

IOI PROPERTIES GROUP BERHAD [201301005964 (1035807-A)]

POLICY ON NON-EXECUTIVE DIRECTORS' REMUNERATION (THE "POLICY")

The Board of Directors (the "**Board**") recognises the vital importance of the responsibilities assigned to Non-Executive Directors ("**NEDs**") and the need to retain appropriately experienced and qualified NEDs.

This policy is to provide a framework for the Company to promote NEDs' superior performance and long term commitment to the Company. The key principles which underpin the policy are as follows:

- (a) Remuneration would be sufficient to attract, motivate and retain highly competent non-executive talent.
- (b) Remuneration would be regularly benchmarked against companies of comparable size, complexity and market capitalisation to ensure it is competitive and in line with the recognised best practice standards.
- (c) Remuneration would reasonably reflect the time commitment, duties, responsibilities and risks of the roles.
- (d) NEDs are not eligible for share options, bonuses, long-term incentives, pensions or performance related remuneration.

Remuneration comprises an annual fixed fee for acting as a NED of the Company and an additional fee for acting as the Chairman of a Board Committee or as the member of Board Committee. The fees payable to NEDs shall not be based on a commission or percentage of profits or turnover of the Group.

In addition, NEDs are also entitled to meeting allowance for attendance of Board meeting, Board Committee meeting and general meeting with a condition that attendance is pre-requisite for payment.

NEDs may be reimbursed for expenses properly incurred by them in connection with the business of the Company. They are also covered under the Directors' and Officers' indemnity insurance policy.

The Board as a whole reviews and determines the fees for NED annually on the recommendation of the Governance, Nominating and Remuneration Committee. NEDs' fees are determined by the Board with the approval from shareholders at the Company's Annual General Meeting in accordance with the Company's Constitution. No NED should be involved in deciding his or her own remuneration.

All fees paid to NEDs must be made only after the appropriate monthly tax deduction has been deducted.

The Board has the authority to amend these Policy. At least annually, the Governance, Nominating and Remuneration Committee reviews these Policy and reports on its review and recommends any desirable changes to the Board.

Approved on 14 September 2016