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Morenci Contractor Safety Meeting

Aug 13, 2024



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Mute Your Microphone on Teams**

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Agenda

- Safety Share
 - FMI Leadership Safety Message
- Environmental share
- Contractor Train the Trainer
- Mine- Passing disabled haul trucks
- Safety Stats
- Safety Alerts
- CTI Safety Share
- ISN

Safety Message: From Morenci Leadership

As many of you are aware, our 2024 safety performance continues to miss the mark. Our performance throughout 2024 has been unacceptable, injuring **307** employees, **106** of those incidents being reportable. Additionally, we have had **11** incidents that resulted in employees being exposed to fatal energy due to missing controls intended to keep us and our peers safe. This safety performance is a matter of urgent concern that cannot be acceptable to any of us.

As we step into the second month of the third quarter, it's crucial that we acknowledge our disappointment with the July results. Our safety outcomes are not progressing as they should, with several serious injuries, actionable incidents, and an increase in property damages, first aids, and near misses. We need to strive for better results. Most of our incidents indicate consistent gaps in our execution:

- *Failure to follow policies or rules*
- *Deficiencies in safety basics, such as: Effective Workplace Exams, JRAs, or equipment inspections*
- *Lack of follow-up and accountability for safety incidents or deviations from procedure*

How We Put Safety First



All Employees

- Report fit for duty
- Take responsibility for my own and others' safety
- Assess risk and eliminate hazards using specified controls
- Follow all standard operating procedures
- Speak up and stop work if it's not safe or unclear
- Promptly act on unsafe conditions

All Leaders

- Set clear safety and work expectations
- Ensure certifications/trainings are current for assigned work
- Support, demonstrate and teach safe work practices
- Coach to safety standards and confirm understanding
- Prioritize time in the field and engage in safety conversations
- Listen to employees and follow up on concerns
- Reinforce the expectation to stop work

Safety Message: From Morenci Leadership

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- In addition to problematic safety performance, we had two disappointing MSHA inspections. Morenci received 293 citations in 2024. Most of the citations received are precursors to the injuries seen throughout the year: safe access to work areas, housekeeping, missed hazards, and poor equipment inspections. This is a stark reminder to focus on executing the basics well.
- Despite the challenges we face, we must not lose sight of our core principle: 'Safety First'. This should always be our top priority, even in the face of other pressing concerns.
- We can start by ensuring we are great at the processes we have committed to, such as workplace exams, vehicle inspections, JRAs, and following policies. None of us is immune to responsibility. From an employee's role in completing a workplace exam to a supervisor's role in ensuring adverse conditions are corrected to a superintendent's role in ensuring the process is living and functioning as intended, our safety commitment encompasses all of us. Each of us plays a crucial part in ensuring a safe workplace.
- As we continue to work through these issues, we should not lose sight of the fact that the most important thing we manage is **our safety**. We are all responsible for ensuring that you, your co-workers, contractors, or others are working together towards the same goal: *getting the job done safely*. Morenci is composed of the best people our mining industry has to offer, we will overcome this challenge.

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FMC
2Q 2024 Americas
Quarterly Meeting

July 15, 2024

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H&S “Best at the Basics” Objectives – Morenci



25% Reduction in High-Risk Incidents

● On-Track ● Behind ● Blocked

- ❑ **Objective 1:** Each department to create a **monthly** policy review process highlighting the most recent policy changes and rotating through most applicable policies. Leadership to define yearly schedule that includes the following components: policy review, work audit, knowledge check, training, & action

Measurement: Safety to validate and support process creation

- ❑ **Objective 2:** Improve FRM participation for each department by 10% prioritizing actionable incidents from previous quarters.

Measurement: Use FRM dashboards and H&S % passing comparison between operations as an indication of quality

Manage TRIR responsibly under target

- ❑ **Objective 1:** 100% safety compliance training by the end of Q4 2024

Measurement: 100% visibility through dashboard (Q3 goal)

- ❑ **Objective 2:** Resolve data and system issues preventing the sitewide utilization of EWS for WPEs by the end of Q4 2024 (Q3 scoping and resources)

Measurement : Modify process check to validate digital usage by H&S

2Q24 Challenges / Accomplishments

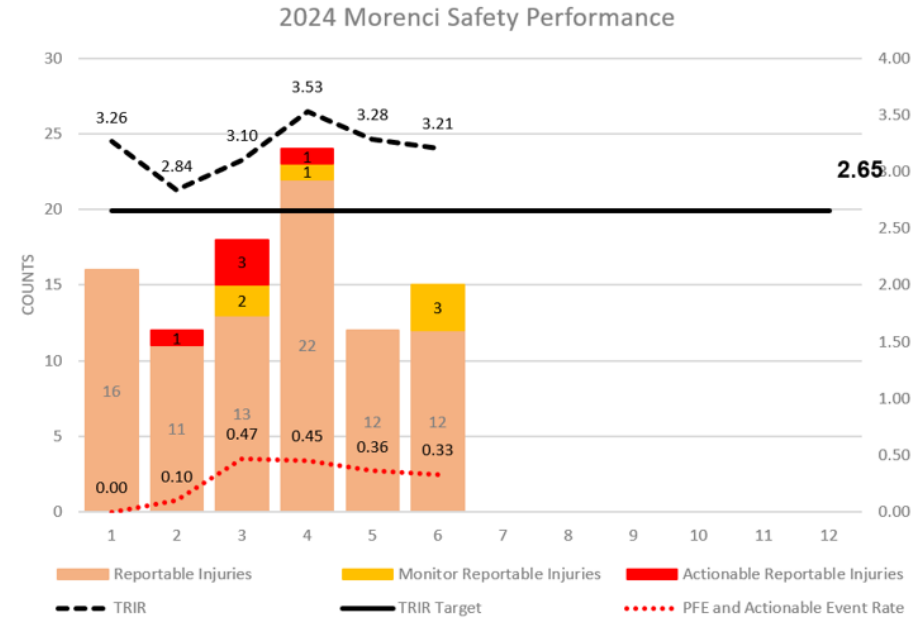
- ✓ Morenci Mill B-order vacated
- ✓ 50% reduction in actionable incidents (vs. Q1)
- ✓ New Hire TRIR reduction (3.03 ytd June 2024 vs 4.51 ytd Dec 2023)
- ✓ Above TRIR target due to difficult April
- ✓ Fatigue and distracted driving (haulage)

3Q24 Actions

- ❑ Training compliance and governance
- ❑ Dust collection and silica exposure
- ❑ Expand on process checks (Safety Basics)
- ❑ Improve distracted/fatigue events with Haulage new hires

H&S Performance

0% ●
0% ●
30% ●
30% ●



Environmental Share – Gasoline Spill Response

Gasoline Debris as a Waste

- Gasoline contains large amounts of EPA regulated chemicals
- Managed as Hazardous Waste
- Subject to labeling and storage time requirements

Questions?

Contact Environmental
at 928-865-6000
or your Representative

How to respond to a Gasoline Spill

- Isolate the area and take steps to mitigate the spill if safe to do so.
- Inform your Supervisor
- Notify the Spill Hotline at 928-865-7745 (SPIL)
- Keep your phone nearby as an Environmental Representative will be contacting you shortly.



Waste Requirements

- Stored in a Closed Container
- The Words “Hazardous Waste” and “Gasoline Spill Debris”
- Label Must Contain EPA Waste Codes D001 (Ignitable) and D018 (Benzene)

**Reps.
Are
Resources!**

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Training

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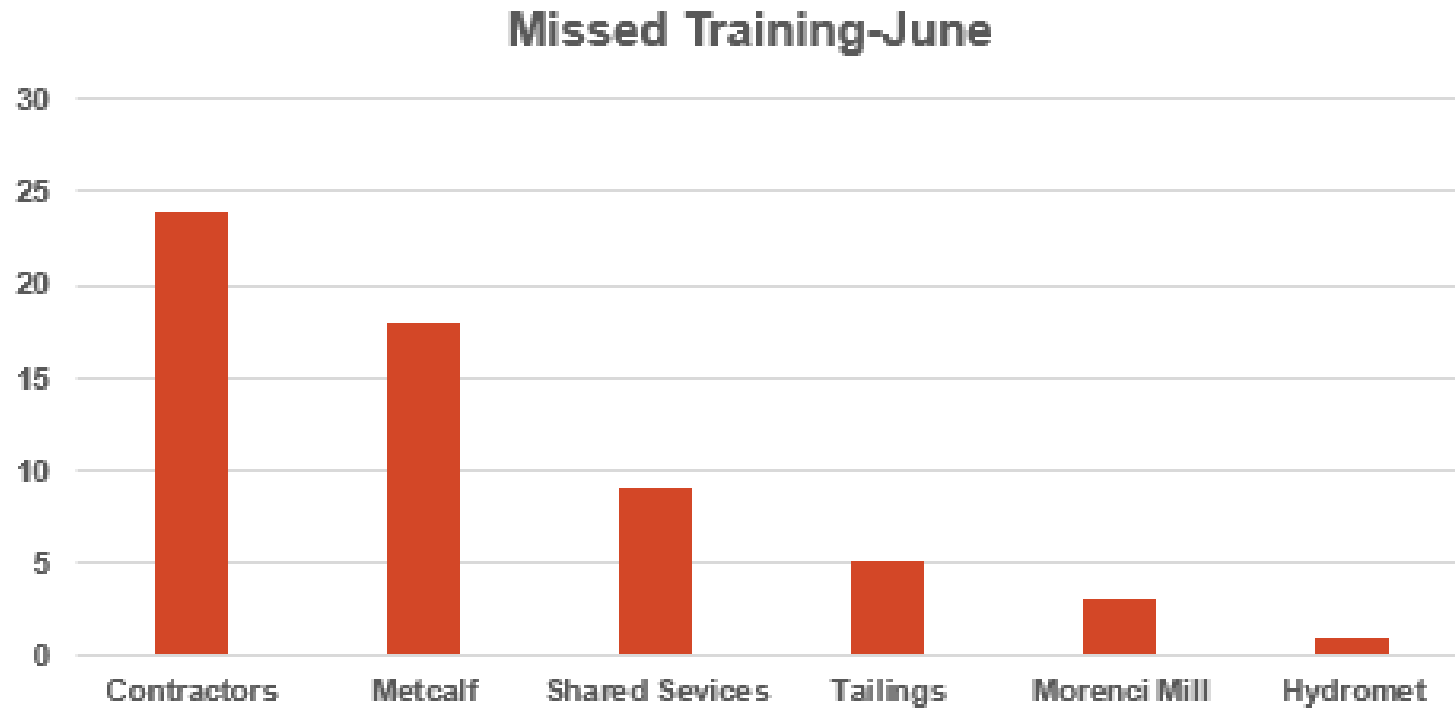
Train the Trainer - Contractor options

1. Attend, Co-teach, Sole Instruct at a Site
2. Attend a Formal FCX MTI - TTT course.
3. Attend Approved Vendor Based Training for FCX TTT per compliance course.

*Variance only available for those contractor instructors that can demonstrate previous 12-month history of training to FCX material or when a new initial course is released.

Other Training Options

- Contractors can still attend Morenci trainings at the Clifton Training Center
- Ensure attendance when these are booked:



- Missed training hurts us in several ways – others cannot attend

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Safety Stats

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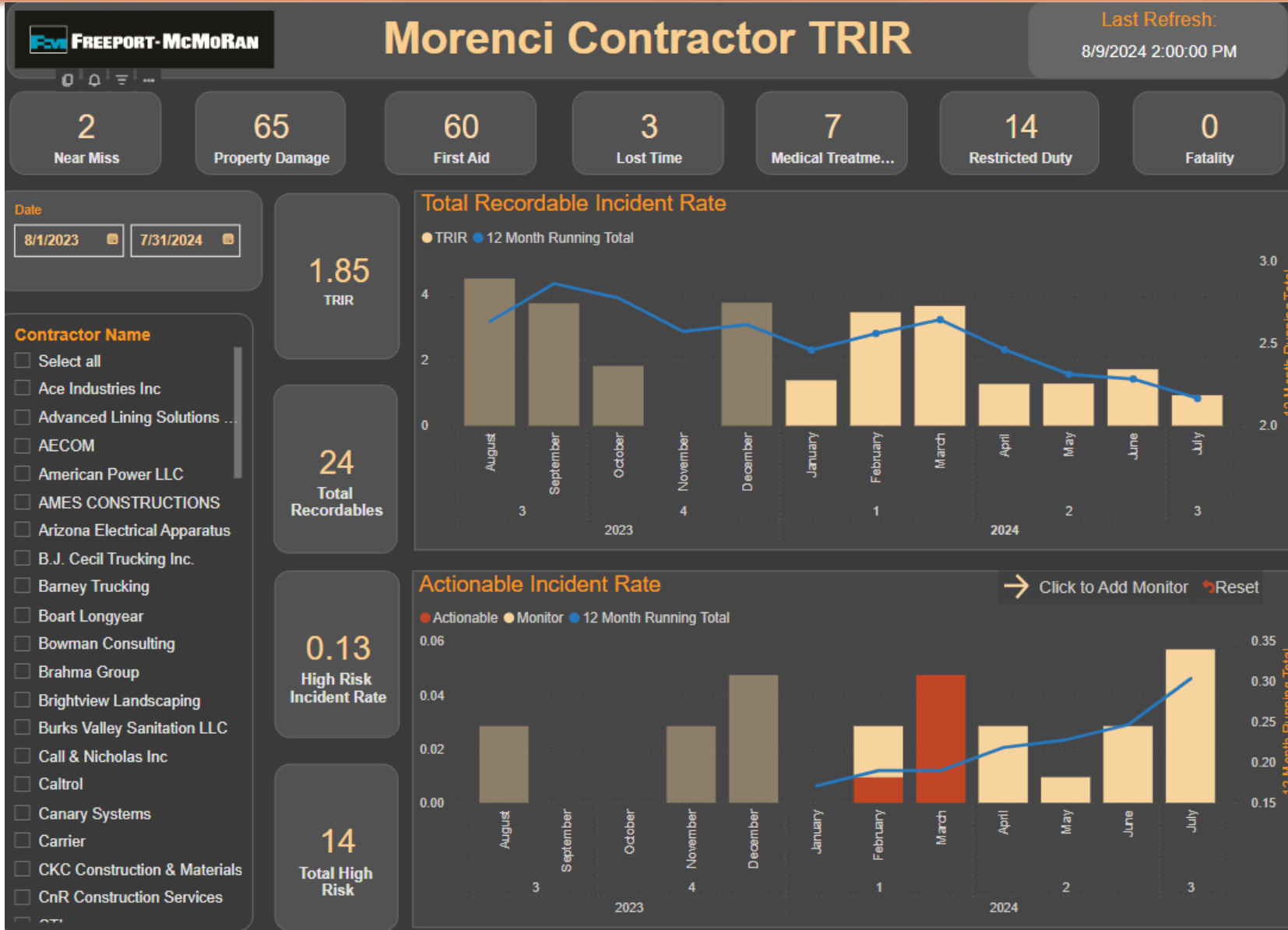
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Morenci TRIR



Contractor TRIR



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Freeport Safety Incidents, Successes & Alerts

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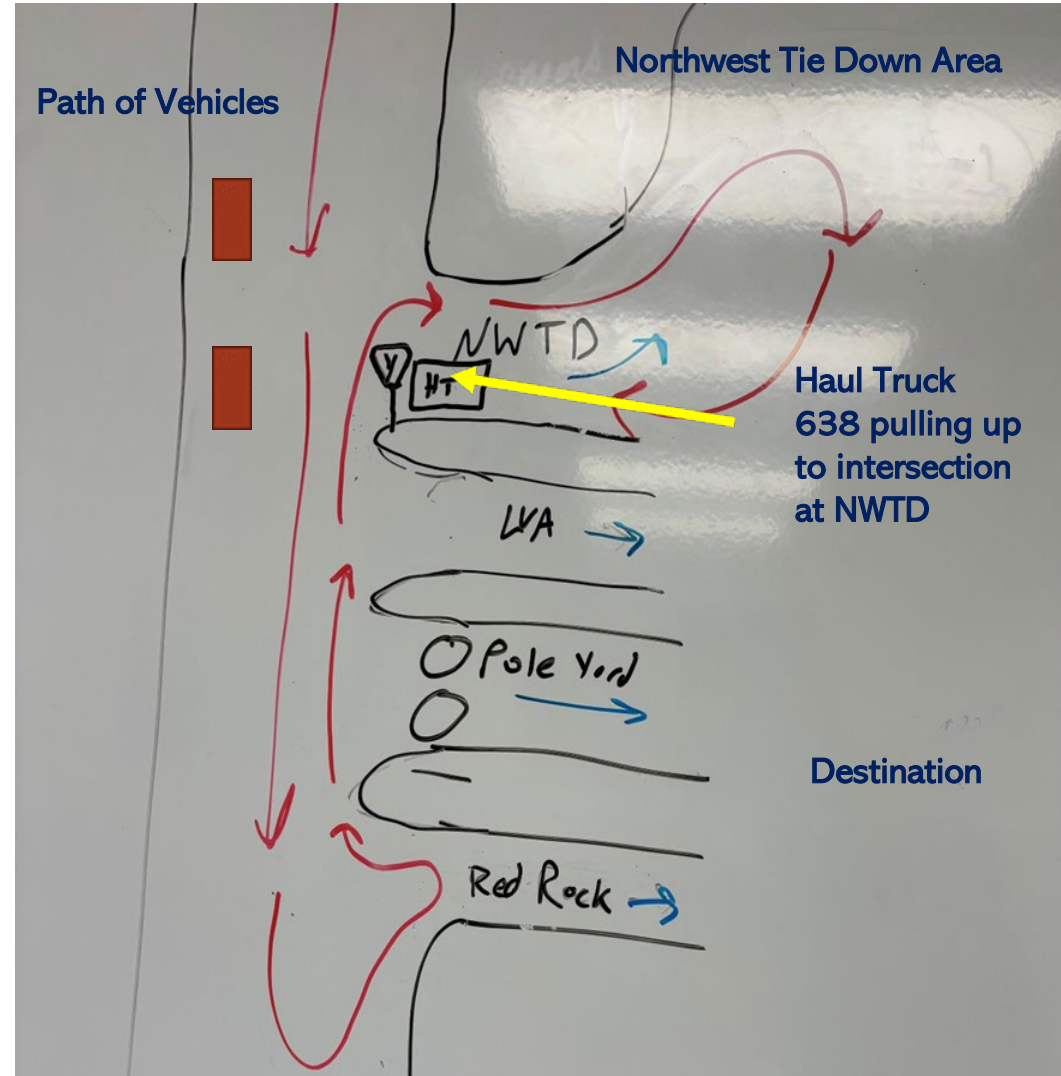
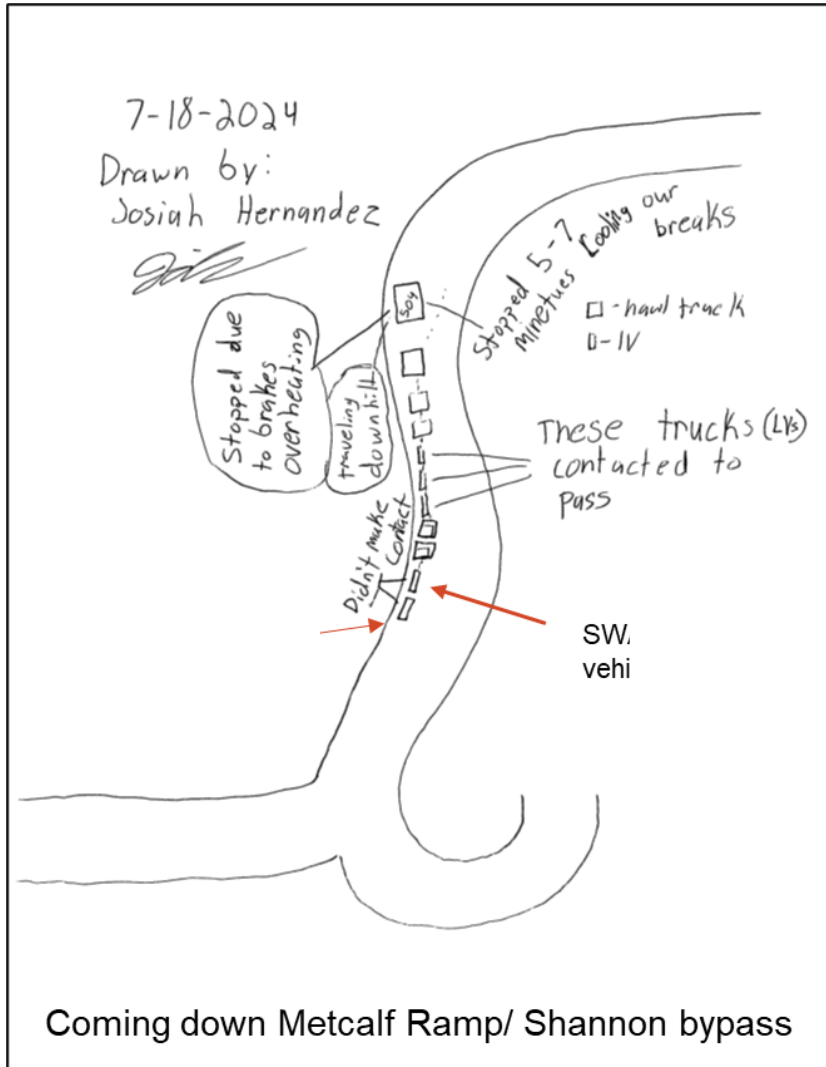
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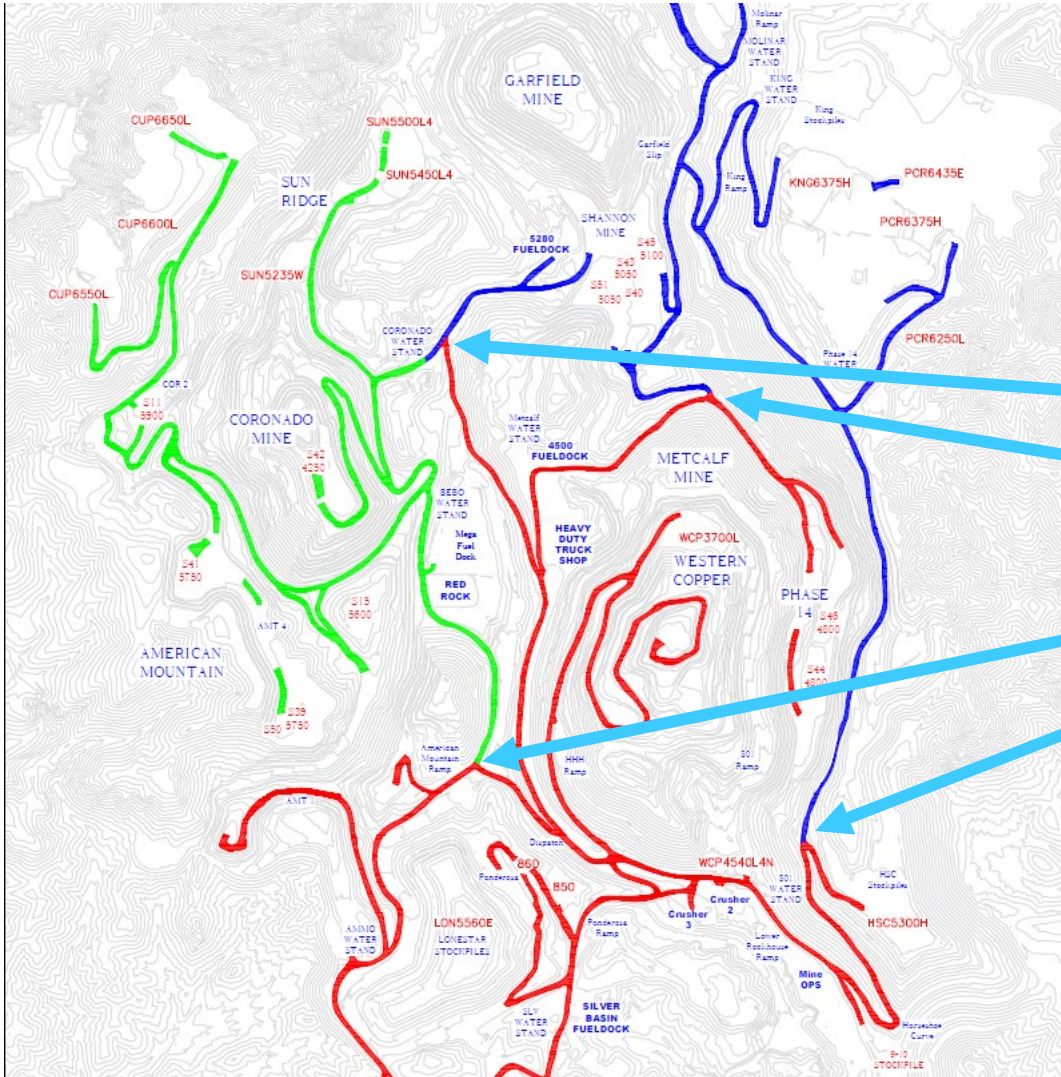
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Improper passing events



- Wrong channels
- Lack of training
- Assumptions- "OK to pass"
- Escort separated from groups
- Safford Inpit used for Morenci
- "10-4" interpreted as permission from another channel

Pit Radio Channels



Look for pit radio change signs to ensure mine personnel have the best chance of contacting or answering you!



Subject: Mine Division – Passing Policy Procedures & Expectations Date: 2/22/22

Due to recent events and to ensure we mitigate any incidents going forward, we will be also implementing a **No Passing Policy** for all Haul Trucks, Water Trucks, or the Lowboy. This applies to vans, buses, contractors, or any other light vehicles that do not have critical/emergency needs to address an issue directly relating to Mine Operations.

Examples may include the following:

- Broken down equipment
- Stationary trucks to conduct repairs
- Access areas blocked by haulage
- Emergency response vehicles allowed to pass during an emergency
- Auxiliary equipment (track hoes, crawlers, blades, rubber tire dozers, compactors)

If it is necessary and appropriate to pass, the driver of the light vehicle will inform Dispatch of the reason behind needing to pass and then follow passing procedures. All light vehicles should use light vehicle access (LVA) roads and avoid haul roads, whenever possible. In limited instances, where conditions allow, the passing policy is **still required to be followed, with clear radio communication request to pass, verbal confirmation of request received/acknowledged, and confirmation when passing.** We will continue to enforce and hold each other accountable to following passing procedures.

Example of Communication:

- Requester: “LV#XX to WT4, is it clear to pass on the right?”
- Spotter: “WT4 to LV#XX you are clear to pass on the right of down WT4.”
- Confirmation of passing: “Thank you WT4. LV#XX passing downed WT4 on the right.”



Vehicle Impact to Person

Potential Fatal Event: Unoccupied Haul Truck Rolls Backward

Preliminary Incident Details

| | |
|---|--|
| Operation | Climax |
| Date / Time | June 19, 2024 / 10:25 a.m. |
| Event Type | Near Miss |
| Summary | As part of routine maintenance activities, an employee set up a haul truck on wood planks in front of a bay at the shop to remove both outer tires. The employee noticed the truck wasn't properly centered and went to move it, but it wouldn't start. The employee called over two other technicians, who went under the truck and behind the front left tire to air start it. When air was applied, the truck started and rolled backward, missing the two technicians underneath. The truck traveled about 25 yards in reverse across the road before coming to a stop against a berm. Initial review indicates the park brake was not set and only one chock was set. |
| Risk Category | Actionable – Significant (3) Likely (3) |
| Findings / Missing Controls | <ul style="list-style-type: none"> • Failure to follow proper protocols • Park brake was not set • Only one chock was placed to prevent movement |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> • N/A |
| Employee Condition | <ul style="list-style-type: none"> • No injury |
| Contact | <ul style="list-style-type: none"> • Amy Reyes, Senior Supervisor-Health and Safety |

Photos / Links



A view of the haul truck after it rolled off the wood planks and crossed the road in reverse before coming to a stop against a berm.



Exposure to
Electrical Hazard

Actionable Event: Breaker Arc Flash

Preliminary Incident Details

| | |
|---|---|
| Operation | El Paso |
| Date / Time | July 7, 2024 / 6:30 p.m. |
| Event Type | Near Miss |
| Summary | An electrician was called to reset an overloaded and tripped breaker at the coil collecting process of the Rod Plant. After the first reset, the table section of the conveying system did not respond. As the electrician returned to the breaker to troubleshoot, an arc occurred when a voltmeter contacted a contactor. |
| Risk Category | Actionable – Significant (3) Likely (3) |
| Findings / Missing Controls | <ul style="list-style-type: none"> Faulty electrical equipment |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> FCX-HS03 Energized Electrical Work Technical Supplement |
| Employee Condition | <ul style="list-style-type: none"> Employee was uninjured |
| Contact | <ul style="list-style-type: none"> Roland Ruybe, Manager-Health and Safety Alejandro Valadez, Manager-Rod Mill Operations |

Photos / Links



Arc flash label

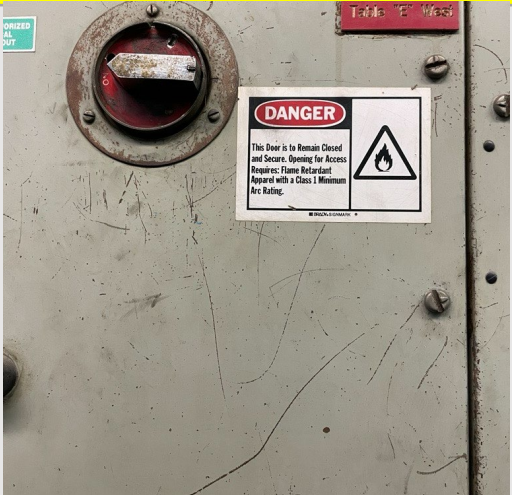


Table E conveyor door



Electrician inside of the motor control center when arc flash occurred



Actionable Event: Haul Truck Steering Wheel Came Off

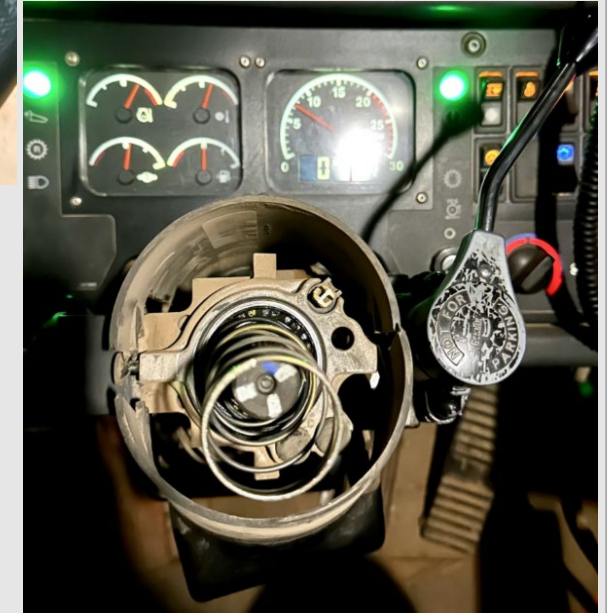
Preliminary Incident Details

| | |
|---|--|
| Operation | Morenci |
| Date / Time | July 11, 2024 / 7:20 a.m. |
| Event Type | Near Miss |
| Summary | A haul truck operator was traveling uphill, at low speed, on the haul road when the steering wheel fell off. The operator was able to stay in their traffic lane and stop the truck. There was no exposure to oncoming traffic. |
| Risk Category | Actionable – Significant (3) Likely (3) |
| Findings / Missing Controls | <ul style="list-style-type: none"> Steering wheel locknut was not torqued to specified 60 lb./ft. Quality check to verify torque specifications was not applied by service contractor. The verification was to be conducted as part of the action plan following a previous PFE incident with a similar failure. |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> Manufacturer (OEM) Caterpillar Steering Column Assembly (REN2535-16) |
| Employee Condition | <ul style="list-style-type: none"> No injuries. |
| Contact | <ul style="list-style-type: none"> Gary Anderson, Manager-Mine Maintenance Rassie Ras, Manager-Health and Safety |

Photos / Links



Detached haul truck steering wheel.



A photo showing the unsecure haul truck steering wheel locknut.




Vehicle Collision
or Rollover

Actionable Event: Haul Truck Steering Wheel Falls Off




| Preliminary Incident Details | |
|----------------------------------|---|
| Operation | Bagdad |
| Date / Time | July 15, 2024 / 6:49 a.m. |
| Event Type | Near Miss |
| Summary | A haul truck operator was preparing to reverse to a shovel when the steering wheel came off. The operator used the secondary brake to stop, put the truck in neutral and set the parking brake. There was exposure to oncoming traffic. |
| Risk Category | Actionable – Significant (3) Likely (3) |
| Findings / Missing Controls | <ul style="list-style-type: none"> Steering wheel keeper nut was not torqued to proper specifications. Quality check to verify torque specifications was not applied by service contractor. |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> Manufacturer (OEM) Caterpillar Steering Column Assembly (REN2535-16) |
| Employee Condition | <ul style="list-style-type: none"> No injuries. |
| Contact | <ul style="list-style-type: none"> Danielle Murphey, Sr. Supervisor-Industrial Hygiene Benny Corbell, Manager-Mine |

Photos / Links



Detached steering wheel.



Steering wheel assembly after wheel was detached.

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Actionable Event: Lowboy Fender Falls

Preliminary Incident Details

| | |
|---|--|
| Operation | Bagdad |
| Date / Time | July 25, 2024 / 7:30 a.m. |
| Event Type | Near Miss |
| Summary | Contractor technicians were replacing a lowboy rear fender. The night crew positioned the fender with a crane but did not tack weld it in place before removing the crane and leaving site. The next morning, the fender fell to the ground as the day crew was preparing for work approximately 45 feet away. |
| Risk Category | Actionable – Significant (3) Likely (3) |
| Findings / Missing Controls | <ul style="list-style-type: none"> • Failure to follow standard operating procedure. • A welder was unavailable during the evening shift. |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> • Contractor standard work practice • FCX-HS32 Crane and Rigging Policy |
| Employee Condition | <ul style="list-style-type: none"> • No injuries. |
| Contact | <ul style="list-style-type: none"> • Danielle Murphey, Sr. Supervisor-Industrial Hygiene • Benny Corbell, Manager-Mine |

Photos / Links



Lowboy fender after falling to ground (approximately 45 feet to crew members gathered at truck).

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Potential Fatal Events

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Preliminary Incident Details

| | |
|---|---|
| Operation | Cerro Verde |
| Date / Time | July 2, 2024 / 12 a.m. |
| Event Type | Property Damage |
| Summary | A haul truck was travelling down a ramp behind a light vehicle towing a solar repeater on a trailer and other haul trucks. As traffic slowed, the haul truck drove over the trailer and contacted the rear of the light vehicle with the left front tire. On impact, the haul truck operator veered right. The two workers inside the light vehicle were able to exit the vehicle without injury. |
| Risk Category | Actionable – Significant (3) Likely (3) |
| Findings / Missing Controls | <ul style="list-style-type: none"> • Driver fatigue based on initial review of Driver Safety System data and video footage |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> • FCX-23 Interaction with Heavy Mobile Equipment – Surface • CV procedure - SApr100 Material Hauling |
| Employee Condition | <ul style="list-style-type: none"> • No injuries |
| Contact | <ul style="list-style-type: none"> • David Vasquez Merino, Hauling Manager |

Photos / Links



Trailer damage following impact



Incident location



Fall from Height

Potential Fatal Event: Employee Falls from Fixed Ladder

Preliminary Incident Details

| | |
|---|---|
| Operation | Miami |
| Date / Time | July 10, 2024 / 4:55 p.m. |
| Event Type | Injury – Medical Treatment |
| Summary | An employee was climbing a fixed ladder after cleaning hoppers. Approximately 12 feet up from the landing, the employee lost their grip and fell to the grating at the base of the ladder. The employee landed on their left arm and struck their head. |
| Risk Category | Monitor – Significant (3) Possible (2) |
| Findings / Missing Controls | <ul style="list-style-type: none"> • Fall protection was not required |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> • FCX-HS02 Working at Heights |
| Employee Condition | <ul style="list-style-type: none"> • Employee broke thumb |
| Contact | <ul style="list-style-type: none"> • Justin Taylor, Manager-Health and Safety |

Photos / Links

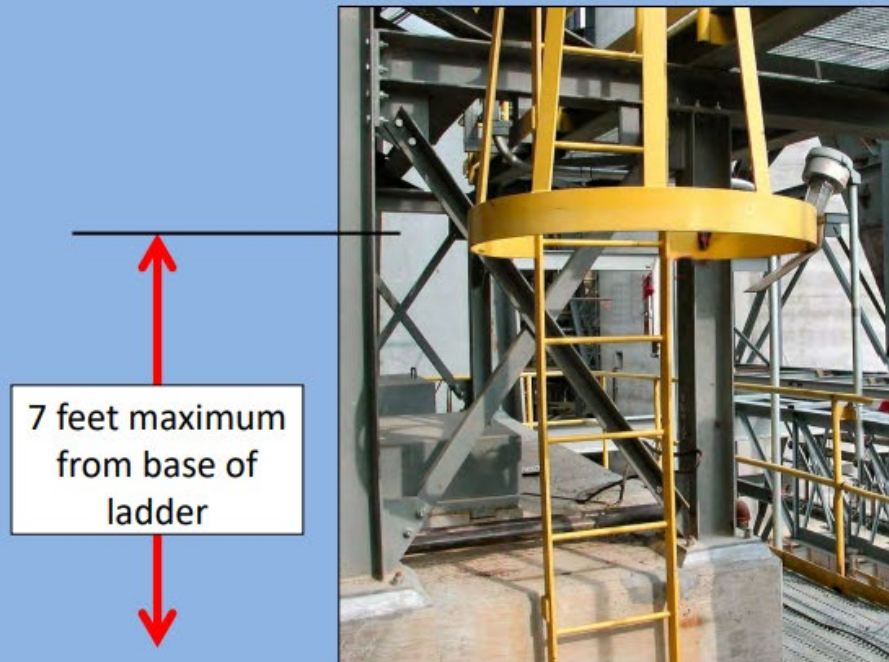


Location of ladder and fall.

Ladder Cages

30 CFR §§ 56/ 57.11026

Fixed ladders, 70 degrees to 90 degrees from the horizontal and 30 feet or more in length, shall have backguards, cages or equivalent protection, starting at a point not more than seven feet from the bottom of the ladders.



Working at Heights Policy

Health and Safety FCX-HS02 | Release 03/2018 | Version 1

Ladders

- Persons may climb a ladder that is 20ft (6.1m) or less w/o fall protection if '3 points of contact' used.
- Tie off or secure ladders prior to use.
- Ladders must extend 3ft (1m) beyond the access point.
- Never use the top two steps of stepladders.
- Do not reach outside the plane of the ladder to prevent tipping.
- Use 4 –to-1 principal for extension ladders.
- Hot work from a ladder is not permitted without a variance



Falling Objects

Potential Fatal Event: Objects Fall From Stack

Preliminary Incident Details

| | |
|---|--|
| Operation | Atlantic Copper |
| Date / Time | July 12, 2024 / 11 a.m. |
| Event Type | Near Miss |
| Summary | <p>Two contractors were lifting measuring equipment up the stack for environmental samples. Worker #1 was operating the electric winch on the stack's upper platform. Worker #2 put the equipment in a lifting bag and flagged the intermediate platform, then proceeded to walk down to the lower platform.</p> <p>When the lifting bag reached the upper platform, the hoist steel cable broke. The bag, weighing approximately 132 lbs (60 kgs), fell and hit the intermediate platform, releasing the equipment. The equipment continued to fall to the lower platform and stopped near Worker #2.</p> |
| Risk Category | Actionable – Significant (3) Likely (3) |
| Findings / Missing Controls | <ul style="list-style-type: none"> The lifting cable was rusty and deteriorated. The area immediately below the winch was flagged, but the lower platform was not barricaded. |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> Site Work Permit Procedure Site Work at Heights Procedure Flagging and Barricading Policy |
| Employee Condition | <ul style="list-style-type: none"> No injuries |
| Contact | <ul style="list-style-type: none"> Ignacio Romero, Health and Safety Manager-Atlantic Copper |

Photos / Links

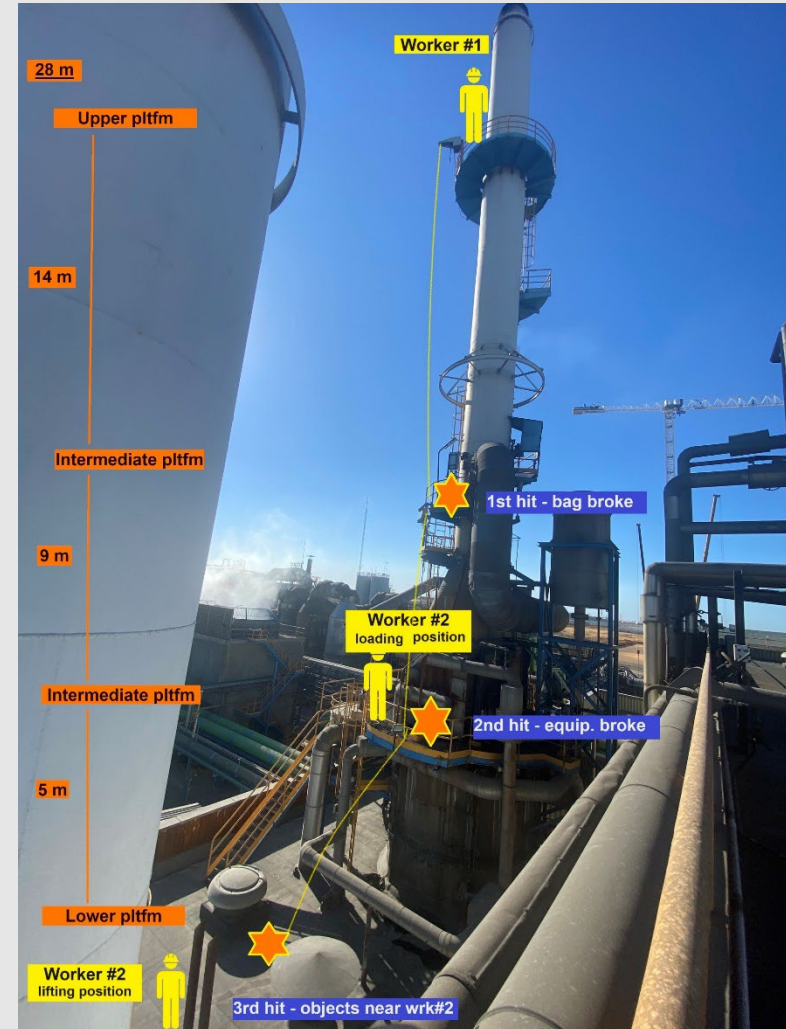


Diagram of the dropped object path, contact points and elevations.



Uncontrolled
Release of Energy

Potential Fatal Event: Mechanic Struck with Metal Wedge

Preliminary Incident Details

| | |
|---|---|
| Operation | Morenci |
| Date / Time | July 23, 2024 / 9 a.m. |
| Event Type | Injury – Lost Time |
| Summary | Mechanics were replacing a bit sub on a worn drill pipe. Metal wedges were used to separate the pipe. As the drill operator turned the breakout wrench on the pipe, a metal wedge, approximately three pounds, popped out of place and struck a mechanic on the chin. The wedge landed approximately 51 feet from the drill. |
| Risk Category | Actionable – Significant (3) Likely (3) |
| Findings / Missing Controls | <ul style="list-style-type: none"> Diagnostic mechanic had two years of experience. Struck mechanic was an apprentice 1, in the role for nine months. Failure to segregate the employee from fatal energy. No barricading or guard to control energy. Improper tool (steel wedges) was used to secure the stuck drill pipe. |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> Operation manual for removing stabilizer. |
| Employee Condition | <ul style="list-style-type: none"> Employee underwent surgery, was discharged and is expected to recover. |
| Contact | <ul style="list-style-type: none"> Rassie Ras, Manager-Health and Safety Gary Anderson, Manager-Mine Maintenance |

Photos / Links



Position where steel wedge was installed and later dislodged.



Top view where steel wedge was installed and later dislodged.



Position where the mechanic was standing at the time of the event.



Steel wedge (3 lbs) landed 51ft from the drill.



Fall from Heights

Potential Fatal Event: Employee Falls From Crossover

Preliminary Incident Details

| | |
|---|--|
| Operation | Bagdad |
| Date / Time | July 29, 2024 / 9:15 a.m. |
| Event Type | Injury – Medical Treatment |
| Summary | A mill employee was standing on top of a rougher flotation crossover approximately four feet from the floor. The employee fell backwards, hit their ribs on a pipe and fell to the floor. |
| Risk Category | Actionable – Significant (3) Likely (3) |
| Findings / Missing Controls | <ul style="list-style-type: none"> No fall protection was being used above four feet. Employee should not have been on top of crossover. No field verification by supervision that employees were working safely. |
| Applicable Policies / Procedures | <ul style="list-style-type: none"> FCX-HS02 Working at Heights Policy |
| Employee Condition | <ul style="list-style-type: none"> Employee was transported off-site for medical treatment. |
| Contact | <ul style="list-style-type: none"> Danielle Murphey, Senior Supervisor-Industrial Hygiene Ryan Fidler, Manager-Mill |

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Photos / Links

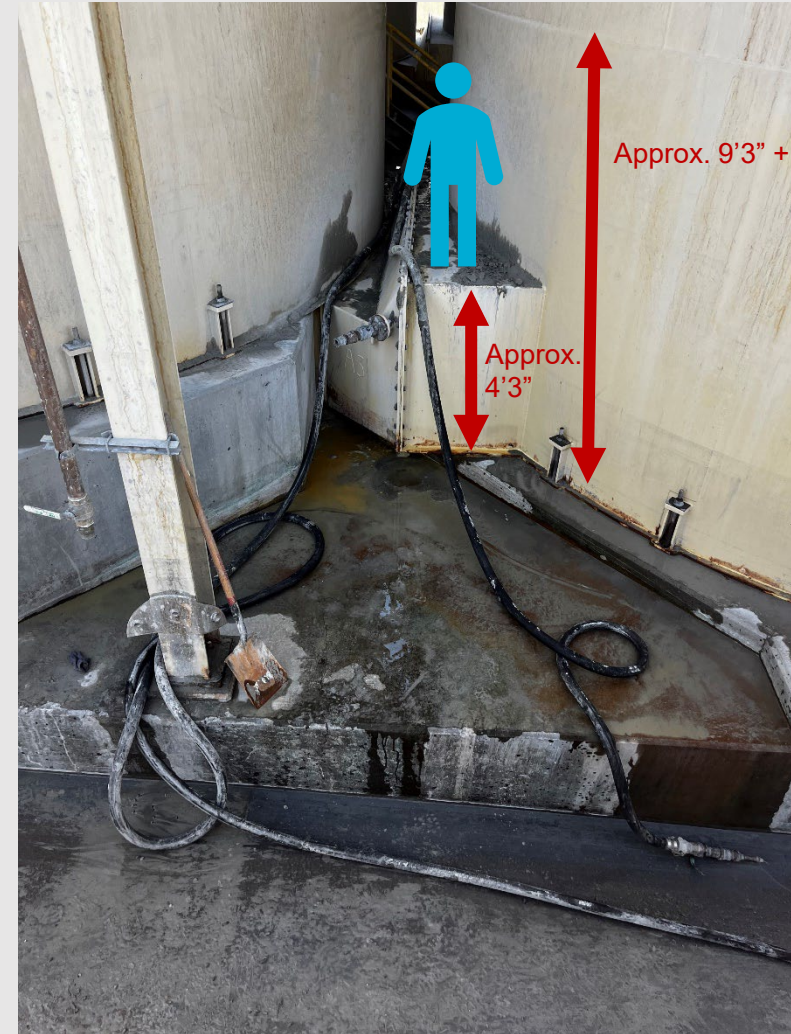


Diagram of employee location prior to fall and approximate heights.

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Guest Speaker - CTI

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Almost every issue we've encountered could have been avoided had we not made poor assumptions that the training provided was adequate. It's an opportunity to learn from our mistakes.

Job Set Up - Poor Assumptions



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Training

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Contractor Training Options

- Attend, Co-teach, Sole Instruct
- Attend one course as a student w/ a 90% or better test score
- Co-instruct with a qualified instructor (1-2 courses)
- Formally instruct course w/ a qualified TT Sr. Instructor/TT Supervisor completing an successful FMI instructor evaluation for qualification
- Attend a Formal FCX MTI - TTT course.
- Attend TTT usually 4-8 hours with appropriate credentials and industry experience.
- Attend one course as a student w/ 90% or better test score. Understand flow of course/classroom/material.
- Variance only available for those contractor instructors that can demonstrate previous 12-month history of training to FCX material or when a new initial course is released.
- Formally present 10–20-minute section of course w/ a qualified TTT completing a successful FMI instructor evaluation for qualification.
- Attend Approved Vendor Based Training for FCX TTT per compliance course.
- Attend TTT usually 4-8 hours with appropriate credentials and industry experience.