Committee for Nomination and Remuneration

Nomination and Remuneration Committee (KNR) is one of the Committees established by the Board of Commissioners to assist the Board of Commissioners in its supervisory function, especially on nomination and remuneration policies and processes within the company. In carrying out its duties, KNR acts professionally and independently to ensure that the policies and processes carried out by the company in the field of nomination and remuneration, both at the level of the company and its subsidiaries, are in line with the company's goals and objectives and run in accordance with the principles of GCG and the provision of applicable law and regulation.

The establishment and implementation of the duties of KNR are guided by OJK Regulation No. 34/POJK.04/2014 on Nomination and Remuneration Committee of Issuers or Public Companies, Regulation of the Minister of SOEs No. PER-2/MBU/03/2023 on Guidelines for Governance and Significant Corporate Activities of State-Owned Enterprises and Regulation of the Minister of SOEs Number PER-3/MBU/03/2023 on Organs and Human Resources of State-Owned Enterprises.

To further regulate the establishment and implementation of KNR's duties, the Board of Commissioners issued Resolution of the Board of Commissioners No. 14/KEP/DK/2024, dated July 23, 2024, contains Charter of the Nomination and Remuneration Committee.

KNR's Scopes, Duties, and Responsibilities

Telkom KNR has the following scopes, duties, and responsibilities:

1. **For Nomination**
    a. Conduct periodic reviews of the Company's Talent Management System and monitor and evaluate its implementation.
    b. Evaluate the talent classification system and procedures carried out by the Board of Directors.
    c. Evaluate the position of the subsidiary's assets and income against Telkom parent's assets and income as a basis for proposing candidates for the management of the subsidiary to the GMS/Minister. The evaluation will be carried out no later than one month after the implementation of Telkom's AGMS.
    d. Validate and calibrate the talent proposed by the Board of Directors to the Board of Commissioners (selected talent) to produce a list of talent to be nominated (nominated talent) by the Board of Commissioners to the GMS/Minister.
    e. Evaluate the candidate for the company's deputy who will be proposed as a member of the Board of Directors or the Board of Commissioners of the company's subsidiaries, before submitting it to the GMS/Minister.
    f. Conduct an evaluation of the proposed organizational structure of the company one level below the Board of Directors proposed by the Board of Directors, referring to the principles of good corporate governance.
    g. Assist the Board of Commissioners who consult with the Board of Directors in selecting candidates for strategic positions within the company in accordance with the provisions of the company's Articles of Association, including the management of subsidiaries and Senior Vice President (SVP) Corporate Secretary.
    h. Providing recommendations to the Board of Commissioners to be submitted to Series A Dwiwarna shareholders of regarding:
        i. Proposed composition of the company's Board of Directors.
        ii. Candidates for members of the Board of Directors and Commissioners of subsidiaries in accordance with threshold.
        iii. Candidates for President Director and President Commissioner of all subsidiaries of the company.
    i. To formulate policies and criteria needed in the nomination process for candidates for members of the Board of Directors, including the management of the company's subsidiaries.

2. **For Remuneration**
   a. Provide recommendation to the Board of Commissioners to be submitted to Series A Dwiwarna shareholders regarding the policy, amount and/or structure of the remuneration of the Board of Directors and the Board of Commissioners and then decided in GMS by considering:
      i. Remuneration applicable in the telecommunications industry.
      ii. Duties, responsibilities, and authorities of members of the Board of Directors and/or Board of Commissioners are linked to the achievement of the company's objective and performance.
      iii. Performance target for each member of the Board of Directors and Board of Commissioners.
   b. Propose remuneration for the Board of Directors and Board of Commissioners in the form of salary or honorarium, allowances and facilities of a fixed nature as well as variable incentives to the Board of Commissioners at least once a year.
   c. Evaluate the proposed indicator and performance evaluation (Key Performance Indicator) of the Board of Commissioners.
   d. Prepare proposal for individual performance evaluation system (Individual Key Performance Indicator) for members of the Board of Directors.
   e. Compile and monitor the implementation of Performance Achievement Indicators (KPI) both Collegial KPI and Individual KPI of the Board of Directors.
   f. Deliver progress on the realization of Collegial Performance Achievement Indicator (KPI) and Individual KPI of the Board of Directors to shareholder/minister in accordance with statutory regulation.
   g. Conduct evaluation of remuneration policies for employees that require approval/response from the Board of Commissioners.
   h. Prepare a proposal for a competency development program for members of the Board of Directors and/or members of the Board of Commissioners.

Specifically for implementation of the submission of proposal for company representatives who are placed as managers of subsidiaries in 2025, it is carried out by referring to Letter of the Minister of State-Owned Enterprises No. S.675/MBU/10/2018 dated October 18, 2018 regarding Approval of Proposal, Limitation, and/or Criteria for the Authority of the Board of Commissioners of PT Telekomunikasi Indonesia (Persero) Tbk. In the Letter, the division of approval authority regarding the submission of proposal for company representatives who are placed as manager of the company's subsidiaries is carried out as follows:

1. **Authority of Series A Dwiwarna Shareholders, are for:**
   a. President Director and President Commissioner of the company's subsidiaries.
   b. Company management (Directors and Commissioners), with total assets ≥ 50% of the parent company's total assets and/or subsidiary revenue ≥ 50% of the parent company's revenue.
2. **Authority of the Board of Commissioners of PT Telkom Indonesia (Persero) Tbk, is for:**
   Includes submitting proposal for filling the position of Director (other than the President Director) and members of the Board of Commissioners (other than the President Commissioner) in subsidiaries of the company with total assets < 50% of the total assets of the parent company and/or subsidiaries with total revenue of < 50% of the total revenue of the parent company.

As an implementation of the provision in the Letter of the Minister of State-Owned Enterprises Number S.675/MBU/10/2018, dated October 18, 2018, KNR in 2025 will conduct 9 Fit and Compliance Tests for 9 management positions (target positions) with 9 candidates in 6 subsidiaries.

KNR's Composition

OJK Regulation Number 34/POJK.04/2015 regarding Nomination and Remuneration Committee of Issuers or Public Companies stipulates that the Nomination and Remuneration Committee (KNR) must have at least three members. One member, who also serves as the Chair of the KNR, must be an Independent Commissioner, while the other two members may come from the Board of Commissioners, external parties, or management under the Board of Directors. In addition, formation and composition of the KNR membership is also carried out by considering Regulation of the Minister of State-Owned Enterprises Number PER-2/MBU/03/2023 regarding Guidelines for Governance and Significant Corporate Activities of State-Owned Enterprises and PER-3/MBU/03/2023 dated March 20, 2023 regarding Organ and Human Resource of State-Owned Enterprises. In 2025, as a follow-up to the result