



## **Grievance Mechanism for the Implementation of REPSA's Responsible Palm Oil Production Policy**

### **1. BACKGROUND**

Reforestadora de Palmas de El Petén, S.A., REPSA, plays a vital role in the responsible and sustainable production and processing of palm oil in Guatemala. As industry leaders, we strive to adopt a holistic approach to sustainability as the basis of our business model. We are guided by the premise that we must provide added value to our stakeholders, such as employees, local communities and central government, customers, suppliers and others, as we strive to minimize environmental impact.

A significant step in terms of our commitment to the accountability and sustainability of our business at all levels is the launch in October 2016 of our Responsible Palm Oil Production Policy, which was created to meet the growing market demand for traceable agricultural products produced responsibly.

REPSA believes that stakeholders play an important and constructive role in the implementation of our Policy and other policies that derive from it. This policy includes a commitment to create a Grievance Mechanism to facilitate or allow any interested party the communication of a complaint, a concern and even a suggestion. All grievances presented under this mechanism will be managed in a timely manner and all investigations and findings will be communicated transparently to interested parties.

## **2. OBJECTIVE**

The objective of this mechanism is to assist REPSA in the implementation of its Responsible Palm Oil Production Policy through the consideration and management of grievances, concerns or suggestions that relate to its operations. This mechanism serves as a reference to REPSA management that allows it to cope with any claim from external stakeholders, including individuals, non-governmental organizations and government organizations, concerning the implementation of the Policy. In REPSA we acknowledge that feedback and input from our stakeholders is very valuable as it strengthens transparency and also provides a way to measure progress. In this regard, the Grievance Mechanism favors inclusive and open dialogue with our stakeholders on administrative issues that frequently can be complex.

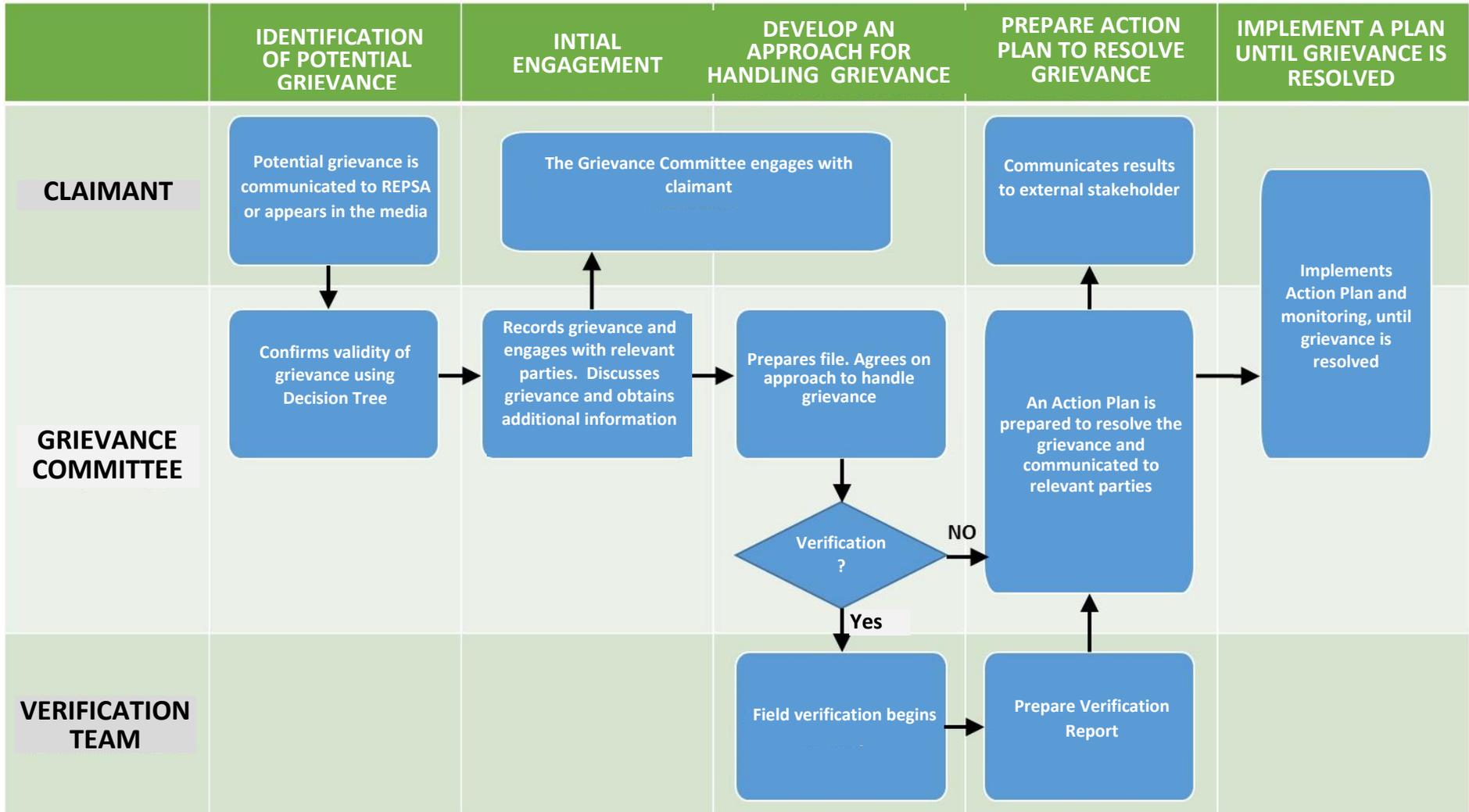
The mechanism covers activities related to the management of grievances related to the implementation of the Policy, and includes registering complaints, taking action to verify the claims, remedying any confirmed problem, reporting on the results of the verification and the actions on the ground, delivering the response to the parties concerned and managing and monitoring any follow-up action.

## **3. GENERAL TERMS**

- a) A grievance is a complaint, concern or problem which an individual or a group wants the company to try to find a solution for.
- b) The Grievance Committee established by REPSA General Management, described below, will provide the support necessary to manage grievances from our stakeholders in an efficient and effective way.

## **4. GRIEVANCE PROCEDURE PROCESS FLOW**

## REPSA - GRIEVANCE PROCESS FLOW



## 5. REFERENCES

- a) Responsible Palm Oil Production Policy
- b) Prohibition of Violence and Intimidation Policy
- c) “Zero” Effluent Discharge Policy

## 6. TASKS AND RESPONSIBILITIES

### a) The Grievance Committee.

- The Grievance Committee is the entity responsible for coordinating and performing all the tasks necessary for the successful implementation of this Mechanism, including the relationship with stakeholders that raise complaints, concerns or problems.
- It is composed by representatives from each of the following areas: Management, Human Resources, Sustainability, Community Affairs, and a representative of the area related to the claim.
- The Grievance Committee will also be the entity responsible for drafting external communications, including notes in response to the claimants.
- The Committee will maintain an organizational chart that details the personnel appointed to comply with the functions defined in this mechanism.
- The functions of the Committee include: receiving, recording, classifying and communicating complaints to the Verification Team. This Committee will also monitor the media (print and electronic) to identify REPSA related news in order to identify any potential grievance. It will also keep an updated list of claims with details of all complaints, concerns and problems processed according to this mechanism.
- The Committee will contact the claimant as soon as possible and invite them to participate in the process to reach a resolution, when appropriate.
- The Committee will also be responsible for developing action plans to deal with any verified complaint with support from the Verification Team. It will also be responsible for approving the official correspondence to stakeholders regarding verified complaints.
- Representatives of REPSA senior management will become part of the Grievance Committee and, if necessary, REPSA will invite external observers or third parties to participate.

## **b) The Verification Team.**

- The Verification Team is responsible for investigating complaints to confirm their validity and collect information that will enable the Grievance Committee to discuss and address the complaints.
- The members of the Team include REPSA management staff and other external actors or third parties, as necessary. "External Actors" may refer to the person or organization filing the claim.
- The tasks of the Team are to study and verify the data / information about grievances provided by stakeholders and, where necessary, conduct field investigations to collect additional data to confirm the validity of the complaint.
- The Verification Team shall prepare a report describing the results of their findings and the measures recommended to address the issues confirmed, that shall be subject to the Grievance Committee for approval.

## **7. PROCEDURE**

### **7.1 WorkFlows**

- a) The grievances, concerns or problems can be communicated through the following channels:

Via web page : [www.repsa.com.gt/reclamoweb](http://www.repsa.com.gt/reclamoweb)  
Via E-mail to: [reclamosrepsa@yahoo.com](mailto:reclamosrepsa@yahoo.com)  
In writing: REPSA, S.A.  
4ª Avenida 8-93, Zona 9  
Guatemala, Guatemala  
Attention: REPSA Claims Committee/Office 504

- b) All grievances, complaints, or concerns must include the following information:

- Full Name
- Name of the Organization (when appropriate)
- Address
- Telephone or e-mail contact
- Detailed description of the grievance
- Evidences supporting the grievance

Contact details are required for the Grievance Committee and/or the Verification Team to seek further clarification. Also, the stakeholder presenting the grievance may request his or her identity to remain confidential. Any person or organization may appoint a third party to present their claims, as long as the third party follows the procedure.

- c) All possible breaches of the Policy that come to the attention of the Grievance Committee will be evaluated using a simple decision tree to determine if additional investigation is required (See Appendix A). The Grievance Committee will record every claim in the grievance list and classify the scope of the complaint identifying the Policy sections that are relevant. The Committee will also get in contact with the claimant and formally extend an offer to engage in a dialogue about the grievance.
- d) If it is determined that the grievance is unmerited or that no field action is required, the Grievance Committee will send a letter to the claimant.
- e) If according to the Claims Committee the complaint is substantiated, the Verification Team will begin investigation detailing the claimant's or stakeholder's concerns and its relationship to a possible violation of the policy. Dialog with the claimant will continue during this step to ensure a fair due diligence of the process of the claim.
- f) If a field visit is performed, the Verification Team will complete a report with conclusions and recommended action plans.
- g) After completing the verification report, the Grievance Committee will get in touch with the claimant and formally extend an offer to engage in a dialogue on the outcome of the claim and, if necessary, schedule a meeting.
- h) Any interested party or claimant who has presented a complaint and is not satisfied with the oral or written answer from the Grievance Committee can send their inconformity to the Grievance Committee providing information on the aspects or issues that have not been successfully addressed. If deemed necessary, the Grievance Committee, with the assistance of the Verification Team, can do the following:
  - Invite the claimant to further explain their dissatisfaction.
  - Where appropriate and relevant, give opportunity and access to claimant to make a visit to the company and submit the result to the Grievance Committee.

- Together discuss other options that can be undertaken to resolve the unsatisfied grievance.
  - Engage external independent observers (for example, relevant experts or important stakeholders) in the verification process.
- i) For cases related to media reports (print and electronic), the verification will be handled in accordance with the Grievance Mechanism. The decision to respond or not to the media will be made by the Grievance Committee.

## **7.2 Timelines for Handling Grievances and Complaints**

The intention of this Grievance Mechanism is that it be used to address a wide range of concerns of our stakeholders. As such, the resolution of such complaints will sometimes imply lengthy investigation and mediation processes between the various stakeholders; therefore, application of a flexible approach to address such complex issues will be necessary. However, we recognize it is important for complaints to be treated in a timely manner to demonstrate the credibility of REPSA's Responsible Palm Oil Production Policy. In this context, the following timelines are provided for the key stages of this Mechanism:

- a) Within five working days of receipt of the grievance, the Grievance Committee will prepare a file on the complaint and contact the claimant.
- b) If determined that the complaint is undeserved or no field action is required, the Grievance Committee will send a letter to the claimant within ten working days after receipt of the complaint by REPSA.
- c) No later than one month after receipt of the complaint, the Grievance Committee shall notify REPSA Management requesting that the measures necessary to resolve the complaint be taken.

The complexity of each claim will vary greatly in specific cases and as such it will be necessary to adjust the schedule to accommodate to the complexity of each specific case. When adjustments of the timeline are required, these will be communicated to the claimant.

**END.**

# Appendix A

## GRIEVANCE DECISION TREE IN REPSA

