

UCrest Berhad (the “Company”)

Succession Planning Policy

Policy statement

A change in executive leadership is inevitable for all organizations and finding an immediate replacement at the time of need can be very challenging. Therefore, it is under this policy that the Company intended to be prepared for an eventual permanent change in leadership

– either planned or unplanned – to insure the stability and accountability of the organization until such time as new permanent leadership is identified. The board of directors (the “Board”) shall be responsible for implementing this policy and its related procedures.

It is also the policy of the board to assess the permanent leadership needs of the organization to help ensure the selection of a qualified and capable leader who is representative of the community; a good fit for the organization’s mission, vision, values, goals, and objectives; and who has the necessary skills for the organization. To ensure that the organization’s operations are not interrupted while the Board assesses the leadership needs and recruits a new permanent key executive director (primarily the managing director), the board will appoint interim executive leadership through the recommendation from Nomination Committee as described below. The interim executive director shall ensure that the organization continues to operate without disruption and that all organizational commitments previously made are adequately executed, including but not limited to, loans approved, reports due, contracts, licenses, certifications, memberships, obligations to lenders or investors of the Company, and others.

It is also the policy of the Company to develop a diverse pool of candidates and consider at least three finalist candidates for its permanent key executive director position. The Company shall implement an external recruitment and selection process, while at the same time encouraging the professional development and advancement of current employees. The interim executive director and any other interested internal candidates are encouraged to submit their qualifications for review and consideration by the Nomination Committee according to the guidelines established for the search and recruitment process.

Procedures for succession – Key Executive Director

For a change in key executive director due to prolong illness or leave of absence and in the event the said director of the Company is no longer able to serve in this position (i.e., leaves the position permanently), the Board shall do the following:

Within five (5) business days appoint an interim executive director according to the recommendation by Nomination Committee.

Within fifteen (15) business days appoint an executive transition committee (the “Exco”), in the event that a permanent change in leadership is required. This committee shall be comprised of at least three members of the board of directors and one of the members must be from independent non-executive director position. It shall be the responsibility of this committee to implement the following preliminary transition plan:

(i) Communicate with key stakeholders regarding actions taken by the board in naming an interim successor, appointing a transition committee, and implementing the succession policy.

(ii) To become the authorised bank signatories for signing all cheque payments.

(iii) Consider the need for consulting assistance (i.e., transition management or executive search consultant) based on the circumstances of the transition.

(iv) Review the organization's business plan and conduct a brief assessment of organizational strengths, weaknesses, opportunities, and threats to identify priority issues that may need to be addressed during the transition process and to identify attributes and characteristics that are important to consider in the selection of the next permanent leader.

(v) Establish a time frame and plan for the recruitment and selection process.

(vi) The Board should use similar procedures in case of an executive transition that simultaneously involves the executive director and other key management. In such an instance, the board may also consider temporarily subcontracting some of the organizational functions from a trained consultant or other organizations.

Procedures for Succession – Key Management Position

For a change in key management position due to prolonged illness or leave of absence and in the event the said employee is no longer able to serve in this position (i.e., leaves the position permanently), the CEO or the key executive director shall do the following:

(i) Assess the impact of the vacant position and if needed, immediately appoint existing employee(s) as he/she deems fit to temporarily takeover the key roles until a suitable replacement is found.

(ii) Instruct the human resource department to immediately engage with advertisement and/or recruitment agent if no suitable candidate can be identified internally.

This policy shall be reviewed periodically and any amendment thereof shall get Board's approval.