

COMMITTEE FOR NOMINATION AND REMUNERATION

As a form of implementing Good Corporate Governance (GCG), Telkom has a Committee for Nomination and Remuneration (KNR) which assists the Board of Commissioners in fulfilling its responsibilities regarding remuneration decisions, submitting Top Talent suggestions, and nominating the Board of Directors and Board of Commissioners of Subsidiaries. The existence of Committee for Nomination and Remuneration is one of Telkom's commitments so that in all its business practices it is always based on the principles of GCG, which are openness, accountability, responsibility, independence and fairness.

The formation of Committee for Nomination and Remuneration (KNR) refers to OJK Regulation No. 34/POJK.04/2015 regarding Committee for Nomination and Remuneration of Issuers or Public Companies. Internally, the provisions regarding KNR are regulated in Committee for Nomination and Remuneration Charter which was stipulated in regarding of the Board of Commissioners No. 13/KEP/DK/2018 dated December 31, 2018 regarding Charter of for Committee for Nomination and Remuneration of PT Telekomunikasi Indonesia, Tbk.

The Charter contains the work procedures for KNR, which is tasked with assisting the Board of Commissioners in supervising the qualification and nomination process, as well as the remuneration of the Board of Commissioners, the Board of Directors and executive officers. With the existence of KNR, Telkom hopes that the selection process and remuneration policy making can be carried out according to professional and independent considerations without any pressure from other parties.

KNR'S SCOPE, DUTIES, AND RESPONSIBILITIES

Committee for Nomination and Remuneration has the following scope, duties and responsibilities:

1. To prepare the policy, criteria, and selection needed for the strategic titles within the Company which is the position one layer below the Director and Executive (a member of Board of Directors and member of Board of Commissioners) of consolidated subsidiaries that refer to the principles of Good Corporate Governance.
2. To assist the Board of Commissioners together with or through the consultation with the Board of Directors to select the candidate for strategic titles within the Company (a member of Board of Directors and member of Board of Commissioners) Consolidated Subsidiaries.
3. To give recommendations to the Board of Commissioners to be conveyed to Series A Dwiwarna Shareholder's shares regarding:
 - a. The composition of the title of members of the Board of Directors.
 - b. The succession planning of members of the Board of Directors.
 - c. Assessment based on the parameter that has been prepared as the evaluation material for the capability development of the Board of Directors' members.
4. Provide recommendations to the Board of Commissioners to be submitted to the General Meeting of Shareholders through Series A Dwiwarna Shareholder regarding the policies, amount and/or structures for remuneration of the Board of Directors and the Board of Commissioners.
5. Remuneration of the Board of Directors and the Board of Commissioners in the form of salary or honorarium, allowances, and facilities that are fixed and variable incentives.
6. Review the employment contract and/or performance statement of each member of the Board of Directors.

The Chairman of KNR is responsible to coordinating and directing the implementation of the duties and responsibilities of the Committee. Then, the position of Secretary in KNR assigned to assist the Chairman in managing administration, documents, and activities. Committee members are parties who accept aspirations and formulate recommendations of the nomination and remuneration of the Board of Directors and the Board of Commissioners, and executive officers.

Referring to the Letter of SOE Minister's number S.675/MBU/10/2018, dated October 18, 2018, regarding Approval of Proposals, limitations and/or criteria for the authority of the Board of Commissioners of PT Telekomunikasi Indonesia (Persero) Tbk, it is stated that there is a division in the authority to propose the Company's representatives in the management of the Company's subsidiary, then:

1. The authority of Series A Dwiwarna Shareholder is for:
 - a. President Director and President Commissioner of the Company's Subsidiaries.
 - b. Company Management (Directors and Commissioners), with total assets \geq 50% of total parent assets and/or subsidiary revenue \geq 50% of parent revenue.
2. The authority of the Board of Commissioners of PT Telkom Indonesia (Persero) Tbk is for the Director (other than the President Director) and the Board of Commissioners (other than the President Commissioner) in the Company's Subsidiary with a total asset \leq 50% of the total assets of the Parent Company, and/or a Subsidiary with revenue \leq 50% of the Parent Company's total revenue.

As part of the follow up to the Letter of SOE Minister number S.675/MBU/10/2018, on October 18, 2018, in 2020 Committee for Nomination and Remuneration has conducted 19 Feasibility and Compliance Tests, for 22 Management positions (position target) with 76 candidates in 11 Subsidiaries.

KNR'S COMPOSITION

OJK Regulation No. 34/POJK.04/2015 regarding Committee for Nomination and Remuneration of Issuers or Public Companies stipulates that the number of members of Committee for Nomination and Remuneration is at least 3 (three) people provided that 1 (one) Chair is also an Independent Commissioner and two other members may come from members of the Board of Commissioners, parties from outside the Company, or parties holding managerial positions under the Board of Directors in charge of human resources.

Refers to these regulations, the Board of Commissioners then issued a Resolution of the Board of Commissioners No. 10/KEP/DK/2020 dated June 29, 2020 regarding Membership Composition of the Company's Nomination and Remuneration Committee of PT Telekomunikasi Indonesia, Tbk which stipulates the Members of Committee for Nomination and Remuneration as follows.

Committee for Nomination and Remuneration's Composition as of December 31, 2020

Position	Name and Double Position Status	Duties of Each Member	Term of Service
Chairman	Marsudi Wahyu Kisworo* Independent Commissioner	To be responsible to give the directions and coordination of the implementation of duty.	May 2019 - Present
Secretary	Ario Guntoro Committee Secretary	To be responsible to prepare and manage Committee administration and documentation.	Dec 2018 - Present
Members	Alex Denni* Commissioner	To be responsible to coordinate the inputs coming from the parties related to the major controlling shareholders of the issue of nomination and remuneration.	Jun 2020 - Present
	Ismail* Commissioner		May 2019 - Present
	Marcelino Rumambo Pandin* Commissioner		May 2019 - Present
	Rizal Mallarangeng* Commissioner		Jun 2020 - Present
	Chandra Arie Setiawan* Independent Commissioner		Jun 2020 - Present

Remark:

* Profile of KNR members from the Board of Commissioners can be seen on Profile of the Board of Commissioners

The Resolution of the Board of Commissioners No. 1/KEP/ DK/2020 dated June 29, 2020 regarding Membership Composition of Committee for Nomination and Remuneration of PT Telekomunikasi Indonesia, Tbk at the same time revoking the Resolution of the Board of Commissioners No. 14/KEP/DK/2019 dated December 17, 2019 which determines the membership composition of Committee for Nomination and Remuneration as follows:

Committee for Nomination and Remuneration's Composition as of December 31, 2019

Position	Name	Double Position Status
Chairman	Cahyana Ahmadjayadi *	Independent Commissioner
Secretary	Ario Guntoro	
Members	Ismail*	Commissioner
	Marcelino Rumambo Pandin*	Commissioner
	Marsudi Wahyu Kisworo*	Independent Commissioner

Remark:

* Profiles of KNR members can be seen on Profile of the Board of Commissioners

KNR'S INDEPENDENCE

In carrying out their duties, KNR members have acted independently and have fulfilled the aspects of independence in accordance with the terms and conditions stated in the Financial Services Authority Regulation No. 34/POJK.04/2015 regarding Committee for Nomination and Remuneration of Issuers or Public Companies and the Resolution of the Board of Commissioners No. 13/KEP/DK/2018 dated December 31, 2018 regarding Work Implementation Guidelines (Charter) for Committee for Nomination and Remuneration of PT Telekomunikasi Indonesia, Tbk.

KNR'S PERFORMANCE AND IMPLEMENTATION ACTIVITIES

Throughout 2020, Committee for Nomination and Remuneration has assisted the implementation of the duties of the Board of Commissioners in producing decisions, through the implementation of a series of activity agendas, including:

1. The implementation of the Fit and Proper Test for the management of the Company's subsidiaries, as follows:

a. The authority of Series A Dwiwarna Shareholder

No.	Management Position	Subsidiary	Number of Candidates
1.	President Director	PT Telkomsel	5 Peoples
2.	President Director	PT Multimedia Nusantara	5 Peoples
3.	President Director	PT Dayamitra Telekomunikasi	5 Peoples
4.	President Director	PT Graha Sarana Duta	5 Peoples
5.	President Director	PT Metra-Net	5 Peoples
		Total	25 Peoples

b. The authority of the Board of Commissioners of PT Telkom Indonesia (Persero) Tbk

No.	Management Position	Subsidiary	Number of Candidates
1.	Commissioner	PT Telekomunikasi Indonesia International	3 Peoples
2.	Director of HCM	PT Telkom Akses	3 Peoples
3.	Director of Operation and Marketing	PT Infrastruktur Telekomunikasi	3 Peoples
4.	Commissioner	PT Graha Sarana Duta	3 Peoples
5.	Commissioner	PT Infrastruktur Telekomunikasi	3 Peoples
6.	Commissioner	PT Telkom Akses	3 Peoples
7.	Commissioner	PT Dayamitra Telekomunikasi	3 Peoples
8.	Director of Planning & Performance	PT Infrastruktur Telekomunikasi	3 Peoples
9.	Commissioner	PT Telkom Satelit Indonesia	3 Peoples
10.	Director of Finance & Business Partner	PT Telekomunikasi Indonesia International	3 Peoples
11.	Director of Operation & IT	PT Dayamitra Telekomunikasi	3 Peoples
12.	Director of Planning & Performance	PT Infrastruktur Telekomunikasi	3 Peoples
13.	Director of Business	PT Dayamitra Telekomunikasi	3 Peoples
14.	Commissioner	PT Telkom Akses	3 Peoples
15.	Commissioner	PT Telkom Akses	3 Peoples
16.	Director of Business	PT Dayamitra Telekomunikasi	3 Peoples
17.	Commissioner	PT Dayamitra Telekomunikasi	3 Peoples
Total			51 Peoples

2. Discussion on TelkomGroup's BOD-1 Top Talent in 2020

3. Approval of the Proposed Structure One Level Below the Board of Directors

- Establishment of the Corporate Transformation Group.
- The establishment of the Governance, Risk Management & Compliance Department as well as the organizational structuring of the Strategic Portfolio Directorate.
- Organizational Changes of Corporate Secretary Department, Corporate Communication & Investor Relations Department, Enterprise Business Directorate, and IT & Solution Network Directorate.

4. Review of the Proposed KPI and Remuneration

During 2020, KNR has reviewed and submitted recommendations to the Board of Commissioners regarding proposals from the Board of Directors relating to KPI, including:

- Proposal for the Determination of the Company's KPI and the Board of Directors' KPI in 2020.
- Determination of the Board of Directors Management Contract in 2020.
- Proposed changes to the 2020 Company's KPIs that are aligned with the Ministry of SOE Master Plan in 2020-2024.
- Proposal for Determination of individual KPI for Directors in 2020.
- Discussion on Achievement of Directors' Management Contracts on Quarterly in 2020.
- Discussion on Progress of Achievement of Company KPIs and Individual KPIs in 2020.

In addition, KNR also reviews and submits recommendations to the Board of Commissioners regarding remuneration, including:

- Discussion on the proposed remuneration draft for the management of PT Telekomunikasi Indonesia, Tbk in 2020.
- Request for tantiem for the 2019 Financial Year, and remuneration for the Board of Directors and the Board of Commissioners for the 2020 Financial Year.
- Discussion of Long Term Incentive (LTI) criteria.

5. Implementation of routine tasks related to the governance of Committee for Nomination and Remuneration as well as follow-up assignments from the Board of Commissioners, including:

- a. Submission of recommendations for the composition of the Committee's membership
Committee for Nomination and Remuneration submitted a proposal for the membership composition of Committee for Nomination and Remuneration of PT Telekomunikasi Indonesia, Tbk, which was later stipulated in the Resolution of the Board of Commissioners Number: 10/KEP/DK/2020 dated June 29, 2020.
- b. Arrangements for filling out the positions of management of the Subsidiary
Preparation of regulation draft regarding procedures for filling positions of management of Telkom subsidiaries which are then outlined in the Resolution of the Board of Commissioners Number 15/KEP/DK/2020/RHS, dated August 28, 2020, which is in accordance with Regulation of the Minister of SOE Number 04/MBU/06/2020 dated June 26, 2020.
- c. Others
 - 1) Approval of the use of health facilities for retirees and former Telkom Commissioners.
 - 2) Completion of 2019 KNR task implementation report.
 - 3) Completion of reports on the implementation of KNR duties submitted per Quarter (Q1, Q2, and Q3) in 2020.
 - 4) Discussion of reports on the results of the Ethics, Compliance and Discipline committee meeting.
 - 5) Monitoring the progress of Jiwasraya's insurance claim handling.
 - 6) Preparation of National KNR Work Plan and Budget for 2021.
 - 7) KNR assignment as a member of the Advisory Team for the Board of Commissioners in supervising the implementation of Telkom Governance & Corporate Transformation.

KNR'S Meeting

Telkom is obliged to comply with OJK Regulation No. 34/POJK.04/2014 regarding Committee for Nomination and Remuneration which regulates the minimum number of Committee for Nomination and Remuneration Meeting at least once in four months. In 2020, KNR Telkom has held 127 meeting.

Committee for Nomination and Remuneration's Meeting Attendance in 2020

No.	Name	Total Meeting	Total Attendances	Percentage of Attendance %
1.	Marsudi Wahyu Kisworo	127	127	100%
2.	Alex Denni	84	83	99%
3.	Ismail	127	125	98%
4.	Marcelino Rumambo Pandin	127	119	94%
5.	Rizal Mallarangeng	84	84	100%
6.	Chandra Arie Setiawan	84	84	100%
7.	Cahyana Ahmadjayadi ⁽¹⁾	43	43	100%

Remark:

(1) Up to June 29, 2020

KNR'S EDUCATION AND TRAINING

In order to improve and develop competencies at KNR, the training that KNR Secretary has participated in 2020 is presented in the following table.

No.	Name	Training Program	Date	Location	Organization Institution
1.	Ario Guntoro	Leading in Crisis - Preparing for the Rebound	June 15, 2020	Online	Korn Ferry & IMD

* Education and Training of KNR members who are members of the Board of Commissioners can be seen in the Education and Training of the Board of Commissioners