



# TRANSFORMING TOMORROW TOGETHER

## Community Partnership Panel Meeting Notes

**Site: Bagdad Operations**

**Date: February 7, 2019**

### 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.

### Safety Share

The safety and health of all Freeport-McMoRan (FCX) employees, along with our commitment to the environment, are of the highest priority. Our objective is zero workplace injuries and occupational illness.

### Industry / Business Update

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

#### Bagdad Site update

- Financial Update
  - 4Q 2018 Performance
  - 1Q 2019 Outlook
  - Full-Year 2019 Outlook
- 2019 Critical Focus Areas
  - Sustain/improve performance levels achieved in 2018
  - Advance Bagdad growth feasibility studies
  - Commission Cleaner Flotation plant
  - Complete Advanced Analytics pilot program – Artificial Intelligence (AI)
  - Initiate the “Road to 20k” – take learnings from the mill into the mine
  - Project Texas – New way of creating value – AI, Agile Principles
- Bagdad 2019 Site Goals
  - Safe Production – Fatality Prevention, Site Production Plan
  - Targeted implementation of supporting technologies to achieve our safe production objectives
  - Reduce sustaining capital and Increase cubic pounds-per-ton mined
    - Continuous improvement
  - Prepare for tomorrow – Bagdad growth, advance future tailings storage facility, optimize headcount, manage cash cost

## Bagdad Community Update

- Aguila CrossFit Outreach
- Yavapai College
  - Rodney Jenkins, VP Community Relations
  - Ron Liss, VP Student Instruction

## Community Development Update

**Freeport-McMoRan has been named to the 2019 Just 100: [America's Best Corporate Citizens by Forbes](#).** Freeport-McMoRan is the industry leader in the *Basic Resources* sector, and is first overall in the *Community Treatment category*. This is the third consecutive year Freeport-McMoRan has made the list, which is now in its third year.

**The company received the top Arizona honor for volunteer service:** Freeport-McMoRan received the State of Arizona's highest honor for volunteerism as a recipient of the 2018 Governor's Volunteer Service Award in the Stewardship category.

Freeport-McMoRan partnered with the **United Way** for an employee campaign to raise funds for the United Way chapters located in our operating communities.

Employees pledged more than \$3.55 million during the 2018 campaign; and more than **\$9.8 million** including the company match.

## **Social Investment**

Freeport-McMoRan Bagdad operations is proud to partner with the United Way of Yavapai County supporting:

- Bagdad Unified School District – STEM and Literacy Program
- Bagdad Core Committee – Imagination Library
- Catholic Charities – Bagdad Peer Assistance Leadership
- Friends of Bagdad Library

Bagdad 2019 Campaign was up more than 30% in pledges!

**Education Grant Opportunities:** Mini-Grants for Education are designed to support K-12 teachers and schools in Freeport-McMoRan communities. **More than \$50,000** was invested through the Mini-Grants process in 2018.

Grants were awarded:

- Five in Bagdad for total of \$2,125
- Three in Aguila for \$1,480
- Two in Wikieup for \$1,000

**[Apply by March 15 for the STEM Innovation Grant!](#)**

During fourth quarter 2018, the Bagdad operations was proud to partner on the following initiatives and projects:

- Bagdad Unified School District
- Prescott Chamber of Commerce
- Wikieup Owens Whitney School

*The CPP meets on a quarterly basis – for more information please contact David Hernandez at [dhernand4@fmi.com](mailto:dhernand4@fmi.com)*