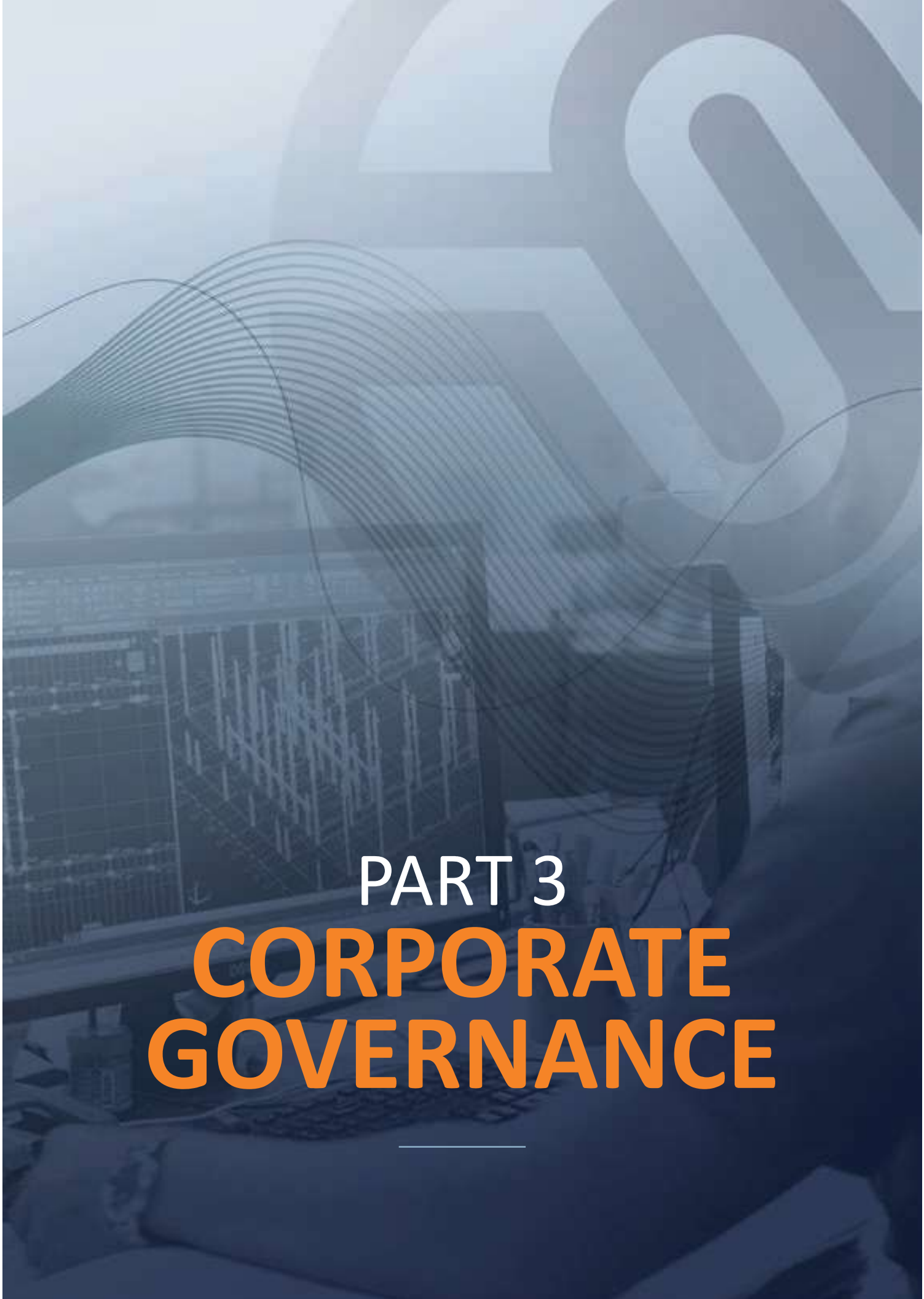


PART 3
CORPORATE GOVERNANCE

Corporate Governance

Corporate Governance Overview Statement

INTRODUCTION

The Board of Directors ("Board") of Sarawak Consolidated Industries Berhad ("SCIB" or "the Company") is committed to upholding high standards of corporate governance as set out in the Principles and Recommendations of the Malaysian Code on Corporate Governance ("MCCG") 2021.

The Board continuously strives to ensure that the Company's governance framework is robust and aligned with the requirements of implementing its governance system and ensuring compliance with the provisions in the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Board recognises its fundamental responsibility to promote and drive long-term sustainable growth of the Company, while safeguarding the interests of shareholders and other stakeholders.

The Board is pleased to present this Corporate Governance Overview Statement, which outlines the key highlights of the Company's application of the three (3) principles of the MCCG 2021 for the financial period ended 31 December 2025 ("FPE2025"), as follows:

1. Principle A : Board Leadership and Effectiveness;
2. Principle B : Effective Audit and Risk Management; and
3. Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This statement was approved by the Board of Directors on 16 April 2026 and is complemented by a Corporate Governance Report ("CG Report"), which is prepared in the format pursuant to paragraph 15.25 of the Listing Requirements of Bursa Securities.

The CG Report is available on the Company's website and via an announcement on Bursa Securities' website.

As of 31 December 2025, the Company has substantially applied the principles and practices set out in the MCCG. A summary of the Company's application of the MCCG practices is set out below:

	Applied/Adopted	Departure	Not Applicable	Not Adopted	Total
Practices	39	3	1	-	43
Step-up practices	3	-	-	2	5

A summary of the corporate governance practices, as well as the Board's key focus areas in relation to each corporate governance principle, is described below.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

The Board is collectively responsible for providing effective leadership and driving the long-term success of the Company.

In discharging their duties, the Board Members are mindful of safeguarding the interests of customers, investors and other stakeholders.

To ensure effective discharge of its roles and responsibilities, the Board has adopted a Board Charter, which outlines the roles and responsibilities of the Board as well as matters reserved for the Board and those delegated to the various Board Committees. The Board Charter was reviewed regularly to ensure the Board Charter is up to date with the relevant regulations. The Board Charter is available on the Company's website.

The Board is responsible for formulating and reviewing the Company's strategic plan and key policies, as well as overseeing Management's performance, risk management and internal control systems.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

1. **Board Responsibilities** (continued)

The principal responsibilities of the Board include the following:
- Reviewing and adopting a strategic plan for the Group's business and operations;
- Overseeing and monitoring the day-to-day management of the Group's business and the conduct of the Company's business to evaluate whether the business is being properly managed;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Developing the Group's succession planning;
- Developing and implementing an investor relations program or shareholder communications policy for the Company and encouraging the use of information technology for effective dissemination of information; and
- Reviewing adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

Board Committees

To enhance efficiency and effectiveness in discharging its duties, the Board has delegated specific responsibilities to the following Board Committees namely the Audit Committee ("AC"), Remuneration & Nomination Committee ("RNC"), Risk Management & Sustainability Committee ("RMSC"), Investment Committee ("IC") and Long Term Incentive Plan Committee ("LTIP") to enhance its efficiency.

Each Board Committee operates within clearly defined Terms of Reference which set out its objective, composition, roles and responsibilities. The Board Committees deliberate on matters within their respective scopes and report to the Board with recommendations, where appropriate.

The functions of each of the Board Committees are set out in the Terms of Reference of the respective Committees, which are available on the Company's website.

The Board Committees comprise a majority of Independent Non-Executive Directors, enabling objective decision-making through diverse and independent perspectives. Notwithstanding the delegation of responsibilities, the Board retains overall responsibility for all decisions, and certain operational matters are delegated to Management. The Board ensures that Management is of appropriate caliber and equipped to discharge its responsibilities effectively.

The Directors are at liberty to seek independent professional advice on matters relating to the discharge of their duties and the cost of securing such professional services will be borne by the Company.

Group Policies

The Company has established a Whistleblowing Policy and Procedures which provides a platform for its directors, employees and other stakeholders to report any suspected misconduct, wrongdoing or violations within the Group.

Reports may be submitted via email, hand delivery, post or courier using the prescribed Whistleblower Report Form. The Chief Integrity Officer has been designated to oversee and manage reports received through the designated channel. The Company did not receive any complaints during FPE2025 that would require review or investigation under its Whistleblowing Policy.

The Board has also adopted an Anti-Bribery & Anti-Corruption Policy ("ABAC"), including the setting up and strengthening of relevant policies and procedures designed to prevent and detect bribery, undertake control measures that are proportionate to the nature and size of the organisation as well as the proper training and communication of such policies and procedures. The Group has taken proactive actions to strengthen the Group's internal processes and practices to ensure that adequate procedures are in place to prevent persons associated with the Group from being involved in corrupt practices. The ABAC shall be observed by all Directors, employees of the Group and third parties engaged to act on behalf of the Group. The Company did not receive any complaints during FPE2025 that would require review or investigation pursuant to ABAC.

In addition, the Board is responsible for overseeing the implementation, including its adequacy and effectiveness, of Adequate Procedures as per the guidelines issued by the Prime Minister's Department pursuant to Subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission Act 2009 (Amendment) 2018.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

1. **Board Responsibilities** (continued)

Group Policies (continued)

The Guideline of the Adequate Procedures is the **T.R.U.S.T.** Principles as follows:



To ensure the effectiveness of this policy, the Risk Management & Sustainability Committee ("RMSC") provides oversight and monitoring of the ABAC Policy.

The aforesaid Whistleblowing and ABAC policies are available on the Company's website.

2. **Board Composition**

As of the date of this Report, the Board comprises six (6) members, including three (3) Independent Non-Executive Directors and three (3) Executive Directors. Among the six (6) members, one (1) is a woman Director. The Board composition complies with Paragraph 15.02 of the Listing Requirements of Bursa Securities, which states that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be Independent Directors and at least one (1) woman Director on the Board.

NO.	NAME	DESIGNATION
1	Datuk Chong Loong Men *(Appointed as an Executive Chairman of the Company on 11 June 2025)*	Executive Chairman
2	Mr. Ku Chong Hong	Group Managing Director / Chief Executive Officer ("GMD/CEO")
3	Mr. Chiew Jong Wei	Executive Director/ Chief Financial Officer ("ED/CFO")
4	Mr. Leow Wey Seng *(Appointed as an Independent Non-Executive Director of the Company on 11 June 2025)*	Independent Non-Executive Director
5	Ms. Tan Li Peng *(Appointed as an Independent Non-Executive Director of the Company on 11 June 2025)*	Independent Non-Executive Director
6	Mr. Ling Chi Hoong *(Appointed as an Independent Non-Executive Director of the Company on 28 August 2025)*	Independent Non-Executive Director

The profile of each Director is disclosed in the Directors' Profile of this Annual Report.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. Board Composition (continued)

Upon the assessment conducted by the RNC on the Board's size and composition, the Board was satisfied that the current size is appropriate given the scale of the Company's business and operations and the composition is well balanced with the right mix of diverse knowledge, skills and attributes constituting an effective Board able to discharge its duties professionally and efficiently.

The Executive Chairman is primarily responsible for the leadership and management of the Board, ensuring that the Board and its Committees execute their responsibilities in the best interests of the Company. He acts as a direct liaison between the Board and the Management and communicates on behalf of the Company to shareholders, Government Authorities and other stakeholders where appropriate.

The concept of independence adopted by the Board is in tandem with the definition of an Independent Director in the Listing Requirements. The key element in fulfilling the criteria is the appointment of an Independent Director, who is not a member of management (a Non-Executive Director) and is free from any relationship which could interfere with the exercise of independent judgment or the ability to act in the best interests of the Company.

The Independent Non-Executive Directors play a significant role in bringing impartiality and scrutiny to the Board's deliberations and decision-making, and also serve to stimulate and challenge the Management in an objective manner. They do not engage in the day-to-day management of the Company and do not participate in any business dealings and are not involved in any other relationship with the Company. This is to ensure that the Independent Non-Executive Directors remain free of conflict-of-interest situations and execute their roles and responsibilities effectively.

To further enhance the function of the Independent Non-Executive Directors, the Board has also defined their roles and responsibilities to include the following:

- Provides independent and objective views, assessments and suggestions in deliberations of the Board;
- Ensures effective checks and balances in the proceedings of the Board;
- Mitigates any possible conflict of interest between the policy-making process and day-to-day management of the Company;
- Constructively challenge and contribute to the development of the business strategies and direction of the Company and
- Review the integrity of financial reporting and financial controls and systems of risk management to ensure they are robust.

The members of the Board possess a strong diverse mix of skills and are experienced individuals with different backgrounds, specialisation and expertise in accounting, economics, engineering and business management and are persons of high caliber and integrity, which gives added strength to the leadership that is necessary for the effective stewardship of the Company.

Given that there are three (3) experienced and independent–minded Independent Directors representing 50% of the Board, the Board collectively would be able to function independently of management. This allows for effective oversight of the management as well as supports objective and independent deliberation, review and decision-making.

The RNC and the Board are well aware that the tenure of an independent director should not exceed a cumulative term of nine (9) years, as recommended by the MCCG 2021. Upon completion of the nine (9) years, an independent director may continue to serve on the Board subject to the director's re-designation as a non-independent director. Prior to attaining the stipulated number of years, the RNC will consider the following and recommend to the Board accordingly:

(a) whether the Independent Director is to continue to serve on the Board, subject to his/her re-designation as a Non-Independent Director; or
(b) whether shareholders' approval through a two-tier voting process is to be sought to retain him/her as an Independent Director.

During the current reporting period, none of the Independent Non-Executive Directors has held office as an independent director for more than nine (9) years.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. Board Composition (continued)

Board Gender Diversity

The Board recognizes and supports the importance of gender diversity, as advocated by the MCCG 2021.

The Board acknowledges that diversity, including gender diversity, enhances the effectiveness of the Board by bringing a broad range of perspectives, skills, and experience, which contribute to better decision-making and long-term value creation. The Board is therefore committed to improving gender diversity at the Board level.

While the selection of Directors continues to be based on merit, considering the candidates' skills, experience, core competencies, and other relevant attributes, the Board, through the RNC, will continue to identify and consider suitably qualified female candidates as part of its Board renewal process.

The Group also promotes gender diversity at the senior management level, where women continue to play an active role in leadership positions.

Directors' Code of Ethics

The Directors observed a code of ethics in accordance with the code of conduct as set out in the Company Directors' Code of Ethics established by the Companies Commission of Malaysia. This code is available on the Company's website.

Board Meetings & Supply of Information

Board meetings for the ensuing financial period are scheduled in advance before the end of the current financial period to enable Directors to plan their schedules accordingly.

The Board meets at least four (4) times a year, typically following the finalization of the Company's quarterly and annual reports to review and approve the results prior to submission to Bursa Securities and the Securities Commission. Additional meetings are convened, where necessary, to deliberate on urgent matters requiring the Board's attention.

During the financial period, the Board held twelve (12) meetings on 28 August 2024, 14 October 2024, 27 November 2024, 7 December 2024, 19 December 2024, 26 February 2025, 28 May 2025, 25 June 2025, 28 August 2025, 2 October 2025, 17 November 2025 and 26 November 2025 as per the details of attendance as follows:

Names of Directors	Number of Meetings Attended	Percentage (%)
Datuk Chong Loong Men *(Appointed on 11 June 2025)*	4/5	80
Ku Chong Hong	12/12	100
Chiew Jong Wei	12/12	100
Leow Wey Seng *(Appointed on 11 June 2025)*	5/5	100
Tan Li Peng *(Appointed on 11 June 2025)*	5/5	100
Ling Chi Hoong *(Appointed on 28 August 2025)*	3/3	100
YBhg. Dato' Sri Zaini Bin Jass *(Resigned on 11 June 2025)*	7/7	100
Sr. Mohd Nazri Bin Mat Noor *(Resigned on 3 June 2025)*	7/7	100
Tan Bok Koon *(Resigned on 3 June 2025)*	5/7	71.43
Liaw Way Gian *(Resigned on 27 January 2025)*	5/5	100
Kang Wei Luen *(Resigned on 11 June 2025)*	7/7	100
Yak Boon Tiong *(Resigned on 27 January 2025)*	5/5	100
Dr. Dang Nguk Ling *(Resigned on 3 June 2025)*	7/7	100
Ng Cheng Shin *(Appointed on 19 December 2024 and resigned on 11 June 2025)*	3/3	100
Ooi Hoot Kuang *(Appointed on 19 December 2024 and resigned on 11 June 2025)*	3/3	100

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. **Board Composition** (continued)

Board Meetings & Supply of Information (continued)

The minutes of Board and Board Committee meetings are circulated to all Directors for their review and comments. Directors are given the opportunity to seek clarification or provide feedback prior to the confirmation of the minutes at the subsequent meeting.

To facilitate effective deliberation, Directors are provided with a structured agenda, together with comprehensive management reports and proposal papers at least (5) market days prior to each meeting. This allows sufficient time for Directors to review the material, seek clarification from Management or the Company Secretaries, and where necessary, obtain independent professional advice.

Urgent matters or confidential papers may be tabled at Board meetings under a supplemental agenda.

Board papers are prepared in a clear, concise and comprehensive manner to ensure that Directors are furnished with relevant and complete information to support informed and effective decision-making.

During Board meetings, the Chairman of each Board Committee highlights key matters deliberated at the respective Committee meetings that require the Board's attention or direction. The Board also reviews management reports on the performance of the Company and its major subsidiaries, including comparisons against prior periods and established targets.

As part of the Group's integrated risk management framework, the Board is apprised of key decisions and significant matters deliberated at the Board Committees and the C-Suites Committee ("CSC") through respective meeting minutes.

In deliberating on proposals, the Board assesses their viability, associated risks and corresponding mitigating measures, particularly where such matters may have a significant impact on the Group's operations or financial position. Directors who have a direct and/or indirect interest in any matter under consideration abstain from deliberation and voting on such matter.

The Board also reviews and approves matters reserved for its decision in accordance with the established limits of authority.

The Board is regularly updated by Management on the implementation of its decisions and recommendations. The Company Secretaries provide advice and guidance to the Board and Chairman on governance and regulatory matters.

The Board also receives periodic updates from Management, Company Secretaries, external and internal auditors, as well as external risk advisors, on developments in the Main Market Listing Requirements, MCCG 2021 and other relevant regulatory requirements to support the Directors in discharging their duties effectively.

All Directors have unrestricted access to the advice and services of the Company Secretaries, as well as to Management and relevant information of the Company. Where necessary, the Board may convene private sessions with the external auditors, without the presence of Management, at least twice annually.

Company Secretary

The Board is supported by two (2) suitably qualified and competent Company Secretaries in accordance with Section 235(2)(a) of the Companies Act 2016. The Company Secretaries possess extensive knowledge and experience gained from their involvement in public practice and are supported by a dedicated team of company secretarial personnel. Company Secretaries, Mr. Tan Tong Lang and Ms. Lim Swee Foon, are both members of the Malaysian Association of Institute of Chartered Secretaries and Administrators ("MAICSA").

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. Board Composition (continued)

Company Secretary (continued)

The Company Secretaries, or together with their representatives, had during the year:
(i) acted as Secretary for all Board Committee meetings and ensured that all meetings were properly convened;
(ii) record and minute the proceedings of all meetings, including pertinent issues, the substance of inquiries and responses, suggestions and proposals;
(iii) play supporting and advisory roles to the Board with the assistance of the Management, particularly with regard to the Company's constitution, compliance with statutory and regulatory requirements, such as restrictions in dealing with the securities of the Company;
(iv) regularly updated and briefed on the latest changes/developments in corporate governance, statutory and regulatory requirements, ensure adherence and compliance with the procedures and regulatory requirements from time to time; and
(v) managed proceedings pertaining to the annual general meeting held during the year.

The Company Secretaries have attended various continuous professional development programs including training sessions, seminars, workshops and talks conducted by the Companies Commission of Malaysia, Bursa Securities and MAICSA to keep abreast of the latest developments in statutory and regulatory requirements.

Training & Development of Directors

As of the date of this Report, all Directors have completed the Mandatory Accreditation Program ("MAP") Part I and Part II as prescribed under the Listing Requirements. The Directors continue to enhance their knowledge and skills by attending relevant seminars briefings and training programmes during the financial year in order to keep abreast of evolving commercial risks, as well as market and economic developments. In addition, the Director stays updated on industry trends and emerging issues through regular engagements and discussions with Senior Management.

These programs provide valuable platforms for the dissemination of strategic insights and facilitate meaningful exchanges of ideas, thereby enhancing the effectiveness and relevance of the Board.

The Directors are also provided with the Board Policy Manual that contains information including but not limited to the structure of the Company, management and operation, as well as the Directors' duties and obligations.

The Company's Human Resources Department facilitates the organization of internal training programs and Directors' attendance in external programs.

Details of the training programmes attended by Directors during the financial year are disclosed in the Directors' Profile section of this Annual report.

Time Commitment of Directors

Directors are at liberty to accept other Board appointments, provided that such appointments do not give rise to any conflict of interest with the business of the Company and do not adversely affect their performance and ability to discharge their duties and responsibilities effectively. The directors remain fully committed and dedicated to fulfilling their roles and responsibilities as reflected by their attendance at Board and Board Committee meetings during the financial year. Details of the number of meetings held and the attendance of each Director are disclosed in the Directors' Profile Section of this Annual Report.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. Board Composition (continued)

Re-Appointment and Re-Election of Directors

The RNC will consider and recommend to the Board for the continuation of the service of those Directors who are due for re-election/re-appointment. A Directors' Fit and Proper Policy was adopted by the Company to ensure that Directors possess the character, integrity, relevant of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interests of the Company and its stakeholders.

The Constitution of the Company provides that at its annual general meeting, one-third (1/3) of Directors for the time being and those appointed during the financial year shall retire from office and shall be eligible for re-election.

The Constitution further provides that all Directors shall retire from office at least once every three (3) years, but shall be eligible for re-election.

The re-appointment or re-election of Directors at its annual general meeting is subject to the prior assessment by the RNC and the recommendations thereafter submitted to the Board for approval for the Director concerned to continue to hold office. In addition, the following Directors stand for re-election at the forthcoming 49th AGM of the Company pursuant to the Company's Constitution as follows:-

No.	Directors	Article No.
1	Mr. Ku Chong Hong	122 (1)
2	Datuk Chong Loong Men	127
3	Mr. Leow Wey Seng	127
4	Ms. Tan Li Peng	127
5	Mr. Ling Chi Hoong	127

All the above-mentioned Directors ("Retiring Directors") have expressed their willingness to seek re-election at the forthcoming 49th AGM of the Company.

The profiles of Retiring Directors standing for re-election are set out in the Directors' Profile in the Annual Report 2025.

The Board does not fix a maximum tenure limit for Directors as the Board is of the view that there are significant advantages to be gained from the long-serving Directors who possess tremendous insight and knowledge of the Company's affairs.

Board Committees

To assist the Board in discharging its duties, the Board has established several Board Committees whose compositions and terms of reference are in accordance with the best practices.

The functions and Terms of Reference of Board Committees as well as the authority delegated by the Board to these Committees, were approved by the Board, and are reviewed from time to time to ensure that they are relevant and up to date.

The Board Committees of the Company are as follows:
- Audit Committee
- Remuneration & Nomination Committee
- Risk Management & Sustainability Committee
- Investment Committee
- Long Term Incentive Plan Committee

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. Board Composition (continued)

As of the date of this report, the details of the Board members' membership of the various Board Committees are set out below:

NO.	DIRECTOR	AUDIT COMMITTEE	REMUNERATION & NOMINATION COMMITTEE	RISK MANAGEMENT & SUSTAINABILITY COMMITTEE	INVESTMENT COMMITTEE	LONG TERM INCENTIVE PLAN COMMITTEE
1	Datuk Chong Loong Men	-	-	-	-	-
2	Mr. Ku Chong Hong	-	-	-	Member	Member
3	Mr. Chiew Jong Wei	-	-	-	Member	-
4	Mr. Leow Wey Seng	Chairman[1]	Chairman[2]	Chairman[3]	Chairman[4]	Chairman[5]
5	Ms. Tan Li Peng	Member[6]	Member[7]	Member[8]	-	Member[9]
6	Mr. Ling Chi Hoong	Member[10]	Member[11]	Member[12]	-	-

[1]-[5] *Appointed as a Chairman of the respective Board committee on 20 June 2025*
[6]-[9] *Appointed as a Member of the respective Board committee on 20 June 2025*
[10]-[12] *Appointed as a Member of the respective Board committee on 28 August 2025*

All proceedings, matters arising, deliberations in terms of the issue discussed, and recommendations made by the Board Committees at the Committees' meetings are recorded in the minutes by the Company Secretary, confirmed by the Board Committees, and signed by the Chairman of the said Committees.

Upon invitation, representatives of the Management were present at the Board Committees' meetings to provide additional insight into matters to be discussed during the said committee meetings, if so required.

All the Board Committees do not have executive powers but are to report to the Board on all matters considered and their recommendations thereon.

The Terms of Reference for the respective Board Committees are available for reference at www.scib.com.my.

Audit Committee ("AC")

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors. The committee is being chaired by Mr. Leow Wey Seng. He is not the Chairman of the Board.

The Board is assisted by the AC and Risk Management & Sustainability Committee in the areas of financial reporting, external audit, internal control environment and internal audit process, review of related party transactions and conflict of interest situations. The RMSC also provides oversight on the risk management framework of the Group.

The Company has adopted a policy requiring a former audit partner of the external audit firm to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC, and the said policy has been incorporated into the Terms of Reference of RNC. Currently, none of the AC members are former audit partners.

The Terms of Reference of the AC are set out under the AC Report in this Annual Report and further details are disclosed under Principal B: Effective Audit and Risk Management in this Statement.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. **Board Composition** (continued)

Remuneration and Nomination Committee ("RNC")

The RNC comprises three (3) Non-Executive Directors, all of whom are independent directors. Meetings of the RNC are held as and when required, and at least once a year.

During the financial period, the RNC held three (3) meetings on 28 August 2024, 7 December 2024 and 26 February 2025, respectively. The details of the attendance are as follows:

Names of Directors	Directorship	Designation	Number of Meetings Attended
Leow Wey Seng *(Appointed on 20 June 2025)*	Independent Non-Executive Director	Chairman	N/A
Tan Li Peng *(Appointed on 20 June 2025)*	Independent Non-Executive Director	Member	N/A
Ling Chi Hoong *(Appointed on 28 August 2025)*	Independent Non-Executive Director	Member	N/A
Liaw Way Gian *(Resigned on 27 January 2025)*	Independent Non-Executive Director	Chairman	2/2
Ooi Hoot Kuang *(Appointed on 19 December 2024 and resigned on 11 June 2025)*	Independent Non-Executive Director	Chairman	1/1
Kang Wei Luen *(Resigned on 11 June 2025)*	Independent Non-Executive Director	Member	3/3
Dr Dang Nguk Ling *(Resigned on 3 June 2025)*	Independent Non-Executive Director	Member	3/3

Role and Responsibilities of the RNC:

(i) To identify and recommend the proposed appointment of a new Director and the re-appointment of Directors upon the expiry of their respective tenures of office for approval of the Board. Any new Director will undergo a familiarisation programme, which includes a presentation of an overview of the Company's profile, products, factories and track records to facilitate the new Directors' understanding of the Company. The Company Secretary will ensure that all appointments of new Directors are properly carried out and all legal and regulatory obligations are met;
(ii) To review the Board Members' directorships in companies other than the Company; the number of directorships held is well within the restriction of not more than five (5) directorships in public listed companies as stated in the Listing Requirements;
(iii) To assess and review the independence and its continuation as the Independent Directors annually;
(iv) To review annually the performance of the Executive Directors and submit recommendations to the Board on specific adjustments in remuneration and/or reward payments that reflect their respective contributions for the year, and which are competitive and are in tandem with the Company's corporate objectives, culture and strategy; and
(v) To consider succession planning and review the leadership needs of the Group.

All assessments and evaluations carried out by the RNC in the discharge of all its functions shall be properly documented.

During the financial period, the RNC carried out the annual review of the overall remuneration policy for Directors and Key Senior Management Officers and recommended the Board's approval.

The RNC and the Board ensure that the Company's remuneration policy remains supportive of its corporate objectives and aligned with the interests of shareholders, and further that the remuneration packages of Directors and key Senior Management Officers are sufficiently attractive to draw in and retain persons of high caliber.

The Board as a whole determines the remuneration of Non-Executive Directors, and each individual Director abstains from the Board's decision on his own remuneration.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. Board Composition (continued)

Risk Management & Sustainability Committee ("RMSC")

The Company had on 26 February 2025 changed the name of the Risk Management Committee ("RMC") to Risk Management & Sustainability Committee ("RMSC"). Accordingly, the Company has revised the RMSC's Terms of Reference and the same was published on the Company's website.

The RMSC comprises three (3) Non-Executive Directors, all of whom are independent directors.

During the financial period, the RMSC held six (6) meetings on 26 August 2024, 25 November 2024, 24 February 2025, 26 May 2025, 28 August 2025 and 26 November 2025 respectively. The details of the attendance are as follows:

Names of Directors	Directorship	Designation	Number of Meetings Attended
Leow Wey Seng *(Appointed on 20 June 2025)*	Independent Non-Executive Director	Chairman	2/2
Tan Li Peng *(Appointed on 20 June 2025)*	Independent Non-Executive Director	Member	2/2
Ling Chi Hoong *(Appointed on 28 August 2025)*	Independent Non-Executive Director	Member	1/1
Kang Wei Luen *(Resigned on 11 June 2025)*	Independent Non-Executive Director	Chairman	4/4
Dr Dang Nguk Ling *(Resigned on 3 June 2025)*	Independent Non-Executive Director	Member	4/4
Yak Boon Tiong *(Resigned on 27 January 2025)*	Independent Non-Executive Director	Member	2/2
Ng Cheng Shin *(Appointed on 19 December 2024 and resigned on 11 June 2025)*	Independent Non-Executive Director	Member	2/2

Among others, the RMSC has the following roles & responsibilities:

a. Develop and recommend the Company's risk policies and objectives aligned with its strategic business objectives;
b. Communicate Board's risk policies, objectives, responsibilities, and reporting lines;
c. Identify and communicate to the Board all risks (present and potential) the Company faces, its changes and management action plans to manage those risks;
d. Perform risk oversight and review of risk profiles of the Company and regularly review business units' risk management processes;
e. Provide guidance to business units of the Company and its risk appetite and capacity, and other criteria which, when exceeded, trigger an obligation to report upward to the Board;
f. Provide guidance to the implementation and execution of the Group's sustainability practices and monitoring of sustainability related performances, risks and opportunities; and
g. All other risk management and sustainability-related matters delegated by the Board.

For the year under review, the Board is satisfied with the performance of the RMSC in discharging its duties and responsibilities in accordance with its Terms of Reference.

More information about the activities of the RMSC is set out in the Statement on Risk Management and Internal Control in this Annual Report.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. Board Composition (continued)

Investment Committee ("IC")

The IC comprises three (3) members, with at least one (1) independent member in accordance with the Terms of Reference of the IC. The compositions of the IC are as follows:

Name	Designation	Directorship
Leow Wey Seng *(Appointed on 20 June 2025)*	Chairman	Independent Non-Executive Director
Ku Chong Hong	Member	Group Managing Director/Chief Executive Officer
Chiew Jong Wei	Member	Executive Director/Chief Financial Officer

There was no IC meeting held during the financial period.

Among others, the IC has the following roles and responsibilities:

a. To review annual business plans and budgets for recommendation to the Board for approval;
b. To evaluate proposals on new investments and divestments of significant value to ensure they align with SCIB's vision, mission and corporate goals;
c. To approve investment up to a prescribed amount as determined by the Board from time to time, beyond which a recommendation will be made to the Board;
d. To review financial investment portfolios of the Group. This includes and is not limited to existing and new mergers and acquisitions, new partnerships, divestments and large capital expenditure projects;
e. To oversee current and future capital and financial resource requirements;
f. To monitor the fund-raising activities of the Group;
g. To conduct the annual performance evaluation of the Group's investment activities;
h. To review and recommend to the Board of Directors the foreign exchange and hedging policies and procedures; and
i. To implement other necessary duties as mutually agreed by the Investment Committee and the Board of Directors or any other authorities that are required by law or regulated by any Government authority.

Long Term Incentive Plan Committee ("LTIP")

The LTIP Committee was formed on 29 May 2024 and comprises not less than three (3) members, of whom two (2) members are Non-Executive Directors and one (1) of the Non-Executive Directors serves as the Chairman of the LTIP Committee. Additionally, the LTIP Committee shall consist of at least one (1) Executive Director as the management representative.

During the financial period, the LTIP held two (2) meetings on 14 October 2024 and 28 August 2025 respectively. The details of the attendance are as follows:

Names of Directors	Directorship	Designation	Number of Meetings Attended
Leow Wey Seng *(Appointed on 20 June 2025)*	Independent Non-Executive Director	Chairman	1/1
Ku Chong Hong	Group Managing Director /Chief Executive Officer	Member	2/2
Tan Li Peng *(Appointed on 20 June 2025)*	Independent Non-Executive Director	Member	1/1
Liaw Way Gian *(Resigned on 27 January 2025)*	Independent Non-Executive Director	Chairman	1/1
Chiew Jong Wei *(Resigned on 20 June 2025)*	Executive Director/ Chief Financial Officer	Member	1/1
Kang Wei Luen *(Resigned on 11 June 2025)*	Independent Non-Executive Director	Member	1/1

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. Board Composition (continued)

Long Term Incentive Plan Committee ("LTIP") (continued)

The LTIP has the following roles and responsibilities:

- To exercise all powers and fulfill the duties and responsibilities as stated in the LTIP By-Laws;
- To decide the number of options and/or shares to be granted to eligible persons, the exercise price for the options, vesting conditions (if any), and such other terms in relation to the LTIP By-Laws;
- To enter into any transaction, agreements, deeds, documents or arrangement and make rules, regulations or impose terms and conditions, or delegate part of its power relating to the share options and share grant which the LTIP committee may, in its discretion, consider to be necessary subject to the provisions of the LTIP By-Laws;
- To regularly report its activities, including the discharge of responsibilities, to the Board and promptly provide the Board with copies of the minutes of LTIP Committee meetings;
- To arrange for periodic review of its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any change it considers necessary to the Board for approval;
- To act in accordance with the directives of the Board of Directors to ensure alignment with the company's strategic objectives; and
- To evaluate and address any actions and matters deemed appropriate by the LTIP Committee for the effective implementation and administration of share options and grants, ensuring compliance with the LTIP By-laws and relevant regulatory requirements.

The LTIP is for a period of five (5) years commencing on 24 July 2024 ("Effective Date") and may be extended by the Board at its absolute discretion for up to another five (5) years immediately from the expiry of the first five (5) years. The entire LTIP shall not in aggregate exceed ten (10) years from the Effective Date or such longer period as may be allowed by the relevant authorities.

3. Remuneration

The RNC is responsible for annually reviewing the performance of the Executive Director and Key Senior Management Officers, and making recommendations to the Board.

The remuneration of the Executive Directors is structured to link rewards to the Company and individual performance. As for Non-Executive Directors, the level of remuneration is mainly based on the experience, qualification and competence of the Non-Executive Director concerned. The Non-Executive Directors are remunerated with Directors' fees, which are subject to shareholders' approval at the AGM annually.

In recommending the proposed Directors' fees, the RNC takes into consideration the qualification, duties, responsibilities, and contributions required from a director in view of the Company's complexity, and also the market rate in the industry. Nevertheless, the ultimate approval for the remuneration of Directors lies with the Board as a whole, with the respective interested Directors abstaining from deliberation and voting on the same.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

3. Remuneration (continued)

The disclosure of the remuneration of individual Directors of the Company on a named basis for the financial period ended 31 December 2025 is provided under Practice 8.1 of the Corporate Governance Report, which is available on the Company's website at www.scib.com.my:

NO.	DIRECTOR	SALARIES RM	FEES RM	MEETING ALLOWANCES & OTHER EMOLUMENTS RM	TOTAL REMUNERATION RM
	EXECUTIVE DIRECTOR				
1	Datuk Chong Loong Men [1]	-	46,667	-	46,667
2	Mr. Ku Chong Hong	900,000	66,000	233,235	1,199,235
3	Mr. Chiew Jong Wei	786,000	66,000	502,215**	1,354,215
	NON-EXECUTIVE DIRECTOR				
1	Mr. Leow Wey Seng [2]	-	26,667	11,240	37,907
2	Ms. Tan Li Peng [3]	-	26,667	5,620	32,287
3	Mr. Ling Chi Hoong [4]	-	16,516	3,078	19,594
	RESIGNED DIRECTORS				
1	YBhg. Dato' Sri Zaini Bin Jass [5]	-	73,567	-	73,567
2	Mr. Liaw Way Gian [6]	-	21,484	3,600	25,084
3	Mr. Yak Boon Tiong [7]	-	21,484	5,322	26,806
4	Sr. Mohd Nazri Bin Mat Noor [8]	-	38,400	-	38,400
5	YBhg. Dato' Tan Bok Koon [9]	-	38,400	-	38,400
6	Dr. Dang Nguk Ling [10]	-	38,400	10,860	49,260
7	Mr. Kang Wei Luen [11]	-	39,467	20,840	60,307
8	Mr. Ng Cheng Shin [12]	-	22,725	4,013	26,738
9	Mr. Ooi Hoot Kuang [13]	-	22,725	1,393	24,118
	TOTAL	**1,686,000**	**565,169**	**801,416**	**3,052,585**

*** Amount inclusive of benefits from the LTIP share options exercised during the year, calculated based on the difference between the market price of SCIB shares on the date of exercise and the share option exercise price of RM0.1268 per share.*

[1] Appointed as the Executive Chairman with effect from 11 June 2025
[2]-[3] Appointed as the Independent Non-Executive Director with effect from 11 June 2025
[4] Appointed as the Independent Non-Executive Director with effect from 28 August 2025
[5] Resigned as the Independent Non-Executive Chairman with effect from 11 June 2025
[6]-[7] Resigned as the Independent Non-Executive Director with effect from 27 January 2025
[8]-[10] Resigned as the Independent Non-Executive Director with effect from 3 June 2025
[11]-[13] Resigned as the Independent Non-Executive Director with effect from 11 June 2025

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit Committee

The Terms of Reference for the AC are set out under the AC Report in this Annual Report.

Relationship with the External Auditors

The AC has in place policies and procedures to review and assess the appointment or re-appointment of external auditors with respect to their suitability, objectivity and independence. There have not been any non-audit services that have compromised their independence as external auditors of the Company.

The AC in this regard assesses and reviews annually, among others, the adequacy of their experience and resources, their audit engagements and the experience of the engagement partners and staff in accordance with the requirements of the Company.

Through the AC, the Company has established a formal and transparent relationship with the external auditors. Due to the change of financial year ending from 30 June 2025 to 31 December 2025, the private session was held during the AC Meeting on 26 February 2026, where the AC meets with the external auditors without the presence of the Management to enable the AC to discuss matters privately with them.

Assurance from the external auditors has been received twice a year by the Board, confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The Audit Committee is satisfied with the performance of the external auditors, Messrs. Kreston John & Gan, who are registered with the Audit Oversight Board of the Securities Commission and has recommended to the Board to put forth the proposal for shareholders' approval at the forthcoming 49th AGM the re-appointment of Messrs. Kreston John & Gan as the external auditors of the Company for the financial year ending 31 December 2026.

Information on the activities carried out by the AC are set out in the AC Report in this Annual Report 2025.

2. Risk Management and Internal Control

The Board acknowledges its responsibility for maintaining a sound system of risk management and internal control, which is designed to identify and manage risks in the pursuit of the Company's objectives.

The system of risk management and internal control encompasses financial, operational and compliance aspects, with the aim of safeguarding the Company's assets and protecting shareholders' investments.

In discharging their responsibility, the Board, through the AC and RMSC, as well as the outsourced internal audit function, has established a process to monitor and review the adequacy and integrity of the Company's system of risk management and internal control on an ongoing basis. They are responsible for overseeing the identification, assessment, monitoring and management of key risks across the Company, ensuring that such risks are managed within the Group's approved risk appetite and tolerance levels.

Further details on the Company's system of risk management and internal control framework are set out in the Statement on Risk Management and Internal Control in this Annual Report.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (continued)

3. Internal Audit Function

The Company has outsourced its internal audit function to a professional service firm known as Salihin Consulting Group Sdn Bhd to assist the RMSC in reviewing the adequacy and effectiveness of the Group's risk management and internal control systems. The Internal auditors reports functionally and directly to the AC and RMSC. Their responsibility included providing independent and objective reports on the state of internal controls within the Group's significant operating units, together with recommendations for improvement and/or remedial actions to address any weaknesses identified in the system.

The internal audit team is independent and free from any relationships or conflicts of interest with the Company in the discharge of their duties. The internal audit function is carried out in accordance with the recognised professional framework, and periodic reviews and testing of internal control systems are performed to ensure that the system remains robust and effective.

The RMSC assessed the performance, competency, independence, technical capabilities and resource sufficiency of the internal auditors and was satisfied with their overall performance during the financial period.

Information on the activities carried out by the internal auditors for the financial period is set out in the Statement on Risk Management and Internal Control in this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Communication with Stakeholders

The Company maintains a regular policy of disseminating comprehensive, accurate and timely information that is material for shareholders' information via announcements made to Bursa Securities to ensure transparency and effective communication with stakeholders.

In compliance with the Listing Requirements, the Company releases its financial results quarterly, including an overview of its performance.

In addition, the Company has established an electronic platform via its corporate website, which serves as a key channel for communication with shareholders. The website provides access to a wide range of information, including the Company's operational, financial, corporate governance, and investor relations information.

All announcements made by the Company, as well as relevant information for shareholders and investors, are available on the Company's corporate website.

During the financial period ended 31 December 2025, the Company did not conduct any investor briefings.

Conduct of General Meetings

The General Meeting serves as the principal forum for two-way interactions between the shareholders, the Board and the management team. The shareholders are encouraged and given sufficient opportunity to enquire about the Company's activities and prospects as well as to convey their expectations and concerns to the Board that contributes to the overall enhancement of the Company's governance and long-term sustainability.

As recommended by the MCCG, the notice of the forthcoming AGM will be dispatched to shareholders at least twenty-eight (28) days before the AGM, to allow shareholders to have additional time to go through the Annual Report and make necessary attendance and voting arrangements. The notice of the AGM, which sets out the business to be transacted at the AGM, will also be published in (1) nationally circulated newspaper.

Corporate Governance

Corporate Governance Overview Statement
(continued)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (continued)

1. **Communication with Stakeholders** (continued)

Conduct of General Meetings (continued)

Each item of special business included in the Notice of General Meeting will be accompanied by an explanatory statement for the proposed resolution to facilitate evaluation of the proposed resolution.

Shareholders are encouraged to submit their questions on the proposed resolutions tabled at the general meetings. Members of the Board, senior management, external auditors, and/or advisers are present to provide appropriate responses to queries raised. The Company conducted its last AGM virtually in accordance with the Guidance Note issued by the Securities Commission and the Constitution of the Company, which allows general meetings to be held virtually using technology or electronic means. While, the Extraordinary General Meeting held on 15 January 2026 was conducted physically.

Pursuant to paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all resolutions set out in the notice of general meetings are voted on by way of poll through electronic voting. The procedures for poll voting are outlined in the Administrative Guide circulated to shareholders and are explained during the AGM prior to the commencement of voting. An independent scrutineer will be appointed to validate the poll results.

The forthcoming 49th AGM, to be held on 24 June 2026, will be conducted physically and all resolutions tabled at the forthcoming 49th AGM to be held on 24 June 2026 will be voted on by way of a poll.

Shareholders will be briefed on the voting procedures, and the poll results will be verified by an Independent Scrutineer.

The minutes of the 49th AGM will be published on the Company's corporate website at www.scib.com.my as soon as practicable after the conclusion of the AGM.

KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board is satisfied that the Company has maintained high standards of corporate governance and strived to achieve the highest level of integrity and ethical standards in all its business dealings.

Moving forward, the Board will continue to operationalise and improve the Company's corporate governance practices and instill a risk and governance awareness culture and mindset throughout the organisation in the best interest of all stakeholders.

This Statement was approved by the Board of Directors on 16 April 2026.