

# Freeport-McMoRan

## MANAGING EXPECTATIONS

**In 2010, Freeport-McMoRan launched a corporate community grievance management system (CGMS) for recording, processing and responding to community grievances. A web-based database was developed for sites to record and track grievances and their resolution. A corporate-wide standard operating procedure (SOP) was also introduced to all Freeport-McMoRan sites to help ensure that the company's community grievance systems were consistent, were well managed and incorporated best practices.**



The database has allowed Freeport-McMoRan sites to better monitor the status of grievances and to maintain historical files on grievances, which has been helpful for tracking recurring issues from the community. The CGMS also serves as a means of managing and reducing community and company risks by effectively addressing grievances so that they can be resolved before they escalate into larger conflicts.

At PT Freeport Indonesia (PTFI), the Community Grievance Case Team was formed in late 2010 under the Community Relations and Human Rights Department as a centralized unit for PTFI to handle community grievances. A PTFI site-specific SOP was developed. Supported by three PTFI staff in 2013, the team receives, records and manages grievances received from the community. The Grievance Case Team liaises with other PTFI departments to conduct investigation and analysis of grievances. Since the creation of the Grievance Case Team, PTFI has gradually evolved to a more centralized approach in receiving and responding to community grievances. The team continues to socialize PTFI's grievance mechanism to internal and external stakeholders.

The PTFI CGMS has resulted in outcomes that range from a response and an explanation letter to the community to a meeting facilitated by a third party such as the government or a tribal institution, to development and implementation of community development programs, to establishment of memorandums of understanding. The CGMS is instrumental in helping PTFI manage community grievances and expectations.

