PARAGON GLOBE BERHAD

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194801000095 (1713-A)

TERMS OF REFERENCE
NOMINATION COMMITTEE

(VERSION 5.0)

APPROVED BY THE BOARD OF DIRECTORS OF THE COMPANY ON 26 NOVEMBER 2025

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1. OBJECTIVE

To ensure a formal and transparent process for management succession planning and development, the appointment of new Directors and the annual assessment of the performance and effectiveness of the Board of Directors (“Board”), its committees and individual Directors.

2. COMPOSITION

2.1 The Nomination Committee (“NC”) shall be appointed by the Board from among the Directors of the Company and shall comprise exclusively of Non-Executive Directors, majority of whom are independent.

2.2 The NC shall comprise a minimum of three (3) with a majority of whom are Independent Directors.

2.3 In the event of any vacancy that reduces the NC memberships to fewer than three (3) members, the Board shall fill the vacancy within three (3) months.

2.4 A NC member who wishes to retire or resign should provide sufficient written notice to the Company so that a replacement may be appointed before he/she retires or resigns. The membership of the NC shall terminate upon the cessation of him/her as a Director of the Company, or as determined by the Board.

3. QUORUM

Two (2) members shall form a quorum for a meeting with a majority of the members shall be Independent Directors.

4. CHAIRMAN

The NC members shall elect a Chairman from among the members who shall be an Independent Director or Senior Independent Director and shall not be the Chairman of the Board. In the absence of the Chairman of the NC, the remaining members present shall elect one (1) of the members as Chairman of the meeting.

5. SECRETARY

The Secretary of the NC shall be the Company Secretary or his representative.

6. AUTHORITY

The NC shall, in accordance with procedures determined by the Board and at the cost of the Company:

(i) have the resources required to perform its duties; and
(ii) be able to obtain independent professional's advice or others advices.

7. SCOPE OF RESPONSIBILITY

The responsibility of the NC shall include the following:

7.1 To recommend to the Board candidates for all the directorships to be filled. The NC shall not solely rely on recommendations from existing Board members, Management or major shareholders but shall also utilise independent sources to identify suitably qualified candidates. In making its recommendations, the NC shall consider the candidates:

(i) skills, knowledge, expertise and experiences irrespective of gender, ethnicity and age;
(ii) professionalism;
(iii) integrity; and
(iv) in the case of candidates for the position of Independent Non-Executive Directors, the NC will also evaluate the candidates' ability to discharge such responsibilities effectively.

7.2 To consider in making its recommendations, candidates proposed by the Chairman of the Board and within the bounds of practicability by any other Director or shareholder. If the selection of candidates is solely based on recommendations by existing Board members, Management or major shareholders, the NC should explain the reason for not using other sources.

7.3 To review regularly the structure, size and composition of the Board and recommend to the Board any adjustments deemed necessary.

7.4 To identify and propose new nominees for appointment to the Board.

7.5 To assess the effectiveness of the Directors, its committees and the contribution of each individual Director on an ongoing basis.

7.6 To assess and review on an annual basis, the appointment and re-appointment of Directors and the tenure of Independent Directors.

7.7 To assess and review the appointment of Senior Management.

7.8 To recommend to the Board, the Directors to fill the seats on Board committees.

7.9 To review annually the Director's mix of skills, experiences and other qualities, including but not limited to core competencies which Non-Executive Directors should bring to the Board.

7.10 To determine appropriate orientation and training needs for the Directors and review the fulfilment of such training, and to disclose a brief description on the type of trainings attended by the Directors during the financial year in the Annual Report of the Company in accordance with the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

7.11 To recommend to the Board the removal of any Director if he is ineffective, errant or negligent in discharging their responsibilities.

7.12 To establish succession plans, in particular for the Chairman of the Board, Managing Director and other key officers of the Company, taking into account the challenges and opportunities faced by the Company and the skills and expertise needed for the Company to execute its strategies.

7.13 To review annually the term of office and performance of the Audit Committee and each of its members to ensure they have carried out their duties in accordance with the Terms of Reference ("TOR").

7.14 To review and assess the adequacy of the Board Charter periodically and recommend revisions where necessary.

7.15 To assess annually the performance of Board, Senior Management and/or other professionals of the Group in addressing the Company's material sustainability risks and opportunities, as and when the NC deems fit.

7.16 To carry out such other responsibilities as may be delegated by the Board from time to time and such other matters as the NC considers appropriate.

7.17 To perform fit and proper assessments on existing Directors of the Company and the subsidiaries (collectively, "Group") seeking for re-appointment and on candidates for nomination or appointment as a Director of the Group.

7.18 To prepare a statement for inclusion in the Annual Report of the Company on its activities in discharging its duties for the financial year.

8. MEETING

8.1 The NC shall meet at least once a year or at such other times as the NC Chairman deems necessary. Any member may request a meeting at any time and the Secretary shall on the requisition of the member, convene a meeting of the NC. The NC may invite any personnel and/or independent parties to attend the meeting, when necessary.

8.2 Notices and meeting materials shall be circulated at least five (5) business days in advance or a shorter period where unavoidable, through the post, facsimile, electronic mail or by any means of telecommunication.

8.3 The Secretary is responsible for keeping the minutes of meeting of the NC and circulating the confirmed minutes to NC members. The NC members may inspect the minutes of the NC at the registered office or such others place as may be determined by the NC from time to time. The Secretary shall circulate minutes of the NC meeting to all members of the Board.

8.4 All decisions are to be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote provided that where two (2) members form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only two (2) members are competent to vote on the question at issue, shall not have a casting vote.

8.5 Where necessary and appropriate, any decision of the NC can also be made or passed by way of a written circular resolution.

8.6 A meeting may be convened using telephone and/or the contemporaneous linking together by telephone or such other electronic communication media of the NC members with not less than the quorum shall deemed to constitute a NC meeting wherever in the world, as long as:

(i) the quorum is met;

(ii) at the commencement of the meeting, each NC member acknowledges his presence to all the other members taking part and such participation shall be deemed to be his presence in person;

(iii) each NC member that takes part is able to be heard and hears others members' subject as mentioned throughout the meeting; and

(iv) the NC members present at the commencement of the meeting shall not leave the meeting by disconnecting the telephone and shall be deemed to have been conducted validity notwithstanding that the telephone or electronic communication media is accidentally disconnected during the meeting and provided that no discussions or decisions should be made in respect of the matters by the members during the disconnection and that if the telephone or electronic communication media cannot be re-connected at all, the meeting shall then be adjourned.

9. REVIEW OF THE TERMS OF REFERENCE

The NC shall review and recommend changes to its TOR as deems appropriate for the Board's approval. The TOR shall be reviewed at least once for every three (3) years, or as and when is necessary to reflect changes in regulatory requirements or the Group's operational needs

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