

Sustainability Report

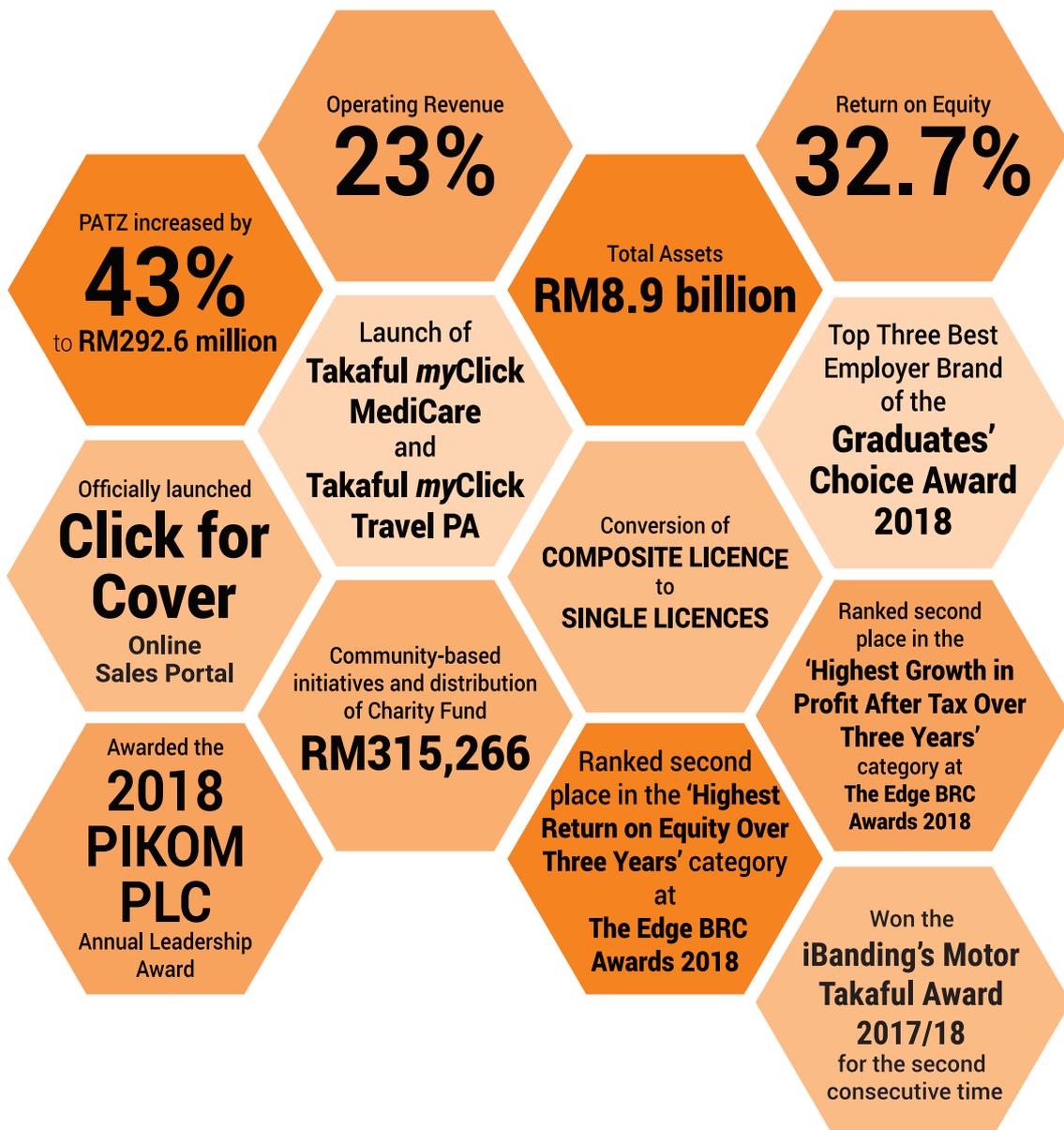
SCOPE

This Sustainability Report provides the sustainable development of Syarikat Takaful Malaysia Keluarga Berhad ("STMKB" or "the Company") (formerly known as Syarikat Takaful Malaysia Berhad) and its subsidiary companies ("STMKB Group" or "the Group"), encompassing our relevant business functions and operations, achievements, initiatives, strategies and measures throughout the financial year ended 31 December 2018.

REFERENCES AND GUIDELINES

Our Sustainability Report was developed with reference to the Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Sustainability Reporting Guide, the FTSE4Good Bursa Malaysia Index, the United Nations and Malaysia Sustainable Development Goals ("SDGs"), Global Reporting Initiative ("GRI") Standards and the Group's own Sustainability Report.

2018 SUSTAINABILITY ACHIEVEMENTS



SUSTAINABILITY STRATEGY

As the first Islamic insurance company in the country for over three decades, STMKB Group has transformed into a leading industry player in providing takaful solutions and risk management expertise to meet the ever-rising customer expectations on the back of the competitive market environment. By embedding a sustainability mindset in achieving operational efficiency throughout the Group, we consistently cultivate a sustainability strategy into our business operations to adopt a sustainable business model in delivering long term value to all our stakeholders.

Realizing the importance of operating in an economically, environmentally and socially sustainable manner, we are committed to explore innovative approaches to amplify our sustainability efforts. Focusing on managing risks and taking advantage of business opportunities, we continue promoting a culture of sustainability to operate our business in a manner that minimizes our environmental and social impacts whilst integrating the sustainability principles and practices into our business operations.

SUSTAINABILITY APPROACH

In September 2015, all United Nations Member States adopted the 2030 Agenda for Sustainable Development that provides a shared blueprint to accomplish a sustainable future for all. Consists of 17 Sustainable Development Goals (“SDGs”), the blueprint is set for action in a global partnership by all developed and developing countries in addressing the global challenges, including those that are related to poverty, inequality, climate, environmental degradation, prosperity, peace and justice.



STRATEGIC INITIATIVES

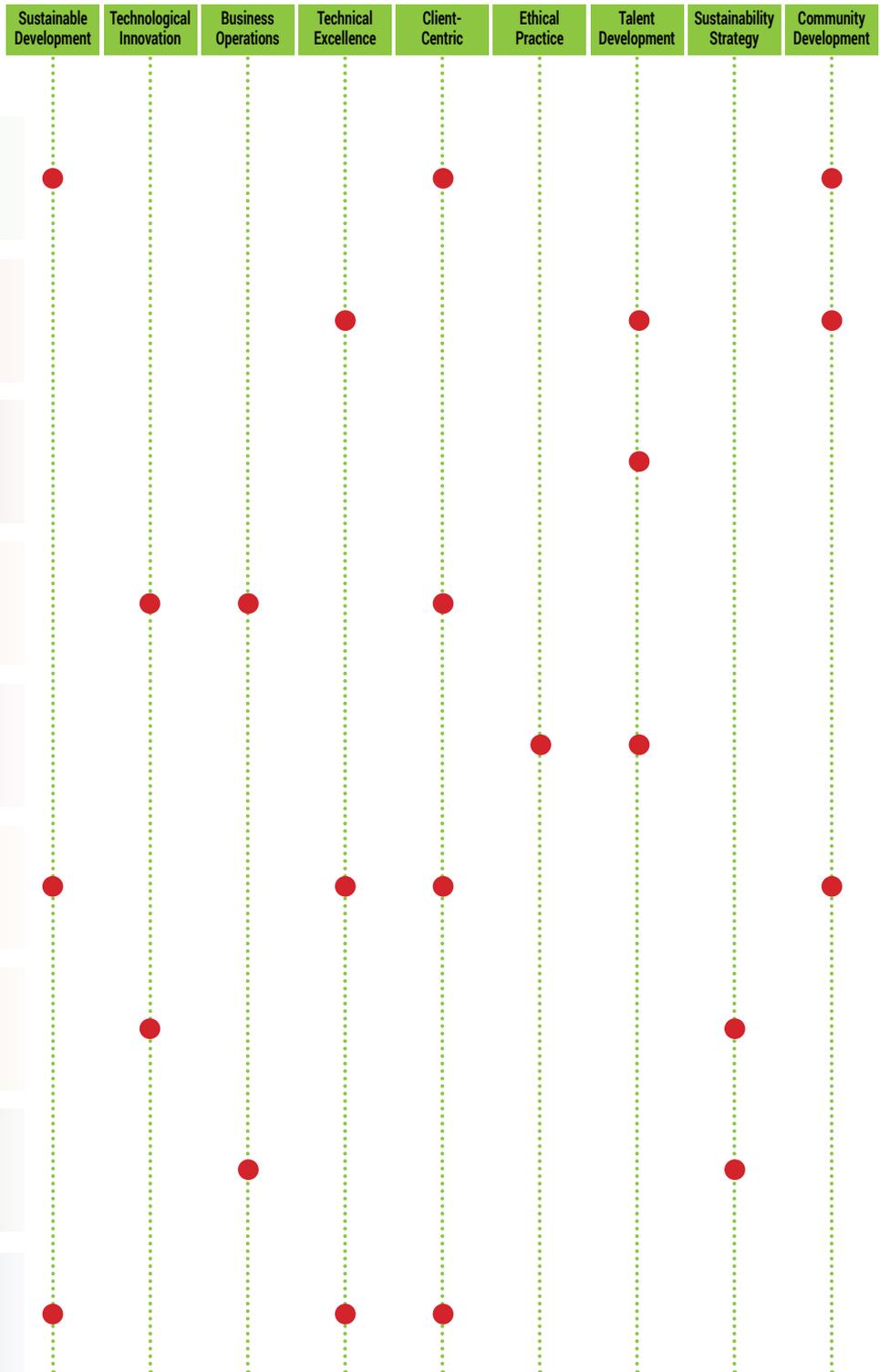
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SUSTAINABILITY GOVERNANCE

Our commitment to sustainability derives from the top of our organization and we have been consistently adopting the structure of our sustainability governance as disclosed in the previous reporting year.

The Board of Directors ("The Board") comprises a number of independent directors to safeguard the interests of our stakeholders. The Management of STMKB Group is spearheaded by the Group Chief Executive Officer, who supervises the overall implementation of our sustainability practices in order to achieve operational efficiency. The Board has delegated responsibilities to the following Board Committees to facilitate the management and operation of business activities throughout the Group.

- i) Audit Committee
- ii) Nomination & Remuneration Committee
- iii) Board Risk Committee
- iv) Investment Committee

The Shariah Advisory Body of STMKB Group consists of experts in various fields that play a vital role in providing counsel to the Board and the Management in order to ensure that we are conducting our business in accordance to the Shariah Guidelines and Principles. Our Group's operations, affairs and activities are carried out in line with our Shariah Governance Framework as part of our ongoing sustainability initiative to comply with the Shariah requirements.

The detailed information of our Corporate Governance is set out under the Corporate Governance Overview Statement section of the Company's Annual Report. Please refer to page 53 of the 2018 Annual Report respectively.

Risk Management

STMKB Group has an Enterprise Risk Management ("ERM") Framework in view of the value of institutionalised risk management, which encompasses the process of identification, assessment, management and reporting of risks on a consistent and reliable basis. In facilitating a risk-aligned strategic planning process for the Group, we have in place Risk Management and Internal Control that is essential in our decision-making process.

i. Managing Risk

Managing risk is essential to the sustainability of STMKB Group's business and delivery of value to shareholders.

We remain dedicated in continuously improving our risk management framework, systems and processes to ensure risks are being well managed and monitored throughout the organisation.

The risks identified are managed through the ERM Framework, which sets out the key risk management processes of identifying, evaluating, monitoring and managing significant risk exposures arising from the business operations.

STMKB Group has a Risk Appetite Statement intended to guide and support the Group in order to thrive in an increasingly dynamic and changing business environment.

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ii. Embedding Risk Culture

Our ERM Framework distinguishes the significance of building a strong risk awareness culture to better manage the Group's risks efficiently.

At STMKB Group, our risk culture starts from the Board and cascades down to the Management and finally to all employees. We strongly believe that it is crucial to adopt an effective risk management system involving our stakeholders at all stages. In managing risks, we strive to adopt the following concept of three levels of defence.

- (a) The first level of defence is the operational level whereby risk is first identified. Risk coordinators and/or Head of Division/ Departments are required to assume the responsibility of identifying and managing risks in their respective functions, as well as escalating significant potential risks to Management Risk Committee ("MRC") and Board Risk Committee ("BRC").
- (b) The second level of defence consists of Risk Management Division ("RMD") and MRC (formed by Senior Management). MRC will ensure the alignment of STMKB Group's business practices to the risk management policy, whilst the RMD will assist MRC and BRC in discharging its responsibilities by providing oversight of the effectiveness of risk management.
- (c) The third level of defence is currently performed by the internal audit function. It provides the Audit Committee with an independent assurance on the effectiveness of risk management controls and functions.

MATERIAL SUSTAINABILITY MATTERS

In today's fast-paced, constantly changing business world, identifying materiality facilitates us in prioritising the sustainability issues that matter most to our business and stakeholders. An issue is considered as material to STMKB Group if it impacts our business and considered crucial to our wide-ranging stakeholders. Our material sustainability matters can be categorized into five themes of Responsible Finance, Inclusive Growth, Talent Development, Corporate Sustainability and Ethical Practice.

MANAGING OUR MATERIAL MATTERS

 Talent Development		
Objective	To maximize performance levels and competency of employees	
Material Sustainability Matters	 Talent Management	
Scope of Sustainability Matters	Learning and development, rewards and remuneration & succession planning	
Progress in 2018	Indicators	Status Updates
	Learning and development	↑ 200% of soft-skills and technical training hours
	Succession planning	Carried out Leadership Development, Staff Talent & Retention, Leadership Intensive Talent Enrichment and Clerical Development Programs
	Workforce composition	Refer to the table on page 39
Strategic Initiatives	Talent Development	

 Responsible Finance						
Objectives	To achieve the agility and flexibility to stay relevant in the ongoing digital revolution		To reduce cost, increase efficiency and support the digitization of our business operations		To meet customer expectations and deliver superior shareholder value	
Material Sustainability Matters	 Digital Transformation		 Operational Efficiency		 Sustainable Growth	
Scope of Sustainability Matters	Incorporate digital capabilities into business model, provide innovative product offerings and services & introduce cutting-edge takaful solutions		Enhancement and migration of systems, streamlining of business operations, improvement of workflows and turnaround times		Deliver profitable growth with record profit results, expand market share via business portfolios and sound financial fundamentals with strong capital position	
Progress in 2018	Indicators	Status Updates	Indicators	Status Updates	Indicators	Status Updates
	Click for Cover Online Sales Portal	Officially launched on 2 March 2018	Revival project for customer data maintenance	Completed	Operating Revenue	↑ 23%
	Launch of Takaful myClick MediCare & Takaful myClick Travel PA via Click for Cover OSP	Completed				
	Mobile app for EB corporate clients	Completed	System enhancement	Completed	Profit After Tax & Zakat	↑ 43%
			2nd payment gateway for OSP	Completed	Return on Equity	32.7%
	e-Claims submission via Bancatakaful and myTakaful EB portals	Completed	System migration	New investment system	Business Growth	↑ 32%
	A new platform for the Costs and Utilization dashboard, Takaful myClick C&U	Completed	Banca Helpdesk online self-service	Completed		
Strategic Initiatives	Technological Innovation		Business Operations		Sustainable Development	



Responsible Finance

Objectives	To mitigate and manage risks	
Material Sustainability Matters	 Risk Management	
Scope of Sustainability Matters	Underwriting risk, operational risk, credit risk controls & market risk	
Progress in 2018	Indicators	Status Updates
	Exposure to the risk of investment losses due to volatile market conditions	Performed periodic reviews on the asset allocation strategy, cut-loss investment policy and having minimum credit rating requirements in place
	Risk of impact coming from poor underwriting practices and external events that can result in higher than expected underwriting losses	Established retakaful arrangements in addition to practicing prudent underwriting
	Risk of a duration mismatch between our investment assets and financial obligations	Invested in high quality Sukuk with longer terms to maturity and regular monitoring of the mismatch level
	Sustaining the Group's market-leading position	Diversified our product distribution by expanding our distribution channels and implemented robust and efficient business processes to sustain our preferred business relationships with existing partners
	Stiff competition faced by the General Takaful industry under liberalised market conditions	Offering innovative products and leveraging on our digital strategy to grow the business whilst enhancing customer experience. Significant investments in tools, applications and new technologies were made to improve our operational efficiencies
Strategic Initiatives	Sustainable Development	



Ethical Practice & Reporting

Objectives	To keep track of the industry related regulatory updates	
Material Sustainability Matters	 Regulatory Changes	
Scope of Sustainability Matters	Detariffication, introduction of new guidelines, change in regulations and law of the industry	
Progress in 2018	Indicators	Status Updates
	Conversion of composite licence to single licences	Effective 1 June 2018
	Phased liberalization of Motor and Fire Tariffs	Introduced new motor and fire takaful products
Strategic Initiatives	Technical Excellence	

 Ethical Practice & Reporting		
Objectives	To cultivate good business practices in line with regulatory compliance	
Material Sustainability Matters	 Ethics & Compliance	
Scope of Sustainability Matters	Regulatory compliance, good corporate governance & responsible business practices	
Progress in 2018	Indicators	Status Updates
	Awareness trainings	Conducted Personal Data Protection Act 2010 ("PDPA"), Anti-Money Laundering and Counter Financing of Terrorism ("AML/CFT") and IT Security Awareness trainings
	Policy	Revised Anti-Money Laundering and Counter Financing of Terrorism ("AML/CFT") Policy
	Privacy Notice	Revised the Group's Privacy Notice to be in compliance with the Personal Data Protection Act 2010 and Code of Practice on Personal Data for the insurance and takaful industry in Malaysia
Strategic Initiatives	Ethical Practice	

 Inclusive Growth		
Objectives	To increase customer lifetime value and sustain customer loyalty and profits	
Material Sustainability Matters	 Customer Centricity	
Scope of Sustainability Matters	Provide excellent customer service and respond within the turnaround time	
Progress in 2018	Indicators	Status Updates
	Number of enquiries attended	155,181
	Number of complaints resolved	68
	Number of feedback responded	137
Strategic Initiatives	Client-Centric	

 Corporate Sustainability				
Objectives		To foster a sustainability strategy, encompassing the Environmental, Social & Governance ("ESG") matters	To cultivate goodwill, learning and building relationships with the underserved communities as well as to create and implement solutions to social challenges	
Material Sustainability Matters		 Integrating Sustainability	 Community Empowerment	
Scope of Sustainability Matters		Integrate sustainability into business operations, operate business in an economically, environmentally and socially sustainable manner	Organize community-based activities, voluntary employee participation, monetary and in-kind contributions	
Progress in 2018	Indicators	Status Updates	Indicators	Status Updates
	Total amount of electricity consumption	6,551,363 kWh	Total amount of contributions via Charity Fund	RM315,266
	Total water consumption	30,185 m ³	Total number of CSR activities conducted	29
	Total amount of paper consumption	6,144 reams	Total hours allocated for CSR activities	3,419
Strategic Initiatives		Sustainability Strategy	Community Development	

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STAKEHOLDER ENGAGEMENT

At STMKB Group, we recognize the vital role of stakeholders in our business that is fundamental to achieve a sustainable growth. In 2018, we interacted with different stakeholder groups as part of our ongoing efforts to identify our sustainability risks and opportunities in relation to our sustainability performance.

Customers	Employees
Agents / Business Partners	Investors / Shareholders
Industry Peers & Value Chain Partners	Government & Regulators
Community	Media

In order to better understand the needs and expectations of our diverse range of stakeholders, we have engaged with our key stakeholders through multiple engagement channels concerning relevant key areas as illustrated in the following table of our stakeholder engagement.

Stakeholder Groups	Engagement Channels	Key Areas of Concern	Mitigating Measures
Customers	<ul style="list-style-type: none"> Customer satisfaction survey Online and walk-in customer feedback platforms Online portals Corporate website 	<ul style="list-style-type: none"> Operational Efficiency Customer Centricity Digital Transformation Ethics & Compliance Integrating Sustainability Sustainable Growth 	<ul style="list-style-type: none"> Uphold and adopt our Customer Service Charter Provide timely, transparent and efficient service Systematic operating procedures Provide online platforms like the customer portal, corporate website and online sales portal Adopt good business practices and regulatory compliance
Employees	<ul style="list-style-type: none"> Employee engagement programs Team building sessions Staff appreciation and festive gatherings Brown bag sessions 	<ul style="list-style-type: none"> Talent Management Digital Transformation Sustainable Growth Customer Centricity Risk Management Regulatory Changes 	<ul style="list-style-type: none"> Adopt internal employee handbook and industry relations Organize trainings, employee engagement and knowledge sharing programs Succession planning and performance management (refer to the Remuneration Policy Statement on page 62)
Agents / Business Partners	<ul style="list-style-type: none"> Online surveys Agency training sessions Meetings Events Online portals Online helpdesk and hotline 	<ul style="list-style-type: none"> Customer Centricity Ethics & Compliance Digital Transformation Regulatory Changes Operational Efficiency Sustainable Growth 	<ul style="list-style-type: none"> System enhancement/migration Systematic operating procedures Provide trainings Offer value-added services Introduce online/digital platforms like portals, mobile app, online helpdesk & e-Submission of documents Adopt good business practices and regulatory compliance

Stakeholder Groups	Engagement Channels	Key Areas of Concern	Mitigating Measures
Investors / Shareholders	<ul style="list-style-type: none"> Annual General Meetings Analyst and fund manager briefings Annual reports Quarterly financial results Shareholders' circulars Meetings with fund managers and investors Media releases 	<ul style="list-style-type: none"> Sustainable Growth Digital Transformation Integrating Sustainability Ethics & Compliance Talent Management Regulatory Changes Customer Centricity 	<ul style="list-style-type: none"> Deliver superior shareholder value Register double digit growth with record profit Outstanding performance and financial results Increase market share and penetration rate Adopt good business practices and regulatory compliance
Industry Peers & Value Chain Partners	<ul style="list-style-type: none"> Conferences and meetings Industry workshops Networking events Business partnerships 	<ul style="list-style-type: none"> Regulatory Changes Ethics & Compliance Risk Management Sustainable Growth 	<ul style="list-style-type: none"> Participate in industry-related workshops, seminars and exhibitions Collaborate through strategic partnerships
Government & Regulators	<ul style="list-style-type: none"> Reports and compliance Periodic meetings Seminars and conferences 	<ul style="list-style-type: none"> Regulatory Changes Ethics & Compliance Risk Management Sustainable Growth 	<ul style="list-style-type: none"> Provide reports Attend periodic meetings, trainings, seminars and conferences Adopt guidelines Regulatory compliance Good business practices
Community	<ul style="list-style-type: none"> Corporate Social Responsibility activities Employee volunteerism programs Community-based programs 	<ul style="list-style-type: none"> Community Empowerment Integrating Sustainability 	<ul style="list-style-type: none"> Organize Corporate Social Responsibility activities Make monetary and in-kind contributions to relevant beneficiaries
Media	<ul style="list-style-type: none"> Media releases Media interviews Events Press conferences 	<ul style="list-style-type: none"> Digital Transformation Sustainable Growth Regulatory Changes Community Empowerment 	<ul style="list-style-type: none"> Circulation of press releases Provide responses to media interviews Organize press conferences Organize events and media visits

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MATERIALITY

METHODOLOGY & PROCESS

We embarked on a methodology and procedure to determine the material sustainability matters with the aim of achieving sustainable business growth. We exercised our materiality assessment in classifying the priority of the sustainability issues across our value chain to ensure that our strategy is focusing on the targeted areas, thus allowing us in prioritizing the issues relevant to our business and stakeholders.

The Group is part of the Sustainability Steering Committee of its holding company, BIMB Holdings Berhad ("BHB"). The Sustainability Steering Committee along with its Sustainability Working Group participated in workshops related to the following subject matters.

<p>Introduction to Sustainability</p> <p>Global and local developments and regulations as well as standard reporting practices</p>	<p>Identification, Assessment and Prioritisation of Stakeholders</p> <p>Classifying the relevant stakeholders</p>	<p>Identification and Prioritisation of Material Matters</p> <p>Determining the important material matters</p>
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MATERIALITY MATRIX

Materiality assessment helps in keeping us abreast of our sustainable development, providing us the means to enhance our strategy and tailor our reporting to align with the interests and needs of the Group and our stakeholders.

The materiality matrix covers the key sustainability themes of the Group that consists of the relevant material matters. The following details of the materiality matrix illustrated are important to us and our stakeholders.

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Stakeholder Interest	<p>High</p>	<ul style="list-style-type: none"> • Ethics & Compliance • Risk Management • Operational Efficiency • Talent Management 	<ul style="list-style-type: none"> • Sustainable Growth • Digital Transformation • Customer Centricity • Regulatory Changes
	<p>Medium</p> <ul style="list-style-type: none"> • Community Empowerment 	<ul style="list-style-type: none"> • Integrating Sustainability 	
	<p>Moderate</p>	<p>Significant</p>	<p>Major</p>

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MATERIAL SUSTAINABILITY MATTERS

Material Sustainability Matters	Importance to the Group	Importance to our Stakeholder Groups
 <p>Customer Centricity</p>	<p>Customer centricity is always at the forefront of our business strategy that serves as the underlying groundwork of doing business with our customers in a manner that provides a positive customer experience at the point of sale and post-sale to drive repeat business, customer loyalty and profits.</p>	<p>By being customer-centric, we are putting our stakeholders at the heart of our organization to increase customer lifetime value by rendering excellent customer service throughout the entire subscription process to deliver sustainable growth and expand our market share in the competitive market.</p>
 <p>Sustainable Growth</p>	<p>Delivering profitable growth and superior shareholder value whilst meeting the expectations of our customers and business partners are important to us. We adopt across-the-board strategies to expand our market share via multiple distribution channels and uphold strong financial fundamentals and capital position.</p>	<p>Sustaining profitable growth with solid financial position is an essential component to our stakeholders in order for the Group to stay ahead of the competitors and continue in providing takaful solutions to meet their diverse protection needs.</p>
 <p>Digital Transformation</p>	<p>Creating value through digital transformation and disruptive innovation are part of our digital strategy to stay relevant in the ongoing digital revolution and meet the customer expectations. We remain focused in providing an innovative range of products to complement the different life stages of our customers. We want to leverage the technology to offer a differentiated experience, customized products and services as well as simplified end-to-end engagements.</p>	<p>Our stakeholders are increasingly looking for protection solutions with a high degree of personalization that requires us to incorporate digital capabilities directly into our business model. In catering to the needs of mobile-empowered stakeholders, it has become an immediate action item to us in adopting digital transformation to keep up with the fast paced of insurance technology development.</p>
 <p>Regulatory Changes</p>	<p>Managing regulatory, guideline, policy or procedure changes that are applicable to our business and the takaful industry in order to ensure that we are adhering to the standard practices imposed. We implement regulatory compliance and adhere to laws, regulations, guidelines and specifications relevant to our business operations.</p>	<p>Regulatory changes shape the structure and conduct of our industry and set in motion major shifts in economic value that impact our stakeholders, requiring us to link up regulatory changes with our products, business and corporate strategies in maximizing long-term value to our stakeholders.</p>
 <p>Risk Management</p>	<p>Risk management is essential to the sustainability of the Group's business and delivery of value to our stakeholders. We remain dedicated in improving our risk management framework, systems and processes to ensure risks are being well managed and monitored throughout the organisation.</p>	<p>Maximizing value to our stakeholders through risk and business continuity management to optimize risk and return, protect against downside risks and manage volatility around our business and financial results.</p>

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	Material Sustainability Matters	Importance to the Group	Importance to our Stakeholder Groups
Strategic Review	 <p>Ethics & Compliance</p>	<p>Adopting Shariah values and good ethical practices in conducting our business across all our organizational levels is vital in order to promote sustainability within the business and the society as a whole. By conforming to the ethical practices, we not only reduce our organizational risks, but most importantly create business opportunities.</p>	<p>Ensuring that we apply Shariah values and best practices as the core foundation of our business operations provides the stakeholders certainty and confidence knowing that as an Islamic insurance company, we are conducting our business in a fair and transparent environment.</p>
Profiles	 <p>Operational Efficiency</p>	<p>Transforming our business operations through an integrated digital transformation will enable us to achieve the agility and flexibility needed to remain competitive in the market. By implementing an enhanced and innovative IT infrastructure and streamlining our business operations, we are aligning our overall strategy to correspond with industry changes and the evolving demands of the customers.</p>	<p>Increasing the efficiency of our business operations is perceived as an important means to our stakeholders in order for us to maintain profitability despite competitive market conditions. It is essential to respond to demands for greater transparency, faster access to information and effective communication with our stakeholders.</p>
Corporate Governance	 <p>Talent Management</p>	<p>Recognizing that employees are our primary asset, this priority emphasizes three core components of people management, performance management and staff engagement. Our people management strategy is aligned closely with organizational strategy and our goals as the source of our competitive advantage against the economic challenges and competitive pressures in the industry.</p>	<p>Managing the employees to develop skills and capabilities as well as to retain performing staff is vital in achieving our organizational goals and business objectives that will assist us in focusing on what really matters in the interest of our stakeholders.</p>
Financial Statements	 <p>Integrating Sustainability</p>	<p>Aimed at achieving the objective of Shariah to generate positive and sustainable impact to the economy, community and environment, we are determined in creating long-term stakeholder value through the implementation of our business strategy that focuses on the ethical, social, environmental, cultural and economic dimensions of the way we do our business.</p>	<p>Incorporating a sustainability mindset in our operations at all levels is corresponding to the demand of our stakeholders in order to create long term value and high returns to maintain a sustainable growth in a competitive market by operating in an economically, environmentally and socially sustainable manner.</p>
Other Information	 <p>Community Empowerment</p>	<p>Fostering goodwill and learning as well as building relationships that transcend race, gender and age are what we continue to practice via our corporate citizenship programmes. Our active involvement in creating and implementing solutions to social challenges is in response to our stakeholder demands and expectations.</p>	<p>Engaging our stakeholders by building relationships with the community through corporate social responsibility activities creates positive impact on the branding and recognition of the Group as a good corporate citizen among the stakeholders that can lead to increased sales and rising profits.</p>

RESPONSIBLE FINANCE



DIGITAL TRANSFORMATION

Incorporating digital capabilities into our business model is vital to achieve the agility and flexibility needed to stay relevant in the competitive market and meet the customer expectations. We have embarked on digital initiatives as part of our holistic digital strategy to elevate the Group to greater heights, ahead of its industry peers and conventional industry players.

CLICK FOR COVER ONLINE SALES PORTAL

To mark our venture into the world of digital insurance, we have officially launched our online sales portal ("OSP"), Click for Cover that represents a great significance on our efforts towards digitalisation and diversification of our distribution channels. The launch of our digital strategic plan signifies our commitment towards revolutionizing the way we want to grow our business by digitally transforming our sales and operations.

The Click for Cover OSP is designed with easy-to-use interfaces that provide access to our online takaful solutions as well as e-Payment facility and real-time underwriting capabilities. By embracing digital tools and technology to offer differentiated product offerings and services, we are providing our customers with a better user experience, new and enhanced protection products.

INNOVATIVE TAKAFUL SOLUTIONS

As part of our product innovation strategy, we introduced Takaful *myClick* MediCare via our Click for Cover OSP, an instant medical protection plan that provides protection against the rising medical costs. This product is the first fully underwritten online medical plan in Asia that offers 3 choices of plan up to RM100,000 per year of medical protection, renewable up to age 85 years with no lifetime limit as well as uniquely tailored pricing with personalised online health assessment.

Realizing the increase in demand for travel protection, the Group launched its Travel PA plan, Takaful *myClick* Travel PA that provides comprehensive protection against injuries or death, travel inconveniences and medical expenses when abroad. Available in 3 exclusive plans, Bronze, Silver and Gold this product offers the coverage and benefits to suit the travel needs of individuals and families.

DIGITALLY-ASSISTED MEDICATION DELIVERY PROGRAMME

In providing technology assisted and healthcare related services to our Employee Benefits ("EB") customers via a one-stop healthcare mobile application, a digitally-assisted medication delivery programme was introduced via a tripartite partnership with a leading technology and healthcare services company and an information technology service provider. This mobile app allows our EB customers to obtain their medications hassle-free.

HOLISTIC DIGITAL STRATEGY

We launched a mobile application that provides our EB scheme corporate clients with a high speed data access to check their claims utilization and locate the nearest panel clinics and hospitals.

STREAMLINING BUSINESS OPERATIONS

Through our bancatakaful portal, *myTakaful* Partners, we have developed a self-service platform via email correspondence to better manage queries on our Motor takaful product and provide a 24-hour underwriting service to bank partners. We also launched an e-Claims submission facility via our bancatakaful portal to provide simplified claim processes with better applications and faster response times apart from providing a new platform via our costs and utilization dashboard, Takaful *myClick* C&U that allows our EB sales team to perform analyses with our customers.

BUILDING HIGH PERFORMANCE IT FORCE

The Group's IT team has been recognized as the Top Five (5) Project Leadership Certification ("PLC") Achievers and awarded the 2018 PIKOM PLC Annual Leadership Award. Organized by the National ICT Association of Malaysia ("PIKOM") in collaboration with Business Technovise International ("BTI"), the annual leadership award ceremony recognizes those who involved in project management with the skills needed to build high performance teams that can drive projects to successful completion and obtain the desired outcome.



OPERATIONAL EFFICIENCY

The Group has invested significantly in streamlining and enhancing its technological capability to support the digitization of its business operations. We aimed at creating the best digital footprint in reaching out to our target market whilst providing excellent customer experience to our valued customers and business partners.

TRANSFORMING OUR BUSINESS OPERATIONS

The Group in 2018 has embarked on the following key initiatives to achieve operational efficiency.

Key Initiatives

- Upgraded our data centre infrastructure to streamline our digital capabilities in providing a conducive IT operating environment to support our growing business
- Implemented a second payment gateway of our OSP Click for Cover to securely vault our customer data in the event the primary gateway underperforms or is down entirely
- Migrated to a new investment system that provided an innovative portfolio management suite of data administration to better manage our equity funds in an efficient manner
- Performed system integration with key business partners for new business and handling of claims to simplify processes for seamless operations
- Upgraded our General and Group core system platforms to better manage our data assets and ensure ongoing operational effectiveness across the Group
- Performed a revival project and enhanced the operation of our online top-up medical plan offered via the OSP Click for Cover to promote non-cash and periodic contribution payment methods aside from conducting client profile maintenance
- Streamlined our bancatakaful operations by introducing a dedicated helpline serves to provide our bank partners with immediate assistance related to non-motor enquiries
- Developed a self-service platform via email correspondence through our bancatakaful portal, *myTakaful Partners* to better manage queries on our motor takaful product and provide a 24-hour underwriting service to bank partners
- Enhanced our core system by implementing claims adjudication to align with the certificate administration and benefits setup to ensure seamless claim procedures and administration
- Launched an e-Claims submission facility via our bancatakaful portal to provide simplified claim processes with better applications and faster response times
- Created a digital platform via our *myTakaful Employee Benefits* online portal to enable our EB corporate clients to perform online submission of group term life claims along with supporting documents conveniently
- Revised the claims processing workflow and improved the turnaround time to facilitate our EB claims management



SUSTAINABLE GROWTH

DELIVERING RECORD GOWTH IN PROFIT

- Market Capitalisation

2016	2017	2018
RM3.4 billion	RM3.1 billion	RM3.1 billion

- Profit After Tax & Zakat

2016	2017	2018
RM174.5 million	RM205.1 million	RM292.6 million

- Return on Equity

2016	2017	2018
24.9%	26.7%	32.7%

- Earnings Per Share

2016	2017	2018
21.52 sen	25.13 sen	35.79 sen

EXPANDING OUR MARKET SHARE

- Family Takaful Business

2016	2017	2018
23%	23%	28%

- General Takaful Business

2016	2017	2018
20%	23%	25%

ACHIEVING GREATER HEIGHTS

The Group was listed as one of the elite few for The Edge Billion Ringgit Club ("BRC") 2018 and ranked the second place for two categories, 'Highest Return on Equity Over Three Years' and 'Highest Growth in Profit After Tax Over Three Years' under the financial services below RM10 billion market capitalisation sector.

INCLUSIVE GROWTH



CUSTOMER CENTRICITY

Focusing on creating a positive experience for the customers is always at the center of our business philosophy and operations. Staying competitive in the market has always been of prime importance to us in sustaining our existing customers whilst reaching out to new customers through multiple avenues.

RENDERING EXCELLENT CUSTOMER SERVICE EXPERIENCE

We are committed to uphold our service standard based on the following four pillars.

- Making takaful accessible for better customer engagement and improved services
- Building trust by understanding the needs of our customers
- Rendering customer satisfaction via timely, transparent and efficient service
- Providing peace of mind to customers through seamless claim settlement process

IMPROVING CUSTOMER SATISFACTION

Our customer-centric business strategy not only increased customer satisfaction, but helped us to tailor products and services to better fulfill their needs. We strongly believe in building a lifelong relationship with our customers by providing services in a professional, efficient, innovative and ethical manner besides delivering the best customer experience possible.

During the year under review, we implemented the following measures to increase the level of our customer satisfaction.

- Rewarding our customers of selected products for making no claims during the coverage period
- Adopting simplified procedures and adhering to the stipulated turnaround time in responding to our customers
- Providing multiple corresponding channels, including via online, digital and social platforms, customer portal, hotline and walk-in
- Introducing our Click for Cover OSP and launched new online takaful solutions to suit the diverse needs of our customers
- Conducting customer feedback surveys to improve our customer service and better understand the expectations of our customers.

VOTED AS MALAYSIA'S TOP CHOICE FOR MOTOR TAKAFUL

STMBK Group once again voted by the consumers as Malaysia's top choice for motor takaful in 2018. We bagged the Motor Takaful Award 2017/18 based on the results of an online survey conducted by iBandung. The online survey results ranked takaful operators and insurance companies in Malaysia based on actual feedback from Malaysian motorists with valid motor takaful certificates and insurance policies. This recognition reflects the consumers' approval of our motor takaful product and validates our brand as the preferred choice for insurance. Winning the award for the second time in a row gives us an advantage to further instate confidence and trust amongst the public.

VALUING CUSTOMER FEEDBACK

We truly value feedback received from our customers that is imperative in providing insights to improve our products, services and dealings with them. The volume of customer feedback that we received is illustrated in the following tables.

• **2018 Customer Feedback**

Feedback	Enquiries	Complaints
137	155,181	68

• **3-Year Customer Feedback**

2016	2017	2018
103,495	125,248	155,386

FACEBOOK PAGE

Our Facebook page recorded a tremendous increase in the total number of enquiries received from our customers, mainly due to the aggressive online marketing and advertising conducted via the social media platforms in promoting our online takaful solutions. The enquiries received were mostly on procedures for online subscription, customer portal registration, no claim payments and certificate related matters.

• **3-Year Facebook Trend**

2016	2017	2018
205	414	1,198

ETHICAL PRACTICE & REPORTING



REGULATORY CHANGES

We set our business growth in aligning with the changing laws and regulations to steer clear of adverse impact to our reputation, financial loss and operational glitch in conducting our business. The Group upholds high ethical standards and consistently implement internal controls to minimize the downside risks on breaches and penalties within reasonable tolerance.

In accordance with the legislative requirements of the Islamic Financial Services Act 2013 ("IFSA"), the Company, formerly known as Syarikat Takaful Malaysia Berhad ("STMB") converted its composite licence to single licences effective 1 June 2018 to manage the operations of its Family Takaful and General Takaful businesses separately. The Company is now known as Syarikat Takaful Malaysia Keluarga Berhad ("STMKB") to manage its Family Takaful business and a wholly-owned subsidiary of Syarikat Takaful Malaysia Am Berhad ("STMAB") to manage the General Takaful business.



ETHICS & COMPLIANCE

We developed policies and procedures in accordance with the regulatory requirements to govern the implementation of our business initiatives and opportunities. We also established an internal framework to identify, monitor, remediate and report non-compliance incidents as we are committed to ensure regulatory compliance to sustain our business.

As specified under the requirements of the Anti-Money Laundering and Counter Financing of Terrorism ("AML/CFT") and Personal Data Protection Act ("PDPA") 2010, we carried out company-wide training and awareness program via an e-Learning platform throughout the year to ensure compliance with the relevant laws, rules and regulations. The training programs were supported by dedicated classroom sessions to guide employees in understanding the requirements and served as a supplementary and refresher in performing operational business activities.

- **Board Charter**
Our Board of Directors is mindful of the need to protect the interests of the Group's shareholders as well as its other stakeholders. In discharging its duties effectively, the Board is provided with the Board's Terms of Reference ("TOR"), a reference tool for Directors in relation to the Board's role, powers, duties and functions. The TOR reflects applicable rules and regulations and outlines processes and procedures to ensure the effectiveness and efficiency of the Group's Board and its committees.
- **Directors' Code of Ethics**
Our Directors adhere to the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia, which provides guidance for proper standards of conduct as well as sound and prudent business practices.
- **Sustainability Policy**
As the pioneer Shariah-compliant financial services provider for takaful, the Group strives to be a responsible corporate citizen.
- **Shariah Principles**
The Group is licenced under the Islamic Financial Services Act 2013 and regulated by Bank Negara Malaysia. As an Islamic insurance company, we are guided by the Shariah Governance Framework.
- **Anti-Money Laundering and Counter Financing of Terrorism ("AML/CFT") Policy**
The main objective is to prevent the business from being used as a medium for suspicious activities. Appropriate measures and controls are implemented to mitigate the money laundering and terrorism financing risks.
- **Personal Data Protection**
The Act sets the standards for handling and safeguarding personal data during the course of business operations in order to comply with the 7 Principles of Personal Data Protection Act ("PDPA") 2010.
- **Fraud and Integrity Policy**
The main objective is to provide governance structure in the management of fraud risk and incidents.
- **Whistle Blowing Policy**
The Group anticipates the highest standard from its employees at all times. The Whistle Blowing Policy provides an avenue for immediate reporting of any misconduct and escalation to the attention of the Management.
- **Anti-Corruption Policy**
We adopt a policy of zero tolerance towards corruption and unethical behaviour practice in our operations and services. A stern disciplinary action, including termination of service will be taken against an employee who commits any misconduct related to corruption or unethical behaviours.



RISK MANAGEMENT

We conducted an AML/CFT risk assessment to determine the level of AML/CFT risk exposure in our business operations. The AML/CFT risk assessment must commensurate with the nature, scale and complexity of our business plans, whereby the overall risks have been factored in to include customer profiles, geographical areas, products and services as well as distribution channels.

Based on the identified AML/CFT risk level, we reviewed the internal procedures and practices to ensure continuous and appropriate control measures are implemented to mitigate Money Laundering and/or Financing of Terrorism ("ML/FT") risk exposure. The standard operating procedures for all our business units were documented in the respective Standard Operating Procedures ("SOP") and/or Manual for user guidance and easy reference.

The Group carried out a Crisis Simulation Exercise as part of its ongoing mitigating measures in risk management. The observations made during the exercise allowed us to identify potential vulnerabilities and prioritize the action plans and measures required. The activation of our Crisis Simulation Exercise and Business Continuity activity provided our employees with a clear understanding of the activation procedure and process continuity. The Call Tree exercise that formed part of the Crisis Simulation was successfully carried out and contact details were updated in the departmental business continuity plan.

The detailed information related to managing our material issues is set out under the Management Discussion and Analysis section of the Company's Annual Report. Please refer to page 15 of the 2018 Annual Report.

TALENT DEVELOPMENT



TALENT MANAGEMENT

Our human resource strategies are always focusing on developing our employee capabilities to accomplish higher performance even during challenging times. In meeting the needs of our employees and stakeholders, we streamlined our human resource planning in order to maximize the performance level and competency of our employees whilst enticing potential talent. Aimed at achieving the Group's mission to be the preferred choice for employer, we further enhanced our human resource management by implementing multiple initiatives and imposed appropriate systems.

The Group in 2018 tactically concentrated on initiatives and activities categorized into the following segments.

PEOPLE MANAGEMENT

- CREATING LEADERS**

- 64 training hours were spent via the Leadership Development Program catered for potential leaders

2016	2017	2018
40 hours	16 hours	64 hours

- 4 sessions of the Inter Division Staff Engagement Program were conducted involving 344 employees
- Engaged an independent Professional Coach

Sustainability Report

- **MANAGING TALENT**

- Developed 4 different layers of Succession Planning groupings catering from top management to junior level officers, including clerical staff under our Talent Management Framework.
 - Leadership Development Program
 - Staff Talent Awareness & Retention Program
 - Leadership Intensive Talent Enrichment Program
 - Clerical Development Program

- **DEVELOPING A RESONANT TEAM**

- We provided sufficient development programs to allow our employees to be exposed and experienced in various areas and job functions in view of the fact that talent mobility is crucial in today's working environment.
- 5 Brown Bag sessions were organized at our Headquarters involving 230 employees as part of our knowledge sharing initiative.
- We have in total achieved approximately 200% of both soft-skills and technical training hours through our learning and development programs.

- **STAFF ENGAGEMENT ACTIVITIES**

- 2 Staff Appreciation Gatherings were organized involving a total of 1,690 employees.
- A Health Awareness Day participated by 13 health service providers and vendors was conducted for our employees in Menara Takaful Malaysia that attracted over 500 visitors.
- A fully sponsored fitness program, 'Cabaran Jom Kurus Takaful Malaysia' was initiated involving 42 selected employees for a period of 7 weeks.
- Organized weekly Zumba classes involving 120 female employees at Headquarters.

PROCESS ENHANCEMENT

- **BUILDING A SUSTAINABLE HIGH PERFORMANCE CULTURE**

- Streamlined the Key Responsibility Areas ("KRA") of all divisions within the Group focusing on four core areas of financial, customer, business process as well as learning and growth that correlated with the overall business performance of the Company.
- Implemented cost-effective human resource strategy alongside investment in building a values-based culture.
- Adopted disciplined manpower operating expense management.
- Aligned all rewards and benefits offered to our employees, according to the Group's performance.*

* The detailed information of our Remuneration Policy Statement is set out under the Corporate Governance Overview Statement section of the Company's Annual Report. Please refer to page 62 of the 2018 Annual Report respectively.

STRATEGIC PARTNERSHIP

EMPLOYER BRANDING

- Conducted 22 sessions of engagement activities, including career talks, visitations and student engagement sessions with leading private higher education institutions nationwide.
- The Group has been voted as the Top Three (3) Best Employer Brand of the Graduates' Choice Award 2018 under the insurance industry category.

OUR WORKFORCE COMPOSITION

DESCRIPTION	STMKB	STMAB	OVERALL
Total Employees	804	148	952
Average Length of Service	10 years	10 years	10 years
Employee Turnover Rate	6.84%	2.70%	6.20%
Gender Diversity (%)	Male : 350 Female : 454	Male : 71 Female : 77	Male : 421 Female : 531
Age Diversity (%)	25 years & below: 24 26 - 30 years: 75 31 - 35 years: 155 36 - 40 years: 217 41 - 45 years: 190 46 - 50 years: 90 51 - 55 years: 45 Above 55 years: 8	25 years & below: 4 26 - 30 years: 11 31 - 35 years: 12 36 - 40 years: 42 41 - 45 years: 43 46 - 50 years: 23 51 - 55 years: 11 Above 55 years: 2	25 years & below: 28 26 - 30 years: 86 31 - 35 years: 167 36 - 40 years: 259 41 - 45 years: 233 46 - 50 years: 113 51 - 55 years: 56 Above 55 years: 10
Ethnicity Diversity (%)	Malay : 81.34% Chinese : 14.80% Indian : 2.49% Others : 1.37%	Malay : 85.14% Chinese : 12.16% Indian : 2.70% Others : 0%	Malay : 81.93% Chinese : 14.39% Indian : 2.52% Others : 1.16%
Employment Arrangement (Local vs Foreign)	Local : 99.88% Foreign : 0.12%	Local : 99.32% Foreign : 0.68%	Local : 99.79% Foreign : 0.21%
Average Training Hours Per Annum Per Employee	27.63 hours	31.97 hours	28.28 hours

CORPORATE SUSTAINABILITY



INTEGRATING SUSTAINABILITY

RESPONSIBLE INVESTMENT

We fully embedded responsible investment approach in our investment policy that formed as a guiding principle in every investment decision we make in line with the Shariah requirements. Being a Shariah compliant entity, our investment selection and screening process focused on ensuring the investments have fulfilled the Shariah requirements that always been equated with responsible investing to better manage risk and generate sustainable, long-term returns.

MANAGING OUR ENVIRONMENTAL IMPACT

Integrating sustainability into our business operations is essential as part of our strategy to generate long term benefits and ensures the continuity of our business in a competitive market. Realizing the importance of managing our operating footprint in reducing the impact of our operations on the environment, we are committed to fostering a sustainability strategy in the way we conduct our business to preserve the environment for future generations whilst meeting the needs of our stakeholders.

- ELECTRICITY**

The total annual electricity consumption for the Group in 2018 was 6,551,363 kilowatt hours (“kWh”) with an average of 545,947 kWh per month compared to 6,415,638 kWh in 2017 and 6,787,016 kWh in 2016. We have registered a slight increase by 2.1% in comparison to the previous year due to the renovation works carried out during the year under review apart from the installation of additional appliances in our premises. In managing our electricity consumption to conserve energy, the Group has taken proactive measures to reduce the use of energy at work. We constantly remind all employees to switch off the office lights and other appliances when not in use. Switching to energy efficient light bulbs and appliances is also identified as an alternative to reduce our electricity consumption and cost. Moving forward, we will continue in finding new solutions to meet our energy needs that are economically and environmentally sustainable.

3-Year Electricity Consumption Trend

2016	2017	2018
6,787,016 kWh	6,415,638 kWh	6,551,363 kWh

- WATER**

In 2018, the total volume of water consumption across the Group recorded a decrease by 1.7% from 30,901 megalitres in 2016 and 30,688 megalitres in 2017 to 30,185 during the year under review that translated to 25,987 megalitres of water consumption on headquarters and 4,198 megalitres across our service centres nationwide. In our continued efforts to conserve water resources by using water efficiently, we are committed to reducing water use by undertaking continuous leak detection in pipes and monitoring of water use across our business operations and premises. In order to lower the Group’s water footprint, we will continue to take preventive measures by engaging our employees to use water wisely and ensure pipelines of our water distribution system are consistently checked and maintained as part of our corporate responsibility in water conservation.

3-Year Water Consumption Trend

2016	2017	2018
30,901 m³	30,688 m³	30,185 m³

PAPER

Our paper use in 2018 registered an increase by 3.9% to 6,144 reams from 5,907 reams consumed in 2017 and 6,142 reams in 2016. The slight increase in paper use was due to the printing of different set of printed materials to accommodate the splitting of our licences. Although paper is still considered a relevant consumed material to our business operations, we are constantly working towards reducing paper use by going paperless to increase our productivity. Embracing technology by implementing the e-Document ("Go Green") module and engaging our employees to reduce paper usage at work are part of our ongoing paper saving initiatives. We will continue to promote prudent use of paper practice amongst our employees through different means, including by adopting an electronic document management system and use of electronic mail to receive and send documents as well as double-sided copying and printing. We will carry on purchasing multipurpose paper made of responsible sources from suppliers that meet the international standards such as ISO 9706 for Permanency of Paper, ISO 9001 for Quality Management System and ISO 14001 for Environmental Management System.

3-Year Paper Use Trend

2016	2017	2018
6,142 reams	5,907 reams	6,144 reams

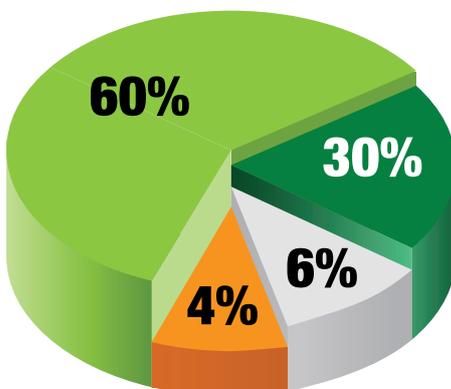


COMMUNITY EMPOWERMENT

Giving back to the community, whilst delivering our brand promise has always been an integral aspect of our heritage and corporate culture. It is a priority for us in supporting charity programmes and initiatives that impact a positive influence on the community. We always uphold our brand promise of 'We Protect. We Care. We Share.' and remain dedicated to serving the communities in which we live and work in through our various corporate citizenship programs.

Keeping in line with the Group's corporate philosophy to create and implement solutions to social challenges in response to our stakeholder demands and expectations, STMKB Group via its Corporate Social Responsibility ("CSR") umbrella of Takaful *myJalinan* carried out various community-based activities during the year under review.

DISTRIBUTION OF CHARITY FUND



Group of Recipients

- NGOs
- Educational Institutions
- Individuals
- Corporations

Total Contribution:

RM315,266

GIVING BACK TO THE COMMUNITY

- Nationwide Charity Campaign for Special Needs Children**
 The Group and its employees successfully organized a two month campaign to collect and donate brand new therapy aids and equipment for special needs children to selected centres and welfare homes across the regions in conjunction with International Children Day. A total of 2,000 brand new therapy aids and equipment suitable for the children with special needs were collected across 25 service centres of the Group nationwide. All the items donated were sorted and distributed to selected centres and homes in every region.
- Back-to-School Charity Program**
 180 underprivileged primary school children nationwide benefited from the financial assistance provided via the Group's Back-to-School Charity Program. In preparation for the new school year, the children also received RM200, comprising of a brand new set of school essential items as well as monetary contributions. We also provided financial assistance to selected mosques across 6 regions nationwide to supplement the resources required for their ongoing operations. The Group in total contributed RM60,000 towards both CSR initiatives.
- Mount Kinabalu Hiking Expedition**
 5 underprivileged children from As-Sakinah Orphanage scaled Borneo's highest peak of Mount Kinabalu, thanks to the Group's sponsorship of the hiking expedition. The 5 who were part of the 11 member team reached the summit after a two day trek. STMKB Group contributed a total of RM8,000 to cover all the expenses needed by the team for this expedition.
- Chinese New Year Celebration with Underprivileged Children**
 STMKB Group presented RM20,000 to two charity homes in conjunction with the Chinese New Year. Yayasan Sunbeams and Rumah Charis in Kuala Lumpur received RM10,000 each along with Ang Pows for the 156 children of both Homes.
- Raya Shopping Treat for Underprivileged Children**
 Ushering in the month of Syawal with the spirit of caring and sharing, the Group continued to make its special effort in spreading a little festive cheer to the less fortunate. 50 children from Rumah Limpahan Kasih had an enjoyable and memorable time during a Raya shopping treat organized by the Group. We also contributed RM5,000 to aid the charity home in providing basic needs for the children.
- Ramadan Gathering with Home of Hope Al-Khaadem**
 Embracing the spirit of the holy month of Ramadan, we organized a Majlis Berbuka Puasa with the children from Home of Hope Al-Khaadem and donated RM10,000 to facilitate the Home in their day-to-day operations as well as providing quality education to the children.
- Nationwide Ramadan Activities**
 The Group in conjunction with the holy month of Ramadan, donated RM25,000 to help the less fortunate in the east coast, northern, southern as well as central regions. The events were held by the respective service centres nationwide with the objective of enhancing our brand awareness.



- **Nationwide Aidil Adha Activities**

We donated RM24,900 to help the less fortunate and the needy in the east coast, northern, southern as well as east Malaysia regions. The events were organized and conducted by our selected service centres, aimed at enhancing our brand awareness apart from getting close with the local community that we have businesses with.

- **Maal Hijrah Expedition**

The Group and several other corporate companies participated in the 'Projek Mudik ke Hulu Sabah' program organized by Jabatan Kemajuan Islam Malaysia ("JAKIM"). Among the activities carried out were presentation of donations to the Asnaf, restoration of mosque and surau, cleaning of the residents, the Tahsin Al-Fatihah clinic, religious lectures, telematches and art performances.

KNOWLEDGE SHARING

- **Educational Visit**

In an effort to share with the masses the fundamentals of Takaful, we went extra mile conducting a knowledge sharing session with students and lecturers of Kolej Vokasional Datuk Seri Mohd Zin located in Melaka.

- **Info Sharing Session**

Representatives from University Malaya Research Centre made an official visit to STMKB Group to understand more about our motor business and the implementation of the detariffication. The information gathered from us as well as other takaful operators were used to educate people at large on the overall future motor business and the benefit of detariffication.

- **On Campus Engagement Activities**

We conducted on campus engagement activities, including career talks, visitations and student engagement sessions with selected private higher education institutions nationwide.

- **Analyst & Fund Managers Briefing**

As part of the Board's responsibility in developing and implementing an investor relations program, the Group held its yearly briefing with the fund managers and research analysts on the Group's financial results, development, prospects and business plan as well as an update on the industry outlook.

- **Customer Day**

STMKB Group was invited by Lembaga Hasil Dalam Negeri ("LHDN") Sabah to jointly participate in the 'Hari Bersama Pelanggan Kota Kinabalu' to share and provide information about takaful and our product offerings to the public.

- **Takaful Rendezvous 2018**

The Group was one of the sponsors of the 2018 Takaful Rendezvous and our Group Chief Executive Officer was invited to be on the panel to discuss on the topic 'Back to Basics to Move Takaful Forward'.

- **Roundtable Discussion**

We participated in the Roundtable Discussion organized by the Faculty of Islamic Studies of Universiti Kebangsaan Malaysia ("UKM") focusing on the Application of Zakat Fund in Micro Credit and Micro Takaful in Malaysia. During the session, we made a presentation about the readiness and experience of the takaful industry on the development of micro takaful in Malaysia.

