



**SIN HENG CHAN (MALAYA) BERHAD**  
(Registration No.: 196201000185 (4690-V))

**GRIEVANCE POLICY AND PROCEDURE**

**28 March 2026**  
**Version 1.0**

**Table of Contents**

1. Introduction .....	3
2. Purpose.....	3
3. Scope of Application.....	3
4. Alignment with MSPO and FPIC.....	3
5. Grievance Committee.....	4
6. Policy Principles .....	4
7. Submission of Grievances.....	4
8. Confidentiality, Anonymity and Non-Retaliation .....	5
Appendix 1: Grievance Procedure Flowchart .....	6
Appendix 2: Grievance Management Process .....	7

## **1. Introduction**

Sin Heng Chan (Malaya) Berhad (“SHCM” or “the Group”) acknowledges that its plantation operations involve engagement with workers, local communities and indigenous peoples in areas related to land use, natural resources, livelihoods and cultural heritage. In line with our commitment to responsible plantation management, good governance and sustainable development, the Group has established this Grievance Policy and Procedure to ensure that concerns and complaints arising from our operations are addressed in a fair, transparent and timely manner.

This policy has been developed with reference to the Malaysian Sustainable Palm Oil (MSPO) certification framework and applicable legal considerations, and is informed by internationally recognised principles, with emphasis on Free, Prior and Informed Consent (FPIC).

## **2. Purpose**

The purpose of this policy is to provide an accessible and effective grievance mechanism through which stakeholders may raise concerns related to SHCM’s operations. The mechanism aims to resolve grievances through dialogue, consultation and corrective action, while preventing escalation, reducing conflict and ensuring continuous improvement in social and environmental performance.

## **3. Scope of Application**

This policy applies to grievances related to all aspects of the Group’s operations, including the plantation activities, such as, but not limited to:

- a. Land acquisition, land use and land rights
- b. Environmental impacts such as water quality, pollution and waste management
- c. Labour conditions, workers’ rights, health and safety
- d. Community relations, social impacts and livelihoods
- e. Indigenous peoples and native customary rights
- f. Alleged non-compliance with MSPO requirements, legal obligations or company policies

The grievance mechanism is open to all stakeholders, including employees, workers, contractors, suppliers, local communities, indigenous peoples, non-governmental organisations and members of the public.

## **4. Alignment with MSPO and FPIC**

In accordance with MSPO Principles and Criteria, the Group is committed to:

- a. Providing a documented grievance mechanism that is accessible to affected stakeholders
- b. Resolving disputes and grievances in a transparent and consultative manner
- c. Respecting native customary rights and community rights
- d. Ensuring that no new land development or significant operational changes affecting communities proceed without Free, Prior and Informed Consent (FPIC) where applicable

- e. FPIC is understood by the Group as a process that ensures that affected indigenous peoples and local communities are able to make decisions about matters affecting their lands, territories and resources freely, before activities commence, and based on full and understandable information, without coercion or manipulation.

## 5. Grievance Committee

A cross-functional committee comprising representatives from the Sustainability Department, Human Resources, Operations (Estate Management), and Internal Audit.

Responsibilities:

- Overall oversight of the grievance mechanism.
- Reviewing investigation findings and approving corrective actions.
- Approving closure of grievances.
- Escalating complex or unresolved cases to Senior Management.
- Reviewing patterns and systemic issues to recommend policy improvements; and
- Reporting to Senior Management on grievance trends and outcomes.

## 6. Policy Principles

The implementation of this grievance mechanism is guided by the following principles:

- a. The grievance process shall be accessible to all stakeholders through multiple channels and without barriers.
- b. It shall be transparent, with clear procedures and timely communication. All grievances shall be handled impartially and objectively.
- c. Confidentiality shall be respected, particularly for vulnerable individuals and communities.
- d. No retaliation, intimidation or discrimination shall occur against any complainant who raises a grievance in good faith.
- e. The process shall prioritise dialogue, consultation and mutual understanding, particularly in cases involving land, FPIC and community rights.

## 7. Submission of Grievances

- a. Grievances may be submitted through following channels:
  - i. Via email to: [sr@shcm.com.my](mailto:sr@shcm.com.my)
  - ii. In writing to: Sin Heng Chan (Malaya) Berhad, Level 3, Wisma E&C, No. 2, Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur, Malaysia (Attn: Sustainability Department)
  - iii. By telephone to: +603-2094 7992 (ext. 352)
- b. All grievance submissions should include the following information:
  - i. Full Name
  - ii. Name of organisation (if any)
  - iii. Address
  - iv. Phone number or email address

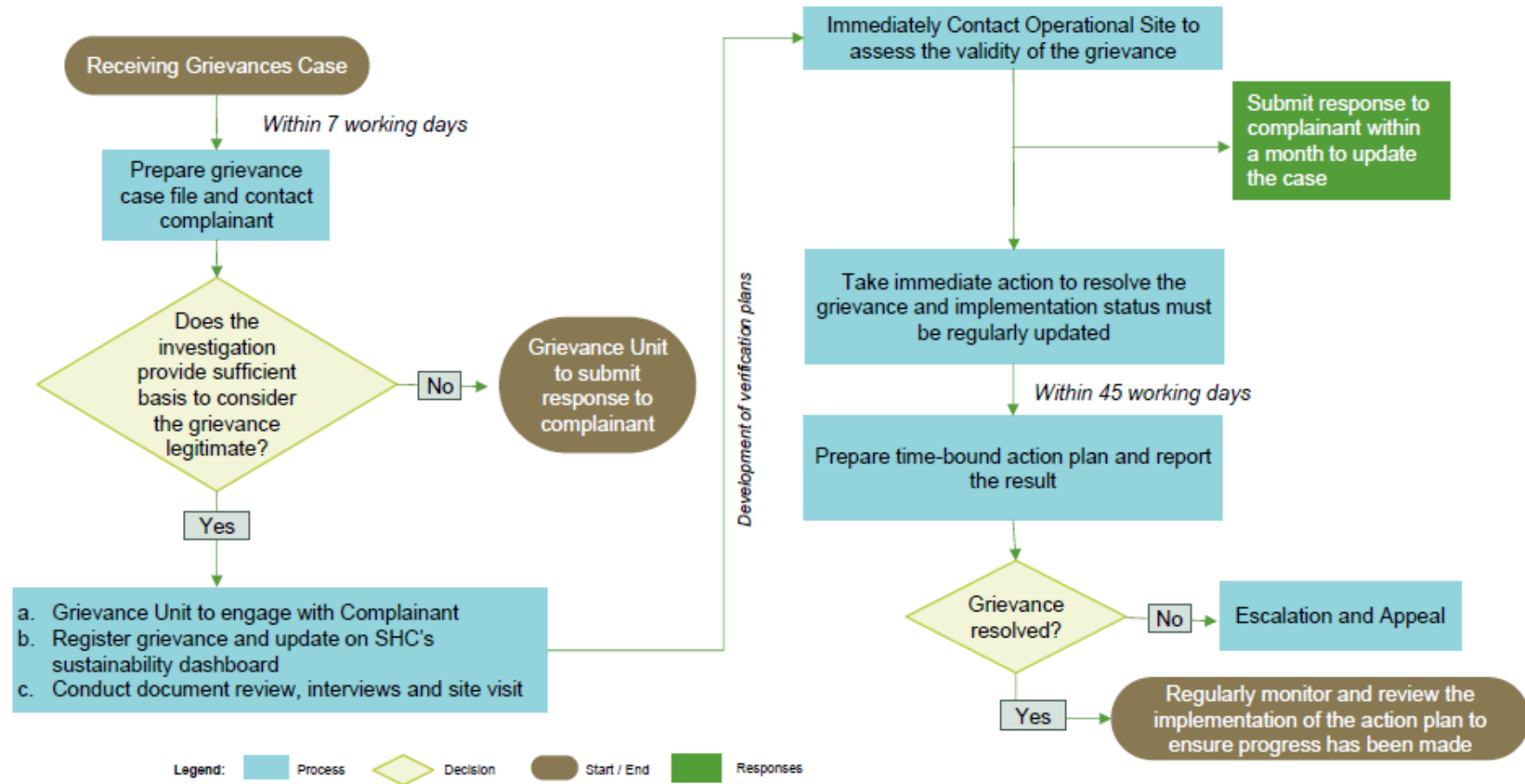
- v. Description of grievance in detail
- vi. Evidence to support the grievance

## **8. Confidentiality, Anonymity and Non-Retaliation**

While grievances may be raised anonymously, the provision of a contact phone number or email address is encouraged for the purposes of communication. All information received, including the Grievance Raiser's identity, shall be kept confidential and shared only with those directly involved in processing grievance.

There shall be no reprisal, intimidation, discrimination, harassment, or any adverse action against any complainant, human rights defender, or whistleblower who raises a grievance in good faith, regardless of whether the grievance is substantiated. Consistent with MSPO Principle 4, Criterion 3, Indicator 4, the Company shall ensure protection against retaliation, and any employee found to have engaged in such retaliation shall be subject to disciplinary action.

Appendix 1: Grievance Procedure Flowchart



## **Appendix 2: Grievance Management Process**

### **1. Acknowledgement and Registration**

All grievances shall be acknowledged within seven (7) working days of receipt. Each grievance shall be recorded in a Grievance Register and assigned a reference number. A designated Grievance Committee shall be responsible for managing the grievance.

### **2. Preliminary Assessment**

A preliminary assessment shall be conducted to determine whether the grievance falls within the scope of this policy and to assess its urgency and potential impacts. Grievances related to FPIC, land disputes or alleged rights violations shall be prioritised and handled with enhanced scrutiny.

### **3. Investigation and Consultation**

The Company shall conduct investigations proportionate to the nature and seriousness of grievance. Investigations may involve document reviews, interviews with relevant parties, site visits, and engagement with affected stakeholders.

In cases involving communities or indigenous peoples, investigations shall include direct consultation with affected groups, respecting customary decision-making processes and FPIC principles.

The Investigation Team shall prepare a written investigation report documenting: methodology, evidence reviewed, stakeholder consultations conducted, findings, and recommended corrective actions. The investigation report shall be submitted to the Grievance Committee for review and decision.

### **4. Corrective Action and Resolution**

Based on investigation findings, the Group shall develop appropriate corrective actions. These may include remedial measures, changes to operational practices, restoration actions, compensation, or other agreed remedies. Corrective actions shall be time-bound and clearly assigned.

SHCM aims to resolve grievances within 30 days, depending on complexity. Where longer timeframes are required, progress updates shall be provided.

### **5. Communication and Closure**

The outcome of the grievance and actions taken shall be communicated to the complainant. A grievance shall only be closed once corrective actions have been implemented and, where applicable, community concerns have been adequately addressed.

### **6. Escalation and External Recourse**

If a grievance cannot be resolved through this mechanism, it may be escalated to senior management. Where relevant, complainants may also seek resolution through external mechanisms, including certification bodies, regulatory authorities or other recognised dispute-resolution platforms.

## 7. Monitoring, Reporting and Continuous Improvement

Grievances and their outcomes shall be monitored to identify patterns and systemic issues. Lessons learned shall be used to improve operational practices, stakeholder engagement and FPIC processes. Valid grievances will be published on the Company's website and annual report with relevant information and a time-bound action plan, and will be updated regularly until closure, subject to confidentiality. Lessons learned from resolved grievances shall be used to improve operational practices, stakeholder engagement, FPIC processes, and SOPs.

## 8. Record-Keeping & Documentation

In compliance with MSPO Indicator 4.1.8.3, all complaints and their resolutions shall be documented and maintained for a minimum of 24 months. The following records shall be maintained:

- Grievance Register – a central log of all grievances received, their status, and outcomes.
- Grievance Submission Forms and supporting evidence.
- Acknowledgement letters and all correspondence with complainants.
- Investigation reports.
- Corrective action plans and evidence of implementation.
- Closure confirmations; and
- Escalation and appeal records.

Records of complaints and resolutions that do not involve legal procedures shall be maintained for at least 24 months and made available to affected stakeholders upon request. Records shall be maintained in accordance with applicable data protection requirements.

## 9. Policy Review

This policy shall be reviewed periodically to ensure continued alignment with MSPO standards, applicable laws and evolving best practices on FPIC and stakeholder engagement. Any revision or amendment to this SOP shall require formal review and approval by the Plantation Director prior to implementation. Approved revisions shall be communicated to relevant personnel and stakeholders where applicable.

Version Control Table					
Version	Approved by	Designation	Approval Date	Signature	Remarks
1.0	Cpt Panirchellvum Velaitham	Director of Plantations	28 March 2026	<b><u>SIGNED</u></b>	First release