

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 7079  
**COMPANY NAME** : TIGER SYNERGY BERHAD  
**FINANCIAL YEAR** : June 30, 2018

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has overall responsibility for the proper conduct of the Group's business. This includes the setting of goals and strategic directions, establishing goals for management and monitoring the achievement of these goals, overseeing the process of evaluating the adequacy and effectiveness of internal controls, identifying principles risks and ensuring the implementation of appropriate systems to manage these risks.</p> <p>The Board plays a key and active role in the formulation and development of the Company and the Group's policies and strategies and is responsible for oversight and overall management of the Company and the Group. The Board assumes the following principal roles and responsibilities in discharging its fiduciary and leadership functions:</p> <ul style="list-style-type: none"><li>(a) Reviewing and adopting the strategic plans for the Group. The Board deliberates all materials relating to the strategic plan with management. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.</li><li>(b) Reviewing the Group's financial performance and position on a quarterly basis.</li><li>(c) Identifying principal risks and ensuring the implementation of appropriate internal control systems to manage the identified risks.</li><li>(d) Reviewing succession planning including appointments, determination of compensation levels and replacement of senior management staff.</li></ul>

(e) Reviewing other significant matters that may have a material impact on the Group.

(f) Reviewing the adequacy and integrity of management information and internal control system of the Group. The Board of Directors has also established various Board Committees to assist and complement the Board in the execution of its responsibilities.

The duties and powers of the Board are governed by the Articles of Association of the Company, the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and other regulatory requirements that are in force.

Board members are aware of their responsibilities to make decisions objectively and which promote the success of the Group for the benefits of shareholders and other stakeholders. The roles and responsibilities of the Board which are set out in the Board Charter, serves as a reference point for the Board Members in executing their roles.

The Board has delegated to the Executive Chairman and Managing Director (“MD”) the daily management of the Group’s affairs. The MD leads the senior management of the Group in making, implementing and managing the day-to-day decisions of the business operations, the Group’s resources and the associated risks involved in pursuing the Group’s corporate objectives. The Chairman and MD are assisted by the Executive Director (“ED”), who is responsible for other specific areas of the Group’s operations.

The Executive Chairman, MD, ED and Management meet regularly to review and monitor the performance of the Group’s operations. The MD briefs the Board on the Group’s business operations and management’s initiatives during its quarterly Board meetings.

Independent Non-Executive directors are not involved in the daily management of the Group but contribute their own particular expertise and experience in the development of the Group’s overall business strategy. Their participation as members of the various Board Committees also contributed to the enhancement of corporate governance and controls of the Group.

The Board has established the following Committees which comprises of majority Independent Directors:-

- (i) Audit Committee;
- (ii) Nomination Committee;
- (iii) Remuneration Committee;and
- (iv) Employee Share Option Scheme (“ESOS”) Committee

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

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is led by the Executive Chairman, Dato' Tan Wei Lian. The Chairman is responsible for providing leadership as well as to ensure that procedural rules are followed in the conduct of meetings and that decisions made are formally recorded and adopted as well as responsible to the following duties:-</p> <ul style="list-style-type: none"><li>(i) leading the Board in the oversight of the Management of the Company;</li><li>(ii) representing the Board to shareholders and chairing the general meeting of shareholders;</li><li>(iii) ensuring the integrity of the governance process and issues;</li><li>(iv) ensuring that all Directors are enabled and encouraged to participate in the activities of the Board;</li><li>(v) guiding and mediating Board actions with respect to organisational priorities and governance concerns; and</li><li>(vi) undertaking the primary responsibility for organising information necessary for the Board to deal with items on the agenda and for providing this information to Directors on a timely basis.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is aware that the roles of the Chairman and Chief Executive Officer ("CEO")/Managing Director ("MD") of the Company are distinct and separate to stimulate accountability and facilitate clear division of responsibilities for ensuring there is a balance of power and authority in the Company. The segregation of roles also will facilitate a healthy and open exchange of views between the Board and Management in their deliberation of the business, strategic aims and key activities of the Group.</p> <p>The Company has an Executive Chairman, Dato' Tan Wei Lian and a Managing Director, Ms Tan Lee Chin who has taken the role at the same par of a CEO position. The position of the MD in essence is to ensure the effective implementation of the Group's business plan and policies established by the Board as well as to manage the daily conduct of the business and affairs to ensure its smooth operation.</p> <p>In the Company, the distinct and separate roles of the Chairman and MD with clear division of responsibilities have ensured the balance of the power and authority and that no one has unfettered control of the Board. The roles and responsibilities of the Chairman and MD have been formalised in the Board Charter of the Company.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by the Company Secretaries, who are members of the professional body namely, The Malaysian Institute of Chartered Secretaries and Administrators and they are also qualified under the Companies Act 2016 who can provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices. The Board has unlimited access to the advice and services of the Company Secretary to enable them to discharge their duties effectively. The Company Secretaries play an important role in facilitating the overall compliance with the Companies Act 2016, Main Market Listing Requirements of Bursa Securities and other relevant laws and regulations. The Company Secretaries also assist the Board and Board Committees to function effectively.</p> <p>In order to advice and guide the Board, the Company Secretaries have also been continuously attending the necessary training programmes, conferences, seminars and/or forums so as to keep themselves abreast with the current regulatory changes in laws and regulatory requirements that are relevant to their profession and enabling them to provide the necessary advisory role to the Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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**

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Directors have full and unrestricted access to all information pertaining to the Company's business and affairs and to the Senior Management and Company Secretary so as to enable them to discharge their responsibilities. The Board recognizes that the decision making process largely dependent on the quality of information furnished to them.</p> <p>Prior to the Board meetings, the Directors are provided with the agenda together with the Board papers on issues to be discussed. A record of the Board's deliberation of issues discussed and conclusion reached are recorded in the minutes of the meeting by the company secretary. After the meeting, the minutes are circulated to the Board and Board Committee members in a timely manner. The Board, whether as a full Board or in their individual capacity, has the right to engage independent professional advice, if necessary, at the Group's expense, in furtherance to their duties. In addition, all Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board meeting procedures and applicable rules and regulations are adhered to.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has adopted a Board Charter to promote the standards of corporate governance and clarifies, amongst others, the roles and responsibilities of the Board. The Board Charter is subject to review by the Board periodically to ensure that it remains consistent with the Board's roles and responsibilities as well as the prevailing legislation and practices.</p> <p>This Board Charter sets out the principles for the operation of the Board of Directors of Tiger and describes the functions of the Board and those functions delegated to the Management of the Company.</p> <p>The Board has primary responsibility to shareholders for the welfare of the Company and its subsidiaries ("the Group"). The Board is responsible for guiding and monitoring the business and affairs of the Group. The Board recognizes the importance of good corporate governance in the operations of the Group.</p> <p>This Board Charter is established to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Management with regard to the roles of the Board and its committees. This Board Charter does not overrule or pre-empt the statutory requirements and other relevant statutes. This Board Charter shall form an integral part of each Director's duties and responsibilities.</p> <p>In short, the Board Charter includes the following:-</p> <ul style="list-style-type: none"><li>a) Composition Of The Board</li><li>b) Role of The Board</li><li>c) Role of The Chairman</li><li>d) Role of The Managing Director ("MD")</li><li>e) Board Committees</li><li>f) Board Meeting Processes/Procedure</li><li>g) The Board's Relationship With Shareholders Stakeholders</li><li>h) Directors' External Commitments and Conflicts of Interest</li></ul>

	The copy of the Board Charter is made available on the Company's website at <a href="http://www.tigersynergy.my">www.tigersynergy.my</a> .	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has adopted a Code of Conduct and Ethics for Directors ("the Code") which is incorporated in the Board Charter. The Code was formulated to enhance the standard of corporate governance and to promote ethical conduct of the Directors.</p> <p>The Boards continue to observe the Code for Company Directors issued by CCM. The Code sets out the standard of conduct and ethical behavior for the Board, based on the principles of sincerity, integrity, responsibility and corporate social responsibility. To inculcate good ethical conduct, the Group is drafting a code of conduct for employees, which will be encapsulated in the Group's Human Resources Policies which has been communicated to all levels of employees in the Groups.</p> <p>The Code of Ethics aimed to provide staff with certain rules and standards to be followed in their connections with customers, suppliers and other related parties of the Company's business. The Company was strictly prohibiting any suspicious or illegal intelligence gathering, in order to protect the reputation and employees to avoid the occurrence of any unethical behaviour.</p> <p>All Directors, Management and staffs will strictly comply with high ethical standards and perform all obligations of an outstanding corporate.</p> <p>The Board is committed to adhering to best practices in corporate governance and observing the highest standards of integrity and behaviour in all activities conducted by the Company and the Group, including the interaction with its shareholders, employees, creditors, customers and within the community and environment in which the Company and the Group operate.</p> <p>The Code of Conduct is available on the Company's website at <a href="http://www.tigersynergy.my">www.tigersynergy.my</a>.</p>

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

**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 whistle blowing.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Company and the Board are always positive to promote excellent business conduct and a healthy culture that can engenders integrity, transparency and fairness.	
		As such, the Whistle-blowing policy will be adopted later when the Company has equipped with further research and study in order to create a reliable and fair policy pertaining to whistle-blowing.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board composition of the Company represents a mix of knowledge, skills, and expertise which assist the Board in effectively discharging its stewardship and responsibilities.</p> <p>The current Board recently comprises seven (7) Directors, out of which, one (1) Executive Chairman, one (1) Managing Director, one (1) Executive Director, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors. The Company has complied with the requirements of at least one third (1/3) of its members are independent as stated in Paragraph 15.02(1) of Main LR of Bursa Securities. There is no individual Director or group of Directors who dominates the Board's decision making.</p> <p>The Board is of the view that the significant composition of Independent Non-Executive Directors, coupled with the adoption of Board Charter, all provide for the relevant check and balance to ensure no one individual has unfettered powers in making Board's decision.</p> <p>The Board regarded current Board composition to be effective in decision making at Board level where deliberation is still being upheld with the presence of the 3 Independent Non-Executive Directors. The view and deliberations of these Independent Directors usually aligned to safeguard public interest and to bring independence and objectivity to the Board's deliberations.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.2**

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 justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Not applicable	
<b>Explanation on application of the practice</b>	:	No independent director(s) have served beyond 9 years.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.3- Step Up**

The board has a policy which limits the tenure of its independent directors to nine years.

<b>Application</b>	:	Applied
<b>Explanation on adoption of the practice</b>	:	<p>In the Company's Board Charter, the Board has clearly set out that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years.</p> <p>The Board may, in appropriate cases and subject to the assessment of the Nomination Committee on an annual basis, recommend that an Independent Director who has served a consecutive or cumulative term of nine (9) years to remain as an Independent Director subject to shareholders' approval.</p>



**Intended Outcome**

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

**Practice 4.4**

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The appointment of a new Director is a matter for consideration and decision by all members of the Board upon appropriate recommendation from the Nomination Committee.</p> <p>The Nominating Committee is responsible for identifying and recommending new nominees to the Board. The Nomination Committee shall consider diversity of skills, expertise, cultural background, age, gender and experience in evaluating the appointment of Directors. The Company believes in providing equal opportunity to all candidates based on merit.</p> <p>The Company Secretary has the responsibility of ensuring that relevant procedures relating to the appointments of new Directors are properly executed.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.5**

The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	The company has yet to establish the policy on gender diversity.
		The Board does not have a specific policy on Boardroom ethnicity and age diversity. However, the Company strongly believes and maintains its stand that any new appointment to the Board shall always be based on merits, capability, experience, skill-sets and integrity regardless of age and ethnicity in order to attain the Company's strategic objectives and goals.
		The Board currently has two (2) female directors which constitute almost one third (1/3) of the Board and is in line with Practice 4.5 of the MCG 2017 in relation to gender diversity. The Board values the contribution that women can bring to the Board and the Group and will strive to maintain the female composition of the Board.  The Board will take the necessary steps towards formalising such policy, targets and measures to reflect the Company's commitment towards gender diversity.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 4.6

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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Nomination Committee (“NC”) is principally responsible for recommending appropriate appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the Directors should bring to the Board. It assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director, including Non-Executive Directors.</p> <p>In assessing and evaluating the fittingness of candidates for recommendation to the Board for appointment, the Nomination Committee has a stipulated specific terms of reference for the NC, which covers, inter-alia, the salient function as below:-</p> <ul style="list-style-type: none"><li>• To consider and recommend to the Board candidate for directorship and Board Committee Membership.</li><li>• To facilitate an annual assessment of the required mix of skill and experience of the Board, Board Committees and individuals Directors; and</li><li>• To recommend the appropriate Board Balance and its size that including non-executive participation.</li><li>• To review the term of office and performance of the AC and its members.</li></ul> <p>In searching for suitable candidates, the Nomination Committee may receive suggestion from existing Board Members, Management, and major shareholder. The Committee is also open to referrals from external sources available, such as industry and professional association as well as independent search firms.</p> <p>The final decision on the appointment of a candidate recommended by Nomination Committee rests with the Board or, on the recommendation of the Board, the shareholders in general meeting, as the case may be. The Board is entitled to the services of the Company Secretary who would ensure that all appointments are properly made upon obtaining all necessary information from the Directors.</p>

	There has been no additional Board member since the last financial year.	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

**Intended Outcome**

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

**Practice 4.7**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	As per Practice 4.7 of the MCG 2017, the Nomination Committee is chaired by an Independent Director, Mr. Low Boon Chin.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.1**

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 and its outcome.

For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nomination Committee assesses the efficiency of the Board as a whole and the Board Committees and also the contribution of each Director. The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations, roles and responsibilities of the Board, the Board Committee and the Chairman's role and responsibilities.</p> <p>The Board, through the Nomination Committee, reviews periodically its required mix of skills and experience and other qualities, including core competencies, which Non-Executive Directors should bring to the Board. All assessments and evaluations carried out by the Nominating Committee in discharging their duties and functions are properly documented. This assessment is done on yearly basis.</p> <p>During the financial year ended 30th June 2018, the main activities carried by the NC include the following:-</p> <p>(1) Assessed the performance of the Board, Board Committees and individual Director; and</p> <p>(2) Reviewed the independence of Independent Non-Executive Director in relation to the 9-years tenure limit and reported the outcome to the Board for decision.</p> <p>(3) Reviewed the re-election of Directors at the Annual General Meeting.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 6.1**

The board has in place 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 policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Currently, the Company has yet to officially formalize remuneration policies and procedures for Directors and Management.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



### 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 6.2

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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board believes in Remuneration Committee ("RC") that fairly supports the Directors' responsibilities and fiduciary duties in steering and growing the Group to achieve its long term goals and to enhance its shareholder value.</p> <p>The RC is responsible for evaluating, deliberating and recommending to the Board the compensation and benefits that are fairly guided by market norms and industry practices. The RC is also responsible for evaluating the Executive Directors' remuneration which is linked to the performance of the Executive Director and performance of the Group. Individual Directors do not participate in the decisions regarding his or her individual remuneration.</p> <p>However, the Terms of Reference ("TOR") of RC is still in the midst of review and yet to be finalized. This is to ensure that the Company can create and come out with effective and practical TOR.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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 7.1**

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The detailed disclosure on name basis for individual directors including fees, salaries, bonuses, benefits in-kind and other emoluments are disclosed in the Company's Annual Report 2018.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 7.2**

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.

<b>Application</b>	:	Not adopted	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board has opined that it is not in the best interest of the Company to make such disclosures on the remuneration of the Senior Management due to the sensitivity issues.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 7.3 - Step Up**

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

<b>Application</b>	:	Not adopted
<b>Explanation on adoption of the practice</b>	:	

**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 8.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman of the Audit Committee is Mr Low Boon Chin while the Chairman of the Board is Dato' Tan Wei Lian.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 8.2**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	There was no appointment of any former key audit partner to the Audit Committee since in the past years.	
		During the financial year, the Audit Committee has yet to establish a policy requiring a former key audit partner to observe a cooling period of at least two years before being appointed as a member of the Audit Committee. The Audit Committee will consider a suitable cooling-off period for a former key audit partner and such practice shall be formalized and officiated once ready.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 8.3**

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.

<b>Application</b>	:	Not applied	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>The Audit Committee (“AC”) has their own informal policies and procedures however have not yet officially adopted and still in review.</p> <p>The AC will continue to review and monitor the suitability and independence of the External Auditors. The External Auditors had confirmed that they were, and had been, independent throughout the conduct of the audit engagement in accordance with the terms of the relevant professional and regulatory requirements.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 8.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Applied
<b>Explanation on adoption of the practice</b>	:	<p>The Audit Committee ("AC") comprises of all Independent Directors which are Mr Low Boon Chin as the Chairman, Dato' Khoo Seng Hock and Dato' Lee Yuen Fong with additional Non-Independent Non-Executive Director, Mr Chua Eng Chin who was just re-designated from an Independent Director position on 7 December 2017.</p> <p>The Board via the Audit Committee has always maintained a cordial and transparent relationship with its auditors in seeking their professional advice towards ensuring compliance with the relevant accounting standards to produce fair and reliable financial statement to the stakeholders.</p>



**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 8.5**

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Collectively, the Audit Committee possesses a wide range of necessary skills to discharge its duties. All Audit Committee members are financially literate and are able to understand matters under the purview of the Audit Committee including financial reporting process.</p> <p>The Audit Committee Member, Mr Chua Eng Chin is a member of the Malaysian Institute of Accountants (MIA). All members of the Audit Committee have undertaken continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 9.1**

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

<b>Application</b>	:	Not adopted	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board is aware of the need to establish an effective risk management and internal control framework to enable them to foresee any upcoming risk in order for them to mitigate, reduce and manage them. Accordingly, the Board will consider developing pertinent risk management and internal control framework to enhance its existing corporate governance practices adopted from the Listing Requirement.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 9.2**

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

<b>Application</b>	:	Not adopted	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 9.3 - 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.

<b>Application</b>	:	Not adopted
<b>Explanation on adoption of the practice</b>	:	

**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 10.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has established an in-house internal audit team at the corporate office which involved monitoring and evaluations on the monthly management accounts submitted by the subsidiary companies and report their findings to senior management on a quarterly basis. Quarterly internal audit have been carried out to monitor compliance with the Group's procedures and to review on the adequacy and effectiveness of the Group's system of internal control.</p> <p>Areas of improvement in internal controls have been identified and the implementation of action plans based on proposed recommendations have subsequently been initiated.</p> <p>The Group is ensuring that effective risk management framework allows the management strived to manage risk effectively within defined parameters and standards, and promotes profitability of Tiger Group's operation in order to protect its assets and enhance shareholders' value.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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 10.2

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.

<b>Application</b>	:	Not applied	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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 11.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company's corporate website at <a href="http://www.tigersynergy.my">www.tigersynergy.my</a> serves as a key communication channel for shareholders, investor, members of the public and other stakeholders to obtain up-to-date information on the Group's activities, financial results, major strategic developments and other matters affecting stakeholders' interest.</p> <p>Furthermore, the Board reviews and approves all quarterly and other important announcements. The Company announces its quarterly and full year results within the mandatory period. The financial statements and, where necessary other materials presented at the Company's general meetings, including material and price sensitive information, are disseminated and publicly release via Bursa LINK on timely basis to ensure effective dissemination of information relating to the Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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 11.2**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	In consideration of the size and limited resources of Tiger Group, we are not adopting integrated reporting based on a globally recognised framework at this point in time.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

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

**Practice 12.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Notice as well as the agenda of Annual General Meeting (AGM) together with Form of Proxy are given to shareholders at least twenty-eight (28) days before the AGM, which gives sufficient time to prepare themselves to attend the AGM personally or to appoint a proxy to attend and vote on their behalf.</p> <p>Each item of the special business included in the Notice of AGM is accompanied by an explanatory statement on the proposed resolution to facilitate the full understanding and evaluation of issues involved.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 12.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	All Directors attended the last Annual General Meeting of the Company. The Chairman of the respective Board Committees were present to facilitate discussions and address any questions shareholders may have on matters that fall under the purview of the respective Board Committee.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 12.3**

Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate–

- including voting in absentia; and
- remote shareholders' participation at General Meetings.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	All General Meetings have been held in the Seremban town area. The venue of the meeting is centrally located, easily accessible by various public transport. As of 30 June 2018, the Company has less than 7,000 depositors. As such, the Company is not investing in infrastructure to facilitate remote shareholders' participation at General Meetings in the immediate term.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	