

SECTION FIVE

BUILDING VALUE AT OUR CORE


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GROUP FINANCIAL REVIEW

In 2023, despite navigating a challenging economic landscape, the Group achieved a commendable revenue of RM19,359 million, alongside a Profit Before Zakat and Taxation of RM336 million. However, this marked a decline from the previous year, primarily attributed to the downward trend in Crude Palm Oil (CPO) prices.

Nevertheless, increased average selling prices in the Sugar Division and improved handling rates in the Logistics and Support Division helped partially mitigate this decline. Despite these efforts, the Group experienced a substantial decrease in Profit After Taxation and Minority Interest, plummeting by 92% to RM102 million in 2023, compared to RM1,329 million in 2022.


The Group's financial performance was notably impacted by a decline in profitability within the Plantation Division, reflecting the adverse effects of the lower CPO prices. However, amid this adversity, there were encouraging signs, including improvements in the Logistics and Support Division and a narrowing of losses in the Sugar Division. These positive developments underscore the Group's agility in adapting to market dynamics and its ability to optimise performance across diverse sectors.



Revenue

RM19,359 million


2022: RM25,562 million



Operating Profit before Land Lease Agreement (LLA) and Impairment

RM645 million


2022: RM2,341 million



Profit Before Zakat and Taxation

RM336 million

2022: RM1,955 million



Profit After Taxation and Minority Interest

RM102 million

2022: RM1,329 million

DIVISION FINANCIAL REVIEW

Plantation

Our Plantation Division registered a Profit Before Taxation of RM292 million in 2023 compared to RM2,118 million in 2022, primarily due to the lower average CPO prices of RM3,901 per MT in 2023 against RM4,832 per MT registered in 2022. Additionally, a 29% increase in CPO production cost ex-mill, combined with lower Downstream and Fertiliser product margins, further impacted profitability. The Division also recorded impairment losses on non-financial assets of RM118 million compared to RM55 million in 2022. These losses were primarily due to impairments on Indonesian plantation assets which were disposed of in November 2023, and on rubber plantation estates. The lower profit in 2023 was partially offset by a lower fair value charge on Land Lease Agreement (LLA) of RM134 million compared to RM353 million registered in 2022. Joint venture's share of profits declined to RM14 million from RM134 million in 2022. The higher joint venture share of profit in 2022 was influenced by a one-off gain on disposal and the effect of hyperinflationary accounting applied to its joint venture's subsidiary.

<p>Revenue</p> <p>RM15,747 million</p> <p>2022: RM22,573 million</p>	<p>Profit Before Taxation</p> <p>RM292 million</p> <p>2022: RM2,118 million</p>
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Sugar

Our Sugar Division recorded a lower Loss Before Taxation of RM23 million in 2023 compared to RM177 million loss in 2022. The narrowed loss was attributed to improved margins resulting from higher average selling prices and sales volume. Additionally, the Division benefited from incentives received for certain packed sugar sold in the domestic market and better capacity utilisation.

<p>Revenue</p> <p>RM3,091 million</p> <p>2022: RM2,566 million</p>	<p>Loss Before Taxation</p> <p>(RM23 million)</p> <p>2022: (RM177 million)</p>
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Logistics and Support

Our Logistics and Support Division achieved higher Profit Before Taxation of RM148 million in 2023, rose by 42% compared to RM104 million in 2022. The profit from the Logistics segment increased by 12%, driven by improved handling rates in the bulking business despite decreased throughput volume. Additionally, the improved profit in the Support segment was driven by increased income in the Information Technology business.

<p>Revenue</p> <p>RM479 million</p> <p>2022: RM389 million</p>	<p>Profit Before Taxation</p> <p>RM148 million</p> <p>2022: RM104 million</p>
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GROUP FINANCIAL REVIEW

In 2023, the Group's total assets decreased by 5% to RM17,283 million from RM18,111 million in 2022, mainly due to lower inventories resulting from lower prices and quantities. Total liabilities reduced by 5% to RM9,701 million in 2023 compared to RM10,226 million in 2022, attributable to a decline in payables and the final settlement of the loan to the ultimate holding company.

Total equity for the Group stood at RM7,582 million in 2023, a 4% decrease from RM7,885 million in 2022 due to the lower profit achieved in 2023. Meanwhile, the Group's total cash balance as of 31 December 2023 amounting to RM1,523 million, showing a 9% increase from RM1,397 million in 2022. The increase was derived from cash generated by operational activities amounting to RM1,551 million, offset by RM867 million and RM580 million cash utilised in investing and financing activities, respectively. The cash used in investing and financing activities included the purchase of assets amounting to RM1,008 million and the payment of a dividend of RM401 million, made to the shareholders in April 2023.

The gearing ratio increased by 15% to 0.45 in 2023 compared to 0.39 in 2022. This was due to higher borrowings, which increased by 12% to RM3,433 million following the Group's issuance of a second *Sukuk Murabahah* amounting to RM500 million, coupled with a lower total equity. Meanwhile, the liquidity ratio remained at 1.17 in 2023, similar to 2022.

The Group recorded net asset per share of RM1.64 in 2023 compared to RM1.71 in 2022 due to lower equity. Similarly, earnings per share decreased by 92% to 2.8 sen in 2023 compared to 36.4 sen in 2022, due to lower profits recorded.

For the financial year ended 31 December 2023, FGV's effective tax rate stood at 68%, exceeding the Malaysian income tax rate of 24%. This was due to certain non-allowable expenses and deferred tax assets not recognised on losses in certain subsidiaries.

The Board of Directors has declared a total dividend payout of 3.0 sen per share for 2023, amounting to RM109 million for the financial year ended 31 December 2023.

Key Financial Highlights

	2023	2022
Cash and Cash Equivalents (RM million)	1,523	1,397
Total Borrowings (RM million)	3,433	3,059
Liquidity Ratio	1.17	1.17
Gearing Ratio	0.45	0.39
Earnings Per Share (sen)	2.8	36.4
Dividend (sen)	3	15

GROUP FINANCIAL REVIEW



From left • Nor Marhamah Yahya - General Counsel • Shahrul Azman Mohd Mokhtar - Group Treasurer • Manvinder Singh - Group Tax Controller • Dato' Mohd Hairul Abdul Hamid - Group Chief Financial Officer • Aznur Kama Azmir - Group Financial Controller • Daniel VC Lee - Group Information Officer • Chew Tong Lai - Head, Group Procurement

FINANCIAL OPERATIONAL HIGHLIGHTS

In addition to our core finance functions, our in-house finance services extend their reach into estates and operations by integrating advanced digital platforms to streamline financial and operational processes, including e-statements and seamless payment options. Furthermore, our team prioritises digitalisation through the exploration of Artificial Intelligence (AI) to automate routine operations and introduce predictive analytics for strategic decision-making in document processing to increase efficiency across our organisation.

In terms of capabilities, we are committed to empowering our finance teams with robust expertise to serve as trusted business partners, guiding businesses in making well-informed financial decisions while ensuring compliance with regulatory standards. Continuous professional development remains paramount to keep pace with evolving accounting standards and technologies. As of 2023, we have 83 accountants holding memberships in Professional Accounting Bodies (PAB), with 26 finance executives actively pursuing PAB qualifications. Among these, 59 accountants are affiliated with the Malaysian Institute of Accountants, while 50 are members of esteemed professional bodies such as Association of Chartered Certified Accountants (ACCA), Chartered Institute of Management Accountants (CIMA), the Malaysian Institute of Certified Public Accountants (MICPA), Institute of Chartered Accountants in England and Wales (ICAEW), Certified Public Accountant (CPA) (Australia), and others.

As an approved and recognised employer by multiple professional bodies, our in-house FGV Accountant Certification (FGV ACe) programme serves as a platform for aspiring young finance executives to pursue professional accounting certification. In 2023, four finance executives successfully completed the programme with professional qualifications such as ACCA and CPA (Australia).

PROCUREMENT

FGV remains vigilant in navigating operational challenges to achieve cost efficiency. This commitment to fiscal responsibility has led to significant cost savings outcomes. In 2023, we achieved savings of RM176 million, exceeding our annual target by 15%. We also realised a 4% reduction in negotiated savings versus actual contract value, amounting to RM36 million on a contract value of RM1,018 million. We will continue to enhance our processes and negotiation strategies to minimise any financial leakages.

We are enhancing our procurement team's capabilities by equipping them with advanced knowledge and skills through benchmarked certification. In 2023, 30 employees were conferred as Certified Procurement Professional (CPP) and two employees received Certified Strategic Sourcing Professional (CSSP) certifications.



Certified Procurement Professional (CPP)

The Malaysian Institute of Purchasing and Materials Management (MIPMM) provides the CPP certification, aimed at affirming the competencies and expertise of professionals in procurement. The CPP certification is highly regarded by individuals seeking advancement in their procurement or purchasing management careers.

Certified Strategic Sourcing Professional (CSSP)

The CSSP certification aims to certify the expertise and competencies of professionals involved in strategic sourcing, supplier relationship management, and procurement strategy development.

GROUP FINANCIAL REVIEW

OUTLOOK

In 2024, the global economy is poised for steady growth despite high interest rates and debt, with a faster-than-expected inflation decline. Malaysia's economy is set to expand at 4% to 5%, benefitting from robust domestic spending and rebounding external demand with moderate inflation¹. The palm industry foresees global palm oil exports to be impacted by Indonesia's B35 biodiesel mandate, along with weak demand and competition from other oils. This will put pressure on global palm oil exports and keeping CPO prices within the RM3,900 to RM4,200 per MT range.

The Plantation Division expects a modest rise in Fresh Fruit Bunch (FFB) production and yield due to improved labour supply and lower costs. Innovations and government collaboration will be further explored in the Sugar Division to secure sustainable pricing mechanism, enhance food security, and introduce premium products. The Logistics and Support Division aims to increase bulking capacity and manage a higher volume of high-value products, diversifying to address palm production volatility. The Consumer Products Division will strengthen its expansion efforts by leveraging the Fast-Moving Consumer Goods (FMCG) Distributorship Network Model and transitioning to a premium brand, alongside operational modernisations to meet international demand. We will also focus on growing the share of alternative protein feeds and sustainable feed ingredients within the Integrated Farming Division, focusing on competitive pricing and quality.

EXTRACT OF STATEMENT OF PROFIT OR LOSS

	2023 RM'000	2022 RM'000
Revenue	19,359,186	25,561,543
Operating Profit	403,135	1,906,655
Profit Before Zakat and Taxation	336,442	1,955,223
Profit for the Financial Year	112,442	1,268,601
Profit Attributable to:		
Owners of the Company	101,618	1,329,226
Non-Controlling Interests	10,824	(60,625)
	112,442	1,268,601

¹ Department of Statistic Malaysia, February 2024

GROUP FINANCIAL REVIEW

EXTRACT OF STATEMENT OF FINANCIAL POSITION

	2023 RM'000	2022 RM'000
Property, Plant and Equipment	7,908,289	7,727,964
Interests in Joint Ventures and Associates	651,683	631,043
Other Non-Current Assets	3,772,546	3,690,187
Non-Current Assets	12,332,518	12,049,194
Current Assets Excluding Cash	3,427,001	4,664,326
Deposits, Cash and Bank Balances	1,523,234	1,397,106
Current Assets	4,950,235	6,061,432
Total Assets	17,282,753	18,110,626
Capital and Reserves		
Equity Attributable to Owners of the Company	5,971,915	6,231,657
Non-Controlling Interests	1,610,065	1,653,028
Total Equity	7,581,980	7,884,685
Borrowings	3,432,802	3,058,960
LLA Liability	3,513,813	3,680,354
Other Non-Current Liabilities	1,038,168	951,749
Other Current Liabilities	1,715,990	2,534,878
Total Liabilities	9,700,773	10,225,941
Total Equity and Liabilities	17,282,753	18,110,626

EXTRACT OF STATEMENT OF CASH FLOWS

	2023 RM'000	2022 RM'000
Operating Profit Before Working Capital Changes	1,438,642	3,249,029
Changes in Working Capital	514,078	(504,310)
Cash Generated from Operation	1,952,720	2,744,719
Finance Income	35,123	26,256
Taxation and Zakat Paid	(431,985)	(538,821)
Retirement Benefit Paid	(5,235)	(5,646)
Net Cash Generated from Operating Activities	1,550,623	2,226,508
Net Cash Used in Investing Activities	(866,798)	(723,853)
Net Cash Used in Financing Activities	(579,573)	(2,169,992)
Net Increase in Cash and Cash Equivalents	104,252	(667,337)
Effect of Foreign Exchange Rate Changes	21,876	32,777
Cash and Cash Equivalents at Beginning of Financial Year	1,397,106	2,031,666
Cash and Cash Equivalents at End of Financial Year	1,523,234	1,397,106



GROUP FINANCIAL REVIEW

STATEMENT OF VALUE ADDED

	2023 RM'000	2022 RM'000
Revenue	19,359,186	25,561,543
Direct & Indirect Cost	(12,211,313)	(14,281,053)
Purchase of FFB from Settlers	(4,070,083)	(6,770,968)
Value Added from Operations	3,077,790	4,509,522
Other Operating Income	121,194	152,783
Other Losses	(917)	(39,267)
Share of Results of Joint Ventures & Associates	23,338	148,822
Finance Income	35,123	26,256
Total Value Added	3,256,528	4,798,116

STATEMENT OF VALUE DISTRIBUTED

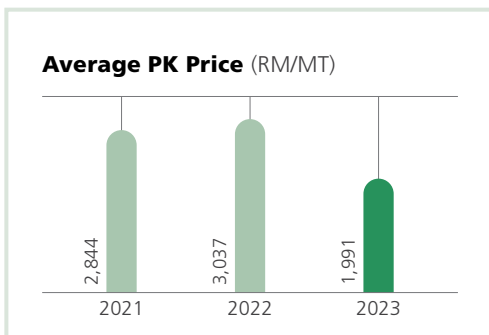
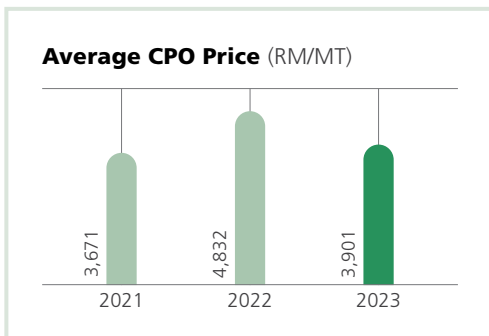
	2023 RM'000	2022 RM'000
Employees	2,025,815	1,985,493
Government and Society	231,042	699,365
Providers of Capital		
Dividends to Owners of the Company	401,297	437,778
Finance Cost	125,154	126,510
Non-Controlling Interest	10,824	(60,625)
Reinvestment	462,396	1,609,595
Total Value Distributed	3,256,528	4,798,116

GROUP BUSINESS REVIEW

PLANTATION

The Plantation Division's performance in 2023 was challenged by low yield, high production costs, and adverse weather conditions. These challenges were exacerbated by a lower average CPO price realised of RM3,901 per MT, against RM4,832 per MT registered in 2022, along with reduced profit margins from the Downstream and Fertiliser businesses. As a result, profits declined to RM292 million, down from RM2,118 million achieved last year.

To address these challenges, we are implementing strategies to enhance operational efficiency and resilience. This includes ongoing efforts to improve yield through estate monitoring, mechanisation, and digitalisation, aimed at streamlining the supply chain and improving productivity. Additionally, we are exploring alternative sourcing options to mitigate affordability and availability issues, while implementing cost optimisation strategies to strengthen our ability to navigate these challenges effectively.



Our estate workers play a vital role in ensuring productivity and growth in plantation operations.



GROUP BUSINESS REVIEW



From left • Abu Samah Sulaiman - Head, Renewable Energy Department • Shahril Ibrahim - Group Accountant, Plantation Division • Abdul Malik Sekak - CEO, FGV Palm Industries Sdn Bhd • Rahimi Hissan Wahid - Regional CEO (Peninsular 2) • **Borhan Bachi - Group Director, Plantation Division** • Hamdan Ismail - CEO, FGV Plantations (Malaysia) Sdn Bhd and Regional CEO (Peninsular 1), and Officer-In-Charge of CEO FGV Fertiliser Sdn Bhd • Zul Hasymi Saadul Kurzi - CEO, FGV Agri Services Sdn Bhd and Officer-In-Charge Regional CEO (Sabah & Sarawak) • Anuar Abdul Talib - CEO, FGV Rubber Industries Sdn Bhd • Romzi Ishak - Head, Research & Development Division • Noor Hisham Hamid - CEO, FGV R&D Sdn Bhd

●●● FINANCIAL PERFORMANCE



REVENUE

RM15,747 million

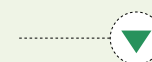
2022: RM22,573 million



PBT

RM292 million

2022: RM2,118 million



	REVENUE	PBT
 UPSTREAM	<p>RM10,829 million</p> <p>2022: RM15,310 million</p>	<p>RM200 million</p> <p>2022: RM1,602 million</p>
 DOWNSTREAM	<p>RM4,350 million</p> <p>2022: RM6,214 million</p>	<p>RM49 million</p> <p>2022: RM350 million</p>
 R&D	<p>RM568 million</p> <p>2022: RM1,049 million</p>	<p>RM43 million</p> <p>2022: RM166 million</p>

In the Upstream segment, Profit Before Taxation decreased significantly by 88% to RM200 million in 2023 compared to RM1,602 million in 2022. This decline was primarily due to squeezed margins in palm products, driven by a 19% reduction in average CPO price realised, as well as a 34% decrease in average Palm Kernel (PK) price. Moreover, lower CPO production by 10%, in tandem with lower FFB processed and a 29% increase in CPO cost ex-mill due to higher expenses in upkeep and maintenance, manuring, and labour, further impacted profitability.

Within the division, the Downstream segment's profit margins contracted due to lower product margins across all downstream products. This was a result of higher refining and processing costs, coupled with reduced sales volume during the period. Meanwhile, the Research & Development (R&D) segment experienced a lower profit due to higher FFB estate costs and a reduced margin on fertiliser products.

GROUP BUSINESS REVIEW

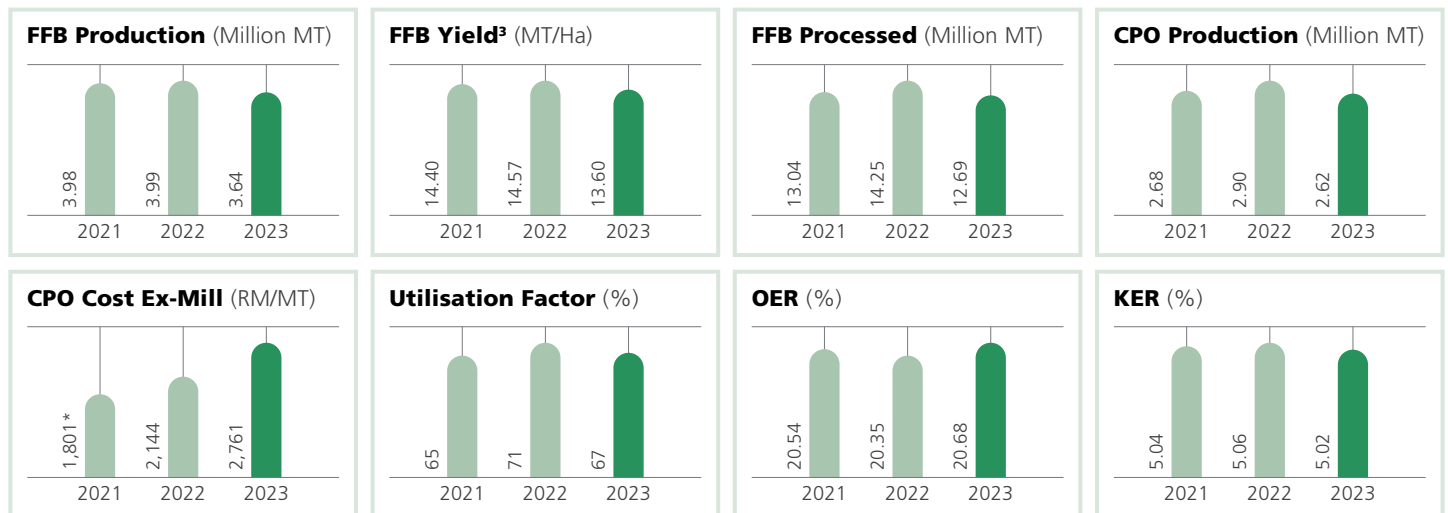
OPERATIONAL PERFORMANCE

 **UPSTREAM**

Overview

Our Upstream segment manages an extensive landbank of 438,867 Ha, with a total planted area including oil palm, rubber, and other crops of 344,472 Ha, located across Malaysia and Indonesia. As one of the global CPO producers, we contribute 3% to the world's CPO production through our 66 mills in Malaysia.

	2021	2022	2023 ¹
Malaysia	Ha	Ha	Ha
- Peninsular	252,451	252,606	252,350
- Sabah & Sarawak	163,856	163,866	163,939
Indonesia	22,578	22,578	22,578²
TOTAL LANDBANK	438,885	439,051	438,867
Planted Areas for Oil Palm	336,315	334,075	333,765
- Immature	56,660	51,268	63,279
- Mature	279,655	282,807	270,486
Planted Areas for Rubber	7,668	7,204	7,203
- Immature	3,631	3,000	2,804
- Mature	4,037	4,203	4,399
Planted Areas for Other Crops	3,352	3,435	3,504
- Immature	3,111	3,151	3,123
- Mature	241	284	381
TOTAL PLANTED AREA	347,335	344,714	344,472



¹ The 2023 hectareage includes our operation in Indonesia

² The Indonesian operation was divested in November 2023

³ Based on the mature area following the completion of the rehabilitation

* Based on the latest restated amounts



GROUP BUSINESS REVIEW

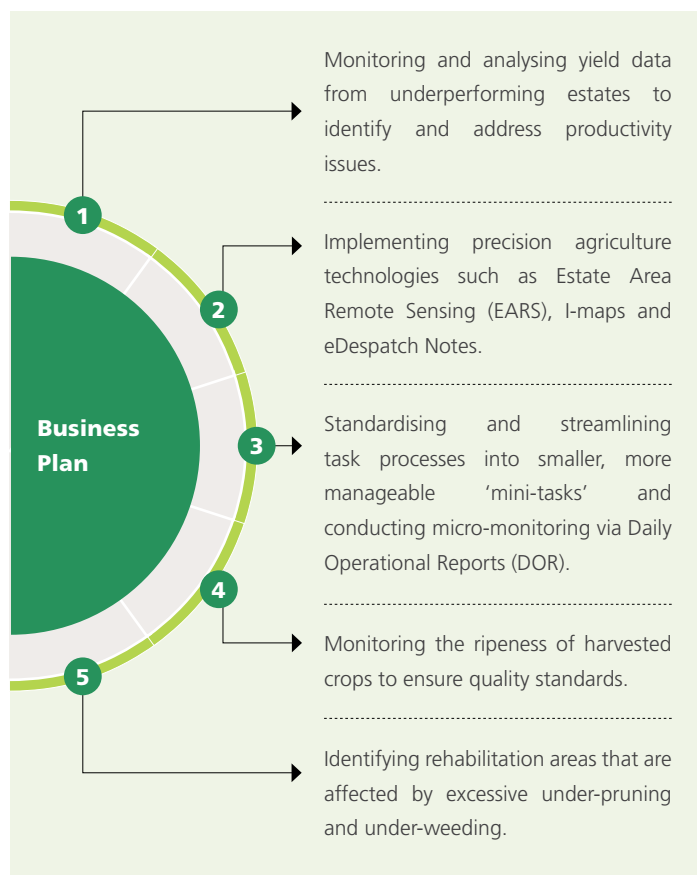
In 2023, our FFB production reached 3.64 million MT, a 9% decrease from 2022. Yield reduced by 7% to 13.60 MT per Ha from 14.57 MT per Ha in 2022. The yield was adversely affected due to reduced fertiliser application over several years, a consequence of labour shortages and the Movement Control Order (MCO) period. Additionally, the slow progress of rehabilitating our young matured and prime-age palms, along with delays in thinning out densely planted palm areas, significantly affected FFB production.

FFB processed experienced a notable decrease of 11%, to 12.69 million MT compared to 14.25 million MT in 2022, mainly due to the reduction in external crops received. Throughout the year, our steadfast commitment to sustainability standards for external parties has led to a reduction in the number of FFB received. In response, we are actively expanding our supplier base with a strong emphasis on sustainability compliance. We are committed to providing capacity-building support and facilitating the exchange of best practices with FFB suppliers and dealers to promote sustainable practices across our supply chain. Of the total FFB received, 28% was produced internally, while 42% came from FELDA settlers and 30% from third parties. Correspondingly, CPO and PK productions declined by 10% and 12%, respectively, reflecting the lower FFB processed.

The Utilisation Factor (UF) decreased to 67% from the previous year's 71%. The segment's performance was further affected by the increase in the CPO cost ex-mill to RM2,761 per MT versus RM2,144 per MT in 2022, driven by higher expenses in upkeep and maintenance, manuring and labour costs. During the year, we streamlined operations by rationalising one mill in Sahabat, Sabah to enhance operational efficiency, bringing our total mills to 66. This adjustment brings our combined mill capacity to 3,161 MT per hour. Looking ahead, we will assess the need for mills in selected complexes and invest in upgraded machinery and equipment to increase UF and optimise performance.

On the other hand, the Oil Extraction Rate (OER) for 2023 improved slightly to 20.68% from 20.35% in 2022, attributed to better crop quality received and enhanced mill performance from the OER improvement programme. However, the Kernel Extraction Rate (KER) decreased marginally to 5.02% from the 5.06% recorded previously. To address this, we have established a KER Taskforce to improve and control mill processing parameters and minimise losses.

We recognised the need for substantial improvements in our operational efficiency. In line with our continuous improvement efforts, we have initiated several measures to enhance our crop harvesting processes and productivity. These targeted strategies include:

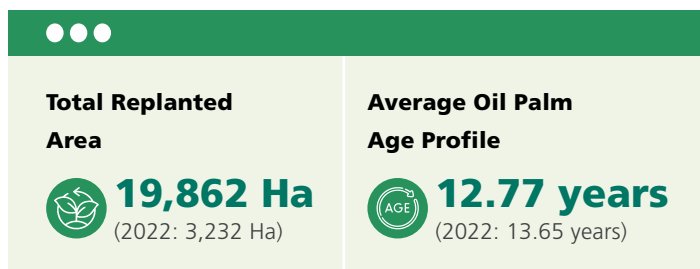


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Total Rehabilitated Area
7,487 Ha

GROUP BUSINESS REVIEW

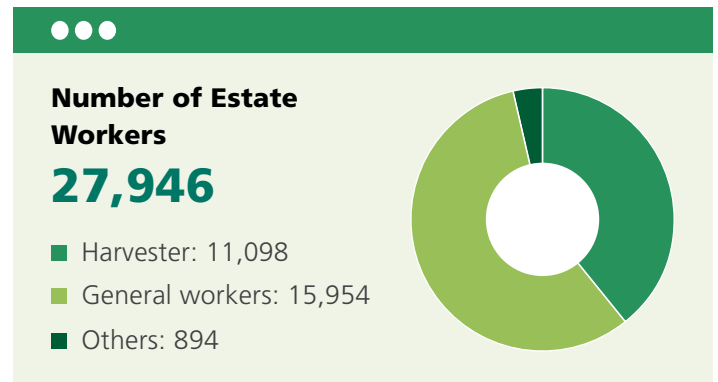
Replanting remains a high priority for maintaining the productivity and sustainability of our plantations. In the reviewed year, we achieved felling of 16,547 Ha and replanted 19,862 Ha. We also applied 275,570 MT of fertiliser, covering 90% of the annual manuring programme. Despite facing numerous challenges in the replanting process, we are tackling these issues through our annual replanting work programme. This comprehensive initiative involves expanding the network of replanting vendors and implementing measures such as installing electric fencing and elephant trenches, among others.



We have invested in mechanising harvesting and collection activities to boost efficiency and reduce labour dependence. In 2023, we continued the Mechanical Assisted Infield Collection (MAIC) using power barrows in hilly terrain, covering 20,000 Ha. Moreover, we are planning to extend mechanisation to include non-harvesting tasks, aligning with our commitment to achieving the targeted man-to-land ratio.

On the labour management front, we temporarily halted the recruitment process in the third quarter of 2023 to further enhance our sustainability practices in source countries. This pause ensures that our recruitment aligns with the highest sustainability standards and FGV's commitment to a 'Zero Recruitment Fees' policy. As a result of this initiative, a few recruitment agencies were suspended due to their failure to meet these stringent standards. By the end of 2023, we had reached 84% of our targeted workforce strength. Despite this, we observed a notable decrease in both abscondments and repatriations during this period, achieving approximately 94% labour strength in the Peninsular area.

During the review period, FGV completed the reimbursement of recruitment fees to 20,153 active migrant workers with payments made in March, June, and September 2023, amounting to RM72.2 million. An appointed third-party assessor is currently conducting a verification assessment to review the implementation of FGV's overall remediation plan.



Outlook

In line with the objectives of BP26, our focus is on implementing strategic initiatives to address current challenges and capitalise on opportunities. Key efforts include executing the Withhold Release Order (WRO) Remediation Plan, allocating a three-year project valued at RM605 million to improve worker accommodation, essential for compliance and worker welfare.

Another priority is enhancing yield by closely monitoring crop harvesting, ensuring the suitability of planting materials to site conditions; reducing losses from pest and disease damage, and implementing Good Agricultural Practices (GAP). To achieve the targeted man-to-land ratio of 1:12, we will extend our mechanisation programme by utilising power barrows in hilly areas for FFB evacuation, anticipating significant productivity boosts. The replanting programme will be focused on correcting age profile and implementing precision agriculture techniques. A key objective is to improve the OER by enhancing mill process efficiency and process control, and maximising oil extraction from harvested FFB.

Central to these plans is enhancing our labour strategy with the aim to reach 110% workforce strength. We are looking at accelerating the end-to-end recruitment process and implementing measures to improve living conditions for workers. We are focusing on recruiting migrant workers from India and Indonesia, as well as local workers at targeted locations in FELDA settlement areas and villages.

Sustainability remains a top priority for FGV, as we integrate Environmental, Social and Governance (ESG) principles into our mill operations and adhere strictly to Clean Air Regulations, affirming our commitment to responsible plantation management. We will continue to expand our FFB supplier base while prioritising sustainability compliance. To ensure adherence to sustainability practices across our supply chain, we will provide capacity-building support and share best practices with FFB suppliers and dealers.



GROUP BUSINESS REVIEW



RESEARCH & DEVELOPMENT

Overview

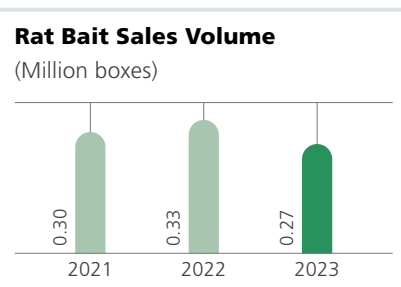
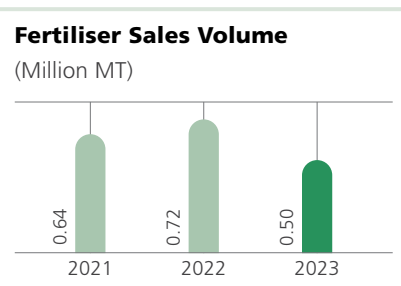
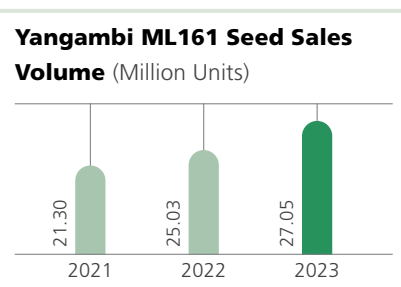
We operate one of Southeast Asia’s largest oil palm research centres, primarily focusing on innovation and scientific research across the industry. Our R&D efforts cover the entire supply chain, aiming to enhance yields and milling processes. We also customise downstream products through sustainable methods and optimise waste for new product development, all while exploring new revenue opportunities. We produce the award-winning planting material, Yangambi ML161, and boast a fertiliser manufacturing with a capacity of 700,000 MT annually.

During the year under review, sales volume of Yangambi ML161 seeds increased by 8%, reaching a total of 27.05 million units. This growth was driven by rising demand for seeds stemming from increased sustainable replanting activities. Despite this growth, our market share experienced a slight decline, dropping by 2% to 39.4%, primarily attributed to the increased seed supply from competing producers in the market.

In the Fertiliser segment, total fertiliser sales in 2023 went down by 30%, influenced by a reduction in orders from estates due to carry forward orders from previous years. Additionally, sales of rat bait decreased by 17%, totalling 270,844 boxes, as a result of reduced demand from key plantation companies, leading to adjustments in the rat bait programme.

As part of the Group’s ongoing initiatives, we remain dedicated to enhancing productivity through our 25:23 initiative, aiming for a 25 MT per Ha FFB yield and 23% OER. Leveraging the Internet of Things (IoT), we promote estate modernisation through mechanisation and advanced technologies to reduce reliance on migrant workers and improve labour shortages. Furthermore, we offer upskilling and reskilling programmes for estate operations.

We achieved two research breakthroughs in 2023 that are scheduled for launch in 2024:



Value Added Fertiliser

A new value-added fertiliser contains specialty compound that supports healthy growth and sustainable yield.



Improved High Oil Yield Planting Material

Improved high oil yield planting material prioritises distinctive traits aimed at producing high FFB yield and OER, intending to enhance efficiency and productivity in the palm oil industry.

In 2023, FGV Agri Services Sdn Bhd, the commercial arm of the R&D segment, formed partnerships with *Pertubuhan Peladang Kebangsaan (NAFAS)* and *Pandawa Agri Indonesia* to introduce *Weed Solut-Ion*. This environmentally-friendly product for weed management has been proven to reduce herbicide use by 50%. Thoroughly tested and validated in the market, *Weed Solut-Ion* underscores our dedication to sustainable agriculture. Furthermore, FGV Fertiliser Sdn Bhd through a strategic collaboration, has commercialised a *Controlled-Release Fertiliser* in sachet form. In addition, the segment remains steadfast in its dedication to sustainability through innovation, exemplified by its research centre, *Pusat Penyelidikan Pertanian Tun Razak (PPPTR)*, which has been instrumental in the oil palm industry for 55 years since its establishment in 1968.

GROUP BUSINESS REVIEW



Through R&D and commitment to responsible practice, FGV is advancing towards a better future.

Outlook

In the coming years, our R&D efforts will focus on enhancing FFB yield and OER, addressing labour challenges through IoT and advanced technologies, and promoting sustainability-driven innovations. Additionally, we will concentrate on developing high-value crop-planting materials through cloning and smart farming techniques. These efforts align with our commitment to supporting food security while fostering innovation in the agricultural sector. Continuing from 2023, new R&D projects include developing bioplastics from palm oil mill waste, Napier pellet for ruminant feed and developing poultry feed with Palm Kernel Expeller (PKE).

To drive business growth, we are strategically expanding our operations and strengthening market presence to maximise profitability. This involves the introduction of premium planting material with improved high oil yield. Additionally, we aim to fortify our position in overseas seed markets and foster strategic partnerships to further enhance our growth trajectory.

For Fertiliser segment, we aim to increase the compacted fertiliser plant by expanding its capacity from 130,000 MT to 200,000 MT, enabling us to efficiently meet the growing demand for our products. In addition, we are progressing towards commercialising new value-added compound fertiliser products, further diversifying our product offerings and capturing additional market segments.

We are also committed to elevating operational efficiency through the adoption of cutting-edge technologies in digitalisation, automation, and mechanisation. These efforts aim to establish a Smart Plantation Model at a designated site in Pahang, which will serve as the benchmark across all our estates and mills.

RUBBER

Overview

With over half a century of expertise, our Rubber segment commands an 11% share of the domestic market, producing around 51,000 MT of rubber annually. Leading the production of Technical Standard Rubber, we operate seven rubber processing facilities spread throughout the ASEAN region. We also produce Green Rubber products, which distinguishes us in the industry.

In 2023, sales volumes for the segment's two primary products, Standard Malaysia Rubber (SMR) and Mixture Rubber (MR), dropped to 51,158 MT from 91,665 MT recorded in 2022, due to decreased raw material purchases amid a highly competitive sourcing market. This reduction to a lower UF of 33%, coupled with a significant increase in production costs.

To counter these challenges, we concentrated our efforts on several strategic areas:

Securing raw materials from alternative markets to ensure a steady supply and cost-effectiveness

1

Implementing cost optimisation measures for diesel and electricity consumption efficiency

2

Expanding into downstream rubber products and setting new sales targets for Green Rubber

3

FGV Rubber Palong 8C received **Forest Stewardship Council Certification** for its Green Rubber products

GROUP BUSINESS REVIEW

Outlook

The business is poised for growth in 2024, driven by demand in industries such as automotive and healthcare sectors. Despite this positive outlook, we remain cognisant of potential headwinds including geopolitical tensions from the ongoing Russia-Ukraine conflict and unrest in the Middle East. In 2024, we aim to increase our sales volume and margin spread, strengthening our market position despite the anticipated challenges. To mitigate risks, we are focusing on operational excellence, cost control, risk management, and market expansion. This strategy is key to strengthening our overall performance and securing a stronger position in the market, ensuring our resilience and sustainable growth.



RENEWABLE ENERGY

Overview

The Renewable Energy segment is central to the Group's waste-to-wealth initiatives, utilising gas, solid, and liquid biomass from palm oil mills to generate biogas fuel for national and rural grid connections, as well as bio-compressed natural gas (Bio-CNG). Our commitment to renewable energy initiatives has positioned us as the only palm plantation company worldwide with 28 biogas power plants. Moreover, we are the first company to develop a commercial-scale palm-based Bio-CNG plant, in collaboration with the Malaysian Palm Oil Board (MPOB).

In 2023, the Keratong 9 plant achieved a Commercial Operation Date (COD) and is now operational. With this completion, we will inject approximately 22 to 24 million kWh of electricity into the National Grid through our Feed-in-Tariff (FiT) programme from five FiT plants annually.

FGV's Palm Kernel Shell (PKS) operations have been certified the Green Gold Label Certification, while our sludge palm oil has achieved certifications from the National Italian Scheme and the International Sustainability and Carbon Certification. These accomplishments highlight our commitment to renewable energy initiatives and our ongoing efforts to minimise the environmental impact from our operations.

In terms of new initiatives, we are currently undertaking the establishment of a Fine Compost Plant facility in Maokil, Johor, aimed at serving as the primary source of organic raw material for the production of Fortified Organic Fertiliser. The facility is anticipated to commence operations in 2024. As part of our waste-to-wealth efforts, we are actively evaluating proposals for the supply of shredded Empty Fruit Bunches (EFB), targeting diverse applications such as EFB pellets and addressing challenges encountered by power plants dealing with crop volume inconsistencies. Additionally, we are also exploring the increasing demand for Decanter Cake as an alternative for animal feed products.



Received Grand Award for *Loji Janakuasa Biomass Sahabat* during the 41st MSOSH OSH Award 2023

Outlook

For 2024, our focus is on harnessing the potential of renewable energy. We will be exploring the establishment of a separate entity focused on the renewable energy business. This move is part of our Renewable Energy Blueprint, currently under development.

Our strategy includes directly supplying PKS to end-users, producing high-quality and premium PKS to fulfil buyers' specifications, and managing stockpiles for Free on Board (FOB) shipments. Currently, our Bio-CNG plant is undergoing major maintenance and is expected to be commissioned by 2024. Once operational, this facility will significantly enhance our renewable energy capabilities. We are actively engaged in collaborations with several partners to explore the development and offtake of biomethane from greenfield mills. This approach is crucial as utilising bioresources for energy is not only sustainable but also instrumental in reducing the Group's carbon emissions.



More information on Renewable Energy and Energy Management can be found in the Sustainability Report 2022/2023.

GROUP BUSINESS REVIEW

NAVIGATING CHALLENGES

CHALLENGE	RESPONSE
<p>Decrease in FFB yield</p>	<ul style="list-style-type: none"> • Continuous efforts in yield enhancement include expanding footprint to maximise presence in the field, improving crop recovery efficiency, implementing continuous GAP in prime areas and young mature regions, adopting mechanisation and digitalisation for productivity improvement, as well as quality replanting • Rehabilitating areas that are excessively under-pruned and under-weeded to enhance harvesting productivity
<p>Higher production costs result from increases in raw material prices, as well as costs of manuring and labour</p>	<ul style="list-style-type: none"> • Exploring alternative sourcing of suppliers for raw materials • Deploying trading initiatives to minimise the global impact • Continuously monitoring market trends and adjusting pricing strategies accordingly to maintain competitiveness while mitigating the impact of rising costs
<p>Manpower shortages at estates, particularly for harvesting and upkeep works</p>	<ul style="list-style-type: none"> • Enhancing ethical recruitment efforts through intensified exercises • Strengthening collaboration with recruitment agencies in diverse source countries • The integration of automation through mechanisation and digitalisation into estate operations
<p>Adverse weather patterns and reduced fertiliser application in previous years</p>	<ul style="list-style-type: none"> • Preparation of annual work programme following phases and timeline • Optimising planting material performance tailored to site suitability • Development of value-added and specialty fertiliser
<p>Increase focus on sustainability and environmental responsibility</p>	<ul style="list-style-type: none"> • Deploying the Remediation Plan as recommended by the appointed Independent Reviewer • Focusing on additional measures and improvements to existing policies and procedures on the welfare and rights of workers



GROUP BUSINESS REVIEW

For the 2023 Annual Integrated Report, we will continue to incorporate the Downstream and Marketing & Trading business segments within the Plantation Division Review. Specifically, the 'navigating challenges' section will focus on these two business segments. Moving forward, in line with our ongoing efforts to streamline operations, these business segments will be merged into the new Oils and Fats Division. This consolidation aims to provide a clearer representation of our operational structure and improve reporting efficiency.



From left • Scott Chatlin - CEO, Twin Rivers Technologies Holdings, Inc. (TRT) • Roziyatulshima Zamil - CEO, FGV Biotechnologies Sdn Bhd • Zulkifli Othman - Group Director, Oils & Fats Division • Mohd Azam Si Rajab - CEO, FGV Trading Sdn Bhd • Mohd Djunadi Samsuddin - CEO, FGV Refineries Sdn Bhd • Mahyuddin Bolong - CEO, FGV Kernel Product Sdn Bhd

OPERATIONAL PERFORMANCE



DOWNSTREAM

Overview

FGV's Downstream segment specialises in refining and manufacturing palm-based food products, oleochemicals, and biodiesel. This segment serves as a critical component in enhancing value throughout the Group's supply chain continuum. Our diverse product portfolio encompasses cooking oil, margarine, instant noodles, creamer, coconut milk, and rice. With refineries strategically located across Malaysia and Pakistan, and an oleochemical plant in the United States (US), we are committed to efficiently meeting market demands while upholding sustainable practices.

In 2023, the Downstream segment faced various challenges, including compressed margins resulting from higher processing costs, removal of subsidies for cooking oil, and intense market competition. In response to these challenges, FGV has implemented proactive strategies, including the introduction of new product lines catered to meet market demands, enhancement in operational excellence, and improvement in efficiency and quality expectations.

The oils and fats business experienced a marginal decrease of 2% in sales volume to 390,761 MT as compared to 401,000 MT in 2022, particularly from the bulk segment. This marginal reduction in sales was mainly attributed to CPO price volatility resulting in a periodic negative refining margin environment and intense price competition from competitors in the market. Moreover, current market inflation has led to changes in consumer buying patterns, with a marked shift towards smaller packaging options. However, export sales saw a significant 14% growth amid lower prices recorded in 2023. This improvement was driven by successful market expansion initiatives and quality consistency. Moving forward, we are committed to further enhancing our international presence in the export market, particularly in the processed-packed oil business, to meet the evolving market demands.

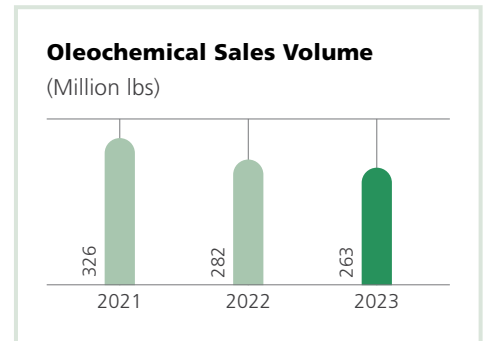
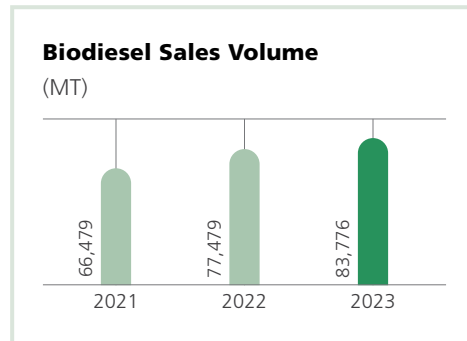
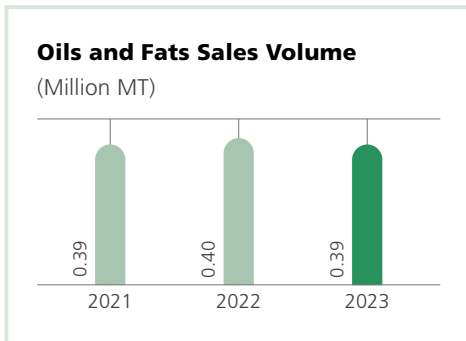
In 2023, the biodiesel business witnessed a 9% increase in sales volume, reaching 83,776 MT, driven by increased sales orders from petroleum companies and improved production efficiency. Conversely, the oleochemical business saw a 6% decline in sales volume to 263 million lbs from 282 million lbs recorded in the previous year. This reduction was attributed to increased product availability from Southeast Asian competitors in the US market, as logistical and supply chain challenges eased. Moreover, a general slowdown in market demand further influenced the decline in sales volume.

GROUP BUSINESS REVIEW



2023 Initiatives

- Acceleration of vegetable oil processing to strengthen our position as a leading vegetable-based oleo producer via the Hydrogenation Expansion Project at FGV’s oleochemical plant in US. Having halal and kosher products portfolio will allow TRT to expand into the food and personal care markets
- Expansion of PKE locally to achieve growth in local PKE sales
- Installation of the 750-fractionation plant to enhance production capabilities for high-margin product lines



Outlook

We remain cautiously optimistic that the global market will return to a more stable environment, especially in our focus markets of Middle East North Africa (MENA) and Emerging Asian countries in the coming years. On a longer term perspective, these markets are poised for above-average growth compared to the global average driven by rising income, positive population growth and shifts in food consumption patterns towards value-for-money products. Palm-based oils and fats products will remain a cost-effective alternative and are expected to see continued robust global demand growth of above 3% for the next few years. Our focus is on strategic market expansion and product diversification supported by a strong innovation culture and commitment to sustainability practices.

We will continue to drive sustainability efforts in line with the Group’s Sustainability aspiration. In line with that, we have embarked on the Resource Efficiency and Industry Symbiosis (REISO) initiative, aiming to minimise environmental impacts through resource minimisation and by-product reutilisation. We have completed assessments at our refineries across Malaysia, marking our commitment to environmental responsibility in operations.

KEY GROWTH DRIVERS

1	2	3	4	5
Geographic Expansion	High-Value Products	Strategic Partnership	Product Development	Operational Excellence
Targeting high-growth markets in MENA and the US, while reinforcing brand presence in Southeast Asia and the Middle East	Developing specialty fats such as cocoa butter substitutes and high iodine value products, and targeting the oleochemical market in the US with a focus on halal and kosher products	Exploring strategic partnerships through joint ventures and mergers and acquisitions as growth catalysts, including collaborations for capacity expansion and acquisitions in Southeast Asia	Prioritising new product development in oils and fats and animal feeds sectors	Strengthening mid-office capabilities and employing automation and AI for predictive planning and operational optimisation



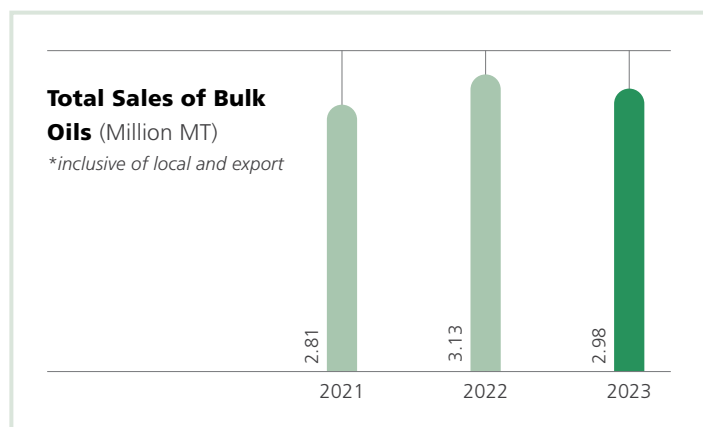
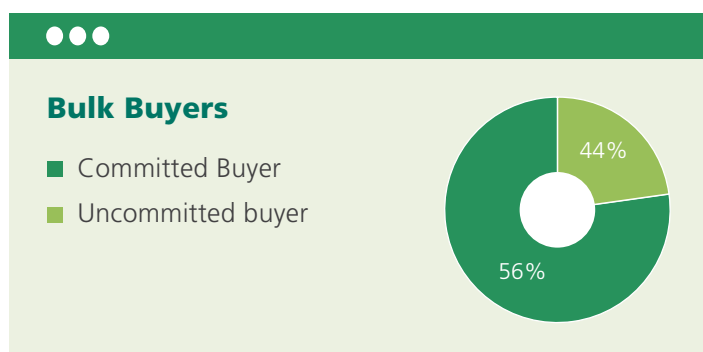
GROUP BUSINESS REVIEW

MARKETING & TRADING

Overview

The Marketing & Trading segment plays a pivotal role in FGV's revenue generation by overseeing the sales and trading of bulk oils. As a comprehensive solution provider, we serve as a single point of contact, offering end-to-end supply chain services encompassing export planning through to final delivery. We have a team of experienced specialists adept at efficiently managing international trade logistics in global shipments and local distribution, while also addressing the specific needs of local buyers.

From the total CPO traded yearly, around 56% is allocated to committed buyers, including our Downstream segment, while the remaining 44% is primarily directed towards uncommitted bulk buyers in key markets such as Pakistan, India and China. This strategic distribution underscores our segment's agility and capability in navigating both stable partnerships and dynamic global markets.



The segment recorded lower bulk oil sales in 2023, totalling 2.98 million MT. This was due to the lower FFB received, particularly in the first half of the year, influenced by adverse weather conditions that resulted in poor pollination and fruit sets. In addition, intermittent periods of lower demand throughout the year further compounded the challenge of maintaining favourable profit margins.

To increase the number of FFB received, we are actively expanding our supplier base with a focus on prioritising sustainability compliance. We are also enhancing the FFB Supplier Information System to maintain up-to-date information on our suppliers and ensure their compliance with the Group Sustainability Policy. Currently, FFB is sourced from internal production, FELDA settlers, as well as third-party suppliers.

Engaged with **Key FFB Suppliers**, who accounted for **57% of FFB purchased in 2023**, by in providing capacity-building support and facilitating best practices to promote a sustainable environment across our supply chain.

FGV prioritises the quality of CPO delivered to buyers, therefore we closely monitor quality standards in FFB sourcing and collaboration with key stakeholders across the supply chain, including mills, refineries and logistics partners. Our approach includes efficient backlog management and the segregation of CPO based on quality inspection at the mill bulk storage tank.

During the period under review, one of our major export markets faced a liquidity crunch due to dwindling foreign currency reserves, causing delays in processing import documents. To navigate this, we worked closely with buyers and banks to facilitate the resumption of CPO exports, effectively minimising disruptions in trading 170,000 MT of CPO. Despite these challenges, we witnessed a steady recovery in the latter half of 2023, resulting in an average CPO price realised of RM3,901. This led to an overall improvement in palm trading margins.

We continued our efforts to expand the market for premium oils, such as Mass Balance Roundtable on Sustainable Palm Oil for both Crude Palm Oil and Crude Palm Kernel Oil (CPO MB and CPKO MB), Crude Palm Oil International Sustainability & Carbon Certification (CPO ISCC), and High IV for Refined, Bleached and Deodorised Palm Olein (RBDPO). We leveraged our mills' capabilities to produce these high-quality oils, which was a contributing factor to our performance in 2023.

GROUP BUSINESS REVIEW



FGV continuously drives productivity, efficiency and sustainability through rigorous processes and inventive solutions.

Outlook

The Marketing & Trading segment is strategically positioned to navigate through a market that is anticipated to be influenced by bearish trends. These trends are driven by forecasts of increased soybean and vegetable oil production, a stronger US dollar affecting global purchasing power and inflation, and evolving dynamics in key markets such as China and Indonesia.

In light of these factors, the segment’s focus will be on optimising profitability, integrating ESG principles into our daily operations, strengthening our value and supply chains, and continuing to support the Downstream segment in various markets. Our strategic approach is underpinned by the BP26 strategy, aimed at fostering stronger relationships within the supply chain. This inclusive approach encompasses independent smallholders, FELDA settlers, dealers, freight service providers, and operators of storage and bulk facilities. The objective is to establish a more cohesive and efficient supply chain to navigate the complex market dynamics. Additionally, we will leverage our Roundtable on Sustainable Palm Oil (RSPO)-certified mills to secure premiums for our oils, thereby enhancing the value of our products in a competitive market landscape. As part of our dedication to being a responsible palm player, we remain steadfast in adhering to rigorous compliance standards across markets, RSPO Supply Chain Sustainability Standard and ISCC, to align with our sustainability commitments.

CHALLENGE	RESPONSE
<p>The WRO issued by the US CBP continues to affect access to the international market due to allegations of violations of labour rights</p>	<ul style="list-style-type: none"> • Diversifying sales channels and markets by expanding into new regions, targeting niche markets, and developing value-added products to cater to diverse consumer preferences
<p>Increased competition in the consumer and industrial marketplace</p>	<ul style="list-style-type: none"> • Continuous market monitoring of other countries’ policies, CPO price, and margin spreads • Intensively engaging with customers to understand and meet their requirements and expectations • Enhancing the Distributorship Business Model to expand the number of distributors locally and globally
<p>Fluctuations in the global price of vegetable oils</p>	<ul style="list-style-type: none"> • Optimising hedging mechanism for forward sales of oils • Regularly reviewing our sales to committed and uncommitted buyers and stay informed about market developments



GROUP BUSINESS REVIEW

SUGAR

FGV's Sugar Division primarily operates through its subsidiary, MSM Malaysia Holdings Berhad (MSM), in which FGV holds a 51% stake. MSM stands as the nation's leading sugar producer and is one of the world's largest sugar refineries. With refineries situated in Penang and Johor, MSM possesses a total annual refining capacity of 2.05 million MT. Given the significance of sugar as a vital commodity across food sectors, we remain steadfast in our efforts to expand market presence and pursue diversification opportunities, all while enhancing operational efficiencies.

The Sugar Division has demonstrated significant improvement in its operational performance, despite grappling with high production costs due to elevated raw sugar prices, freight charges, energy costs, and the depreciation of Ringgit Malaysia (RM) against the US Dollar (USD). In 2023, the influence of El Nino and constrained global supplies led to fluctuations in the benchmark NY11 sugar price, fluctuating between USD 19.0 cents to USD 28.0 cents per pound. As a result, the refined sugar average selling prices increased compared to previous years, with raw sugar comprising approximately 80% of our production costs. Our refineries have attained enhanced reliability and implemented process enhancements, which are expected to substantially enhance performance and stimulate higher commercial sales through the implementation of the ramp-up programme. This progress can be credited to improved operational efficiency, resulting in targeted cost efficiencies.

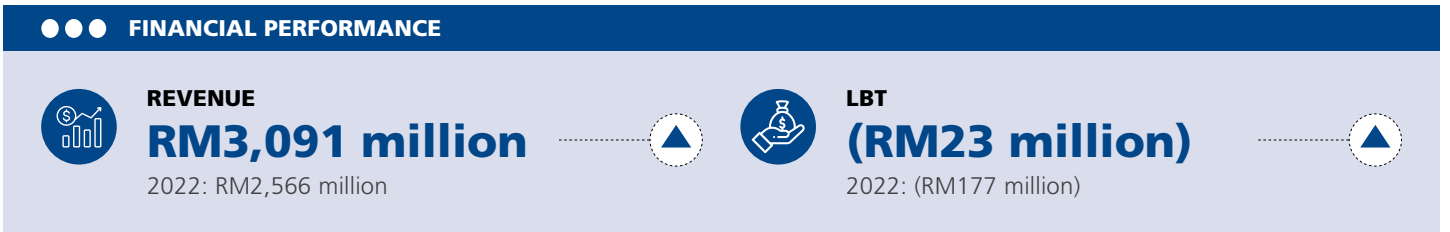


MSM is committed to expanding its market presence and exploring diversification opportunities.

GROUP BUSINESS REVIEW



From left • Mohd Amir Bin Redzuan - Head of Operations, MSM Sugar Refinery (Johor) Sdn Bhd (MSM Johor) • Dr. Mazatul 'Aini Shahar Abdul Malek Shahar - Chief Financial Officer • Syed Feizal Syed Mohammad - Group Chief Executive Officer • Hasni Ahmad - Group Chief Operating Officer • Cheah Poh Lye - Head of Operations, MSM Prai Berhad • Sanuri Saari - Head of Operations, Sungai Buloh Warehouse



FINANCIAL PERFORMANCE

During the year under review, the Sugar Division witnessed an improvement in financial performance, with loss before taxation decreased to RM23 million compared to the RM 177 million loss recorded in to the previous year. This improvement coincided with higher revenue of RM3,091 million, a 20% increase from RM2,566 million reported in 2022. The surge in revenue was primarily attributed to improved average selling prices, along with higher sales volume. Additionally, this included revenue from the sales of Premium Gula Super and industry incentives received from the government.

Production costs increased in 2023 driven by higher NY11 prices, increase in the exchange rate, and elevated gas rates. However, this impact was mitigated by improved margins and better capacity utilisation achieved during the period.

OPERATIONAL PERFORMANCE

The Sugar Division remains committed to securing raw sugar at the most competitive prices, despite the challenges posed by fluctuating and increasing costs. In 2023, the Division procured 0.99 million MT of raw sugar from key sourcing countries such as Brazil, Thailand,

and India. To mitigate the impact of rising raw sugar prices, we implemented various strategies. These included securing long-term freight agreements to control costs more effectively and engaging in options trading for Brent Crude Oil to capitalise on elevated energy prices and alleviate high gas expenses.

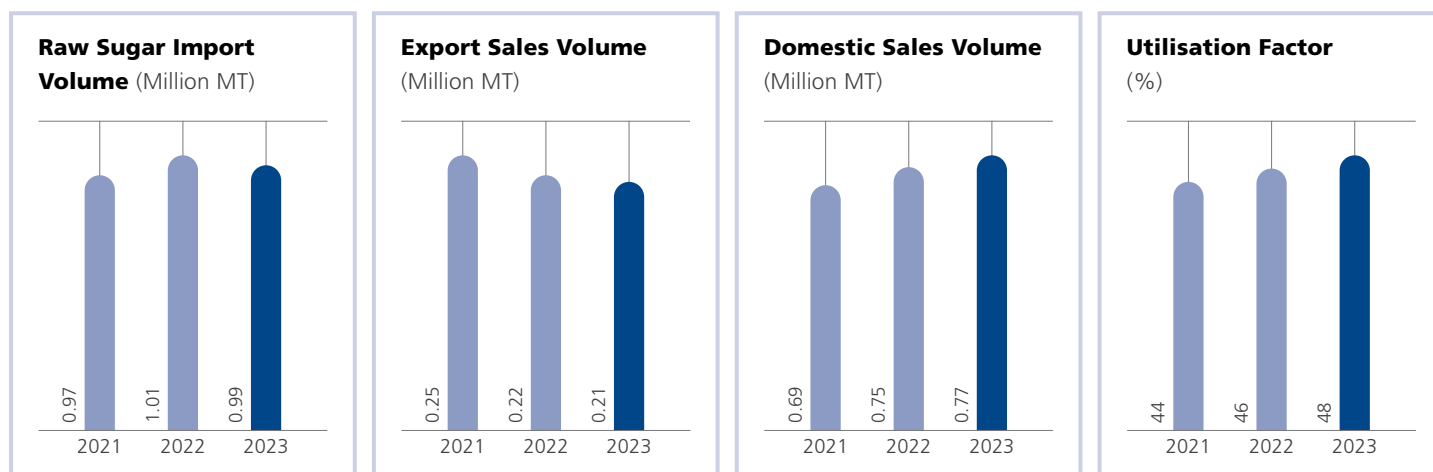
Despite facing a decline in raw sugar volumes, demand within domestic markets increased by 3%. This growth can be attributed to ongoing initiatives aimed at aligning with customer needs and preferences, including expanding distribution networks and increasing Consumer Reach Points. The introduction of the new product, Premium Gula Super, a clear refined sugar retail product in May 2023, aided in bolstering domestic sales volume. Priced according to market forces, Premium Gula Super deviates from the government-controlled ceiling price for consumer retail packs of coarse grain and fine granulated sugar. By the end of 2023, over 25,000 MT of Premium Gula Super had been sold, showcasing the robust organic growth of this profitable product.

Despite stiffer competition in the export market, there was revenue growth of 15% and 45% for our Asia and Oceania markets, respectively. Currently, the Division commands approximately 6% of the market share in the Asia-Pacific region, exporting to 30 countries from China to Pakistan. Recognising growth opportunities, we introduced a new 50 kg breakbulk method to strengthen our foothold in the export market.



GROUP BUSINESS REVIEW

As the Division adeptly addressed various operational challenges, its overall utilisation factor improved to 48% in 2023. Significant achievements at MSM Johor included the successful completion of changeout repairs to Boiler #1 in April 2023, effectively resolving operational inefficiency that had persisted since 2019. Additionally, the upgrade of the Industrial Effluent Treatment System (IETS) at MSM Johor in October 2023 ensured compliance with the Department of Environment’s limits for effluent discharge. Furthermore, the completion of a new warehouse, increasing the storage capacity by approximately 10,000 MT, is poised to support operational ramp-up at MSM Johor.



Outlook

The Division’s primary focus has been on stabilising the financial outlook by strengthening operational capabilities and implementing strategies to secure higher retail prices, thereby bolstering revenue. With a stronger financial foundation, the Sugar Division aims to broaden its sugar operations beyond Malaysia and potentially add new commodities to its portfolio in the longer term, leveraging its expertise in mid-stream processing, distribution and marketing. Immediate priorities include navigating existing challenges, capitalising on the success of the Premium Gula Super product, exploring export opportunities, and ensuring operational resilience amid raw price volatility, geopolitical unrest and currency fluctuations.

NAVIGATING CHALLENGES

CHALLENGE	RESPONSE
<p>Higher production costs result from increase’ in raw sugar NY11 prices, freight charges, energy expenses, as well as the depreciation of the Ringgit Malaysia</p>	<ul style="list-style-type: none"> • Optimising hedging mechanism to hedge against price volatility in raw materials, freight and energy costs, and foreign exchange rates, provides greater cost certainty for budgeting and planning • Improving average selling prices through pricing strategies to reflect the increased production costs while remaining competitive in the market • Growing sales volume through the widening of distribution channels and increasing Consumer Reach Points • Continuously engaging with industry stakeholders and government agencies to develop collaborative solutions aimed at addressing pertinent issues and fostering sustainable growth • Leveraging industry incentive to offset increased production costs
<p>Lower utilisation factor and production efficiency</p>	<ul style="list-style-type: none"> • Focusing on reliability programmes and process improvements at refineries • Engaging with consultants and experts to optimise the overall sugar refining process

GROUP BUSINESS REVIEW

 **LOGISTICS & SUPPORT**

The Logistics and Support Division effectively capitalised on opportunities arising from robust domestic demand, improved labour markets, and increased tourism. This was achieved through strategic capacity expansion, asset optimisation, technology adoption, and successful initiatives in various segments, further reinforcing the strategic approach. The Bulking & Storage segment met the rising market demand by expanding its storage capacity, while the Transport segment diversified its operations and service offerings to enhance capabilities and capacities, positioning itself as a comprehensive logistics provider in the market. The Information Technology (IT) segment gained momentum and optimised its operations, whereas the Travel segment strategically capitalised on the surge in tourism, resulting in a significant improvement to its bottom line.



The Logistics and Support Division strengthens our core operations by managing asset flow and driving group-wide efficiencies.

GROUP BUSINESS REVIEW



From left • Amirul Hadi Azlan - CEO, Felda Travel Sdn Bhd • Mohd Izam Pariz Zamri - Group Accountant, Logistics and Support Division • **Fakhrunniam Othman - Group Divisional Director, Logistics and Support Division** • Kamaradin Selamat - CEO, FGV Johor Bulkiers Group of Companies • Jainal Ismail - CEO, FGV Transport Services Sdn Bhd • Abdul Rasheed JanMohammed - CEO, FWQ Enterprises PVT (LTD)

●●● FINANCIAL PERFORMANCE



REVENUE

RM479 million

2022: RM389 million



PROFIT BEFORE TAXATION

RM148 million

2022: RM104 million



	REVENUE*		PROFIT BEFORE TAXATION	
 BULKING AND STORAGE	RM298 million 2022: RM254 million		RM131 million 2022: RM110 million	
 TRANSPORT	RM272 million 2022: RM306 million		RM2 million 2022: RM9 million	

* The revenue in the Bulking and Transport Segments included both external and internal revenues.

The Logistics and Support Division achieved a remarkable 42% increase in profit before taxation, rising to RM148 million from RM104 million in the previous year. This growth was driven by a 12% increase in profit from the Logistics segment, primarily attributed to the improved handling rates in the bulking business, despite decreased in throughput volume and tonnage carried. Furthermore, the improvement was also driven by the higher profitability recorded by the IT segment.

GROUP BUSINESS REVIEW

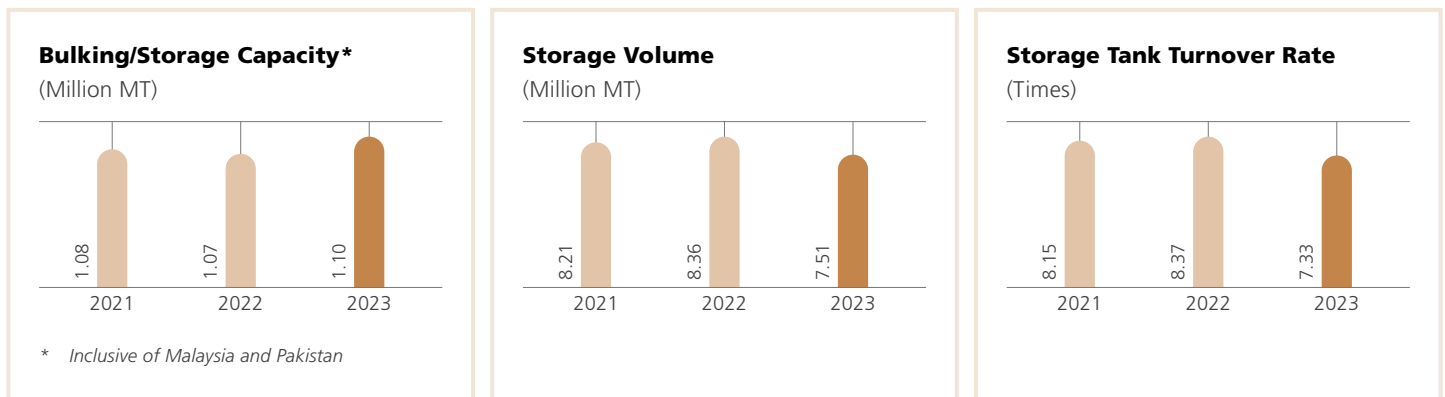
OPERATIONAL PERFORMANCE

BULKING & STORAGE

Overview

Leveraging over 45 years of experience, the Bulking & Storage segment excels in the storage operations business. It manages storage facilities for edible oils and dry cargo, operating across 12 terminals in Malaysia and Pakistan, with a global capacity of over 1 million MT. Our facilities are approved by Bursa Securities for managing Port Tank Installations in Pasir Gudang, Port Klang and Sahabat for CPO and CPKO, and extended CPO futures trading in Lahad Datu.

In 2023, we undertook a strategic initiative to expand our bulking and storage capacity by 25,500 MT through facility expansions across Malaysia. This expansion effort significantly bolstered our total capacity for bulking and storage facilities, including those in Pakistan, to 1.10 million MT. However, on the operational front, the segment faced challenges, experiencing a 10% decrease in throughput handled, amounting to 7.51 million MT compared to 8.36 MT in 2022. This decline in volume was influenced by several factors, including reduced inflows of palm oil products from Indonesia, decreased stock movement for Malaysian palm oil due to heightened competition from substitute products, and decreased demand from importing countries such as India and China. As a result, the turnover rate decreased by 12% to 7.33 times, in line with the lower throughput handled.



Received MSOSH OSH Gold Class 1 Award under Logistics and Transportation Category

As part of our focus to diversify our services, Langsat Bulkers Sdn Bhd (LBSB), located in Tanjung Langsat, Johor, is tailored as a dedicated terminal managing renewable and biomass feedstock. We are currently constructing 24,900 MT tanks, with construction commencing in April 2023. Out of the total capacity, the first phase comprising 5,600 MT, has been completed in December 2023. With the completion of the new tanks in Tanjung Langsat expected in the third quarter of 2024, we will be able to cater to the storage demands for renewable energy and biomass from global and regional players.

The segment has also broadened its customer base by securing new major vegetable oil clients at both the Lahad Datu Bulking Installation (LDBI) and LBSB terminals. In line with our diversification efforts, we are actively engaging in commercial activities related to biomass feedstock. Currently, we are in the process of obtaining the GGL certification, which will enable us to supply PKS primarily to the Japanese market.

Bursa Securities has approved **Sahabat Bulking Installation** to manage the Port Tank Installation for CPO



GROUP BUSINESS REVIEW

Outlook

In 2024, our strategic initiatives include increasing our storage capacity in Malaysia to 1,043,990 MT, adding 19,300 MT expansion at Tanjung Langsat, Johor. Furthermore, we plan to upgrade and expand capacity at Terminal 4 in Pasir Gudang, Johor, with an additional 31,000 MT. We are committed to exploring opportunities in East Malaysia, enhancing our capability to handle larger volumes of high-value products such as premium oils and renewable energy. We aim to diversify our customer portfolio and aggressively pursue commercial activities, including biomass feedstock, to ensure long-term business sustainability and profitability.

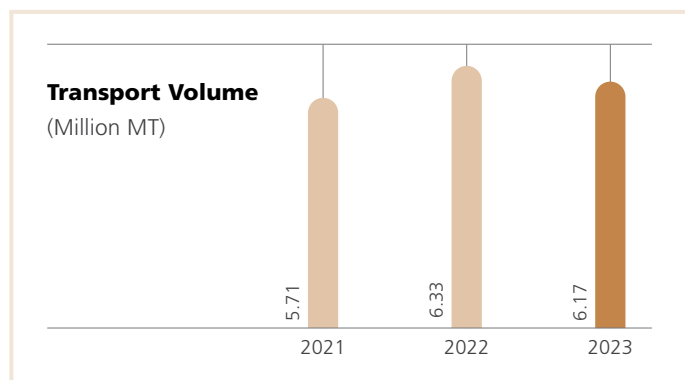
TRANSPORT

Overview

With 49 years of experience, our Transport segment has solidified its reputation as a reliable provider in the logistics and transportation sector. Featuring a fleet of over 600 multi-size vehicles, we are well-equipped to fulfil a diverse array of client requirements.

Our services are comprehensive, covering Inland Transportation with liquid tankers, cargo trucks, side curtains, roll-on/roll-off (roro), and haulage. We also specialise in Contract Logistics through Third-Party Logistics (3PL) services, act as a Multimodal Transport Operator (MTO), offer Freight Forwarding, and manage Special Projects, including the handling of Hajj pilgrims' baggage.

This broad array of offerings enables us to customise logistics solutions to meet the unique requirements of each client. We handle a variety of products, including palm oil, rubber, fertiliser, sugar, FMCG, oil & gas, infrastructure projects, cold chain logistics, and auto parts. Our capability to manage such a diverse product range demonstrates our adaptability and commitment to providing comprehensive logistics services to our clients.



In 2023, we experienced a 3% decrease in tonnage carried, amounting to 6.17 million MT compared to 6.33 million MT in 2022. This decline was primarily due to the lower tonnage of CPO, FFB, and PK carried during the period. Despite that, we persisted in fortifying our foothold within the transportation sector by making headway into the haulage segment via the acquisition of 15 prime movers.

Throughout the year, we successfully secured several contracts, including contract with Lembaga Tabung Haji (LTH) to manage the baggage of Malaysia's 2023 Hajj pilgrims, a defense projects with Ministry of Defence Malaysia (MINDEF) and a railway-related contracts. In alignment with our steadfast commitment towards sustainability, we increased our efforts by acquiring 54 units of Euro 5 Prime Movers for general cargo and CPO tankers from Volvo Trucks Malaysia. These vehicles comply with rigorous international emission standards, promoting enhanced fuel efficiency and a cleaner fleet. These endeavours not only contribute to Malaysia's 2050 carbon-neutral objective but also underscore our unwavering dedication to innovation, sustainability, and operational excellence across our business.

Outlook

The Malaysian logistics market is poised for remarkable growth, driven by the transportation, warehousing, and courier services sectors. This expansion will be spurred by e-commerce and technological advancements in supply chain automation. Key sectors such as Food & Beverages (F&B), manufacturing, electronics, automotive, and pharmaceuticals are set to be major growth drivers. We aim to enhance our land transport services through asset optimisation, route planning improvement, and digital tracking implementation, as well as penetrate and commercialise new segments such as 3PL Supply Chain, MTO, Hajj baggage handling, haulage, and FFB transport.

We are forging strong relationships with key partners, including PETRONAS Chemicals Marketing (Labuan), Sime Darby Bhd, LTH and Synergy Perdana Sdn Bhd, with the aim of broadening our business scope. By exploring diversification strategies and pursuing growth through mergers and acquisitions, we seek to solidify our standing as a total logistics provider. We will be exploring the expansion of our products handled to cushion against the impacts of palm oil production volatility to ensure stability on overall tonnage. In the project logistics segment, we are actively participating in major infrastructure projects. These include significant undertakings in highways, ports, high-speed trains, and regional economic zones.

GROUP BUSINESS REVIEW

Notably, the redevelopment of our Seksyen 15 warehouse in Shah Alam into a Central Distribution Centre (CDC) and the upgrade of Glenmarie warehouse are integral parts of our expansion strategy, aimed at increasing storage capacity. We are leveraging automation and big data analytics to enhance overall operational efficiency, optimising processes and enhancing operational performance.



Our facilities are approved by Bursa Securities for managing Port Tank Installations.



INFORMATION TECHNOLOGY

Overview

Our IT company, FGV Prodata Systems Sdn Bhd (FGV Prodata), is one of the leading system integrators and solution providers in Malaysia. Since 1995, FGV Prodata has successfully established itself as a brand with a proven track record, as well as strengthened its footprint in various sectors including government and Government-Linked Companies (GLCs), defense, telecommunication and others. As a Value-Added Reseller and SAP Gold Partner with a robust portfolio of Intellectual Property (IP) rights and patents, we consistently meet our customers' requirements effectively.

We have aggressively participated in tenders issued by Government Ministries and Agencies, public sector and GLCs. This proactive approach allowed us to regain momentum and sustain our growth trajectory. During the review period, our segment achieved significant milestones by securing two substantial contracts totalling approximately RM50 million. One of these contracts involved supplying 6,157 laptops to the Ministry of Education for the Northern Region. This project held significant importance for FGV Prodata in order to recover its reputation and market positioning in the managed services industry. Furthermore, we were awarded a contract for enhancing the Smart Plantation Management Solution 3.0 for FELDA. The upgraded

system is poised to enhance efficiency and optimise productivity for FELDA, while showcasing our innovative solutions tailored to the evolving requirements of the agriculture sector.

To further support our growth, we undertook several key steps, including robust collaborations, innovative product packaging, and the development of strategic market approaches for our IP. We strengthened our internal controls through good governance practices, including establishing a Tender Participating Committee (TPC) and a Credit Control Committee (CCC). Additionally, we optimised project costs and enforced cost-saving measures to further improve our margin.

Outlook

The outlook for Malaysia's IT market in 2024 is highly promising, characterised by a robust compound annual growth rate of 7.6%. This growth trajectory is fuelled by significant advancements in cloud computing, AI, IoT and an increasing emphasis on cyber security. These innovations are not only propelling our business landscape forward but are also integral to the broader economic transformation of Malaysia.

GROUP BUSINESS REVIEW

Malaysia's growing digital economy is further bolstered by the government's focused efforts in its 2024 budget. A strong commitment to digitalisation and enhancing the digital economy is setting Malaysia up as a key regional digital hub. This strategic shift is creating abundant opportunities for businesses, including ours, to engage in innovative practices and integrate advanced digital technologies into our core operations.

By strategically tapping into these opportunities and expanding into external markets, particularly through managed services, we position ourselves well to actively participate in high-value tenders across the government and public sectors. Our initiatives, centred around offering innovative business solutions, automation, and system integration, are gaining momentum. We are also focusing on developing IP products specifically tailored for external markets, focusing on precision agriculture, industrial solutions and traceability mechanisms.

In the telecommunications sector, FGV Prodata continues to collaborate with leading entities and infrastructure firms to deploy 3G, 4G and 5G technologies, highlighting our commitment to be at the forefront of technological innovation. Furthermore, we are expanding our expertise into SAP Hana advisory and consultation services, broadening our service offerings to a diverse range of clients.

TRAVEL

Overview

FGV's Travel segment, renowned for its comprehensive offerings and excellent customer service, has established a strong market presence. The segment has effectively adapted to post-pandemic travel trends, which has significantly revitalised its operations and are now garnering the benefits.

In 2023, the Travel segment experienced remarkable growth, primarily driven by corporate ticketing, tours, and Hajj business. We achieved a significant milestone by securing 35 new corporate accounts, showcasing our growing reputation in corporate travel. Additionally, we successfully managed 311 Hajj pilgrims during the 1444 H season, demonstrating our capabilities in managing large-scale religious travels.

This year, we have successfully modernised the Hotel Seri Costa with an additional 32 rooms, resulting in a total of 93 rooms upgraded over the past two years. Furthermore, we have enhanced two meeting facilities, reinforcing our commitment to elevating hospitality services and enhancing the overall guest experience.



Felda Travel was awarded **'The Most Active Supplier in the Travel and Logistic Category'** by Malaysian Communications And Multimedia Commission (MCMC)

Outlook

The overall travel industry appears to be optimistic, with the industry poised to exceed 2019's pre-pandemic level by 2024. Malaysia, leading the way in Southeast Asia's air travel recovery, is bracing for a robust resurgence, potentially leading to overcapacity due to intense competition among local airlines. In order to tap into the growing Muslim tourism sector, Malaysia's Ministry of Tourism, Arts and Culture (MOTAC) is working to establish the country as the regional hub for Umrah pilgrimages.

The Travel segment is setting its sights on cultivating high-value corporate clients for ticketing and tours. We are targeting leading companies such as the Petronas Group, MINDEF, Sime Darby Berhad and the MCMC. A key part of our strategy involves enhancing brand visibility and expanding market reach through a strategic partnership with a renowned hotel chain, specifically for Hotel Seri Costa.

To improve our offerings in Hajj and Umrah, we are undertaking a strategic review of the logistics, hotel bookings and flight ticketing. Furthermore, we are developing a travel portal which will be an automated system designed to streamline booking processes. We plan to leverage opportunities arising from the Visit Melaka Year and Visit Malaysia Year campaigns by significantly ramping up our marketing and promotional efforts. We aim to benefit from the increased tourism interest generated by these campaigns by offering specialised packages and promotions.

Our strategy also entails expanding our marketing outlets to the southern and eastern regions of Peninsular Malaysia, which will be a significant step in enhancing our footprint. This expansion aims to increase our reach and accessibility in these key areas, driving growth and enhancing our presence in the travel industry in 2024.

GROUP BUSINESS REVIEW

NAVIGATING CHALLENGES

CHALLENGE	RESPONSE
<p>Expansion constraints and dependency on internal business</p>	<ul style="list-style-type: none"> Engaging in business collaborations with key players in the vegetable oil and biofuel industries, for both local and overseas projects involving storage terminals and warehouses
<p>Lower palm production reduces bulking throughput and lower tonnage for liquid and cargo</p>	<ul style="list-style-type: none"> Establishing strategic partnerships with suppliers to ensure a consistent and reliable palm oil supply, which includes diversifying sourcing options and improving logistics efficiency Exploring diversification options for product handling, such as oil & gas, automotive, F&B, and FMCG business segments
<p>Underperforming MTO business due to limited infrastructure projects and tender award liberalisation</p>	<ul style="list-style-type: none"> Exploring new business opportunities to broaden the market reach and attract a more diverse customer base Strategically positioning the business in the competitive market to gain a competitive edge and maximise growth opportunities
<p>Margins compress due to the competitive landscape of external digitalisation projects</p>	<ul style="list-style-type: none"> Leveraging FGV Prodata's branding and track record of delivering successful digitalisation projects, as a leading GLC system integrator and solution provider in Malaysia Identifying opportunities to upsell and cross-sell complementary digital services that align with clients' evolving needs and priorities
<p>Higher competition among travel agents</p>	<ul style="list-style-type: none"> Staying informed about industry trends, customer preferences, and emerging technologies to adapt and evolve product and service offerings accordingly Providing exceptional customer service to build strong relationships with clients, which includes offering personalised recommendations, responsive communication, and assistance with any issues or concerns Developing competitive pricing strategies that offer value to customers while maintaining profitability. Considering offering discounts, promotions, and package deals without compromising quality



GROUP BUSINESS REVIEW



CONSUMER PRODUCTS & INTEGRATED FARMING

As part of FGV's strategic plan to deliver sustainable food and agricultural products on a global scale, we have harnessed FGV's core capabilities within the agribusiness segment and extended our strength across the food value chain. We are focusing on developing high-value products and capitalising on synergies within the Group.

In alignment with our strategic vision, we have focused our efforts on two key areas: Consumer Products and Integrated Farming. Within these domains, we have honed in on three primary segments: FMCG, Fresh Produce, and Industrial Products. Despite our existing product lineup, we recognise the vast potential for growth and the opportunity to better meet consumer needs. Our endeavours align with national objectives, supporting the country's National Agrofood Policy 2.0 (NAP 2.0) and aiming to increase self-sufficiency rates for selected food items.

Over the past year, we capitalised on the strengths of our leading brands, including Saji, Bright Cow, Ladang'57, Seri Pelangi and ALMA, to broaden our product offerings and strengthen our market presence. This strategic focus not only ensures FGV's sustained growth but also enhances the agribusiness value chain, providing local communities with opportunities to participate in the food supply chain.

Furthermore, we are committed to improving profitability through the adoption of circular economy practices within our operations. This approach allows us to maximise resource efficiency and sustainability, adding value for our stakeholders and contributing positively to the broader agribusiness ecosystem.



Introducing the full range of FGV's products that cater to every need and taste, ensuring quality, and satisfaction for all.

GROUP BUSINESS REVIEW



From left • Dato’ Iszhar Ibrahim - CEO, FGV Dairy Farm Sdn Bhd • Shamim Azad Kamruzaman - Officer-in-Charge for Consumer Products Division and CEO Delima Oil Products • Abdul Razak Aya - Head, Integrated Farming • Ab Aziz Ismail - Group Accountant, Special Projects

OPERATIONAL PERFORMANCE



CONSUMER PRODUCTS

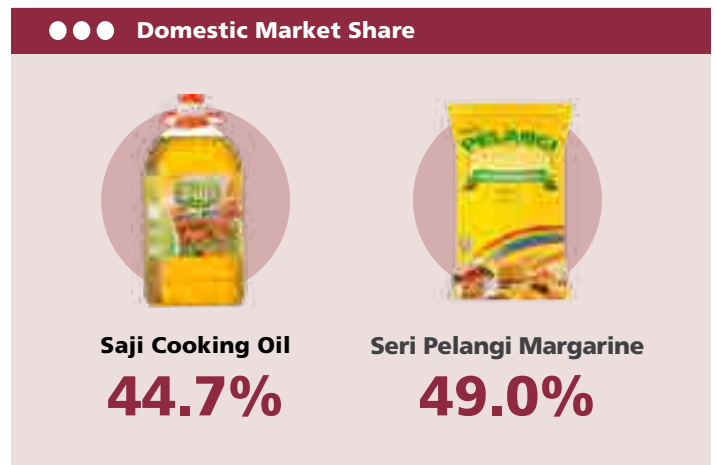
The Consumer Products Division is dedicated to establishing a strong commercial base while expanding our consumer products within domestic and international markets. We leverage innovation to create high-value products tailored to diverse consumer needs and tastes, and we regularly explore new brands in an effort to reach untapped market segments. With a focus on growth, innovation, and diversification in consumer goods, we not only ensure that our existing products remain competitively priced amid strong industry competition, but also continually strive to maintain our market presence through ensuring top-of-mind brand awareness.

Overview

Significant external challenges in 2023 reshaped consumer spending behaviours and purchasing power. A notable factor was the rise in consumer prices driven by increasing operational costs and higher interest rates, which then impacted overall consumer spending. In response to these challenges, we initiated a series of strategic initiatives including engaging policymakers to ensure regulatory support for our industry and streamlining our supply chain to address inefficiencies in procurement, manufacturing and distribution. This was achieved through investments in human capital, infrastructure, new technologies and partnerships with service providers.

During the review period, our Saji cooking oil maintained its position as the leading cooking oil brand in Malaysia with a market share of 44.7%. The appointment of 11 new regional distributors has made a significant positive impact on our local expansion programme in line with our Business Plan. Despite facing intense competition in the market, we successfully expanded Seri Pelangi margarine’s market share to 49.0%, further solidifying our position in the industry. Moreover, to cater to the evolving needs of our customers, we introduced four new stock keeping units (SKUs) under the Saji brand, including *Krimer Pekat* in various sizes, Coconut Cream reformulation

and Ketupat Mini, both of which are now available in modern trade and general trade outlets nationwide.



In alignment with our operational strategy for 2023, we focused on leveraging the FMCG Distributorship Network Model to enhance our network of distributors, wholesalers, and retailers. This approach enabled us to enhance the improve the availability and accessibility of our products, which boosted our footprint and presence in the consumer landscape.

GROUP BUSINESS REVIEW

A key campaign launched in 2023 was 'Saji *Seikhlas Hati*', aimed to support deserving Malaysians particularly focusing on the *Asnaf* and underprivileged groups. As part of this initiative, we partnered with Muslim Care Malaysia to extend aid to 701 families across 11 villages in Nabawan and Kundasang, Sabah. Additionally, we offered FGV's range of products under the '*Pek Rahmah*' at discounted prices to residents of low-income housing areas (PPR) around Kuala Lumpur, benefiting over 10,000 individuals.

We organised roadshows, cooking demonstrations, and product sampling events in major supermarkets such as AEON, Giant, and Mydin to enhance the visibility and accessibility of our products. These efforts helped our flagship brand, Saji, climb from the seventh to the fifth position in local FMCG rankings during the year, indicating significant progress in becoming Malaysian consumers' brand of choice. These achievements can be attributed to effective marketing strategies, product innovations, and customer engagement programmes that resonated well with consumers. Improvements in product quality, pricing, and brand visibility, also contributed to the increased appeal of our products in the market.



Our Saji cooking oil now includes an **MSPO certification sticker** assuring the market of our sustainability practices.



Saji cooking oil is made from the finest, superior-quality RBD Palm Olein, rich in vitamin E, and contains no cholesterol.



The **Top Outstanding Brand** with The Most Incremental Shoppers in 2022 by KANTAR.



BrandLaureate Sustainable Business & Brand Inspiring Achievement Award for 2022-2023.



Gold Award for Best BM Copywriting, Content Writing, and Scriptwriting: Single at Kancil Awards.

Outlook

In 2024, the Division will continue to enhance growth and market presence by implementing innovative strategies and expanding into new territories. We plan to capitalise on the FMCG Distributorship Network Model and aim to grow and protect our market share through consistent product distribution and heightened brand awareness.

We are also transitioning from the current Adela brand with the launch of PREMEO, which targets the premium segment. While we are mindful of challenges such as market volatility and uncertain trade policies, we see opportunities to expand beyond cooking oil. We will be looking at modernising our Delima Oil Products' plant in Pasir Gudang, Johor and tapping into the high demand in international markets.

Our strategies are aligned with the Business Plan to support FGV's long-term goal. We aim to strengthen our leading brands, Saji and Seri Pelangi by developing higher-margin products and improving operational efficiency. Additionally, we will continue expanding in the SEA market by collaborating with local distributors and focusing on streamlining procurement and logistics.

Innovation is a priority and we have plans to enhance our R&D capabilities through collaborations, while greater digitalisation adoption will be key in refining our decision-making processes. We aim to strengthen our position within FGV's supply chain and leverage strengths in raw material quality and pricing.

GROUP BUSINESS REVIEW

INTEGRATED FARMING

INTEGRATED DAIRY FARMING

Overview

Under the Integrated Dairy Farming segment, we specialise in producing top-quality dairy products, including fresh and ultra-high-temperature (UHT) milk, cheese, yoghurt, and kefir under the Bright Cow brand. These are produced in a milk processing facility located in Linggi, Negeri Sembilan, equipped with a daily capacity of 30,000 litres. We source our fresh milk from the Holstein Friesian and Jersey cow breeds.

During the review period, FGV undertook several key initiatives to broaden our market penetration in the retail sector while complementing our existing presence in the Hotel, Restaurant, and Cafe (HORECA) market. Bright Cow has now broadened its reach to over 2,426 outlets nationwide in Peninsular Malaysia, doubling our market presence compared to the previous year.

To further improve our capabilities, we upgraded the facility with additional capabilities to package yoghurt into new single-serve packages. We continued to focus on product development, and in 2023, we introduced seven new SKUs including single-serve Greek yoghurt in mango peach, strawberries and mixberries flavours, Acerola yoghurt in pineapple and coconut gula melaka flavours, and UHT milk in full cream and chocolate variations.

With the introduction Acerola yoghurt, making FGV the first in Malaysia to incorporate Acerola Cherry, and firmly establishing the Bright Cow brand in the local dairy market. Additionally, the brand appointed its first product ambassador, Dato’ Muhammad Azizul Hasni Awang, a Malaysian professional track cyclist, also known as ‘The Pocket Rocketman’, to further strengthen our brand presence, promote healthy lifestyles and better engage with our target audience.

We have expanded the Contract Farming Programme by engaging farmers to supply fresh milk to our Linggi facility. Our engagement involves assisting farmers in boosting productivity and enriching their knowledge, which includes a cattle health and nutrition programme developed in partnership with FGV’s in-house animal feed brand, ALMA.



With ‘the Pocket Rocketman’ at the launched of the Acerola yoghurt.

FRESH PRODUCE

Overview

The Fresh Produce segment manages the Ladang’57 brand in large-scale and high-quality agricultural production. We employ intercropping and contract farming approaches to cultivate various products, including MD2 pineapples, cavendish bananas, Harumanis mangoes, and native chicken, among others. We also ventured into large-scale fragrant rice farming, utilising our in-house Fortified Field Farming® Model to ensure top-quality Malaysian Fragrant Rice (MRQ76) production, from seeding to processing.

The Ladang’57 brand has seen remarkable growth, expanding its footprint in the domestic market. Currently, the brand offers 10 products encompassing over 15 SKUs and is distributed across 433 retail outlets nationwide, including major supermarkets. Additionally, our products are featured in the HORECA segment, available in establishments like Kedai Ayamas and QBistro.

In 2023, we made inroads in our market expansion strategy as our MD2 Pineapple from the FGV Chuping Agro Valley (FCAV) farm successfully entered the export market with the first shipment of pineapples to the Middle East. While we have already attained MyGAP Certification for our farm at FCAV, we continue to enhance the capabilities of our Collection, Processing and Packaging Centre (CPPC) facilities to meet global GAP standards.

GROUP BUSINESS REVIEW

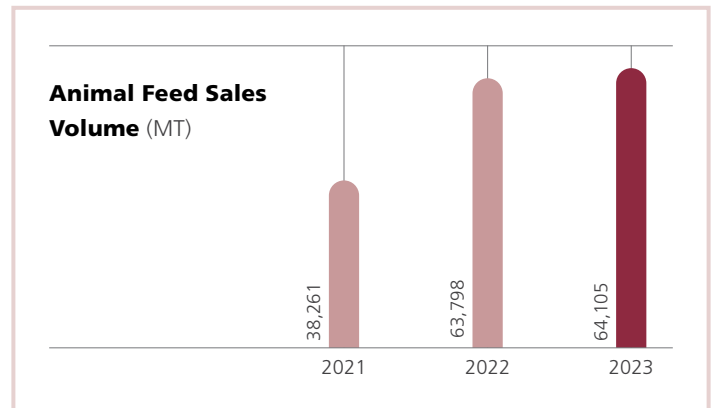
One of our paramount initiatives within the segment is aligning our strategies with the national food security agenda. We have made notable progress in expanding the Fortified Field® Contract Farming Programme, emphasising sustainable farming practices. This expansion covers a diverse range of crops, including MD2 pineapple, cavendish banana, paddy, watermelon, chilli, sweet corn, fragrant rice and native chicken, spanning 1,395 Ha nationwide. Under this programme, farmers receive guidance in the Fortified Field® farming practices to help boost their productivity and enhance product quality while ensuring resources to optimise farming methods that promote soil health, conserve water and reduce environmental impact. To further enhance productivity through technological advancements, we have implemented several initiatives, including the 100% use of transplanters for planting, deployment of drones for plant surveillance, and application of precise fertiliser and pest control methods.

In supporting local farmers and community development initiatives, we allocated 175 Ha for the MD2 pineapple plantation under FELDA's *Program Pembangunan Peneroka (PPP)* and *Inisiatif Pendapatan Rakyat (IPR)*. This collaboration with FELDA and the Northern Corridor Implementation Agency (NCIA) aims to enhance the livelihoods of B40 participants by offering technical support, knowledge sharing, and market access. Our goal is to foster economic growth within these communities.

ANIMAL FEED

Overview

FGV produces animal feed, minerals, and additives for livestock and poultry under the ALMA brand, utilising PKE sourced from our RSPO-certified palm oil mill. These products provide essential nutrients necessary for the growth and health of beef and dairy cattle, goats, poultry and rabbits. With a steadfast commitment to sustainability and quality, ALMA has become one of the preferred choices for farmers and livestock producers nationwide. In 2023, we expanded both our customer base and distributorship network, reaching 151 direct customers and 21 distributors, thus increasing our market share and sales volume to 64,105 MT as compared to 63,798 MT in 2022. Additionally, the introduction of three new products of modified PKE, Black Soldier Fly (BSF) Frass, and Larvae, as alternative protein sources for animal feed, additives and minerals further contributed to our sales volume.



Operationally, we completed the construction of our factories in Kapar and Bukit Sagu. This included the installation of new pelletiser machines, each with a specific production focus aimed at enhancing our in-house product formulations. We have also completed and commissioned our BSF plant in September 2023, allowing us to initiate the production of dried BSF and frass.



FGV produces quality animal feed and additives for healthy livestock.

GROUP BUSINESS REVIEW

Outlook

Looking ahead, we aim to enhance our retail distribution for dairy products, especially within HORECA segment, and boost our online sales presence, leveraging the surge in e-commerce. We will strengthen our contribution towards the National Food Security agenda through initiatives such as contract farming, in line with NAP 2.0, and aim to position ourselves as a global food brand focusing on healthy, appealing products for a diverse customer base. We anticipate completing the MyGAP Certification process, audited by the Malaysian Department of Veterinary Services, which will strengthen our operational standards and demonstrate our commitment to sustainable agricultural practices.

For the Fresh Produce segment, we plan to expand our market reach and diversify with new products, such as freeze-dried items and yoghurt bites while emphasising sustainable farming and packaging innovations. Integrating technology through data analytics, cold chain logistics, and automation will enhance our operational efficiency. Our strategy prioritises the distribution of local produce such as MD2 pineapple for export and cavendish bananas for the domestic markets. To tackle supply chain disruptions and market volatility challenges, we will adapt our sourcing and distribution method to ensure resilience and sustained growth.

We are shifting the focus on the Animal Feed Segment to gain market share in several product categories, focusing on BSF as an alternative protein source in animal feed, as well as additives, minerals, modified PKE, and pelleted feed. To counter the challenge of rising imported raw material costs, we are looking to secure a steady PKE supply, explore alternative ingredients, and ensure high feed quality without extra costs. We aim to expand our market with competitively priced and high-quality formulated feeds. Our strategy includes reducing operational costs, implementing stringent quality control, and utilising supply chain by-products such as rice husks and MD2 pineapple waste to improve resource efficiency.

NAVIGATING CHALLENGES

CHALLENGE	RESPONSE
Intense competition from established brands dominating the market	<ul style="list-style-type: none"> Investing in brand building and marketing efforts to increase brand awareness, loyalty, and perception among consumers Forming strategic partnerships and collaborations with complementary brands, influencers, or industry leaders to expand reach and leverage shared resources
Complex and constantly evolving regulatory requirements	<ul style="list-style-type: none"> Conducting regular compliance audits to assess adherence to regulatory requirements, identify gaps, and implementing corrective actions to ensure compliance Collaborating between legal, regulatory affairs, product development, and marketing teams to ensure compliance considerations are integrated into product development and marketing strategies
Rapid shifts in consumer preferences driven by seasonal trends	<ul style="list-style-type: none"> Enhancing in-house product development and food-tech capabilities Continuously monitoring market trends, competitor activities, and customer feedback to identify opportunities for improvement and innovation Adopting agile marketing strategies that allow for rapid experimentation, adaptation, and optimisation of marketing campaigns to stay responsive to changing market dynamics

SUSTAINABILITY REVIEW

OVERVIEW

We recognise sustainability as a crucial driver in creating value and a key element in fostering innovation, efficiency and profitability. Our approach to sustainability focuses on fulfilling our social responsibilities, which encompass managing operations ethically, taking care of FELDA settlers, smallholders and workers, and addressing national food security by ensuring the availability of quality, nutritious and affordable products. Our commitment to responsible growth involves integrating sustainable practices into every aspect of our operations, to aligning with ESG principles. This strategy compels us to continually assess the impact of our actions on the environment and society, thereby contributing positively to the present and ensure our resilience and relevance for future generations.

We develop a comprehensive Sustainability Report every two years, detailing our progress and initiatives in sustainable practices. For a detailed account of our strategies and efforts in driving sustainable development, please refer to our Sustainability Report 2022/2023.



Please play your part by choosing to access our Sustainability Report 2022/2023 digitally. You can download it from our corporate website or by scanning the QR code.

The Performance Data Table downloaded from ESG Reporting Platform can be found in the Sustainability Report 2022/2023.

SUSTAINABILITY STRATEGY

We have developed a three-year Sustainability Strategy, themed 'Rethink, Repurpose, Redesign', which is a forward-looking sustainability roadmap spanning from 2022 to 2024. We continuously reassess and update our approach, ensuring that our strategy remains aligned with the latest sustainability developments and stakeholder expectations.



SUSTAINABILITY REVIEW

EXECUTING 2023 'REPURPOSE' STRATEGIC PHASE

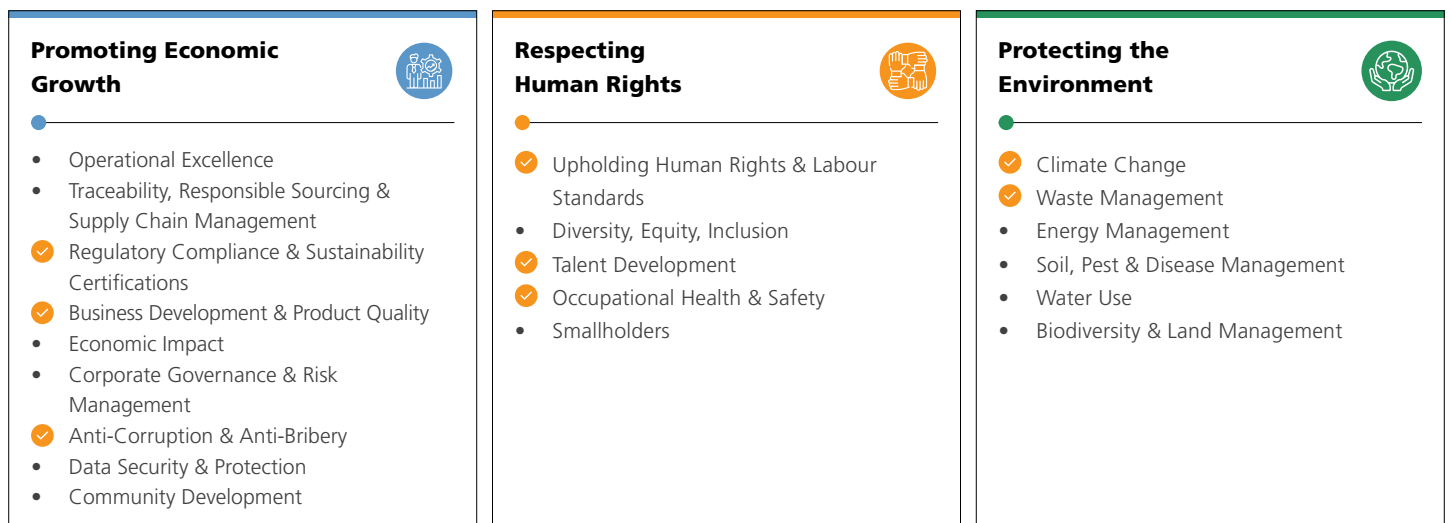
In 2023, we progressed further into the Repurpose phase, focusing on 'Taking The Leap'. This phase is pivotal in our strategy to embed sustainability into our business operations. During this period, we identified five key sustainability drivers and devised tailored initiatives for each, aimed at bolstering and advancing our sustainability agenda.



 More information can be found in the Sustainability Report 2022/2023.

MANAGING SUSTAINABILITY MATERIAL MATTERS






At FGV, our approach to sustainability management revolves around prioritising material matters that are fundamental to our sustainability agenda. These priorities align closely with the three key pillars outlined in our Group Sustainability Policy (GSP). Through a comprehensive materiality assessment conducted in 2023, we identified eight significant material matters that serve as the cornerstone of our sustainability disclosure in this Report. This underscores our commitment to transparency and accountability in sustainability practices.



✓ Significant Material Matters






SUSTAINABILITY REVIEW

Significant Material Matters	Why Is It Important	2023 Progress and Highlights	UN SDGs
<p>Anti-Corruption & Anti-Bribery</p> 	<p>Preventing fraud, corruption, and bribery is essential for maintaining our integrity and reputation. It is crucial for earning the trust of our customers, investors, and partners. We prioritise compliance with regulations to prevent fines, penalties, and legal consequences, thereby protecting our financial stability and reputation. Our commitment to promoting an anti-fraud, bribery and corruption culture is important to strengthen integrity and ethical conduct and build a positive workplace based on trust, integrity, and accountability.</p>	<ul style="list-style-type: none"> Conducted risk assessments at 34 out of 36 operation sites, covering 94% of our operations. From this assessment, we identified risks related to gratification for receiving low-quality FFB at mills and risk data manipulation. Conducted 46 awareness training sessions through both physical and virtual platforms to effectively communicate and educate stakeholders on our anti-bribery and corruption policies. These sessions were attended by the Board of Directors, FGV employees, as well as external stakeholders, including business partners, vendors, and suppliers. To further facilitate communication and information sharing across the Group, we initiated email blasts and introduced the Cassia sharing column in FGV's e-magazine. Resolved 36 out of 38 corruption-related complaints through our whistleblowing channel, while the other two complaints are still under investigation. Conducted Anti-bribery Internal Audits at 43 sites across the Group to assess the effectiveness of our Anti-Bribery Management System (ABMS). Additionally, we achieved re-certification of ISO 37001 ABMS with an extended scope. Implemented all 74 action plans identified under FGV Anti-Corruption Plan 2020-2023. 	
<p>Regulatory Compliance & Sustainability Certifications</p> 	<p>Sustainability certifications such as RSPO, MSPO, ISCC, and GGL are important for demonstrating our adherence to global industry sustainability standards. These certifications build trust and reassure customers and stakeholders about the quality of our products and the responsible practices of our supply chain. These certifications enhance our products' acceptance, positioning us as a preferred partner in the global market. This helps in growing our market share and customer base, facilitates financing, and strengthens our brand preference among consumers.</p>	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="border: 1px solid #0056b3; border-radius: 15px; padding: 10px; background-color: #e6f2ff;"> <p>MSPO 66</p> </div> <div style="border: 1px solid #0056b3; border-radius: 15px; padding: 10px; background-color: #e6f2ff;"> <p>RSPO 30</p> </div> <div style="border: 1px solid #0056b3; border-radius: 15px; padding: 10px; background-color: #e6f2ff;"> <p>ISCC 10</p> </div> </div> <ul style="list-style-type: none"> 36 mills that are yet to be RSPO-certified have undergone and completed all required preparation and are ready to commence the certification process. Obtained ISCC (Waste & Residue) certification scheme for FGV Refineries Sdn Bhd-Tawau Oil Products and FGV Biotechnologies Sdn Bhd. Conducted nine series of independent smallholders' consultation programmes to communicate FGV's sustainability commitments and gather insights from this stakeholder group. The interactions proved particularly insightful in highlighting the need for technical support, estate management training and financial assistance for certification costs. All PKS produced are accepted as GGL certified material. 	 

PILLAR 1: PROMOTING ECONOMIC GROWTH

SUSTAINABILITY REVIEW

PILLAR 1: PROMOTING ECONOMIC GROWTH	Significant Material Matters	Why Is It Important	2023 Progress and Highlights	UN SDGs
	<p>Business Development & Product Quality</p> 	<p>FGV's is committed to enhancing its presence in the FMCG market by creating healthier oil blends that align with the World Health Organisation's fat ratio recommendations. The aim is to provide healthier cooking oil options by combining palm oil with various seed oils to achieve a balanced mix of saturated, monounsaturated, and polyunsaturated fats, along with an optimal Omega 6 to Omega 3 ratio and antioxidants. The focus remains on enhancing product quality, ensuring consumer satisfaction, meeting regulatory standards, and pursuing sustainable product expansion.</p>	<ul style="list-style-type: none"> • Obtained a new cycle of Malaysian Sustainable Palm Oil (MSPO) certification (2023-2026) for Delima Oil Products Sdn Bhd's refinery following the completion of MSPO re-certification audit conducted in May 2023. • Enhanced consumer confidence in our sustainability practices by incorporating an MSPO certification sticker with a certificate number on the label of Saji cooking oil. • Received multiple awards recognising the quality and market acceptance of our products under our flagship brand, Saji, including: <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div data-bbox="826 776 1087 1064" style="border: 1px solid #ccc; border-radius: 10px; padding: 10px; background-color: #e6f2ff;">  <p>The Top Outstanding Brand with The Most Incremental Shoppers in 2022 by KANTAR.</p> </div> <div data-bbox="1098 776 1359 1064" style="border: 1px solid #ccc; border-radius: 10px; padding: 10px; background-color: #e6f2ff;">  <p>BrandLaureate Sustainable Business & Brand Inspiring Achievement Award for 2022-2023.</p> </div> </div>	



We ensure a responsible and sustainable supply chain for our long-term growth.

SUSTAINABILITY REVIEW







PILLAR 2: RESPECTING HUMAN RIGHTS	Significant Material Matters	Why Is It Important	2023 Progress and Highlights	UN SDGs
	<p>Upholding Human Rights & Labour Standards</p> 	<p>We uphold human rights to ensure the well-being and dignity of everyone involved in our operations and supply chain. Prioritising human rights not only secures investor trust, but also protects our reputation, which are essential for long-term sustainability. Committed to leading a sustainable and socially responsible palm oil industry, we rigorously enforce a zero-tolerance policy against exploitation, forced or child labour, human trafficking, and modern slavery in all our activities.</p>	<p>Completed the reimbursement of recruitment fees to 20,153 active migrant workers through three payments totalling RM72.2 million, which were made in March, June, and September 2023.</p> <p>Allocate a three-year project valued at RM605.0 million for the improvement of worker accommodation.</p> <ul style="list-style-type: none"> In collaboration with Project Liber8, we adopted and implemented modules to raise awareness of child labour and child trafficking at our Learning Centres, alongside Policy Statements and Guidelines on Respecting and Protecting Children’s Rights, reaffirming our zero-tolerance stance across our operations. Strengthened migrant worker recruitment process to align with ethical recruitment principles and reinforced the ‘no recruitment fee’ policy for migrant workers. Additionally, we suspended a few recruitment agencies for failing to adhere to FGV’s ethical and responsible recruitment requirements. Conducted 21 training sessions involving around 2,182 participants, focusing on the 11 International Labour Organization (ILO) indicators of forced labour. Signed 17 Internal Union Agreements to uphold our employees’ rights, providing a platform for suggestion and concerns. As of 2023, 41% of our permanent employees in Malaysia (excluding MSM, Integrated Farming) are covered under Collective Agreements Conducted 14 Grievance Awareness sessions with employees and external stakeholders across our operations in Malaysia. In 2023, a total of 1,250 grievances were received, of which 46% have been resolved. 	



FGV embraces talent development to nurture growth and excellence.







SUSTAINABILITY REVIEW

PILLAR 2: RESPECTING HUMAN RIGHTS

Significant Material Matters	Why Is It Important	2023 Progress and Highlights	UN SDGs
<p>Occupational Health & Safety</p> 	<p>We prioritise employee health and safety and are committed to protecting our employees from accidents and illnesses while minimising workplace incidents. A safe workplace not only boosts employee well-being and productivity, but also allows them to focus more effectively on their tasks. Compliance with Occupational Health and Safety (OHS) regulations helps reduce legal risks and penalties, while maintaining a safe and healthy environment for our people. By implementing OHS measures, costs related to accidents and injuries, such as medical bills, lost wages, and legal fees can be reduced, and enhances our reputation.</p>	<ul style="list-style-type: none"> Implemented Guidelines on the Medical Surveillance Programme at the Workplace 2023. Conducted a Noise Risk Assessment Report, incorporating the Audiometric Testing provided by the Noise Risk Assessment Assessor. Conducted a Health Screening Programme 2023 (HSP 3.0 PERKESO). In 2023, a total of 42,309 employees attended training sessions covering topics such as Occupational Health, Occupational Safety, and the Environment. Recorded four fatalities involving one local employee, two migrant workers, and one contractor’s employee. Overall Lost Time Injury (LTI) cases increased to 405, with LTI Frequency Rate (LTIFR) of 3.23. 	
<p>Talent Development</p> 	<p>Talent management is key in aligning individual skills with our strategic goals to build a competent and engaged team. Attracting and retaining top talent drives innovation, boosts performance, and keeps us competitive. Our strategy encompasses succession planning, employee development, and fostering a positive work culture to enhance productivity. This approach not only reduces the risks of skill shortages and turnover but also prepares us for future success by developing a resilient and adaptable workforce that is ready to tackle global business challenges.</p>	<ul style="list-style-type: none"> Four employees under the FGV ACe Programme were successfully completed the programme and attained professional qualifications, including ACCA and CPA (Australia). Introduced two Employee Development initiatives: <ul style="list-style-type: none"> Asia Young Leadership Programme (AYLP) Aimed at enhancing leadership skills through insightful idea exchanges and knowledge sharing. Talent Rotation Programme (TRoP) Internal Rotation Designed to provide middle management with an in-depth understanding of FGV’s operations, processes, and challenges, thereby strengthening our leadership pipeline for the future. 	  



SUSTAINABILITY REVIEW

PILLAR 3: PROTECTING THE ENVIRONMENT	Significant Material Matters	Why Is It Important	2023 Progress and Highlights	UN SDGs
	<p>Waste Management</p> 	<p>We consider effective waste management as an important step in combating climate change and promoting a circular economy. Improper disposal contributes to GHG emissions and disrupts ecosystem, thereby elevating climate-related risks. By focusing on reducing, reusing, and recycling, we align with global initiatives for a climate-resilient future and international sustainability goals. Our aim is to minimise our carbon footprint, improve resource efficiency, and protect natural ecosystems. We strive to achieve zero-waste operations across our supply chain, incorporating circular waste management strategies to address climate change and promote a sustainable future.</p>	<ul style="list-style-type: none"> Generated a total of 309,201 MT of hazardous and non-hazardous wastes. Ongoing transformative projects include the conversion of by-products from palm oil mills and the recycling of scrap materials and used tires, facilitating the transformation of waste into valuable resources. 	  
<p>Climate Change</p> 	<p>Climate change, characterised by extreme weather and temperature shifts, is a significant global issue affecting supply chains and businesses. We aim to become carbon-positive and actively counter climate change effects on our operations. We are committed to achieving net zero emissions by 2050, with strategies to manage climate risks and ensure the sustainability of our business. Our goal is to cut the Greenhouse Gas (GHG) emissions intensity by half by 2030 and reach net zero emissions by 2050 across all our commodities.</p>	<ul style="list-style-type: none"> Completed our carbon emissions baseline and GHG emissions inventory for Scope 1 and Scope 2 for 20 FGV's subsidiaries based on 2019 data. Due to our complex supply chain, for Scope 3 inventory, an independent consultant was appointed to ensure the accuracy of our data. <div style="border: 1px solid #008080; border-radius: 15px; padding: 10px; margin-top: 10px;"> <p>Organised FGV Sustainability Week, aimed at enhancing awareness among our employees and fostering a culture of change toward sustainable practices throughout our operations.</p> </div>		

SECTION SIX

STEERING INTEGRITY AND ACCOUNTABILITY

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AT A GLANCE - BOARD OF DIRECTORS



**Dato' Dr. Suzana
Idayu Wati Osman**

Non-Independent
Non-Executive Director



**Datuk Dr. Yatimah
Sarjiman**

Non-Independent
Non-Executive Director



**Dato' Shahrol Anuar
Sarman**

Non-Independent
Non-Executive Director



Tan Sri Rastam Mohd Isa

Chairman, Non-Independent
Non-Executive Director

AT A GLANCE - BOARD OF DIRECTORS



**Dato' Mohd Rafik Shah
Mohamad**

Senior Independent
Non-Executive Director



**Nik Fazila Nik Mohamed
Shihabuddin**

Independent
Non-Executive Director



Mohamad Fadzil Hitam

Independent
Non-Executive Director



**Nurul Muhaniza
Hanafi**

Independent
Non-Executive Director



BOARD OF DIRECTORS' PROFILE



Tan Sri Rastam Mohd Isa

Chairman

Non-Independent Non-Executive Director

Board Committee:

BSC
Chairman

Age: 72	Gender: Male	Nationality:
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QUALIFICATIONS:

Tan Sri Rastam Mohd Isa holds a Master of Arts in International Relations and Strategic Studies from University of Lancaster, United Kingdom, and a Bachelor of Social Science (Honours) from *Universiti Sains Malaysia*. He also holds a Certificate of Diplomacy from University of Oxford, United Kingdom.

WORKING EXPERIENCE AND OCCUPATION:

Tan Sri Rastam was appointed to the Malaysian Administrative and Diplomatic Service (PTD) on 17 April 1974.

He had several diplomatic assignments abroad including as High Commissioner to Pakistan from 1994 to 1996, Ambassador to Bosnia Herzegovina from 1996 to 1998, Ambassador to the Republic of Indonesia from 1999 to 2003, and Permanent Representative to the United Nations in New York from 2003 until 2005.

Tan Sri Rastam was a former Secretary-General of the Ministry of Foreign Affairs (MFA) from

2006 until 2010. He was also an ASEAN Senior Official's Meeting (SOM) leader for Malaysia in 2006-2010.

Tan Sri Rastam was assigned to the MFA until his retirement from the civil service on 2 September 2010. He also served for three years as an Advisor at the Chief Minister's Department, Sarawak from 2010 until 2013.

From 2015 to 2020, he served as the Chairman and Chief Executive of the Institute of Strategic and International Studies (ISIS) Malaysia. He was also an Adjunct Professor at the Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia from 2021 until 2022.

Tan Sri Rastam previously held the position of a Director at Batu Kawan Berhad and served as the Chairman of its Remuneration Committee.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Nil

Date of Appointment to the Board:

26 September 2023

Length of tenure as Director:

< 1 year

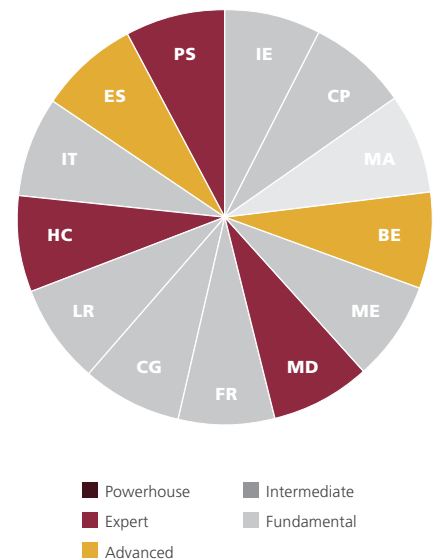
Date of last re-election:

Not Applicable

Board Meeting Attendance in 2023:

3 out of 3

Skills & Experience



DECLARATION

Tan Sri Rastam Mohd Isa has no family relationship with any Director and/or major shareholder of FGV. He has no interest in the securities of the company or its subsidiaries. He also has no conflict of interest, including interest in any competing business with the company or its subsidiaries with FGV. He has never been charged for any offence other than traffic offences within the past five years nor has he had any public sanction and/or penalty imposed on him by any relevant regulatory bodies during the financial year ended 31 December 2023.

IE - Industry experience

CP - Consumer products

MA - Restructuring/mergers and acquisitions

BE - International/regional business experience

ME - Macroeconomy

MD - Corporate Chief Executive Officer/Managing Director

FR - Accounting and financial reporting

CG - Corporate governance, risk management and internal controls

LR - Legal and regulatory

HC - Human capital/talent management

IT - Information technology/digital strategy

ES - ESG/Sustainability

PS - Public sector/governmental body experience

BOARD OF DIRECTORS' PROFILE



Dato' Shahrol Anuwar Sarman

Non-Independent Non-Executive Director

Board Committee:

AC
Member

Age: 51	Gender: Male	Nationality:
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QUALIFICATIONS:

Dato' Shahrol Anuwar Sarman holds a Master in Business Administration from Cardiff University, Wales, United Kingdom, and a Bachelor's Degree in Finance from *Universiti Teknologi MARA*, Malaysia.

WORKING EXPERIENCE AND OCCUPATION:

Dato' Shahrol Anuwar began his career as an Assistant Secretary at the Loans Management and Finance Policy Division in the Ministry of Finance (MoF) in 1996.

In 2003, Dato' Shahrol Anuwar became the Assistant Director at Human Resource Management and Administration Division (Head of Finance and Account Unit) for Anti-Corruption Agency Malaysia. In 2004, he was appointed as the Principal Assistant Secretary of Timber Industry Division under the Ministry of Plantation Industries and Commodities, where he served for two years. He then served for one year as the Senior Principal Assistant Secretary, Administration and Finance Division, Melaka's Chief Minister Department.

Prior to becoming the Special Officer to the Secretary General of Treasury, MoF, in 2011, Dato' Shahrol Anuwar was appointed as Senior Private Secretary to the Secretary General of Treasury, MoF, from 2007 until 2011. He was later appointed as Senior Advisor to Executive Director of the World Bank Group in Washington D.C., USA from 2012 to 2014.

In 2014, Dato' Shahrol Anuwar became the Senior Private Secretary to the Secretary General of Treasury, MoF where he served for three years. He was then appointed as an Undersecretary to the Statutory Bodies Strategic Management Division, MoF, from 2017 until 2019. He is currently the Director, National Budget Office. He sits on the Board of FELDA, representing MoF.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Nil

Date of Appointment to the Board:

- 16 November 2020 (First appointment)
- 17 November 2022 (Re-appointed)

Length of tenure as Director:

2-4 years

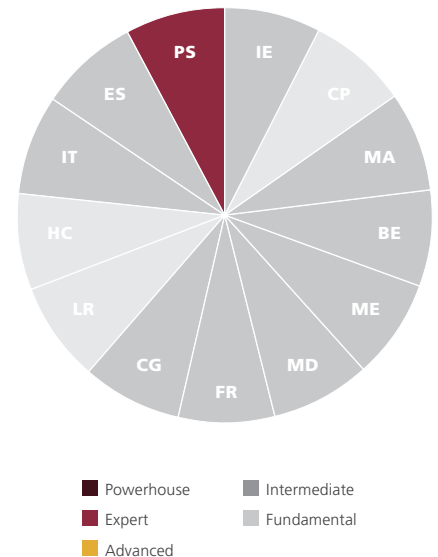
Date of last re-election:

20 June 2023

Board Meeting Attendance in 2023:

12 out of 15

Skills & Experience



DECLARATION

Dato' Shahrol Anuwar Sarman has no family relationship with any Director and/or major shareholder of FGV. He has no interest in the securities of the company or its subsidiaries. He also has no conflict of interest, including interest in any competing business with the company or its subsidiaries with FGV. He has never been charged for any offence other than traffic offences within the past five years nor has he had any public sanction and/or penalty imposed on him by any relevant regulatory bodies during the financial year ended 31 December 2023.

IE - Industry experience	ME - Macroeconomy	CG - Corporate governance, risk management and internal controls	ES - ESG/Sustainability
CP - Consumer products	MD - Corporate Chief Executive Officer/ Managing Director	LR - Legal and regulatory	PS - Public sector/governmental body experience
MA - Restructuring/mergers and acquisitions	FR - Accounting and financial reporting experience	HC - Human capital/talent management	
BE - International/regional business experience		IT - Information technology/digital strategy	



BOARD OF DIRECTORS' PROFILE



Datuk Dr. Yatimah Sarjiman

Non-Independent Non-Executive Director

Board Committee:

NRC	BGRMC
Member	Member

Age: 59	Gender: Female	Nationality:
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QUALIFICATIONS:

Datuk Dr. Yatimah Sarjiman holds a Master of Business Administration in Accounting & Finance cum International Business from Northrop University, United States, and a Bachelor's Degree in Business Accounting Information System cum Computer Information System from Idaho State University, United States. She then pursued her studies at *University Utara Malaysia* and has been awarded with a Doctor of Philosophy Degree (PhD).

Datuk Dr. Yatimah was appointed as Deputy Secretary General in the Prime Minister's Department in 2015 and was later promoted as Director General, Department of Women Development in 2016. In 2018, she became the Director of Agriculture Division, Economic Planning Unit (EPU) of the Prime Minister's Department. She is currently the Deputy Secretary General (Sectoral), Ministry of Economy and sits on the Board of FELDA and FELCRA Berhad.

Date of Appointment to the Board:

- 8 April 2022 (First appointment)
- 8 April 2024 (Re-appointed)

Length of tenure as Director:

1- 3 years

Date of last re-election:

23 June 2022

Board Meeting Attendance in 2023:

15 out of 15

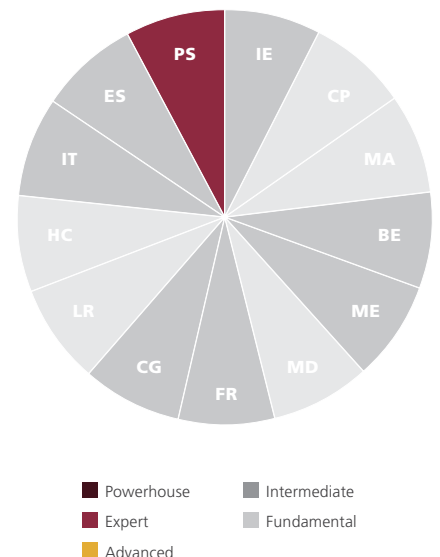
WORKING EXPERIENCE AND OCCUPATION:

Datuk Dr. Yatimah has over 30 years of experience in the field of planning, formulating and implementing public policies on human resource management and organisation, financial resources management and organisation, financial resources, economy, administration and development of the region, social administration, international relations and foreign affairs resilience. She has expertise in rural development and management, international industrial structure, plantation industry and women empowerment.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Nil

Skills & Experience



■ Powerhouse
■ Expert
■ Advanced
■ Intermediate
■ Fundamental

DECLARATION

Datuk Dr. Yatimah Sarjiman has no family relationship with any Director and/or major shareholder of FGV. She has no interest in the securities of the company or its subsidiaries. She also has no conflict of interest, including interest in any competing business with the company or its subsidiaries with FGV. She has never been charged for any offence other than traffic offences within the past five years nor has she had any public sanction and/or penalty imposed on her by any relevant regulatory bodies during the financial year ended 31 December 2023.

IE - Industry experience	ME - Macroeconomy	CG - Corporate governance, risk management and internal controls	ES - ESG/Sustainability
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MA - Restructuring/mergers and acquisitions	FR - Accounting and financial reporting	HC - Human capital/talent management	
BE - International/regional business experience		IT - Information technology/digital strategy	

BOARD OF DIRECTORS' PROFILE



Dato' Mohd Rafik Shah Mohamad

Senior Independent Non-Executive Director

Board Committee:

AC	BGRMC
Chairman	Member

Age: 73	Gender: Male	Nationality:
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QUALIFICATIONS:

Dato' Mohd Rafik Shah Mohamad is a qualified Chartered Accountant from the Malaysian Institute of Accountants (MIA) and is a Fellow of the Association of Chartered Certified Accountants (ACCA), United Kingdom. He attended the Executive Development Programme at the International Institute of Management Development, Lausanne, Switzerland.

WORKING EXPERIENCE AND OCCUPATION:

Dato' Mohd Rafik has more than 33 years of experience in the food industry where he held various senior management positions. After his retirement in 2006, he then assumed the position of Director at a number of companies.

Dato' Mohd Rafik started his career in 1973 as an Analyst with Esso Malaysia Berhad. After working in local companies, he joined Nestlé in 1981 and retired in 2006 after 25 years of operational service. During his tenure at Nestlé, he held various senior management positions within the Nestlé group of companies,

both locally and overseas, including Nestlé Corporate Headquarters in Switzerland.

Upon retirement from Nestlé, Dato' Mohd Rafik was appointed as Director of Nestlé (Malaysia) Berhad, for 12 years, until he retired from the position in April 2021. He was also previously the Chairman of Malaysian Agrifood Corporation Berhad, and Biotropics Malaysia Berhad, to name a few. He was also a former director of FGV prior to its public listing.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

Date of Appointment to the Board:

1 July 2021 (Re-designated as Senior Independent Non-Executive Director on 30 March 2022)

Length of tenure as Director:

1-3 years

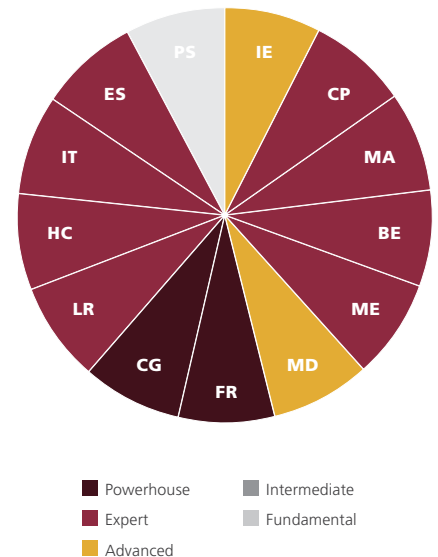
Date of last re-election:

23 June 2022

Board Meeting Attendance in 2023:

15 out of 15

Skills & Experience



DECLARATION

Dato' Mohd Rafik Shah Mohamad has no family relationship with any Director and/or major shareholder of FGV. He has no interest in the securities of the company or its subsidiaries. He also has no conflict of interest, including interest in any competing business with the company or its subsidiaries with FGV. He has never been charged for any offence other than traffic offences within the past five years nor has he had any public sanction and/or penalty imposed on him by any relevant regulatory bodies during the financial year ended 31 December 2023.

<p>IE - Industry experience</p> <p>CP - Consumer products</p> <p>MA - Restructuring/mergers and acquisitions</p> <p>BE - International/regional business experience</p>	<p>ME - Macroeconomy</p> <p>MD - Corporate Chief Executive Officer/Managing Director</p> <p>FR - Accounting and financial reporting</p>	<p>CG - Corporate governance, risk management and internal controls</p> <p>LR - Legal and regulatory</p> <p>HC - Human capital/talent management</p> <p>IT - Information technology/digital strategy</p>	<p>ES - ESG/Sustainability</p> <p>PS - Public sector/governmental body experience</p>
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BOARD OF DIRECTORS' PROFILE



Nik Fazila Nik Mohamed Shihabuddin

Independent Non-Executive Director

Board Committee:

- BGRMC AC
- Chairman Member

Age: 57	Gender: Female	Nationality:
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QUALIFICATIONS:

Nik Fazila holds a Bachelor of Economics (Accounting) from Flinders University of South Australia, Adelaide, Australia. She is a qualified Chartered Accountant from the Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA).

WORKING EXPERIENCE AND OCCUPATION:

Nik Fazila has over 30 years of experience in the field of accounting, finance, business assurance and corporate transactions. She began her career with Price Waterhouse Malaysia (currently known as PricewaterhouseCoopers) where she spent 10 years, primarily in the audit and business advisory services. She also held various senior roles in accounting, finance, and management including as Chief Financial Officers (CFO) in Malaysian public listed companies, prior to joining Chemical Company of Malaysia Berhad (CCM).

Nik Fazila was the CFO of CCM from 2012 before becoming the Group Managing Director of CCM in 2017, a role she held until 2021.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- MSM Malaysia Holdings Berhad
- MBM Resources Berhad

Date of Appointment to the Board:

1 July 2021

Length of tenure as Director:

1- 3 years

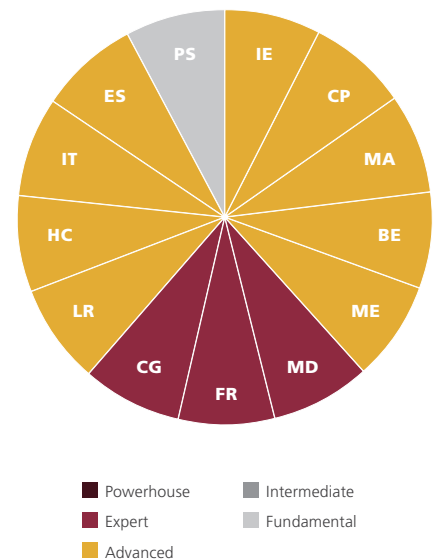
Date of last re-election:

23 June 2022

Board Meeting Attendance in 2023:

15 out of 15

Skills & Experience



DECLARATION

Nik Fazila Nik Mohamed Shihabuddin has no family relationship with any Director and/or major shareholder of FGV. She has no interest in the securities of the company or its subsidiaries. She also has no conflict of interest, including interest in any competing business with the company or its subsidiaries with FGV. She has never been charged for any offence other than traffic offences within the past five years nor has she had any public sanction and/or penalty imposed on her by any relevant regulatory bodies during the financial year ended 31 December 2023.

<p>IE - Industry experience</p> <p>CP - Consumer products</p> <p>MA - Restructuring/mergers and acquisitions</p> <p>BE - International/regional business experience</p>	<p>ME - Macroeconomy</p> <p>MD - Corporate Chief Executive Officer/Managing Director</p> <p>FR - Accounting and financial reporting</p>	<p>CG - Corporate governance, risk management and internal controls</p> <p>LR - Legal and regulatory</p> <p>HC - Human capital/talent management</p> <p>IT - Information technology/digital strategy</p>
<p>ES - ESG/Sustainability</p> <p>PS - Public sector/governmental body experience</p>		

BOARD OF DIRECTORS' PROFILE



Mohamad Fadzil Hitam

Independent Non-Executive Director

Board Committee:

NRC	BSC
Chairman	Member

Age: 67	Gender: Male	Nationality:
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QUALIFICATIONS:

Mohamad Fadzil Hitam holds a Master in Plantation Management from *Universiti Putra Malaysia* and a Diploma in Plantation Industry and Management from *Institut Teknologi MARA*, Malaysia.

WORKING EXPERIENCE AND OCCUPATION:

Mohamad Fadzil has more than 40 years of hands-on experience in operations and development within the palm oil, rubber, cocoa, coconuts, and fruit industries. Within that time, he has also accumulated more than 25 years of experience in plantation management and advisory roles.

He began his career as a Cadet/Asset Manager with Plantation Agency & Asiatic Development Bhd in 1978. Subsequently, he transitioned to Harrison Plantation Malaysia Berhad/Golden Hope Plantations Berhad (Golden Hope) in 1985, where he progressed through various roles such as Plantation Advisor, Head of Transformation Department and Director of Transformation. He played a key role in the post-merger activities between Golden Hope, Kumpulan Guthrie Bhd, and Sime Darby Berhad. In 2012, he moved to Sarawak Plantation Berhad as Head of Plantation Operations.

In 2015, Mohamad Fadzil joined *Perbadanan Kemajuan Pertanian Selangor* as Deputy Group

General Manager. In this capacity, he played a pivotal role in overseeing the State Agricultural Corporation. His portfolio included management of rubber and oil palm plantations, the Selangor fruit valley and agro-tourism projects, dairy farming, freshwater fish farming, chicken farming, wholesale markets, bazaars, shophouses, factories, and parcels of land allocated for property development.

Mohamad Fadzil is also a trainer in all aspects of Plantation Management and he has conducted many in-house courses for Golden Hope and external groups like PELITA, Lembaga Tabung Haji, Rubber Industry Smallholders Development Authority (RISDA) /Espek, and others over the years. In addition, he was granted the prestigious Fellow Certified Planter (FCP) designation by the International Institute of Plantation Management in 2019. He was also a part-time lecturer at *Universiti Teknologi MARA's* Agro Faculty, teaching masters students Strategic Management from 2017 until 2019.

He currently holds the position of Deputy Chairman of the Incorporated Society of Planters (ISP) and Chairman of ISP Management (ISPM).

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

Date of Appointment to the Board:

27 December 2023

Length of tenure as Director:

< 1 year

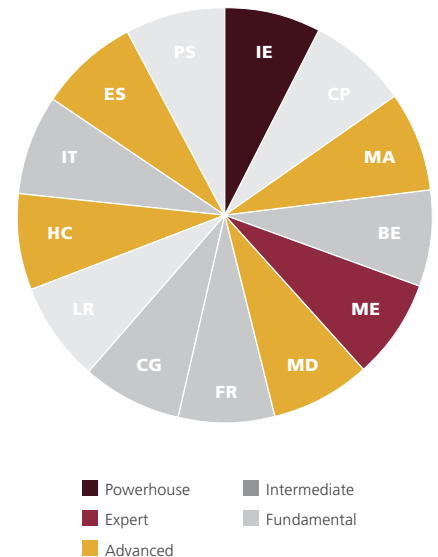
Date of last re-election:

Not Applicable

Board Meeting Attendance in 2023:

0 out of 0

Skills & Experience



DECLARATION

Mohamad Fadzil Hitam has no family relationship with any Director and/or major shareholder of FGV. He has no interest in the securities of the company or its subsidiaries. He also has no conflict of interest, including interest in any competing business with the company or its subsidiaries with FGV. He has never been charged for any offence other than traffic offences within the past five years nor has he had any public sanction and/or penalty imposed on him by any relevant regulatory bodies during the financial year ended 31 December 2023.

IE - Industry experience	ME - Macroeconomy	CG - Corporate governance, risk management and internal controls	ES - ESG/Sustainability
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MA - Restructuring/mergers and acquisitions	FR - Accounting and financial reporting	HC - Human capital/talent management	
BE - International/regional business experience		IT - Information technology/digital strategy	



BOARD OF DIRECTORS' PROFILE



Dato' Dr. Suzana Idayu Wati Osman

Non-Independent Non-Executive Director

Board Committee:

BSC
Member

Age: 55	Gender: Female	Nationality:
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QUALIFICATIONS:

Dato' Dr. Suzana Idayu Wati Osman holds a PhD in Finance from *Universiti Putra Malaysia*, and an Advanced Management Programme from Harvard Business School, Boston, United States. She also holds a Master in Finance from the same Malaysian institution and a Bachelor of Arts (Honours) in Business Studies from the University of Huddersfield, United Kingdom.

WORKING EXPERIENCE AND OCCUPATION:

Dato' Dr. Suzana is a distinguished and highly experienced C-suite professional with 30 years of expertise across various industries, bringing a wealth of strategic insights and transformative leadership to her roles. With a strong background in food, agriculture, financial services, and institutional asset management, she has held numerous board positions and C-level roles, offering unique perspectives in managing multi-business corporate entities and multi-asset financial portfolios. She served as Chairperson, Board of Directors and Advisors to more than 35 entities across various sectors such as plantation, downstream agri-business, oleochemicals, consumer goods, technology,

travel, construction, livestock, logistic, trading, fintech, and private equity firm. Currently, she holds significant positions in esteemed organisations such as serving as the Chairperson of the Board of Trustees at the Malaysian Sustainable Palm Oil (MSPO), formerly known as the Malaysian Palm Oil Certification Council (MPOCC). Dato' Dr. Suzana is also a Director and member of the Nomination and Remuneration Committee at Encorp Berhad. In her role as a Director of FELDA, she serves as the Chairperson of the Investment Committee, and the Risk and Governance Committee. She also serves as the Chairperson of the Board of Directors at IIUM Holdings Sdn Bhd. She also a Public Interest Director of Private Pension Administrator Malaysia (PPA) and member of the Audit and Risk Management Committee as well as Nomination and Remuneration Committee.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Encorp Berhad
- Malaysian Sustainable Palm Oil
- Private Pension Administrator Malaysia

Date of Appointment to the Board:

1 April 2024

Length of tenure as Director:

< 1 year

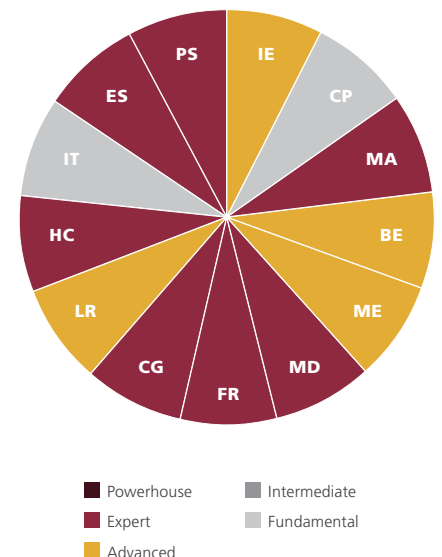
Date of last re-election:

Not applicable

Board Meeting Attendance in 2023:

Not Applicable

Skills & Experience



DECLARATION

Dato' Dr. Suzana Idayu Wati Osman has no family relationship with any Director and/or major shareholder of FGV. She has no interest in the securities of the company or its subsidiaries. She also has no conflict of interest, including interest in any competing business with the company or its subsidiaries with FGV. She has never been charged for any offence other than traffic offences within the past five years nor has she had any public sanction and/or penalty imposed on her by any relevant regulatory bodies during the financial year ended 31 December 2023.

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BE - International/regional business experience		IT - Information technology/digital strategy	

BOARD OF DIRECTORS' PROFILE



Nurul Muhaniza Hanafi

Independent Non-Executive Director

Board Committee:

NRC
Member

Age: 47	Gender: Female	Nationality:
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QUALIFICATIONS:

Nurul Muhaniza Hanafi holds a Bachelor's Degree in Laws from the International Islamic University Malaysia.

WORKING EXPERIENCE AND OCCUPATION:

Nurul Muhaniza is currently the Managing Partner of Messrs Abu Zahar Syed Mohd Fuad & Partners. With a diverse expertise in property development, banking, litigation, and corporate law, she is recognised as a versatile legal professional. In her role, she is committed to safeguarding her clients' interests and contributing to the advancement of the legal profession in Malaysia. From 2016 to 2018, she held the position of President for the Strata Management Tribunal under the Ministry of Housing and Local Government, focusing on alternative housing dispute resolutions. She has served the Selangor Bar Committee since the 2014/2015 term and is currently the Chairperson for the Conveyancing Practice Committee and *Syariah & Bahasa Melayu* Committee. She periodically engages with the

Selangor Land Office and other state agencies to resolve ever-revolving conveyancing issues and establishing herself as a respected figure in both the government and state agencies.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

Date of Appointment to the Board:

1 April 2024

Length of tenure as Director:

< 1 year

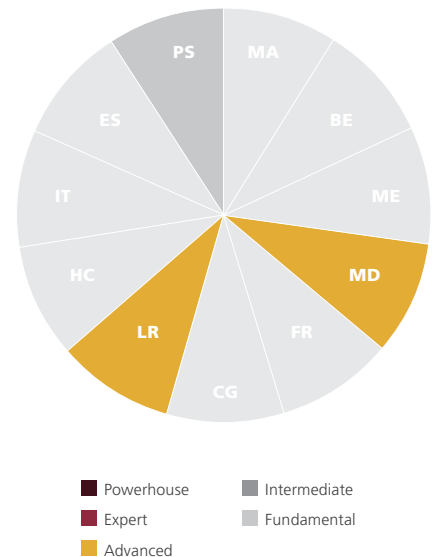
Date of last re-election:

Not applicable

Board Meeting Attendance in 2023:

Not Applicable

Skills & Experience



DECLARATION

Nurul Muhaniza Hanafi has no family relationship with any Director and/or major shareholder of FGV. She has no interest in the securities of the company or its subsidiaries. She also has no conflict of interest, including interest in any competing business with the company or its subsidiaries with FGV. She has never been charged for any offence other than traffic offences within the past five years nor has she had any public sanction and/or penalty imposed on her by any relevant regulatory bodies during the financial year ended 31 December 2023.

IE - Industry experience	ME - Macroeconomy	CG - Corporate governance, risk management and internal controls	ES - ESG/Sustainability
CP - Consumer products	MD - Corporate Chief Executive Officer/Managing Director	LR - Legal and regulatory	PS - Public sector/governmental body experience
MA - Restructuring/mergers and acquisitions	FR - Accounting and financial reporting	HC - Human capital/talent management	
BE - International/regional business experience		IT - Information technology/digital strategy	



AT A GLANCE - GROUP MANAGEMENT COMMITTEE



From left to right (sitting):

Fakhrunniam Othman - Group Divisional Director, Logistics & Support Division • **Borhan Bachi** - Group Director, Plantation Division • **Dato' Mohd Nazrul Izam Mansor** - Group Chief Executive Officer

From left to right (standing):

Azni Ariffin - Head of Group Secretarial & Company Secretary • **Nor Marhamah Yahya** - General Counsel • **Nurul Hasanah Ahamed Hassain Malim** - Group Chief Sustainability Officer • **Shammim Azad Kamruzaman** - Officer-in-Charge for Consumer Products Division & Chief Executive Officer of Delima Oil Products Sdn Bhd • **Razman Radzi** - Group Chief Human Capital Officer • **Abdul Razak Aya** - Head of Integrated Farming

AT A GLANCE - GROUP MANAGEMENT COMMITTEE



From left to right (sitting):

Dato' Mohd Hairul Abdul Hamid - Group Chief Financial Officer • **Zulkifli Othman** - Group Director, Oils & Fats Division • **Syed Feizal Syed Mohammad** - Group Chief Executive Officer of MSM Malaysia Holdings Berhad

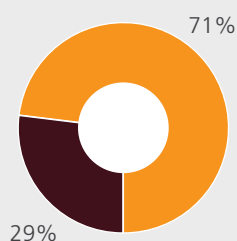
From left to right (standing):

Salman Ghazali - Group Chief Strategy Officer • **Azmi Yaakop** - Group Chief Strategic Communication Officer • **Shaharizan Yunus** - Head of Group Health, Safety & Environment • **Zalily Mohamed Zaman Khan** - Chief Internal Auditor • **Aznur Kama Azmir** - Group Financial Controller



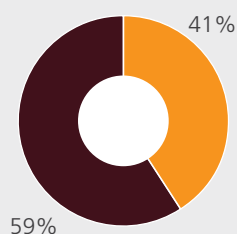
GROUP MANAGEMENT COMMITTEE'S PROFILE

The Group Management Committee (GMC) plays a key role in supporting the Group Chief Executive Officer (GCEO) in managing the Group. It serves as a central body responsible for overseeing the Group's performance, ensuring that the management and business operations are well-coordinated and aligned with the Group's goals, vision and strategies. The GMC achieves this by diligently adhering to sound corporate governance principles and adopting industry best practices for business and control, all in accordance with the directions, advice, decisions and policies set by the Board and its Committees.



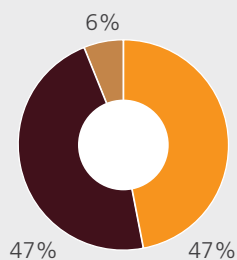
Gender Diversity

- Male
- Female



Age Diversity

- 40-49 years
- 50-59 years



Length of Service

- Less than 3 years
- 3-6 years
- More than 7 years

Notes:

1. None of the GMC members have any conflict of interest with the Company, family relationship with any Director and/or Major shareholder or have any convictions for offences (other than traffic offences) within the past five years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023.

Dato' Mohd Nazrul Izam Mansor

Group Chief Executive Officer



Age	Gender	Nationality	Appointment to the position
48	Male		23 August 2021

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- MSM Malaysia Holdings Berhad

ACADEMIC/PROFESSIONAL CERTIFICATE

Dato' Mohd Nazrul Izam Mansor holds a Bachelor's Degree in Commerce from the University of Queensland, Australia. He is a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a Fellow Certified Practising Accountant of CPA Australia.

RELEVANT EXPERIENCE

Dato' Mohd Nazrul brings over 25 years of experience in various capacities across diverse industries. Prior to his appointment as the GCEO of FGV in 2021, he was the GCEO of FELCRA Berhad since 2018.

He began his career in 1998 as an Account Executive with RHB Unit Trust Management Berhad, before moving on to senior positions in Hasyudeen & Co and PricewaterhouseCoopers. Dato' Mohd Nazrul then joined Padiberas Nasional Berhad in 2002 and played key roles in risk management and corporate planning, and was the Executive Assistant to the CEO until 2007. In 2009, he became the Head of Structured Business at Malaysia Building Society Berhad (MBSB), before being appointed as Group Chief Financial Officer (GCFO) at Realmild Sdn Bhd in 2010. Dato' Mohd Nazrul next assumed the post of Director of Finance of N.U.R Power Sdn Bhd in 2013, where he held the position until 2018 before becoming Managing Director of Teras Dara Konsortium Sdn Bhd.

ROLES AND RESPONSIBILITIES

Helms FGV and sets the strategic goals and objectives that drive its growth and success. As the GCEO, Dato' Mohd Nazrul spearheads the overall management and performance of FGV, ensuring value creation for its stakeholders. In this pivotal role, he provides guidance to the Senior Management in formulating and executing business strategies to fuel growth. He establishes and cultivates relationships with key and prospective partners, clients and stakeholders, serving as the intermediary between the Board of Directors and the operational teams. He champions compliance with regulations and ethical standards to uphold the organisation's integrity and reputation. With oversight of around 50,000 workforce, he directs FGV's corporate initiatives and the Organisation's vision and values internally and externally. His aim is to maximise profitability and ensure sustainable growth while upholding FGV's commitment to excellence.

GROUP MANAGEMENT COMMITTEE’S PROFILE

Dato’ Mohd Hairul Abdul Hamid

Group Chief Financial Officer



Age	Gender	Nationality	Appointment to the position
53	Male		2 January 2019

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Felda Holdings Berhad

ACADEMIC/PROFESSIONAL CERTIFICATE

Dato’ Mohd Hairul Abdul Hamid is a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a Fellow of the Association of Chartered Certified Accountants (ACCA), United Kingdom. He is also a member of the Malaysian Institute of Certified Public Accountants (MICPA).

RELEVANT EXPERIENCE

Dato’ Mohd Hairul has over 30 years of experience in finance, where he began his career in Sime Darby Berhad in 1994 as a Management Trainee and rose to become the Group Accountant in 1997. He joined Consolidated Plantations Berhad, a wholly-owned subsidiary of Sime Darby Berhad, as Finance Manager in October 2002 before being appointed as the Plantation Financial Controller in June 2005. He returned to Sime Darby Berhad in June 2006 as General Manager of Finance.

He was appointed as Chief Financial Officer (CFO) of the Plantation Division in June 2008, and eventually become CFO of the Energy & Utilities Division before departing Sime Darby Berhad in February 2012. Prior to joining FGV as the GCFO, in January 2019, he was the CFO of Mass Rapid Transit Corporation Sdn Bhd from March 2012 to December 2018.

ROLES AND RESPONSIBILITIES

Leads the development and assessment of FGV’s strategic financial model, meticulously crafted to achieve both short- and long-term financial objectives. As the GCFO, Dato’ Mohd Hairul is responsible for developing and overseeing the financial systems and frameworks within the Organisation. He dedicates his expertise to cultivating the professional development of employees within the Group Financial Division to ensure that they are equipped with the necessary skills and knowledge to excel in their roles. Additionally, he conducts comprehensive financial monitoring, reporting, and analysis, providing invaluable insights that drive informed decision-making and optimise financial performance across the Organisation.

Borhan Bachi

Group Director, Plantation Division



Age	Gender	Nationality	Appointment to the position
57	Male		1 January 2024

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Borhan Bachi holds a Master in Business Administration (Strategic Management) from the International Business School, *Universiti Teknologi Malaysia*, as well as a Bachelor’s degree in Mechanical Engineering (Production) from the same university.

RELEVANT EXPERIENCE

Borhan has over 33 years of experience in the palm oil industry, during which he has held diverse positions in mills, logistics operations, and corporate services within FGV’s Plantation Division. He embarked on his career as a Mill Engineer in Palm Oil Mill Operation at FGV Palm Industries Sdn Bhd, gaining invaluable hands-on experience that has enabled him to make significant contributions in every subsequent role he has undertaken.

Before becoming FGV’s Group Director of the Plantation Division, Borhan served as CEO of the Pontian United Plantations Berhad Group of Companies, overseeing 26 estates and two mills.

ROLES AND RESPONSIBILITIES

Leads the Plantation Division in driving the sustainable and profitable growth of its 214 estates and 66 palm oil mills throughout Malaysia. In this capacity, Borhan spearheads key transformation programmes and corporate initiatives aimed at driving operational excellence and fostering innovation within the Division. He is tasked with leading segments such as Research & Development (R&D), Rubber, and Renewable Energy (RE) through green initiative exercises, collaboration with industry stakeholders, as well as ensuring compliance with the latest guidelines and regulations. He champions the integration of cutting-edge technology to enhance operational efficiency while maintaining strict adherence to legal requirements. He prioritises building positive stakeholder relationships and aligns the Division with the sustainability and profitability objectives of FGV.



GROUP MANAGEMENT COMMITTEE'S PROFILE

Zulkifli Othman

Group Director, Oils & Fats Division



Age	Gender	Nationality	Appointment to the position
53	Male		1 January 2024

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Zulkifli Othman holds a Bachelor's Degree in Finance (Honours) and a Diploma in Banking both from *Universiti Teknologi MARA*, Malaysia.

RELEVANT EXPERIENCE

Zulkifli brings 30 years of corporate experience in the palm oil and oil and gas industries. He began his career in Cargill Group of companies as a merchant and was subsequently promoted to Senior Project Manager, where he was responsible for spearheading the restructuring of the Malaysian Oilseeds and Asian Oilseeds Forwarding Department.

He joined FELCRA Berhad as a Commodity Trading Manager before moving to Pacific Interlink Sdn Bhd and Pacific Oils & Fats Industries Sdn Bhd. During his 14-year tenure with these companies, he played a significant role in formulating and implementing trading strategies, procuring 1 million MT of Crude Palm Oil (CPO) per year and delivering the trading volume target of RM200 million a month. In 2014, he became CEO of a private palm oil company in Johor before taking on the position of CEO of FGV Trading Sdn Bhd in 2018. He was promoted to Head of the Downstream Division in 2020, where he also served as Officer-in-Charge of Trading and Marketing in December 2022.

ROLES AND RESPONSIBILITIES

Leads the Oils & Fats Division towards achieving sustainable performance and growth, in line with the overarching business aspirations of the Group. As the Group Director of the Oils & Fats Division, Zulkifli oversees a dynamic team of over 1,000 employees across Malaysia and the United States. He drives the formulation and execution of the Division's strategic long-term growth plan. In this role, he identifies strategic opportunities and potential acquisitions both locally and globally, thereby fuelling the Division's expansion and fostering innovation. He plays a crucial role in providing insights to strengthen integrated operations and ensuring the Division maintains its operational excellence.

Fakhrunniam Othman

Group Divisional Director, Logistics & Support Division



Age	Gender	Nationality	Appointment to the position
56	Male		1 January 2023

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- MSM Malaysia Holdings Berhad

ACADEMIC/PROFESSIONAL CERTIFICATE

Fakhrunniam Othman holds a Master in Business Administration (General Management) from the Royal Melbourne Institute of Technology (RMIT), Australia. He is also a Chartered Accountant of the Association of Chartered Certified Accountants (ACCA), United Kingdom, and a member of the Malaysian Institute of Accountants (MIA).

RELEVANT EXPERIENCE

Fakhrunniam's career, spanning over 30 years, began with Caltex Oils Malaysia Ltd. in 1992. He later moved to Sapura Telecommunication Bhd before becoming Group Accountant of Alloy Consolidated Sdn Bhd. In 2000, he joined FGV Group as an Accountant at Felda Holdings Bhd (FHB), and was appointed as General Manager in 2004. He then became the Senior General Manager of Finance at FHB in 2006.

He served as Deputy CFO and Company Secretary of Twin Rivers Technologies (TRT) Inc. in the United State from 2008 to 2011. Upon his return, he was appointed Vice President of the Strategy Division and played a key role in the listing of FGV. He was entrusted with leadership roles as the CEO of three subsidiaries, namely FGV Marketing Services Sdn Bhd, FGV Trading Sdn Bhd, and FGV Transport Sdn Bhd from 2013 until 2016. In 2017, he was appointed Chief Strategy Officer, followed by Chief Investment Officer from 2019 until 2022, with an interim assignment as Acting CEO of MSM Malaysia Holdings Berhad in 2020.

ROLES AND RESPONSIBILITIES

Ensures the overall direction, performance, and growth of the Logistics & Support Division (LSD) aligns with FGV's business objectives and stakeholders' aspirations. In his capacity as the Group Divisional Director of LSD, Fakhrunniam drives the Division towards its strategic goals to enhance business performance, operational productivity, and sustainable growth. He orchestrates the development of LSD's annual business plans, roadmaps, and strategies, ensuring they are in sync with FGV's overarching strategic objectives. He is in charge of driving continuous improvement across underperforming business segments within the Division.

GROUP MANAGEMENT COMMITTEE’S PROFILE

Shammim Azad Kamruzaman

Officer-in-Charge for Consumer Products Division & Chief Executive Officer of Delima Oil Products Sdn Bhd



Age	Gender	Nationality	Appointment to the position
51	Male		5 December 2023

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Shammim Azad Kamruzaman holds a Bachelor of Management (Marketing) from the University of South Australia.

RELEVANT EXPERIENCE

Shammim brings over 25 years of experience within the Fast-Moving Consumer Goods (FMCG) industry, where he began his career at Fraser & Neave Dairies Sdn Bhd (F&N) in 1996. Since then, he has worked with various household names such as Sime Darby Plantation Berhad, Dewina Holdings Sdn Bhd, Pillsbury (M) Sdn Bhd, British Petroleum, Nestle Products Sdn Bhd, Sapura Holdings, FELDA Wellness Corporation Sdn Bhd, and Power Root Middle East-Dubai, before joining FGV in 2017.

His extensive experience encompass various key areas such as key account & trade channel management, sales & distribution, and brand management.

ROLES AND RESPONSIBILITIES

Drives the establishment of relevant commercial goals for the Consumer Products Division and Delima Oil Products Sdn Bhd (DOP). As the Officer-in-Charge for Consumer Products Division and the CEO of DOP, Shammim is engaged in strategic planning and execution processes for business growth and brand development. His proactive approach extends to cultivating and strengthening valuable partnerships with stakeholders to ensure mutual benefits and sustained growth. He oversees the brand’s positioning and alignment, combining his understanding of industry trends and consumer behaviour with his professional expertise to steer the brand towards market leadership.

Abdul Razak Aya

Head of Integrated Farming



Age	Gender	Nationality	Appointment to the position
52	Male		1 August 2019

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Abdul Razak Aya holds a Master of Science in Plantation Management and a Diploma in Agriculture from *Universiti Putra Malaysia* (UPM). He has also completed an Executive Leadership Programme from Bond University, Australia, a Business Strategy and Supply Chain Management Programme from the National University of Singapore, and a Plantations Management Programme from Golden Hope Academy, Carey Island, Malaysia.

RELEVANT EXPERIENCE

Abdul Razak brings over 25 years of experience across diverse areas, including strategic and business planning, plantation and estate operations, biotechnology, precision agriculture, biosecurity, plantation land development, occupational health and safety, poultry, fisheries and aquaculture, and the herbal and fruit industries.

His career began in 1992 in Information Technology at Creative Technology Computer Sdn Bhd, followed by research and government roles at UPM and the Johor State Department. Prior to the merger with Sime Darby Berhad, he was appointed Business Development Manager at Golden Hope Plantations Berhad in 1995 where he served for 13 years, and continued with the same portfolio at Sime Darby Plantation Berhad until 2009. Later, he joined the East Coast Economic Region Development Council (ECERDC) from 2008 to 2014, before joining the Malaysian Agricultural Research and Development Institute (MARDI) as a Permanent Member of the Board of Governors until 2016. He later served as the Vice President in Naza World Holdings Sdn Bhd in 2014, overseeing the Agro and Bio Division.

ROLES AND RESPONSIBILITIES

Oversees the operations and strategic planning of Integrated Farming business to achieve long-term growth and profitability. As the Head of Integrated Farming, Abdul Razak initiates integrated farming projects focused on dairy farming, fresh produce, and animal feed, while also scouting for new ventures in the food and agro-business sector for further synergies. He guides the efforts to grow and expand initiatives to support FGV’s strategic goals, ensuring alignment with the National Food Security agenda. In this capacity, he plays a significant role in reinforcing the Company’s commitment to sustainable agriculture.



GROUP MANAGEMENT COMMITTEE'S PROFILE

Syed Feizal Syed Mohammad

Group Chief Executive Officer of MSM Malaysia Holdings Berhad



Age	Gender	Nationality	Appointment to the position
58	Male		1 February 2021

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Syed Feizal Syed Mohammad holds a Master in Business Administration (Executive) from Charles Sturt University, Australia and a Bachelor of Science in Electrical Engineering from the University of Nebraska-Lincoln, United States. He is a member of the Institute of Corporate Directors Malaysia (ICDM) and the CEO Action Network. He also serves as an Adjunct Professor for *Universiti Sains Malaysia* and Azman Hashim International Business School, *Universiti Teknologi Malaysia*.

RELEVANT EXPERIENCE

Syed Feizal has more than 35 years of experience serving various multinational and local conglomerates across multiple countries and regions including Asia Pacific, South Asia, and the Middle East. His professional background in managing large to mega capital projects spans diverse corporate and business sectors such as engineering and construction of oil and gas facilities, petrochemicals and industrial process plants, exploration and production, infrastructure (water, transport and power) and trading of agro and industrial commodities (palm oil, rubber, sugar and rice), and hydrocarbons.

Over the course of his career, he has been appointed to multiple senior leadership positions including CEO, Executive Project Sponsor, and Board roles, and has been responsible for managing large organisations employing over 3,000 people. Previously, he was also a senior member of the Executive Committee overseeing more than 7,000 people in Asia Pacific in over 15 subsidiaries across China, Southeast Asia, and Australia.

ROLES AND RESPONSIBILITIES

Steers the strategic and operational leadership of MSM Malaysia Holdings Berhad (MSM). As the GCEO of MSM, Syed Feizal oversees the financial management, market positioning, innovation, and risk management. He cultivates team development and upholds stringent corporate governance standards. In his leadership capacity, he champions the integration of Environmental, Social, and Governance (ESG) practices together with digitalisation initiatives. Through these efforts, he aims to secure a future for the Sugar Division that is not only sustainable and responsible but also marked by enhanced operational excellence.

Razman Radzi

Group Chief Human Capital Officer



Age	Gender	Nationality	Appointment to the position
59	Male		1 August 2022

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Razman Radzi obtained a Bachelor's Degree in Business Administration (Honours) from the International Islamic University Malaysia and holds a Diploma in Personnel Management from the Malaysian Institute of Human Resource Management (MIHRM). He is currently the Deputy President of the MIHRM and a Thought Leader at the National Human Resource Centre under Human Resource Development Corporation. He is also a certified Professional Coach and Mentor and a Balanced Scorecard Professional.

RELEVANT EXPERIENCE

Razman has more than 34 years of experience in human resources across various multinational corporations and Government-Linked Companies (GLCs), and has served as a Panel Member (Employer) on the Industrial Court. Throughout his career, he held various key positions such as General Manager of Human Resource Development, Director of Johor Skills Development Centre, and was appointed as Lieutenant Colonel, Briged Waqaf while at Johor Corporation.

As part of his assignment at Johor Corporation, he was appointed as Senior General Manager, Group Talent Management of KPJ Healthcare Berhad. He has also served at Goodyear (Malaysia) Bhd, Sarawak Shell Berhad, UEM Land Holdings Bhd, and Kumpulan Guthrie Berhad.

ROLES AND RESPONSIBILITIES

Provides strategic guidance on human capital matters, directly advising the GCEO, the Board, and senior management. As the Group Chief Human Capital Officer, Razman not only works to position FGV as a preferred Employer of Choice but also leads the charge in driving transformative change within the organisation. He is instrumental in developing and executing strategies that build a robust leadership and talent pipeline to ensure the sustainability of FGV. He promotes and implements initiatives focused on diversity, equity, and inclusion to foster a more diverse and equitable work environment across the Group.

GROUP MANAGEMENT COMMITTEE’S PROFILE

Salman Ghazali

Group Chief Strategy Officer



Age	Gender	Nationality	Appointment to the position
42	Male		13 September 2019

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Salman Ghazali holds a Bachelor of Science in Accounting & Finance from the London School of Economics and Political Science, United Kingdom.

RELEVANT EXPERIENCE

Salman brings more than 18 years of experience in various fields, including strategy, investments management, private equity, business banking, and business development. He started his career with Sime Darby Plantation Berhad (SDP) in 2005 and eventually became Assistant Vice President I Corporate Finance. He was assigned to PEMANDU’s National Key Economic Area (NKEA) lab in 2010 where he led the Palm Oil Food & Health-based Downstream sector to produce the blueprint for economic growth. He was later seconded to Emery Oleochemicals to oversee SPD’s interest in the oleochemicals sector in the areas of global strategy and investments.

He later joined Petroliaam Nasional Berhad (PETRONAS) in 2012 with the Exploration & Production Division, and later joined Khazanah Nasional Berhad as Vice President of Investments and Special Officer to the Chief Investment Officer. In 2015, he joined RM Capital Partners & Associates (RMCP), one of the largest boutique private equity firms in Malaysia, where he served as Managing Partner, Investment Committee member for RMCP’s funds and held directorships in various investee companies under RMCP. Prior to joining FGV, he was Head of Business Banking Division in Bank Pembangunan Malaysia Berhad (BPMB).

In 2022, alongside his current role, he was appointed as the Officer-in-Charge of Chief Consumer Products Officer until December 2023. In January 2023, he was appointed as Member of the Science Council for the Malaysian Agriculture Research & Development Institute (MARDI) by the Minister of Agriculture & Food Security Malaysia.

ROLES AND RESPONSIBILITIES

Leads the development and execution of the Group’s overall strategy to achieve long-term goals, with a focus on sustainably increasing shareholders’ value. As Group Chief Strategy Officer, Salman is also responsible for investment and divestment opportunities including Mergers & Acquisitions (M&A), equity partnerships, corporate finance and investor relations, and strategic business development initiatives including New Product Development (NPD). He leads the formulation and refinement of the Group’s strategic blueprint, drives market research and business intelligence efforts, and identifies opportunities for business expansion.

Azmi Yaakop

Group Chief Strategic Communication Officer



Age	Gender	Nationality	Appointment to the position
47	Male		15 July 2022

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Azmi Yaakop holds a Master of Science in Corporate Communications from *Universiti Putra Malaysia* and a Bachelor of Arts (with a double major in Economics & Mass Communications) from Indiana University Bloomington, United States.

RELEVANT EXPERIENCE

Azmi has more than 24 years of experience, with a focus on Strategic Communications. Prior to joining FGV, he was the Head of External Affairs for British American Tobacco Malaysia Berhad (BAT), primarily responsible for BAT’s ESG agenda and its new products portfolio.

He has served various multinational companies in leadership roles including Aramco Overseas Malaysia (AOM), BASF PETRONAS Chemicals Malaysia, and Shell Business Service Centre Sdn Bhd. He has also held managerial roles in various public listed companies and GLCs such as Celcom Axiata Berhad, Telekom Malaysia Berhad, and Hong Leong Group Capital Berhad.

ROLES AND RESPONSIBILITIES

In his capacity as the Group Chief Strategic Communication Officer, Azmi shapes the Group’s operational and strategic communication deliverables, focusing on internal and external communications. He customises internal communications efforts of the Group for a diverse global workforce besides strategically aligns, cascades and publicises relevant narrative among its external stakeholders that include the media, government, consumers, and members of the public in maintaining good corporate image and reputation. He also serves as the brand custodian for the Group, ensuring consistent and enhanced brand awareness besides acting as the custodian for donation, sponsorship and community investment initiatives in showcasing the Group as a responsible corporate citizen. Ultimately, he also ensures communication efforts are aligned with FGV’s vision and mission and its commitment to sustainability, and takes charge of communications in the event of a crisis.



GROUP MANAGEMENT COMMITTEE'S PROFILE

Nurul Hasanah Ahamed Hassain Malim

Group Chief Sustainability Officer



Age	Gender	Nationality	Appointment to the position
43	Female		1 March 2019

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Nurul Hasanah Ahamed Hassain Malim holds a Master of Laws in Human Rights Law from the University of Nottingham, United Kingdom and a Bachelor of Laws (Honours) from the International Islamic University, Malaysia. She was a recipient of the British Foreign Commonwealth Office Chevening Fellowship Award, through which she earned a certificate in the Continuing Professional Development Programme from the University of Glasgow, Scotland, in 2006. Additionally, she is an alumna of the International Visitors Leadership Programme by the Bureau of Education and Cultural Affairs of the United States.

RELEVANT EXPERIENCE

Nurul Hasanah brings over 18 years of experience in human rights, law and policy development, and sustainability, where she began her career as a Legal Officer in 2003 with the Human Rights Commission of Malaysia. In 2006 she became the Head of the Complaints & Inquiries Division, before heading the National Inquiry Division in 2010. She served as the Head of the Research and Policy Development Division and was later appointed as Deputy Secretary of the Policy and Law Working Group in 2015.

In 2018, she joined the Earthworm Foundation, an international non-profit organisation, formerly known as The Forest Trust. In the Earthworm Foundation, she was responsible for overseeing the Palm Programme in Malaysia, focusing on Environment, Social and Human Rights.

ROLES AND RESPONSIBILITIES

Responsible for developing and directing FGV's sustainability initiatives. As the Group Chief Sustainability Officer, Nurul Hasanah formulates the overarching strategy of FGV's Sustainability Framework in alignment with the United Nations (UN) Sustainable Development Goals (SDG), No Deforestation, No Peat and No Exploitation (NDPE) commitments, and the UN Guiding Principles on Business and Human Rights. In her role, she oversees the sustainability strategies for social compliance and monitors their implementation. She develops FGV's comprehensive plan for achieving Net Zero emissions and Science Based Targets (SBT), and manages the execution of FGV's Climate Action Plan to realise these objectives. She also engages with FGV's clients and business partners to promote FGV as one of the leading producers of sustainable products and champions sustainability throughout the value chain.

Nor Marhamah Yahya

General Counsel



Age	Gender	Nationality	Appointment to the position
46	Female		1 August 2019

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Nor Marhamah Yahya holds a Bachelor of Laws (Honours) from *University Teknologi MARA*, Malaysia.

RELEVANT EXPERIENCE

Nor Marhamah has more than 22 years of experience as a corporate and commercial lawyer. She began her career at BUSTAMAN in 2002 before becoming Partner in M.Y. Nor & Partners in 2006. In 2008, she joined Astro Entertainment Sdn Bhd and was promoted as Assistant Vice President in MEASAT Broadcast Network Systems Sdn Bhd.

In 2012, she joined FGV as a Senior Manager of Group Legal, and was later promoted to General Manager in 2015 before being appointed as General Counsel in August 2019.

ROLES AND RESPONSIBILITIES

Delivers comprehensive legal services and support throughout the FGV Group. As the Group's General Counsel, Nor Marhamah provides legal advisory on corporate, commercial and operational matters encompassing but not limited to mergers and acquisitions, corporate restructuring, financing documentation as well as day to day operational agreements. In her role, Nor Marhamah also plays pivotal role in ensuring that all agreements are in place and that FGV adheres to all applicable rules, policies, laws, and regulations, thereby safeguarding FGV's interest and integrity.

GROUP MANAGEMENT COMMITTEE'S PROFILE

Shaharizan Yunus

Head of Group Health, Safety & Environment



Age	Gender	Nationality	Appointment to the position
44	Male		15 November 2019

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Shaharizan Yunus holds a Master in Management from *Universiti Tun Abdul Razak*, and a Bachelor's degree (Honours) in Marine Science from *Universiti Kebangsaan Malaysia* where he also obtained an Executive Certificate in Law and Society. He is a certified Safety and Health Officer and holds a Train the Trainer Certificate from National Institute of Occupational Safety and Health (NIOSH) Malaysia.

RELEVANT EXPERIENCE

Shaharizan is a Qualified Internal Auditor for Quality Management System (QMS), Environment Management System (EMS), Occupational Health and Safety Assessment Series (OHSAS) Management System and a Qualified Incident Command System Silver Commander. He began his career within the Occupational Safety Division at NIOSH Malaysia in 2002, before moving on to Gas Malaysia Berhad (previously known as Gas Malaysia Sdn Bhd) and KLCC Urusharta Sdn Bhd.

He later joined IGB Corporation Berhad as Safety & Health Manager before becoming an Occupational Health and Safety advisor at ABB Malaysia Sdn Bhd. In 2011, he was appointed Country Health, Safety and Environment (HSE) Leader by Llyod's Register (LR) Malaysia & Brunei, before moving to RAPID Pengerang Project Package in 2017 as HSE Manager. He joined FGV in 2018 and was promoted as Head of Department in 2019.

ROLES AND RESPONSIBILITIES

Develops and executes the Group's HSE strategy and initiatives. As the Head of Group HSE, Shaharizan offers vital support to senior management for the effective implementation of HSE strategies from a solid business standpoint. In this role, he is involved in assisting various business sectors within the Group in enhancing HSE performance and raising awareness by advancing the HSE Management System and developing relevant corporate HSE policies and procedures. He also oversees emergency response and crisis management efforts, collaborating with stakeholders and third-party providers, managing the HSE issues within the Company's industrial portfolio and offering due diligence support for mergers and acquisitions.

Zalily Mohamed Zaman Khan

Chief Internal Auditor



Age	Gender	Nationality	Appointment to the position
56	Female		1 March 2012

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Zalily Mohamed Zaman Khan is a Certified Internal Auditor of the Institute of Internal Auditors (IIA) Inc. and a Certified Fraud Examiner of the Association of Certified Fraud Examiners (ACFE), both in United States. She is also a Chartered Accountant of the Malaysian Institute of Accountants (MIA), a Chartered member of the IIA Malaysia, and Fellow of CPA Australia. She holds certifications in Control Self-Assessment and Risk Management Assurance, both awarded by the IIA. Additionally, she had served as a member of IIA Malaysia's Research and Technical Advisory Committee for several years. She holds a Bachelor of Accountancy from the University of South Australia.

RELEVANT EXPERIENCE

Zalily brings over 30 years of experience in the audit field with various conglomerates, primarily in the palm oil sector. She began her career as an external auditor at Arthur Andersen & Co in 1990. Later, in 1994, she joined Sapura Telecommunications Bhd as its Group Finance Manager before moving to Golden Hope Plantations Berhad in 2000, where she served as Deputy General Manager of the Internal Audit Department.

Following the company's merger in 2007, she was appointed Vice President of the Group Corporate Assurance Department for the Plantation Division at Sime Darby Berhad. Prior to joining FGV in 2012, she held the position of General Manager and Head of Group Internal Audit at Boustead Holdings Berhad.

ROLES AND RESPONSIBILITIES

Provides objective assurance of FGV's governance, risk and controls systems and processes, covering FGV and MSM Group. As Chief Internal Auditor, Zalily holds a critical role in strategising, overseeing, and monitoring the assurance activities across the Group to deliver objective assurance to the respective Boards of the effectiveness and efficiency of the governance, risk and controls systems and processes. She plays an advisory role on various matters from a governance, risk and controls perspective, through engaging with the Management at various platforms she is invited to. Additionally, where required, she supervises special audits and forensic investigations on specific matters required. She is responsible for the development of a competent internal audit team and internal audit process to deliver value-add to the Group.



GROUP MANAGEMENT COMMITTEE'S PROFILE

Aznur Kama Azmir

Group Financial Controller



Age	Gender	Nationality	Appointment to the position
49	Female		1 March 2019

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Felda Holdings Berhad

ACADEMIC/PROFESSIONAL CERTIFICATE

Aznur Kama is a graduate of the Advanced Leadership Programme at Judge Business School, University of Cambridge, United Kingdom. She holds a Master in Business Administration from the Royal Melbourne Institute of Technology (RMIT), Australia, and a Bachelor of Accounting (Honours) from *Universiti Utara Malaysia*. She is a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and also a member of several professional accounting bodies including the Association of Chartered Certified Accountants (ACCA), the Chartered Institute of Management Accountants (CIMA), the Chartered Global Management Accountants (CGMA), and the Malaysian Institute of Certified Public Accountants (MICPA).

RELEVANT EXPERIENCE

Aznur Kama brings over 27 years of experience, where she started her career as an audit trainee at Messrs Shamsir Jasani Grant Thornton, Malaysia, before becoming an auditor at Messrs Coopers & Lybrand, and senior associate at PricewaterhouseCoopers.

In 2001, she joined Felda Transport Services Sdn Bhd as an accountant and Head of Finance before moving to the Group Finance Division of Felda Holdings Berhad in 2006, where she took various finance roles within the Group. She served as Group Accountant at FGV and Interim CFO at TRT Inc. in 2011. She was involved in the listing of MSM in 2011 and FGV in 2012. In 2015, she assumed the role of CFO of MSM, before taking on the position of Financial Controller of the Plantation Sector in 2017. In 2018, she joined the Group Strategy as the Head of Strategy and Investment before being tasked as the Head of Group Finance Division and eventually as Group Financial Controller of FGV in 2019.

ROLES AND RESPONSIBILITIES

Oversees various aspects of finance functions at FGV. As the Group Financial Controller, Aznur Kama ensures the management reporting and budgeting, statutory audits, financial policies, group authority limits, and compliance with Main Market Listing Requirements (MMLR), especially concerning transactions and Related Party Transactions (RPT). Her duties also involve coordinating financial services and capital management via finance shared services and capital sharing. She diligently addresses internal control issues highlighted by internal and external auditors and collaborates extensively across divisions and companies. Her efforts are significant in aligning annual plans and budgeting with the Group's strategic objectives, reinforcing the financial integrity and strategic direction of the organisation.

Azni Ariffin

Head of Group Secretarial & Company Secretary



Age	Gender	Nationality	Appointment to the position
53	Female		13 July 2022

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

- Nil

ACADEMIC/PROFESSIONAL CERTIFICATE

Azni Ariffin holds a Bachelor of Laws (Honours) from the International Islamic University Malaysia. She is a graduate of the Institute of Chartered Secretaries and Administrators and licensed by the Companies Commission of Malaysia.

RELEVANT EXPERIENCE

Azni has 30 years of experience in corporate governance, corporate secretarial, commercial, and corporate laws as well as consultation works relating to cross-border legal issues and agreements. She was called to the Malaysian Bar as an Advocate and Solicitor in 1994 and started her career as a Magistrate and Senior Assistant Registrar of the High Court of Malaya before venturing into the private sector. Her experience spans across various industries, including property, investment holding, manufacturing, telecommunications and information technology, finance, automotive, aviation, and oil and gas.

Prior to joining FGV, she held positions at various multinational corporations and GLCs including Sapura Energy Berhad as Group Company Secretary, General Manager, Company Secretarial & Legal Division of Malaysia Airports Holdings Berhad, Chief Legal Counsel & Company Secretary of PROTON Holdings Berhad and its Group of Companies, Head of Group Corporate Secretarial of Malayan Banking Berhad (Maybank) and General Manager, Legal and Secretarial, Pernec Corporation Berhad. She had earlier served as Senior Manager, Legal & Secretarial, Mardec Berhad and in the Legal Department of Abrar Group International Sdn Bhd and Damansara Realty Berhad.

ROLES AND RESPONSIBILITIES

Ensures compliance with statutory and regulatory requirements set by relevant authorities such as Bursa Malaysia Securities Berhad, Suruhanjaya Syarikat Malaysia (SSM), and the Securities Commission. This includes adherence to legislation such as the Companies Act 2016, the MMLR, and the Malaysian Code of Corporate Governance (MCCG). She also manages the FGV and MSM Board, Board Committees, and the Group's subsidiary companies. This includes organising and conducting meetings, recording minutes, and overseeing various regulatory requirements. An essential part of this role includes providing sound advice on good corporate governance and procedures to Board members and ensuring that the Board operates within the framework of best practices in corporate governance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance Overview Statement (CGOS) offers a comprehensive review of FGV Group’s governance practices and achievements for the financial year ended on 31 December 2023. Recognising its significant responsibility, the Board is dedicated to nurturing sustainable growth within the Group. This commitment involves integrating Environmental, Social, and Governance (ESG) principles into our operations and decision making as it is a fundamental aspect of a plantation company, prioritising shareholder value, and actively contributing to societal well-being. Our aim is to cultivate positive impacts on society while ensuring the long-term success of our Organisation.

At the heart of our values lies empowerment, demonstrated through our PRIDE principles, fostering an environment where employees can thrive. Our Governance and Integrity Framework forms the bedrock of our strategic development, enabling us to realise our vision, strengthen the business, and benefit all stakeholders.

Within this framework, the Board diligently oversees our governance practices, actively engaging with our employees and stakeholders. Our dedication to equality and diversity is evident across all levels of the Organisation, alongside our commitment to maintaining transparency, honesty, and integrity in all aspects of our operations.

In our commitment to upholding corporate governance standards, we are pleased to announce our successful recertification of the ISO 37001 Anti-Bribery Management Systems. Additionally, we are proud to have attained an exceptional Level of Integrity in our Integrity Assessment Tool. A recent reassessment of risk conducted by the Malaysian Anti-Corruption Commission (MACC) for the period spanning 2020 to 2023 has categorised our risk level as MODERATE, a significant improvement from our previous rating of HIGH in 2019. This reflects our dedicated efforts towards mitigating corruption risks within our Organisation.

In 2023, as part of ESG’s Governance Pillar, we introduced the Tax Corporate Governance Framework (TCGF) to steer the Group’s engagement with stakeholders concerning its tax obligations. The TCGF encompasses various technical guidelines and associated documents on tax management and processes within the Group. FGV is proud to have been among the early adopters of the TCGF internally, as advised by the Inland Revenue Board.



Tan Sri Rastam Mohd Isa
Chairman, Non-Independent Non-Executive Director



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Furthermore, we have implemented a robust grievance mechanism and successfully integrated Corruption Risk Management (CRM) into our Enterprise Risk Management (ERM) System. These accomplishments have not gone unnoticed, as evidenced by the recognition received from the MACC. We are honoured to have been awarded the *Anugerah Integriti, Governans dan Anti-Rasuah (AIGA) 2023* Silver and Bronze Awards for FGV Kernel Products Sdn Bhd, underscoring our unwavering commitment to combatting corruption and promoting integrity throughout our operations.

This section, encompassing the CGOS, key Board committee reports, and mandated disclosures, underscores our commitment to adhering to the Malaysian Code on Corporate Governance (MCCG) 2021. We prioritise ongoing improvement in our disclosures and value feedback from all stakeholders to enhance our governance practices further.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

- Our Governance and Integrity Framework
- Sustainability Governance
- Board Oversight
- Board and Committee Roles and Attendance
- Roles and Responsibilities
- Principal Board Activities
- Board Performance
- Induction, Training and Development
- Nomination and Remuneration Committee Report
- Directors' Remuneration
- Senior Management's Remuneration
- Board Sustainability Committee Report
- Formalised Ethical Standards



More information can be found on pages 109 to 129.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

- Audit Committee Report
- Relationship with the External Auditor
- Group Internal Audit
- Board Governance & Risk Management Committee Report



More information can be found on pages 130 to 139.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

- Communicating with Our Stakeholders
- Effective Communication
- Media Coverage
- General Meetings



More information can be found on pages 140 to 145.

The Board is committed to the highest standards of corporate governance. We endeavoured to apply all the provisions and principles of MCCG 2021, save that which has been detailed out in our Corporate Governance Report 2023 (CG Report 2023).



This CGOS should be read in tandem with the CG Report 2023, which is available on our website, www.fgvholdings.com.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

OUR GOVERNANCE AND INTEGRITY FRAMEWORK

FGV has in place a robust Governance and Integrity Framework that is benchmarked against best practices and meets the changing needs of FGV's operations. The Board ensures compliance with the Companies Act 2016 and other relevant regulations, including Bursa Malaysia Berhad's (Bursa Securities) Main Market Listing Requirements (Listing Requirements). We strive to adhere to the MCCG 2021 and aim to align our practices with the Guidelines on Adequate Procedures for Corporate Liability as a guardrail to sustainable growth, transparency, and ethical conduct in all areas of our operations. FGV Group regularly reviews its practices to meet market standards and satisfy our stakeholders, reinforcing our commitment to excellence and trustworthiness.



PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS**SUSTAINABILITY GOVERNANCE**

Sustainability stands as the foremost priority for FGV, with a firm commitment from the Board of Directors, the stewards of the Group. The Board provides decisive guidance and leadership on sustainability matters, emphasising its integral role in the Business Plan and reflecting a corporate culture deeply rooted in the pursuit of comprehensive value creation for all stakeholders. FGV actively strives to balance socioeconomic and environmental considerations, embodying a holistic approach to sustainability.

The creation of the Board Sustainability Committee (BSC) highlights FGV's dedication to steering ESG factors in its operations and decision making. As an important Board committee, the BSC is responsible for overseeing the development of the Group Sustainability Plan (GSP) and sustainability strategies and ensuring their effective implementation. The BSC committee monitors progress, providing valuable insights and guidance to support the achievement of the Group's objectives. Furthermore, the BSC conducts thorough reviews of the Sustainability Report and other pertinent information that could impact the Group's financial standing or reputation.

Supporting the BSC is the Sustainability Steering Committee (SSC), tasked with integrating sustainability principles and practices across FGV, this committee is responsible for the effective implementation of the Company's sustainability initiatives. The GCEO assumes the role of chair for the SSC, further emphasising FGV's commitment to sustainable business practices.

BOARD OVERSIGHT

The current composition of the Board includes four Non-Independent Non-Executive Directors (NINED) and four Independent Non-Executive Directors (INED). To enhance governance, specific responsibilities are delegated to various committees such as the AC, NRC, BGRMC, BSC, and IC. Each committee operates based on its dedicated Terms of Reference (ToR), and their effectiveness undergoes an annual assessment as part of the evaluation process.

Operational matters are further delegated to the GCEO. Reserved Matters are outlined in the Board Charter. The roles of the Chairman, GCEO, and Senior INED are distinct, well-defined, and articulated in the Board Charter. Periodic reviews were conducted by the Board to ensure that these roles remain relevant and effective.



More information on the Board's ToR and the Board Charter can be found on our website, www.fgvholdings.com.

AUTHORITY LIMITS

The Board has delineated its delegation of powers to the Board Committees and the GCEO in accordance with the approved Group's Limits of Authority (LOA), aligning with the principles outlined in the Board Charter. These limits form a robust framework of authority and accountability within the Group. They are designed to ensure a clear segregation of duties, fostering timely, effective, and high-quality decision-making at the respective levels within the Group's hierarchy.

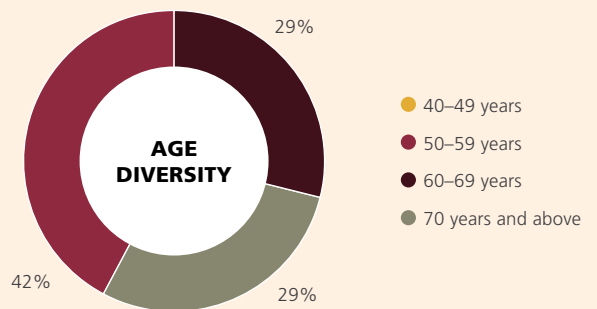
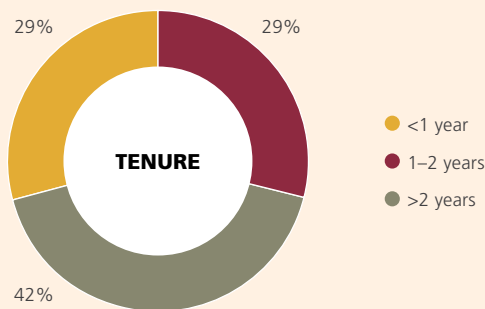
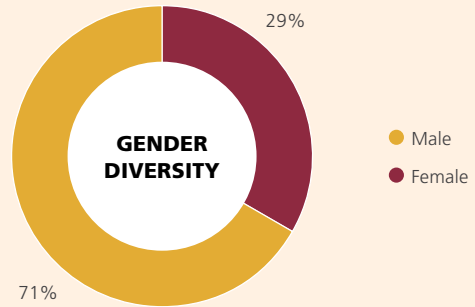
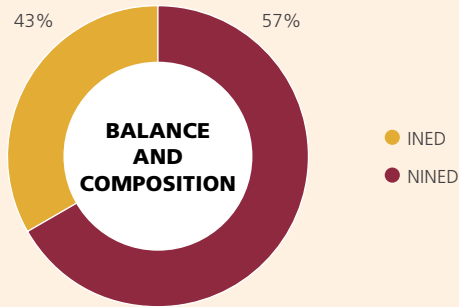
ACCESS TO INFORMATION AND ADVICE

The Board has unrestricted access to individuals within the Group for the purpose of conducting investigations and obtaining information related to the Group, including access to the Company's auditors and consultants. Additionally, the Board has the authority to seek relevant internal and external independent professional advice, with the expenses covered by the Company. In a commitment to environmental sustainability, the Board endeavours to foster a paperless environment for all Board and Board Committees meetings. Digital access is provided for meeting papers to reduce the need for hard copy distribution.

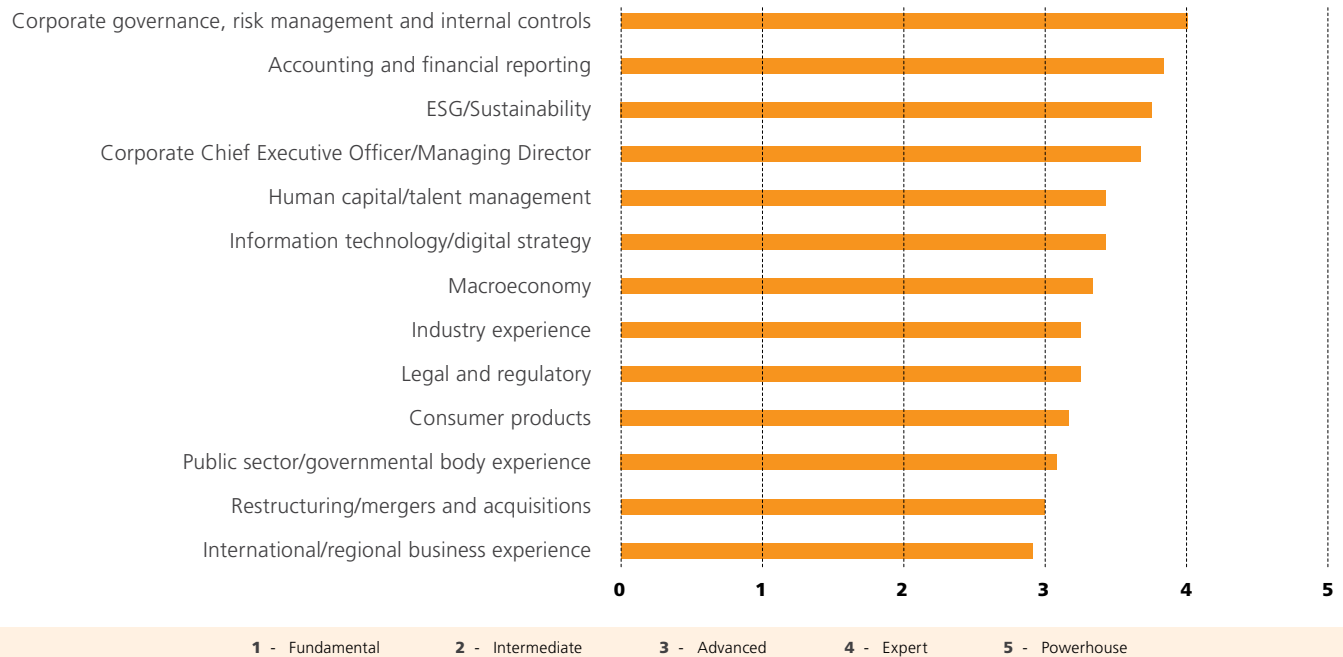
To facilitate effective discussions and decision-making during meetings, agendas and meeting papers are distributed well in advance to Board and Board Committee members. This allows them sufficient time to review matters scheduled for deliberation. Following the conclusion of Board and Board Committee meetings, comprehensive minutes are prepared. These minutes document discussions, deliberations, dissenting views, and decisions in a clear, accurate, and complete manner. This includes capturing instances where Directors give dissenting views, or abstained from voting or deliberation.

PRINCIPLE A:
BOARD LEADERSHIP AND EFFECTIVENESS

As at 31 December 2023, the diversity, skills and experience of the Board are as shown below:



SKILLS AND EXPERIENCE OF THE BOARD



PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD AND BOARD COMMITTEES ROLES AND ATTENDANCE FOR 2023

The Board	Nomination and Remuneration Committee NRC	Board Sustainability Committee BSC
<ul style="list-style-type: none"> • Sets the Group's strategy • Oversees the alignment of the Group's purpose, culture and values, strategy and risk • Considers the balance of interests among stakeholders for the long-term success of the Company • Oversees the Group's governance 	<ul style="list-style-type: none"> • Reviews the structure, size and composition of the Board • Conducts Board Effectiveness Assessment • Determine induction and training for the Board members • Oversees succession planning • Recommend appointments of Directors of FGV, Board Committees and Senior Management to the Board • Determines the remuneration policy for Chairman, Non-Executive Directors and Senior Management • Monitors employee remuneration and related policies 	<ul style="list-style-type: none"> • Oversees the Group's formulation of the Group's sustainability strategy • Monitors, reviews and assesses the Group's sustainability strategy and any reporting of matters to the shareholders and/or relevant authorities, and disclosures in relation to sustainability
<p>NON-INDEPENDENT NON-EXECUTIVE DIRECTORS</p> <p>Tan Sri Rastam Mohd Isa Attended 3 out of 3 Board Meetings (100%) Appointed on 26 September 2023</p> <p>Dato' Shahrol Anuwar Sarman Attended 11 out of 14 Board Meetings (79%)</p> <p>Datuk Dr. Yatimah Sarjiman Attended 14 out of 14 Board Meetings (100%)</p> <p>Dato' Amiruddin Abdul Satar Attended 14 out of 14 Board Meetings (100%) Ceased on 1 April 2024</p> <p>Dato' Dr. Suzana Idayu Wati Osman Attended 0 out of 0 Board Meetings (0%) Appointed on 1 April 2024</p> <p>INDEPENDENT NON-EXECUTIVE DIRECTORS</p> <p>Dato' Mohd Rafik Shah Mohamad Attended 14 out of 14 Board Meetings (100%)</p> <p>Nik Fazila Nik Mohamed Shihabuddin Attended 14 out of 14 Board Meetings (100%)</p> <p>Mohamad Fadzil Hitam Attended 0 out of 0 Board Meetings (0%) Appointed on 27 December 2023</p> <p>Nurul Muhaniza Hanafi Attended 0 out of 0 Board Meetings (0%) Appointed on 1 April 2024</p> <p>Kasmuri Sukardi Attended 8 out of 8 Board Meetings (100%) Retired on 20 June 2023</p> <p>Dato' Nonee Ashirin Dato' Mohd Radzi Attended 7 out of 8 Board Meetings (88%) Retired on 20 June 2023</p> <p>Azmin Che Yusoff Attended 8 out of 8 Board Meetings (100%) Ceased on 20 June 2023</p>	<p>CHAIRMAN</p> <p>Dato' Mohd Rafik Shah Mohamad Attended 10 out of 10 meetings (100%) Ceased on 26 April 2024</p> <p>Mohamad Fadzil Hitam Attended 0 out of 0 Meetings (0%) Appointed on 26 April 2024</p> <p>MEMBERS</p> <p>Nik Fazila Nik Mohamed Shihabuddin Attended 10 out of 10 meetings (100%) Ceased on 26 April 2024</p> <p>Datuk Dr. Yatimah Sarjiman Attended 9 out of 10 meetings (90%)</p> <p>Nurul Muhaniza Hanafi Attended 0 out of 0 Meetings (0%) Appointed on 26 April 2024</p> <p>Azmin Che Yusoff Attended 4 out of 4 meetings (100%) Ceased on 20 June 2023</p> <p>Dato' Nonee Ashirin Dato' Mohd Radzi Attended 2 out of 4 meetings (50%) Ceased on 20 June 2023</p>	<p>CHAIRMAN</p> <p>Tan Sri Rastam Mohd Isa Attended 0 out of 0 meeting (0%) Appointed on 29 December 2023</p> <p>MEMBERS</p> <p>Dato' Amiruddin Abdul Satar Attended 2 out of 2 meetings (100%)</p> <p>Dato' Dr. Suzana Idayu Wati Osman Attended 0 out of 0 Board Meetings (0%) Appointed on 26 April 2024</p> <p>Mohamad Fadzil Hitam Attended 0 out of 0 Board Meetings (0%) Appointed on 29 December 2023</p> <p>Kasmuri Sukardi Attended 2 out of 2 meetings (100%) Ceased on 20 June 2023</p> <p>Dato' Nonee Ashirin Dato' Mohd Radzi Attended 1 out of 2 meetings (50%) Ceased on 20 June 2023</p>

BOARD LEADERSHIP AND EFFECTIVENESS

Audit Committee AC	Board Governance & Risk Management Committee BGRMC	Investment Committee IC
<ul style="list-style-type: none"> Oversees the Group's financial reporting processes Assesses and reviews the Group's risk and control environment Evaluates the internal and external audit processes Reviews related party transactions 	<ul style="list-style-type: none"> Reviews and monitors the Group's principal and emerging risks Oversees the effectiveness of the Group's risk management system Oversees the effectiveness of the Group's governance structure 	<ul style="list-style-type: none"> Reviews, monitors and recommends significant matters related to all existing and potential investments and divestments
<p>CHAIRMAN Dato' Mohd Rafik Shah Mohamad Attended 11 out of 11 meetings (100%)</p> <p>MEMBERS Nik Fazila Nik Mohamed Shihabuddin Attended 11 out of 11 meetings (100%)</p> <p>Dato' Shahrol Anuwar Sarman Attended 1 out of 4 meetings (25%) Ceased on 13 April 2023 Re-appointed on 29 November 2023</p> <p>Datuk Dr. Yatimah Sarjiman Attended 4 out of 4 meetings (100%) Appointed on 31 July 2023 Ceased on 29 November 2023</p> <p>Azmin Che Yusoff Attended 6 out of 6 meetings (100%) Ceased on 20 June 2023</p>	<p>CHAIRMAN Nik Fazila Nik Mohamed Shihabuddin Attended 9 out of 9 meetings (100%)</p> <p>MEMBERS Dato' Mohd Rafik Shah Mohamad Attended 8 out of 9 meetings (88%)</p> <p>Datuk Dr. Yatimah Sarjiman Attended 9 out of 9 meetings (100%)</p> <p>Kasmuri Sukardi Attended 5 out of 5 meetings (100%) Ceased on 20 June 2023</p>	<p>CHAIRMAN Dato' Nonee Ashirin Dato' Mohd Radzi Attended 3 out of 3 meetings (100%) Ceased on 20 June 2023</p> <p>MEMBERS Dato' Amiruddin Abdul Satar Attended 3 out of 3 meetings (100%)</p> <p>Kasmuri Sukardi Attended 3 out of 3 meetings (100%) Ceased on 20 June 2023</p> <p>Azmin Che Yusoff Attended 3 out of 3 meetings (100%) Ceased on 20 June 2023</p>



PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS**ROLES AND RESPONSIBILITIES**

CHAIRMAN	GMC
<ul style="list-style-type: none"> Leads the Board to consider, challenge, support and oversee the Company's strategy and implementation Ensures that the Board as a whole plays a full and constructive part in the development of strategy and that there is a sufficient time for discussion Promotes and provides oversight on the achievement of the Company's purpose, values and culture to enable transparency, debate and challenge Ensures effective engagement between the Board, its shareholders and other key stakeholders, as well as understanding stakeholders' views Leads the review on Board's effectiveness Ensures periodic discussion by the Board without Management's presence 	<ul style="list-style-type: none"> Ensures proper implementation of the Group's key strategies and action plans through periodical review of its implementation and provide direction on measures, initiatives and activities to achieve the Group's targets. Challenges, reviews, provides guidance and direction on any annual business plans, annual budget and annual performance targets, to ensure that they are aligned to the Group's Business Plan. Reviews all investment and divestments, including the funding requirements or purchase of land and buildings or cessation of business. Plays an integral role in advancing sound risk management in FGV by ensuring the risk management framework is embedded and consistently applied in all operations throughout the Group. Responsible for identifying and challenging the key risks faced by the Group whether it be strategic risks, reputational risks or emerging risks and determine the required mitigation action plans. The GMC shall be updated on the progress of any investments and divestments across the Group. Ensures proper risk assessments are undertaken for investments proposals, project proposals and any transactions that may expose FGV financially or by reputation to ensure that business decision making considers risks and plans for management of the risks in alignment with the Group's risk appetite. Reviews and consults on all new enhancement to policies, authority limits, governance and integrity framework and matters relevant to FGV's adequate procedures through the FGV Anti-Bribery Management System. Being updated on key audit findings from reports issued by the Group Internal Audit and periodic review on the progress implementation of the agreed action plans. Reviews the monthly and cumulative results of the Group and the performance for each Division to assess the achievement of the annual budget and forecast of the Group, the achievement of the Group's Business Plan, annual business plans and annual performance targets. Reviews performance result variances and achievement of results, to provide guidance and direction to ensure the Group's Business Plan, annual business plans, annual budget and annual performance targets could be realised. Provides feedback and comments on any proposals for agreements which require the Board's approval as stated in the prevailing authority limits, including material and onerous agreements within the Group. Being promptly updated and provides its views on all material litigation matters. Monitors the coherence of implementation of human capital policies, strategies and initiatives as approved by the Board. Responsible for the governance of sustainability in the Group, including setting the Group's sustainability strategies, priorities and targets. Drives the Group's strategic management of material sustainability matters, including the sustainability strategies, priorities and targets.
SENIOR INED	
<ul style="list-style-type: none"> Provides a 'sounding board' for the Chairman and act as an intermediary for Non-Executive Directors when necessary Available to the shareholders as required as an alternative contact to the Chairman Acts as an independent point of contact in the Group's whistleblowing procedures 	
NON-EXECUTIVE DIRECTORS	
<ul style="list-style-type: none"> Provide an external perspective and constructive challenge Monitor the performance of the Group's strategy within the Risk Management Framework Review the integrity of financial reporting and ensure that the financial controls and risk management system are robust Determine appropriate levels of remuneration for Senior Management 	
GCEO	
<ul style="list-style-type: none"> Adapts and executes the Group's strategy and commercial objectives in response to changing market conditions and risks Drives operational and financial performances of the Group Keeps the Chairman and the Board abreast of important and strategic issues faced by the Group Ensures the Company's business is conducted with the highest governance standards, in keeping with the Company's values Establishes good communication with the Board, employees and other stakeholders The GCEO's profile is disclosed on page 98 of this Report 	
COMPANY SECRETARY	
<ul style="list-style-type: none"> Qualified Company Secretary who plays an advisory role to the Board Monitors developments in corporate governance Assists the Board in applying best practices to meet the Board's needs and stakeholders' expectations The Company Secretary's profile is disclosed on page 106 of this Report 	

BOARD LEADERSHIP AND EFFECTIVENESS

PRINCIPAL BOARD ACTIVITIES

WHAT THE BOARD DID IN FY 2023

Board activities are structured to endorse, supervise, and assist executive management in executing the Group's strategy within the FGV Group Governance and Integrity Framework. The key matters deliberated and approved by the Board in 2023 encompassed:

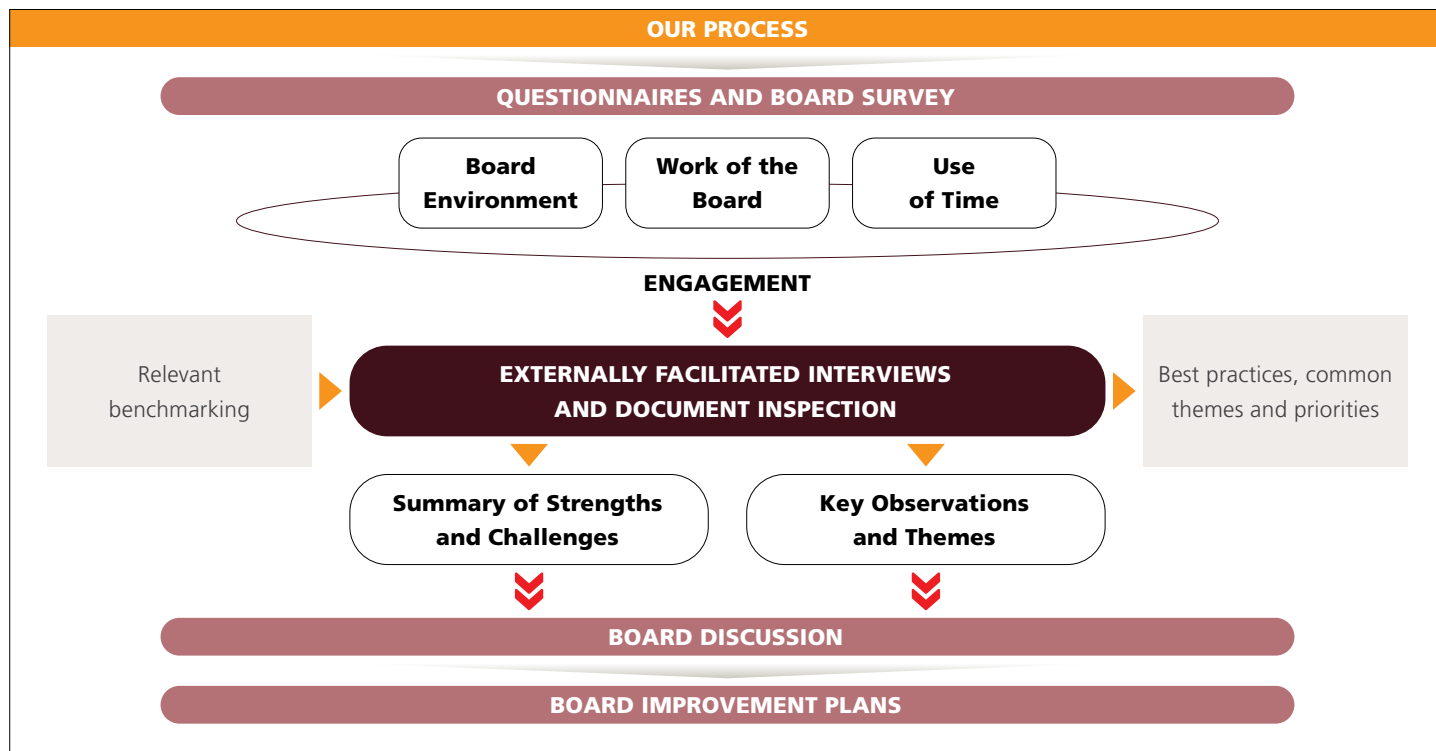
STRATEGY, RISK AND SUSTAINABILITY	GOVERNANCE
<ul style="list-style-type: none"> Project Fasih - A Corporate Exercise to meet the Public Shareholdings Spread (PSS) Requirement Saji & ADELA's brand and market assessment for Cooking Oil & Non-Cooking Oil Consumer Products Space in Malaysia Progress on the implementation of remediation plan of the Withhold Release Order (WRO) by the United States (US) Customs and Border Protection (CBP) Business Plan 2024-2026 (BP26) FGV Johor Bulkiers (FJB Group) Enhanced Business Plan to Reach RM1.0 billion Revenue (1B Business Plan) by 2029 Improving Workers' Accommodations and Living Conditions through Phased Replacement and Infrastructure Upgrades of FGV's Upstream Division, Plantation Sector Sustainability Statement for 2022 FGV's Annual Integrated Report Enhancement of Risk Appetite Statement Way Forward for Investment in FGV Agro Fresh Technology Group Budget for Improving workers' accommodations and living conditions of FGV's Upstream Division Way Forward for FGV Group's investment in India Organisational Structure of the Plantation Sector Revision of the FGV Group Internal Audit Charter 	<ul style="list-style-type: none"> CG Report 2023 Reviewed ToR for Board Committee Proposed new structure, Terms of Reference and Job Descriptions of Group Risk Management Division and Group Governance Management Division Establishment of Corporate Branding and Communications Policy, Flexible Working Arrangement Policy & Group Grievance Management Policy Revision of the Code of Ethics & Conduct for Directors (COEC) and Code of Business Practice for Directors (COBP) 15th Annual General Meeting (AGM) Production of FGV's Annual Integrated Report (AIR) for 2022 Flexible Working Arrangement Policy Revision of the Human Capital Policies TCGF for FGV Group
INVESTMENTS AND DIVESTMENTS	SUCCESSION PLANNING, APPOINTMENTS, REMUNERATION AND OTHERS
<ul style="list-style-type: none"> Divestment of FGV's Investment in FISB Group Divestment of FGV's Investment in Indonesia's entities 	<ul style="list-style-type: none"> Year 2023 FGV Corporate Scorecard and (KPIs) for GCEO Appointment of New Non-Executive Directors Changed of Nominees in FGV Group Performance Measurement Score and Performance Bonus Payout to Employees of FGV Group Board Effectiveness Assessment (BEA) and Board Improvement Plan Revision of the Board Committees' Composition Re-election of FGV Directors Reviewed of the Employees' Remuneration of FGV Group Total compensation Review Implementation Appointment of Proxy for MSM Malaysia Holdings Berhad (MSM)'s AGM Appointment of provider for 2024 Flexible Medical and Wellness programme (Inclusive of Group Hospitalisation & Surgical and Group Term Life Coverage) for FGV Group Salary Migration Plan
FINANCIAL	
<ul style="list-style-type: none"> FGV's Statutory Financial Statement for the Financial Year Ended 31 December 2022 Quarterly Report on Consolidated Results for 2023 Final Dividend for the Financial Year Ended 31 December 2022 Renewal of Shareholders' Mandate and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature Fee for Statutory Audit and Quarterly Review for FGV and Its Group of Companies for Financial Year 2023 Budget 2024 for FGV Group Re-appointment of External Auditors for the Financial Year Ended 31 December 2023 Establishment of Rated Sukuk Programme Non-Contemporaneous Transaction Price of FGV Group's Recurrent Related Party Transactions of more than RM50 million 	



PRINCIPLE A:
BOARD LEADERSHIP AND EFFECTIVENESS

BOARD PERFORMANCE

In compliance with Paragraph 15.08A(3)(c) of the Bursa Securities Listing Requirements, Practice 6.1 of the MCCG 2021, and the Board Nomination and Election Policy and Procedures (BNE Policy), the Board Effectiveness Evaluation (BEE) serves as a pivotal tool to gauge the overall effectiveness of the Board, its Committees, and individual Directors. This evaluation encompasses various dimensions, including assessing Director’s tenure, independence of Independent Directors, performance in addressing material sustainability risks and opportunities, and evaluating the performance and tenure of the AC and its members vis-à-vis the AC’s ToR.



In 2022, FGV embarked on a thorough Board Effectiveness Evaluation (BEE) process. To ensure the integrity of the assessment, FGV enlisted the expertise of KPMG Management & Risk Consulting Sdn Bhd (KPMG MRC) as an independent professional consultant. KPMG MRC played a pivotal role in supporting the Nomination and Remuneration Committee (NRC) in facilitating the BEE process for that year.

KPMG MRC’s scope for the BEE 2022 exercise included the following topics:

Board of Directors’ Assessment	Board Skills Matrix Assessment	Directors’ Self and Peer Assessment
Fit and Proper Assessment	Independence Assessment on Independent Directors	Board Committees Assessment

For year 2023, the Board has resolved that the need to engage an independent party to conduct the BEE exercise shall be done triennially. The cycle entails a comprehensive evaluation in the first year, followed by a refresher exercise focusing on tracking improvement plans in the subsequent year, and gathering feedback from selected Board Members and the Senior Management Team, rather than the entire Board, in the third year.

Pursuant to the above, a refresher exercise was undertaken for BEE 2023, encompassing reviews of Improvement Marker effectiveness arising from BEE 2022, the Board Skills Matrix, Independence Assessment of Independent Directors, as well as the composition and effectiveness of Board Committees.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

The BEE 2023 underscored the Board's provision of strategic guidance and effective monitoring. Notably, the Board rigorously evaluates management's proposals, displaying acumen in deliberating and challenging recommendations. Furthermore, it ensures alignment of the Company's integrity with regulatory requirements and internal processes, while demonstrating a consistent commitment to staying abreast of ESG developments and initiatives.

Additionally, the BEE 2023 assessed the effectiveness of Board Committees, scrutinising their ToR, structure, processes, members' accountability and responsibility, and the relationship between the Chairman and stakeholders.

In April 2024, the Company Secretary presented the analysis of the BEE 2023 results and feedback from the Board and Board Committee members to the Board for further review and approval.

Based on the Board Improvement Plan on the findings from BEE 2022 and the assessment from the BEE 2023, the Key Focus Areas are as follows:

KEY FOCUS AREAS	EXPLANATION
Independent Directors	<p>An effective board should include the right group of people, with an appropriate mix of skills, knowledge, experience and independent elements that fit the company's objectives and strategic goals. The right board composition will ensure sufficient diversity and independence to avert 'groupthink' or 'blind spots' in the decision-making process.</p> <p>A Board comprising a majority of independent directors allows for more effective oversight of management. Independent Directors act as a check and balance, to review sensitive issues such as related party transactions, remuneration policies or other concerns related to ensuring equal treatment of minority shareholders.</p> <p>The current FGV Board's composition shows the balance number of Independent Directors and Non-Independent Directors. Nonetheless, as a "Large Companies", FGV shall comprise a majority Independent Directors.</p> <p>The MCCG 2021 provides that the Board must comprise a majority of Independent Directors where the Chairman of the Board is not an Independent Director.</p>
Data Analytics	<p>For a company to be protected against a wide range of potential risks posed to it by a wide range of potential threats that may pose to its business, a comprehensive risk management strategy can be created with the help of data analytics.</p> <p>Data analytics can be very useful in helping businesses respond to changing market trends that can provide insights into customer behaviour and market conditions that drive informed decision-making, optimise operations, gain a competitive edge, and enhance customer experience.</p> <p>Data analytics is crucial for FGV businesses and FGV to be protected against a wide range of potential risks and threats through data analytics.</p>
Review of Board Committees' composition	<p>The composition of FGV Board Committees influences their effectiveness and performance. Hence, the selection of the committee members is made after taking into account their multiple membership, diversity, profiles, skills and training as well as their independence status.</p> <p>The role of Board committees has been increased as a result of the growing complexity of the business environment and the evolving nature of risks in FGV. Hence, their functions have expanded from a strictly monitoring role to providing more encompassing and forward-looking advice to the Board. Indeed, the Board may need additional support to deal with the broadening and challenging responsibilities, emerging complex risks, and more technical and specific issues. Therefore, the Board may tend to rely more on its Board committees, while decision-making remains their entire responsibility.</p> <p>FGV Board to review the Board Committees on regular basis to ensure the right composition of Board Committee considering the appropriate knowledge, competence and expertise to complement the existing skills of the Board.</p>
ESG Metrics	<p>ESG is a framework that helps stakeholders understand how an organisation is managing risks and opportunities related to ESG criteria. ESG takes the holistic view that sustainability extends beyond just environmental issues. In other words, they measure FGV's ability to survive over the long term.</p> <p>Hence, ESG metrics and reporting strategy should be closely tied to FGV's overall ESG strategic plan and narrative across important ESG criteria.</p>



PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

TENURE AND RE-ELECTION OF DIRECTORS

The BNE Policy emphasises the necessity for periodic refreshment of the FGV Board's composition, restricting the term of any INED to three years, with the possibility of re-appointment for a maximum of nine years.

In preparation for the 16th AGM, the Board, in collaboration with the NRC, conducted a thorough evaluation of retiring Directors. The assessment, encompassing criteria such as performance, contribution, and independence, aimed to determine their eligibility for re-election.

The evaluation considered:

Director's Performance and Contribution	Contribution to Board Deliberations	Independence and Decision-Making	INED Independence Assessment
Assessed through the outcome of the BEE 2023.	Examined in terms of skills, experience, and overall strengths.	Evaluated for Independent Directors regarding their ability to act in the Company's best interest.	Conducted according to the criteria outlined in the Bursa Securities Listing Requirements.

Following a comprehensive evaluation, the Board endorsed the NRC's recommendation for the retiring Directors to stand for re-election at the upcoming 16th AGM.



More information on the profiles of the Directors seeking re-election can be found in the Board of Director's Profile on page 88 to 95.

The reasons for the Board's support on the re-election are listed below.

RETIREMENT BY ROTATION IN ACCORDANCE WITH CLAUSE 97 OF THE COMPANY'S CONSTITUTION	RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH CLAUSE 103 OF THE COMPANY'S CONSTITUTION
<p>Clause 97 of the Company's Constitution states that at each AGM, one third (1/3) of the Directors for the time being, or if their number is not a multiple of three, the number nearest to one-third (1/3) with a minimum of one shall retire from office. In addition, each Director shall retire at least once in every three years but shall be eligible for re-election. Clause 98 of the Company's Constitution provides that the Directors to retire shall be the one that has been the longest in office since his or her last election or appointment, but as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.</p> <ul style="list-style-type: none"> Dato' Mohd Rafik Shah Mohamad was appointed as INED of the Company on 1 July 2021 and he is also the Chairman of AC, a member of NRC and BGRMC. <p>Dato' Mohd Rafik Shah Mohamad's last election according to Clause 103 of the Company's Constitution was at the 14th AGM on 23 June 2022. At the forthcoming 16th AGM, Dato' Mohd Rafik Shah Mohamad shall retire in accordance with Clause 97 of the Company's Constitution. Dato' Mohd Rafik Shah Mohamad has expressed his intension not to seek for re-election. Hence, he will retain office as a Director of the Company until the Conclusion of the 16th AGM.</p>	<p>Clause 103 of the Company's Constitution stipulates that a Director appointed by the Board shall hold office until the conclusion of the next AGM of the Company and shall be eligible for re-election.</p> <ul style="list-style-type: none"> Tan Sri Rastam Mohd Isa was appointed as Chairman NINED, of the Company on 26 September 2023 as nominated by the Ministry of Finance (Incorporated) (MoF). He is also the Chairman of Board Sustainability Committee. <p>At the forthcoming 16th AGM, Tan Sri Rastam Mohd Isa has consented to be re-elected as a NINED of the Company for the ensuing years in accordance with Clause 103 of the Company's Constitution. The Board recommended Tan Sri Rastam Mohd Isa to be re-elected for the shareholders' consideration.</p> <ul style="list-style-type: none"> Mohamad Fadzil Hitam was appointed as INED of the Company on 27 December 2023 and he is also a member of the BSC and the Chairman of NRC. <p>At the forthcoming 16th AGM, Mohamad Fadzil Hitam has consented to be re-elected as an INED of the Company for the ensuing years in accordance with Clause 103 of the Company's Constitution. The Board recommended Mohamad Fadzil Hitam to be re-elected for the shareholders' consideration.</p> <ul style="list-style-type: none"> Dato' Dr. Suzana Idayu Wati Osman and Nurul Muhaniza Hanafi were appointed as NINED and INED, respectively on 1 April 2024. <p>At the forthcoming 16th AGM, both Dato' Dr. Suzana Idayu Wati Osman and Nurul Muhaniza Hanafi have consented to be re-elected as NINED and INED of Company, respectively for ensuing year in accordance with Clause 103 of the Company's Constitution. The Board recommended both Dato' Dr. Suzana Idayu Wati Osman and Nurul Muhaniza Hanafi to be re-elected for the shareholders' consideration. Dato' Dr. Suzana Idayu Wati Osman is a member of BSC and Nurul Muhaniza Hanafi is a member of NRC.</p> <ul style="list-style-type: none"> Datuk Dr. Yatimah Sarjiman has been re-appointed as Government Appointed Director of FGV for a period of two years from 8 April 2024 to 16 January 2025. In view of her re-appointment, she is eligible for re-election and consented to be re-elected as NINED at the 16th AGM.

PRINCIPLE A:

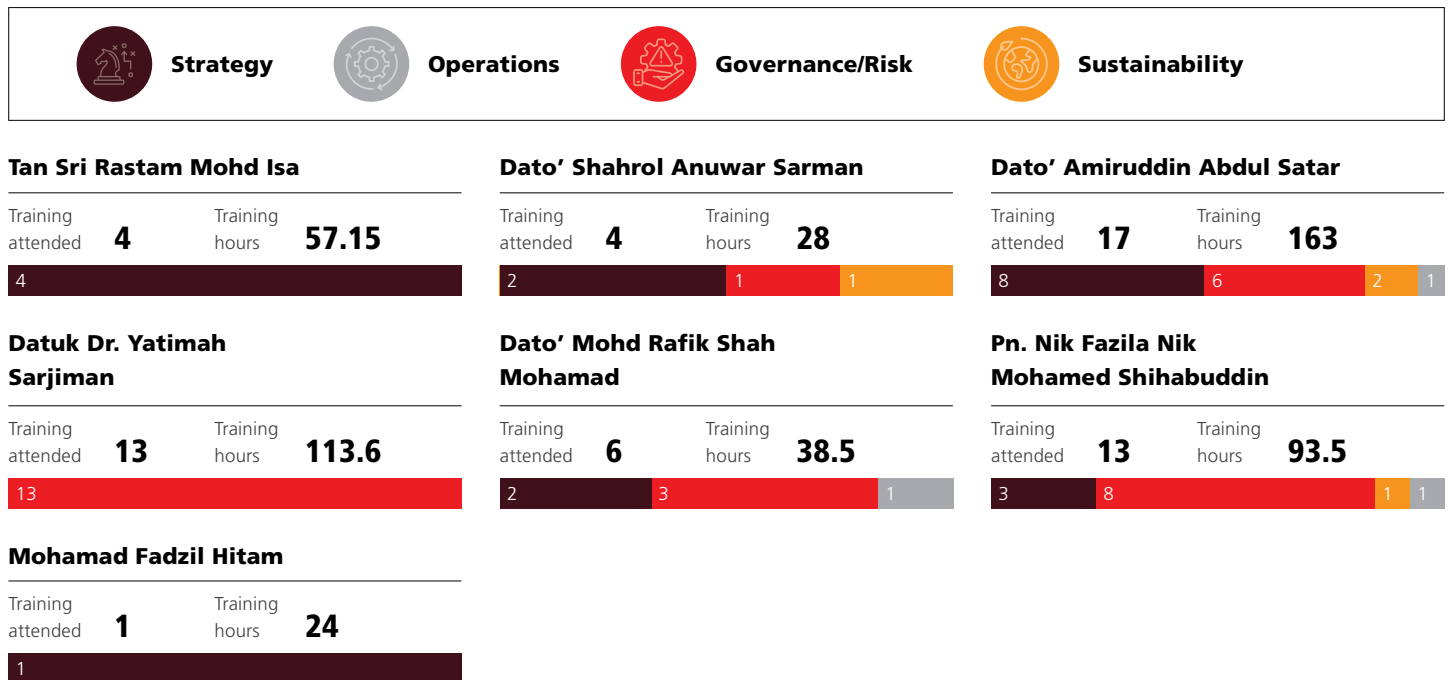
BOARD LEADERSHIP AND EFFECTIVENESS

INDUCTION, TRAINING AND DEVELOPMENT

Upon joining the Board, all new Directors undergo a customised induction programme, with ongoing training tailored to individual needs. The NRC assesses the Board’s training requirements, establishing a well-structured regime for continuous education and information dissemination. Updates on Corporate Governance, the regulatory framework, and accounting matters were regularly provided to keep Directors abreast of key developments.


During the financial year 2023, the NRC specifically recommended training sessions covering duties and responsibilities, the Board’s functions and governance, leadership, Directors’ liabilities, roles and responsibilities, ESG and sustainability, digital upskilling, and cyber security. The Company Secretary, in collaboration with the Chairman, will consistently identify broader areas for Board training, engaging with individual Directors to address their specific needs. The newly appointed Directors, Mohamad Fadzil Hitam and Dato’ Dr. Suzana Idayu Wati Osman have attended the MAP whilst Nurul Muhaniza Hanafi will attend the MAP in June 2024.

Directors actively participated in training sessions throughout 2023, aligning with the NRC’s recommendations. The Board had undertaken an assessment of the training needs of each director to ensure the training programme aligns with the needs of the Board, individual Directors and the Company’s business. The NRC remains committed to recommending necessary training and development initiatives to enhance the Board’s effectiveness.



The NRC holds a pivotal role in establishing a formal procedure for the appointment of new Directors to the Board. Tasked with leading the succession planning process, the Committee takes a strategic approach, recommending individuals who possess the necessary skills to support the Company’s goals and objectives. In this evaluation, the NRC places emphasis on fostering diversity in gender, skills, and experience within the Board.

The NRC’s responsibilities also extend to succession planning for Senior Management, ensuring the existence of a robust, diverse, and inclusive talent pipeline for future leadership roles. As part of comprehensive executive succession planning, the Committee actively oversees talent mapping initiatives, aiming to cultivate and nurture talent within the organisation while unlocking the full potential of high-performing individuals.

 More information on the training sessions attended by the AC members and other Directors can be found in the CG Report 2023, which is available on our website, www.fgvholdings.com.



PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS**NOMINATION AND REMUNERATION COMMITTEE REPORT**

**Mohamad Fadzil
Hitam**
Chairman
(INED)

Appointed on
26 April 2024



**Datuk Dr. Yatimah
Sarjiman**
Member
(NINED)

Appointed on
8 April 2022



**Nurul Muhaniza
Hanafi**
Member
(INED)

Appointed on
26 April 2024

ROLES AND RESPONSIBILITIES

The committee reviews the Board's structure, conducts assessments on effectiveness, oversees succession planning, recommends appointments, establishes remuneration policies, and monitors employee compensation.

The NRC, consisting mainly of INED, is crucial in overseeing the Board's composition and ensuring its effectiveness. The Board is confident that the current NRC composition, with its diverse skills and experience, effectively serves the interests of shareholders and meets the Group's needs.

FGV has implemented a comprehensive fit and proper policy, known as the BNE Policy. This policy guides the appointment of Directors, emphasising character, integrity, competency, skills, and commitment. The BNE Policy explicitly prohibits the nomination of Active Political Persons as Directors of FGV. Further details on the BNE Policy, including the nomination and election process, are available in Practice 5.5 of the CG Report 2022.

All INED appointments are sourced from an independent party, aligning with the fit and proper policy and emphasising diversity in experience, skills, and gender. The NRC will meet the proposed candidates to determine their suitability in accordance with the Board's requirement to fill up the gaps and skills as well as to consider their time commitment. The Company Secretary conducts background checks on criminal records, integrity, and solvency status before proposing appointments to the Board for approval.

Details of the full BEE process are available on pages 116 to 117 of this report.

 More information on the NRC's ToR can be found on our website, www.fgvholdings.com. This Report is to be read together with the CG Report 2023, also available on our website.

BOARD LEADERSHIP AND EFFECTIVENESS

SUMMARY OF WORK

In 2023, the NRC reviewed and considered the following key matters in discharging its responsibilities:

NOMINATION AND ELECTION PROCESS AND APPOINTMENT AND RE-APPOINTMENT/RE-ELECTION PROCESS	STATEMENTS INCLUDED IN FGV'S ANNUAL INTEGRATED REPORT 2022
<ul style="list-style-type: none"> • Appointment and Remuneration • Appointment of Group Divisional Director • Appointment of Independent Non-Executive Directors • Renewal and Extension of Contract of Senior Management • Change of Nominees in FGV Group • Retirement and Re-election of Directors • Succession Planning • Review Group Divisional Structure 	<p>Conducted a comprehensive review of the Disclosure in CGOS and CG Report, focusing on the following areas:</p> <p>a. Board Nomination and Election Procedures:</p> <ul style="list-style-type: none"> • Assessing the mix of skills, independence, and diversity, including gender diversity, to align with FGV's needs. • Evaluating the balance, composition, tenure, and gender diversity of the Board. • Mapping Board skills and experience. • Analysing the BEA process. • Examining Directors' training attendance for the financial year and induction programmes as per Bursa Securities Listing Requirements. • Ensuring Directors' remuneration is in compliance with relevant provisions from Bursa Securities Listing Requirements and the Companies Act 2016. <p>b. NRC Report Disclosure Review:</p> <ul style="list-style-type: none"> • Assessing compliance with requirements outlined in Paragraph 2.20A of the Bursa Securities Listing Requirements. • Reviewing the composition of the NRC. • Analysing the number of NRC meetings held and attendance details of each member. • Summarising the work, activities, and matters considered by the NRC in fulfilling its functions and duties, and demonstrating how it fulfilled its responsibilities.
<p style="text-align: center;">REMUNERATION MATTERS</p>	
<ul style="list-style-type: none"> • Performance Bonus Framework for Employees • Total Compensation Review by Consultant 	
<p style="text-align: center;">PERFORMANCE MANAGEMENT</p>	
<ul style="list-style-type: none"> • KPIs for the GCEO • Re-alignment of Scorecard and KPIs Setting to the Principles of Balanced Scorecard • Group Corporate Scorecard 	
<p style="text-align: center;">INDUCTION AND CONTINUING EDUCATION PROGRAMMES</p>	
<ul style="list-style-type: none"> • Training programmes attended by the Board and induction programmes for newly appointed Directors 	
<p style="text-align: center;">BOARD ASSESSMENT</p>	
<ul style="list-style-type: none"> • BEA • Board Improvement Plans 	



PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS**SIGNIFICANT MATTERS CONSIDERED BY THE COMMITTEE**

The Chairman of the NRC provided the Board with updates on critical issues discussed during NRC meetings and the recommendations made therein. Additionally, confirmed minutes from each NRC meeting were distributed to the Board for review at the earliest possible opportunity. Significant matters reported by the NRC to the Board included:

SIGNIFICANT MATTERS	HOW THE NRC PROVIDED OVERSIGHT ON THESE MATTERS
Appointment of Chairman, Non-Independent Non-Executive Director (Government Appointed Director) and appointment of Independent Non-Executive Director	Assessed the suitability of candidates, taking into account the selection criteria based on the BNE Policy as well as fit and proper criteria.
Appointment of Senior Management	Considered the proposed appointment of Senior Management, taking into account the current and future needs of FGV, including diversity requirements.
Total Compensation Review for employees	Assessed the outcome of the review made by an independent consultant and suggested the improvements needed.
Board Improvement Plan	Revised relevant ToR based on the proposals presented by the appointed independent consultant.
Succession Planning	Reviewed of the selected candidates and talent pool as succession plan for Senior Management.
Directors Remuneration & Benefits	Reviewed the existing remuneration & benefits of the Directors.

PERFORMANCE REVIEW

During the financial year, the Board evaluated the NRC's performance and the extent to which the NRC met the requirements of its ToR, including the term of office and performance of the NRC and each of its members. This performance assessment constituted part of the annual BEA, pertaining to the assessment of Board Committees.

The NRC Report was made in accordance with the resolution of the Board of Directors approved on 27 March 2024.

BOARD LEADERSHIP AND EFFECTIVENESS

DIRECTORS' REMUNERATION

The Board Remunerations Policy sets out the remuneration principles and guidelines in determining the remuneration for the Directors.

The Board Remunerations Policy provides that the Board, via the NRC, shall conduct a high-level review and shall perform an in-depth benchmarking of the remuneration packages of the Board, at least once in two years, to ensure fairness and competitiveness relative to the market (based on market positioning, revenue, performance, total assets, profit after tax and market capitalisation of the comparator groups), to attract, retain and motivate the Board.

The remuneration packages of the Board were last reviewed, benchmarked and approved by shareholders in 2022.


SUMMARY OF BOARD REMUNERATIONS POLICY

The Non-Executive Directors' remuneration package reflects the experience, expertise and level of responsibilities undertaken by the Non-Executive Directors. The Non-Executive Directors' remuneration package includes fees, benefits-in-kind and other benefits including meeting allowances and official business allowance.

The Non-Executive Directors' current fee structure is set out in the table below:

BOARD/BOARD COMMITTEES					
BOARD	AC	NRC	BGRMC	IC	BSC
FEES PER ANNUM					
RM480,000.00 (Chairman)	RM80,000.00 (Chairman)	RM45,000.00 (Chairman)	RM40,000.00 (Chairman)	RM40,000.00 (Chairman)	RM40,000.00 (Chairman)
RM150,000.00 (Non-Executive Directors)	RM40,000.00 (Non-Executive Directors)	RM30,000.00 (Non-Executive Directors)	RM20,000.00 (Non-Executive Directors)	RM20,000.00 (Non-Executive Directors)	RM20,000.00 (Non-Executive Directors)

The Non-Executive Directors' current remuneration structure (excluding Directors' fees) is set out below:

Meeting Allowance	
Non-Executive Chairman and Non-Executive Directors <ul style="list-style-type: none"> Physical : RM2,000.00 Teleconferencing: RM2,000.00 	
Other Benefits	
Non-Executive Chairman <ul style="list-style-type: none"> One company car (at least 2000cc with RM180,000.00 per annum of car utility expenses) Driver (actual) Club membership (RM10,000.00 per annum) Mobile phone bills (actual) Personal entertainment (RM24,000.00 per annum) One personal bodyguard at Chairman's disposal within Malaysia (actual) Medical coverage (RM100,000.00 per annum) Group Personal Accident insurance coverage (RM200,000.00 per annum) Official Business Allowance (RM1,000.00 per day) 	Non-Executive Directors <ul style="list-style-type: none"> Medical coverage (RM100,000.00 per annum) Group Personal Accident insurance coverage (RM200,000.00 per annum) Official Business Allowance (RM1,000.00 per day)
 More information on the summary of the Non-Executive Directors' remuneration structure can be found on our website, www.fgvholdings.com .	

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

DIRECTORS' REMUNERATION

The Directors' remuneration for 2023 in aggregate for FGV and the Group, with categorisation into components, distinguishing between Non-Independent Non-Executive Directors and Independent Non-Executive Directors, is stated below:

NAME OF DIRECTORS	ANNUAL FEES			
	BOARD (RM)	AUDIT COMMITTEE (RM)	NOMINATION AND REMUNERATION COMMITTEE (RM)	INVESTMENT COMMITTEE (RM)
Non-Independent Non-Executive Director				
Tan Sri Rastam Mohd Isa ¹	126,666.67	-	-	-
Dato' Amiruddin Abdul Satar	150,000.00	-	-	20,000.00
Dato' Shahrol Anuwar Sarman ²	310,416.66	13,555.54	-	-
Datuk Dr. Yatimah Sarjiman ³	150,000.00	13,220.69	30,000.00	-
Dato' Dzulkifli Abd Wahab ^{4v}	127,200.00	-	-	-
Independent Non-Executive Director				
Dato' Mohd Rafik Shah Mohamad ⁵	150,000.00	80,000.00	30,171.73	-
Nik Fazila Nik Mohamed Shihabuddin ⁶	150,000.00	40,000.00	30,000.00	-
Mohamad Fadzil Hitam ⁷	2,054.79	-	-	-
Dato' Nonee Ashirin Dato' Mohd Radzi ⁸	70,719.18	-	14,143.84	18,858.43
Kasmuri Sukardi ⁹	70,719.18	-	-	9,429.24
Azmin Che Yusoff ¹⁰	70,719.18	18,858.43	21,215.75	9,429.24
TOTAL	1,378,495.66	165,634.66	125,530.82	57,716.91

i) All figures are not inclusive of Sales and Service Tax (SST).

ii) Benefits-in-kind (Non-Executive Chairman only) includes Driver, Car & Utility Expenses, Mobile Phone Bills, Personal Entertainment.

iii) Other benefits (Non-Executive Chairman) includes Group Personal Accident Insurance Coverage, Medical Coverage, Meeting Allowance and Official Business Allowance.

iv) Other benefits (Non-Executive Director) includes Group Personal Accident Insurance Coverage, Medical Coverage, Meeting Allowance and Official Business Allowance.

Notes:

- ¹ Tan Sri Rastam Mohd Isa was appointed as Chairman on 26 September 2023 and subsequently appointed as Chairman of the Board Sustainability Committee on 29 December 2023.
- ² Dato' Shahrol Anuwar was redesignated as a Non-Executive Director (Interim Chairman) on 1 April 2023. He ceased as Interim Chairman and continued as a member of the Board on 26 September 2023.
- ³ Datuk Dr. Yatimah Sarjiman was appointed as an Audit Committee member on 31 July 2023 and ceased as a member on 29 November 2023.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD GOVERNANCE & RISK MANAGEMENT COMMITTEE (RM)	BOARD SUSTAINABILITY COMMITTEE (RM)	ANNUAL FEES/ OTHER BENEFITS FROM SUBSIDIARIES (RM)	BENEFITS-IN-KIND (RM)	OTHER BENEFITS (RM)	TOTAL (RM)
-	328.77	-	11,412.72	7,438.93	145,847.09
-	20,000.00	-	-	39,438.93	229,438.93
-	-	-	-	25,438.93	349,411.13
20,000.00	-	-	-	77,438.93	290,659.62
-	-	-	4,350.00	9,438.93	140,988.93
20,000.00	-	-	-	89,438.93	369,610.16
34,406.38	-	140,000.00	-	139,771.46	534,117.84
-	164.38	-	-	1,438.90	3,658.07
-	9,429.24	-	-	25,438.93	138,589.62
17,707.74	9,429.24	-	-	37,438.93	145,820.22
-	-	-	-	43,438.93	163,661.53
92,114.12	57,716.91	140,000.00	15,762.72	496,160.73	2,511,863.14

- 4 Dato' Dzulkifli Abd Wahab had agreed to waive his fees and meeting allowance as Chairman of the Board Sustainability Committee. Dato' Dzulkifli Abd Wahab ceased as Chairman of the Board and Chairman of Board Sustainability Committee on 1 April 2023.
- 5 Dato' Mohd Rafik was redesignated as Chairman of the Nomination And Remuneration Committee on 29 December 2023.
- 6 Nik Fazila Nik Mohamed Shihabuddin was appointed as Chairman of the BGRMC on 13 April 2023 and received annual fees and other benefits from her directorship in MSM Malaysia Holdings Berhad, a listed subsidiary of FGV.
- 7 Mohamad Fadzil Hitam was appointed as Independent Non-Executive Director on 27 December 2023 and subsequently appointed as a Member of the Board Sustainability Committee on 29 December 2023.
- 8 Dato' Nonee Ashirin Dato' Mohd Radzi retired as a Director of the Company and ceased as a member of the Nomination And Remuneration Committee, Chairman of Investment Committee and member of Board Sustainability Committee on 20 June 2023.
- 9 Kasmuri Sukardi retired as a Director of the Company and ceased as a member of the Investment Committee, Chairman of Board Governance & Risk Management Committee and member of Board Sustainability Committee on 20 June 2023.
- 10 Azmin Che Yusoff ceased as a Director of the Company on 20 June 2023 and ceased as a member of Audit Committee, Investment Committee and Chairman of Nomination And Remuneration Committee.

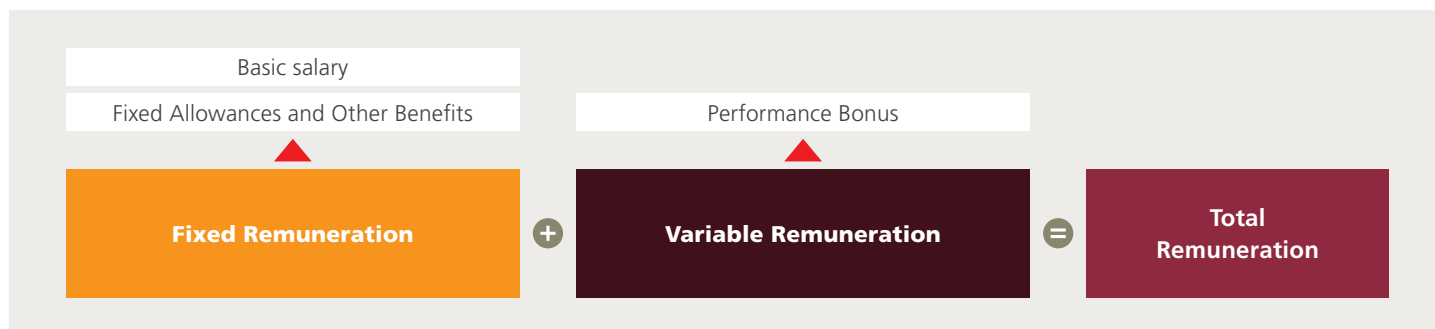


PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS**SENIOR MANAGEMENT'S REMUNERATION**

The Group's Compensation Policy (GC Policy) governs the remuneration framework for all employees, including the Senior Management, with a focus on performance metrics beyond short-term financial considerations. The NRC rigorously reviews the Senior Management's remuneration structure, incorporating best practices, insights from industry experts, data analysis, stakeholder perspectives, and market dynamics. This ensures that the remuneration is competitive enough to attract, retain, and motivate individuals with the requisite skills and experience for sustained market leadership.

Within the Senior Management's remuneration, fixed and variable components are considered. The Group Human Capital (GHC) is tasked with evaluating and aligning the remuneration, particularly the performance-based elements, with individual contributions to the Group. Benchmarking against industry standards is a critical aspect to maintain competitiveness. GHC, known for its high standards of professionalism, oversees the governance of the remuneration strategy. It presents a comprehensive view of compensation proposals to the NRC, covering elements like annual salary increments, performance bonuses, promotions, salary adjustments, other benefits, and benefits-in-kind. This approach ensures that the remuneration strategy not only meets the Group's objectives but also aligns with industry benchmarks.



The Board of Directors holds the responsibility for evaluating the performance of key positions, including the GCEO, Senior Vice President and above as well as GMC members. Conversely, the assessment of the remaining Senior Management members' performance is overseen by the GCEO. The Senior Management's performance bonus is directly linked to their individual contributions that enhance FGV's overall business performance.

For 2023, the Senior Management that has KPIs related to sustainability and environment are the GCEO, Group Director Plantation Division, Group Divisional Director Logistics & Support Division, Group Chief Strategy Officer, Group Chief Sustainability Officer and Head of Integrated Farming.

Moving forward, FGV will undertake the realignment of the Scorecard and KPIs with the principles of Balanced Scorecard, which include Finance, Customer/Stakeholders, Operational Excellence and Organisational Capabilities. These will all be considered for Senior Management's KPIs.

The top five Senior Management's remuneration for 2023 (in the bands of RM50,000) include Dato' Mohd Nazrul Izam Mansor (GCEO), Dato' Mohd Hairul Abdul Hamid (GCFO), Syed Feizal Syed Mohammad (GCEO, MSM), Salman Ghazali (Group Chief Strategy Officer) and Fakhrunniam Othman (Group Director, Logistics & Support Division).

The remuneration includes salaries, bonuses, benefits-in-kind and other emoluments.

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD SUSTAINABILITY COMMITTEE REPORT



Tan Sri Rastam Mohd Isa
Chairman
(NINED)

Appointed on
29 December 2023



Mohamad Fadzil Hitam
Member
(INED)

Appointed on
29 December 2023



Dato' Dr. Suzana Idayu Wati Osman
Member
(NINED)

Appointed on
26 April 2024

The BSC plays a crucial role in supporting the Board's oversight responsibilities regarding the Group's sustainability objectives, policies, and practices. The committee focuses on various key areas, including material sustainability matters, health and safety, environmental, economic, and social considerations, human rights, good social practices, traceability and supply chain, sustainability certification, and other areas deemed material at different points in time.

The BSC, as outlined in its ToR, was scheduled to convene quarterly. However, in 2023, the BSC held only two meetings, specifically in January and March, due to a lack of quorum resulting from the departure of a member in June. In lieu of the BSC meetings, discussions on relevant sustainability matters took place within the BGRMC before being presented to the Board.

The responsibilities of the BSC encompass various critical aspects:

1. **Formulation of GSP and Sustainability Strategies:** The committee directs and oversees the development of the GSP, overall sustainability strategies, and related principles and policies. These initiatives align with the Group's commitment to sustainability, the United Nations Sustainable Development Goals (UN SDGs), and relevant regulations and standards.
2. **HSEC Performance Oversight:** The BSC is responsible for directing and overseeing the Group's performance in health, safety, environment, and community (HSEC). It ensures the adequacy of the Group's HSEC framework and management systems.
3. **Integration of Sustainability into Strategic Planning:** The committee oversees the incorporation of sustainability considerations, human rights, and climate-related risks and opportunities into the Group's long-term value creation strategy.

4. **Monitoring Material Sustainability Matters:** The BSC monitors and reviews the strategic management of material sustainability matters, risks, and opportunities identified by Top Management. It tracks progress against the Group's sustainability targets (sustainability key performance indicators).
5. **Review of Sustainability-related Issues:** The committee reviews sustainability issues arising from grievances, independent audits, assurance reports, and matters highlighted by external consultants.
6. **Employee Awareness Programmes:** The BSC monitors employee awareness programmes aimed at fostering an understanding of the Group's sustainability approach and supporting sustainability actions across the organisation.
7. **Stakeholder Engagement Outcome:** It oversees the outcomes of stakeholder engagement, focusing on matters that may impact the Group's reputation, including grievances, concerns and allegations, evolving public and market sentiments, and government regulations.
8. **Communication and Reporting:** The committee ensures that the Group's Sustainability Framework, strategies, priorities, and performance against targets are effectively communicated to internal and external stakeholders through appropriate means, including engagements and disclosures.
9. **Review of Reporting to Shareholders and Authorities:** The BSC reviews reporting to shareholders and relevant authorities, including disclosures related to sustainability matters mandated by Bursa Securities, such as the Sustainability Statement and the Sustainability Report.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

For details on the composition of the BSC in 2023, including members' name, designations, number of meetings, and attendance, please refer to page 112 of this Report. Additionally, information on the identified Senior Management who is responsible for strategically and operationally in managing sustainability can be found on page 104.

 More information on the BSC's ToR can be found on our website, www.fgvholdings.com. This Report is to be read together with the CG Report 2023, also available on our website.

SUMMARY OF WORK

In 2023, the BSC reviewed and considered the following key matters in discharging its responsibilities:

WRO BY THE US CBP	SUSTAINABILITY GOVERNANCE
<ul style="list-style-type: none"> Received updates on the progress of FGV's actions to modify the WRO Provided direction on the steps to address the WRO 	<ul style="list-style-type: none"> Monitored FGV's efforts in implementing the WRO remediation plan to address the forced labour indicators Deliberated FGV's Traceability and Supplier Management Initiatives
FGV'S ENVIRONMENT PROGRAMMES	SUSTAINABILITY CERTIFICATION
<ul style="list-style-type: none"> Monitored FGV's Conservation and Environmental Programmes Reviewed FGV's HCV and Peat Mapping efforts Received updates on FGV's Tree planting Programme Reviewed the Achieving Coexistence with Elephants (ACE) Project in Southern Peninsular Malaysia with Management and Ecology of Malaysian Elephants (MEME) Monitored FGV's River Water Management Plan Received updates on FGV's Barn Owl Video Production Reviewed the Resource Efficiency and Industry Symbiosis (REISO) Monitored the Energy Management Gold Standard (EMGS) Certification 	<ul style="list-style-type: none"> Monitored the progress of FGV's certification progress, comprising RSPO and MSPO Oversaw FGV's compliance with sustainability certification related regulations and standards Deliberated the systemic issues raised on non-compliance Monitored FGV's Sustainability Policy Transparency Toolkit (SPOTT) score for the year 2021 (2022 assessment). Monitored the progress of Traceability within FGV's Palm Oil Supply Chain through FGV TOP Monitored the progress of Rubber Traceability
FGV'S SOCIAL PROGRAMMES	CLIMATE ACTION
<ul style="list-style-type: none"> Reviewed FGV's initiatives and programmes for Gender Equality and Women's Empowerment (GEWE) Reviewed FGV's Independent Smallholders Consultation Programme Deliberated the adoption of FGV Guidelines on Respecting and Protecting Children's Right Deliberated the efforts regarding engagement with workers through various events 	<ul style="list-style-type: none"> Oversaw the progress and provide input on the Group wide climate action plan Monitored the progress of FGV's commitment to the Science-Based Target initiative (SBTi). Deliberated FGV's Carbon Inventory and Greenhouse Gas Management
FGV'S SUSTAINABILITY STATEMENT 2022	
<ul style="list-style-type: none"> Deliberate and recommend the Sustainability Statement for FGV 2022 Annual Integrated Report to the Board 	

PRINCIPLE A:
BOARD LEADERSHIP AND EFFECTIVENESS

SIGNIFICANT MATTERS CONSIDERED BY THE COMMITTEE

The Chairman of the BSC provided the Board with updates on critical issues discussed during BSC meetings and the recommendations made therein. Additionally, confirmed minutes from each BSC meeting were distributed to the Board for review at the earliest possible opportunity. Significant matters reported by the BSC to the Board included:

SIGNIFICANT MATTERS	HOW THE BSC PROVIDED OVERSIGHT ON THESE MATTERS
WRO by the US CBP against palm oil and palm oil products made by FGV, its subsidiaries and joint ventures	Deliberated on FGV's remediation actions to address the WRO by the US CBP.
RSPO, MSPO and International Sustainability and Carbon Certification (ISCC)	Monitored the progress of all FGV's sustainability certifications and observed our compliance with related regulations and standards.
Climate action	Provided inputs on our integrated Group wide Climate Action plan and our commitment to the SBTi.

 More information on the application of the relevant practices of the MCCG 2021 relating to sustainability can be found in the CG Report 2023, which is available on our website, www.fgvholdings.com.

PERFORMANCE REVIEW

During the financial year, the Board evaluated the BSC's performance and the extent to which the BSC met the requirements of its ToR, including the term of office and performance of the BSC and each of its members. This performance assessment constituted part of the annual BEA, pertaining to the assessment of Board Committees.

FORMALISED ETHICAL STANDARDS

The ethical standards of our Group are firmly rooted in our PRIDE values. The Board, in fulfilling its responsibilities, adheres to the ethical guidelines outlined in the Directors' Code of Ethics and Conduct (CoEC) and Directors' Code of Business Practice (CoBP). These documents set forth the expected standards of behaviour and conduct for all Directors within the FGV Group.

Employees are guided by the Code of Business Conduct and Ethics (COBCE). This comprehensive framework encourages stakeholders to embrace the Group's values, ensuring compliance with applicable laws and regulations through transparent, honest, and ethical business practices. The Board and employees consistently strive to uphold the highest standards of integrity and behaviour, following best practices in corporate governance. This commitment extends to interactions with customers, suppliers, employees, business partners, and the broader community and environment where FGV operates.

The COBCE is easily accessible through the Compliance Management System (internal hub), facilitating employees in adopting ethical practices. Periodic awareness campaigns, conducted through roadshows and forum events, contribute to fostering a culture of integrity. To reaffirm their commitment, employees acknowledge the COBCE every two years, with the next renewal in 2024.

Additionally, the Group has implemented the Whistleblowing Policy, providing a platform for the FGV community to report any form of improper conduct. This policy assures individuals that they can disclose information without fear of punishment or unfair treatment, reinforcing our commitment to a culture of accountability and transparency.



PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT**AUDIT COMMITTEE REPORT**

**Dato' Mohd Rafik
Shah Mohamad**

Chairman
(Senior INED)

Appointed on
1 July 2021



**Nik Fazila Nik Mohamed
Shihabuddin**

Member
(INED)

Appointed on
1 July 2021



**Dato' Shahrol
Anuwar Sarman**

Member
(NINED)

Appointed on
29 November 2023

ROLES AND RESPONSIBILITIES

The committee oversees the Group's financial reporting processes, assesses and reviews the Group's risk and control environment, evaluates the internal and external audit process, and reviews related party transactions.

Comprising solely of Non-Executive Directors, the AC holds a majority of INED, with none having a prior affiliation as partners with the Company's external auditors. The critical oversight of the AC's functions is entrusted to a Senior INED who serves as the Chairman.

Both the AC Chairman and Pn. Nik Fazila Nik Mohamed Shihabuddin, who are registered Chartered Accountants with the Malaysian Institute of Accountants (MIA), and possess financial literacy, demonstrating proficiency in analysing and interpreting financial statements. This aligns with the requirements of Paragraph 15.09(1)(c) of the Listing Requirements, necessitating at least one AC member to be a qualified accountant.

Over the reporting period, the AC convened 11 meetings, with the GCEO, GCFO Chief Internal Auditor, and selected Management members invited by the AC. Additionally, the committee also engaged in private sessions with external auditors.

The primary objectives of the AC include assisting the Board in ensuring the integrity of financial information, evaluating the risks and control environment, and overseeing the Group's management of financial risk processes, accounting, and financial reporting practices. These responsibilities align with the AC's commitment to upholding the highest standards in financial governance and accountability. Additionally, the AC fulfils its responsibilities by reviewing the Group's accounting function, scrutinising financial reporting practices, and assessing the effectiveness of internal control systems. The committee also plays a vital role in evaluating both internal and external audit processes, ensuring the independence of these functions. The AC is also actively involved in reviewing conflict of interest situations and related party transactions, ensuring transparency and adherence to ethical standards. The establishment of the AC does not absolve the Board of its ultimate statutory and fiduciary responsibilities concerning decision-making related to the functions and duties overseen by the AC.

For detailed information on the composition of the AC in 2023, including the names, designations, number of meetings held, and attendance records for each member, please refer to page 113 of this Report. Furthermore, details about the trainings attended by AC members can be found in the CG Report 2023.



More information on the AC's ToR can be found on our website, www.fgvholdings.com. This Report is to be read together with the CG Report 2023, also available on our website.

EFFECTIVE AUDIT AND RISK MANAGEMENT

SUMMARY OF WORK

At the commencement of the year, the AC provided key areas of concern to direct the Management’s attention, and the Management was required to report key matters to the AC. These were reported in the following key matters dealt by the AC during the year:

FINANCIAL REPORTING	RISKS AND INTERNAL CONTROL ENVIRONMENT
<ul style="list-style-type: none"> a. Report from PricewaterhouseCoopers PLT (PwC) for the financial year ended 31 December 2022 b. Met with the external auditors in two private sessions during the financial year without the presence of Management on 22 March 2023 and 22 August 2023 c. Financial and Operational Report for Plantation, Sugar and Logistics & Support Sectors d. Quarterly Report on Consolidated Results e. Quarterly update on Group Rolling Cash Flow f. Proposal for Final Dividend for the financial year ended 31 December 2022 g. Proposal for issuance of letter of Financial Support for FGV and its Group of Companies which are in Net Current Liabilities or Net Liabilities Position as at 31 December 2022 h. Update on FGV Group Recurrent Related Party Transactions i. Production of FGV’s AIR 2022 j. Statutory Financial Statements for the financial year ended 31 December 2022 k. Non-Audit Services Provided by PwC for the financial year ended 31 December 2022 l. Re-appointment of External Auditor for the financial year ended 31 December 2023 m. Proposal for Final Dividend for the financial year ended 31 December 2022 n. Proposed Fee for Statutory Audit and Quarterly Review for FGV and its Group of Companies for financial year 2023 o. Proposal to establish an Islamic Medium Term Notes (Sukuk Murabahah) Programme of up to RM3.0 Billion (upsized from RM500 Million) in nominal value under the Shariah Principle of Murabahah (via Tawarruq Arrangement) p. Tax Corporate Governance Framework for FGV Group of Companies 	<ul style="list-style-type: none"> a. Group Internal Audit (GIA) Reports b. Received updates on Implementation of Recommendations from Internal Audit c. Received updates on the Progress of Matters that were subject to Forensic Investigation and Legal Advice d. Proposal for Renewal of Shareholders’ Mandate and New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature e. Quarterly Report on the Status of Material Litigation Cases involving FGV Group f. Proposal for CGOS, Report on the AC and CG Report 2022 g. Statement on Risk Management and Internal Control for FGV Annual Integrated Report 2022 h. Production of FGV’s AIR 2022 i. Proposal for Revision of FGV Group’s Limits of Authority – Legal
EXTERNAL AUDIT PROCESS AND OUTCOME	
<ul style="list-style-type: none"> a. Assessed the comprehensiveness of the audit plan of the external auditors for 2023 and ensured coordination with the various other audit firms apart from PwC, who are involved in the external audit of several subsidiaries. b. Assessed the external auditors for their reappointment for 2023 based on the established External Auditor Policy and recommended their re-appointment to the Board. The AC also considered the feedback from Management on their evaluation of the external auditors based on the services provided on the external audits for 2022. c. Assessed the external auditors audit fees for 2023. d. Received written assurance from external auditors in their audit plan for 2023 confirming they are, and will maintain, independent throughout the conduct of the audit engagement in accordance with the ToR of all relevant professional and regulatory requirements. 	



PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

INTERNAL AUDIT PROCESS AND OUTCOME	RECURRENT RELATED PARTY TRANSACTIONS MONITORING OF THE GROUP				
<p>a. Received and reviewed all 71 internal audit reports issued in 2023 to the Chairman and members of the AC. These were reports from assignments undertaken from the internal audit plan and any unplanned investigations and special assignments undertaken by GIA.</p> <p>b. Reviewed the following at every quarterly meeting in 2023:</p> <ul style="list-style-type: none"> • A report summarising the main observations from the internal audit reports issued during the quarter. The AC gave direction to Management on key matters requiring the Management's special and immediate attention. The AC reported to the Board on these key matters. • A report on the progress of implementation of the approved internal audit plan for 2023, including the status of internal audit resources to support the implementation of the approved internal audit plan and development progress of the internal audit employees. • A report on the progress of implementation of the recommendations from the internal audit reports issued. The Board was apprised of delays in implementation of the recommendations. <p>c. Performed the following:</p> <ul style="list-style-type: none"> • Reviewed and approved the internal audit plan for 2024 together with the scope, functions, resources, budget and KPIs of the GIA function and reported to the Board accordingly. • Assessed the performance of the Chief Internal Auditor, which included assessment of the effectiveness of the GIA function with reference to the Institute of Internal Auditors' International Professional Practices Framework. • Assessed the Chief Internal Auditor's performance, increment, bonus adjustment and renewal of her contract of employment. <p>The Chairman of the AC held four private meetings and discussions with the Chief Internal Auditor and her team to discuss developments which were relevant for the internal audit work, to give direction for a more effective audit plan, to be apprised of or give guidance on any major internal audit observations and any related matters towards improving the governance, risk and control processes of the FGV Group. From time-to-time, the AC also made special request of areas of concern to be investigated or given attention during the audits.</p>	<p>a. Reviewed the quarterly report on the recurrent related party transactions of the Group and took note that the related party transactions were within the mandate from the shareholders.</p> <p>b. Reviewed the Circular to shareholders for the purpose of seeking mandate for recurrent related party transactions at the 15th AGM in 2023.</p> <p>c. Reviewed the internal audit report on the annual recurrent related party transactions review.</p> <p>d. Reviewed justifications of the FGV Group's major recurrent related party transactions which were not supported with contemporaneous pricing.</p> <tr> <th data-bbox="829 846 1533 878" style="background-color: #f4a460;">INVESTIGATIONS AND SPECIAL REVIEWS</th> </tr> <td data-bbox="829 887 1533 1134"> <p>a. Requested special review and investigations on governance and non-compliance matters.</p> <p>b. Considered the investigation reports and related information from forensic and internal investigations.</p> <p>c. Deliberated the findings and sought relevant clarification to satisfy itself that the investigations were comprehensive.</p> <tr> <th data-bbox="829 1142 1533 1217" style="background-color: #f4a460;">STATEMENTS INCLUDED IN FGV'S ANNUAL INTEGRATED REPORT 2022</th> </tr> <td data-bbox="829 1225 1533 1942"> <p>Reviewed the AC Report, the Statement on Risk Management and Internal Control (SORMIC), the CGOS, the Management Discussion and Analysis, the Chairman's Statement and the GCEO's Message to be included in the AIR 2022 as well as the CG Report and recommended the same to the Board for approval. The SORMIC was reviewed, reflecting the reports of the external and internal auditors on the risks and control environment of the Group and related matters that have been brought to the AC and the Board during the financial year.</p> </td> </td>	INVESTIGATIONS AND SPECIAL REVIEWS	<p>a. Requested special review and investigations on governance and non-compliance matters.</p> <p>b. Considered the investigation reports and related information from forensic and internal investigations.</p> <p>c. Deliberated the findings and sought relevant clarification to satisfy itself that the investigations were comprehensive.</p> <tr> <th data-bbox="829 1142 1533 1217" style="background-color: #f4a460;">STATEMENTS INCLUDED IN FGV'S ANNUAL INTEGRATED REPORT 2022</th> </tr> <td data-bbox="829 1225 1533 1942"> <p>Reviewed the AC Report, the Statement on Risk Management and Internal Control (SORMIC), the CGOS, the Management Discussion and Analysis, the Chairman's Statement and the GCEO's Message to be included in the AIR 2022 as well as the CG Report and recommended the same to the Board for approval. The SORMIC was reviewed, reflecting the reports of the external and internal auditors on the risks and control environment of the Group and related matters that have been brought to the AC and the Board during the financial year.</p> </td>	STATEMENTS INCLUDED IN FGV'S ANNUAL INTEGRATED REPORT 2022	<p>Reviewed the AC Report, the Statement on Risk Management and Internal Control (SORMIC), the CGOS, the Management Discussion and Analysis, the Chairman's Statement and the GCEO's Message to be included in the AIR 2022 as well as the CG Report and recommended the same to the Board for approval. The SORMIC was reviewed, reflecting the reports of the external and internal auditors on the risks and control environment of the Group and related matters that have been brought to the AC and the Board during the financial year.</p>
INVESTIGATIONS AND SPECIAL REVIEWS					
STATEMENTS INCLUDED IN FGV'S ANNUAL INTEGRATED REPORT 2022					

PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

SIGNIFICANT MATTERS CONSIDERED BY THE COMMITTEE

The Chairman of the AC provided the Board with updates on critical issues discussed during AC meetings and the recommendations made therein. Additionally, confirmed minutes from each AC meeting were distributed to the Board for review at the earliest possible opportunity. Significant matters reported by the AC to the Board included:

SIGNIFICANT MATTERS	HOW THE AC PROVIDED OVERSIGHT ON THESE MATTERS
Financial Reporting	Reviewed and recommended to the Board the quarterly financial results and year-end Financial Statements of FGV and the Group, focusing particularly on changes in financial reporting standards, including assessing their impacts on the Financial Statements, reasons for fluctuations between periods, explanations for achievement of budgets, forecasts and matters requiring Management's judgement, especially assets recoverability, accounting practices, unusual events and significant adjustments.
Internal Control	<ul style="list-style-type: none"> • Provided direction for internal control improvements on matters reported by the GIA. Encouraged management to prioritise the improvements based on the observations reported in the GIA reports. • Reviewed and recommended to the Board the revised Group's LOA, Group Finance Policies and Procedures and External Auditor Policy and Procedures.
Recurrent Related Party Transactions	Considered whether the recurrent related party transactions were undertaken at commercial terms or arm's length, in the best interest of minority shareholders in accordance with established procedures and within the mandate provided by the shareholders.
Key Critical Guidance	Guidance on matters relating to cyber security, big data analytics, and ESG reporting.
Tax Governance & Planning	Tax Corporate Governance Framework for FGV Group of Companies

RELATIONSHIP WITH THE EXTERNAL AUDITOR

The Group adheres to a comprehensive External Auditor Policy and Procedures, providing a clear framework for the association with the External Auditor. The policy outlines various aspects related to this relationship, ensuring transparency and effectiveness in the audit process. Key elements covered by the policy include:

- **Appointment and Re-appointment:** Clearly defined procedures for the selection and re-appointment of the External Auditor.
- **Effectiveness Assessment:** A structured approach to evaluate the effectiveness of the External Auditor.
- **Independence Assessment:** Rigorous assessment measures to ensure the independence of the External Auditor.
- **Audit Partner Rotation:** Policies governing the rotation of audit partners to maintain objectivity and fresh perspectives.
- **Audit Delivery and Reporting:** Guidelines for the audit process, ensuring thoroughness in delivery and reporting.
- **Engagement for Non-audit Services:** Procedures regulating the engagement of the External Auditor for non-audit services.
- **Removal of the External Auditor:** Processes outlining the circumstances and procedures for the removal of the External Auditor.

For a concise overview of the External Auditor Policy and Procedures, please refer to Practice 9.3 in the CG Report 2023.



PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

FEES PAID AND PAYABLE TO THE EXTERNAL AUDITOR

The fees paid/payable to the external auditor, PwC, in 2023 were as follows:

FEES PAID/PAYABLE TO PwC IN 2023	RM'000
Audit Fees	
• PwC Malaysia	4,358
• Member firms of PwC International Limited (PwCIL)	964
Other assurance and non-audit services fees	
• PwC Malaysia and member firms of PwCIL	1,471
• Other non-audit fees paid to PwC Malaysia and member firms of PwCIL*	1,374
Total	8,167

* Included in the other non-audit fee is other assurance services of RM466,000

GROUP INTERNAL AUDIT

The GIA function is independent and reports functionally directly to the AC and administratively to the GCEO. The conduct of the GIA is based on the GIA Charter, which is established consistent with the requirements of the Institute of Internal Auditors' International Professional Practices Framework and approved by the AC. This is affirmed through the Quality Assurance Review once in every five years with the last one conducted in 2019.

There were 59 internal auditors as at 31 December 2023 covering the activities of the Group. The qualification, professional status and continuous development and training of the internal auditors together with their independence and objectivity are disclosed in Practice 11.1 and 11.2 of the CG Report 2023. Continuous development and training is undertaken to enhance and align the internal auditors' competencies and knowledge to the emerging risks and audit requirements. The details of the Chief Internal Auditor, the person responsible for internal audit can be found on page 105 of the Report.

The total cost incurred by GIA for 2023 was RM10.2 million (FY2022: RM9.4 million). This amount comprised mainly staff cost and benefits, travelling expenses and the operating costs of the GIA management system.

SUMMARY OF WORK DONE BY GROUP INTERNAL AUDIT IN 2023

ASSURANCE

The assurance work comprises a balance of governance, risk and control at the corporate centre level and business operational level. The audit focus in 2023 were in the following areas:

In the primary Upstream business division, the focal audit areas were mechanisation, replanting management, inventory management, and FFB security management.

At a broader level across the Group, including MSM, the key audit scopes included sales and receivables, trading, procurement and raw material management, as well as production and maintenance management.

The GIA was also involved in the remediation process of WRO by the US CBP through the following work:

- i) Verification of implementation of the remediation plans.
- ii) Verification of the reimbursements of workers' recruitment fees.

A dedicated audit team has been formed to specialise and focus on sustainability matters and a separate team dedicated on MSM matters.

PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

ASSURANCE

Data analytics initiatives gained significant traction this year, as continuous development of test scripts facilitated the analysis of data extracted directly from FGV's information technology (IT) systems. These projects served as an audit tool, enhancing audit coverage in a more efficient manner.

Recurrent related party transactions review with a view of advising the AC on the Group's compliance with the Related Party Transactions and Recurrent Related Party Transactions Policy.

IT governance and controls which covered application functionality review, data integrity, user access control and system security, including cyber security.

INVESTIGATION & SPECIAL REVIEWS

The GIA undertakes investigations and special reviews based on the requests and information from the Whistleblowing Committee, Management, the AC and the Board. The outcomes are reported to the Whistleblowing Committee, Management, the AC and the Board respectively. The recommendations and resolutions arising from the work tabled are communicated to Management for the necessary implementation action.

Group Internal Audit's investigations and special review work during the year 2023 identified improvements in the following areas:

Human Resource Management	Operation Management
Stock Management	Procurement Management

CONSULTING

The GIA plays an active role in advising the Group on various matters. In 2023, consulting advisory was provided through the following platforms and activities:

- a) Advisory in the remediation process of WRO by the US CBP in 2023 as Permanent invitee of the WRO Task Force and SSC.
- b) Providing feedback and input on the revision of the Group Grievance Management Policy.
- c) Facilitated the formulation of the Group Grievance Management Standard Operating Procedures.
- d) Advisory on formulation of a Request for Proposal and evaluation process for a Group Compliance Management Framework.
- e) Facilitation of several Group LoA and policy revisions.
- f) Sharing of knowledge on data analytics towards implementation of continuous monitoring.
- g) AGM Question & Answer administrator team member.
- h) GEWE Committee member.
- i) Reporting Committee member.

PERFORMANCE REVIEW

During the financial year, the Board evaluated the AC's performance and the extent to which the AC met the requirements of its ToR, including the term of office and performance of the AC and each of its members. This performance assessment constituted part of the annual BEE, pertaining to the assessment of Board Committees.

The AC Report was made in accordance with the resolution of the Board of Directors approved on 27 March 2024.



PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

BOARD GOVERNANCE & RISK MANAGEMENT COMMITTEE REPORT



**Nik Fazila Nik
Mohamed Shihabuddin**

Chairman
(INED)

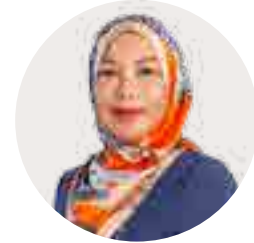
Appointed on 1 July 2021
Redesignated as Chairman on
13 April 2023



**Dato' Mohd Rafik Shah
Mohamad**

Member
(Senior INED)

Appointed on
1 July 2021



**Datuk Dr. Yatimah
Sarjiman**

Member
(NINED)

Appointed on
8 April 2022

The BGRMC, comprising solely of Non-Executive Directors, with the majority being INEDs and chaired by an INED, plays a pivotal role in supporting the Board's statutory and fiduciary duties. The committee is instrumental in promoting robust governance, effective risk management, and a sound corporate culture within the FGV Group.

The key responsibilities of the BGRMC encompass various crucial aspects:

- **Implementation Oversight:** Review and monitor the execution of the FGV Group Governance and Integrity Framework, including the maintenance and review of governance documents and policies.
- **Risk Management:** Evaluate, recommend, and report to the Board on the approval and/or modifications to the Group's risk management framework, policies, strategies, procedures, systems, capabilities, and parameters
- **Review of Policies:** Review and recommend for the Board's approval on the Group's policies as per the Group LOA and the Governance of Policies and Procedures.
- **Business Risks Reporting:** Present to the Board updates on key business risks, strategies for managing these risks, the effectiveness of mitigation plans, and the progress in managing such risks.
- **Regulatory Compliance:** Review and report on matters for inclusion in the Company's AIR, ensuring compliance with Bursa Securities mandates and statements related to governance and risk management.

- **Quarterly Governance & Risk Reporting:** Regularly inform the Board, on a quarterly basis, about the status of Governance initiatives and issues, Whistleblowing, group top key risks, emerging risks, reputational risk, cyber security risk, corruption risk and their corresponding mitigations.
- **Board Governance & Risk Management Committee - Whistleblowing (BGRMCWB):** Accountable for managing and taking action on complaints received through the secure and accessible whistleblowing channel. Review and give direction on any cases reported against Vice Presidents, Senior Vice Presidents, Executive Vice Presidents (including the GCEO), Sector Heads, members of the Board, including Government Appointed Directors and to deliberate findings from investigation reports for all positions of employees in FGV.

For detailed information on the composition of the BGRMC in 2023, including member names, designations, meeting frequency, and attendance details, please refer to page 113 of this report.



More information on the ToR can be found on our website, www.fgvholdings.com. This Report is to be read together with the CG Report 2023, also available on our website.

EFFECTIVE AUDIT AND RISK MANAGEMENT

SUMMARY OF WORK

In 2023, the BGRMC reviewed and considered the following key matters in discharging its responsibilities:

GOVERNANCE, ETHICS AND INTEGRITY	RISK MANAGEMENT
<p>a. Reviewed & Approved:</p> <ul style="list-style-type: none"> • Appointment of Officer-in-Charge for Group Governance Division. • Group Chief Governance Officer’s Key Performance Indicators 2023. • Proposal for 2022 CGOS, Report on the BGRMC and the CG Report. • Proposal for 2022 Performance Bonus for Head of Group Governance. • Proposal for Revised Directors’ CoBP & Directors’ CoEC. • Proposal for Restructuring of Group Governance & Risk Management Division. • Proposed New Structure, ToR and Job Descriptions of Group Governance Management Division. • Whistleblowing Committee structure. • Establishment of new policies and revision of existing policies. • Group Governance Management Division 2024 Activity Plan. <p>b. Briefed:</p> <ul style="list-style-type: none"> • Revision and new policy. • Group Governance Management Division Activity Report for financial year ended 2023. • Whistleblowing and Grievance Status Update for financial year ended 2023. • Anti-Bribery Audit Outcome. • Any other matters in relation to issues raised by the Whistleblowing Committee (WBC). <p>c. Managed Whistleblowing Matters:</p> <ul style="list-style-type: none"> • Deliberated and determined the basis of the complaints against Vice Presidents and above, Sector Heads, Members of the Board, and Government Appointed Directors to determine the next course of action and to deliberate findings from investigation reports for all positions of employees in FGV. • Decided appropriate action to be taken, upon completion of the investigation report’s deliberation (all positions) received through the Whistleblowing channel. • Ensured the confidentiality of the Whistleblower and Detrimental Action against him/her were protected. Protection for criminal cases should be obtained from relevant enforcement agencies as stated in the Whistleblower Protection Act 2010 (Act 711). • Ensured the progress of the investigation was closely monitored and done professionally (considering the sensitivity, complexity, and the number of information received) and was carried out within the accepted timeline. • Monitored the case to ensure that action was taken by the responsible party. 	<p>a. Assessed and deliberated on the Group’s top key risks, emerging risks, reputational risk, cyber-security monthly report, corruption risk, project and tender risk assessment highlights, and key risk management achievements and activities.</p> <p>b. Appraised the reports on:</p> <ul style="list-style-type: none"> • Status update and closure of External Audit report. • Key deliberations for matters discussed in Risk Management Committee meeting. • Enhancement of FGV Group Risk Appetite Statement and its progress for group wide implementation and dissemination. • Completed activities and initiatives conducted in 2023. • Business Continuity Management (BCM) activities across the Group in FGV Group Quarterly Risk Report. • ERM System Enhancement Project Phase 2. • Enhancement of BCM Policy. <p>c. Reviewed & Approved:</p> <ul style="list-style-type: none"> • Proposal for 2022 Performance Bonus for Head of Risk Management Proposal. • Proposed New Structures, Terms of Reference and Job Descriptions of Group Risk Management Division. • Proposed Year 2022 Performance Score and Ratings for Group Chief Risk Officer. • Group Chief Risk Officer’s Proposed Key Performance Indicators 2023. • New Venture Post Review Project Risk Assessment. • 2024 Risk Management Activity Plan.
	<p>STATEMENTS INCLUDED IN FGV’S ANNUAL INTEGRATED REPORT 2022</p>
	<p>a. Reviewed the BGRMC Report, SORMIC and CGOS to be included in FGV’s AIR 2022 as well as the CG Report 2022 and recommended the same to the Board for approval.</p>



PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

SIGNIFICANT MATTERS CONSIDERED BY THE COMMITTEE

The Chairman of the BGRMC provided the Board with updates on critical issues discussed during BGRMC meetings and the recommendations made therein. Additionally, confirmed minutes from each BGRMC meeting were distributed to the Board for review at the earliest possible opportunity. Significant matters reported by the BGRMC to the Board included:

SIGNIFICANT MATTERS	HOW THE BGRMC PROVIDED OVERSIGHT ON THESE MATTERS
Russia-Ukraine Conflict	Recognised the repercussions on FGV's operational landscape, cognisant of the intricate interplay of risks stemming from diverse fertiliser sourcing locales, fluctuations in global freight charges, potential disruptions in logistics and shipments, energy price dynamics, volatility of the global vegetable oils market, and currency exchange fluctuations.
Risk Management Committee Meeting	Took note of the key deliberation for matters discussed in the Risk Management Committee meeting.
Group Policies	<p>Recommended the following new and proposed revisions for the Board's approval:</p> <p>New</p> <ul style="list-style-type: none"> • Corporate Branding & Communications Policy • Flexible Working Arrangement Policy • Group Grievance Management Policy <p>Revise</p> <ul style="list-style-type: none"> • COEC • COBP • GSP
Enhancement of FGV Group Risk Appetite Statement (FGV Group RAS)	<ul style="list-style-type: none"> • Reviewed the enhanced FGV Group RAS and took note of the progress and updates on its implementation and dissemination to the sector and subsidiary levels, ensuring a consistent understanding and adoption across FGV. • Reviewed and recommended the enhanced FGV Group RAS to the Board for approval.
FGV Group Quarterly Risk Report	<ul style="list-style-type: none"> • Deliberated on the paramount risk landscape pertaining to the Group's business and operations which entailed key risks and the corresponding mitigation strategies. Informed the Board of risks necessitating closer scrutiny, presenting a detailed overview of the prevailing risk profile and future outlook. • Reviewed new project risk assessment, new venture post review project risk assessment and tender risk assessment for investment proposals and tender participations.
Preparedness for Militant Threat in Sabah East Sabah Security Zone (ESSZONE)	Acknowledged the implementation of a location-based crisis management team at ESSZone Sabah to effectively coordinate and address local crises. Additionally, ongoing improvement initiatives and regular training sessions were noted in response to the risk posed by the Sulu Sultanate's activities in contested areas, aimed at mitigating potential threats.

PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

SIGNIFICANT MATTERS	HOW THE BGRMC PROVIDED OVERSIGHT ON THESE MATTERS
El-Nino Assessment on Plantation Sector	Reviewed the evaluation of El Niño’s potential impact on palm oil yield performance and assessed the effectiveness of current mitigation strategies to strengthen FGV’s resilience against climate change risks.
Whistleblowing	Reviewed and deliberated on the number of whistleblowing cases, their respective categories, lessons learnt and recommendations from investigations cases.
BGRMC (Whistleblowing Committee)	Evaluated complaints against high-ranking officials such as Vice Presidents, Sector Heads, Board Members, and Government Appointed Directors ensuring thorough and timely investigations as well as deliberating findings from investigation reports for all positions of FGV employees, and overseeing the implementation of appropriate actions in accordance with the Whistleblower Protect Act 2010 (Act 711).

PERFORMANCE REVIEW

During the financial year, the Board evaluated BGRMC’s performance and the extent to which the BGRMC met the requirements of its ToR, including the term of office and performance of the BGRMC and each of its members. This performance assessment constituted part of the annual BEA, pertaining to the assessment of Board Committees.

The BGRMC Report was made in accordance with the board’s resolution on 27 March 2024.



PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATING WITH OUR STAKEHOLDERS

ENGAGING OUR STAKEHOLDERS

Committed to maximising long-term stakeholder value, our Group emphasises keeping stakeholders thoroughly informed about emerging developments and strategies. We are dedicated to offering a comprehensive and unbiased perspective on our performance and challenges.

In line with FGV's Shareholders Communication Policy, the Investor Relations (IR) Department assures shareholders of timely, accurate, complete, clear, and widely disseminated information. Upholding this commitment entails strict adherence to established frameworks and guidelines governing the release of material and sensitive information, in full compliance with disclosure requirements.

The primary channels employed for effective communication with stakeholders includes:

CORPORATE WEBSITE

Our website stands as a vital platform for investors and stakeholders seeking information about FGV. To ensure the availability of the latest and most accurate details concerning FGV, the website undergoes regular updates as well as immediate modifications when required.



More information can be found on our website, www.fgvholdings.com.

STAKEHOLDER MEETINGS

FGV prioritises a robust and dynamic stakeholder engagement strategy, fostering open communication and a deeper understanding of our Company's vision and initiatives. This commitment is driven by our Senior Management, lead by the GCEO, who actively participates in a multi-pronged approach to connect with the diverse stakeholders.

Tailored channels for meaningful dialogue:



IR programmes

In 2023, we heightened our engagement efforts through tailored one-on-one interactions and targeted group meetings with investors, analysts and community leaders. These sessions were dedicated to discuss our business performance, strategic plans, and key projects. This personalised approach enables us to address specific concerns and foster stronger relationships with the investment community.

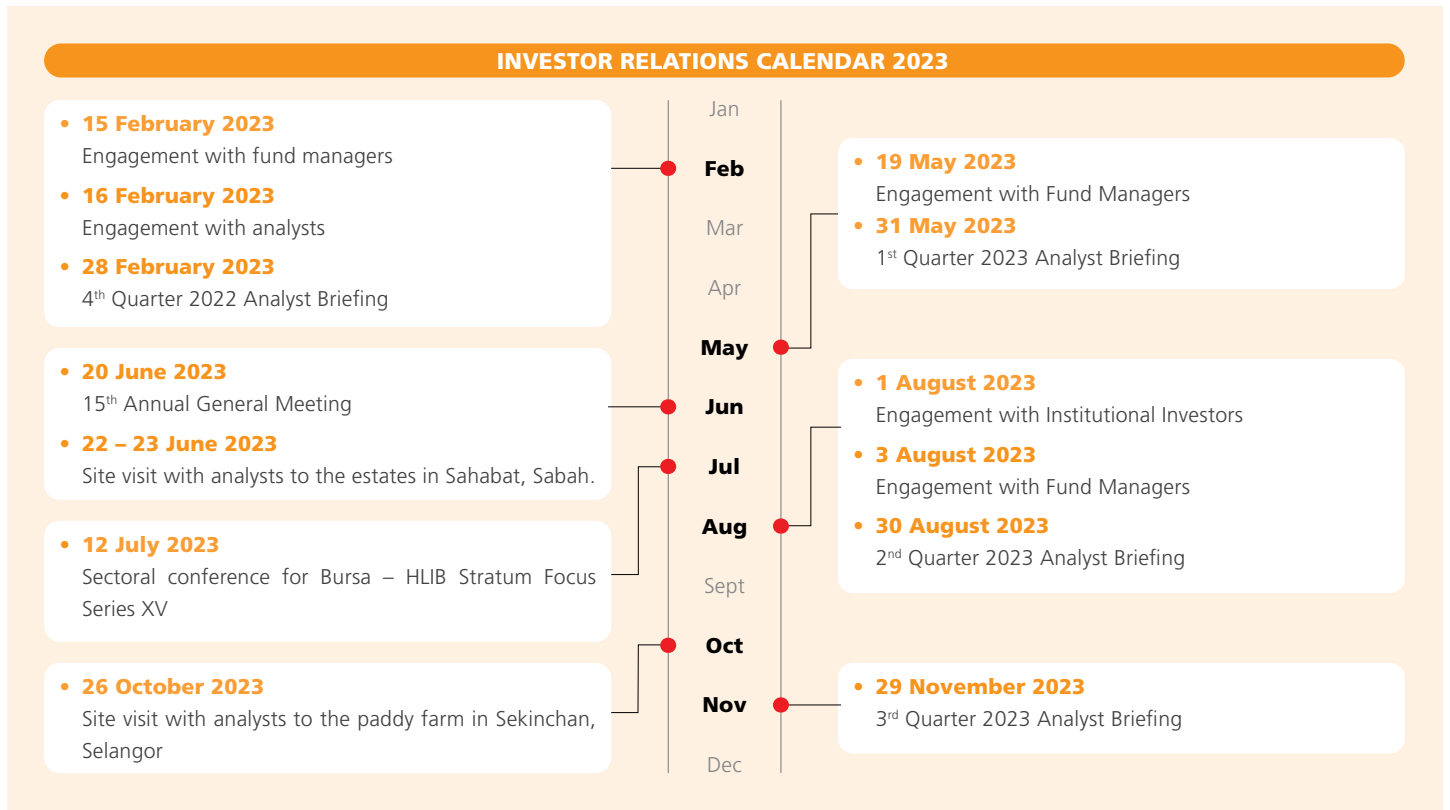


Engaging Industry Platforms

Beyond conventional meetings, FGV actively participates in industry conferences and talk series as a keynote speaker. This proactive approach allows us to shape the narrative, showcase our expertise, and foster meaningful connections with industry leaders and potential partners.

PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS



EFFECTIVE COMMUNICATION

FGV remains at the forefront of communication by using technology strategically, regularly conducting virtual briefings. This practice allows us to reach stakeholders worldwide, breaking down geographical barriers. Our virtual briefings go beyond simply sharing information; they also promote dialogue and interaction. We are committed to refining our virtual engagement strategy based on feedback and exploring new technologies to further improve the experience.

KEY CONCERNS RAISED BY STAKEHOLDERS

At FGV, we are addressing key concerns raised by our stakeholders and committing ourselves to fostering positive relationships, mitigating risks, and improving our performance. By carefully assessing and prioritising stakeholder’s concerns, we aim to build strong relationships that benefit everyone involved, ultimately leading to long-term success for all stakeholders.



PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

FINANCIAL AND OPERATIONAL PERFORMANCE	
Issues impacting value generation	Our response to these issues
<ul style="list-style-type: none"> • Volatility of Crude Palm Oil Prices • Decrease in FFB production • Uncertainties in weather patterns • Global demand and supply dynamics of edible oils 	<p>Amidst the challenges faced by the Group, there has been a concerted effort to boost operational efficiency.</p> <ul style="list-style-type: none"> • Despite a decrease in production, the Oil Extraction Rate (OER) has seen improvement from the better crop quality received and enhanced mill performance through the OER improvement programme. • Mechanisation has been enhanced through the Mechanical Assisted Infield Collection (MAIC) using power barrows, aiding in the evacuation of Fresh Fruit Bunch (FFB) in approximately 20,000 Ha of hilly terrace areas. • Identification of around 13,000 Ha of underproductive areas affected by worker shortages in previous years, with limited accessibility for harvesting and successfully rehabilitated 7,487 Ha to boost productivity in these areas. • Continuous monitoring of crop harvesting and mill efficiency, along with the optimisation of planting materials tailored to site suitability. • Additionally, efforts to enhance FFB quality and delivery, while minimising losses from pest and disease damage, remain ongoing. • Sustainability awareness programmes have been conducted with FGV's FFB suppliers, including dealers and smallholders, to ensure compliance with the Group Sustainability Policy, RSPO principles, and FFB quality requirements.
HIGHER OPERATING COSTS	
Issues impacting value generation	Our response to these issues
<ul style="list-style-type: none"> • Rising operation costs due to escalating energy, raw materials prices, labour costs, and foreign exchange rates 	<p>In addressing these challenges, we have implemented a range of measures aimed at safeguarding FGV's interests.</p> <ul style="list-style-type: none"> • The implementation of hedging strategies to mitigate risks associated with fluctuations in raw material prices such as sugar and fertiliser. • Actively exploring opportunities to diversify FGV's product portfolio by entering value-added segments such as premium oil and premium sugar. During the year, through our subsidiary, MSM, we had launched Premium Gula Super with over 25,000 MT volume sold. This strategic move aims to counterbalance the impact of higher production costs and enhance overall profitability. • To bolster our operational efficiency, we are focused on reducing costs through optimising resource utilisation, streamlining supply chain processes, and embracing mechanisation and digitalisation to improve productivity across the board. • Recognising the challenges posed by the surge in global raw sugar prices, we have initiated discussions with the government to review the ceiling price, given the controlled nature of sugar markets. • On the procurement front, we have proactively engaged in negotiations with suppliers to secure favourable pricing agreements, establish long-term contracts, and leverage bulk purchase discounts. Additionally, we are diversifying our supplier base to enhance flexibility and mitigate risks associated with disruptions caused by currency fluctuations or geopolitical events.

PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

SUSTAINABILITY ISSUES	
Issues impacting value generation	Our response to these issues
<ul style="list-style-type: none"> Uncertainties surrounding the WRO imposed by the US CBP Pressure on compliance and sustainability matters 	<p>At FGV, sustainability is at the core of everything we do. This means we are committed to conserving the environment and protecting human rights to ensure fair labour. We actively involve stakeholders in a range of initiatives and focus on ESG efforts. This means we are committed to conserving the environment, human rights, ensuring fair labour practices and strengthening our governance and risk management system.</p> <ul style="list-style-type: none"> During the year, FGV invested RM392.6 million in key activities such as improving worker accommodations. The Group had also been involved in impactful programmes like the Child Protection Programme, Sun Bear Conservation Programme, International ESG Conferences, and Sustainability Week. To ensure we meet the highest sustainability standards, we had taken proactive steps. For example, FGV has reimbursed RM72.2 million in recruitment costs to 20,153 active migrant workers through three payments which were made in March, June, and September 2023. These payments were being verified by LRQA (formerly known as ELEVATE) to ensure compliance with our remediation plan. The Group established the Sustainability Steering Committee and the WRO Task Force to address sustainability concerns, including efforts to lift the WRO imposed by the US CBP.
COMPLIANCE WITH THE LISTING REQUIREMENTS ON PUBLIC SHAREHOLDING SPREAD	
Issues impacting value generation	Our response to these issues
<ul style="list-style-type: none"> Non-compliance with the PSS requirement 	<ul style="list-style-type: none"> Bursa Securities has granted FGV another six-month extension until 2 September 2024 to meet the PSS requirement. To fulfil this obligation, the Group has devised a rectification plan involving the issuance of new shares (Proposed Bonus Issue), which is expected to be implemented in 2024. Bursa Securities has also granted FGV a further extension of time until 13 August 2024 to issue the circular in relation to the Proposed Bonus Issue to comply with Paragraph 9.33(1)(b) of the Listing Requirements. FGV will continue to make quarterly announcements on its efforts to comply with the PSS requirement in compliance with the Listing Requirements.



PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

MEDIA COVERAGE

In addition to conventional communication avenues, the Group employs media channels to connect with the public, foster a favourable corporate image, and keep stakeholders informed about the Group's progress. Utilising diverse social media platforms, the Company consistently disseminates updates on a weekly basis. The Group maintains positive relationships with media partners through timely and precise responses to their inquiries, and initiate proactive engagements ensuring effective collaboration and communications.

GENERAL MEETINGS

General meetings serve as the primary avenue for direct interaction between the Company, represented by the Board and Senior Management, and shareholders, constituting a pivotal platform for constructive dialogue. The Chairman of the Board, Committees Chairman, Committee members, the GCEO, and key leadership members actively participate in the AGM, ensuring effective communication with shareholders.

The Board Charter explicitly outlines the Board's commitment to overseeing the seamless conduct of general meetings, recognising them as vital mechanisms for shareholder communication. This involves furnishing shareholders with comprehensive and timely information, as well as encouraging their active engagement. FGV has embraced technology to broaden participation, enabling shareholders to remotely participate and electronically cast their votes. The 15th AGM proceedings were made accessible through live streaming via LUMI AGM facilities at <https://web.lumiagm.com>, leveraging patented technology known for its accuracy and security, as independently verified.

Detailed account of the fully virtual 15th AGM held on 20 June 2023, GCEO's presentation, FGV's responses to the Minority Shareholders Watch Group's (MSWG) queries, comprehensive list of shareholder questions with corresponding FGV responses, can be referred to the corporate website at www.fgvholdings.com. The procedures on completing the minutes is available in Practice 13 of the CG Report 2023.



More information on the proceedings of the 15th AGM can be found in the CG Report 2023, which is available on our website www.fgvholdings.com.

ENQUIRIES

FGV places significant importance on maintaining open lines of communication and encourages feedback from shareholders throughout the entire year. Shareholders are encouraged to articulate any queries or concerns they may have regarding the Group, and these can be directed to either the IR Department or the Group Strategic Communications Division.

On matters pertaining specifically to shareholding, shareholders are invited to contact the Company's Share Registrar. Additionally, concerns can be addressed to the Senior Independent Non-Executive Director. Details of the point of contact for these points of contact are provided below:

Investor Relations Department

Nurul Syazatul Aiman Taifor
Head of Investor Relations
Level 20, Wisma FGV
Jalan Raja Laut
50350 Kuala Lumpur
Malaysia



03 2789 0000



03 2789 0001



fgv.investors@fgvholdings.com

Group Strategic Communications Division



fgv.enquiries@fgvholdings.com

Share Registrar



bsr.helpdesk@boardroomlimited.com

Platform for shareholders/stakeholders to convey concerns



sid@fgvholdings.com


PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

FINANCIAL REPORTING AND DISCLOSURE

The FGV Board is committed to providing an equitable and unbiased assessment of the Group’s financial position and outlook across various financial reports, including Quarterly Financial Results, Audited Financial Statements (AFS), the Annual Integrated Report (AIR) and other publications. The prompt and accurate dissemination of information is of utmost importance in our announcements, and our financial statements strictly adhere to the guidelines outlined in MFRS, IFRS, Bursa Securities Listing Requirements, Companies Act 2016, and pertinent laws and regulations in the jurisdictions where FGV operates.

In order to ensure precision and fairness in our financial reports, the Audit Committee conducts a thorough review of the AFS and quarterly reports, working closely with FGV’s external auditors. We recognise our responsibility to provide shareholders, investors, and regulatory authorities with a comprehensive and transparent understanding of our financial performance.

 More information on the Statement on Directors’ Responsibility in respect of preparation of FGV’s AFS can be found on page 1 of the AFS Report.

ANNUAL INTEGRATED REPORT

This marks the ninth edition of FGV’s AIR and the twelfth Annual Report, underscoring our commitment to transparency and accountability since our listing on Bursa Securities on 28 June 2012. The AIR provides a thorough overview of the Group’s operations and financial performance in 2023, reflecting our steadfast dedication to delivering value to stakeholders through responsible and sustainable business practices.

PLANS FOR 2024

In 2024, the governance priorities to support and align with FGV’s business strategies and plans will be as follows:

- Review and enhance internal policies and procedures relating to Board matters.
- Renewal of FGV’s Anti-Corruption Plan (FGVACP).
- Establishment of Group Compliance & Monitoring Department.
- Establishment of Gender Diversity Policy for Senior Management.

STATEMENT BY THE BOARD

The Board has deliberated, reviewed and approved this Statement and, save as disclosed, is satisfied that the Group has considered all obligations under the relevant paragraphs of the Bursa Securities Listing Requirements, Companies Act 2016, MCCG 2021, Bursa Securities’ Corporate Governance Guide and other applicable laws and regulations throughout the financial year ended 31 December 2023.

The Board confirms that for the year ended 31 December 2023, the principles of good corporate governance contained in the MCCG 2021 have been consistently applied. Our explanations for departures of certain principles are provided below.

PRACTICE	SUMMARY EXPLANATIONS
Practice 5.2	The Board’s composition comprised majority independent directors until the 15 th AGM whereby three Independent Non-Executive Directors had ceased to be re-elected at the said AGM. Since then, the Board is continuously looking for suitable candidates to be appointed as Independent Non-Executive Directors without compromising the skills and experience based on the BEE 2022. In April 2024, four out of eight directors are Independent Non-Executive Directors.
Practice 5.9	The Board is comprised of 30% women directors until the 15 th AGM whereby one women director had retired at the said AGM. Since then, the Board is left with two women directors. The Board is continuously looking for suitable candidates to meet at least 30% women directors. In April 2024, the Board consists of four women directors, representing 50% of the Board’s composition.
Practice 5.10	The BNE Policy has a provision on diversity for the Board that includes gender. However, there was no gender diversity policy for Senior Management. FGV is committed to provide equal opportunity in recruitment and career growth regardless of ethnicity, culture, age and gender. FGV is also committed to integrating a gender perspective to fulfil the Group’s responsibility in respecting human rights. FGV has established GEWE Committee. In April 2024, there were five women in the Group Management Committee of FGV. The GEWE discussed on the establishment of Gender Diversity Policy for consideration and action by FGV.
Practice 8.2	FGV believes that the disclosure of Senior Management’s remuneration in detail may be detrimental to its business interests given the competitive human resource environment for the knowledge and experience of such personnel in FGV. Nevertheless, the names of the top five members of Senior Management are disclosed on page 126 of this report.

The Board is committed to cultivate a responsible organisation and will regularly review and refine the Group’s corporate governance practices to maintain a sensible and solid framework for effective governance in the interest of the shareholders and stakeholders.

This Statement was made in accordance with the resolution of the Board of Directors approved on 27 March 2024.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board is pleased to present the Statement on Risk Management and Internal Control. The formulation of this statement is in alignment with relevant guidelines and listing requirements.

MANAGING RISK EFFECTIVELY

The Group's commitment to achieving strategic objectives is closely intertwined with its handling of risks, a key driver of the company's success. At every organisational level, risk management is embedded into operational procedures with the overarching goal of establishing exemplary risk management practices. Internal awareness programs are routinely conducted to ensure that FGV's workforce not only comprehends the fundamentals of risk management but also stays abreast of the Group's evolving risk management practices.

In addition to these initiatives, the Group has instituted a comprehensive governance, risk, and compliance structure. This structure serves as a robust framework, empowering management to oversee risks, processes, and controls. Acknowledging the pivotal role of effective risk management in guiding informed decision-making processes aligned with corporate goals, the Group has strategically positioned robust and agile risk management strategies as a fundamental cornerstone for its long-term success.

Adopting a comprehensive risk approach provides the Group with the capability to safeguard its value proposition, proactively navigate potential threats to strategic and operational objectives, and capitalise on emerging opportunities. The central role of effective risk management in FGV's decision-making processes is paramount, as it facilitates:

The prioritisation of planning efforts to ensure the successful delivery of its strategic objectives.

1

The consideration of potential risks and rewards when establishing and implementing controls in areas of critical importance.

2

Better focus of its assurance resources on specific areas of risk and uncertainty.

3

The pursuit of new opportunities while simultaneously managing risks in a rapidly changing external environment.

4

The adoption of best practices in accordance with the MCGG.

5

The Group adheres to a standardised framework for delineating, analysing, and reporting on all key risks within the Group. This comprehensive framework entails evaluating the likelihood of occurrence, potential impact on objectives, and employing a range of impact measures. Risk owners routinely assess and evaluate the effectiveness and adequacy of risk mitigations at FGV. The task of identifying, registering, assessing, and prioritising risks, considering their potential impact on individual businesses and operational objectives, falls under the purview of the respective risk owners. These risk insights are integrated into the daily operations, strategic planning and budgeting processes.

The Risk Management Committee (RMC) assumes the responsibility of scrutinising and deliberating on the Group's key risks, encompassing emerging risks. Subsequently, these are elevated to the Board Governance & Risk Management Committee (BGRMC) for acknowledgment and independent review. The outcomes of this rigorous process undergo further review by the Board, which relies on the risk management oversight matrix to instil confidence in the management of such risks.

The Group also relies on the work of its Group Internal Audit for input on improvements of its risk management processes and identification of internal controls weaknesses related to mitigation of the key risks.


HOW RISKS ARE MANAGED

The Group has instituted a robust risk management process that encompasses two critical dimensions: identification of the Group's key risks and the provision of reasonable assurance in managing those risks within defined risk appetite parameters. Anchored on ISO 31000 Risk Management Standards, this process is overseen by BGRMC. The BGRMC ensures that a strong risk culture is embedded within the Group and reviews the Group's key risks, progress and mitigation measures.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

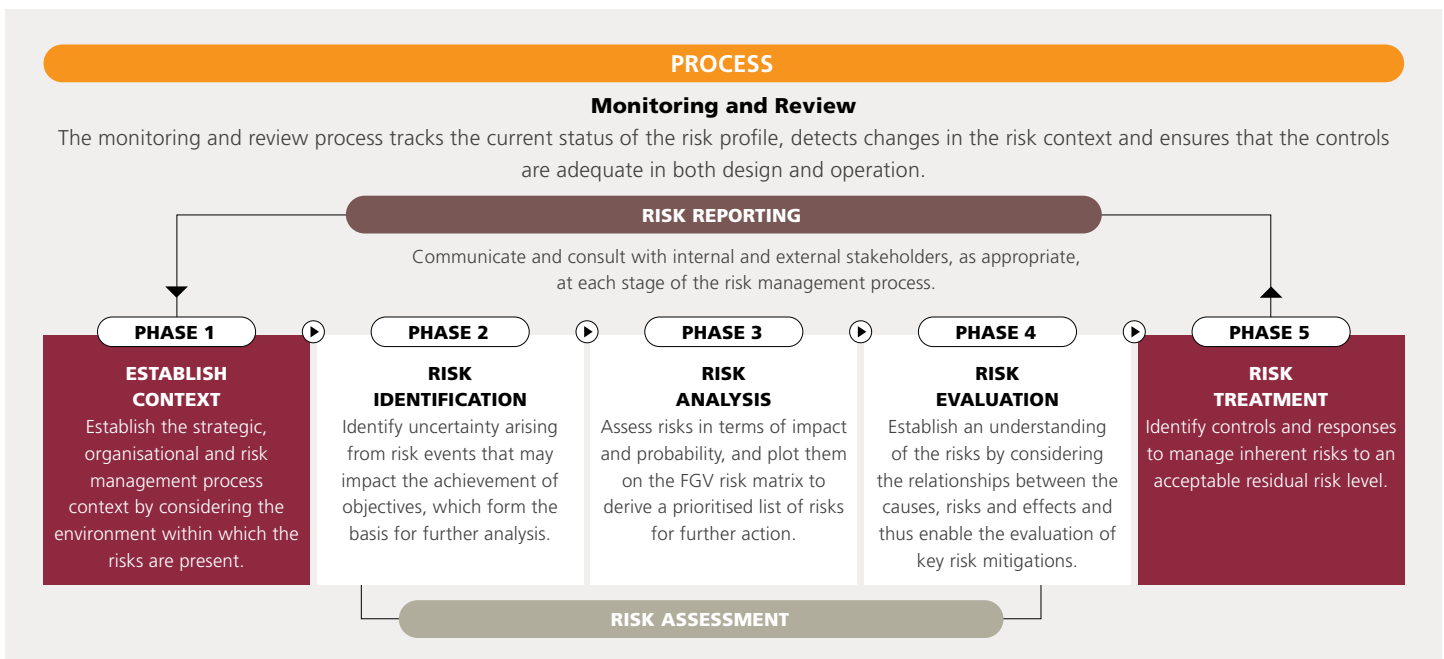
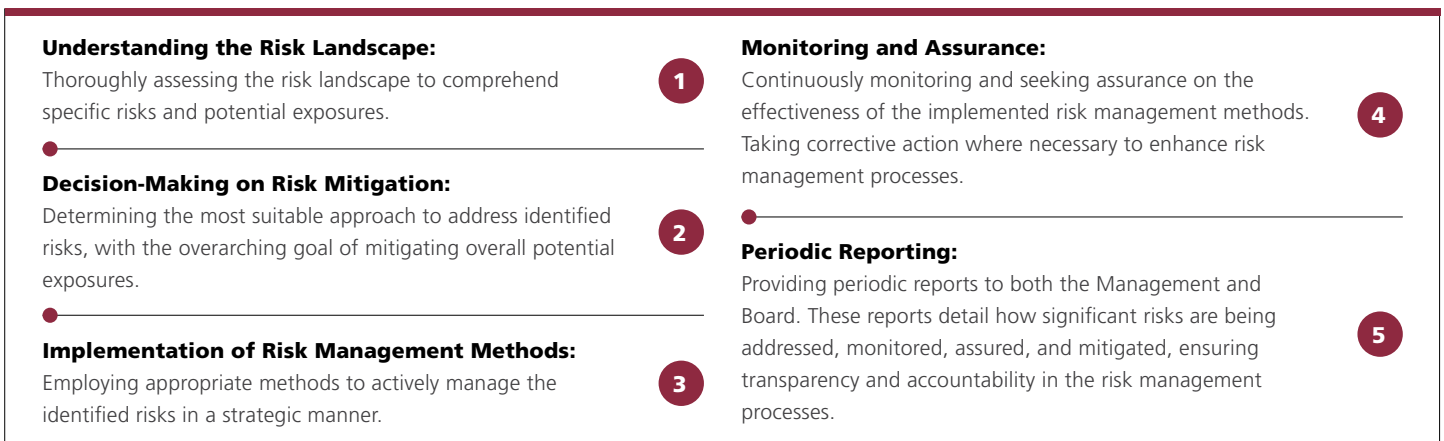
Driving this process is the Group Risk Management Division (GRMD), entrusted with the development and upkeep of the risk management policy and framework. GRMD provides invaluable support to both the Board and Management, facilitating the implementation of a risk-aware culture, methodology, and the tools and skills necessary for effective risk oversight.

The Risk Management Framework follows a dual-pronged approach, combining a top-down perspective for identifying the Group’s key risks with a bottom-up approach to pinpointing operational risks. Quarterly reporting of key risks to Sector Risk Committees precedes deliberation and guidance, ensuring alignment within acceptable levels and the Group’s strategic objectives and risk appetite. RMC and BGRMC further scrutinise these risks in a tiered escalation process, with RMC conducting periodic deep-dive reviews to support relevant strategic topics on its agenda.

 More information on BGRMC can be found in the Corporate Governance Overview Statement on pages 136 to 137.

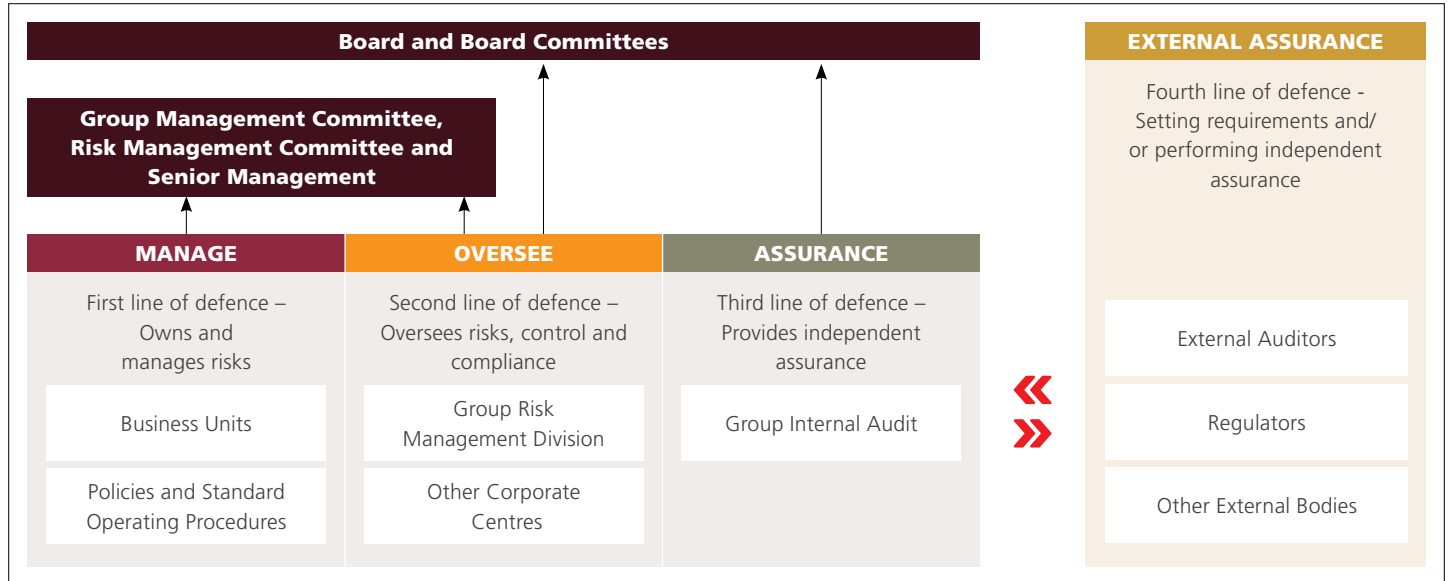
RISK MANAGEMENT FRAMEWORK

The primary aim of the Risk Management Framework is to facilitate the realisation of FGV’s strategic objectives by fostering clarity and proactive behaviour. This involves:



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The diagram below shows FGV’s risk management oversight matrix.



KEY INITIATIVES 2023

The key initiatives drive the implementation of framework and process methodology enhancements, fostering resilience and preparedness against key risk threat.





KEY INITIATIVES	OUTCOME
<p>Risk Appetite Statement (RAS)</p> <p>The Group enhanced its RAS framework by incorporating KRIs and establishing thresholds to assess corporate risk profiles. The assessment covered primary risk categories: geopolitical, catastrophic, market, strategic, financial, and operational, with a focus on trading functions.</p>	<p>The Group RAS is a vital framework for informed decision-making, instilling confidence in risk navigation and integrating with key management activities. It serves as a governance mechanism for risk-taking, driving current and future business activities in line with strategic objectives.</p>
<p>Enterprise Risk Management System (ERMS) Enhancement Project 2.0</p> <p>This enhancement is a strategic initiative aimed at improving process ownership and efficiency. It includes key changes like better user experience, refining risk priority moderation, upgrading KRI status, implementing Bow-Tie Analysis, and integrating the Corruption Risk Management (CRM) module. The project also covers top risks nomination, escalation protocol, risk aggregation processes, and dashboard review.</p>	<p>The Project successfully upgraded the ERMS methodology, process, and functionality, integrating the CRM module. This improved ERMS ensures higher-quality input for registered risk assessments, enhances risk reporting, facilitates ongoing and future reviews by respective risk register owners.</p>
<p>Location-Based Crisis Management (LBCM)</p> <p>FGV conducted a LBCM exercise in ESSZONE, Sabah, to proactively address potential disruptions caused by militant threats to operations and businesses in Northern Sabah. The exercise aimed to focus on refining notification and escalation procedures, optimising decision-making efficiency, and increasing overall awareness of Business Continuity Management fundamentals amidst militant threat scenarios.</p>	<p>The LBCM exercise underscored the necessity for improvements to bolster the preparedness and resilience of the participating companies. Regular awareness and training programmes, coupled with ongoing reviews and refinements of notification procedures, can deepen the participants’ understanding of crisis management.</p>

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

KEY RISKS AND UNCERTAINTIES

The Group faces various macroeconomic and industry-specific risks, offering a detailed overview of key risks and associated indicators while assessing potential threats and opportunities. It recognises the transformation of unknown risks into material threats, impacting performance, assets, liquidity, capital, and reputation. To address challenges and align with goals, it systematically reviews key risks through GRMD, RMC, and BGRMC. The Group adopts a forward-looking approach to identify emerging risks through horizon scanning, internal surveys, and market analysis. RMC, BGRMC, and Board collectively assess emerging risks, which are closely monitored and integrated into ongoing risk management processes. Current emerging risks include El Nino, cyber threats, militant resurgence, and geopolitical tensions like the Russia-Ukraine conflict. Reputation risks are managed through monitoring of mainstream and social media.



Links to FGV's Strategic Thrusts

-  Operational Improvement
-  Product & Market Penetration
-  New Growth Areas
-  Financial & Capability Building

 **TRADING:** Volatility of CPO Prices 

Description
 FGV's profitability faces significant risk due to uncertainty in Crude Palm Oil (CPO) trading. Factors such as global demand fluctuations, supply chain disruptions, government policy changes, environmental concerns, commodity price and currency exchange rate volatility contribute to this uncertainty. Given FGV's heavy reliance on CPO as a primary revenue stream, its exposure to this risk is substantial.



Key Mitigations
 FGV has implemented a comprehensive risk mitigation strategy, including hedging mechanisms for forward sales of oils and arbitrage. It regularly evaluates sales to committed and uncommitted buyers, closely monitors market developments, especially concerning soybean and soybean oil prices, and analyses agricultural market reports and industry insights. The Group remains vigilant by staying updated with information from relevant international organisations and agricultural authorities.

 **MARKET:** Rising Energy and Raw Material Prices 

Description
 Rising energy and raw material costs, driven by global geopolitical tensions like the Russia-Ukraine conflict, present significant challenges. Fluctuating prices of key raw materials and disruptions in the natural gas supply chain directly impact production costs.

Key Mitigations
 FGV implements a range of strategies including optimising bulk shipment arrangements, sourcing from alternative suppliers, raw material positioning, pre-tender participation purchases for captive market and close monitoring of global prices.

FGV implements rooftop solar projects at various sites as a source of renewable energy and also a means of cost saving.

 **LABOUR:** Labour Shortages 

Description
 FGV's estate operation is heavily dependent on manual labour, mainly from migrant workers. FGV's commitment to ethical recruitment principles & standards which require stringent assessment on both the recruitment agents and migrant workers, and laborious recruitment process delaying recruitment to close the shortfall of migrant workers, hindering estate productivity.

Key Mitigations
 FGV tackles operational challenges through a multifaceted approach. FGV is increasing mechanisation to reduce reliance on manual labour and enhancing harvesting efficiency with structured block crop recovery arrangements. FGV also places a paramount focus on creating a favourable work environment as evident through corporate social responsibility programmes and the establishment of a centralised initiation center. Additionally, FGV implements salary incentives, regularises foreign workers in Sabah, and subsidises passport renewal costs to enhance workforce welfare and retention. FGV is undertaking an empanelment of recruitment agents in Indonesia through its strengthened recruitment and due diligence procedures to identify and appoint only agents that comply with ethical recruitment principles and standards.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL



SUGAR: Refinery High Production Cost & Low Utilisation Factor



Description

The sugar industry faces significant challenges stemming from increased production costs, such as increased raw sugar prices, higher energy costs, freight charges, and currency depreciation against the USD. Additionally, reduced refinery utilisation rates have contributed to lower production levels.

Key Mitigations

The Group implements hedging mechanisms to manage fluctuating raw material prices, freight, energy costs, and currency exchange rates. Moreover, FGV adopts pricing strategies to account for rising production costs, expands distribution channels, and actively engages stakeholders to strengthen market share. Collaboration with both industry and government is prioritised to foster innovative solutions. To tackle low refinery utilisation, the Group emphasises reliability programmes, process enhancements, and seeks guidance from consultants and experts to optimise the sugar refining process to increase production volume.



SUSTAINABILITY: Allegations of Forced Labour



Description

The palm oil industry faces close scrutiny for sustainability practices, especially concerning labour rights, deforestation, and climate impact. Allegations of forced labour incidents within FGV's plantations have significantly impacted the Group's reputation and business operations, resulting in the ongoing suspension of the Roundtable on Sustainable Palm Oil (RSPO) certification and actions by the United States Customs and Border Protection (US CBP).

Key Mitigations

FGV has taken decisive action to address human and labour rights concerns by implementing a comprehensive range of initiatives. In response to the Withhold Release Order (WRO) issued by the US CBP, FGV engaged LRQA (formerly known as ELEVATE) to conduct an independent assessment of its operations and devised a remediation plan targeting 12 key focus areas to mitigate risks of forced labour.

One crucial focus was bolstering labour compliance management by introducing and refining policies, improving worker welfare with upgraded housing and facilities, and aligning recruitment procedures with ethical recruitment principles, including eliminating workers recruitment fees. Forced labour risks are now part of routine audits.



CLIMATE: Extreme Weather



Description

Unfavourable weather conditions greatly impact the crop-ripening process, harvesting capability, and FFB yield. Prolonged droughts can harm oil palm inflorescence, leading to bunch failure, while floods can hinder estate access and cause FFB loss, resulting in low crop recovery.

Key Mitigations

To mitigate the impacts of adverse weather and extreme climate conditions on FFB yield, FGV implements good agricultural practices like moisture conservation and mulching, especially for immature palms. In flood-prone estates, FGV constructs bunds, improves drainage systems, and adjusts harvesting arrangements as part of its response measures.

FGV has formulated an integrated climate action plan encompassing six strategic factors in its sustainability agenda: Climate Governance, Waste Management, Operational Efficiency, Carbon Management, Water Management, and Climate Awareness. FGV is currently establishing short- and long-term emission reduction objectives to further enhance its sustainability initiatives.



CYBER SECURITY: Security Threats



Description

Digital infrastructure is vital for connectivity and widespread device utilisation within FGV, offering significant benefits. Threats like malware attacks, security vulnerabilities, unsecured Wi-Fi networks, weak passwords, and lax user attitudes pose significant risks to system operability and security.

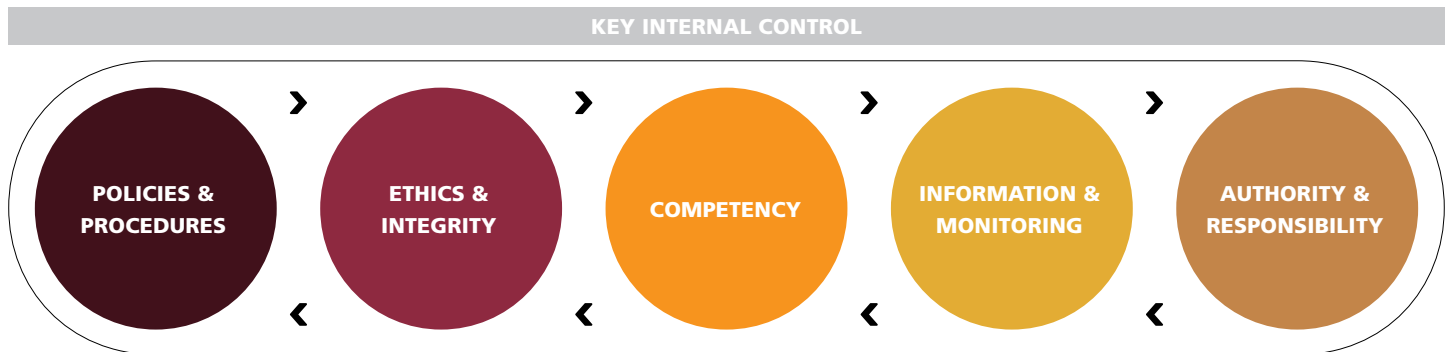
Key Mitigations

FGV has implemented a comprehensive set of measures to manage cyber security risks effectively. These include user security awareness sessions, round-the-clock Managed Security Services (MSS) monitoring, and digital risk reviews. The Group regularly conducts IT penetration testing to identify vulnerabilities in systems, networks, and applications, enabling prompt rectification of weaknesses and mitigating exploitation risks. Additionally, FGV conducts Cyber Drill exercises for IT Business Continuity Management to ensure uninterrupted critical IT systems and processes operation during disruptive events.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL FRAMEWORK

Our integrated internal control framework provides reasonable assurance to support the achievement of our strategic objectives. The framework is applicable to the Group and all its subsidiaries. It also extends to joint ventures and associated companies, with active involvement through Board representation or nominated appointees to safeguard our interests and investments. The key elements of our internal control framework are as follows:



POLICIES & PROCEDURES

Well-documented policies and procedures constitute a vital component of the Group’s internal control systems, serving as a safeguard for shareholders’ investments and the protection of the Group’s assets against substantial losses. Beyond risk mitigation, these policies and procedures play a critical role in ensuring the provision of complete and accurate information. This documentation encompasses a variety of forms, including policy documents, Standard Operating Procedures (SOPs), circulars, manuals, and handbooks. To adapt to evolving business and operational requirements, these materials undergo continuous revision and updating, underscoring the Group’s commitment to maintaining the highest standards of governance and operational excellence.

ETHICS & INTEGRITY

Directors’ Code of Business Practice, and Directors’ Code of Ethics and Conduct

The Board exhibits a commitment to ethical governance by adhering to the Directors’ Code of Ethics and Conduct (CoEC) and the Directors’ Code of Business Practice (CoBP). Each director reinforces this commitment through signed declarations, providing clear evidence of their dedication to upholding integrity. These documents are readily accessible on FGV’s website, showcasing the Group’s commitment to transparency. This pledge cultivates a culture of ethical excellence, positioning these codes as pivotal guiding principles that actively foster trust and integrity within the organisation.

Code of Business Conduct and Ethics for Employees

The Group upholds a Code of Business Conduct and Ethics for Employees (CoBCE) as a guiding framework. This comprehensive code instructs FGV’s employees to embody the Group’s values and comply with relevant laws and regulations through honest, transparent, and ethical business practices. Employees also sign an integrity pledge, committing themselves to principles of transparency and accountability.

Whistleblowing Policy

The Group is dedicated to upholding integrity standards for all employees and stakeholders. This policy provides a dedicated channel for disclosing genuine concerns regarding potential improprieties, improper conduct, or malpractices in a transparent and confidential manner, ensuring protection against punishment or unfair treatment. It not only ensures proper channels for addressing whistleblowing complaints but also includes provisions for whistleblower protection.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ETHICS & INTEGRITY

Anti-Bribery Management System

In firm commitment to a zero-tolerance policy against bribery and corruption, the Group has adopted an ISO-certified Anti-Bribery Management System (ABMS). This system maintains a rigorous standard of ethical business conduct and integrity, ensuring compliance with Section 17A of the Malaysian Anti-Corruption Commission Act (MACC Act) to safeguard against bribery and corruption risks. The Group is dedicated to continually maintaining its ABMS and is scheduled for recertification for the period 2023-2025.

Group Grievance Management Policy

The Group is committed to sustainable business practices in our business management and operations. Key aspects of the Environmental, Social, and Governance (ESG) agenda are encapsulated into the Group's grievance procedures, with an effective mechanism that provides rights holders to raise grievances and receive access to remedy.



More information on CoEC, CoBP and CoBCE can be found in Corporate Governance Overview Statement on page 129.

COMPETENCY

The essence of the Group's corporate culture is firmly rooted in its core values of Partnership, Respect, Integrity, Dynamism, and Enthusiasm (PRIDE). These values play a pivotal role in shaping an ethical and high-performance culture, aligning with the Group's overarching vision and bolstering its business objectives and goals. Ensuring that every employee is well-versed in these values is instrumental in instilling the appropriate conduct and cultural ethos throughout the organisation. The PRIDE elements are integrated into the annual performance assessment of employees, signifying the Group's commitment to its core values.

The Group prioritises the identification and cultivation of high-potential candidates as a fundamental component of succession planning, aligning with the overarching goal of supporting the Group's growth strategies. Recognising the imperative nature of this exercise, the organisation is committed to constructing a robust succession pipeline and fostering a healthy talent bench strength. This commitment is manifested through investments in competency development programmes that are specifically designed to cultivate the requisite skills essential for effective business operations. This strategic approach underscores FGV's dedication to nurturing talent and ensuring a resilient foundation for sustained growth.

INFORMATION & MONITORING

Management reports are deliberated monthly at GMC level to review the financial, non-financial and operational performance of the various businesses of the Group as well as review papers for submission to the Board. The role of GMC is complemented by other management committees that report directly to the GCEO. The financial and operational performance is reviewed quarterly by the Board to monitor FGV's business progress against established strategies, budgets and targets set annually. Through these platforms, actions and initiatives are implemented to close any gaps in the achievement of strategies and budgets.

AUTHORITY & RESPONSIBILITY

FGV has established clear lines of responsibility and delegation of authority to facilitate rapid responses to changing business dynamics, ensuring effective supervision and coordination of daily operations. This includes a defined organisational structure and Group Limit of Authority (GLOA), approved by the Board, outlining limits and approval authorities for both Board and Management across key processes. Empowering various levels of management, the GLOA facilitates informed decision-making and business transaction execution within predetermined risk tolerances set by the Board to foster operational efficiency.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ADEQUACY AND EFFECTIVENESS

During the year under review, the Board's evaluation of the sufficiency and efficiency of the risk management and internal control framework relied on quarterly reports and detailed Board papers from the BGRMC as well as the AC and other board subcommittees. The Board also entrusted the Group Internal Audit function with independently evaluating the adequacy and effectiveness of governance, risk management, and controls implemented by Management. Recommendations stemming from these internal audits are continuously adopted by Management to enhance the risk management process and internal controls.

MATERIAL JOINT VENTURES AND ASSOCIATES

The disclosures within this statement do not encompass the risk management and internal control practices of the Group's significant joint ventures and associates. To safeguard the Group's interests in these entities, representatives are appointed to the respective Boards of Directors, or nominated representatives serve in this capacity. Furthermore, when deemed necessary, the Board ensures the acquisition and review of key financial and pertinent information concerning the performance of these entities.

RISK MANAGEMENT APPROACH FOR FGV'S LISTED SUBSIDIARY

MSM Malaysia Holdings Berhad (MSM), being a publicly listed subsidiary of FGV, carries out its risk management and internal control duties through its Investment Tender Committee and Board Audit, Governance, and Risk Committee. The outcomes of these processes are then presented for consideration by MSM's Board. Risks identified with a substantial impact on the FGV Group are reported to FGV's BGRMC. If these risks directly affect the financial performance of the Group, they are relayed directly to FGV's AC and subsequently to FGV's Board for further assessment and decision-making.

REVIEW OF THIS STATEMENT BY THE EXTERNAL AUDITORS

Under the provisions of Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have conducted a review of the Statement on Risk Management and Internal Control. Their examination, conducted with limited assurance, adhered to the guidelines outlined in Audit and Assurance Practice Guide No. 3 (AAPG3) as issued by the Malaysian Institute of Accountants (MIA). AAPG3 does not mandate the external auditors to provide an opinion on the sufficiency and effectiveness of the Group's risk management and internal control systems.

THE BOARD'S CONCLUSION

The Board reports that the state of the group's risk management and internal control framework effectively facilitates the Group in managing its risks while aligning with its strategic plans and business objectives. Assurances from the Group Chief Executive Officer and Group Chief Financial Officer confirm that the Group's risk management and internal control framework operate adequately and efficiently across all material aspects.

This statement was made in accordance with a resolution of the Board approved on 27 March 2024.



SECTION SEVEN

CORPORATE GOVERNANCE AND SHAREHOLDER INFORMATION

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Top 10 Properties of FGV Group	162
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CORPORATE DETAILS

BOARD OF DIRECTORS

Tan Sri Rastam Mohd Isa

Chairman
Non-Independent Non-Executive
Director

Dato' Shahrol Anuwar Sarman

Non-Independent Non-Executive
Director

Datuk Dr. Yatimah Sarjiman

Non-Independent Non-Executive
Director

Dato' Dr. Suzana Idayu Wati Osman

Non-Independent Non-Executive
Director

Dato' Mohd Rafik Shah Mohamad

Senior Independent Non-Executive
Director

Nik Fazila Nik Mohamed Shihabuddin

Independent Non-Executive Director

Mohamad Fadzil Hitam

Independent Non-Executive Director

Nurul Muhaniza Hanafi

Independent Non-Executive Director

GROUP CHIEF EXECUTIVE OFFICER

Dato' Mohd Nazrul Izam Mansor

COMPANY SECRETARY

Azni Ariffin

LS0010610
SSM PC 202008003324

REGISTERED OFFICE

Level 21, Wisma FGV
Jalan Raja Laut
50350 Kuala Lumpur, Malaysia
Tel : +603 2789 0000
Fax : +603 2789 0001
Website: www.fgvholdings.com

PLATFORM FOR SHAREHOLDERS/ STAKEHOLDERS TO CONVEY CONCERNS

Dato' Mohd Rafik Shah Mohamad

Email : sid@fgvholdings.com

INVESTOR RELATIONS AND ENQUIRIES

Nurul Syazatul Aiman Taifor

Head of Investor Relations
Level 20, Wisma FGV
Jalan Raja Laut
50350 Kuala Lumpur, Malaysia
Tel : +603 2789 0000
Email : fgv.investors@fgvholdings.com

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd

Registration No: 199601006647 (378993-D)
11th Floor, Menara Symphony
No 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel (Help Desk) : +603 7890 4700
Fax : +603 7890 4670
Website : www.boardroomlimited.com
Email : bsr.helpdesk@boardroomlimited.com

AUDITORS

PricewaterhouseCoopers PLT

(LLP0014401-LCA & AF 1146)
Chartered Accountants
Level 10, Menara TH 1 Sentral
Jalan Rakyat, Kuala Lumpur Sentral
P.O. Box 10192
50706 Kuala Lumpur, Malaysia
Tel : +603 2173 1188
Fax : +603 2173 1288
Website: www.pwc.com/my

STOCK EXCHANGE LISTING

Listed on Main Market of Bursa Malaysia
Securities Berhad
Listing Date : 28 June 2012
Stock Name : FGV
Stock Code : 5222
Stock Sector : Plantation



SHARE PRICE MOVEMENT

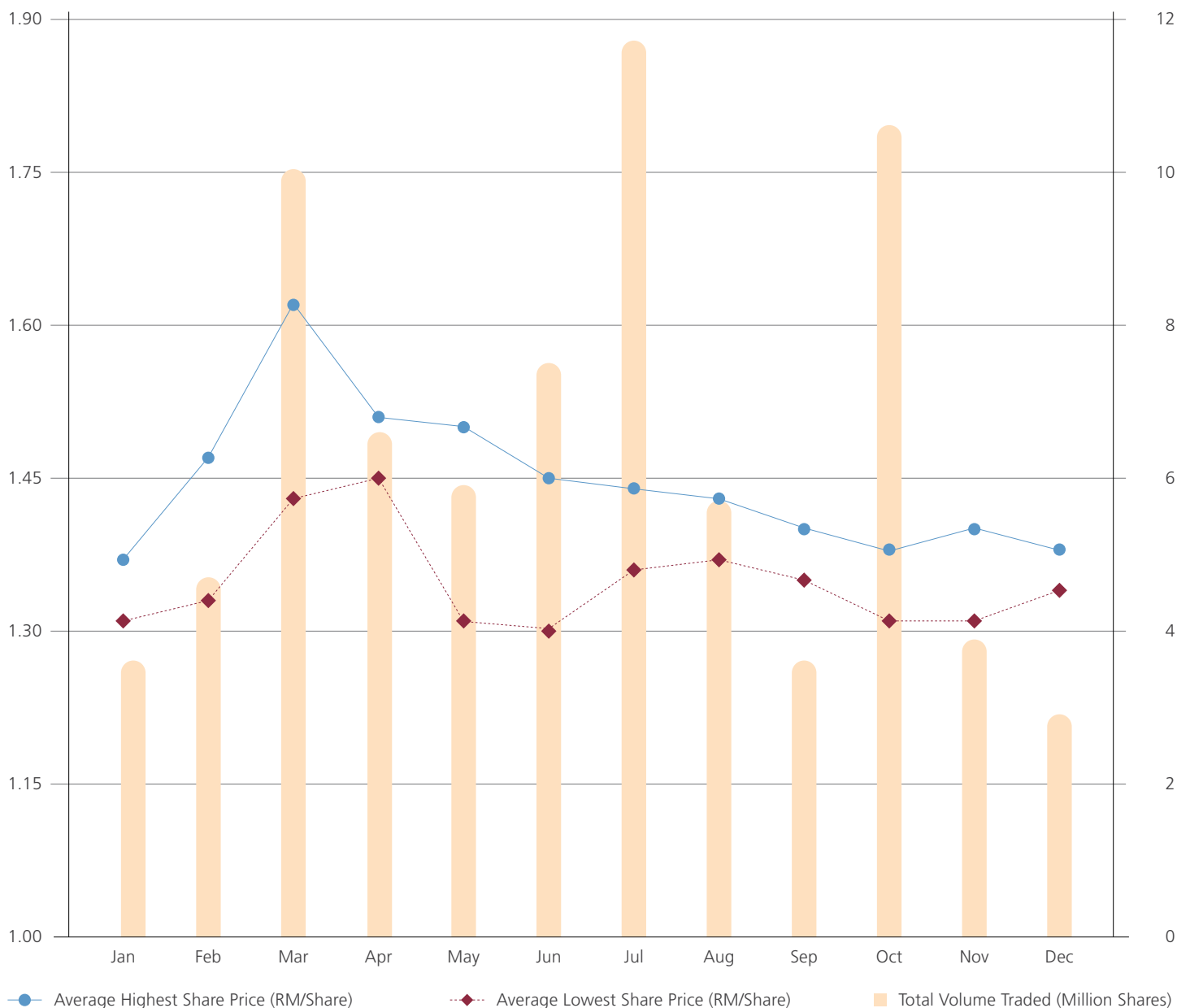
FGV SHARE PRICE PERFORMANCE 2023

Average Share Price

(RM/Share)

Total Volume Traded

(Million Shares)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Average Highest Share Price (RM/Share)	1.37	1.47	1.62	1.51	1.50	1.45	1.44	1.43	1.40	1.38	1.40	1.38
Average Lowest Share Price (RM/Share)	1.31	1.33	1.43	1.45	1.31	1.30	1.36	1.37	1.35	1.31	1.31	1.34
Total Volume Traded (Million Shares)	3.64	4.70	10.03	6.64	5.89	7.51	11.77	5.71	10.60	3.89	2.61	2.92

FINANCIAL CALENDAR

2023



FEBRUARY

27

Announcement of the unaudited consolidated results for the fourth quarter ended 31 December 2022

Announcement of the Final Dividend of 11 sen per ordinary share, under single-tier system, in respect of financial year ended 31 December 2022

APRIL

28

Announcement of the Annual Audited Accounts for the financial year ended 31 December 2022 and issuance of Annual Integrated Report 2022

Notice of the 15th Annual General Meeting

MAY

30

Announcement of the unaudited consolidated results for the first quarter ended 31 March 2023

JUNE

2

Addendum to the Notice of 15th Annual General Meeting

20

15th Annual General Meeting

AUGUST

28

Announcement of the unaudited consolidated results for the second quarter ended 30 June 2023

NOVEMBER

29

Announcement of the unaudited consolidated results for the third quarter ended 30 September 2023

2024



FEBRUARY

26

Announcement of the unaudited consolidated results for the fourth quarter ended 31 December 2023

Announcement of the Final Dividend of 3.0 sen per ordinary share, under single-tier system, in respect of financial year ended 31 December 2023

APRIL

30

Announcement of the Annual Audited Accounts for the financial year ended 31 December 2023 and issuance of Annual Integrated Report 2023



ANALYSIS OF SHAREHOLDINGS

as at 26 April 2024

Issued and Paid-up Share Capital : 3,648,151,500 ordinary shares

Class of Shares : Ordinary share

Voting Right : One vote per ordinary share

Special Share : One special rights redeemable preference share as set out in the Constitution of the Company

ANALYSIS BY SIZE OF SHAREHOLDINGS

Category	No. of Shareholders		Total No. of Shareholder		No. of Holdings		Total No. of Issued Shares	
	Malaysian	Foreign	No.	Percentage (%)	Malaysian	Foreign	No.	Percentage (%)
1 to 99	1,175	6	1,181	4.59	5,576	114	5,690	0.00
100 to 1,000	16,910	24	16,934	65.81	13,000,895	13,456	13,014,351	0.36
1,001 to 10,000	5,300	49	5,349	20.79	24,666,151	271,871	24,938,022	0.68
10,001 to 100,000	1,895	72	1,967	7.64	59,146,635	3,280,905	62,427,540	1.71
100,001 to less than 5% of issued shares	247	48	295	1.15	364,990,887	151,498,152	516,489,039	14.16
5% and above of issued shares	4	0	4	0.02	3,031,276,858	0	3,031,276,858	83.09
Total	25,531	199	25,730	100.00	3,493,087,002	155,064,498	3,648,151,500	100.00

ANALYSIS OF EQUITY STRUCTURE

	No. of Holders			No. of Holdings			%		
	Malaysian		Foreign	Malaysian		Foreign	Malaysian		Foreign
	Bumiputra	Non-Bumiputra		Bumiputra	Non-Bumiputra		Bumiputra	Non-Bumiputra	
1) Individual	3,426	6,074	74	22,371,761	79,605,506	1,878,913	0.613	2.182	0.052
2) Body Corporate									
A) Banks/Finance Companies	0	1	0	0	5,000	0	0.000	0.000	0.000
B) Investment Trusts/Foundation/Charities	16	1	0	756,300	30,000	0	0.021	0.001	0.000
C) Industrial and Commercial Companies	72	70	1	455,315,692	3,765,100	30,000	12.481	0.103	0.001
3) Government Agencies/Institutions	9	0	0	654,069,441	0	0	17.929	0.000	0.000
4) Nominees	14,880	981	124	2,234,717,782	42,450,410	153,155,585	61.256	1.164	4.198
5) Others	0	1	0	0	10	0	0.000	0.000	0.000
	18,403	7,128	199	3,367,230,976	125,856,026	155,064,498	92.300	3.450	4.251

ANALYSIS OF SHAREHOLDINGS

as at 26 April 2024

SUBSTANTIAL SHAREHOLDERS (5% AND ABOVE)

No	Category	Direct Interest		Indirect/Deemed Interest	
		No. of Issued Shares	Percentage (%) of Issued Shares	No. of Issued Shares	Percentage (%) of Issued Shares
1.	LEMBAGA KEMAJUAN TANAH PERSEKUTUAN (FELDA) <u>Share held in CDS account as follows:-</u>	2,535,450,599	69.50	452,921,192	12.42
	1) Own Account	3,188,300			
	2) Own Account (MOF - Akaun Jaminan Pinjaman Kerajaan Persekutuan)	400,000,000			
	3) Maybank Nominees (Tempatan) Sdn Bhd	1,995,948,091			
	4) Maybank Nominees (Tempatan) Sdn Bhd	134,959,808			
	5) Affin Hwang Nominees (Tempatan) Sdn Bhd	1,354,400			
2.	FELDA ASSET HOLDINGS COMPANY SDN BHD <u>Share held in CDS account as follows:-</u>				
	1) Own Account	452,921,192	12.42	-	-
3.	KERAJAAN NEGERI PAHANG	182,407,575	5.00	-	-

DIRECTORS' SHAREHOLDINGS

No	Name	Direct Interest		Indirect/Deemed Interest	
		No. of Issued Shares	Percentage (%) of Issued Shares	No. of Issued Shares	Percentage (%) of Issued Shares
1.	Tan Sri Rastam Mohd Isa	-	-	-	-
2.	Dato' Shahrol Anuwar Sarman	-	-	-	-
3.	Datuk Dr. Yatimah Sarjiman	-	-	-	-
4.	Dato' Dr. Suzana Idayu Wati Osman	-	-	-	-
5.	Dato' Mohd Rafik Shah Mohamad	-	-	-	-
6.	Puan Nik Fazila Nik Mohamed Shihabuddin	-	-	-	-
7.	Encik Mohamad Fadzil Hitam	-	-	-	-
8.	Puan Nurul Muhaniza Hanafi	-	-	-	-

Note*:

None of the Directors hold shares in FGV.

INFORMATION ON GROUP CHIEF EXECUTIVE OFFICER'S SHAREHOLDINGS

No	Name	Direct Interest		Indirect/Deemed Interest	
		No. of Issued Shares	Percentage (%) of Issued Shares	No. of Issued Shares	Percentage (%) of Issued Shares
1.	Dato' Mohd Nazrul Izam Mansor	-	-	-	-

ANALYSIS OF SHAREHOLDINGS

as at 26 April 2024

TOP 30 SECURITIES ACCOUNT HOLDERS

No	Name	No. of Holdings	%
1.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEMBAGA KEMAJUAN TANAH PERSEKUTUAN (415321)	1,995,948,091	54.711
2.	FELDA ASSET HOLDINGS COMPANY SDN BHD	452,921,192	12.415
3.	MINISTER OF FINANCE AKAUN JAMINAN PINJAMAN KERAJAAN PERSEKUTUAN	400,000,000	10.964
4.	KERAJAAN NEGERI PAHANG	182,407,575	5.000
5.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEMBAGA KEMAJUAN TANAH PERSEKUTUAN	134,959,808	3.699
6.	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	72,778,687	1.995
7.	CHIEF MINISTER, STATE OF SABAH	65,934,066	1.807
8.	AFFIN HWANG NOMINEES (ASING) SDN BHD EXEMPT AN FOR LEI SHING HONG SECURITIES LIMITED (CLIENTS A/C)	43,093,300	1.181
9.	SABAH DEVELOPMENT NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR EKUITI YAKINJAYA SDN BHD	20,869,113	0.572
10.	RHB NOMINEES (TEMPATAN) SDN BHD OSK CAPITAL SDN BHD FOR YAYASAN ISLAM TERENGGANU	16,455,100	0.451
11.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD EXEMPT AN FOR CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (FELDA IPO SMF)	11,715,600	0.321
12.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR SIVA KUMAR A/L M JEYAPALAN (PB)	8,264,300	0.227
13.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	8,165,200	0.224
14.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	8,148,300	0.223
15.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR KU TIEN SEK	6,300,000	0.173
16.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM (8071811)	5,618,300	0.154
17.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM (MQ0423)	5,373,200	0.147
18.	CHIN CHIN SEONG	3,754,000	0.103
19.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II	3,339,100	0.092
20.	LEMBAGA KEMAJUAN TANAH PERSEKUTUAN (FELDA)	3,188,300	0.087

ANALYSIS OF SHAREHOLDINGS

as at 26 April 2024

No	Name	No. of Holdings	%
21.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM	3,150,000	0.086
22.	AMSEC NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AMBANK ISLAMIC BERHAD (FELDA)	2,652,600	0.073
23.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIN CHIN SEONG	2,200,000	0.060
24.	BIMSEC NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR FEDERAL LAND DEVELOPMENT AUTHORITY (FOR SETTLER IPO)	2,097,600	0.057
25.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TOH HOOI HAK (PB)	2,010,100	0.055
26.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR KU HWA SENG	1,791,100	0.049
27.	BIMSEC NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR FEDERAL LAND DEVELOPMENT AUTHORITY (FOR STAFF IPO)	1,675,700	0.046
28.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR TONG KIM ENG(PW-M00780) (420817)	1,545,000	0.042
29.	AMIN BAITULMAL JOHOR	1,500,000	0.041
30.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR VANGUARD FTSE ALL-WORLD EX-US INDEX FUND	1,366,400	0.037

TOP 10 PROPERTIES OF FGV GROUP

Location	Tenure	Year Lease Expiring	Approximate Area (Hectares)	Description	Year of Acquisition	Net Book Value (RM'000)
Sabah Sahabat 07, Sahabat 30, Sahabat 40, Sahabat 41, Sahabat 42, Sahabat 43, Sahabat 46, Sahabat 48, Sahabat 50, Sahabat 51, Sahabat 52, Sahabat 53, Sahabat 54, Sahabat 21, Sahabat 22, Sahabat 23, Sahabat 24, Sahabat 25, Sahabat 26, Sahabat 28, Sahabat 31, Sahabat 33, Sahabat 34, Sahabat 35, Sahabat 36, Sahabat 09, Sahabat 10, Sahabat 11, Sahabat 12, Sahabat 16, Sahabat 17, Sahabat 20, Sahabat 38, Sahabat 39, Sahabat 44, Sahabat 45, Sahabat 55, Sahabat 56, Kalabakan Selatan, Kalabakan Utara 01, Umas 05, Umas 06, Tenegang, Sahabat, Tawau, Lahad Datu, Sandakan, Umas, Baiduriayu, Kalabakan, Embara Budi, Fajar Harapan, Merchu Puspita, Hamparan Badai, Kembara Sakti, Nilam Permata, Jeragan Bistari, Lanchang Kemudi	Leasehold	2028 - 2907	128,692	Oil palm estates and palm oil mills and refining plant	1996-2013, 2016	990,499
Johor Darul Takzim Inas Selatan, Kledang 02, Maokil 06, Maokil 07, Nitar Timur, Paloh, Tenggaroh 09, Tenggaroh 11, Tenggaroh 12, Tenggaroh 13, Tenggaroh Timur 02, Palong Timur 04, Palong Timur 05, Semencu, Bukit Besar, Air Tawar, Penggeli, Kahang, Lok Heng, Selanchar 2A, Tenggaroh 4, Adela, Moakil, Nitar, Selanchar 2B, Belitong, Wa Ha, Tenggaroh Timur, Kulai, Plentong, Pasir Gudang, Tanjung Langsat Industrial Complex	Leasehold	2018 - 2111	33,937	Oil palm estates, palm oil mills, factory, warehouse, storey offices and sugar refinery plant	2012-2015	237,566
Pahang Darul Makmur Berabong 01, Selendang 03, Selendang 04, Selanchar 06, Selanchar 08, Selanchar 09, Chegar Perah 02, Kechau 02, Kechau 03, Kechau 06, Kechau 07, Kechau 08, Kechau 10, Kechau 11, Krau 02, Krau 04, Telang 01, Bera Selatan 01, Bera Selatan 03, Bera Selatan 04, Bera Selatan 05, Bera Selatan 07, Keratong 11, Mengkarak 01, Mengkarak 02, Tembangau 03, Tembangau 05, Tembangau 06, Tembangau 08, Tembangau 07, Tembangau 09, Bukit Sagu 04, Bukit Sagu 06, Bukit Sagu 07, Bukit Sagu 08, Lepar Hilir 05, Lepar Hilir 06, Lepar Hilir 08, Merchong, Chini Timur 04, Lepar Utara 05, Lepar Utara 07, Lepar Utara 08, Lepar Utara 09, Lepar Utara 11, Lepar Utara 14, Terapai 01, Terapai 03, Triang 02, Triang 04, Triang Selatan 01, Jengka 21, Keratong 2, Bkt Mendi, Pdg Piol, Kepayang, Gelanggi, Neram, Chini 3, Tementi, Mempaga, Kemasul, Keratong 3, Seroja, Tersang, Keratong 9, Selendang A, Lepar Utara 4, Chini 2, Jengka 8, Lepar Hilir, Bukit Sagu, Lepar Utara 6, Panching, Triang, Kerau, Kechau A, Kechau B, Tanjung Gelang	Leasehold	2027 - 2111	143,894	Oil palm estates, palm oil mills and refining plant	2012	208,130
Sarawak Lot 15 Dulit Land Batang Tinjar, Baram. Lot 20 Dulit Land Long Aya, Tinjar, Baram. Lot 10 Dulit Land Along Batang Tinjar, Baram. Lot 16 Dulit Land Batang Tinjar, Baram. Lot 68, Bok Land, Sg Bok, Dulit, Baram. Lot 23 Dulit Land Sg Bok, Dulit, Baram. Lot 17, 18 & 19 Patah Land District, Sg Aran & Sg Tema-ah, Miri. Sampadi 01, Sampadi 03, Sampadi 04, Sampadi 05, Sampadi 06, Sampadi	Leasehold	2063 - 2111	32,704	Oil palm estates and palm oil mills	2012-2014	182,804

TOP 10 PROPERTIES OF FGV GROUP

Location	Tenure	Year Lease Expiring	Approximate Area (Hectares)	Description	Year of Acquisition	Net Book Value (RM'000)
Kelantan Darul Naim Aring 02, Aring 03, Aring 04, Aring 05, Aring 06, Aring 08, Aring 10, Chiku 04, Chiku 08, Aring B, Kemahang, Chiku, Aring A	Leasehold	2111	24,613	Oil palm estates and palm oil mills	2012	92,629
Perlis Indera Kayangan PN 37, Lot No : 2040, Kampong Baru, Chuping. PN 39, Lot No : 2035, Bukit Merah, Chuping. PN 40, Lot No : 2038, Store Chia, Chuping. PN1755, Lot 18794, Mukim Chuping. PN 43, Lot No : 2037, Air Hujan, Chuping. HS (D) 145, PT, Chuping	Leasehold	2061 - 2072	4,454	Rubber plantation and other crops	2011	73,518
United States of America 740-760, 749-773, and 780 Washington Street, Quincy, Massachusetts, 02169 United States of America	Freehold		Built up area: 4.38	Fatty acid and glycerine production facility, with distribution facilities for ocean shipping and shipping by rail	2008-2009	67,221
Terengganu Darul Iman Chador 01, Cherul 03, Rantau Abang 01, Semaring 01, Setiu 01, Jerangau Baru, Jerangau Barat, Kertih, Chalok	Leasehold	2111	13,393	Oil palm estates and palm oil mills	2012	35,205
Negeri Sembilan Palong 17, Palong 18, Palong 21, Serting Hilir 08, Serting, Serting Hilir, Palong Timur, Pasoh	Freehold	2111	12,879	Oil palm estates and palm oil mills	2012	22,310
Selangor Sungai Tenggi, Sebahagian Lot RAC 2003 (Lot A) Sungai Buloh, PT No. PT1113 Pekan Sungai Buloh	Leasehold/ freehold	2043	43	Facility for sugar distribution and storage, bays for trucks and primers, and vacant land	1993 - 2022	20,415

ADDITIONAL DISCLOSURE

Utilisation of Proceeds

There were no proceeds raised from corporate proposals during the financial year ended 31 December 2023.

Non-Audit Fees

The amount of non-audit fees rendered to the Group by its external auditors, PricewaterhouseCoopers PLT (PwC), for the financial year ended 31 December 2023 amounted to RM1,374,000 (inclusive of other assurance services of RM466,000) and was within the allowable threshold.

Material Contract

Conditional Shareholders' Agreement dated 6 August 2022 between FGV Integrated Farming Holdings Sdn Bhd, Baladna for Trading and Investment W.L.L (a wholly-owned subsidiary of Baladna Q.P.S.C.), and Touch Group Holdings Sdn Bhd to form an incorporated joint venture to carry on the business to develop an integrated dairy farm business in Chuping, Perlis.

Recurrent Related Party Transaction of Revenue or Trading Nature

At the 15th AGM held on 20 June 2023, the Company had obtained a general mandate from its shareholders' for the existing recurrent related party transactions of a revenue or trading nature, to be entered into by FGV and its Group of Companies (FGV Group) as set out in the Circular to shareholders dated 28 April 2023 (RRPT Mandate). The RRPT Mandate is valid until the conclusion of the forthcoming 16th AGM of the Company.

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the details of the recurrent related party transactions of a revenue or trading nature entered into during the financial year ended 31 December 2023 are as follows:

Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
1	KPF-Linked Subsidiaries, FELDA Group of Companies, MSM Group of Companies & FGV Trading	FGV Group	Interested Major Shareholders: <ul style="list-style-type: none"> FELDA FAHC Interested Directors: <ul style="list-style-type: none"> Dato' Amiruddin Abdul Satar Dato' Shahrol Anuwar Sarman Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* <ul style="list-style-type: none"> KPF 	Provision of management and shared services	76,608

ADDITIONAL DISCLOSURE

Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
2	FGV Group	KPF-linked Subsidiaries	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)*	Rental for buildings/ houses at various places having rental period of less than 3 years on pro-rated monthly or annual instalments basis, for purposes of offices, store rooms, laboratories, pump houses, staff squatters and etc.	1,470
			Interested person connected: <ul style="list-style-type: none"> • KPF 	Purchase of FFB	136,358
3	MSM Group of Companies, FELDA Group of Companies, KPF-linked Subsidiaries and KPF Related Corporations	FGV Group	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)*	Provision of travel and accommodation services	10,156
4	FGV Group	KPF-linked Subsidiaries	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)*	Provision of tolling services	937,172
			Interested person connected: <ul style="list-style-type: none"> • KPF 		

ADDITIONAL DISCLOSURE

Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
5	FGV Group, MSM Group of Companies	FELDA Group of Companies, KPF Related Corporations	Interested Major Shareholders:	Purchase of FFB	4,511,318
			<ul style="list-style-type: none"> FELDA FAHC 	Payment of incentive for the settlers' welfare to the Joint Consultative Committee (JCC)/ FELDA (now known as Jawatankuasa Permuafakatan, Produktiviti dan Kualiti (JPPK))	15,926
			<p>Interested Directors:</p> <ul style="list-style-type: none"> Dato' Amiruddin Abdul Satar Dato' Shahrol Anuwar Sarman Datuk Dr. Yatimah Sarjiman <p>Interested Directors (KPF-Linked Subsidiaries)*</p> <p>Interested person connected:</p> <ul style="list-style-type: none"> KPF 	Office and land rental having rental period of less than 3 years on pro-rated monthly or annual instalment basis	453
6	FELDA Group of Companies, KPF-Linked Subsidiaries, KPF Related Corporations, MSM Group of Companies	FGV Group	Interested Major Shareholders:	Sale of packed products (e.g. cooking oil, margarine, creamer, etc.)	58
			<ul style="list-style-type: none"> FELDA FAHC 		
			Interested Directors:		
			<ul style="list-style-type: none"> Dato' Amiruddin Abdul Satar Dato' Shahrol Anuwar Sarman Datuk Dr. Yatimah Sarjiman 		
			Interested Directors (KPF-Linked Subsidiaries)*		
			Interested person connected:		
			<ul style="list-style-type: none"> KPF 		
7	FELDA Group of Companies, KPF-Linked Subsidiaries, KPF Related Corporations	FGV Group	Interested Major Shareholders:	Sale of product (bunch ash)	-
			<ul style="list-style-type: none"> FELDA FAHC 		
			Interested Directors:		
			<ul style="list-style-type: none"> Dato' Amiruddin Abdul Satar Dato' Shahrol Anuwar Sarman Datuk Dr. Yatimah Sarjiman 		
			Interested Directors (KPF-Linked Subsidiaries)*		
			Interested person connected:		
			<ul style="list-style-type: none"> KPF 		

ADDITIONAL DISCLOSURE

Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
8	FGV Group & FELDA Group of Companies	KPF-linked subsidiaries	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Supply of steam and electricity	6,101
9	FGV Group, FELDA Group of Companies, KPF Related Corporations	KPF-Link Subsidiaries, FGV Trading	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Provision of raw materials, sale of palm oil products	2,422,459
10	FGV Group	FELDA	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Purchase of rubber	133,412
11	KPF-linked subsidiaries	FGV Capital	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Provision of financial assistance to the FGV Group on a short or medium term basis (i.e. for a duration of not exceeding 3 years)	261,114



ADDITIONAL DISCLOSURE

Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
12	FGV Bulkers	FELDA	<p>Interested Major Shareholders:</p> <ul style="list-style-type: none"> • FELDA • FAHC <p>Interested Directors:</p> <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman <p>Interested Directors (KPF-Linked Subsidiaries)*</p> <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Lease of land having lease/rental period of less than 3 years on pro-rated monthly or annual instalments basis	136
13	KPF-linked Subsidiaries, FELDA Group of Companies, KPF Related Corporations	FGVPM	<p>Interested Major Shareholders:</p> <ul style="list-style-type: none"> • FELDA • FAHC <p>Interested Directors:</p> <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman <p>Interested Directors (KPF-Linked Subsidiaries)*</p> <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Provision of maintenance services for Infra Sabah (i.e. Operations and maintenance of the electric power station and water treatment plant)	2,044
14	KPF-linked Subsidiaries	FGV Group	<p>Interested Major Shareholders:</p> <ul style="list-style-type: none"> • FELDA • FAHC <p>Interested Directors:</p> <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman <p>Interested Directors (KPF-Linked Subsidiaries)*</p> <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Sale of raw material (rubber)	8,063
15	FGV Group, FELDA Group of Companies, KPF Related Corporations	KPF-Linked Subsidiaries	<p>Interested Major Shareholders:</p> <ul style="list-style-type: none"> • FELDA • FAHC <p>Interested Directors:</p> <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman <p>Interested Directors (KPF-Linked Subsidiaries)*</p> <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Provision of advisory and laboratory analysis services, sales of seeds palm, seedlings, rat bait and agricultural products	59,887

ADDITIONAL DISCLOSURE

Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
16	FELDA Group of Companies	FGV Group	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Villa rental for a period of less than 3 years on pro-rated monthly or annual instalments basis	-
17	FGV Group, KPF Related Corporations	MSM Group of Companies, KPF-Linked Subsidiaries	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Office, building and warehouse rental having rental period of less than 3 years on pro-rated monthly or annual instalments basis	436
18	FGV Group	MSM Group of Companies	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Supply of sugar, molasses and other sugar products	82
19	FGV Group, MSM Group of Companies	KPF-Linked Subsidiaries	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Sales of packed products (e.g. cooking oil, margarine, creamer, etc.)	2,324



ADDITIONAL DISCLOSURE

Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
20	FGV Group, MSM Group of Companies, FELDA Group of Companies, KPF Related Corporations	KPF-Linked Subsidiaries	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Provision of logistic services, Jetty commissions	233,826
21	KPF-Linked Subsidiaries, FELDA Group of Companies, KPF Related Corporations	FGV Group	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Commission on sale of PKE/Animal Feed	53
22	KPF-Linked Subsidiaries, FELDA Group of Companies, KPF Related Corporations	FGV Group	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Sale of rice	63
23	KPF Linked Subsidiaries	FELDA Group of Companies	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Lease of land having lease/rental period of more than 3 years on pro-rated monthly or quarterly or annual instalments basis.	13,647

ADDITIONAL DISCLOSURE

Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
24	FGV Group, MSM Group of Companies, FELDA Group of Companies, KPF Related Corporations, Yayasan Felda	FGV Prodata	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Provision of IT services and solution	98,058
25	FGV Group, MSM Group of Companies, FELDA Group of Companies, KPF Related Corporations, Yayasan Felda	KPF-linked Subsidiaries	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Provision of security services, pest control and training centre; supply and services of safety equipment and supply of Personal Protection Equipment	72,250
26	FELDA Group of Companies, KPF-linked Subsidiaries, KPF Related Corporations	FGV Group	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Sale of fertiliser	449,415
27	FELDA Group of Companies, KPF-linked Subsidiaries & KPF Related Corporations	FGV Group	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Office, building and land rental having rental period of less than 3 years on pro-rated monthly or annual instalments basis	709



ADDITIONAL DISCLOSURE

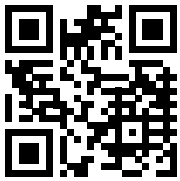
Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
28	KPF-linked Subsidiaries, MSM Group of Companies	FGV Group	<p>Interested Major Shareholders:</p> <ul style="list-style-type: none"> • FELDA • FAHC <p>Interested Directors:</p> <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman <p>Interested Directors (KPF-Linked Subsidiaries)*</p> <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Rental of tank and warehouse spaces including storage and handling services for a period of less than 3 years on pro-rated monthly or annual instalments basis	6,278
29	FGV Group	KPF-linked Subsidiaries	<p>Interested Major Shareholders:</p> <ul style="list-style-type: none"> • FELDA • FAHC <p>Interested Directors:</p> <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman <p>Interested Directors (KPF-Linked Subsidiaries)*</p> <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Land and warehouse rental for a period of less than 3 years on pro-rated monthly or annual instalments basis	606
30	KPF-Linked Subsidiaries, MSM Group of Companies	FGV Group	<p>Interested Major Shareholders:</p> <ul style="list-style-type: none"> • FELDA • FAHC <p>Interested Directors:</p> <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman <p>Interested Directors (KPF-Linked Subsidiaries)*</p> <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Provision of research and development services	26,423
31	FGV Group	KPF-Linked Subsidiaries	<p>Interested Major Shareholders:</p> <ul style="list-style-type: none"> • FELDA • FAHC <p>Interested Directors:</p> <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman <p>Interested Directors (KPF-Linked Subsidiaries)*</p> <p>Interested person connected:</p> <ul style="list-style-type: none"> • KPF 	Sales of PKE	3,972

ADDITIONAL DISCLOSURE

Item	Transacting Related Party		Interested Major Shareholders/Directors and persons connected with them	Nature of RRPT	Value of Transaction (RM'000)
	Recipient	Provider			
32	KPF-Linked Subsidiaries, FELDA Group of Companies, KPF Related Corporations	FGV Group	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Sales of raw material for animal feed product	4
33	KPF Related Corporations	FGV Trading	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Payment of volume incentive on purchase of FFB	783
34	FGV Group	FGV Palm Industries	Interested Major Shareholders: <ul style="list-style-type: none"> • FELDA • FAHC Interested Directors: <ul style="list-style-type: none"> • Dato' Amiruddin Abdul Satar • Dato' Shahrol Anuwar Sarman • Datuk Dr. Yatimah Sarjiman Interested Directors (KPF-Linked Subsidiaries)* Interested person connected: <ul style="list-style-type: none"> • KPF 	Car leasing	18
				Total	9,491,682

* Interested Directors in KPF-Linked Subsidiaries comprise of Dato' Muhamad Rizal Abdul Rahim, Dato' Ramli Ismail, Datuk Khamis Mohamed Som, Hasbullah Muhamad, Hasrin Ismail, Dr. Mohd Faisal Mustafa, Raja Faridah Raja Ahmad, Samsudin Othman, Sulong Jamil Mohamed Shariff, Razuwan Che Rose and Zaid Sidek.





www.fgvholdings.com

FGV HOLDINGS BERHAD

Registration No. 200701042133 (800165-P)

Level 21, Wisma FGV, Jalan Raja Laut,
50350 Kuala Lumpur, Malaysia

t +603 2789 0000

f +603 2789 0001