

## **MANULIFE INSURANCE BERHAD**

**(Company No. 814942-M)**

**(Incorporated In Malaysia)**

### **TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE**

#### **Composition of Committee**

MIB Risk Management Committee has three (3) Independent Non-Executive Directors. Minimum quorum of 2 is required for convening a meeting.

#### **Committee's Responsibilities**

- (i) Reviewing and recommending risk management strategies, policies/frameworks and risk tolerance/appetite for MIB Board's approval upon consultation with Chief Risk Officer (CRO). The risks are divided into Strategic, Liquidity, Market & Credit, Insurance and Operational for comprehensive review.
- (ii) Reviewing and assessing sufficiency of risk management policies/frameworks for identifying, measuring, monitoring, controlling and reporting risks as well as the extent to which these are operating effectively upon consultation with Chief Risk Officer (CRO);
- (iii) Ensuring adequate infrastructure, resources and systems are in place for an effective risk management, i.e. ensuring that competent staff are employed and fully responsible for implementing risk management systems and perform these duties independently of MIB's risk-taking activities, ensuring MIB leveraged on the best available risk management practices across Manulife Financial Corporation and its subsidiaries (CRO will be the conduit to achieve this).
- (iv) Reviewing Management's periodic reports on risk exposure, risk portfolio composition and risk management activities. i.e ensuring that methods of assessing the risk is viable and reliable via consultation with CRO. Through MIB Risk Management Committee, MIB Board oversees the Enterprise Risk Management Framework of the company; and
- (v) Ensuring that all risk management policies/frameworks and risk management strategies undertaken by MIB are in adherence to any laws, rules or regulations outlined by Bank Negara Malaysia (BNM) or any relevant authorities in Malaysia.
- (vi) Advising the MIB Audit Committee and the Board on areas of high risks faced by MIB throughout the organisation. MIB Risk Management Committee reviews the risk management policies formulated by Management and with input from CRO makes relevant recommendations to MIB Board for approval.

#### **Committee Meeting**

The Committee will hold regular meetings, at a minimum once every quarter and should report regularly to the full board.