evaluation process. Based on the KAP review in 2025, no inconsistencies were identified in the methods or results of the Board of Directors' performance assessment. The KPI achievement results were reported to the Board of Commissioners and the Series A Dwiwarna Shareholder as part of the company's governance accountability and transparency.

As part of its commitment to sustainability, Telkom has incorporated ESG aspects into the collegial KPIs of the Board of Directors. These include: (1) ESG risk rating, (2) carbon intensity, and (3) the ratio of female and young top talent. The results of the collegial performance assessment of the Board of Directors are disclosed in Telkom's 2025 Annual Report.

Remuneration Policy

[GRI 2-19, 2-20]

The provision of remuneration for members of Telkom's Board of Commissioners and Board of Directors is prepared based on the Regulation of the Minister of State-Owned Enterprises Number PER-3/MBU/03/2023 concerning Organs and Human Resources of State-Owned Enterprises and then followed up with the Decree of the Board of Commissioners Number 03/KEP/DK/2024 concerning the Income of Members of the Board of Directors and the Board of Commissioners.

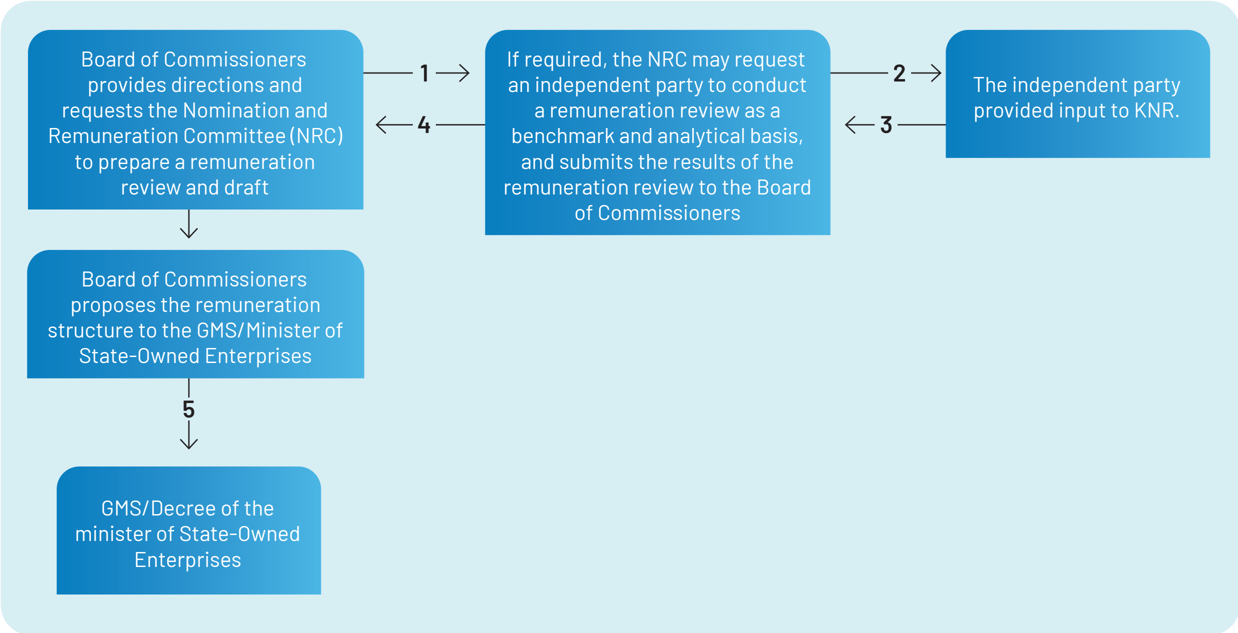
With reference to the above regulations and to Danantara Letter Number S-063/DI-BP/VII/2025 dated 30 July 2025 regarding the Granting of Tantiem, Incentives, and/or Other Forms of Income to the Boards of Directors and Boards of Commissioners of SOEs and their Subsidiaries, the remuneration of the Board of Commissioners comprises the following components:
1. Fees
2. Benefits, which consist of:
    a. Religious holiday allowance;
    b. Transportation allowance; and
    c. Retirement insurance.
3. Facilities, which consist of:
    a. Health facilities; and
    b. Legal aid facilities.

Components of the remuneration of the Board of Directors:
1. Salary
2. Benefits, which consist of:
    a. Religious holiday allowance;
    b. Housing allowance; and
    c. Retirement insurance.
3. Facilities, which consist of:
    a. Health facilities;
    b. Vehicle facilities; and
    c. Legal aid facilities
4. Tantiem/Performance Incentives/Special Incentives, in accordance to Danantara and/or BP BUMN policy. [GRI 2-19]

The Minister of State-Owned Enterprises Regulation Number PER-3/MBU/03/2023 also stipulates provisions regarding the deferral of payment of a portion of tantiem and the granting of Long-Term Incentives (LTI) to members of the Board of Directors and the Board of Commissioners. Accordingly, the Board of Directors of PT Telkom Indonesia (Persero) Tbk had not yet received tantiem payments in 2025, as the determination process by the shareholders is still ongoing. This determination falls under the authority of the Ministry of State-Owned Enterprises (SOEs) and/or Danantara, in accordance with applicable regulations. This policy and authority resulted in a decrease in the highest annual total compensation received by members of the Board of Directors by up to approximately 72%. The reduction in the annual compensation of the Board of Commissioners and the Board of Directors is also reflected in the remuneration-to-employee ratio, as presented in Appendix 4: GRI Disclosure Index.

Telkom has integrated the performance of ESG impact management into remuneration, by including collegial and individual KPIs, as one of the consideration components of the incentive.

Figure 9. Procedure and Mechanism of Remuneration of the Board of Commissioners and Board of Directors



The procedure for proposing and determining the remuneration of the Board of Commissioners and the Board of Directors of Telkom is as follows:

1. The Board of Commissioners requests the Nomination and Remuneration Committee to draft a remuneration proposal for the Board of Commissioners and the Board of Directors.
2. If necessary, the Nomination and Remuneration Committee may engage an independent party to develop a remuneration framework for the Board of Commissioners and the Board of Directors.
3. The Nomination and Remuneration Committee submits the remuneration framework to the Board of Commissioners.
4. The Board of Commissioners proposes remuneration for members of the Board of Commissioners and the Board of Directors to the GMS.
5. The GMS may delegate authority and power to the Board of Commissioners, with prior approval from Shareholders of Series A Dwiwarna, to determine the remuneration for the members of the Board of Commissioners and the Board of Directors. [GRI 2-20]

Telkom also enforces a clawback policy, which mandates the recovery of incentive-based compensation from current and former Board members if the company is required to restate financial statements submitted to the United States Securities and Exchange Commission (SEC) under the Exchange Act. This restatement is necessary to correct material errors in previously issued financial statements or to address errors that could result in material misrepresentation if not rectified in the current reporting period. The Ministry of SOEs has incorporated this policy into the tantiem framework, stipulating a three-year suspension of tantiem payments for the Board of Commissioners and Board of Directors.

Sustainability Governance Framework

[OJK E.1]

Role of the Board and Management

[GRI 2-9, 2-12, 2-13]

The Board of Commissioners has an important role in carrying out the supervisory function. It provides advice to the Board of Directors in managing the company, including in the implementation of sustainability practices. Both also play a role in ensuring effective risk management to support sustainable achievement. Formal meetings between the Board of Commissioners and the Board of Directors are held at least once a month with a focus on consultation and performance reporting, which can include ESG aspects (including climate change).

The Board of Directors is responsible for leading the implementation of sustainability, including climate transition. To ensure the effectiveness of its implementation, the performance of ESG impact management is evaluated through a KPI determination and monitoring scheme that is integrated into the company's performance management system. Performance achievements are verified internally before being consolidated and reported to the Board of Directors on a quarterly basis. Based on Company Regulation Number: PD.704.00/r.00/HK290/DSC-M0200000/2025 regarding TelkomGroup's Sustainability Governance, the Board of Directors delegates the role of ESG impact management to the Telkom Sustainability Committee.

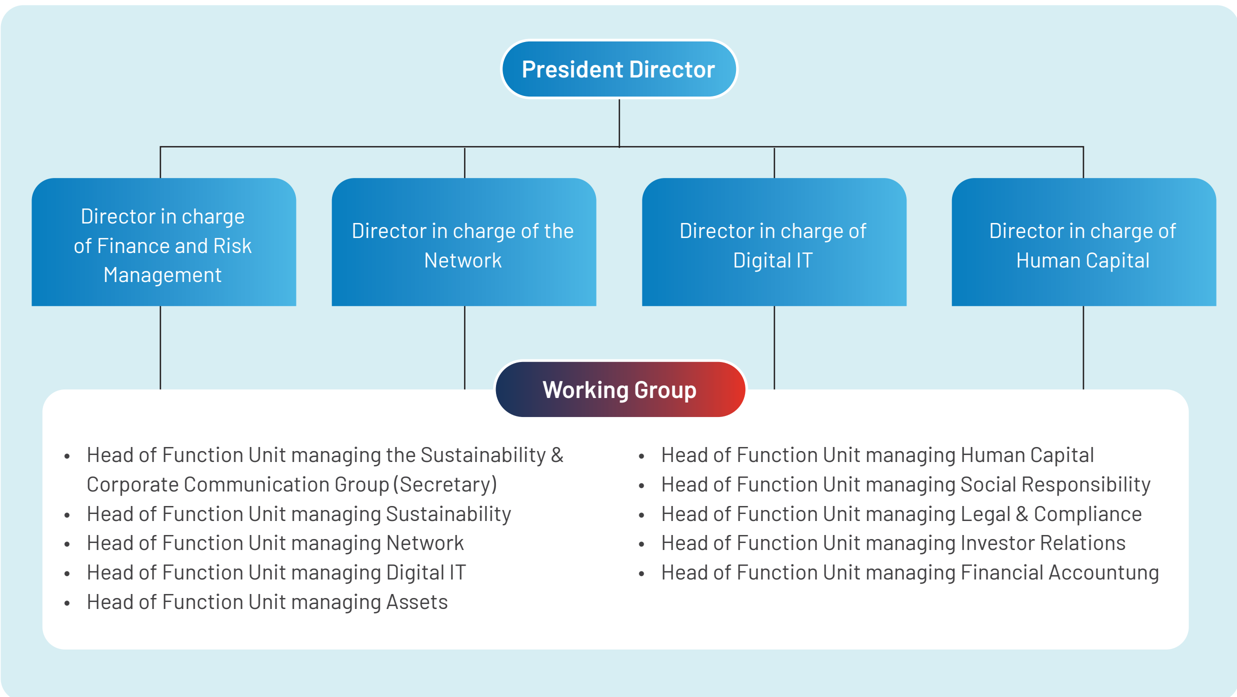
Sustainability Committee

[GRI 2-12, 2-13, 2-16]

The Sustainability Committee is responsible for overseeing the implementation of ESG management and governance within the company. The Committee brings together relevant ESG functions across the organization to facilitate coordination and collaboration in achieving the company's sustainability objectives. It also plays a key role in addressing emerging sustainability issues, including the identification, monitoring, and management of sustainability-related impacts. In terms of reporting, the Sustainability Committee submits ESG impact management reports to the Board of Directors in stages through Operational Meetings (RAOP) at the Department level or Directorate Meetings (RADIT) at the Directorate level, as well as Board of Directors Meetings (RADIR), which are held every week. To further strengthen ESG disclosure governance, quarterly Disclosure Committee Meetings (DC Meetings) are conducted to ensure the relevance and accuracy of material information prior to public disclosure. One of the ESG reporting outputs regularly disclosed to the public is the Info Memo (per quarter) and Annual Report, Sustainability Report, Form 20-F (per year).

The Sustainability Committee is chaired by the President Director and comprises directors responsible for risk management, network and IT, and human capital. To support the integration of ESG into business processes, the Committee is supported by an ESG Working Group consisting of heads of relevant function unit, including Sustainability, Network & IT, Asset Management, Human Capital, Social Responsibility, Risk Management, Legal & Compliance, Investor Relations, and Financial Accounting.

Figure 10. Composition of Telkom Sustainability Committee Members



Responsibilities of the Sustainability Committee:

1. To oversee, set, and provide direction on ESG objectives, plans, strategies, roadmaps, policies, initiatives, and performance measures, including Climate Change
2. To ensure that the company has implemented a sustainability program in the ESG sector
3. To monitor the implementation of risk mitigation and opportunities arising from the company's operational activities to ESG
4. To supervise ESG performance achievements, including Climate Change, based on third-party assessments, ESG Rating Agencies, investor expectations, and/or other stakeholders; and
5. To ensure the publication of the Sustainability Report, including climate-related disclosures, in accordance with applicable regulations and aligned with the needs of shareholders and other stakeholders.

To fulfill its duties, the Sustainability Committee collaborates with other committees under the Board of Commissioners and the Board of Directors, including the Social and Environmental Responsibility Committee (CSR); the Risk, Compliance and Revenue Assurance Committee; the Audit Committee; the Integrated Governance Committee; the Nomination and Remuneration Committee; and the Evaluation, Monitoring, Planning and Risk Committee. The Sustainability Committee regularly receives updates on ESG implementation from Sustainability & Corporate Communication Function Unit.

Figure 11. Sustainability Governance Structure at Telkom