

**ALLIANZ MALAYSIA BERHAD GROUP OF
COMPANIES**

**FIT AND PROPER POLICY AND PROCEDURE
FOR KEY RESPONSIBLE PERSONS**

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1.0 OBJECTIVE

The expectations on the suitability of key responsible persons and the company secretary are an extension of the corporate governance framework and are aimed at ensuring that these persons have the integrity and competence required to perform their roles.

- 1.1** Section 60 of the Financial Services Act 2013 (“FSA”) provides that without limiting the generality of section 47 and for the purposes of paragraphs 55(1)(c) and 55(2)(b), Bank Negara Malaysia (“BNM”) may specify fit and proper requirements to be complied with by a chairman, director, chief executive officer or senior officer of an institution or a financial adviser’s representative, which may include minimum criteria relating to:-
- probity, personal integrity and reputation;
 - competency and capability; and
 - financial integrity.
- 1.2** The BNM Guidelines on Fit and Proper Criteria (“Guidelines”) and the Allianz Group Fit and Proper Policy (“Allianz SE Policy”) sets out the standard approach to the assessment of the fitness and propriety of persons who are or are to be appointed or elected as Key Responsible Persons and requires the Company to establish policies and procedures in relation to the assessment of the fitness and propriety of its Key Responsible Persons.
- 1.3** Pursuant to the BNM Guidelines and the Allianz SE Policy, the Fit and Proper Policy and Procedure for Key Responsible Persons (“Policy”) had been established.
- 1.4** In the context of this Policy, the words “Company” and/or “Allianz” shall refer to either Allianz Malaysia Berhad (“AMB”) or Allianz General Insurance Company (Malaysia) Berhad or Allianz Life Insurance Malaysia Berhad or any other subsidiaries of AMB and collectively referred to as “AMB Group”.

2.0 GLOSSARY

Refer to **Appendix 1**

3.0 REFERENCES

- 3.1** FSA;
- 3.2** Companies Act 2016;
- 3.3** Guidelines on Fit and Proper Criteria;
- 3.4** BNM Guidelines on Corporate Governance (BNM/RH/PD 029-9);
- 3.5** BNM Guidelines on Appointed Actuary: Appointment and Duties (BNM/RH/STD029-5);
- 3.6** BNM Guidelines on Risk Governance (BNM/RH/GL 013-5)
- 3.7** BNM Guidelines on Compliance (BNM/RH/PD 028-9)
- 3.8** BNM Guidelines on Internal Audit Function of Licensed Institutions (BNM/RH/GL013-4)
- 3.9** Allianz Group Code of Conduct for Business Ethics and Compliance;
- 3.10** AMB Group Outsourcing Policy and Outsourcing Procedures;
- 3.11** Any amendments or, variations to the above.

4.0 APPLICABILITY OF THE POLICY

4.1 This Policy applies to all Key Responsible Persons of AMBGroup.

4.2 The Key Responsible Persons (“KRP”) as prescribed in the Guidelines refer to key personnel who are accountable or responsible for the management and oversight of the Company. These comprise:

- (i) Directors;
- (ii) Chief Executive Officers (“CEO”);
- (iii) Any person performing a senior management function who has primary or significant responsibility for the management and performance of significant business activities of the Company and this would include any person who:
 - (a) has the authority, makes or has substantial influence in making decisions that affect the whole, or a substantial part of, the Company’s business;
 - (b) is principally accountable or responsible, whether solely or jointly with other persons, for implementing and enforcing policies and strategies approved by the Board; or
 - (c) is principally accountable or responsible, whether solely or jointly with other persons, for developing and implementing systems, internal controls and processes that identify, measures, monitor or control the Company’s risks.
- (iv) Any person who has primary or significant responsibility for key control functions and this would include a person who is principally accountable or responsible, whether solely or jointly with other persons, for monitoring the appropriateness, adequacy and effectiveness of the Company’s internal controls, risk management and compliance systems and processes. This includes the Chief Internal Auditor, Chief Risk Officer/Head of Risk Management, Chief Compliance Officer/Head of Compliance, Chief Financial Officer and appointed actuaries
- (v) It also includes any person who is mainly accountable or responsible for key functions in the Company under centralised group or shared services arrangement.
- (vi) Pursuant to the Guidelines, the KRPs of AMB Group is annexed herewith as **Appendix II**.

5.0 RESPONSIBILITY

5.1 Board of Directors (“Board”) and Nomination and Remuneration Committee of AMB Board (“NRC”)

- 5.1.1 The Company’s Board and the NRC, with the assistance of the Company Secretarial Department (“CSD”), Human Resources Division (“HRD”) and Compliance Department (“CD”) are primarily responsible for ensuring that all Key Responsible Persons fulfill fit and proper requirements.
- 5.1.2 The fit and proper assessments on each KRP shall be conducted both prior to initial appointments and at regular intervals of at least annually or whenever the Company becomes aware of information that may materially compromise a Key Responsible Person’s fitness and propriety to ensure that the Key Responsible Persons fulfill the fit and proper criteria at all times.
- 5.1.3 NRC is required to review the list of KRPs of AMB Group and be satisfied that the list is comprehensive and has taken into account all key positions within the AMB Group.

- 5.1.4 The Board and NRC with the assistance of the CSD is responsible for overseeing that the assessment of existing Directors or candidates for nomination or appointment as a Director of the Company or re-appointment of existing Directors is conducted prior to making its recommendation to the Board.
- 5.1.5 The Board and NRC with the assistance of the CSD, HRD and CD are required to periodically review the policies and procedures to ensure their relevance and alignment with the organisational needs and structure as well as material changes in the business, risk profile and strategies of Company.

5.2 Company Secretarial Department

CSD is responsible for the following:

- (a) to ensure that appropriate fit and proper assessments are carried out for Directors and CEO by completing the form attached in the **Appendix A** of the Policy;
- (b) to ensure that the fit and proper assessments are supported by relevant information as specified in the Application Form prescribed by BNM;
- (c) to take reasonable steps within permissible written laws to verify the information obtained from the person being assessed where such information is material to the determination of the person's fitness and propriety against independent sources;
- (d) to conduct basic credit check ("Credit Check") by checking with or doing the following:
 - Department of Insolvency (applicable for appointment/reappointment of directors and CEO)
 - Credit Tip-Off Sdn Bhd ("CTOS")
 - Internet Search, e.g via Google or Bing
 - Criminal check
- (e) to conduct that matters related to this Policy are brought to the attention of the Board and NRC; and
- (f) to ensure that all reasonable steps are taken to protect the information and documents collected for fit and proper assessments from misuse, unauthorised access, modification or disclosure.

5.3 Human Resources Division

HRD is responsible for the following:

- (a) to ensure that appropriate fit and proper assessments are carried out for each KRP (other than Directors and CEO) by completing the form attached in the **Appendix A** of the Policy;
- (b) to ensure that the fit and proper assessments are supported by relevant information in relation to the KRPs such as Personal Declaration;
- (c) to take reasonable steps within permissible written laws to verify the information obtained from the person being assessed where such information is material to the determination of the person's fitness and propriety against independent sources;
- (d) to ensure that a regular review on the list of KRPs is conducted and the list is comprehensive and has taken into account all key positions within the Company.

- (e) to conduct basic Credit Check by checking or doing the following:
 - i) CTOS
 - ii) Dow Jones Risk and Compliance portal to screened for Anti Money Laundering and Counter Financing Terrorism and sanction exposure
 - iii) Criminal check
 - iv) Internet Search, e.g via Google or Bing
- (f) to ensure that all reasonable steps are taken to protect the information and documents collected for fit and proper assessments from misuse, unauthorised access, modification or disclosure.

5.4 Compliance Department

CD is responsible for the following:-

- (a) to monitor that appropriate fit and proper assessments are carried out for all identified KRPs by completing the form attached in the **Appendix A** of the Policy;
- (b) to monitor that the fit and proper assessments are being conducted in accordance with the Policy; and
- (c) to monitor that filing to BNM is done in a timely manner.

6.0 CRITERIA TO DETERMINE IF A PERSON IS FIT AND PROPER

6.1 The criteria for assessment of Key Responsible Persons

- 6.1.1 A person must not be disqualified pursuant to section 59(1) of the FSA and pursuant to section 238 of the Companies Act 2016 and satisfy the following criteria to be considered fit and proper to hold a KRP position:
 - (a) **Probity, personal integrity and reputation** - Person must have the personal qualities such as honesty, integrity, diligence and independence of mind and fairness.
 - (b) **Competence and capability** - Person must possess the relevant knowledge, experience, ability to understand the technical requirement of the business, the inherent risks and the management process required to perform his/her role in a key function in the relevant capacity effectively.
 - (c) **Financial integrity** - Person must manage his own financial affairs properly and prudently.
- 6.1.2 In determining whether a person meets requirements in (a) and (c) above, the factors set out in **Appendix A** of this Policy should be assessed individually (according to their relative importance) as well as on cumulative basis.
- 6.1.3 Consideration must be given to each of these factors, along with the circumstances surrounding them, including the lapse of time since the occurrence of events and the significance of the event from the perspective of potential risks posed to the Company.

- 6.1.4 Considerations relevant to the assessment of the fitness and propriety of Key Responsible Persons may vary depending on the degree of their influence and responsibilities in the affairs of the FI. For example, the NRC should consider whether there have been material changes in the nature or scope of the responsibilities assumed by an individual which would call for higher standards of competence or judgment in order to properly perform the duties associated with the said position, or which may give rise to new conflicts that could impair the individual's performance in the position. Similarly, circumstances which warrant an individual to be considered as fit and proper may differ between positions and the Company.

7.0 PROCESS FOR FIT AND PROPER ASSESSMENT

7.1 Prior to Appointment

- 7.1.1 In assessing whether a person meets the fit and proper requirements prior to his/her appointment, the CSD (for Directors and CEO) and HRD (for other KRPs) are required to procure the KRPs to complete the form as attached in **Appendix A**.
- 7.1.2 Upon completion and declaration by KRPs on the prescribed form, CSD (for Directors and CEO) and HRD (for other KRPs) will conduct Credit Check in accordance with paragraph 5.2 and 5.3.
- 7.1.3 For an Appointed Actuary, BNM Guidelines on Appointed Actuary: Appointment and Duties are required to be adhered to.
- 7.1.4 The assessment encompassing the declaration as per **Appendix A**, and Credit Check must be completed and the documentation must be transparent to facilitate the inspection team from designated competent authorities to understand the basis for the decision. The completed documents should accompany the request for approval for appointment.
- 7.1.5 For the proposed appointment of Directors and CEO, the CSD will submit the proposed appointment to the NRC for its recommendations to the Board for approval. For other KRPs, the HRD will submit the proposals to the NRC for its recommendation to the Board for approval.
- 7.1.6 BNM's approval must be obtained prior to the appointment of a Director, CEO and Appointed Actuary.
- 7.1.7 In addition to requirements highlighted in Appendix A, a KRP is deemed fit when he possesses relevant expert knowledge, competence and experience individually for his area of responsibility. Allianz Group places importance on qualification, experience and knowledge required especially KRPs responsible for the functions of risk, compliance, actuarial and legal.
- 7.1.8 KRPs (external and internal) applying to assume an Allianz Global Executive (Grade 18 and above) and Allianz Senior Executive position (Grade 16 and 17) for the first time must undertake the Allianz Global Assessment and Allianz Senior Executive Development Centre respectively, to be determined by the Group from time to time.

7.2 Annual and on-going assessment

7.2.1 Annual Assessment

- (i) On an annual basis, the CSD (responsible for Directors and CEO) and HRD must conduct an assessment of Key Responsible Persons and document its findings/results on each of them addressing the following:
 - (a) whether the person has at any time failed to comply with the requirements under this Policy;
 - (b) any convictions; and
 - (c) any conflict of interest.

7.2.2 Assessment of performance

- (i) On an annual basis, KRPs are assessed on their performance and fitness in their current role as well as their potential to carry out new roles
- (ii) Fitness requirements are deemed to be met if the KRP is rated at “at target or above target” in the annual performance process

7.2.3 Ad-hoc review

Ad-hoc reviews are required to conduct if it gives rise to questions regarding a person’s fitness or propriety in the following instances:

- i) breach of a code and conduct and/or employment contract;
- ii) whistleblowing complaints;
- iii) Investigation or any other procedure possibly leading to any convictions of a criminal, disciplinary;
- iv) Evidence of financial or accounting irregularities in her/his field of responsibility;
- v) Signs of indebtedness such as undisputed writs of execution or garnishment for payments owed by the Key Responsible Persons; and
- vi) any conflict of interest.

7.2.4 The assessment encompassing the declaration as per **Appendix A** covering all fit and proper criteria

Upon completion of the annual review or ad-hoc review, a report on its findings and proposals resulting there from shall be presented to the NRC and the respective Boards for deliberation.

7.3 Adverse findings on assessment

- 7.3.1 If the Key Responsible Person has been assessed as fit and proper; and the Company subsequently becomes aware of information that may result in the person being assessed as not fit and proper, the person must not continue to hold that Key Responsible Person position.
- 7.3.2 Informed the member of the Board of Management of Allianz SE in charge.
- 7.3.3 Any significant adverse developments detected must be brought to the attention of the NRC within fourteen (14) days from the date of detection and thereafter the Board should be notified of such adverse findings.
- 7.3.4 Where the NRC has assessed and if the Board agrees that a KRP is not fit and proper, then the Board may take such action as is appropriate, which may include:
- (a) If a contract of employment or appointment applies, dealing with that person in accordance with that contract which, in appropriate circumstances, may include termination of employment or appointment;
 - (b) Take necessary measures to mitigate risks associated with the person continuing to hold the position;
 - (c) Demoting the individual concerned from the Key Responsible Person position, if he/she is no longer fit and proper for a position; and
 - (d) Not be entitled to claim any compensation for such termination.
- 7.3.5 The CSD (for Directors and CEO) and HRD (for other Key Responsible Person) must notify BNM in writing of the demotion of the individual concerned from the Key Responsible Person position not later than seven days upon the final decision made by the Board that if a person is not fit and proper for a Key Responsible Person position.

7.4 Cessation

For the purpose of 7.4, cessation includes the following:

- a) Resignation;
- b) Retirement;
- c) Deceased;
- d) Termination;
- e) Removal; and
- f) Change of role to a non-KRP, and any other circumstances which gives rise to cessation.

7.4.1 Cessation of Key Responsible Person (*other than Directors*)

- 7.4.1.1 Where a Key Responsible Person (other than Directors) ceases to hold office and act in such capacity, HRD must notify BNM in writing of the cessation and the reasons for it, not later than seven days from the date of giving to or receiving from, the notice of the cessation.

- 7.4.1.2 In the case of Appointed Actuary (AA), HRD and AA respectively must additionally notify BNM, whether there have been any disagreements

between the AA and the Company on matters which the AA has a duty to report or provide an opinion on.

- 7.4.1.3 Notwithstanding paragraphs 7.4.1.1 above, HRD must notify NRC and the Board on the cessation of the Key Responsible Person (other than Directors).
- 7.4.1.4 An exit interview will be held by HRD with the individual concerned to better understand the circumstances in which he/she left the Company.
- 7.4.1.5 Respective function holders to notify Allianz SE Group center of the cessation of the Key Responsible Person (other than Directors).

7.4.2 Cessation of Directors

- 7.4.2.1 CSD must notify NRC and the Board on the cessation of the Directors, except for removal of a Director, approval from the NRC and the Board must be obtained.
- 7.4.2.2 Where Directors ceases to hold office and act in such capacity, a written notification to BNM of the cessation and the reasons for it, not later than seven days from the date of giving to or receiving from, the notice of the cessation.
- 7.4.2.3 As for an Independent Non-Executive Director, written approval must be obtained from BNM before any removal or resignation.

7.5 Re-appointment

- 7.5.1 The same assessment criteria for the appointment of Directors, CEO and Appointed Actuary shall be applicable for the re-appointment of Directors, CEO and Appointed Actuary.

7.6 Outsourcing

- 7.6.1 In respect of outsourcing functions of Internal Audit, Risk Management, Legal, Compliance, Actuarial and Finance; the outsourcing arrangement is to comply with AMB Group Outsourcing Policy and Outsourcing Procedures and the Allianz Group Policies.
- 7.6.2 For any outsourcing arrangement, a proper due diligence on the service provider company and the service provider personnel is to be conducted. Where the service provider's personnel are concerned, a Fit and Proper assessment per the requirements of this Policy is to be conducted to ensure the Fitness and Propriety of service provider personnel. With this regard, a written confirmation should also be obtained to ascertain that the service provider's personnel comply with fit and proper requirements of paragraph 6.1.1, which includes the completion of Appendix A of this Policy.

8.0 REPORTING AND MONITORING REQUIREMENTS

- 8.1** This Policy will be monitored as to its application principally by the HRD, CSD and CD.

- 8.2** The NRC and the Board should be kept updated of the fit and proper assessments for each Key Responsible Person through the summary which will be prepared and tabled by CSD (for Directors and CEO) and HRD (for other Key Responsible Persons) at least annually.
- 8.3** If any person within the Company becomes aware of any information which may be relevant for the fit and proper assessment concerning the Key Responsible Person, immediate escalation to the CD is required.

9.0 TRAINING

- 9.1** HRD must ensure that, on an on-going basis, relevant professional training is available (internal or external) to the Senior Management and Key Function Members, to enable them to constantly meet the Fitness requirements of their roles. HRD shall draw out a list of all relevant compliance trainings required for Senior Management and Key Functions Members in adherence to local regulatory requirements. These trainings shall be part of their Personal Development Plan.
- 9.2** Allianz learning and development programmes such as for example offered by AllianzU, ensures a deep understanding of Allianz Group's strategic priorities as well as the building of executive skills and abilities. As part of #Lead, the Allianz Leadership Passport is the license to be a people leader at Allianz. To refresh their passports, leaders are expected to earn at least 45 development points every 2 years.
- 9.3** All Senior Management and Key Function Members must take part in compliance trainings as part of their onboarding with each new assignment.
- 9.4** Similarly, the Compliance department must provide regular training on ethical business behaviour such as anti-fraud and anti-corruptions topics, providing employees with clear rules for proper behaviour, both for themselves and their reporting staff. Further, Compliance department must ensure that they provide further trainings as far as such trainings are obligatory according to local legal or regulatory requirements.
- 9.5** The Data Protection Officer will conduct regular data protection trainings, providing employees with clear rules for proper behavior, both for themselves and their reports.
- 9.6** All Allianz Global Executives who are in scope of this policy must annually take part in the System of Governance ("SoG") trainings.

10.0 DATA PRIVACY

- 10.1** The Company shall safeguard the confidentiality of the information collected and assessments made.
- 10.2** Any personal information collected (including sensitive information) for the purposes of conducting a fit and proper assessment will be disclosed to the competent authority and on a need to know basis as required under this Policy.
- 10.3** In carrying out a fit and proper assessment, personal information (including sensitive information) about an applicant or personnel may be collected by CSD and HRD. If personal information (including sensitive information) is collected, it will be used solely for:
 - (a) Assess a person's fitness and propriety;

- (b) Comply with legislative and regulatory requirements; and
- (c) Perform administrative functions including risk management.

11.0 DOCUMENT RETENTION

11.0 CSD and HRD must ensure that:-

- (a) Documentation relating to the assessment for each Key Responsible Person should be retained for at least seven years after the transaction has been completed.
- (b) The documentation gathered for an unsuccessful applicant relating to assessment conducted as a component of the recruitment process shall not be kept.
- (c) It shall be the duty of the CSD and HRD to take all reasonable steps to ensure all personal data is destroyed or permanently deleted if no longer required for the purpose it was first processed.

11.1 The CSD and HRD must ensure that the following are maintained and made readily available for inspection by the BNM and Allianz SE Human Resource Department upon request:-

- (i) a list of Key Responsible Persons within the Company; and
- (ii) full documentation of all assessments for each Key Responsible Person carried out pursuant to this Policy.

11.2 CD is responsible to ensure that this Policy is updated from time to time.

12.0 WORKFLOW FOR PROCEDURES

12.1 The workflow for the procedures is attached as **Appendix B**.

GLOSSARY

1. Section 55 of the FSA sets out that:

- (1) An institution shall not appoint or elect, reappoint or re-elect any person as a chairman, director, chief executive officer or senior officer of the institution, unless such person:-
 - (a) is an individual;
 - (b) is not disqualified under subsection 59(1); and
 - (c) has complied with the fit and proper requirements as may be specified by BNM under section 60.
- (2) No person shall accept any appointment or election, reappointment or re-election any person as a chairman, director, chief executive officer or senior officer of the institution, unless such person:
 - (a) is not disqualified under subsection 59(1); and
 - (b) has complied with the fit and proper requirements as may be specified by BNM under section 60.

2. Section 59 (1) of the FSA sets out that:

A person is disqualified from being appointed or elected, reappointed or re-elected, accepting any appointment or election, or holding office, as a chairman, director, chief executive officer or senior officer of an institution:

- (a) if he is an undischarged bankrupt, has suspended payments or has compounded with his creditors, whether in or outside Malaysia;
- (b) if a charge for criminal offence relating to dishonesty or fraud under any written law or the law of any country, territory or place outside Malaysia, has been proven against him;
- (c) if he is prohibited from being a director of a company or in any way, whether directly or indirectly, be concerned or take part in the management of a company in Malaysia pursuant to a court order made under section 199 of the Companies Act 2016 and has not obtained any leave of the court under the same section; or
- (d) If under any law relating to prevention of crime, drug trafficking or immigration:
 - (i) an order of detention, supervision, or deportation has been made against that person; or
 - (ii) any form of restriction or supervision by bond or otherwise, has been imposed on him.

3. Section 199 of the Companies Act 2016 sets out that:
 - (1) The Court may, on an application by the Registrar, make an order to disqualify any person from acting or holding office as a director or promoter of a company, or be concerned with or taking part in the management of a company whether directly or indirectly, if—
 - (a) Within the last five years, the person has been a director of two or more companies which went into liquidation resulting from the company being insolvent due to his conduct as a director which contributed wholly or partly to the liquidation;
 - (b) Due to his contravention of the duties of a director; or
 - (c) Due to his habitual contravention of this Act.
 - (2) An application arising from the circumstances referred to in paragraph (1)(a) may be made by the Official Receiver and the Registrar shall be made a party to the proceedings.
 - (3) Before making an order under subsection (1), the Court may require any person—
 - (a) To furnish the Court with such information with respect to the company's affairs; and
 - (b) To produce and permit inspection of such books or documents relevant to the company.
 - (4) After considering the application and the additional information and documents received under subsection (3), if any, the Court may make an order to disqualify the person from acting or holding offices as a director or promoter of a company, or be concerned with or taking part in the management of a company whether directly or indirectly for such period not exceeding five years from the date of the order.
 - (5) The registrar or the Official Receiver shall give notice of not less than fourteen days to the person referred to in subsection (1) notifying his intention to apply for an order under this section.
4. Section 60 of the FSA sets out that:
 - (1) Without limiting the generality of section 47 and for the purposes of paragraphs 55(1)(c) and 55(2)(b), BNM may specify fit and proper requirements to be complied with a chairman, director, chief executive officer or senior officer of an institution or a financial adviser's representative, which may include minimum criteria relating to:-
 - (a) Probity, personal integrity and reputation;
 - (b) Competency and capability; and
 - (c) Financial integrity.
 - (2) Where an issue arises as to whether a chairman, director, chief executive officer, senior officer or financial adviser's representative has complied with the fit and proper requirements as specified under subsection (1), BNM shall have full discretion to determine the issue.

5. Section 61 of the FSA sets out that:-

(1) Where a chairman, director, chief executive officer or senior officer of an institution or a financial adviser's representative, as the case maybe—

(a) becomes disqualified under subsection 59(1); or

(b) no longer complies with any of the fit and proper requirements as may be specified by the Bank under section 60, such chairman, director, chief executive officer, senior officer or financial adviser's representative shall immediately cease to hold office and act in such capacity.

(2) The institution shall immediately—

(a) in the case of paragraph (1)(a), terminate the appointment of such chairman, director, chief executive officer, senior officer or financial adviser's representative; or

(b) in the case of paragraph (1)(b), remove such chairman, director, chief executive officer, senior officer or financial adviser's representative from such office.

(3) Notwithstanding anything contained in any contract of service or any other agreement relating to his appointment, the chairman, director, chief executive officer, senior officer or financial adviser's representative terminated under paragraph (2)(a) shall not be entitled to claim any compensation for such termination.

6. Section 62 of the FSA sets out that:

An institution shall notify the Bank in writing of the fact that a person has ceased to be its chairman, director, chief executive officer, senior officer or financial adviser's representative, as the case may be, pursuant to this Division or under any other circumstances and of the reasons for the cessation within seven days from the date of such cessation.

Appendix II

Key Responsible Persons of AMB Group

1. Directors¹
2. Chief Executive Officer²
3. Company Secretary
4. Chief Investment Officer
5. Appointed Actuary³
6. Group Head of Internal Audit⁴
7. Chief Risk Officer⁵
8. Senior Management Committee members⁶
9. Group Head of Human Resources
10. Chief Information Technology Officer
11. Group Head of Legal
12. Group Head of Compliance
13. Head of Compliance
14. Chief Underwriting Officer/Head of Underwriting
15. Chief Digital Officer
16. Deputy Chief Sales Officer
17. Head of Claims/Head of Life & Health Claims, and
18. Deputy Group Head of Legal
19. Head of Finance
20. Head of Operations
21. -Chief Claims and Health Solutions Officer

¹ BNM Guidelines on Corporate Governance (BNM/RH/PD 029-9 : Appointment of Directors and CEO, NRC shall make recommendation and must be approved by Board of Directors. BNM's approval must be obtained prior to the appointment of a Director and CEO

² Refer to Note 1

³ BNM Guidelines on Appointed Actuary: Appointment and Duties (BNM/RH/STD 029-5); Appointment, remuneration, performance evaluation and dismissal of the Signing Actuary must be approved by Board of Directors and subject to prior approval of BNM

⁴ BNM Guidelines on Audit Committee's and Internal Audit Department (Part A) (BNM/RH/GL 013-22) and BNM Guidelines on Internal Audit Function (BNM/RH/GL 013-4) : Appointment, remuneration, performance evaluation and dismissal of the Chief Internal Auditor must be subject to approval of Audit Committee

⁵ BNM Guidelines Risk Governance (BNM/RH/GL 013-5) : Appointment, remuneration and dismissal of the CRO must be subject to the approval of the board or the board-risk committee

⁶ Senior Management Committee refers to the latest name list circulated by Company Secretary

Appendix A - Fit and Proper Declaration

FIT AND PROPER DECLARATION FOR DIRECTORS / CEO / KEY RESPONSIBLE PERSONS

Please complete this form by answering all the questions below. You may indicate your answers by marking "Yes" or "No" and where necessary, you would need to provide details to explain your answers.

No.	Questions	Please answer "Yes" or "No"	If yes, please provide details:
A. Probity, Personal Integrity and Reputation			
The person can demonstrate through personal qualities such as honesty, integrity, diligence, independence of mind and fairness.			
1.	Have you ever held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while you were connected with that business?		
2.	Have you or any business in which you have a controlling interest or in which you exercise significant influence, been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately?		
3.	Have you ever been a director of, or directly concerned in the management of, any corporation which is being or has been wound up by a court or other authority competent to do so within or outside Malaysia, or of any licensed institution, the license of which has been revoked?		
4.	Have you ever been associated, in ownership or management capacity, with a company, partnership or other business association that has been refused registration, authorisation, membership or a license to conduct any trade, business or profession, or has had that registration, authorisation, membership or license revoked, withdrawn or terminated?		
5.	Have you ever been compounded or convicted, or as a director, chief executive officer, or manager of a licensee or a controller of a licensee, caused it to be compounded or convicted, of an offence under the Financial Services Act 2013, the Offshore Insurance Act 1990, the Offshore Banking Act 1990, the Companies Act 2016 and Islamic Financial Services Act 2013?		
6.	Have you, at any time, contributed significantly to the failure of an organisation or a business unit?		

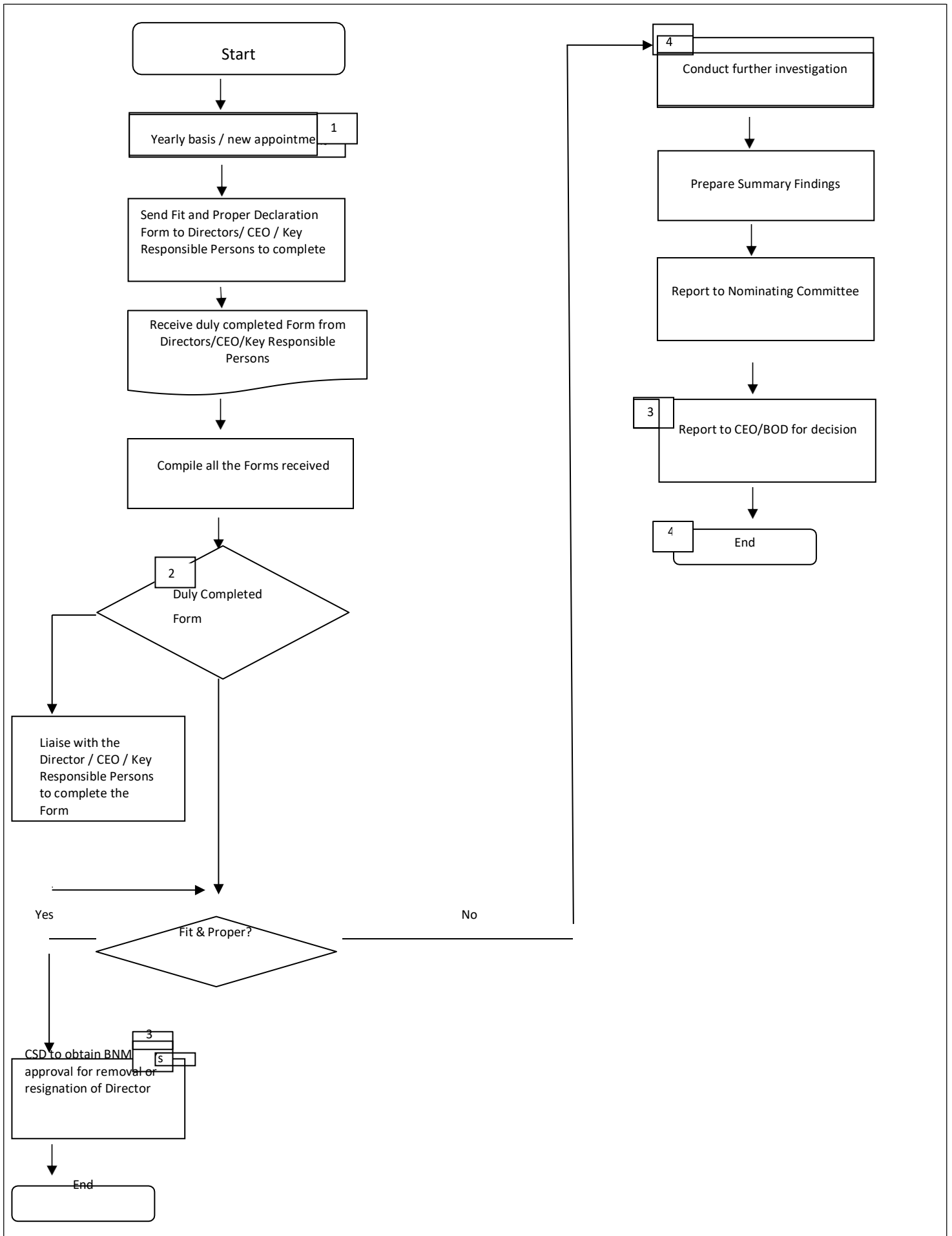
No.	Questions	Please answer "Yes" or "No"	If yes, please provide details:
A. Probity, Personal Integrity and Reputation The person can demonstrate through personal qualities such as honesty, integrity, diligence, independence of mind and fairness.			
7.	Have you ever contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies?		
8.	Have you ever been dismissed, asked to resign or resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions about your honesty and integrity?		
9.	Have you, at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities and failure or potential failure to comply with legal, regulatory and professional requirements and standards, including compliance with tax requirements and obligations?		
10.	Have you, at any time, shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices?		
11.	Have you ever contravened any provision made by or under any written law designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice?		
12.	Has an order of detention, supervision, restricted residence, banishment or deportation ever been imposed on you?		
13	Are you being or have been the subject of any proceedings of a disciplinary or criminal nature, or have been notified of any impending proceedings or of any investigations, which might lead to such proceedings?		
14	Have you ever engaged in any business practices which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on your professional conduct?		
15.	Have you, in the past, acted unfairly or dishonestly in your dealings with your customers, employer, auditors and regulatory authorities?		

No.	Questions	Please answer "Yes" or "No"	If yes, please provide details:
A. Probity, Personal Integrity and Reputation			
The person can demonstrate through personal qualities such as honesty, integrity, diligence, independence of mind and fairness.			
16.	Have you ever been involved with any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of your judgment when acting in the capacity of a key responsible person which would be disadvantageous to the Company or Company's interest?		
17	Are you currently holding any shares of Allianz Malaysia Berhad? If so, please state the number of shares held.		
B. Financial integrity			
The person must manage his debts or financial affairs prudently.			
1.	Have you ever been adjudged a bankrupt or currently facing any bankruptcy proceedings?		
2.	Have you ever suspended payments or compounded with creditors, whether as debtor or guarantor, in or outside Malaysia?		
3.	Have you ever held a position of responsibility in the management of any company which during your tenure has defaulted in payment of any judgment sum against it, or has suspended payment or compounded with its creditors, or has had a receiver or manager appointed in respect of its property?		
4.	Have you ever failed to fulfill your financial obligations, whether in Malaysia or elsewhere, as and when they fall due?		
5.	Have you ever been the subject of a judgment debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere?		
6.	Have you ever been prohibited from being a director of a company or in any way, whether directly or indirectly, be concerned or take part in the management of a company in Malaysia pursuant to a court order made under section 199 of the Companies Act 2016 (Power of Court to disqualify persons from acting as director or promoter) and has not obtained any leave of the court under the same section?		

No.	Questions	Please answer "Yes" or "No"	If no, please provide details:
<u>C. Fitness for Position</u>			
The person must possess the qualifications, knowledge and experience required for the position; Q 2 to Q7 are to be responded by the KRP of the respective areas			
1.	Do you possess the qualification, experience and knowledge necessary for carrying out the specifically assigned responsibilities for your position?		
2.	<u>Risk Management</u> Do you possess the technical and business knowledge to support the management of the Company's risk profile, balancing risk, return and solvency considerations?		
3.	<u>Compliance</u> Do you possess the qualification, experience and knowledge required to manage the risk of legal or regulatory sanctions significant financial loss or loss to reputation that the Company may suffer as a result of not adhering to the current laws, regulations and regulatory requirements that are relevant to the Company's operations?		
4.	<u>Internal Audit</u> Do you possess the qualification, experience and knowledge required to evaluate the adequacy and effectiveness of the Company's system of governance, issue recommendations, in particular as to deficiencies with regard to the internal control system and the compliance with the corporate rules, and verify the compliance with decisions taken as a consequence thereof?		
5.	<u>Actuarial</u> Do you possess the qualification, experience and knowledge required to coordinate and validate the calculation of the Company's technical provisions in the Solvency II market value balance sheet and give recommendations and opinions on the management of the Company's insurance/underwriting risks, the reinsurance covers in place as well as on the Company's risk management system under Solvency II?		
6.	<u>Legal</u> Do you possess the qualification, experience and knowledge required to having the general oversight regarding all areas of applicable laws, rules and regulations, including the interpretation of statutory law, management of all legal matters, including own assessment/judgement on relevant legal topics, monitoring of relevant legal changes and providing advice on legal aspects to Senior Management?		
7.	<u>Accounting and reporting</u> Do you possess the qualification, experience and knowledge required to provide reliable financial information to the Senior Management, regulators and public through the preparation of quarterly and annual closings, regular reports, plans and forecasts as well as Solvency II reporting?		

Appendix B – Workflow for the Appointment of Director/CEO

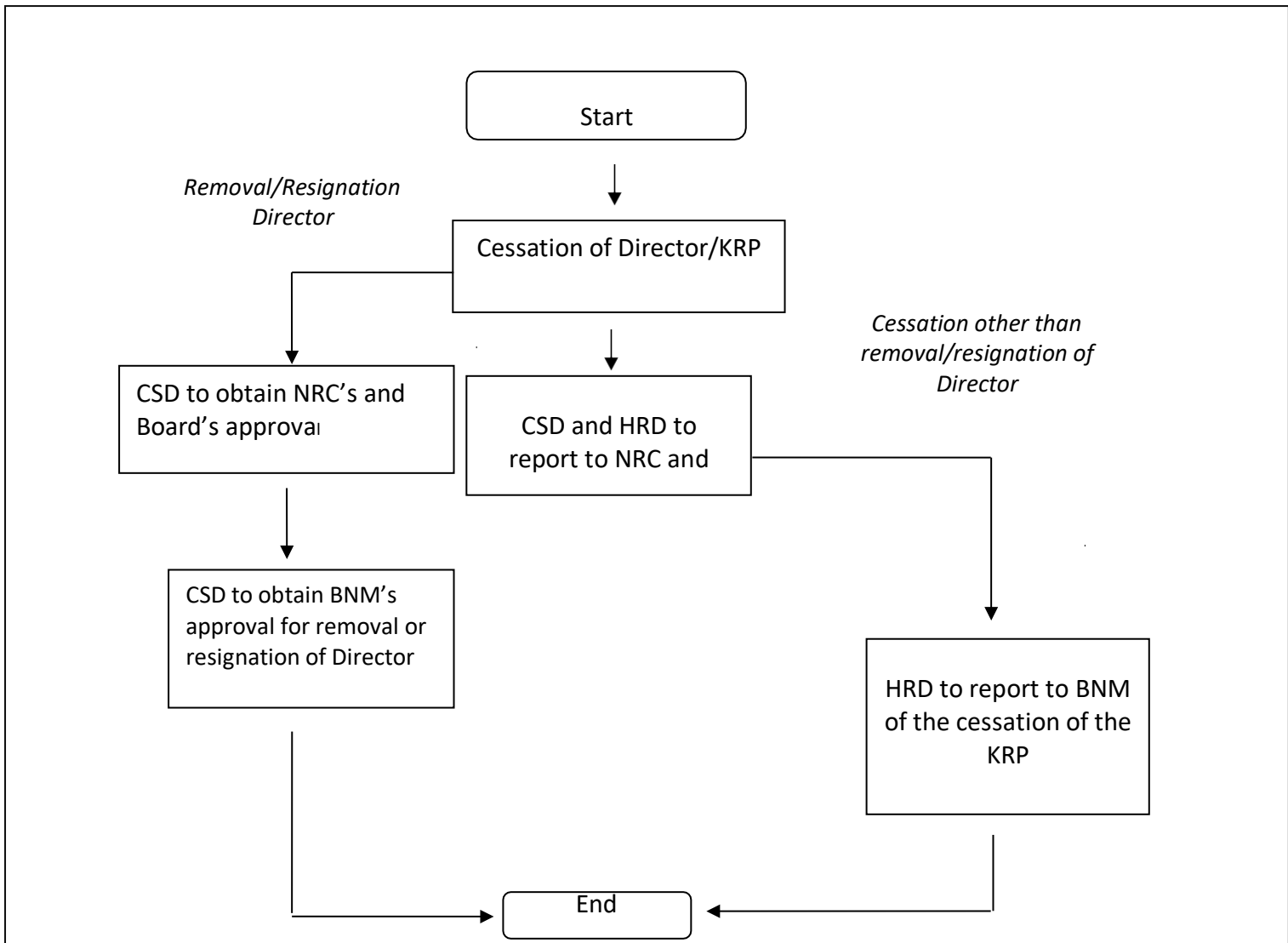
CHART 01- WORKFLOW AND PROCEDURES ON “FIT AND PROPER” REQUIREMENTS FOR APPOINTMENT OF DIRECTORS / CEO / KEY RESPONSIBLE PERSONS



Key Controls

- 1 New Appointment includes internal transfer such as swapping of the role from a non-key role to key role
- 2
 - (a) All questions in the forms must answered
 - (b) Certify and declare that all information provided is true and complete
 - (c) While completing the said form, a basic credit check is required to be conducted by checking with or doing the following:-
 - i. Department of Insolvency (applicable for appointment/reappointment of directors and CEO)
 - ii. Credit Tip of Service
 - iii. Criminal Checks (applicable for Key Responsible Person only)
 - iv. Internet Search, e.g via Google or Bing
- 3 As for the Key Responsible Persons as defined in **Appendix II** to brief CEO and Nominating Committee and decision to be made by the Board.
- 4 CSD/HRD may liaise with relevant parties to conduct further investigation/obtain additional facts or opinion.

CHART 02 - WORKFLOW AND PROCEDURES ON "FIT AND PROPER" REQUIREMENTS FOR CESSATION OF KEY RESPONSIBLE PERSON ("KRP")



- Note:
1. CSD and HRD to notify BNM in writing not later than seven days from the date of giving to or receiving from, the notice of the cessation of the fact that a person has ceased to be senior officer or company secretary, or any other circumstances which gives rise to cessation.
 2. An exit interview will be held with the individual concerned (CEO /Senior Management ceased from KRP Position) to better understand the circumstances in which he/she left the Company.
 3. Respective function holders to notify Allianz SE Group center of the cessation of the Key Responsible Person (other than Directors).

