

## SILVERLANDS VINEYARDS (PTY) LIMITED

### STAKEHOLDER ENGAGEMENT PLAN & GRIEVANCE MECHANISM

June 2015

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## Abbreviations

ABBREVIATIONS	DESCRIPTIONS
CLO	Community Liaison Officer
IFC	International Finance Corporation
KPIs	Key Performance Indicators
NGOs	Non-Governmental Organisations
SEP	Stakeholder Engagement Plan
SVL	Silverlands Vineyards (Pty) Limited

## Definitions

**Community:** In the context of this Management Plan a community is recognised to consist of a group of people living in a particular area or region. The term though, while seeming to suggest some homogeneity, recognises that communities are disaggregated groupings of people with different needs and interests, even while identifying themselves as part of a larger whole.

**Directly affected communities:** The directly affected community include labour sourcing communities and adjacent land owners and land users.

**Grievance:** When stakeholders report a grievance on what they perceive to be poor performance linked to the operation in the expectation of an explanation and modification of the conduct that has caused the grievance or redress. In some cases, grievances may be linked to actual incidents, in which case the incidents need to be reported and captured within the incident log, in addition to being handled as a 'grievance'.

**Incident:** Any event or happening that has resulted in, or has the potential to result in (i.e. a near hit), adverse consequences to people, the environment, property, reputation or a combination of these. Incidents are not only once-off events but can be seen as ongoing conditions that have the potential to result in adverse consequences.

**Local/neighbouring Communities:** Those living within the vicinity of SVL's operation.

**Social License:** An underlying assumption of sustainable development at community level is the full and proactive participation of communities or individual members where development takes place. Therefore, "social license" refers to an ongoing negotiated relationship between the developer and affected communities. When stakeholder engagement is proactive, ongoing, and cooperative from both company and community sides, then "social license" is granted and maintained with "free, prior and informed consent." Under these conditions, the reality of "social license" is that it may only be given at any moment in time, not for the future and relies heavily on the process of stakeholder engagement for its continuation. "Social license" is necessary for sustainable development to be possible.

**Stakeholder(s):** Those having an interest in a particular decision, either as individuals or representatives of a group. This would include people able to influence a decision and those affected by it.

**Vulnerable groups:** Disaggregated groups within a village or community that demonstrate particular vulnerability to project impacts and who, as a result, need to be considered and interacted with, with specific awareness and attention. Such groups include single women; female headed households; unemployed youth; the elderly and sick; and orphans. These groups will need to be addressed and drawn into stakeholder engagement (as well as other aspects of social development) using appropriate methodologies that ensure they are not overlooked.

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## 1 INTRODUCTION

Silverlands Vineyards (Pty) Limited (SVL) includes a 200ha property 10Km at Aussenkehr in southern Namibia, situated on the Namibian bank of the Orange River. We intend to work as closely as possible with the surrounding communities as good and supportive neighbours.

### 1.1 Overview of the Stakeholder Engagement Plan

This Stakeholder Engagement Plan (SEP) addresses the process of communication and dialogue that will be maintained with the local communities adjacent to SVL. Communication is defined as the exchange of information between individuals, while the idea of dialogue emphasises a two-way form of discussion and negotiation. Engagement is the process whereby stakeholders' ideas are considered and input into the development and management of the company.

### 1.2 Purpose and scope

The SEP defines a technically and culturally appropriate approach to engagement with the full range of stakeholders.

In accordance with the International Finance Corporation's (IFC) Performance Standards, the SEP's goals are to:

- Ensure the adequate and timely sharing of information with directly affected villages, local communities and individuals as well as other stakeholders;
- Provide sufficient opportunity for stakeholders to express their opinions and concerns; and
- Ensure that these concerns are incorporated into project decision-making processes during all stages of the project lifecycle.

### 1.3 Our Stakeholders

This SEP allows for ongoing review of stakeholders, and ensuring that new stakeholders will be identified and included in the engagement process as they arise. Stakeholder groups currently relevant to SVL include:

- Communities in which we operate or which are directly affected by our operations, including vulnerable groups within this;
- Land owners affected by SVL;
- Shareholders;
- Employees and their families;
- Union representatives;
- Community Based Organisations (CBOs) and other specialist interest groups;
- Business partners;
- Social development partners;
- International, national and local NGOs;
- Government, at all levels, e.g.:
  - Regulatory authorities covering national, district and sub-district levels with authority in the directly affected project areas;
  - Councillors and tribal authorities;
  - Traditional Authorities;
  - Various committees and structures established by government in affected villages (e.g. health committees, farmers cooperatives);
  - Ministry representatives in political positions;
- Media;
- Environmental associations;
- Business groups; and
- General public.

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## 2 POLICY STATEMENT

In our engagement with stakeholders, both internal and external, we are committed to a policy of ongoing, two-way, free and transparent communication, as part of core business planning. This will form the basis of productive relationships and trust between us, our employees, local communities as well as other stakeholders throughout the life of the Project and towards sustainable development. This policy is intended to help meet our aim of establishing and maintaining our social license to operate.

## 3 STAKEHOLDER ENGAGEMENT

### 3.1 Introduction

This section sets out the proposed objectives, mechanisms and responsibilities for stakeholder engagement. The SEP outlines the approach to, frequency of, and responsibility for consultation with all relevant stakeholders.

#### 3.1.1 Objectives of the Stakeholder Engagement Strategy

Develop and foster ongoing positive relationships between SVL and its stakeholders, particularly those directly affected by our activities. Such relationships may enhance opportunities that arise from the Project for stakeholders;

- Provide stakeholders with project information at appropriate times and in accessible forms;
- Communicate planned project phases, developments and changes to all stakeholders in good time (e.g. opening of new operations);
- Involve stakeholders in project decision-making that will affect/influence their lives;
- Enhance stakeholders' capacity to identify unanticipated projects impacts, and to be able to communicate these to SVL such that they can be resolved;
- Assist affected people in adapting to the social and economic changes brought about by the Project through information and participation;
- Ensure that stakeholders can report concerns and grievances easily and that SVL responds promptly;
- Monitor the effectiveness of stakeholder engagement and refine strategies as required;
- Report openly and critically on SVL's performance;
- Set targets for continual improvement through identifying key performance indicators that seek to develop partnerships with stakeholders, where possible; and
- Strategies for engaging with stakeholders will be tailored to the specific needs of the group and monitored and fine-tuned as required.

The management of impacts through stakeholder engagement can be divided into two main strategies.

1. Proactive engagement in which SVL go out to stakeholders to elicit their involvement and to share information in order to address issues that may be of concern prior to their arising. This process is ongoing. Proactive engagement forms a key component of this Stakeholder Engagement Strategy.
2. Reactive engagement i.e. responding to concerns or grievances raised by stakeholders in a coherent and predetermined manner. This approach is facilitated through the establishment of a Grievance Resolution Procedure.

### 3.2 Stakeholder Engagement Mechanisms

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### 3.2.1 Stakeholder Committee

A Stakeholder Committee will be established for communication with the key stakeholder groups. The committee will include:

- Farm Manager
- The Community Liaison Officer
- One other junior employee from the Farm
- One wife of employee of the Farm
- Village representatives such as traditional leaders, the Village District Council (VDC) and formally elected community representatives. Village representatives should include members of vulnerable groups, such as female-headed households and the elderly. Representatives will be tasked with forwarding concerns on behalf of village residents and feeding back information discussed at the committee meetings. Not to exceed four people.
- Authorities at District and Sub District levels, such as a representative from the local Council
- If additional groups come to the fore at a later stage they will be accommodated within this committee, e.g. local NGOs, CBOs and businesses.

This committee will play a key role in defining lines of responsibility and will be extensively used to exchange information on land and health and safety issues and develop partnerships for implementation of programmes in this regard. When constituted, a terms of reference will be drawn up by the committee members. This committee will not only report grievances but enter debate on how the Farm can assist the community and vice versa. It should not be simply a grievances committee.

Should agreement not be reached between SVL and other parties, on any matter, the issue should be resolved with the help of the Local and/or Regional Council. Failing this, normal judicial and administrative procedures will be followed.

The committee will meet every 3 months. Should a matter require urgent attention any representative may call a meeting. Minutes will be kept of all meetings noting any grievances and agreed actions to resolve such grievances

### 3.2.2 Grievance Resolution Procedure

A Grievance Resolution Procedure will be established and maintained in order to:

- Enable stakeholders to easily identify and report any grievance regarding SVL; and
- Ensure that, through a defined process and within a predictable timeframe, stakeholders receive a response and/or resolution to the grievance.

Section 7 below provides a detailed overview of the Grievance Resolution Procedure.

## 4 OVERALL RESPONSIBILITIES AND FUNCTIONS

Responsibility for ensuring implementation of the plan lies with the Farm manager.

A Community Liaison Officer (CLO) will be established and appropriately trained to implement the SEP. The CLO's duties will be comprised of the following key aspects:

- Communication and engagement management;
- Community liaison activities;
- Information development and dissemination; and
- Grievance coordination.

These roles may be fulfilled by one or more individuals. Detailed tasks include:

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- Ensure regular monitoring of the implementation of stakeholder engagement mechanisms, and recommendations for any changes to the SEP based on feedback from monitoring and stakeholder forums.
- Facilitate the establishment of the Stakeholder Committee.
- Attendance at all Stakeholder Committee Meetings.
- Oversee the implementation of the Grievance Resolution Procedure.
- Establish and facilitate ongoing interaction with Government authorities and maintain a strong working relationship with these stakeholders.
- Work closely with communities and be the first line of engagement with those directly affected.
- Maintain constructive relationships between SVL and local stakeholders.
- Receive all grievances.
- Ensuring that all grievances lodged are recorded in Grievance Log Forms and appropriately addressed. Get sign-off on grievances after following the procedure.
- Be on the ground and play a key role in keeping abreast of stakeholder expectations, perceptions and concerns – over and above the stakeholder feedback received through formal engagement mechanisms. Compile quarterly reports detailing any findings in this regard.
- Due to on-going presence among the affected villages, the CLO will need to have a working knowledge of the all the project management plans, such that any breaches against commitments can be identified and reported immediately to management.
- Will be required to compile regular reports summarising the list of grievances that were lodged during an agreed reporting period, as well as measures taken to address these. This report will be reported on to stakeholders during regular engagement forums.
- Evaluate the implementation of the SEP using a variety of methodologies to ensure that objectives are met and continual improvement is strived for.
- Monitor the usability and appropriateness of the Grievance Resolution Procedure for stakeholders.
- Monitor performance against Key Performance Indicators (KPIs) and set targets for improved performance

## 5 GRIEVANCE RESOLUTION PROCEDURE

### 5.1 Introduction

It is intended that the stakeholder engagement measures will work pro-actively towards identifying and addressing issues before they become grievances. However, when grievances are reported they need to be addressed in a consistent and verifiable manner. For this reason a Grievance Resolution Procedure needs to be followed to:

- Enable stakeholders to easily identify and report any grievance regarding the project's performance; and
- Ensure that, through a defined process and within a predictable timeframe, stakeholders receive a response and/or resolution to the grievance.

This procedure focuses on the recording and processing of complaints and grievances and not of incidents, which should be handled under the health, safety and environmental procedures.

#### 5.1.1 Grievance versus Incident

A **grievance** is when stakeholders report a complaint or what they perceive to be poor performance linked to the operation, with the expectation of an explanation, or a change to the activity that has caused the grievance, or redress/compensation.

An **incident** is any occurrence that has caused, or has the potential to cause, a negative impact to people, the environment or property (or a combination thereof). Ongoing conditions that have the potential to result in adverse consequences are considered to be incidents.

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In some cases, grievances may be linked to actual incidents, in which case the incident **also** need to be reported and captured within the incident reporting system.

## 5.2 The grievance procedure

The Grievance Procedure should be followed for all grievances relating to the Project as a whole, as well as any issues related to any potential resettlement and rehabilitation. It is divided into six key steps. These are as follows:

- *Step 1:* Receive and Log Grievance;
- *Step 2:* Acknowledge Grievance;
- *Step 3:* Assess and Prioritise Grievance and Forward to Responsible Individual;
- *Step 4:* Investigate and Resolve Grievance;
- *Step 5:* Sign-off on Grievance; and
- *Step 6:* Monitor.

These steps are presented in

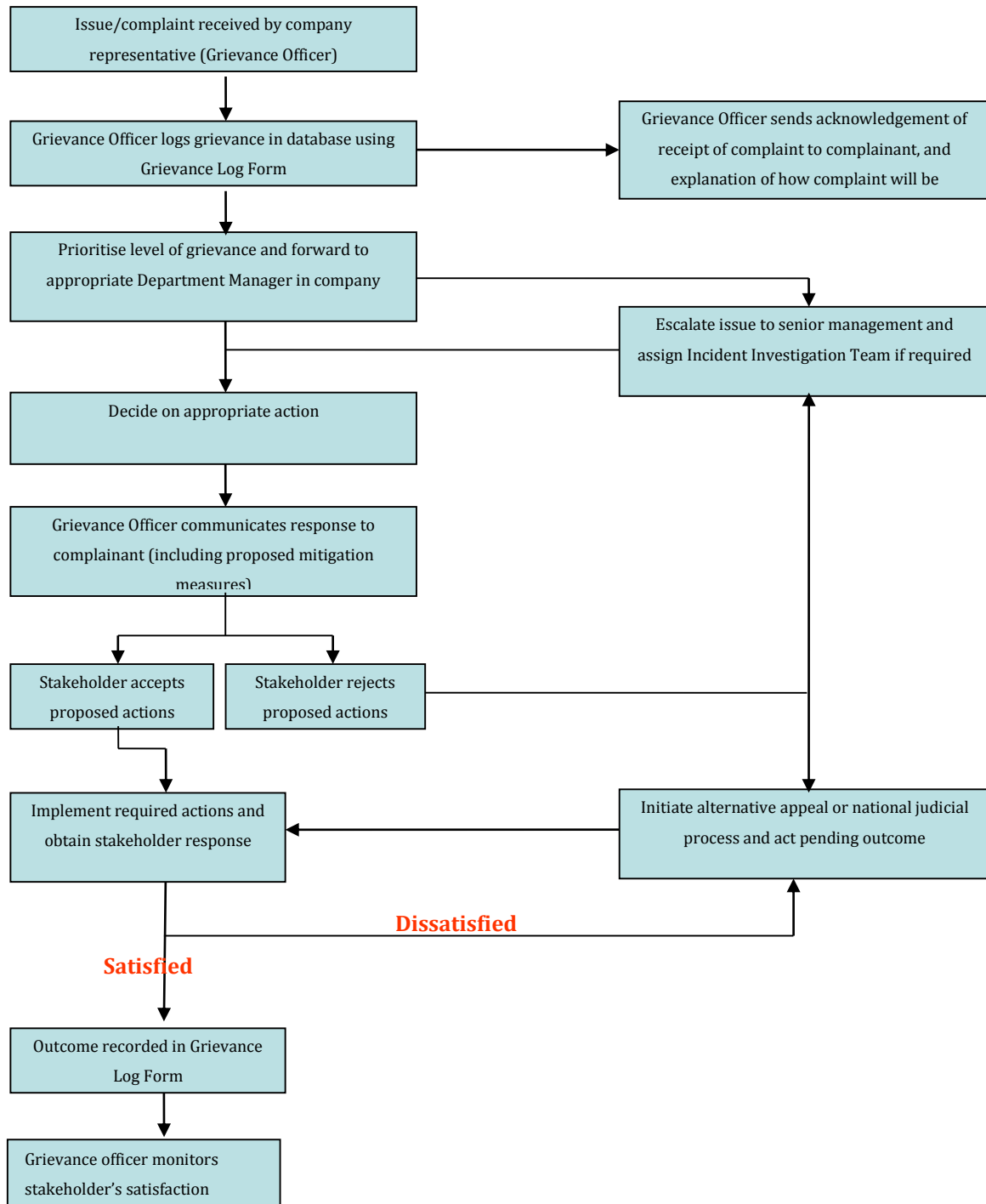
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Figure 1 and outlined thereafter.

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**Figure 1: SVL Grievance Procedure**



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**Step 1: Receive and Log Grievance**

- The grievance is received by an SVL representative. Regardless of who receives the grievance, it needs to be forwarded to the CLO for attention.
- The CLO logs the grievance using the official Grievance Log Form (Figure 2) and ensures that actions are taken against the grievance.
- The Grievance Resolution Procedure makes possible the lodging of a grievance in any appropriate format (written, verbal, telephonic, email, post etc). It is important that the process is easily accessible and un-intimidating to any stakeholder.

**Step 2: Acknowledge Grievance**

- The CLO will communicate in writing to the complainant acknowledging receipt of the grievance and providing information on the proposed steps and the anticipated timeframes to resolving the grievance.
- This communication will be provided within 5 days of receiving the grievance.

**Step 3: Assess and Prioritise Grievance and Forward to Responsible Individual**

- The CLO will assess the grievance, and assign it a risk rating. The outcome of the risk rating has implications for how high within SVL structures the complaint is reported, and the seniority of management oversight required.
- Once the grievance has been rated the grievance will be forwarded to the relevant individual to be addressed (e.g. HR, Production, Procurement etc).

The grievance will be escalated to senior management if necessary and an Incident Investigation Team will be assigned if required.

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Figure 2 An Example of a Grievance Log Form

<b>SECTION 1: COMPLAINANT DETAILS</b>			
<b>Complaint Reference Number</b>	<b>Date Received</b>	<b>Recipient of Complaint</b>	<b>Manner in which Complaint was Identified / Submitted by Complainant</b>
<b>Name of Complainant / Organisation Registering Complaint (if not anonymous)</b>			
<b>Contact Details</b>	<b>Telephone Number</b>	<b>Physical and/or Postal Address</b>	
<b>SECTION 2: DETAILS OF COMPLAINT</b>			
<b>Company Manager Responsible for Addressing the Complaint</b>			
<b>Time and Date Complaint Refers to</b>			
<b>Description of Complaint and / or Evidence of the Issue</b>			
<b>SECTION 3: ACTION TAKEN / REQUIRED</b>			
<b>Acknowledgement of Complaint Sent to Complainant? (Y / N)</b>	<b>Date When Acknowledgment Provided</b>	<b>Date Set for Resolution of Complaint</b>	
<b>Description of Subsequent Action Taken (divide into Immediate Action and Subsequent Investigation, if applicable)</b>			
<b>Action Carried Out By Whom</b>	<b>Date of Completion</b>	<b>Method of feedback to Complainant</b>	

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<b>Stakeholder Response to Action</b>	
<b>SECTION 4: EFFECTIVENESS REVIEW</b>	
<b>How were the Actions Verified to be Effective at Resolving the Complaint?</b>	
<b>Approved By</b>	<b>Date</b>

#### **Criteria for Prioritising Grievances/Complaints**

The following criteria will be used as a basis for the prioritisation of different levels of complaints received.

- A **Risk Level 1** complaint is one which is isolated, or "once-off" (within a given reporting period), and essentially local in nature, and has little potential to cause long term damage to stakeholder relations locally and nationally.
- A **Risk Level 2** complaint is one which is widespread and repeated, has resulted in attention from the media at local / regional level, and has the potential to cause damage to stakeholder relations locally and nationally.
- A **Risk Level 3** complaint is one which is both widespread and / or repeated and which, in addition, has resulted in a serious breach of Company policies, or the law and / or has led to negative national / international media attention, or is judged to have the potential to generate negative comment from the media, or other key stakeholders. A Risk Level 3 complaint also has the potential to cause major damage to stakeholder relations, locally, nationally and internationally.

Repeated or continuous Level 1 or 2 complaints must be escalated to the next level up, if the cause is not rectified within an acceptable period of time. This categorisation provides an indication of the severity of the complaint, and has implications for how high within SVL the complaint is reported, and the seniority of management oversight required.

#### **Step 4: Investigate and Resolve Grievance**

- An Investigation Team (overseen by the CLO) will be assigned within 10 days of receipt of the grievance by the CLO. The team will be tasked with investigating the underlying cause of the grievance and action any changes required to internal systems to prevent a recurrence of a similar grievance. An Investigation Report will be completed within 28 days.
- During the 28 days of investigation, the CLO will co-ordinate conflict resolution activities necessary to contain and resolve any actual or potential conflicts arising from the reported grievance.

#### **Step 5: Sign-off on Grievance**

- The CLO will seek sign-off from the stakeholder that the grievance has been resolved.
- In instances where the stakeholder is not satisfied with actions taken, the grievance will either be escalated through to senior management and a decision will be taken either to implement supplementary actions or to consider initiating an appeal process.
- Following an appeal the CLO will again approach the stakeholder to obtain sign-off on actions implemented in accordance with handed down instructions or judgements.

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- All grievances to be signed off by senior members of staff. In this regard, it may be suitable that: (a) all grievances with a Level 1 risk rating be signed off by the CLO; (b) all grievances with a Level 2 risk rating be forwarded to senior management for sign-off; and (c) all grievances with a Level 3 risk rating be forwarded to the site manager for his / her attention and sign-off. Whilst it may not be necessary to involve senior management in signing off complaints of low significance (e.g. Level 1), they should be involved in periodic reviews of actions taken for such grievances, to ensure their correct handling and classification.
- The senior staff member who signs off the complaint should have sufficient information about the topic to provide assurance. The person responsible for addressing the complaint should not be the same person as signs off the response.
- Once sign-off has occurred, this should be recorded on the Grievance Log Form.

**Step 6: Monitor**

- The CLO will monitor the satisfaction of the stakeholder and project personnel following sign-off (this will take place within 28 days of final sign-off).
- Any grievances not signed-off as resolved will be further investigated and the CLO will seek agreement from the stakeholder to maintaining contact in order to determine what further action is required to resolve the grievance.

## 6 REPORTING AND DOCUMENTATION

SVL will compile concise quarterly and annual reports of all stakeholder engagement activities and grievances logged, results of these activities and grievances, and monitoring of the success of the stakeholder engagement and grievance resolution process. This will be made available for internal reporting to the board and the shareholders of SVL if appropriate.

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