SIERRITA MINE TAILINGS DISCLOSURE REPORT

AUGUST 2025

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 minimum annually, information on the TSFs at the Sierrita Mine in Arizona in alignment with Tailings Standard Requirement 15.1B.

Summary of FCX's Approach to Tailings Management

Effective and responsible tailings management is critical to mining safely, protecting people and the environment and 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 aiming to quickly identify and address issues at our TSFs.

The health and safety of our workforce and communities, and the protection of the environment are fundamental to our extensive tailings management system programs 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. This policy is designed to be implemented in conjunction with our **Environmental**, **Human Rights**, and **Social Performance** policies and associated management systems. Additionally, we are committed to implementing the Tailings Standard at applicable TSFs in the Americas.

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

FCX's comprehensive Tailings Management System (TMS) has evolved over more than 20 years and is applied at all TSFs in the Americas over their entire lifecycles. This system incorporates applicable regulations and international best practices, including the integration of the Tailings Standard. Through the TMS, we promote continuous improvement at our TSFs. We systematically analyze potential failure modes, then work to eliminate or mitigate them to minimize the risk of failure scenarios associated with our TSFs. For closed sites where no material risks remain, a "safe closure" designation is assigned, as described in Section 1.1.

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 reviewers, 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.

[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.

In accordance with the Tailings Standard, FCX's updated consequence classification approach incorporates each TSF's detailed information and analysis that has been enhanced over the past few years to reduce uncertainties and 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 evaluated 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/maintained to minimize risk to our workforce, communities, and the environment.

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:

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 and management of change

- Our TMS includes mechanisms for internal and external reviews, including reviews by internal subject matter experts, Responsible Tailings Facility Engineers (RTFEs), EoRs, the TST, and ITRBs. 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.
- We use a formalized management of change process to assess, control, and communicate changes that range from minor to material, as well as to handle temporary and permanent changes.

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.

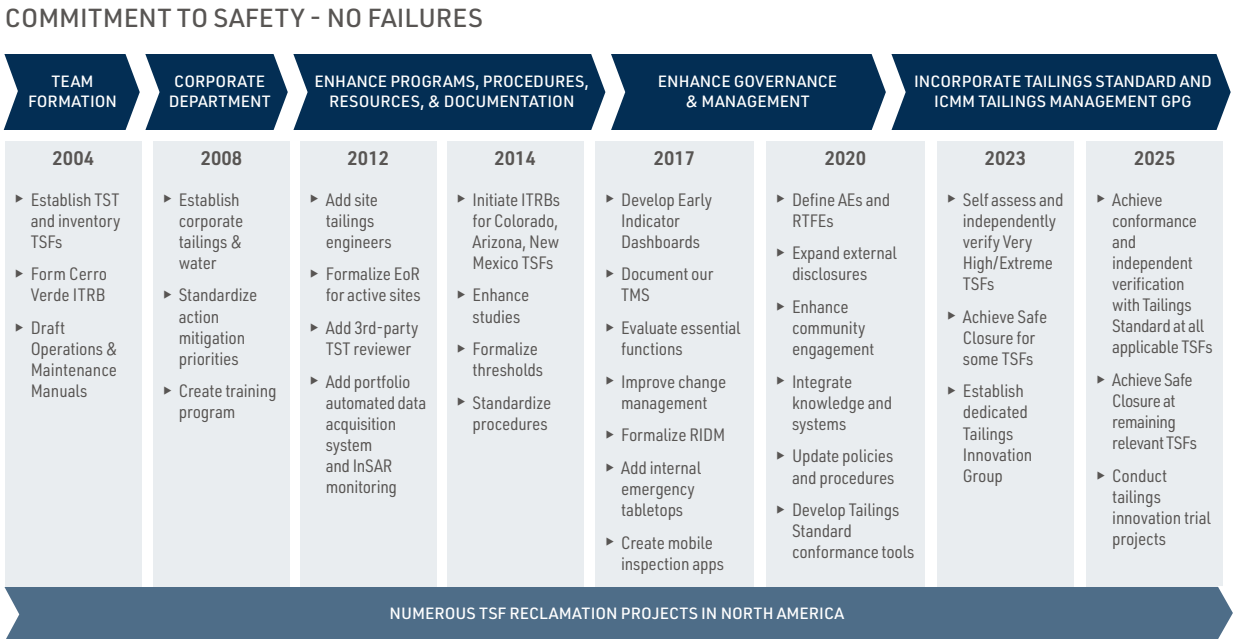


Figure 1. Tailings Stewardship & Management: A 20-Year Evolution.

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 should be considered and managed to maintain safety and structural integrity. FCX works closely with internal and external experts, including the EoR, TST, ITRB, and TMS Implementation Assessor, for management across the full lifecycle of the TSF.

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

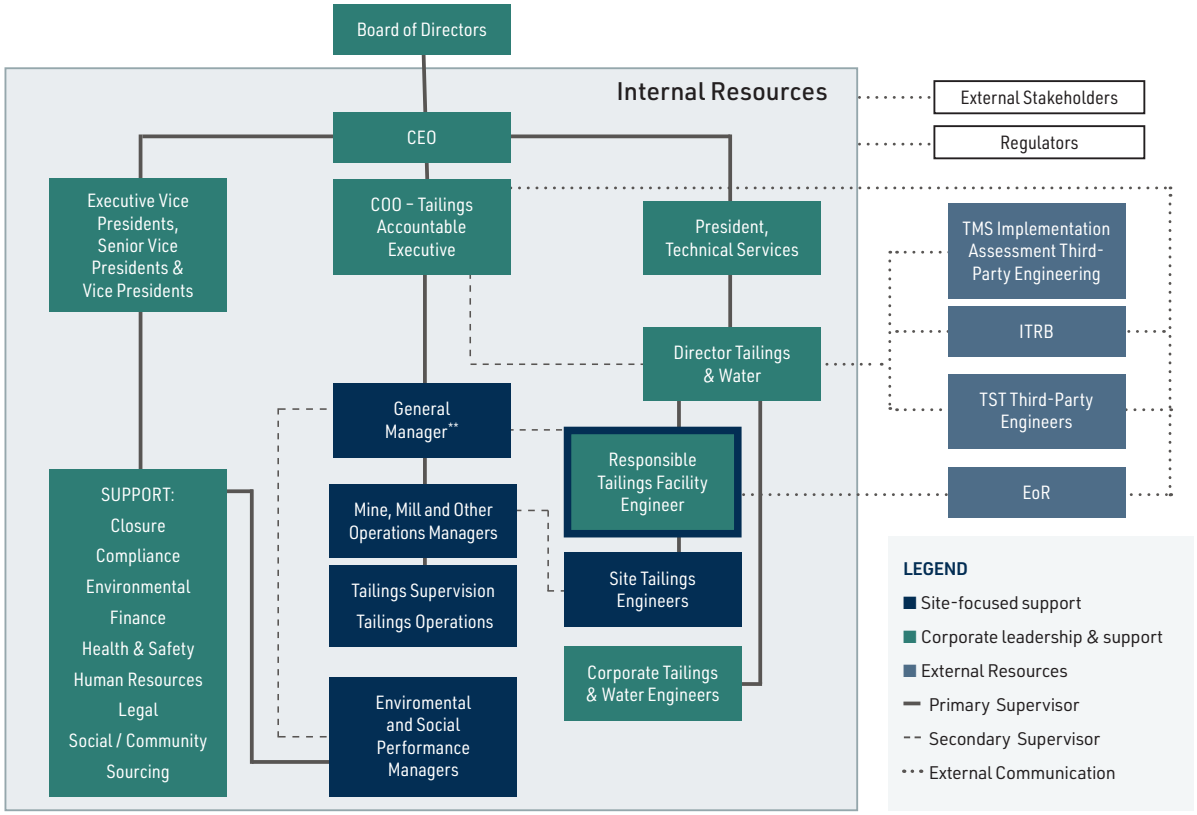
- **Development** - TSFs that have completed permitting and are in stages of design and / or construction through commissioning, prior to start of tailings deposition.
- **Active** - TSFs with tailings distribution infrastructure in place for the intent of raising dam crest.
- **Inactive** - TSFs that 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 regulatory requirements, 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.

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.

Active Sites*



* 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 Collaboration, Engagement, and Review (Active Sites).

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 tailings management system and regularly monitors, identifies, and addresses potential risks.
- **Responsible Tailings Facility Engineer (RTFE):** Internal engineer appointed by the AE responsible for the integrity of assigned TSFs. The 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 (sites with active tailings operations) or Chief Sustainability Officer (sites without active tailings operations) who reports to the FCX Chief Executive Officer 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 the RTFE's activities and has delegated responsibilities from the AE for engaging with and reviewing the site-level 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:** 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 for maintaining TSF 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 of Directors:** Corporate governing body firmly committed to providing active oversight and, with the Corporate Senior Leadership, the necessary financial and technical resources to maintain the safety and integrity of our tailings facilities 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, 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, and evaluation used to determine which measures are, or should be, in place to eliminate or minimize risk. Outcomes also inform TSF consequence classification.

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, social, 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 **FCX Annual Report on Sustainability** for more information.

The TSF risk assessment is updated with our full stakeholder group and workshop process every three years for applicable TSFs, and approximately every six 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 credible failure modes 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 Populations at Risk, 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 at least one permanently situated person at risk (permanent Population at Risk) – including the public, employees, or contractors – the CFM is classified as Extreme. Whereas the Tailings Standard requires a Population at Risk (see Appendix) 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 consequence categorization 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 updated in 2025). 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 or stormwater management enhancements). Additionally, part of managing risk is engaging with our 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 (OMS) Manual. 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 documented to 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 not resolved by the end of the previous reporting period 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 reviews whether recommended actions were completed through acceptable measures. The TST performs annual inspections of all Active TSFs. Inspections of Inactive / Closed TSFs occur every one to three years, depending on risk profile, status of ongoing care and maintenance programs, and progress towards safe closure.

- **ITRB Review:** The ITRB is comprised of a group of third-party experts that independently reviews and assesses design, construction, and tailings management practices for the applicable Americas TSFs. The ITRB holds periodic meetings as often as bi-annually, but no less frequently than quadrennially, for TSFs that are not Safely Closed. The ITRB meets at least every six years for Safely Closed TSFs. ITRBs review information from significant field investigations and geotechnical and hydrotechnical analyses, material maintenance activities or repairs, progress on recommendations, and otherwise provide 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 to six 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 structures to support proper management and operation for maintaining TSF structural integrity. The RTFE and site team develop action plans and schedules to incorporate the recommendations.

For disclosure purposes, a material finding for a 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) or Emergency Response Plan (ERP).

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 Sierrita TSFs

This report presents a summary of the 2024 Annual Performance Review and other pertinent information for the TSFs at Sierrita. The reporting period is January 1, 2024, to December 31, 2024, unless otherwise noted. This summary provides information per Tailings Standard Requirement 15.1.

2.1 Description of Sierrita Mine, Mill, and TSF Areas

This section describes the Sierrita operations, including general background on the site, history of the mining and milling operations, and details on the TSFs.

Sierrita is an active copper and molybdenum mine located in Pima County, Arizona, approximately 32 kilometers southwest of the City of Tucson and approximately 11 kilometers west of the Town of Green Valley. Mining at Sierrita dates to the early 1900s. Sporadic underground mining of high-grade base and precious metal veins was conducted beginning in 1907. Facilities at Sierrita include conventional crushing and flotation followed by differential flotation, leaching and roasting of molybdenum disulfide, molybdenum disulfide production and packaging, molybdenum trioxide production and packaging, leach stockpiles, and solution extraction / electrowinning facilities. Sierrita has two TSFs – the inactive Esperanza Tailings Impoundment (ETI) and the active Sierrita Tailings Impoundment (STI) as listed in Table 1 and shown on Figure 3. The Sierrita mining complex is owned and operated by Freeport-McMoRan Sierrita Inc., an indirect, wholly owned subsidiary of FCX. Corporate employees of FCX provide technical services and support to Sierrita.

The ETI is located approximately 2.4 kilometers east of the Sierrita mill at the location listed in Table 1. The impoundment covers an estimated 2.3 square kilometers and currently abuts the northwest side of the STI. The ETI has an approximate maximum crest elevation of 1,071 meters. Tailings deposition was initiated at ETI on a continuous basis from approximately 1959 through 1971 and from 1973 through 1974. Intermittent deposition occurred from 1974 until 1992. During 1991 and 1992, tailings from the nearby Twin Buttes Mine were deposited in the western half of the ETI. These tailings were generated from the oxide plant where the original Twin Buttes Mine tailings had passed through an agitative leaching process. The ETI was taken out of operation in 1992.

The STI is located approximately 0.8 kilometers west of the westernmost extent of Green Valley, Arizona, approximately 6.3 kilometers southeast of the mill site and immediately east of the ETI, at the location listed in Table 1. The STI is contiguous with the inactive ETI that forms the northwest edge of the facility, as shown on Figure 3. Tailings deposition at STI was initiated in 1970 and continues to date. Deposition has raised the embankment so that both abutments are now in contact with the ETI. An embankment, called the ETI/STI Tie-In, is constructed across a portion of the ETI. The STI is constructed using the header and spigot upstream construction method, while the ETI/STI Tie-In embankment is constructed using the centerline method. The STI is partially divided (by the central divider dike) into two deposition areas referred to as the North Dam and South Dam. Tailings deposition is alternated between the North and South Dams. Process water is collected by barge-mounted pumps located near the middle of the reclaim pond and returned to the mill for reuse.

Sierrita is on the eastern flank of the Sierrita Mountains in the Tucson Basin portion of the Basin and Range physiographic province. The impoundments are founded on a broad, gently sloping (approximately 2%) Quaternary and late Tertiary alluvial plain, which was deposited from streams emanating from the Sierrita Mountains, located approximately 8 kilometers to the west. The regional climate is characterized as arid steppe or arid desert by the Köppen-Geiger classification system. The average precipitation is approximately 34 centimeters. Precipitation occurs primarily during monsoon season, usually from mid-June through September, with July typically being the wettest month of the year. The 30-year average temperature ranges from a low of approximately 2 degrees Celsius (°C) in January and December to a high of 37 °C in June. The annual average maximum temperature is approximately 27 °C (PRISM Climate group for 1991-2020). The calculated 10-year annual average potential evapotranspiration from 2014 to 2023 at both the Sahuarita AZMet station and the Tucson AZMet station is 180 centimeters. The seismic hazard is characterized as low to moderate even at the long return period of 10,000 years, and it is controlled by background earthquakes at return periods up to 10,000 years and by the Santa Rita fault at longer return periods.

Table 1. Sierrita TSFs

Name	Location	Status*	Description
ETI TSF	31°51′46.17″N 111°4′10.69″W	Inactive	Initial deposition at the ETI started in 1959. It was decommissioned in 1992. ETI is located northwest of the STI. Several tailings delivery support infrastructures, such as the pump station and delivery pipelines, are located on top of the ETI.
STI TSF	31°50′50.21″N 111°2′46.71″W	Active	Initial deposition at the STI started in 1970. It is the only active tailings storage facility at Sierrita. The STI abuts the ETI on the northwest. The ETI/STI Tie-In embankment is constructed on the ETI to allow the STI to be raised above the ETI.

* See Section 1.1 for description of "Status."

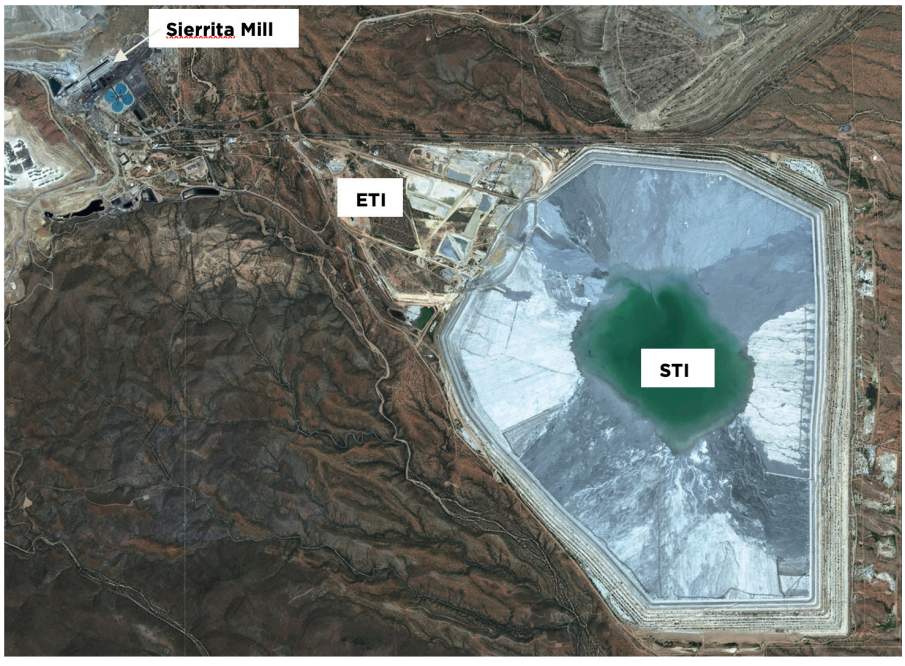


Figure 3. Sierrita Layout (September 2024)

2.2 Tailings Facility Design

This section presents a summary of the design for the Sierrita TSFs, including construction means and methods through the TSF lifecycle. The Sierrita TSFs' designs are informed by 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 operation of the Sierrita TSFs are regularly reassessed and updated when appropriate to reduce risk and increase robustness. The updates are based on informed decisions accomplished through regularly scheduled enhancements to instrumentation and geotechnical investigation data, regular inspections, instrumentation and operational monitoring, and geotechnical performance evaluations.

The Sierrita TSF 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 Sierrita TSFs since the initial design effort in the 1960s.

The ETI was designed and constructed using upstream raise methods with approximate exterior slopes of 3.6H:1V. Based on historic aerial photographs, there appears to have been a starter dam constructed out of local construction material, located on the south, east, and north sides of the ETI. The starter dam was extended further west as the impoundment was raised. After operations ceased, the top surface of the impoundment was subdivided by constructing earthen berms, creating a tiered interior surface with elevations ranging from 1,067 to 1,084 meters. Approximately 60% of the interior surface was reclaimed with vegetation ranging from selected grasses to local drought-resistant trees. Most of the tailings surface was covered with approximately 30 centimeters of alluvial soil to mitigate fugitive dust. Cattle were stockaded at various times in the past in the capped area to facilitate generation of soils that are hospitable to vegetation growth. Currently, the west end of the ETI is used as a pipe lay-down yard, equipment storage, maintenance shop and office space. The tailings delivery line (TDL) to the STI is installed across the ETI to a tailings pump station, also located on the ETI. From the pump station, the north and south TDLs extend on the ETI to the North and South Dams of the STI. Several ponds also have been constructed on the top surface of the ETI.

The STI is the only active TSF at Sierrita and was constructed using the upstream construction method, except along the contact with the ETI, where a centerline embankment is progressively constructed along a portion of the top of the ETI crest and beach. Tailings deposition on the STI was initiated behind an earth fill starter dam, east of the ETI. The starter dam was constructed of a homogenous mixture of onsite alluvial material. The original starter dam trends in the north-south direction and has a maximum height of approximately 21 meters. The starter dam was constructed with a 1.5H:1V upstream slope and a 2H:1V downstream slope. A 4.6-meter-wide and 1.5-meter-deep keyway trench was excavated beneath the starter dam along its alignment. Tailings were initially cycloned during the first phases of the operation up to the elevation of the starter dam. The coarse fraction was deposited over the face of the starter dam and the fine overflow was deposited in the interior. Once the interior elevation reached the starter dam, cyclones were discontinued, and upstream construction was implemented for subsequent raises. The STI was constructed with 24-meter benches at every 12-meter height with 1.5H:1V intermediate slopes and an overall outer slope of no steeper than 3H:1V. As the STI was raised, both of its abutments connected to the ETI, and eventually, the ETI/STI Tie-In embankment was constructed to continue raising the STI above the ETI's elevation. In 2019, the bench width increased to 36 meters to flatten the overall slope to 3.5H:1V at closure. Also in 2019, Sierrita constructed a buttress to provide enhanced stability out of an abundance of caution following a detailed field investigation and stability analyses of a lower resistance layer near the foundation on the south side of the TSF. The upstream construction method results in a relatively coarse, free-draining sand shell with fine grained tailings deposited into the impoundment. The current design includes:

- Low raise rates in the order of 2 meters per year (rate at which the tailings impoundment surface rises due to tailings deposition).
- Tailings operations practices that always maintain the edge of the supernatant pond at least 610 meters from the upstream crest.

- Conservative material behavior assessment of the structural zone and foundation materials, and the pore pressure characterization of the tailings material in the structural zone.
- Downward drainage through the alluvium foundation that transport seepage below the TSF. The depth of groundwater at the toe of the TSF on the east is more than 100 meters.
- Sierrita operates and maintains a series of groundwater interceptor wells and mitigation wells located east of the STI that capture impacted groundwater and return it to the mill.

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

Closure measures for Sierrita TSFs are described in the 2024 closure strategy approved by the Arizona Department of Environmental Quality (ADEQ) as part of the Sierrita Aquifer Protection Permit (APP). The closure strategy includes the following concepts:

- Re-contouring the surface of the TSFs to limit ponding through controlled release of unimpacted water, promote evaporation of direct precipitation, and create temporary riparian habitats during monsoon season.
- Providing slope protection for erosion control.
- Revegetating with native plant mixes for evapo-transpiration and erosion control.
- Route precipitation up to the Probable Maximum Flood (PMF) off the TSF with the intent to minimize net infiltration on the reclaimed surface and prevent erosion.

Select design information for the Sierrita TSFs is included in Table 2.

Table 2. Select Design Information for Sierrita TSFs as of December 31, 2024

	ETI TSF	STI TSF
Primary Construction Material	Tailings	
Construction Method	Upstream[2]	
Tailings Embankment Downstream Slope (H:V)	Maximum of 3:1	Maximum of 3:1
Embankment Height (crest to downstream toe in meters)	32	134
Stored Tailings (million metric tons)	60	1,940
Permitted Capacity (million metric tons)	60	2,770
Inflow Design Flood[3]	PMF	
Safety Evaluation Earthquake	1/10,000-year annual exceedance probability	

[2] "The upstream method is used everywhere except at the ETI/STI Tie-In where the centerline method is used

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

2.3 Risk Assessment, Impact Assessment, and Consequence Classification

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

In accordance with ICMM and the Tailings Standard, comprehensive risk assessments for the STI and ETI were completed in January 2023 and August 2023, respectively. The risk assessments were presented to the ITRB. An annual risk review was completed in November 2024. Our risk assessment process is described in Section 1.3.1.

Using information collected over the life of the Sierrita TSFs, a multi-disciplinary stakeholder group – including the RTFE, EoR, and other internal stakeholders – led by an expert risk assessment facilitator, initially identified a total of 91 potentially credible failure modes for both the ETI and STI through semi-quantitative risk analysis workshops.

Extensive engineering, monitoring and instrumentation, operational practices, analyses (geotechnical and hydrotechnical), field investigations, 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 to occur, and analyze and determine which are CFMs. Ultimately, the group determined there were four CFMs for the STI and none for the ETI.

These CFMs were further analyzed to determine their potential impacts and the consequence classification of the TSFs. As summarized in Table 3, the STI's consequence classification is "Significant" based on a slumping analysis of the CFM with the highest potential consequences. There were no CFMs for the ETI and therefore there is no corresponding consequence classification. See the Appendix for the consequence classification flowchart and matrix, as well as the likelihood categorization matrix.

The annual review of the risk process for the STI and ETI was completed in May 2024. The review was conducted with the RTFE, EoR, and site tailings engineers. Previously completed risk assessments were used to identify the preventative and mitigative controls and surveillance and monitoring measures that should be in-place for each CFM. Risk management controls and surveillance measures were verified to be in place.

Revisions to three CFMs for STI were discussed and documented based on new information and closure of an ALARP item. The consequences of one CFM were changed to include transient Population at Risk (see Appendix), one CFM was determined to be Not Technically Feasible Based Upon Current Analysis, and one was classified as a maintenance item. There were no actions or recommendations generated from the review for ETI.

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

TSF	Credible Failure Scenario	Likelihood	Consequence	Potential Impact
STI	Slope instability at east embankment leads to failure and release of tailings	Remote - Low	Significant	Transient (see Appendix) personnel infrequently at risk, Environmental impacts
STI	Tailings delivery line ruptures and leads to release of tailings	Very high	Low	N/A*
STI	Earthquake severs tailings delivery lines leading to release of tailings	Moderate	Low	Environmental
ETI	None	N/A	N/A	No credible failure scenarios

* The consequences of this CFM do not result in any type of instability or release of tailings off site. This is classified as a maintenance item.

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 a slump runout model of the failure at a location on the east slope. The term Personnel used in the table above refers to infrequently present Sierrita employees and contractors working on the Sierrita TSFs. Sierrita plans to update the risk assessment when there is a material change to the 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 in 2024. The update was developed using the CFMs in Table 3 and the associated slump runout analysis. The risk assessment for Sierrita TSFs did not identify CFMs that could have off-site impacts. Therefore, Sierrita does not require a separate EPRP, which would be co-developed with local emergency management agencies and the broader community.

The ERP is reviewed annually and is informed by the results of the TSFs risk assessment, which is reviewed annually and updated triennially. Appropriate personnel participated in a tabletop exercise in November 2024. The ERP was updated to incorporate the lessons from the tabletop exercise. Employees and contractors were trained on the ERP in 2024.

2.5 Dates of Most Recent and Next Independent Reviews

Per Sierrita's OMS manual, its internal site engineers performed routine inspections during the reporting period. The RTFE and multiple levels of internal leadership, as well as the EoR, received monthly early indicator reporting for review. The AE reviewed summaries of the quarterly early indicator reporting.

The EoR conducted quarterly inspections and data reviews and provided a detailed 2024 annual performance review with input from the RTFE, site engineers, and operators.

In addition, FCX's TST, led by a third-party reviewer, completed an annual inspection and data review of the Sierrita TSFs in December 2024. For context, the TST began its regular inspections at Sierrita in 2004. The next annual inspection is planned for November 2025.

The ITRB for Sierrita TSFs is engaged in periodic reviews over the TSF lifecycle. The ITRB was initially engaged in 2013 and has held multiple quadrennial and update review meetings with Sierrita. In 2024, the ITRB for the Sierrita TSFs was updated in both June and October. The latest ITRB quadrennial review occurred in March 2025 and the next ITRB quadrennial review is planned for 2029.

The most recent Tailings Management System Implementation Assessment was completed in March 2024. The next review is planned for 2028.

2.6 Material Findings from TSF Safety Performance Reviews of the Sierrita 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 TSF. Reviews may result in TSF Safety Performance material[4] findings as defined in Section 1.4.

Sierrita TSFs did not receive any material findings during the 2024 review process. Further, the ERP was not activated in relation to the Sierrita TSFs in 2024.

Sierrita TSFs met design intent and performed within expectations in 2024 based on the multifaceted dam safety reviews and the annual performance review completed by FCX and the EoR. Several operational and sustaining capital projects were ongoing or completed in 2024 to support continued safe operations.

The risk of each CFM was reviewed following the ALARP principle. The following risk reduction measure is ongoing:

- Sierrita evaluated methods to reduce and mitigate pressure spikes in the tailings header and spigot system. Projects to reduce the risk to ALARP associated with this CFM are ongoing.

The completion of this risk reduction measure is expected to demonstrate that the Sierrita TSFs meet the ALARP principle and that additional risk reduction measures are not expected to be required. Although projects to meet the ALARP principle were identified and are in progress, periodic Sierrita TSF 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 the company and regulatory requirements, as applicable. The Sierrita TSFs are regulated under the APP Program administered by the ADEQ. Sierrita submitted an APP amendment application to ADEQ in June 2024 that included updated STI and ETI closure and post-closure strategy, cost estimates, and other non-tailings related items. ADEQ approved the amendment and issued a new permit in September 2024.

The Social Performance Management System (SPMS) is an internal system with the goal of driving consistent social performance, internal coordination, communication, and accountability across operations and various other functions of the business to support the process of identifying and eliminating, managing or mitigating the actual or potential social impacts of any of our activities. The SPMS monitoring program includes community-related grievances; a human rights impact assessment (HRIA) (last conducted for the five active Arizona operations in 2021-2022); ongoing engagement, dialogue, and feedback with the

[4] As used in this report, the term "material" is based on a different definition of materiality than used in U.S. federal securities laws and regulations or the disclosure requirements of the Securities and Exchange Commission (SEC). Please refer to Cautionary Statement on Page 19 of this report.

community; and a social baseline study to characterize the social and economic conditions, including potential vulnerabilities and human rights issues, of the areas proximate to the Sierrita TSFs to provide the necessary contextual information to inform future decisions about the TSFs for the continued protection of public safety. Further, the SPMS monitoring program included identification of social risks associated with the Sierrita TSFs via TSF-specific and site risk register processes.

The Arizona Operations HRIA, the community grievance mechanism, and ongoing stakeholder engagement identify dust emissions, often linked to high winds generating dust in the region, as a negative impact that Sierrita manages in accordance with regulatory requirements, including opacity limits under its air permit. While this does not constitute a material finding resulting from the SPMS monitoring program, Sierrita strives to continuously improve the effectiveness of its dust control measures and evaluate additional measures for its operations. On August 6, 2024, Sierrita had its first ADEQ reportable dust event in nearly three years. The tailings dust traveled across Duval Mine Road (a public road) but did not reach any nearby communities. No community grievances were received, and the event was determined to be non-material as defined in the SPMS monitoring program. There were no SPMS-related material findings[5] in 2024.

The Environmental Management System (EMS) includes monitoring and management of water, air quality, soil quality, vegetation, and wildlife, as well as waste generated by Sierrita. There were no material findings[6] resulting from the EMS monitoring program, no material environmental changes associated with the Sierrita TSFs, and no material environmental impacts due to events during 2024.

2.8 Confirmation of Adequate Financial Capacity

As stated in **FCX's 2024 Form 10-K filing**, we have the financial capacity to meet current estimated lifecycle costs, including estimated closure, post-closure, and reclamation obligations associated with our TSFs.

[5] 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 or 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 effects and impacts on the local community and / or others affected by the project.

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

CAUTIONARY STATEMENT

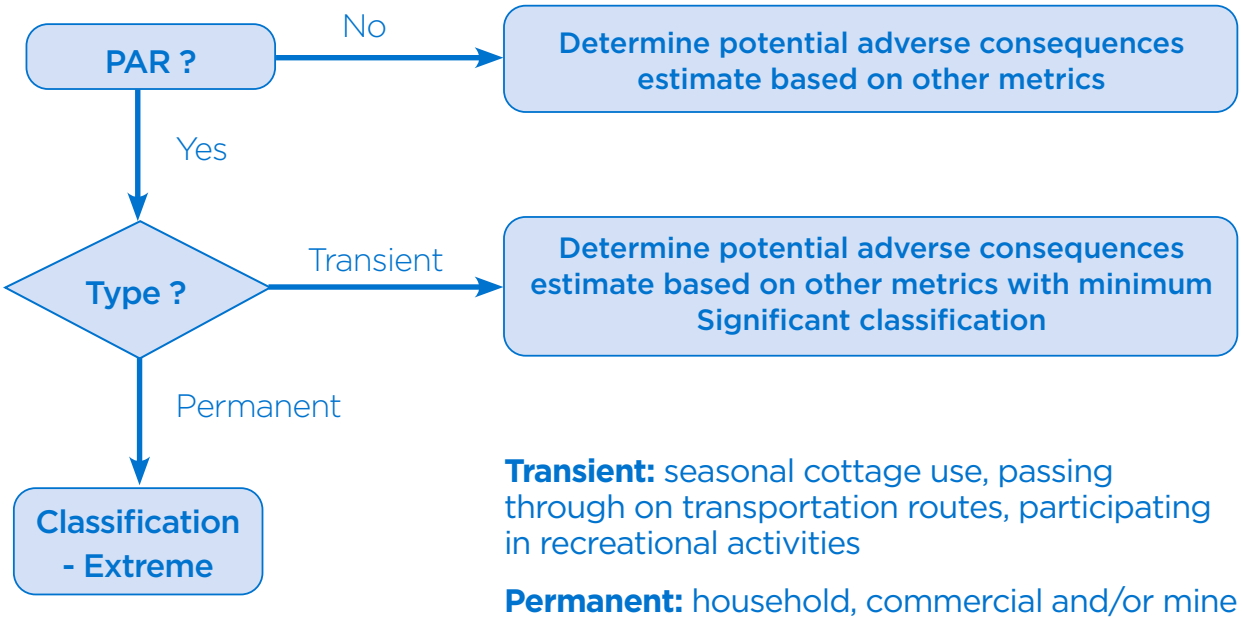
This report contains forward-looking statements. Forward-looking statements are all statements other than statements of historical facts, such as plans, projections, expectations, targets, objectives, strategies, commitments, or goals concerning TSF-related performance, operations, risks, scenarios and projects, and the underlying assumptions and estimated impacts on our business and stakeholders related thereto; our expectations regarding risks, CFMs and credible failure scenarios and consequence classifications; 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 overarching 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," "commitments," "plans," "pursues," "believes," "efforts," "estimates," "expects," "endeavors," "seeks," "goals," "predicts," "strategy," "objectives," "projects," "targets," "intends," "aspires," "likely," "will," "should," "could," "to be," "potential," "opportunities," "assumptions," "guidance," "forecasts," "future," "initiatives," and any similar expressions are intended to identify those assertions as forward-looking statements. Goals and targets and expected timing to achieve goals and targets are subject to change without notice due to a number of factors. 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, 2024, filed with the 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 targets, goals, strategies, and projects described in this report are aspirational; as such, no guarantees or promises are made that these targets, goals, strategies, and projects will be met or successfully executed.

Appendix: Consequence of Failure Classification

Flowchart for Population at Risk (PAR)



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. <US$10,000,000.
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 is 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. a highway, industrial facility, or storage facility 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, 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. a hospital, major industrial complex, major storage facility 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 and US Bureau of Reclamation. Best Practices in Dam and Levee Safety Risk Analysis. Version 4.0, July 2019.

ANNEX 1: Acronym Definitions

AE	Accountable Executive
ADEQ	Arizona Department of Environmental Quality
ALARP	As Low As Reasonably Practicable
APP	Aquifer Protection Permit
CFM	Credible Failure Mode
EoR	Engineer of Record
EMS	Environmental Management System
EPRP	Emergency Preparedness and Response Plan
ERP	Emergency Response Plan
ETI	Esperanza Tailings Impoundment
FCX	Freeport-McMoRan Inc.
HRIA	Human Rights Impact Assessment
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
STI	Sierrita Tailings Impoundment
TDL	Tailings Delivery Line
Tailings Standard	Global Industry Standard on Tailings Management
TMS	Tailings Management System
TSF	Tailings Storage Facility
TST	Tailings Stewardship Team

END OF THE DOCUMENT