

XOX BHD

Company Registration No. 201001016682 (900384-X)
(Incorporated in Malaysia)

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

INTRODUCTION

S17A of the Malaysian Anti-Corruption Commission Act 2009 provides that a commercial organisation commits an offence if a person associated with the commercial organisation corruptly gives, agrees to give, promises or offers to any person any gratification, whether for the benefit of that person or another person with the intent to obtain or retain business for the commercial organisation or to obtain or retain an advantage in the conduct of the business for the commercial organisation.

XOX Bhd and its subsidiaries (collectively referred to the "Group" or "XOX") establish a culture and adopt a zero tolerance policy against all forms of bribery and corruption, whereby bribery and corruption are not acceptable. The Group acknowledged and is committed to conducting the business dealing ethically with integrity, ensuring uncompromising adherence to professionalism, strong moral principles and laws and regulations enacted to counter bribery and corruption.

Failure in reporting or participating in any act of giving, promising, soliciting, accepting bribes or corrupt practices are committing an offence which may lead to dismissal, fines and imprisonment, which subsequently resulted in the Group's reputation on the lawsuits, financial impact and reduce market capitalisation.

The Anti-Bribery and Anti-Corruption Policy has been made known to the employees via internal circulation at the meantime embedded in the Company's Handbook and an electronic version of the Policy is available at the Company's Website.

APPLICATION

Anti-Bribery and Anti-Corruption Policy (hereinafter referred to as the "Policy") set out the Group's responsibilities in providing principles, guidelines and recommendations for the employees on the procedures to deal with solicitation, bribery and corruption that could possibly arise in the business dealing and operation activities. It applies to the directors, officers, employees, consultants, suppliers, subcontractors, agents or any other person associated with or acting on behalf of the Group (collectively referred to the "Third Parties"), whereby compliance is required.

This Policy is regularly reviewed to reflect any changes made by the law, regulations, operations and the nature of the business.

GIFTS, CORPORATE HOSPITALITY AND EXPENSES

As a general rule, the Group practice "No Gift Policy", which states that all the Company's employees (including their family members) and its stakeholders shall not at any time accept from and/or offer gifts to third parties whether directly or indirectly, and must immediately refuse and/or return such gifts.

Although the general principle is to immediately refuse or return such gifts, accepting a gift is allowed only in very limited circumstances and no gifts must be offered to or accepted from any Third Party without the prior written approval of the Chief Executive Officer ("CEO") or Executive Director. In any event, the value of the gift (including entertainment and hospitality) offered to or be received from the Third Party in cumulative shall not exceed Ringgit Malaysia Five Hundred (RM500.00) in a calendar year.

Gifts could be in the form of tangible or intangible goods or services provided or received as a form of appreciation or friendship. Corporate Hospitality includes entertainments, meals, receptions, tickets to entertainment or events, being occasionally given or received at a reasonable and modest level to initiate and foster a relationship with Third Parties. Expenses include reimbursable payments such as airfare, accommodation incurred for potential customers, business partners that are not specified in the contractual agreement.

As a general rule, employees are discouraged from giving or accepting gifts, entertainment and other benefits to or from any third parties that fall under the scope of this policy. Notwithstanding this, the Company recognizes that the occasional acceptance or offering of modest gifts and entertainment may be a legitimate contribution to good business relationships.

Employees and directors shall exercise prudence and judgement (e.g. reasonable in value, infrequent in nature, transparent and not given to influence an unfair advantage) in respect of giving or accepting gifts, entertainment and other benefits to or from any third parties.

DEALING WITH PUBLIC OFFICIALS

Employees and Directors must exercise proper care and judgment when handling gift, corporate hospitality activities by applying the Company Code of Conduct principles to determine the appropriateness of the gift and corporate hospitality or entertainment, in particular when dealing with public officials and public agencies/bodies as strict rules apply.

If gifts, corporate hospitality and expenses are intended for public officials, Personnel must ensure that the gift, entertainment or hospitality is not excessive and lavish, and must be commensurate with the official designation of the public official and not his personal capacity. All gifts, corporate hospitality and business expenses must be made transparent and open, genuinely for business purposes.

Any gifts and entertainment involving government officials, due diligence must be performed and reviewed by the Compliance Officer, and obtain approval of the CEO or Executive Director.

FACILITATION PAYMENTS AND KICKBACKS

An unofficial, usually a small cash payment to induce or reward a person which could be public or public official to obtain preferential treatment or to expedite the performance of a routine action by the Board, Employees and the Third Parties. Kickbacks are typically payments, compensation or rewards made in exchange for a business transaction or an advantage.

The Group prohibits facilitation payments and kickbacks of any kind.

DONATION AND SPONSORSHIP

Contributions, donations and sponsorship activities made by XOX to community projects or charitable organisations, though permissible need to be made in good faith and in compliance with this Policy and all relevant XOX's policies and procedures. Donations and sponsorships should never be used for the purpose of obtaining an unfair advantage. The Group would carry out due diligence ensuring all the contributions made to the registered charity and legitimate body under the laws and regulations, ensuring proper administration of the fund received. All the contributions made should be supported by the Official Receipt and recorded accurately in the Group's books of account. No donation should be made which may or may be perceived to breach an applicable law or any other sections of this Policy.

In respect of political contributions, the Group does not make a contribution of funds or resources to political party or candidate for public office without approval from the Board of Directors.

CONFLICT OF INTEREST

XOX deals with third parties, which include contractors, suppliers, agents, consultants, joint venture partners, introducers/government intermediaries etc. A conflict of interest is a situation in which a person or organisation is involved in multiple interests, financial or otherwise, and serving one interest could involve working against another.

Employees should avoid or appropriately address situations where personal interest could conflict with obligations or duties. Employees must not use their position, official working hours, resources and assets of the Group for personal gain or to the Group's disadvantage. Employees should:

1. Ensure that personal financial conditions and transactions do not jeopardise their independent judgment or adversely affect their job performance.
2. Not having any financial, non-financial, direct or indirect interest in any contractor, vendor, potential customer or any Third Parties defined in this Policy.
3. Not have any direct or indirect involvement in any other employment (remunerated or otherwise) except with the prior written consent of the Group.
4. Ensure proper care and judgement are exercised prior to decision making in the normal course of business dealing.
5. Appropriate assessment shall be carried out by individuals or Third Parties to ensure the business and background of the potential business partners are free from bribery elements or conflict of interest.

Employees are required to inform the Compliance Officer and the Executive Committee immediately and shall not conceal any information in the event of a possible conflict of interest arises.

RECRUITMENT OF EMPLOYEES

XOX, being a diversified business entity, offers equal opportunities for any qualified and competent individual to be employed by the Company from various multicultural and multiracial backgrounds.

The recruitment of employees should be performed based on approved selection criteria to ensure that only those most qualified and competent individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of employees. In line with this, proper background checks should be conducted in order to ensure that the potential employee has not been convicted in any bribery or corruption cases nationally or internationally. More detailed background checks should be made when hiring employees who would be responsible for management positions, as they would be responsible for decision making obligations.

If you find or suspect that another person subject to this policy has violated or is about to violate this policy or applicable law, whether deliberately or inadvertently, you must forthwith report the same, in writing, to the Compliance Officer and Executive Committee.

RECORDS KEEPING

XOX has established adequate internal control procedures, maintaining all financial records, serving as evidence to justify and substantiate the business reason for the payment made. All financial records shall be recorded and maintained in designated company accounts utilizing clear terms to describe the nature and use in accordance with widely recognized and accepted accounting principles and practices.

All the documents as the proof of transaction dealing with or from the Third Parties such as Invoices, Official Receipts, Contracts, Agreements and other documents should be prepared and maintained with strict accuracy and completeness.

No accounts must be kept "off-book" to facilitate or conceal improper payments.

AWARENESS, TRAINING AND COMMUNICATION

XOX will continuously provide training on this Policy to raise awareness of anti-bribery and anticorruption and embed a zero tolerance approach to corruption and bribery in the Group procedures and working practices. The Group aims to obtain the commitments from the directors and employees for this programme and to provide employees with the skills needed to deal with situations that may arise. Nevertheless, training would also be provided to all the new recruits as part of the induction programme.

Wherever possible, all the Associated Third Parties should be sent a copy of this Policy at the outset of the business relationship or shall always refer to this Policy published on our Company's website.

All employees and new recruits must comply with this policy and the sanctions may be applied in the event of a violation.

WHISTLEBLOWING POLICY

XOX encourages openness and transparency in its commitment to the highest standard of integrity and accountability.

If you make a report or disclosure about any actual or perceived bribery or corruption in good faith, belief, without malicious intent, that a breach or violation as aforesaid may have occurred or may about to occur, you will be accorded the protection of confidentiality, to the extent reasonably practicable,

notwithstanding that, after investigation, it is proven that you were mistaken. In addition, employees who whistleblow internally will also be protected against detrimental action for making the disclosure, to the extent reasonably practicable. Further details on XOX's Whistleblowing Policy is available on the Company website.

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