

ELECTRIFYING THE FUTURE

# FCX ESG Presentation

Q4 2022



ICMM  
Member

[FCX.COM](https://www.fcx.com)

**FREEPORT**  
FOREMOST IN COPPER

# Cautionary Statement

*This presentation contains forward-looking statements in which FCX discusses its 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 expectations regarding execution of FCX's energy and climate strategies, and the underlying assumptions and estimated impacts on FCX's business related thereto; FCX's approach to lower carbon and reduced emissions; FCX's plans and expectations in relation to FCX's future clean energy transition, including targeted reductions of GHG emissions, implementation of technologies and emissions reduction projects, achievement of climate commitments by 2030 and 2050 net zero aspiration; FCX's operational resiliency and climate scenarios; FCX's expectations regarding climate-related risks and future risk mitigation; FCX's continuing commitment to safe and reliable operations; FCX's commitment to human rights and creating an inclusive and diverse workplace; FCX's commitment to deliver responsibly produced copper, including plans to implement and validate its operating sites under specific frameworks; and statements and goals related to copper's antimicrobial properties. The words "anticipates," "may," "can," "commitments," "plans," "pursues," "believes," "estimates," "expects," "endeavors," "seeks," "goal," "predicts," "strategy," "objective," "projects," "targets," "intends," "aspires," "likely," "will," "should," "could," "to be," "potential," "opportunities," "assumptions," "guidance," "forecasts," "future" and any similar expressions are intended to identify those assertions as forward-looking statements. FCX cautions 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 FCX's 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 FCX's Annual Report on Form 10-K for the year ended December 31, 2021, filed with the U.S. Securities and Exchange Commission (SEC), as updated by FCX's subsequent filings with the SEC, and available on FCX's website at [fcx.com](https://www.fcx.com).*

*Many of the assumptions upon which FCX's forward-looking statements are based are likely to change after the forward-looking statements are made. Further, FCX may make changes to its business plans that could affect its results. FCX cautions investors that it undertakes no obligation to update any forward-looking statements, which speak only as of the date made, notwithstanding any changes in its assumptions, changes in business plans, actual experience or other changes.*

*Further, the data, statistics and metrics included in this presentation are non-audited estimates (with the exception of financial information and the GHG Scope 1, 2, and 3 emissions data which have been third-party verified in accordance with ISO 14064 (Specifications 1 and 3) to a reasonable level of assurance), not prepared in accordance with generally accepted accounting principles (GAAP), continue to evolve and may be based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees and are subject to future revision.*

*While certain matters discussed in this presentation may be significant and relevant to FCX's 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 presentation are aspirational; as such, no guarantees or promises are made that these goals and projects will be met or successfully executed.*



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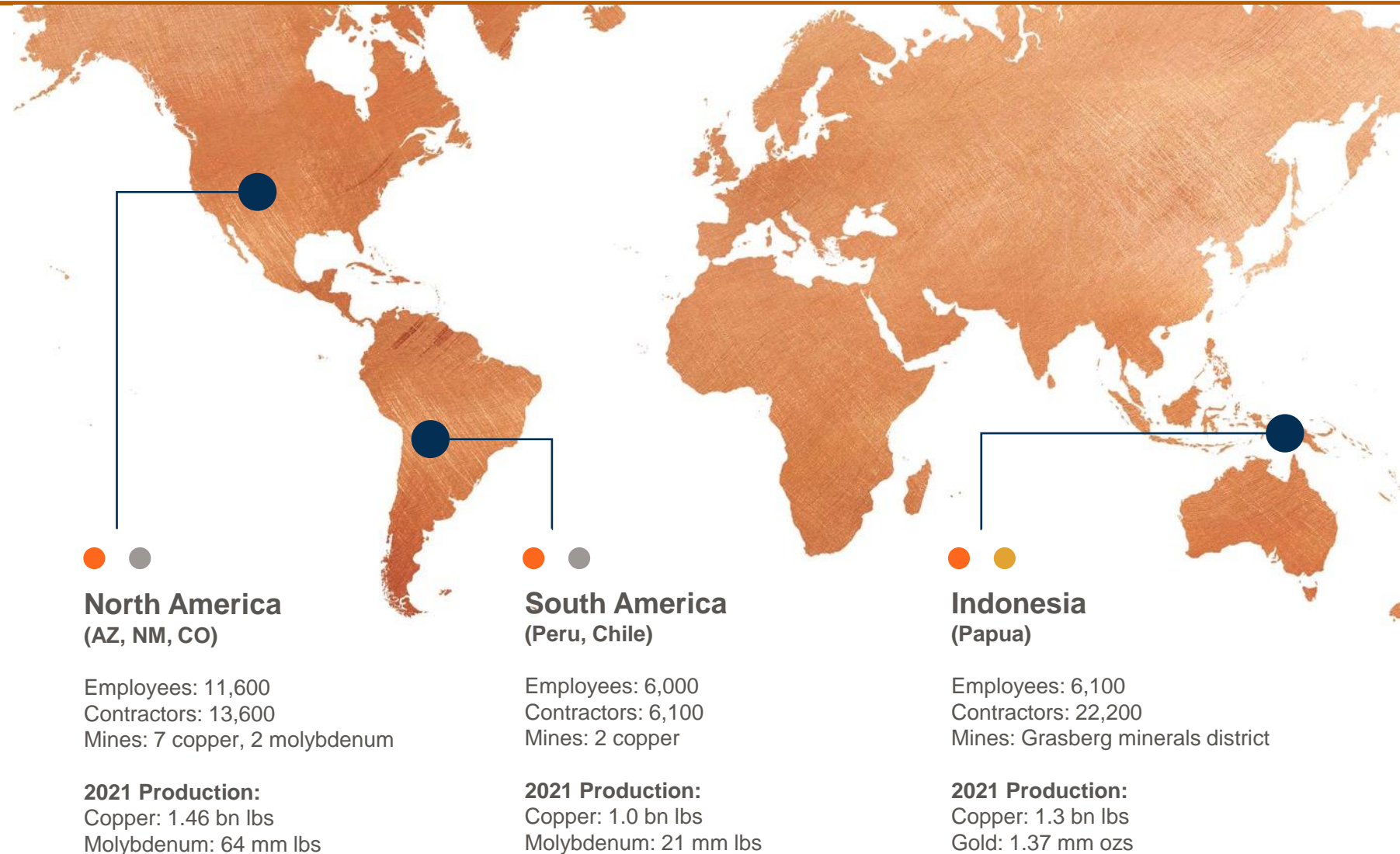


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# Freeport: Foremost in Copper

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- ▶ High Quality Assets
- ▶ Control & Operate All Major Assets
- ▶ Experienced Leadership
- ▶ Demonstrated Operational & ESG Track Record
- ▶ ~25 year Implied Reserve Life for Copper\*



\*Excludes mineralized material

Note: At December 31, 2021, we had approximately 1,000 employees and 600 contractors in Europe and other locations not reflected on this slide.

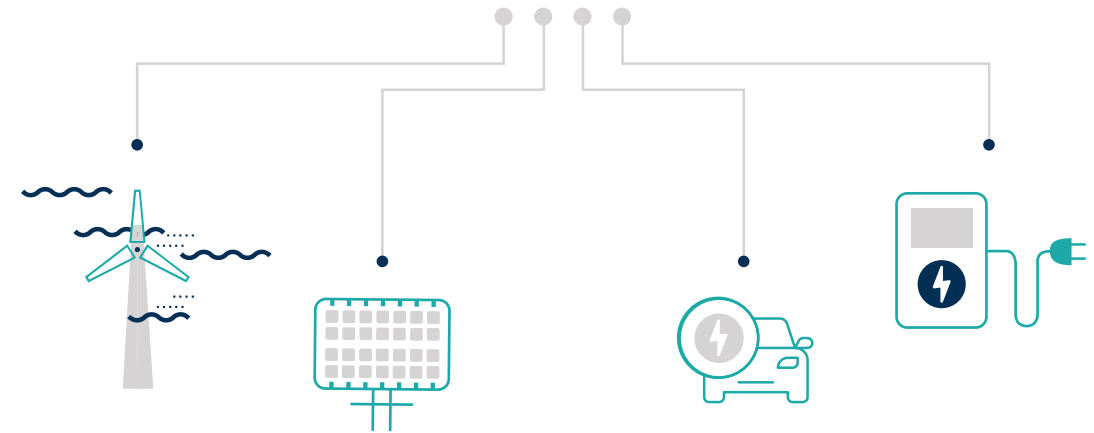
# Copper – Metal of the Future

## Copper is critical to support the global transition to a low-carbon economy

- ▶ Essential to the technologies necessary to deliver clean energy, including electric vehicles, charging stations, high-efficiency motors and renewable energy
- ▶ Global decarbonization is expected to drive intensity of copper use
- ▶ By 2030, copper could support reduction of global carbon emissions by 16%
- ▶ Over 65% of the world's copper is used in applications that deliver electricity



## IN THE ENERGY TRANSITION



Renewable energy technologies use 4-5x more copper than fossil fuel power generation.

Electric vehicles use up to 4x more copper than internal combustion engines.

# FCX is a Leading Responsible Copper Producer

We are *Accelerating the Future, Responsibly.*

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## FCX's Sustainability Strategy



FCX is a leading responsible copper producer — supplying nearly 9.5% of the world's mined copper.

As the world transitions to a low-carbon economy, demand for copper is expected to increase. We believe increased demand should be met responsibly.

Our sustainability strategy recognizes the critical role our products play in global progress and underlies our commitment to continue to advance responsible production practices at our sites around the world.

# ESG Strategy Aligned with International Best Practices

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## Voluntary Memberships & Commitments:



## Sustainability Reporting Frameworks:



Note: As of September 20, 2022: 11 FCX sites have been awarded the Copper Mark: Atlantic Copper smelter & refinery, Bagdad, Cerro Verde, Chino, El Abra, El Paso refinery & rod mill, Miami smelter, mine & rod mill, Morenci, Safford, Sierrita, and Tyrone.

# The Copper Mark

## Recognition for Responsible Production

- ▶ Assurance framework developed to demonstrate the copper industry's responsible production practices
- ▶ Producers participating in the Copper Mark are committed to adhering to internationally recognized responsible operating practices
- ▶ Copper Mark governed by independent board including NGO participation and multi-stakeholder advisory council
- ▶ Framework covers 32 issue areas across 5 ESG categories developed by the Responsible Minerals Initiative's Risk Readiness Assessment
- ▶ Requires third-party assurance of site performance and independent Copper Mark validation every three years
- ▶ FCX is committed to achieving the Copper Mark at all of our copper producing sites
- ▶ The Copper Mark is currently evaluating an extension of its framework to metals that are produced as a by-product of copper; FCX supports this effort

## COPPER MARK STATUS BY SITE:

### AWARDED

Atlantic Copper smelter & refinery (Spain)	Miami smelter, mine & rod mill (AZ)
Bagdad mine (AZ)	Morenci mine (AZ)
Cerro Verde mine (Peru)	Safford mine (AZ)
Chino mine (NM)	Sierrita mine (AZ)
El Abra mine (Chile)	Tyrone mine (NM)
El Paso refinery & rod mill (TX)	

### LETTER OF COMMITMENT

PT-FI mine (Indonesia)

*Note: Copper Mark status as of 09/20/2022*



# 2021 ESG Highlights

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## 2030

GHG emissions intensity  
reduction target  
established for PT-FI\*

## \$164 million

invested in our  
communities

## 2050

Net zero aspiration  
announced

## Global Tailings Standard

leadership role in  
development of standard and  
implementation in process

## 87%

total water use  
efficiency achieved

### *Electrifying the Future*

## 99%

of our employees are  
from the countries  
where we operate

## 11 sites

awarded Copper Mark,  
including 4 in 2021

## 6

New independent  
directors added to  
Board in 2021

## ZERO

significant environmental  
incidents at our operations

## WHC

12 of our sites certified gold  
by Wildlife Habitat Council  
for our biodiversity programs



Fortune magazine's 2022 World's  
Most Admired Companies



S&P Global Sustainability  
Yearbook 2022



Newsweek's America's 500 Most  
Responsible Companies.



Points of Light The Civic 50 list,  
recognizing the 50 most community-  
minded companies in the U.S.



2022 Leader for Communities in the  
Basic Resources industry by America's  
most JUST Companies

Note: To date, 11 FCX sites have been awarded the Copper Mark: Atlantic Copper smelter & refinery, Bagdad, Cerro Verde, Chino, El Abra, El Paso refinery, Miami mine & smelter, Morenci, Tyrone, Safford and Sierrita;  
In addition to the 2030 intensity reduction target established for our Americas copper business in 2020



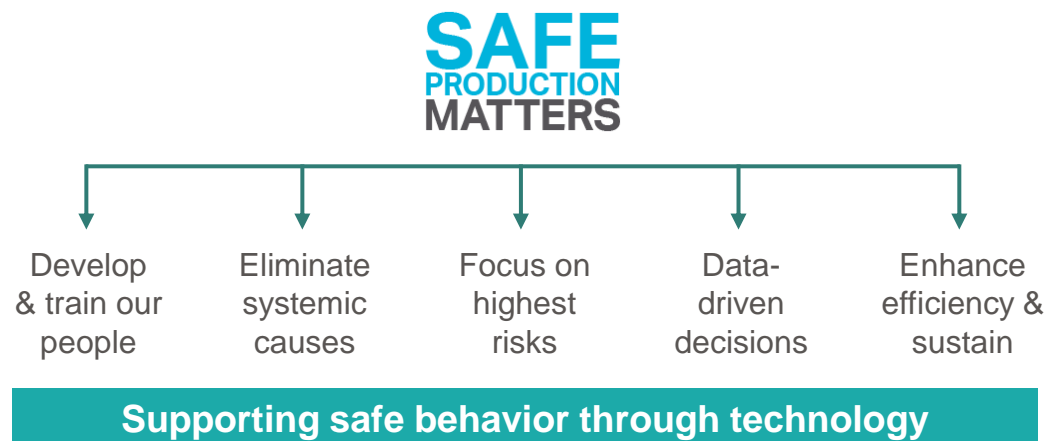
EMPOWERED PEOPLE  
& RESILIENT  
COMMUNITIES

# Health & Safety

*Focused on empowering safe work behaviors across the global business*

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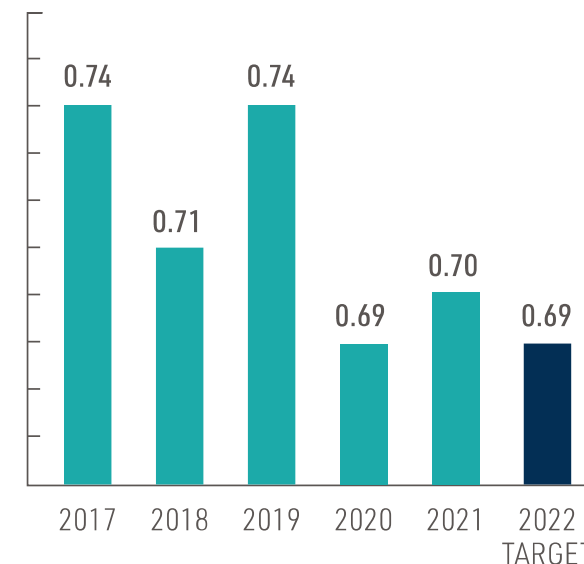
- ▶ Fatality prevention remains our top focus for the company globally through our Fatal Risk Management (FRM) program
- ▶ High-risk exposures continue to be a key focus; seek to identify and verify that key controls are in place and effective
- ▶ Our root cause analysis program and corrective actions support efforts to eliminate systemic causes of incidents
- ▶ Company-wide certification to new ISO 45001 Health and Safety Management System completed in 2021



Our ambition is to put safety first—for ourselves, for each other and for our communities—by championing a culture of safety, health and well-being wherever we do business.

## Total Recordable Incident Rate

(per 200,000 hours worked)



*TRIR = [(Fatalities + Lost-time Incidents + Restricted Duty Incidents + Medical Treatment) x 200,000] / Total Hours Worked. TRIR presented here may differ from reported TRIR in FCX's Form 10-K filings because data have been adjusted to exclude disposed assets for comparison purposes. TRIR includes employees and contractors.*

# Workforce

- ▶ Flexible, highly engaged workforce prioritized across our organization
- ▶ Working to support the ongoing training and development of our workforce to ensure we have the right people with the necessary skills to safely deliver on our business strategy
- ▶ Seeking to further integrate digital technologies to support efficient and safe workplace behaviors
- ▶ Advanced global pay equity analysis in 2021 and continuing efforts to better understand the unique challenges and opportunities that will help us to promote a more inclusive and diverse workforce

Our safety-focused, respectful and inclusive culture empowers our workforce to innovate, adapt and succeed.

## Global Workforce (as of December 31, 2021)



North America	47%
Indonesia	25%
South America	24%
Europe/Other	4%



Indonesia	53%
North America	32%
South America	15%
Europe/Other	0%

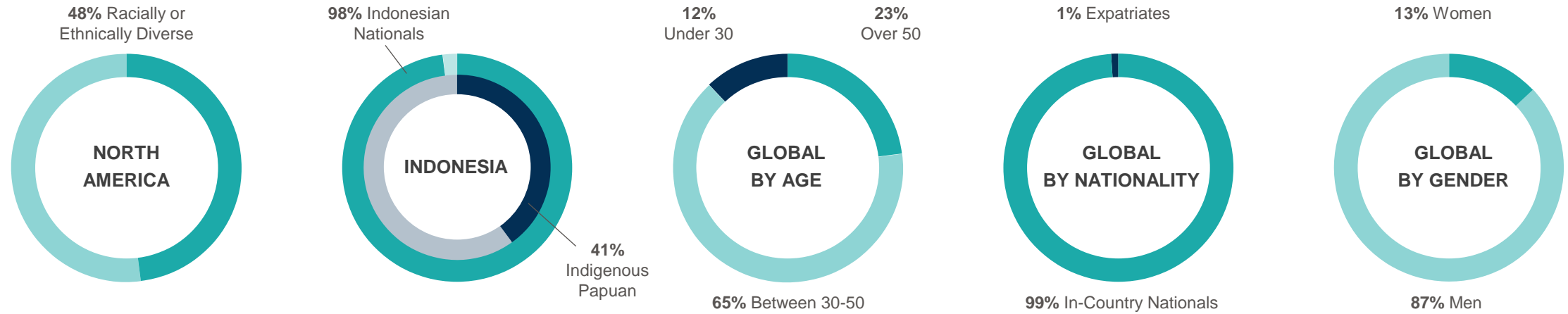


# Inclusion & Diversity

*Committed to a culture that is inclusive and representative of the communities where we operate*

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## Global Employees (as of December 31, 2021; excludes contractors)



FCX believes a diverse, inclusive and representative workforce offers a broad range of experience, knowledge, background, culture and heritage which can drive innovation, enhance our operational performance and improve our relationships with stakeholders

# Communities & Indigenous Peoples

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- ▶ Community investment focus areas seek to support our overarching effort to support long-term resilience across:

- 1 Education and skill-building
  - 2 Economic opportunity
  - 3 Community-level capacity building
- ▶ Women's equality as a cross-cutting area of focus across all of our community engagement and investment efforts

**\$2.1  
BILLION**  
CUMULATIVE  
INVESTMENT  
SINCE 2009

2021 TOTAL  
COMMUNITY  
INVESTMENT  
**\$164  
MILLION**

We work in partnership with our host communities and Indigenous Peoples to earn and maintain their trust and to contribute to long-term shared value and resilience.

# Indigenous Peoples & Cultural Heritage

- ▶ Dedicated to the continued strengthening of our relationships with Indigenous Peoples across all of our sites
- ▶ We have formal interactions with Indigenous Peoples in Papua, Indonesia; Native Americans in the United States; and the traditional communities of Alto El Loa in Chile
- ▶ Our approach is underpinned by understanding the values and cultural needs of each Indigenous group and is focused on developing and maintaining long-term relationships
- ▶ We seek to avoid, minimize or mitigate negative impacts to cultural heritage through advanced planning and ongoing engagement with Indigenous and other impacted communities, including providing opportunities for stakeholders to identify any assets or resources that are culturally or traditionally significant at our sites

FCX is guided by a fundamental commitment to respect and appreciate the cultural heritage of people in the communities where we operate.





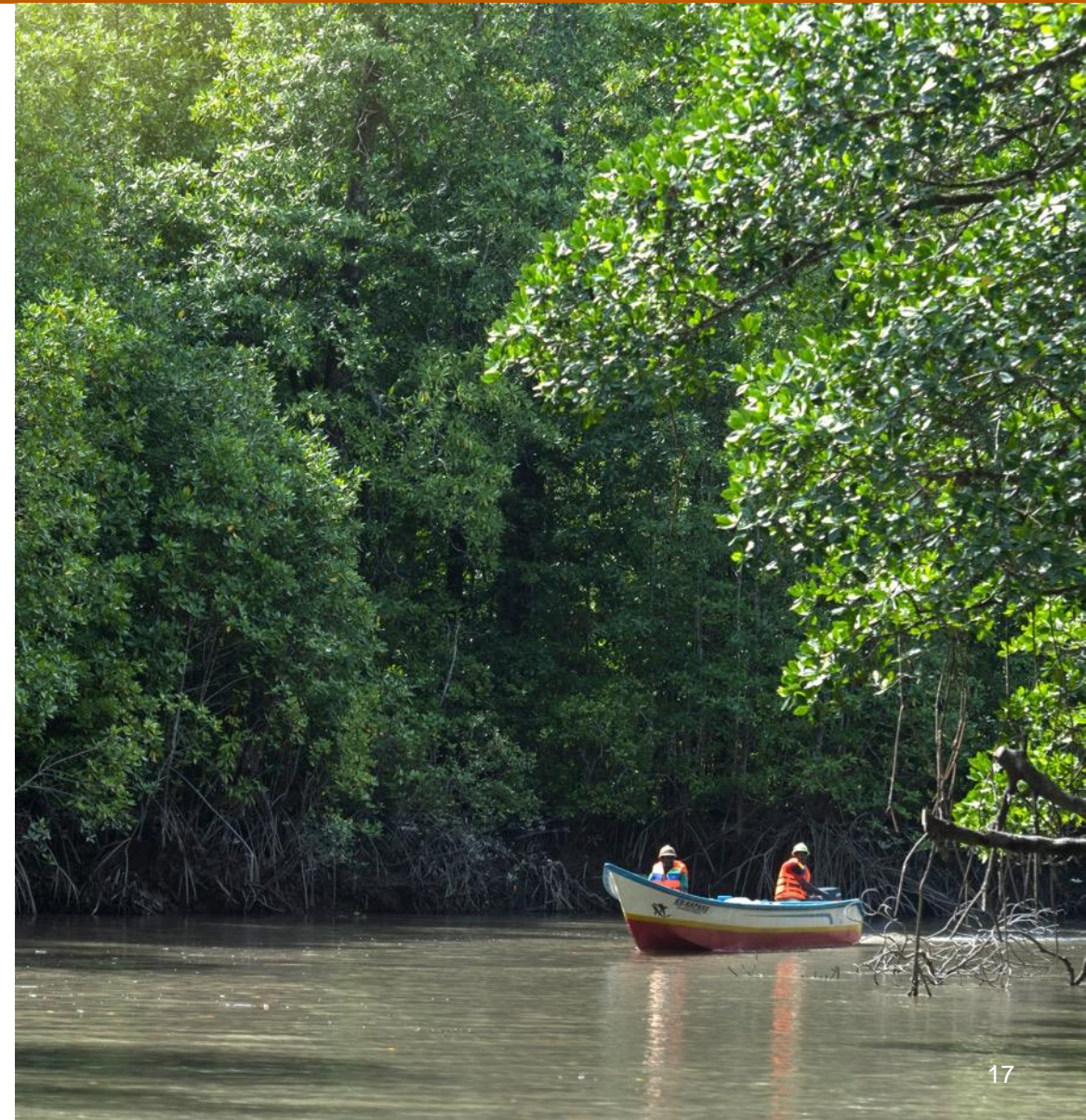
THRIVING  
ENVIRONMENTS

# Environmental Stewardship

*We spent approximately \$300 million on our environmental programs in 2021*

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- ▶ Committed to sound environmental practices at our operations and seek continuous improvement
- ▶ All operations' Environmental Management Systems certified to ISO 14001
- ▶ Environmental focus areas include climate, water stewardship, biodiversity and land use, tailings management, reclamation and waste management
- ▶ Seek to avoid and minimize the adverse impacts of our operations on the environment while promoting opportunities to conserve and enhance resources in the areas where we operate
- ▶ Stewardship initiatives aim to produce benefits for the environment and people, build trust, and support our social license to operate



# Climate Strategy Progress – At a Glance

## Climate Strategy Pillars:

1

### REDUCTION

Reduce GHG emissions including our achieving 2030 GHG reduction targets

2

### RESILIENCE

Enhance resilience to climate change risks for our operations, our host communities and our stakeholders

3

### CONTRIBUTION

Contribute responsibly produced copper to support the global energy transition, including collaborating with industry and value chain partners to develop solutions

2020

- ▶ Published inaugural climate report and formalized climate strategy
- ▶ Established 2030 Americas Copper GHG emissions reduction
- ▶ Committed to Task Force on Climate-related Financial Disclosures alignment

2021

- ▶ Announced 2050 net zero aspiration
- ▶ Established 2030 PT-FI GHG emissions target
- ▶ Enhanced governance by adding climate expertise to the Board
- ▶ Incorporated climate performance into 2021 annual executive compensation
- ▶ Completed first global climate scenario analysis
- ▶ Pledged as a patron supporter of the Charge on Innovation Challenge
- ▶ Committed to the Science Based Target initiative (SBTi)

2022

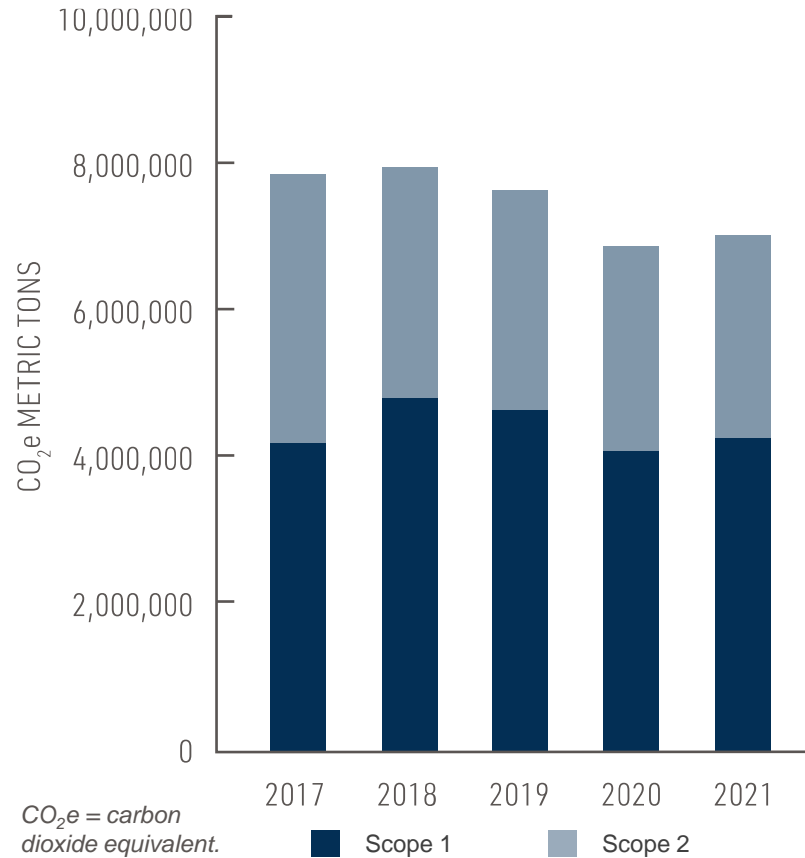
- ▶ Established 2030 GHG emissions targets for Atlantic Copper and our primary molybdenum sites
- ▶ Signed letter of commitment to submit 2030 targets to SBTi
- ▶ Progressed evaluation options to replace PT-FI's coal-fired power plant
- ▶ Advanced studies on sea level rise and other potential physical risks
- ▶ Actively collaborating with suppliers to support innovation in equipment and technology
- ▶ Completed multi-year Scope 3 estimate review

# Climate Performance Update

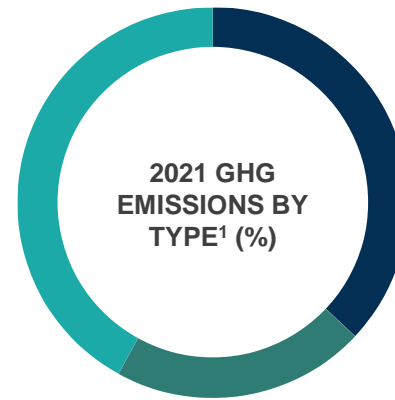
Our 2021 absolute GHG emissions (Scope 1 & 2) are 12% lower than 2018

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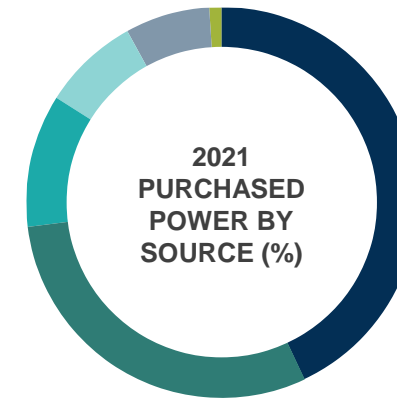
5-Year Global Absolute GHG Emissions  
(Scope 1 & 2)



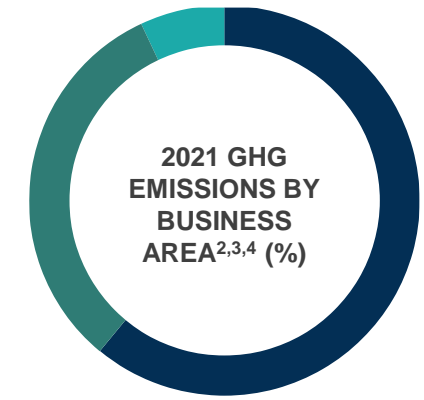
2021 Global GHG Emissions



Scope 1	37%
Scope 2	21%
Scope 3	42%



Natural Gas	43%
Hydro	30%
Coal, Other Fossil Fuels	11%
Solar, Wind, Geothermal	8%
Nuclear	7%
Other	1%



FMC Mining	61%
PT-FI	32%
Downstream Processing	7%

<sup>1</sup> Our 2021 Scope 3 figure differs from the number reported in our 2021 Annual Report on Sustainability due to our updated Scope 3 emissions estimates, as described in the Scope 3 section.

<sup>2</sup> FMC Mining includes Bagdad, Cerro Verde, Chino (including Cobre), Climax, El Abra, Henderson, Morenci, Safford (including Lone Star), Sierrita and Tyrone.

<sup>3</sup> Downstream Processing includes Atlantic Copper Smelter & Refinery, Bayway Rod & Wire, Fort Madison, Kokkola Cobalt Refinery, Miami Smelter & Rod, Norwich Rod, Rotterdam, Stowmarket and El Paso Refinery & Rod.

<sup>4</sup> Scope 1 and 2 only.

Note: GHG emissions data have been prepared in accordance with the GHG Protocol. FCX reports GHG emissions on a 100% operational basis. FCX's GHG emissions verification statement is available on pages 64 through 66 of this report. In September 2021, FCX completed the sale of its remaining cobalt business based in Kokkola, Finland, and in 2020, FCX closed and decommissioned its Bayway Rod & Wire and Norwich Rod facilities.

# Long-Term Decarbonization Plan

*Freeport aspires to participate in – and positively contribute to – a 2050 net zero economy*

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## ILLUSTRATIVE NET ZERO PATHWAY<sup>1</sup>

2020 —————> 2030 —————> 2050

### Decarbonization Levers

- 1 Decarbonizing Electrical Supply —————>
- 2 Equipment Electrification —————>
- 3 Energy & Asset Efficiency —————>
- 4 Process Innovation —————>

### 2030 Targets<sup>2</sup> (Scope 1 & 2)

- ▶ Americas Copper 15% GHG emissions intensity reduction target
- ▶ PT-FI 30% GHG emissions intensity reduction target
- ▶ Atlantic Copper 50% GHG emissions reduction
- ▶ Primary Molybdenum Sites 35% GHG emissions reduction

ASPIRING TOWARDS  
**NET ZERO IN 2050** (Scope 1 & 2)

<sup>1</sup> This is a high-level, initial illustrative net zero pathway only. As we develop our understanding and make plans for our 2050 net zero aspiration, we anticipate that we will need to balance residual GHG emissions with offsets and removals and plan to explore a variety of opportunities to achieve our net zero aspiration.

# Water Stewardship

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## Our global water management program goals:

- 1 Improve water use efficiency in our processes
- 2 Minimize use of new freshwater at our operations
- 3 Reduce our water footprint by transitioning to renewable, recycled and / or lower quality water sources
- 4 Monitor our impact on the surrounding communities and environment by continually reviewing our water supplies and new technologies that can support the reduction of future water requirements

We recognize that water is essential to the well-being of our communities, the environment and necessary for our operations. As responsible water stewards, we focus on minimizing our impacts on shared resources, while supporting the long-term resilience of our operations, host communities and the environment.



**4x MORE  
RECYCLED  
WATER**  
VS. NEW WATER USE  
IN 2021

**87%  
WATER USE  
EFFICIENCY**  
IN 2021

# Biodiversity



FCX aims to avoid or minimize the adverse impacts of our operations on biodiversity and contribute positively to the conservation of biodiversity beyond our operational boundaries

- ▶ Committed to contributing to the conservation of biodiversity; explicit commitment not to explore or mine at any UNESCO World Heritage sites
- ▶ In 2021, continued efforts to implement the mitigation hierarchy globally — a framework that emphasizes best practices for managing biodiversity and ecosystems through the avoidance, minimization, restoration and offsetting of impacts
- ▶ Long-term ambition is for No Net Loss for new mines and major expansion projects at existing mines
- ▶ Extensive conservation programs globally; 12 sites currently certified gold by Wildlife Habitat Council for our biodiversity programs
- ▶ Working to formalize and publicly disclose biodiversity management plans at significant sites by the end of 2023

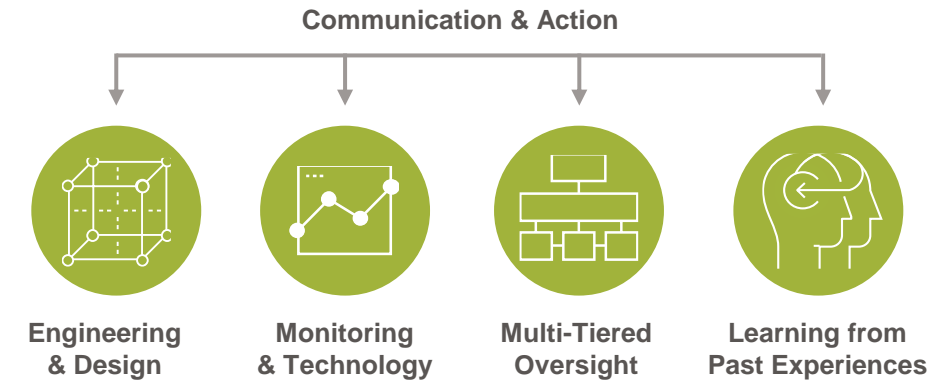
# Tailings Management

*Safety is at the foundation of our tailings management approach*

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- ▶ Our Tailings Stewardship program launched in 2004
- ▶ Program has a foundation in independent third-party reviews including third-party expert Technical Review Boards
- ▶ Comprehensive measures to ensure facilities are designed, built, operated and monitored to minimize risk to employees, neighboring communities and the environment
- ▶ Currently incorporating the GISTM and ICMM Tailings Management Good Practice Guide into our existing practices and initiating an iterative gap assessment
- ▶ Detailed tailings management and stewardship disclosures available at [fcx.com/sustainability](https://fcx.com/sustainability)

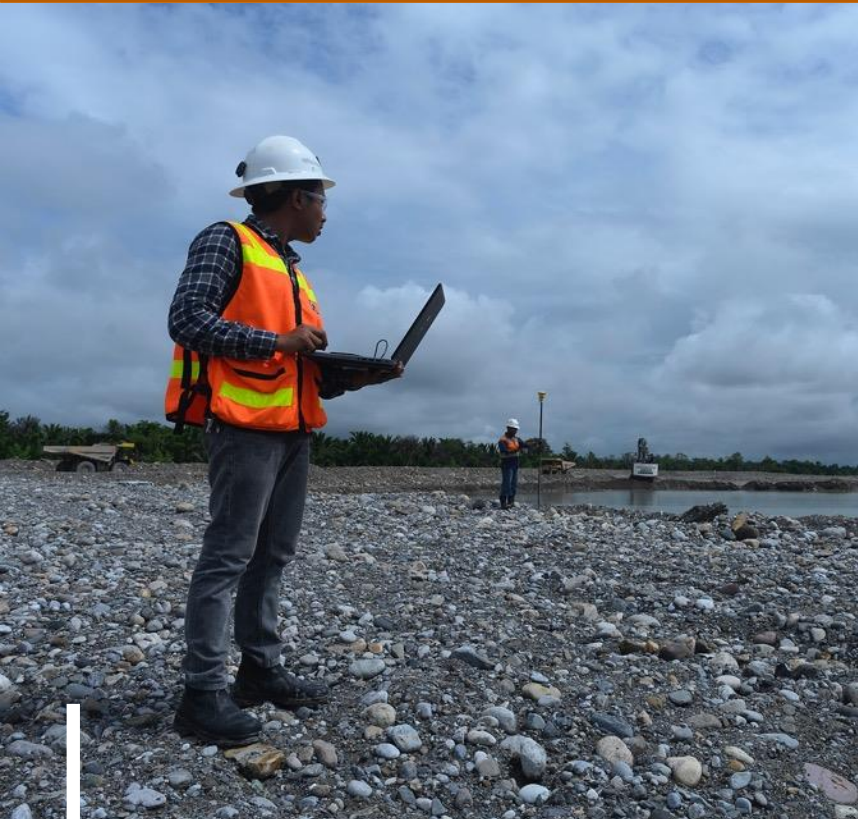
FCX is committed to implementing the Global Industry Standard on Tailings Management (GISTM) at priority facilities by August 2023 and all others by August 2025



# PT-FI Controlled Riverine Tailings

*Best site-specific management alternative with lowest risk to human health and the environment*

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PT-FI spends approximately \$100 million annually to monitor and manage the controlled tailings system

- ▶ PT-FI's controlled system was selected after extensive evaluations by international experts given the extreme terrain and site-specific conditions
- ▶ A conventional tailings management system would not be safe, stable or effective
- ▶ 20+ year history of performing safely as designed
- ▶ Extensive monitoring and testing; approximately 90 active monitoring programs currently
- ▶ Monitoring programs have established that natural revegetation occurs and, with the exception of elevation changes, environmental impacts are reversible at the end of the mine life
- ▶ PT-FI has been undertaking a multi-year human health assessment (HHA) with support from various third parties to evaluate the potential risks associated with possible exposure to tailings and mining waste constituents around our Grasberg operations, including in the Highlands, Lowlands and estuary areas; the multi-phased study is ongoing, and we plan to provide a summary of the results once complete



ROBUST  
GOVERNANCE

# Human Rights

*We are committed to respecting the rights of all people*

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- ▶ Committed to the International Bill of Human Rights and to implementing the United Nations Guiding Principles on Business and Human Rights and participating in the Voluntary Principles on Security and Human Rights
- ▶ Conduct human rights due diligence through standalone, third-party human rights impact assessments
- ▶ The most recent Corporate Human Rights Benchmark Assessment in 2020 ranked FCX's human rights program and performance **2nd among all companies assessed (all sectors) in North America and 5th among all 57 extractive companies assessed globally**

We are an enabling partner for the respect and promotion of human rights within our own operations and across our value chain



## Human Rights Impact Assessment Status

YEAR CONDUCTED	2013	2017	2018	2021	2021-22	2022-23	TBD
Site / Region	Corporate	Cerro Verde	New Mexico	El Abra	Arizona	PT-FI	Europe
Status	Complete	Complete	Complete	Complete	Complete	Initiated	Targeted

# Responsible Value Chains

*Dedicated to delivering responsibly produced copper to markets around the world*

OECD 5-Step Framework\*



- ▶ Responsible value chain program focuses across three key areas:
  - 1** Responsible Sourcing (Goods & Services and Minerals & Metals)
  - 2** Product Stewardship
  - 3** Understanding our Product Footprint
- ▶ Standalone Responsible Sourcing of Minerals Policy
- ▶ Implemented the OECD 5-step framework and publish annual OECD Step 5 Due Diligence reports
- ▶ Dedicated due diligence processes in place across the value chain
- ▶ Collaborate up and downstream to enhance human rights, decarbonization and overall responsible production practices with business partners

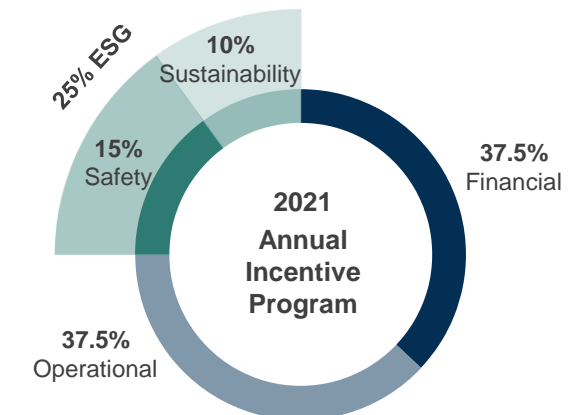
\* [www.oecd.org](http://www.oecd.org)

# Sustainability Governance

*Strong governance is foundational to our sustainability strategy*

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- ▶ Active oversight from Board of Directors and dedicated Board-level Corporate Responsibility Committee
- ▶ Sustainability embedded in values and business strategy and cascades to leadership at the sites
- ▶ Seek to promote a culture of sustainability leadership and responsibility at all levels
- ▶ Executive compensation aligned with ESG metrics (25% of annual incentive program)
- ▶ Dedicated to highest level of ethical and legal conduct in all business activities
- ▶ Zero tolerance for corruption and bribery and expect the same from our employees and contractors
- ▶ Continuously striving to embrace evolving stakeholder expectations and implement best practices



# Board of Directors

*Exceptional and highly engaged Board focused on FCX's continued success*

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**RICHARD C. ADKERSON**  
Chairman of the Board and  
Chief Executive Officer



**DUSTAN E. MCCOY**  
Lead Independent Director  
of the Board



**DAVID P. ABNEY\***



**MARCELA E. DONADIO\***



**ROBERT W. DUDLEY\***



**HUGH GRANT\***



**LYDIA H. KENNARD**



**RYAN M. LANCE\***



**SARA GROOTWASSINK  
LEWIS\***



**JOHN J. STEPHENS**



**FRANCES FRAGOS  
TOWNSEND**

FCX successfully achieved its board refreshment objectives by adding six new directors in 2021, enhancing the skills, experience and diversity of the Board. We are proud of our success in cultivating a board that reflects diversity across both professional and personal characteristics.

\* Represents directors that joined the Board in 2021

# Board of Directors

*Strong balance of tenure, diversity, skills and experience to support effective oversight and long-term value creation*

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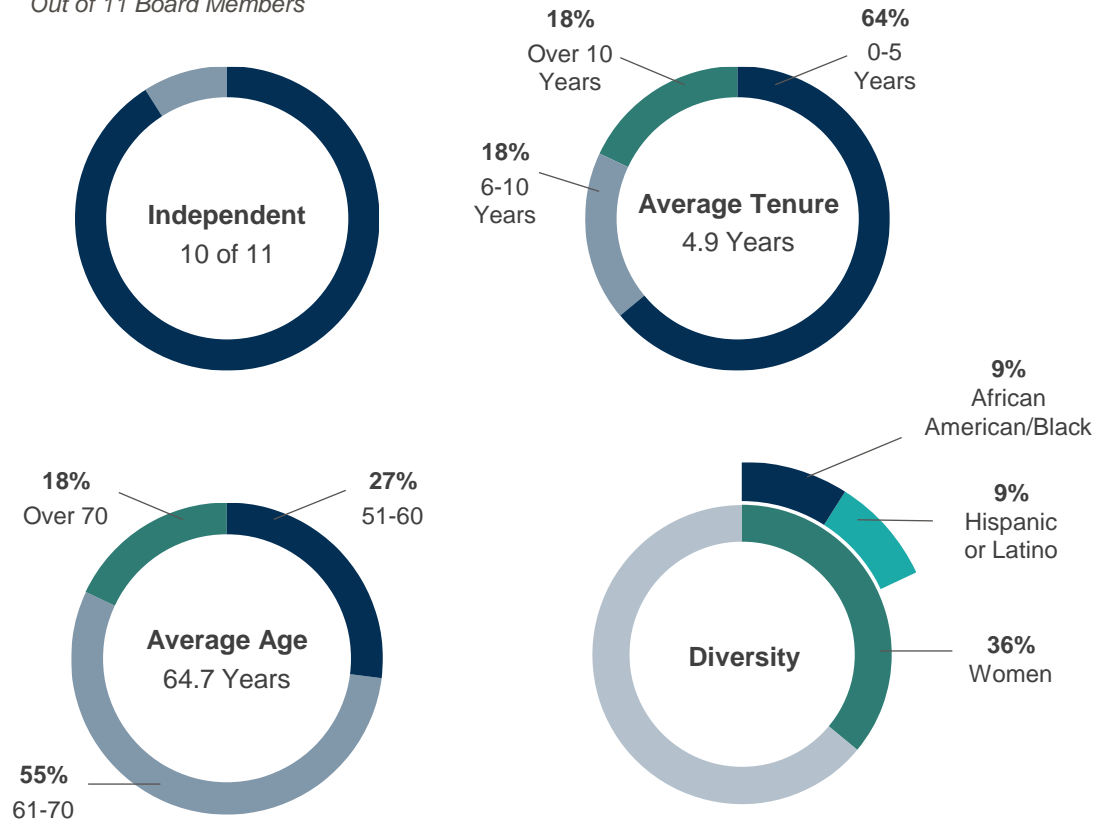
## Diverse Experience, Qualifications & Skills

Out of 11 Board Members

	Abney <b>NEW</b>	Adkerson	Donadio <b>NEW</b>	Dudley <b>NEW</b>	Grant <b>NEW</b>	Kennard	Lance <b>NEW</b>	Lewis <b>NEW</b>	McCoy	Stephens	Townsend
CEO Experience	■	■	■	■	■	■	■	■	■	■	■
Accounting/Financial Expertise	■	■	■	■	■	■	■	■	■	■	■
Public Company Board Experience	■	■	■	■	■	■	■	■	■	■	■
Operational Management	■	■	■	■	■	■	■	■	■	■	■
International Business/Global Affairs	■	■	■	■	■	■	■	■	■	■	■
Natural Resources, Mining, Metals Industry Experience	■	■	■	■	■	■	■	■	■	■	■
Capital Markets/Banking	■	■	■	■	■	■	■	■	■	■	■
ESG/Sustainability	■	■	■	■	■	■	■	■	■	■	■
Government/Legal	■	■	■	■	■	■	■	■	■	■	■

## Board Composition

Out of 11 Board Members



# Effective Independent Board Oversight

*Current Board leadership structure is in the best interest of FCX and its shareholders at this time*

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Balance between strong company leadership, and appropriate safeguards and oversight by independent directors



**RICHARD C. ADKERSON**  
Chairman of the Board and  
Chief Executive Officer

## Responsibilities of Chairman of the Board\*

- ▶ Presides at meetings of the Board, and, unless another person is designated, meetings of stockholders
- ▶ Oversees the management, development and functioning of the Board
- ▶ Plans and organizes the schedule of Board meetings and establishes the agendas for Board meetings

\* At all times during which the Chairman of the Board is an executive chairman, these responsibilities will be carried out with the input and concurrence of the lead independent director.



**DUSTAN E. MCCOY**  
Lead Independent  
Director of the Board

## Responsibilities of Lead Independent Director\*

- ▶ Presides at meetings of the Board at which the executive chairman is not present, including executive sessions of the independent directors, and serves as a liaison between the chairman and independent directors
- ▶ Authorized to call meetings of the independent directors and, if requested by significant stockholders, available for consultation and direct communication with such stockholders
- ▶ Approves information sent to the Board, agendas and schedules for meetings of the Board to assure there is sufficient time for discussion

\* Governance committee reviews position of LID annually.



## APPENDIX

# Executive & Senior Leadership

*Broad and experienced management expertise*

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**RICHARD ADKERSON**  
Chairman of the Board and  
Chief Executive Officer



**KATHLEEN QUIRK**  
President



**DOUGLAS CURRAULT**  
Senior Vice President  
and General Counsel



**STEPHEN HIGGINS**  
Senior Vice President and  
Chief Administrative Officer



**MAREE ROBERTSON**  
Senior Vice President and  
Chief Financial Officer



**MARK JOHNSON**  
Director, Executive Vice President  
and Chief Operating Officer,  
Freeport Indonesia



**JOSH OLMSTED**  
President and Chief  
Operating Officer – Americas



**RICK COLEMAN**  
President, Freeport-McMoRan  
Growth Support



**CORY STEVENS**  
President, Freeport-McMoRan  
Mining Services



**MICHAEL KENDRICK**  
President, Climax  
Molybdenum Co.



**BILL COBB**  
Vice President and Chief  
Sustainability Officer



**PAM MASSON**  
Vice President and Chief  
Human Resources Officer



**BERTRAND ODINET**  
Vice President, Chief Information  
Officer and Chief Innovation Officer



**CLAYTON "TONY" WENAS**  
President Director,  
PT Freeport Indonesia

*Note: Unless otherwise  
noted, individuals are  
representatives of  
Freeport-McMoRan Inc.*

# Management and Board Oversight of Cybersecurity

*Cyber resilience is critical with digital acceleration and the increase in the use of new technologies*

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- ▶ Audit Committee has oversight of information technology and cybersecurity programs, with reports from the Chief Information Officer at least annually
- ▶ Dedicated cybersecurity personnel focused on preventing, identifying and detecting cybersecurity risks
- ▶ IT infrastructure and information security management systems and controls are assessed annually according to National Institute of Standards and Technology (NIST) standards and reviewed multiple times throughout the year by internal audit firm (Deloitte)
- ▶ Partner with third-party IT security support (Accenture)
- ▶ Conduct annual, company-wide security awareness training for employees, supplemented with periodic phish testing, password strength testing and security testing
- ▶ Engage with global supply chain team to enhance the security of our vendors and third-party partners
- ▶ Security preparedness-related news and routine communications ensure top-of-mind awareness for employees

Our cybersecurity strategy incorporates a layered portfolio of technology controls including strategic partnerships for our cybersecurity platforms, documented policies and procedures, end user training and dedicated resources to manage and monitor the evolving threat landscape.



# International Council on Mining & Metals (ICMM)

*FCX founding member of ICMM in 2001 and CEO elected Chair in August 2020*

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ICMM aims to continuously set the standard and strengthen ESG performance across the global mining and metals industry

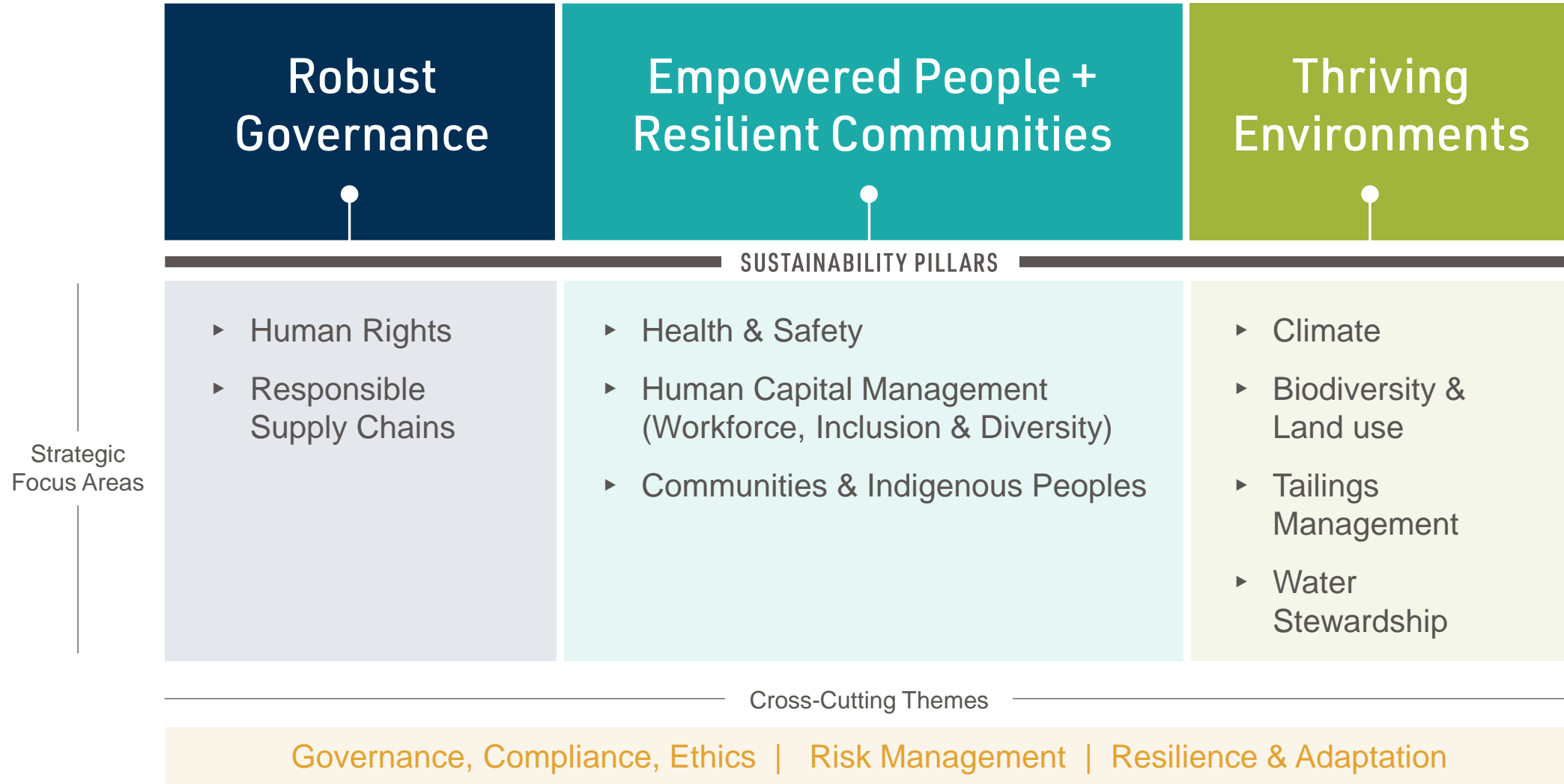


- ▶ International organization dedicated to a safe, fair and sustainable mining and metals industry
- ▶ Membership includes 28 companies with responsibility for more than 650 sites across 50 countries
- ▶ Maintains broad reach across 2,000+ companies through support from national, regional and commodity associations
- ▶ ICMM's 10 Mining Principles are a condition of membership and define good ESG practices through a comprehensive set of 39 Performance Expectations and 8 Position Statements
- ▶ Implementation of the Mining Principles and Performance Expectations are supported by robust site-level validation, transparent disclosures of the outcomes and third-party assurance

# Our Sustainability Pillars

*Our strategy seeks to create greater clarity on the outcomes we are working to achieve across our 3 pillars*

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# Freeport's Values

*Our culture is the bedrock of Freeport's sustainability strategy, aligning our core company values to our work*

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► **Safety**

We put safety first — for ourselves, our co-workers and our communities — by actively promoting safe practices and health and wellness. No job is so important and no schedule so urgent that time cannot be taken to plan and perform work in a safe manner.

► **Respect**

We treat each other and our stakeholders with respect. We value the diversity, ideas, perspectives and experiences of our employees and our stakeholders.

► **Integrity**

We are honest, transparent and responsible, and we do what we say we will do.

► **Excellence**

We pursue excellence in our work by taking pride in what we do and always doing our best. We collaborate to create and implement innovative ideas and to develop solutions to issues and concerns.

► **Commitment**

We are committed to contributing to the long-term sustainability of the environment and communities where we work. We hold ourselves accountable for our environmental and social performance.


Our core values direct the decisions we make as a company and as individual employees. These values represent who we are and how we work — everyone, everywhere, every day.



# Ambitions & Performance Targets


Robust Governance


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FOCUS AREA	AMBITION	PERFORMANCE TARGET	2021 PERFORMANCE UPDATE	STATUS
Human Rights	We are an enabling partner for the respect and promotion of human rights within our own operations and across our value chain	Incur zero gross human rights <sup>1</sup> violations at our operations by employees or contractors (annual)	Achieved in 2021	
		Complete Human Rights Impact Assessment at Arizona sites in 2022	Progressed interview phase in 2021	
		Complete Human Rights Impact Assessment at PT-FI in 2023	Planning stage initiated	
Responsible Supply Chains	We work with our supply chain and business partners to manage and promote responsible and sustainable practices	Complete supplier sustainability prioritization in 2022	Prioritization process initiated during 2021	
		Complete engagement process for top priority categories in 2023	N/A - New target established in 2022	
Ethics & Compliance	N/A <sup>2</sup>	Comprehensive training on Principles of Business Conduct (PBC), including annual certification of management-level employees (annual)	In 2021, 100% of employees were trained, including a 100% certification rate of management-level employees	
		Train 90% of selected employees on anti-corruption laws, regulations and company policies and procedures (annual)	In 2021, 100% of the employees selected to participate in the online training completed the course	

<sup>1</sup> Gross human rights violation – There is no uniform definition under international law; however, the United Nations Office of the High Commissioner report *The Corporate Responsibility to Respect Human Rights – An Interpretive Guide*, provides guidance on identifying such types of violations.

<sup>2</sup> Ambition statements were developed for the eight strategic focus areas determined by our materiality assessment and follow-on sustainability strategy update. Ambition statements were not developed for compliance obligations, which continue to be critically important to our business.

 Achieved






 Partially achieved or in-progress

 Missed

# Ambitions & Performance Targets


*Empowered People & Resilient Communities*


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FOCUS AREA	AMBITION	PERFORMANCE TARGET	2021 PERFORMANCE UPDATE	STATUS
Health & Safety	We put safety first — for ourselves, for each other and for our communities — by championing a culture of safety, health and well-being wherever we do business	Incur zero workforce fatalities (employees + contractors) (annual)	In 2021, we regret to report 2 work-related fatalities	
		2021 and 2022 Target of Total Recordable Incident Rate (TRIR <sup>1</sup> ) of 0.69	At 0.70 for 2021, we missed our target TRIR	
		2022 Target: 0.69 TRIR		
Workforce	Our culture is safety-focused, respectful and inclusive in order to empower our workforce to innovate, adapt and succeed	Increase the percentage of women employees, including representation in managerial roles, to 15%	At year-end, women represented 13.4% of our global employee population, 21.2% of our executive management team and 12.3% of other managerial roles	
		Continue to assess and enhance equitable pay practices and integrate into annual compensation review	In 2021, we advanced our gender pay ratio analysis and living wage analysis	
Communities & Indigenous Peoples	We work in partnership with our host communities and Indigenous Peoples to earn and maintain their trust and to contribute to long-term shared value and resilience	2021 Target: \$157 million in community investments 2022 Target: \$171 million in community investments <sup>2</sup>	Invested approximately \$164 million in community programs globally in 2021	

<sup>1</sup> TRIR = [(Fatalities + Lost-Time Incidents + Restricted Duty Incidents + Medical Treatment) x 200,000] / Total Hours Worked. Following the filing of FCX's 2021 Form 10-K, FCX learned of a mischaracterized incident which resulted in an adjustment to FCX's 2021 company-wide TRIR from 0.69 to 0.70.

<sup>2</sup> Annual community investment target determined by 1% of the average of the previous 3 years' annual mining operations revenues.

 Achieved








 Partially achieved or in-progress

 Missed

# Ambitions & Performance Targets




Thriving Environments

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FOCUS AREA	AMBITION	PERFORMANCE TARGET	2021 PERFORMANCE UPDATE	STATUS
Climate	We aspire to participate in – and positively contribute to – a 2050 net zero economy	Reduce GHG emissions intensity by 30% per metric ton of payable copper at PT-FI by 2030 (vs. 2018 baseline)	Achieved 22% intensity reduction on 2018 baseline in 2021	
		Reduce GHG emissions intensity by 15% per metric ton of copper cathode in the Americas by 2030 (vs. 2018 baseline)	Achieved 3.7% intensity reduction on 2018 baseline in 2021	
		Develop GHG emissions reduction targets for molybdenum sites and Atlantic Copper Smelter and Refinery in 2022	Target development is in process	
		Significantly advance Science Based Targets initiative process for 2030 targets in 2022	Signed SBTi letter of commitment	
Water Stewardship	As responsible water stewards, we focus on minimizing our impacts on shared resources, while supporting the long-term resilience of our operations, host communities and the environment	Conduct site-based review of water supply sources and use and improve water models to support target setting by end of 2023	N/A - New target established in 2022	
Biodiversity & Land Use	We aim to avoid or minimize impacts from our operations on biodiversity, while contributing to the conservation of biodiversity beyond our boundaries	Formalize and disclose biodiversity management plans at significant sites by the end of 2023	N/A - New target established in 2022	
Tailings Management	We strive to continuously manage, enhance and innovate our tailings systems in a manner that minimizes impact to stakeholders and the environment	Implement the Global Tailings Standard at tailings facilities with “extreme” or “very high” potential consequences by August 2023	In 2021, continued to advance conformance with the Tailings Standard at our Americas tailings storage facilities (TSFs)	
Environmental Compliance	N/A <sup>1</sup>	Incur zero significant environmental events <sup>2</sup> (annual)	Achieved in 2021	
		Incur zero penalties in amounts exceeding \$100,000 (annual)	Achieved in 2021	

<sup>1</sup> Ambition statements were developed for the eight strategic focus areas determined by our materiality assessment and follow-on sustainability strategy update. Ambition statements were not developed for compliance obligations, which continue to be critically important to our business.

<sup>2</sup> Significant environmental event is defined as a consequence rating of 3 or higher on our risk matrix.

 Achieved
  Partially achieved or in-progress
  Missed

# Corporate Governance Highlights

*Strong Board oversight and governance practices*

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## Board Structure and Governance

- ▶ Active Board oversight of risk
- ▶ Lead independent director of the Board with defined responsibilities
- ▶ Highly independent and diverse Board and fully independent committees
- ▶ Demonstrated Board refreshment and diversity, including Board Diversity Policy
- ▶ Limitations on additional public company Board and committee service, including a limitation on audit committee service for members of our audit committee
- ▶ Director Commitment Policy
- ▶ Annual Board and committee evaluations led by the lead independent director and chair of governance committee
- ▶ Regular executive sessions

## Stockholder Rights and Engagement

- ▶ Stockholder proxy access
- ▶ Majority voting for directors
- ▶ Stockholder right to call special meetings (15%)
- ▶ Stockholder right to act by written consent
- ▶ Robust stockholder engagement program with history of responsiveness to stockholders

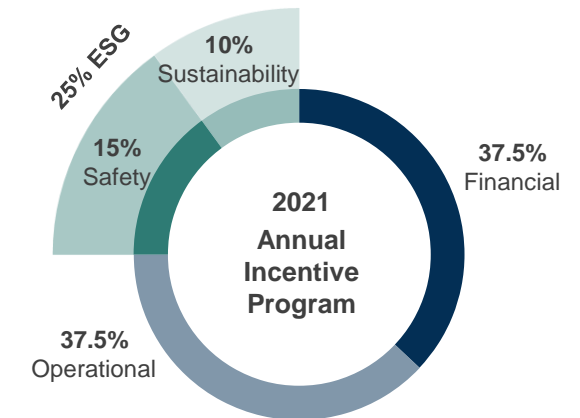
## Compensation Governance

- ▶ A significant portion of target direct compensation for our executive officers is at risk and based on measurable performance and increases in stock price (77% for our CEO in 2021)
- ▶ Robust stock ownership guidelines for executive officers and directors (6x base salary for CEO and president; 3x base salary for our other executive officers; 5x annual fee (currently \$125,000) for non-management directors)
- ▶ Clawback policy allows us to recover incentive awards paid based on restated financial statements under certain circumstances

# Executive Compensation

*Shareholder-informed program drives pay-for-performance alignment*

Element	2021 Components
Base Salary	<ul style="list-style-type: none"> <li>▸ Fixed cash compensation</li> <li>▸ Set at competitive levels and used to attract and retain talent</li> </ul>
Annual Incentive Program (AIP)	<ul style="list-style-type: none"> <li>▸ Annual variable cash compensation based on pre-established performance metrics</li> <li>▸ Based on financial and operational metrics reflecting our annual business goals and objectives and ESG metrics that promote critical goals directly aligned with our commitment to safety and responsible production practices</li> <li>▸ Annual cash awards capped at a multiple of base salary</li> </ul>
Long-Term Incentive Program (LTI Program)	<p><b>3 primary components:</b></p> <ol style="list-style-type: none"> <li><b>Performance Share Units (PSUs)</b> - Largest component of LTI Program             <ul style="list-style-type: none"> <li>▸ Payable in shares of stock after a 3-year performance period</li> <li>▸ All at risk based on an ROI metric measured over 3-year performance period, adjusted with a relative TSR modifier</li> </ul> </li> <li><b>Restricted Stock Units (RSUs)</b> <ul style="list-style-type: none"> <li>▸ Vest ratably over a 3-year period from grant date</li> <li>▸ Provides retentive elements and alignment with stockholder interests</li> </ul> </li> <li><b>Stock Options</b> <ul style="list-style-type: none"> <li>▸ Vest ratably over a 3-year period from grant date</li> <li>▸ Delivers value only if stock price appreciates above the price on the grant date</li> </ul> </li> </ol>



# Executive Compensation

*Performance-based program links executive pay, company performance and results for stockholders*

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## 2021 CEO Target Compensation Mix

### 10% RSUs

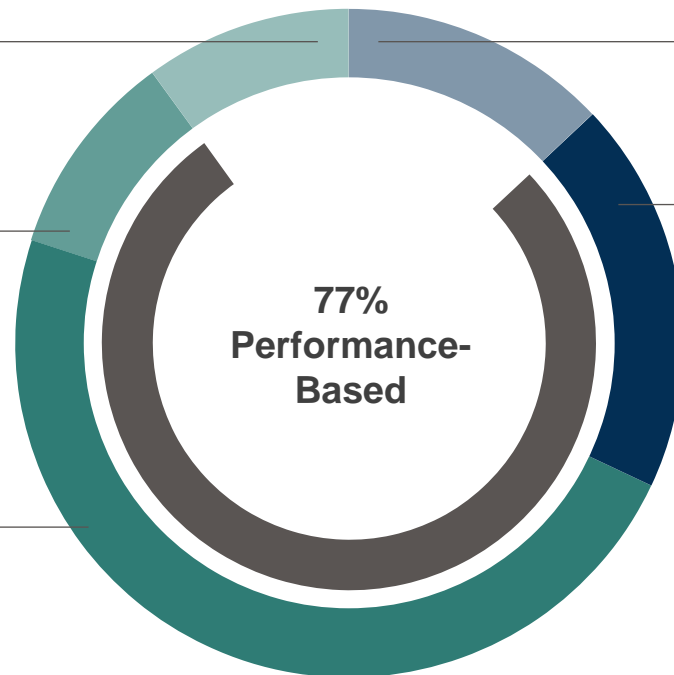
- Vest ratably over a three-year period following date of grant, and deliver value equal to the stock price on the vesting date

### 10% Options

- Vest ratably over a three-year period following date of grant, and deliver value only to the extent that our stock price appreciates above the price on the grant date

### 48% PSUs

- Payable in shares of stock after a three-year performance period based on achievement of ROI and relative TSR metrics
- Represent the largest component of our LTIP awards



### 13% Base Salary

- Fixed cash compensation

### 19% AIP

- Annual variable cash compensation based on performance
- Formula-driven plan using pre-determined metrics to determine target and earned awards

## Executive Compensation Philosophy:

1

**Pay for performance by linking most of our executive officers' pay to our long-term and short-term performance**

2

**Align compensation with the interests of stockholders and our business strategy and key priorities**

3

**Discourage imprudent risk-taking by avoiding undue emphasis on any one metric or short-term goal**

4

**Provide a competitive level of compensation to retain key executive talent\***

\* When performing market assessments to evaluate our executive compensation program and pay levels, the Compensation Committee and FW Cook, the committee's independent compensation consultant, consider data from the S&P 250 and the S&P 500.

# Downstream Business

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# Copper is Critical to Progress

*Copper is strategically important to enabling society's progress*

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## Decarbonization

- ▶ By 2030, copper could reduce global carbon emissions by 16%\*
- ▶ Copper is a critical component for electric vehicles, charging stations, high-efficiency motors and renewable energy technologies

## Infrastructure

- ▶ Copper is essential for reliable, advanced electrical grids (production and delivery of energy and energy storage) and telecommunications (data centers, networks and cell towers) and railways

## Technology

- ▶ Copper is crucial for connecting and advancing society and smart cities/homes, including artificial intelligence, smart grids, 5G technologies, mobile phones and computers

## Public Health\*\*

- ▶ Copper could play an invaluable role in public health if used more frequently on “high touch” surfaces given its substantial antimicrobial properties, which can eliminate bacteria, viruses and other pathogens, reducing the risk of transmission

\*[copperalliance.org](http://copperalliance.org)

\*\*[www.copperalloystewardship.com](http://www.copperalloystewardship.com)

