

**HARRISONS HOLDINGS (MALAYSIA) BERHAD (COMPANY NO. 194675-H)
BOARD CHARTER
- SUCCESSION PLANNING POLICY**

1. INTRODUCTION

The primary objective of the Succession policy is to ensure the Harrisons group of companies' ("Harrisons") continuity in leadership for all key positions.

Succession planning is an ongoing process designed to ensure that Harrisons identifies and develops a talent pool of employees through monitoring, training and job rotation for key business leaders leave their position due to due to retirement, resignation, death or new business opportunities.

2. OBJECTIVES

- a) To ensure Harrisons is prepared with a plan to support operation and service continuity when key positions or key business leader positions become vacant.
- b) To ensure a continued supply of qualified and motivated employees for higher roles and responsibilities are well prepared.
- c) To develop career paths for employees which will facilitate Harrisons' ability to recruit and retain top-performing or highly talented employees.
- d) To develop reliable procedures and ensure that these procedures are applied systematically across Harrisons.
- e) To establish a process to regularly evaluate talent based on future needs and expectations.
- f) To assess the leadership needs of the Company to ensure the selection of qualified leaders that are diverse and a good fit for the organisation's mission and goals and have the necessary skills.

3. KEY POSITIONS

The key positions referred to in this policy are:

- a) Board members
- b) Managing Director ("MD") / Chief Executive Officer ("CEO")
- c) Executive Director ("ED")
- d) Chief Financial Officer ("CFO")
- e) Head of Departments

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4. ROLES AND RESPONSIBILITIES

- a) Both the Board and the MD/ CEO have pivotal roles to play in succession planning.
- b) The Board is responsible for succession planning for the Board member, MD/ CEO and ED position. The Board should hire or internally promote the new MD/ CEO and ED when the position becomes vacant, and ensure that the new MD/ CEO and ED has the required skills to implement the Group's mission and vision.
- c) The Board should ensure the Group is prepared with an interim solution when the key position becomes vacant unexpectedly.
- d) The MD/ CEO and ED is responsible for ensuring a succession plan is in place for other key positions in the Group with assistance from the Key Senior Management team.

5. SUCCESSION PLANNING PROCESS

- a) A primary responsibility of the Board is planning for MD/ CEO and ED succession and overseeing the identification and development of executive talent.
- b) The Board, with the assistance of the Nomination Committee and working with the MD/ CEO and Human Resource department, oversees executive officer development and corporate succession plan for the MD/ CEO.
- c) The Board works with the MD/ CEO to form the succession plan. The succession plan covers identification of internal candidates, development plans for internal candidates, and appropriate identification of external candidates.
- d) The Board reviews the succession plan annually.
- e) The Board maintains an emergency succession contingency plan should an unforeseen event such as death or disability occurs that prevents the holders of key positions from continuing to serve. The plan identifies the individuals who would act in an emergency and their responsibilities.
- f) The Board may review development and succession planning as it deems necessary.

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6. KEY SUCCESS FACTORS

- a) The support from the Board, MD/ CEO together with Key Senior Management is crucial in the succession planning process. This will give all employees an understanding on the emphasis of importance of succession planning to the Company.
- b) To establish a clear profile of the key positions, the profile should align with the overall company strategy and positioning in the marketplace, as well as factors such as current economic conditions and industry trends.
- c) The succession plan should be reviewed and updated regularly to ensure that the Company has reassessed its hiring needs and monitored the development progress of the selected candidates.

7. REVIEW OF POLICY

This Policy should be reviewed annually by the Board and amended accordingly to reflect its applicability.