

Item 2.02. Results of Operations and Financial Condition.

Freeport-McMoRan Inc. ("FCX") issued a press release dated January 26, 2022, announcing its fourth-quarter and year ended 2021 financial and operating results. A copy of the press release is furnished hereto as Exhibit 99.1.

Item 7.01. Regulation FD Disclosure.

The slides to be presented in connection with FCX's previously announced fourth-quarter 2021 earnings conference call being webcast on the internet at 10:00 a.m. Eastern Time on January 26, 2022, are furnished hereto as Exhibit 99.2.

The information furnished pursuant to Item 2.02 and Item 7.01 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Exhibit Title
99.1	Press release dated January 26, 2022, titled "Freeport-McMoRan Reports Fourth-Quarter and Year Ended 2021 Results."
99.2	Slides presented in connection with FCX's fourth-quarter 2021 earnings conference call conducted via the internet on January 26, 2022.
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Freeport-McMoRan Inc.

By: /s/ C. Donald Whitmire, Jr.

C. Donald Whitmire, Jr.
Vice President and Controller -
Financial Reporting
(authorized signatory and
Principal Accounting Officer)

Date: January 26, 2022



Freeport-McMoRan Reports Fourth-Quarter and Year Ended 2021 Results

- *Achieved 19 percent increase in copper sales and 59 percent increase in gold sales in 2021*
- *Successful ramp-up of Grasberg underground mines*
- *Strong financial results and cash flow generation*
- *Commenced implementation of performance-based shareholder payout framework*
- *Advancing organic growth initiatives*
- *Favorable operational and market outlook*

- **Net income** attributable to common stock in fourth-quarter 2021 totaled \$1.1 billion, \$0.74 per share, and adjusted net income attributable to common stock totaled \$1.4 billion, or \$0.96 per share, after excluding net charges totaling \$0.3 billion, \$0.21 per share.
- **Consolidated sales** totaled 1.02 billion pounds of copper, 395 thousand ounces of gold and 19 million pounds of molybdenum in fourth-quarter 2021, and 3.8 billion pounds of copper, 1.4 million ounces of gold and 82 million pounds of molybdenum for the year 2021. Consolidated sales for the year 2022 are expected to approximate 4.3 billion pounds of copper, 1.6 million ounces of gold and 80 million pounds of molybdenum, including 970 million pounds of copper, 380 thousand ounces of gold and 20 million pounds of molybdenum in first-quarter 2022.
- **Average realized prices** in fourth-quarter 2021 were \$4.42 per pound for copper, \$1,808 per ounce for gold and \$19.42 per pound for molybdenum.
- **Average unit net cash costs** were \$1.29 per pound of copper in fourth-quarter 2021 and \$1.34 per pound of copper for the year 2021. Unit net cash costs are expected to average \$1.35 per pound of copper for the year 2022.
- **Operating cash flows** totaled \$2.3 billion (including \$0.4 billion from working capital and other sources) in fourth-quarter 2021 and \$7.7 billion (including \$0.8 billion from working capital and other sources) for the year 2021. Based on current sales volume and cost estimates, and assuming average prices of \$4.50 per pound for copper, \$1,800 per ounce for gold and \$19.00 per pound for molybdenum, operating cash flows are expected to approximate \$8.0 billion (net of \$1.3 billion of working capital and other uses) for the year 2022.
- **Capital expenditures** totaled \$0.8 billion (including \$0.3 billion for major mining projects and \$0.1 billion for the Indonesia smelter projects) in fourth-quarter 2021 and \$2.1 billion (including \$1.25 billion for major mining projects and \$0.2 billion for the Indonesia smelter projects) for the year ended 2021. Capital expenditures for the year 2022 are expected to approximate \$4.7 billion (\$3.3 billion excluding the Indonesia smelter projects), including \$2.0 billion for major mining projects.
- In November 2021, FCX's Board of Directors (Board) approved a **new share repurchase program** authorizing repurchases of up to \$3.0 billion of FCX's common stock (through January 25, 2022, FCX has acquired 15.4 million shares for a total cost of \$599.9 million, \$39.03 per share) and approved an **increase in common stock dividends**. The combined annual rate of the base dividend and the variable dividend approved by the Board is expected to total \$0.60 per share in 2022.
- At December 31, 2021, **consolidated debt** totaled \$9.5 billion and **consolidated cash and cash equivalents** totaled \$8.1 billion, resulting in **net debt** of \$1.4 billion (refer to the supplemental schedule, "Net Debt," on page IX). FCX had no borrowings and \$3.5 billion available under its revolving credit facility at December 31, 2021.
- FCX added **two new independent directors** during fourth-quarter 2021: Ryan M. Lance and Hugh Grant. With these appointments, FCX's Board is now comprised of eleven directors, including ten independent directors. FCX has successfully achieved its Board refreshment objectives adding six new directors in 2021, enhancing the skills, experience and diversity of the Board.

PHOENIX, AZ, January 26, 2022 - Freeport-McMoRan Inc. (NYSE: FCX) reported fourth-quarter 2021 net income attributable to common stock of \$1.1 billion, \$0.74 per share, and adjusted net income attributable to common stock of \$1.4 billion, \$0.96 per share, after excluding net charges totaling \$0.3 billion, \$0.21 per share, primarily associated with adjustments to reclamation liabilities at PT Freeport Indonesia (PT-FI) and charges for PT-FI historical contested tax matters. For additional information, refer to the supplemental schedule, "Adjusted Net Income," beginning on page VII.

Richard C. Adkerson, Chairman and Chief Executive Officer, said, "I am incredibly proud of our Freeport team's stellar performance during 2021 to deliver growth in volumes, solid cost and capital management in a challenging environment and to advance our sustainability objectives. We are positioned for a bright future as a leading, responsible, long-term supplier of copper to support the global economy and the transition to clean energy. We have a clear strategy of being foremost in copper, our balance sheet is strong and the prospects for our business have never been brighter. Our team is focused on continuing strong execution and generating strong cash flows to support advancement of organic growth initiatives and increase cash returns to shareholders under our established financial policy. Our success will support value creation for all stakeholders."

SUMMARY FINANCIAL DATA

	Three Months Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
	(in millions, except per share amounts)			
Revenues ^{a,b}	\$ 6,164	\$ 4,495	\$ 22,845	\$ 14,198
Operating income ^a	\$ 2,305	\$ 1,709	\$ 8,366	\$ 2,437
Net income attributable to common stock ^{c,d}	\$ 1,106	\$ 708	\$ 4,306	\$ 599
Diluted net income per share of common stock	\$ 0.74	\$ 0.48	\$ 2.90	\$ 0.41
Diluted weighted-average common shares outstanding	1,482	1,469	1,482	1,461
Operating cash flows ^e	\$ 2,280	\$ 1,327	\$ 7,715	\$ 3,017
Capital expenditures	\$ 771	\$ 388	\$ 2,115	\$ 1,961
At December 31:				
Cash and cash equivalents	\$ 8,068	\$ 3,657	\$ 8,068	\$ 3,657
Total debt, including current portion	\$ 9,450	\$ 9,711	\$ 9,450	\$ 9,711

a. For segment financial results, refer to the supplemental schedules, "Business Segments," beginning on page X.

b. Includes favorable (unfavorable) adjustments to prior period provisionally priced concentrate and cathode copper sales totaling \$187 million (\$75 million to net income attributable to common stock or \$0.05 per share) in fourth-quarter 2021, \$113 million (\$41 million to net income attributable to common stock or \$0.03 per share) in fourth-quarter 2020, \$169 million (\$65 million to net income attributable to common stock or \$0.04 per share) for the year 2021 and \$(102) million (\$(42) million to net income attributable to common stock or \$(0.03) per share) for the year 2020. For further discussion, refer to the supplemental schedule, "Derivative Instruments," beginning on page IX.

c. Includes net (charges) credits totaling \$(315) million (\$(0.21) per share) in fourth-quarter 2021, \$142 million (\$0.10 per share) in fourth-quarter 2020, \$(331) million (\$(0.22) per share) for the year 2021 and \$(191) million (\$(0.13) per share) for the year 2020 that are described in the supplemental schedule, "Adjusted Net Income," beginning on page VII.

d. FCX defers recognizing profits on intercompany sales until final sales to third parties occur. For a summary of net impacts from changes in these deferrals, refer to the supplemental schedule, "Deferred Profits," on page X.

e. Working capital and other sources totaled \$388 million in fourth-quarter 2021, \$346 million in fourth-quarter 2020, \$755 million for the year 2021 and \$665 million for the year 2020.

SUMMARY OPERATING DATA

	Three Months Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
Copper (millions of recoverable pounds)				
Production	1,033	864	3,843	3,206
Sales, excluding purchases	1,020	866	3,807	3,202
Average realized price per pound	\$ 4.42	\$ 3.40	\$ 4.33	\$ 2.95
Site production and delivery costs per pound ^a	\$ 1.96 ^b	\$ 1.78	\$ 1.93 ^b	\$ 1.88 ^c
Unit net cash costs per pound ^a	\$ 1.29	\$ 1.28	\$ 1.34	\$ 1.48
Gold (thousands of recoverable ounces)				
Production	405	273	1,381	857
Sales	395	293	1,360	855
Average realized price per ounce	\$ 1,808	\$ 1,870	\$ 1,796	\$ 1,832
Molybdenum (millions of recoverable pounds)				
Production	22	19	85	76
Sales, excluding purchases	19	21	82	80
Average realized price per pound	\$ 19.42	\$ 9.96	\$ 15.56	\$ 10.20

a. Reflects per pound weighted-average production and delivery costs and unit net cash costs (net of by-product credits) for all copper mines, before net noncash and other costs. For reconciliations of per pound unit costs by operating division to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page XIII.

b. Includes nonrecurring labor-related charges at Cerro Verde for collective labor agreements reached with its hourly employees totaling \$0.02 per pound of copper for fourth-quarter 2021 and the year 2021. Refer to the supplemental schedule, "Adjusted Net Income," beginning on page VII.

c. Excludes charges totaling \$0.06 per pound of copper associated with the COVID-19 pandemic and FCX's April 2020 revised operating plans. Refer to the supplemental schedule, "Adjusted Net Income," beginning on page VII.

Responsible Production

The Copper Mark. FCX is committed to validating all of its copper producing sites with The Copper Mark, a comprehensive assurance framework designed to demonstrate the copper industry's responsible production practices. To achieve The Copper Mark, each site is required to complete an external assurance process to assess conformance with 32 environmental, social and governance requirements. In fourth-quarter 2021, FCX achieved the Copper Mark at Bagdad. To date, FCX has a total of seven sites that have been validated (Bagdad, Morenci, Miami, El Paso, Cerro Verde, El Abra and Atlantic Copper), and FCX has commenced The Copper Mark assessment process at four additional sites in North America, specifically Chino, Tyrone, Safford and Sierrita.

International Council of Mining and Metals (ICMM). FCX is a founding and active member of the ICMM, an international organization dedicated to safe, fair and sustainable mining. FCX commits to implementing ICMM's Mining Principles which serve as a best practice framework on sustainable development for the global mining and metals industry. Richard Adkerson, FCX's Chairman and CEO, serves as the current Chair of ICMM.

Consolidated Sales Volumes

Fourth-quarter 2021 **copper** sales of 1.02 billion pounds approximated the October 2021 estimate of 1.025 billion pounds of copper. Fourth-quarter 2021 copper sales were higher than fourth-quarter 2020 sales of 866 million pounds of copper, primarily reflecting the ramp-up of underground mining at PT-FI and higher milling rates in North America and South America.

Fourth-quarter 2021 **gold** sales of 395 thousand ounces were 5 percent above the October 2021 estimate of 375 thousand ounces of gold, primarily reflecting higher throughput rates. Fourth-quarter 2021 gold sales were higher than fourth-quarter 2020 sales of 293 thousand ounces, primarily reflecting the ramp-up of underground mining at PT-FI.

Fourth-quarter 2021 **molybdenum** sales of 19 million pounds were lower than the October 2021 estimate of 22 million pounds and fourth-quarter 2020 sales of 21 million pounds, primarily reflecting timing of shipments.

Consolidated sales volumes for the year 2022 are expected to approximate 4.3 billion pounds of copper, 1.6 million ounces of gold and 80 million pounds of molybdenum, including 970 million pounds of copper, 380 thousand ounces of gold and 20 million pounds of molybdenum in first-quarter 2022. Projected sales volumes are dependent on operational performance, weather-related conditions, timing of shipments and other factors detailed in the Cautionary Statement below.

Consolidated Unit Net Cash Costs

Consolidated average unit net cash costs (net of by-product credits) for FCX's copper mines of \$1.29 per pound of copper in fourth-quarter 2021, were higher than the October 2021 estimate of \$1.26 per pound, primarily reflecting nonrecurring labor-related charges at Cerro Verde for collective labor agreements, and approximated the fourth-quarter 2020 average of \$1.28 per pound.

Assuming average prices of \$1,800 per ounce of gold and \$19.00 per pound of molybdenum for 2022 and achievement of current sales volume and cost estimates, consolidated unit net cash costs (net of by-product credits) for FCX's copper mines are expected to average \$1.35 per pound of copper for the year 2022 (including \$1.35 per pound of copper in first-quarter 2022). The impact of price changes on 2022 consolidated unit net cash costs would approximate \$0.03 per pound of copper for each \$100 per ounce change in the average price of gold and \$0.02 per pound of copper for each \$2 per pound change in the average price of molybdenum. Quarterly unit net cash costs vary with fluctuations in sales volumes and realized prices, primarily for gold and molybdenum.

MINING OPERATIONS

North America Copper Mines. FCX operates seven open-pit copper mines in North America - Morenci, Bagdad, Safford (including Lone Star), Sierrita and Miami in Arizona, and Chino and Tyrone in New Mexico. In addition to copper, certain of these mines produce molybdenum concentrate, gold and silver. All of the North America mining operations are wholly owned, except for Morenci. FCX records its 72 percent undivided joint venture interest in Morenci using the proportionate consolidation method.

Operating and Development Activities. FCX has substantial reserves and future opportunities in the United States (U.S.), primarily associated with existing mining operations. Current operations at the Lone Star copper leach project, which was completed in the second half of 2020, are exceeding the initial design capacity of 200 million pounds annually and produced approximately 235 million pounds of copper in 2021. FCX continues to advance opportunities to increase Lone Star operating rates and is advancing plans to increase volumes to achieve 300 million pounds of copper per year from oxide ores. The oxide project advances the opportunity for development of the large-scale sulfide resources at Lone Star. FCX is increasing exploration in the area to support metallurgical testing and mine development planning for a potential long-term investment in a concentrator.

FCX is also evaluating an expansion of the Bagdad operation in northwest Arizona and is engaging stakeholders. Feasibility studies to double Bagdad's operating rates are expected to commence in 2022.

FCX continues to advance initiatives to recover additional copper from its large existing leach stockpiles. There are several initiatives ongoing across FCX's Americas footprint which incorporate new applications, technologies and data analytics. Initial results are encouraging and support additional work on these emerging opportunities.

Operating Data. Following is summary consolidated operating data for the North America copper mines:

	Three Months Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
Copper (millions of recoverable pounds)				
Production	370	335	1,460	1,418
Sales, excluding purchases	364	320	1,436	1,422
Average realized price per pound	\$ 4.43	\$ 3.29	\$ 4.30	\$ 2.82
Molybdenum (millions of recoverable pounds)				
Production ^a	8	9	34	33
Unit net cash costs per pound of copper^b				
Site production and delivery, excluding adjustments	\$ 2.19	\$ 1.85	\$ 2.13	\$ 1.90 ^c
By-product credits	(0.39)	(0.18)	(0.33)	(0.19)
Treatment charges	0.10	0.09	0.09	0.10
Unit net cash costs	\$ 1.90	\$ 1.76	\$ 1.89	\$ 1.81

a. Refer to summary operating data on page 3 for FCX's consolidated molybdenum sales, which include sales of molybdenum produced at the North America copper mines.

b. For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page XIII.

c. Excludes charges totaling \$0.02 per pound of copper primarily associated with the April 2020 revised operating plans (including employee separation costs) and the COVID-19 pandemic (including health and safety costs).

FCX's consolidated copper sales volumes from North America of 364 million pounds in fourth-quarter 2021 were higher than fourth-quarter 2020 copper sales volumes of 320 million pounds, primarily reflecting the successful ramp-up of production from Lone Star and the restart of mining and milling operations at Chino. North America copper sales are estimated to approximate 1.55 billion pounds for the year 2022.

Average unit net cash costs (net of by-product credits) for the North America copper mines of \$1.90 per pound of copper in fourth-quarter 2021 were higher than fourth-quarter 2020 unit net cash costs of \$1.76 per pound, primarily reflecting higher mining and milling costs associated with the return to pre-COVID-19 operating rates and higher maintenance and input costs, partly offset by higher sales volumes and by-product credits.

Average unit net cash costs (net of by-product credits) for the North America copper mines are expected to approximate \$2.00 per pound of copper for the year 2022, based on achievement of current sales volume and cost estimates and assuming an average molybdenum price of \$19.00 per pound. North America's average unit net cash costs for the year 2022 would change by approximately \$0.04 per pound for each \$2 per pound change in the average price of molybdenum.

South America Mining. FCX operates two copper mines in South America - Cerro Verde in Peru (in which FCX owns a 53.56 percent interest) and El Abra in Chile (in which FCX owns a 51 percent interest). These operations are consolidated in FCX's financial statements. In addition to copper, the Cerro Verde mine produces molybdenum concentrate and silver.

Operating and Development Activities. Milling rates at Cerro Verde's concentrator facilities averaged 376,700 metric tons of ore per day in fourth-quarter 2021 and 380,300 metric tons of ore per day for the year 2021. Subject to ongoing monitoring of COVID-19 protocols, Cerro Verde is targeting milling rates to increase to approximately 400,000 metric tons of ore per day during 2022.

El Abra increased operating rates to pre-COVID-19 pandemic levels during 2021. Increased mining and stacking activities are expected to result in a 30 percent increase in El Abra copper production for the year 2022, compared with the year 2021.

FCX continues to evaluate a large-scale expansion at El Abra to process additional sulfide material and to achieve higher copper recoveries. El Abra's large sulfide resource could potentially support a major mill project similar to the facilities constructed at Cerro Verde in 2015. Technical and economic studies continue to be evaluated.

to determine the optimal scope and timing for the sulfide project, and FCX is engaging stakeholders and preparing data required for submission of a robust permit application. FCX is continuing to monitor potential changes in regulatory and fiscal matters in Chile and will defer major investment decisions pending clarity on these matters.

Operating Data. Following is summary consolidated operating data for South America mining:

	Three Months Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
Copper (millions of recoverable pounds)				
Production	283	263	1,047	979
Sales	286	260	1,055	976
Average realized price per pound	\$ 4.41	\$ 3.48	\$ 4.34	\$ 3.05
Molybdenum (millions of recoverable pounds)				
Production ^a	7	5	21	19
Unit net cash costs per pound of copper^b				
Site production and delivery, excluding adjustments	\$ 2.30 ^c	\$ 1.93	\$ 2.23 ^c	\$ 1.86 ^d
By-product credits	(0.36)	(0.22)	(0.32)	(0.17)
Treatment charges	0.13	0.16	0.13	0.15
Royalty on metals	0.01	0.01	0.01	0.01
Unit net cash costs	\$ 2.08	\$ 1.88	\$ 2.05	\$ 1.85

a. Refer to summary operating data on page 3 for FCX's consolidated molybdenum sales, which include sales of molybdenum produced at Cerro Verde.

b. For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page XIII.

c. Includes \$0.06 per pound of copper in fourth-quarter 2021 and \$0.09 per pound of copper for the year 2021 associated with nonrecurring labor-related charges at Cerro Verde. Refer to the supplemental schedule, "Adjusted Net Income," beginning on page VII.

d. Excludes charges totaling \$0.09 per pound of copper, primarily associated with idle facility (Cerro Verde) and contract cancellation costs related to the COVID-19 pandemic, and employee separation costs associated with the April 2020 revised operating plans.

FCX's consolidated copper sales volumes from South America of 286 million pounds in fourth-quarter 2021 were higher than fourth-quarter 2020 copper sales volumes of 260 million pounds, primarily reflecting higher recovery rates at Cerro Verde. Copper sales from South America mining are expected to approximate 1.2 billion pounds for the year 2022.

Average unit net cash costs (net of by-product credits) for South America mining of \$2.08 per pound of copper in fourth-quarter 2021 were higher than fourth-quarter 2020 unit net cash costs of \$1.88 per pound, primarily reflecting nonrecurring labor-related charges at Cerro Verde for collective labor agreements (which cover 99 percent of its hourly employees as of December 31, 2021), increased profit-sharing costs and higher maintenance and input costs, partly offset by higher sales volumes and by-product credits.

Average unit net cash costs (net of by-product credits) for South America mining are expected to approximate \$2.06 per pound of copper for the year 2022, based on current sales volume and cost estimates and assuming an average price of \$19.00 per pound of molybdenum.

Indonesia Mining. PT-FI operates one of the world's largest copper and gold mines at the Grasberg minerals district in Papua, Indonesia. PT-FI produces copper concentrate that contains significant quantities of gold and silver. FCX has a 48.76 percent ownership interest in PT-FI and manages its mining operations. Under the terms of the shareholders agreement, FCX's economic interest in PT-FI approximates 81 percent through 2022. PT-FI's results are consolidated in FCX's financial statements.

Operating and Development Activities. The ramp-up of underground production at PT-FI continues to advance on schedule. Fourth-quarter 2021 highlights include:

- Achieved quarterly copper and gold volumes approximating 100 percent of the projected ultimate annualized levels discussed below.
- 21 new drawbells were constructed at the Grasberg Block Cave and Deep Mill Level Zone (DMLZ) underground mines, bringing cumulative open drawbells to 510.
- Combined average production from the Grasberg Block Cave and DMLZ underground mines approximated 160,800 metric tons of ore per day and PT-FI's total milling rates averaged 181,000 metric tons of ore per day.

PT-FI expects milling rates to average approximately 180,000 metric tons of ore per day in 2022. The installation of additional milling facilities at PT-FI are in progress and are currently expected to be completed in 2023, which will increase milling capacity to approximately 240,000 metric tons of ore per day.

PT-FI expects average annual production of approximately 1.6 billion pounds of copper and 1.6 million ounces of gold for the next five years at an attractive unit net cash cost, providing significant margins and cash flows.

PT-FI's estimated capital spending on the Grasberg Block Cave and DMLZ underground projects for the year 2022 is expected to approximate \$1.0 billion, net of scheduled contributions from PT Indonesia Asahan Aluminium (Persero) (PT Inalum, also known as MIND ID). PT-FI is also advancing construction of a dual-fuel power plant and upgrades to the mill circuit to improve recoveries. In accordance with applicable accounting guidance, the aggregate costs (before scheduled contributions from PT Inalum), expected to approximate \$1.2 billion for the year 2022, will be reflected as an investing activity in FCX's cash flow statement and contributions from PT Inalum will be reflected as a financing activity.

Kucing Liar. In October 2021, PT-FI commenced long-term mine development activities for its Kucing Liar deposit, which is expected to produce over 6 billion pounds of copper and 5 million ounces of gold over the life of the project. Similar to PT-FI's experience with large-scale, block-cave mines, pre-production development activities will occur over an approximate 10-year timeframe. At full operating rates, annual production from Kucing Liar is expected to approximate 600 million pounds of copper and 500 thousand ounces of gold, providing PT-FI with sustained long-term, large-scale and low-cost production. Capital investments for Kucing Liar over the next 10 years are expected to average approximately \$400 million per annum. Kucing Liar will benefit from substantial shared infrastructure and PT-FI's experience and long-term success in block-cave mining.

Indonesia Smelter. In connection with PT-FI's 2018 agreement with the Indonesia government to secure the extension of its long-term mining rights, PT-FI committed to construct new domestic smelting capacity totaling 2 million metric tons of concentrate per year by December 2023. During 2020, PT-FI notified the Indonesia government of schedule delays resulting from the COVID-19 pandemic and continues to review with the government a revised schedule for satisfying its commitment.

PT-FI is actively engaged in the following projects for domestic smelting activities:

- Construction of a new greenfield smelter in Gresik, Indonesia with a capacity to process approximately 1.7 million metric tons of copper concentrate per year. In July 2021, PT-FI awarded a construction contract with an estimated cost of \$2.8 billion. During 2021, PT-FI progressed site preparation activities and expects engineering procurement and construction activities to advance during 2022 and 2023. The smelter construction is expected to be completed as soon as feasible in 2024, which is subject to potential pandemic-related disruptions and other factors.
- Expansion of PT Smelting's (PT-FI's 39.5-percent owned copper smelter and refinery in Gresik, Indonesia) capacity by 30 percent to 1.3 million metric tons of concentrate per year, which is expected to be completed by the end of 2023. PT-FI completed agreements in November 2021 with the majority owner of PT Smelting to implement the expansion plans. PT-FI will fund the cost of the expansion, estimated to approximate \$250

million, and convert the loan to equity, increasing ownership in PT Smelting to a majority ownership interest once the expansion is complete.

- Construction of a precious metals refinery (PMR) to process gold and silver from the new greenfield smelter and PT Smelting at an estimated cost of \$250 million.

In July 2021, PT-FI entered into a \$1.0 billion, five-year, unsecured bank credit facility to advance these projects. As of December 31, 2021, \$443 million (\$432 million net of debt issuance costs) was drawn under this facility. Additional debt financing is being evaluated to fund the projects, with the cost of debt shared 49 percent by FCX and 51 percent by PT Inalum.

Capital expenditures for the new greenfield smelter and PMR (collectively, the Indonesia smelter projects) totaled \$0.2 billion for the year 2021, and are expected to approximate \$1.4 billion for the year 2022. Construction of the new smelter capacity will result in the elimination of export duties, providing an offset to the economic cost associated with the Indonesia smelter projects.

Operating Data. Following is summary consolidated operating data for Indonesia mining:

	Three Months Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
Copper (millions of recoverable pounds)				
Production	380	266	1,336	809
Sales	370	286	1,316	804
Average realized price per pound	\$ 4.41	\$ 3.47	\$ 4.34	\$ 3.08
Gold (thousands of recoverable ounces)				
Production	402	271	1,370	848
Sales	392	293	1,349	842
Average realized price per ounce	\$ 1,808	\$ 1,870	\$ 1,796	\$ 1,832
Unit net cash costs per pound of copper^a				
Site production and delivery, excluding adjustments	\$ 1.47	\$ 1.57	\$ 1.49	\$ 1.88 ^b
Gold and silver credits	(2.06)	(2.05)	(1.95)	(2.03)
Treatment charges	0.24	0.27	0.24	0.27
Export duties	0.20	0.17	0.17	0.12
Royalty on metals	0.23	0.22	0.24	0.19
Unit net cash costs	\$ 0.08	\$ 0.18	\$ 0.19	\$ 0.43

a. For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page XIII.

b. Excludes COVID-19 related costs (including one-time incremental employee benefits and health and safety costs) totaling \$0.02 per pound of copper.

PT-FI's consolidated sales of 370 million pounds of copper and 392 thousand ounces of gold in fourth-quarter 2021 were higher than fourth-quarter 2020 consolidated sales of 286 million pounds of copper and 293 thousand ounces of gold, primarily reflecting the ramp-up of underground mining at PT-FI. Consolidated sales volumes from PT-FI are expected to approximate 1.6 billion pounds of copper and 1.6 million ounces of gold for the year 2022.

Because of the fixed nature of a large portion of PT-FI's costs, unit net cash costs depend on copper and gold volumes and gold prices. PT-FI's unit net cash costs (net of gold and silver credits) of \$0.08 per pound of copper in fourth-quarter 2021 were lower than \$0.18 per pound in fourth-quarter 2020, primarily reflecting higher copper and gold sales volumes.

Average unit net cash costs (net of gold and silver credits) for PT-FI are expected to approximate \$0.18 per pound of copper for the year 2022, based on achievement of current sales volumes and cost estimates and assuming an average gold price of \$1,800 per ounce. PT-FI's average unit net cash costs for the year 2022 would change by approximately \$0.09 per pound of copper for each \$100 per ounce change in the average price of gold.

Molybdenum Mines. FCX operates two wholly owned molybdenum mines in Colorado - the Henderson underground mine and the Climax open-pit mine. The Henderson and Climax mines produce high-purity molybdenum concentrate, which is typically further processed into value-added molybdenum chemical products. The majority of the molybdenum concentrate produced at the Henderson and Climax mines and at FCX's North America and South America copper mines is processed at FCX's conversion facilities.

Operating and Development Activities. Production from the molybdenum mines totaled 7 million pounds of molybdenum in fourth-quarter 2021 and 5 million pounds of molybdenum in fourth-quarter 2020. FCX plans to increase mining rates at the Climax mine in 2022 to provide options to increase volumes in response to market demand for molybdenum. FCX's consolidated molybdenum sales and average realized prices, which include sales of molybdenum produced at the Molybdenum mines and at FCX's North America and South America copper mines are presented on page 3.

Average unit net cash costs for the Molybdenum mines of \$9.90 per pound of molybdenum in fourth-quarter 2021 were higher than average unit net cash costs of \$9.23 per pound in fourth-quarter 2020, primarily reflecting increased costs associated with higher mining rates and higher maintenance and equipment costs. Based on current sales volume and cost estimates, average unit net cash costs for the Molybdenum mines are expected to approximate \$12.50 per pound of molybdenum for the year 2022.

For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page XIII.

EXPLORATION

FCX's mining exploration activities are primarily associated with its existing mines, focusing on opportunities to expand reserves and resources to support development of additional future production capacity. Exploration results continue to indicate opportunities for significant future potential reserve additions at our existing properties in North America and South America. Exploration expenditures for the year 2022 are expected to approximate \$110 million, compared with \$50 million in 2021. FCX intends to increase its exploration expenditures during 2022 primarily to advance Lone Star and other opportunities at FCX's North America copper mines. FCX has long-lived reserves and a significant resource position in its existing portfolio.

PRELIMINARY ESTIMATED RECOVERABLE PROVEN AND PROBABLE MINERAL RESERVES AND MINERAL RESOURCES

FCX has significant mineral reserves, mineral resources and future development opportunities within its portfolio of mining assets. FCX's preliminary estimated consolidated recoverable proven and probable mineral reserves from its mines at December 31, 2021, include 107.2 billion pounds of copper, 27.1 million ounces of gold and 3.39 billion pounds of molybdenum, which were determined using metal price assumptions of \$2.50 per pound for copper, \$1,200 per ounce for gold and \$10.00 per pound for molybdenum. The preliminary estimated recoverable proven and probable mineral reserves presented in the table below represent the estimated metal quantities from which FCX expects to be paid after application of estimated metallurgical recovery rates and smelter recovery rates, where applicable. Recoverable mineral reserve volumes are those which FCX estimates can be economically extracted or produced at the time of the mineral reserve determination.

	Preliminary Estimated Recoverable Proven and Probable Mineral Reserves at December 31, 2021		
	Copper (billion pounds)	Gold (million ounces)	Molybdenum (billion pounds)
North America	43.0	0.5	2.69
South America	31.9	—	0.69
Indonesia	32.2	26.6	—
Consolidated basis^a	107.2^b	27.1	3.39^b
Net equity interest^c	76.2	14.2	3.06

- a. Consolidated mineral reserves represent estimated metal quantities after reduction for FCX's joint venture partners' interest at the Morenci mine in North America. Excluded from the table above are FCX's estimated recoverable proven and probable silver reserves of 345.7 million ounces, which were determined using \$15 per ounce.
- b. Does not foot because of rounding.
- c. Net equity interest mineral reserves represent estimated consolidated metal quantities further reduced for noncontrolling interest ownership. FCX's net equity interest for estimated metal quantities in Indonesia reflects 81.27 percent through 2022 and 48.76 percent from 2023 through 2041. Excluded from the table above are FCX's estimated net recoverable proven and probable silver reserves of 230.5 million ounces.

Following is a summary of changes in FCX's preliminary estimated consolidated recoverable proven and probable mineral reserves during 2021:

	Copper (billion pounds)	Gold (million ounces)	Molybdenum (billion pounds)
Reserves at December 31, 2020	113.2	28.9	3.71
Net revisions	(2.2)	(0.4)	(0.24)
Production	(3.8)	(1.4)	(0.08)
Reserves at December 31, 2021	107.2	27.1	3.39

In addition to the preliminary estimated consolidated recoverable proven and probable mineral reserves, FCX's preliminary estimated mineral resources (including measured, indicated and inferred resources) at December 31, 2021, which were assessed using \$3.00 per pound for copper, totaled 191 billion pounds of incremental contained copper. FCX continues to pursue opportunities to convert this material into mineral reserves, future production volumes and cash flow. See Cautionary Statement below.

CASH FLOWS, CASH AND DEBT

Operating Cash Flows. FCX generated operating cash flows of \$2.3 billion (including \$0.4 billion from working capital and other sources) in fourth-quarter 2021 and \$7.7 billion (including \$0.8 billion from working capital and other sources) for the year 2021.

Based on current sales volume and cost estimates, and assuming average prices of \$4.50 per pound of copper, \$1,800 per ounce of gold and \$19.00 per pound of molybdenum, FCX's consolidated operating cash flows are estimated to approximate \$8.0 billion (net of \$1.3 billion of working capital and other uses) for the year 2022. The impact of price changes during 2022 on operating cash flows would approximate \$365 million for each \$0.10 per pound change in the average price of copper, \$100 million for each \$100 per ounce change in the average price of gold and \$110 million for each \$2 per pound change in the average price of molybdenum.

Capital Expenditures. Capital expenditures totaled \$0.8 billion in fourth-quarter 2021 (including \$0.3 billion for major mining projects and \$0.1 billion for the Indonesia smelter projects) and \$2.1 billion for the year 2021 (including \$1.25 billion for major mining projects and \$0.2 billion for the Indonesia smelter projects).

Capital expenditures for the year 2022 are expected to approximate \$4.7 billion (\$3.3 billion excluding the Indonesia smelter projects), including \$2.0 billion for major mining projects (\$1.4 billion for underground development activities associated with the Grasberg Block Cave and DMLZ and \$0.6 billion for discretionary growth projects). Capital expenditures for the Indonesia smelter projects are currently being funded through PT-FI's \$1.0 billion unsecured bank credit facility.

Cash. Following is a summary of the U.S. and international components of consolidated cash and cash equivalents available to the parent company, net of noncontrolling interests' share, taxes and other costs at December 31, 2021 (in billions):

Cash at domestic companies	\$	5.2
Cash at international operations		2.9
Total consolidated cash and cash equivalents		8.1
Noncontrolling interests' share		(0.9)
Cash, net of noncontrolling interests' share	\$	7.2
Withholding taxes		(0.2)
Net cash available	\$	7.0

Debt. Following is a summary of total debt and the weighted-average interest rates at December 31, 2021 (in millions, except percentages):

		Weighted- Average Interest Rate
Senior Notes	\$ 8,623	4.9%
Cerro Verde Term Loan ^a	325	2.0%
PT-FI Term Loan ^b	432	2.2%
Other	70	0.4%
Total debt	\$ 9,450	4.6%

a. Matures in June 2022.

b. As of December 31, 2021, \$557 million was available under PT-FI's \$1.0 billion, five year, unsecured bank credit facility.

At December 31, 2021, FCX had no borrowings, \$8 million in letters of credit issued and \$3.5 billion available under its revolving credit facility.

On December 1, 2021, FCX redeemed \$524 million in principal amount outstanding of its 3.55% Senior Notes due 2022, at a redemption price equal to 100 percent of the principal amount, plus accrued and unpaid interest. FCX's next senior note maturity is March 2023, with redemption rights at par in December 2022.

FINANCIAL POLICY

In February 2021, the Board adopted a financial policy for the allocation of cash flows aligned with FCX's strategic objectives of maintaining a strong balance sheet and increasing cash returns to shareholders while advancing opportunities for future growth.

Following achievement of FCX's net debt target in the range of \$3.0 billion to \$4.0 billion (excluding debt for additional smelting capacity in Indonesia), FCX announced in November 2021 the implementation of a performance-based shareholder returns policy, including the commencement of a \$3.0 billion share repurchase program and expected base and variable dividends on common stock totaling \$0.60 per share for 2022. The policy is being implemented to direct up to 50 percent of cash flows, after planned capital spending (excluding Indonesia smelter project investments) and distributions to noncontrolling interests, to shareholder returns with the balance available for investments in future value enhancing growth projects and further debt reductions. The Board will review the structure and the amount of performance-based payout framework at least annually.

On December 22, 2021, FCX declared dividends totaling \$0.15 per share on its common stock (which included a \$0.075 per share quarterly base cash dividend and a \$0.075 per share quarterly variable cash dividend), which will be paid on February 1, 2022, to shareholders of record as of January 14, 2022. The declaration and payment of dividends (base or variable) is at the discretion of the Board and will depend on FCX's financial results, cash requirements, business prospects, global economic conditions and other factors deemed relevant by the Board.

Through January 25, 2022, FCX acquired 15.4 million shares of FCX's common stock for a total cost of \$599.9 million (\$39.03 per share) under its \$3.0 billion share repurchase program, including 12.7 million shares for a total cost of \$488.2 million (\$38.32 per share) in fourth-quarter 2021. The timing and amount of share repurchases is at the discretion of management and will depend on a variety of factors. The share repurchase program may be modified, increased, suspended or terminated at any time at the Board's discretion.

WEBCAST INFORMATION

A conference call with securities analysts to discuss FCX's fourth-quarter and year-ended 2021 results is scheduled for today at 10:00 a.m. Eastern Time. The conference call will be broadcast on the Internet along with slides. Interested parties may listen to the conference call live and view the slides by accessing "fx.com." A replay of the webcast will be available through Friday, February 25, 2022.

FREEPORT: Foremost in Copper

FCX is a leading international mining company with headquarters in Phoenix, Arizona. FCX operates large, long-lived, geographically diverse assets with significant proven and probable reserves of copper, gold and molybdenum. FCX is one of the world's largest publicly traded copper producers.

FCX's portfolio of assets includes the Grasberg minerals district in Indonesia, one of the world's largest copper and gold deposits; and significant mining operations in North America and South America, including the large-scale Morenci minerals district in Arizona and the Cerro Verde operation in Peru.

By supplying responsibly produced copper, FCX is proud to be a positive contributor to the world well beyond its operational boundaries. Additional information about FCX is available on FCX's website at fcx.com.

Cautionary Statement and Regulation G Disclosure: This press release contains forward-looking statements in which FCX discusses its potential future performance. Forward-looking statements are all statements other than statements of historical facts, such as plans, projections, or expectations relating to business outlook, strategy, goals or targets; ore grades and milling rates; production and sales volumes; unit net cash costs; capital expenditures; operating costs; operating plans; cash flows; liquidity; PT-FI's development, financing, construction and completion of new domestic smelting capacity in Indonesia in accordance with the terms of its special mining license (IUPK); FCX's commitments to deliver responsibly produced copper, including plans to implement and validate all of its operating sites under The Copper Mark and to comply with other disclosure frameworks; execution of FCX's energy and climate strategies and the underlying assumptions and estimated impacts on FCX's business related thereto; achievement of climate commitments by 2030 and 2050 net zero aspirations; improvements in operating procedures and technology innovations; exploration efforts and results; development and production activities, rates and costs; future organic growth opportunities; tax rates; export quotas and duties; the impact of copper, gold and molybdenum price changes; the impact of deferred intercompany profits on earnings; mineral reserve and mineral resource estimates; final resolution of settlements associated with ongoing legal proceedings; and the ongoing implementation of FCX's financial policy and future returns to shareholders, including dividend payments (base or variable) and share repurchases. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "targets," "intends," "likely," "will," "should," "could," "to be," "potential," "assumptions," "guidance," "aspirations," "future" and any similar expressions are intended to identify those assertions as forward-looking statements. The timing and amount of any share repurchases is at the discretion of management and will depend on a variety of factors including, but not limited to, FCX's operating performance, cash flow and financial position, the market price of the shares and general economic and market conditions. The share repurchase program may be modified, increased, suspended or terminated at any time at the Board's discretion. The declaration and payment of dividends (base or variable) is also at the discretion of the Board and will depend on FCX's financial results, cash requirements, business prospects, global economic conditions and other factors deemed relevant by the Board.

FCX cautions 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 FCX's actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, changes in FCX's cash requirements, financial position, financing or investment plans; political and social risks; changes in general market, economic, tax, regulatory or industry conditions; the ongoing COVID-19 pandemic and any future public health crisis; supply of and demand for, and prices of, copper, gold and molybdenum; mine sequencing; changes in mine plans or operational modifications, delays, deferrals or cancellations; production rates; timing of shipments; results of technical, economic or feasibility studies; potential inventory adjustments; potential impairment of long-lived mining assets; the potential effects of violence in Indonesia generally and in the province of Papua; the Indonesia government's extension of PT-FI's export license after March 15, 2022; operational risks inherent in mining, with higher inherent risks in underground mining; satisfaction of requirements in accordance with PT-FI's IUPK to extend mining rights from 2031 through 2041; the Indonesia government's approval of a deferred schedule for completion of new domestic smelting capacity in Indonesia; labor relations, including labor-related work stoppages and costs; weather- and climate-related risks; environmental risks and litigation results; cybersecurity incidents; FCX's ability to comply with its responsible production commitments under specific frameworks and any changes to such frameworks and other factors described in more detail under the heading "Risk Factors" in FCX's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the U.S. Securities and Exchange Commission (SEC).

Investors are cautioned that many of the assumptions upon which FCX's forward-looking statements are based are likely to change after the date the forward-looking statements are made, including for example commodity prices, which FCX cannot control, and production volumes and costs or technological solutions and innovation, some aspects of which FCX may not be able to control. Further, FCX may make changes to its business plans that could affect its results. FCX cautions investors that it undertakes no obligation to update any forward-looking statements, which speak only as of the date made, notwithstanding any changes in its assumptions, changes in business plans, actual experience or other changes.

This press release also includes forward-looking statements regarding mineral resources not included in proven and probable mineral reserves. A mineral resource, which includes measured, indicated and inferred mineral resources, is a concentration or occurrence of material of economic interest in or on the Earth's crust in such form, grade or quality, and quantity that there are reasonable prospects for economic extraction. Such a deposit cannot qualify as recoverable proven and probable mineral reserves until legal and economic feasibility are confirmed based upon a comprehensive evaluation of development and operating costs, grades, recoveries and other material factors. Accordingly, no assurance can be given that the estimated mineral resources will become proven and probable mineral reserves.

This press release also contains financial measures such as net debt, adjusted net income and unit net cash costs per pound of copper and molybdenum, which are not recognized under U.S. generally accepted accounting principles. As required by SEC Regulation G, reconciliations of these measures to amounts reported in FCX's consolidated financial statements are in the supplemental schedules of this press release.

Freeport-McMoRan Inc.
SELECTED OPERATING DATA

	Three Months Ended December 31.			
	2021	2020	2021	2020
	Production		Sales	
MINING OPERATIONS:				
COPPER (millions of recoverable pounds)				
<i>(FCX's net interest in %)</i>				
North America				
Morenci (72%) ^a	161	162	158	158
Safford (100%)	63	48	64	43
Bagdad (100%)	50	53	48	50
Sierrita (100%)	45	40	44	40
Miami (100%)	3	4	3	3
Chino (100%)	33	16	32	15
Tyrone (100%)	15	12	15	11
Other (100%)	—	—	—	—
Total North America	370	335	364	320
South America				
Cerro Verde (53.56%)	238	221	240	226
El Abra (51%)	45	42	46	34
Total South America	283	263	286	260
Indonesia				
Grasberg (48.76%) ^b	380	266	370	286
Total	1,033	864	1,020 ^c	866 ^c
Less noncontrolling interests	204	173	203	175
Net	829	691	817	691
Average realized price per pound			\$ 4.42	\$ 3.40
GOLD (thousands of recoverable ounces)				
<i>(FCX's net interest in %)</i>				
North America (100%)	3	2	3	—
Indonesia (48.76%) ^b	402	271	392	293
Consolidated	405	273	395	293
Less noncontrolling interests	76	51	73	55
Net	329	222	322	238
Average realized price per ounce			\$ 1,808	\$ 1,870
MOLYBDENUM (millions of recoverable pounds)				
<i>(FCX's net interest in %)</i>				
Henderson (100%)	3	2	N/A	N/A
Climax (100%)	4	3	N/A	N/A
North America copper mines (100%) ^a	8	9	N/A	N/A
Cerro Verde (53.56%)	7	5	N/A	N/A
Consolidated	22	19	19	21
Less noncontrolling interests	3	3	2	2
Net	19	16	17	19
Average realized price per pound			\$ 19.42	\$ 9.96

a. Amounts are net of Morenci's joint venture partners' undivided interests.

b. FCX's economic interest in PT Freeport Indonesia (PT-FI) approximates 81 percent through 2022 and 48.76 percent thereafter.

c. Consolidated sales volumes exclude purchased copper of 24 million pounds in fourth-quarter 2021 and 75 million pounds in fourth-quarter 2020.

Freeport-McMoRan Inc.
SELECTED OPERATING DATA

	Years Ended December 31,			
	2021	2020	2021	2020
	Production		Sales	
MINING OPERATIONS:				
COPPER (millions of recoverable pounds)				
<i>(FCX's net interest in %)</i>				
North America				
Morenci (72%) ^a	631	707	632	711
Safford (100%)	265	161	252	150
Bagdad (100%)	184	216	185	213
Sierrita (100%)	189	178	187	177
Miami (100%)	12	17	13	16
Chino (100%)	124	92	114	108
Tyrone (100%)	55	45	53	45
Other (100%)	—	2	—	2
Total North America	1,460	1,418	1,436	1,422
South America				
Cerro Verde (53.56%)	887	820	888	825
El Abra (51%)	160	159	167	151
Total South America	1,047	979	1,055	976
Indonesia				
Grasberg (48.76%) ^b	1,336	809	1,316	804
Total	3,843	3,206	3,807 ^c	3,202 ^c
Less noncontrolling interests	741	610	741	608
Net	3,102	2,596	3,066	2,594
Average realized price per pound			\$ 4.33	\$ 2.95
GOLD (thousands of recoverable ounces)				
<i>(FCX's net interest in %)</i>				
North America (100%)				
North America (100%)	11	9	11	13
Indonesia (48.76%) ^b	1,370	848	1,349	842
Consolidated	1,381	857	1,360	855
Less noncontrolling interests	257	159	252	158
Net	1,124	698	1,108	697
Average realized price per ounce			\$ 1,796	\$ 1,832
MOLYBDENUM (millions of recoverable pounds)				
<i>(FCX's net interest in %)</i>				
Henderson (100%)				
Henderson (100%)	12	10	N/A	N/A
Climax (100%)				
Climax (100%)	18	14	N/A	N/A
North America copper mines (100%)^a				
North America copper mines (100%) ^a	34	33	N/A	N/A
Cerro Verde (53.56%)	21	19	N/A	N/A
Consolidated	85	76	82	80
Less noncontrolling interests	10	9	9	10
Net	75	67	73	70
Average realized price per pound			\$ 15.56	\$ 10.20

a. Amounts are net of Morenci's joint venture partners' undivided interests.

b. FCX's economic interest in PT-FI approximates 81 percent through 2022 and 48.76 percent thereafter.

c. Consolidated sales volumes exclude purchased copper of 173 million pounds for the year 2021 and 290 million pounds for the year 2020.

Freeport-McMoRan Inc.
SELECTED OPERATING DATA (continued)

	Three Months Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
100% North America Copper Mines				
<i>Leach Operations</i>				
Leach ore placed in stockpiles (metric tons per day)	692,400	732,700	665,900	714,300
Average copper ore grade (percent)	0.27	0.26	0.29	0.27
Copper production (millions of recoverable pounds)	259	261	1,056	1,047
<i>Mill Operations</i>				
Ore milled (metric tons per day)	271,000	244,700	269,500	279,700
Average ore grades (percent):				
Copper	0.39	0.37	0.38	0.35
Molybdenum	0.03	0.03	0.03	0.02
Copper recovery rate (percent)	82.0	79.8	81.2	84.1
Production (millions of recoverable pounds):				
Copper	173	138	649	647
Molybdenum	9	8	36	34
100% South America Mining				
<i>Leach Operations</i>				
Leach ore placed in stockpiles (metric tons per day)	140,000	144,400	163,900	160,300
Average copper ore grade (percent)	0.31	0.35	0.32	0.35
Copper production (millions of recoverable pounds)	69	61	257	241
<i>Mill Operations</i>				
Ore milled (metric tons per day)	376,700	373,200	380,300	331,600 ^a
Average ore grades (percent):				
Copper	0.33	0.32	0.31	0.34
Molybdenum	0.01	0.01	0.01	0.01
Copper recovery rate (percent)	89.9	86.6	87.3	84.3
Production (millions of recoverable pounds):				
Copper	215	202	791	738
Molybdenum	7	5	21	19
100% Indonesia Mining				
Ore extracted and milled (metric tons per day):				
Grasberg Block Cave underground mine	89,200	46,100	70,600	30,800
Deep Mill Level Zone underground mine	71,600	38,800	58,000	28,600
Deep Ore Zone underground mine	3,000	20,900	8,700	20,900
Big Gossan underground mine	7,500	8,000	7,500	7,000
Other	9,700	(4,500)	6,800	400
Total	<u>181,000</u>	<u>109,300</u>	<u>151,600</u>	<u>87,700</u>
Average ore grades:				
Copper (percent)	1.24	1.38	1.30	1.32
Gold (grams per metric ton)	1.03	1.12	1.04	1.10
Recovery rates (percent):				
Copper	89.2	91.6	89.8	91.9
Gold	75.2	77.7	77.0	78.1
Production (recoverable):				
Copper (millions of pounds)	380	266	1,336	809
Gold (thousands of ounces)	402	271	1,370	848
100% Molybdenum Mines				
Ore milled (metric tons per day)	21,200	16,100	21,800	20,700
Average molybdenum ore grade (percent)	0.20	0.19	0.19	0.17
Molybdenum production (millions of recoverable pounds)	7	5	30	24

a. Cerro Verde mill operations were impacted by COVID-19 restrictions.

Freeport-McMoRan Inc.
CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

	Three Months Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
	(In Millions, Except Per Share Amounts)			
Revenues ^a	\$ 6,164	\$ 4,495	\$ 22,845	\$ 14,198 ^b
Cost of sales:				
Production and delivery	3,154 ^{c,d,e}	2,627 ^b	12,016 ^{c,d,e}	10,031 ^{b,f}
Depreciation, depletion and amortization	568	435	1,998	1,528 ^f
Metals inventory adjustments	1	4	16	96
Total cost of sales	3,723	3,066	14,030	11,655
Selling, general and administrative expenses	94 ^e	97	383 ^e	370 ^f
Mining exploration and research expenses	19	8	55	50 ^f
Environmental obligations and shutdown costs	40	101 ^g	91	159 ^g
Net gain on sales of assets	(17)	(486) ^h	(80)	(473) ^h
Total costs and expenses	3,859	2,786	14,479	11,761
Operating income	2,305	1,709	8,366	2,437
Interest expense, net ^{i,j}	(171) ^e	(236) ^b	(602) ^e	(598) ^b
Net loss on early extinguishment of debt	—	(1)	—	(101)
Other (expenses) income, net ^k	(161) ^e	(3) ^b	(105) ^e	59 ^b
Income before income taxes and equity in affiliated companies' net earnings	1,973	1,469	7,659	1,797
Provision for income taxes ^l	(625)	(611)	(2,299)	(944)
Equity in affiliated companies' net earnings	10	—	5	12
Net income	1,358	858	5,365	865
Net income attributable to noncontrolling interests	(252)	(150)	(1,059)	(266)
Net income attributable to common stockholders ^k	\$ 1,106	\$ 708	\$ 4,306	\$ 599
Diluted net income per share attributable to common stock	\$ 0.74	\$ 0.48	\$ 2.90	\$ 0.41
Diluted weighted-average common shares outstanding	1,482	1,469	1,482	1,461
Dividends declared per share of common stock	\$ 0.15	\$ —	\$ 0.375	\$ —

- a. Includes adjustments to provisionally priced concentrate and cathode sales. For a summary of adjustments to provisionally priced copper sales, refer to the supplemental schedule, "Derivative Instruments," beginning on page IX.
- b. Includes net charges primarily associated with international tax matters and other net charges totaling \$90 million in fourth-quarter 2020 and \$62 million for the year 2020, which are summarized in the supplemental schedule, "Adjusted Net Income," beginning on page VII.
- c. Includes a PT-FI asset retirement obligation (ARO) adjustment and other net charges totaling \$571 million in fourth-quarter 2021, \$58 million in fourth-quarter 2020, \$624 million for the year 2021 and \$65 million for the year 2020, which are summarized in the supplemental schedule, "Adjusted Net Income," beginning on page VII.
- d. Includes nonrecurring labor-related charges at Cerro Verde for collective labor agreements totaling \$18 million in fourth-quarter 2021 and \$92 million for the year 2021, which are summarized in the supplemental schedule, "Adjusted Net Income," beginning on page VII.
- e. Includes other net credits primarily associated with refunds of Arizona transaction privilege taxes related to purchased electricity and adjustments to prior year profit sharing at Cerro Verde totaling \$80 million in fourth-quarter 2021 and \$68 million for the year 2021, which are summarized in the supplemental schedule, "Adjusted Net Income," beginning on page VII.
- f. Includes COVID-19 related charges totaling \$129 million and charges associated with the April 2020 revised operating plans (including employee separation costs) totaling \$129 million, which are summarized in the supplemental schedule, "Adjusted Net Income," beginning on page VII.
- g. The fourth-quarter and year 2020 include a charge associated with talc litigation (\$130 million), partly offset by net favorable environmental reserve adjustments (\$39 million in fourth-quarter 2020 and \$19 million for the year 2020), which are summarized in the supplemental schedule, "Adjusted Net Income," beginning on page VII.
- h. The fourth-quarter and year 2020 primarily include \$486 million associated with the sale of the Kisanfu exploration project.
- i. Consolidated interest costs (before capitalization) totaled \$192 million in fourth-quarter 2021, \$255 million in fourth-quarter 2020, \$674 million for the year 2021 and \$745 million for the year 2020. Includes adjustments to interest costs associated with international tax matters, which are summarized in the supplemental schedule, "Adjusted Net Income," beginning on page VII (refer to footnotes b and d for the 2021 periods and footnotes c and e for the 2020 periods).
- j. For a summary of FCX's income taxes, refer to the supplemental schedule, "Income Taxes," beginning on page VIII.
- k. FCX defers recognizing profits on intercompany sales until final sales to third parties occur. For a summary of net impacts from changes in these deferrals, refer to the supplemental schedule, "Deferred Profits," on page X.

Freeport-McMoRan Inc.
CONSOLIDATED BALANCE SHEETS (Unaudited)

	December 31,	
	2021	2020
	(In Millions)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 8,068	\$ 3,657
Trade accounts receivable	1,168	892
Income and other tax receivables	574	520
Inventories:		
Materials and supplies, net	1,669	1,594
Mill and leach stockpiles	1,170	1,014
Product	1,658	1,285
Other current assets	523	341
Total current assets	14,830	9,303
Property, plant, equipment and mine development costs, net	30,345	29,818
Long-term mill and leach stockpiles	1,387	1,463
Other assets	1,460	1,560
Total assets	\$ 48,022	\$ 42,144
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 3,495	\$ 2,708
Accrued income taxes	1,541	324
Current portion of debt	372	34
Current portion of environmental and asset retirement obligations	264	351
Dividends payable	220	—
Total current liabilities	5,892	3,417
Long-term debt, less current portion	9,078	9,677
Deferred income taxes	4,234	4,408
Environmental and asset retirement obligations, less current portion	4,116	3,705
Other liabilities	1,683	2,269
Total liabilities	25,003	23,476
Equity:		
Stockholders' equity:		
Common stock	160	159
Capital in excess of par value	25,875	26,037
Accumulated deficit	(7,375)	(11,681)
Accumulated other comprehensive loss	(388)	(583)
Common stock held in treasury	(4,292)	(3,758)
Total stockholders' equity	13,980	10,174
Noncontrolling interests ^a	9,039	8,494
Total equity	23,019	18,668
Total liabilities and equity	\$ 48,022	\$ 42,144

a. Includes \$4.6 billion associated with the December 2018 PT-FI transaction, including \$4.1 billion associated with the PT Indonesia Asahan Aluminium (Paser) acquisition of Rio Tinto's joint venture interest.

Freeport-McMoRan Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

	Years Ended December 31,	
	2021	2020
(In Millions)		
Cash flow from operating activities:		
Net income	\$ 5,365	\$ 865
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	1,998	1,528
Metals inventory adjustments	16	96
Net gain on sales of assets	(80)	(473)
Stock-based compensation	98	99
Net charges for environmental and AROs, including accretion	540 ^a	181
Payments for environmental and AROs	(273)	(216)
Charge for talc-related litigation	—	130
Net charges for defined pension and postretirement plans	4	65
Pension plan contributions	(109)	(121)
Net loss on early extinguishment of debt	—	101
Deferred income taxes	(171)	181
Charges for Cerro Verde royalty dispute	11	32
Payments for Cerro Verde royalty dispute	(421) ^b	(139)
Other, net	(18)	23
Changes in working capital and other:		
Accounts receivable	(472)	132
Inventories	(618)	42
Other current assets	(101)	(27)
Accounts payable and accrued liabilities	495	115
Accrued income taxes and timing of other tax payments	1,451	403
Net cash provided by operating activities	<u>7,715</u>	<u>3,017</u>
Cash flow from investing activities:		
Capital expenditures:		
North America copper mines	(342)	(428)
South America	(162)	(183)
Indonesia mining	(1,296)	(1,161)
Indonesia smelter projects	(222)	(105)
Molybdenum mines	(6)	(19)
Other	(87)	(65)
Proceeds from sales of:		
Freeport Cobalt, and Timok and Kisanfu exploration projects	200	595
Other assets	47	109
Acquisition of minority interest in PT Smelting	(33)	—
Other, net	(63)	(7)
Net cash used in investing activities	<u>(1,964)</u>	<u>(1,264)</u>
Cash flow from financing activities:		
Proceeds from debt	1,201	3,531
Repayments of debt	(1,461)	(3,724)
Cash dividends and distributions paid:		
Common stock	(331)	(73)
Noncontrolling interests	(583)	—
Treasury stock purchases	(488)	—
Contributions from noncontrolling interests	182	156
Proceeds from exercised stock options	210	51
Payments for withholding of employee taxes related to stock-based awards	(29)	(17)
Debt financing costs and other, net	(41)	(52)
Net cash used in financing activities	<u>(1,340)</u>	<u>(128)</u>
Net increase in cash, cash equivalents, restricted cash and restricted cash equivalents	4,411	1,625
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of year	3,903	2,278
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of year ^c	<u>\$ 8,314</u>	<u>\$ 3,903</u>

a. Includes \$340 million associated with an ARO adjustment at PT-FI.

b. Cerro Verde paid the balance of its royalty dispute liabilities in third-quarter 2021.

c. Includes restricted cash and restricted cash equivalents of \$246 million at December 31, 2021 and 2020.

Freeport-McMoRan Inc.
ADJUSTED NET INCOME

Adjusted net income is intended to provide investors and others with information about FCX's recurring operating performance. This information differs from net income attributable to common stock determined in accordance with U.S. generally accepted accounting principles (GAAP) and should not be considered in isolation or as a substitute for measures of performance determined in accordance with U.S. GAAP. FCX's adjusted net income follows, which may not be comparable to similarly titled measures reported by other companies (in millions, except per share amounts).

	Three Months Ended December 31,					
	2021			2020		
	Pre-tax	After-tax ^a	Per Share	Pre-tax	After-tax ^a	Per Share
Net income attributable to common stock	N/A	\$ 1,106	\$ 0.74	N/A	\$ 708	\$ 0.48
PT-FI ARO adjustment	\$ (340)	\$ (168)	\$ (0.11)	\$ —	\$ —	\$ —
PT-FI net charges	(231) ^b	(201)	(0.14)	(58) ^c	(57)	(0.04)
Cerro Verde labor agreement	(18)	(5)	—	—	—	—
Metals inventory adjustments	(1)	(1)	—	(4)	(4)	—
Other net credits (charges)	80 ^d	57	0.04	(90) ^e	(48)	(0.03)
Net adjustments to environmental obligations and related litigation reserves	(23)	(23)	(0.02)	(91) ^f	(91)	(0.06)
Net gain on sales of assets	17	17	0.01	486	350	0.24
Net loss on early extinguishment of debt	—	—	—	(1)	—	—
Net income tax credits (charges) ^g	N/A	9	0.01	N/A	(8)	(0.01)
	\$ (515) ^h	\$ (315)	\$ (0.21)	\$ 242	\$ 142	\$ 0.10
Adjusted net income attributable to common stock	N/A	\$ 1,421	\$ 0.96^h	N/A	\$ 566	\$ 0.39^h

	Years Ended December 31,					
	2021			2020		
	Pre-tax	After-tax ^a	Per Share	Pre-tax	After-tax ^a	Per Share
Net income attributable to common stock	N/A	\$ 4,306	\$ 2.90	N/A	\$ 599	\$ 0.41
PT-FI ARO adjustment	\$ (340)	\$ (168)	\$ (0.11)	\$ —	\$ —	\$ —
PT-FI net charges	(284) ^b	(182)	(0.12)	(65) ^c	(47)	(0.03)
Cerro Verde labor agreement	(92)	(29)	(0.02)	—	—	—
Metals inventory adjustments	(16)	(16)	(0.01)	(96)	(94)	(0.06)
COVID-19 related costs	—	—	—	(129) ⁱ	(60)	(0.04)
Revised operating plans	—	—	—	(129) ⁱ	(118)	(0.08)
Other net credits (charges)	68 ^d	39	0.02	(62) ^e	(24)	(0.02)
Net adjustments to environmental obligations and related litigation reserves	(38)	(38)	(0.03)	(113) ^f	(113)	(0.08)
Net gain on sales of assets	80	54	0.04	473	337	0.23
Net loss on early extinguishment of debt	—	—	—	(101)	(100)	(0.07)
Net income tax credits ^g	N/A	9	0.01	N/A	27	0.02
	\$ (621) ^h	\$ (331)	\$ (0.22)	\$ (223) ^h	\$ (191) ^h	\$ (0.13)
Adjusted net income attributable to common stock	N/A	\$ 4,637	\$ 3.13^h	N/A	\$ 790	\$ 0.54

a. Reflects impact to FCX net income attributable to common stock (i.e., net of any taxes and noncontrolling interests).

b. Reflects charges primarily associated with contested matters (including historical tax audits and an administrative fine levied by the Indonesia government) and asset impairments, which were recorded to production and delivery (\$29 million for the year 2021), interest expense, net (\$39 million in fourth-quarter 2021 and \$47 million for the year 2021), and other (expenses) income, net (\$192 million in fourth-quarter 2021 and \$208 million for the year 2021).

c. Reflects charges primarily associated with historical contested tax audits and currency exchange adjustments to value added tax receivables, which were recorded to interest expense, net (\$35 million for the fourth quarter and year 2020) and other (expenses) income, net (\$23 million in fourth-quarter 2020 and \$30 million for the year 2020).

d. Reflects net credits in fourth-quarter 2021 primarily associated with refunds of Arizona transaction privilege taxes related to purchased electricity, adjustments to prior year profit sharing at Cerro Verde and the collection of fully reserved oil and gas receivables. The year 2021 also includes other net charges recorded to production and delivery primarily associated with employee separation charges and international tax matters, partly offset by favorable ARO adjustments in North America. These net credits were recorded to production and delivery (\$57 million in fourth-quarter 2021 and \$45 million for the year 2021), selling, general and administrative (\$11 million for the fourth quarter and year 2021), interest expense, net (\$7 million for the fourth quarter and year 2021) and to other (expenses) income, net (\$5 million for the fourth quarter and year 2021).

Freeport-McMoRan Inc.
ADJUSTED NET INCOME (continued)

- e. Reflects net charges primarily associated with international tax matters, asset impairments and ARO adjustments, partly offset by net credits primarily associated with the sale of royalty assets. These net (charges) credits were recorded in revenues \$(7 million for the year 2020), production and delivery \$(41 million in fourth-quarter 2020 and \$(48 million for the year 2020), interest expense, net \$(50 million in fourth-quarter 2020 and \$(55 million for the year 2020) and to other expenses, net (\$1 million in fourth-quarter 2020 and \$48 million for the year 2020).
- f. Includes charges primarily associated with a framework for the resolution of all current and future potential talc-related litigation (\$130 million in fourth-quarter 2020 and \$132 million for the year 2020), partly offset by net favorable adjustments to environmental reserves (\$39 million in fourth-quarter 2020 and \$19 million for the year 2020).
- g. Refer to "Income Taxes" below for further discussion of net tax credits.
- h. Does not foot because of rounding.
- i. Primarily includes charges associated with (i) idle facility costs (Cerro Verde), contract cancellation and other charges directly related to the COVID-19 pandemic and (ii) the April 2020 revised operating plans (including employee separation costs), recorded in production and delivery (\$202 million), depreciation, depletion and amortization (\$32 million), selling, general and administrative (\$16 million), and mining exploration and research (\$8 million).

INCOME TAXES

Following is a summary of the approximate amounts used in the calculation of FCX's consolidated income tax provision (in millions, except percentages):

	Three Months Ended December 31,					
	2021			2020		
	Income (Loss) ^a	Effective Tax Rate	Income Tax (Provision) Benefit	Income (Loss) ^a	Effective Tax Rate	Income Tax (Provision) Benefit
U.S. ^b	\$ 559	1%	\$ (3) ^c	\$ 3	(133)%	\$ 4
South America	647	38%	(244) ^d	317	51%	(163) ^e
Indonesia	1,025	28%	(290) ^f	723	40%	(290)
PT-FI historical contested tax disputes	(198)	N/A	(133)	(44)	(32)%	(14)
Gain on sale of Kisanfu	—	N/A	—	486	N/A	(135)
Eliminations and other	(60)	N/A	36	(16)	N/A	4
Rate adjustment ^g	—	N/A	9	—	N/A	(17)
Continuing operations	<u>\$ 1,973</u>	<u>32%</u>	<u>\$ (625)</u>	<u>\$ 1,469</u>	<u>42%</u>	<u>\$ (611)</u>

	Years Ended December 31,					
	2021			2020		
	Income (Loss) ^a	Effective Tax Rate	Income Tax (Provision) Benefit	Income (Loss) ^a	Effective Tax Rate	Income Tax (Provision) Benefit
U.S. ^b	\$ 1,883	1%	\$ (10) ^c	\$ (532)	11%	\$ 60 ^h
South America	2,072	40%	(820) ^d	466	51%	(239) ^e
Indonesia	3,986	35%	(1,377) ^f	1,342	45%	(608) ⁱ
PT-FI historical contested tax disputes	(219)	N/A	(147)	(44)	5%	2
Gain on sale of Kisanfu	—	N/A	—	486	N/A	(135)
Eliminations and other	(63)	N/A	55	79	N/A	(24)
Continuing operations	<u>\$ 7,659</u>	<u>30%</u>	<u>\$ (2,299)</u>	<u>\$ 1,797</u>	<u>53%</u> ^j	<u>\$ (944)</u>

a. Represents income before income taxes and equity in affiliated companies' net earnings.

b. In addition to FCX's North America mining operations, the U.S. jurisdiction reflects corporate-level expenses, which include interest expense associated with senior notes, general and administrative expenses, and environmental obligations and shutdown costs.

c. Includes valuation allowance release on prior year unbenefited net operating losses (NOLs).

d. The fourth-quarter and year 2021 include a tax benefit at Cerro Verde of \$18 million (\$9 million net of noncontrolling interest) primarily associated with completion of tax audits for the years 2014 and 2015.

e. The fourth-quarter and year 2020 include tax charges at Cerro Verde of \$15 million (\$8 million net of noncontrolling interest), primarily associated with adjustments to profit sharing for prior years.

f. Includes net tax benefits associated with the release of valuation allowances recorded against PT Rio Tinto Indonesia NOLs totaling \$120 million (\$96 million net of noncontrolling interest) in fourth-quarter 2021 and \$189 million (\$151 million net of noncontrolling interest) for the year 2021. The year 2021 also includes a tax benefit of \$24 million (\$19 million net of noncontrolling interest), primarily associated with the reversal of a tax reserve related to the treatment of prior-year contractor support costs, partly offset by a tax charge of \$10 million (\$8 million net of noncontrolling interest) associated with the audit of PT-FI's 2019 tax returns.

Freeport-McMoRan Inc.
INCOME TAXES (continued)

- g. In accordance with applicable accounting rules, FCX adjusts its interim provision for income taxes equal to its consolidated tax rate.
- h. The year 2020 includes tax benefits of \$53 million associated with the reversal of a year-end 2019 tax charge related to the sale of FCX's interest in the lower zone of the Timok exploration project in Serbia and \$6 million associated with the removal of a valuation allowance on deferred tax assets.
- i. The year 2020 includes tax charges of \$21 million (\$17 million net of noncontrolling interests) associated with establishing a tax reserve related to the treatment of prior-year contractor support costs and \$8 million (\$7 million net of noncontrolling interest) associated with an unfavorable 2012 Indonesia Supreme Court ruling.
- j. FCX's consolidated effective income tax rate is a function of the combined effective tax rates for the jurisdictions in which FCX operates, excluding the U.S. jurisdiction.

Assuming achievement of current sales volume and cost estimates and average prices of \$4.50 per pound for copper, \$1,800 per ounce for gold and \$19.00 per pound for molybdenum, FCX estimates its consolidated effective tax rate for the year 2022 would approximate 30 percent. Changes in projected sales volumes and average prices during 2022 would incur tax impacts at estimated effective rates of 39 percent for Peru, 38 percent for Indonesia and 0 percent for the U.S.

NET DEBT

Net debt, which FCX defines as consolidated debt less consolidated cash and cash equivalents, is intended to provide investors with information related to the performance-based payout framework in FCX's financial policy, which requires achievement of a net debt target in the range of \$3 billion to \$4 billion (excluding project debt for additional smelting capacity in Indonesia). This information differs from consolidated debt determined in accordance with U.S. GAAP and should not be considered in isolation or as a substitute for consolidated debt determined in accordance with U.S. GAAP. FCX's net debt, which may not be comparable to similarly titled measures reported by other companies follows (in millions):

	As of December 31, 2021		As of December 31, 2020	
Current portion of debt	\$	372	\$	34
Long-term debt, less current portion		9,078		9,677
Consolidated debt		9,450 ^a		9,711
Less: consolidated cash and cash equivalents		8,068		3,657
Net debt	\$	1,382	\$	6,054

a. Includes \$432 million, net of debt issuance costs, for the PT-FI Term Loan.

DERIVATIVE INSTRUMENTS

For the year 2021, FCX's mined copper was sold 59 percent in concentrate, 21 percent as cathode and 20 percent as rod from North America operations. Substantially all of FCX's copper concentrate and cathode sales contracts provide final copper pricing in a specified future month (generally one to four months from the shipment date) based primarily on quoted London Metal Exchange (LME) monthly average copper prices. FCX records revenues and invoices customers at the time of shipment based on then-current LME prices, which results in an embedded derivative on provisionally priced concentrate and cathode sales that is adjusted to fair value through earnings each period, using the period-end forward prices, until final pricing on the date of settlement. LME copper settlement prices averaged \$4.40 per pound during fourth-quarter 2021 and settled at \$4.40 per pound on December 31, 2021. Because a significant portion of FCX's copper concentrate and cathode sales in any quarterly period usually remain subject to final pricing, the quarter-end forward price is a major determinant of the average recorded copper price for the period. FCX's average realized copper price was \$4.42 per pound in fourth-quarter 2021.

Following is a summary of the adjustments to prior period and current period provisionally priced copper sales (in millions, except per share amounts):

	Three Months Ended December 31,					
	2021			2020		
	Prior Period ^a	Current Period ^b	Total	Prior Period ^a	Current Period ^b	Total
Revenues	\$ 187	\$ 15	\$ 202	\$ 113	\$ 129	\$ 242
Net income attributable to common stock	\$ 75	\$ 5	\$ 80	\$ 41	\$ 50	\$ 91
Net income per share of common stock	\$ 0.05	\$ —	\$ 0.05	\$ 0.03	\$ 0.03	\$ 0.06

a. Reflects adjustments to provisionally priced copper sales at September 30, 2021 and 2020.

b. Reflects adjustments to provisionally priced copper sales during the fourth quarters of 2021 and 2020.

Freeport-McMoRan Inc.
DERIVATIVE INSTRUMENTS (continued)

	Years Ended December 31,								
	2021			2020					
	Prior Period ^a	Current Period ^b	Total	Prior Period ^a	Current Period ^b	Total	Prior Period ^a	Current Period ^b	Total
Revenues	\$ 169	\$ 256	\$ 425	\$ (102)	\$ 361	\$ 259			
Net income attributable to common stock	\$ 65	\$ 97	\$ 162	\$ (42)	\$ 134	\$ 92			
Net income per share of common stock	\$ 0.04	\$ 0.07	\$ 0.11	\$ (0.03)	\$ 0.09	\$ 0.06			

a. Reflects adjustments to provisionally priced copper sales at December 31, 2020 and 2019.

b. Reflects adjustments to provisionally priced copper sales for the years 2021 and 2020.

At December 31, 2021, FCX had provisionally priced copper sales at its copper mining operations totaling 397 million pounds of copper (net of intercompany sales and noncontrolling interests) recorded at an average price of \$4.42 per pound, subject to final pricing over the next several months. FCX estimates that each \$0.05 change in the price realized from the quarter-end provisional price would have an approximate \$12 million effect on 2022 net income attributable to common stock. The LME copper price settled at \$4.42 per pound on January 25, 2022.

DEFERRED PROFITS

FCX defers recognizing profits on sales from its mining operations to Atlantic Copper and on 39.5 percent of PT-FI's sales to PT Smelting (PT-FI's 39.5 percent-owned Indonesia smelting unit) until final sales to third parties occur. Changes in these deferrals attributable to variability in intercompany volumes resulted in net (reductions) additions to operating income totaling \$(44) million (\$10) million to net income attributable to common stock) in fourth-quarter 2021 and \$20 million (\$20 million to net income attributable to common stock) in fourth-quarter 2020, \$(188) million (\$(106) million to net income attributable to common stock) for the year 2021 and \$(7) million (\$1 million to net income attributable to common stock) for the year 2020. FCX's net deferred profits on its inventories at Atlantic Copper and PT Smelting to be recognized in future periods' net income attributable to common stock totaled \$175 million at December 31, 2021. Quarterly variations in ore grades, the timing of intercompany shipments and changes in product prices will result in variability in FCX's net deferred profits and quarterly earnings. Based on current estimates, FCX does not expect a significant change in its net deferred profits in first-quarter 2022.

BUSINESS SEGMENTS

FCX has organized its mining operations into four primary divisions – North America copper mines, South America mining, Indonesia mining and Molybdenum mines, and operating segments that meet certain thresholds are reportable segments. Separately disclosed in the following tables are FCX's reportable segments, which include the Morenci, Cerro Verde and Grasberg (Indonesia Mining) copper mines, the Rod & Refining operations and Atlantic Copper Smelting & Refining.

Intersegment sales between FCX's business segments are based on terms similar to arms-length transactions with third parties at the time of the sale. Intersegment sales may not be reflective of the actual prices ultimately realized because of a variety of factors, including additional processing, the timing of sales to unaffiliated customers and transportation premiums.

FCX allocates certain operating costs, expenses and capital expenditures to its operating divisions and individual segments. However, not all costs and expenses applicable to an operation are allocated. U.S. federal and state income taxes are recorded and managed at the corporate level (included in Corporate, Other & Eliminations), whereas foreign income taxes are recorded and managed at the applicable country level. In addition, most mining exploration and research activities are managed on a consolidated basis, and those costs along with some selling, general and administrative costs, are not allocated to the operating divisions or individual segments. Accordingly, the following segment information reflects management determinations that may not be indicative of what the actual financial performance of each operating division or segment would be if it was an independent entity.

Freeport-McMoRan Inc.
BUSINESS SEGMENTS (continued)

(In millions)

	North America Copper Mines			South America Mining			Indonesia Mining	Molybdenum Mines	Rod & Refining	Atlantic Copper Smelting & Refining	Corporate, Other & Eliminations	FCX Total
	Morenci	Other	Total	Cerro Verde	Other	Total						
Three Months Ended December 31, 2021												
Revenues:												
Unaffiliated customers	\$ 5	\$ 33	\$ 38	\$ 1,015	\$ 208	\$ 1,223	\$ 2,144 ^a	\$ —	\$ 1,661	\$ 697	\$ 401 ^b	\$ 6,164
Intersegment	732	1,052	1,784	200	—	200	93	134	9	—	(2,220)	—
Production and delivery	294	589	883	537 ^c	123	660	873 ^d	70	1,673	694	(1,699)	3,154
Depreciation, depletion and amortization	38	56	94	94	13	107	323	16	2	6	20	568
Metals inventory adjustments	—	—	—	—	—	—	—	—	—	—	1	1
Selling, general and administrative expenses	1	—	1	2	—	2	30	—	—	7	54	94
Mining exploration and research expenses	—	—	—	—	—	—	—	—	—	—	19	19
Environmental obligations and shutdown costs	—	—	—	—	—	—	—	—	—	—	40	40
Net (gain) loss on sales of assets	—	—	—	—	—	—	—	—	—	(19)	2	(17)
Operating income (loss)	404	440	844	582	72	654	1,011	48	(5)	9	(256)	2,305
Interest expense, net	—	—	—	(3)	—	(3)	40	—	—	2	132	171
Provision for (benefit from) income taxes	—	—	—	215	28	243	423	—	—	1	(42)	625
Total assets at December 31, 2021	2,708	5,208	7,916	8,694	1,921	10,615	18,971	1,713	228	1,318	7,261	48,022
Capital expenditures	61	70	131	48	20	68	392	2	—	16	162 ^e	771
Three Months Ended December 31, 2020												
Revenues:												
Unaffiliated customers	\$ 3	\$ 13	\$ 16	\$ 803	\$ 119	\$ 922	\$ 1,383 ^a	\$ —	\$ 1,290	\$ 591	\$ 293 ^b	\$ 4,495
Intersegment	542	596	1,138	86	—	86	42	51	9	1	(1,327)	—
Production and delivery	264	421	685	447	82	529	476	52	1,290	583	(988)	2,627
Depreciation, depletion and amortization	37	46	83	94	12	106	205	13	2	7	19	435
Metals inventory adjustments	—	—	—	—	—	—	—	2	—	—	2	4
Selling, general and administrative expenses	—	1	1	1	—	1	27	—	—	6	62	97
Mining exploration and research expenses	—	—	—	—	—	—	—	—	—	—	8	8
Environmental obligations and shutdown costs	—	2	2	—	—	—	—	—	—	—	99	101
Net gain on sales of assets	—	—	—	—	—	—	—	—	—	—	(486)	(486)
Operating income (loss)	244	139	383	347	25	372	717	(16)	7	(4)	250	1,709
Interest expense, net	—	—	—	70	—	70	37	—	—	2	127	236
Provision for income taxes	—	—	—	156	7	163	304	—	—	1	143	611
Total assets at December 31, 2020	2,574	5,163	7,737	8,474	1,678	10,152	16,918	1,760	211	877	4,489	42,144
Capital expenditures	10	20	30	25	2	27	296	5	1	12	17 ^e	388

a. Includes PT-FI's sales to PT Smelting totaling \$789 million in fourth-quarter 2021 and \$441 million in fourth-quarter 2020.

b. Includes revenues from FCX's molybdenum sales company, which includes sales of molybdenum produced by the Molybdenum mines and by certain of the North America and South America copper mines.

c. Includes nonrecurring charges totaling \$18 million associated with labor-related charges at Cerro Verde for collective labor agreements reached with its hourly employees.

d. Includes charges totaling \$340 million associated with unfavorable ARO change.

e. Includes capital expenditures for the Indonesia smelter projects of \$143 million in fourth-quarter 2021 and \$11 million in fourth-quarter 2020.

Freeport-McMoRan Inc.
BUSINESS SEGMENTS (continued)

(In millions)

	North America Copper Mines			South America Mining			Indonesia Mining	Molybdenum Mines	Rod & Refining	Atlantic Copper Smelting & Refining	Corporate, Other & Eliminations	FCX Total
	Morenci	Other	Total	Cerro Verde	Other	Total						
Year Ended December 31, 2021												
Revenues:												
Unaffiliated customers	\$ 82	\$ 180	\$ 262	\$ 3,736	\$ 720	\$ 4,456	\$ 7,241 ^a	\$ —	\$ 6,356	\$ 2,961	\$ 1,569 ^b	\$ 22,845
Intersegment	2,728	3,835	6,563	460	—	460	282	444	29	—	(7,778)	—
Production and delivery	1,226	2,235	3,461	2,000 ^c	429	2,429	2,425 ^d	253	6,381	2,907	(5,840) ^e	12,016
Depreciation, depletion and amortization	152	217	369	366	47	413	1,049	67	5	28	67	1,998
Metals inventory adjustments	13	—	13	—	—	—	—	1	—	—	—	16
Selling, general and administrative expenses	2	2	4	8	—	8	111	—	—	24	236	383
Mining exploration and research expenses	—	1	1	—	—	—	—	—	—	—	54	55
Environmental obligations and shutdown costs	—	(1)	(1)	—	—	—	—	—	—	—	92	91
Net gain on sales of assets	—	—	—	—	—	—	—	—	—	(19)	(61)	(80)
Operating income (loss)	1,417	1,561	2,978	1,822	244	2,066	3,938	123	(1)	21	(759)	8,366
Interest expense, net	—	1	1	28	—	28	48	—	—	6	519	602
Provision for (benefit from) income taxes	—	—	—	730	90	820	1,524	—	—	—	(45)	2,299
Capital expenditures	135	207	342	132	30	162	1,296	6	2	34	273 ^f	2,115
Year Ended December 31, 2020												
Revenues:												
Unaffiliated customers	\$ 29	\$ 48	\$ 77	\$ 2,282	\$ 431	\$ 2,713	\$ 3,534 ^a	\$ —	\$ 4,781	\$ 2,020	\$ 1,073 ^b	\$ 14,198
Intersegment	2,015	2,272	4,287	242	—	242	80	222	33	17	(4,881)	—
Production and delivery	1,269	1,831	3,100	1,599	379	1,978	1,606	230	4,819	1,962	(3,664)	10,031
Depreciation, depletion and amortization	166	189	355	367	54	421	580	57	16	29	70	1,528
Metals inventory adjustments	4	48	52	—	3	3	—	10	3	—	28	96
Selling, general and administrative expenses	2	2	4	6	—	6	108	—	—	21	231	370
Mining exploration and research expenses	—	2	2	—	—	—	—	—	—	—	48	50
Environmental obligations and shutdown costs	—	(1)	(1)	—	—	—	—	—	1	—	159	159
Net gain on sales of assets	—	—	—	—	—	—	—	—	—	—	(473)	(473)
Operating income (loss)	603	249	852	552	(5)	547	1,320	(75)	(25)	25	(207)	2,437
Interest expense, net	2	—	2	139	—	139	39	—	—	6	412	598
Provision for income taxes	—	—	—	238	1	239	606	—	—	2	97	944
Capital expenditures	102	326	428	141	42	183	1,161	19	6	29	135 ^f	1,961

a. Includes PT-FI's sales to PT Smelting totaling \$3.1 billion for the year 2021 and \$1.8 billion for the year 2020.

b. Includes revenues from FCX's molybdenum sales company, which includes sales of molybdenum produced by the Molybdenum mines and by certain of the North America and South America copper mines.

c. Includes nonrecurring charges totaling \$92 million associated with labor-related charges at Cerro Verde for collective labor agreements reached with its hourly employees.

d. Includes charges totaling \$340 million associated with unfavorable ARO change.

e. Includes charges associated with the major maintenance turnaround at the Miami Smelter totaling \$87 million.

f. Includes capital expenditures for the Indonesia smelter projects of \$222 million for the year 2021 and \$105 million for the year 2020.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS

Unit net cash costs per pound of copper and molybdenum are measures intended to provide investors with information about the cash-generating capacity of FCX's mining operations expressed on a basis relating to the primary metal product for the respective operations. FCX uses this measure for the same purpose and for monitoring operating performance by its mining operations. This information differs from measures of performance determined in accordance with U.S. GAAP and should not be considered in isolation or as a substitute for measures of performance determined in accordance with U.S. GAAP. These measures are presented by other metals mining companies, although FCX's measures may not be comparable to similarly titled measures reported by other companies.

FCX presents gross profit per pound of copper in the following tables using both a "by-product" method and a "co-product" method. FCX uses the by-product method in its presentation of gross profit per pound of copper because (i) the majority of its revenues are copper revenues, (ii) it mines ore, which contains copper, gold, molybdenum and other metals, (iii) it is not possible to specifically assign all of FCX's costs to revenues from the copper, gold, molybdenum and other metals it produces and (iv) it is the method used by FCX's management and Board of Directors to monitor FCX's mining operations and to compare mining operations in certain industry publications. In the co-product method presentations, shared costs are allocated to the different products based on their relative revenue values, which will vary to the extent FCX's metals sales volumes and realized prices change.

FCX shows revenue adjustments for prior period open sales as a separate line item. Because these adjustments do not result from current period sales, these amounts have been reflected separately from revenues on current period sales. Noncash and other costs, which are removed from site production and delivery costs in the calculation of unit net cash costs, consist of items such as stock-based compensation costs, long-lived asset impairments, idle facility costs, restructuring and/or unusual charges. As discussed above, gold, molybdenum and other metal revenues at copper mines are reflected as credits against site production and delivery costs in the by-product method. The following schedules are presentations under both the by-product and co-product methods together with reconciliations to amounts reported in FCX's consolidated financial statements.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

North America Copper Mines Product Revenues, Production Costs and Unit Net Cash Costs

Three Months Ended December 31, 2021
(In millions)

	By-Product Method	Co-Product Method			Total
		Copper	Molybdenum ^a	Other ^b	
Revenues, excluding adjustments	\$ 1,614	\$ 1,614	\$ 144	\$ 27	\$ 1,785
Site production and delivery, before net noncash and other costs shown below	796	728	84	14	826
By-product credits	(141)	—	—	—	—
Treatment charges	37	36	—	1	37
Net cash costs	692	764	84	15	863
Depreciation, depletion and amortization (DD&A)	93	86	6	1	93
Noncash and other costs (credits), net	2 ^c	4	(2)	—	2
Total costs	787	854	88	16	958
Other revenue adjustments, primarily for pricing on prior period open sales	22	22	—	—	22
Gross profit	\$ 849	\$ 782	\$ 56	\$ 11	\$ 849
Copper sales (millions of recoverable pounds)	364	364			
Molybdenum sales (millions of recoverable pounds) ^a			8		
Gross profit per pound of copper/molybdenum:					
Revenues, excluding adjustments	\$ 4.43	\$ 4.43	\$ 17.44		
Site production and delivery, before net noncash and other costs shown below	2.19	2.00	10.13		
By-product credits	(0.39)	—	—		
Treatment charges	0.10	0.10	—		
Unit net cash costs	1.90	2.10	10.13		
DD&A	0.26	0.23	0.74		
Noncash and other costs (credits), net	— ^c	0.01	(0.26)		
Total unit costs	2.16	2.34	10.61		
Other revenue adjustments, primarily for pricing on prior period open sales	0.06	0.06	—		
Gross profit per pound	\$ 2.33	\$ 2.15	\$ 6.83		
Reconciliation to Amounts Reported					
	Revenues	Production and Delivery	DD&A		
Totals presented above	\$ 1,785	\$ 826	\$ 93		
Treatment charges	(3)	34	—		
Noncash and other costs, net	—	2	—		
Other revenue adjustments, primarily for pricing on prior period open sales	22	—	—		
Eliminations and other	18	—	1		
North America copper mines	1,822	883	94		
Other mining ^d	6,161	3,970	454		
Corporate, other & eliminations	(1,819)	(1,699)	20		
As reported in FCX's consolidated financial statements	\$ 6,164	\$ 3,154	\$ 568		

a. Reflects sales of molybdenum produced by certain of the North America copper mines to FCX's molybdenum sales company at market-based pricing.

b. Includes gold and silver product revenues and production costs.

c. Includes credits totaling \$27 million (\$0.07 per pound of copper) associated with refunds of Arizona transaction privilege taxes related to purchased electricity.

d. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

North America Copper Mines Product Revenues, Production Costs and Unit Net Cash Costs

Three Months Ended December 31, 2020
(In millions)

	By-Product Method	Co-Product Method			Total
		Copper	Molybdenum ^a	Other ^b	
Revenues, excluding adjustments	\$ 1,056	\$ 1,056	\$ 70	\$ 10	\$ 1,136
Site production and delivery, before net noncash and other costs shown below	594	566	50	—	616
By-product credits	(58)	—	—	—	—
Treatment charges (credits)	30	31	—	(1)	30
Net cash costs (credits)	566	597	50	(1)	646
DD&A	83	79	4	—	83
Noncash and other costs (credits), net	32	33	—	(1)	32
Total costs (credits)	681	709	54	(2)	761
Other revenue adjustments, primarily for pricing on prior period open sales	12	12	—	—	12
Gross profit	\$ 387	\$ 359	\$ 16	\$ 12	\$ 387
Copper sales (millions of recoverable pounds)	320	320			
Molybdenum sales (millions of recoverable pounds) ^a			9		
Gross profit per pound of copper/molybdenum:					
Revenues, excluding adjustments	\$ 3.29	\$ 3.29	\$ 8.77		
Site production and delivery, before net noncash and other costs shown below	1.85	1.76	6.20		
By-product credits	(0.18)	—	—		
Treatment charges	0.09	0.10	—		
Unit net cash costs	1.76	1.86	6.20		
DD&A	0.26	0.25	0.52		
Noncash and other costs, net	0.10	0.10	0.01		
Total unit costs	2.12	2.21	6.73		
Other revenue adjustments, primarily for pricing on prior period open sales	0.04	0.04	—		
Gross profit per pound	\$ 1.21	\$ 1.12	\$ 2.04		

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A
Totals presented above	\$ 1,136	\$ 616	\$ 83
Treatment charges	(2)	28	—
Noncash and other costs, net	—	32	—
Other revenue adjustments, primarily for pricing on prior period open sales	12	—	—
Eliminations and other	8	9	—
North America copper mines	1,154	685	83
Other mining ^c	4,375	2,930	333
Corporate, other & eliminations	(1,034)	(988)	19
As reported in FCX's consolidated financial statements	\$ 4,495	\$ 2,627	\$ 435

- a. Reflects sales of molybdenum produced by certain of the North America copper mines to FCX's molybdenum sales company at market-based pricing.
b. Includes gold and silver product revenues and production costs.
c. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

North America Copper Mines Product Revenues, Production Costs and Unit Net Cash Costs

Year Ended December 31, 2021

(In millions)	By-Product Method	Co-Product Method				Total
		Copper	Molybdenum ^a	Other ^b		
Revenues, excluding adjustments	\$ 6,174	\$ 6,174	\$ 481	\$ 120	\$ 6,775	
Site production and delivery, before net noncash and other costs shown below	3,051	2,820	278	75	3,173	
By-product credits	(479)	—	—	—	—	
Treatment charges	135	130	—	5	135	
Net cash costs	2,707	2,950	278	80	3,308	
DD&A	368	340	21	7	368	
Metals inventory adjustments	13	13	—	—	13	
Noncash and other costs, net	105 ^c	102	1	2	105	
Total costs	3,193	3,405	300	89	3,794	
Other revenue adjustments, primarily for pricing on prior period open sales	7	7	—	—	7	
Gross profit	\$ 2,988	\$ 2,776	\$ 181	\$ 31	\$ 2,988	
Copper sales (millions of recoverable pounds)	1,436	1,436				
Molybdenum sales (millions of recoverable pounds) ^a			34			
Gross profit per pound of copper/molybdenum:						
Revenues, excluding adjustments	\$ 4.30	\$ 4.30	\$ 14.14			
Site production and delivery, before net noncash and other costs shown below	2.13	1.96	8.17			
By-product credits	(0.33)	—	—			
Treatment charges	0.09	0.09	—			
Unit net cash costs	1.89	2.05	8.17			
DD&A	0.25	0.24	0.62			
Metals inventory adjustments	0.01	0.01	—			
Noncash and other costs, net	0.07 ^c	0.07	0.03			
Total unit costs	2.22	2.37	8.82			
Other revenue adjustments, primarily for pricing on prior period open sales	—	—	—			
Gross profit per pound	\$ 2.08	\$ 1.93	\$ 5.32			
Reconciliation to Amounts Reported						
	Revenues	Production and Delivery	DD&A	Metals Inventory Adjustments		
Totals presented above	\$ 6,775	\$ 3,173	\$ 368	\$ 13		
Treatment charges	(24)	111	—	—		
Noncash and other costs, net	—	105	—	—		
Other revenue adjustments, primarily for pricing on prior period open sales	7	—	—	—		
Eliminations and other	67	72	1	—		
North America copper mines	6,825	3,461	369	13		
Other mining ^d	22,229	14,395	1,562	1		
Corporate, other & eliminations	(6,209)	(5,840)	67	2		
As reported in FCX's consolidated financial statements	\$ 22,845	\$ 12,016	\$ 1,998	\$ 16		

a. Reflects sales of molybdenum produced by certain of the North America copper mines to FCX's molybdenum sales company at market-based pricing.

b. Includes gold and silver product revenues and production costs.

c. Includes credits totaling \$27 million (\$0.02 per pound of copper) associated with refunds of Arizona transaction privilege taxes related to purchased electricity.

d. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

North America Copper Mines Product Revenues, Production Costs and Unit Net Cash Costs

Year Ended December 31, 2020

(In millions)	By-Product Method	Co-Product Method			Total
		Copper	Molybdenum ^a	Other ^b	
Revenues, excluding adjustments	\$ 4,005 ^c	\$ 4,005	281	83	4,369
Site production and delivery, before net noncash and other costs shown below	2,700	2,529	223	44	2,796
By-product credits	(268)	—	—	—	—
Treatment charges	139	136	—	3	139
Net cash costs	2,571	2,665	223	47	2,935
DD&A	355	330	18	7	355
Metals inventory adjustments	52	49	—	3	52
Noncash and other costs, net	138 ^d	133	3	2	138
Total costs	3,116	3,177	244	59	3,480
Other revenue adjustments, primarily for pricing on prior period open sales	(22)	(22)	—	—	(22)
Gross profit	\$ 867	\$ 806	\$ 37	\$ 24	\$ 867
Copper sales (millions of recoverable pounds)	1,420	1,420			
Molybdenum sales (millions of recoverable pounds) ^a			33		
Gross profit per pound of copper/molybdenum:					
Revenues, excluding adjustments	\$ 2.82 ^c	\$ 2.82	\$ 8.62		
Site production and delivery, before net noncash and other costs shown below	1.90	1.78	6.84		
By-product credits	(0.19)	—	—		
Treatment charges	0.10	0.10	—		
Unit net cash costs	1.81	1.88	6.84		
DD&A	0.25	0.23	0.56		
Metals inventory adjustments	0.03	0.03	—		
Noncash and other costs, net	0.10 ^d	0.10	0.09		
Total unit costs	2.19	2.24	7.49		
Other revenue adjustments, primarily for pricing on prior period open sales	(0.02)	(0.02)	—		
Gross profit per pound	\$ 0.61	\$ 0.56	\$ 1.13		
<i>Reconciliation to Amounts Reported</i>					
	Revenues	Production and Delivery	DD&A	Metals Inventory Adjustments	
Totals presented above	\$ 4,369	\$ 2,796	\$ 355	\$ 52	
Treatment charges	(15)	124	—	—	
Noncash and other costs, net	—	138	—	—	
Other revenue adjustments, primarily for pricing on prior period open sales	(22)	—	—	—	
Eliminations and other	32	42	—	—	
North America copper mines	4,364	3,100	355	52	
Other mining ^e	13,642	10,595	1,103	16	
Corporate, other & eliminations	(3,808)	(3,664)	70	28	
As reported in FCX's consolidated financial statements	\$ 14,198	\$ 10,031	\$ 1,528	\$ 96	

a. Reflects sales of molybdenum produced by certain of the North America copper mines to FCX's molybdenum sales company at market-based pricing.

b. Includes gold and silver product revenues and production costs.

c. Includes reductions to revenues and average realized prices totaling \$24 million (\$0.02 per pound of copper) related to forward sales contracts covering 150 million pounds of copper sales for May and June 2020 at a fixed price of \$2.34 per pound.

d. Includes charges totaling \$32 million (\$0.02 per pound of copper) primarily associated with the April 2020 revised operating plans (including employee separation costs) and the COVID-19 pandemic (including health and safety costs).

e. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

South America Mining Product Revenues, Production Costs and Unit Net Cash Costs

Three Months Ended December 31, 2021

(In millions)

	By-Product Method	Co-Product Method		
		Copper	Other ^a	Total
Revenues, excluding adjustments	\$ 1,263	\$ 1,263	\$ 117	\$ 1,380
Site production and delivery, before net noncash and other costs shown below	659 ^b	608	64	672
By-product credits	(104)	—	—	—
Treatment charges	38	38	—	38
Royalty on metals	3	2	1	3
Net cash costs	596	648	65	713
DD&A	107	97	10	107
Noncash and other credits, net	(11) ^c	(9)	(2)	(11)
Total costs	692	736	73	809
Other revenue adjustments, primarily for pricing on prior period open sales	84	84	—	84
Gross profit	\$ 655	\$ 611	\$ 44	\$ 655
Copper sales (millions of recoverable pounds)	286	286		
Gross profit per pound of copper:				
Revenues, excluding adjustments	\$ 4.41	\$ 4.41		
Site production and delivery, before net noncash and other costs shown below	2.30 ^b	2.12		
By-product credits	(0.36)	—		
Treatment charges	0.13	0.13		
Royalty on metals	0.01	0.01		
Unit net cash costs	2.08	2.26		
DD&A	0.38	0.34		
Noncash and other credits, net	(0.04) ^c	(0.03)		
Total unit costs	2.42	2.57		
Other revenue adjustments, primarily for pricing on prior period open sales	0.30	0.30		
Gross profit per pound	\$ 2.29	\$ 2.14		

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A
Totals presented above	\$ 1,380	\$ 672	\$ 107
Treatment charges	(38)	—	—
Royalty on metals	(3)	—	—
Noncash and other credits, net	—	(11)	—
Other revenue adjustments, primarily for pricing on prior period open sales	84	—	—
Eliminations and other	—	(1)	—
South America mining	1,423	660	107
Other mining ^d	6,560	4,193	441
Corporate, other & eliminations	(1,819)	(1,699)	20
As reported in FCX's consolidated financial statements	\$ 6,164	\$ 3,154	\$ 568

a. Includes silver sales of 1.0 million ounces (\$21.86 per ounce average realized price). Also reflects sales of molybdenum produced by Cerro Verde to FCX's molybdenum sales company at market-based pricing.

b. Includes nonrecurring charges totaling \$18 million (\$0.06 per pound of copper) associated with labor-related charges at Cerro Verde for collective labor agreements reached with its hourly employees.

c. Includes credits totaling \$26 million (\$0.09 per pound) associated with favorable adjustments to prior-year profit sharing at Cerro Verde.

d. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

South America Mining Product Revenues, Production Costs and Unit Net Cash Costs

Three Months Ended December 31, 2020
(In millions)

	By-Product Method	Co-Product Method		
		Copper	Other ^a	Total
Revenues, excluding adjustments	\$ 905	\$ 905	\$ 69	\$ 974
Site production and delivery, before net noncash and other costs shown below	503	470	46	516
By-product credits	(56)	—	—	—
Treatment charges	41	41	—	41
Royalty on metals	2	2	—	2
Net cash costs	490	513	46	559
DD&A	106	98	8	106
Noncash and other costs, net	13	12	1	13
Total costs	609	623	55	678
Other revenue adjustments, primarily for pricing on prior period open sales	78	78	—	78
Gross profit	\$ 374	\$ 360	\$ 14	\$ 374
Copper sales (millions of recoverable pounds)	260	260		
Gross profit per pound of copper:				
Revenues, excluding adjustments	\$ 3.48	\$ 3.48		
Site production and delivery, before net noncash and other costs shown below	1.93	1.80		
By-product credits	(0.22)	—		
Treatment charges	0.16	0.16		
Royalty on metals	0.01	0.01		
Unit net cash costs	1.88	1.97		
DD&A	0.41	0.37		
Noncash and other costs, net	0.05	0.05		
Total unit costs	2.34	2.39		
Other revenue adjustments, primarily for pricing on prior period open sales	0.30	0.30		
Gross profit per pound	\$ 1.44	\$ 1.39		

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A
Totals presented above	\$ 974	\$ 516	\$ 106
Treatment charges	(41)	—	—
Royalty on metals	(2)	—	—
Noncash and other costs, net	—	13	—
Other revenue adjustments, primarily for pricing on prior period open sales	78	—	—
Eliminations and other	(1)	—	—
South America mining	1,008	529	106
Other mining ^b	4,521	3,086	310
Corporate, other & eliminations	(1,034)	(988)	19
As reported in FCX's consolidated financial statements	\$ 4,495	\$ 2,627	\$ 435

- a. Includes silver sales of 0.9 million ounces (\$27.87 per ounce average realized price). Also reflects sales of molybdenum produced by Cerro Verde to FCX's molybdenum sales company at market-based pricing.
b. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

South America Mining Product Revenues, Production Costs and Unit Net Cash Costs

Year Ended December 31, 2021

(In millions)	By-Product Method	Co-Product Method		
		Copper	Other ^a	Total
Revenues, excluding adjustments	\$ 4,585	\$ 4,585	\$ —	\$ 4,585
Site production and delivery, before net noncash and other costs shown below	2,349 ^b	2,175	219	2,394
By-product credits	(338)	—	—	—
Treatment charges	140	140	—	140
Royalty on metals	10	9	1	10
Net cash costs	2,161	2,324	220	2,544
DD&A	413	379	34	413
Noncash and other costs, net	38 ^c	36	2	38
Total costs	2,612	2,739	256	2,995
Other revenue adjustments, primarily for pricing on prior period open sales	99	99	—	99
Gross profit	\$ 2,072	\$ 1,945	\$ 127	\$ 2,072

Copper sales (millions of recoverable pounds) 1,055 1,055

Gross profit per pound of copper:

Revenues, excluding adjustments	\$ 4.34	\$ 4.34	
Site production and delivery, before net noncash and other costs shown below	2.23 ^b	2.06	
By-product credits	(0.32)	—	
Treatment charges	0.13	0.13	
Royalty on metals	0.01	0.01	
Unit net cash costs	2.05	2.20	
DD&A	0.39	0.37	
Noncash and other costs, net	0.03 ^c	0.03	
Total unit costs	2.47	2.60	
Other revenue adjustments, primarily for pricing on prior period open sales	0.09	0.09	
Gross profit per pound	\$ 1.96	\$ 1.83	

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A
Totals presented above	\$ 4,968	\$ 2,394	\$ 413
Treatment charges	(140)	—	—
Royalty on metals	(10)	—	—
Noncash and other costs, net	—	38	—
Other revenue adjustments, primarily for pricing on prior period open sales	99	—	—
Eliminations and other	(1)	(3)	—
South America mining	4,916	2,429	413
Other mining ^d	24,138	15,427	1,518
Corporate, other & eliminations	(6,209)	(5,840)	67
As reported in FCX's consolidated financial statements	\$ 22,845	\$ 12,016	\$ 1,998

a. Includes silver sales of 3.7 million ounces (\$24.73 per ounce average realized price). Also reflects sales of molybdenum produced by Cerro Verde to FCX's molybdenum sales company at market-based pricing.

b. Includes nonrecurring charges totaling \$92 million (\$0.09 per pound of copper) associated with labor-related charges at Cerro Verde for collective labor agreements reached with its hourly employees.

c. Includes credits totaling \$26 million (\$0.03 per pound) associated with favorable adjustments to prior-year profit sharing at Cerro Verde.

d. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

South America Mining Product Revenues, Production Costs and Unit Net Cash Costs

Year Ended December 31, 2020

(In millions)	By-Product Method	Co-Product Method		
		Copper	Other ^a	Total
Revenues, excluding adjustments	\$ 2,976	\$ 2,976	\$ 209	\$ 3,185
Site production and delivery, before net noncash and other costs shown below	1,816	1,701	158	1,859
By-product credits	(166)	—	—	—
Treatment charges	152	152	—	152
Royalty on metals	6	6	—	6
Net cash costs	1,808	1,859	158	2,017
DD&A	421	391	30	421
Metals inventory adjustments	3	3	—	3
Noncash and other costs, net	122 ^b	115	7	122
Total costs	2,354	2,368	195	2,563
Other revenue adjustments, primarily for pricing on prior period open sales	(70)	(70)	—	(70)
Gross profit	\$ 552	\$ 538	\$ 14	\$ 552
Copper sales (millions of recoverable pounds)	976	976		
Gross profit per pound of copper:				
Revenues, excluding adjustments	\$ 3.05	\$ 3.05		
Site production and delivery, before net noncash and other costs shown below	1.86	1.74		
By-product credits	(0.17)	—		
Treatment charges	0.15	0.15		
Royalty on metals	0.01	0.01		
Unit net cash costs	1.85	1.90		
DD&A	0.43	0.41		
Metals inventory adjustments	—	—		
Noncash and other costs, net	0.13 ^b	0.12		
Total unit costs	2.41	2.43		
Other revenue adjustments, primarily for pricing on prior period open sales	(0.07)	(0.07)		
Gross profit per pound	\$ 0.57	\$ 0.55		

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A	Metals Inventory Adjustments
Totals presented above	\$ 3,185	\$ 1,859	\$ 421	\$ 3
Treatment charges	(152)	—	—	—
Royalty on metals	(6)	—	—	—
Noncash and other costs, net	—	122	—	—
Other revenue adjustments, primarily for pricing on prior period open sales	(70)	—	—	—
Eliminations and other	(2)	(3)	—	—
South America mining	2,955	1,978	421	3
Other mining:	15,051	11,717	1,037	65
Corporate, other & eliminations	(3,808)	(3,664)	70	28
As reported in FCX's consolidated financial statements	\$ 14,198	\$ 10,031	\$ 1,528	\$ 96

a. Includes silver sales of 3.4 million ounces (\$21.86 per ounce average realized price). Also reflects sales of molybdenum produced by Cerro Verde to FCX's molybdenum sales company at market-based pricing.

b. Includes charges totaling \$91 million (\$0.09 per pound of copper) primarily associated with idle facility (Cerro Verde) and contract cancellation costs related to the COVID-19 pandemic, and employee separation costs associated with the April 2020 revised operating plans.

c. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

Indonesia Mining Product Revenues, Production Costs and Unit Net Cash Costs

Three Months Ended December 31, 2021

(In millions)

	By-Product	Co-Product Method			
	Method	Copper	Gold	Silver ^a	Total
Revenues, excluding adjustments	\$ 1,627	\$ 1,627	\$ 710	\$ 37	\$ 2,374
Site production and delivery, before net noncash and other costs shown below	541	371	162	8	541
Gold and silver credits	(759)	—	—	—	—
Treatment charges	90	62	27	1	90
Export duties	73	50	22	1	73
Royalty on metals	85	57	27	1	85
Net cash costs	30	540	238	11	789
DD&A	323	221	97	5	323
Noncash and other costs, net	352 ^b	241	105	6	352
Total costs	705	1,002	440	22	1,464
Other revenue adjustments, primarily for pricing on prior period open sales	99	99	10	2	111
PT Smelting intercompany profit	20	14	6	—	20
Gross profit	\$ 1,041	\$ 738	\$ 286	\$ 17	\$ 1,041
Copper sales (millions of recoverable pounds)	370	370			
Gold sales (thousands of recoverable ounces)			392		
Gross profit per pound of copper/per ounce of gold:					
Revenues, excluding adjustments	\$ 4.41	\$ 4.41	\$ 1.808		
Site production and delivery, before net noncash and other costs shown below	1.47	1.00	411		
Gold and silver credits	(2.06)	—	—		
Treatment charges	0.24	0.17	69		
Export duties	0.20	0.14	56		
Royalty on metals	0.23	0.15	69		
Unit net cash costs	0.08	1.46	605		
DD&A	0.88	0.60	247		
Noncash and other costs, net	0.95 ^b	0.66	268		
Total unit costs	1.91	2.72	1,120		
Other revenue adjustments, primarily for pricing on prior period open sales	0.27	0.27	27		
PT Smelting intercompany profit	0.05	0.04	15		
Gross profit per pound/ounce	\$ 2.82	\$ 2.00	\$ 730		
Reconciliation to Amounts Reported					
	Revenues	Production and Delivery	DD&A		
Totals presented above	\$ 2,374	\$ 541	\$ 323		
Treatment charges	(90)	—	—		
Export duties	(73)	—	—		
Royalty on metals	(85)	—	—		
Noncash and other costs, net	—	352	—		
Other revenue adjustments, primarily for pricing on prior period open sales	111	—	—		
PT Smelting intercompany profit	—	(20)	—		
Indonesia mining	2,237	873	323		
Other mining ^c	5,746	3,980	225		
Corporate, other & eliminations	(1,819)	(1,699)	20		
As reported in FCX's consolidated financial statements	\$ 6,164	\$ 3,154	\$ 568		

a. Includes silver sales of 1.6 million ounces (\$22.76 per ounce average realized price).

b. Includes charges totaling \$340 million (\$0.92 per pound of copper) associated with an ARO adjustment.

c. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

Indonesia Mining Product Revenues, Production Costs and Unit Net Cash Costs

Three Months Ended December 31, 2020

	By-Product		Co-Product Method			
	Method		Copper	Gold	Silver ^a	Total
Revenues, excluding adjustments	\$	990	\$ 990	\$ 550	\$ 33	\$ 1,573
Site production and delivery, before net noncash and other costs shown below		446	281	156	9	446
Gold and silver credits		(584)	—	—	—	—
Treatment charges		76	48	26	2	76
Export duties		49	31	17	1	49
Royalty on metals		64	39	24	1	64
Net cash costs		51	399	223	13	635
DD&A		205	129	72	4	205
Noncash and other costs, net		35	22	12	1	35
Total costs		291	550	307	18	875
Other revenue adjustments, primarily for pricing on prior period open sales		38	38	1	—	39
PT Smelting intercompany profit		7	5	2	—	7
Gross profit	\$	744	\$ 483	\$ 246	\$ 15	\$ 744
Copper sales (millions of recoverable pounds)		286	286			
Gold sales (thousands of recoverable ounces)				293		
Gross profit per pound of copper/per ounce of gold:						
Revenues, excluding adjustments	\$	3.47	\$ 3.47	\$ 1.870		
Site production and delivery, before net noncash and other costs shown below		1.57	0.99	531		
Gold and silver credits		(2.05)	—	—		
Treatment charges		0.27	0.16	90		
Export duties		0.17	0.11	59		
Royalty on metals		0.22	0.14	79		
Unit net cash costs		0.18	1.40	759		
DD&A		0.72	0.45	243		
Noncash and other costs, net		0.12	0.08	41		
Total unit costs		1.02	1.93	1,043		
Other revenue adjustments, primarily for pricing on prior period open sales		0.13	0.13	2		
PT Smelting intercompany profit		0.03	0.02	8		
Gross profit per pound/ounce	\$	2.61	\$ 1.69	\$ 837		
Reconciliation to Amounts Reported						
		Revenues	Production and Delivery	DD&A		
Totals presented above	\$	1,573	\$ 446	\$ 205		
Treatment charges		(76)	—	—		
Export duties		(49)	—	—		
Royalty on metals		(64)	—	—		
Noncash and other costs, net		2	37	—		
Other revenue adjustments, primarily for pricing on prior period open sales		39	—	—		
PT Smelting intercompany profit		—	(7)	—		
Indonesia mining		1,425	476	205		
Other mining ^b		4,104	3,139	211		
Corporate, other & eliminations		(1,034)	(988)	19		
As reported in FCX's consolidated financial statements	\$	4,495	\$ 2,627	\$ 435		

a. Includes silver sales of 1.3 million ounces (\$25.01 per ounce average realized price).

b. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

Indonesia Mining Product Revenues, Production Costs and Unit Net Cash Costs

Year Ended December 31, 2021

(In millions)	By-Product Method	Co-Product Method				Total
		Copper	Gold	Silver ^a		
Revenues, excluding adjustments	\$ 5,715	\$ 5,715	\$ 2,423	\$ 143	\$ 8,281	
Site production and delivery, before net noncash and other costs shown below	1,953	1,348	572	33	1,953	
Gold and silver credits	(2,562)	—	—	—	—	
Treatment charges	320	221	93	6	320	
Export duties	218	150	64	4	218	
Royalty on metals	319	223	90	6	319	
Net cash costs	248	1,942	819	49	2,810	
DD&A	1,049	724	307	18	1,049	
Noncash and other costs, net	355 ^b	245	104	6	355	
Total costs	1,652	2,911	1,230	73	4,214	
Other revenue adjustments, primarily for pricing on prior period open sales	72	72	(4)	—	68	
PT Smelting intercompany loss	(86)	(60)	(25)	(1)	(86)	
Gross profit	\$ 4,049	\$ 2,816	\$ 1,164	\$ 69	\$ 4,049	
Copper sales (millions of recoverable pounds)	1,316	1,316				
Gold sales (thousands of recoverable ounces)			1,349			
Gross profit per pound of copper/per ounce of gold:						
Revenues, excluding adjustments	\$ 4.34	\$ 4.34	\$ 1.796			
Site production and delivery, before net noncash and other costs shown below	1.49	1.03	424			
Gold and silver credits	(1.95)	—	—			
Treatment charges	0.24	0.17	69			
Export duties	0.17	0.11	47			
Royalty on metals	0.24	0.17	67			
Unit net cash costs	0.19	1.48	607			
DD&A	0.80	0.55	228			
Noncash and other costs, net	0.27 ^b	0.18	77			
Total unit costs	1.26	2.21	912			
Other revenue adjustments, primarily for pricing on prior period open sales	0.05	0.05	(3)			
PT Smelting intercompany loss	(0.07)	(0.05)	(19)			
Gross profit per pound/ounce	\$ 3.06	\$ 2.13	\$ 862			
Reconciliation to Amounts Reported						
	Revenues	Production and Delivery	DD&A			
Totals presented above	\$ 8,281	\$ 1,953	\$ 1,049			
Treatment charges	(320)	—	—			
Export duties	(218)	—	—			
Royalty on metals	(319)	—	—			
Noncash and other costs, net	31	386	—			
Other revenue adjustments, primarily for pricing on prior period open sales	68	—	—			
PT Smelting intercompany loss	—	86	—			
Indonesia mining	7,523	2,425	1,049			
Other mining ^c	21,531	15,431	882			
Corporate, other & eliminations	(6,209)	(5,840)	67			
As reported in FCX's consolidated financial statements	\$ 22,845	\$ 12,016	\$ 1,998			

a. Includes silver sales of 5.9 million ounces (\$24.30 per ounce average realized price).

b. Includes charges totaling \$340 million (\$0.26 per pound of copper) associated with an ARO adjustment. Also includes credits of \$31 million (\$0.02 per pound of copper) associated with adjustments to prior-year treatment and refining charges and charges of \$16 million (\$0.01 per pound of copper) associated with a potential settlement of an administrative fine levied by the Indonesia government.

c. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

Indonesia Mining Product Revenues, Production Costs and Unit Net Cash Costs

Year Ended December 31, 2020

(In millions)	By-Product Method	Co-Product Method			Total
		Copper	Gold	Silver ^a	
Revenues, excluding adjustments	\$ 2,475	\$ 2,475	\$ 1,545	\$ 81	\$ 4,101
Site production and delivery, before net noncash and other costs shown below	1,508	910	568	30	1,508
Gold and silver credits	(1,630)	—	—	—	—
Treatment charges	219	132	83	4	219
Export duties	93	56	35	2	93
Royalty on metals	153	90	60	3	153
Net cash costs	343	1,188	746	39	1,973
DD&A	580	350	219	11	580
Noncash and other costs, net	93 ^b	56	35	2	93
Total costs	1,016	1,594	1,000	52	2,646
Other revenue adjustments, primarily for pricing on prior period open sales	(20)	(20)	4	—	(16)
PT Smelting intercompany loss	(11)	(7)	(4)	—	(11)
Gross profit	\$ 1,428	\$ 854	\$ 545	\$ 29	\$ 1,428

Copper sales (millions of recoverable pounds)

Gold sales (thousands of recoverable ounces)

Gross profit per pound of copper/per ounce of gold:

Revenues, excluding adjustments	\$ 3.08	\$ 3.08	\$ 1.832
Site production and delivery, before net noncash and other costs shown below	1.88	1.13	674
Gold and silver credits	(2.03)	—	—
Treatment charges	0.27	0.17	98
Export duties	0.12	0.07	41
Royalty on metals	0.19	0.11	72
Unit net cash costs	0.43	1.48	885
DD&A	0.72	0.43	259
Noncash and other costs, net	0.11 ^b	0.07	41
Total unit costs	1.26	1.98	1,185
Other revenue adjustments, primarily for pricing on prior period open sales	(0.03)	(0.03)	5
PT Smelting intercompany loss	(0.01)	(0.01)	(5)
Gross profit per pound/ounce	\$ 1.78	\$ 1.06	\$ 647

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A
Totals presented above	\$ 4,101	\$ 1,508	\$ 580
Treatment charges	(219)	—	—
Export duties	(93)	—	—
Royalty on metals	(153)	—	—
Noncash and other costs, net	(6)	87	—
Other revenue adjustments, primarily for pricing on prior period open sales	(16)	—	—
PT Smelting intercompany loss	—	11	—
Indonesia mining	3,614	1,606	580
Other mining ^c	14,392	12,089	878
Corporate, other & eliminations	(3,808)	(3,664)	70
As reported in FCX's consolidated financial statements	\$ 14,198	\$ 10,031	\$ 1,528

a. Includes silver sales of 3.6 million ounces (\$22.40 per ounce average realized price).

b. Includes COVID-19 related costs (including one-time incremental employee benefits and healthy and safety costs) of \$14 million (\$0.02 per pound of copper).

c. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

Molybdenum Mines Product Revenues, Production Costs and Unit Net Cash Costs

(In millions)	Three Months Ended December 31,	
	2021	2020
Revenues, excluding adjustments ^a	\$ 140	\$ 56
Site production and delivery, before net noncash and other costs shown below	68	47
Treatment charges and other	6	5
Net cash costs	74	52
DD&A	16	13
Metals inventory adjustments	—	2
Noncash and other costs, net	2	5
Total costs	92	72
Gross profit (loss)	\$ 48	\$ (16)
Molybdenum sales (millions of recoverable pounds) ^b	7	5
Gross profit (loss) per pound of molybdenum:		
Revenues, excluding adjustments ^a	\$ 18.91	\$ 10.01
Site production and delivery, before net noncash and other costs shown below	9.06	8.38
Treatment charges and other	0.84	0.85
Unit net cash costs	9.90	9.23
DD&A	2.22	2.43
Metals inventory adjustments	—	0.35
Noncash and other costs, net	0.32	0.84
Total unit costs	12.44	12.85
Gross profit (loss) per pound	\$ 6.47	\$ (2.84)

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A	Metals Inventory Adjustments
Three Months Ended December 31, 2021				
Totals presented above	\$ 140	\$ 68	\$ 16	\$ —
Treatment charges and other	(6)	—	—	—
Noncash and other costs, net	—	2	—	—
Molybdenum mines	134	70	16	—
Other mining ^b	7,849	4,783	532	—
Corporate, other & eliminations	(1,819)	(1,699)	20	1
As reported in FCX's consolidated financial statements	\$ 6,164	\$ 3,154	\$ 568	\$ 1
Three Months Ended December 31, 2020				
Totals presented above	\$ 56	\$ 47	\$ 13	\$ 2
Treatment charges and other	(5)	—	—	—
Noncash and other costs, net	—	5	—	—
Molybdenum mines	51	52	13	2
Other mining ^b	5,478	3,563	403	—
Corporate, other & eliminations	(1,034)	(988)	19	2
As reported in FCX's consolidated financial statements	\$ 4,495	\$ 2,627	\$ 435	\$ 4

- a. Reflects sales of the Molybdenum mines' production to FCX's molybdenum sales company at market-based pricing. On a consolidated basis, realizations are based on the actual contract terms for sales to third parties; as a result, FCX's consolidated average realized price per pound of molybdenum will differ from the amounts reported in this table.
- b. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X. Also includes amounts associated with FCX's molybdenum sales company, which includes sales of molybdenum produced by the Molybdenum mines and by certain of the North America and South America copper mines.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS (continued)

Molybdenum Mines Product Revenues, Production Costs and Unit Net Cash Costs

(In millions)	Years Ended December 31,	
	2021	2020
Revenues, excluding adjustments ^a	\$ 470	\$ 243
Site production and delivery, before net noncash and other costs shown below	243	211
Treatment charges and other	26	21
Net cash costs	269	232
DD&A	67	57
Metals inventory adjustments	1	10
Noncash and other costs, net	10	19 ^b
Total costs	347	318
Gross profit (loss)	\$ 123	\$ (75)
Molybdenum sales (millions of recoverable pounds) ^a	30	24
Gross profit (loss) per pound of molybdenum:		
Revenues, excluding adjustments ^a	\$ 15.52	\$ 9.94
Site production and delivery, before net noncash and other costs shown below	8.02	8.65
Treatment charges and other	0.85	0.85
Unit net cash costs	8.87	9.50
DD&A	2.22	2.34
Metals inventory adjustments	0.03	0.42
Noncash and other costs, net	0.33	0.75 ^b
Total unit costs	11.45	13.01
Gross profit (loss) per pound	\$ 4.07	\$ (3.07)

Reconciliation to Amounts Reported

Year Ended December 31, 2021	Production and Delivery		DD&A		Metals Inventory Adjustments
	Revenues	and Delivery	and Delivery	and Delivery	and Delivery
Totals presented above	\$ 470	\$ 243	\$ 67	\$ 1	—
Treatment charges and other	(26)	—	—	—	—
Noncash and other costs, net	—	10	—	—	—
Molybdenum mines	444	253	67	1	1
Other mining ^c	28,610	17,603	1,864	13	13
Corporate, other & eliminations	(6,209)	(5,840)	67	2	2
As reported in FCX's consolidated financial statements	\$ 22,845	\$ 12,016	\$ 1,998	\$ 16	16
<i>Year Ended December 31, 2020</i>					
Totals presented above	\$ 243	\$ 211	\$ 57	\$ 10	10
Treatment charges and other	(21)	—	—	—	—
Noncash and other costs, net	—	19	—	—	—
Molybdenum mines	222	230	57	10	10
Other mining ^c	17,784	13,465	1,401	58	58
Corporate, other & eliminations	(3,808)	(3,664)	70	28	28
As reported in FCX's consolidated financial statements	\$ 14,198	\$ 10,031	\$ 1,528	\$ 96	96

a. Reflects sales of the Molybdenum mines' production to FCX's molybdenum sales company at market-based pricing. On a consolidated basis, realizations are based on the actual contract terms for sales to third parties; as a result, FCX's consolidated average realized price per pound of molybdenum will differ from the amounts reported in this table.

b. Includes charges totaling \$7 million (\$0.29 per pound of molybdenum) primarily associated with the contract cancellation costs related to the COVID-19 pandemic and employee separation costs associated with April 2020 revised operating plans.

c. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page X. Also includes amounts associated with FCX's molybdenum sales company, which includes sales of molybdenum produced by the Molybdenum mines and by certain of the North America and South America copper mines.

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FCX Conference Call 4th Quarter 2021 Results

January 26, 2022

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Cautionary Statement

Regarding Forward-Looking Statements

This presentation contains forward-looking statements in which FCX discusses its potential future performance. Forward-looking statements are all statements other than statements of historical facts, such as plans, projections, or expectations relating to business outlook, strategy, goals or targets; ore grades and milling rates; production and sales volumes; unit net cash costs; capital expenditures; operating costs; operating plans; cash flows; liquidity; PT-FI's development, financing, construction and completion of new domestic smelting capacity in Indonesia in accordance with the terms of its special mining license (IUPK); FCX's commitments to deliver responsibly produced copper, including plans to implement and validate all of its operating sites under The Copper Mark, and to comply with other disclosure frameworks; execution of FCX's energy and climate strategies and the underlying assumptions and estimated impacts on FCX's business related thereto; achievement of climate commitments by 2030 and 2050 net zero aspirations; improvements in operating procedures and technology innovations; exploration efforts and results; development and production activities, rates and costs; future organic growth opportunities; tax rates; export quotas and duties; the impact of copper, gold and molybdenum price changes; the impact of deferred intercompany profits on earnings; mineral reserve and mineral resource estimates; final resolution of settlements associated with ongoing legal proceedings; and the ongoing implementation of FCX's financial policy and future returns to shareholders, including dividend payments (base or variable) and share repurchases. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "targets," "intends," "likely," "will," "should," "could," "to be," "potential," "assumptions," "guidance," "aspirations," "future" and any similar expressions are intended to identify those assertions as forward-looking statements. The timing and amount of any share repurchases is at the discretion of management and will depend on a variety of factors including, but not limited to, FCX's operating performance, cash flow and financial position, the market price of the shares and general economic and market conditions. The share repurchase program may be modified, increased, suspended or terminated at any time at the Board's discretion. The declaration and payment of dividends (base or variable) is also at the discretion of the Board and will depend on FCX's financial results, cash requirements, business prospects, global economic conditions and other factors deemed relevant by the Board.

FCX cautions 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 FCX's actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, changes in FCX's cash requirements, financial position, financing or investment plans; political and social risks; changes in general market, economic, tax, regulatory or industry conditions; the ongoing COVID-19 pandemic and any future public health crisis; supply of and demand for, and prices of, copper, gold and molybdenum; mine sequencing; changes in mine plans or operational modifications, delays, deferrals or cancellations; production rates; timing of shipments; results of technical, economic or feasibility studies; potential inventory adjustments; potential impairment of long-lived mining assets; the potential effects of violence in Indonesia generally and in the province of Papua; the Indonesia government's extension of PT-FI's export license after March 15, 2022; operational risks inherent in mining, with higher inherent risks in underground mining; satisfaction of requirements in accordance with PT-FI's IUPK to extend mining rights from 2031 through 2041; the Indonesia government's approval of a deferred schedule for completion of new domestic smelting capacity in Indonesia; labor relations, including labor-related work stoppages and costs; weather- and climate-related risks; environmental risks and litigation results; cybersecurity incidents; FCX's ability to comply with its responsible production commitments under specific frameworks and any changes to such frameworks and other factors described in more detail under the heading "Risk Factors" in FCX's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the U.S. Securities and Exchange Commission (SEC).

Investors are cautioned that many of the assumptions upon which FCX's forward-looking statements are based are likely to change after the date the forward-looking statements are made, including for example commodity prices, which FCX cannot control, and production volumes and costs or technological solutions and innovation, some aspects of which FCX may not be able to control. Further, FCX may make changes to its business plans that could affect its results. FCX cautions investors that it undertakes no obligation to update any forward-looking statements, which speak only as of the date made, notwithstanding any changes in its assumptions, changes in business plans, actual experience or other changes.

This presentation also includes forward-looking statements regarding mineral resources not included in proven and probable mineral reserves. A mineral resource, which includes measured, indicated and inferred mineral resources, is a concentration or occurrence of material of economic interest in or on the Earth's crust in such form, grade or quality, and quantity that there are reasonable prospects for economic extraction. Such a deposit cannot qualify as recoverable proven and probable mineral reserves until legal and economic feasibility are confirmed based upon a comprehensive evaluation of development and operating costs, grades, recoveries and other material factors. This presentation also includes forward-looking statements regarding mineral potential, which includes exploration targets and mineral resources but will not qualify as mineral reserves until comprehensive engineering studies establish legal and economic feasibility. Significant additional evaluation is required and no assurance can be given that the potential quantities of metal will be produced. Accordingly, no assurances can be given that estimated mineral resources or estimated mineral potential not included in mineral reserves will become proven and probable mineral reserves.

This presentation also contains financial measures such as unit net cash costs per pound of copper, net debt and adjusted EBITDA (earnings before interest, taxes, depreciation and amortization), which are not recognized under U.S. generally accepted accounting principles (GAAP). As required by SEC Regulation G, FCX's calculation and reconciliation of unit net cash costs per pound of copper and net debt to amounts reported in FCX's consolidated financial statements are in the supplemental schedules of FCX's 4Q21 press release, which is available on FCX's website, fcx.com. A reconciliation of adjusted EBITDA to amounts reported in FCX's consolidated financial statements is included on slide 43.



2021 Accomplishments

Operational

- Effective COVID management
- Effective supply chain management
- Significant volume growth
- Successful ramp-up of Grasberg underground – **MAJOR ACCOMPLISHMENT**
- Advancing organic growth initiatives

Financial

- Strong financial results and substantial cash flow generation
- Achieved net debt* target – reduction of \$19 bn since year-end 2015
- Commenced performance-based shareholder payout framework
- Credit ratings upgraded to Investment Grade by Moody's and Fitch

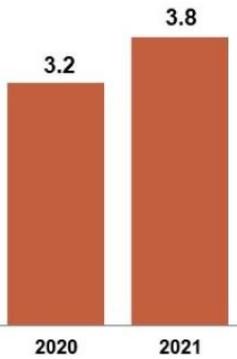
ESG

- Advanced climate initiatives
- Awarded The Copper Mark for responsible production practices at 7 sites (including 4 in 2021)
- Strengthened Board with six new independent directors

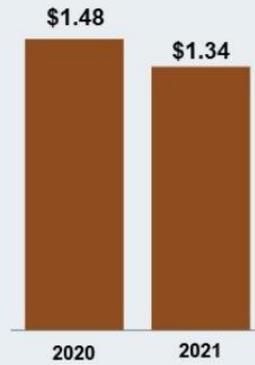
* Net debt equals consolidated debt less consolidated cash. See Cautionary Statement.

Strong Execution / Favorable Markets

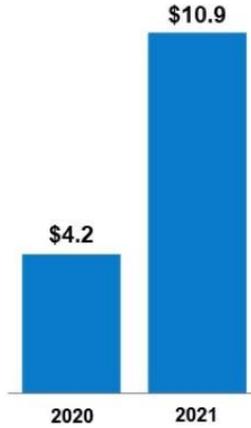
Copper Sales
 ~19% Higher
 (bns)



Unit Net Cash Costs ⁽¹⁾
 ~9% Lower
 (\$ per lb)



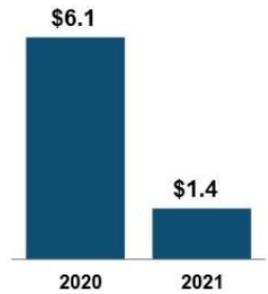
Adjusted EBITDA ⁽²⁾
 ~160% Higher
 (\$ bns)



Operating Cash Flows
 ~156% Higher
 (\$ bns)



Net Debt ⁽³⁾
 ~\$4.7 bn Lower
 (\$ bns)



NOTE: 2020 actuals include gold sales of 0.86 mm ozs and realized prices of \$2.95/lb copper, \$1.832/oz gold and \$10.20/lb molybdenum.

2021 actuals include gold sales of 1.36 mm ozs and realized prices of \$4.33/lb copper, \$1.796/oz gold and \$15.56/lb molybdenum.

(1) For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to "Product Revenues and Production Costs" in the supplemental schedules of FCX's 4Q21 press release, which is available on FCX's website.

(2) A reconciliation of 2020 and 2021 adjusted EBITDA to amounts reported in FCX's consolidated financial statements is included on slide 43.

(3) Net debt equals consolidated debt less consolidated cash. 2021 includes \$432 mm in debt associated with the Indonesia smelter project. See Cautionary Statement.

Copper – Metal of the Future

Critical to Global Decarbonization

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Intensity of Use Is Increasing with Decarbonization



More than 65% of the world's copper is used in applications that deliver electricity.



Electric vehicles use up to four times more copper than internal combustion engines.



Renewable energy technologies use four to five times more copper than fossil fuel power generation.



Copper consumption associated with electric vehicles and renewable energy technologies to grow rapidly.

Freeport is strategically positioned as a leading copper producer.

Source: International Copper Association
See Cautionary Statement.

Compelling Investment Case

For Copper & Freeport

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Rising Demand



Supply Scarcity

Structural Deficits

- Global economic recovery and infrastructure development
- New demand drivers for clean energy



See Cautionary Statement.

- Exceptionally low visible exchange inventories
- Geology
- Permitting - longer lead times
- Pipeline is thin
 - Project approval rate has been slow in recent years

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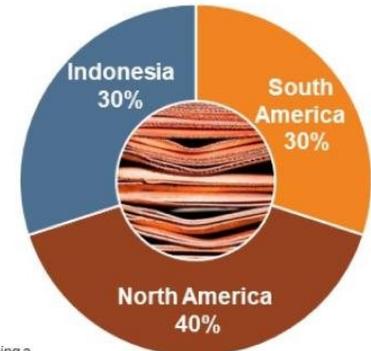
- Responsible producer of scale
- Strong cash flows & balance sheet
- Embedded growth options
- Long-lived reserves
- Attractive capital allocation framework

Long-Lived Reserve Base

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Consolidated As of 12/31/2021	Mineral Reserves ⁽¹⁾ (recoverable)	Incremental Mineral Resources ⁽²⁾ (contained)
Copper (bn lbs)	107	191
Gold (mm ozs)	27	58
Molybdenum (bn lbs)	3.4	5.9

Copper Reserves ⁽¹⁾ By Region



(1) Preliminary estimate of recoverable proven and probable consolidated mineral reserves using long-term average prices of \$2.50/lb for copper, \$1,200/oz for gold and \$10/lb for molybdenum; FCX's net equity interest of copper mineral reserves totaled 76 bn lbs as of 12/31/2021.

(2) Includes measured, indicated and inferred mineral resources. Estimate of consolidated mineral resources (contained metal) were assessed using a long-term average copper price of \$3.00/lb, gold price of \$1,200/oz and molybdenum price of \$12/lb. Mineral resources are not included in mineral reserves and will not qualify as mineral reserves until comprehensive engineering studies establish legal and economic feasibility. Accordingly, no assurance can be given that the estimated mineral resources will become proven and probable mineral reserves.

See Cautionary Statement.



Growing Margins & Cash Flow



- **Volume growth**

	<u>2021 v. 2020</u>	<u>2022e v. 2021</u>
Copper	~19%	~13%
Gold	~59%	~16%
- **Effective cost management**
- **Expanding margins**
- **Additional embedded growth options in portfolio**
- **Laser focused on execution**
- **Strong track record**



Annual EBITDA Estimates ⁽¹⁾

(\$ in billions)

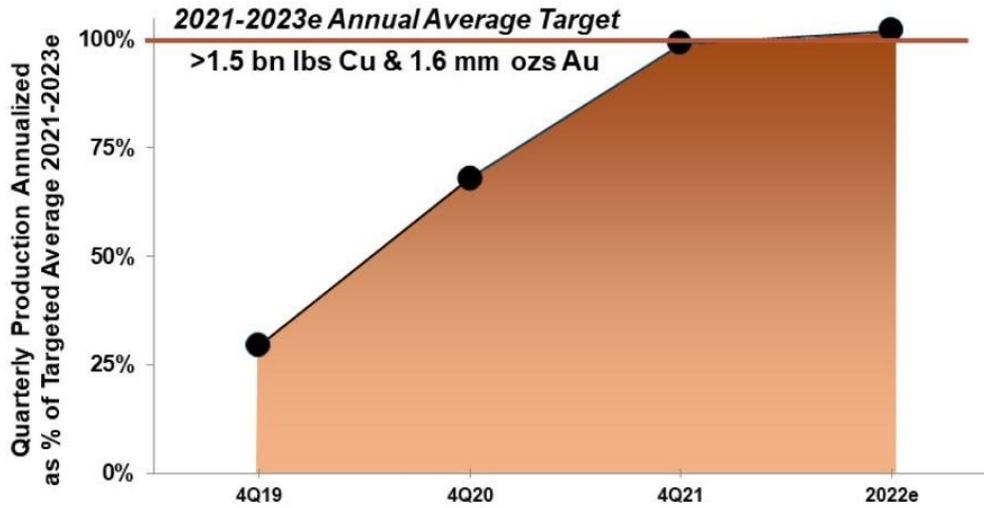


(1) Based on January 2022 sales estimates, \$1,800/oz Au and \$19/lb molybdenum.
2022e EBITDA expected to exceed \$13 bn assuming \$4.50/lb Cu, \$1,800/oz Au and \$19/lb molybdenum.
Note: EBITDA equals operating income plus depreciation, depletion and amortization.
e = estimate. See Cautionary Statement.

Successful Ramp-up of Grasberg Underground Mines

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- 4Q21 annualized metal production reached ramp-up targets
- Major accomplishment – establishes Grasberg Complex as world's largest underground mine



Note: Includes production from Grasberg Block Cave, DMLZ, DOZ and Big Gossan.
e = estimate. See Cautionary Statement.

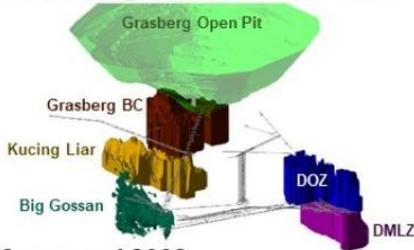


Significant Underground Development

Grasberg Block Cave (GBC), DMLZ & Big Gossan, 2004-2021

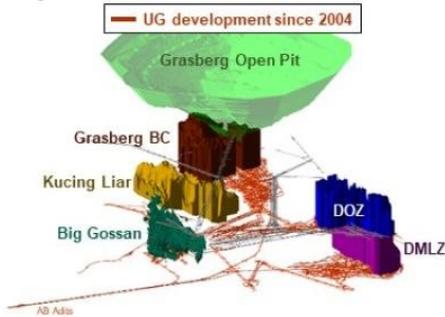
FREEPORT
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Underground Development in Grasberg Minerals District



as of year-end 2003

as of year-end 2021



Key Accomplishments

- Over 350 miles of tunneling
- Over 7 miles of UG Rail (10 trains operating)
- 4 gyratory crushers operating
- 5 miles of conveyor belting constructed
- 300-person capacity service shaft operating
- 510 drawbells opened
- 348,000 m² undercut (~70 football fields)
- On track to achieve long-term rates in excess of 200k t/d

See Cautionary Statement.



Future Growth Embedded in Existing Asset Base

Provides Increased Leverage to Higher Copper Prices

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New Leach Technologies Americas



- Focused on initiatives to advance sulfide leaching technologies and to drive continuous recovery improvement
- Success would enable utilization of latent tank house capacity with limited capital investment

See Cautionary Statement.

Bagdad Expansion Arizona



- Double concentrator capacity
- Commencing feasibility study, stakeholder engagement
- Increasing confidence in commencing construction in 2023 for potential 2026 start-up

Lone Star Expansions Arizona



- Near-term oxide expansions
- Increasing exploration to define resource
- Potential long-term sulfide investment in concentrator

El Abra Expansion Chile



- Large sulfide resource supports a major expansion opportunity
- Preparations for submitting environmental impact statement and stakeholder engagement
- Monitoring regulatory considerations

Kucing Liar Grasberg District Indonesia

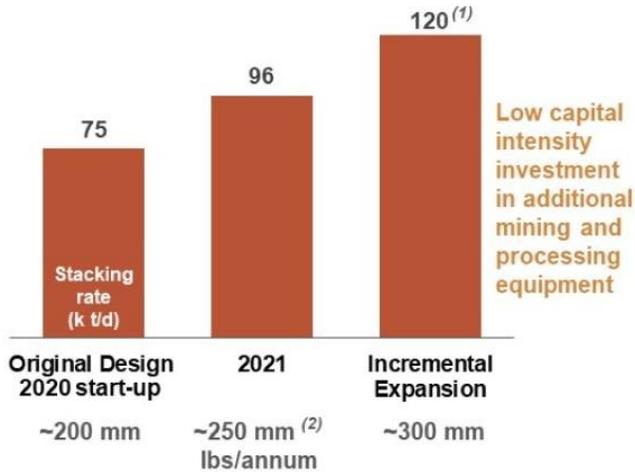


- Commenced development of underground copper/gold reserves
- Benefits from substantial shared infrastructure

Lone Star Update

Oxides

2P Reserves: 4.9 billion lbs



Sulfides

Mineral Potential: ~50 billion lbs ⁽³⁾

- Success of oxide development advances opportunity for scale
- Design to incorporate combined leach and concentrate facilities – similar to Morenci
- Next steps
 - Ongoing exploration to support metallurgical testing
 - Scoping studies/mine planning scenarios

(1) Initially at 105k t/d with ramp-up to 120k t/d by 2024.

(2) Excludes historic Safford leach material which currently approximates 25 mm lbs/annum.

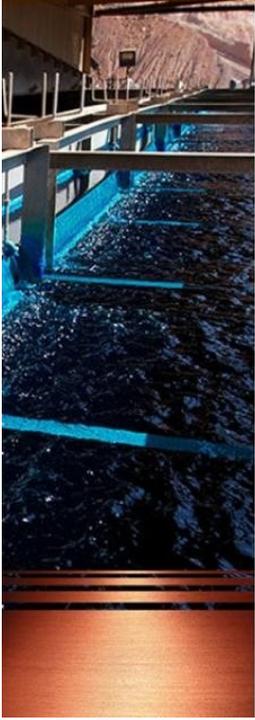
(3) Estimated mineral potential includes exploration targets and mineral resources but will not qualify as mineral reserves until comprehensive engineering studies establish legal and economic feasibility.

Significant additional evaluation is required and no assurance can be given that the potential quantities of metal will be produced. Accordingly, no assurance can be given that estimated mineral potential not included in mineral reserves will become proven and probable mineral reserves.

e = estimate. See Cautionary Statement.

Advancing New Leach Technologies

Taking Leach to the Next Level

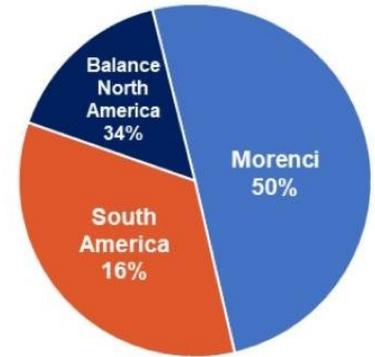


- Industry leader with long history of leach production
- Internal and external initiatives to advance sulfide leaching technologies and to drive continuous recovery improvement
- Data analytics providing new insights to drive additional value
- Focused on traditional ores and ores that have been typically considered difficult to leach, like chalcopyrite
- Leveraging both R&D and in-field trials at existing leach stockpiles and future opportunities to recover copper from below mill cut-off grade material
- Success would enable utilization of latent tank house capacity with limited capital investment
- Low carbon footprint

See Cautionary Statement.

Copper in Leach Stockpiles Unrecoverable by Traditional Leach Methods

38 bn lbs Contained*



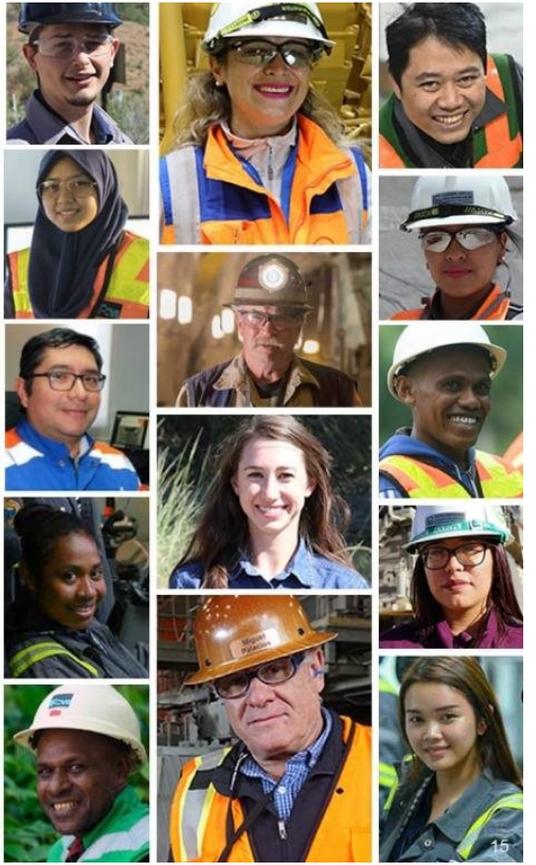
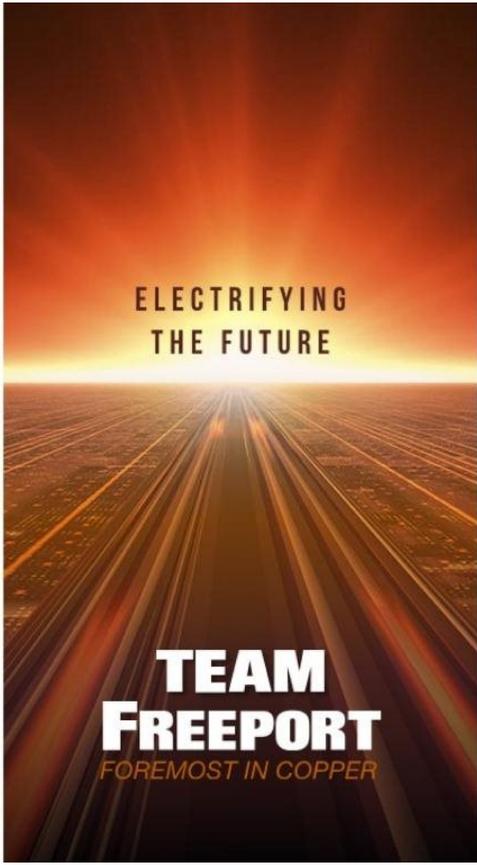
* Copper from historical placements beyond assumed recovery estimates and is not included in mineral reserves and mineral resources.

World's Premier Publicly Traded Copper Producer

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- **Portfolio of High-Quality Copper / Gold Assets with Embedded Growth Options**
Difficult to Replicate
- **Strong Track Record**
and Commitment to Communities / Environmental Responsibility
- **Technically Proficient**
Proven Capabilities
- **Experienced Management Team**
- **Industry Leader**
with Size, Scale and Durability
- **Copper Supported** by Positive Long-Term Fundamentals
- **Growing Production**
and **Cash Flow** Profile





Financial Review & Outlook

4Q 2021 Operations Update

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North America

Cu Sales: 364 mm lbs

• Lone Star/Safford

- Produced 265 mm lbs in 2021 (exceeded design)
- Proceeding with incremental expansion to 300 mm lb/annum

• Morenci

- Leach projects in focus



South America

Cu Sales: 286 mm lbs

• Cerro Verde - Peru

- 4Q21 mill avg: 377k mt/d
- Targeting ~400k mt/d in 2022
- Successful completion of multi-year labor agreements

• El Abra - Chile

- Increasing operating rates to pre-COVID-19 pandemic levels
- Expect 30% increase in 2022 production
- New leach pad is under construction



Indonesia

Cu Sales: 370 mm lbs
Au Sales: 392 k ozs

• Grasberg Underground

- 4Q21 annualized metal production achieved post ramp-up targets
- DMLZ/GBC operating rates
 - 4Q21 Avg: ~161k t/d; 18% above 3Q rates
- Advancing Kucing Liar development
- Advancing new SAG Mill - expected in mid-2023
- Advancing dual-fuel power plant and mill recovery/efficiency project

See Cautionary Statement

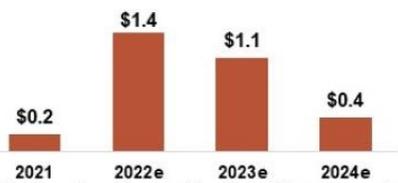


Indonesia Downstream Processing Update

- PT-FI committed in 2018 IUPK to construct 2 mm tpy in-country Cu concentrate processing capacity by December 2023
 - Construction of new greenfield smelter has been delayed by COVID-19
 - Project expected to be completed as soon as feasible in 2024*
 - PT Smelting expansion expected to be completed by end of 2023
- Capital costs shared 51% / 49% (PT Inalum/FCX)
- Smelter spend to be debt financed
- Annual debt service cost expected to be essentially offset by phase out of export duty

Preliminary Estimate of Spending on Greenfield Smelter and PMR

(\$ in bns)



NOTE: Capital spending on the new smelter will be debt financed (economics shared 49% by FCX) and will not be deducted from cash available for returns to shareholders. Excludes capitalized interest, owner's costs and commissioning.

NOTE: See slide 40 for additional details.
 * Dependent on no further COVID-19-related disruptions.
 e = estimate. See Cautionary Statement.

4Q Progress Report



- New greenfield smelter - Progressed site preparation activities
- PT Smelting expansion - Completed commercial arrangements

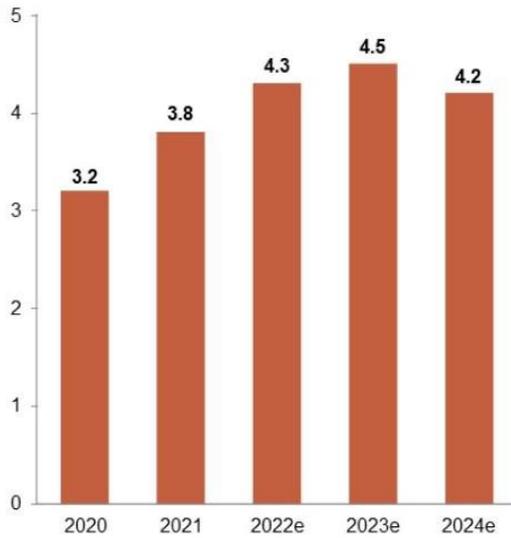
Annual Sales Profile

January 2022 Estimate

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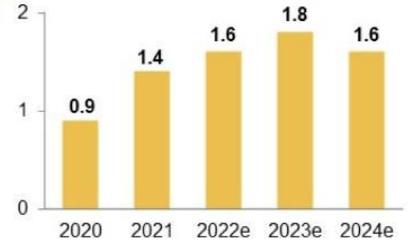
Copper Sales⁽¹⁾ (billion lbs)



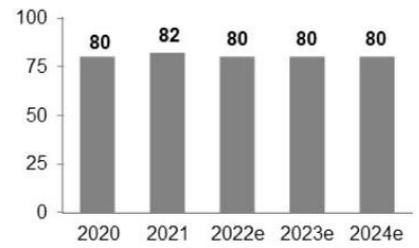
(1) Consolidated copper sales include 608 mm lbs in 2020, 741 mm lbs in 2021, 847 mm lbs in 2022e, 1,479 mm lbs in 2023e and 1,409 mm lbs in 2024e for noncontrolling interests; excludes purchased copper.
 (2) Consolidated gold sales include 158k ozs in 2020, 253k ozs in 2021, 296k ozs in 2022e, 804k ozs in 2023e and 820k ozs in 2024e for noncontrolling interests.
 e = estimate. See Cautionary Statement.



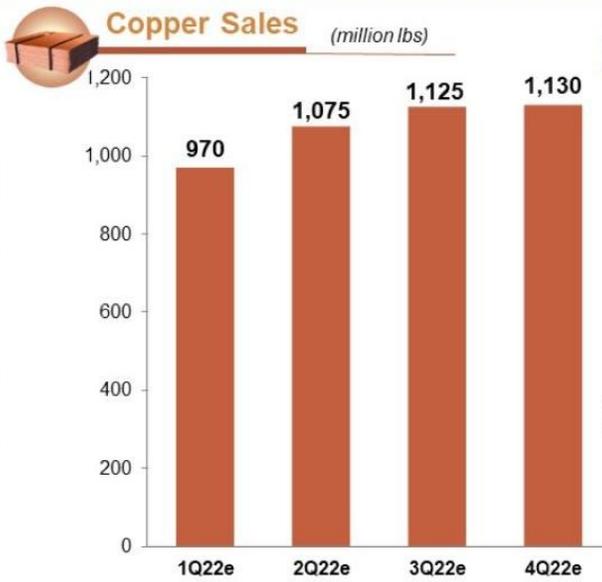
Gold Sales⁽²⁾ (million ozs)



Molybdenum Sales (million lbs)

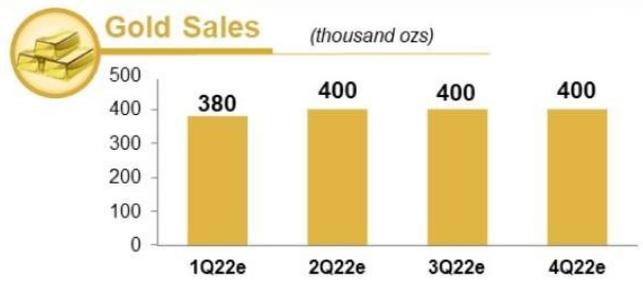


2022e Quarterly Sales

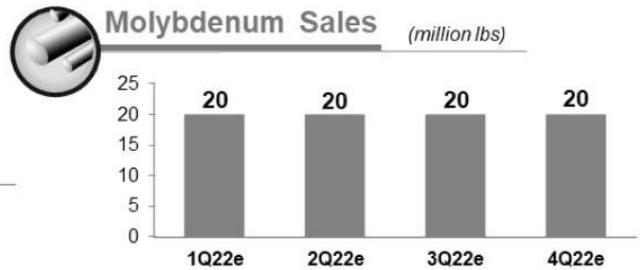


Note: Consolidated copper sales include 183 mm lbs in 1Q22e, 207 mm lbs in 2Q22e, 230 mm lbs in 3Q22e and 227 mm lbs in 4Q22e for noncontrolling interests; excludes purchased copper.

e = estimate. See Cautionary Statement.



Note: Consolidated gold sales include 71k ozs in 1Q22e, 75k ozs in 2Q22e, 75k ozs in 3Q22e and 75k ozs in 4Q22e for noncontrolling interests.



Reconciliation of 2021 Unit Net Cash Cost Guidance for 2022e

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(\$ and ¢ per pound of copper)

	2021 Actual	Impacts	2022e Guidance
	Price Realizations \$4.33 Cu / \$1,796 Au / \$15.56 Mo		Price Assumptions \$4.50 Cu / \$1,800 Au / \$19 Mo
		<u>Energy, Acid, Labor, M&S, higher volumes*</u>	
Site Production & Delivery	\$1.93	+2¢	\$1.95
By-product Credits	(0.89)	-3¢	(0.92)
Treatment Charges	0.16	No Change	0.16
Royalties & Export Duties	<u>0.14</u>	+2¢	<u>0.16</u>
Net Unit Cash Costs	<u>\$1.34</u>		<u>\$1.35</u>

e = estimate. See Cautionary Statement.

* Energy +5¢/lb, acid +5¢/lb, labor and outside services 5¢/lb, materials & supplies (M&S) 3¢/lb, mostly offset by higher volumes (~16¢/lb)

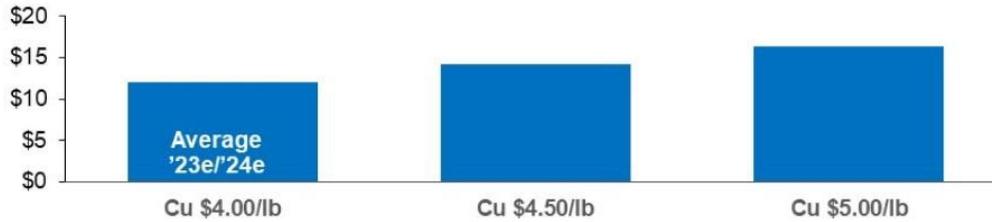


EBITDA and Cash Flow at Various Copper Prices

(\$ in bns except copper, gold and molybdenum prices)



EBITDA | (\$1,800/oz gold, \$19/lb molybdenum)



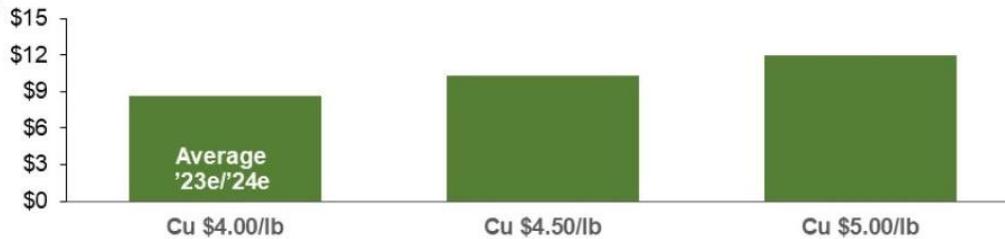
Sensitivities
Average '23e/'24e
 (US\$ in mms)

EBITDA

Copper	+/- \$0.10/lb	\$430
Molybdenum	+/- \$1.00/lb	\$ 80
Gold	+/- \$50/oz	\$ 85
Currencies ⁽¹⁾	+/- 10%	\$190
Diesel	+/- 10%	\$ 70



Operating cash flow | Excludes working capital changes (\$1,800/oz gold, \$19/lb molybdenum)



Operating Cash Flow

Copper	+/- \$0.10/lb	\$325
Molybdenum	+/- \$1.00/lb	\$ 70
Gold	+/- \$50/oz	\$ 55
Currencies ⁽¹⁾	+/- 10%	\$135
Diesel	+/- 10%	\$ 50

NOTE: EBITDA equals operating income plus depreciation, depletion and amortization. e = estimate. See Cautionary Statement.

(1) U.S. Dollar Exchange Rates: 844 Chilean peso, 14,300 Indonesian rupiah, \$0.72 Australian dollar, \$1.13 Euro, 4.04 Peruvian Nuevo Sol base case assumption. Each +10% equals a 10% strengthening of the U.S. dollar; a strengthening of the U.S. dollar against forecasted expenditures in these foreign currencies equates to a cost benefit of noted amounts.

Consolidated Capital Expenditures

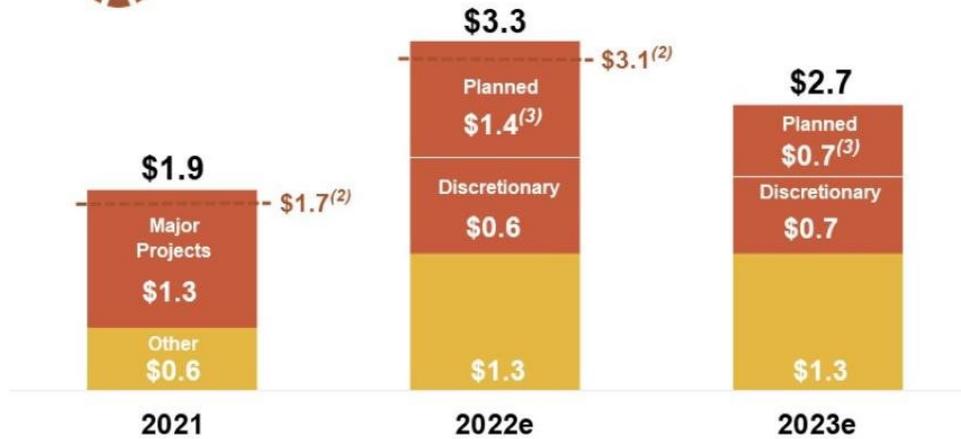
Excluding Indonesia Smelter Projects CAPEX ⁽¹⁾

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(\$ in bns)



Net of Scheduled Contributions



(1) See slide 18; Indonesia smelter projects expected to be funded with debt financing.

(2) Net of scheduled contributions from PT Inalum for expansion capital spending that will be reflected in financing on the cash flow statement.

(3) Major projects include CAPEX associated with Grasberg underground development and supporting mill and power capital costs (\$1.2 bn in 2022e and \$0.6 bn in 2023e).

For detail of discretionary spending see slide 24.

NOTE: Amounts include capitalized interest. Discretionary CAPEX will be excluded from the free cash flow calculation for purposes of the performance-based payout framework. e= estimate. See Cautionary Statement.



Recent New Discretionary Capital Additions*

Kucing Liar

- Commenced long-term mine development activities
- Approximate 10-year development timeframe
- Sustain large-scale, low-cost Cu/Au production
- Capital investment: ~\$400 mm/yr average (~\$200 mm in 2022e)
- > 6 bn lbs copper & 5 mm ozs gold
 - ~ 600 mm lbs/500K ozs per annum

Grasberg Mill Recovery Project

- Installing new copper cleaner circuit
- Improved copper concentrate grades and metal recoveries
- Capital investment: ~\$420 mm (~\$200 mm in 2022e)
- Targeted completion: 1H24e
- +60 mm lbs/yr & +40K ozs/yr of incremental metal

Lone Star Oxide Expansion

- Low capital intensity investment
- Capital investment: ~\$250 mm (~\$150 mm in 2022e)
- Increase stacking rate: 95k t/d to 120k t/d
- Targeting 300 mm lbs of copper/annum by 2023
 - +50 mm lbs/yr of incremental production

Atlantic Copper CirCular

- Recycle electronic material
- Commencing engineering/sourcing of material
- Capital investment: ~\$320 mm (~\$100 mm in 2022e)
- Expect to commission in 2024; full rates in 2025
- ~\$60 mm per annum in incremental EBITDA

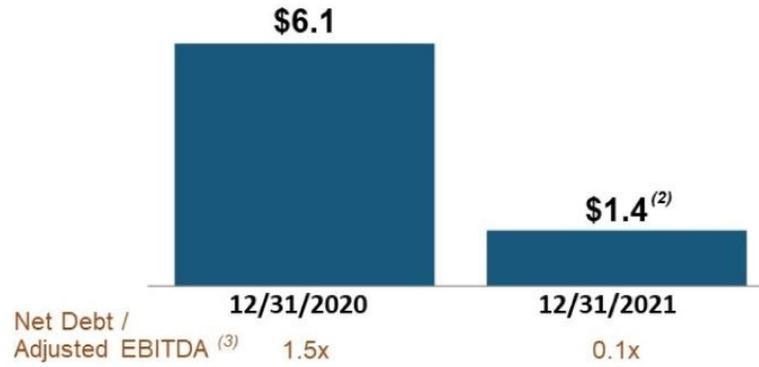
*These discretionary projects and the Indonesia smelter projects will be excluded from the free cash flow calculation for purposes of the performance-based payout framework.
e = estimate. See Cautionary Statement.

Solid Balance Sheet and Credit Metrics

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Net Debt⁽¹⁾
**Recent Investment Grade
upgrades by Moody's and Fitch**

(\$ bns)



(1) Net debt equals consolidated debt less consolidated cash and cash equivalents.

(2) Consolidated debt of \$9.5 bn and consolidated cash of \$8.1 bn. Debt includes \$432 mm associated with the Indonesia smelter projects.

(3) Trailing 12-months.
See Cautionary Statement.

Financial Policy

Strategic Objectives

Maintain strong balance sheet⁽¹⁾

Increase cash returns to shareholders

Advance organic growth opportunities

Commenced Performance-Based Payout Framework in November 2021

Base dividend

- Annual rate of \$0.30 per share
- Declared and paid quarterly in Feb / May / Aug / Nov

Variable dividend

- Board approved \$0.30/share for 2022
- Intend to pay quarterly in 2022 with base dividend

Share repurchase program

- Board authorized \$3.0 bn share buyback
- \$600 mm repurchased to date (15.4 mm shares @ ~\$39/share)

Designed to Return up to 50% of Free Cash Flow⁽²⁾ to Shareholders

Board will assess future cash returns at least annually based on performance

(1) Net Debt not to exceed \$3 - \$4 bn, excluding project debt for additional smelting capacity in Indonesia.

(2) Available cash flows generated after planned capital spending (excluding Indonesia smelter projects funded with debt and discretionary CAPEX) and distributions to noncontrolling interests. See Cautionary Statement.

Increasing Shareholder Returns

Combination of dividends and repurchases designed to achieve 50% performance-based payout

Potential ~\$3.3 bn*

Cash Returns Timeline

FEBRUARY 2021

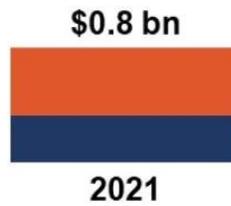
Reinstated common stock dividend

JUNE 2021

Achieved net debt target

NOVEMBER 2021

Commenced share repurchase program and announced increase in common stock dividends



* Timing of repurchase program will be dependent on cash flows and managed to implement the 50% performance-based payout framework (see slide 26).
e = estimate. See Cautionary Statement.



Executing Clearly Defined Strategy Focused on Copper

BUILDING VALUE FOR SHAREHOLDERS

Strong cash flow
generation and
balance sheet

Favorable
operational and
market outlook

Responsible
producer with
proven track record

Advancing future
organic growth
opportunities

Successful ramp-up
of Grasberg
underground mines

Increasing cash
returns to shareholders

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Reference Slides

Our COVID-19 Response



Prioritizing the Health & Well-Being of Our Workforce



Active and preventive management, through the implementation of global health guidelines, including testing, screening, tracking and vaccine program



Supporting Our Communities



Providing monetary and in-kind contributions of medical supplies and food in areas where we operate



Serving Our Customers



As a leading supplier of copper to the global economy, FCX continues to meet the needs of its customers

WE ARE IN THIS TOGETHER

Electrifying the Future – 2021 ESG Highlights

- ✓ Announced **2050 Net Zero** aspiration, established new **2030 PT-FI GHG emissions intensity reduction target**
- ✓ **Copper Mark** awarded at over 50% of our global copper-producing sites, with more to come
- ✓ Successfully achieved **Board of Directors refreshment** objectives, **enhancing diversity and expertise**
- ✓ Investments exceeded **\$160 million** in our global **communities**
- ✓ Completed independent, third-party **Human Rights Impact Assessment** at El Abra; Arizona is underway
- ✓ Advanced implementation of the **Global Industry Standard on Tailings Management** at Americas sites
- ✓ **Climate, tailings management and workforce diversity and inclusion priorities** incorporated into executive annual compensation program



»» Responsibly produced copper is critical for the technologies needed to enable global decarbonization

Note: PT-FI reduction target is in addition to the 2030 Americas GHG emissions intensity reduction target. For more information on FCX's climate strategy, see our 2020 Climate Report at [fcx.com/sustainability](https://www.fcx.com/sustainability). To date, seven FCX sites have been awarded The Copper Mark: Morenci, Cerro Verde, El Abra, Atlantic Copper, the Williams smelter and mine, the El Paso refinery, and Bagdad.

The Copper Mark

Recognition for Responsible Production

- › Assurance framework developed to demonstrate the copper industry's responsible production practices and contribution to the United Nations Sustainable Development Goals
- › Producers participating in The Copper Mark are committed to adhering to internationally recognized responsible operating practices
- › Framework covers 32 issue areas across 5 ESG categories developed by the Responsible Minerals Initiative's Risk Readiness Assessment
- › Requires third-party assurance of site performance and independent Copper Mark validation every three years
- › FCX is committed to achieving The Copper Mark at all of our copper producing sites
- › The Copper Mark is currently evaluating an extension of its framework to metals that are produced as a by-product of copper

COPPER MARK STATUS BY SITE:

AWARDED	LETTER OF COMMITMENT	PLANNED
Atlantic Copper smelter & refinery (Spain) Bagdad mine (AZ) Cerro Verde mine (Peru) El Abra mine (Chile) El Paso refinery (TX) Miami mine & smelter (AZ) Morenci mine (AZ)	Chino mine (NM) Safford mine (AZ) Sierrita mine (AZ) Tyrone mine (NM)	PT-FI mine (Indonesia)

Note: Copper Mark status as of 12/15/2021



Financial Highlights

Sales Data	4Q21	2021
Copper		
Consolidated Volumes (<i>mm lbs</i>)	1,020	3,807
Average Realization (<i>per lb</i>)	\$ 4.42	\$ 4.33
Site Production & Delivery Costs (<i>per lb</i>) ⁽¹⁾	\$ 1.96	\$ 1.93
Unit Net Cash Costs (<i>per lb</i>)	\$ 1.29	\$ 1.34
Gold		
Consolidated Volumes (<i>000's ozs</i>)	395	1,360
Average Realization (<i>per oz</i>)	\$1,808	\$1,796
Molybdenum		
Consolidated Volumes (<i>mm lbs</i>)	19	82
Average Realization (<i>per lb</i>)	\$19.42	\$15.56

Financial Results (in billions, except per share amounts)

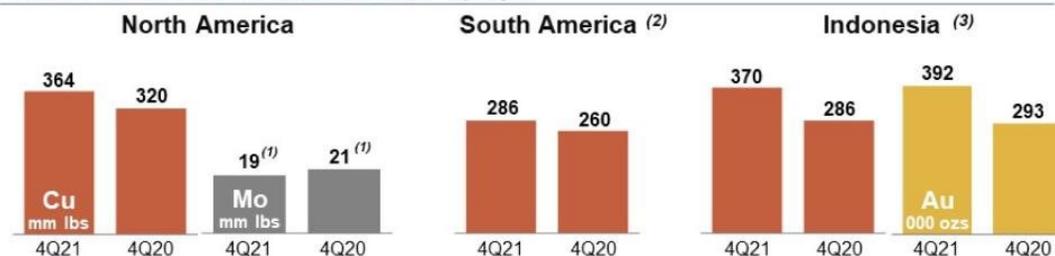
Revenues	\$ 6.2	\$ 22.8
Net Income Attributable to Common Stock	\$ 1.1	\$ 4.3
Diluted Net Income Per Share	\$ 0.74	\$ 2.90
Operating Cash Flows ⁽²⁾	\$ 2.3	\$ 7.7
Capital Expenditures	\$ 0.8	\$ 2.1
Total Debt	\$ 9.5	\$ 9.5
Consolidated Cash and Cash Equivalents	\$ 8.1	\$ 8.1

(1) Includes nonrecurring labor-related charges at Cerro Verde for collective labor agreements reached with its hourly employees totaling 2¢/lb of copper for 4Q21 and 2021.

(2) Includes working capital and other sources of \$0.4 bn for 4Q21 and \$0.8 bn for 2021.



4Q21 Mining Operating Summary

Sales From Mines for 4Q21 & 4Q20 *by Region*


4Q21 Unit Production Costs	(per lb of Cu)	North America	South America	Indonesia	Consolidated
Cash Unit Costs					
Site Production & Delivery, excl. adjs.		\$2.19	\$2.30 ⁽⁴⁾	\$1.47	\$1.96
By-product Credits		(0.39)	(0.36)	(2.06)	(0.98)
Treatment Charges		0.10	0.13	0.24	0.16
Royalties & Export Duties		-	0.01	0.43	0.15
Unit Net Cash Costs		\$1.90	\$2.08⁽⁴⁾	\$0.08	\$1.29

(1) Includes 7 mm lbs in 4Q21 and 5 mm lbs in 4Q20 from South America.

(2) Silver sales totaled 1.0 mm ozs in 4Q21 and 0.9 mm ozs in 4Q20.

(3) Silver sales totaled 1.6 mm ozs in 4Q21 and 1.3 mm ozs in 4Q20.

(4) South America includes 6¢/lb associated with nonrecurring labor-related charges at Cerro Verde for agreements reached with its hourly employees.

NOTE: For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to "Product Revenues and Production Costs" in the supplemental schedules of FCX's 4Q21 press release, which is available on FCX's website.

2022e Outlook

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Sales Outlook	Unit Net Cash Cost of Copper	Operating Cash Flows ⁽²⁾	Capital Expenditures
<ul style="list-style-type: none"> • Copper: 4.3 billion lbs • Gold: 1.6 million ozs • Molybdenum: 80 million lbs 	<ul style="list-style-type: none"> • Site prod. & delivery <ul style="list-style-type: none"> ○ 2022e: \$1.95/lb ○ 1Q22e: \$1.99/lb • After by-product credits ⁽¹⁾ <ul style="list-style-type: none"> ○ 2022e: \$1.35/lb ○ 1Q22e: \$1.35/lb 	<ul style="list-style-type: none"> • ~\$8 billion⁽³⁾ @ \$4.50/lb copper • Each 10¢/lb change in copper in 2022e = \$365 million impact 	<ul style="list-style-type: none"> • \$3.3 billion⁽⁴⁾ (excluding smelter⁽⁵⁾) <ul style="list-style-type: none"> ○ \$2.0 billion for major projects ○ \$1.3 billion for other mining

(1) Assumes average prices of \$1,800/oz gold and \$19/lb molybdenum in 2022e.

(2) Assumes average prices of \$1,800/oz gold and \$19/lb molybdenum in 2022e; each \$100/oz change in gold would have an approximate \$100 mm impact and each \$2/lb change in molybdenum would have an approximate \$110 mm impact.

(3) Net of \$1.3 billion of working capital and other uses.

(4) PT Inalum scheduled contributions in 2022e approximate \$0.2 bn. Major projects CAPEX includes \$1.4 bn for planned projects and \$0.6 bn of discretionary projects.

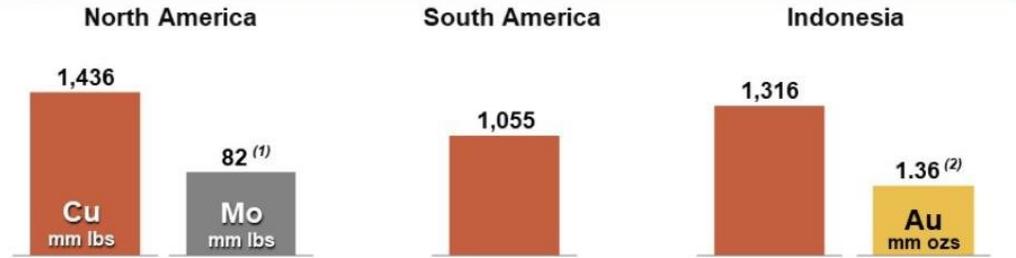
(5) Indonesia smelter projects are currently being funded through PT-FI's \$1 bn unsecured bank credit facility.

e = estimate. See Cautionary Statement.

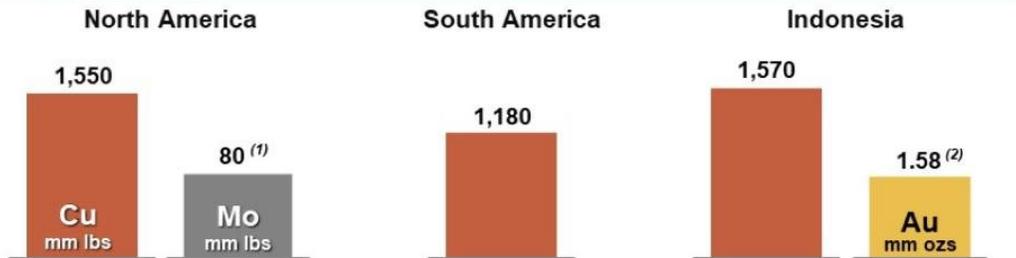


2021 and 2022e Sales by Region

2021 Sales *by Region*



2022e Sales *by Region*



⁽¹⁾ Includes molybdenum produced in South America.

⁽²⁾ Includes gold produced in North America.

e = estimate. See Cautionary Statement.

2021 and 2022e

Unit Production Costs by Region



2021 Unit Production Costs (per lb of Cu)	North America	South America	Indonesia	Consolidated
Cash Unit Costs				
Site Production & Delivery ⁽¹⁾	\$2.13	\$2.23 ⁽²⁾	\$1.49	\$1.93 ⁽²⁾
By-product Credits	(0.33)	(0.32)	(1.95)	(0.89)
Treatment Charges	0.09	0.13	0.24	0.16
Royalties & Export Duties	-	0.01	0.41	0.14
Unit Net Cash Costs	\$1.89	\$2.05 ⁽²⁾	\$0.19	\$1.34 ⁽²⁾

2022e Unit Production Costs (per lb of Cu)	North America	South America	Indonesia	Consolidated
Cash Unit Costs ⁽³⁾				
Site Production & Delivery ⁽¹⁾	\$2.28	\$2.26	\$1.39	\$1.95
By-product Credits	(0.38)	(0.36)	(1.88)	(0.92)
Treatment Charges	0.10	0.15	0.24	0.16
Royalties & Export Duties	-	0.01	0.43	0.16
Unit Net Cash Costs	\$2.00	\$2.06	\$0.18	\$1.35

(1) Production costs include profit sharing in South America and severance taxes in North America.

(2) Includes nonrecurring labor-related charges at Cerro Verde for collective labor agreements reached with its hourly employees totaling 6¢/lb of copper in South America and 2¢/lb consolidated.

(3) Estimates assume average prices of \$4.50/lb for copper, \$1,800/oz for gold and \$19/lb for molybdenum for 2022e. Quarterly unit costs will vary significantly with quarterly metal sales volumes.

NOTE: For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to "Product Revenues and Production Costs" in the supplemental schedules of FCX's 4Q21 press release, which is available on FCX's website. e = estimate. See Cautionary Statement.

PT-FI Mine Plan

Metal Sales, 2020 – 2026e



Copper

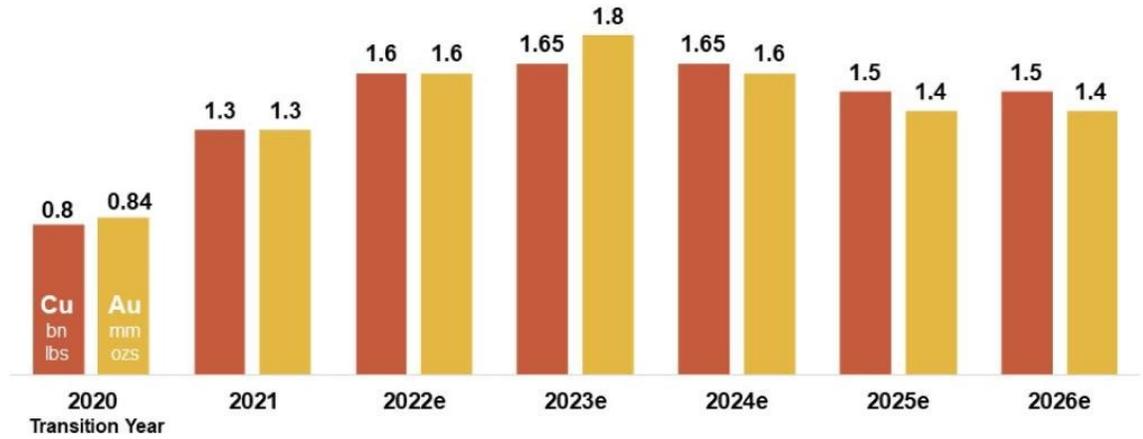
2022e – 2026e

Total: 7.9 billion lbs copper
Annual Average: ~1.6 billion lbs

Gold

2022e – 2026e

Total: 7.8 million ozs gold
Annual Average: ~1.6 million ozs



NOTE: Amounts are projections. Timing of annual sales will depend on a number of factors, including operational performance, timing of shipments, and other factors. FCX's economic interest in PT-FI approximates 81.27% through 2022 and 48.76% thereafter. e = estimate. See Cautionary Statement.

Indonesia Downstream Processing Activities

New Greenfield Smelter

- › 1.7 mm mt of annual concentrate capacity
- › Designed to be world's largest flash smelter/converter facility
- › Advancing groundwork/preparation
- › Project expected to be completed as soon as feasible in 2024*
- › Target price: ~\$2.8 bn**

* Dependent on no further COVID-19-related disruptions

** Excludes capitalized interest, owner's costs and commissioning

PT Smelting Expansion

- › 30% increase to existing smelter to add 300,000 mt of annual concentrate capacity
- › Completed commercial arrangements in 4Q21
- › Target completion of YE 2023
- › Cost estimate: \$250 mm

Precious Metals Refinery (PMR)

- › To be constructed to process gold and silver from new greenfield smelter and PT Smelting
- › Cost estimate: \$250 mm

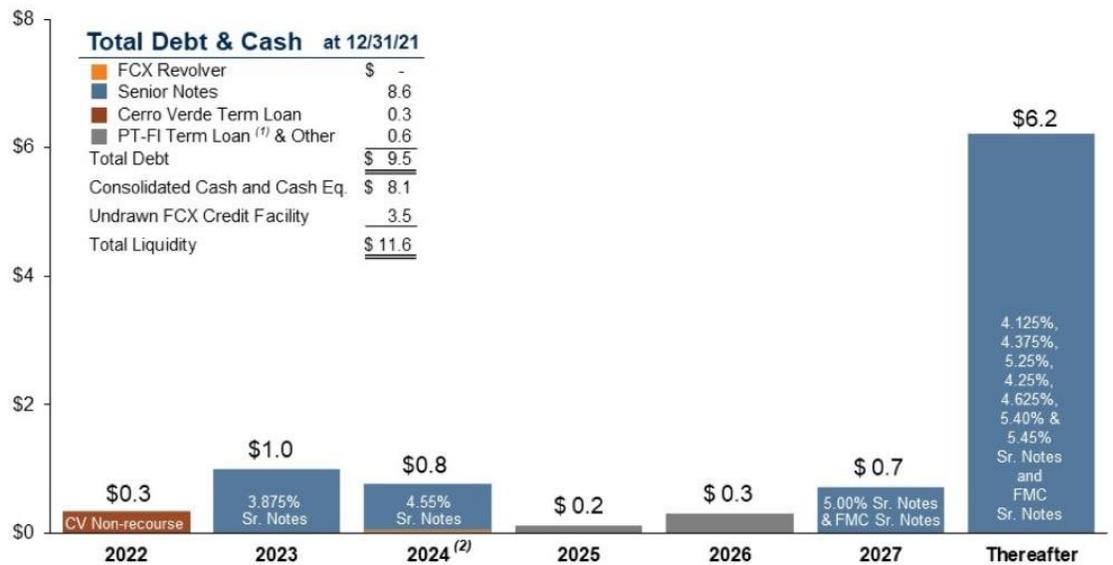


e = estimate. See Cautionary Statement.

FCX Debt Maturities as of 12/31/21

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(US\$ bns)



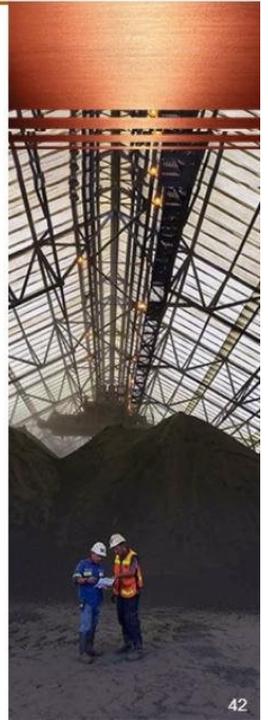
(1) \$557 mm was available under PT-FI's \$1.0 bn, five-year, unsecured bank credit facility.

(2) For purposes of this schedule, maturities of uncommitted lines of credit and other short-term lines are included in FCX's revolver balance, which matures in 2024.

4Q21 Copper Realization & 1Q22e Guidance

4Q21 LME Average Copper Price	\$4.40/lb
3-Mo. Fwd Price for Copper at the End of December	\$4.42/lb
FCX 4Q21 Consolidated Copper Price Realization	\$4.42/lb (Generally, 50/50 weight of qtrly avg and 3-mo forward price at end of period)
FCX 4Q21 Prior Period Open Lb Adj. (aka Provisional Price Adj.)	Revenue/EBITDA: \$187 mm Net income: \$75 mm Earnings/share: \$0.05
1Q22e Open Pound Guidance	<ul style="list-style-type: none"> • Open lbs priced at \$4.42/lb on 12/31/21 • Each \$0.05 change in avg copper price in 1Q22 = \$12 mm impact to 2022e net income • LME copper settled at \$4.42/lb on 1/25/22

e = estimate. See Cautionary Statement.



Adjusted EBITDA Reconciliation

(\$ in mm)	4Q21	2021	2020
Net income attributable to common stock	\$1,106	\$4,306	\$ 599
Interest expense, net	171	602	598
Income tax provision	626	2,300	944
Depreciation, depletion and amortization	568	1,998	1,528
Metals inventory adjustments	1	16	96
Net gain on sales of assets	(17)	(80)	(473)
Accretion and stock-based compensation	38	170	192
Other net charges ⁽¹⁾	313	442	395
Loss on early extinguishment of debt	-	-	101
Other expenses (income), net	161	105	(59)
Net income attributable to noncontrolling interests	252	1,059	266
Equity in affiliated companies' net earnings	(11)	(6)	(12)
FCX Adjusted EBITDA ⁽²⁾	\$3,208	\$10,912	\$4,175

(1) The 2021 periods primarily includes adjustments to reclamation liabilities at PT-FI (\$340 mm in 4Q21 and for 2021), net adjustments to environmental obligations (\$26 mm in 4Q21 and \$41 mm for 2021) and nonrecurring labor-related charges at Cerro Verde (\$18 mm in 4Q21 and \$92 mm for 2021). The 2021 charges were partly offset by net credits primarily associated with refunds of Arizona transaction privilege taxes related to purchased electricity (\$27 mm) and adjustments to prior-period profit sharing at Cerro Verde (\$26 mm). For 2020, other net charges primarily include a talc-related litigation accrual, partly offset by net favorable adjustments to environmental obligations (\$113 mm) and costs directly associated with the COVID-19 pandemic and revised operating plans, including employee separation costs (\$226 mm).

(2) Adjusted EBITDA is a non-GAAP financial measure that is frequently used by securities analysts, investors, lenders and others to evaluate companies' performance, including, among other things, profitability before the effect of financing and similar decisions. Because securities analysts, investors, lenders and others use Adjusted EBITDA, management believes that our presentation of Adjusted EBITDA affords them greater transparency in assessing our financial performance. Adjusted EBITDA should not be considered as a substitute for measures of financial performance prepared in accordance with GAAP. Adjusted EBITDA may not necessarily be comparable to similarly titled measures reported by other companies, as different companies calculate such measures differently.

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