

## C-SUITE INTERVIEW

# A “people’s business”

Newly appointed CEO of Sun Life Malaysia Takaful discusses his key priorities at the Islamic insurer

By Goh Thean Eu



**I**nsurance industry veteran Jeffrey Azmi Mohd Shah was recently promoted to chief executive officer of Sun Life Malaysia Takaful, the Islamic insurance arm of Sun Life Malaysia.

Previously chief operations officer of Sun Life Malaysia, a unit of Canadian insurer Sun Life Financial, he took the reins of the takaful arm in October following the departure of predecessor Muhammad Fikri Mohamad Rawi in early 2022.

Jeffrey Azmi brings to his new role more than 30 years of experience in the insurance and takaful industry. He shares with *Asia Asset Management* his priorities and plans for the Islamic insurer and his outlook for the industry.

**Congratulations on your recent promotion! Could you share a bit more about your career?**

I joined Sun Life Malaysia in 2016 as the head of underwriting and was subsequently promoted to head of life opera-

tions in 2017 and then the chief operations officer before I assumed the role of CEO of Sun Life Malaysia Takaful.

Being in the insurance and takaful industry for over three decades, I had the opportunity to work with different people, led and executed various strategic initiatives, from operations, claims, underwriting and client services to driving digital transformation for the company, which laid a strong foundation for me to play an integral role in driving growth for Sun Life Malaysia Takaful.

Prior to joining Sun Life Malaysia, I held several leadership roles with major life insurers such as Uni.Asia Life Assurance, Mayban Life Assurance, Allianz Life Assurance.

**As the CEO of Sun Life Malaysia Takaful, what are some of your top priorities?**

My number one goal is to accelerate business growth and scale our takaful business to greater heights. In fact, I believe

we are already on the right growth path and well-positioned to tap the market growth surge with our wide range of *shariah*-compliant and innovative products, and growing distribution channels.

My immediate focus is continuing to accelerate our product innovation, distribution and digital capabilities, which will not only help us to remain relevant but thrive in the next few years.

Takaful is a people's business and in my new role, I'm looking forward to helping more Malaysians harness family takaful as a tool to enhance their financial resilience and live a healthier, more sustainable life.

Takaful is a financial planning tool that goes beyond the client's lifetime. For Muslim clients, our takaful products can assist them to fulfil their religious obligations such as fulfilling *zakat* [obligatory levy for charitable and religious purposes]...as well as an opportunity to contribute to society beyond takaful participants through *waqf* [endowments

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of assets for religious or charitable purposes].

**What are some of the business goals you hope to achieve over the next three years, and how are you going to steer the company to achieve these goals?**

Sun Life Malaysia is the top bancatakaful [Islamic bancassurance] player with 37% market share. Our takaful business has been growing strongly with annualised first-year contribution (AFYC) expanding at a rate which is three times higher than the industry's growth rate of 14%. Our total assets under takaful grew by nearly three-fold, from 694 million ringgit (US\$158.18 million) in 2013 to 2.6 billion ringgit in 2021.

As of year-to-date September 30, 2022, we doubled our year-on-year AFYC and we have the highest average case size in the Malaysian takaful industry. With this strong performance, we are confident of cementing our top bancatakaful provider market position and achieving a double-digit contribution growth in 2023.

Additionally, expanding our agency channel with quality recruitment strategy, targeting the affluent and underserved segments, and strengthening our digital capabilities are among the focus for the coming years.

Advancing sustainable investing and aligning with value-based intermediation for takaful (VBIT) industry initiatives would also be our agenda for the next three years.

Sun Life Malaysia Takaful is leading the VBIT with takaful innovations. In June 2022, we launched [the Malaysian takaful] industry's first investment-linked takaful ESG fund to encourage our clients to embed environmental, social and governance considerations into their investment decisions. We look forward to ramping up our efforts in this area.

**Can you share a bit more about Malaysia's takaful industry? What are the penetration rates?**

According to data from the Malaysia Takaful Association, takaful penetration

in Malaysia increased to 18.6% in 2021 compared to 16.9% in 2020, reflecting the highest growth in five years. No doubt the insurance and takaful industry experienced increased interest from the insuring public due to Covid-19 as many realised they need a financial cushion to tide them over a health emergency.

At Sun Life Malaysia Takaful, we are always committed to helping people become more financially secure and be prepared for any unexpected life and health events. It is timely for Malaysians to consider taking up an appropriate takaful protection plan as a safety net to help finance expenses in the event of emergencies so that they don't have to tap into savings or investments set aside for other important life purposes.

**How did the Malaysian takaful industry do in 2022? How do you see the outlook of the takaful industry over the next three years?**

According to the Islamic Financial Services Board, Malaysia currently ranks as the world's third largest takaful market. Undeniably, the Malaysian takaful industry is fast gaining traction. At Sun Life Malaysia Takaful, we firmly believe the family takaful industry is on an upward trend driven by factors such as increased takaful awareness, digitalisation and government support.

We are expecting the takaful industry to continue its significant growth, boosted by the introduction of more innovative products and services that are aligned with the ESG and VBIT commitments. In fact, Sun Life Malaysia Takaful has established market leadership in terms of takaful innovations and has been sharing best-practices with our teams in Indonesia regularly.

**What are the common misconceptions you hear about takaful products?**

One of the most common misconceptions is that takaful protection is only for Muslims. While takaful is designed based on shariah principles, takaful is meant for everyone. In simpler terms, takaful is the shariah-compliant alternative to conventional insurance.

There are no restrictions to benefiting

from a takaful plan even if you are of a different faith. Takaful directly translates as 'mutual guarantee' and provides protection based on Islamic law, which follows principles such as avoiding unethical practices, prohibition of usury, gambling, or uncertainty.

**You have been in the insurance industry for over three decades. What do you like about the industry?**

The one thing that has driven me over my 30-year stint in the industry is having the opportunity to help people achieve long-term financial security, to have the financial freedom which allows them to live life to the fullest, while at the same time ensuring their loved ones will have a financially-secure future.

Being part of a purpose-driven company, I have a chance to assist clients through challenging moments, for example during Covid-19, and be there for them when they need us.

Through the provision of takaful, it also allows me to be a part of our client's journey - both from a financial and spiritual aspect - not only helping them to plan, build, preserve and distribute wealth, but providing them with more options to fulfil their spiritual obligations like *haj* and *zakat*.



Jeffrey Azmi Mohd Shah