



TOKIO MARINE  
INSURANCE GROUP

# 2022

## THE IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE

# General Principles of GCG Implementation

PT Tokio Marine Life Insurance Indonesia ("Tokio Marine Life") believes that the standard implementation and values of Good Corporate Governance (GCG) are the main requirements to achieve maximum business results that will be beneficial not only for Tokio Marine Life but all stakeholders especially our customers.

## 1.1 General Principles of GCG Implementation at Tokio Marine Life

In accordance with all provisions related to Tokio Marine Life's business and GCG best practices, the implementation of GCG at Tokio Marine Life is realized in the following principles:

### a. **Transparency**

Tokio Marine Life implements the transparency principle of information to all stakeholders based on their interest in the company's business which is in accordance with applicable regulations, AAJI regulation and company initiatives.

### b. **Accountability**

As a form of accountability, Tokio Marine Life's Board of Directors (BOD) always submit operational accountability reports which have been reviewed by the Board of Commissioners (BOC) as well as the financial reports which have been reviewed by independent public accountant to shareholders through the process of General Meeting of Shareholders (GMS) for approval.

### c. **Responsibility**

Tokio Marine Life has commitment to always comply with all applicable laws and regulations. Through corporate social responsibility programs, Tokio Marine Life provides various community empowerment and development activities, especially in the fields of education, health, and natural disasters in the form of social actions.

### d. **Independency**

Tokio Marine Life's BOC and BOD always act independently in every decision taken. In addition, Tokio Marine Life also has independent commissioners who are in charge of supervising the BOD and ensuring the independence process within Tokio Marine Life.

### e. **Fairness**

Relationship with employees, customers, financial institutions and life insurance industry community as a whole which is carried out fairly in accordance with their rights and obligations and according to the provisions of the applicable laws and regulations.

## 1.2 GCG Implementation and Self-Assessment at Tokio Marine Life

Referring to POJK 73/POJK.05/2016 regarding GCG, all insurance companies are required to prepare a report on implementation & self-assessment of GCG and Supervisory Report

of Independent Commissioner which are submitted to OJK annually. This year, Tokio Marine Life has implemented and prepared the GCG Report including the self-assessment for period year of 2022 and submitted to OJK in timely manner.

## GOVERNANCE STRUCTURE

### 1. Shareholders

In 2022, Tokio Marine Life has held the Annual General Meeting of Shareholders (GMS) on April 26<sup>th</sup>, 2022. In addition, as stipulated in the Company's Articles of Association, Tokio Marine Life's Shareholders also have the right to take legal decisions without holding a GMS (meeting circular resolution). During 2022, Tokio Marine Life has held circular meeting resolutions related to the reappointment of BOD and BOC and the change of BOD structure.

With regard to composition of shareholders, according to Deed No. 40 dated 8 September 2017, made before Notary Hasbullah Abdul Rasyid, SH., M.Kn., a notary in Jakarta, the composition of shareholders are as follows:

Shareholders	% Ownership
Tokio Marine & Nichido Fire Insurance Co., Ltd.	97.78%
Steven Tanner	2.22%
<b>TOTAL</b>	<b>100%</b>

### 2. Board of Commissioners

#### 2.1 Work Process

Board of Commissioner actively supervise the effectiveness of the implementation of good corporate governance by the BOD and gives recommendations in order to improve and / or change that are deemed necessary. Each member of the BOC performs supervisory duties independently and has the right to a collegial decision-making through the BOC meeting and/or circular resolution.

#### 2.2 Membership and Composition

The composition of Tokio Marine Life's BOC as of 31 December 2022 consists of 4 (four) members, as follows:

Name	Position
Tang Loo Chuan	President Commissioner
Masahito Hirai	Commissioner
Franciskus Antonius Alijoyo	Independent Commissioner

Suryani SF Motik	Independent Commissioner
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### 2.3 BOC Meetings

In 2022, the provision of company's BOC meeting refers to OJK regulation no 73/POJK.05/2016 which requires the BOC to have meeting at least 1 (one) meeting every month where 4 (four) meetings have to be conducted physically. Therefore, in 2022 Tokio Marine Life's BOC has held 12 (twelve) meetings which 4 (four) of them have been conducted physically.

### 2.4 Board of Commissioners' Supporting Committees

To assist the effectiveness of supervisory implementation function by the BOC, Tokio Marine Life has established supporting committees which will work collectively, as follows:

#### i Audit Committee (AC)

The Audit Committee is responsible to review company's financial statement, including the completeness and fairness of the report, review company's internal controls, and review the performance of internal & external auditors.

The membership of the committee consists of: 1 (one) Independent Commissioner (chairman), 3 (three) other commissioners and 1 (one) independent party. In 2022, the Audit Committee had 4 (four) physical meetings and 8 (eight) committee meetings held in circular resolutions.

#### ii Risk Oversight Committee (ROC)

The Risk Oversight Committee is responsible to assist the BOC to:

- Assess the effectiveness of risk management, including assessing risk tolerance that can be taken by the company.
- Evaluate the implementation of the risk management on regular basis.
- Evaluate the charter of the Risk Oversight Committee on regular basis in accordance with the development of statutory provisions.
- Identify other matters which according to the Risk Oversight Committee require the attention of the Board of Commissioners.

The committee membership consists of: Independent Commissioner (Chairman), and 3 (three) other members of commissioners. Similar with the Audit Committee, the Risk Oversight Committee has also held 4 (four) physical meetings and 8 (eight) circular resolutions.

#### iii Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee (NRC) is responsible for supporting the effectiveness of implementation the duties and responsibilities of nomination policies and remuneration policies.

The committee membership consists of: President Commissioner (Chairman), a Commissioner, an Independent Commissioner, and Head of Human Resources. The

Nomination and Remuneration Committee (NRC) has held 1 (one) meeting and 2 (two) circular resolutions.

### 3. Board of Directors

#### 3.1 Work Process

The Board of Directors (BOD) is solely responsible to implement work strategies, plans and budgets that have been approved, properly run company's operations, effectively manage the internal control system and risk management & accountability.

BOD maintains and manages company's benefits collegially in accordance with the purposed and objectives of the company both inside and outside the court in accordance with the provisions of the articles of association.

Each member of BOD may perform duties and make decisions independently and professionally in accordance with the duties and responsibilities.

#### 3.2 Membership and composition

The composition of BOD as of 31 December 2022 are as follows:

Name	Position
Tham Chee Kong	President Director
Shunzo Nagahama	Vice President Director
Chong Yoon Hin	Director
Liany Susanti Kurniawan	Director
Sudyawi Sahlan	Director
Florence Army Yasudhiar	Compliance Director

#### 3.3 BOD Meeting

Board of Directors is required to have meeting at least once in a month. In 2022, Board of Directors has held 12 (twelve) meetings.

#### 3.4 Supporting Committees under the BOD

To assist the effectiveness of the responsibilities, the BOD has established the following committees:

- i. Investment Committee (IC)

The Investment Committee has the function to give approval for the stipulation or changes of investment policies and guidelines; provide the guidance and direction for the company's policies; determine strategic asset allocation.

The Investment Committee has held 4 (four) regular meetings in a year.

ii. Product Development Committee (PDC)

The Product Development Committee has the following duties and responsibilities:

- a) Set Tokio Marine Life's product strategy including product mix, product management and profitability based on analysis regarding new/existing product in the market.
- b) Review and approve business case submitted by distribution channels.
- c) Approve final product specifications developed by Product Implementation Team (PIT).
- d) Quarterly review the first 12 months sales of new product.
- e) Maintain Product Development policies and procedures.

The Product Development Committee has held 4 (four) regular meetings in a year.

iii. IT Steering Committee (ITSC)

IT Steering Committee has the following duties and responsibilities to assist BOD in fulfilling the oversight responsibility for the IT management functions of the company, such as:

- a. Review and approve all IT Policies;
- b. Review and provide feedback related to IT Procedures and Guidelines;
- c. Monitor its compliance with the guidelines;
- d. Oversee the development of IT Infrastructure and Systems;
- e. Review and approve all IT Strategic Plans;
- f. Establish the ITSC to assist the BOD in managing the IT functions, IT Human Resource, and developing IT Infrastructure and Systems and overseeing IT Projects.

The IT Steering Committee has held 6 (six) regular meetings in a year.

iv. Management Committee (MC)

The Management Committee has duties and responsibilities to discuss, assess and evaluate all issues related to:

- a. Significant matters related to management;
- b. business plan, business overview;
- c. Internal Control Standards and other guidelines;
- d. Accounting;
- e. Administration;
- f. Compliance and Regulation;
- g. Other matters.

The Management Committee has held 12 (twelve) regular meetings in a year.

v. Data Quality Committee (DQC)

The Committee assists the BOD in fulfilling the responsibilities in ensuring data quality to provide services to customers and make management decisions properly. The Committee oversight responsibility of the BOD which shall include but shall not limited to:

- a) Identify and define material data.
- b) Carry out the assigned duties.
- c) Identify need for quality improvements and establish improvement plans.
- d) Monitor data quality in the assigned area.
- e) Provide status updates of the identified improvement plans.
- f) Foster company culture through training.
- g) Review the Data Quality policies and procedures and recommend to BOD for approval.

The Data Quality Committee has held 4 (five) regular meetings in a year.

vi. Complaint Handling Committee (CHC)

The Complaint Handling Committee assists the BOD in fulfilling the responsibilities which include:

- a. Regularly review registered complaints;
- b. Resolve any major complaints that need to be escalated by Customer Relations & Helpdesk;
- c. Provide recommendations on area of improvement related to complaint handling.

The Complaint Handling Committee has held 6 (six) regular meeting in a year.

vii. Risk Management Committee (RMC)

The Risk Management Committee assists BOD in fulfilling the responsibilities which include:

- a) Maintain sound, robust and effective risk management processes in accordance with the nature, scale and complexity of company's business, to safeguard the interests of company's shareholders and policyholders;
- b) Review and evaluate the results of risk identification at least once a year;
- c) Measure and quantify the various categories of identified risk and assess the impact on company's resources, at least once a year;
- d) Establish controls, both strategic or operational, to manage each category of identified risk to ensure such risks are within company's tolerance limits and regulatory capital requirements;
- e) Review company's risks position on regular basis;
- f) Review and approve the annual risk-based assessment for regulatory submission;
- g) Review the Risk Management Policy and recommend it to the Board of Directors for approval;

- h) The Committee shall review the adequacy of Risk Management Committee's charter annually and recommend changes, when deemed necessary.

The RMC has held 12 (twelve) regular meetings in a year.

- viii. Anti-Money Laundering (AML) & Counter-Terrorism Financing (CTF) Committee  
The Committee assists the BOD in reviewing suspicious customer transactions and approves the report of customer's suspicious transactions to Indonesian Financial Transaction Reports and Analysis (PPATK).

The AML Committee meeting is held based on ad hoc basis when deemed necessary. The Committee has held 3 (three) regular meetings in a year.

#### **4. Sharia Supervisory Board (DPS)**

Tokio Marine Life's DPS consists of 2 (two) members, where the appointment has been approved by the National Sharia Council (DSN) MUI through Decree No.U-008/DSN-MUI/II/2001 dated February 21, 2001, concerning the Sharia Supervisory Board's Recommendation. The following is the composition of DPS as of December 31, 2022:

<b>Name</b>	<b>Position</b>
Prof. DR. H. Amin Suma, SH. MA	Chairman
Drs. H. Amidhan	Member