

3. Responsibility

- a. Comply with laws and/or tax regulations, fair competition, industrial relations, occupational health and safety, payroll standards, and other relevant regulations.
- b. Have mechanisms and procedures that regulate and evaluate compliance with applicable laws and regulations, as well as implement good corporate principles.
- c. Having a VP Legal and Compliance function for ensuring the fulfillment of all rules and regulations.

4. Independency

- a. To carry out professionalism within the Company without a conflict of interest and free from the influence of pressures from other parties that are not appropriate with regulations and contrary to right corporate principles.
- b. Include rules/authority for corporate decision making in the Board Charters and Company's Articles of Association which emphasizes independency.
- c. Have additional policies in the Corporate Governance Guidelines oriented towards the principle of independency, such as conflict of interest transaction policies, the prohibition of donations from political parties, and prohibitions on affiliation.

5. Fairness

- a. Apply the principle of equality and fairness in fulfilling the rights of Stakeholders that arise based on agreements and applicable laws and regulations.
- b. Respect the rights of minority Shareholders.
- c. Prohibit insider trading.
- d. Implement performance management based on a balanced scorecard.
- e. Conducting open auctions in the procurement of goods/services and implementing e-procurement.

IMPLEMENTATION OF GCG MANAGEMENT PRINCIPAL - FINANCIAL SERVICES AUTHORITY

Telkom has implemented 8 (eight) principles of corporate management in accordance with the Corporate Governance Guidelines for Public Companies from the Financial Services Authority (OJK), as follows:

IMPLEMENTATION OF GCG MANAGEMENT PRINCIPAL - FINANCIAL SERVICES AUTHORITY			
Principle	Recommendation	Implementation	Status
Principle 1			
Improving The Value of General Meeting Shareholders (GMS).	1. Technical methods or procedures for open and closed voting that prioritize independence and interest of the Shareholders.	Telkom already has technical procedures for voting set out in the procedures for the General Meeting of Shareholders.	Comply
	2. Members of the Board of Directors and the Board of Commissioners attend the Annual GMS.	All of the members of the Board of Directors and the Board of Commissioners attended the GMS.	Comply
	3. A summary of minutes of GMS is available at the Website at least 1 year.	Telkom provided a Summary of Minutes of GMS at the Company's Website under Investor Relations.	Comply
Principle 2			
Improving The Public Listed Company Communication Quality with Shareholders or Investors.	1. To have a policy on communications between Public Company and Shareholders or Investors.	Telkom has a policy on communications with Investor through Non Deal Roadshow, One on One Meeting, Earnings Call, Public Expose, Conference, and Investor Summit.	Comply



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Principle	Recommendation	Implementation	Status
	2. Posted the communications policy of a Public Company at the Website.	Telkom has made available materials of each Earnings Call, Conference and materials of presentation to Investor at the Company's website to provide equality for Shareholders and Investor regarding the implementation of Communications with the Company.	Comply
Principle 3			
Strengthening The Membership and Composition of Board of Commissioners.	1. Determination of the numbers of the Board of Commissioners members should take into account the Company's Conditions.	Telkom has complied with the provision applicable to the Company as Public Company as set out in Article 20 of Regulation of Financial Services Authority No. 33/POJK.04/2014 that the number of members of the Board of Commissioners must be more than 2 (two) persons.	Comply
	2. Determination of the composition of members of the Board of Commissioners takes into account the required variety of skills, knowledge, and experience.	At the Shareholders' discretion, members of the Board of Commissioners have been appointed by taking into account a variety of skills, knowledge, experiences and Telkom's business conditions and complexity.	Comply
Principle 4			
Improving The Quality of Duty and Responsibility of Board of Commissioners.	1. The Board of Commissioners has a policy to self-assess the performance of the Board of Commissioners.	Based on the Joint Regulation of the Board of Commissioners and Directors PD.620.00/r.00/HK200/COP-M4000000/2020 there is a policy to assess the performance of Company's Board of Commissioners carried out by Series A Dwiwarna Shareholders through the General Meeting of Shareholders mechanism.	Comply
	2. The self-assessment policy is reported in the Annual Report.	Based on the Joint Regulation of the Board of Commissioners and Directors PD.620.00/r.00/HK200/COP-M4000000/2020 there is a policy for self-assessment which is disclosed in the Annual Report.	Comply
	3. The Board of Commissioners has a policy of resignation in the event of involvement in any financial crimes.	In accordance with Telkom's Articles of Association, jo. Regulation of Financial Services Authority No. 33/POJK.04/2014 any member of the Board of Commissioners who does not meet any requirements to be a member of the Board of Commissioners as set out in the Articles of Association and Regulation of Financial Services Authority No. 33/POJK.04/2014 including any involvement in any financial crimes, consequently his/her position will be null and void. In the event that the members of the Board of Commissioners resigns, it will be resolved at the GMS.	Comply
	4. The Board of Commissioners or KNR sets out a provision of succession in the Nomination Process of a members of the Board of Directors.	The Committee for Nomination and Remuneration sets out in the Committee for Nomination and Remuneration Charter that among its duties is to give recommendations to the Board of Commissioners which will inform Series A Dwiwarna Shareholders about the Planning of Succession of Members of Board of Directors. In addition, as a SOE, the provision of succession of the Board of Directors refers to Regulation of Minister of SOE No. PER-03/MBU/02/2015 on the requirements, procedures for the appointment and dismissal of a member of the Board of Directors of SOE.	Comply

IMPLEMENTATION OF GCG MANAGEMENT PRINCIPAL - FINANCIAL SERVICES AUTHORITY

Principle	Recommendation	Implementation	Status
Principle 5			
Strengthening Membership and Compositions of Board of Directors.	1. Determination of the number of members of the Board of Directors takes into account the Company's conditions and effectiveness in decision-making.	Determination of the number of members of the Board of Directors of the Company refers to the Article 2 paragraph (1) and paragraph (2) Regulation of Financial Services Authority No. 33/POJK.04/2014 regarding the Board of Directors and the Board of Commissioners of listed Company which provides that Board of Directors of Listed Companies or Public Companies must consist of at least 2 (two) members which 1 (one) of them have to be appointed as the President Director.	Comply
	2. Determination of the composition of members of the Board of Directors takes into account a variety of skills, knowledge and experiences as required.	At the Shareholders' discretion, members of the Board of Directors of the Company have been appointed by taking into account a variety of skills, knowledge, experiences, and the Company's conditions and business complexity.	Comply
	3. Members of the Board of Directors in charge of accounting and finance have skills and/or knowledge in accounting.	The members of the Board of Directors in charge of accounting and finance in the company is the Finance Director who has sufficient accounting and financial knowledge and experience as can be seen in the position and education history of the Board of Directors under the section of Profiles of the Board of Directors.	Comply
Principle 6			
Improving The Quality of Task execution and Responsibility of Board of Directors.	1. The Board of Directors has a policy to self-assess the performance of the Board of Directors.	The Board of Directors has a self-assessment policy as set out in the section of Performance Assessment of the Board of Commissioners and the Board of Directors. Telkom has Committee for Nomination and Remuneration Charter that includes policies on performance appraisal, process and performance appraisal indicator for the Board of Directors individually and collegially and reports the realization of KPI achievements to Series A Dwiwarna Shareholders.	Comply
	2. The self-assessment policy is reported in an Annual Report.	Results of the self-assessment of the Board of Directors are reported in the Company's Annual Report under the section of Corporate Governance.	Comply
	3. The Board of Directors has a policy of resignation in the event of involvement in any financial crimes.	In accordance with our Articles of Association jo. Regulation of Financial Services Authority No. 33/POJK.04/2014, any member of the Board of Directors who does not meet any requirements to be a member of the Board of Directors as set out in the Articles of Association including any involvement in any financial crimes, consequently his/her position will be null and void. In the event that the members of the Board of Directors resigns, it will be resolved at the GMS.	Comply
Principle 7			
Improving Corporate Governance Aspect Through Stakeholders Participation.	1. To have a Policy to prevent Insider Trading.	Based on Regulation of the Director of Human Capital Management No. PR 209.05/r.01/ K250/COP-A4000000/2020 regarding Employee Discipline, the policy to prevent Insider Trading is contained in Article 7 regarding Serious Violations, one of which is abuse of authority or position.	Comply



IMPLEMENTATION OF GCG MANAGEMENT PRINCIPAL - FINANCIAL SERVICES AUTHORITY

Principle	Recommendation	Implementation	Status
	2. To have a Policy of Anti Corruption and Anti Fraud.	Telkom always committed to preventing corruption in our company. This is realized through the existence of integrity pact completed by all Employees of Telkom and the existence of a separate website as an integrity portal for all employees of Telkom, called myintegrity.telkom.co.id, in addition, Telkom also has a whistleblowing system to accommodate complaints regarding alleged violations that occurred in the company which can be accessed on Telkom website in Telkom Integrity Line menu.	Comply
	3. To have a Policy on the selection and capacity building of Suppliers and Vendors.	Telkom selects our Suppliers and Vendors in accordance with our internal procurement policy managed through the Share Service Operation Procurement Department and implemented by reference to Regulation of Finance Director No.PR.301.08/r.04/COP-A00110000/2021 on Procurement Implementation Guidelines.	Comply
	4. To have a Policy on the fulfillment of Creditors' rights.	Telkom has a policy to fulfill the rights of our Creditors through the Corporate Finance Unit that sets out and manages the rights of Telkom's Creditors.	Comply
	5. To have a Policy on Whistleblowing system.	Pursuant to Decision of the Board of Commissioners No.08/KEP/DK/2016 dated June 8, 2016, on the Provision of Complaint Handling Procedures (Whistleblowers) at PT Telkom Indonesia, Tbk and its consolidated subsidiaries which then ratified by the Board of Directors through Regulation of the Board of Directors No. PD.618.00/r.00/HK200/COP-C0000000/2016 dated December 21, 2016, Telkom guarantees and ensures the protection of identity of the Whistleblowers, whether the employees or third parties filing any complaints or reports of alleged violations. This Whistleblowing System develops complaint channels into 7 (seven) complaint channels, which can be accessed on Telkom website in Telkom Integrity Line menu.	Comply
	6. To have a Policy on the granting of long-term incentives to the Board of Directors and Employees.	In determining the incentives obtained by the Board of Directors, Telkom is guided by Regulation of Minister of SOE No. PER-12/MBU/11/2020 regarding Guidelines for Determining the Income of the Board of Directors, Board of Commissioners, and Supervisory Board of State-Owned Enterprises and their amendments as well as Guidelines for the Implementation of Work (Charter) of Committee for Nomination and Remuneration. As for employees, this incentive is contained in the Collective Labor Agreement regarding Compensation and Benefits and Company Regulation no. PD 207.22/r.00/PS770/CO-J2000000/2016 regarding Awards and Recognition which explain the mechanism of giving rewards to employees in the form of stock option as well as an explanation of reward level, one of them at the advanced level are rewarded consistently and in the long term financially.	Comply

Principle 8

Improving The Implementation of Information Disclosure.	1. To use wider information technology along with website as a medium of information disclosure.	Telkom also active in various social media as medium for information disclosure and product promotion. In addition, Telkom also use the mailing list system as medium for information disclosure and communication with Investor.	Comply
	2. The Annual Report of Public Companies disclose the most current beneficial owners of the company's ownership, at least 5% other than major Shareholders and controllers.	Telkom discloses the most current beneficial owners of the Company's ownership with 5% or more in our Annual Report under the section of Shareholders' composition and ownership.	Comply