

**Bahamas Petroleum Company  
Offshore Exploratory Drilling Program  
(Bain, Cooper, Donaldson, and/or Eneas Blocks)  
The Bahamas**

**Grievance Mechanism Procedure**

**December 2019**

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## 1 Introduction

### 1.1 Overview

The purpose of this document is to define the procedure for managing stakeholder concerns and complaints (referred to as “grievances”) in a planned, timely, and respectful manner.

*Why is a grievance mechanism procedure required?*

This grievance mechanism is one aspect of the broader engagement and communications strategy adopted by Bahamas Petroleum Company (“BPC”). It specifically seeks to ensure that BPC is able to build and maintain its social license to operate for its activities (the company has been active since 2007) and specifically for its 2020 exploratory drilling program in the Bain, Cooper, Donaldson and/or Eneas blocks. It also seeks to ensure that its stakeholder engagement activities align with international best practices, including the IFC Performance Standards.

*What does a grievance mechanism procedure achieve?*

A deliberate management process to effectively and proactively manage feedback from communities and stakeholders, including any grievances or concerns, is frequently used to allow communities a chance to have two-way dialogue with a company about its activities, and thereby ensuring greater appreciation and understanding of the company’s activities. An appropriate grievance mechanism can enhance outcomes by giving people satisfaction that their voices are being heard and that their issue has been formally considered within the company.

*What is the scope of the grievance mechanism procedure?*

This grievance mechanism does not replace existing Bahamian legal processes. In addition, this grievance mechanism does not impede access to other judicial or administrative remedies that might be available under domestic law in The Bahamas or through existing arbitration procedures, or substitute for feedback mechanisms provided through collective agreements.

### 1.2 Definitions

Key definitions are provided in Table 1.

**Table 1: Definitions**

Term	Definition
Access Point	A method for submitting grievances to BPC
Complaint	A formal expression of discontent concerning company or contractor actions raised by one or more stakeholders. Same as ‘grievance’ and ‘issue’.
Complainant	An individual, group or organisation who submits a grievance to BPC.
Concern	A formal expression of discontent concerning company or contractor actions raised by one or more stakeholders that may lead to a ‘complaint’, ‘grievance’ or ‘issue’.
Issue	A formal expression of discontent concerning company or contractor actions raised by one or more stakeholders. Same as ‘complaint’ and ‘grievance’.

Term	Definition
Grievance	A formal expression of discontent concerning company or contractor actions raised by one or more stakeholders. Same as 'complaint' and 'issue'.
Grievance Mechanism	A grievance mechanism is a process for receiving, investigating, responding to and closing out complaints or grievances from affected communities in a timely, fair and consistent manner.
Grievance Owner	The person responsible for ensuring a grievance is resolved, who may bring in others to support the process.
Issue	A formal expression of discontent concerning company or contractor actions raised by one or more stakeholders. Same as 'complaint' and 'grievance'.
Remedy	Actions taken to resolve a grievance; for example, apologies, restitution, rehabilitation, financial and non-financial compensation and/or punitive sanctions. Same as 'resolution'.
Resolution	Actions taken to resolve a grievance; for example, apologies, restitution, rehabilitation, financial and non-financial compensation and/or punitive sanctions. Same as 'remedy'
Stakeholder	Individuals or groups who can affect, or are affected by, or have a legitimate interest in the company's performance. Stakeholders can include, but are not limited to: government officials, communities, NGOs, media, contractors, business organisations and legislative and regulatory authorities.

### 1.3 Stakeholders

#### 1.3.1 Internal Stakeholders

This document is intended to be used by all staff members and contractors of BPC. All BPC staff members and contractors that interact with external stakeholders in The Bahamas and elsewhere should be made familiar with the grievance mechanism. The process requires the support of senior management who should ensure satisfactory performance.

#### 1.3.2 External Stakeholders

BPC needs to be ready to coordinate and respond in a timely and respectful manner to potential incoming grievances from a variety of external stakeholders. .

## 2 Objectives and Scope

### 2.1 Objectives

The objectives of the grievance mechanism are to:

- Provide accessible avenues for all external stakeholders to contact and formally communicate with BPC;
- Provide a mechanism for stakeholder concerns to be aired, heard and addressed effectively, in a timely manner and by the most appropriate personnel;
- Identify and monitor stakeholder concerns to support effective stakeholder feedback and risk management;

- Provide a mechanism for potential stakeholder grievance or complaint to be addressed effectively, in a timely manner and by the most appropriate personnel;
- Enhance BPC's reputation as a proactive and transparent company; and
- Meet requirements of international best practice.

## **2.2 Scope**

The grievance mechanism will manage any potential concerns, grievances or complaints from external stakeholders arising from BPC's activities. It applies to all concerns, grievances or complaints that may arise as a consequence of BPC operations. This grievance mechanism is designed to provide a system for managing concerns, grievances or complaints from the general public, and does not replace Bahamian legal processes, existing employee grievance systems, normal business-to-business dialogue, or other management procedures already in place.

There are no restrictions on the type of issue a stakeholder can raise under this procedure. However, when a concern or potential grievance or complaint is received that would be more appropriately handled under a separate company process established for that purpose (such as employment or business integrity related issues), it will be re-directed so as to prevent parallel processes being followed. All complaints received under this procedure shall be tracked until close out, regardless of the process under which they are handled.

BPC reserves the right not to address a concern, grievance or complaint which it reasonably considers amounts to no more than general, unspecified, and therefore un-actionable dissatisfaction about an issue or with the company, is otherwise malicious in nature, or concerns a matter for which the company has no formal responsibility (for example, a matter that the government controls).

## **2.3 Confidentiality**

The personal details of Complainants should only be made available to those involved in the resolution of the grievance in question.

BPC will accept, log, and seek to address grievances contained in anonymous grievance forms, but, due to the anonymous source of the grievance, will not be able to respond directly to the Complainant.

# **3 Grievance Mechanism Process**

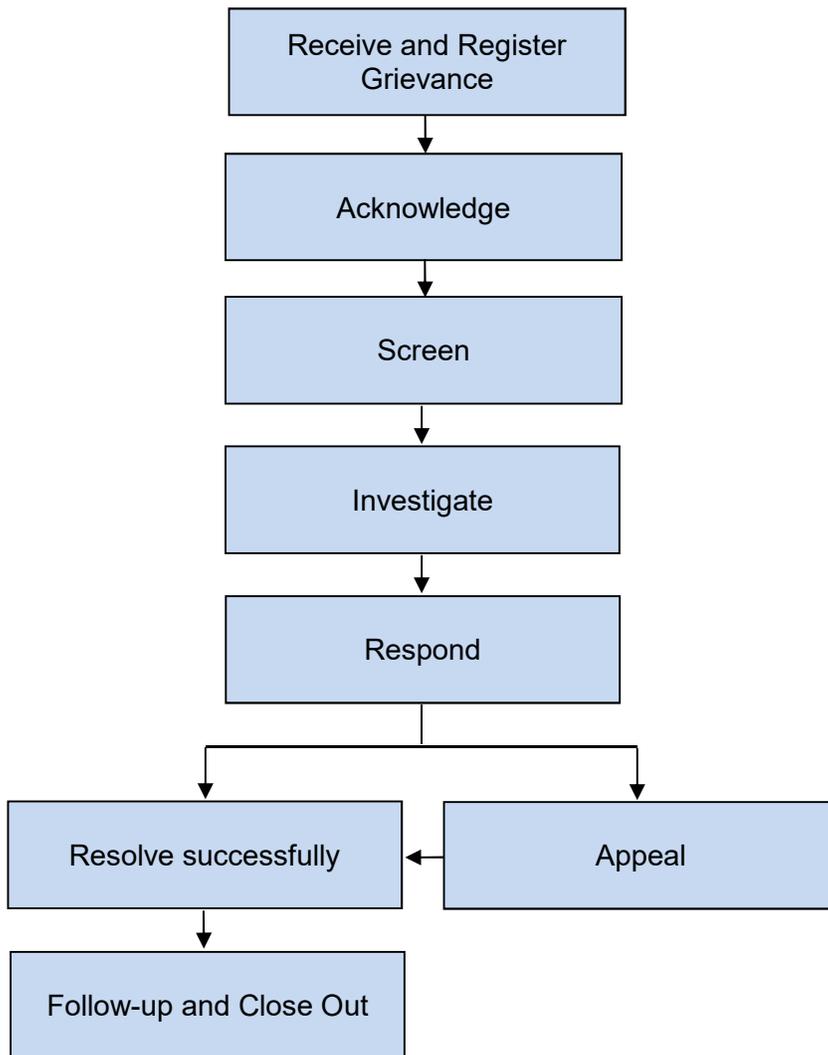
## **3.1 Administration**

BPC will administer the grievance mechanism by providing resources to handle correspondence, coordinate internal resolutions, manage a log, and report (both internally and externally).

## **3.2 Grievance Mechanism Process**

The key tasks in implementing the grievance mechanism are summarised in Figure 1 and described below.

**Figure 1: Grievance Mechanism Process**



### **3.2.1 Receive and Register Grievance**

#### 3.2.1.1 Methods for Receiving Grievances

Stakeholders can submit grievances through a number of methods, including:

1. **Face-to-face:** submission of issue in writing, or recorded in writing during conversation at a public meeting or presentation, or informal encounters with BPC team members
2. **Electronic:**
  - Through e-mail addresses [gm@bpcplc.com](mailto:gm@bpcplc.com) or [gm.nassau@bpcplc.com](mailto:gm.nassau@bpcplc.com)
3. **Dedicated (mobile) telephone line: (242) 357-5710**

BPC is responsible to ensure that any personnel and contractors that could potentially be approached regarding complaints or grievances will be knowledgeable about this grievance mechanism process and be ready to explain to the Complainant how to submit their feedback and/or provide information on where to learn more (e.g. a business card with instructions). BPC will stress that there will be no costs or retribution associated with lodging concerns, grievances or a complaint.

To facilitate tracking, evaluation and response to grievances, standardised information should be collected and recorded on the Grievance Recording Form (Appendix A). As a best practice, practitioners should always carry the Grievance Recording Form and a grievance mechanism brochure, if available, when they conduct field visits or stakeholder or community meetings including any formal consultation process organised by the Government of The Bahamas.

#### 3.2.1.2 Publicising the Procedure

The grievance mechanism procedure will be publicised and communicated internally and externally in a manner appropriate to the scope and nature of the project, and in a manner appropriate to the audience (i.e. method of delivery, language, etc.). In particular, BPC will publicise and communicate the process to those most likely to use/administer it: the public via newspaper, supply vessel operators and contractors. Notification will include:

- Publication of a card noting grievance contacts, and providing to the supply vessel operator, so they can provide to any stakeholder at sea (e.g. if necessary to enforce the safety exclusion zone)
- Publication of the grievance contact information and information about planned activities in local papers in advance of drilling
- Presentation of the information to stakeholders during in person meetings by BPC (see Stakeholder Engagement Plan for details)
- Publication of the grievance contact information on the BPC website

#### 3.2.1.3 Registering Grievances

Grievances will be logged in the Grievance Register (Appendix B) within five days of receiving the grievance. A grievance owner will be assigned to each grievance when they are logged. The grievance owner may delegate responsibilities to other staff, but is ultimately responsible for:

- Defining and implementing resolution actions.
- Investigating the grievance.
- Consulting relevant departments or persons within the organisation.

- Making sure resolution actions are completed.
- Tracking progress of individual grievances.
- Aggregating and forwarding feedback to Complainants.
- Documenting resolution actions.
- Gaining necessary approvals from, and reporting to, management.

While no response is necessary for anonymous grievances, these will be logged and reported with other grievances to facilitate continuous improvement.

### **3.2.2 Acknowledge Grievance**

The Company's internal Bahamian legal counsel, currently Ms Jobeth Coleby, will be responsible for formally acknowledging a grievance within eight working days of the submission of the grievance, and will inform the Complainant that BPC's objective is to respond within 20 working days. Written feedback is preferred so that a record of correspondence is retained and recorded.

Acknowledgement should include a summary of the grievance, BPC's approach to responding to the grievance, and an estimated timeframe in which the final response will be issued. If needed, use the acknowledgement opportunity to clarify issues from the grievance or request further information if required.

If a grievance is considered out-of-scope for the grievance mechanism (See section 3.2.3 on screening), the Company's internal Bahamian legal counsel, currently Ms Jobeth Coleby should draft a response explaining why it is out-of-scope and providing any guidance of where to go to get the issue addressed (if possible). In cases where another entity (e.g. the government or a contractor) should be responsible for handling the grievance, BPC will share the grievance with the appropriate entity (unless the grievance could result in potential reprisal) and inform the Complainant that the grievance has been shared with the appropriate entity.

It should be noted that the identification of the Company's internal Bahamian legal counsel as the party required in first instance to acknowledge and respond to grievances is simply a nomination of a person best suited for a response in the context of this procedure, and no significance should be attached to the fact that the matter is being responded to by legal counsel.

### **3.2.3 Screen**

Each grievance will be screened from Level 1 to 3, per definitions provided in Table 2, in order to determine the appropriate response.

"Routine" issues will be managed through the grievance mechanism. "Potentially Significant" grievances will be flagged and managed in consultation with legal.

**Table 2: Grievance Screening Categories**

Category	Issue Description	Issue Type	Management Approach
Level 1	A grievance for which there is already a BPC management-approved response and an answer can be provided immediately. This level also includes grievances that are out of scope.	Routine	<ul style="list-style-type: none"> <li>Inform BPC management and then utilise approved answers to handle response.</li> </ul>
Level 2	Grievances characterised by being a one-time situation, local in nature, and that will not impact BPC's reputation.		<ul style="list-style-type: none"> <li>Define grievance response plan and craft the draft response for BPC and other management approval.</li> </ul>
Level 3	Repeated, widespread or high-profile grievances that may result in a negative impact on BPC's business activities and/or reputation. Level 3 grievances indicate a gap in a management plan or procedure, or that a serious breach in BPC policies or Bahamian law has occurred. Level 3 grievances would also include safety or human rights concerns, and concerns related to physical and/or economic displacement and resettlement.	Potentially significant	<ul style="list-style-type: none"> <li>Prioritise and define appropriate management strategy</li> </ul>

### 3.2.4 Investigate

The Grievance Owner will lead grievance investigation, when needed, which could include collecting relevant documents, making site visits, consulting appropriate internal staff, contacting external stakeholders, and other activities. Investigation findings will be used to document decision making process and inform proposed remedy.

### 3.2.5 Respond

Before responding to the Complainant, the Grievance Owner will complete the following:

- Level 1 Grievances - Grievance Owner informs BPC management and then utilises recently approved answers to respond to Complainant. Response requires approval of The Company's in-house Bahamian legal counsel, currently Ms Jobeth Coleby
- Level 2 Grievances - Grievance Owner defines plan for grievance response and prepares the draft response for BPC. Prior to issue, the response requires the approval of both the Company's in-house Bahamian legal counsel (currently Ms Jobeth Coleby) and another nominated senior member of the Company's management in The Bahamas - currently, that person being Roberta Quant (Environmental Scientist).
- Level 3 Grievances – Grievance Owner works directly with management to define plan for grievance response, then drafts response. In the case of particularly sensitive grievances –

particularly grievances related to physical and/or economic displacement and resettlement – BPC may engage an external organisation or third party in a joint investigation, or allow for the participation of a Community Action Council, or other community structure, in order to demonstrate transparency in the process being taken to resolve the issue. Level 3 grievance responses need to be approved by a member of BPC’s Incident Management Team (IMT) – see Company Emergency Response Plan for members.

Once the response has been approved, the Company’s in-house Bahamian legal counsel (currently Ms Jobeth Coleby) is responsible for responding formally using an appropriate communication vehicle in the appropriate language(s).

The Grievance Owner is responsible for ensuring all information on the grievance is documented and actions tracked in the Grievance Register.

**3.2.6 Follow-up and Close Out**

If the Complainant accepts the proposed resolution, the agreed actions are implemented.

The Complaint Owner is responsible for assigning action parties, actions, and deadlines to implement the resolution. These are recorded in the Grievance Register with any supporting documentation. If necessary, monitoring arrangements will be put in place to verify implementation.

After resolution, the grievance should be formally closed out. This includes requesting the Complainant sign a completion form to document satisfaction with resolution actions, documenting actions taken, and closing out in the Grievance Register.

**4 Roles and Responsibilities**

Roles and responsibilities of key staff involved in operation and management of grievance mechanisms are shown in Table 3.

**Table 3: Roles and Responsibilities**

Title/Role	Responsibilities
In-house Bahamian legal counsel, (currently, Ms Jobeth Coleby)	<ul style="list-style-type: none"> <li>• Overall responsibility for stewardship of the Grievance Mechanism Process and documentation</li> <li>• Track, analyse, and report grievance updates to management on a daily basis</li> <li>• Manage database of grievances and report to BPC management on status and trends</li> <li>• Follow appropriate privacy data policies and laws</li> <li>• Categorising and prioritising grievances</li> <li>• Research grievance with appropriate business or contractor group(s)</li> <li>• Providing initial response and final, management-approved response (initial response should include confirmation that grievance was received and the estimated schedule for response)</li> <li>• Notify stakeholder who provided grievance if response will take more than 20 working days</li> <li>• Approval of responses to Level 1 grievances</li> </ul>

Title/Role	Responsibilities
	<ul style="list-style-type: none"> <li>• Write proposals of how to respond to the issue and submit to designated managers</li> <li>• Look for trends in grievance and work with BPC management to manage strategically</li> <li>• Inform BPC management in the case of any of emergencies or safety-sensitive information</li> <li>• Accept grievances in person at community meetings, site visits, etc.</li> <li>• monitor and evaluate process and look for ways to improve</li> <li>• Maintain and update a pamphlet outlining the procedure and commitments for public distribution when appropriate</li> <li>• Manage database of grievances, responses, and stakeholder information</li> </ul>
<p>Additional nominate Senior Bahamian management team member</p> <p>(Currently Ms Roberta Quant)</p>	<ul style="list-style-type: none"> <li>• Secondary approval of responses to Level 2 grievances</li> </ul>
<p><b>IMT Member</b></p>	<ul style="list-style-type: none"> <li>• Approval of responses to Level 2 grievances</li> <li>• Provide oversight of grievance process and monitor consistency of resolutions and responses</li> <li>• Ensure IMT Member has appropriate level of training to handle role responsibilities</li> <li>• Support process in a timely fashion through review, leadership, and approvals</li> <li>• Liaise with general management as appropriate</li> <li>• Create strategic plans to address trends when appropriate</li> <li>• Ensure external and internal reporting is appropriate</li> </ul>

## 5 Monitoring and Evaluation

BPC will review qualitative and quantitative indicators relating to grievances internally with management and externally with the contractors. Additionally, BPC will conduct a quarterly review on quantitative indicators relating to grievances and report to a monthly management team meeting.

**Table 4: Review Period and Indicators to Review**

<b>Review Type</b>	<b>Objective</b>	<b>Suggested Indicators</b>
Review of quantitative indicators	<ul style="list-style-type: none"> <li>Assess whether grievances are correctly classified</li> <li>Identify trends in grievances</li> <li>Ensure grievances are being addressed</li> </ul>	<ul style="list-style-type: none"> <li>Total number of grievances received by grievance level and type</li> <li>Number of open grievances by grievance level and type</li> <li>Timeframes for closure by grievance level and type</li> <li>Repeat of grievance from the same stakeholder</li> <li>Repeat grievance from several stakeholders (i.e. trends in grievance)</li> </ul>
Review of grievance procedure	<ul style="list-style-type: none"> <li>Assess compliance with the grievance process</li> <li>Evaluate progress in achieving objectives</li> <li>Identify improvements and update grievance procedure</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with process</li> <li>Completeness of grievance log</li> <li>Qualitative assessment of stakeholder awareness of the grievance mechanism through stakeholder engagement process</li> </ul>

## **Appendix A: Grievance Recording Form**

# Bahamas Petroleum Company Grievance Recording Form

Bahamas Petroleum Company would like to know your concerns related to our work and that of our contractors. You can submit your concern anonymously. However, the more information provided, including contact details, the easier we will be able to follow-up. This process is at no cost to you. Participation in this process does not affect your right to take actions under Bahamian or other applicable law.

<b>Date/Time/ Location</b>	<b>Date (mm-dd-yyyy):</b>  <b>Time (24 hr):</b>	<b>Location:</b>
<b>Name</b>		<input type="checkbox"/> You can use my name but do not use it in public <input type="checkbox"/> You can use my name when talking about this concern in public <input type="checkbox"/> I do not want to give my name.
<b>Alternative contact:</b>	<input type="checkbox"/> I would like the following trusted individual to talk with Bahamas Petroleum Company on my behalf.	
<b>Method to Contact You:</b>	<input type="checkbox"/> By mail: Address where you or your trusted contact receive mail:  <input type="checkbox"/> By Telephone: <input type="checkbox"/> By E-mail: <input type="checkbox"/> I would like to pick up responses here: _____	
<b>Location of Residence:</b>	If we would like to talk with you in person, describe where can you normally be found?	
<b>Supporting Documents:</b>	<input type="checkbox"/> Written (email, invoice, title, commitment, contract, etc.) <input type="checkbox"/> Photograph <input type="checkbox"/> Other: <input type="checkbox"/> Voice Recording	
<b>Brief Description:</b> (What happened? Who was involved? Who did it happen to?)	<input type="checkbox"/> Compensation Requested	

**Information Recorded by?**

\_\_\_\_\_

**Date Received** \_\_\_\_\_

**Official Use Only-  
Claim Number:**

**Page** \_\_\_\_ **of** \_\_\_\_

<b>Follow-up:</b> (How would you like to see this resolved?)	
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<b>Acknowledgement of Receipt:</b>	<input type="checkbox"/> By checking this box, I acknowledge that my grievance has been received by Bahamas Petroleum Company and that I am aware of the grievance resolution process.
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\_\_\_\_\_

**Signature (Claimant)**

\_\_\_\_\_

**Date (mm-dd-yyyy)**

\_\_\_\_\_

**Signature (Bahamas Petroleum Company)**

\_\_\_\_\_

**Date (mm-dd-yyyy)**

For Official Use Only	
<b>Grievance Involves:</b>	
<input type="checkbox"/> Human Rights	<input type="checkbox"/> Property Damage
<input type="checkbox"/> Injury	<input type="checkbox"/> Environmental Concern
<input type="checkbox"/> Other _____	

**Information Recorded by?**

\_\_\_\_\_

**Date Received** \_\_\_\_\_

<b>Official Use Only- Claim Number:</b>
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**Appendix B: Grievance Register**

[Separate Excel file]