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Headline	Takaful Malaysia Grows ESG Awareness				

Takaful Malaysia grows ESG awareness

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TAKAFUL Malaysia, through its general takaful arm, Syarikat Takaful Malaysia Am Bhd (Takaful Malaysia Am), will incorporate more environmental, social and governance (ESG) elements into its products as Malaysia makes progress towards sustainability.

Takaful Malaysia Am chief executive officer Mohamed Sabri Ramli said the company has identified various factors in its services that could transition to be more green and encouraged its customers to be more environmentally aware of their choices.

"We want to embed more ESG elements into our products and to do that, we look at what kind of components within the ESG parameters that we can adopt, such as the discounting factors that would encourage people to look into the green elements of the products.

"We also looked into ways to grow ESG awareness in the market and how we incentivise consumers to play a role in this," he said in an interview with the *New Straits Times*.

Takaful Malaysia Am has been making inroads into sustainability by reorganising its operations to include more green efforts.

Among the main changes that have taken place include digital transformation in a bid to reduce the usage of paper.

"We used to print policies, but we have started going digital and converting to paperless engagements with customers.

"We no longer do cheques because all of the transactions have moved online, we deliver the policies through emails and we convert all these policies to PDF documents," he said. All the savings from these initiatives are returned to the customers through competitive pricings.

The company also offers insurance for solar panels to cultivate smart energy consumption among users and has recently increased its capacity to underwrite the risk of Solar Operations or Solar Plants amounting to RM150 million, especially in relation to Large Scale Solar PV plants.

In addition, Takaful Malaysia Am will also launch a new product designed specifically for small and medium enterprises (SMEs) that will provide protection for Commercial and Residential properties known as Takaful myAll Risks (Solar Takaful) protection.

To facilitate this movement, Takaful Malaysia Am collaborated with financiers, manufacturers and other related industries that could assist in marketing the product.

"To encourage ESG elements, we need to involve the entire ecosystem such as financiers and other distribution channels.

"We want to be the catalyst that promotes this solar development in Malaysia through collaborations," said Mohamed Sabri.



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MOHAMED SABRI RAMLI
Takaful Malaysia Am
chief executive officer



Takaful Malaysia Am recorded a total gross return contribution of RM917 million in 2021.



Takaful Malaysia Am is dedicated to serving the community through various CSR and community-based initiatives.

Takaful Malaysia Am ensures that its products encompassed social elements, particularly those that warrant the safety of its customers while in an emergency.

Among its offerings are the Tele Bantuan services, a 24/7 emergency assistance programme provided to all eligible participants with Comprehensive Motor Takaful and Comprehensive Motorcycle Takaful coverage.

This service includes minor roadside repair and towing service.

Besides Tele Bantuan, Takaful Malaysia Am also offers at-home windscreen repair or replacement services.

"We encourage our customers to repair their windscreen instead of replacing it if the damage is minimal. This act could help protect the environment.

"To do this, we incentivise customers who choose not to replace their windscreens," he said.

Mohamed Sabri stressed that companies need to adopt ESG to move forward as it becomes a crucial element in operations.

He noted that many people

misunderstood the concept of implementing ESG, whereby many parties thought it incurs a higher cost, which would trickle down to end consumers.

"This defeats the purpose of having ESG. If the price of your products goes up because of ESG elements, people would not buy them anymore.

"We need to change the mindset and identify what values ESG brings to the table.

"Besides, when you embed ESG in your business model, it would make you more competitive in the market, which will help you to move ahead," he said.

Moving forward, Takaful Malaysia Am aims to ensure that ESG elements contribute 15 per cent to the company's yearly growth.

As for the company's overall performance, Mohamed Sabri is confident that it is able to exceed the RM1 billion threshold in terms of its gross return contribution.

"Last year, we reached RM917 million, and we hope to exceed RM1 billion this year.

"We are on track at the moment and we hope the momentum will continue until year-end," added Mohamed Sabri.

Syarikat Takaful Malaysia Keluarga Berhad (Takaful Malaysia Keluarga) which manages the Family Takaful business is the holding company that has full ownership of Takaful Malaysia Am. Both companies operate through the Takaful Malaysia brand with a combined network of service centres in 24 locations nationwide.