

2021 UK Modern Slavery Act Statement

Freeport-McMoRan Inc. (Freeport or the Company) is a leading international mining company dedicated to the recognition, respect and promotion of human rights wherever we do business. Freeport is opposed to all forms of slavery and is committed to working to prevent the risk of its occurrence in our operations and supply chains.

Our 2021 UK Modern Slavery Act Statement (the statement) serves as our report under the United Kingdom's (UK) Modern Slavery Act 2015. The Act requires organizations (regardless of country of incorporation) with business in the UK totaling £36 million or more of annual turnover to produce an annual slavery and human trafficking statement. The statement covers the activities of Freeport and our wholly owned subsidiaries during 2021, including our 48.76 percent-owned subsidiary PT Freeport Indonesia (PT-FI), Freeport Minerals Corporation (FMC) and Atlantic Copper, S.L.U. (Atlantic Copper). As a part of the business activities of these subsidiaries, we also operate a molybdenum conversion plant located in Stowmarket, UK and sell products into the UK marketplace both directly and indirectly through third-party traders.

The statement, which has been approved by Freeport's Board of Directors, outlines our efforts in 2021 to minimize the risk of modern slavery throughout our business and supply chain. For purposes of this statement, we use the UK government's definition of "modern slavery", including slavery, human trafficking and forced labor. This statement should be read in conjunction with our Human Rights Policy, our Business Partner Code of Conduct (previously Supplier Code of Conduct) and our other public disclosures containing relevant information and data.

Summary of Actions during fiscal year ending 31 December 2021

- We continued refining our approach to assessing supplier human rights and other sustainability-related risks, which we discuss in more detail in the [Responsible Value Chains](#) section of our Sustainability Report.
- We used a combination of tools to help gather critical data on suppliers with regard to compliance, environmental, social and governance (ESG) and other related risks. This included implementing our online due diligence platform, the [Freeport Compliance eXchange](#) (FCeX), and completing its global roll out for new Business Partners.
- We established processes to assess and monitor the life cycle of all Business Partners by integrating another component of the SAP Ariba Supplier Risk Management platform into our vendor onboarding process. The Ariba platform enhances our compliance and supplier risk assessment, using data from external sources in four risk domains: operations, regulatory and legal compliance, environmental and social, and financial. It also provides us with the capability to conduct more in-depth risk-based assessments through targeted questionnaires on ESG topics.
- In accordance with our [Responsible Sourcing of Minerals Policy](#), we assessed our incoming metal and mineral supply chains to identify potential "flags" associated with what the OECD Guidelines define as Annex II risks — such as bribery, corruption, human trafficking, and child or forced labor. We then undertake a risk-based due diligence process to help us better understand the potential impact (if any) from the identified risks. An internal committee then reviews these results and takes appropriate action, which can include working together with the supplier to identify and implement an action plan or collaboration to build the capacity needed to address risks. In 2021, we once again conducted due diligence on several mineral suppliers and continued collaboration with key traders to improve risk identification and systems. We also continued collaborating with our key traders to improve risk identification and systems. We report on these efforts annually through our [OECD Step 5 Due Diligence Report](#) which is available on our website.
- We finalized updates to our Community Grievance Management standard operating procedure incorporating the effectiveness criteria outlined in the UN Guiding Principles on Business and Human Rights (UNGPs).

Organization Structure, Business and Supply Chain

Freeport is a leading international mining company with headquarters in Phoenix, Arizona. We operate large, long-lived, geographically diverse assets with significant proven and probable reserves of copper, gold and molybdenum. Freeport's portfolio of assets includes the Grasberg minerals district in Indonesia (PT Freeport Indonesia or PT-FI), one of the world's largest copper and gold deposits, and significant mining operations in North America and South America including the large-scale Morenci minerals district in Arizona and the Cerro Verde operation in Peru. At the end of 2021, Freeport's global workforce totaled approximately 24,700 employees and 42,000 contractors.

Freeport produces copper responsibly — 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. That is why our ESG commitments seek to support and enhance responsible production practices at our sites around the world. We have long-held Human Rights policies and programs in place globally. We are committed to implementing the UNGPs and are a founding member of the Voluntary Principles on Security and Human Rights (VPs). We are a founding member of the International Council on Mining and Metals (ICMM) which commits us to implementing ICMM's 10 Mining Principles. These Principles define good ESG practice requirements for member companies, including position statements, 38 performance expectations, and to producing an externally verified sustainability report in accordance with the ICMM Assurance & Validation Procedure. In addition to our ICMM commitments, Freeport is committed to achieving the Copper Mark, a third party verified responsible production standard, at all of our copper producing operations. Together, these commitments require that we have our management systems for modern slavery-related risks assured on a routine basis by a third party at both a corporate and site-level.

Freeport's Global Supply Chain manages strategic and high-profile commodities and services on a global, regional, and local basis. Key categories of suppliers include:

- Goods and services procured to support our operating mining and metals processing facilities from exploration to closure and remediation, including:
 - Contractors whose personnel work at our operations and
 - [Commodities](#) sourced
- Minerals and metals purchased from third-party sources for further processing.

Our operations have significant direct and indirect economic impacts when we purchase goods and services locally. Refer to our [ESG Performance Data](#) for our 2021 procurement spend by geography.

Policies

Respect for human rights is a long-standing commitment of Freeport. This commitment is expressed in both our [Human Rights Policy](#) and our [Principles of Business Conduct](#) (PBC). Our Human Rights Policy states our commitments to the International Bill of Human Rights, the UNGPs and the VPs. The policy was most recently updated in 2020, requiring our company to:

- Collaborate with value chain stakeholders on our human rights due diligence practices and outcomes to collectively avoid and address adverse impacts
- Provide human rights training to employees, contractors and local stakeholders and promote awareness with host governments and value chain stakeholders and
- Protect the confidentiality of anyone who reports potential human rights violations.

The policy applies to all Freeport projects and operations, from exploration to project closure. We expect our suppliers of goods and services to operate in accordance with our policy.

As highlighted in our PBC, we strive to do business only with suppliers, including contractors, consultants, vendors, their subcontractors and any other contracted third parties (collectively Suppliers), who share our values and demonstrate a high level of ethical and legal conduct. In March 2022, our Supplier Code of Conduct was expanded to a Business Partner Code of Conduct in order to include our downstream partners, including customers and recipients of charitable giving. Our [Business Partner Code of Conduct](#) is based on our PBC and references our Human Rights Policy. We expect our Business Partners to read, understand and follow the Business Partner Code of Conduct. As set forth in our Business Partner Code of Conduct, we expect our Business Partners to treat all persons with dignity and respect.

Both our Human Rights Policy and our Business Partner Code of Conduct include commitments to:

- Ensure fair treatment and work conditions for all employees, including rights to freedom of association and collective bargaining
- Prohibit forced, compulsory or child labor, and human trafficking
- Prohibit harassment and discrimination and
- Establish and maintain grievance mechanisms to record and address concerns in a timely and transparent manner.

We have also incorporated standard language on supplier obligations on human rights into our corporate contract templates.

These policies and supporting management systems along with relevant external standards and initiatives form the overall framework that guides our sustainability programs and management of human rights risks.

Governance

We are committed to embedding human rights considerations into decision-making across our company and into our policy and governance framework. Governance and oversight of sustainability, including human rights, ultimately resides with Freeport's Board of Directors (the Board), with day-to-day oversight by the executive leadership and site-level management teams.

The Corporate Responsibility Committee (CRC), on behalf of the Board, is responsible for oversight of the company's environmental and social policies and implementation programs and related matters, including, among other things, human rights and responsible sourcing. The CRC reviews the effectiveness of the company's strategies, programs, and policy implementation with respect to safety and health, responsible production frameworks, climate, tailings management and stewardship, water stewardship, biodiversity and land management, waste management, human rights, stakeholder relations, social performance and Indigenous Peoples, responsible sourcing and political activity and spending practices. The CRC met four times during 2021, during which they reviewed, among other topics and focus areas, certain updates to our human rights and responsible sourcing of minerals programs and reviewed and recommended the Board approve our 2020 UK Modern Slavery Act Statement.

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

Our Human Rights managers and sustainability team work to educate and inform the business of human rights risks and mitigation strategies. At certain of our operations that represent our higher risk operating environments in terms of security and human rights, we have established site-level Human Rights Compliance Officer positions who oversee compliance and training activities and manage grievance mechanisms for the reporting, documentation and, where appropriate, remediation of adverse impacts of our operations.

We have a broad range of stakeholders with whom we engage, including shareholders, employees, host communities and Indigenous Peoples, customers and suppliers, industry associations, regulators and policymakers, host governments and nongovernmental organizations (NGOs). We recognize the interests and concerns of our stakeholders can change over time, which underscores the need for ongoing and proactive engagement to learn about these changing needs and expectations. While COVID-19 hindered our efforts to meet with stakeholders face to face, we adapted by relying more heavily on other forms of communication, including video and telephone conferences. In addition, we continued our participation in multi-industry dialogues on respect for human rights – including Business for Social Responsibility’s human rights working group; Sustainability 50’s executive-level peer-to-peer collaboration and information exchange on multiple topics, including human rights and responsible supply chains; ICMM Working Groups; and the VPs.

Due Diligence Process

Our responsible sourcing programs require human rights due diligence on suppliers of both goods and services, and minerals and metals for further processing. We use a combination of tools to help gather critical data on Business Partners with regard to compliance, ESG and other related risks, including our online due diligence platform, [FCeX](#). FCeX is a survey-based software platform designed to assess risk in the areas of anti-corruption, international trade, responsible minerals sourcing and human rights. Prior to the onboarding of a new supplier, and during an existing supplier’s regular review, the FCeX system issues a risk assessment questionnaire covering key areas which are analyzed by corporate- and site-level Compliance officers. The survey includes a responsible sourcing section to gather information from each supplier on their ESG programs, including sustainability-related management systems and certifications, human rights, health and safety, and environmental commitments, among others. The system has enhanced our ability to identify, assess and mitigate compliance risks, including modern slavery risks, on an ongoing basis. For any Business Partner where risks are identified specifically for modern slavery, additional, targeted, due diligence is conducted. During 2021, we did not identify specific modern slavery risks in our process requiring additional due diligence with any of our existing or new Business Partners. For more information on our due diligence efforts in our supply chain, please see [Global Supply Chain, Responsible Sourcing, 2021 Annual Report on Sustainability](#) and the [OECD Step 5 Due Diligence Report](#).

Risk Register

To translate our responsible production commitments to our everyday work, we use our sustainability risk register process (risk register) to identify, prioritize, manage, and track sustainability risks and actions at the corporate and site-level. Sites use the risk register to identify risks and opportunities related to our commitments in relation to their operation and stakeholders. The risk register then prioritizes the most significant risks that could have negative consequences to our business and stakeholders in areas such as health and safety, human rights, environmental management, community development, and economic impacts. Once prioritized, action plans are developed for risk management. The register and these plans serve as the focal point of internal and external assurance at both the corporate level and operating sites. During 2021, the risk register process did not identify modern slavery as an actionable risk at any operation. Refer to our [2021 Annual Report on Sustainability](#) for more information.

Human Rights Impact Assessments

Our Human Rights Policy requires us to respect internationally recognized human rights, including the rights under the International Bill of Human Rights. It also outlines our commitment to implementing the UNGPs, which includes utilizing Human Rights Impact Assessments (HRIAs) to prevent and mitigate impacts. Standalone HRIAs, conducted by third-party consultants, are our primary method for conducting specific human rights due diligence at our operations, including a sampling of our 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 risks and impacts – including those related to modern slavery.

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	In Progress	Initiated	Targeted

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. The HRIA preliminary findings indicate that El Abra is a low impact operation. This reflects its remote location, the implementation of effective site-level management systems and strong governance in Chile, which have collectively helped to prevent risks from manifesting. Both forced labor and child labor are included within the scope of our HRIA methodology and there were no allegations of forced or child labor involving El Abra suppliers identified via the assessment. Refer to the [Human Rights](#) section of our website for information on our HRIA methodology and an update on our recently completed, in progress and initiated HRIAs - including a case study with more information on the El Abra HRIA process as well as the adverse impacts, allegations and issues identified.

Training

We promote awareness of our human rights commitments through a variety of mechanisms including conducting training on our PBC. Our PBC defines the expected behavior of all employees – including respect for human rights. We conduct comprehensive training on our PBC, including annual certification by management-level employees and induction training for all new employees. Please refer to the [Principles of Business Conduct](#) and [Ambitions & Performance Targets](#) section of our 2021 Annual Report on Sustainability for more information.

On-site contractors participate in an onboarding process, which consists of a review of company policies, procedures, and security protocols and validation of required certifications. In addition, some operating sites also provide targeted training on human rights and our Business Partner Code of Conduct. Refer to the [Human Rights](#) section of our website for more information on communication, training and awareness raising and related examples.

In 2022, we are working towards developing and deploying targeted human rights training for lower risk sites as well as for our global supply chain professionals to aid in identification of issues such as potential modern slavery in our supply chain.

Access to Remedy - Reporting Mechanisms

While we seek to avoid causing and contributing to adverse impacts on individuals and communities, we acknowledge they may occur. Our [Human Rights Policy](#) outlines our commitments to providing for and cooperating with remediation of adverse impacts related to our business, as well as collaborating with value chain stakeholders to address adverse impacts linked to our business relationships. We have multiple mechanisms for employees, community members, members of our supply chain, and others to report human rights concerns. Grievance mechanisms support our work to remedy adverse impacts. These mechanisms help us address concerns early and remediate impacts directly. Please refer to the [Human Rights](#) section of our website for a table summarizing our grievance mechanisms with links to examples of grievances received and remedy provided. We did not receive any grievances regarding modern slavery in 2021.

We are committed to continuing our work with stakeholders to address our responsibility to respect human rights, including taking steps to prevent modern slavery from occurring in our business and supply chain.

This statement has been approved by the Freeport Board of Directors.

A handwritten signature in black ink, appearing to read "R. Adkerson". The signature is stylized and cursive.

Richard C. Adkerson
Chairman of the Board and Chief Executive Officer
Freeport-McMoRan Inc.