

27 September 2019

YBhg. Dato' Henry Barlow,

**FGV HOLDINGS BERHAD'S 3<sup>RD</sup> QUARTERLY PROGRESS REPORT ON THE ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO) COMPLAINTS PANEL'S DIRECTIVES DATED 28 NOVEMBER 2018**

I wish to refer to the Roundtable on Sustainable Palm Oil (RSPO) Complaints Panel's Directives dated 28 November 2018 as well as FGV Holdings Berhad (FGV)'s Action Plan and its two quarterly progress reports submitted to RSPO on 28 March 2019 and 28 June 2019 respectively.

On behalf of FGV, I would like to express my appreciation to the RSPO Complaints Panel for its decision to lift the certification suspension of FGV's Serting Complex. Nonetheless, FGV is committed to ensuring that its Action Plan in relation to the Complaints Panel's Directives is fully implemented. On this account, I submit FGV's Third Quarterly Progress Report for RSPO's consideration. While many of the issues raised in the Complaints Panel's Directives have been addressed in our first and second reports, this report provides an update on the progress achieved between July and September 2019.

I would also like to welcome RSPO's verification visits to FGV's complexes which will be conducted by independent auditors in October 2019. We value the ongoing support extended by RSPO to us in advancing the sustainability agenda, which FGV continues to uphold as an integral component of its business.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'H. Hassan'.

**DATO' HARIS HADZILAH HASSAN**  
Group Chief Executive Officer



## **FGV's Action Plan and Third Quarterly Progress Report in Response to RSPO's Complaints Panel's Directives dated 28 November 2018**

FGV Holdings Berhad  
Wisma FGV, Jalan Raja Laut  
50350 Kuala Lumpur

27 September 2019

## FGV's Action Plan and Third Quarterly Progress Report in Response to RSPO's Complaints Panel's Directives dated 28 November 2018

### Note:

Many of the Complaints Panel (CP)'s Directives have been put into action as highlighted in the first and second progress reports. As this report will focus on progress achieved between July and September 2019, it should be read together with the first and second reports.

| No.                           | Complaints Panel's Directives                                                                                                                                                                                                                                | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Progress Update as at September 2019                                                                                                                                                           |
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| <b>A. Employment Contract</b> |                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                |
| 1.                            | FGV shall undertake a full legal and operational audit and review of its current employment contract practices/ processes/ policies/ procedures for all workers (including contractor's workers) to ensure full compliance with national laws and the P & C. | <p>FGV undertook an assessment of the Employment Contract between December 2018 and January 2019.</p> <p>Based on the assessment, it was found that:</p> <ul style="list-style-type: none"> <li>• FGV had translated the Employment Contract for foreign workers (V1) into six languages – Tamil, Bengali, Nepali, Tagalog, English and Indonesian.</li> <li>• The translated versions (version 1) of the Employment Contract is available at sites.</li> <li>• Communications on the terms in the Employment Contract was carried out to all foreign workers.</li> </ul> | <ul style="list-style-type: none"> <li>• FGV to revise the Employment Contract as per the CP's directives.</li> <li>• The revised version (V2) shall be: <ul style="list-style-type: none"> <li>• Translated into National Languages of Foreign Workers</li> <li>• Communicated to relevant embassies of foreign workers employed by FGV.</li> <li>• Explained to workers during orientation of new workers.</li> <li>• Signed by all new foreign workers at their home countries.</li> <li>• Communicated to existing workers, including explaining that</li> </ul> </li> </ul> | <p>i. The CP's Directives in relation to the employment contract have been put into action as stated in FGV's Second Progress Report. Currently, these actions continue to be implemented.</p> |

| No. | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Progress Update as at September 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>Despite the above, the provisions of the existing Employment Contract for the foreign workers are insufficient as addressed by RSPO CP.</li> <li>The Employment Contract was signed in Malaysia instead of sourcing country.</li> </ul>                                                                                                                                                                                                                                                                                                                          | <p>the new contract shall supersede any previous contract(s), and arrange for signing.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 2.  | <p>As per P &amp; C 6.12.3, a special labour policy and procedures shall be established and implemented in respect of all migrant workers employed by FGV, including contractor's workers. The special labour policy should include:</p> <ul style="list-style-type: none"> <li>i. statement of non-discriminatory practices;</li> <li>ii. no contract substitution;</li> <li>iii. post-arrival orientation programme to focus especially on language, safety, labour laws, cultural practices, etc; and</li> <li>iv. decent living conditions to be provided.</li> </ul> | <ul style="list-style-type: none"> <li>FGV's Group Sustainability Policy (GSP) was first approved and implemented in 2016. However, it does not adequately cover the aspect of labour. In addition, it was also noted that the GSP (and its Bahasa Melayu version) was distributed, but was not effectively communicated, throughout FGV's operations.</li> <li>There is no specific policy on labour. However, there are a number of SOPs which govern different aspects of recruitment processes. These SOPs lack, or do not make, specific references to the applicable labour standards.</li> </ul> | <ul style="list-style-type: none"> <li>FGV Group shall, where necessary, strengthen existing policies, and develop a special labour policy/SOP, to address the following issues relating to labour, including but not limited to: <ul style="list-style-type: none"> <li>• statement of non-discriminatory practices;</li> <li>• no contract substitution;</li> <li>• post-arrival orientation programme to focus especially on language, safety, labour laws, cultural practices, etc; and</li> <li>• decent living conditions to be provided.</li> </ul> </li> <li>FGV shall ensure that all its policies and procedures relating to labour are</li> </ul> | <ul style="list-style-type: none"> <li>i. The CP's Directives in relation to the strengthening of policies and SOPs on labour related matters have been fulfilled as stated in FGV's Second Progress Report.</li> <li>ii. In addition to adopting and enforcing FGV's Guidelines and Procedures for the Responsible Recruitment of Foreign Workers, FGV has amended its contract with recruitment agencies to include among other things provisions that prohibit them from imposing any charges on the foreign workers, with a view to mitigating risks of debt bondage. The revised contracts have been enforced since August 2019.</li> <li>iii. With the adoption of the revised Group Sustainability Policy (GSP 3.0), the Guidelines and Procedures for the Responsible Recruitment of Foreign</li> </ul> |

| No. | Complaints Panel's Directives | FGV Assessment Finding | Action                                                                                                                                                     | Progress Update as at September 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|     |                               |                        | <p>communicated to, and are binding on, all its recruitment contractors, agents and supply chains.</p> <ul style="list-style-type: none"> <li>•</li> </ul> | <p>Workers and the Supplier Code of Conduct, a socialization programme has been developed and is currently being implemented as part of FGV's efforts to ensure that the aforesaid documents are fully understood and applied effectively by all entities within FGV as well as by its contractors and suppliers. Given the size of FGV's operations and the complexity of FGV's supply base, the socialization programme is expected to be completed by June 2020. To date, the following sessions have been carried out:</p> <ol style="list-style-type: none"> <li>Session at Serting Complex, Negeri Sembilan on 20 June 2019</li> <li>Session in Kuala Lumpur involving FGV's top FFB suppliers in Peninsular Malaysia on 5 September 2019.</li> <li>Session with external stakeholders, management and key personnel of mills and estates of Asian Plantations Limited (APL) in Miri, Sarawak on 9-10 September 2019</li> <li>Session with management, key personnel of mills and estates as well as contractors in Trolak</li> </ol> |

| No. | Complaints Panel's Directives                                                                                                                                                                                             | FGV Assessment Finding                                                                                                                                                                                                                                                             | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Progress Update as at September 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| 3.  | In particular, FGV shall ensure that accurate information of working conditions in the host country, including nature of work, wages, benefits and duration of contract are duly communicated at the time of recruitment. | <ul style="list-style-type: none"> <li>Based on FGV's assessment, it was noted that there were no adequate communications between FGV and the appointed agent in workers' home country, and thereby the transfer of information relating to the work in FGV is limited.</li> </ul> | <p>FGV to address the gaps by adopting the following:</p> <ul style="list-style-type: none"> <li>Where possible to conduct direct recruitment of foreign workers;</li> <li>Where the use of recruitment agents is inevitable, FGV must ensure that the selected recruitment agents either in Malaysia or the sourcing countries are legally registered in accordance with the applicable national laws/ regulations.</li> <li>To ensure that all information on all aspects of</li> </ul> | <p>Complex, Perak on 19 September 2019</p> <p>e. Session with external stakeholders and mill and estate personnel at Sg. Tenggi Complex, Perak on 24 September 2019</p> <p>iv. The socialization programme will continue to be carried out throughout FGV's operations and</p> <p>i. The CP's Directives in relation to the recruitment of foreign workers have been put in action as stated in FGV's Second Progress Report. These actions continue to be implemented throughout the recruitment process of FGV's foreign workers.</p> <p>ii. In addition, the contract between FGV and recruitment agencies has been revised to include among other things a provision that requires the recruitment agencies to make use of the communication pack developed FGV. This is to ensure that the information communicated by the recruitment agencies to the potential workers during the recruitment process is the same as</p> |

| No. | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                                                          | FGV Assessment Finding | Action                                                                                                                                                                                                                                                                                                                                                                                                                                    | Progress Update as at September 2019         |
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|     |                                                                                                                                                                                                                                                                                                                                                                                                                                        |                        | <p>working conditions in FGV's operations, including the terms of employment, nature of work, wages and other benefits are duly communicated to the foreign workers in their home country.</p> <ul style="list-style-type: none"> <li>Where recruitment is done through agent, FGV shall ensure that the same information is provided to the agent to be communicated to the potential workers during the recruitment process.</li> </ul> | the information in FGV's communication pack. |
| 4.  | <p>Employment contracts should be written in a language that the workers understand, signed in the workers' countries of origin and only after the terms have been properly explained to the workers (including all documents referred to in the employment contracts such as the <i>Kadar Upah Kerja</i>). The key is to ensure full disclosure to enable workers to make an informed decision as to the signing of the contract.</p> | i.                     | The CP's Directives relating to employment contracts have been fulfilled as stated in FGV's Second Progress Report, and continue to be implemented in FGV's recruitment process.                                                                                                                                                                                                                                                          |                                              |

| No. | Complaints Panel's Directives                                                                                                                                                                                                             | FGV Assessment Finding                                                                                                                                                                                  | Action                                                                                                                                                                                                                                                                                                                                                                                                                                 | Progress Update as at September 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| 5.  | To promote non-discrimination against illiterate workers, the content of the contract is to be orally transmitted to the workers, by or on behalf of the employer.                                                                        | FGV uses seasoned foreign workers who can best speak and understand Bahasa Melayu, and is able to effectively communicate with the illiterate workers, to explain the terms of the employment contract. | <ul style="list-style-type: none"> <li>• FGV to put in place a process which will require actions to be taken in the home country to ensure that illiterate workers are not discriminated and that the contract is orally read and explained to them.</li> <li>• For existing illiterate foreign workers, FGV shall ensure that the contract is orally transmitted to them. If necessary, an interpreter shall be provided.</li> </ul> | <p>i. The CP's Directives relating to non-discrimination against illiterate workers have been fulfilled as stated in FGV's Second Progress Report. These actions continue to be implemented in FGV's recruitment process.</p> <p>ii. In addition, to strengthen its existing practices, FGV is exploring the possibility of working together with the relevant authorities in the countries of origin, through their embassies in Malaysia or the Malaysian Embassy in the country of origin, to employ the services of qualified translators and interpreters to ensure full comprehension of the terms of employment by foreign workers.</p> |
| 6.  | Once signed, FGV shall ensure that no contract substitution occurs, whereby contracts signed by workers in their home country is respected and adhered to by FGV and the work they perform is in accordance with their contractual terms. | There were instances where employment contract was substituted when the workers arrived in Malaysia.                                                                                                    | <ul style="list-style-type: none"> <li>• There shall be only one employment contract (V2) signed by foreign workers.</li> <li>• For new workers, this employment contract shall be signed in their home countries and workers shall be provided with a copy for their safe keeping.</li> </ul>                                                                                                                                         | <p>i. The CP's Directives relating to no contract substitution have been fulfilled as stated in FGV's Second Progress Report, and continue to be implemented as FGV's standard practice.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| No. | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                           | FGV Assessment Finding                                                               | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Progress Update as at September 2019                                                                                                                                                                                                                                                                                                                                                                                |
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|     |                                                                                                                                                                                                                                                                                                                                                         |                                                                                      | <ul style="list-style-type: none"> <li>• For existing workers employed, FGV will seek their agreement to accept and sign the V2 contract which will supersede the previous contract.</li> <li>• FGV will respect the workers right not to accept the revised employment contract.</li> <li>• There shall be periodical assessments to ensure there is no violation of the contractual terms.</li> </ul>                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 7.  | <p>Further, workers' freedom to resign without penalty and in accordance with law must be respected.</p> <p>Action plan shall consider issues that may arise from termination under the contract either by FGV or on the initiative of the workers, including costs implication and costs sharing, without undermining workers' freedom of movement</p> | <p>The V1 contract is silent on the worker's freedom to resign from the company.</p> | <ul style="list-style-type: none"> <li>• FGV shall recognise and respect the workers' right to terminate the employment contract in accordance with prescribed requirements. eg. Notice or pay in lieu).</li> <li>• This shall be reflected in the revised employment contract and informed to all the workers.</li> <li>• On the implication of termination of employment, FGV shall identify an amicable solution in particular on matters relating to any cost implication resulting from</li> </ul> | <p>i. The CP's Directives relating to workers' freedom to resign without penalty in accordance with the law have been put into action as stated in FGV's Second Progress Report, and continue to be implemented as FGV's standard practice. Since the implementation of this practice, there has yet to be any case of FGV's foreign worker terminating their contract with FGV by providing a 30 days' notice.</p> |

| No.                                             | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | FGV Assessment Finding                                                                                                                                                                                                 | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Progress Update as at September 2019                                                                                                                                                                                                                                                     |
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|                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                        | the termination of employment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                          |
| <b>B. Labour recruitment contractors/agents</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                          |
| 8.                                              | <p>FGV shall adopt and apply Standard Operating Procedures (SOPs) for all its labour recruitment contractors/agents (in Malaysia as well as those in the countries of origin) in full compliance with the P &amp; C.</p> <p>Among others, the following elements should be included in the said SOPs:</p> <ul style="list-style-type: none"> <li>- FGV only engages duly registered labour recruitment contractors/agents who do not support or partake in any form of forced or trafficked labour;</li> <li>- no recruitment fees/ costs should be charged to/deducted from workers at any stage of the recruitment process, including by its contractors;</li> <li>- such recruitment fees/costs should be borne by FGV;</li> <li>- there is an effective grievance mechanism in place to receive</li> </ul> | <ul style="list-style-type: none"> <li>• FGV has the relevant SOPs pertaining to processes of recruitment of foreign workers. However, the SOPs do not adequately address the elements specified by the CP.</li> </ul> | <ul style="list-style-type: none"> <li>• FGV to strengthen its SOP to address the elements stipulated by CP including, but not limited to:               <ul style="list-style-type: none"> <li>i. Ensuring that FGV only engages duly registered labour recruitment contractors/ agents who do not support or partake in any form of forced or trafficked labour;</li> <li>ii. Clarity on the imposition of recruitment fee;</li> <li>iii. Strengthen the grievance mechanism to receive complaints from workers, without any fear of reprisal;</li> <li>iv. Applicable procedures to monitor and scrutinise the recruitment agents and contractors. This shall include actions necessary to address and manage errant contractors/agents, one of which shall include</li> </ul> </li> </ul> | <p>i. The CP's Directives relating to the adoption of SOPs for engaging labour recruitment agencies have been fulfilled as stated in FGV's Second Progress Report, and continue to be implemented as FGV's standard practice.</p> <p>ii. Please also refer to paragraph 2(ii) above.</p> |

| No. | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | FGV Assessment Finding                                                                                                       | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Progress Update as at September 2019                              |
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|     | <p>complaints from workers, without any fear of reprisal;</p> <ul style="list-style-type: none"> <li>- errant contractors/agents should be "blacklisted" and terminated; and</li> </ul> <p>Transparency and accountability should be required of contractors/agents in the entire recruitment process and this principle should feature prominently in the said SOPs</p> <p>The SOPs, upon completion, should enter into immediate force. Staff at all levels should be trained on its substance and implementation measures. It should also be assessed and reviewed regularly to ensure it meets national and international standards on recruitment and employment of migrant workers.</p> <p>FGV is obligated to exercise due diligence over its contractors/agents and will be held accountable for breaches by such contractors/agents</p> |                                                                                                                              | <p>termination of service;</p> <p>v. Applicability of all FGV policies and SOPs on agents and contractors to ensure transparency and accountability in their actions.</p> <ul style="list-style-type: none"> <li>• The SOPs shall be communicated to the relevant personnel for effective implementation.</li> <li>• Periodical review of the SOPs will be carried out to ensure the SOPs adequately addresses new / revised requirements pertaining to legal and/or sustainability standards.</li> </ul> |                                                                   |
| 9.  | Acting on FGV's commitment to phase out contractors, FGV should where possible, conduct                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>• FGV noted that the probabilities of contractors hiring irregular foreign</li> </ul> | <ul style="list-style-type: none"> <li>• FGV to phase out contractors with irregular workers, and</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                              | <p>i. FGV is still in the process of phasing out contractors.</p> |

| No.                                  | Complaints Panel's Directives                                                                                                                                                                                              | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                 | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Progress Update as at September 2019              |
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|                                      | direct and in-person hiring in the workers' countries of origin.                                                                                                                                                           | <ul style="list-style-type: none"> <li>workers is high.</li> <li>FGV has given a direction to stop engaging / terminate renegade contractors through an internal memo – <i>"Pemberhentian Tender Baru Kerja-Kerja Pertanian &amp; Amdan Pengurusan Tenaga Kerja Luar yang Baik"</i>, Bil (163) 010810/HQ/JAB.OP.18/PLANT ATIONS/AM", dated 3 December 2018.</li> </ul> | <p>where possible will recruit workers directly to fill the void.</p> <ul style="list-style-type: none"> <li>Where inevitable, FGV is committed to engage contractors with good labour management practices and will ensure that selection and appointment of contractors follow the applicable SOPs.</li> <li>FGV to strengthen provisions in the contract between FGV and contractor requiring contractors to, amongst others (i) have in place good labour practices; (ii) comply with FGV's policy and procedures on labour management; and (iii) comply with the applicable standards on health and safety for their workers.</li> </ul> | <p>ii. Please also refer to paragraph 2(iii).</p> |
| <b>C. Pay and working conditions</b> |                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                   |
| 10.                                  | FGV shall undertake a full legal and operational audit and review of its current practices/processes/policies/procedures relating to wages/deductions and working/living conditions for all workers (local and foreign) to |                                                                                                                                                                                                                                                                                                                                                                        | See paragraphs 1 and 2 above.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                   |

| No. | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                         | Action                                                                                                                                                                                                                               | Progress Update as at September 2019                                                                                                                                                                                               |
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|     | ensure full compliance with the P & C.<br>In this regard, FGV should remove all forms of discrimination between local and foreign workers.                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                    |
| 11. | As per <b>P &amp; C 6.12.3</b> , a special labour policy and procedures shall be established and implemented in respect of all migrant workers employed by FGV, including contractor's workers. The special labour policy should include: <ul style="list-style-type: none"> <li>i. statement of non-discriminatory practices;</li> <li>ii. no contract substitution;</li> <li>iii. post-arrival orientation programme to focus especially on language, safety, labour laws, cultural practices etc.; and</li> <li>iv. decent living conditions to be provided.</li> </ul> | <p>i. The CP's Directives relating to the adoption of a labour policy have been fulfilled as stated in FGV's Second Progress Report, and continue to be implemented as FGV's standard practice. FGV's Guidelines and Procedures for the Responsible Recruitment of Foreign Workers contain the elements stipulated by the CP's Directives.</p> |                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                    |
| 12. | Considering the nature/risk profile of work in the plantations, FGV shall ensure access to medical amenities and affordable healthcare is available to workers in accordance with national and international laws as well as the P & C.                                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>• Transportation is provided all workers who is in need of medical treatment.</li> <li>• FGV also provides allocation at a sum specified in the employment contract to cover the medical cost of outpatient treatment.</li> </ul>                                                                       | <ul style="list-style-type: none"> <li>• FGV to continue its current practices with regard to ensuring access to, and affordability of, appropriate medical treatment and social security protection for all its workers.</li> </ul> | <p>i. The CP's Directives relating to access to medical amenities and affordable healthcare have been fulfilled as stated in FGV's Second Progress Report. Such actions continue to be implemented as FGV's standard practice.</p> |

| No.                 | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                             | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                         | Action                                                                                                                                                                                                                                                                                                                                         | Progress Update as at September 2019                                                                                                                                                                                                                                                                                                                                                                                                  |
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| 13.                 | In addition, FGV shall ensure that workers are made aware of the terms and benefits of the FWCS under which they are insured.                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>For in-patient treatment, all foreign workers are covered by insurance.</li> <li>Foreign workers are not made aware of their medical and insurance benefits.</li> </ul>                                                                                                                                                                 | <ul style="list-style-type: none"> <li>FGV to ensure that foreign workers are adequately briefed and informed of their medical benefit and entitlements.</li> <li>Also, FGV must ensure that foreign workers are informed of their insurance benefits under FWCS.</li> </ul>                                                                   | <p>i. The CP's Directives stipulating that workers are made aware of the terms and benefits of their FWCS been fulfilled as stated in FGV's Second Progress Report especially through the adoption and application of the FGV's communications pack and the Guidelines and Procedures for Responsible Recruitment of Foreign Workers. These actions continue to be implemented as FGV's standard practice.</p>                        |
| <b>D. Passports</b> |                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 14.                 | Whilst the Complaints Panel notes steps already taken by FGV with regard to foreign workers' passports, the Complaints Panel reiterates that retention and withholding of passport and other identity documents of workers, in particular migrant workers, is prohibited by law. In instances where the workers request the assistance of the employer in | <ul style="list-style-type: none"> <li>FGV has returned all foreign workers' passports in Peninsular Malaysia. However, for foreign workers in Sabah and Sarawak, their passports are still kept by the estate management as safety boxes have not been constructed yet.</li> <li>Installation of safety boxes in Serling complexes, for the safekeeping of foreign</li> </ul> | <ul style="list-style-type: none"> <li>FGV shall ensure that all foreign workers' passports are returned to all workers.</li> <li>In facilitating the safe keeping of passports, FGV shall ensure all complexes are equipped with safety boxes.</li> <li>FGV to expedite the installation of the safety boxes in Sabah and Sarawak.</li> </ul> | <p>i. In Peninsular Malaysia, all of FGV's estates are equipped with safety boxes for foreign workers to keep their passports. It is accessible to the workers at all times. All passports have been returned to the foreign workers in Peninsular Malaysia, and they are free to keep their passports in the safety boxes or by themselves.</p> <p>ii. The installation of safety boxes for Sabah and Sarawak is fully completed</p> |

| No. | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | FGV Assessment Finding                                                                                                                                                                                                                                                                             | Action                                                                                                                                                                                                                                                                                    | Progress Update as at September 2019                                                                                                                                                                                                                           |
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|     | <p>safekeeping of their passport or identity documents, this shall be done through written request in the workers' own language; and the workers must, at all times, have access to the documents.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p>workers' passport was completed in March 2017 and all passports have been returned in April 2017.</p> <ul style="list-style-type: none"> <li>FGV does not practice holding foreign workers' passport even though some workers have requested that the company keeps their passports.</li> </ul> | <ul style="list-style-type: none"> <li>FGV shall ensure that workers understand their responsibility to keep their passports securely and safely. In case the passports are damaged or lost, workers shall bear the associated cost for the replacement of the legal document.</li> </ul> | <p>except for estates of Asian Plantation Limited in Miri, Sarawak. The process is expected to be completed in October 2019.</p>                                                                                                                               |
| 15. | <p>There should be no constraints on the ability of the worker to leave the place of employment or any restrictions placed on their freedom of movement, outside working hours. The Complaints Panel notes FGV's submission that "legally, the workers are employed under FGV's work quota and therefore, the responsibility to know the presence of the workers lies with FGV." Nevertheless, it is important that FGV strike a balance between oversight and the workers' freedom of movement outside work time. In this regard, FGV shall adopt and apply Standard Operating Procedures (SOPs) setting out, among others, the circumstances under which</p> | <ul style="list-style-type: none"> <li>Foreign workers hold their own passports which are kept in the safety boxes installed in all estates.</li> <li>Foreign workers are required to seek "approval" to leave FGV premises.</li> </ul>                                                            | <ul style="list-style-type: none"> <li>FGV to ensure that it respects workers' freedom of movement and do not impose unnecessary restrictions. This must be communicated to all workers.</li> </ul>                                                                                       | <p>i. As stated in FGV's Second Progress Report, it is now an established practice throughout all FGV operations that foreign workers do not need to seek approval to leave the premises, but merely have to notify the guardhouse or estate's management.</p> |



| No.                                                 | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | FGV Assessment Finding                                                                                                                                                                     | Action                                                                  | Progress Update as at September 2019 |
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|                                                     | permission to leave the plantations outside work time may be granted or denied. In coming up with these SOPs, FGV shall ensure that the workers' freedom of movement is not undermined.                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                            |                                                                         |                                      |
| <b>E. Undocumented / illegal/trafficked workers</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                            |                                                                         |                                      |
| 16.                                                 | <p>FGV shall undertake a full legal and operational audit and review of its foreign workers (including contractor's workers) to ensure full compliance with national<sup>1</sup> and international<sup>2</sup> laws, as well as the P &amp; C.</p> <p>FGV shall undertake a full legal and operational audit and review of its contractors including their labor force to ensure that any gaps or deficiencies are rectified, possibly including restitution in case of underpayment of wages or illegal/ excessive deductions, in full compliance with applicable legal requirements as well as the P &amp; C.</p> | <ul style="list-style-type: none"> <li>The existing agreement between FGV and its contractors is not adequate to address the human rights and labour concerns raised by the CP.</li> </ul> | i. Please refer to paragraphs 1(i), 2(i), 2(ii), 2(iii) and 9(i) above. |                                      |

<sup>1</sup> Anti-Trafficking in Persons and Anti-Smuggling of Migrants Act 2007 [Act 670]

<sup>2</sup> UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime, Article 3(a) - "Trafficking in persons" shall mean the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs;".

| No. | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | FGV Assessment Finding                                                                                                                                                                                                                                                                                                          | Action                                                                                                                                                                                                                                                                                                   | Progress Update as at September 2019                                                                                                                                                                                                                            |
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| 17. | The unlawful outsourcing of FGV's foreign workers to contractors shall immediately stop. FGV shall commit to only recruit legal migrant workers and this commitment extends to its contractors. As clearly enshrined in P & C 6.12, FGV and its contractors shall ensure that no trafficked labour are used. To this end, FGV shall undertake a full legal and operational audit and review of its foreign workers (including contractor's workers) to ensure full compliance with national <sup>3</sup> and international <sup>4</sup> laws, as well as the P & C. Pursuant to the aforementioned audit/review, FGV shall draw up an action plan to effectively address any gaps/deficiencies identified. | <ul style="list-style-type: none"> <li>FGV had erred when it allowed its contractor to utilize FGV's quota for foreign workers.</li> <li>The contractor used the quota to recruit foreign workers to work for them.</li> <li>The sharing of quota initiative was immediately stopped in line with the CP directives.</li> </ul> | <ul style="list-style-type: none"> <li>FGV shall ensure that this incident do not recur in the future.</li> <li>With regard to quota distributed in the past, FGV shall undertake the necessary remediation action to provide fair redress to all parties involved in particular the workers.</li> </ul> | i. The CP's Directives relating to the outsourcing of FGV's foreign workers to contractors have been resolved as stated in FGV's Second Progress Report. The practice of outsourcing foreign workers to contractors has totally stopped and has been addressed. |
| 18. | Noting the findings/breaches established under items ii – iv in the preceding column, FGV should act on its commitment to phase out contractors on its plantations. In this regard, an                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | i. Please refer to paragraphs 1(i), 2(i), 2(ii), 2(iii) and 9(i) above.                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                 |

<sup>3</sup> Anti-Trafficking in Persons and Anti-Smuggling of Migrants Act 2007 [Act 670]

<sup>4</sup> **UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime, Article 3(a)** - "Trafficking in persons" shall mean the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs;".

| No.                                      | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                                            | Action                                                                                                                                                                                                                                                                                                              | Progress Update as at September 2019                                                                                                                                                                                                                                                                                                         |
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|                                          | <p>action plan should be drawn up to guide FGV's implementation to this end, while ensuring minimal adverse impact on the contractor's workers.</p> <p>Notwithstanding, FGV shall undertake a full legal and operational audit and review of its contractors including their labour force to ensure that any gaps or deficiencies are rectified, possibly including restitution in case of underpayment of wages or illegal/ excessive deductions, in full compliance with applicable legal requirements as well as the P &amp; C.</p> |                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                              |
| <b>F. Health and safety requirements</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                              |
| 19.                                      | <p>FGV shall review its current OSH/PPE policy and Standard Operating Procedures (SOPs), and ensure full compliance with <b>P &amp; C 4.7 and 4.8</b>. FGV shall ensure that such reviewed OSH/PPE policy and SOPs are properly implemented and monitored in respect of all workers including contractor's workers.</p>                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>• OSH Policy is available but needs revision.</li> <li>• Hazard Identification, Risk Assessment and Risk Control (HIRARC) is not effectively developed and monitored by relevant personnel.</li> <li>• Guideline on tasks that require PPE and types of PPE is available.</li> <li>• PPE is provided to all workers at no cost. Damaged PPE are</li> </ul> | <ul style="list-style-type: none"> <li>• FGV to ensure that all OSH policies and SOPs are reviewed periodically to ensure compliance to the required standards.</li> <li>• With regard to contractors, FGV shall require contractors to comply with FGV's health and safety standards for their workers.</li> </ul> | <p>i. The CP's Directives relating OSH/PPE policy and SOPs have been put into action as stated in FGV's Second Progress report, and such actions continue to be carried out as a standard practice.</p> <p>ii. For our contractors, they are monitored continually by estate and mill personnel, and audited by our internal audit team.</p> |

| No.                                       | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                   | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Action                                                                                                                                                                      | Progress Update as at September 2019                                                                                                                              |
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|                                           |                                                                                                                                                                                                                                                                                                                                                 | <p>replaced at no cost for all workers.</p> <ul style="list-style-type: none"> <li>Records of distribution and replenishment of PPE are also available.</li> <li>Workers are provided with training on how to use PPE and precautions on handling of chemicals. This training is carried at the estates in their respective national languages through translators.</li> <li>There is no clarity on how FGV monitors the contractors' compliance to health and safety of their workers.</li> </ul> |                                                                                                                                                                             |                                                                                                                                                                   |
| 20.                                       | <p>As per the <b>Specific Guidance for P &amp; C 6.12.3</b>, a comprehensive post-arrival orientation programme, which among others focuses on safety, should be drawn up and implemented in respect of all new migrant workers to ensure that these workers are well equipped and adequately prepared to commence work on the plantations.</p> | <ul style="list-style-type: none"> <li>The workers undergo on-the-job training on safety aspects including the use of PPE.</li> <li>There was no specific training on safety and use of PPE during recruitment and/or during orientation.</li> </ul>                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>FGV to include OSH and PPE information into training materials for all workers during post-arrival orientation programme.</li> </ul> | <p>i. Information relating to OSH and PPE is included in FGV's communications pack that is used during pre-departure and post-arrival orientation programmes.</p> |
| <b>G. Adequate housing/ accommodation</b> |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                             |                                                                                                                                                                   |

| No. | Complaints Panel's Directives                                                                                                                                                                                                                                                | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Action                                                                                                                                                                                                                                                                                                                                                                                                       | Progress Update as at September 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| 21. | FGV should undertake a full legal and operational audit and review of the housing / accommodation conditions of its migrant workers (including contractor's workers) to ensure full compliance with national laws, international human rights standards as well as the P & C | <ul style="list-style-type: none"> <li>Based on the field audit, it is noted that actions were being taken to build new housing for workers.</li> <li>Also at the time of visit, it was noted that the available accommodation was overcrowded due to construction of the new housing blocks.</li> <li>Periodical inspection of workers' accommodations were not carried out as required by the Workers' Minimum Standard of Housing and Amenities Act 1990.</li> </ul> | <ul style="list-style-type: none"> <li>FGV is committed to ensure its workers' accommodation are in line with the applicable national standards. This commitment must be supported by necessary financial provisions.</li> <li>In order to maintain good lineside management and to ensure healthy and safe housing conditions, there shall be periodical inspections of workers' accommodations.</li> </ul> | <ul style="list-style-type: none"> <li>i. The construction of housing for workers in Sabah has been completed.</li> <li>ii. For the Peninsular Malaysia, out of 17 projects which was communicated in the June 2019 update, 11 projects have been completed; the other six are in progress which are targeted to complete by end November 2019.</li> <li>iii. In honouring our commitment to ensure adequate standard of living for our workers, FGV had also decided to build new housing blocks in another 24 estates and to undertake this, ten contractors were appointed. The construction begun in September 2019 and they are expected to complete between February to May 2020. In addition, four projects for the workers housing are being tendered.</li> </ul> |
| 21. | FGV shall remove all forms of discrimination between FGV's workers and contractor's workers, as well as between                                                                                                                                                              | <ul style="list-style-type: none"> <li>i. The CP's Directives relating to non-discrimination have been put into action as stated in FGV's Second Progress report, and such actions continue to be carried out as a standard practice. The principle of non-discrimination is clearly embedded in FGV's Group Sustainability Policy. Efforts are being made to ensure the continuous adherence to such principle.</li> </ul>                                             |                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| No.                                  | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                            | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                                                                  | Action                                                                                                                                                                                                                                                                                                                                                                                  | Progress Update as at September 2019                                                                                                                                                                                                                                                           |
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|                                      | local and migrant workers.                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                |
| 22.                                  | Relatedly, FGV should consider implementing reasonable ways to reduce the burden of electricity and water costs charged to migrant workers (including contractor's workers). For these purposes, FGV shall draw up an action plan to guide its implementation/rectification in accordance with national laws, international human rights standards as well as the P & C. | <ul style="list-style-type: none"> <li>FGV subsidizes workers' utilities cost as follow – RM 6 for electricity and RM 4 for water. This is also included in the V2 contract.</li> <li>In response to the RSPO's CP's directives, FGV had made public its commitment to provide free water supply to all workers in its mill/estate operations.</li> </ul>                                                               | <ul style="list-style-type: none"> <li>FGV shall reasonably consider ways to reduce the utilities burden of foreign workers.</li> </ul>                                                                                                                                                                                                                                                 | <p>i. The CP's Directives relating to reducing the burden of electricity and water costs charged to migrant workers have been put into action as stated in FGV's First Progress report, and such actions continue to be carried out as a standard practice.</p>                                |
| <b>H. Adequate food and supplies</b> |                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                |
| 23.                                  | FGV should undertake a full legal and operational audit and review of the access to adequate, sufficient and affordable food/supplies by its migrant workers (including contractor's workers) to ensure compliance with international human rights standards as well as the P & C.<br><br>Gaps and deficiencies identified must be rectified to ensure                   | <ul style="list-style-type: none"> <li>These sundry shops are also frequented by FGV workers and villagers from the surrounding areas. The price of the goods sold are the same for everyone.</li> <li>Capitalising on the limited options, external vendors from the nearby towns often seen entering the estate's housing areas to supply fresh products which are sold at a higher price – margin between</li> </ul> | <ul style="list-style-type: none"> <li>FGV issued a circular to the estate and mill management to ensure that the prices are monitored periodically, especially those by merchants coming straight to workers' housing areas.</li> <li>FGV shall advise workers to inform management if there are incidences where prices are unjustified. FGV will investigate accordingly.</li> </ul> | <ul style="list-style-type: none"> <li>The CP's Directives relating to access to adequate and affordable food supply by its foreign workers have been put into action as stated in FGV's First Progress report, and such actions continue to be carried out as a standard practice.</li> </ul> |

| No.                                                     | Complaints Panel's Directives                                                                                                                                                                                                                                                                                                                                                                    | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Action                                                                                                                                                                                                                                                                                                                                                                                                                             | Progress Update as at September 2019                                                                                                                                                                                                            |
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|                                                         | <p>meaningful improvements to migrant workers' (including contractor's workers) access to adequate, sufficient and affordable food and supplies, including basic necessities. In this regard, FGV shall eliminate profiteering by third party suppliers.</p>                                                                                                                                     | <p>6-10% as compared to nearby town.</p> <ul style="list-style-type: none"> <li>Most workers prefer to purchase their food and supplies in bulk from shops in nearby towns. For this purpose, the transportation is provided by the estate management.</li> <li>FGV does not profit from the third party suppliers.</li> </ul>                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                 |
| <b>I. Protection of whistleblowers and complainants</b> |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                 |
| 24.                                                     | <p>FGV should undertake a full legal and operational audit and review of its grievance mechanisms, particularly the hotline.</p> <p>Guidelines for the use of the mechanisms should be adopted, and explained to the workers. There should be an accessible database to record, track and monitor the complaints and issues. Fixed response times should be set and informed to the workers.</p> | <ul style="list-style-type: none"> <li>FGV Group adopted a Whistleblowing Policy in 2012 and it is administered by Governance at the Group level.</li> <li>However there is lack of awareness and understanding of the whistleblowing and grievance processes amongst the workers and staff members at the operations.</li> <li>With regard to grievance mechanism, it is noted that the estate management have in place several platforms which workers can use to raise their</li> </ul> | <ul style="list-style-type: none"> <li>FGV shall ensure that workers have adequate access to functional grievance mechanism and that they can voice their concerns/grievances without fear of reprisal.</li> <li>To achieve the above, FGV will develop guidelines on grievance mechanism which shall be communicated and implemented throughout its operation.</li> <li>Additionally, adequate monitoring and tracking</li> </ul> | <ul style="list-style-type: none"> <li>The CP's Directives relating to grievance mechanisms have been put into action as stated in FGV's Second Progress report, and such actions continue to be carried out as a standard practice.</li> </ul> |

| No.                                                            | Complaints Panel's Directives                                                                                                                                                            | FGV Assessment Finding                                                                                                                                                                                                                                                                                                                                                                                                                                        | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Progress Update as at September 2019 |
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|                                                                | <p>FGV's staff should be trained to implement the grievance mechanisms, and to constructively engage with the workers to allay the risk/fear of reprisals.</p>                           | <p>complaints/grievances namely (i) suggestion box; (ii) verbal to management; and (iii) through a hotline.</p> <ul style="list-style-type: none"> <li>That said, while the platforms are available, there is no clear policy or SOP on how those grievances shall be managed/addressed. Most of the time, those grievances are addressed in a conventional manner, which to a certain extent, have been proven to be inefficient and ineffective.</li> </ul> | <p>system should be developed to ensure grievances are addressed accordingly.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                      |
| 25.                                                            | <p>FGV to implement a policy on protection of human rights defenders (whistleblowers and complainants) and institute relevant mechanisms for reporting and protection.</p>               | <p>FGV is bound and guided by the protection of whistleblowers as provided by its Whistleblowing Policy and the Whistleblower Protection Act 2010.</p>                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>The revised GSP includes a strengthened section on human rights which makes reference to the United Nations Guiding Principles on Business and Human Rights (UNGPs), applicable international human rights treaties as well as relevant ILO conventions. The principle of respecting human rights is applied throughout FGV's operations, in line with FGV's commitment to human rights, as underscored in its GSP.</li> <li>FGV is committed to ensuring workers have access to appropriate grievance mechanism without fear of reprisal. Please see paragraph 24 above.</li> </ul> |                                      |
| <b>J. Compliance for human rights at the operational level</b> |                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                      |
| 26.                                                            | <p>FGV shall ensure that its human rights policy is properly communicated and effectively implemented to all levels of its workforce including to its contractors and their workers.</p> | <ul style="list-style-type: none"> <li>The existing communications of sustainability and human rights policy is weak. This resulted in lack of appreciation on labour and human rights issues.</li> </ul>                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>FGV shall establish a communication strategy to ensure that the approved policies and relevant SOPs supporting the policies are adequately communicated</li> <li>i. Please refer to paragraph 2(iii).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                     |                                      |

| No. | Complaints Panel's Directives                                                                         | FGV Assessment Finding | Action                                                                                                                                                                                                                                                                                                                                                       | Progress Update as at September 2019 |
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|     | Regular and compulsory capacity building and training programmes on human rights should be conducted. |                        | <p>and implemented internally at all levels.</p> <ul style="list-style-type: none"> <li>In addition, these policies shall also be communicated to all FGV's external stakeholders. In particular to its contractors and supply chains to ensure that they understand that they are expected to comply and implement the same in their operations.</li> </ul> |                                      |

\*\*\*\*\* END OF DOCUMENT \*\*\*\*\*