

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

1. OBJECTIVES

The Terms of Reference (“**TOR**”) of the Nomination Committee of AGX Group Berhad (“**AGB**”) are established pursuant to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and approved by the Board of AGB Directors (“**Board**”).

The primary objective of the Nomination Committee (“**the Committee**” or “**NC**”) is to establish a documented, formal and transparent procedure for the appointment of new directors to support and advise the Board in fulfilling their responsibilities to shareholders and ensure the Board is comprised of individuals with an optimal mix of qualifications, skills and experience.

2. COMPOSITION OF THE NOMINATION COMMITTEE

The Committee members shall be appointed by the Board from among its member, who fulfill the following requirements:

- 2.1 The members of the Committee shall be appointed by the Board and shall consist of no less than three members. If the members, for any reason, fall below three members, the Board shall, within 3 months of that event, appoint such number of new members as may be required to fulfill the minimum requirement.
- 2.2 All the members of NC must be Non-Executive Directors, with a majority of whom shall be Independent Directors free from any business or relationship that, in the opinion of the Board would materially interfere with the exercise of his/her independent judgment on a member of the NC.
- 2.3 The Chairperson/ Chairman of the NC shall be an Independent Non-Executive Director or Senior Independent Non-Executive Director appointed by the Board. The Chairperson/ Chairman of the Board shall not be the Chairperson/ Chairman of the NC.
- 2.4 No alternate Director shall be appointed as a member of the NC.
- 2.5 A member shall automatically cease to be a member of the NC if he/ she is removed or is disqualified from being a director under any provisions of the laws, rules and regulations of the relevant authorities or if he/she resigns or retires from the Board.

3. CHAIRPERSON/ CHAIRMAN

The Board shall appoint a Chairperson/ Chairman of the NC from among the Board members who are Independent Non-Executive Directors or Senior Independent Non-Executive Director appointed by the Board. Should the Chairperson/ Chairman be absent from any meeting, one of the members who shall be an Independent Non-Executive Director shall be elected as Chairperson/ Chairman of the NC members.

4. DUTIES AND RESPONSIBILITIES

The NC is empowered by the Board with the following duties and responsibilities to execute any matters within its TOR, as follows:

4.1 To consider, in making its recommendations to the Board, candidates proposed by any Board of Directors of the Group, any Director of the Group, any Head of the Company of the Group and, within the bounds of practicability, by any other Senior Executive or any Shareholders of the Group, for the approval of the respective Board of Directors of the Group. The NC shall also utilise independent services to identify suitably qualified candidates. In making its recommendations, the Committee should consider the candidates’:-

- (i) technical competency, skills, knowledge, expertise and experience;
- (ii) strong sense of professionalism;
- (iii) integrity;
- (iv) merit and against objective criteria with due regard for the benefits of boardroom diversity, including gender, age, ethnicity, cultural background, character;
- (v) other commitments and time available to contribute inputs to the Board; and
- (vi) in the case of candidates for the position of Independent Non-Executive Directors, the NC should evaluate the candidates’ ability to discharge such responsibilities/ functions as expected from Independent Non-Executive Directors.

4.2 To review Board and Senior Management succession plans;

4.3 To recommend to the Board, Directors to fill the seats on the Board of NC;

- 4.4 To annually review the Board's required size, structure and composition of the Boards of Directors of the Group, mix of skills and experience, diversity (including gender diversity) and other qualities, including core competencies that Executive or Non-Executive Directors should bring to the Board;
- 4.5 To annually review the effectiveness of the Board as a whole and the Board of NC, the contributions of each director to the respective Boards of Directors and the performance of the Managing Director and Executive Directors of the Groups. All assessments and evaluations carried out by the NC in the discharge of all its functions should be properly documented;
- 4.6 To recommend to the respective Boards of Directors the removal of a Director or Managing Director or Executive Director if he/ she is ineffective, errant or negligent in discharging his responsibilities;
- 4.7 To develop the criteria to assess independence and to assess on an annual basis, the independence of the Independent Non-Executive Directors and recommend the same to the Board;
- 4.8 To ensure that the tenure of its Independent Directors is limited to 9 years without further extension;
- 4.9 To recommend the re-election of Directors who retired by rotation pursuant to the Company's Constitution and the re-appointment of Directors who retired pursuant to relevant sections of the Companies Act, 2016;
- 4.10 To consider and examine such other matters as the NC considers appropriate;
- 4.11 To perform exit interviews with Directors and Senior Management leaving the organisation;
- 4.12 To consider and recommend to the Board the training program for Directors; and
- 4.13 To conduct Annual Performance Assessment, as follows:-
 - (i) To review annually the structure, size and composition of the Board, including the skill, knowledge, experience and diversity of the Board and the core competencies that Non-Executive Directors should bring to the Board;
 - (ii) To assess annually the effectiveness of the Board as a whole and each Director individually, as well as the effectiveness of the various committees of the Board and to review the results of the performance evaluation thereafter;

- (iii) To review annually the term of office, competency and performance of the Audit and Risk Management Committee and each of its members to determine whether such Committee and its members have carried out their duties in accordance with their terms of reference;
- (iv) To conduct an assessment annually on the independence of each of the Independent Non-Executive Directors to ensure he/she is continually fit and maintains independence in order to provide appropriate scrutiny and impartial judgment;
- (v) To develop, maintain and review the criteria for evaluating the performance of the Board and the Board of NC and each individual Director; and
- (vi) To conduct board evaluations, which are periodically facilitated by a professional, experienced and independent party.

4.14 Any other such functions as may be delegated by the Board from time to time.

5. FREQUENCY OF MEETINGS AND NOTICES

The Board follows these procedures for all meetings and notices as follows:

- 5.1 The Committee shall meet at least once a year or at such other times as are necessary for the dispatch of business and adjourn as it may think fit.
- 5.2 Any two members of the Committee shall constitute a quorum. In the absence of the Chairperson/ Chairman of the Committee, the members present shall nominate one amongst themselves to act as the Chairperson of the Meeting.
- 5.3 Each member of the Committee is entitled to one vote in deciding the matters deliberated in the meeting. The decision that gained the majority of votes shall be the decision of the Committee. In the event of an equality of votes, the Chairperson of the Committee shall be entitled to a second or casting vote.
- 5.4 The Secretary/ Secretaries of the Company shall be the Secretary/ Secretaries of the Committee. The Secretary/ Secretaries shall be entrusted to record all proceedings and minutes of the NC's meetings, which shall be kept and circulated to all members of the Committee and of the Board.

- 5.5 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other Non-Executive Directors, no later than 7 days before the date of the meeting, except in the case of an emergency. Supporting papers shall be sent to NC members and to other attendees as appropriate at the same time.
- 5.6 The NC members shall excuse himself/ herself from the meeting during discussions or deliberations on any matter that gives rise to an actual or perceived conflict of interest for the member. Where this causes insufficient NC members to make a quorum, the NC has the right to invite/appoint any Director or Directors from the Board (excluding the Chairperson of the Board) to fulfill the membership criteria temporarily.
- 5.7 The Committee may deal with matters by way of a circular resolution in lieu of convening a formal meeting. A resolution in writing, signed by the majority of the members of the Committee shall be valid and effective as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more of the Committee's members and shall be as valid and effective as if it were a resolution duly passed at a meeting of the Committee. Any such document may be accepted as sufficiently signed by a member of the Committee if transmitted to the Company by any technology purporting to include a signature and/or electronic signature by the said members.

This TOR was approved and adopted by the Board on 20 February 2023.