

## **Whistleblowing System Guidelines**

Version	:	3.0
Date	:	30 November 2021
Compiled by	:	MPE & RAP
Reviewed by	:	LSS, AHA, RGU
File Name	:	Whistleblowing System Guidelines of PT KPEI
Status	:	Final
Information	:	Active

**PT Kliring Penjaminan Efek Indonesia**

## Table of Contents

Table of Contents .....	2
1. PREFACE .....	3
1.1. Background .....	3
1.2. Purposes and Objectives .....	4
1.3. Legal Bases and References for Preparation of Whistleblowing System Guidelines .....	4
1.4. Scopes .....	5
1.5. Definitions.....	5
2. WHISTLEBLOWING POLICY .....	<b>Error! Bookmark not defined.</b>
2.1. General Policy .....	<b>Error! Bookmark not defined.</b>
2.2. Types of Violations .....	<b>Error! Bookmark not defined.</b>
2.3. Authority of Board of Commissioners and Board of Directors .....	10
2.4. Whistleblowing Management Team .....	<b>Error! Bookmark not defined.</b>
2.5. Duties and Responsibilities of Whistleblower and Whistleblowing Management Team .....	12
3. WHISTLEBLOWING MECHANISM .....	14
3.1. Reporting Media .....	14
3.2. Management Process of Alleged Violation Reporting.....	14
3.3. Rights and Protection of Whistleblower .....	15
Appendix:.....	18
Approval Page:.....	19

### **1. PREFACE**

#### **1.1. Background**

In an effort to implement and improve the quality of Good Corporate Governance (GCG) of the Company, a whistleblowing system is required. The Whistleblowing system is used to prevent and manage violations as well as fraud practices.

A clear and firm whistleblowing system is an absolute necessity in every company. The purpose of whistleblowing system implementation is to prevent disputes and to resolve conflict in an immediate manner so as not to prolong the issue. Internally, the presence of whistleblowing system is expected to encourage employees to be more courageous to prevent fraud and violations by reporting such acts to the authorities.

Whistleblowing system is a system that can be used as a medium for reporters or whistleblowers to convey information about irregularities indicated to occur within the Company. This system can also be an effective method if it is performed with the proper and clear structure and process, as the reporting party needs a sense of security and assurance of safety to participate in preventing fraud and violations. Report acquired from this whistleblowing system needs to be taken into account and followed-up, including the imposition of appropriate legal penalties so as to be able to provide a deterrent effect for the perpetrators of violations as well as those who intend to conduct violations of regulations.

### **1.2. Purposes and Objectives**

The purpose of preparation of Whistleblowing System is to become implementation foundation or guideline in managing violation reporting effectively.

The objectives of preparation of Whistleblowing System are, among others:

1. To create a process and mechanism for reporting alleged violations;
2. To maintain moral and ethical integrity within the Company's environment;
3. To minimize the level of fraud risk;
4. To realize the Company's commitment to implementing GCG practices;
5. To facilitate the process of violation disclosure by providing assurance for the confidentiality of whistleblower's identity;
6. To clarify the responsibility for the follow-up of settlement of violation in order to prevent the financial and reputational risks that may arise;
7. To encourage the participation of employees in creating conducive work atmosphere in accordance with the transparency principle;
8. To develop a mechanism to protect the whistleblower from the possibility of retaliation/threat from either internal or external party which is disadvantaged due to the submitted report;
9. To evaluate and improve the effectiveness of GCG practice at the Company.

### **1.3. Legal Bases and References for Preparation of Whistleblowing System Guidelines**

This Whistleblowing System Guideline is prepared by referring to:

1. Laws and provision regarding employment and man power that still applies.
2. Laws and provision regarding Witness and Victim protection that still applies.

3. Whistleblowing System (WBS) Guideline, issued by the National Committee on Corporate Governance (KNKG);
4. Code of Corporate Governance of KPEI
5. Code of Conduct of KPEI
6. ISO 37001:2016 Anti-bribery Management Systems

### 1.4. Scopes

This Whistleblowing System Guideline applies to the Board of Commissioners, organs of Board of Commissioners, Board of Directors, and all employees within PT Kliring Penjaminan Efek Indonesia (KPEI), in carrying out routine duties according to the principles of GCG.

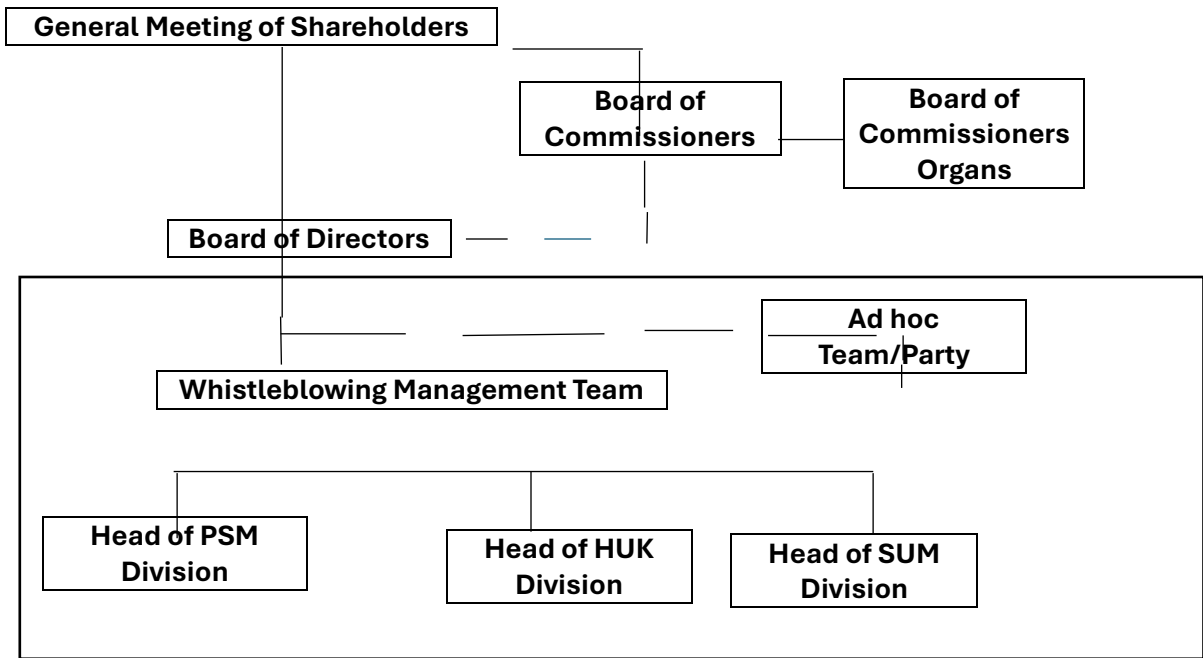
### 1.5. Definitions

1. **Anonymous:** Whistleblowing without providing personal identity data;
2. **Investigation:** Activities aimed at finding evidence of the truth of violations committed by the reported party;
3. **Board of Commissioners Organs:** An organ or committee established by the Board of Commissioners, either to comply with prevailing regulations or because it is considered necessary to assist in the duties and functions of the Board of Commissioners, such as the Audit Committee.
4. **The Company:** PT Kliring Penjaminan Efek Indonesia (IDClear);
5. **Whistleblower:** A person or party, both internal and external to the Company, who reports a violation;
6. **Whistleblowing:** Actions reporting violations committed by the reported party;
7. **Violation:** Actions that violate the law, are unethical/immoral, or other actions committed by the reported party that could harm the Company or stakeholders.

8. **Internal Parties:** IDClear Personnel, namely the Board of Commissioners, Board of Commissioners Organs, the Board of Directors, Permanent Employees, Contract Employees, Temporary Employees, Interns;
9. **External Parties:** Parties other than the Company's Internal Parties, which consist of regulators, SROs, Affiliates, Clearing Members, suppliers, or other parties;
10. **Technical Guideline:** A guideline that contains a detailed explanation of the Whistleblowing Management mechanism;
11. **Reported Party:** A person or party who is reported for an alleged violation, either from within the Company or externally, where it is suspected that the case involves an internal party at the Company;
12. **Anti-Bribery Compliance Function Team (FKAP):** A team formed by the Board of Directors to manage the anti-bribery management system (SMAP);
13. The **Whistleblowing Management Team (TPPP):** IDClear whistleblowing management team consisting of the Head of the Strategic Planning and Corporate Risk Management Division (PSM), the Head of the Legal Division (HUK), the Head of the Human Resources and General Division (SUM), and other parties in accordance with their competence and expertise based on the Decree of the Board of Directors.

## 2. STRUCTURE, AUTHORITY, AND RESPONSIBILITIES

## 2.1. Whistleblowing System (WBS) Organizational Structure



## 2.2. Authority and Responsibility of Whistleblowing System Organizational Structure

No.	Organizational Level	Authority	Responsibilities
1.	Shareholders	Handling Whistleblowing grievances against the Reported Party, namely the Board of Commissioners	a. Shareholders' commitment to support the implementation of the Whistleblowing System (WBS). b. Determine the follow-up to Whistleblowing grievances against the Board of Commissioners. c. Approval of Minutes.
2.	Board of Commissioners	Handling Whistleblowing grievances against the Reported Party, namely	a. The Board of Commissioners'

## WHISTLEBLOWING SYSTEM GUIDELINES

		the Board of Directors	<p>commitment to supporting the implementation of the WBS.</p> <p>b. Determine the follow-up to the Whistleblowing grievances against the Board of Directors.</p> <p>c. Approval of Minutes.</p>
3.	Board of Directors	Handling Whistleblowing grievances against the Reported Parties, namely Employees and External Whistleblowers	<p>a. The Board of Directors' commitment to supporting the implementation of the WBS.</p> <p>b. Determine the follow-up to the Whistleblowing grievances against employees</p> <p>c. Approval of Minutes.</p>
4.	Whistleblowing Management Team (TPPP)*	Handling Whistleblowing grievances against the Reported Parties, including the Board of Commissioners, the Board of Directors and Employees.	<p>a. Receive grievances of alleged violations through available channel</p> <p>b. Carry out initial identification in the form of communication with the Whistleblower and obtain initial evidence.</p> <p>c. Provide information to the Whistleblower that the grievance has been received. Target time: 2 working days</p>



## WHISTLEBLOWING SYSTEM GUIDELINES

---

			<ul style="list-style-type: none"><li>d. Ensure that protection for Whistleblowers is implemented appropriately.</li><li>e. Determine whether the grievance received needs to be followed up through investigation or not.</li><li>f. Determine the targets and stages of the investigation process clearly.</li><li>g. Carrying out investigations that are free from bias without taking into account who the Reported Party is.</li><li>h. Provide information on the progress of the report to the Whistleblower.</li><li>i. Examine cases and provide recommendations for final closure decisions</li><li>j. Notify the final results of the investigation to the Whistleblower.</li><li>k. Ensure the implementation of the decision.</li><li>l. Carrying out regular communication to employees and stakeholders regarding the results of implementing</li></ul>
--	--	--	---

## WHISTLEBLOWING SYSTEM GUIDELINES

			<p>whistleblowing system, which is expected to further increase their confidence and courage to report suspected irregularities.</p> <p>m. Submit limited reports regarding Bribery to the Anti-Bribery Compliance Function Team (FKAP)**.</p> <p>n. Prepare reports according to the Company's requirements including Annual Reports.</p> <p>o. Carry out administration properly.</p>
5.	Employee	-	<p>a. Commitment of all employees to the implementation of WBS.</p> <p>b. Report suspected violations.</p>

### Explanations:

(\*) The TPPP team is appointed through the Decree of the Board of Directors No. Kep-031/DIR/KPEI/0423 consisting of the Head of the Strategic Planning and Corporate Risk Management Division (PSM), the Head of the Legal Division (HUK), the Head of the Human Resources and General Division (SUM).

(\*\*) The FKAP Team is appointed through the Decree of the Board of Directors No. Kep-030/DIR/KPEI/0423 consisting of the Head of Corporate Secretary (SPE), Head of Legal Division (HUK), Head of Strategic Planning and Corporate Risk Management Division (PSM), Head of the Finance and Accounting Division (KAK), and Head of the Human Resources and General Division (SUM). The FKAP Team is a team formed to manage the anti-bribery management system (SMAP) and Whistleblowing Grievances related to Bribery obtained from the Whistleblowing Management Team (TPPP) subject to confidentiality provisions.

### **3. WHISTLEBLOWING POLICY**

#### **3.1. General Policy**

1. Each grievance is accompanied by evidence and/or initial information regarding the alleged Violation being reported;
2. The whistleblower can attach/include the whistleblower's legitimate contacts (email and/or telephone number). Anonymous grievance is permitted;
3. All evidence and/or information on Whistleblowing is confidential. Whistleblowing documents must be safeguarded and placed in a safe place with restricted access;
4. Grievances must be made in good faith and can be accounted for, it is not permitted to make false reports, slander or personal matters;
5. Handling of whistleblowing grievances on suspected violations is carried out with high integrity, the principle of presumption of innocence, impartiality, and without intervention from any party;
6. Whistleblowers can report alleged irregularities committed by internal parties including the Board of Commissioners, Board of Commissioners Organs, Board of Directors and IDClear employees.

#### **3.2. Types of Violations**

Types of violations that can be reported and followed up include:

1. Fraud, including corruption, Asset Misappropriation, and Financial Statement Fraud;
2. Acts that violate the law (including the use of violence against employees or the Company's leaders, extortion, drug use, harassment, or other criminal acts);
3. Actions that endanger safety and security in the Company's work environment;
4. Bribery, whether in the form of giving, receiving, promising, receiving promises, requesting or receiving requests for goods/services with the intention of persuading/influencing the recipient to do something or not do something in their duties, which is contrary to their authority or obligations (conflict of interest).

### **3.3. Authority of the Board of Commissioners and the Board of Directors**

The Board of Commissioners and Board of Directors have the following levels of authority to follow up on grievances or disclosure of alleged violations:

1. In the event that the Reported Party is an employee, the authority lies with the Board of Directors. The employee category includes members of the Whistleblowing Management Team (TPPP);
2. In the event that the Reported Party is a member of the Board of Directors, the authority is in the hands of the Board of Commissioners;
3. In the event that the Reported Party is the Board of Commissioners and the Organs of the Board of Commissioners, the authority is in the hands of the Shareholders.

### **3.4. Whistleblowing Management Team**

To implement the Whistleblowing System in a structured and effective manner:

1. The Board of Directors has formed a Whistleblowing Management Team (TPPP), comprising internal representatives from the Company, including the Head of the PSM Division, the Head of the HUK Division, and the Head of the SUM Division. These individuals were selected based on their competencies and expertise in corporate risk management, law, and human resources, as outlined in the Decree of the Board of Directors.
2. Head of the Whistleblowing Management Team is the Head of the PSM Division;
3. In the event that a member or head of the Whistleblowing Management Team becomes the Reported Party, a replacement must be immediately appointed by the Board of Directors in writing. Implementation procedures are listed in other documented information;
4. Taking into account the Grievance received or other considerations (such as the Reported Party being included in the TPPP), the Board of Directors may in writing appoint an Ad Hoc Team and/or Independent Investigator to handle the Grievance.

### **3.5. Duties and Responsibilities of the Reporter and Whistleblowing Management Team**

#### **1. Duties and Responsibilities of the Whistleblower**

- a. Prepare grievances on suspected violations through the channel provided by the Company accompanied by initial evidence;

- b. Submit grievances from the moment the alleged violation is discovered, in order to avoid protracted problems or loss of evidence;
- c. Keep alleged violations that have been reported confidential until all stages of the investigation and evidentiary process have been completed;
- d. Provide additional information during the investigation, if necessary;
- e. In the event that the Whistleblower withdraws the grievance that has been submitted, the whistleblower

### **2. Duties and Responsibilities of the Whistleblowing Management Team**

- a. Prepare a technical guideline for Whistleblowing Management mechanisms;
- b. Receive grievances of alleged violations submitted by the Whistleblowers;
- c. Ensure that protection for Whistleblowers is implemented properly;
- d. Submit recommendations regarding whether or not to carry out follow-up actions and investigations to the Board of Directors, Board of Commissioners or Shareholders, according to the level of authority;
- e. Determine the time limit for completing the grievances according to the level of complexity of the problem and investigation, so that there is clarity on the completion time;
- f. Determine the final resolution of the grievances based on the investigation that has been carried out, and ensure the implementation of the decision.
- g. Carry out sanctions against Whistleblowers who provide false or slanderous reports in accordance with the Company's regulations;
- h. Propose appreciation for the Whistleblower to the Company for Reporting Violations that are proven to be true.
- i. Prepare reports to the competent authorities regarding the status of grievances received, as well as other matters that need to be submitted;
- j. Monitor and evaluate the implementation of the Whistleblowing policy periodically, namely once every 3 (three) years or sooner as needed.
- k. Provide limited reports to the Anti-Bribery Compliance Function Team (FKAP) regarding bribery.
- l. Prepare an Annual Report to the Company on the implementation of the Whistleblowing System.

### **4. WHISTLEBLOWING MECHANISM**

#### **4.1. Reporting Media**

Whistleblowing grievances can be done via electronic mail (e-mail) addressed to [wbs@idclear.co.id](mailto:wbs@idclear.co.id), which is specifically designed for receiving grievances, with the aim of maintaining the confidentiality of the Whistleblower and preventing the reluctance of internal and/or external parties to report Violations. E-mail can only be accessed by the Whistleblowing Management Team. Anonymous reporting is permitted but has to include a contact (a pseudonym is allowed).

#### **4.2. Management Process of Alleged Violation Reporting**

1. The whistleblower submits a report of alleged violations in writing through the media as stipulated in point 3.1, by including valid and adequate supporting evidence regarding the reported violation;
2. The Whistleblowing Management Team evaluates the report received and provides a report and recommendation to the Board of Directors or Board of Commissioners regarding the status of the report (whether a follow-up action is necessary);
3. In the event the Board of Directors or Board of Commissioners decides not to conduct a follow-up action, the reporting process will be terminated;
4. In the event the Board of Directors or Board of Commissioners decides to conduct a follow-up action, further investigation shall be carried out on the report submitted. Investigation can be carried out by the Whistleblowing Management Team or with the assistance of other parties considered competent, or by establishing a special team (if deemed necessary) based on the written instructions of the Board of Commissioners or Board of Directors;

5. The investigation process must uphold the principle of presumption of innocence and be carried out objectively, free from bias and independent of the reporting and the reported parties;
6. The results of the investigation process are submitted to the authorized party (Board of Commissioners or Board of Directors) in the form of a report, accompanied by valid and adequate supporting evidences;
7. If the investigation results demonstrate a violation, the reported party shall be followed-up or given sanctions according to the applicable provisions;
8. In the event the investigation does not prove the existence of a violation, a minute of investigation shall be made and the process is terminated

Details regarding the whistleblowing system are further regulated in the technical guidelines compiled by the Whistleblowing Management Team.

### **4.3. Rights and Protection of Whistleblower**

1. The whistleblower can request information regarding the follow-up of their report;
2. The whistleblower has the right to obtain assurance and protection for the confidentiality of their identity;
3. The whistleblower has the right to obtain guarantees regarding the confidentiality of the contents of the grievances submitted;
4. The Whistleblower has the right to obtain a guarantee of safety from threats from the Reported Party;
5. The whistleblower has the right to obtain protection from the Company, including protection from pressure, discrimination and harassment in all forms, defense from legal claims.

### 4.4 Documentation

Handling of evidence and documentation related to Whistleblowing is as follows:

1. All Grievance documents, supporting data and evidence obtained during the Investigation process are confidential and must be stored and administered properly;
2. Documentation and evidence of Violation cases can only be accessed by authorized parties and stored in a safe location, to prevent loss, alteration or deletion of related evidence;
3. Storing and maintaining the implementation of policies, evidence and documentation related to whistleblowing grievances is the responsibility of the Whistleblowing Management Team.

## 5. MONITORING ASPECT

### 5.1 Regular Communication

The Company is dedicated to maintaining regular communication about the implementation of the Whistleblowing System (WBS) program and fostering internal and external support, particularly to cultivate a culture of humility and openness. Without consistent communication, there is a risk of creating a culture of silence around violations, which could ultimately undermine trust in the Company's leadership.

This regular communication can be carried out, among others, through:

- a. Regular publication every year on the Company website and internal media (e-mail, KM Portal, etc.).
- b. Carrying out activities in the form of trainings related to the Whistleblowing System, number of cases handled and benefits obtained, etc.
- c. Issuance of Whistleblowing System Guidelines, Technical Guidelines for Whistleblowing Management Mechanisms, Whistleblowing Procedures for employees.
- d. Regular meetings for dissemination of the Whistleblowing System.



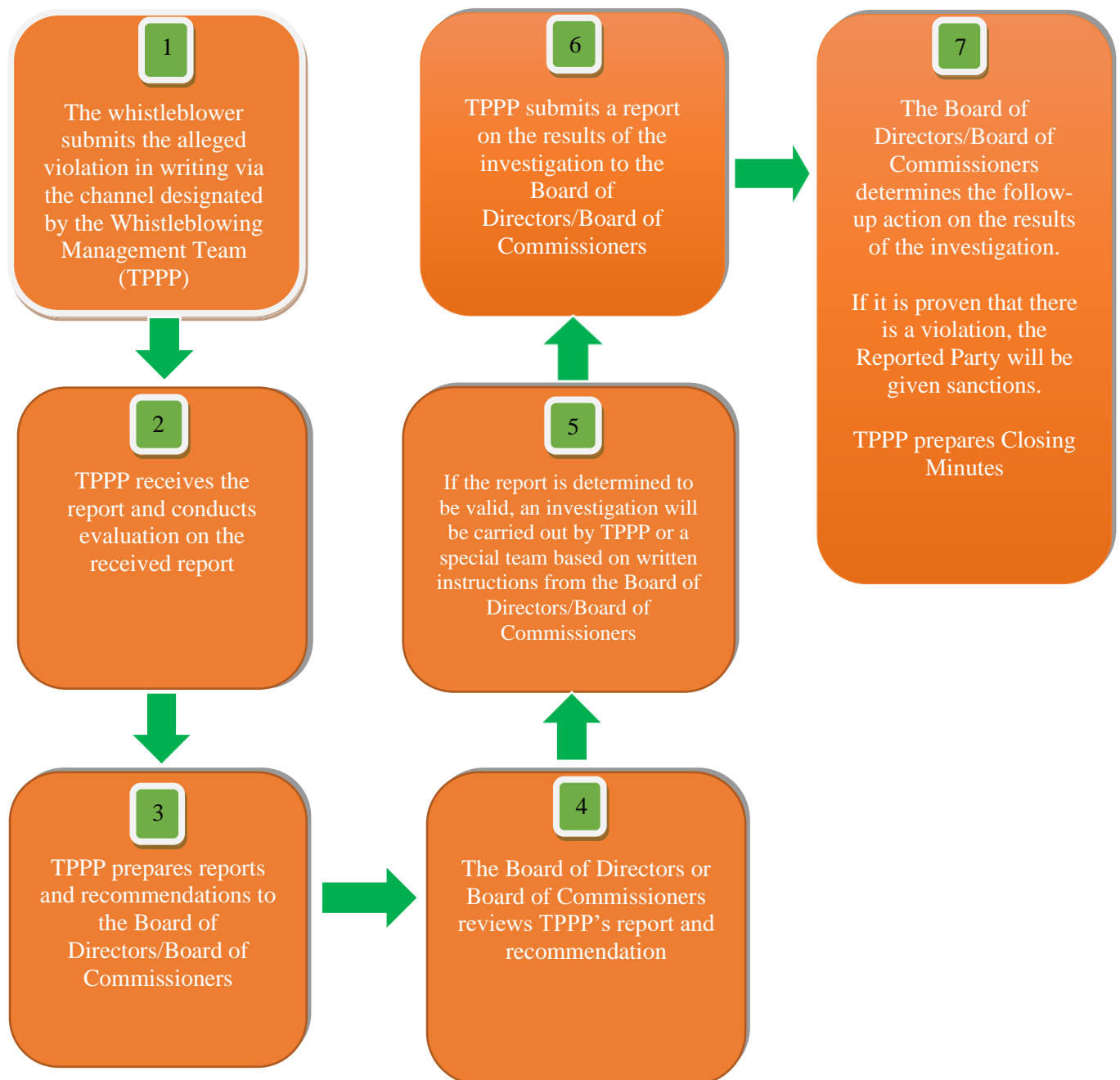
### **5.2 Monitoring Program Effectiveness and Improvement**

The Company conducts regular audits and reviews to assess the effectiveness of the Whistleblowing System program. These audits and reviews can be performed by the Internal Audit Unit or an independent external party.

The Company carries out monitoring and reviews to ensure the effectiveness of the implementation of the Whistleblowing System so that it can meet the targets that have been set and also ensure that these achievements are in line with the Company's business demands. If any gaps are identified, monitoring and review processes provide the opportunity for improvements. Consequently, these monitoring and review activities must be conducted at least once every 3 (three) years.

## Appendix:

### Flow of Violation Reporting Process in the Whistleblowing System



**Approval Page:**

**BOARD OF DIRECTORS APPROVAL**

This statement is signed by the Board of Directors on December 6, 2017, and shall be enforced as a binding guideline.

Board of Directors

PT Kliring Penjaminan Efek Indonesia,

**Sunandar**

President Director

**Umi Kulsum**

Director

**Iding Pardi**

Director

**BOARD OF COMMISSIONERS APPROVAL**

This statement is signed by the Board of Commissioners on December 6, 2017, and shall be enforced as a binding guideline.

Board of Commissioners

PT Kliring Penjaminan Efek Indonesia,

**Abraham Bastari**

President Commissioner

**Margeret M. Tang**

Commissioner

**James T. Riady**

Commissioner