

**Malaysian Reinsurance Berhad  
(Incorporated in Malaysia)**

**Corporate governance disclosures (as referred to in the Directors' Report)**

The Board of Directors ("Board") of Malaysian Reinsurance Berhad ("the Company") remains committed towards maintaining high standards of corporate governance throughout the Company. The Board strives to continuously improve the effective application of the principles and best practices in conformity with BNM's PD CG issued on 3 August 2016.

The Company's policy is to implement these principles and best practices and to uphold high standards of business integrity in all activities undertaken by the Company. This shall include a commitment to emulate good industry examples and to comply with guidelines and recommendations in the conduct of business activities within the Company.

Set out below is a statement on how the Company had applied the principles and complied with the best practices as prescribed under the PD CG during the financial year ended 31 March 2025.

**Board of Directors**

The Board is responsible for the proper stewardship of the Company's resources, the achievement of the Company's objectives and good corporate citizenship. It discharges this responsibility by complying with all the relevant Acts and Regulations, including adopting the principles and best practices of the PD CG and Malaysian Code on Corporate Governance 2021 ("MCCG 2021"), where relevant.

The Board retains full and effective control over the Company's affairs. This includes the responsibility to determine the Company's development and overall strategic direction. Key matters such as the approval of financial results, major capital expenditures, budgets, business plans and succession planning for top management, are reserved for the Board or its appointed committees to deal with. In addition, the Board plays an active role in addressing sustainability matters and climate-related risks. It approves key sustainability directions and monitors progress, supported by continuous learning via periodic capacity-building programmes on emerging trends and practices.

As part of its governance oversight, the Board's awareness, knowledge, and management of sustainability risks and opportunities, including climate-related risks, are periodically assessed through the Board Effectiveness Evaluation ("BEE"). The BEE provides a structured mechanism to evaluate the Board's engagement and competence in these critical areas, contributing to continuous governance enhancement.

The meetings of the Board are chaired by the Non-Executive Chairman, whose role is clearly separated from the role of the President & Chief Executive Officer ("President & CEO"), who ensures that Board policies and decisions are implemented accordingly.

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**Board Composition**

The Board comprises members with relevant expertise and experience drawn from business, financial and technical fronts which strengthened leadership and management.

As at the date of this report, the Board currently comprises four (4) members. Three (3) of these members are Independent Non-Executive Directors ("INED"), one (1) is Non-Independent Non-Executive Director ("NINED") who is the Chairman of MNRB Group.

As at the date of this report, the percentage of the Board composition is as follows:

	Composition	Percentage
NINED	1/4	25%
INED	3/4	75%

By virtue of this composition, the Company is in compliance with the following paragraphs of the PD CG:

- (i) Paragraph 11.3 which requires that the Chairman of the Board must not be an executive director;
- (ii) Paragraph 11.4 which requires that the Board should not have more than one executive director unless otherwise approved by BNM in writing; and
- (iii) Paragraph 11.6 which requires that the Board should have a majority of independent directors at all times.

Under the Company's Constitution, the number of Directors shall not be more than ten (10) and the Board currently comprises four (4) Directors.

The Directors bring to the Board, a wide range of knowledge and experience in relevant fields such as insurance/takaful and reinsurance/retakaful, accounting and finance, investment, capital markets, international business and business operations. The Board has the necessary depth of experience and judgement to bear on issues of strategy, performance, resources and ethical standards. The Board is of the opinion that its current composition and size constitute an effective Board for the Company.

Key information on each Director is set out under the section 'Board of Directors' Profile' on pages 36 to 38.

**Board Charter**

The Board had formalised a Board Charter setting out the duties, responsibilities and functions of the Board in accordance with the principles of good corporate governance set by the regulatory authorities. This Board Charter will be reviewed periodically when necessary to incorporate updates and enhancements to the existing rules and regulations.

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**Directors' Code of Ethics**

The Directors observe a code of ethics in accordance with the code of conduct expected of Directors of financial service providers.

The Chairman is primarily responsible for the effective conduct and workings of the Board. The Chairman leads the Board in the oversight of the Management and in setting strategic business plans, goals and key policies of the Company to ensure the sustainability of long-term returns.

**Directors' Independence and INED**

The Board comprises a majority of INEDs.

The independence of the Directors is assessed by the Group Nomination & Remuneration Committee ("GNRC") and the Board in accordance with the requirements of BNM and the Company's Policy on Independent Directors.

The Independent Directors play a pivotal role in corporate accountability and provide unbiased and independent views and judgement in relation to the Board's deliberation and decision-making process. These are reflected in their membership in the various Board Committees and attendance at meetings.

The Company determines the independence of its Directors in accordance with the requirements under the PD CG. Under the PD CG, an Independent Director of the Company is one who himself or any person linked to him is independent from Management, the substantial shareholders of the Company and/or any of its affiliates, and has no significant business or other contractual relationship with the Company or its affiliates within the last two (2) years and has not served for more than nine (9) years on the Board, except under exceptional circumstances and as approved by BNM.

All Independent Directors have demonstrated to the Board that they have exercised impartial and independent judgement while protecting the interests of the Company.

The Non-Executive Directors do not participate in the day-to-day management of the Company and do not engage in any business dealing or other relationships with the Company (other than in situations permitted by the applicable regulations) in order to ensure that they remain truly capable of exercising independent judgement and act in the best interests of the Company and its shareholders. The Board is also satisfied that no individual or group of individuals dominate the decision-making process of the Board in ensuring a balanced and objective consideration of issues, thereby facilitating optimal decision-making.

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**MNRB Group Independent Directors Policy**

The 9-year policy for the tenure of INEDs, which was implemented to ensure the continuous effective functioning of the Board remained unchanged. Due to the specialised nature of the Company's businesses, the Board is of the view that the maximum tenure of nine (9) years is reasonable considering there are significant advantages to be gained from long-serving Directors who already possessed tremendous insight and knowledge of the Company's business affairs.

The Board is of the opinion that the tenure of service of INEDs on the Board, does not, in any way, interfere with their exercise of independent judgement and their ability to act in the best interests of the Company.

Before the removal or resignation of an Independent Director can take effect, the prior approval of BNM must be obtained.

In assessing independence, the Board evaluates the following criteria:

- the ability to challenge the assumptions, beliefs or viewpoints of others with intelligent questioning, constructive and rigorous debating, and dispassionate decision-making for the good of the Company;
- a willingness to stand-up and defend their own views, beliefs and opinions for the ultimate good of the Company; and
- an understanding of the Company's business activities in order to appropriately provide responses on the various strategic and technical issues brought before the Board.

**Appointment of Directors and Key Senior Management Officers**

The Board ensures that a formal and transparent nomination process for the appointment of Directors and Key Senior Management Officers is continuously maintained and improved pursuant to the Terms of Reference of the Group Nomination & Remuneration Committee ("TOR of GNRC").

Individuals appointed to the Board and relevant senior positions must have the appropriate fitness and propriety to discharge their prudential responsibilities during the course of their appointment.

The appointment of new Board members are considered and properly evaluated by the GNRC. New nominees for directors are assessed by the GNRC in accordance with the PD CG and the MNRB Group Fit & Proper Policy and Procedure ("Group Fit & Proper Policy").

These assessments are carried out by an independent party based on information provided by each individual on matters such as criminal record, the record of material academic/professional qualifications, financial obligations and the execution of checks on bankruptcy and regulatory disqualification.

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**Appointment of Directors and Key Senior Management Officers (cont'd.)**

The GNRC would discuss and deliberate on the above and conduct an interview session with the candidate. Upon completing this process, the GNRC shall recommend the proposed appointment to the Board for its deliberation and approval.

In making these recommendations, the GNRC assesses the suitability of candidates, taking into account the required mix of skills, knowledge, expertise and experience, as well as professionalism, integrity including financial integrity, competencies and other qualities, before recommending them to the Board for appointment.

The GNRC and Board will devote sufficient time to review, deliberate and finalise the selection of Directors. The Company Secretary will ensure that all the necessary information are obtained and relevant legal and regulatory requirements are complied with. In this regard, the Board is also guided by the MNRB Group Fit & Proper Policy.

The GNRC conducts a yearly assessment on the suitability of the present Directors under the above-mentioned MNRB Group Fit & Proper Policy. The fit and proper assessment for the Directors includes self-declaration and vetting by the Company for the purpose of ensuring that they are suitable to continue serving as Directors of the Company. The following aspects would be considered by the Board in appointing/reappointing Directors:

- Character, integrity and reputation – the person must have key qualities such as honesty, independence of mind, integrity, diligence, and fairness and are of good repute in the financial and business community;
- Experience, competence and capability – the person must have the necessary skills, experience and ability to carry out the role; and
- Time and commitment – the person must have the ability to discharge role having regard to other commitment.

The Board's expectations on the time commitment and contribution from the Directors will also be clearly communicated to the potential candidates. The GNRC will evaluate the candidates' ability to discharge their duties and responsibilities as well as appropriate time commitment prior to recommending their appointment as Directors for the Board's approval.

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**Re-appointment and Re-election of Directors**

All Directors may subject themselves for re-appointment and/or re-election upon the expiry of their BNM Appointment Term or in accordance with Clause 22.3 of the Company's Constitution where one-third (1/3) of the Directors for the time being, or if their number is not a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at each Annual General Meeting ("AGM") and all retiring Directors can offer themselves for re-election.

Pursuant to PD CG, the Company is required to apply to BNM for the re-appointment of its Directors at least three (3) months prior to the expiry of their terms of appointment as approved by BNM, should it wish to extend their appointments. Prior to such application, the relevant Directors will be assessed by the GNRC and the Board and they are required to give consent on their re-appointment prior to the recommendation being made.

In accordance with Clause 22.3 of the Company's Constitution, Datin Joanne Marie Lopez will be retiring at the forthcoming Annual General Meeting and being eligible, offers herself for re-election.

Directors who are appointed by the Board during the financial period before the AGM are also required to retire from office and seek re-election by the shareholder at the first opportunity after their appointment.

Dato' Sulaiman Mohd Tahir who was appointed as Non-Independent Non-Executive Chairman on 14 February 2025 will retire pursuant to Clause 22.2 of the Company's Constitution and being eligible, offers himself for re-election.

**Board and Individual Directors' Effectiveness**

The Board members undertake a formal and transparent process, upon completion of every financial year, to assess the effectiveness of their fellow Directors, the Board as a whole and the performance of the President & CEO.

The Board and Individual Directors Evaluation is based on answers to a detailed questionnaire. The evaluation form is distributed to all Board members and covers topics which include, among others, the responsibilities of the Board in relation to strategic plan, fiscal oversight, risk management, Board composition and training needs.

Other areas which are assessed include the contribution of each and every member of the Board at meetings.

The GNRC, having deliberated the findings of the Board and Individual Directors Evaluation, will report to the Board the results and highlight those matters that require further discussion and direction by the Board.

The Board members' directorship in companies other than the Company, are well within the restriction of not more than five (5) directorships in public listed companies as stated in the PD CG.

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**Roles and Responsibilities of the Chairman and President & CEO**

The roles and responsibilities of the Chairman and the President & CEO are separated with a clear division of responsibilities as defined in the Board Charter. This distinction is to provide better understanding and distribution of jurisdictional responsibilities and accountabilities. The Chairman and the President & CEO are not related to each other.

The Chairman leads the Board and is also responsible for its performance. Together with the rest of the Board members, the Chairman sets the policy framework and strategies to align the business activities driven by the Senior Management Team with the Company's vision and mission.

The President & CEO is mainly accountable for the day-to-day management to ensure the smooth and effective running of the Company. He is also responsible for the implementation of policies and Board decisions as well as coordinating the development and implementation of business and corporate strategies.

The President & CEO also ensures that the financial management practice is at the highest level of integrity and transparency for the benefit of the shareholders and the affairs of the Company are performed in an ethical manner.

**Board Meetings**

The Board meeting dates for the ensuing financial year are scheduled in advance before the end of the current financial year so that the Directors are able to plan ahead and schedule these dates into their respective meeting schedules.

The Board has scheduled meetings at least six (6) times a year, in addition to the AGM. For the financial year ended 31 March 2025, the Board held thirteen (13) meetings.

Technology and information technology are effectively used in Board meetings and communications with the Board. Board meeting materials are shared electronically and where required, Directors may participate in meetings via video conference.

All Directors have complied with the requirement to attend at least seventy-five percent (75%) of the Board meetings held during the financial year ended 31 March 2025 as required under Paragraph 9.3 of the PD CG.

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The details of attendance of the Directors at Board meetings held during the financial year are as follows:

<b>Directors</b>	<b>Attendance</b>	<b>Percentage</b>
Dato' Sulaiman Mohd Tahir Chairman/NINED (Appointed as Chairman with effect from 14 February 2025)	1/1	100%
Khalid Sufat INED (Deceased on 24 June 2025)	12/13	92%
Velayudhan Harikes INED	13/13	100%
Datin Joanne Marie Lopez INED	13/13	100%
Wan Zamri Wan Zain INED	13/13	100%
George Oommen INED (Resigned on 28 February 2025)	12/12	100%
Datuk Johar Che Mat Chairman/NINED (Resigned on 12 February 2025)	12/12	100%
Zaharudin Daud NIED (Resigned on 1 October 2024)	6/7	86%

At each scheduled Board meeting, the financial performance and business reviews are discussed, including the Company's quarterly operating performance to date, against the annual budget and business plan previously approved by the Board for that year.

The respective Board Committee's reports and recommendations are also presented and discussed at Board meetings. All proceedings of Board meetings are duly recorded in the minutes of each meeting and the signed minutes of each Board meeting are properly retained by the Company Secretary.

The Board delegates the day-to-day management of the Company's business to the Senior Management team but reserves for its consideration significant matters as specified in the Board Charter.



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**Directors' Remuneration**

**(a) Remuneration Policy and Procedure**

The GNRC recommends to the Board the appropriate remuneration packages for the Directors as well as the President & CEO and the key senior management officers in order to attract, motivate and retain the Directors, the President & CEO and the key senior management officers of the necessary calibre and quality as required by the Company. The remuneration packages for the Group Shariah Committee ("GSC") members are decided by the Board of MNRB Group. The Company's remuneration policy is to reward the Directors, President & CEO and the key senior management officers competitively, taking into account performance, market comparisons and competitive pressures in the industry. Whilst not seeking to maintain a strict market position, the Committee takes into account comparable roles in similar organisations that may be the same in size, market sector or business complexity.

The President & CEO does not participate in any way in determining his individual remuneration.

All Directors are paid fees which are recommended by the Board and approved annually by the shareholder at the AGM.

The remuneration structure of Directors of the Company are as follows:

- Fees for duties as Director and as member of the various committees of the Board as well as additional fees for undertaking responsibilities as Chairman of the Board and the various Board Committees.
- Meeting attendance allowance for each meeting attended.

The fees for Directors are recommended by the Board to the shareholders after deliberating the recommendations by the GNRC. The meeting attendance allowance for all Directors is also determined by the Board.

The Board has taken into consideration prevailing market practices in determining Directors' remuneration and has adopted the revised fee structure. The revised structure has been applied in computing the Directors' fees for the financial year ended 31 March 2025:

		Meeting attendance allowance RM	Annual fees RM
Board	Chairman	RM1,500 for each meeting attended	92,000
	Member		80,500
Audit Committee	Chairman		25,300
	Member		19,550

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**Directors' Remuneration (cont'd.)**

**(a) Remuneration Policy and Procedure (cont'd.)**

		Meeting attendance allowance RM	Annual fees RM
Risk Management Committee of the Board	Chairman	RM1,500 for each meeting attended	25,300
	Member		19,550
Group Nomination & Remuneration Committee	Member/ Permanent invitee		13,800
Group Digital & Information Technology Committee	Member		13,800

The details of the total remuneration of each Director of the Company during the financial year ended 31 March 2025 are disclosed in Note 11 of the Company's Audited Financial Statements. Directors' fees amounting to RM656,000 for the financial year ended 31 March 2025 will be proposed for approval at the forthcoming AGM of the Company. The fees were pro-rated based on appointment/resignation date.

The remuneration of the GSC members are decided by the MNRB Board. The meeting attendance allowance and annual fees of the GSC members are shared equally with fellow subsidiaries of MNRB Group, Takaful Ikhlas Family Berhad ("Takaful IKHLAS Family") and Takaful Ikhlas General Berhad ("Takaful IKHLAS General"). The remuneration of the GSC members during the financial year ended 31 March 2025 are disclosed in Note 11 of the financial statements.

**(b) Indemnification of Directors and Officers**

Directors and Officers are indemnified under a Directors' and Officers' Liability Takaful Policy against any liability incurred by them in the discharge of their duties while holding office as Directors and Officers of the Company. The Directors and Officers shall not be indemnified where there is any negligence, fraud, breach of duty or breach of trust proven against them.

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**Remuneration Policy in respect of the President & CEO, Board Appointees and the Senior Management team of the Company**

The Company's remuneration policy is designed to attract, motivate, reward and retain high-performing individuals who contribute to the Company's long-term success. It aims to ensure that compensation practices are aligned with the Company's strategic objectives and promote sustainable performance.

The remuneration packages for the President & CEO and Board Appointees of the Company are reviewed by the GNRC at the point of contract renewal.

These packages consist of both fixed and variable components. The fixed component comprises of monthly basic salary while the variable component is a performance-based bonus awarded annually. This bonus is linked to both corporate and individual performance, assessed using a balanced scorecard approach that encourages sustainable business practices and prudent risk taking.

Performance measures are based on the Company's strategic and operational goals that are translated into key performance indicators (KPIs) that cover financial and non-financial areas such as profitability, growth, risk management, compliance, customer satisfaction, and sustainability. The KPIs are tailored to each individual's role and are, reviewed by the GNRC for clarity and alignment with long-terms goals, and approved by the Board.

Employees in control functions including Actuarial, Risk, Compliance and Internal Audit, do not carry business profit targets in their performance goals. Their compensation is determined independently of business profitability and is based on the achievement of key outcomes within their respective areas of responsibility.

The annual budget for salary increments and performance-related bonuses is reviewed by the GNRC and submitted to the Board for approval. This ensures that remuneration decisions are made with appropriate oversight and in alignment with the Company's financial position and strategic priorities.

To maintain competitiveness, the Company reviews its' compensation structure annually by conducting benchmarking exercise against relevant peer group of companies. The benchmarking uses data from independent surveys conducted by external consultants, helping the Company remains an attractive employer in the industry.

The Company's variable compensation varies in line with its financial performance and in meeting BNM PD CG requirements.

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**Remuneration Policy in respect of the President & CEO, Board Appointees and the Senior Management team of the Company (cont'd.)**

The total value of remuneration for the President & CEO, Board Appointees and Senior Management for the financial year are as follows:

	Unrestricted RM '000	Deferred RM '000	Remark
Fixed remuneration:			
- Cash-based	6,252	-	Salaries, allowance and EPF
- Other	31	-	Benefits-in-kind
Variable remuneration:			
- Cash-based	3,109	-	Bonus and EPF on bonus

**Supply of information**

All Directors have full and unrestricted access to all information pertaining to the Company's business affairs, whether as a full Board or in their individual capacity, to enable them to discharge their duties.

Prior to Board meetings, every Director receives a notice of meeting, the agenda and Board papers. Sufficient time is given to the Directors to enable them to obtain further explanations, where necessary, so that there will be full participation by the Directors at the meeting. The Board papers include the following:

- Reports by the various Board Committees on issues deliberated at the respective Board Committee meetings;
- Financial Statements on the Company's performance; and
- Compliance reports.

Proper guidelines have been established by the Board pertaining to the content, presentation style and delivery of papers to the Board for each Board meeting to ensure adequate information is disseminated to the Directors.

All Directors have direct access to the members of the Senior Management Team and the services of the Company Secretary to enable them to discharge their duties effectively.

The Company Secretary attends and ensures that all Board meetings are properly convened, and that accurate and proper record of the proceedings and resolutions passed are taken and maintained in the statutory register at the registered office of the Company. The Company Secretary works closely with Management to ensure that there are timely and appropriate information flows within and to the Board and Board Committees, and between the Non-Executive Directors and Management.

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**Supply of information (cont'd.)**

The Directors may, if necessary, obtain independent professional advice from external consultants, at the Company's expense.

Throughout their period in office, Directors are updated on the Company's business, the competitive and regulatory environments in which it operates and other changes by way of written briefings and meetings with the Senior Management.

**Conflict of Interest**

As per the Conflict of Interest Policy, Directors are required to declare their respective shareholdings in the Company and related companies and their interests in any contracts with the Company or any of its related companies. Directors are also required to declare their directorships and interest in other companies and shall abstain from any discussions and decision-making in relation to these companies if the interest are deemed to be material pursuant to Companies Act, 2016.

All disclosures by the Directors are properly retained by the Company Secretary.

**Directors' Training**

The Company acknowledges that continuous education is vital for the Board members to gain insight into the regulatory updates and market developments in order to enhance the Directors' skills and knowledge in order to effectively discharge their responsibilities. In view of the challenges and recognising the importance of increased board leadership, the Company provides the Board members with relevant training programmes and seminars in order to continuously strengthen their skill set and knowledge as well as to acquire sound understanding of current issues and developments in the financial and business environment.

To enable them to contribute effectively from the outset of their appointment, all new Directors are required to undergo an induction programme where they are briefed on the Company, the formal statement of the Board's role, powers that have been delegated to the Company's Senior Management and Management committees as well as the Company's latest financial information.

Being a Director of a financial institution, it is mandatory for a newly appointed Director to attend the Financial Institution Directors' Education ("FIDE") Core programme within one (1) year from the date of appointment. In the event that the new Director has completed the same in another financial institution previously, the Director should provide a copy of his/her FIDE certificate to the Company Secretary.

The Company Secretary facilitates the organising of internal training programmes and the Directors' participation in external programmes, in addition to keeping a complete record of the training programmes attended by the Directors.

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**Directors' Training (cont'd.)**

During the financial year, all Directors, collectively or on their own, attended various seminars and programmes organised by professional bodies and regulatory authorities as well as those conducted in-house. These include the following:

- MNRB Group Knowledge Sharing Session – Hajah & Darurah
- PNB Knowledge Forum 2024: Navigating the Threads of Economic Relatedness
- MNRB Group Directors' Training – Asset Liability Management – It's Role in Insurance
- Sustainability Conference: The Role of the Finance Function and Governance in the Climate Transition
- AML/CFT AND ABC: "Navigating the Anti-Financial Crime Landscape"
- MNRB Group Directors' Training – Global Reinsurance Market Update & Indonesia General Insurance and Syariah Development Market Update
- BNM Sasana Symposium 2024 – Structural Reforms: Making it a Reality for Malaysia
- MNRB Group Directors' Training – IFRS 17 Insurance Contracts & Implementation Journey
- Generative Artificial Intelligence
- Anti-Money Laundering (AML) & Anti-Bribery & Corruption (ABC)
- Cyber Resilience: Building a Secure Financial Future
- MIA Conference 2024: Navigating New Frontiers, Embracing Sustainability
- Boardroom Dynamics in Climate Talk
- MACC and Anti-Money Laundering (AML)
- Data & AI Forum
- Kuala Lumpur International Sustainability Conference 2024
- EY Financial Services Organization (FSO) Insurance Forum 2024
- GSC-BOD Engagement Session – Strengthening the MNRB Foundation for Sustainable Success by Embracing Maqasid Shariah
- Tax Developments: Managing One of Life's Certainties
- CGM Masterclass Series 2024 – Navigating Climate Risks : Investor Priorities
- How Organizations Do Great Things: Aligning Strategy and Implementation
- Artificial Intelligence (AI) Impact & Governance Roundtable Workshop
- Impact Study of AI, Digital and Green Economy on the Malaysia's Workforce
- FIDE CORE Module A
- FIDE CORE Module B

**Board Committees**

The Board has delegated specific responsibilities to three (3) Board Committees, as follows:

- Audit Committee;
- Risk Management Committee of the Board ("RMCB"); and
- Group Nomination and Remuneration Committee ("GNRC").

These Board Committees have their respective Terms of Reference, which clearly define their duties and obligations in assisting and supporting the Board. The ultimate responsibility for the final decision on all matters lies with the entire Board.

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**Board Committees (cont'd.)**

**(i) Audit Committee**

As at the financial year end, the Audit Committee comprises three (3) Independent Non-Executive Directors ("INEDs"). Only one (1) member of the Committee is qualified accountants and members of the Malaysian Institute of Accountants.

The Audit Committee terms of reference include the review and deliberation of the Company's financial statements, the findings of the External and Internal Auditors, compliance-related matters, related party transactions and conflict-of-interest situations within the Company, as well as making recommendation to the Board on the appointment/re-appointment of the External Auditors.

The composition including the tenure of the Audit Committee members had been reviewed during the financial year.

The Audit Committee is authorised by the Board to undertake any activity within its terms of reference and has unlimited access to all information and documents relevant to its activities and to both the Internal and External Auditors, as well as to all employees of the Company.

It is able to convene meetings with the External Auditors, the Internal Auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

It also has the authority to obtain independent legal or other professional advice as it considers necessary.

During the financial year, ten (10) Audit Committee meetings were held. Details of the Audit Committee members' attendance at the meetings held during the financial year were as follows:

	<b>Attendance</b>	<b>Percentage</b>
<u>Chairman</u>		
Khalid Sufat (Deceased on 24 June 2025)	9/10	90%
<u>Members</u>		
Velayudhan Harikes	10/10	100%
Datin Joanne Marie Lopez	10/10	100%
George Oommen (Resigned on 28 February 2025)	10/10	100%

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**Board Committees (cont'd.)**

**(i) Audit Committee (cont'd.)**

The main activities that took place during the meetings were:

- Reviewed the quarterly results, unaudited interim financial statements and year-end financial statements prior to approval by the Board;
- Reviewed the disclosures in the audited financial statements to be in compliance with regulatory requirements;
- Reviewed and recommended to the Board, the actuarial valuation of liabilities and the regulatory capital requirements of the Company for quarterly and year-end financial results to be in compliance with BNM's requirements;
- Deliberated on, and recommended to the Board, the payment of dividend for the financial year ended 31 March 2024;
- Reviewed the Chairman's statement for inclusion in the Directors' Report;
- Reviewed and recommended to the Board, the zakat payable amount and the basis of computation for the financial year ended 31 March 2024;
- Deliberated on, and recommended to the Board, the adoption of new Malaysian Financial Reporting Standards ("MFRSs") and Amendments/Annual Improvements to MFRS Accounting Standards that are effective for the financial year ended 31 March 2025;
- Evaluated the performance and recommended to the Board, the appointment and remuneration of the External Auditors for the financial year ended 31 March 2025;
- Reviewed and recommended to the Board, the Tax Agent's tax compliance fee for the year of assessment 2024;
- Reviewed the tax matters affecting the Company;



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**Board Committees (cont'd.)**

**(i) Audit Committee (cont'd.)**

- Reviewed the Related Party Transactions as entered into by the Company on a periodic basis, including understanding the relationship of the transacting parties, the nature of these parties' business, the nature and timing of transactions and comparing the terms of the transactions with other third party transactions;
- Deliberated on significant matters raised by the External Auditors including financial reporting issues, significant judgements made by Management, significant and unusual events or transactions and received progress updates from Management on actions taken for improvements;
- Reviewed the External Auditors' management letter and Management's response thereto. A meeting without the presence of the Management was also held with the External Auditors on 14 November 2024. Matters discussed during the meeting include key reservations noted by the External Auditors during the course of their annual audit;
- Deliberated on matters pertaining to the implementation of MFRS 17 *Insurance Contracts* ;
- Reviewed the Internal Audit plan for FY 2025/2026 and External Auditors' audit plan for the financial year ended 31 March 2025;
- Reviewed the results of the internal audit reports of the Company on the adequacy and effectiveness of governance, risk management and compliance process;
- Reviewed the adequacy and effectiveness of corrective actions taken by Management on all significant matters raised by both the Internal and External Auditors including status of completion achieved; and
- Reviewed the compliance with the Policy Document on Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions for Financial Institutions as well as evaluated the effectiveness of the overall compliance risk of the Company.

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**Board Committees (cont'd.)**

**(ii) Risk Management Committee of the Board**

The Board has established a dedicated RMCB which oversees the management of the key risk and compliance areas of the Company and to ensure that the risk management and compliance management processes are in place and functioning effectively.

As at the financial year end, the RMCB comprises of three (3) INEDs and one (1) Non-Independent Non-Executive Director.

The RMCB is responsible for the following:

- Review and recommend risk management strategies, policies, risk appetite and tolerance limits to the Board;
- Review and recommend compliance management strategies and policies to the Board;
- Review the adequacy of the Group Risk Management Framework and Policy ("RM Framework"), Group Compliance Management Framework, and other risk and compliance-related frameworks, policies and systems, and the extent to which these are operating effectively in supporting the Company's corporate objectives;
- Ensure sound internal governance and adequate infrastructure, resources and systems are in place for an effective risk management and compliance management, and the staff responsible for implementing risk management and compliance management systems perform those duties independently;
- Provide oversight and stewardship by reviewing, deliberating on, challenging and acknowledging the key risks and compliance matters identified and reported by the Group Management Risk & Compliance Committee ("GMRCC");
- Ensure the Company has the appropriate mechanisms in place to manage, communicate and report potential significant risks to the Board;
- Ensure alignment of risk and compliance activities with the relevant strategies and policies approved by the Board;
- Ensure risk management and compliance management are well-integrated and embedded into the culture and business operations of the Company; and
- Examine whether incentives provided by the remuneration system take into consideration risks, capital, liquidity and the likelihood and timing of earnings.

During the financial year, six (6) RMCB meetings were held. Details of the RMCB members' attendance at the meetings held during the financial year are as follows:

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**Board Committees (cont'd.)**

**(ii) Risk Management Committee of the Board (cont'd.)**

	<b>Attendance</b>	<b>Percentage</b>
<u>Chairman</u>		
Velayudhan Harikes	6/6	100%
<u>Members</u>		
Khalid Sufat	5/6	83%
(Deceased on 24 June 2025)		
Wan Zamri Wan Zain	6/6	100%
Dato' Sulaiman Mohd Tahir	-	-
(Appointed with effect from 14 February 2025)*		
George Oommen	6/6	100%
(Resigned on 12 February 2025)		
Datuk Johar Che Mat	6/6	100%
(Resigned on 12 February 2025)		
*There is no RMCB Meeting after his appointment		

**(iii) Group Nomination & Remuneration Committee**

The GNRC was established to support and advise the Board of Directors in fulfilling its responsibilities to ensure inter alia that the Board and the key management personnel of the Company comprise individuals with the appropriate mix of qualifications, skills and experience. Proposals by the Company to the GNRC shall be deliberated upon and its recommendations be escalated to the Board of the Company for its decision.

The GNRC comprises three (3) INEDs and two (2) Permanent Invitees representing Takaful IKHLAS Family and Takaful IKHLAS General.

During the financial year, nine (9) GNRC meetings were held. Details of the GNRC members' attendance at the meetings held during the financial year are as follows:

	<b>Attendance</b>	<b>Percentage</b>
<u>Chairman</u>		
Zaida Khalida Shaari	9/9	100%
<u>Members</u>		
Junaidah Mohd Said	9/9	100%
Khalid Sufat	9/9	100%
(Deceased on 24 June 2025)		
Azizul Mohd Said	2/2	100%
Permanent invitee representing Takaful IKHLAS Family		
(Appointed with effect from 1 November 2024)		

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**Board Committees (cont'd.)**

**(iii) Group Nomination & Remuneration Committee (cont'd.)**

Dr Wan Zamri Wan Ismail	9/9	100%
Permanent invitee representing Takaful IKHLAS General		
Ooi Bee Hong	7/7	100%
Permanent invitee representing Takaful IKHLAS Family		
(Retired on 1 October 2024)		

The President & CEO was invited to attend the meetings to furnish the GNRC with the necessary information and clarification to the relevant items on the agenda.

The Board also maintained another one (1) non-mandated oversight committee to support the Board in carrying out its functions as follows:

**Group Investment Committee ("GIC")**

The GIC oversees, guides and monitors the investment operations of the MNRB Group as well as approves recommended investment-related transactions. The Committee is also responsible to note and approve specific transactions of a nature that, by regulation, requires awareness of and sanctioning by the Board.

Datin Joanne Marie Lopez was appointed to represent the Company as members in the GIC.

The members of the GIC shall be a minimum of five (5) members and a maximum of seven (7) members comprising at least one (1) representative from each Company. Selected members of the Board are as follows:

- MNRB Group - two (2) Non Executive Directors of whom one (1) shall be the Chairman;
- MRE Investment Committee ("IC")'s representative - one (1) Non Executive Director;
- Takaful IKHLAS Family IC's representative - one (1) Non Executive Director; and
- Takaful IKHLAS General IC's representative - one (1) Non Executive Director.

**Group Shariah Committee**

The Company is advised by the GSC of MNRB Group for its Retakaful Division. The GSC, as an integral function of Shariah governance, is responsible to provide Shariah advisory oversights and to ensure compliance of the Group's Takaful and Retakaful business activities with Shariah principles during the reporting period.

The establishment of the GSC is in compliance with the Islamic Financial Services Act ("IFSA") 2013 and BNM's policy document BNM/RH/PD 028-100 Shariah Governance ("PD SG") which outlines BNM's strengthened expectations for effective Shariah governance arrangements that are well-integrated with business and risk strategies of the Islamic financial institutions ("IFI").

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**Group Shariah Committee (cont'd.)**

Any Shariah non-compliance risk is reported to the GSC and the Board. The effective management of the Shariah non-compliance risk is ensured through the Shariah Control functions i.e. Shariah Review, Shariah Audit and Shariah Risk Management and presentation of a periodic report on Shariah non-compliance and highlights of action plans undertaken to address any Shariah non-compliance risk.

The GSC of MNRB Group consists of six (6) members with the majority of members being Shariah qualified person that fulfilled the requirement of BNM's PD SG under paragraph 12.2.

The GSC plays a significant role in providing objective and sound advice to the Company's retakaful business to ensure that its aims and operations, business, affairs and activities are in compliance with Shariah. This includes:

- Providing a decision or advice to the Company's retakaful business on the application of any rulings of the Shariah Advisory Council ("SAC") of BNM or standards on Shariah matters that are applicable to the operations, business, affairs and activities of the Retakaful Division;
- Providing a decision or advice on matters that require a reference to be made to the SAC of BNM;
- Providing a decision or advice on the operations, business, affairs and activities of the Company's retakaful business which may trigger a Shariah non-compliance event;
- Deliberating and affirming a Shariah non-compliance finding by any relevant functions; and
- Endorsing a rectification measure to address a Shariah non-compliance event.

A total of eight (8) GSC meetings were held during the financial year. Details of the GSC members' attendance at the meetings held during the financial year are as follows:

	<b>Attendance</b>	<b>Percentage</b>
<u>Chairman</u>		
Prof. Dr. Younes Soualhi	8/8	100%
<u>Members</u>		
Shahrir Sofian	8/8	100%
Dr. Shamsiah Mohamad	8/8	100%
Assoc. Prof. Datuk Dr. Luqman Haji Abdullah	8/8	100%
Dr. Khairul Anuar Ahmad	8/8	100%
Wan Rumaizi Wan Husin	8/8	100%

Key information on each of the GSC member is set out under the section 'Group Shariah Committee Members Profile' on pages 39 to 42.

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**Whistleblowing**

The Company is committed to conducting its business with the highest standards of professionalism, honesty, integrity and ethics. In line with this commitment, the Company adopts the MNRB Group Whistleblowing Policy to promote a transparent and accountable corporate culture, with the following objectives:

- To help develop a culture of accountability and integrity within the Company;
- To provide a safe and confidential avenue for all employees, external parties and other stakeholders to raise concerns about any misconduct;
- To reassure whistleblowers that they will be protected from detrimental action or unfair treatment for disclosing concerns in good faith; and
- To deter wrongdoing and promote standards of good corporate practices.

The Policy governs the disclosure, reporting and investigation of misconduct within the Group. It provides protection to whistleblowers in line with the Whistleblower Protection Act 2010, including the confidentiality of their identity and the information provided. Reports made in good faith are treated seriously, and verified cases will be promptly investigated by the appropriate authority, such as the Integrity Unit, Group Internal Audit, or other designated parties.

Whistleblowers are encouraged to report any form of misconduct through secure and confidential channels, including email, e-form, telephone, or in person. These channels are publicly accessible and published on the corporate website to ensure ease of access and to foster a speak-up culture across the organisation.

**Anti-Bribery And Corruption Policy**

The Company upholds the highest standards of integrity, ethics, and governance by conducting its business with honesty, transparency and full compliance with all applicable laws, regulations and industry standards. We recognise our responsibility to foster a culture that is transparent, accountable and anchored in strong values. This commitment is guided by our Group Code of Ethics and further reinforced through the Group Anti-Bribery and Corruption ("ABC") Policy, reflecting our zero-tolerance stance towards bribery, corruption, fraud, and misconduct.

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**Anti-Bribery And Corruption Policy (cont'd.)**

The ABC Policy clearly outlines the Group's commitment to preventing corruption across all levels of the organisation. It applies to employees, Directors, Shariah Committee members and associated persons, including third-party service providers. Aligned with the Malaysian Anti-Corruption Commission ("MACC") Act 2009, the policy is supported by a robust framework of internal controls, including the No Gift Policy, whistleblowing mechanisms and periodic corruption risk assessments, ensuring that ethical conduct is upheld throughout the Group's operations.

In line with Section 17A of the MACC Act 2009, the Companies Act 2016, and the Malaysian Code on Corporate Governance ("MCCG") 2021, the Company remains committed to embedding integrity into our strategic and operational decision-making. Our anti-bribery and corruption initiatives are further guided by the T.R.U.S.T. principles outlined in the Guidelines on Adequate Procedures, which serve as a key defence mechanism against corporate liability. These principles drive our ongoing efforts to strengthen compliance, promote ethical leadership, and maintain stakeholder trust.

**Accountability and Audit**

**(i) Financial Reporting**

The Board takes responsibility for presenting a balanced and comprehensive assessment of the Company's operations and prospects each time it releases its annual financial statements. The Audit Committee of the Board assists by scrutinising the information to be disclosed to ensure accuracy, adequacy and completeness. The Directors are responsible for ensuring that the accounting records are kept properly and that the Company's financial statements are prepared in accordance with applicable approved accounting standards in Malaysia.

The Statement by Directors pursuant to Section 251(2) of the Companies Act, 2016 is set out on page 43.

**(ii) Internal Control and Risk Management**

**Responsibility**

The Board acknowledges its overall responsibility for the establishment and oversight of the Company's risk management and internal control system, as well as the review of its adequacy and effectiveness. The Board also recognises that risk management is a continuous process, designed to manage risks impacting the Company's business strategies and objectives, within the risk appetite and tolerance established by the Board. In pursuing these objectives, internal control systems can only provide reasonable, but not absolute, assurance against any material financial misstatement, fraud or losses.

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**Accountability and Audit (cont'd.)**

**(ii) Internal Control and Risk Management (cont'd.)**

**Responsibility (cont'd.)**

The Board has established a group-wide risk management framework, i.e. the Group Risk Management Framework and Policy ("RM Framework") that describes the structure, approach and process for identifying, evaluating, responding to, monitoring and managing the significant risks faced by the Company. The RM Framework has been in place for the whole of the financial year ended 31 March 2025 and the latest review was completed in August 2024.

The RM Framework serves as a central risk management framework, supported by related sub-frameworks, policies and underlying procedures. It is consistent with the risk appetite defined by the Board, GMRCC and based on principles of risk governance stipulated in BNM Risk Governance Guidelines.

The Board is confident that the RM Framework provides reasonable assurance on the effectiveness and efficiency of the strategic, financial and operational aspects of the Company. The RM Framework is regularly reviewed by the Board.

**Risk Management Governance**

- A dedicated Board Committee known as the RMCB is established at the Company to support the Board in meeting the expectations and responsibilities on the risk and compliance management, provides assurance to the Board that the processes have been carried out effectively and inculcates a strong risk management culture on Company-wide basis. There are clearly defined responsibilities and reporting to the RMCB from the management to provide oversight and governance over the Company's activities, which aims to safeguard shareholder's interests and the Company's assets, as well as to manage the risks of the Company for the entirety of the financial year ended 31 March 2025.
- The GSC is established to provide objective and sound advice to the Company to ensure that its aims and operations, business, affairs and activities are in compliance with Shariah.



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**Accountability and Audit (cont'd.)**

**(ii) Internal Control and Risk Management (cont'd.)**

**Risk Management Governance (cont'd.)**

- The Company adopts the 'Three Lines of Defence' ("LOD") governance model which provides a formal, transparent and effective risk governance structure to promote active involvement from the Board, Senior Management and all staff in the risk management process within the Company.
  - i. First LOD: Risk Ownership and Steering is carried out by the business and support functions, which have primary responsibility for risk management and control activities embedded in day-to-day business operations.
  - ii. Second LOD: Risk oversight and monitoring is carried out by the risk management, (including Shariah risk management and review functions), actuarial and compliance functions, which have the primary responsibility for setting up risk and risk-related policies, frameworks, guidelines, and procedures, as well as providing support and direction to the business with regards to risk.
  - iii. Third LOD: Independent assurance is carried out by Group Internal Audit function who provides independent and objective assurance on the overall effectiveness of risk management and internal controls within the Company.

**Risk Management and Internal Control Structure**

The key features that the Board has established in reviewing the adequacy and effectiveness of the risk management framework and internal control system include the following:

**(i) RM Framework**

The Board believes that an effective RM Framework and strong internal control system are essential to the Company in its pursuit to achieve its business objectives, especially on the continued profitability and enhancement of shareholders' value in today's rapidly changing market environment.

**Risk Appetite**

Defining risk appetite is an essential element of the Company's risk management. When deciding on its risk appetite, the Company considers its risk capacity, i.e. the amount and type of risk the Company is able to support in pursuit of its business objectives, taking into account its capital structure and access to financial markets.

The Risk Appetite Statement ("RAS") is established by the Board and reviewed on a yearly basis, according to the desired level of risk exposures. Management operationalises the RAS into risk tolerance levels for specific risks.

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**Accountability and Audit (cont'd.)**

**(ii) Internal Control and Risk Management (cont'd.)**

**Risk Management and Internal Control Structure (cont'd.)**

**(i) RM Framework (cont'd.)**

**Highlights on Key Risks**

The Company, through its normal day-to-day business, is exposed to different types of risks that could adversely affect the Company's operating results and financial position. Key risks are constantly monitored by the Management and escalated to the GMRCC and RMCB, and periodically reviewed by the Board.

The Company's key risks are described in the relevant sections of the Financial Statements.

**(ii) Internal Audit**

- The Audit Committee complements the oversight role of the Board by providing an independent assessment of the adequacy and effectiveness of governance, risk management and internal controls. The Audit Committee is assisted by an independent Internal Audit Department ("IAD") in performing its role.
- The internal audit function of the Company is undertaken by the IAD established at MNRB Group. The department reports directly to the Audit Committee of the Company.
- The IAD performs regular reviews of the business processes of the Company to assess the adequacy and effectiveness of governance, risk management and internal controls.
- The IAD provides recommendations to improve the effectiveness of risk management, controls and governance processes. Control lapses are escalated to Management and Board for deliberation. Status of rectification is tracked and monitored by Management and the Audit Committee, within the committed timeline. Management will accordingly follow through to ensure the resolution of recommendations agreed upon. Audit reviews are carried out on functions that are identified on a risk-based approach, in the context of the Company's evolving business and its regulatory environment, while also taking into consideration the inputs of Senior Management as well as inputs from the Audit Committee.
- The Audit Committee meets at least once every quarter to review matters identified in reports prepared by the Internal Auditors, External Auditors, Regulatory Authorities and Management. It further evaluates the effectiveness and adequacy of the Company's internal control system. The Audit Committee has active oversight on the Internal Auditors' independence, scope of work and resources. The activities undertaken by the Audit Committee during the year are highlighted in the Audit Committee Reports of the Company.

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**Accountability and Audit (cont'd.)**

**(ii) Internal Control and Risk Management (cont'd.)**

**Risk Management and Internal Control Structure (cont'd.)**

**(iii) Other Key Elements of Internal Control**

- The Board ensures that all decisions are communicated promptly to staff of all levels within the Company and vice versa where feedback and suggestions on improvements could be communicated to the Management and the Board.
- The Company has a well-defined organisational structure with clear lines of responsibility and accountability. Further, to minimise errors and reduce the possibilities of fraud, segregation of duties is practised by ensuring critical tasks are assigned to different employees.
- Annual business plans and budgets are developed in line with the Company's strategies and risk appetite and submitted to the Board for approval. Financial performance and major variances against targets are reviewed by the Management on a regular basis and reported to the Board on a quarterly basis.
- The Company's financial systems record all transactions to produce performance reports that are submitted to the Management within internally stipulated timelines. These performance reports are tabled to the Audit Committee and approved by the Board.
- The Underwriting Guidelines for reinsurance and retakaful businesses have been put in place to manage risks being underwritten.
- Retrocession/retrotakaful programmes are in place as risk mitigation initiatives, supported by a spread of reinsurers and retakaful operators with acceptable ratings from accredited agencies. The credit ratings of these companies are reviewed on a regular basis.
- Departmental policies and procedures are available and act as guidance to employees on the necessary steps to be taken in a given set of circumstances. It also specifies relevant authority limits to be complied with by each level of Management.
- Every employee of the Company is contractually bound to observe the adopted MNRB Group Code of Ethics, which promotes a culture of compliance, professionalism, ethical standards and responsible conduct. The Company expects each employee to perform and work with honesty and integrity at all times and uphold the Company's values without fail.

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**Accountability and Audit (cont'd.)**

**(ii) Internal Control and Risk Management (cont'd.)**

**Risk Management and Internal Control Structure (cont'd.)**

**(iii) Other Key Elements of Internal Control (cont'd.)**

- The Group has implemented a Leadership Competency Framework that is consistently applied across key human capital processes including recruitment, performance and rewards, High Performance ("HiPo") talent assessment, and learning and development. Technical competencies within the Group are evaluated typically by the immediate supervisor or Head of Department either during recruitment or throughout employment ensuring relevance to actual job requirements.
- The Company implements the annual Mandatory Block Leave ("MBL") to create a positive talent management culture where the Company does not have an over-reliance on any particular employee, and as a prudent operational risk management measure particularly with regard to employees posted in sensitive positions or areas of operations such as underwriting, treasury, procurement or investment.
- An annual employee engagement survey is conducted with the objective to gauge the engagement level of employees, to gather their feedback on the effectiveness/ineffectiveness of the various employee touch points and to develop the necessary action plans for improvement of those areas.
- The Group Anti-Fraud Policy has been established to provide a consistent approach to prevent, detect and manage fraud, and to make a clear statement to all employees that the Company does not tolerate fraud of any form.
- The Group Anti-Bribery and Corruption ("Group ABC") Policy has also been established to state the Board's and Management's commitment and stance on bribery and corruption risks, which include disciplinary actions for non-compliance, misconduct or breach of the policy.
- The Group ABC Policy addresses general guidelines on both internal and external concerns on bribery and corruption risk, such as Conflict of Interest, Illegal Gratification and Corrupt Practices, Gift & Entertainment, Corporate Social Responsibility activities, sponsorship and donations, as well as dealing with public officials and third parties.

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**Accountability and Audit (cont'd.)**

**(ii) Internal Control and Risk Management (cont'd.)**

**Risk Management and Internal Control Structure (cont'd.)**

**(iii) Other Key Elements of Internal Control (cont'd.)**

- The Company adopts the Group Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions ("AML, CFT, CPF & TFS") Policy that reflects the Company's commitment in combating money laundering and financing of terrorism. It also sets out the expectations on the Company to be vigilant in ensuring proper controls and monitoring mechanisms to safeguard the Company against being abused for money laundering or terrorism financing ("ML/TF") purposes.
- A Group Whistleblowing Policy is in place for employees, external parties and other stakeholders to raise concerns about illegal, unethical or unacceptable practices. This policy governs the disclosures, reporting, investigation of misconduct and protection offered to the person(s) making those disclosures in accordance with the Whistleblower Protection Act 2010.
- A structured Business Continuity Management ("BCM") Programme is in place to ensure resumption of critical business operations within the pre-defined Maximum Tolerable Downtime ("MTD"). The Company has also established a Disaster Recovery Plan ("DRP") which outlines the processes and set of procedures to recover the Company's IT infrastructure within a set Recovery Time Objective ("RTO").

The BCM Programme and the DRP are validated by conducting regular tests and updated as and when necessary.

- Sufficient insurance and takaful coverage, including covers for properties, employee-related, cyber security breaches, and Directors' and Officers' liabilities, are in place to ensure the Company is adequately protected against these risks and/or claims that could result in financial or reputational loss.
- The Information Communication & Technology Department ("ICTD") is responsible for continuously monitoring and responding to IT security threats, conducting awareness programmes, as well as performing assessments and network penetration test programmes.

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**Accountability and Audit (cont'd.)**

**(iii) Relationship with Auditors**

Information on the role of the Audit Committee in relation to the External Auditors is set out under the section 'Audit Committee' on pages 20 to 22.

The Company has always maintained a professional and transparent relationship with its Auditors in seeking professional advice and ensuring compliance with the approved financial reporting standards.

The MNRB Group Audit Committee deliberated and recommended to the Board of MNRB on the appointment of External Auditors and Tax Agents for the MNRB Group for a period of five (5) years from the financial year ending 31 March 2022 to the financial year ending 31 March 2026.

**(iv) Management Accountability**

The Company has an organisational structure showing all reporting lines as well as clearly documented job descriptions for all its Management and Executive employees and formal performance appraisals are done on a periodic basis.

Authority limits, as approved by the Board, are clearly established and made available to all employees.

Whilst the Board is responsible for creating the framework and policies within which the Company should be operating, the management is accountable for the execution of the enabling policies and attainment of the Company's corporate objectives.

**(v) Corporate Independence**

Significant related party transactions and balances are disclosed in Note 30 to the financial statements.

**(vi) Public Accountability**

As a custodian of public funds, the Company's dealings with the public are always conducted fairly, honestly and professionally.

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**Board of Directors' Profile**

**Dato' Sulaiman Mohd Tahir, Non-Independent Non-Executive Chairman**

Male, Malaysian, Non-Independent Non-Executive Chairman on 14 February 2025. He is a member of the Risk Management Committee of the Board. He is a Fellow Member of Asian Institute of Chartered Banker. He has thirty-five (35) years of experience in Malaysia's financial sector. He began his banking career in 1987 at Bank of Commerce Berhad. There he took on several front-line roles, including in branch banking, corporate banking and as an area business manager covering SMEs and Corporates. In 2000, he joined Bank Bumiputra Commerce Berhad, overseeing the banks retail sales and distribution channels. In 2006, Bank Bumiputra Commerce Group merged with CIMB creating CIMB Group where he was appointed as Regional Head of Consumer Sales and Distribution. His journey with CIMB Group concluded with his appointment as the Chief Executive Officer (CEO)/Executive Director of CIMB Bank.

Dato' Sulaiman then joined Ambank Group in 2015 as the Group CEO until his retirement in November 2023. While in Ambank Group, he held several directorships in its group of companies. On 25 September 2019, he was appointed as Non-Independent Non-Executive Director of Financial Industry Collective Outreach until 22 November 2023. He was formerly a Non-Independent Non-Executive Director of Payment Network Malaysia Sdn Bhd (PayNet) from 1 June 2020 until 22 November 2023. He was then reappointed as Independent Non-Executive Director on 24 October 2024 in PayNet. Along with his current directorship in PayNet, he is also the Chairman and Independent Non-Executive Director of Bank Pembangunan Malaysia and a Non-Independent Non-Executive Chairman of MNRB Holdings Berhad.

**Khalid Sufat, Independent Non-Executive Director**

Male, Malaysian, Independent Non-Executive Director since 1 October 2019. Chairman of the Audit Committee, members of the Risk Management Committee and Group Nomination and Remuneration Committee of MNRB. He is a fellow Member of Association of Chartered Certified Accountants (UK), Member of Malaysian Institute of Certified Public Accountants and Member of Malaysian Institute of Accountants. He has considerable experience in the banking industry having held several senior positions, namely, Managing Director of Bank Kerjasama Rakyat Malaysia Berhad, General Manager of Consumer Banking Department of Malayan Banking Berhad and Executive Director of United Merchant Finance Berhad. He had previously managed three (3) listed companies as Executive Director of Tronoh Mines Malaysia Berhad, Deputy Executive Chairman of Furqan Business Organisation Berhad and Group Managing Director of Seacera Tiles Berhad. Also a Director of Employees Provident Fund, Kuwait Finance House (Malaysia) Berhad and MNRB Holdings Berhad.

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**Board of Directors' Profile (cont'd.)**

**Velayudhan Harikes, Independent Non-Executive Director**

Male, Singaporean, Independent Non-Executive Director since 1 April 2021. Chairman of the Risk Management Committee of the Board and member of the Audit Committee. He is a Fellow of the Insurance Institute of India and has considerable experience in the insurance industry having held leadership roles in South East Asia and the Middle East. He began his career in 1979 when he joined the New India Assurance Company where he served in a variety of roles including as Assistant Manager for Reinsurance / Aviation and Country Manager (Bahrain). In 1992, he joined Dubai National Insurance as Technical and Reinsurance Manager. He was then appointed as the Assistant General Manager of Bahrain Kuwait Insurance Company in 1993.

He later joined Swire Blanch Asia (Pte) Ltd, Singapore in 1998 as General Manager and subsequently Director and Principal Officer. In 2000, he became the President Director / CEO of PT Asuransi Aegis, Indonesia and thereafter was appointed as the President Director / CEO of PT Asuransi Indrapura (now known as FPG Indonesia) in 2007. He was the Regional CEO and Managing Director, Asia of Howden Broking Group from 2013 to 2016 before he commenced his own insurance consultancy practice upon retirement.

**Datin Joanne Marie Lopez, Independent Non-Executive Director**

Female, Malaysian, an Independent Non-Executive Director since 1 April 2023. She is a member of the Audit Committee and the Group Investment Committee of MNRB Group. She graduated with a Bachelor of Economics majoring in Applied Economics from Universiti Malaya. She has extensive experience in the capital markets with over thirty (30) years in asset management, managing funds mainly for financial institutions. She started her career in Utama Merchant Bank Berhad as an Investment Analyst in 1991 until her appointment as Head, Portfolio Management in 1997 before joining BBMB Securities Sdn Bhd as Vice President of Institutional Sales. Thereafter, she joined Manulife Insurance Malaysia Berhad as an Assistant Vice President from 2000 to 2006. She retired after sixteen (16) years as the Chief Investment Officer of Hong Leong Assurance Berhad (HLA) where she managed money for both the conventional and takaful portfolios for HLA and the Hong Leong Group.

She is currently a Director of Nylex (Malaysia) Berhad, Ancom Logistics Berhad and Abrdn Islamic Malaysia Sdn Bhd. She is also a member of FIDE Forum and the Institute of Corporate Directors (ICDM).



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**Board of Directors' Profile (cont'd.)**

**Wan Zamri Wan Zain, Independent Non-Executive Director**

Male, Malaysian, Independent Non-Executive Director effective 1 August 2023. Member of the Risk Management Committee of the Board. He holds a Bachelor degree in Finance and Business Economics from the Southern Illinois University, United States of America ("USA") and also graduated with Master of Business Administration (Financial Management and Management Information System) from West Coast University, Los Angeles, USA. He began his career with HSBC Bank Malaysia Berhad ("HSBC Malaysia") in year 1985 as the Operation Officer at Sungai Petani Branch and subsequently, he held various executive management roles in HSBC Malaysia, HSBC Hong Kong and HSBC Amanah Takaful Malaysia Sdn Bhd. In May 2008, he joined AIA Takaful International Bhd as the Chief Executive Officer ("CEO") until April 2011 and subsequently joined AmMetLife Takaful Bhd as CEO from May 2011 until May 2015.

He has also served as an Independent Director of Bank Kerjasama Rakyat Malaysia Berhad from 2017 until 2019, Zurich General Insurance Malaysia Berhad from 2018 until 2019 and Agrobank from 2023 until 2025. Presently, he is a Chairman of Agro Captive Takaful Limited, a wholly owned subsidiary of Agrobank, a Managing Partner of Sprint Milestone Sdn Bhd and an Independent Director of DynaFront Holdings Berhad.

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**Group Shariah Committee Members Profile**

**Prof. Dr. Younes Soualhi**

Male, Algerian. Appointed as a Chairman of Group Shariah Committee with effect from 3 November 2022. He obtained his Bachelor in Usul al Fiqh from Emir University of Islamic Sciences Algeria, Masters in Usul al-Fiqh from International Islamic University Malaysia and complete his Ph.D in Usul al-Fiqh from University of Malaya. Holding the esteemed designation of Registered Financial Planner (RFP) under the Malaysian Financial Planning Council (MFPC), he brings a wealth of expertise in financial planning and advisory services to the table. As a distinguished member of the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) Shariah sub-committee, he contributes to shaping global standards and best practices in Islamic finance. Currently, he serves as a Senior Researcher and Head of PhD Program (Applied Shariah in Islamic Economics and Finance at the International Shari'ah Research Academy for Islamic Finance ("ISRA"), where his insights drive pioneering research initiatives in the field. Additionally, he holds the esteemed position of Professor at INCEIF University, Malaysia, where he imparts invaluable knowledge and expertise to the next generation of Islamic finance professionals.

In his capacity as Chairman of the Shariah Committee of Al-Rajhi Bank, Malaysia, he plays a pivotal role in ensuring compliance with Shariah principles within the banking sector. He also serves as the sole Shariah advisor for Kuwait Retakaful (Labuan), showcasing his expertise in the realm of Islamic insurance. Furthermore, he serves as the Chairman of the Shariah Council of experts for Salam Takaful, Nigeria, and as the Deputy Chairman of Aljazair Mutahidah Takaful company in Algeria, underscoring his global influence and leadership in Islamic finance.

Previously, he held esteemed positions such as Chairman of the Shari'ah board of Munich Re Retakaful and a member of the Shariah Committee of HSBC Amanah Malaysia, further highlighting his extensive experience and trusted reputation in the industry. With nearly twenty-three (23) years of experience, he has taught Islamic finance subjects such as Takaful and Retakaful courses at the master's and Ph.D. levels. His scholarly contributions extend to the publication of articles and books in Islamic Banking and Finance, particularly focusing on Takaful and Retakaful, enriching the academic discourse in the field.

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**Group Shariah Committee Members Profile (cont'd.)**

**Shahrir Sofian**

Male, Malaysian. Appointed as a Group Shariah Committee member on 3 November 2020. Obtained his master's in actuarial science (with distinction) at City University, London. He also holds a double degree in Economics and Islamic Studies (majoring in Shariah) from local universities. Currently, he serves as a respected Shariah Committee member for the Islamic Banking window at Citibank Berhad. With an illustrious career spanning over three decades, he has held various pivotal roles within BNM since 1987. Notably, he served as Manager in the Financial Sector Development Department and Manager of the Insurance Development Department, where he played a key role in steering compliance review processes. His contributions to BNM were multifaceted, including involvement in strategic initiatives such as the formulation of the Balance Score Card for Life Insurance/Family Takaful Agents under the LIFE framework and the Development of Business Plan of the Insurance Development Department, which became an integral part of the Bank's overarching business strategy. He played a pivotal role in shaping policy frameworks, including the formulation of the policy document on direct channels and the establishment of a dedicated department, namely, the Islamic Banking and Takaful Department, which propelled the progress and development of the Islamic Financial System. Furthermore, his extensive expertise extends to insurance regulations and operations, where demonstrated a keen understanding and proficiency in navigating the intricacies of this sector.

**Assoc. Prof. Datuk Dr. Luqman Haji Abdullah**

Male, Malaysian. Appointed as a Group Shariah Committee member on 3 November 2020. He obtained his PhD in Islamic Law of Property from the University of Edinburgh, Scotland. He formerly served as the Mufti of Wilayah Persekutuan from May 2020 to May 2025, a role that placed him at the forefront of Islamic legal and ethical guidance at the national level. Currently, he serves as a distinguished Shariah Committee Member of MBSB Bank, offering expert insights to ensure compliance with Shariah principles in the banking sector. He is also appointed as a Shariah Panel Expert of Jabatan Kemajuan Islam Malaysia (JAKIM), further showcasing his expertise and influence in matters of Islamic governance. As a dedicated member of the Association of Shariah Advisors in Islamic Finance (ASAS), he contributes to shaping industry standards and best practices. Moreover, he holds significant roles as a Committee Member of the Shariah Advisory Council of Amanah Raya Berhad (ARB), demonstrating his commitment to advancing Islamic finance and philanthropy. Beyond his professional engagements, he serves as the Chairman of Madrasah Rahmaniah Pondok Lubuk Tapah, Pasir Mas, Kelantan, where he plays a pivotal role in nurturing Islamic education and values in the community. His dedication to academic pursuits is further evidenced by his tenure as a Visiting Scholar at the University of Edinburgh, Scotland in 2013. Previously, he held the esteemed position of Head of the Fiqh and Usul / Islamic Jurisprudence Department at the University of Malaya, where he contributed significantly to academic discourse and scholarship. His areas of specialization encompass Islamic Law of Property, Islamic Jurisprudence/Legal Theories, and Shariah/Fiqh Textual Studies (Dirasah Nassiyyah), reflecting his profound expertise in these domains.

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**Group Shariah Committee Members Profile (cont'd.)**

**Dr. Shamsiah Mohamad**

Female, Malaysian. Appointed as a Group Shariah Committee member on 3 November 2020. Obtained her PhD specialising in Fiqh & Usul Fiqh from University of Jordan. She was an Associate Professor at the Academy of Islamic Studies in University of Malaya and a Senior Researcher at International Shari'ah Research Academy for Islamic Finance (ISRA). Her distinguished presence extends to multiple Shariah Committees of prestigious financial institutions, where she is entrusted with navigating complex Shariah issues with assurance. Currently, she holds esteemed positions as a Member of the Shariah Supervisory Council of Bank Islam Malaysia Berhad, the Shariah Committee of SME Bank, and the Shariah Committee of the Association of Islamic Banking Institutions Malaysia (AIBIM). Additionally, she serves as a Subject Matter Expert at IBFIM, contributes to the Shariah Committee of Lembaga Zakat Selangor, and Shariah Committee to Dana Peladang Kebangsaan, Pertubuhan Peladang Kebangsaan and Jawatankuasa Penasihat Ibadat Haji TH-JAKIM. Her extensive portfolio also includes past memberships on the Shariah Advisory Council of the Securities Commission Malaysia and the Shariah Committee of Bursa Malaysia Securities Berhad. She has lent her Shariah expertise to institutions such as Standard Chartered Bank, Bank Muamalat Malaysia Berhad, Standard Chartered Saadiq Berhad, JAKIM, Medic IG Holdings, BIMB Investment, and BIMB Securities Sdn Bhd. Notably, she served on the esteemed Shariah Advisory Council of BNM from 2013 to 2019. Throughout her career, her focus has remained steadfast on Islamic transactions, where she has garnered profound insights and made substantial contributions.

**Dr. Khairul Anuar Ahmad**

Male, Malaysian. Appointed as a member of the Group Shariah Committee on 1 July 2022. He holds a PhD in Islamic Banking and Finance from International Islamic University of Malaysia (IIUM). Currently, he holds the esteemed position of Senior Lecturer at Universiti Islam Selangor (UIS), where he specializes in Fiqh Muamalat (Islamic Law of Transactions) and Islamic Economics & Banking. He serves as the Chairman of the Shariah Committee at OCBC Al-Amin Bank Berhad, demonstrating his leadership and proficiency in ensuring compliance with Shariah principles within the banking sector. Additionally, he is a respected member of the Shariah Committees at YAPEIM, KOPSYA, Afsha Shariah Advisory Sdn Bhd and Sedania As-Salam Capital Sdn Bhd, where his insights contribute to informed decision-making processes. His extensive experience includes serving as a Member of the Shariah Committee at HSBC Amanah Berhad and FWD Takaful Bhd, underscoring his trusted reputation within the Islamic finance industry. He is also an ordinary member of the Association of Shariah Advisors in Islamic Finance (ASAS), further cementing his standing as a respected authority in the field. Throughout his career as a lecturer, he has contributed significantly to the advancement of Islamic finance through the publication of several articles and research papers. His scholarly contributions enrich the discourse surrounding Islamic finance and serve as a testament to his dedication to the field.

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**Group Shariah Committee Members Profile (cont'd.)**

**Wan Rumaizi Wan Husin**

Male, Malaysian. Appointed as a Group Shariah Committee member on 1 August 2023. Obtained his first degree in Fiqh and Usul al-Fiqh from al Al-Bayt University Jordan and Master's degree in Fiqh and Usul al-Fiqh from International Islamic University Malaysia. Formerly, he served as a lecturer at the esteemed Department of Fiqh and Usul al-Fiqh at the Kulliyah of Islamic Revealed Knowledge and Human Sciences of the International Islamic University Malaysia, where he contributed significantly to the academic landscape in Islamic jurisprudence. Known for his dynamic presence and expertise, he is highly active in delivering speeches and specialized training on Shariah principles, particularly in the areas of Fiqh Muamalat, Islamic Economics, and Fiqhi-Medico, garnering admiration for his insightful contributions. With a wealth of experience in Shariah consultation, he has played pivotal roles such as module developer and member of the Working Group for MS 1900:2014 Standard (Shariah-based Quality Management Systems – Requirement with Guidance) secretariat by SIRIM. Additionally, he has served as a Shariah Advisor for Yayasan Muamalat Belia, Tissue Bank HUSM Kubang Kerian, and as a Shariah Committee Representative to BKRM's BOD Meeting and JAKIM's Muamalat Panel of Experts.

Currently, he holds esteemed positions including Board member and Chairman of the Shariah Committee at AEON Bank (M) Berhad, Shariah Committee member of AgroBank Berhad, and Shariah Committee member of Tabung Haji. He also serves as the Wakaf Committee member of Majlis Agama Islam dan Adat Istiadat Melayu Kelantan, Panel Consultant Member for the International Research Centre in Islamic Economy and Finance (IRCIEF) at UIS, and a Member of the International Union for Muslim Scholars (Ittihad al-'Alami li 'Ulama' al-Muslimin), Qatar. Previously, he held significant roles such as Chairman of the Shariah Board at Al-Rajhi Bank Malaysia Berhad, Shariah Committee Member of Bank Kerjasama Rakyat, and Shariah Committee Member of PruBSN Takaful. Additionally, he served as an Executive Committee (EXCO) member of the Association of Shariah Advisors in Islamic Finance (ASAS), further underscoring his commitment to advancing the principles of Shariah in the finance industry.