

PHINMA BOARD OF DIRECTORS SUCCESSION POLICY

General Policy Statement

PHINMA acknowledges that a succession plan for its board of directors is in the best interest of the Company, its stakeholders and employees and will foster continuity of leadership for the Board.

The succession plan is intended to give 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.

Succession planning is an ongoing process of identifying, assessing and developing people to ensure the organization's continued effective performance through leadership continuity. The plan includes succession for the Board as a whole and the Board's leadership positions.

Purpose:

The purpose of the plan is to ensure the Board's continuity composed of directors with collective working knowledge, experience or expertise that is relevant to the Company's industry/sector to meet its short-term and long-term goals.

Responsibilities

1. The Board is responsible for adopting an effective succession planning program for directors.
2. The Corporate Governance and Related Party Transactions Committee is responsible for recommending the succession plan candidates for membership to the Board.

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.
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.

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 change/amendment to this Policy shall be approved by the Board of Directors of the Company.