

CORPORATE GOVERNANCE REPORT

STOCK CODE : 1163
COMPANY NAME : ALLIANZ MALAYSIA BERHAD
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board remains committed to ensure Allianz Malaysia Berhad ("AMB" or "Company") is properly managed and constantly improved to deliver long-term sustainable value to the stakeholders of the Company. The Board in discharging its fiduciary and leadership functions, assumes among others, the following responsibilities:-</p> <p>(i) Reviewing and approving strategic plan</p> <p>The Board plays an active role in the Company's strategic direction and planning, either in long-term growth or delivering short-term business goals. The strategic planning of the Company is forward looking and encompasses a 3-year action plan to address short-term business goals and long-term economic value creation including strategies on economic, environmental and social considerations.</p> <p>The Board deliberated on a 3-year business plan for 2024 to 2026 with detailed strategies, financial projection, key performance indicators, its execution and challenges faced by the insurance subsidiaries ("Business Plan"), which might have impact on the dividend income of the Company, and approved the Business Plan in November 2023. On a quarterly basis, the Board reviews the status of the Business Plan and its deliveries.</p> <p>A dedicated Board Offsite Strategy Discussion is held annually where the respective Boards and senior management of AMB and its insurance subsidiaries ("collectively referred to as Group") have a deep dive discussion on the strategic directions of the Group.</p>

	<p>(ii) Overseeing the conduct of the business to ensure that the business is properly managed towards achieving the Company's corporate objectives</p> <p>While the Board is responsible for overseeing the overall affairs of the Company, the Chief Executive Officer (“CEO”), who reports to the Board, is responsible for discharging the day-to-day management of the business and operations of the Group, supported by the senior management and management committees.</p> <p>To ensure effective oversight of business and operations of the Group, the CEO who is also the Country Manager of Allianz in Malaysia receives regular management reports from both insurance subsidiaries. On a quarterly basis, he reports to the Board on the development of the Group’s business and operations, progress of key initiatives, challenges faced and remedial action plans as well as industry trends and developments, whilst the Chief Financial Officer (“CFO”) reports to the Board on the financial performance against the key performance indicators approved by the Board and significant financial highlights.</p> <p>The CEO and CFO address queries raised by the Board during the Board Meeting and if required, the Management teams of the insurance subsidiaries will attend the Board Meeting to provide clarifications and updates with regard to their areas of responsibilities.</p> <p>(iii) Identifying key business risks, determining the risk appetite and ensuring the implementation of appropriate systems to manage risks within established risk-tolerance limits</p> <p>The Board has entrusted the Risk Management Committee (“RMC”) with the responsibility of providing oversight on risk governance of the Group. The RMC is responsible for driving the risk management framework of the Group. The RMC meets quarterly to review the risk status of the Group including impact of emerging risks and evaluate whether the current risk management framework remains effective for controlling risk-taking activities of the Group, and in line with the Group’s risk appetite and business environment.</p> <p>The RMC reports its observations to the Board on a quarterly basis.</p> <p>The risk management framework of the Group is detailed in the Practice 10.1 of this CG Report.</p>
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	<p>(iv) Succession planning, including the appointment, training, remuneration and performance review of senior management</p> <p>The Nomination and Remuneration Committee (“NRC”) assists the Board in overseeing the selection, performance, remuneration and succession plans of the Board, CEO and other key responsible persons (“Senior Management”) of the Group who are accountable or responsible for the management and oversight of the respective companies within the Group.</p> <p>The NRC reports to the Board on its observations and recommendations with regard to new appointments, performance and remuneration of the Directors and Senior Management.</p> <p>(v) Ensuring the adequacy and integrity of the governance framework, internal control and management information systems, including systems for monitoring compliance with applicable laws, regulations, rules, directives and guidelines</p> <p>The Board is fully committed to ensure that effective risk management and internal control systems are in place within the Group and continuously review the adequacy and integrity of these systems.</p> <p>The key processes for reviewing the adequacy and integrity of risk management and internal controls of the Group are detailed in the Statement on Risk Management and Internal Control (“SORMIC”) in the Integrated Annual Report 2023 (“IAR 2023”).</p> <p>(vi) Overseeing the development and implementation of shareholder communications policy</p> <p>The Group’s internal and external communications are guided by Allianz SE Group’s communication guidelines and the requirements of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).</p> <p>All announcements released by the Company to Bursa Malaysia are drafted by the Company Secretary and the data/information are reviewed or verified by Finance, Legal or other relevant Departments of the Group, as and when is necessary. The relevant announcements were counter approved by the CEO and/or CFO prior to being approved by the Board. All internal and external communications, including press releases are approved by the CEO and disseminated by the Corporate Communications Department to the relevant stakeholders.</p>
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	<p>(vii) Formalising the Company’s strategy to support long-term value creation and includes strategies on economic, environmental, social considerations underpinning sustainability</p> <p>The Board has strategic oversight and, together with the management, integrates sustainability considerations in the decision-making process and operations of the Group. This entails taking a holistic view of how the Group creates value and the economic and Environmental, Social and Governance (“ESG”) impacts on its stakeholders.</p> <p>The Company is guided by Allianz SE Group’s industry-leading practices, encompassing its approach to climate, social inclusion, and good governance.</p> <p>The Group adopts policies and guidelines as set out in Allianz SE Group’s ESG Integration Framework to assess, manage, and mitigate ESG risks. These policies are constantly reviewed to ensure alignment with Allianz SE Group’s commitments as a responsible insurer and investor.</p> <p>Given the evolving nature of sustainability topics, the Group leverages knowledge, expertise, and best practices from across Allianz SE Group for local application.</p> <p>The Group’s sustainability structure and its initiatives are elaborated further in the IAR 2023.</p> <p>(viii) Promote good corporate governance (“CG”) culture which reinforces ethical, prudent and professional behaviours</p> <p>The Board believes that strong CG culture is fundamental to build a responsible organisation and deliver long-term sustainable value to the shareholders and various stakeholders of the Group.</p> <p>The Board and the Management are cognisant that CG is a continuous journey and it can only be implemented effectively with full commitment and support from all levels of staff within the Group. With this in mind, constant review and awareness building on the Group’s CG practices are undertaken to ensure that such practices remain robust and relevant to the Group’s business at all times, which ultimately foster long-term sustainability of the Group.</p> <p>The Group has in place the code of conduct, relevant policies and procedures applicable for the Board, Management and employees, which are further discussed in Practice 3.1 of this CG Report.</p>
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	<p>The detailed responsibilities of the Board are set out in the Board Charter published under the CG section of the Company's website at www.allianz.com.my/corporate-governance.</p> <p>The responsibilities of the Board as stipulated in the Board Charter are also applicable to the subsidiaries of the Company.</p>	
Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure		
Timeframe		

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman has a crucial leadership role to ensure that the Board works effectively. The Board of the Company is helmed by Zakri Bin Mohd Khir who has over 30 years of experience in the insurance industry. His profile is set out in the IAR 2023 and published on the Company's website.</p> <p>Zakri Bin Mohd Khir actively and constructively participates in the deliberation of all matters brought to the attention of the Board, providing sound and practical advice or suggestions, where applicable. He also demonstrates the following:-</p> <ul style="list-style-type: none">(i) His abilities to lead and control the proceedings of meeting, to raise critical issues, encourage healthy and open discussion, and leading the Board members to achieve sound and well-informed decisions and/or recommendations.(ii) his understanding of the dynamics of the Board and maintains good working relationship with the Board members, the CEO and Management as well the Chairmen and Board members of the insurance subsidiaries, which is important to increase effectiveness of Board, facilitate collaborative decision making, execution of strategy and fostering synergy within the Group.(iii) his technical expertise, deep understanding and insights of the insurance industry. He is highly regarded for his pragmatism, sectorial expertise and intellectual fortitude in providing guidance to the Board. His guidance and support to the Management team have ensured a strong leadership team is in place and acted in the interest of the Company under good governance, to build and lead the Group to greater heights. <p>The roles of the Chairman are detailed in the Board Charter which is available on the Company's website.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The positions of Chairman of the Board and the CEO are held by two different individuals. The Chairman of the Company is Zakri Bin Mohd Khir, while the CEO position of the Company is held by Wang Wee Keong.</p> <p>There is a clear division of roles and responsibilities between the Chairman and the CEO of the Company to ensure an appropriate balance of power, increased accountability, enhanced independence in decision-making and that no one individual has unfettered decision-making power. The Chairman plays a crucial leadership and pivotal role in ensuring that the Board works effectively. Meanwhile, the CEO oversees the execution of the Group's strategy and is responsible for the day-to-day running of the business. The specific authorities of the CEO as delegated and mandated by the Board are set out in the Authority Limit Guidelines of the Company.</p> <p>The requirement for the separation of the positions of Chairman and CEO is stipulated in the Board Charter which is available on the Company's website.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	The Chairman of the Board, Zakri Bin Mohd Khir does not hold membership in any of the Board Committees. He is not an invitee to all Board Committee meetings.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.5

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

Application	: Applied
Explanation on application of the practice	<p>The Board is supported by the Company Secretary namely Ng Siew Gek, who is qualified pursuant to Section 235 of the Companies Act 2016 ("CA"). She is an Associate member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). She has more than 30 years of work experience, of which 20 years have been in the insurance industry.</p> <p>The Company Secretary plays an advisory role to the Board in relation to the Company's Constitution, policies and procedures, and compliance with the relevant regulatory requirements, guidance and legislations as well as the principle of best CG practices. The Directors are regularly updated by the Company Secretary on the new or changes made to the relevant regulatory requirements, particularly on areas relating to the duties and responsibilities and disclosure requirements of the Directors and CG.</p> <p>The Company Secretary plans and organises orientation for the newly appointed Directors to familiarise them with the Group's organisation structure, business and the insurance industry to ensure that they understand, among others:-</p> <ul style="list-style-type: none">(i) their roles and responsibilities;(ii) the nature of the Group's business and its corporate strategy;(iii) overview of risks on the Group's business and the risk management strategy;(iv) legal requirements and compliance controls; and(v) overview of financial health of the Group. <p>During financial year ("FY") 2023, the following trainings had been organised internally for the Board:-</p> <ul style="list-style-type: none">• Allianz Integrated Reporting Capability Building Workshop;• Fair Treatment of Financial Consumers;• E-Invoicing and Transfer Pricing; and• Cloud and Cyber Security Awareness.

In addition, newly appointed Directors of the Company are required to attend the Mandatory Accreditation Programme (“MAP”) and in-house orientation programmes organised by the Company.

The Securities Commission Malaysia and Bursa Malaysia had on 6 June 2023 announced the roll out of a new mandatory onboarding programme on sustainability known as MAP Part II – Leading for Impact. As at 1 April 2024, four out of seven Directors of the Company had completed the said programme.

Save for the above trainings, the Directors also attended external training programmes, conferences and seminars that covered among others, areas of corporate governance, sustainability, risk management, compliance, directors’ responsibilities, requirement on finance, accounting and insurance, and relevant industry or regulation updates.

The training programmes, conferences and seminars attended by the Directors of the Company as at 31 December 2023, were as follows:-

Zakri Bin Mohd Khir

- 2023 The Academy of Risk Management Malaysia Risk Management Conference and C-Suite Forum
- Cloud and Cybersecurity Awareness

Goh Ching Yin

- Can America stop China's rise? Will ASEAN be damaged?
- Allianz Integrated Reporting Capability Building Workshop
- Invest Malaysia Kuala Lumpur
- BDO Tax Webinar on Budget 2023
- Leadership for Enterprise Sustainability Asia 2023
- Fair Treatment of Financial Consumers
- M25 Strategic Briefing
- Annual Board Risk Workshop 2023
- Understanding Cybersecurity
- Invest Malaysia Special Series
- Shariah Training: ESG through the lens of Maqasid Al-Shariah
- E-Invoicing and Transfer Pricing
- Compliance Session with the Board on Market Misconduct and Financial Crime
- Cloud and Cybersecurity Awareness
- Driving Board Excellence from the top in Financial Services Industry
- Capital Market Trends with an Eye on Shariah Risk
- Institute of International Finance – Maybank: Transition Finance Workshop, ESG Related
- What Amounts to a Conflict of Interest by Directors

Peter Ho Kok Wai

- Briefing on ESG
- Plotting your Non-Executive Director career: How Institute of Chartered Accountants in England and Wales and The Non-Executive Directors' Association can support your Non-Executive career
- Bursa Carbon Exchange Webinar
- Fair Treatment of Financial Consumers
- Privilege Insights of the Special Voluntary Disclosure Program 2.0
- Anti-Bribery and Corruption Refresher Training: Revisiting Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009 on Corporate Liability Provision - Developing a Robust Anti-Bribery & Corruption Framework as Lines of Defence
- MACC Section 17A Update
- Asia Pacific Conduct Watch Survey Report
- Briefing Session on Sustainability Reporting Requirements
- Conflict of Interest and Governance of Conflict of Interest
- Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers
- Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions: Adopt, Evolve, Transform Towards an Effective Compliance
- E-Invoicing and Transfer Pricing
- Cloud and Cybersecurity Awareness
- Tax and Business Summit 2023
- MAP Part II: Leading for Impact
- Artificial Intelligence ("AI") and Financial Institutions: Friend or Foe?
- Integration of Corporate Social Due Diligence Directive
- Audit Oversight Board Conversation with Audit Committees
- Allianz Integrated Reporting Capability Building Workshop

Gerard Lim Kim Meng

- SCxSC GROW FinTech Conference 2023: Fostering Innovative Financing for Agriculture
- International Conference on Tropical Agriculture 2023
- VCI Global IPO Conference 2023
Journey to US Capital Market: Expanding Horizons Beyond Borders
- Biotechnology Industry Advisory Panel
- ASEAN AI Summit
- Allianz Integrated Reporting Capability Building Workshop

Tan Sri Datuk Zainun Binti Ali

- Allianz Integrated Reporting Capability Building Workshop
- E-Invoicing and Transfer Pricing
- Cloud and Cybersecurity Awareness
- Anti-Money Laundering

Anusha A/P Thavarajah

- CEO Day
- KPMG Network of Women International Women's Day 2023 Panel Discussion Introductory Briefing
- Out Leadership / HSBC Life Event - Inclusivity for the Insurance Industry
- KPMG celebrates International Women's Day 2023
- Allianz International Conference 2023
- China Development Forum 2023
- Champions Circle 2022
- Fair Treatment of Financial Consumers
- Allianz System of Governance Training
- Compliance - Allianz SoG Training
- Cyber Security Awareness Training
- Strategic Workforce Planning and Deep Dive on Focus on Business and IT Skills Across Group
- Risk Management - Allianz SoG Training
- Integrated Commercial Asia Workshop
- Stratos Asia-Pacific CEO Club Event
- #Lead Transform - Presentations Strategic Assignment
- Data Leakage Prevention Risk Mitigation Training
- Path to GREAT – Allianz SE Singapore Branch (“AZAP”) Leadership Circle Offsite
- My 2nd Chance with Allianz Recruitment Conference
- AZAP Leadership Circle
- Financial Stability Institute Insights
- Workforce Flopes and Fears 2023 China Report, CBIRC Issues Newly Revised Health Insurance Regulations, Health Cover Captives: Entrusted TPA Administration, Notice Disputing Hot Issues Related to Insurance Brokers, Directors and Officers Liability Insurance in the PRC and The Impact of International Sanctions On Insurance Policies
- Allianz Asia Pacific Summit 2023
- One Allianz China CEO Workshop
- Allianz Global Investors Investment Summit 2023
- HR Governance – Allianz SoG Training
- Cloud and Cybersecurity Awareness
- Lead – Generative AI
- People Leader Circle
- MAP Part II: Leading for Impact

Dr. Muhammed Bin Abdul Khalid

- Webinar ‘Economic Outlook 2023 Redefined’
- Allianz Integrated Reporting Capability Building Workshop
- Affin Bank 2023 Market Outlook
- Seminar on Deepening Sino-US Tension: Implications for Malaysia and Southeast Asia. Kuala Lumpur.
- Fair Treatment of Financial Consumers

- National Training Workshop on Expanding Education and Training Opportunities for Older Persons in the context of the Fourth Industrial Revolution
- Roundtable Discussion on “Intergenerational Mobility in Malaysia, the Region, and Around The World”
- Seminar on Building Malaysia’s Resilience: Lessons From COVID-19’s Economic Impact and Policy Responses
- Affin Bank 2H2023 Market Outlook, Kuching Sarawak
- Regional workshop on Strengthening older persons’ labour force participation and benefiting from the Fourth Industrial Revolution in Asia and the Pacific
- Luncheon Talk: Strengthening Malaysia's Retirement System
- E-Invoicing and Transfer Pricing
- Kuala Lumpur and Selangor Chinese Assembly Hall
- National Affairs Conference
- Malaysia Madani Outlook Seminar
- Khazanah Megatrends Forum 2023
- Launch of The 28th Malaysia Economic Monitor (September 2023 Edition) “Fisecural Policy and Equity in Malaysia”
- MAP Part II: Leading for Impact
- PRAXIS 2023 Conference: Advancing Malaysia’s Strategic Interest
- Cloud and Cybersecurity Awareness
- 7th Youth Economic Forum 2023: Growing Prosperity', 'Working Together', and 'Restoring Malaysia'.
- Penang International Conference: New Labour Regimes in Southeast Asia

The NRC was satisfied with the training programmes/courses attended by the Directors of the Group for FY 2023.

The Company Secretary constantly keeps herself abreast of the regulatory changes and development in sustainability and CG through continuous training.

The Company Secretary facilitates and manages the conduct of the Annual General Meeting (“AGM”) of the Company and ensures proper record of proceedings and questions from shareholders are addressed on timely manner.

During FY 2023, the NRC reviewed the assessment result of the annual Fit and Proper declaration of the Company Secretary, being one of the Senior Management of the Group. The Company Secretary met the fit and proper criteria prescribed in the Fit and Proper Policy and Procedures for Key Responsible Persons (“Group Fit and Proper Policy”).

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging her duties.

	Further details to the roles and responsibilities of the Company Secretary are disclosed in the Board Charter, which is available on the Company's website.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Directors have direct access to the advice and services of the Company Secretary. The Company Secretary works closely with the Management to ensure timely and appropriate information flow to the Board and Board Committees, and between the Non-Executive Directors and the Management.</p> <p>Board Meetings for FY 2024 were scheduled in August 2023 and circulated to the Directors and Senior Management to accord sufficient time for the Directors to plan their meeting schedules. The Board meets at least five times in a year. Additional Board Meetings may be held as and when required to discuss matters or proposals which require the Board's urgent decision.</p> <p>All Directors have direct access to the senior management and have unrestricted access to all information and documents relevant to the business and affairs of the Group. The Board may invite any employees to be in attendance of Board and Board Committee Meetings to assist in its deliberation.</p> <p>An email reminding of the deadline for submission of meeting papers will be sent by the Company Secretarial Department to the respective departments at least one month prior to the date of Board or Board Committee Meetings, to ensure sufficient time for the respective departments to prepare and submit their proposal papers.</p> <p>The Company is using Azeus Convene Board Management Software ("Convene") to organise and distribute meeting materials to the Directors to further improve the accessibility of Board materials in a secured portal. This initiative also aims to increase efficiency of meetings and better equip Directors to positively contribute to the Board with the various interactive tools available in Convene, while at the same time reducing carbon footprint.</p> <p>The Board and Board Committee Meetings are conducted in accordance with a structured agenda approved by the respective Chairmen. The agenda and meeting papers, including the minutes of the previous meeting are uploaded to Convene at least one week prior to the meetings in order to accord sufficient time for the Directors to review and consider issues to be discussed at the meetings. Urgent matters</p>

may be tabled for the Board's and Board Committees' deliberation under a supplemental agenda approved by the Chairman.

The meeting papers are prepared in accordance with a prescribed format by the Company Secretarial Department, which aims to provide clear, comprehensive and concise information to the Board and Board Committees to facilitate their deliberation and decision-making. The minimum information provided to the Board and Board Committees on proposals to be deliberated includes objective, background, proposals, rationale as well as financial and non-financial impact of the proposals for the Board and Board Committees to make informed and effective decisions.

A special chat group had also been set up specifically for the Directors, CEO, CFO and Company Secretary to facilitate communication.

The Board and Board Committee Meetings are conducted in a hybrid mode where options are offered to the Directors and other attendees to participate in the meetings either virtually or physically.

In between Board Meetings, the Board is informed or updated, on important issues and/or major development of matters discussed in the Board Meetings, by the Management and/or the Company Secretary. Briefing will be arranged on important issues that require the Board's urgent attention.

In addition to matters which require the Board's approval, the Board is consistently being informed and updated on matters in relation to business operations, financial and business reviews and developments, Group's strategy, information on business proposition including market share, industry developments, corporate proposals, risk management review, regulation updates, compliance, customer focus initiatives and other operational efficiency projects. The Board is also informed of the decisions and significant issues deliberated by the Board Committees via the reporting of the Chairman of the respective Board Committees and the minutes of the Board Committees tabled at the Board Meetings.

In order to ensure the efficient flow of information between the Board, Board Committee and Management, the decisions made at the Board and Board Committee Meetings are circulated to the Board, Board Committee members, CEO and the relevant project owners no later than two working days after the conclusion of the Board and Board Committee Meetings.

The proceedings of the Board and Board Committee Meetings are minuted to reflect the deliberations (including dissenting views and Directors' abstention from deliberation) and decisions of the meetings. The draft minutes will be tabled at the next meetings respectively for confirmation.

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

Intended Outcome

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

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

Practice 2.1

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

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

Application	: Applied
Explanation on application of the practice	<p>The Board has in place a Board Charter which encompasses, among others, the Board's roles, duties, responsibilities, powers, code of conduct, division of responsibilities and powers between the Board and Management, and between the Chairman and the CEO, the performance evaluation process for the Directors and Board Committees, to serve as a guide or key reference points for the Directors and the stakeholders.</p> <p>The Board Charter which is published on the Company's website is reviewed periodically to ensure that it is in line with the internal and regulatory requirements as well as governance best practices.</p> <p><u>Roles and Responsibilities of the Board and Management</u></p> <p>The Board has in place the Authority Limit Guidelines detailing matters specifically reserved for the Board's decision and those delegated to the Board Committees, the Management and the parameters in relation thereto. The operational authority limits delegated to the Management incorporates segregation of duties, and checks and balances in delegation of authority.</p> <p>The Authority Limit Guidelines set out the responsibilities and the approval limits for each party, and are made available to all Directors and accessible by staff via the Group's staff e-portal. The Authority Limit Guidelines are regularly reviewed and updated to accommodate changes in the scope and activities of the Company's business and operations. The Board approves the Authority Limit Guidelines and any changes thereto.</p> <p>The Board is accountable to the shareholders and therefore should use its best efforts to ensure that the Company is properly managed and constantly improved so as to protect and enhance shareholders value and to meet the Company's obligations to all parties which the Company interacts. The responsibilities of the Board are explained in Practice 1.1 in this CG Report.</p>

Senior Management Committee comprises the senior management set up at each subsidiary level within the Group and chaired by the CEO of the respective companies. Various Management Committees are established by the respective Senior Management Committees with specific terms of reference, to assist in managing the day-to-day operations of the Group and ensure its effectiveness. The Management Committees formulate tactical plans and business strategies, monitor the performance of the Group and ensure that activities are carried out in accordance with corporate objectives, strategies, business plans and policies as approved by the respective Boards of the Group.

Board Committees

The Board in the course of carrying out its duties may set up Board Committees delegated with specific authority and operating on the terms of reference as approved by the Board, to assist the Board in the execution of its responsibilities. These Board Committees shall have the authority to examine matters under their terms of reference and report to the Board with their recommendations. Although specific authority is delegated to the Board Committees, the ultimate responsibility for the final decision on all matters, however, lies with the entire Board.

Three Board Committees namely Audit Committee (“AC”), RMC and NRC were established to assist the Board on specific areas of responsibilities as described in their respective Terms of Reference. These Board Committees for the Group are centralised at AMB Board level. The respective Chairmen of the Board Committees will report to the respective Boards on issues, views and recommendations raised by the respective Board Committees.

The compositions of the respective Board Committees can be found in this CG Report.

The Terms of Reference of the respective Board Committees are published under the CG section of the Company’s website.

Roles and responsibilities of individual directors

An Independent Non-Executive Director (“INED”) is a Director who is independent of management and free from any business or other relationship which can interfere with the exercise of independent judgment or the ability to act in the best interests of the Company.

The primary responsibility of INEDs is to protect the interest of minority shareholders and other stakeholders. The effective participation of INEDs serves to promote greater accountability and balance in the Board’s decision-making process.

	<p>As at 31 December 2023, the INEDs made up a majority of the Board members. They play a significant role in bringing impartiality and scrutiny to the Board’s deliberations and decision-making, so that no single party can dominate such decision-making in the Company.</p> <p>The INEDs engage proactively with the Management, the governance and operational functions as well as the external auditors via their respective roles as the Chairmen or members of the Board Committees, to ensure that concerns and issues relevant to the Management and oversight of the business and operations of the Group are properly addressed.</p> <p>The Non-Independent Non-Executive Director (“NINED”) (Nominee Director of Allianz SE) acts as a bridge between the Management and stakeholders, particularly major shareholder. The NINED could provide the relevant checks and balances, focusing on shareholders’ and other stakeholders’ interests and ensuring that high standards of CG are applied. The NINED also provide business guidance to the Management and contribute positively to the Board through his or her strong technical knowledge, exposure in various markets and sharing of knowledge and best practices.</p> <p>The Chairman and the INEDs or NINEDs do not engage in the day-to-day management of the Company. The INEDs also do not participate in any business dealings with the Group and do not have any relationship with the substantial shareholders of the Company.</p> <p>Further details of the roles and responsibilities of INED and NINED are disclosed in the Board Charter.</p> <p><u>Key matters reserved for the Board</u></p> <p>Key matters reserved for Board’s approval or recommendation for the shareholders’ approval are detailed in the Authority Limit Guidelines of the Group which include, among others, the quarterly financial results, audited financial statements, annual business plan, strategies and budget, declaration of dividend, significant transactions or expenditures, related party transactions, restructuring, appointment of Director and Chairman/Member of Board Committees, appointment and remuneration of Senior Management, and remuneration for Directors.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>As part of Allianz SE Group, the Board adopted the Allianz Group Code of Conduct ("COC") for employees and Directors. The COC sets the value and principles that guide the actions of all employees and Directors in fulfilling Allianz SE Group's purpose – "We secure your future". The COC also reflects the Group's commitment to operate its business sustainably and with integrity.</p> <p>The COC is published under CG section of the Company's website.</p> <p>In addition, the Group enforces stringent ethical standards to ensure transparency and accountability through the implementation of policies and procedures as described below:-</p> <p><u>Conflict of Interest</u></p> <p>In ensuring that the decision-making process is transparent and to the best interest of the Group, the Group has established a Conflict of Interest ("COI") Policy for Employees ("COI Policy"). All employees should avoid situations that involve or may involve a conflict between personal interest and the interest of the Group. Employees are advised to act honestly, fairly, with due care, skill and diligence and at all times have due regard to the interest and integrity of the Group and its customers during the course of employment with the Group. Every employee and Director must declare any conflict of interest involving himself and his family on an annual basis or as soon as such conflicting situation arises.</p> <p>In addition, the Group has in place a COI process to manage COI risks with third party vendors via Vendor Integrity Screening process. Any reported potential conflict of interest situation will be evaluated and based on the assessment, Compliance Department will provide recommendations to relevant stakeholders on whether to proceed with the appointment or otherwise. All assessments and decisions, including communication with Compliance Department are filed for audit trails.</p>

In ensuring that the decision-making process is transparent and to the best interest of the Company, the Directors are required to declare in writing their interest in other entities (such as directorships and shareholdings) on a half yearly basis. In addition, they are also required to make disclosure in writing to the Company, any circumstances that may give rise to a COI situation during the course of carrying out their duties.

In addition, the Directors are required to make a declaration at the Board Meeting in the event that they have interests in the proposals or subject matters being considered by the Board, including where such interest arises through close family members, in line with the requirements on disclosure of Director's interest. A Director who has a direct or deemed interest in a subject matter presented at the Board/Board Committees Meeting shall abstain from deliberation and voting on the said subject matter. The minutes of meeting will also reflect as such.

In the event a corporate proposal is required to be approved by the shareholders, interested Directors are required to abstain from voting in respect of their shareholdings in the Company on the resolutions relating to the corporate proposal. They are also required to ensure that persons connected to them, abstain from voting on the resolutions.

Directors are required to disclose any changes in their interest including their directorships ("New Changes") to the Company Secretary within fourteen days from the New Changes. However, for any change in respect of the particular relating to shares, debentures, participatory interest, rights, options and contracts, the notice period shall be five days. Upon receipt of the disclosure on New Changes, it will be circulated to the Board members within seven days from the date of receipt. The aforementioned disclosure will be circulated or tabled at the AC and Board Meetings for information. Such changes will also be immediately updated in the related party listing of the Group.

The AC reviews and reports to the Board on all conflicts of interest situations that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management's integrity.

Corruption or Bribery

The Board has oversight on the anti-corruption policy. The Group has adopted a localised Anti-Corruption Policy ("ACP") that outlines the guiding principles of Allianz SE, MACC Act and Listing Requirements with effect from 16 June 2020. The ACP outlines the Group's existing controls and behavioural guidelines on the risk areas of dealing with government officials, business courtesies, hiring of representatives, political contributions, joint ventures and outsourcing agreements as well as facilitation payments.

The Group's ACP is published under the CG section of the Company's website.

Gift and Entertainment

The Group's Guidelines on Gifts and Entertainment set out the minimum standards for Gifts & Entertainment. The Group gives highest priority to the interests of clients, and employees must not abuse their position for personal or private gain for themselves, their families or other persons. Therefore, it is generally prohibited for employees to offer, give, promise or authorise any gift or entertainment to clients or business partners or to receive the same from them, unless the prescribed conditions are met.

The Group's Guidelines on Gifts and Entertainment is supplementary to the Code of Conduct and the Group's Anti-Corruption Policy.

Sponsoring and Hospitality

The Sponsoring and Hospitality Guidance is to be used in addition to the Group's Guidelines on Gifts and Entertainment and it focuses on "corporate hospitality/events", i.e. invitations extended to the Group's employees or invitations extended by Allianz to clients or business partners or others. General conditions to be fulfilled for any kind of sponsoring, hospitality or invitations, that require prior consultation of Compliance Department, prohibitions and approval requirements.

Vendor Integrity Screening

The Vendor Integrity Screening process which is a part of the Allianz SE Group's Anti-Corruption Programme, aims at ensuring an integrity based due diligence before any third party vendor is engaged. The screening contains a self-assessment section which among others, includes questions on anti-corruption to be answered by the potential vendor and a risk evaluation to be completed by the relevant staff/department in charge. Only those vendors whose screening does not reveal any negative findings will be engaged.

Dealing with Government Client

The guideline on dealing with government client provides the procedures/guidance for employees when dealing with government client particularly on obtaining information and communicating with a government client situation, submission on tender bid or quotation and payment of premium, refund of premium and payment of claim between the Group and government clients. The government client's business can only be accepted with prior approval of the Senior Management Committee.

Anti-Fraud

The Group has a zero tolerance policy for fraud. The Board and Senior Management of the Group do not tolerate any attempt of fraud and consider it a serious offence. To support this objective, the Group has adopted the Allianz SE Group's Anti-Fraud Policy for preventing and detecting fraud and mitigating fraud risks. The Group's Anti-Fraud Policy defines fraud events, investigation process, reporting procedures, fraud risk assessments, training and the roles and responsibilities of Management and employees.

The oversight of fraud matters of the Group is performed by the Group's Integrity Committee ("InC"). The InC coordinates all activities concerning prevention and detection of fraud and handling of whistleblowing incidents. The InC reports its findings and recommendations to the AC.

The Group's Anti-Fraud Policy is published under the CG section on the Company's website.

Antitrust

The Group has adopted the Allianz Antitrust Standard of Allianz SE ("Standard") which promotes free and fair competition. The Standard outlines key principles for compliance which are aligned with Malaysia's Competition Act 2010. Under the Standard, the Management is responsible to ensure necessary and reasonable measures are established and implemented to effectively prevent, detect and respond to violations of applicable antitrust laws.

Insider Trading

Directors and Senior Management of the Group ("Affected Parties") are prohibited from trading in securities or any kind of property based on price sensitive information and knowledge which have not been publicly announced. In addition, the Affected Parties are prohibited from dealing in the securities of the Company during closed period which commences 30 calendar days before the targeted date of announcement of the Company's quarterly results to Bursa Malaysia up to the date of the announcement.

In ensuring that the Affected Parties comply with the above trading requirements, notices with regard to the closed period for trading in the Company's securities are issued by the Company Secretary to the Affected Parties at least seven days prior to the commencement of the closed periods. The notices also set out the circumstances and procedures that need to be followed if the Affected Parties who are not in possession of price-sensitive information relating to the Company's securities wish to engage in dealing in the Company's securities during the closed periods.

In 2023, none of the Directors dealt in the Company's securities during the closed periods.

In addition, the Group has also adopted Allianz SE Standard for Capital Markets Compliance which prohibit dealings in the financial instruments issued or guaranteed by Allianz SE or their respective derivatives or related financial instruments during "Black-Out Periods" which commences 30 calendar days before the targeted date of announcement of Allianz SE's quarterly results and before the targeted date of announcement of Allianz SE's year end financial results.

Anti-Money Laundering, Counter Financing of Terrorism and Targeted Financial Sanctions for Financial Institutions ("AML/CFT and TFS")

The Group has in place internal policies and procedures relating to AML/CFT and TFS to prevent and detect money laundering and terrorism financing activities.

Management Authority Limit

The Boards' approving authority is delegated to the Management through formal and defined operational authority limits that governs business procedures and decision-making process in the Group. The operational authority limits incorporate segregation of duties and checks and balances in delegation of authority.

The Management's authority limits include limits for underwriting of risks, claims settlement, reinsurance and capital expenditures, and are reviewed and updated to ensure relevance to the Group's operations. Such authority limits are documented and made available to all staff via the Group's staff e-portal.

Fit and Proper Requirements

All Directors must fulfil the criteria of "a fit and proper person" for their appointment as Directors as prescribed under the Financial Services Act 2013 ("FSA") and the Bank Negara Malaysia ("BNM")'s Guidelines on Fit and Proper for Key Responsible Persons. In addition, the Group has in place the Group Fit and Proper Policy to assess the fitness and propriety of the Senior Management and Directors which is in compliance with the relevant requirements of the guidelines and/or policies issued by BNM and Allianz SE Group.

The Group Fit and Proper Policy will be periodically reviewed to ensure that it is in line with the internal and regulatory requirements. The last review of the Group's Fit and Proper Policy was in FY 2023.

All Directors as well as Senior Management are required to make an annual declaration that they fulfil the minimum criteria of "a fit and proper person" as prescribed in the FSA.

	<p>In addition, credit and criminal checks as well as internet searches are conducted annually to ensure that Directors and Senior Management are qualified to hold office for the subsequent year.</p> <p>The assessment results of the fit and proper declarations will be presented to the NRC for review prior to the same being presented to the Board.</p> <p>During FY 2023, the NRC reviewed the list of Senior Management of the Group and the assessment results of the annual Fit and Proper declarations of the Directors and Senior Management of the Group, and submitted the assessment results to the respective Boards of the Group for review.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The commercial activities of the Group are based upon trust of the Group’s customers, shareholders, employees and general public. Therefore, it is important that any issues of illegal or questionable activities are reported to the Management for prompt investigation and intervening action.</p> <p>The Group’s Whistleblowing Policies and Procedures (“Whistleblowing Policy”) is regularly reviewed to enhance the effectiveness and efficiency of managing whistleblowing matters. The Whistleblowing Policy describes the Group’s encouragement for ‘speaking-up’, avenues for filing a concern and handling of whistleblowing incidents by the employees and external party or insurance intermediary. The Group has also established a whistleblowing mechanism to enable anonymous and non-anonymous reporting of any breach of the COC, laws, regulations, orders or internal rules. All whistleblowing incidents in the Group are assessed confidentially by the InC and the findings are reported to the AC.</p> <p>For this purpose, employees of the Group may raise concerns or report anonymously or non-anonymously via the following channels:-</p> <ul style="list-style-type: none"> (i) Trusted direct manager; (ii) Senior Management Committees of the insurance subsidiaries; (iii) Group Head of Internal Audit Department (“IAD”); (iv) Chief People and Culture Officer; (v) Group Head of Legal Department; (vi) AC Members; (vii) Compliance Department; (viii) The Group’s Compliance Officers, Allianz SE Group Compliance and Allianz SE Singapore Branch Compliance; and (ix) The respective whistleblowing intranet portal of the Group, Allianz SE Group Compliance and Allianz SE Singapore Branch Compliance. <p>Anyone, including external parties may report whistleblowing matters via the SpeakUp@Allianz tool (link available at Company’s website), or alternatively an email may be sent to</p>

	<p>compliance.officer@allianz.com.my. Other alternatives include write directly to the relevant regulatory authorities as prescribed by the Whistleblower Protection Act 2010 including but not limited to BNM, Royal Police Malaysia and MACC.</p> <p>To raise awareness of the Whistleblowing Policy and avenues for reporting, the Compliance Department conducts awareness programmes to the Group's employees on a periodic basis to ensure effective implementation of the Whistleblowing Policy while the adherence to the Whistleblowing Policy will be reviewed by the IAD based on their Internal Audit Programme.</p> <p>The Whistleblowing Policy is published under the CG section of the Company's website.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board promotes sustainability through its strategic oversight and integration of sustainability considerations in the decision-making process and operations of the Group. This entails taking a holistic view of how the Group creates value and the economic and ESG impacts on its stakeholders. As sustainability continues to gain prominence in the global financial landscape, the Group continues to strengthen its sustainability governance.</p> <p>A Local ESG Board (comprising CEOs, CFOs, Chief Operations Officers (“COOs”) of AMB and its insurance subsidiaries) is responsible for decision-making related to ESG matters and driving ESG topics in business considerations. The Local ESG Board regularly reports to and discusses ESG topics with the Board to keep the Board informed and apprised of latest sustainability developments that are relevant to the Group. Throughout the year, topics such as climate risk and impacts on the business, sustainable insurance and investments particularly relating to the phasing out of fossil fuels, and ESG regulation and disclosure requirements were discussed in the Board and at relevant Board Committees.</p> <p>Sustainability targets form part of the overall Group’s strategies and business plan and have been incorporated into the performance evaluation of the Senior Management.</p> <p>In 2023, an in-depth Materiality Assessment was conducted to identify any potentially new material topics, assess their significance to stakeholders and severity of potential impacts, and to ensure that the material matters reflect the continually evolving market trends. The materiality of 14 Material Matters were assessed and the latest materiality matrix for sustainability approach was reviewed and approved by the Board.</p>

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

Intended Outcome

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

Practice 4.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Sustainability strategies, priorities and targets, and performance are communicated through the Company's annual report, which contains its sustainability approach and governance, environmental performance, contributions to society, and employee relations, among others.</p> <p>Internal awareness-raising of priorities and targets form part of larger efforts towards behavioural change in meeting sustainability objectives. The Group's sustainability approach is also communicated across the organisation through knowledge-sharing, training, internal communications, and as part of the Group's Employer Value Proposition, among others, to build an internal culture that embraces and supports sustainability priorities.</p> <p>In the past year, a global sustainability e-learning module was launched by Allianz SE Group for all employees with the aim of increasing understanding of ESG topics and how they relate to Allianz SE Group's business. ESG expectations have been cascaded to business partners and vendors through an updated Vendor Code of Conduct, which sets out social and environmental expectations around human rights, labour, environment, and anti-corruption in line with the United Nations Global Compact's Ten Principles.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Sustainability Department and Local ESG Board regularly report to the Board and Senior Management Committees of the insurance subsidiaries to keep them informed and apprised of latest developments and trends relating to sustainability topics of the Group.</p> <p>Specific risks are updated and raised through their respective committees, for example climate and ESG risks via the RMC and ESG topics related to investment through the Investment Committee.</p> <p>The Directors are apprised of latest developments relating to ESG matters through in-house briefings and by attending external training. The Directors also attend trainings concerning sustainability topics for continuous development. Additionally, AMB is a Corporate Friend of Climate Governance Malaysia, the Malaysian chapter of the World Economic Forum's Climate Governance Initiative. This network serves as a resource for Board members, with a varied and full calendar of events relating to knowledge and capacity-building on climate topics throughout the year.</p> <p>Sustainability topic has been included in the in-house orientation programme for newly appointed Directors of the Group to ensure they have a sufficient understanding of sustainability issues relevant to the Group and its business.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Sustainability targets form part of the overall Group’s strategies and business plan and the relevant targets have been cascaded to the CEO direct reports.</p> <p>Mid-term climate targets have been set by the Group, which include:</p> <ul style="list-style-type: none"> • 50% greenhouse gas (“GHG”) emissions reduction in own operations by 2025; • decarbonising property and casualty (“P&C”) insurance portfolio; and • 30% reduction in emission intensity in proprietary investment portfolio for listed equity and corporate bonds by 2025, based on 2019 baseline and net zero GHG emissions in the said investment portfolio by 2050. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
Application	: Adopted
Explanation on adoption of the practice	: <p>The Local ESG Board (comprising CEOs, CFOs, COOs of AMB and its insurance subsidiaries) is the driver of sustainability topics in the Group. The Sustainability Department supports the Local ESG Board to facilitate and coordinates the sustainability directives; monitoring ESG performance, facilitating knowledge and capacity-building, supporting implementation of the ESG strategy, and responsible for sustainability reporting and disclosures.</p> <p>The ESG Taskforce is a cross-functional working group with representation from various functions under the Group. It is segmented into five workstreams to drive implementation of ESG initiatives through its roles as a financial institution and as an organisation. This structure ensures that ESG matters are discussed at the highest level, with topics integrated into and actions carried out across the organisation.</p> <p>Two members of Local ESG Board have been appointed as the persons responsible for sustainability and are accountable for driving sustainability integration, and development of sustainability strategy and implementation.</p> <p>Decisions formulated within the Local ESG Board are subsequently implemented by the ESG Taskforce.</p> <p>Further details of Sustainability Governance are disclosed in the IAR 2023.</p>

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC for the Group is centralised at AMB Board level.</p> <p>The Terms of Reference of the NRC sets out the roles and responsibilities of the NRC on the Group which include among others, overseeing the overall composition of the Board in terms of the mix of skills, the balance between Executive Directors, Non-Executive Directors and INEDs as well as diversity (including gender diversity), and other core competencies required ("Composition Mix"), through annual assessment, to ensure that Composition Mix is appropriate and relevant to the business of the Group. Further details on annual assessment of the performance and effectiveness of the Board and Board Committees are disclosed in Practice 6.1 of this CG Report.</p> <p>The Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company where one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office and be eligible for re-election provided always that all Directors shall retire from office once at least in each three years.</p> <p>In addition to retirement at the annual general meeting, Directors of the insurance subsidiaries are subject to re-appointment upon the expiry of their terms as approved by BNM. Section 54(2) of the FSA sets out that approval of BNM is required prior to re-appoint the Chairman and Directors of financial institutions.</p> <p>The Annual Performance Evaluation on individual Directors are conducted by peers and the NRC. The NRC takes into consideration the results of the performance evaluation, the results of fit and proper assessment, including independence assessment (for INEDs) prior to recommending the re-appointment and re-election of any Board members of the Group, for the respective Boards of the Group for consideration. An independent consultant is engaged at least every three years to facilitate objective and candid Board evaluations.</p> <p>Tunku Zain Al-'Abidin Ibni Tuanku Muhriz retired as an INED of the Company on 27 November 2023, upon serving a consecutive period of</p>

	<p>nine years on the Board of the Company. He also retired as Member and Chairman of NRC on the same date.</p> <p>The NRC had at its meeting held in November 2023 reviewed the composition of the Board Committees and recommended the following appointments to the Board for consideration:-</p> <p>(i) Gerard Lim Kim Meng, as Member and Chairman of NRC in place of Tunku Zain Al-'Abidin Ibni Tuanku Muhriz with effect from 28 November 2023.</p> <p>(ii) Wee Lay Hua, INED of the Company's general insurance subsidiary, Allianz General Insurance Company (Malaysia) Berhad ("Allianz General"), as Member of RMC in place of the existing member, Goh Ching Yin, with effect from 1 January 2024.</p> <p>The Board had on 23 November 2023 approved the above appointments.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 5.2

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

Application	: Applied																								
Explanation on application of the practice	<p>The Board comprises seven Directors including five INEDs and two NINEDs as at 31 December 2023. The composition of the Board as at 31 December 2023, as detailed below, is in compliance with Chapter 15.02 of the Listing Requirements:-</p> <table border="1"><thead><tr><th>INED</th><th>NINED</th></tr></thead><tbody><tr><td>(i) Peter Ho Kok Wai</td><td>(i) Zakri Bin Mohd Khir (Chairman)</td></tr><tr><td>(ii) Goh Ching Yin</td><td>(ii) Anusha A/P Thavarajah</td></tr><tr><td>(iii) Gerard Lim Kim Meng</td><td></td></tr><tr><td>(iv) Tan Sri Datuk Zainun Binti Ali</td><td></td></tr><tr><td>(v) Dr. Muhammed Bin Abdul Khalid</td><td></td></tr></tbody></table> <p><u>Independence Assessment</u></p> <p>Each Independent Director is required to complete an independence assessment annually or upon admission or more frequently when a change in position or relationship warrants it or when any new interest or relationship develops. The NRC will review the independence of the INEDs based on the assessment criteria approved by the Board and present its observations to the respective Boards of the Group for deliberation.</p> <p>The evaluation process of INEDs is as follows:-</p> <table border="1"><tbody><tr><td>Step 1</td><td>The Company Secretary will distribute the independence declaration form to all INEDs for completion.</td></tr><tr><td>Step 2</td><td>Each INED will perform a self-review on his/her independence by completing the declaration form.</td></tr><tr><td>Step 3</td><td>Responses will be collated by the Company Secretary and submit to the NRC for evaluation.</td></tr><tr><td>Step 4</td><td>The NRC reviews the independence of INEDs based on the assessment criteria approved by the Board</td></tr><tr><td>Step 5</td><td>Each INED shall excuse from meeting room during discussion of his/her independence.</td></tr><tr><td>Step 6</td><td>Findings from the NRC will be presented to the Board for deliberation.</td></tr></tbody></table>	INED	NINED	(i) Peter Ho Kok Wai	(i) Zakri Bin Mohd Khir (Chairman)	(ii) Goh Ching Yin	(ii) Anusha A/P Thavarajah	(iii) Gerard Lim Kim Meng		(iv) Tan Sri Datuk Zainun Binti Ali		(v) Dr. Muhammed Bin Abdul Khalid		Step 1	The Company Secretary will distribute the independence declaration form to all INEDs for completion.	Step 2	Each INED will perform a self-review on his/her independence by completing the declaration form.	Step 3	Responses will be collated by the Company Secretary and submit to the NRC for evaluation.	Step 4	The NRC reviews the independence of INEDs based on the assessment criteria approved by the Board	Step 5	Each INED shall excuse from meeting room during discussion of his/her independence.	Step 6	Findings from the NRC will be presented to the Board for deliberation.
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	<p>The annual independence assessment on INEDs for year 2023 was performed by the NRC in February 2023. When assessing independence, the NRC focused beyond the INEDs' background, economic, family relationships and also considered whether the INEDs could continue bringing the independent and objective judgment to the Board.</p> <p>The NRC was satisfied that all INEDs of the Group fulfilled the criteria under the definition of Independent Director as prescribed by the authorities and that they have demonstrated independent and objective judgment in respective Board/Board Committee deliberations and acting in the best interest of the Group, as well as safeguarding the interests of minority shareholders and stakeholders. The NRC was of the view that all INEDs of the Group remain independent and therefore, shall maintain their Independent Director status in the respective Boards. The observations from the NRC were submitted to the Board for deliberation.</p> <p>The Board concurred with the NRC that all INEDs of the Company remain independent and shall maintain their Independent Director status in the Company.</p>	
Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure		
Timeframe		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Not applicable - Step Up 5.4 adopted	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Adopted																		
Explanation on adoption of the practice	:	<p>The Group adopted the policy in relation to the appointment of INEDs, where the tenure limit of the INEDs should not exceed a consecutive service of nine years. Computation of the service tenure will commence from the date of the INED's first appointment in any company within the Group. Upon completion of the nine years' tenure, the INEDs may, in the interest of the Company, continue to serve on the Board but in the capacity of a NINED.</p> <p>Y.A.M. Tunku Zain Al-'Abidin Ibni Tuanku Muhriz retired as an INED of the Company on 27 November 2023, upon serving a consecutive period of nine years on the Board of the Company. None of the INEDs of the Company had served for a cumulative term of nine years during the FY 2023.</p> <p>The tenure of the INEDs of AMB as at 31 December 2023 in the Company and the Group is as follows:-</p> <table border="1"><thead><tr><th>INED</th><th>Cumulative Tenure (Company)</th><th>Cumulative Tenure (Group)</th></tr></thead><tbody><tr><td>Peter Ho Kok Wai</td><td>4 years 3 months</td><td>5 years 5 months</td></tr><tr><td>Goh Ching Yin</td><td>3 years 6 months</td><td>6 years 11 months</td></tr><tr><td>Gerard Lim Kim Meng</td><td>3 years</td><td>3 years</td></tr><tr><td>Tan Sri Datuk Zainun Binti Ali</td><td>1 year 9 months</td><td>1 year 9 months</td></tr><tr><td>Dr. Muhammed Bin Abdul Khalid</td><td>1 year 5 months</td><td>3 years 4 months</td></tr></tbody></table>	INED	Cumulative Tenure (Company)	Cumulative Tenure (Group)	Peter Ho Kok Wai	4 years 3 months	5 years 5 months	Goh Ching Yin	3 years 6 months	6 years 11 months	Gerard Lim Kim Meng	3 years	3 years	Tan Sri Datuk Zainun Binti Ali	1 year 9 months	1 year 9 months	Dr. Muhammed Bin Abdul Khalid	1 year 5 months	3 years 4 months
INED	Cumulative Tenure (Company)	Cumulative Tenure (Group)																		
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Goh Ching Yin	3 years 6 months	6 years 11 months																		
Gerard Lim Kim Meng	3 years	3 years																		
Tan Sri Datuk Zainun Binti Ali	1 year 9 months	1 year 9 months																		
Dr. Muhammed Bin Abdul Khalid	1 year 5 months	3 years 4 months																		

Intended Outcome

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

Practice 5.5

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

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

Application	: Applied
Explanation on application of the practice	<p>The Board recognises the importance of having a diverse Board in terms of experience, skills, competence, ethnicity, gender, culture and age. The size and composition of the Board shall be appropriate and well balanced to cater for the interest of the majority and minority shareholders as well as the business of the Company. Membership of the Board will be drawn from various fields as may be determined by the Board from time to time with a balance of skills and experiences appropriate to the business of the Company.</p> <p>Nomination of candidates for appointment as Directors and Senior Management will be evaluated by the NRC by taking into consideration the fit and proper criteria as prescribed by BNM, Group Fit and Proper Policy, any other requirements as prescribed under the FSA, CA and Listing Requirements and the following criteria:-</p> <ul style="list-style-type: none">(i) skill, knowledge, competencies, expertise and experience;(ii) professionalism;(iii) commitment, contribution and performance; and(iv) in the case of candidate for the position of INEDs, the NRC should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from an INED. <p>As provided in the Board Charter, the Board also observes that an active politician shall not be appointed as a Director/CEO. An active politician refers to an individual who is a member of any national or state legislative body, or who is an officer bearer of, or holds any similar office or position in a political party.</p> <p>In the effort to promote Board gender diversity, the NRC has taken steps to ensure that female candidates are sought and considered in the recruitment exercise for appointment of new Directors to the Board.</p>

The Board's information as at 31 December 2023 is presented below:-

Board Composition	No. of Directors	%
Independent	5	71.00
Non-Independent	2	29.00
Total	7	100.00

Gender	No. of Directors	%
Male	5	71.00
Female	2	29.00
Total	7	100.00

Age Group	No. of Directors	%
45 - 54	2	29.00
Above 55	5	71.00
Total	7	100.00

Length of Service	No. of Directors	%
Less than 4 years	6	86.00
4 years – 9 years	1	14.00
Total	7	100.00

The Board's experience and expertise based on the Board composition as at 31 December 2023 are as follows:-

- Finance, accounting and audit
- Banking and insurance
- Information technology
- Legal and regulatory
- Governance
- Leadership
- Risk Management
- Actuarial
- Economics

The Directors had devoted sufficient time to attend the respective Board and Board Committee Meetings held in FY 2023. The Directors view their attendance at the Board and Board Committee Meetings seriously in discharging their responsibilities and are required to observe the attendance requirement of at least 50% in each financial year as provided in the Board Charter, in line with the regulatory requirements. All Directors of the Company attended all Board and Board Committees Meetings in FY 2023. In addition to the scheduled Board and Board Committee Meetings, the Directors engage the Management regularly.

Prior to the acceptance of any new directorship, Directors shall obtain the necessary clearance as required in the Board Charter and give assurance that the new appointment shall not result in conflict of interest or adversely impact their time commitment in the Company.

The NRC is entrusted with the responsibility of overseeing the succession planning for Senior Management and evaluating the appointments and promotions within the Group.

Before recommending the appointment of Senior Management to the Board, the NRC meticulously assesses the suitability of the candidates. This evaluation includes a thorough examination of the candidates' fitness and propriety, aligning with the standards set forth in the Group Fit and Proper Policy. Furthermore, the NRC conducts interview with the candidates to ensure a comprehensive understanding of their credentials and capabilities. Adhering to the guidelines outlined in the Employee Screening Policy issued by BNM, pre-employment screening is performed for every new Senior Management candidate.

In FY 2023, the NRC actively engaged in reviewing proposed appointments and promotions of several Senior Management positions within the Group. Additionally, the NRC dedicated time to calibrating the succession plan for Senior Management within the Group, presenting their well-considered recommendations to the respective Boards of the Group for evaluation and decision-making.

The Senior Management profile of the Group as at 31 December 2023 is presented below:-

Gender	No. of Senior Management	%
Male	15	52.00
Female	14	48.00
Total	29	100.00

Age Group	No. of Senior Management	%
30 – 40	6	20.69
41 – 50	9	31.03
51 – 60	14	48.28
61 - 70	0	00.00
Total	29	100.00

The Group is committed to fostering an inclusive and diverse environment, cultivating a culture that celebrates and appreciates differences while promoting equal opportunities for everyone. In line with this commitment, the Group has ingrained principles of non-discrimination into its hiring and employee development policies. Individuals within the Group are acknowledged and evaluated based on their talent, experience, performance, and behavioural attributes, emphasising a fair and meritocratic approach to recognising and nurturing talent.

	<p>The employee profile of the Group as at 31 December 2023 is presented below:-</p> <table border="1" data-bbox="528 297 1378 560"> <thead> <tr> <th data-bbox="528 297 1070 331">Age Structure of Employees by Age</th> <th data-bbox="1070 297 1378 331">%</th> </tr> </thead> <tbody> <tr> <td data-bbox="528 331 1070 365">Under 25 years</td> <td data-bbox="1070 331 1378 365">5.70</td> </tr> <tr> <td data-bbox="528 365 1070 398">25 – 34</td> <td data-bbox="1070 365 1378 398">31.80</td> </tr> <tr> <td data-bbox="528 398 1070 432">35 – 44</td> <td data-bbox="1070 398 1378 432">33.70</td> </tr> <tr> <td data-bbox="528 432 1070 465">45 – 54</td> <td data-bbox="1070 432 1378 465">22.60</td> </tr> <tr> <td data-bbox="528 465 1070 499">55 and above</td> <td data-bbox="1070 465 1378 499">6.20</td> </tr> <tr> <td data-bbox="528 499 1070 533">Total</td> <td data-bbox="1070 499 1378 533">100.0</td> </tr> </tbody> </table> <table border="1" data-bbox="528 595 1378 929"> <thead> <tr> <th data-bbox="528 595 1070 629">Gender Distribution</th> <th data-bbox="1070 595 1378 629">%</th> </tr> </thead> <tbody> <tr> <td colspan="2" data-bbox="528 629 1378 663">Management positions</td> </tr> <tr> <td data-bbox="528 663 1070 696">Male</td> <td data-bbox="1070 663 1378 696">41.10</td> </tr> <tr> <td data-bbox="528 696 1070 730">Female</td> <td data-bbox="1070 696 1378 730">58.90</td> </tr> <tr> <td data-bbox="528 730 1070 763">Total</td> <td data-bbox="1070 730 1378 763">100.0</td> </tr> <tr> <td colspan="2" data-bbox="528 763 1378 797">All employees</td> </tr> <tr> <td data-bbox="528 797 1070 831">Male</td> <td data-bbox="1070 797 1378 831">32.20</td> </tr> <tr> <td data-bbox="528 831 1070 864">Female</td> <td data-bbox="1070 831 1378 864">67.80</td> </tr> <tr> <td data-bbox="528 864 1070 898">Total</td> <td data-bbox="1070 864 1378 898">100.0</td> </tr> </tbody> </table> <p data-bbox="528 969 1412 1032">The profiles of the Directors and Senior Management Committees of the insurance subsidiaries are set out in the IAR 2023.</p> <p data-bbox="528 1077 1412 1140">Further details of the Group’s employees are disclosed in the Progressing Our Sustainability Agenda in the IAR 2023.</p>		Age Structure of Employees by Age	%	Under 25 years	5.70	25 – 34	31.80	35 – 44	33.70	45 – 54	22.60	55 and above	6.20	Total	100.0	Gender Distribution	%	Management positions		Male	41.10	Female	58.90	Total	100.0	All employees		Male	32.20	Female	67.80	Total	100.0
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<p>Measure :</p>																																		
<p>Timeframe :</p>																																		

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied																	
Explanation on application of the practice	:	<p>The Board has in place the following process and procedures for nomination of new candidates:-</p> <table border="1" data-bbox="539 891 1406 1227"> <tr> <td data-bbox="539 891 667 931">Step 1</td> <td data-bbox="667 891 1406 931">Identification of skills/gaps</td> </tr> <tr> <td data-bbox="539 931 667 972">Step 2</td> <td data-bbox="667 931 1406 972">Sourcing for candidates</td> </tr> <tr> <td data-bbox="539 972 667 1012">Step 3</td> <td data-bbox="667 972 1406 1012">Selection of candidates</td> </tr> <tr> <td data-bbox="539 1012 667 1052">Step 4</td> <td data-bbox="667 1012 1406 1052">Interview with shortlisted candidates</td> </tr> <tr> <td data-bbox="539 1052 667 1093">Step 5</td> <td data-bbox="667 1052 1406 1093">Fit and Proper Assessment</td> </tr> <tr> <td data-bbox="539 1093 667 1133">Step 6</td> <td data-bbox="667 1093 1406 1133">Review by the NRC</td> </tr> <tr> <td data-bbox="539 1133 667 1173">Step 7</td> <td data-bbox="667 1133 1406 1173">Recommendation for Board's approval</td> </tr> <tr> <td data-bbox="539 1173 667 1227">Step 8</td> <td data-bbox="667 1173 1406 1227">BNM's approval (for the insurance subsidiaries of the Company)</td> </tr> </table> <p>When sourcing for potential candidates for appointment to the Board, the Board leverages on the Directors' network, shareholders' recommendation and industry sources.</p> <p>Upon the nomination for appointment of Directors, the NRC evaluates the candidates in accordance with the criteria as prescribed by BNM, Group Fit and Proper Policy and any other requirements as prescribed under the FSA, the CA and the Listing Requirements, together with the credit and criminal checks as well as internet searches of the candidates.</p> <p>All appointments of Board members are subject to the evaluation by the NRC and approved by the Board. For the insurance subsidiaries of the Company, the appointment of Directors shall be subject to the prior approval of BNM pursuant to Section 54(2) of the FSA.</p>		Step 1	Identification of skills/gaps	Step 2	Sourcing for candidates	Step 3	Selection of candidates	Step 4	Interview with shortlisted candidates	Step 5	Fit and Proper Assessment	Step 6	Review by the NRC	Step 7	Recommendation for Board's approval	Step 8	BNM's approval (for the insurance subsidiaries of the Company)
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Explanation for departure	:																		

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.7

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

Application	: Applied
Explanation on application of the practice	<p>The information required under the Listing Requirements for the re-election of Directors is disclosed in the explanatory notes accompanying the Notice of 50th AGM.</p> <p>The profiles of the retiring Directors are set out in the IAR 2023 and published on the Company's website. The profiles include the information of Directors' age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest as well as their shareholdings in the Company, if any.</p> <p>Peter Ho Kok Wai and Gerard Lim Kim Meng ("Retiring Directors") will retire at the 50th AGM pursuant to Clause 19.1 of the Constitution of the Company and they have indicated their willingness to seek for re-election.</p> <p>The NRC recommended the re-election of the Retiring Directors for the Board's approval, based on the following:-</p> <ul style="list-style-type: none">(i) The Retiring Directors met the fit and proper criteria prescribed in the Group Fit and Proper Policy.(ii) The Retiring Directors have also fulfilled the independence criteria as prescribed under the Listing Requirements of Bursa Malaysia.(iii) The NRC had assessed the Retiring Directors based on the Board Performance Assessment ("BPA") conducted by Deloitte Business Advisory Sdn Bhd ("Deloitte").(iv) NRC deliberated on the performance and contribution of the Retiring Directors and recommended their re-elections for the Board's approval.

	<p>The Board supported the recommendation of the NRC and seek shareholders' approval for the re-election of the Retiring Directors based on the reasons stated below:</p> <p><u>Peter Ho Kok Wai ("Peter Ho")</u> Peter Ho has vast experience in accounting and financial matters given his Chartered Accountant credentials and his experience as a former partner of a multinational audit firm. As the Chairman of AC, he is known to harness his wealth of financial, accounting and auditing experience in leading the AC. He maintains a good relationship with the fellow Board members and Management, while offering the necessary support and guidance in discharging his responsibilities.</p> <p><u>Gerard Lim Kim Meng ("Gerard")</u> Gerard has over 28 years' experience in the Technology, Media and Telecommunications sector with a proven track record in delivering digital solutions for some of the world's largest corporations and even serving within the Malaysian Government's machinery. With his vast experience in the information technology, he provides insight on the information technology related risk as well as enhancement to the internal control in respect thereto. Gerard is recognised for being technically savvy in bridging the digital gap on the Board.</p> <p>The Retiring Directors had abstained from deliberations and voting on their respective re-election at the Board Meeting.</p>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied								
Explanation on application of the practice	:	<p>The NRC is chaired by an INED, Gerard Lim Kim Meng who succeeded Tunku Zain Al-'Abidin Ibni Tuanku Muhriz with effect from 28 November 2023.</p> <p>The NRC comprises wholly of INEDs and the composition of the NRC complies with the requirement of paragraph 15.08A(1) of the Listing Requirements as well as the Malaysian Code on Corporate Governance ("Code"). The composition of NRC as at 31 December 2023, is as follows:-</p> <table border="1"><thead><tr><th>Director</th><th>Composition</th></tr></thead><tbody><tr><td>Gerard Lim Kim Meng</td><td>Chairman</td></tr><tr><td>Goh Ching Yin</td><td>Member</td></tr><tr><td>Dr. Muhammed Bin Abdul Khalid</td><td>Member</td></tr></tbody></table>	Director	Composition	Gerard Lim Kim Meng	Chairman	Goh Ching Yin	Member	Dr. Muhammed Bin Abdul Khalid	Member
Director	Composition									
Gerard Lim Kim Meng	Chairman									
Goh Ching Yin	Member									
Dr. Muhammed Bin Abdul Khalid	Member									
Explanation for departure	:									
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>										
Measure	:									
Timeframe	:									

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	As at 31 December 2023, the Board recorded 29% female Directors, made up of two female Directors out of a total of seven Directors on the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Board has already intensified its efforts to source for a suitable female director. The Board is committed to fulfil the requirement of 30% female Directors on the Board by second half of 2024.	
Timeframe	:	Within 1 year	

Intended Outcome

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

Practice 5.10

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

Application	: Applied
Explanation on application of the practice	<p>The Board's commitment to diversity is ingrained at every level of the organisation, extending to the selection of candidates for both Board and Senior Management positions.</p> <p>The Group strives to create an environment where individuals can thrive irrespective of gender. Embracing a belief in equal opportunity for all, the Group is committed to establishing a fair environment that transcends gender, age, ethnicity, disability, religion, and cultural background. This commitment is seamlessly woven into the entire employee lifecycle – from the strategic phases of talent recruitment and development to the critical aspects of reward and retention.</p> <p>Evidencing its commitment to fairness and equal opportunities, the Group's hiring and employee development policies are firmly grounded in principles of non-discrimination. The consistently robust performance in the Inclusive Meritocracy Index serves as a testament to the Group's dedication to equitable treatment and acknowledgment. The Inclusive Meritocracy stands as a vital component of the Group's Renewal Agenda, underscoring its strategic importance and commitment to fostering an inclusive and diverse workplace.</p> <p>Inclusive Meritocracy serves as a powerful driver for fostering an engaged workforce and cultivating a conducive workplace for all individuals. Anchored in four key People Attributes – Customer and Market Excellence, Trust, Collaborative Leadership and Entrepreneurship. The ongoing measurement of Inclusive Meritocracy has demonstrated a consistent upward trajectory since year 2019, underscoring the Group's unwavering commitment to continuous improvement. This upward trend not only reflects the Group's dedication to fostering a culture of merit-based inclusion but also signifies the sustained enhancement of its overall workplace environment.</p> <p>Inclusive Meritocracy principles are embedded in the COC for both employees and the Board. The COC serves as a comprehensive guide to ethical standards and practices.</p> <p>In December 2023, the Group has received for the second time its Economic Dividends for Gender Equality ("EDGE") certification, and have advanced to the next level, EDGE Move. Achieving this recognition</p>

	required the Group to undergo a thorough independent study, encompassing a comprehensive review of policies, gender pay equity, recruitment initiatives, flexible work guidelines, organisational culture, and more.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The NRC conducts an annual assessment of the performance and effectiveness of the Board, Board Committees and the contribution by each Director to the effectiveness of the Board and Board Committees. The observations from the NRC are presented to the Board for deliberation and are taken into consideration in its recommendation for the re-appointment and re-election of any Board members of the Group.</p> <p>The following performance evaluation processes were established to evaluate the performance of the Board, Individual Directors, Board Committees and their members:-</p> <p><u>Board and Individual Directors Evaluation by Peers</u></p> <p>The Annual Performance Evaluation on the Board covers the following areas, among others:-</p> <ul style="list-style-type: none">(i) Roles and responsibilities(ii) Conformance and compliance(iii) Stakeholder relationships(iv) Performance management <p>The Annual Performance Evaluation on individual Directors covers the following areas, among others:-</p> <ul style="list-style-type: none">(i) Directors' compliance with prescriptive requirements imposed by regulators(ii) Participation in Board and Board Committees(iii) Contribution to interaction(iv) Quality of input(v) Understanding of role

Board Committees Evaluation by the NRC

The Annual Performance Evaluation on Board Committees and their members covers the following areas, among others:-

- (i) Composition
- (ii) Quality of inputs
- (iii) Level of experience
- (iv) Contribution and performance
- (v) Timely reporting

The Annual Performance Evaluation by peers and the NRC are guided by the following processes and procedures:-

Step 1	The evaluation forms will be circulated to the Directors and the NRC members for completion.
Step 2	The responses will be collated by the Company Secretary and the summary of the evaluation results on the Board, individual Director and the Board Committees and their members will be submitted to the NRC for review.
Step 3	Thereafter, the findings and recommendation of the NRC together with the summary of the evaluation results will be submitted to the Board for deliberation.

The Board agreed that the Board evaluation shall be facilitated by a professional and independent party at least once in every three years.

In FY 2023, Deloitte was engaged to facilitate the conduct of BPA for the Group. The BPA was rolled out by Deloitte in fourth quarter of 2023 which covered the following assessment areas:-

- (i) Board Governance and Oversight;
- (ii) Board Processes and Infrastructure;
- (iii) Board Capabilities Assessment;
- (iv) Self and Peer Assessment;
- (v) Fit and Proper Assessment;
- (vi) Independence Assessment;
- (vii) AC Assessment;
- (viii) NRC Assessment; and
- (ix) RMC Assessment.

The analyses on the assessment of the Board, Board Committees and individual Directors were received in February 2024. The Board's overall score for the BPA was 93%, above the market average score of 88%, ranged from a cross-section of sectors, amongst others, include property, financial institutions, financial services, technology, and healthcare. The performance of the Board Committees was relatively strong against comparator entities with the AC, NRC and RMC scored 88%, 89% and 87% respectively.

	The NRC and the Board will evaluate the recommendations arising from the BPA, in the second quarter of 2024.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has in place a remuneration policy for Directors which is reviewed periodically and sets out that Directors' remuneration shall be determined based on the following criteria:-</p> <ul style="list-style-type: none">(i) overall performance of the Group (only applicable to Executive Directors);(ii) level of responsibility;(iii) expertise;(iv) complexity of the Company's activities; and(v) attendance at meetings (only applicable to Non-Executive Directors). <p><u>Procedure</u></p> <p>The NRC recommends to the Board the remuneration to be paid to each Director. It is nevertheless the ultimate responsibility of the entire Board to decide the quantum for each Director.</p> <p><u>Disclosure</u></p> <p>The fees for the Non-Executive Directors (who are not representing the interest of the major shareholder) ("NEDs") are made up of the following components:-</p> <ul style="list-style-type: none">(i) Fees for acting as a Director <p>A fixed fee is allocated to each member of the Board.</p>

(ii) Fees for assuming additional responsibilities

Additional fees are allocated to Directors who assumed more responsibilities via their appointments in various Board Committees.

The benefits extended to the NEDs comprise allowances and benefits in-kind to the Chairman and members of the Board/Board Committees of the Company and its insurance subsidiaries (excluding Service Tax) are as follows:-

(i) Monthly fixed allowance

Chairman of the Board: RM12,000 per month

(ii) Meeting allowance

(a) Chairman of the Board/Board Committee: RM3,500 per meeting

(b) Member of the Board/Board Committee: RM3,000 per meeting

(iii) Benefits in-kind

(a) Company car and driver: Chairman of the Board (based on taxable rate)

(b) Medical, personal accident and Directors' and Officers' Liability insurance

The shareholders of the Company had at the 49th AGM held on 22 June 2023 approved the fees and benefits payable to the NEDs for the period from 23 June 2023 until the next AGM of the Company in 2024. Further information on the Directors' remuneration is detailed in the Notice of AGM of the IAR 2023.

For the Executive Directors who are also the CEO of the Company or its insurance subsidiaries, they do not receive any remuneration for their position as Executive Directors. The remuneration received by them as the CEOs of the respective companies within the Group is disclosed in the notes to the Audited Financial Statements of the respective companies.

The Board approved that a review on the Directors' fees shall be carried out once in every three years. Therefore, Deloitte was engaged by the Board during FY 2023 to conduct remuneration review for the NEDs ("BRR") to determine the level of composition of remuneration of NEDs taking into account the complexity of the Company's business and the responsibilities of NEDs vis-a-vis the business strategy and long-term objectives of the Company.

The BRR was rolled-out in fourth quarter of 2023 and the analyses on the BRR was received in February 2024. The NRC and the Board will evaluate the recommendations arising from the BRR, in the second quarter of 2024.

The Group measures performance annually, including the key steps of agreed priorities, regular feedback, and a mid-year and year-end performance assessment. Personal priorities or targets are agreed for each employee and reflect financial and non-financial ambitions. The assessment of individual performance is holistic in nature and considers relativity against peers.

The remuneration of Senior Management of the Group is not only determined by performance against business objectives but includes other factors such as prudent risk-taking and actions affecting the long-term interests of the Company. Remuneration of Senior Management is adjusted each year to account for all types of risk and breaches, determined by both quantitative measures and qualitative judgement.

To ensure the Senior Management are aligned with the Group’s short-, medium-, and long-term business objectives, their individual performance are evaluated using selected key performance indicators, each of which are linked to the Group’s strategic pillars. An overview of some of these Key Performance Indicators are as follows:-

Value Creation	Sustainability	Leadership Contribution
<ul style="list-style-type: none"> • Operating profit • Return on Equity • New Business Value • Capital/Expense Management • Customer Growth • Strategic initiative to drive productivity growth 	<ul style="list-style-type: none"> • Customer: Net Promoter Score • Employee Engagement: Employee Engagement Indices, Inclusive Meritocracy Index and Work Well Index+ • Operations: Greenhouse gas emissions and renewable energy 	<ul style="list-style-type: none"> • Regulatory discipline enforcement • Operational, compliance and legal risks

Each Key Performance Indicator is deliberated based on the Business Plan and are set over the short-, medium-, and long term (one to three years and beyond) business objectives. The performance of the Senior Management is evaluated based on their alignment with the People Attributes, reflecting the Group’s commitment to its culture and values.

The Group has in place the Allianz Malaysia Group Policy for Remuneration (“Remuneration Policy”) for employees, which is in line with the Group’s business and risk management strategy, its risk profile,

objectives, risk management practices, and long-term interests and performance. The Remuneration Policy forms a key component of the governance and incentive structure through which the Boards and senior management of the Group drive performance, convey acceptable risk-taking behaviour and reinforce the Group's corporate and risk culture.

The remuneration components of employees are fixed and variable compensation. Base salary is the fixed remuneration component and rewards the role and responsibilities taking into account market conditions and provides for a stable source of income. The fixed component is dependent on position, responsibility, and the experience and qualification of the incumbent.

Variable compensation components aim to reward performance and shall not provide incentives for risks which might be incompatible with the risk profile of the Group, including risk limits. Therefore, variable compensation components may not be paid, or payment may be restricted in the case of a breach of risk limits or a compliance breach.

The volume and relative weighting of the variable component shall depend on the level of seniority and the position. Variable components typically consist of annual bonus (short-term incentive) and mid-term or long-term incentives.

Variable compensation is determined by a combination of assessment of the individual's performance and his business unit as well as overall performance of the Group.

Employees in control functions are measured on the achievement of control function objectives which determine their remuneration.

A portion of the variable compensation for Senior Management contains a deferred component. The deferral period shall be aligned with the business's nature, its risks, and the activities of the incumbent in question and adopt a multi-year framework to reflect the time horizon of risks.

Hence, the Group's Senior Management receives a proportion of their compensation as a virtual share award in the form of restricted stock units. This portion of the compensation is known as Allianz Equity Incentive ("AEI") and is linked to the Allianz SE share price development. The AEI award is subject to a four-year vesting period from grant date and considers the sustainable performance of Allianz SE during the relevant vesting period and if the behaviour of the respective AEI participant has contributed to significant non-sustainable performance.

In recognition of the employees' contribution to the global success of Allianz SE Group, Allianz SE had embarked on an Employee Share Purchase Plan ("ESPP") for several years. In 2023, Allianz SE announced a free share for all eligible employees for their contribution to achieve

	<p>record operating profits and meet the Net Promoters Score targets in 2022.</p> <p>Further, the ESPP also provided for those who subscribed for Allianz SE shares via the ESPP, that for every three Euros invested, Allianz SE would contribute one Euro to their investment. Thus, effectively employees who purchased via the ESPP would derive a 25% discount on their investment.</p> <p>The Remuneration Policy is published under the CG section of the Company’s website.</p> <p>The NRC had in March 2023 reviewed the variable compensation, 2023 compensation and the compensation structure for the CEOs of the Group (“CEOs’ Compensation”) and recommended the same for the respective Boards’ approval. Following the NRC’s recommendation, the Boards had in March 2023 approved the CEOs’ Compensation.</p> <p>In March 2023, the NRC also reviewed the 2022 performance evaluation of the Senior Management and the proposed promotion of several Senior Management and submitted its recommendation to the respective Boards of the Group for consideration. The NRC further reviewed the 2023 target letters of the Senior Management of the Group and recommended the same to the respective Boards of the Group for approval.</p> <p>The NRC and the respective Boards of the Group reviewed the performance evaluation results and remuneration of the CEOs of the Group without the presence of the respective CEOs.</p> <p>The NRC also reviewed the 2022 staff performance bonus payout and 2023 staff salary increments of the Group and recommended for the respective Boards of the Group for approval.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC has the following remuneration related objectives:-</p> <ul style="list-style-type: none">(i) To provide a formal and transparent procedure for developing a remuneration policy for Directors and Senior Management; and(ii) to ensure that the compensation is competitive and consistent with the culture, objective and strategy of the Group. <p>The remuneration related duties and responsibilities of the NRC are as follows:-</p> <ul style="list-style-type: none">(i) recommending a framework of remuneration for Directors and Senior Management of which should:-<ul style="list-style-type: none">(a) be documented and approved by the full Board and to be reviewed periodically. Any changes thereto should be subject to the endorsement of the full Board;(b) be in-line with the business and risk strategies, corporate values, long-term interests of the Group and reflect the experience and level of responsibility borne by individual Directors and Senior Management;(c) promote prudent risk-taking behaviour and encourage individuals to act in the interests of the Group as a whole, taking into account the interests of its customers;(d) be sufficient to attract and retain Directors and Senior Management of calibre needed to manage the Group successfully;

	<ul style="list-style-type: none"> (e) be designed and implemented with input from the control functions and the RMC to ensure that risk exposures and risk outcomes are adequately considered; and (f) be balanced against the need to ensure that the funds of the insurer are not used to subsidise excessive remuneration packages. <p>(ii) recommending remuneration packages for Directors and Senior Management. The remuneration packages should be reviewed annually and:-</p> <ul style="list-style-type: none"> (a) be based on an objective consideration and approved by the full Board; (b) take due consideration of the assessments of the NRC the effectiveness and contribution of the Directors and Senior Management concerned; (c) not be decided by the exercise of sole discretion of any one individual or restricted group of individuals; and (d) be competitive and is consistent with the culture, objective and strategy of the Group. <p>(iii) reviewing and recommending the annual performance bonus and increment for the staff of the Group.</p> <p>Individual Directors shall abstain from discussion of their own remuneration.</p> <p>The composition of NRC as at 31 December 2023 is disclosed in Practice 5.8 of this CG Report.</p> <p>The Terms of Reference of the NRC is available on the Company's website.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Directors' remuneration of the Group (excluding 6% Services Tax, where applicable) for FY 2023, is detailed in the subsequent page.</p> <p>Explanatory notes to the Directors' remuneration of the Group:-</p> <p>[1] In addition to the Director's remuneration, Zakri Bin Mohd Khir provides consultancy and advisory services and support to AZAP on matters relating to all P&C entities in AZAP region effective 1 January 2022. The total consultancy fees for the services rendered by Zakri Bin Mohd Khir for financial year ended 31 December 2023 amounting to RM1,090,087.04.</p> <p>[2] The fee received by Lim Tuang Ooi, an INED of Allianz General, for his services rendered as Chairman of RMC.</p> <p>[3] Wang Wee Keong does not receive any remuneration for his position as an Executive Director of Allianz General. The remuneration received for his position as the CEO of AMB and CEO of Allianz General is disclosed in Note 23.2 and Note 21.2 to the Audited Financial Statements of the respective companies for the financial year ended 31 December 2023.</p> <p>[4] Ong Eng Chow does not receive any remuneration for his position as an Executive Director of the Company's life insurance subsidiary, Allianz Life Insurance Malaysia Berhad ("Allianz Life"). The remuneration received for his position as the CEO of Allianz Life is disclosed in Note 21 to the Audited Financial Statements of Allianz Life for the financial year ended 31 December 2023.</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Zakri Bin Mohd Khir ^[1]	Non-Executive Non-Independent Director	120	169	-	-	-	-	289	120	169	-	-	-	-	289
2	Peter Ho Kok Wai	Independent Director	204	54	-	-	-	-	258	324	72	-	-	-	-	396
3	Goh Ching Yin	Independent Director	228	66	-	-	-	-	294	348	231	-	-	-	-	579
4	Gerard Lim Kim Meng	Independent Director	170	39	-	-	-	-	209	170	39	-	-	-	-	209
5	Tan Sri Datuk Zainun Binti Ali	Independent Director	120	21	-	-	-	-	141	120	21	-	-	-	-	141
6	Dr. Muhammed Bin Abdul Khalid	Independent Director	180	48	-	-	-	-	228	300	213	-	-	3	-	516
7	Anusha A/P Thavarajah	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Tunku Zain Al-'Abidin Ibni Tuanku Muhriz	Independent Director	131	38	-	-	-	-	169	131	38	-	-	-	-	169
9	Lim Tuang Ooi ^[2]	Independent Director	36	14	-	-	-	-	50	156	32	-	-	-	-	188
10	Lim Fen Nee	Independent Director	-	-	-	-	-	-	-	120	18	-	-	-	-	138
11	Wee Lay Hua	Independent Director	-	-	-	-	-	-	-	120	18	-	-	-	-	138
12	Foo Chee It	Independent Director	-	-	-	-	-	-	-	120	18	-	-	-	-	138
13	Wang Wee Keong ^[3]	Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-

14	Ong Eng Chow ⁽⁴⁾	Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
Explanation on application of the practice	:	The remuneration of the top five senior management of the Group on a named basis for FY 2023 is detailed in the subsequent page.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Wang Wee Keong	CEO of AMB and Allianz General	1,400,001-1,450,000	0-50,000	900,001-950,000	50,001-100,000	300,001-350,000	2,650,001-2,700,000
2	Ong Eng Chow	CEO of Allianz Life	1,300,001-1,350,000	0-50,000	850,001-900,000	0-50,000	300,001-350,000	2,550,001-2,600,000
3	Horst Hermann Habbig	Chief Sales Officer of Allianz General	1,000,000-1,050,000	100,001-150,000	750,001-800,000	100,001-150,000	250,001-300,000	2,300,001-2,350,000
4	Giulio Slavich	CFO of AMB and Allianz Life	1,050,001-1,100,000	250,001-300,000	150,001-200,000	250,001-300,000	350,001-400,000	2,100,001-2,150,000
5	Raymond Cheah Sin Beng	Chief Sales Officer of Allianz Life	750,001-800,000	0-50,000	550,001-600,000	0-50,000	150,001-200,000	1,500,001-1,550,000

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board and AC are chaired by different Directors. The AC is chaired by Peter Ho Kok Wai, who is an INED of the Company, while the Chairman of the Board is Zakri Bin Mohd Khir. The requirement of this Practice has also been reflected in the Terms of Reference of the AC.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises the potential threats which may arise when a former key audit partner is in a position to exert significant influence over the audit and preparation of the Company's financial statements.</p> <p>The Board Charter stipulates that a former key audit partner of the Group's shall not be appointed as a member of the AC unless a cooling-off period of two years has been observed prior to his/her appointment.</p> <p>As at 31 December 2023, none of the AC members were former key audit partners of the Group.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board and the AC place great emphasises on suitability, objectivity and independence of the Group's external auditors.</p> <p>In line with AC's responsibility to review and appoint/reappoint the external auditors, AC reviewed the performance assessment of PricewaterhouseCoopers PLT ("External Auditors") including its engagement partner ("EP") and concurring partner ("CP"), based on the criteria prescribed by the relevant authorities, amongst others, the External Auditors' independence, the adequacy of its experience and resources, the level of knowledge, capabilities, experience and quality of previous work, level of engagement, ability to perform the audit work within the agreed timeframe, adequacy in audit coverage, effectiveness in planning and conduct of audit, ability to provide constructive observations and independence (collectively referred to as "Evaluation Criteria").</p> <p>In ensuring the independence of the external auditors, significant attention is also directed toward the appropriateness of the external auditors to perform services other than statutory/financial audit. The Group has in place the Policy on Audit and Non-Audit Services Provided by External Auditors ("Audit and Non-Audit Policy") to ascertain that the independence and objectivity of the external auditors are not compromised.</p> <p>The Audit and Non-Audit Policy sets forth the procedures with respect to the engagement of the external auditors to perform audit, audit-related and non-audit services for the Group. The Audit and Non-Audit Policy also stipulates the guidance on audit and non-audit services that may be undertaken by the external auditors as well as the prohibited services that may not be provided by the external auditors and the criteria and approval procedures in dealing with audit and non-audit services. The Audit and Non-Audit Policy is available under the CG section of the Company's website.</p> <p>The AC reviews the non-audit services rendered by the external auditors. The terms of engagement of the external auditors for their</p>

	<p>audit and non-audit services rendered are reviewed by the AC and approved by the Board.</p> <p>Further, the AC ensures that there is a rotation on the EP at least once in every five years in accordance with BNM’s Policy Document on External Auditors (“PDEA”), and rotation on the audit firm at least once in every ten years in line with Allianz SE Group’s practice based on European Union audit legislation.</p> <p>The process for appointment and re-appointment of the external auditors, EP and CP are as follows:-</p> <table border="1" data-bbox="560 595 1406 1025"> <tr> <td data-bbox="560 595 671 703">Step 1</td> <td data-bbox="671 595 1406 703">CFO and the Finance team evaluate the external auditors including its EP and CP using the Evaluation Criteria as prescribed by the relevant authorities.</td> </tr> <tr> <td data-bbox="560 703 671 775">Step 2</td> <td data-bbox="671 703 1406 775">Evaluation results of the CFO and the Finance team and their recommendation will be submitted to the AC.</td> </tr> <tr> <td data-bbox="560 775 671 920">Step 3</td> <td data-bbox="671 775 1406 920">AC assesses the performance of the external auditors including its EP and CP and deliberates on the evaluation and recommendation of the Finance Team, and submit its recommendation to the Board for consideration.</td> </tr> <tr> <td data-bbox="560 920 671 1025">Step 4</td> <td data-bbox="671 920 1406 1025">The Board evaluates the appointment/reappointment of external auditors and submits its recommendation to the shareholders for consideration.</td> </tr> </table> <p>Through the AC, the Board has established a formal and appropriate relationship with the external auditors. The AC meets the external auditors at least two times a year to review the audit plan, the audited financial statements and findings on internal control weaknesses. The AC also holds discussions with the external auditors without the presence of Management at least once annually, to allow external auditors to freely express concerns, problems and reservations, if any, arising from their audits.</p> <p>The external auditors are invited to attend the AGM of the Company to address the concerns of the shareholders in relation to the audited financial statements of the Group.</p> <p>The activities carried out by the AC for FY 2023 are set out in the AC Report of the IAR 2023.</p>	Step 1	CFO and the Finance team evaluate the external auditors including its EP and CP using the Evaluation Criteria as prescribed by the relevant authorities.	Step 2	Evaluation results of the CFO and the Finance team and their recommendation will be submitted to the AC.	Step 3	AC assesses the performance of the external auditors including its EP and CP and deliberates on the evaluation and recommendation of the Finance Team, and submit its recommendation to the Board for consideration.	Step 4	The Board evaluates the appointment/reappointment of external auditors and submits its recommendation to the shareholders for consideration.
Step 1	CFO and the Finance team evaluate the external auditors including its EP and CP using the Evaluation Criteria as prescribed by the relevant authorities.								
Step 2	Evaluation results of the CFO and the Finance team and their recommendation will be submitted to the AC.								
Step 3	AC assesses the performance of the external auditors including its EP and CP and deliberates on the evaluation and recommendation of the Finance Team, and submit its recommendation to the Board for consideration.								
Step 4	The Board evaluates the appointment/reappointment of external auditors and submits its recommendation to the shareholders for consideration.								
<p>Explanation for departure :</p>									
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>									
<p>Measure :</p>									

Timeframe	:		
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Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted								
Explanation on adoption of the practice	:	<p>The AC comprises wholly of INEDs. The composition of the AC as at 31 December 2023, is as follows:-</p> <table border="1"><thead><tr><th>Director</th><th>Composition</th></tr></thead><tbody><tr><td>Peter Ho Kok Wai</td><td>Chairman, INED</td></tr><tr><td>Goh Ching Yin</td><td>Member, INED</td></tr><tr><td>Gerard Lim Kim Meng</td><td>Member, INED</td></tr></tbody></table> <p>The roles and responsibilities of the AC are detailed in the Terms of Reference of the AC.</p>	Director	Composition	Peter Ho Kok Wai	Chairman, INED	Goh Ching Yin	Member, INED	Gerard Lim Kim Meng	Member, INED
Director	Composition									
Peter Ho Kok Wai	Chairman, INED									
Goh Ching Yin	Member, INED									
Gerard Lim Kim Meng	Member, INED									

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The composition of the AC is in compliance with the following requirements:-</p> <ul style="list-style-type: none">(a) Paragraph 15.09(1)(a) and (b) of the Listing Requirements which states that the AC must be composed of not fewer than three members and that all the AC members must be NEDs, with a majority of them being independent directors.(b) Paragraph 15.09(1)(c)(i) of the Listing Requirements which requires at least one member of the AC to be a qualified accountant.(c) Practice 9.1 of the Code that the Chairman of the AC is not the Chairman of the Board.(d) Step-up Practice 9.4 of the Code that AC comprises solely of independent directors. <p>The members of the AC are appointed by the Board, after taking into consideration the recommendations of the NRC. In determining the appropriate composition of the AC, the Board takes into consideration the necessary mix of skills and experience required for the AC to effectively discharge its responsibilities.</p> <p>The AC Chairman, Peter Ho Kok Wai is a Member of the Malaysian Institute of Accountants, Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Malaysian Institute of Certified Public Accountants. He has more than 35 years of auditing experience in a wide range of companies including public listed companies and multinationals, with particular emphasis in manufacturing, distribution and financial services. As the Chairman of AC, he is known to harness his wealth of financial, accounting and auditing experience in leading the AC.</p>

Goh Ching Yin, a member of AC, has led a rich career that spans 39 years in strategic leadership and management positions in capital market regulations, investment banking, regional business development, strategic consultancy, corporate recovery and insolvency, and auditing. He holds a Master of Business Administration from the Cranfield School of Management, Cranfield University in 1992.

Gerard Lim Kim Meng, a member of AC, has over 28 years' experience in the Technology, Media and Telecommunications sector with a proven track record in delivering digital solutions for some of the world's largest corporations and even serving within the Malaysian Government's machinery. With his vast experience in the information technology, he provides insight on the information technology related risk as well as enhancement to the internal control in respect thereto. He holds an Executive Master of Business Administration from Open University Malaysia in 2012 and a certificate in Big Data Business Analytics from Harvard Business School in 2017.

The profiles of the members of the AC are set out in the IAR 2023.

Collectively, the AC has a wide range of necessary skills, experience and expertise from a wide variety of industries and background to undertake its duties and responsibilities.

The INEDs fulfilled the criteria of independence as defined in the Listing Requirements. None of the AC members are directly responsible for, or part of any committee involved in, the management functions of the Group.

The NRC conducts an annual assessment on the performance and effectiveness of AC. The Board were satisfied that the AC members have the required skills and competencies to discharge its duties and responsibilities as well as discharge its functions and duties in accordance with the Terms of Reference of the AC.

In addition, in view of the important role of the AC in ensuring that there are adequate checks and balances within the operations of the Group, all AC members, either individually or collectively, are also expected to be familiar with areas included in the scope of internal audits, including risk management, underwriting, investment and claims management.

The members of the AC continuously keep abreast to the relevant development of accounting and auditing standards and practices.

During the FY 2023, the AC members attended various conferences, seminars and training programmes to keep themselves abreast of relevant developments in accounting standards. The list of training programmes, seminars and conferences attended by the members of the AC is set out in Practice 1.5 of this CG Report.

	The roles and responsibilities of the AC are detailed in the Terms of Reference of the AC. The activities carried out by the AC for FY 2023 are set out in the AC Report in the IAR 2023.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is fully committed to ensure that effective risk management and internal control systems are in place within the Group and continuous reviews are undertaken to ensure adequacy and integrity of these systems. While such systems are designed to safeguard shareholders' investments and the Group's assets, they can only mitigate rather than eliminate the risk of failure to achieve the business objectives of the Group. These systems, by their nature, can only provide reasonable but not absolute assurance against material misstatement or loss.</p> <p>The Board has established an on-going process for identifying, evaluating and managing the significant risks encountered by the Group in achieving its business objectives. The process, which is reviewed and updated from time to time to cater for changes in business environment, has been in place throughout FY 2023.</p> <p>The Group has in place a Risk Management Framework Manual ("RMFM") for all companies within the Group. The RMFM outlines the guiding principles of the risk management approach, structure, roles, responsibilities, accountabilities, reporting requirements as well as the risk identification, evaluation and monitoring process of the Group. It is designed to formalise the risk management functions and practices across the Group and to increase awareness of the Group's employees to risk identification, measurement, control, on-going monitoring and reporting.</p> <p>The RMFM is in compliance with the relevant requirements of the guidelines and/or policies issued by BNM and Allianz SE Group.</p> <p>The overview of the risk management and internal controls framework of the Group is detailed in the SORMIC set out in the IAR 2023.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The RMC drives the risk management framework of the Group and reports quarterly to the Board on its recommendations and/or decisions.</p> <p>The Risk Management Working Committee ("RMWC") is established at the Management level and serves as a platform for two-way communications between the Management and the RMC on matters relating to risk strategy and management. Through the quarterly reporting from RMWC, the RMC consolidates the status of the risks and presents them to the respective Boards of the Group for consideration.</p> <p>The Governance and Control Committee ("GovCC") supports the Management to fulfil its responsibilities with respect to regulatory governance, organisational and control requirements. The GovCC also provides a platform for structured and institutionalised interaction and collaboration on cross functional and control related topics to facilitate a consistent approach in terms of processes, methodologies, assessments, materiality and others. GovCC members consist of senior management from governance and operation functions. The GovCC reports to the respective Senior Management Committees on governance and internal control system related matters.</p> <p>Risk management is considered and managed as part of the daily process of managing and directing the business. These include the implementation of a limit system, various frameworks, manuals and policies.</p> <p>The Group identifies and remediates significant threats to financial results, operational viability or the delivery of key strategic objectives, regardless of whether they relate to quantifiable or non-quantifiable risks using the approved Top Risk Assessment. The identified top risks are assessed quarterly by the assigned risk owners; and the same are reviewed by the RMWC and the RMC and approved by the Board. Key risk indicators are also put in place to monitor changes in risk exposure or control effectiveness for the top risks on a quarterly basis.</p>

	<p>The features of the Group’s risk management and internal control system are reported in the SORMIC, set out in the IAR 2023.</p> <p>Based on the Board’s review through the various Board Committees, external auditors’ limited assurance review and the assurance and reports from the Management, the Board is of the view that the system of internal control and risk management of the Group is sound and sufficient to safeguard shareholders’ investments and the Group’s assets.</p>	
Explanation for departure :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted										
Explanation on adoption of the practice	:	<p>The Group had established a RMC, which comprises exclusively INEDs.</p> <p>The composition of the RMC as at 31 December 2023, is as follows:-</p> <table border="1"><thead><tr><th>Director</th><th>Composition</th></tr></thead><tbody><tr><td>Lim Tuang Ooi</td><td>Chairman, INED of Allianz General</td></tr><tr><td>Dr. Muhammed Bin Abdul Khalid</td><td>Member, INED</td></tr><tr><td>Peter Ho Kok Wai</td><td>Member, INED</td></tr><tr><td>Goh Ching Yin</td><td>Member, INED</td></tr></tbody></table> <p>Wee Lay Hua, INED of Allianz General, has been appointed as Member of RMC in place of the existing member, Goh Ching Yin, with effect from 1 January 2024.</p> <p>The roles and responsibilities of the RMC are detailed in the Terms of Reference of the RMC.</p>	Director	Composition	Lim Tuang Ooi	Chairman, INED of Allianz General	Dr. Muhammed Bin Abdul Khalid	Member, INED	Peter Ho Kok Wai	Member, INED	Goh Ching Yin	Member, INED
Director	Composition											
Lim Tuang Ooi	Chairman, INED of Allianz General											
Dr. Muhammed Bin Abdul Khalid	Member, INED											
Peter Ho Kok Wai	Member, INED											
Goh Ching Yin	Member, INED											

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>While the Board is responsible to ensure the establishment of an effective Internal Audit function, the oversight of the function is delegated to the AC. The AC through the Internal Audit function assists the Board to assess the effectiveness and adequacy of the Group's internal control system.</p> <p>The AC oversees the effectiveness of the internal audit function of the Group, among others:-</p> <ul style="list-style-type: none"> (i) reviewing and approving the internal audit plan including, among other, audit scope, procedures and frequency; (ii) reviewing the results of the internal audit assessment or investigation undertaken or key audit reports and ensuring that senior management is taking necessary corrective actions in a timely manner to address control weaknesses, non-compliance with laws, regulatory requirements, policies and other problems identified by the internal audit and other control functions; (iii) ensuring the adequacy of the scope, budget, competency and resources of the internal audit functions and has the necessary authority to carry out its work; and (iv) reviewing the appointment, performance evaluation, transfer, succession planning and removal of the Group Head of IAD. <p>The activities carried out by the AC for FY 2023 in its oversight of the Internal Audit function are set out in the AC Report of the IAR 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	<p>The internal audit function of the Company is carried out by the IAD, which is independent of business operations. The IAD reports directly to the AC and to the CEO administratively.</p> <p>The primary objective of the IAD is to assist the Management, AC and the Boards of the Group in the effective discharge of their responsibilities. This is performed through the independent assessment and appraisal of the internal controls and the evaluation of the effectiveness of risk management system and CG process of the Group to ensure that organisational and management controls are adequate and effective, in line with the Group's goals. These audits and assessment reviews are performed in line with the BNM's guidelines with regard to Internal Audit, International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors ("IIA") and other relevant practices or guidelines from Allianz SE Group Audit. It includes promoting and recommending cost effective controls for safeguarding the Group's assets and minimising the opportunities for error and fraud.</p> <p>During FY 2023, the IAD carried out its duties in accordance with its Audit Charter and the Group's Internal Audit Plan 2023. All internal audit reports which incorporated the Management of the respective companies' responses and action plans were tabled for discussion at AC Meetings.</p> <p>All internal audit personnel had confirmed via annual declaration to the Group Head of IAD that they were free from any relationship or conflict of interest, which could impair their objectivity and independence for internal audit activities carried out for FY 2023. The Group Head of IAD has provided assurance to the AC via the annual declaration of independence for FY 2023 that the internal audit activities carried out during the year has complied with the independence requirements of the IIA and other relevant practices or guidelines from Allianz SE Group Audit and there was no contravention of any applicable code of professional conduct in relation to the audit activities.</p>

	<p>Ng Siew Leng (“Janny”), the Group Head of IAD is responsible for the internal audit function of the Group. She is qualified under the Chartered Institute of Management Accountants. Janny relinquished her position as Group Head of IAD with effective 31 December 2023. This is in line with the compulsory rotation requirement for all Heads of Internal Audit within Allianz SE Group as stipulated in the Allianz SE Group’s Audit Policy on the Fitness and Proprietary of internal auditors, where the tenure of internal audit function holders shall be limited to 8 years in order to enhance independence and objectivity, and to avoid potential conflict of interest.</p> <p>Effective 1 January 2024, Narayana Samy Naidu Renugopal, the Deputy Head of IAD, was appointed as the successor of Janny to assume the position as Group Head of IAD. He holds a Degree in Technology Management (Finance) from University Technology Malaysia and has 23 years of audit experience with more than 17 years in insurance industry.</p> <p>There was a total of 15 internal auditors, including the Group Head of IAD as at 31 December 2023. All internal auditors have completed tertiary education in the relevant fields related to the business of the Group and the level of expertise and professionalism within IAD at as 31 December 2023, as follows:-</p> <table border="1" data-bbox="555 1048 1409 1346"> <thead> <tr> <th>Expertise</th> <th>Percentage of total internal auditors (%)</th> </tr> </thead> <tbody> <tr> <td>Finance</td> <td>80.00</td> </tr> <tr> <td>IT</td> <td>12.00</td> </tr> <tr> <td>Business/Economics</td> <td>73.00</td> </tr> <tr> <td>Marketing</td> <td>66.00</td> </tr> <tr> <td>General/Others</td> <td>80.00</td> </tr> <tr> <td colspan="2">Post Graduate</td> </tr> <tr> <td>MBA and Masters</td> <td>6.00</td> </tr> </tbody> </table> <p>Internal Auditors are encouraged to take Certified Internal Auditor (“CIA”) and/or Certified Information System Auditor (“CISA”) examinations. Internal Auditors are provided with incentives such as study leave, reimbursement of registration/examination fees, study materials, review course fees and adjustment of remuneration upon passing of examination.</p> <p>As at 31 December 2023, 33% of the Internal Auditors are certified with CISA and CIA.</p> <p>Annually, IAD performs Self-Assessment Review which is designed to evaluate its audit activity’s efficiency, effectiveness and identifies opportunities for improvements. For 2023, the overall performance of the IAD was rated “Satisfactory”.</p>	Expertise	Percentage of total internal auditors (%)	Finance	80.00	IT	12.00	Business/Economics	73.00	Marketing	66.00	General/Others	80.00	Post Graduate		MBA and Masters	6.00
Expertise	Percentage of total internal auditors (%)																
Finance	80.00																
IT	12.00																
Business/Economics	73.00																
Marketing	66.00																
General/Others	80.00																
Post Graduate																	
MBA and Masters	6.00																
<p>Explanation for departure</p>	<p>:</p>																

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

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the need for shareholders and other stakeholders to be informed of all material information affecting the Group and is committed to maintain transparency and accountability to all of its shareholders and stakeholders.</p> <p>In maintaining the commitment to effective communication with shareholders and stakeholders, the Company adopts the practice of comprehensive, accurate and timely disclosures of information to its shareholders as well as to the general investing public in accordance with the requirements of the Listing Requirements, to enable them to make informed investment decisions.</p> <p>The Board is mindful that timely and easy accessibility to information are crucial for the shareholders and stakeholders to make informed decisions. The Group has leveraged on information technology to disseminate information where all levels of stakeholders are able to access information more effectively and conveniently. The communication avenues, among others, are stated below:-</p> <p>(i) Quarterly Financial Results</p> <p>Information in respect of the Group's financial results, business review, future prospect, corporate exercises and other material information in relation to the development of the Group are disclosed in the quarterly financial results ("Quarterly Report") of the Group.</p> <p>Immediately following the release of the Quarterly Report to Bursa Malaysia, a press release in respect thereto will be issued by the Group. The Quarterly Report, press release and analysts briefing presentation are subsequently published on the Company's website.</p>

	<p>(ii) Audited Financial Statements and Annual Report</p> <p>The Company's audited financial statements is released to Bursa Malaysia within 60 days from the financial year end and made available on the Company's website.</p> <p>The Group's Annual Report provides a comprehensive report on, among others, the Group's audited financial statements, review of the operational and financial performance, business development and strategy, industry outlook and future prospects, corporate responsibility activities and sustainability development, risk management and internal control activities and CG development.</p> <p>The Company embarked on integrated reporting journey since 2021 to provide a more concise, connected and transparent reporting of the Group's objectives, strategies and performance. The Company has issued its inaugural integrated report for FY 2023.</p> <p>(iii) Corporate Announcements</p> <p>Corporate announcements contain material information that may affect the interest of the shareholders and other announcements as may be required by the Listing Requirements will be released to Bursa Malaysia on a timely manner. Such announcements are also disseminated to senior management via email and made available on the Company's website immediately after released to Bursa Malaysia at www.allianz.com.my/bursa-announcements.</p> <p>(iv) Investor Relations</p> <p>The CEO, CFO and COO of the Company holds quarterly briefings for fund managers and research analysts to report on the quarterly performance, business development and progress of the Group. Such briefings are normally conducted on the next working day after the release of the Group's Quarterly Report to Bursa Malaysia.</p> <p>The quarterly briefings also serve as a platform of dialogue between the stakeholders (such as representatives from shareholders, fund managers and research analysts) with the senior management of the Group, where they are able to raise questions and seek clarification from the senior management on pertinent issues relating to the Group.</p> <p>In order to ensure that shareholders and investing public have equal access of the presentation slides for the briefings, the presentation slides are published on the Company's website</p>
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	<p>immediately after the Group released its Quarterly Report to Bursa Malaysia.</p> <p>In addition, the Group also engages with the stakeholders to provide training on International Financial Reporting Standard 17.</p> <p>(v) Designated Person to handle Investor Relations</p> <p>The Group Corporate Communications Department manages the relationship between the Group and its stakeholders and controls the flow of information in relation to strategy, financial, communication and marketing of the Group.</p> <p>The Group encourages enquiries and feedback through the Investor Relations platform. Any enquiries with regard to investor relations matters can be referred to the following designated person of investor relations:-</p> <div data-bbox="644 864 1398 1066" style="border: 1px solid black; padding: 5px;"> <p>Shamala Gopalan Group Head of Corporate Communications Tel : 03-2264 1157 E-mail : shamala.gopalan@allianz.com.my or InvestorRelations@allianz.com.my</p> </div> <p>(vi) Press Releases</p> <p>Press releases on corporate developments and initiatives are also issued by the Group to provide all stakeholders with the up-to-date information in respect of the Group.</p> <p>Media activities and interviews are also initiated to provide wider publicity and understanding of the Group's business activities and strategies.</p> <p>(vii) Website (www.allianz.com.my)</p> <p>The Company's website provides the avenue for all stakeholders to access information in relation to the Group, covering the areas of business products, services, corporate responsibility initiatives, investment fund resources, annual reports announcements released to Bursa Malaysia, press releases, financial statements of the Group, presentations made during the analyst briefings and AGM as well as minutes of AGM.</p> <p>In addition, a 'Contact Us' section is also provided on the website for visitors to reach out to various assistance and support channels.</p>
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	<p>The Company continues to review and make improvements to its website to ensure that information is relevant, updated and easily accessible.</p> <p>(viii) Social Media Platforms</p> <p>The Group's social media platforms are other avenues for the Group to engage with all stakeholders in an interactive way. Through these platforms, latest information and updates on the Group are made available to all stakeholders. These avenues also allow customers or the general public to post their opinions, reviews, comments, suggestions and feedback to the Group. The following social media platforms are available for stakeholders:-</p> <ul style="list-style-type: none"> (a) facebook.com/AllianzMalaysia (b) linkedin.com/company/allianz-malaysia-berhad (c) instagram.com/allianzmalaysia (d) youtube.com/allianzmalaysia (e) tiktok.com/@allianzmalaysia <p>Despite having various communication avenues, the Chairman also encourages feedback from all stakeholders and this can be done via e-mail at zakri.mohdkhir@allianz.com.my.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

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

Practice 12.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company embarked on integrated reporting journey since 2021 to provide a more concise, connected and transparent reporting of the Group’s objectives, strategies and performance. The Company has issued its inaugural integrated report for FY 2023.</p> <p>Recognising the ever-evolving landscape of corporate reporting, the Company is dedicated to actively pursuing continuous improvements in the future Integrated Annual Report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The shareholders were notified of the 49th AGM either by email or hardcopy letter sent to them on 28 April 2023 (“Notification”), 53 clear days prior to the 49th AGM held on 22 June 2023. The shareholders were also informed through the Notification that the Notice of 49th AGM along with the following documents were made available on the Company’s website at www.allianz.com.my/investor-updates, to enable them to evaluate the resolutions tabled at the AGM as well as to make the necessary arrangement to attend AGM:-</p> <ul style="list-style-type: none">(i) Annual Report 2022;(ii) Circular to Shareholders on the Proposed Renewal of Shareholders’ Mandate and Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature;(iii) CG Report 2022;(iv) Form of Proxy; and(v) Administrative Details for the 49th AGM. <p>The Notice of 49th AGM dated 28 April 2023 was accompanied by explanatory notes for each resolution proposed, to allow shareholders to make informed decisions in exercising their voting rights. The notice of AGM was also advertised in the local English newspapers, namely New Straits Times for Peninsular Malaysia and The Borneo Post for East Malaysia.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>All Directors of the Company, the Chairmen of the Board Committees, senior management comprising the CEO and CFO of the Company and its subsidiaries, Heads from various Departments and the External Auditors, are invited to the AGM to engage directly with the shareholders and to address concerns that may be raised by the shareholders.</p> <p>Barring any unforeseen circumstances, the Directors of the Company and the Chairmen of the Board Committees are committed to attend the AGM.</p> <p>Save for Anusha A/P Thavarajah who was unable to attend the 49th AGM due to family emergency, all other Directors of the Company, Chairmen of AC, NRC and RMC as well as the respective CEOs and CFO of the Group, attended the 49th AGM held virtually on 22 June 2023. Their presence at the AGM provides opportunities for shareholders to engage and raise questions directly with the Directors.</p> <p>Shareholders are encouraged to raise questions or seek clarification pertaining to the operations, financial and business-related issues and any other related matters to the agenda of the AGM.</p> <p>The questions received from the members and proxies (collectively referred to as "Participants") during the AGM were responded by the Chairman, CEOs, CFO and Company Secretary during the questions and answers session.</p> <p>Questions that have not been answered during the 49th AGM were subsequently addressed through the publication of the entire questions and answers on the Company's corporate website.</p> <p>Suggestions received from the shareholders during the AGM, where applicable, will be evaluated and considered for implementation by the Board.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The 49th AGM of the Company was held virtually from the broadcast venue, Aloft Kuala Lumpur Sentral on 22 June 2023 via Remote Participation and Voting facilities (“RPV”), which were available at Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”)’s TIIH Online website at https://tiih.online.</p> <p>Tricor has implemented an Information Technology policy and Information Security policy, endpoint controls, data classification for cyber hygiene practices of their staff. Stress test and penetration testing have been performed on TIIH Online to test its resiliency. In order to provide further assurance to the public, Tricor was ISO27001 certified. In addition, the TIIH Online is hosted on a secure cloud platform and the data centre is ISO27001 certified.</p> <p>Shareholders were invited to exercise their right to attend, participate and vote at the meeting remotely by using the RPV facilities. With participation through live streaming, the participants may vote remotely on the resolutions at any time from the commencement of the 49th AGM until the end of the voting session announced by the Chairman of the Meeting and transmit question through query box.</p> <p>The 49th AGM poll results were validated by Mega Corporate Services Sdn Bhd, the independent scrutineer appointed by the Company. Upon the completion of poll results validation, the Chairman of 49th AGM declared that all resolutions were carried.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Participants were given opportunities to submit questions to the Company since the issuance of the Notice of 49th AGM on 28 April 2023, via Tricor's TIIH Online website, or email to InvestorRelations@allianz.com.my. Alternatively, the Participants could also submit their questions through RPV during the 49th AGM.</p> <p>At the commencement of the 49th AGM, the Chairman, Zakri Bin Mohd Khir, briefed the Participants present virtually at the 49th AGM on the meeting procedures, including their rights to ask questions and vote on the resolutions set out in the Notice of the 49th AGM.</p> <p>The 49th AGM was conducted via RPV which facilitates real-time interaction of Participants with the Board and senior management comprising the respective CEOs of the Group. The questions posed by Participants prior to and during the AGM were projected on the screen to all Participants during the meeting and responded by the Board and senior management comprising the respective CEOs and CFO of the Group.</p> <p>The key proceedings of the 49th AGM were as follows:-</p> <ul style="list-style-type: none">(i) Opening remarks by the Chairman;(ii) Introduction of Board members, CEOs, Company Secretary, and External Auditors present at the broadcast venue;(iii) Pre-recorded video presentation on poll voting procedures;(iv) Presentation by the CFO of AMB and Allianz Life on 2022 financial highlights of the Company and its insurance subsidiaries;(v) Presentation by the CEOs on the highlights of the life and general insurance business and how the Group embed sustainability into its business;(vi) Presentation by the CFO of AMB and Allianz Life on the financial results of the Company as of 31 December 2022 and first quarter of 2023 following the implementation of Malaysian Financial

	<p>Reporting Standards (“MFRS”) 9 – Financial Instruments and MFRS 17 – Insurance Contracts;</p> <p>(vii) Tabling of Ordinary Resolutions (1) to (8);</p> <p>(viii) Questions and Answers session;</p> <p>(ix) Voting and poll results; and</p> <p>(x) Verification of poll results by the scrutineer.</p> <p>Following the 49th AGM, the questions received from the Participants prior and during the 49th AGM together with the Company’s responses thereto, minutes of the 49th AGM detailing the meeting proceedings were published on the Company’s website.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company engaged Tricor as the Poll Administrator who had also provided the RPV service for the 49th AGM. Tricor is an experienced online meeting platform provider which had delivered satisfactory service and coordinated smooth proceedings for the Company in the 49th AGM.</p> <p>The 49th AGM was held virtually via RPV via Tricor's TIH Online website at https://tiah.online.</p> <p>The RPV service provided by Tricor facilitates real-time interaction of Participants with the Board and the respective CEOs and CFO of the Group. The questions posed by Participants prior to and during the AGM were projected on the screen to all Participants during the meeting and responded by the Board and the respective CEOs and CFO of the Group.</p> <p>The participation during the 49th AGM was encouraging with a total of 304 members and proxies, representing approximately 80.77% of the total issued ordinary shares of the Company, registered via RPV at the 49th AGM.</p> <p>The questions and answers session served as an opportunity for the Participants to interact with the Board and the respective CEOs of the Group. Majority of the questions received from the Participants during the 49th AGM were relating to the Group's business and performance.</p> <p>Participants were allowed to submit questions in relation to the agenda items for the 49th AGM prior to the 49th AGM via email or Tricor's TIH, Alternatively, Participants could use the query box to transmit questions via RPV during live streaming of the 49th AGM.</p>

	<p>The Chairman and the Management had during the 49th AGM, addressed the questions received from shareholders and proxies before the 49th AGM and questions submitted during the 49th AGM.</p> <p>The entire questions and answers, including those questions which were not answered during the 49th AGM had been published on the Company's website.</p> <p>The Participants of the 49th AGM were allowed to proceed to vote remotely on the resolutions at any time from the commencement of the 49th AGM until the end of the voting session, as announced by the Chairman. After closure of poll voting process, the poll results upon validation by Mega Corporate Services Sdn Bhd, the independent scrutineer appointed by the Company, were displayed on the screen for the information for the Participants.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The Minutes of the 49th AGM, held virtually on 22 June 2023 together with the following were uploaded on the Company's website under Investor Updates section on 28 July 2023, 24 business days from the date of the 49th AGM: (i) Presentation material at the 49th AGM; (ii) Questions received before and during the 49th AGM, and responses thereto; (iii) Poll results of the 49th AGM; and (iv) Recorded webcast of the 49th AGM.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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

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