

**ESCALATION POLICY**

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ESCALATION POLICY**1. Purpose**

The purpose of this Escalation Policy is to establish a clear and structured process for reporting and resolving operational, quality, safety, compliance, customer, employee, and other business-critical issues in a timely manner.

The policy ensures that issues are addressed at the appropriate level and escalated when they cannot be resolved within the defined timeframe or authority.

2. Scope

This policy applies to all employees, managers, contractors, and departments of the Company and customer, supplier vendors.

- Production and operations
- Quality and product/service defects
- Health and safety and Environmental incidents
- Customer complaints
- Equipment and machinery breakdowns
- Delivery and supply-chain delays
- Employee and workplace issues
- Financial and commercial matters
- IT and cybersecurity incidents
- Legal and compliance matters
- Serious misconduct or ethical concerns

3. Escalation Principles

The Company follows these principles:

- Issues should be reported as soon as they are identified.
- The person who identifies an issue should not unnecessarily delay reporting.
- Issues should initially be addressed at the lowest appropriate level.
- Critical or high-risk issues must be escalated immediately.
- Escalation should be based on severity, business impact, risk, and time sensitivity.
- Escalation is not intended to assign blame; it is intended to ensure timely resolution.
- All significant escalations should be documented.

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4. Escalation Levels-

Level 1 – Department/Immediate Supervisor

Routine issues should first be reported to the immediate supervisor or responsible person.

Examples:

- Minor operational problems
- Routine quality issues and routine customer complaint
- Small delays
- Minor equipment problems

Target response: Within **4 working hours**

Target resolution: Within **1 working day**

Level 2 – Department Manager

If the issue cannot be resolved at Level 1, or if it has a significant impact on operations, it should be escalated to the Department Manager.

Examples:

- Repeated quality failures
- Significant production delays
- Major customer complaints
- Extended equipment downtime
- Resource or manpower constraints

Target response: Within **2 hours**

Target resolution: Within **1–3 working days**, depending on complexity.

Level 3 – Senior Management

Issues with substantial financial, operational, customer, legal, safety, or reputational impact should be escalated to Senior Management.

Examples:

- Major production interruption
- Significant customer impact
- Serious contractual issue
- Major financial loss
- Repeated unresolved problems

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Significant regulatory concern Target response: Immediate or within 1 hour for critical issues. Level 4 – Top Management Critical matters that may materially affect the Company, employees, customers, or legal/regulatory compliance should be escalated to the appropriate top-management or Board-level authority. Examples: Fatality or serious workplace incident Major environmental incident Major fraud or suspected financial misconduct Serious legal or regulatory breach Major cybersecurity incident Significant business continuity event Matter requiring regulatory or law-enforcement notification Target: Immediate escalation. 5. Severity Classification <table><tr><th>Severity</th><th>Description</th><th>Escalation</th></tr><tr><td>Critical</td><td>Risk to life, major legal breach, major business interruption or severe financial/customer impact</td><td>Immediate</td></tr><tr><td>High</td><td>Significant operational, quality, financial, safety or customer impact</td><td>Within 1 hour</td></tr><tr><td>Medium</td><td>Material issue that can affect department performance</td><td>Within 4 hours</td></tr><tr><td>Low</td><td>Minor issue with limited impact</td><td>Normal reporting process</td></tr></table> 6. Immediate Escalation The normal escalation levels may be bypassed when an issue involves an immediate or serious risk to: Human life or health Workplace safety and environment Company assets Legal or regulatory compliance Confidential information Business continuity				Severity	Description	Escalation	Critical	Risk to life, major legal breach, major business interruption or severe financial/customer impact	Immediate	High	Significant operational, quality, financial, safety or customer impact	Within 1 hour	Medium	Material issue that can affect department performance	Within 4 hours	Low	Minor issue with limited impact	Normal reporting process
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- Significant customer impact

Employees should immediately notify the appropriate emergency contact, manager, safety authority, or senior management.

7. Documentation

Every significant escalation should record:

- Date and time of issue
- Person reporting the issue
- Description of the issue and severity level
- Immediate action taken
- Person to whom the issue was escalated
- Date/time of escalation
- Root cause, where applicable
- Corrective and preventive actions
- Closure date and person responsible for closure

9. Communication

The responsible manager shall provide appropriate updates to affected stakeholders until the issue is resolved. For critical incidents, management should establish a designated communication channel and ensure that information provided is accurate, timely, and appropriately authorized.

Good-faith escalation is encouraged, particularly where an employee reasonably believes that failure to escalate could result in harm, loss, non-compliance, or other serious consequences.

11. Closure

An escalated issue may be closed only when:

- Appropriate corrective action has been completed;
- The responsible manager confirms resolution;
- Required stakeholders have been informed; and
- Necessary records have been completed.

DIRECTOR