



PALM OIL SUSTAINABILITY CHARTER

Version 2
15 December 2018



Pacific Inter-Link Palm Oil Sustainability Charter

Introduction

Pacific Inter-Link (PIL) is a leading edible oil and consumer goods trader, established in Malaysia since 1988. PIL has its sourcing operations across Malaysia and Indonesia and exports its products to more than 70 countries across the world. Over the last three decades, PIL has grown into a well-integrated and diversified player in its field of business and operations.

Why Sustainability for PIL

Palm oil is the world's leading vegetable oil in terms of production as it uses the least area with the highest yield per hectare. It is also the most versatile vegetable oil found in most consumer goods manufactured products. Production of palm oil helps to eradicate poverty by providing livelihoods and job opportunities. Therefore, PIL believes that producing palm oil sustainably is of utmost importance to the world.

As a responsible organization, PIL commits to play a significant role in supporting sustainable practices in the palm oil industry and integrating the highest sustainability standards in its own business operations. In this endeavor, PIL believes that its commitments will safeguard the environment, economic viability and deliver progressive social change which will secure a better future for generations to come.

PIL's immediate priorities are to:

- Ensure all the palm oil that PIL trades are responsibly sourced.
- Implement responsible palm oil sourcing through engagement with suppliers.
- Develop a sustainability dashboard to ensure transparency in its supply chain.
- Identify and appoint a Sustainability Journey Partner who will oversee further development of PIL's goals.



Corporate Governance and Transparency

PIL commenced its sustainability journey by adopting sustainable practices in its business and operations. In September 2018, PIL established its own Sustainability Department, headed by the Sustainability Manager. The sustainability department is responsible in developing and implementing PIL's sustainable palm oil related policies. The Sustainability Manager reports directly to the Managing Director, whom is the policy leader and final decision maker for all sustainable palm oil related policies.

PIL believes in the importance of transparency and will endeavor to increase transparency of its sustainability efforts through the following actions;

- Publish a transparent Palm Oil Sustainability Dashboard on its website
- Develop and publish its Responsible Palm Oil Policy incorporating NDPE
- Develop and publish its Grievances Mechanism to resolve any complaints in a transparent and timely manner
- Engage with an independent and credible third-party partner to support PIL's sustainability journey, monitoring implementation and verification of policies throughout its supply chain, if required
- Share its Sustainability Implementation Plan and bi-annual Progress Reports
- Support relevant UN Sustainable Development Goals

Implementation Phases

PIL will implement the above mentioned actions following the timeline given below, in three phases;

Phase One (July – December 2018)

Publication of Palm Oil Sustainability Charter
Launch of a transparent Palm Oil Sustainability Dashboard
Appointment of a Sustainability Journey Partner to update progress report
Publication of Responsible Palm Oil Policy incorporating NDPE
Publication of Grievance Procedure covering its palm oil sourcing
Engagement with key suppliers
Collection of data from suppliers
Publication of traceability data to mill
Engagement with client



Phase Two (January – December 2019)

Development of the internal systems
Roll-out and implementation of all policies
Conduct engagement with key suppliers
Update of traceability data to mill
Engagement with client
Publication of bi-annual progress report

Phase Three (January – December 2020)

Engagement with key suppliers
Engagement with client
Support inclusion of smallholders in responsible supply chain
Publication of bi-annual progress report

Disclaimer: PIL will analyze, adjust and improve our charter and its implementation process based on stakeholder input.