

areas of support and coordination. A commitment to the Voluntary Principles is included as an addendum to the MOU.

Cerro Verde's share of support costs for government-provided security approximated \$1 million in 2021. 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 Freeport. 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

While the COVID-19 pandemic presented operational challenges which impacted training in 2021, Cerro Verde still provided over 3200, hours of training on human rights and the Voluntary Principles. Following the outbreak of the pandemic, most of the training was transitioned online. The training included:

- Induction training for all new Cerro Verde employees on human rights as well as a booklet on human rights and internal labor regulations,
- Refresher training for approximately 1515, Cerro Verde employees on our human rights policy 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,
- Training on Human Rights and the Voluntary Principles for 304 of Cerro Verde's 312 security contractors,²
- Pre-deployment training on Human Rights and the Voluntary Principles for 512 members of the PNP who rotated through the site, and
- Training for approximately 3,580 contractors on our human rights policy.

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

Freeport corporate personnel review implementation of the Voluntary Principles at Cerro Verde through site visits and meetings with the Cerro Verde Human Rights Compliance team, as well as the Cerro Verde Security Manager. In 2021, we continued collaborating and sharing on the challenges the pandemic presented on an as needed basis.

Cerro Verde underwent an external assurance review by Corporate Integrity in December 2021 as part of Freeport's ICMM assurance commitment (see Section B.4. above), Copper Mark requirements, and participation in the Corporate Pillar Verification Framework. The review was undertaken on-site at Cerro Verde. The review included an evaluation of its security and human rights risk management systems (see Sections B.4. and B.5. above).

In December 2020, Cerro Verde was awarded the Copper Mark, a comprehensive assurance framework that promotes responsible production practices and includes independent site-level assessment against a comprehensive set of environmental, social and governance (ESG) criteria, including in relation to security and human rights. In 2021, Cerro Verde completed its scheduled assurance review in person. During this review Corporate Integrity assessed implementation of Cerro Verde's improvement plans for Copper Mark criteria previously assessed as Partially Meets – none of which relate to security.

² Some security contractors assigned to protection of expatriate personnel are armed. These contractors also receive training on defensive driving and firearms handling.

