

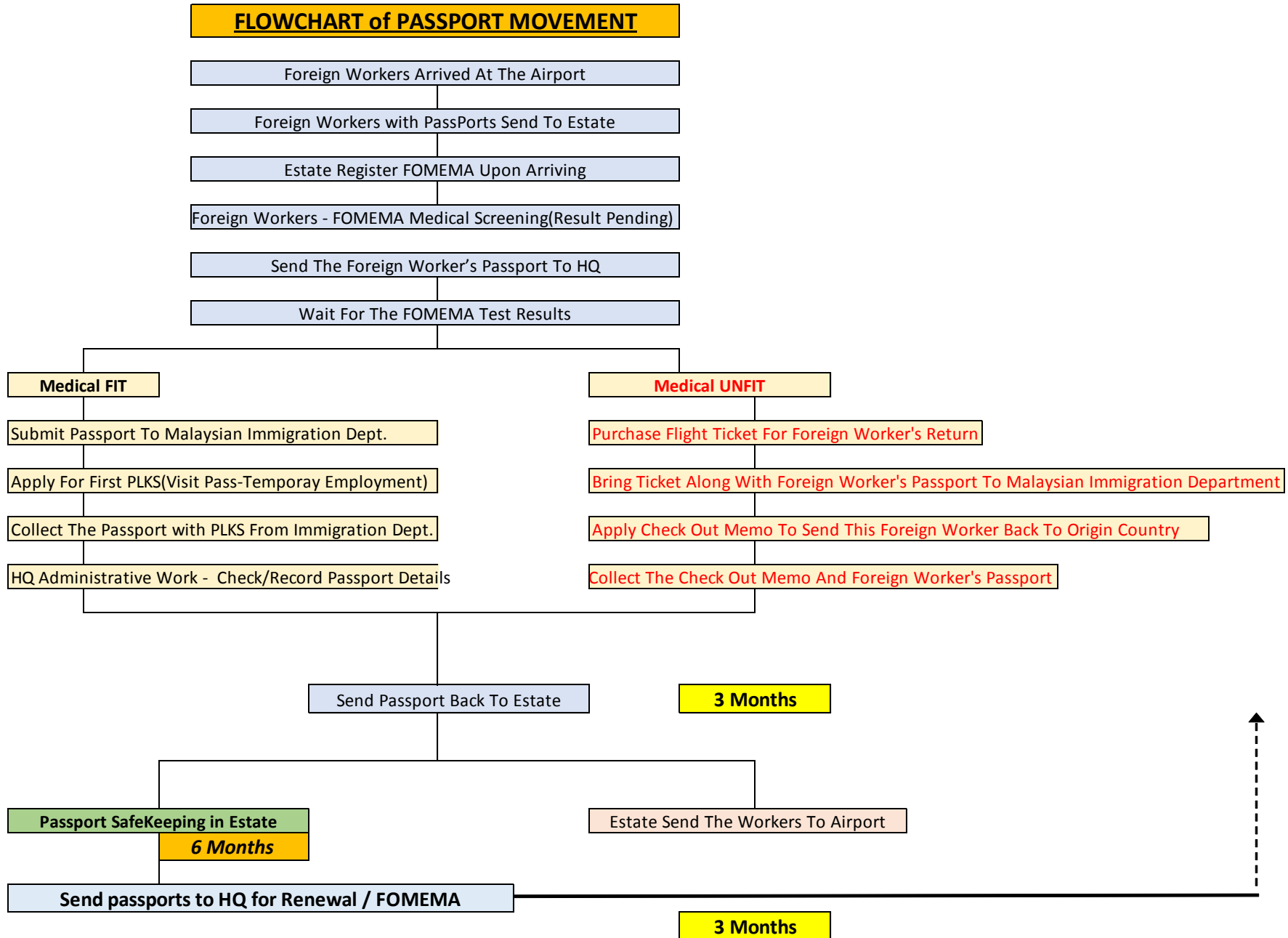
## Action Plans Re: Finnwatch Report (December 2014)

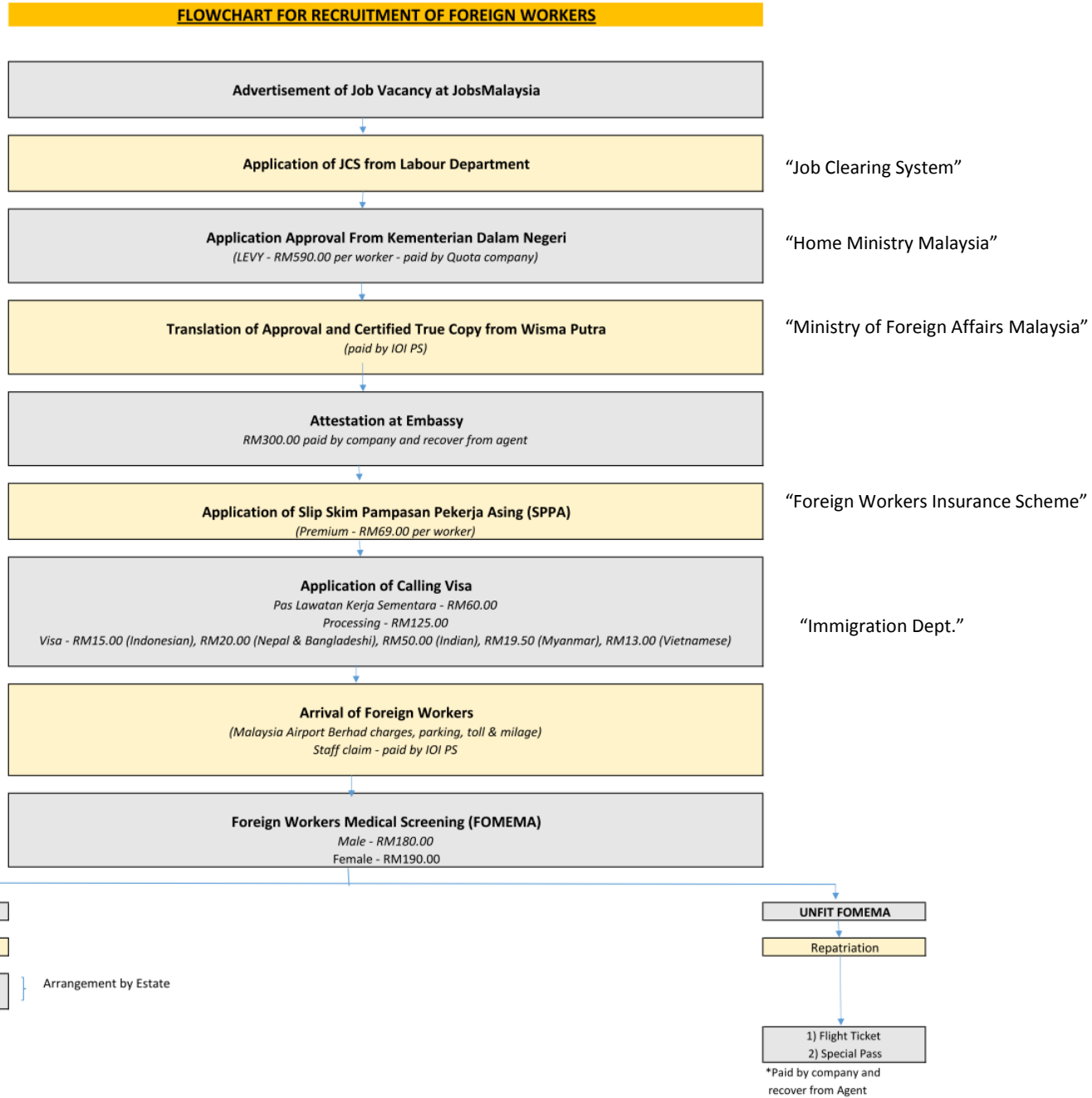
<u>Observations</u>	<u>Current Status</u>	<u>Plans</u>	<u>Actions</u>	<u>Time-Bound</u>
<b>1. Passport</b>	<p><i>Voluntary surrendering to Employer for safekeeping. The Employee has unrestricted documented access to his passport - anytime upon request during his employment at the estate.</i></p> <p><b>Passport Movement:</b> <i>About 6 months' availability to foreign workers. (Annex: 1)</i></p>	<p>a) Exercise to re-formalise voluntary safekeeping of foreign worker's passport.</p>	<p>a) Direct meeting with foreign workers to explain the updated employment contract in the foreign worker's native language, particularly about the voluntary safekeeping of passports by employer.</p> <p>Appoint either in-house interpreter or recruitment agents to explain in foreign worker's native language.</p> <p>To enhance the current procedure for foreign worker's safekeeping of passports, and to ensure the foreign worker's unrestricted documented access to their passports without the need for due justification, and regardless of any outstanding debts.</p>	<b>31.3.2015</b>
<b>2. Recruitment Fees</b>	<p><b>Fees absorbed by IOI per recruited foreign worker:</b></p> <p><b>1. Levy:</b> RM590/-</p> <p><b>2.Charges Paid At Malaysian Immigration:</b> RM205/-</p> <p><b>3. Medical Screening (FOMEMA):</b> RM180/-</p> <p><b>4. Agency Fee:</b> RM350/- <b>Total: <u>RM1,325/-</u></b></p> <p><i>Foreign workers (Bangladeshis and Indians) on inter-governmental recruitment process have <u>no</u> incidental expenses to recover.</i></p> <p><i>Incidental expenses at the source countries (Nepal/Indonesia) which are in the range of RM1500 to RM2000 are legally sanctioned and recoverable.</i></p>	<p>a) Examine current monetary charges incurred by foreign workers at source countries other than the fees absorbed by IOI.</p> <p>b) Conduct meetings to explain to all foreign workers the recruitment procedures and the details of charges or incidental expenses incurred at source countries and fees absorbed by IOI.</p>	<p>a) Detailing all charges incurred by foreign workers at source countries. Review the monthly balance of salary after recovery for such charges incurred at source countries, with due consideration given to ensure that the foreign workers receive sufficient earnings or a "decent wage".</p> <p>Explore possibility of hiring only from country of origin with inter-governmental policies or foreign workers with no recovery of incidental expenses at source countries.</p> <p>b) Induction courses for new recruits to be conducted in the foreign worker's respective native language, and to be documented with photographic and/or video recordings.</p> <p>Playback of video recording captured in source countries as evidence of "Free, Prior, Informed Consent" to the terms and conditions of employment.</p>	<b>31.3.2015</b>

<b>Observations</b>	<b>Current Status</b>	<b>Plans</b>	<b>Actions</b>	<b>Time-Bound</b>
<b>3. Employment Contract (Foreign Workers)</b>	<i>Employment Contract is in English and Bahasa Malaysia as approved by relevant Embassies.</i>	<p>a) Review of current employment contracts.</p> <p>b) New recruits-induction courses to be also conducted in foreign worker's native language using local translators.</p>	<p>a) A copy of signed employment contract in the foreign worker's native language is to be given to the respective foreign worker.</p> <p>b) During the induction courses conducted when new foreign workers arrive at the estates, the acknowledgement of the upgraded employment contract is to be captured in digital image and archived in CD-ROM format, or printed in legible sizes in addition to the usual acknowledgement using signatures or thumbprints.</p>	<b>Immediate</b>
<b>4. Minimum Wage</b>	<p><i>20 % of foreign workers earning below minimum wage due to incomplete tasks or below stipulated hours worked and absenteeism.</i></p> <p><i>80% of foreign workers' average earnings are in the range of RM1,100 to RM1,300 which well exceed the minimum wage of RM900 per month .</i></p> <p><i>Probationary period (sanctioned in the "Minimum Wage Order 2012") with 30% lower wages than stipulated has been abolished by IOI. No probationary period is needed for all new recruits.</i></p>	<p>a) Awareness programme of "Minimum Wage Order 2012" to be conducted through interpreters for the foreign worker's respective native language.</p> <p>b) Unproductive workers and malingers to be repatriated.</p>	<p>a) Induction course for new recruits to include explanation of the "Minimum Wage Order 2012" in the upgraded employment contract.</p> <p>Monthly monitoring of each worker's earning, which is less than the stipulated figure, needs to be documented with reasons and actions taken, inclusive of counseling, and must be submitted to the top management for comments and necessary actions.</p> <p>b) Documented re-training, re-counseling and monitoring of such category of workers must be carried out before necessary action is taken.</p>	<b>Immediate</b>

<b>Observations</b>	<b>Current Status</b>	<b>Plans</b>	<b>Actions</b>	<b>Time-Bound</b>
<b>5. Recruitment Policy</b>	<i>Flowchart for recruitment of foreign workers – Annex 2a/b/c</i>	<p>a) The simplified version of the policy is to be posted on the notice board of every operating unit.</p> <p>b) Video recordings from source countries of foreign workers having viewed oil palm operations, and agreed to the employment contract in presence of recruiting /government agents.</p>	<p>a) The flowchart to be explained to the foreign workers before posting on notice boards for awareness and feedbacks.</p> <p>b) Playback of ‘source country video recording’ to foreign workers at the induction meeting in the estates. Video evidence serves as acknowledgement of ‘Free, Prior, Informed Consent’ to employment in the estates in addition to the documentary requirements.</p>	<b>Immediate</b>
<b>6. Freedom of Association</b>	<p><i>Local Union has free access to foreign workers as long as prior approval is obtained from the management.</i></p> <p><i>Every estate/mill has its own ECC (Estate Consultative Committee) favored by foreign workers in resolving disputes and complaints.</i></p> <p><i>ECC members comprise 2 representatives from each nationality.</i></p>	<p>a) Increase representatives per nationality to 4 for broader views and representation at the ECC meetings.</p>	<p>a) Balloting of representatives documented.</p> <p>Valid complaints should be entered into the Estate/Mill Complaints Book (“GreenBook”) for actions in addition to the minutes of the meeting.</p> <p>Complaints such as earnings below the minimum wage, rest day work, discrepancies in bunches harvested and, living conditions are filed, and resolved through the ECC mechanism.</p>	<b>Immediate</b>

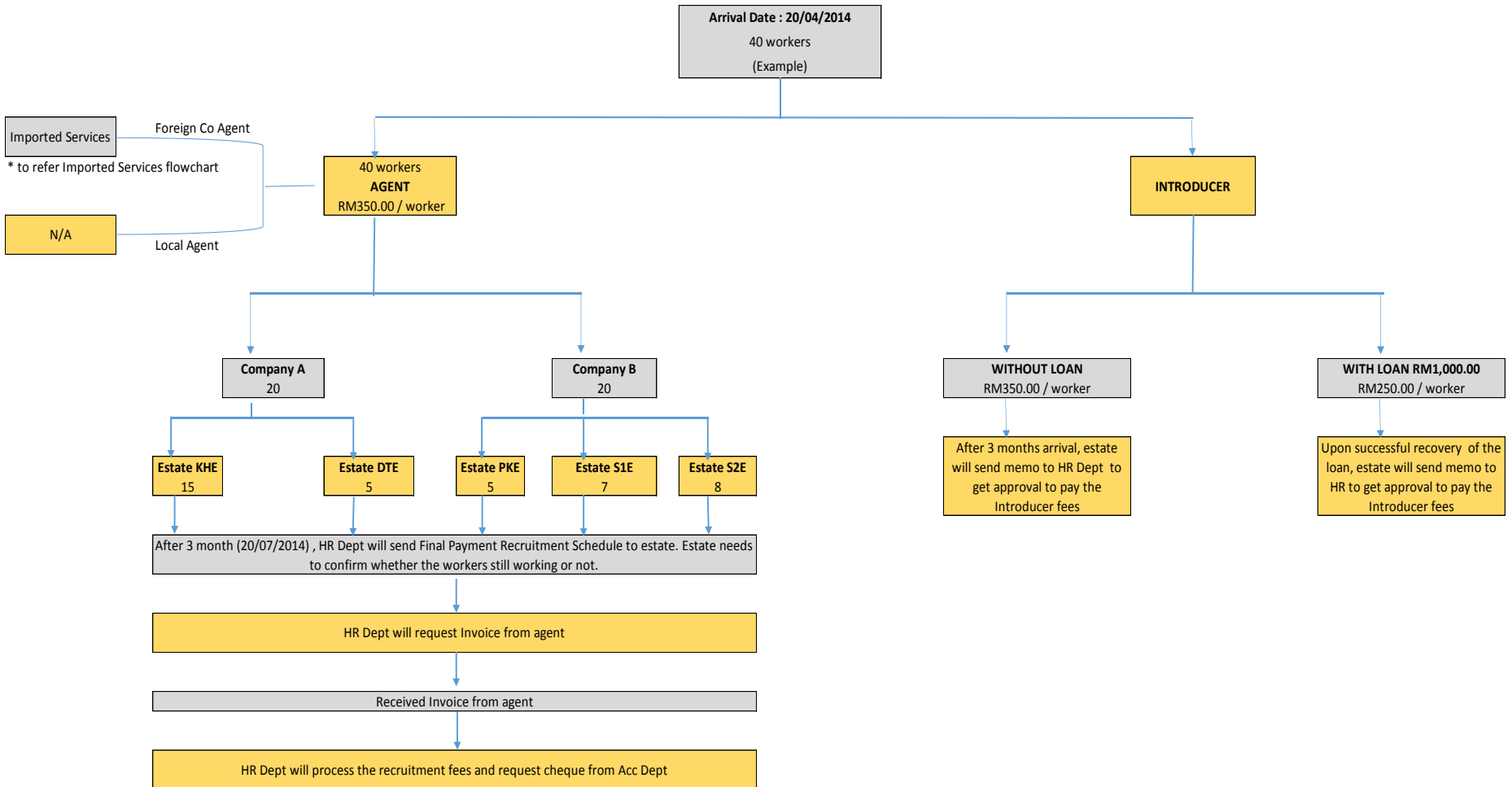
Annex 1: (Passport Safekeeping in Estate: 6 months availability due to documentation, fees processing, FOMEMA medical, work Permit etc.)





**FLOWCHART FOR RECRUITMENT FEES TO AGENT / INTRODUCER (Estate Worker)**

Applicable to Indonesian & Nepalese workers only



## FLOWCHART FOR IMPORTED SERVICES

(Recruitment Fees - RM350.00 per worker)

