ACCELERATING VALUE DELIVERY & IMPACT

IOI Corporation Berhad's five strategic priorities are highlighted as the focus of this year's cover design. Each strategy is captured as a circular icon and rendered in a vibrant array of colours to depict the distinct impact it has in illuminating a sustainable future for IOI. The dynamic helix shows ongoing momentum in scaling new heights while embedding sustainability, resilience and responsibility into our core. The elevated arrangement of images capture continuous progress in every aspect of our operations, as we work steadfastly on unleashing the impact of our strategies towards fortifying a global palm oil supply chain that is reliable, traceable and sustainable.

IOI CORPORATION BERHAD
196901000607 (9027-W)
IOI City Tower 2, Lebuh IRC, IOI Resort City,
62502 Putrajaya, Malaysia
www.ioigroup.com

IOI CORPORATION BERHAD 196901000607 (9027-W)

ANNUAL REPORT 2021

IOI GROUP

Accelerating Value Delivery & Impact

ANNUAL REPORT **2021**

INSIDE THIS REPORT

EXTERNAL ENVIRONMENT
PAGE 28

52ND ANNUAL GENERAL MEETING

Virtual Meeting through live streaming broadcast from
IOI Resort City,
Putrajaya, Malaysia ("Meeting Venue")

Tuesday
26 October 2021
10:00 am

Note:
The Meeting Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of Meeting to be present at the main venue. **No shareholders/proxy(ies) from the public shall be physically present at, nor admitted to the Meeting Venue.**

VALUE CREATION MODEL
PAGE 22

STRATEGIC PRIORITIES
PAGE 44

GROUP FINANCIAL REVIEW
PAGE 56

GROUP OVERVIEW

KEY MESSAGES

STRATEGIC VALUE CREATION

STRATEGIC PROGRESS

PERFORMANCE REVIEW

GOVERNANCE

ADDITIONAL INFORMATION

For a more bite-sized version of our report, please scan the QR code or log on to
https://www.ioigroup.com/Content/IR/IR_Reports

Integrated Annual Report 2021

ACCELERATING VALUE DELIVERY & IMPACT

At IOI, we are accelerating the value delivery and impact of our five strategic priorities that are highlighted as the focus of this year's cover design. Each strategy is captured as a circular icon and rendered in a vibrant array of colours to depict the distinct impact it has in illuminating a sustainable future for IOI. The dynamic helix shows ongoing momentum in scaling new heights while embedding sustainability, resilience and responsibility into our core. The elevated arrangement of images capture continuous progress in every aspect of our operations.
As a whole, this year's cover captures an energetic phase as we work steadfastly on unleashing the impact of our strategies towards fortifying a global palm oil supply chain that is reliable, traceable and sustainable.

ABOUT OUR REPORT

THE FOCUS OF THIS REPORT

IOI Corporation Berhad ("IOI" or "the Group") has embarked on an integrated reporting journey since 2019. This is our third Integrated Report ("Report") representing a clear and comprehensive corporate reporting to better meet the needs of various stakeholders and achieve greater business benefits.

We aim to enhance reporting connectivity and provide stakeholders a more holistic view of how we create and sustain value, as well as our strategic direction going forward.

Our Report consists of an Annual Report, Financial Report and Sustainability Report to provide further details and clarity on our performance on these fronts.

REPORTING SUITE	Financial Report 2021	Sustainability Report 2021
REPORTING FRAMEWORK	This report provides detailed accounting of the year's financial performance.	This report details our efforts and commitment towards ensuring holistic and sustainable growth through the long term.

NAVIGATION ICONS

Our Strategic Priorities

- Increase Yield
- Increase the Non-CPO Segment
- Optimise Workforce
- Grow the Oleochemical Segment
- Diversify Crops

Our Six Capitals

- Human
- Manufactured
- Natural
- Social & Relationship
- Financial
- Intellectual

Our Risks

- R1 Human Capital & Talent
- R4 Business Resilience
- R2 Supply Chain Compliance
- R5 Environmental Sustainability
- R3 Reliance on Manual Labour

Our Key Stakeholder Groups

- Employees
- Regulators
- Customers
- Shareholders & Investors
- Communities
- Industry Associations/ Civil Societies
- Suppliers

Our Material Matters

- M1 Occupational Safety & Health
- M2 Transparent Grievance Resolution & Communication
- M3 Climate Change & Carbon Emission Management
- M4 Governance & Anti-Corruption
- M5 Responsible Recruitment
- M6 Biodiversity and Conservation / Protection of High Conservation Value & High Carbon Stock Areas
- M7 Responsible Sourcing
- M8 Sustainability Certification &/or Sustainability Certified Products
- M9 Regulatory Compliance
- M10 Fire Management
- M11 Fair & Decent Wage
- M12 Deforestation & Land Use
- M13 Community Engagement & Social Responsibility

REPORTING PERIOD, SCOPE AND BOUNDARY

This Report covers our financial and non-financial performance during the period of 1 July 2020 to 30 June 2021.

The scope of this Report covers all of IOI's businesses in Malaysia and other countries we operate in. This includes operations for which we have full control, subsidiaries, associate companies and joint venture. It excludes detailed information on investments in which the Group holds a minority stake.

The boundary of the Report is beyond financial reporting and includes non-financial performance, risks, opportunities and outcomes attributable to or associated with our key stakeholders that have a significant influence on our ability to create value.

For a holistic view of our business, this Report should be read in conjunction with the information available on our website at www.ioigroup.com.

REPORTING FRAMEWORK

This Report has been prepared in accordance with the International Framework set by the International Integrated Reporting <IR> Council ("IIRC"), Global Reporting Initiative ("GRI"): Core Option and GRI Sector Disclosures as well as the Main Market Listing Requirements of Bursa Malaysia.

The financial report is aligned with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS"), Malaysian Code on Corporate Governance and the requirements of the Companies Act 2016 in Malaysia.

ASSURANCE

The Board has applied its collective mind to present IOI's Report and acknowledge its responsibility to ensure the integrity of this Report, through good governance practices and internal reporting procedures. This Report was approved by the Board on 14 September 2021.

Tan Sri Peter Chin Fah Kui
Independent Non-Executive Chairman

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

FORWARD-LOOKING STATEMENTS

This Report contains certain forward-looking statements with respect to IOI's future performance and prospects. While these statements represent our judgements and future expectations at the time of preparing this Report, a number of emerging risks, uncertainties and other important factors could cause actual results to differ materially from our expectation. These include factors that could adversely affect our business and financial performance. We would like to clarify that the Group makes no express or implied representation or warranty that the results targeted by these forward-looking statements will be achieved.

WHO WE ARE & WHAT WE DO

IOI Corporation Berhad ("IOI" or the "Group"), listed on the Main Market of Bursa Malaysia Securities Berhad, is a leading global integrated and sustainable palm oil player. Employing about 25,000 people in several countries, we are a fully integrated company that undertakes the plantation and resource-based manufacturing businesses. Our plantation business covers Malaysia and Indonesia while our downstream resource-based manufacturing business includes refining of palm oil as well as manufacturing of oleochemical and specialty oils and fats, with strong presence in Asia, Europe and USA.

OUR PURPOSE

Committed to sustainable agriculture and innovative products.

VISION

Our Vision is to be a leading and sustainable Malaysian business corporation with global presence.

MISSION

Our Mission is to achieve responsible and sustainable commercial success by addressing the interests of all our stakeholders, caring for the community and the environment, and adopting best practices to be globally competitive.

CORE VALUES

- Integrity
- Commitment
- Team Spirit
- Cost Efficiency
- Innovation
- Excellence in Execution

PLANTATION

Plantation is one of the core businesses of IOI, which is engaged in the cultivation of oil palm and processing of palm oil with operations in seed breeding, cultivation and crop oil extraction. Today, we have 96 estates,15 palm oil mills, and four research and development ("R&D") centres across Malaysia and Indonesia.

Contribution to Segment Results	FFB Yield (Per Hectare)
64%	20.78 MT

OER	Total Planted Area (Hectares)#
21.39%	178,105

Excludes area owned by associate companies

Total FFB Production (Million MT)
2.9

- OER: Oil Extraction Rate
- FFB: Fresh Fruit Bunches

RESOURCE-BASED MANUFACTURING

The Group's global resource-based manufacturing business, comprising our refining, oleochemical and specialty oils and fats sub-segments, plays an important role in fortifying our integrated palm value chain. It consists of downstream activities such as refining of crude palm oil and palm kernel oil, and processing of refined palm oil and palm kernel oil into oleochemical as well as specialty oils and fats products.

Contribution to Segment Results	Combined Annual Oleochemical Capacity (MT)
36%	780,000

Manufacturing Facilities*	Combined Annual Refining Capacity (Million MT)	Export to Over
6	1.8	80 Countries Worldwide

* Excludes associate companies

GLOBAL PRESENCE

North America

1. Channahon, USA ~
2. New Jersey, USA
3. Toronto, Canada ~

South America

4. Sao Paulo, Brazil ~

Africa

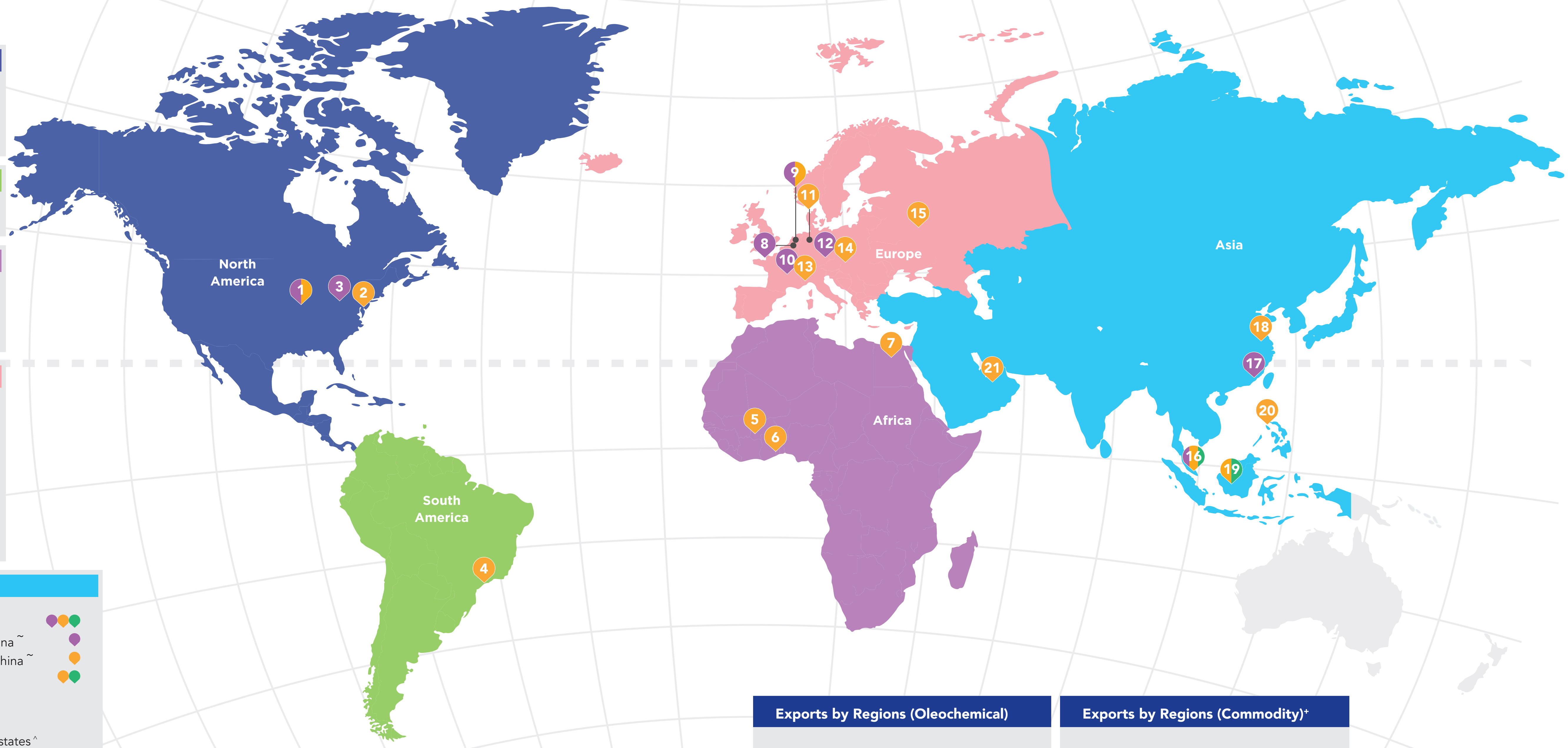
5. Bobo Dioulasso, Burkina Faso ~
6. Tema, Ghana ~
7. Cairo, Egypt ~

Europe

8. Rotterdam, The Netherlands ~
9. Wormerveer, The Netherlands ~
10. Witten, Germany
11. Hamburg, Germany
12. Wittenberge, Germany
13. Varese, Italy ~
14. Warsaw, Poland ~
15. Moscow, Russia ~

Asia

16. Malaysia #
17. Xiamen, The People's Republic of China ~
18. Shanghai, The People's Republic of China ~
19. Kalimantan, Indonesia
    Plantation & Mill (Kalimantan Barat):
    Berkat Nabati Sejahtera 1-4 Estates ^
    Bumi Sawit Sejahtera 1-4 Estates ^
    Kalimantan Prima Agro Mandiri 1-4 Estates ^
    Sukses Karya Sawit 1-3 Estates ^ & Palm Oil Mill
20. Manila, The Philippines ~
21. Dubai, United Arab Emirates ~



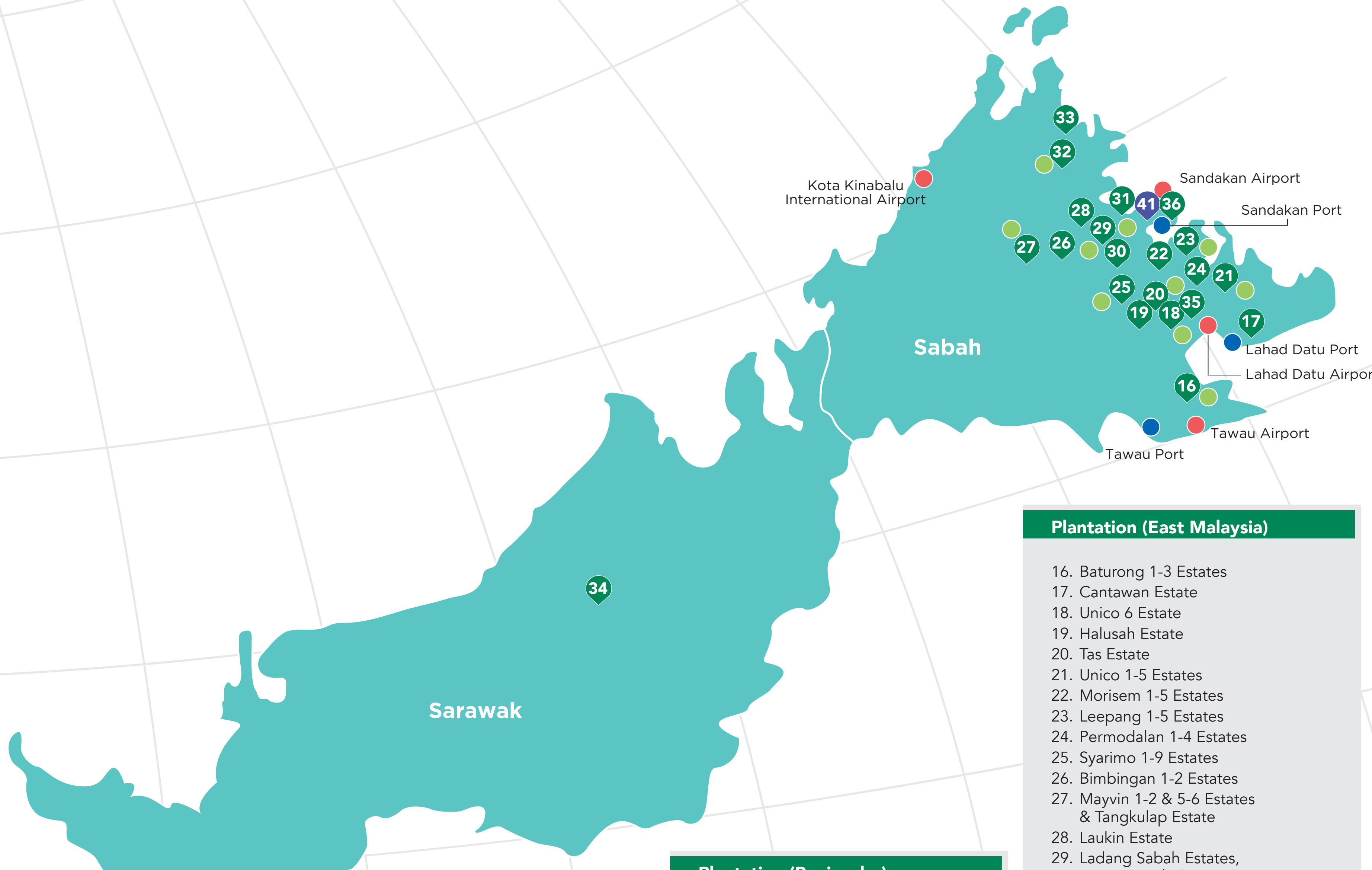
Plantation & Mill   Resource-Based Manufacturing   Sales/Procurement/Regional Office

~ Associate (Bunge Loders)
# Includes associate companies
^ Includes plasma estates
+ Includes sales of palm kernel expellers

Exports by Regions (Oleochemical)	
82.2%	Asia
3.0%	Africa
10.9%	Europe
2.6%	North America
0.9%	South America
0.4%	ROW (Rest of the World)

Exports by Regions (Commodity)+	
40.2%	Asia
4.6%	Africa
42.4%	Europe
12.6%	North America
0.2%	ROW (Rest of the World)

LOCAL PRESENCE



Plantation (Peninsular)

1. IOI Palm Biotech
2. Bukit Dinding Estate
3. Detas Estate
4. Bukit Leelau Estate
5. Leepang A Estate & Laukin A Estate
6. Mekassar Estate & Merchong Estate
7. Pukin Estate
8. Shahzan IOI 1 Estate & Shahzan IOI 2 Estate
9. Bahau Estate & Kuala Jelei Estate
10. IOI Research Centre & Regent Estate
11. Gomali Estate, Paya Lang Estate & Tambang Estate
12. Bukit Serampang Estate & Sagil Estate
13. Segamat Estate
14. Kahang Estate
15. Pamol Barat Estate, Pamol Timur Estate, Mamor Estate, Unijaya Estate & Pamol Research Centre (Kluang)

Plantation (East Malaysia)

16. Baturong 1-3 Estates
17. Cantawan Estate
18. Unico 6 Estate
19. Halusah Estate
20. Tas Estate
21. Unico 1-5 Estates
22. Morisem 1-5 Estates
23. Leepang 1-5 Estates
24. Permodalan 1-4 Estates
25. Syarimo 1-9 Estates
26. Bimbingan 1-2 Estates
27. Mayvin 1-2 & 5-6 Estates & Tangkulap Estate
28. Laukin Estate
29. Ladang Sabah Estates, IOI Research Centre & Sandakan Regional Office
30. Linbar 1-2 Estates
31. Sakilan Estate
32. Pamol Sabah Estates & Pamol Sabah Research Centre
33. Sugut Estate
34. Sejap Estate & Tegai Estate
35. Lahad Datu Regional Office
36. Sandakan Regional Town Office

Resource-Based Manufacturing

37. IOI Oleochemical Operations
38. IOI Pan-Century Oleochemical & Refinery Operations
39. Lipid Enzymtec Plant ~
40. Palm Oil Refinery & Specialty Fats Operations ~
41. IOI Palm Oil Refinery & Kernel Crushing Plant

AWARDS & ACHIEVEMENTS

1. **Strongest Adherence to Corporate Governance**
   IOI Corporation Berhad
   (Alpha Southeast Asia's 10th Annual Institutional Investor Corporate Awards 2020)

   Best Senior Management IR Support
   IOI Corporation Berhad
   (Alpha Southeast Asia's 10th Annual Institutional Investor Corporate Awards 2020)

2. **Best CFO in Malaysia**
   IOI Corporation Berhad
   (Alpha Southeast Asia's 10th Annual Institutional Investor Corporate Awards 2020)

3. **Highest Return on Equity Over Three Years (Plantation Sector)**
   IOI Corporation Berhad
   (The Edge Billion Ringgit Club Corporate Awards 2020)

4. **Highest Growth in Profit After Tax Over Three Years**
   IOI Corporation Berhad
   (The Edge Billion Ringgit Club Corporate Awards 2020)

5. **2020 Digital Transformation (DX) CEO – Malaysia (Dato' Lee Yeow Chor)**
   IOI Corporation Berhad
   (International Data Corporation DX Summit and Awards 2020)

6. **Challenge Trophy**
   IOI Pan-Century Oleochemicals Sdn Bhd
   (2019/20 Prime Minister's Hibiscus Awards)

7. **Excellent Achievement Award in Environmental Performance**
   IOI Pan-Century Oleochemicals Sdn Bhd
   (2019/20 Prime Minister's Hibiscus Awards)

8. **Johor State Award**
   IOI Pan-Century Oleochemicals Sdn Bhd
   (2019/20 Prime Minister's Hibiscus Awards)

FTSE4Good

9. **Environmental, Social and Governance (ESG) Rating: 3.1**
   IOI Corporation Berhad
   (A constituent of FTSE4Good Index)

CDP DISCLOSURE INSIGHT ACTION

10. **Responded to Climate Change, Forests (Palm Oil) and Water Security**
    IOI Corporation Berhad

SPOTT

11. **Ranked 14th with overall score of 77.1%**
    IOI Corporation Berhad

GLOBAL CHILD FORUM

12. **A score of 8.1% in the Food, Beverage & Personal Care sector (Top 3 companies with highest score for 2020)**
    IOI Corporation Berhad

BUSINESS & FINANCIAL HIGHLIGHTS

Revenue
RM 11.25 billion

Profit before Interest and Taxation
RM 1.74 billion

Net Profit Attributable to Owners of the Parent
RM 1.39 billion

Full implementation of **SAP ERP system and mobile crop monitoring system** in all Malaysian plantations

Filed **5 new patents for pharmaceutical applications**

Developed **10 new formulations and one new ingredient** for personal care

Production sites in Witten and Wittenberge completely switched to **100% green electricity**

Successfully implemented **Mechanised FFB Main Line Evacuation System in approximately 40%** of our plantations in Malaysia and Indonesia

Increased sales of **low 3-MCPD and high-end MCT ("medium chain triglycerides")** use in nutritional and healthcare products

Market Capitalisation
RM23.50 billion

Share Price
RM 3.76

Yayasan Tan Sri Lee Shin Cheng
CSR contribution
RM4.1 million

WHY INVEST IN IOI

Our strengths differentiate us from others and enable us to create and sustain long-term shareholders' value

LEADING INTEGRATED PALM OIL GROUP WITH GLOBAL PRESENCE

- A fully integrated business model with upstream and downstream operations to mitigate impact of commodity price fluctuations
- Global presence in 8 countries across 4 continents
- Sales are diversified to more than 80 countries to mitigate our exposure to localised risks in any particular market

EFFICIENT PALM OIL PRODUCER

- Proven track record as one of the most efficient major palm oil producers
- IOI Palm Biotech is a leading tissue culture facility producing superior high-yielding oil palm clonal planting materials

WELL-ESTABLISHED AND INNOVATIVE OLEOCHEMICAL SEGMENT

- Earliest and largest fatty acids producer in Malaysia
- Owner of 19 patents for pharmaceutical applications via IOI Oleo GmbH, Germany
- CARE Studio in Germany developed 40 formulations for personal care and cosmetic applications

RESPONSIBLE AND SUSTAINABLE PRACTICES

- 100% of Malaysian plantations are Malaysian Sustainable Palm Oil ("MSPO") certified
- A member of the FTSE4Good Malaysia Index, 71st percentile in the assessment for Dow Jones Sustainability Index ("DJSI") and 90th percentile on the EcoVadis Rating
- Committed to the No Deforestation, No Peat and No Exploitation ("NDPE") policy since 2016 and a member of High Carbon Stock Approach ("HCSA") Group

GOOD DIVIDEND TRACK RECORD

- Policy of declaring at least 50% of normalised profit after tax and minority interest ("PATAMI") as dividend

CHAIRMAN'S STATEMENT

WHAT WE DO HAS FAR GREATER IMPACT THAN WHAT WE SAY

TAN SRI PETER CHIN FAH KUI
Independent Non-Executive Chairman

Dear Stakeholders,

On behalf of the Board of Directors ("the Board") of IOI Corporation Berhad ("IOI" or "the Group"), it is my honour to present to you the Annual Report of the Group for the financial year ended 30 June 2021 ("FY2021").

OPERATING ENVIRONMENT

It has been more than a year since the onset of the COVID-19 pandemic. The Asian region, particularly South Asia as well as Southeast Asia, experienced a sharp resurgence of infections towards the end of the first quarter of 2021. On the local front, the resurgence of COVID-19 cases has resulted in the Movement Control Order ("MCO") being reimposed nationwide. Despite the MCO, most of the Group's operations were allowed to continue operating as the palm oil industry is an essential economic sector.

Nevertheless, the World Bank and the International Monetary Fund have projected a global economic growth of 5.6% and 6% respectively for 2021 premised on the availability of COVID-19 vaccines and the rapid inoculation drive across the world. Locally, Bank Negara Malaysia is projecting a Gross Domestic Product ("GDP") growth of between 3% and 4% in 2021.

As for the plantation sector, crude palm oil ("CPO") price increased sharply over the past one year from about RM2,400 per metric tonne ("MT") back in July 2020 to above RM4,000 per MT in March 2021 and has remained above that level since then. The strong price rally was mainly due to weaker than expected fresh fruit bunches ("FFB") production and generally tight supply situation of major competing vegetable oils due to adverse weather, as well as strong demand in some key importing countries as their economies start to ramp up.

During the period under review, the US Dollar-Ringgit exchange rate ("USD/MYR") fluctuated between 4.00 and 4.29 and was volatile towards the end of the period. The Ringgit strengthened from USD/MYR 4.29 level in July 2020 to about 4.00 level in January 2021, before subsequently weakening to 4.15 level on 30 June 2021.

REVIEW OF RESULTS

For the 30 June 2021 financial year under review, the Group's profit before tax ("PBT") of RM1,739.8 million was 110% higher as compared to the PBT of RM826.7 million reported for financial year ended 30 June 2020 ("FY2020"). The higher PBT was due mainly to higher results of both the plantation segment and the resource-based manufacturing segment whilst the net foreign currency translation on foreign currency denominated borrowings and deposits recorded a translation gain of RM125.4 million in FY2021 compared to a translation loss of RM207.9 million in FY2020.

Excluding the net foreign currency translation gain on foreign currency denominated borrowings and deposits, the fair value loss on derivative financial instruments as well as indemnity claims arising from the disposal of Loders Croklaan Group B.V. of RM31.0 million (FY2020 – nil), the underlying PBT of RM1,791.6 million for FY2021 is 80% higher than the underlying PBT of RM997.0 million for FY2020. Overall, the Group reported a net profit of RM1,416.3 million for FY2021 which was RM814.6 million or 135% higher as compared to RM601.7 million for FY2020.

Over 7,000 hectares of aging trees were replanted during FY2021 with high-yielding oil palm planting materials.

For our plantation segment, the higher operating profit of RM1,209.6 million for FY2021 as compared to FY2020 of RM701.5 million was mainly due to higher CPO and palm kernel ("PK") prices realised which were offset by the lower FFB production. Overall average CPO and PK prices realised for FY2021 were RM3,076 per MT (FY2020 – RM2,314 per MT) and RM2,115 per MT (FY2020 – RM1,375 per MT) respectively, whilst FFB production lowered to 2.92 million MT from 3.10 million MT a year earlier. One of the main reasons for the lower FFB production is due to workers shortage as a result of the government-imposed recruitment freeze on migrant workers. Other reasons such as COVID-19 related restrictions as well as our ongoing accelerated replanting activities in the Sabah region have also contributed to the overall FFB reduction. Thankfully, the mechanisation programme that the Group has embarked on two years ago has helped to mitigate the effects from the worker shortage situation.

For our resource-based manufacturing segment, the higher profit of RM668.0 million for FY2021 was 73% higher than the profit of RM385.1 million reported in FY2020 due mainly to higher share of results from our associate, Bunge Loders Croklaan Group B.V. ("BLC"). Better performance from North America and Europe regions combined with a one-off gain of RM268.3 million from the sale of its refinery located in Rotterdam boosted the overall BLC's result. Apart from this share of BLC's result, lower contribution was reported by the oleochemical and refinery sub-segments due mainly to lower margins. Higher feedstock prices and rising freight cost were among the reasons for the lower margins. In addition, stiff competition from Indonesian downstream processors due to their country's CPO tax structure which gave the processors a competitive edge also contributed to the lower margins. Given the unfavourable environment the resource-based manufacturing operations were operating in, the results produced is still commendable.

The Group's Business Review is further detailed on pages 60-71 of this Annual Report.

MAJOR CAPITAL EXPENDITURE

As part of the Group's replanting programme, over 7,000 hectares of past prime trees were replanted during FY2021 with higher yielding oil palm planting materials. However, the replanted area was short of our initial target to replant by about 12,000 hectares due partly to restrictive measures contained in the pandemic-related SOPs. At the same time, approximately 3,900 hectares of oil palm trees were brought into maturity in FY2021.

As for the Group's last concession area in Kalimantan, Indonesia, about 400 hectares of new planting was carried out in 2021 while the balance of approximately 500 hectares area will be fully planted by end of 2021.

For the oleochemical sub-segment, our new 110,000 MT/year capacity oleochemical plant in Prai, Penang is slated to complete in Q2 2022.

The total capital expenditure for FY2021 was RM407.6 million, of which RM279.6 million was incurred by the plantation segment and RM119.5 million was incurred by the resource-based manufacturing segment.

DIVIDENDS AND CAPITAL MANAGEMENT

The Group announced a dividend policy in May this year which commits to a dividend payout ratio of at least 50% of the Group's consolidated annual net profit after taxation and minority interest ("PATAMI"), after adjusting for unrealised net foreign exchange gain or loss. For FY2021, an interim single tier dividend totalling 4.5 sen per ordinary share amounting to a total amount of approximately RM281.8 million was paid in March 2021. The Board subsequently declared a second interim single tier dividend of 6.0 sen which amounts to approximately RM374.9 million on 24 August 2021. When taken together, the total dividend declared for FY2021 is approximately RM656.7 million, representing about 52% of the Group's consolidated annual PATAMI after foreign currency translation adjustment. During the period, the Group has also repurchased about 18.2 million of its issued shares capital from the open market at an average price of RM4.02 per share for a total consideration of approximately RM73.1 million.

The Group continues to be financially nimble by maintaining a low net gearing ratio of 0.29 and a high level of liquidity with cash and cash equivalents of RM2,024.9 million as at the end of FY2021. With continuous proactive capital management, the Group is poised to capitalise on future investment opportunities.

ACKNOWLEDGEMENTS

On behalf of the Board, I wish to take this opportunity to welcome the appointment of Dr Nesadurai Kalanithi to the Board of Directors effective 8 July 2021. Dr Nesadurai is a biochemist by training, with more than 35 years of experience in the oil palm industry.

The COVID-19 pandemic continues to ravage on the communities and damage economic sectors within the country, causing disruption to trade and industry. Against this backdrop, the Group was fortunate to be able to carry on with operations and capitalise on rising palm oil prices, and consequently recorded a good result for FY2021.

For this, I would like to express great appreciation to the management and employees for their resilience, commitment and dedication during this challenging period. In addition, I would also like to thank our stakeholders, namely our customers, bankers, business partners, governmental authorities, non-governmental organisations, and our shareholders for their continued support and confidence in our Group throughout this period.

Please stay safe and keep well.

Thank you.

Tan Sri Peter Chin Fah Kui
Independent Non-Executive Chairman

GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE'S STATEMENT

EVERY INTERACTION WE INITIATE IS AN OPPORTUNITY TO MAKE A POSITIVE IMPACT ON OTHERS

Dear Stakeholders,

It gives me great pleasure to set out the Group's key focus areas, progress of its strategic priorities, developments on the sustainability front and the prospects for the financial year 2022 ("FY2022").

The world economy has begun to emerge from the economic collapse of 2020, following the unprecedented policy response by many countries which provided large-scale macroeconomic support to alleviate the economic blow triggered by the COVID-19 pandemic. However, the recovery is expected to be subdued and uneven due to the different rates of vaccine rollouts among countries across the globe and also in view that certain countries are still occupied with containment measures to counter new waves of infection.

IOI GROUP'S FIVE-YEAR PLAN

The Group initiated a Five-Year Plan which was introduced in March 2020 to transform the Group from a cost competitive palm oil producer to a high value-added diversified palm-based products producer. This plan is driven by five strategic priorities.

The first priority is to optimise agricultural land use by increasing plantation oil yield by at least 15% through utilising our high-yielding planting materials according to different terrain and weather conditions. We have started using our newly improved third-generation hybrid palm seedlings in addition to our elite clonal palms during this year's replanting programme. These third-generation hybrid palm seedlings as well as elite clonal palms are a result of our more than 30 years' experience in palm breeding and tissue culture research.

Our 5 Strategic Priorities

- Increase Yield
- Optimise Workforce
- Diversify Crops
- Increase the Non-CPO Segment
- Grow the Oleochemical Segment

IOI implemented the mechanised FFB main line evacuation system using grabber in combination with bin transport system in about 40% of all estates across Peninsular Malaysia, Sabah and Indonesia.

The Group initiated a Five-Year Plan which was introduced in March 2020 to transform the Group from a cost competitive palm oil producer to a high value-added diversified palm-based products producer.

DATO' LEE YEOW CHOR
Group Managing Director and Chief Executive

Secondly, the Group aims to reduce plantation workforce by more than 25% through the implementation of various estate mechanisation and digitalisation programmes. At the end of FY2021, we expanded the mechanised fresh fruit bunches ("FFB") main line evacuation system to about 40% of our total estate areas and used motorised tools such as motorised palm cutters and power wheel barrows to increase harvesters' productivity by up to 50%. I am also happy to report to you that the Group has completed its implementation of the SAP ERP system and mobile crop monitoring system in all Malaysian plantations in December 2020. In order to simplify our estate workers' payroll system, we have also implemented an e-wallet payment system to 50% of our plantation operating units. For upcoming pipeline projects, the Group will be employing mechanical fertiliser spreaders and mechanical chemical sprayers with global positioning system ("GPS") technology as well as exploring to use drones for pesticide application to reduce reliance on manual labour.

Thirdly, the Group plans to diversify planting of crops away from full reliance on oil palm to other higher-value crops to limit the Group's exposure to palm oil price volatility. During FY2021, we have started to plant pineapples as an intercrop to our total planted area of about 300 hectares of coconut trees. There are ongoing plans to plant another 1,000 hectares of coconut trees and 300 hectares of kenaf within the next two years. Once the planting of these crops has achieved a certain critical size, the Group will explore various processing facilities for the crop outputs to extract more value from them.

The fourth priority is to increase the non-crude palm oil ("CPO") income by converting oil palm by-products and processing waste into value-added products at competitive cost. On this front, the Group has awarded contracts for the construction of a palm wood factory to convert oil palm trunks into high performance palm wood boards and panels. The factory is targeted to be completed by end of 2022.

Finally, the Group aspire to grow the oleochemical sub-segment's profit by RM100 million through organic expansion and new product applications. I reported last year that the Group has commenced construction of our new 110,000 MT/year capacity oleochemical plant in Prai, Penang. I am pleased to report to you now that the construction is well in progress and is slated to complete by the second quarter of 2022. This expansion allows the Group to produce more palm and palm kernel based fatty acids and glycerine. At the same time, the Group is also constructing a new soap noodle plant in Pasir Gudang, Johor. On the product development front, our Germany Oleochemical division has filed 19 pharma patents and developed 40 new formulations within the personal care portfolio over the last two years. To complement these innovative product developments, a new pilot plant for pharmaceutical excipients and active ingredients has commenced operations in Germany. These exciting developments will bode well for the Group in the near to medium term.

Progress of the Group's Strategic Priorities are further detailed on pages 44-49 of this Annual Report.

GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE'S STATEMENT

CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY

The safety and health of all employees and stakeholders remains a top priority for the Group amid the COVID-19 pandemic. After we strengthened IOI Group's Sustainable Palm Oil Policy last year with clearer environmental management guidelines concerning biodiversity, peatland and fire management as well as more rigorous guidelines on building greater traceability within our supply chains, we went on to introduce more specific guidelines concerning the rights and protection of the Group's workforce this year. At the same time, we introduced more greenhouse gas reduction activities and risk mitigation measures across the Group's operations, which are integral to the Group's holistic approach towards climate change and form the basis of the Group's path forward towards climate resilient businesses and operations.

The charity arm of the Group, Yayasan Tan Sri Lee Shin Cheng ("Yayasan TSLSC") undertakes corporate social responsibility activities and has awarded more than 300 students with university scholarships and adopted more than 1,000 students under its Student Adoption Programme. Besides working on an after-school programme focusing on Science, Technology, Engineering and Mathematics ("STEM") in collaboration with several local universities, Yayasan TSLSC also operates a social enterprise called Bargain Basement which sells good quality used items in its three outlets in Putrajaya, Selangor and Perak.

The Group's new commitments, progress and initiatives on sustainability are further detailed in our Sustainability Report 2021 which is based on the Global Reporting Initiative ("GRI") standards as well as the Task Force on Climate-related Financial Disclosure ("TCFD") guidelines.

OUTLOOK AND PROSPECTS

Going forward, continued global economic recovery hinges on the rapid deployment of vaccines and support from accommodative financial and economic policies. While many of the advanced economies have been quick to vaccinate their population against COVID-19, vaccination rates among lower income countries are progressing at a slower pace due to a short supply of vaccines.

The Malaysian government is ramping up the COVID-19 vaccination rate while containing a third wave of COVID-19 infections through a reimposed Movement Control Order. The government remains optimistic that the country will inoculate 80% of its adult population by the end of October 2021. This would help to kickstart Malaysia's economic recovery in full force at the beginning of 2022.

For our plantation segment, the FFB production is expected to be stable in FY2022 as the higher production from young palm trees in our Indonesian plantations offsets the production loss from our accelerated replanting programme in Sabah. We have accelerated our mechanisation programme in various field operations to alleviate the worker shortage challenge in our estates. Overall, with the anticipated strong CPO price during the first half of FY2022, we expect the plantation segment to continue to perform well in the new financial year.

Revenue
RM 11.25 billion

Net Profit
RM 1,416 million

The Group expects our overall financial performance in FY2022 to be better than FY2021, underpinned by the strong performance from our plantation segment as a result of high CPO price and the improved performance from our resource-based manufacturing segment.

IOI Oleo GmbH developed 10 new formulations for personal care applications in their CARE Studio at Hamburg, Germany during FY2021.

As for our oleochemical sub-segment within the resource-based manufacturing segment, the stronger than anticipated palm feedstock price will moderate the product margin, although the price of palm kernel oil, the main raw material for our oleochemical sub-segment, has not increased as much as the price of palm stearin. The new fatty acid and soap noodle plants which will come on stream in Q4 of FY2022 are expected to contribute to the sub-segment's overall sales volume and margin growth in the future.

IOI Pan-Century Oleochemical Sdn Bhd garnered the highest honour in the prestigious Prime Minister's Hibiscus Awards 2019/2020 for its best environmental performance and sustainability practices.

The Malaysian refinery industry margin continues to be affected by the high palm oil price and the higher CPO export duty in Indonesia giving Indonesian refiners a more competitive cost advantage. However, our refining sub-segment is expected to perform satisfactorily in the new financial year with the efficient cost structure and varied product portfolio in our Sandakan refinery complex.

For the specialty oils and fats sub-segment comprising our associate company, Bunge Loders Croklaan Group B.V., better performance is expected for FY2022 with the normalisation of the economy and social activities in Europe coupled with the strong economic performance in US and China.

The Group expects our overall financial performance in FY2022 to be better than FY2021, underpinned by the strong performance from our plantation segment as a result of high CPO price and the improved performance from our resource-based manufacturing segment.

CLOSING REMARKS

The Group is focused on sustainable growth and expansion in its upstream and downstream businesses despite the challenges posed by the COVID-19 pandemic. Towards this end, the Group is committed to the careful monitoring and disciplined execution of its Five-Year Plan.

To achieve our IOI Vision, the Group continues to build on the platforms of sustainable growth, driving innovation, people capital development and customer intimacy. The IOI team also upholds a values-centric culture based on the six IOI Core Values namely integrity, commitment, team spirit, cost efficiency, innovation and excellence in execution.

Premised on these platforms and strong values, the Group is poised and future ready to seize the opportunities for growth and expansions to go forward. We will work steadfastly to bring an accelerated value delivery and impact to our stakeholders.

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

Delivering Impact Through Value Creation

Value for Shareholders

- Proven track record as one of the most efficient major palm oil producers
- Responsible investment and Shariah-compliant
- Dividend policy of at least 50% of normalised profit after tax and minority interest ("PATAMI")

Value for Employees

- Provide competitive remuneration and equal opportunities in learning and development
- Provide jobs directly to about 25,000 people
- Enhance health and safety, provide a conducive working environment and quality living conditions
- Promote diversity, inclusion and women empowerment

Value for Customers

- Preferred supplier of RSPO and MSPO-certified sustainable palm-based products
- Collaboration with customers to develop customised and high-quality products to meet specific needs
- Continue to focus on innovation towards value-added premium and green products

Value for Communities

- Provide capacity building and mutual growth via smallholder scheme, technical trainings and community development projects
- Provide employment opportunities, improve rural livelihoods and make lasting contributions to socio-economic development
- Partner with HUMANA to provide basic education to children of our workers and rural communities in Sabah

Value for Suppliers

- Create economies of scale for suppliers
- Practise a fair and transparent procurement process
- Develop a transparent, reliable and sustainable palm oil supply chain

We strive to provide and sustain a globally traceable, reliable and sustainable palm oil supply chain. Our integrated business model enhances synergies across our business operations, delivers shared values to our shareholders and provides long-term economic, social and environmental benefits. By capitalising on our distinctive competitive edge and strategic enablers, our 5 strategic priorities are focused to create value and deliver a positive impact.

VALUE CREATION MODEL

Our Vision is to be a leading and sustainable Malaysian business corporation with global presence.

Capital Inputs

Human
- Strong leadership and governance
- **≈25,000** talented and diverse people
- Succession and business continuity planning

Natural
- **96** estates
- **206,987** hectares of landbank
- Seeds, plants and healthy soil to cultivate oil palm trees and other crops

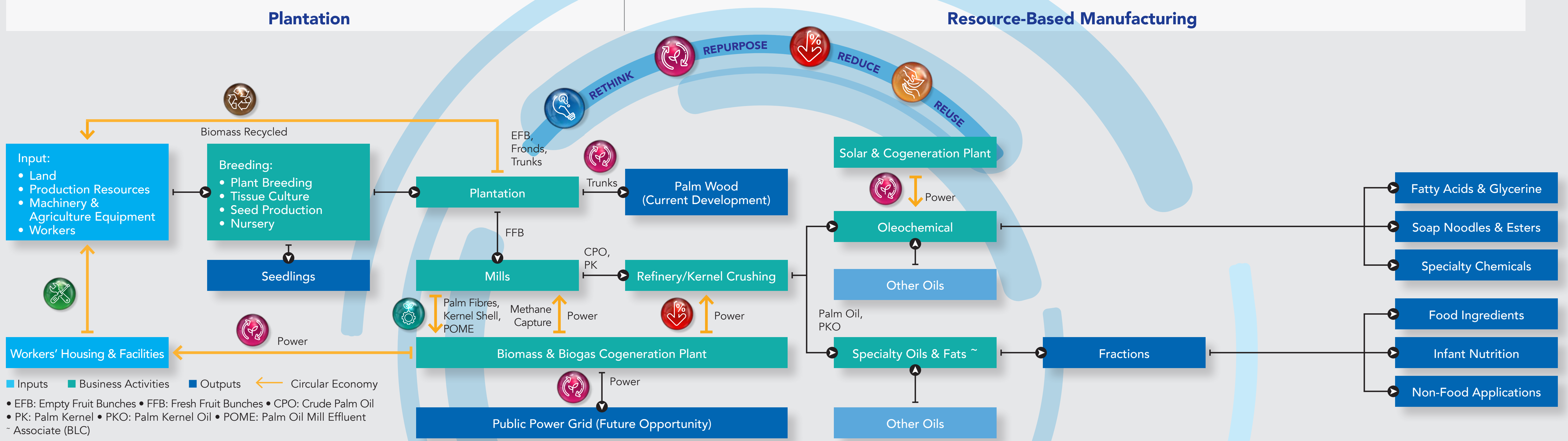
Financial
- Access to capital for investments in future success
- **RM17.7** billion of assets
- **RM10.0** billion of shareholders' equity

Manufactured
- **15** mills
- **2** refineries
- **4** oleochemical plants/complexes
- **1** biotech centre
- **4** Research and Development ("R&D") centres

Social & Relationship
- Strong long-term relationships with shareholders, customers, suppliers, bankers, non-governmental organisations ("NGOs"), regulators and communities to create shared values

Intellectual
- R&D capabilities and intellectual property
- Brand and reputation
- Best agronomy practices and estate management practices

IOI Integrated Value Chain



3 Enablers
- **Human Capital Development & Culture:** Empowerment & Inclusion
- **Sustainability:** Developing Responsible Global Palm Oil Supply Chain
- **Technology & Digitalisation:** Strengthening R&D and Innovation Culture

Strategic Priorities
Optimise Workforce
Increase the Non-CPO Segment
Increase Yield
Diversify Crops
Grow the Oleochemical Segment

Competitive Edge
Integrated System
Sustainability Culture
Innovative Culture
Integrated Value Chain
Strength in R&D
Efficiency Culture
Strong Partnership

Risks
Supply Chain Compliance
Business Resilience
Human Capital & Talent
Reliance on Manual Labour
Environmental Sustainability

RECYCLE
REPAIR
RECOVER

Refer to Strategic Enablers on pages 41-43 and Strategic Priorities on pages 44-49 for more information.

Refer to pages 28-31 for External Environment.

Values Delivery & Impacts

Human
- Training and upskilling opportunities to develop employees
- Fair and decent wage
- Healthy and safe workforce

Natural
- Sustainable palm oil practices support climate action and maintain ecosystem health
- **14** mills: RSPO and MSPO-certified
- No deforestation and protection of High Carbon Stock Forests and High Conservation Value Areas
- Towards a circular and bio-based economy

Financial
- Sustainable and profitable growth
- Good dividend pay-out
- Green and responsible investment
- Better economies of scale for vendors

Manufactured
- State-of-the-art, certified and accredited manufacturing facilities
- Significant operational efficiencies and synergies

Social & Relationship
- Quality products at competitive cost for customers to support quality of life and provide nutrition
- Improve livelihoods and uphold land rights of local communities
- Create economies of scale for suppliers

Intellectual
- High-yielding germplasm
- Developed **10** new formulations for personal care and cosmetic applications
- Filed **5** new patents for pharmaceutical applications
- ONE IOI Integrated Platform

- RSPO: Roundtable on Sustainable Palm Oil
- MSPO: Malaysian Sustainable Palm Oil

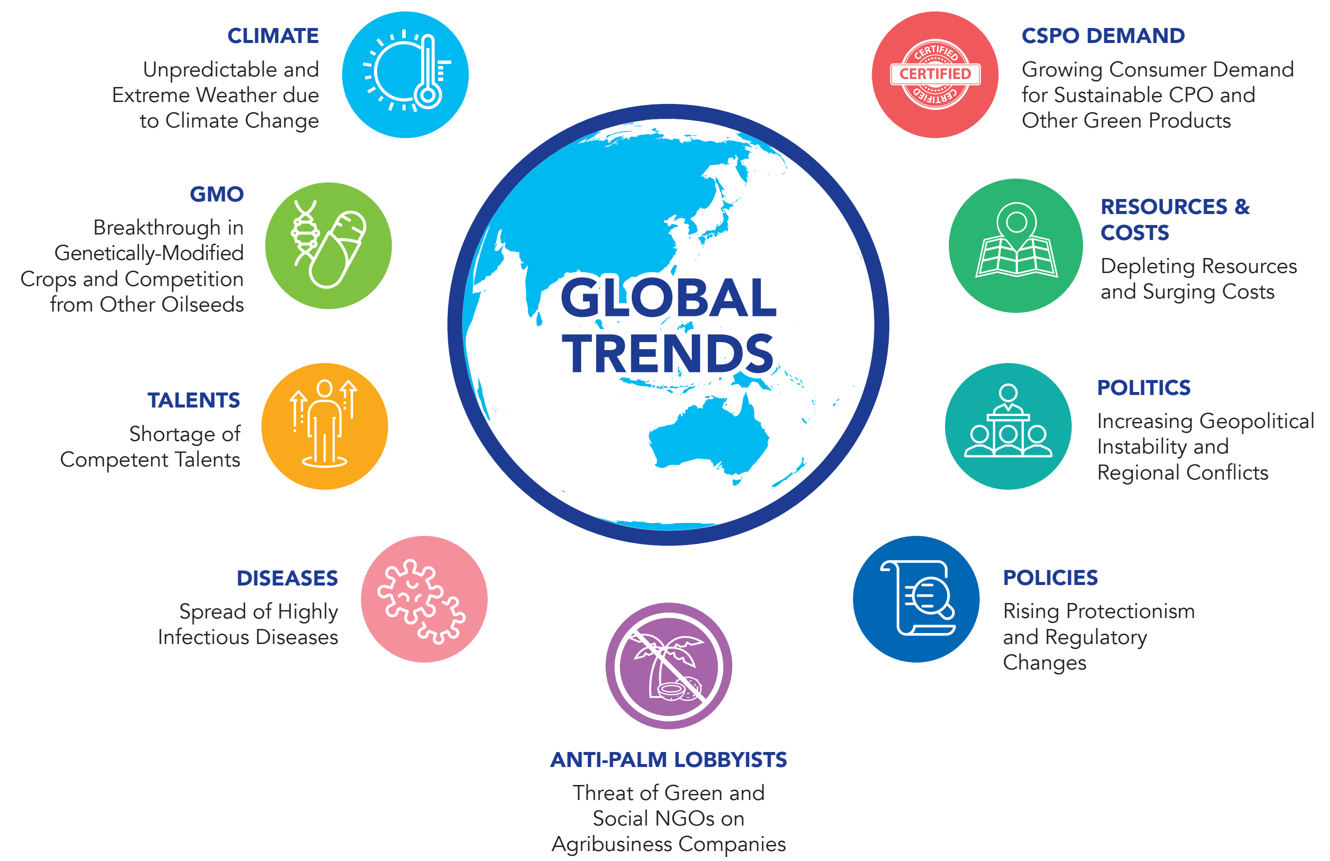
In alignment with our three pillars of sustainability (People, Planet, Prosperity) + Partnership, together with the six adopted relevant United Nations Sustainable Development Goals ("UN SDGs").

GLOBAL TRENDS

We view climate-related risks and implications as one of our biggest challenges in the agribusiness sector.

The palm oil industry is one of the more critical drivers for Malaysia's socio-economic development. As a leading global integrated palm oil player, we are gearing ourselves towards operating in a fast-changing environment and the extremes of changes in weather conditions, by investing in green infrastructures towards creating a synergy of a circular economy within each IOI operating unit, as well as advocating a transformational and innovative work culture; aimed at improving productivity, work efficiencies and better cost management.

These are some challenges which the Malaysian palm oil industry is currently facing:



Notes:
GMO : Genetically Modified Organism
NGO : Non-Governmental Organisation
CSPO: Certified Sustainable Palm Oil
CPO : Crude Palm Oil

However, we are paving the foundation towards better positioning our IOI brand, which will be driven by our five Strategic Priorities, as our strength as a valuable agribusiness company lies in our integrated value chain. Moving forward, sustainability and innovation continue to play key roles in driving our strategies where our plantation segment will remain a dominant priority for growth, but our resource-based manufacturing segment will be our competitive differentiator for growth.

Here, we present three case studies which showcase our value proposition in accelerating value impact and delivery while meeting the ESG ("Environmental, Social and Governance") sustainability requirements.


ACCELERATING CLIMATE RESILIENCE ADAPTION

We are already feeling the impacts of climate change, and we must act now to turn the tide.

In line with our 2020 Group-wide IOI Climate Change Action Initiative, we have explored and are expediting continuous improvement within our processes as a way to address climate change issues such as using more renewable power and improving energy efficiencies, amongst others.

For example, the use of biogas technology – in this case methane derived from palm oil mill effluent – can provide both valuable fuel and lesser electricity required from local grid connection, unlike the harmful climate-warming gas methane which is known to stay in the Earth's atmosphere, allowing sunlight to pass through but trapping heat. This is one of the largest contributors towards global warming. Biogas technology has benign by-products: reducing carbon emissions and cutting waste streams.

At current, IOI has 10 palm oil mills equipped with methane capture facilities which produces more than 52 million m^3 biogas per year. The uses of the captured biogas are for heat and electricity generation, mainly used for mill consumption, and in the near future could potentially be sold back to the local energy company for national grid connection use.

Not only that, this form of clean biogas can be further upgraded to produce high quality gaseous fuel i.e. bio-compressed natural gas ("Bio-CNG"), which could be a prominent cleaner alternative than using fossil fuels subsequently. We are currently conducting a feasibility study in Malaysia on this matter.

At IOI Oleo GmbH, we have upgraded our plant with the methane capture system at our Wittenberge site and we are pleased to share that our carbon savings is estimated to be 68.75 tonnes of CO^2 per year and counting, with our base measurement year starting in 2017. This form of methane captured has been used to replace natural gas in our boilers.

Utilising the biogas technology is not the only innovation that we have established, there are other initiatives such as:

- Utilising biomass for renewable energy generation;
- Utilising of solar energy and harvesting solar thermal energy;
- Adopting Liquefied Natural Gas ("LNG") as one of our energy sources with lower carbon emission fuel;
- Repurposing processing waste from our downstream facilities as organic fertiliser in our plantations.

Refer to our Sustainability Report 2021 for a detailed review.

GLOBAL TRENDS



ACCELERATING ADVANCEMENT IN CIRCULAR ECONOMY

The amount of waste currently generated represents a growing threat to our ecosystem and economies, and repurposing is a smart way to keep waste materials in the economy and out of landfills.

The palm oil industry generates large amounts of wastes and residues, which are categorised into two groups:

1) those from harvesting and replanting in plantation fields, and;

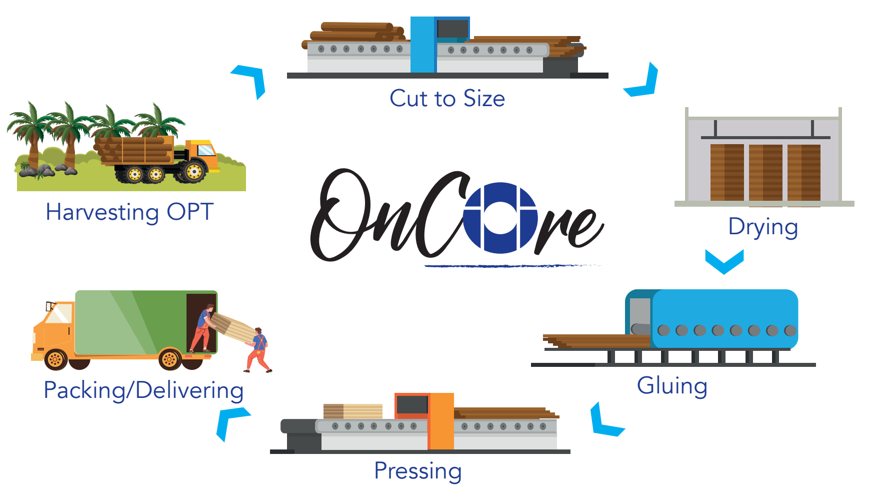
2) those from the milling process in the palm oil mills.

The lignocellulosic biomass from the plantations are in the forms of oil palm fronds ("OPF") and oil palm trunk ("OPT"). Pruned OPF are placed in frond heaps between planting rows, where they act as soil mulch and fertiliser, while OPT would be left to decompose naturally at the plantation. However, each OPT can take as long as two to three years to fully decompose. As oil palm trees are felled yearly for replanting, there are large quantities of solid OPT wastes available for repurposing.

IOI has 176,926 hectares of mature and immature oil palm planted (excluding associate companies), as of 30 June 2021. In accordance with our diversification strategy, we aim to convert oil palm by-products and processing waste into value-added products. Research on oil palm wastes, especially OPT, is important in reducing waste management problems and as an alternative raw material for wood products.

Our subsidiary, IOI Palm Wood aspires to be the first and only multi-national corporation in the world to sustainably and commercially produce specifically-engineered wood panels from unused OPT. At current, we have awarded contracts for the construction of an approximately 20-acre factory on a freehold site, adjacent to the Segamat Inland Port, Johor, Malaysia. This facility will be equipped with the latest technology on saw milling, kiln drying and panel production where it will be able to produce high-performance palm wood board and panel products that are lightweight, environmentally sustainable, and dimensionally stable. This type of wood not only has high strength and good screw holding, it is also more fire-resistant when compared to traditional timber.

HOW IOI PALM WOOD TRANSFORMS OPT INTO SUSTAINABLE MATERIALS



This scalable, sustainable and profitable business model is in line with our third Strategic Priority, 'Increase the Non-Crude Palm Oil Segment' and we expect to produce a minimum of 80,000 m^3 of premium grade Kiln Dried Palm Wood, Blockboards, Palm Wood Panels and Palm Wood Core under our *OnCore* brand, which will then be marketed to an expanding demand of sustainably-produced office and household furniture. We target to start production in 2023 and envision to replicate this model at our other plantation estates in the future.

Refer to Strategic Priorities on pages 44-49 for more information, or visit https://www.ioipalmwood.com.


ACCELERATING AGRICULTURAL TECHNOLOGY AND DIGITALISATION

From mechanisation to data collection and analysis, the digital evolution of agriculture is already a fact of life on plantations across Malaysia.

The Fourth Industrial Revolution has arrived in the agriculture sector. Alongside Malaysia's pledge to transform into a high-income nation by 2030 through socioeconomic transformation via the use of technology, it has become an urgent priority that we prepare ourselves as a learning organisation for radical change – not to be left behind by development in our own industry and by our competitors.

On the mechanisation front, we are shifting away from a total dependency on manual labour at our Malaysian plantations. In 2021, about 40% of our plantation operations across Peninsular Malaysia, Sabah and Indonesia have successfully implemented the mechanised fresh fruit bunches ("FFB") main line evacuation system. We have also deployed several equipment such as the motorised cutters and power barrows before FFBs are collected from the platform and then loaded into bins by mechanical tractor grabbers and moving them to the mills by hooklift tractors or lorries.

Before, we could achieve a load of 12 to 15 metric tonnes ("MT") of FFB/day with manual loading, but with mechanisation, we are now able to achieve 30 to 40 MT of FFB/day – and this in turn, allows us to eliminate the strenuous manual loading work while lowering labour costs, as well as improving operational efficiency and income of our workers. This process has also been expanded to our plantations in Indonesia. Aside from improving harvesting work, we have introduced machines for agrochemicals, crucial for upkeep of fields and plant protection.

On the digitalisation front, all our Malaysian plantation operating units are fully integrated with the SAP system and the electronic plantation monitoring system. We have now commenced work on integrating robotic process automation ("RPA") technology into our SAP system, aimed at eliminating the repetitive and rule-based digital tasks (invoice processing, month-end accounts closing, check roll, etc.), and freeing our personnel to focus on higher value work. We also view RPA as a fundamental application platform towards intelligent automation via machine learning and artificial intelligence tools.

We also make use of digital tools including geographic information system ("GIS") technology and drones to assess and monitor our plantations' performances, yield-tracking and identification of progeny. In order to further enhance our capabilities in performance monitoring, GIS data will be synchronised with our SAP system for operational data visualisation as well as for quicker analysis and decision making.

Ultimately, we want to create a better working environment at our plantations which we envision to be less labour-intensive and futuristic while dispelling the 3Ds (dirty, dangerous and demeaning) misconception in order to attract local workers. We regard mechanisation, automation and digitalisation to closely complement one another as we strive to build our end-to-end traceable supply chain of the future.

Refer to Strategic Enablers on pages 41-43, Strategic Priorities on pages 44-49 and Group Business Review (Plantation) on pages 60-65 for more information.


EXTERNAL ENVIRONMENT

IOI has identified the following key trends that are expected to impact our businesses, stakeholders and markets over the short, medium and long term. Our strategy positions our businesses to seize the opportunities presented by these trends.

TREND & DESCRIPTION	IMPACT	HOW IOI IS RESPONDING	IOI OUTLOOK	CONNECTION
Volatility in Demand & Commodity Price Palm oil companies are facing fluctuations in palm oil demand and pricing due to geopolitical and socioeconomic factors.	Commodity price volatility is expected to continue. The surge in crude palm oil ("CPO") price to historical high was due to increase in other vegetable oils prices and low inventory levels in both producing and consuming countries. The rise in commodity price will result in higher raw material costs and impact the manufacturing sector sales margin, supplemented by the difference in CPO export duty and CPO levy in Malaysia and Indonesia. High inflationary risk may prompt central banks to hike interest rates and adopt tighter monetary policies that affect vegetable oil prices.	We employed a fully integrated business model, with upstream and downstream businesses and efficient cost structure to mitigate the impact of commodity price fluctuations. We have strategic presence in Malaysia and overseas that allows us to cater to different market segments. Our sales are diversified to more than 80 countries to mitigate exposure to localised risks in any particular markets. We make continuous improvement to our market information system, enhance monitoring and risk management through hedging activities and develop better strategies to improve resilience to unexpected price swings.	Palm oil price is expected to remain volatile as a result of geopolitical and socioeconomic developments and impact from competing vegetable oils.	Our Strategic Priorities Our Six Capitals Our Material Matters M9
Disruptions in Palm Oil Supply Chain Palm oil companies are facing disruptions in the global palm oil supply chain due to trade and logistical reasons.	The disruptions (including the COVID-19 pandemic and the Suez Canal blockage) and high cost of international shipping freight remain a concern, as the manufacturing sector relies on extensive exports. The limited availability of containers and increased shipment cost has impacted shipment plans. Delays, omissions and port congestions have resulted in the postponement of goods to customers.	We engaged with several logistic providers and improved planning for product shipments. We constantly engage our shipping agents and update our customers.	The impact from supply chain disruptions is expected to ease following the gradual recovery of the global economy due to the ongoing vaccination worldwide.	Our Strategic Priorities Our Six Capitals Our Material Matters M1
Responsible & Sustainable Agricultural Practices Palm oil and agricultural companies are expected to adopt responsible and sustainable practices to positively impact the economy and address environmental challenges.	Climate change and environmental degradation present significant risks to both the global economy and business environment. Corporations are expected to increase their positive impacts on the economy, social development and the environment. The agricultural sector is expected to practise sustainable agriculture to minimise carbon emissions and reduce air pollution, and to protect biodiversity, forests, water and soil.	We implemented sustainable agricultural practices in our plantation and resource-based manufacturing businesses. We adhered to internationally-recognised sustainability certifications, including the voluntary Roundtable on Sustainable Palm Oil ("RSPO"), the International Sustainability and Carbon Certification ("ISCC") and the mandatory Malaysian Sustainable Palm Oil ("MSPO"). We are committed towards No Deforestation, No Peat and No Exploitation ("NDPE") and the protection of High Conservation Value and High Carbon Stock areas within our plantations. We drive sustainable practices, conduct tracing and supply chain monitoring, and engage with suppliers through digital tools.	Responsible production and sustainable agricultural practices are integral to conducting business in the palm oil sector. Plantation owners and growers need to collaborate closely with all stakeholders to meet their expectations and requirements.	Our Strategic Priorities Our Six Capitals Our Material Matters M3 M7 M8 M10 M12

Our Strategic Priorities
- Increase Yield
- Optimise Workforce
- Diversify Crops
- Increase the Non-CPO Segment
- Grow the Oleochemical Segment

Our Six Capitals
- Human
- Natural
- Financial
- Manufactured
- Social & Relationship
- Intellectual

Our Material Matters
- M1 Occupational Safety & Health
- M2 Transparent Grievance Resolution & Communication
- M3 Climate Change & Carbon Emission Management
- M4 Governance & Anti-Corruption
- M5 Responsible Recruitment
- M6 Biodiversity and Conservation / Protection of High Conservation Value & High Carbon Stock Areas
- M7 Responsible Sourcing
- M8 Sustainability Certification &/or Sustainability Certified Products
- M9 Regulatory Compliance
- M10 Fire Management
- M11 Fair & Decent Wage
- M12 Deforestation & Land Use
- M13 Community Engagement & Social Responsibility

EXTERNAL ENVIRONMENT

TREND & DESCRIPTION	IMPACT	HOW IOI IS RESPONDING	IOI OUTLOOK	CONNECTION
Demand for Sustainable Products & Certifications Palm oil companies are expected to meet the growing demand from downstream customers and consumers for traceable and RSPO-certified palm oil products.	The successful development of RSPO Supply Chain Certification Systems will require uptake from product manufacturers and will be driven by customer demand. The adoption of strict Environmental, Social and Governance ("ESG") standards by many multinational companies will require due diligence from product manufacturers. The complexity of downstream processes and the need for segregation may increase cost and logistics requirements.	We are capable of producing both RSPO Mass Balance ("MB") and Segregated ("SG") grades products in our refineries. All of our oleochemical products are available in the RSPO MB grade. In Germany, IOI Oleo GmbH has dedicated an entire product range to be made available only in RSPO-certified standards to boost sales. We serve as Chair of the ASEAN Oleochemical Manufacturers Group's RSPO Work Group since its inception eight years ago. We leveraged on our integrated supply chain and in-depth knowledge of RSPO Supply Chain Certification Systems to promote and assist customers to use our RSPO-certified products. We also collaborated with key fast-moving consumer goods ("FMCG") customers who have interest in RSPO SG grade and traceable raw material supply. We developed innovations such as production flexibility and formulations to support the manufacturing of RSPO SG grade products in a more practical and efficient manner.	The demands for RSPO MB and SG grades products will continue to grow in both food and non-food sectors. Demands will shift from RSPO certifications with lower premiums, such as RSPO MB grade, to higher prospects such as RSPO SG or Identity Preserved grades. Our RSPO SG grade products' production facilities will support IOI to meet growing customer demand, achieve economies of scale and improve our market position. However, certain customers may also opt for cheaper alternatives to RSPO-certified products by imposing their own standards.	Our Strategic Priorities Our Six Capitals Our Material Matters M7 M8
Product Regulatory Requirements Palm oil companies and manufacturers are facing increased regulatory changes, new compliance requirements and obligation to register products in key export markets.	The development of regulatory requirements for Registration, Evaluation, Authorisation & Restriction of Chemicals ("REACH") in key markets create new compliance requirements. Additional and non-REACH requirements will continue to evolve, notably in the premium nutrition, infant nutrition, health and supplement sectors, and pet foods. Complying with these regulatory standards will require significant resources, cost and regulatory expertise.	We continuously monitor the regulatory landscape through our Market Intelligence Team for early identification of registration requirements. We have a Technical Task Force to oversee the development of products that will comply with key markets' regulation and registration requirements, e.g. premium infant nutrition products. We invested in state-of-the-art analytical instruments to cater for current requirements and address anticipated future specifications.	The manufacturing segment is expected to benefit from the good demand for personal hygiene products. Baby boom from the COVID-19 pandemic will increase demand for infant nutrition products, in which several of IOI's low 3-MCPD and Glycidyl Esters products are included. The European Union legislation on undesirable substances and food safety has raised both formulators and public awareness, with the expected tightening of requirements. This increases the demand for premium and safer products.	Our Strategic Priorities Our Six Capitals Our Material Matters M7 M9
Growing Customer Interest in Ethical Labour Practices Palm oil companies are expected to implement fair labour practices and audits in their operations to meet customers' expectations.	Downstream multinational customers encourage audits, such as Sedex Members Ethical Trade Audit ("SMETA") and EcoVadis Site Verification, to ensure that suppliers implement ethical labour practices concerning freedom of association, working time, workplace conditions, fair wages and vulnerability of migrant workers to improve labour welfare and human rights. Product manufacturers are expected to comply with customers' audit requirements to retain a position on customers' supplier list.	We subscribed to relevant audit programmes to monitor and disclose our business practices, which are globally recognised by our partners and customers. We communicated and provided insights into our strengths through scorecards, which can be easily shared with customers. We developed action plans to close existing gaps in our practices to meet audit requirements and to ensure fair and decent working conditions for our workers. We conducted corporate social responsibility activities, including health and educational programmes for community well-being to complement our business practices.	Audits support greater transparency, systematically share reports with participating customers and encourage suppliers to take corrective actions to address labour rights risk. Our audit process and findings will continue to support us in improving the working conditions for our workers in line with our commitment to contribute to the United Nations' Sustainable Development Goals.	Our Strategic Priorities Our Six Capitals Our Material Matters M1 M2 M4

Our Strategic Priorities
- Increase Yield
- Optimise Workforce
- Diversify Crops
- Increase the Non-CPO Segment
- Grow the Oleochemical Segment

Our Six Capitals
- Human
- Natural
- Financial
- Manufactured
- Social & Relationship
- Intellectual

Our Material Matters
- M1 Occupational Safety & Health
- M2 Transparent Grievance Resolution & Communication
- M3 Climate Change & Carbon Emission Management
- M4 Governance & Anti-Corruption
- M5 Responsible Recruitment
- M6 Biodiversity and Conservation / Protection of High Conservation Value & High Carbon Stock Areas
- M7 Responsible Sourcing
- M8 Sustainability Certification &/or Sustainability Certified Products
- M9 Regulatory Compliance
- M10 Fire Management
- M11 Fair & Decent Wage
- M12 Deforestation & Land Use
- M13 Community Engagement & Social Responsibility

STAKEHOLDERS' ENGAGEMENT

Our genuine purpose guides our business approach and sustainability focus, illustrating our accountability towards communicating the full range of value created and our actions to take towards managing and developing the expectations, needs and concerns of each stakeholder group.

Refer to pages 20-21 of our Sustainability Report 2021 for a detailed review.

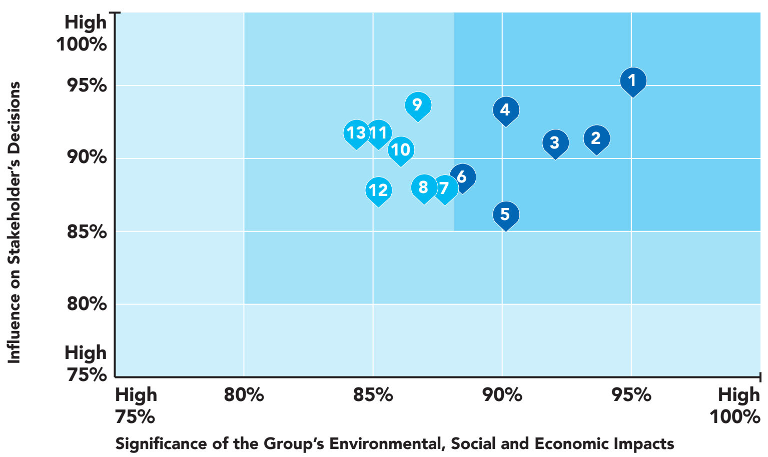
STAKEHOLDER GROUPS	KEY CONCERNS	OUR RESPONSES	VALUE CREATED FOR STAKEHOLDERS	VALUE CREATED FOR IOI
Employees **Why We Engage:** Our employees are IOI's valuable assets and key business success.	• Open communication and fair remuneration; • Health and well-being benefits; and • Transparent and progressive company culture.	We prioritise our employees' well-being (physical, mental, social) by supporting flexible work arrangement alongside leveraging on various communication technologies to keep the team as a whole.	We honour our employees with competitive remuneration as well as equal opportunities in learning and development through both online and offline training programmes.	Our positive company culture elevates employee enthusiasm and encourages better productivity. This flow embodies our Core Values towards driving better company performance.
Customers **Why We Engage:** Our business growth depends on our customers who support our products.	• Environmental, social and governance standards; • Adherence to fair dealing principles (pricing, quality, consistency, reliability, credit); and • Technical support.	Ongoing routine meetings and dialogue sessions, open feedback channels, and annual trade forums and exhibitions have allowed us to cater to our customers better, which also led to the creation of innovative products such as additive-free soap, chemical-free processing of glycerine, oleic acid and low 3-MCPD products.	Our proven track record in production resilience and timely product delivery signify our high ease of doing business, earning our customers' trust and brand loyalty.	Our satisfied customers bring forth greater market access, steady profit growth and market share as well as encourage continuous innovation towards value-added premium products.
Communities **Why We Engage:** Our business provides measurable support to the communities where we operate.	• Respectful, sustainable and equitable practices; • Proper implementation of any project or programme development; and • Provision of relief and assistance.	We improve rural livelihoods through job opportunities, proactive community investments (road repairs, landfilling, etc.), as well as providing financial and medical assistance (education, human capital development, etc.)	Our deep fostered collaboration improves rural livelihoods, making a lasting contribution to socio-economic development and imperative systemic change along our entire supply chain.	Our aspiration is to not only enrich everyday lives and the liveability of communities where we operate in, but to also help shape and envision a community's future; allowing wider societal change as well as global impact.
Suppliers **Why We Engage:** Our suppliers provide critical inputs for our business to function.	• Ethical and sustainable production and procurement processes; and • Safety and health practices.	Digital engagement tools, dynamic focus group sessions and conducive workshops have helped establish effective solutions to address gaps and identify target areas for improvement. Updates are consistently found on our company website.	As a leading global integrated palm oil player, we are able to create economies of scale as well as support our suppliers in building a sound supply chain management system in order to cater to wider market access.	Our aim is to increase sustainability values into our supply chain while ensuring our suppliers meeting our high standards in terms of quality, working conditions and environmental protection; creating a greener and more optimised circular economy.
Regulators **Why We Engage:** An enabling framework is paramount to our business.	• Statutory reporting and filling matters as well as regulatory compliances in relations to Listing Requirements, Companies Act, Corporate Governance Code and their practice notes or guidelines.	In supporting the development of Listing Requirements, Companies Act and guidelines, we actively participate in focus group meetings, dialogue sessions, and task forces.	Our practical views and feedback based on our long-time commercial expertise administer to current and future policies and regulatory frameworks as we are a role model in adhering to good governance practices.	Our regulatory policies and guidelines system allow us to keep risks in check as we continue to expand our sound and stable business operations, locally and globally.
Shareholders & Investors **Why We Engage:** Steady financial capital input indicates confidence in the IOI brand.	• Financial performance such as return on investment and earnings outlook of the company, future expansion plans and corporate strategies and sustainability material matters.	To provide purposeful disclosure to our shareholders and investors, we respond accordingly to enquiries on matters pertaining to our operational performance and financial management, within an appropriate time frame given.	Our business strategies are geared towards creating sustained values for both shareholders and investors such as stable returns via dividend payout, as we uphold operational excellence through agronomy, sustainability and good agriculture practices.	Our shareholders and investors are our stewards of financial capital, and their support drives our strategic investments; ensuring our business continuity and growth.
Industry Associations/ Civil Societies **Why We Engage:** Our registered affiliations guarantee the delivery of environmentally superior products in our business.	• Responsible and traceable best practices; and • Opportunities for engagement and collaboration on industry-wide challenges.	We regularly partner and form alliances with industry associations and civil societies to drive change, leading to positive impacts in the palm oil industry.	To improve the reputation of the oil palm industry and in creating a sustainable palm oil commodity, we endeavour to create value through open engagement and active participation with all our stakeholders.	Our position in industry associations and civil societies catalyse common interests and involvement among government agencies and non-governmental organisations, in order to create greater weight in forming effective policies and best practices application.

MATERIAL MATTERS

We have identified, reviewed and analysed 13 most material issues under the ESG (Environmental, Social and Governance) sustainability dimension.

Our Board of Directors, and Group Managing Director and Chief Executive have validated these 13 issues, with the first six issues being charted 'High' in the materiality index, carrying notable impacts and of high concern to our stakeholders.

Materiality Matrix



Our Six Capitals
- Human
- Natural
- Financial
- Manufactured
- Social & Relationship
- Intellectual

Our Key Stakeholder Groups
- Employees
- Customers
- Communities
- Suppliers
- Regulators
- Shareholders & Investors
- Industry Associations/ Civil Societies

Our Strategic Priorities
- Increase Yield
- Optimise Workforce
- Diversify Crops
- Increase the Non-CPO Segment
- Grow the Oleochemical Segment

Refer to pages 9-13 of our Sustainability Report 2021 for a detailed review.

ORDER OF SIGNIFICANCE

	FIRST SIX MATERIAL MATTERS	WHY IS THIS TOPIC IMPORTANT TO US?	OUR RESPONSES
1	**Occupational Safety and Health**	Human loss is immeasurable. Keeping our people safe is critical as our people are the backbone of our operations.	We implement top-notch occupational safety and health practices throughout our operations and supply chain. One prominent example is how we managed through the COVID-19 pandemic.
2	**Transparent Grievance Resolution and Communication**	Open engagement and active communication towards creating effective resolution and fair remedies are the cornerstones of IOI as a just and participatory company.	We deploy effective procedures and two-way conversations, when addressing grievances and complaints. Updates are consistently found on our company website.
3	**Climate Change and Carbon Emission Management**	Climate-related risks and implications will continue to be one of our biggest challenges in the agribusiness sector.	In line with the launch of our 2020 Group-wide IOI Climate Change Action Initiative, our fight in reducing climate change impacts continues to intensify within our company culture, down to all our operating units; both locally and globally.
4	**Governance and Anti-Corruption**	We believe a clear association between growth and transparent governance leads to greater human and physical capital formation, and prosperity.	IOI adopts a holistic governance approach where inputs from operations are discussed at the top management and board levels for relevant decision making. Updates on our governance practices and disclosures can be found in page 72 onwards.
5	**Responsible Recruitment**	We recognise and respect for human and labour rights across our supply chain, and compliance with international labour standards and human rights is a process of continuous improvement.	We have set up necessary procedures and infrastructure to implement responsible recruitment practices within our supply chain and we encourage our business partners and suppliers to do the same.
6	**Biodiversity and Conservation/ Protection of High Conservation Value and High Carbon Stock Areas**	We acknowledge the nature of our business and understand the importance of environmental and social values that should be conserved.	We have identified areas important for conservation and livelihoods, and we understand the need for long-term responsible and adaptive management and monitoring; evidently seen in our No Deforestation, No Peat, No Exploitation ("NDPE") requirements.

ORDER OF SIGNIFICANCE

	OTHER MATERIAL MATTERS	WHY IS THIS TOPIC IMPORTANT TO US?
7	**Responsible Sourcing**	We resolve to proactively source products, materials and services, ethically and sustainably, throughout our supply chain, in line with our goal to meeting evolving consumer expectations. We also aid third-party suppliers in their verification processes, reflecting our commitments as a sustainable company. Updates are consistently found on our company website.
8	**Sustainability Certification and/ or Sustainable Certified Product**	We view sustainability certification as more than just a stamp of approval, but a tangible measure in showcasing our incorporated sustainability protocols. We are certified and accredited by local and globally-recognised bodies in various areas of sustainable certifications, quality and international standards.
9	**Regulatory Compliance**	One of the important prerequisites towards building a robust IOI brand is our enabling regulatory framework, where our regulations and operating methods are consistently promulgated and maintained so as to achieve sustainable business growth.
10	**Fire Management**	Without proper fire prevention management, both plantation and manufacturing segments (including our people and buildings) are exposed to productivity and safety risks. We have rolled out Fire Management Guidelines, which are strengthened and revised periodically. We also have ongoing collaboration with other stakeholders including neighbouring communities, government bodies, civil societies and industry associations as part of our fire prevention efforts.
11	**Fair and Decent Wage**	We pursue to look beyond definitions and calculation methodologies and practice inclusive mechanisms that meet our people's aspirations in their working lives, providing them with a decent income that are conducive to economic growth and higher productivity.
12	**Deforestation and Land Use**	As a founding member of the Roundtable on Sustainable Palm Oil, we are responsible in assuring our supply chain is NDPE-compliant. In order to reduce emissions in the context of climate change, we upkeep a carbon-rich, community-friendly sustainable plantation management programme in our supply chain.
13	**Community Engagement and Social Responsibility**	Our notion on community engagement is to understand, engage and act upon critical workplace, marketplace and environmental issues. We aim to create a positive impact towards all our stakeholders, as IOI is a part of, and not apart from, society.

RISK MANAGEMENT

IOI identifies the principal risks affecting the Company's ability to create value through our strategic objectives. Here we present a summary of the key business risks.

Further information on IOI risk management can be found in the Statement of Risk Management and Internal Control on pages 104-108.

Our Six Capitals	Our Key Stakeholder Groups
Human	Employees
Natural	Customers
Financial	Communities
Manufactured	Suppliers
Social & Relationship	Regulators
Intellectual	Shareholders & Investors
	Industry Associations/ Civil Societies

Our Material Matters

M1 Occupational Safety & Health	M8 Sustainability Certification &/or Sustainability Certified Products
M2 Transparent Grievance Resolution & Communication	M9 Regulatory Compliance
M3 Climate Change & Carbon Emission Management	M10 Fire Management
M4 Governance & Anti-Corruption	M11 Fair & Decent Wage
M5 Responsible Recruitment	M12 Deforestation & Land Use
M6 Biodiversity and Conservation / Protection of High Conservation Value & High Carbon Stock Areas	M13 Community Engagement & Social Responsibility
M7 Responsible Sourcing	

RISK	DESCRIPTION	HOW IOI MANAGES THIS RISK	CONNECTION
Human Capital & Talent	A skilled workforce is essential to deliver our business strategy. IOI needs to be able to attract, develop and retain the right talent. Our workforce needs to be equipped with the skills for the changing nature of work.	Our vision is to provide a rewarding career for our people. Our talent management system provides engaging training and coaching programmes to cultivate a culture for employees to deliver their best and stay motivated at the workplace. Offer scholarships and career opportunities to outstanding students through Yayasan Tan Sri Lee Shin Cheng to bring new skills and perspectives into our business. Employ advanced talent management system and approaches to design effective learning path and development plans.	Our Six Capitals Our Material Matters: M1 M2 M5 M9 M11 M13 Our Key Stakeholder Groups
Supply Chain Compliance	IOI needs to comply with the requirements of palm oil buyers. Risk of non-compliance with international supply chain standards such as Roundtable on Sustainable Palm Oil ("RSPO") or International Sustainability and Carbon Certification ("ISCC"). Risk of IOI supply chain not meeting the No Deforestation, No Peat and No Exploitation ("NDPE") policy.	The online Tools for Transformation platform provides engagements, assessments and support for our supply chain to meet our sustainability commitments. Our Palm Oil Dashboard allows IOI to monitor its supply chain by regularly updating information on certified volumes, traceability numbers, risk assessment and mill coordinates.	Our Six Capitals Our Material Matters: M1 M7 M8 M9 Our Key Stakeholder Groups
Reliance on Manual Labour	The agricultural sector, including palm oil, is heavily reliant on manual labour, which makes the industry vulnerable to shortages of labour. The risk of labour shortage causes lost revenues and limits our future growth.	Mechanisation, automation and digitalisation of our estates reduce our reliance on manual labour as well as support increased yield and productivity. Committing to capacity building and upholding high welfare standards for manual workers in our operations and supply chain.	Our Six Capitals Our Material Matters: M1 M2 M5 M9 M11 Our Key Stakeholder Groups
Business Resilience	IOI recognises the disruption to our global operation. Challenges to remain resilient in the wake of new global phenomenon e.g. pandemic, palm oil alternatives, anti-palm oil movement, etc.	Implement Business Continuity Management System and develop strategic continuity measures during crises. Throughout the COVID-19 crisis, we maintain our focus on long-term sustainability goals to ensure future resilience. Joint effort with government to accelerate the vaccination programme. We work with RSPO to make sustainable palm oil the norm, and demonstrate the potential for positive impact on the environment and communities. Our grievance process provides a channel for all stakeholders to communicate any concerns regarding our operational impacts.	Our Six Capitals Our Material Matters: M1 M3 M4 M6 M7 M8 M9 M10 M12 M13 Our Key Stakeholder Groups
Environmental Sustainability	Challenges in reducing climate change impact in our plantations and reducing greenhouse gas ("GHG") emissions. Fire during dry season that can result in transboundary haze. Challenges in maintaining and upholding sustainability certifications.	Execution of sustainability strategy especially pertaining to climate change. IOI carried out external GHG calculation and reporting for our plantations in Malaysia. Adhere to our Group-wide Zero Burning policy. Collaborations with relevant parties in developing and implementing various landscape approaches towards effective fire prevention.	Our Six Capitals Our Material Matters: M1 M3 M6 M8 M10 M12 Our Key Stakeholder Groups

Evolving Strategies Towards Greater Impact

Increase Yield
- Conduct R&D and plant high-yielding germplasm
- Increase efficiency in crop evacuation to optimise business returns

Optimise Workforce
- Improve training and upskilling of workers
- Expand estate mechanisation to reduce dependency on manual labour

Diversify Crops
- Identify and acquire new planting materials for other profitable crops
- Apply new technologies to produce and cultivate crops with desirable characteristics and to process and treat post-harvest crops

Increase the Non-CPO Segment
- Bring the IOI Palm Wood factory 'online'
- Explore R&D collaboration and partner with technological providers

Grow the Oleochemical Segment
- Expand manufacturing plant capacity and improve operational efficiency
- Develop and launch more premium palm-based products

STRATEGIC FRAMEWORK

OUR PURPOSE
Committed to sustainable agriculture and innovative products.

VISION
Our Vision is to be a leading and sustainable Malaysian business corporation with global presence.

MISSION
Our Mission is to achieve responsible and sustainable commercial success by addressing the interests of all our stakeholders, caring for the community and the environment, and adopting best practices to be globally competitive.

2020 — OUR GROUP'S 5-YEAR PLAN — 2024

3 STRATEGIC ENABLERS

- **Enabler 1** – Human Capital Development & Culture
- **Enabler 2** – Sustainability
- **Enabler 3** – Technology & Digitalisation

5 STRATEGIC PRIORITIES	KEY METRICS
Increase Yield	• Increase Plantation Oil Yields by 15% by 2024. • Utilise Elite Clonal Palms in 50% of Our Replanting Materials. • Target High Early Yields from Young Mature Palm Age. • Ensure Proper Fertiliser Application to Increase Target Yields.
Optimise Workforce	• Reduce Workforce by More than 25% by 2024. • Increase Plantation Workers' Productivity by 3% Every Year. • Implement Mechanised Fresh Fruit Bunches Main Line Evacuation System in All Malaysian Estates by 2023.
Diversify Crops	• Plant 5,000 Hectares of Coconut, 300 Hectares of Kenaf and 200 Hectares of Durian Equivalent to 4% of Our Malaysian Plantations. • Plant Three Types of Fast Growing and High Value Fruit Crops as Intercrop with Coconut and Oil Palm.
Increase the Non-Crude Palm Oil ("CPO") Segment	• Derive Revenue from Oil Palm By-Products and Processing Waste. • Commence Production of High-Performance Palm Wood Boards and Panels by February 2023. • Establish Oil Palm Trunks ("OPT") Research and Development and Technology Transfer. • Scale-Up Business and Establish a Leading Market Position in OPT Products.
Grow the Oleochemical Segment	• Increase Oleochemical Segment's Sales Volume by 15%. • Derive Energy, Cost and Operational Efficiency Savings of 6%. • Improve the Oleochemical Segment's Profitability by 25%.

Refer to pages 41-43 for Strategic Enablers and pages 44-49 for Strategic Priorities.

Our foundation is built with the pillars of Sustainable Growth, Driving Innovations, People Capital Development and Economies of Scale throughout our operations.

STRATEGIC ENABLERS

Enabler 1

Human Capital Development & Culture

CONNECTION

Key Stakeholder Groups
- Employees
- Shareholders & Investors

Six Capitals
- Human
- Social & Relationship
- Financial

Risks & Opportunities
- R1 Human Capital & Talent
- R4 Business Resilience

IMPORTANCE FOR IOI

Human Capital Development and Culture is vital to the growth and productivity of the organisation. Our employees are an invaluable asset who facilitate business growth and drive organisational excellence. We are committed to developing a world-class company that is built upon the strengths of its people. In doing so, we continue to nurture, develop and engage our employees to gain and keep a competitive advantage for the organisation. It is crucial to equip our workforce with the required skills to deliver our five strategic priorities.

OUR APPROACH

1. Creating and sustaining a high performing workforce.
2. Managing employer branding.
3. Enhancing human resource ("HR") digitalisation.

KEY INITIATIVES

1. Cultivate operational excellence work culture and create a highly disciplined and competent workforce.
2. Enhance employees' experience through HR digitalisation.
3. Nurture Yayasan Tan Sri Lee Shin Cheng's ("Yayasan TSLSC") scholars.
4. Reskilling and upskilling employees' competencies to expand their capability.
5. Enhance benefits for employees' overall well-being.
6. Commit to employees' empowerment and inclusion.

KEY HIGHLIGHTS

1. Created a Talent Pool to nurture future leaders for talent pipeline and succession planning.
2. Implemented IOI Grow - an online Learning Management Platform.
3. Included the IOI Core Value - Team Spirit in the performance appraisal system to promote work collaboration.
4. Created a learning campaign on the topic on IOI Vision, IOI Mission and IOI Core Values via IOI Grow to enhance employees' understanding of IOI's purpose.
5. Developed a Business Continuity Plan ("BCP") and relevant standard operating procedures during the movement restriction periods brought about by the COVID-19 pandemic.
6. Implemented the Work From Home ("WFH") policy for working mothers to support and encourage them during the COVID-19 pandemic.
7. Reviewed employees' compensation and benefits.

FOCUS FOR FY2022

1. Ensure diversity in the workplace through the provision of fair and equal employment opportunities.
2. Nurture young talents through Yayasan TSLSC's scholarship programme and internship.
3. Engage employees through surveys and virtual meetings.
4. Develop talent and build capacity through training, coaching and skill-sharing to fill performance gap.
5. Strengthen and uphold health, safety and security awareness.

STRATEGIC ENABLERS

Enabler 2

Sustainability

CONNECTION

Key Stakeholder Groups

- Employees
- Customers
- Communities
- Suppliers
- Shareholders & Investors
- Industry Associations/ Civil Societies

Six Capitals

- Manufactured
- Social & Relationship
- Intellectual

Risks & Opportunities

- R1 Human Capital & Talent
- R3 Reliance on Manual Labour
- R4 Business Resilience

Refer to our Sustainability Report 2021 for a detailed review.

IMPORTANCE FOR IOI

Our sustainability culture is embedded across the organisation. We balance company growth and development with the protection of the environment and community affected by our operations through strategic partnerships with our stakeholders. This is in alignment with our three pillars of sustainability (People, Planet, Prosperity) + Partnership. Going forward, we are integrating the 7Rs of the Circular Economy in our approach and initiative towards long-term sustainable value creation.

OUR APPROACH

1. Aligning sustainability to key policies and IOI's five strategic priorities.
2. Strengthening sustainability governance through stakeholders consultation.
3. Establishing forward-looking sustainability goals and commitments.
4. Establishing proper systems and processes to monitor progress, communicate actions and meet stakeholders' expectations.
5. Embracing six of the 17 United Nations' Sustainable Development Goals ("UN SDGs") which are most relevant to the business operations.
6. Integrating the 7Rs of the Circular Economy in all sustainability initiatives.

KEY INITIATIVES

1. Commit to recognised sustainability certifications, No Deforestation, No Peat and No Exploitation ("NDPE") and Zero Burning Policy in plantations.
2. Practise the highest level of transparency and wider stakeholder engagement.
3. Continuous monitoring of all stages of the palm oil supply chain including obtaining relevant certifications and complying with the stringent standards.
4. Protect High Conservation Value ("HCV") and High Carbon Stock ("HCS") areas in plantations.
5. Progressively reduce carbon emissions from the operations through the Group-wide Climate Change Action ("CCA") Initiative.
6. Adopt and practise the 7Rs of the Circular Economy (Rethink, Repurpose, Recycle, Reuse, Reduce, Recover and Repair) in the workplace.

KEY HIGHLIGHTS

1. Marked improvement in SAM Corporate Sustainability Assessment 2020 in environmental, social and governance and economic dimensions and acknowledged as the Most Improved Company in Water Security for Carbon Disclosure Programme ("CDP") assessment.
2. Recognised by Global Child Forum as the leader in implementing practices and taking concrete steps to protect children's rights in the plantations.
3. Pursued the Group-wide CCA Initiative to reduce IOI's carbon emissions by 40% by 2025, measure up against 2015 baseline.
4. Engaged S&P Global to conduct climate risk assessment following the Taskforce on Climate-Related Financial Disclosure ("TCFD") guidelines.
5. Held the first Sustainability Consultation Forum ("SCF") through collaboration with Business for Social Responsibility ("BSR") to address systematic labour challenges.

FOCUS FOR FY2022

1. Improve social and labour right practices through collaboration with various industry stakeholders and governments.
2. Establish practical action plans and explore new opportunities in greenhouse gas emissions reduction based on the CCA Initiative and climate risk assessment.
3. Create additional values from existing system and processes through the 7Rs of the Circular Economy.

Enabler 3

Technology & Digitalisation

CONNECTION

Key Stakeholder Groups

- Employees
- Customers
- Suppliers
- Shareholders & Investors

Six Capitals

- Human
- Financial
- Manufactured
- Social & Relationship
- Intellectual

Risks & Opportunities

- R1 Human Capital & Talent
- R3 Reliance on Manual Labour
- R4 Business Resilience

IMPORTANCE FOR IOI

In the age of the Fourth Industrial Revolution (IR4.0), we are adopting more technological innovations to enhance our upstream and downstream operations. Our five strategic priorities are underpinned by technologies, from mechanisation equipment to digital tools and solutions. Digitalisation, automation and novel technologies enable us to execute our strategy more effectively and modernise our business so we can remain competitive and propel the organisation to the digital core era.

OUR APPROACH

1. Ensuring the standardisation of business processes within our core business segments, drawing on various analytical and transactional capabilities of the SAP system to improve efficiencies.
2. Providing savings in plantation operations' support services based on SAP system and other integrated digital solutions. Implement electronic salary payment and enhance mobile network connectivity in the estates.
3. Adopting agricultural and manufacturing innovations and technologies.

KEY INITIATIVES

1. **Digitalisation**: Ensure proper management and full utilisation of the SAP system. Explore robotic process automation ("RPA") and other digital solutions including business intelligence and data analytics.
2. **Digitalisation**: Enhance estates' operational efficiency and cost savings through the electronic plantation monitoring system ("ePMS') and e-wallet payment system. Embark on more automation projects in upstream and downstream manufacturing.
3. **Mechanisation**: Reduce labour dependency and increase workforce productivity in estate operations by using motorised and mechanical tools.

KEY HIGHLIGHTS

1. **ONE IOI Integrated Platform**: Implemented the SAP system to all Malaysian plantation operating units. Explore SAP Fiori, and ongoing implementation of RPA, SAP Business Planning & Consolidation ("SAP BPC") and SAP Business Warehouse ("SAP BW"). The ePMS system is fully integrated with the SAP system.
2. **Mechanised Fresh Fruit Bunches ("FFB") Main Line Evacuation System**: Implemented in about 40% of total estate areas across Peninsular Malaysia, Sabah and Indonesia as at end of FY2021.
3. **Digital & Cashless**: Implemented e-wallet payment system to 50% of plantation operating units to automate and simplify workers' payroll system.
4. **Downstream Digitalisation & Automation**: Established IR4.0 Steering & Work committee to govern and guide IR4.0 projects at oleochemical manufacturing plants. Embark on automation and digitalisation pilot projects using robotic, Artificial Intelligence and digital imaging technologies to improve efficiency and workflow.

FOCUS FOR FY2022

1. **Upstream Digitalisation**: Explore RPA and its integration into the SAP system for better control, greater simplicity and flexibility over business operations. Expand e-wallet Merchantrade payment system to all plantation operating units. Implement enterprise resource planning system for Indonesia's operations.
2. **Downstream Digitalisation**: Complete roll-out of real-time production organiser ("RPO"), automated storage & retrieval system ("ASRS") and Visual MESA Energy Management System at oleochemical manufacturing plants.
3. **Mechanisation**: Expand the mechanised FFB main line evacuation system and integrate it with the mechanical assisted in-field collection and motorised harvesting tools for better management of estates' harvesting interval.

STRATEGIC PRIORITIES

To maintain our focus on sustainable value creation, we have identified five strategic priorities for 2020–2024.

This focused approach ensures that we are on track to deliver sustainable growth and provide our stakeholders with valuable returns over the short, medium and long-term time frame. We have in place a resource allocation plan to execute these strategic priorities based on the capital inputs identified in our business model on pages 22–23.

As we work towards achieving our 2020–2024 targets, we closely monitor the performance of each strategic focus area including its key activities which are benchmarked against Key Performance Indicators ("KPIs"), and activities planned for the future.

STRATEGIC PRIORITY 1

Increase Yield

Oil palm planting remains the most essential upstream activity in our integrated palm oil business model, which directly impacts the performance of our downstream businesses.

We strive to achieve consistently high yield through improved planting materials and increased efficiency in crop evacuation to optimise business returns, and maintain IOI's competitiveness locally and globally.

OUR KEY INITIATIVES

We aim to produce palm oil sustainably to meet our market demand.

1. **Improved Planting Materials**: Produce more high-yielding and superior clonal planting materials for high yields and high returns.
2. **Mechanisation**: Expand mechanisation projects and adopt best management practices throughout our operations to increase operational efficiency.
3. **Agricultural and Field Management Practices**: Employ best agricultural practices, improve field conditions and optimise land usage in our oil palm plantations.
4. **Digital Tools**: Employ digital tracking system throughout our plantation operations.
5. **Fertilisation**: Balance nutrients approach and application to achieve the desired target yields.

ACHIEVEMENTS IN 2021

- We planted high-yielding planting materials including third-generation hybrid palm seedlings and elite clonal palms in suitable areas and terrain.
- We expanded our estate mechanisation projects and implemented block harvesting.
- We adhered to procedures and guides in our replanting efforts. We managed pest and diseases through extensive research and development ("R&D") and implemented precision farming with timely fertiliser and weedicide applications.
- We provided early declaration to maturity in performing fields, carried out ablation and improved estates' road condition.
- We utilised geographical information system ("GIS") technology, electronic plantation monitoring system ("ePMS") and drones to assess field performance, track yield and monitor our plantation.

PRIORITIES FOR 2022

Improved Planting Materials
- Continue to utilise high-yielding planting materials for field planting.
- Release more third-generation hybrid palm seedlings from our conventional breeding programme of Deli dura and AVROS pisifera. These seedlings were produced on the basis of better fresh fruit bunches ("FFB") production with more uniformity in growth and characteristics and better oil extraction rate.
- Identify more areas and terrain for planting high-yielding elite clonal palms.
- Introduce new progenies of planting materials that will tolerate *Ganoderma* infection and explore *Virescens* oil palm to reduce the tendency of harvesting unripe bunches.

Mechanisation
- Expand current mechanisation projects to all estates and implement block harvesting.
- Introduce mechanisation to cover more field activities.

Agricultural and Field Management Practices
- Expand best practices for replanting by adhering to standard operating procedures and good agricultural practice guidelines.
- R&D department will enhance advisory service to estates in managing pest and diseases and improving weed management systems.
- Early declaration to maturity for performing fields and carry out ablation after 18 months from field planting at low rainfall areas.
- Ensure proper water management through conservation/drainage and closed ended conservation trench.
- Improve estate's road for all weather accessibility and prompt evacuation.

Digital Tools
- Continue to utilise digital tools including GIS technology, ePMS and drones to assess field performance, yield-tracking and identification of progeny and to monitor our plantation.

Fertilisation
- Implement precision applications through mechanisation and digital tracing for timely and balanced fertiliser application.

CONNECTION

Key Stakeholder Groups

Six Capitals

Risks & Opportunities

R1 R3 R4 R5

Material Matters

M3 M10 M12

Our Key Stakeholder Groups

Employees, Suppliers, Industry Associations/ Civil Societies, Customers, Regulators, Communities, Shareholders & Investors

Our Six Capitals

Human, Manufactured, Natural, Social & Relationship, Financial, Intellectual

Our Risks

- R1 Human Capital & Talent
- R2 Supply Chain Compliance
- R3 Reliance on Manual Labour
- R4 Business Resilience
- R5 Environmental Sustainability

Our Material Matters

- M1 Occupational Safety & Health
- M2 Transparent Grievance Resolution & Communication
- M3 Climate Change & Carbon Emission Management
- M4 Governance & Anti-Corruption
- M5 Responsible Recruitment
- M6 Biodiversity and Conservation / Protection of High Conservation Value & High Carbon Stock Areas
- M7 Responsible Sourcing
- M8 Sustainability Certification &/or Sustainability Certified Products
- M9 Regulatory Compliance
- M10 Fire Management
- M11 Fair & Decent Wage
- M12 Deforestation & Land Use
- M13 Community Engagement & Social Responsibility

STRATEGIC PRIORITIES

STRATEGIC PRIORITY 2

Optimise Workforce

The plantation industry is heavily dependent on manual workers. IOI seeks to implement initiatives to modernise our upstream business.

With this, we can address the issue of worker shortage and reduce our dependency on manual and foreign workers in the long run.

OUR KEY INITIATIVES

We will reduce our plantation workforce by increasing land to labour ratio through the implementation of various estate mechanisation and digitalisation programmes.

1. **Training**: Plan and improve training provision to estate personnel to improve productivity.
2. **Harvesting Methods**: Streamline estates' harvesting method and restructure harvesting work process.
3. **Upgrade Mechanised FFB Main Line Evacuation System**: Implement and expand the mechanised FFB main line evacuation system.
4. **Mechanisation**: Mechanise in-field FFB collection and expand the usage of mechanical cart and power wheel barrow for harvesting. Utilise other motorised tools to increase operational efficiency.

ACHIEVEMENTS IN 2021

- We provided continuous training and briefing to our estates' personnel, and increased the number of skilled workers.
- We implemented the bin system to about 40% of our total estate areas in Peninsular Malaysia, Sabah and Indonesia.
- We used motorised tools such as motorised palm cutter and power wheel barrow and increased harvesters' productivity up to 50%. Motorised tools enable the workers to earn better wages and attract more locals to work in the plantation. We aim to increase the harvester ratio from 1:16 to 1:22 hectares.
- We used mechanical chemical sprayers for upkeep work and reduced manual labour.
- We used mechanical circle grass cutter and mechanical front loader for organic farming to increase productivity and reduce chemicals usage.

PRIORITIES FOR 2022

Training
- Provide training and briefing to estates' personnel.

Harvesting Methods
- Create more skilled workers with modified division of labour.

Upgrade Mechanised FFB Main Line Evacuation System
- Expand the mechanised FFB main line evacuation system, utilising tractors with grabbers to load and unload FFB into bins.
- Integrate the mechanised FFB main line evacuation system with the mechanical assisted in-field collection and buffalo assisted harvesting method to assist estates to better manage the harvesting intervals.

Mechanisation
- Expand on mechanising in-field FFB evacuation by using mechanical cart (small tractor to replace buffalos) to collect in-field FFB and deliver to the platform.
- Expand the use of motorised tools such as power wheel barrow and motorised palm cutter to increase productivity and attract more locals to work in the plantation.
- Explore new technologies such as mechanical fertiliser spreaders and mechanical chemical sprayers with global positioning system technology and exploring to use drones for pesticides application. We aim to reduce the labour dependency for upkeep work.

CONNECTION

Key Stakeholder Groups

Six Capitals

Risks & Opportunities

R1 R3 R4

Material Matters

M1 M2 M4 M5 M11 M12 M13

STRATEGIC PRIORITY 3

Diversify Crops

Crop diversification brings a range of benefits. As part of our diversification strategy, we are exploring the potential of other profitable crops to be planted.

Diversifying our cropping operation will provide good returns and help limit our exposure to palm oil price volatility.

OUR KEY INITIATIVES

We aim to diversify our planting of crops from 99% reliance on oil palm to other higher-value crops. Our broad initiatives are:

1. **Planting Materials**: Identify and acquire planting materials for coconut, banana and kenaf cultivation.
2. **Coconut Breeding**: Identify and acquire coconut germplasm material (dwarf, tall and hybrid) for coconut breeding.
3. **Crop Cultivation**: Implement best cultivation practice for coconut, kenaf and other crops (durian, pineapple, avocado and banana). Introduce intercropping to multi-fold our productivity on a hectarage basis, as compared to monoculture of oil palm.
4. **Land Utilisation**: Optimise land utilisation for other crops.

ACHIEVEMENTS IN 2021

- We have planted 40 hectares of coconuts and 40 hectares of pineapples in Sagil Estate and 10 hectares of kenaf in Leepang Estate.
- We have identified suppliers and varieties of coconuts to be planted for future expansion.
- We have developed self-pollination techniques to produce better varieties, high yields and higher oil content for coconuts.
- We collaborated with universities and provided internship opportunities to students to encourage them to plant cash crops.

PRIORITIES FOR 2022

Planting Materials
- Continue to source for good planting materials for coconut expansion.

Coconut Breeding
- Continue to produce varieties with desirable characteristics for propagation, through mass selection and biotechnological techniques.
- Refine existing self-pollination techniques to produce coconuts with better varieties, high yields and higher oil content.

Crop Cultivation
- Expand cultivation of coconut, kenaf and pineapple. Continue feasibility studies for other profitable cash crops. Identify higher-value crops with high market demand.
- Train more manpower for planting and management.
- Engage wholesaler, expand online marketing to market and promote the crops.
- Explore post-harvest processing technologies for the handling and treatment of crops to maintain quality and extend the shelf life of crops for the premium-priced export market. Apply new technology to improve yield and reduce the production cost.

Land Utilisation
- Identify more areas to be converted to other crops (coconut, kenaf, durian, pineapple, avocado and banana).
- Employ fertigation system to increase crops yield.
- Explore mechanisation for establishing, maintaining and harvesting of other crops to reduce the dependency on manual labour.

CONNECTION

Key Stakeholder Groups

Six Capitals

Risks & Opportunities

R1 R3 R4

Material Matters

M3 M12

Our Key Stakeholder Groups

- Employees
- Suppliers
- Industry Associations/ Civil Societies
- Customers
- Regulators
- Communities
- Shareholders & Investors

Our Six Capitals

- Human
- Manufactured
- Natural
- Social & Relationship
- Financial
- Intellectual

Our Risks

- R1 Human Capital & Talent
- R4 Business Resilience
- R2 Supply Chain Compliance
- R5 Environmental Sustainability
- R3 Reliance on Manual Labour

Our Material Matters

- M1 Occupational Safety & Health
- M2 Transparent Grievance Resolution & Communication
- M3 Climate Change & Carbon Emission Management
- M4 Governance & Anti-Corruption
- M5 Responsible Recruitment
- M6 Biodiversity and Conservation / Protection of High Conservation Value & High Carbon Stock Areas
- M7 Responsible Sourcing
- M8 Sustainability Certification &/or Sustainability Certified Products
- M9 Regulatory Compliance
- M10 Fire Management
- M11 Fair & Decent Wage
- M12 Deforestation & Land Use
- M13 Community Engagement & Social Responsibility

STRATEGIC PRIORITIES

STRATEGIC PRIORITY 4

Increase the Non-Crude Palm Oil ("CPO") Segment

Oil palm by-products such as oil palm trunks ("OPT") and empty fruit bunches ("EFB") are an ideal source for cellulose based natural fibres. Oil palm processing waste such as palm oil mill effluent ("POME"), and others are a good source of bio-based raw materials.

Globally, there is a growing demand from consumers for environmentally friendly products and a shift towards sustainable production.

The non-CPO segment acts as a stimulus to moderate the impact of palm oil price volatility and provide an added advantage to our overall diversification strategy.

OUR KEY INITIATIVES

We aim to convert oil palm by-products and processing waste into value-added products at a competitive cost. Below are some of the applications of oil palm by-products and processing waste which IOI is exploring:

OPT	Produce palm wood boards and panels which are high-performance timber equivalent.
EFB	Xylose and Xylitol sugars, both widely used as diabetic sweeteners in food and beverage.

Other applications include:
- Energy production.
- Manure for oil palm and soil health.
- Green products.

ACHIEVEMENTS IN 2021

- We have awarded contracts for the construction of a palm wood factory on a 20-acre freehold site adjacent to the Segamat Inland Port, Johor. The purpose of this site is for the production of OPT-related products.
- We have facilitated technology transfer and know-how for processing OPT to produce high-performance lumber and palm wood boards and panels.
- We have placed orders and confirmed the delivery of custom-made machinery and equipment for the production of palm wood boards and panels.

PRIORITIES FOR 2022

OPT
- Bring the IOI Palm Wood factory 'online' and commence palm wood boards and panels production.
- Develop our human capital and in-house expertise.
- Develop sales based on IOI Palm Wood's products and value proposition.
- Promote the OnCore brand, which consists of Kiln Dried Palm Wood, Blockboards, Palm Wood Panels and Palm Wood Core materials to meet the rising demand for high quality wood panel solutions that are both high performance and environmentally sustainable.
- Explore more innovations in palm wood boards and panels production and engineered products from palm wood.
- Further explore the usage of oil palm trunks and processing into high value products.

EFB
- Conduct feasibility and marketability studies to assess and prioritise potential products.
- Explore new conversion technologies.
- Develop supporting infrastructures such as collection centre and processing/conversion plants.
- Explore R&D collaboration and partnerships with technology partners, start-ups, research institutions and academia.

CONNECTION

Key Stakeholder Groups

Six Capitals

Risks & Opportunities

R1 R4 R5

Material Matters

M3 M6 M7 M9 M10 M12

STRATEGIC PRIORITY 5

Grow the Oleochemical Segment

In our integrated palm oil business model, the resource-based manufacturing segment helps to stabilise IOI's income during volatile CPO price cycles.

Therefore, our strategy focuses on expanding the downstream manufacturing capacity and exploring new high-margin oleo-derivative products and applications to generate profitable growth.

OUR KEY INITIATIVES

We aim to increase our downstream oleochemical sub-segment revenue contribution through organic growth through the following initiatives:
1. **Expand Capacity**: Expand manufacturing capacity by expanding existing facilities, and commissioning new manufacturing facilities respectively.
2. **Improved Efficiency**: Enhance cost efficiency through automation.
3. **New Products Applications and Markets**: Manufacture new products and formulations. Employ diversification strategy to enter and/or capture new markets. Drive growth outside Europe into other regions.
4. **Focus on High-Value Products**: Realign business model to focus on high-margin products.

ACHIEVEMENTS IN 2021

- We are installing a new 110,000 MT/year capacity plant to produce palm and palm kernel-based fatty acids and glycerine. The plant's high-pressure steam system will improve our products safety.
- We submitted 60 Continuous Improvement Projects and implemented 25 Energy Efficiency Projects under ISO 50001.
- We expanded our Propylene Glycol Caprylate Caprate Diester sales in Malaysia and is pursuing overseas market expansion, and established a project pipeline for our patented polymorphic-free Polyglycerine Esters.
- We increased our sales volume for low 3-MCPD and high-end MCT, filed five new pharma patents, developed 10 formulations and one new ingredient within the personal care portfolio, and developed and launched five sales playbooks to support our global distribution partners. Our 150 kg/batch pilot plant for pharmaceutical excipients and active ingredients has commenced operations in Germany.

PRIORITIES FOR 2022

Expand Capacity
- Complete the expansion of our 110,000 MT/year capacity plant in Prai, Penang by second quarter of 2022.
- Modify our ester plants to expand product portfolio and to cater for growth in the ester product applications segment.
- Expand existing soap plant in Johor to produce wider and better soap products.

Improve Efficiency
- Enhance our ester plants' heat recovery process and processing capability.
- Increase IOI Oleo GmbH's Wittenberge site MCT capacity by 1,600 MT through process optimisation and debottlenecking.
- Implement site roadmaps in IOI Oleo GmbH's Witten and Wittenberge sites, including automation projects.

New Product Applications and Markets
- Develop and launch new product/formulation to targeted business segments.
- Explore new markets for diversification and growth.
  - Drive IOI Oleo GmbH's market reach into North America and Asia-Pacific.
  - Drive the commercialisation of Polyglycerine and Keto-Esters and high-margin pharma and personal care products.

Focus on High-Value Products
- Develop more products with key applications in the pharmaceutical, nutritional, cosmetic and personal care segments.
- Continuous development of specialised MCT products for the nutritional and health market.

CONNECTION

Key Stakeholder Groups

Six Capitals

Risks & Opportunities

R1 R4 R5

Material Matters

M3 M6 M7 M8 M9 M10 M12

Our Key Stakeholder Groups

Employees, Suppliers, Industry Associations/ Civil Societies, Customers, Regulators, Communities, Shareholders & Investors

Our Six Capitals

Human, Manufactured, Natural, Social & Relationship, Financial, Intellectual

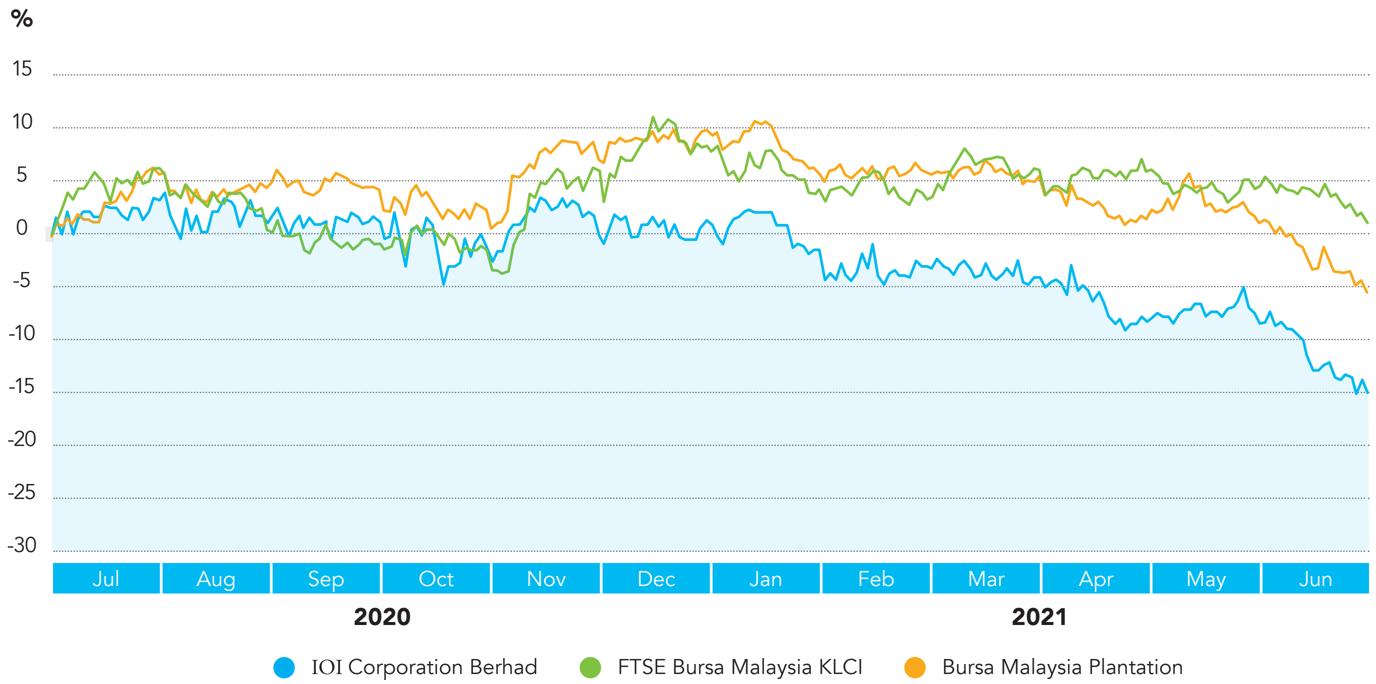
Our Risks

- R1 Human Capital & Talent
- R2 Supply Chain Compliance
- R3 Reliance on Manual Labour
- R4 Business Resilience
- R5 Environmental Sustainability

Our Material Matters

- M1 Occupational Safety & Health
- M2 Transparent Grievance Resolution & Communication
- M3 Climate Change & Carbon Emission Management
- M4 Governance & Anti-Corruption
- M5 Responsible Recruitment
- M6 Biodiversity and Conservation / Protection of High Conservation Value & High Carbon Stock Areas
- M7 Responsible Sourcing
- M8 Sustainability Certification &/or Sustainability Certified Products
- M9 Regulatory Compliance
- M10 Fire Management
- M11 Fair & Decent Wage
- M12 Deforestation & Land Use
- M13 Community Engagement & Social Responsibility

KEY INDICATORS



In RM million unless otherwise stated	2021	2020	2019	2018	2017
FINANCIAL					
Profit before interest and taxation	**1,740.6**	1,137.9	1,076.8	1,380.6	1,401.4
Profit attributable to owners of the parent	**1,394.3**	600.9	631.7	3,060.5	743.2
Equity attributable to owners of the parent	**10,005.4**	9,296.2	9,299.6	9,156.3	7,457.4
Return on average shareholders' equity (%)	**14.45**	6.46	6.85	36.84	10.18
Basic earnings per share (sen)	**22.26**	9.57	10.05	48.70	11.82
Dividend per share (sen)	**10.5**	8.0	8.0	20.5	9.5
PLANTATION					
FFB production (MT)	**2,917,621**	3,097,262	3,398,847	3,514,857	3,155,628
Total oil palm area (Ha)	**176,926**	176,909	176,156	174,234	174,396
MANUFACTURING					
Oleochemical					
Plant utilisation (%)	**76**	77	82	83	80
Sales (MT)	**648,130**	669,854	714,131	714,024	697,421
Refinery					
Plant utilisation (%)	**63**	69	65	69	63
Sales (MT)	**2,217,093**	1,973,792	1,917,195	2,152,800[1]	2,414,773

Note:
[1] The sales (MT) of FY2018 includes eight (8) months' results of discontinued operations.

FIVE-YEAR FINANCIAL HIGHLIGHTS

In RM million unless otherwise stated	2021	2020	2019	2018	2017
RESULTS					
Continuing operations					
Revenue	**11,251.7**	7,802.2	7,385.6	7,417.6	7,249.3
Profit before interest and taxation	**1,740.6**	1,137.9	1,076.8	1,380.6	1,401.4
Net foreign currency translation gain/(loss) on foreign currency denominated borrowings and deposits	**125.4**	(207.9)	(102.1)	318.3	(273.8)
Net interest expenses	**(126.2)**	(103.3)	(102.1)	(128.2)	(144.6)
Profit before taxation	**1,739.8**	826.7	872.6	1,570.7	983.0
Taxation	**(323.5)**	(225.0)	(255.0)	(334.0)	(292.7)
Profit for the financial year from continuing operations	**1,416.3**	601.7	617.6	1,236.7	690.3
Discontinued operations					
Profit for the financial year from discontinued operations	**–**	–	–	1,831.6	75.8
Profit for the financial year	**1,416.3**	601.7	617.6	3,068.3	766.1
Attributable to:					
Owners of the parent	**1,394.3**	600.9	631.7	3,060.5	743.2
Non-controlling interests	**22.0**	0.8	(14.1)	7.8	22.9
ASSETS					
Property, plant and equipment	**8,608.7**	8,531.8	8,472.9	8,411.2	10,086.9
Investments in associates	**3,144.5**	2,727.0	2,610.1	2,491.1	1,121.1
Other non-current assets	**564.7**	582.7	622.3	616.6	781.7
	12,317.9	11,841.5	11,705.3	11,518.9	11,989.7
Current assets	**5,337.8**	4,890.1	4,794.9	5,223.7	6,035.0
	17,655.7	16,731.6	16,500.2	16,742.6	18,024.7
EQUITY AND LIABILITIES					
Share capital	**791.1**	790.2	788.1	786.7	783.8
Reserves	**9,214.3**	8,506.0	8,511.5	8,369.6	6,673.6
	10,005.4	9,296.2	9,299.6	9,156.3	7,457.4
Non-controlling interests	**309.0**	274.5	211.1	259.4	261.3
Total equity	**10,314.4**	9,570.7	9,510.7	9,415.7	7,718.7
Non-current liabilities	**2,303.7**	5,319.6	5,766.9	5,544.5	6,666.4
Current liabilities	**5,037.6**	1,841.3	1,222.6	1,782.4	3,639.6
Total liabilities	**7,341.3**	7,160.9	6,989.5	7,326.9	10,306.0
	17,655.7	16,731.6	16,500.2	16,742.6	18,024.7
Net operating profit after tax ("NOPAT")	**1,541.6**	732.1	750.9	1,545.0	917.8
Average shareholders' equity	**9,650.8**	9,297.9	9,228.0	8,306.9	7,297.8
Average capital employed[1]	**16,178.7**	15,752.7	15,774.0	16,140.1	16,335.6
FINANCIAL STATISTICS					
Basic earnings per share (sen)	**22.26**	9.57	10.05	48.70	11.82
Dividend per share (sen)	**10.5**	8.0	8.0	20.5	9.5
Net assets per share (sen)	**160**	148	148	146	119
Return on average shareholders' equity (%)	**14.45**	6.46	6.85	36.84	10.18
Return on average capital employed (%)	**9.53**	4.65	4.76	9.57	5.62
Net debt/Equity (%)[2]	**29.37**	28.62	24.81	26.37	78.07
SHARE PERFORMANCE					
Market share price (RM):					
– Highest	**4.64**	4.82	4.74	4.88	4.81
– Lowest	**3.65**	3.41	4.10	4.31	4.21
– Closing	**3.76**	4.34	4.25	4.54	4.45
Trading volume (million)	**524**	842	563	1,032	1,111
Market capitalisation	**23,495.4**	27,198.0	26,709.7	28,531.2	27,963.2

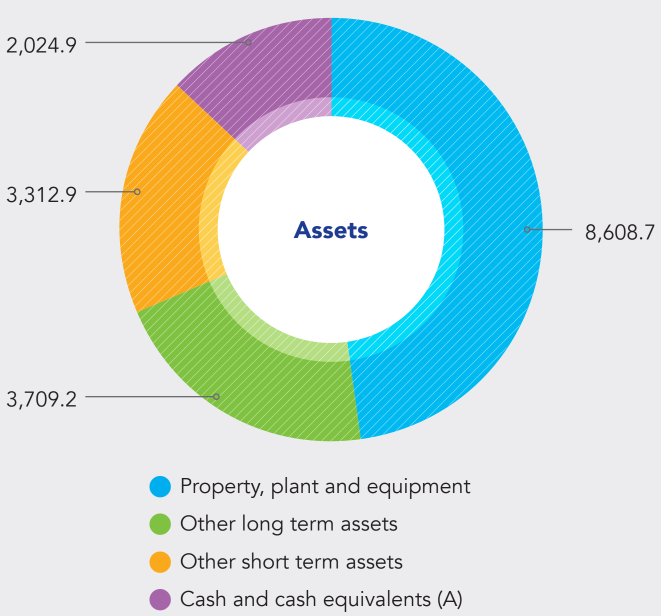
Notes:
[1] Average capital employed comprises shareholders' equity, non-controlling interests, long term liabilities, short term borrowings, lease liabilities and deferred taxation.
[2] Net debt represents total borrowings and lease liabilities less short term funds, deposits with financial institutions and cash and bank balances.

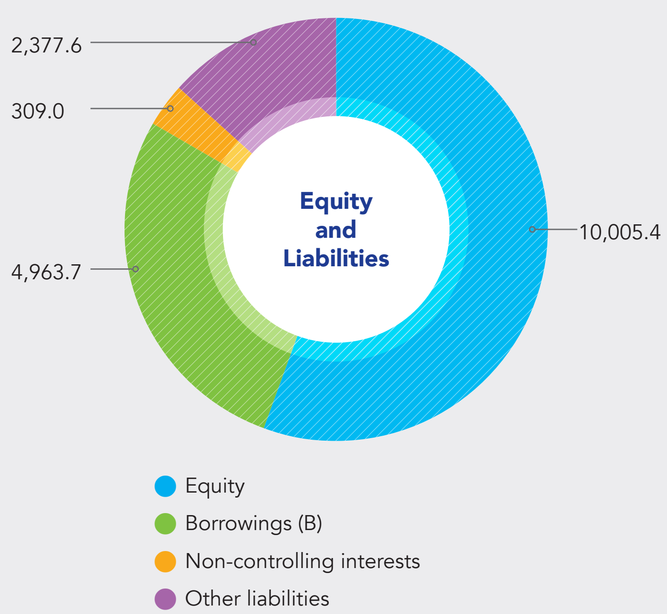
GROUP FINANCIAL OVERVIEW

CASH FLOW FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021
RM million

Net operating cash flow	671.6
Capital expenditure, net of disposal	(404.8)
Free cash flow from operation	266.8
Dividends received from investments	92.6
Additions to other investments, net of proceeds	(2.7)
Net settlement of cross currency swap contracts	(18.6)
Net interest paid	(118.8)
Proceeds from issuance of shares arising from exercise of share options	0.7
Proceeds from issuance of shares to non-controlling interests	0.5
Repurchase of shares	(73.1)
Dividend payments	
– Shareholders of the Company	(532.5)
– Shareholders of subsidiaries	(22.2)
Cash outflow in net borrowings	(407.3)
Transaction cost of borrowings	(1.0)
Accretion of borrowings	(2.7)
Lease interest expenses	(3.4)
Reassessments and modifications of leases	0.6
Additions to lease liabilities	(27.9)
Increase in net borrowings	(441.7)
Net borrowings as at 30 June 2020	(2,660.5)
Translation difference	163.4
Net borrowings as at 30 June 2021	(2,938.8)

STATEMENT OF FINANCIAL POSITION
as at 30 June 2021 (*RM million*)



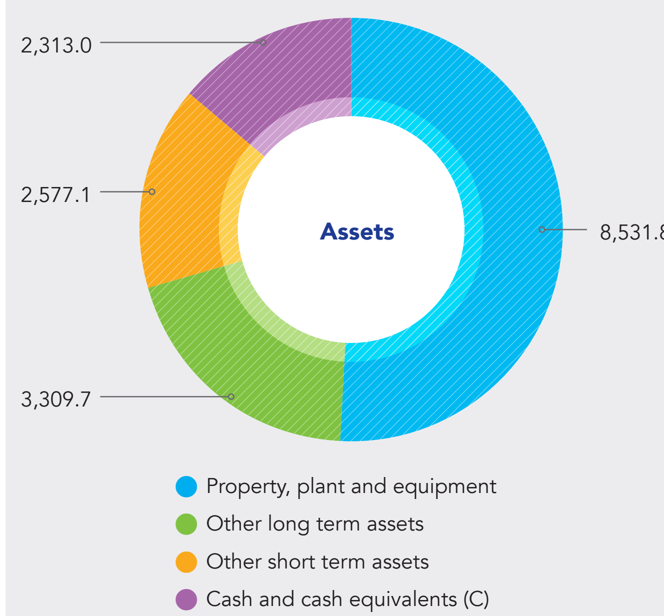


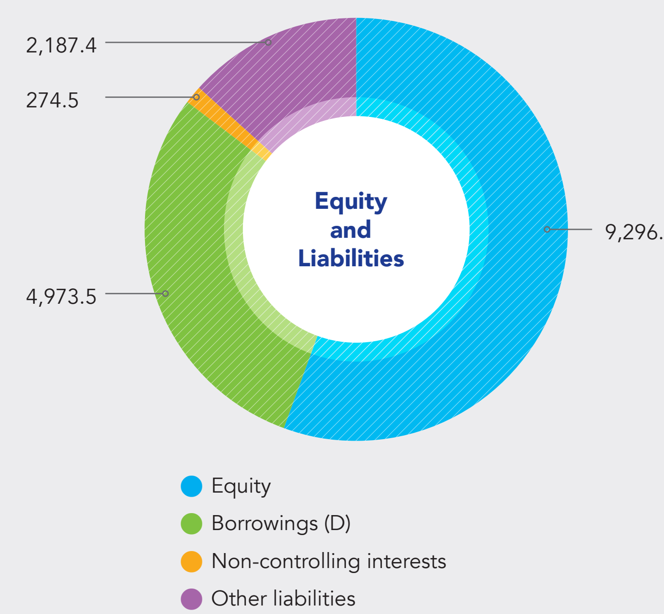
Net Borrowings = (B) – (A) = **RM2,938.8 million** Net Gearing = **29.4%**

RETAINED EARNINGS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021
RM million

Segment results	1,885.7
Unallocated corporate net expenses	(145.1)
Profit before interest and taxation	1,740.6
Net foreign currency translation gain on foreign currency denominated borrowings and deposits	125.4
Net interest expenses	(126.2)
Profit before taxation	1,739.8
Taxation	(323.5)
Profit for the financial year	1,416.3
Other comprehensive income	0.7
Total comprehensive income	1,417.0
Attributable to non-controlling interests	(22.0)
Total comprehensive income attributable to owners of the parent	1,395.0
Dividends paid	(532.5)
ESOS Lapsed	16.3
Changes in equity interests in subsidiaries	(17.6)
Retained earnings for the financial year	861.2
Retained earnings as at 30 June 2020	8,469.0
Retained earnings as at 30 June 2021	9,330.2

STATEMENT OF FINANCIAL POSITION
as at 30 June 2020 (*RM million*)





Net Borrowings = (D) – (C) = **RM2,660.5 million** Net Gearing = **28.6%**

GROUP PERFORMANCE HIGHLIGHTS

In RM million unless otherwise stated	2021	2020	+/(-)%
FINANCIAL PERFORMANCE			
Revenue	**11,251.7**	7,802.2	44
Profit before interest and taxation	**1,740.6**	1,137.9	53
Profit before taxation	**1,739.8**	826.7	110
Net operating profit after taxation ("NOPAT")	**1,541.6**	732.1	111
Net profit attributable to owners of the parent	**1,394.3**	600.9	132
Average shareholders' equity	**9,650.8**	9,297.9	4
Average capital employed	**16,178.7**	15,752.7	3
Operating margin (%)	**10.77**	12.75	(16)
Return on average shareholders' equity (%)	**14.45**	6.46	124
Return on average capital employed (%)	**9.53**	4.65	105
Basic earnings per share (sen)	**22.26**	9.57	133
Dividend per share (sen)	**10.5**	8.0	31
Net assets per share (sen)	**160**	148	8
Dividend cover (number of times)	**2.62**	1.12	134
Interest cover (number of times)	**11.56**	5.82	99
PLANTATION PERFORMANCE			
FFB production (MT)	**2,917,621**	3,097,262	(6)
Yield per mature hectare (MT)	**20.78**	21.24	(2)
Mill production (MT)			
Crude palm oil	**646,692**	708,212	(9)
Palm kernel	**135,853**	151,473	(10)
Oil extraction rate (%)			
Crude palm oil	**21.39**	21.83	(2)
Palm kernel	**4.49**	4.67	(4)
Average selling price (RM/MT)			
Crude palm oil	**3,076**	2,314	33
Palm kernel	**2,115**	1,375	54
MANUFACTURING PERFORMANCE			
Oleochemical			
Plant utilisation (%)	**76**	77	(1)
Sales (MT)	**648,130**	669,854	(3)
Refinery			
Plant utilisation (%)	**63**	69	(9)
Sales (MT)	**2,217,093**	1,973,792	12

GROUP QUARTERLY RESULTS

In RM million unless otherwise stated	1st Quarter	%	2nd Quarter	%	3rd Quarter	%	4th Quarter	%	2021	%
Revenue	2,477.2	22	2,454.7	22	2,860.1	25	3,459.7	31	**11,251.7**	**100**
Operating profit	257.9	22	280.3	23	196.2	16	477.4	39	**1,211.8**	**100**
Share of results of associates	35.1	7	85.7	16	351.1	66	59.9	11	**531.8**	**100**
Share of result of a joint venture	(0.5)	17	(0.7)	23	(1.1)	37	(0.7)	23	**(3.0)**	**100**
Profit before interest and taxation	292.5	17	365.3	21	546.2	31	536.6	31	**1,740.6**	**100**
Interest income	10.2	26	9.6	25	10.0	26	8.8	23	**38.6**	**100**
Finance costs	(41.0)	26	(40.2)	24	(41.9)	25	(41.7)	25	**(164.8)**	**100**
Net foreign currency translation gain/(loss) on foreign currency denominated borrowings and deposits	98.5	79	95.3	76	(38.4)	(31)	(30.0)	(24)	**125.4**	**100**
Profit before taxation	360.2	21	430.0	25	475.9	27	473.7	27	**1,739.8**	**100**
Taxation	(77.4)	23	(67.2)	21	(73.2)	23	(105.7)	33	**(323.5)**	**100**
Profit after taxation	282.8	20	362.8	26	402.7	28	368.0	26	**1,416.3**	**100**
Attributable to:										
Owners of the parent	277.9	19	355.7	26	401.3	29	359.4	26	**1,394.3**	**100**
Non-controlling interests	4.9	23	7.1	32	1.4	6	8.6	39	**22.0**	**100**
	282.8	20	362.8	26	402.7	28	368.0	26	**1,416.3**	**100**
Basic/Diluted earnings per share (sen)	4.43		5.68		6.40		5.74		**22.26**	
Profit before interest and taxation on segmental basis										
Plantation	273.6	23	340.3	28	185.9	15	409.8	34	**1,209.6**	**100**
Resource-based manufacturing	39.6	6	21.2	3	442.2	66	165.0	25	**668.0**	**100**
Other operations	2.1	25	1.6	20	0.3	4	4.1	51	**8.1**	**100**
	315.3	17	363.1	19	628.4	33	578.9	31	**1,885.7**	**100**
Unallocated corporate net (expenses)/ income	(22.8)	16	2.2	(2)	(82.2)	57	(42.3)	29	**(145.1)**	**100**
	292.5	17	365.3	21	546.2	31	536.6	31	**1,740.6**	**100**

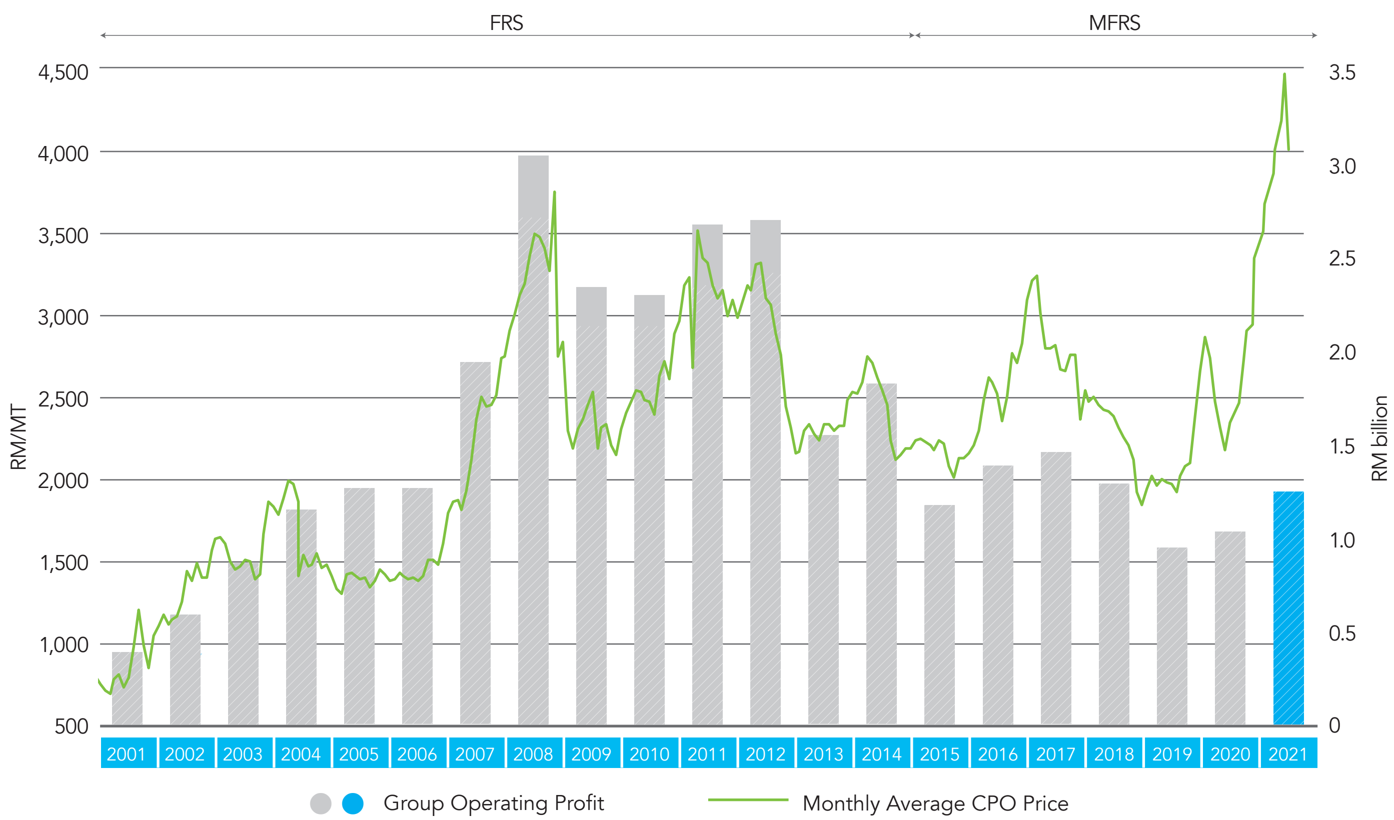
FINANCIAL CALENDAR

FINANCIAL YEAR END	30 JUNE 2021
ANNOUNCEMENT OF RESULTS	
1st Quarter	16 November 2020
2nd Quarter	23 February 2021
3rd Quarter	21 May 2021
4th Quarter	24 August 2021
Notice of Annual General Meeting	27 September 2021
Annual General Meeting	26 October 2021

PAYMENT OF DIVIDENDS		
1st Interim	Declaration	23 February 2021
	Entitlement	10 March 2021
	Payment	19 March 2021
2nd Interim	Declaration	24 August 2021
	Entitlement	13 September 2021
	Payment	05 October 2021

GROUP FINANCIAL REVIEW

Growing Through the Cycle



Note:
In conjuction with the adoption of Malaysian Financial Reporting Standards ("MFRS") framework by the Group, the above information from FY2015 to FY2021 have been prepared in accordance with MFRS, whereas information from FY2001 to FY2014 have been prepared in accordance with Financial Reporting Standards ("FRS").

INTRODUCTION

The purpose of this review is to highlight and provide brief insights on key financial and operating information at Group level. A more detailed commentary on operating performance is covered under the respective business segment reports.

KEY FINANCIAL INDICATORS

		2021	2020	Change %
Earnings before interest and taxation ("EBIT")	RM million	**1,740.6**	1,137.9	53
Pre-tax earnings	RM million	**1,739.8**	826.7	110
Net earnings	RM million	**1,394.3**	600.9	132
Return on average shareholders' equity ("ROE")	%	**14.45**	6.46	124
Return on average capital employed ("ROCE")	%	**9.53**	4.65	105
Net operating profit after taxation ("NOPAT")	RM million	**1,541.6**	732.1	111
Total returns to shareholders				
– Capital appreciation per share	RM	**(0.58)**	0.09	nm
– Dividend per share	sen	**10.5**	8.0	31
Net cash flow generated from operation	RM million	**671.6**	872.3	(23)
Net gearing	%	**29.4**	28.6	3

Note:
nm = not meaningful

FINANCIAL HIGHLIGHTS AND INSIGHTS

- The Group's revenue for FY2021 increased by 44.2% to RM11.25 billion as compared to RM7.80 billion in FY2020 from all segments.
- At Group level, the results for FY2021 versus FY2020 are best compared and explained at three (3) levels, mainly, EBIT, Pre-tax and Net Earnings, as different factors affected the changes between the two (2) fiscal years at the respective levels.
- Looking at **EBIT**, contributions from the segments are as follows:

	2021 RM million	Mix %	2020 RM million	Mix %	Change %
Plantation	**1,209.6**	**69**	701.5	62	72
Resource-based manufacturing	**668.0**	**38**	385.1	34	73
Total	**1,877.6**	**107**	1,086.6	96	73
Others including unallocated corporate (expenses)/income	**(137.0)**	**(7)**	51.3	4	nm
EBIT	**1,740.6**	**100**	1,137.9	100	53

Note:
nm = not meaningful

- The plantation segment's EBIT increased by 72% to RM1,209.6 million, due mainly to higher CPO and PK prices realised, partly offset by lower FFB production.
- The resource-based manufacturing segment's EBIT increased by 73% to RM668.0 million. The higher profit is due mainly to higher share of associate result from Bunge Loders Croklaan Group B.V. which included a share of one-off gain of RM268.3 million from the sale of its refinery located in Rotterdam as well as better performance from North America and Europe. Apart from the share of associate result, lower contribution was reported by all sub-segments mainly due to lower margins.
- **Pre-tax Earnings** increased by 110% over the last financial year, mainly due to higher contribution from all segments as well as total net foreign currency translation gain on foreign currency denominated borrowings and deposits amounted to RM125.4 million (FY2020 – loss of RM207.9 million).
- At the **Net Earnings level**, profit attributable to owners of the parent increased to RM1,394.3 million. The increase of the net earnings is due mainly to higher Pre-tax Earnings as explained in the foregoing paragraphs.
- The Group's **Interest Cover** was 11.6 times (FY2020 – 5.8 times).
- With the increase of net earnings, the Group recorded a **ROE** of 14.45% for FY2021 based on an average shareholders' equity of RM9,650.8 million (FY2020 – RM9,297.9 million), as compared to 6.46% recorded in the previous financial year.
- With the increase of NOPAT, the **ROCE** increased from 4.65% for FY2020 to 9.53% for FY2021.
- The Group strives to enhance ROE and ROCE by continuous improvement in operating performance and by active management of its capital structure. Initiatives undertaken by the Group include maintaining dividend pay-outs, share buy-back (and cancellation) programme and a continuous review and adjustment of the Group's debt gearing ratio having regard to maintaining stable credit ratings.

GROUP FINANCIAL REVIEW

FINANCIAL HIGHLIGHTS AND INSIGHTS (continued)

The equity reduction for purpose of capital management includes the following:

	2021 RM million	2020 RM million
Cash dividend	**532.5**	534.2
Share buy-back	**73.1**	68.1
Total equity repayments	**605.6**	602.3

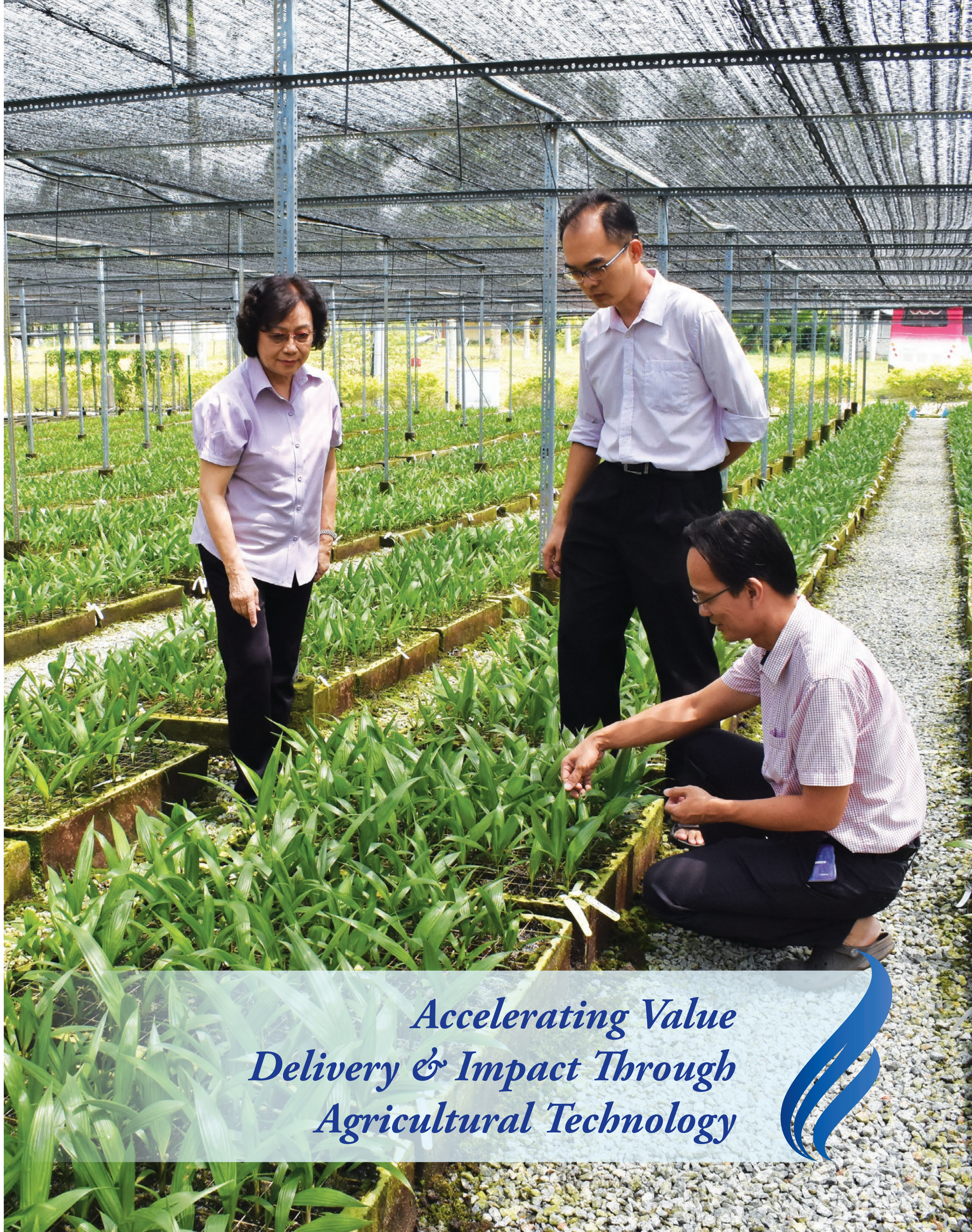
- The Group generated an **Operating Cash Flow** of RM671.6 million for FY2021 against RM872.3 million for FY2020. Similarly, **Free Cash Flow** decreased from RM466.7 million to RM266.8 million due mainly to increase in net working capital.
- The inventory turnover days for FY2021 has decreased to 47 days, as compared to inventory days of 53 days for FY2020.
- The trade receivables turnover days of 27 days for FY2021 is in line with the trade receivables turnover days of 28 days for FY2020.
- As for the cash and cash equivalents, it decreased from RM2.3 billion reported in FY2020 to RM2.0 billion reported in FY2021, due mainly to decrease in net cash from operating activities.
- The net gearing ratio of the Group was increased from 28.6% in FY2020 to 29.4% in FY2021.
- The Group's **Shareholders' Equity** as at 30 June 2021 stood at RM10.0 billion. The movement during the financial year included net earnings of RM1.4 billion, offset by total dividend payment of RM0.5 billion and share buy-back of RM73.1 million.
- For FY2021, the Group spent a total of RM407.6 million (FY2020 – RM413.0 million) for **Capital Expenditure ("Capex")**.

RETURNS TO SHAREHOLDERS

Two interim cash dividends totalling 10.5 sen per ordinary share amounting to a total payout of RM656.7 million were declared for FY2021.

If a shareholder had bought 1,000 ordinary shares in the Company ("IOIC Shares") when it was listed in 1980 and assuming the shareholder had subscribed/accepted for all rights issues and offer for sale to date and had not sold any of the shares, he would have as at 30 June 2021, 76,000 IOIC Shares worth RM285,760 based on IOIC Share price of RM3.76 and 55,417 IOI Properties Group Berhad Shares ("IOIPG Shares") worth RM62,067 based on IOIPG Share price of RM1.12. The appreciation in value together with the dividends and IOIPG Shares received less capital outlay translates to a remarkable compounded annual rate of return of 16.2% for each of the 41 years since the Company was listed.

The Company continues to manage its capital in a proactive manner to provide value to shareholders, optimise gearing levels and provide for funding requirements. The Group also continues to maintain a healthy cash and bank balance, which as at 30 June 2021 stood at RM2.0 billion, and a net gearing ratio of 29.4%.



GROUP BUSINESS REVIEW

Plantation

Who We Are & What We Do

Plantation is one of the core businesses of IOI, which is engaged in the cultivation of oil palm and processing of palm oil with operations in seed breeding, cultivation and crop oil extraction. Today, we have 96 estates, 15 palm oil mills, and four research and development ("R&D") centres across Malaysia and Indonesia. Our harvested fresh fruit bunches ("FFB") are processed by our own 15 milling facilities with a total installed capacity of 980 metric tonne ("MT") per hour of FFB.

Our current total planted area (including subsidiary companies) stands at 178,105 hectares ("ha") (FY2020: 178,068 ha) and our associate companies stand at 137,251 ha (as at 30 June 2021). Our total planted area is 99% oil palm and 81% is classified as mature. The weighted average palm age is 13.5 years. During year 2020/21, our Indonesian plantations have been granted *Hak Guna Usaha* ("HGU") or Right to Cultivate land rights by the Indonesian government for a total ha of 23,764 for 35 years including plasma. We also have 8,382 ha of land rights in the form of *Izin Usaha Perkebunan* ("IUP") or Plantation Operational Permit, and Panitia B which is currently in the progress of HGU application and is targeted to complete by end of December 2021.

IOI is diversifying into cash crops and intercropping to reduce our dependency on oil palm and optimise the revenue of operating units that are undergoing replanting programmes. We have planted a total of 40 ha of coconuts, 10 ha of kenaf and 40 ha of pineapples in FY2021. We are expanding our coconut business and targeting to plant 5,000 ha of coconuts in the next four years. We have also established a seed garden to ensure we are producing sufficient planting materials by capturing existing crop diversity as well as developing new and improved materials for the future expansion of the Group.

KEY FOCUS AREAS

With a strategy on "Driving Innovation in Enhancing Yields and Cost Efficiency," we are committed to the following key focus areas to enable us to strive for sustainable business growth.

- Innovating to produce high-yielding planting materials
- Reduce dependency on workers via mechanisation, increase productivity and operational efficiency
- Digitalisation and automation of business process
- Diversifying crops and exploring other profitable crops

Top 5 Largest Companies* in Plantation Sector

* Listed on Bursa Malaysia

Total Planted Area **178,105 Hectares***

* Excludes area owned by associate companies

Total Oil Palm Estates **96***

* Located in Malaysia and Indonesia

170,454 Hectares & 14 Malaysian Mills RSPO*-Certified

* Roundtable on Sustainable Palm Oil

KEY BUSINESS HIGHLIGHTS

The total FFB production for the Group is 2.9 million MT in FY2021 as compared to 3.1 million MT in FY2020. The FFB yield recorded in FY2021 is 20.78 MT per ha as compared to 21.24 MT per ha in the previous year. The lower FFB productivity and FFB yields are primarily impacted by worker shortage, the COVID-19 pandemic, unfavourable weather conditions and ongoing replanting activities in the Sabah region. The outbreak of the COVID-19 pandemic resulted in Movement Control Orders ("MCOs") and restriction on migrant workers, which caused worker shortage. Our production was hampered due to the delay in our fertilising, harvesting, collection of FFB, milling and transportation activities. As a result, crude palm oil ("CPO") production output was affected which led to lower oil yields and lower oil extraction rate ("OER").

The unfavourable weather conditions resulted in extended periods of drought which affected the FFB yields. *La Nina*, which occurred from September 2020 to March 2021, brought heavy rainfall at most of our operating units with an increase of 30% to 50% of precipitation while our Indonesian operations were particularly affected whereby 24% of the mature areas were flooded half the year. Ultimately, our harvesting activities were disrupted and our CPO output was lowered. The Group recorded a lower OER of 21.39% in FY2021 as compared to 21.83% in FY2020 due to the long stretches of wet weather and worker shortage. We continued to take proactive actions to improve the road infrastructure and water management system through an ongoing laterite construction of an all-weather road in Indonesia (initiated in October 2019) for speedy FFB evacuation during heavy rainfall to minimise crop loss.

The low FFB yields in FY2021 was also caused by a decrease of approximately 7,100 ha of old palms due for replanting, whilst an estimated 3,877 ha of young palms were brought into maturity in FY2021. Replanting remains a priority for the Group and we have replanted about 26,272 ha since FY2019 to improve the age profile. We are strengthening our replanting programme through our elite clonal palms and high-yielding third-generation hybrid palm seedlings to produce high yields. We are also aggressively expanding our mechanisation and digitalisation efforts to optimise workforce and land usage, and adopting best agricultural practices to enhance our oil palm yields.

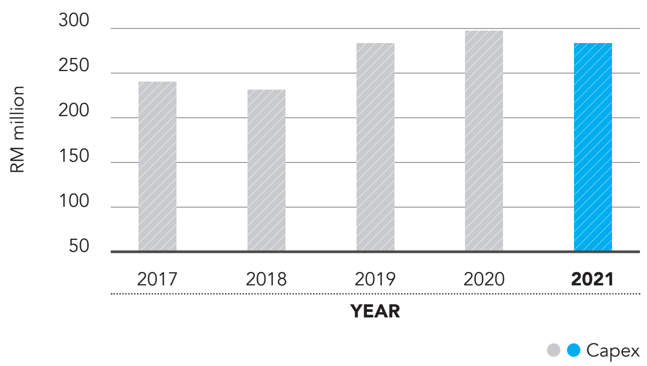
FINANCIAL HIGHLIGHTS

As of 30 June 2021, the Group's plantation segment's revenue increased 26.3% from RM1.9 billion in FY2020 to RM2.4 billion in FY2021. This year-on-year improvement was supported by bullish CPO and palm kernel ("PK") prices. The CPO price traded at an average of RM4,055 per MT in the first half of 2021, up from RM3,051 per MT in the second half of 2020. Similarly, high PK price stood at an average of RM2,581 per MT, from RM1,776 per MT. This is primarily attributed to low inventory coupled with worker shortage, strong soya bean price due to weather woes in South America, and high export duty imposed by Indonesia. This yearly improvement is also reflected in the increase of our Group's average CPO and PK prices. The average CPO price for FY2021 was higher by RM762 per MT (FY2021: RM3,076 per MT as compared to FY2020: RM2,314 per MT) and the average PK price also rose by RM740 per MT (FY2021: RM2,115 per MT as compared to FY2020: RM1,375 per MT).

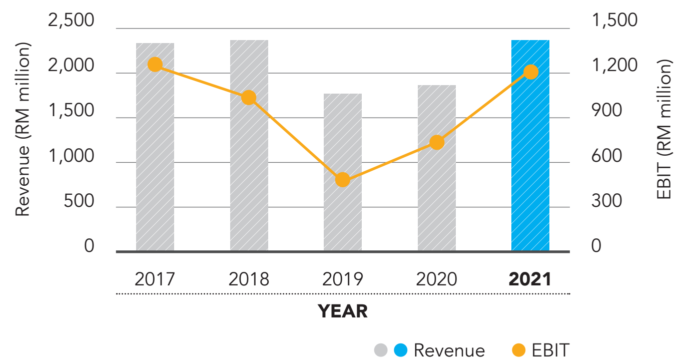
Reflecting the strong commodity prices, the plantation profit has significantly improved by 72.4% to RM1,209.6 million in FY2021 as compared to RM701.5 million in FY2020. This is mainly due to higher CPO and PK prices, but partly offset by a 5.8% decrease in FFB production. The plantation segment spent a total of RM279.6 million in capital expenditure in FY2021 as compared with RM296.0 million in FY2020. The investment consisted of primarily funding in replanting (East Malaysia), new planting (Indonesia), plant and machinery, and plantation development infrastructure. Since March 2020, the government has imposed a series of MCO measures to curb the spread of COVID-19, which disrupted the progress of replanting and mill projects.

GROUP BUSINESS REVIEW
Plantation

Capex



Revenue and Earnings before Interest and Tax ("EBIT")

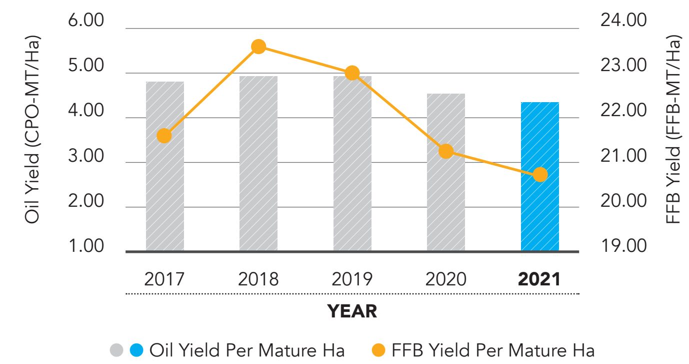


5-Year Plantation Performance Statistics

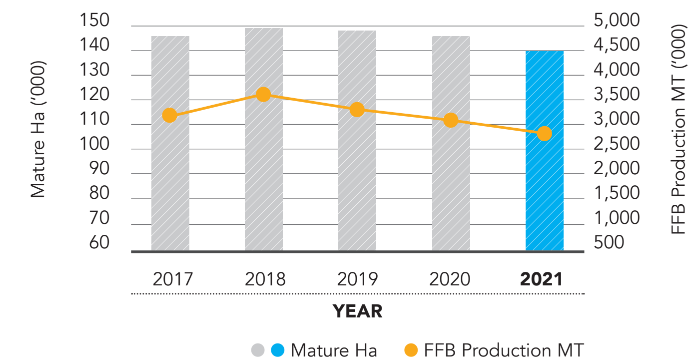
CROP STATEMENT	2021	2020	2019	2018	2017
OIL PALM					
Average mature area harvested (Ha)	**140,418**	145,802	147,770	148,934	145,704
FFB production (MT)	**2,917,621**	3,097,262	3,398,847	3,514,857	3,155,628
Yield per mature hectare (MT)	**20.78**	21.24	23.00	23.60	21.66
Mill production (MT)					
Crude palm oil	**646,692**	708,212	756,596	757,949	691,184
Palm kernel	**135,853**	151,473	166,716	175,937	155,426
Oil extraction rate (%)					
Crude palm oil	**21.39**	21.83	21.44	20.90	21.28
Palm kernel	**4.49**	4.67	4.72	4.85	4.79
Average Selling Price (RM per MT)					
Crude palm oil	**3,076**	2,314	2,025	2,549	2,766
Palm kernel	**2,115**	1,375	1,390	2,252	2,691

AREA STATEMENT *In Hectares*	2021	2020	2019	2018	2017
OIL PALM					
Mature	**143,749**	146,856	147,995	154,613	149,714
Immature	**33,177**	30,053	28,161	19,621	24,682
	176,926	176,909	176,156	174,234	174,396
RUBBER					
Mature	**457**	457	415	415	415
Immature	**–**	18	60	60	55
	457	475	475	475	470
Others	**722**	684	648	581	581
Total planted area	**178,105**	178,068	177,279	175,290	175,447
Nursery	**254**	248	206	229	142
Estate under development	**554**	836	8,382	8,382	8,582
Labour lines, building sites and others	**28,074**	27,415	32,070	34,018	33,746
Total area	**206,987**	206,567	217,937	217,919	217,917

Oil Yields and FFB Yields

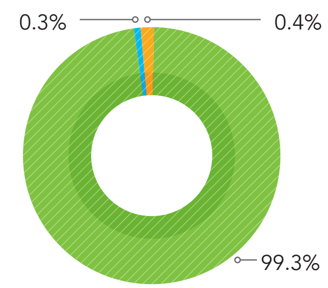


Average Mature Oil Palm Area Harvested and FFB Production



Plantation Statistics

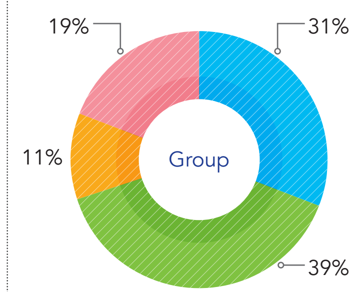
Crop Mix



- Oil Palm
- Rubber
- Others

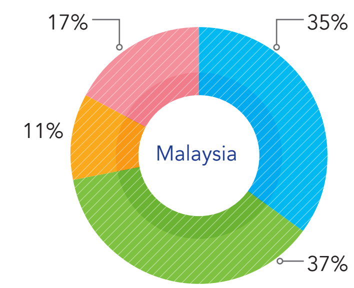
Total Planted Area
178,105 Ha

Oil Palm Hectarage by Age



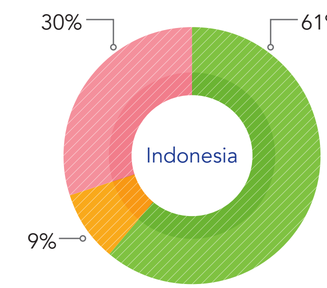
- Past Prime
- Prime
- Young
- Immature

Total Oil Palm Planted Area
176,926 Ha



- Past Prime
- Prime
- Young
- Immature

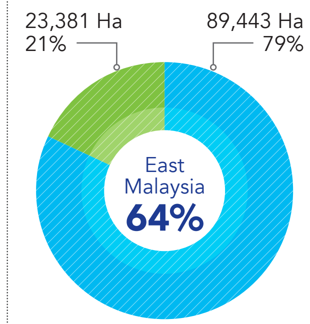
Total Oil Palm Planted Area
155,792 Ha



- Prime
- Young
- Immature

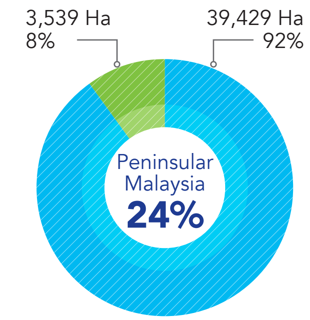
Total Oil Palm Planted Area
21,134 Ha

Oil Palm Hectarage by Region



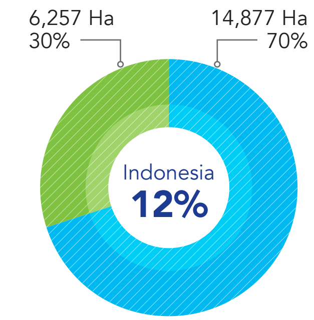
- Mature
- Immature

Total Oil Palm Area
112,824 Ha



- Mature
- Immature

Total Oil Palm Area
42,968 Ha



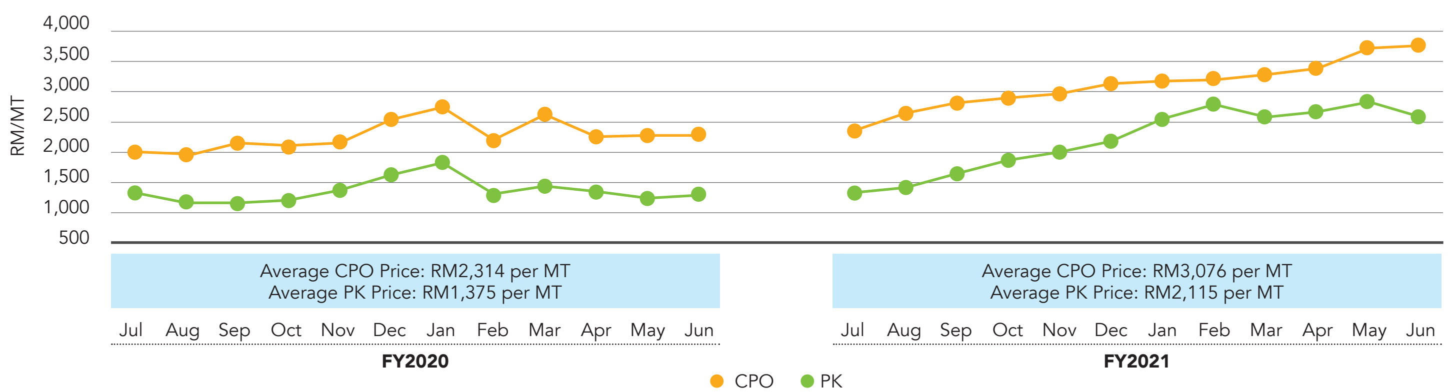
- Mature
- Immature

Total Oil Palm Area
21,134 Ha

GROUP BUSINESS REVIEW

Plantation

Average Realised CPO and PK Prices



BUSINESS PERFORMANCE REVIEW 2021

STRATEGIC OBJECTIVES	KEY INITIATIVES	ACHIEVEMENTS IN FY2021
Innovating to produce high-yielding planting materials Reduce dependency on workers via mechanisation, increase productivity and operational efficiency Digitalisation and automation of business process Diversifying crops and exploring other profitable crops	• Digitalisation • Mechanisation • Continued investment in R&D • Driving to maximise oil yields by innovating with high-yielding clonal palms, superior planting materials and achieving high early yields from young mature palms • Embarking on conservation projects to minimise crop loss during adverse weather conditions	See below

1) IOI continued to attain high yields (as indicated by our top three best performing estates):

ESTATE	OIL YIELD
a) Bertam Estate	6.94 MT/ha
b) Laukin A Estate	6.79 MT/ha
c) Mekassar Estate	6.33 MT/ha

2) Our mills continued to achieve high OERs as a result of FFB crops that are derived from superior high-yielding palms:

MILL	OER
a) Bukit Leelau Mill (Peninsular)	24.45%
b) Baturong Mill (Sabah)	23.87%
c) Pamol Kluang Mill (Peninsular)	23.00%

3) All our Malaysian plantation operating units are fully integrated with the SAP system and the electronic plantation monitoring system while 50% have been implemented with the e-wallet salary crediting system.
4) We have successfully initiated various mechanisation efforts:
   a) Implemented FFB main line evacuation system using FFB grabber in combination with bin transport system in about 40% of all estate areas across Peninsular Malaysia, Sabah and Indonesia, which improved productivity from manual loading (12 to 15 MT of FFB/day) to mechanised operation (30 to 40 MT of FFB/day).
   b) Implemented FFB in-field evacuation system (using motorised palm cutters and power wheel barrows) which increased harvesters' productivity by up to 50%, and reduced dependency on workers by improving harvester to land ratio from 1:16 ha to 1:22 ha.
   c) Introduced mechanical grass cutter and mechanical front loader for empty fruit bunches ("EFB") in Pamol Timur and Pamol Barat's organic farming project for improved productivity and elimination of chemical fertilisers, herbicides and pesticides.
   d) Utilised mechanical circle and strip sprayers for weed management and maintenance which improved productivity and reduced workforce.
5) Improved road infrastructure and water management system in Indonesia (constructing all-weather access road using laterite to expedite FFB evacuation from field to mill within 24 hours even during heavy rainfall or flooding). CPO is now despatched smoothly with the improved road condition. Water gates and bunds have been constructed to minimise flooding in low lying areas.

Challenges/Risks	Mitigation Actions
Prolonged dry and hot periods, which impact crop productivity and cause less FFB.	1) Carry out ablation after 18 months from planting at low rainfall areas. 2) Employ water conservation practices such as constructing conservation terraces, silt pits and bunds to retain soil and water. 3) Construct weirs at drainage and irrigation systems. 4) Apply EFB as mulch to increase water holding capacity and maintain soil fertility. 5) Locate sites for water catchment areas such as unplantable steep ravines and low-lying waterlogged basins.
Outbreak of insect pests (such as nettle caterpillars), vertebrate pests (such as rats and wild boars) and diseases (such as *Ganoderma* fungus), which cause crop damage and attack oil palm trees.	1) Implement integrated pest management approaches that prioritise biological controls over chemical pesticides. 2) Employ different techniques during replanting such as soil ripping and ploughing to prevent *Ganoderma* outbreak; and pulverisng trunk chips to minimise breeding of rhinoceros beetles in immature and young mature palms.
Approximately 31% of IOI's current oil palm trees is categorised as past prime (more than 21 years old and above), which are due for replanting, causing revenue and profit to be impacted by low FFB production.	1) Accelerate replanting programme by planting superior planting materials to achieve early and high yields from a young mature palm age. 2) Replant with third-generation Limited Breeding Programme materials crossed with valid progeny-tested AVROS pisifera, which are expected to generate more than 33.0 MT of FFB per ha and have potential to generate more than 8.4 MT of CPO per ha from the seventh year onwards after planting. 3) Plan systematic 4% replanting per year of land area after completion of the 10-year replanting programme. 4) Replant with Advanced Planting Materials aged 20 to 22 months for early maturity.
The global pandemic of COVID-19 resulted in the lockdown of six districts, including Lahad Datu Region and Tawau, which was enforced by the Sabah government, resulting in losses during the shutdown period. The pandemic also halted the recruitment of workers and caused a shortage of harvesters.	1) Implement strict SOPs to control movement of workers and provide sufficient Personal Protective Equipment to staff and workers. 2) Initiate Business Continuity Plan and cost control measures to mitigate any adverse operation and financial impact to the company's bottom line. 3) Continuously implement digitalisation and mechanisation measures to reduce reliance on workers and improve operational excellence. 4) Recruit local workers from surrounding villages with enhanced benefit packages.
Volatility of CPO prices caused by ongoing trade friction between the United States and China, higher import duty by India, European Union's aversion to palm oil, and impacts from the COVID-19 pandemic.	1) Continuously improve operational efficiencies and productivity by implementing cost control initiatives through digitalisation and mechanisation efforts to reduce dependency on foreign workers and mitigate volatility of CPO prices. 2) Diversify to other crops to mitigate risk of relying solely on palm oil.

OUTLOOK & PROSPECTS

The ongoing COVID-19 pandemic has had a significant and direct impact on the Malaysian palm oil industry due to the MCOs, lockdowns and business closures as well as the decision by the Malaysian government to freeze the recruitment of migrant workers. In addition to the severe worker shortage, these factors would increase the risk of supply chain disruptions to the internal business, causing delays, shortage of raw materials, increased costs, and reduced orders which impacts the business performance.

The global economy is projected to grow 6% in 2021 and 4.9% in 2022 (based on the latest World Economic Outlook report), fuelled by the recovery and reopening of businesses in advanced economies while economic growth is expected to be more sluggish in developing countries due to the new variants of the COVID-19 virus and uneven progress of vaccination campaigns. However, the Malaysian government has been taking steps to boost the palm oil industry through various steps such as increasing investment in the downstream palm oil sector, targeting other foreign markets as key export destinations, accelerating productivity via research and development and technology. All these are in line with our Group's strategic priorities.

Although CPO production in Malaysia has fallen in the first four months of 2021, its price has remained high, ranging from RM4,400 and RM4,695 per MT in August 2021 as the Malaysian palm stock fell to 1.5 million MT at end-July due to weaker than expected FFB production. This is mainly due to worker shortage and restrictive SOP measures of the COVID-19 pandemic. Against the backdrop of this unprecedented uncertainty and challenging environment that is expected to continue for the near term, we expect it will indirectly lend support to a strong CPO price trend for the rest of the year.

We expect the FFB production to be stable in FY2022 due to forecasted favourable weather conditions as well as a higher production from young palm trees in our Indonesian plantations that will offset the production loss from our replanting programme in Sabah, which we are accelerating to maintain a good age profile for sustainable growth. We are planting an estimated 7,100 ha of aging and less productive oil palm stands with high yielding and superior planting materials to increase our oil palm yields. Furthermore, we remain committed to accelerate our digitalisation and mechanisation plans in our estates and are taking proactive steps to actively recruit locals to progressively reduce our dependency on manual labour and alleviate the worker shortage that is expected to be more acute. With the bullish market of CPO prices and more oil palms coming into maturity, we are optimistic of a good performance in the coming year.

GROUP BUSINESS REVIEW

Resource-Based Manufacturing

Who We Are & What We Do

The Group's global resource-based manufacturing business, comprising our refining, oleochemical and specialty oils and fats sub-segments, plays an important role in fortifying our integrated palm value chain. It consists of downstream activities such as refining of crude palm oil and palm kernel oil, and processing of refined palm oil and palm kernel oil into oleochemical as well as specialty oils and fats products. With our local and international manufacturing facilities as well as our vast experience, we are well equipped to meet the needs of our customers domestically and internationally.

FINANCIAL HIGHLIGHTS

The Group's resource-based manufacturing segment's profit of RM668.0 million for FY2021 is 73% higher than the profit of RM385.1 million reported for FY2020. Excluding the fair value loss on derivative financial instruments of RM25.6 million (FY2020 – gain of RM3.8 million), the underlying profit is RM693.6 million for FY2021, which is 82% higher than the profit of RM381.3 million for FY2020. The significant higher profit is due mainly to our higher share of associate result from our associate company, Bunge Loders Croklaan Group B.V., which included a share of one-off gain of RM268.3 million from the sale of its refinery located in Rotterdam as well as better performance from North America and Europe. Apart from the share of associate result, the lower contribution was reported by all sub-segments mainly due to lower margins.

REFINING

The Group has two wholly-owned refineries in Malaysia with a combined annual capacity of about 1.8 million MT. They are strategically located in Pasir Gudang, Johor and in Sandakan, Sabah, which have gateways to major shipping routes with direct port access. Both refineries are located close to our plantations and mills. They produce palm and palm kernel oil fractions for domestic and export markets as well as feedstock for the Group's downstream activities. Our refineries are Roundtable on Sustainable Palm Oil ("RSPO") and Malaysian Sustainable Palm Oil ("MSPO") certified, and our Sandakan refinery is also International Sustainability and Carbon Certificate ("ISCC") certified. Our manufacturing premises have attained various national and internationally recognised quality management systems, environment management systems, food safety certifications and more. We are constantly identifying and implementing resource minimisation measures to reduce greenhouse gas emissions.

KEY FOCUS AREAS

- Optimise refineries' processing capacity and efficiency
- Supply consistently high-quality palm oil products that fulfill different customers' needs
- Expand certified sustainable palm oil products and low 3-MCPD and GE markets
- Maximise consumer packing capacities in various packing configurations to meet customers' requirements
- Ensure efficient supply chain management with uninterrupted supply
- Drive innovation and promote sustainable development

Manufacturing Facilities
2

Combined Annual Refining Capacity
1.8 million MT

Sales of Total Certified Refined Products
293,889 MT

KEY BUSINESS HIGHLIGHTS

- The sales volume of our certified sustainable refined products has increased as we continue to expand our certified sustainable markets.
- We have started selling low 3-MCPD and GE products in the current financial year under review to capture the new requirements in the European Union ("EU") markets.
- Our refineries' utilisation rates, which are in tandem with the industry trends in Malaysia, have been impacted by the shortage of raw materials and restriction in operational capacity during multiple Movement Control Orders.

GROUP BUSINESS REVIEW
Resource-Based Manufacturing

BUSINESS PERFORMANCE REVIEW 2021

STRATEGIC OBJECTIVES	KEY INITIATIVES	ACHIEVEMENTS IN FY2021
Expand certified sustainable palm oil products and low 3-MCPD and GE markets	• Focusing on expanding our markets for certified and sustainable palm oil.	• Improved growth of over 6% in sales of certified refined products from FY2020.
Maximise consumer packing capacities in various packing configurations to meet customers' requirements	• Actively participate in World Food Programme tenders and expand other potential markets.	• Successfully performed 24 shipments for United Nations World Food Programme, and increased sales to Nigeria and Dubai.
Drive innovation and promote sustainable development	• Produce low 3-MCPD and GE refined oil products through in-house development in order to capture new market requirements.	• Both our Pasir Gudang and Sandakan refineries have started selling low 3-MCPD and GE products. • Shared knowledge and experience in palm-oil related areas through the submission of four articles in three publications by the Sandakan refinery team.

Challenges/Risks	Mitigation Actions
The Malaysian crude palm oil ("CPO") production reduced by about 3% due to labour shortages in the industry and the dry weather. At the same time, the Malaysian CPO exports have increased by about 73%. These have contributed to the lower utilisation rates of refiners in Malaysia. Malaysian palm oil production is expected to recover marginally in the next financial year.	1) Our refineries are continuously looking for opportunities to secure more raw materials locally as well as through imports whenever possible. 2) We will continue to increase our sales of certified sustainable palm oil and low 3-MCPD and GE products for further value addition.
Volatile mineral oil prices and the Palm Oil-Gas Oil spread are influencing the demand of palm oil in biofuel, especially in discretionary blending. However, the increase in the biodiesel mandates in Indonesia and Malaysia will provide new demand for palm oil. The new rules from the United States ("US") on renewable fuels may also increase usage of edible oils in the sector.	1) Our sales are mainly for the food sectors. 2) We will closely monitor the latest developments in this area to better gauge the prospect of demands and future price trends.

OUTLOOK & PROSPECTS

Palm oil commodity prices are expected to remain volatile in the next financial year. Many factors affecting the prices are to be closely monitored. The current low world vegetable oil stocks will continue to provide the underlying support to the prices. The recovery in stocks depend on the coming production in the producing countries. Weather conditions are one of the many factors to look out for, especially in the US, in the coming crop progress.

The COVID-19 pandemic is still affecting demand in many consuming countries and disrupting the production in producing countries. The inoculation rates that are picking momentum in many countries will help to mitigate some of the challenges. Another factor to watch out for is the heightened inflationary risk in global economies. Central banks of many countries are sounding more hawkish and this may lead to the imposition of higher interest rates and the adoption of tighter monetary policies in order to rein in the inflation. Having integrated Environmental, Social and Governance ("ESG") into our business, we are confident that our ESG investing will lead us to overcome the rising interest cost.

Going forward, we opine that palm oil prices will remain strong for some time due to lower inventories in both origin and destination market. The palm oil stocks may take longer to replenish to normal levels due to severe worker shortage in Malaysia, disruption from the pandemic and the forecasted *La Nina* phenomenon towards the end of 2021.

OLEOCHEMICAL

The principal activities of the Group's oleochemical sub-segment are manufacturing and sales of fatty acids, glycerine, soap noodles and downstream oleochemical products such as fatty esters and specialty derivatives. These versatile products are used in a wide variety of applications from industrial sectors such as automotive, construction and plastic to food, nutrition, pharmaceutical and cosmetic. Our oleochemical products are exported to more than 80 countries worldwide. Our main customers are located in Japan, China, Europe and the US, which include some of the world's most esteemed and well-known multinational corporations.

The Group undertakes oleochemical manufacturing activities in four manufacturing facilities. Two of the manufacturing facilities are located in Peninsular Malaysia while the other two facilities are in Germany. Our total combined production capacity is about 780,000 MT per annum. The Penang and Johor plants are exclusively based on palm oil whereas the Germany plants use mainly palm oil supplemented by other vegetable oils such as coconut oil, rapeseed oil and sunflower oil. These plants complement and add value to each other through technical know-how collaborations and application of basic oleochemicals into niche derivatives.

Our manufacturing facilities are certified and accredited by globally recognised bodies in various aspects of quality and international standards compliance. On top of the ISO 9001, ISO 14001 and ISO 50001 certifications, the Penang, Johor and Wittenberge sites have received the Food Safety System Certification ("FSSC") 22000 on food safety management, and the Witten site is certified by the European Union-Good Manufacturing Practice ("EU-GMP") and US Food and Drug Administration ("FDA") for the production of Active Pharmaceutical Ingredients ("API").

KEY FOCUS AREAS

Drive business growth by increasing sales and expanding market segments

Enhance cost efficiency by optimising plant capacity and improving operational efficiency

Develop niche markets by exploring new product applications and launching new products

Manufacturing Facilities
4

Export to Over
80 Countries Worldwide

Combined Annual Oleochemical Capacity
780,000 MT

GROUP BUSINESS REVIEW
Resource-Based Manufacturing

KEY BUSINESS HIGHLIGHTS

- Our fatty acids is the core business unit of our oleochemical business. It has mostly recovered from the COVID-19 pandemic as global economic recovery was spearheaded by China. Marginally higher sales volume was recorded compared to the previous year. However, the margin was slightly lower. The main reason was due to the rising palm oil prices that were notably seen from the second quarter of FY2021 onwards, coupled with the soft glycerine prices which were below the palm prices. The other challenge faced was the unprecedented high sea freight costs. Initially, it was difficult to pass these costs on but this has since improved in the last two quarters. The glycerine situation has also markedly improved in the last quarter due to lower biodiesel production, particularly in Indonesia and Latin America. As a result, the margin achieved in the last quarter was the highest for the year.
- Our soap business unit has not performed as well as expected despite increased demand for soap products as consumers prioritise hand washing and personal hygiene. The main impact came from Indonesia soap noodle producers. The continuing high Indonesian tax and levy on palm and palm kernel oils throughout the year have supported their competitiveness against Malaysian producers. On a positive note, this tax and levy have lowered in recent months, which resulted in sales picking up.
- Our ester business unit performed better than the previous year. Higher volume growth came from higher sales to North East Asian countries, namely China and South Korea, as manufacturing sectors came back stronger. Better volume was also recorded in the EU region and the US, notably in the food, flavour and nutrition segments. The overall improvement in margin was also partly contributed by the sales of higher margin esters.
- Our German business recorded higher sales volume compared to the previous year. However, margin was lower due to a drop in the sales of our API and personal care product groups. Generally, the first two quarters were slow due to slower uptake of pharmaceutical and cosmetic products. The latter was hit by the poor travel-related industry which affected the sun care cosmetic and travel-related cosmetic products. Nonetheless, our sales of the nutrition and technical application sectors continued to grow and was better than the previous year. Overall, business improved in the last two quarters as business activity picked up in the EU region.

BUSINESS PERFORMANCE REVIEW 2021

STRATEGIC OBJECTIVES	KEY INITIATIVES	ACHIEVEMENTS IN FY2021
Drive business growth Enhance cost and plant efficiency Develop new products/ formulations	• Optimising plant manufacturing capacity. • Enhancing cost efficiency through plant automation and digitalisation. • Embarking on energy efficiency and water recycling projects. • Revamping and replacing aging equipment. • Embarking on new fatty acid and soap noodle plant expansions. • Filing patents for new product applications. • Developing new product formulations in CARE Studio.	1) Improvement in plant utilisation with higher achievable capacity and lower downtime. 2) Reduced overall energy cost and higher output. 3) Achieved a total of 25 projects in Malaysia that saved energy, steam and electricity. 4) Improvement in plants' efficiency and product quality. 5) Construction on new warehouse is in progress and expected to be commissioned in Q2 of year 2022. 6) Filed five patents for pharmaceutical applications, four patents for keto esters and one patent related to 3D printing. 7) Developed a new ingredient and 10 formulations for personal care and cosmetic applications.

Challenges/Risks	Mitigation Actions
Significant increase in the raw material costs.	Seek opportunities to augment prices where possible without sacrificing businesses.
Limited availability of key raw materials and packaging materials.	Increase safety stock level and additional qualified suppliers.
Turbulence in shipping and freight delays and high shipping costs.	Deliveries through Free on Board or Ex-Works with options to change upon customers' request.

OUTLOOK & PROSPECTS

We have seen how the economy recovery which started in China has positively impacted our business. The recent positive development in many developed countries with expedited vaccination has resulted in the gradual opening of previously restricted sectors. This development would augur well for our business.

However, the emergence of the new *Delta* virus variant is a cause for concern. Some countries have started to re-impose restrictions. Therefore, this may derail the nice recovery seen in many industrial sectors that we serve.

Nevertheless, we are cautiously optimistic as our products are ubiquitous. They are being used in a very wide range of applications and industries. Should there be a slowdown in one sector, it would normally be compensated by another sector as long as the world economy continues to grow because the oleochemical business growth is generally dependent on Gross Domestic Product growth.

Lastly and more importantly, our new fatty acid and soap noodle plants will come on stream in the last quarter of the new financial year. This would contribute to our overall volume and margin growth.

SPECIALTY OILS & FATS

The Group's 30%-owned associate company, Bunge Loders Croklaan Group B.V. ("BLC") is a leading producer of specialty oils and fats for the food manufacturing and food service industry globally, and its products are used in a variety of applications from bakery and confectionery to culinary and human nutrition.

Our partnership with Bunge Limited ("Bunge") to build BLC into a leading food ingredients business has culminated to its unmatched global presence, with differentiated and comprehensive product offerings based on tropical and seed oils and world class formulation and application capabilities.

During the year, BLC has disposed its refinery facility in Rotterdam, Netherlands, to Neste Corporation for €258 million. BLC has plans to reinvest a portion of the sum into identified growth projects to reach greater operational flexibility and efficiency and provide an enhanced portfolio of multi-oil refined products to its customers. This also supports BLC's long-term strategy to capture the growing global market for blended oils and enhance its footprint in an innovative and sustainable way.

Going forward, BLC's business is expected to perform better with the continued strong performance from North American region and improvement in the European region as the COVID-19 vaccination gains its momentum there. The high margin infant nutrition business is also expected to perform well in the coming year.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Peter Chin Fah Kui
Independent Non-Executive Chairman

Dato' Lee Yeow Chor
Group Managing Director
and Chief Executive

Lee Yeow Seng
Non-Independent Non-Executive
Director

Tan Sri Dr Rahamat Bivi binti Yusoff
Independent Non-Executive Director

Datuk Karownakaran @ Karunakaran a/l Ramasamy
Independent Non-Executive Director

Cheah Tek Kuang
Independent Non-Executive Director

Dr Nesadurai Kalanithi
Independent Non-Executive Director

Audit And Risk Management Committee

Datuk Karownakaran @ Karunakaran a/l Ramasamy
Chairman

Tan Sri Dr Rahamat Bivi binti Yusoff

Cheah Tek Kuang

Dr Nesadurai Kalanithi

Governance, Nominating and Remuneration Committee

Cheah Tek Kuang
Chairman

Datuk Karownakaran @ Karunakaran a/l Ramasamy

Dr Nesadurai Kalanithi

Company Secretary

Tan Choong Khiang
(SSM PC NO. 201908000048)
(MAICSA 7018448)

Registered Office and Principal Place of Business

Level 29, IOI City Tower 2
Lebuh IRC, IOI Resort City
62502 Putrajaya
Wilayah Persekutuan (Putrajaya)
Tel +60 3 8947 8888
Fax +60 3 8947 8909

Auditors

BDO PLT
Chartered Accountants
Level 8
BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Tel +60 3 2616 2888
Fax +60 3 2616 3190

Share Registrar

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel +60 3 2783 9299
Fax +60 3 2783 9222

The Administration and Polling Agent

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Tel +60 3 7890 4700
Fax +60 3 7890 4670

Legal Form and Domicile

Public Limited Liability Company
Incorporated and Domiciled in
Malaysia

Stock Exchange Listing

Main Market of Bursa Malaysia
Securities Berhad

Stock Code

1961

Websites

www.ioigroup.com

www.ioioleo.com

Email Address

corp@ioigroup.com

BOARD OF DIRECTORS

Tan Sri Peter Chin Fah Kui
Independent Non-Executive Chairman

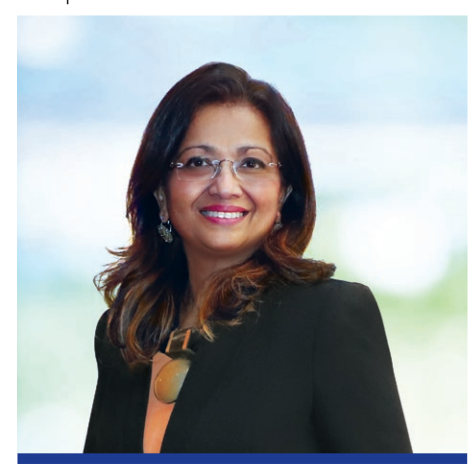
Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

Lee Yeow Seng
Non-Independent Non-Executive Director

Tan Sri Dr Rahamat Bivi binti Yusoff
Independent Non-Executive Director

Datuk Karownakaran @ Karunakaran a/l Ramasamy
Independent Non-Executive Director

Cheah Tek Kuang
Independent Non-Executive Director



Dr Nesadurai Kalanithi
Independent Non-Executive Director

PROFILE OF DIRECTORS

Tan Sri Peter Chin Fah Kui
Independent Non-Executive Chairman
Malaysian • Age 76 • Male

DATE OF APPOINTMENT
1 December 2014

BOARD MEETING ATTENDANCE FOR FY2021
6/6 (100%)

QUALIFICATION
- Barrister-at-Law from Gray's Inn, London

RELEVANT EXPERIENCE
- Chairman for Miri Municipal Council in 1984
- Held various senior appointments in the Malaysian Government Administration from 1986 until his retirement in May 2013 (including the positions of Federal Minister, Federal Deputy Minister and Federal Parliament Secretary for the Ministry of Energy, Green Technology and Water, Ministry of Plantation Industries and Commodities, Ministry of Housing and Local Government, Ministry of Science, Technology and the Environment and Ministry of Welfare Services respectively)
- Member of Parliament for Lambir and Miri constituencies in Sarawak from 1986 to 2013
- Chairman of Malaysian Green Technology and Climate Change Centre ("MGTC") from 7 April 2015 to 6 April 2018
- Special Advisor to MGTC

DIRECTORSHIP OF OTHER LISTED ISSUERS/PUBLIC COMPANIES
- Other Listed Issuer
  - None
- Non-Profit Public Company
  - Trustee of Yayasan Tan Sri Lee Shin Cheng

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive
Malaysian • Age 55 • Male

DATE OF APPOINTMENT
25 April 1996

BOARD MEETING ATTENDANCE FOR FY2021
6/6 (100%)

QUALIFICATION
- LLB (Honours), King's College, London
- Bar Finals, Gray's Inn, London
- Postgraduate Diploma in Finance and Accounting, London School of Economics

RELEVANT EXPERIENCE
- Served in the Malaysia Attorney General's Chambers and the Malaysia Judiciary Service for four (4) years from 1990 to 1994, last posting was as a Magistrate
- Board member of Central Bank of Malaysia from 2015 to 2018
- Board member of Malaysian Green Technology Corporation from 2011 to 2013
- Served on the National Council of the Real Estate and Housing Developers' Association ("REHDA") Malaysia as its Secretary General from 2002 to 2006
- Chairman of the Malaysian Palm Oil Council ("MPOC") from 2009 to 2020
- Chairman of the Malaysian Palm Oil Association ("MPOA")

DIRECTORSHIP OF OTHER LISTED ISSUERS/PUBLIC COMPANIES
- Other Listed Issuers
  - Non-Independent Non-Executive Director of IOI Properties Group Berhad
  - Non-Independent Non-Executive Director of Bumitama Agri Ltd
- Non-Profit Public Company
  - Trustee of Yayasan Tan Sri Lee Shin Cheng
- Public Companies
  - Non-Executive Director of IOI Properties Berhad
  - Director of IOI Oleochemical Industries Berhad
  - Director of Unico-Desa Plantations Berhad
  - Director of Dynamic Plantations Berhad

Board Committee

Committee Chairman | Committee Member | A Audit and Risk Management | G Governance, Nominating and Remuneration

Lee Yeow Seng
Non-Independent Non-Executive Director
Malaysian • Age 43 • Male

DATE OF APPOINTMENT
3 June 2008

BOARD MEETING ATTENDANCE FOR FY2021
6/6 (100%)

QUALIFICATION
- LLB (Honours), King's College, London
- Barrister-at-law from Bar of England & Wales, Inner Temple

RELEVANT EXPERIENCE
- Served at the London and Singapore offices of a leading international financial services group for approximately two (2) years
- Involved in corporate affairs and general management within IOI Group prior to the demerger and listing of IOI Properties Group Berhad

DIRECTORSHIP OF OTHER LISTED ISSUERS/PUBLIC COMPANIES
- Other Listed Issuer
  - Executive Vice Chairman of IOI Properties Group Berhad
- Public Companies
  - Executive Director of IOI Properties Berhad
  - Director of Resort Villa Golf Course Berhad
  - Director of Property Village Berhad

Tan Sri Dr Rahamat Bivi binti Yusoff
Independent Non-Executive Director
Malaysian • Age 64 • Female

A

DATE OF APPOINTMENT
15 August 2017

BOARD MEETING ATTENDANCE FOR FY2021
6/6 (100%)

QUALIFICATION
- Ph.D. in Political Science and International Relation, Australian National University
- Master of Economics, University of Western Michigan, USA
- Bachelor of Social Science (Economics) (Honours) degree, Universiti Sains Malaysia
- Diploma in Public Administration, the Institute of Public Administration (INTAN), Malaysia

RELEVANT EXPERIENCE
- Assistant Secretary (Tax, Contract and Supply Divisions) in the Ministry of Finance ("MOF") from 1981 to 1988
- Project Officer in Institute of Public Administration from 1988 to 1991
- Assistant Director, Macroeconomic and Evaluation Section of Economic Planning Unit ("EPU") in Prime Minister's Department from 1991 to 1993. Promoted to the position of Principal Assistant Director, Macroeconomic and Evaluation in 1994 and held the position until 2000.
- Served as Principal Assistant Director, Section Industry and Services in 2001 and seconded to the Energy Commission as Director in June 2002
- Under Secretary of Economic Division of MOF in 2006 and promoted to Director, Budget Division of MOF in 2008 and Deputy Secretary General (Systems & Controls) of MOF in 2011
- Director General of EPU from 2011 to June 2017
- Co-Chairperson of Malaysia-Thailand Joint Authority
- Chairman of Perbadanan Insurans Deposit Malaysia
- Chairman of Malaysia Nuclear Power Corporation
- Member of the Advisory Council of Asian Development Bank Institute

DIRECTORSHIP OF OTHER LISTED ISSUERS/PUBLIC COMPANIES
- Other Listed Issuers
  - None
- Public Companies
  - Independent Non-Executive Director of Ekuiti Nasional Berhad
  - Independent Non-Executive Director of Bank Pembangunan Malaysia Berhad

Board Committee

Committee Chairman | Committee Member | A Audit and Risk Management | G Governance, Nominating and Remuneration

PROFILE OF DIRECTORS

Datuk Karownakaran @ Karunakaran a/l Ramasamy

Independent Non-Executive Director
Malaysian • Age 71 • Male
A G

DATE OF APPOINTMENT

17 January 2011

BOARD MEETING ATTENDANCE FOR FY2021

6/6 (100%)

QUALIFICATION

- Bachelor of Economics (Accounting) (Honours) degree, University of Malaya
- Post Graduate Course in Industrial Project Planning, University of Bradford, UK

RELEVANT EXPERIENCE

- Joined the Malaysian Investment Development Authority [formerly known as Malaysian Industrial Development Authority ("MIDA")] in August 1972 and served in various positions including Director and Director-General until his retirement in 2008
- Served as a member of the Cabinet Committee on Investment
- Director of Maybank Investment Bank Berhad from 2009 to 2014
- Director of Chemical Company of Malaysia Berhad from 2011 to 2014
- Director of Maybank Asset Management Group Berhad from 2012 to 2016
- Director of Sime Darby Motors Sdn Bhd from December 2012 to October 2017
- Director of Maybank (Cambodia) Plc from October 2012 to October 2017
- Chairman/Director of Maybank Private Equity Sdn Bhd from May 2013 to December 2016
- Chairman of Etiqa General Insurance Berhad from March 2016 to December 2018
- Chairman of Etiqa Family Takaful Berhad from March 2016 to December 2017
- Chairman of Etiqa Life Insurance Berhad from January to December 2018
- Chairman of Etiqa International Holdings Sdn Bhd

DIRECTORSHIP OF OTHER LISTED ISSUERS/PUBLIC COMPANIES

- Other Listed Issuers
  - Chairman of Integrated Logistics Berhad
  - Independent Non-Executive Director of Malayan Banking Berhad
  - Independent Non-Executive Director of Bursa Malaysia Berhad
- Public Companies
  - Chairman of Maybank Ageas Holdings Berhad
  - Chairman of Maybank Singapore Limited

Cheah Tek Kuang

Independent Non-Executive Director
Malaysian • Age 74 • Male
A G

DATE OF APPOINTMENT

22 August 2012

BOARD MEETING ATTENDANCE FOR FY2021

6/6 (100%)

QUALIFICATION

- Bachelor of Economics degree, University of Malaya
- Fellow of The Asian Institute of Chartered Bankers

RELEVANT EXPERIENCE

- Joined Malaysian Industrial Development Authority in 1970
- Joined AmInvestment Bank Berhad in 1978 and was promoted to Managing Director in 1994
- Board member of Employees' Provident Fund from 1996 to 2007 and served in its Investment Panel from 2007 to 2009
- Director of Bursa Malaysia Berhad from 2004 to 2012
- Appointed as Group Managing Director of AMMB Holdings Berhad on 1 January 2005 till his retirement in April 2012
- Member of Kumpulan Wang Persaraan (Diperbadankan)'s Investment Panel from 2007 to 2016
- Director of Velesto Energy Berhad from May 2013 to May 2019
- Member of the Appeals Committee of Bursa Malaysia Securities Berhad

DIRECTORSHIP OF OTHER LISTED ISSUERS/PUBLIC COMPANIES

- Other Listed Issuers
  - Independent Non-Executive Director of Eco World International Berhad
  - Independent Non-Executive Director of UPA Corporation Berhad
- Public Company
  - Independent Non-Executive Director of Berjaya Golf Resort Berhad
- Non-Profit Public Companies
  - Director of Malaysian Institute of Art
  - Governor of Yayasan Bursa Malaysia

Board Committee

Committee Chairman | Committee Member | A Audit and Risk Management | G Governance, Nominating and Remuneration

Dr Nesadurai Kalanithi

Independent Non-Executive Director
Malaysian • Age 64 • Female
A G

DATE OF APPOINTMENT

8 July 2021

BOARD MEETING ATTENDANCE FOR FY2021

Was appointed as Director subsequent to FY2021

QUALIFICATION

- Ph.D. in Biochemistry and Molecular Biology, University of Reading, UK
- Master of Science, Food Science, University of Reading, UK

RELEVANT EXPERIENCE

- Senior Principal Research Scientist and Head of Nutrition Group in the Malaysian Palm Oil Board ("MPOB") in 1984
- Visiting Fellow, Center for Animal Biotechnology, University of Melbourne, Australia between 2003 to 2004
- Director of Product Development and Advisory Services in MPOB from 2008 to 2012
- Founding member of the Malaysian Chapter of the Society for Free Radical Research ("SFRR") and was the Past-President for SFRR Asia in 2009
- Minister at the Malaysia Embassy based in Brussels, Belgium and was the Regional Manager for MPOB in Europe from 2013 to 2017
- Independent Director of FGV Holdings Berhad from 2018 to June 2021
- Co-founder of Climate Governance Malaysia, an affiliate of World Economic Forum in 2019
- Member of IOI Group Sustainability Steering Committee

DIRECTORSHIP OF OTHER LISTED ISSUERS/PUBLIC COMPANIES

- Other Listed Issuer
  - None
- Public Company
  - None

Notes:
1. Dato' Lee Yeow Chor and Lee Yeow Seng are members of the immediate family.
2. Save as disclosed in item (1), none of the Directors has:-
   (a) any family relationship with any directors/major shareholders of the Company; and
   (b) any conflict of interest with the Company.
   (c) any conviction for offences (other than traffic offences) within the past five (5) years.
   (d) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2021.

Board Committee

Committee Chairman | Committee Member | A Audit and Risk Management | G Governance, Nominating and Remuneration

SENIOR MANAGEMENT TEAM

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

Kong Kian Beng
Group Chief Financial Officer

Sudhakaran a/l Nottath Bhaskaran
Plantation Director

Lim Jit Uei
Group Head of Commodity Marketing

Tan Kean Hua
Executive Director

Corporate

Kong Kian Beng
Group Chief Financial Officer

Farah Suhanah Ahmad Sarji
Group Legal Counsel

Dr Surina binti Ismail
Group Head of Sustainability

Tan Choong Khiang
Company Secretary

Amir Mohd Hafiz bin Amir Khalid
Head of Group Strategy

Ling Kea Ang
Head of Group Internal Audit

Lee Chin Huat
Head of Business Systems and Information Technology

Plantation

Sudhakaran a/l Nottath Bhaskaran
Plantation Director

Ragupathy a/l Selvaraj
Senior General Manager, Plantation

Subramaniam a/l Arumugam
Head of Plantations, Indonesia

Commodity Marketing

Lim Jit Uei
Group Head of Commodity Marketing

Refinery

Shyam a/l M. K. Lakshmanan
General Manager

Oleochemical

Tan Kean Hua
Executive Director

Koo Ping Wui
Chief Operating Officer, Johor

Lai Choon Wah
Chief Operating Officer, Penang

Thomas Kummer
Chief Operating Officer, Germany

The management team is headed by the Group Managing Director and Chief Executive, Dato' Lee Yeow Chor. He is assisted by the following senior management team:

Corporate

Kong Kian Beng
Group Chief Financial Officer

Malaysian | 44 | Male | 6 March 2006

QUALIFICATION
- Fellow of Association of Chartered Certified Accountants ("FCCA")
- Member of Malaysian Institute of Accountants ("MIA")

SKILLS AND EXPERIENCE

Mr Kong has more than twenty (20) years of experience in financial reporting, accounting and corporate finance. He joined IOI Corporation Berhad ("IOI") in March 2006 as Group Accounting Manager and has since held various senior positions before being promoted to Group Chief Financial Officer ("CFO"). His last held position is Group Financial Controller, overseeing treasury, corporate finance, taxation and investor relation functions of IOI Group. He was also the Acting Group CFO of IOIC from November 2016 to September 2017. He was subsequently appointed to the Group Chief Financial Officer on 1 March 2021.

Prior to joining IOI Group, he was an Audit Manager of PricewaterhouseCoopers (now known as *PricewaterhouseCoopers PLT*).

Farah Suhanah binti Ahmad Sarji
Group Legal Counsel

Malaysian | 56 | Female | 5 May 2015

QUALIFICATION
- Bachelor of Arts in Law (Honours) from the University of Kent at Canterbury
- A Barrister-at-Law of the Middle Temple and has been called to the Malaysian Bar

SKILLS AND EXPERIENCE

Ms Farah Suhanah brings with her more than twenty-five (25) years of experience in legal practice in the areas of privatisation of infrastructure and services, conveyancing of property and real estate, joint venture transactions and arrangements, corporate and commercial transactions, the satellite communications industry as well as regulatory compliance. Prior to joining IOI Group, she was in private legal practice and has also held various senior positions in public listed companies.

Dr Surina binti Ismail
Group Head of Sustainability

Malaysian | 61 | Female | 1 March 2016

QUALIFICATION
- Ph.D. in Bioorganic Polymer from University of Akron, USA
- Master of Science in Polymer Organic Chemistry from University of Massachusetts
- Bachelor of Science (Honours) in Chemistry from Indiana University

SKILLS AND EXPERIENCE

Dr Surina has more than twenty (20) years of experience working in several multinational and large Malaysian corporations. She brings with her diverse experience in intellectual property management, research and development, corporate strategy & planning and sustainability. She has strong technical knowledge and experience in oleochemicals, palm oil, rubber products, UV coating and nanotechnology specifically in nanomaterials where she holds several international patents.

Tan Choong Khiang
Company Secretary

Malaysian | 51 | Male | 8 August 2011

QUALIFICATION
- Fellow of the Chartered Governance Institute ("CGI")
- Fellow of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA")

SKILLS AND EXPERIENCE

Mr Tan is the Head of Corporate Secretarial in IOI Group and is responsible of monitoring and supervising the overall corporate secretarial functions of IOI Group. He has vast working experience in secretarial and governance practices, corporate advisory and compliance. Prior to joining IOI Group, he was an Associate Director - Corporate Services with Tricor Services (Malaysia) Sdn Bhd, where he was responsible for management and business development of their corporate secretarial and accounting service divisions.

He was Vice President of MAICSA, Chairman of Taxation Committee and Deputy Chairman of the National Investigation Group. He is one of MAICSA representatives on the Corporate Practice Consultative Forum Accounting & Audit Sub-Committee set up by the Companies Commission of Malaysia. He is also the representative of MAICSA on the ASEAN Corporate Secretaries Network.

SENIOR MANAGEMENT TEAM

Corporate

Amir Mohd Hafiz bin Amir Khalid
Head of Group Strategy

Malaysian | 41 | Male | 1 March 2021

QUALIFICATION
- Intensive Diploma in Oil Palm Management and Technology, Malaysian Palm Oil Board ("MPOB")
- Advanced Management Programme from National University of Singapore
- Fellow of Association of Chartered Certified Accountants
- Bachelor of Arts with Honours in Accounting and Finance from Liverpool John Moores University, United Kingdom

SKILLS AND EXPERIENCE

Encik Amir Hafiz has 18 years of experience in financial management, corporate strategy, corporate finance, mergers and acquisitions, and investor relations.

Prior to joining IOI Group, he was the Chief Financial Officer of TDM Berhad and prior to that he was with PETRONAS and Ernst & Young. Previously working abroad with BMI British Midland in the United Kingdom as an Operational Cost Analyst and began his career as an Equity Analyst at Financial Times Interactive Data in Ireland in 2002.

Ling Kea Ang
Head of Group Internal Audit

Malaysian | 54 | Male | 1 July 2015

QUALIFICATION
- Fellow of Association of Chartered Certified Accountants ("ACCA")
- Member of the Malaysian Institute of Accountants ("MIA")
- Member of Institute of Internal Auditors

SKILLS AND EXPERIENCE

Mr Ling is a Chartered Accountant and has more than twenty-seven (27) years of experience in external and internal auditing. Prior to joining IOI Group, he was attached to one of the Big Four international accounting firms and had acquired broad experience in auditing, accounting and taxation of large publicly listed companies listed on the Bursa Malaysia Berhad, large multinational corporations and privately owned businesses which were involved in various business sectors of the Malaysian economy. He was also assigned to carry out internal audit and Sarbanes-Oxley Section 404 audit of multinational corporations and was also involved in other special assignments like corporate listing and due diligence exercise.

Lee Chin Huat
Head of Business Systems and Information

Malaysian | 47 | Male | 18 June 2018

QUALIFICATION
- Master of Science in Information Technology from Universiti Putra Malaysia

SKILLS AND EXPERIENCE

Mr Lee has more than twenty (20) years of experience in information technology business application, with specialisation in network, systems, database and software project development in diverse exposures of different industries ranging from automotive, machineries, retail, merchandising to manufacturing

Plantation

Sudhakaran a/l Nottath Bhaskaran
Plantation Director

Malaysian | 62 | Male | 16 March 2003

QUALIFICATION
- Honours Degree in Mechanical Engineering from University of Technology Malaysia
- Diploma in Palm Oil Mill Engineering from MPOB

SKILLS AND EXPERIENCE

Mr Sudhakaran started his career in Felda Mills Corporation as a Mill Engineer and later joined Unilever Plantations where he held several positions as Mill Manager, Estate Manager and General Manager of Plantations. He joined IOI Group in 2003 as General Manager of Sandakan Refinery and later assumed the position of General Manager of Sandakan Plantations before his posting to Head Office as Senior General Manager, Plantations Division. He was subsequently promoted to Plantation Director on 1 July 2017.

Plantation

Ragupathy a/l Selvaraj
Senior General Manager, Plantation

Malaysian | 63 | Male | 1 July 1989

QUALIFICATION
- Bachelor of Science in Agriculture from Andhra Pradesh Agriculture University, Hyderabad, Andra Pradesh, India

SKILLS AND EXPERIENCE

Prior to joining IOI Group as an Assistant Manager in 1989, he was a Cadet Planter in Detas Estate (1988) which was later acquired by IOI Group in 1989.

Subramaniam a/l Arumugam
Head of Plantations, Indonesia

Malaysian | 57 | Male | 1 March 2018

QUALIFICATION
- Bachelor of Science (Agribusiness) degree from the University Pertanian Malaysia

SKILLS AND EXPERIENCE

Mr Subramaniam has over thirty-one (31) years working experience in the plantation industry and held positions of General Manager as well as Regional Controller in various big plantation companies in Malaysia and Indonesia. Prior to joining IOI Group, he was the Regional Controller at Sinarmas (Golden Agri Resources).

Commodity Marketing

Lim Jit Uei
Group Head of Commodity Marketing

Malaysian | 47 | Male | 3 August 2015

QUALIFICATION
- Bachelor of Science in Real Estate (Honours) from the National University of Singapore

SKILLS AND EXPERIENCE

Mr Lim has more than twenty (20) years of experience in the trading of agricultural commodities with leading commodity companies. Prior to joining IOI Group, he was the Regional Procurement Manager (Commodities) for a global food ingredients manufacturer. He also sits on the Management Board of the Palm Oil Refiners Association of Malaysia ("PORAM").

Mr Lim is the brother-in-law of Dato' Lee Yeow Chor and Mr Lee Yeow Seng

Refinery

Shyam a/l M. K. Lakshmanan
General Manager

Malaysian | 58 | Male | 1 February 2013

QUALIFICATION
- Master's Degree in Manufacturing Systems Engineering from the University of Warwick
- Chartered Chemical Engineer (UK)

SKILLS AND EXPERIENCE

Mr Shyam is a Professional Engineer. He is also a Certified Energy Manager, and leads the company's efforts in environment conservation and in minimising resource utilisation. As a Chartered Scientist he guides the Research and Development being conducted at Sandakan Refinery to minimise the content of contaminants such as 3-MCPD, GE, MOSH and MOAH in our products.

SENIOR MANAGEMENT TEAM

Oleochemical

Tan Kean Hua
Executive Director

Malaysian | 57 | Male | 2 August 2004

QUALIFICATION
- Executive MBA Degree from the University of Bath - Malaysian Institute of Management
- First Class Honours Degree in Chemical Engineering from University of Malaya
- Fellow of Institution of Chemical Engineers, UK. (FIChemE)
- Chartered Engineer of The Engineering Council, UK. (Ceng)

SKILLS AND EXPERIENCE

Prior to joining IOI Group in 2004, Mr Tan held a senior marketing position in an oleochemicals multinational company. He was the Chairman of Malaysian Oleochemical Manufacturers Group ("MOMG") from March 2010 till March 2017. He also held the chair of the Asean Oleochemical Manufacturers Group ("AOMG") twice during his MOMG Chairmanship. He was the Board Member of the Board of MPOB for three (3) terms - from May 2010 until May 2017.

Koo Ping Wui
Chief Operating Officer, Johor

Malaysian | 57 | Male | 1 November 2003

QUALIFICATION
- Master Degree in Business Administration from Open University of Malaysia
- Diploma in Marketing from the Marketing Confederation of Australia

SKILLS AND EXPERIENCE

Prior to joining IOI Oleochemicals Industries Berhad, Mr Koo has worked in the pharmaceutical and medical supplies industry for 15 years. He joined IOI in 2003 and has headed sales and marketing teams in various subsidiaries within IOI Oleochemical Division. Before his appointment as Chief Operating Officer in Johor in 2020, he was the Chief Marketing Officer in IOI Oleo GmbH based in Hamburg, Germany since 2017.

Lai Choon Wah
Chief Operating Officer, Penang

Malaysian | 58 | Male | 2 December 1996

QUALIFICATION
- Degree in Chemical and Process Engineering from the National University of Malaysia
- Master degree in Business Administration from University Science Malaysia

SKILLS AND EXPERIENCE

Mr Lai has extensive working experience in oleochemicals industry and has been working with IOI Group since 1997. Before his appointment as Chief Operating Officer in July 2016, he was the Senior General Manager.

Thomas Kummer
Chief Operating Officer, Germany

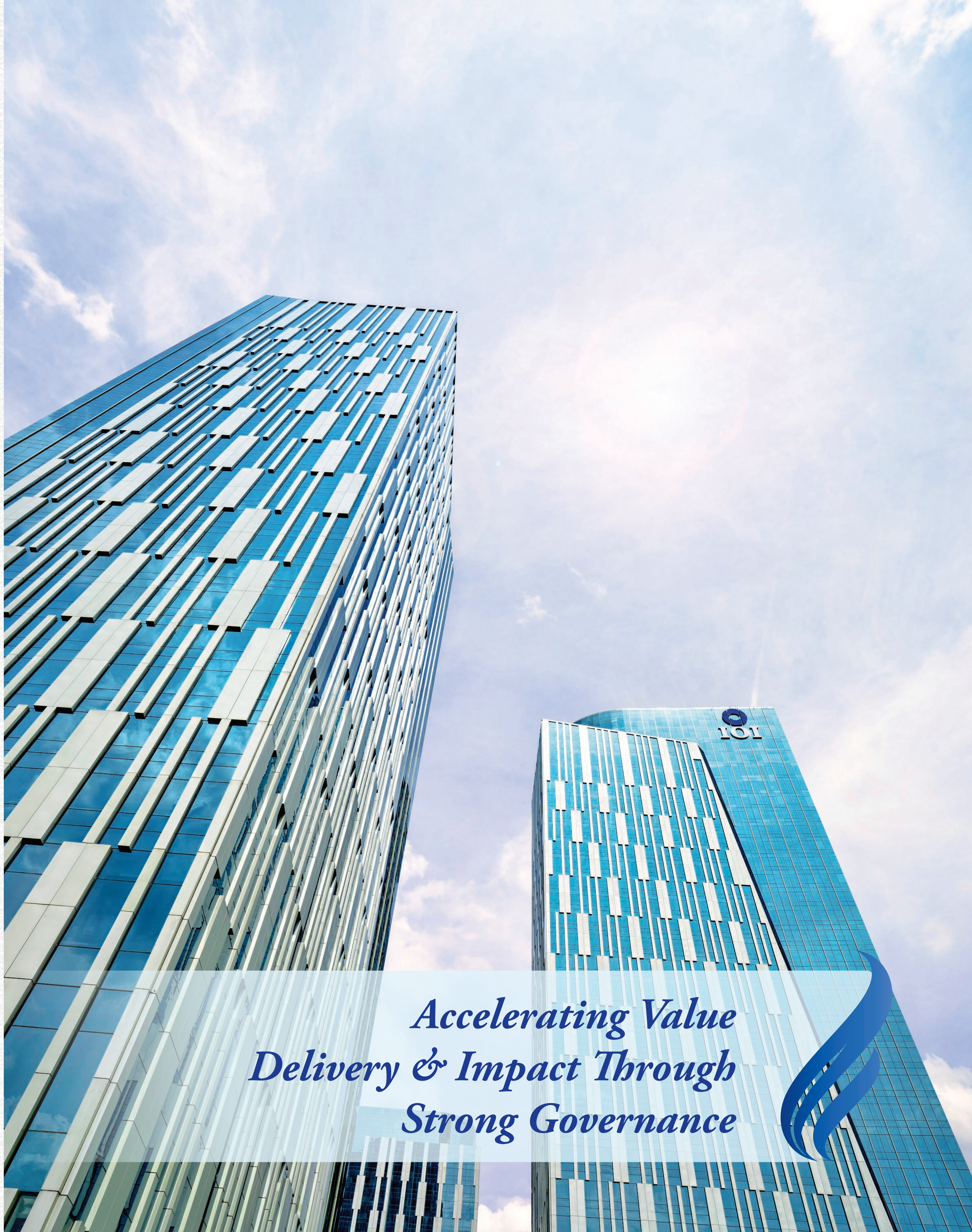
German | 52 | Male | 16 February 2016

QUALIFICATION
- Bachelor of Chemical Production and Management

SKILLS AND EXPERIENCE

Prior to IOI Group taking over the business from the former owner in 2016, Mr Thomas Kummer held a senior operation position in the former organisation and has more than twenty (20) years of experience in the oleochemical business in different management positions.

Notes:
1. Lim Jit Uei has family relationship with Dato' Lee Yeow Chor and Lee Yeow Seng, both major shareholders of the Company.
2. Save as disclosed in item (1), none of the above senior management team members has:
   (a) any directorship in public companies and listed issuers;
   (b) any family relationship with any directors and/or major shareholders of the Company;
   (c) any conflict of interest with the Company;
   (d) any conviction for offences (other than traffic offences) within the past five (5) years;
   (e) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year;
   (f) any shares in the Company (whether directly or indirectly) except below direct shareholding:-
   - Sudhakaran a/l Nottath Bhaskaran (125,600 shares)
   - Tan Kean Hua (62,000 shares)
   - Koo Ping Wui (14,000 shares)



CORPORATE GOVERNANCE OVERVIEW STATEMENT

We would like to take this opportunity to provide you with some insights into the corporate governance practices of IOI Group under the leadership of our Board of Directors' (the "Board") during the financial year ended 30 June 2021 ("FY2021"). This Corporate Governance Overview Statement ("Statement") sets out the principles and features of IOI Group's corporate governance framework and highlights main areas of focus and priorities for the Board during 2021/2022.

At IOI Group, we continue to practise a governance framework that goes beyond an interest in governance for its own sake or the need to simply comply with regulatory requirements. In the same spirit, we do not see governance as just a matter for the Board. Good governance is also the responsibility of senior management. To ensure there is an integrated Group-wide approach towards upholding high governance standards, efforts have been made to strengthen the governance structures and processes of IOI Group's subsidiaries.

The cornerstone principles of corporate governance at IOI Group are guided by Vision IOI whereby responsible and balanced commercial success are to be achieved by addressing the interests of all stakeholders. A set of Core Values guides our employees at all levels in the conduct and management of the business and affairs of IOI Group. We believe that good corporate governance results in quantifiable and sustainable long-term success and value for shareholders as well as all other stakeholders, as reflected by our performance and track record over the years.

We will continue evaluating our governance practices in response to evolving best practices and the changing needs of IOI Group. The Board is pleased to present this Statement and explain how IOI Group has applied the following three (3) principles as set out in the Malaysian Code on Corporate Governance (the "CG Code"):

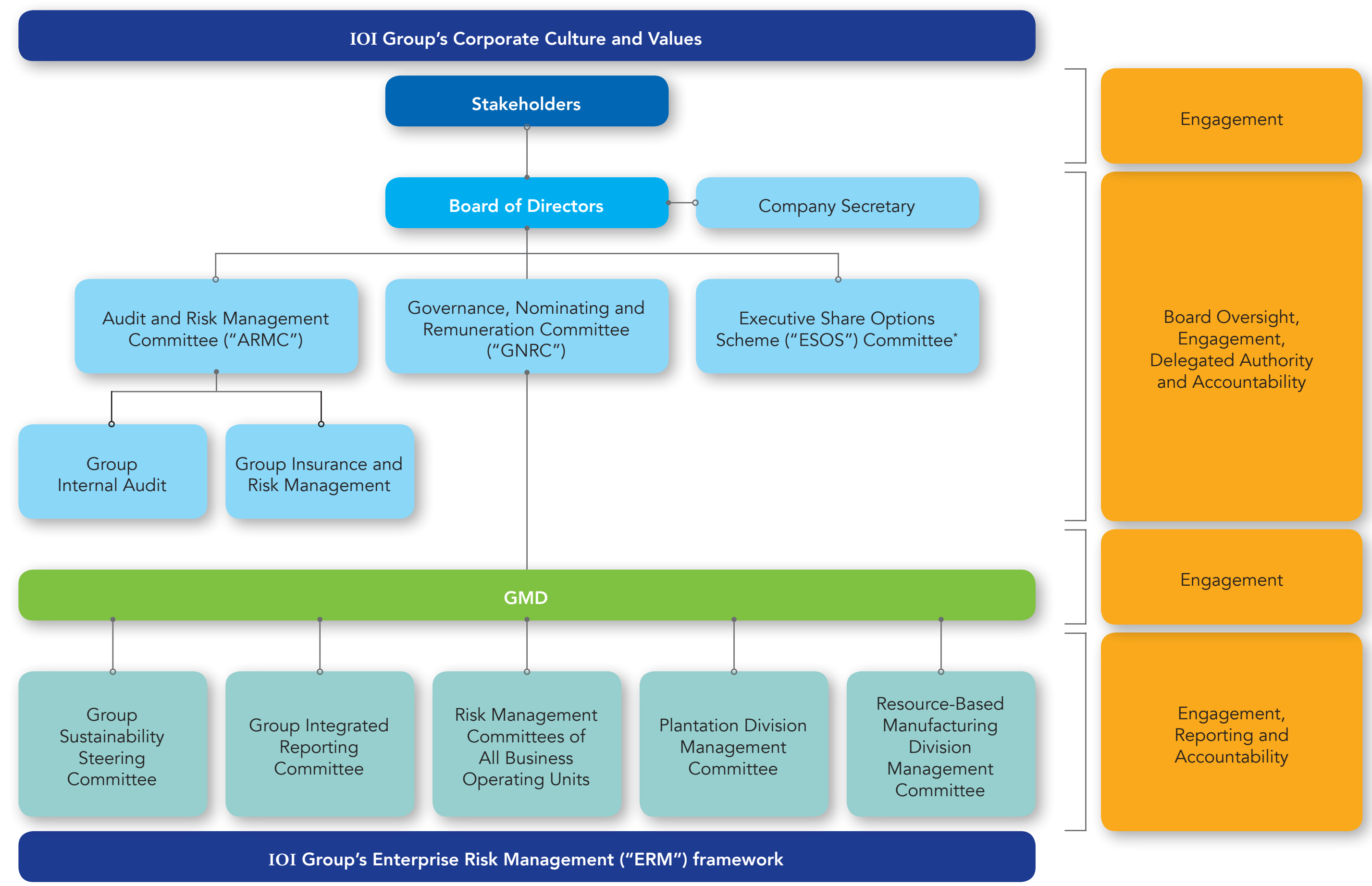
HOW OUR GOVERNANCE SUPPORTS THE DELIVERY OF OUR STRATEGY

The Board is responsible for setting our strategy and policies, overseeing risk and corporate governance, and monitoring progress towards meeting our objectives and annual plans. It is accountable to our shareholders for the proper conduct of the business and our long-term success, and represents the interests of all stakeholders. The Board conducts a review of the Group's overall strategy. The Board spends considerable time in assessing whether any proposed action aligns with the strategy and future direction of the business. Sustainability is inherent in the Board's strategic planning and decision-making. The Group Managing Director and Chief Executive ("GMD"), Group Chief Financial Officer ("CFO") and senior management team take the lead in developing our strategy, which is then reviewed, constructively challenged and approved by the Board.

The role of the Board is to create long-term sustainable value for the benefit of our shareholders and our wider stakeholders. At IOI Group, we believe good governance provides the framework that allows us to operate our business to deliver our strategy. It keeps us focused on delivering our strategy for our stakeholders and communities. Our corporate governance framework is a value-based governance framework that takes into consideration:

- CG Code, Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Malaysia")
- The way we apply our corporate culture and values to guide our people to behave ethically and legally
- Our continuous improvement approach, including our commitment to strengthen all relevant aspects of our governance
- Our governance policies and practices, including risk management framework
- The way we report to our stakeholders

GOVERNANCE FRAMEWORK



* ESOS Committee dissolved on 28 January 2021 following the expiry of ESOS pursuant to its By-Laws

ADOPTION OF CG CODE

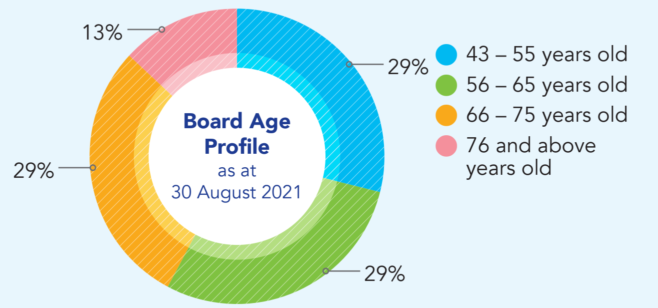
The Board believes that during FY2021 the Company was in full adoption of all applicable principles and practices of the CG Code, save that-

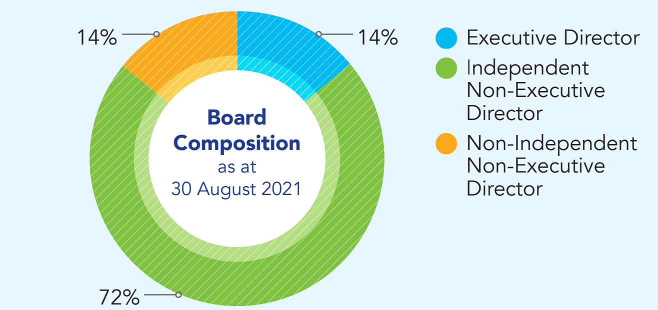
- Practice 4.5 *(The Board must have at least 30% women Directors)*
- Practice 7.2 *(The Board discloses on a named basis the top five (5) senior management's remuneration in bands of RM50,000)*

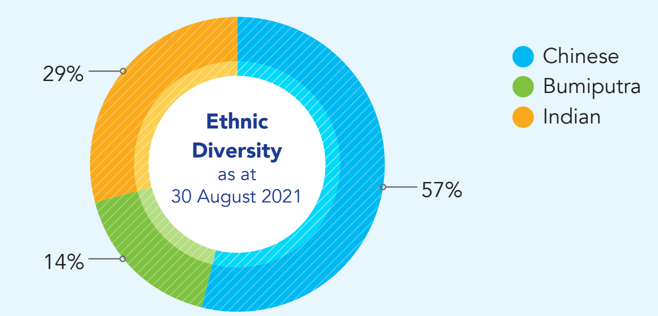
Details of how we applied the CG Code principles and complied with its practices, are set out in CG Report which is available on the Company's website at http://www.ioigroup.com/Content/IR/IR_Reports. The explanation for departure is further disclosed in the CG Report.

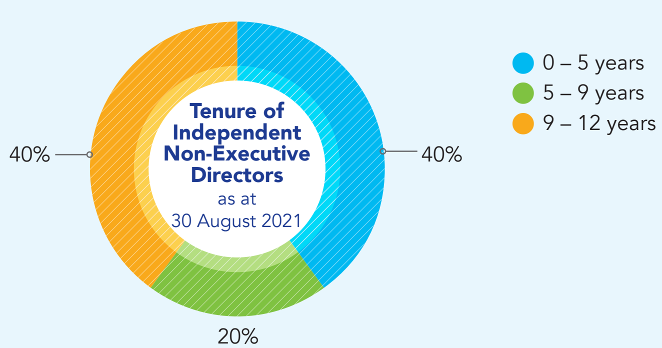
CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD COMPOSITION









BOARD LEADERSHIP AND EFFECTIVENESS

Board Leadership, Roles and Responsibilities

Our Board is responsible for the overall leadership of IOI Group, including establishing its purpose, values and strategy, and satisfying ourselves as to the alignment of IOI Group's culture to Group's purpose, values and strategy. An effective Board is key to the establishment and delivery of a company's strategy and we therefore continually seek to improve the effectiveness of our Board.

Effective management and good stewardship are led by the Board. Our Board is currently composed of an Independent Non-Executive Chairman, our GMD and five (5) Non-Executive Directors ("NEDs"). During the reporting period, with the exception of the GMD and Mr Lee Yeow Seng, all the other Directors on the Board were Independent NEDs, applying the independence definition of the Listing Requirements. The balance of Directors on the Board ensures that no individual or small group of Directors can dominate the decision-making process and that the interests of shareholders are protected. Independent NEDs form a majority of our Board. The Board considers each of our current NEDs to be independent in character and judgement. In reaching this determination of independence, the Board had concluded that each of them provides objective challenge to management, is willing to stand up and defend his or her own beliefs and viewpoints in order to support the ultimate good of the Company and that there are no business or other relationships likely to affect the judgement of the NEDs.

Effective operation of the Board relies on clarity of the various roles and responsibilities of the individual Board members. In line with the principles of the CG Code, a clear division of responsibilities has been established. The Chairman is responsible for leading and managing the work of the Board, while responsibility for the day-to-day management of IOI Group had been delegated to the GMD. The GMD is supported in this role by the senior management team and has executive responsibility for running our business. The diligent way in which the Chairman of the Board Committees and their members carry out their Committee duties enables us to discharge our responsibilities efficiently and effectively.

The Board discharges its responsibilities through a programme of meetings that includes regular reviews of financial performance and critical business issues, annual budget and strategy review.

The Board had a schedule of matters specifically reserved to it for decision and had approved the written terms of reference of the various Committees to which it has delegated its authority in certain matters. Further details on the work of the ARMC and GNRC are provided in the respective sections of our Annual Report. The terms of reference of each of the Board's Committees are also available on our website.

Company Secretary

The Company Secretary, through the Chairman, is responsible for advising the Board on all governance matters and for ensuring that Board procedures are followed, applicable rules and regulations are complied with, and that due account is taken of relevant codes of best practice. The Company Secretary is responsible for ensuring effective communication flows between the Board and its Committees, and between senior management and NEDs.

The Company Secretary also facilitates the communication of key decisions and policies between the Board, Board Committees and senior management. In ensuring the uniformity of Board conduct and effective boardroom practices throughout IOI Group, the Company Secretary has oversight on overall corporate secretarial functions of IOI Group, both in Malaysia and the regions where IOI Group operates. The appointment and removal of the Company Secretary is determined by the Board.

Board Selection and Appointment

All appointments to our Board are based on merit and objective criteria, in the context of the strategy of the Group and the diversity of gender, social and ethnic backgrounds, cognitive and personal strengths, as well as skills, knowledge and experience required for the Board to be effective.

In assessing potential candidates and in undertaking reviews of the size and composition of the Board, the GNRC takes into account the guiding principle that the Board's composition should reflect an appropriate mix having regard to such matters as:

- Skills and experience across the key areas identified in the Company's Board skills matrix
- Tenure
- Diversity

The GNRC also takes into account factors including:

- Relevant guidelines/legislative requirements in relation to Board composition
- Board membership requirements as articulated in the Terms of Reference
- Other considerations including our strategic goals

Appointments are made following a formal and transparent Board selection process, the flow chart of which is accessible through the Company's website at http://www.ioigroup.com/Content/G/G_Governance.

Additionally, the Company has an internal guidance to be taken into account when considering changes to a Director's commitments, or when appointing a new Director, as well as formalising the Board approval process for such matters. All potential new Directors are required to give an indication of the time spent on those commitments. The GNRC will take this into account when considering a proposed appointment on the basis that all Directors are expected to allocate sufficient time to their role on the Board in order to discharge their responsibilities effectively. Our Board is of the view that the current external directorships held by the Directors do not give rise to any conflict of interests nor impair their ability to discharge their duties effectively and that each of them had allocated sufficient time to his or her role in order to discharge their responsibilities effectively during FY2021.

We have a number of subsidiaries and the activities of each subsidiary in the Group are overseen by that company's own board of directors. The Board's confidence in the activities of its subsidiaries stems from the quality of the Directors on those subsidiary boards and their commitment to the Company's objectives.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD LEADERSHIP AND EFFECTIVENESS

We arrange an induction programme which involves every new Director receiving information about all aspects of the Group's operations, including briefings with key members of senior management. The induction included business area familiarisation, participation in sessions that related to areas of interest, and topics that were pertinent to the Committees he or she joined. This includes background information on the Company and details of Board procedures, Directors' responsibilities and various governance-related issues, including procedures for dealing in the Company's shares and their legal obligations as Directors. Where necessary, this is followed up by additional meetings or information that may be requested by the new Director.

Diversity

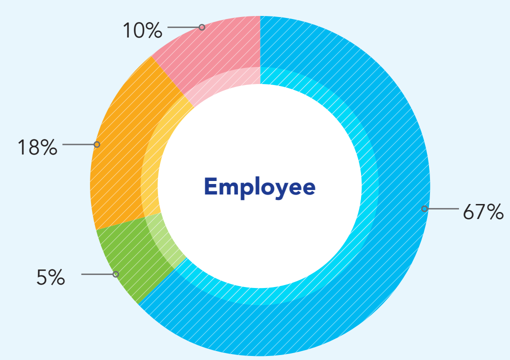
The Group recognises and embraces the benefits of a diverse Board. The GNRC reviews the composition of the Board and the Board Committees. It frequently considers a skills matrix for the Board, which identifies the core competencies, skills, diversity and experience required for the Board to deliver its strategic aims and govern the Group's effectively. This helps to determine a timeline for proposed appointments to the Board and continues to form the basis of our GNRC and Board discussions in FY2021 as we consider the make-up of the Board that will best support the Group's globalised business as it moves into the next stage of development.

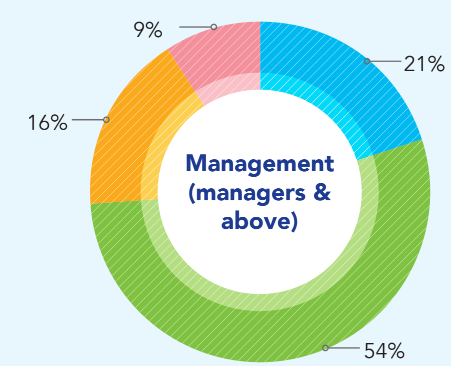
We recognise that the Board sets the tone for inclusion and diversity across the Group and believe we should have a diverse leadership team to support good decision-making. Diversity is integrated across our Code of Business Conduct and Ethics and associated workforce policy, and we promote a culture of diversity, respect, and equal opportunity, where individual success depends only on personal ability and contribution. We strive to treat our employees with fairness, integrity, honesty, courtesy, consideration, respect, and dignity, regardless of gender, race, nationality, age, or other forms of diversity. Our Board is focused on creating an inclusive culture in line with IOI's Core Values, which we believe will lead to greater diversity throughout the Group.

Diversity Disclosure

Gender Diversity

Ethnic Diversity





Board Skills Matrix and Experience

Each year, we undertake an assessment of the skills and experience of each Director and the combined capabilities of the Board. The insights from this assessment are documented in a skills matrix that is:

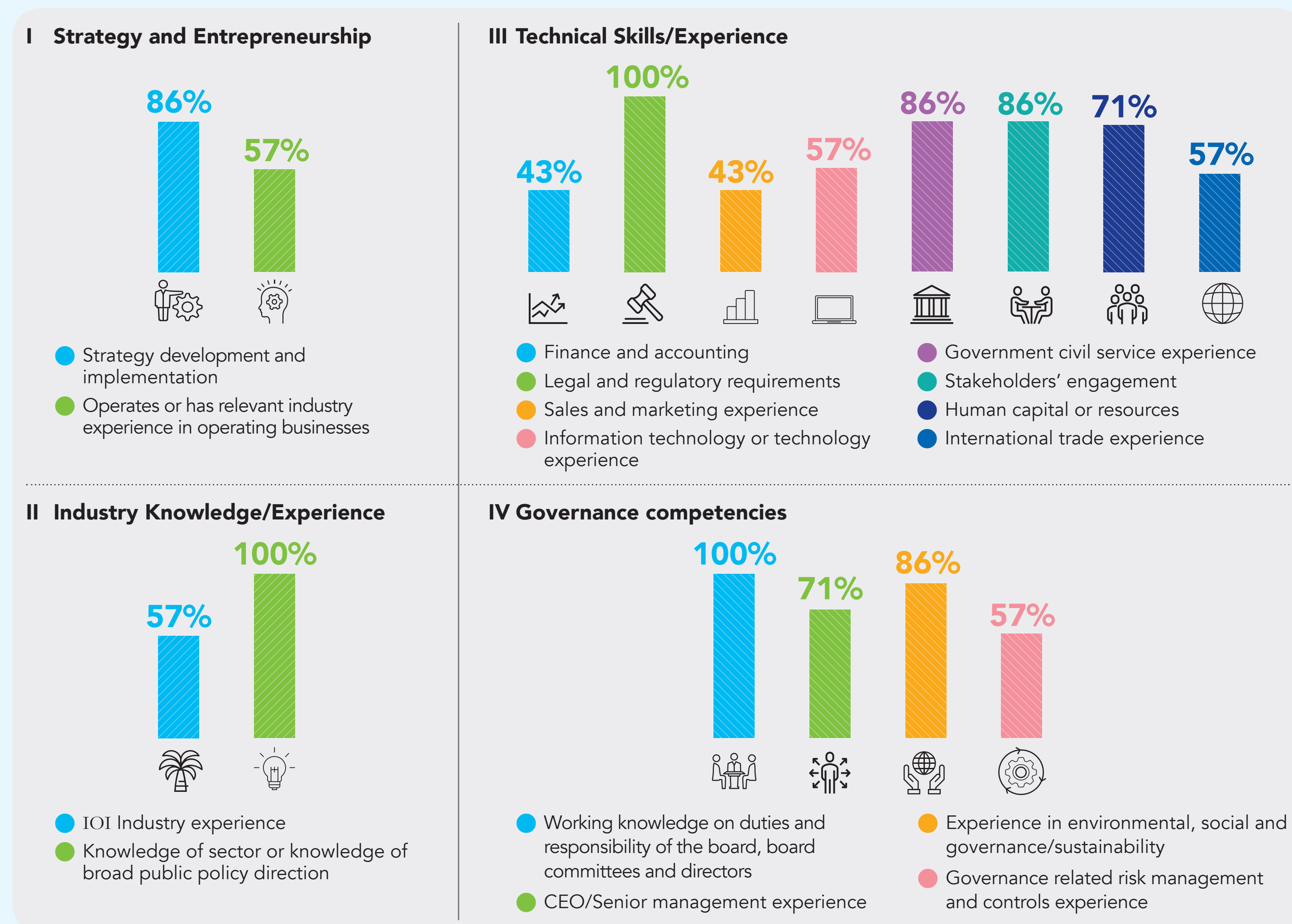
- Considered in the context of IOI Group's business and its strategic needs.
- Incorporated into Board succession planning and the selection of new Directors.
- An important factor in our commitment to diversity.

To prepare the skills matrix, each Director rates their skills, expertise and experience against several competency areas that are then mapped to the skills matrix. The self-assessment ratings and skills matrix are reviewed and calibrated by the GNRC on behalf of the Board.

The skills matrix presented here demonstrates alignment of the Board's responsibilities with the current mix of skills on the Directors. The Board believes the current mix of skills, experience and expertise of Directors provides a diverse range of views and perspectives for the effective governance, oversight and strategic leadership of the Company. The Board continues to focus on ongoing renewal to achieve an orderly transition of Directors over the short-to medium-term and an appropriate balance of experience, expertise, diversity and fresh thinking.

Directors' Core Areas of Expertise*

The following sets out the composition of skills and experience of our Board:



* This an aggregate profile of the Board's skills and experience

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD LEADERSHIP AND EFFECTIVENESS

Board Evaluation

The Board through the GNRC, conducts the annual assessment on effectiveness of the Board, the Board Committees and the individual Directors of the Company. In FY2021, the GNRC had conducted the Board effectiveness evaluation exercise internally and facilitated by the Company Secretary. In line with CG Code's best practice of ensuring a periodic externally-facilitated Board evaluation by a professional independent consultant, the Board will continue with its three (3)-year external Board effectiveness review cycle, which can be illustrated as below:

Year	Methodology	Last Undertaken
1	Internal performance review - progress against external review assessed	2019
2	Internal performance review - progress against external review assessed	2020
3	In-depth independent evaluation, externally facilitated	November 2021

The external review of the Board's effectiveness will be carried out in November/December 2021, after taking into consideration of Dr Nesadurai Kalanithi's new appointment on 8 July 2021, by an external facilitator, KPMG Consulting Management & Risk Consulting Sdn. Bhd, which operates as an independent advisory company. For the purpose of this Statement, we had conducted an internal Board evaluation during FY2021 which covered, among others:

- Performance of the Board and its Board Committees
- Processes which underpin the Board's effectiveness (including consideration of the balance of skills, experience, independence and knowledge of the Board members)
- Individual performance (giving consideration to whether each Director continues to contribute effectively and show commitment)

Our Board Evaluation Process

- Completion of questionnaires on effectiveness of the Board and its Committees and individual Directors
- Collation of results and preparation of findings & actions
- Deliberations in the GNRC and Board meetings
- Key areas identified & action plan prepared & approved by the Board

The results of the Board evaluation were presented to the Board in September 2021 where the Board noted the findings and areas that required further improvements. Board members had provided feedback not only on the areas of assessment but also on areas that the Board could improve on moving forward. Main key findings included:-

- an overall level of satisfaction with the functioning of the Board, the competence and capabilities of the Directors, and the quality of relationships between Chairman, NEDs Directors and GMD.
- positive views in relation to the performance of the Committees including the volume and importance of the work that they undertake on behalf of the Board the composition and size of the Board was considered to be appropriate, with a good balance of skills and capabilities, although it was acknowledged that the Board was approaching a number of retirements and the refreshment of its skills and capabilities was a priority, with succession in place.
- With the view to raise the bar on the performance of our Board and its Committees and given our Group's globalised business and its diversification into non-crude palm oil business, our Board agreed that notwithstanding the adequate composition, the potential inclusion of new Board members who possess broad exposure to various business and experience in international business could be considered.

There was unanimous agreement that the Chairman leads the Board in an effective manner, fulfilling Board leadership and effectiveness principle of the CG Code. The Directors agreed that he demonstrates objective judgement, promotes a culture of openness and debate, and facilitates constructive Board relations and the effective contribution of all NEDs.

The main area identified by the Board for particular focus during 2021 was its ongoing attention to the balance between strategic considerations and performance monitoring, including in respect of the type and level of information received at Board level, the balance of opportunities for debate and specific decision-making, and further supporting the Group's Environmental, Social and Governance ("ESG") initiatives.

Board Committee Membership and Meeting Attendance in FY2021

Directors are expected to attend all Board and Committee meetings, but in certain exceptional circumstances, such as due to pre-existing business or personal commitments, it is recognised that Directors may be unable to attend. Our Board and Board Committees members had discharged their roles and responsibilities in FY2021, through their attendance at the meetings as set out in the table below:

Members	Board	ARMC	GNRC
Number of meetings held in FY2021	6	6	3
Executive Director			
Dato' Lee Yeow Chor^	6/6 **(100%)**	6/6 **(100%)**	3/3 **(100%)**
Non-Executive Directors			
Tan Sri Peter Chin Fah Kui ●	6/6 **(100%)**	6/6 **(100%)**	3/3 **(100%)**
Tan Sri Dr Rahamat Bivi binti Yusoff	6/6 **(100%)**	6/6 **(100%)**	3/3 **(100%)**
Datuk Karownakaran @ Karunakaran a/l Ramasamy ●	6/6 **(100%)**	5/6 **(83%)**	3/3 **(100%)**
Cheah Tek Kuang	6/6 **(100%)**	6/6 **(100%)**	3/3 **(100%)**
Lee Yeow Seng	6/6 **(100%)**	–	–

● Chairman or Committee Chairman
^ In his capacity as Director, and he attended (by invitation) all relevant Board and Committee meetings in his capacity as GMD.

All Directors have more than adequately complied with the minimum requirements on attendance at Board meetings as stipulated under the Listing Requirements. The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Board and/or Board Committee members.

What the Board and GNRC Did During FY2021

Our Board has an agenda that ensures strategic, budget, sustainability, risk management and internal control, operational, financial performance and corporate governance matters are discussed at the appropriate time at Board meetings. Our Board debated and provided input to management on the execution of the overall strategy of the Group, and reflected on that strategy with longer-term views on what could be done to build our strengths as integrated plantation company, enhance financial resilience and deliver consistent and stronger returns through business cycles. Key highlights of our Board's FY2021 activities and priorities are summarised as follows:

Principal matters considered by the Board in FY2021

Strategic matters	Governance, assurance & risk management	Financial & Management Performance
Oversight of IOI Group's five-year strategy	Approval of ARMC's Terms of Reference	Quarterly results announcements
Sustainability Material Matters and ESG performance updates	Year-end corporate reports, Statement on Risk Management and Internal Control	Capital expenditure approvals
Succession planning	Annual Board evaluation and effectiveness findings	Group's annual budget, forecasts & key performance targets & indicators
Dividend decisions Dividend policy setting	Board diversity	Group's operational efficiency
Potential growth opportunities	Risk Reviews & revision of Enterprise Risk Management Framework and Policies	
Group's on-going SAP system implementation and digitalisation & mechanisation plan	Quarterly internal audit findings	
	Legal and regulatory compliance including CG Code, the Companies Act 2016 (the "Act") and listed company obligations	

Our Strategic Priorities Increase Yield · Optimise Workforce · Diversify Crops · Increase the Non-CPO Segment · Grow the Oleochemical Segment

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD LEADERSHIP AND EFFECTIVENESS

Looking ahead to FY2022

During FY2022, our Board will:

- Refine our strategic propositions
- Continue Board and senior management succession planning
- Focus on audit findings and recommendations relating to forced labour allegation
- Continue evaluating business diversification, mergers & acquisitions and exploring new business opportunities

The GNRC's terms of reference, which are listed on the Group's website, include all matters required by the CG Code. No changes were made to the Terms of Reference during FY2021. The GNRC believes that our Board continues to have the appropriate skills, knowledge and experience to oversee the effective delivery of our strategy.

Throughout FY2021, a key area of focus for the GNRC was the continued consideration of the revised CG Code, which came into effect in April 2021, in particular to ensure that the agreed revision to the Group's governance framework was working effectively following implementation. As part of this, the GNRC considered the appropriateness and maturity of various new updated practices of the CG Code. The GNRC also received an update from the Head of Human Resources in respect of succession and talent retention initiatives across the business. Key highlights of our GNRC's FY2021 activities and priorities are summarised as follows:

GNRC Activities & Focus in FY2021			
Strategic	**Governance**	**Remuneration**	**Nomination**
Oversight of management succession	Review Board evaluation and effectiveness	Review Board and senior management remuneration framework	Review & recommend Directors standing for re-election at an Annual General Meeting ("AGM")
Review Board composition & dynamics	Review independence of Independent Directors	Review Directors' remuneration and benefits for shareholders' approval	Review & recommend the retention of Independent Directors for shareholders' approval

A key element of the GNRC's remit is to lead the process for Board appointments in line with appropriate succession plan. The GNRC had defined a set of specific criteria for potential new NEDs, in particular giving consideration to the skills, experience and knowledge required in any candidates. We expect all NEDs to demonstrate the highest level of integrity and credibility, independence of judgement, maturity, collegiality and the commitment to devote the necessary time.

As part of its regular succession planning activity, the GNRC launched an Independent NED search process in FY2020/FY2021. The GNRC agreed that it was particularly interested to identify candidates who would bring a combination of skills and expertise in the areas of (i) global or multinational executive experience; (ii) accounting and finance; (iii) international trade experience; (iv) ESG sustainability. The thorough and rigorous search process, in which around few individuals were considered, yielded several highly qualified candidates. The Board was satisfied that Dr Nesadurai Kalanithi met and exceeded the selection criteria and accordingly approved the prospective appointment of Dr Nesadurai Kalanithi as additional Independent NED.

The gender diversity of the Board was 29% female representation as at 30 August 2021 (2020: 17%). The Board evaluation process conducted in the past found that, although Directors believe that the Board's diversity in terms of gender is good, appropriate consideration can be given in respect of other types of diversity, particularly including age and ethnic diversity.

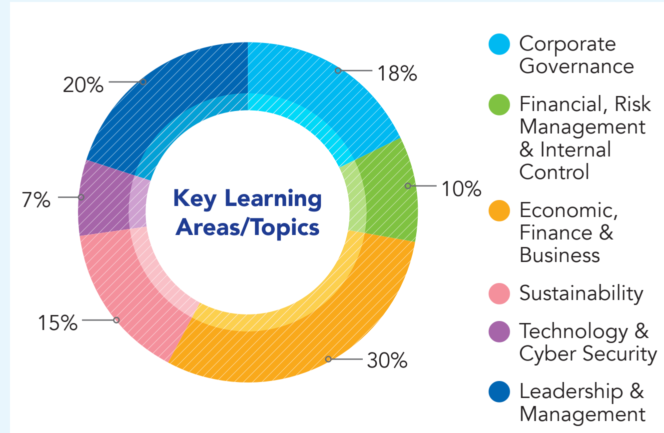
Looking ahead to FY2022

Our GNRC will continue to focus on:

- Monitoring senior management succession planning
- Reviewing Board size, its composition and intensifying efforts in sourcing for suitable female candidate
- Recommendations on Board Effectiveness Evaluation

Board Development

In order to continue to contribute effectively to the Board and Board Committee meetings, Directors are regularly provided with the opportunity to take part in ongoing training and development and they can also request specific training that they may consider necessary or useful. Lee Yeow Seng was abroad during FY2021 to focus on IOI Properties Group's business expansion and therefore he did not receive any formal training in FY2021. The diagram shows the key learning areas/topics attended by the Directors. The details of training attended by our Directors in FY2021 can be found on our website at https://www.ioigroup.com/Content/G/G_Governance.



Directors' Remuneration

The Company has in place a remuneration framework for Directors and senior management which sets out the criteria applied in recommending their remuneration packages. We believe our remuneration framework provides a mechanism for encouraging and enforcing good governance.

The Board has delegated responsibility for the consideration and approval of the remuneration of the Chairman, GMD and NEDs to the GNRC. The Board as a whole considers the fees paid to NEDs.

Each of the Directors receives a base fixed Director's fee and meeting allowance for each Board, Board Committee and general meetings that they attend. The structure of the fees payable to Directors of the Company in FY2022 onwards is as follows:

Appointment	Per Annum (RM)
Board of Directors	
– Base fee	130,000
– Chairman's fee	145,000
Audit and Risk Management Committee	
– ARMC Chairman's fee	50,000
– ARMC Member's fee	35,000
Governance, Nominating and Remuneration Committee	
– GNRC Chairman's fee	30,000
– GNRC Member's fee	20,000

The details of the remuneration of Directors of the Company comprising remuneration received or receivable from the Company and its subsidiaries during FY2021 are as follows:

	Company					Subsidiaries			
	Fees RM'000	Salaries & Bonus + RM'000	Benefits-in-kind ^ RM'000	Meeting Allowance RM'000	Company Total RM'000	Salaries & Bonus + RM'000	Meeting Allowance RM'000	Subsidiaries Total RM'000	Group Total RM'000
Executive Director Dato' Lee Yeow Chor (GMD)	130	21,438	73	15	**21,656**	–	–	–	**21,656**
Total	**130**	**21,438**	**73**	**15**	**21,656**	**–**	**–**	**–**	**21,656**
NEDs									
Tan Sri Peter Chin Fah Kui (Chairman)	275	–	14	16	**305**	–	–	–	**305**
Tan Sri Dr Rahamat Bivi binti Yusoff	165	–	–	16	**181**	–	–	–	**181**
Datuk Karownakaran @ Karunakaran a/l Ramasamy	200	–	*	15	**215**	–	–	–	**215**
Lee Yeow Seng	130	–	–	6	**136**	–	–	–	**136**
Cheah Tek Kuang	185	–	–	16	**201**	–	–	–	**201**
Total	**955**	**–**	**14**	**69**	**1,038**	**–**	**–**	**–**	**1,038**

Notes:
\+ The annual salary (RM3.78 million) and bonus are inclusive of employer's provident fund and social security welfare contriburions.
^ Including leave passages.
* Negligible

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD LEADERSHIP AND EFFECTIVENESS

Number of Directors whose remuneration falls under the following bands are:

	Number of Directors	
Range of Remuneration	Executive	Non-Executive
RM100,001 to RM150,000	–	1
RM150,001 to RM200,000	–	1
RM200,001 to RM500,000	–	3
RM500,001 to RM21,650,000	–	–
RM21,650,001 to RM21,700,000	1	–

EFFECTIVE AUDIT, RISK MANAGEMENT AND INTERNAL CONTROL

For the Board to determine that our financial statements and disclosures are complete and accurate, it relies on information provided by management. Independent and objective assurance is provided by our external auditor, BDO PLT, on the audited financial statements. The integrity of the Group's periodic corporate reports is underpinned by structures and processes within the Group functions that support analytical review of financial reporting and non-financial metrics, validation of information and the maintenance of proper records for all information.

The members of the ARMC possess the financial knowledge and commercial experience to meet the needs of the Board and the Group's business. Our ARMC assists the Board in overseeing, monitoring and assessing the reliability and quality of the Group's financial statements, management of financial risk processes, financial reporting practices and system of internal controls. This is to ensure that our Board dispenses its fiduciary responsibility to present to the shareholders, investors and stakeholders a clear, balanced and meaningful evaluation of the Group's financial position, performance and prospects.

Our Board acknowledges its overall responsibility in maintaining a sound system of internal control and risk management that provides reasonable assurance of effective and efficient operations, compliance with laws and regulations, as well as internal procedures and guidelines. Our Group has a comprehensive system of internal controls in place, designed to ensure that risks are mitigated and that the Group's objectives are attained. The ARMC supports the Board by overseeing the Group's ERM framework and regularly assessing the framework to ascertain its adequacy and effectiveness.

During FY2021, our Board continued to review the effectiveness of our system of controls, risk management and high-level internal control processes. These reviews included the assessment of internal controls and, in particular, financial, operational and compliance controls, and risk management and their effectiveness, supported by management assurance of the maintenance of controls reports from the Head of Group Internal Audit, Group Insurance & Risk Management Senior Manager, as well as the external auditor on matters identified in the course of its statutory audit work. Our Board is of the view that the system of internal control and risk management in place are sound and sufficient to safeguard the Group's assets as well as shareholders' investments and the interests of stakeholders.

Both the External and Internal Audit functions have full and unrestricted access to all colleagues, records and systems as necessary to undertake their activities.

ESG risks are identified, measured, monitored, reported and overseen in accordance with the Group's ERM framework. The Group Sustainability Steering Committee and divisional Risk Management Committees oversee key aspects of ESG risk, including climate and human rights-related risk. Our climate change disclosures align with the Taskforce on Climate-related Financial Disclosures' recommendations. You can read more on this in our Sustainability Report. Updates on ESG risks are provided to ARMC and Board as appropriate.

More information about the above activities and its effectiveness are set out in the ARMC Report and Statement on Risk Management and Internal Control.

Anti-Bribery and Corruption

Our core values and behaviours drive our culture and conduct throughout the Group. We have a zero-tolerance approach to misconduct of any kind and will take disciplinary action, up to and including dismissal, in the event of a breach. Our Business Ethics, Compliance, Anti-Corruption & Money Laundering Policy (the "Policy") is clear in our commitment not to tolerate bribery or corruption of any form. Our Policy is managed by the compliance office. Material breaches of the Policy are reported to the Board by the Group Legal Counsel.

Directors' Responsibility for Preparing the Annual Audited Financial Statements

We are required by the Act to ensure that financial statements prepared for each financial year which give a true and fair view of IOI Group and of the Company's state of affairs, results and cash flows. Our Directors are of the opinion that IOI Group uses appropriate accounting policies that are consistently applied and supported by reasonable as well as prudent judgements and estimates, and that the financial statements have been prepared in accordance with Malaysian Financial Reporting Standards, the provisions of the Act and the Listing Requirements of Bursa Malaysia.

Our Directors are satisfied that IOI Group and the Company keep accounting records which disclose with reasonable accuracy the financial position of IOI Group and of the Company and enable proper financial statements to be prepared. They have also taken the necessary steps to ensure that appropriate systems are in place to safeguard the assets of IOI Group, and to detect and prevent fraud as well as other irregularities. The systems, by their nature can only provide reasonable and not absolute assurance against material misstatements, loss and fraud.

STAKEHOLDERS' ENGAGEMENT

We recognise the importance of listening to, and understanding the views of our stakeholders for the purpose of obtaining feedback that can be used for the Board's decision-making. Particular importance is accorded to groups formed primarily by shareholders and investors, communities, non-profit organisations ("NGOs"), employees, regulators, suppliers, contractors and customers. This is due both to the influence they have on our business and their impact on our operations and organisational strategy.

Whilst direct engagement with stakeholders has been challenging for the Board to undertake during a period of prolonged lockdown and travel restrictions, the views of stakeholders have been a key consideration in papers presented to the Board and its Committees and during boardroom discussions, thus influencing strategic planning and decision-making. This ensured that, whilst physical engagement was not possible for certain periods of the year, the Board made sure that stakeholders still had a voice within the boardroom. Board members are of the opinion that, despite the difficulties presented by the pandemic, they were able to virtually engage with the Company's stakeholders. For a more detailed look into how the Company has been able to engage, please read our Sustainability Report.

As part of our ongoing better governance practices, we are guided by the continuous disclosure principle under the Listing Requirements of Bursa Malaysia, which provides the Company with a clear, succinct and streamlined continuous disclosure process. All financial results and media releases that we announce to the market via the Bursa Link announcements platform are posted to our website.

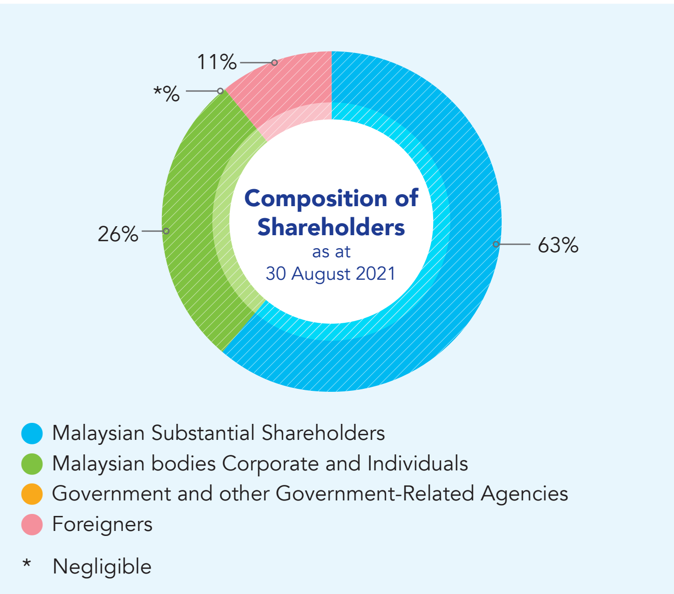
Our Investor Relations team acts as the main point of contact for investors throughout the year. We have frequent discussions with current and potential shareholders on a range of issues, including in response to individual ad hoc requests from shareholders and analysts. As a testament to our commitment in promoting effective investor relations practices, during FY2021, we were voted for our excellence in investor relations and corporate governance at the Alpha Southeast Asia's 10th Annual Institutional Investor Corporate Award 2020 and were awarded the Best Senior Management Investor Relations Support, and was also recognised for being top in terms of Strongest Adherence to Corporate Governance.

The Company had been authorised by shareholders to place shareholder communications (such as the Notice of AGM and the Annual Report and Sustainability Report) on the corporate website in lieu of sending paper copies to shareholders (unless specially requested). While recognising and respecting that some shareholders may have different preferences about how they receive information from us, we will continue to promote the benefits of electronic communication given the advantages that this has over traditional paper-based communications, both in terms of the configurability and accessibility of the information provided and the consequent cost savings and reduction in environmental impact. We communicate formally with all our shareholders at least six (6) times a year at:

- Our quarterly results announcement and any accompanying dividend payment
- Our full year results announcement and any accompanying dividend payment
- Through our AGM

CORPORATE GOVERNANCE OVERVIEW STATEMENT

We actively encourage our shareholders to embrace the benefits of electronic communication. As at 30 August 2021, approximately 52% of shareholders were registered to receive notices electronically. We provide clear and informative meeting notices and other communications, and all our meeting materials are available in our website. Our composition of shareholders as at 30 August 2021 was as follows:



We encourage shareholders to participate in the AGM and ask questions of the Chairman and the Board. Shareholders are provided with an opportunity to ask questions or make comments ahead of, or during, the AGM. Whilst the Board will not be able to connect with shareholders in the usual way at a physical venue in 2021, we are confident that (like last year) we will be able to hold a meaningful virtual AGM.

A variety of engagement initiatives including direct meetings, workshops and dialogues with communities are constantly conducted to learn about their welfare needs. Our stakeholders and NGOs actively engaged with our GMD, Group Head of Sustainability, Stakeholder Engagement team and Group Head of Commodity Marketing.

During FY2021, IOI Pelita launched a 3-stage resolution plan which was approved by Roundtable on Sustainable Palm Oil) ("RSPO"). Since then, IOI Pelita has been following the resolution plan closely, with the involvement and assistance from RSPO, Land Custody and Development Authority, Sarawak State Government and two NGOs, namely Grassroots and Communities Information and Communications Centre. As a result of the close involvement and assistance from these stakeholders, a significant breakthrough in the dispute resolution process was reached on 17 March 2021 in Miri at a dialogue session held by the State of Sarawak government with all the eight community groups. The dialogue session was chaired by the Acting Residen of Miri, and attended by, among others, the Assistant State Minister of Local Government and Housing, and IOI Pelita's representatives. IOI Pelita's offer is conditional on all parties to the dispute reaching an agreement on the exact terms of the final dispute settlement. The negotiation stage will commence as soon as the current interstate travel restrictions due to the pandemic are lifted.

We also actively seek solutions to grievances and disputes through an established grievance mechanism, negotiations and other due processes. These sets of handling procedures are developed to guide us through in our resolutions with the stakeholders involved:

- Boundary dispute handling
- Squatters dispute handling
- Social issues handling

Further details on stakeholders' engagement and partnership building are accessible in our Sustainability Report.

This Statement was approved by our Board on 14 September 2021.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (the "Board") of IOI Corporation Berhad is pleased to present the report on the Audit and Risk Management Committee of the Board for the financial year ended 30 June 2021 ("FY2021") ("ARMC Report").

Our Audit Committee was established on 24 March 1994 in line with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). Subsequently, on 6 September 2012, the Audit Committee was renamed as the Audit and Risk Management Committee ("ARMC") to better reflect the ARMC's role to support the Board in fulfilling its responsibility of overseeing the Group's risk management framework and policies.

A. MEMBERS

As at 30 August 2021, our ARMC consists of four (4) members, all of whom are Independent Directors, and each satisfies the "independence" requirements contained in the Listing Requirements of Bursa Malaysia. The biography of each member of the ARMC is set out in the Profile of Directors section.

Our AMRC comprised of the following members:

Datuk Karownakaran @ Karunakaran a/l Ramasamy
Chairman
Independent Non-Executive Director

Tan Sri Dr Rahamat Bivi binti Yusoff
Member
Independent Non-Executive Director

Cheah Tek Kuang
Member
Independent Non-Executive Director

Dr Nesadurai Kalanithi
(appointed on 8 July 2021)
Member
Independent Non-Executive Director

Our ARMC considers that the ARMC Chairman and Cheah Tek Kuang have relevant financial experience.

Our Group Managing Director and Chief Executive, Group Chief Financial Officer, Head of Group Internal Audit, Group Insurance and Risk Management Senior Manager, certain senior management members and the Company's external auditors are normally invited to attend the ARMC meetings. There is a standing agenda item facilitating the opportunity for the Company's external auditors to meet without management being present. The Company Secretary acts as Secretary to the ARMC.

B. SUMMARY OF KEY SCOPE OF RESPONSIBILITIES

Our ARMC operates under a written Terms of Reference containing provisions that address requirements imposed by Bursa Malaysia.

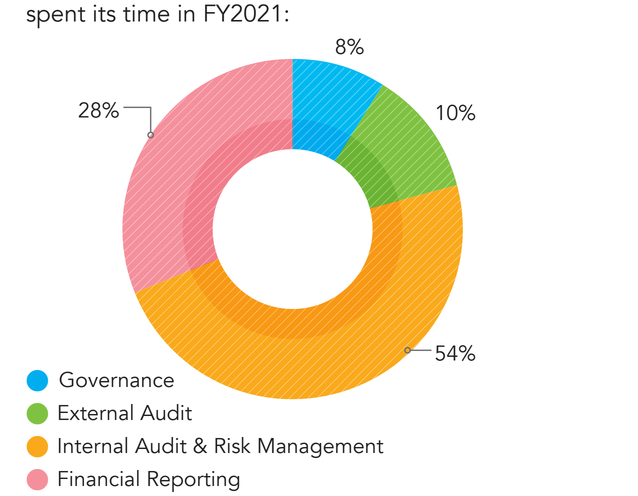
The full Terms of Reference of the ARMC is posted on the Corporate Governance section of the Company's website at www.ioigroup.com/Content/G/G_Governance or can be obtained from the Company Secretary.

The Terms of Reference prescribes the ARMC's oversight of financial compliance matters in addition to a number of other responsibilities that the ARMC performs. Those key responsibilities include, among others:

- Oversee the financial reporting process and integrity of the Group's financial statements
- Evaluate the independence of external auditors
- Review and evaluate the operation and effectiveness of the Company's internal audit function
- Oversee the Group's system of disclosure controls and system of internal controls that management and the Board have established
- Assess the Group's practices, processes and effectiveness of corporate risk management structure and support system of risk management
- Review conflict of interest situations and related party transactions of the Group
- Review the appropriateness of accounting policies and significant financial reporting issues or significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed

C. HOW OUR ARMC SPENT ITS TIME DURING FY2021

The table below provides an overview of how our ARMC spent its time in FY2021:



AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

D SUMMARY OF WORK OF OUR ARMC

During the year, ARMC has continued to assist the Board in fulfilling its oversight responsibilities by monitoring and reviewing the integrity of the Group's financial reporting and the effectiveness of the internal and external audit functions, risk management framework and cyber security. As well as the 'business as usual' items, the ARMC was particularly focused on the impact of the COVID-19 pandemic on the business, in terms of financial performance, new and emerging risks, and business continuity and resilience.

This ARMC Report provides an overview of the work that our ARMC carried out during FY2021, including the significant issues considered in relation to the financial statements and how our ARMC assessed the effectiveness of the external auditors.

The ARMC has an annual work plan, developed from its Terms of Reference, with standing items that the ARMC considers at each meeting, in addition to any matters that arise during the year.

The summary of work and the main matters that the ARMC considered during FY2021 are described below:

1. Financial statements and reporting

Our ARMC maintained its focus during FY2021 on monitoring the integrity of financial reporting and ensuring suitable accounting policies were adopted and applied consistently. The ARMC monitored the financial reporting processes for the Group, which included reviewing reports from, and discussing these with, management and the external auditors, BDO PLT ("BDO") to ensure compliance with financial reporting standards and clarity of disclosures. The ARMC had reviewed the unaudited quarterly financial results and audited financial statements of the Group before recommending them for our Board's approval.

The ARMC assessed whether appropriate accounting policies had been adopted throughout the accounting period and whether management had made appropriate estimates and judgements over the recognition, measurement and presentation of the financial results.

Our ARMC also took cognisance of the circular and communication note issued by Securities Commission Malaysia's Audit Oversight Board and Bursa Malaysia respectively, highlighting the importance of ensuring high quality of audit on financial reports of public interest entities in light of the challenges posed by the COVID-19 pandemic and the needs to provide fair and accurate disclosure in assessing the pandemic related impact on the listed companies' business operations. This disclosure guidance has been carefully considered by the ARMC and management in preparing the financial results to ensure quality and adequacy of information.

The following were the primary areas of financial reporting judgement and disclosure, among others, which were considered by the ARMC in relation to FY2021 financial statements:

(a) Impairment assessment of goodwill on consolidation and impairment assessment of other assets

Goodwill and other assets impairment reviews involved a range of judgemental decisions largely related to the assumptions used to assess the value-in-use of the assets being tested. These assumptions typically include projected growth in future revenues and profit margins, cash flow forecasts and associated discounted rates. The ARMC received information on the nature of goodwill, and considered what factors might give rise to an impairment of the Group's goodwill, and whether those factors had arisen in the period. The ARMC constructively challenged the assumptions used by management and key assumptions used within the respective reviews. Following the discussion, the ARMC was satisfied with the goodwill and other assets impairment review in FY2021.

(b) Valuation of put and call options

Management had adopted the Binomial option pricing model in deriving the fair values of the put and call options and BDO had evaluated the appropriateness of using this model, as well as expected underlying share price, expected exercise price, expected dividend yield, risk-free interest rate and expected volatility. The ARMC was satisfied that the options were valued appropriately.

(c) Accounting for derivative financial instruments including put and call options

Management had performed reasonableness test based on certain inputs from available market information or contracts and compared against the fair value provided by financial institutions before recording them in the financial statements. BDO had discussed with management on the analysis of the contractual terms and evaluated the accounting treatment adopted by management, including the reasons for entering into derivative financial instruments as well as assessing the process of management to derive the fair value of derivative financial instruments. The ARMC was satisfied that the financial instruments were valued appropriately.

The external auditors had reported that based on the work carried out, they did not identify any material exceptions. For all the above areas, the ARMC received input from management and external auditors prior to reaching its conclusion.

In addition to these reporting matters, the ARMC also received and considered regular updates from management on the status and implications for the Group of financial reporting developments, including updates on discussions by the Malaysian Accounting Standards Board on the development of the MFRSs.

Meeting discussions on audit plan, audit status, as well as findings on areas of significant external auditors' attention were held during and subsequent to FY2021. At the meetings, Key Audit Matters ("KAM") of the Group for FY2021 were presented by BDO and the ARMC reviewed and agreed that impairment assessment of the carrying amount of goodwill, accounting for derivatives financial instruments and impairment assessment of the carrying amount of investments in subsidiaries were considered as KAM, the details of which can be found in the auditors' report, mainly due to:

(a) It was material and involved significant judgements and estimates about the future results and key assumptions applied to cash flows projections of operating segments of the Group (i.e. plantation and resource -based manufacturing) in determining the recoverable amounts, including projected growth in future revenues and profit margins, as well as determining an appropriate pre-tax discount rate and growth rates, including the impact of the COVID-19 pandemic.

(b) It was material and involved significant judgement and estimates in arriving fair values as subjective variables need to be used in order to determine the fair value in accordance with MFRS 9 Financial instruments.

(c) It was material and involved significant judgements and estimates about the future results and key assumptions applied to the probability weighted expected cash flows of the relevant subsidiary in determining the recoverable amount, including projected growth in future revenue and profit margins, terminal value as well as determining an appropriate pre-tax discount rate and growth rate used for the relevant subsidiary, taking into consideration the impact of COVID-19 pandemic.

As part of the year-end reporting process, the ARMC reviewed the external auditors' reports on internal controls, accounting and reporting matters as well as recommendations in respect of control weaknesses noted in the course of their audit. In FY2021, the ARMC also received information on recommendation for improvement in the system of internal controls, which the external auditors had discussed with the respective estate or mill managers and Regional Senior Plantation Controllers or General Managers and communicated their findings for remedial actions. There were no other significant and unusual events or transactions highlighted by the management as well as by external auditors during the course of their audit during the financial year.

BDO also reported to the ARMC the unadjusted misstatement that they had found in the course of their work, which were immaterial, and the ARMC confirmed that there were no material items remaining unadjusted in these financial statements for FY2021.

2. Going concern assessment

The ARMC reviewed the going-concern basis for preparing the Group's consolidated financial statements, including the assumptions underlying the going concern statement and the period of assessment. The ARMC's assessment was based on various analyses from management regarding the Group's capital and liquidity position prior to recommending to the Board that it could conclude that the financial statements should continue to be prepared on the going-concern basis. The ARMC also took note of the principal risks and uncertainties, the existing financial position, the Group's financial resources, and the expectations for future performance and capital expenditure.

3. Internal audit

The Internal Audit function provides independent and objective assurance and advisory services designed to add value and improve the operations of the Group. Its scope encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the Group's governance, risk management and internal control processes in relation to the Group's defined goals and objectives. The ARMC approved the Internal Audit function's charter, which sets out its role, scope, accountability and authority.

The Head of Group Internal Audit, who is a member of both the Malaysian Institute of Accountants ("MIA") and Institute of Internal Auditors Malaysia ("IIA"), reports functionally to the ARMC, and the ARMC reviewed and approved the annual Internal Audit plan and budget for activities to be undertaken during 2021/2022, taking into consideration such factors as the results of previous audits, both external and internal, the self-assessment questionnaire, system changes and the views of executive management. The ARMC also reviewed the adequacy of the scope, functions, competency and resources of the Internal Audit function during the year.

The Group's Internal Audit Department performs routine audit on and reviews all operating units within the Group, with emphasis on principal risk areas. Internal Audit Department adopts a risk-based approach towards planning and conduct of audits, which is partly guided by the Group's Enterprise Risk Management ("ERM") framework. Impact on "Vision IOI" is taken into consideration in determining the risk level as a holistic approach in contributing to the achievement of the Group's objectives and in enhancing shareholders' value.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

A total of 97 audit assignments (including five (5) special audit assignments) were completed during the financial year on various operating units of the Group covering plantation and resource-based manufacturing segments. Audit reports were issued to the ARMC and Board quarterly incorporating findings, recommendations for improvement on the weaknesses noted in the course of the audits and management's comments on the findings. An established system had been put in place to ensure that all remedial actions had been taken on the agreed audit issues and recommendations highlighted in the audit reports. Certain significant issues and matters unsatisfactorily resolved by management had been highlighted to the ARMC and it was agreed that management would expedite resolving the outstanding audit issues.

At each meeting, the ARMC considered the results of the audits undertaken and considered the adequacy of management's response to matters raised, including time taken to resolve such matters. In certain instances, enquiries were made to both Head of Group Internal Audit and management over details of issues raised, root causes and the proposed corrective actions. The ARMC also challenged management as to what actions it was taking to try to minimise the chances of lapses and ensure that material findings are adequately addressed by management.

The tasks, responsibilities, and goals of the ARMC and internal auditing are closely intertwined in many ways. Certainly, as the magnitude of the "corporate accountability" issue increases, so does the significance of the internal auditing and ARMC relationship. Our ARMC met two (2) times privately (without management presence) with the Head of Group Internal Audit during FY2021 in assuring that the mechanisms for corporate accountability are in place and functioning.

The total costs incurred for the Internal Audit function of the Group for FY2021 was RM3,498,907 (FY2020: RM3,510,821). The lower internal audit function cost incurred for FY2021 as compared with FY2020 was mainly due to reduction in travelling expenses.

4. Risk management

Our ARMC is responsible for assisting the Board by taking delegated responsibility for the ongoing monitoring of the effectiveness of the Group's systems of risk management and internal control. The Group maintains a risk register, which contains the key risks faced by the Group, including their likelihood and impact as well as the controls and procedures implemented to mitigate these risks. The ARMC receives regular Group key risk summary reports, prepared by the Risk Management team, tracking residual risk exposures which allows the ARMC to assess the appropriateness of management's action plans to ensure the Board's risk tolerance is not exceeded.

In FY2021, our ARMC continued its practice of evaluating key areas of risks by receiving direct presentations from management and Group functional heads. Key risks identified during the period under review were, amongst others, competition in downstream operations, reputation and sustainability, foreign labour shortage, exposure to trade regulation on commodity products, Group financial reporting risk and impact from the COVID-19 pandemic. These direct reviews are important to the role of our ARMC as they allow ARMC members to meet the business leaders responsible for these areas of risk to scrutinise the key risks, identify emerging risks and define an adequate and practical mitigation action plan. Ensuring effective risk management in these core areas, within the Board's risk tolerance, will help to protect and enhance shareholders' value.

A bi-annual review of the effectiveness of risk management and internal control processes was carried out by the ARMC. The ARMC focused its review on the Company's risk mitigation and controls and the strategic and organisation-wide risks facing the Group. Our ARMC considered the current risk management process during FY2021 and deemed it effective in relation to identifying, assessing and monitoring our Group's risks.

As part of management's efforts to strengthen the risk management processes of the Group, an independent risk management consultant was appointed to conduct an independent review of the ERM framework. The process involved reviewing the Group's ERM framework, the respective divisional risk management documents and minutes of the ARMC meetings. In addition, the consultant also interviewed the ARMC's Chairman as well as some senior management personnel including GMD, the Group CFO and the Plantation Director. The findings and recommendation were deliberated at the ARMC.

Risk management activities take place throughout the organisation to support the ARMC in its corporate governance responsibilities, working with the business to proactively and effectively manage risk. Our ARMC also met with the Risk Management Senior Manager without the presence of management to address any issues and concerns arising from the course of the risk management assessment.

The details relating to risk management are reported separately under the Statement on Risk Management and Internal Control ("SORMIC") on pages 104 to 108.

5. Assessing the effectiveness of external audit process

The ARMC places great importance on ensuring that there are high standards of quality and effectiveness in the external audit carried out by BDO. Audit quality and the external auditors' independence are assessed by the ARMC throughout the year by reviewing and approving the annual audit plan to ensure that it is consistent with the scope of the audit engagement and the provision of non-statutory services rendered to the Group.

Our ARMC met with BDO at various stages during the audit process, including without management presence, to discuss their remit and any issues arising from the audit to ensure they are able to operate effectively and to satisfy itself that management is responsive to the audit findings and recommendations. During FY2021, our ARMC met two (2) times with BDO privately without management presence.

BDO's audit partners were present at the ARMC meetings to ensure full communication of audit related affairs and they remained fully apprised of all matters considered by the ARMC.

In reviewing the audit plan, the ARMC discussed the significant and elevated risk areas identified by BDO that most likely to give rise to a material financial reporting error or those that are perceived to be of higher risk and requiring additional audit emphasis. Our ARMC also considered the audit scope and materiality threshold.

Our ARMC concluded that the effectiveness of the external audit process remains strong.

6. Auditors' re-appointment review

Our ARMC assesses annually the external auditors' qualifications, expertise, resources and the effectiveness of the audit process, including presentation on their own internal quality procedures. During FY2021, the ARMC assessed the effectiveness of BDO as the external auditors. To assist the assessment, our ARMC considered:

- Quality of planning, delivery and execution of the audit plan and ability to meet deadlines and responding to issues in a timely manner
- Quality and knowledge of the audit team
- Effectiveness of communications between management and the audit team
- Robustness of the audit, including the audit team's ability to challenge management as well as demonstrate professional scepticism and independence
- Ability to identify risks or potential issues and provide constructive recommendations, observations and implications in areas requiring improvements particularly with regard to the internal control system relating to financial reporting of the Group
- Performance evaluation by management

(i) Auditor's effectiveness

The ARMC considered the quality of reports from BDO and the additional insights provided by the audit team, particularly at partner level. The ARMC also considered how well the external auditors assessed key accounting and audit judgements and the way they applied constructive challenge and professional scepticism in dealing with management.

Our ARMC remains satisfied with the effectiveness of BDO based on improvements implemented following the previous year's statutory audit review, the quality of the presentations received, management commentary on the robustness of the challenge provided, their technical insight and their demonstration of a clear understanding of the Group's business, the industry in which the Group operates and its key risks.

(ii) Independence and objectivity

The ARMC reviews the work undertaken by BDO and each year assesses its independence and objectivity. In doing so, it takes into account relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services. The ARMC also monitors BDO's compliance with relevant regulatory, ethical and professional guidance on the rotation of partners.

The audit engagement partner is required to rotate every seven (7) years with cooling-off period of five (5) years as per BDO's firm policy, which is in accordance with the by By-Laws (on professional ethics, conduct and practice) of the MIA. The current audit engagement partner was re-appointed in 2017. As part of the independence review process, BDO had formally confirmed their independence to the ARMC. BDO reported to the ARMC that it had considered its independence in relation to the audit and confirmed to the ARMC that it complies with professional requirements and that its objectivity is not compromised.

Our ARMC concluded that it continues to be satisfied with the performance of BDO and that BDO continues to be objective and independent in relation to the audit.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(iii) Non-audit work carried out by the external auditors during the period

Our Suitability and Independence of External Auditors Assessment Policy includes a clearly defined pre-approval process for provision of non-audit services to help protect external auditors' objectivity and independence. Pre-approval from our ARMC for non-audit services is required for non-audit fees exceeding pre-determined thresholds.

The ARMC had established the limits for pre-approval policies and procedures on non-audit fees. The ARMC reviews non-audit fees charged by BDO and their affiliated companies or firms. Fees paid to BDO for audit related and non-audit services during FY2021 are set out in Note 10 to the audited financial statements.

BDO also provided in its engagement letter the specific safeguards put in place for each piece of non-audit work confirming that it was satisfied that neither the extent of the non-audit services provided nor the size of the fees charged had any impact on its independence as statutory auditors.

The nature of the non-audit services rendered to the Group during FY2021 comprised mainly tax compliance and advisory services, the fees of which constituted approximately 21% of the total audit fees. The ARMC had carefully considered the non-audit services provided by BDO and their affiliates and was satisfied that the provision of those non-audit services did not compromise the auditors' independence, to which in keeping with professional ethical standards, BDO had also confirmed their independence to the ARMC. Given the external auditors' detailed knowledge of the Group, the ARMC believed that it is in the interest of the Group that BDO and their affiliates performed those services.

The ARMC believed that the provision of non-audit services did result in lower quality audits where necessary safeguards operate. The safeguards which currently exist as means of eliminating threats to BDO's independence or reducing such threats "to an acceptable level" include, among others:

(i) Those who provide the non-audit services, which may impose a self-review threat, are not the members of the audit team;

(ii) The tax compliance and advisory services provided are one-off and transaction based and is not be expected to recur;

(iii) The external auditors should not provide services that are perceived to be materially in conflict with the role of auditors; and

(iv) The nature and scope of non-audit fees provided by BDO to the Group are specifically not prohibited by the By-Laws of MIA or promulgations of the International Federation of Accountants.

The ARMC believed that the auditors undertaking the audit related services such as MFRSs consultation were best suited to perform or provide such services, which would enable BDO to build a deeper understanding of the Group and further its insights. This also enhanced professional scepticism, and the quality of the audit.

(iv) Audit fees

The ARMC was satisfied that the level of audit fees (on a group basis) payable in respect of the audit services provided by BDO and its member firms, being RM1,326,240 for FY2021 [FY2020: RM1,435,060] was appropriate and that an effective audit could be conducted for such a fee. The existing authority for the ARMC to determine the current remuneration of BDO was derived from the shareholders' approval granted at the Company's Annual General Meeting ("AGM") in 2020.

Recommendation to re-appointment

The ARMC considers the re-appointment of external auditors each year and as part of this process, considers the independence of auditors and the effectiveness of the external audit process.

The criteria to guide decisions on the re-appointment of BDO, include an assessment of their competence, audit quality and resource capacity. The ARMC will consider to assess the information in the Annual Transparency Report of BDO once it is available in FY2022.

Having reviewed the performance of BDO in FY2021, our ARMC had decided to recommend to the Board that BDO be re-appointed for FY2022 audit and a resolution to this effect will be put forward for shareholders' approval at the 2021 AGM.

7. Other matters considered by our ARMC

Our ARMC also:

(i) Reviewed whistleblowing activities to monitor the actions taken by the Group in respect of whistleblowing reports received.

(ii) Reviewed the ARMC Report and SORMIC Statement.

(iii) Reviewed the key observations made by Bursa Malaysia and IIA on the effectiveness of internal audit function of listed issuers

(iv) Reviewed the Circular to Shareholders on the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

(v) Reviewed the internal audit report relating to related party transactions annually.

E. ATTENDANCE

Number of Meetings and Details of Attendance

Six (6) meetings were held during FY2021. The attendance record of each member was as follows:

Members	Total Number of Meetings	Number of Meetings Attended
Datuk Karownakaran @ Karunakaran a/l Ramasamy	6	5
Tan Sri Dr Rahamat Bivi binti Yusoff	6	6
Cheah Tek Kuang	6	6

Three (3) meetings were held subsequent to the financial year end to the date of Directors' Report and were attended by the following members:

Members	Total Number of Meetings	Number of Meetings Attended
Datuk Karownakaran @ Karunakaran a/l Ramasamy	3	3
Tan Sri Dr Rahamat Bivi binti Yusoff	3	3
Cheah Tek Kuang	3	3
Dr Nesadurai Kalanithi^	3	3

^ Appointed on 8 July 2021

F. ANNUAL REVIEW AND PERFORMANCE EVALUATION

As required by its Terms of Reference, an annual performance evaluation was conducted on the composition, performance and effectiveness of the ARMC and its members in an effort to continuously improve its processes. The Board was satisfied that the ARMC and its members have effectively discharged their duties in accordance with the Terms of Reference.

Our ARMC had also conducted an annual evaluation of the performance and competency of our Group Internal Audit Department for FY2021 and was satisfied that the Internal Audit function had discharged its duties effectively.

The ARMC considered that it had adopted a balanced work approach during the year in terms of focus, objectives and means utilised to obtain the necessary assurance, believed that it had retained appropriate standing within the Company and had maintained appropriate relations with management, and BDO, while remaining independent at all times. In FY2021, the ARMC received the expected full support from the management, internal and external auditors of the Company, enabling it to discharge its responsibilities effectively.

Looking ahead to FY2022

In addition to our routine business, the ARMC has following focus areas for FY2022:

- Audit findings on forced labour allegation
- Enhancing the analysis, management and reporting of key risks
- Internal controls, including financial reporting control framework and financial reporting developments
- Continue to ensure appropriate focus is given to the critical topics of cyber security

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

A. INTRODUCTION

The Board of Directors (the "Board") is cognisant of its overall responsibility to establish a sound risk management and internal control system, including its role in providing risk oversight, setting the tone and culture towards managing principal risks and risk that could impede the corporate objectives and strategies. The Board is pleased to present herewith the Statement on Risk Management and Internal Control of the Company during the year.

B. RESPONSIBILITIES AND ACCOUNTABILITIES

The Board

The Board affirms its overall responsibility in ensuring independent oversight of internal control and risk management. The Board continually articulates, reviews the adequacy and effectiveness of the Group's Enterprise Risk Management ("ERM") framework and internal controls, and ensures alignment with business objectives. However, it should be noted that internal controls are designed to manage and minimise rather than absolute assurance against material misstatement of management and financial information, financial losses, fraud and breaches of laws and regulation.

The ongoing risk management processes are established for identifying, evaluating, monitoring and managing the principal risks faced by the Group in its achievement of strategic objectives. This process has been in place for the year under review and up to the date of approval of this statement.

Audit and Risk Management Committee

Audit and Risk Management Committee ("ARMC") is established by the Board. ARMC conducts bi-annual risk review with the respective division's Risk Management Committee. The ARMC also ensures the internal controls in place are adequate and effective to address the Group's principal risks.

Corporate Risk Management Department

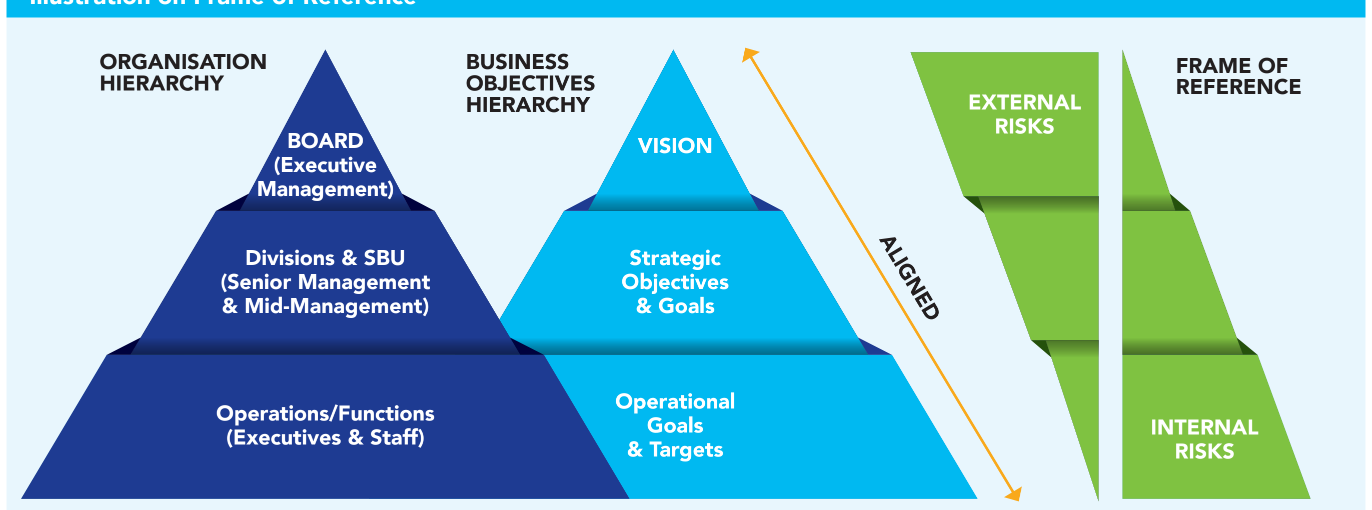
The Corporate Risk Management ("CRM") Department assists the Board and ARMC in discharging their risk management responsibilities. CRM is responsible for assisting the Board to develop a sound risk management framework, monitoring and reporting of principal risks as identified by the Management and facilitating bi-annual risk review.

Group Internal Audit Department

The Group Internal Audit Department ("GIAD") is an independent function within the organisation and reports directly to the ARMC. GIAD's primary role is to provide independent and objective assurance on the adequacy and effectiveness of governance, risk management and internal control processes by conducting regular audits and continuous assessments. The activities of the GIAD are carried out based on the Annual Audit Plan established on a risk-based approach which is reviewed and approved by the ARMC. Significant audit findings and recommendations for improvement are tabled quarterly to senior management and the ARMC, followed by periodic follow-up review of the implementation of corrective action plans.

The Group Internal Audit Practice adopts the audit framework as set out in the International Professional Practices Framework ("IPPF"). Internal Audit Practice Manual has been established incorporating the mandatory elements of the IPPF.

Illustration on Frame of Reference



C. RISK MANAGEMENT FRAMEWORK

The Group adopts ERM framework which was formalised in 2002. The framework has been revised in 2019 and adapted as reasonably practicable from the ISO 31000: 2018 Risk Management Guidelines.

The Group's ERM framework essentially links the Group's strategic objectives and goals (that are aligned to its vision) to principal risks; and the principal risks to controls and opportunities that are translated to actions and programme. The framework also outlines the Group's approach to its risk management principles:

i) Risk management as a collective responsibility

By engaging every divisions as risk owners of their immediate sphere of risks (as shown in the illustration), the Group aims to approach risk management holistically. This is managed through an oversight structure involving the Board, ARMC, Internal Audit, Executive Management and division's Risk Management Committees.

ii) Risk forbearance shall not exceed capabilities and capacity to manage

Any business risk to be assumed shall be within the Group's core competencies to manage. Hence, the continuous effort in building risk management capabilities and capacity are key components of the Group's ERM effort. The Group's overall risk appetite is based on assessments of the Group's risk management capabilities and capacity.

iii) Risk management as both a control and strategic tool

As a control tool, the Group ensures that the intensity and types of controls commensurate with assessed risk rankings. The Group also applies risk management as a strategic tool in scoping opportunities, investment and resource allocation, strategy formulation and performance measurement.

Illustration on IOI Group's Enterprise Risk Management Framework

The Board through ARMC conducts periodic reviews on the adequacy and integrity of the Group's ERM framework and policies, particularly in relation to the mechanisms for risk assessment (principal risks identification, evaluation and treatment), communication, monitoring and review.

The Group's key risk areas are finance, strategic, operation, regulatory compliance, reputation, cyber security and sustainability risks. The Group's overall risk management objective is to ensure that the Group creates value for its shareholders whilst minimising potential adverse effects on its performance and positions. The Group operates within an established risk management framework and clearly defined policies and guidelines that are approved by the Board.

D. KEY RISK AREAS

Under the Group's ERM framework, the Group has relevant policies and guidelines on risk reporting and disclosure which cover the following principal risks:

i) Financial Risk

The Group is exposed to various financial risks relating to foreign currency exchange, interest rate, credit, liquidity and prices. The Group's risk management objectives and policies coupled with the required quantitative and qualitative disclosures relating to its financial risks are set out in Note 38 to the financial statements on pages 80 to 112.

ii) Strategic Risk

The Group's vision is to be a leading and sustainable Malaysian business corporation with global presence. Senior management continually keeps abreast of strategic risk, global trends, international issues, business resilience, industry disruption, palm oil alternatives and respond to them appropriately.

iii) Operational Risk

The Group's policy is to assume operating risks that are within its core businesses and competencies to manage. Operating risk management ranges from managing strategic operating risks to managing diverse day-to-day operational risks.

The management of the Group's day-to-day operational risks is primarily decentralised at the division unit level and guided by approved standard operating procedures. This includes risks relating to supply chain, production, marketing and distribution, safety,

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

health and environment, sustainability and compliance with laws, regulations, certifications and quality accreditations. Operational risks that cut across the organisation, including those relating to the enterprise resource planning system (which includes business information systems), treasury management, transfer pricing, group sustainability and reputation, are coordinated centrally.

iv) Compliance Risk

The Group operates in diverse geographical locations and as such, is governed by relevant local and international laws, regulations, standards, certifications and accreditations, including Roundtable on Sustainable Palm Oil ("RSPO") and International Sustainability and Carbon Certification ("ISCC") certifications.

The Group Legal Counsel provides legal advisory and litigation support while the Company Secretary assists the Board in ensuring that the governance practices of the Group are in line with the Malaysian Corporate Governance Code and also ensures compliance in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016 and any relevant applicable securities laws in Malaysia.

The Group has in place "Business Ethics Compliance, Anti-Corruption, Anti-Money Laundering policy" to strengthen our fencing of the Groups' ethics parameters, and to uphold Integrity, which is one of the Group's Core Values.

v) Reputational Risk

As a palm oil producer, IOI constantly faces anti-palm oil sentiment and allegations from local and international NGOs. Public misconception is that oil palm plantation drives deforestation and destruction of peatland areas. The Group will not only seek to ensure transparent and clear communication at all times in order to mitigate this risk and keep key stakeholders informed but will also follow up with clear action plans to address any grievances.

vi) Cyber Security Risk

The Group's business environment is exposed to cyber threats, such as malware, ransomware, unauthorised access, loss of information. To mitigate and defend against cyber threats, IOI undertakes a range of sustainable cybersecurity programmes to protect our internal IT assets and the information of our business partners. Our primary goals and objectives focus on the priorities of confidentiality, integrity and availability based on the criticality of the IT infrastructure and system. In addition, the enterprise network of IOI incorporates the concept of defence in depth, where multiple layers of security controls and defence are placed throughout our enterprise network for resiliency.

vii) Sustainability Risk

Sustainability is a significant aspect of IOI's operations as it becomes increasingly embedded within both IOI's plantation and resource-based manufacturing segments. To ensure that IOI continues to embed sustainability practices into its operations, the Sustainable Palm Oil Policy ("SPOP") has been continually revised to reflect the concerns of both our internal and external stakeholders. The SPOP, as the main guideline to address these concerns, has also been further strengthened in its commitments on human rights and workplace rights by introducing industry-leading labour policies after extensive engagement with external and internal stakeholders. The policies include:

(i) Equal Opportunity Employment & Freedom of Association Policy,

(ii) Guideline for Minimum Wages & Leave Pay,

(iii) Foreign Workers Recruitment Guideline & Procedures, Worker's Work Verification Guideline,

(iv) Guidelines for Providing Basic Amenities to Workers,

(v) Guidelines for Handling Harassment at Workplace,

(vi) Guidelines for Implementation Women and Empowerment Committee, and

(vii) Environmental Management Guidelines which covers also Fire Management, Peatland Protection & Management, Agrochemical and Biodiversity & Conservation Guidelines

This is in response to NGOs intensifying their scrutiny on both upstream and downstream sectors, in relation to issues such as deforestation, peatland protection, communities' rights and labour practices. Other challenges related to the above, is the increased demand on traceability of palm oil and palm products, in particular the palm oil supply chain at various stages.

In terms of governance, IOI has established the Group Sustainability Steering Committee ("GSSC") to oversee the management of policies, processes and strategies designed to manage social, environmental and reputational risks. The GSSC comprises the Group Managing Director and Chief Executive ("GMD"), an Independent Non-Executive Director, Group Chief Financial Officer ("Group CFO"), Heads of Operating Division's, Group Head of Sustainability, and Senior Management from Group Support Functions. Sustainability Consultation Forum (SCF) was conducted to enable feedback from external stakeholders on sustainability issues.

IOI had also developed a Grievance Mechanism to provide a formal channel for full disclosure of grievance raised by any party. The Group believes in open dialogue, partnership and transparency and actively engages with stakeholders, especially the communities living in the vicinity of the Group's operations.

The Group had also introduced a public dashboard in 2017, called the "Palm Oil Dashboard" on its website. The Palm Oil Dashboard serves as a platform to provide information on IOI's palm oil operations such as traceability statistics, palm oil sources, production and uptake volumes, supplier engagement activities, and latest news.

As a member of the High Carbon Stock Approach ("HCSA") Steering Group, IOI subscribes to No Deforestation, No Peat and No Exploitation. The Group has also updated its Zero Burning Policy to further strengthen its commitment towards zero burning practices across its estates, as part of its efforts to proactively protect the environment and combat haze.

E. INTERNAL CONTROL SYSTEMS

The Group's Core Values

The Group's corporate culture is embedded in its core values of integrity, commitment, team spirit, cost efficiency, innovation, and excellence in execution and to achieve the Group's vision and support its business objectives and goals.

Code of Business Conduct and Ethics

The Group communicates the Code of Business Conduct and Ethics to all employees upon their employment. The Code of Business Conduct and Ethics reinforces the Group's Core Values of integrity by providing guidance on moral and ethical behaviour that is expected from all employees in following the laws, policies, standards and procedures.

Whistleblowing Channel

The Group's Whistleblowing Policy was established in 2013 and further revised in October 2019. The policy provides for a dedicated and confidential channel for employees and stakeholders to disclose or raise genuine concerns on possible improprieties, improper conduct or other malpractices within the Group, in a transparent and confidential manner. GIAD acts as the Whistleblowing Secretariat. The feedback and communications received through the whistleblowing channel are presented to the ARMC.

Internal Control

The Group manages its risks by implementing various internal control mechanisms. The key elements of the internal controls are as follows:

a) The Group has an organisational structure that is aligned with its business and operational requirements, with clearly defined roles, responsibilities and authority limits. Authority limits for acquisition and disposal of assets, awarding of contracts and approving operating expenditures are established.

b) The Group has in place well-established and documented business processes which are aligned with the strategic business objectives and goals.

c) The Group has established policies and procedures as well as rules relating to the delegation of authority and segregation of duties have been established for key business processes. The Group's policies and procedures are reviewed and revised periodically to meet changing business and operational needs and regulatory requirements.

d) The Group has in place an Enterprise Resource Planning ("ERP") System that captures, compiles, analyses and reports relevant data, which enables management to make business decisions in an accurate and timely manner.

e) Management and financial reports are generated monthly to facilitate the Group's management in performing financial and operating reviews of the various divisions.

f) Business strategies and operating and capital expenditure budgets are prepared by business and division's annually, and are approved by the Board. Actual performance and significant variances against budget are monitored on an ongoing basis.

g) Key result areas and key performance indicators are established and aligned with the strategic business objectives and goals. These are monitored on an ongoing basis.

h) Regular management and operation meetings are conducted by senior management which comprises the GMD and divisional heads.

i) Board meetings are held at least quarterly with a formal agenda on matters for discussion. The Board is kept updated on the Group's activities and operations on a timely and regular basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK REVIEW FOR THE FINANCIAL YEAR

A half-yearly review on the adequacy and effectiveness of the risk management and internal control system has been undertaken for the financial year under review. Each division, cutting across all geographic areas, via its respective Divisional Risk Management Committees and workgroups comprising personnel at all levels, carried out the following areas of work:

a) Conducted reviews and updates of profiles of principal risks and emerging risks both internal and external which could potentially derail the achievement of the business objectives and goals.

b) Evaluated the adequacy of key processes, systems, and internal controls in relation to the principal risks.

c) Carried out gap analysis and established strategic responses, actionable programmes and tasks to manage or eliminate performance gaps.

d) Ensured internal audit programmes covers identified principal risks. Audit findings throughout the financial period served as key feedback to validate the effectiveness of risk management activities and embedded internal controls.

e) Reviewed implementation progress of actionable programmes, and evaluated post-implementation effectiveness.

f) Reviewed the adequacy of all business resumption and contingency plans, and their readiness for rapid deployment.

The risk review includes the division's Internal Control Certification and Assessment Disclosure and the Questionnaire on Controls and Compliance. Adhering to the Corporate Governance Guide – Guidance on Effective Audit and Risk Management issued by Bursa Malaysia.

The ARMC and the Board review bi-annually the principal risks of all divisions to ensure that appropriate mitigating measures are in place.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The external auditors, BDO have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report of the Company for the financial year ended 30 June 2021. Their review was conducted in accordance with Assurance Practice Guide 3 ("AAPG 3") Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control, issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to, and they did not, consider whether this statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system. AAPG 3 also does not require the external auditors to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

Based on their procedures performed, the external auditors have reported to the Board that nothing has come to their attention which causes them to believe that this statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is it actually inaccurate.

CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system. The Board has received assurance from the GMD and Group CFO that the Group's risk management and internal control system, in all material aspects, is operating adequately and effectively. For the financial year under review, there were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group. This Statement on Risk Management and Internal Control does not cover associates and jointly controlled entities where the internal control systems of these companies are managed by the respective management teams. This statement has been reviewed and approved by the Board of Directors on 14 September 2021.

STATEMENT OF DIRECTORS' INTERESTS

IN THE COMPANY AND ITS RELATED CORPORATIONS AS AT 30 AUGUST 2021
(BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDINGS)

	No. of ordinary shares/redeemable preference shares*			
Name of Directors	**Direct**	**%**	**Indirect**	**%**
The Company				
Tan Sri Peter Chin Fah Kui	-	-	20,000[1]	#
Dato' Lee Yeow Chor	9,818,800	0.16	3,129,664,980[2]	50.21
Lee Yeow Seng	-	-	3,129,534,980[3]	50.21
Datuk Karownakaran @ Karunakaran a/l Ramasamy	-	-	-	-
Tan Sri Dr Rahamat Bivi binti Yusoff	-	-	-	-
Cheah Tek Kuang	-	-	12,000[4]	#
Dr Nesadurai Kalanithi	-	-	-	-
Ultimate Holding Company Progressive Holdings Sdn Bhd				
Dato' Lee Yeow Chor	18,600,000	77.5	-	-
Lee Yeow Seng	5,400,000	22.5	-	-
Dato' Lee Yeow Chor	1,307,766,775*	77.5	-	-
Lee Yeow Seng	379,674,225*	22.5	-	-

By virtue of Dato' Lee Yeow Chor and Lee Yeow Seng's interests in the ordinary shares of the Company, they are also deemed to be interested in the ordinary shares of all the subsidiaries of the Company to the extent that the Company has an interest.

Notes:

1 Deemed interested by virtue of the interest in shares of his spouse, Puan Sri Ruby Wee Hui Kiang pursuant to Section 59(11)(c) of the Companies Act 2016 (the "Act").

2 Deemed interested by virtue of his interest in Progressive Holdings Sdn Bhd ("PHSB"), pursuant to Section 8 of the Act and also interest in share of his spouse, Datin Joanne Wong Su-Ching pursuant to Section 59(11)(c) of the Act.

3 Deemed interested by virtue of his interest in PHSB, pursuant to Section 8 of the Act.

4 Deemed interested by virtue of the interest in shares of his spouse, Ooi Siew Cheng pursuant to Section 59(11)(c) of the Act.

Negligible

SHAREHOLDINGS OF SENIOR MANAGEMENT TEAM

Based on the Record of Depositors as at 30 August 2021, the details of shareholdings of our senior management team are as follows:

Name	Direct	%	Indirect	%
1. Kong Kian Beng	-	-	-	-
2. Farah Suhanah binti Ahmad Sarji	-	-	-	-
3. Dr Surina binti Ismail	-	-	-	-
4. Tan Choong Khiang	-	-	-	-
5. Amir Mohd Hafiz bin Amir Khalid	-	-	-	-
6. Lee Chin Huat	-	-	-	-
7. Ling Kea Ang	-	-	-	-
8. Sudhakaran a/l Nottath Bhaskaran	125,600	*	-	-
9. Ragupathy a/l Selvaraj	-	-	-	-
10. Subramaniam a/l Arumugam	-	-	-	-
11. Lim Jit Uei	-	-	-	-
12. Shyam a/l M.K. Lakshmanan	-	-	-	-
13. Tan Kean Hua	62,000	*	-	-
14. Koo Ping Wui	14,000	*	-	-
15. Lai Choon Wah	-	-	-	-
16. Thomas Kummer	-	-	-	-

Note:
* Negligible

Based on the total number of issued voting shares of 6,232,877,595 (excluding 52,321,400 treasury shares)

OTHER INFORMATION

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries which involved Directors' and major shareholders' interests either still subsisting at the end of the financial year ended 30 June 2021 or entered into since the end of the previous financial year.

EXECUTIVE SHARE OPTION SCHEME ("ESOS")

The ESOS was established on 28 January 2016 for the benefit of the eligible employees including Executive Director of IOI Corporation Berhad ("IOIC") Group, had expired on 28 January 2021 pursuant to the By-Laws of the ESOS.

Option price (RM)	Number of Share Options as at 28 January 2021			
	Exercised	Total options granted and accepted	Lapsed^	Total outstanding options
4.42	(160,000)	12,611,000	(12,611,000)	Nil
4.50	Nil	5,740,000	(5,740,000)	Nil
	(160,000)	**18,351,000**	**(18,351,000)**	**Nil**

	Option price (RM)	Number of Share Options as at 28 January 2021		
		Total options granted and accepted	Lapsed^	Total outstanding options
Group Managing Director and Chief Executive	4.42	1,270,000	(1,270,000)	Nil
	4.50	450,000	(450,000)	Nil

^ Due to resignation or retirement and expiry of ESOS on 28 January 2021 pursuant to the By-Laws of the ESOS.

Percentage of share options applicable to the Directors and senior management under the ESOS are as follows:

Directors and Senior Management	During the Financial Year 2020 (%)	Since Commencement of the ESOS up to 28 January 2021 (%)
Aggregate maximum allocation	–	28.36
Actual granted and accepted	–	32.72

The Company did not grant any options over the ordinary share pursuant to the ESOS to the Non-Executive Directors.

OTHER INFORMATION

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE NATURE

Recurrent related party transactions of a revenue nature of IOIC Group conducted pursuant to shareholders' mandate for the financial year ended 30 June 2021 are as follows:

Transacting Parties	Type of Recurrent Related Party Transactions	Interested Directors/ Major Shareholders and Persons Connected	Value of Transactions (RM million)
Nice Frontier Sdn Bhd ("NFSB") (1)	Purchase of fresh fruit bunches ("FFB") by Pamol Plantations Sdn Bhd ("PPSB") (1)	• Vertical Capacity Sdn Bhd ("VCSB")[2] • Progressive Holdings Sdn Bhd ("PHSB")[3] • Dato' Lee Yeow Chor ("Dato' Lee")[4] • Lee Yeow Seng ("LYS")[5] • Lee Yoke Ling ("LY Ling")[6] • Lee Yoke Har ("LY Har")[6] • Lee Yoke Hean ("LY Hean")[6] • Lee Yoke Hui ("LY Hui")[6]	11.2
GLM Emerald Industrial Park (Jasin) Sdn Bhd ("GLM") (1)	Purchase of FFB by Dynamic Plantations Berhad ("DPB") (1)	• VCSB[7] • PHSB[8] • Dato' Lee[9] • LYS[10] • LY Ling[6] • LY Har[6] • LY Hean[6] • LY Hui[6]	14.2

Notes:

[1] Details of the transacting parties

Name of Company	Effective Equity (%)	Principal Activities
NFSB, a subsidiary of IOI Properties Group Berhad ("IOIPG")	Not applicable	Property development, cultivation of plantation produce and property investment
PPSB, a subsidiary of IOIC	100.00	Cultivation of oil palm, processing of palm oil and investment holding
GLM, an associate of IOIPG	Not applicable	Property development and operation of oil palm estate
DPB, a subsidiary of IOIC	100.00	Cultivation of oil palm and processing of palm oil

[2] VCSB is the ultimate holding company of IOIPG and a deemed Major Shareholder of NFSB

[3] PHSB is the ultimate holding company of IOIC and PPSB

[4] Dato' Lee is the Group Managing Director and Chief Executive ("GMD") of IOIC and a Director of IOIPG and a deemed Major Shareholder of both IOIC and IOIPG. He is the brother of LYS. Dato' Lee is also a Director of PPSB

[5] LYS is a Director of IOIC and the Executive Vice Chairman ("EVC") of IOIPG and a deemed Major Shareholder of both IOIC and IOIPG. He is the brother of Dato' Lee. LYS is also a Director of NFSB

[6] LY Ling, LY Har, LY Hean and LY Hui are the sisters of Dato' Lee and LYS

[7] VCSB is the ultimate holding company of IOIPG, which in turn owns 32% equity interest in GLM

[8] PHSB is the ultimate holding company of IOIC and DPB

[9] Dato' Lee is the GMD of IOIC and a Director of IOIPG and a deemed Major Shareholder of both IOIC and IOIPG. He is the brother of LYS. Dato' Lee is also a Director of DPB

[10] LYS is a Director of IOIC and the EVC of IOIPG and a deemed Major Shareholder of both IOIC and IOIPG. He is the brother of Dato' Lee. LYS is also a Director of GLM

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered by the external auditors, BDO PLT and their affiliated companies or firms to the Company and the Group for the financial year ended 30 June 2021 are as follows:

Fees	Company (RM)	Group (RM)
Audit Fees	134,600	1,326,240
Non-Audit Fees	6,000	277,200
Total	140,600	1,603,440

UTILISATION OF PROCEEDS

On 1 March 2018, the Group completed the disposal of 70% equity interest in Bunge Loders Croklaan Group B.V. with a preliminary disposal consideration of USD595.0 million plus EUR303.4 million (total approximately RM3,784.7 million). On 23 October 2018, the Group had received a net adjustment amount of EUR11.5 million (approximately RM55.0 million) upon finalisation of the intermediate disposal consideration in accordance with the terms of the sale and purchase agreement.

The status of the utilisation of proceeds as at 30 August 2021 is as follows:

Purpose	Proposed Utilisation (RM million)	Actual Utilisation (RM million)	Initial Timeframe	Revised Timeframe*	Second Revised Timeframe^
Future investment	959.9	170.3	Within 24 months	Within 42 months	Within 57 months
Dividend to shareholders	767.9	767.9	Within 12 months	Within 30 months	–
Repayment of borrowings	1,919.9	1,919.9	Within 24 months	–	–
General working capital	182.4	182.4	Within 24 months	–	–
Transaction expenses	9.6	9.6	Immediate	–	–
Total	3,839.7	3,050.1			

* On 18 February 2020, the Board of Directors resolved and approved to extend the initial utilisation timeframe for an additional period of 18 months (revised timeframe) to utilise the remaining proceeds.

^ On 24 August 2021, the Board of Directors resolved and approved to extend the initial utilisation timeframe for an additional period of 15 months (second revised timeframe) to utilise the remaining proceeds.

GROUP PROPERTIES

A. PLANTATION ESTATES

Location	Tenure	Area (Hectare)	Crop Planted	Factory/ Mill	Year of Acquisition	Net Carrying Amount as at 30 June 2021 RM million
Pahang Darul Makmur						
Bukit Dinding Estate, Bentong	Freehold	1,660	OP	–	1983	117.0
Pukin Estate, Pekan Rompin	Leasehold expiring 2071, 2074, 2077	2,428	OP	1	1985	130.6
Mekassar Estate, Pekan Rompin	Leasehold expiring 2075	1,209	OP	–	1985	58.7
Detas Estate, Pekan	Leasehold expiring 2081	2,226	OP	–	1989	129.2
Bukit Leelau Estate, Pekan	Leasehold expiring 2088	2,096	OP	1	1989	128.6
Merchong Estate, Pekan	Leasehold expiring 2075	1,952	OP	–	1990	88.1
Leepang A Estate, Rompin	Leasehold expiring 2067	2,404	OP	–	2000	103.9
Laukin A Estate, Rompin	Leasehold expiring 2067	1,620	OP	–	2000	69.4
Shahzan IOI Estate 1, Rompin	Leasehold expiring 2062	1,562	OP	–	2002	62.2
Shahzan IOI Estate 2, Rompin	Leasehold expiring 2062	1,640	OP	–	2002	46.2
Negeri Sembilan Darul Khusus						
Regent Estate, Tampin	Freehold	2,300	OP	–	1990	167.7
Bahau Estate, Kuala Pilah	Freehold	2,553	OP	–	1990	183.1
Kuala Jelei Estate, Kuala Pilah	Freehold	679	OP	–	1990	44.9
Johor Darul Takzim						
Gomali Estate, Segamat	Freehold	2,556	OP R	1	1990	185.8
Paya Lang Estate, Segamat	Freehold	2,446	OP R	–	1990	166.6
Tambang Estate, Segamat	Freehold	2,011	OP	–	1990	142.9
Bukit Serampang Estate, Tangkak	Freehold	2,725	OP	–	1990	175.4
Kahang Estate, Kluang	Leasehold expiring 2082	2,420	OP	–	1990	106.7
Sagil Estate, Tangkak	Freehold	2,378	OP	–	1990	188.5
Segamat Estate, Segamat	Freehold	1,340	OP	–	1990	101.7
Pamol Plantations Estate, Kluang	Freehold	8,092	OP	1	2003	598.7
Sabah						
Morisem 1 Estate, Kinabatangan	Leasehold expiring 2080	2,032	OP	–	1993	50.1
Morisem 2 Estate, Kinabatangan	Leasehold expiring 2038, 2087, 2090	2,042	OP	–	1993 - 2009	59.8
Morisem 3 Estate, Kinabatangan	Leasehold expiring 2087, 2088	2,014	OP	–	1993	65.0
Morisem 4 Estate, Kinabatangan	Leasehold expiring 2089	2,023	OP	–	1993	63.2
Morisem 5 Estate, Kinabatangan	Leasehold expiring 2078	1,878	OP	–	1993	45.9
Baturong 1-3 Estates, Kunak	Leasehold expiring 2081	7,485	OP	1	1991	257.5
Halusah Estate, Lahad Datu	Leasehold expiring 2076, 2078	813	OP	–	1991	25.5
Syarimo 1-9 Estates, Kinabatangan	Leasehold expiring 2035, 2077-2097, 2963-2990	18,417	OP	1	1985-2000	494.4

A. PLANTATION ESTATES (continued)

Location	Tenure	Area (Hectare)	Crop Planted	Factory/ Mill	Year of Acquisition	Net Carrying Amount as at 30 June 2021 RM million
Sabah (continued)						
Permodalan Estate, Kinabatangan	Leasehold expiring 2078	8,094	OP	–	1995	152.4
Laukin Estate, Sugut	Leasehold expiring 2077	2,128	OP	–	1996	60.1
Sakilan Estate, Sandakan	Leasehold expiring 2887	2,278	OP	1	1996	98.5
Ladang Sabah Estates, Labuk-Sugut	Leasehold expiring 2077, 2082, 2087, 2089	12,194	OP	1	1998-2003	388.3
Cantawan Estate, Lahad Datu	Leasehold expiring 2061, 2066, 2078-2080	1,452	OP	–	1998	38.8
Tas Estate, Kinabatangan	Leasehold expiring 2077	1,209	OP	–	1998	33.9
Tangkulap Estate, Labuk-Sugut	Leasehold expiring 2080-2086	2,277	OP	–	2001	124.1
Bimbingan Estate, Labuk-Sugut	Leasehold expiring 2083	3,893	OP	–	2001	162.2
Pamol Plantations, Labuk-Sugut	Leasehold expiring 2037, 2081, 2097	1,792	OP	–	2003-2007	44.5
Pamol Estates, Labuk-Sugut	Leasehold expiring 2888	8,186	OP	1	2003	388.4
Milik Berganda Estate, Labuk-Sugut	Leasehold expiring 2090	5,278	OP	–	2003	150.2
Linbar 1-2 Estates, Kinabatangan	Leasehold expiring 2081	4,840	OP	–	2003	177.6
Mayvin 1-2 Estates, Labuk-Sugut	Leasehold expiring 2079-2081, 2090, 2092	3,423	OP	1	2003	126.1
Mayvin 5-6 Estates, Kinabatangan	Leasehold expiring 2082	3,602	OP	–	2003	96.4
Leepang 1-5 Estates, Kinabatangan	Leasehold expiring 2030-2039, 2078-2102	10,031	OP	2	2003 - 2009	211.9
Unico 1-5 Estates, Kinabatangan	Leasehold expiring 2081-2101	11,396	OP	1	2013	465.7
Unico 6 Estate, Lahad Datu	Leasehold expiring 2074, 2077-2079	2,264	OP	1	2013	105.3
Sarawak						
Sejap Estate, Baram	Leasehold expiring 2058	4,960	OP	–	2002	10.8
Tegai Estate, Baram	Leasehold expiring 2067, 2095	4,038	OP	–	2002	6.1

OP Oil palm
R Rubber

GROUP PROPERTIES

B. INVESTMENT PROPERTY

Location	Tenure	Land Area	Net Lettable Area	Usage	Age of Building (Year)	Net Carrying Amount as at 30 June 2021 RM million
No. 7 Jalan Kenari 5 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan	Freehold	465 sq m	1,650 sq m	1 unit 3½ storey shop office	26	6.7
Palmco Jaya Warehouse Bulk Cargo Terminal 13600 Prai Penang	Leasehold expiring 2025	13,491 sq m	13,491 sq m	Bulk cargo terminal	47	0.1

C. INDUSTRIAL PROPERTIES

Location	Tenure	Land Area	Usage	Age of Building (Year)	Year of Acquisition	Net Carrying Amount as at 30 June 2021 RM million
Country lease 075365632, 075376279 075376260 & 075469340 Sg Mowtas and Batu Sapi Sandakan Sabah	Leasehold expiring 2039, 2042, 2044	22 hectares	Palm oil refinery and palm based renewable energy	24	1995	68.6
Lorong Perusahaan Satu Prai Industrial Complex 13600 Prai Penang	Leasehold expiring between 2035-2071	180,263 sq m	Offices and factory sites	42	2001	61.3
			Factory site	6-20		31.1
Deep Water Wharves 12100 Butterworth Penang	Leasehold expiring 2030	8,615 sq m	Bulking installation	47	2001	–
PT 110296 & 216213 Jalan Pekeliling HS(D) 160988 PTD 89217 Mukim Plentong Pasir Gudang Johor Bahru Johor Darul Takzim	Leasehold expiring 2037, 2041, 2052	5.9 hectares	Factory complex and vacant industrial land	29-44	2007	17.3

C. INDUSTRIAL PROPERTIES (continued)

Location	Tenure	Land Area	Usage	Age of Building (Year)	Year of Acquisition	Net Carrying Amount as at 30 June 2021 RM million
PT 17368, Jalan Pekeliling PT 101373 & PT 80565, Jalan Timah PT 101367, Jalan Tembaga Pasir Gudang, Johor Bahru Johor Darul Takzim	Leasehold expiring 2038, 2047, 2051	8.3 hectares	Factory complex	30-43	2007	15.1
Dusun Arang-Arang Air Hitam Hulu Kecamatan Kendawangan Kabupaten Ketapang Kalimantan Barat, Indonesia	*	122,444 sq m	Palm oil mill	7	^	30.5
Zur Hafenspitze 15 19322 Wittenberge Germany	Freehold	60,000 sq m	Factory complex	20	2016	8.9
Arthur-Imhausen-Strasse 92 D-58453 Witten Germany	Perpetual lease	24,000 sq m	Factory complex	30	2016	37.6

Notes:
* Yet to be determined.
^ Self constructed and completed in year 2015.

D. OTHER PROPERTIES

Location	Tenure	Land/Built Up Area	Usage	Age of Building (Year)	Year of Acquisition	Net Carrying Amount as at 30 June 2021 RM million
HS(D) 45890 PT 9427 Mukim Petaling Selangor Darul Ehsan	Freehold	1,803 sq m	Petrol station land	–	1992	–
Lot 40476 & 40480 Daerah Wilayah Persekutuan Kuala Lumpur	Freehold	3,018 sq m	Bungalow plots	–	1992	2.0

GROUP PROPERTIES

D. OTHER PROPERTIES (continued)

Location	Tenure	Land/Built Up Area	Usage	Age of Building (Year)	Year of Acquisition	Net Carrying Amount as at 30 June 2021 RM million
Geran 1341, Lot 12040 Mukim of Tangkak Johor Darul Takzim	Freehold	2 hectares	Vacant land	–	1998	0.1
Country lease 115325534 New Wharf Road Lahad Datu Sabah	Leasehold expiring 2914	2 hectares	Vacant land	–	1993	0.1
Country lease 115325543, 116179269 New Wharf Road Lahad Datu Sabah	Leasehold expiring 2058, 2914	5 hectares	Vacant land	–	1993	0.1
Country lease 115310926 Jalan Segama Lahad Datu Sabah	Leasehold expiring 2932	1 hectare	Regional office	20	1993	–
Country lease 075349343, 075349352 Lot 34, Phase 7A Northern Ring Road Sandakan Sabah	Leasehold expiring 2882	417 sq m	3 storey shop/ office	7	2015	1.2
HS(D) 41664 PT 1349 Mukim 01 Seberang Perai Tengah Penang	Leasehold expiring 2043	40,789 sq m	Vacant land	–	2020	24.5
302-H, Jalan Relau Desaria, 11900 Sg Ara Penang	Freehold	167 sq m	Shoplot	26	2001	0.2
Lot 8165, Mukim 12 Sg Ara Estate Penang	Freehold	1,799 sq m	Future development land	–	2001	0.2
Lots 429, 432 & 434 Bukit Sebukor Bukit Baru, Melaka Tengah Melaka	Freehold	19 hectares	Future development land	–	1990	1.2

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Second Annual General Meeting ("**52nd AGM**") of the Company will be broadcast from IOI Resort City, Putrajaya, Malaysia ("Meeting Venue") and conducted virtually through live streaming hosted at https://meeting.boardroomlimited.my/ *(Domain Registration No. with MYNIC – D6A357657)* on Tuesday, 26 October 2021 at 10:00 am for the following purposes:

AGENDA

1 To receive the Audited Financial Statements for the financial year ended 30 June 2021 and the Reports of the Directors and Auditors thereon. ***Note C1***

2 To re-elect Dr Nesadurai Kalanithi retiring by rotation pursuant to Article 97 of the Company's Constitution. **Resolution 1**

3 To re-elect the following Directors retiring by rotation pursuant to Article 91 of the Company's Constitution:

(i) Datuk Karownakaran @ Karunakaran a/l Ramasamy **Resolution 2**

(ii) Cheah Tek Kuang **Resolution 3**

4 To approve the payment of Directors' fees (inclusive of Board Committees' fees) of RM1,280,000 for the financial year ending 30 June 2022 payable quarterly in arrears after each month of completed service of the Directors during the financial year. **Resolution 4**

5 To approve the payment of Directors' benefits (other than Directors' fees) of up to RM280,000 for the period from 26 October 2021 until the next Annual General Meeting. **Resolution 5**

6 To re-appoint BDO PLT, the retiring Auditors for the financial year ending 30 June 2022 and to authorise the Audit and Risk Management Committee to fix their remuneration. **Resolution 6**

7 As special business, to consider and if thought fit, to pass the following Ordinary Resolutions:

7.1 Continuation in Office as Independent Non-Executive Directors

"THAT authority be and is hereby given to Datuk Karownakaran @ Karunakaran a/l Ramasamy, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company." **Resolution 7**

"THAT authority be and is hereby given to Cheah Tek Kuang, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company." **Resolution 8**

7.2 Authority to Directors to allot and issue shares pursuant to Section 76 of the Companies Act 2016

"THAT pursuant to Section 76 of the Companies Act 2016, the Directors be and are hereby authorised with full powers to allot and issue shares in the Company from time to time and upon such terms and conditions and for such purposes as they may deem fit subject always to the approval of the relevant authorities being obtained for such issue and provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed **five percent (5%)** of the total number of issued shares of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued." **Resolution 9**

NOTICE OF ANNUAL GENERAL MEETING

7.3 Proposed Renewal of Existing Share Buy-Back Authority

"THAT subject to compliance with applicable laws, regulations and the approval of all relevant authorities, approval be and is hereby given to the Company to utilise up to the aggregate of the Company's latest audited retained earnings, to purchase, from time to time during the validity of the approval and authority under this resolution, such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad ("**Bursa Securities**") upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and/or held by the Company pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company at the time of purchase ("**Proposed Purchase**");

THAT at the discretion of the Directors of the Company, the shares of the Company to be purchased are to be cancelled and/or retained as treasury shares which may be distributed as dividends and/or resold on Bursa Securities and/or be dealt with by the Directors in the manners allowed by the Companies Act 2016;

THAT the Directors of the Company be and are hereby empowered generally to do all acts and things to give effect to the Proposed Purchase with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities and/or do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company;

AND THAT such authority shall commence immediately upon passing of this resolution until:

(i) the conclusion of the next Annual General Meeting of the Company at which time the authority shall lapse unless by ordinary resolution passed at a general meeting, the authority is renewed either unconditionally or subject to conditions;

(ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or

(iii) revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting,

whichever is the earlier but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities or any other relevant authorities." **Resolution 10**

7.4 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT subject always to the provisions of the Companies Act 2016 (the "**Act**"), the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations involving the interests of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries ("**Related Parties**"), as detailed in Part B, Section 4 of the Circular to Shareholders of the Company dated 27 September 2021 ("**Shareholders' Mandate**") subject to the following:

(i) the transactions are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and

(ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year.

THAT the authority conferred by this resolution will commence immediately upon the passing of this resolution and shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless renewed by a resolution passed by the shareholders of the Company in a general meeting;

(ii) the expiration of the period within which the next Annual General Meeting of the Company after that date it is required to be held pursuant to Section 340(2) of the Act *(but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act)*; or

(iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier,

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Shareholders' Mandate." **Resolution 11**

8 To transact any other business of which due notice shall have been given.

By Order of the Board,

Tan Choong Khiang
Secretary
(SSM PC No. 201908000048)
(MAICSA 7018448)

Putrajaya
27 September 2021

Notes:

A. Remote Participation and Electronic Voting ("RPEV")

1 The 52nd AGM of the Company will be held virtually through live streaming and online remote voting via RPEV facilities which are available on Boardroom Share Registrars Sdn Bhd's website at https://meeting.boardroomlimited.my/. **Please refer to the Administrative Guide for the detailed steps on RPEV.**

The Meeting Venue of the 52nd AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The notification of the Meeting Venue is merely to inform shareholders where the electronic AGM production and streaming would be broadcast from. **No Shareholders/Proxies/Corporate Representatives from the public should be physically present at the Meeting Venue on the day of the 52nd AGM.**

2 For all the above resolutions which are proposed as ordinary resolutions, more than half the votes cast must be in favour of the resolutions. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), all resolutions will be put to vote by way of a poll.

3 Only shareholders whose names appear in the Record of Depositors and Register of Members as at **20 October 2021** shall be eligible to participate and vote at the 52nd AGM or appoint proxy to participate and vote on his or her behalf.

B. Appointment of Proxy

1 A shareholder may appoint any person to be his or her proxy and there shall be no restriction as to the qualification of the proxy.

2 If an instrument appointing a proxy is submitted in hard copy, it must be in writing under the hand of the appointor or of his or her attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of two (2) authorised officers, one (1) of whom shall be a director, or of its attorney duly authorised in writing.

3 A shareholder of the Company [including an authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991 and Exempt Authorised Nominees who hold ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**")] may appoint more than one (1) proxy, provided that the shareholder specifies the proportion of his or her shareholdings to be represented by each proxy. When two (2) or more valid but differing appointments of proxy are delivered or received for the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.

4 An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.

NOTICE OF ANNUAL GENERAL MEETING

5 The proxy form may be made in hard copy or by electronic means, not less than forty-eight (48) hours before the time for holding the 52nd AGM or any adjournment thereof, as follows:

(i) **In hard copy form**

The proxy form must be deposited at **Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.**

(ii) **By electronic means**

The proxy form (for individual shareholders only) can also be lodged electronically through Boardroom Smart Investor Online Portal at https://investor.boardroomlimited.com by logging in and selecting "**CORPORATE MEETING**" or email to bsr.helpdesk@boardroomlimited.com. Please follow the procedures provided in the Administrative Guide for the 52nd AGM in order to deposit the proxy form electronically.

6 Any corporation which is a shareholder can appoint one (1) or more corporate representatives who may exercise on its behalf all of its power as a shareholder in accordance with the Act.

C. Explanatory Notes to the Agenda

To help make things clearer, we have explained each resolution here. The Directors consider all the resolutions to be in the best interests of the Company and our shareholders as a whole. They unanimously recommend that shareholders vote in favour of them.

1. To receive Audited Financial Statements for the financial year ended 30 June 2021

This Agenda item is meant for discussion only as under the provision of Section 340(1)(a) of the Act, the audited financial statements do not require a formal approval of the shareholders. Hence, this resolution will not be put forward for voting.

The Chairman will give shareholders an opportunity to ask questions about, and make comments on the financial statements and reports and IOI Group's performance in accordance with the mode of communication as provided in the Administrative Guide.

Shareholders will also be given an opportunity to ask the representative(s) of the Company's Auditors, BDO PLT ("**BDO**"), questions relevant to audit matters, including the Auditors' Report.

2. Re-election of Directors

Dr Nesadurai Kalanithi who retires in accordance with Article 97 of the Company's Constitution, is standing for re-election as Director of the Company. Datuk Karownakaran @ Karunakaran a/l Ramasamy ("**Datuk Karunakaran**") and Mr Cheah Tek Kuang ("**Mr Cheah**") who retire in accordance with Article 91 of the Company's Constitution, are also standing for re-election as Directors of the Company. All of them being eligible for re-election, have offered themselves for re-election at the 52nd AGM.

Each of the Directors standing for re-election has undergone a performance evaluation and has demonstrated that he or she remains committed to the role and continues to be an effective and valuable member of the Board of Directors (the "**Board**'), the performance of each of the retiring Directors was found to be satisfactory. In addition, each of the retiring Directors has also provided his/her annual declaration/confirmation on his/her fitness and propriety as well as independence. The Board endorsed the Governance, Nominating and Remuneration Committee ("**GNRC**")'s recommendation on the re-election of the retiring Directors. The retiring Directors had abstained from deliberations and decisions on their re-election at the GNRC and Board meetings.

Detailed profile of each Director, including their career history, competencies and experience can be found from pages 74 to 77 of the Annual Report 2021.

3. Directors' fees and benefits payable

The GNRC and the Board have reviewed the Directors' fees after taking into account fee levels and trends for similar positions in the market and time commitment required from the Directors. The payment of Directors' fees (inclusive of Board Committees' fees) for the financial year ending 30 June 2022 shall be payable quarterly in arrears after each month of completed service of the Directors during the financial year.

The Directors' benefits (other than Directors' fees and Board Committees' fees) comprise attendance allowances, insurance coverage and golf privilege benefit to Independent Non-Executive Directors. In determining the estimated total amount of Directors' benefits, the Board has considered various factors, among others, the estimated number of meetings for the Board and its Committees, estimated proportionate paid and payable insurance premium and the estimated usage of golf facilities based on the limits provided by the Company during the relevant period.

4. Re-appointment of Auditors

The Company's external Auditors, BDO must offer themselves for re-appointment at each AGM at which Audited Financial Statements are presented. The performance and effectiveness of BDO have been evaluated by the Audit and Risk Management Committee ("**ARMC**"), which included an assessment of BDO's independence and objectivity. The ARMC having satisfied with the performance, suitability and independence of BDO, had recommended to the Board that BDO be re-appointed and its remuneration be determined by the ARMC. The representatives of BDO will be participating at the 52nd AGM.

5. Continuation in Office as Independent Non-Executive Directors

Ordinary Resolutions 7 and 8 are to seek approval from the shareholders for Datuk Karunakaran and Mr Cheah to continue in office as Independent Non-Executive Directors ("**INED**") of the Company.

Datuk Karunakaran and Mr Cheah were appointed to the Board on 17 January 2011 and 22 August 2012 respectively as an INED and therefore have served for a cumulative term of more than nine (9) years and shareholders' approval had been sought at the last AGM to allow them to continue in office until the conclusion of the 52nd AGM.

The GNRC had assessed the independence of all INEDs including Datuk Karunakaran and Mr Cheah. The Board recommended that the approval of the shareholders be sought to retain both Datuk Karunakaran and Mr Cheah as INEDs as they possess the following attributes necessary in discharging their roles and functions as INEDs of the Company:-

(a) They have met the criteria under the definition of Independent Director pursuant to Chapter 1 of the Main Market Listing Requirements of Bursa Securities;

(b) They have vast experience in different sector of industries and as such could provide the Board with a diverse set of experience, expertise and independent judgment;

(c) They possess detailed knowledge of the Company's business operations, the challenges faced by the Company, the environment in which it operates and the Company's corporate history. The Board benefits from their experience, who have, over time, gained valuable insights into the Company, its market and the industry;

(d) They consistently challenge the management in an effective and constructive manner;

(e) They actively express their views and participate in Board deliberations and decision making in an objective manner; and

(f) Their length of service on the Board do not in any way interfere with their fiduciary duties in exercising due care in the best interest of the Company and minority shareholders.

6. Authority to Directors to allot and issue shares pursuant to Section 76 of the Act

Ordinary Resolution 9 is to seek a renewal of the general mandate which was approved at the 51st AGM of the Company held on 30 October 2020, and will lapse at the conclusion of the 52nd AGM to be held on 26 October 2021.

The general mandate, if approved, will provide flexibility to the Company for any possible fund- raising activities, including but not limited to placing of shares for the purpose of funding future investment project(s), acquisition(s) and for strategic reasons or such other purposes as the Directors consider would be in the best interest of the Company. In order to eliminate any delay and costs in convening a general meeting to specifically approve such issuance of shares, it is considered appropriate that the Directors be empowered, as proposed under the Ordinary Resolution 9, to allot and issue shares in the Company up to an amount not exceeding in total **five percent (5%)** of the total number of issued shares of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The Company did not issue any new shares pursuant to Section 76 of the Act under the general mandate which was approved at the 51st AGM of the Company.

7. Proposed Renewal of Existing Share Buy-Back Authority

Ordinary Resolution 10 is to seek a renewal of the authority granted at the 51st AGM of the Company held on 30 October 2020, which will lapse at the conclusion of the 52nd AGM to be held on 26 October 2021. The resolution authorises the Company to make market purchases of its own ordinary shares as permitted by the Act.

The Board seeks authority to purchase up to ten percent (10%) of the Company's total number of issued shares, should market conditions and price justify such action.

The Directors only intend to use this authority to make such purchases if to do so could be expected to lead to an increase in net asset value per share for the remaining shareholders and would be in the best interests of the Company generally, having due regard to appropriate gearing levels, alternative investment opportunities and the overall financial position of the Company.

Any purchases of ordinary shares would be by means of market purchases through Bursa Securities. Any shares purchased under this authority may either be cancelled or held as treasury shares by the Company. Treasury shares may subsequently be cancelled or resold for cash or distributed as dividends or be dealt with by the Directors in the manners allowed by the Act. As at 30 August 2021, the Company had bought back 52,321,400 ordinary shares at an average price of RM3.82 per ordinary share, all of which are currently being held as treasury shares.

Please refer to the explanatory information in the Share Buy-Back Statement dated 27 September 2021.

8. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

Ordinary Resolution 11 is to seek approval from the shareholders for renewal of the shareholders' mandate for RRPT granted by the shareholders of the Company at the 51st AGM held on 30 October 2020. The Proposed Shareholders' Mandate will enable the Company and its subsidiaries to enter into any of the RRPT of a revenue or trading nature which are necessary for the day-to-day operations involving the interest of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries **("Related Parties")**, subject to the transactions being in the ordinary course of business, on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. This authority unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The details of the proposal are set out in Part B of the Circular to Shareholders dated 27 September 2021.

PERSONAL DATA PRIVACY:

By registering for the remote participation and electronic voting meeting and/or submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the 52nd AGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 52nd AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists and other documents relating to the 52nd AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

SHAREHOLDERS' INFORMATION
as at 30 August 2021

Issued shares : 6,285,198,995 ordinary shares
(Including 52,321,400 treasury shares)

Voting rights : One vote per shareholder on a show of hands
One vote per ordinary share on a poll

Number of shareholders : 21,230

ANALYSIS OF SHAREHOLDINGS

Size of holdings	No. of holders	Total holdings	%
1 - 99	2,313	28,060	*
100 - 1,000	4,575	3,374,350	0.05
1,001 - 10,000	10,499	41,397,409	0.67
10,001 - 100,000	3,093	84,349,741	1.35
100,001 – 311,643,878	748	2,320,427,182	37.23
311,643,879 and above	2	3,783,300,853	60.70
Total	21,230	6,232,877,595	100.00

* Negligible

LIST OF TOP 30 SHAREHOLDERS
(without aggregating securities from different securities accounts belonging to the same person)

Name	No. of shares held	%
1. Progressive Holdings Sdn Bhd	1,382,166,880	22.18
2. Progressive Holdings Sdn Bhd	967,285,200	15.52
3. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	790,765,873	12.69
4. Progressive Holdings Sdn Bhd	643,082,900	10.32
5. AmanahRaya Trustees Berhad *Amanah Saham Bumiputera*	281,145,900	4.51
6. Kumpulan Wang Persaraan	210,837,100	3.38
7. Annhow Holdings Sdn Bhd	115,372,300	1.85
8. AmanahRaya Trustees Berhad *Amanah Saham Malaysia*	91,723,200	1.47
9. HLB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Progressive Holdings Sdn Bhd*	87,000,000	1.40
10. AmanahRaya Trustees Berhad *Amanah Saham Malaysia 2 - Wawasan*	62,058,200	1.00
11. AMSEC Nominees (Tempatan) Sdn Bhd *Pledged Securities Account – AmBank Islamic Berhad for Progressive Holdings Sdn Bhd*	50,000,000	0.80
12. Lembaga Tabung Haji	45,337,600	0.73
13. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Emerging Markets Stock Index Fund*	45,113,990	0.72
14. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Total International Stock Index Fund*	43,187,538	0.69
15. Cartaban Nominees (Asing) Sdn Bhd *Exempt Authorised Nominee for State Street Bank & Trust Company*	43,145,850	0.69
16. Citigroup Nominees (Tempatan) Sdn Bhd *Great Eastern Life Assurance (Malaysia) Berhad*	42,330,213	0.68
17. Maybank Nominees (Tempatan) Sdn Bhd *Maybank Trustees Berhad for Public Ittikal Fund*	40,000,000	0.64
18. Permodalan Nasional Berhad	37,982,700	0.61
19. Cartaban Nominees (Tempatan) Sdn Bhd *PAMB for PRULink Equity Fund*	36,091,401	0.58
20. Citigroup Nominees (Asing) Sdn Bhd *Exempt Authorised Nominee for UBS AG Singapore*	36,000,000	0.58
21. AmanahRaya Trustees Berhad *Amanah Saham Malaysia 3*	26,800,400	0.43
22. AmanahRaya Trustees Berhad *Amanah Saham Bumiputera 3 - Didik*	25,765,400	0.41
23. HLB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Kim Heung*	24,000,000	0.39
24. AmanahRaya Trustees Berhad *Amanah Saham Bumiputera 2*	22,990,500	0.37
25. AmanahRaya Trustees Berhad *Public Islamic Dividend Fund*	21,127,733	0.34
26. Citigroup Nominees (Tempatan) Sdn Bhd *Exempt Authorised Nominee for AIA Bhd*	20,255,661	0.32
27. Citigroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account -UBS AG Singapore for Annhow Holdings Sdn Bhd*	19,957,069	0.32
28. HSBC Nominees (Tempatan) Sdn Bhd *Exempt Authorised Nominee for Credit Suisse*	19,481,750	0.31
29. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Flexshares Morningstar Global Upstream Natural Resources Index Fund*	18,837,000	0.30
30. DB (Malaysia) Nominee (Asing) Sdn Bhd *BNYM SA/NV for People's Bank of China*	17,184,800	0.27
Total	**5,267,027,158**	**84.50**

SHAREHOLDERS' INFORMATION
as at 30 August 2021

Substantial Shareholders
(Based on the Register of Substantial Shareholders)

Name of substantial shareholders	No. of ordinary shares held #			
	Direct	%	Indirect*	%
Dato' Lee Yeow Chor	9,818,800	0.16%	3,129,534,980	50.21%
Lee Yeow Seng	–	–	3,129,534,980	50.21%
Progressive Holdings Sdn Bhd ("PHSB")	3,129,534,980	50.21%	–	–
Employees Provident Fund Board	823,893,273	13.22%	–	–

Notes :

* Deemed interested by virtue of his interest in PHSB pursuant to Section 8 of the Companies Act 2016.

Based on the total number of issued voting shares (excluding 52,321,400 treasury shares).

IOI CORPORATION BERHAD
Company Registration No. 196901000607 (9027-W)
(Incorporated in Malaysia)

IOI GROUP

PROXY FORM

I/We ____
(full name in block letters)

NRIC/Passport/Company No. ______________________ Mobile Phone No. ______________

of ____
(full address/email address)

being a member(s) of **IOI Corporation Berhad**, hereby appoint ______________________
(full name in block letters)

NRIC/Passport No. ______________________ of ______________________
(full address/email address)

____
(full address/email address)

or failing him/her, ____
(full name in block letters)

NRIC/Passport No. ______________________ of ______________________
(full address)

____
(full address/email address)

or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the **Fifty-Second Annual General Meeting** ("**52nd AGM**") of the Company which **will be broadcast from IOI Resort City, Putrajaya, Malaysia and conducted virtually through live streaming hosted at https://meeting.boardroomlimited.my/ on Tuesday, 26 October 2021** at **10:00 am** or any adjournment thereof.

The proportion of my/our holding to be represented by my/our proxy/proxies are as follows:

First proxy "A" : ______________ %   No. of Shares Held : ______________
Second proxy "B" : ______________ %   CDS A/C No. : ______________

____

My/our proxy/proxies shall vote as follows:

(Please indicate with an "X" or "√" in the space provided as to how you wish your votes to be cast. If you do not do so, the proxy/proxies will vote, or abstain from voting on the resolutions as he/she/they may think fit)

No.	Ordinary Resolutions	First Proxy "A"		Second Proxy "B"	
		For	Against	For	Against
1.	To re-elect Dr Nesadurai Kalanithi as a Director.				
2.	To re-elect Datuk Karownakaran @ Karunakaran a/l Ramasamy as a Director.				
3.	To re-elect Cheah Tek Kuang as a Director.				
4.	To approve the payment of Directors' fees (inclusive of Board Committees' fees) of RM1,280,000 for the financial year ending 30 June 2022 payable quarterly in arrears after each month of completed service of the Directors during the financial year.				
5.	To approve the payment of Directors' benefits (other than Directors' fees) of up to RM280,000 for the period from 26 October 2021 until the next Annual General Meeting.				
6.	To re-appoint BDO PLT, the retiring Auditors for the financial year ending 30 June 2022 and to authorise the Audit and Risk Management Committee to fix their remuneration.				
7.	To approve Datuk Karownakaran @ Karunakaran a/l Ramasamy to continue in office as an Independent Non-Executive Director.				
8.	To approve Cheah Tek Kuang to continue in office as an Independent Non-Executive Director.				
9.	To authorise the Directors to allot and issue shares pursuant to Section 76 of the Companies Act 2016.				
10.	To approve the proposed renewal of existing share buy-back authority.				
11.	To approve the proposed renewal of shareholders' mandate for recurrent related party transactions.				

Dated this __________ day of ______________ 2021

____
Signature of Shareholder/Common Seal

Notes:

1 Only shareholders whose names appear in the Record of Depositors and Register of Members as at **20 October 2021** shall be eligible to participate and vote at the 52nd AGM or appoint proxy to participate and vote on his or her behalf.

2 A shareholder may appoint any person to be his or her proxy and there shall be no restriction as to the qualification of the proxy.

3 If an instrument appointing a proxy is submitted in hard copy, it must be in writing under the hand of the appointor or of his or her attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of two (2) authorised officers, one (1) of whom shall be a director, or of its attorney duly authorised in writing.

4 A shareholder of the Company [including an authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991 and Exempt Authorised Nominees who hold ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account")] may appoint more than one (1) proxy, provided that the shareholder specifies the proportion of his or her shareholdings to be represented by each proxy. When two (2) or more valid but differing appointments of proxy are delivered or received for the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.

5 An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.

6 The proxy form may be made in hard copy or by electronic means, not less than forty-eight (48) hours before the time for holding the 52nd AGM or any adjournment thereof, as follows:

(i) **In hard copy form**

The proxy form must be deposited at Boardroom Share Registrars Sdn Bhd, **11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan**.

(ii) **By electronic means**

The proxy form (for individual shareholders only) can also be lodged electronically through Boardroom Smart Investor Online Portal at https://investor.boardroomlimited.com by logging in and selecting "**CORPORATE MEETING**" or email to bsr.helpdesk@boardroomlimited.com. Please follow the procedures provided in the Administrative Guide for the 52nd AGM in order to deposit the proxy form electronically.

7 Any corporation which is a shareholder can appoint one (1) or more corporate representatives who may exercise on its behalf all of its power as a shareholder in accordance with the Companies Act 2016.

Personal Data Privacy

By registering for the remote participation and electronic voting meeting and/or submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the 52nd AGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 52nd AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, and other documents relating to the 52nd AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

1st fold here

STAMP

THE ADMINISTRATION AND POLLING AGENT OF
IOI CORPORATION BERHAD

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

2nd fold here

3rd fold here