



# **Synergy House Berhad Group of Companies - Anti-Corruption Policy**

**Synergy House Berhad (201646-K)**

First issued: February 2023

---

**TABLE OF CONTENTS**

	<b>Page</b>
<b>1. Introduction</b>	3 - 4
<b>2. Overview</b>	4 - 5
<b>3. Giving and Receiving Advantage</b>	5 - 7
3.1 Requirements in Brief	
3.2 Prohibited Advantages (“Red Light”)	
3.3 Advantages Requiring Pre-Approval (“Yellow Light”)	
3.4 Advantages Not Requiring Pre-Approval (“Green Light”)	
<b>4. Duty to Retain Documents and Document Retention</b>	7 – 8
<b>5. Donations and Sponsoring</b>	8 – 9
<b>6. Third Party Representatives</b>	9 – 10
6.1 Integrity Review Process	
6.2 Monitoring Third Parties	
<b>7. Cases of Doubt</b>	10
<b>8. Reporting &amp; Declaration</b>	10
<b>9. Appendix A</b>	11

## **1. INTRODUCTION**

SYNERGY HOUSE BERHAD Group of Companies and its direct and indirect subsidiaries ("SYNERGY HOUSE BERHAD Group of Companies") take their anti-corruption obligations under applicable laws extremely seriously. Corruption promotes poverty, hunger, disease, and crime, and by preventing societies and individuals from reaching their full potential, stunts economic and social development. It also distorts the rule of law and the fair marketplace practices on which SYNERGY HOUSE BERHAD Group of Companies and other good "corporate citizens" depend.

SYNERGY HOUSE BERHAD Group of Companies has approved this Anti-Corruption Policy as a sub-policy of SYNERGY HOUSE BERHAD Group of Companies' Code of Conduct. SYNERGY HOUSE BERHAD Group of Companies recognizes that the occasional exchange of business courtesies, such as modest Gifts or Invitations, is a common practice meant to create goodwill and establish trust in relationships. Consistent with its "**ZERO TOLERANCE**" policy for corruption, SYNERGY HOUSE BERHAD Group of Companies requires, however, that you strictly comply with applicable anti-corruption laws and this Anti-Corruption Policy, in both letter and in spirit. Under this Policy, you may not directly or indirectly offer, promise, authorize, or provide an improper Advantage to anyone working for an existing or potential business partner of SYNERGY HOUSE BERHAD Group of Companies or a Public Official in connection with SYNERGY HOUSE BERHAD Group of Companies' business. Similarly, you may not request, agree to receive, or accept an improper Advantage under similar circumstances. Especially, any business relationship with a Public Official is a particularly sensitive area, which requires that you comply 100% with all applicable laws and regulations. If you are offered or given a gift of a nature that would contravene this Anti-Corruption Policy, politely decline, or return the gift.

Any employee found to have engaged in conduct that is prohibited by applicable anti-corruption laws or this Anti-Corruption Policy will face strict discipline, including potentially termination of employment or contract or referral to appropriate law enforcement authorities including MACC. On the contrary, SYNERGY HOUSE BERHAD Group of Companies' Code of Conduct requires you to promptly report conduct that you believe, in good faith, violates applicable anti-corruption laws or this Anti-Corruption Policy. If you have any questions as to whether a certain conduct is proper, please consult this Anti-Corruption Policy as well as a Compliance Officer.

Prohibited Advantages

- Violation of laws and other provisions (“**RED LIGHT**”)
- Consideration or reward (quid pro quo”)
- Potentially limiting or influencing objectivity
- Advantages in cash or cash equivalents (e.g. voucher)
- Facilitation payments
- Not transparent
- Nature, value, purpose, circumstances are inadequate



Advantages requiring pre-approval (“**YELLOW LIGHT**”)

- Vis-à-vis or (directly or indirectly) related to public officials
- Value of the Invitation exceeds RM100
- Overall value of Advantages exceeds RM100 per year



Advantages not requiring approval (“**GREEN LIGHT**”)

- Advantages is not prohibited (cf. “red light” above)
- Advantage does not require pre-approval (cf. “yellow light” above)



Duty to retain documents

- Proper supporting documentation and accurate recording is in all cases required (please also refer to section 4)

**2. OVERVIEW**

This Anti-Corruption Policy applies to all employees of SYNERGY HOUSE BERHAD Group of Companies. It provides binding requirements with respect to Advantages provided to or by Third Parties (i.e., individuals not employed by SYNERGY HOUSE BERHAD Group of Companies) and other areas of our business, which may be affected by corrupt activities.

In case local laws, regulations or customs are stricter than this Anti-Corruption Policy, such local laws, regulations, and customs prevail. If you have doubts as to whether local laws,

regulations and customs are stricter, please consult your Compliance Officer. Circumvention and the attempt to circumvent the provisions of this Anti-Corruption Policy are prohibited.

### **3. GIVING AND RECEIVING ADVANTAGES**

#### **3.1 REQUIREMENTS IN BRIEF**

Corruption generally involves (at least) three persons: The giver, the receiver and the receiver's employer. Often, the giver of the giver's employer and the receiver's employer are in an existing or potential future business relationship. If the receiver is a Public Official, the giver or the giver's employer usually interact with the public body or institution. By giving an undue Advantage to the receiver, the giver usually aims at influencing a business or other decision within the receiver's employer which favours the giver or the giver's employer.

However, such conduct is prohibited generally worldwide. Thus, corrupt conduct is prohibited for all employees. Even the appearance of corruption must be avoided at any time. The following rules are designed to avoid corruption and the appearance of corruption:

1. It is prohibited to, directly or indirectly through Third Parties, request, agree to receive or accept any improper Advantage personally or for any other person or entity (in the following summarized by "accepting").
2. It is similarly prohibited to, directly or indirectly through Third Parties, offer, promise, give, or authorize any improper Advantage (in the following summarized by "giving") to anyone working for an existing or potential business partner of SYNERGY HOUSE BERHAD Group of Companies or a Public Official.

The following "seven means of conduct" may be qualified as a corrupt conduct and are therefore strictly prohibited for all employees:

#### **3.2 PROHIBITED ADVANTAGES ("RED LIGHT")**

1. Giving or accepting any Advantage that is prohibited by national or international laws or other provisions.
2. Giving or accepting an Advantage if you expect to receive something in return ("quid pro quid")
3. Giving or accepting an Advantage if accepting the Advantage may limit or influence the receiver's

or your objectivity or decision-making process or influence the decision-making process of the receiver's employer (including a government agency or ministry).

4. Giving or accepting a monetary benefit in connection with SYNERGY HOUSE BERHAD Group of Companies' business, including cash, bank transfers, interest-free loans, or loans with interest rates below market standard, stocks, stock options etc., without appropriate authorization. Making Facilitation Payments.

5. Giving or accepting an Advantage in a secretive manner, when a private address or email address is used to provide an Advantage. We advise that you generally involve the recipient's employer or supervisor if you give an Advantage.

6. Giving or accepting an Advantage where the nature or value of the Advantage is not reasonable and appropriate to the occasion as well as the position and circumstances of the receiver. Do not

- invite a Third Party or accept an Invitation to night clubs, casinos, or other adult entertainments.
- give or accept Advantages to or from the same Third Party so frequently that the giving or accepting may be regarded as impermissible.

### 3.3 ADVANTAGES REQUIRING PRE-APPROVAL ("YELLOW LIGHT")

Provided the conduct is not prohibited under section 3.2, the following Advantages may only be given or accepted upon pre-approval by your Top Management / Compliance Officer (Yellow Light)

- Any Advantage (including Gifts and Invitations) given to a Public Official or a related party of a Public Official (e.g., close relatives or individuals with whom the receiver lives in cohabitation).
- Any advantage (including Gifts and Invitations) given to a third Party that has, does, or likely will interact with Public Officials in connection with SYNERGY HOUSE BERHAD Group of Companies business.
- An Invitation whose value exceeds **RM100** (or equivalent, including VAT) per invitee.
- Any CSR Initiative to provide goods by the company

### 3.4 ADVANTAGES NOT REQUIRING PRE-APPROVAL ("GREEN LIGHT")

A pre-approval is not required if

- giving or accepting the Advantage is not prohibited by section 3.2, and if
- Advantage does not require pre-approval according to section 3.3.

For the approval, the Documentation and Approval Form for Advantages is to be used. In case it is not possible to apply for approval prior to giving or receiving the Advantage, the respective employee is required to notify the Top Management / Compliance Officer without undue delay after having given or accepted the Advantage.

For the documentation and notification, the Documentation and Approval Form for Advantages is to be used. A reimbursement for the costs that may have occurred is not permissible if the giving or accepting of the Advantage is prohibited according to section 3.2.

Proper documentation is critical to combating corruption. It deters future corrupt practices and assists in the investigation of past corrupt conduct.

You are obliged to properly document and accurately record within SYNERGY HOUSE BERHAD Group of Companies' books and records any Advantage requiring pre-approval (section 3.3) or not requiring pre-approval (section 3.4) you wish to give or accept. Notify your Compliance Officer without undue delay in case approval is required. For documentation and notification, the Documentation and Approval Form for Advantages must be used. The proper documentation can be subject to an unannounced review by the Compliance Officer.

#### **4. DUTY TO RETAIN DOCUMENTS AND DOCUMENT RETENTION**

As a responsible member of society, SYNERGY HOUSE BERHAD Group of Companies is in favour of making Donations to charitable and non-profit organizations and sponsoring events. The following rules apply to any Donation and Sponsoring activity of SYNERGY HOUSE BERHAD Group of Companies.

Donations and Sponsoring always require prior approval from a Top management / Compliance Officer of SYNERGY HOUSE BERHAD Group of Companies.

All Donations or Sponsoring must be made in a transparent manner. This means that the recipient's identity and planned use of the Donation or Sponsoring must be clear and the reason and purpose for the Donation or Sponsoring must be justifiable and documented.

The following Donations or Sponsoring are prohibited:

- Donations to for-profit organizations.
- Donations to organizations whose goals are incompatible with SYNERGY HOUSE BERHAD Group of Companies' corporate principles or which may cause damage to SYNERGY HOUSE BERHAD Group of Companies.
- Donations or contributions made to a charity or organization at the request of a Public Official also warrants heightened scrutiny. In the event you receive such a request, you must

ensure that the contribution is not an indirect way of conferring a personal Advantage on a Public Official, and that the contribution is not in exchange for a purchasing or other decision affecting SYNERGY HOUSE BERHAD Group of Companies interests. Please consult with your Compliance Officer before you make any decisions or take any actions vis-à-vis the Donation or contribution.

Donations may also include services or work products which are partially equivalent to Donations as there is no consideration in the full amount in return (e.g., granting a service to a social institution at a reduced price). The afore mentioned provisions also apply to these kinds of (partial) Donations.

## **5. DONATIONS AND SPONSORING**

The Company practices a “NO **GIFT**” Policy.

Anti-corruption laws and this Policy cover not only payments made by SYNERGY HOUSE BERHAD Group of Companies and our Employees but also Third-Party Representatives. Specifically, SYNERGY HOUSE BERHAD Group of Companies may be held responsible for improper payments made by Third Party Representatives on behalf of SYNERGY HOUSE BERHAD Group of Companies.

Accordingly, SYNERGY HOUSE BERHAD Group of Companies requires that Third Party Representatives conduct themselves in accordance with the highest ethical standards and in compliance with all applicable laws. SYNERGY HOUSE BERHAD Group of Companies expects that you inquire where circumstances indicate that a Third-Party Representative acted or is likely to act unlawfully. Do not ignore indications that improper payments are likely to be made or have already been made. Always inform your supervisor or your Compliance Officer about your concerns.

The following principles in connection with Third Parties must be always complied with:

- Expenses and other payments made to Third Parties must be accurately reflected in SYNERGY HOUSE BERHAD Group of Companies’ accounting books and records and financial statements and shall not be split or disguised in any way.
- No payments to Third Parties may be made in cash, to third persons, or to bank accounts that are not in the respective Third-Party Representative’s name, or to an account outside of the country in which the underlying business takes place or where the respective Third-Party Representative has its primary place of business.

There are rare circumstances under which an exception to this rule may be required. You must consult your Compliance Officer if you deem it inevitable that - for example due to currency restrictions - an exception should apply.



To help further reduce the likelihood that a Third-Party Representative will engage in illegal or improper conduct on behalf of SYNERGY HOUSE BERHAD Group of Companies, including the payment of bribes, the following rules apply.

## **6. THIRD PARTY REPRESENTATIVES**

To minimize the risk of corruption presented by Third Party Representatives, if you have requested the retention of a Third-Party Representative or are involved in managing or compensating such Third-Party Representatives, you must closely monitor and review the activities and expenses, including expense reimbursements of any relevant Third-Party Representative. All instances of potential illegal or unethical conduct by a Third-Party Representative that become known to or suspected by you must be immediately reported to your Compliance Officer.

The following red flags must be reported without further delay:

- Public Official recommends a specific person or company to serve as the Third-Party Representative.
- A Third-Party Representative refuse to certify that it will not take any action in furtherance of an improper payment.
- A (potential) Third Party Representative has a reputation for paying bribes.

### **6.1 INTEGRITY REVIEW PROCESS**

SYNERGY HOUSE BERHAD Group of Companies maintains an Integrity Review Process for engaging any new Third-Party Representative and with respect to Third Party Representatives that have not completed a Third-Party declaration in the previous three years.

### **6.2 MONITORING THIRD PARTIES**

- A (potential) Third-Party Representative requests payment in cash.
- A (potential) Third Party Representative requests payments be made to or through a third-party or to a third-country bank account or requests other unusual financial arrangements without reasonable explanation.
- A potential Third-Party Representative's business is not listed in standard industry directories or is unknown to people who know the industry.
- During negotiations, a counterparty seems indifferent to the price it is paying for SYNERGY HOUSE BERHAD Group of Companies products, or otherwise fails to act in a profit-seeking manner.

A written agreement must be in place for all Third Parties. No oral agreements or arrangements are to be made with any Third-Party Representative. Any agreements with Third Party Representatives engaged by SYNERGY HOUSE BERHAD Group of Companies shall contain standard anti-corruption provisions including anti-corruption representations and warranties, audit rights and termination rights for violations of applicable anti-corruption laws. Contact your Compliance Officer for respective templates before concluding any agreements with Third Party Representatives.

## **7. CASES OF DOUBT**

If you have any doubts or concerns as to whether a specific behaviour is allowed or not, or have any questions in relation to this Policy, please immediately contact your supervisor, HR Manager and/or the Compliance Officer.

## **8. REPORTING & DECLARATION**

If you become aware of any violations of this Policy, you are required to promptly inform your supervisor, HR Manager and/or the Compliance Officer or through the **[whistleblower@synergy-house.com](mailto:whistleblower@synergy-house.com)**

The Policy was adopted by the Board of Directors on 24<sup>th</sup> February 2023.

**Appendix A**

Compliance Officer

Name : Mr. Mohd Adham bin Khurram

Email Address : [mohd.adham@synergy-house.com](mailto:mohd.adham@synergy-house.com)

Contact Number : 017-9858013

OR

Please send email to [\*\*whistleblower@synergy-house.com\*\*](mailto:whistleblower@synergy-house.com)