STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (“the Board”) continues to reinforce the importance of good corporate governance in building a sustainable business, and is committed to ensuring that the highest standards of corporate governance are practiced throughout IJM Plantations Berhad and its subsidiaries (“the Group”).

The Board is pleased to present this statement which describes on how the Company has applied the principles as set out in the Malaysian Code on Corporate Governance 2012 (“the Code”), and the extent of its compliance with the principles. The reason for not applying specific principles in the Code is explained in this statement.

I. BOARD OF DIRECTORS

1. Board Charter

This Board Charter sets out the role, functions, composition, operation and processes of the Board and is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members. The Board Charter also acts as a source of reference and primary induction literature in providing insights to Board members and senior management.

The details of the Board Charter are available for reference at www.ijm.com/plantation.

2. Composition of the Board

Five (5) of the seven (7) Board members are Non-Executive Directors and among the Non-Executive Directors, three (3) are independent. The Chairman is one of the Independent Non-Executive Directors.

Mr M. Ramachandran A/L V.D. Nair is the Senior Independent Non-Executive Director to whom queries or concerns relating to the Group may be conveyed by shareholders by way of writing to the Company’s registered address or electronic mail to csa@ijm.com or contact Tel: +603-7985 8131.

The composition and size of the Board are reviewed from time to time to ensure its appropriateness.

The balance between Independent Non-Executive, Non-Executive and Executive Directors, together with the support from Management, is to ensure that there is an effective and fair representation for the shareholders, including minority shareholders. It further ensures that issues of strategy, performance and resources are fully addressed and investigated to take into account the long-term interests of shareholders, relevant stakeholders and the community in which the Group conducts its business.

The Independent Non-Executive Directors are able to provide independent judgment, experience and objectivity without being subordinated to operational considerations. They help to ensure that the interests of all shareholders are taken into account and that the relevant issues are subjected to objective and impartial consideration by the Board.

In line with the recommendation of the Code, none of the Independent Directors’ tenure has exceeded a cumulative term of nine (9) years.

The role of the independent Non-Executive Chairman and the Chief Executive Officer & Managing Director (“CEO&MD”) are distinct and separate to ensure that there is a balance of power and authority. The Independent Non-Executive Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board. The Independent Non-Executive Chairman did not previously hold the position of CEO&MD in the Group. The CEO&MD has overall responsibility for the day-to-day management of the business and implementation of the Board’s policies and decisions. The CEO&MD is responsible to ensure due execution of strategic goals, effective operations within the Group, and to explain, clarify and inform the Board on key matters pertaining to the Group.
3. Duties and Responsibilities of the Board

The Board is primarily responsible for the Group’s overall strategic plans for business performance, conduct of business, succession planning, risk management, shareholders’ communication, internal control, management information and statutory matters; while Management is accountable for the execution of the expressed policies and attainment of the Group’s corporate objectives. The demarcation complements and reinforces the supervisory role of the Board. Nevertheless, the Board is always guided by the Board Charter which outlines the duties and responsibilities and matters reserved for the Board in discharging its duties.

4. Board Diversity

The Directors have a diverse set of skills, experience and knowledge necessary to govern the Group. The Directors are professionals in the field of agriculture, finance, accounting, engineering, property and public administration. They collectively bring a wide range of competencies, capabilities, technical skills and relevant experiences to support the needs of the Group to make it one of the foremost plantation companies in the country.

The Board is aware of the gender diversity policy and target as set out in Recommendation 2.2 of the Code. When appointing a Director, the Nomination & Remuneration Committee and the Board will always evaluate and match the criteria of the candidate to the Board based on experience, skill, competency, knowledge and potential contribution, whilst the Recommendation 2.2 of the Code will also be given due consideration for boardroom diversity.

5. Board Meetings

The Board holds at least four (4) regular scheduled meetings annually, with additional meetings for particular matters convened as and when deemed necessary. However, informal meetings and consultations are frequently and freely held to share expertise and experiences. Directors are also invited to attend Board Committees’ meetings, where deemed necessary. Four (4) Board meetings were held during the financial year, and the attendance record of each Director is as follows:

<table>
<thead>
<tr>
<th>Director</th>
<th>NUMBER OF MEETINGS ATTENDED</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive Directors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joseph Tek Choon Yee</td>
<td>4/4</td>
<td>100%</td>
</tr>
<tr>
<td>Purushothaman A/L Kumaran</td>
<td>4/4</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Independent Non-Executive Directors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tan Sri Dato’ Wong See Wah</td>
<td>4/4</td>
<td>100%</td>
</tr>
<tr>
<td>M. Ramachandran A/L V.D. Nair</td>
<td>4/4</td>
<td>100%</td>
</tr>
<tr>
<td>Pushpanathan A/L S. A. Kanagarayar</td>
<td>4/4</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Non-Executive Directors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tan Sri Dato’ Tan Boon Seng @ Krishnan</td>
<td>4/4</td>
<td>100%</td>
</tr>
<tr>
<td>Dato’ Teh Kean Ming</td>
<td>4/4</td>
<td>100%</td>
</tr>
</tbody>
</table>

The Directors also attend the IJM Group annual Senior Management Forum where operational strategies, performance progress reports and other issues are extensively presented, discussed and communicated to the managers of the Group.

In fostering the commitment of the Board that the Directors devote sufficient time to carry out their responsibilities, the Directors are required to notify the Chairman before accepting any new directorships and such notifications shall include an indication of time that will be spent on the new appointments. The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company. All Directors hold not more than five (5) directorships in public listed companies.
6. **Access to Information**

All Directors are provided with performance and progress reports on a timely basis prior to the scheduled Board meetings. The Company had moved towards electronic Board and Board Committee papers since August 2011. All Board papers, including those on complicated issues or specific matters and minutes of all Board Committee meetings, are distributed in advance electronically to ensure Directors are well informed and have the opportunity to seek additional information, and are able to obtain further clarification from the Company Secretary, should such a need arise. Where necessary, the services of other senior management or external consultants will be arranged to brief and help the Directors clear any doubt or concern.

The schedule of matters reserved specifically for the Board’s deliberation include the approval of corporate plans, annual budgets (including the Key Performance Indicators under the Corporate Balanced Scorecard), new ventures, acquisitions and disposals of undertakings and properties of substantial value, and changes to the management and control structure within the Group. Proper minutes of all deliberations of the Board are recorded, including the issues discussed and the conclusion of decisions.

All Directors have access to the advice and services of the Company Secretary especially relating to procedural and regulatory requirements. The Company Secretary always supports the Board by ensuring adherence to Board policies and procedures. The Directors may seek independent advice where necessary, at the expense of the Company, so as to ensure they are able to make independent and informed decisions.

7. **Committees Established by the Board**

In order to assist in the execution of the Board’s responsibilities for the Group, certain functions have been delegated by the Board to Committees. Clear defined terms of reference have been given to these Committees to enable them to operate effectively. The Committees are authorized by the Board to deal with and to deliberate on matters delegated to them within their terms of reference. The Chairmen of the respective Committees report to the Board the outcome of the Committee meetings and such reports are incorporated in the Board papers.

The Board Committees of the Company and their composition are as follows:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chairman/Chairman</th>
<th>Director/Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Committee</td>
<td>Pushpanathan A/L S A Kanagarayar – Chairman</td>
<td>M. Ramachandran A/L V.D. Nair</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Independent Non-Executive Director</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dato’ Teh Kean Ming</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non-Executive Director</td>
</tr>
<tr>
<td>Nomination &amp; Remuneration Committee</td>
<td>M. Ramachandran A/L V.D. Nair – Chairman</td>
<td>Pushpanathan A/L S A Kanagarayar</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Independent Non-Executive Director</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dato’ Teh Kean Ming</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non-Executive Director</td>
</tr>
<tr>
<td>Securities and Options Committee</td>
<td>M. Ramachandran A/L V.D. Nair – Chairman</td>
<td>Joseph Tek Choon Yee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CEO&amp;MD</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dato’ Teh Kean Ming</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non-Executive Director</td>
</tr>
</tbody>
</table>
A. Audit Committee

The Audit Committee was established on 26 April 2003. The details of meetings and activities of the Audit Committee are set out on pages 45 to 47. The terms of reference of the Audit Committee are available for reference at www.ijm.com/plantation.

B. Nomination & Remuneration Committee

The Nomination & Remuneration Committee which was established on 26 April 2003, comprises exclusively of Non-Executive Directors. The duties and responsibilities of the Nomination & Remuneration Committee are to assist the Board in reviewing and recommending the appropriate remuneration policies applicable to Directors, the CEO&MD and senior management, and the appointment and evaluation of the performance of the Directors.

The details of the terms of reference of the Nomination & Remuneration Committee are available for reference at www.ijm.com/plantation.

The activities of the Nomination & Remuneration Committee for the financial year included the following:

(i) review of the salary, bonus & incentive of senior management of the Group;
(ii) assessment and evaluation of the effectiveness of Directors through the annual Board evaluations (including the CEO&MD and the independence of Independent Non-Executive Directors) process;
(iii) review of the Human Resource Manual – Scheme and Conditions of Service;
(iv) review of the service contract for senior management staff;
(v) review of the retirement gratuity of senior management staff;
(vi) approval of the purchase of motor vehicles for senior management staff; and
(vii) review of the evaluation criteria of the form for Assessment of Independence of Independent Directors.

All recommendations of the Nomination & Remuneration Committee are subject to endorsement of the Board.

The Nomination & Remuneration Committee will meet as required. Two (2) meetings were held during the financial year and the attendance records of each member of the Committee is as follows:

<table>
<thead>
<tr>
<th>Patient Name</th>
<th>Number of Meetings Attended</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>M. Ramachandran A/L V.D. Nair</td>
<td>2/2</td>
<td>100%</td>
</tr>
<tr>
<td>Pushpanathan A/L S. A. Kanagarayar</td>
<td>2/2</td>
<td>100%</td>
</tr>
<tr>
<td>Dato’ Teh Kean Ming</td>
<td>2/2</td>
<td>100%</td>
</tr>
</tbody>
</table>

During the financial year, the Chairman of the Nomination & Remuneration Committee was invited and attended the Adjudication Committee Meeting of IJM Corporation Berhad (“IJM”), the holding company, for the sole purpose of considering and approving the vesting of the Employee Share Option Scheme (“ESOS”) to the eligible employees of the IJM Group.

C. Securities and Options Committee

The Securities and Options Committee was established on 21 November 2007 combining the roles and responsibilities of the Share Committee and Employee Share Option Scheme Committee which was previously established on 26 April 2003 and 19 August 2003 respectively. The function of the Securities and Options Committee is to administer and regulate the securities transactions of the Company. During the financial year, the Securities and Options Committee administered the exercise of subscription rights by the warrant holders for new ordinary shares in the Company.

The details of the terms of reference of the Securities and Options Committee are available for reference at www.ijm.com/plantation.
8. Board Evaluation

The Nomination & Remuneration Committee was satisfied with the performance and effectiveness of the Board and Board Committees. The Board evaluation criteria was reviewed and enhanced by the Nomination & Remuneration Committee during the financial year.

The Board evaluation comprises a Board Assessment by Individual Directors, Self & Peer Assessments and an Assessment of Independence of Independent Directors. The assessment of the Board by an individual director is based on specific criteria, covering areas such as the Board composition and structure, principal responsibilities of the Board, the Board process, the CEO&MD’s performance, succession planning and Board governance. For Self & Peer Assessment, the assessment criteria include contributions to interaction, roles and duties, knowledge and integrity, governance and independence and risk management. The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the IJM Group and his involvement in any significant transaction with the IJM Group.

9. Appointment to the Board

The Nomination & Remuneration Committee is responsible for making recommendations to the Board, including those of subsidiaries and associated companies. The Nomination & Remuneration Committee considers the required mix of skills and experience that the Directors should bring to the Board in making these recommendations.

The process for the appointment of Non-Executive Directors (both the Independent and non-Independent Directors) to the Board is as follows:-

10. Re-election

The Articles of Association provides that every new appointed Director be subjected to re-election at the immediate Annual General Meeting. Furthermore, one third of the Board shall retire from office and, if eligible, seek re-election at the Annual General Meeting, and all the Directors should submit themselves for re-election every three years. This has been consistently practiced.

11. Training for Directors

All Directors have attended the Directors’ Mandatory Accreditation Programme organized by Bursa Malaysia Securities Berhad (“Bursa Securities”). Our Directors have attended conferences, seminars, and training programmes from time to time covering areas in finance, risk management, and in regulatory laws, rules and guidelines. An induction briefing is also provided by our Company Secretary and senior executives to newly appointed Directors.

The Company is aware of the importance of continuous training for Directors to enable them to effectively discharge their duties, and will on a continuous basis, evaluate and determine the training needs of its Directors. The Board has undertaken an assessment of the training needs of each Director through the Self & Peer Assessment during the financial year.

During the financial year, all the Directors have attended various in-house and external training programmes, workshops, seminars, briefings and/or conferences. The training attended by the Directors was related to corporate governance, finance, industry knowledge, sustainability and new legislations.

The details of each of the Directors’ Training and participation in activities of the Group are available for reference at www.ijm.com/plantation.

Updates on companies and securities legislation, and other relevant rules and regulations, such as amendments to the Main Market Listing Requirements of Bursa Securities, the Code, Capital Markets & Services Act 2007 together with the summary of enforcement related press releases of the Companies Commission of Malaysia, Bursa Securities and the Securities Commission, were provided to the Board, together with the Board papers, in order to acquaint them with the latest developments in these areas.
Where possible and when the opportunity arises, Board meetings will be held at locations within the Group’s operating businesses to enable the Directors to obtain a better perspective of the business and enhance their understanding of the Group’s operations. During the financial year, some of the Directors had visited the estates and mill in Indonesia.

II. REMUNERATION

The remuneration policy of the Company is based on the philosophy of giving heavy weightage on performance-related bonuses. These are entrenched in the remuneration policy for Executive Directors and senior management, which are reviewed annually by the Nomination & Remuneration Committee. The Group also participates in industry specific surveys by independent professional firms to obtain current data in benchmarking the Group.

The performance of Directors is measured by the Directors’ contribution and commitment to both the Board and the Group. The Executive Directors’ and senior management’s remuneration depend on the performance of the Group, achievement of the goals and/or quantified organizational targets as well as Key Performance Indicators (“KPI”) set at the beginning of each year. The strategic initiatives or KPI set for the CEO&MD for the financial year ending 31 March 2014 encompass the four (4) main areas covering Commercial, Stakeholders, Efficiency, and Infrastructure.

In the case of Non-Executive Directors, the level of remuneration reflects the contribution and level of responsibilities undertaken by the particular Non-Executive Director.

In addition to the basic salary and bonus & incentives for all its employees, including the Executive Directors, the Group provides benefits-in-kind such as private medical care and cars in accordance with the Human Resource Manual – Scheme and Conditions of Service of the Company.

The eligible employees (including Executive Directors) of the Group are also participating in the LTIP implemented by IJM, which comprises of the ESOS and employee share grant plan.

Directors’ Remuneration

1. The Directors’ total remuneration consists of different components as shown in the table below:

<table>
<thead>
<tr>
<th></th>
<th>SALARIES RM’000</th>
<th>FEES RM’000</th>
<th>BONUS, INCENTIVES &amp; OTHERS RM’000</th>
<th>BENEFITS-IN-KIND RM’000</th>
<th>TOTAL RM’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Directors</td>
<td>1,244</td>
<td>–</td>
<td>969</td>
<td>59</td>
<td>2,272</td>
</tr>
<tr>
<td>Non-Executive Directors</td>
<td>–</td>
<td>630</td>
<td>39</td>
<td>–</td>
<td>669</td>
</tr>
<tr>
<td>Total</td>
<td>1,244</td>
<td>630</td>
<td>1,008</td>
<td>59</td>
<td>2,941</td>
</tr>
</tbody>
</table>

2. Aggregate remuneration of each Director is:

<table>
<thead>
<tr>
<th></th>
<th>RM’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive Directors</strong></td>
<td></td>
</tr>
<tr>
<td>Joseph Tek Choon Yee</td>
<td>1,189</td>
</tr>
<tr>
<td>Purushothaman A/L Kumaran</td>
<td>1,083</td>
</tr>
<tr>
<td><strong>Non-Executive Directors</strong></td>
<td></td>
</tr>
<tr>
<td>Tan Sri Dato’ Wong See Wah</td>
<td>164</td>
</tr>
<tr>
<td>M. Ramachandran A/L V.D. Nair</td>
<td>141</td>
</tr>
<tr>
<td>Pushpanathan A/L S A Kanagarayar</td>
<td>145</td>
</tr>
<tr>
<td>Tan Sri Dato’ Tan Boon Seng @ Krishnan</td>
<td>84</td>
</tr>
<tr>
<td>Dato’ Teh Kean Ming</td>
<td>135</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,941</td>
</tr>
</tbody>
</table>
III. INVESTOR RELATIONS & SHAREHOLDER COMMUNICATION

1. Dialogue between the Company and Investors
   The Company places great importance in ensuring the highest standards of transparency and accountability in the disclosure of pertinent information to its shareholders as well as to potential investors, analysts and the public.

   Timely announcements and disclosures to Bursa Securities are made, including the release of financial results on a quarterly basis, with the view to provide the shareholders and the investing public with an updated overview of the Group’s performance and operations.

   The Company’s full year audited financial results are released within two (2) months after the financial year end. The Annual Report is released within four (4) months after the financial year end.

   The Group conducts regular dialogues with financial analysts. At least two (2) scheduled IJM Group Briefings are held each year, usually co-incident with the release of the IJM Group’s second and final quarterly results, to explain the results achieved and the strategies going forward.

   A press conference is normally held after the Annual General Meeting and/or Extraordinary General Meeting of the Company to provide the media the opportunity of receiving an update from the Board on the proceedings of the meetings and to address any queries or areas of interest.

   In addition, the Company participates in several institutional investors’ forums, both locally and outside Malaysia. The summary of the Group’s investor relations activities during the financial year and additional corporate information and/or disclosure of the Group are available for reference at www.ijm.com/plantation.

   Any information that may be regarded as material would not be given to any single shareholder or shareholder group on a selective basis, except to the extent of their representation on the Board.

2. General Meetings
   A principal forum for dialogue with shareholders is at the Annual General Meeting. In accordance with the Company’s Articles of Association, notices of meeting and the annual reports are sent out to shareholders at least 21 days before the date of the meeting.

   At each Annual General Meeting, a presentation is given by the CEO&MD to explain the Group’s strategy, performance and major developments to shareholders. The Board also encourages shareholders to participate in the question and answer session at all general meetings.

   The Board had put all the resolutions to vote by poll at the Annual General Meeting held during the financial year. All shareholders were briefed on the voting procedures by the independent scrutineer at the commencement of the general meeting.

3. Openness and Transparency
   The Group has established a comprehensive and current website at www.ijm.com/plantation to further enhance investor relations and shareholder communication.

   The Group has also included a Corporate Governance section on the website where information such as the Board Charter, Code of Ethics & Conduct, Corporate Disclosure Policy, shareholders’ rights and extracts of minutes of general meetings are made available to the shareholders and public.

   To better serve stakeholders of the Group, a feedback page on the website provides an avenue for stakeholders to suggest improvements to the Group via email: ijmir@ijm.com. In addition, stakeholders who wish to reach the Group can do so through the ‘Contact Us’ or ‘Feedback’ page.

   Investor queries pertaining to financial performance or company developments can be directed to the Senior Manager (Investor Relations) of IJM, Mr Shane Guha Thakurta (Tel: +603-79858041, Fax: +603-79529388, E-mail: shanethakurta@ijm.com), whereas shareholder and company related queries can be referred to the Company Secretary, Ms Ng Yoke Kian (Tel: +603-79858131, Fax: +603-79521200, E-mail: cs@ijm.com).
IV. ACCOUNTABILITY AND AUDIT

1. Financial Reporting

The Board takes responsibility for the Company’s and Group’s announcements of quarterly unaudited and yearly audited financial statements. These reports are submitted to Bursa Securities within the prescribed period. The Board aims to present a balanced assessment of the Group’s position and prospects in these reports. This applies to other price sensitive public reports and reports to regulators as well.

2. Directors’ Responsibility Statement

The Companies Act 1965 (“the Act”) requires the Directors to cause the preparation of the financial statements for each financial year in accordance with the provisions of the Act and applicable approved accounting standards to give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of the results and cash flows of the Group and the Company for the financial year. Where there are new accounting standards or policies that become effective during the year, the impact of these new treatments would be stated in the notes to the financial statements, accordingly.

The Directors have ensured that Management, in preparing the financial statements:

• used appropriate accounting policies which were consistently applied;
• made judgments and estimates that are reasonable and prudent;
• ensured that all applicable accounting standards have been followed; and
• considered the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operations for the foreseeable future.

The Directors are responsible for ensuring that the Company keeps accounting records which disclose, with reasonable accuracy, the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the provisions of the Act.

The Directors have also taken such steps that are reasonably open to them to safeguard the assets of the Group, and to prevent fraud and other irregularities.

3. Risk Management & Internal Control

The Group’s Statement on Risk Management & Internal Control which provides an overview of the risk management framework and state of internal control within the Group, is set out on pages 48 to 51.

4. Relationship with the Auditors

Through the Audit Committee, the Board has a direct relationship with the external auditors. The role of the Audit Committee in relation to the external auditors is set out on pages 45 to 47. The external auditors are invited to attend all Audit Committee meetings and general meetings and receive all internal audit reports.

The Audit Committee had undertaken an assessment on the suitability of the External Auditors for the financial year 2014 pursuant to the External Auditors Policy (“the EAP”), which has outlined the guidelines and procedures for the assessment and monitoring of external auditors. The criteria for the External Auditors Assessment include quality of services, sufficiency of resources, communication and interaction, independence, objectivity and professional skepticism. The Audit Committee was satisfied with the External Auditors’ technical competency and audit independence.

The details of the EAP are available for reference at www.ijm.com/plantation.

5. Non-Audit Fee

There was no non-audit fee paid to the external auditors of the Company for the financial year ended 31 March 2014.

6. Related Party Transactions

Related party transactions of the Group for the financial year are disclosed in Note 31 to the Financial Statements.
V. CORPORATE RESPONSIBILITY AND SUSTAINABILITY

The Board places great importance on corporate responsibility ("CR") and business sustainability and embraces CR as an integral part of the Group’s business philosophy and corporate culture.

The Statement and Report on Corporate Social Responsibility which provides an overview of the CR framework and sustainability practices and activities, is set out on pages 52 to 68. The CR activities of the Group are available for reference at www.ijm.com/plantation under the Nurturing Sustainability section.

VI. CODES AND POLICIES

1. Code of Ethics and Conduct

The Board has made a commitment to create a corporate culture within the Group to operate the businesses in an ethical manner and to uphold the highest standards of professionalism and exemplary corporate conduct. The Code of Ethics and Conduct ("the CEC") of the Group which sets out the principles and standards of business ethics and conduct of the Group is applicable to all employees (including full time, probationary, contract and temporary staff) and Directors of the Group.

The details of the CEC are available for reference at www.ijm.com/plantation.

2. Whistle-Blowing Policy

The Board encourages employees and associates to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Company. The Whistle-Blowing Policy adopted by the Company provides and facilitates a mechanism for any employee and associate to report concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse.

The Whistle-Blowing Policy is posted on the IJM Group’s intranet portal and website at www.ijm.com/plantation for ease of access for reporting by employees and associates of the Group.

3. Corporate Disclosure Policy

The Board places importance in ensuring disclosures made to shareholders and investors are comprehensive, accurate and on a timely and even basis as they are critical towards building and maintaining corporate credibility and investor confidence. The Corporate Disclosure Policy ("the CDP") of the Group has set out the policies and procedures for disclosure of material information of the Group. The CDP is applicable to all employees (including full time, probationary, contract and temporary staff) and Directors of the Group.

The details of the CDP are available for reference at www.ijm.com/plantation.

This Statement on Corporate Governance was approved by the Board of Directors on 11 July 2014.