
Grievance Resolution Procedure

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1.0 PURPOSE

The objective of this Grievance Resolution Procedure is to ensure that local communities and other relevant stakeholders understand the process for raising any issues related to APRIL's operations and those of its Suppliers. The Procedure includes guidance for APRIL on how to handle grievances from external parties, including individuals, government organizations and non-governmental organizations, concerning the implementation of APRIL's SFMP 2.0.

In resolving grievances, APRIL will prioritize consultative methods centered on dialogue. APRIL appreciates that any effective grievance handling must resolve or settle grievances in an efficient, timely and appropriate manner through a fair and transparent process to achieve consensual agreement between parties.

2.0 SCOPE

This Procedure applies to the settlement or resolution of grievances relating to the implementation of SFMP 2.0 within APRIL's operations and those of its Suppliers, recognizing the principle of Free, Prior, Informed and Consent (FPIC) as a starting point.

Once a potential grievance has been received and assessed, further action may be taken to verify the claims. Once the grievance is confirmed, a Direct Action will be taken or Action Plan will be designed in consultation with concerned parties to resolve/settle it, and proper implementation will be monitored. APRIL will provide progress updates to relevant stakeholders and manage any follow-up action where necessary.

This Procedure applies entirely and exclusively to APRIL, its current and future Suppliers as well as any future acquisitions or partnerships. The relationship with existing Suppliers who do not engage in this Procedure will be reviewed and may be suspended.

3.0 RELATED DOCUMENTATION AND/OR REFERENCES

- | | |
|--|-----------------|
| a) Sustainable Forest Management Policy 2.0 (APRIL SFMP 2.0) | |
| b) Land Dispute Resolution Procedure | RPF/SGR-0001-PR |
| c) <i>Sistem Uji Tuntas Kayu</i> – Controlled Material Procedure | RPF/WDL-0001-PR |
| d) Due Diligence System Procedure | AGRC/IMS-020-PR |
| e) Handling of Odorous Complaint Procedure | APR/ENV-0017-PR |

4.0 RELATED FORMS AND/OR ATTACHMENTS

- | | |
|------------------------------|-----------------|
| a) Grievance Submission Form | AGRO/SFM-001-FM |
|------------------------------|-----------------|

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b) Grievance Submission Form - Appeal	AGRO/SFM-005-FM
c) Grievance Log Book	RPF/SSL-8001-FM
d) Grievance Flowchart	Appendix 1
e) Grievance Master File	Appendix 2

5.0 DEFINITIONS

- a) A grievance is a complaint, concern or objection related to APRIL’s operations which an individual or group wants APRIL to address and find solutions to.
- b) SFMP 2.0 is the Sustainable Management Policy launched by APRIL on 3 June 2015.
- c) Wood Supply Partners refers to long term suppliers who supply plantation fibre exclusively to APRIL Kerinci Mill.
- d) Suppliers are individual, companies or legal entities who provide fibre to APRIL.
- e) Grievance Administrator (GA) is APRIL staff who acts as point of contact among parties involved in the process, manages grievance channel, and maintains documentation and ensure the process follows the grievance procedure
- f) Business Process Owners (BPOs) refer to business units within APRIL which will be directly involved in the grievance resolution process depending on the scope of grievance issue.
- g) Grievance Committee (GC) is a committee established by Senior Management from APRIL, which will include representatives from APRIL and independent parties (e.g. SAC). GC plays a significant role in the appeal process.
- h) Online submission refers to grievance submission process through our hotline number, email, APRIL Sustainability Dashboard and mail (please see 7.1).
- i) Offline submission refers to grievance submission process outside our online channels. Complainant might submit potential grievance in person to APRIL personnel in the estate or our operation area.

6.0 BASIC PRINCIPLES / ROLES AND RESPONSIBILITIES

Roles and responsibilities of key staff involved in operation and management of Grievance Resolution Procedure are shown in Table below.

Roles	Responsibilities
Grievance Administrator (GA) at April Office	Consists of representatives from the Social Capital Department, supervised by the Head of Social Capital Department.

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	<p>To be a reliable point of contact and ensure the grievance resolution process works accordingly, which includes:</p> <ul style="list-style-type: none"> • Receive, record, classify potential grievances • Prepare the necessary documentation for all incoming potential grievances • Conduct initial screening and scope identification to incoming potential grievances • Inform and forward the potential grievances APRIL's Business Process Owners (BPOs) or Wood Supply Partners' GA based on the screening and identification results • Maintain an up-to-date Grievance Master File providing detail on the grievances handled in accordance with this Procedure. The Grievance List will be periodically circulated to the Grievance Committee (GC) and updated in the Dashboard • Maintain all files and documentation, including all correspondence during the grievance resolution process between complainant, BPOs, and GC • Ensure the timelines stated in the SOP are followed for each stage • Follow up and maintain communication with BPOs, Suppliers' GA, and GC to track the progress of the grievance resolution process • Make contact with the Complainant at the earliest opportunity and update the Complainant on the progress accordingly. Dialogue with the Complainant will be maintained throughout the process to ensure that the grievance handling is fair and accountable, and it will be documented by the GA • Report to GC quarterly regarding closed and ongoing grievance processes • Maintain documentation to support the investigation, action plan development, and resolution process
<p>Business Process Owners (BPOs)</p>	<p>BPOs refers to Business Unit in APRIL and Wood Supply Partners with responsibilities as follow:</p> <ul style="list-style-type: none"> • Take the necessary actions to resolve/settle any confirmed grievances and report on the implementation and outcome of the Action Plan to the GA, which will duly inform the Complainant

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	<ul style="list-style-type: none"> • Maintain communication with GA to ensure grievance resolution process are conducted according to SOP and following the timeline • Conduct thorough investigation to verify potential grievances • Take immediate and direct action to resolve grievances that can be resolved unilaterally • Develop Action Plans with the Complainants to address any confirmed grievances and confirmed appeal
Grievance Committee (GC)	<ul style="list-style-type: none"> • The Grievance Committee will be established by Senior Management from APRIL, which will include representatives from APRIL and independent parties (e.g. SAC). • Make management decisions regarding incoming appeal cases • Provide recommendation on resolution process to BPO for confirmed appeal cases • Develop Action Plans with BPO and the Complainants to address any confirmed appeal cases • Implement the Action Plan for confirmed appeal cases for cases relate to companies that are under the ownership of APRIL • Advise the wood supply partners' Senior Management to implement the Action Plan, in cases where confirmed appeal cases relate to APRIL wood supply partners • Conduct review quarterly based on the Grievance Summary Report given by GA to ensure effectiveness of grievance mechanism • Report to Senior Management on a regular basis based on the quarterly review
Estate Team (SHR)	<ul style="list-style-type: none"> • Coordinate and take necessary action to resolve incoming grievances, including maintain communication with the Complainant in the process • Update Grievance Log Book to represent progress of grievance resolution • Report progress and the result of grievance resolution process to GA monthly

7.0 PROCEDURE

7.1 Submission of Grievance

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Potential grievances can be raised through any of the following channels:

- Face to face : to APRIL SHR Personnel at estate
Email to : grievance_response@aprilasia.com
Telephone to : +62 811 7602 111
Writing to : APRIL Social Capital Dept. (Grievance Administrator)
Komplek Rukan Akasia PT. RAPP, Blok I No. 6
Pangkalan Kerinci, Kab. Pelalawan, Riau
Online at : <http://sustainability.aprilasia.com/category/raise-a-grievance>

When possible, potential grievances should be lodged using the standard template AGRO/SFM-001-FM. The Complainant should provide the following information:

- i. Full name
- ii. Name of organization (if applicable)
- iii. Address
- iv. Phone No./Email Address (at least one contact point)
- v. Description of the potential grievance
- vi. Evidence to support the potential grievance

Potential grievance can be lodged in English and/or Bahasa Indonesia.

Contact details are required to seek further clarification regarding potential grievances. The Complainant may request that their identity remain confidential. The Complainant may appoint a third party to submit their potential grievances provided that the third party follows the Procedure outlined.

The Complainant is entitled to seek expert advice during the grievance settlement/resolution process.

7.2 Process Flow

7.2.1 Receive

When a potential grievance is presented, the Complainant must fill out the Grievance Submission Form. In situation where the Complainant is unable to complete the form, APRIL staff or third party may fill out the form on behalf of the Complainant and read back to confirm the grievance has been recorded properly. The Complainant may appoint a third party to submit their potential grievances provided that the third party follows the Procedure outlined.

Upon receiving, GA will conduct initial screening to sort the incoming potential grievances within **1 working day**. GA must record the grievance details in the Grievance Master List (see Appendix-2).

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For grievances submitted offline or through available grievance channel owned by Business Process Owners (BPOs) will be reported to Grievance Administrator (GA) in parallel with processing the grievance based on BPOs' SOP (if any).

For offline grievance received by SHR officer in the estate, incoming grievance will be recorded in the grievance log book (RPF/SSL-8001-FM) which will be updated and summarized weekly. The updated summary list will be forwarded to GA every last Friday of the month.

7.2.2 Acknowledge

GA will acknowledge receipt to the Complainant within **1 working day** of receiving the potential grievance.

Acknowledgement should include a summary of the grievance, initial screening result, and information of the next steps of the process with the estimated timeframe.

GA will update Grievance Master File upon giving notification to the Complainant based on the outcome of initial screening process.

Further scope identification of the potential grievances will be performed by GA to identify whether the potential grievances fall under responsibility of APRIL or its Suppliers within **1 working day** of receiving the potential grievance. For potential grievances related to APRIL and Wood Supply Partners, GA will refer to the Business Process Owner (BPO). For potential grievances related to Suppliers, GA will forward to Suppliers' grievance mechanism.

The GA will compile all available information about the potential grievance in a Grievance File that will be forwarded to the BPO and APRIL's Suppliers for further process.

Potential BPO within APRIL to be involved in the grievance mechanism depending on the issue are as follow:

Business Process Owners (BPOs)	
Mill Environment	Port Operation
Human Resource	Community Development
Procurement	Land Dispute Resolution
Fiber Operation	Forest Protection and Conservation
Wood Transport	Wood Legality
Product Transport	Wood Supply Partners
Health & Safety	

GA will then update the Complainant on the status of the potential grievances.

7.2.3 Validate and Respond

On the basis of Grievance File from GA, BPO will review and assess the validation of potential grievances. Investigation will be conducted by BPO to collect information and gather evidence as part of validation process.

Several scenarios could ensue, as follows:

- a) If the BPO assesses that the grievance is not valid based on the investigation outcome, BPO will inform the GA through verification report along with the supporting documents within **3 working days of receiving the grievance file from GA**. The GA will notify the Complainant and update its status in the Grievance Master List to “closed”.
- b) If the BPO assesses that the grievance is valid based on the investigation outcome and can be resolved immediately and unilaterally (direct action), BPO will develop an action plan within **3 days of receiving the grievance file from GA**. Once action plan is in place, BPO will execute it immediately. BPO will update the GA on the progress and final outcome through verification report along with the supporting documents. The GA will notify the Complainant on the outcome.

Issue	Single Issue
Severity	Low
Acceptance	Grievance recognized by company as legitimate
Solution	Specific solution is evident
Solution Implementation time	< 7 calendar days
Authorisation	Within the authority of head of respective BPO

Table 1. Grievance category applicable for Direct Action

- c) If the BPO assesses that the grievance is valid based on the investigation outcome and cannot be resolved through direct action, BPO will draft an Action Plan together with the Complainant outlining the steps to resolve/settle the confirmed grievance within **10 working days of receiving the grievance file from GA**. Once the action plan is agreed by both the Complainant and the BPO, BPO will implement the action plan. BPO will maintain communication with the GA throughout the process and update the final outcome along with the supporting documents. The GA will inform the Complainant on the progress.

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For confirmed grievances relating to APRIL's Suppliers, the relevant Supplier will report on the implementation status of the Action Plan and will communicate the final outcome along with the supporting documents to the GA. If the Supplier does not demonstrate a willingness to comply with APRIL's Policy through real actions to resolve/settle the grievance, the GA will submit a report to the Grievance Committee which can recommend that APRIL undertake disciplinary actions, including suspension of relationship if necessary, against the Supplier.

After obtaining the Verification Report from the BPO, the GA will prepare a Response Letter to the Complainant as a formal communication documentation outlining the result of the investigation process and informing the next steps within **1 working day of receiving the Verification Report from BPO.**

The complexity of each grievance will vary greatly across specific cases and, as such, it will be necessary to adjust the timeline to every scenario. When adjustment to the timeline is required, the GA will communicate it to the Complainant.

7.2.4 Appeal

If a Complainant is dissatisfied with the outcome of a grievance assessment, they may lodge an appeal including of the reasons. Appeals should be submitted through the communication channels outlined in section 7.1 above. Potential grievances should be lodged using the standard template of grievance submission form for appeal AGRO/SFM-005-FM.

Incoming potential appeal will be reviewed by Grievance Committee (GC) to determine the merit of the appeal within **5 working days of receiving the appeal.** If deemed necessary, the GC, with the assistance of the GA, can do the following:

- a) Invite the Complainant to provide a direct explanation
- b) Together discuss other options that may be undertaken to resolve/settle the grievance
- c) Where appropriate and relevant, involve other external independent observers (e.g. relevant experts or important stakeholders) in a second verification process

After a thorough review, two possible scenarios might occur:

- a) The GC decides that the appeal has no merit. The GC will inform the GA through a review summary report along with the supporting documents. Appeal is considered closed and no further action will be taken.
- b) The GC decides that the appeal has merit. The GC will inform the GA through a review summary report along with the supporting documents. The GC will then draft an action plan together with BPO and the Complainant within **5 working**

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days of receiving the appeal. Once the action plan is agreed by all three parties, the BPO will act on the action plan.

The GC will maintain communication with the GA throughout the appeal process. A review summary report and agreed action plan along with the supporting documents will be submitted to GA as a basis for GA to notify the Complainant and update the Grievance Master List.

GA will contact the Complainant to acknowledge the lodgment of an appeal within **1 working day of receiving the appeal**. The outcome of the appeal review will be informed to the Complainant after the appeal review summary has been received from the GC.

7.2.5 Close Out

If the complainant accepts the proposed action plan, the agreed actions are implemented. After resolution, the grievance should be formally closed out by sending final response letter to the Complainant with resolution action. Following the close out process the GA will update the status of the grievance in the Grievance Master List.

After resolution action takes place, GA will seek complainant's response in order to officially close the grievance. When there is no respond received in 5 working days, grievance will be consider resolved and closed.

The GA will create Grievance Summary Report quarterly and submit to the GC for periodic review purpose.

7.3 Monitoring Mechanism for Handling Grievances

The GA is responsible for overseeing all grievance processes. In addition, the relevant BPO will monitor the progress of the implementation of the Action Plans.

In cases relating to APRIL Suppliers, the GA is responsible for monitoring the Supplier's progress in handling the grievance.

The grievance mechanism process and procedure, both online and offline, will be reviewed by Senior Management on a regular basis based on the summary report from Grievance Committee

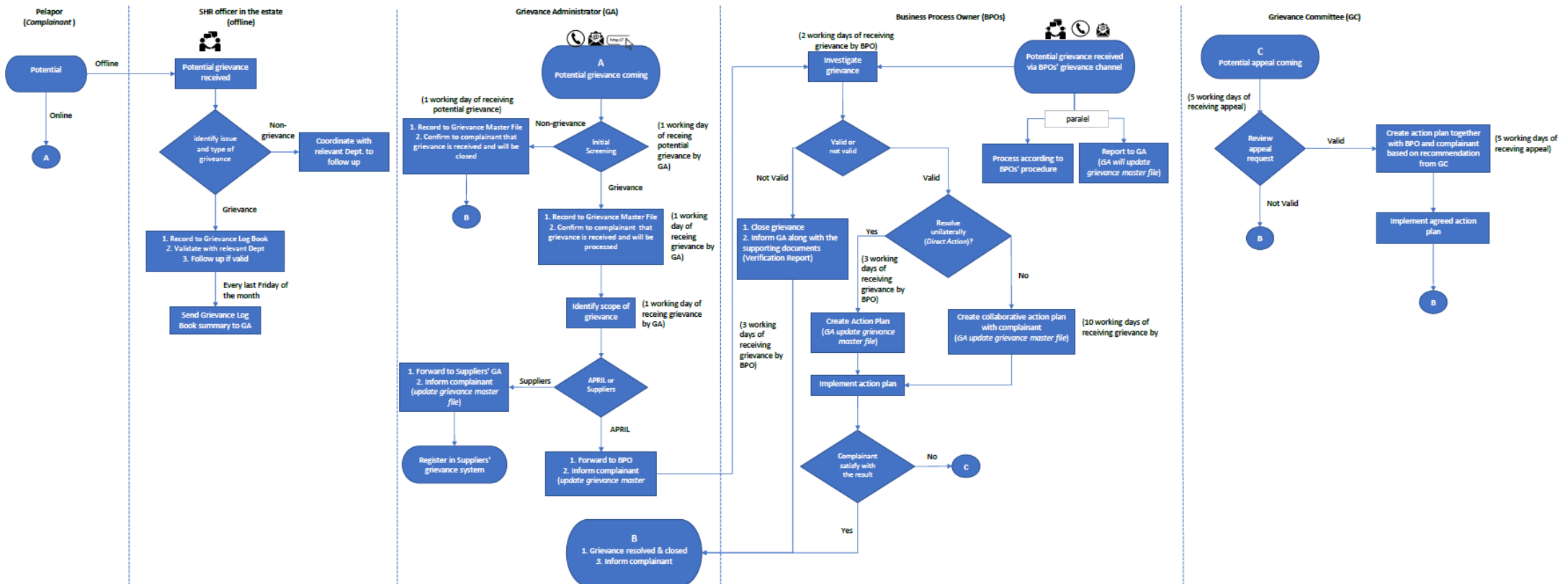
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8.0 ANNEXES AND OTHER APPENDED MATERIAL

8.1 Appendix-1 – Grievance Flowchart





STANDARD OPERATING PROCEDURE
SOCIAL CAPITAL

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8.2 Appendix-2 – Grievance Master File

Grievance Master file

Per Month 20xx

Ref No	Date received	Complainant	Description of Grievance	Grievance Scope	Business Process Owner	Progress	Status
1	2	3	4	5		6	7
	<i>DD/MM/YY</i>	<i>Name of person/group who submits grievance</i>	<i>Short description of grievance</i>	<i>Land dispute or Social or Environment, etc</i>	<i>Department name where the grievance is referred to along with the contact person</i>	<i>Short description of progress to date.</i>	<i>Ongoing or Closed</i>