



CONTRACTOR HEALTH, SAFETY AND ENVIRONMENTAL MANUAL  
July 2022

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## Statement of Policy

The goal of Freeport-McMoRan (FCX), and thereby the goal of all Contractors and visitors to any FCX property, is to manage risks to prevent fatalities and other occupational health, safety and environmental incidents and to commit to a safe and healthy work environment. All Contractor employees are responsible to work safely and immediately resolve any unsafe conditions or observed at-risk behaviors.

All Contractors, suppliers, vendors, and visitors will comply with the provisions of this manual and the FCX Health Safety Policies which may be obtained from the “Suppliers” section at FCX.com. Where differences in detail or requirements exist between this manual and a site-specific requirement, the more stringent policy will prevail. Non-compliance with health, safety and environmental requirements may result in work stoppage or removal of Contractor or its employee(s) from FCX property. Any willful or repeated non-compliance could result in Contractor dismissal.

Regulatory compliance is the responsibility of each Contractor. This manual is not to be construed as superseding national, regional, federal, state and/or local regulations, nor is it a definitive or comprehensive listing or description of the applicable rules and regulations.

## 1.0 Roles and Responsibilities

### 1.1 Contractor

A Contractor is the party that executes the agreement supplement on behalf of FCX. This includes its employees and all its subcontractors and their employees, who perform services for FCX and its subsidiaries. Visitors, consultants, delivery personnel and others may be excluded (at the sole discretion of FCX) on a case-by-case basis based on risk and exposure.

### 1.2 Sub-Contractor

A person that has a direct contract with Contractor, to perform any of Contractor’s obligations under the Contract Documents. The FCX Contractor Health, Safety and Environmental Manual, applies to the subcontractor and all their employees. For the purposes of this manual subcontractor is considered a “Contractor”.

### 1.3 Project Manager / FCX Responsible Party

Project Manager or FCX Responsible Party is the FCX employee who has oversight for the services being performed and/or responsibility for managing the project on behalf of FCX. Responsibilities include the oversight of health, safety and environmental performance of the Contractor(s), the provisions of this manual and any changes or revisions, FCX policies and procedures and safety advisories to include Potential Fatal Risk Event(s) (PFE), and to communicate project-relevant health, safety, and environmental information in a timely manner. The Project Manager is responsible for ensuring all deliverables have been received and reviewed prior to project commencement and ongoing deliverables are submitted (e.g., manhours, incident reports, etc.).

### 1.4 Contract Controls Specialist and/or Contract Administrator

Contract Controls Specialist and/or Contract Administrator is the FCX Global Supply Chain employee who manages the contract with the Contractor on behalf of FCX. They manage the Contractor relationship as well as conformance with, and adherence to the contract documents.

### 1.5 FCX Health, Safety and Environmental Departments

The FCX Health and Safety Department and site Environmental Representatives periodically audit Contractor performance and adherence to the provisions of this manual, project specific Health, Safety and Environmental Plan (HSEP), and company policies and regulations. In collaboration with the Project Manager, Contract Controls Specialist

and Contractor, FCX Health and Safety and site Environmental Representatives may present and/or provide project-relevant health, safety, and environmental topics for discussion. FCX Health and Safety and site Environmental Representatives may also provide technical support to the FCX Project Manager as requested or needed.

## 1.6 Contractor Responsibilities for Health, Safety and Environment (HS&E)

Contractors are responsible for establishing, implementing, and maintaining their health, safety, and environmental programs to meet the safe production goals and objectives as stated by FCX. They are also responsible for monitoring the programs of their subcontractors to ensure compliance with FCX expectations.

Contractors have the obligation to:

- Abide by all national, regional, federal, state, local regulations and [FCX policies and procedures](#).
- Protect the public from all hazards which result from Contractor activities.
- At a minimum, organize and present monthly project-relevant health, safety and environmental meetings to their employees and subcontractors.
- At a minimum, require management or supervisor level representative for each Contractor to attend monthly contractor led project health, safety, and environmental meetings.
- Provide all Contractor employees with necessary personal protective safety equipment.
- Ensure work areas are maintained, clean and orderly.
- Ensure all Contractor employees have received applicable regulatory training, project health, safety, and environmental orientation, applicable FCX health, safety and environmental policies training, task training, as applicable, site safety/hazard recognition and requirements for the project as identified in the Contractor's Health, Safety and Environmental Plan (HSEP). Note: Contractors who are working directly for FCX agents of the company (directly supervised) are required to receive training as required of all FCX site employees.
- Ensure employees understand and are trained in Risk Management or the risks of the tasks and controls to mitigate the risks prior to starting work.
- Keep all registers, records, and reports up-to-date and properly completed, maintained and readily available for review by FCX and/or any legal or regulatory agency.
- Stop the job when an unsafe act or condition is recognized and take prompt corrective action. (See section 1.6 Stop Work Authority).
- Ensure that no Contractor's manager, supervisor, owner, or other person in charge requires, condones, asks, or allows employees to work in or around unsafe acts or conditions. If so, it may result in immediate removal from the project.
- Report any uncorrected unsafe acts or conditions to the FCX Project Manager / FCX Representative, FCX Health and Safety, site Environmental Representative or the FCX Contracts Control Specialist/Contracts Administrator

### 1.6.1 Contractor Senior Management/Project Manager

- Establish and enforce rules and programs designed to promote health and safety and environmental protection.
- Hold individuals accountable for fulfilling their health, safety, and environmental responsibilities.
- Provide training for employees to perform tasks safely and protect the environment.
- Provide a safe and healthy work environment.
- Conduct regular health, safety, and environmental inspections, maintain records, and continually monitor for effectiveness.

### 1.6.2 Contractor Project Supervision

- Be accountable for on-the-job health, safety and environmental performance and ensure that all deficiencies are corrected.
- Monitor employee actions and behaviors.

- Review and investigate incidents, supervise correction of unsafe practices, and file incident reports.
- At a minimum, conduct monthly project health, safety and environmental meetings and provide employees with proper instruction on related requirements.
- Require employees and subcontractors comply with health, safety and environmental rules, regulations, and policies and the provisions of this manual and FCX Health, Safety and Environmental Policies.
- Instruct new employees and existing employees performing new tasks on safe working practices.
- Make sure personal protective equipment is available and used properly.
- Ensure Job Safety Analysis (JSA)/Job Hazard Analysis (JHA) or equivalent are properly filled out and adhered to and are available for review by FCX upon request
- Secure prompt medical attention for any injured employees.
- Ensure regular and thorough communication with the Project Manager.

### 1.6.3 All Contractor Employees

No employee will be required or knowingly be allowed to work in an unsafe environment. Each employee is responsible for learning and abiding by those rules and regulations which are applicable to his or her work, and for reporting and correcting observed or anticipated hazards to his or her immediate supervisor. Contractor employees will:

- Report to work fit for duty, well-rested, free from effects of drugs or alcohol.
- Work safely to ensure personal safety as well as that of co-workers and others.
- All contract employees are responsible and accountable for working safely and productively, while remaining aware of the hazards of their jobs and following recognized safe job procedures.
- Follow all health, safety and environmental rules, regulations, and policies and keep work areas clean and free of debris and obstacles.
- Report to FCX Representative when contractor leadership is not adhering to FCX expectations and /or requirements.
- Request help when unsure about how to perform any task safely.
- Utilize established health and safety controls to reduce risks of the tasks performed.
- Utilize established environmental controls to minimize impacts to the environment.
- Stop work if work cannot proceed safely and notify their supervisor until the necessary steps have been taken to address and correct the hazards.
- Report any uncorrected unsafe acts or conditions to the appropriate supervisor.
- Correct unsafe acts or conditions within the scope of the immediate work.
- Use and maintain all health and safety devices as required.
- Not interfere or disable any safety device including remote control, automatic equipment, safety interlocks or warning systems or guards.
- Immediately report incidents (injury, illness, property damage, near miss, environmental events, etc.) to supervisor.
- Not tamper with the scene of a safety event.
- Not tamper with any emergency medical supplies or emergency vehicles.
- Not engage in horseplay.
- Not interfere with any radio communications.
- Not use cell phones or other electronic devices while operating mobile equipment or vehicles.

## 1.7 Stop Work Authority

FCX recognizes Stop Work Authority as the responsibility and obligation of each contractor and FCX employee to stop work when an unsafe act, behavior, condition or change in conditions is perceived that may lead to an injury, illness, or serious situation. Each Contractor is expected to establish Stop Work Authority that grants the contractor, their employees, and subcontractors the responsibility and authority to stop work when it is perceived that a situation

exists that could place an individual in harm's way and/or could adversely affect the safe operation or cause serious damage to a facility or equipment, or adversely affect the environment. Additionally, FCX considers it unacceptable and will not tolerate any retaliation against an individual who uses Stop Work Authority. Contractors have an obligation to evaluate and initiate corrective actions, as applicable to resolve the stop work issue(s).

## 1.8 General Responsibilities

It is the Contractor's responsibility to be familiar with the provisions and requirements of this Contractor Health, Safety and Environmental Manual, local, state and federal regulations, and the FCX Health, Safety and Environmental Policies (as further referenced in the [Freeport-McMoRan Tools for Suppliers](#) website). When and where a revision of the manual occurs, the Contractor will implement any changes which result from the revision within 48 hours of the time they are notified of that revision or obtain an approved variance. Implementation includes actions such as, but not limited to, training of personnel, acquisition of equipment, revision of standard operating procedures, and any other actions which provide the means to achieve the requirements of a policy.

Within ten days after a signed contract, but prior to the start of work, the Contractor will submit to the FCX Project Manager / FCX Representative the following:

- Final list of all subcontractors working on the project with all FCX required health, safety, and environmental documentation
- Written respirator certifications of fit testing (Note: applicable for project work requiring respirators)
- Written Medical Surveillance Program, as applicable (e.g., HAZWOPER, asbestos, lead, cadmium, arsenic, silica, etc.)
- Written Drug and Alcohol Program
- Any project related contractor's standard operating procedures (e.g., utility locate, confined space entry, hazardous energy control, etc.)
- All other relevant written Occupational Health & Safety Programs (e.g., Hearing Conservation, PPE Program, Respiratory Protection, etc.)
- Health, safety, and environmental permits, as applicable
- List of all hazardous chemicals/products that will be used on project
- Material request and product approvals (MRAP) for chemical products being brought onto and are required for the project, as applicable
- Copies of completed risk assessments
- Accepted written Health, Safety and Environmental Plan (HSEP) for proposed work
- Training documentation for equipment/machinery/tasks that employees/subcontractors operate or perform, as applicable. This includes copies of specialized licenses, training certificates and current refresher documentation for all employees on project.
- Current copy of licenses to operate equipment and associated regulated inspections
- Scheduled and completed required training as described in Section 2.0

If these tasks cannot be completed within 10 days, a schedule will be provided to the FCX Project Manager for approval.

### 1.8.1 Contractor Health, Safety and Environmental Plan (HSEP)

Prior to beginning work, Contractor will prepare and submit to the Project Manager / FCX Representative and/or Health, Safety and Environmental Representative for review and acceptance a project specific HSEP that reflects the Contractor's intentions for full and complete compliance with this manual and associated health, safety, and environmental policies. The HSEP will include those sections and associated items as described in the HSEP template (see Appendix A). The Contractor's HSEP will also address any FCX facility specific health safety and environmental provisions that are not identified in this manual. Contractor's project specific HSEP will be reviewed to ensure it meets all health, safety and environmental expectations and is specific to the job or task(s)

being completed. If a contractor performs work on multiple projects over an extended period and this work is at an individual site or location, one comprehensive HSEP may be used. It is important that the description and scope of work provides project specific detail, and project relevant information be incorporated within each section, as applicable. Additionally, the Contractor will complete the risk assessments for review and acceptance by the Project Manager / FCX Representative and/or Health, Safety and Environmental Representatives prior to completing the risk management section of the HSEP. The FCX Representative will communicate to the Contractor any specific details not addressed by the HSEP which must be included. Modifications to the HSEP will be finalized and accepted prior to commencement of work activity. Subsequent amendments or changes to the plan will be submitted for review and acceptance by FCX Project Manager and FCX Health, Safety and Environmental Representatives before being implemented.

The Contractor is responsible to review the HSEP with all employees and subcontractors. This review will be documented and submitted to the FCX Project Manager and FCX Health, Safety and Environmental Representatives.

### 1.8.2 Contractor Health, Safety and Environmental Representation

As described within Company's request for proposal/quote and included in the applicable Scope of Work, each Contractor will appoint a qualified health, safety and environmental professional prior to project initiation and such individual or individuals depending on project scope, duration and complexity will ensure compliance with all applicable health safety and environmental related regulatory requirements and Company Health, Safety and Environmental Requirements, unless local regulations dictate otherwise. The names and credentials of all Contractor health, safety and environmental professionals that will be assigned to the project may be requested by the FCX Project Manager/Representative and Health and Safety Department for review prior to initiating work.

## 2.0 Training Requirements

- Each Contractor is required to ensure health, safety and environmental training of its employees and subcontractor (s) is maintained and current.
- All training will be conducted by a competent/qualified person and be provided before tasks are performed.
- All training will be documented, and a process implemented allowing a quick verification of training received by any employee of the Contractor and its subcontractor(s).
- No individual will be allowed to work on any FCX property who has not received site-specific health and safety hazard training and FCX Contractor Health, Safety and Environmental Orientation.
- Training verification will be readily available within 24 hours of request.
- Emergency case-by-case exceptions to training requirements may be granted by the Project Manager/ FCX Representative and FCX H&S Representative. Training may include:
  - FCX Health, Safety and Environmental Contractor Orientation,
  - Project Health, Safety and Environmental Orientation (review of the HSEP). This may be combined with FCX Health, Safety and Environmental Contractor Orientation
  - Site-specific health safety and environmental hazard training. This training may be combined with the FCX Contractor Health, Safety and Environmental Orientation.
  - Training identified in the Contractor's HSEP
  - Risk Management
  - Regulatory training, as applicable
  - Specific FCX Health, Safety and Environmental Policies, as applicable
  - Task Training, as applicable
- FCX Contractor Health, Safety and Environmental Orientation should address, as applicable, the following:

- Site-specific hazards
- Incident reporting procedures
- Emergency evacuation procedures
- How to obtain first aid or summon foremergency help (e.g., eye wash and safety shower)
- Reporting of unsafe acts or conditions
- Stop Work
- Hazard communication standardrequirements
- Occupational Health
- Blasting signals and response procedures
- Personal protective equipment requirements
- Identification of workplace hazards, risks, andcontrols of those risks.
- FCX Communications (e.g., PFE, Safety Alerts, etc.)
- Drug and alcohol policy
- General safety rules and responsibilities/critical safety rules
- Actions considered serious in nature (e.g., policy/critical rule violations, etc.)
- Managing risk (e.g., project specific SOP's, fatal risks, JSA's, communication, etc.)
- Traffic procedures
- Environmental procedures and permits
- Working around heavy equipment
- FCX Health, Safety and Environmental Policies
- Roles, responsibility, and accountability (employees, supervisor, and management.)

## 3.0 Communication, Documentation and Reports

### 3.1 Health, Safety and Environmental Meetings and Communication

#### **Monthly Contractor Health, Safety Environmental Meetings**

Contractor is responsible to organize and hold at a minimum a documented monthly Contractor health, safety, and environmental meeting where Contractor's management and their employees will attend. FCX project management/Representative and FCX Health, Safety and Environmental Representative will be invited to discuss project-relevant health, safety and environmental issues and topics such as FCX company and/or site-specific health, safety and environmental communications, health, safety, and environmental incidents, etc. Additional documented meetings requiring contractor attendance include, but are not limited to the following:

**Site Specific Contractor Meetings:** A site specific contractor meeting may be required where a representative from the Contractor company will attend and is dependent on or at the request of the site.

**Supervisor daily tailgate or line-out meeting:** A documented daily tailgate or line-out meeting will be held by the Contractor supervisor with contractor employees prior to performing work for the day. This meeting will include discussions around the work planned, health, safety and environmental risks associated with the work and what controls will be in place to minimize the risk.

**Health, Safety and Environmental Communications:** Each Contractor will be responsible for sharing with their employees, pertinent information regarding health, safety, and environment as necessary with respect to health, safety, and environmental regulatory information, FCX health, safety and environmental information, communication of workplace incidents, etc.

### 3.2 Permits and Inspections

Work activity permits and forms (confined space, hot work, pre-operational inspections etc.) provided by the Contractor are subject to review by the FCX Health and Safety Department for adherence to policies.

The FCX Project Manager will identify any other certifications or permits that Contractor may need for equipment, portable units, environmental or scope of project.



### 3.3 Monthly Report

Contractor and Project Manager will mutually agree on monthly health and safety targets for the project or services provided (e.g., zero incidents, TRIR, # of stop work successes, etc.), as applicable. All Contractors will provide to the FCX Health and Safety Department and Project Manager /Representative (or their delegate) a monthly summary, in connection with the services and services of subcontractor (s) provided in the preceding month, to include:

- Number of lost time/restricted duty injuries with the number of days lost or restricted for all open injury cases.
- Number of medical treatment injuries
- Number of occupational illnesses
- Number of first aid injuries
- Number of near misses
- Number of hours worked by Contractor employees (Note: Hours and injuries reported will be specific to the location where services are being performed).
- TRIR (specific to the location where services are being performed)
- Status of project health and safety target(s), as applicable
- Fire incidents
- Vehicle equipment damages
- Property damages
- Releases to the environment and corrective actions taken.
- Any changes to equipment or contract personnel

These reports are to be project specific, not company-wide, and are **DUE NO LATER THAN THE 5<sup>TH</sup> DAY OF EACH MONTH** during the term of services being provided.

### 3.4 Documentation

Records of training, permits, health, safety, and environmental meetings, etc. will be maintained for the duration of the project/contract plus a minimum of three years, unless there is a regulatory requirement for them to be retained for a longer period. These records will be made available upon request.

## 4.0 Assessments, Inspections and Audits

Audits and/or inspections will be conducted to identify deficiencies and positive elements in health, safety, and environmental performance to build and maintain a positive safety culture. They will be documented, and corrective actions assigned to correct deficiencies, identify, and track trends and evaluate the effectiveness of training and health and safety procedures and to ensure regulatory compliance. It is recommended that Contractor employees be given opportunities to become involved with these audits and inspections. The type of audit and/or inspections required are listed below.

#### **Workplace Examination**

Each workplace will be examined by a competent person for conditions that may adversely affect the safety or health of Contractor employee(s). The environmental conditions should also be documented, such as evidence of spills, poor waste segregation, etc. The workplace will be examined at least once each shift before work begins or as Contractor employees begin work in that place.

#### **Monthly Project Audit**

Projects with a duration greater than one month, the FCX and Contractor Project Manager and H&S Representatives will jointly organize and perform a monthly documented health, safety, and environmental assessment. The site Environmental Representative should be invited to participate in this audit. Audit results will be documented, and corrective

actions will be identified and tracked to completion. FCX Project Manager's /Representative may request more frequent audit be conducted by the Contractor independently.

### **Equipment and Facilities Inspections**

All Contractors will inspect, operate, and maintain equipment and facilities as directed. Each operator of stationary and mobile equipment will complete a documented pre-operation inspection of the equipment prior to operation. Any deficiencies identified from the inspection will be corrected in a timely manner; however, if any deficiencies represent an immediate health, safety and/or environmental hazard, the equipment will be taken out of service and tagged as bad order (BO) or out of service. Once the deficiency(ies) is corrected, the equipment can be reinspected and placed into service. Any documentation related to Contractor's equipment and facilities shall be made available for review upon request.

The FCX Project Manager will be notified when any additional equipment is added or changed after the project has commenced.

FCX reserves the right to inspect equipment prior to acceptance onto FCX property and anytime during use of the equipment on property. Equipment found to have deficiencies will be tagged out or removed from property until such deficiencies are corrected.

### **External Audits**

FCX Health and Safety, site Environmental Representative and the FCX Project Manager or their delegates, will perform periodic, comprehensive health, safety, and environmental audits of the Contractor's HSEP and/or work areas. Any deficiencies will be documented. The Contractor will be presented with the findings of the audit. The Contractor will be required to respond in writing with the corrective actions taken or plan to address deficiencies. Follow-up audits will be conducted as necessary, to verify all deficiencies have been resolved.

## **5.0 Specific Health and Safety Requirements**

All contractors are expected to adhere to the [FCX Standard Safety Requirements Policy](#) and the following specific health and safety requirements.

### **5.1 Hazardous Substance Management**

- All hazardous substances, including chemicals require prior approval from the Health and Safety Department and Environmental Department before being brought to the project.
- The Contractor will provide a list of all hazardous substances proposed for use for the services being performed along with the most current corresponding safety data sheet (SDS), the anticipated quantity, and the use and proper storage location. This will be made available to FCX for approval purposes.
- The list and respective SDS will be updated on an ongoing basis. Substances previously not included in the initial submittal are subject to project approval and will undergo review before being brought onto the FCX property.
- Care will be taken to select and use materials which can successfully accomplish the required work with minimal health or environmental impact.
- All hazardous substances will be removed from the project within three days of completion of the work involving the substances, or within three days of completion of the contract, whichever occurs first.
- Contractors will maintain the most current SDS provided by manufacturers and distributors.
- Contractors will have an established Hazard Communication Program that meets all national, regional, and local requirements.

## 5.2 Respiratory Protection

When necessary, Contractors will provide their written respiratory protection policy to include:

- Selection and use of respirators that specifies which respirator to use under specific conditions.
- Procedures for medical evaluation of each employee required to use respiratory equipment (Note: Medical clearance is required prior to respirator use).
- Procedural systems to ensure proper respirator usage is always adhered to, including policy of clean- shaven faces to ensure proper seal of respirator to face piece.
- Initial and annual training for employees on the proper use and limitations of respirators to be used for routine or emergency work to include respirator selection, functions, and limitations of individual respirator types.
- Procedures and schedules for cleaning, disinfecting, storing, inspecting, repairing, discarding, and otherwise maintaining respirators.
- Identification of, and communication on, workplace areas and job-specific tasks requiring respiratory protection to all employees.

## 5.3 Hearing Conservation

Employee hearing will be protected as required under regulation and per accepted hearing conservation measures.

Contractor hearing conservation programs will include:

- A written hearing conservation plan.
- Engineering and administrative controls to reduce employee exposures to 85 dBA or less.
- Training on the effects of noise exposure and the proper use of earplugs and earmuffs.

## 5.4 Other

### **Highway Work**

All work on, or adjacent to, existing public and jobsite roadways will be performed in conformance to project requirements and applicable regulatory requirements.

### **Protection of Employees and the Public**

All necessary precautions will be taken to prevent injury to the public or damage to property of others. Precautions to be taken will include, but are not limited to, the following:

- Work will not be performed in any area occupied by FCX employees, any of its contractors, or the public unless specifically allowed by FCX.
- When it is necessary to maintain public use of work areas involving pedestrian ways and vehicular roadways, Contractors will protect the public with appropriate shields, signage, barricades, guardrails, adequate visibility, and entrance/exit.
- Appropriate warnings and instructional safety signs will be conspicuously posted. In addition, a signalman shall control the movement of motorized equipment in areas where the public might be endangered.
- A temporary fence will be provided around the perimeter of aboveground operations and excavations adjacent to public areas. A spotter may be used in lieu of a fence under special circumstances and when approved by FCX Project Manager / FCX Representative and FCX Health and Safety.
- Barricades will be provided, where required, between work areas and walkways unless fences, guardrails, or sidewalk sheds have been used. Barricades will be secured to prevent accidental displacement and will be maintained except where temporary removal is necessary to perform the work. During the period when a barricade is temporarily removed for the purpose of work, a spotter will be positioned at each opening in the barricade.
- Temporary sidewalks will be provided when a permanent sidewalk is obstructed by a contractor's operation.
- When night work is performed, illumination will be provided from dusk to sunrise for all temporary walkways in both owner- controlled and project areas.

## Weapons

FCX prohibits the use or possession of weapons on any FCX controlled property or event unless allowed by national, regional, or local laws. This does not preclude compliance with any state or local law permitting the possession of a firearm on private company property. Some states require that employers allow firearms in company parking lots provided the firearm is in a vehicle, out of site and the vehicle is locked. FCX controlled premises include, but are not limited to, office and parking facilities, access areas and walkways, company-controlled (owned, leased) vehicles and equipment, desks and lockers, and other storage facilities.

Weapons includes firearms, ammunition, explosives of any type, any knife having a blade more than three inches in length (or any snap-blade, spring-blade, or “butterfly” knife regardless of the length of the blade) and all other substances and devices that by design or in the manner they are used may be considered dangerous or have potential to cause harm to people or property. Items purchased by the Contractor company that are not intended as weapons have the attributes above or could function as a weapon are excluded from this policy when such items are used for their intended purpose for company activities.

## 6.0 Environmental Requirements

Contractors will comply with all applicable statutes, rules, regulations, and standards, including FCX Corporate Environmental Policy, which may be obtained under the Sustainability section at [FCX.com](http://FCX.com). The FCX Project Manager/Representative and site Environmental Department, as applicable will decide whether permits or authorizations will be obtained by contractor or site. When obtained by the Contractor, they will be submitted to the FCX Project Manager/Representative prior to commencing work. Contractor is expected to adhere to all permit requirements. Additionally, the Contractor will:

- Will take immediate action to stop any spills or releases and will immediately notify the Project Manager and the Environmental Department of any spills, releases, or other environmental incidents. Contractor will clean up any spills as directed by the FCX Project Manager / FCX Environmental Department and will take all reasonable steps to prevent further release or spills.
- Unless directed by the FCX Project Manager / FCX Environmental Department all waste will be managed onsite at the direction of the Environmental Waste Department. Contractors will not take waste generated on FCX property offsite unless approved by the FCX Project Manager / FCX Environmental Department. Waste removal from a remediation site will be handled in accordance with the approved mitigation or remediation plan.
- Properly label, accumulate and dispose of all waste materials generated from activities (including used spill kit materials) in accordance with project guidance. The contractor will coordinate all disposal activities with the Project Manager.
- Provide and maintain adequate secondary containment for all hazardous chemicals, petroleum related products and process solutions that could damage the environment.
- Provide and maintain appropriate spill kits in work areas where petroleum products or hazardous materials are used.
- Prevent discharges to drains and/or sewers and not add, disturb, or modify stormwater controls or outfalls without prior written approval.
- Do not approach, handle, harm, or harass wildlife in any manner. Feeding animals is strictly prohibited. Contractor will notify the FCX Project Manager / Environmental Department regarding any wildlife matters.
- Contractors will not disturb reclaimed areas, wetland or native lands without the necessary permits and prior review and approval by the FCX Project Manager / Environmental Department. In addition, contractor will not disturb or take any cultural resource.
- Prohibit eating, drinking, and smoking where chemicals, hazardous materials or waste materials are present.

- Implement controls to minimize the generation of dust from work activities.
- Notify FCX Project Manager / Environmental Department of any generator or engine brought on sites requiring a permit. This does not include vehicle engines.
- Notify the Project Manager/Environmental Department prior to performing renovations on or demolition of any building to determine the presence of asbestos containing material or other hazardous materials and to ensure required sampling can be completed in advance.

## 7.0 Emergency Action and Incident Reporting

Emergency telephone numbers/radio channels will be posted in areas accessible to Contractor employees. In the event of a serious incident or injury, immediately activate the project emergency response/notification system, maintain scene safety and trained Contractor personnel should render first aid to any incident victims. FCX will address any media inquiries or announcements and make other decisions critical to the overall site and project.

If an incident requires immediate notification to government agencies, the area will be secured, and nothing disturbed or removed after evacuation of the injured employee until approval from all government agencies and FCX representatives is received.

### 7.1 Incident Reporting

- Incidents of a serious nature may require “immediate” notification to government agencies. Contractors are responsible for this notification in the time limits set in regulation. Once time sensitive reports are made, the FCX Health and Safety Representative will also be notified.
- All incidents will be reported to the FCX Health and Safety Department immediately with the initial written report to be submitted by shift end. Initial reports will include, at minimum:
  - Location of incident
  - Name of persons involved
  - Equipment involved
  - Time/date of incident
  - Nature of incident: occupational injury, occupational illness, near miss, property damage
  - Brief description of incident
  - Where injured (body part)
  - Name of person contacted for report
- Written final report is due to the Health and Safety Department within 48 hours of the incident, unless otherwise extended based on severity of incident.
- Each incident will be reviewed immediately to determine if it had the potential to result in a fatality. In such instances, the event will be investigated with the same rigor as if a fatality had occurred.
- Contractors may be required to conduct or participate in any investigations and/or root cause analysis (RCA).
- Action plans may be developed and implemented to prevent reoccurrence.

### 7.2 Emergency Response

All Contractors have responsibility for developing and maintaining a current emergency response/evacuation plan for their employees on the project. An emergency or disaster is an event or condition which has the potential of causing bodily injury or harm to employees and/or significant damage to the property and/or infrastructure.

Contractors will develop a project specific emergency response plan in coordination with site rescue teams or site management, when a rescue team is not present at the site, as applicable. Emergency response plans and procedures will include evacuation routes, rally point locations, emergency responders, communication plans, emergency alarms/signals and employee training and will be posted in all Contractor controlled/inhabited locations.

## 8.0 Drug and Alcohol Testing/Programs

FCX maintains a strong commitment to our employees, contractors, and stakeholders to provide a safe workplace and to establish programs promoting high standards of safety and health. Consistent with the spirit and objective of this commitment, FCX expects Contractor employees to report to work in proper condition to perform duties and to remain fit for duty for the duration of the shift. The objective of this policy is to prevent the use of drugs and alcohol from threatening the safety and efficiency of our employees, contractors, and operation. Use and abuse of these substances pose a serious threat to the health and safety of employees, contractors, and visitors. This includes taking or planning to take a prescribed controlled substance and working in a position where a safety threat may exist.

Contractors will have a written drug and alcohol program consistent with FCX policy and national, regional, and local regulations and will be submitted to FCX prior to beginning work upon request. Contractors without drug and alcohol programs will notify the FCX Project Manager in writing of their lack of a drug and alcohol program. If Contractor does not have a written D&A Program, they will establish one to meet Company requirements.

### 8.1 Testing Requirements

All employees or agents of Contractors performing services for FCX, will be required to participate in a drug and alcohol surveillance program, where a certified laboratory will be used. Testing requirements and screening cut-off limits for drug and alcohol will include those identified in Table 1. Drug and alcohol testing will occur at the time of employment under the provisions of the Contractor drug and alcohol program. In those instances where an employee leaves the employment of the Contractor, and then is rehired the employee will be tested again as part of the rehire process.

Table 1: Drug and alcohol screening requirements and cut-off limits

Alcohol	0.02 cut-off limit	
Drug Class	EIA Screening Cut off	GC-MS Confirmation Cut-off
Amphetamines*	500 ng/mL	250 ng/mL
Barbiturates	300 ng/mL	200 ng/mL
Benzodiazepines	200 ng/mL	100 ng/mL
Cannabinoids	50 ng/mL	15 ng/mL
Cocaine	150 ng/mL	100 ng/mL
Methadone	300 ng/mL	300 ng/mL
Opiates	300 ng/mL	300 ng/mL
Oxycodone	300 ng/mL	300 ng/mL
Phencyclidine	25 ng/mL	25 ng/mL
6-Acetylmorphine	10 ng/mL	10 ng/mL
MDMA	500 ng/mL	250 ng/mL
Buprenorphine	10 ng/mL	10 ng/mL
Tramadol	200 ng/mL	200 ng/mL
Fentanyl	2000 pg/mL	500 pg/mL

\*includes automatic reflex d & l isomer testing for methamphetamine positive results

The Contractor will maintain an ongoing drug and alcohol program that includes, but not limited to, pre-employment, 20% random and for cause testing. The screening test will require each employee to produce his or her sample (biological sample being one or more of the following: urine, blood, hair, breath as applicable and relevant). FCX will not bear the cost and expenses associated with drug screening.

Employees producing positive test results will NOT be eligible to work on any FCX property/project for a period of three years from the date of testing.

Contractors who have programs for rehabilitation or “multiple strikes” will notify FCX immediately upon learning of the positive result(s) and remove that employee from the property/project and ensure they are not assigned to another FCX location/project for a three-year period.

## 8.2 Enforcement

Contractors will not tolerate the selling, manufacturing, distributing, possessing, using, or purchasing of drugs, drug paraphernalia, or alcoholic beverages or having prohibited levels of drugs or alcohol in an employee’s system while on FCX premises. FCX premises as defined by the policy, means all areas in which FCX operates including but not limited to: FCX property, parking lots, FCX owned or leased equipment, lockers, desks, workspaces, and storage facilities. Individuals found in violation of this policy will immediately be escorted off FCX property.

Accordingly individuals who exhibit irrational or unusual behavior; negligence or carelessness; disregard for the safety of self or another; a reasonable belief that they may be using drugs or abusing alcohol; reporting to or remaining at work in a seeming unfit working condition; are involved in a serious accident that results in serious property damage, a disruption of an operating process or injury to self or another; or a near-miss situation where the potential for any of the above results was present may also be removed from FCX property until their employer can certify to FCX that the employee had a negative result to a timely drug and alcohol test.

Contractor employees who test positive, tamper with, or alter a drug and/or alcohol sample, or who refuse to submit to testing in a timely period will not be allowed to perform work on any FCX property for a period of three years.

If requested, the Contractor may be required to provide information on their drug and alcohol testing processes and program which details:

- The number of persons tested each year, aggregate for the quarter being reported
- The number of non-negative results determined each year, aggregate for the quarter being reported
- The percentage of persons selected to be randomly tested along with the frequency of random testing
- The name of the Medical Review Officer (MRO)
- A basic program description which describes the processes in place and who manages the program

**NOTE:** The Contractor will not submit any confidential information of the individuals who have been or are subject to testing.

## 9.0 Background Check and Site Access

Per the company master agreement/contract, the Contractor may be responsible for performing a background check at the local, state, and federal/country level for all employees, prior to performing Services on any Company Property/Project. Contractor will submit a list of employees needing to access the Site prior to commencing the work. That list will be reviewed by Company for each employee's eligibility to access the Site. This review should happen irrespective of the Site utilizing badging access/hardware/software. Company will inform the contractor of any employees that are not eligible to access Company Sites. Refer to the master agreement / contract for specific requirements. This information should be made available to the Project Manager upon request.

## Appendix A: Health, Safety and Environmental Template for Contractors

A project-specific Health Safety and Environmental Plan (HSEP) will describe the project and proposed work; all related hazards/risks and controls; what to do if things go wrong, and the expectations of all involved. It is a written plan for conducting the work in a safe, healthful and environmentally friendly manner to protect workers the public and environment. It is meant to be read and understood by the workers and followed. Therefore, it will be project-specific, practical, and concise. More information does not necessarily mean a better HSEP. The level of detail should commensurate with the complexity of the work.

**Note:** If a contractor performs work on multiple projects over an extended period of time and this work is at an individual site or location, one comprehensive HSEP may be used. It is important that the description and scope of work provides project specific detail, and project relevant information be incorporated within each section, as applicable.

**IMPORTANT:** A HSEP should NOT include copies of Freeport-McMoRan (FCX) Health, Safety and Environmental Policies, the FCX Contractor Health, Safety and Environmental Manual or the contractor's written Health and Safety Program or Program elements (e.g., Drug and Alcohol Program, Medical Surveillance Program, Hazard Communication Program, Respiratory Protection Program, Hearing Conservation Program, PPE Program, etc.). Instead, all Policies/Programs/Program elements that are relevant to the work should be referenced, where necessary, but NOT included in the HSEP. Again, the goal is to be project-specific, practical, and concise.

Below is an outline template, which can be used as a general guide for creating a HSEP. At a minimum, a HSEP will address any pertinent topics listed in the outline.

### 1. Applicability

Describe who the HSEP applies to and the location where it should be kept on-site.

### 2. Project Location/Description

Include the project name, project address, date of work, date HSEP prepared, site map, history (including background on why the work is being done) and site characterization including description of any constituents of potential concern and know concentration ranges.

### 3. Scope of Work

Describe the project tasks.

### 4. Organization and Coordination

Identify key personnel (names, titles, contact information including phone and email), general functions and responsibilities, lines of authority.

### 5. Expectations

Define the standards of conduct including the use of the "buddy system", stop work authority and compliance with Regulations, Drug and Alcohol Policy, and all other FCX Policies, Programs and the Contractor Health and Safety Manual, etc. (include a statement that all contractor / subcontractor employees will comply with all federal, state, local and country health and safety regulations, FCX Health, Safety and Environmental Policies and the Contractor Health, Safety and Environmental Manual.)

### 6. Management of Change

Define when the HSEP requires revision and who approves. HSEP will include a requirement that it be updated, as necessary, to reflect any changes in the work, site characterization or site conditions.

### 7. Communications

Define what is communicated, with whom, when and how, including job site communication methods (e.g., radios,



phones, horns, etc.), safe production communication (e.g., kick off meeting), daily tailgates (e.g., line-out meetings) or pre-job meetings (which are required before initiating any site activity), monthly health, safety and environmental meetings and communication with contractors and sub-contractors.

## **8. Risk Management**

The risk assessments previously reviewed and accepted by the company will be used to complete this section. Describe the hazards and risks associated with each operation or process conducted and how they will be managed. Include ALL relevant health and safety hazards and environmental and property loss risks (e.g., confined spaces, working at heights, hazardous energy, silica, dust, constituents of potential concern, chemical and petroleum product hazards, biological hazards, radiological hazards, potential environmental impacts to surface water, groundwater, vegetation and wildlife, air emissions, waste that will be generated, etc.). Describe the controls used to mitigate any unacceptable risks using the hierarchy of controls (e.g., guarding, water sprays, utility locate, lift plans, confined space permits, secondary containment, surface water protection and runoff controls, spill response kits, inspections, etc.).

## **9. Training**

Describe the training requirements and process for the various job tasks (initial and refresher). For example, do equipment operators have hands on training and assessment? HSEP will state that employees working on the project will be trained to the level required by the work, their job function, and responsibilities, and those that are not, cannot participate in or supervise field activities. Training will include environmental review, spill response and regular Emergency Plan rehearsal. Specify the location of training documents and certificates.

## **10. Personal Protective Equipment (PPE)**

Describe the PPE to be worn by personnel during various project operations. HSEP will reference the contractor's PPE Program that addresses selection, use limitations (including temperature extremes), maintenance, storage, decontamination, disposal, fitting, donning, and doffing and inspection.

## **11. Medical Surveillance**

Describe any project medical surveillance requirements. If medical surveillance is required (e.g., for work under regulatory program, respirator use, etc.), the HSEP will reference the contractor's written Medical Surveillance Program.

## **12. Personal and Environmental Monitoring**

Describe the program for periodic air monitoring, personnel monitoring, and environmental sampling, if needed per project scope, including the techniques and instruments to be used, the frequency and types of monitoring, action levels, methods of maintenance and calibration of monitoring equipment and documentation.

## **13. Project Access and Control**

Identify the exclusion, decontamination, and support zones, if applicable, and describe project security measures to keep unauthorized persons from the project /work.

## **14. Sanitation**

Describe toilet and washing facilities, project personal hygiene practices and workers access to potable water (in case of remote access work, this may require "Wilderness techniques"). Management processes for resulting septic/sewage that is generated is described and approved.

## **15. Decontamination Procedures**

Describe any possible types of contamination and decontamination procedures for people and equipment, if needed. If decontamination procedures are necessary, the HSEP will include requirements that all employees leaving a contaminated area will be appropriately decontaminated; all contaminated clothing and equipment leaving a contaminated area will be appropriately disposed of or decontaminated; decontamination will be performed in

geographical areas that will minimize the exposure of uncontaminated employees and equipment to contaminated employees and equipment; all equipment and solvents used for decontamination will be decontaminated or disposed of properly, and that protective clothing and equipment will be decontaminated, cleaned, laundered, maintained or replaced as need to maintain their effectiveness.

#### **16. Standard Operating Procedures (SOPs)**

Reference all applicable FCX SOPs and any applicable contractor SOPs that have previously been submitted for review (e.g., LOTOTO, utility locate, confined space entry, etc.). Include any contractor SOPs that havenot been previously submitted for review. Include any SOPs for those activities that can be standardized and where a checklist can be used.

#### **17. Permits/Audits/Inspections**

Describe any required inspections (e.g., equipment inspections, workplace examination, etc.), permits (e.g., confined space, hot work, utility locate, etc.) and audits (compliance, fatality prevention, etc.) and the frequency of audits (e.g., daily, and monthly) and who is involved. The HSEP will include a requirement for planned inspections by a project health and safety supervisor or, in the absence of that individual, another individual who is knowledgeable in occupational health and safety, to determine the effectiveness of the HSEP. HSEP will include a requirement that any deficiencies in the effectiveness of the HSEP are corrected.

#### **18. Spill Containment Program**

Describe how refueling of equipment will occur. Describe secondary containment that will be provided. Where major spills may occur, the HSEP will reference the contractor's written Spill Containment Program to contain and isolate the entire volume of any potential hazardous material or petroleum product spill. This includes information on spill control and cleanup materials that will be made available.

#### **19. Waste Management**

Identify all potential wastes that may be generated. All waste is to be managed in accordance with the relevant legal requirements, FCX policies and Standard Operating Procedures.

#### **20. Incident Notification, Reporting and Investigation**

Describe the required methods and procedures for notification, reporting and investigation of incidents including occupational injury/illness, property damage, near miss and environmental events such as releases, air emissions and wildlife.

#### **21. Emergency Plan**

Describe the contingency plan for safe and effective response to handle anticipated emergencies including environmental events. Include pre- emergency planning (including locations and directions, with map, to the nearest medical services), personnel roles (including contact info), lines of authority and communication, project security and control, evacuation routes and procedures, rally point(s), emergency decontamination, which are not covered in the decontamination section of the HSEP (if necessary), emergency medical treatment and first aid, emergency alerting and response procedures, critique of response and follow-up and emergency PPE and equipment. Plan will also include project topography, layout, and prevailing weather conditions (if necessary); procedures for reporting incidents to local, state, and federal governmental agencies; training employees on emergency response procedures; provisions for regular Plan rehearsals, and provisions for periodic Plan review and revision, if necessary. Plan will also include an employee alarm or communication system to notify employees of an emergency, to stop work activities, as necessary and begin emergency procedures. Emergency response procedures will be posted in all Contractor controlled/inhabited locations.

#### **22. Acknowledgement**

Documentation of acknowledgement with signature(s).