



Shareholders Urge Freeport-McMoran to Reduce Impacts of Urban Fracking

Over 18% of Freeport Shareholders Support Newground Social Investment and As You Sow Proposal on the Risks of Urban Oil Recovery

June 8, 2016 - Socially responsible investment firm [Newground Social Investment](#), in partnership with shareholder advocacy group [As You Sow](#) (AYS), filed a shareholder proposal with Freeport-McMoRan asking the Company to report on steps it is taking to reduce the risks of its urban oil extraction operations, which primarily occur in Los Angeles County. The proposal comes amidst mounting public opposition and rising health concerns associated with fracking, acidizing, and other unconventional oil extraction operations in urban Southern California communities. Today's preliminary results indicate that over 18% of shares were voted in support of the resolution, representing approximately \$2.6 billion in investor assets.

The resolution urged Freeport to report how it will avoid or reduce urban drilling risks. Freeport's urban oil extraction operations occur in densely populated areas of the Los Angeles Basin, and are located as little as hundreds of feet from elementary schools, playgrounds, and daycare centers – all of which amplifies the risk of significant public health and environmental damage.

The risk of conducting oil field operations in proximity to communities was highlighted recently by the Aliso Canyon disaster, where a natural gas holding tank near residential neighborhoods ruptured and leaked over 97,000 metric tons of methane into the local atmosphere. This leak, the largest in U.S. history, resulted in serious health effects for nearby residents, and cost SoCal Gas over \$667 billion. The growing risk of air and water contamination from unconventional oil extraction operations have fueled public opposition, increased regulatory restrictions, and led to moratoriums.

Stockholders note that by pursuing hazardous extraction in urban areas, Freeport risks reputational damage, heightened regulation of its operations, and legal costs if spills or harms to communities occur. Today's vote sends a strong message to Freeport's management that protecting neighboring communities from the risks of the company's operations is essential.

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Newground Social Investment manages money for institutions and individuals who seek positive change without sacrifice to financial performance. www.newground.net

As You Sow (AYS) promotes environmental and social corporate responsibility through shareholder advocacy. www.asyousow.org