
Operational Grievance Resolution Procedure

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1.0 PURPOSE

The objective of this Operational Grievance Resolution Procedure is to ensure that local communities and other stakeholders including indigenous peoples, understand and trust the process for raising and resolving grievances relating to APRIL's and its Suppliers' operations.

In accordance with principle 31 of the United Nations Guidelines on Business and Human Rights (UNGP BHR), in resolving grievances APRIL also adheres to the principles of (1) advancing consultation and dialogue methods, (2) respecting the equal position between the complainant and the company, (3) compatible with the fulfillment of human rights, (4) transparent, (5) timely, and (6) effective.

2.0 SCOPE

This procedure includes guidelines for APRIL to address grievances related to the implementation of SFMP 2.0, human rights policy, integrity and ethics policy, wood and fiber sourcing policy in APRIL and its Suppliers' operations recognizing the principle of Free, Prior and Informed Consent (FPIC) as the starting point.

These procedures apply fully to APRIL and its current and future Suppliers and to any future acquisitions or partnerships.

3.0 RELATED DOCUMENTATION AND/OR REFERENCES

- a) APRIL Group Policy on Sustainable Forest Management (APRIL SFMP 2.0)
- b) APRIL Human Rights Policy
- c) APRIL Group Integrity and Ethics Policy
- d) APRIL Group Wood and Fiber Sourcing Policy
- e) United Nation Guiding Principle on Business and Human Rights
- f) Land Dispute Resolution Procedure **RPF/SGR-0001-PR**
- g) *Sistem Uji Tuntas Kayu* – Controlled Material Procedure **RPF/WDL-0001-PR**
- h) Due Diligence System Procedure **AGRC/IMS-020-PR**
- i) Handling of Odorous Complaint Procedure **APR/ENV-0017-PR**

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4.0 RELATED FORMS AND/OR ATTACHMENTS

- | | |
|---------------------------------------|------------------------|
| a) Grievance Submission Form | AGRO/SFM-002-FM |
| b) Grievance Submission Form - Appeal | AGRO/SFM-006-FM |
| c) Grievance Log Book | RPF/SSL-8001-FM |
| d) Grievance Flowchart | Appendix 1 |
| e) Grievance Master File | Appendix 2 |

5.0 DEFENITIONS

- a) A grievance is a complaint, concern, or objection raised by an individual or group regarding APRIL and its suppliers operations that APRIL and its suppliers must address and find a solution to.
- b) SFMP 2.0 is the Sustainable Forest Management Policy launched by APRIL on 3 June 2015.
- c) Wood supply partners refers to long-term suppliers who exclusively supply plantation to APRIL's mill in Kerinci.
- 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. GC plays a significant role in the appeal process.
- h) Online submission grievance 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.
- j) Complainants are local communities and other stakeholders including indigenous peoples.

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- k) Grievance Master File is a master document containing incoming grievance data that is always updated following the progress of the resolution process. This document is managed by the grievance administrator at the central level.
- l) Grievance Log Book is a document that contains data on grievances submitted offline, always updated following the progress of the resolution process. This document is managed by the Estate Team (SHR) or the Team in APRIL's operational areas.
- m) Local communities are communities located within or adjacent to APRIL's Management Unit, as well as communities that are close enough to be significantly impacted by the economic or environmental values of APRIL's Management Unit or whose economies, rights, or environments are significantly affected by the management activities or biophysical aspects of APRIL's Management Unit.
- n) Indigenous Peoples are groups of people who have lived for generations in certain geographical areas due to ties to ancestral origins, a strong relationship with the environment, and a value system that determines economic, political, social and legal institutions. (*UU No. 32 tahun 2009 tentang Perlindungan dan Pengelolaan Lingkungan*).
- o) Stakeholder is any party that has an interest or concern in a particular action.
- p) Verification is the process of determining the truth, accuracy and validity of a complaint from supporting evidence.
- q) Identification is the process of searching, recording and finding information related potential grievances.
- r) A valid grievance is a grievance from the complainant that has already gone through the verification stage and declares that the grievance is true and related to APRIL's operations.
- s) An invalid grievance is a grievance from the complainant that has already gone through the verification stage and declares that the grievance is not true and not related to APRIL's operations.

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

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	<p>Department.</p> <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. • 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, timely, transparent, and accountable, and it will be documented by the GA. • Keep of documentation as supporting evidence for the verification process, preparation of action plans, and resolution processes. • Report to the GC quarterly on closed and ongoing grievance processes. • Conduct an annual analysis of the overall grievance handling process to serve as a source of continuous
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	<p>learning for the company in improving the performance of the grievance process and efforts to prevent future violations; and report it to the Grievance Committee.</p>
<p>Business Process Owners (BPOs)</p>	<p>BPOs refers to Business Unit in APRIL 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. • 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.
<p>Grievance Committee (GC)</p>	<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. • 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 an Action Plan for confirmed appeal cases relating to entities under the ownership of APRIL Group. • Advise the wood supply partners' Senior Management to implement the Action Plan, in case the confirmed appeal cases relate to APRIL's wood supply partners. • Review the grievance procedure annually based on the

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	<p>annual analysis results that submitted by GA, to ensure the effectiveness of the grievance mechanism.</p> <ul style="list-style-type: none"> • Report to Senior Management on a regular basis based on the annual review.
Estate Team (SHR)	<ul style="list-style-type: none"> • Coordinate and take necessary actions to resolve incoming grievances in the field of work, communicate and dialogue with Complainants and provide information on the progress of grievance resolution. • Update Grievance Log Book to represent progress of grievance resolution. • Sending the Grievance Log Book and reporting the progress and results of the grievance resolution process to GA monthly.

7.0 PROCEDURE

7.1 Submission of Grievance

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 : <https://sustainability.aprilasia.com/wp-content/uploads/2022/08/form-sampaikan-keluhan-2022.pdf>

When possible, potential grievances should be lodged using the standard template AGRO/SFM-002-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

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- vii. Proof of Indigenous Peoples status (for complaints on behalf of Indigenous Peoples)

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

Contact details are required to obtain further clarification on the potential grievance. The complainant may request that their identity be kept confidential. The Grievance Administrator will endeavor to protect parties involved in the grievance process from retaliation by conducting further investigations. Investigations will investigate allegations of retaliation against complainants by following applicable regulations. The Complainant may appoint a third party to submit their potential grievances provided that the third party follows the Procedure outlined.

In accordance with the principle of equality, during the grievance settlement process, the parties shall have the right to seek advice from experts if necessary or requested, and shall be agreed upon by all parties.

7.2 Flow Process

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.

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).

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 no later than the 5th of each month.

7.2.2 Confirmation

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GA will inform the Complainant within **1 working day** that the potential complaint has been received. The information provided includes a summary of the grievance, the results of the initial identification and further process along with the estimated time.

GA will update the Grievance Master File based on the results of the initial identification process.

GA will further identify the scope of whether the grievance falls under APRIL's or Supplier's responsibility within **1 working day** of receipt of the potential grievance.

If the grievance is related to APRIL's operations, GA will forward the grievance to BPO.

If the grievance relates to a Supplier, GA will forward the grievance to the Supplier's grievance mechanism.

GA will compile available information regarding the grievance into a Grievance File and will forward the file to the BPO and Supplier for follow-up.

The GA will provide an update on the status of the grievance to the Complainant.

7.2.3 Verification and Response

Based on the Grievance File from GA, BPO will conduct a verification process of the grievance. The verification process will be carried out by BPO to check the truth of the complaint report.

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.

Table 1. Grievance category applicable for Direct Action

Issue	Single Issue
Verification Result	Grievances are recognized as valid by the company
Solution	Specific solution is evident
Authorization	Within the authority of head of respective BPO

- 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**. The action plan will be submitted to the GA and then the GA will inform the Action Plan to the Complainant. 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.

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 Close Out

Once the resolution action is implemented, the GA will inform the Complainant and the Grievance is closed. After the closure process the GA will update the status of the grievance in the Grievance Master File.

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After the resolution action is done, GA will inform the Complainant of the grievance resolution action, the Complainant can immediately provide a response or if there is no response within **5 working days** the complaint will be considered completed and closed.

7.2.5 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-006-FM**.

GA will contact the Complainant to confirm the appeal within **1 working day after the appeal is received**. The outcome of the appeal review will be informed to the Complainant once the summary of the appeal review is received from the Grievance Committee..

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 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

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documents will be submitted to GA as a basis for GA to notify the Complainant and update the Grievance Master List.

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.

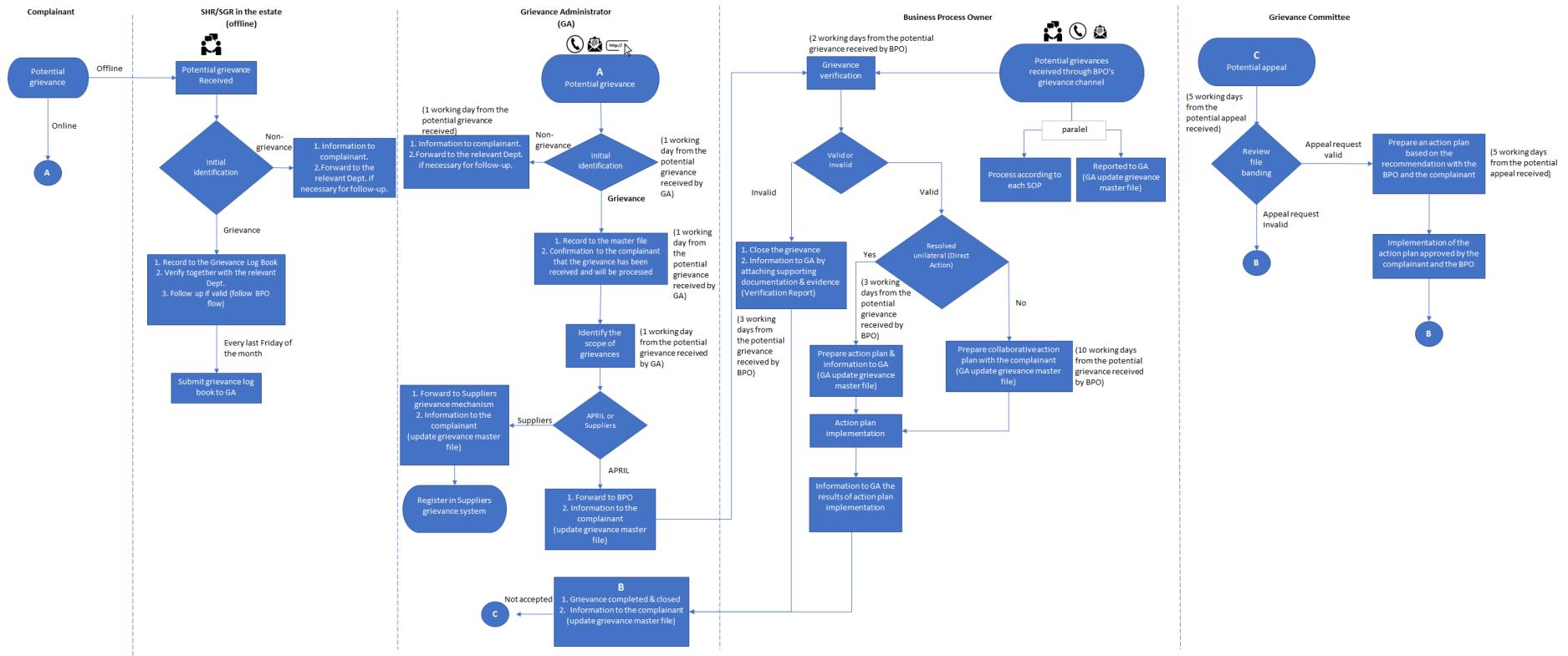
In cases relating to APRIL Suppliers, the GA is responsible for monitoring the Supplier's progress in handling the grievance.

All documentation including supporting evidence of the verification process, action plan development, and resolution process will be recorded for 5 years from the date of the settlement.

The GA will produce a grievance summary report on a quarterly basis and submit to the Grievance Committee for regular review. Grievance resolution mechanism processes and procedures will be reviewed by Senior Management periodically (at least once a year).

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

No. Ref.	Date received	Complainant	Description	Progress	Status
1	2	3	4	5	6
	<i>DD/MM/YY</i>	<i>Name of (individual/group/Indigenous Peoples) who raised the grievance</i>	<i>Short description of the grievance</i>	<i>Short description of progress to date</i>	<i>In progress or closed</i>