

Dispute/ Grievance Resolution Procedures

This appendix is prepared in support of the FSC Management Plan, FSC Consultation Process.

A **Dispute** refers to a formal complaint received in writing from a person that a person's rights or interests are directly affected by Taan Forest (the Manager) forest management activities, after regular consultative avenues have been explored to resolve the differences.

A **Grievance notice** refers to notification provided to the **manager**, in writing, by a **local** person or people regarding actual or potential loss or damage affecting their property, resources, livelihoods, or legal or **customary rights**, resulting from the **manager's** activities.

Grievance involving potential loss or damage: A grievance where there is evidence that proposed or ongoing forestry activities are likely to cause loss or damage to the rights, property, resources or livelihoods of a **local** person or people.

In specific cases where Taan has a contractual agreement in place with any party that enters into a dispute or grievance that is linked to the provisions of the agreement (regardless of whether the issue is raised by the other party or Taan), the dispute resolution process contained within the contractual agreement is followed and is determined to be mutually agreed to through the signed agreement. Related records are retained on file.

In cases where there is no contractual agreement and/ or the nature of the dispute grievance is not directly tied to the provisions of the agreement, the following process is followed.

The Dispute/ Grievance Resolution process is generally determined to be "mutually agreed to" through the public consultation process of the FSC Management Plan. Other avenues/ processes to raise a dispute/ grievance are also available through the Certifying Body (Rainforest Alliance) Dispute Resolution Procedures or the Forest Stewardship Council Dispute Resolution process.

If following regular consultation efforts, Taan believes a dispute/ grievance situation exists and/ or receives written notification of disputes/ grievances that identifies potential loss or damage affecting tenure claims and use rights, legal, customary rights, property, resources or livelihood of local people, Taan is committed to working towards resolution of the dispute through methods involving compromise, alternatives and clarification of information or points of view.

The following dispute resolution process provides guidelines for resolution of disputes and grievances.

- Taan requests a written record of the particular dispute/ grievance that clearly documents the concerns (if a written record is not provided, Taan must document the dispute/ grievance to the best of their knowledge and provide copies to the other party requesting confirmation and agreement as the documentation of the dispute) and establishes a file within the Corporate Filing System to document all communication (where written records are not received, the Taan Representative documents the issues/ concerns raised and the method of communication the dispute/ grievance was received by (e.g., email, phone, etc.). The Taan Representative notifies the CMS Administrator and forwards copies of applicable records.

- Taan issues a written summary of the proposed dispute/ grievance process (i.e., outlined within this section) to the complainant/ Grievor and requests written notification/ sign off that they agree to the process to be implemented to resolve the issue. If the complainant/ Grievor does not agree with the process, the Taan Representative works with the other party to revise/ adopt an agreed to process (while ensuring that the FSC requirements are maintained within the process). Any changes to the process are documented and retained on file. Assistance is provided by the CMS Administrator if required.
- The dispute/ grievance is assigned to a Taan Representative for follow-up. The person responsible for the action item completes further review of the situation to determine whether the dispute/ grievance are substantiated or valid. Notes are documented to support any conclusions or decisions.
- The Taan Representative responsible for the issue ensures records are maintained, including follow-up communications, steps taken to resolve issues, and a measure of the general effectiveness of the resolution. Relevant action items are forwarded to the CMS Administrator for entering into the Corporate Action Tracker (along with person responsible and timelines).
- The Taan Representative responsible ensures that follow-up communication is completed within 30 days of receipt of the dispute/ grievance. Copies of all records are maintained on file .
- In the event that the dispute cannot be resolved through consultation efforts, either party may provide the other with written notice that mediation of the dispute is required. The parties will seek to agree upon the mediator, but if agreement cannot be reached, Taan is authorized to appoint a mediator, who's decisions will be binding to all parties. The mediator may at their discretion, engage appropriate professional advisors to assist in the mediation process.

The following additional procedures relate to a received Grievance:

- In the event that the grievance identifies possible loss or damage as a result of Taan's forest management activities, the dispute/ grievance is communicated to Senior Management and to the CMS Administrator for further investigation (i.e., responsibility for further communication and resolution is passed off to Senior Management).
- If the grievance identifies potential loss or damage related to Taan's forest management activities, Taan will refrain from carrying out the activity until it can establish that loss or damage will not occur or effective measures are in place to protect the Grievor from loss or damage.
- In the event that Taan receives evidence that our forest management activities are responsible for actual loss or damage affecting the Grievor's rights, property, resources or livelihood, Taan will provide compensation in the form of restoration/ mitigation of the loss or damage or financial compensation as agreed to by both parties or determined through arbitration. The Taan Representative provides progress updates and summary of resolution to the CMS Administrator.
- Costs of arbitration, payable by all parties, are determined through mutual agreement or in the case that agreement can't be reached, by the arbitrator on the basis of the facts of the case, including good faith of the parties and the parties' ability to pay.
- Where it is determined (through agreement or arbitration) that Taan is responsible for loss or damage to the Grievor's rights, property, resources or livelihood, Taan will establish measures to protect the Grievor from future loss or damage as a result of their forest management activities.