

1.0 Introduction

The Hargy Oil Palms Limited (HOPL) Grievance Procedure is to be followed by both the Company and its Contractors.

The HOPL Grievance Procedure is consistent with HOPL Values and conforms to the Round Table on Sustainable Palm Oil P and C for Sustainable Palm Oil Production PNG National Interpretation specifically P and C 6.3, and generally implied in the “Free, Prior and Informed Consent Guide for RSPO Members (2015)

Grievance Procedures provide a way to reduce risk for the company, offer communities and employees an effective avenue for expressing concerns and achieving remedies, and is a means of promoting a mutually constructive relationship.

Local communities need a trusted way to voice and resolve concerns linked to an oil palm development project, and companies need an effective way to address community concerns. A locally based grievance resolution procedure provides a promising avenue by offering a reliable structure and set of approaches where the local community, company employees, contractors and the company can find effective solutions together.

All stakeholders require an effective way of being able to air their grievances in a way in which they can have confidence that these grievances will be heard by the appropriate authorities.

A well-functioning grievance procedure:

- Provides a predictable, transparent, and credible process to all parties, resulting in outcomes that are seen as fair, effective, and lasting
- Builds trust as an integral component of broader community relations, agricultural advisory and land management activities
- Enables more systematic identification of emerging issues and trends, facilitating corrective action and pre-emptive engagement.
- The HOPL Grievance Procedure includes:
- A Procedure for receiving, investigating and responding to grievances in an understandable, transparent, confidential, culturally appropriate, and timely manner;
- An easily accessible and efficient grievance procedure for affected people and communities;
- Management of grievances at the local level where possible; and
- Improvement of the HOPL’s social performance through the analysis of complaints.

Participation in the Grievance Procedure is voluntary and inclusive. Any person with the right to participate in the procedure will have easy access to it and will be encouraged to use this **confidential** grievance system.

Company and Contractor **personnel** grievances can also be managed through this procedure, but --will use a modified grievance reporting form.

Grievances will be channelled through a dedicated Grievance Coordinator who will be responsible for the collection of grievances, the channelling of these grievances to relevant departments and the follow-up, ensuring that these grievances are addressed in the time frame allocated.

2.0 Objectives

The overall goal of the HOPL Grievance Procedure is to represent a final check and balance in managing the negative effects of potential Company impacts on affected stakeholders.

The objective of the Grievance Procedure is to receive, respond to and consider as quickly as possible any grievances made to HOPL, including grievances towards the Company's activities, personnel and Contractors.

In addition, this procedure will help to improve HOPL's social performance as the number and nature of grievances received is one of the indicators of HOPL employee and contractor conduct and behaviour. Tracking and analysing the grievances will enable HOPL personnel to develop corrective actions with the intent to reduce incidences of grievances and improve and maintain good community and employee relations.

The specific objectives are to:

- Establish a procedure for responding to grievances in an understanding, transparent, confidential and culturally-appropriate way;
- Develop an easy-access, no-cost and efficient grievance procedure for the local stakeholders, including employees involved in and/or impacted by HOPL's activities;
- Implement effective dialogue and open lines of communication with affected people or people that perceive that they have been affected;
- Help to manage unrealistic expectations and/or negative perceptions from the local populations towards the Company;
- Establish a system of investigation, response and quick grievance resolution;
- Reduce over time the number of local stakeholders' grievances regarding HOPL activities; and
- Improve the overall social performance of HOPL through the analysis of grievances.

3.0 Distinguishing between grievances and stakeholder issues

3.1 Grievances

A grievance is a formal complaint lodged by stakeholders alleging damage, impact or dissatisfaction. Grievances relate mainly to perceived or observed misconduct by company and contractor personnel. A grievance is submitted in the expectation of corrective action. Specific grievances are confidential – HOPL does not make them public.

The HOPL Grievance Procedure is mainly for the protection of the local community who live or have material interests in the HOPL operational area and may come into contact with company or contractor employees and their activities. Other stakeholders directly affected by HOPL activities are also eligible to use the Grievance Procedure. Some examples of grievances include:

- Negative impacts on or increased risks to specific members of a community, e.g. financial loss, physical harm, nuisance from traffic or dust, misbehaviour from Company representatives;
- Actions by a Company representative leading to danger to health and safety or the environment;
- Failure to comply with applicable standards or legal obligations;
- Harassment of any nature;
- Criminal activity, bribery, corruption or fraud; and
- Attempts to conceal any of these.

3.2 Stakeholder Issues

Stakeholder 'issues' are defined as questions, comments, concerns, suggestions, contributions and inputs of local and other knowledge to HOPL's activities.

Stakeholder issues about aspects of HOPL's operations will be captured and responded to as part of the standard and ongoing stakeholder engagement process. All stakeholders (including community members, employees, contractors, local and international NGOs, government, and many others) are invited to submit their issues to HOPL's Community Affairs offices in either Navo Estates or the Bialla CA Head Office. Stakeholder issues and HOPL responses to those issues will be made publicly available.

Some stakeholder issues, if not resolved and responded to the stakeholder's satisfaction, may eventually be submitted as a grievance.

4.0 Responsibilities

For all stakeholders other than company employees, HOPL Community Affairs (CA) personnel will be the primary interface between HOPL and the person raising the grievance.

Employee Grievances can be lodged through either the HR Office in Head Office or Navo or direct to the Grievance Coordinator in the Corporate Affairs Office at Head Office.

For all grievances, the Corporate Services Department will be responsible for the implementation of the HOPL Grievance Procedure including disclosure, reception, registration, assessment, management and monitoring of grievances resolution timeframes. Feedback to the employees on internal grievances will be managed through HR or the relevant department. Feedback local community and contractors for external grievances will be the responsibility of the CA Office.

5.0 Performance Indicators

The following performance indicators will be used to assess the HOPL Grievance Procedure on an annual basis:

- **Participation:** The target is to channel 100% of grievances (those related to employees and those related to community issues) through this procedure, before grievances reach the media or the courts;
- **Resolution:** The target is to resolve 75% of grievances (from HOPL's perspective) within 30 days, dealing directly with the person raising the grievance; and
- **Recurrence reduction:** Differentiate the number of grievances by categories –
 1. Community Issues: compensation, land, environmental, accidental impacts (property, livelihood and wellbeing), health, safety and security, business opportunities and community projects, recruitment of trainees and employees, misinformation or lack of information, and behaviour of HOPL or Contractor personnel.
 2. Employee Issues: Pay; conditions; harassment and bullying; housing; health and safety; environment etc.
 3. The intention is to learn from grievances and respond to them qualitatively in a manner that, over time, reduces their rate of occurrence.

6.0 Disclosure

HOPL will disclose information about the Grievances Procedure to all potentially affected persons and organizations. Local populations residing in the HOPL operational and impact area and other stakeholders directly affected will be informed about the grievance process, including the transparency and fairness of the process, and will be provided with both verbal (via regular stakeholder meetings) and written/visual (newsletters, website, posters, etc.) updates.

Although all employees and contractors will be notified about the HOPL Grievance Procedure, most of the disclosure will occur in the local communities HOPL area of influence:

- Through field communications by CA or in the case of employee grievances through respective department and HR. This proactive approach with local stakeholders will encourage discussion and resolution of issues to minimize the number of grievances lodged;
- Throughout the HOPL operational area, CA will ensure that the local population knows about the HOPL Grievance Procedure, feels comfortable to file a grievance, and knows how to do so; Human Resources will ensure that the employee population knows about the policy and the channels for grievance lodgement.
- Community leaders will receive frequent visits from CA personnel. The local population will be informed that they may express grievances, either in writing or verbally. If they raise a grievance verbally, CA personnel will help them put it into written format and will ensure the grievance goes through the appropriate channels;
- Employees will be informed through HODs and HR.
- Information about the procedure will be included in all community meetings in *tok pisin* or the local languages;
- Persons expressing a grievance will receive a summary of the grievance and a brief explanation of the procedure (how it works, the timeframe, where and how to file a grievance, possible outcomes);
- There will be no cost incurred for lodging a grievance within the procedure and any personal information will be kept confidential;
- Disclosure will also occur internally in the Company; and
- The Grievance Coordinator will prepare a range of reports for management, describing the status of grievances and trends against performance indicators.

7.0 Receipt of Grievances

Grievances can be received both verbally and in writing. A number of Procedures will be available to receive grievances:

- CA personnel may receive verbal grievances through their visits to communities and in the field;
- Written grievances may be lodged in person or sent to the CA offices located at Navo Estates or Hargy Head Office in Bialla.
- CA personnel will be in constant communication with local authorities making themselves available to respond to any grievance brought up through community leaders; and
- HOPL has established an email address (grievance@hargy.com.pg) which provides an additional means by which stakeholders can lodge grievances.
- Internal Grievances can be received direct to the Grievance Coordinator or the HR Offices in Navo or Head Office.

8.0 Record and Acknowledgement

All grievances regardless of how they are received will be recorded by CA, using the Grievance Form (see ATTACHMENT 1: Grievance Form). All grievances will be recorded in duplicate in Part A of the Grievance Form. A copy of the form will be provided to the person raising the grievance either at the time of raising the grievance or within seven (7) days of receipt of the grievance. This acknowledges receipt of the grievance and provides the person with a unique identification (tracking) number.

All relevant information will be gathered in accordance with the following grievance documentation principles:

- **Objectivity:** Report only the facts and avoid subjective opinions and emotion. Focus on who, what, where, and when with respect to grievance elements. Document all facts accurately and fairly and use direct quotes, as much as possible;

- **Accuracy and Completeness of Information:** Good record keeping is extremely important, including documentation to substantiate the resolution process and outcome:
- General Information: contact information, issue, location and date;
- Specific details relevant to the grievance;
- Getting copies of any documentation the person raising the grievance provides; and
- Keeping records of all correspondence (memos, notes, letters, e-mails, phone messages).
- **Evidence:** When possible and pertinent, identification of eyewitnesses is important. Note names of all eyewitnesses to the incident that has led to the grievance. If the eyewitness is willing and if the incident warrants it, a signed and dated statement can be obtained as evidence. Other evidence such as pictures can be used to support the information regarding the issue/impacts. CA will where relevant take pictures of grievances related to physical disturbance and append these to the grievance form; and
- **Timely Recording:** Record information/issues as soon as possible to ensure accurate account of details.

9.0 Register

Once recorded, all grievances will be registered in a centralised Grievance Tracking Database (see Attachment B) managed by the Company Grievance Coordinator. The Grievance Coordinator will enter all grievances into the Database. However, before doing so, he/she will check the database to determine if it is a new complaint so as to avoid duplication and to review if there is any context or precedent related to the issue.

Grievances will be classified in the Database in the following categories:

- Land;
- Environmental;
- Accidental impacts (property, livelihood and wellbeing);
- Health;
- Safety and security;
- Business opportunities
- Community projects;
- Recruitment of trainees and employees;
- Misinformation or lack of information;
- Behaviour of Company or Contractor personnel;
- compensation and
- Other (details of grievance to be provided).

The Database will have the capacity to organize the grievance by its unique identification number, the date, location, category, name of the person raising the grievance, and status of the grievance.

The Database will be part of the Company central information management system and relevant information will be available from a central location. A hard copy of the Grievance Form and all related documentation will be filed at the relevant CA or HR Office for RSPO audit purposes.

10.0 Assessment

Grievances will be reviewed and assessed by the grievance coordinator using all available information to determine if it is a grievance related to HOPL's operations, a contractor, the government or another external entity. If the grievance is not related to the Company or its Contractors, the person raising the grievance will be informed and reasonable efforts will be made to facilitate involved entities to consider the grievance. In this case, the

grievance will be closed out in the Grievance Tracking Database. All past recorded grievances must be entered into the Grievance Tracking database.

11.0 Management and Response

Depending on the nature of the grievance, the Grievance Coordinator will assign it to the appropriate Company department for response and resolution.

11.1 Grievances the Responsibility of the Company

The assigned Company department will review and investigate the grievance, and provide a response (with a resolution and if necessary a schedule of corrective actions) to the CA Manager/ and or the HR manager in the case of an internal HR issue. The CA/HR Manager will ensure a written response is provided as soon as possible and not more than 30 days after receiving the grievance. If however, more time is required for resolution, CA will keep the person raising the grievance informed.

A summary of how the person with the grievance responded to the proposed resolution and any other pertinent follow-up details will be documented. This information will be provided to the CA Manager/HR Manager or their delegates and recorded in the Grievance Tracking Database.

In every case, a written response will be provided to the person raising the grievance, however a verbal response will also be given where details need to be explained or where it may be more appropriate in the circumstances (e.g. where the complainant cannot read).

Documents and records relating to grievances registered in the Grievance Tracking Database will be kept for a minimum of 10 years after the resolutions of the grievance.

12.0 Monitoring and Evaluation

The Grievance Coordinator will monitor progress of all respective grievances by following up with the company department responsible for providing a response. As applicable the Grievance Coordinator will keep the person raising the grievance informed of its status. Updates will be given on a regular basis and information sharing will not exceed 30 days and will continue until the grievance is resolved.

The CA Manager will monitor implementation of the response and corrective action for all external grievances. The HR Manager will monitor the response and corrective actions for all employee related or internal grievances.

For external grievances, within a month of the response being provided to the person raising the grievance, CA personnel will make a visit to verify that the situation has been resolved to the satisfaction of all involved. If required, monitoring will be made on a regular basis which will be determined on a case-by-case basis.

The Grievance Coordinator will prepare:

- Monthly reports for management detailing the number and status of grievances and any outstanding issues to be considered;
- A six-monthly trend report, including an analysis of the category of grievances, the risk levels and any mitigation actions taken to reduce them; and
- An annual review of the implementation of the grievance procedure and the performance indicators.

ATTACHMENT 1: Grievance Form

HOPL Grievance Receipt (FORM A)

FORM A – a duplicate of FORM A must be provided to the person raising the grievance	
Name of Person or Representative presenting Grievance:	Grievance Identification No:
Village:	Date of Receipt:
Clan:	Receiving Officer Name:
Phone No:	
Type of Grievance: <input type="checkbox"/> Individual <input type="checkbox"/> Group (more than one) <input type="checkbox"/> Community (signed by Councillor) (If Group or Community record name, village and clan of all parties on FORM A SUPPLEMENTAL INFORMATION)	
Received via: Phone <input type="checkbox"/> Mail <input type="checkbox"/> Email <input type="checkbox"/> In the Field <input type="checkbox"/>	
Has this grievance been raised previously by you or anyone else: <input type="checkbox"/> No <input type="checkbox"/> Yes (describe)	
Location and Date of Event:	
Grievance (who, what, when, where, why and any post incident events if relevant): (Use FORM A - SUPPLEMENTAL INFORMATION if more space required):	
Copies of Additional Documents Provided: <input type="checkbox"/> No <input type="checkbox"/> Yes (details)	
Remedy Requested:	
<p>This document acknowledges receipt of the grievance. It will be necessary to thoroughly investigate your grievance and we will provide a written response when such investigations are completed. If you make any further enquiries in relation to this grievance, please quote the above Reference Number.</p> <p>Certification by Interpreter</p> <p>I certify that I have truly interpreted this Grievance Receipt and the attachments into the [_____] language which is understood by the person whose signature appears below.</p> <p>Name of Interpreter _____ Signature of Interpreter _____</p> <p>Signature of Person with Grievance _____ CA Officer Signature _____</p> <p>Date:.....</p>	

PART B – to be retained and completed by HOPL representative

Observations by CA or on Receipt of Grievance

Assessment:

Category of Grievance ☐ Compensation ☐ Land ☐ Environmental ☐ Accident/Damage ☐ Health

☐ Safety & Security ☐ Behaviour ☐ Misinformation ☐ Business Development

☐ Community Projects ☐ Recruitment/Employment ☐ Other (describe)

Responsibility ☐ HOPL ☐ Contractor ☐ Other (describe)

Recommendations by CA

Date passed to relevant HOPL Department or Contractor:

Grievance Accepted? ☐ Yes ☐ No

Response/Follow up (summary of response and corrective actions taken/to be taken for resolution provided by relevant HOPL department or Contractor):

Date returned to CA:

Response to Applicant

Date Response Provided: Response Ref No:

Provided by CA Officer (name):

Observations on providing response to applicant:

Corrective Action and Sign-off

Applicant satisfied with corrective action ☐ Yes ☐ No (details)

Is further action required? ☐ Yes (details) ☐ No

If Yes, date sign-off received from applicant:

FORM A – SUPPLEMENTAL INFORMATION <i>A duplicate of this SUPPLEMENTAL INFORMATION must be provided to the person raising the grievance</i>	
Name of Person or Representative presenting Grievance:	Grievance Identification No:
<p>This document acknowledges receipt of this supplemental information.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"> <p>.....</p> <p>Signature of Person with Grievance</p> <p>Date:.....</p> </div> <div style="width: 45%; text-align: center;"> <p>.....</p> <p>CA Officer Signature</p> </div> </div>	