SCOPE INDUSTRIES BERHAD

[Company No.: 200201023713 (591376-D)]

(Incorporated in Malaysia)

Conflict of Interest Policy

Reference No:	Revision No.:	Board of directors' approval date:
		28 November 2024

Definitions

Unless the context otherwise requires, the following definitions shall apply throughout this policy:

"Scope Group" or the Group"	:	Scope Industries Berhad and its subsidiaries
"Board of Director	:	Board of directors of Scope
Conflict of interest or "COI"	:	a situation in which an individual's personal interest clashes with the responsibilities owed to his/her employer, potentially leading to biased decision-making, unethical, illegal, or unprofessional behavior, and undermining the Group's interest. Conflict of interest includes actual, potential or perceived conflict of interest.
"Director" or "Directors"	:	Directors include all independent and non-independent directors, executive and non-executive directors of the Group and shall also include alternate or substitute directors.
"Employee" or "Employees"	:	Any person who is employed by the Group, either part time, full time or on contract, not limited to the Directors (executives and non-executives), secondees and any individuals on direct hire.
"Family member"	:	in relation to a person, means: i) a spouse of the person; or ii) a brother or sister of the person, or their spouses; or iii) a brother or sister of the spouse of the person, or their spouses; or iv) parents or parents-in-law of the person; or v) children (including adopted or stepchild) or children-in-law of the person; or vi) a lineal descendant of a person referred to in (ii) and (iii) above, e.g., niece or nephew, or their spouses; or vii) the uncle, aunt, or cousin of the person. viii) The son-in-law or daughter-in-law of the person. For the purpose of this Policy, family member also includes persons with whom an intimate relationship exists.
"Benefits"	:	Any form of bribe, gift, reward, consideration, favour or any other advantages or profits (whether material or immaterial) gained by the Employees

"Gifts"	:	Any form of monetary or non-monetary such as goods, services, cash or cash equivalents, fees, rewards, facilities, or benefits given to or received by an Employees, family member or any other person on his or her behalf, without any or insufficient consideration known to the Employees
"Material"		in relation to shareholding means equity ownership of 5% or more.

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Conflict of interest Policy

1. Introduction

The Group are committed to maintain a high standard of code of conduct and business ethics to create an environment of mutual trust whilst increasing the confidence of our stakeholders, shareholders and most importantly, the public at large.

Accordingly, the Scope Group expects all Employees to conduct themselves with integrity, impartiality and professionalism at all times, and to avoid any conflict of interest that may arise in the performance of their duties. Proper identification and management of conflicts of interest ensures that business decisions are made in the best interests of the Company and the Company is protected from any consequent damage to its activities and reputation.

2. Objective

The objective of this COI is to provide information and guidance to all Employees on protecting the company's best interest in carrying out their duties with integrity, transparency, and accountability.

This policy is to be read in conjunction with the Company's Code of Ethics, Code of Conduct, Whistle Blowing Policy, Anti Bribery and Corruption Policy and other relevant policies, framework, procedure, standard, rules and regulations.

The provisions contained in this policy neither replace nor supersede the laws of Malaysia or the regulatory frameworks applicable.

3. Scope and Application

This policy applies equally to all Employees of the group without exception and regardless of regional customs, local practices, or competitive conditions. The scope of this policy is relatively wide in its coverage of activities that may give rise to conflicts of interest. As it is impossible for the policy to be all-inclusive, all Employees must exercise reasonable judgement and comply with the spirit of this Policy.

4. Identify conflict of interest

In general, a conflict of interest would arise where a person's ability to perform his/her duties effectively and impartially is potentially impaired by personal interests, considerations or relationships.

Conflict of interest may be described under the following broad categories:

i) Equity ownership in entities having a business relationship with Scope Group

This applies when an Employee holds shares in privately owned entities that have a business relationship with Scope Group, either directly or indirectly (e.g., through a family member). However, it does not apply to shares held in publicly listed companies with a business relationship with Scope Group, unless the holding is considered material and likely to impair the Employee's objectivity.

ii) Having interest in Person, Entity or Contract that has dealing with the Group

This applies to situations where an Employee holds a position or has an interest in entities having a business relationship with Scope Group. An example would be a situation where an Employee of Scope Group serves as a director of a company that supplies materials to Scope Group. Such circumstances would result in a conflict of interest.

iii) Other employment, business appointments or undertakings

A conflict of interest may arise where Employee hold part time employment, or business appointments or other undertakings. An Employee is expected to devote his/her time, attention and commitment during work hours. A conflict of interest can also arise where participation in any business activity outside working hours require excessive time and attention, thereby depriving the company of the Employee best effort on the job or resulting in a negative impact on performance.

iv) Personal relationships

A conflict of interest exists if a family member of an Employee has a reporting relationship with the Employee. Employees should not work in the same department as a family member, and should not directly or indirectly supervise, or be in a position to influence the hiring, work assignments or assessments of their family member. A conflict of interest would also arise if an Employee has a family member with an interest (e.g. in the form of ownership, directorships, partnerships, employment, etc.) in entities which have a contractual arrangement with Scope Group. For example, a conflict could occur if Employee's spouse works in a company providing consultancy services to Scope Group. This also applies to situations where a family member of an Employee is working in a company bidding for a project to be awarded by Scope Group, even if no contractual arrangement is existing yet.

v) Personal Use of the Scope Group's Assets, resources or information.

This applies to situations where employee use company assets, resources, or information for personal benefit or the benefit of related persons. This includes trading securities using insider information or non-public information, which must comply with the criteria set by the securities exchange authority.

vi) Dealings with competitors

A conflict of interest arises if an Employee or a family member of the Employee has financial or other interests in, or any involvement with, a competitor's business, or holds a directorship in a competitor. However, this does not apply to the holding of publicly traded shares in competitor companies unless such holdings are considered material and likely to impair the employee's objectivity.

Additionally, if an Employee has accepted employment with a competitor, this could result in a conflict of interest while the Employee is still employed with Scope Group, particularly if the employee is handling sensitive or confidential information.

vii) Acceptance of gifts, benefits or entertainment

The acceptance of gifts, benefit or entertainment may affect an Employee's objectivity and judgement. It is the responsibility of the Employees to comply with Anti-bribery and Anti-corruption Policy. Any gifts, benefits, or entertainment exceeding the threshold of RM1,000 should be declared by Employees and register in the book.

5. Disclosure requirement and procedures

The existence of any real, apparent, or potential Conflict of Interest shall be declared by filing up Conflict of Interest Declaration Form before any contract is entered into or any transaction is carried out. The sample of form is attached in appendix 1.

6. Reporting of Violations of the Policy

Any Employee who knows of, or suspects, a violation of the policy, is encouraged to whistle blow or report the concerns via the channel outlined in the Whistle-Blowing Policy which available in Scope's website. No individual will be discriminated against or suffer any sort or manner of retaliation for raising genuine concerns or reporting in good faith on violations or suspected violations of the policy. All reports will be treated confidentially.

7. Disciplinary action

The Group have the rights to take disciplinary action against any Employees found to have committed a breach of the Companies' policies and procedures.

Further to disciplinary actions taken by the Companies', any employee who commits an act violating laws of Malaysia or the regulatory frameworks applicable, and shall on conviction, be liable to penalty as stipulated under the laws and regulation.

8. Review of the Policy

This policy has been endorsed by the Board of Directors and is available for reference on Scope's corporate website.

It will be reviewed periodically to assess its effectiveness, and in any case, at least once every three years by the Board of Directors. Any amendments to this policy must be approved by the Board of Directors, based on recommendations from the Audit Committee.

END

Appendix 1

Conflict of interest declaration form

Name : _____

Position : _____

Department : _____

No.	Conflict of Interest Situations	Please tick if applicable
1	You have equity ownership in entities having a business relationship with Scope Group via direct or indirect.	
2	You have interest in person, entity or contract that has dealing with the Group	
3	You have other employment, business appointments or undertakings	
4	You have family member working in Scope Group or entities which having contractual arrangement with Scope Group.	
5	You have an opportunity for personal gain through your position or through the use of Scope Group's asset, resources and information.	
6	You or your family member have financial or other interests or any involvement in Scope Group's competitor.	
7	You accept gifts benefits or entertainment which may affect objectivity and judgment.	
8	You aware of any other events, transactions, or situations that have occurred; or may occur in the future that you believe should be brought to the knowledge of the Directors.	

Please provide further details and descriptions of the activity and/or the relationships for the questions that are applicable. (You may attach additional comments, documents or materials, if necessary)

_____

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_____

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_____

I hereby declare that all the information provided in this Declaration Form, as well as in the documents and materials submitted are true to the best of my knowledge.

Signature: _____
Date: _____