

# Voluntary Principles on Security and Human Rights

## 2022 Annual Report to the Plenary

May 2023

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Freeport-McMoRan Inc. (FCX or the Company) is dedicated to the recognition, respect and promotion of human rights wherever we do business. We are a leading international mining company with headquarters in Phoenix, Arizona. We operate large, long-lived, geographically diverse assets with significant proven and probable mineral reserves of copper, gold and molybdenum. Our portfolio of assets includes the Grasberg minerals district in Indonesia (PT-FI), one of the world's largest copper and gold deposits; and significant mining operations in North and South America, including the large-scale Morenci minerals district in Arizona and the Cerro Verde operation in Peru.

Under the Voluntary Principles' Initiatives revised reporting guidelines, we are required to submit an abbreviated update report to the Plenary for 2022. However, we continue to elect instead to prepare a full report to reflect our ongoing activities and for the benefit of new members of the Voluntary Principles Initiative and other stakeholders. This report summarizes the developments in our human rights programs as well as implementation activities, events and incidents that occurred during 2022, unless otherwise noted. Country-level implementation details are provided for Indonesia and Peru, as these countries represent our higher risk operating environments in terms of security and human rights.

## **Our Approach**

Respect is a core value that guides how we do business at FCX. We treat each other and our stakeholders with respect. We are committed to respecting the rights of all people, including our employees, business partners, community members and others who potentially may be impacted by our business activities. We take this obligation seriously in all aspects of our business, and we expect the same of our business partners. FCX's Human Rights Policy states our commitments to respecting internationally recognized human rights standards, including the rights under the International Bill of Human Rights, and to implementing both the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles) and the Voluntary Principles on Security and Human Rights (Voluntary Principles). We work toward continuous improvement in establishing greater institutional awareness and deeper understanding of what human rights are and how they impact every role within the Company. Our Principles of Business Conduct (PBC) and other core policies — including Anti-Corruption, Social Performance, Environmental, Health and Safety, and Inclusion and Diversity — support the application of the Human Rights Policy. These policies and supporting management systems, along with relevant external standards and initiatives, guide our management of human rights risks.

We recognize that human rights are overarching and that they connect to every aspect of our business. As such, we aim to promote human rights through proactive engagement with host governments and communities and by educating stakeholders, including training our employees and contractors.

FCX is a founding member of the Voluntary Principles Initiative and has been an active participant since it was first established in 2000. The Voluntary Principles are an important cornerstone of our human rights and security program, providing guidance for our operations as well as a mechanism to promote engagement, awareness, and respect for human rights within our workforce and with our business partners, government and community partners.

As part of our UN Guiding Principles implementation, we continue advancing Human Rights Impact Assessments (HRIAs) at our operations and processing facilities. These assessments, conducted by third-party consultants, use comprehensive and dedicated HRIA methodologies that strive to help identify and assess which human rights topics are most salient at the site-level so that we can manage and integrate these risks into our ongoing operational work, including those related to security and human rights.

We continue to participate in multi-industry dialogue on respect for human rights through BSR's human rights working group. We also participate in and engage with the Corporate Human Rights Benchmark (CHRB), which assesses our performance related to a set of human rights indicators based on publicly available information, which includes our participation in the Voluntary Principles Initiative and implementation of the Voluntary Principles.

*Human Rights Defenders.* Violence against human rights defenders has become an issue of global concern. Our [Human Rights Policy](#) commits us to respect the rights of all individuals who may be impacted by our business activities, engage with affected stakeholders in the development of our human rights approach, and prohibit harassment. We do not condone any form of threats, intimidation or violence against those who peacefully promote and defend human rights and expect the same from our business partners. We recognize the value of an active and open society supported by the rule of law and believe it is important that our stakeholders are able to express their opinions in a safe manner without fear of reprisal or persecution.

*Responsible Production Frameworks.* FCX is a founding member of the International Council on Mining & Metals (ICMM), FCX's Chairman and CEO served as Chair of ICMM from 2008 to 2011 and 2020 to 2022. ICMM sets forth 39 performance expectations along with topic-specific position statements for ICMM members – including a commitment to supporting the implementation of the UN Guiding Principles and to implementing, based on risk, a human rights and security approach consistent with the Voluntary Principles.

In addition to our ICMM commitments, FCX has implemented the Copper Mark at all of our copper producing operations. The Copper Mark is a comprehensive assurance framework that promotes responsible production practices. It is the first and only framework developed specifically for the copper industry. To achieve the Copper Mark, sites are committed to adhering to internationally recognized responsible operating practices and specifically to a detailed framework covering 32 issues across five ESG categories developed by the Responsible Minerals Initiative's Risk Readiness Assessment. The Copper Mark requires an independent external assurance process to assess conformance across the 32 issues at each site. Awarded sites are required to be revalidated by the Copper Mark every three years. The Copper Mark includes several human rights requirements, such as the UN Guiding Principles and the Voluntary Principles). We have achieved the Copper Mark at all 12 of our copper producing sites globally, including most recently at PT-FI in February 2023. In addition, following the extension of the Copper Mark framework to molybdenum producers in 2022, our two primary molybdenum mines and our four copper mines that produce by-product molybdenum were awarded the Molybdenum Mark.

We translate our responsible production commitments (including those related to human rights and security) to everyday work through the use of our sustainability risk register process (risk register) which identifies, prioritizes, manages and tracks sustainability risks and actions at the corporate- and site-level. The risks included in the risk register are mapped to our external commitments, including all 39 ICMM performance expectations and the Copper Mark's 32 ESG requirements.

## **A. Commitment to the Voluntary Principles**

### **1. Public Statement of Commitment or Endorsement of the Voluntary Principles, Engagement in the Voluntary Principles Initiative and Transparency**

In 2000, FCX joined other extractive companies, governments and human rights organizations in endorsing the joint U.S. Department of State-British Foreign Office Voluntary Principles. Since that time, we have worked closely with our affiliate operations to assist in the implementation of the Voluntary Principles. Our endorsement of the Voluntary Principles is set forth within our Annual Reports on Sustainability and Annual Voluntary Principles Reports to the Plenary located on our [website](#).

We have incorporated our commitment to the Voluntary Principles into our Human Rights Policy as well as our PBC. Our Human Rights Policy and PBC apply to all of our employees and our Board of Directors (Board). We expect our business partners to uphold and abide by the same standards, which are reflected in our Business Partner Code of Conduct. In March 2022, our Supplier Code of Conduct was expanded to a Business Partner Code of Conduct in order to cover our suppliers (including contractors) and downstream partners, including customers and recipients of charitable giving (collectively, our business partners).

In 2022, FCX participated in country-level Voluntary Principles activities in Indonesia and Peru (please see the country-level reports below in Part C). At the Voluntary Principles' Initiative-level, we attended the 2022 Voluntary Principles Plenary in Toronto, Canada. Throughout the year, we attended Corporate Pillar and Secretariat meetings, as well as some webinars and verification presentations.

We publish our Annual Voluntary Principles Report to the Plenary on our website as part of our broader sustainability reporting and are committed to engaging with fellow Voluntary Principles members and observers to facilitate greater understanding our Voluntary Principles implementation.

### **2. Examples of Promoting Awareness of the Voluntary Principles Throughout Our Organization, Including Within the Value Chain**

FCX has incorporated standard language on human rights into our corporate contract templates. Business partners receive, and are expected to perform in accordance with, our Business Partner Code of Conduct. Our Business Partner Code of Conduct is based on our PBC and sets forth our expectations for business partners in areas such as safety, human rights, anti-corruption, community and environment.

We use a combination of tools to help gather critical data on business partners with regard to compliance, sustainability and other related risks, including human rights risks. We operate an online due diligence platform, the Freeport Compliance eXchange (FCeX). FCeX is a survey-based software platform designed to assess risk in the areas of anti-corruption, international trade, human rights and responsible sourcing, and includes a number of sustainability-related questions. FCeX enhances our ability to identify, assess, and mitigate these compliance risks. The survey is utilized for new vendors as our first line of due diligence in our responsible sourcing program.

*El Abra.* We have included information on our site-level Voluntary Principles implementation at our El Abra operation in this report. El Abra is an open-pit copper mining complex located 47 miles north of Calama in Chile's El Loa Province. We continue to evaluate a large-scale expansion at El Abra to process additional sulfide material and to achieve higher copper recoveries. Technical and economic studies continue to be evaluated to determine the optimal scope and timing for the sulfide project. We are advancing plans to invest in water infrastructure to provide options to extend existing operations, while continuing to monitor potential changes in Chile's regulatory and fiscal matters.

In 2022, the El Abra operation provided training on Human Rights and the Voluntary Principles to all of its security employees and 98 of its 103 private security contractor personnel. In addition, approximately 300 employees and contractors received training on our Human Rights, Social Performance and Environment policies. Our Human Rights Policy is posted in various locations throughout the operation. El Abra employs one private security contractor company, which deploys unarmed personnel to assist with the protection of company assets. Government security personnel are not directly assigned to the site.

In early 2021, we restarted the HRIA at our El Abra operations in Chile that had been deferred since 2019 due to social unrest and COVID-19 challenges. Our HRIA scope includes the conduct of both private security forces and government security forces. Due to ongoing COVID-19 restrictions at the time the HRIA was restarted, fieldwork was conducted remotely and included in-depth engagement with approximately 85 stakeholders in and around El Abra's operations. Stakeholders engaged included employees, community members, third parties (including police and non-governmental organizations (NGOs) and individuals at suppliers, contractors and sub-contractors (including security contractors). This helped test the effectiveness of our human rights related management systems, including the degree to which they are addressing human rights and security issues. Following completion of the HRIA in late 2021, El Abra developed action plans and integrated the HRIA findings into the site's risk register during 2022. No actual or possible negative impacts were identified involving El Abra's security employees or private security contractors for the period of the assessment. Refer to our [El Abra HRIA Case Study](#) for more information.

For other examples of how we promote awareness of the Voluntary Principles in Indonesia and Peru, including with host governments and authorities, please see the country-level reports below in Part C.

### **3. Examples of Promoting and Advancing Implementation of the Voluntary Principles Internationally**

We seek to proactively engage with financial and other stakeholders on security and human rights issues, including our implementation of the Voluntary Principles, and we also frequently engage stakeholders at their request. We continue to participate in a BSR human rights working group, which provides a forum for gaining insight from companies representing multiple industrial sectors on methods for integration of the UN Guiding Principles into our business practices.

For other examples of how we promote awareness and advance implementation of the Voluntary Principles in Indonesia and Peru, please see the country-level reports below in Part C.

## **B. Policies, Procedures and Related Activities**

### **4. Relevant Policies, Procedures and Guidelines to Implement the Voluntary Principles**

Our Human Rights Policy, which incorporates the Voluntary Principles, outlines our dedication to the recognition, respect, and promotion of human rights wherever we do business. We respect the rights of all individuals, including employees, suppliers, community members and other stakeholders who may be impacted by our business. The policy, first established in the late 1990s, was most recently updated in December 2020. We respect internationally recognized human rights, including the rights under the International Bill of Human Rights, and are committed to implementing the UN Guiding Principles, to educating employees about human rights, to maintaining grievance mechanisms to record and address human rights allegations and incidents, and to protecting anyone who reports suspected human rights violations. The policy also includes a commitment to not tolerating forced, compulsory or child labor; and human trafficking; and respecting the rights of our workforce by providing fair treatment and work conditions, including fair wages and working hours and right to freedom of association and collective bargaining. Moreover, the Voluntary Principles serve as guidelines for our security and human rights programs, including for interactions with host government police, military personnel and private security contractors. We condemn any form of threats, intimidation or violence against those who peacefully promote and defend human rights. Furthermore, we expect all suppliers of goods and services to operate in accordance with this policy. Please refer to our Human Rights Policy for more detail.

The Corporate Responsibility Committee (CRC), on behalf of the Board, oversees the Company's environmental and social policies and implementation programs, including the human rights program, and related risks. The CRC reviews the effectiveness of the Company's strategies, programs and policy implementation with respect to human rights and other ESG-related areas. During 2022, the CRC had four regularly scheduled meetings. Our human rights program is included in the review, including progress on HRIAs in Arizona and Indonesia and completed the annual adoption of our UK Modern Slavery Act Statement.

Our Chairman and CEO has ultimate responsibility for FCX's sustainability performance, with active oversight from the Board. Our cross-functional Sustainability Leadership Team (SLT) includes members of management tasked with defining the sustainability strategy and implementing our sustainability policies, systems and programs across the organization to achieve integrated decision making for responsible production and performance, including with respect to human rights.

The SLT is sponsored by our Chief Administrative Officer and is led by our Chief Sustainability Officer, with active participation from other members of the SLT, including our five business unit presidents. SLT membership also includes senior leadership from functional groups including health and safety, security, supply chain, human resources, sales, legal, compliance, sustainability and finance.

In 2022, the SLT met nine times and members of the SLT regularly reported to executive leadership, including our Chairman and CEO and our president. In addition, members of the SLT regularly report to the relevant Board committees on key ESG matters and periodically report to the full Board.

Our cross-functional human rights working group meetings resumed in 2022 after being paused during the COVID-19 pandemic and will continue to meet on a regular basis moving forward. The working group is focused on driving our strategy globally and supporting our site-level implementation of the UN Guiding Principles and integration of human rights considerations across our business, including security related risks. The working group is sponsored by our Chief Sustainability Officer and is co-led by our Director of Responsible Production Frameworks and Regional Human Rights Managers. The working group is comprised of representatives from safety, supply chain, human resources, sales, security, legal/compliance, environment, community development and product stewardship. The scope of the working group is reflected in our Human Rights Dashboard below, which summarizes the human rights issues relevant to our mining-related activities and includes security.

**HUMAN RIGHTS DASHBOARD**

Topics reflected in the dashboard are mapped to internationally recognized human rights

EMPLOYEES	SUPPLY CHAIN	COMMUNITY	ENVIRONMENT	THIRD PARTIES
Working conditions	Working conditions	Standards of living/ quality of life	Pollution	Conduct of private security forces
Safe and healthy working conditions	Safe and healthy working conditions	Community health and safety	Water security	Conduct of government security forces
Discrimination	Discrimination	Economic activity/ livelihoods	Waste and hazardous materials management	Contribution to conflict
Freedom of association and collective bargaining	Freedom of association and collective bargaining	Minorities and indigenous peoples	Increased exposure to natural hazards	Presence of artisanal/ small-scale miners
Forced and compulsory labor	Forced and compulsory labor	Displacement/ resettlement		Corruption
Child labor	Child labor	Cultural heritage		NGOs and civil society groups
Privacy	Privacy	Children's rights, including access to education		Judicial system (access to remedy)

Our corporate human rights and corporate- and site-level sustainability teams continue to collaborate across our operations on an ongoing basis, working to educate and inform the business of human rights risks and mitigation strategies. Our human rights team held regular meetings with high-risk sites to discuss and address complex issues enabling our operations to adapt quickly and keep respect for human rights at the forefront.

We conduct comprehensive training on FCX's employee code of conduct, the PBC, which incorporates our commitment to the Voluntary Principles and links to our Human Rights Policy. The PBC highlights our core values – *Safety, Respect, Integrity, Excellence* and *Commitment* – and provides guidance for the application of these values to our business, from top-level management to entry-level employees. It sets forth the global principles that our workforce must follow in all activities — from complying with laws, to avoiding conflicts of interest, to treating colleagues and stakeholders with dignity and respect, and developing positive relationships with local communities. All new employees receive training as part of the onboarding process, and refresher training on the PBC is provided annually.

We aim to promote awareness of our Human Rights Policy and the Voluntary Principles through a variety of mechanisms, including annual training through classroom and online training classes, distribution of pamphlets and other media for managers, and periodic training for non-managers on a rotating basis.

The Voluntary Principles serve as a key component of our broader human rights program, which includes implementation of the UN Guiding Principles. Not all human rights issues are security issues,

and not all security issues are human rights issues; it is at the nexus of human rights and security where our implementation of the Voluntary Principles resides.

We voluntarily report our ESG performance, including our human rights performance, annually using established reporting standards. FCX's [2022 Annual Report on Sustainability](#) and our [ESG Performance data](#) have been prepared in reference to the GRI Sustainability Report Standards (2021) and the G4 Mining and Metals Sector Supplement as well as in alignment with the International Financial Reporting Standards (IFRS) Foundation's SASB Standards for the Metals & Mining industry.

Our annual reports on sustainability have been independently verified since 2005. Review-level third-party assurance of our 2022 report was obtained from our Independent Public Accounting Firm. Since 2009, site-level, third-party assurance reviews have been conducted at each of our active mining and metals processing operations. These site-level external assurance reviews occur at least once every three years (annually at PT-FI and Cerro Verde) and the reviews include both ICMC and Copper Mark requirements, where applicable. In 2022, these site level reviews transitioned to a reasonable level of assurance for purposes of meeting Copper Mark site level assurance requirements. A combination of on-site and virtual assurance reviews were conducted in 2022.

We are implementing the Corporate Pillar Verification Framework, which entails a process to verify that we are meeting our responsibilities as a Voluntary Principles Initiative member. As such, our Voluntary Principles reporting, is included within the scope of our annual external assurance process. A public assurance statement is located within our [2022 Annual Report on Sustainability](#).

## **5. Company Procedure to Conduct Security and Human Rights Risk Assessments, and Integrate Findings**

As we seek to further embed respect for human rights across our organizational activities, we use our risk register process at our operating sites to identify and address risks to people and their human rights as outlined in our human rights dashboard. Similar to our risk register process, our Project Development Sustainability Review (PDSR) integrates sustainability into project planning for our new or growth projects by helping teams identify risks and opportunities associated with expansions or development projects, including potential and actual impacts on rights-holders. This process is informed by ongoing internal and external stakeholder engagement, internal and external grievance mechanisms, and the findings from our ongoing HRIA program.

HRIsAs, conducted by third-party consultants using methodologies aligned with the UN Guiding Principles are our primary method for conducting human rights due diligence at our operations, including a sampling of onsite contractors and local suppliers. These assessments involve direct input from a broad cross-section of internal and external rights-holders, and they support continuous improvement of our management systems by testing their effectiveness in identifying and addressing potential, actual and perceived human rights and security risks and impacts.

## HUMAN RIGHTS IMPACT ASSESSMENT STATUS

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YEAR CONDUCTED	2013	2017	2018	2021	2021-22	2022-23	2023-24
Site/Region	Corporate	Cerro Verde	New Mexico sites	El Abra	Arizona sites	PT-FI—Grasberg	Cerro Verde <sup>1</sup> , Colorado sites, PT-FI—Manyar smelter
Status	Complete	Complete	Complete	Complete	Complete	In Progress	Planned

1. The political and security situation in the region of Arequipa may impact the timing of the HRIA at Cerro Verde.

In 2021, we engaged a third-party consultant, Verisk Maplecroft, to conduct a HRIA of our five active Arizona operations — Bagdad, Miami, Morenci, Safford and Sierrita. The consultant carried out direct engagement through structured face-to-face and remote interviews with over 420 stakeholders across all five of our sites. The HRIA was designed to specifically consider the unique stakeholder connections across our sites, including relations with neighboring federally recognized Native American Tribes. Stakeholders engaged included employees, community members, third parties (including police and NGOs) and individuals such as suppliers, contractors and sub-contractors. This helped test the effectiveness of our human rights-related management systems, including the degree to which our operations are addressing human rights and security issues. The HRIA in Arizona was completed in early 2022. In mid-2022, the Arizona operations received the HRIA report as well as a presentation on key findings and priority areas for action. No actual or possible negative impacts were identified involving the Arizona operations security employees or the local police during the assessment period.

In addition to HRIAs, our responsible sourcing programs require human rights due diligence on suppliers of both goods and services, and minerals and metals for further processing. The development of these programs is informed by our HRIA findings. In 2022, we advanced our approach to assessing supplier human rights and other sustainability-related risks.

We translate our responsible production commitments to everyday work through the use of our sustainability risk register process (risk register), which identifies, prioritizes, manages and tracks sustainability risks and actions at the corporate- and site-level. Defined in a global standard operating procedure, the process uses a risk assessment matrix to prioritize risks by both their likelihood and consequence, based on customized impact definitions by functional area to drive action. All risks require annual review, and detailed action plans are prepared for those rated as actionable.

Sites use the risk register to identify risks and opportunities in relation to their operation and stakeholders. The risk register prioritizes risks that could have negative consequences to our business and our stakeholders in areas such as health and safety, human rights, security, environmental management, community development and economic impact. It also enables sites to identify and prioritize opportunities that could have positive consequences. Once the risks and opportunities are prioritized, action plans are developed. The risk register and these plans are the foundation of internal and external assurance processes at both the corporate level and operating sites.

Our risk register assists our teams to identify and prioritize the most significant risks to our business and our stakeholders. We work cross-functionally to implement our various commitments, and our risk register enables site-level management teams to focus on priorities while promoting globally consistent implementation across our operations.

As part of the internal risk review process, the PDSR considers sustainability issues during the evaluation, and implementation of, potential expansion and development projects. The PDSR process enables us to identify, prioritize and proactively manage potential risks before a project begins and throughout its development, including those relating to human rights and security. The process is applied during the early stages of mine expansion and project development, particularly during scoping, prefeasibility and feasibility stages so that risks may be adequately addressed early and continuously throughout. The process also supports preparation for future closure of operations. The process complements the risk register process and serves as a key input to the risk register once a project is operational, enhancing the integration of sustainability into decision-making across the Company. One review was conducted in 2022.

#### **6. Company Mechanism to Report Security-Related Incidents with Human Rights Implications by Public/Private Security Forces Relating to the Company's Activities**

FCX has established Human Rights Compliance Officer positions at PT-FI and Cerro Verde, where the operating environment represents a higher risk in terms of security and human rights. As part of their role, they lead training for security employees, security contractors and host government security. They also receive, document and follow up formally and informally on reported human rights incidents, grievances and allegations, including those relating to the conduct of public and private security. We actively communicate the role of the Human Rights Compliance Officer to employees, business partners and community groups. All members of our workforce have access to the FCX Compliance Line, a hotline managed by an independent third party that allows for anonymous reporting (refer to [PBC](#) pages 42-43 for additional information). The FCX Compliance Line is also available to members of our supply chain via our Business Partner Code of Conduct (refer to [Business Partner Code of Conduct](#) page 15 for additional information). The FCX Compliance Line is fully compliant with all applicable international data privacy regimes.

In addition, PT-FI, Cerro Verde and El Abra each have physical drop boxes or other mechanisms available for anonymous reporting. We have also incorporated human rights into our corporate Community Grievance Management system, which is implemented at each site to collect community grievances including those potentially related to human rights and/or security. At the end of 2022, we adopted a company-wide digital platform to improve the community grievance escalation process by streamlining internal communication and providing for easier identification of trends across our sites. Site-level Human Rights Compliance Officers report human rights incidents, grievances or allegations to site-level management, the corporate human rights team, as well as legal counsel as appropriate. Allegations related to public security providers are reported to the appropriate government institutions for investigation and, when appropriate, to urge action to prevent recurrence.

As outlined in our Human Rights Policy, FCX does not tolerate retaliation against anyone who raises a question or concern about our business practices or reports a human rights violation. We are committed to protecting the confidentiality of anyone who reports potential violations should they request it. Furthermore, use of our internal and external grievance mechanisms does not preclude access to judicial or other non-judicial grievance mechanisms.

For examples of how we implemented this reporting mechanism in Indonesia and Peru in 2022, please see the country-level reports below in Part C.

#### **7. Company Procedure to Consider the Voluntary Principles in Entering into Relations with Private Security Providers**

Contracts with private security providers in Indonesia, Peru and Chile include requirements to comply with our Human Rights Policy (and, by extension, the Voluntary Principles). Security contractors are required to comply with FCX's Human Rights Policy, including receiving human rights training and instructions to immediately notify the site-level Human Rights Compliance Officer of any human rights related incidents, grievances or allegations.

For descriptions of training provided to private security contractors in Indonesia and Peru in 2022, please see the country-level reports below in Part C.

#### **8. Company Mechanism to Investigate and Remediate Security-Related Incidents with Human Rights Implications by Public/Private Security Forces Relating to the Company's Activities**

Human rights allegations, including those related to security, are referred to the site-level Human Rights Compliance Officer, who oversees the documentation of each allegation and assigns an internal team to assess the allegation. The outcome of the assessment process is reported to site-level management and the individual respondent. Depending on the level of severity of the case, the outcome is also reported to our corporate human rights team and legal counsel.

Where cases involve incidents related to public security personnel, the Human Rights Compliance Officer and site-level management report these incidents to the appropriate government institution for investigation and, when appropriate, to urge action to prevent recurrence. Cases involving private security personnel are investigated by FCX and, where culpability is found, referred to the service provider for appropriate disciplinary action. We are committed to cooperating with human rights-related investigations and supporting appropriate remediation for proven violations caused by or contributed to by FCX's actions.

For examples of how we addressed security-related incidents in Indonesia and Peru in 2022, please see the country-level reports below in Part C.

## C. Country Implementation

### Indonesia

#### *Overview of Country Operations*

PT-FI operates one of the world's largest copper and gold mines at the Grasberg minerals district in the remote highlands of the Sudirman Mountain Range of Central Papua, Indonesia, which is on the western half of the island of New Guinea. PT-FI produces copper concentrate that contains significant quantities of gold and silver. FCX has a 48.76% ownership interest in PT-FI and manages its mining operations. The remaining 51.24% share ownership is collectively held by PT Mineral Industri Indonesia (formerly PT Indonesia Asahan Aluminium (Persero), (MIND ID)) state-owned enterprise. PT-FI has been implementing the Voluntary Principles since FCX became a signatory in 2000.

Indonesia has long faced separatist movements and civil and religious strife in a number of provinces, including Indonesia's provinces in Papua (as the Indonesian territory on the island of New Guinea has collectively been identified). Prior to 2022, the Indonesia territory on the island of New Guinea was divided into two provinces, West Papua and Papua. Legislation passed by the Indonesia government then separated the provinces of Central Papua, Highland Papua, and South Papua from Papua province (for a total of four provinces). The province of Southwest Papua was then created from West Papua. As a result, as of the end of 2022, there are now six Indonesia provinces on the Indonesia territory of the island of New Guinea.

Separatist groups have sought increased political independence for Papua. Across the region, there have been attacks on civilians by separatists and conflicts between separatists and the Indonesia military and police. Separatist violence has been more concentrated in mountainous areas in Central Papua and Highland Papua. Our Grasberg minerals district is located in Central and Highland Papua. In addition to separatist issues, illegal artisanal miners have clashed with police who have attempted to move them away from our facilities. There have been a number of serious incidents throughout Papua over the years. Security risks also stem from periodic social and ethnic tensions within the local community and in other areas of the province as well as the presence of in-migration.

On February 28, 2021, the Indonesia government security forces located and exchanged gunfire with a small group of separatists adjacent to PT-FI's main supply route. The incident did not directly involve PT-FI, and no employees, contractors or equipment were targeted or affected. While some Indonesia government security forces are assigned to support PT-FI's overall security, these forces were not involved in this incident. The PT-FI operational and support area has remained free of violent separatist incidents since February of 2021.

Separatist security incidents, including shootings, continue to occur, with significant numbers of armed conflicts between separatist actors and government security forces reported, particularly in Highland Papua and Central Papua. The Indonesia government reported 90 acts of separatist violence, including

attacks on community members, schools, residential areas, hospitals, and civil aviation. Separately, there are allegations of human rights abuses committed by government security forces.

*Public and Private Security.* The Grasberg minerals district has been designated by the Indonesia government as one of Indonesia's vital national assets. This designation results in the Indonesia police, and to a lesser extent, the military, playing a significant (and legally mandated) role in protecting the area of our operations. The Indonesia government is responsible for employing police and military personnel and directing their operations. Approximately 1,600 public security personnel from the police and military were assigned directly to the PT-FI operational and support area in 2022. In addition, the PT-FI Security and Risk Management (SRM) Department employed approximately 480 unarmed security employees and approximately 730 unarmed private security contractors and transportation/logistics personnel on a rotational basis. These security arrangements have been necessary to enhance the protection of our employees, contractors and assets, especially considering the nature of security challenges and the remote and challenging terrain.

*Security Incidents.* Shooting incidents directed at PT-FI personnel or resources have occurred within the operational and support area, with varying intensity, throughout the years we have been operating. Such incidents have most frequently targeted vehicles on the road connecting lowland logistical support activities with highlands operational areas.

In 2009, a series of shooting incidents occurred within the PT-FI operational and support area, including along the road leading to our mining and milling operations. Since 2009, there have been 22 fatalities and more than 75 injuries to our employees, contractor employees, government security personnel and civilians. There were several shooting incidents in the first half of 2020, including an incident near a PT-FI administrative office building in the lowland community of Kuala Kencana, where one employee was killed and two others were injured. Shooting incidents in PT-FI's operational area continued on a sporadic basis through January 2021, when a helicopter contracted to PT-FI was fired upon and struck by a single gunshot in an area adjacent to the operational area. No one was injured in the January 2021 shooting incident.

Separatist groups have claimed responsibility for many of these shootings, including releasing videos on social media of the incidents. The PT-FI operational and support area has remained free of violent separatist incidents since February of 2021.

In 2022, outside of the PT-FI operational area, there were at least 30 incidents of separatist violence, resulting in 29 fatalities. Separatist security incidents, including shootings, continue to occur regionally.

PT-FI actively monitors security conditions and the occurrence of incidents both within the operational and support area and regionally. Indonesia police have apprehended and arrested several individuals involved in these shootings, and prosecutions are underway in Indonesia's court system.

The safety of our workforce is a critical concern, and PT-FI continues to work with the Indonesia government to enhance security and address security-related issues within the PT-FI operational and

support area and in nearby areas. We continue to limit the use of the road leading to our mining and milling operations to secured convoys, including transport of personnel by armored vehicles in designated areas. Please refer to Figure 1 for a map of PT-FI's Operational and Support Area under the special mining license IUPK, for geographic context.

*Illegal Artisanal Mining.* At our Grasberg operations in Indonesia, illegal artisanal miners seek economic opportunity by panning for unrecovered gold from our milling operations in our controlled riverine tailings system. While artisanal mining within PT-FI's area of work is illegal under Indonesian law, on average, approximately 4,000 artisanal miners and additional women and children associated with the artisanal miners have established camps at various points within the Lowlands and Highlands. About 75% of artisanal miners in the Lowlands come from outside Central Papua and represent over 45 different ethnic groups, while artisanal miners in the Highlands are 99% ethnic Papuans. Many of the illegal artisanal miners do not have expertise operating in hazardous conditions, including the remote terrain and varied climatic conditions experienced at Grasberg. Additional safety challenges exist as PT-FI's ongoing levee maintenance and earthworks, which are needed to responsibly manage the controlled riverine system, occur alongside illegal artisanal miners.

To mitigate the potential social, security, safety, environmental and operational risks associated with illegal artisanal mining, in 2022, PT-FI developed an updated cross-functional management plan to help address the artisanal mining challenges. The aim of the plan is to reduce the number of illegal artisanal mining panners within PT-FI's operating area and artisanal mining-related disruptions to PT-FI's operations. PT-FI updated the cross-functional team members' responsibilities across various divisions including legal, occupational health and safety, operations, environment, community affairs, the project management office and the human rights compliance office. Continued efforts include educational campaigns, monitoring the environment for mercury use, strengthening check points, and increased unmanned aerial systems patrols and focus on joint patrols with third-party security personnel. PT-FI's community liaison officers and third-party contractors seek to proactively and continuously engage the artisanal mining communities on operational changes in an effort to manage their expectations, encourage them to seek alternative livelihoods, and to minimize risks to the operations and to the artisanal miners and their families. PT-FI also seeks to inform the artisanal miners in advance of planned levee maintenance work and equipment movements to minimize safety risks. As part of PT-FI's ongoing engagement with the illegal artisanal mining community, PT-FI continued to carry out human rights education in 2022, with a focus on the rights of children (particularly on preventing child labor) living in the artisanal mining camps in our area of work. The training is carried out through a partnership between PT-FI's human rights and community liaison officers and a third-party contractor involved in managing illegal artisanal mining activities.

PT-FI cannot address illegal artisanal mining on its own. A multi-faceted approach — including government cooperation, security risk management, stakeholder engagement and socioeconomic development for alternative livelihoods — is essential. To that end, PT-FI's artisanal mining management plan includes regional and national objectives to help build strategic partnerships for a multi-stakeholder artisanal mining strategy.

*Grievances.* In 2022, a total of 16 grievances were reported to the human rights compliance office by employees, contractors and community members related to domestic household issues, workplace health and safety concerns, and employment matters. None of these grievances were related to security. Regardless of the types and credibility of these allegations, all cases reported are documented, reviewed and closed by the human rights compliance office.

### ***Engagement with Stakeholders on Country Implementation***

PT-FI continues to engage with stakeholders at the national, regional and local level regarding the implementation of the Voluntary Principles and the UN Guiding Principles, and respect for human rights. The human rights compliance office continued their participation in multi-stakeholder dialogue on the UN Guiding Principles, facilitated by The Institute for Policy Research and Advocacy (ELSAM) in Jakarta. PT-FI's human rights compliance office attended a training on business and human rights conducted by the Indonesia Business Council for Sustainable Development. PT-FI's human rights compliance team and SRM regularly engage Satuan Tugas Pengamanan (Satgaspam) regarding Voluntary Principles implementation best practices. In 2022, the human rights compliance team and SRM received feedback to increase internal cooperation; as such, actions were taken to involve the human rights compliance office in every rotation of Satgaspam personnel, this action will continue moving forward. These engagements serve to build cooperative relationships and promote protection of and respect for human rights.

In late 2021, we initiated planning for an HRIA at PT-FI's Grasberg operations and hired a third-party consultant, Acorn International, to undertake the assessment. During 2022, we worked with the consultant to develop and plan a tailored approach, taking into consideration the unique and complex nature of the site. We are specifically focusing our due diligence on PT-FI's business processes and systems, with the aim of improving their ability to effectively identify and address human rights risks and impacts, including those related to security. In 2023, the consultant will conduct the stakeholder engagement phase of the assessment through internal and external stakeholder interviews. We currently expect to complete the assessment later in 2023 and publish a summary of the findings and recommendations on our website.

PT-FI continued its engagement with community leaders, partner organizations and local authorities within and near its operational area. In addition, PT-FI leadership and staff (including security and Community Liaison Officers) meet frequently with community members and local authorities to discuss updates on PT-FI's operations, economic development programs, community transport routes, emergency support, security matters, illegal artisanal mining and customary rights. More information on outreach and training activities is presented below.

### ***Voluntary Principles Considerations in the Selection of Private Security Providers and Formulation of Contractual Agreements with Private Security Providers, as well as Arrangement with Public Security Forces***

In 2022, PT-FI employed two primary private security contractor companies, which employed unarmed personnel to assist with the protection of company assets. PT-FI also employed three transportation/logistics contractor companies, providing unarmed personnel to assist with airport security screening, passenger/supply convoy logistics and driving vehicles for personnel and logistical support. Contracts with private security providers and transportation/logistics contractor companies state that contractors are required to comply with both our Human Rights Policy and the Voluntary Principles (including their participation in human rights training). Furthermore, private security companies are subject to FCeX and are required to comply with FCX's Business Partner Code of Conduct, which is inclusive of our Human Rights Policy.

PT-FI, like all businesses and residents of Indonesia, relies on the Indonesia government for the maintenance of public order, upholding the rule of law and protection of personnel and property. From the outset of PT-FI's operations, the Indonesia government has looked to PT-FI to provide logistical and infrastructure support and assistance for these necessary services because of the limited resources of the Indonesia government, and the remote location of and lack of development in Central Papua. PT-FI's financial support of the Indonesia government security institutions assigned to PT-FI's operations area represents a prudent response to PT-FI's requirements and commitments to protect its workforce and property better ensuring that personnel are properly fed and lodged and have the logistical resources to patrol PT-FI's roads and secure its area of operations. In addition, the provision of such support is consistent with our philosophy of responsible corporate citizenship, and reflects our commitment to pursue practices that protect and respect human rights.

PT-FI maintains a memorandum of understanding (MOU) with both Indonesia's national police and Indonesia's military, which were most recently updated in April 2022 and December 2019, respectively. Both MOUs cover a five-year term and detail the working relationship between PT-FI and the public security personnel assigned to it, such as areas of support, coordination and commitment to PT-FI policies and procedures, including business ethics and human rights. The Voluntary Principles and FCX's Human Rights Policy are incorporated as an attachment to the MOUs. Under the terms of the MOUs, PT-FI does not provide munitions of any kind (whether lethal or non-lethal) and PT-FI does not exercise any command and/or control of the Indonesia military or police.

In 2022, the majority of PT-FI's security budget (approximately 66%) was directed to PT-FI's own industrial security requirements (including employee and contractor direct costs and associated overhead) and totaled USD\$50 million. The remainder of PT-FI's security budget (approximately 34%) represented PT-FI's support costs for government-provided security and totaled USD\$25 million.

Indonesia police provide the majority of security and have overall responsibility for the security of Grasberg minerals district given its designation as a vital national asset; 71% of the Indonesia government support costs were directed to police units. The remainder was directed to military units who provide specialized security skill sets such as Navy and Air Force personnel for port and airport security, respectively.

Under the terms of the MOUs previously mentioned, approximately 69% of overall Indonesia government support was provided in-kind such as food, housing, fuel, travel and vehicle repairs. Provision of food represents the single largest category. The remaining Indonesia government support is provided in the form of monetary allowances for police and military units, covering incidental and administrative costs (including community assistance programs conducted by the military and police), and a voluntary monthly support allowance for individual service members, which are paid to and managed by the central government in Jakarta. The voluntary monthly support allowance is intended to defray the hardships of the remote assignment and provide a base living allowance for assigned personnel.

All costs associated with assistance to the Indonesia government are subject to internal controls, including annual review by outside counsel and auditors.

### ***Examples of Supporting Outreach, Education and Training***

In 2022, PT-FI conducted approximately 19,500 hours of training on our human rights policy and the Voluntary Principles either directly by PT-FI's human rights compliance office or indirectly through its human rights ambassador program. This training included:

- Induction or refresher training for approximately 950 PT-FI employees,
- Training on our human rights policy and the Voluntary Principles for over 300 PT-FI security employees and approximately 450 private security contractor employees,
- Pre-deployment training for approximately 1,600 police and military personnel under PT-FI's MOUs<sup>1</sup>,
- Training for approximately 5,800 contractors on our human rights policy, and
- Awareness training for over 1,030 students in Timika.

Human rights refresher training is mandatory for all employees and contractors every two years, and security professionals must undergo mandatory refresher training on an annual basis. The majority of training for employees and on-site contractors was conducted online, and all training sessions for security employees, private security contractors, and community members were conducted in a classroom setting. All of these trainings were delivered by the human rights compliance office.

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<sup>1</sup> Military and police contingents directly assigned to the PT-FI operational and support area receive a presentation on human rights before beginning their assignment, either at their home base or upon arrival at the site. Host government security not directly assigned to the PT-FI operational and support area may also be accommodated in PT-FI's approximately 2900 square kilometer operational and support area. When possible, PT-FI works to promote human rights and Voluntary Principles awareness among these individuals, including via posters, distribution of Voluntary Principles pocketbooks and awareness training. Approximately 20 non-MOU security personnel received this awareness training in 2022.

As part of its human rights ambassador program, the human rights compliance office provides representatives from contractor companies with train-the-trainer instruction on human rights and the Voluntary Principles. After training, human rights ambassadors serve within their respective contractor companies and promote awareness of our human rights policy, emphasize our shared responsibility for respecting human rights, provide human rights induction training for new employees and annual refresher training for the existing company's workforce. PT-FI's human rights ambassador program also has been implemented at the Manyar smelter project in Gresik. In collaboration with PT-FI's human rights compliance office, a team of human rights ambassadors employed by various contractors and subcontractors have received training to help provide culturally sensitive human rights induction training for the large workforce at the smelter project. In 2022, the project conducted approximately 9,800 hours of training.

PT-FI's human rights compliance office regularly conducts educational programs and activities in the community to help raise awareness and understanding of human rights. In 2022, this included creating flyers and banners and conducting several human rights promotional activities targeting students, families of employees, community leaders, illegal artisanal miners and their families and the general population. In 2022, the human rights compliance office launched a special campaign to inspire local youth about human rights and tolerance. The campaign reached youth groups at Maranatha Christian Church in Timika and children at Lembaga Pengembangan Anak Terlantar dan Putus Sekolah, a local NGO that supports homeless and disadvantaged children. The children participated in creative art activities and watched short videos to teach them about human rights, their own rights and their obligations towards others. More than 150 children actively participated in the campaign.

#### ***Company Procedure to Review Progress on Voluntary Principles Implementation at Local Facilities***

FCX corporate personnel reviewed implementation of the Voluntary Principles at PT-FI through site visits and meetings with the human rights compliance office, as well as SRM. The human rights compliance office also issues a monthly report to site and corporate management on human rights training, engagement activities and the status of any reported human rights grievances. In 2022, we continued to hold weekly meetings to discuss and address complex issues.

PT-FI's operations completed a reasonable-level external assurance conducted by our Independent Public Accounting Firm in 2022. The assurance review comprised of an analysis of PT-FI's risk management systems and their alignment with the ICMM Performance Expectations and the Copper Mark criteria. The assurance process also included workforce interviews and external stakeholder interviews which were intended to assess PT-FI's engagement levels, grievance management principles and to test the veracity of PT-FI's assertions in relation to its stakeholder engagement programs. Following this external assurance process and the Copper Mark's review process that followed, in February 2023, PT-FI was awarded the Copper Mark.

## Peru

### *Overview of Country Operations*

Sociedad Minera Cerro Verde SAA (Cerro Verde) is an open-pit copper and molybdenum mining complex located approximately 20 miles southwest of Arequipa. Cerro Verde is majority owned and operated by FCX, which acquired the mine at the time of its privatization by the Peruvian government in 1994 through a predecessor company. The remaining shareholders are SMM Cerro Verde Netherlands B.V. Compañía de Minas Buenaventura S.A.A. and other minority shareholders.

Cerro Verde, like all businesses and residents of Peru, relies on the Peru government for the maintenance of public order, upholding the rule of law and the protection of personnel and property. The Peru government is responsible for employing police personnel and directing their operations. Since 2019, Peru has experienced significant civil unrest unrelated to our operations. For example, in 2022, an unaffiliated copper producer in southern Peru repeatedly curtailed or suspended operations because of repeated and sustained community protests on the government-designated concentrate transport route along public roads, which have constrained such producer and at times other local producers from shipping their products. Other operations in the region have encountered significant issues with trespassers, illegal artisanal miners, and civil demonstrations. Community protests at unaffiliated copper producers are ongoing; such civil unrest has not significantly impacted our results at Cerro Verde.

Beginning in December 2022 and continuing in first-quarter 2023, heightened tensions, protests and social unrest emerged in Peru following a change in the country's political leadership. Cerro Verde operated at reduced rates from time to time during first-quarter 2023. While demonstrations and road blockages subsided in recent weeks, the potential for civil unrest and disruption of commerce and supply chains continues. Cerro Verde resumed normal operations in March 2023. We continue to monitor the situation with a priority on safety and security.

*Public and Private Security.* As of the end of 2022, Cerro Verde employed 10 unarmed security employees and 288 private security contractors. Some private security contractors assigned to the protection of expatriate personnel are armed. In addition to these security personnel, the national government has assigned Peruvian National Police (PNP) to the site in teams of 21 on 15-day rotations, in accordance with Legislative Decree N° 1267, Supreme Decrees 026-2017-IN, N° 003-2017-IN and N° 018-2017-IN, and Emergency Decree N° 006-2017 (article 11). A total of 665 members of the PNP rotated through the site during 2022.

*Grievances.* In 2022, 176 grievances were reported to Cerro Verde's Human Rights Compliance Officer. Of these, 151 were related to labor compliance, 23 were related to contracts and one was related to sexual harassment. Only one was security-related; a pedestrian was hit by a vehicle transporting private security contractor personnel. The individual was injured and received medical treatment. After reaching a compensation agreement with the driver, the pedestrian sought additional compensation. Most grievances received in 2022 related to contractors or their employees. This is attributed to increased awareness of our grievance mechanism by contractors and their employees who have been

targeted for training on our Business Partner Code of Conduct and related human rights topics in recent years. Regardless of the type and credibility of these allegations, all cases reported are documented, reviewed and closed by Cerro Verde's Human Rights Compliance Officer, as appropriate.

### ***Engagement with Stakeholders on Country Implementation***

Cerro Verde continues to participate in the country-level implementation of the Voluntary Principles in Peru and attend working group meetings when scheduled. Cerro Verde also continues to participate in discussions on human rights issues and implementation with the National Society of Mining, Oil and Energy on the interface between social and security issues. This engagement was conducted in person as well as virtually.

### ***Voluntary Principles Considerations in the Selection of Private Security Providers and Formulation of Contractual Agreements with Private Security Providers, as well as Arrangement with Public Security Forces***

As part of its security program, Cerro Verde maintains its own internal security department and contracts one private security company. Both employees and contractors perform functions such as protecting company facilities, monitoring shipments of supplies and products, assisting in traffic control at site and aiding in emergency response operations. Cerro Verde's costs for its internal civilian security department totaled approximately USD\$7 million in 2022. Contracts with private security providers include specific language related to our corporate Human Rights Policy (and, by extension, to the Voluntary Principles) as well as our Business Partner Code of Conduct. Furthermore, new suppliers (including contractors) are subject to Freeport's online due diligence platform FCeX and required to comply with our Business Partner Code of Conduct, which is inclusive of our Human Rights Policy.

Cerro Verde has limited public security in support of its operation, with the arrangement defined through an Inter-Institutional Cooperation Agreement with the PNP. Under Peruvian law, PNP officers may volunteer to be assigned to operations such as Cerro Verde during their scheduled leave. This allows the officers to supplement their government salaries at a rate set by the government. They retain their full powers as officers of the law when performing this role and wear their police uniforms but are not armed. The agreement was amended a second time in December 2021 to extend the term two years. It details the working relationship between Cerro Verde and the PNP, including areas of support and coordination. A commitment to the Voluntary Principles is included as an addendum to the agreement.

Cerro Verde's share of support costs for government-provided security approximated USD\$1 million in 2022. This support is primarily remuneration, but also includes a limited amount for in-kind support (e.g., daily bus transportation to and from the mine, food and incidentals) provided by Cerro Verde. The amount and modality of payment is in accordance with Peruvian law (Supreme Decree N° 152-2017-EF, Ministry Act N° 552-2017-IN and Legislative Decree N° 1267).

### ***Examples of Supporting Outreach, Education and Training***

In 2022, Cerro Verde provided over 5,700, hours of training on human rights and the Voluntary Principles. The training included:

- Induction training for all new Cerro Verde employees on human rights as well as a booklet on human rights and internal labor regulations,
- Refresher training for approximately 4,500 Cerro Verde employees on FCX's human rights policy with a focus on labor rights, sexual harassment, forced labor, child labor, decent work, wage discrimination by gender and how to report issues and concerns,
- Training on human rights and the Voluntary Principles for all 10 of Cerro Verde's security employees and 268 of 288 of its security contractors,<sup>2</sup>
- Pre-deployment training on human rights and the Voluntary Principles for 665 members of the PNP who rotated through the site,
- Training for over 10,200 contractors on our human rights policy, and
- Awareness training for over 20 individuals from international partner organizations visiting the site.

#### ***Company Procedure to Review Progress on Voluntary Principles Implementation at Local Facilities***

FCX corporate personnel review implementation of the Voluntary Principles at Cerro Verde through site visits and meetings with Cerro Verde's human rights compliance officer, as well as Cerro Verde's security manager. In 2022, we continued to hold weekly meetings to discuss and address complex issues.

Cerro Verde underwent an external assurance review by our Independent Public Accounting Firm in 2022 as part of FCX's ICMM assurance and validation procedure commitment (see Section B.4. above), and participation in the Corporate Pillar Verification Framework. The review was undertaken on-site at Cerro Verde. The review included an evaluation of its security and human rights risk management systems (see Sections B.4. and B.5. above).

In December 2020, Cerro Verde was awarded the Copper Mark, a comprehensive assurance framework that promotes responsible production practices and includes independent site-level assessment against a comprehensive set of environmental, social and governance (ESG) criteria, including in relation to security and human rights.

#### **D. Lessons or Issues from this Reporting Year, as well as Plans or Opportunities to Advance the Voluntary Principles for the Organization**

We continue to identify opportunities for continuous improvement in our implementation of the Voluntary Principles. Plans for 2023 include continuing our participation in Voluntary Principles Initiative

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<sup>2</sup> Some private security contractors assigned to the protection of expatriate personnel are armed; all received human rights and Voluntary Principles training in 2022. These contractors also receive training on defensive driving and firearms handling.

and Corporate Pillar meetings, attending annual Plenary meetings, continuing our participation in the implementation of the Voluntary Principles at the country-level in Indonesia and Peru, and initiating a review of the Voluntary Principles Initiative model training materials to identify opportunities to enhance our training on human rights and the Voluntary Principles.

We continue to advance our implementation of the UN Guiding Principles. We have a number of projects underway to further embed respect for human rights across our business, including significant ongoing work on our HRIAs. In 2023, this includes monitoring implementation of El Abra HRIA action plans, acting on recommendations on priority areas for investigation and/or action resulting from the AZ Operations HRIA, and completion of the HRIA at PT-FI. We are also working to improve the knowledge of our workforce through training. This includes working towards developing and deploying targeted human rights training for lower risk sites.



## CAUTIONARY STATEMENT

This report contains forward-looking statements in which we discuss our potential future performance. Forward-looking statements are all statements other than statements of historical facts, such as plans, projections, expectations, targets, objectives, strategies or goals relating to environmental, social, safety and governance performance, including our continuing commitment to safe and reliable operations; our commitment to human rights; and our commitment to deliver responsibly produced copper and molybdenum, including plans to implement, validate and maintain validation of our operating sites under specific frameworks. The words “anticipates,” “may,” “can,” “plans,” “believes,” “estimates,” “expects,” “endeavors,” “seeks,” “goal,” “predicts,” “strategy,” “objective,” “projects,” “targets,” “intends,” “aspires,” “likely,” “will,” “should,” “could,” “to be,” “potential,” “assumptions,” “guidance,” “forecasts,” “commitments,” “pursues,” “initiatives,” “opportunities,” “future” and any similar expressions are intended to identify those assertions as forward-looking statements. We caution readers that forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated, expected, projected or assumed in the forward-looking statements. Important factors that can cause our actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, the factors described under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the U.S. Securities and Exchange Commission (SEC), as updated by our subsequent filings with the SEC, and available on our website at [fcx.com](http://fcx.com).

Many of the assumptions upon which our forward-looking statements are based are likely to change after the forward-looking statements are made. Further, we may make changes to our business plans that could affect our results. We caution investors that we undertake no obligation to update any forward-looking statements, which speak only as of the date made, notwithstanding any changes in our assumptions, changes in business plans, actual experience or other changes.

While certain matters discussed in this report may be significant and relevant to our investors, any significance should not be read as rising to the level of materiality for purposes of complying with the U.S. federal securities laws or the disclosure requirements of the SEC. The goals and projects described in this report are aspirational; as such, no guarantees or promises are made that these goals and projects will be met or successfully executed.