

GRIEVANCE REDRESS MECHANISM FOR ENVIRONMENTAL AND SOCIAL RISK COMPLAINTS AND CONCERNS

Introduction

The Grievance Redress Mechanism (GRM) for Environmental and Social (E&S) complaints and concerns establishes clear guidelines for effectively managing and responding to complaints associated with the implementation of projects and programs, investments, and operational activities funded or guaranteed by NIRSAL Plc. NIRSAL Plc recognizes that its counterparties and stakeholders are integral to its mandate of de-risking agriculture and facilitating agribusiness, and that the highest standard of stakeholder engagement must be offered. This mechanism supplements NIRSAL Plc's internal Stakeholder Engagement and Grievance Redress Mechanism as outlined in the Internal Control Policy & Framework. It is intended to guide stakeholder consultation and grievance redress processes across the phases of NIRSAL- supported projects and during the implementation of Environmental and Social Management Plans (ESMP).

Policy Approach

Through this policy, NIRSAL Plc puts into practice its commitment to fostering stakeholder consultation and grievance redress processes across the phases of NIRSAL funded projects and during the implementation of the Environmental and Social Management System (ESMS).

It establishes a secure, anonymous reporting channel and a central register managed by the Internal Control & Compliance (ICC) Business Unit, ensuring that queries are directed efficiently, access is restricted to authorized personnel to preserve confidentiality, and responses are provided timely.

NIRSAL Plc recognizes that sustainable operations and good governance are vital. The organization mandates the adoption of E&S management system consistent with the standards of international funding bodies. This ensures that financial resources support ecosystem preservation and that communities and workers are treated fairly.

Objectives of the Policy

The specific objectives of the GRM are:

- To provide stakeholders with the opportunity to raise concerns.
- To structure and manage the handling of grievances through a centralized grievance log and tracking system.
- To ensure that grievances are handled fairly, transparently, and objectively, in line with internal policies, and without fear of retaliation, discrimination, or victimization (whistleblower protection).
- To serve as a risk management tool that hedges NIRSAL Plc's reputational risk and highlights emerging E&S risks and trends.

Scope and Eligibility

The GRM will apply to all concerns raised in relation to potential or actual adverse E&S impacts associated with NIRSAL Plc's operations, guaranteed portfolios, and activities funded by international partners. This encompasses Category A (High Risk), Category B (Moderate Risk), and Category C (Low Risk) projects. The procedure will not apply to compliants related to unsuccessful funding or guarantee outcomes.

Types of Complaints

The GRM will be made available to partners who have grievances arising from activities related to the implementation of NIRSAL Plc's operational risk processes and project execution. These grievances could relate to, but are not limited to:

- Environmental, social, occupational health, and safety impacts.
- Gender bias and non-compliance with NIRSAL Plc's gender policy or gender action milestones.
- Service delivery and compliance with internal policies.
- Resettlement-related grievances, abuse of authority, or any prohibited practices, including fraud, coercion, or collusive practices.
- Labour, compensation, and community interactions.

Grievances will be deemed non-eligible if submitted more than two (2) years after the NIRSAL-funded project or guarantee facility has been closed, or 2 years after the complainant became aware of the negative impacts.

Process and Suggested Timeframes for Grievance Redress

S/N	Process	Duration
1	Receive and log grievance in the central register	Within 24 Hours
2	Acknowledge receipt to the complainant	Within 48 Hours
3	Assess and categorize grievance (by severity and impact)	Within 7 Days
4	Referral to appropriate business unit or responsible officer for review	Within 3 Days
5	Development and tracking of resolution response	Within 5 Days
6	Implementation of response and corrective actions (if agreement reached)	Within 2 Days
7	Close grievance	Within 2 Days
8	Initiate grievance review/investigation (Internal Audit Business Unit), if unresolved	Within 5 Days

Whom To Submit Complaints and By Whom

NIRSAL Plc provides multiple channels for stakeholders to submit their grievances to the Internal Control & Compliance (ICC) Business Unit, ensuring accessibility and confidentiality:

- I. **Email:** Compliance & grievance email, via Internal Control & Compliance business unit (icc@nirsal.com).
- II. **Online:** Submission via the secure, anonymous reporting channel on the NIRSAL Plc website (www.nirsal.com), via the **Enquiries** menu, where the comprehensive **Grievance Logging and Resolution** page can be accessed.
- III. **Written Letters:** Directed to the Head, Internal Control & Compliance business unit, NIRSAL Plc Head Office, Plot 1581 Tigris Crescent, Maitama, Abuja, Nigeria.

Monitoring and Evaluation

All grievances and complaints will be tracked through all stages using the central register. The implementation of the ESMP and associated grievances will be monitored periodically to ensure compliance. Monitoring criteria include:

- Number and description of grievances registered, tracked, and resolved.
- Compliance status with internal E&S policies and international funding indicators.
- Number of complainants by gender, utilizing collected gender-disaggregated data.
- Incident Management, corrective actions taken, and ongoing resolution efforts. Periodic reports highlighting grievance issues, emerging E&S risks, and trends shall be submitted to Executive Management. Lessons learned will be used to enhance internal controls and stakeholder management, with relevant disclosures made in annual reports while preserving data integrity and confidentiality.

Executing Entities and Counterparties

NIRSAL Plc expects that all its Counterparties, Project Teams, and associated Business Units integrate Environmental and Social Management Systems (ESMS) in projects guaranteed or financed by NIRSAL. Counterparties are responsible for informing project-affected parties about their localized grievance mechanisms as the first point of contact. They must provide NIRSAL with copies of grievances and proposed resolution processes.