CHINO MINE TAILINGS DISCLOSURE REPORT

DECEMBER 2024

FREEPORT-MCMORAN

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Introduction

Freeport-McMoRan Inc. (FCX) is committed to transparency by ensuring relevant information regarding Tailings Storage Facilities (TSFs) at our operations is readily available through public disclosures and active engagement with stakeholders.

This report supports our efforts to publish and regularly update information on TSF management, implementation of our tailings governance framework, our policies, standards and approaches to the planning, design, construction, operation, monitoring, maintenance, closure and post-closure of tailings facilities in alignment with the Global Industry Standard on Tailings Management (Tailings Standard)[1] Requirement 15.1. It also supports our commitment to publish and update, at least on an annual basis, information on the TSFs at the Freeport-McMoRan Chino Mines Company ("Chino Mines Company," an FCX subsidiary) in New Mexico in alignment with Tailings Standard Requirement 15.1B. All other TSFs at Chino Mines Company have been deemed safely closed by an Independent Technical Review Board (ITRB) or are in the process of evaluating safe closure designation and are or will be disclosed separately.

Summary of FCX's Approach to Tailings Management

Effective and responsible tailings management is critical to mining safely, protecting people and the environment and to maintaining social license to operate. We strive to continuously manage, enhance and innovate our tailings system in a manner that minimizes impacts to stakeholders and the environment. We recognize the potential failure of a TSF at any of our mining operations could cause severe or catastrophic damage that could result in loss of life, property damage, or environmental harm. Using appropriate management approaches and technologies, we operate with a bias for action by quickly identifying and addressing issues to prevent and mitigate potential impacts at our TSFs.

The health and safety of our workforce, host communities, and the protection of the environment are fundamental to our extensive tailings management system and approach. Our objective is to have zero fatalities, zero catastrophic failures, and zero unplanned discharges from any of our TSFs.

Our **Tailings Management Policy** outlines our continued commitment to managing our tailings responsibly and effectively across our sites globally and includes our commitment to implement the Tailings Standard at applicable TSFs. This policy is intended to be implemented in conjunction with our **Environmental**, **Human Rights**, and **Social Performance** policies and associated management systems.

Evolution of FCX's Tailings Management System and Implementation of the Tailings Standard

FCX established a Tailings Stewardship Program, which, over the last 20 years, has evolved into our comprehensive Tailings Management System (TMS) and applies to all TSFs managed by our operating subsidiaries. Our TMS, led by our expert team of tailings professionals, includes specific programs to address the various aspects of TSFs – over all phases of the TSF lifecycle – while promoting continuous improvement. Through our TMS, we systematically seek to identify and analyze, then eliminate or mitigate failure modes, to minimize the risk of failure scenarios associated with our TSFs. The TMS incorporates applicable regulations and international best practices.

Since the Tailings Standard was established in 2020, we worked to integrate the Tailings Standard within our existing systems. For example, we enhanced our multi-disciplinary collaboration and integration of our management systems. We also refined our risk assessment process and conducted gap-filling studies across our TSFs to enhance the knowledge base used for our risk assessments.

[1] The Tailings Standard was established by the International Council on Mining and Metals (ICMM), the United Nations Environment Program, and Principles for Responsible Investment.

FCX's TSFs are designed and managed throughout their lifecycles using Risk Informed Decision Making (RIDM) with precautionary or performance-based design approaches identified by each site's Engineer of Record (EoR) along with detailed inspections by the FCX Tailings Stewardship Team (TST) third-party reviewer and reviews by the Independent Tailings Review Board (ITRB). Our sites' EoRs design new TSFs and analyze existing TSFs using the stringent criteria for earthquakes and floods, applicable to Extreme TSFs, regardless of actual consequence.

In accordance with the Tailings Standard, FCX's updated consequence classification approach now incorporates each TSF's detailed information and analyses that have been enhanced over the past few years to reduce uncertainties as well as incorporate expert opinions on thresholds for Credible Failure Modes (CFMs). Our approach is derived from the Tailings Standard, and we take a conservative approach to consequences where there is a potential Population at Risk (see Section 1.3 and the Appendix for more information). FCX's subsidiaries have been evaluating consequence classifications based on this updated approach, beginning with TSFs that were previously classified as Extreme or Very High based on hypothetical failure.

In line with RIDM, we continue to conduct additional investigations, analyses, and, when necessary, enhancements of our controls or take additional actions to reduce residual risks to as low as reasonably practicable. In doing this work, we have reduced our uncertainties and increased our confidence in understanding our TSFs.

Monitoring our TSFs and striving to minimize potential risks is an ongoing process, and our disclosures will be updated as required by the Tailings Standard.

1.0 Our TMS

FCX has comprehensive measures in place to help ensure our TSFs are designed, built, operated, closed, and monitored to minimize risk.

The TMS comprises specific programs to address aspects of tailings planning, design, operation, maintenance, surveillance, and risk management over the TSF lifecycle. Although there is some overlap among the categories, our safeguards generally fall within four categories as illustrated by the examples for each provided below:

1. Engineering practices and safe designs

- We have robust stage-gate processes for engineering and design; our technical experts either manage or are embedded in projects to enhance shared knowledge and consistency in rigor and quality. In collaboration with the EoR, we conduct extensive site investigations and detailed site characterization to inform state-of-practice (or leading practice) engineering analyses and build a comprehensive knowledge base. Our EoRs design new TSFs and analyze existing TSFs using the stringent criteria for earthquakes and floods, applicable to Extreme TSFs, regardless of actual consequence.

2. Adherence to construction and operational parameters through monitoring and use of technology

- Our programs for operations, maintenance, inspections, and monitoring incorporate on-the-ground, automatically collected, and remote sensing data to enable regular analysis and internal reporting. Monitoring results are compared to established performance criteria. Action plans are developed and tracked to completion to help verify the TSF is operated in accordance with the design intent. Our Early Indicator Dashboard provides a mechanism to communicate performance in a timely manner to appropriate stakeholders at our sites and with our corporate leadership.

3. Multi-tiered oversight

- Our TMS includes mechanisms for internal and external reviews, such as internal subject matter experts and the Responsible Tailings Facility Engineer (RTFE), the EoR, the TST, and the ITRB. See sections 1.2 and 1.4 for more information. Reporting on monitoring program results and findings from these reviews are distributed to site and corporate leadership, including the Accountable Executive (AE) to inform and drive our bias for action.

4. Adherence to practices grounded in continuous improvement and learning from past experiences, including industry failures and best practices

- We actively participate in industry technical conferences and research initiatives, apply lessons from case histories, and conduct regular operator and engineer education and training.

Our RIDM process is an example that spans all four categories of safeguards and is discussed further in Section 1.3.

Figure 1 shows the evolution of the FCX TMS and key programs that exemplify the categories discussed above.

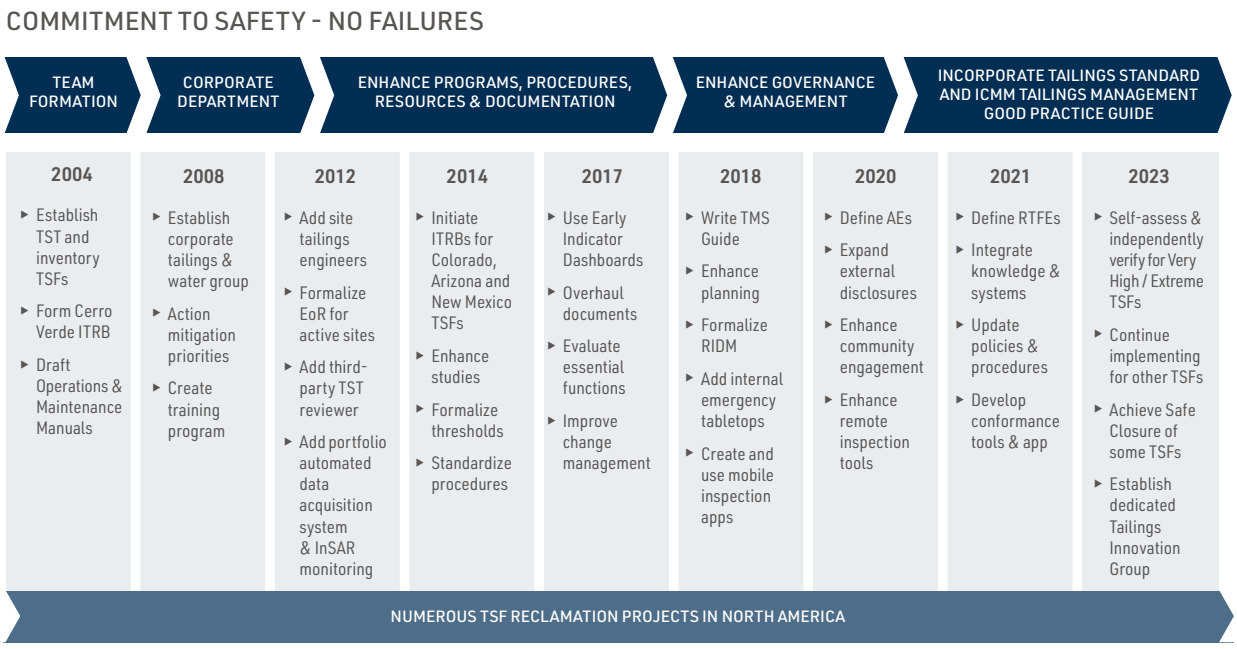


Figure 1. Tailings Stewardship & Management: A 20-Year Evolution.

1.1 TSF Lifecycle

A TSF lifecycle includes the design, construction, operation, closure, and post-closure phases. A TSF undergoes continual changes over its lifecycle, and these changes must be considered and managed to maintain safety and structural integrity. FCX works closely with internal and external experts, including the EoR, TST and ITRB for the full lifecycle management of the TSF.

FCX provides the "Status" of our TSFs in our public disclosures as follows:

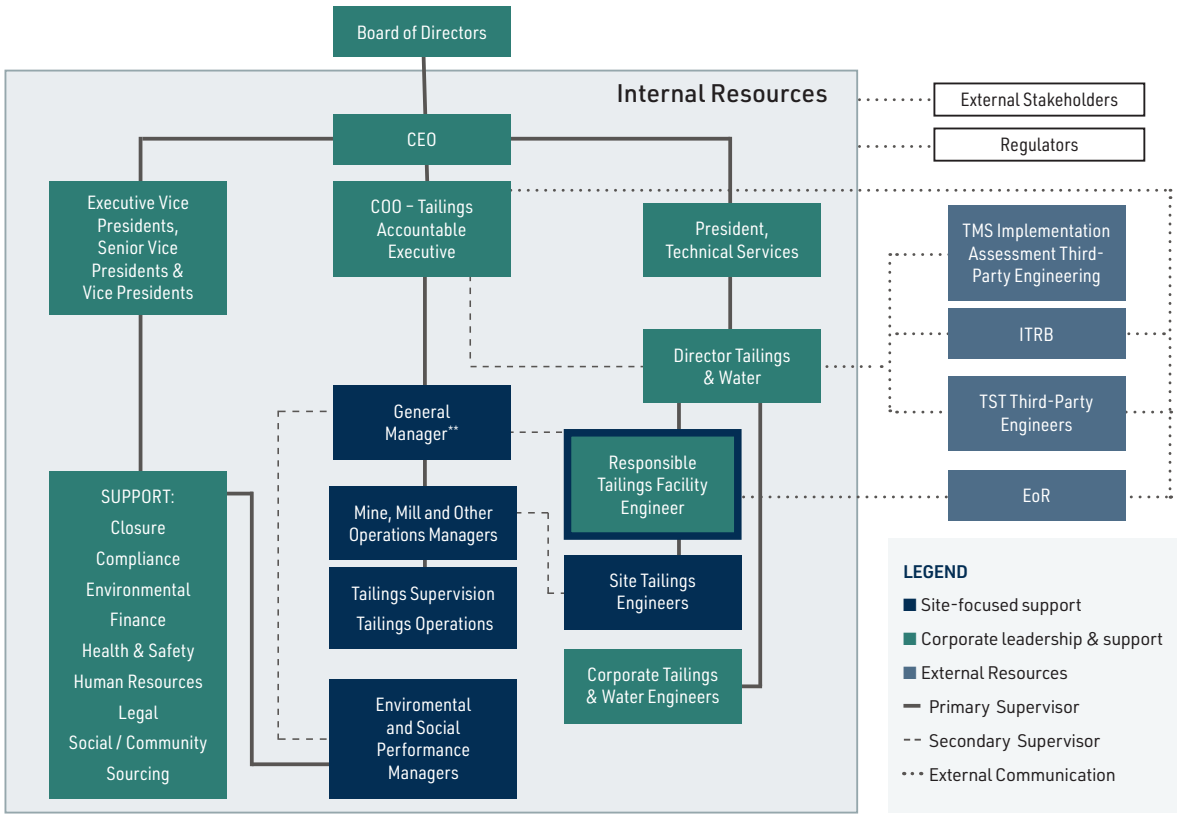
- **Development** - TSFs that have completed permitting and are in stages of design and/or construction through commissioning, prior to start of tailings deposition.

- **Active** - TSFs with tailings distribution infrastructure in place for the intent of raising dam crest.
- **Inactive** - TSFs that are not intended to receive tailings deposition in the current operating plan but have not yet implemented final closure activities.
- **Closed** - TSFs that are no longer in operation and have been closed to meet applicable design criteria, but for which safe closure under the Tailings Standard is not yet complete or confirmed.
- **Safely Closed** - TSFs that, upon collection and evaluation of additional data, have reached "Safe Closure" status as defined by the Tailings Standard; to receive this designation, TSFs require confirmation by an ITRB and AE. A Safely Closed TSF does not pose ongoing material risk to people or the environment.

1.2 Governance Framework

We believe our programs and safeguards are effectively implemented through the promotion of open and ongoing communication throughout our organization and a bias for action at all levels.

We remain focused on the safe execution of our TMS by maintaining robust, multi-tiered governance of our tailings programs, which involves appropriately qualified personnel with clearly defined roles, responsibilities, and accountabilities. There are multiple layers of assurance we apply to all TSFs: site-level implementation, functional accountability, third-party review, and board and executive leadership oversight as shown on Figure 2 and described as follows.



* Sites with only Inactive and / or Closed TSFs utilize a parallel structure reporting through the Chief Sustainability Officer.

** In some cases, the General Manager may report to a Division Vice President or President who in turn reports to the COO-President Americas.

Figure 2. Organizational Structure for Tailings Management System for Operating Sites that Facilitates Collaboration, Engagement, and Review.

Brief description of key roles in FCX's governance structure

1. Site-Level Implementation

- **Site Tailings Management, Engineers, and Operators:** Internal team that implements the management program and regularly monitors, identifies, and addresses potential risks.
- **Responsible Tailings Facility Engineer (RTFE):** Internal engineer appointed by AEs responsible for the integrity of assigned TSFs. RTFE provides technical expertise, manages risk, and liaises with the EoR. Corporate discipline experts provide regular support to RTFEs.
- **Engineer of Record (EoR):** External engineer who provides expert design and engineering analysis, technical support, inspection, review, and guidance to support an RTFE in achieving design intent of their assigned TSF.

2. Functional Accountability and Responsibilities

- **Accountable Executive (AE):** Chief Operating Officer who reports directly to the FCX Chief Executive Officer (CEO) and is accountable for the safe management of TSFs and for minimizing the social and environmental consequences of any TSF failure.
- **Tailings and Water Director:** Oversees RTFE activities and has delegated responsibilities from the AE for engaging with and reviewing the site-implementation of TMS activities.

3. Third-Party Review

- **Independent Tailings Review Board (ITRB):** Third-party, internationally known expert panels who provide independent opinions and guidance on the physical integrity, safety, and performance of TSFs and have access to corporate senior leadership. Members have decades of experience in applicable disciplines.
- **Tailings Stewardship Team (TST):** Third-party professional engineers who have not been directly involved with the design or operation of the TSFs and internal experts who inspect all TSFs, review documents and monitoring data, identify potential deficiencies, and recommend corrective actions.
- **Tailings Management System (TMS) Implementation Assessment:** An external consultant with sufficient knowledge and understanding of the TMS to assess the efficacy of the TMS applied at a site-specific level, including key tasks, roles and responsibilities, and associated governance structure to support proper management and operation of the TSFs, and structural integrity.

4. Board and Executive Leadership Oversight

- **Corporate Senior Leadership:** Executive leadership that participates in major decisions related to the tailings management program, including allocation of resources for TSF-related operations, initiatives, and projects.
- **Board:** Corporate governing body firmly committed to providing the necessary financial and technical resources to maintain the safety and integrity of our TMS globally, with a focus on risk management and continuous improvement. The AE regularly reports to the Corporate Responsibility Committee of the Board of Directors on matters related to the Tailings Management Policy including implementation of the Tailings Standard.

1.3 Risk Informed Decision Making

Risk is a combination of the potential consequences of an event and the probability, or likelihood, of that event occurring.

FCX applies RIDM throughout the full lifecycle of each TSF from design to post-closure. RIDM allows us to make informed decisions while linking the stability performance and risk level that is acceptable for a TSF; the process includes periodic updates, so that changes in the operation and/or performance, which may alter the risk profile of a TSF, can be considered.

As part of FCX's TMS, RIDM consists of three primary elements:

1. Risk Assessment
2. Risk Management
3. Surveillance and Review

1.3.1 TSF Risk Assessment and Consequence Classification

TSF risk assessments include risk identification, analysis (including consequence classification), and evaluation used to determine which measures are, or should be, in place to eliminate or minimize risk.

The risk assessment focuses on potential physical failures of each TSF, which may include instability, slope failures, excessive slope erosion, overtopping of the impoundment, and internal erosion. For the purposes of the assessment, FCX defines a TSF failure as the unintended loss of the structural containment where the tailings and water released could be impactful.

Other risks related to TSFs include, but are not limited to, occupational health and safety, environmental (including climate change), social (including human rights), economic, value chain, and other potential long-term sustainability and business risks. These risks are documented in the site's sustainability risk register process; see the annual **Sustainability Report** for more information.

The TSF risk assessment is updated with our full stakeholder group and workshop process every three years for applicable TSFs, and between five and seven years for Safely Closed TSFs. In the interim, the risk assessment is reviewed annually by the RTFE, site engineering staff, and the EoR.

During the risk identification and analysis workshops, multidisciplinary teams including the EoR, RTFE and internal team members and additional external experts as appropriate, use available information such as TSF-specific detailed data and engineering analysis, experience from team members, case histories, and regulatory data to identify a specific chain of events that could lead to a TSF failure. The group analyzes how a failure may occur, what factors exist that make the potentially CFM more or less likely (considering the site-specific knowledge base, existing robust controls and uncertainties), and ultimately determine which are credible failure scenarios.

Risk analysis leads to an understanding of each credible failure scenario for a TSF; a scenario comprises a CFM and an associated consequence that is technically feasible considering analysis and expert opinion on a minimum threshold of possibility of occurrence during a structured analysis process. To determine whether a failure mode and an associated scenario are credible, workshop participants use tools such as semi-quantitative risk analysis to estimate the likelihood of occurrence of each potentially credible failure mode, the likelihood of an adverse structural response, and the magnitude of potential adverse consequences. The group's best-estimate conservative ranking is used for the likelihood categorization of each CFM guided by information described in the Appendix.

CFMs reflect the residual uncertainty that exists around physical conditions and controls in the TSF considering all site-specific information and analyses. The resulting consequence classification is not an indication that a credible failure scenario will occur and having CFMs is not a reflection of TSF safety.

The credible failure scenarios are then used to create a TSF consequence classification, as defined by the Tailings Standard. The TSF consequence classification is based on downstream conditions and potential impacts of CFMs, including incremental losses to Population at Risk, potential loss of life, environmental impacts, health/social/cultural impacts, and infrastructure and economic impacts.

FCX integrates our value of safety into our tailings programs by taking a conservative approach to consequence classification (see Appendix for additional detail). Our definitions for consequence classification align with the Tailings Standard except as outlined below.

- If there is one or more permanent Population at Risk (see Appendix) – including the public, employees, or contractors – the CFM is classified as Extreme. The Tailings Standard considers Population at Risk greater than 1,000 people to be classified as Extreme.
- If there is no permanent Population at Risk, but there is a transient Population at Risk (see Appendix), the minimum consequence classification is Significant.
- Other metrics (as defined in the Tailings Standard for environmental and health; social and culture; and infrastructure and economics) help further determine the consequence classification (see Appendix).

Appropriate modeling of credible failure breach flow or slump runout scenarios is used to inform our understanding of potential consequences. In accordance with the Tailings Standard, we assign a TSF a consequence classification based on the highest consequences of CFMs for that TSF. The consequence classification is primarily used for communications and disclosure purposes. The TSF consequence classification is formally revisited when the Risk Assessment is updated.

Regardless of the TSF consequence classification, all of FCX's operating TSFs and Development TSFs are designed, analyzed, and operated using Extreme loading criteria. Design criteria for Inactive, Closed, and Safely Closed TSFs are informed by the Extreme loading criteria and assigned using the as low as reasonably practicable (ALARP) principle.

A risk assessment compares the outcomes of the risk analysis for existing conditions to determine if risks are within acceptable limits, whether existing risk reduction measures and controls are adequate, and what additional risk reduction measures should be considered (pursuant to the ICMM Tailings Management Good Practice Guide 2021). The risk of each CFM is reviewed following the ALARP principle. In some cases, the ALARP principle may not be satisfied, and further risk reduction measures to reduce the likelihood of occurrence or the potential adverse consequences may be required.

1.3.2 Risk Management

Based on learnings from the TSF risk assessment, our expert teams use engineering and operational controls to prevent, minimize, and / or mitigate risks to meet the ALARP principle. These controls include an ongoing focus on quality engineering design, construction, and operating discipline. Controls could include a buttress or other mitigating construction activity (e.g., foundation improvements, stormwater management enhancements). Additionally, part of managing risk is engaging with our host communities and external authorities to maintain a shared state of readiness through robust emergency preparedness and response planning for credible failure scenarios.

The risk assessment steps are repeated until the risk conforms to the ALARP principle and is followed by annual reviews and periodic TSF risk assessment updates.

1.3.3 Surveillance and Review

Surveillance and review in our RIDM program include activities as outlined in our Operations Maintenance and Surveillance Manual (OMS). Surveillance involves inspection and monitoring of the operation, structural integrity, and safety of the TSF. It consists of both qualitative and

quantitative comparison of actual to expected behavior and its activities are performed by appropriately trained personnel. Review of surveillance information occurs throughout the year for each TSF and is facilitated via internal reporting.

1.4 Approach to TSF Safety Performance Reviews

The TMS programs and their results are reviewed and evaluated for effectiveness regularly as part of routine operations and in focused performance reviews.

Internal and external reviews enhance confidence in safe tailings management, helping to confirm each TSF is performing in accordance with the design intent and to support informed decision making.

The following multifaceted review mechanisms are in accordance with the ICMM Tailings Management Good Practice Guide and satisfy the requirements of the Tailings Standard.

- **Annual Performance Review:** Each year, all TMS activities are reviewed to evaluate overall TSF performance and are documented and serve as a record of tailings analyses, design, construction, inspections, and monitoring results from the preceding year with references to supporting documentation. The review summarizes key findings and assesses the cumulative impact of activities and changes to the TSF. The EoR provides an overall conclusion about the performance of each TSF and provides recommendations if deviances from the design intent or good practice are found. Opportunities are identified to improve or optimize TSF performance or other TMS activities. Where material changes have occurred, recommendations are made to update the design basis, performance objectives and monitoring criteria, or other OMS activities as relevant. Actions taken to address recommendations and open recommendations are summarized in the following year's annual performance review.
- **TST Inspection:** This inspection is a review of TSFs and supporting infrastructure with a focus on TSF safety. The TST inspects all TSFs, identifies potentially significant deficiencies, recommends corrective actions, and verifies that recommended actions were completed through acceptable measures. The TST performs annual inspections of all Active and select Inactive or Closed TSFs. Inspections of other Inactive/Closed TSFs occur every one to three years, depending on risk profile, status of ongoing care and maintenance programs, progress towards safe closure, and whether TSFs are in a drained condition.
- **ITRB Review:** The ITRB comprises a group of third-party experts that independently reviews and assesses design, construction, and tailings management practices for the applicable North and South America TSFs. The ITRB holds periodic meetings that are as often as bi-annually, but typically these meetings will be held no less frequent than quadrennially for Development, Active, and Inactive TSFs, and slightly less frequent for Safely Closed TSFs, to review information from significant field investigations and geotechnical and hydrotechnical analyses, progress on recommendations, and otherwise provides input on technical or operational issues. The RTFE and site team work collaboratively with the EoR to develop an action plan to address each recommendation.
- **TMS Implementation Assessment:** This periodic review typically occurs approximately every four years, depending on several factors, and is conducted to assess the efficacy of the TMS applied at a site-specific level, including key tasks, roles and responsibilities, and associated governance structure to support proper management and operation for maintaining TSF structural integrity. The RTFE and site team develop actions plans and schedules to incorporate the recommendations.

For disclosure purposes, a material finding for TSF Safety Performance Review means that the finding would result in:

- A significant update to the TSF design and/or design criteria, operations, or monitoring system; and/or
- Activation of the Emergency Preparedness and Response Plan (EPRP).

In addition to review processes with the EoR and independent reviewers, regulatory or permit driven reviews are defined based on site- and TSF-specific factors.

2.0 Chino TSFs

This report presents a summary of the 2023 Annual Performance Review and other pertinent information for the Pond No. 7 TSF (also known as Tailing Dam 7) and Axiflo TSF at the Chino Mine. The reporting period is January 1, 2023, to December 31, 2023, unless otherwise noted. This summary provides information per Tailings Standard Requirement 15.1.

2.1 Description of the Chino Mine, Mill and TSF Areas

This section provides a description of the Chino operations, including general background on the site, history of the mining and milling operations, and details on the two Active TSFs (as defined below). Chino Mines Company owns and operates the Chino Mine and Cobre Mine. The Chino and Cobre Mines combined have 10 TSFs. Of these, only two located at the Chino Mine are currently active and are the focus of this report: the Pond No. 7 TSF and the Axiflo TSF (together, the "Chino Active TSFs"). Corporate employees of FCX provide technical services and support to Chino Mines Company.

The Chino Mine consists of two operational areas – Southern Operations, located in the south most part of the property and the Chino Mine Main Area, located between Southern Operations and Cobre Mine. Figure 3 shows the mine layout.

Figure 3. General Chino and Cobre Mine Layout.

The Chino Mine is an active copper open pit mine in Grant County, New Mexico located about 15 miles east of Silver City and about 100 miles northwest of Las Cruces. The Chino Mine Main Area includes the open pits, stockpiles, SX-EW plant, and the current operating mill facility (known as the Ivanhoe Concentrator). The Chino Mine Southern Operations is located south of the Chino Mine main area, near the town of Hurley, New Mexico, off State Highway 180. The Southern Operations area consists of the filter plant, power plant, the mine's historic mill (known as the Hurley Concentrator) and the Chino TSFs. Tailings deposition at the Chino TSFs initially began in 1911 near the Hurley Concentrator, located southeast of the town site, with intermittent shutdowns due to economic changes. Over this period, tailings and water have been deposited in the historic Whitewater Creek drainage, starting at Lake One (along with smelter process-oriented materials) and progressing southward to the current deposition location of Pond No. 7 TSF. Only two TSFs at the Chino Mine are currently active: Pond No. 7, which is the primary TSF for tailings storage, and Axiflo, which is the TSF used to safely store tailings produced during process operational upset conditions. All other TSFs at Chino and Cobre Mines are inactive, closed or safely closed. Figure 4 shows a closer view of the Chino Mine TSFs in the Southern Operations area.

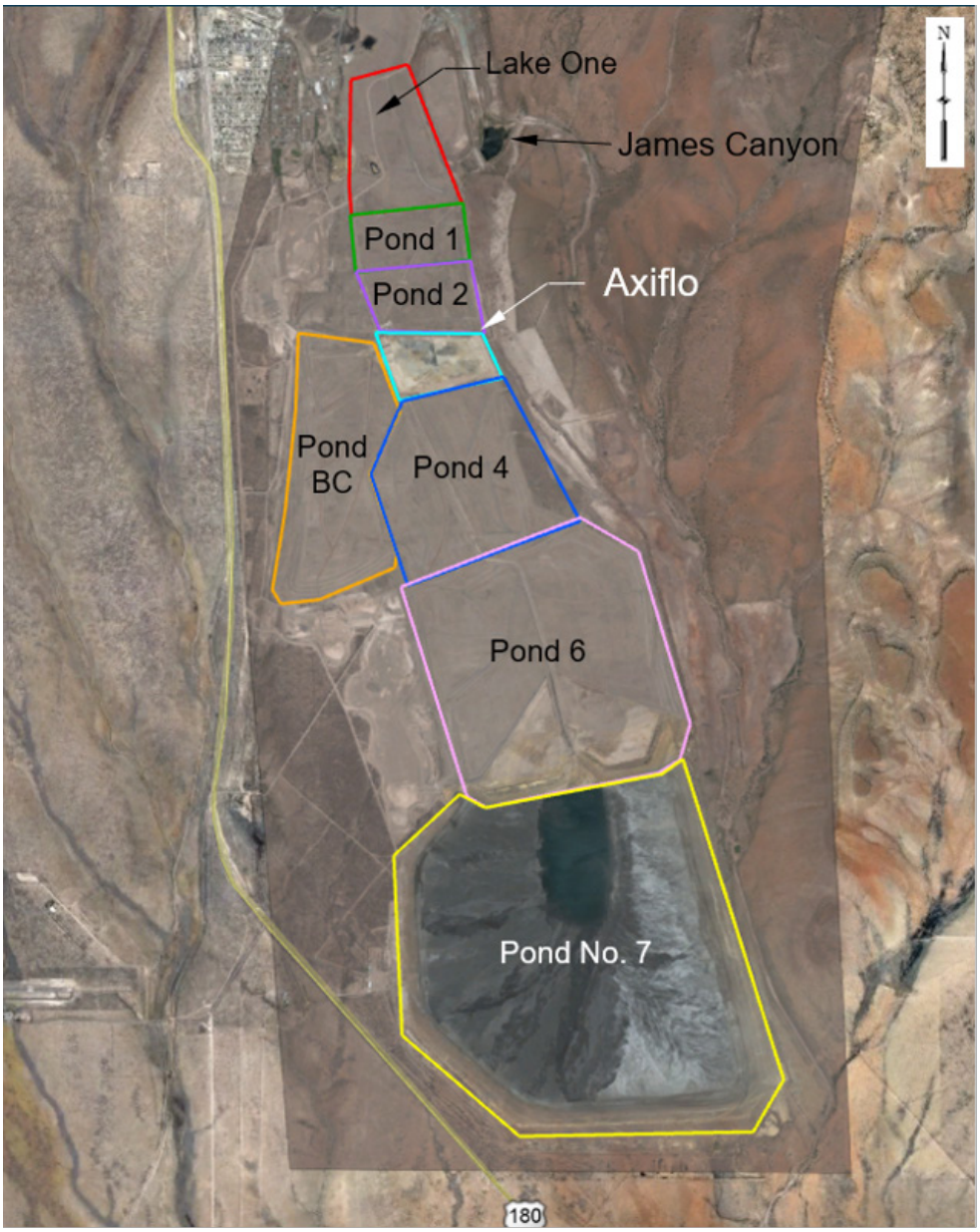


Figure 4. Chino Mine TSFs in the Southern Operations area.

This Chino Mine operations are located in a region in New Mexico characterized by a warm and semi-arid desert climate with an average temperature of about 60°F, ranging from an average maximum of 82°F in June to an average minimum of 39°F in January. Precipitation in this region is mainly rain, but snow can occur from November to March. High intensity, short duration rainfall events are common in late summer and early fall. The Chino Mine area received approximately 10 inches of precipitation in 2023, and the mine ranges in elevation from about 1,585 meters to 1,737 meters above sea level.

Table 1 shows details on the two TSFs.

Table 1. Chino Active TSFs

Name	Location	Status*	Description
Pond No. 7	32° 38′ 7.64″ N 108° 6′ 1.39″ W	Active	Pond No. 7 is currently the main TSF supporting mill operations at the Chino Mine. Deposition at Pond No. 7 commenced in 1988 and continues today. It is an upstream raise tailings facility, with crane mounted cyclone clusters used for tailings deposition.
Axiflo	32° 40′ 34.99″ N 108° 6′ 46.85″ W	Active	Axiflo dam was constructed in 1913 for use as a process water storage facility. Over time, this facility also captured mill tailings during operational upset conditions in the operational system. In 2019, the dam was permitted by the state of New Mexico to formally operate as an upstream [raise] tailing facility.

* See Section 1.1 for description of "Status."

2.2 Tailings Facility Design

This section presents a summary of the design for the Chino Active TSFs Pond No. 7 and Axiflo, including construction means and methods through the TSF lifecycle. The Chino Active TSFs' designs are based on assessment of TSF potential risk, site conditions, water management, mine plan operations, social and environmental impact studies, economic feasibility, and geotechnical evaluations. The design and operations of the Chino Active TSFs are regularly reassessed and updated to reduce risk and increase robustness. The updates are based on informed decisions accomplished through the regularly scheduled enhancements to instrumentation and geotechnical investigation data, regular inspections, instrumentation and operational monitoring, and geotechnical performance evaluations. The TSFs' designs and analyses are conducted by the site's EoR. Based on available documents, the EoR's company and its predecessors have been involved with supporting the Chino Active TSFs since design efforts first started in the 1980s.

The Pond No. 7 and Axiflo TSFs were both constructed using the upstream raise method of tailings dam construction. The starter dams for these TSFs are composed generally of compacted, locally-available borrow source materials. These TSFs are constructed using crane mounted cyclones. Cyclone underflow (coarse grained tailings) piles are deposited at the upstream end of the crest and then pushed with a bulldozer to construct a coarse grained free draining embankment shell. The cyclone overflow (finer grained tailings) is deposited into the impoundment. The overall downstream slope for Pond No. 7 is about 5.1H:1V; for Axiflo it is about 3.2H:1V.

The Chino Mine water circuit is primarily a closed loop, which means water used in the mining process is reused within the mine unless it is stored or evaporates from surfaces. The mine is supplemented with fresh water from external sources when water for reuse within the mining process is insufficient, or for certain mining processes that require fresh water. Groundwater seepage interceptor well systems are in active operation at the boundaries of Pond No. 7 and

Axiflo to capture and re-use any process water from the TSFs. The recovered groundwater is reused in the Chino Mine's process water circuit. This groundwater pump-back system used to mitigate tailings seepage is a critical environmental control required by Chino's groundwater discharge permit. Stormwater conveyance and collection infrastructure are also in place at the TSFs to collect and contain any contact water (storm water falling on the TSFs) to be reused at the process facility where practicable. This system mitigates contact water from flowing off site. Non-contact water is diverted around the mining facilities and returned to the natural drainage south of the TSFs.

As described in Section 1, the Chino Mine TSFs are actively monitored for performance and are periodically re-evaluated for stability.

The Chino Mines Company updates its Closure and Close Out Plan ("CCP") about every five years for approval by the state of New Mexico's Environmental Department ("NMED") and Mining and Minerals Division ("MMD"). The last state-approved CCP update for Chino Mine was in 2018, with the most recent update submitted to the state in 2024. The Chino Mine TSFs' closure strategy includes the following concepts:

- Reclamation of the TSFs with a cover system that limits net infiltration and a soil matrix that supports vegetation to integrate into the natural local ecosystem.
- Operational infrastructure and components within the TSFs' footprints will be decommissioned and removed as part of the closure process, except those that can continue to be used for maintenance of TSFs in the post-closure stage.
- Design storm precipitation will be routed off the TSFs with the intent to minimize infiltration on the reclaimed surface. Top surface attenuation with a spillway on the impoundment and a series of down drains on the slopes will be constructed to convey stormwater off the TSFs.
- Existing stormwater diversion structures around the TSFs will be maintained to divert non-contact stormwater around the TSFs and into natural drainages in the post-closure stage.
- Tailings groundwater interceptor well systems and seepage collection sumps from the operating period will be maintained to monitor closure and post-closure performance of the TSFs.

Table 2. Select Design Information for Chino Active TSFs as of December 31, 2023

	Pond No. 7	Axiflo
Primary Construction Material	Tailings	Tailings
Construction Method	Upstream	Upstream
Tailings Embankment Downstream Slope (H:V)	Average 5.1H:1V	Average 3.2H:1V
December 2023 Embankment Height (meters)	63	8
Stored Tailings (million metric tons)	381	2.4
Permitted Capacity (million metric tons)	551	9.3
Inflow Design Flood[1]	PMF	PMF
Safety Evaluation Earthquake	1/10,000-year annual exceedance probability	1/10,000-year annual exceedance probability

2.3 Risk Assessment, Impact Assessment, and Consequence Classification

This section provides a summary of risk assessment findings for the Chino Active TSFs, consequence classification, and a summary of impact assessments and human exposure and vulnerability to credible failure scenarios.

In accordance with ICMM and the Tailings Standard, a comprehensive risk assessment for the Chino Active TSFs was completed in 2023 and presented to the ITRB. Our risk assessment process is described in Section 1.3.1.

Using information collected over the life of the Chino Active TSFs , a multi-disciplinary group – including the RTFE, EoR, and other internal stakeholders – led by an expert risk assessment facilitator, initially identified 26 potentially credible failure modes for further evaluation through a series of semiquantitative risk analysis workshops.

Extensive engineering, monitoring and instrumentation, operational practices, analyses (geotechnical and hydrotechnical), field investigation and laboratory test data were reviewed and utilized to analyze each potentially credible failure mode, understand how the potential failure may occur, what factors exist that make the potential failure mode more or less likely, and determine which are CFMs. Ultimately, the stakeholder group led by an expert risk assessment facilitator determined that there were eight CFMs for the Chino Active TSFs.

These eight CFMs were further analyzed to determine their potential impacts and the consequence classification of the Chino Active TSFs. As summarized in Table 3, the Chino Active TSFs have an overall consequence classification of "Significant" based on potential impacts of a slump runout CFM. See the Appendix for the consequence classification flowchart and matrix as well as the likelihood categorization matrix.

[1] "Probable Maximum Precipitation" (PMP) or "Probable Maximum Flood" (PMF) are terms often used to denote extreme hydrological events. Analyses show that the TSFs' available capacities exceed the "Extreme" external flood design criteria for required capacity as referenced in the Tailings Standard and applicable regulations. The potential impacts of climate change are considered when evaluating robustness of designs.

Table 3. Credible Failure Scenarios (Modes and Consequences) as of December 2024 Review

TSF	Credible Failure Scenario	Likelihood	Consequence	Potential Impact
Pond No. 7	Unknown weak zone within TSF leads to slope instability and slump run out.	Low	Significant	Personnel infrequently at risk
Pond No. 7	Earthquake causes embankment instability and slump run out.	Low	Significant	Personnel infrequently at risk
Pond No. 7	Seepage appearing on the embankment slope or high phreatic surface leads to internal erosion and a slump run out.	Low	Significant	Personnel infrequently at risk
Pond No. 7	Increase in phreatic levels within TSF causes to slope instability and undrained slope failure, leading to a slump run out.	Low-Moderate	Significant	Personnel infrequently at risk
Pond No. 7	Impoundment overfilling or improper deposition controls leads to tailings spilling down the face of the embankment resulting in release of spilled tailings off the TSF.	Moderate	Low	Environmental
Pond No. 7	Direct precipitation causes erosion rilling and cracking in embankment shell, erosion extends to tailings layer, resulting in release of eroded tailings off the TSF.	Moderate	Low	Environmental
Pond No. 7	Tailings or water pipeline on the crest ruptures and erodes the downstream embankment, resulting in release of eroded tailings downstream.	Moderate	Significant	Personnel infrequently at risk
Axiflo	Tailings pipeline on the crest ruptures and erodes the downstream embankment, resulting in release of eroded tailings downstream.	Low to Moderate	Significant	Personnel infrequently at risk

The risk assessment considered whether there are any measures needed to minimize risk to ALARP. The risk of each CFM was evaluated following the ALARP principle. Resulting actions are summarized in Section 2.6.

Potential consequences in the event of a CFM were informed by slump runout models; the assessment of potential human exposure and vulnerability was most recently updated in April 2023. The term "Personnel" used in the table above refers to infrequently present Chino employees and contractors working on the Chino Active TSFs.

We aim to update this assessment when there is a material change to the Chino Active TSFs or an update to the knowledge base, including the social and economic context characterized by the social baseline study.

2.4 ERP

The Emergency Response Plan (ERP) was updated at the end of 2023. The update was developed using the CFMs in Table 3 and associated slump runout analyses where applicable. Based on the risk assessment, the Chino Active TSFs have no CFMs that could have off-site impacts and therefore, the Tailings Standard does not require a separate Emergency Preparedness and Response Plan (EPRP) co-developed with local emergency management agencies and the broader community. The ERP is updated annually and is informed by the Chino Active TSF risk assessment, which is updated triennially and reviewed annually.

Note that Chino's primary emergency planning guidance document in 2023 was the EAP (Emergency Action Plan). The last EAP update and training was shared with appropriate internal and external personnel in 2023. The EAP is based on New Mexico regulations that prescribe hypothetical failure scenarios, and not CFMs derived from site-specific risk assessments. The Chino Mines Company and the State of New Mexico are discussing the conformance of Chino Mine's risk assessments to the Tailings Standard and transitioning to the ERP.

The last tabletop exercise at Chino occurred in April 2022, with participation from appropriate internal and external personnel. Personnel training is planned to occur annually beginning in 2025.

2.5 Dates of Most Recent and Next Independent Reviews

Per Chino's OMS, its internal site engineers perform routine inspections. The RTFE and multiple levels of internal leadership, as well as the EoR, receive monthly early indicator reporting for review. The AE reviews summaries of the quarterly early indicator reporting.

The EoR conducted six field inspections and data reviews in 2023 and provided a detailed annual performance review with input from the RTFE, site engineers, and operators.

In addition, FCX's TST, led by the third-party reviewer, completed an annual inspection and data review of the Chino Active TSFs in February 2023 and February 2024. The TST began its regular inspections at Chino in 2004. The next annual inspection is planned for May 2025.

The ITRB for the Chino Active TSFs is engaged in periodic reviews over the TSFs' lifecycles. The ITRB for the Chino Active TSFs was initially engaged in 2016 and has held multiple quadrennial and update review meetings with the site. Specifically, the ITRB for the Chino Active TSFs completed a quadrennial review in February 2020. The ITRB had no updates on the Chino Active TSFs in 2023 and completed a quadrennial review in April 2024.

The most recent Tailings Management System Implementation Assessment was completed in April 2023, with the next assessment planned for 2027.

A summary of material findings from these inspections and reviews is presented in the following section.

2.6 Material Findings from TSF Safety Performance Reviews of the Chino Active TSFs and Mitigations to Reach ALARP

As described in Section 1.4, FCX and its subsidiaries conduct multifaceted reviews of TSF safety. Reviews consider annual performance data, observations, and documentation and provide conclusions on the overall performance of the TSFs. Reviews may result in TSF Safety Performance material findings[2] as defined in Section 1.4.

Chino Active TSFs received no material findings or recommendations during the 2023 review process. Further, there were no activations of the EAP for the Chino Active TSFs in 2023.

[2] As used in this report, the term "material findings" is based on a different definition of materiality than used in U.S. federal securities laws and regulations and other legal regimes. Please refer to Cautionary Statement on Page 19 of this report.

The Chino Active TSFs met the design intent and performed within expectations in 2023 based on the multifaceted dam safety reviews and the annual performance review completed by FCX and the EoR. Several operational and sustaining projects were ongoing or completed in 2023 to support continued safe operations.

The risk of each CFM was reviewed following the ALARP principle. Risk reduction measures were identified and implemented. Specifically, Chino had an ALARP action item to expose and visually inspect buried pipelines to help avoid the possibility of a buried pipeline having an undetected release of tailings or water on the TSF. Chino raised the East Tailings Delivery Pipeline in 2023 and the West Tailings Delivery Pipeline in 2024. Going forward, Chino expects to perform the task of raising tailings pipelines on a regular two-year schedule to help mitigate the possibility of undetected releases. The completion of these risk reduction measures has demonstrated that the Chino Active TSFs meet the ALARP principle and additional planned risk reduction measures are not expected to be required. Although the ALARP principle has been met, periodic Chino Active TSFs risk assessment updates and annual reviews will be performed (as summarized in Section 1.3).

2.7 Material Findings of Annual Performance Review of Environmental and Social Monitoring Programs

Social and environmental monitoring programs were completed and reported per company and regulatory requirements. The Chino Active TSFs fall under the jurisdiction of the New Mexico Office of the State Engineer – Dam Safety Bureau (NMOSE-DSB), New Mexico Office of the State Engineer – Water Rights Division (NMOSE-WRD), New Mexico Environmental Department (NMED), and the New Mexico Energy, Minerals, and Natural Resources Department – Mining and Minerals Division (MMD).

The Social Performance Management System (SPMS) is an internal system designed to drive increased communications and coordination across operations and various other functions of the business to help eliminate, manage, or mitigate the actual or potential social impacts of any of our activities and continuously improve performance.

The SPMS monitoring program included community related grievances; ongoing engagement, dialogue and feedback with the community; and a social baseline study to characterize the social and economic conditions of the areas proximate to the Chino Active TSFs. The program is designed to determine vulnerabilities and human rights issues, particularly those associated with identified CFMs, as well as provide the necessary contextual information to inform future decisions about the TSFs for the continued protection of public safety. Further, the SPMS monitoring included identification of social risks associated with the Chino Active TSFs via a TSF-specific and site risk register processes. There were no material findings[3] from the SPMS monitoring program in 2023.

The Environmental Management System (EMS) includes monitoring and management of water, air quality, soil quality, vegetation, and wildlife, as well as waste generated by Chino. There were no material findings[4] resulting from the EMS monitoring program, no material environmental changes associated with Chino Active TSFs, and no material environmental impacts due to events during the year.

[3] As used in this report, a material social performance finding is identified from social performance monitoring and reviews of aspects related to or impacted by TSFs. Material findings may be caused by a material change in the local social, economic or environmental context (including climate) that would reasonably be expected to have a significant effect on the quality of life or stability of the local community or any change in the business / operation (or its assets, liabilities or capital) that would reasonably be expected to have a significant effect on the nature of the operation and / or its positive or negative effect / impact on the local community and / or other project-affected people.

[4] As used in this report, a material environmental finding or material findings resulting from a review of environmental monitoring is information that is identified from environmental monitoring and audits of TSFs that may result in a significant consequence to human health or the environment, have a significant legal component, or have a significant operational impact.

2.8 Confirmation of Adequate Financial Capacity

As stated in our **Annual Report on Form 10-K for the year-ended December 31, 2023**, we have the financial capacity to meet current estimated lifecycle costs, including estimated closure, post-closure and reclamation obligations associated with our TSFs.

CAUTIONARY STATEMENT

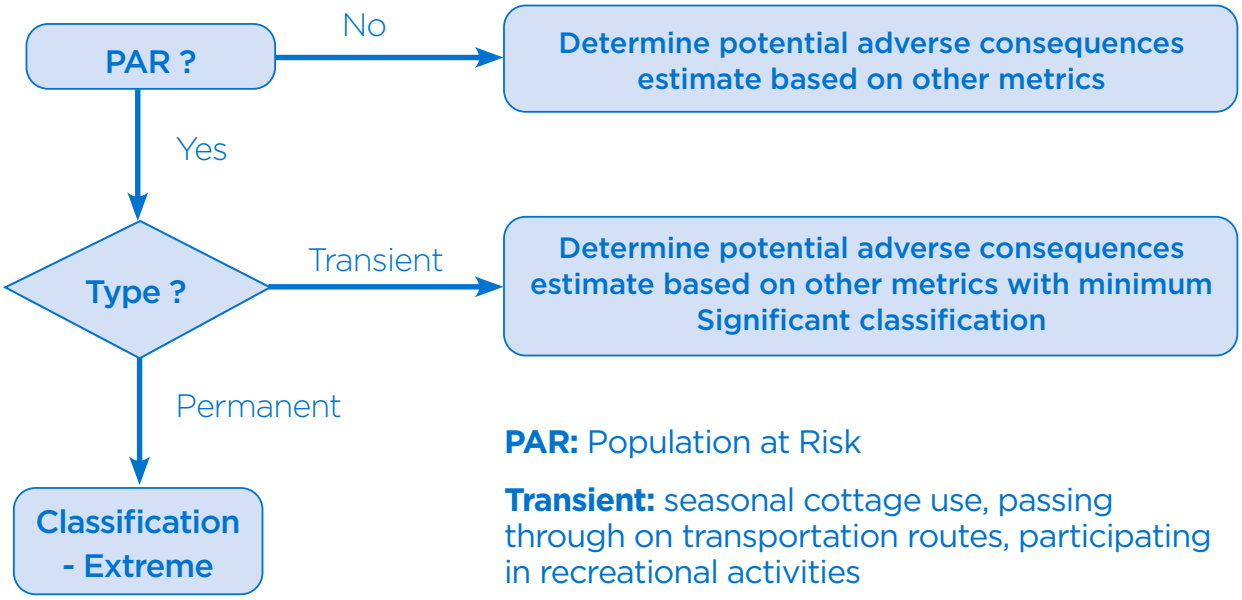
This report contains forward-looking statements in which we discuss potential future TSF related performance, operations, and projects. Forward-looking statements are all statements other than statements of historical facts, such as plans, projections, expectations, targets, objectives, strategies, or goals relating to TSF-related performance, operations, risks, and projects, and the underlying assumptions and estimated impacts on our business and stakeholders related thereto; future risk mitigation; our continuing commitment to safe and reliable operations; our commitment to operating our TSFs in conformance with the Tailings Standard ; the anticipated benefits of the Tailings Standard, including improved tailings management practices across the industry and reduced risks to people and the environment due to TSF failures; our commitment to ensuring our TSFs meet global best practice standards for safety; our tailings management programs, standards and practices, including with respect to engineering, inspection, and surety; closure or divestment of certain operations or TSFs, including associated costs; improvements in operating procedures and technology innovations relating to tailings management; anticipated tailings production; anticipated productive lives of TSFs; post-closure liabilities; regulatory developments; and our commitment to deliver responsibly produced copper and molybdenum, including plans to implement, validate, and maintain validation of our operating sites under specific frameworks. The words “anticipates,” “may,” “can,” “plans,” “believes,” “efforts,” “estimates,” “expects,” “seeks,” “goals,” “strategy,” “objective,” “projects,” “targets,” “intends,” “likely,” “will,” “should,” “could,” “to be,” “potential,” “assumptions,” “guidance,” “forecasts,” “future,” “commitments,” “initiatives,” “opportunities,” and any similar expressions are intended to identify those assertions as forward-looking statements. We caution 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 our actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, the factors described under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the U.S. Securities and Exchange Commission (SEC), as updated by our subsequent filings with the SEC, and available on our website at **fcx.com**.

Many of the assumptions upon which our forward-looking statements are based are likely to change after the forward-looking statements are made. Further, we may make changes to our business plans that could affect our results. We undertake no obligation to update any forward-looking statements, which speak only as of the date made, notwithstanding any changes in our assumptions, changes in business plans, actual experience, or other changes.

This report contains statements based on hypothetical scenarios and assumptions, and these statements should not be viewed as representative of current risks or forecasts of expected risks. Any third-party scenarios discussed in this report reflect the modeling assumptions and outputs of their respective authors, and their use or inclusion herein is not an endorsement of their underlying assumptions, likelihood, or probability. While certain matters discussed in this report may be significant and relevant to our investors, any significance should not be read as rising to the level of materiality for purposes of complying with the U.S. federal securities laws and regulations or the disclosure requirements of the SEC. The goals and projects described in this report are aspirational; as such, no guarantees or promises are made that these goals and projects will be met or successfully executed.

Appendix: Consequence of Failure Classification

Flowchart for Population at Risk (PAR)



PAR: Population at Risk

Transient: seasonal cottage use, passing through on transportation routes, participating in recreational activities

Permanent: household, commercial and/or mine site work offices or facilities

Other Metrics

Consequence Classification	Incremental Losses		
	Environmental	Health, Social and Cultural	Infrastructure and Economics
Low	Minimal short-term loss or deterioration of habitat or rare and endangered species.	Minimal effects and disruption of business and livelihoods. No measurable effect on human health. No disruption of heritage, recreation, community or cultural assets.	Low economic losses: area contains limited infrastructure or services. <US$1,000,000.
Significant	No significant loss or deterioration of habitat. Potential contamination of livestock / fauna water supply with no health effects. Process water has low potential toxicity. Tailings not potentially acid generating and have low neutral leaching potential. Restoration possible within 1 to 5 years.	Significant disruption of business, service or social dislocation. Low likelihood of loss of regional heritage, recreation, community, or cultural assets. Low likelihood of health effects.	Losses to recreational facilities, seasonal workplaces, and infrequently used transportation routes.
High	Significant loss or deterioration of critical habitat or rare and endangered species. Potential contamination of livestock / fauna water supply with no health effects. Process water moderately toxic. Low potential for acid rock drainage or metal leaching effects of released tailings. Potential area of impact 10-20 square kilometers. Restoration possible but difficult and could take > 5 years.	500-1,000 people affected by disruption of business, services or social dislocation. Disruption of regional heritage, recreation, community or cultural assets. Potential for short term human health effects.	High economic losses affecting infrastructure, public transportation, commercial facilities or employment. Moderate relocation / compensation to communities. <US$100,000,000.
Very High	Major loss or deterioration of critical habitat or rare and endangered species. Process water is highly toxic. High potential for acid rock drainage or metal leaching effects from released tailings. Potential area of impact is >20 square kilometers. Restoration or compensation possible but difficult and requires a long time (5-20 years).	1,000 people affected by disruption of business, services, or social dislocation for more than one year. Significant loss of national heritage, community, or cultural assets. Potential for significant long-term human health effects.	Very high economic losses affecting important infrastructure or services (e.g. highway, industrial facility, storage facilities for dangerous substances) or employment. High relocation / compensation to communities. <US$1,000,000,000.
Extreme	Catastrophic loss of critical habitat or rare and endangered species. Process water is highly toxic. Very high potential for acid rock drainage or metal leaching effects from released tailings. Potential area of impact >20 square kilometers. Restoration or compensation in kind impossible or requires a long time (>20 years).	5,000 people affected by disruption of business, services or social dislocation for years. Significant national heritage or community facilities or cultural assets destroyed. Potential for severe and/or long-term human health effects.	Extreme economic losses affecting critical infrastructure or services (e.g. hospital, major industrial complex, major storage facilities for dangerous substances) or employment. Very high relocation / compensation to communities and very high social readjustment costs. >US$1,000,000,000.

Likelihood Categorization

Failure Likelihood Categories	
Likelihood	**Description**
Very High	There is direct evidence or substantial indirect evidence to suggest it has initiated or is likely to occur in the near future. The annual failure likelihood is more frequent than 1/1,000.
High	The fundamental condition or defect is known to exist; indirect evidence suggests it is plausible; and key evidence is weighted more heavily toward more likely than less likely. The annual failure likelihood is between 1/1,000 and 1/10,000.
Moderate	The fundamental condition of defect is known to exist; indirect evidence suggests it is plausible; and key evidence is weighted more heavily toward less likely than more likely. The annual failure likelihood is between 1/10,000 and 1/100,000.
Low	The possibility cannot be ruled out, but there is no compelling evidence to suggest it has occurred or that a condition or flaw exists that could lead to initiation. The annual failure likelihood is between 1/100,000 and 1/1,000,000.
Remote	Several events must occur concurrently or in series to cause failure, and most, if not all, have negligible likelihood such that failure likelihood is negligible. The annual failure likelihood is more remote than 1/1,000,000

US Army Corps of Engineers (USACE) and US Bureau of Reclamation (USBR). Best Practices in Dam and Levee Safety Risk Analysis. Version 4.0, July 2019.

ANNEX 1: Acronym Definitions

AE	Accountable Executive
ALARP	As Low As Reasonably Practicable
CDA	Canadian Dam Association
CFM	Credible Failure Mode
EoR	Engineer of Record
EMS	Environmental Management System
EPRP	Emergency Preparedness and Response Plan
ERP	Emergency Response Plan
EAP	Emergency Action Plan
FCX	Freeport-McMoRan Inc.
ICMM	International Council on Mining and Metals
ITRB	Independent Tailings Review Board
OMS	Operations, Maintenance and Surveillance
RIDM	Risk Informed Decision Making
RTFE	Responsible Tailings Facility Engineer
SPMS	Social Performance Management System
Tailings Standard	Global Industry Standard on Tailings Management
TMS	Tailings Management System
TMSIA	Tailings Management System Implementation Assessment
TSF	Tailings Storage Facility
TST	Tailings Stewardship Team

END OF THE DOCUMENT