

Company Name Freeport-McMoRan
Industry Extractives
Overall Score (*) 70.7 out of 100

Theme Score	Out of	For Theme
7.4	10	A. Governance and Policies
17.0	25	B. Embedding Respect and Human Rights Due Diligence
11.3	15	C. Remedies and Grievance Mechanisms
12.5	20	D. Performance: Company Human Rights Practices
14.1	20	E. Performance: Responses to Serious Allegations
8.3	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2019 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: General HRs commitment: The Company's Human Rights Policy states that "we [the Company] respect the rights of all individuals, including employees, suppliers, community members and others who may be potentially impacted by operations" Furthermore, the Company does not "tolerate human rights abuses [in] operations". [Human Rights Policy, August 2017: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: UNGPs: Freeport-McMoRan's Human Rights Policy states that the Company "is committed to conducting operations in a manner consistent with the Universal Declaration of Human Rights, the laws and regulations of host countries and the United Nations Principles on Business and Human Rights." However, because the policy uses the wording "consistent with" it can not be awarded this indicator. [Human Rights Policy, August 2017: fcx.com] Not met: OECD
A.1.2	Commitment to respect the human rights of workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: ILO Core: The Company's Human Rights Policy commits to Ensuring fair treatment and work conditions for all employees, including rights to freedom of association and collective bargaining as well as prohibiting forced, compulsory or child labour, human trafficking and discrimination. [Human Rights Policy, August 2017: fcx.com] Met: Explicitly list All four ILO apply to EX BPs: The Company's Suppliers Code (which applies to any contracted third parties or suppliers) states the Company

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			<p>suppliers are expected to treat everyone in and around operations with dignity and respect. Specifically, this involves 'Ensuring fair treatment and work conditions for all employees, including rights to freedom of association and collective bargaining. Prohibiting forced, compulsory or child labor, and human trafficking. Prohibiting harassment and discrimination.' [Supplier Code of Conduct February 2018, Febrary 2018: fcx.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Explicit commitment to All four ILO Core: The Company's Human Rights Policy commits to 'Ensuring fair treatment and work conditions for all employees, including rights to freedom of association and collective bargaining as well as prohibiting forced, compulsory or child labour, human trafficking and discrimination'. [Human Rights Policy, August 2017: fcx.com] • Met: Respect H&S of workers: The Company's Supplier Code of Conduct outlines a commitment to "ensuring a safe and healthy workplace where everyone is treated fairly and with respect is a high priority." [Supplier Code of Conduct February 2018, February 2018: fcx.com] • Met: H&S applies to EX BPs: The Company's Suppliers Code of Conduct states that [the Company] "expects suppliers to follow all Freeport-McMoRan safety standards and procedures as well as provide their employees with a safe and healthy workplace." [Supplier Code of Conduct February 2018, February 2018: fcx.com]
A.1.3.EX	Commitment to respect human rights particularly relevant to the industry (EX)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Voluntary Principles (VPs) participant: On the Human Rights section of the Company's website, it states that Freeport is "committed to the Voluntary Principles and have remained an active participant in the Voluntary Principles initiative since 2000." [Human Rights, 2018: fcx.com] • Met: Respecting indigenous rights: Freeport is a member of the ICMM. THE ICMM position statement commits members to "respect the rights, interests, special connection to lands and water, and perspective of indigenous peoples". [ICMM Member Companies, 2018: icmm.com & ICMM: Indigenous Peoples and Mining Position Statement, 2018: icmm.com] • Not met: Expects BPs to respect these rights: Although the Companies Principles of Business Conduct apply to contractors, consultants, vendors, various subcontractors and any other contracted third party (collectively suppliers), Freeport McMoRan's does not have an adequate policy commitment in regards to the UN instruments, the Voluntary Principles, the international Code of Conduct Association, ILO no.169 and UNDRIP. [Principles of Business Conduct - Strength in Values, n/a: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: FPIC commitment: Freeport is a member of the ICMM. The ICMM position statement set out the members approach to engaging with indigenous people and to free, prior and informed consent (FPIC). [ICMM Member Companies, 2018: icmm.com & ICMM: Indigenous Peoples and Mining Position Statement, 2018: icmm.com] • Not met: Voluntary Guidelines on Tenure Rights • Not met: IFC performance standards • Not met: Zero tolerance for land grabs • Not met: Respecting the right to water: The Company states the following: 'We operate mines, smelters, processing facilities and reclamation projects around the world that require water for metal production or for site rehabilitation. Our mining operations are in areas where competition for water supplies is significant. We recognize that access to safe and clean water and sanitation is a fundamental human right and understand the critical importance of responsible water management'. However, recognising that it is a fundamental right cannot be considered a formal commitment to respect the right to water in accordance to CHRBI wording criteria. [Environment on website, 19/8/2019: fcx.com] • Not met: Expects BPs to commit to all these rights
A.1.4	Commitment to engage with stakeholders	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to stakeholder engagement: The Company's website states that it formally conducts stakeholder engagement through regulatory consultation processes with local governments and community groups including indigenous peoples. Furthermore, the Company's Human Rights Policy states Freeport is "engaging with affected stakeholders and their representatives in the development of [the Company's] human rights approach." [Our Approach - Stakeholder Engagement, 2018: fcx.com & Human Rights Policy, August 2017: fcx.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> Met: Commits to engage stakeholders in design: Freeport's Human Rights Policy states the following commitment "engaging with affected stakeholders and their representatives in the development of our human rights approach." [Human Rights Policy, August 2017: fcx.com]
A.1.5	Commitment to remedy	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Commits to remedy: The Company is committed to establishing and maintaining grievance mechanisms and has outlined a commitment to remedy any proven adverse impacts on individuals, workers and communities that are caused or contributed to by the Company's operations. This policy commitment also applies to Freeport Suppliers. [Human Rights Policy, August 2017: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Not obstructing access to other remedies: The company states "we are committed to not precluding access to judicial or other non-judicial grievance mechanisms and cooperating with associated human rights-related investigations. Furthermore, we expect suppliers of goods and services to operate in accordance with this policy." [Human Rights Policy, August 2017: fcx.com] Not met: Collaborating with other remedy initiatives Not met: Work with EX BPs to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Zero tolerance attacks on HRs Defenders (HRDs): The Company states the following: "Violence against human rights defenders has become an issue of global concern. Our Human Rights Policy commits us to respect the rights of all individuals who may be potentially impacted by our business, engage with affected stakeholders in the development of our human rights approach and prohibit harassment including of human rights defenders. We do not condone any form of violence against those who peacefully promote and defend human rights in relation to our activities and expect our business partners to do the same." [Human rights (new), 19/8/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Expects EX BPs to reflect company HRD commitments: See above, prohibits harassment including HRs defenders and expects business partners to do the same. [Human rights (new), 19/8/2019: fcx.com]

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: CEO or Board approves policy: The Company Human Rights Policy was amended by the Board of Directors as of the 1st of August 2017. [Human Rights Policy, August 2017: fcx.com] Met: Board level responsibility for HRs: Corporate Responsibility Committee of the Board is responsible for "(2) human rights policy and practises." [Charter of the Corporate Responsibility Committee of the Board of Directors, February 2018: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Speeches/letters by Board members or CEO: The CEO gave a presentation at a metals and mining conference where he mentioned human rights as part of the sustainability report. However, no evidence could be found that this presentation included details about the Company's approach to human rights or a discussion of its importance. [BMO Capital Markets 28th Global Metals & Mining Conference, 25/2/2019: s22.q4cdn.com]
A.2.2	Board discussions	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Board/Committee review of salient HRs: The Company reports that the Corporate Responsibility Committee of the Board is responsible for overseeing policies related to human rights. Management of salient issues is addressed through supporting policies; anti-corruption policy, community policy, environmental policy and safety and health policy. These policies are reviewed and updated 3 times a year or more. [Charter of the Corporate Responsibility Committee of the Board of Directors, February 2018: fcx.com & Our Approach - Stakeholder Engagement, 2018: fcx.com] Met: Examples or trends re HR discussion: 'During 2018, the Corporate Responsibility Committee received various reports and considered items with a particular focus on safety, which included reviewing the root causes of safety incidents and corrective actions implemented to prevent future accidents. In

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			<p>addition, the Corporate Responsibility Committee reviewed our human rights program, including the results of the human rights impact assessments at Cerro Verde and the New Mexico operations, responsible sourcing frameworks, social investment and charitable contributions, progress addressing reclamation and remediation liabilities, community medical and public health services, political activity and spending practices, and financial sector stakeholder engagement on sustainability matters.' [Governance, 19/8/2019: fcx.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both examples and process: as above
A.2.3	Incentives and performance management	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Incentives for at least one board member: Under the Company's executive compensation program primary elements for performance based pay include various financial, safety and environmental and social responsibility metrics. Social metric category is partly determined by the relative integration of the United Nations Guiding Principles on Business and Human Rights. According to the 2019 Proxy Statement executives had earned 100% of this social metric. [2019 Proxy Statement, 2019: s22.q4cdn.com] • Met: At least one key EX RH risk, beyond employee H&S: As above. <p>Score 2</p> <ul style="list-style-type: none"> • Met: Performance criteria made public: The Company states that the 15 percentage of the annual incentive programme depends on safety performance and 10% depends on environmental and social responsibilities. In these categories it is included the integration of the UN Guiding Principles into our programmes. [2019 Proxy Statement, 2019: s22.q4cdn.com]

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to ILO core conventions • Met: Senior responsibility for HR: The Corporate Responsibility Committee of the Board of Directors oversees the Company's sustainable development programs, including the Company's human rights policy and practices. There is a dedicated Sustainable Development Leadership Team, sponsored by the Executive vice President and Chief Administrative Officer and led by the Vice President of Environmental Services and Sustainable Development. Collectively these personnel are responsible for safety, supply chain, human resources, sales, legal compliance and land and water functions. [Our Approach - Stakeholder Engagement, 2018: fcx.com & Charter of the Corporate Responsibility Committee, 02/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Day-to-day responsibility: Additionally, the Company further describes its day-to-day management of human rights: 'All of our operating facilities have SD [Sustainable Development] Leaders and SD Risk Register committees that operate under the leadership of the site President/General Manager. Operations also have Community Grievance Officers who are responsible for grievance management, including overseeing timely and transparent processing of complaints. At higher risk operations, our site-level Human Rights Compliance Officers oversee compliance and training activities, and manage grievance mechanisms for the reporting, documentation and remedy (to the extent possible) of human rights related allegations that are reported in our areas of influence.' The Company also started a Human Rights Working Group to implement human rights and the UN Guiding Principles across its business. 'The team is sponsored by our Vice President Environmental Services and Sustainable Development, and is co-led by our Director-Sustainability Programs and Manager Business and Human Rights. The group is comprised of representatives from Safety, Supply Chain, Human Resources, Sales, Security, Legal / Compliance, Environment and Community Development.' The Group met several times throughout the year and discussed various issues relating to human rights. [Human rights (new), 19/8/2019: fcx.com]

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			<ul style="list-style-type: none"> Met: Day-to-day responsibility for EX BRs: The human rights working group comprises members for supply chain. The Company also indicates that it has an online due-diligence platform to assess risks related to different areas including human rights. This includes a risk assessment questionnaire to be completed before new business partners at higher risk operations are approved. It is handled at corporate and site-level compliance officers. In addition, in 2019, 'we designated a Global Supply Chain Sustainability Manager and appointed a new Product Stewardship Director to help lead these efforts [development of responsible-sourcing due diligence programs for goods and services]. The development of these programs is partly linked to the site-level HRIAs we have conducted to date, which have highlighted the need for more visibility into potential human rights risks within our supply chains. [Human rights (new), 19/8/2019: fcx.com]
B.1.2	Incentives and performance management	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Senior manager incentives for human rights: The Company has indicated that its 2018 executive compensation program was linked to, among others, safety performance and environmental and social responsibility performance (respectively 15% and 10% of the annual incentive program). With regard to the social responsibility category, the committee 'evaluated the company's performance relative to a scorecard it approved in February 2018. [...] With regard to the social responsibility category, the committee considered further integration of the United Nations Guiding Principles on Business and Human Rights into our programs and performance with respect to our company-wide goal of incurring zero gross human rights violations at our operations caused by employees or contractors as reported in our annual Working Toward Sustainable Development Report, investment in community programs, completion of third-party assurance of our sustainability programs according to the International Council on Mining and Metals Assurance Procedure, and stakeholder feedback and recognition of our sustainability programs. As a result of its assessment, the committee determined that the executives had earned 100% of the target level of the environmental/social responsibility metric.' [2019 Proxy Statement, 2019: s22.q4cdn.com] Met: At least one key EX HR risk, beyond employee H&S: See above. [2019 Proxy Statement, 2019: s22.q4cdn.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Performance criteria made public: The Company states that the 15 percentage of the annual incentive programme depends on safety performance and 10% depends on environmental and social responsibilities. In these categories it is included the integration of the UN Guiding Principles into its programmes. [2019 Proxy Statement, 2019: s22.q4cdn.com]
B.1.3	Integration with enterprise risk management	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: HR risks is integrated as part of enterprise risk system: Project Development Sustainability Review used to integrate sustainability considerations into mine projects. Sustainable Development Risk Register provides risk assessment for operations relating to sustainability considerations. Key areas of focus identified at scoping stages (pre mine site development) include access to water ,energy and materials, potential impacts to hydrology, air quality, community receptivity to project, economic impacts, land acquisitions, resettlement consideration and human rights. [Our Approach - Stakeholder Engagement, 2018: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Audit Cttee or independent risk assessment: External Assurance of the Company's 2016 Working Towards Sustainable Development Report was conducted by Corporate Integrity Ltd in accordance with the International Council on Mining and Metals Sustainable Development Framework Assurance Procedure. This audit includes a review of the Company's Sustainability Risk Register which includes human risks risk consideration. [Driven by Value 2016 Working Toward Sustainable Development Report, 06/2017: fcx.com & Our Approach - Stakeholder Engagement, 2018: fcx.com]
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Commits to ILO core conventions Met: Communicates its policy to all workers in own operations: The Company promotes awareness of Human Rights within its organisation by providing training to employees and contractors. Training is overseen by Human Rights compliance officers. In addition to this, Freeport-McMoRan states in its Principles of Business Conduct (PBC) that the Company "will train all employees in the PBC...and additional training in the PBC will be provided periodically." The Company's PBC is provided on the Freeport-McMoRan's website and available in English, Spanish,

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			<p>Bahasa and Dutch. [Human Rights, 2018: fcx.com & Principles of Business Conduct - Strength in Values, n/a: fcx.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Commits to all 4 ILO core conventions • Not met: Communication of policy commitments to stakeholder: The Company discloses the following: 'Our Human Rights Policy, Principles of Business Conduct, Supplier Code of Conduct and other SD policies are available to external stakeholders (local and international) in multiple languages on our website.' However, no evidence of proactive communication of policy could be found. [Human rights (new), 19/8/2019: fcx.com] • Not met: How policy commitments are made accessible to audience [Our Approach Policies, 2018: fcx.com]
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to all 4 ILO core conventions for suppliers • Met: Communicating policy to EX contractors and joint ventures: The Company expects Suppliers uphold and follow the Supplier Code of Conduct which includes the Human Rights Policy. The Supplier Code of Conduct is in addition to, and does not reduce or supersede, any contractual obligations. The Supplier Code of Conduct applies to all suppliers including contractors, consultants, vendors, subcontractors and other contracted third parties. [Principles of Business Conduct - Strength in Values, n/a: fcx.com & Supplier Code of Conduct February 2018, Febrary 2018: fcx.com] • Met: Including to EX BPs (removed) [Supplier Code of Conduct February 2018, Febrary 2018: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: How HR commitments made binding/contractual: Freeport-McMoRan's Supplier Code of Conduct states that 'The Code is in addition to, and does not reduce or supersedes, any contractual obligations between FCX (the Company) and its suppliers'. Additionally, the Company states: 'We have incorporated standard language on human rights into our corporate contract templates. Suppliers receive, and are expected to perform in accordance with, our Supplier Code of Conduct . Our Supplier Code of Conduct is based on our PBC and sets forth our expectations for suppliers (including contractors) in areas such as safety, respect for human rights, anti-corruption, community and environment'. [Supplier Code of Conduct February 2018, Febrary 2018: fcx.com & Human rights (new), 19/8/2019: fcx.com] • Met: Including on EX BPs: See above
B.1.5	Training on Human Rights	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Scores at least 1 on A.1.2 • Met: Trains all workers on HR policy commitments: Freeport-McMoRan's Principles of Business Conduct (PBC) Document states the following " will train all employees in the PBC. All new employees will receive training as part of the new-hire process, and additional training in the PBC will be provided periodically." The PBC contains a dedicated section to "respecting human rights". Furthermore, the Company's Human Rights policy indicates that "human rights training" is provided to employees, contractors and local stakeholders. [Principles of Business Conduct - Strength in Values, n/a: fcx.com & Human Rights Policy, August 2017: fcx.com] • Met: Trains relevant EX managers including security personnel: The Company promotes awareness of its Human Rights Policy and the Voluntary Principles through a variety of mechanisms, including annual training through live/online classes and distribution pamphlets for managers. In addition to above, the Company's Voluntary Principles on Security and Human Rights - 2016 Annual Report to the Plenary, states that "...human rights awareness training [has been incorporated] into the induction of all new employees. In addition, 82 percent of private security contractor employees and all PTFI security employees received induction or refresher training in 2018.' In previous years, induction or refresher training included 100% of private security contractors. [Voluntary Principles on Security and Human Rights2018 Annual Report to the Plenary, 19-20/3/2019: fcx.com & Voluntary Principles on Security and Human Rights 2016 Annual Report to the Plenary, March 2017: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2 • Met: Both requirements under score 1 met: See Indicator B.1.5.S1.a and Indicator B.1.5.S1.b.EX
B.1.6	Monitoring and corrective actions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Scores at least 1 on A.1.2

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> Met: Monitoring implementation of HR policy commitments: "To ensure implementation of our policy commitments and objectives, we utilize a combination of audit and assessment programs along with an annual program for site-level independent assurance of our sustainability framework that encompasses commitments of the ICMM Sustainable Development Framework. Our health and safety management systems and environmental management systems obtain independent certification to Occupational Health and Safety Assessment Series (OHSAS) 18001 and International Organization for Standardization (ISO) 14001, respectively. These systems include corrective and preventive action tracking for internal and external audit findings. [Our Approach Sustainability, 2018: fcx.com & Driven by Value 2016 Working Toward Sustainable Development Report, 06/2017: fcx.com] Not met: Monitoring EX BP's: Although the Company describes grievance mechanism as helpful to monitor performance, it is not clear how it actively monitors human rights compliance in extractive business partners. The Company also reports screening and monitoring suppliers (FCeX and manual screening), but it is not clear if these monitoring procedures also cover extractive business partners. The Company provided sources to CHRB, however these were not sufficient for subindicators of this indicator. [UK Modern Slavery Act Statement, 2017: fcx.com & Human Rights: Management of Salient Issues, 2018: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Score of 2 on A.1.2 Not met: Describes corrective action process: Although the Company indicates that grievance mechanism help supporting corrective actions, no evidence found of a corrective action process to follow when non-compliances are found. Not met: Example of corrective action Not met: Discloses % of EX supply chain monitored
B.1.7	Engaging business relationships	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: HR affects selection EXs business partners: According to Freeport's Modern Slavery Statement 2017, the Company conducts a compliance based due diligence survey called the Freeport Compliance eXchange (FCeX). New and existing suppliers are asked to complete a questionnaire focused on issues of anti-corruption, international trade controls and human rights compliance. These surveys are used by Freeport to conduct supplier-specific risk assessments to ensure the company operates with affiliates who operate in compliance with U.S and international laws. [UK Modern Slavery Act Statement, 2017: fcx.com] Not met: HR affects on-going EX business partner relationships: The Company reports in relation to the online due diligence platform. However, no evidence found in relation to how performance in human rights from business partners influences the decisions to renew, expand or terminate business relationships'. [Human rights (new), 19/8/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Both requirement under score 1 met Not met: Working with EX business partners to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Stakeholder process or systems: The Company website states 'we [the Company] formally engage with community stakeholders across our portfolio, development institutions and NGOs. Annually, hundreds of entities are engaged via community foundations, formal grievance systems, community liaison officer interactions, workshops, participatory group panels, town hall meetings and surveys. Engagement also occurs through regulatory consultation processes with local governments and community groups, including indigenous peoples'. Furthermore, post mining operations maintained a 5 year community engagement and development plan that specifies affected or interested parties for ongoing engagement and consultations. [Our Approach - Stakeholder Engagement, 2018: fcx.com] Met: Frequency and triggers for engagement: See above [Our Approach - Stakeholder Engagement, 2018: fcx.com] Met: Engagement includes EX business partners workers: See above [Our Approach - Stakeholder Engagement, 2018: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Analysis of stakeholder views and company's actions on them: The Company provides the example of female employees in North America. A survey was carried out 'to gauge actual and perceived barriers to advancement [...] Key themes raised from the survey results included work/life balance, lack of clarity related to career pathways adn historical or unconscious bias'. In 2018 the

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			feedback from the survey 'to determine the best interventions for raising internal awareness, increasing training opportunities, creating more inclusive culture, improving female retention rate and giving women equal opportunities for career advancement'. However, this indicator looks for a summary of inputs; case studies are sufficient in case there are more than one case. [Workforce, 21/8/2019: fcx.com]

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Identifying risks in own operations: Freeport-McMoRan uses the "Sustainable Risk Register process, which prioritizes risks that could have the potential for negative consequences to our business and our stakeholders as it relates to areas including health and safety, respect for human rights, the environment, and community stability and economic impacts." The Sustainable Development Department and senior corporate multi-disciplinary personnel coordinate with operations to ensure prioritization processes are consistent with corporate procedures and provide guidance to ensure alignment of priorities and mitigation plans." [Driven by Value 2016 Working Toward Sustainable Development Report, 06/2017: fcx.com] Met: identifying risks in EX business partners: To better assess potential human rights risks in the Company's supply chain, Freeport-McMoRan utilizes an online due diligence system for contractors and suppliers. "The systems issues a risk assessment questionnaire to contractors and suppliers, which must be completed before they are approved as a business partner, as well as prior to contract renewal. The questionnaire includes questions related to a range of legal, regulatory and reputational risks areas, including human rights and security risks." The Company has a similar system used prior to entering in operations with business partners in high risk areas called Freeport Compliance eXchange. [Voluntary Principles on Security and Human Rights 2016 Annual Report to the Plenary, March 2017: fcx.com & Human rights (new), 19/8/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Ongoing global risk identification: The Company states that "Suppliers and contractors linked to locations not covered by the online system undergo manual screening by [the Company's] Global Supply Chain department." In 2016, the Company initiated a process to update the risk assessment questionnaire to advance supply chain due diligence in line with UNGP implementation and requirements under the UK Modern Slavery Act. [Voluntary Principles on Security and Human Rights 2016 Annual Report to the Plenary, March 2017: fcx.com] Met: In consultation with stakeholders: The Company "formally engages with community stakeholders across [the Freeport-McMoRan's] portfolio, development institutions and NGOs...Engagement also occurs through regulatory consultation processes with local governments and community groups, including indigenous peoples." The Company further states that the issues raised help inform each operations sustainable development risk register and assist in developing social investment and capacity-building strategies." [Driven by Value 2016 Working Toward Sustainable Development Report, 06/2017: fcx.com] Met: In consultation with HR experts: 'We also continue to work with global risk analytics and advisory firm Verisk Maplecroft, which provides us with advisory support on our UN Guiding Principles implementation and assists in implementation of site-level HRIAs'. [Human rights (new), 19/8/2019: fcx.com] Met: Triggered by new circumstances: See above. Met: Explains use of HRIAs or ESIA (inc HR): The Company carries out Human Rights Risks Assessments in all operations. In 2013 it carried out a 'Corporate HRIA (all operating mining and metals sites)', in 2015 in 'Tenke Fungurume Mining HRIA in the Democratic Republic of Congo (former operation)', in 2017 in 'Cerro Verde HRIA in Peru' and in 2018 in 'New Mexico operations (Chino and Tyrone) HRIA in the U.S'. [Human rights (new), 19/8/2019: fcx.com]
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Salient risk assessment (and context): The Company uses its Sustainable Development Risk Register to prioritize operations risks. The register specifically identifies respect for human rights as a risk factor. Salient human rights issues are addressed in line with the Company Human Rights Policy. [Our Approach - Stakeholder Engagement, 2018: fcx.com] Met: Public disclosure of salient risks: Freeport publicly discloses the results of human rights impact assessments for multi site-level operations. The Company's

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>website provides a detail list of impacts for the Cerro Verde Mine in Peru and PT Freeport Indonesian's Levee extension project constructed in 2017. [Human Rights: Cerro Verde HRIA, 2018: fcx.com & Communities, 2018: fcx.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Action Plans to mitigate risks: 'Site-level HRIA reports include recommendations on priority areas for investigation and / or action. These recommendations are reviewed by site management in collaboration with the Corporate SD team. Where HRAs identify 'gaps' in a site's established human rights-relevant management systems, operations personnel work with cross-functional teams to develop HRIA Action Plans. HRIA Action Plans support continuous improvement of existing systems and processes. Where necessary, they establish new measures to investigate, prevent, mitigate and/or remedy human rights risks and impacts.' [Site Level HRIA, 22/8/2019: fcx.com] • Not met: Including amongst EX BPs • Not met: Example of Actions decided: Freeport's website outlines that it conducted a Human Rights Impact Assessment in the Cerro Verde operation in Peru. Although the HRIA identified a series of impacts on employees, the value chain, community, numerous third-parties and the environment, the only evidence found is that it has the intention to develop action plans to address these risks and impacts identified. Furthermore, it is not clear what its salient human rights risks are and the action plans taken. [Communities, 2018: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: System to check if Actions are effective: The Company states that enhanced its process for 'integrating HRIA Action plans into and tracking progress within site's existing SD Risk Register Process [...] The main update to the HRIA Action Plan was the addition of a desired outcome field, where sites are asked to indicate the desired outcome associated with each action item (e.g. what would indicate when the action item would be 'complete'). Desired outcomes can be measured using qualitative or quantitative indicators. Such indicators are intended to help sites better assess the effectiveness of action item implementation and whether or not the actions taken have produced the desired results'. [Site Level HRIA, 22/8/2019: fcx.com] • Not met: Lessons learnt from checking effectiveness: Although the Company describes the HRIA and actions implemented and, it refers that 'lessons learned from the Cerro Verde HRIA are helping to guide our global human rights approach and site-level HRIA work at other operations', no evidence found of it making explicit which are the lessons learn from checking effectiveness of actions taken. [Cerro Verde HRIA, 22/8/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Comms plan re identifying risks: See B.2.1 • Met: Comms plan re assessing risks: See B.2.2 [Our Approach - Stakeholder Engagement, 2018: fcx.com & Human Rights: Cerro Verde HRIA, 2018: fcx.com] • Not met: Comms plan re action plans for risks: See B.2.3 • Not met: Comms plan re reviewing action plans: See B.2.4 • Not met: Including EX business partners <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Channel accessible to all workers: The Company has a Compliance Line, managed by a third party, where concerns can be anonymously be reported. This service is also available to suppliers. Freeport's Business Code of Conduct states that "any concerns about human rights violations or unsafe work practises should be reported to the local Human Rights Compliance Officer or through the FCX Compliance line. [Principles of Business Conduct - Strength in Values, n/a: fcx.com & Supplier Code of Conduct February 2018, Feburary 2018: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Number grievances filed, addressed or resolved: The Compliance line received 29 allegations of discriminatory or harassment conduct in 2016. 2 of these cases resulted in disciplinary and remedial actions. In total, the compliance line handled 220 reports relating to various topics including employee workplace conduct, environment, health and safety, protecting company assets and conduct of interest. [Driven by Value 2016 Working Toward Sustainable Development Report, 06/2017: fcx.com] Met: Channel is available in all appropriate languages: Compliance line is available in a variety of regions and countries. [Supplier Code of Conduct February 2018, Feburary 2018: fcx.com] Met: Expect EX BPs to have equivalent grievance system: We expect our Suppliers to treat everyone in and around our operations with dignity and respect. This includes: Establishing and maintaining grievance mechanisms to record and address concerns in a timely and transparent manner. Freeport-McMoRan believes in doing business only with suppliers of goods and services. The Company's Supplier Code, consider 'suppliers' the following (not limited): contractors, consultants, vendors, their subcontractors and any other contracted third parties (collectively Suppliers). [Voluntary Principles on Security and Human Rights 2016 Annual Report to the Plenary, March 2017: fcx.com] Met: Opens own system to EX BPs workers: 'Our global, publicly available reporting channels associated with our Principles of Business Conduct are available to our employees. They also are available to members of our supply chain via our Supplier Code of Conduct. Such channels include: The FCX Compliance Line, a phone system managed by an independent third party that allows for anonymous reporting of issues or concerns relating to our PBC, policies or procedures A similar, web-based reporting system, also operated by a third party; The option to send a direct email to our corporate Compliance Department; In addition to making our global, publicly available reporting options open to those in our supply chain, we expect our suppliers to establish and maintain grievance mechanisms to record and address concerns in a timely and transparent manner.' [Human rights (new), 19/8/2019: fcx.com]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Grievance mechanism for community: The Company has a community grievance management system for recording, processing and responding to local concern. The Community can report issues directly to the Community Liaison Officers through community forums, physical boxes located at sites or via local hotlines. [Driven by Value 2016 Working Toward Sustainable Development Report, 06/2017: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Describes accessibility and local languages: The Company's 'operations utilize a community grievance management system for recording, processing and responding to local concerns. Grievances may be received by Community Liaison Officers in the field, through engagement at established company/community forums, at physical drop boxes or via local hotlines. Site-level Community Grievance Officers ensure grievances are handled in a timely and transparent manner.' 'All of these grievance mechanisms are available in local languages.' [Grievance Management Systems, 2018: fcx.com & Human rights (new), 19/8/2019: fcx.com] Met: Expects EX BPs to have community grievance systems: According to the Company's Community Policy, which applies to all FCX projects and operations, the Company has a commitment to establish and maintain grievance mechanisms to record and address community concerns in a timely and transparent manner. It expects suppliers of goods and services to operate in a manner in accordance with this policy. [Community Policy, 2015: fcx.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Description of how they do this: Minutes from Community Partnership Panel Meeting in Greenlee Country in Arizona on the 10th of May 2018, indicate that Freeport's Corporate Sustainable Development team conducted an overview of the Grievance Management System. This included guided discussions with panel members (Community panel) in an effort to gain insights about improving the current system. There company has also conducted similar processes for grievance mechanism systems located elsewhere in New Mexico and Colorado. [Community Partnership Panel Meeting Summary Greenlee Country Arizona - site Morenci, May 2018: freeportinmycommunity.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Engages with users on system performance: Minutes from Community Partnership Panel Meeting in Greenlee Country in Arizona on the 10th of May 2018, indicate that Freeport's Corporate Sustainable Development team conducted an overview of the Grievance Management System. This included guided discussions with panel members (Community panel) in an effort to gain insights about improving the current system. There company has also conducted similar processes for grievance mechanism systems located elsewhere in New Mexico and Colorado. The Company continued its review in 2018, when it reviewed its 'employee and community grievance management procedures against the effectiveness criteria outlined in the United Nations Guiding Principles on Business and Human Rights (i.e. legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue). This included internal benchmarking and leveraging our Community Partnership Panel meetings in the U.S. as well as an optional employee survey accompanying our global, web-based PBC training to solicit feedback from a set of employees and community members on their knowledge of and trust in our grievance mechanisms and how these might be improved.' [Community Partnership Panel Meeting Summary Greenlee Country Arizona - site Morenci, May 2018: freeportinmycommunity.com & Human rights (new), 19/8/2019: fcx.com] Met: Provides user engagement example on performance: Arizona on the 10th of May 2018, indicate that Freeport's Corporate Sustainable Development team conducted an overview of the Grievance Management System. This included guided discussions with panel members (Community panel) in an effort to gain insights about improving the current system. There company has also conducted similar processes for grievance mechanism systems located elsewhere in New Mexico and Colorado. [Community Partnership Panel Meeting Summary Greenlee Country Arizona - site Morenci, May 2018: freeportinmycommunity.com] Not met: EX BPs consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Response timescales: The Company strives to review and resolve each allegation of violations quickly, thoroughly and as confidentially as possible. This is done at the local level unless situation requires otherwise. Human Resource matters will be referred to the local HR manager, accounting issues will be referred to the local controller, safety issues will be referred to the local safety manager and conflicts of interest will be reviewed by local management. (...) However, please keep in mind that the length of time required to investigate and resolve a matter varies depending on the nature of the reported concern, the amount of information available and the number and availability of the witnesses'. [Principles of Business Conduct - Strength in Values, n/a: fcx.com] Met: How complainants will be informed: The Company states "You will receive a report number and personal identification number with an estimated time to call back for updates. Be sure to check back regularly to see if additional information is needed. You will be notified once a thorough investigation has been completed and the appropriate action taken." [Principles of Business Conduct - Strength in Values, n/a: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Escalation to senior/independent level: Freeport's 2017 Report to the Voluntary Principles Plenary states that "Site-level Human Rights Compliance Officers report human rights incidents, grievances or allegations to site-level management, as well as to the corporate SD group and legal counsel'. For Grievances with the potential for significantly adverse community impacts, company management is involved and appropriate government authorities are engaged as needed'. However, it is not clear if, in a general contexts, grievances can be escalated to be resolved to more senior levels or independent third parties.

Indicator Code	Indicator name	Score (out of 2)	Explanation
			[Voluntary Principles on Security and Human Rights2018 Annual Report to the Plenary, 19-20/3/2019: fcx.com & Communities (new), 21/8/2019: fcx.com]
C.5	Commitment to non-retaliation over complaints or concerns made	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Public statement prohibiting retaliation: The Company's Grievance Management Systems webpage states that "we do not tolerate retaliation against any employee, community stakeholder or supplier for raising a question or concern about the Company's business practises in good faith through mechanisms including the FCX Compliance Line or cooperation in the investigation of such a concern." [Communities, 2018: fcx.com] Met: Practical measures to prevent retaliation: Complaints to the FCX Compliance Line can be made anonymous. [Principles of Business Conduct - Strength in Values, n/a: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Has not retaliated in practice Not met: Expects EX BPs to prohibit retaliation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Won't impede state based mechanisms: The Company's Human Rights Policy states that Freeport does "does not preclude(ing) access to judicial or other non-judicial grievance mechanisms and cooperates(ing) with associated human rights-related investigations." [Human Rights Policy, August 2017: fcx.com] Not met: Complainants not asked to waive rights <p>Score 2</p> <ul style="list-style-type: none"> Met: Will work with state based or non judicial mechanisms: The Company states the following: 'In the event of accusations made via a state-based non-judicial grievance mechanisms (e.g. such as proceedings through the OECD National Contact Points), we would participate in related proceedings constructively, cooperatively and in good faith.' [Human rights (new), 19/8/2019: fcx.com] Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Says how it would remedy key sector risks: Freeport has a Fatal Risk Management Program and also provides information on how it would remedy this health and safety risk. On the Company's Fatality Prevention webpage Freeport states that following these types of incidents "the employee and family members are cared for during the entire post-incident duration" and "senior leadership...Determine compensation needs for the family". [Workforce: Fatality Prevention, 2018] <p>Score 2</p> <ul style="list-style-type: none"> Met: Changes introduced to stop repetition: The Company has started to implement action plans to investigate, mitigate and/or remedy the adverse human rights impacts (actual and potential) identified in the 2015 Tenke Furthermore Mining Human Rights Impact Assessment. This process was monitored by the sites-level risk register process. Actions plans included prevention of illegal on-site mining and conduct public security providers. Additionally, after allegations of serious health impacts in Cerro Verde, the Company conducted a technical assessment, and, despite not finding any gaps, made improvements along with its medical services partner, International SOS, to review and enhance its medical monitoring procedures. These procedures verify whether workforce members are fit for duty, look for indications of health impairment and provide opportunities for early intervention. [Voluntary Principles on Security and Human Rights 2016 Annual Report to the Plenary, March 2017: fcx.com & Cerro Verde HRIA, 22/8/2019: fcx.com] Met: Evaluation of the channel/mechanism: The Company's site-level risk register is evaluated by external management consultant, Verisk Maplecroft, a global risk advisory firm. The Company also states the following: 'In 2018, we continued to review our internal and external grievance management procedures against the effectiveness criteria outlined in the UN Guiding Principles (i.e., legitimate, accessible, predictable, equitable, transparent, rights-compatible and a source of continuous learning, based on engagement and dialogue).' [Voluntary Principles on Security and Human Rights 2016 Annual Report to the Plenary, March 2017: fcx.com & Grievance Management System (new), 22/8/2019: fcx.com]

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Living wage target timeframe or achieved: The Company states the following: 'We pay our workers in our core business a competitive wage, which is regularly reviewed and compared to the appropriate market and economy. Where applicable, the wages are negotiated through the collective bargaining process.' However, it is unclear if this means that all employees receive a living wage (sufficient to cover basic needs for employee and his/her family plus some discretionary income). [Workforce, 21/8/2019: fcx.com] Not met: Describes how living wage determined <p>Score 2</p> <ul style="list-style-type: none"> Not met: Pays living wages Not met: Reviews living wages definition with unions
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Member of EITI: The Company states that it 'has endorsed and committed to support the Extractive Industries Transparency Initiative (EITI)'. [EITI Member Registry 2016-2019, February 2016: eiti.org] Met: Reports of taxes and revenues beyond legal minimums: The Company reports on property taxes, employee payroll taxes and other taxes and fees paid in addition to Corporate income taxes. [Transparency of government payments, 21/8/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Reports taxes and revenue by country: The Company reports on cash payments made in the form of royalties and net severance taxes paid to governments. These include the governments in the U.S, Chile, Peru, Indonesia and other countries. However, this does not include revenue. [Transparency of government payments, 21/8/2019: fcx.com] Met: Steps taken re non EITI countries: The Company states 'We have significant mining operations in Indonesia and Peru, both of which are EITI implementing countries. Senior-level PTFI and Cerro Verde personnel actively support the in-country EITI processes. We have hosted site visits for the EITI board and associated stakeholders as well as provided sponsorship to regional conferences and the tri-annual global conference.' [Transparency of government payments, 21/8/2019: fcx.com]
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation: The Company states that it engages 'openly with... employees and union leadership to successfully negotiate and uphold labour agreements.' It also does not 'tolerate any form of harassment, discrimination or retaliation, including violent or threatening behavior, within [its] workforce, including against union or non-union members.' To prevent this, the Company states the following: 'This is reinforced in our mandatory Principles of Business Conduct training for all employees and the ability for anyone to report violations without retaliation through our global Compliance Line.' [Driven by Value 2016 Working Toward Sustainable Development Report, 06/2017: fcx.com & Workforce, 21/8/2019: fcx.com] Met: Discloses % covered by collective bargaining: The Company estimates that 37% of its employee population is covered by collective bargaining agreements. However this percentage varies by operating region; Indonesia (71%), Europe/Other (72%), South America (65%) and North America (0%). [Workforce, 21/8/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Both requirement under score 1 met
D.3.4	Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Injury Rate disclosures: Total Recordable Injury Rate of 0.71 (2018). [Our Approach (new), 8/21/2019: fcx.com] Met: Fatalities disclosures: Workplace Fatalities of 0 (2018). [Our Approach (new), 8/21/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Set targets for H&S performance: The Company has targets of zero fatalities, which was met in 2018, and a company-wide total recordable incident rate of 0.70, which was not met in 2018. [Our Approach (new), 8/21/2019: fcx.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> Met: Met targets or explains why not: The Company met its zero-fatality target in 2018, and did not meet the TRIR target. 'Low-energy events, such as sprains and strains, at certain operations in North America adversely affected our TRIR.' [Health and Safety, 21/8/2019: fcx.com]
D.3.5	Indigenous peoples rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Process to identify indigenous rights holders: The Company recognises indigenous people in Papua, Indonesia, Native Americans in the U.S and communities of Alto Loa in Chile. Through community engagement, cultural promotion and preservation projects as well as training and development programs, the company seeks to address the needs, cultural and customers of indigenous people near operations. With reference to indigenous peoples in the US, the following was found: 'In the U.S., we continue to build on our relationships with federally recognized Native American Tribes in the southwest [...] We are engaging tribes that have historically occupied areas near our operations and those with ancestral connections to these lands'. However, this indicator looks for the process it follows to identify which are, and recognise, the affected and potentially affected indigenous peoples with whom to engage. [Driven by Value 2016 Working Toward Sustainable Development Report, 06/2017: fcx.com & Communities (new), 21/8/2019: fcx.com] Met: How engages with communities in assessment: The Company describes engagement in Chile with several indigenous peoples. 'A Protocol for Early Participation was agreed upon with the Conchi Viejo, Ascotán and Ollagüe communities to enable an early consultation process associated with the potential El Abra expansion project. The Protocol involved a community participatory monitoring program related to the Environmental and Social Impact Assessment (ESIA) baseline studies. The Protocol included three community training workshops to help potentially affected stakeholders understand environmental and social impact assessment and regulation in Chile. Community members were provided advisory support from experts so they are better equipped to understand baseline results and assess potential impacts as well as associated mitigation measures. During 2018, the community of Conchi Viejo actively participated in training sessions and the review of baseline studies which continue in 2019 as work progresses on the impact assessment and mitigation measures. In the Chug Chug area, 13 community members were hired as biodiversity monitors, nine as archaeology monitors and five for water quality.' [Communities (new), 21/8/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Commits to FPIC (or ICMM): Freeport is a member of the ICMM. THE ICMM position statement commits members approach to "engaging with indigenous peoples and to free, prior and informed consent." [ICMM Member Companies, 2018: icmm.com & ICMM: Indigenous Peoples and Mining Position Statement, 2018: icmm.com] Not met: Gives recent example FPIC or dropping deal: For Freeport's operations in Chile and the US, the Company maintains relationships with indigenous communities. Specifically the Company states that they "are committed to respecting the rights, interest, aspiration, culture and natural resource-based livelihoods of these indigenous communities in project design, development and operations". Freeport goes on to say that they "seek to achieve their free, prior and informed consent where significant adverse impacts are likely to occur and capture the outcomes of engagement and consent process in agreements or resolutions. However, the Company doesn't explicitly state if they actually received FPIC on projects near these indigenous communities to be awarded this indicator. [Communities, 2018: fcx.com]
D.3.6	Land rights (in own extractive operations, which includes JVs)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Approach to identification of land tenure rights holders Not met: Describes approach to doing so if no recent deals: The Company states it did not have any resettlement activities in 2018, however, no evidence found on its approach to identifying legitimate tenure rights holders generally. [Communities (new), 21/8/2019: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: How valuation and compensation works Met: Steps to meet IFC PS 5 in state deals: The Company has a Land Access, Compensation and Resettlement Policy Framework, which was developed in accordance with the DRC law and the international Finance Corporations Performance Standard 5. [Working Towards Sustainable Development 2015, 06/2016: fcx.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.7	Security (in own extractive operations, which includes JVs)	2	<ul style="list-style-type: none"> • Not met: Describes approach if no recent deals <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: How implements security (inc VPs or ICOC): The Company explains its approach to implementing the VPs in its Voluntary Principles on Security and Human Rights 2016 Report to the Plenary. Specifically, the report addresses the Company's procedures to Conduct Security and Human rights, mechanism to report security-related incidents with human rights implications, its procedure to consider the VPs in entering relations with private security providers and mechanism to investigate and remediate security related-related incidents with human rights implications. [Voluntary Principles on Security and Human Rights2018 Annual Report to the Plenary, 19-20/3/2019: fcx.com] • Met: Example of respecting HRs in security: The Company provides examples of implementing the VPs at country level. For example, in Indonesia, at PT Freeport Indonesia (PTFI) which operates the Grasberg mining complex, it reports on allegations and issues that arose, on engagement with stakeholders on country implementation, on using the VPs to select private security providers and formulate agreements with public and private security providers, on training on the VPs, etc. It also provides another example related to its operations in DRC. Through engagement with the local community security council, and investment in economic development programs to promote long-term growth and alternative livelihoods in the community. TFM continued its partnership with non-profit organization Search for Common Ground in 2015 to address conflict drivers in the local community, including illegal mining, through a communications and engagement program. [Voluntary Principles on Security and Human Rights 2016 Annual Report to the Plenary, March 2017: fcx.com & Voluntary Principles on Security and Human Rights2018 Annual Report to the Plenary, 19-20/3/2019: fcx.com] • Met: Ensures Business Partners follow security approach: The company has incorporated commitment to the Voluntary Principles into its Principles of business Conduct. The Principles of Business Conduct apply to employees and the board of directors. The Company also hold contractors and other business partners to the same standards which are reflected in the Supplier Code of Conduct. [Supplier Code of Conduct February 2018, Feburary 2018: fcx.com & Principles of Business Conduct - Strength in Values, n/a: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Assesses and involves communities: Through engagement with the local community security council, and investment in economic development programs to promote long-term growth and alternative livelihoods in the community. It also satest that in Congo, it participated in monthly ssecurity meetings held by local authorities in Fungurume, where security and human rgights issues were raised and discussed by local government officials and community leaders. TFM used these meetings to raise awareness about the Voluntary Principles and to discuss more specific security-related incidents and concerns. [Voluntary Principles on Security and Human Rights 2016 Annual Report to the Plenary, March 2017: fcx.com] • Met: Working with local community: Illegal mining activities in and around the TFM concession were a regular agenda item during TFM's meetings with the provincial and national government. TFM also organized a media campaign warning community residents of the dangers of illegal mining via local radio stations. [Voluntary Principles on Security and Human Rights 2016 Annual Report to the Plenary, March 2017: fcx.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Action to prevent water and sanitation risks: The Company describes different action to prevent and/or mitigate water issues. For instance, for securing long-term and annual allocations of Colorado River, where the Company operates in an arid climate, it has focused in obtaining contracts with Native American tribes that have senior water rights. With these the company reduces the reliance on local groundwater and surface water and 'help Arizona accomplish its goal of moving industrial water users away from groundwater sources'. In 2018 the company was able to 'offset 70% of fresh water needs in Arizona through recharging Colorado River water in areas of the state where water is needed'. IN Cerro Verde, with a lack of adequate waste treatment infrastructure in Arequipa, Cerro Verde financed wastewater collection systems and plant to treat approximately 90% of the city's domestic sewage and industrial discharges that previously reported directly to the river. Now the company has availability of processed wastewater to use at Cerro Verde, while the remainder of the water treated is returned to the river. [Environment on website, 19/8/2019: fcx.com & Driven by Value 2016 Working Toward Sustainable Development Report, 06/2017: fcx.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Water targets considering local factors: The Company 'maintains a global water management program designed to (1) increase water use efficiency in our processes and minimize the fresh water used by the operations; (2) maximize the reuse of water introduced to our operations; (3) replace traditional water supplies with renewable or recycled water supplies; and (4) collaborate with catchment stakeholders including local communities.' The Company states its objective is 'to maintain high rates of recycled or reused water and[its] performance has approximated 80 percent in recent years'. 'Our water use efficiency was 86% for 2018'. However, it is not clear if it has specific targets of water stewardship that take into consideration water user by local communities and other users in the vicinity'. Although the company has disclosed stakeholder engagement and collaboration in relation to water issues and risks, no particular evidence found regarding targets. [Environment on website, 19/8/2019: fcx.com] Not met: Reports progress in meeting targets and shows trends in progress made

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 56.53 out of 80 points scored in themes A-D & F has been applied to produce a score of 14.13 out of 20 points for theme E.

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	3.89 out of 4	Out of a total of 38 indicators assessed under sections A-D of the benchmark, Freeport-McMoRan made data public that met one or more elements of the methodology in 37 cases, leading to a disclosure score of 3.89 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 2</p> <ul style="list-style-type: none"> Met: Company reports on GRI: The Company maintains adherence to the Global Reporting Initiative (GRI) G4 framework, core option. [Annual Report 2017, 2017: s22.q4cdn.com]
F.3	Key, High Quality Disclosures	2.4 out of 4	<p>Freeport-McMoRan met 6 of the 10 thresholds listed below and therefore gets 2.4 out of 4 points for the high quality disclosure indicator.</p> <p>Specificity and use of concrete examples</p> <ul style="list-style-type: none"> Met: Score 2 for A.2.2 : Board discussions Not met: Score 2 for B.1.6 : Monitoring and corrective actions Met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts Met: Score 2 for C.7 : Remediying adverse impacts and incorporating lessons learned Demonstrating a forward focus

Indicator Code	Indicator name	Score	Explanation
			<ul style="list-style-type: none"> • Met: Score 2 for A.2.3 : Incentives and performance management • Met: Score 2 for B.1.2 : Incentives and performance management • Not met: Score 1 for D.3.1 : Living wage (in own extractive operations, which includes JVs) • Met: Score 2 for D.3.4 : Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2019 Key Findings report and technical annex for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.