



## POLICY REGARDING REPORTING SHARE OWNERSHIP OF DIRECTORS AND COMMISSIONERS

Provisions regarding periodic reporting of any changes in share ownership directly or indirectly from each member of the Board of Directors and Board of Commissioners of Telkom are regulated in Board Manual of the Board of Directors and the Board of Commissioners as stated in the Joint Regulation of the Board of Commissioners and the Board of Directors Number: 08/KEP/DK/2020 and Number: PD. 620.00/r.00/HK200/COP-M4000000/2020 regarding Guidelines for the Work Procedures of the Board of Commissioners and Directors (Board Manual) of the Company (Persero) PT Telekomunikasi Indonesia, Tbk. This is also done by Telkom to comply with OJK Regulation No.11/POJK.04/2017 regarding Ownership Report or Any Change in Share Ownership of a Public Company. In the 2021 Financial Year Annual Report, Telkom provides information on share ownership by members of the Board of Directors and Board of Commissioners, as well as the changes in the "Composition of Shareholders" section.

Company has routinely reported the share ownership of members of the Board of Directors and members of the Board of Commissioners every month and disclosed it in the Annual Report and financial report. Member of the Board of Directors and member of the Board of Commissioner reports the change in share ownership no later than three working days after the occurrence of ownership or any change in ownership of the shares of a Public Company. This policy applies to all member of the Board of Directors and Board of Commissioners. As of the end of 2021, there are no members of the Board of Commissioners who carry out share buying/selling transaction conducted by issuer. These activities are reported to OJK as part of the information disclosure of the Company's management.



## EMPLOYEE STOCK OWNERSHIP PROGRAM

Employee stock ownership program is an implementation of a long-term performance-based compensation policy for management and/or employees owned by Telkom as a Public Company. In addition, the provision of long-term compensation is one of the efforts to increase a sense of belonging, retention, and give appreciation for employee contributions.

There are two stock ownership programs that have been carried out by Telkom, namely Employee Stock Ownership Program (ESOP) for employees and Management Stock Ownership Program (MSOP) for management. This program was started in 1995, when Telkom conducted an Initial Public Offering (IPO). Then, Telkom decided to carry out this program again on June 14, 2013.

The following are some provisions related to the implementation of ESOP program in 2013:

### 1. Number of Shares

Number of shares offered during ESOP program period in 2013 was 64,284,000 Series B stock which were the result of buyback phase III or Treasury Stock.

The amount was allocated to each participant with the following conditions:

- Participants have an active status, referring to the Band Position level, Role Category, and participant's contribution period as of December 31, 2012; temporary
- Participants have a non-active status, referring to the Band Position level and the contribution period during 2012, except in the event that the Person concerned dies, the contribution is calculated at 100%.

Regarding the stock transfer process, employees who become program participants are subject to the provisions of the Lock-Up Period based on the following levels:

- Level BP I and II are subject to a Lock Up Period of 12 (twelve) months;
- Level BP III and IV are subject to a Lock Up Period of 6 (six) months;
- Levels BP V to VII are subject to a Lock Up Period of 3 (three) months.



## 2. Execution Time

Telkom stock ownership program by employees and/or management was implemented on June 14, 2013.

## 3. Employee and/or Management Requirements in Telkom Stock Ownership Program

- a. Meet Eligibility Criteria:
  - i. Employees of Company and Employees of Subsidiaries/Affiliates whose financial statements are consolidated in Telkom Financial Statements;
  - ii. Directors of Subsidiaries/Affiliates whose financial statements are consolidated, except BOD/BOC Telkom and Telkomsel.
- b. Have contributed at least 1 month in 2012;
- c. In the event that employee has an inactive status in 2013, then:
  - i. The person concerned is still entitled to participate in the program, with the allocation of stock calculated proportionally according to the contribution of the person concerned in 2012.
  - ii. The person concerned did not quit at his own request (APS), was dismissed due to a serious violation of employee discipline, and/or quit because he was appointed as the Board of Directors of a SOE.
- d. The program is optional with conditions; the right to buy is non-transferable and void if it is not used during the offer period.

## 4. Execution Pricing or Pricing

Whereas in the implementation of employee stock ownership program in 2013, Telkom set a stock transfer price of Rp10,714 (ten thousand seven hundred and fourteen rupiah), which is 90% of the average closing price of stock trading for a period of 25 days prior to the price fixing date.

No.	Date	Number of Employees	Number of Shares	Stock Value
1.	November 14, 1995	43,218	116,666,475 shares	Rp239 billion
2.	June 14, 2013	24,993	59,811,400 shares (equivalent to 299,057,000 shares after a stock split)	Rp661 billion