

# COMMUNITY PARTNERSHIP PANEL

## Meeting Notes Summary

### Graham County

May 11, 2022

#### Meeting 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 to address community issues.

#### Industry / Business Updates

For the most recent company financial information, please visit: [Freeport-McMoRan Investor Center](#). Access the [company and industry / business update video](#) from Josh Olmsted, President and Chief Operating Officer – FM Americas.

Freeport-McMoRan recently released its 2021 annual reports. Please visit [www.fcx.com/sustainability](http://www.fcx.com/sustainability) for a copy of the sustainability report. You can also visit [2021 Annual Report](#) for a copy of the 2021 Annual Report.

The first quarter of 2022 was a safe production period at [Safford operations](#) with continuous improvement of operating efficiencies and successful efforts to increase throughput. Site employment is approximately 1,300 with 250 vacancies and a daily average of 180 contractors working at site. Both headcount and total staffing at the site have increased year-over-year from approximately 1,220 employees and 70 vacancies in Quarter 2 of 2021 as mine plan changes and production increases require additional employees. The increase in vacancies since last quarter, from 175 to 250, is a result of adding more haul trucks to Safford's fleet which requires more drivers. The site is currently implementing expansions to increase copper production to 300 million pounds per year.

[Morenci operations](#) in Greenlee County currently employs approximately 3,790 with 220 vacancies and a contractor average of 1,180, supporting day-to-day operations and regularly planned maintenance activities.

Central Analytical Services Center (CASC) and Sanchez Technology Center (TC-S) maintain combined total employment of approximately 160.

#### Environmental Department Updates

Freeport-McMoRan Safford Environmental Manager Mike Windsor shared the following items:

##### Air Permitting

- Significant Permit Revision # 91531 issued by Arizona Department of Environmental Quality on April 1
- New intermediate fine ore stockpile will provide approximately eight hours of storage capacity
- ADEQ Open Burn Permit issued April 21

##### Water Permitting

- Efforts are underway to complete a Significant APP Amendment Application for the Lone Star Leach Pad expansion – the new pad will be designed to stack 120,000 tons/day with increased flow rate and will require construction of a new non-stormwater impoundment which was previously permitted
- Type 2.02 General APP Permit issued by ADEQ April 4 for an intermediate ore stockpile to backfill the San Juan pit
- Preparing a Type 3.04 General APP Permit Application for capturing and impounding Lone Star pit water (pit dewatering impoundment)

## Copper Mark

- The [Copper Mark](#) is a comprehensive assurance framework that promotes responsible production
- Safford's application was presented to a third-party assurance provider in 4Q2021
- Safford operations was awarded the Copper Mark on May 17, 2022

## Compliance Updates

- Acid plant annual performance test was completed March 16 with ADEQ present for testing and no deficiencies were noted
- ADEQ conducted an air quality inspection on April 27 and May 3 with no deficiencies noted and no violations issued

## Freeport-McMoRan Social Performance Management System (SPMS)

Freeport-McMoRan's Social Performance Management System (SPMS) documents and institutionalizes Freeport programs and practices related to interaction with host communities and project-affected people and provides a structure to drive coordination, communication and continual improvement.

The SPMS is comprised of standards of practice which outline best behaviors and actions that drive excellent and integrated social performance. The standards of practice include stakeholder engagement, which also covers grievance management, indigenous people, cultural heritage, social investment, social performance plan, and social baseline data and impact assessment. At Freeport-McMoRan, we strive to work in partnership with our communities to minimize risk and maximize opportunities which will result in the development of a resilient community.

## Community Engagement / Development Updates

### *Our Commitment to Social Investment*

- The Freeport-McMoRan Foundation recently committed **\$6 million** to a partnership aimed at increasing access and higher education completion rates among Native American students in Arizona
- Mini Grants for Education application will open in Q3
  - The awards will be announced by **December 1**
- Women's Development Fund will open in Q3
  - The awards will be announced by **December 1**
- To assist with humanitarian relief efforts for the people of Ukraine, Freeport-McMoRan has donated \$1 million to be split evenly between Save the Children and the UN (United Nations) Refugee Agency
- We are pleased to announce that the 2022 Social Investment Funding is scheduled as follows;
  - Letter of Intent (LOI) – Cybergrants
    - Monday, April 25: LOI opens
    - Wednesday, May 25: LOI closes
  - Application (invite only) – True Impact
    - **July 15**: Draft application due
    - **August 8**: Final application due
    - **September 30**: Notification of award status
- Our three priority areas are Education and Workforce, Economic Opportunity and Capacity and Leadership Development

During the first quarter of 2022, Safford operations was proud to support the following events and projects:

- **Gila Valley SME's** annual outreach and scholarship programs
- **Safford Downtown Association's** Merry Main Street event
- **Graham County Junior Livestock Association's** County Fair Junior Livestock Auction

## Global Volunteer Month - Employee Engagement

Each April, employees companywide celebrate giving back to communities through volunteer service. In Graham County, Freeport-McMoRan employees participated in the company's annual Global Volunteer Month by partnering with The Gila Watershed Partnership (GWP) to conduct a restoration planting in Pima, Arizona, near the Gila River. Twenty employees, along with their family and friends, worked with GWP to put 100 native plants in the ground as well as fencing the area around the plants to protect them.

## Grievance Management System

Freeport-McMoRan receives, records and responds to local questions, comments and concerns and 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](mailto:communitydevelopment@fmi.com) or via [FreeportInMyCommunity.com/contact](https://www.freeportinmycommunity.com/contact)
- **Send mail to** *Freeport-McMoRan Community Development – 333 N. Central Ave., Phoenix, AZ, 85004*

Three community grievances were received in the first quarter and all involved carrier trucks, including: a complaint about a carrier using a non-truck route near Solomon; a carrier hit by rocks while driving on Highway 70 near Peridot, AZ; and a carrier / light vehicle interaction at a local intersection.

## Meeting Participant Feedback and Comments

Feedback from the November 2021 CPP meeting was incorporated into the Q2 meeting with a presentation by Safford HR Manager Tiffany McKinney, who shared statistics about employee diversity at Safford operations.

Key points included:

- From May 2018 to April 2022, the share of female employees at site grew from 15% to 18%, especially in the mining and processing divisions
- Promotions for female employees increased from 24% to 35% over the same period
- The percentage of minority employees increased from 41% to 45% since 2018
- And minority employees also increased in their likelihood for promotion, from 24% to 27%

Overall, 10 of 11 respondents to the meeting survey felt that the level of information presented about environmental permits and regulations was at an appropriate level, and attendees unanimously felt that the presentation on site diversity provided them with an understanding of diversity at Safford operations.

Q&A during the meeting included a question about Safford's strategy for logistics over the long term and whether there is consideration to the increasing number of tractor-trailers on local highways and roadways as production increases at the site. Freeport-McMoRan is assessing several options for long-term transportation, including the opportunity to potentially add railroad service, which will ensure our business needs are met while also considering community health and safety aspects and any environmental effects of increased transportation demand.

*The CPP meets on a quarterly basis – for more information please contact Sean Wenham at (928)792-5937 or [swenham@fmi.com](mailto:swenham@fmi.com).*