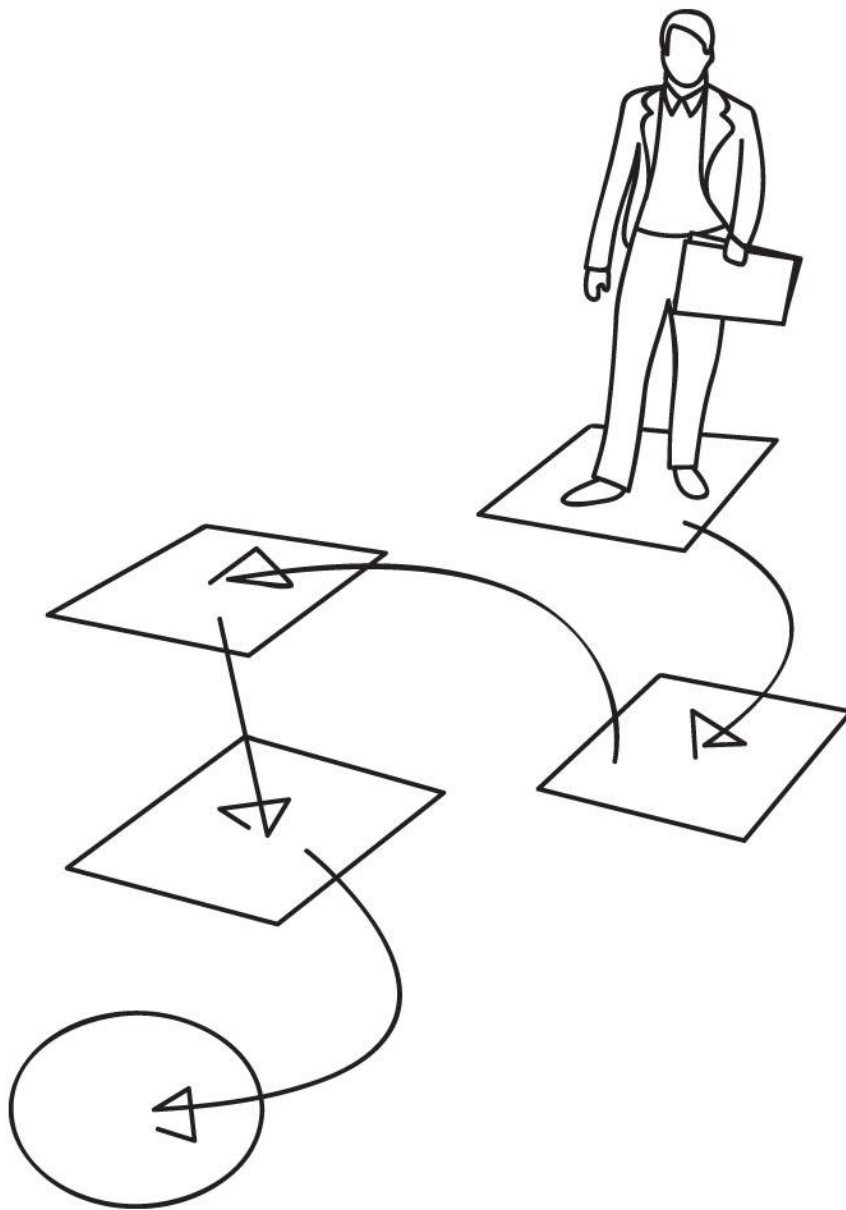


# Procedure

## SUST-PRO-007-01 "Grievance Mechanism"



### REFERENCE MSG:

Sustainability  
stakeholders engagement  
and community relations



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**TITLE:**

Grievance Mechanism

**NOTES:**

The document is applicable to eni Ghana exploration and production Ltd. activities.

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## Annexes

- 1 Registration and Acknowledgement Form
- 2 Examination Form
- 3 Resolution and Close-Out Form
- 4 Satisfaction Survey Form
- 5 Local Stakeholder Concerns/Complaints Register



## 1. References

### 1.1 Internal References

Ref.	Title
[Ref.1]	Code of Ethics
[Ref.2]	231 Model
[Ref.3]	SUST-MAN-001 - Sustainability Upstream Management System Manual
[Ref.4]	msg-ssc-eni spa - MSG "Sustainability stakeholders engagement and community relations"
[Ref.5]	Annex E to the Anticorruption MSG: "Whistleblowing Reports received (including anonymously) by eni and by its subsidiaries in Italy and abroad".
[Ref.6]	SUST-PRO-006 - Land Acquisition
[Ref.7]	SUST-PRO-004 - Monitoring and Auditing
[Ref.8]	SUST-PRO-002 - Social Context Analysis

The list reported in the table above refers to the most updated version of the mentioned documents and also to all successive revisions and integrations.

### 1.2 External References

Ref.	Title
[Ref.9]	ILO Declaration 169: "Indigenous and tribal Peoples Convention", 1989
[Ref.10]	UN "Guiding Principles on Business and Human rights: Implementing the United Nations "Protect, Respect and Remedy" Framework", 2011



# 1. References

[Ref.11]	IPIECA "Operational Level Grievance Mechanism: Good Practice Survey", 2012
[Ref.12]	IPIECA "Manual to Community Grievance Mechanism in the Oil and Gas Industry: Site Level Implementation and Corporate Roll Out", (forthcoming)
[Ref.13]	EC "Oil & Gas Sector Guide on Implementing the UN Guiding Principles on Business and Human Rights", 2013
[Ref.14]	UN "The Corporate responsibility to respect Human Rights. An Interpretive Guide", 2012

The list reported in the table above refers to the most updated version of the mentioned documents and to all successive revisions and integrations.



## 2. Definitions, Abbreviations & Acronyms

### 2. Definitions, Abbreviations, Acronyms

#### 2.1 Abbreviations and Acronyms

Term	Definition
<b>CLO</b>	Community Liaison Officer
<b>GM</b>	Grievance Mechanism
<b>GMC</b>	Grievance Management Committee
<b>IFC</b>	International Finance Corporation
<b>ILO</b>	International Labour Organisation
<b>NGO</b>	Non-Governmental Organisation.

For the purposes of this document, the following terms shall be defined as follows:

#### 2.2 Definitions

Term	Definition
<b>Complainant</b>	Person making a complaint or grievance against eni.
<b>Concern</b>	Concern are questions, request for information, or general perceptions unrelated to a specific impact or incident. If not addressed to the satisfaction of the complainant, concerns may become complaints. Although concerns do not have to be registered as a formal complaint, they should be noted in an appropriate management system so that emerging trends can be identified and addressed before they escalate (see format E).
<b>Contractor</b>	A company who agrees with eni to undertake projects and services, especially construction activities, and who hires and coordinates subcontractors to complete parts of their assigned work.
<b>Displacement</b>	Both Economic Displacement and/or Physical Displacement.
<b>Economic Displacement</b>	Loss of assets or access to assets that leads to loss of income sources or means of livelihood.



## 2. Definitions, Abbreviations & Acronyms

Term	Definition
<b>First order response</b>	Processes for handling complaints that may be resolved directly between the company and the complainant.
<b>Grievance/ Complaint</b>	A problem raised by an individual or group which needs to be addressed. Complaints can result from either real or perceived impacts of the company's operations. The terms "complaint" and "grievance" can be used interchangeably.
<b>Grievance Management committee</b>	A committee consisting of the Local Content & Sustainability Function and the head of the department associated with the complaint.
<b>HSE</b>	Health, Safety and Environment.
<b>Human Rights</b>	Inalienable rights of all individuals, by virtue of belonging to humankind. They are based on the recognition of the inherent dignity, freedom and equality of all human beings. They include, at a minimum, the rights expressed in the International Bill of Human Rights (meaning the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (addressing freedom of association and collective bargaining, forced labour, child labour and non-discrimination).
<b>Examining Officer</b>	Is the designated person responsible for the examination of cases.
<b>Issue</b>	A request of information or concern that a person wants to bring to the attention of the company. An issue is addressed through engagement, not through the Local Grievance Mechanism.
<b>Local Grievance Mechanism</b>	A local grievance mechanism is a process for receiving, examining and responding to concerns and grievances from affected stakeholders in a timely and consistent manner.
<b>NGO</b>	Non-Governmental Organisations.
<b>Physical displacement</b>	Loss of shelter and assets resulting from Land Management Operations that requires the affected person(s) to move to another location.



## 2. Definitions, Abbreviations & Acronyms

Term	Definition
<b>Procedures and Mechanisms</b>	<p><b>Procedure</b> describes the process available to complainants from lodging a complaint to closeout.</p> <p><b>Mechanism</b> also describes the elements that need to be in place to make the Procedure effective: design process, risk assessment, dissemination, resourcing, database, governance, roles and responsibilities etc.</p> <p>The <b>Procedure</b> operates as part of the <b>Mechanism</b>.</p>
<b>Rapid response</b>	A first response by the Community Liaison Officer (CLO) after receiving the complaint or grievance to verify if a complaint can be resolved immediately. A rapid response occurs within 48 hours after receiving the complaint.
<b>Second order response</b>	Processes for handling complaints that could not be resolved directly by the company and the complainant. At that point, the complaint may require referral to an independent party but excluding the statutory legal system.
<b>Third order response</b>	Process for handling complaints that could not be resolved and are referred to judicial processes.
<b>Vulnerable Groups</b>	Individuals or social groups who are potentially disadvantaged compared to the rest of the population (vulnerability may be based on, among other things: age, gender, ethnicity, income level, physical and/or mental disabilities).



### 3. Purpose

A local grievance mechanism is a process, which allows eni Ghana to receive, evaluate, and address eni Ghana project-related grievances, written and verbal, from communities and stakeholders that, at site level are affected by such eni Ghana projects. The Local Grievance Mechanism is a company management tool but does not restrict stakeholder's access to any other forms of remedy either, judicially or administratively.

An effectively implemented grievance mechanism will support the company in:

- defining an effective stakeholder engagement strategy for remediation of concerns raised or impacts it has caused;
- maintaining social acceptance from local stakeholders by demonstrating the company takes community concerns seriously;
- identifying environmental, social and health impacts and managing risks associated to the projects;
- assuring company compliance with National and International environmental and social standards; and
- assisting the company in fulfilling its responsibility to respect human rights and promote shared prosperity.

The Local Grievance Mechanism shall be in place along the Upstream business lifecycle, ideally since early in the exploration stage through to decommissioning. It shall be fit for purpose and scaled to the impacts and the associated risk to the footprint of eni Upstream operations in a given context. The mechanism can always be expanded or updated as an operation grows to consider complaint profile variation over the project life cycle.

This procedure and the Local Grievance Mechanism herein provided does not affect anyway the implementation and application of:

- (i) Annex E "Whistleblowing Reports received (including anonymously) by eni and by its subsidiaries in Italy and abroad" to eni's Anti-Corruption MSG [Ref.5]; and
- (ii) eni's Code of Ethics and Model 231 (and eni's subsidiaries' Code of Ethics and/or Model 231) [Ref.1][Ref.2], in respect of their provisions concerning the report of possible violations.



For the avoidance of doubts, eni personnel who, also in the frame of the grievance mechanisms provided under this procedure, receive a “Whistleblowing Report”, as defined under the abovementioned Annex E to the Anti-Corruption MSG, shall promptly forward the original and any attachments to the established channels according to par. 4.1 “Communication Channel” of such Annex E, in accordance with the highest standards of confidentiality in order to protect the whistleblower and the identity and integrity of the individuals and the facts reported, without prejudice to the effectiveness of subsequent verification, as per [Ref.5]. In such a case, Annex E to the Anti-Corruption MSG shall apply.



#### 4. Scope

A local grievance mechanism is a relationship-building tool designed to build and maintain local confidence and demonstrate company's responsiveness and respect for local concerns. To this end, the Local Grievance Mechanism will deal only with grievances related to material impacts arising from upstream project activities and upcoming from communities or stakeholders affected by such projects at the site level, being anyway excluded concerns to be deemed "whistleblowing reports" as per Annex E to Anti-Corruption MSG [Ref.5].

The Local Grievance Mechanism is open to grievances both of an individual as well as of a collective nature. Collective Grievances should be handled as fairly and effectively as the individuals grievances, prioritizing processes that seek consensus and reconciliation through engagement and dialogue and which while respecting local context and customary process consider eni's value.



## 5. Roles and Responsibilities

### 5. Roles and Responsibilities

The effective implementation of the Local Grievance Mechanism requires the following roles and responsibilities:

Role	Responsibility/Accountability
<b>Eni Ghana Managing Director</b>	<ul style="list-style-type: none"> <li>- Ensure that all eni Ghana personnel follows the examination and reporting requirements as covered in this procedure.</li> <li>- Ensure that sufficient focus and importance is placed in thorough examination and corrective action.</li> </ul>
<b>Local Content and Sustainability Manager</b>	<ul style="list-style-type: none"> <li>- Responsible for overall management and integrity of the grievance/complaint system (i.e. receipt, recording, tracking, resolving, reporting and analysis).</li> <li>- Provide adequate resources (people, systems, procedures, budget) to effectively manage feedback for the scope of the operation/project.</li> <li>- Defines levels of authority for the CLO to resolve complaints before a complaint is escalated.</li> <li>- Assigns responsibility for examination to the appropriate department for cases that are beyond the mandate of the CLO.</li> <li>- Ensures that the mechanism is transparent, culturally appropriate, and clearly communicated to stakeholders.</li> <li>- Chairs the internal Grievance Committee and serves as a liaison between committee and MD if complaints require additional attention.</li> <li>- Accountable for the overall performance in managing community feedback.</li> <li>- Ensure sufficient Local Grievance Mechanism awareness training is provided as part of Inductions for all Employees and Contractors.</li> </ul>



## 5. Roles and Responsibilities

Role	Responsibility/Accountability
<b>Community Liaison Officer</b>	<ul style="list-style-type: none"> <li>- Explain the complaint resolution process to community members.</li> <li>- Receive and Examine (rapid response).</li> <li>- Serve as the liaison between the complainant and the Examining Officer to coordinate responses to complaints.</li> <li>- Register all Community Complaints into the Stakeholder Concerns / Complaints Register.</li> <li>- Generate reports from the Community Complaints Tracker.</li> </ul>
<b>Department Manager</b>	<ul style="list-style-type: none"> <li>- Ensure that all complaints are coordinated through the Local Content and Sustainability Function.</li> <li>- Support the Examination Officer with specific information for complaints associated with the department.</li> <li>- Ensure that examinations are completed within the designated timeframe.</li> </ul>
<b>Employees &amp; Contractors</b>	<ul style="list-style-type: none"> <li>- Report all complaints as per Local Grievance Mechanism awareness training provided during Inductions and other training.</li> <li>- Contractors are required to cooperate with the grievance examination process as required.</li> </ul>



## 6. Understanding the context

### 6. Understanding the context

#### 6.1 Background elements

The background elements needed to develop the Local Grievance Mechanism at eni Ghana level are:

- The Social Context Analysis, helping to determine, at least at high-level, the main social groups and the company risk exposure based on the assessment of the nature and frequency of expected complaints expectations (see [Rif. 4]).
- Stakeholders Mapping identified and assessed, so that the main groups are known and is foreseen to contact them to help inform decisions about how to scale the mechanism, improve accessibility and trust, and determine the resources needed to implement the mechanism effectively.
- Operations mapping to define the area of influence of the project or activity has been delineated, in order to understand the geographical extent where the Local Grievance Mechanism shall be communicated to the stakeholder.
- The nature and frequency of previous complaints against the project or operation, in case eni Ghana is not the first operator in the area.

#### 6.2 GM in Upstream life cycle

An important aspect to consider when designing the Local Grievance Mechanism is the stage of the project or operation in which the mechanism will be implemented. This is also important for areas in which the Company may develop projects simultaneously with operations:

- At early stages (exploration), eni Ghana's activities with presence on the ground will be mostly developed by contractors who might be in the area even before eni Ghana's staff (e.g. to clear land for exploration activities). In these circumstances the Local Grievance Mechanism shall be discussed with the contractors so they have clear instructions on how to respond if questions or grievances are raised. Contractors shall not be allowed to implement independent feedback or grievance mechanisms. Eni Ghana will take responsibility for managing the Local Grievance Mechanism at all times to protect and maintain the relationship with local stakeholders. In these cases, if



## 6. Understanding the context

the local stakeholders lack access to communications technology, an eni Ghana delegated person/team shall make regular trips to the project site to collect feedback from an agreed local representative.

- The construction phase is characterized by:
  - higher number of negative impacts on stakeholders expected most likely related to land acquisition, compensation, resettlement, construction impacts and labour issues;
  - concentrated impacts into a relatively short period of time; and
  - activities implemented by a large workforce.

The Local Grievance Mechanism at this stage implies an effort to work with contractors so that they understand the mechanism and their role in it. Contractor's experience with regard to stakeholder consultation and implementation of feedback/grievance mechanism shall be included in the assessment of contractors in invitations to tender. Also, given the potential for a high concentration of impacts and grievances during this stage, it is important for the company to have sufficient resources to respond in a timely manner.

- During operations, the volume of grievances will likely reduce as this is a less intensive phase of the project life cycle. The nature of impacts to the territory will change with respect to the construction phase, and so will do the management team. Thus, at the start of operations the Local Grievance Mechanism shall be updated to the new scenario and to train all new participants so that they understand the value of the mechanism and their role in it.

### 6.3 Cases with significant exposure to Upstream business activities

In some cases, the design of the Local Grievance Mechanism will be done in situations/locations that represent significant exposure to eni's business and



## 6. Understanding the context

reputation (even at international level) and that demand the collaboration with the Upstream and Central Sustainability Function.

Some examples of these situations include, but are not limited to, the following:

- **Project/operation with high risk of impact to Human Rights.** Where exploration or development activities have significant potential of impacting on people's human rights (as an example, when operating in a conflict area, in an area populated by minorities, when there is strong opposition to the project), there is a need to engage with community members and local stakeholders to design a local grievance mechanism that provides an effective access to remedy to the people affected by the company activities. (Further guidance is provided in the Sustainability Upstream Management System procedure [Ref.3]).
- **Areas with Indigenous Peoples.** Many Indigenous People's groups have negotiated with their local/national governments for specific stakeholder mechanisms for discussing issues, making decisions and resolving conflicts. These often involve governments in the resolution of conflicts affecting the indigenous people communities. In these situations, eni Ghana should be aware of the National laws regulating the relationships with the Indigenous People and making sure that their Grievance Mechanisms complies with applicable legislation and maintaining indigenous rights as well as with traditional conflict resolution mechanisms. In these circumstances, reference must be made in the Local Grievance Mechanism to requirements from International Standards and laws such as "ILO Declaration 169: Indigenous and tribal Peoples Convention" (1989). [Ref.9]
- **Projects requiring displacement.** For this type of projects it can be considered whether having a team in place that can respond to feedback more quickly so that any significant issues are resolved without impacting the distribution of compensation or the project schedule. In situations of a particular importance (for example in large projects or when a physical displacement is required), the establishment of a specific Local Grievance Mechanism and team can be considered to manage feedback related to Land acquisition related issues (see document on "Land Acquisition and Management" [Ref.6]).



- **Areas or projects with legacy issues associated with Upstream Activities.** In exceptional cases where eni Ghana enters into new areas where the stakeholders' relationships are characterized by mistrust to the Upstream industry or there are significant legacy issues associated with previous operators, the possibility of engaging an independent third party to manage the Local Grievance Mechanism can be considered. The adoption of this possibility shall then be discussed and agreed with the local stakeholders involved.

Any of the four situations described above is likely to attire the attention of both local and international stakeholders, so it is recommended to cooperate with the Upstream and Central Sustainability Functions to strengthen the effectiveness of the mechanism and enhance its successful implementation both at the local and global level.



## 7. The Procedure

All complaints and grievances have to be treated with the same level of integrity, respect and following the procedure.

In the event that the complaint is of a sensitive nature (for example a complaint that can disrupt operations or is of material nature), Local Content and Sustainability Manager, accountable for the GM and the Managing Director must be informed immediately.

Furthermore a grievance that could affect eni reputation globally shall be communicated immediately to (a) eni's Watch Structure in its role of guarantor of the Code of Ethics (b) eni Central Sustainability Function through the Upstream Sustainability Function and (c) Internal Audit Department, where applicable.

Stakeholders are informed about the grievance mechanism through continuous community engagements and public hearings and grievance signboard located at community sites. Stakeholder access to the grievance mechanism will be but not limited as follows:

- Face to face with eni Community Liaison Officers
- email
- suggestion and complaint boxes
- phone – 0540108588 / 0540108584

For details on access points section 7.2.1 of the document refers

The eni Ghana local grievance resolution procedure follows these processes:

- I. First Order Mechanism - Grievances that can be resolved between eni Ghana and the complainant.
- II. Second Order Mechanism – Grievances that were not resolved within the first order mechanism and are therefore assigned to agreed third parties or Alternative Dispute Resolution (ADR) for action.
- III. Third Order Mechanism - Grievances that are not resolved within the first or second order mechanisms and which are escalated to the court system.



### 7.1 Process Requirements

Eni Ghana shall establish, early from the start of and throughout the project life cycle, a defined local procedure to address grievances that:

- Defines clear roles, clear line of accountability, responsibilities, procedures, and process steps including monitoring and evaluation;
- Establishes a Grievance Management Committee comprised by eni Ghana Local Content and Sustainability Function, representatives of affected communities and the local government authority.
- Scales the mechanism to project risks and impacts on neighboring communities;
- Has a budget in order to effectively implement the mechanism;
- Takes steps to prevent conflict of interest within the grievance handling process;
- Conducts consultation with key stakeholders for the design, revision and monitoring of the mechanism;
- Actively provides information on the existence and functioning of the mechanism in a way that is consistent to the context and audience for whose use it is intended to;
- Addresses the barriers stakeholders may have in accessing the mechanism by providing multiple access points/tools that are well adapted to the operational context;
- Provides assistance to access the mechanism for those that may face particular barrier to access;
- Has an explicit commitment to protect users from reprisals;
- Establishes clear time frame for each step or stage of the process;
- Defines the type of complain that fall under the scope of the mechanism;
- Is open to share relevant information in a way that can be easily understood;
- Facilitates the means through which the affected stakeholders can have access to advice and expertise to engage with the company on an equal footing;
- Keeps users of the mechanism informed throughout the process;
- Reports internally and externally about the performance of the mechanism;



- Assesses any complaint on its possible human rights impact;
- Ensures that outcome do not infringe on the rights of the complainant;
- Ensures coordination with all departments appropriate to the nature of the grievances /complaints;
- Strives to adopt viable alternative solutions based on the highest standards in case of conflict/divergence between national legislation and international norms on human rights;
- Provides appropriate training to staff and contractors on dealing with grievances;
- Establishes a system for feedback from users;
- Prioritizes engagement and dialogue as the means to address and resolve grievances considering local context and customary process;
- Keeps a centralized records of complaints;
- Tracks legitimate community complaints and ensure their resolution are signed off by relevant managers;
- Records all details of compensations, commitment and agreements arising;
- Monitors and assesses the performance of the mechanism on a regular basis in order to integrate key leanings into the process to strengthen its effectiveness and commitment to respect human rights.

The Local Grievance Mechanism shall:

- Be provided at no cost to the affected communities;
- Provide a recourse mechanism –preferably involving third parties- in case eni Ghana and the complainant do not reach or agree upon a resolution;
- Not impede access to judicial or administrative remedies;
- Allow for anonymous grievances;
- Allow lodging from both collective and individual grievances.

## 7.2 Process Steps

The main process to manage grievances from stakeholders is outlined in Figure 2 following page.



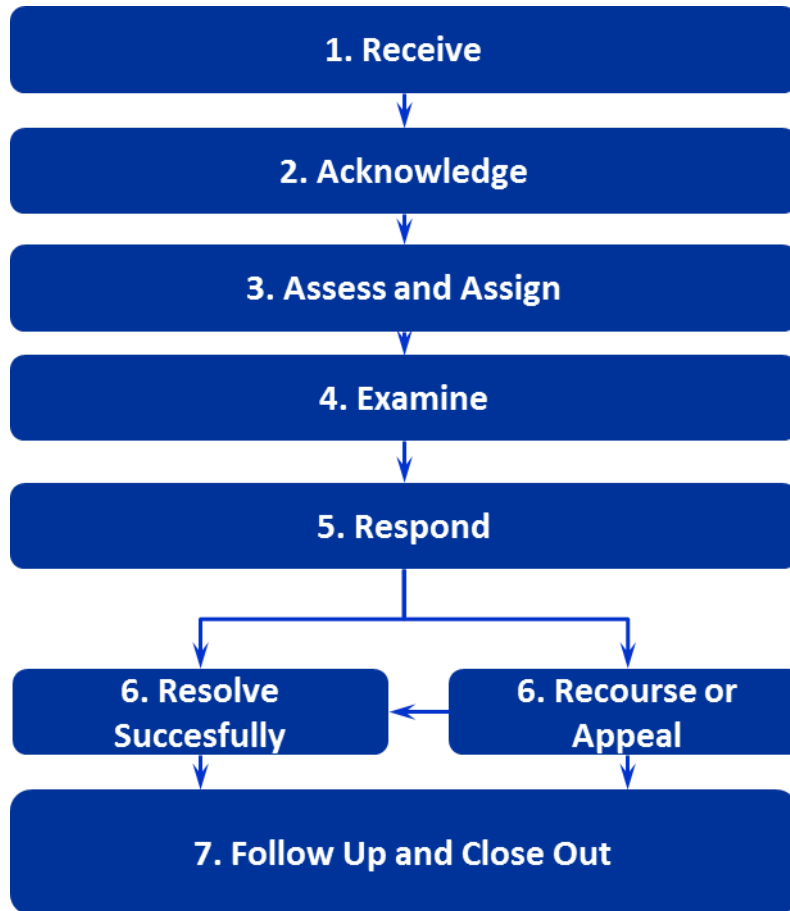


Figure 1 - Local Grievance Mechanism Process

### 7.2.1 Receive

Complainants shall be received at designated access points created to make it easy to lodge a grievance in a manner convenient to them (easily accessible, in language they understand, accessible to illiterate people, protect confidentiality of complainant). The access points shall be part of eni Ghana's outreach and awareness building.



Chart 1 – Receive Activities Flow

Types of access points are indicate below:

- Face-to-face with CLO;
- Through eni Ghana Construction Site;
- By Email [enighana.grievance@enighana.eni.com](mailto:enighana.grievance@enighana.eni.com)
- Through dedicated telephone number 0540108588 / 0540108584;
- Through complaint/suggestion boxes letter.

Multiple access points for grievance is ensured by eni Ghana so that any complainant or other stakeholder has access to this mechanism within the local area and to reduce existing and potential physical and cultural barriers.

Upon receiving a complaint/grievance the Community Liaison Officer:

- Explain the process: complainants shall be given clear timelines for the remaining steps in the procedure, and be informed on how the complaint will be handled and the types of remedy the company can, or cannot, provide, and
- Ensure confidentiality of the complainant from the lodging of a grievance onward. Details of the grievance shall be provided only to those directly involved in the examination process. Sensitive information will only be disclosed upon users' knowledge and approval. If confidentiality cannot be guaranteed, for example because of government regulations, eni Ghana will suggest to complainant to lodge grievances under an alias.

The grievances mechanism shall be opened to accept grievances both of individuals as well as of a collective nature.



Format A presents an example form to receive grievances. This form shall be available in all defined access points in paper as well as electronically. When the claim is presented face to face, by phone or through an eni Ghana's contractor's or employee, the CLO shall complete directly or help completing the form. When receiving forms, the CLO shall make sure that all the information needed to examine the issue and resolve it is documented on the form.

All the concerns and complaints received will be registered in the Stakeholder Grievance Register (annex 5). Concerns that have been received anonymously shall be registered and the mechanism shall determine on a case by case basis how to undertake the examination of those complaints.

### 7.2.2 Acknowledge

The CLO will acknowledge a lodged complaint within 24 hours time period<sup>1</sup>.

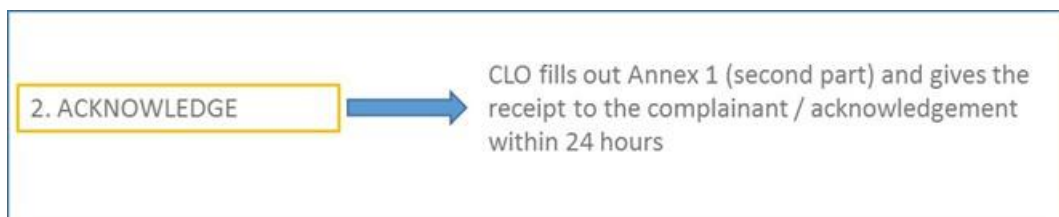


Chart 2 – Acknowledge Activities Flow

Acknowledgement shall be communicated with a copy of the grievance form in a culturally appropriate manner and as the case might require with a letter and a telephone call.

The acknowledgement shall include the following details:

- The grievance number;
- Date of formal lodging of the complaint;
- Name of the complainant;
- Name of the Community Liaison Officer who received the complaint;

<sup>1</sup> If feedback is submitted anonymously an acknowledgement will not be necessary. However, it may be decided to publish if the resolutions is related to the community as a whole.

- Signature or Thumbprint of the Complainant, whenever it is possible;
- Phone number that can be called if the complainant has any questions;
- A commitment from the company to respond to the complainant within the number of days from the day of lodging the grievance specified in the Local Grievance Mechanism procedure.

Where the Complainant neither read or nor write in English, the CLO shall read the complainant written down in the language understandable by the complainant.

A receipt will be issued to the complainant after acknowledgement by the receiving CLO which ensures the grievance is registered in the Stakeholder Grievance Register.

### 7.2.3 *Assess and Assign Responsibilities*

The grievance are classified on the level of severity based on the assessed reciprocal impact it might have on complainant and eni activities; thus regarding impact on eni they are classified into low when it is expected not to disrupt operations, medium when it is likely to disrupt operations and high when it is expected to disrupt operations and affect eni reputation globally; regarding the level of impact to the complainant., they are classified low when the expected impact is to an individual, is permanent and local; medium when it is affecting a group of people in a medium term; and high when it affects a community, has potential to have impacts long term and is regional. The level of severity determines the level of priority, who needs to be informed and who manages the case. Concerns classified as low will be handled by the CLO and complaints/grievances classified as medium or high will be managed by the Local Content & Community Relations Coordinator.



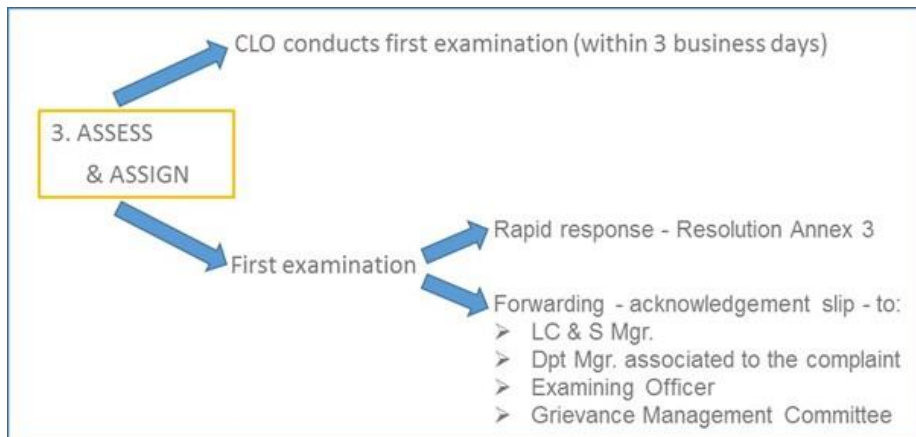


Chart 3 – Assess & Assign Activities Flow

Within three (3) business days following receipt and registration of the complaint, the CLO will conduct a first assessment to address complaints or grievances that can be resolved quickly or easily by providing information or by addressing the issue otherwise. In case the rapid assessment is the first face to face contact, an acknowledgement slip will be provided (in case the complaint requires follow up examination).

If the issue can be addressed during the rapid response, the case will be closed out immediately through the Resolution Form. Where (culturally) appropriate, the complainant will sign or thumbprint the Form.

If the CLO is not able to provide a quick resolution or if examination of the grievance requires expertise beyond the mandate of the CLO, he will forward the case to the Local Content & Community Relations Coordinator with a copy to the Local Content & Sustainability Manager. If required, the Local Content & Sustainability Manager will assign responsibility for further examination to the Department Manager associated with the complaint or to the Grievances Management Committee.

If the Grievance concerns the conduct (of any kind, even omissions) of eni Ghana Personnel or third parties in violation of (i) laws or regulations or provisions of authority or internal regulations or in any case those that may cause damage or prejudice to eni Ghana, even if only to its public image (Internal Control System Report), (ii) Code of Ethics (Other Issues Report), the Grievance shall promptly be forwarded to the established channels according to Annex E "Whistleblowing



Reports received (including anonymously) by eni and by its subsidiaries in Italy and abroad”.

### 7.2.4 Examine

Examination shall be undertaken to verify the validity of the complaint, determine its causes and develop corrective actions to minimize or avoid recurrence of the causes of the complaint. In some cases, third party will be involved if requested by the complainant - technical assistance may be required to examine the accuracy of complaints and their root causes. Eni Ghana may decide to invest in this type of assistance as deemed necessary for grievances of a significant risk.

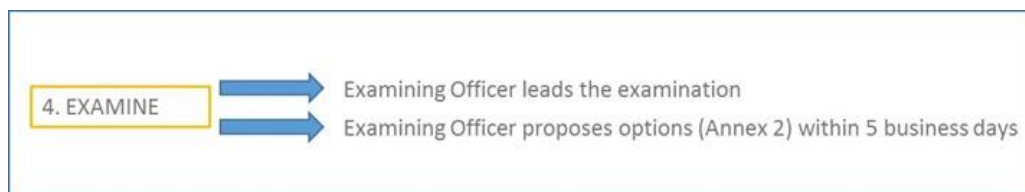


Chart 4 – Examine Activities Flow

The Local Content & Sustainability Manager shall refer the grievance to the Grievances Management Committee that shall conduct the examination of the grievance in a respectful manner, involving the complainant to the extent needed, possible witnesses and others who can provide insight into the root causes of the issue. If the examination requires verification on the ground CLO and the complainant are involved and present during verification.

The examination shall be conducted within 5 business days. If the GMC does not provide an outcome to the CLO within the specified timeframe, the CLO shall provide a reminder. If two days following the reminder still no examination outcome is received, the Local Content & Sustainability Manager shall alert the GMC.. If again two days later still no outcome is received, the Local Content & Sustainability Manager shall requests the Managing Director to intervene in order to obtain the examination outcome.



The identity of the complainant shall be maintained undisclosed internally and externally to eni Ghana as much as possible and shall only be disclosed if and as required by law.

The complainant shall have the right to be provided regular update progress from the Community Liaison Officer within eni. The updates may be provided verbally and/or in written form. In cases when additional time would be needed to complete the examination, the complainant shall be informed of the reason for the delay. In all cases, the complainant shall be informed of the next update date.

Once the examination has been completed, the Community Liaison Officer shall document the findings and propose the options for resolving the complaint as appropriate.

Annex 2 attached provides an example of registration form to track all actions relative to the examination of a complaint.

### 7.2.5 *Respond*

The CLO, the GMC, if necessary, the Managing Director shall determine the proposed company response to the complaint. In many cases, the response may consist in a simple clarification established on criteria of severity level regarding business disruption possibilities and damage to reputation.

Where the requirements for resolution exceed the authority level of the CLO, the Local Content & Sustainability Manager - if required - together with the GMC, and if necessary with the Managing Director, determine the company response.

The Grievance Management Committee shall take decision on the matter within the internal timelines according to eni Ghana's requirements.





Chart 5 – Respond Activities Flow

The Grievance Committee comprises:

- eni Ghana Local Content & Sustainability Manager (Chairman)
- CLO (Secretary)
- representative from the Petroleum Ministry
- representative from the Ellembelle District Assembly
- representative from the project impacted communities

The GMC is called when grievances are not resolved at Local Content & Sustainability Manager level. The GMC has the responsibility to analyze each grievance cases and have the authority to take decision on resolutions through a quorum vote, which is to exceed 50% of the members.

The Local Content & Sustainability Manager will inform the CLO on the company response and for subsequent discussion with the complainant, both verbally as well as in writing (if culturally appropriate). A formal meeting is held with the complainant - eni Ghana participants are related to the severity level of the grievance – and minutes are recorded and signed-off. The proposed resolution is:

- discussed based on a dialogue rather than simply announced, and
- compatible to international human rights standards.

Any options proposed by the complainant are discussed and noted on the appropriate forms.

In some cases, eni Ghana may receive complaints that, after being examined, are found not to be related with eni Ghana's or its contractor's activities. In such

situations, the mechanism shall ensure that the complainant receive a response to explain the circumstances and the reasons why eni Ghana is not involved. In such circumstances, eni Ghana may evaluate the possibility to address the complaint to the relevant party, but only if deemed necessary.

Deadlines for communication with the complainant must be respected. The final communication on the results of the examination shall:

- Provide the complainant with the response decided by eni Ghana;
- Ask for the comments to the response by the complainant;
- If it is not possible to provide a resolution, provide an update on progress;
- If necessary, explain further next steps that need to be taken and the new target dates.

#### 7.2.6 *Resolve or Appeal*



Chart 6 – Resolve or Appeal Activities Flow



*Resolve Successfully*

Where the complainant agrees with the proposed resolution, he/she shall be asked (where culturally appropriate) to sign off or thumbprint on the Resolution Form which outlines the agreed actions/activities to be completed and the timeframe for completion.

The CLO shall ensure that all records, agreements and associated materials are documented and uploaded into the grievance register in chronological order with hard copies on file.

In the event that the first order mechanism failed to produce an amicable resolution, the CLO points out the option to use the second order mechanism.

*Recourse or Appeal*

The Local Grievance Mechanism shall allow complainants to make appeal in instances where a grievance has not been resolved to the satisfaction of the complainant at the first level of the procedure. Such procedures are for exceptional cases, shall be required infrequently, and shall be context specific.

Several recourse options are described below:

- Elevate the issue to a review committee composed of senior managers to consider whether additional reasonable actions are appropriate.
- Elevate the issue to a review committee consisting of eni Ghana, local government and community representatives to consider whether additional reasonable actions are appropriate.
- Propose the use of an independent mediator agreed upon by both eni Ghana and the complainant to facilitate further dialogue.
- Involve a trusted, independent external party to assess the grievance and propose an impartial resolution.
- Establish a standing appeals committee jointly with the community. The committee shall consist of individuals who enjoy credibility with affected communities and are viewed as impartial by both sides. Such a system shall be established at the time the mechanism is designed.



### 7.2.7 Follow up and Close out

Once a resolution has been agreed or a decision made to close out, the final stage is to implement the resolution, monitor outcomes and close out the grievance. Follow-up also addresses problems that develop during implementation. In some cases, adjustments are necessary to ensure that root causes of complaints are addressed and outcomes are consistent with the spirit of the original agreement.



Chart 7 – Follow-up & Close-out Activities Flow

Experience from the follow-up can also be used to further refine the grievance handling process. Closing out the grievance occurs after the implementation of an agreed resolution has been verified.

Parties may be requested to provide feedback about their level of satisfaction with the grievance handling process and the outcome. Even when an agreement is not reached, it is important to close the case, document the results and request the parties' evaluation of the process and its outcome.

There is a difference between resolved complaints and closed complaints. Complaints are categorized as resolved when the following applies:

- Reported complaint has been acknowledged and eni Ghana and the complainant have met to address and understand the reported complaints for examination and the complainant have met to discuss and agree on proposed resolution and scheduling of remedial actions to respond to the complaint.
- Remedial actions are in progress but not fully completed.

Complaints are categorized as closed when one of the following apply:

- Agreed actions have been completed by eni Ghana and the complainant signs-off on or Thumbprint the outcome of the resolution.
- Escalated complaints are settled via the 2nd order or 3rd order mechanism.
- Efforts are made to trace the complainant but he/she could not be located within one (1) month of reporting of the complaint (abandoned complaint).
- Complainant expresses intention not to pursue the complaint through written or verbal means (applicable to 1st, 2nd or 3rd order mechanism).

All abandoned complaints need to be formally classified as abandoned by the Grievance Management Committee to verify that the company has made reasonable attempts to resolve the case. Abandoned cases that have been signed-off for closure by the Grievance Management Committee shall be marked as "Abandoned" in the outcome column of the Grievance Register.

The status of the complaint must be recorded in the Stakeholder Feedback Register (see Annex 3, format C) in five categories as follows:

- **Open**, when the complaint/grievance is under examination and the solution has not been communicated to the complainant yet.
- **Resolved**, complaints where a resolution has been agreed and implemented and the complainant has signed the Format C.
- **Closed out** are complains/grievances whose implementation of agreed solutions has been verified and a Closed Out Form has been signed off by the relevant parties (Format C).
- **Unresolved**, complaints where it has not been possible to reach an agreed resolution and the case has been authorized for close out by the Appeal Committee.
- **Abandoned**, complaints where the complainant is not contactable after a certain period following receipt of a complaint and efforts to find the person have been unsuccessful.



### 8. Monitoring and Review of the Local Grievance Mechanism

#### 8.1 Requirements

The Local Grievance Mechanism shall be monitored and reviewed on regular basis by the Local Content & Sustainability Manager to assess:

- The degree to which the Local Grievance Mechanism is being implemented as planned;
- Whether the mechanism is working effectively;
- Trends shown by the evolution of the root causes of grievances and the implication for the performance of the eni Ghana.
- Potential areas of improvement and of concern.

An independent party shall be engaged to evaluate the effectiveness of the grievances management mechanism after every major event involving the communities such as land acquisition, crop compensation and construction activities. An action plan shall be developed to close out all recommendations from the independent reviewer within a short period of time. This will be monitored by the Local Content & Sustainability Manager and regular updates to the Managing Director.

The results of monitoring shall be fed into the existing reporting requirements and be used to identify emerging issues that need attention. Monitoring shall occur on a regular basis (see SUST-PRO-004 - Monitoring and Auditing [Ref.7]) which may vary along the business lifecycle depending upon the intensity of activities in a given area. Monthly internal monitoring and annual external monitoring is for the entire project lifecycle.

The Local Grievance Mechanism shall be reviewed once a year as part of the overall Sustainability Management System review in line with requirements provided by Upstream and Central Sustainability Functions. This review is usually informed by:



- the evolution of the key performance indicators;
- the results of eventual internal audits performed to assess the effectiveness of the mechanism;
- qualitative information collected through stakeholder engagement to get feedback on:
  - their awareness of the Grievance Mechanism;
  - their trust in the mechanism;
  - their suggestions for improvement.

### 8.2 Reporting and Analysis

On a quarterly basis, Local Content & Sustainability Manager shall provide a report on the status of grievances to Managing Director, Upstream Sustainability Function and any other Department Manager involved in resolving grievances.

In case of severe grievance, an “ad hoc” report shall be provided to the Managing Director and if required to the Upstream Sustainability Function. If a grievance raises significant concerns by key local stakeholders shall be escalated immediately to the Upstream Sustainability Function.

### 8.3 Reporting Back to Stakeholders on the Grievance Mechanism

On regular basis, the Local Content & Sustainability Manager shall present to stakeholders activities under the grievances management mechanism.. This shall be done through focused meetings with local government authorities, traditional leaders, women groups, youth groups, farmers groups etc.



## ANNEX 1 - REGISTRATION AND ACKNOWLEDGEMENT FORM

<b>LOCAL GRIEVANCE MECHANISM</b>			
<b>REGISTRATION AND ACKNOWLEDGEMENT</b>			<b>FORMAT A</b>
<b>Case Number</b>		<b>Date (dd/mm/year)</b>	
<b>Complainant Name</b>		<b>Name of ENI Staff</b>	
<b>Complainant Phone Number</b>			
<b>Complainant Address</b>			
<b>Complainant Email</b>			
<b>Complaint Details</b> (attach additional pages, photos and supporting evidence as needed)	<i>Include date, time, person(s) involved, witnesses, events, etc.</i>		
<b>Complainant Expectations</b> (What is the expected action(s) for resolution?)			
<b>Complainant Signature</b>		<b>Date</b>	
<b>ENI Staff Signature</b>		<b>Date</b>	
-----			
Please detach this section and give to the complainant.			
<b>Feedback Acknowledgement Receipt</b>			
<b>Case Number</b>		<b>Date (dd/mm/year)</b>	
<b>Complainant Name</b>		<b>Assessor Name</b>	
		<b>Assessor Signature</b>	
<p>This receipt is to certify that your complaint has been registered and will now be examined. We commit to contacting you within 3 days this acknowledgement. If you have any questions in the interim please contact our CLO at &lt;insert contact info&gt;</p>			



## ANNEX 2 - EXAMINATION FORM

LOCAL GRIEVANCE MECHANISM			
EXAMINATION		FORMAT B	
Case Number		Date (dd/mm/year)	
Complainant Name		Examiner Name	
Meeting record (What was said...)			
Examination Findings (A brief explanation of findings, supporting documents, witness statements)			
Proposed Resolution			
Examiner Signature			
For internal use only			
Amendments			
HSE & CI Manager Signature		Date	
Department Manager Signature		Date	
Country Manager Signature		Date	



## ANNEX 3 - RESOLUTION AND CLOSE OUT FORM

<b>LOCAL GRIEVANCE MECHANISM</b>			
RESOLUTION AND CLOSE OUT			FORMAT C
<b>Case Number</b>		<b>Date (dd/mm/year)</b>	
<b>Complainant Name</b>		<b>ENI Staff Name</b>	
<b>Company Response (From Form 2)</b>			
<b>Actions for Resolution (Target date completed during outcome discussion)</b>	<b>Action</b>	<b>Target Date</b>	
	1		
	2		
	3		
	4		
This section is completed upon completion of all agreed actions.			
<b>Action Implementation Date</b>			
<b>Complainant Satisfied with Process</b>	Yes	No	<b>Complainant Satisfied with Outcome</b>
			Yes
			No
<b>Complainant Signature on Complaint Resolution</b>		<b>Investigator Signature</b>	
<b>Additional Comments</b>			
<b>Complainant Signature on Complaint Close Out</b>		<b>Investigator Signature</b>	



## ANNEX 4 - SATISFACTION SURVEY FORM

<b>LOCAL GRIEVANCE MECHANISM</b>			
<b>SATISFACTION SURVEY</b>		<b>FORMAT D</b>	
This section is completed upon completion of all agreed actions.			
<b>Case Number</b>			
<b>Complainant Satisfied with Process</b>		<b>Complainant Satisfied with Outcome</b>	
<b>Additional Comments</b>			
<b>Complainant Signature</b>			



