

Site: Safford Operations Date: November 13, 2019

<u>Purpose</u>

Freeport-McMoRan hosts the <u>Community Partnership Panel</u> 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 <u>Safford operations</u> is more than 1,200 with 150 vacancies. Approximately 400 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 decrease in the first quarter of 2020 and return to pre-Lone Star construction levels by fourth quarter of 2020 as construction projects are completed. A slight decrease in site staffing is anticipated with the shift from mining two open pits to solely mining Lone Star.

Central Analytical Services Center and Sanchez Technology Center – process support sites also located in Graham County – have a combined employment total of approximately 200.

<u>Morenci operations</u> in Greenlee County currently employs approximately 3,780, with a daily average of 1,300 contractors supporting ongoing operations and a handful of sustaining capital projects at the site. This includes development of the American Mountain Mine with associated highway realignment and renovations at the Clifton Training Center.

Environmental Services Update

Conrad Parrish, Environmental Services Manager-Safford, shared an overview of the site's 3M Program – a water management effort designed to model, monitor and mitigate any long-term effects from groundwater pumping at Safford. More information about recent groundwater monitoring results, hosted by the United States Geological Survey, are available at: https://www.usgs.gov/centers/az-water/science/freeport-mcmoran-safford-mine-groundwater-monitoring

Community Development Updates

Lights, Camera, Action! Give to United Way Campaign – November 6 – 27

- The Freeport-McMoRan Foundation will match employee gifts
- Double match on donations of \$25 or more up to the first \$1,000 contributed
- Single match on donations of more than \$1,000



Company matching dollars are directed to the local United Way to ensure resources are available to a network of health and human service agencies in our community.

Adam O'Doherty, CEO of the United Way of Graham & Greenlee Counties, presented to the Panel about the United Way's recent work in the region, including the organization's efforts around Strategic Planning and Capacity Building, Board Development, and improvements to the grant application process. The organization received over 80 requests for funding from January 2018 through November 2019 and awarded \$3 million in grants during that time.

Our Commitment to Social Investing

As of 2019, the Freeport-McMoRan Foundation has donated \$3.8 million in support of domestic violence shelter and service providers offering safety, independence and new lives free of violence to thousands of clients each year. This total includes Foundation donations over the past 20 years and counting.

• 2019 SEAZ Recipient: Mt. Graham Safe House – \$6,000

The Freeport-McMoRan Foundaiton invested **\$150,000** in 2019 through its Women's Development Grant Program.

In 2019, the Foundation invested **\$50,000** to support the Mini-Grants for Education program, with the following Graham County schools receiving \$3,300 total:

- Pima High School: \$500 for the Engraving and Creating graphic design course
- Safford Middle School: \$2,000 for the School Year Science Education Enhancement
- Thatcher Elementary School: \$500 for *Chromebooks to Support the Digital Age*
- Thatcher High School: \$300 for *TI-84 Smartview CE* (graphing calculator emulator)

The Foundation recently invested \$30,000 to support scouting activities near our operations, including grants to the Scouts Grand Canyon Council and the Girl Scouts of Southern Arizona.

Local First Arizona Micro Loan Program

Vaughn Grant, a member of the Graham County Micro Loan Committee, presented to the Panel about the successes achieved thus far with the program, a grant-funded partnership with the Local First Arizona Foundation. To date, Freeport-McMoRan has invested \$200,000 in the loan fund and, with the City of Safford's recent addition of \$100,000, the lending program is positioned to make a number of new loans and already has provided five loans to local businesses with a focus on increasing the number of businesses developed, attracted or retained in the community as a means to support regional economic diversification.

Safford Downtown Association

Danny Smith provided a project overview of recent CIF-funded grants to the Safford Downtown Association, including the Downtown Association Business Support Project, which culminated in a business makeover for El Coronado Café and will feature downtown wayfinding signage and monument signs in the near future. He also shared an update on the Safford Theatre Project, which is progressing and slated for completion in 2020, as a means to bring customers to downtown businesses and to increase business development, attraction and retention.



Local Site Investments

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

- Gila Valley SME Outreach and programs
- Graham County Substance Abuse Coalition 2019 Substance Abuse Awareness Conference
- SEACUS 2019 Senior Expo
- Tri Community Tri 2019 triathlon event
- 2019 Graham County Fair
- City of Safford 2019 Harvest Festival event
- Safford Downtown Association 2019 Merry Main Street event

Community Grievance Management

Freeport-McMoRan has a process 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

FM Safford responded to one community grievance during the last guarter in regard to Carrier Truck Speeds.

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

