

## Performance Evaluation of the Board of Commissioners and Board of Directors

Telkom implements a self-assessment policy for evaluating the performance of the Board of Commissioners. The Nomination and Remuneration Committee (KNR) conducts the assessment based on collegial key performance indicators (KPIs), which are derived from the core responsibilities of the Board of Commissioners. These responsibilities include supervising the Company's management policies and operations executed by the Board of Directors, providing guidance, and ensuring compliance with the Company's Long-Term Plan (RJPP), Annual Work Plan and Budget (RKAP), Corporate Strategic Scenario (CSS), and applicable laws and regulations. The performance evaluation results are subsequently reported to Shareholders at the GMS.

Unlike the evaluation of Board of Commissioners, the Board of Directors' performance evaluation is conducted through a self-assessment by each member, measuring both individual and collegial KPI achievements. These results are reviewed annually by a Public Accounting Firm that audits Telkom's financial statements. The achievement report is presented to the Board of Commissioners and the Ministry of SOEs. The Public Accounting Firm review encompasses the methodology and consistency of KPI assessments for the Board of Directors. In 2024, the review confirmed no inconsistencies. [\[GRI 2-18\]](#)

## Remuneration Policy

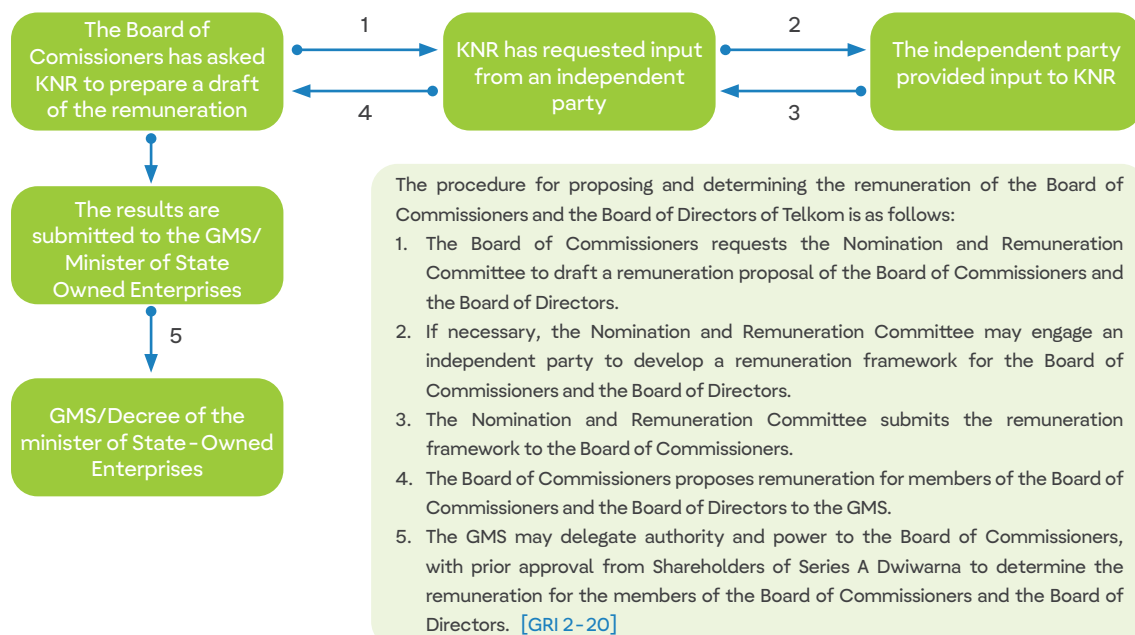
The remuneration framework for Telkom's Board of Commissioners and Board of Directors is established in accordance with the Regulation of the Minister of State-Owned Enterprises Number PER-3/MBU/03/2023 concerning SOE Organs and Human Resources. This is further reinforced by the Board of Commissioners' Decree Number 03/KEP/DK/2024 regarding remuneration entitlements.

The remuneration components for the Board of Commissioners include:

1. Honorarium
2. Allowances, including:
  - a. Religious Festival allowance;
  - b. Transportation allowance; and
  - c. Retirement insurance.
3. Facilities, including:
  - a. Health facilities; and
  - b. Legal aid facilities
4. Tantiem/Performance Incentives/Special Incentives
5. Long-Term Incentive (LTI) from the companies following performance and governance standards and aligned with international best practices

The remuneration components for members of the Board of Directors consists of:

1. Salary
2. Allowances, including:
  - a. Religious Festival allowance;
  - b. Housing allowance; and
  - c. Retirement insurance.
3. Facilities, including:
  - a. Health facilities;
  - b. Vehicle facilities; and
  - c. Legal aid facilities
4. Tantiem/Performance Incentives/Special Incentives
5. Long-Term Incentive (LTI) from the companies following performance and governance standards and aligned with international best practices [\[GRI 2-19\]](#)



**Figure 3. Procedure and Mechanism of Remuneration of the Board of Commissioners and Board of Directors**

In 2023, the Ministry of SOEs issued Regulation Number PER-3/MBU/03/2023 concerning SOE Organs and Human Resources (Permen 3 BUMN). Telkom has confirmed the implementation of this regulation through the GMS resolution for the 2022 financial year. One of the provisions under Permen 3 BUMN pertains to the suspension of partial payments of tantiem for the Board of Directors and Board of Commissioners.

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.

# Stakeholder Engagement

Telkom acknowledges that the success of its sustainability strategy is highly dependent on strong relationships with key stakeholders. This approach ensures that Telkom's sustainability strategy and programs effectively address the most impactful

issues for its primary stakeholders. Telkom actively engages with internal and external stakeholders, fosters mutually beneficial relationships, and considers their perspectives and expectations through various communication channels.

[POJK. E-4] [GRI 2-29]

Stakeholders	Engagement Methods	Main Topics and Concerns
Shareholders and Investors	<ul style="list-style-type: none"> <li>Annual General Meeting of Shareholders (GMS), Extraordinary GMS, and quarterly performance explanation</li> <li>Investor Conference and/or Non - Deal Roadshows</li> </ul>	<ul style="list-style-type: none"> <li>Achievement of operational and financial KPIs</li> <li>Business development</li> <li>Sustainability practices and climate risks</li> <li>Good corporate governance practices</li> </ul>
Employee	<ul style="list-style-type: none"> <li>Periodic meetings with management</li> <li>Telkom Indonesia Employees Union (SEKAR TELKOM)</li> <li>Trainings</li> <li>Employee complaint center</li> </ul>	<ul style="list-style-type: none"> <li>Career path</li> <li>Clarity of rights and obligations</li> <li>Remuneration and other benefits</li> <li>Increased competence</li> </ul>
Customer	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Customer complaint center</li> </ul>	<ul style="list-style-type: none"> <li>Network connection and coverage</li> <li>Excellent service</li> <li>Ease of complaint resolution</li> <li>Data security and confidentiality</li> </ul>
Government	<ul style="list-style-type: none"> <li>Bipartite meetings</li> <li>Hearing Meeting with the House of Representatives (DPR) and working visit</li> </ul>	<ul style="list-style-type: none"> <li>Legal compliance and reporting</li> <li>Ethical business practices</li> <li>Cybersecurity</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Meetings during the procurement process, supervision of the implementation of work, supplier forums/gatherings, supplier satisfaction surveys, anti-bribery feasibility tests for suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Fair and transparent procurement process</li> <li>Objective selection and evaluation process</li> <li>Implementation of work that meets occupational health and safety standards</li> <li>Legal compliance and ethical business practices</li> </ul>
Community	<ul style="list-style-type: none"> <li>Deliberation in planning of community empowerment activities, implementing activities and supervising program realization</li> </ul>	<ul style="list-style-type: none"> <li>Harmonious relationship</li> <li>Positive contribution to economic and social life</li> <li>Participation in other programs including environmental conservation activities</li> </ul>
Media	<ul style="list-style-type: none"> <li>Press release</li> <li>Media gathering</li> <li>Press conference, as well as press briefing</li> </ul>	<ul style="list-style-type: none"> <li>Accuracy of the object reporting</li> <li>Latest information</li> <li>Transparency of operational, financial, and non - financial conditions</li> </ul>