

COMMUNITY PARTNERSHIP PANEL

Meeting Notes Summary

Morenci

May 9, 2023

Purpose

The [Community Partnership Panel](#) is hosted by Freeport-McMoRan to keep the community informed about operational activities, and to foster open and ongoing dialogue to develop thoughtful solutions and address community issues.

Industry / Business Update

For the most recent company financial information, please visit: [Freeport-McMoRan Investor Center](#).

Freeport-McMoRan recently released its 2022 annual reports. Please visit www.fcx.com/sustainability for a copy of the sustainability report. You can also visit [2022 Annual Report](#) for a copy of the 2022 Annual Report.

Morenci shared the following information:

- First quarter employment update
 - Current employment: approximately 3,930 full-time employees
 - Vacancies: approximately 450
 - Contractors: average of 1,500
- Current community projects:
 - Addition of four fueling stations and two electric vehicle charging stations at the Marathon – anticipated completion date of 3Q-2023
 - Infrastructure is in progress for electric vehicles charging stations, two each at bowling alley, community center and at motel
 - Installation of shade structures has been completed at the new skate park
 - Remodeling of Gila Health Resources building – Phase 1 substantial completion date May 2023; Phase 4 completion date March 2024
 - Remodeling is in progress at two commercial properties in the Morenci Plaza Shopping Center for new tenants (spaces formerly occupied by Golden City and Cup-n-Cone)
 - Shannon Hill water tank and system upgrades – started March 2023, projected completion date October 2023
 - Clifton Baseball Field – has been stripped and new soil added
 - Clifton Football Field – work is wrapping up
- Future community projects:
 - Copper Road, parallel streets water and power lines upgrade
 - Start June 2023, projected completion date March 2024
 - Remodeling of American Legion building - work on first floor continues
 - Park Avenue water utilities and power lines upgrade
 - Start pushed out to June 2023
 - Producer stockpile
 - Projected to commence in 2024
- Community opportunities

- Dr. Leo Christensen has opened his dental practice in the Morenci Plaza
- Dr. Ed Traum will be opening a chiropractor office in June
- The feed store by the corrals has a new tenant: Town and Country Feed
- Zuly's Sonoran Style Mexican Food will be moving into the old Cup 'n Cone space this summer
- Big Tex BBQ will be moving into the old Golden City Chinese space later this summer
- Housing
 - Exploring options to expedite Morenci house turns – Currently have three general contractors, looking at bringing on an additional 1-3
 - RV rental program – Program implemented
 - Currently seven active participants
 - Additional nightly stay in Safford – Program implemented for 0-90-day Freeport new hire employees
 - Evaluating collaboration with Greenlee County on housing project
 - Busing of employees – Van pool pilot program is in operation, expanded to all mine and processing employees

The Environmental Department provided an update on last quarter's reportable incidents (a natural gas usage exceedance, an excess emission (opacity) from the SB-1 tailings dam, and a dead bird at the bedding plant, an inspection of the wastewater treatment lab by the Arizona Department of Health Services, and a Aquifer Protection Permit inspection by ADEQ, and current permitting efforts:

- Air quality: received CLP permit amendment, preparing application for renewal of Title V air permit
- Water quality
 - Aquifer Protection Permit – preparing significant permit amendment to include tailings reslope, recommissioning of Columbine reservoir, converting Silver Basin run of mine stockpile to mine for leach, cleanup outdated language, and minor modifications to the design of the Producer Stockpile ponds
 - 404 Permit – working on developing alternative analysis for Producer Stockpile
 - Upper Eagle Creek fish barrier – baseline studies are complete, submitted BIOME report
 - Yellow Bill Cuckoo Management Plan – The Lower Eagle Management Plan was approved by the BLM
 - FMI will support the BLM's NEPA process submittal
 - The Upper Eagle Management Plan has been reviewed by the US Fish & Wildlife Service and Forest Service
 - Waiting for Forest Service's final approval of the fencing area. Baseline studies were completed in the area

The Environmental Services group shared that one of its environmental scientists spoke with one of Morenci's kindergarten classes about the importance of recycling.

The Clifton Soil Program presented an update:

- 121 properties eligible for remediation, 109 residential, 12 commercial
- Cleanup of 56% of properties completed as of April 2023
- Anticipated completion date: fall 2023
- Property owner feedback, as well as Town of Clifton officials, has been positive

It was also shared that Freeport will be replacing the surfaces of the athletic fields at the Morenci Schools complex. Construction has begun and is expected to be completed in fall 2023 in time for seasonal sports.

Community Engagement / Development Update

Human Rights Impact Assessment

- We conduct Human Rights Impact Assessments (HRIAs) as part of our commitment to operating in a way that respects people. HRIAs are both a Human Rights Policy commitment and a requirement of the Responsible Production Frameworks to which we adhere.
- As a follow-up to the Arizona operations HRIA completed in 2022, we provided an overview of our HRIA process as well as community-related findings and associated action items, soliciting feedback and input from CPP members. Key findings specific to Morenci related to road safety, the housing deficit, additional support for families and teens in the community, and pollution mitigation and communication.
- Refer to the Human Rights section of our 2022 Annual Report on Sustainability for more information.

Tailings Storage Facility Update

- As a member of ICMM, we participated in the development of the Global Industry Standard on Tailings Management (Tailings Standard) and are fully committed to conforming to the requirements
- We have been conducting a rigorous risk assessment process at all of our tailings facilities and have changed some facility consequence classifications to align with the criteria of the standard. Details will be shared at the Q3 CPP meeting.
- The assessment and consequence classifications will be reflected in our disclosure documents which will be updated and posted on [Freeport-McMoRan | FCX](#) in August.

Our Commitment to Social Investing

- Community Investment Fund Application
 - **2023 Timeline**
 - Application only, no letter of intent
 - True Impact Forecast completed only by those awarded funds
 - *May 15: Application Opens*
 - *July 14: Application Closes (5 p.m. AZ time)*
 - **2022 Funding – Impact Reports**
 - True Impact updated with actual impacts (year-end report)
 - Due one month after program end date (the deadline is different for each organization)
- We continued to engage with the Greenlee County community regarding our three priority areas during the third quarter. Some of the engagements included:

Education and Workforce Development

- Duncan High School Yearbook project
- Society for Mining Engineers local chapter – sponsored fundraising golf tournament
- White Mountain Apache Tribe Native Software – grant for 'Online Apache Dictionary' project

Economic Opportunity

- Duncan High School Yearbook project
- Society for Mining Engineers local chapter – sponsored golf tournament fundraiser

- White Mountain Apache Tribe Native Software – grant for ‘Online Apache Dictionary’ project

Capacity and Leadership

- Greenlee County Resiliency Study – Freeport sponsored project, which includes towns of Clifton and Duncan

Global Volunteer Month – Employee Engagement

Each April, employees companywide celebrate supporting our communities through volunteer service. At Morenci, employees participated in the company’s annual Global Volunteer Month on the following events/projects:

- Duncan High School greenhouse – Morenci employees volunteered their time to build a new, bigger greenhouse to support the Agriculture class. We partnered with Brightview Landscaping and Ace Hardware on this project.
- At Earth Day celebrations at Morenci and Duncan, Freeport distributed fruit trees and other plants and sponsored educational exercises for adults and children
- Morenci also participated in San Carlos Tribe’s Earth Week activities by distributing fruit trees and plants of cultural interest to the tribe during its Expo Day
- Morenci employees hosted Career Day for Morenci and Duncan high school juniors and seniors

Grievance Management Procedure

Freeport-McMoRan has a process to receive, record and respond to local questions, comments and concerns. We encourage all stakeholders to reach out to us.

- **Talk** with your local Freeport-McMoRan or Community Development representative
- **Call** the Community Information and Grievance Line at 877-629-2609, 24 hours a day, seven days a week (English or Spanish)
- **Email** communitydevelopment@fmi.com or via [FreeportInMyCommunity.com/contact](https://www.freeportmoran.com/contact)
- **Send mail to** Freeport-McMoRan Community Development – 333 N. Central Ave., Phoenix, AZ, 85004

Morenci received two grievances this quarter. The topic of concern included a complaint about the repair work performed on the Clifton highwall to address safety hazards to motorists, and a request by a former employee for help getting a toolbox shipped to him. Year to date, Morenci has received two grievances of which one has been closed and one is active. There are four active grievances from the past year.

The CPP (Community Partnership Panel) meets on a quarterly basis – for more information please contact

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