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| **Contractors Health, Safety and Environmental Manual Updates**  **Leadership Talking Points and Guidance**  March 2024 |

The following information is provided for discussions with your employees and contractors about the revisions to the Contractors Health, Safety and Environmental Manual (CHSEM). For more details, please refer to the CHSEM located at https://fcx.com/suppliers/tools-for-suppliers#policy.

**Overview**

* The last update to the CHSEM occurred in 2022.
* The CHSEM summarizes roles, responsibilities, and expectations of contractors to ensure there is alignment with Freeport policies and procedures.
* There has been a concerted effort to standardize contractor on-boarding and contractor management.
* This document is intended to communicate the primary updates to the CHSEM. Please see the Manual for additional details.

**Contractors Health, Safety and Environmental Manual (CHSEM) Updates**

* Section 1.8 General Responsibilities (page 5)
  + Para 3, Bullet 12: Added requirement that task training will be conducted by a competent and qualified trainer.
  + Para 3, Bullet 12: Copies of training documentation and licenses will be provided upon request.
* Section 3.3.1 Monthly Reports (page 8)
* Para1, Bullet 13: Expanded monthly reporting requirements to include air quality.
* Section 3.3.2 Quarterly Reports (page 9)
* Para 1, Bullet 1: Added quarterly chemical usage (Toxic Release Reporting) and Drug & Alcohol random testing reporting requirements.
* Section 6.0 Environmental Requirements include (pages 12-14)
  + Para 2, Bullet 3: “Implement practices to minimize environmental impacts from waste storage, disposal, recycled materials transfer, and any material stored for reuse. Precautions will also be taken to minimize the amount of waste including unused chemicals, excess construction materials, debris, and waste. When feasible, waste will be avoided, reused, reduced, or recycled.”
  + Para 2, Bullet 8: “Contractor will comply with site SPCC Plans ( (U.S. sites only). The Contractor shall provide an inventory of all bulk (>55 gallons) chemical storage locations, including contents, type and size of containers, secondary containment, and location of spill kits. Contractor shall develop, implement, and maintain a SPCC plan around these bulk containers (if above the applicable capacity volume threshold of 1,320 gallons of hydrocarbon), including management practices and periodic inspections, unless other arrangements are made specifically with the Environmental Department.”
  + Para 2, Bullet 9: “Establish and implement best management practices for the control and mitigation of storm water impacts consistent with the applicable site stormwater management plan.”
  + Para 2, Bullet 13: “Implement reasonable, adequate, and appropriate dust control measures that minimize the potential to generate fugitive dust emissions. Activities shall be suspended if conditions (such as high winds) are such that dust control measures are not effective.”
  + Para 2, Bullet 14: “Minimize emissions from mobile equipment using industry standard practices. Stationary sources mobilized to the site will require contractor permits appropriate to the control of emissions from the source. Contractor shall provide a summary of mobile equipment and stationary emission sources that will generate emissions and the means that will be used to control such emissions.”
  + Para 12, Bullet 17: “Notify the Project Manager/Environmental Department prior to performing maintenance on any equipment containing ozone depleting substances.”
  + Para 12, Bullet 18: “Comply with applicable site backflow prevention rules. Backflow prevention devices should be installed at hydrants or should have an air gap. Backflow assemblies must be approved by an authorized certifying entity.”
* Section 8.0 Drug and Alcohol Testing / Programs
  + Section 8.1 Testing Requirements (page 15)
    - Para 2, Table 1: Oral screening methods and screening cut off limits have been added.
    - Para 2, Table 1: Codeine has been added as a screening parameter.
* Contractor Health, Safety and Environmental Plan (HSEP)
  + Section 1.8.1, para 1 (page 5): New format available and is preferred method.
  + Appendix A (pages 20-36), Health, Safety and Environmental Plan Template. Following required sections added:
    - Subcontractor
    - Fatal and Environmental Significant Risks
    - Air Quality
    - Water Quality
    - Spill Containment Program
    - Land Disturbance
    - Biodiversity
    - Water Usage
    - Other Miscellaneous Plans/Tools, etc.
    - Emergency phone number for site/project
    - Contractor Acknowledgement
    - FCX Acknowledgement