

## **Freeport-McMoRan Copper & Gold Inc. Stock Ownership Guidelines**

We believe that it is important for our Company's directors and senior executive officers to align their interests with the long-term interests of our stockholders. Accordingly, in January 2006, our board of directors adopted stock ownership guidelines that establish target levels of stock ownership for our non-employee directors and our senior executive officers that should be met over a four-year period.

### **Non-Employee Directors**

Each non-employee director is encouraged to own shares of our common stock having a value equal to at least five times his or her annual retainer, which is currently \$40,000. The value of the director's stock ownership is calculated based on the one-year and five-year trailing average monthly stock price. Our Nominating and Corporate Governance Committee administers the guidelines for our non-employee directors.

### **Executive Officers**

Each of the Chairman of the Board and the Chief Executive Officer is encouraged to own shares of our common stock having a value equal to at least five times his or her base salary. Each of the Chief Administrative Officer and the Chief Financial Officer is encouraged to own shares of our common stock having a value equal to at least three times his or her base salary. The value of the senior executive officer's stock ownership is calculated based on the one-year and five-year trailing average monthly stock price. Our Corporate Personnel Committee administers the guidelines for our senior executive officers.

### **Compliance Period**

Stock ownership levels should be achieved by each non-employee director and senior executive officer as soon as practicable or within four years of being appointed or elected to the board or as an executive officer. The ownership levels will be calculated and reviewed annually. Each non-employee director and senior executive officer will be notified on an annual basis of their progress toward meeting the guidelines.