

Site: Freeport-McMoRan Safford Operations Date: February 13, 2019

<u>Purpose</u>

Freeport-McMoRan hosts the <u>Community Partnership Panel</u> 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 FCX financial information please visit: <u>Freeport-McMoRan Investor</u> <u>Center</u>.

<u>Safford operations</u> employment is at approximately 1,050 employees as the site continues to develop Lone Star through 2020, at which time employment will decrease to 1,000 as mining in the San Juan open pit will cease. Approximately 375 contractors are supporting various activities throughout the project to include upgrades to existing infrastructure and construction of a new leach pad, now underway. Ongoing project construction activities are occurring 24 hours a day and, as a result, residents may continue to see additional lights, overnight, around some construction areas. Central Analytical Services Center and the Sanchez Technology Center, both also located in Graham County, employ approximately 200 people.

<u>Morenci operations</u> in Greenlee County hired approximately 930 employees in 2018 and is currently staffed at nearly 3,600 with a daily average of 1,300 contractors bolstering daily operations and a projected total peak at 440 contractors supporting a handful of sustaining capital projects at the site including:

- Silver Basin Reservoir, Dam and Stockpiles
- Tailings Storage Facility
- American Mountain mine development and highway reroute

Community Development Update

Freeport-McMoRan has been named to the 2019 Just 100: <u>America's Best Corporate</u> <u>Citizens by Forbes!</u> Freeport-McMoRan is the industry leader in the *Basic Resources* sector, and is first overall in the <u>Community Treatment</u> 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 partners 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.

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.

In Graham County, 10 grants were awarded:

- Jack Daley Primary \$450 for 1st Grade Classroom Book Listening Center
- Jack Daley Primary \$500 for STEM Kits
- Lafe Nelson Elementary \$675 for Environment and Animal Conservation program
- Pima Junior High \$400 for the *They See Color* activity
- Pima Unified School District \$500 for the Look Up Close proposal
- Pima Unified School District \$500 for the Pima High School 3D Printing program
- Pima Unified School District \$500 for the *Books for the Library* effort
- Safford High School \$500 for the *Anatomy Models* program
- Thatcher Elementary \$500 for a SRA Science Laboratory from STEMfinity
- Triumphant Learning Center \$500 for a Classroom Library

Apply by March 15 for the STEM Innovation Grant!

Social Investment

During the fourth quarter of 2018, Safford operations was proud to support and partner with the community on the following initiatives and projects:

- Double R Media's Community Canned Food Drive
- Safford Downtown Association Merry Main Street
- Pima Turkey Trot
- Graham County Junior Livestock Association Auction
- EAC Small Business Development Center Small Business Woman of the Year event

The Freeport-McMoRan Foundation is proud to partner with local nonprofits in addressing the community priority of Community & Economic Development and especially with projects focused on *Increasing Number of Businesses Developed, Attracted, and Retained* as well as *Increasing the Number of Job Opportunities*. The panel heard grant updates on four proposals:

- Safford Downtown Association: Safford Theatre Project and Downtown Business Support Project which both aim to bring additional visitors and customers to businesses on Main Street in downtown Safford as well as to create new jobs in the business district
- SEAGO (Southeastern Arizona Governments Organization): the *Graham County Target Industry Study* is utilizing local economic data and community feedback to identify existing industries to support and future industries that best fit the Gila Valley's assets



Town of Pima: Highway 70 Commercial Complex, which facilitated construction of a new commercial building in Pima. The occupant has added 11 new full-time jobs and plans to hire additional staff as operations rampup in their new office space

The CPP meets on a quarterly basis – for more information please contact

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