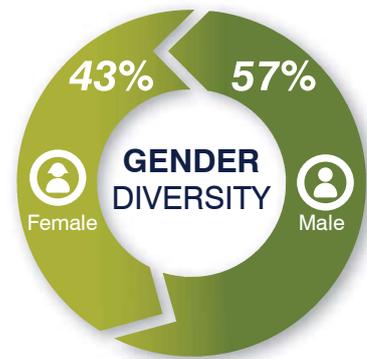
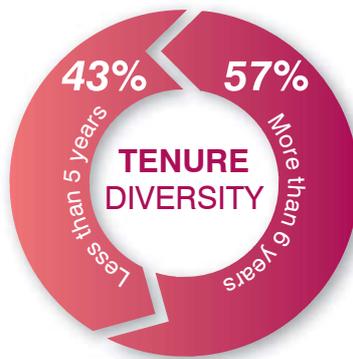


CORPORATE GOVERNANCE OVERVIEW STATEMENT

GOVERNANCE AT A GLANCE FY2020



SKILLS & EXPERIENCE OF DIRECTORS



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

GOVERNANCE STRUCTURE FY2020

BOARD OF DIRECTORS			
Collectively responsible for long-term success of the Group Oversees overall governance, financial performance and sustainability of the Group			
Leadership	Strategy & Financial	Risk Management & Internal Control	Investors Relation
Provides leadership, succession planning, training and development including fixing of remuneration	Focuses on long-term sustainability of business, sets strategy and oversees its implementation	Ensures the adequacy and integrity of the Group's internal control systems and appropriate management of principal risks	Ensures effective communication and continuous engagement with stakeholders



BOARD COMMITTEES				
Audit Committee	Nominating Committee	Remuneration Committee	Risk Management Committee	ESOS Committee
Oversees financial reporting, risk management and internal audit function	Oversees the overall effectiveness of the Board, Board Committees, directors and senior management	Determines directors' and senior management's remuneration and incentives	Reviews risk management and implements control activities and processes	Administers the ESOS and determines the allocation of ESOS shares in accordance with the ESOS By-Laws



EXECUTIVE MANAGEMENT		
Executive Deputy Chairman	Managing Director	Executive Director, Senior Management & Management Committee or Working Group
Develops the Group's vision, mission, core values, strategies and business objectives and provides leadership and guidance	Manages the day-to-day business and operations of the Group	Supports the Managing Director to achieve the performance objectives and growth of the Group

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

The Board of Directors (“Board”) of Tambun Indah Land Berhad (“the Company” or “Tambun Indah”) acknowledges the importance of maintaining good corporate governance in the Group and is committed to the principles of good corporate governance which are consistent with prudent management to deliver long term sustainable value to shareholders and other stakeholders.

The Board firmly believes that good corporate governance is fundamental in ensuring proper management of the Company. This gives our shareholders and stakeholders the confidence that Tambun Indah is a well-governed and well-managed company. In this respect, the Board continues its active role in monitoring governance practices within the Group and takes prompt actions in responding to identified improvement opportunities.

The ensuing statement provides an overview of the corporate governance practices of the Company during the financial year ended 31 December 2020 (“FY2020”) and it is to be read together with the Corporate Governance Report 2020 which is available at the Company’s website (www.tambunindah.com).

This statement is prepared in accordance with the Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Malaysian Code on Corporate Governance (“MCCG”) issued by the Securities Commission Malaysia.

In FY2020, the Company had applied the following key principles of good corporate governance in the MCCG:

- Board leadership and effectiveness
- Effective audit and risk management
- Integrity in corporate reporting and meaningful relationship with stakeholders

The Company had also adopted 29 out of the total 32 recommended practices in the MCCG. The recommended practices not adopted were as follows:

- Practice 4.1 – At least half of the Board comprises independent directors.
- 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.
- Practice 12.3 – Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate voting, including voting in absentia; and remote shareholders’ participation at General Meetings.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Clear Roles and Responsibilities

Board

The roles of the Board are set out in the Board Charter. The Board provides entrepreneurial leadership as well as overseeing the overall performance objectives and long-term success and sustainability of the Group.

In discharging its leadership role, the Board essentially assumes the functions of fostering good corporate governance through overall strategic policies, sustainability practices, succession planning, a sound internal control and risk management, shareholders’ and investors’ relations as well as compliances of relevant applicable laws and regulations.

The Board had established a governance structure where specific powers of the Board were delegated to the relevant Board Committees, the Executive Deputy Chairman and the Managing Director for effective decision-making process and greater efficiency.

The governance structure is governed by a defined organisational chart, terms of reference, framework, policies and the manual on Limit of Authorities (LOA) approved by the Board. The LOA sets out clear authority limits pertaining to the operations of the Group through segregation of duties.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Clear Roles and Responsibilities (cont'd)

Board (cont'd)

The Chairman of the Board, Executive Deputy Chairman and the Managing Director were held by different individuals. Their roles were separated to ensure an appropriate balance of power and their respective responsibilities were clearly established and set out in Tambun Indah Board Charter.

In FY2020, Mr. Lai Fook Hoy was the Chairman of the Board, Mr. Teh Kiak Seng was the Executive Deputy Chairman and Mr. Teh Deng Wei was the Managing Director of Tambun Indah.

Matters Reserved for Board's Decision

Other key duties of the Board are, but not limited to, approving a schedule of matters specifically reserved for its approval or upon recommendations as may be made from time to time by the Board Committees. These include:

- material acquisitions and disposals of fixed assets of the Group;
- new investment, divestment, corporate restructuring and/or establishment of joint ventures;
- related party transactions and conflict of interest issues;
- annual financial statements and quarterly financial results;
- declaration of dividends;
- appointment of directors; and
- terms of reference of Board Committees and changes in the composition of the Board Committees established from time to time.

Chairman of the Board

The Chairman of the Board is an independent director with no executive function. His key responsibilities include leading the Board in establishing and monitoring good corporate governance practices, ensuring effectiveness of the Board, and ensuring effective communications with shareholders and other stakeholders.

Executive Deputy Chairman

The Executive Deputy Chairman takes on more strategic role focusing his attention on matters relating to the strategic plans and policies of the Group at the same time, he provides leadership to the overall conduct of the Group's businesses to ensure that the Group is being properly managed.

Managing Director

The Managing Director is responsible in the day-to-day management of the business and operations of the Group. He is supported by the executive director and a senior management team. Various management committees or working groups are set-up as and when necessary to facilitate implementation of strategies and operational decisions.

The senior management of the Group is selected based upon the criteria of recognized skills, experience and capabilities in their specific field of expertise and whose knowledge and abilities support the delivery of the performance objectives and growth of the Group.

Independent Non-Executive Directors

The primary responsibility of independent non-executive directors is to protect the long-term interest of shareholders, employees, customers, suppliers and other stakeholders of the Group.

Non-Independent Non-Executive Directors

The primary responsibility of non-independent non-executive directors is to provide valuable external perspectives by virtue of their positions in other industries and to promote greater balance in the Board's decision-making process.

The profiles of the directors and senior management are set out in the Directors' Profile and Senior Managements' Profile sections of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Board Committees

The Board had established 5 Board Committees, each with predefined terms of reference and responsibilities which are clearly set out in the Company's Board Charter.

As at 31 December 2020, the main Board Committees namely the Audit Committee, Nominating Committee and Remuneration Committee comprised entirely independent directors.

During FY2020, the Chairman of the respective Board Committees reported the outcome of the Committee meetings to the Board and relevant decisions were incorporated in the minutes of the meetings of the Board Committees. During the financial year, the Board Committees had also made recommendations on matters that required the decision of the Board as a whole.

The Board Committees as at 31 December 2020 were as follows:

1) Audit Committee

During FY2020, the Audit Committee met 5 times and the members' attendance was as follows:

Members of Audit Committee	No. of meetings attended	Percentage of attendance
Lam Voon Kean	5/5	100%
Lai Fook Hoy	5/5	100%
Dato' Seri Mokhtar Bin Mohd Jait	5/5	100%

A full report of the Company's Audit Committee for FY2020 is set out in the Audit Committee Report section of this Annual Report.

2) Nominating Committee

During FY2020, the Nominating Committee conducted assessments and made corresponding recommendations to the Board in respect of the following matters:

- The composition and effectiveness of the Board and the Board Committees;
- The contribution and competencies of each individual director;
- The independence and time commitment of the independent non-executive directors;
- The effectiveness and objectivity of the Audit Committee and each of its members;
- The trainings attended by the directors in FY2020;
- The Boardroom diversity;
- The performance of senior management and succession plan of the Group;
- The directors due for retirement by rotation at the Company's 12th Annual General Meeting ("AGM"); and
- The independence of the independent non-executive director who had served more than 9 years due for re-appointment at the forthcoming 12th AGM.

The members' attendance for FY2020 was as follows:

Members of Nominating Committee	No. of meetings attended	Percentage of attendance
Dato' Seri Mokhtar Bin Mohd Jait	1/1	100%
Lam Voon Kean	1/1	100%
Lai Fook Hoy	1/1	100%

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Board Committees (cont'd)

3) Remuneration Committee

During FY2020, the Remuneration Committee met twice to review and recommend the remuneration packages of the executive directors and senior management as well as the directors' benefits, incentives and fees.

The members' attendance for FY2020 was as follows:

Members of Remuneration Committee	No. of meetings attended	Percentage of attendance
Lai Fook Hoy	2/2	100%
Lam Voon Kean	2/2	100%
Dato' Seri Mokhtar Bin Mohd Jait	2/2	100%

4) Risk Management Committee

The Risk Management Committee comprised of executive directors and senior management as at 31 December 2020.

During FY2020, the Risk Management Committee met twice to review and discuss the risks profile, risk controls and mitigation policies to ensure their relevance in the Group's business environment and also to review the identified risks affecting the Group were being addressed, managed and mitigated on an ongoing basis.

The members' attendance for FY2020 was as follows:

Members of Risk Management Committee	No. of meetings attended	Percentage of attendance
Teh Kiak Seng	2/2	100%
Teh Theng Theng	2/2	100%
Teh Deng Wei	2/2	100%
Lim Beng Hoe	2/2	100%
Roselyn Tan	2/2	100%

5) ESOS Committee

The ESOS Committee comprised of executive directors and senior management as at 31 December 2020.

During FY2020, the ESOS Committee met twice to grant options to eligible employees of the Company pursuant to the ESOS By-Laws.

The members' attendance for FY2020 was as follows:

Members of ESOS Committee	No. of meetings attended	Percentage of attendance
Teh Kiak Seng	2/2	100%
Teh Theng Theng	2/2	100%
Teh Deng Wei	2/2	100%
Roselyn Tan	2/2	100%

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Board Succession

As part of the Group's effort on succession planning, the Nominating Committee is tasked to review the leadership succession plan at the end of each financial year to ensure the Group is well positioned to deliver on its value proposition to shareholders and stakeholders of the Company.

In FY2020, Mr. Teh Kiak Seng was promoted as the Executive Deputy Chairman and Mr. Teh Deng Wei assumed the post of the Managing Director. Mr. Teh Kiak Seng, aged 71 is the founder of the Group since its inception in 1993 and has vast experience in the property development industry. The Executive Deputy Chairman is the highest-ranking executive officer of the Company and his key responsibilities include leadership role and developing the overall strategies of the Group.

Board Policies

Tambun Indah operates within a clear framework and takes zero-tolerance approach to bribery and corruption. The following policies serve as a guide to strengthen the governance and internal control of the Group:

- Board Charter;
- Whistle-Blowing Policy;
- Code of Business Conducts and Ethics;
- Anti-Bribery & Corruption Policy; and
- Corporate Disclosure Policies as set out in Shareholders' Communication section in the Board Charter

In upholding the Company's obligations in combating bribery and corruption, the Company launched the implementation of the Anti-Bribery Management System in accordance with ISO 37001 during the financial year. In conjunction thereto, the Board had adopted a revised Code of Business Conducts & Ethics and the Anti-Bribery and Corruption Policy to provide guidance on the Company's protocols to be observed by the directors, employees and business associates comprised of vendors, contractors, sub-contractors, consultants, agents, representatives, outsourced personnel, distributors, advisers and other intermediaries who perform works or provide services for or on behalf of the Company and/or the Group as they perform their duties.

The Board reviewed the above policies annually, or as and when required. Copies of the above policies are available on Company's website (www.tambunindah.com).

Access to Information or Advice

The directors have full and unrestricted access to all information of the Group. Such information is not only quantitative, but also includes other information that deemed necessary for them to make an informed decision.

The directors also have unrestricted access to the advice and services of the Company Secretary. If further information, which they may require in discharging their duties, the directors may seek independent professional advice at the Company's expense, but subject to prior approval by the Board.

Board papers for meeting are circulated on a timely basis, at least 7 days before the meeting to enable the directors to have sufficient time to review the papers prepared and to participate actively in the meeting. Senior Management may be invited to Board meetings to provide insight into matters being discussed and to furnish clarification on issues that may be raised by the Board.

The proceedings of meetings are duly recorded in the minutes and the said minutes are kept at the registered office of the Company and are accessible by the directors during office working hours.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Company Secretaries

The Board is supported by 2 qualified Company Secretaries. Both Company Secretaries have tertiary education and are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016.

The Company Secretaries provide guidance to the Board on matters relating to the company law, rules and regulations of the regulatory authorities as well as best practices on governance. The Board has unrestricted access to the advice and services of the Company Secretaries.

The Company Secretaries record, prepare and circulate the minutes of meetings of the Board, and Board Committees and ensure such minutes are properly kept at the registered office of the Company and produced for inspection when required. They are also responsible for the proper maintenance of secretarial records, preparation of resolutions and other secretarial functions of the Company.

During the FY2020, the Company Secretaries had attended various webinars and technical briefings by Bursa Securities to keep themselves abreast with the regulatory changes and continuous professional development.

BOARD ACTIVITIES FY2020

In FY2020, key activities and transactions deliberated and/or approved by the Board were summarized below:

Leadership	<ul style="list-style-type: none"> Leadership succession plan Updates on changes to senior management team Trainings & Development Remuneration Package
Strategy & Financial	<ul style="list-style-type: none"> Business Plan and Budget of the Group Quarterly performance review Sustainability strategies and implementation Quarterly unaudited financial results Annual consolidated financial results Solvency position and dividend payments Updates on the impact from the adoption of new accounting standards
Governance	<ul style="list-style-type: none"> Board Committees' Reports & Recommendations Effectiveness & Composition of the Board & Board Committees Performance of Individual Directors & Senior Management Independence of Independent Directors Board Charter & Terms of Reference of Board Committees Anti-Bribery & Corruption Policy Code of Business Conducts & Ethics Whistle-Blowing Policy Updates of Recurrent Related Party Transactions
Risk Management & Internal Control	<ul style="list-style-type: none"> Updates of principal risks, key controls and risk mitigations Monitoring risk management and internal audit function Review of the impact of changes in regulatory landscape Implementation of Anti-Bribery Management System
Investors' Relation	<ul style="list-style-type: none"> Annual General Meeting Annual Report and Circular to Shareholders Announcements to Bursa Securities Analyst Reports Website

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION

Board Independence

As at 31 December 2020, members of the Board comprised of 3 independent directors, 1 non-independent non-executive director and 3 executive directors, which was equivalent to 43% of independent directors represented in the Company's boardroom. The number of independent directors of the Company complied with the Main LR of Bursa Securities where at least 2 directors or 1/3 of the Board members, whichever is higher are independent directors.

Each independent director of the Company is aware of his/her responsibilities to the shareholders and stakeholders for the manner in which the affairs of the Company are managed. The independent directors also have been actively involved in various Board Committees, contributing to performance monitoring of corporate governance by providing independent assessment and opinion.

Even though the Company did not adopt Practice 4.1 of MCCG which required at least 50% of the Board being independent directors, the Board however, operates in the manner that its directors exercise independent judgement and with the interests of the shareholders always in the forefront when important decisions are made by the Board.

Additionally, the Board is helmed by an independent non-executive Chairman and the main Board Committees namely the Audit Committee, Nominating Committee and Remuneration Committee comprised entirely independent directors are further indicators of independence.

The independent assessments and opinions of the independent directors are important in ensuring the effectiveness of corporate governance practices of the Company. No individual director can dominate the decision-making of the Board despite the Board has representatives of the substantial shareholders.

The presence of 43% independent directors in the Company's boardroom sufficiently represented a strong independent element for effective check and balance on the functioning of the Board.

In the event of any vacancy in the Board, resulting in non-compliance with the total number of independent directors, the Company will ensure that the vacancy is filled within 3 months. If the number of directors is not 3 or a multiple of 3, then the number nearest to 1/3 will be used to determine the number of independent directors of the Company.

Board Experience

As at 31 December 2020, the skills and experiences of the Board were as follows:

Civil Engineering	Finance & Accounting	Corporate CEO
Property Development	Public policy and regulatory	Entrepreneurship
Construction & Design	Strategy & Risk	Corporate Knowledge
Business Development	Global Experience	Governance

As at 31 December 2020, the Board comprised of directors with core competencies in the areas of construction, civil engineering, finance, public policy and regulatory as well as business development. Coupled with the directors' work experiences and skills, the existing composition of the Board is adequately appropriate in leading the Group to meet the objectives and business direction of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Board Experience (cont'd)

As at 31 December 2020, the composition and diversity of the Board was as follows:

Gender Diversity		Ethnicity Diversity		Age Diversity		Tenure of Directorships	
	%		%		%		%
Male	57	Malay	14	Below 35 years	14	Below 5 years	43
Female	43	Chinese	86	36 - 55 years	14	Above 6 years	57
				56 - 71 years	72		

Gender Diversity

The Board embraces gender diversity as essential to strengthen the composition of the Board. In this respect, the Board has established a guideline within its Board Charter to have at least one female represented on the Board.

As at 31 December 2020, the Board comprised of 3 female directors, which was equivalent to 43% female representation in the Company's boardroom.

Ethnicity Diversity

The Board does not set any target on ethnicity diversity but the Board believes diverse cultures in the boardroom would offer better insights in deliberation and decision making of the Board.

As at 31 December 2020, the Board comprised of one Malay director, which was equivalent to 14% ethnicity diversity in the Company's boardroom.

Age Diversity

The Board believes that the directors with diverse age profiles would provide different perspectives and ideas to strengthen the composition of the Board.

As at 31 December 2020, the age profile of the directors ranged from below 35 to 71 years of age.

Tenure of Directorships

The Board believes that the independence of independent director cannot be determined arbitrarily based on a period of time as the ability to serve independently also depends on the person's caliber, experience and personal qualities such as integrity and objectivity.

In this respect, the Board does not have a policy that limits the tenure of its independent directors to 9 years. The Board however, adopts Practice 4.2 of the MCCG as any independent director who has served on the Board beyond 9 years will subject to annual shareholders' approval should the Board intends to retain the independent director beyond the 9 years.

The tenure of one of the independent directors of the Company, Mr. Lai Fook Hoy had exceeded a cumulative term limit of 9 years.

The Nominating Committee had assessed the independence of Mr. Lai Fook Hoy and recommended to retain him as an independent non-executive director of the Company by virtue of his integrity, objectivity and caliber. During FY2020, Mr. Lai had demonstrated his objectivity and independence in expressing his opinions in the decision making of the Board. The length of his service on the Board has not in any way interfered with his independence.

The Board agreed with the recommendation of the Nominating Committee and had resolved to recommend that Mr. Lai Fook Hoy be retained and continue to act as an independent non-executive director of the Company for shareholders' approval at the forthcoming AGM.

Mr. Lai Fook Hoy had abstained from deliberating and voting on the above.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Re-elections and Appointments

An election of director shall take place every year. In accordance with the Company's Constitution, 1/3 of the directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office and be eligible for re-election. All the directors shall retire from office at least once every 3 years but shall be eligible for re-election. A retiring director shall retain office until the close of the AGM at which he retires.

The Nominating Committee is responsible to assess and recommend the re-election of directors due for retirement under the Company's Constitution. In discharging its duties, the Nominating Committee will assess the directors who have offered themselves for re-election, taking into consideration their experiences, strengths, time commitment, qualities, independence and objectivity. The Board will then make recommendations to the shareholders for approval at the AGM.

The Nominating Committee also assesses and recommends new appointments to the Board. In evaluating the candidate, the Nominating Committee will consider amongst others, the following factors:

- the structure, size and composition of the Board at the time, taking into account succession planning, where appropriate;
- the candidate's background, education, age, relevant skills and experiences;
- the candidate's reputation for integrity, accomplishments and likely commitment in terms of time and interest;
- the number of directorships held in public companies and the candidate's ability to devote sufficient time to the Board; and
- the independence of the candidate proposed to be appointed as an independent non-executive director, in particular by reference to the independence requirements under the Main LR of Bursa Securities.

The Board will then consider the recommendations of the Nominating Committee and make its final decision as to the appointment.

The Company Secretaries are responsible to ensure the relevant procedures relating to the appointment of the new director are properly executed.

Annual Assessments

The Nominating Committee performs annual assessments to review the effectiveness of the Board as a whole, the Board Committees, the Audit Committee and each of its members, and makes its recommendations to the Board. Additionally, the Nominating Committee also assesses the contributions of individual directors and the independence of the independent directors and makes its recommendations to the Board.

The assessment of the Board as a whole, Board Committees, the Audit Committee and each of its members are carried out by way of evaluation questionnaires. The results of the annual assessments are compiled by the Company Secretary and presented to the Nominating Committee for evaluation and consideration. The Nominating Committee will evaluate and table its recommendations to the Board. The director concerned shall abstain from deliberating on his/her own assessment.

The Board was satisfied that the size and composition of the Board and the Board Committees in FY2020 were adequate and appropriate with relevant mix of skills, knowledge, capabilities, objectivity, integrity as well as diversity of perspectives that are required to support the execution of the Company's business strategy and to effectively spearhead the Group in the best interest of the Company and its stakeholders.

The assessments of individual directors, independent directors and senior management are carried out by way of self-assessment questionnaires. The self-assessment questionnaires include amongst others the character, integrity, contributions in meetings, quality of input, understanding of role and time commitment.

The Board was satisfied that all the directors and senior management in FY2020 were able to discharge their duties and responsibilities diligently in the best interest of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Board Commitments

The Nominating Committee also assesses whether the directors who hold multiple board representations are able to and have been devoting sufficient time to discharge their responsibilities adequately. The assessment of each director's ability to discharge his/her duties adequately is not confined to the criterion of the number of his/her board representations as time requirements are very subjective.

In view of the above, the Nominating Committee takes into account the contributions by the directors in meetings, their attendance at meetings and their participation outside the boardroom, in addition to their principal duties as non-executive directors of the Company.

To facilitate the directors to plan ahead and fit the year's meetings into their own schedules, the Company Secretary will prepare an annual corporate calendar where board meetings are scheduled in advance before the beginning of each new financial year.

As at 31 December 2020, none of the directors held more than 5 directorships in public listed companies.

The directors are required to notify the Managing Director before accepting any new directorships in public listed companies, and of his/her time commitment in fulfilling his/her role to make positive contributions to the Board.

The Board was satisfied with the level of commitment by the directors in fulfilling their roles and responsibilities and this was further affirmed by the high percentage of the directors' attendance at meetings held during FY2020.

Board Attendance

In light of the COVID-19 pandemic and the movement control orders implemented by the Government to curb the spread of the COVID-19 infections in Malaysia, the Board had convened its meetings virtually during the financial year. All the directors had participated the virtual meetings remotely in a secure, efficient and convenient manner.

During FY2020, the Board met 5 times and the details of the directors' attendance were as follows:

Members of the Board	No. of meetings attended	Percentage of attendance
Lai Fook Hoy	5/5	100%
Teh Kiak Seng	5/5	100%
Teh Theng Theng	5/5	100%
Teh Deng Wei	5/5	100%
Tsai Chia Ling	5/5	100%
Lam Voon Kean	5/5	100%
Dato' Seri Mokhtar Bin Mohd Jait	5/5	100%

In addition to the above scheduled meetings, the Board also approved certain matters by way of Directors' Circular Resolution signed by all the directors for the time being of the Company. In FY2020, a total of nine (9) Directors' Circular Resolution were circulated and passed.

Board Development

Any director appointed to the Board is required to complete the Mandatory Accreditation Programme (MAP) within 4 months from the date of appointment. In addition to the MAP, the directors are to determine their own training needs. Nevertheless, all the directors are encouraged to attend trainings to keep abreast with the developments in the business environments.

At the end of each financial year, the directors will provide to the Company, a record of his/her trainings attended during the year. The Nominating Committee will assess the continuous development of the directors and tables its recommendation to the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Board Development (cont'd)

As at 31 December 2020, all the directors had participated in various programmes to enhance their knowledge and understanding of recent developments in laws and regulations, tax, finance, risk management and business practices to aid them in the discharge of their duties and responsibilities as directors of the Company.

The Nominating Committee had recommended that the current practice be maintained and a policy on directors' training is not required.

The Board was satisfied with the directors' own evaluation of their training needs in FY2020 as all the directors had attended various programmes to enhance their skills and knowledge. Therefore, a policy on directors' training is not required.

During FY2020, the trainings attended by the directors were as follows:

Name	Description
Lai Fook Hoy	<ul style="list-style-type: none"> Corporate Liability Provision on Corruption under MACC Act 2009 (Amended 2018) Urban Planning & Infrastructures Development Sustainable Development and Sustainability Reporting Food Security in Malaysia Traffic Impact Assessment
Teh Kiak Seng	<ul style="list-style-type: none"> Corporate Liability Provision on Corruption under MACC Act 2009 (Amended 2018) Urban Planning & Infrastructures Development Rebar Detection & Reinforced Concrete Floor Thickness Estimation Using Ground Penetrating Radar Building with the Mountain The application of Prestressed High-Strength Concrete (PHC) Pile as foundation for Offshore Engineering Steel Fiber for Slab-on-Pile Structure Timber Structures Geotechnical Design & Construction Consideration for a Pedestrian Bridge
Teh Deng Wei	<ul style="list-style-type: none"> Corporate Liability Provision on Corruption under MACC Act 2009 (Amended 2018) Fraud Risk Management Workshop
Teh Theng Theng	<ul style="list-style-type: none"> Corporate Liability Provision on Corruption under MACC Act 2009 (Amended 2018) Property Taxation and Theory
Tsai Chia Ling	<ul style="list-style-type: none"> Corporate Liability Provision on Corruption under MACC Act 2009 (Amended 2018) Are COVID-19 containment efforts working? Is China positioned to lead an economic recovery? Market Outlook Global Market Outlook Introduction of MACC Act 2009 (Amended 2018) Technology Sector – How is COVID-19 changing the digital landscape Rebounding from economic recession to economic growth Cash Float Management
Lam Voon Kean	<ul style="list-style-type: none"> Corporate Liability Provision on Corruption under MACC Act 2009 (Amended 2018) Judicial Management: a Corporate Rescue Mechanism in Malaysia A Change for Better Comparability and Transparency of Companies' Performance Reporting Fraud Risk Management Workshop Audit Committee Institute Virtual Roundtable 2020 ESG Perspective: Managing Recovery and Resilience MASB Engagement Session on IFRS Foundation's Consultation Paper - Sustainability Reporting Budget 2021 Tax Highlights
Dato' Seri Mokhtar Bin Mohd Jait	<ul style="list-style-type: none"> Corporate Liability Provision on Corruption under MACC Act 2009 (Amended 2018) Tax Budget Webinar 2020

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION

Remuneration Policies

The Board has established a formal and transparent process in determining the remuneration package of the executive directors. The remuneration of the executive directors is structured to link rewards to their respective contributions in supporting the Group's corporate policies, objectives and strategies. The objective of the policy is to ensure that a competitive remuneration framework is in place to reward, motivate and retain talent to drive the Group's businesses to greater growth and to maximise long term shareholders' value.

The remuneration framework for executive directors covers all aspects of remuneration including fees, salaries, allowances, bonuses, incentives, ESOS options, statutory contributions and benefits-in-kind.

The Board determines the remuneration package of the executive directors and senior management as recommended by the Remuneration Committee. No executive director or senior management participates in deciding his/her own remuneration.

The Remuneration Committee also reviews and recommends to the Board, the remunerations of the non-executive directors based on their level of responsibilities and commitment required. The directors' fees and benefits payable to non-executive directors as determined by the Board are subject to annual shareholders' approval at the AGM.

Remuneration of Directors

The remuneration of the directors for FY2020 was as follows:

Name	Fees	Allowance	Salaries & other emoluments	Bonus	Defined contribution plan	Benefits-in-kinds	Total
Non-Executive Director (in RM)							
Lai Fook Hoy	60,000	3,000	-	-	-	-	63,000
Lam Voon Kean	58,000	3,000	-	-	-	-	61,000
Dato' Seri Mokhtar Bin Mohd Jait	52,000	3,000	-	-	-	-	55,000
Tsai Chia Ling	40,000	2,500	-	-	-	-	42,500
	210,000	11,500	-	-	-	-	221,500
Executive Director (in RM)							
Teh Kiak Seng	40,000	-	600,594	200,000	120,000	38,406	999,000
Teh Deng Wei	40,000	-	1,500,923	500,000	300,000	18,800	2,359,723
Teh Theng Theng	40,000	-	410,123	136,400	81,840	11,100	679,463
	120,000	-	2,511,640	836,400	501,840	68,306	4,038,186

Save as disclosed above, none of the directors provided services or received fees for services rendered to the Company or its subsidiaries in FY2020.

Remuneration of Senior Management

In determining the remuneration package of senior management, the Remuneration Committee takes into account a set of criteria that reflects the person's role, responsibilities, level of skills, experience and performance. The level of remuneration paid was also linked to the Group's financial results, individual performance and comparable statistics in the same industry.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION (CONT'D)

Remuneration of Senior Management (cont'd)

The Company did not adopt the Practice 7.2 of MCCG which required the disclosure on a named basis the top five senior management's remuneration in bands of RM50,000.

The Board is of the opinion that specific disclosure on named basis will not be favorable towards the Group due to the competitive environment for personnel with the requisite knowledge and experience in the industry.

For FY2020, the aggregate sum of remunerations paid to the senior management team was approximately RM0.76 million.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

The Board had established the Audit Committee to independently oversee the Group's financial reporting process, audit processes, statutory and regulatory compliances, corporate governance and any other matter which the Board may delegate from time to time and when necessary.

The Audit Committee reviews the accounting policies applied by the Group in financial statements, changes in these principles as well as the impact of adoption of new accounting standards through the external auditors. The Audit Committee also reviews the internal audit reports by the outsourced internal auditors.

The Nominating Committee assesses the performance of the Audit Committee and its members annually to ensure an independent and effective Audit Committee. The Nominating Committee then tables its recommendation to the Board.

The Board was satisfied with the composition and effectiveness of the Company's Audit Committee as at 31 December 2020 as all its members were financially literate and possessed the appropriate level of expertise and commitment in discharging their responsibilities effectively.

Further details are set out in the Audit Committee Report section of this Annual Report.

External Auditors

The Audit Committee and the Board place great emphasis on the objectivity and independence of the Company's external auditors in providing relevant and transparent reports to the shareholders.

During FY2020, the Audit Committee reviewed the scope and approach of the external audit, the reporting obligations, the audit procedures, deliverables and key dates for the year's audit before the external auditors commenced their audits of the Company and its subsidiaries.

The Audit Committee also discussed with the external auditors the accuracy and completeness of the accounting records, the impact of adoption of the new accounting standards, the effectiveness of the Group's internal controls and risk management including any other pertinent matter that was brought to the attention of the Audit Committee relating to the audit of the Group's financial statements.

In addition to the above, the Audit Committee also ensured that management provides a timely response to any request of documents or queries raised by the external auditors. Chairman of the Audit Committee then reported to the Board on the progress and findings of the audits as well as matters that required the Board's decision.

The Audit Committee met with the external auditors twice without the presence of the executive directors and management of the Group in FY2020.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

I. AUDIT COMMITTEE (CONT'D)

External Auditors (cont'd)

The Audit Committee is responsible to assess the external auditors annually. The Audit Committee will consider a number of aspects such as the adequacy of resources, quality of work, the experience of the staff assigned to the audit of the Group and of the Company as well as the independence and objectivity of the external auditors.

BDO PLT, had been the Company's external auditors since FY2010. For maintaining integrity and objectivity as the external auditors of the Company, BDO PLT implements policies and procedures to comply with professional ethics and independence policies and requirements applicable to the work they performed. Additionally, in line with MIA by-law, Section 540 Long Association of Personnel (Including Partner Rotation) with an Audit Client, which was effective for period beginning on or after 15 December 2018, they rotate their engagement partner every 7 years in compliance with the Malaysian Institute of Accountants, to ensure objectivity, independence and integrity of their audit opinions.

BDO PLT had confirmed to the Audit Committee in writing that they complied with the ethical requirements regarding independence with respect to the audit of the Company and its subsidiaries for FY2020 in accordance with the International Federation of Accountants' Code of Ethics for Professional Accountants and the Malaysian Institute of Accountants' By-Laws on Professional Ethics, Conducts and Practice.

The Audit Committee was satisfied with the suitability of BDO PLT based on their audit approach, quality of work done, sufficiency of resources and independence. The Audit Committee had proposed that the Board recommends the re-appointment of BDO PLT as the external auditors of the Company at the forthcoming AGM.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk Management

The Board had established the Risk Management Committee to oversee the adequacy of the Group's risk management framework to ensure risk management and internal controls are in place.

The Group has adopted a risk management framework to enhance its risk management capabilities. The Risk Management Committee reviews the risk management framework to ensure the framework remains relevant for monitoring the effectiveness of risk mitigation and controls of the key risks identified.

The Risk Management Committee is also tasked to identify new risks as well as reviewing and monitoring that identified risks are being addressed, managed and mitigated on an on-going basis.

The Risk Management Committee will update the Audit Committee and the Board periodically on the Group's risk profile including actions undertaken by the management to manage or mitigate the risks identified.

With the introduction of the new corporate liability provision under Section 17A of the Malaysian Anti-Corruption Act 2009 effective from 1 June 2020, the Risk Management Committee had updated its Key Risk Profile to include corporate liability risk that is relevant in the Group's business and operating environment. In mitigation, the Board implemented the Anti-Bribery Management System to prevent the occurrence of corrupt practices in the Group.

The Board confirmed that there was an on-going process of identifying risks, evaluating and managing the significant risks faced by the Group. This process had been in place for FY2020 and up to the date of issuance of the Statement on Risk Management and Internal Control.

Further details of risk management are set out in the Statement on Risk Management and Internal Control section of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

Internal Audit Function

In FY2020, the Group had outsourced its internal audit function to an independent professional firm of consultants, Sterling Business Alignment Consulting Sdn. Bhd., a member of The Institute of Internal Auditors Malaysia (IIAM), to provide the Board with the assurance it required regarding the adequacy and integrity of the systems of internal control of the Group.

The internal auditors confirmed that there were no relationships or conflict of interest in the discharge of their responsibilities during FY2020 and they remained independent and had no direct operational responsibility or authority over any of the activities audited.

The internal auditors report directly to the Audit Committee.

Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control section and the Audit Committee Report section of this Annual Report.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

Financial Reporting

The Board aims to present a balanced and understandable assessment of the Group's financial position and prospects to the public in accordance with the provisions of the Companies Act 2016, International Financial Reporting Standards and the Malaysian Financial Reporting Standards.

The Company has put in place, a financial reporting procedures and disciplines across its subsidiaries in ensuring the Group maintains accurate records and timely reporting of its financial performance.

In the preparation of the consolidated financial statements for FY2020, the Board in discharging its duties had taken the necessary steps to ensure all applicable accounting policies were applied consistently, and supported by reasonable and prudent judgement.

In FY2020, the Finance Division prepared the annual consolidated financial statements and quarterly financial results of the Company. The new and amended accounting standards and requirements, including any changes in accounting policies adopted by the Group in the financial year, the Head of Finance had discussed and agreed with the external auditors before tabling to the Audit Committee and the Board for adoption.

The Audit Committee assisted the Board to oversee the Group's financial reporting processes by reviewing the financial and statutory compliance aspects of the annual financial statements and quarterly financial results prior to deliberation at the Board's level.

The Board then discussed and approved the annual financial statements and quarterly financial results for release to Bursa Securities after the close of trading.

Stakeholders Communications

The Board recognizes the value of corporate transparency and coherent communication, and aims to provide fair, relevant, comprehensive and timely information regarding the Group's performance to the shareholders and the investment community to enable them to make informed decisions. The Company's Investor Relations team is tasked with, and focuses to build long term relationships and trust with the shareholders and the investment community.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

I. COMMUNICATION WITH STAKEHOLDERS (CONT'D)

Stakeholders Communications (cont'd)

The Investor Relations team communicates regularly with shareholders and the investment community, with timely disclosures of material or other pertinent information through announcements to Bursa Securities. The team also conducts analyst presentations and corporate briefings to keep investors apprised of the Group's development and financial performance.

All pertinent information is disseminated or communicated to shareholders, stakeholders and the investment community through:

- Announcements and disclosures to Bursa Securities
- Annual Report of the Company
- Circulars to Shareholders
- Corporate briefings
- Company's website

SHAREHOLDERS ENGAGEMENT FY2020

Accountability to Shareholders and Corporate Reporting	Electronic Communication and Online Information	Dynamic engagement with Shareholders
<ul style="list-style-type: none"> • Annual Report, Interim Report, press releases and announcements are disclosed in a timely manner. 	<ul style="list-style-type: none"> • Key corporate governance policies, terms of reference of Board Committees, financial reports & announcements are available on the Company's website. • Hard copies of the Company's Annual Reports and Circulars available on the website will be provided to shareholders free of charge upon request within 4 market days. 	<ul style="list-style-type: none"> • Dialogue and meetings between Senior Management and investors, fund managers and analysts. • Regular presentations or conference calls are made to analysts and investors.
Sufficient and Timely Information	Voting	AGM
<ul style="list-style-type: none"> • The AGM notice, Annual Report and audited financial statements are dispatched to shareholders at least 28 days before the date for holding the AGM which exceeds the statutory requirement of 21 days. • Comprehensive information is sent on each resolution to be proposed. 	<ul style="list-style-type: none"> • All voting at AGM will be by poll. • The poll is conducted by the Company's Share Registrar and scrutinised by an independent scrutineer. • Procedures for conducting the poll are explained at the general meeting prior to the taking of the poll. • Poll results are announced and posted on the Bursa Securities' and the Company's websites. 	<ul style="list-style-type: none"> • AGM act as a principal forum for dialogue with shareholders. • Individual shareholders can put questions to the Chairman or the directors at the AGM. • All directors and senior management are present to respond to shareholders' questions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

I. COMMUNICATION WITH STAKEHOLDERS (CONT'D)

SHAREHOLDERS ENGAGEMENT FY2020 (CONT'D)

Corporate Disclosure Policy	Dividend Policy
<ul style="list-style-type: none"> Tambun Indah Corporate Disclosure Policy provides guidance on the disclosure of material information to investors, analysts and media. This policy identifies the spokespersons and outlines the responsibilities or communication with each stakeholder group. 	<ul style="list-style-type: none"> Tambun Indah's longstanding policy is to provide stable ordinary dividends to shareholders. The dividend payout is based on 40% to 60% of the Group's audited net profit excluding any valuation gain or loss on investment properties for the financial year.

II. CONDUCT OF GENERAL MEETINGS

The Company's AGM is a vital forum for interaction with shareholders. The Annual Report of the Company together with the notice of AGM are sent to shareholders at least 28 days before the date of the AGM.

Each item of special business included in the notice of AGM will be accompanied by explanatory statement to facilitate a full understanding and evaluation of the proposed resolution.

The Board supports and encourages active shareholders' participation at AGM and any other general meetings. In accordance with the Company's Constitution, any shareholder may appoint up to a maximum of 2 proxies to attend and vote on his/her behalf in any general meeting. The proxy need not be a member of the Company.

All the resolutions set out in the notice of meeting will be put to vote by poll. During the meeting, the independent non-executive Chairman will invite shareholders to raise questions pertaining to the proposed resolution before putting the motion to vote by poll. Board members and senior management will be present to respond to any questions from the shareholders. The Company's external auditors are also present to address issues relating to the audits and the auditors' reports.

Before the commencement of poll voting, the Company Secretary will brief shareholders on the poll voting procedures. An independent scrutineer will be appointed to undertake the polling and vote counting verification whilst the Company's Share Registrar will be the polling administrator.

The Company Secretary will announce the results of the poll and the outcome of the meeting to Bursa Securities via the Bursa LINK and the said announcement can also be accessed via the Company's website (www.tambunindah.com).

The Company did not adopt the Practice 12.3 of MCCG where the Company should leverage technology to facilitate voting, including voting in absentia; and remote shareholders participation at the AGM.

The independent non-executive Chairman of the Board chaired the 12th AGM in orderly manner. Shareholders and proxies were encouraged to participate in the proceedings and to ask questions on the operations and performance of the Group and on any resolutions that were being proposed. Members of the Board including senior management and external auditors were present to respond to any enquiries thereof.

This statement was approved by the Board on 15 April 2021.