



**BOARD AND SENIOR MANAGEMENT
DIVERSITY POLICY**

(VERSION 2.0)

APPROVED BY THE BOARD OF DIRECTORS OF THE COMPANY ON 23 MAY 2024

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1. INTRODUCTION

Paragon Globe Berhad (“**PGB**” or “**Company**”) and its subsidiaries (collectively, the “**Group**”) are dedicated to upholding diversity within both its Board of Directors (“**Board**”) and Senior Management (“**SM**”). We acknowledge and appreciate the distinct contributions made by individuals of various ages, genders, ethnicities, and cultural backgrounds. Embracing the variety of perspectives, skills, and experiences within our diverse workforce is integral to sustaining PGB’s competitive edge. Furthermore, the Group is steadfast in fostering a corporate culture that champions diversity, equity, and inclusion, thereby providing a supportive environment for employees to thrive and unleash their full capabilities.

2. APPLICABILITY

This policy applies to the Board and SM regarding diversity in the Group’s recruitment practices for both the Board and SM positions and is also supported by the Employee’s Diversity and Inclusion Policy.

Each director and senior manager are required to read and understand the policy. If a director or senior manager requires further clarification on the policy, they may refer to the Compliance Officer of the Group.

3. OBJECTIVES

According to the introduction of the Malaysian Code of Corporate Governance (“**MCCG**”), the Board has established a policy on its approach to diversifying the Board and SM. This policy aims to ensure that the mix and profiles of the Board and SM members in terms of age, ethnicity and gender, provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and well-functioning management, facilitating sustainable growth for the Group.

The Group believes that a truly diverse and inclusive Board and SM will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity and gender, which will ensure that PGB retains its competitive advantage. With diversified opinions contributed by the Board and SM, decision-making effectiveness and efficiency are enhanced as all viewpoints are considered, mitigating business risks during organisational changes.

4. Nomination Committee (“**NC**”)

In this regard, the NC is responsible for reviewing and evaluating the composition and effectiveness of the Board and SM, and identifying suitable candidates to fill Board and SM positions. The NC will consider the benefits of diversity in order to maintain an optimum mix of skills, knowledge and experience on the Board and SM.

In connection with its efforts to create and maintain a diverse Board and SM, the NC will:

- Assess the appropriate mix of diversity (including gender, ethnicity and age), skills, experience and expertise required on the Board and SM and address gaps if any;
- Make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience, and expertise on the Board and SM; and
- Periodically review and report to the Board on requirements in relation to diversity on the Board, and SM if any.

The NC will discuss and agree on all measurable objectives for achieving diversity on the Board and SM, recommend them to the Board for adoption and ensure that the target sets are met with the appropriate measures.

5. SCOPE

The diversity of the Board and SM should be considered from various aspects, including but not limited to independence, skills and experience, gender, age and ethnicity.

(i) Independence

The Board acknowledges the importance of having a mix of Executive, Non-executive and Independent Non-Executive Directors to ensure independence in decision-making. Independent Non-executive Directors should possess sufficient caliber and standing for their views to carry weight.

(ii) Skills and Experience

The Board shall identify the ideal board and SM matrix and conduct gap analysis to determine the criteria for new appointments. In undertaking the process of reviewing and selecting potential candidates to fill vacancies, the NC shall consider various diversity factors to strengthen the composition of the Board and SM in line with the Company's objectives and strategic goals.

(iii) Gender

With the recommended MCCG guidelines, the Board shall have at least 30% women directors. The Board has taken appropriate measures to attract women's participation on the Board and the decision-making position.

(iv) Age

The Board recognises that embracing diversity in age create a dynamic and healthy environment filled with experienced professionals as well as enthusiasm of youth who steer the growth of the Group.

(v) Ethnicity

The Board aspires to have a diverse Board and SM representing different nationality or ethnic backgrounds to contribute their unique knowledge and understanding of the environment.

6. MEASURABLE OBJECTIVES

a. Skills and Experience

The Board ensures a diverse mix of skills among the Board and SM members by sourcing and recruiting of directors and SM from a diverse pool of candidates and not just relying on recommendation by other directors or shareholders.

b. Gender diversity

The Board strives to achieve female composition of 30% on the Board and SM whenever suitable opportunities arise. The appointment of women representation in the Board and SM will be based solely on their skills, knowledge and experience, ensuring that the requirements are the same as those for others, regardless of gender.

c. Age diversity

The Board does not set any specific targets for age diversity or fix age limits for its director and SM but will actively work towards maintaining appropriate age diversity on the Board and SM.

d. Ethnic diversity

The Board does not set any specific targets for ethnic diversity but will actively work towards to maintain appropriate ethnic diversity on the Board and SM.

7. MONITORING AND REPORTING

The NC will take initiative to achieve the Measurable Objectives and update the Board on the progress. The Measurable Objectives will be reviewed when necessary and the NC will make recommendations to the Board as needed.

8. REVISION

This Policy shall be reviewed at least once for every three (3) years, to ensure its adequacy in implementation and enforcements.



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