Freeport-McMoRan Overview

- Leading international mining company with headquarters in Phoenix, Arizona

- Operates large, long-lived, geographically diverse assets
  - Significant proven and probable reserves of copper, gold and molybdenum
  - World’s largest publicly traded copper producer

- 25,200 employees and 28,000 contractors worldwide
  - As of December 31, 2017
Freeport-McMoRan Mining Operations

- Morenci, Arizona
- Bacanuchi, Arizona
- Bagdad, Arizona
- Miami, Arizona
- Safford, Arizona
- Chino, New Mexico
- Tyrone, New Mexico
- El Abra, Chile
- Cerro Verde, Peru
- Grasberg, Indonesia

Copper (Cu) • Gold (Au) • Molybdenum (Mo)

Freeport-McMoRan Compliance Team

- Executive VP, CFO
- General Counsel's Office
  - Audit Committee
  - Chief Compliance Officer
  - Deputy Chief Compliance Officer, Sr. Counsel
  - Stephen Nehring, Mgr Compliance
  - HR & Other Departments
- Compliance Line
  - Compliance Analyst
  - Bart Fitzgerald, Sr. Investigator
  - Sr. Investigator
Introduction

- Chronic Callers
  - Repeat callers: “chronic complainers” or the “forgotten”
    - How do we address repeat callers’ complaints in a timely and professional way?
    - Are we Ernestine?

Scenario – Let’s “Whac-a-Mole”

- The Anonymous Abuser
  - Remember Whac-a-Mole at the arcade?
  - Do we get rid of repeat complainers as quickly as possible?
  - Sometimes we would like repeat complainers to simply stop calling!
  - A sense of abusing system
    - Other employees felt harassed by allegations
Anonymous Complaints Triple in One Year

Round Table:
What would you recommend in a similar situation?

How do you investigate numerous calls from similar subjects?
What We Learned

- How we moved forward
  - Sometimes exigent circumstances require aggressive actions
    - We changed the process
      - Callers from designated locations and with specific allegation types were required to provide their name and phone number
      - It all stopped after two calls

What We Learned

- "You’re harassing me"
  - Multiple complaints to hotline in 2016-2017
    - Threats of violence and harassment by coworkers
    - 15 witnesses interviewed
      - Nothing substantiated
  - Wanted to know why individuals were not fired
  - Claimed HR and Compliance harassed and retaliated because of the complaint
  - Employee complains during close out, "you’re harassing me"
What We Learned

- Investigations were not documented very well by supervisors or HR
  - Complainant kept repeating allegations during each call

- It is helpful to use 1-on-1 close outs with complainants
  - Complainants can generalize and confuse the facts

- It may be beneficial to have a second person/witness during interviews and close outs

Scenario – “It’s just Bob”

- Bob was sure he was being targeted by supervisors
  - 16 hotline complaints over a 3-year period
  - Offered a written letter to his superintendent with 40 concerns about the department
  - The attitude seemed dismissive – “It’s just Bob”

- Very emotional close out
What We Learned from Repeat Caller

- Best to have a witness present during interviews and close outs
- Interviews and investigations should be well documented
  - “Is this everything?”
- Sometimes exigent circumstances require aggressive actions
- Maintain contact with the caller while looking into the concerns
- If the concerns involve callers’ team members, be sure a positive working environment exists for moving forward
- Close out with all subjects and callers
Questions?

Thank you!

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