

# COMMUNITY PARTNERSHIP PANEL

## Meeting Notes Summary

Graham County - August 10, 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 update video](#) we shared from Josh Olmsted, President and Chief Operating Officer – FM Americas.

[Safford operations](#) enjoyed another safe production quarter in 2Q2022 and welcomed Vicki Seppala as General Manager, replacing Jeff Monteith, in July 2022. Vicki returns to Arizona after serving as General Manager at the Climax Molybdenum facility in Leadville, Colo., since 2018. Employment at Safford remains at approximately 1,400 with 210 vacancies and a daily average of 180 contractors working at site. Total headcount has increased year-over-year as mine plan changes and production increases require additional staff. The most recent staffing increase is a result of Safford's expanded haul truck fleet as the site continues to increase copper production to 300 million pounds per year.

[Morenci operations](#) in Greenlee County currently employs approximately 3,860 with 180 vacancies and a contractor average of 1,600, 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 165.

### Environmental Department Updates

FM Safford Environmental Manager Mike Windsor shared updates:

#### **Air Quality Update**

- Conditions at the site, driven by both dry / hot weather conditions as well as operational expansions and distance between water stands, in recent years have meant occasional dust control challenges and active management strategies to abate those dust issues
- To mitigate this issue, in July Safford began a one-year trial of a polymer-based asphalt emulsion called Road Pro NT on 10 miles of dirt roadway. With only periodic maintenance and reapplication, the Road Pro resource reduces water use and operating costs; sheds water from the roadways; does not crack or become tacky to vehicle tires; and provides a smooth and stable road surface which can accommodate both light and heavy equipment.
- If the one-year trial is successful, the site hopes to treat additional roadways in future years.

#### **Water Permitting Updates**

- Submitted a Type 3.04 General Aquifer Protection Permit (APP) application on July 29 to ADEQ for a HDPE-lined Lone Star Pit dewatering impoundment.
- Work is ongoing to complete a significant APP amendment application for Lone Star leach pad expansion for the Phase II pad which is designed for a stacking rate of 120,000 tons/day.

#### **Copper Mark Update**

- Comprehensive assurance framework that promotes responsible production practices.
- Copper Mark Awarded to Freeport-McMoRan Safford on May 17, 2022.

## Land Acquisition and Strategy Update

Freeport-McMoRan Director of Land Strategy Chris Franks provided an update regarding two proposed land acquisition processes. Both Morenci and Safford operations are in very early phases of a proposed land exchange with the Bureau of Land Management. The effort is in initial stages of feasibility analysis and we do not anticipate any decision making regarding the proposed exchange until mid-2023. Freeport continues to discuss the project, conceptually, with local stakeholders and regional partner tribes in advance of the BLM's formal consultation process. We will continue to provide updates as the process continues.

Safford operations also recently submitted a purchase application to the Arizona State Land Department to investigate the acquisition potential of approximately 38,000 acres of state land in the Whitlock Valley area in Eastern Graham County as a long-term business planning resource. The proposed use of the land is not for mining operations but, rather, as a potential long-term water resource to support operations in southeastern Arizona. Hydrologic reviews are being conducted and will continue through 2022 and 2023 to better understand the property.

## Community Engagement / Development Updates

### ***Freeport-McMoRan Formal Engagement Process***

Freeport-McMoRan's primary formal stakeholder engagement is conducted through the Community Partnership Panel (CPP) meeting process. CPP meetings occur in Freeport-McMoRan communities and consist of stakeholders who represent a cross-section of the community.

The quarterly stakeholder meetings are designed to:

- Share information and encourage dialogue (questions, concerns, input) about the company's operational activities, including actual or perceived positive or negative impacts, so that we may respond or address
- Discuss social issues and related community development needs to support the preparation, navigation or actions needed to address risks to resilience, including eventual transition to a post mining scenario
- Share projects and foster collaboration that leads to successful communities and operating environments

Please reach out to Sean Wenham ([swenham@fmi.com](mailto:swenham@fmi.com)) if you have an organization or an individual that you think would be a good addition to the Graham County CPP.

### ***Civic 50 Recognition***

For a tenth consecutive year, Freeport-McMoRan has made the Civic 50 list. Selection is based on four dimensions of community engagement programs and social impact:

- Strategic investment
- Business integration
- Fostering civic culture
- Measuring impact

Freeport-McMoRan continues to work in partnership with communities to minimize impact and generate social and economic value for the communities to build resilience over time.

### ***Our Commitment to Social Investing***

- Mini-Grants for Education application closed September 9 with awards to be announced during the first week of November.

- Women's Development Fund application process was September 1 - October 15. Awards will be announced on December 1.
- 2022 Community Investment Fund Update:
  - 90 Letters of Intent received
  - 66 applicants invited to apply
    - July 22: Draft application was due
    - August 31: Final application due
    - November 30: Notification of award status
- During the second quarter of 2022, Safford operations was proud to support the following events and projects:
  - **Safford High School** Senior Togetherness Night
  - **Pima High School** Graduation Night Activities
  - **Safford Rotary Club** Scholarship Track Meet
  - **Gila Valley Rotary Club** Building Community Youth Leaders Program
  - **The Gila Watershed Partnership** Program Support and Riparian Volunteer Project
  - **Double R Communications** Battle of the Bands and Nickel Picnic
  - **Safford Lions Club Foundation** Graham County Fourth of July Fireworks

### ***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://FreeportInMyCommunity.com/contact)
- **Send mail to** *Freeport-McMoRan Community Development – 333 N. Central Ave., Phoenix, AZ, 85004*

No community grievances were received in the second quarter.

### **Meeting Participant Feedback and Comments**

Participant feedback at the Q3 meeting was largely positive with 100% (13 of 13) respondents indicating that the Air Quality presentation helped them to better understand Safford operations' dust control efforts – an area of interest that occasionally surfaces at the community and stakeholder level.

Eleven of 14 respondents to the meeting survey indicated that the information provided in the Land Acquisition and Strategy Update presentation offered them clear insights into our planned land acquisitions in the region. The remaining three respondents said the presentation was somewhat helpful in answering their questions.

Outstanding and future interests expressed during the meeting included:

- Interest in possible synergies with adjacent landowners
- A question about the transfer of a riparian area near Eden, Ariz. to Salt River Project
- Interest in water conservation
- Interest in the environmental stewardship efforts in the mining and refining processes
- A question whether new land acquisitions will continue to be open to the public or closed

*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).*