

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0279
COMPANY NAME : Synergy House Berhad
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group is led by a proactive Board of Directors (“Board”) who acknowledges the importance of the pivotal role it plays in setting the direction, achieving the Company's objectives and to increase shareholder's value.</p> <p>The Board is guided by Board Charter and its responsibilities are included in the Board Charter which is available on the Group's website at www.synergyhouseberhad.com. The Board assumed the following key principal responsibilities amongst others in discharging its fiduciary and leadership functions:</p> <ul style="list-style-type: none"> • Review and approve strategies and business plans • Monitor implementation and performance of the business plans • Ensuring that the Company adheres to high standards of corporate governance • Establish various Board Committee, namely the Audit Committee, Risk Management Committee, Nomination Committee and the Remuneration Committee to assist the Board in discharging their responsibilities. Each Board Committee is governed by their respective term of reference. • Analyse key financial information periodically and seek clarification on any anomaly.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied
Explanation on application of the practice	:	Mr. Mok Juan Chek, the Independent Non-Executive Chairman of the Group, bears the responsibility for ensuring Board effectiveness and encouraging the Group's highest levels of integrity, probity and corporate governance. The roles and responsibilities of the Chairman are stated in the Board Charter which is available on the Group's website (www.synergyhouseberhad.com).
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied	
Explanation on application of the practice	:	The Chairman's position of the Group is held by Mr. Mok Juan Chek, an Independent Director. Presently, the Group does not have a CEO, however, all activities and strategic directions of the Group are led by both the Executive Directors of the Group which are Mr. Tan Eu Tah and Mr. Teh Yee Luen.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: The Board is satisfied that its current size and composition reflects an appropriate balance of Executive Directors and Non-Executive Directors which provides sufficient check and balance. The Chairman of the Board will ensure he abstains in all deliberation and voting on all issues relating to himself to prevent any conflict of interest during the committee meetings. The Chairman was invited by the Board to participate in the Audit Committee meetings during the financial year, however, the Audit Committee meeting is chaired by the Chairman of the Audit Committee. The Audit Committee also reports to the Board on the matters discussed in the Audit Committee meetings.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: The Group will adhere to the requirement of Practice 1.4 for the invitation of the Chairman of the Board into the committee meetings.
Timeframe	: Immediately

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by qualified and competent Company Secretaries who are responsible for ensuring that the Company's constitutions, procedures, policies and regulations are complied with.</p> <p>The Company Secretaries are associate members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA), and are experienced and competent on statutory and regulatory requirements. The Company Secretaries are holding professional certificates as qualified Company Secretaries under Section 235(2) of the Companies Act 2016.</p> <p>The Company Secretaries also ensure that all obligations required by all applicable regulations and including the Listing Requirements are fulfilled in a timely manner.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>Members of the Board have access to all information relating to the operations and affairs of the Company. Board papers are prepared by Management which give directors the relevant information and analysis. The meeting materials were not sent within five (5) calendar days prior to the meeting for all meetings during the financial year under review. However, the number of days in advance where the meeting materials were sent has improved during the financial year and the management team strive to provide the meeting materials as early as possible for the Board.</p> <p>The minutes of meeting were compiled by the Company Secretaries and circulated to the Board on a timely manner. The minutes are reviewed by the respective Committee and Board prior to approval.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Group will ensure that meeting materials are provided to the Board at least five (5) calendar days prior to the meetings.
Timeframe	:	Within 1 year.

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied	
Explanation on application of the practice	:	The Group has formalised and adopted a Board Charter which sets out a list of specific roles and functions which are reserved to the Board and other matters that are important for good corporate governance. The Board Charter is accessible through the Group's website at www.synergyhouseberhad.com .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied	
Explanation on application of the practice	:	The Group adopts a Key Internal Controls and Compliance Policy which covers the code of conduct and ethics. The policy is disclosed in the Group's website at www.synergyhouseberhad.com .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has formalised a whistleblowing policy with the aim to provide an avenue for raising concerns related to possible breach of business conduct, non compliance of laws and regulatory requirements as well as other malpractices.</p> <p>The reporting channel for the whistleblowing is to the Audit Committee members and the Executive Directors.</p> <p>The whistleblowing policy is disclosed in the Group’s website at www.synergyhouseberhad.com.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group was listed in the ACE Market of Bursa Securities on 1st June 2023. While the Board has yet to set the Group's sustainability strategies, priorities and targets, the Board has taken proactive steps to initiate the process by organising a training on sustainability practises for the Board and key management personnels.</p> <p>Despite that, the Group has in place sustainability practises which encompasses amongst others audits on supplier's labour practises, social activities for staff of the Group, designing and developing green packaging for customer and setting up key policies regarding internal controls, anti-bribery and whistleblowing.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group summarises its existing sustainability practises namely the governance matters in its presentation slides which is made available on the Group’s website at www.synergyhouseberhad.com.</p> <p>In addition, the sustainability practises are also included in the Group’s corporate presentation slides for briefings to investors, guests and stakeholders.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	During the Financial Year 2023, a training on sustainability issues was organised for the Board and key management to ensure they stay abreast with and understand the sustainability issues.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group has included a questionnaire on sustainability matters for the performance evaluation of the board.</p> <p>Through the evaluation, the review of the performance of the Board and senior management in addressing the Company’s sustainability matters.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Not Adopted
Explanation on adoption of the practice	:	N/A

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied	
Explanation on application of the practice	:	The Company was listed on the ACE Market of Bursa Securities on 1 st June 2023. The annual assessment of the Board, Board Committees and contribution of each individual Director was carried out and reviewed by the Nomination committee on 17 April 2024.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied	
Explanation on application of the practice	:	The Board of the Company comprises of four (4) Independent Directors and two (2) Executive Directors whereby more than half of the board comprises independent directors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	Currently, there are no Independent Directors which had served on the Board beyond nine (9) years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application	:	Applied
Explanation on adoption of the practice	:	N/A

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p>There were no new Directors appointed to the Board and key senior management appointed since the Group was listed in Bursa Securities on 1 June 2023.</p> <p>The appointment of the existing Board of Directors was reviewed by the Company's sponsor prior to the listing of the Group.</p> <p>In assessing the suitability of candidates, various criteria will be taken into account including but not limited to mix of skills, knowledge, expertise, independence, experience, professionalism, age, cultural background and gender. The current Board and Senior Management comprised of members with diverse skills, experiences and qualifications. The profiles of the Directors and Senior Management are provided in the Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied	
Explanation on application of the practice	:	The existing Board was appointed before the listing which was reviewed by the Company's Sponsor. Subsequently and up to the date of this report, no new appointment of directors were made by the Company.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	The information for each Directors with detailed profiles is disclosed in the Annual Report 2023. This information provides insights to the shareholders if there is any interest, position or relationship that might potentially influence, or be perceived to influence, the ability of Directors to exercise independent judgment on board matters and to act in the best interests of the listed company as a whole.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee of the Company is chaired by Ms. Lieu Pei Yee, and Independent Director. The remaining members of the Nomination Committee comprise of Independent Directors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	The Company's current Board composition consists of 2 women directors which represents more than 30% of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied	
Explanation on application of the practice	:	The Board has disclosed its diversity policy and management's gender diversity in the Company's Annual Report. The Board will monitor the scope, extensiveness and effectiveness of the policy on a periodic basis.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Board, through its Nomination Committee had reviewed the annual assessment of the directors and the board committees on 17 April 2024.</p> <p>Each Director completed a detailed questionnaire on the director’s evaluations which covered matters relevant to the Board performance, fit and proper, contribution and performance, calibre and personality amongst others.</p> <p>An evaluation of each Board Committee was done by assessing the board mix and composition, quality of information and decision making, boardroom activities and communication amongst others.</p> <p>The assessment was internally facilitated whereby results of the assessment had been compiled, documented and reported to the Nomination Committee.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Company has established a remuneration policy for the directors and senior management which was reviewed by the Nomination Committee and approved by the Board. This policy is published on the Group's website at www.synergyhouseberhad.com and approved on 24 August 2023.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Remuneration Committee was established to assist the Board in developing remuneration policies and procedures relating to the remuneration of the Board and senior management. The Terms of Reference for the Remuneration Committee is disclosed on the Group's website www.synergyhouseberhad.com .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	Please refer to the table for the detailed disclosure on named basis for the remuneration of individual directors.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Mok Juan Chek	Independent Non executive director	72	Input info here	Input info here	Input info here	Input info here	Input info here	72	72	Input info here	Input info here	Input info here	Input info here	Input info here	72
2	Yew Yong Ling	Independent Non executive director	60	Input info here	Input info here	Input info here	Input info here	Input info here	60	60	Input info here	Input info here	Input info here	Input info here	Input info here	60
3	Lieu Pei Yee	Independent Non executive director	60	Input info here	Input info here	Input info here	Input info here	Input info here	60	60	Input info here	Input info here	Input info here	Input info here	Input info here	60
4	Yong Kim Fui	Independent Non executive director	60	Input info here	Input info here	Input info here	Input info here	Input info here	60	60	Input info here	Input info here	Input info here	Input info here	Input info here	60
5	Tan Eu Tah	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	510	210	8.8	88.9	817.7
6	Teh Yee Luen	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	510	210	6.5	88.9	815.4
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Applied											
Explanation on application of the practice	:	The disclosure of the two (2) key senior managements remuneration are disclosed on a named basis within the bands of RM50,000 as follows:											
		<table border="1"><thead><tr><th>Name</th><th>Position</th><th>Remuneration</th></tr></thead><tbody><tr><td>Ng Boon Kean Kenneth</td><td>Chief Financial Officer</td><td>RM350k – RM400k</td></tr><tr><td>Tan Yee Chi</td><td>Marketing Director</td><td>RM350k – RM400k</td></tr></tbody></table>			Name	Position	Remuneration	Ng Boon Kean Kenneth	Chief Financial Officer	RM350k – RM400k	Tan Yee Chi	Marketing Director	RM350k – RM400k
		Name	Position	Remuneration									
		Ng Boon Kean Kenneth	Chief Financial Officer	RM350k – RM400k									
Tan Yee Chi	Marketing Director	RM350k – RM400k											
Explanation for departure	:												
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>													
Measure	:												
Timeframe	:												

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Applied	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	N/A

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Audit Committee is Mr. Yong Kim Fui who is not the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied
Explanation on application of the practice	:	The Term of Reference of the Audit Committee states that a former partner of the external audit firm of the Company must observe a cooling period of at least three (3) years before being appointed as a member of the Audit Committee. The Term of Reference of the Audit Committee is published in the Company's website www.synergyhouseberhad.com .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations.
The company’s financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied	
Explanation on application of the practice	:	The Audit Committee has established the policies and procedures to assess the external auditor and approved the Board. The External Auditors Assessment Policy is disclosed on the Group’s website at www.synergyhouseberhad.com .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Applied
Explanation on adoption of the practice	:	The Audit Committee of the Company comprise solely of Independent Directors.

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied
Explanation on application of the practice	:	<p>All members of the Audit Committee appointed to the Board have attended the Mandatory Accreditation Program prescribed by Bursa Securities.</p> <p>The Audit Committee will on a continuing basis evaluate and determine the training needs of each member of the Audit Committee to enable them to effectively discharge their duties.</p> <p>In addition, the members of the Audit Committee would be updated on recent developments in the areas of statutory and regulatory requirements from the briefing by the External Auditors amongst others during the Committee meetings.</p> <p>The members of the Audit Committee has a mix of skill, knowledge and the appropriate level of expertise and experience which enable them to discharge their duties and responsibilities pursuant to the Terms of Reference of the Audit Committee. Mr Yong, chairman of the Audit Committee, is a member of both the CPA Australia and the Malaysian Institute of Accountants. With his vast experience in the areas of audit, accounting and finance, corporate finance and corporate planning, he is capable to assist the Board in reviewing and ensuring that the Company's quarterly reports and financial statements are prepared in compliance with applicable financial reporting standards. In addition, all the members of the are financially literate and are able to understand matters under its purview, including financial reporting process.</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has established a Risk Management Committee which comprises of Independent Directors. The Risk Management Committee carries out meeting on a quarterly basis to review the risk register of the Company.</p> <p>The Company outsources the Internal Audit to a 3rd party service provider to perform audits on key business operations of the Company on a quarterly basis. Findings are presented to the Audit Committee on a quarterly basis.</p> <p>The Chairman of the Risk Management Committee and Audit Committee will also brief the Board on a quarterly basis.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	Information on the Group's risk management and internal control is presented in the Statement of Risk Management and Internal Control contained in the Annual Report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Applied
Explanation on adoption of the practice	:	The Group has a Risk Management Committee which comprises entirely of Independent Directors. The Terms of Reference of the Risk Management Committee is disclosed in the Group's website at www.synergyhouseberhad.com .

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has appointed an established external professional firm namely Talent League Sdn. Bhd. who reports to the Audit Committee and assist the Audit Committee in reviewing the effectiveness of the internal controls systems.</p> <p>The internal audit is carried out quarterly and provided an independent assessment on the effectiveness and efficiency of internal controls utilizing recognised corporate governance framework to provide assurance to the Audit Committee.</p> <p>Details on the internal audit function are set out in the Audit Committee Report and the Statement on Risk Management and Internal Control of the Company's Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	The Group has outsourced the internal audit function to an external professional service firm, Talent League Sdn. Bhd, which is independent of the activities and operations of the Group. The outsourced internal auditors report directly to the Audit Committee. The work carried out by Talent League Sdn. Bhd for the Group is headed by Mr Roy Thean, the Advisory Partner, who is a Certified Internal Auditor. He is supported by the engagement team of Internal Auditors who have the relevant professional qualifications. The Internal Auditors have performed their work with reference to the principles of the International Professional Practice Framework of Institute of Internal Auditors in assessing the effectiveness of the Group's internal control system.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>In maintaining its commitment to effective communication with shareholders, the Group adopts the practise of comprehensive, timely and continuing disclosures of information to its shareholders as well as the general investing public.</p> <p>The Group makes the necessary announcements in Bursa Securities and in its website.</p> <p>The Group also conducts quarterly results briefing to brief the stakeholders on the Group and its and financial and operational matters.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Applied	
Explanation on application of the practice	:	The Group is not considered a large company.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	During the Financial Year under review, the Company held its AGM on 2 February 2023 which is prior to being listed on the ACE Market of Bursa Securities on 1 June 2023. The notice for the AGM was shared on a short notice which was consented by the Company's sole shareholder at that point of time.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Moving forward, the Group will ensure that all notice of AGM is given to shareholders at least 28 days prior to the date of the AGM meeting.	
Timeframe	:	Within 1 year	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company held its 1st AGM on 2 February 2023 prior to being listed in the ACE Market of Bursa Securities on 1 June 2023. There were only one (1) member present during the AGM namely Synergy House Furniture Holdings Sdn Bhd.</p> <p>The AGM was attended by all the Directors of the Company.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Group will be holding its first public AGM on 28 May 2024 after being listed on Bursa Securities on 1 June 2023. The Group will ensure that all Directors attends the AGM.
Timeframe	:	Within 1 year

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The practise is not applicable at the moment as the Group was just listed and AGM has yet to be held by the Group after its debut in the Ace Market on 1 June 2023. The practise will be applied by the Group in the upcoming AGM.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Group will explore on the use of technological platform to introduce electronic voting, enabling the shareholder to participate in live broadcast and engage in remote participation and voting.	
Timeframe	:	Within 1 year	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: Subsequent to being listed, the Group will hold its first public AGM on 28 May 2024. Shareholders are invited to raise any questions and clarifications needed during the AGM during the questions and answers session. The Board of Directors and key management will be available to address the questions and clarifications.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: N/A
Timeframe	: Within 1 year

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	Subsequent to being listed, the Group will hold its first public AGM on 28 May 2024 via a hybrid method.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Group, together with the service provider will ensure the hybrid AGM is carried out in a manner to support the interactive participation by shareholders.
Timeframe	:	Within 1 year

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	Subsequent to being listed, the Group will hold its first public AGM on 28 May 2024.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Group, together with the Company Secretary will ensure that the minutes of the general meeting is circulated to the shareholders no later than 30 business days after the general meeting.
Timeframe	:	Within 1 year

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

Click or tap here to enter text.