



POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

PURPOSE

Succession planning is an essential component to the survival and growth of any business. It is a tool for an organization to ensure its continued effective performance through leadership continuity. A succession plan gives assurance and confidence to all stakeholders of the Company, demonstrating that changes in leadership would be carefully planned, communicated and implemented by the Board of Directors.

A good succession-planning program aims to identify high growth individuals, train them and feed the pipelines with talents. The Company recognizes the importance of the process to provide for continuity in the smooth functioning of the organization. There are certain positions in the Company that are key to its current and future growth. It is, therefore, important that these positions are assigned to duly skilled and best possible incumbents, and to fill up such positions well in time to avoid any leadership gap.

The objectives of this policy shall include:

1. To identify and nominate suitable candidates for the Board's approval to fill the vacancies which arise in the Board of Directors from time to time. The plan ensures the Board's continuity composed of directors with collective working knowledge, experience or expertise that is relevant to the Company's business to meet its short-term and long-term goals.
2. To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
3. To identify the key job incumbents in senior managerial positions and recommend whether the concerned individual: (i) be granted an extension in term/service or (ii) be replaced with an identified internal or external candidate or recruit other suitable candidate/s.

4. To ensure the systematic and long-term development of individuals in the senior management level to replace when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence.

RESPONSIBLES

1. The Board is responsible for adopting an effective succession planning program.
2. The Corporate Governance Committee and the Related Party Transaction Committee is responsible for recommending the succession plan candidates for membership to the Board.
3. The Head of Human Resources is responsible for recommending the succession plan candidates for senior managerial positions.

SUCCESSION PLAN

The appropriate Responsible shall periodically review and determine if there is reason to believe that one or more Director slot/s or senior management position/s shall become vacant within the next 12 months and accordingly report its finding to the Board. A sub-committee may be formed but merely to assist the appropriate Responsible in furtherance of its objective.

1. Procedure
 - a. If the Responsible anticipates that a Director slot/senior management position shall become vacant within the next 12 months (whether by reason of an announced intent to retire or otherwise), or if such position suddenly becomes vacant (whether by death or otherwise), the committee shall as soon as reasonably practicable recommend to the Board sufficient number of candidates for selection.
 - b. While identifying candidates for nomination as Director or senior management, the Responsible may consult whatever sources it deems appropriate, including, but not limited to, referrals from existing Directors or senior management, recommendations from third-party search firms, etc.
 - c. The Responsible shall have the authority to engage whatever advisors (including attorneys and search firms) it believes appropriate in its efforts to identify and evaluate potential candidates.
 - d. The Responsible shall also periodically review the list of high performing employees within the Company that may be potential candidates for elevation to the position of senior management position.

2. *Assessment of candidates.* The Responsible shall make an initial assessment of potential candidates for the vacancy. It shall select from such pool, candidates for an initial interview by one or more members of the Responsible or their sub-committee. When the Responsible identifies individuals that it believes meet the criteria for the position, it shall recommend them to the Board for selection.
3. *Emergency Succession.* If a Director slot/senior management position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Responsible shall convene a special meeting as early as possible to implement the process described herein.

Guidelines

1. The succession plan shall comply with the qualifications and disqualifications standards set in the Company's Manual of Corporate Governance for identification of potential candidates for membership to the Board, or the Human Resources policy for identification of potential candidates for senior management positions.
2. The succession plan may consider and provide for rotation of directors through Committee Chairperson positions and memberships to provide for a balance of continuity and rotation in the leadership role.
3. The succession plan may consider the retirement age of potential candidates for membership to the Board or for senior management positions.


Approval

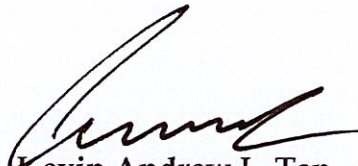
This policy shall be approved by the Board upon endorsement of the Corporate Governance and Related Party Transaction Committee. The policy will be reviewed annually and revised as needed. Any amendment to this policy shall be approved by the Board of Directors of the Company.

- Signature Page Follows -

MREIT, Inc.

By:


Francisco C. Canuto
Chairman of the Board


Kevin Andrew L. Tan
President and CEO