



UNITED U-LI CORPORATION BERHAD

[Registration No. 200001008131 (510737-H)]

SUCCESSION PLANNING POLICY

		Page No.
1.0	Introduction	1
2.0	Purpose	1
3.0	Objectives	1-2
4.0	Applicability	2
5.0	Succession Plan for the Board and Senior Management	2-3
6.0	Review and Monitoring	3
7.0	Amendments	3
8.0	Effective Date	3



1.0 INTRODUCTION

Effective succession planning is a critical component of United U-Li Corporation Berhad's commitment to sustained growth and continuity. This Succession Planning Policy outlines the principles, processes, and responsibilities associated with identifying and developing talent within our organization to ensure smooth transitions and leadership continuity.

The Board of Directors of United U-Li Corporation Berhad is expected to practice high standards of corporate governance. In adhering to the responsibilities set out in Board Charter, the Board members are expected to perform their duties with integrity, honesty and professionalism in accordance with the law in serving the interest of its shareholders, employees, clients, the community and other stakeholders.

2.0 PURPOSE

The purpose of United U-Li Corporation Berhad 's Succession Planning Policy is to establish a structured and transparent framework for the systematic identification, assessment, and development of potential successors for key leadership positions within the Company. This policy aims to:

- 2.1 **Promote Continuity:** Ensure the uninterrupted operation of essential functions by proactively preparing and transitioning employees into leadership roles, thereby safeguarding Company's stability and resilience.
- 2.2 **Enhance Leadership Development:** Create opportunities for employees to grow and develop the skills, competencies, and leadership qualities required for future roles within the Company, fostering a culture of continuous learning and professional advancement.
- 2.3 **Align with Strategic Goals:** Ensure that succession planning efforts are aligned with Company's strategic objectives, enabling the organization to adapt to changing market dynamics and effectively execute its long-term vision.
- 2.4 **Promotes Gender Diversity:** Recognises the significance of diversity, equity and inclusion in attaining effective strategic objectives to enhancing sustainable growth and development and in promoting better corporate governance within the Group.

3.0 OBJECTIVES

- 3.1 The objectives of the succession planning programme shall, inter-alia, include the following:
 - 3.1.1 To identify and nominate suitable candidates for the Board's approval.
 - 3.1.2 To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
 - 3.1.3 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).



- 3.1.4 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.

4.0 APPLICABILITY

4.1 The Policy shall be applicable for succession planning of the following personnel:

- 4.1.1 Group Managing Director/Chief Executive Officer and the rest of the Board;
- 4.1.2 Senior management of the Company;
- 4.1.3 Any other positions within the Company at the discretion of the Group Managing Director/Chief Executive Officer in consultation with the Board.

5.0 RESPONSIBILITY

- 5.1 Nomination and Remuneration Committee ("NRC") responsible for Board level appointments and succession.
- 5.2 Chief Executive Officer/Executive Directors/Human Resource responsible for senior management appointments and succession

6.0 SUCCESSION PLAN FOR THE BOARD AND SENIOR MANAGEMENT

The NRC shall periodically review and determine if there is reason to believe that one or more director's slots/ senior management's position shall became vacant within the next twelve months and accordingly report its finding to the Board.

- 6.1 Assessment of candidates: The NRC 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 Committee. When the NRC identifies individuals that it believes meet the criteria it shall recommend them to the Board for selection.
- 6.2 Procedure:
- i. If the Committee anticipates that a Director/ senior management position shall become vacant within the next twelve 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.
 - ii. While identifying candidates for nomination as Director or senior management, the Committee 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.
 - iii. The Committee shall have the authority to engage whatever advisors (including attorneys and search firms) it believe appropriate in its efforts to identity and evaluation potential candidates.
 - iv. The Committee shall also periodically review the list of high performer employees within the Company that may be potential candidates for elevation to the position of senior management position.



6.3 Emergency Succession: If a director's slot /senior management's position suddenly becomes vacant by reason of death or other unanticipated occurrence, the NRC shall convene a special meeting as early as possible to implement the process described herein.

7.0 REVIEW AND MONITORING

The NRC shall review and monitor from time to time the implementation of this Policy to ensure its effectiveness and may also recommend changes, if any, to the Board for ensuring effective succession planning.

8.0 AMENDMENTS

The Board may amend the Policy as and when it deems necessary either pursuant to any change in law or otherwise. The Board shall be free to devise and implement any supplementary or other policies and guidelines in respect hereof for better implementation of this Policy.

9.0 EFFECTIVE DATE

This Policy document comes into effect on 21 November 2023

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