

ATTACHMENT TO

Decision of the Board of Directors of
PT Kliring Penjaminan Efek Indonesia

Number : Kep-033/DIR/KPEI/0425

Dated : 28 April 2025

KPEI REGULATION NUMBER II-11 ON HAIRCUT COMMITTEE

I. DEFINITION

In this Regulation, what is meant by:

I.1. **Haircut Committee** is a committee formed by the Clearing and Guarantee Institution to determine the Haircut amount for Equity Securities or Non-Fixed Cash Flow Asset Backed Securities listed on the Stock Exchange and mutual fund whose participation units are traded on the Stock Exchange.

I.2. **Stock Exchange Day** is a day on which securities are traded on the Stock Exchange, namely Monday through Friday, unless such day is a national holiday or declared a Stock Exchange holiday by the Stock Exchange.



I.3. **KPEI** is PT Kliring Penjaminan Efek Indonesia.

I.4. **Stock Exchange** is PT Bursa Efek Indonesia.

I.5. **Equity Securities** are shares, Securities convertible into shares, or Securities containing the right to acquire shares from the Company as the issuer as regulated in Number 1 letter a of Regulation of Bapepam and LK Number IX.J.1 on the Principles of the Articles of Association of Companies Conducting Public Offerings of Equity Securities and Public Companies, Attachment to the Decision of the Chairman of Bapepam and LK Number Kep-179/BL/2008 dated 14 May 2008.

I.6. **Non-Fixed Cash Flow Asset Backed Securities** are Asset Backed Securities that undertake their holders an uncertain income, such as to holders of equity Securities as regulated in Article 1 Number 9 of Regulation of Financial Services Authority Number



65/POJK.04/2017 on Guidelines for the Issuance and Reporting of Asset Backed Securities in the Form of Collective Investment Contracts and the provisions for its amendments.

I.7. **Mutual Fund** is a forum used to gather funds from investor community to subsequently be invested in the Securities Portfolio by the Investment Manager, as regulated in Article 1 Number 1 of Regulation of the Financial Services Authority Number 23/POJK/2016 on Mutual Funds in the Form of Collective Investment Contracts.

I.8. **Participation Unit** is a measure unit that shows the share of interest of each Party in a collective investment portfolio, as regulated in Article 1 Number 3 of Regulation of the Financial Services Authority Number 23/POJK.04/2016 on Mutual Funds in the Form of Collective Investment Contracts.

I.9. **Haircut** is a factor that reduces the fair market value of Securities, according to



their risk, by a certain percentage of the fair market value of the Securities in question.

I.10. **Triparty Repo** is a repo transaction in which the parties agree to appoint KPEI to maintain and manage Margin, mark-to-market, transaction settlement and other activities related to the Repo Transaction conducted during the ongoing Repo Transaction.

I.11. **Adjusted Net Working Capital**, hereinafter referred to as **MKBD**, is the number of current assets of a Securities Company minus all liabilities of the Securities Company and Ranking Liabilities, plus subordinated debt, and other adjustments as regulated in Regulation of the Financial Services Authority Number 52/POJK.04/2020 on Maintenance and Reporting of Adjusted Net Working Capital.

I.12. **MKBD Haircut** is the committee Haircut that has been converted for calculating the MKBD portfolio value as regulated in Circular of



the Financial Services Authority Number 2/SEOJK.04/2023 on Guidelines for the Preparation of Adjusted Net Working Capital Forms as well as the Submission and Validation of Adjusted Net Working Capital Report.

I.13. **Triparty Repo Haircut** is a factor that reduces the fair market value of Equity Securities transacted through the KPEI Triparty Repo Facility.

I.14. **Stock Exchange Transaction** is a contract made by Stock Exchange members according to the requirements set out by the Stock Exchange on the sale and purchase of Securities, borrowing and lending of Securities, or other contracts on Securities or price of Securities as regulated in Regulation of the Financial Services Authority Number 22/POJK.04/2019 on Securities Transactions.

II. **ESTABLISHMENT OF THE HAIRCUT COMMITTEE**



In order to determine the amount of:

II.1. Haircut for Equity Securities or Non-Fixed Cash Flow Asset Backed Securities listed on the Stock Exchange and Mutual Funds whose Participation Units are traded on the Stock Exchange as a factor that reduces the fair market value of the Securities concerned, calculated in the MKBD; and

II.2. Triparty Repo Haircut as an incentive in the form of a reduction in MKBD Haircut,

KPEI has formed a Haircut Committee.

III. COMPOSITION AND REQUIREMENTS FOR HAIRCUT COMMITTEE MEMBERS

III.1. The number of Haircut Committee members is determined by KPEI to be a maximum of 11 (eleven) people, with the membership composition as follows:

III.1.1. 1 (one) person as a coordinator and concurrently serving as a



member; and

III.1.2. 10 (ten) people as members.

III.2. The selection of the coordinator as referred to in Provision III.1.1. is carried out by the Haircut Committee Members.

III.3. The requirements and composition of the Haircut Committee Members are as follows:

III.3.1. 2 (two) Directors of the Clearing and Guarantee Institution;

III.3.2. 2 (two) Directors of the Stock Exchange who are responsible for the Supervisory functions and the Membership or Listing functions;

III.3.3. 1 (one) Director of the Depository and Settlement Institution who is responsible for the Settlement, Custodian and Supervisory functions;



ENGLISH TRANSLATION

III.3.4 5 (five) Directors of Clearing
Members who:

III.3.4.1 are not affiliated
with each other; and

III.3.4.2 fulfill the integrity,
competence, and
experience
requirements set by
KPEI.

III.3.5. 1 (one) professional and/or
practitioner who is not a Director
of Clearing Member who fulfills
integrity requirements,
understands regulations in the
Capital Market sector, and has
competence in the field of
Securities valuation.

IV. PROCEDURES FOR SELECTION AND MEMBERSHIP PERIOD OF
THE HAIRCUT COMMITTEE

IV.1. Requirements for Haircut Committee Members



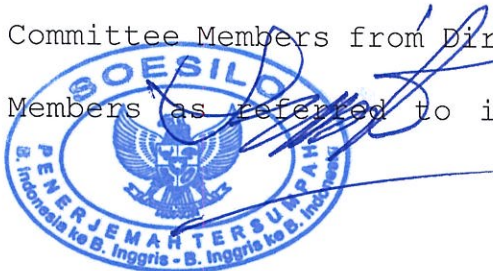
from Directors of Clearing Members as referred to in Provision III.3.4. are as follows:

IV.1.1. KPEI determines the criteria for candidate Haircut Committee members from Clearing Members based on the minimum frequency and value of Stock Exchange Transactions over the past 12 (twelve) months;

IV.1.2. KPEI determines a List of Clearing Members who fulfill the criteria as referred to in Provision IV.1.1. above;

IV.1.3. Clearing Members who fulfill the criteria in Provision IV.1.1. may submit proposals for candidate Haircut Committee members to KPEI;

IV.2. The procedures for selecting Haircut Committee Members from Directors of Clearing Members as referred to in Provision IV.1.



above are as follows:

IV.2.1. Based on Provision IV.1. above, KPEI determines which Clearing Members may nominate their Directors to become Haircut Committee Members;

IV.2.2. The nomination of candidate Haircut Committee Members by Clearing Members must be made no later than 30 (thirty) calendar days before the end of the term of office of the previous Haircut Committee;

IV.2.3. Each Clearing Member, as referred to in Provision IV.2.1., may only nominate 1 (one) director;

IV.2.4. KPEI has the right to appoint 5 (five) Haircut Committee Members from the candidate Haircut Committee Members proposed by the Clearing Members.



IV.3. KPEI has the right to appoint Haircut Committee members who are professionals or practitioners who are not Directors of Clearing Members.

IV.4. The membership period of the Haircut Committee from Directors of Clearing Members and professionals or practitioners who are not Directors of Clearing Members as referred to in Provisions III.3.4. and III.3.5. is for a period of 2 (two) years and may be re-elected.

IV.5. The membership period of the Haircut Committee from the Director of the Clearing and Guarantee Institution, the Director of the Stock Exchange, and the Director of the Depository and Settlement Institution, as referred to in Provisions III.3.1., III.3.2., and III.3.3., is for a term corresponding to the term of office of the Director concerned.

IV.6. If a Haircut Committee Member resigns before



the end of their membership period, the Haircut Committee Member must submit a letter of resignation to KPEI.

IV.7. In the event of a change in the Haircut Committee Members from Directors of Clearing Members, among other things, but not limited to, due to the Haircut Committee Member no longer serving as a Director of Clearing Member before the end of their membership period, then KPEI may appoint Haircut Committee Members from Clearing Members who have fulfilled the criteria and are willing to be proposed in advance by the Clearing Member in the current period.

IV.8. In the event of a change in the Haircut Committee Members from professionals or practitioners who are not Directors of Clearing Members as referred to in Provision III.3.5., KPEI may appoint a replacement.

IV.9. In the event of a change in the Haircut Committee Members from Directors of Clearing Members and professionals or practitioners



who are not Directors of Clearing Members as referred to in Provisions III.3.4. and III.3.5. before the end of their membership period, the membership period of the replacement Haircut Committee Member continues the membership period of the replaced Haircut Committee Member.

V. APPOINTMENT AND DISMISSAL OF HAIRCUT COMMITTEE MEMBERS

V.1. Each Haircut Committee Member is selected, appointed, and dismissed by KPEI, in accordance with these Regulations.

V.2. KPEI announces the composition of the Haircut Committee Members and any changes thereto on the KPEI website.

V.3. KPEI has the authority to dismiss one or more Haircut Committee Members if:

V.3.1. The period of membership of the Haircut Committee as referred to in Provision IV has ended.



V.3.2. The Haircut Committee member concerned no longer fulfills the requirements as regulated in Provision III.3.

V.3.3. The Haircut Committee member has failed to attend three (3) consecutive Haircut Committee meetings without explanation.

V.3.4. The Haircut Committee member is involved in a legal case in which they are defendants.

VI. DUTIES OF HAIRCUT COMMITTEE

VI.1. The duties of the Haircut Committee are as follows:

VI.1.1. Establish the criteria and model (formula) for determining the Haircut for Equity Securities or Non-Fixed Cash Flow Asset Backed Securities listed on the Stock



Exchange and Mutual Funds whose Participation Units are traded on the Stock Exchange.

VI.1.2. Establish the criteria and model (formula) for determining the Haircut for Triparty Repo.

VI.1.3. Determine the Haircut amount for Equity Securities or Non-Fixed Cash Flow Asset Backed Securities listed on the Stock Exchange and Mutual Funds whose Participation Units are traded on the Stock Exchange.

VI.1.4. Determine the Haircut amount for Triparty Repo.

VI.1.5. Announce the Haircut amount as referred to in Provisions VI.1.3 and VI.1.4 on the KPEI website no later than 1 (one) Exchange Day prior to its effective date.



VI.1.6. Announce the Haircut amount for Equity Securities or Non-Fixed Cash Flow Asset Backed Securities listed on the Stock Exchange and Mutual Funds whose Participation Units are traded on the Stock Exchange that will be listed on the Stock Exchange on the KPEI website, no later than 1 (one) Exchange Day before being listed on the Stock Exchange.

VI.2. The Haircut amount as referred to in Provisions VI.1.3. and VI.1.4., is applied from the first to the last Exchange Day of each month.

VI.3. In the event of material circumstances, such as temporary suspension of transactions, corporate actions, and matters related to risk control of Stock Exchange Transaction settlements, the Haircut Committee may change the determined Haircut amount at any time.



VI.4. Changes to the Haircut amount and the procedures for announcing and implementing the changes to the Haircut as referred to in Provision VI.3. are determined by the Haircut Committee.

VI.5. In carrying out the duties of the Haircut Committee, each Haircut Committee Member must be independent, objective, and professional.

VII. HOLDING OF HAIRCUT COMMITTEE MEETINGS

VII.1. Haircut Committee meeting is held once a month.

VII.2. If deemed necessary, the Haircut Committee may hold meetings outside the designated times as referred to in Provision VII.1.

VII.3. A Haircut Committee meeting shall be deemed to have valid and entitled to adopt resolutions, if attended by at least 7 (seven) Haircut Committee members.



ENGLISH TRANSLATION

VII.4. In the event that resolutions are made by majority vote (voting), the resolutions shall be deemed to have valid if approved by more than half of the Haircut Committee members present.

Stipulated in Jakarta, dated 28-04-2025 [*initialed*]

[*signed*]

Iding Pardi

President Director

[*signed*]

Antonius Herman Azwar

Director

Jakarta, 3 November 2025
Translated by:

