

Press Release

KSEI Awarded Best Central Custodian and Sub Registry During its 24th Anniversary

Jakarta, 23 December 2021 - The Indonesia Central Securities Depository (KSEI) celebrated its 24th Anniversary on December 23, 2021. As an indication of its maturity and growth as a Depository and Settlement Institution in the Indonesian capital market, KSEI also received several top awards during the year, including the title of Best Sub-Registry from Bank Indonesia (BI) on November 30, 2021, and shortly later, its fourth award as the Best Central Securities Depository in Southeast Asia in 2021.

BI chose KSEI as the best out of the 16 sub-registries that administrate state-owned securities (government bonds, sukuks, ORI, etc.) under the central bank's supervision. BI made the decision based on KSEI's excellence in the sub-registry criteria of reporting data credibility, speed, accuracy, and compliance to regulations. Afterward, Alpha South East Asia magazine also gave KSEI the title of "Best Central Securities Depository in Southeast Asia in 2021" based on KSEI's innovations in 2020-2021 and future development plans. This was the fourth time KSEI received the title after won it in 2016, 2018, and 2019.

Digital innovation is now part of KSEI's brand. As one of the regulators in the Indonesian Capital Market, along with the Indonesia Stock Exchange (BEI) and the Indonesian Clearing and Guarantee Corporation (KPEI), KSEI continues to support the development of the capital market, especially during this digitally dominated era. Despite restricted mobility and other challenges from the ongoing pandemic, KSEI continues to develop infrastructure that ensures capital market transaction activities. KSEI President Director Uriep Budhi Prasetyo noted that, "This is in line with the theme of KSEI's 24th Anniversary Celebration, which is Digital Empowerment. This theme correlates with the current characteristic of the Indonesian Capital Market, which is now largely comprised of digitally knowledgeable youth."

Currently, 81.36% of investors in the Indonesian Capital Market are millennials and Generation Z investors. Therefore, KSEI is compelled to develop the digital technology and infrastructure needed to support online capital market activities. Prasetyo added that the growing number of investors in the Indonesian Capital Market is clear proof of KSEI's breakthroughs and innovations' success. The simplified account opening process and the eASY.KSEI application played a significant role in increasing the number of Indonesian Capital Market investors, which experienced a 100% surge in growth.

KSEI also reached other achievements which solidified its reputation as a credible institution. On December 17, 2021, KSEI implemented the ISO 37001 Anti-Bribery Management System Standards. By implementing the ISO in its overall business environment, KSEI strives to build a corporate framework that can prevent, detect, and investigate incidents of bribery and corruption; and create an organizational environment that upholds honesty and integrity.

During the same occasion, Prasetyo also mentioned KSEI's other successful innovations in 2021, especially those that support online activities in the Indonesian Capital Market. He highlighted that in 2021, KSEI added another Client Fund Account Administrator Bank partner, which brings the number to 17 banks that can support the opening of Client Fund Accounts for investing in the

capital market. Meanwhile, twelve new Securities Companies supported the Account Opening Simplification program in 2021, raising the total number of securities companies with online account opening capabilities to 31.

KSEI also reached several critical historical milestones in 2021. On June 10, 2021, KSEI and the Public Housing Savings Management Agency (BP Tapera) officially signed the Integrated Multi Investment Services (S-MULTIVEST) Service Agreement. Based on the signing, KSEI pledges to provide recording infrastructure, systems, and mechanisms for the Public Housing Savings (Tapera) Fund management, in cooperation with BRI as the Custodian Bank. Through the S-MULTIVEST system, KSEI aims to provide the Tapera Fund with transparent, accountable, and efficient depository and administration mechanisms.

KSEI also continued to improve eASY.KSEI platform application, which it launched in April 2020 with e-proxy module. In September 2021, KSEI complemented the eASY.KSEI platform with an e-voting module for General Meetings of Shareholders. KSEI Director Syafruddin noted that in 2021, the eASY.KSEI platform has facilitated parties in holding General Meetings of Shareholders (GMS) electronically.

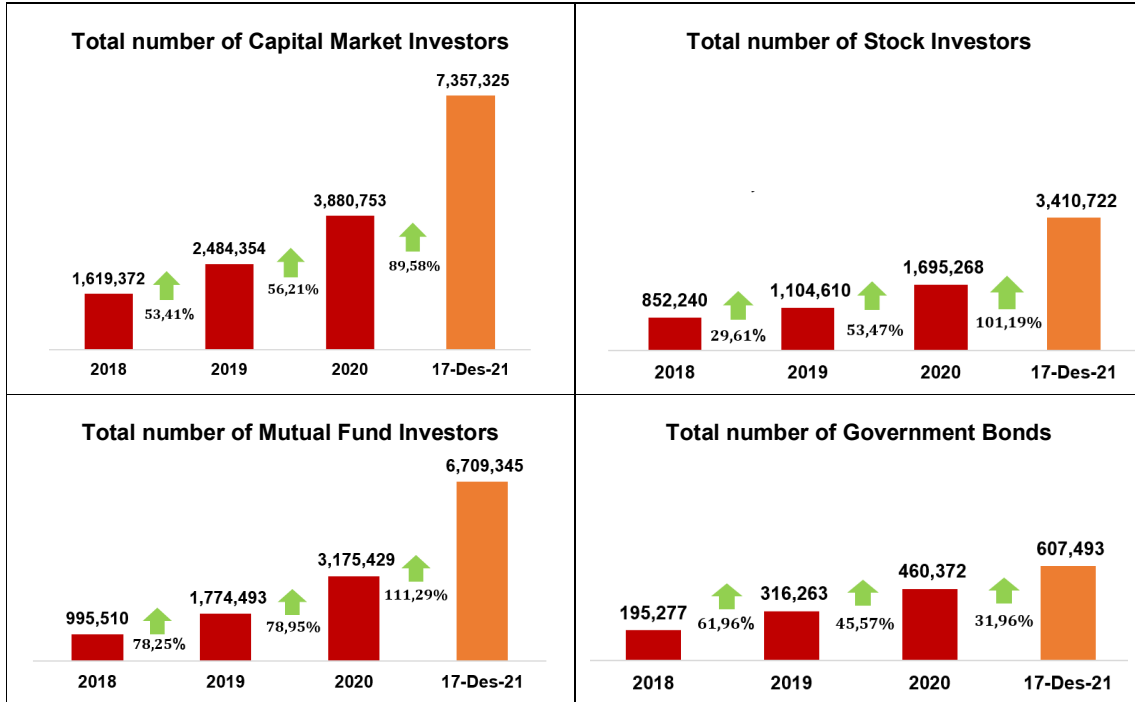
According to Syafruddin, “731 out of the 765 Stock Issuers in the capital market, or 95% of all Issuers, have held General Meetings of Shareholders through the eASY.KSEI platform.” He added that the 731 Issuers had held 2,275 GMS, which were participated by 21,165 investors. Meanwhile, 505 Issuers have utilized the eASY.KSEI’s e-voting feature. A total of 3,238 investors have used this e-voting feature to attend GMSs electronically between the feature’s first implementation on June 28, 2021, and up to December 17, 2021.

Increasing Number of Investors

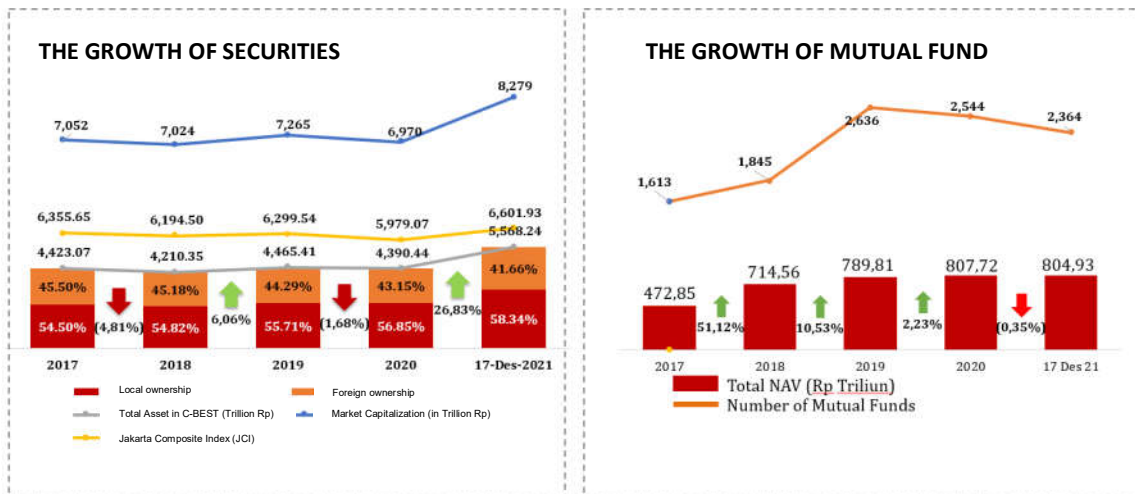
Between the end of 2020 and December 17, 2021, the number of Investors with Single Investor Identifications (SID) has reached 7.3 million, an 89.58% increase compared to the previous year. The total is the consolidated amount of SIDs from investors of Stocks, Bonds, Mutual Funds, Government Bonds, and other securities recorded in KSEI. This number consists of 3.4 million SIDs from Stock investors, 6.7 million SIDs from Mutual Fund investors, and 607,000 SIDs from Government Bondholders.

According to KSEI Director Supranoto Prajogo, KSEI records indicated that, as of December 17, 2021, the number of investors in the capital market is dominated 62.55% by males, 59.84% by investors younger than 30-years old, 32.88% by private-sector employees, 58.33% by college graduates, 36.25% by those with income between 10 to 100 million rupiahs per month, and 69.84% who reside in Java Island. Prajogo added that 73.61% of the SIDs have opened accounts through financial technology (fintech) selling agents, indicating capital market investors’ great interest in digital platforms.

Data on the Total Number of Investors' Single Investor Identification (SID) in the Capital Market - as of December 17, 2021



Securities and Mutual Fund Asset Growth (per December 17, 2021)



According to Prasetyo, KSEI has currently drafted 30 working programs. Nine of them are strategic programs, including a plan on developing an alternative Client Securities Sub-Account for Equity-based and Debt-based Securities, as well as an Investor Fund Unit Account (IFUA) for mutual fund instruments. Hopefully, this program will provide an alternative fund depository for capital market transaction settlements. To anticipate the growth of investor numbers in the capital market, KSEI will also add its client character codes from four digits to six digits.



KSEI also received principal approval from Bank Indonesia on December 16, 2021, to become a member of BI-FAST, which sets a maximum limit to inter-bank transfer fees to Rp2,500, based on Bank Indonesia Letter Number 23/225/DPSP/SRT/B.

Meanwhile, KSEI continues to develop its eASY.KSEI digital technology. Soon, KSEI plans to expand the eASY.KSEI application and allow it to also electronically hold General Meeting of Debt-based Securities Holders and General Meeting of Participating Unit Holders online. KSEI would also complement this application with a multi-voting shares support.

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