

FGV Updates its Steps to Address the U.S. Customs and Border Protection (CBP)'s Withhold Release Order (WRO)

The Board of Directors of FGV Holdings Berhad (FGV) refers to the Withhold Release Order (WRO) issued by the U.S. Customs and Border Protection (CBP) on 30 September 2020 against palm oil and palm oil products made by FGV and its subsidiaries and joint ventures. This announcement serves as an update on the subject following FGV's statement dated 18 June 2021.

FGV is fully committed to resolving matters relating to the WRO and to get the WRO revoked. FGV has been focusing on enhancing its labour practices, and is currently in the process of appointing an independent auditing firm to conduct an assessment of FGV's operations against the 11 International Labour Organization (ILO) Indicators of Forced Labour, as recommended by the CBP. For this purpose, FGV has called for proposals and has received propositions from nine organisations.

It is imperative that FGV identifies and appoints an organisation that would be the best fit to conduct an audit that meets the expectations of the CBP and to ensure that the proposals also fulfil FGV's requirements. FGV has requested the nine organisations to revise and resubmit their proposals. In light of this, FGV is extending its initial timeline of August 2021 to September 2021 to finalise the appointment of the independent auditing firm.

FGV has also recently appointed a US-based legal firm to provide support in this process and in FGV's overall effort to address the WRO. FGV shall make further announcements if there are any material development in respect of this matter.

FGV HOLDINGS BERHAD