

GRIEVANCE MECHANISM OF LARUS LLC

10 January 2023

Limited Liability Company “Larus” strives to ensure human rights and freedoms protection to its employees, counterparties and related community. For this purpose, we set up this Grievance Mechanism as a process scheme for dealing with complaints within the company as well as with problems caused by any of our company operations for external parties.

We officially confirm that using the grievance mechanism will not lead to complainant employment termination, threats or revenge.

We hereby appoint the following Grievance Committee responsible for all activities related to dealing with complaints:

Hanchuk R.V. (Manager of Foreign Economic Activities) – secretary of committee;
Rudenko O.A. (Financial Director);
Hrynychshyn H.M. (Director of Economics);
Baltrunas V.E. (Warehouse guard)

Grievance Mechanism consists of the following steps:

1. Receiving of the grievance.
2. Review of the grievance.
3. Investigation.
4. Remediation plan development.
5. Implementation of the plan and monitoring activities.
6. Follow-up and analysis.

Each step should be communicated to the complainant (if not anonymous). In case of an anonymous complaint, the results of each step may be communicated publicly, if it does not interfere with confidentiality of the complainant. The results of each step and each committee meeting should be also documented by a secretary.

1. Receiving of the grievance.

The complainant may submit the grievance in one of the below mentioned ways:

- verbally/in person – directly to either grievance committee or gender committee representatives, or supervisor/director;
- written complaint handed to either grievance committee or gender committee representatives, or supervisor/director;
- sending email to minieldo@mail.lviv.ua;
- calling or sending SMS to +380504386224 or calling to +380322395010;
- by post to the address Larus LLC, 47 O.Stepanivny str., Lviv, 79018, Ukraine.

The grievance may be submitted anonymously or the person may ask to keep personal information confidential. In such cases, grievance committee should treat the complainants accordingly and investigate the situations without revealing personal data. If investigation or remediation is not possible without some personal data revealing, it is obligatory to receive consent from complainant. If no consent is received or the complaint is anonymous, the grievance committee should do its best to try to finalize the process without the information needed.

The complainant, if not anonymous, should be contacted within 1-2 days with the acknowledgement that the grievance is received and that committee is working on it. Any grievance should be documented along with the information obtained on further stages and kept for records purposes and analysis.

2. Review of the grievance.

First of all, the committee should check whether the complainant or any related person is not at risk. The committee needs to take a severity test that includes the following questions:

- Is the situation life-threatening?
- Is the incident a systemic one, repeated multiple times?
- Does the situation have long-lasting negative effect?
- Did someone know about the situation and approve it or take no actions to stop it?

Answer “yes” to any of the questions means that the incident should be brought to senior management or related third parties to take immediate actions in order to separate complainant from hazard. It should be done within 1-2 days after the grievance is received.

If the complaint involves human rights violation, the committee should follow the Remediation protocol of the company. If the case is severe, the investigation is obligatory. Also such cases that potentially violate criminal law may be referred to the police or other relevant authorities for a criminal investigation.

The committee needs to check whether the grievance is admissible, which means that the complaint is related to the company operations, employees’ actions or conditions created at the workplace. It should be done within 1-2 days.

The complainant should be informed about the review outcome and further actions to be taken.

3. Investigation.

If the complaint is admissible, the investigation should be taken (within 4 weeks). The appointed person from the committee should define the following issues:

- what actions/non-actions cause the grievance?
- who was responsible for the situation happened?
- what is the root cause of the incident?
- is it a systemic issue?

The appointed person should interview the complainant and all related persons/witnesses as well as consult with the experts if needed. The investigator must keep in mind that confidentiality or anonymity should be adhered. All the investigation results should be communicated to the complainant (within 6 weeks). If the complainant agrees with all the results, the remediation plan should be developed. If the complainant does not agree, the committee should use the help of the disinterested party in order either to confirm the findings or make other recommendations (new investigation, adjusting the findings).

4. Remediation plan development.

Remediation plan should consist of actions to be taken to correct the situation as well as to prevent the repetition of the situation. The committee should work along with experts, relevant third parties, complainant and affected parties in order to develop the plan (within 6 weeks). There should be responsible person for each action to be taken. Timelines for each action should be set up.

5. Implementation of the plan and monitoring activities (within 12 weeks).

The committee should ensure that the responsible persons implement the corrective actions according to the plan and without delay. The monitoring of the progress must be documented and communicated to the complainant. The committee should also monitor the real effectiveness of the plan and make corrective actions, if needed, to ensure that root causes are addressed. On each stage of implementation the committee should check whether the complainant is satisfied with the outcome. In case of anonymous complaint, the progress may be communicated publicly, but considering the confidentiality of the complainant and without putting them at any risk.

6. Follow-up and analysis.

Once the plan has been completed and the complaint has been resolved, the committee should analyze the entire process and check the following (up to 52 weeks):

- Was the procedure followed accurately?
- Get and discuss the feedback from each party involved in the process.
- How the grievance fits into overall pattern of complaints received?
- How the grievance helped the company to improve?
- Were the root causes identified properly and the repetition of situation prevented?

All the conclusions should be documented in the register and the file of each grievance must be kept with the confidentiality preserved.

Director LLC Larus

Karpenko R.V.