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## Freeport McMoRan Copper and Gold Inc (FCX)

### VERIFICATION STATEMENT

The 2007 Working Toward Sustainable Development (WTSD) and GRI Reports of Freeport McMoRan Copper & Gold, Inc. (FCX) have been prepared by the management of FCX who are responsible for the collection and presentation of information in these reports.

#### Scope

Matrix+ Consulting UK Limited, in accordance with FCX management's instructions, was asked to perform:

- verification of selected performance data reported at selected sites and at head office;
- review of statements made in the WTSD report regarding FCX's SD processes and achievements in 2007; and
- an assessment of the status of the 2007 GRI report in relation to the GRI (2002) guidelines.

#### Key Findings

Based on our review, its scope and limitations:

- We found no evidence that GRI Indicator data provided in Section 4 of the FCX 2007 GRI Report have been improperly collated from information reported at an operational level, or materially misstated at Group level.
- We are not aware of any misstatements made in respect of the qualitative information provided in section 4 of the FCX 2007 GRI report.
- We are not aware of any misstatements made in the WTSD report regarding FCX's SD processes and achievements in 2007.
- Nothing has come to our attention that causes us to refute FCX's management's statement that their GRI reporting is in accordance with the 2002 GRI Guidelines.

The audit identified some areas in FCX's reporting process that could be enhanced in order to underpin the transparent, accurate and complete reporting of performance. These have been identified in the Management Report submitted to FCX.

#### Methodology

##### Verification of Selected Performance Data

The following sampling of selected indicators and selected sites formed the basis of the data verification.

1. An assessment was carried out to evaluate the risk of misstating reported information at group level for quantitative indicators reported in Part 4 of the FCX GRI Report. Indicators considered were core, additional and mining supplement indicators. The assessment looked at site level reported performance data for GRI indicators and considered materiality in the context of group level reported information. On this basis certain indicators were selected for verification activities at four predetermined sites. The assessment methodology was based on the AS/NZS 4360:2004 Risk Management standard.
2. Verification priority at site level was applied to the indicators posing a higher risk of group level reporting misstatement, and supplemented by sampling of parameters with a lower risk ranking. Calculations and spreadsheets were viewed and interrogated to obtain an understanding of the consistency of the reporting processes and to test the accuracy of the aggregation processes for high priority indicators. Interviews were held with various site level representatives of FCX.
3. Sites visited were as follows:
  - Grasberg Mine, Papua, Indonesia (FCX largest operational site in Asia)
  - Cerro Verde Mine, Arequipa, Peru (FCX largest operational site in South America)
  - Morenci Mine, Arizona, USA (FCX largest operational site in North America)
  - Sierrita Mine, Arizona, USA (FCX North American site)

4. Data reporting, collection and consolidation processes were further reviewed at the Head Office in Phoenix, Arizona, USA. This involved senior management interviews and documentation reviews in support of group reported information.

#### **Review of Qualitative Statements in GRI Report and WTSD**

Qualitative statements made in the FCX 2007 GRI report part 4 were reviewed and selectively tested for accuracy through management interviews and selected document reviews.

Statements made in the WTSD report regarding FCX's SD processes and achievements in 2007 were also reviewed and selectively tested for accuracy through management interviews and selected document reviews. Case studies identified in early drafts of the WTSD report for the sites visited were reviewed during those site visits.

#### **Assessment of Status of the FCX 2007 GRI Report**

The verifiers undertook an 'In Accordance' check of the FCX 2007 GRI report against the requirements of the 2002 GRI Guidelines.

#### **Limitations of the Verification**

This verification has been carried out by checking samples of information and documents that have been made available during the period of verification activity by FCX.

Quantitative data verification was limited to data reported in Part 4 of the FCX GRI report. It did not cover other quantitative data, for example, in the WTSD report.

Information provided that has been deemed to be independently verified by other third parties has been considered to be appropriately verified, and was not subjected to re-verification by Matrix+ Consulting.

Our evidence gathering procedures have been designed to obtain a limited level of assurance on which to base our conclusions. This is less than that of a reasonable assurance engagement (such as a financial audit) and therefore a lower level of assurance is provided.

The scope of our work was limited to a sample of 4 operational site visits and a Head Office visit, out of a total number of 13 operating sites.

The review of qualitative information in the FCX2007 GRI Report (sections 1 to 4) and in the WTSD report was undertaken on a limited interview and sampling basis.

This verification applies to FCX's Global Reporting Initiative 2007 report which is posted on the company's website on August 25, 2008 and to the 2007 WTSD report dated August 15, 2008. It does not extend to any updates that may be posted after this date.

The verification statement provided by Matrix+ Consulting is not intended to be used as advice or as the basis for any decisions, including, without limitation, financial or investment decisions.

#### **Statement of Independence**

The independence of our team has been reviewed and none of the Matrix+ Consulting assessors involved in this project presents a conflict of interest to the integrity of this verification statement.

**Matrix+ Consulting UK**

August 2008