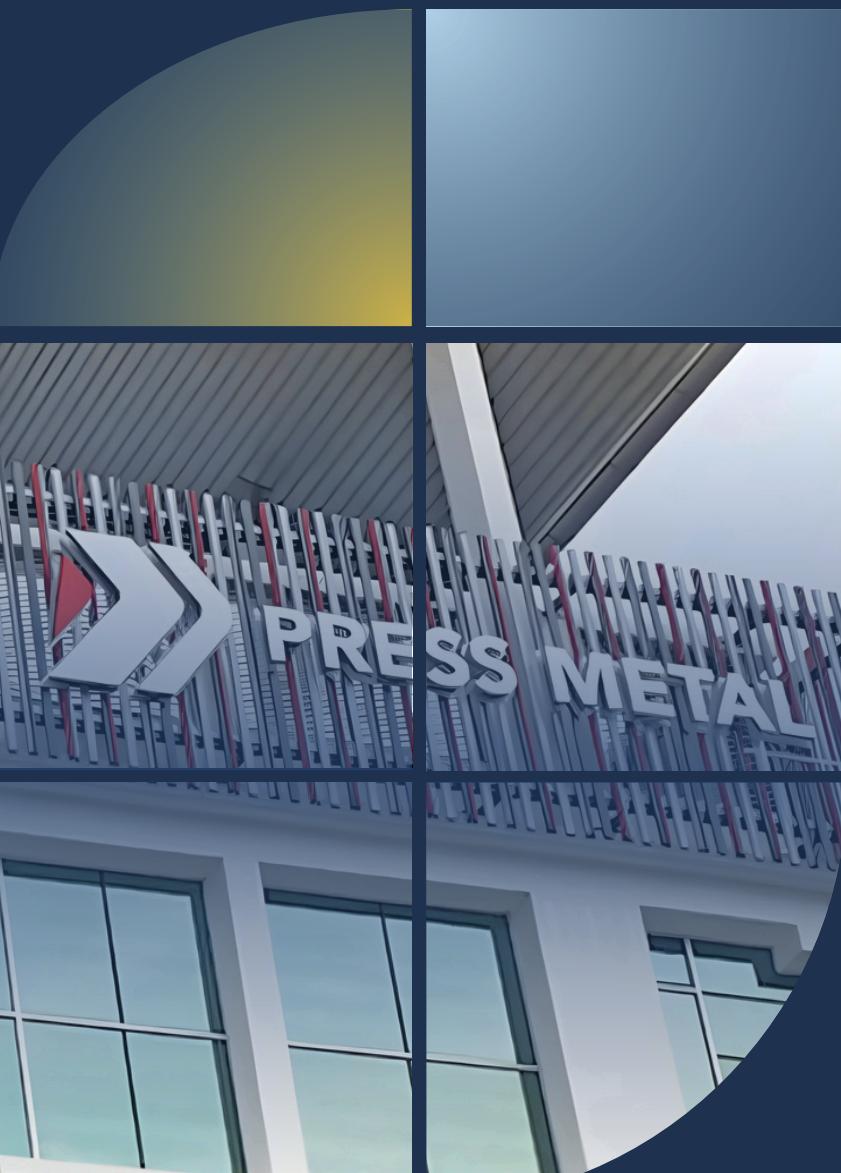




Global Compact
Network
Malaysia & Brunei

Developing a Future-Ready and Gender-Balanced Leadership Pipeline: Press Metal's Succession Blueprint

A Case Study of



Knowledge Partner:





Company At A Glance

- Industry: Manufacturing (Aluminium Production and Processing)
- Founded: 1986
- Headquarters: Selangor, Malaysia
- Employees: Over 7,000 employees

As the largest aluminium producer in Southeast Asia, **Press Metal Aluminium Holdings Berhad** recognises that strong governance and capable leadership are essential to sustaining growth. To strengthen business resilience and embed sustainable leadership practices, the organisation developed a structured **Succession Planning Framework** that identifies, develops, and empowers future leaders across its operations.

The Challenge

Future-Proofing Leadership for Sustainable Growth

As Press Metal's operations expanded across ASEAN, the pace of growth brought evolving leadership demands.

The company's rapid industrial scale-up demanded consistent governance and talent continuity across multiple sites. However, leadership appointments often relied on tenure and familiarity rather than structured evaluation, creating uneven development pathways and limiting transparency. The underrepresentation of women in senior roles further highlighted the need for change. Recognising these gaps, Press Metal made leadership succession a strategic sustainability priority to ensure future-ready, inclusive governance across its growing organisation.

The Action

Institutionalising a Structured Succession Framework

Press Metal introduced a **Succession Planning Framework** at the corporate level to identify, develop, and retain high-potential and high-performing talent across all operations. The framework embeds leadership development into business strategy, supported by transparent governance, gender inclusivity, and systematic tracking of progress and readiness.

The framework was implemented through four key steps:

1. Setting Leadership Priorities

Succession planning was positioned as a strategic business priority and endorsed by Board and senior management. Each division identified critical positions to ensure leadership readiness across functions and business units.

2. Establishing the Framework

A structured process was developed to identify potential successors based on capability, values, and alignment with the organisation's long-term goals. This included risk assessments, readiness profiles, and tailored development plans that guide employees toward future leadership roles.

3. Building Capability and Readiness

Targeted programmes such as mentoring, cross-functional rotations, and leadership development initiatives were introduced to equip employees with the technical, behavioural, and ESG-related competencies needed to lead effectively.



4. Promoting Diversity and Inclusion

Gender balance and inclusivity were integrated into the framework's design, ensuring equal opportunity in leadership development and fostering a more diverse leadership pipeline aligned with the company's sustainability goals.

Enablers For Leadership Sustainability

The success of the framework is supported by ten key enablers that ensure its integration across the organisation:



Leadership & Culture

Senior management's endorsement reinforced succession planning as a business priority and embedded it into the company's leadership culture.



Strategy

The framework is aligned with Press Metal's long-term growth and ESG commitments, ensuring leadership continuity supports sustainable business goals.



Process

A structured seven-step framework embedded objectivity, fairness, and clarity into every stage of the process.



Resources

Targeted learning investments, mentoring, and HRD Corp-claimable programmes strengthened leadership capability across divisions.



Governance

Oversight by the Board and HR Committee reinforced transparency, fairness, and accountability in leadership development.



People

Employees actively participated as mentors and successors, fostering inclusivity and a sense of shared ownership in leadership development.



ESG Data

Leadership metrics were embedded into ESG reporting, enabling transparent measurement of gender and diversity outcomes.



Digital Transformation

Integrated digital dashboards provided real-time visibility on readiness, diversity, and coverage, enhancing data accuracy and trust.



Partnerships & Stakeholder

Collaboration with internal stakeholders and external partners validated the implementation of the succession planning framework and reinforced its credibility.



Supply Chain

Supplier partners (training provider and system provider) are aligned with leadership sustainability criteria, ensuring responsible and values-driven talent sourcing.



Overcoming Barriers

Implementing a new governance system across a continuously evolving industrial organisation required cultural alignment and strong leadership buy-in. Press Metal's transformation journey addressed key organisational challenges to ensure the framework was trusted, embraced, and sustained:

1. Shifting Mindsets for Long-Term Value

Managers initially prioritised immediate business demands over leadership development. By positioning succession planning as both a risk management tool and a growth platform, HR demonstrated its strategic value in enhancing employee engagement, retention, and future leadership capacity.

2. Building Trust and Understanding

Building a consistent communications channel and enhancing engagement helped employees view the framework as fair, transparent, and beneficial to their career progression.

3. Developing Internal Capability

HR and line managers were trained to assess potential successors objectively, supported by structured processes and leadership development initiatives.

4. Enhancing Visibility and Fairness

The introduction of integrated digital dashboards improved transparency in readiness tracking and diversity monitoring, while HR Committee oversight ensured fair and merit-based decisions.

5. Embedding Inclusivity

Integrating gender balance into successor identification reinforced equality and strengthened the sustainability of Press Metal's leadership pipeline.

Impacts & Results

1. Sustainable Leadership Continuity and Coverage

Press Metal has achieved full leadership coverage across its operations, ensuring business continuity and resilience.



of critical roles now have identified successors.



of successors are "ready now" or will be ready within 1-3 years.



of candidates have structured development plans in place.

This data-driven approach reduces leadership risk and ensures a consistent pipeline of capable leaders for long-term sustainability.

2. Greater Gender Balance in Leadership



Women represent **at least 50%** of the identified successor pool, advancing gender parity in leadership.

This milestone aligns with the SDG Ambition Benchmark on gender balance and reflects Press Metal's commitment to inclusive leadership development.



SDG AMBITION



3. Stronger Capability and Learning Culture

Successors are actively participating in mentoring, cross-functional rotations, and leadership training, including the C-PACE Leadership Programme.

These efforts ensure knowledge transfer and leadership resilience across all levels of the organisation.



4. Enhanced Governance and Transparency

Succession planning strategy and data is now reviewed by the **Board and HR Committee**, supported by **integrated digital dashboards** that track coverage, readiness, and diversity indicators. This transparency reinforces accountability and merit-based leadership selection.

5. External Recognition

Press Metal's commitment to inclusive and sustainable leadership development was acknowledged in 2025 when its Chief Human Resources Officer received the CHRO Champion Award under TalentCorp Malaysia and the Ministry of Human Resources' Life at Work Awards (LAWA) programme. This recognition reinforces the credibility of the company's governance and people-development practices.

6. Strengthened Stakeholder Confidence

The strengthened governance and structure provided by the succession planning framework have enhanced confidence among customers and business partners, who view Press Metal's merit-based approach as supportive of long-term organisational resilience.

7. Alignment with Global Standards



HUMAN RIGHTS

LABOUR

The framework aligns with the **UN Global Compact Principles on human rights and non-discrimination (Principles 1, 2, and 6)**, and reflects Press Metal's ongoing commitment as a **UN Global Compact participant since 2021**.

Key Lessons Learned

1. Transparency Builds Trust

Clear, competency-based criteria and integrated digital dashboards ensured an objective, data-driven succession planning process. By replacing subjective debates with evidence-based insights, this approach strengthened trust, confidence, and engagement across the organisation.

2. Embedding ESG Creates Long-term Value

Integrating sustainability, diversity, and compliance into leadership development ensures future leaders are equipped to drive ethical, ESG-aligned growth and resilient business performance.

3. Leadership Engagement Must Be Organisation-wide

Endorsement from the Board and senior management, supported by active involvement from line managers as mentors and champions, helped overcome early resistance and embed succession planning into daily culture.

4. Start Early and Invest in Structure

Introducing a formal, merit-based framework earlier would have strengthened leadership continuity and fairness while building a broader pool of capable successors.

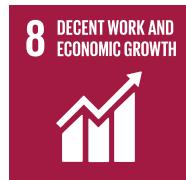


5. Digital Tools Strengthen Accountability

Using integrated digital dashboards and analytics made the process more transparent and efficient, giving assurance to key stakeholders and reinforcing data-driven decision-making.

Press Metal has been a participant of the UN Global Compact since 2021.

Press Metal's Succession Planning Framework supports **UN Global Compact Principles 1, 2, and 6**, embedding human rights, fairness, inclusivity, and non-discrimination within corporate governance. The initiative also contributes to **SDG 5 (Gender Equality) and SDG 8 (Decent Work and Economic Growth)** through equitable opportunity and transparent succession practices.



“ Succession planning has given us clearer visibility into our leadership pipeline and the gaps we need to close. It also reinforces our commitment to talent development, ensuring we continue building capable leaders who can sustain the organisation's continuity and long-term business growth. ”

Mr. Ooi Beng Guan,
Deputy Chief Executive Officer,
Press Metal Aluminium Holdings Berhad



THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



HUMAN RIGHTS

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 make sure that they are not complicit in human rights abuses.



LABOUR

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 the elimination of all forms of forced and compulsory labour;
- 5 the effective abolition of child labour; and
- 6 the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 undertake initiatives to promote greater environmental responsibility; and
- 9 encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

- 10 Businesses should work against corruption in all its forms, including extortion and bribery.

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

ABOUT UN GLOBAL COMPACT NETWORK MALAYSIA & BRUNEI

United Nations Global Compact (UNGC) is a strategic policy initiative for businesses that are committed to take actions to advance broader societal goals. UN Global Compact Network Malaysia & Brunei (UNGCMYB), the official country network of UNGC, is the leading advocate for business sustainability action in Malaysia and Brunei. We empower both corporates and SMEs through value-creating initiatives across learning, connections, and enablers to Forward Faster a collective sustainable future. We support Malaysian and Bruneian companies in aligning with the Ten Principles and contributing meaningfully to the Sustainable Development Goals (SDGs), while providing access to partnerships, tools and knowledge sharing to advance responsible business practices.

Talk to us about joining us or visit our website at www.ungcmyb.org



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