

National Insurance Co. Ltd

# KEY GOVERNANCE RESPONSIBILITIES AND ACCOUNTABILITIES

## 1. Key Governance Responsibilities

The Board shall ensure that the key governance positions within National Insurance Co. Ltd (“NICL” or the “Company” or the “organisation” are matched with the corresponding accountabilities.

## 2. Key Governance Positions

### (i) Chairperson of the Board

The Chairperson of the Board is primarily responsible for the activities of the Board and its Committees. He is responsible for the running of the Board and ensuring its effectiveness in all aspects of its role, including regularity and frequency of meetings. He acts as the spokesman for the Board and is the principal contact for the Group Chief Executive Officer. The Chairperson of the Board meet regularly. The Chairperson discusses and sets the agenda with the Group Chief Executive Officer and the Company Secretary and facilitates the effective contribution of directors and encourages active participation during Board meetings. The Chairperson of the Board ensure effective implementation of Board decisions. He ensures that directors have sufficient time to consider critical issues and obtain answers to any questions or concerns they may have and are not faced with unrealistic deadlines for decision making. The Chairperson of the Board maintains sufficient contact with major Shareholders to understand their issues and concerns. He also ensures that the views of Shareholders are communicated to the Board as a whole so that all directors develop an understanding of their views. The Chairperson of the Board presides over the meetings of shareholders.

### (ii) Chairperson of the Audit and Risk Committee

The Chairperson of the Audit and Risk Committee (‘ARC’) works in close cooperation with and provides support and advice to the Chairperson of the Board. The Chairperson of the ARC has the following responsibilities, amongst others:-

- To chair the meetings of the ARC and encourage free and open discussion at meetings of the Committee;
- To report to the Board of Directors on behalf of the ARC and act as a liaison between the Committee and the Board;
- To review the ARC’s mandate annually and assess on a regular basis the ARC’s effectiveness and the need for improvements;
- To ensure the financial statements comply with the appropriate accounting standards;
- To review audit related matters with the Internal and External Auditors;
- To provide risk expertise to the Committee;
- To guide and advise the Board on an appropriate risk management framework;
- To review auditors’ recommendations and their implementation by Management; and
- To review matters pertaining to Complaints with the Ombudsperson of Financial Services, AML-CFT, Related Party Transactions, Risk Management, Legal Cases and Contingent Liabilities.

### (iii) Chairperson of the Corporate Governance and Ethics Committee

The Chairperson of the Corporate Governance and Ethics Committee (‘CGEC’) works in close collaboration with and provides support and advice to the Chairperson of the Board. The Chairperson of the CGEC has the following responsibilities, amongst others:-

- To chair the meetings of the CGEC and encourage free and open discussion at meetings of the CGEC;
- To report to the Board of Directors on behalf of the CGEC and act as a liaison between the Committee and the Board;

- To review CGEC's mandate annually and assess on a regular basis the Committee's effectiveness and the need for improvements;
- To provide expertise in the areas of Corporate Governance;
- To ensure that the Board is up to the standard with the Code;
- To establish a clearly defined and documented Code of Ethics and ensure that a process is in place to ensure compliance;
- To monitor the ethical conduct of the Company, its executives, senior officers, employees and other workforce members, and ensure that the conduct is in compliance with relevant legislations, regulations and other requirements relevant to ethical behaviour; and
- To ensure that an evaluation of the Board is carried out each year.

**(iv) Chairperson of the Finance, Investment and Procurement Committee**

The Chairperson of the Finance, Investment & Procurement Committee ('FIPC') works in close collaboration with and provides support and advice to the Chairperson of the Board. The Chairperson of the FIPC has the following responsibilities, amongst others:-

- To chair the meetings of the FIPC and encourage free and open discussion at meetings of the FIPC;
- To report to the Board of Directors on behalf of the Committee and act as a liaison between the FIPC and the Board;
- To review the FIPC's mandate annually and assess on a regular basis the FIPC's effectiveness and the need for improvements;
- To assess and review the business plan, annual budget and extra-budgetary provisions of the Company;
- To formulate and review the investment strategies and policies of the Company;
- To monitor the investment processes and performances of the Company in order to ensure compliance with such strategies and policies, attainment of performance objectives and with the overall risk profile of the Company; and
- To formulate policies and procedures relating to procurement and ensure compliance with relevant legal/regulatory framework.

**(v) Chairperson of the Human Resource Committee**

The Chairperson of the Human Resource Committee ('HRC') works in close collaboration with and provides support and advice to the Chairperson of the Board. The Chairperson of the HRC has the following responsibilities, amongst others:-

- To chair the meetings of the HRC and encourage free and open discussion at meetings of the HRC;
- To report to the Board of Directors on behalf of the HRC and act as a liaison between the HRC and the Board;
- To review the HRC's mandate annually and assess on a regular basis the HRC's effectiveness and the need for improvements;
- To oversee the establishment of appropriate human resource strategies and policies within the organisation;
- To assess and review the manpower requirements of the Company;
- To ensure appropriate pay and remuneration policies and measures are implemented in line with the requirements of the business; and
- To discuss as necessary with the Chairperson of the Corporate Governance & Ethics Committee on matters pertaining to Code of Ethics and Practices for members of the workforce; and
- To ensure that the services of appropriately qualified and independent external advisors are retained as and when required to assist in the fulfilment of the duties relating to HR Pay & Grading structures.

**(vi) Chairperson of the Group Restructuring and Strategy Committee**

The Chairperson of the Group Restructuring and Strategy Committee ('GRSC') has the following responsibilities, amongst others:-

- To chair the meetings of the GRSC and encourage free and open discussion at meetings of the GRSC;
- To report to the Board of Directors on behalf of the GRSC and act as a liaison between the GRSC and the Board;
- To review GRSC's mandate annually and assess on a regular basis the GRSC's effectiveness and the need for improvements;
- To ensure the Restructuring Plan of the NIC Group of Companies is implemented;
- To drive the strategy formulation of the NIC Group of Companies for its underlying businesses;
- To establish new business ventures for value creation of the Group; and
- To coordinate with the representatives of the Shareholder on matters pertaining to the Restructuring Plan.

**(vii) Chairperson of the CSR Committee**

The Chairperson of the CSR Committee ('CSRC') has the following responsibilities, amongst others:-

- To chair the meetings of the CSRC and encourage free and open discussion at meetings of the CSRC;
- To report to the Board of Directors on behalf of the CSRC and act as a liaison between the CSRC and the Board;
- To review the CSRC's mandate annually and assessing on a regular basis the CSRC's effectiveness and the need for improvements;
- To ensure that the Corporate Social Responsibility ('CSR') strategy and programme are implemented in line with NIC Group's strategy; and
- To ensure compliance with the CSR policies and the execution of CSR strategies and programmes.

**(viii) Company Secretary**

The Company Secretary is appointed by the Board in accordance with the Companies Act 2001. The Company Secretary assists and advises the Board and its Committees. The main responsibilities of the Company Secretary include amongst others, to: prepare and circulate agendas of Board, Board Committees and Shareholders' meetings and any supporting papers; take minutes of meetings and circulate same to members; ensure that the procedure for the appointment of directors is properly carried out; and ensure that the organisation complies with all relevant statutory and regulatory requirements and any procedures set by the Board.

### **3. Other Key Governance Positions**

**(i) Group Officer in Charge & Chief Operating Officer**

The Group Officer in Charge & Chief Operating Officer operates under the strategic guidance of the Board. The Group Officer in Charge & Chief Operating Officer provides strategic leadership, directs and leads the implementation of key business strategies of the NIC Group of Companies including new ventures. He is responsible for the overall management and operations of the businesses forming part of the NIC Group and also acts as the main point of contact between the Board and the Management team and directs the implementation of the Board's mandates.

- (ii) Group Chief Financial Officer**  
The Group Chief Financial Officer provides strategic leadership and oversees the implementation of the key business and functional strategies of the NIC Group of Companies. He is responsible for the overall finance, investments, actuarial, lending and pensions operations of the NIC Group of Companies. He acts as the prime liaison person with the Statutory Actuary and Auditors in the fulfilment of their independent duties. The Group Chief Financial Officer also assists in the implementation of key Group strategies and projects including new business ventures.
- (iii) Group Chief Services Officer**  
The Group Chief Services Officer provides strategic leadership and oversees the implementation of the key business and functional strategies of the NIC Group of Companies. She is responsible for the life and general insurance operations as well as the shared services functions of Customer Service, Human Resources, and Legal & Compliance. She also acts as the Compliance Officer and MLRO of the NIC Group. The Group Chief Services Officer also assists in the implementation of key group strategies and projects including new business ventures.
- (iv) Project Head – Business Development and Sales**  
The Project Head (Business Development and Sales) provides strategic leadership and oversees the implementation of the functional strategies and shared services of the NIC Group comprising mainly of Business Development, Sales, Marketing, Communication, Project and Facilities Management. The Project Head (Business Development and Sales) also assists the Group Officer in Charge and COO in the implementation of key projects, business and functional strategies.
- (v) Project Head – Finance Operations**  
The Project Head (Finance Operations) provides strategic leadership and oversees the implementation of the functional strategies and shared services of the NIC Group comprising mainly of the finance operations and financial reporting of life and general insurance businesses. The Project Head (Finance Operations) also assists the Group Chief Financial Officer in the implementation of key projects, business and functional strategies.
- (vi) Internal Auditor**  
The Internal Auditor independently assesses the Company's risks and the efficacy of its risk management framework and control systems. The Internal Auditor evaluates the business processes, procedures, transactions and controls, and make recommendations on how to improve controls and mitigate risks. He also fulfils the role of the Risk Officer of the NIC Group and reports directly to the Audit and Risk Committee of the Board.