

Board of Directors and Committees of the Bank



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Board of Directors



Muhammad bin Ibrahim
Governor and Chairman



Dr. Sukudhew Singh
Deputy Governor



**Shaik Abdul Rasheed
bin Abdul Ghaffour**
Deputy Governor



**Tan Sri Dr. Mohd Irwan
Serigar bin Abdullah**
*Secretary-General to
the Treasury*



**Dato' N. Sadasivan
a/l N.N. Pillay**
*Chairman, Board Risk
Committee*
*Member, Board Audit
Committee*



**Tan Sri Dato' Sri
Dr. Sulaiman bin Mahbob**
*Chairman, Board
Governance Committee*
*Member, Board Risk
Committee*



Datuk Chin Kwai Yoong
*Chairman, Board Audit
Committee*
*Member, Board Governance
Committee*



**Tan Sri Datuk
Dr. Yusof bin Basiran**
*Member, Board Audit
Committee*



**Tan Sri Dato' Seri
Siti Norma binti Yaakob**
*Member, Board Governance
Committee*



Dato Sri Lim Haw Kuang
*Member, Board Risk
Committee*



Dato' Lee Yeow Chor
*Member, Board Risk
Committee*

The Board of Directors wishes to extend its appreciation and gratitude to **Dr. Zeti Akhtar Aziz** and **Nor Shamsiah binti Mohd Yunus** who completed their respective terms as Governor and Deputy Governor in April and November 2016.

Management Committee



Members from left to right

Adnan Zaylani bin Mohamad Zahid

Assistant Governor

Norzila binti Abdul Aziz

Assistant Governor

Abu Hassan Alshari bin Yahaya

Assistant Governor

Dr. Sukudhew Singh

Deputy Governor

Muhammad bin Ibrahim

Governor

Shaik Abdul Rasheed bin Abdul Ghaffour

Deputy Governor

Donald Joshua Jaganathan

Assistant Governor

Jessica Chew Cheng Lian

Assistant Governor

Mohd. Adhari bin Belal Din

Assistant Governor

Monetary Policy Committee



Monetary policy is formulated independently by the Monetary Policy Committee based on a sound governance framework

The primary objective of monetary policy in Malaysia is to maintain price stability while giving due regard to developments in the economy. Under the Central Bank of Malaysia Act 2009 (CBA 2009), the Monetary Policy Committee (MPC) of Bank Negara Malaysia is charged with the responsibility of formulating monetary policy and the policies for the conduct of monetary policy operations¹. In this regard, the MPC sets the policy interest rate, the Overnight Policy Rate (OPR), to influence other interest rates in the economy.

In carrying out this mandate, the MPC determines the direction of monetary policy based on its assessment of the balance of risks to the outlook for both domestic growth and inflation. The MPC also monitors risks of destabilising financial imbalances given their implications for the prospects of the economy. The Committee meets at least six times a year to decide on the OPR and publishes the Monetary Policy Statement (MPS) following each meeting to explain its decisions.

The MPC comprises the Governor, the Deputy Governors, and three to seven other members, including external members who are appointed by the Minister of Finance upon recommendation by the Bank's Board Governance Committee. At present, the MPC has eight members, two of which are external members. The membership of the MPC is intended to bring together a diversity of expertise and experiences that is critical for sound decision-making on monetary policy.

Members from left to right

Abu Hassan Alshari bin Yahaya
Assistant Governor

Prof. Dato' Seri Dr. Noor Azlan bin Ghazali
Vice-Chancellor, Universiti Kebangsaan Malaysia

Dr. Sukudhew Singh
Deputy Governor

Muhammad bin Ibrahim
Governor and Chairman

Shaik Abdul Rasheed bin Abdul Ghaffour
Deputy Governor

Prof. Dr. Yeah Kim Leng
*Professor of Economics, Sunway University
Business School, Sunway University*

Norzila binti Abdul Aziz
Assistant Governor

Adnan Zaylani bin Mohamad Zahid
Assistant Governor

¹ For a detailed account of the evolution of the MPC, and its governance and processes, refer to the 'Box Article: Evolution of the Monetary Policy Committee of Bank Negara Malaysia: Key Milestones over the Years' in the Bank's Annual Report 2015.

Financial Stability Executive Committee



Muhammad bin Ibrahim
Governor and Chairman



Shaik Abdul Rasheed bin Abdul Ghaffour
Deputy Governor



Tan Sri Dr. Mohd Irwan Serigar bin Abdullah
Secretary-General to the Treasury



Tan Sri Dato' Seri Ranjit Ajit Singh
Chairman of Securities Commission Malaysia



Jean Pierre Sabourin
Chief Executive Officer of Perbadanan Insurans Deposit Malaysia



Datuk Johan bin Idris
External Expert



Yoong Sin Min
External Expert

Financial Stability Executive Committee

The Financial Stability Executive Committee (Executive Committee) was established in 2010 pursuant to Section 37 of the CBA 2009. Its primary purpose is to contribute to the fulfilment of the Bank's statutory mandate of preserving financial stability through its decision making role in specific policy measures proposed by the Bank. These measures which are formulated for purposes of averting or reducing risks to financial stability are:

- The issuance of orders to a person or financial institution that is not supervised by the Bank to undertake specific measures;
- The extension of liquidity assistance to a financial institution that is not supervised by the Bank, or to overseas operations of a licensed financial institution in Malaysia; and
- The provision of capital support to a non-viable licensed financial institution in Malaysia.

The Executive Committee serves to strengthen the accountability framework for the exercise of the broad financial stability powers accorded to the Bank under the CBA 2009. It acts to ensure that proposed measures within its purview are appropriate, sound and comprehensive to address identified systemic risks. The Executive Committee meets at least twice a year. Additional meetings can be convened at any time if deemed necessary in the interest of financial stability. The Executive Committee consists of seven members, a majority of whom must be non-executive members who are independent of the Bank's Management. Members are subject to the Executive Committee's Code of Ethics and Conflict of Interest, which seeks to preserve the integrity of decision making and enhance public confidence in the objectivity, independence and high standards of conduct of the Executive Committee.

In order to contain the excessive growth in household indebtedness, the Executive Committee in 2013 deliberated on and approved the extension of requirements aimed at reinforcing responsible lending practices to major household credit providers not supervised by the Bank. Since the extension of the measures, growth in household loans from non-bank credit providers has moderated to more sustainable levels, supported by improvements in underwriting practices of these institutions.

Shariah Advisory Council



Shariah Advisory Council

The Shariah Advisory Council of Bank Negara Malaysia (SAC) was established in May 1997 as the highest Shariah authority in Islamic banking and takaful in Malaysia. In the CBA 2009, the roles and functions of the SAC were further reinforced as the authority for the ascertainment of Islamic law for the purposes of Islamic financial activities which are supervised and regulated by the Bank.

The SAC assumes a pivotal role in ensuring the consistency of Shariah rulings applied in the Islamic banking and takaful industry. The Shariah rulings by the SAC serve as a main reference for Islamic financial institutions to ensure end-to-end Shariah compliance in the structure and implementation of their financial products and services. In addition, the CBA 2009 provides that any queries on Shariah matters in a court or arbitration proceeding must be referred to the SAC, whose opinions shall be binding.

The SAC provides the Shariah basis for the development of a comprehensive Shariah contract-based regulatory framework for Islamic banking and takaful in Malaysia. In this regard, the SAC defines the essential features of the contracts taking into consideration the various Shariah views, research findings, as well as custom and market practices. Moving forward, the SAC, through its members, individually and collectively, will expand its sphere of influence to support more product innovation and encourage harmonisation of Shariah interpretation locally and globally.

The appointment of the SAC members is made upon approval by the Yang di-Pertuan Agong, on the advice of the Minister of Finance after consultation with the Bank. Currently, the SAC has ten (10) members consisting of prominent Shariah scholars, jurists and legal experts.

Members from left to right

Burhanuddin bin Lukman

Researcher, International Shariah Research Academy for Islamic Finance (ISRA)

Associate Prof. Dr. Asmadi bin Mohamed Naim

Associate Professor, Islamic Business School, Universiti Utara Malaysia

Tan Sri Sheikh Ghazali bin Abdul Rahman

Shariah Legal Advisor, Attorney General Chambers

Dato' A. Aziz bin A. Rahim

Former Judge, Court of Appeal Malaysia

Prof. Dr. Ashraf bin Md. Hashim (Deputy Chairman)

Chief Executive Officer, ISRA Consultancy

Datuk Dr. Mohd Daud Bakar (Chairman)

Founder and Executive Chairman, Amanie Group

Sahibus Samahah Datuk Dr. Zulkifli bin Mohamad Al-Bakri

Mufti of Wilayah Persekutuan

Prof. Dr. Mohamad Akram bin Laldin

Executive Director, ISRA

Dr. Shamsiah binti Mohamad

Senior Researcher, ISRA

Prof. Dr. Engku Rabiah Adawiah binti Engku Ali

Professor, IIUM Institute of Islamic Banking and Finance (IIBF), International Islamic University Malaysia (IIUM)

Financial Stability Committee



Muhammad bin Ibrahim
Governor and Chairman



Dr. Sukudhew Singh
Deputy Governor



**Shaik Abdul Rasheed
bin Abdul Ghaffour**
Deputy Governor



**Jessica Chew
Cheng Lian**
Assistant Governor



**Donald Joshua
Jaganathan**
Assistant Governor



**Adnan Zaylani bin
Mohamad Zahid**
Assistant Governor

Financial Stability Committee

The Financial Stability Committee (FSC) is a high-level internal forum responsible for discussing risks to financial stability stemming from both system-wide and institutional developments (as defined in Section 29 of the CBA 2009 and, where necessary, making decisions on policy responses to avert or reduce risks to financial stability. The FSC meets to:

- Deliberate and decide on the appropriate responses to systemic risks;
- Deliberate and decide on microsurveillance responses and actions including resolution measures to address risks to financial stability and decisions on the non-viability of Bank Negara Malaysia-regulated institutions;
- Make recommendations to the Financial Stability Executive Committee on the appropriate resolution measures for distressed institutions, in accordance with Section 38 CBA 2009; and
- Monitor the implementation of approved policy responses and other actions as directed by the FSC and the Financial Stability Executive Committee.

The FSC is chaired by the Governor and membership comprises all Deputy Governors and Assistant Governors for regulation, supervision, treasury operations and payment systems. The meeting is also attended by selected senior officers of the Bank.

Since 2010, the FSC has deliberated on several macroprudential policies (e.g. maximum loan-to-value ratios and measures on responsible financing) to address issues such as the high household indebtedness and speculative behaviour in the property market. The implementation of these measures along with other policy responses, has contributed towards moderating growth in both household debt levels and residential property prices.

