Moores Rowland

INDEPENDENT ASSUROR REPORT

OF PT DHARMA SATYA NUSANTARA Tbk
SUSTAINABILITY REPORT

For The Year 2022

No. of Report	**:**
Date	**: June 30, 2023**

TABLE OF CONTENTS

Jakarta, June 30, 2023

No. : ....

Subject : Report of the Independent Assuror for Sustainability Reporting PT Dharma Satya Nusantara Tbk year 2022

To
Board of Directors
PT Dharma Satya Nusantara Tbk
Plaza Mandiri
Jl. Jendral Gatot Subroto Kav. 36-38
Jakarta 12190

Dear Sir/Madam,

In accordance with Assurance of Sustainability Report 2022, we hereby submit our report on the Sustainability Reporting of PT Dharma Satya Nusantara Tbk (DSNG) for the year 2022.

The results of our Assurance Process, indicate that there were no material errors or deviations in the DSNG Sustainability Report 2022.

More detailed descriptions and explanations of the results of this Assurance are contained in the Report of the Independent Assuror, which we attach herewith.

In conclusion, we would like to express our appreciation to the Board of Directors of PT Dharma Satya Nusantara Tbk for their cooperation and assistance in enabling us to carry out our Sustainability Assurance Service.

Yours very truly,

PT Moores Rowland Indonesia

James Kallman
Chief Executive Officer

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ASSURANCE STATEMENT

Moores Rowland

Independent Assurance Statement
Report No. 0623/BD/0044/JK

To the Management of PT Dharma Satya Nusantara Tbk,

We were engaged by PT Dharma Satya Nusantara Tbk ('DSNG') to provide assurance in respect to its Sustainability Report 2022 ('the Report'). The assurance engagement was conducted by a multidisciplinary team with relevant experience in sustainability reporting.

Independence

We carried out our assurance with independence and autonomy having not been involved in the preparation of any key part of the Report, nor did we provide any services to DSNG during 2022 that could conflict with the independence of the assurance engagement.

Assurance Standards

Our work was carried out in accordance with ISAE3000 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan, and perform, the assurance engagement to obtain limited assurance.

Level of Assurance

By designing our evidence-gathering procedures to obtain a limited level of assurance based on ISAE3000, readers of the Report can be confident that all risks or errors have been reduced to a very low level, although not necessarily to zero.

Scope of Assurance

The scope of our work was restricted to the following selected information:

- Gender equality
- Training development
- Occupational health and safety
- Energy management
- Deforestation and biodiversity.

Responsibility

DSNG is responsible for the preparation of the Report and all information and claims therein, which include established sustainability management targets, performance management, data collection, etc. In performing this engagement, our responsibility to the management of DSNG is solely to verify the statements it has made concerning its sustainability performance, specifically as described in the selected information, and expressing our opinion on the conclusions reached.

Methodology

In order to assess the veracity of certain assertions and specified data sets included within the Report, as well as the systems and processes used to manage and report them, the following methods were employed during the engagement process:

- Review of the Report, internal policies, documentation, management and information systems;

- Interviews of relevant staff involved in sustainability-related management and reporting
- Data trails to the initial aggregated source, to check samples of data to a greater depth

Limitations

Our scope of work was limited to a review of the accuracy and reliability of selected sustainability performance-related information. It was not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement was not performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Conclusions

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Report has not been properly prepared and presented, in all material respects.

All key assurance findings are included herein, while detailed observations and follow-up recommendations have been submitted to DSNG management in a separate report.

Jakarta, June 16, 2023

James Kallman
Chief Executive Officer

Moores Rowland is an international organization specializing in audit, accounting, tax, legal and advisory services. Moores Rowland is a member of Praxity AISBL, the world's largest Alliance of independent and unaffiliated audit and consultancy companies.

With more than 65,000 professionals operating in 120 countries across the globe, each sharing the same values and sense of responsibility, Praxity is served by Moores Rowland in Indonesia, one of the leading sustainability assurance providers.

INDEPENDENT ASSUROR REPORT

INDEPENDENT ASSUROR REPORT

1. INTRODUCTION

PT Moores Rowland Indonesia (MRI) was commissioned by PT Dharma Satya Nusantara Tbk (hereinafter referred to as "DSNG") to implement Sustainability Reporting Assurance services on their Sustainability Report of 2022 (hereinafter referred to as the "Report").

Moores Rowland is a different player in audit and assurance, accounting, tax, legal, advisory and sustainability services in Indonesia, offering flexible, tailored solutions for multinational firms, large national firms and SMEs, as well as government organizations, donor agencies and non-governmental organizations (NGOs). Moores Rowland is a member of Praxity AISBL, the world's largest Alliance of independent and unaffiliated accounting and audit firms. This global alliance allows us to access the skills and expertise of some 16,500 professionals in 120 countries around the world, all of whom are committed to the same high ethical standards and technical skills. In Asia, we provide services for clients in China, India, Indonesia, Japan, Korea, Malaysia, Pakistan, Philippines, Singapore, Thailand and Vietnam.

In our Jakarta and Bali offices, we have 284 highly skilled and dedicated professionals, serving a wide range of multi-sector clients that include:

- Large Indonesian Companies: 30 listed clients that at times account for more than 50% of the daily trading volume on the Indonesia Stock Exchange
- SMEs, subsidiaries of large international groups
- NGOs, government organizations, bilateral and multilateral aid agencies

Moores Rowland is a promoter of the whole concept of sustainability reporting with a proven track record of providing consultancy as well as training to both business executives and government officials on what responsible sustainability reporting actually entails. Moores Rowland is also licensed as an assurance provider by Accountability (UK).

Moreover, from our established links within Praxity, we draw on the experience and expertise of our counterpart professionals around the world, thus offering a wealth of advantages, particularly for companies such as DSNG with a global footprint.

2. COMPETENCE, INDEPENDENCE AND RESPONSIBILITY

2.1. Competence

The assurance process was carried out by the MRI assurance team whose members come from a variety of educational backgrounds and have extensive experience in Sustainability Assurance, consisting of:

1. **James Kallman**; (Engagement Leader): Practising American Certified Public Accountant (ACPA) with 28 years of experience in the field of audits.
2. **Ali Rahmadi** (Technical Advisor): Holds a Master's Degree, with more than 22 years of experience as an auditor and consultant in various industries including banking, manufacturing and oil, plus the audit projects of international donor agencies, and is a

Certified Sustainability Reporting Specialist (CSRS), Certified Sustainability Reporting Assurer (CSRA) and GRI Standards Certified Trainer.

3. **Dendi Trisnadi** (Manager): Holds a Bachelor's Degree, with more than 15 years of experience as a consultant and auditor. Dendi is a Certified Sustainability Reporting Specialist (CSRS) and is GRI Standards Training Course Certified.

4. **Ade Irma Kurnia** (Team Member): Holds a Bachelor's Degree, with seven years of experience as a consultant and auditor and is GRI Standards Training Course Certified.

2.2 Independence

The assurance process was conducted independently. With the exception of providing specific comments on the Report and recommendations for improvements, as part of the assurance process, MRI was not involved in the commissioning of the DSNG report.

MRI had no relations with DSNG over the period of 2022 that could lead to conflicts of interest, or endanger its independence in the provision of assurance services.

2.3 Responsibility

DSNG is responsible for all the information and statements (assertions) contained in the Report, including establishing performance targets for sustainability and corporate social responsibility (CSR), as well as data collection and Report preparation.

MRI's responsibility in providing the assurance, which is addressed to the management of DSNG, is to verify the Report, especially in relation to the sustainability performance information agreed between MRI and DSNG, as stated in the scope of work. As assuror, MRI's responsibility is to express its conclusions based on the assurance process.

3. SCOPE, METHODOLOGY AND RESTRICTIONS

3.1 Scope

Our scope of work was to assess the accuracy and quality of sustainability performance information contained in the report, which includes:

- Occupational health and safety
- Energy management
- Deforestation and biodiversity
- Gender equality and training development

3.2 Methodology

In conducting our assurance process, we used a variety of approaches to assess the claims, assertions, and the data presented in the Report in accordance with the scope agreed for this assurance assignment. We also assessed the systems and procedures for managing and reporting the data. The methods we applied include:

- Reviewing reports, policies, documentation and management information systems

- Conducting face-to-face interviews with members of the staff/officials associated with the management of sustainability

- Testing data and supporting documents on a random basis.

3.3 Restrictions

- The scope of the assurance carried out was restricted to a review of the reliability and accuracy of the data provided by conducting face-to-face interviews with DSNG staff responsible for the preparation and processing of the data, including staff related to the sustainability performance information.

- We did not make any visits to DSNG's field of operations to perform data validation on the Bank's sustainability performance.

4. STANDARD AND LEVEL

The assurance was implemented in accordance with ISAE3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information," issued by the IAASB.

We carried out the assurance at a limited level in accordance with ISAE3000. The level aims to satisfy users of the Report that any risk and errors therein have been reduced to as low a level as possible, but not that the statements are necessarily free from all risk or error.

5. FINDINGS AND RECOMENDATIONS

We evaluated the reliability of the data and specific sustainability performance information that has been defined in the agreement for the provision of assurance services. The detailed findings and recommendations are shown in Appendix 1.

The specific sustainability performance information is that which we have agreed with DSNG for inclusion in the scope of the assurance process.

Data and specific information covers the following areas:

- Occupational health and safety
- Energy management
- Deforestation and biodiversity.
- Gender equality and training development

Selection of the specific information is based on the consideration of the materiality and assumed usefulness for the various parties using this Independent Assurance Report.

Conclusion

Based on the assurance process we carried out in respect to the specific information, we did not find any material misstatement or deviation in DSNG's Sustainability Report for the year 2022.

PT Moores Rowland Indonesia

James Kallman
Chief Executive Officer

LIST OF FINDINGS & RECOMMENDATIONS

Appendix 1: List of Finding and Recommendation

1. Process to determine material topics

Findings

Based on our review to determine the required material topics, DSNG implemented the following four steps:
1. Identification
2. Prioritization
3. Validation
4. Approval

However, the information provided regarding the material topics process is not yet in accordance with GRI 3: Material Topics and GRI 3-1.

Recommendation

As the Report was prepared in accordance with GRI Standards 2021, in determining material topics under GRI 3: Material Topics, it is required to:
1. Understand the organization's context
2. Identify actual and potential impacts
3. Assess the significance of the impacts
4. Prioritize the most significant impacts for reporting

DSNG also should also explain its material topics determination process as required by GRI 3-1:
1. How it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships;
2. How it has prioritized the impacts for reporting based on their significance.

Management Response

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2. Reporting in accordance with GRI Standards 2021

Findings

DSNG disclosed that their Report was prepared "in accordance with the GRI Standards" on page 20 and DSNG also disclosed its GRI content index on page 110-112. However, the format of the GRI content index is not yet in accordance with GRI Standards 2021.

Recommendation

We recommend DSNG prepare the format of its GRI content index as required by GRI 1: Foundation 2021 regarding reporting in accordance with GRI Standards 2021, as follows:

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details		*A gray cell indicates something that does not apply. This only relates to the 'Omission' and 'GRI Sector Standard ref. no.' columns.*			
	2-2 Entities included in the organization's sustainability reporting					
	2-3 Reporting period, frequency and contact point					
	2-4 Restatements of information					
	2-5 External assurance					
	2-6 Activities, value chain and other business relationships					
	" "	" "	" "	" "	" "	
	2-30 Collective bargaining agreements					
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics					
	3-2 List of material topics					
[Material topic]						
GRI 3: Material Topics 2021	3-3 Management of material topics					
[Title of source]	[Disclosure title]					
" "	" "	" "	" "	" "	" "	" "
[Material topic]						
GRI 3: Material Topics 2021	3-3 Management of material topics					
[Title of source]	[Disclosure title]					
" "	" "	" "	" "	" "	" "	" "

Topics in the applicable GRI Sector Standards determined as not material	
TOPIC	EXPLANATION
[Title of GRI Sector Standard]	
[Topic]	[Explanation]
[Topic]	[Explanation]

Management Response

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3. GRI Standards 2021 review on selected sustainability information

Findings and Recommendations

Based on our review for general disclosures and topic specific disclosures (selected sustainability information), our recommendations are as follows:

GRI Standards	Page	Disclosures	Recommendation
GRI 2: General Disclosures	32	2-6 Activities, value chain and other business relationships	The information disclosed is not yet relevant with GRI 2-6. The information required by GRI 2-6 is as follows: 1. The quantity of products or services provided during the reporting period (e.g., number of products or services provided); 2. The types and number of suppliers (e.g., brokers, contractors, wholesalers)
GRI 302: Energi	NA	302-1 Energy consumption within the organization	DSNG disclosed that the information in GRI 302-1 is not available and explained the omission in its GRI content index. However, the GRI content index format is not yet in accordance with GRI Standards 2021. DSNG should prepare the GRI content index as required by GRI. *(Please refer to finding and recommendation no. 2).*
	68	302-5 Reductions in energy requirements of products and services	The information disclosed is not yet relevant to GRI 302-5. DSNG should disclose the information regarding its reduction in the energy requirements of sold products and services as required by GRI 302-5.
GRI 404: Training and Education	87	404-1 Average hours of training per year per employee	DSNG disclosed its information regarding GRI 404-1 with a table of Total New Employees in 2022 by Gender and Age group.

GRI Standards	Page	Disclosures	Recommendation
			Based on our confirmation, the data shows total hours of training, not the average hours of training per year per employee. To be in accordance with GRI 404-1, DSNG should disclose the information of average hours of training per year per employee. *(Please refer to finding and recommendation no. 5.)*
GRI 405: Diversity and Equal Opportunity	86	405-1 Diversity of governance bodies and employees	DSNG disclosed its total new employees by age and gender with the following age categories: 18-30 31-40 41-50 >51. To be well-informed, DSNG should revise the age category >51 to be ≥51, to accomodate employees at the age 51.

2. Presentation of data and information
Chapter: Management of Diversity and Development of Human Resources Competence
Scope: Training development

<u>Finding</u>

In the Management of Diversity and Development of Human Resources Competence section page 86, DSNG disclosed that, "Selama tahun 2022, Perseroan melakukan 4 program Management Trainee untuk mendapatkan dan melatih karyawan baru bertalenta...".

Based on our confirmation and document review, there are three management trainee programs, not four.

<u>Recommendation</u>
To be more accurate, the sentence "...4 program Management Trainee..." should be revised to be "...3 program Management Trainee...".

<u>Management Response</u>
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3. **Presentation of data and information**
Chapter: Management of Diversity and Development of Human Resources Competence
Scope: Training development

Finding

In the Management of Diversity and Development of Human Resources Competence section page 87, DSNG disclosed the following table:

Jam Pelatihan Rata-rata Berdasarkan Gender dan Golongan Karyawan [404-1]

Golongan Karyawan	2022	2021 *	2020 *
Golongan 4 up	45.765	16.812	14.377
Golongan 3 down	18.991	18.264	21.024
SKU	5.752	2.422	3.975
Total	**70.508**	**37.498**	**39.376**

* Data tahun 2021 dan 2020 merupakan data pelatihan di PKS

The title of the table is "Jam Pelatihan Rata-rata berdasarkan Gender"(the average hours of training by gender), however, based on our confirmation, the data in the table is total training hours and not yet categorized by gender.

Recommendation
As required by GRI 404-1, the information that should be disclosed is the average hours of training.

Management Response
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