

Appendix 8. GHG Emission Reduction Target-Setting Methodology

[GRI 102-1, 102-4, 305-5]

In line with Indonesia's commitment to reduce GHG emissions through the Nationally Determined Contribution (NDC), TelkomGroup sets targets and commitments to manage GHG emissions from the company's operational activities in a gradual and measurable manner, as follows:

- Achieving a 20% reduction in TelkomGroup's Scope 1 and 2 GHG emissions by 2030 compared to the base year 2023, which is determined based on TelkomGroup's internal capabilities and growing good practices in the telecommunications industry.
- Achieving net zero emissions by 2060 or sooner, in line with the Government of Indonesia's commitment.

GHG emission reduction targets are established using an operational performance-based approach combined with benchmarking of industry practices, taking into account the company's operational readiness, the current state and availability of technologies, telecommunications industry best practices, and alignment with national policy direction aimed at achieving NZE 2060.

TelkomGroup has developed a Scope 1 (excluding biogenic emissions) and Scope 2 (location-based) decarbonization pathway by identifying key decarbonization initiatives tailored to subsidiaries' business models, and building upon estimated potential emission reduction from both completed and planned action plans. The emission reduction trajectory is projected using reasonable operational assumptions, such as an average electricity consumption intensity of 7.5 MWh per worker per year for office buildings, based on the Energy Intensity Assessment (EIA) benchmark, and an emission factor of 0.87 tCO₂e/MWh for the Java grid. Furthermore, these assumptions and key initiatives are aligned with the evolving technological advancements, energy market trends, and national policies to ensure the transition pathway remains relevant and feasible.

This Climate Transition Plan will be continuously refined based on the insights from its implementation. Additionally, significant changes in business activities, including but not limited to mergers, acquisitions, or divestments, may impact TelkomGroup's progress toward achieving its climate targets. In such cases, TelkomGroup will update the GHG inventory in accordance with GHG Protocol reporting standards and adjust the pathways and targets to reflect the new circumstances.