

BRIEF SUMMARY OF CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT

Telkom implements good corporate governance by considering the rights of employees and stakeholders, contributing to environmental sustainability, and carrying out social and ecological responsibility (TJSL) or Corporate Social Responsibility (CSR). Telkom's CSR information reporting refers to several international standards, namely the Global Reporting Initiative (GRI), ISO 26000 Guidance for Social Responsibility, and Sustainable Development Goals (SDGs).

Telkom conveys information on CSR implementation in a Sustainability Report, which is separate from this Annual Report, following SEOJK No. 16/POJK.04/2021 regarding the Form and Content of Annual Reports of Issuers or Public Companies, with the basis for preparation based on OJK Regulation No. 51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies.

Access to the 2023 Sustainability Report:



As a SOE, Telkom also implements CSR based on the Minister of State-Owned Enterprises Regulation Number PER-1/MBU/03/2023 regarding Special Assignments and Social and Environmental Responsibility Programs for State-Owned Enterprises which revokes and replaces the Minister of BUMN Regulation Number PER-05/MBU/04/2021 regarding Social and Environmental Responsibility Programs for State-Owned Enterprises as amended by Regulation of the Minister of State-Owned Enterprises Number PER-6/MBU/09/2022 regarding Amendments to Regulation of the Minister of State-Owned Enterprises Number PER-05/MBU/04/2021 concerning Social and Environmental Responsibility Programs for State-Owned Enterprises. Article 33 PM BUMN PER-1/2023 regulates that financial reports and implementation of the SOE CSR Program are reported in

periodic and Annual Reports. Telkom presents the TJSL Program implementation report in the Annual Report in the subchapter Corporate Social and Environmental Responsibility Program Implementation Report, while the TJSL Financial Report, namely the MSE Funding Program Financial Report, is shown in the attachment to this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT PROGRAM IMPLEMENTATION REPORT

CSR Sustainability Strategy Framework

Telkom's Board of Directors also supervises the implementation of sustainability practices through the TJSL Program and encourages compliance to ensure program accountability. Telkom's TJSL Program aligns with environmental, social, and governance (ESG) aspects to support business objectives and achieve sustainability performance contributions.

Telkom's sustainability strategy is embodied in the "SUSTAIN" Main Program, which aligns with efforts to achieve the Sustainable Development Goals (SDGs) targets. The details of the program are as follows:

- 1. Speed-up Inclusive Digital Education to Develop Superior Digital Talent and Increase National Digital Adoption**, which encourages the realization of inclusive education and good quality of healthy life to support a prosperous and competitive nation through digital infrastructure support and digital talent education to improve national digital literacy;
- 2. Unlock Sustainable Digital Ecosystem and Uplift Greeneration to Increase Climate Change Resiliency**, which supports the realization of sustainable infrastructure and encourages efforts to increase resilience to climate change through community empowerment and the deployment of digital environmental ecosystems;

3. **Strengthen Excellent MSME Digital Platform to Scale up MSME Capacity and Drive Digital Economy Growth**, namely enlarging the access and capacity of Micro and Small Enterprises (MSEs) to financial services to expand employment, increase labor productivity, and drive economic growth through intensification of distribution quality and strengthening loan repayment capacity;
4. **Transform Good Viability and Well-being to Build more Prosperous Society**, which accelerates the transformation of essential service aspects to support a prosperous and competitive society;
5. **Assuring Good CSR GRC Management Reinforcement**, namely maintaining the accountability aspects of TJSL Program management and aspects of risk management implementation and compliance through quality improvement and governance evaluation, as well as overseeing the audit process and management reporting;
6. **Intensifying Strong Impact CSR Branding & Communication Impact Amplification**, namely activating the publication of the implementation of the TJSL program by prioritizing communication from the aspect of the impact of Telkom's TJSL Program through multi-stakeholder partnerships/collaboration;
7. **Nurturing National CSR Process Digitalization to Enable Data-driven & Analytics Reporting**, namely strengthening the transformation of digitization and digitalization of TJSL Program management through improving and maintaining information systems, utilizing data analytics and decision support systems in strategic decision making.

COMMITMENT AND POLICY ON SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

The legal basis for the implementation of Telkom's TJSL Program activities is the Regulation of the Minister of State-Owned Enterprises Number PER-1/MBU/03/2023

regarding Special Assignments and Social and Environmental Responsibility Programs of State-Owned Enterprises which revokes and replaces the Regulation of the Minister of SOEs Number PER-05/MBU/04/2021 regarding Social and Environmental Responsibility Programs of State-Owned Enterprises as amended by the Regulation of the Minister of State-Owned Enterprises Number PER-6/MBU/09/2022 concerning Amendments to the Regulation of the Minister of SOEs Number PER-05/MBU/04/2021 regarding Social and Environmental Responsibility Programs of State-Owned Enterprises. Meanwhile, the internal policy basis as a guideline for the implementation of the TJSL Program is the Board of Directors Regulation No. PD.703.000/r.00/H-K200/CDC-A1000000/2021 dated 31 December 2021 regarding Social and Environmental Responsibility Programs and the Shareholder/Capital Owner Aspiration letter No. S-683/MBU/10/2022 dated 24 October 2022 regarding Shareholder/Capital Owner Aspirations for the Preparation of the Company's Work Plan and Budget for 2023.

Telkom's TJSL program is the authority of the Community Development Center (CDC) Unit, while the Corporate Communication Sub-Department is specifically responsible for the publication of the implementation of the TJSL Program. Telkom conducts socialization of core values and development of the Company's culture to encourage socially and environmentally responsible behavior in all TelkomGroup people. Telkom also involves employees in TJSL activities in the Employee Volunteering Program (EVP) through an employee social project program called TESA (Telkom Employee Social Activity) as a forum for one employee, and one social activity. Telkom also continues to encourage and ensure the active role of stakeholders in the planning and formulation of TJSL Programs that are integrated, directed, and measurable in impact to create shared value for stakeholders.

TJSL 2023 Program Formulation Framework

Strategic Situation Analysis

<p>Key Shareholder Direction</p> <p>Permen TJSL</p> <p>Implementation with a Priority Focus on Education, Environment, and MSE Development (Article 10 Paragraph 3)</p> <p>Shareholders' aspirations for preparation of the 2023 RKAP</p>	<p>Corporate/Functional Strategy Alignment</p> <p>CSS 2023-2025 Strategic Initiatives</p> <p>10.C Telkom can leverage global trends to realign sustainability contribution - starting with adoption of ESG framework and improving communication to stakeholders</p> <p>FU HCM Strategy 2023-2025</p> <p>10. Deploy TJSL Towards Achievement of Social Development Goals (SDGs) for Sustainable Business Strategy</p>	<p>External Factor Analysis</p> <ul style="list-style-type: none"> Economy Post Pandemic Geopolitical Situation Analysis Global Rating Index Global Issue-Sustainable Development Nation & Global Telco Benchmark 	<p>Internal Factor Analysis</p> <ul style="list-style-type: none"> SIPOC Analysis Telkom Technology Stack Identify Business Challenges Local Excellence and Wisdom (Telkom Regional) TJSL Assets Inventory <p>SIPOC ANALYSIS</p> <p>CSV</p>
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Strategic Formulation

<p>Speed-up</p> <p>Digital Education</p> <p>csv</p>	<p>Unlock</p> <p>Sustainable Environment</p>	<p>Strengthen</p> <p>MSME Digital Platform</p> <p>csv</p>	<p>Transform</p> <p>Prosperous Society</p>		
<p>Assuring GRC Management</p>		<p>Intensifying Branding & Communication</p>		<p>Nurturing TJSL Digitization</p>	

Strategic Implementation: Program Charter, Activities, KPI, Timeline, Risk, and Budget

Strategic Evaluation & Control: Review Management (Weekly, Quarterly, Half-Year, Annually), Management Report, Financial Report, Annual Report, Sustainable Report

TJSL Main Programs 2023

Creating Shared Value
Society | MSME | Digital Literacy

S-U-S-T-A-I-N

FU HCM Strategic Initiatives
Orchestrate Foundations & Social Responsibility Programs to Increase Corporate Value & Support Business

<p>1 Speed-up</p> <p>DIGITAL EDUCATION</p> <ul style="list-style-type: none"> Digital Learning Lab Computer Education Program Inclusive and Effective Learning Environment for Disabilities Program Digi Up Program Indonesia Digital Learning Program Bantuan Biaya Pendidikan untuk Siswa tidak Mampu <p>csv</p>	<p>2 Unlock</p> <p>SUSTAINABLE ENVIRONMENT</p> <ul style="list-style-type: none"> Program Bantuan Sarana Air Bersih Program Penyediaan atau Renovasi MCK Umum Program E-Waste Management Program Eduvice Sinergi Program Komunitas Sadar Lingkungan Program Penanaman Terumbu Karang Program Penanaman Mangrove Konservasi Hutan Binaan Digital Pengembangan Energi Bersih & Terbarukan Program Sociodigipreneurship (Innovillage) Employee Volunteering Program (Ind. ABN) 	<p>3 Strengthen</p> <p>MSME DIGITAL PLATFORM</p> <ul style="list-style-type: none"> Initiate MSMEs Caring Partnership Pengembangan Kapasitas Bisnis UMK Melalui Pembinaan Strengthening MSME Payment Collectibility Moneva MSME Capacity Development through Go Modern & Go Digital Go to Market Program through Go Online & Go Global Acceleration Creating Shared Values Rumah BUMN <p>csv</p>	<p>4 Transform</p> <p>PROSPEROUS SOCIETY</p> <ul style="list-style-type: none"> Program Pengentasan Kemiskinan Desa Prasejahtera Program Bantuan Kegiatan Budaya dan Keagamaan Program Bantuan Peningkatan Produktivitas Hasil Perikanan Program Bantuan Penanganan Stunting Pemberdaya Wirausaha Perempuan Program Desa Binaan Telkom Penyelenggaraan Tata Kelola Kelembagaan yang Akuntabel 	
<p>5 Assuring GRC (Governance, Risk, and Compliance) Management</p>				
<p>6 Intensifying Branding & Communication TJSL</p>				
<p>7 Nurturing TJSL Digitization</p>				

REALIZATION OF SOCIAL AND ENVIRONMENTAL RESPONSIBILITY (TJSL) PROGRAM 2023

Realization of the TJSL Program in 2023

In 2023, the amount of funds realized for the TJSL Program activities was Rp154.94 billion, a 58.34% decrease from 2022.

No.	TJSL Pillars	Realizations (Rp)
1.	Social Pillar	71,558,333,354
2.	Economic Pillar	35,729,584,436
3.	Environmental Pillar	46,629,687,782
4.	Pillars of Law and Governance	1,023,142,068
Total		154,940,747,640

TJSL REALIZATION PER PRIORITY SECTOR

No.	Featured Program	Descriptions	SDGs	Realizations
TJSL Program Focuses on Education				
1.	Digital Learning Lab and Basic ICT Skills Training Assistance	Telkom assists schools and students in obtaining internet and computer access and improving ICT skills for learning purposes.		<ul style="list-style-type: none"> 435 location points 15,810 benefit recipients
2.	Digital certification program for vocational (DIGI-UP)	Telkom's Synergy Program with industry and educational institutions to increase the capabilities of high school/vocational school graduate students to support the industrial world through national standard digital skills certification.		<ul style="list-style-type: none"> 2,170 registrants 1,397 participants passed certification 421 schools 26 provinces
3.	Indonesia Digital Learning Program	Training Assistance for Increasing Teacher Competency (Training and Certification) through digital technology.		<ul style="list-style-type: none"> 1,148 participants 3 location points








Computer and Internet Assistance for Education



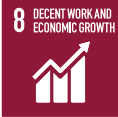
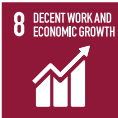
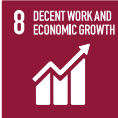






DIGIUP Program

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT

No.	Featured Program	Descriptions	SDGs	Realizations
TJSL Program Focuses on Education				
4.	Empowerment of disabled groups to increase the independence of vulnerable communities	Telkom's commitment to inclusive education through infrastructure assistance and digital talent education for people with disabilities to gain access to education, training, and digital certification to increase capabilities and competencies for job search opportunities. The program is realized through cooperation with the Telkom Education Foundation (YPT).		<ul style="list-style-type: none"> • 980 people with disabilities • 6 location points
				
Educator Quality Improvement Training Program		Educational Skills Training and Learning Program for Disabilities		

No.	Featured Program	Descriptions	SDGs	Realizations
TJSL Program Focuses on the Environmental Sector				
1.	Reduction of e-waste through digital device recycling (EDUVICE)	Activities/efforts to help reduce Electronic Waste, which has the potential to contain B3 Waste, within the Company environment (including those owned by employees), which are successfully managed well and then distributed to beneficiaries.		<ul style="list-style-type: none"> • 230 electronic devices • 480 beneficiaries
				
Implementation of the EDUVICE Program				

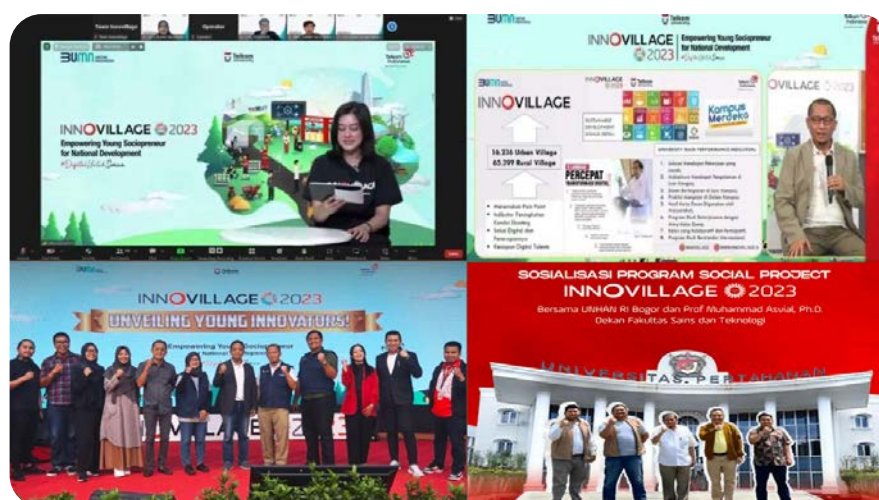
No.	Featured Program	Descriptions	SDGs	Realizations
TJSL Program Focuses on the Environmental Sector				
2.	Integrated Waste Management Solutions and Circular Economy Development	Initiate the development of integrated waste management using a recycling and circular economy approach into economically valuable products that can produce social, environmental, and economic benefits for the community, which are strengthened by the integration of digital platforms to facilitate access to TPS service information.		<ul style="list-style-type: none"> • 900 kgs of managed waste • 700 kgs of recycled waste • Rp2 million per month of circular economy income
3.	Reducing the effect of greenhouse gases through the planting of mangroves and coral reefs	Telkom mangrove conservation and coral reef transplant rehabilitation as an effort to reduce greenhouse gas effects.		<ul style="list-style-type: none"> • 45,500 mangrove plantings • 3,920 coral reef substrates
4.	Handling Climate Change through restoration and conservation of fostered forests	Environmental ecosystem improvement initiative by Telkom as an effort to restore and protect forests that have been damaged or lost in synergy with institutions/communities that care about and have an environmental culture.		<ul style="list-style-type: none"> • 62,150 tree seedlings/62 ha • 10 location points
<div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;">  <p>Coral Reef Conservation Assistance</p> </div> <div style="text-align: center;">  <p>Built Forest Conservation</p> </div> <div style="text-align: center;">  <p>Assistance for Revitalizing Waste Management Infrastructure</p> <p>Mangrove Conservation Assistance</p> </div> </div>				

No.	Featured Program	Descriptions	SDGs	Realizations
TJSL Program Focuses on MSE Development				
<p>The TJSL MSE Development Program is implemented by distributing MSE Funding Program funds, and MSE Development Program grants through a 3C approach, namely access to capital, competence, and commerce. Through this program, Telkom supports strengthening the capacity of assisted MSEs to contribute to national economic growth and create added value for the Company. The realization of the implementation of the MSE Development Program in 2023 is as follows:</p>				
1.	Increasing MSEs access to Financial Services (Access to Capital)	Telkom distributes the MSE Funding Program as working capital and to increase the business capacity of the MSEs it supports. It assisted MSEs operating in various business sectors, such as industry, trade, livestock, plantations, fisheries, agriculture, services, etc.		Rp20 billion distribution of PUMK funds through BRI collaboration
2.	Strengthening MSE Business Capacity through coaching of Go Modern and Go Digital (Access to Competence)	Product Quality Improvement Program and digitalization of MSE businesses through assistance in obtaining permits, business training, making product packaging, and offline exhibition events to increase sales, expand markets, and increase the operational efficiency of MSEs.		<ul style="list-style-type: none"> • 11,180 Go Modern MSEs • 10,844 Go Digital MSEs • 2,107 Halal & PIRT Certifications • 4,578 NIB
3.	Penetration of digital and global market access: online marketplace, and virtual expo (Access to Commerce)	Program to increase online sales and global markets through e-commerce training, Business Matching, and Go Global training to increase the competitiveness of MSEs in domestic and global markets.		<ul style="list-style-type: none"> • 4,060 Go Online MSEs • 22 Go Global MSEs
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Rumah BUMN Tual Issuance of NIB for 49 Business Actors in Loon Village, Southeast Maluku</p> </div> <div style="text-align: center;">  <p>Rumah BUMN Malang Digital Marketing Soft-skills Training RB Telkom Chapter 8</p> </div> <div style="text-align: center;">  <p>Rumah BUMN Batam Training for Creating Instagram Business with MSMEs</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">  <p>Rumah BUMN Simalungun Training Go Online Digitalisasi x Tokopedia</p> </div> <div style="text-align: center;">  <p>Johor International Islamic and Halal Festival</p> </div> <div style="text-align: center;">  <p>China Expo</p> </div> </div>				

REALIZATION OF THE COMPANY'S CREATING SHARED VALUE PROGRAM

Creating Shared Value (CSV) is a strategic step taken by Telkom to contribute to efforts to resolve social and economic problems and improve the social welfare of society. In 2023, Telkom will implement CSV through 2 (two) programs, namely:

No.	CSV Programs	Descriptions	Social Benefit	Business Benefit	Realizations
1.	Student social project competition: 'Innovillage'	'Innovillage' is a digital talent development event to encourage the nation's digital capability and adoption rate through sociodigipreneurship incubation as a form of synergy between industry and universities in improving students' digital capabilities, which has an impact on social improvement for the community while producing digital talent as input to meet the needs of the digital industry.	Potential for increasing the socio-economic benefits of the community at the location where the social project is implemented	<ul style="list-style-type: none"> - Telkom has an inventory of applicable digital solutions to be developed to market validation - Telkom has Company Digital Talent Pool profiling 	<ul style="list-style-type: none"> • 2,385 registrants • 795 social project proposals • 101 colleges • 163 social projects funded • 27 provinces distributed social projects funded • 85 districts or cities with social projects funded • 489 Digital Talent Candidates



Implementation of Innovillage 2023

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT

No.	CSV Programs	Descriptions	Social Benefit	Business Benefit	Realizations
2.	Utilization of Digital Platforms for MSEs	Telkom initiated digitalization solutions for MSE business activities through application and digital platform utilization and product commercialization through digital e-commerce.	<ul style="list-style-type: none"> - Encouraging digital literacy of MSEs towards increasing user adoption of digital service utilization - Helping MSEs innovate to develop businesses quickly to be applied independently - Encouraging MSEs to advance to class through the implementation of digitalization 	<ul style="list-style-type: none"> - Increase the number of subscribers and user traction on digital platforms for MSEs - Increase usage digital connectivity 	<ul style="list-style-type: none"> · 14,926 MSEs Class Up (Cluster 4 Go) · 2,354 registered users for indibizPay · 3,151 PaDi UMKM registered users · 400 SSL IndibizNet



PaDi UMKM and Online Shop Training



indibizPay Training

COLLABORATION TJSL PROGRAM REALIZATION

Telkom also contributes to the TJSL Collaboration Program with BUMN and other parties which will be implemented in 2023, including:

No.	Programs	Program Realization	Participants
1.	Environmental Collaboration Program	Community empowerment program in the village at the foot of Mount Raung District Banyuwangi, East Java, helps provide micro-hydro electrical energy by utilizing potential sources of water flow energy in rivers. Apart from that, training is also offered in the maintenance, control, and management of PLTMH from technical and economic aspects, as well as entrepreneurship training to the community so that they can develop productive business opportunities such as the production of cassava chips, dragon fruit jam, porang cultivation, and Edutourism.	Telkom, Perhutani, and ITS
2.	Educational Collaboration Program	A collaborative collaboration program between Telkom & Biofarma that aims to improve the quality and digital competence of educators or teachers in the era of massive technology so that it is helpful in learning and teaching activities in schools that it is hoped that it can improve the quality of education in Indonesia as a whole. Implementation of this program is spread across three districts in West Java Province.	Telkom, Biofarma, and PGRI






Evidence of Environmental Collaboration Program






Evidence of Educational Collaboration Program

No.	Programs	Program Realization	Participants
3.	MSEs Development Collaboration Program	<p>1. Karya Nyata Festival</p> <p>The Collaboration Synergy Program between SOEs organized by Telkom BUMN House is supported by the SOE Foundation and 13 other SOEs, which aims to develop MSEs to expand marketing and a place for Millennial talents to contribute to Indonesia's development actively. They are organized in South Tangerang to enliven the 78th Indonesian Independence Day.</p> <ul style="list-style-type: none"> · Number of Participating SMEs: 62 SMEs · Number of Visitors: 10,100 people · Number of Products Sold: 7,472 products · Total Transaction Amount: 105,635,000 <p>2. ErgaPods</p> <p>The MSE development program was carried out by Telkom BUMN House by helping the fostered MSEs increase marketing access by providing offline MSME Booths located at KM 88A Cipularang Toll Road – Kab. Purwakarta, West Java, so the fostered MSEs can experience increased sales of their products.</p>	<p>Telkom, Telkomsel, BNI, Pertamina, AP2, Mandiri, BRI, BSI, PELNI, PNM, Pelindo, HK, Jasamarga, and SOEs Foundation</p> <p>Telkom and Jasamarga</p>



Evidence of PUMK Collaboration Program: ErgaPods



Evidence of PUMK Collaboration Program: Karya Nyata Festival

MSE DEVELOPMENT PROGRAM

In 2023, the Ministry of SOEs issued Regulation of the Minister of State-Owned Enterprises of the Republic of Indonesia Number: PER-1/MBU/03/2023 regarding Special Assignments and Social and Environmental Responsibility Programs of State-Owned Enterprises which revoked and replaced Regulation of the Minister of SOEs Number PER-05/MBU/04/2021 regarding Social and

Environmental Responsibility Programs of State-Owned Enterprises as amended by Regulation of the Minister of State-Owned Enterprises Number PER-6/MBU/09/2022 regarding Amendments to Regulation of the Minister of SOEs Number PER-05/MBU/04/2021 concerning Social and Environmental Responsibility Programs of State-Owned Enterprises. Referring to the regulation, as part of SOE, Telkom helps the Government to develop the local economy by the 8th SDG, namely Decent Work and Economic Growth, through the MSE Development program as follows:

1. **Access to Capital: Capital Assistance Program for MSE Business Acceleration**

Implementing the distribution of the MSE Funding program of Rp20 billion through a cooperation mechanism with BRI as a recommended SOE by letter S-721/MBU/11/2022, and Telkom Stopping the activities of independently distributing the MSE Funding program to partners/fostered MSEs and focusing on collection and MSE coaching programs.

2. **Access to Competence: MSE Coaching/Guidance Program in terms of modernization of MSE internal business processes**

Digitalization of MSE business activity solutions through digital platforms: as an application toolset to solve the end-to-end business process needs of MSEs through the Go Modern and Go Digital programs.

3. **Access to Commerce: MSE Guidance Program in access to a broader market**

Acceleration of MSE product promotion through marketplaces and virtual expos to increase MSE market access to consumers without having to open physical outlets through the Go Online and Go Global programs.

4. **Moneva Collection**

Optimizing the monitoring and billing teams and socializing with foster partners on how to pay through virtual bank accounts.

MSE FUNDING PROGRAM

The MSE (Access to capital) Funding Program aims to increase the income of Micro and Small Enterprises (UMK) through providing assistance in the form of capital loans with a relatively low level of administrative services. The management of this program is also strengthened by the digitalization process, making it easier for MSEs to access loan applications as well as obtain information and monitoring and installment history.

In 2023, Telkom distributed funds amounting to **Rp20 billion**. The amount of funds disbursed decreased by 91.57% compared to last year due to adjusting the distribution mechanism by SK-721 KBUMN.

FUND DISTRIBUTION EFFECTIVENESS OF THE MSE FUNDING PROGRAM

The level of effectiveness in distributing PUMK Program funds in 2023 will reach **8.00%** (score 1) of available funds, with a target set at **90%**. This achievement has been consistent in the last three years as a manifestation of Telkom's commitment to empowering the national MSE sector.

Effectiveness of Distribution of Telkom Partnership Program Funds

Partnership Program	Unit	2023	2022	2021
Amount of Funds Disbursed	Rp billion	20.00	237.52	124,76
Amount of Funds Available	Rp billion	249.73	238.35	125
Level of Effectiveness of Funding	%	8.00	95.11	96,68
Funding Effectiveness Level Score		1	3	3

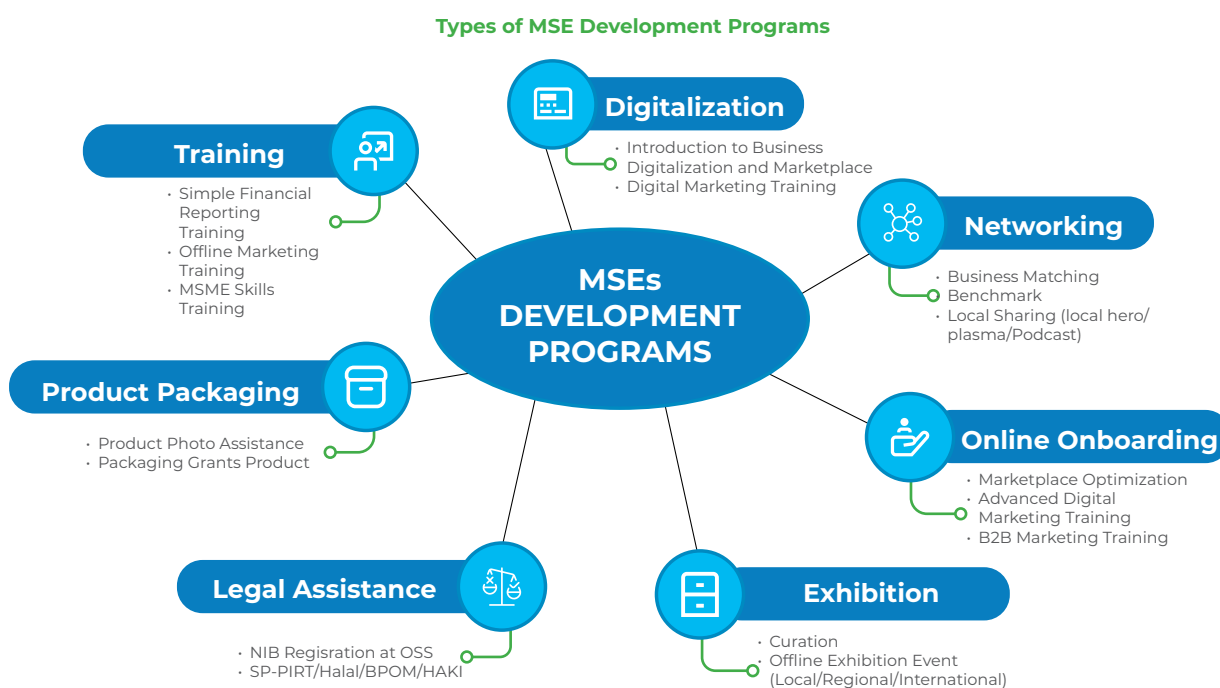
COLLECTIBILITY OF MSE FUNDING PROGRAM REFUNDS

Realization of collectibility of refunds for the Telkom MSE Funding Program in 2023 reached **60.29%** (score 2), with a collectibility target of **60%**. Consistent performance in the last three years shows Telkom's success in managing MSE Funding Program loan funds.

Partnership Program Refund Collectibility

Collectibility	Unit	2023	2022	2021
Collectibility Percentage	%	60.29	76.07	74.82
Score		2	3	3

MSE DEVELOPMENT PROGRAMS



Telkom encourages MSEs to upgrade by increasing the capacity of MSEs and digitalization through the Go Modern, Go Digital, Go Online, and Go Global programs, as well as various activities to increase the productivity of Assisted MSEs. In 2023, Telkom also included Assisted MSEs in multiple activities, such as Trade Mission Singapore in collaboration with KADIN, the 20th China-ASEAN Expo, the Islamic and Halal Festival between Johor Malaysia, Packaging Festival 2023, and the SMEs Hub of the 42nd ASEAN Summit to introduce products and increase the level of MSEs in Indonesia with export activities abroad. In addition, the MSE Development Program is also carried out to improve the competence of MSEs through Mindset, Skillset, and Toolset Training and assist MSEs in obtaining business certifications and licenses.

Achievements of the 2023 MSE Development Program

No	Program Type	Achievement of Fostered MSE
1.	Go Modern MSEs	11,332
2.	Go Digital MSEs	10,968
3.	Go Online MSEs	4,060
4.	Go Global MSEs	22
5.	Certifications (Halal and PIRT)	2,107
6.	NIB Assistance	3,515
7.	Mindset Training	4
8.	Skillset Training	274
9.	Toolset Training	1,028

DISTRIBUTION EFFECTIVENESS OF SOCIAL AND ENVIRONMENTAL RESPONSIBILITY PROGRAMS

Telkom targets in 2023 to distribute 100% of the TJSL Program funds from the budget allocation of **Rp136 billion** (including MSE development). The budget realization achieved in 2023 was **Rp134.94 billion** or **99.22%** of the budget allocation.

Effectiveness of Telkom's Social, Economic, and Environmental Empowerment Program Distribution of Funds

Community Development Program	Unit	2023	2022	2021
Amount of Funds Disbursed	Rp billion	134.93	124.78	124.76
Fund Allocation Available	Rp billion	136	125	125
Level of Effectiveness of Funding	%	99.22	99.82	99.80

BUDGET ALLOCATION OF SOCIAL AND ENVIRONMENTAL RESPONSIBILITY PROGRAM

Based on the provisions of the Ministry of SOEs, the budget allocation for the TJSL Program is part of the budget calculated as the Company's costs or setting aside a portion of the Company's net profit in the previous fiscal year. The total TJSL budget decreased from **Rp355 billion** in 2022 to **Rp293.5 billion** in 2023. This decrease is due to the budget allocation for the MSE Funding Program through cooperation with BRI being smaller than the budget for independent distribution in the previous year.

Budget Allocation for Telkom's Social and Environmental Responsibility Program

No.	Program Type	Changes	2023	2022	2021
		%		Rp billion	
1.	MSE Funding Program	-31.5%	157.5	230	220
2.	Social and Environmental Responsibility Program	8.8%	136	125	125
	Total Number	-17.32%	293.5	355	345

FINANCIAL STATEMENT

STATEMENT OF FINANCIAL POSITION (Rp)	
ASSETS	
Current Assets	
Cash and Cash Equivalents	172,397,845,349
Loans to Fostered Partners after deducting allowance for impairment losses amounting to Rp65,467,649,369	125,662,508,521
Total current assets	298,060,353,870
Non current assets	
Distribution of loans to SOEs/Distributing Institutions	20,000,000,000
Troubled loans after deducting allowance for impairment of Rp305,394,729,086	-
Total non current assets	20,000,000,000
TOTAL ASSETS	318,060,353,870
LIABILITIES AND NET ASSETS	
LIABILITIES	
Current Liabilities	
Payables and other current liabilities	391,498,832
Overpayment of Installments	236,965,753
TOTAL LIABILITIES	628,464,585
NET ASSETS	
Without restrictions from resource provider	317,431,889,285
With restrictions from resource provider	-
TOTAL NET ASSETS	317,431,889,285
TOTAL LIABILITIES DAN NET ASSETS	318,060,353,870

STATEMENT OF COMPREHENSIVE INCOME (Rp)	
WITHOUT RESTRICTIONS FROM RESOURCE PROVIDER	
REVENUES	
Loan Administration Service Income	8,264,381,189
Interest Income	1,471,296,836
Other Income	8,053,620
TOTAL REVENUES	9,743,731,645

**CORPORATE SOCIAL
RESPONSIBILITY AND ENVIRONMENT**

INCOME (EXPENSES)	
Recovery/(Allowance) for Impairment of Loan	4,019,102,201
Other Income/(Expenses)	(346,206,901)
TOTAL INCOME/(EXPENSES)	3,672,895,300
SURPLUS	13,416,626,945
WITH RESTRICTIONS FROM RESOURCE PROVIDER	-
OTHER COMPREHENSIVE INCOME	-
TOTAL COMPREHENSIVE INCOME	13,416,626,945

STATEMENT OF CHANGES IN NET ASSETS (Rp)	
NET ASSETS	
WITHOUT RESTRICTIONS FROM RESOURCE PROVIDER	
Beginning balance	304,015,262,340
Surplus	13,416,626,945
Ending balance	317,431,889,285
Other comprehensive income	-
Total	317,431,889,285
WITH RESTRICTIONS FROM RESOURCE PROVIDER	-
TOTAL NET ASSETS	317,431,889,285

STATEMENT OF CASH FLOWS (Rp)	
OPERATING ACTIVITIES	
Loan repayments from Foster Partners	171,333,881,031
Payment Loan	(2,700,000)
Acceptance of Loan Administration Services	8,045,335,305
Interest Income	1,471,296,836
Distribution of Loan Funds to Fostered Partners	-
Distribution of SOEs Collaboration Loans	(20,000,000,000)
Return of Excess Installments to Fostered Partners	(49,387,428)
NET CASH FLOWS RECEIVED TO OPERATING ACTIVITIES	160,798,425,744
INCREASE IN CASH AND CASH EQUIVALENTS	160,798,425,744
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	11,599,419,605
CASH AND CASH EQUIVALENTS AT END OF YEAR	172,397,845,349

DIGITALIZATION OF MSE MANAGEMENT

Starting 2021, Telkom implemented digitalization of integrated MSE Funding Program management through the UKM Access application, making it easier for MSEs to access all MSE services provided by Telkom and the loan application process for MSEs became easier and faster. Apart from that, digital management also makes it easier for Telkom to monitor loan repayments.

Furthermore, in 2022, Telkom has re-engineered the UKM Access application by dividing the application specifically for TJSL Managers through New Smart Survey and specifically for Foster Partners through UKM Access Reborn. Telkom also migrated the CDC Dashboard from the Extract Transform Load (ETL) mechanism to become a machine to machine mechanism through the Application Programming Interface (API) which is integrated with SIMPKBL in real time. In addition, Telkom CDC developed the Satu Data UKM platform to create a comprehensive profile of Telkom-assisted MSEs based on personal data profiles and business data, which is expected to help Company determine and offer the right TelkomGroup products for MSEs.

CSR ACTIVITIES SUCCESS PARAMETERS

The success of Telkom's TJSL Program activities is measured using the Community Satisfaction Index (IKM), Net Promoter Score (NPS), and Social Return on Investment (SROI) methods. Telkom's CSR (TJSL) Index measurement in 2023 will reach 83.84%, which shows that Telkom's CSR activities are in the good category or strong level and have a positive influence on the Company's image. This is due to an increase in the perception of assisted MSEs/beneficiaries and the surrounding community regarding Telkom's CSR program, especially in the Corporate Governance & Economic Responsibility.

Then, the Net Promoter Score (NPS) is used to measure the success of social responsibility towards society and identify the level of community motivation to promote Telkom products and services. The NPS measurement results in 2023 reached 56, showing a positive value from the public's perspective in recommending Telkom products.

Meanwhile, Social Return on Investment (SROI) is used to measure the beneficial impact of the TJSL Program. In 2023, measurements were carried out on 4 priority programs in the fields of Environment, Education and MSE Development with an average value **2.01** from the target of > 1.5. This shows that every rupiah invested in the TJSL Program provides a return in the form of a social beneficial impact of more than 1 Rupiah.

AWARDS OF TJSL PROGRAM 2023

Events	Awards	Providing Agencies/ Intitutions
Penghargaan Transparansi dan Penurunan Emisi Korporasi 2023	<ul style="list-style-type: none"> Transparency in Corporate Emission Reduction in Green Category Transparency in Corporate Emission Calculations in Gold Category 	Bumi Global Karbon Foundation (BGK Foundation) in collaboration with B-Universe Investor Magazine
Indonesia Best Workplace for Women Award 2023	Best Workplaces for Women 2023 in Providing Women Employee Welfare Facilities, Category Telecommunications, and Internet Provider	HerStory.co.id
Asia-Pacific Climate Leaders Award 2023	Asia-Pacific Climate Leaders Award 2023 in Action Category for the Internet Service Provider Sector	Financial Times & Statista
HR Excellent Awards 2023	<ul style="list-style-type: none"> CSR Category – Silver Awards Employee Volunteerism Category – Gold Awards 	Human Resource Online Singapore
The International CSR Excellent Awards	Best CSR Excellence Concept	The Green Organization UK
International Business Awards	Gold Winner in the Education Sector Category	The Asia-Pacific Stevie Awards
BUMN Corporate Communication and Sustainability Summit (BCOMSS)	CID Education Category as Gold Winner	Ministry of SOE
Padmamitra Award	Gold Winner in Educational Empowerment Category	CSR Indonesia Forum
Bisnis Indonesia Corporate Social Responsibility Award (BISRA) 2023	Gold in the Economic Pillar Category	Bisnis Indonesia Group
CSR IDX Channel Award	Best Program in Environmental Development Initiatives Category	IDX Channel
B-Universe Award	Best Program in Economic SCR Initiatives Category	B-Universe
Katadata Green Initiative Awards 2023	Katadata Green Initiative Awards 2023 Transportation/Technology Sector	Katadata Insight Center