

# Voluntary Principles on Security and Human Rights

## 2024 Annual Report to the Plenary

June 2025

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Freeport-McMoRan Inc. (we, us, FCX or the Company) is dedicated to the recognition and respect of human rights wherever we do business. We are a leading international metals company with the objective of being foremost in copper. Headquartered in Phoenix, Arizona, we operate large, long-lived, geographically diverse assets with significant proven and probable mineral reserves of copper, gold and molybdenum. Our portfolio of assets includes PT Freeport Indonesia's (PTFI) Grasberg minerals district in Indonesia (PTFI Grasberg), one of the world's largest copper and gold deposits; and significant operations in North America and South America, including the large-scale Morenci minerals district in Arizona and the Cerro Verde operation in Peru.

Respect is a core value that guides how we do business. We respect the rights of all individuals, including employees, contractors, business partners, host communities, Indigenous Peoples and others who may be impacted by our business activities. We take this obligation seriously in all aspects of our business, and we expect the same of our business partners. FCX's Human Rights Policy states our commitments to respecting internationally recognized human rights standards, including the rights under the International Bill of Human Rights, and to implementing both the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Voluntary Principles on Security and Human Rights (Voluntary Principles).

The Voluntary Principles serve as a key component of our broader human rights program. Not all human rights issues are security issues, and not all security issues are human rights issues; it is at the nexus of human rights and security where our implementation of the Voluntary Principles resides.

This report summarizes our human rights program, including implementation activities, events and incidents that occurred during 2024, unless otherwise noted. Country-level implementation details are provided for Indonesia and Peru, as these countries represent our higher risk operating environments in terms of security and human rights. Other relevant country-level updates are also included.

## **A. Commitment to the Voluntary Principles**

### **1. Public Statement of Commitment or Endorsement of the Voluntary Principles, Engagement in the Voluntary Principles Initiative and Transparency**

FCX was a founding member of the Voluntary Principles Initiative (VPI) and has been an active participant since its inception. In 2000, FCX joined other extractive companies, governments and human rights organizations in endorsing the joint U.S. Department of State-British Foreign Office Voluntary Principles. Since that time, we have worked closely with our affiliate operations to assist in the implementation of the Voluntary Principles. The Voluntary Principles are an important cornerstone of our human rights and security program, providing guidance for our operations as well as a mechanism to drive engagement and promote awareness of and respect for human rights within our workforce and with our business partners, government and community partners. Our endorsement of the Voluntary Principles is set forth within our Annual Reports on Sustainability and annual Voluntary Principles Reports to the Plenary located on our [website](#) as part of our broader sustainability reporting. We are

committed to engaging with fellow Voluntary Principles members and observers to facilitate greater understanding of our Voluntary Principles implementation.

We have incorporated our commitment to the Voluntary Principles into our Human Rights Policy as well as our Principles of Business Conduct (PBC). Our Human Rights Policy and PBC apply to all of our employees and our Board of Directors (Board). We expect our business partners, including suppliers, contractors, customers and recipients of charitable giving, to uphold and abide by the same standards, which are reflected in our Business Partner Code of Conduct (BPCC).

In 2024, FCX participated in country-level Voluntary Principles activities in Indonesia, Peru and Chile (please see country implementation reports in Part C). At the VPI-level, we attended the 2024 Voluntary Principles Plenary in Washington, D.C. Throughout the year, we attended Corporate Pillar and Secretariat meetings and verification presentations.

Annually, we publish our sustainability performance, including our human rights performance, on our website and follow established voluntary sustainability reporting standards. FCX's [2024 Annual Report on Sustainability](#) was prepared in reference to the GRI Sustainability Report Standards (2021) and GRI 14: Mining Sector 2024, as well as in alignment with the International Financial Reporting Standards Foundation's SASB Standards for the Metals & Mining industry (2023). Our annual reports on sustainability have been independently verified since 2005. Limited third-party assurance of our 2024 Annual Report on Sustainability was obtained from an independent public accounting firm, and the assurance statement is located on pages 106 to 107 of our [2024 Annual Report on Sustainability](#).

The Copper Mark requires an independent external assurance process, including workforce and external stakeholder interviews, to assess conformance at each site, including implementation of the Voluntary Principles. Awarded sites are required to be revalidated by the Copper Mark every three years and communicate routinely with the organization on action plans to meet any "partially meets" criteria. FCX has achieved, and is committed to maintaining, the Copper Mark and Molybdenum Mark at all of its operating sites globally, as applicable. We leverage this process to implement the Corporate Pillar Verification Framework, which entails having a process to verify that we are meeting our responsibilities as a VPI member. Our Voluntary Principles report is also reviewed by an independent public accounting firm for consistency with our annual sustainability report assurance process.

## **2. Examples of Promoting Awareness of the Voluntary Principles Throughout Our Organization, Including Within the Value Chain**

FCX has incorporated standard language on human rights into corporate contract templates with business partners. Business partners receive, and are expected to perform in accordance with, our BPCC and Human Rights Policy.

Training is a core component of our approach to embedding respect for human rights across our business and promoting awareness of the Voluntary Principles. For more information on global training initiatives, please see Part B.4.

For other examples of how we promote awareness of the Voluntary Principles at the country level, including with host governments and authorities, please see the country implementation reports in Part C.

### 3. Examples of Promoting and Advancing Implementation of the Voluntary Principles Internationally

We seek to proactively engage with financial and other stakeholders on security and human rights issues, including our implementation of the Voluntary Principles, and we also frequently engage stakeholders at their request. We continue to participate in BSR’s human rights working group, which provides a forum for gaining insight from companies across multiple industrial sectors on methods for integration of the UNGPs into our business practices. We also participate in and engage with the Corporate Human Rights Benchmark, which assesses our performance related to a set of human rights indicators based on publicly available information, including our participation in the VPI and implementation of the Voluntary Principles.

For other examples of how we promote awareness and advance implementation of the Voluntary Principles at the country level, please see the country implementation reports in Part C.

## B. Policies, Procedures and Related Activities

### 4. Relevant Policies, Procedures and Guidelines to Implement the Voluntary Principles

Our commitment to respect human rights is supported by our various policies, including the following:

<i>Policy</i>	<i>Intent</i>
<b>Human Rights</b>	Outlines our dedication to the recognition and respect of human rights for all individuals, including employees, contractors, business partners, host communities, Indigenous Peoples and other stakeholders who may be impacted by our business activities. Includes our commitments to implementing the Voluntary Principles; engaging with internal and external stakeholders to inform our human rights strategy; and prohibiting any form of threats, intimidation or violence against those who peacefully promote and defend human rights.
<b>Principles of Business Conduct</b>	Highlights our core values – Safety, Respect, Integrity, Excellence and Commitment – and provides guidance for the application of these values to our business, from top-level management to entry-level employees. Sets forth the global principles that our workforce must follow in all activities, including the Voluntary Principles.
<b>Business Partner Code of Conduct</b>	Outlines our expectations for our business partners, including private security contractors, to meet our ethical business conduct standards, including our Human Rights Policy.
<b>Social Performance</b>	Calls for collaboration with project-affected communities, including Indigenous Peoples and vulnerable populations, and outlines our commitment to mitigating and remedying adverse impacts we may cause.

*Governance.* At the Board level, the Corporate Responsibility Committee provides oversight of our human rights program by periodically receiving reports on relevant human rights strategy updates, Human Rights Impact Assessment (HRIA) results and actions, and significant incidents. At the management level, the Sustainability Leadership Team provides oversight of our human rights workplan, with the program directed and managed by our corporate and site-level sustainability teams. Our cross-functional human rights working group, co-led by our regional human rights managers, is focused on driving our strategy globally and supporting site-level implementation of the UNGPs and integration of human rights considerations across our business.

Our corporate and site-level human rights and sustainability teams collaborate across our operations on an ongoing basis, working to educate and inform the business of human rights risks and mitigation strategies. In 2024, our global human rights team held regular meetings with operating sites located in areas with higher human rights risks to discuss and address complex issues, enabling our operations to adapt quickly and keep respect for human rights at the forefront. FCX has established Human Rights Compliance Officer (HRCO) roles at PTFI Grasberg and Cerro Verde where the operating environments are higher risk in terms of security and human rights, as well as at El Abra. HRCOs lead training for security personnel (both employees and contractors) and host government security forces (as applicable) on human rights and the Voluntary Principles.

*Training and Promotion.* We conduct comprehensive training on FCX's employee code of conduct, the PBC, which incorporates our commitment to the Voluntary Principles and links to our Human Rights Policy. All new employees receive training as part of the onboarding process, and refresher training on the PBC is provided annually. We aim to promote awareness of our Human Rights Policy and the Voluntary Principles through a variety of mechanisms, including annual training in classrooms and online training classes, distribution of pamphlets and other media for managers, and periodic training for non-managers on a rotating basis.

We developed and launched a new global human rights training module for use across FCX, at both the corporate and operational level. The training module is available in English, with Indonesian and Spanish versions to be completed later in 2025. The focus of the training is on company and employee responsibilities when it comes to the promotion of and respect for human rights, including modern slavery, workplace health and safety, discrimination and harassment, grievance management, and security and human rights, within the context of our operations.

For more information on training implementation at the country level, please see the country implementation reports in Part C.

## **5. Company Procedure to Conduct Security and Human Rights Risk Assessments, and Integrate Findings**

*Human Rights Impact Assessments.* HRIAs, conducted by third-party consultants using methodologies aligned with the UNGPs, are our primary method for conducting human rights due diligence at our active operations. These assessments involve direct input from a broad cross-section of internal and

external rights-holders and their representatives, including a sampling of employees, on-site contractors, local suppliers and community members. The process supports continuous improvement of our management systems by testing their effectiveness in identifying and addressing potential, actual and perceived human rights and security risks and impacts. As part of our HRIA process, we receive feedback from both internal and external stakeholders on how our grievance mechanisms are performing against the UNGPs effectiveness criteria, which helps drive continuous improvement. For updates on HRIAs completed or initiated in 2024, please see the country implementation reports in Part C.

*Sustainability Risk Register.* Defined in a global standard operating procedure, the sustainability risk register process uses a risk assessment matrix to prioritize risks by both their likelihood and consequence, based on customized impact definitions by functional area to drive action. Risk to people is considered across topics, with the Voluntary Principles risk assessment framework providing the basis for security risk assessments. All our sites review their operational risk profiles at least annually and prepare detailed action plans for risks rated as actionable. The sustainability risk register and detailed action plans are the foundation of our internal and external assurance processes at both the corporate level and at operating sites.

*Project Development Sustainability Review.* The Project Development Sustainability Review process integrates sustainability into project planning for our new or growth projects by helping teams identify risks and opportunities associated with expansions or development projects, including potential and actual impacts related to security and human rights on rights-holders. The process enables us to identify, prioritize and proactively manage potential risks before a project begins and throughout its development. The process complements our sustainability risk register process and serves as a key input to the sustainability risk register once a project is operational, enhancing the integration of sustainability into decision making across FCX. No new reviews were conducted under the Project Development Sustainability Review process in 2024.

The sustainability risk register and Project Development Sustainability Review processes are informed by ongoing internal and external stakeholder engagement, internal and external grievance mechanisms and the findings from our ongoing HRIAs.

*Responsible Sourcing Programs.* Our responsible sourcing programs require human rights due diligence on suppliers of both goods and services, and minerals and metals for further processing. One tool used to gather critical data on business partners, including private security contractors, is the Freeport Compliance eXchange (FCeX), an online due diligence platform that allows us to distribute a compliance questionnaire addressing anti-corruption, international trade, human rights, environment, and health and safety risks among others. This survey-based software platform enhances our ability to communicate relevant FCX policies as well as to screen suppliers' internal policies and key personnel, owners and associated third parties. The survey is utilized for new vendors as our first line of due diligence in our responsible sourcing program. Suppliers assessed in FcEX as low risk are reevaluated every three years, while higher risk suppliers are reevaluated annually. See page 31 of our [2024 Annual Report on Sustainability](#) for more information.

## **6. Company Mechanism to Report Security-Related Incidents with Human Rights Implications by Public/Private Security Forces Relating to the Company's Activities**

HRCOs receive, document and follow up formally and informally on reported human rights incidents, grievances and allegations, including those relating to the conduct of public and private security personnel. We actively communicate about the responsibilities of, and ways to contact, HRCOs to employees, business partners and community groups.

All members of our workforce have access to our Compliance Line, a hotline managed by an independent third party that allows for anonymous reporting (refer to [PBC](#) pages 42-43 for additional information). The Compliance Line is also available to members of our supply chain via our [Business Partner Code of Conduct](#) (refer to page 15 for additional information). The Compliance Line is fully compliant with applicable international data privacy regimes. While all sites can utilize the Compliance Line for anonymous reporting, Cerro Verde and El Abra also have physical drop boxes for anonymous reporting. We have also incorporated human rights into our community grievance mechanism, which is implemented at each site to collect community grievances including those potentially related to human rights and/or security.

Site-level HRCOs report human rights incidents, grievances or allegations to site-level management, the global human rights team, as well as legal counsel as appropriate. Allegations related to public security providers are reported to the appropriate government institutions for investigation and, when appropriate, to urge action to prevent recurrence.

As outlined in our Human Rights Policy, FCX does not tolerate retaliation against anyone who raises a question or concern about our business practices or reports a human rights violation. When requested, we are committed to protecting the confidentiality of anyone who reports potential violations. Furthermore, use of our internal and external grievance mechanisms does not preclude access to judicial or other non-judicial grievance mechanisms.

For examples of how we implemented this reporting mechanism at the country level in 2024, please see the country implementation reports in Part C.

## **7. Company Procedure to Consider the Voluntary Principles in Entering into Relations with Private Security Providers**

We conduct due diligence on private security contractors prior to contracting through our responsible sourcing programs outlined above. Contracts with private security providers in Indonesia, Peru and Chile include requirements to comply with our Human Rights Policy (and, by extension, the Voluntary Principles). Security contractors are required to comply with FCX's Human Rights Policy, including receiving human rights training and instructions to immediately notify the site-level HRCO of any human rights-related incidents, grievances or allegations.

For descriptions of training provided to private security contractors at the country level in 2024, please see the country implementation reports in Part C.

#### **8. Company Mechanism to Investigate and Remediate Security-Related Incidents with Human Rights Implications by Public/Private Security Forces Relating to the Company's Activities**

Human rights allegations related to security are referred to the site-level HRCO, who oversees the documentation of each allegation and assigns an internal team to assess the allegation. The outcome of the assessment process is reported to site-level management and the individual respondent. Depending on the level of severity of the case, the outcome is also reported to our global human rights team and legal counsel.

Where cases involve incidents related to public security personnel, the HRCO and site-level management report these incidents to the appropriate government institution for investigation and, when appropriate, urge action to prevent recurrence. Cases involving private security personnel are investigated by FCX and, where culpability is found, referred to the service provider for appropriate disciplinary action. We are committed to cooperating with human rights-related investigations and supporting appropriate remediation for proven violations caused or contributed to by FCX's actions.

For examples of how we addressed security-related incidents at the country level in 2024, please see the country implementation reports in Part C.

### **C. Country Implementation**

#### **Indonesia**

##### ***Overview of Country Operations***

PTFI operates one of the world's largest copper and gold mines at the Grasberg minerals district in the remote highlands of the Sudirman Mountain Range of Central Papua province, Indonesia, which is located on the western half of the island of New Guinea. PTFI produces copper concentrate that contains significant quantities of gold and silver. FCX has a 48.76% ownership interest in PTFI and manages its operations. During 2024, construction of PTFI's new smelter and precious metals refinery (PMR) (collectively, PTFI's new downstream processing facilities) in Eastern Java, Indonesia, were completed. In October 2024, during start-up activities of the new smelter, a fire occurred requiring a temporary suspension of smelting operations to complete repairs. Repairs to PTFI's new smelter are nearing completion. Startup activities are expected to re-commence in second-quarter 2025 with full ramp-up expected to be achieved by year-end 2025. Upon completion and full ramp-up of PTFI's new downstream processing facilities, PTFI will be a fully integrated producer of refined copper and gold.

Unless otherwise specified, this section is focused on implementation of the Voluntary Principles at PTFI Grasberg. PTFI has been implementing the Voluntary Principles at Grasberg since FCX became a signatory in 2000.

Indonesia has long faced separatist movements and civil and religious strife in a number of provinces. Several separatist groups have sought increased political independence for the province of Central Papua. In Central Papua, there have been attacks on civilians by separatists and conflicts between separatists and the Indonesia military and police. Separatist security incidents, including shootings, attacks on civil infrastructure and arson, continue to occur in Central Papua and other areas near PTFI Grasberg's operational and support area, with significant numbers of armed conflicts between separatist actors and government security forces reported in the media. In 2024, based on publicly available reports, we believe that there were more than 60 incidents of separatist violence, resulting in approximately 50 fatalities outside of PTFI Grasberg's operational and support area but within the province of Central Papua. In one such incident, which did not directly involve or target PTFI Grasberg's operations or workforce, gunfire was exchanged between government security forces and separatists in an area adjacent to PTFI Grasberg's operational area. Separately, we are aware of allegations of human rights abuses committed by government security forces.

In addition, illegal miners have clashed with police who have attempted to move them away from our facilities. Security risks also stem from periodic social and ethnic tensions within local communities and in other areas of the province as well as the presence of in-migration.

*Public and Private Security.* The Grasberg minerals district has been designated by the Indonesia government as one of Indonesia's national vital objects. This designation results in the police, and to a lesser extent, the military playing a significant (and legally mandated) role in protecting the area of our operations. The Indonesia government is responsible for employing police and military personnel and directing their operations. Approximately 1,600 police and military personnel were assigned directly to PTFI Grasberg's operational and support areas in 2024. In addition, the PTFI Grasberg security and risk management (SRM) team employed approximately 410 unarmed security employees and 655 unarmed private security contractors and transportation / logistics personnel on a rotational basis. These security arrangements have been necessary to enhance the protection of our employees, contractors and assets, especially considering the nature of security challenges and the remote and challenging terrain.

*Separatist Incidents.* Shooting incidents have occurred within the PTFI Grasberg operational and support area, including along the road leading to our mining and milling operations, which in some instances have involved fatalities or injuries to our employees, contractors, government security personnel and civilians. Indonesia police have apprehended and arrested several individuals involved in these shootings, and prosecutions are underway in Indonesia's court system. We have incurred no fatalities or injuries related to shooting incidents within the PTFI Grasberg operational and support area since April 2020, and we have had no shooting incidents associated with PTFI Grasberg's operational and support area since January 2021. PTFI Grasberg actively monitors security conditions and the occurrence of incidents both regionally and within the operational and support areas.

*Security Incident.* Overnight on February 27-28, 2025, PTFI experienced a security incident involving a robbery at its Kuala Kencana Light Industrial Park, which is located within PTFI Grasberg's support area. SRM team members contacted the police, who fired warning shots and apprehended an armed perpetrator. The individual, who was armed with a machete, was shot during apprehension after failing

to follow police instructions. The individual received treatment at a PTFI medical clinic before being transported to Timika for surgery and released back into police custody. The investigation is ongoing, and the SRM team is monitoring the case.

The safety of our workforce is a critical concern, and PTFI continues to work with the Indonesia government to enhance security and address security-related issues within PTFI Grasberg's operational and support area and in nearby areas, including at PTFI's new downstream processing facilities.

For geographic context, please refer to Figure 1 for a map of PTFI Grasberg's operational and support areas under its special mining license (IUPK).

*Illegal Artisanal Mining.* At PTFI Grasberg in Indonesia, illegal artisanal miners (illegal miners) seek economic opportunity by panning for unrecovered gold from milling operations in the controlled riverine tailings system. While mining within PTFI Grasberg's operational area is illegal under Indonesian law, approximately 6,300 illegal miners (including family members associated with the illegal miners) have established camps at various points within the lowlands and highlands as of December 2024. Many of the illegal miners do not have expertise operating in hazardous conditions, including the remote terrain and varied climatic conditions experienced at Grasberg. Additional safety challenges exist as illegal mining activity occurs alongside ongoing levee maintenance and earthworks, which are needed to responsibly manage the controlled riverine tailings system.

PTFI Grasberg utilizes a cross-functional management plan to help mitigate the potential social, security, safety, environmental and operational risks associated with illegal mining. The aim of the plan is to reduce the number of illegal miners within the Grasberg operational area and related disruptions to operations. Continued efforts include educational campaigns, monitoring the environment for mercury use, strengthening check points, increasing unmanned aerial systems patrols and focusing on joint patrols with third-party security personnel. Joint patrols, which include representatives from PTFI's workforce, local police and private security personnel, monitor the area occupied by panners and when issues are identified, such as social, environmental, safety or security issues, the patrols inform the cross-functional team. To integrate illegal mining issues into PTFI Grasberg's planning and decision making, the cross-functional team meets regularly to update leadership.

PTFI Grasberg's community liaison officers, the PTFI Grasberg SRM team and third-party contractors work together to proactively and continuously engage the illegal mining communities regarding operational changes through bi-weekly joint patrols. They do so in an effort to manage their expectations and to minimize risks to the operations and to the illegal miners and their families. They also seek to inform the illegal miners in advance of planned levee maintenance work and equipment movements to minimize safety risks.

Record high gold prices amplify challenges associated with illegal mining. PTFI cannot address this issue on its own. A multi-faceted approach including government involvement, security risk management, stakeholder engagement and socioeconomic development for alternative livelihoods is essential. To that

end, PTFI Grasberg's illegal mining management plan includes regional and national objectives to help build strategic partnerships for a multi-stakeholder illegal mining strategy.

*Grievances.* At PTFI Grasberg, community grievances are received via the community grievance mechanism. Employee grievances are directed to human resources/industrial relations or Papuan affairs teams as appropriate. Contractor grievances are either addressed by their employers or directed to PTFI Grasberg's human resources/industrial relations, Papuan affairs or contractor compliance teams, as appropriate. HRCOs provide coaching to human rights ambassadors from contractor companies on grievance handling, as requested.

No grievances related to security were received via PTFI Grasberg's internal and external grievance mechanisms in 2024. Refer to our [2024 Annual Report on Sustainability](#) for more information on grievances received via the Compliance Line and community grievance mechanism.

#### ***Engagement with Stakeholders on Country Implementation***

In 2024, PTFI Grasberg continued to engage with stakeholders at national, regional and local levels regarding the implementation of the Voluntary Principles and the UNGPs and respect for human rights. HRCOs continue to participate in multi-stakeholder dialogue on the UNGPs, facilitated by The Institute for Policy Research and Advocacy (ELSAM) in Jakarta. In October 2024, select human rights ambassadors and members of PTFI Grasberg's human resources/industrial relations, SRM and government relations departments attended a regional workshop hosted by four members of ELSAM focused on integrating human rights, including the UNGPs and the Voluntary Principles, in business activities. PTFI Grasberg's HRCOs and the SRM team regularly engage Satuan Tugas Pengamanan regarding best practices of Voluntary Principles implementation.

In 2024, PTFI Grasberg continued its engagement with community leaders, partner organizations and local authorities within and near its operational area. In addition, PTFI leadership and staff (including security and community liaison officers) at Grasberg met frequently with community members and local authorities to discuss updates on operations, economic development programs, community transport routes, emergency support, security matters, illegal mining and customary rights at Grasberg. More information on outreach and training activities is presented below.

#### ***Voluntary Principles Considerations in the Selection of Private Security Providers and Formulation of Contractual Agreements with Private Security Providers, as well as Arrangement with Public Security Forces***

In 2024, PTFI Grasberg employed three primary private security contractor companies, which employed unarmed personnel to assist with the protection of Company assets. PTFI Grasberg also employed three transportation/logistics contractor companies, providing unarmed personnel to assist with airport security screening, passenger/supply convoy logistics and driving vehicles for personnel and logistical support. Contracts with private security providers and transportation/logistics contractor companies state that contractors are required to comply with both our Human Rights Policy and the Voluntary Principles, including participation in human rights training. Furthermore, private security companies are

subject to FCeX and are required to comply with FCX's BPCC, which is inclusive of our Human Rights Policy.

PTFI, like all businesses and residents of Indonesia, relies on the Indonesia government for the maintenance of public order, upholding the rule of law and protection of personnel and property. From the outset of PTFI Grasberg's operations, the Indonesia government has looked to PTFI Grasberg to provide logistical and infrastructure support and assistance for these necessary services because of the limited resources of the Indonesia government and the remote location of and lack of development in the province of Central Papua. PTFI Grasberg's financial support of the Indonesia government security institutions assigned to the Grasberg minerals district represents a prudent response to PTFI Grasberg's requirements and commitments to protect its workforce and property, better ensuring that personnel are properly fed and lodged and have the logistical resources to patrol PTFI Grasberg's roads and secure its area of operations. In addition, the provision of such support is consistent with our philosophy of responsible corporate citizenship and reflects our commitment to pursue practices that protect and respect human rights.

PTFI maintains memorandums of understanding (MOUs) with Indonesia's national police and military, which were updated in October 2019 and May 2025, respectively. PTFI's MOU with the national police covered a five-year term and expired in October 2024. It was extended while a new MOU is finalized. Renewal is in discussion as of the writing of this report. PTFI's MOU with the military covers a three-year term. These MOUs detail the working relationship between PTFI and the public security personnel assigned to the Grasberg minerals district, such as areas of support, coordination and commitment to PTFI policies and procedures, including business ethics and human rights. The Voluntary Principles and FCX's Human Rights Policy are incorporated as an attachment to the MOUs. Under the terms of the MOUs, PTFI does not provide munitions of any kind (whether lethal or non-lethal) and does not exercise any command and/or control of the Indonesia military or police.

In 2024, 71% of PTFI Grasberg's security budget was directed to its own internal civilian security department, including USD\$49 million in employee and contractor direct costs and USD\$14 million in associated overhead for a total of USD\$63 million. The remainder of PTFI Grasberg's security budget (29%) represented support costs for its government-provided security, including USD \$24 million in direct costs and USD \$2 million in associated overhead for a total of USD\$26 million.

Indonesia police provide the majority of security and have overall responsibility for the security of the Grasberg minerals district given its designation as a national vital object. In 2024, 57% of the Indonesia government support costs were directed to police units. The remainder was directed to military units which provide specialized security skill sets such as Navy and Air Force personnel for port and airport security, respectively.

Under the terms of the MOUs, 71% of overall Indonesia government support was provided in-kind such as food, housing, fuel, travel and vehicle repairs. Provision of food represents the single largest category. The remaining Indonesia government support was provided in the form of monetary allowances for police and military units, covering incidental and administrative costs (including community assistance

programs conducted by the military and police), and a voluntary monthly support allowance for individual service members, which are paid to and managed by the central government in Jakarta. The voluntary monthly support allowance is intended to defray the hardships of the remote assignment and provide a base living allowance for assigned personnel.

All costs associated with assistance to the Indonesia government are subject to internal controls, including annual review by outside counsel and auditors.

### ***Examples of Supporting Outreach, Education and Training***

In 2024, PTFI Grasberg's HRCOs provided approximately 24,300 hours of training on our Human Rights Policy and the Voluntary Principles.

- Induction or refresher training for approximately 2,000 employees.
- Training on our Human Rights Policy and the Voluntary Principles for more than 500 security employees and approximately 620 private security contractors.
- Pre-deployment training for approximately 1,280 police and military personnel under PTFI's MOUs.<sup>1,2</sup>
- Training for approximately 6,330 non-security contractors on our Human Rights Policy.
- Awareness training for approximately 1,880 students, on-site visitors and community members.

Human rights refresher training is mandatory for all employees and contractors every two years, and security professionals must undergo mandatory refresher training on an annual basis. In 2024, the majority of training for employees and on-site contractors was conducted virtually, training sessions for security employees and private security contractors were conducted either in a classroom setting or virtually; and training sessions for community members were conducted in a classroom setting. All of these trainings were delivered by HRCOs.

As part of its training, PTFI maintains a Human Rights Ambassador program designed to extend education and awareness of human rights to on-site contractors at PTFI Grasberg and PTFI's new downstream processing facilities. Ambassadors are volunteers from contractor companies, who are trained by PTFI and then tasked with promoting human rights and conducting human rights training in their respective companies. Notably, ambassadors provided culturally sensitive human rights induction training to more than 58,000 employees, contractors and security personnel during the construction phase of PTFI's new downstream processing facilities.

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<sup>1</sup> All military and police contingents directly assigned to PTFI Grasberg's operational and support area receive a presentation on human rights before beginning their assignment, either at their home base or upon arrival at the site. Due to the rotation schedule, some military contingents assigned to PTFI Grasberg's operational and support area in 2025 received training in late 2024, which is not reflected in this report.

<sup>2</sup> Host government security not directly assigned to PTFI Grasberg's operational and support area may also be accommodated in PTFI's approximately 2,900 square kilometer operational and support area. When possible, PTFI Grasberg works to promote awareness of our Human Rights Policy and the Voluntary Principles among these individuals, including via posters, distribution of Voluntary Principles pocketbooks and awareness training. No non-MOU security personnel received this awareness training in 2024.

PTFI Grasberg's HRCOs regularly conduct educational programs and activities in the community to help raise awareness and understanding of human rights. In 2024, this included conducting several workshops and trainings for approximately 1,800 local community members on PTFI's human rights commitments. In September 2024, a multi-stakeholder forum was facilitated by the local government, in collaboration with PTFI Grasberg, to discuss challenges associated with illegal mining activity, including risks to women and children. The forum involved representatives from police, military, Indigenous councils and notables, civil society organizations, churches and PTFI. The forum resulted in the development of an action plan with short-, medium- and long-term goals and initiatives to reduce the number of women and children living in illegal mining camps. Initiatives include education and health programs, and vocational and entrepreneurship training.

***Company Procedure to Review Progress on Voluntary Principles Implementation at Local Facilities***

In 2024, FCX corporate personnel reviewed implementation of the Voluntary Principles at PTFI Grasberg through site visits and bi-weekly meetings with HRCOs and/or the SRM team. HRCOs also issue a monthly report to site and corporate management on human rights training, engagement activities and the status of any reported human rights grievances.

PTFI, with TwentyFifty and Daemeter serving as consultants, initiated an assessment of the new smelter project in Gresik, Indonesia in 2024. The HRIA focused on PTFI's processes and systems to support the business in establishing effective human rights due diligence for its ongoing operation, including security risk management. Interviews with internal stakeholders were completed in 2024, while interviews with external stakeholders were conducted in early 2025. The consultants will develop recommendations on how to strengthen human rights due diligence in line with the International Council on Mining and Metals (ICMM), the Organisation for Economic Co-operation and Development guidelines and Copper Mark expectations, which include the Voluntary Principles. The site has begun to develop action plans following preliminary observations and recommended steps received by the consultants. The consultants are on schedule to deliver their final report later in 2025.

In February 2023, PTFI Grasberg was awarded the Copper Mark following reasonable level assurance engagement by an independent public accounting firm in 2022 and subsequent review process by the Copper Mark organization. The assurance also supported FCX's ICMM assurance and validation procedure commitment and participation in the VPI Corporate Pillar Verification Framework. Assurance activities included an on-site visit to PTFI Grasberg in June 2022 and an evaluation of its security and human rights risk management systems.

The same independent public accounting firm visited PTFI Grasberg in June 2023 and June 2024 as part of FCX's enterprise risk management program review and limited assurance engagement and validation procedures related to FCX's ICMM member commitments.

## Peru

### ***Overview of Country Operations***

Cerro Verde is an open-pit copper and molybdenum mining complex located 20 miles southwest of Arequipa. Cerro Verde is majority owned and operated by FCX, which acquired the mine at the time of its privatization by the Peruvian government in 1994 through a predecessor company. The remaining shareholders are SMM Cerro Verde Netherlands B.V., Compañía de Minas Buenaventura S.A.A. and other minority shareholders whose Cerro Verde shares are publicly traded on the Lima Stock Exchange.

Cerro Verde, like all businesses and residents of Peru, relies on the Peru government for the maintenance of public order, upholding the rule of law and the protection of personnel and property. Beginning in December 2022 and continuing in 2023, heightened tensions, protests and social unrest emerged in Peru following a change in the country's political leadership. While demonstrations and road blockages subsided in 2023, the political situation in Peru remains complex. The potential for civil unrest, including in relation to mining operations, and disruption of commerce and supply chains continues. Other operations in the region have encountered significant issues with trespassers, illegal miners and civil demonstrations that impact their current operations, expansion projects, logistical supply and product transport. Such protests have occasionally been accompanied by acts of violence and property damage and continue intermittently. Such civil unrest has not significantly impacted Cerro Verde's results. However, we continue to monitor the situation with a priority on safety and security.

*Public and Private Security.* At the end of 2024, Cerro Verde employed 10 unarmed security employees and 303 private security contractors. Some private security contractors assigned to the protection of expatriate personnel and explosives storage are armed. In addition to these security personnel, the national government has assigned Peruvian National Police (PNP) to the site in accordance with Legislative Decree N° 1267, Supreme Decrees 026-2017-IN, N° 003-2017-IN and N° 018-2017-IN, and Emergency Decree N° 006-2017 (article 11). Teams of 30 PNP members were assigned to the site on 15-day rotations. A total of 834 members of the PNP rotated through the site during 2024.

*Grievances.* In 2024, 217 grievances were reported to Cerro Verde's HRCO. Of these, 204 were related to labor compliance, 10 to contracts, one to land access, one to workplace harassment and one to sexual harassment. Most grievances received in 2024 related to contractors or their employees. Human rights allegations received via other internal and external grievance mechanisms were also directed to Cerro Verde's HRCO. This included one grievance related to security (received via the FCX Compliance Line) in which a contractor alleged mistreatment by a security contractor at a security check point. The grievance was investigated, found to be unsubstantiated and closed.

Regardless of the type and credibility of the allegations received, all cases reported are documented, reviewed and closed by Cerro Verde's HRCO, as appropriate. Depending on the level of severity of the case, the outcome is reported to our global human rights team and legal counsel.

***Engagement with Stakeholders on Country Implementation***

Cerro Verde continues to participate in the country-level implementation of the Voluntary Principles in Peru and attend working group meetings when scheduled. Cerro Verde also continues to participate in discussions on human rights issues and implementation with the National Society of Mining, Oil and Energy on the interface between social and security issues. Additionally, Cerro Verde staff participated in a two-day training organized by ICMM in Lima on operationalizing human rights due diligence.

***Voluntary Principles Considerations in the Selection of Private Security Providers and Formulation of Contractual Agreements with Private Security Providers, as well as Arrangement with Public Security Forces***

As part of its security program, Cerro Verde maintains its own internal security department and contracts one private security company. Both employees and contractors perform functions such as protecting Cerro Verde facilities, monitoring shipments of supplies and products, assisting in traffic control and aiding in emergency response operations. Cerro Verde's costs for its internal civilian security department totaled USD\$8 million in 2024. Contracts with private security providers include specific language related to FCX's Human Rights Policy (and, by extension, to the Voluntary Principles) as well as our BPCC. Furthermore, new suppliers (including contractors) are subject to FCX's online due diligence platform FCeX and required to comply with our BPCC, which is inclusive of our Human Rights Policy.

Cerro Verde has limited public security forces in support of its operation, with the arrangement defined through an Inter-institutional Cooperation Agreement with the PNP. Under Peruvian law, PNP officers may volunteer to be assigned to operations, such as Cerro Verde, during their scheduled leave. This allows the officers to supplement their government salaries at a rate set by the government. They retain their full powers as officers of the law when performing this role and wear their police uniforms but are not armed. The agreement was amended a third time in December 2023 to extend the term by two years and to increase the number of PNP personnel assigned to the site to support traffic control for a new public road to the mine. The agreement details the working relationship between Cerro Verde and the PNP, including areas of support and coordination. A commitment to the Voluntary Principles is included as an addendum to the agreement.

Cerro Verde's share of support costs for government-provided security approximated USD\$1 million in 2024. This support is primarily remuneration but also includes a limited amount for in-kind support (e.g., daily bus transportation to and from the mine, food and incidentals) provided by Cerro Verde. The amount and modality of payment is in accordance with Peruvian law (Supreme Decree N° 152-2017-EF, Ministry Act N° 552-2017-IN and Legislative Decree N° 1267).

### ***Examples of Supporting Outreach, Education and Training***

In 2024, Cerro Verde provided approximately 9,400 hours of training on human rights and the Voluntary Principles. The training included:

- Induction training for new employees on human rights as well as a booklet on human rights and internal labor regulations.
- Annual human rights refresher training for approximately 5,000 employees with a focus on labor rights, sexual harassment, forced labor, child labor, decent work, wage discrimination by gender and how to report issues and concerns.
- Refresher training for employees on our Human Rights Policy embedded within environmental and health and safety trainings.
- Sexual harassment training for employees focused on identifying, preventing and reporting any instances of sexual harassment.
- Training on human rights and the Voluntary Principles for all 313 security employees and contractors.<sup>3</sup>
- Pre-deployment training on human rights and the Voluntary Principles for 834 members of the PNP who rotated through the site.
- More than 3,200 hours of training for non-security contractors on our Human Rights Policy.
- Awareness training for more than 3,000 on-site visitors and community members.

### ***Company Procedure to Review Progress on Voluntary Principles Implementation at Local Facilities***

FCX corporate personnel review implementation of the Voluntary Principles at Cerro Verde through site visits and meetings with Cerro Verde's HRCO as well as Cerro Verde's security manager. In 2024, we continued to hold weekly meetings to discuss and address complex issues.

In 2023 and 2024, we engaged a third-party consultant, BSR, to conduct the second HRIA at our Cerro Verde operations. The HRIA was designed to assess progress made in managing human rights risks and impacts as well as to gain an updated understanding of potential human rights risks and impacts at the site. The HRIA's scope included the conduct of both private and government security forces. Throughout the process, relevant documents were reviewed, 170 internal and external stakeholders were interviewed and a field assessment was conducted. Overall, the company demonstrated a solid commitment to human rights, with well-established policies and procedures. Where the findings identified actual or potential gaps in human rights related management systems and processes, actions have and are being taken to drive continuous improvement. This may include establishing new measures to further investigate, prevent and/or remedy human rights, risks and impacts. Later in 2025, we intend to leverage our existing engagement mechanisms to communicate key findings and to involve relevant stakeholders in the development of our action plans, where appropriate. We also expect to disclose a summary of the process, findings, and areas prioritized for action once the plans are finalized later in 2025.

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<sup>3</sup>Some private security contractors assigned to the protection of expatriate personnel are armed; all received human rights and Voluntary Principles training in 2024. These contractors also receive training on defensive driving and firearms handling.

To maintain the Copper Mark, Cerro Verde underwent on-site reasonable level assurance of the site's conformance with Copper Mark 2.0 by an independent public accounting firm in October 2024. The review included an evaluation of Cerro Verde's security and human rights risk management systems (supporting FCX's participation in the VPI Corporate Pillar Verification Framework), and the site's Copper Mark award was revalidated in March 2025.

### **Other Country-level Updates**

*Chile.* El Abra is an open-pit copper mining complex located 47 miles north of Calama in Chile's El Loa province of the northern Chilean region of Antofagasta. We have completed substantial drilling and evaluations to define a large sulfide resource that would support a potential major mill project similar to the large-scale concentrator at Cerro Verde. We are preparing data for a potential submission of an environmental impact statement by year-end 2025, subject to ongoing stakeholder engagement and economic evaluations.

In 2024, our El Abra operation provided human rights and the Voluntary Principles training to all of its security employees and private security contractor personnel. In addition, approximately 65 non-security contractors received training on our Human Rights, Social Performance and Environment Policies. Our Human Rights Policy is posted in various locations throughout the operation. El Abra employs one private security contractor company, which deploys unarmed personnel to assist with the protection of El Abra assets. Government security personnel are not directly assigned to the site. In 2024, the VPI established an in-country working group in Chile. El Abra attended the official launch in September 2024 and is participating in the group.

### **D. Lessons or Issues from this Reporting Year, as well as Plans or Opportunities to Advance the Voluntary Principles for the Organization**

We continue to identify opportunities for continuous improvement in our implementation of the Voluntary Principles. Plans for 2025 include continuing our participation in VPI and Corporate Pillar meetings and continuing our participation in the implementation of the Voluntary Principles at the country-level in Indonesia, Peru and Chile.

We continue to advance our implementation of the UNGPs. We have several projects underway to further embed respect for human rights across our business, including significant, ongoing work on our HRIAs. In 2025, this includes initiating an HRIA at our Colorado operations and acting on recommendations resulting from the HRIA underway at PTFI's new downstream processing facilities and the HRIA completed at Cerro Verde.

We are also working to improve the knowledge of our workforce through training. In 2025, we will deploy the Spanish and Indonesian versions our global human rights training module and continue to use feedback provided through HRIAs to drive continuous improvement of our human rights and Voluntary Principles trainings.



## CAUTIONARY STATEMENT

This report contains forward-looking statements. Forward-looking statements are all statements other than statements of historical facts, such as plans, projections, expectations, targets, objectives, strategies, commitments or goals relating to business, environmental, social, safety and governance performance, and the underlying assumptions and estimated impacts on our business and stakeholders related thereto; our operational resiliency; our expectations regarding risks; future risk mitigation; regulatory developments; our continuing commitment to safe and reliable operations; our commitment to human rights; and our overarching commitment to deliver responsibly produced copper and molybdenum, including plans to implement, validate and maintain validation of our operating sites under specific frameworks. The words “anticipates,” “may,” “can,” “commitments,” “plans,” “pursues,” “believes,” “efforts,” “estimates,” “expects,” “endeavors,” “seeks,” “goals,” “predicts,” “strategy,” “objectives,” “projects,” “targets,” “intends,” “aspires,” “likely,” “will,” “should,” “could,” “to be,” “potential,” “opportunities,” “assumptions,” “guidance,” “forecasts,” “future,” “initiatives” and any similar expressions are intended to identify those assertions as forward-looking statements. Goals and targets and expected timing to achieve goals and targets are subject to change without notice due to a number of factors. We caution readers that forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated, expected, projected or assumed in the forward-looking statements. Important factors that can cause our actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, the factors described under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the U.S. Securities and Exchange Commission (SEC), as updated by our subsequent filings with the SEC, and available on our website at [fcx.com](http://fcx.com).

Many of the assumptions upon which our forward-looking statements are based are likely to change after the forward-looking statements are made. Further, we may make changes to our business plans that could affect our results. We undertake no obligation to update any forward-looking statements, which speak only as of the date made, notwithstanding any changes in our assumptions, changes in business plans, actual experience or other changes.

While certain matters discussed in this report may be significant and relevant to our investors, any significance should not be read as rising to the level of materiality for purposes of complying with U.S. federal securities laws and regulations or the disclosure requirements of the SEC. The targets, goals, strategies and projects described in this report are aspirational; as such, no guarantees or promises are made that these targets, goals, strategies and projects will be met or successfully executed.