



REGULATION OF FINANCIAL SERVICES AUTHORITY  
OF THE REPUBLIC OF INDONESIA  
NUMBER 12 OF 2025  
CONCERNING  
IMPLEMENTATION OF RISK MANAGEMENT AND ASSESSMENT OF  
INVESTMENT MANAGER SOUNDNESS LEVEL

BY THE GRACE OF GOD THE ALMIGHTY

BOARD OF COMMISSIONERS OF FINANCIAL SERVICES AUTHORITY,

- Considering : a. that the development and complexity of business, the risk profile of investment managers, and investment products, as well as the development and complexity of transaction and investment activities in the Capital Market industry, affect investment manager soundness levels;
- b. that in order to deal with the development and complexity as referred to in letter a, it is necessary to implement risk management and soundness level assessment with a risk-based approach to avoid or minimize losses from the investment manager' business activities that may affect the business continuity of Investment Manager;
- c. that based on the considerations as referred to in letter a and letter b, it is necessary to enact the Regulation of Financial Services Authority concerning Implementation of Risk Management and Assessment of Investment Manager Soundness Level;
- In view of : 1. Law Number 8 of 1995 on Capital Market (State Gazette of the Republic of Indonesia of 1995 Number 64, Supplement to the State Gazette of the Republic of Indonesia Number 3608) as amended by Law Number 4 of 2023 on Development and Strengthening of Financial Sector (State Gazette of the Republic of Indonesia of 2023 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 6845);

2. Law Number 21 of 2011 on Financial Services Authority (State Gazette of the Republic of Indonesia of 2011 Number 111, Supplement to the State Gazette of the Republic of Indonesia Number 5253) as amended by Law Number 4 of 2023 on Development and Strengthening of Financial Sector (State Gazette of the Republic of Indonesia of 2023 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 6845);

HAS DECIDED:

To enact : REGULATION OF FINANCIAL SERVICES AUTHORITY CONCERNING IMPLEMENTATION OF RISK MANAGEMENT AND ASSESSMENT OF INVESTMENT MANAGER SOUNDNESS LEVEL.

## CHAPTER 1 GENERAL PROVISION

### Article 1

In this Regulation of Financial Services Authority, the following terms are defined as follows:

1. Securities are securities or investment contracts both in conventional and digital form or other forms in accordance with technological developments that give the owner the right to directly or indirectly obtain economic benefits from the issuer or from certain parties based on agreements and any derivatives of securities, which can be transferred and/or traded in the Capital Market.
2. Investment Manager is a party whose business activity is to manage securities portfolio, collective investment portfolio, and/or other investment portfolio for the benefit of a group of customers or individual customers, except insurance companies, sharia insurance companies, pension funds, and banks that conduct their own business activities based on laws and regulations.
3. Investment Products are mutual funds, asset-backed securities in the form of collective investment contracts, infrastructure investment funds, real estate investment funds, individual customer Securities portfolio management, multi-asset investment funds, collective investment contracts for public housing savings fund investment, and other

investment products stipulated by Financial Services Authority based on the provisions of laws and regulations.

4. Risk Management is a series of procedures and methodologies used to identify, measure, monitor, and control risks arising from the business activities of Investment Manager.
5. Investment Manager Soundness Level is the result of an assessment of the condition of Investment Manager conducted on the risks and performance of the Investment Manager, including the Investment Products managed.
6. Composite Rating is the final rating of the Investment Manager Soundness Level assessment result.
7. Market Risk is the risk arising in Investment Product portfolio due to changes in market conditions including changes in prices and interest rates.
8. Investment Product Liquidity Risk is the risk arising from the inability of Investment Products managed by Investment Managers to fulfil the short-term obligations.
9. Credit Risk is the risk caused by the failure of other parties, especially transaction and/or contract counterparties, related to instruments in the portfolio to fulfil their obligations to the Investment Products.
10. Securities Portfolio Concentration Risk is the risk arising from the accumulative investment activities of the entire Investment Product portfolio in one type of asset or instrument issued by a particular entity.
11. Operational Risk is the risk due to inadequate and/or malfunctioning internal processes, human error, and system and information technology failures that affect Investment Manager's operations.
12. Legal Risk is the risk arising from lawsuits and/or decisions that may affect or negatively impact Investment Manager's business.
13. Compliance Risk is the risk arising from the failure of Investment Manager to comply with and/or implement the provisions of laws and regulations.
14. Reputation Risk is the risk arising from negative perceptions of Investment Manager that have an impact on the continuity of Investment Manager's business or business activities.
15. Strategic Risk is a risk caused by the inaccuracy of Investment Manager in making and/or implementing a strategic decision and failure to anticipate changes in the business environment.
16. Investment Risk is the risk that arises in the financial condition of Investment Manager due to the

placement of investments made for Investment Manager's own interests.

17. Party is an individual, legal entity, company, joint venture, association, or organized group.

## Article 2

- (1) Investment Manager is obligated to prudently maintain, preserve, and manage Investment Manager Soundness Level and effectively apply Risk Management to:
  - a. the management of Securities portfolio or Investment Products managed;
  - b. the implementation of Investment Manager's business activities; and
  - c. the risks inherent to Investment Products and Investment Manager.
- (2) The Board of Directors and the Board of Commissioners are responsible for safeguarding, maintaining, and managing Investment Manager Soundness Level as referred to in paragraph (1) in accordance with the provisions of laws and regulations.

## Article 3

The Provisions on the implementation of Risk Management and assessment of Investment Manager Soundness Levels as regulated in this Regulation of Financial Services Authority apply *mutatis mutandis* to sharia Investment Managers and sharia investment management products.

## Article 4

- (1) Any Party who violates the provisions as referred to in Article 2 is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
  - a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities;

- d. suspension of business activities;
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is to be implemented in accordance with the provisions of laws and regulations in the capital market sector.

## CHAPTER II SCOPE OF RISK MANAGEMENT

### Article 5

- (1) The implementation of Risk Management as referred to in Article 2, paragraph (1) must at least include:
- a. active supervision by the Board of Directors and the Board of Commissioners;
  - b. adequacy of Risk Management policies and procedures;
  - c. adequacy of risk identification, measurement, monitoring, and control processes; and
  - d. a comprehensive internal control system.
- (2) The implementation of Risk Management as referred to in paragraph (1) must be adjusted to the size, business complexity, and capabilities of Investment Manager.

### Article 6

- (1) An Investment Manager is obligated to apply Risk Management as referred to in Article 5 paragraph (1) to the risks of:
- a. Investment Products; and
  - b. Investment Manager.
- (2) Risks in Investment Products as referred to in paragraph (1) letter a, include:
- a. Market Risk;
  - b. Investment Product Liquidity Risk;

- c. Credit Risk; and
- d. Securities Portfolio Concentration Risk.
- (3) Risk to Investment Manager as referred to in paragraph (1) letter b, includes:
  - a. Operational Risk;
  - b. Legal Risk;
  - c. Compliance Risk;
  - d. Reputation Risk;
  - e. Strategic Risk; and
  - f. Investment Risk.

#### Article 7

- (1) Any Party who violates the provisions as referred to in Article 5 paragraph (2) and/or Article 6 paragraph (1) is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
  - a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities;
  - d. suspension of business activities;
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is to be implemented in accordance with the provisions of laws and regulations in the capital market sector.

CHAPTER III  
ACTIVE SUPERVISION OF BOARD OF DIRECTORS AND  
BOARD OF COMMISSIONERS

Article 8

In the implementation of Risk Management, an Investment Manager is obligated to determine clear authority and responsibility at each level of position in the active supervision of the board of directors and the board of commissioners as referred to in Article 5 paragraph (1) letter a.

Article 9

- (1) The authorities and responsibilities as referred to in Article 8 for the board of directors at least include:
  - a. preparing written and comprehensive Risk Management policies and strategies;
  - b. being responsible for the implementation of Risk Management policies and risk exposures taken by Investment Manager as a whole;
  - c. evaluating and deciding on transactions that require the approval of board of directors;
  - d. developing a Risk Management culture at all levels of the organization;
  - e. evaluating Risk Management policies, strategies, and procedures and risk exposures that affect Investment Manager's business activities;
  - f. ensuring the improvement of human resource competencies related to Risk Management;
  - g. ensuring Risk Management function has operated independently; and
  - h. conducting periodic reviews at least 1 (one) time in 1 (one) year to ensure:
    1. the accuracy of the risk assessment methodology;
    2. the adequacy of Risk Management information system implementation; and
    3. the accuracy of Risk Management policies and procedures.
- (2) In implementing the authorities and responsibilities as referred to in paragraph (1), the board of directors must have:
  - a. adequate understanding of the risks inherent in all functional activities on:



1. Investment Products; and
2. Investment Manager; and
- b. ability to take necessary actions in accordance with the risk profile of Investment Manager.

#### Article 10

- (1) The authorities and responsibilities as referred to in Article 8 for the board of commissioners must at least include:
  - a. approve and evaluate the Risk Management Policy; and
  - b. evaluate and/or provide direction for improvement on the accountability of the board of directors in the implementation of Risk Management Policy as referred to in letter a.
- (2) The evaluation of the Risk Management Policy as referred to in paragraph (1) letter a is implemented periodically at least 1 (one) time in 1 (one) year and at any time in the event of there are factors that significantly affect Investment Manager's business activities.
- (3) The evaluation of the board of directors' accountability for the implementation of the Risk Management Policy as referred to in paragraph (1), letter b is implemented at least 1 time (once) in 6 (six) months.

#### Article 11

- (1) Any Party who violates the provisions as referred to in Article 8 is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
  - a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities;
  - d. suspension of business activities;
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be



imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.

- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in capital market sector.

## CHAPTER IV ADEQUACY OF RISK MANAGEMENT POLICIES AND PROCEDURES

### Part One Risk Management Policy

#### Article 12

- (1) The Investment Manager is obligated to have a Risk Management policy stipulated by the board of directors and approved by the board of commissioners.
- (2) The Risk Management Policy as referred to in paragraph (1) at least contains:
  - a. a comprehensive Risk Management strategy for the Investment Manager, including for Investment Products;
  - b. the determination of the implementation of risk identification, measurement, monitoring, and control methods, as well as Risk Management information systems;
  - c. an early detection system;
  - d. the procedure for setting limits and risk tolerance;
  - e. an approval mechanism in the event of exceeding the risk limit;
  - f. the determination of risk profile rating assessment;
  - g. the preparation of a business continuity plan; and
  - h. the establishment of an internal control system in the implementation of Risk Management.
- (3) Risk Management Strategy as referred to in

paragraph (2) letter a at least contains:

- a. an explanation on the causes of the occurrence of risk;
  - b. an explanation on the implications of the occurrence of risk;
  - c. the identification of the possibility of risk occurrence
  - d. the determination of risk limits;
  - e. the steps that must be taken if the risk occurs; and
  - f. monitoring and risk management.
- (4) The Investment Manager is obligated to create, document, and maintain all documents and/or records relating to the Risk Management Policy, including policy changes as referred to in paragraph (1) and paragraph (2).

## Section Two Risk Management Procedure

### Article 13

- (1) The Investment Manager is obligated to have a Risk Management procedure.
- (2) The Risk Management procedure as referred to in paragraph (1) must be adjusted to the level of risk that will be taken against the risks of the Investment Manager.
- (3) The Risk Management procedure as referred to in paragraph (1) at least contains:
  - a. the clear accountability and levels of delegation of authority;
  - b. the periodic review of the Risk Management procedure; and
  - c. the adequate documentation of the Risk Management procedure and the establishment of risk limits.

### Article 14

- (1) Any Party who violates the provisions as referred to in Article 12 paragraph (1), paragraph (4), Article 13 paragraph (1) and/or paragraph (2) is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph

- (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
- a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities;
  - d. suspension of business activities;
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in the capital market sector.

## CHAPTER V ADEQUACY OF RISK IDENTIFICATION, MEASUREMENT, MONITORING, AND CONTROL PROCESSES

### Section One General

#### Article 15

- (1) Investment Manager is obligated to implement the process of identifying, measuring, monitoring, and controlling risks as referred to in Article 5, paragraph (1), letter c on material risk factors.
- (2) The implementation of the risk identification, measurement, monitoring, and control process as referred to in paragraph (1) are obligated to be supported by:
- a. an adequate Risk Management information system; and
  - b. the accurate and informative reports on the financial condition, performance of functional

- activities, and risk exposure of Investment Manager.
- (3) An adequate Risk Management information system, as referred to in paragraph (2) letter a, includes reports or information containing at least:
    - a. the risk exposure as referred to in paragraph (2), letter b;
    - b. compliance with Risk Management policies and procedures and the establishment of risk limits as referred to in Article 12 and Article 13; and
    - c. the realization of Risk Management implementation compared to the target set.
  - (4) Reports or information generated from the Risk Management information system, as referred to in paragraph (3), must be submitted regularly to the Board of Directors.

Section Two  
Process of Identification, Measurement, Monitoring, and  
Risk Control

Article 16

- (1) In implementing the risk identification process, Investment Manager is obligated to analyse at least:
  - a. the inherent risk characteristics of the Investment Manager; and
  - b. the risks of Investment Manager's products and business activities.
- (2) In implementing risk measurement, Investment Manager is obligated to do at least:
  - a. periodic evaluation of the suitability of assumptions, data sources, and procedures used to measure risk; and
  - b. improvements to the risk measurement system in the event of changes in the size, business complexity, and capabilities of the Investment Manager.
- (3) In implementing risk monitoring, Investment Manager is obligated to do at least:
  - a. the evaluation of risk exposures; and
  - b. the refinement of reporting processes and coverage.
- (4) The Investment Manager is obligated to implement a risk control process to manage risks that may jeopardize business continuity.

## Article 17

- (1) Any Party who violates the provisions as referred to in Article 15 paragraph (1), paragraph (2) and/or Article 16 is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (4) in the form of:
  - a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities;
  - d. suspension of business activities;
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in the capital market sector.

## CHAPTER VI COMPREHENSIVE INTERNAL CONTROL SYSTEM

### Section One General

## Article 18

The Investment Manager is obligated to implement a comprehensive internal control system as referred to in Article 5 paragraph (1) letter d effectively, to detect weaknesses and irregularities in the implementation of

business and operational activities at all levels of the Investment Manager organization.

#### Article 19

In implementing a comprehensive internal control system as referred to in Article 18, the Investment Manager is obligated to ensure:

- a. compliance with the provisions of laws and regulations and internal policies or provisions of the Investment Manager;
- b. effectiveness and efficiency in operational activities; and
- c. the effectiveness of the risk culture in the Investment Manager organization as a whole.

#### Section Two

#### Internal Control of Risk Management Implementation

#### Article 20

- (1) The Internal control system in the implementation of Risk Management, as referred to in Article 5, paragraph (1), letter d, at least contains:
  - a. the suitability of the internal control system with the type and level of risk inherent in the Investment Manager's business activities;
  - b. the determination of authority and responsibility for monitoring compliance with Risk Management policies and procedures, as well as the determination of risk limits as referred to in Articles 12 and 13;
  - c. the establishment of access mechanism for all risk information and a clear separation of functions between the implementation of operational activities and the implementation of internal control activities;
  - d. an organizational structure that clearly describes the Investment Manager's business activities;
  - e. accurate and timely reporting of financial and operational activities;
  - f. adequate procedure to ensure Investment Manager's compliance with the provisions of laws and regulations;
  - g. effective, independent, and objective review of the procedure for assessing the Investment Manager's operational activities;
  - h. the complete and adequate documentation of

- operational procedure, scope, and audit findings, as well as responses from the board of directors and the board of commissioners of Investment Manager based on audit results; and
- i. periodic and continuous verification and review of the handling of material Investment Manager weaknesses and actions of the board of directors and the board of commissioners of Investment Manager to correct deviations that occur.
- (2) The assessment of the internal control system in the implementation of Risk Management as referred to in paragraph (1) is obligated to be implemented by internal audit function.
  - (3) Investment Manager is obligated to immediately follow up and/or make improvements to the weaknesses and/or irregularities that occur based on the assessment results as referred to in paragraph (2).

#### Article 21

- (1) Any Party who violates the provisions as referred to in Article 18, Article 19, Article 20 paragraph (2) and/or paragraph (3) is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
  - a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities
  - d. suspension of business activities
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph



- (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in the capital market sector.

## CHAPTER VII RISK MANAGEMENT ORGANIZATION AND FUNCTION

### Article 22

- (1) In the implementation of effective Risk Management as referred to in Article 2, Investment Manager is obligated to have a Risk Management function.
- (2) The implementation of the Risk Management function as referred to in paragraph (1) must comply with the Regulation of Financial Services Authority on the guidelines for the implementation of Investment Manager functions and the Regulation of Financial Services Authority on the implementation of Investment Manager governance.

### Article 23

- (1) Any Party who violates the provisions as referred to in Article 22 is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraphs (1) and (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) in the form of:
  - a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities
  - d. freezing of business activities
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.

- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in the capital market sector.

## CHAPTER VIII ASSESSMENT OF SOUNDNESS LEVEL OF INVESTMENT MANAGER

### Article 24

- (1) Investment Manager is obligated to assess the Investment Manager Soundness Level using a risk-based approach.
- (2) The assessment of the Investment Manager Soundness Level, as referred to in paragraph (1), is to be implemented through self-assessment.
- (3) The self-assessment of the Investment Manager Soundness Level, as referred to in paragraph (2), is obligated to be implemented at least 1 time (once) every year for the position at the end of December.
- (4) Investment Manager is obligated to update the self-assessment of the Investment Manager Soundness Level at any time in the event of:
  - a. being required by the Investment Manager; and/or
  - b. being ordered by the Financial Services Authority.

### Article 25

The Financial Services Authority is authorized to:

- a. review the results of the self-assessment of the Investment Manager Soundness Level;
- b. order Investment Manager to make adjustments to the results of the self-assessment of the Investment Manager Soundness Level conducted by the Investment Manager;
- c. request Investment Manager to submit an action plan containing corrective measures and/or risk mitigation that is obligated to be implemented by the Investment Manager with a specified time target;
- d. evaluate the adjustment of the action plan as referred

- to in letter c; and
- e. request Investment Manager to submit the results of the implementation of the action plan.

#### Article 26

- (1) Any Party who violates the provisions as referred to in Article 24 paragraph (1), paragraph (3), and/or paragraph (4) is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
  - a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities
  - d. suspension of business activities
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in the capital market sector.

### CHAPTER IX REPORTING OF INVESTMENT MANAGER SOUNDNESS ASSESSMENT RESULT

#### Article 27

- (1) Investment Manager is obligated to submit the results of the self-assessment of the Investment Manager Soundness Level as referred to in Article 24 paragraph (3) to the Financial Services Authority for

- the position at the end of December, no later than February 15 of the following year.
- (2) Investment Manager is obligated to submit the update of the self-assessment of the Investment Manager Soundness Level as referred to in Article 24 paragraph (4) no later than 30 (thirty) days since:
    - a. the date of the update of self-assessment of the Investment Manager Soundness Level, if the update is implemented by the Investment Manager; or
    - b. the order of the Financial Services Authority.
  - (3) If the deadline for submission of the results of self-assessment or update of self-assessment of the Investment Manager Soundness Level as referred to in paragraph (1) and paragraph (2) falls on a holiday, the results of self-assessment or update of self-assessment of the Investment Manager Soundness Level is to be submitted on the next 1 (one) business day.
  - (4) In the event that Investment Manager submits the results of self-assessment or update of self-assessment of the Investment Manager Soundness Level as referred to in paragraph (3), the calculation of the number of days of delay in the submission of the results of self-assessment or update of self-assessment of the Investment Manager Soundness Level calculated from the first day after the deadline for submission of the results of self-assessment or update of self-assessment of the Investment Manager Soundness Level as referred to in paragraph (3).

#### Article 28

- (1) In the event that the Financial Services Authority has provided an electronic reporting system, the submission of the results of the self-assessment or update of the self-assessment of the Investment Manager Soundness Level as referred to in Article 27 paragraph (1) and paragraph (2) is obligated to be submitted via the electronic reporting system of the Financial Services Authority.
- (2) In the event that the electronic reporting system of the Financial Services Authority cannot yet be used for the submission of the results of the self-assessment or update of the self-assessment of the Investment Manager Soundness Level as referred to in paragraph (1), Investment Manager is obligated to submit the results of the self-assessment or update of the self-assessment of the Investment Manager

Soundness Level offline to the Financial Services Authority.

- (3) In the event that the Financial Services Authority experiences technical disruptions and/or the development of an electronic reporting system on the deadline for submitting the results of self-assessment or updating the self-assessment of the Investment Manager Soundness Level so that the Investment Manager cannot submit the results of self-assessment or updating the self-assessment of the Investment Manager Soundness Level, the Financial Services Authority must notify Investment Manager in writing and delivered:
  - a. directly to the Investment Manager;
  - b. via the electronic reporting system of the Financial Services Authority;
  - c. via the electronic mail address of the Financial Services Authority; and/or
  - d. via the Financial Services Authority's website.
- (4) The Financial Services Authority notifies Investment Manager that the technical disruption and/or system development at the Financial Services Authority as referred to in paragraph (3) has been resolved or settled via:
  - a. the electronic reporting system of the Financial Services Authority; and/or
  - b. electronic mail address of the Financial Services Authority.
- (5) Investment Manager is obligated to submit the results of the self-assessment or update of the self-assessment of the Investment Manager Soundness Level no later than 2 (two) business days after the Financial Services Authority notifies that the technical disruption and/or the development of the electronic reporting system of the Financial Services Authority as referred to in paragraph (3) has been resolved or settled.
- (6) In the event that the Investment Manager experiences force majeure so that it cannot submit the results of the self-assessment or update of the self-assessment of the Investment Manager Soundness Level until the submission deadline, the Investment Manager is obligated to submit a written notification letter to the Financial Services Authority to obtain a postponement of the deadline for submitting the results of the self-assessment or update of the self-assessment the of Investment Manager Soundness Level no later than 1 (one) business day since the occurrence of force majeure.

- (7) Investment Manager is obligated to submit a notification letter regarding force majeure as referred to in paragraph (6) to the relevant capital market supervision department at the Financial Services Authority:
  - a. via the electronic mail address of the Financial Services Authority; and/or
  - b. offline.

#### Article 29

- (1) Any Party who violates the provisions as referred to in Article 27 paragraph (1), paragraph (2), Article 28 paragraph (1), paragraph (2), paragraph (5), paragraph (6), and/or paragraph (7) is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
  - a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities
  - d. suspension of business activities
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in the capital market sector.

CHAPTER X  
MECHANISM FOR ASSESSING THE INVESTMENT  
MANAGER SOUNDNESS LEVEL

Article 30

Investment Manager is obligated to conduct a self-assessment of the Investment Manager Soundness Level using the risk-based approach as referred to in Article 24 paragraph (2), with the scope of assessment on the following factors:

- a. risk profile;
- b. governance of Investment Manager;
- c. profitability; and
- d. capitalization.

Article 31

- (1) The assessment of the risk profile factor as referred to in Article 30 letter a is the assessment of the inherent risk and quality of the implementation of the Risk Management in Investment Manager's operations, which must be implemented for the risks as referred to in Article 6.
- (2) The obligation to assess the Investment Manager governance factor as referred to in Article 30 letter b is the assessment of the implementation of the Investment Manager governance principles which refers to the Regulation of Financial Services Authority on the implementation of Investment Manager governance.
- (3) The obligation to assess the profitability factor as referred to in Article 30 letter c includes the assessment of:
  - a. the profitability performance; and
  - b. the sustainability of profitability.
- (4) The obligation to assess the capital factor as referred to in Article 30 letter d includes the assessment of:
  - a. the level of capital adequacy; and
  - b. the capital management.

Article 32

- (1) Each of the Investment Manager Soundness Level assessment factor, as referred to in Article 30, is assigned a rating based on a comprehensive and structured analysis framework.
- (2) The rating of each factor as referred to in paragraph (1) is categorized as:
  - a. rank 1;
  - b. rank 2;



- c. rank 3;
  - d. rank 4; and
  - e. rank 5.
- (3) The Determination of the risk profile factor rankings is implemented in stages:
- a. the determination of the risk level of each risk as referred to in Article 6;
  - b. the determination of the composite inherent risk level and composite quality of Risk Management implementation; and
  - c. the determination of the risk profile factor rating based on a comprehensive and structured analysis of the determination results as referred to in letters a and letter b by considering the significance of each risk to the overall risk profile.
- (4) The determination of governance factor rating is implemented with reference to the Regulation of Financial Services Authority on the implementation of Investment Manager governance.
- (5) The determination of the profitability factor rating is implemented based on a comprehensive analysis of profitability parameters or indicators with due regard to:
- a. the significance of each parameter or indicator; and
  - b. other issues that affect the Investment Manager's profitability.
- (6) The determination of the Investment Manager's capital factor assessment rating is implemented based on a comprehensive analysis of capital parameters or indicators with due regard to:
- a. the significance of each parameter or indicator; and
  - b. other issues that affect the Investment Manager's capital.

### Article 33

- (1) The Investment Manager Soundness Level Composite Rating is determined based on a comprehensive and structured analysis of the rating of each factor as referred to in Article 32, paragraph (3) through paragraph (6), by considering the materiality and significance of each factor.
- (2) The Composite Rating, as referred to in paragraph (1), is categorized as follows:
- a. Composite Rank 1;
  - b. Composite Rank 2;

- c. Composite Rank 3;
  - d. Composite Rank 4; and
  - e. Composite Rank 5.
- (3) Composite Rating 1, as referred to in paragraph (2) letter a, reflects the condition of the Investment Manager as generally very sound, so that it is considered very capable of facing significant negative influences from changes in business conditions and other external factors.
  - (4) Composite Rating 2, as referred to in paragraph (2) letter b, reflects the condition of the Investment Manager, which is generally sound, so that it is considered capable of facing significant negative effects from changes in business conditions and other external factors.
  - (5) Composite Rating 3, as referred to in paragraph (2) letter c, reflects the condition of the Investment Manager, which is generally quite sound, so that it is considered quite capable of facing significant negative influences from changes in business conditions and other external factors.
  - (6) Composite Rating 4, as referred to in paragraph (2) letter d, reflects the condition of the Investment Manager, which is generally less sound, so that it is considered less capable to face significant negative influences from changes in business conditions and other external factors.
  - (7) Composite Rating 5, as referred to in paragraph (2) letter e, reflects the condition of the Investment Manager, which is generally unsound, so that it is considered incapable to face significant negative effects from changes in business conditions and other external factors.

#### Article 34

Provisions on the assessment of the Investment Manager Soundness Levels are to be stipulated by the Financial Services Authority.

#### Article 35

- (1) Any Party who violates the provisions as referred to in Article 30 and/or Article 31 paragraph (1) is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph

- (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
- a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities
  - d. suspension of business activities
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) An Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in the capital market sector.

## CHAPTER XI

### FOLLOW-UP TO THE RESULT OF THE INVESTMENT MANAGER SOUNDNESS LEVEL ASSESSMENT

#### Article 36

- (1) Investment Manager is obligated to develop an action plan based on the analysis conducted and the needs in improving the results of the self-assessment of the Investment Manager Soundness Level, which refers to the determination of the Investment Manager Soundness Level Composite Rating as referred to in Article 33.
- (2) The Board of Directors and/or the Board of Commissioners is obligated to submit the action plan as referred to in paragraph (1) to the Financial Services Authority, in the events of:
- a. The Investment Manager Soundness Level factor, which is determined with a rating of 4 or a rating of 5;
  - b. The Investment Manager Soundness Level

- Composite Rating which is determined with a rating of 4 or a rating of 5; and/or
- c. The Investment Manager Soundness Level Composite Rating is determined with a rating of 3, but there are significant problems that need to be addressed so as not to disrupt the business continuity of the Investment Manager.
- (3) The action plan as referred to in paragraph (2) contains corrective measures to be implemented by the Investment Manager in improving the results of the self-assessment of the Investment Manager Soundness Level.
  - (4) The action plan as referred to in paragraph (3) is binding and is obligated to be implemented.
  - (5) The Financial Services Authority is authorized to request the Investment Manager to adjust the action plan as referred to in paragraph (1).

#### Article 37

Investment Manager is obligated to submit an action plan together with:

- a. the result of the self-assessment of the Investment Manager Soundness Level as referred to in Article 27 paragraph (1); or
  - b. the update of the self-assessment of the Investment Manager Soundness Level as referred to in Article 27 paragraph (2),
- to the Financial Services Authority.

#### Article 38

- (1) Investment Manager is obligated to submit a report on the implementation of the action plan to the Financial Services Authority no later than 10 (ten) business days after the completion of the action plan.
- (2) In the event that the Financial Services Authority has provided an electronic reporting system, the provisions of electronic submission of reports as referred to in Article 28 apply mutatis mutandis to the provisions of submission of reports on the implementation of action plans as referred to in paragraph (1).

#### Article 39

- (1) Any Party who violates the provisions as referred to in Article 36, paragraph (1), paragraph (2), paragraph (4), Article 37, and/or Article 38 is subject to

- administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
  - (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
  - (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
    - a. written admonition;
    - b. fine, namely obligation to pay a certain sum of money;
    - c. restriction on business activities
    - d. suspension of business activities
    - e. revocation of business license; and/or
    - f. cancellation of approval.
  - (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
  - (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
  - (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in the capital market sector.

## CHAPTER XII

### RISK MANAGEMENT OF OTHER ACTIVITIES

#### Article 40

- (1) Investment Manager is obligated to have a written Risk Management policy to manage the risks inherent in the Investment Manager's other business activities.
- (2) Other business activities of the Investment Manager as referred to in paragraph (1) must be implemented with reference to the Regulation of Financial Services Authority on the Investment Manager's code of conduct.

#### Article 41

- (1) Any Party who violates the provisions as referred to in Article 40 paragraph (1) is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party who causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the form of:
  - a. written admonition;
  - b. fine, namely obligation to pay a certain sum of money;
  - c. restriction on business activities
  - d. suspension of business activities
  - e. revocation of business license; and/or
  - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanction in the form of fine as referred to in paragraph (4) letter b may be imposed separately or simultaneously with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedure for the imposition of administrative sanctions as referred to in paragraph (3) is implemented in accordance with the provisions of laws and regulations in the capital market sector.

### CHAPTER XIII MISCELLANEOUS PROVISIONS

#### Article 42

In addition to administrative sanctions as referred to in this Regulation of Financial Services Authority, the Financial Services Authority may take certain actions against any Party who violates the provisions of this Regulation of Financial Services Authority.

#### Article 43

The Financial Services Authority may announce the imposition of administrative sanctions as referred to in this Regulation of Financial Services Authority and certain actions as referred to in Article 42 to the public.

#### Article 44

For each Party involved in the implementation of Risk Management and the assessment of the Investment Manager Soundness Level, the relevant consumer protection principles as regulated in Regulation of Financial Services Authority concerning the protection of consumers and the public in the financial services sector apply.

### CHAPTER XIV CONCLUDING PROVISIONS

#### Article 45

Provisions on the obligation of Investment Manager to implement Risk Management and the assessment of the Investment Manager Soundness Level as regulated in this Regulation of Financial Services Authority comes into force after 2 (two) years as of the promulgation of this Regulation of Financial Services Authority.

#### Article 46

The imposition of sanctions for violations of this Regulation of Financial Services Authority comes into force 3 (three) years since this Regulation of Financial Services Authority is promulgated.

#### Article 47

At the time this Regulation of Financial Services Authority comes into effect, the provisions on the obligation to implement Risk Management as stipulated in Article 47 of the Regulation of Financial Services Authority Number 17/POJK.04/2022 concerning the Code of Conduct for Investment Manager (State Gazette of the Republic of Indonesia of 2022 Number 20, Supplement to the State Gazette of the Republic of Indonesia Number 12), are revoked and declared null and void after 2 (two) years as of the promulgation of this Regulation of Financial Services Authority.



Article 48

This Regulation of Financial Services Authority comes into force on the date of its promulgation.

For public cognizance, ordering the promulgation of this Regulation of Financial Services Authority to be published in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta

on 2 May 2025

CHAIRMAN OF THE BOARD OF  
COMMISSIONERS OF  
THE FINANCIAL SERVICES  
AUTHORITY

signed

MAHENDRA SIREGAR



Promulgated in Jakarta

on 9 May 2025

MINISTER OF LAW  
OF THE REPUBLIC OF INDONESIA

Signed

SUPRATMAN ANDI AGTAS

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2025 NUMBER  
20/OJK

EXPLANATORY NOTES  
TO  
REGULATION OF FINANCIAL SERVICES AUTHORITY  
OF THE REPUBLIC OF INDONESIA  
NUMBER 12 OF 2025  
CONCERNING  
IMPLEMENTATION OF RISK MANAGEMENT AND ASSESSMENT OF  
INVESTMENT MANAGER SOUNDNESS LEVEL

I. GENERAL

The capital market sector plays an important role in Indonesia's financial services sector, given its economies of scale and cross-sectoral business network in supporting the Indonesian economy. The growing globalization and complexity of capital markets have prompted regulators in many jurisdictions to measure the risks posed by financial products and market participants. This development requires regulators to undergo a paradigm shift in their supervisory philosophy.

Law of the Republic of Indonesia Number 21 of 2011 on Financial Services Authority as amended by Law of the Republic of Indonesia Number 4 of 2023 on Development and Strengthening of Financial Services Sector, in particular the provisions of Article 5 have mandated the Financial Services Authority to organize an integrated system of regulation and supervision of all activities within the Indonesian financial services sector. The purpose of the establishment of the Financial Services Authority is to ensure that all financial services activities are organized in an orderly, fair, transparent, and accountable manner and can protect the interests of consumers and the public. The Financial Services Authority, as a supervisory institution, is required to be able to play a more active role in implementing its supervisory functions properly, in accordance with generally accepted best practices and in accordance with the latest developments in the financial services industry.

Supervision of the capital market sector brings its own challenges for supervisors at the Financial Services Authority to be able to supervise effectively through a comprehensive analysis of the risks of activities implemented by Financial Services Institutions in the capital market. The Financial Services Authority is currently trying to prioritize a risk-based supervision approach that allows it to detect significant risks early and take appropriate and timely supervisory actions. Risk-Based Supervision is an approach in conducting supervision and examination based on the results of

risk assessment and assessment of the capacity of Risk Management system and internal control of financial services institutions in mitigating various forms of risk contained in business, operational, and financial activities at financial services institutions. In addition, the International Organization of Securities Commissions (IOSCO) also encourages capital market regulators in a country to move towards Risk-Based Supervision in supervising intermediaries, which include mutual funds and investment managers. In the implementation of Risk-Based Supervision, supervisory resources are deployed in a more effective and efficient manner because it considers the risk profile of the object being supervised.

In line with these supervisory objectives, a clear regulatory design is needed so that in the supervision of Investment Managers, the Risk and Performance Assessment of Investment Managers can be a means for the Financial Services Authority to determine the strategy and focus of supervision within the scope of risk-based supervision. In addition, through this provision, it is also expected that Investment Manager can maintain its risk level and performance by considering all assessment coverage factors. By considering the development of the Capital Market and investment management industry, which is increasingly complex, dynamic, and affects the risks faced, the risk and performance assessment methodology must be a tool to evaluate the performance of Investment Manager industry with a comprehensive and structured assessment of the results of the integration of risk and performance profiles.

## II. ARTICLE PER ARTICLE

### Article 1

Self-explanatory.

### Article 2

#### Paragraph (1)

Self-explanatory.

#### Paragraph (2)

The board of directors and the board of commissioners are responsible for safeguarding, maintaining, and managing the Investment Manager Soundness Level in reference to the duties and responsibilities of the board of directors and the board of commissioners as stipulated in the provisions of laws and regulations on the implementation of Investment Manager governance.

Article 3

Self-explanatory.

Article 4

Self-explanatory.

Article 5

Paragraph (1)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

What is meant by “comprehensive internal control system” is a control system related to Risk Management.

Paragraph (2)

Self-explanatory.

Article 6

Paragraph (1)

Letter a

What is meant by “risk in Investment Products” is the risk in the portfolio contained in a product managed by the Investment Manager.

Letter b

What is meant by “risk to Investment Manager” is the risk contained in the Investment Manager entity.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Letter a

Self-explanatory.

Letter b

Legal Risks include, among others, risks arising from civil lawsuits, criminal charges, and determination of suspects.

Letter c

Self-explanatory.

- Letter d  
Self-explanatory.
- Letter e  
Self-explanatory.
- Letter f  
Self-explanatory.

Article 7  
Self-explanatory.

Article 8  
Determination of authority and responsibility may be stipulated in documents such as company regulations, standard operating procedures, or charters stipulated by the board of directors and the board of commissioners.

Article 9

Paragraph (1)

- Letter a  
Self-explanatory.
- Letter b  
Self-explanatory.
- Letter c  
Evaluating and deciding on transactions that require the approval of the board of directors, among others, establishing criteria and a tiered process on transactions for the Investment Manager's own interest.
- Letter d  
Developing a Risk Management culture includes adequate communication to all levels of the organization about the importance of effective internal control.
- Letter e  
Self-explanatory.
- Letter f  
Self-explanatory.
- Letter g  
Ensuring that Risk Management function has operated independently, among others, the separation of functions between Risk Management function that

conducts risk identification, measurement, and monitoring, and the function that conducts and settles Securities transactions.

Letter h

Self-explanatory.

Paragraph (2)

Self-explanatory.

Article 10

Self-explanatory.

Article 11

Self-explanatory.

Article 12

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

An early detection system is known as an early warning system.

Letter d

Risk tolerance is known as risk tolerance.

Letter e

Self-explanatory.

Letter f

Self-explanatory.

Letter g

Preparation of a business continuity plan, including a contingency plan.

Letter h

Self-explanatory.

Paragraph (3)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Determination of risk limits, among others:

- a. overall limit;
- b. limit per type of risk; and
- c. limit per specific functional activity that has risk exposure.

Letter e

Self-explanatory.

Letter f

Self-explanatory.

Paragraph (4)

Self-explanatory.

#### Article 13

Paragraph (1)

Self-explanatory.

Paragraph (2)

The level of risk to be taken is known as risk appetite.

Paragraph (3)

Self-explanatory.

#### Article 14

Self-explanatory.

#### Article 15

Paragraph (1)

What is meant by “material risk factors” are risk factors, both quantitative and qualitative, that significantly affect the financial condition and performance of the Investment Manager, including Investment Products.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

What is meant by “regularly” is the frequency of reports or information submitted to the board of directors, adjusted to the needs of the Investment Manager.



Article 16

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Changes in the complexity of the Investment Manager's business include the addition of other business activities, the addition of the Investment Products, and the addition of sales agents and/or outlets.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Article 17

Self-explanatory.

Article 18

Self-explanatory.

Article 19

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

“Risk culture” is known as risk culture.

Article 20

Self-explanatory.

Article 21

Self-explanatory.

Article 22

Self-explanatory.

Article 23

Self-explanatory.

Article 24

Paragraph (1)

Assessment of the Investment Manager Soundness Level using a risk approach is implemented based on a comprehensive analysis of the performance, risk profile, problems faced, and prospects for the development of the Investment Manager, including Investment Products.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

The need to update the self-assessment of the Investment Manager Soundness Level at any time by the Investment Manager is implemented when there are factors that significantly affect Investment Manager's business activities, among others:

- a. the Investment Manager's financial condition deteriorates;
- b. the financial condition of Investment Products deteriorates;
- c. the Investment Manager institutionally experiences an increase in certain risks; or
- d. the Investment Products based on the Investment Manager's assessment experiences an increase in risk.

Article 25

Self-explanatory.

Article 26

Self-explanatory.

Article 27

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

For example, the calculation of the number of days of delay for the submission of the results of self-assessment or self-assessment update of the Investment Manager Soundness Level is calculated from the first day after the deadline for submitting the results of self-assessment or self-assessment update of the Investment Manager Soundness Level on a holiday.

In the event that the deadline for submitting the results of the self-assessment or updating the self-assessment of the Investment Manager Soundness Level falls on a Saturday, the Investment Manager is required to submit the results of the self-assessment or updating the self-assessment of the Investment Manager Soundness Level no later than 1 (one) next business day, which is on Monday.

In the event that the Investment Manager submits the results of the self-assessment or update of the self-assessment of the Investment Manager Soundness Level past the deadline of the next business day, on Monday, but the submission of the results of the self-assessment or update of the self-assessment of the Investment Manager Soundness Level on Wednesday, then the calculation of the delay in submitting the results of the self-assessment or update of the self-assessment of the Investment Manager Soundness Level is calculated as of Tuesday. Thus, the Investment Manager experiences a delay in submitting the results of the self-assessment or self-assessment update of the Investment Manager Soundness Level for 2 (two) days.

Article 28

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

What is meant by “technical disruption” is a disruption caused by technical issue resulting in Investment Manager being unable to submit the results of the self-assessment or update the self-assessment of the Investment Manager Soundness Level online, including damage and/or disruption

to the database or communication network at the Financial Services Authority.

Paragraph (4)

Self-explanatory.

Paragraph (5)

An example of submitting the results of self-assessment or updating the self-assessment of the Investment Manager Soundness Level after the Financial Services Authority notifies that the technical disturbance is resolved or resolved:

The electronic reporting system of the Financial Services Authority experienced a technical disruption on 15 February 2026, which is the deadline for submitting the results of the self-assessment of the Investment Manager Soundness Level. Subsequently, the Financial Services Authority announced that the system operates normally on 17 February 2026. Investment Manager submits the results of the Investment Manager Soundness Level self-assessment for the 2025 period no later than 2 (two) business days following, which is on 19 February 2026.

Paragraph (6)

Force majeure consists of natural disasters, non-natural disasters, and/or social disasters that interfere with Investment Manager's operational activities, which are justified by an authorized official of the local area.

Paragraph (7)

Self-explanatory.

Article 29

Self-explanatory.

Article 30

Self-assessment of the Investment Manager Soundness Level using a risk-based approach is implemented based on a comprehensive analysis of the Investment Manager's performance, risk profile, problems faced, and development prospects, including Investment Products.

Article 31

Paragraph (1)

Inherent risk assessment is an assessment of the risks

inherent in Investment Manager's business activities that have the potential to affect the financial position of the Investment Manager and Investment Product.

Paragraph (2)

Governance principles and the focus of the assessment of the implementation of governance principles refer to the provisions governing governance for Investment Managers.

Paragraph (3)

Assessment of the profitability performance and sustainability of Investment Manager's profitability is conducted by considering the level, trend, and stability.

Paragraph (4)

Assessment of the level of capital adequacy and capital management is implemented by Investment Manager by considering the level, trend, and stability.

Article 32

Paragraph (1)

Self-explanatory.

Paragraph (2)

The order of ranking of factors that are smaller reflects the better condition of the Investment Manager.

Paragraph (3)

Letter a

Determination of risk level is based on the inherent risk level and the quality of Risk Management implementation of each risk.

Letter b

Determination of the level of inherent risk and the quality of Risk Management implementation on a composite basis is conducted based on a comprehensive and structured analysis of the level of inherent risk and the quality of Risk Management implementation of each risk, with due regard to the significance of each risk to the overall risk profile.

Letter c

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Article 33

Paragraph (1)

Comprehensive and structured analysis is also conducted by considering the Investment Manager's ability to deal with significant changes in external conditions.

Paragraph (2)

A smaller Composite Rating order reflects a sounder condition of the Investment Manager.

Paragraph (3)

Conditions that are generally very sound, so that they are considered very capable of facing significant negative effects from changes in business conditions and other external factors, are reflected in the rating of assessment factors, including risk profile, governance, profitability, and/or capital, which are generally very good. In the event of there are weaknesses, these weaknesses are generally not significant.

Paragraph (4)

A generally sound condition that is considered capable of facing significant negative effects from changes in business conditions and other external factors, reflected in the rating of assessment factors, including risk profile, governance, profitability, and/or capital, which are generally good. In the event of there are weaknesses, these weaknesses are generally less significant.

Paragraph (5)

A condition that is generally sound enough to be considered capable of withstanding significant negative effects from changes in business conditions and other external factors, as reflected in the rating of assessment factors, including risk profile, governance, profitability, and/or capital, which are generally good. In the event of there are weaknesses, in general, the weaknesses are quite significant and if not successfully overcome by the management, can disrupt the continuity of Investment Manager's business.

Paragraph (6)

Conditions that are generally less sound so that they are considered less able to face significant negative influences

from changes in business conditions and other external factors, reflected in the rating of assessment factors, including risk profile, governance, profitability, and/or capitalization, which are generally less good. Some weaknesses are generally significant and cannot be overcome properly by management, and disrupt the business continuity of Investment Manager.

Paragraph (7)

The condition that is generally not sound, so that it is considered unable to face significant negative influences from changes in business conditions and other external factors, reflected in the rating of assessment factors, including risk profile, governance, profitability, and/or capital, which are generally not good. There is a weakness that is generally very significant, so that to overcome it requires financial support from shareholders or sources of funds from other parties to strengthen Investment Manager's financial condition.

Article 34

Self-explanatory.

Article 35

Self-explanatory.

Article 36

Self-explanatory.

Article 37

Self-explanatory.

Article 38

Paragraph (1)

The report on the implementation of the action plan submitted by the Investment Manager contains, among others, contains an explanation of the realization of the implementation of the action plan, complemented by evidence of implementation and/or related supporting documents.

Paragraph (2)

Self-explanatory.



Article 39

Self-explanatory.

Article 40

Self-explanatory.

Article 41

Self-explanatory.

Article 42

Certain actions include ordering Investment Manager to fulfil the implementation of Risk Management and the assessment of the Investment Manager Soundness Level in accordance with the provisions of laws and regulations.

Article 43

Self-explanatory.

Article 44

Self-explanatory.

Article 45

Self-explanatory.

Article 46

Self-explanatory.

Article 47

Self-explanatory.

Article 48

Self-explanatory.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF  
INDONESIA NUMBER 150/OJK