



PT SOMPO INSURANCE INDONESIA

Sustainability Report 2023

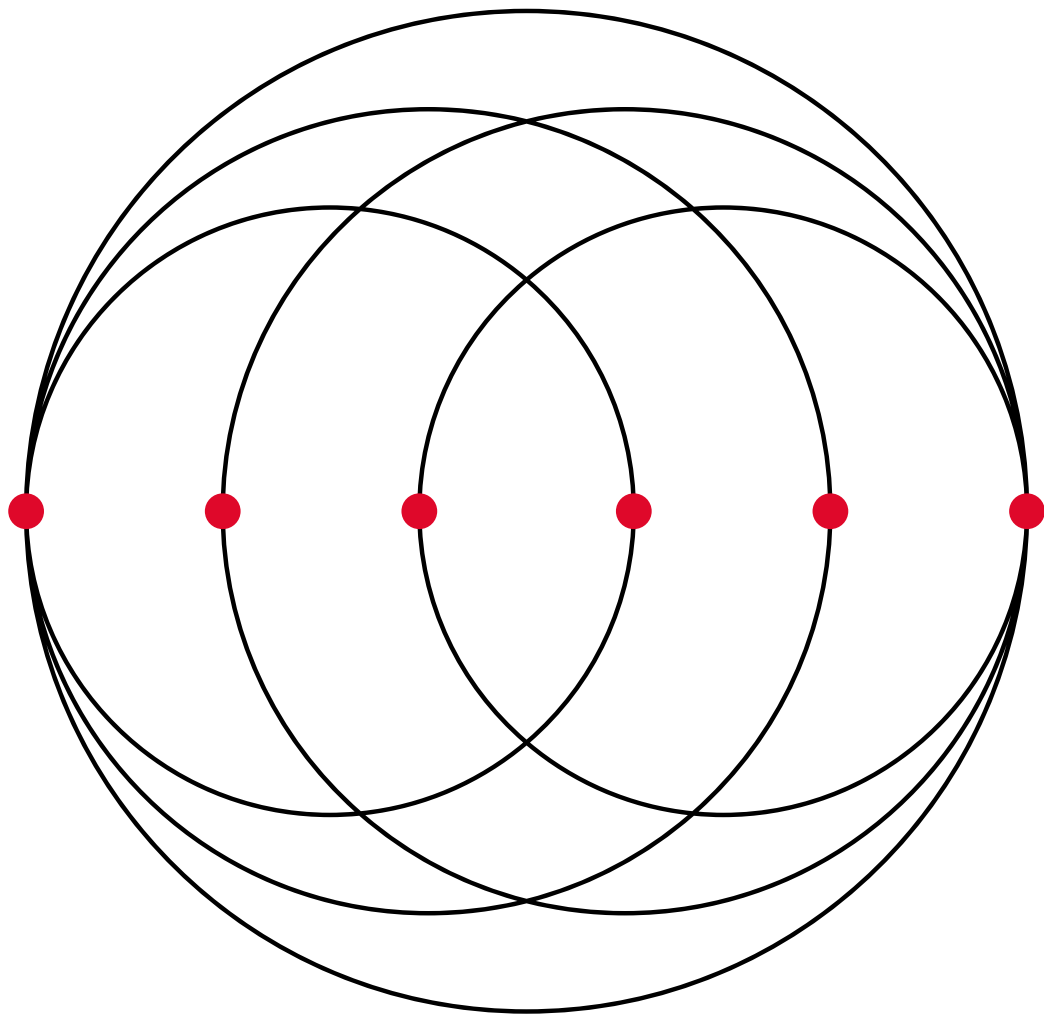


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COMPANY PROFILE OVERVIEW 2023

1. **Company Name** : PT Sampo Insurance Indonesia (“SII”)
2. **Head Office Address** : Mayapada Tower II, Lantai 19. Jl. Jend. Sudirman Kav 27, Jakarta 12920.
3. **Telephone & Fax** : T: (021) 2500890 F: (021) 2500891/2
4. **Website & E-mail** : Website : <https://www.sompo.co.id/>
Email : customer@sompo.co.id
5. **Tax Number** : 01.308.509.7-062.000
6. **Business License Number** : KEP-299/NB.11/2016
7. **Number of Branches/** : 3 Branch Offices and 18 Marketing Offices

Representative Offices

8. Shareholders

Shareholders Name	Ownership	
	In Rupiah	Percentage (%)
1. Sampo International Holdings Ltd.	IDR 395,952,000,000,00	80%
2. PT Mayapada Pratama Kasih	IDR 98,988,000,000,00	20%
Total	IDR 494,940,000,000.00	100%

9. Directors dan Commissioners

Directors	Positions	Commissioners	Positions
1. Eric Nemitz	President Director	1. Ronald Kumalaputra	President Commissioner
2. Tatsuya Kuroki	Vice President Director	2. Daniel Neo	Vice President Commissioners
3. Erixon Hutapea	Director	3. Susandarini	Independent Commissioners
4. Naoki Inoue	Director	4. Rahardja Alimhamzah	Independent Commissioners
5. Yolanda Widjaja	Director		

10. **Membership in Association** : Asosiasi Asuransi Umum Indonesia (AAUI)
11. **Number of Employees** : 597 (As of December 2023)
(Including BOD & BOC)

Jakarta, 1 April 2024

On behalf of the Board of Directors
PT Sampo Insurance Indonesia



Eric Nemitz
President Director

LETTER FROM THE **BOARD OF DIRECTORS**

Dear Stakeholders,

Sompo Insurance Indonesia (SII) is pleased to present our Sustainability Report 2023, which reflects our efforts to implement sustainable practices in the general insurance sector. Consistent leadership and partnership are important to our operations as they emphasize the importance of regulatory oversight and compliance in ensuring the company's stability and integrity. In this regard, we would like to express our gratitude for your unwavering support over the past year. Thank you.

We are pleased to report that SII continued to grow last year. Premium income increased by 3.10%. This growth demonstrates our financial strength, resilience and ability to meet the changing needs of our customers and partners while maintaining our commitment to quality and service excellence. Importantly, we recognize our responsibility to practice sustainable finance, which aligns with our ongoing efforts to promote financial literacy and inclusion across the country.

The current landscape of sustainable finance and climate change efforts presents opportunities for the insurance sector. The industry is increasingly prioritizing transparency and environmental responsibility, and there is an expectation that these efforts will be considered and implemented consistently. This presents a wealth of opportunities for insurance companies to be proactive and creative in its efforts and programs. In addition, the growing number of commitments to carbon neutrality demonstrates a collective effort to achieve a carbon neutral society, which is of paramount importance to all. As a member of the Sompo Group, we are committed to this cause.

We have therefore also made a conscious effort to digitise various aspects of our business, such as system migration, the data migration that which is now fully cloud-based, the digitisation of our motor claims, our claim form for motor vehicles, claim the survey processes, new policy notices for direct corporate customers and more. These initiatives will improve efficiency and demonstrate our commitment to operating more sustainably from an environmental perspective.

We are also committed to supporting efforts to combat climate change. Our partnership with the Sompo Environmental Foundation, the Japan Environmental Education Forum and the Ministry of Environment and Forestry of the Republic of Indonesia continues to support youth environmental programmes through the NGO Learning Internship Programme. We are pleased to report that the alumni of our programme have made a significant impact through our Alumni Idea Fund programme. This programme has helped to address climate change in their local communities while promoting inclusivity.

We are also proud to have continued our partnership with the Sompo Welfare Foundation (SWF) to support Dompot Dhuafa, a non-profit organisation that aims to help those in need. In 2023, we were able to provide hearing aids to 300 deaf children aged 12-18 in Central Java.

SII remains committed to pushing boundaries and providing peace of mind to our customers, partners and employees through innovative, high-quality products and uncompromising services. Our proven resilience and financial strength enable us to support our customers and partners to their complete satisfaction.

On behalf of the Board of Directors,

Eric Nemitz

President Director,

PT Sampo Insurance Indonesia

CHAPTER I SUSTAINABILITY STRATEGY

The ideal goal of business continuity is sustainable profitability. Sampo Insurance Indonesia (SII) believes that a sustainability approach is the best way to achieve this goal. The economic, social, and environmental aspects are interdependent and must be sustainable. With this in mind, we recognize the need for change that motivates all stakeholders to make a sustainable contribution. We aim to inspire through interactions with consumers, business partners, shareholders, and colleagues, shaping sustainability as an obligation that instills a value - one that is deeply rooted in the mind and grows into a mindset and real action.

As one of the general insurance companies in Indonesia, we are committed to providing direct protection to the community and supporting aspects of people's lives. Our goal is to make people feel safe from risks. This is achieved by offering unique and innovative insurance products and services. One such product is the development and promotion of electric vehicle insurance, in line with regulations for expanding the types of insurable vehicles. One such product is the development and promotion of electric vehicle insurance, in line with regulations for expanding the types of insurable vehicles. Additionally, cash plan health insurance is being developed for both conventional and sharia businesses to promote healthy living and provide affordable coverage, encouraging social responsibility. One such product is the development and promotion of electric vehicle insurance, in line with regulations for expanding the types of insurable vehicles.

In addition to focusing on the insurance and economic aspects, which are the Company's main business, SII also aims to integrate and align economic, social, environmental, and governance aspects in its business processes to achieve the Sustainable Development Goals in Indonesia. The Company supports social and welfare activities through the Sampo Welfare Foundation's international grant program. The program provides sustainable service system advocacy activities to the Harapan Nusantara Organization (OHANA) in the form of physical aids, such as wheelchairs, and wheelchair service workshop training for people with disabilities in Indonesia.

Furthermore, the Company's support for the environment includes the NGO Learning Internship Program, which supports the capacity building of young talents every year in cooperation with the Sampo Environment Foundation (SEF), and the Sampo Alumni Idea Fund Program, which is a program for alumni of the NGO Learning Internship Program to take environmental action by inviting the community to participate and contribute in addressing and finding solutions to environmental problems. SII remains committed to ensuring that the Company's business activities positively impact the insurance industry and stakeholders in the long term, in a comprehensive and integrated manner.

To implement Sustainable Finance, SII has a sustainability strategy aligned with the initial implementation stage of the Company's Sustainable Finance Action Plan (RKAB) in the Company's 2023 Business Plan. (1) Design insurance products that protect individual health. (2) Implement training and workshops to improve the Company's sustainable finance Task Force's competencies. (3) Implement the Company's financial literacy program. (4) Implement

financial inclusion initiatives. (5) Implement sustainable programs that focus on three elements of life: protection, health, and welfare.

To achieve this, the company focuses on product development and business expansion through digital platforms, innovative products and solutions to strengthen its position in the Indonesian general insurance market while taking into account economic, social and environmental aspects.

CHAPTER II OVERVIEW OF SUSTAINABILITY PERFORMANCE

2.1. Economic Aspect Performance

The following is an overview of the Company's performance in economic aspects over the past 3 years:

Description	Unit	2021	2022	2023 (unaudited)
Premium Income	Million Rupiah	2,073,399	2,567,235	2,646,924
Net Profit (Loss)	Million Rupiah	84,290	73,083	72,630
Product Quantity	Product	61	68	76
	Approval from OJK			
Environmentally Friendly Products	Line of Business	2	2	2

Table 1| Overview of Economic Aspect Performance

2.2. Social Aspect Performance

The following is an overview of the Company's performance in social aspects over the past 3 years:

Description	Unit	2021	2022	2023
Number of Employee Participating	Person	592	592	597
Total Employee Training and Education Costs	Million Rupiah	3,061	6,239	7,870
Number of Participant in Financial Literacy Education	Person	62	30	85
Total Financial Literacy Education Costs	Million Rupiah	20	15	50
Customer Satisfaction – Claim Services	%	51.76	54.71	62.30
Number of Complaints	Customer	328	492	599

Table 2| Overview of Social Aspect Performance

2.3. Environmental Aspect Performance

The following is an overview of the Company's performance in environmental aspects over the past 5 years:

Description	Unit	2019	2020	2021	2022	2023
Electrical Energy Usage	Million Rupiah	1,621	1,154	854	868	900
Use of Fuel – Head Office Operational Vehicle	Kilo Liter	71	48	56	66	54
Paper Usage at Head Office	Ton	10.56	5.61	5.06	5.94	4.84
⁽¹⁾ Emission Reduction	CO2eq	-	-	-	-	-

Description	Unit	2019	2020	2021	2022	2023
(1) Waste Reduction	Ton	-	-	-	-	-
(1) Biodiversity Preservation	Types of Flora/Fauna	-	-	-	-	-

Table 3| Overview of Environmental Aspect Performance

(1) *Applies to companies whose business processes are related to the environment*

CHAPTER III COMPANY PROFILE

3.1. Brief History of the Company

PT Sampo Insurance Indonesia (Sampo Insurance) is part of the global insurance group Sampo Holdings, Inc, one of the largest general insurance companies in Japan. Sampo Insurance has been protecting the health, safety and well-being of its customers in Indonesia for more than 48 years. With 3 branches and 18 marketing offices spread across Indonesia and nearly 600 employees, Sampo Insurance provides various insurance products as a solution to protect companies and individuals from risks including property, earthquake, motor vehicle, personal accident, marine cargo, health, travel, and many others.

PT Sampo Insurance Indonesia is the new registered name of PT Asuransi Sampo Japan Nipponkoa Indonesia, effective from March 17, 2016. Previously, the company was formed after the merger of the respective parent companies, Sampo Japan Insurance Inc. and Nipponkoa Insurance Co. Ltd. Its two subsidiaries in Indonesia, PT Sampo Japan Insurance Indonesia and PT Asuransi Nipponkoa Indonesia, were also integrated. Since their establishment in 1975, both companies have been engaged in general or non-life insurance financial services.

SII, as one of the financial service institutions in the insurance sector in Indonesia, recognizes the importance of supporting and the role of financial institutions in conducting sustainable business activities and integrating the harmony of economic, social and environmental aspects, and ultimately can support the realization of sustainable development goals in Indonesia. In addition, with an overall strategic goal to become one of the leading general insurance companies in Indonesia in terms of respect for customers, SII aims to continue to grow and contribute to the development of society.

Sampo Insurance's audited financial performance in 2022 was certified as "Excellent" by Infobank Media in 2023, due to its ability to earn gross premiums of IDR 1 - 2.5 trillion. In 2023, Sampo Insurance also received the following awards: InfoBank Insurance Award 2023, Insurance Media Insurance Market Leaders Award 2023, Warta Ekonomi Best Insurance Award 2023, Indonesia Top Insurance Companies Award 2023, Indonesia Top 10 Transformative CEO in Insurance Award 2023, The Iconomics Best 50 Financial Institution Awards 2023, The Finance Top 20 Financial Institutions 2023, Infobank Top 100 CEO 2023, and Warta Ekonomi Indonesia CEO Excellence Awards 2023.

With good financial health, extensive experience and a long history, SII will always maintain its commitment to provide protection solutions and services to all customers to the fullest.

3.2. Vision, Mission, and Company Values

Vision



To be the top 3 preferred general insurance company in Indonesia within five years where customer centricity is at the core.

Mission



Pushing boundaries and innovating to provide security and peace of mind to society.

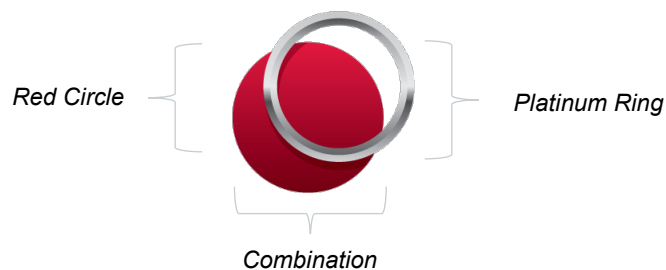
Values



- We strive for excellence in everything we do.
- Pelanggan adalah prioritas kami.
- Kami tepercaya.

3.3. Corporate Logo Philosophy

The SOMPO logo is a symbol of the SOMPO Holdings Group and serves as a core element of brand communication. It is referred to as "The Global Ring".



SOMPO logo consist of three element with the following explanation:

- The red circle symbolizes perfect harmony and stability, while simultaneously representing our nation of Japan.
- The platinum ring symbolizes leader guiding towards the future, where Sompoo Insurance aimed to connect people across the globe to create a "new level of trust".
- Dynamic combination of the red circle and platinum ring is an expression of our vision to build a globally competitive company, as a leading brand in Japan.

3.4. Business Area

In accordance with the Company's Articles of Association with the latest amendment as contained in Deed No. 40 dated January 22, 2020 made by Notary Mala Mukti, S.H., LL.M. Notary in Jakarta, then in accordance with Article 3 of the Company's Articles of Association, the purpose and objectives of the Company are to carry out business activities of Conventional Non-Life Insurance, Sharia Non-Life Insurance, Reinsurance, and Sharia Reinsurance.

3.5. Financial Products/Services Offered

SII develops its products innovatively, prioritizing customer needs through various distribution channels, including Direct Marketing, Agency, Bancassurance, and Business Entities Other than Banks (BUSB). SII offers products in 7 business lines.

Property Insurance

A type of insurance that provides coverage for financial losses incurred by fire and other risks guaranteed in the Policy against property assets owned by the insured.



Property Insurance Products include:

- Fire & Related Perils
- Property All Risk
- Earthquake Insurance

Motor Vehicle Insurance

Type of insurance that provides coverage for losses due to damage or loss of motor vehicles, legal liability to 3rd parties, and compensation for drivers and passengers.



Motor Vehicle Insurance Products include:

- Auto First
- Comprehensive/All Risk
- Total Loss Only / TLO
- Long Term Motor Protection

Marine Cargo Insurance

Type of insurance that provides coverage for loss or damage to goods during transportation either by land, sea, and air within or outside the country.



Marine Cargo Insurance include:

- Export / Import
- Inter-island
- Road Trip

Engineering Insurance

Type of insurance that provides coverage for technical / engineering industry activities during construction, machinery installation, and operations.



Engineering Insurance Products include:

- Contractor's All Risk (CAR)
- Erection All Risk (EAR)
- Machinery Insurance (MB)
- Electronic Equipment (EEI)

Health Insurance

Group Health Insurance provides coverage for medical and surgical expenses.



Health Insurance Products include:

- HealthCare+, Group Health Insurance
- WorldCare
- SimpleCare
- Critical Illness

Travel Insurance

Type of insurance that is designed to minimize the potential risks and their consequences for the insured while traveling abroad.



Travel Insurance Products include:

- TravelFirst
- TravelFirst Indonesiana
- TravelFirst Edu

Miscellaneous Insurance

Type of insurance that provide coverage for Personal Accident risks, legal liability to third parties, Trade Credit, and more.



Miscellaneous Insurance include:

- Personal & Group Accident
- Burglary/Theft
- Movable All Risk
- Money Insurance
- General Liability
- Public Liability
- Employer's Liability

- Directors & Officers Liability and Company Reimbursement
- Professional Indemnity
- Trade Credit Insurance
- Bankers Blanket & Electronic Computer Crime Insurance

3.6. Organization Scale

Description	Unit	2022	2023 (Unaudited)
Number of Permanent Employees	Person	592	597
Total Operation	Office Unit	22	22
Premium Income	Million IDR	2,567,235	2,646,924
Total Asset	Million IDR	3,853,877	3,876,945
Total Equity	Million IDR	1,126,062	1,153,778
Total Liability	Million IDR	2,727,815	2,723,168

Table 4| Organization Scale

Employee Information

Employees are a crucial element for SII as they are the driving force and the main asset in all of the Company's sustainability programs. As of December 31, 2023, the Company has 597 permanent employees. SII's employees are diverse in terms of gender, age group, education level, position, and employment status. The Company values this diversity as a strength that enables SII to thrive and achieve optimal performance. The tables below present the complete employee diversity and demographics.

Table 5| Permanent Employees Composition Based on Gender

Gender	2022		2023	
	Total	Percentage	Total	Percentage
Male	320	54%	321	54%
Female	272	46%	267	46%
Total	592	100%	597	100%

Table 6| Permanent Employees

Age Group	2022		2023	
	Total	Percentage	Total	Percentage
≤ 25 Years Old	19	3%	23	4%
26 - 30 Years Old	112	19%	108	18%

31 - 35 Years Old	163	28%	171	29%
36 - 40 Years Old	131	22%	126	21%
41 - 45 Years Old	71	12%	74	12%
46 - 50 Years Old	52	9%	54	9%
> 50 Years Old	44	7%	41	7%
Total	592	100%	597	100%

Table 7| Permanent Employee Composition Based on Education Level

Education Level	2022		2023	
	Total	Percentage	Total	Percentage
> S2	32	5%	33	6%
S1	438	74%	444	74%
D1-D3	69	12%	71	12%
< =SLTA	53	9%	49	8%
Total	592	100%	597	100%

Table 8| Permanent Employee Composition by Position

Jabatan	2022		2023	
	Total	Percentage	Total	Percentage
Director	6	1%	5	1%
Executive Officer	5	1%	5	1%
Manager - Senior GM	90	15%	96	16%
Staff - Asst. Manager	457	77%	457	77%
Non-Staff	34	6%	34	6%
Total	592	100%	597	100%

Table 9| Employee Composition Based on Employment Status

Status	2022		2023	
	Total	Percentage	Total	Percentage
Permanent Employee	592	92%	597	92%
Outsource Employee	49	8%	54	8%

Distribution of Company Operational Office Areas

22 Offices Throughout Indonesia



Table 10| Distribution of Company Operational Office Areas

No.	Office Name	Address	Phone
1	Head Office	Mayapada Tower 2, 19th Fl. Jl. Jend. Sudirman Kav. 27 Jakarta 12920 Indonesia	(021) 2500890

Branch Offices

No.	Office Name	Address	Phone
2	Medan	Josephine Building 3rd Fl. Jl. H. Adam Malik No. 25A. Medan. 20114	(061) 4153309 (061) 4156882
3	Jakarta Selatan	Komplek Ruko 72 Unit F Pejaten Timur. Jl. Raya Pasar Minggu Km 18. Pasar Minggu, Jakarta Selatan. 12510	(021) 79189151 (021) 79189152
4	Surabaya	Mayapada Complex 8th Fl. Unit 01 Jl. Mayjend Sungkono No. 178, Surabaya 60225	(031) 99534833

Marketing Offices

No.	Office Name	Address	Phone
5	Balikpapan	Komplek Ruko Balikpapan Baru. Blok AA 1A No.05. Balikpapan 76114	(0542) 8505111
6	Bandar Lampung	Jl. Jend. Sudirman No. 65C, Rawa Laut Enggal Bandar Lampung 35127	(0721) 5600077
7	Bandung	Jalan Gatot Subroto Nomor 30B, Kota Bandung 40262	(022) 4211577
8	Batam	Komplek Goldhill Blok A No.1 Jl. Laksamana Bintan, Sei Panas Batam 29456	(0778) 466234

No.	Office Name	Address	Phone
9	Denpasar	Jl. Raya Puputan No. 122 E Denpasar, Bali 80239	(0361) 236236, (0361) 228392
10	Kelapa Gading	Ruko Inkopal Blok C No. 16 Jl. Boulevard Barat Raya. Kelapa Gading, Jakarta Utara 14240	(021) 29375433
11	Makassar	Komplek Rukan Pettarani Business Center Blok E.11 3rd Fl. Jl. AP. Pettrani Makassar 90222	(0411) 4677838 (0411) 4677880
12	Malang	Jl. WR Supratman C3 Kav. 16, Malang 65111	(0341) 336136
13	Palembang	Komplek Ruko PTC Mall, Blok G 37, Jl. R. Sukanto, Kelurahan 8 Ilir, Kecamatan Ilir Timur Tiga, Palembang 30114	(0711) 376 277
14	Pekanbaru	Jl. Arifin Achmad, Sidumulyo Timur Marpoyan Damai, Pekanbaru, 28125	(0761) 8416886
15	Pontianak	Komplek A. Yani Sentra Bisnis, Jl. A. Yani Blok AA No.17. Akcaya Pontianak 78116	(0561) 743733
16	Semarang	Jl. D.I. Panjaitan No.27A, Kav. A Semarang 50134	(024) 3552839, (024) 86577744
17	Solo	Ruko Bhayangkara, Jl. DR Radjiman No 341 Blok D, Kelurahan Panularan - Kecamatan Laweyan. Surakarta - Jawa Tengah	(0271) 7462631
18	Tangerang	Ruko Palmyra Square, Jl. Jalur Sutera 26 A No. 6 Alam Sutera, Tangerang Selatan 15325	(021) 29315306, (021) 29315310
19	Yogyakarta	Ruko Sumber Baru Square Kav-H, Ringroad Utara Jombor Sendangadi, Mlati, Sleman 55285	(0274) 2812200, (0274) 8609844

Marketing Representative Office

No.	Office Name	Address	Phone
20	Banjarmasin	Hotel Banjarmasin Internasional. Jl. Jendral A. Yani Km 4,5 Banjarmasin 70234	-
21	Bogor	Gedung Setyajaya. Jl Raya Pajajaran No.23 Bogor 161143	-
22	Bekasi	Ruko Emerald Commercial. Jl. Boulevard Selatan Blok UB No.50. Marga Mulya Summarecon, Bekasi 17142	-

CHAPTER IV SUSTAINABILITY GOVERNANCE

3.7. Implementation of Corporate Sustainability Governance

To support business sustainability, SII believes in implementing Sustainable Governance by adhering to the principles of Good Corporate Governance (GCG) at all levels of the organization and in all Company activities. SII ensures the implementation of Good Corporate Governance based on the laws and regulations governing the insurance business and related fields. The Company's implementation of GCG refers to the Financial Services Authority Regulation (POJK) No.73/POJK.05/2016, which outlines Good Corporate Governance for Insurance Companies, and its amendment regulations in POJK No. 43/POJK.05/2019, which were promulgated on December 31, 2019.

The objectives of implementing Sustainability Governance at SII are:

- a. Maintaining and improving the implementation of the Company's Sustainability Finance
- b. Support the vision and mission of the Company's Sustainability Finance
- c. Provide benefits and added value to shareholders and stakeholders related to Corporate Sustainability Finance

The Company has implemented and executed GCG, along with gradual and continuous improvement efforts on every necessary line, in accordance with the laws and regulations in the field of insurance business. The Company believes that implementing GCG principles consistently and effectively in all aspects of its activities will enhance its performance in sustainable finance and help achieve its vision and mission.

3.8. GCG Principles

SII applies GCG principles, namely Transparency, Accountability, Responsibility, Independence, and Fairness, which are referred to as T.A.R.I.F. with the following explanation:

▪ **Transparency**

Namely openness in the decision-making process and openness in the disclosure and provision of relevant information about the Company, which is easily accessible to Stakeholders in accordance with the provisions of laws and regulations in the field of insurance as well as standards, principles and practices of healthy insurance business administration. This means that the Company guarantees the disclosure of material and relevant information regarding performance, financial condition and other information in a clear, adequate and timely manner and is easily accessible to Stakeholders in accordance with their rights.

The principle of transparency adopted by the Company does not reduce the obligation to protect confidential information regarding the Company, the Insured or Policyholders and Stakeholders, in accordance with laws and regulations and information that may affect the competitiveness of the Company.

▪ **Accountability**

The Company ensures transparency, fairness, effectiveness, and efficiency in its performance by maintaining clarity in the functions and accountability of its organs. This

includes the General Meeting of Shareholders (GMS), Board of Commissioners, and Board of Directors, with each organ being accountable for its respective functions and implementation to enable effective management of the Company.

The principle of accountability emphasizes the importance of each organ and employee of the Company having competencies that align with their responsibilities and understanding their role in implementing GCG. To ensure the successful implementation of the Company's Vision, Mission, and Culture, structures, systems, and Standard Operating Procedures (SOP) are in place to facilitate check and balance mechanisms.

- **Responsibility**

Namely, the Company's management must comply with laws and regulations in the insurance field, as well as ethical values, standards, principles, and practices for organizing a healthy insurance business.

Regarding the principle of responsibility, the Company must comply with laws and regulations and fulfill its obligations towards society and the environment to ensure long-term business continuity and gain recognition as a responsible corporate citizen. This can be achieved by adhering to applicable laws and regulations and exercising prudence, including provisions related to insurance, employment, taxation, and business competition.

- **Independence**

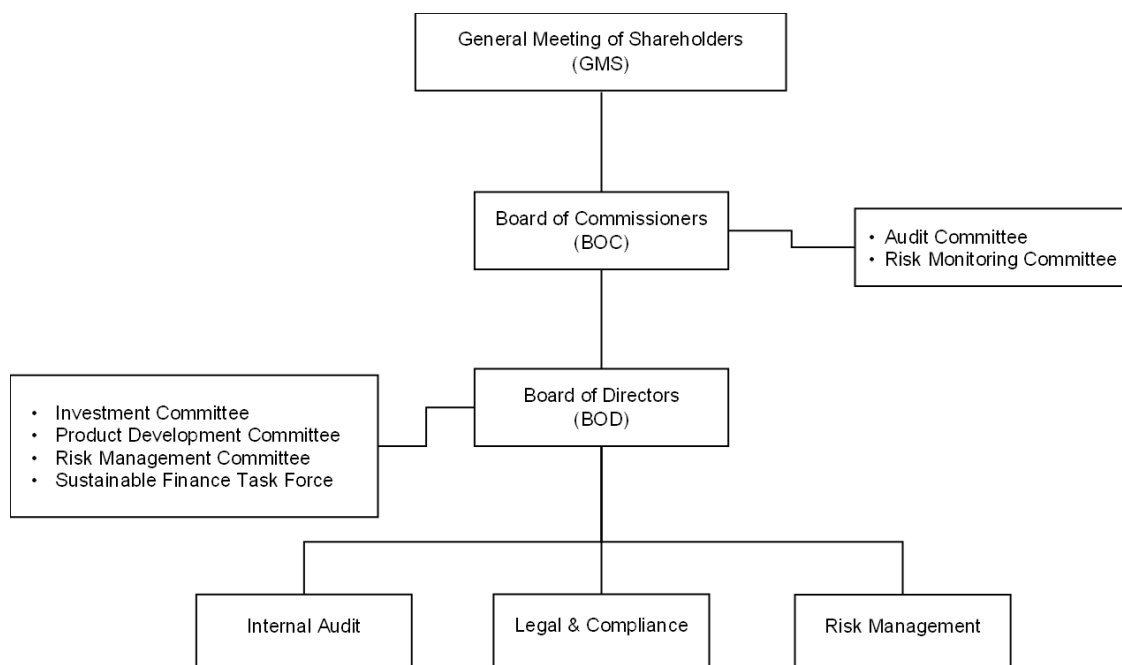
The Company should be managed independently and professionally, free from conflicts of interest, and not influenced or pressured by any party that does not comply with insurance laws and regulations, ethical values, and standards, principles, and practices of organizing a healthy insurance business. The Company guarantees professional management without conflicts of interest or influence from any party that violates laws, regulations, or corporate principles.

- **Fairness**

The Company is committed to upholding equality, balance, and fairness in fulfilling the rights of stakeholders as outlined in agreements, laws and regulations related to insurance, and ethical values, as well as adhering to standards, principles, and practices for organizing a healthy insurance business. This ensures that all stakeholders are treated fairly and equally in accordance with applicable laws and regulations.

3.9. GCG Structure

SII has a corporate governance structure that supports the implementation of GCG. This structure includes the GMS, Board of Commissioners, Board of Directors, Committees, and Working Units. The following is the Governance structure that supports the implementation of sustainability finance in the Company.



3.9.1. General Meeting of Shareholders

The General Meeting of Shareholders (GMS) is the highest governing body of the company. It serves as a forum for shareholders to make decisions related to the company. During the GMS, shareholders exercise their rights, express their opinions, and vote on decisions. The GMS is comprised of the Annual GMS (AGMS) and Extraordinary GMS (EGMS). The AGM is held annually, no later than June after the Company's book closure. Meanwhile, the Extraordinary General Meeting of Shareholders (EGMS) is convened at the discretion of the Board of Directors, Board of Commissioners, and/or Shareholders. The EGMS is organized through a written invitation that includes the agenda of the discussion. It is important to note that the content of the improved text must be as close as possible to the source text, and any modifications should only improve clarity, conciseness, or formality without altering the core message. Therefore, the original meaning and quotes have been preserved, and the professional vocabulary has been used sparingly.

The General Meeting of Shareholders (GMS) has exclusive authority that is not granted to the Board of Directors, Board of Commissioners, or the Sharia Supervisory Board, within the limits specified in the legislation and/or the Articles of Association. The authority of the Company's GMS includes:

- To appoint, replace or dismiss the Board of Directors or the Board of Commissioners or the Sharia Supervisory Board.
- Make decisions to ensure the Company's long-term and short-term business sustainability in compliance with laws, regulations, and the Company's Articles of Association.
- To approve the Annual Report including the ratification of the Financial Statements and to supervise the Board of Commissioners and Sharia Supervisory Board.
- Implementing Good Corporate Governance in accordance with its authority and responsibilities.

Implementation of GMS 2023

During 2023, SII held 1 AGMS and 2 EGMS as shown in the following table:

No.	GMS Name	Day/Date/Place /Type of GMS
1	AGMS Approval of the 2022 Financial Year Annual Report and other regular agendas	Monday/ 22 May 2023/ Circular Resolution
2	EGMS Approval of the Company's Financial Statement for Year 2022	Friday/5 May 2023/ Circular Resolution
3	Approval of the Company's Business Plan 2023 and other agendas	Friday/24 November 2023/ Circular Resolution

Table 11| Implementation of GMS in 2023

3.9.2. Board of Commissioners

The Board of Commissioners oversees the Company's management by the Board of Directors, provides advice without prejudice to the provisions of the prevailing laws and regulations and the Company's Articles of Association, and ensures that the Company implements GCG. However, the Board of Commissioners does not participate in operational decision-making. The position of each member of the Board of Commissioners, including the President Commissioner, is equal. No member of the Board of Commissioners can act individually; all decisions must be made collectively. The duty of the President Commissioner, as *primus inter pares*, is to coordinate the activities of the Board of Commissioners.

In relation to the implementation of sustainable finance, the duties and responsibilities of the Board of Commissioners include but are not limited to:

- Discussing and providing input on the presentation of sustainable finance aspects submitted by the Board of Directors.
- Approve the RAKB prepared by the BOD, to be submitted to OJK.

The following is the composition and number of the Company's Board of Commissioners as of December 31, 2023:

No.	Name	Position	Fit & Proper	Appointment Date by GMS	Terms of Office	Citizenship	Domicile
1.	Ronald Kumalaputra	President Commissioner	KEP-523/BL/2011	22 May 2023	Until GMS 2023	Indonesia	Indonesia
2.	Daniel Neo	Vice President Commissioner	KEP-12/PD.02/2023	22 May 2023	Until GMS 2023	Singapore	Singapore
3.	Rahardja Alimhamzah	Independent Commissioner	KEP-365/NB.1/2020	22 May 2023	Until GMS 2023	Indonesia	Indonesia
4.	Susandarini	Independent Commissioner	KEP-309/NB.1/2017	22 May 2023	Until RUPST 2023	Indonesia	Indonesia

Table 12| BOC Composition

3.9.3. Board of Directors

The Board of Directors is responsible for managing the Company in accordance with its objectives and purposes, implementing good corporate governance (GCG) at all levels of the organization, and representing the Company both internally and externally, as outlined in the articles of association. The Board of Directors is responsible for the Company collegially. Each member of the BOD may carry out duties and make decisions in accordance with their division of duties and authority. However, the implementation of the duties of each member of the BOD remains a joint responsibility. The Board of Directors is accountable to the GMS for carrying out its functions. The Board of Directors' accountability to the GMS demonstrates their responsibility for managing the company in accordance with GCG principles.

In relation to the implementation of sustainable finance, the duties and responsibilities of the BOD include but are not limited to:

- Ensure the sustainability strategy is in line with the Company's overall Business Plan.
- Approve Policies and Procedures related to the implementation of sustainable finance.
- Prepare the RAKB to be submitted to OJK after obtaining approval from the Board of Commissioners.

The Board of Directors receives assistance from the Sustainable Finance Task Force in fulfilling its duties and responsibilities related to sustainable finance implementation.

The following is the composition and number of Directors of the Company as of December 31, 2023:

No.	Name	Position	Fit & Proper Test No	Appointment Date by GMS	Terms of Office	Citizenship	Domicile
1.	Eric Nemitz	President Director	KEP DK OJK No. KEP-142/NB.11/2016	22 May 2023	Until GMS 2023	German	Indonesia
2.	Tatsuya Kuroki	Vice President Director	KEP DK OJK No. KEP-398/NB.11/2016	22 May 2023	Until GMS 2023	Japan	Indonesia
3.	Erixon Hutapea	Director	KEP-321/NB.11/2017	22 May 2023	Until GMS 2023	Indonesia	Indonesia
4.	Naoki Inoue	Director	KEP-479/NB.11/2022	22 May 2023	Until GMS 2023	Japan	Indonesia
5.	Yolanda Widjaja	Director	KEP-740/NB.11/2022	22 May 2023	Until GMS 2023	Indonesia	Indonesia

Table 13| Board of Directors

3.9.4. Sustainable Finance Task Force

The Sustainable Finance Task Force is a special unit established by SII in October 2020, to assist the Board of Directors in the implementation of sustainable finance within the Company.

The Sustainable Finance Task Force has the following authorities, duties and responsibilities:

- a. Request and obtain all information and/or documents related to the implementation and principles of sustainable finance.
- b. Conducting necessary research and development in connection with the implementation of sustainable finance.
- c. Provide input, recommendations and feasibility study analysis in connection with the preparation of the RAKB and Sustainability Report prepared by the Board of Directors, and ensure its reporting to OJK.
- d. Monitor and ensure the realization of the plans that have been prepared in the RAKB.
- e. Evaluate the charter of the Sustainable Finance Task Force periodically in line with the development of applicable regulations related to sustainable finance.

In performing the foregoing powers, duties and responsibilities, the Task Force shall cooperate with such departments as it deems necessary and shall maintain the confidentiality of the Company's information and/or documents from both internal and external parties.

3.10. Competency Development for BOC and BOD

The Board of Commissioners and Board of Directors are committed to developing competencies related to business sustainability in accordance with the principles of sustainable finance. Competency development is carried out through in-house training or seminars delivered by third parties. In 2023, both boards participated in competency development as shown in the following table:

Table 14| BOC Training

Number of Participant	Training Name	Facilitator
1	Capitalizing The Emerging Trends in Insurance Market	AAUI
1	Certified Risk Governance Professional	LSPMR
1	Risk Capacity The Fundamental Missing Puzzle In Risk Management Practice	LSPMR
1	27 th Indonesia Rendezvous	AAUI
2	Mengelola Risiko Asuransi	RAP

Table 15| BOD Training

Number of Participant	Training Name	Facilitator
2	Capitalizing The Emerging Trends In Insurance Market	AAUI
1	Develop our Talent	Sompo Holdings
1	Drives Mission & Strategy	Sompo Holdings
1	Creates High Performing Culture	Sompo Holdings
2	Risk Capacity The Fundamental Missing Puzzle In Risk Management Practice	LSPMR
1	27 TH Indonesia Rendezvous	AAUI
2	Mengelola Risiko Asuransi	RAP
5	The Importance of Password	Sompo Indonesia
5	Competition Law Compliance	Sompo International
5	Knowbe4 - Cyber Security Awareness	Sompo International

3.11. Risk Management for the Implementation of Sustainable Finance

Risk management is an integral part of the company's operations. As a general insurance financial services institution, SII recognizes that it must manage not only the risks of its clients but also its own corporate risks. The Company integrates sustainability principles into its risk management activities by considering environmental, social, and corporate governance impacts in business decisions and strategies. This includes implementing sustainable business practices, investing in environmentally friendly technology, and developing sustainable products.

When implementing Sustainable Finance, the Company follows the Guidelines for the Implementation of Corporate Risk Management, which are based on applicable regulations such as OJK Regulation Number 44/POJK.05/2020 and OJK Circular Letter Number 1/SEOJK.05/2021. These guidelines help the Company identify, measure, monitor, and control risks.

Based on the two principles above, there are 9 types of risks to which insurance companies are exposed, namely strategic risk, operational risk, insurance risk, credit risk, market risk, liquidity risk, legal risk, compliance risk and reputational risk. To implement effective Risk Management, the Company establishes a policy based on four pillars.

- Active supervision of the Board of Directors and Board of Commissioners.
- Adequacy of policies, procedures and determination of risk limits.
- Adequacy of risk identification, measurement, control and monitoring processes and risk management information systems.
- Comprehensive internal control system.

The role of BOC and BOD regarding the Implementation of Risk Management

The Board of Commissioners and Board of Directors are fully responsible for ensuring the effectiveness of the Company's risk management implementation. The Board of Directors oversees the Company's activities and risks, ensuring that Risk Management policies and processes are effectively implemented and integrated into the overall Risk Management process. The Board of Commissioners is supported by the Risk Monitoring Committee in monitoring the implementation of Risk Management prepared by the Board of Directors. To ensure effectiveness, the Board of Commissioners and Board of Directors have established steps and policies for active supervision. These include, but are not limited to:

- The Board of Commissioners carries out supervisory and advisory duties to the Board of Directors regarding the effectiveness of Risk Management implementation.
- The Board of Directors provides clear direction in the implementation of risk management.
- The Board of Directors actively monitors and mitigates the risks faced by the company and develops a risk management culture in the company.
- Evaluate and ensure the adequacy of the quantity and quality of human resources to support the effective implementation of Risk Management.
- Developing Risk Management culture in the company.

Company's Risk Level Assessment

The Company has conducted a risk level assessment or risk profile as part of the Company Health Level report for Financial Year 2023 with the following details:

Type of Risks	Inherent Risk Level	KPMR	Risk Level
Strategic Risk	2	2	2
Operational Risk	2	2	2
Insurance Risk	2	2	2
Credit Risk	2	2	2
Market Risk	2	2	2

Liquidity Risk	2	2	2
Legal Risk	2	2	2
Compliance Risk	1	2	2
Reputation Risk	1	2	2
Composite Rating	2	2	2

Table 16| Company's Risk Level Assessment

The Company periodically assesses its risk profile, which includes an assessment of the inherent risks and the quality of risk management implementation. In assessing the risk profile, the Company is adhering to OJK regulations.

The determination of the risk rating of each risk is obtained from the assessment of the Inherent Risk Rating and the Quality of Risk Management Implementation (KPMR) of each type of risk, while the determination of the Composite Rating results from a combination of the Inherent Risk Rating and KPMR by considering the significance of each risk to the overall risk level. The assessment of each type of risk can be categorized into the following ranks: rank 1 (low), rank 2 (low to moderate), rank 3 (moderate), rank 4 (moderate to high) and rank 5 (high). The lower the rating value, the better the implementation of risk management in the Company. Based on the assessment results in Table 16 above, it is concluded that the composite risk rank maintained by the company for 2023 is 2 (low to moderate).

Rating 2 (medium low) can be interpreted by considering the business activities carried out by the Company, the possibility of losses faced by the company from composite inherent risks is low over a certain period of time in the future and the quality of risk management implementation is compositely adequate, in the event that there are minor weaknesses, these weaknesses have received management attention.

The Company's risks are regularly evaluated, measured and reported to the Board of Directors and Regulators. In addition, The Board of Commissioners, through the Risk Monitoring Committee, oversees the risk management strategies undertaken by the Board of Directors.

3.12. Stakeholders Involvement

The Company's stakeholders are entities or individuals who significantly impact the sustainability of the Company through its business activities. SII defines stakeholders as those who are affected by the Company's activities, products, and services. Conversely, their presence also affects the Company's ability to successfully implement strategies and achieve goals. The Company prioritizes harmony between economic, social, and environmental aspects in its stakeholder engagement efforts.

This approach is aimed at obtaining continuous valuable input on SII products and services and improving the Company's understanding of stakeholder expectations, including in the implementation of sustainability finance.

The Company engages and collaborates with stakeholders through a tailored and formalized process.

Stakeholders	Frequency	Topic
Customers	Anytime	Feedback, complaints and requests for information regarding various services in the Company's business processes.

		Customer expectations are obtained from various satisfaction surveys and interactions conducted from the Company's various communication channels.
Business Partners	Anytime	Fulfillment of commercial relationship rights and obligations
Shareholders	AGMS and EGMS at anytime required	Discussion of Business Plan, financial accountability report, appointment and dismissal of Directors and Board of Commissioners
Employees	Anytime	Industrial relations and matters related to workers' welfare, rights and obligations are conducted through several means of communication or meetings.
Community	Anytime	Company information, including financial information, products and corporate actions, is conveyed when needed through media releases and company reports.
Government	Anytime	- Compliance with Laws and Regulations. - Support the realization of SDGs in Indonesia by actively participating and collaborating.

Table 17| Stakeholder's Involvement

3.13. Problems, Developments, and Effects of Sustainable Finance Implementation

The implementation of sustainable finance has entered a new phase with the issuance of POJK No. 51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Service Institutions, Issuers and Public Companies, which is then supported by POJK No. 60/POJK.04/2017 on the Issuance and Requirements of Environmentally Sound Debt Securities (Green Bond). Both are the basis for the implementation of sustainable finance.

The opportunities and challenges SII face in implementing sustainable finance include:

- There is still a lack of understanding among stakeholders regarding the concept, principles, and importance of implementing sustainable finance activities.
- The low penetration rate of the insurance industry in Indonesia affects the sales of sustainable finance insurance products.
- The company's technical skills in implementing sustainable finance are relevant to be developed in Indonesia in accordance with market segmentation.
- Supervision and guidance from the government or relevant authorities is necessary for the implementation of sustainable finance in the insurance sector.

SII has developed various solutions to address existing problems or obstacles, with the aim of resolving them or minimizing their negative impacts. These efforts include:

- The Sustainable Finance Task Force actively assists the Board of Directors in fulfilling the obligations of implementing Sustainable Finance.
- They conduct regular evaluations of the sustainability program's implementation and review its effectiveness as outlined in the Sustainable Finance Action Unit's internal guidelines.

- Continuously promote employee understanding through regular training and promote financial literacy and inclusion among customers regarding sustainable financial principles and their added value as regulated by OJK provisions.

CHAPTER V SUSTAINABILITY PERFORMANCE

4.1. Building a Culture of Sustainability

SII is dedicated to incorporating Sustainable Finance principles that integrate economic, social, and environmental aspects into the company's daily operations. This commitment is fulfilled by creating a Sustainable Finance Action Plan (RAKB) annually.

Furthermore, in order to fulfill this commitment, SII is gradually cultivating a culture of sustainability based on the company's vision of achieving sustainable business and financial growth through long-term business impact and sustainable innovation, while also being resilient to crises. The Company's mission is to provide holistic and comprehensive solutions and services for risk protection, health, and well-being to customers, business partners, and communities in Indonesia. SII believes that this vision and mission will help build a culture of sustainability in accordance with the principles of sustainable finance.

4.2. Economic Aspect Performance

In 2023, Indonesia's economy experienced growth despite the global economic slowdown. The fourth quarter of 2023 saw a recorded economic growth of 5.04% (yoy), which is an increase compared to the previous year's growth of 5.01% (yoy). In 2023, the Indonesian economy, calculated based on Gross Domestic Product (GDP) at current prices, reached IDR 20,892.4 trillion, a 7% increase compared to the previous year's IDR 19,588.4 trillion. Additionally, GDP per capita increased by 2.8% to IDR 75.0 million or US\$ 4,919.7, compared to the previous year's IDR 71.0 million or US\$ 4,783.5. Household consumption grew by 4.47%, government consumption increased by 2.81%, and investment, particularly in infrastructure, increased in line with the development of national strategic projects, including the Capital City of the Archipelago (IKN). Exports grew by 1.64%, supported by major trading partners that continued to grow positively despite the decline in prices of leading export commodities.

Indonesia's improving economy has significantly impacted the growth of the general insurance industry. In the third quarter of 2023, general insurance premium income reached IDR 73.5 trillion, a 10.1% increase from the previous year's IDR 66.8 trillion. In the third quarter of 2023, Property Insurance continued to dominate the premium record of the General Insurance Industry with a market share of 25.3%. Motor Vehicle Insurance achieved a market share of 19.8% and premium growth of 12.8% compared to the same period last year.

In 2023, Indonesia's improving economic conditions and general insurance industry allowed the Company to book a comprehensive profit of IDR 72.6 billion from conventional business. The Company's premium income at the end of 2023 reached IDR 2.65 trillion, growing by +3.10% from the previous year. Property, motor vehicle, and health business units dominated the total premium income, derived from improving corporate and retail business. The company successfully developed its sharia unit in 2023, as evidenced by its gross contribution of IDR 202.0 billion from the motor vehicle and property business. The company continues to innovate by introducing new products to meet market needs. In 2023, the company developed

8 new products, all of which were approved by OJK. The company has made three green bond investments in projects that offer optimal returns as part of its sustainability efforts.

The following is the Company's financial performance in the last 3 (three) years:

Description	Unit	2021	2022	2023
Premium Income	Million IDR	2,073,399	2,567,235	2,646,924
Net Profit (Loss)	Million IDR	84,290	73,082	72,630
Total Asset	Million IDR	3,813,210	4,182,576	3,876,945
Total Equity	Million IDR	1,143,205	1,152,024	1,153,778
ROE	Percentage	7.4%	6.3%	6.3%

Table 18| Company Financial Performance in the Last 3 Years

4.3. Social Aspect Performance

In order to fulfill the company's mission, namely "Always pushing the boundaries and innovating to provide a sense of security and tranquility for the community" SII is committed to providing good service for the company's products and/or services as well as accurate product and/or service information to maintain and increase customer, business partner and community trust.

The success of the company's performance relies on the support and cooperation of various stakeholders, both internal and external. Internal stakeholders consist of management and employees, while external stakeholders include customers, business partners, and the community. Internally, SII is committed to providing equal opportunities and career paths based on competence, without discrimination based on gender, ethnicity, religion, or race. We adhere to the principles of equality and non-discrimination in the workplace and do not hire underage employees in accordance with labor regulations.

For the company, employees are the most important asset as they drive and execute daily operations. The competence and capacity of employees will determine the sustainability of the Company. SII consistently enhances employee capacity through regular education and training programs, guided by the principle of equality, and supported by the provision of a healthy and safe work environment. In 2023, the Company collaborated with the Indonesian Banking Development Institute (LPPI) to provide Sustainable Finance Awareness training for relevant employees as a form of internal capacity building related to the implementation of sustainable finance.

The following is a summary of the number of employee training participants and costs incurred by the Company over the past three years:

Description	Unit	2021	2022	2023
Number of Employee Training Participants	Person	592	592	597
Total Employee Training and Education Costs	Million IDR	3,061	6,239	7,870

Table 19| Employee Training Recapitulation for 3 Years

Regarding employee remuneration policy, the Company always complies with the law, including the Provincial Minimum Wage (UMP) or Regency Minimum Wage (UMK) given to all employees in Indonesia. There is no gender-based discrimination in terms of basic salary or remuneration. Any differences are based on the employee's position, length of service, and performance achievements. Below is the percentage of remuneration for permanent employees at the lowest level compared to UMP or UMK in all operational areas of the Company in Indonesia.

Company Area (1)	Amount of UMP/UMK (2)	Lowest Wages (3)	Ratio (3:2)
DKI Jakarta	5,068,000	5,068,000	100%
Surabaya	4,726,000	4,726,000	100%
Medan	3,770,000	3,770,000	100%
Bandung	4,210,000	4,210,000	100%
Semarang	3,244,000	3,244,000	100%
Jogjakarta	2,493,000	2,493,000	100%
Solo	2,270,000	2,270,000	100%
Malang	3,310,000	3,310,000	100%
Denpasar	3,097,000	3,528,896	114%
Batam	4,686,000	5,330,000	114%
Pekanbaru	3,452,000	3,452,000	100%
Pelembang	3,678,000	3,678,000	100%
Bandar Lampung	3,104,000	3,104,000	100%
Makassar	3,644,000	3,644,000	100%
Balikpapan	3,476,000	3,592,125	103%
Pontianak	2,841,000	3,069,932	108%
Tangerang	4,761,000	4,761,000	100%
Bekasi	5,344,000	6,000,000	112%
Cirebon	2,518,000	2,518,000	100%
Purwokerto	2,196,000	2,196,000	100%
Banjarmasin	3,380,000	3,380,000	100%
Manado	3,590,000	3,590,000	100%

Table 20| Percentage of Employee Remuneration at Lowest Level

Externally, SII demonstrates its commitment through financial literacy and inclusion education, as well as corporate social responsibility (CSR) activities. The following are SII's social activities for the community in 2023:

Activity	Description	Date
Financial Literacy	Introduction to basic insurance and the importance of managing finances, as well as ways to do so, will be covered in this course for student participants.	27 January 2023
Financial Inclusion	As part of the anniversary series, Sompo is offering a discount on travel insurance on Instagram.	June 2023
	To celebrate October's Financial Inclusion Month, Sompo and AIESEC held a webinar titled 'Invest in Yourself: Financial Planning' aimed at introducing young people to the importance of investing at a young age and providing easy access to Sompo Personal Accident Insurance. The webinar covered financial planning that impacts personal growth and life achievements.	04 October 2023
CSR	SII, in collaboration with the Sompo Environment Foundation, supports activities and research related to environmental protection, and supports capacity building of young talents by organizing an internship program for students called NGO Learning Internship Program, which is held annually.	14 February 2023 – 24 October 2023
	In commemoration of World Day to Combat Desertification and Drought, SII, AAUI (Indonesian General Insurance Association), and other industry stakeholders supported the STMA Trisakti (Sekolah Tinggi Manajemen Asuransi Trisakti) program by planting 2,500 mangrove seedlings in the Mangrove Forest of Kamal Muara, Penjaringan, North Jakarta. SII participated in this activity as part of its sustainability efforts in disaster risk mitigation. The goal was to increase industry stakeholder participation and raise awareness of the importance of mangroves in coastal ecosystems for disaster mitigation.	17 June 2023

Table 21| Social Aspect Activities in 2023

Description	Unit	2021	2022	2023
Number of Financial Literacy Education Participants	Person	62	30	85
Total Cost of Financial Literacy Education	Million IDR	20	15	50
Total CSR Cost	Million IDR	57*	10	58

*) Total CSR Cost for 2022 valid until 2023

Table 22| Recapitulation of Social and Environmental Activities for the Last 3 Years

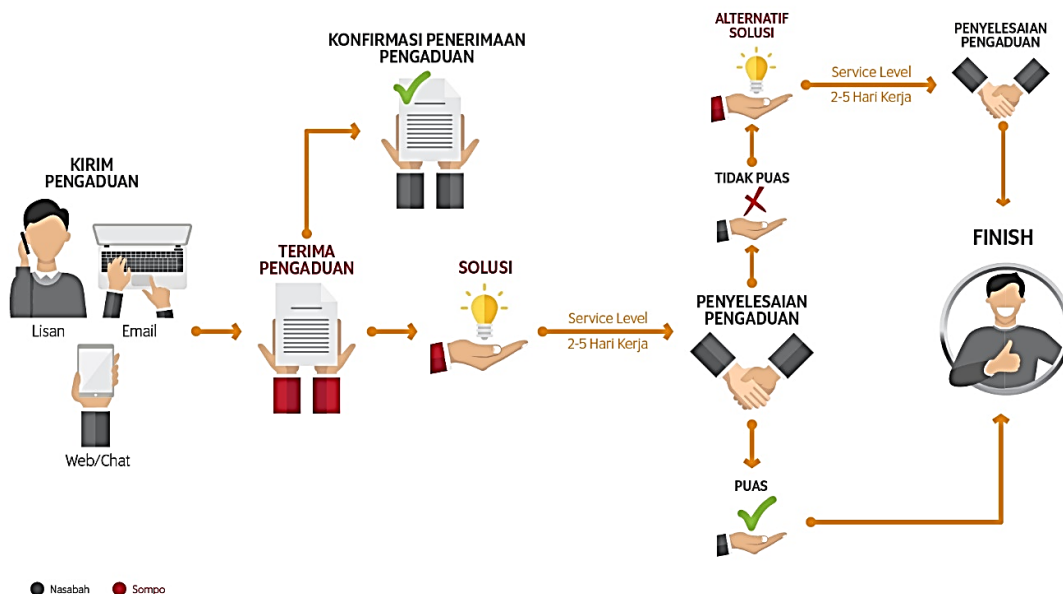
Complaint Mechanism and Numbers of Received Complaints

SII strives to handle all complaints from customers and the public. To achieve this, SII provides a 24/7 call center service to ensure prompt and accurate handling of complaints. We take every customer input and complaint seriously as it helps us improve our service to the community.

The following are the channels available for submitting complaints about Company products and/or services:

1. Phone: 14051
2. Whats App: 081-113-14051
3. *Live chat agent* in website <https://www.sompo.co.id/>
4. Email: customer@sompo.co.id

Customer Complaint Procedure



In 2023, the Company did not receive any reports of negative impacts caused by its operational activities. However, it did receive several complaints related to its products and/or services. By the end of 2023, all complaints had been resolved.

Number of Customer Complaints

Description	Unit	2021	2022	2023
Number of Customer Complaints	Customer	328	492	599

Table 23| Recapitulation of Customer Complaints Number in the Last 3 Years

4.4. Environmental Aspect Performance

The Sompo Group is committed to fulfilling its corporate social responsibility by establishing rules on Environment, Social, and Corporate Governance (ESG). One of these rules is to advance the energy transition and achieve net-zero emissions in the group's underwriting, investment, and operational processes by 2050. The Sompo Group will not underwrite

insurance or provide investments and loans to companies whose main business is coal, oil, and gas extraction projects unless the company creates a greenhouse gas reduction plan by January 2025. Sampo Group has been a member of the United Nations' Principles for Sustainable Insurance (PSI) and Principles for Responsible Investment (PRI) for several years. To be more proactive in achieving the goals of the Paris Agreement, Sampo Group has also joined the Net Zero Insurance Alliance (NZIA), Net Zero Asset Owner Alliance (NZAOA), and Net Zero Asset Managers Initiative (NZAM). The Sampo Group aims to assist consumers in their sustainability efforts and collaborate with them to decrease their carbon footprint.

Sampo Insurance Indonesia is committed to supporting the company's Sustainable Finance Action Plan by preserving the environment. This includes supporting the government's efforts to reduce the impact of environmental damage by starting with daily business activities. The Company demonstrates its commitment to environmental sustainability by saving materials such as paper and energy, and by implementing adjustments to its systems and technology to design sustainable finance products. Some of the activities that have been undertaken include:

1. To reduce paper usage in business activities, replace it with electronic files.
2. Maximize the work from home system to enable employees to work effectively, which will reduce the company's electricity usage.
3. Conduct virtual meetings, including with employees at branch offices, to reduce transportation usage.
4. The data center system building is being moved to a cloud-based system to reduce electricity usage and improve the security and availability of the backup system.
5. Additionally, desktop personal computers will be replaced with more energy-efficient laptops.
6. Prioritizing the convenience and security of user data, we aim to extend the life of computer equipment beyond five years.

Another way to support the company's RAKB is through collaboration between SII and the Sampo Environment Foundation. This collaboration supports activities and research related to environmental conservation and helps build the capacity of young talent through an annual internship program for students under the NGO Learning Internship Program. SII has the Sampo Alumni Idea Fund program, which will continue until the end of 2023. This program is designed for NGO Learning Internship Program alumni students with the objective of implementing environmental actions learned during the internship. The community is invited to participate and contribute to finding solutions to environmental problems.



Completion Ceremony - NGO Learning Internship Program 2023 in Oct 2023

As part of our sustainability efforts in disaster risk mitigation, we aim to increase the participation of industry stakeholders and raise awareness of the importance of mangroves in coastal ecosystems for disaster mitigation. To support this goal, SII, AAUI (Indonesian General Insurance Association), and other industry stakeholders have backed the STMA Trisakti (Trisakti Insurance Management College) program to plant 2,500 mangrove seedlings in the Mangrove Forest of Kamal Muara, Penjaringan, North Jakarta, in commemoration of the World Day to Combat Desertification and Drought.



| The World Day to Combat Desertification and Draught

The following is a recapitulation of the amount of energy and paper costs incurred by the Company over the past 5 years:

Description	Unit	2019	2020	2021	2022	2023
Electric Energy Usage	Million IDR	1,621	1,154	854	868	900
Fuel Usage – Head Office Operational Vehicles	Kilo Liter	71	48	56	66	54
Paper Usage at Head Office	Ton	10.56	5.61	5.06	5.94	4.84

Table 24| Recapitulation of Environmental Aspect for the Last 5 Years

4.5. Responsibility for Development of Sustainable Financial Products and/or Services

According to the Company's RAKB submitted in 2019, SII plans to develop and promote sustainable finance products and services by 2024, based on their five-year plan. The Company currently offers microinsurance products in two sustainable finance lines of business. These include weather index insurance, which provides protection against the impact of climate change, and microinsurance in the property business line, which provides protection against property losses from fires and earthquakes. The Company is promoting electric vehicle insurance products as part of its renewable energy strategy. This is in line with the issuance of cash plan health insurance, which aims to raise awareness of healthy living and provide coverage at a lower price to encourage social responsibility.

In 2023, none of the Company's products were recalled or stopped from being marketed for any reason. Additionally, the Company ensures that all products and services undergo evaluation and approval from relevant work units, the Board of Directors, and OJK.

Customer Satisfaction Survey

The Company aims to maintain and improve the quality of its services by understanding customer satisfaction levels. To measure the level of customer satisfaction with the Company's Claims Services, SII conducts an annual survey that measures Net Promoter Score (NPS). The following are the Company's NPS scores for the last three years:

Description	Unit	2021	2022	2023
Customer Satisfaction (NPS) – Claim Services	%	51.76	54.71	62.30

Table 25| Customer Satisfaction Survey of the Last 3 Years

FEEDBACK SHEET

The company is committed to continuously improving the quality of its Sustainability Report in the future. All stakeholders can provide suggestions, ideas, criticism, or questions regarding the Company's Sustainability Report through the Feedback Sheet on this page.

Your Profile *(on your consent)*

Name : _____
Company/ Institution *(if any)* : _____
Email : _____
Phone / Mobile : _____

Categories of Stakeholders: *(please provide √)*

- | | |
|---|--|
| <input type="checkbox"/> Shareholder | <input type="checkbox"/> Government |
| <input type="checkbox"/> Customer | <input type="checkbox"/> Non-Government Organization |
| <input type="checkbox"/> Business Partner | <input type="checkbox"/> Society/Community |
| <input type="checkbox"/> Employee | <input type="checkbox"/> Others, please mention: _____ |

Choose the Best Responses *(please provide √)*

1. This report is easy to be understood : Agree Neutral Disagree
2. This report describes the Corporate's performance in sustainability development : Agree Neutral Disagree

Please provide your suggestions / comments on this report:

Thank you for your participation. This sheet can be sent back to us through the following method:

1. Email to: customer@sompo.co.id, or
2. Hardcopy send to the following address:

Risk Management Department

PT Sampo Insurance Indonesia

Mayapada Tower II, Lantai 19. Jl. Jend. Sudirman Kav. 27 – Jakarta 12920