

EITI International Secretariat's Final Assessment

Company progress in meeting the Expectations for EITI supporting companies

Company name	Freeport-McMoRan
Sector	Mining
Headquarters	Phoenix, United States of America
Type	Public
Date of submission to company (month/year)	June 2023
Pursuant to the Guidance on the Expectations for EITI supporting companies, companies are encouraged to participate in national EITI multi-stakeholder groups (MSGs). For information purposes.	
Does the company, directly or through a subsidiary (including joint-ventures) participate in a multi-stakeholder group?	Yes
If yes, indicate in which countries your company is participating in MSGs?	INDONESIA, PERU
Secretariat comment	The Secretariat notes and thanks the many companies directly and indirectly participating in MSGs in EITI implementing countries.
EXPECTATION 1	Publicly declare and publish support for the EITI and the objective of the EITI Association to make the EITI Principles

EITI International Secretariat

Phone: +47 222 00 800 • E-mail: secretariat@eiti.org • Twitter: @EITlorg • www.eiti.org

Address: Rådhusgata 26, 0151 Oslo, Norway • P.O. Box: Postboks 340 Sentrum, 0101 Oslo, Norway

and the EITI Standard the internationally accepted standard for transparency in the oil, gas and mining sectors.	
Does the company publish a statement of support for the EITI and the objective of the EITI Association?	Yes
URL for Statement Support	Annual Report on Sustainability: https://view.publitas.com/freeport-mcmoran/2021-annual-report-on-sustainability
Secretariat's assessment on Expectation 1	Expectation met
Secretariat comment	Statement of support published in its 2021 Sustainability Report See URL p.15 and 74.
EXPECTATION 2	Make comprehensive disclosures in accordance with the EITI Standard in all EITI implementing countries where the company or its controlled subsidiaries operate. Where not disclosed in other company reporting, publicly disclose a list of controlled subsidiaries operating in the oil, gas or mining sectors in EITI implementing countries.
Does the company publish a list of controlled subsidiaries?	Yes
URL for controlled list of subsidiaries	10-K Report: https://s22.q4cdn.com/529358580/files/doc_financials/10-K/10_k2022.pdf
EITI implementing countries where the company operates. The countries visible here are based on desk research of EITI Reports.	PERU



<p>Does the company make disclosures with EITI Standard in or in relation to EITI implementing countries? Please see attachment on subsidiaries and complete the information, as requested.</p>	<p>Yes</p>
<p>Secretariat's assessment on Expectation 2</p>	<p>Expectation met</p>
<p>Secretariat comment</p>	<p>List of controlled subsidiaries published. See URL p. 2.</p> <p>Company assessed as making disclosures in accordance with EITI Standard.</p>
<p>EXPECTATION 3</p> <p>Publicly disclose taxes and payments to governments at a project level in line with the EITI Standard in all non-EITI implementing countries where the company operates unless disclosure is not feasible. Where not feasible, the country-specific legal or practical barriers to disclosure should be publicly explained.</p>	
<p>Does the company publicly disclose taxes and payments to governments in non- EITI implementing countries where the company operates in the oil, gas and mining sectors?</p>	<p>Yes</p>
<p>URL to disclosures of taxes and payments to governments in non-EITI implementing countries</p>	<p>2022 Annual Report on Sustainability: https://view.publitas.com/freeport-mcmoran/2022-annual-report-on-sustainability/page/1</p>
<p>Are the disclosures disaggregated by project?</p>	<p>Partial</p>

<p>Secretariat's assessment on Expectation 3</p>	<p>Expectation met</p>
<p>Secretariat comment</p>	<p>Freeport-McMoRan discloses taxes and payments to governments in non-EITI implementing countries (the United States and Chile). See the 2022 Annual Sustainability Report URL p. 123.</p> <p>The company partially discloses taxes and payments to governments disaggregated by project. In Chile, Freeport-McMoRan operates only the El Abra open-pit copper mine, and therefore these disclosures represent both payments at project and country level. In the United States, the company operates seven copper mines (Morenci, Bagdad, Safford, Sierrita, Miami, Chino, Tyrone, Henderson and Climax). The company explains that payments cannot be disaggregated at project level as these are levied at the entity level. In accordance with Guidance on the Expectations, "Where a payment covered by the scope of EITI disclosures is levied at entity level rather than at project level, the company may disclose the payment at the entity level. This may be the case for companies that file consolidated tax returns for all entities in a country." As a result, the company was assessed as meeting the expectation.</p> <p>The Secretariat did not assess if the project-level disaggregation in non-EITI implementing countries was adequate or not.</p>

EXPECTATION 4		Companies buying oil, gas and/or mineral resources from the state in EITI implementing countries, disclose volumes received and payments made in line with the EITI Standard and the EITI reporting guidelines for companies buying oil, gas and minerals from governments unless disclosure is not feasible.
Does the company buy oil, gas, and/or mineral resources from the state in EITI-implementing countries?	No	
If yes, which countries?	N/A	
Does the company make disclosures in line with the EITI Standard/reporting guidelines?	Not applicable	
URL for disclosure	N/A	
Secretariat's assessment on Expectation 4	Expectation not applicable	
Secretariat comment	Freeport-McMoRan does not buy oil, gas and/or mineral resources from the state in EITI implementing countries.	
EXPECTATION 5		In line with the EITI Standard, publicly disclose audited financial statements, or the main items (i.e., balance sheet, profit/loss statement, cash flows) where financial statements are not available.
Does the company disclose its audited financial statements?	Yes	



URL audited financial statements	https://s22.q4cdn.com/529358580/files/doc_financials/10-K/10_k2022.pdf
Secretariat's assessment on Expectation 5	Expectation met
Secretariat comment	Freeport-McMoRan discloses audited financial statements. See URL.
EXPECTATION 6	Publicly declare and publish support for beneficial ownership transparency and publicly disclose beneficial owners in line with EITI Standard, recognising that listed companies will disclose the name of the stock exchange, include a link(s) to stock exchange filings where they are listed and otherwise do what is required by applicable regulations and listing requirements.
Does the company publish a statement of support for beneficial ownership transparency?	Yes
URL statement of support for beneficial ownership	https://view.publitas.com/freeport-mcmoran/2021-annual-report-on-sustainability
Does the company disclose beneficial owners, either directly or according to stock exchange regulations and listing requirements?	Yes
Where disclosures are made according to stock exchange regulations, please provide the name of the stock exchange	New York Stock Exchange (NYSE)

EITI International Secretariat

Phone: +47 222 00 800 • E-mail: secretariat@eiti.org • Twitter: [@EITlorg](https://twitter.com/EITlorg) • www.eiti.org

Address: Rådhusgata 26, 0151 Oslo, Norway • P.O. Box: Postboks 340 Sentrum, 0101 Oslo, Norway



URL to stock exchange	www.nyse.com
URL for recent beneficial ownership disclosures	https://investors.fcx.com/investors/financial-information/sec-filings/default.aspx
Secretariat's assessment on Expectation 6	Expectation met
Secretariat comment	<p>Freeport-McMoRan publishes a statement of support for beneficial ownership transparency. See URL, p. 17.</p> <p>The company discloses beneficial owners in line with applicable regulations and listing requirements. Freeport McMoRan also discloses changes of beneficial ownership on its corporate website.</p>
EXPECTATION 7	All EITI supporting companies are expected to engage in rigorous due diligence processes and publish an anti-corruption policy setting out how the company manages corruption risk, including how the company collects and takes risk-based steps to use beneficial ownership data regarding joint venture partners, contractors, and suppliers in its processes.
Does the company publish an anti-corruption policy?	Yes
URL to the policy	Anti-Corruption Policy: https://www.fcx.com/sites/fcx/files/documents/policies/Anti-Corruption_Policy.pdf

EITI International Secretariat

Phone: +47 222 00 800 • E-mail: secretariat@eiti.org • Twitter: @EITlorg • www.eiti.org

Address: Rådhusgata 26, 0151 Oslo, Norway • P.O. Box: Postboks 340 Sentrum, 0101 Oslo, Norway

<p>Does the company's anti-corruption policy describe how the company manages corruption risk with regards to identification and use of beneficial ownership data?</p>	<p>Partial</p>
<p>Secretariat's assessment on Expectation 7</p>	<p>Expectation met</p>
<p>Secretariat comment</p>	<p>The company publishes an anti-corruption policy. See URL.</p> <p>Freeport-McMoRan's anti-corruption framework partially sets out how the company manages corruption risk through the identification and use of beneficial ownership data.</p> <p>The International Secretariat notes that Freeport – McMoRan's "Anti-Corruption Policy" section "1.4 business partners" describes that "Prior to entering into an agreement with any third party who may interact with the government on the Company's behalf, be certain to perform and document appropriate, risk-based FCPA-related due diligence. Obtain from the third party certain assurances of compliance. Due diligence on other business partners may also be required to ensure the Company is doing business with suitably qualified partners" (PDF p. 5).</p>

EXPECTATION 8

Publicly declare and publish support for governments' efforts to publicly disclose contracts and licenses that govern the exploration and exploitation of oil, gas and minerals in line with the EITI Standard, and contribute to public disclosure of contracts and licenses in EITI implementing countries consistent with government procedures.

Does the company publish a statement of support for contract transparency?	Yes
URL for statement of support for contract transparency	https://www.icmm.com/en-gb/news/2021/new-commitment-contract-transparency
Does the company contribute to public disclosure of contracts and licenses in EITI-implementing countries consistent with government procedures?	Yes
Secretariat's assessment on Expectation 8	Expectation met
Secretariat comment	Freeport-McMoRan publishes a statement of support for governments' efforts to publicly disclose contracts and licenses. See URL (ICMM Member statement). Company assessed to contribute to the disclosure of contracts and licenses in EITI implementing countries.
EXPECTATION 9	Publish a commitment and/or policy on gender diversity in the oil, gas or mining sectors and support reporting by EITI implementing countries under the EITI Standard by disclosing employment in the sectors disaggregated by gender.
Does the company publish a commitment/policy on gender diversity?	Yes
Does the company disclose employment data disaggregated by gender?	Yes



URL for relevant information	<p>Inclusion and Diversity Policy: https://www.fcx.com/sites/fcx/files/documents/policies/inclusion_diversity_policy.pdf</p> <p>Annual Report on Sustainability: https://view.publitas.com/freeport-mcmoran/2021-annual-report-on-sustainability</p>
Secretariat's assessment on Expectation 9	Expectation met
Secretariat comment	<p>Freeport-McMoRan publishes commitment and/or policy on gender diversity. See URL.</p> <p>The company discloses employment data disaggregated by gender. See URL p.62-63 and 123.</p>