Towards Sustainable Insurance Practices: Insights from Developed and Developing Countries

Sustainable Entrepreneurship Project

MSc Sustainable Entrepreneurship

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ABSTRACT

Insurance, as a service sector, is often overlooked compared to the manufacturing sector in its role in addressing sustainability issues in developing countries. Yet, if examined further, insurance has various interconnected activities that are essential for implementing sustainability practices and supporting developing countries to combat sustainability issues. The study aims to shed light on the differences in sustainability practices and the motivations driving these differences between insurance companies in developed and developing countries. In order to comprehend it, this study employs a qualitative approach with a comparative study involving Indonesian and Dutch insurers. The findings showcase a detailed comparison and a comprehensive understanding of sustainability implementation within the insurance sector across various departments and investigate the reasons behind it, covering both external and internal drivers.

Keywords: Sustainable Insurance, Sustainability Initiatives, Motivation, Stakeholders, Developed and Developing Countries

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INTRODUCTION

The global attention on sustainability issues mostly focuses on the manufacturing sector, as it produces tangible products that require more natural resources and generate larger amounts of waste and greenhouse gases compared to the service sector, including financial service institutions (Johannsdottir, 2014). The lack of attention to this sector, particularly insurance, has hindered its recognition as a tool to achieve Sustainable Development Goals (SDGs) (Holliday et al., 2021). This issue becomes more complex in the context of developing countries that tend to have low levels of SDGs awareness and sustainable finance ratings (Ziolo et al., 2020). Common challenges faced by insurance companies in developing countries in implementing sustainability include a lack of understanding and experience, as well as a weak domestic market (Golnaraghi, 2018). It is essential for the insurance industry to embrace sustainable entrepreneurship as a strategic approach to address sustainability challenges and support the achievement of the Sustainable Development Goals by integrating environmental, social, and governance (ESG) factors into their business operations.

In the insurance industry, the implementation of sustainability practices encompasses a series of interconnected activities that are essential for creating and delivering insurance products and services to customers (Stricker et al., 2022). It involves a range of activities, including risk management and underwriting, investment, product development, marketing and sales, legal and compliance, human resources and general affairs, procurement, as well as claims management and customer service (Stricker et al., 2022). Nevertheless, the actions conducted in those functions or departments may differ across developed and developing countries, depending on the extent of the pressure imposed by their stakeholders' expectations (Brogi et al., 2022; Freeman, 1984; Hahn & Kühnen, 2013; Nogueira et al., 2018).

Although there have been studies examining the implementation of sustainability practices in the insurance industry (Barrera & Wagner, 2023; Golnaraghi, 2018; Herweijer et al., 2009; Khovrak, 2020; Mills, 2009; Stanković et al., 2020; Stricker et al., 2022), there is still a research gap regarding the differences in the implementation of sustainability practices between developed and developing countries. Even within developing countries, there are different types of insurance businesses, such as local and subsidiaries of international insurers, which lead them to different levels of sustainability implementation due to different drivers (Johannsdottir, 2015). To bridge this gap, this research will address the question on *how do the implementation of sustainability practices in the insurance industry and their underlying rationales differ between developed and developing countries?* Comparing sustainability practices between developed and developing countries is crucial. This comparison will highlight areas for improvement in the insurance sector of developing countries, offering insights into innovative and contextually appropriate approaches. By examining these differences, the study aims to foster the advancement of sustainable practices in the insurance industry in developing countries. Best practices from developed countries can be shared with insurers in developing countries, especially those with limited sustainability experience. This knowledge transfer empowers insurers to learn from others and adapt strategies to their specific contexts, ultimately promoting a more sustainable future for the global insurance industry.

The remaining parts of this study are structured as follows: First, a theoretical background for describing a literature review on various sustainability practices that insurance company departments could adopt, motivating factors, and the theoretical concept of stakeholder theory. Then followed a discussion of the methodological approaches employed in this study. Next, focus on findings and analysis. Last, it presents a conclusion that includes the contribution, practical implications, limitations, and future research.

THEORETICAL BACKGROUND

Sustainability Implementation in the Insurance Sector

Sustainability is a collaborative effort that encompasses every business unit within a company and is not only the responsibility of one function (Farri et al., 2022). There are several initiatives that can be implemented to incorporate sustainable practices within different functions or departments of insurance companies, as outlined in the following narrative.

Product and business development department

This department is responsible for developing sustainable insurance products. This kind of product encompasses solutions that specifically address the risks associated with climate change. For instance, affordable weather index insurance (Kong & Sun, 2021) for underprivileged individuals or communities (Johannsdottir & Wallace, 2018), such as farmers and fishermen. This product also includes crop insurance to cover the risks of heavy precipitation and droughts (Stechemesser et al., 2015) and products that cover natural disaster risks such as earthquakes, volcanic eruptions, tsunamis, storms, typhoons, and floods (Valente et al., 2019). Moreover, insurance products that promote sustainability encompass coverage for environmentally friendly items like electric vehicles, green buildings, and bicycles (Stricker et al., 2022). These products also offer policy features that prioritize repair over replacement (Barrera & Wagner, 2023). Beyond products, this department has the possibility to provide services, for instance, sustainable consulting services that focus on climate risk assessment (Stechemesser et al., 2015).

Claim and customer service department

The scope of customer service work is closely related to claims, as they handle many customer claims and collect customer voices. However, this function has received less attention in the literature related to sustainability practices for insurance companies and focuses more on the claims function. Some examples of initiatives in the claims function include considering indirect emissions from the claim process (Johannsdottir, 2014) and adding sustainability-related clauses in contracts with claim partners (Johannsdottir & McInerney, 2018).

General affair (GA) department

The GA department is responsible for the day-to-day operations of the insurance company. Sustainability initiatives they can undertake include reducing energy and greenhouse gas emissions, such as using an environmentally friendly car fleet (Pfeifer & Langen, 2021), carbon offsets, utilising video conferences to reduce business travel, car-pooling, and promoting bike-to-work (Johannsdottir et al., 2014). Furthermore, GA can also support forest conservation by reducing paper use or transitioning to electronic documents, as well as using combination printers and two-screen solutions (Johannsdottir et al., 2014).

Human resources (HR) department

As this department is responsible for employment, HR can carry out various sustainability initiatives related to social aspects. Some of them include ensuring and guaranteeing gender equality, inclusion, and diversity (Khovrak, 2020; Pfeifer & Langen, 2021), complying with the code of conduct and company ethics (Scholtens, 2011), and taking care of the health and safety of employees (Khovrak, 2020), both mentally and physically, such as conducting in-house sports activities (Pfeifer & Langen, 2021). Furthermore, HR can take an active role in training and development to build a deeper level of understanding among executives and employees to support insurance business processes, improve soft skills, and increase sustainability awareness (Deloitte, 2023; Khovrak, 2020; Mills, 2009; Pfeifer & Langen, 2021). Apart from that, HR can also encourage their employees to actively participate in volunteering activities that have a positive impact on society and the environment (Khovrak, 2020; Scholtens, 2011).

Investment department

Insurance premiums received from customers are managed by this department into investment assets. Typically, these departments adopt one or more sustainable investment strategies (Deák et al., 2022), some of which include negative screening that refers to exclusion criteria to respond to social and environmental risks (Barrera & Wagner, 2023; Scholtens, 2011), positive screening as investing on opportunities for emerging industries that will participate in climate change solutions (Mills, 2009), this include investing in green bond (Deák et al., 2022; Dimitrov, 2020; Pfeifer & Langen, 2021), ESG integration refer to considering ESG scores, for example in the selection of a stock, and impact investments in companies that have positive impact on environment and society, through their activities, such as electric vehicle, renewable energy, and sustainable agriculture (Deák et al., 2022). Another initiative that the investment department can take is to consider the indirect emissions of investee companies and adopt a methodology for assessing and reporting their GHG emissions as proposed by the Partnership for Carbon Accounting Financials (PCAF) (Deloitte, 2023).

Information technology (IT) department

Initiatives related to sustainability that can be carried out by this department can include setting up backup centres, for example, to anticipate business disruptions from natural disasters (Stechemesser et al., 2015), utilizing electronic services throughout the entire insurance process, including offers, electronic invoices to clients, and claims handling, and maximizing electronic document usage (Johannsdottir et al., 2014).

Legal and compliance department

The legal and compliance department can proactively monitor and ensure the company's practices and products comply with legal frameworks, public policies, and international standards related to climate change, data protection, sustainable development, and social responsibility (Golnaraghi, 2018; Herweijer et al., 2009; Khovrak, 2020; Stanković et al., 2020). This department can also adopt and integrate those international laws, policies, and standards into the company's internal policies and guidelines (Khovrak, 2020).

Marketing and sales department

As the frontline of the company, the marketing and sales departments work closely with the public, consumers, and business intermediaries. Therefore, sustainability initiatives that can be carried out tend to focus on the social aspect, some of them includes integrating key sustainability messages into campaigns and social media while promoting sustainable insurance products, strengthening customer loyalty, supporting climate awareness about the risks faced and providing advice on how to prevent or minimize losses (Barrera & Wagner, 2023; Deloitte, 2023; Johannsdottir et al., 2014; Johannsdottir & Wallace, 2018), organizing charitable events that are adapted to local needs and community priorities (Khovrak, 2020), direct sponsorship of local environmental projects, such as planting trees (Pfeifer & Langen, 2021), and setting sales targets for sustainability-related products and services (Kong & Sun, 2021).

Procurement and purchasing department

Possible actions that this department can undertake involve exerting influence over producers and suppliers to develop low-emission products by placing special requirements in tenders and encouraging them to use relevant sustainability disclosures (Johannsdottir et al., 2014).

Risk management department

Generally, risk management activities in insurance companies are divided into two categories: those related to business operations under the function of enterprise risk management (ERM), and those related to insurance portfolios under the underwriting function. Managing reputational risks associated with ESG (Barabanova, 2023) is a sustainability-related initiative that ERM can take. Meanwhile, the underwriting process can incorporate measures to promote sustainability. This can involve using climate risk modelling techniques, which involve simulation and stress testing, to assess the potential impact of natural catastrophes and weather-related events (Barabanova, 2023; Gatzert et al., 2020; Golnaraghi, 2018; Herweijer et al., 2009; Johannsdottir & Wallace, 2018; Kong & Sun, 2021; Stechemesser et al., 2015). By calculating the associated risks, insurers can determine appropriate insurance premiums and ensure their financial stability. Additionally, establishing tolerance levels for catastrophe coverage can further contribute to sustainability efforts within the insurance industry (Barrera & Wagner, 2023). Moreover, in every insurance application acceptance process, underwriting can also implement customer due diligence (CDD) and ESG risk assessment. This assessment involves placing limitations on coverage for specific sectors, such as controversial weapons, coal mines, and oil producers (Barabanova, 2023; Stricker et al., 2022). Other than that, underwriting can encourage top management to join global initiatives, such as the Net Zero Insurance Alliance, to demonstrate commitment to transitioning underwriting portfolios to net-zero GHG emissions by 2050 (Deloitte, 2023).

Corporate strategic department

This department is sometimes referred to as the corporate planning department. Initiatives they can implement are integrating sustainability into core business operations, setting targets and measurable indicators to track progress towards sustainability goals (Barrera & Wagner, 2023), and establishing committees on sustainable development and the ESG-driven approach (Khovrak, 2020).

The Rationales Behind Sustainability Implementation in the Insurance Sector

According to Johannsdottir study on Nordic non-life insurance (2015), there are both external and internal factors that encourage insurance companies to take proactive measures related to the environment. External factors encompass three main components (Johannsdottir, 2015). Firstly, government and regulatory pressure entail the enforcement of environmental regulations and standards by the government, compelling companies to adopt more responsible environmental practices. Secondly, market pressure arises from business competition and potential customers, urging companies to proactively engage in environmental actions to safeguard their brand, reputation, and social license to operate. Lastly, social pressure stems from various societal entities, such as investors, non-governmental organizations (NGOs), and social media, who closely monitor a company's environmental initiatives and can either appreciate or criticize the company based on its actions or inaction towards the environment (Johannsdottir, 2015).

Meanwhile, internal factors that encourage proactive environmental action by companies include financial benefits, ethical motivation, and ownership (Johannsdottir, 2015). Financial benefits pertain to the monetary advantages that organizations obtain from taking proactive environmental measures, for example, generating higher income through enhanced product value as well as lowering costs (Johannsdottir, 2015). Ethical motivation refers to the alignment of company values and culture, as well as leadership and personal beliefs, which drive firms to take proactive action on environmental concerns in accordance with ethical principles (Johannsdottir, 2015). Ownership entails the exertion of influence or demands placed on a company by its shareholders or owners (Johannsdottir, 2015). The classification of shareholders or owner's pressure as either an external or internal driver is prone to vary among different studies, and in certain circumstances, the distinction between the two is not clearly defined (Fassin et al., 2011; Scholtens, 2006). In this study, ownership mostly pertains to the parent or holding firm, as it does not stem from internal company leadership. Consequently, the researcher categorizes it as an external factor.

Stakeholder Theory for Sustainable Insurance Business

Stakeholder Theory is an important foundation in encouraging sustainable business practices in the insurance industry. This theory emphasises the importance of considering the diverse perspectives and expectations of various stakeholders, such as policyholders, employees, investors, regulators and society at large (Freeman, 1984; Hahn & Kühnen, 2013; Karlsson et al., 2018). Insurance companies have a variety of stakeholders who contribute to creating shared value through solutions to sustainability issues (Schaltegger et al., 2017). This is because business success depends not only on achieving financial returns, but also on creating benefits for the various parties involved (Schaltegger et al., 2017).

Insurance companies can achieve sustainability by developing innovative solutions that address sustainability issues and create value for all stakeholders (Schaltegger et al., 2017). It is also important to note that stakeholder power can influence insurer's motivation to implement sustainability practices (Setiawanta & Purwanto, 2019). By adopting a stakeholder-centred approach, insurance companies can integrate sustainability considerations into their operations and decision-making processes.

METHODS

Research Design

In order to answer the research questions, this study employed qualitative research approach with comparative study as its research design. The qualitative method is suitable for this research as it has the ability to explore complex phenomena in depth and to understand the context and the subjective experiences of research participants (Bell et al., 2019). While a comparative study was chosen as research design because it allows for identifying and understanding the differences and similarities between two or more relevant case studies and can provide deeper insights and a broader understanding of social realities in different national contexts (Bell et al., 2019).

Research Participants

The Netherlands and Indonesia were chosen as concrete case for this study, representing developed and developing countries. Plus, these two countries have historical links in various aspects, including insurance (Kerkhof, 2009). Insurance in Indonesia has a rich history, dating back to the Dutch colonial era. It first gained prominence in the context of trade and plantations, where the risks of fires and transporting commodities were a constant concern. Since then, insurance has continued to evolve and develop in the country. Moreover, the Netherlands is among the leaders in sustainable finance and has made significant progress in achieving the SDGs (Ziolo et al., 2020). This makes it a valuable source of knowledge and a role model for developing countries like Indonesia.

This study involves a Dutch insurer that has an excellent sustainability rating worldwide and a large business scale. Thus, it can be used as a perfect benchmark to identify best practices in sustainability implementation. Furthermore, this study also involved several Indonesian insurers with different business scales and types, as shown in Table 1.

Company	A	B	C	D
Location	Indonesia	Indonesia	Indonesia	The Netherlands
Type of Business	Local company	Subsidiary company	Subsidiary company	Local company
Holding origin	-	Asia	Europe	-
Number of Employee	406	651	773	1574
Number of Interview Participants	3	1	3	1

Table 1. Research participants

Data Collection and Analysis

The data collection and analysis start with a documentation study by compiling secondary data (see Appendix A) from many sources, such as the sustainability report, annual report, published policy, and company website. This first step entails gathering data on the sustainability initiatives that the insurers have adopted. Subsequently, the data is categorized according to the respective department. This classified data serves as the foundation for formulating interview questions. The next step is to conduct interviews with several participants who understand the implementation of sustainability in those insurance companies. Participants involved have signed the written consent given and understand that company and individual privacy will be maintained and remain anonymous in all published and written data resulting from the study. The purpose of this interview is to confirm the secondary data obtained from the documentation study. Additionally, it seeks to identify and explore any other initiatives that may not have been disclosed or documented in order to gain a comprehensive understanding of the subject matter. Furthermore, the interview aims to delve into the underlying motivations behind these initiatives, aiming to uncover the reasons behind their implementation.

Upon the completion of the data collection phase, the subsequent step in the research process entails the analysis of the collected data. As outlined in Appendix A, the initial step in the data analysis process involved transcribing the interview recordings into text format using the online platform aurisai.io. After that, the interview script was translated into English, and Atlas.ti software was used to code and categorize it according to department and theme. In order to conduct a thorough analysis of motivation, the various themes present in the Atlas.ti24 software were extracted and organized into an Excel spreadsheet. This allowed for further processing of the data using the pivotable function, which facilitated the identification of internal and external drivers. Afterwards, the findings were visually represented through charts, aiding in the visualization and interpretation of the results.

FINDINGS

The Implementation Analysis

Integrating sustainability into the core business is of utmost importance, as it ensures that all departments work together to implement sustainable practices. Collaboration among departments is crucial in order to effectively implement and maintain business sustainability practices. In general, there are various implementations of sustainability in Dutch and Indonesian insurance, as shown in the table comparison of sustainability initiatives implemented by Indonesian and Dutch insurance in Appendix B. The table shows the various initiatives undertaken by each department, as explained in the following part. It is known that the human resources, general affairs, product and business development, and risk management functions have more diverse sustainability initiatives than other functions such as corporate strategic, investment, IT, claims and customer services, procurement and purchasing, as well as legal and compliance.

Corporate strategic department

In Indonesian insurance, this department has undertaken the proactive step of establishing sustainability pillars. However, it is important to highlight that only companies B and C have actually implemented these pillars. This can be attributed to the fact that, as subsidiaries, they are obligated to meet the requirements set forth by their respective holding companies. Only company C has taken concrete steps to integrate the sustainability pillars into its core business by revising its internal policies and guidelines. On the other hand, Dutch insurance developed its own sustainability theme and divided it into pillars. They made changes to their internal policy to incorporate sustainability into the company's core business. They are driven by both ethical considerations and a strong desire to maintain a sustainable reputation. As a result, they also establish goals for maintaining their sustainable reputation.

Product and business development department

In product and business development functions, Indonesian insurers have developed various sustainable insurance products, such as electric vehicle insurance, parametric insurance for earthquake and weather risk, and others, as mentioned in Appendix B. Moreover, they also developed additional features, such as additional coverage against the risk of natural disasters. Customer demand, market competition, and profit opportunities are the driving forces behind these initiatives. As expressed by the business development manager of company A:

> "*Of course there is (customer) demand, we also need to compete, follow market trends, and it's clear to get the premium.*"

Furthermore, they consider the current trend of the insurance market, and they often conduct peer benchmarking in the product development process. Company A collaborates with third-party electric car repair shops to develop electronic vehicle insurance. Given that electric cars are relatively new in Indonesia, they should research the coverage of their parts and the financial implications of each claim on this vehicle. Meanwhile, company C was required by their holding company to set a goal of launching one sustainable insurance product annually.

The Dutch insurer has developed insurance products that prioritize sustainability and are tailored to specific geographical areas, as mentioned in Appendix B. The reason for this is that the Netherlands, with its lower vulnerability to natural disasters compared to Indonesia, has a population that is highly conscious of sustainability issues. During the product development process, the Dutch insurer engaged in customer research to gain insights into consumer expectations regarding the sustainability aspects of particular insurance products or services. This research has been conducted through the use of questionnaires and dialogue sessions. Additionally, the insurer has performed impact analyses to assess the potential negative effects that their products and services may have on financial performance, human rights, and the environment, as well as set up ambitious goals for reducing emissions from their insurance portfolio.

Risk Management Department

The sustainability initiatives in the ERM functions of Indonesian insurance include cultivating a risk-aware culture and utilising a risk management system such as a framework or tools in Excel format to measure risk levels, which can be used by all work units to register, examine, measure, and monitor their risks. ERM also assists all work units in identifying and assessing their related risks, monitoring the frequency of risk events, and assessing their impact on the company and stakeholders.

Meanwhile, the underwriting function in Indonesian insurance has implemented CDD for every insurance contract application. Apart from complying with government regulations, they also need to know and assess the risk profile of their prospective customers. For catastrophe-related insurance products, underwriting has conducted catastrophe risk modelling, which allows them to set risk tolerance levels as required by the Indonesian Financial Service Authority (OJK). As explained by the underwriting division head of company A:

> *"Modelling is mandatory for all insurers. Every year, we generate data on how much our catastrophe exposure is to earthquakes in Indonesia. We must have from Sabang to Merauke that we cover earthquakes, right? Well, after we get the data, we make modelling. So, there is a program, called Catalytics. Then we will see, after running the program, we will check whether our current capacity, which we had in our treaty, is sufficient to cover in the event of a massive earthquake in Indonesia."*

Underwriting generally provides risk mitigation advice after conducting a risk assessment, such as asking the prospective customer to raise the building floor from street level or build a flood barrier. Besides that, it is found that companies B and C are restricted to covering insurance for companies associated with coal, fuel, and shrimp farms by their holding company.

While in Dutch insurance, ERM has implemented initiatives that include cultivating a risk-aware culture related to aspects of the Solvency II regulation, implementing Governance, Risk, and Compliance (GRC) tooling to support the risk management process, evaluating risk appetite statements, and establishing guidelines and policies that cover all main risk categories.

Underwriting applies two methods in the risk assessment process: CDD risk inventory and ESG risk assessment, such as setting an exclusion list for customers associated with controversial activities as mentioned in Appendix B, except for fossil industry companies that have a transition plan, as a proactive approach and to support positive change rather than simply excluding them from coverage. Just like Indonesian insurance, Dutch insurance also provides sustainable advice to prospective customers after carrying out a risk assessment. Dutch Insurance established a Sustainability Desk where intermediaries can ask questions about new sustainable initiatives and/or whether these are insurable, and it organizes knowledge sessions for intermediaries and underwriting. Underwriting in Dutch insurance has also conducted climate risk modelling, as extreme weather events are becoming more frequent due to climate change, leading to increased insurance claims related to property damage and loss.

Investment department

Indonesian insurance companies have made a relatively small number of investment initiatives. Their primary focus is on investing in green bonds in order to support sustainable finance regulations. Companies B and C, at the request of their holdings, have excluded specific industries from their investment portfolios, including coal, oil, and gas.

Meanwhile, the Dutch insurer manages its investments through its sister company in the asset management sector, which has adopted socially responsible investment (SRI). They employ a sustainable investment strategy that encompasses: ESG integration is the process of choosing investments based on ESG scores, implementing negative screening for firms, industries, and nations with poor social and environmental performance, and making impact investments in the development of new medicines and the purchase of wind farms. In addition, they have established specific targets to decrease the indirect emissions generated by their investment portfolios. These initiatives are motivated by global pressure to invest responsibly and the willingness to mitigate potential losses caused by declining asset values and reputational risks.

IT department

In both Dutch and Indonesian insurance, sustainability-related initiatives taken by IT are quite limited. They developed a business continuity plan linked to data center backup in the event of a crisis that disrupts business processes, such as natural disasters. Their focus is also similar; Indonesian insurance maintains a priority on data privacy and protection, while Dutch insurance focuses on cyber security. They took this initiative due to regulatory pressure.

Claim and customer service department

Indonesian insurers mostly focus on customer service when it comes to implementing sustainable measures, compared to the claim function. They open many communication channels, as mentioned in Appendix B, to reach a wider customer base. Apart from market trends and consumer preferences, this initiative was selected due to its ease of maintenance and cost-effectiveness. Given that they are under close surveillance by the authorities, they handle complaints with great caution. It was found that customer service in companies B and C conducted customer satisfaction surveys periodically. The initiative of the claims department was only found in company C, as they applied AI image recognition in the car claim process with the aim of reducing the risk of fraud from car repair shops and speeding up the claim process.

In contrast to Indonesian insurance, Dutch insurance is more serious about implementing sustainability in the claims function. They established specific sustainability standards for claim partners and became co-owners of claim partners that focused on sustainable repairs for home insurance. Meanwhile, their customer service also opened a wide range of communication channels that were similar to Indonesian insurance, except for WhatsApp services. The customer service function also conducts a customer satisfaction survey and sets its targets.

Procurement and purchasing department

The initiatives within this department include company C adhering to the supply chain management policy mandated by its holding, and company A selecting certified vendors, specifically IT's vendors and solar panel vendors. This is to ensure that they have worked with vendors who have quality and integrity. While Dutch insurance is formulating and fulfilling supplier codes of conduct, which include compliance with labour and human rights principles, they are also encouraging suppliers and contractors to engage in social entrepreneurship.

Legal and compliance department

The implementation of sustainability in this department in both Dutch and Indonesian insurance tends to be the same. They have established a sustainability governance structure that involves the BOC, BOD, sustainability unit, and all employees. They are also required to join the insurance industry association by the government. By becoming a member of the association, they can express their voice regarding the latest issues and regulations and be involved in a forum for sharing knowledge.

Human resources department

The HR department in Indonesian insurance has had many sustainability initiatives related to labour and human rights, with government regulations as the main driver. They ensure diversity, equality, inclusivity, and anti-discrimination through various measures, as mentioned in Appendix B. Furthermore, they promote internal hiring due to its cost-effectiveness compared to external hiring. Internal candidates have already assimilated the business culture, can adapt swiftly, and possess the ability to inspire other employees to strive for promotions. Indonesian labor standards are highly stringent when it comes to remuneration. Therefore, Indonesian insurers need to comply with these regulations by setting a minimum salary threshold that aligns with the prevailing regional minimum wage. Company C, at the request of its holding, has measured and monitored the gender equality pay ratio and advocated for female leadership by establishing an internal community.

> *"… the composition of our managers is around 47:53 (female vs. male). We have one of our programs called FLAG: Female Leader Advocate Group. We have a target of building woman leadership in Indonesia and we have a career band A,B,C,D, so the bigger is the higher. We expect the composition to be about 50:50 in 2025,"* said by the HR manager of company C.

HR of Indonesian insurance have facilitated various learning methods, such as face-to-face training, online learning, cross-border mentoring programs, and promoting Drop Everything And Learn (DEAL) program on every Friday from 4 to 6 pm. The last two are only conducted by company C based on the direction of the holding. According to regulations, financial services companies in Indonesia are required to provide a training budget of at least 5% of employee expenses. As admitted by the HR manager of company C:

> *"Of course, in Indonesia, there is a regulation from the OJK that the training and development budget must be 5% of the manpower cost."*

Therefore, they always organize various training themes for all employees and hold development programs for management trainees and expertise that is scarce in the insurance labour market, such as actuarial. They also support and facilitate employee activities, as described in Appendix B. Company C even provides stimulus by providing one day of leave for employees who participate in volunteer activities for more than eight hours.

Additionally, the HR department of Dutch Insurance prioritizes diversity, equality, and inclusion (DEI) by implementing the strategies outlined in Appendix B. Further, they promote female leadership by establishing specific goals for the representation of women at every level of management and closely monitoring gender pay equality. Apart from complying with regulations, they also pay close attention to social issues related to labour rights, as a part of global concern.

> *"There is a regulation to have at least 30 percent in your management board and supervisory boards from yeah, the underrepresented gender so that's the law but of course you can set a more ambitious target but that law is only at the level of the management board, the advisory board so, not for the management which is a broad much broader group in the organization."* said by the sustainability manager of company D

There are numerous efforts by Dutch insurers to improve the welfare of their employees in various ways, as mentioned in Appendix B. They prioritize internal hiring by setting a target. In terms of employee benefits, they maintain a fair average pay ratio, which is the ratio between the highest and average salary of all employees through peer benchmarking, and they provide long leave. They have also ensured that their employees are covered by the Collective Labor Agreement (CLA), which is shaped by external forces such as government policies, industry trends, and labour union actions.

Just like any other HR function, Dutch insurance is also required to conduct training and development, which consists of job-related training, development programs, workshops on sustainable employability, and coaching programs. They also encourage employees to contribute to society through employee volunteer programs, such as becoming a guest lecturer at school or becoming a financial buddy (financial home visitor). Employees are given the time and financial resources to do so. Furthermore, to foster a sense of belonging and increase employee engagement, they also established an Employee Share Purchase Plan (ESPP) program, which is mandatory for the management board, while other employees can participate voluntarily. Employees can purchase shares at a price lower than the price on the Euronext Amsterdam stock exchange.

General affair department

This department plays an important role in reducing the negative impact of company operations on the environment. As mentioned in Appendix B, GA in Indonesian insurance has implemented several actions to reduce energy and greenhouse gas emissions. While company A and B are doing it for cost efficiency, company C is doing it ethically and proactively in its initiatives such as increasing the use of electric cars for business operations, adding its charging stations, installing smart lighting with motion sensors, gradually replacing old air conditioners with the new ones that are more environmentally friendly, and even carbon offsetting by purchasing REX100 certificates from the state electricity company (PLN) whose funds are used to establish renewable energy power plants. As explained by corporate planning officer company B and followed by sustainability director company C:

> *"... the (GA) KPI is actually the expense. As the overall expense. Because electricity, paper, and fuel usage are included in the company's operational expenses. Now, refer to every BOD or BOC meeting, we (company B) only talk about it from top line expenses ...."*

> *"Yes, it's carbon offset. It's basically a PLN project to produce electricity from green energy, they build a new renewable energy power plant. So, PLN issues certificates, and we support them by buying that certificate. The principle is like donating. We use the electricity, on the other hand, we also contribute to carbon offset. I was attending at the signing ceremony, and if I'm not mistaken, we (company C) are the first insurance company to buy that green energy certificate."*

In order to reduce paper usage, GA in Indonesian insurance has gradually adopted e-paper along with digitization of all business processes and monitoring paper usage. In terms of waste management, only company C collaborates with a sustainable waste management firm to collect and manage its waste more responsibly. Company C has also properly treated its wastewater and monitored its water usage.

To provide a clean and healthy workplace, Indonesian insurers have been implementing health protocols and installing air filters since the pandemic, placing several live ornamental plants for air clarity, aesthetics, and stress reduction, regularly conducting pest control, providing breastfeeding and first aid rooms, and, together with HR, organizing health talks and medical check-ups for employees. Even company C has been certified as a great place to work.

Similarly, GA in Dutch insurance appears to be the same as GA in Indonesian insurance. Some of the sustainability initiatives taken by Dutch insurer include reducing energy and emissions, as mentioned in Appendix B, minimizing paper use, digitizing customer processes, and monitoring waste and water usage. The installation of solar panels helped them reduce their dependence on purchasing electricity from the grid and lower their operating costs. The objective of these projects is to demonstrate to consumers and investors that they have implemented sustainable business practices.

Marketing and sales department

This department has a lot of sustainability initiatives related to social aspects, as their scope of work interacts a lot with business intermediaries, customers, and society. Indonesian insurance opens various distribution channels in order to get many customers, some of which are brokers, agencies, bancassurance, non-bank entities such as multi-finance, peer-to-peer lending, and local electronic shops, as well as direct marketing. Company C has set a sales target for its sustainability product in response to a request from the holding company. As said by the director of sustainability at company C:

> *"... we have a sales operation index target. So, we have targets from the group (holding); there are SOI targets for each country (including Indonesia) ...".*

Moreover, apart from selling sustainable insurance products, the marketing and sales department at Indonesian Insurance also collaborates with their business partners in organizing financial literacy and inclusion programs for the community to comply with government regulations. As expressed by the compliance director at company A:

> *"... there is collaboration with other parties, let say with multi-finance firm, for financial literacy event. Our marketing team will perform with their business partners who are collaborating. ... You know, these activities are required by the OJK."*

Indonesian insurance also collaborates with external parties, such as the insurance association in mangrove planting events, NGO's and foundations by donating books and clothes, as well as holding internship programs for students in selected NGO's, soccer schools by sponsoring soccer tournaments, universities and higher schools by giving guest lectures, hospitals by holding health talk events and mini medical check-ups, nursing homes by giving donations of basic necessities and blankets for the elderly, and red cross organizations by holding blood donation events. Apart from bringing benefits to society, these activities and collaborations can also increase brand awareness and provide a positive image for insurers.

The initiatives taken by Dutch insurance are more directed at encouraging customers to change their behaviour to be more sustainable. These efforts involve offering sustainability advice following assessment visits and promoting the repair of damaged items in sustainable ways. They also encourage customers to take preventive measures to avoid damage and save energy. Additionally, they provide information on sustainable living to help customers make more environmentally conscious choices, such as reducing emissions, saving energy, and using sustainable materials. They offer vitality programs to encourage consumers to engage in exercise, sports, and sleep, which are beneficial for their physical and mental health. Furthermore, they involve consumers and intermediaries in the panel of council as a forum for co-creation, product development, and representation of customer interests. Moreover, they also collaborate with external parties in organizing financial literacy; through Doenkracht, they teach people how to deal with money issues and keep their financial records in order. They also fund educational programs and give guest lectures at schools. Dutch insurers focus on selling their products via independent financial advisors, since the advisors deeply understand the local market and the personal financial situation of their clients, which is very valuable to Dutch insurance.

According to the findings outlined above, a clear disparity exists between Dutch and Indonesian insurance companies. Dutch companies lead the way with a more comprehensive approach, including ESG integration in investments, impact investing, managing reputational risks, and incorporating sustainability clauses in partnerships. Indonesian insurance, on the other hand, shows a more moderate level of implementation, particularly for subsidiaries of international insurers. However, Indonesian local insurers are at the most basic level. Interestingly, Indonesian insurers take a more proactive stance in developing sustainable insurance products tailored to climate change risks, reflecting the unique challenges posed by their geographical location. Both Indonesian and Dutch insurers have adopted sustainable practices for a multitude of reasons, as explained in the subsequent section.

The Motivations Analysis

This study identified six motivations that underlie the implementation of sustainability in eleven departments of Indonesian and Dutch insurance. These motivations are ethical motivation, financial consideration, government pressure, holding intervention, market pressure, and social pressure. As indicated by the findings presented in Appendix C, it is apparent that ethical motivation plays a prominent role in Dutch insurance. While, in the context of Indonesian insurance, ethical motivation is primarily observed within company C, which operates as a subsidiary of a European-based international insurance. Company B, despite being a subsidiary of an international insurance company from Asia, does not align with the aforementioned statement. It is worth noting that both Company A, a local Indonesian insurance company, and Company B prioritize financial benefits. Conversely, it can be observed that the implementation of sustainability in Dutch insurance is not primarily motivated by financial considerations.

It appears that social pressure plays a significant role in motivating Dutch insurance companies to adopt sustainability measures. According to the rating results from a well-known international rating agency, company D has a solid reputation for sustainability on a global scale within the insurance sector. While examining the Indonesian insurance industry, it is evident that social pressure is not given high priority. This can be attributed to the relatively low level of awareness about sustainability within society. The companies, specifically companies A and B, exhibit a tendency to engage in sustainability initiatives solely in response to government regulations. Therefore, their actions are solely motivated by the desire to mitigate regulatory risk. It is worth noting that Dutch insurance companies do face some level of government pressure, but this pressure is relatively less significant. In fact, Dutch insurance companies tend to be more proactive in their approach and often set ambitious targets that go beyond the limits imposed by the government.

Holding interventions is mainly found within the Indonesian insurance industry, with a particular emphasis on companies B and C. It has been observed that Company C receives a higher degree of intervention from its holding company compared to Company B. One possible explanation for this phenomenon could be attributed to the fact that company C, which originates from Europe, places a higher emphasis on sustainability issues. The absence of any holding intervention in the Dutch insurance sector can be attributed to the fact that the sample used in this study was limited to a single local Dutch insurance company. Other motivations, such as market pressure, seem to have less influence on both Indonesian and Dutch insurance.

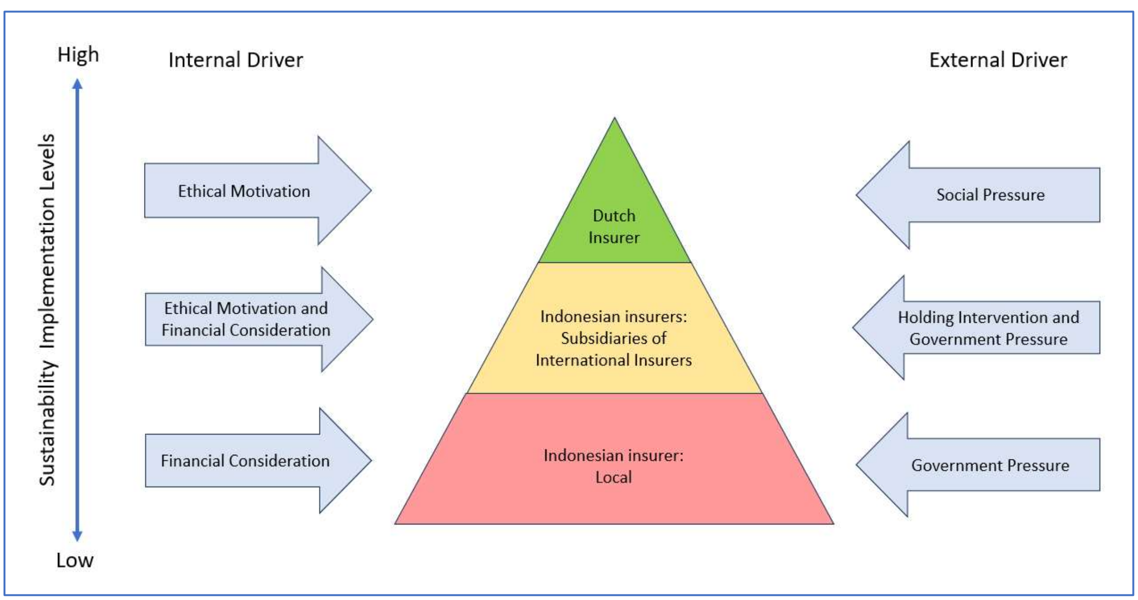

Figure 1. Insurance sustainability implementation levels and drivers

Overall, this study classifies the key drivers of sustainability implementation in Indonesian and Dutch insurance based on internal and external drivers. Ethical motivation and financial consideration are part of internal drivers, while external drivers consist of social pressure, holding intervention, and government pressure. Figure 1 shows the influence of internal and external drivers on sustainability implementation levels. This study found that Dutch insurers have achieved the highest level of sustainability implementation. This can be attributed to their strong ethical motivation and the social pressure they face. On the other hand, Indonesian insurers, particularly the subsidiaries of international insurers, occupy a middle position in terms of sustainability implementation. Their drivers include ethical motivation, financial consideration, holding intervention, and government pressure. Lastly, local Indonesian insurers are found to be at the base level of sustainability implementation. Their key drivers are financial considerations and government pressure. From a comprehensive analysis, it can be concluded that the implementation of sustainability practices within insurance companies is subject to various motivating factors. These motivations are contingent upon the extent to which dominant stakeholders drive the adoption of sustainable actions.

DISCUSSION AND CONCLUSION

The study aimed to address the research question of how the implementation of sustainability practices in the insurance industry and their underlying rationales vary across developed and developing countries by analyzing Dutch and Indonesian insurance cases. The sustainability practices implemented by insurers in both countries are detailed in the table in Appendix B. It is observed that the majority of these practices align with the existing literature.

However, there are some sustainability implementations in the literature that are only found in one of them and even not found at all. For instance, sustainable insurance product development initiatives related to climate change risks (Kong & Sun, 2021) are found in Indonesian insurance. It is observed that Indonesian insurers are more proactive and have more diverse products rather than just expanding flood risk as Dutch insurance does. It is due to Indonesia's geographical conditions, which are located in the Ring of Fire, that it tends to have a higher and more diverse risk of natural disasters than the Netherlands. On the other hand, this study also found initiatives that are only conducted by Dutch insurance, including adopting investment strategies such as ESG integration and impact investing (Deák et al., 2022), carbon accounting from investment activities (Deloitte, 2023), managing reputational risks associated with ESG (Barabanova, 2023), and adding sustainability-related clauses in contracts with claim partners (Johannsdottir & McInerney, 2018). Interestingly, one initiative that is not included within the two is considering indirect emissions from the claim process (Johannsdottir, 2014) It suggests that there is still room to fully embrace sustainable practices in both Indonesian and Dutch insurance.

This study supports the idea that the successful integration of sustainability practices within companies necessitates the active engagement and participation of all departments rather than confining the responsibility to a single department (Farri et al., 2022). The study further emphasizes the significance of fostering cross-departmental collaboration to effectively incorporate sustainability into the various facets of the company's operations. However, it is worth noting that certain departments may have limitations in their ability to contribute equally due to their scope of work. This study reveals that the departments that mostly implement sustainability initiatives in Dutch and Indonesian insurance are HR, GA, and Marketing & Sales. It is noteworthy that GA places a greater emphasis on the environmental aspect of sustainability, while HR and Marketing & Sales focus more on the social aspect. Moreover, the study affirms that sustainability initiatives in insurance companies are influenced by both external and internal drivers (Johannsdottir, 2015), which consist of ethical motivation, financial consideration, social pressure, holding intervention, and government pressure.

Ultimately, both Indonesian and Dutch insurance companies have involved multiple stakeholders and considered their expectations when implementing sustainable business practices (Schaltegger et al., 2017). This study highlights stakeholder power in driving insurers to develop innovative solutions that effectively tackle sustainability issues and provide value for every stakeholder (Schaltegger et al., 2017; Setiawanta & Purwanto, 2019). The extent to which each stakeholder possesses dominant influence plays a crucial role in determining the initiatives. The stronger the influence of the stakeholder, the greater their impact on the insurer's willingness to take proactive sustainability actions.

Contributions

This study enriches the existing literature on the implementation of sustainability in the insurance sector by building upon prior research and conducting a more comprehensive analysis of the efforts made by insurance companies in both developed and developing nations. This study enhances the current understanding of the drivers behind sustainable practices in the insurance sector by identifying and categorizing them according to various levels of implementation and contexts, such as geographical area and business type. This is an important contribution, given that only a few studies have looked into the drivers of insurance companies' sustainability actions (Johannsdottir, 2015). Moreover, this study also broadens the literature on stakeholder theory by emphasizing the influence of stakeholder's power in motivating companies to adopt sustainable business practices.

Recommendations

This study provides several recommendations. Insurers, particularly in developing countries, are encouraged to adopt sustainability implementation as discussed in the literature, the findings of this research, or independently through peer benchmarking. International insurance subsidiaries that have a greater commitment to sustainability are expected to provide valuable insights for authorities to develop and strengthen existing regulations. Since local insurance companies in developing countries mostly implement sustainability only to comply with government regulations, the financial services authority is also expected to increase its capacity to closely oversee and actively offer constructive feedback to insurance companies to prevent greenwashing. In developed countries, insurers should think about working in collaboration with the insurance industry in developing countries. This collaboration aims to promote awareness of sustainability issues and offer valuable insights on sustainable practices that can be replicated. Lastly, educational institutions are encouraged to foster an understanding among their students that sustainability practices also need to be applied to financial services institutions by explaining their role in addressing sustainability issues.

Limitations and Future Research

There are constraints to this study. This study is limited to insurance in the Netherlands and Indonesia; hence, it does not reflect the sustainability practices across all insurance companies in developed and developing countries. Therefore, it is recommended that future research consider using case studies from different countries in order to enhance knowledge on the global sustainability of insurance and to promote the adoption of more sustainable practices across the industry. Additionally, the number of insurance companies involved in this study is limited, so the findings cannot generalize the motivation and implementation across all insurance companies in the Netherlands and Indonesia. This opens up opportunities for further study by involving more insurance companies. Furthermore, this study relies on data from insurers' documents and interviews with a few participants from those insurance companies. This means that data collection does not involve every single department representative in the interview process. As a result, interview participants may occasionally struggle to provide in-depth responses due to their limited expertise and because it falls outside their scope of work. Thus, it is advisable for future research to incorporate participatory observation techniques to gain a deeper insight since they can easily reach and interact with every department in the company. Nevertheless, the results of this study can be used as the basis for hypotheses in quantitative research to test the generalisability of qualitative findings to a wider population and provide stronger evidence to support research claims.

While this study makes a valuable contribution to the existing literature, it is important to acknowledge that additional research should be undertaken to further enrich the understanding of the topic. Further research can explore the extent of the impact of sustainability implementation by insurance companies, both in developing and developed countries. Studying the factors that hinder the implementation of sustainability practices in the insurance industry can be an inspiration for further research. Lastly, examining the role played by each stakeholder in influencing insurance companies to implement sustainability is also an opportunity for further study.

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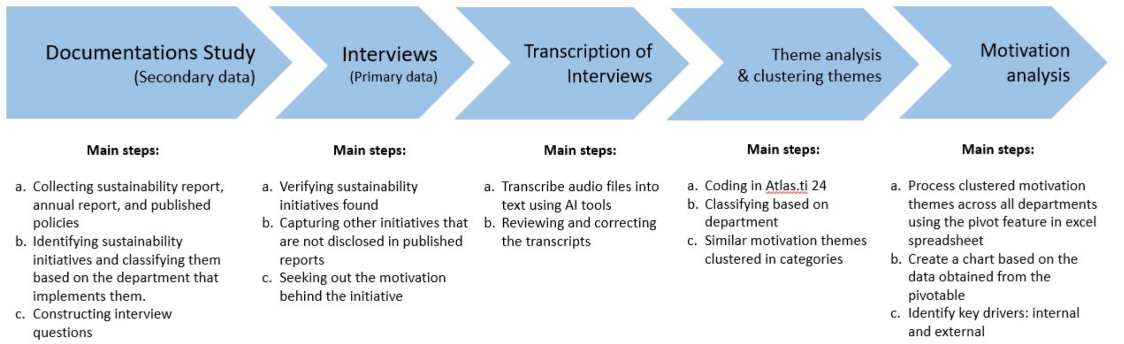
APPENDICES

Appendix A: Data Collection and Analysis Flow



Appendix B: Comparison Table of the Sustainability Implementation

Function	Indonesian Insurance	Dutch Insurance
Corporate Strategic	Setting sustainability pillars**	Formulating sustainability themes and derived them into pillars.
	Revising internal policies and guidelines, as a concrete step to integrate sustainability into the company's core business*.	Adjusting internal policy with the aim of integrating sustainability into the company's core business
Product and Business Development	Developing various sustainable insurance products, such as electronic vehicle insurance, parametric insurance for earthquake and weather risks, micro insurance for protection of motorbikes, commercial building for micro and small businesses, and coverage for tropical diseases, such as dengue and typhus, cyclist insurance, cash plan health insurance, professional indemnity, and extra features, like additional protection from the possibility of natural catastrophes like tsunamis, typhoons, volcanic eruptions, and flooding.	Developing various sustainable insurance products such as electronic vehicle insurance, sustainable repairs, home insurance with additional coverage for solar panels, charging units, (mini) wind turbines, heat pumps, green roofs, secondary flooding, and disability insurance.
	Involving third parties, such as electric car repair shops, and conducting peers benchmarking in product development process	Conducting customer research via questionnaires or organizing dialogue sessions
	Setting up a target of launching one sustainable product per year*	Setting emission reduction targets from insurance portfolios
		Conducting impact analyzes to measure the extent to which their products and services can have a negative impact on financial, human rights, and environmental
Risk Management	Initiatives related to business operations include cultivating a risk-aware culture, utilizing a risk management system such as a framework or tools in Excel format to measure risk levels, assisting all work units in identifying and assessing their risks, and monitoring the frequency and severity of the risk impact on the company and its stakeholders.	Initiatives related to business operations include cultivating a risk-aware culture, implementing Governance, Risk, and Compliance (GRC) tooling to support the risk management process, evaluating risk appetite statements annually, and establishing guidelines and policies that cover all main risk categories.
	Initiatives related to the insurance portfolio include implementing customer due diligence to understand and assess the risk profile of prospective customers, conducting catastrophe risk modelling, providing risk mitigation advice after conducting a risk assessment, and banning companies associated with coal, fuel, and shrimp farms from insurance coverage**.	Initiatives related to the insurance portfolio, such as applying two methods in the risk assessment process: Customer Due Diligence (CDD) risk inventory and ESG risk assessment, setting an exclusion list for customers associated with human rights violations, the sex industry, tobacco industry, the drugs trade, gambling industry, the trade in exotic animals, fossil fuels, thermal coal, and gas products, except fossil industry companies that have a transition plan, providing sustainable advice, setting up a Sustainability Desk, organizing sharing knowledge sessions for intermediaries and underwriting, and conducting climate risk modelling.

Function	Indonesian Insurance	Dutch Insurance
Investment	Implementing a negative screening investment strategy by excluding certain sectors such as coal, oil, and gas**.	Enacting a socially responsible investment (SRI) policy and implementing sustainable investment strategies, such as ESG integration, negative screening on companies, sectors, and countries that have low social and environmental performance, as well as doing impact investment in new medicine development projects and purchasing wind farms.
	Investing in green bonds	Setting targets for reducing carbon emissions from investment portfolios
IT	Preparing a business continuity plan linked to information system backup in the event of a crisis that disrupts business processes, such as natural disasters.	Preparing a business continuity plan linked to information system backup in the event of a crisis that disrupts business processes, such as natural disasters.
	Focus on maintaining data privacy and protection	Focus on improving cyber security
Claim and Customer Service	Reaching a wide customer base and society through various communication channels, such as company websites, digital apps, email, live chat, social media, and WhatsApp.	Reaching a wide customer base and society through various communication channels, such as company websites, digital apps, email, live chat, and social media.
	Conducting customer satisfaction survey**	Conducting customer satisfaction survey and setting its target
	Applying AI image recognition in the car claim process*	Setting sustainability criteria for claim partners selection
		Becoming co-owners of claim partners who handle sustainable repairs for home insurance.
Procurement and purchasing	Complying with the supply chain management policy*	Enacting supplier code of conduct with labor & human rights expectations.
	Selecting certified vendor for IT service and solar panels	Encouraging suppliers and contractors to engage in social entrepreneurship
Legal & Compliance	Establishing sustainability governance structure that involves the BOC, BOD, sustainability unit, and all employees**	Establishing sustainability governance structure that involves the BOC, BOD, sustainability unit, and all employees
	Joining local insurance industry association	Joining local and global insurance industry association
Human Resources	Ensuring diversity, equality, inclusivity, and anti-discrimination by issuing employee code of conduct, implementing anti-discrimination, not employing underage workers and forced labour, and monitoring gender equality	Ensuring diversity, equality, and inclusion (DEI) by issuing DEI policy to create a balanced workforce in terms of gender, age, religious conviction, physical and mental capacity, background, and sexual orientation, measuring with Denison Scan, monitoring employee diversity based on countries of origin and age, and hiring people with disabilities.
	Advocating for female leadership by establishing Female Leader Advocate Group (FLAG) as an internal community*.	Advocating for female leadership by setting targets for female composition at each managerial level
	Prioritizing internal hiring	Prioritizing internal hiring
	Setting a minimum salary based on the regional minimum wage, monitoring the gender equality pay ratio*, providing health insurance and pension funds for employees, and providing paid long leave.	Monitoring gender pay equality ratio, maintaining a fair average pay ratio between the highest and average salary of all employees, and providing performance rewards, and providing paid long leave.
	Organizing various employee training themes and facilitating various learning methods, such as face-to-face training, online learning, and cross-border mentoring programs*, as well as promoting Drop Everything And Learn (DEAL) program on every Friday from 4 to 6 pm*	Organizing training and development programs, which is consist of job-related training, workshops on sustainable employability, management trainees, and coaching programs.
	Conducting development programs such as management trainee and actuarial development program	Improving employee well-being by monitoring and evaluating the turnover ratio and years of service, conducting weekly surveys, monitoring and targeting absenteeism levels, providing social funds, promoting vitality programs related to exercise, sports, and sleep to maintain the physical and mental health of employees, and ensuring all employees are covered by the Collective Labor Agreement (CLA).
	Supporting and facilitating positive employees' activities, such as Citarum river clean-up, tree planting, hydroponics learning, health and financial talks with experts, sports activities, and employee outings, and providing stimulus for employee volunteering, by giving one-day leave*	Encouraging employee volunteer programs, such as being a guest lecturer at school or financial buddy (financial home visitor), and providing time and financial resources.
		Promoting an Employee Share Purchase Plan (ESPP) program by giving discount share price

Function	Indonesian Insurance	Dutch Insurance
General Affair	Reducing energy and greenhouse gas emissions by installing solar panels, increasing electric cars for operations and its charging stations*, reducing air travel*, partially working from home and prioritising virtual meetings, replacing PCs with energy-efficient laptops, installing smart lighting with motion sensors, gradually replacing old AC with the new one that is more environmentally friendly, and monitoring the use of electricity and fuel. Also, carbon offset by purchasing REX100 certificates from the state electricity company*	Reduce energy and greenhouse gas emissions by implementing hybrid working conditions, using electric cars for operational vehicles, promoting bikes and public transport for employees commuting, using renewable heat and cooling energy, purchasing electricity from wind power sources, installing solar panels on office and parking rooftops, building charging plazas, and carbon offsetting with tree planting actions through the Tree for All partnership program.
	reducing paper usage by adopting e-paper and promoting paperless, as well as monitoring paper usage.	reducing paper use along with digitizing customer processes
	Implementing responsible waste management by partnering with sustainable waste management firms*	monitor waste and water usage.
	Having a proper wastewater treatment* and monitoring water usage,	
	providing a clean and healthy workspace by implementing health protocols, installing air filters, placing several live ornamental plants, regularly conducting pest control, and providing breastfeeding room and first aid room, as well as obtaining great place to work certificates*	
Marketing & Sales	Having various distribution channels, such as brokers, agencies, bancassurance, non-bank entities such as multi-finance, peer-to-peer lending, and local electronic shops, as well as direct marketing	Providing sustainability advice after inspection visits by stimulating (sustainable) repair of damaged items and encouraging customers to take preventive measures in order to avoid damage and save energy.
	Conducting financial literacy and inclusion programs for the community, sometimes collaborating with business partners	Providing sustainable living information to help customers to make more environmentally-aware choices related to emissions reduction, energy savings or the use of sustainable materials
	Partnering with external parties in organizing other social events	Providing vitality programs to encourage consumers to exercise, do sports, and sleep, which is related to their physical and mental health
	Setting target for sustainable product sales	Involving consumers and intermediaries in the panel of the council of doing as a forum for co-creation, product development, and representation of customer interests
		Organizing financial literacy through social foundations
		Focus on selling via independent financial advisors

Note:
* implemented by Company C
** implemented by Companies B and C

Appendix C: Motivation Analysis Table and Graph

Country	Function	Ethical Motivation	Financial Consideration	Government Pressure	Holding Intervention	Market Pressure	Social Pressure	Grand Total
⊟Indonesia	Claim and Customer Service		1	1		1	1	4
Indonesia	Corporate Strategic	1			1		1	3
Indonesia	General Affair	1	1	1	1		1	5
Indonesia	Human Resources	1	1	1	1	1		5
Indonesia	Investment		1		1		1	3
Indonesia	IT		1	1			1	3
Indonesia	Legal & Compliance	1		1		1		3
Indonesia	Marketing & Sales	1	1	1			1	4
Indonesia	Procurement and Purchasing	1			1			2
Indonesia	Product and Business Development		1		1	1		3
Indonesia	Risk Management	1	1	1	1			4
Indonesia Total		**7**	**8**	**7**	**7**	**4**	**6**	**39**
⊟Netherlands	Claim and Customer Service	1		1		1	1	4
Netherlands	Corporate Strategic	1					1	2
Netherlands	General Affair	1	1				1	3
Netherlands	Human Resources	1		1		1	1	4
Netherlands	Investment	1	1				1	3
Netherlands	IT	1	1	1			1	4
Netherlands	Legal & Compliance	1		1		1	1	4
Netherlands	Marketing & Sales	1						1
Netherlands	Procurement and Purchasing	1		1		1	1	4
Netherlands	Product and Business Development	1	1			1	1	4
Netherlands	Risk Management	1	1	1				3
Netherlands Total		**11**	**5**	**6**		**5**	**9**	**36**