



“Efficiently providing you with the most reliable source of energy”



I. POLICY STATEMENT

Consistent with the key mandates of the Board of Directors of King Energy Generation Inc. ("KEGI" or the "Company"), the Company hereby formalizes the Succession Planning Program and Retirement Policy for Directors and Key Officers ("Policy").

The Securities and Exchange Commission (SEC) Memorandum Circular No. 24, Series of 2019, on the establishment of clear roles and responsibilities of the Board states that the Board should be responsible for ensuring and adopting an effective succession planning program for directors, key officers, and Management. This should include adopting a retirement policy for directors and key officers.

II. SUCCESSION PLANNING PROGRAM

Rationale

The Board recognizes the value of directors, key officers, and management in the overall success of the organization. There is a need to ensure that the leadership pipeline shall embody the appropriate competencies, stature, and qualifications needed for key and mission-essential positions. In order to ensure stability and continuity of the Company's mission and goals, this policy is created to address the requirements to fill senior and key leadership positions.

Succession planning is one of the top priorities of the Nomination, Remuneration, and Corporate Governance Committee ("NRCGC").

1. For Executive, Senior Leadership Positions, and Key Officers

- a) The NRCGC in collaboration with the Company's Human Resources Department should identify the Executive, Senior Leadership Positions, and Key Officers who belong to the "key and mission-essential positions". These positions often are considered key or mission-essential because the position requires specialized knowledge, expertise, and capabilities that make a unique contribution or have a significant influence on the mission, scientific direction, or operation of the organization.
- b) Each office in key and mission-essential positions shall nominate high-potential successors and determine their readiness to assume greater responsibilities within two (2) years prior to his/her retirement from the Company. This will enable the senior officer the opportunity to mentor and assess the best successor to his position amongst those identified as possible successors.
- c) All successors should possess a high level of integrity, competency, and qualifications required for their respective positions.

PROPRIETARY NOTICE

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