Assurance Statement

The Freeport-McMoRan Inc. (Freeport-McMoRan) 2019 Annual Report on Sustainability, including information referenced by the Global Reporting Initiative (GRI) Sustainability Reporting Standards published on the Freeport-McMoRan web site, has been prepared and presented by the management of Freeport-McMoRan.

SCOPE

Corporate Integrity Ltd., in accordance with Freeport-McMoRan management’s instructions, was asked to perform:

1. A review of policies and systems in place in relation to the International Council on Mining & Metals (ICMM) Sustainable Development (SD) Framework, using as a basis the ICMM Sustainable Development Framework: Assurance Procedure and the Core option of the GRI Sustainability Reporting Standards.

2. A review of statements made in the 2019 Annual Report on Sustainability and information referenced by the GRI Content Index.

Our assurance work covered Subject Matters 1 to 5 referred to in the ICMM SD Framework: Assurance Procedure. Our assurance work scope covered all the Freeport-McMoRan mining and metals processing operations defined by the reporting boundaries of the 2019 Annual Report on Sustainability.

This year’s programme is part of an ongoing process to conduct this assurance scope of work at all major Freeport-McMoRan mining and processing sites at least one time every three years. The programme includes annual site-level assurance visits to Cerro Verde and PT-FI.

Due to the international COVID-19 crisis, it was not possible to complete all planned site visits or to conduct a Head Office visit. As a result, our assurance work involved selective reviews of documents, interviews and/or site visits as follows:

• Cerro Verde Mine, Peru: A site visit was carried out
• PT Freeport Indonesia (PT-FI)- Grasberg Mine, Indonesia: A site visit was carried out
• El Abra Mine, Chile – a video conferencing assessment was carried out, with an agenda designed to achieve, within practical limits, as much visibility as a site visit. A physical site visit to El Abra had been carried out by Corporate Integrity Ltd. for the 2018 reporting cycle.
• Head Office - video conferences were undertaken to further review certain data and disclosures within the 2019 Annual Report on Sustainability.

KEY FINDINGS

Based on our review, its scope and limitations:

• Nothing has come to our attention, which causes us to believe that the information reported by Freeport-McMoRan in the 2019 Annual Report on Sustainability and information referenced by the GRI Content Index regarding Freeport-McMoRan implementation of the ICMM assurance commitment with respect to subject matters 1 to 4, has been materially misstated.

• Nothing has come to our attention to cause us to believe that Freeport-McMoRan is not reporting in accordance with the GRI Standards: Core option.

METHODOLOGY APPLIED

Through document reviews, physical observations where possible, and interviews at the selected sites and head office, the work activity involved the following.

For Subject Matters 1 to 3 in the ICMM SD Framework: Assurance Procedure;

1. A review of Freeport-McMoRan policies and their alignment to ICMM’s 10 SD principles and ICMM Position Statements at corporate and site level.

2. A review of processes in place to identify and prioritize SD risks and opportunities at corporate and site level during the reporting period and the results of the identification and prioritization process.

3. A review of the systems and approaches that Freeport-McMoRan used to manage its identified material SD risks and opportunities and to implement ICMM’s 10 SD principles at corporate and site level.
For Subject Matters 4 and 5 in the ICMM SD Framework: Assurance Procedure;

4. Review of Standard Operating Procedures (SOPs) for the collection and assimilation of GRI reported performance information involving:
   a) An assessment to evaluate the risk of misstating reported information for quantitative topic-specific disclosures reported. The assessment looked at site level reported performance data for GRI topic-specific disclosures and considered materiality in the context of corporate level reported information. On this basis, certain topic-specific disclosures were selected for verification activities at the selected sites. The assessment methodology was based on ISO 31000, Risk Management Guidelines.
   b) A review of data reporting, collection and consolidation processes undertaken at Head Office.
   c) Review of statements made in the 2019 Annual Report on Sustainability and information referenced by the GRI Content Index regarding Freeport-McMoRan sustainable development processes and achievements in 2019 including its implementation of the ICMM SD Framework. This involved management interviews with members of the company’s Sustainable Development Leadership Team. This also involved documentation reviews in support of corporate level reported information.
   d) Review and selective testing for accuracy of qualitative statements made in the 2019 report and information referenced by the GRI Content Index.
   e) Assessment of Freeport-McMoRan’s claim to be reporting in accordance with the GRI Standards: Core option.

LIMITATIONS OF THE WORK PERFORMED

This work has been carried out by checking samples of information and documents that have been made available during the period of assurance activity by Freeport-McMoRan. There were some physical constraints on assurance activities undertaken in 2020 for the operating year 2019, due to circumstances associated with the COVID-19 pandemic.

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 Corporate Integrity Ltd.

Our evidence gathering procedures have been designed to obtain a limited level of assurance on which to base our conclusions.

The assurance statement provided by Corporate Integrity Ltd. 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 Corporate Integrity Ltd. assessors involved in this project presents a conflict of interest to the integrity of this assurance statement.

Standard Applied to This Engagement: International Standard on Assurance ISEA3000 (revised) – Assurance Engagements other than Audits & Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board (IAASB).

David Shirley & Raj Aseervatham
Directors
Corporate Integrity Ltd.