

# CORPORATE CULTURE AND VALUE

## CORE VALUES AKHLAK

Since 2020, every State-Owned Enterprise (SOE) is required to apply the main values called AKHLAK, in accordance with the Circular Letter of the Minister of SOEs Number: SE 7/MB/07/2020 dated July 1, 2020 regarding Core Values of Human Resources of State-Owned Enterprises.



<b>Amanah/Trustworthy</b>	Holding on to the trust given
<b>Kompeten/Competent</b>	Continue to learn and develop capabilities
<b>Harmonis/Harmonious</b>	Caring for each other and respecting differences
<b>Loyal</b>	Dedicated and prioritizing the interests of the nation and the state
<b>Adaptif/Adaptive</b>	Continue to innovate and be enthusiastic in moving or facing change
<b>Kolaboratif/Collaborative</b>	Building a synergistic collaboration

Therefore, in order to answer these directives and in line with Telkom's Corporate Strategic Scenario 2021-2025 which mandates companies to carry out Align Ways of Working Under Digital Age, TelkomGroup as one of the SOEs is committed to implementing Core Values AKHLAK. One form of TelkomGroup's commitment in implementing the Core Values AKHLAK is by making a pledge and commitment by all TelkomGroup Directors and employees to implement AKHLAK and become a role model for its implementation. The company also issued a Regulation of the Director of Human Capital Management regarding the implementation of Core Values AKHLAK in TelkomGroup.

## COMPANY CULTURE ACTIVATION PROGRAM

The CEO of TelkomGroup and all unit leaders act as role models as well as the main movers in the corporate culture activation program. The unit leader appoints a Culture Agent to ensure that the internalization of corporate culture through the participation of all employees goes well. The current number of Culture Agents is 5,184 people, where 3,054 people are from units at Telkom and 2,130 people are from Subsidiaries. Every Culture Agent must participate in the Culture Agent on boarding program in order to have the same interpretation and knowledge regarding the Company's culture. Furthermore, the unit leadership will be assisted by a Culture Agent to form a forum called the Cultural Activation Provocation Community (*Kipas Budaya*) for the implementation of cultural activation in each unit.

## CALENDAR OF CULTURE ACTION

The theme of Telkom's cultural program in 2022 is Amplify Internalization & Actualization Core Values AKHLAK for Digital Telco Transformation. This theme synergizes and supports the main programs and goals of the company. This theme is the basis for preparing corporate cultural activities during 2022. These cultural activities are arranged in a Calendar of Culture Action (COCA) every year. COCA becomes a reference for each unit to develop and implement various cultural activity programs by instilling AKHLAK values into daily behavior to improve company performance.



During 2022, Telkom also builds a culture of Core Values AKHLAK, including how to work in the digital era through online training, namely Strengthening the Internalization of Core Value AKHLAK.

## BUILDING DIGITAL CULTURE

Telkom continues to strive for digital transformation by updating its corporate culture program, in order to encourage changes in mindset, behavior, abilities, and digital-oriented skills with AKHLAK as the Company's value system.

Since 2017, Telkom has carried out the Hack Idea Program as a forum for exchanging innovations between employees such as design sprints, design thinking, experimentation, and collaboration. As a strengthening of the Hack Idea program, since 2020, the IdeaBox platform has been present as innovation social media single platform for TelkomGroup employees to convey ideas and collaborate to develop them. With the combination of the two, it is hoped to increase the enthusiasm and support system for the innovation culture built at the TelkomGroup. The Talent Booster activity initiated the Hack Idea series of activities, namely the development of knowledge and innovation capabilities through classrooms and e-learning learning methods, then continued with an assessment of the resulting innovations. Innovations deemed feasible will enter the development stage and are guided by experienced mentors and facilitated by the company through the AMOEBa program, which has produced various products and the development of digital-based internal business processes.

In its business processes, Telkom has used various digital tools, such as a corporate portal as a daily operational application which includes, e-office; e-budgeting; file sharing; collaboration (Diarium); career & succession management (Ingenium); learning & knowledge management (Cognitium); etc.

## CORPORATE CULTURE EVALUATION

Telkom evaluates corporate culture using AKHLAK Culture Health Index (ACHI) measurement to determine the level of effectiveness of corporate culture implementation. This value is measured as a whole or specifically which leads to the internalization of Core Value AKHLAK. The results of 2022 ACHI measurement obtained a total score in high category (94.5%), which means that Telkom's organizational culture is healthy and productive.