

CONFLICT OF INTEREST POLICY FOR DIRECTORS

1. INTRODUCTION

XOX Bhd (“XOX” or “the Company”) is committed to maintaining the highest ethical standards and recognises that it must be seen at all times to be acting in accordance with the highest standards of governance. Accordingly, XOX expects all Directors 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.

2. PURPOSE

The purpose of this Conflict of Interest Policy for Directors (“Policy”) is to ensure that actual, potential and perceived conflicts of interest are effectively identified and managed. It is intended to provide guidance on how to deal with conflict of interest situations as they arise.

3. SCOPE

This Policy applies to all Directors of XOX. This Policy applies whenever an individual recognises, or should reasonably recognise, that a conflict of interest may arise from their current or future activities. The Policy provides guidance on how to identify and declare all conflicts of interest, how to develop, implement and monitor actions to appropriately manage the conflict, and how to deal with breaches of this Policy. The scope of this Policy is relatively wide in its coverage of activities that may give rise to conflicts of interest. As it is not possible for the Policy to be all-inclusive, Directors must exercise reasonable judgement and comply with the spirit of this Policy and not just the letter of the Policy.

4. IDENTIFYING CONFLICTS 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.

Generally, conflicts of interest may be described under the following broad categories:

i. Equity ownership in entities having a business relationship with XOX

This is where a Director holds shares in privately owned entities having a business relationship with XOX, either directly or indirectly (e.g. through a family member). This does not apply to shares held in publicly quoted companies which have a business relationship with XOX, unless such holding is considered to be material and the interest is likely to impair the objectivity of the Director or employee concerned.

ii. Directorship, partnership or other forms of beneficial interest in entities having a business relationship with XOX

This applies to situations where a Director holds a position or has an interest in entities having a business relationship with XOX. An example would be where a Director of XOX is also the director of a company providing services to XOX. Such situations would result in a conflict of interest.

iii. Contractual dealings with Directors

This refers to situations where XOX purchases or leases property, equipment, materials, etc. from Directors, or enters into contractual arrangements with Directors (other than employment contracts). Such situations give rise to a conflict of interest, and should not occur except in exceptional circumstances.

iv. Dealings with competitors

If a Director or family member of a Director has financial or other interests or any involvement in the business of a competitor, or holds a directorship in a competitor, such a situation would give rise to a conflict of interest. This does not apply to the holding of publicly quoted shares of competitor companies, unless such holding is considered to be material and the interest is likely to impair the objectivity of the Director concerned.

v. Involvement in activities where the Director concerned is the subject matter

A conflict of interest arises if a Director participates in activities where he/she is the subject of the discussion or where the decision involves him/her. An example of this situation is when an allegation is made against a Director through the whistleblowing channel, and the Director is part of the investigating team tasked with investigating the allegation.

vi. Acceptance of meals or entertainment

The acceptance of meals or entertainment may affect a Director's objectivity and judgement. It is the responsibility of the Director to comply with XOX's Anti-Bribery And Anti-Corruption Policy to ensure that nothing is received/given which might create a conflict of interest or bring their integrity into question.

5. DISCLOSURE AND RECUSAL

5.1 A Director shall disclose to the Board the nature and extent of his interest, whether directly or indirectly, in any transaction or arrangement with the XOX as soon as practicable after the relevant facts have come to his/her knowledge; and if the transaction or arrangement or proposed transaction or arrangement is being deliberated at a board meeting, before the commencement of that deliberation, by way of a written notice to all members of the Board and the Company Secretary.

5.2 The interested Director shall not be present at the Board meeting where the transaction or arrangement is being deliberated by the Board.

5.3 Where there is any change in the nature and extent of the Director's interest subsequent to the disclosure, the Director shall make further disclosure of such changes.

- 5.4 XOX shall not carry into effect any material arrangement or material transaction where a Director has an interest unless shareholders' approval is obtained at a general meeting.
- 5.5 If a Director is in doubt whether he/she has a conflict of interest, he/she should seek advice from the Company Secretary.

6. NON-COMPLIANCE WITH THIS POLICY

- 6.1 If a Director has reasonable cause to believe that an interested Director has failed to disclose an actual or potential conflict of interest, he/she should inform the Chairman of the Board and such interested Director of the basis for such belief.
- 6.2 If the interested Director is the Chairman of the Board, the Director should inform the Chairman of the Audit Committee.
- 6.3 The Chairman of the Board or the Audit Committee (as the case may be) shall bring the matter to the Board and the Board shall afford such interested Director an opportunity to explain the alleged failure to disclose. If, after hearing the response and making such further investigation as may be warranted by the circumstances, the Board determines that such interested Director has in fact failed to disclose an actual or potential conflict of interest, it shall take appropriate action which may include removal from the Board (subject to relevant regulatory authorities' approval), as appropriate, as well as reconsideration of whether the material transaction or material arrangement was made in the best interests of and fair and reasonable to the XOX at the time it was undertaken, and decide whether such transaction/contract is voidable or/and should be discontinued/terminated.

7. RECORDS MAINTENANCE

- 7.1 The Company Secretary shall be responsible for maintaining updated records on each Director's conflict of interest.
- 7.2 These records shall be made available for inspection by Internal auditors, external auditors or other regulatory authorities upon request.

8. REVIEW OF THE POLICY

This Policy shall be reviewed by the Board periodically or as and when there are changes to the regulatory requirements to ensure its relevance in assisting the Board to discharge its duties with the changes in the corporate laws and regulations that may arise from time to time and to remain consistent with the Board's objectives and responsibilities.

END.