Potential Risks during Covid-19 Pandemic in KSEI
Current Covid-19 and Economy Situation

Journey of Full WFH

Identified Risks
- Asset Commitment Risk
- Human Resources Risk
- Operational Risk
Covid-19 pandemic: Is it a stopper or game changer?
Covid-19: Indonesia Update

**Vaccination Rate**
*(as per September 18\textsuperscript{th} 2021)*

<table>
<thead>
<tr>
<th>Country</th>
<th>Fully Vaccinated</th>
<th>Partially Vaccinated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>77%</td>
<td>23%</td>
</tr>
<tr>
<td>China</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>Brazil</td>
<td>37%</td>
<td>63%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>United States</td>
<td>54%</td>
<td>46%</td>
</tr>
<tr>
<td>Brunei</td>
<td>34%</td>
<td>66%</td>
</tr>
<tr>
<td>World</td>
<td>31%</td>
<td>69%</td>
</tr>
<tr>
<td>India</td>
<td>14%</td>
<td>86%</td>
</tr>
<tr>
<td>Thailand</td>
<td>20%</td>
<td>80%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>16%</td>
<td>84%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>6.5%</td>
<td>93.5%</td>
</tr>
<tr>
<td>Pakistan</td>
<td>11%</td>
<td>89%</td>
</tr>
<tr>
<td>Myanmar</td>
<td>5.9%</td>
<td>94.1%</td>
</tr>
</tbody>
</table>

Source: Our world in Data

**Daily New Cases (per million people)**
*(as per September 18\textsuperscript{th} 2021)*

Data for countries such as Malaysia, United States, Brunei, Thailand, Philippines, Singapore, World, Vietnam, India, Indonesia, Pakistan, and Myanmar is visualized in the diagram, showing trends over time.
Covid-19 is a game changer for Indonesia Capital Market: in the area of investors’ growth, additional investors in a month now equals to number of investors till 2014.
Covid-19: Creating Opportunities

The Rise of Domestic Investors:
Daily Average Trading Frequency increased during Covid-19 pandemic reaching its record of more than 2 million transactions on 14 Jan 2021 and 09 Aug 2021. The significant increase of trading frequency was made possible due to online trading facilities improvements to ease investors opening accounts and trading.

Capital Market Investors:
Increased by 56.21%
(30 Dec 2019 – 30 Dec 2020)

YTD Aug 2021, number of investors increased by 2,219,772 (57.2%) with the highest additional investors in the month of January 2021: 342,527

The significant increase of total investors were supported by Mutual Fund investors involving Fintech as selling agents.

Investor Domestic Individual = 99.19% of total investors

Exchange Trading Frequency:

<table>
<thead>
<tr>
<th>Month</th>
<th>Min</th>
<th>Max</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 19</td>
<td>391.246</td>
<td>578.871</td>
<td>480.730</td>
</tr>
<tr>
<td>Jan-20</td>
<td>355.589</td>
<td>513.111</td>
<td>454.025</td>
</tr>
<tr>
<td>Feb-20</td>
<td>361.124</td>
<td>493.507</td>
<td>418.897</td>
</tr>
<tr>
<td>Mar-20</td>
<td>244.073</td>
<td>888.196</td>
<td>504.551</td>
</tr>
<tr>
<td>Apr-20</td>
<td>422.200</td>
<td>738.682</td>
<td>548.652</td>
</tr>
<tr>
<td>May-20</td>
<td>468.981</td>
<td>739.453</td>
<td>554.238</td>
</tr>
<tr>
<td>Jun-20</td>
<td>506.537</td>
<td>933.570</td>
<td>683.536</td>
</tr>
<tr>
<td>Jul-20</td>
<td>556.885</td>
<td>790.231</td>
<td>672.167</td>
</tr>
<tr>
<td>Aug-20</td>
<td>619.402</td>
<td>922.097</td>
<td>768.698</td>
</tr>
<tr>
<td>Sep-20</td>
<td>532.413</td>
<td>945.222</td>
<td>653.065</td>
</tr>
<tr>
<td>Oct-20</td>
<td>546.084</td>
<td>918.415</td>
<td>685.714</td>
</tr>
<tr>
<td>Nov-20</td>
<td>668.472</td>
<td>1,690.583</td>
<td>988.770</td>
</tr>
<tr>
<td>Dec 20</td>
<td>1,038.269</td>
<td>1,699.457</td>
<td>1,369.333</td>
</tr>
<tr>
<td>Jan-21</td>
<td>1,210.657</td>
<td>2,009.302</td>
<td>1,583.714</td>
</tr>
<tr>
<td>Feb-21</td>
<td>986.699</td>
<td>1,884.555</td>
<td>1,401.973</td>
</tr>
<tr>
<td>Mar-21</td>
<td>1,040.813</td>
<td>1,604.677</td>
<td>1,233.968</td>
</tr>
<tr>
<td>Apr-21</td>
<td>822.369</td>
<td>1,220.771</td>
<td>984.526</td>
</tr>
<tr>
<td>May-21</td>
<td>953.734</td>
<td>1,200.243</td>
<td>1,043.252</td>
</tr>
<tr>
<td>Jun-21</td>
<td>1,050.990</td>
<td>1,440.453</td>
<td>1,210.500</td>
</tr>
<tr>
<td>Jul-21</td>
<td>1,032.043</td>
<td>1,544.644</td>
<td>1,280.197</td>
</tr>
<tr>
<td>Aug-21</td>
<td>1,268.656</td>
<td>2,156.971</td>
<td>1,542.421</td>
</tr>
</tbody>
</table>
Identified Risks

Human Resources Risk

Asset Commitment Risk
  • Transaction settlement process

Operational Risk
Asset Commitment Risk
Increased Average Daily Trading Activities

Liquidity in the stock market has increased over the past years

Source: IDX

September 10th 2021

AVERAGE DAILY TRADING VOLUME (MILLION SHARES/DAY)

AVERAGE DAILY TRADING TURNOVERS (BILLION IDR)

AVERAGE DAILY NUMBER OF SHARES (TRADES/DAY)

MARKET CAP (TRILLION IDR)
Asset Commitment Risk

High Transaction Volume
Trading volume is increasing during pandemic. On 14 Jan 2021 and 9 Aug 2021 more than 2 million transactions recorded in IDX

Increasing risk exposure
High volume transaction results in higher probability of risk occurrence: Settlement process and the availability of the system

Risk Mitigations
1. Conduct BCP live test during Covid-19 Pandemic and Work From Home
2. Regular performance audit to ensure capacity planning
3. Revisit Service Level Agreement between KSEI and KPEI-IDX.
Human Resource Risk
Human Resources Risk

Confirmed Cases Since Pandemic Began
29 employees have been infected with the Coronavirus.

Current Active Cases
0

Vaccination Status
146 of 156 employees have been vaccinated

Highest Number of Confirmed Cases
Based on our record, the number of employee infected with Coronavirus reached highest number on July 2021 (11 employees).
Our staff is our assets: to take care others, we have to start by taking care of ourself.

**Human Resources Risk**

**Supplied Health Package**

**Organized Health Talk**

**Medical Check Up periodically**

**Working from Home Policy**

**Arrange the “WFO” schedule**

**Conducting vaccines programs**

**Our Extended Efforts to fight Covid-19 for our stakeholders:**

- **Vaccination centres for our participants’ employees and direct families**
- **Medical supplies to hospitals (oxygen concentrators, oxymeter, masks, etc)**
- **Blood donor activities (including convalescence donor)**
- **Donations for our medical crew heroes who passed away fighting for Covid-19**
Operational Risk
To respond WFH situation, currently we are adjusting our internal policies to reflect the new normal.

Issues:
1. Internal Document
2. External Document

Issues:
1. Public Information
2. Confidential Information

Issue: Application Control available

Issue: Vulnerability Assessment

To respond WFH situation, currently we are adjusting our internal policies to reflect the new normal.
PT Kustodian Sentral Efek Indonesia
Gedung Bursa Efek Indonesia Tower I Lantai 5
Jl Jend. Sudirman Kav. 52-53
Jakarta 12190
Indonesia

+62 21-52991199  +62 21-5152855  0800-186-5734
helpdesk@ksei.co.id  www.ksei.co.id

Kustodian Sentral Efek Indonesia
@ksei.official