

CORPORATE GOVERNANCE REPORT

STOCK CODE : 1163
COMPANY NAME : ALLIANZ MALAYSIA BERHAD
FINANCIAL YEAR : December 31, 2021

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 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.

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 is accountable to the shareholders and therefore should use its best effort to ensure that Allianz Malaysia Berhad ("AMB" or "Company") is properly managed and constantly improved to deliver 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 stewardship and social considerations.</p> <p>The Board deliberated on a 3-year business plan for 2022 to 2024 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 2021. On a quarterly basis, the Board reviews the status of the Business Plan and its deliveries.</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>The Chief Executive Officer ("CEO") is supported by the senior management and management committees in discharging the day-to-day management of the business and operations of the Company and its subsidiaries ("Group").</p>

	<p>To ensure effective oversight of business and operations of the Group, the CEO of the Company who is also the Country Manager of Allianz in Malaysia receives monthly management report 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”) will report to the Board on the financial performance against the key performance indicators set 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 Report.</p> <p>(iv) Succession planning, including the appointment, training, remuneration and performance review of senior management</p> <p>The Nomination and Remuneration Committee (“NRC”) is responsible to oversee 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,</p>
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	<p>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”) of the Annual Report 2021.</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 review or verify the data/information by Finance, Legal or other relevant Departments of the Group, as and when is necessary. The announcements were counter approved by the CEO and/or CFO prior to the same be 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> <p>(vii) Promote sustainability through appropriate economic, environmental, social and governance (“ESG”) considerations in business strategies</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 ESG impacts on its stakeholders. A Local ESG Board, comprising top management, is responsible for the Company’s decision-making related to ESG matters, taking guidance through discussion and deliberation with the Board.</p>
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	<p>The Company is guided by Allianz SE Group’s industry-leading practices, encompassing its approach to climate, social inclusion, and good governance across its roles as a business, employer, and corporate citizen. During the financial year (“FY”) 2021, Allianz SE Group have been recognised as the world’s most sustainable insurer in the Dow Jones Sustainability Index (DJSI) Rating 2021. The Company 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. For example, business guidelines relating to coal-based business models have been revised in consideration of climate commitments to rapidly decarbonise in alignment with global warming of well below 2°C compared to pre-industrial levels. Given the evolving nature of sustainability topics, the Company is able to leverage on knowledge, expertise, and best practices from across Allianz SE Group for local application.</p> <p>The Group’s sustainability structure and its initiatives for 2021 are elaborated further in the Progressing Our Sustainability Agenda of the Annual Report 2021.</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 time, 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 Report.</p> <p>During FY 2021, the Company has the pleasure to receive the following awards from MSWG-ASEAN CG Award 2020:-</p> <p>(i) Ranked sixth among the top 100 companies for CG disclosure under the Excellence Award for CG Disclosure; and</p>
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	<p>(ii) Ranked third under the Industry Excellence Award for financial services sector.</p> <p>The detailed responsibilities of the Board are detailed 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>	
<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

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 Tan Sri Datuk (Dr.) Rafiah Binti Salim who has extensive years of experience in legal, human resource, banking, academic, regulator, at the local and international levels.</p> <p>Tan Sri Datuk (Dr.) Rafiah Binti Salim actively and constructively participates in the deliberation of all matters brought to the attention of the Board/Board Committees and provides sound and practical advice or suggestion, where applicable. Tan Sri Datuk (Dr.) Rafiah Binti Salim has also demonstrates that:-</p> <ul style="list-style-type: none">(i) Tan Sri Datuk (Dr.) Rafiah Binti Salim's 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) Tan Sri Datuk (Dr.) Rafiah Binti Salim is socially adept. She understands the dynamics of the Board and maintains good relationship with the Board members as well as with the Management.(iii) From her extensive experience in legal, human resource, banking, academic, regulator, at the local and international levels held previously especially on her insights of being a regulator, she is able to provide necessary guidance and lead the Company to greater height. <p>Tan Sri Datuk (Dr.) Rafiah Binti Salim is a champion for the cause of gender equality and women's empowerment. She provides necessary advice to and shares insights with the women employees of the Group. She is also a strong supporter of the Company's corporate responsibility and sustainability initiatives.</p> <p>Tan Sri Datuk (Dr.) Rafiah Binti Salim has expressed her intention to retire at the conclusion of the 48th Annual General Meeting ("AGM"), after serving the Board for almost ten years. As part of the succession planning, the Board had approved the appointment of Zakri Bin Mohd</p>

	<p>Khir, as the new Chairman of the Board to succeed Tan Sri Datuk (Dr.) Rafiah Binti Salim.</p> <p>The roles of the Chairman are detailed in the Board Charter which is available 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

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 Chairman plays a crucial leadership and pivotal role in ensuring that the Board works effectively. The CEO oversees the execution of the Group's strategy and is responsible for the day-to-day running of the business. 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.</p> <p>The positions of Chairman of the Board and the CEO are held by two different individuals. The Chairman of the Company is Tan Sri Datuk (Dr.) Rafiah Binti Salim, while the CEO position of the Company is held by Zakri Bin Mohd Khir during FY 2021.</p> <p>Upon the retirement of Zakri Bin Mohd Khir on 31 December 2021, Wang Wee Keong has been appointed as the CEO of the Company with effect from 1 January 2022.</p> <p>The respective roles and responsibilities of the Chairman and CEO are detailed in the Board Charter which 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

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	: Departure
Explanation on application of the practice	:
Explanation for departure	: <p>The AC and the NRC consist of three members respectively, exclusively Non-Executive Directors with majority being independent. The said Board Committees are chaired by an Independent Non-Executive Director ("INED") respectively in accordance with their Terms of Reference.</p> <p>Tan Sri Datuk (Dr.) Rafiah Binti Salim, the Chairman and Non-Independent Non-Executive Director ("NINED") of the Board, is currently a member of the AC and the NRC.</p> <p>Pursuant to the Board Charter of the Company, Tan Sri Datuk (Dr.) Rafiah Binti Salim was redesignated as a Non-Independent Non-Executive Chairman and Director on 23 November 2021, upon serving a consecutive period of nine years in the Company.</p> <p>As mentioned in Practice 1.3 above, the roles and responsibilities of the Chairman are guided by the Board Charter, which among others, should build a high performance board by promoting the highest standards of integrity, probity and CG in the Company and taking a leading role in creating an effective CG system. Further, the evaluation on the Board Chairman's role is conducted annually by the Board members on the Chairman and its result will be submitted to the NRC and the Board for deliberation.</p> <p>The decision-making processes of the AC and the NRC are made collectively following the respective Terms of Reference, hence it does not promote dominant influence by any individual member of the said committees.</p> <p>The Board comprehends the possibility of self-review risk and continues to ensure objectivity in deliberating on the observations and recommendations put forth by the AC and the NRC.</p>

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

Measure	:	<p>Tan Sri Datuk (Dr.) Rafiah Binti Salim has expressed her intention to retire at the conclusion of the 48th AGM, after serving the Board for almost ten years.</p> <p>The Board has already intensified its effort to source for suitable candidates to be appointed as a member of the Board, AC and NRC, and is confident that the Company will be able to comply with this Practice by third quarter of 2022.</p>	
Timeframe	:	Within 1 year	

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 Company Secretary of the Group, Ng Siew Gek, is qualified to act as a company secretary under 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>The Company Secretary also assists in Directors' training and development based on the areas of training recommended by the NRC and approved by the Board. Save for the training programmes organised by the Company, the Directors also attended external programmes.</p> <p>During FY 2021, the NRC reviewed the training needs of the Directors and identified relevant training programmes for the Directors.</p> <p>The training programmes, seminars and conferences attended by the Directors of the Company as at 31 December 2021, were as follows:-</p>

Tan Sri Datuk (Dr.) Rafiah Binti Salim

- Institute of Corporate Directors Malaysia (“ICDM”) - Launch of The Malaysia Board Diversity Study & Index
- Bank Negara Malaysia (“BNM”) - Financial Institutions Directors' Education (“FIDE”) FORUM-MASB Dialogue on Malaysian Financial Reporting Standard (“MFRS”) 17 Insurance Contracts: What Every Director Must Know
- Unifying Insurance and Takaful – Value Based Protection
- BNM-FIDE Dialogue: The Role of Independent Directors in Embracing Present and Future Challenges
- MFRS 17 Insurance Contract (General Insurance) by KPMG PLT

Goh Ching Yin

- 1st Distinguished Board Leadership Webinar: Rethinking Our Approach to Cyber Defence in Financial Institutions
- Recent Changes in the Transfer Pricing Landscape
- FIDE FORUM’s Board Effectiveness Evaluation Industry Briefing (Session 1)
- BNM-FIDE Forum-MASB Dialogue on MFRS 17 Insurance Contracts: What Every Directors Must Know
- Unifying Insurance and Takaful - Value Based Protection
- The Future of Healthcare and Long-term Investing
- BNM-FIDE Forum Dialogue on The Role of Independent Director in Embracing Present and Future Challenges
- Updates MFRS 17 Insurance Contract (General Insurance) by KPMG PLT
- Data Analytic Tools for Management for Fraud by KPMG Consulting (Malaysia) Sdn Bhd
- MFRS 17 Insurance Contract (Life Insurance) by KPMG PLT
- Malaysian Code on Corporate Governance (updated in 2021) by KPMG Management & Risk Consulting Sdn Bhd
- Beyond Pandemic & Politics: Behold Southeast Asia & the World

	<ul style="list-style-type: none"> • Invest ASEAN 2021 – Aseanrising: The Next Decade • BNM-FIDE FORUM Dialogue: Risk-Based Capital Framework for Insurers and Takaful Operators • Business Foresight Forum 2021: Transformative Innovation Reshaping Business Realities in Extraordinary Times • Protecting Against the Changing Cybersecurity Landscape: Rising to the Challenge of COVID-19 & Redesigning Cybersecurity • Cyber Security Awareness Program for Directors • Annual Dialogue with Governor of BNM <p>Tunku Zain Al-'Abidin Ibni Tuanku Muhriz</p> <ul style="list-style-type: none"> • Unifying Insurance and Takaful - Value Based Protection • MFRS 17 Insurance Contract (General Insurance) by KPMG PLT • Data Analytic Tools for Management for Fraud by KPMG Consulting (Malaysia) Sdn Bhd • The BNM and Securities Commission (“SC”) Finance for Change Conference: Sustainable Finance for the Private Sector • Malaysian Code on Corporate Governance (updated in 2021) by KPMG Management & Risk Consulting Sdn Bhd • The Institute of Diplomacy and Foreign Relations (“IDFR”) Economic Diplomacy Series: Malaysia – China Economic Relations: Opportunities and Challenges’ • IDFR Forum: Post-COVID World: Mind the Gaps!’ • Khazanah Megatrends Forum (KMF) 2021 • Cyber Security Awareness Program for Directors <p>Peter Ho Kok Wai</p> <ul style="list-style-type: none"> • Demystifying ESG and Sustainable Finance in Malaysia • Cyber Security Awareness • Developing Inclusive Leaders: Tips for Success • 2020 Personal Tax Filing: Maximizing your savings • Corporate Tax Submission: Essential Considerations
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	<ul style="list-style-type: none"> • Sustainable Finance: Making better financial decisions • World Sales Tax & Service Tax: The Journey So Far • FinTech-Talk Series, the Evolution of Financial Technology: The Transformation of Digital Technology - Challenges and Opportunities • Unifying Insurance and Takaful - Value Based Protection • How Digitalisation and Data Analytics Can Help You do Wonders in Your Business • Implementing Amendments in the Malaysian Code on Corporate Governance • The Rise of AI and Its Impact on Strategy & Business • MFRS 17 Insurance Contract (General Insurance) by KPMG PLT • Doubling down on Corporate Governance Watch 2020 and Malaysian Code on Corporate Governance • Data Analytic Tools for Management for Fraud by KPMG Consulting (Malaysia) Sdn Bhd • Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”) and parallels with the UK offence and lessons learnt in the UK • MFRS 17 Insurance Contract (Life Insurance) by KPMG PLT • Towards A Comprehensive System of Corporate Reporting: Communication of Long-Term Value Creation • Malaysian Code on Corporate Governance (updated in 2021) by KPMG Management & Risk Consulting Sdn Bhd • Valuation of Early and Growth Stage Tech Companies • KPMG Board Leadership Center Exclusive: The New Reality of Cyber Hygiene • Overview of Cross-border Compliance Issues on Anti-Money Laundering (“AML”) Laws in Asia • AML Training
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- BNM-FIDE FORUM Dialogue: Risk-Based Capital Framework for Insurers and Takaful Operators
- Boardroom Webinar: Legacy Family Planning
- The Net Zero Journey: What Board Members Need to Know
- Understanding Sustainability and Climate Risks: A Series of Webinar to Future-proof your Business
- ESG Briefing by Synergio
- Tax Highlights of Malaysia's Budget 2022
- SC - FIDE Forum Dialogue on Capital Market Masterplan 3 by FIDE Forum
- KPMG Tax & Business Summit Day
- Conversation with Audit Committees
- Cyber Security Awareness Program for Directors
- Annual Dialogue with Governor of BNM
- Malaysia Budget 2022 - Tax Highlights & Their Implications

Gerard Lim Kim Meng

- In-House Orientation Programme for New Director
- Mandatory Accreditation Programme for Directors of Public Listed Companies
- Data Analytic Tools for Management for Fraud by KPMG Consulting (Malaysia) Sdn Bhd
- Malaysian Code on Corporate Governance (updated in 2021) by KPMG Management & Risk Consulting Sdn Bhd
- 5G Tech 2021: Key Industry Trends in Driving Major Disruption & Initiating 5G and the 4th Industrial Revolution (moderator and speaker)
- Cyber Security Awareness Program for Directors

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

	<p>support rendered by the Company Secretary to the Board in discharging her duties.</p> <p>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.</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

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 that there are timely and appropriate information flows to the Board and Board Committees, and between the Non-Executive Directors and the Management.</p> <p>Board Meetings for FY 2022 was scheduled in August 2021 and circulated to the Directors and Senior Management to accord sufficient time for the Directors to plan their meeting schedule. The Board meets regularly 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 stating 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 allow sufficient time for the respective departments to prepare and submit their proposal papers.</p> <p>In the effort to reduce carbon footprint, the Company adopted electronic Board and Board Committee papers since 2011. The meeting papers are uploaded to a secured file server designated specifically for the Directors, where the Directors are able to access to the e-meeting papers at any time.</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 the secured file server 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 may be tabled for the Board's and Board Committees' deliberation under a supplemental agenda approved by the Chairman.</p>

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.

In view of on-going effect of COVID-19 and for safety consideration, Board and Board Committee meetings have been conducted on a hybrid mode where options were offered to the Directors and other attendees to participate in the meetings virtually or physically, while necessary standard operating procedures were closely observed. In this regard, video conferencing facilities have been put in place to enable smooth conduct of meetings.

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 and Management, the decisions made at the Board Meetings are circulated to the Directors, CEO and the relevant project owners no later than two working days after the conclusion of the Board Meetings.

The proceedings of the Board and Board Committee Meetings are minuted to reflect the deliberations 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 established a Board Charter which encompasses, among others, the Board's role, duties, responsibilities, powers, code of conduct, division of responsibilities and powers between the Board and Management and between the Chairman and the CEO, the terms of reference of the Board Committees, 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 is reviewed periodically to ensure that it is in line with the internal and regulatory requirements as well as governance best practices. The Board Charter is also published on the Company's website.</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</p>

Company interacts. The responsibilities of the Board are explained in Practice 1.1 in this CG Report.

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 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 detailed in the Board Charter.

Roles and responsibilities of individual directors

An 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 2021, 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 NINEDs (Nominee Directors of Allianz SE) act as a bridge between the Management and stakeholders, particularly major shareholder. They can provide the relevant checks and balances, focusing on shareholders’ and other stakeholders’ interests and ensuring that high standards of CG are applied. The NINEDs also provide business guidance to the Management and contribute positively to the Board through their 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 the Board’s approval 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 of Senior Management, remuneration for Directors and Senior Management.</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>

Timeframe	:		
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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>The Allianz Group Code of Conduct ("COC") which was adopted from Allianz SE Group sets the value and principles that guide the actions of all employees in fulfilling Allianz SE Group's internal purpose – "We secure your future". The COC reflects the Group's commitment to running its business sustainably and with integrity. Following the latest revision on the COC, the Board had also adopted the COC as the code of conduct for the Directors.</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 also 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</p>

the appointment or otherwise. All assessments and decisions, including communication with Compliance Department are filed for audit trails.

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 to the Company Secretary within fourteen days from the 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. The aforementioned disclosure will be circulated to the Board members within seven days upon receipt and tabled at the AC and Board Meetings for information and record. Such changes will be immediately updated in the related party listing of the Group.

The AC regularly reviews the disclosures of the directorships and shareholdings held by Directors and persons connected with them.

Corruption or Bribery

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 with antitrust laws and in Malaysia, these are in essence addressed in the 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 2021, 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 or 60 calendar days

before the targeted date of announcement of Allianz SE's yearend 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 BNM's Guidelines on Fit and Proper for Key Responsible Persons. In addition, the Group has in place the Fit and Proper Policy and Procedures for Key Responsible Persons ("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 2021.

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.

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.

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.

	During FY 2021, 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.	
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 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>During FY 2021, the Group has reviewed and revised the Group's Whistleblowing Policies and Procedures ("Whistleblowing Policy") to enhance the effectiveness and efficiency of managing whistleblowing matters. The Whistleblowing Policy describes the Group's Speak-Up Policy, avenues for filing a concern and handling of whistleblowing incidents by the employees and external party or any insurance intermediary. The Group has also established a whistleblowing mechanism to enable anonymous and non-anonymous reporting of any breach of the COC, any 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) Employee's direct line manager(ii) Senior Management of the Group(iii) Group Head of Internal Audit Department ("IAD")(iv) Group Head of Human Resources Division(v) Group Head of Legal Department(vi) Compliance Department(vii) AC Members(viii) The Group's Compliance Officers, Allianz SE Group Legal and Compliance and Allianz SE Singapore Branch Compliance(ix) The respective whistleblowing intranet portal of the Group, Allianz SE Group Compliance and Allianz SE Singapore Branch Compliance <p>For external parties, they may report whistleblowing matters to the Compliance Officer at compliance.officer@allianz.com.my, or alternatively write directly to the relevant regulatory authorities as</p>

	<p>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>:</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 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. Sustainability topics are not new to the Group, but efforts were taken in the past years to strengthen sustainability governance.</p> <p>A Local ESG Board comprising top management was established in February 2021 that reports to and discusses sustainability topics with the Board and is responsible for decision-making related to ESG matters and driving ESG topics in business considerations. These considerations are cascaded to senior management for implementation.</p> <p>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.</p> <p>Sustainability targets form part of the Company's overall performance tracking and strategy, including its progress on environmental impacts within its own operations, progress on diversity and inclusion in the workplace, and progress towards longer-term climate-related targets.</p> <p>In March 2021, the Board reviewed and approved the materiality matrix for sustainability approach and sustainability focus areas, namely climate change and women's empowerment. Two cross-functional working groups - the Climate Change Working Group and Women's Empowerment Working Group - were established to drive the respective topics. Board-level sponsors have been appointed to advise and steer each group's activities, working with a designated Operational Lead. These topics are particularly relevant considering recent regulatory trends towards greater scrutiny on climate-related risks and in promoting accessible and inclusive finance.</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. Targets are 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>	
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 to keep them informed 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 risk via the Risk Management Working Committee (“RMWC”) 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.</p> <p>An in-house orientation programme on sustainability has been organised for newly appointed directors to ensure the new Board member has sufficient understanding of sustainability issues that are relevant to the Group and its business.</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

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	:	Sustainability targets form part of the overall company strategies and business plan and the relevant targets have been cascaded to specific members of the senior management. This includes long-term global targets set by Allianz SE Group in relation to climate change, pertaining to Greenhouse Gas emissions in the Group’s operations, investment, and underwriting portfolios. The Group is working to further enhance sustainability considerations into the performance evaluation of the Board and senior management.	
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.

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.

Application	:	Adopted
Explanation on adoption of the practice	:	The Local ESG Board is the driver of sustainability topics in the Company, supported by the Sustainability Department. Sustainability Department coordinates across the Company to monitor and facilitate ESG topics, supporting implementation of the ESG strategy, and responsibility for reporting and disclosures.

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 appropriate size and 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 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, 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 the approval of BNM is required prior to re-appoint the Chairman and Directors of financial institutions.</p> <p>Under the Group's policy, the tenure of INEDs is set for a maximum period of nine years. An INED who has served the Board for a consecutive service of more than nine years may continue to serve on the Board but in the capacity of a NINED, subject to the evaluation of the NRC and approval from the Board.</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</p>

	<p>members of the Group, for the respective Boards of the Group for consideration.</p> <p>The NRC reviews the succession planning for the respective Boards of the Group, and the composition of the Board Committees, taking into consideration the qualification, skills and expertise of the members of the Boards and submitted its recommendation to the respective Boards for consideration.</p> <p>The Board composition of the Company was further strengthened on skills, gender diversity and board succession with the appointments of the following new Directors in years 2021 and 2022:-</p> <ul style="list-style-type: none"> (i) Gerard Lim Kim Meng was appointed as an INED of the Company on 1 January 2021. He has over 28 years of experience in Technology, Media and Telecommunications sector. (ii) Zakri Bin Mohd Khir was appointed as a NINED of the Company on 1 January 2022. He has over 30 years of experience in the insurance industry. He was the former CEO of the Company and retired on 31 December 2021. His appointment further strengthens the talent of the Board through his technical expertise and insights of the insurance industry as well as working experience with the statutory bodies. (iii) Tan Sri Datuk Zainun Binti Ali was appointed as an INED of the Company on 15 March 2022. She has more than 40 years of experience in legal and jurisdiction. Among her past appointments in judiciary of Malaysia, she was a Federal Court Judge in 2012, prior to her retirement in 2018. Tan Sri Datuk Zainun Binti Ali's legal expertise complements the existing talents of the Board. Her appointment also enhances the gender diversity of the Board. (iv) Anusha A/P Thavarajah was appointed as a NINED of the Company on 17 March 2022. She has almost 30 years of experience in the financial services industry, having served in various senior leadership roles. Anusha is currently the Allianz's Regional CEO for Asia Pacific. Her appointment will further enhance the relationship between the Board and the shareholder, and thus foster better understanding of the interest between both parties. Through her regional role, she brings to the Board of her strong technical knowledge and exposure in various markets as well as sharing of knowledge and best practices of other Allianz operating entities. Further, Anusha's appointment enhances the gender diversity of the Board. <p>The Board information is detailed in Practice 5.5 of this Report.</p>
<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

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 five Directors with four INEDs and one NINED as at 31 December 2021. The composition of the Board as at 31 December 2021 was in compliance with Chapter 15.02 of the Listing Requirements, as follows:-</p> <table border="1"> <thead> <tr> <th colspan="2">INED</th> <th colspan="2">NINED</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Tunku Zain Al-'Abidin Ibni Tuanku Muhriz</td> <td>(i)</td> <td>Tan Sri Datuk (Dr.) Rafiah Binti Salim (Chairman) *</td> </tr> <tr> <td>(ii)</td> <td>Peter Ho Kok Wai</td> <td colspan="2" rowspan="3"></td> </tr> <tr> <td>(iii)</td> <td>Goh Ching Yin</td> </tr> <tr> <td>(iv)</td> <td>Gerard Lim Kim Meng</td> </tr> </tbody> </table> <p>Note:- * Tan Sri Datuk (Dr.) Rafiah Binti Salim was redesignated as a NINED on 23 November 2021, upon serving a consecutive period of nine years in the Company.</p> <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>(i)</td> <td>The Company Secretary will distribute the independence declaration form to all INEDs for completion.</td> </tr> <tr> <td>(ii)</td> <td>Each INED will perform a self-review on his/her independence by completing the declaration form.</td> </tr> <tr> <td>(iii)</td> <td>Responses will be collated by the Company Secretary and submit to the NRC for evaluation.</td> </tr> <tr> <td>(iv)</td> <td>The NRC reviews the independence of INEDs based on the assessment criteria approved by the Board</td> </tr> <tr> <td>(v)</td> <td>Each INED shall excuse from meeting room during discussion of his/her independence.</td> </tr> <tr> <td>(vi)</td> <td>Findings from the NRC will be presented to the Board for deliberation.</td> </tr> </tbody> </table>	INED		NINED		(i)	Tunku Zain Al-'Abidin Ibni Tuanku Muhriz	(i)	Tan Sri Datuk (Dr.) Rafiah Binti Salim (Chairman) *	(ii)	Peter Ho Kok Wai			(iii)	Goh Ching Yin	(iv)	Gerard Lim Kim Meng	(i)	The Company Secretary will distribute the independence declaration form to all INEDs for completion.	(ii)	Each INED will perform a self-review on his/her independence by completing the declaration form.	(iii)	Responses will be collated by the Company Secretary and submit to the NRC for evaluation.	(iv)	The NRC reviews the independence of INEDs based on the assessment criteria approved by the Board	(v)	Each INED shall excuse from meeting room during discussion of his/her independence.	(vi)	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 2021 was performed by the NRC in November 2021. 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 independence 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.

<i>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.</i>											
Application	: Adopted										
Explanation on adoption of the practice	: <p>The Group adopted the policy in relation to the appointment of INEDs, where the tenure of the INEDs is set for a maximum period of nine years. An INED who has served the Board for a consecutive service of more than nine years may continue to serve on the Board but in the capacity of a NINED.</p> <p>During FY 2021, save for Tan Sri Datuk (Dr.) Rafiah Binti Salim as disclosed in Practice 5.2 of this Report, none of the INEDs of the Company has served for a cumulative term of nine years. The tenure of the Independent Directors as at 31 December 2021 is as follows:-</p> <table border="1"><thead><tr><th>INED</th><th>No. of years of tenure</th></tr></thead><tbody><tr><td>Tunku Zain Al-'Abidin Ibni Tuanku Muhriz</td><td>7 years 1 month</td></tr><tr><td>Peter Ho Kok Wai</td><td>2 years 3 months</td></tr><tr><td>Goh Ching Yin</td><td>1 year 6 months</td></tr><tr><td>Gerard Lim Kim Meng</td><td>1 year</td></tr></tbody></table> <p>The abovementioned policy is included in the Board Charter, which is published on the Company's website.</p>	INED	No. of years of tenure	Tunku Zain Al-'Abidin Ibni Tuanku Muhriz	7 years 1 month	Peter Ho Kok Wai	2 years 3 months	Goh Ching Yin	1 year 6 months	Gerard Lim Kim Meng	1 year
INED	No. of years of tenure										
Tunku Zain Al-'Abidin Ibni Tuanku Muhriz	7 years 1 month										
Peter Ho Kok Wai	2 years 3 months										
Goh Ching Yin	1 year 6 months										
Gerard Lim Kim Meng	1 year										

Intended Outcome

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

Practice 5.5

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 CEO will be evaluated by the NRC and the NRC takes into consideration the criteria as prescribed by BNM, Group Fit and Proper Policy and any other requirements as prescribed under the FSA, CA and Listing Requirements, when assessing the candidate for the position. The NRC in making its recommendation on candidates for directorship will consider the candidate's:-</p> <ul style="list-style-type: none">(i) skill, knowledge, competencies, expertise and experience;(ii) professionalism;(iii) integrity;(iv) commitment, contribution and performance; and(v) 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 its recruitment exercise for appointment of new Directors to the Board.</p>

The Board information as at 31 December 2021 as well as the recent Board information as at 6 April 2022 are presented below:-

Board Composition	As at 31 December 2021		As at 6 April 2022	
	No. of Directors	%	No. of Directors	%
Independent	4	80	5	62.50
Non-Independent	1	20	3	37.50
Total	5	100	8	100

Gender	As at 31 December 2021		As at 6 April 2022	
	No. of Directors	%	No. of Directors	%
Male	4	80	5	62.50
Female	1	20	3	37.50
Total	5	100	8	100

Age Group of Directors	As at 31 December 2021		As at 6 April 2022	
	No. of Directors	%	No. of Directors	%
30 – 40	1	20	1	12.50
51 – 60	1	20	3	37.50
61 – 70	2	40	3	37.50
71 and above	1	20	1	12.50
Total	5	100	8	100

Length of service	As at 31 December 2021		As at 6 April 2022	
	No. of Directors	%	No. of Directors	%
Less than 1 year	-	-	3	37.50
1 year – 4 years	3	60	3	37.50
5 years – 9 years	1	20	1	12.50
More than 9 years	1	20	1	12.50
Total	5	100	8	100

The Board's experience and expertise based on the Board composition as at 6 April 2022 are as follows:-

- Finance, accounting and audit
- Banking and insurance
- Human resource and development
- Information technology

- Legal and regulatory
- Governance
- Leadership
- Risk Management
- Actuarial

The Directors of the Group shall devote sufficient time to carry out their responsibilities. The Board obtains this commitment from its members at the time of appointment. Prior to the acceptance of any new directorship, Directors shall notify the Chairman of the Board and give assurance that the new appointment shall not affect their time commitment in the Company.

The NRC is assigned with the responsibility to oversee the succession planning for the Senior Management and evaluate the appointment and promotion of Senior Management.

Prior to recommending the appointment of Senior Management to the Board, the NRC assesses the suitability of the candidate including the fitness and propriety of the candidates in accordance with the Group Fit and Proper Policy and hold interview with the candidate. In addition, in line with the Employee Screening Policy Document issued by BNM, pre-employment screening is also performed for every new candidate for Senior Management.

During FY 2021, the NRC reviewed the proposed appointment and promotion of several Senior Management positions in the Group and submitted its observations to the respective Boards of the Group for consideration. The NRC also reviewed and deliberated the succession plan for Senior Management of the Group and submitted their recommendation to the respective Boards of the Group for consideration.

The Senior Management profile of the Group as at 31 December 2021 is presented below:-

Gender	No. of Senior Management	%
Male	12	50
Female	12	50
Total	24	100

Age Group	No. of Senior Management	%
30 – 40	4	17
41 – 50	6	25
51 – 60	14	58
Total	24	100

The Group embraces inclusion and diversity which builds a culture that respects and values difference and emphasises equal opportunity for all. The Group has also entrenched principles of non-discrimination

	<p>throughout its hiring and employee development policies, where individuals are recognised based on talent, experience and behavioural attributes.</p> <p>The employee profile of the Group as at 31 December 2021 is presented below:-</p> <table border="1" data-bbox="560 443 1407 703"> <thead> <tr> <th>Age Structure of Employees by Age</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>24 years or under</td> <td>3.00</td> </tr> <tr> <td>25 – 34</td> <td>34.20</td> </tr> <tr> <td>35 – 44</td> <td>35.40</td> </tr> <tr> <td>45 – 54</td> <td>21.60</td> </tr> <tr> <td>55 and above</td> <td>5.80</td> </tr> <tr> <td>Total</td> <td>100.00</td> </tr> </tbody> </table> <table border="1" data-bbox="560 739 1407 1072"> <thead> <tr> <th>Gender Distribution</th> <th>%</th> </tr> </thead> <tbody> <tr> <td colspan="2">Management positions</td> </tr> <tr> <td>Male</td> <td>39.20</td> </tr> <tr> <td>Female</td> <td>60.80</td> </tr> <tr> <td>Total</td> <td>100.00</td> </tr> <tr> <td colspan="2">All employees</td> </tr> <tr> <td>Male</td> <td>33.60</td> </tr> <tr> <td>Female</td> <td>66.40</td> </tr> <tr> <td>Total</td> <td>100.00</td> </tr> </tbody> </table> <p>The profiles of the Directors and senior management are set out in the Annual Report 2021.</p> <p>Further details of the Group’s employees are disclosed in the Progressing Our Sustainability Agenda in the Annual Report 2021.</p>	Age Structure of Employees by Age	%	24 years or under	3.00	25 – 34	34.20	35 – 44	35.40	45 – 54	21.60	55 and above	5.80	Total	100.00	Gender Distribution	%	Management positions		Male	39.20	Female	60.80	Total	100.00	All employees		Male	33.60	Female	66.40	Total	100.00
Age Structure of Employees by Age	%																																
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<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

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"><tr><td>(i)</td><td>Identification of skills/gaps</td></tr><tr><td>(ii)</td><td>Sourcing for candidates</td></tr><tr><td>(iii)</td><td>Selection of candidates</td></tr><tr><td>(iv)</td><td>Initial interaction with shortlisted candidates</td></tr><tr><td>(v)</td><td>Fit and Proper Assessment</td></tr><tr><td>(vi)</td><td>Review by the NRC</td></tr><tr><td>(vii)</td><td>Recommendation for Board's approval</td></tr><tr><td>(viii)</td><td>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 such as Directors Register, a joint initiative by Financial Institutions Directors' Education Forum, BNM, Perbadanan Insurans Deposit Malaysia and LeadWomen Sdn Bhd, a Malaysian owned consulting company focused on developing and advancing female leaders in Asia, to source for potential candidates for appointment to the Board.</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>	(i)	Identification of skills/gaps	(ii)	Sourcing for candidates	(iii)	Selection of candidates	(iv)	Initial interaction with shortlisted candidates	(v)	Fit and Proper Assessment	(vi)	Review by the NRC	(vii)	Recommendation for Board's approval	(viii)	BNM's approval (for the insurance subsidiaries of the Company)
(i)	Identification of skills/gaps																	
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(iv)	Initial interaction with shortlisted candidates																	
(v)	Fit and Proper Assessment																	
(vi)	Review by the NRC																	
(vii)	Recommendation for Board's approval																	
(viii)	BNM's approval (for the insurance subsidiaries of the Company)																	

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 5.7

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 was disclosed in the explanatory notes accompanying the Notice of 48th AGM.</p> <p>The profiles of retiring Directors are set out in the Annual Report 2021 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 Tan Sri Datuk (Dr.) Rafiah Binti Salim will retire at the 48th AGM pursuant to Clause 19.1 of the Constitution of the Company.</p> <p>Zakri Bin Mohd Khir, Tan Sri Datuk Zainun Binti Ali and Anusha A/P Thavarajah were newly appointed Directors in January and March 2022 respectively, they are standing for re-election pursuant to Clause 19.7 of the Company's Constitution at the 48th AGM.</p> <p>Save for the Chairman of the Company, Tan Sri Datuk (Dr.) Rafiah Binti Salim, all other retiring Directors have indicated their willingness to seek for re-election ("Retiring Directors"). The Chairman has expressed her intention to retire at the conclusion of the 48th AGM, after serving the Board for almost ten years and therefore, she will not seek for re-election.</p> <p>Peter Ho Kok Wai is an INED of the Company since 1 October 2019. 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, which brings diverse range of insights and perspective to the Board.</p> <p>Zakri Bin Mohd Khir was appointed as a NINED of the Company on 1 January 2022. He has over 30 years of experience in the insurance</p>

industry. He was the former CEO of the Company and retired on 31 December 2021. His appointment further strengthens the talent of the Board through his technical expertise and insights of the insurance industry as well as working experience with the statutory bodies.

Tan Sri Datuk Zainun Binti Ali was appointed as an INED of the Company on 15 March 2022. She has more than 40 years of experience in legal and jurisdiction. Among her past appointments in judiciary of Malaysia, she was a Federal Court Judge in 2012, prior to her retirement in 2018. Tan Sri Datuk Zainun Binti Ali's legal expertise complements the existing talents of the Board. Her appointment also enhances the gender diversity of the Board.

Anusha A/P Thavarajah was appointed as a NINED of the Company on 17 March 2022. She has almost 30 years of experience in the financial services industry, having served in various senior leadership roles. Anusha is currently the Allianz's Regional CEO for Asia Pacific. Her appointment will further enhance the relationship between the Board and the shareholder, and thus foster better understanding of the interest between both parties. Through her regional role, she brings to the Board of her strong technical knowledge and exposure in various markets as well as sharing of knowledge and best practices of other Allianz operating entities. Further, Anusha's appointment enhances the gender diversity of the Board.

- (i) All the retiring Directors met the fit and proper criteria prescribed in the Group Fit and Proper Policy.
- (ii) The retiring INEDs have also fulfilled the independence criteria as prescribed under the Listing Requirements of Bursa Malaysia.
- (iii) The NRC conducted performance evaluation on the retiring Directors who have served on the Board as at 31 December 2021 and was satisfied with the performance and contribution of the retiring Directors.

There was no performance evaluation conducted on the newly appointed Directors retiring pursuant to Clause 19.7 of the Company's Constitution due to short period of service. Nevertheless, the said Directors will be subject to annual performance evaluation in 2022.

Based on the assessments, the NRC recommended the re-election of the Retiring Directors for the Board's approval. The Board supported the recommendation of the NRC and seek shareholders' approval for the re-election of the Retiring Directors.

The Retiring Directors had abstained from deliberations and voting on their respective re-election at the Board Meeting.

	Zakri Bin Mohd Khir has confirmed that he and persons connected to him will abstain from voting on the resolution for his own re-election at the 48th 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	:	

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, Tunku Zain Al-'Abidin Ibni Tuanku Muhriz.</p> <p>The NRC comprises majority 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 2021, is as follows:-</p> <table border="1"><thead><tr><th>Director</th><th>Composition</th></tr></thead><tbody><tr><td>Tunku Zain Al-'Abidin Ibni Tuanku Muhriz</td><td>Chairman</td></tr><tr><td>Tan Sri Datuk (Dr.) Rafiah Binti Salim</td><td>Member</td></tr><tr><td>Goh Ching Yin</td><td>Member</td></tr></tbody></table> <p>The NRC Chairman, Tunku Zain Al-'Abidin Ibni Tuanku Muhriz, plays the role in bringing impartiality and scrutiny to the deliberations and decision-making process. He demonstrates the competencies and capabilities which ensures the NRC meetings run efficiently and encourages active participation and healthy debate among the members of the NRC. The NRC Chairman also maintains on-going engagement with the Group Head of Human Resources Division to discuss on key human resource related topics, such as performance and rewards, talent management and development, employee engagement and succession planning.</p>	Director	Composition	Tunku Zain Al-'Abidin Ibni Tuanku Muhriz	Chairman	Tan Sri Datuk (Dr.) Rafiah Binti Salim	Member	Goh Ching Yin	Member
Director	Composition									
Tunku Zain Al-'Abidin Ibni Tuanku Muhriz	Chairman									
Tan Sri Datuk (Dr.) Rafiah Binti Salim	Member									
Goh Ching Yin	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	:	<p>The Board achieved 33% of female Directors as at FY 2020. However, the percentage of female Directors fell below 30% due to several changes in Board composition during FY 2021.</p> <p>Whilst the Board supports the universal move to appoint more female Directors to the Board, the Board is guided by the principal that appointment of new Board member shall not be based solely on gender but rather the candidate's skill set, competencies, experience and knowledge in areas identified by the Board.</p> <p>The Board fully endorsed that female candidates should be included in the evaluation process for appointment of new Directors to the Board. In the effort to promote Board gender diversity, the NRC has taken steps to ensure that female candidates are sought and considered in its recruitment exercise for appointment of new Directors to the Board.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	<p>With the appointments of Tan Sri Datuk Zainun Binti Ali and Anusha A/P Thavarajah, the Board recorded 38% of female Directors, being 3 female Directors out of a total of 8 Board members as at 6 April 2022.</p> <p>Nevertheless, the Board is mindful that the percentage of female Directors in the Board will reduce below 30%, following the retirement of Tan Sri Datuk (Dr.) Rafiah Binti Salim. The Board has already intensified its effort to source for suitable candidate to be appointed as a member of the Board and is confident that the Company will be able to fulfil this Practice by third quarter of 2022.</p>
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 permeates throughout all levels of the organisation, including the appointment of candidate to the Board and Senior Management.</p> <p>The Group strives to create an environment where employees can succeed regardless of gender. Achieving gender equity is not only an area where women can stand to gain, all genders do. All genders are part of gender equity at the Group and invited to participate in the discussion.</p> <p>The Group believes in equality of opportunity and are committed to creating a fair environment where people can succeed regardless of gender, age, ethnicity, disability, religion, and cultural background. This is practised across the employee lifecycle - from policies and practices, talent recruitment and development, to reward and remuneration.</p> <p>The Group's hiring and employee development policies reflect principles of non-discrimination, with consistently strong performance in the Inclusive Meritocracy Index demonstrating its commitment to fair treatment and recognition. The Inclusive Meritocracy is part of the Group's Renewal Agenda which was embedded into its strategic planning.</p> <p>Further, Inclusive Meritocracy is one of the Group's people attributes and forms part of each employee's target behaviours. The Inclusive Meritocracy Index, an in-house measurement derived from assessments on leadership, performance, and corporate culture, tracks our progress toward a work environment where performance and people matter. This measurement has seen a steady increase since 2019, indicating continuous improvement in the Group.</p> <p>Inclusive Meritocracy is incorporated in COC and adopted by the Group, as well as the Board. The COC is published under the CG section of the Company's website.</p> <p>As a global organisation, the Group embraces equality and fairness in critical areas and achieved significant progress. In January 2022, the Company was pleased to receive the global certification on Economic Dividends for Gender Equality which reinforces the Company's commitment towards gender equality in the workplace, fostering equal</p>

	career opportunities for men and women, as well as valuing different perspectives from men and women that bring to the workplace.	
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

	<p><u>Board Committees Evaluation by the NRC</u></p> <p>The Annual Performance Evaluation on Board Committees and their members covers the following areas, among others:-</p> <ul style="list-style-type: none"> (i) Composition (ii) Quality of inputs (iii) Level of experience (iv) Contribution and performance (v) Timely reporting <p>The Annual Performance Evaluation by peers and the NRC are guided by the following processes and procedures:-</p> <table border="1" data-bbox="560 692 1406 1016"> <tr> <td data-bbox="560 692 628 763">(i)</td> <td data-bbox="628 692 1406 763">The evaluation forms will be circulated to the Directors and the NRC members for completion.</td> </tr> <tr> <td data-bbox="560 763 628 909">(ii)</td> <td data-bbox="628 763 1406 909">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.</td> </tr> <tr> <td data-bbox="560 909 628 1016">(iii)</td> <td data-bbox="628 909 1406 1016">Thereafter, the findings and recommendation of the NRC together with the summary of the evaluation results will be submitted to the Board for deliberation.</td> </tr> </table> <p>The Board also agreed that the Board evaluation shall be facilitated by a professional and independent party at least once in every three years. The Board had in 2020 engaged an independent consultant to perform the Board Effectiveness Evaluation and Board Remuneration Review for the Group. The subsequent Board evaluation exercise is expected to be undertaken in FY 2023.</p>	(i)	The evaluation forms will be circulated to the Directors and the NRC members for completion.	(ii)	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.	(iii)	Thereafter, the findings and recommendation of the NRC together with the summary of the evaluation results will be submitted to the Board for deliberation.
(i)	The evaluation forms will be circulated to the Directors and the NRC members for completion.						
(ii)	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.						
(iii)	Thereafter, the findings and recommendation of the NRC together with the summary of the evaluation results will be submitted to the Board for deliberation.						
<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 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 based on the remuneration policy as approved by the Board. 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 composition of the remuneration for the Non-Executive Directors (who are not representing the interest of the major shareholders) ("NEDs") are as follows:-</p> <ul style="list-style-type: none">(i) Directors' fees <p>Directors' Fees are made up of the following components:-</p> <ul style="list-style-type: none">(a) Fees for acting as a Director

	<p>A fixed fee is allocated to each member of the Board.</p> <p>(b) Fees for assuming additional responsibilities</p> <p>Additional fees are allocated to Directors who assumed more responsibilities via their appointments in various Board Committees.</p> <p>(ii) Meeting allowance</p> <p>The meeting allowance is paid for each Board/Board Committee Meeting attended by the Directors. Premium to be accorded to the Chairman of the respective Boards and Board Committees in recognition of their heightened responsibility assumed.</p> <p>(iii) Monthly allowance for the Chairman of the Boards</p> <p>The monthly fixed allowance is given to the Chairman in view of the Chairman's significant role in leadership and oversight as well as his/her wide range of responsibilities, among others, providing guidance on strategy and supporting Management in engaging with stakeholders.</p> <p>In addition to the above, the Group also provides the following:-</p> <p>(i) Company car and driver for the Chairman of the Board (based on taxable rate)</p> <p>(ii) Medical, personal accident and Directors' and Officers' Liability insurance for NEDs</p> <p>The shareholders of the Company had at the 47th AGM held on 23 June 2021 approved the payment of Directors' fees to the NEDs effective 1 January 2021 until the next AGM and to be made on a monthly basis. It was agreed that the Directors' fees shall be applicable for three FYs, commencing from financial year 2021 until financial year 2023. Further information on the Directors' remuneration is detailed in the Notice of AGM of the Annual Report 2021.</p> <p>The shareholders of the Company had also at the 47th AGM approved the payment of benefits to the NEDs, of up to an amount of RM1,263,500 from 24 June 2021 until the next AGM scheduled for 22 June 2022.</p> <p>For the Executive Directors who are also the CEO of the Company or its insurance subsidiaries, they received remuneration based on their respective executive positions held in Company or its subsidiaries. The remuneration package of the Executive Directors comprising fixed components which includes monthly salary and other emolument and variable components that are linked to the respective company's performance and their individual key performance indicators.</p>
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The NRC had in March 2021 reviewed the variable compensation, 2021 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 2021 approved the CEOs’ Compensation.

The Group has in place the 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 respective Boards and Senior Managements 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 account of market conditions and providing for a stable source of income. The fixed component is dependent on position responsibility as well as the experience and qualification of 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 Company, 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-/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 Company.

The Group measures performance in an annual process which includes 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 evaluated employee and reflects 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 include 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.

	<p>Employees in control functions are measured on the achievement of control function objectives which determine their remuneration. Similar to all employees, actual payout is subject to overall size of bonus pool.</p> <p>A portion of the variable compensation for CEO contains a deferred component. The deferral period shall be aligned with the nature of the business, its risks, and the activities of the incumbent in question, and adopt a multi-year framework to reflect the time horizon of risks.</p> <p>The Group Policy for Remuneration is published under the CG section of the Company’s website.</p> <p>In FY 2021, the NRC had reviewed the 2020 performance evaluation results and the proposed promotion and remuneration of Senior Management of the Group and submitted its recommendation to the respective Boards of the Group for consideration. The NRC further reviewed the 2021 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 also reviewed the 2020 staff performance bonus payout and 2021 staff salary increment of the Group and recommended for the respective Boards of the Group for approval.</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 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 of the Group 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, 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;

	<p>(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</p> <p>(f) be balanced against the need to ensure that the funds of the insurer are not used to subsidise excessive remuneration packages.</p> <p>(ii) recommending remuneration packages for Directors and Senior Management. The remuneration packages should be reviewed annually and:-</p> <p>(a) be based on an objective consideration and approved by the full Board;</p> <p>(b) take due consideration of the assessments of the NRC the effectiveness and contribution of the Directors and Senior Management concerned;</p> <p>(c) not be decided by the exercise of sole discretion of any one individual or restricted group of individuals; and</p> <p>(d) be competitive and is consistent with the culture, objective and strategy of the Group.</p> <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 2021 is disclosed in Practice 5.8 of this Report.</p> <p>The terms of reference of the NRC is attached to the Board Charter which is available 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

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 Company (excluding 6% Services Tax, where applicable) for FY 2021, was detailed in the subsequent page.</p> <p>Explanatory notes to the Directors' remuneration of the Company:-</p> <p>[1] Director of the Company</p> <p>[2] Director of the subsidiaries of the Company</p> <p>[3] The fee received by Dr. Muhammed Bin Abdul Khalid, an INED of Allianz General, for his services rendered as the Chairman of the RMC.</p> <p>[4] Solmaz Altin and Claudia Salem, NINED of the Company resigned on 16 November 2021 and 22 December 2021 respectively.</p> <p>[5] The remuneration and other emoluments received by Zakri Bin Mohd Khir were for his position as the CEO of Allianz General for the period from 1 January 2021 to 30 June 2021.</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	Tan Sri Datuk (Dr.) Rafiah Binti Salim ^{[1][2]}	Non-Executive Non-Independent Director	192	176	-	-	-	8	376	312	336	-	-	-	16	664
2	Tunku Zain Al-'Abidin Ibni Tuanku Muhriz ^{[1][2]}	Independent Director	144	29	-	-	-	-	173	264	46	-	-	-	-	310
3	Peter Ho Kok Wai ^{[1][2]}	Independent Director	204	43	-	-	-	-	247	324	60	-	-	-	-	384
4	Goh Ching Yin ^{[1][2]}	Independent Director	228	53	-	-	-	-	281	348	216	-	-	-	-	564
5	Gerard Lim Kim Meng ⁽¹⁾	Independent Director	120	14	-	-	-	-	134	-	-	-	-	-	-	-
6	Dr. Muhammed Bin Abdul Khalid ^{[2][3]}	Independent Director	36	12	-	-	-	-	48	156	29	-	-	-	-	185
7	Solmaz Altin ^[4]	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Claudia Salem ^[4]	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Dato' Dr. Kantha A/L Rasalingam ^[2]	Independent Director	-	-	-	-	-	-	-	120	17	-	-	-	-	137
10	Anusha A/P Thavarajah ^[2]	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Lim Fen Nee ^[2]	Independent Director	-	-	-	-	-	-	-	70	9	-	-	-	-	79

12	Lim Tuang Ooi ^[2]	Independent Director	-	-	-	-	-	-	-	20	3	-	-	-	-	23
13	Zakri Bin Mohd Khir ^{[2][5]}	Executive Director	-	-	-	-	-	-	-	-	-	623	988	1,002	339	2,952
14	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
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 2021 was 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	Zakri Bin Mohd Khir	CEO of AMB and Allianz General	1,400,001-1,450,000	50,001-100,000	1,200,001-1,250,000	500,001-550,000	1,050,001-1,100,000	4,250,001-4,300,000
2	Joseph Kumar Gross	CEO of Allianz Life	950,001-1,000,000	Choose an item.	1,150,001-1,200,000	300,001-350,000	1,600,001-1,650,000	4,100,001-4,150,000
3	Horst Hermann Habbig	Chief Sales Officer of Allianz General	950,001-1,000,000	100,001-150,000	750,001-800,000	250,001-300,000	Choose an item.	2,100,001-2,150,000
4	Ong Eng Chow	CFO of AMB and Allianz Life	850,001-900,000	Choose an item.	600,001-650,000	200,001-250,000	Choose an item.	1,750,001-1,800,000
5	Ong Pin Hean	Senior Advisor of Allianz Life's Sales and Distribution Division	850,001-900,000	Choose an item.	550,001-600,000	200,001-250,000	Choose an item.	1,600,001-1,650,000

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	:	<p>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 Tan Sri Datuk (Dr.) Rafiah Binti Salim.</p> <p>This Practice has also been reflected in the terms of reference of the AC, which is attached to the Board Charter.</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 9.2

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. In this respect, 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 three years has been observed prior to his/her appointment.</p> <p>As at 31 December 2021, 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>The Board is committed in ensuring the independence of the external auditors. Accordingly, significant attention is directed toward the appropriateness of the external auditors to perform services other than statutory/financial audit. The Board had on 27 March 2019 approved the Policy on Audit and Non-Audit Services Provided by External Auditors ("Audit and Non-Audit Policy") to ensure that the suitability, 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.</p> <p>The Audit and Non-Audit Policy is available on the Company's website (under the CG section).</p> <p>In compliance with BNM's Policy Document on External Auditors ("PDEA"), the AC is required to assess the qualifications, independence and performance of the external auditors. The AC is also required to recommend to the Board on the proposed appointment of the engagement partner and the concurring partner. Further, the AC ensures that there is a rotation on the said partners at least once in every five years in accordance with BNM's 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>

The appointment and re-appointment of the external auditors, engagement partner and concurring partner will be reviewed by the AC and the recommendation from the AC will be tabled for the Board's consideration. The insurance subsidiaries are required to submit an application for appointment/re-appointment of the external auditors to BNM for approval prior to the annual general meeting. The appointment/re-appointment of the external auditors for the Group will be presented to the shareholders for approval.

Areas of assessment include, among others, 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").

The AC also reviews the non-audit services rendered by the external auditors. The terms of engagement of the external auditors for their audit and non-audit services rendered are reviewed by the AC and approved by the Board.

The process for appointment and re-appointment of the external auditors, engagement partner and concurring partner are as follows:-

(i)	CFO and the Finance team will evaluate the external auditors, engagement and concurring partners using the Evaluation Criteria as prescribed by the relevant authorities.
(ii)	Evaluation results of the CFO and the Finance team and their recommendation will be submitted to the AC.
(iii)	The AC deliberates on the recommendation based on the Evaluation Criteria and make recommendation to the Board for consideration.

Through the AC, the Board has established a formal and appropriate relationship with the external auditors. The AC meets with the external auditors at least two times a year to review the audit plan, the audited financial statements and the audit observations. 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 the statutory audits. 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.

In February 2021, the AC reviewed the proposed re-appointment of PricewaterhouseCoopers PLT ("PwC PLT"), including its engagement partners and concurring partner. The assessment on the performance of PwC PLT based on the criteria prescribed by the relevant authorities had been performed by the CFO/Head of Finance ("Finance Team") of the respective companies within the Group. The Finance Team of the Group was satisfied with the re-appointment of PwC PLT including the

	<p>engagement partners and the concurring partner for the respective companies and recommended the re-appointment of PwC PLT as External Auditors for FY 2021 based on the following rationales:-</p> <ul style="list-style-type: none"> (i) PwC PLT is familiar with the local insurance industry and also the External Auditors of the Allianz SE Group; (ii) PwC PLT was selected after a global tender process by Allianz SE Group and had been assessed to be able to provide effective co-ordination of the audits between companies within the Group as well as between the Group and the Allianz SE Group; (iii) PwC PLT met the minimum criteria, as prescribed by BNM; and (iv) PwC PLT completed the Group's 2020 statutory audit satisfactorily. <p>During FY 2021, PwC PLT confirmed that PwC PLT and its network firms, the engagement partners, engagement quality control reviewer and members of the engagement team in the audit had maintained the independence for the purpose of the audit in accordance with the terms of the relevant professional and regulatory requirements.</p> <p>The AC deliberated on the evaluation and recommendation of the Finance Team and concurred with the Management's recommendation and justification to re-appoint PwC PLT as the External Auditors for the Group, and recommended the re-appointment of PwC PLT as the External Auditors for the Group for FY 2021 for the respective Boards' approval.</p> <p>The Board reviewed the assessment of PwC PLT (including of the Engagement Partner and Concurring Partner) based on the criteria prescribed by the relevant authorities and was satisfied that PwC PLT and the respective partners met all the qualification criteria as prescribed by regulators, resolved that the re-appointment of PwC PLT as the External Auditors of the Company for FY 2021 be recommended for shareholders' approval at the 47th AGM of the Company.</p> <p>The re-appointment of PwC PLT as External Auditors for FY 2021 was approved by the shareholders of the Company at the 47th AGM of the Company on 23 June 2021.</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>	

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 :	Not Adopted
Explanation on adoption of the practice :	

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 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 Chairman of AC, Peter Ho Kok Wai, is a Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Malaysian Institute of Accountants and 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.</p> <p>Tan Sri Datuk (Dr.) Rafiah Binti Salim, a member of AC, has over 40 years of experience in legal, human resource, banking, academic, regulator, at the local and international levels. She awarded with an Honorary Doctorate from the University of Malaya in 2019.</p> <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 Master of Business Administration from the Cranfield School of Management, Cranfield University in 1992.</p> <p>The profiles of the members of the AC are set out in the Annual Report 2021.</p>

	<p>Collectively, the AC has a wide range of necessary skills to undertake its duties and responsibilities. Ideally, all AC members are able to understand the financial reporting process and be financially literate.</p> <p>The Company complies with paragraph 15.09(1)(c)(i) of the Listing Requirements.</p> <p>The NRC undertakes an annual assessment on the composition and performance of the Board Committees, including AC. The assessment covers the performance of an individual AC member, to ensure that the AC has the necessary skills to carry out its duties and responsibilities.</p> <p>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 insurance audits, including risk management, underwriting, investment and claims management.</p> <p>The members of the AC continuously keep abreast to the relevant development of accounting and auditing standards and practices. 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.</p> <p>The roles and responsibilities of the AC are attached to the Board Charter and the activities carried out by the AC for FY 2021 are set out in the AC Report in the Annual Report 2021.</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

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 2021.</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.</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 Annual Report 2021.</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 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 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>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 Matrix. The identified top risks are assessed quarterly by the assigned risk owners; and the same is 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 Annual Report 2021.</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	:	

<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 10.3 - 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. The composition of the RMC as at 31 December 2021, was as follows:-</p> <table border="1"><thead><tr><th>Director</th><th>Composition</th></tr></thead><tbody><tr><td>Dr. Muhammed Bin Abdul Khalid</td><td>Chairman, INED of Allianz General</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>The roles and responsibilities of the RMC are detailed in the terms of reference of the RMC which is attached to the Board Charter.</p>	Director	Composition	Dr. Muhammed Bin Abdul Khalid	Chairman, INED of Allianz General	Peter Ho Kok Wai	Member, INED	Goh Ching Yin	Member, INED
Director	Composition									
Dr. Muhammed Bin Abdul Khalid	Chairman, INED of Allianz General									
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>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) 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 (iii) reviewing the appointment, performance evaluation, transfer, succession planning and removal of the Group Head of IAD. <p>The duties and responsibilities of the AC are detailed in the terms of reference of the AC which is attached to the Board Charter.</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 function, 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 2021, the IAD carried out its duties in accordance with its Audit Charter and the Group's Internal Audit Plan 2021. 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 2021. The Group Head of IAD has provided assurance to the AC via the annual declaration of independence for FY 2021 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>Madam Ng Siew Leng, the Group Head of IAD is responsible for the internal audit function of the Group. She is qualified under the Chartered Institute of Management Accountant.</p> <p>There were a total of 17 internal auditors, including the Group Head of IAD as at 31 December 2021. 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 2021, as follows:-</p> <table border="1" data-bbox="560 548 1406 846"> <thead> <tr> <th>Expertise</th> <th>Percentage of total internal auditors (%)</th> </tr> </thead> <tbody> <tr> <td>Finance</td> <td>80</td> </tr> <tr> <td>IT</td> <td>22</td> </tr> <tr> <td>Business/Economics</td> <td>65</td> </tr> <tr> <td>Marketing</td> <td>50</td> </tr> <tr> <td>General/Others</td> <td>80</td> </tr> <tr> <td colspan="2">Post Graduate</td> </tr> <tr> <td>MBA and Masters</td> <td>6</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 2021, 17% of the Internal Auditors are certified with CISA and CIA and currently two out of the total number of auditors are pursuing CIA/CISA.</p> <p>Annually, IAD performs Self-Assessment Review which is designed to evaluate its audit activity’s efficiency, effectiveness and identifies opportunities for improvements.</p>	Expertise	Percentage of total internal auditors (%)	Finance	80	IT	22	Business/Economics	65	Marketing	50	General/Others	80	Post Graduate		MBA and Masters	6
Expertise	Percentage of total internal auditors (%)																
Finance	80																
IT	22																
Business/Economics	65																
Marketing	50																
General/Others	80																
Post Graduate																	
MBA and Masters	6																
<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 12.1

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 90 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>(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 senior management comprising the CEO, CFO and Chief Operations Officer of the Company holds quarterly briefing for fund managers and research analysts to report on the quarterly performance, business development and progress of the Group. Such briefing is normally conducted on the next working day after the release of the Group's Quarterly Report to Bursa Malaysia.</p> <p>The quarterly briefing also serves as a platform of dialogue between the fund managers and research analysts with the senior management of the Group, where the fund managers and research analysts 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 briefing, the presentation slides are published on the Company's website immediately after the Group released its Quarterly Report to Bursa Malaysia.</p> <p>In addition, the senior management also holds separate meetings with the potential investors and fund managers throughout the year to provide the overview of the operation and business prospects of the Group.</p>
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(v) Designated Person to handle Investor Relations

The Group established the Investor Relation function under the Corporate Communications Department. The Investor Relation function manages the relationship between the Group and its investors and controls the flow of information in relation to strategy, finance, communication and marketing of the Group.

Any enquiries with regard to investor relations matters can be referred to the following designated person of investor relations:-

Shamala Gopalan Group Head of Corporate Communications Tel : 03-2264 1157 Fax : 03-2264 1186 E-mail : shamala.gopalan@allianz.com.my
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(vi) Press Releases

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.

Media activities and interviews are also initiated to provide wider publicity and understanding of the Group's business activities and strategies.

(vii) Website (www.allianz.com.my)

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, 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.

In addition, a 'contact us' section is also provided on the website to enable visitors to make enquiries online. A live chat function is also available on the website to provide assistance and support to the customers.

During the various Movement Control Order phases, the Company has through its website, provided the latest information on the Group, including changes on branch operating hours and branch closure/re-opening.

As part of the Group's effort in creating communication opportunity with customers and the public, Allianz We Care

	<p>Community initiative was launched in June 2020 to support and reassure the community during times of uncertainty. In helping Malaysians adapt to the new normal and return stronger with confidence, the programme introduced a wider variety of healthcare, lifestyle, and wellness benefits based on the development of the COVID-19 situation, including test kit and care kit giveaways, car and home disinfection offers, and vaccination support. Allianz We Care Community members are invited to health talks covering COVID-19 insights and topics related to mental well-being, living with COVID-19, and vaccinations, in line with national concerns as moving through the stages of response and recovery.</p> <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 <p>Despite having various communication avenues, the Chairman also encourages feedback from all stakeholders and this can be done via e-mail at rafiah.salim@allianz.com.my.</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

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company takes an incremental approach in progressively moving towards IR adoption from its existing reporting structure.</p> <p>The Company is also cognisant of updates to corporate disclosure requirements, moving towards alignment and consolidation of various standards, in formulating the Company's action plan towards integrated reporting ("IR") adoption.</p> <p>The Company upholds the core values of integrity in all aspects of business and open communication in promoting transparent communication to stakeholders. By providing sustainable returns to shareholders and contributing to uplifting local communities, the Company continuously creating value to its stakeholders.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	<p>Following the Board's approval for the engagement of KPMG in 2019, an IR framework gap analysis has been completed based on International IR Council's International IR Framework. The gap analysis enhances the understanding of the Company's integrated thinking, considering both financial and non-financial or sustainability information into the Company's strategy, management and business operations.</p> <p>In October 2020, an IR framework assessment workshop was conducted where KPMG presented the key findings on the current state of sustainability considerations and the proposed IR roadmap to the Management.</p> <p>In 2021, an Integrated Reporting Working Group was set up encompassing various functions and departments across the Group. A milestone plan will be set up to formalise the IR.</p>

	<p>As an early milestone towards IR reporting, the Annual Report 2021 has incorporated a 'How We Create Value' section, setting out the Company's Value Creation Model, stakeholder engagement, and materiality.</p> <p>The Company will continue to work towards IR adoption.</p>	
Timeframe	:	Within 2 years

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 Notice of 47th AGM of the Company was despatch to shareholders on 21 May 2021 with 32 clear days prior to date of the AGM held on 23 June 2021.</p> <p>The notice of AGM is also advertised in the local English newspaper, namely New Straits Times for the benefit of shareholders and was accompanied by explanatory notes on special business requiring shareholders' approval. The notice of AGM will also be made available on the Company's website at www.allianz.com.my for easy access and the said notice will be accompanied by explanatory notes for each agenda item which requires shareholders' approval.</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/Head of Finance of the Group, 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. Their presence at the AGM provides opportunities for shareholders to engage each director and allows shareholders to raise questions directly to 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 shareholders and proxies (collectively referred to as "Participants") during the AGM were responded by the Chairman, CEOs and Company Secretary during the questions and answers session.</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	:	
<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 13.3

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 47th AGM of the Company was conducted fully virtual from the online meeting platform on 23 June 2021 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. Tricor has implemented an IT policy and Information Security policy, endpoint controls, data classification for cyber hygiene practices by the staff of Tricor.</p> <p>In consideration of the COVID-19 pandemic, the shareholders and proxies (collectively, “Participants”) were not required to attend the 47th AGM in person on the day of the Meeting. With participation through live streaming, Participants may vote remotely on the resolutions at any time from the commencement of the 47th AGM until the end of the voting session announced by the Chairman of the Meeting and transmit question through query box.</p> <p>The 47th 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 47th AGM declared that all resolutions were carried. A post mortem plan was established to address areas for improvement, moving forward.</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>As part of the Company's effort in facilitating effective communication, the Notice of 47th AGM, circular to shareholders, proxy form and administrative details for the 47th AGM were published on the Company's website under the Investor Updates section.</p> <p>The Annual Report 2020 and Circular to Shareholders in relation to the Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature are available on the Company's website which allowed shareholder in accessing information they require to participate in discussions and cast their votes.</p> <p>To facilitate meaningful engagement between the Board, senior management and shareholders, the Participant were given opportunities to submit their questions to the Company from the date of the Notice of 47th AGM on 21 May 2021, 32 clear days prior to the date of the 47th AGM on 23 June 2021, via Tricor's TIH Online website, or email to the Investor Relations function of the Company. Alternatively, the Participants could take the opportunity to submit their questions through RPV during the 47th AGM.</p> <p>The questions received by the Company prior to the 47th AGM and their responses were read out and projected on the screen for reference of the Participants. The relevant questions received during the meeting were also responded at the 47th AGM.</p> <p>Questions received from the Participants prior and during the 47th AGM together with the Company's responses thereto were published on the Company's website, together with the publication of the Minutes of 47th AGM.</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 13.5

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 also provided the RPV service for the 47th AGM. Tricor is an experienced online meeting platform provider which had delivered satisfactory service and coordinated smooth proceedings for the Company in the 46th AGM.</p> <p>The 47th AGM was conducted fully virtual via RPV via Tricor's TIIH Online website at https://tiih.online. Tricor has implemented an IT policy and Information Security policy, endpoint controls, data classification for cyber hygiene practices by the staff of Tricor. Stress test and penetration testing have been performed on the TIIH Online in May 2021 to test its resiliency. In order to provide further assurance to the public, Tricor is ISO27001 certified in October 2021. In addition, the TIIH Online is hosted in a secure cloud platform and the data centre is ISO27001 certified.</p> <p>The RPV service provided by Tricor facilitates real-time interaction of Participants with the Board and senior management, including questions posed by Participants prior to the AGM and responses, as well as the questions received during the Meeting, have been made visible projected on the screen to all Participants during Meeting.</p> <p>The questions and answer session had taken about one hour at the 47th AGM, which served as an opportunity for the Participants to interact with the Board and senior management.</p> <p>The Participants of the 47th AGM were allowed to proceed to vote remotely on the resolutions at any time from the commencement of the 47th AGM until the end of the voting session, as announced by the Chairman. After closure of poll voting process, the poll results were published on the screen upon the results were validated by Mega</p>

	Corporate Services Sdn Bhd, the independent scrutineer appointed by the Company.	
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 13.6

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 47th AGM conducted fully virtual on 23 June 2021 together with the following documents were uploaded on the Company's website under Investor Updates section on 26 July 2021, within 30 business days from the date of the 47th AGM: (i) Presentation material at the 47th AGM; (ii) Questions received before and during the 47th AGM, and responses thereto; and (iii) Poll results of the 47th 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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