PROCEDURE

TITLE : GRIEVANCE

ISSUED BY : AHMAD RIDHUAN BIN MUHAMMAD
DESIGNATION : EHS & SUSTAINABILITY MANAGER

APPROVED BY : LOW YIN PENG
DESIGNATION : MANAGING DIRECTOR

Approval signatures on file.

RELATED DOCUMENTS:

Change History

DATE & REQUESTED BY:	REV.	REVISION DESCRIPTION
1-11-2022 Ahmad Ridhuan	0	NEW ISSUE
10-07-2023 Azhar Mohamed	1	1. Clause 2.4 – changed from "Suspended supplier…" to "Suspended/ disengaged suppliers…" 2. Revised Appendix 1 – Item no.3 - ii. A disengagement will be considered if the supplier is verified to: a. A breach or no commitment to environmental and social protocols bound to POC Sustainability Policy - iii. A suspension will be considered if the supplier is verified to: a. No initiative or action plans to resolve non-compliance; b. Repeating the same non-compliance at the same sites 3. Changed issued by from "Ahmad Ridhuan Muhammad" to "Azhar Mohamed"
08-06-2026 Ahmad Ridhuan	2	1. Changed issued by from "Azhar Mohamed" to "Ahmad Ridhuan Muhammad" 2. Appendix 1 and 2 – Document reviewed. No changes required.

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1.0 PURPOSE

1.1 This procedure is design to facilitate consultation and communication process between the management, suppliers, local communities and other affected external parties.

1.2 To deliver prompt and comprehensive responses to the external stakeholder's grievances to prevent disputes wherever possible and resolve any issue relating to the Pacific Oleochemicals Sustainability Policy.

2.0 SCOPE

2.1 The above process concentrates on matters pertaining to social, environmental issues and RSPO & MSPO implementations of the company, which may include legal requirement and other related requirement.

2.2 This procedure covers Pacific Oleochemicals and all its stakeholders, including direct and indirect suppliers, as bounded by Pacific Oleochemicals Sustainability Policy, Violation of "No Deforestation and "No Peat" covers clauses in Section 1.0, while violation of "No Exploitation" covers Section 2.0, bounded by the United Nations Guiding Principles (UNGPs) on business and human rights, and other relevant instruments and frameworks listed.

2.3 The procedure involves acknowledging grievances raised, planning and implementing action plans to verify claims, resolving confirmed issues, reporting assessments and results to relevant stakeholders, and managing and monitoring any follow-up actions. Any confirmed non-compliance based on the policy will result in a suspension.

2.4 Suspended/disengaged suppliers are considered eligible for reinstatement into Pacific Oleochemicals's supply chain if they show commitment to amend their practices towards the policy with a time-bound correction action plan. It also depending on Pacific Oleochemicals management approval.

3.0 RESPONSIBILITY

Purchasing Department is the team at Pacific Oleochemicals that manages its sustainable operations and works closely with the commercial team. They are personnel in charge of grievance issues at Pacific Oleochemicals

4.0 DESCRIPTION

4.1 Terms and Definition

4.1.1 Grievance: a claim of environmental and/or social damage resulting from an organization, Pacific Oleochemicals's operations and/or supply chain.

4.1.2 Direct supplier: palm oil mills that supply crude palm oil to Pacific Oleochemicals

4.1.3 Indirect supplier: the multiple mills that supply palm kernels to a main kernel crushing plant and deliver the palm kernel oil to Pacific Oleochemicals

4.1.4 Action plan: a plan created to resolve grievance issues and may involve further actions such as field assessments and verifications.

4.1.5 Corrective action: a plan, usually created under a set of requirements or criteria for the suppliers to resolve their issues regarding non-compliance with Pacific Oleochemicals policy.

4.1.6 Timelines: the action and corrective action plans are bounded by a specific time to ensure issues are resolved effectively and on time.

4.2 As with internal communication, the management also encourages a two-way communication with the direct and indirect supplier. External communication could be a request for information such as the company's "No Deforestation, No Peat and No Exploitation" Commitment Policy or a complaint related to its social and environmental performance and RSPO and MSPO implementations.

4.3 The Purchasing Manager from time to time need to inform direct and indirect supplier of any changes in work practices or procedures, latest information and law requirement that may affect them.

4.4 The Purchasing personnel proactively checking (quarterly) the any palm oil supply chain grievance information in public websites such as Finnwatch (https://finnwatch.org/fi/) , Mighty earth (https://www.mightyearth.org/) and local news portals.

4.5 Sales personnel are responsible to share any grievance information from customer immediately to our sustainability team to ensure all our supply chain supplier is not in the grievance list

4.6 Grievance Channel

4.6.1 Pacific Oleochemicals has established a grievance channel where grievances can be submitted via email or phone call or facsimile (fax) or official mail. All the details available on website http://www.pacificoleo.com. Evidence(s) to support the grievance(s) is essential for ensuring a smooth investigation process for Pacific Oleochemicals and the responsible parties.

4.6.2 The grievances submitted through the official channel above, unofficial issues raised, such as the media and the internet, will be recorded as grievances if they allege a breach of policy by Pacific Oleochemicals or one of its direct and indirect suppliers.

4.7 Transparency and Confidentiality

4.7.1 Pacific Oleochemicals is committed to the transparent handling of grievances. The Purchasing Department will update the status of a complaint, particularly when the complaint is registered, action has been taken and a resolution or outcome is agreed upon.

4.7.2 This is regularly done in the grievance log on Pacific Oleochemicals record (Grievance Masterlist Record) and is accessible by visitors upon request. The Complainant can also contact the Purchasing Department regarding the status of the complaint by writing.

4.8 Grievance process may refer to Appendix 1.

5.0 RECORDS

5.1 Grievance Masterlist Record shall be kept by Purchasing Department for minimum of 3 years

6.0 APPENDICES

Appendix 1 - Grievance Process

Appendix 2 - Grievance Masterlist Record

POC Grievance Process

No	Process	Responsible	Period
1	Receive and acknowledgment of grievance claim i. Potential grievance reported to POC's Sustainability Committee ii. The grievance raiser will be contacted to acknowledge the claim	-Purchasing Dept. -Sales Dept. -Sustainability Committee	7 days
2	Preliminary review and Investigation i. Collect information from involved parties and assess links between the claimant's alleged issues and POC Sustainability policies ii. If the grievance reported is about POC Supply Chain, Purchasing Dept. will temporarily stop purchasing oil from the mentioned suppliers (direct/indirect) for investigation action. iii. Purchasing Dept. immediately engages with other supplier to support POC's oil stock and avoid POC production stoppage. iv. Validate the grievance and inform review results to the raiser	-Purchasing Dept. -Sales Dept.	7 days
3	Engagement i. Record in the grievance log & engage with relevant parties ii. A disengagement will be considered if the supplier is verified to: a. A breach or no commitment to environmental and social protocols bound to POC Sustainability Policy iii. A suspension will be considered if the supplier is verified to: a. No initiative or action plans to resolve non-compliance; b. Repeating the same non-compliance at the same sites iv. Purchasing Dept. will produce statement to suspend supplier. v. Sales Dept. will provide the statement to all customer (upon request)	Purchasing Dept. POC Management	1 month
4	Reinstatement of suspended/disengaged suppliers. Suspended/disengaged suppliers will be considered for reinstatement into POC's supply chain, provided that they: i. Plan and implement a time-bound corrective action plan which includes: ii. The plan should include a stop-work order on non-compliance, HCV and HCS assessments, or forest/peatland restoration by working with relevant stakeholders and communities. iii. Resolving issues, including compensation regarding labour rights bounded. iv. Monitor, communicate, and report on the recovery progress. v. All above will be consider on POC management approval.	POC Management	6-12 months

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APPENDIX 2
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Grievance Masterlist Record

Date	Supplier	Stakeholder/Source	Grievance	Subject, Progress and Status

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