thus, changing consumer behaviour could potentially increase the demand for these products. These technologies include hybrid vehicles, wind turbines, high efficiency motors, and "green" buildings. The following examples illustrate the importance of our products to technologies that may alleviate climate change. • Electric vehicles consume two to three times the amount of copper in terms of weight compared to vehicles of similar size with an internal combustion engine. Additionally, charging stations needed to fuel these vehicles will increase the size of the power grid. • Wind turbines consume four to five times the amount of copper per megawatt compared to carbon based power generation. Wind turbines range from 500kW to 8MW in size. • Solar power consumes incremental copper in terms of electrical grid extension and in small motors attached to each panel needed to follow the sun. • High efficiency motors consume up to 75% more copper than a standard motor. • Green buildings require additional meters and other electronics that are essential to optimizing energy use. Additionally, similar concepts will allow the national power grid to become "smart". • Cobalt is used in Lithium ion batteries needed to power hybrid/electric vehicles and consumer electronics. |
| Potential impact | Increased demand for existing products/services |
| Timeframe | Unknown |
| Direct/ Indirect | Indirect (Client) |
| Likelihood | About as likely as not |
| Magnitude of impact | Unknown |
| Estimated financial implications | While copper and other metals produced by Freeport-McMoRan are an important component of technologies used to reduce or avoid climate change emissions (e.g., hybrid vehicles, wind turbines, high efficiency motors, and "green" buildings), it is impossible to quantify the financial implications for Freeport-McMoRan of the use of larger quantities of these materials. |
| Management method | Freeport-McMoRan does not take any action that directly advocates use of alternative technologies that utilize more copper or other products. |
| Cost of management | There are no costs to Freeport-McMoRan for the increased use of technologies that reduce emissions of greenhouse gases and that also use high levels of copper or other Freeport-McMoRan products. |

CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

Freeport-McMoRan is a primary producer of metals used in numerous processes, including technology and construction. Generally, Freeport-McMoRan operates mining operations, copper smelters, molybdenum conversion facilities, and copper rod plants. As a result, Freeport-McMoRan's primary products require processing before they are used by the end consumer or are incorporated into products. The ultimate consumer or industrial demand for products using our metals is uncertain, although we expect the long-term demand for energy-efficient products to increase. Freeport-McMoRan analyzed whether changes in potential physical climate parameters such as temperature or precipitation (either extremes or on average) may present opportunities in our business operations.

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

| Scope | Base year | Base year emissions (metric tonnes CO₂e) |
|--------------|-----------------------------------|--|
| Scope 1 | Tue 01 Jan 2008 - Wed 31 Dec 2008 | 5399371 |
| Scope 2 | Tue 01 Jan 2008 - Wed 31 Dec 2008 | 5003970 |

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
ISO 14064-1

CC7.3

Please give the source for the global warming potentials you have used

| Gas | Reference |
|------|--|
| CO2 | IPCC Fourth Assessment Report (AR4 - 100 year) |
| CH4 | IPCC Fourth Assessment Report (AR4 - 100 year) |
| N2O | IPCC Fourth Assessment Report (AR4 - 100 year) |
| HFCs | IPCC Fourth Assessment Report (AR4 - 100 year) |
| PFCs | IPCC Fourth Assessment Report (AR4 - 100 year) |
| SF6 | IPCC Fourth Assessment Report (AR4 - 100 year) |

C7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

| Fuel/Material/Energy | Emission Factor | Unit | Reference |
|----------------------|-----------------|------|-----------|
| Other: | | | |

Further Information

Attached information for CC7.4

Attachments

[https://www.cdp.net/sites/2015/28/23228/Climate Change 2015/Shared Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/Copy of Freeport-McMoRan_Emission_Factors_2015.xlsx](https://www.cdp.net/sites/2015/28/23228/Climate%20Change%202015/Shared%20Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/Copy%20of%20Freeport-McMoRan_Emission_Factors_2015.xlsx)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

5237173

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

4344225

CC8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

| Source | Relevance of Scope 1 emissions from this source | Relevance of Scope 2 emissions excluded from this source | Explain why the source is excluded |
|-------------------------|---|--|---|
| Independent Offices | Emissions are not relevant | Emissions are not relevant | Office locations not associated with a mining or processing facility are not included as the emissions associated with them (primarily Scope 2) are immaterial compared to Freeport-McMoRan's mining and processing operations. |
| Discontinued Operations | Emissions are not relevant | Emissions are not relevant | Minimal activity may occur at Freeport-McMoRan's discontinued operations (mining and processing facilities that are no longer active) however these emissions are immaterial compared to the active mining and processing operations. |

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

| Scope | Uncertainty range | Main sources of uncertainty | Please expand on the uncertainty in your data |
|---------|--------------------------|-----------------------------------|--|
| Scope 1 | Less than or equal to 2% | Metering/ Measurement Constraints | Estimates of CO2 from leaching operations are based on stoichiometry assuming a total conversion to CO2. The accuracy of this method is untested and over-estimates emissions. |
| Scope 2 | Less than or equal to 2% | Other: Published emission factors | Emission factors from eGRID (U.S.) and WRI were used to calculate emissions from purchased electricity. |

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

| Type of verification or assurance | Attach the statement | Page/section reference | Relevant standard | Proportion of reported Scope 1 emissions verified (%) |
|-----------------------------------|---|------------------------|-------------------|---|
| Reasonable assurance | https://www.cdp.net/sites/2015/28/23228/Climate Change 2015/Shared Documents/Attachments/CC8.6a/Freeport-McMoRan Inc 2014 Greenhouse Gas Verification Statement Letter_05 31 15.pdf | | ISO14064-3 | 90 |

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

CC8.7a

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

| Type of verification or assurance | Attach the statement | Page/Section reference | Relevant standard | Proportion of reported Scope 2 emissions verified (%) |
|-----------------------------------|---|------------------------|-------------------|---|
| Reasonable assurance | https://www.cdp.net/sites/2015/28/23228/Climate Change 2015/Shared Documents/Attachments/CC8.7a/Freeport-McMoRan Inc 2014 Greenhouse Gas Verification Statement Letter_05 31 15.pdf | | ISO14064-3 | 90 |

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Yes

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

37071

Further Information

The emissions data above is associated with B5 (5% biodiesel), B20 (20% biodiesel), and B50 (50% biodiesel) used by several Freeport-McMoRan operations.

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

| Country/Region | Scope 1 metric tonnes CO2e |
|-----------------------------------|----------------------------|
| United States of America | 1661513 |
| Chile | 188541 |
| Peru | 334467 |
| Indonesia | 2666993 |
| Spain | 57159 |
| United Kingdom | 110 |
| Netherlands | 7823 |
| Congo, Democratic Republic of the | 308929 |
| Finland | 11637 |

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By GHG type

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

| GHG type | Scope 1 emissions (metric tonnes CO2e) |
|----------|--|
| CO2 | 4721054 |
| CH4 | 8755 |
| N2O | 277182 |
| HFCs | 22608 |
| SF6 | 146 |

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

| Country/Region | Scope 2 metric tonnes CO2e | Purchased and consumed electricity, heat, steam or cooling (MWh) | Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh) |
|-----------------------------------|----------------------------|--|--|
| United States of America | 3086092 | 5424029 | 0 |
| Chile | 718564 | 835235 | 0 |
| Peru | 425517 | 1360095 | 0 |
| Indonesia | 0 | 0 | 0 |
| United Kingdom | 790 | 1757 | 0 |
| Netherlands | 0 | 16220 | 16220 |
| Congo, Democratic Republic of the | 0 | 613476 | 613476 |
| Spain | 91735 | 307028 | 0 |
| Finland | 21528 | 104807 | 0 |

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 20% but less than or equal to 25%

CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

| Energy type | MWh |
|-------------|----------|
| Fuel | 16545892 |
| Electricity | 8662717 |
| Heat | 0 |

| Energy type | MWh |
|-------------|-----|
| Steam | 0 |
| Cooling | 0 |

CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

| Fuels | MWh |
|--------------------------|---------|
| Sub bituminous coal | 4371360 |
| Coke oven coke | 19947 |
| Distillate fuel oil No 2 | 7336043 |
| Biodiesels | 2793291 |
| Diesel/Gas oil | 111676 |
| Propane | 86869 |
| Naphtha | 1666975 |
| Aviation gasoline | 102949 |
| Waste oils | 55331 |

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

| Basis for applying a low carbon emission factor | MWh associated with low carbon electricity, heat, steam or cooling | Comment |
|---|--|---|
| Power Purchase Agreements (PPA) not backed by instruments | 629696 | Hydroelectric power in DRC and renewable energy in Europe |

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

| Reason | Emissions value (percentage) | Direction of change | Comment |
|---|------------------------------|---------------------|--|
| Emissions reduction activities | | | |
| Divestment | 6 | Decrease | Sale of our 80% interest in Candelaria and Ojos del Salado Operations in Chile |
| Acquisitions | | | |
| Mergers | | | |
| Change in output | | | |
| Change in methodology | | | |
| Change in boundary | | | |
| Change in physical operating conditions | | | |
| Unidentified | | | |
| Other | | | |

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

| Intensity figure | Metric numerator | Metric denominator | % change from previous year | Direction of change from previous year | Reason for change |
|------------------|--------------------|--------------------|-----------------------------|--|---|
| 0.000573 | metric tonnes CO2e | unit total revenue | 3 | Increase | Lower production and commodity prices have resulted in lower revenue from 2013 to 2014. |

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

| Intensity figure | Metric numerator | Metric denominator | % change from previous year | Direction of change from previous year | Reason for change |
|------------------|--------------------|--------------------|-----------------------------|--|--|
| 120 | metric tonnes CO2e | FTE employee | 14 | Decrease | Beginning with reporting year 2014, this intensity figure is reported using our global workforce (employees and contractors) as the denominator. The percent change from previous year was calculated as if we had reported this intensity figure with our global workforce as the denominator in 2013. The decrease from 2013 to 2014 was due to an increase in our global workforce. |

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

| Intensity figure | Metric numerator | Metric denominator | % change from previous year | Direction of change from previous year | Reason for change |
|------------------|--------------------|---|-----------------------------|--|--|
| 4.4 | metric tonnes CO2e | Other: tonne copper equivalent produced | 5 | Increase | Decrease in copper equivalents produced in 2014. |

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

Yes

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

| Scheme name | Period for which data is supplied | Allowances allocated | Allowances purchased | Verified emissions in metric tonnes CO2e | Details of ownership |
|--------------------|-----------------------------------|----------------------|----------------------|--|-------------------------------|
| European Union ETS | Wed 01 Jan 2014 - Wed 31 Dec 2014 | 84901 | 0 | 63140 | Facilities we own and operate |

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

Atlantic Copper is within the EU Emission Trading System. We have authorization for greenhouse gas emissions rights and receive allocated emissions. We are obligated to report the verified emissions yearly to the ETS Spanish authorities.

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

| Sources of Scope 3 emissions | Evaluation status | metric tonnes CO2e | Emissions calculation methodology | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation |
|---|----------------------|--------------------|---|---|-------------|
| Purchased goods and services | Relevant, calculated | 271000 | Emissions represented are an estimate of emissions from the production of lime (calcium oxide) purchased by Freeport-McMoRan facilities for use in flotation and other processes. The estimate is made by using molar masses and assuming a complete reaction of calcium carbonate to calcium oxide and CO2. The result was rounded to 3 significant digits. | 100.00% | |
| Capital goods | Not evaluated | | | | |
| Fuel-and-energy-related activities (not included in Scope 1 or 2) | Not evaluated | | | | |
| Upstream transportation and distribution | Not evaluated | | | | |
| Waste generated in operations | Not evaluated | | | | |
| Business travel | Relevant, calculated | 12200 | Emissions total represents commercial airline travel by Freeport-McMoRan employees. Emission factor used is from the GHG Protocol Mobile Guide v. 1.3. | | |
| Employee commuting | Not evaluated | | | | |
| Upstream leased assets | Not evaluated | | | | |
| Downstream transportation and distribution | Relevant, calculated | 48970 | Emissions total includes 2 separate items: (1) ground transportation copper cathode and cobalt hydroxide (concentrate) from Freeport-McMoRan's facility in the DRC to ports in southern Africa. Due to the great distance travelled to deliver this product, Freeport-McMoRan believes this to be a significant portion of its Scope 3 emissions. Emission factor used is from IPCC SAR Road Transport and result is rounded to 2 significant digits. (2) | | |

| Sources of Scope 3 emissions | Evaluation status | metric tonnes CO2e | Emissions calculation methodology | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation |
|--|------------------------------------|--------------------|--|---|-------------|
| | | | ground transportation of copper "concentrate" (i.e. the product of milling copper ore) and copper anodes (copper product from the smelter) within the U.S. Emission factor used is from IPCC SAR Road Transport. | | |
| Processing of sold products | Relevant, calculated | 167700 | Because Freeport-McMoRan is an integrated and diverse company, many downstream processing emissions that would be considered Scope 3 emissions for other companies are Scope 1 emissions for Freeport-McMoRan. For example, the majority of copper concentrate product produced at Freeport-McMoRan mines is smelted by Freeport-McMoRan-owned smelters and the majority of copper anodes produced by the smelter are processed in Freeport-McMoRan owned Refineries. However, some concentrate and anodes are sold to third parties for smelting. The emissions reported here only represent emissions from the smelting of concentrate and the refining of copper anodes sold to third parties. Emissions were calculated by applying the average emissions at Freeport-McMoRan smelters and refinery to the amount of concentrate and anodes sold to third parties. | | |
| Use of sold products | Not relevant, explanation provided | | As a producer of commodities, all products produced by Freeport-McMoRan require further processing for use. None of our products are directly used and thus do not have any direct or indirect use-phase emissions. | | |
| End of life treatment of sold products | Not evaluated | | | | |
| Downstream leased assets | Not relevant, explanation provided | | Freeport-McMoRan does not have downstream leased assets. | | |
| Franchises | Not relevant, explanation provided | | Freeport-McMoRan does not operate any franchises. | | |
| Investments | Not evaluated | | | | |
| Other (upstream) | Not evaluated | | | | |
| Other (downstream) | Not evaluated | | | | |

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

| Type of verification or assurance | Attach the statement | Page/Section reference | Relevant standard | Proportion of Scope 3 emissions verified (%) |
|-----------------------------------|---|------------------------|-------------------|--|
| Reasonable assurance | https://www.cdp.net/sites/2015/28/23228/Climate Change 2015/Shared Documents/Attachments/CC14.2a/Freeport-McMoRan Inc 2014 Greenhouse Gas Verification Statement Letter_05 31 15.pdf | | ISO14064-3 | 90 |

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

| Sources of Scope 3 emissions | Reason for change | Emissions value (percentage) | Direction of change | Comment |
|--|--|------------------------------|---------------------|--|
| Purchased goods & services | Other: Decrease in use of lime | 9 | Decrease | |
| Business travel | Other: Increase in business air travel | 15 | Increase | Increase associated with South America expansion and European operations |
| Downstream transportation and distribution | Other: Use of transportation and distribution routes | 11 | Increase | |

| Sources of Scope 3 emissions | Reason for change | Emissions value (percentage) | Direction of change | Comment |
|------------------------------|---|------------------------------|---------------------|---|
| Processing of sold products | Other: Use of concentrate at other smelters | 46 | Decrease | Decrease associated with sale of concentrate to 3rd parties and lower CO2-e EF for concentrate processing |

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our customers

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

Certain customers at various downstream layers of the value chain request information concerning energy management and GHG emissions, including at specific operations. This engagement helps inform our assessment of related risks.

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

| Name | Job title | Corresponding job category |
|--------------|--|------------------------------------|
| William Cobb | Vice President of Environmental Services and Sustainable Development | Environment/Sustainability manager |