



Verification Statement – 2020 Greenhouse Gas Emissions Inventory Freeport-McMoRan Inc., Global Operations

Freeport-McMoRan Inc. (Freeport) retained GHD Limited (GHD) to conduct a verification of the 2020 greenhouse gas (GHG) emissions inventory (Emissions Inventory) for Freeport’s global operations.

GHD was also retained to complete a focused re-verification of the 2020 Emissions Inventory to include additional Scope 3 emissions in the initial Emissions Inventory (relative to the initial verification completed on March 31, 2021). This verification statement supersedes the initial verification statement.

GHD has prepared this Verification Statement in accordance with ISO Standard *ISO 14064 Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions* (ISO 14064-3).

Verification Objectives, Standards, and Criteria

The objective of the verification was for GHD to provide Freeport with an opinion on whether the Emissions Inventory contained no material discrepancies and was prepared in general accordance with ISO 14064. The verification was conducted to a reasonable level of assurance. GHD applied ISO 14064-3 as the verification standard and conducted the verification in accordance with the following criteria:

- *ISO 14064 Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*, ISO, March 2006 (ISO 14064-1)
- *ISO 14064 Greenhouse gases - Part 3: Specification with guidance for the greenhouse gas assertions*, ISO, March 2006 (ISO 14064-3 Specification)
- *The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard*, World Resources Institute/World Business Council for Sustainable Development (the GHG Protocol)

Verification Scope

The verification included Scope 1, 2, and 3 emissions from Freeport’s global operations from January 1, 2020 to December 31, 2020.

Verification Procedures

GHD conducted a risk-based verification to assess the following:

1. Accuracy and completeness of annual GHG emissions
2. Uncertainty of external data sources used



3. Emission assumptions
4. Accuracy of emission calculations
5. Potential magnitude of errors and omissions

To sustain a risk-based assessment, the GHD Project Team identified and determined risks related to annual GHG emissions during both the desk reviews and the follow-up interviews. The GHD Project Team particularly focused on the accuracy and completeness of provided information. Through the document review GHD established to what degree the presented Emissions Inventory documentation met the verification standards and criteria.

The GHD Project Team's document review during the review process comprised an evaluation of whether:

- The documentation is complete and comprehensive and follows the structure and criteria given in ISO 14064 and/or other supporting guidance.
- The methodologies are justified and appropriate.
- The assumptions behind the inventory are conservative and appropriate.
- The GHG emission calculations are appropriate and use conservative assumptions for estimating GHG emissions.
- The GHG information system and its controls are sufficiently robust to minimize the potential for errors, omissions, or misrepresentations.

Site Assessments

Due to travel restrictions in place due to the ongoing COVID-19 pandemic, GHD completed all verification activities virtually. GHD conducted virtual site assessments at the following facilities:

- PT-FI Grasberg Mine
- Atlantic Copper Smelter and Refinery
- Morenci Mine

The selected facilities represent 54.5 percent of total reported 2020 Scope 1 & Scope 2 emissions and represent a range of global operations including mining and copper refining in multiple continents.

Verification Findings

Emissions Boundary & Year-over-Year Check

Based on GHD's review the organizational boundary for the Emissions Inventory is appropriate and includes all relevant Scope 1 and Scope 2 emissions. The Scope 3 emissions boundary includes all emission sources for which data is available and may be expanded in the future. GHD determined the change in emissions from the previous reporting period are consistent with changes in operations and calculation methodologies.



Scope 1, Scope 2, Scope 3 Emissions

GHD reviewed reported Scope 1, 2, and 3 emissions for the reporting period. GHD completed a detailed review of the reported emissions from PT-FI, Atlantic Copper and Morenci as well as reviewing sample data and calculation methodologies from all other Sites. GHD verified the methodologies used for calculating emissions are reasonable and appropriate and were determined to be reasonable and accurate. GHD did not identify any errors, omissions, or discrepancies that exceeded the materiality threshold. Based on GHD's review the reported emissions are materially correct.

Verification Opinion

Based on the verification conducted by GHD's, the GHG assertion provided in the 2020 Emissions Inventory for Freeport's Global Operations was determined to be free of material misstatements, fairly presented and substantiated by sufficient and appropriate evidence in all material aspects.

All of Which is Respectfully Submitted,

GHD

Sean Williams, P. Eng.

Lead Verifier

CARB Accredited Lead Verifier (H2-20-093)

Gordon Reusing, M.Sc., P.E., P. Eng.

Peer Reviewer

GHD Principal – Greenhouse Gas Assurance Services