



ACE Life

GOOD CORPORATE GOVERNANCE REPORT OF PT ACE LIFE ASSURANCE



**YEAR OF
2014**

GOOD CORPORATE GOVERNANCE REPORT OF PT ACE LIFE ASSURANCE

In accordance to Financial Services of Authority Regulation (“**FSA**”) regarding Good Corporate Governance, PT ACE Life Assurance (“**ACE Life**”) has implemented the principles of GCG. The Company has drawn it up to Good Corporate Governance Implementation Report (the “**GCG Report**”) of the Company for 2014 and submitted to FSA on 2 March 2015 which was prepared in accordance to FSA Regulation Number 2/POJK.05/2014 on Good Corporate Governance of Insurance Companies and FSA Circular Letter Number 17/SEOJK.05/2014 on Good Corporate Governance Implementation Report of Insurance Companies, Sharia Insurance Companies, Reinsurance Companies and Sharia Reinsurance Companies.

A. BOARD OF DIRECTORS (“BOD”)

I. Duties, Membership and Composition of BOD

Per 31 December 2014, the Company has three BOD members which consist of one President Director, one Vice President Director and one Director. The said composition is based on Deed of Unanimous Written Resolutions in lieu of the Extraordinary General Meeting of Shareholders of PT ACE Life Assurance Number 6 dated 4 November 2014. The names of the BOD members are as stated in below table.

In performing its function, BOD are responsible in:

1. formulate the vision, mission, and values of the Company as well as the short and long term program of the Company to be discussed by the BOC aand GMS in accordance with the articles of association of the Company;
2. manage resources of the Company effectively and efficiently;

3. properly consider the interest of the stakeholders;
4. establish and implement a sound of risk management covering all aspects of the Company's activities;
5. establish and implement internal control system to provide reasonable assurance for the achievement of Company's objectives through the effective and efficient, the reliability of financial reporting and performance, safeguarding assets and compliance with laws and regulations;
6. ensure the existence of a sound communication between the Company and its stakeholders by empowering the function of a corporate secretary;
7. submit an annual report to the GMS after it has been reviewed by the BOD within a period of not more than six months after the Company's financial year ends; and
8. compile and keep the register of shareholders, a special register, the minutes of the GMS, and the minutes of the BOD meetings at the Company's domicile.

II. BOD Meeting

BOD meeting should be held once every month at the minimum. In 2014, the BOD of the Company has held 12 times meetings with details as follow:

No.	Name	Title	Total of BOD Meetings (12 times)		
			Total of Attendance		% of Attendance
			Physically	Teleconference/ Video Conference/ Other Electronic Media	
1.	Tham Chee Kong	President Director	12	-	100%

2.	Chong Yoon Hin	Vice President Director	12	-	100%
3.	Susanto Halim	Director	12	-	100%

III. Committees under BOD

In performing its duties and responsible, the BOD is supported by Investment Committee and Insurance Product Development Committee.

Investment Committee

The duties and responsibilities of Investment Committee are to formulate the investment policies, and monitor the implementation of the investment policies.

Per 31 December 2014, the composition of the Investment Committee is as follows:

1. Susanto Halim, Director of the Company, as the Chairman;
2. Tham Chee Kong, President Director of the Company
3. Chong Yoon Hin, Vice President Director of the Company; and
4. Budi Piharto, the Company's Actuary.

Insurance Product Development Committee

The duties of Insurance Product Development Committee are as follows:

1. to prepare the strategic plan of the insurance product development and marketing as the part of the Company's strategic plan;
2. to evaluate the conformity of the new insurance product which will be

marketed with the strategic plan of the insurance product development and marketing; and

3. to evaluate the insurance product performance and advise the change or the discontinuance of its marketing.

Insurance Product Development Committee consists of:

1. Vice President Director, as the Chairman;
2. Head of Actuarial, as the Secretary;
3. President Director;
4. Head of Agency;
5. Head of Corporate Operation; and
6. Head of Special Market.

B. BOARD OF COMMISSIONERS (“BOC”)

I. Duties, Membership and Composition of BOC

Per 31 December 2014, the Company has four BOC members which consist of one President Commissioner, one Commissioner and two Independent Commissioners. The said composition is based on Deed of Unanimous Written Resolutions in lieu of the Extraordinary General Meeting of Shareholders of PT ACE Life Assurance Number 6 dated 4 November 2014. The number of Independent Commissioners is 50% of the number of BOC members. The names of the BOC members are as stated in below table.

In performing its function, BOC are responsible in:

1. perform supervisory duties on management policy, general performance of management, regarding both the Company and the Company’s business;

2. provide advices to the BOD for the interest of the Company not for a certain party or group and in accordance with the purposes and objectives of the Company;
3. ensure that the Company implements the good corporate governance;
4. prepare minutes of the BOC meeting and retain a copy; and
5. submit an accountability report regarding its supervisory activities on the conduct of the management by the BOD in managing the Company to the GMS as part if the annual report for approval.

II. BOC Meeting

BOC meeting should be held once every month at the minimum. In 2014, the BOC of the Company has held 8 times meetings with details as follow:

No.	Name	Title	Total of BOC Meetings (8 times)		
			Total of Attendance		% of Attendance
			Physically *)	Teleconference/ Video Conference/ Other Electronic Media	
1.	Kevin Michael Goulding **)	Presiden Komisaris/ President Commissioner	3	-	100%
2.	Michael Henry Buthe	Komisaris/ Commissioner	8	-	100%
3.	Steven Tanner	Komisaris Independen/	8	-	100%

		Independent Commissioner			
4.	Edwin Suryahusada	Komisaris – Komisaris Independen/ Commissioner – Independent Commissioner **)	8	-	100%

*) During 2014, all of BOC Meetings were held through circular resolutions.

***) Kevin Michael Goulding was appointed as the President Commissioner of the Company effective as of 7 October 2014 based on the Deed of Unanimous Written Resolutions in lieu of the Extraordinary General Meeting of Shareholders of PT ACE Life Assurance Number 6 dated 4 November 2014.

III. Committees under BOC

In performing its duties and responsible, the BOC is supported by Audit Committee and Risk Policy Committee.

Audit Committee

The duties and responsibilities of the Audit Committee are as follows:

1. review significant financial risk and its mitigation actions;
2. review and discuss with senior management and external auditor regarding annual and/or quarterly financial statements, significant accounting and reporting issues;
3. evaluate the compliance level of financial statements to accounting standards,

- management's process, policies, procedures, and other regulatory matters;
4. prepare the Audit Committee report for annual report purposes;
 5. give recommendation on the Company's annual budget;
 6. advise the BOC on the external auditor's appointment, re-appointment, retention, termination, and compensation; and
 7. review and approve the internal audit plan for coming year.

Per 31 December 2014, the composition of Audit Committee is as follows:

1. Steven Tanner, Independent Commissioner, as the Chairman;
2. Kevin Michael Goulding, President Commissioner;
3. Michael Henry Buthe, Commissioner; and
4. Edwin Suryahusada, Independent Commissioner.

Risk Policy Committee

The duties and responsibilities of Risk Policy Committee is to assist the BOC of the Company to monitor and ensure the effectiveness of internal and external auditors by monitoring and evaluating the audit plan and implementation with regards to assess the adequacy of internal controls including financial reporting process.

Per 31 December 2014, the composition of Risk Policy Committee is as follows:

1. Michael Henry Buthe, Commissioner, as the Chairman; and
5. Steven Tanner, Independent Commissioner.

SHARIA SUPERVISORY BOARD (“SSB”)

I. Duties, Membership and Composition of SSB

Per 31 December 2014, the Company has two SSB members which consist of one Chairman and one member. The said composition is based on Deed of Unanimous Written Resolutions in lieu of the Extraordinary General Meeting of Shareholders of PT ACE Life Assurance Number 69 dated 24 October 2013 and Deed of Unanimous Written Resolutions in lieu of the Extraordinary General Meeting of Shareholders of PT ACE Life Assurance Number 6 dated 4 November 2014.

In performing its duties, the SSB are responsible to:

1. provide advices and recommendations to the BOD; and
2. supervise the Company’s activities with regards to ensure that such Company’s activities comply with the sharia principles.

II. SSB Meeting

SSB meeting should be held six times in a year at the minimum. In 2014, the SSB of the Company has held 2 times meetings with details as follow:

No	Name	Title	Total of SSB Meetings (1 time) *)		
			Total of Attendance		% of Attendance
			Physically	Teleconference/ Video Conference/ Other Electronic Media	

1.	Agus Haryadi	Chairman of SSB	1	-	100%
2.	M. Cholil Nafis	Anggota DPS/Member of SSB	1	-	100%

*) The Company obtained its sharia unit license on 16 September 2014.

DISCLOSURE ON OTHER IMPORTANT MATTERS

I. Resignation or discharge of external auditor: There is no resignation or discharge of external auditor during 2014.

II. Insurance claim filed by and/or against Company which amounts to 10% or more of Company's equity:

No.	Lini Usaha/Business Line	Object Pertanggungangan/ Insurance Object	Nilai Klaim/ Claim Value
1.	-	-	-
2.	-	-	-

III. Ongoing or potential conflict of interest:

No.	Nama dan Jabatan Pihak yang Memiliki Benturan Kepentingan/ Name and Title of Party	Nama dan Jabatan Pengambil Keputusan/ Name and Title of Decision	Jenis Transaksi/ Transaction Type	Nilai Transaksi (jutaan Rupiah)/ Transaction Values (in million)	Keterangan/ Remarks *)

	who has Conflict of Interest	Maker		IDR)	
1.	-	-	-	-	-
2.	-	-	-	-	-

*) Not in accordance with applicable system and procedures

IV. Other material information related to Good Corporate Governance, among others, intervention of owner, internal dispute or any issues arising as impact of Company's remuneration policy: There is no intervention of owner, internal dispute or any issues arising as impact of Company's remuneration policy during 2014.

LEGAL DISPUTE

Legal Dispute	Number of Cases	
	Civil	Criminal
Have been obtained decision with binding legal force:		
a. Civil	0	0
b. Criminal		
On settlement process at court and Alternative Dispute Resolution Institution fo civil case:		
a. Civil	0	0
b. Criminal		
Total	0	0