



TRANSFORMING TOMORROW TOGETHER

Community Partnership Panel Meeting Notes

Site: Safford Operations

Date: August 14, 2019

Purpose

Freeport-McMoRan hosts the [Community Partnership Panel](#) to inform stakeholders about operational activities and to foster open and ongoing dialogue to develop thoughtful solutions to enhance the sustainability of our communities.

Industry / Business Update

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

Current employment at [Safford operations](#) is more than 1,100 with 170 vacancies. Approximately 500 contractors are supporting various projects on site, including upgrades to existing processing infrastructure and construction of a new leach pad, slated for completion in 2020. Contractor numbers will begin to decrease and upon completion of mining at San Juan in 2020, site staffing is anticipated to decrease to 1,000. Project construction activities continue 24 hours per day. Consequently, residents will continue to see additional lights around some construction areas overnight. Central Analytical Services Center and Technology Center at Sanchez, process support sites which are both also located in Graham County, have a combined employment total of approximately 200.

in Greenlee County currently employs approximately 3,800 with a daily average of 1,500 contractors supporting ongoing operations and a handful of sustaining capital projects at the site including development of the American Mountain Mine – with an associated highway realignment - and renovations at the Clifton Training Center.

Tailings Facilities Overview

Jeff Monteith, General Manager-Safford, provided a presentation on Freeport-McMoRan's [tailings stewardship practices](#) as part of an industrywide effort by mining companies and the Investor Mining & Tailings Safety Initiative to promote the continued development, implementation and maintenance of global good practices. Safford operations does not produce copper concentrates. Consequently, there are no tailings at the site. However, the Safford mining district does contain sulfide ores, which may offer future potential for mine development.

Environmental Services Update

Conrad Parrish, Environmental Services Manager-Safford shared an overview of the site's effort to recycle used haul truck tires. The site found success in a partnership with a small business that repurposes the tires into livestock water troughs and which, to date, has repurposed 217 tires into water tanks – recycling approximately 1.3 million pounds of tires!

Community Development Updates

Freeport-McMoRan has published a [Working Toward Sustainable Development \(WTSD\)](#) report annually since 2001. The 2018 WTSD report is now available and is a great resource to provide stakeholders with summary information on our sustainability programs, including policies, management systems and performance data. Community engagement and development is part of our company's culture and, since 2007, we have invested more than \$2 billion in social programs and projects. Currently, we are prioritizing our community investments on the development of skills for our workforce and community members. We want to empower people and communities with the skills and opportunities to construct meaningful futures.

Southeastern Arizona [Economic Impact Report](#)

The company commissioned the L. William Seidman Research Institute at Arizona State University to develop annual economic impact reports. In 2018, the Morenci and Safford mines of Southeastern Arizona generated an estimated \$499.6 million in total economic benefits for Greenlee and Graham counties combined and approximately \$1.3 billion for the State of Arizona in 2018.

Freeport-McMoRan ranks No. 16 on [Indeed's Top-Rated Workplace List!](#)

What do our employees have to say about us?

- "Great company to work for. They make you feel part of a team."
- "Equal opportunity for women to succeed ... Great pay and benefits!"
- "The company stresses safety above everything else."

This sampling of 5-star reviews on the Indeed career site showcases why the company earned the No. 16 spot for its 2019 Top 50 Top-Rated Workplaces award.

Grievance Management

Freeport-McMoRan has a process and system 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, 7 days a week (English or Spanish)
- **Email** communitydevelopment@fmi.com or via FreeportInMyCommunity.com/contact
- **Send mail to** *Freeport-McMoRan Community Development – 333 N. Central Ave., Phoenix, AZ, 85004*

Freeport-McMoRan Safford responded to two community grievances over the last quarter.

Topics of concern included:

- Rocks thrown at Carrier vehicles on Highway 70
- Vehicle speeds on Sanchez Road near the Technology Center

The Freeport-McMoRan Foundation is committed to investing in communities where we have a presence through programs and projects that build community capacity.

- [Mini-Grants for Education](#) – Deadline to apply was August 30
- [Women's Development Grant](#) – Deadline to apply is September 30
- ASU Lodestar Center Capacity Building Workshops and Ongoing Training Webinars

Our Commitment to Social Investing

The Freeport-McMoRan Foundation is committed to investing in the community through programs and projects that build community capacity and sustainability.

- The Graham County Community Investment Fund awarded seven grants totaling \$400,000 in 2019, bringing the total granted since 2009 to more than \$4.65 million!
 - Boys & Girls Club of the Gila Valley – \$30,000
 - City of Safford – \$78,000
 - Gila Valley Friends for a Drug-Free Community – \$100,000
 - Graham County Interfaith Care Alliance – \$22,000
 - Local First Arizona Foundation – \$30,000
 - Mt. Graham Baseball and Little League – \$120,000
 - The Gila Watershed Partnership – \$20,000

During the second quarter of 2019, Safford operations was proud to support and partner with the community on the following initiatives and projects:

- **Safford Lions Club Foundation** – Field of Honor Program
- **Safford Lions Club Foundation** – July 4th Community Festivities
- **Boys & Girls Club of the Gila Valley** – Fundraising Gala
- **Gila Valley Rotary Club** – Scholarship Fundraiser
- **Pima High School** – Senior Night Activity
- **Safford High School** – Senior Night Activity
- **Thatcher High School** – Senior Night Activity
- **2019 Nickel Picnic and Battle of the Bands**

We are excited to share a partnership between [Arizona College Access Network](#) (AzCAN), [Earn to Learn](#) and the newly established AdviseAZ AmeriCorps program that will support Arizona’s goal to [Achieve60](#). Through embedded well-trained advisors, this program’s goal is to increase the number of high school students entering and completing postsecondary education.

The Freeport-McMoRan Foundation is providing funding for schools in our communities to take advantage of this opportunity.

Economic Development Convening

Freeport-McMoRan recently convened rural leaders from across our North American locations who are working to establish strong and diverse economies in communities with a mining presence. The *Strengthening Community Ecosystems* convening covered topics such as visioning, ecosystem success through creative district development, rural access to capital / microLoan programs and defining economic development / rural challenges and solutions

State Rural Policy Forum

The Arizona Rural Development Council’s *2019 Rural Policy Forum* took place in early August and offered engaging and interactive workshops on tourism and marketing, business development, food systems, workforce development, entrepreneurship, and more. For more information about the forum, please visit <https://azrdc.org>.

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