

FGV Announces Action Plan to Enhance Labour Practices

KUALA LUMPUR, 2 April 2020: FGV Holdings Berhad (FGV), in affiliation with the Fair Labor Association (FLA), has developed an action plan to ensure that all of its practices relating to labour, are fully in line with international labour standards.

The FGV Action Plan 2020, among others, underlines FGV's commitment to responsible recruitment of migrant workers, strengthening of grievance mechanisms, regularising undocumented migrant workers in Sabah, improving monitoring systems and remediation, and enhancing stakeholder engagements.

"Our plantation workers are the pulse of FGV's operation, without whom we will not be able to sustain our operations. There are over 30,000 migrant workers in our plantation and we fully respect their rights as our employees. FGV is serious in protecting the rights and well-being of workers including migrant workers especially amidst the Covid-19 situation in the country. FGV commits to pay minimum wage and to ensure adequate supply of food to these workers," said Group Chief Executive Officer, Dato' Haris Fadzil Hassan.

Haris added that as part of its commitment to human rights and ongoing efforts to uphold labour standards, FGV became a Participating Company of FLA in October 2019, with the support of Procter & Gamble Chemicals (PGC).

The FLA is an international association of socially responsible companies, universities and civil society organisations (CSOs) aiming to promote and protect the human rights of workers and improve working conditions worldwide.

In developing the action plan, FGV formed a core team from relevant divisions and departments within FGV who would also be responsible for overseeing the overall implementation of the plan. In addition, FGV consulted international and Malaysia-based CSOs to obtain feedback on the action plan and held an online stakeholders' consultation on 20 March which was participated by some 20 representatives from CSOs and academic institutions.

"The action plan will constitute FGV's overarching effort to uphold labour standards, which will also address concerns raised by the Roundtable for Sustainable Palm Oil (RSPO)," said Haris, adding that FGV will ensure effective implementation of the actions, some of which are already in progress and will be subjected to an independent assessment by the FLA.

FGV would like to thank all of its stakeholders who have contributed to the development of

the action plan, and wishes to express its appreciation to the FLA and PGC who have been very supportive of FGV throughout this process. The background and summary of FGV's Action Plan on Enhancing Labour Practices 2020 can be accessed at the following link: <https://www.fgvholdings.com/sustainability/reports-updates/>

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