

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

Please give a general description and introduction to your organization.

Freeport-McMoRan (the Company) is a premier United States-based natural resources company with an industry-leading global portfolio of mineral assets, significant oil and gas resources and a growing production profile. Freeport-McMoRan is the world's largest publicly traded copper 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 significant oil and natural gas assets in North America, including reserves in the Deepwater Gulf of Mexico (GOM), onshore and offshore California, in the Eagle Ford shale play in Texas, in the Haynesville shale plays in Louisiana, in the Madden area in Central Wyoming, and an industry-leading position in the emerging Inboard Lower Tertiary/Cretaceous natural gas trend in the shallow waters of the GOM and onshore in South Louisiana.

Our oil and gas subsidiary, FM O&G, formed in the second-quarter 2013, is excluded from our response.

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 2013, copper accounted for approximately 69% 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 electrical applications 34%, construction 31%, industrial machinery 13%, transportation 13% and consumer products 9%. 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, and in alternative energy.

Our greenhouse gas emissions are directly correlated to changes in mining production, which is generally correlated to global economic activity. 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, Morenci, and Tenke Fungurume Mining, we are targeting over 5 billion pounds annual copper production by 2015 (37% Increase from 2012). 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 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. A second strategy is to implement energy efficient mineral processing technologies when we are expanding our production. 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.

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
Tue 01 Jan 2013 - Tue 31 Dec 2013

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. 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(\$)

Module: Management**Page: CC1. Governance**

CC1.1**Where is the highest level of direct responsibility for climate change within your organization?**

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 Board of Directors 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 and compliance with the law. While the board is ultimately responsible for risk oversight at the company, its committees assist the board in fulfilling its oversight responsibilities with respect to certain areas of risk. The Corporate Responsibility Committee (CRC) of the Board of Directors oversees the Company’s sustainable development programs, including our approach to climate change. The CRC was composed of six Directors in 2013 and reports its activities on a regular basis to the full Board of Directors, including topics related to climate change.

In 2009 we established a multi-departmental Greenhouse Gas/Energy Efficiency Task Force headed by our Vice President – Technology; our Vice President – Environmental Services and Sustainable Development provides advisory and management support. In 2012 we combined this task force with our Water Task Force (which focuses on water management). The Energy and Water Task Force addresses climate change topics, and evaluates associated potential business ramifications such as increased product demand, supply chain impacts, operational issues and opportunities (e.g., fuel sources, 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.

CC1.2

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

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator
All employees	Recognition (non-monetary)	Freeport-McMoRan provides internal recognition through publishing short stories on our intranet system of individual employees or groups of employees whose activities further our energy efficiency.

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	Individual/Sub-set of the Board or committee appointed by the Board	All active mining 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 of sustainability issues across all operations. This tool allows us to identify key risks and opportunities across the environmental, social, and economic 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. At the site level, each facility has a Sustainable Development Leader who facilitates an identification of risks and opportunities for that site. All the site-specific risks assessment and action plans are compiled into a company-wide SDRR. The corporate Risk Register is distributed to the company's Sustainable Development Leadership Team. The team is sponsored by our Executive Vice President and Chief Administrative Officer. A list of sustainability focus areas is also submitted to the Chairman of the Corporate Responsibility Committee of the Board of Directors. In addition to the Risk Register, we have a multi-departmental Energy and Water Task Force that addresses climate change issues, energy utilization opportunities, and evaluates associated business ramifications. Risks and opportunities are also assessed at the site and corporate level through periodic meetings of environmental staff in the U.S. 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 climate change. Consequently our membership allows the identification of risks and opportunities at the industry-wide level. 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 pre-feasibility).

CC2.1c**How do you prioritize the risks and opportunities identified?**

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 over the short to long-term. Our framework has evolved over the past five years and operations vary in maturity of its implementation. Essential to our framework is the Sustainable Development Risk Register process which prioritizes environmental, social and economic challenges and opportunities based on our views of potential impacts to the business and the importance of these topics to stakeholders. As part of this process, local management teams utilize a matrix with eight consequence categories including community or environmental aspects, and reputational and production impacts. In 2012, we updated our Sustainable Development Risk Register SOP to increase our level of confidence that we are identifying and addressing key issues for our business and our stakeholders, including an action plan summary format that documents key actions/milestones with expected completion dates.

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 Sustainable Development Risk Register, developed as part of Freeport-McMoRan's sustainability program, is a formal management system for the identification of sustainability issues across all operations. This sustainability Risk Register allows us to identify key risks and opportunities across the environmental (including climate change related), social, and economic spectrum. As a result, the Risk Register is an influential force behind business decisions related to energy efficiency and climate change. As set forth in detail below, this process assists Freeport-McMoRan in developing goals and strategies for greenhouse gas emission reductions.

The Sustainable Development Risk Register 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 Sustainable Development Risk Register and creation of the multi-departmental Energy and Water Task Force, Freeport-McMoRan has determined that the two potential climate change aspects that could affect our operations are increased energy costs and long-term sustainable water availability. In response, there is a corporate-driven 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 water-stressed 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 water-stressed 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.

The 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 consumption of renewable energy. Freeport-McMoRan will also actively evaluate the business ramifications of potential impacts to energy costs and the demand changes for copper or molybdenum. 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, including considerations for third-party verification of reductions and achievement of the Freeport-McMoRan sustainability targets, 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.

Utilization of the Sustainable Development Risk Register and Project Development Sustainability Review process (for new projects or expansions) allows us to proactively identify risks and opportunities related to climate change and energy efficiency at the pre-feasibility level and resolve those issues through feasibility studies into project design. Thus, we deal with these identified issues in a proactive manner rather than dealing with these issues in a reactive manner.

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 EI

Abra facility located in the Atacama Desert, a water-stressed 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 a water-stressed 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.

CC2.3

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)

Trade associations

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
ICMM	Consistent	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.	

CC2.3h**What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

The Energy and Water Task Force addresses climate change topics, and evaluates associated potential business ramifications such as increased product demand, supply chain impacts, operational issues and opportunities (e.g., fuel sources, energy efficiency), and the effects of proposed legislation and new regulatory requirements. The Task Force includes senior government relations personnel, meets regularly and provides updates of its work to senior management.

The purpose of the Corporate Responsibility Committee is to assist the Board of Directors in fulfilling the Board's oversight responsibilities with respect to the Company's (1) environmental policy and implementation programs, (2) human rights policy and practices, (3) safety and health policies and programs, (4) community health programs and related public health and medical matters, (5) community policy and practices, governmental and stakeholder relations, and social investment and sustainable development programs, (6) charitable contributions and (7) political activity and spending practices.

Page: CC3. Targets and Initiatives

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, Morenci, and Tenke Fungurume Mining, we are targeting over 5 billion pounds annual copper production by 2015 (37% Increase from 2012). 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. 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 our 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, 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 initiative 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 7MW 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.

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and 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	4	
To be implemented*	0	0
Implementation commenced*	1	1150
Implemented*	7	14683
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)	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, years	Comment
Energy efficiency: Processes	Freeport-McMoRan's Henderson mine in Colorado installed a mill vacuum receiver. This project constitutes a voluntary reduction in scope 2 emissions.	2993	250000	90000	<1 year	5-8	
Energy efficiency: Building services	Freeport-McMoRan's mine in Sierrita Arizona installed high-efficiency LED lighting in a new maintenance shop. This project constitutes a voluntary reduction in scope 2 emissions.	36	3604	21651	4-10 years	11	
Other	Freeport-McMoRan's site in New Jersey voluntarily curtails operations on extremely hot or cold days. This is an annual voluntary program that requires no initial investment. This project constitutes a voluntary reduction in scope 2 emissions.	75	7299	0	<1 year	N/A	
Energy efficiency: Processes	Freeport-McMoRan's Tyrone facility is replacing two diesel pumps with electric pumps for recycling water at the mine site. This project constitutes a voluntary reduction in scope 2 emissions.	899	292460	1629700	4-10 years	15	
Process emissions reductions	Freeport-McMoRan's smelter in Arizona installed a mouth cover over one its copper converters. The mouth cover reduced the need for natural gas use. This project constitutes a voluntary reduction in scope 1 emissions.	1150	161620	500000	1-3 years	>5	
Transportation: use	Freeport-McMoRan's Morenci mine offers free bus service for contractors living in a neighboring town to reduce vehicle trip miles. This project constitutes a voluntary reduction in scope 3 emissions.	8000		25000		N/A	
Energy efficiency: Processes	Freeport-McMoRan's Morenci mine in Arizona is replacing four scrubbers with high efficiency Farr dust collectors. This project constitutes a voluntary reduction in scope 2 emissions.	580	100000	1200000	4-10 years	>15	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	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, years	Comment
Energy efficiency: Building services	Freeport's Morenci mine in Arizona installed high efficiency LED lights in its newly constructed copper concentrator. This project constitutes a voluntary reduction in scope 2 emissions.	2100	19400	15000	<1 year	11	

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 2013 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	Page/Section reference	Attach the document
In voluntary communications (underway) – previous year attached	9, 26-27	https://www.cdp.net/sites/2014/28/23228/Investor CDP 2014/Shared Documents/Attachments/CC4.1/2012 FCX Working Toward Sustainable Development Report.pdf
In mainstream financial reports (complete)	26, 63	https://www.cdp.net/sites/2014/28/23228/Investor CDP 2014/Shared Documents/Attachments/CC4.1/2013 FCX Form 10-K.pdf

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any 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

Risks driven by changes in physical climate parameters

Risks driven by changes in other climate-related developments

CC5.1a

Please describe your risks 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 fossil fuel-fired power plants. The EPA plans to propose regulations controlling greenhouse gas emissions from modified and existing power plants in summer 2014. 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 and will depend upon EPA's approach.
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	Copper production is an electricity intensive operation and any regulations that increase the cost of electricity production could increase our operating costs. However, a hypothetical carbon tax of \$50/ton on greenhouse gas emissions (direct and indirect) from our operations in the Americas (based on 2012 data) results in an operating cost increase of less than 10% for U.S. sites. Based on expected future emissions, the associated increase in operating costs do not alter operating plan changes.
Management method	Freeport-McMoRan is involved in state regulatory proceedings that are required to allocate the costs of these programs as implemented by regulated utilities. Furthermore, Freeport-McMoRan has developed agreements to purchase solar-produced electricity from the solar installation at our Bagdad, Arizona facility.

Risk driver	Air pollution limits
Cost of management	Freeport-McMoRan has entered into leasing agreements for the installation of solar energy production at two of our properties. As the lessor, Freeport-McMoRan does not have any capital expenditures for these solar installations. Freeport-McMoRan has a fixed-price agreement to purchase electricity produced at the solar facility installed at our Bagdad, Arizona facility. There is no direct cost to Freeport-McMoRan to engage in the regulatory process.

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	Increased operational 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.
Management method	Freeport-McMoRan has developed procedures for the calculation and reporting of greenhouse gases.
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

Risk driver	Emission reporting obligations
	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.
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 products 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 domestic products. In addition, new permitting requirements for new major sources and major modifications to major sources of greenhouse gases may increase costs, uncertainty, and timing associated with permitting at our major source facilities.
Management method	Freeport-McMoRan engages policymakers through our participation in International Council on Mining and Metals and the Business Roundtable.
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	Increased operational cost
Timeframe	Up to 1 year
Direct/ Indirect	Direct
Likelihood	Virtually certain
Magnitude of impact	Low
Estimated financial implications	Freeport-McMoRan's smelter operation in Spain must obtain emission allowances for its greenhouse gas emissions.

Risk driver	Cap and trade schemes
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.

CC5.1b

Please describe your risks that are driven by change in physical climate parameters

Risk driver	Change in precipitation extremes and droughts
Description	The potential physical impacts of climate change on our operations are highly uncertain, and would be particular to the geographic circumstances. Water is a necessary component in milling copper ore. As a result, any limitation in water availability could affect operations.
Potential impact	Increased operational cost
Timeframe	1 to 3 years
Direct/ Indirect	Direct
Likelihood	More likely than not
Magnitude of impact	Medium-high
Estimated financial implications	Our operations have sufficient water rights and claims to cover current operational demands. We cannot predict, however, the outcome of pending or future legal proceedings. The loss of some or all water rights or shortages of water could require curtailing or closing production and could prevent expansion opportunities. Providing a quantitative value is purely speculative and would vary depending upon the site affected, the magnitude of water lost, and the cost of finding replacement water.
Management method	Freeport-McMoRan acts proactively to protect its water rights and to evaluate water supply and water quality for existing and possible future requirements, including development of new water sources. In North America, under state law, our water rights give us only the right to use public waters for a statutorily defined beneficial use at a designated location. In Arizona, Freeport-McMoRan is a participant in two active general stream adjudications in which the State of Arizona is quantifying and prioritizing surface water claims for two of the state's largest river systems that affect four of our mines (Morenci, Sierrita, Miami, and Safford). The precedent in this case may also affect our mine in Bagdad, Arizona. In Colorado, our surface water and groundwater rights are subject to adjudication and Freeport-McMoRan is involved in legal proceedings to resolve disputes regarding priority of administration of rights. Freeport-McMoRan has initiated a company-wide program that requires improved metering, water balance modeling and prioritization of water management practices, including the implementation of water management plans. All major operations in water stressed regions now maintain a water balance model. In collaboration with communities and host governments we are also working on long-term water supply projects to facilitate co-existence of mining and community development and reduce the likelihood of water resources becoming a conflict driver.

Risk driver	Change in precipitation extremes and droughts
Cost of management	The water supply projects that we have and will continue to pursue are capital intensive and most have substantial operating and maintenance costs. With long-lived reserves and a portfolio of brownfield expansion projects, these costs are economically justified particularly when factoring the mutual benefit to communities in regions where we operate.

CC5.1c

Please describe your risks that are driven by changes in other climate-related developments

Risk driver	Reputation
Description	Climate change is a common topic of interest and debate for some governments, private sector participants, socially responsible investors, and academia. Freeport-McMoRan may face reputational related repercussions if stakeholders determine the company has not adequately addressed climate change issues.
Potential impact	Reduced stock price (market valuation)
Timeframe	Unknown
Direct/ Indirect	Direct
Likelihood	About as likely as not
Magnitude of impact	Unknown
Estimated financial implications	Inaction on climate change could result in stakeholders refusing involvement with or investment in Freeport-McMoRan. However, it is impossible to quantify the financial impact on the company.
Management method	Freeport-McMoRan annually participates in the Carbon Disclosure Project and publishes its Working Toward Sustainable Development report that sets forth Freeport-McMoRan's sustainability policies and actions, including those related to climate change and energy efficiency. Consequently, Freeport-McMoRan attempts to be transparent in its actions associated with climate change.
Cost of management	The only costs associated with these actions are internal Freeport-McMoRan costs, such as preparation of the annual Working Toward Sustainable Development document and costs associated in meeting with socially responsible investors.

CC6.1

Have you identified any 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 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 fossil fuel-fired power plants. In 2014, EPA plans to propose regulations controlling greenhouse gas emissions from modified and existing power plants. This suite of regulations could increase the cost of electricity production at these sources. 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 is actively engaged with solar energy developers to determine whether solar power projects may prove beneficial on any of Freeport-McMoRan's property. Freeport-McMoRan is also engaged in a University of Arizona pilot project to determine whether solar energy systems may be installed on inactive tailings areas.
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	<p>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.</p> <ul style="list-style-type: none"> • 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 7MW 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.

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

Opportunity driver	Changing consumer behaviour
Description	<p>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.</p> <ul style="list-style-type: none"> • 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 7MW 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 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 ultimate consumer or are incorporated into products. Freeport-McMoRan analyzed whether changes in physical climate parameters such as temperature or precipitation (either extremes or on average) may present opportunities in our business operations. Changes in physical climate parameters did not present any direct opportunity for Freeport-McMoRan. Furthermore, Freeport-McMoRan has not been able to identify any downstream products that respond to changes in physical climate parameters (i.e., temperature or precipitation) that may increase in sales of copper or other metals.

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)

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

CC7.4

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

The U.S. EPA promulgated a mandatory greenhouse gas reporting rule in 2009 which requires the reporting of emissions from all stationary combustion sources. For consistency, Freeport-McMoRan used emission factors mandated by the US EPA for all stationary combustion sources world-wide. Emissions from mobile sources were calculated using emission factors from IPCC 2nd Assessment Report.

Attachments

[https://www.cdp.net/sites/2014/28/23228/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC7.EmissionsMethodology/Copy of Freeport-McMoRan_Emission_Factors_2014.xlsx](https://www.cdp.net/sites/2014/28/23228/Investor%20CDP%202014/Shared%20Documents/Attachments/InvestorCDP2014/CC7.EmissionsMethodology/Copy%20of%20Freeport-McMoRan_Emission_Factors_2014.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

5859810

CC8.3

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

4321572

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 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
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.	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/2014/28/23228/Investor CDP 2014/Shared Documents/Attachments/CC8.6a/Freeport-McMoRan Verification Report for CDP.pdf	Page 2 of 10	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 Scope 2 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2014/28/23228/Investor CDP 2014/Shared Documents/Attachments/CC8.7a/Freeport-McMoRan Verification Report for CDP.pdf	Page 2 of 10	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

40663

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2013 - 31 Dec 2013)

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	1658232
Chile	429833
Peru	277029
Indonesia	3067137
Spain	73170
United Kingdom	114
Netherlands	8364
Congo, Democratic Republic of the	332079
Finland	13852

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	5263470
CH4	8391
N2O	325425
HFCs	26074
SF6	5064

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2013 - 31 Dec 2013)

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 CC8.3 (MWh)
United States of America	2826164	4955663	0
Chile	989551	1599844	0
Peru	403056	1288305	0
Indonesia	0	0	0
United Kingdom	743	1654	0
Netherlands	0	16869	16869
Congo, Democratic Republic of the	0	612704	612704
Spain	80634	269876	0
Finland	21422	104294	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	18455740
Electricity	8849209

Energy type	MWh
Heat	0
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	5138933
Coke oven coke	16205
Distillate fuel oil No 2	8154663
Biodiesels	3092656
Diesel/Gas oil	114583
Propane	108100
Natural gas	1662017
Aviation gasoline	99765
Waste oils	67590

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	629573	Hydroelectric power in Africa and certified renewable energy in Europe.

CC12.1

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

Increased

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			
Acquisitions			
Mergers			
Change in output	5	Increase	Production increase
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
0.000556	metric tonnes CO2e	unit total revenue	4	Increase	Since 2009, this figure has ranged from 0.000476 to 0.000636.

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
292	metric tonnes CO2e	FTE employee	3	Increase	The intensity figure using our global workforce, including contractors, as the denominator is 139.

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
4.2	metric tonnes CO2e	Other: tonne copper equivalent produced	8	Decrease	Increase in copper equivalents produced in 2013 (denominator).

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	Tue 01 Jan 2013 - Tue 31 Dec 2013	86403	0	79527	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 primary data	Explanation
Purchased goods and services	Relevant, calculated	300000	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	10600	Emissions total represents commercial airline travel by Freeport-McMoRan employees. Emission factor used is from the GHG Protocol Mobile Guide v. 1.3 and result is rounded to 2 significant digits.		
Employee commuting	Not evaluated				
Upstream leased assets	Not evaluated				
Downstream transportation and	Relevant, calculated	44100	Emissions total includes 2 separate items: (1) ground transportation copper cathode and cobalt hydroxide		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
distribution			(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) 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 and the result is rounded to 2 significant digits.		
Processing of sold products	Relevant, calculated	313200	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. The result was rounded to 2 significant digits.		
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.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
End of life treatment of sold products	Not evaluated				
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/2014/28/23228/Investor CDP 2014/Shared Documents/Attachments/CC14.2a/Freeport-McMoRan Verification Report for CDP.pdf	Page 2 of 10	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: Increase in production	10	Increase	
Business travel	Other: Increase in business air travel	3	Increase	
Downstream transportation and distribution	Other: Use of transportation and distribution routes	3	Increase	
Processing of sold products	Other: Use of concentrate at other smelters	28	Increase	

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 suppliers

CC14.4a

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

In a first step to engage our value chain on greenhouse gas and climate change strategies, Freeport-McMoRan identified our top-ten strategic suppliers and requested that each of them complete a "Supplier Sustainable Development Inquiry." Our strategic suppliers were identified as those that provide significant products and services to operations across Freeport-McMoRan's portfolio, at the present time and projected into the future. The Supplier Sustainable Development Inquiry provides us with information on our suppliers' sustainability reporting (e.g., CDP, Global Reporting Initiative), information on their sustainability policies including those related to environmental objectives such as climate change, and whether they foresee sustainability objectives impacting their relationship with

Freeport-McMoRan. Now that we have successfully compiled this information, Freeport-McMoRan can potentially use it to identify and coordinate sustainability opportunities with our suppliers that correlate with our business plans.

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend	Comment
10		Our strategic suppliers were identified as those that provide significant products and services to operations across Freeport-McMoRan's portfolio, at the present time and projected into the future.

CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
We do not have any data	

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

CDP 2014 Investor CDP 2014 Information Request