

FGV Achieves Major Milestone With First EUDR-Compliant Crude Palm Kernel Oil Production



Kuala Lumpur, 8 August 2024 – FGV Holdings Berhad (FGV), one of the world’s largest producers of Crude Palm Oil (CPO) further cements its commitment to sustainable practices with the first production of its European Union Deforestation Regulation (EUDR) compliant Crude Palm Kernel Oil (CPKO). This achievement marks another significant milestone for FGV as one of the first Malaysian companies to produce EUDR-compliant CPKO.

CPKO, which is primarily used in food and personal care products, including non-dairy ice cream, margarine, chocolate, confectionery, soap and detergent, is now produced in compliance with stringent EUDR standards.



FGV's EUDR-compliant CPKO made its way by tanker lorry from FGV Kernel Crushing Plant in Semambu to clients in Kuantan Port.

The EUDR is a legislative framework aimed at ensuring that products imported into the European Union (EU) are free from deforestation and forest degradation activities. FGV's ability to produce EUDR-compliant CPKO for clients worldwide showcases its dedication to upholding global sustainability standards and regulatory compliance.

"At FGV, we understand the critical role that businesses must play in addressing the pressing environmental and social challenges. Our production of EUDR-compliant CPKO marks a major advancement for our operations and underscores our dedication to meeting stringent global environmental and social standards. This achievement will positively impact our bottom line over time and reflects our proactive approach to environmental stewardship and our commitment to sustainable palm oil production," said Dato' Nazrul Mansor, Group Chief Executive Officer of FGV.

FGV has focused on sourcing its Fresh Fruit Bunches (FFB) from three key sources: its own estates, FELDA's settlers, and independent smallholders who are already in line with EUDR, Malaysian Sustainable Palm Oil Certification (MSPO) or Roundtable on Sustainable Palm Oil (RSPO) traceability requirements.

Dato' Nazrul added, "We aim to expand the network of our business partners from amongst

the smallholders, which in turn will generate better economic opportunities for them, and further enhance collective sustainability efforts of the Malaysian palm oil industry.”



Joined by FGV Senior Management, Zul kifli Othman, FGV Group Director of Oils & Fats Division, commemorates FGV's EUDR-compliant CPKO at FGV Kernel Crushing Plant in Semambu, Kuantan.

Earlier in July, FGV launched its enhanced Sustainability Framework, advancing its commitment to the environmental, social and governance (ESG) goals. The framework builds on its existing sustainability commitments and comprises five pillars: Economic Growth, Governance, Social, Environment, and Innovation and Technology.

Key enhancements involve specific focus areas under each pillar, addressing current global ESG trends such as operational excellence, human rights and labour standards, diversity, equity and inclusion, sustainability certification, traceability, responsible sourcing and supply chain management, community engagement and development; climate action, renewable energy and energy management, and biodiversity and land management.

To learn more about FGV, watch FGV's new corporate video available on its social media platforms — Facebook, Instagram, TikTok, LinkedIn, and YouTube, as well as on its website: www.fgvholdings.com .

ENDS