SCA SOLUTIONS BERHAD

(Company Registration No: 202501047718 (1649126-A))
(Incorporated in Malaysia)

FIT AND PROPER POLICY

(Version: 1.0)
(Review and approved by the Board of Directors of the Company on 13 January 2026)

1. INTRODUCTION

The Board of Directors ("the Board") of **SCA SOLUTIONS BERHAD** ("the Company") believes that it is in the best interest of the Company, its subsidiaries and its stakeholders that its Directors and members of Senior Management have the required character, experience, integrity, competence and time to effectively and diligently discharge their responsibilities and duties and contribute to the proper governance of the Company and its subsidiaries (collectively, "the Group").

The scope of this Fit and Proper Policy applies to current Directors of the Company and its subsidiaries seeking re-appointment as well as candidates nominated for appointment as a Director or member of the Senior Management of the Company and its subsidiaries (excluding the Directors appointed by other shareholders of the subsidiaries).

This Fit and Proper Policy shall form part of the "**Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director**" established and approved by the Board.

2. DUTIES AND RESPONSIBILITIES

i. The Board

In this regard, the Board are ultimately responsible for ensuring that all current Directors of the Company and its subsidiaries seeking re-appointment as well as candidates nominated for appointment as a Director or member of the Senior Management of the Company and its subsidiaries fulfil fit and proper requirements. The Board is also accountable for conducting assessments to verify the fitness and propriety of Directors and members of Senior Management of the Company and its subsidiaries.

The Board is to include the results of the review and assessment in a statement accompanying the notices of the general meetings. The statement will include details of each person standing for election as Director, indicating whether the Board supports the appointment of the candidate as Director of the Company or re-appointment of the current Director of the Company, along with the reasons for its decision.

2. DUTIES AND RESPONSIBILITIES (Cont'd)

ii. Nomination Committee

The Board delegates the duty to the Nomination Committee ("NC") to perform a fit and proper assessment of Directors of the Company and its subsidiaries seeking re-appointment as well as candidates nominated for appointment as a Director or member of the Senior Management of the Company and its subsidiaries based on the fit and proper criteria as tabulated in **Section 4 – Fit and Proper Criteria** and making recommendations to the Board on these matters for its review and decision.

For new appointments and re-appointments, the candidates are required to complete self-declaration via the Fit and Proper Declaration Form and authorise the Company to perform the relevant background checks as part of the due diligence process, if necessary.

iii. Company Secretary

NC is assisted by the Company Secretary with the following duties:

- To ensure that appropriate fit and proper assessment based on prescribed form and checklist is carried out at the appropriate point of time as per **Section 3 – Timing of Review and Assessment**;

- To facilitate the completion of prescribed form and checklist in relation to fit and proper assessments and to obtain necessary supporting documents and/or due diligence required to substantiate representations made by current Director or the candidate, as applicable;

- To minute the review, deliberation, results and recommendation of NC on fit and proper assessment of current Director or the candidate, as applicable, during the meeting of NC;

- To minute the review and deliberation of results of fit and proper assessment of current Director or the candidate, as applicable, and recommendation by NC during the meeting of NC and the Board's decision on the appointment and re-appointment;

- To prepare and ensure the completeness of all statutory documentations in relation to the appointment and re-appointment of Director;

- To make required disclosure, statutory lodgement and announcement under relevant laws and regulations, subject to the authorisation from the Board or authorised officer by the Board;

- To safekeep all the above documentations for the longest period required under relevant laws and regulations and made available for inspection by the Board, any person authorised by the Board, relevant regulatory bodies or under other statutory requirements;

2. DUTIES AND RESPONSIBILITIES (Cont'd)

iii. Company Secretary (Cont'd)

- To provide information and guidance to the NC and the Board on matters concerning the procedure for fit and proper assessments; and

- To ensure that the Company takes all reasonable steps to protect the information and documents collected for fit and proper assessments from misuse, unauthorized access, modifications or disclosure.

3. TIMING OF REVIEW AND ASSESSMENT

A properly constituted and duly minuted meeting of the NC and the Board shall be held for the purpose of fit and proper assessment of current Director or the candidate, as applicable, in the following manner:

i. For Re-Appointment of Current Directors of the Company and its Subsidiaries
   - Within three (3) months before the date of general meeting for the re-appointment.

ii. For Nomination and Appointment of Director or member of Senior Management of the Company and its Subsidiaries
   - Within three (3) months before the date of appointment to the Board of the Company and its Subsidiaries, as applicable.

4. FIT AND PROPER CRITERIA

For the purpose of establishing whether a person is fit and proper to act as a Director or member of the Senior Management of the Company and its subsidiaries (exclude the Directors appointed by other shareholders of the subsidiaries), the NC and the Board shall have regard to the person's:

(i) **Probity, personal integrity and reputation** - person must have the personal qualities such as honesty, integrity, diligence, independence of mind and fairness and must manage his/her debts or financial affairs prudently.
(ii) **Financial integrity** - person must manage his/her debts or financial affairs prudently.
(iii) **Experience and competence** - person must have the necessary skills, experience, ability and commitment to carry out the role.
(iv) **Time and commitment** – person must devote sufficient time and commitment to discharge his/her roles and responsibilities as member of the Board, the Board Committee or member of the Senior Management (as the case may be) and must participate actively and contribute constructively during the Board proceedings, Board Committee proceedings and meetings of Senior Management (as the case may be).

4. FIT AND PROPER CRITERIA (Cont'd)

i. Probity, Personal Integrity and Reputation

In assessing a person's level of probity, integrity and reputation to hold the office of Director or member of the Senior Management in the Company or the subsidiaries (exclude the Directors appointed by other shareholders of the subsidiaries), the NC and the Board should consider matters including, but not limited, to the followings that whether:

a) the person is or has been the subject of any investigations by relevant enforcement unit or proceedings by a court of law, whether within Malaysia or elsewhere, of an offence in connection with the promotion, formation or management of a corporation or has been notified of any impending proceedings or of any investigations, which might lead to such proceedings;

b) the person is or has been the subject of any investigations by relevant enforcement unit or proceedings by a court of law, whether within Malaysia or elsewhere, of an offence, involving bribery, fraud or dishonesty or where the conviction involved a finding that he/she acted fraudulently or dishonestly or has been notified of any impending proceedings or of any investigations, which might lead to such proceedings;

c) the person is or has been the subject of any proceedings by a court of law of an offence under the securities laws or the corporations laws of the Company's place of incorporation or has been notified of any impending proceedings or of any investigations, which might lead to such proceedings;

d) the person has contravened any provision made by or under any written law designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice, whether within Malaysia or elsewhere;

e) the person is or has been the subject of any proceedings of a disciplinary or criminal nature, whether within Malaysia or elsewhere, or has been notified of any impending proceedings or of any investigations, which might lead to such proceedings;

f) the person has contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies;

g) the person, or any business in which he/she has a controlling interest or exercises significant influence, has been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately;

h) the person has been engaged in any business practices which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on his/her professional conduct;

4. FIT AND PROPER CRITERIA (Cont'd)

i. Probity, Personal Integrity and Reputation (Cont'd)

i) the person has been dismissed, asked to resign or has resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions about his/her honesty and integrity;

j) the person has been associated, in ownership or management capacity, with a company, partnership or other business association that has been refused registration, authorisation, membership or a licence to conduct any trade, business or profession, or has had that registration, authorisation, membership or licence revoked, withdrawn or terminated;

k) the person has held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while the person was connected with that business;

l) the person has been a Director of, or directly concerned in the management of, any corporation which is being or has been wound up by a court or other authority competent to do so within or outside Malaysia, or of any licensed institution, the licence of which has been revoked under any written law;

m) the person, in the past, has acted unfairly or dishonestly in his/her dealings with his/her customers, employer, auditors and regulatory authorities;

n) the person has at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities and failure to comply with legal, regulatory and professional requirements and standards, including compliance with tax requirements and obligations;

o) the person has at any time shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices;

p) the person is free from any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of his/her judgement when acting in the capacity of a Director or member of the Senior Management of the Company and the subsidiaries which would be disadvantageous to the Company or subsidiaries' interest;

q) the person has not abused other positions (i.e. political appointment) to facilitate government relations for the Company in a manner that contravenes the principles of good governance; and

r) the person is not an active politician and has not held a position with high political influence in the past two (2) years.

4. FIT AND PROPER CRITERIA (Cont'd)

ii. Financial Integrity (Cont'd)

Financial integrity is demonstrated by a person who manages his/her own financial affairs properly and prudently. The fact that a person may be of limited financial means does not in itself, affect the person's ability to satisfy the financial integrity criteria.

In assessing a person's financial integrity, the NC and the Board must consider all relevant factors, including but not limited to the following:

a. whether the person has been and will be able to fulfil his/her financial obligations, whether in Malaysia or elsewhere, as and when they fall due; and

b. whether the person is or has been the subject of any proceedings by a court of law for any sum or debt owed by him/her which is unsatisfied or has been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.

iii. Experience and Competence

Experience and competence are demonstrated by a person who possesses the relevant competence, experience and ability, by virtue of his/her expected specific contribution/subject expert, role and responsibilities as a member of the Board of Directors, member of the Board Committees or member of the Senior Management of the Company or subsidiaries (as applicable), to understand the requirements of engineering solution industry and business of the Company or subsidiaries (as applicable), the requirements of relevant laws and regulations of the Company or subsidiaries (as applicable), the requirements of auditing, accounting and corporate governance, responsibilities as Directors in relevant jurisdictions, the risk relevant to the engineering solution industry and business of the Company or subsidiaries (as applicable) and the internal control system relevant to the engineering solution industry and business of the Company or subsidiaries (as applicable).

In assessing a person's competence and capability, the NC and the Board should consider matters including, but not limited to the following:

(i) whether the person has the appropriate and relevant qualification, training, skills, practical and experience to effectively fulfil the role and responsibilities as a Director or member of the Senior Management of the Company or subsidiaries (as applicable), by virtue of his/her expected specific contribution/subject expert, his/her role and responsibilities as a member of the Board of Directors, member of the Board Committees or member of the Senior Management of the Company and subsidiaries (as applicable); and

(ii) whether the person has satisfactory past performance or expertise in the engineering solution industry and business of the Company or subsidiaries (as applicable) or subject matters that he/she is expected to contribute to the functioning of the Board, Board Committees or Senior Management of the Company or the subsidiaries (as applicable).

4. FIT AND PROPER CRITERIA (Cont'd)

ii. Experience and Competence (Cont'd)

In this regard, the person must possess the following:

(i) necessary **skills and experience** in any of the following industries, by virtue of his/her expected specific contribution/subject expert, his/her role and responsibilities as a member of the Board of Directors, member of the Board Committees or member of the Senior Management of the Company and subsidiaries (as applicable):

- Engineering solution industry
- Professional, i.e. legal, finance and accounting, corporation and capital market laws and regulations
- Any other industry (upstream or downstream or supporting industries)

(ii) necessary **qualification and functional/technical expertise** in any of the following areas, by virtue of his/her expected specific contribution/subject expert, his/her role and responsibilities as a member of the Board of Directors, member of the Board Committees or member of the Senior Management of the Company and subsidiaries (as applicable):

- Engineering solution
- Manufacturing
- Research and Development
- Sales and Marketing
- Business administration
- Laws and regulations
- Finance and Accounting
- Corporation and capital market laws and regulations
- Corporate governance
- Economic, Environment and Social
- Any other relevant qualification and expertise

(iii) necessary **trainings** in any of the following areas, by virtue of his/her expected specific contribution/subject expert, his/her role and responsibilities as a member of the Board of Directors, member of the Board Committees or member of the Senior Management of the Company and subsidiaries (as applicable):

- Engineering solution
- Manufacturing
- Research and Development
- Sales and Marketing
- Business administration

4. FIT AND PROPER CRITERIA (Cont'd)

iii. Experience and Competence (Cont'd)

- Laws and regulations
- Finance and Accounting
- Corporation and capital market laws and regulations
- Corporate governance
- Economic, Environment and Social
- Any other relevant qualification and expertise

(iv) necessary knowledge and skill to read and understand financial reports prepared for the Group, the Company and its subsidiaries (as the case maybe) and be able to relate the information in relation to the accounting policies adopted, business operations, business performance, financial conditions, changes in risk profile, internal and/or external business context to the information presented in such financial reports.

(v) necessary **past experience** in any of the following aspect, by virtue of his/her expected specific contribution/subject expert, his/her role and responsibilities as a member of the Board of Directors, member of the Board Committees or member of the Senior Management of the Company and subsidiaries (as applicable):

- a past or current Director/senior executive in engineering solution industry for at least 10 years
- a past or current Director/senior executive in a public company or reputable privately held entity for at least 10 years
- a past or current partner/senior executive in recognised or reputable audit firm or professional accounting/consulting/advisory/legal firm or entity for at least 10 years
- a past or current senior executive at a prominent educational institution or senior faculty position in an area of study important or relevant to the Company or its subsidiaries (as applicable) for at least 10 years
- a past senior government personnel for an industry that is relevant to the Company or its subsidiaries (as applicable) for at least 10 years
- at least 10 years working experience at Senior Management level in industry specified in (i) above

iv. Time and Commitment

In order for the Directors and members of the Senior Management of the Company and its subsidiaries to effectively and diligently discharge his/her roles and responsibilities, it is critical that such persons spend a reasonable amount of time and effort to meet the demands and expectations of such roles and responsibilities and is not "over-stretch".

4. FIT AND PROPER CRITERIA (Cont'd)

iii. Time and Commitment (Cont'd)

Directors and members of Senior Management of the Company or its subsidiaries (excluding the Directors appointed by other shareholders of the subsidiaries) shall be able to devote time as a Board member, having factored other outside obligations including concurrent board positions held by the person across listed issuers and non-listed entities (including not-for profit organisations). NC and the Board are to ensure the number of directorships held by any Board member at any one time shall not exceed five (5) in listed companies.

Directors and members of Senior Management of the Company or its subsidiaries (excluding the Directors appointed by other shareholders of the subsidiaries) shall demonstrate willingness to participate actively in Board activities and deliberations, to devote time and effort to understand the Group's businesses and exemplify readiness to participate in events outside the boardroom, manifests passion in the vocation of a Director, exhibits ability to articulate views independently, objectively and constructively as well as exhibits open mindedness to the views of others.

For re-appointment, NC and the Board are to take into consideration satisfactory results of the performance of such Director seeking re-appointment on his/her participation (including his/her attendance at the meetings of the Board and Board Committee since the appointment or last re-appointment) and contribution during the Board and Board Committee proceedings.

5. REVIEW OF THIS POLICY

This Policy will be reviewed by the Board as and when required and updated in accordance with the needs of the Group, and in any event, at least once every three (3) years.