

FGV Responds to Palm Oil Labour Abuse Findings by The Associated Press

FGV Holdings Berhad (“FGV”) refers to the article published in The Associated Press (“AP”) on 18 November 2020 titled “Rape, abuses in palm oil fields linked to top beauty brands”. FGV views the alleged findings as a matter of serious concern, as they do not only constitute gross human rights violations but are also criminal in nature. Should these allegations be true, perpetrators must be found and be brought to justice.

FGV does not tolerate any form of violence, harassment or abuse, be it sexual, physical, verbal or psychological. Every person should be treated with respect and dignity. Such position is reflected clearly in our policies and operating procedures.

FGV notes that the article by AP focuses on abuses against women. Although women make up only around 10 percent of FGV’s upstream workforce, FGV attaches great importance to protecting and safeguarding their rights and wellbeing.

FGV does not practice discrimination. Our female workers are offered the same terms of employment, benefits and entitlements as male workers. In terms of wages, both male and female workers receive equal pay for equal work. FGV’s adherence to Malaysia’ Minimum Wage Order 2020 also applies to all workers.

FGV does not compromise on the health and safety of any of its workers, male or female. The work carried out by our female workers are confined to gathering loose fruits, weeding, manuring, pruning, office and hostel cleaning, and general work which may include assisting in clerical tasks. We require our workers handling chemicals, pesticides and fertilisers to strictly adhere to SOPs on safety and health, including the mandatory use of personal protective equipment (PPE), which are provided by FGV. We prohibit pregnant and breastfeeding women from handling chemicals, pesticides and fertilisers.

As part of FGV’s efforts to fulfil the right to healthcare of its workers, we provide medical benefits, which cover annual expenses for outpatient care and an unlimited allocation for inpatient treatment.

FGV notes that the AP article had made reference to FGV’s relationship with FELDA, and we wish to clarify that although FELDA is the majority shareholder of FGV, FGV’s governance and management remain independent where FGV has direct control over its operations.

FGV’s is fully committed to respecting human rights and upholding labour standards. We view very seriously the findings of the United States Customs and Border Protection (CBP) which led to its issuance of the Withhold Release Order (WRO) on FGV’s palm oil and palm

oil product, and will continue to intensify our efforts towards enhancing our labour practices and to addressing any remaining gaps.

FGV Holdings Berhad