

**“SPAYKA”**

**Limited Liability Company**

## **Grievance mechanism procedure**

Developed by: Environmental and Social Manager

Approved by: General Director

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## Contents

1. Purpose and scope of application.....	3
2. Diffusion.....	3
3. Amendments .....	3
4. Abbreviations and definitions .....	3
4.1. Abbreviations .....	3
4.2. Definitions .....	3
5. References .....	4
6. Description of the procedure.....	4
7. Appendices .....	5

## 1. Purpose and scope of application

The purpose of this procedure is to:

- Define a transparent and reliable method of timely receiving, evaluating and responding to grievances from employees, contractors, nearby communities and other stakeholders regarding environmental, health and safety and social (EHSS) issues;
- Prevent negative impacts due to Companys' activities;
- Identify stakeholders' concerns and ensure effective risk management.

This document should be applied to complaints raised by internal and external stakeholders with regard to the company's EHSS management system activities.

The effectiveness of grievance procedure is periodically assessed by "Spayka" LLC.

## 2. Diffusion

Responsible department:

User department:

- Public relations department: Edward Antinyan, [spayka@spayka.com](mailto:spayka@spayka.com)
- Administrative department: Anush Khachatryan, [spayka@spayka.com](mailto:spayka@spayka.com)

## 3. Amendments

Edit.	Date	Amendments description

## 4. Abbreviations and definitions

### 4.1. Abbreviations

Abbreviation	Explanation
EHSS	Environmental, Technical Safety and Social
ESAMS	Environmental and Social Assessment and Management System
Ed.	Edition
IFC	International Finance Corporation
ISO	International Organization for Standardization
OHSAS	Occupational Health and Safety Assessment

### 4.2. Definitions

**Grievance** is considered to be any complaint or proposal on the implementation of company's activities: It may be a separate complaint regarding the impact and damage occurred in the course of the Companys' activities or availability of the procedure regarding the engagement of stakeholders, or how grievance and complaints are being responded and complaints regarding project activities or incidents and impacts occurred during construction or operation.

## 5. References

ESAMS manual  
ISO 14001  
OHSAS 18001  
IFC performance standards 2012

## 6. Description of the procedure

### Receiving Grievances

Stakeholders may submit the grievance through various methods, including the following:

- Verbally during meetings with communities (stakeholders) or through hotline of the company (010 70 44 44),
- By sending an e-mail to “Spayka” LLC ([spayka@spayka.com](mailto:spayka@spayka.com)),
- Through a letter sent to “Spayka” LLC’s central office postal address (RA, Yerevan 0007 Bagratunyats street. 70/18)
- Through letters placed in the grievance boxes located at the entrance of the company and in the administrative buildings of adjacent communities.

Grievance is considered to be officially accepted through the above mentioned methods within 5 working days of receipt of the complaint.

### Grievance Registration

Grievance receiving department (or employee) shall record it in the “Grievance registry book” within two days of receipt of the complaint.

Although there is no need to respond to anonymous complaints, these should also be recorded and reported with other complaints in order to facilitate continuous improvement.

### Acceptance of grievance

The receiving department shall officially accept the grievance within five business days after submission of the complaint, informing the complainant that the company will respond within twenty business days. Verbal and written communication should be provided (if possible) for the purpose of recording and maintaining the correspondence.

If the complaint is deemed to be outside the scope of the complaint mechanism, then the complaint recipient must reject it with the signature of the head of the receiving department, which gives explanation why the complaint is beyond the scope of grievance and, if possible, provides a guide to where to address the problem (if applicable).

### Grievance classification and assessment

The receiving department should assess the complaint in advance and classify in one of the following classes:

- A relatively small, occasional case (e.g. the company’s truck has damaged the community resident’s fence),
- Significant cases (e.g. the company’s activity causes damage to 1 or more residents of the community or causes aesthetic damage),
- Major complaints through police or litigation (non-conformance with legal requirements).

If there is a need of any clarification, the complaint receiving department (employee) must contact the complainant and include additional information in the "Grievance registry book".

However, the receiving department must identify internal stakeholders and organize discussion (s) initiating the further assessment of the complaint and corrective action.

If necessary, the receiving department may organize meetings with larger groups of stakeholders (internal and / or external) and / or require additional study to collect further data.

The information collected must be documented and recorded in the "Grievance registry book".

#### **Determination and communication**

Based on the discussion with relevant stakeholders, the head of the receiving department prepares a complaint report including the proposed actions submits to the General Director for the approval and appointment of responsible persons.

Regardless of the decision, the company must inform the complainant about the results within 20 calendar days.

In case of refusal the reason shall be informed to the complainant, whereas in case of agreement the receiving department shall inform the complainant about the activities planned with all stakeholders, if possible.

Accordingly, the receiving department shall update the "Grievance registry book".

#### **Actions initiated and implemented**

The complaint is considered to be solved once submitter of the grievance received the response from the complaint receiver. The complainant may not agree with the actions performed, so the receiving department should arrange a meeting with the complaining party and other stakeholders to reach a further agreement.

The department which gives final solution to the complaint shall update the complaint status in the "Grievance registry book" mentioning that it is closed, as well as the necessary actions for the resolution of the complaint, otherwise the complaint shall be considered open or in process and will require further actions.

#### **Submission of the procedure to the third party**

The public relations service should submit a grievance mechanism to all employees of the company (including newly recruited staff), contractors and all other stakeholders (including community members), during stakeholders or individual meetings, on the company's web site, in the form of posters and in other ways determined by the company (e.g. through the information bulletin on Grievance Mechanism where all necessary contact information will be provided).

All stakeholders should be informed and emphasized that there are no costs or compensation for complaints.

The complaint information must be collected and recorded in the "Complaint Form" in order to facilitate consistency, assessment and timely response.

## **7. Appendices**

Appendix 1. Internal grievance form

Appendix 2. External (public) grievance form

Appendix 3. Grievance Register form